



C-suite barometer: sector view

Technology, media and telecommunications

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Contents

- 4** Foreword
- 6** Executive summary
- 7** Implementing digital agility and data-powered transformation
- 13** Defining international expansion goals
- 16** Driving product and service innovation to stay ahead
- 19** Spotlight on sustainability
- 21** Expectations from current affairs

Foreword

At the end of 2024, we collected the views of leaders worldwide for our annual C-suite barometer. Over 1,700 executives from more than 35 countries contributed, revealing a determination to continue growing amid a more competitive and challenging environment.

The results offer an opportunity to gain first-hand insights into the technology, media and telecommunications (TMT) sector. It identifies the opportunities and challenges leaders in the sector face and what they see as key strategic priorities over the next five years. Sharing such knowledge allows sector players to benchmark their concerns and strategic focus against their peers. At the same time, the results allow us to understand and support our clients in addressing their challenges and helping them achieve their objectives more effectively.

Uncertainty has been the watchword for 2025 so far; geopolitical instability from conflicts in Ukraine and the Middle East has made it increasingly difficult for the TMT sector to predict outcomes that will impact strategic objectives and investment plans.

More recently, President Trump's trade tariffs added further uncertainty to the equation. With the U.S. considered an important global trading partner, this lack of visibility means many companies are having to assess their next steps carefully as they wait to see the economic consequences play out.

Despite these uncertainties, growth projections related to IT transformation needs and the increased use of emerging technologies such as artificial intelligence (AI) and blockchain remain optimistic. There is also the fact that a sector evolving at speed requires continual investment, or players risk being left behind.

Where uncertainty exists more tangibly for the TMT sector is to what extent big tech companies can continue to dominate. In this respect, the role of start-ups is increasingly important as the battle to keep up with evolving social media usage and the demand for connectivity increases.

So, where does the TMT sector go from here? It is clear from this year's C-suite barometer results that optimism is high, with 97% of C-suite leaders in the TMT sector having a positive growth outlook for their businesses in 2025. Despite recent events dampening optimism, the sector must still confront escalating competition and tightening regulations. This also comes at a time when there is difficulty recruiting the talent needed to achieve strategic goals.

It requires maintaining a balanced approach to growth that explores every option. While organic growth is the top source in this year's barometer, overseas expansion, forming strategic alliances, private equity (PE) and mergers and acquisitions (M&A) are further growth options on the table depending on strategic goals, financial resources and appetite for risk.

There is also the issue of keeping up with different overseas regulatory regimes. We have seen antitrust measures leading to more regulatory hurdles for M&A to navigate. TMT companies are also under a lot of government scrutiny over how social media is controlled, data privacy issues and AI governance. While staying close to regulatory discussions helps ensure strategic plans and actions are aligned, anticipating and adopting the highest regulatory standards ensures that products and services remain globally compliant. This helps to provide much-needed agility when overseas growth opportunities arise.

Foreword

It is also possible to leverage regulatory excellence to retain talent and align with customer and investor interests by promoting sustainable, ethical and transparent values. This is an important consideration, particularly as the ethical concerns of past technology remain unresolved when the advent of AI is already raising new concerns.

Taking a deeper dive into the C-suite barometer results, it is perhaps not too surprising that sustainability has fallen down the list of priorities for the TMT sector. While we are seeing some voluntary sustainability audits, there has been an inevitable slowdown in reporting after the initial frenzy to meet compliance deadlines.

At the same time, companies are aware that the focus on sustainability will not go away as it becomes more of a concern for customers and investors are encouraged to prioritise a greener investment pipeline. So, while sustainability is a lower priority for the TMT sector in this year's barometer, investing resources in the ability to comply will continue albeit at a slower pace. As a significant consumer of energy, there will also be an increased requirement for TMT companies to reduce their carbon footprint by exploring more energy-efficient technology infrastructure.

What is increasingly clear is that companies that can highlight compliance with ethical, sustainable and transparent values will be in the driving seat when it comes to having a competitive advantage.

We hope this year's report results and contributions offer valuable insights that help guide strategic actions in what is a dynamic and evolving sector.



