

# Business Critical Clouds

## UK Market Survey | October 2014

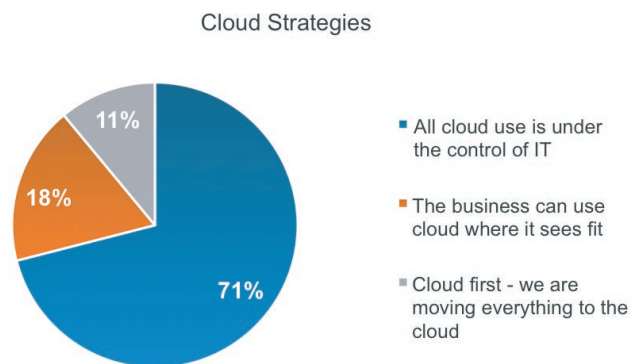
This report on business-critical clouds is based on an extensive online survey of senior IT and business professionals in UK retail, consumer product and pharmaceutical companies. The survey was carried out by Chief Nation ([www.chiefnation.com](http://www.chiefnation.com)) on behalf of Virtustream and Intel.

**Some of the key findings from the survey include:**

- **Cloud Strategies:** With many IT departments' concerns about the growth in 'shadow IT', three-quarters of the survey respondents' use of cloud services is mediated by their respective IT teams.
- **Future plans for cloud:** Half of the respondents plan to review or expand their use of cloud services within the next 12 months, and over a quarter within the next six months.
- **Adoption of Different Cloud Models:** Software as a service (SaaS) leads the respondents' plans for future cloud developments, followed by platform as a service (PaaS) and infrastructure as a service (IaaS), although the latter is the most widely adopted to date.
- **Reasons for Cloud Usage:** Time to market, rapid deployment and the ability to accommodate seasonal/ unexpected spikes in demand are now the key drivers for cloud services.
- **Suitability of Cloud:** Collaboration, web conferencing, business intelligence and file sharing are considered the most suitable areas for using cloud services, closely followed by social media, webmail, productivity and security.
- **Choice of Cloud Provider:** The performance and security of cloud providers' services are the most important selection criteria for the respondents.
- **Measuring RoI:** Faster time to market is the main criteria for measuring the RoI of cloud services, closely followed by better resource optimisation.

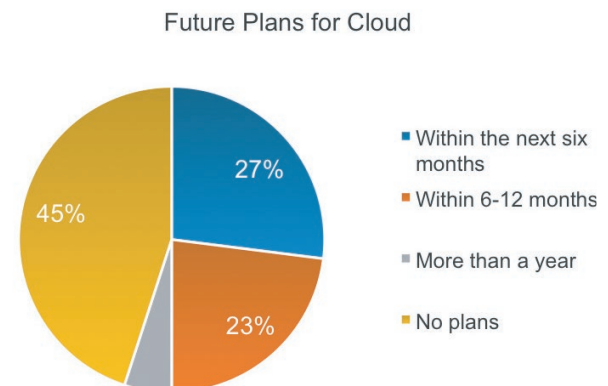
### Cloud Strategies

Given many IT departments' concerns about the growth in 'shadow IT' and need to control the importing and exporting of data to/from their IT infrastructures, it is not surprising that almost three-quarters of the survey respondents' use of cloud services is mediated by their respective IT teams. By contrast, almost one-fifth of them have unrestricted use of cloud services, and a further 10 per cent are moving towards a cloud-only environment.



