

B2B TECH TRENDS REPORT

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"Although B2B companies may believe that their focus on liquidity and other short-term concerns is justified, it could be costly. Our research suggests that companies are more likely to thrive if they act aggressively to capture market share during downturns rather than wait for the recovery to begin. This agility, combined with a focus on customer value and support, often gives companies a first-mover advantage that other players cannot match. First movers during the current crisis could emerge stronger in the next normal."

[Minti Ray](#), [Stefano Redaelli](#), [Damian Rudich](#), and [Andrew Wong](#)

McKinsey & Company

The Big Tech Regulation Question: Following last week's [Congressional antitrust hearing](#), the conversation around [tech regulation](#) has expanded from how it will impact the Big Four competitive landscape to how M&A restrictions may hurt startups. As IPOs become less attainable, M&A has been the motivation for smaller companies to take risks and VCs to fund them. By limiting M&A to promote competition against Big Tech, there are concerns we may in fact see less.

Cloud Budgets See Continued Increase: The [IDG Cloud Computing Survey 2020](#) found that cloud budgets have increased 59% since 2018, reaching \$73.8M in 2020, and are expected to rise even further before 2021. In addition to increased spending, it was reported that 32% of total IT budgets will be allocated to cloud computing in the next year, as enterprises respondents indicate that 92% of their IT environment relies on the cloud.

Google Amplifies Digital Banking Presence: Google added [six banking partners](#) to its digital banking platform, to offer digital checking and savings accounts to U.S. Google Pay users. Google will provide the consumer-facing front-end, while the FDIC-backed partner institutions will hold the accounts. However, Google is differentiating its platform by giving banks a co-branded experience, contributing to the increasingly blurred line between tech and banking.

Remote Work Brings Security Challenges: A new [1Password survey](#) has highlighted poor employee security practices, such as "[shadow IT](#)" and password issues, that are causing challenges internally for remote workforces. One in three IT workers don't fully enforce security policies, while 20% don't consistently adhere to policies, and many IT staffers reported wasting time simply on resetting passwords and tracking app usage.

Executives and Technologists Disagree on AI: While AI continues to be a priority among the C-Suite and technology teams, when things go awry on AI initiatives, perspectives on what went wrong diverge. [When asked about AI challenges](#), technologists were more likely to cite skills and lack of data as the biggest barriers compared to business leaders, who were more inclined to see budgetary issues and the need for more management buy-in.

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