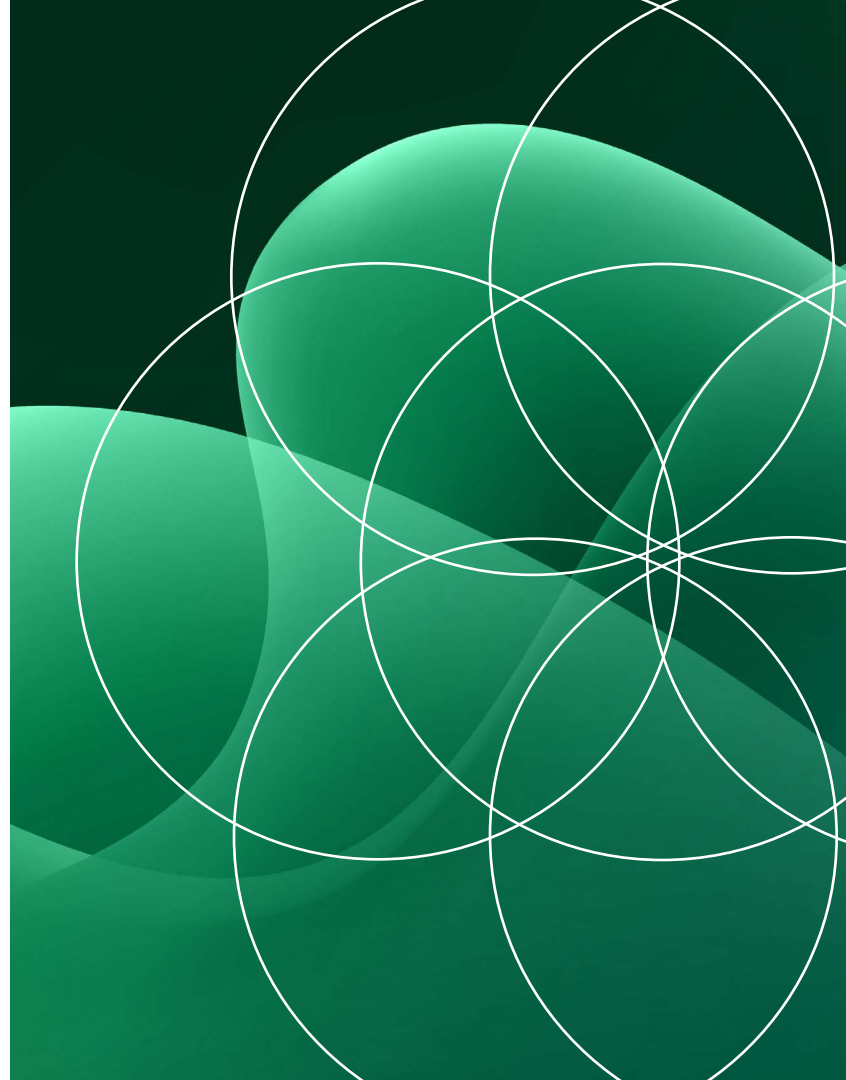


Increase Revenue And Improve Customer Experience With Internet Performance Monitoring

As E-commerce Continues To Grow, Companies
Are Losing Millions Of Dollars Each Year From
Avoidable Internet Disruptions

Get started →



Overview

Without the internet, digital experiences do not exist. Yet few companies can ensure fast, reliable service for their web pages and apps. In the absence of effective internet performance monitoring (IPM) across the entire internet stack, internet disruptions are draining millions of dollars every year by preventing sales, damaging customer experience (CX), and reducing workforce productivity.

In our survey of 261 e-commerce strategy and technology leaders at consumer goods and retail companies, we found that companies struggle to quickly identify and fix internet disruptions. Improving internet performance is critical to business growth and should be an ongoing process. As the internet stack becomes more complex and e-commerce grows, companies stand to lose increasing amounts of money to slow and unreliable service. IPM provides critical visibility into the full internet stack, enabling companies to quickly identify issues before they impact business.

Key Findings



Continuously improving internet performance is critical. Two-thirds of respondents say that if the internet speed for their websites and apps is slow, they might as well be down.



Internet performance drives revenue and CX. Not only does improving IPM increase revenue and improve CX, but increased customer churn and lost revenue are also the top two ways disruptions damage companies.



Companies that comprehensively monitor the entire internet stack across their enterprise experience 54% fewer losses due to disruptions compared to those that have not implemented IPM.