Guillaume Devaux
Partner, Head of Technology,
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Forvis Mazars Group

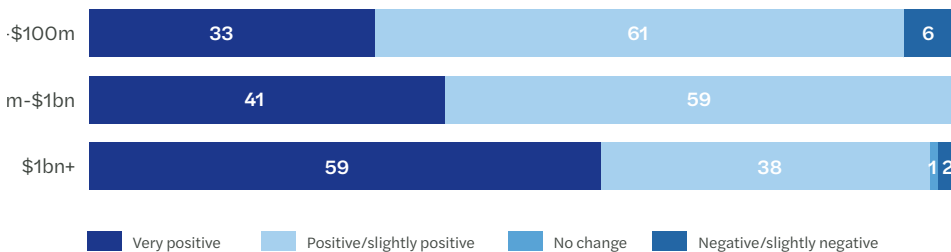


Executive summary

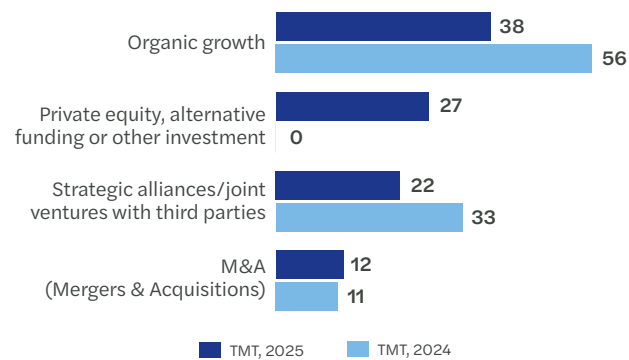
Growth outlook and top sector priorities

97% of TMT executives predict extremely positive growth for businesses in the sector in 2025, five points up from 2024

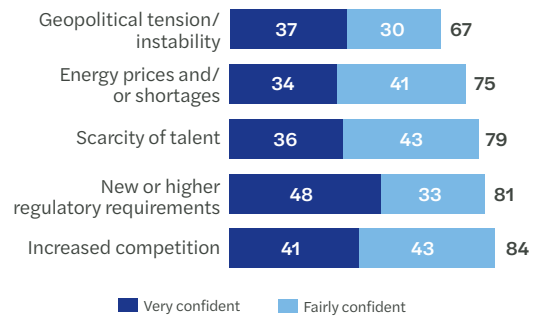
Growth outlook for 2025



Primary growth drivers in 2025



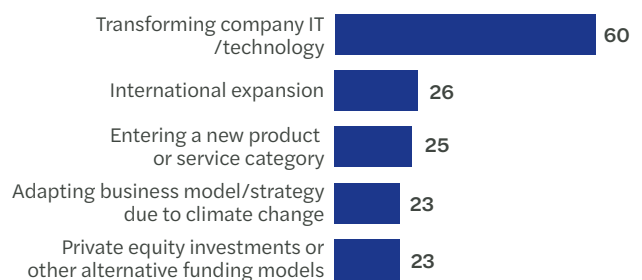
Confidence in navigating industry shifts



Top factors holding back growth



Top five strategic priorities for the C-suite in the next 3-5 years



Implementing digital agility and data-powered transformation



Implementing digital agility and data-powered transformation

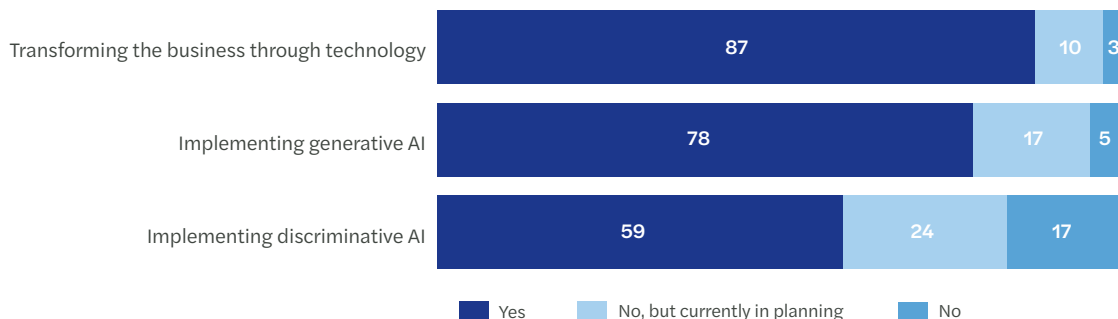
The key to gaining the confidence needed to drive digital agility and data-powered transformation projects forward is to build the foundational components that allow companies to take advantage of the opportunities identified. This includes fostering an environment that supports innovation, encouraging leadership engagement and upholding strong governance practices. In particular, effective oversight and a dedicated focus on compliance obligations help mitigate risks associated with cyber-attacks, ethical concerns and the reputational damage such failures can cause.