### Future Plans for Cloud

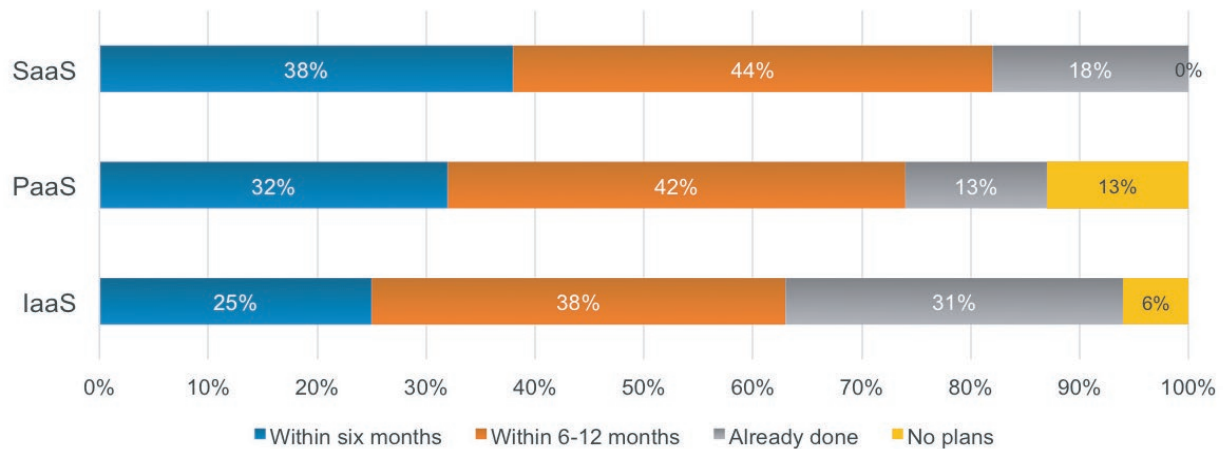
Half of the respondents plan to review or expand their use of cloud services within the next 12 months, and over a quarter within the next six months. This growth is mirrored by almost the same number of respondents having no further cloud plans in the foreseeable future.



### Adoption of Different Cloud Models

Software as a service (SaaS) leads the respondents' plans for future cloud developments, followed by platform as a service (PaaS) and infrastructure as a service (IaaS), although the latter is the most widely adopted to date. The respondents were most ambivalent about PaaS, with the lowest level of existing use and the highest figure for 'no plans' regarding its future use.

