BCN

BCN's 2023 Business Cloud Report

At A Glance: Our Overview of the Latest Cloud Trends and Analytics

Microsoft
Solutions Partner
Modern Work

The Growth of the Cloud Market

In recent years, the Cloud has become integral to the continued operations of increasingly dispersed workforces. As businesses continue to accelerate their digital transformation initiatives, Cloud adoption is increasing rapidly. In fact, 78% of executives reported that they had adopted the Cloud in most or all parts of their business.

As we are currently navigating a particularly uncertain economic climate, you might expect businesses to take a more cautious approach to digital investments and innovations. However, according to the trends we are currently seeing, the opposite is true. Gartner* has predicted that worldwide public Cloud spending will grow by 20.7% in 2023, totalling $591.8 billion. Additionally, 41.4% of global tech and business leaders plan to increase their investment in Cloud-based services and products this year. So, why exactly is the Cloud expected to see such impressive growth, particularly in a period of intense uncertainty? The answer lies in the powerful potential of the Cloud. ChatGPT and Microsoft Copilot are only the most recent examples of cloud-based innovations that revolutionise the way we use technology. The business benefits of the Cloud are quickly becoming undeniable, with 77% of businesses reporting that they believe Cloud technology gives them a competitive advantage, and 16% feeling that this advantage is significant.

*Gartner is a provider of strategic market research and consulting services for companies in the IT sector

To help you understand how to navigate the current Cloud landscape, we have created a comprehensive report on the state of the Cloud in business.

We will explore:

The many benefits of Cloud computing

The best ways to utilise the Cloud within your business

The top Cloud trends of 2023

The sustainability of the Cloud

And so much more!

How Businesses are Using the Cloud to Drive Success

Enhancing Operations

The Cloud is an agile, elastic and scalable environment, making it ideal for organisations looking to scale their operations and grow their business. The Cloud facilitates the efficient provisioning of high volumes of computing resources. This helps to reduce the pressures of capacity planning and improve your flexibility. You can then scale resources such as computing power, storage and bandwidth up or down according to your specific requirements. 62% of IT executives surveyed stated that they would migrate workloads to the Cloud for more flexibility and scalability, while 47% cited elastic resource provisioning as a primary driver.

Sector Specific

Every industry is unique, facing different challenges and requiring specialist solutions. Industry Cloud platforms are now developing, which combine Software, Platform and Infrastructure as a Service (IaaS) capabilities to deliver specific solutions for different sectors. Industry Cloud platforms are designed to solve tailored challenges by combining traditional, generic Cloud services with industry-specific capabilities. Gartner predict that by 2027, more than 50% of enterprises will use industry cloud platforms to accelerate their business initiatives.

Agile Analytics

According to PWC, 100% of Cloud-powered companies have improved their decision-making by undergoing a Cloud transformation. The reason for this? The Cloud facilitates better data analytics. 88% of Cloud-powered businesses have an enterprise-wide data strategy in place, compared to 59% of other companies. These data strategies allow them to create a more streamlined architecture and an integrated data view. This helps to eliminate siloed data, which makes it extremely difficult to make effective business decisions.

Superior Security

Despite common misconceptions, the Cloud is a secure environment. 94% of businesses saw an improvement in security after migrating to the Cloud, while 91% said that the Cloud makes it easier to adhere to government compliance requirements. There are several potential reasons for this. First, Cloud vendors are able to invest consistent resources into monitoring the Cloud environment, without having to juggle other security concerns. Furthermore, data transmitted and stored in the Cloud is encrypted, making it harder for unauthorised users to access.

53%

According to Dell, organisations that invest in the Cloud, big data, mobility, and security see up to 53% faster revenue growth than their competitors. There are many reasons why the Cloud is such a powerful growth enabler.

" The Cloud also has excellent disaster recovery capabilities, with 20% of Cloud users claiming disaster recovery in four hours or less. By contrast, a mere 9% of non-Cloud users could claim the same response times. **"**

The Upcoming Cloud Trends of 2023

As Cloud usage surges, there are several trends you should be aware of if you want your business to stay at the forefront of technical transformation.

