



Cloud Computing Study

Executive summary outlining the 2022 APAC research findings

Just 27% of companies in the Asia-Pacific (APAC) region currently have most or all of their IT environment in the cloud, compared to 41% globally – but they expect that to double to 53% in the next 18 months.

Foundry's 2022 Cloud Computing Survey shows that APAC companies are slightly lagging in the global evolution toward cloud-first IT infrastructure. Compared to IT leaders in North America (73%) and EMEA (84%), APAC IT leaders are far less likely (52%) to say that they have accelerated their cloud migration in the last 12 months. They also plan to allocate just 23% of their IT budget for the next 12 months to cloud spending – likely because only 41% agree that cloud capabilities helped their organization achieve increased and sustainable revenue over the previous 12 months, and 46% say they neither agree nor disagree. On average, APAC organizations will spend \$50 million on cloud computing over the next 12 months, which is less than the global average of \$78 million.

However, the survey also shows that 84% of APAC companies already have at least some of their IT environment in the cloud. In addition, while APAC

52% of APAC IT decision-makers agree that their organization has accelerated its migration to the cloud over the past 2 months

59%

of APAC ITDMs say their organization is defaulting to cloud-based services when upgrading or purchasing new technical capabilities

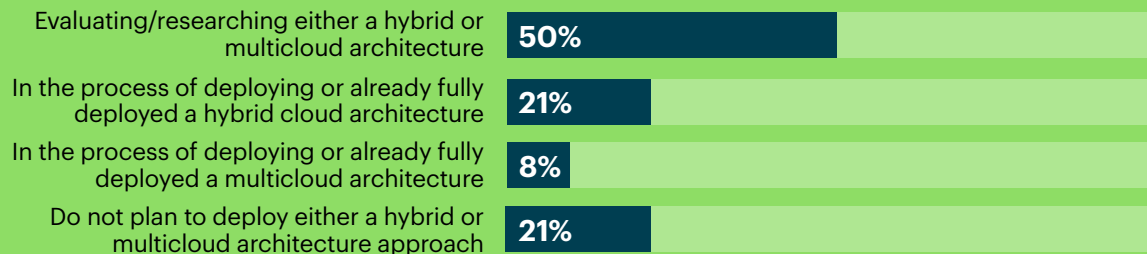
companies are less likely than others to have already completed cloud migrations or have them currently underway, the survey indicates that APAC IT leaders are making longer-range plans to migrate key applications and workloads.

Migration strategies

More than half (59%) of APAC respondents say their organization is defaulting to cloud-based services when upgrading or purchasing new technical capabilities – fewer than those in North America (76%) or EMEA (80%), but a majority nonetheless. In addition, 41% of APAC organizations' cloud-based applications were purpose-built for the cloud, while 59% were moved from an on-premise environment.

Over the next 12 months, 38% of APAC IT leaders intend to migrate existing core applications by taking a hybrid cloud approach that extends rather than abandons on-premises environments. Another 28% are rebuilding or refactoring a majority of their

Hybrid and multicloud intentions in APAC



existing applications for the cloud to support a “cloud-first” strategy, while 23% are rebuilding or refactoring a few targeted applications to be hosted by a single cloud provider. An additional 6% don’t know yet what their migration plans are, and 7% have no plans.

On average, 50% of APAC organizations’ public cloud deployments currently leverage a single cloud provider, compared to the global average of 63%. In addition, a significant (20%) number of APAC respondents report having no public cloud deployments at all, compared to 10% globally.

In addition, APAC IT leaders aren’t as far along as those in other regions in their consideration of hybrid or multicloud architecture. Where 36% of organizations worldwide are evaluating or researching one or the other, that rises to half (50%) of APAC organizations. By contrast, just 21% of APAC companies are deploying or have already deployed hybrid cloud, compared to 29% globally, and 8% are deploying or have already deployed multicloud, compared to 18% globally.

Still, APAC respondents are considering multicloud architecture, drawn in particular by the potential benefits of avoiding vendor lock-in (55%), greater platform and service flexibility (50%), and improving disaster recovery/business continuity (42%).

Among companies that have already deployed multicloud architecture, survey respondents overall

say they’re enjoying an average of 2.7 benefits, while APAC companies cite just 2.1 benefits. Although APAC respondents are far less likely than average to be realizing hoped-for improvements in disaster recovery/business continuity, 68% have achieved greater platform and service flexibility, 42% are successfully avoiding vendor lock-in, and 32% are seeing cost savings/optimization.

Motivations and challenges

Like survey respondents elsewhere, APAC IT leaders are driven to invest in cloud to reduce business risk and improve business performance. Their top priorities are greater flexibility to react to changing market conditions (45%), improving employee productivity (30%), disaster recovery (29%), replacing on-premise legacy technology (28%), and lower TCO (28%). In addition, more than one in four (26%) cite

Top cloud growth areas

1. Platform-as-a-Service
2. Software-as-a-Service
3. Infrastructure-as-a-Service
4. Business process automation
5. Security-as-a-Service

reducing resource waste as a reason for investing in the cloud, compared to 19% globally.