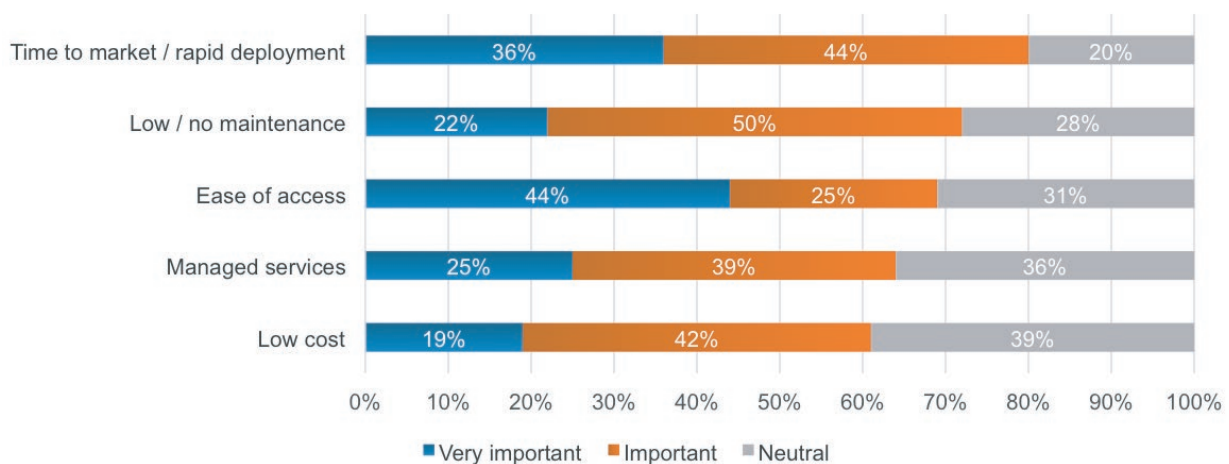
Adoption of Different Cloud Models



### Reasons for Cloud Usage

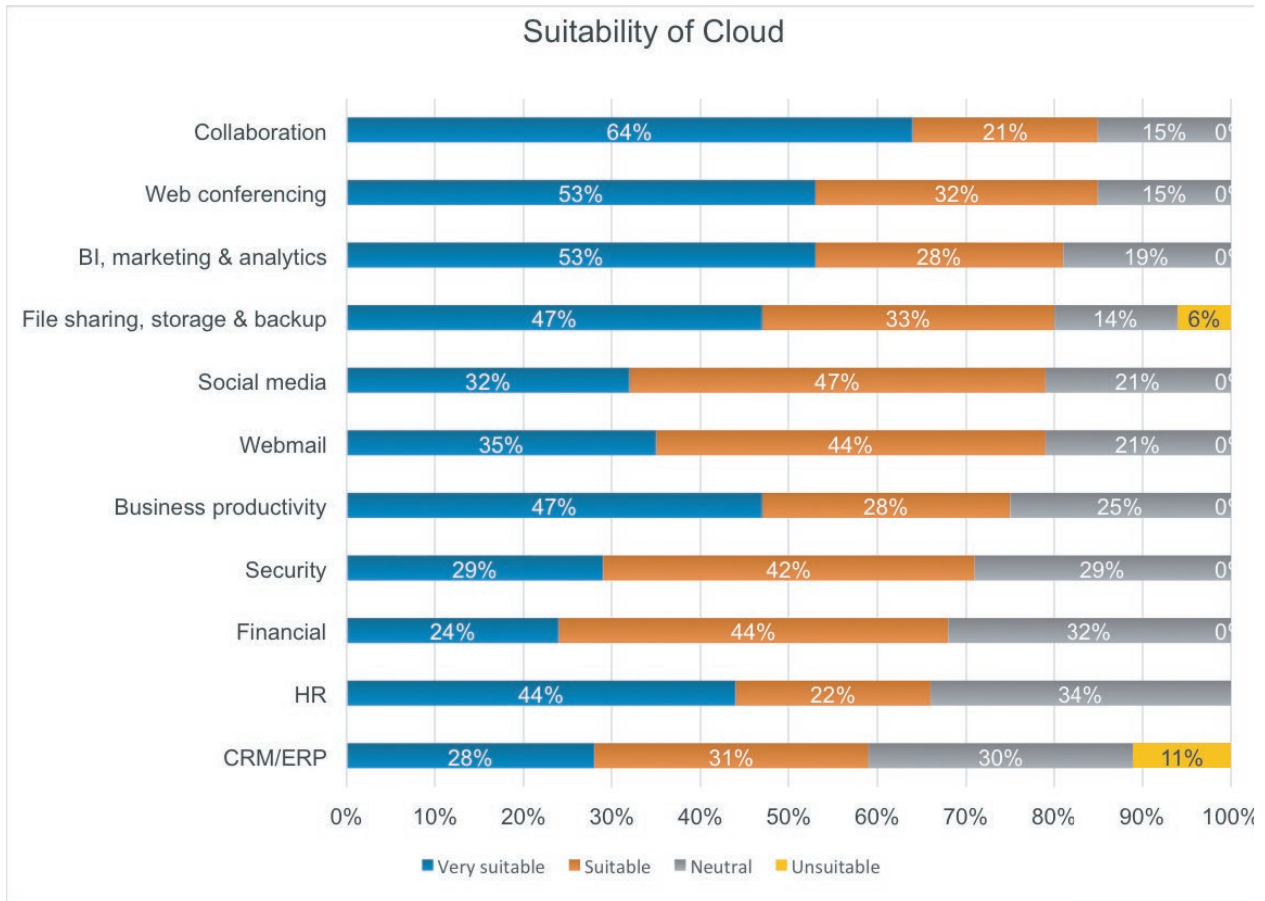
While one of the selling points for cloud services in their infancy was their low cost, this is now the least important reason. Time to market, rapid deployment and the ability to accommodate seasonal/unexpected spikes in demand are now the key drivers for cloud services, followed their ease of maintenance and the lack of bottlenecks from IT departments.