Multi-Cloud Implementation

As businesses become more confident in their utilisation of Cloud computing solutions, they appear to be diversifying their Cloud usage across different providers. Operating across different Cloud ecosystems, rather than sticking to just one, offers businesses more flexibility and security. For instance, containerised applications allow specific applications to be moved from one Cloud environment to another with minimal disruption or difficulty. More and more businesses are choosing to use a multi-Cloud infrastructure as it allows them to benefit from the strengths of each cloud provider while avoiding any risks associated with relying on a single provider. It is predicted that 84% of medium-sized organisations will have embraced the hybrid-cloud trend by the end of 2023, and smaller businesses are expected to soon follow suit.

Artificial Intelligence and Machine Learning

Artificial Intelligence (AI) and Machine Learning (ML) are helping businesses to enhance efficiency and embrace innovation. As a result, nearly two thirds of companies are planning to invest more in AI throughout 2023. Public Cloud infrastructure has the high data storage and computing capabilities needed to support AI and ML applications. Using the Cloud helps businesses to get more out of their Cloud investments. According to McKinsey & Company, 64% of 'high performers' (meaning those businesses seeing the greatest impact on their bottom line from adopting AI solutions) run their AI workloads on public or hybrid Cloud infrastructures.

The Rise of FinOps

FinOps is a data-driven practice that has emerged to help businesses manage the costs of Cloud computing. As on-demand Cloud costs fluctuate, FinOps offers businesses visibility into their overall Cloud consumption across different areas of their organisation. FinOps tools which facilitate the monitoring and optimisation of Cloud spending help to enable proper financial governance on the Cloud, even if a business is using a hybrid or multi-Cloud model. As inflation continues to affect businesses, the adoption of FinOps strategies is set to increase in 2023, as a way to help manage potential Cloud costs. According to IDC*, 80% of organisations using Cloud services will have established some FinOps procedures by 2023.

Cloud-native Strategies

Cloud-native strategies refer to the development of modern applications that are specifically designed to reside in the Cloud. Cloud-native architecture takes full advantage of the cloud computing model, and includes principles and services such as containers, which are packages of software that contain all the needed elements to run in any environment, among others. Cloud-native applications are optimised for automation and are more agile as a result. Adopting Cloud-native strategies allows businesses to bring ideas to market more efficiently and respond to customer demands faster. Due to this, according to Forrester**, 40% of firms will adopt a cloud-native-first strategy in 2023 in an attempt to increase agility, efficiency and cost-effectiveness.

# Looking to the Future: The Sustainability of Cloud Computing

As climate change is now a pressing issue, many organisations are looking to implement more sustainable practices. End-user computing contributes majorly to environmental pollution and global warming, generating 1% of global greenhouse gas emissions. In response, many Cloud vendors and Cloud Solution Providers (CSPs) are looking to make their solutions more sustainable and environmentally friendly.

Microsoft is a prime example of this. Microsoft Azure, Microsoft's public Cloud platform, has been carbon neutral since 2012, meaning that it emits the same amount of carbon as it reduces. Additionally, migrating to Microsoft Azure from an on-premises environment has been shown to increase energy efficiency by up to 93% and decrease carbon emissions by up to 98%.

