

6 Key Observability Trends and Predictions for 2023



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In 2023, modern systems and applications have become more complex and distributed, making it difficult to pinpoint the root cause of issues when they occur. Even the reliance on digital services has increased so much that organizations need to ensure their systems are always available and performing at their best.

Hence, observability has become essential for organizations to monitor their systems and applications effectively. It helps organizations gain insights into their systems' behavior, including their dependencies and interactions, making identifying and troubleshooting issues easier.

It also provides a holistic view of system performance that includes metrics, logs, and traces, enabling IT, security, and DevOps teams to monitor and optimize their systems' health and reliability proactively.

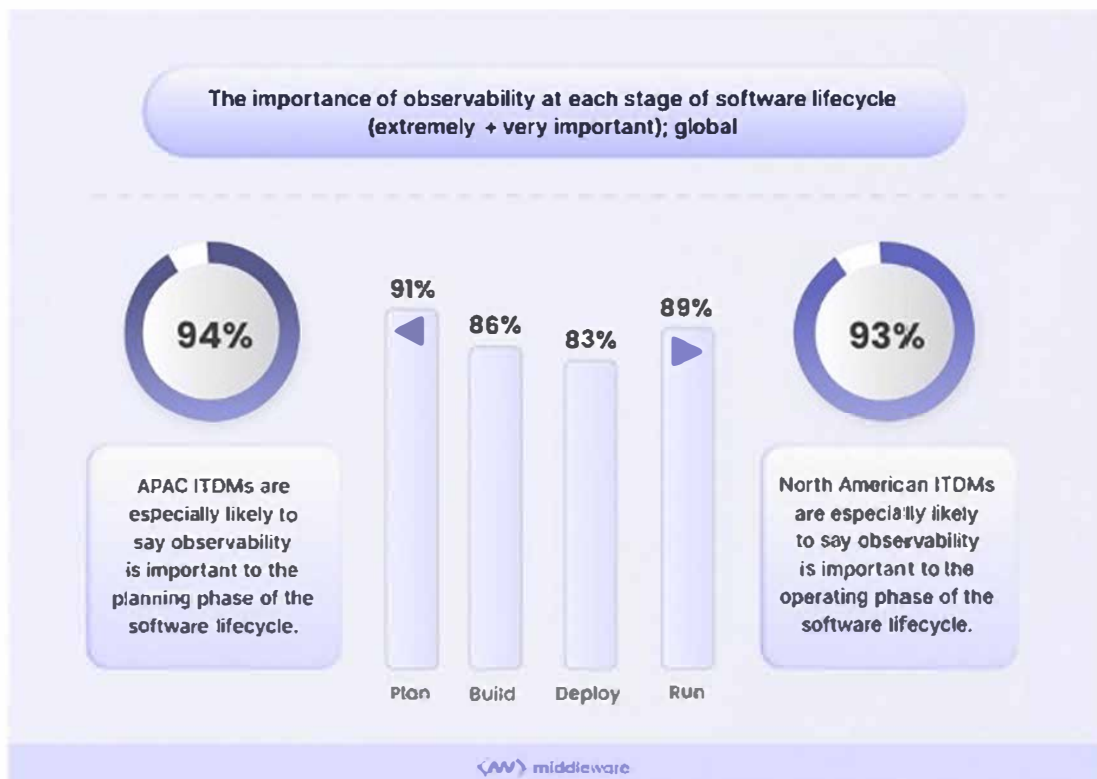
Therefore, it becomes important to keep in touch with the latest observability trends and predictions expected to shape the industry in 2023. Let's find out.



6 Critical Observability trends and predictions for 2023

1. Applied Observability will become the new normal

Applied observability involves using observable data in a coordinated and integrated manner across various business functions, applications, and I&O teams.



The goal is to enable quick decision-making and proactive planning by minimizing the time between taking action and seeing results. In one of their reports, Gartner ranked applied observability as number two on its list of top ten strategic observability trends for 2023.

This pertains to using holistic and coordinated data-driven decision-making and strategies and implementing enterprise and data architectures and Data Ops practices in a cross-functional or business unit capacity.

On top of that, Enterprise Strategy Group (ESG) predicts that in 2023, investing in observability can reduce average downtime costs by almost 90%. From \$23.9 million for organizations in the early stages of their observability journey to just \$2.5 million for those with mature programs, resulting in significant ROI.

Additionally, IDC's research indicates that organizations that implement observability can benefit in various ways, such as:

- [Improving productivity](#) and collaboration among IT staff
- Enabling faster and more accurate IT and business decision-making
- Strengthening their cybersecurity posture and practices
- Driving digital innovation
- Enhancing customer and employee digital experiences

2 . Integrated Observability & business data



As the volume of data generated by organizations continues to grow, it has become challenging to gain meaningful insights from disparate sources of information.

Integrated observability solutions that consolidate data like (database logs, activity logs, timestamps, etc.) from various sources into a single, unified platform are gaining traction.

Integrating observability with business data can help break down silos between IT and business units. For instance, some time back, Hotstar (an OTT platform that streams cricket matches) was at its peak live visitors during India vs. Pakistan cricket match, when they suddenly noticed a sudden decline in live visitors.

