

A QUESTION OF TRUST.

How UK IT Professionals really view the Cloud.





INTRODUCTION

In recent years, the journey to the cloud and the ability to deploy almost anything in a hyperscaler environment has been widely described as the best – if not the only – way forward for IT teams. But does that correlate with the experiences of IT professionals and how, in reality, are they actually adopting cloud infrastructure?

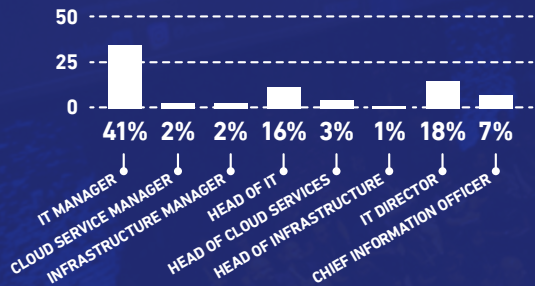
This research aimed to explore current attitudes to cloud adoption and how perceptions may have changed over the last few years. This includes identifying issues, drivers, challenges and expectations of IT decision-makers in organisations with respect to further cloud adoption or migration away from these environments.

In doing so, it raises important questions as to whether hyperscale is the best way forward for today's digitally-centric organisations or – for some organisations – even viable as a long-term option.

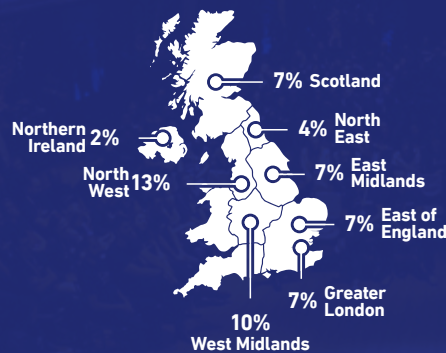
Issues including customer service transparency and the ease of migrating workloads are flagged as potential concerns, the research findings indicate a significant trust issue between public cloud providers and their customers.

WHO DID WE SPEAK TO?

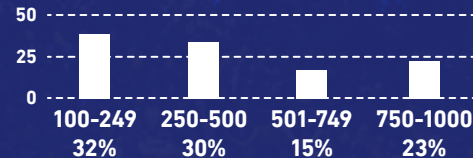
What is your current role within the IT organisation?



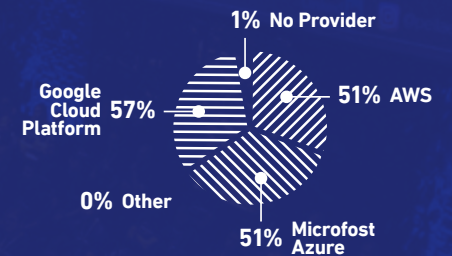
Where is your organisation located in the UK?



How many people does your organisation employ?



Which cloud service providers form part of your organisation's environment?



EXECUTIVE SUMMARY

Today, many UK IT professionals trust public cloud services less than they did two years ago, having run into challenges around usage costs, migration and customer service.

Rather than highlighting the pandemic as a key driver of a shift to the cloud, it appears that businesses were investing in cloud beforehand and that investment levels have remained relatively static before, during and post pandemic. While there was a small increase in investment during the pandemic, these levels have returned, suggesting some level of emergency spending that has since been addressed, and a reluctance to make significant investment during the pandemic with multiple economic factors at play.

Much as there has been a shift towards cloud adoption, the findings bring into question the perception that 'cloud only' is the overarching trend. In fact, the results show cloud as a key component of many IT infrastructures; but 'cloud only' and 'cloud first' are not dominant nor are they considered a panacea for every business need.

While a 'cloud first' IT strategy has become more normalised since the pandemic (whereas 'cloud only' has not) the key research highlights the need for flexibility. In addition, organisations are now more likely to qualify cloud out during the assessment stage, rather than the other way around, and are focusing on choosing the right infrastructure locations for specific use cases.