93% ↑
energy efficiency

98% ↓
carbon emissions
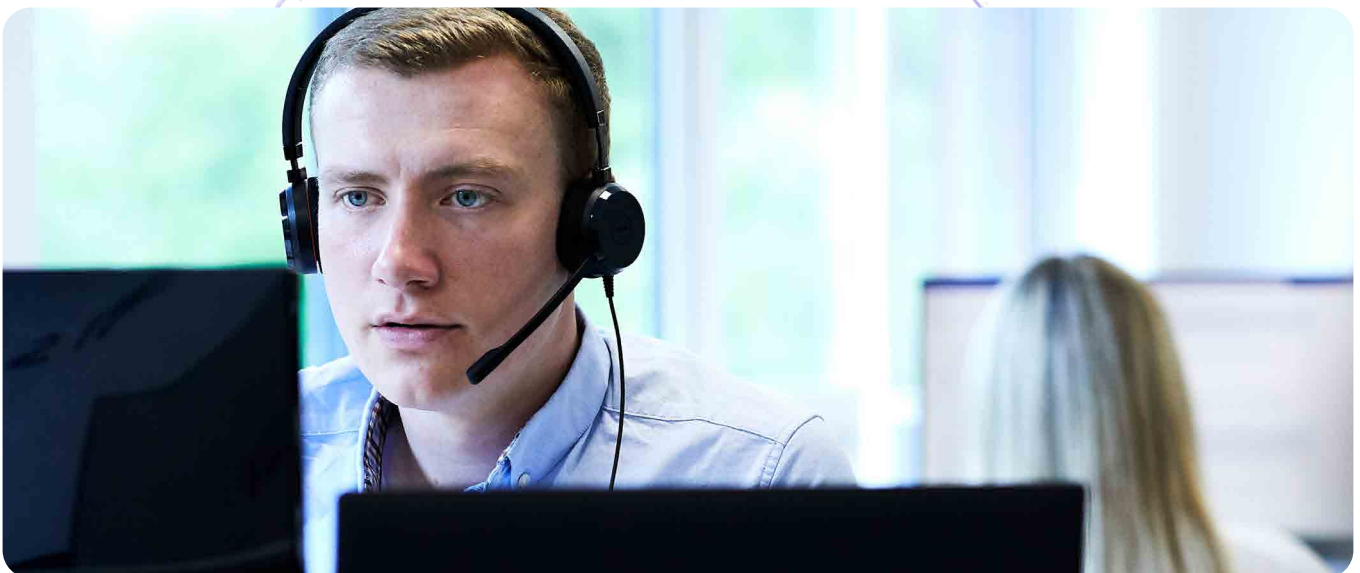
Azure has also pledged their commitment to focus on improving their environmental impact in four key areas —carbon, water, waste, and ecosystems, as shown by their key goals below.

100% renewable energy by 2025

Water positive by 2030

(replenishing more water than they consume)

Zero-waste certification by 2030

Net-zero deforestation from new construction

Microsoft have also introduced Microsoft Cloud for Sustainability which is designed to help businesses meet their sustainability goals by accessing relevant data, building a more sustainable IT infrastructure, reducing the environmental impact of their operations and creating more sustainable value chains.

An IDC survey found that 83% of respondents agree that sustainability is the most important criteria in IT buying decisions. By 2025, IDC expects 85% of organisations to see a 35% increase in sustainable efficiencies by using software and Cloud-based infrastructures. This is directly correlated to the sustainability efforts and initiatives that Cloud providers like Microsoft are investing in.

The future of Cloud computing is not just bright – it's bright green.

Embrace a New Era of Cloud Computing with BCN

The potential Cloud is always evolving. At BCN, our Cloud specialists are always here to help you, no matter where you currently are in your Cloud journey. From migration to optimisation, scalability to security, we have the expertise you need to stay abreast of upcoming advancements, implement effective changes and see success in the Cloud.

Using our unique Impact360 framework, we ensure that your business is getting the most out of the Cloud solutions you implement.

We hold discovery sessions with your board and senior leadership to help understand your goals and identify your key impact metrics.

We carry out an employee technology survey to uncover how IT is impacting your employees' ability to work efficiently and effectively.

We set specific baselines from which we measure the positive impact our Cloud solutions are having towards achieving your overall business goals.

We identify the gaps between your actual technology usage and the benefits that new Cloud investments could bring.

To find out more about how the Cloud could transform your operations and revolutionise your business, get in touch today.

0345 095 7000 →

info@bcn.co.com →

www.bcn.co.uk →