Reason? They had a payment gateway after five minutes, and when a user tried to pay for the purchase, the payment gateway would not process the transaction. As a result, the application didn't allow them to continue watching the match.

They quickly found and resolved the error because they had one unified observability solution to monitor their entire end-to-end infrastructure. And more importantly, they knew how a single error could affect the entire business.

With a shared understanding of how IT impacts business outcomes, teams can work together more effectively to drive innovation and improve performance. Organizations can also comprehensively understand how their IT systems impact business outcomes.

It also enables IT teams to identify issues and opportunities that can impact the business. For example, identifying:

- The root cause of a performance issue that is impacting the user experience
 - A trend in customer behavior can inform new product development
- are [Middleware](#) and [Datadog](#).



3. Use of AI in Observability

Automation (one of the hottest observability trends) will play a crucial role in 2023 as businesses face economic challenges and aim to do more with less. It enables companies to redirect skilled resources toward tasks with the most impact, speeding up [digital transformation](#) and innovation efforts.

AI-powered observability solutions will continue to help IT teams:

- Detect issues on the agent level, providing granular visibility into system performance. These platforms can also help IT teams search and filter vast amounts of data quickly, making pinpointing the root cause of issues easier.
- Create custom dashboards that provide real-time visibility into system performance. It enables IT teams to monitor critical metrics and track trends over time.
- Provide alerts and suggestions for fixing issues, enabling IT teams to resolve problems quickly and efficiently.
- Detect anomalies that may be indicative of issues. By leveraging machine learning algorithms, observability platforms can identify patterns that deviate from the norm, helping IT teams to identify issues before they become critical problems.
- Provide actionable insights by summarizing data into easy-to-understand visualizations. This feature allows IT teams to monitor system performance and make informed decisions quickly.

4. Organizations will cut the use of multiple observability tools



Using multiple observability tools can create silos between different teams, making it harder to comprehensively view system performance. According to Grafana's 2023 observability report, that surveyed 250+ respondents, 11% said their company uses 16 or more observability tools.

The challenge with having multiple observability tools is that each tool has its own learning curve, [data collection method](#), agents, and cost. Therefore, in 2023, organizations are more likely to cut the use of these tools and go for an integrated approach.

Integrated observability solutions like Middleware provide a single source of truth for system performance, enabling teams to monitor critical metrics and track trends over time.

Observability best practices

These solutions provide a unified view of system performance across the entire technology stack. This will help teams to identify issues faster, resolve them more efficiently, and improve overall system performance.

In addition, solutions like Middleware can provide automated root cause analysis, making it easier for teams to identify the underlying cause of issues and resolve them quickly.

By reducing the need for manual analysis, teams can free up time to focus on more strategic tasks, such as innovation and digital transformation.

5. Observability for cybersecurity

Cybersecurity is something that is majorly missing from the beginning of the development process.

Many vendors build security mechanisms, but usually, engineers are conditioned to outsource the responsibility of secure code to the security team and expect them to identify the system's vulnerabilities.

This system doesn't work anymore. How about you provide sufficient signals to engineers with controls and policies in place? For instance, engineers couldn't deploy or merge code unless the security parameters were met. This ensures that security becomes a forethought in the development process from the beginning. Although some may view these measures as burdensome for engineering teams, failing to meet security or cost standards can lead to delayed responses and increased risks.

Addressing security concerns upfront can streamline the development process and prevent the need for time-consuming and inefficient fixes later on.

The [2022 Observability Forecast](#) highlights the growing importance of security, governance, risk, and compliance in driving the need for observability, with 49% of respondents citing it as a top observability trend.

6. FinOps will use cost as a golden signal

Another observability trend that will become increasingly important in 2023 is the need to monitor and optimize the cost per transaction. As organizations look at cost-cuttings in the current economic climate, traditional metrics such as latency, throughput, and errors are no longer sufficient.

Instead, FinOps departments are being established to oversee budget consumption, and engineers are being involved in the process to make more informed decisions about what to work on and how to deploy code. Organizations must consider cost as a "golden signal" and analyze it alongside other metrics to gain better visibility into resource usage. This enables engineers to make data-driven spending decisions and optimize costs. Companies have utilized this approach and tools like sensitivity analysis to maximize business value by analyzing cost data in the context of the business function it supports.

The trend towards more holistic observability is expected to continue to grow in importance in 2023. It involves the involvement of engineers in the cost optimization process.

By considering a broader range of metrics and involving cross-functional teams in the monitoring and optimization process, organizations can gain a more comprehensive view of system performance and make better-informed decisions.



In Conclusion

The observability market is set to change as it moves towards comprehensive end-to-end observability solutions.

Observability trends in 2023 reflect the need for organizations to balance efficiency and innovation while navigating challenging economic times. Applied observability, integrated observability, business data, the use of AI in observability, cutting the use of multiple observability tools, observability for cybersecurity, and democratizing observability are the key trends and predictions for 2023.

By implementing these trends, organizations can gain real-time visibility into system performance, improve decision-making, strengthen cybersecurity posture, drive digital innovation, and enhance customer and employee digital experiences.

Ready to transform with Middleware?

Join us!