To capture new insights into observability for next year, New Relic partnered with ETR to forecast annual observability trends. This year, ETR polled 1,000+ respondents to forecast trends across North America (US), Europe (UK) and AsiaPacific (APAC). The respondents were 51% paid users and 49% IT decision makers (ETR firms, including 140 more executives and 40 non-executive managers).

Globally, 56% foresaw their organizations needing observability for next year, up from 44% last year. Top takeaways + insights:

- 83–97% expected observability budget plans for next year
- 70% expected to grow observability plans through budget increases
- 17% expected to divert modernization plans to new observability investments
- 13% expected to reorganize their IT teams

Top use cases

- Developer confidence and code quality improvements
- Migration to Kubernetes
- Synthetic monitoring
- Performance testing
- DevOps and AI

Challenges

- IT performance is adequate.
- Only 35% said their IT performance is adequate.
- 48% primarily learned about observability through multiple monitoring tools.
- 31% primarily learned about observability through manual checks/tests or incident ticket and complaint analysis.
- 21% primarily learned about observability through user feedback and behavior.

Opportunities

- Development and access to new open sources
- 54% increased their teams and are seeking observability for more than three years.
- 53% forecasted their organizations sending more workloads to the cloud in the next three years.
- 44% recognized observability is a requirement for any cloud plan.

Future observability plans

- 44% Kubernetes monitoring
- 42% observability for the public cloud
- 40% DevOps and AI
- 38% synthetic monitoring
- 35% DevOps monitoring

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