Internet Disruptions Cause Widespread Damage

Internet disruptions, whether in the form of downtime or latency, are more than inconvenient. They damage businesses in many ways that can't be ignored. Sixty-five percent of respondents reported that if the internet for their web pages and apps is slow, the impact to their business is the same as if they were down.

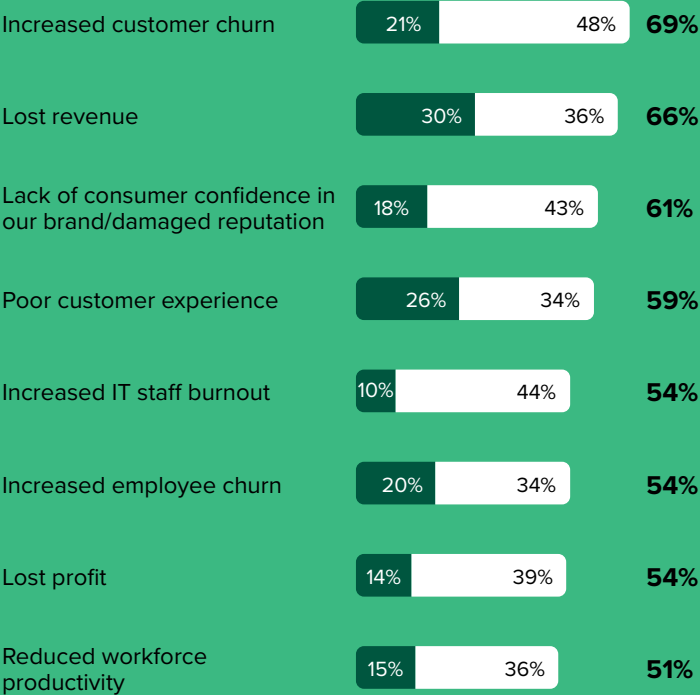
Respondents also said that disruptions contributed to poor customer experience (59%), increased IT staff burnout (54%), and reduced workforce productivity (51%), which hurt their businesses by driving increased customer churn (69%) and lost revenue (64%).

65% of respondents said if the internet speed of web pages and apps is slow, they might as well be down.



The Impact Of Internet Disruptions On Business

- Large negative business impact
- Moderate negative business impact



Base: 261 decision-makers responsible for e-commerce strategy and technology in the consumer products goods and/or manufacturing and retail industries
Note: Multiple responses accepted; individual percentage values may not sum to totals due to rounding.
Source: Forrester's Q1 2025 Retail and Goods Internet Performance Monitoring Survey [E-62849]

More Companies Are Monitoring Performance, But Comprehensive IPM Is Still Uncommon

To understand the damage that poor internet performance is causing e-commerce companies, we must understand the state of current IPM efforts. While most firms monitor internet performance, few monitor performance across the full internet stack and enterprise (32%). Given the importance of internet performance and the impact disruptions have on business, this number should be closer to 100%.

Without the appropriate technologies and tools, gaining visibility into the internet stack is challenging, if not impossible — but that's no excuse when there is so much to lose. The internet is the life force of e-commerce, and monitoring performance to identify and fix disruptions quickly should be a top priority.



Only 32%

of respondents' companies monitor internet performance as much as they should.

IPM Implementation Level

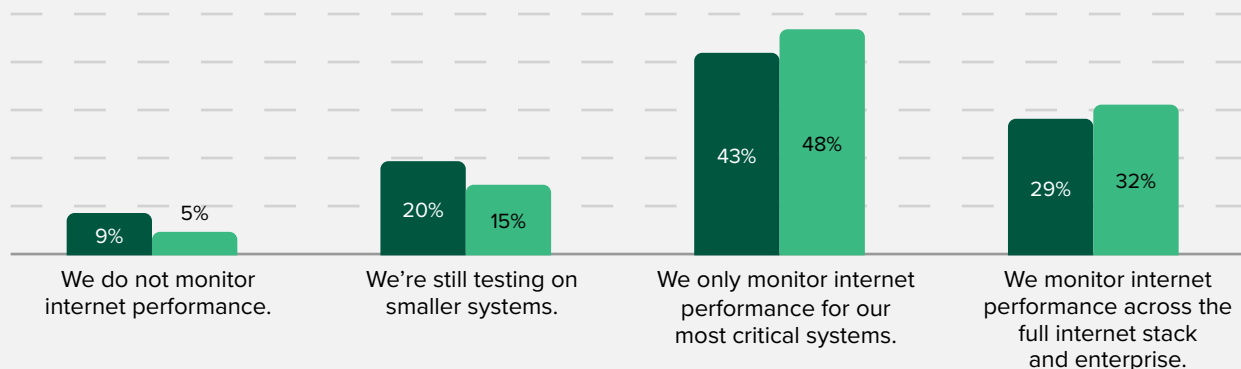
● 2023 ● 2025*

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Note: Percentages may not total 100 due to rounding
Source: A commissioned study conducted by Forrester Consulting on behalf of Catchpoint, February 2023