Technological transformation is the top priority for the TMT sector, now chosen by 60% of executives and up from 43% in 2024. In terms of importance, financial services executives see efficiency and productivity, security, growth and risk management as key beneficiaries of digital transformation.

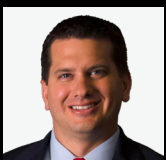
When you examine the drivers of IT transformation, improving efficiency, costs, risk reduction and retention of critical staff are key factors. Notably, using IT transformation to improve efficiency is vital when growing revenues in an uncertain economic and risk-heightened business landscape. Equally, IT transformation can also help retain staff by fostering a culture of innovation. However, for IT transformation initiatives to work effectively, the benefits need to be communicated clearly to achieve buy-in.

TMT executives name their main barriers to digital transformation as security protocols, regulatory compliance, speed and complexity of implementation and limited budgets.

Strategic AI and technology deployment



“As TMT companies navigate global tariffs and geopolitical uncertainty impacting supply chains, they are also having to balance product quality and an increasingly rapid pace of innovation. Boards are actively discussing how the organisation is driving innovation while simultaneously embedding enhanced monitoring and data hygiene to navigate the dynamic landscape.”



Tripp Bacon
TMT, Life Sciences, & Services
Consulting Leader
Forvis Mazars US

Expert view

Breaking down barriers



Breaking down the barriers that stop a company's ability to embark on IT transformation is critical. One of the main barriers is a lack of confidence in scaling pilot projects into enterprise programmes. TMT companies put a lot of human and financial resources into research and development (R&D) to produce successful IT transformation pilot projects. However, projects often become delayed when attempting to scale up due to all the traditional

known challenges around senior sponsorship, poor stakeholder management and inadequate planning. Uncertainty about ethical and compliance questions is not one that dogs traditional transformation projects, but it is a barrier when artificial intelligence (AI) is a core component of the transformation. If confidence in capabilities to roll out new and emerging tech is low, it becomes difficult to move ahead with transformation plans.

“Projects often become delayed when attempting to scale up due to a lack of leadership buy-in or roadblocks at the compliance end.”

While companies often struggle with the fast pace of technological change, it should not be a reason to slow or halt IT transformation plans, particularly if a compelling business case has been established and appropriate technology to support it identified. Also, service-based licensing means the capital requirement associated with refreshing or acquiring new technology does not have to be the significant capital expense it once was.

Operational teams can work on better identifying business value, while the IT function needs to establish the foundations that can provide an

environment to take advantage of new technology. IT should be focused on questions around the future architecture; do current project and change processes need to be updated to account for AI? Also, what is the AI roadmap for key enterprise vendors such as enterprise resource planning (ERP) providers. However, IT also becomes the focal point for control and confidence by ensuring data is not being used to train models without authorisation.

Expert view

Breaking down barriers

Unsurprisingly, TMT sector executives report higher levels of AI usage than others globally for commercial products, services and internal processes. The TMT sector has a stronger focus on internal implementation (85%) than commercial (79%). In addition, TMT sector organisations primarily deploy Generative AI to improve operational agility and excellence and support growth initiatives.

Generative AI deployment goals



A higher proportion of leaders in this sector (58% in TMT vs 49% globally) believe AI will have a “major” impact on their organisation. However, this is down six points from last year and contributes to a seven-point fall globally.

At the same time, the proportion of C-suite leaders in the TMT sector who expect AI to replace jobs in their organisations is down five points since last year. At 41%, expectations align with other sectors that see the value in having both human expertise and technological advances.

Overcoming barriers to IT transformation is crucial for TMT companies aiming to scale pilot projects into enterprise-wide initiatives. By proactively addressing challenges, organisations can enhance their confidence in deploying emerging technologies like AI. This strategic approach both mitigates risks and positions companies to leverage technological advancements effectively, ensuring sustained growth and competitive advantage.

“It is also about investing in systems that can be integrated and are scalable to take advantage of potential technological advancements down the road, rather than getting sidetracked by the latest AI trend.”