These concerns are increasingly being played out in the way organisations are deploying cloud technologies and services. While cloud is now a key component for many IT infrastructure strategies, 'cloud only' and 'cloud first' are not dominant, nor are they considered a panacea for every business need. Even though there was an increase in the adoption of cloud infrastructure during the pandemic, the study also showed a decrease in support for 'cloud first' strategies during 2022.

This represents significant new insight and can help inform the way technology leaders evaluate and implement cloud technologies in the years ahead.



KEY RESEARCH FINDINGS:

1. TRUST IN PUBLIC CLOUD

The research reveals that trust levels in public cloud have deteriorated over the past two years. In particular, users have experienced challenges across several key operational and financial areas, each contributing to the erosion of trust. These include:



A) CONTROL, VISIBILITY AND UNDERSTANDING OF COSTS

Asked whether they have been able to effectively control cloud costs, most respondents (72%) said they had been able to do so, but it's important to note that 46% only 'somewhat agree' with that conclusion. In addition (49%) say it's been difficult to understand their organisation's public cloud usage costs. Interestingly, CIOs (42%) and CTOs (42%) were most likely to disagree with this point, whereas cloud service managers (67%) and heads of cloud services (69%) were most likely to agree, highlighting a disparity between the experiences of professionals with strategic and operational responsibilities.



B) MIGRATION CHALLENGES

The majority of respondents (57%) have found it challenging to migrate workloads out of a public cloud environment. Specifically, infrastructure managers were most likely to have experienced challenges (78%) – likely because their skills are more geared towards physical / on-premises infrastructure or, potentially, they were forced outside their comfort zone during the pandemic. Of those that have needed to migrate workloads to the cloud over the last two years, 27% have done so because of unexpected costs and 22% have been forced to because of a lack of available hardware. Subsequently, 21% have also encountered unexpected costs while doing so. Over half of the IT professionals (54%) participating in the research do not think their infrastructure is flexible or agile enough to meet changing demands or don't have the capacity to adjust their current set-up. This means they may not have the capacity to take up other cloud services and may also suggest a lack of expertise in these areas to address these priorities.



C) TRUST ISSUES

Almost half (49%) of respondents also struggled to get hold of a public cloud provider's customer services team. More specifically, smaller organisations were more likely to have struggled than their larger counterparts. The reasons for this may revolve around the deployment of appropriate skills within cloud providers or public cloud providers may be focusing the customer service resources more on larger organisations who have bigger budgets. As a result of these issues, the majority of respondents across the board (55%) trust public cloud services providers less now than two years ago. IT Directors (64%) and heads of IT (61%) were most likely to have lost trust, while heads of cloud services (31%) and heads of infrastructure (33%) were least likely.

2. CLOUD ONLY VS CLOUD FIRST STRATEGIES



A) INVESTMENT IN PUBLIC CLOUD

Increased investment in public and private cloud has occurred across all company sizes, but larger (750-1,000 employee) organisations split their focus equally between public and private cloud, whereas all smaller companies have been investing more in private cloud than public. Investment in co-location increased according to company size, as did investment in on-premises infrastructure.



B) CLOUD IS A PREFERENCE

Much as there has been a shift towards cloud adoption, the findings bring into question the perception that 'cloud only' is the overarching trend. In fact, the results show cloud as a key component of many IT infrastructures; but 'cloud only' and 'cloud first' are not dominant nor are they considered a panacea for every business need. Pre-pandemic, a 'cloud-first' approach was the most popular response (36%), followed by a 'preference but not commitment' to use private cloud (26%). Only 19% stated their organisation committed officially to a 'cloud-only' approach. During the pandemic, those committing to a 'cloud-only' approach increased to 25% (from 19% pre-pandemic). Those who described their strategy as 'cloud-first' decreased to 25% (from 36% pre-pandemic), and post-pandemic, 'cloud only' commitments remained unchanged from pandemic levels at 25%. 'Cloud first' commitments increased to 31%. Commitments to a 'cloud first' approach increased based on company size. Smaller organisations (under 500) were more likely to commit to a 'cloud-only' approach. While a 'cloud first' IT strategy has become more normalised since the pandemic (whereas 'cloud only' has not), the key takeaway is the search for flexibility. Organisations are now also more likely to qualify cloud out during the assessment stage, rather than the other way around, and are focusing on choosing the right infrastructure locations for specific use cases.