*Source: Forrester's Q1 2025 Retail and Goods Internet Performance Monitoring Survey [E-62849]



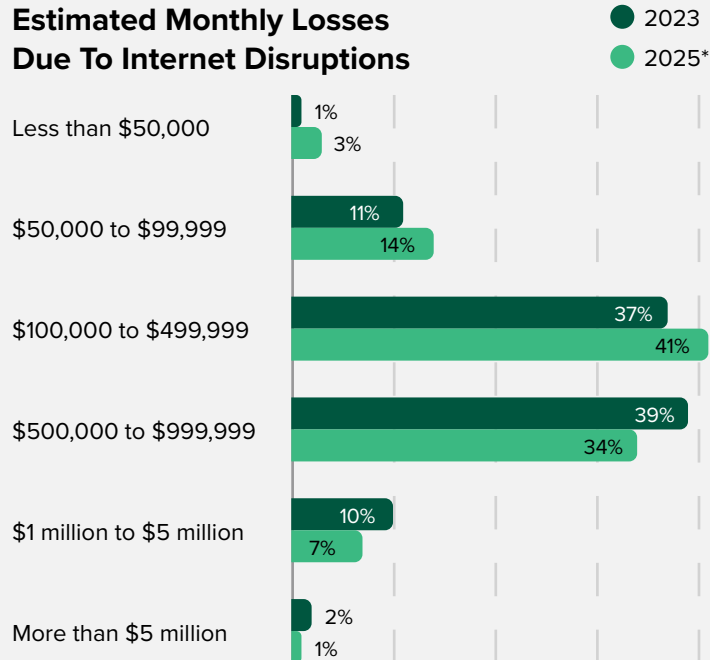
Companies Are Losing Millions, But IPM Is Working

Companies are losing millions of dollars annually to internet disruptions (downtime or latency): 42% of respondents say their organization lost over half a million dollars in the month preceding this survey. That adds up to over \$6 million annually, excluding holidays or seasonal bursts. And 83% of respondents estimate their company loses over \$100,000 monthly (\$1.2 million annually).

But there is positive news. With the modest increase in IPM, monthly losses of \$1 million or more decreased by one-third. Respondents at companies that monitor the full internet stack across their enterprise report losses that are 54% less on average than those that have not implemented IPM (whether not at all or testing on small systems) and 14% less than those that only monitor the most critical systems.

As e-commerce continues to grow and the internet stack becomes more complex, IPM will become even more valuable.

Estimated Monthly Losses Due To Internet Disruptions



The average number of internet disruptions per month:

72

Revenue And Customer Experience Are Top Concerns

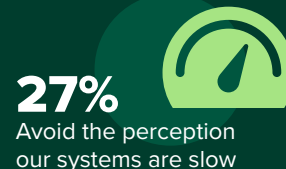
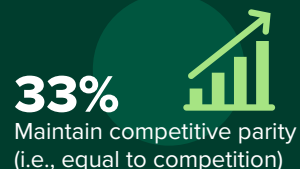
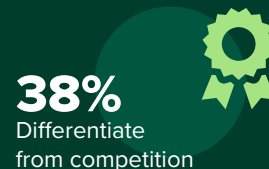
E-commerce leaders see improving internet performance (including speed and resiliency) as a way to drive revenue through a better customer experience.

Customers expect frictionless online experiences, and 72% of respondents say their customers' tolerance for disrupted experiences is at an all-time low. Whether it's a search function, inventory database, or e-commerce platform that is slow or unavailable, consumers expect flawless experiences and are ready to go elsewhere if those expectations are not met.

INCREASE REVENUE AND IMPROVE CUSTOMER EXPERIENCE
WITH INTERNET PERFORMANCE MONITORING

6

Top Goals For Improving Performance



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Challenges Identifying Disruptions Threaten Business

Considering how few companies have the tools to monitor internet performance successfully, it's no surprise that identifying disruptions is so challenging. E-commerce companies must overcome these challenges or their losses will grow.