Liam McKenna
Partner
Forvis Mazars, Ireland

Expert view

Focus on education and AI limitations



Education is also key to implementing new and emerging technology, such as AI. For IT transformation to be business-driven, there needs to be greater understanding from those responsible for the profitability of the business on how and which new technology can be deployed to solve a particular business problem. While people in early career stages are more likely to be open to using new technology, these team members often lack the business knowledge to identify where the business value can be achieved. Educating senior leaders on the potential of AI can enable them to become more open and confident and subsequently support the identification of use cases that enhance the business value.

It is also about being aware of new technology's limits. While it can replace repetitive tasks, it still needs human intelligence to direct AI tools for specific business problems, particularly while AI capabilities are still in the developmental stage. Soft skills that bind technological knowledge with the emotional intelligence to adapt as the business world evolves will be increasingly sought after.

The key to gaining the confidence needed to drive digital agility and data-powered transformation projects forward is to build the foundational components that allow companies to take advantage of the opportunities identified. This includes providing an environment that supports innovation, encouragement from leaders and upholds strong governance practices. Notably, effective oversight and a dedicated focus on compliance obligations help reduce risks associated with cyber-attacks, ethical concerns and the reputational damage such failures cause.



Lorcan Colclough
Partner
Forvis Mazars, Ireland

Expert view

Improving visibility and governance

Having the right foundational structures in place ensures that there is greater visibility of how IT tools are performing. Checks and balances can monitor positive outcomes and detect wrong outputs. While 100% system accuracy is unlikely, it is more about having the operational capabilities to spot and rectify errors, which links back to establishing trust and confidence in transformation strategies.

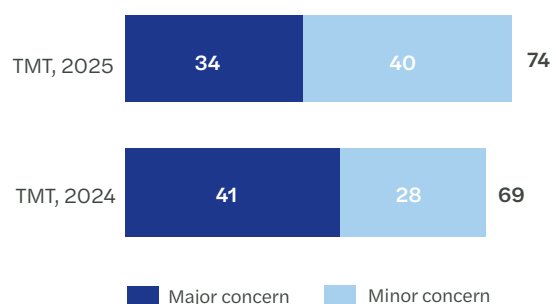
“Strong governance coupled with a dedicated focus on compliance obligations, plays a crucial role in mitigating risks related to cyber-attacks, ethical concerns and the reputational damage that can result from such failures.”

It is also important to see regulation as a support structure rather than a cost centre. Compliance should not be a significant issue if good governance structures are in place and the use cases for technology make sense and are aligned with good values. For example, the EU AI Act is focused mainly on high-risk AI systems that have the potential to impact human rights and civil liberties. While these are issues that business should be trying to protect anyway, by codifying them in law we are enhancing protections. Another benefit of the AI Act is that artificial intelligence literacy is required to ensure that risks can be identified and that leaders are prepared and can better understand the business opportunities AI tools offer.

In terms of the future, the European Commission’s recently announced AI continent action plan is devoting billions of euros to helping Europe become a global leader in AI. The plan heralds more resources for training and reskilling staff to help shape the next phase of AI’s development, particularly when applied at a commercial level.

While there is a seven-point fall this year in the proportion of TMT executives expressing “major” ethical concerns with AI, there is a three-point rise in the proportion describing greater regulation of AI as “essential”.

Perceived ethical and social risks of generative AI



David O'Sullivan
Director
Forvis Mazars, Ireland

Defining international expansion goals



Defining international expansion goals

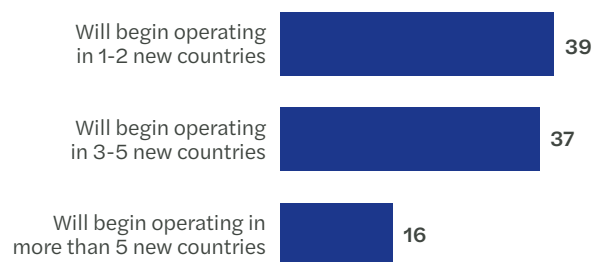
Looking more closely at the reasons why companies in the TMT sector plan to expand internationally, we can see a couple of significant trends. Firstly, technological transformation wins are giving TMT companies the ability and confidence to expand their capabilities across different industries and markets. Secondly, the shortage of talent is pushing companies to expand overseas to acquire the key skills they now require. Lastly, competition pressures and economic factors also impact expansion decisions as companies search for markets in a growth phase.

Nine in ten TMT businesses (91%) plan to expand internationally in the next five years. The top destinations for expansion are in some of the top tech hubs around the world: the U.S., UK, China, Canada and Germany.