APAC IT leaders also believe the top growth areas for cloud are Platform-as-a-Service (51%), Software-as-a-Service (47%), and Infrastructure-as-a-service (38%). Notably, APAC organizations are significantly less likely (12%) than those in North American (23%) or EMEA (32%) to see private cloud as a top growth area, even though, as previously mentioned, APAC organizations are twice as likely as others to have no public cloud deployments.

Like their peers elsewhere, almost all APAC IT leaders (96%) report facing significant challenges to implementing their cloud strategy. While APAC IT leaders call out data privacy and security challenges at about the same rate as their global peers (35%), only 19% mention having issues securing and protecting cloud resources, compared to 25% worldwide. Their biggest headache is staffing, with more than a third citing lack of cloud security skills/expertise (36%) and lack of cloud management skills/expertise (36%).

APAC IT leaders who have completed a migration to multicloud are more likely (89%) to say that they've experienced one or more significant downsides than those in EMEA (78%) or North America (77%). Increased complexity, the top complaint worldwide, is second (42%) in APAC, after increased costs due to cloud management and security challenges (53%).

In addition, 37% say that the increased cost of training and hiring is a significant post-migration challenge. Still, 91% of APAC respondents have

91% of APAC respondents have added new roles and functions as a result of their cloud investment, compared to 79% globally

96% of APAC ITDMs have experienced significant challenges to implementing their cloud strategy

Top challenges

1. Lack of cloud security skills/expertise
2. Lack of cloud management skills/expertise
3. Data privacy and security challenges

added new roles and functions as a result of their cloud investment, compared to 79% globally, so they're finding ways to bridge that skills gap. In particular, they have added cloud systems administrators (44%), cloud architects (32%), and cloud systems engineers (31%). Indeed, APAC companies are significantly more likely than companies elsewhere to have added cloud systems engineers.

An unhurried approach

APAC companies seem to be approaching cloud migration with less urgency than companies elsewhere. Overall, APAC companies are half as likely as companies elsewhere to currently be migrating any applications at all. While North American and EMEA companies are more likely to be migrating or already have migrated a given application or workload, APAC companies are significantly more likely to be planning to migrate it in the next 1 to 3 years.

Nonetheless, they are most likely to have already migrated websites/web apps (13%), databases (13%), and collaboration and communication

solutions (13%), and they're most likely to currently be migrating websites/web apps (23%), collaboration and communication solutions (22%), development/testing (19%), and databases (19%).

APAC IT leaders' top migration priorities for the next 12 months are systems that enable them to get more value from their data: API management (20%), data integration (18%), development/testing (18%), and BI/data warehouse/data analytics (17%).

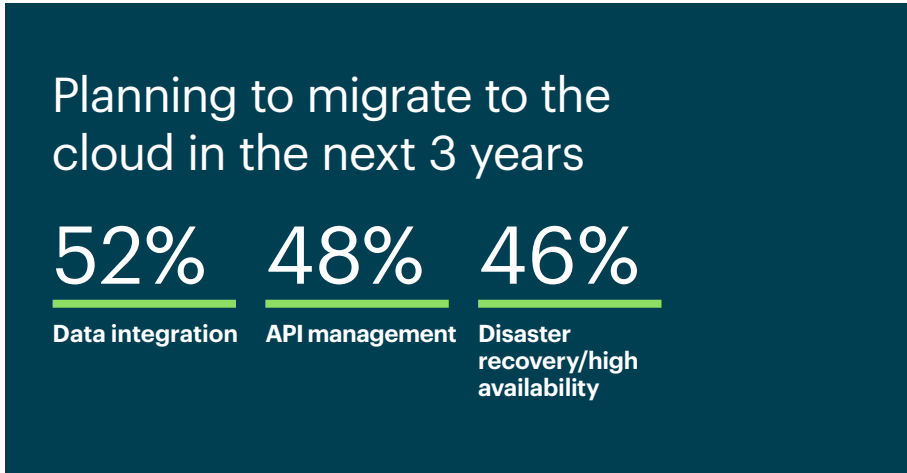
In the 1-to-3-year horizon, though, their plans are broader. About one third of APAC respondents are planning to migrate various workloads in that timeframe: data integration (34%), disaster recovery and high availability (32%), storage/archive/backup/file servers (32%), and identity and access management (30%). These priorities run the gamut from security to data accessibility, and companies in other regions are more likely to have migrated any of them sooner.

It may be that APAC organizations prefer a "fast follower" approach of watching what other organizations do and copying their strategies and best practices. However, it may also reflect that APAC IT leaders have opted not to allocate as much of their budget to cloud and therefore are stretching their migration timelines to see what becomes more urgent over time.

About 10% of APAC organizations – a small percentage, but twice as much as elsewhere – are choosing not to migrate certain applications at all, but instead to build their own cloud applications from scratch. Interestingly, they're doing this in particular for key workflows like CRM/ERP/HRMS/line of business applications, storage/archive/backup/file servers, development/testing, and disaster recovery/high availability. In the context of APAC IT leaders being much less likely to be using public cloud at all, this may reflect a desire to combine the convenience and accessibility of cloud with greater control over data.