Reasons for Cloud Usage



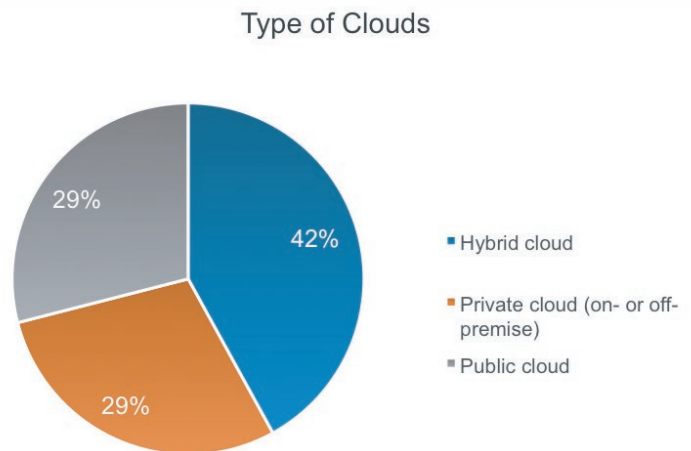
### Suitability of Cloud

Collaboration, web conferencing, business intelligence and file sharing are considered the most suitable areas for using cloud services. These are closely followed by social media, webmail, productivity and security although these four areas are characterised by noticeably higher 'neutral' ratings by the respondents. It is interesting to note that the respondents rated cloud services as least suitable for financial, HR, and CRM/ERP applications, despite the widespread use of cloud CRM services such as Salesforce.com and Microsoft Dynamics.



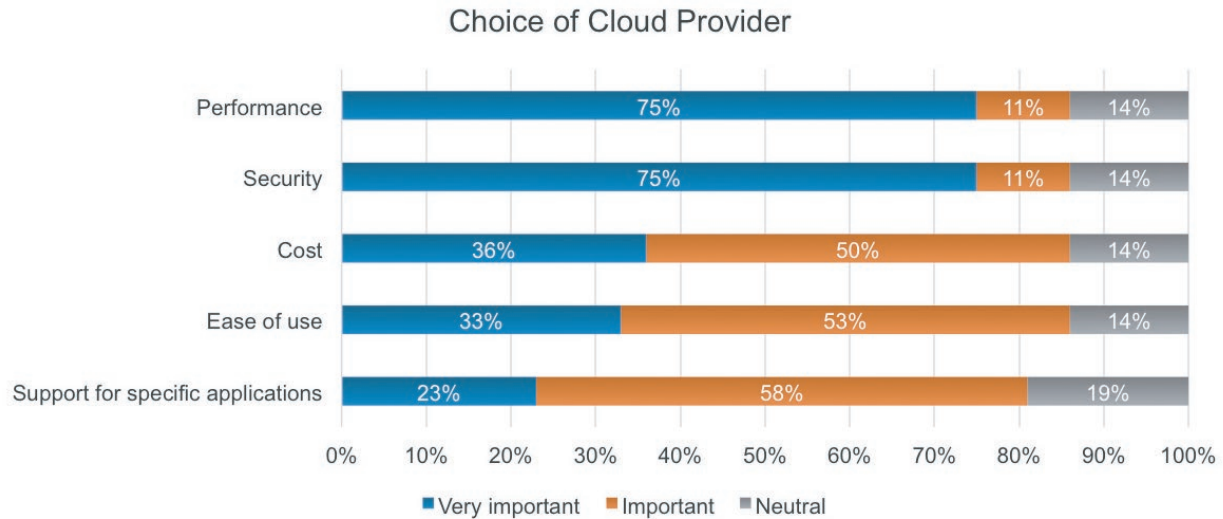
### Type of Clouds

With many companies using cloud services for a wide variety of different IT applications, each requiring differing levels of security, resilience and performance, it is unsurprising that hybrid cloud are the most popular option. The remaining use of cloud services is equally balanced between public and private clouds.