However, there is a higher level of uncertainty following the U.S. election results and the impact of political decisions and new economic policies being made by President Trump. While some companies in the TMT sector may also view this challenge as an opportunity if business facilitation is relaxed, other countries may begin to appeal by improving business facilitation on data and regulatory issues.

“Market size is a big factor in expansion plans, and large markets such as the U.S. and China will likely remain attractive destinations for TMT companies. Consumer behaviour is a further factor, particularly in countries where tech adoption is growing.”

International expansion plans over the next five years



Understanding local regulations, securing a local workforce and localising products to new markets are the main expansion challenges for TMT sector organisations. In addition to the legal backdrop, increasing antitrust cases are being fought in the TMT sector and regulatory scrutiny remains high.

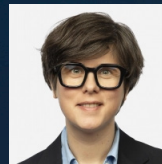
“It means thorough due diligence on expansion projects and acquisition plans is increasingly vital to avoid problems in the future, as any potential backlash from investors and consumers can carry repetitional risks. Consideration should also be given to how freely a TMT company can operate, particularly in countries where there is a significant difference in how communication and social media platforms are allowed to operate.”

Defining international expansion goals

Other compliance and regulatory issues that need to be considered include the different tax structures and the impact of regulations on sustainability, emerging tech such as artificial intelligence (AI) or copyright and patent laws. Given the lack of harmonisation in these areas, a robust compliance strategy is paramount. Organisations should collaborate with local experts and centralise governance policies to standardise approaches across jurisdictions, ensuring consistent compliance and mitigating risks associated with regulatory fragmentation.

The preferred model for expansion depends on the company's strategy. M&A is the favoured model for rapid entry into a market to gain access to new technology and a ready-made team and customer base. In contrast, joint ventures (JV) can be used as a risk and resource-sharing model. A JV is also necessary in markets where the legal requirements only allow entry via a local market participant. PE gives access to the capital required to scale operations and enter new markets without the pressure of a public or market listing.

“There are pros and cons to each model. M&A and JVs have many legal and regulatory requirements that must be fulfilled. On the other hand, PE can be a challenge when exit demands can impact original mission objectives and leadership control.”



Anne-Sophie Palacin
Partner
Forvis Mazars, France

Driving product and service innovation to stay ahead



Driving product and service innovation to stay ahead

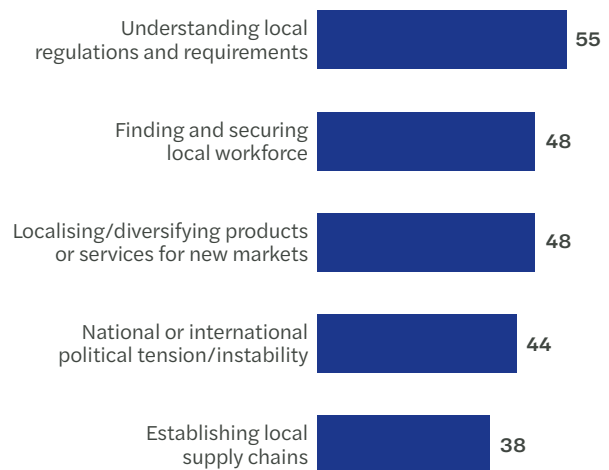
Entering a new product or service category is one of the top priorities for the TMT sector C-suite. According to 25% of executives, entering the market with new products and services is likely to be a business priority over the next 3-5 years.

It is interesting to note from the barometer results that this priority has climbed the agenda for TMT executives. Compared to 25% in this year's survey, only 15% of executives chose this as a priority in 2024.

In addition, executives report higher levels of AI usage than others globally for commercial products and services.

However, challenges remain in localising products to meet new market needs. How the C-suite deals with this challenge will depend on reasons for entry and ensuring the capabilities to meet those needs are available.

Major challenges in establishing international operations



Expert view

Using product and service innovation to drive investment appeal

In the TMT sector, innovation remains a key lever for value creation. While the choice to expand into new products or services is inherently strategic, investors increasingly view it through the lens of scalability, differentiation, and long-term growth potential. As highlighted in our 2025 Global Private Equity report, a business's ability to innovate and adapt is central to its attractiveness as an investment target.