An abstract graphic on the left side of the page, resembling a maze or a complex network of paths. It consists of multiple parallel lines that curve and loop, creating a sense of depth and complexity. The lines are black and white, set against a light gray background. The overall shape is roughly triangular, pointing towards the top right.

3. THE MOVE AWAY FROM LEGACY INFRASTRUCTURE

The move away from on-premises legacy infrastructure is clear, but perhaps not as pronounced as would be expected, given the widespread industry narrative that on-premises is giving way to cloud. The research results indicate that while on premises is not an important part of IT strategy, it still exists within many organisations' environments. The positive news is it does not appear to be standing in the way of innovation. Instead, the focus is on deploying applications in the right place. The big takeaway for on premise infrastructure is that the end is approaching, but not quite here.

However, the majority (66%) of respondents agreed that the industry will see the end of on-premises infrastructure over the next two years, with 29% 'strongly' agreeing. This is a strong statement, especially since some are still making investment decisions in on-premises and claim it's not holding back expansion.

Slightly fewer (62%) agreed with the statement that it is already dead - with less (23%) 'strongly' agreeing. For these respondents, it is possible that they are making investments in maintaining what they have, but not investing in new on-premises infrastructure. On-premises infrastructure is still present as part of a legacy strategy, but its role is now more of a facilitator.

The research also set out to assess whether legacy infrastructure is standing in the way of innovation. Despite the difficulties associated with running legacy technologies, only 19% said it was driving changes in their IT strategy. As a result, on-premises legacy infrastructure, while not an important part of contemporary IT across many organisations, is still present as a functional component - albeit one that is not standing in the way of further innovation.

4. HYBRID CLOUD AND THE CASE FOR FLEXIBILITY

IT professionals were also asked what they thought would be the optimum IT infrastructure for their organisation.

The use of private cloud only (23%) and a mixture of on-premise and public cloud (20%) were the most popular selections. Next were public cloud only (17%) and a mixture of on-premises and private cloud (14%). On-premises only was the least popular selection (7%).

Although the overall results suggest an ongoing reliance on on-premises infrastructure - albeit combined with the cloud - interestingly, respondents seem to favour either choosing public or private cloud, or combining on-premise with either public or private cloud. Only 8% felt a combination of all three was optimum and just 10% preferred private and public cloud.



CONCLUSION

The insight and experiences shared by UK IT professionals during this research process strengthen the case for hybrid technology strategies, not least because of the flexibility and choice they afford to large and small companies alike.

Although respondents acknowledged the end of on-premises only infrastructure, the results also indicate that businesses are still using it as an important component of their IT infrastructure. IT professionals in the UK also seem to favour either choosing public or private cloud, or combining on-premises with either public or private cloud. Only a small number felt a combination of all three was optimum, or preferred private and public cloud only.

Ultimately, this underlines the point that despite the ubiquitous availability of cloud services, there is no 'one size fits all' template for organisations investing in IT infrastructure now and in the future.

Report methodology:

This research was conducted on behalf of Leaseweb by Opinion Matters in May 2022. It canvassed the opinions and experiences of 500 UK-based respondents, including IT Managers, Cloud Service Managers, Infrastructure Managers, Heads of IT, Heads of Cloud Services, Heads of IT Infrastructure, IT Directors, CIOs, CTOs in companies employing 100 – 1,000 people.



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