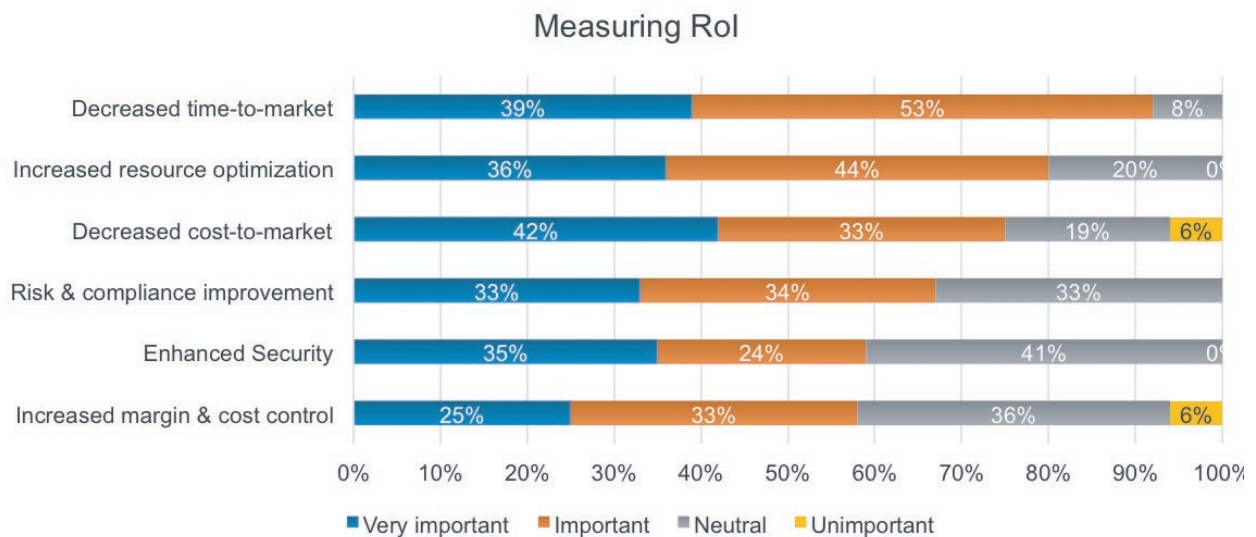
### Choice of Cloud Provider

The performance and security of cloud providers' services are manifestly the most important selection criteria for the respondents. The relative importance of the cost in this section, despite its lower importance generally (see previous section), is likely to be a reflection of the need to assess cost differences between different cloud service providers, rather than cost differences between cloud services and the equivalent in-house services.



### Measuring ROI

As mentioned earlier, faster time to market is also the main criteria for measuring the ROI of cloud services, closely followed by better resource optimisation (perhaps due to avoiding any internal IT-related delays and compliance requirements. These two areas also directly contribute to decreased costs to market. At the same time, perhaps as a reflection that cloud services tend to be less tightly controlled than in-house services, areas such as risk, compliance, security and cost control are the least important measures of ROI.

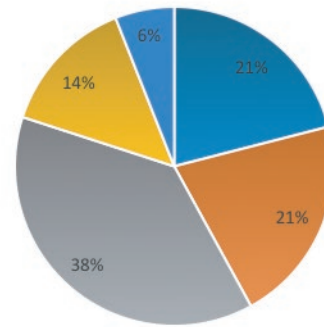


## Annual Budgets for Cloud Services

Budgets for cloud services are fairly evenly distributed. Variations in cloud budgets are likely to be direct function of both organisation size and the degree to which the organisation has adopted cloud services.

To learn more about building your organization's private, hybrid, public, or community cloud on xStream, please visit us at [www.virtustream.com](http://www.virtustream.com).

## Annual Budgets for Cloud Services



■ Up to £100k ■ £100k-500k ■ £500k-1m ■ £1m-5m ■ £10m+

### About Virtustream

Virtustream, a Dell Technologies Business, is the enterprise-class cloud service and software provider trusted by enterprises worldwide to migrate and run their mission-critical applications in the cloud. For enterprises, service providers and government agencies, Virtustream's xStream management platform and Infrastructure-as-a-Service (IaaS) meets the security, compliance, performance, efficiency and consumption-based billing requirements of complex production applications in the cloud - whether private, public or hybrid.