In today's landscape, we are seeing a notable shift in emphasis from rapid expansion of new offerings toward deepening the core proposition. For PE investors, this recalibration signals a maturity of strategy: companies are focusing on strengthening fundamentals and delivering margin-enhancing operational performance before extending their reach. This also reflects an investor preference for sustainable, measured growth rather than high-risk product proliferation.

Smaller, high-growth TMT businesses often lead in product and service innovation, and their agility can command strong valuations. For example, start-ups in sustainability-focused tech or digital identity verification are building from the ground up with modern infrastructure - unconstrained by legacy systems. These businesses are not only disrupting traditional models but also providing scalable platforms for growth, which makes them compelling targets for PE investment or bolt-on acquisitions.

For larger TMT businesses, M&A remains a fast-track route to accessing innovative products and services. Rather than build from within, many are strategically acquiring early-stage disruptors to diversify their portfolios and capture new customer segments. This synergy between innovation-led start-ups and platform-scale operators creates a rich investment ecosystem, where value can be unlocked at multiple stages of the growth journey.

Whether through organic development or strategic acquisition, the capacity to innovate - and do so with a clear path to commercialisation - will continue to differentiate the most investable TMT businesses in 2025 and beyond.



Mathieu Boyé
Partner, Head of Private Equity
Forvis Mazars Group

Spotlight on sustainability

While sustainability reporting is no longer a top priority for TMT executives according to this year's barometer, it is encouraging to see that three in five TMT organisations feel "completely" ready to publish their ESG performance this year.

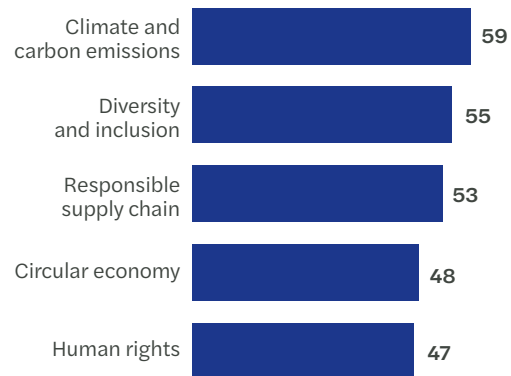
This is 19 points higher than 2024 and 16 points higher than the global average. At the same time, 60% of TMT executives consider environmental, social and governance (ESG) reporting requirements to be more of a cost than an opportunity, which again is in line with the global average.

Integrating sustainability with financial reporting is now the favoured approach by TMT executives, witnessing a 17-point shift since 2024. Regarding the reporting standard, C-suite leaders in the TMT sector are primarily influenced by the Global Reporting Initiative (GRI).

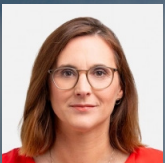
In terms of ESG topics, carbon emissions, responsible supply chain and diversity and inclusion (D&I) are the biggest topics for ESG reporting in the TMT sector.

Key sustainability reporting challenges include TMT data capture and quality and concern about publicly highlighting areas of improvement.

Integration of ESG topics in reporting frameworks



“In terms of wider sustainability goals, education is key. In addition to internal training on sustainability issues, engaging customers in the responsible use of technology can help improve outcomes from both a marketing and legal standpoint.”



Carolin Friedrich
Partner, Head of Sustainability
Forvis Mazars Group

Expectations from current affairs

TMT sector executives anticipated the impacts of 2024 elections around the world. These include uncertainty and influence on international expansion and investment. Given the economic and geopolitical instability, these are even more important today and enhance the challenges C-suite leaders in the sector face.

“Unforeseen changes in laws and reforms, in addition to a decrease in international regulations affecting my company.”

C-suite technology leader, business \$1bn+
Mexico

“[Current affairs] will determine the taxes that we face in the new countries of operation. We will see how it will affect us going forward more.”

C-suite technology leader, business \$100m-\$1bn
U.S.

“New regulations coming into the U.S.: we do plan to expand into the U.S. in 2025 and hopefully the impact of this election will not ruin it.”

C-suite technology leader, business \$1bn+
Canada

“Depending on the outcome of the election, we may see a shift in the level of infrastructure investment that could improve or hinder our service reach in rural areas.”

C-suite telecommunications leader,
business \$100m-\$1bn
Zimbabwe

“We must pay attention to changes in media laws. If new leaders are elected, politics will have an impact on us, and we will have to speak differently, both in programmes and in the press.”

C-suite media & entertainment leader,
business <\$100m
Hungary



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