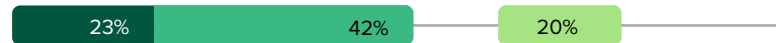
Even when disruptions are outside a company's control, quickly identifying the source is critical. To customers, where the disruption occurs on the digital pipeline is irrelevant, which is why 78% of respondents say that visibility into performance outside their environment allows them to manage customer expectations more effectively.

Too often, companies rely on the process of elimination to locate disruptions. Immediately knowing why the internet is slow or down allows businesses to mitigate damage by communicating with customers and contacting third-party providers. Companies that have implemented IPM struggle far less to identify disruptions.

Difficulty Identifying Disruptions

● Very challenging ● Challenging ● Moderately challenging

Software-as-a-service (SaaS) applications



ISP connectivity or reachability



E-commerce platforms



APIs/gateways



Hosting partners



Point-of-sale devices in physical locations



Proprietary applications



Internet stack components



Few Companies Successfully Manage Internet Performance

Without the right technologies and tools, identifying and fixing internet disruptions quickly is nearly impossible — and few companies are doing it well.

Only 32% of respondents report that their companies monitor the full internet stack across their enterprise. That leaves a wide gap and presents major risk for the majority still relying on partial visibility or outdated methods. And with IPM, anything less than great success is a risk.

IPM is the necessary solution to this problem.

Most E-Commerce Businesses Aren't Successfully Addressing Internet Performance

25%

Practicing agile methodologies



20%

Establishing a COE for internet performance



18%

Monitoring application performance



18%

Increasing the number of SREs focused on delivery



17%

Monitoring internet performance



14%

Using platform engineering teams



11%

Using AIOps solutions



8%

Implementing chaos engineering



Customer Experience Suffers Without IPM

More than half of respondents say that their company gets caught in a reactive position more than once a week when addressing damaging customer experience issues. Sixty-two percent report that the complexity of their internet stack makes identifying and remediating disruptions harder than ever.

In light of growing financial losses, e-commerce leaders should prioritize investing in IPM. The cost of inaction will likely be much higher. But ironically, a lack of funding is the top challenge preventing respondents' companies from achieving adequate IPM. With proper investment, they will be in a strong position to overcome many of the other challenges reported in this study, such as insufficient monitoring solutions (48%) and the lack of a comprehensive observability strategy (42%). Without the right tools and an effective strategy, companies will not overcome the damage from disruptions.

Challenges Preventing Companies From Achieving Full-Stack Internet Performance Monitoring



IPM Investment Is More Critical Now Than Two Years Ago

Successful IPM means being able to identify the source of disruptions quickly and efficiently, which allows companies to fix the problem and get back to business as usual. Without proper IPM capabilities, companies are doomed to helplessly watch small fortunes slip away.

With companies losing so much to internet disruptions — and having so much to gain from investing in robust IPM — it's no surprise IPM has such a big impact. All respondents feel that proper IPM would create a positive business impact at their company, and 80% say it would be a significant or large impact, up from 75% in 2023.

The Positive Business Impact Of Quickly And Efficiently Identifying Internet Disruptions

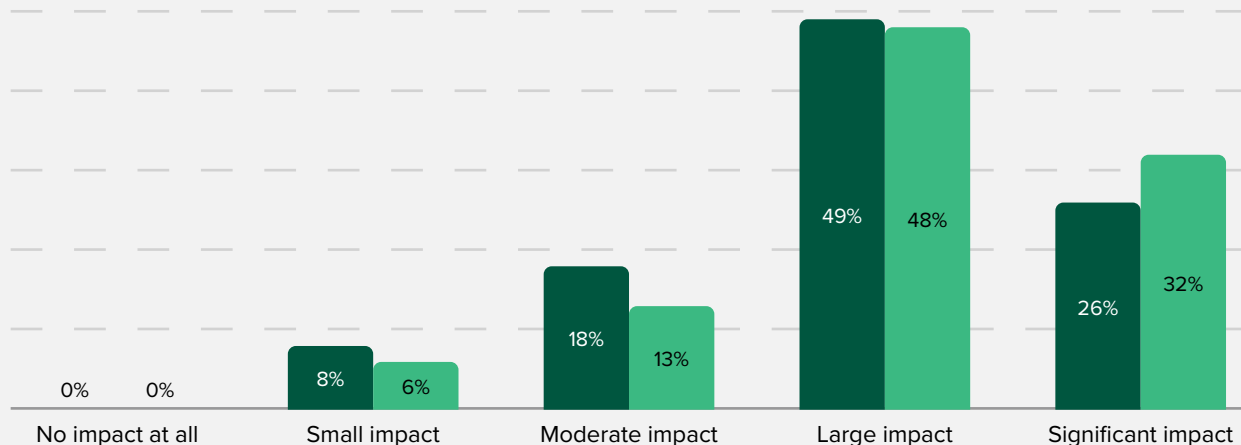
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Robust IPM Improves CX And Increases Revenue

E-commerce leaders stand to profit significantly from improving internet performance. With an average of 72 internet disruptions per month, there is no argument that legacy efforts are falling short.

Organizations need IPM to anticipate, detect, and fix internet disruptions quickly. E-commerce leaders expect increased revenue and improved customer experience to be the biggest benefits of investing in proper IPM. Respondents couldn't be clearer: Revenue depends on customer experience, which is a function of internet performance. If they can improve the internet performance of their apps and websites, they can cut losses and grow revenue.

Benefits Of Investing In IPM

● Significant benefit ● Large benefit ● Moderate benefit

Increased revenue



Improved customer experience



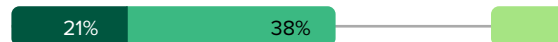
Reduced downtime or latency



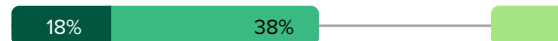
Improved developer experience



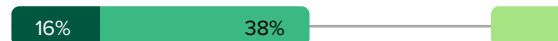
Improved profit



Improved brand perception/reputation



Increased workforce productivity



Increased retention of potential customers early in the funnel



Achieve Goals Through Increased Visibility And Continuous Improvement

More than anything else, e-commerce leaders want an IPM tool that enables them to optimize web page and internet performance continuously.

Improved IPM capabilities allow continuous improvement by increasing visibility into the full internet stack, enhancing distributed service delivery, and supporting better data-driven decisions.

62% of respondents agree they need tools to anticipate, detect, and fix internet performance problems quickly.



Expected Capabilities From Investing In IPM

61%

Continuously optimized web page/
internet performance



52%

Increased visibility into the internet stack



46%

Improved distributed service
delivery management



43%

Improved data-driven decisions



34%

Increased ability to manage customer perceptions
when infrastructure issues are beyond our control



Conclusion

Few e-commerce companies adequately monitor internet performance, and it shows. With an average of 72 internet disruptions and hundreds of thousands of dollars lost per month, companies can't afford to ignore the problem. In this study, we found that:

- **Without IPM, identifying disruptions is hard and significant revenue is lost.** Companies that don't invest in IPM are vulnerable to huge financial losses as service disruptions drive customers and employees away.
- **Investing in IPM pays off.** E-commerce leaders expect significant financial benefits from investing in IPM. Companies already using IPM are saving millions in lost revenue annually.
- **Few companies are adequately monitoring internet performance.** Only 32% of respondents report that their companies monitor internet performance across the full internet stack and enterprise.

Project Team:

Lane Abernathy,
Market Impact Consultant

Contributing Research:

Forrester's [Technology and Design](#)
research group



Methodology

This Opportunity Snapshot was commissioned by Catchpoint. To create this profile, Forrester Consulting supplemented this research with custom survey questions asked of 261 decision-makers responsible for e-commerce strategy and technology in the consumer products goods and/or manufacturing and retail industries at companies based in North America, Europe, or Asia/Pacific. The custom survey began in February 2025 and was completed March 2025.

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Demographics

100% of respondents said digital sales and e-commerce are important to their company’s business.

REGION	
North America	59%
Asia/Pacific	21%
Europe	20%

TITLE	
C-level	13%
Vice president	36%
Director	51%

INDUSTRY	
Retail	53%
Consumer product goods and/or manufacturing	47%

COMPANY SIZE	
1,000 to 4,999 employees	48%
5,000 to 19,999 employees	34%
20,000+ employees	18%

DEPARTMENT	
IT	23%
E-commerce	20%
Digital business operations	20%
Customer experience	18%
Marketing/advertising	13%
Engineering/development	5%

The image features the Forrester logo in a white, serif typeface, centered horizontally. The background is a solid dark green, overlaid with several large, semi-transparent, rounded organic shapes in varying shades of green, creating a layered, abstract effect. The logo itself is a single word, "FORRESTER", with a registered trademark symbol (®) positioned at the top right of the final letter.

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