Support and influence

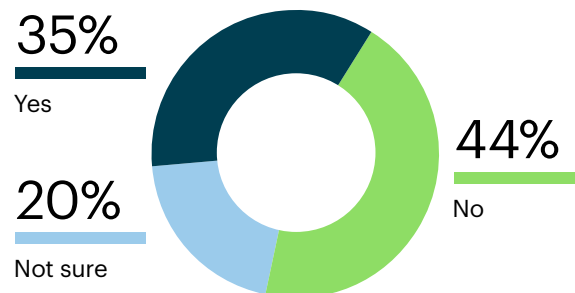
Only 35% of APAC organizations that use multiple cloud providers consider one of them a strategic partner, while 44% do not. Another 20% are unsure.



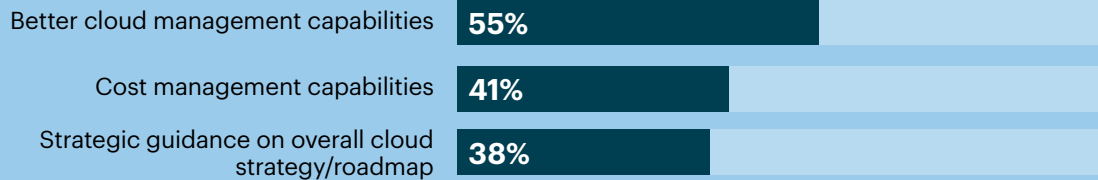
This may explain why well over half (57%) of APAC IT leaders say that system integrators influence their organization's cloud purchase decision – far more than leaders in EMEA (43%) and North America (36%). APAC IT leaders are also less likely than others to say they're influenced by managed service providers (33%), consulting firms (26%), or channel partners/resellers (20%).

APAC organizations also stand out in what they want most in the next year from current and future cloud providers: more than half (55%) want better cloud management capabilities. By comparison, security expertise is the top priority globally, cited by 41% of IT leaders. In APAC, though, only 37% of respondents

Do APAC ITDMs consider one cloud provider to be a strategic partner?



Assistance needed from cloud providers in APAC



say they want vendors' security know-how, putting this desire fourth after cost management capabilities (41%) and strategic guidance on overall cloud strategy/roadmap (38%). In addition, APAC leaders are significantly less interested than leaders in EMEA and North America in vendors' commitment to standards or ability to provide stronger governance tools.

Conclusions

Some key takeaways from the APAC specific study for technology marketers to be aware of in order to properly execute their marketing strategy are:

- **APAC organizations are slightly further behind on their cloud adoption** compared to other regions. As tech marketers, it's important to provide educational resources while these IT leaders navigate the journey
- **Understand the business objectives driving cloud investments in APAC**, which are – greater flexibility to react to changing market conditions, improve employee productivity, and enable disaster recovery and business continuity.
- **Thinking ahead, APAC ITDMs consider** Platform-as-a-Service, Software-as-a-Service, and Infrastructure-as-a-Service to be the top cloud growth areas over the next year.
- **APAC organizations are plagued by the lack of skills when it comes to advancing their cloud solutions.** Their top challenges are lack of cloud security skills/expertise and lack of cloud management skills/expertise. Organizations are starting to hire new roles, but they also rely on their cloud providers for support and expertise.

About the survey

Released under the IDG Communications, Inc. brand for past iterations, Foundry's 2022 Cloud Computing Survey was conducted to measure cloud computing trends among technology decision-makers including: usage and plans across various cloud service and deployment models, investments, business drivers and impact on business strategy and plans. The study was fielded throughout February 2022 and is based off of the responses of 850 global IT decision-makers that are involved in the purchase process for cloud computing and their organization has, or plans to have, at least one application, or a portion of their infrastructure, in the cloud.

Examining the marketplace

Research is an invaluable way for marketers to better understand customers and prospects, with the goal of building quality connections. At Foundry this is one way we are focused on building bridges between tech buyers and sellers. Our first-party relationships with the most important tech buyers and influencers around the world, allows us to apply value across our customers marketing stack. Our research portfolio explores our audiences' perspectives and challenges around specific technologies — from analytics and cloud, to IoT and security — and examines the changing roles within the IT purchase process, arming tech marketers with the information they need to identify opportunities.

To see what research is available, visit [FoundryCo.com/tools-for-marketers](https://foundryco.com/tools-for-marketers). For a presentation of full results from any of these studies, contact your Foundry sales executive or go to [FoundryCo.com/contact-us](https://foundryco.com/contact-us).

Buying process

Each year we take a deep dive into the enterprise IT purchase process to learn more about who is involved and who influences decision-making, what sources purchasers rely on to keep up to date with technology — and throughout the purchase process — and how they want to engage with the vendors they are working with. Visit [FoundryCo.com/customerjourney](https://foundryco.com/customerjourney) for more information.

Role and Influence of the Technology Decision-Maker

This survey is conducted to gain insight into the evolving role and influence of IT decision-makers in today's corporations. The research identifies key decision-makers and examines their involvement during each stage of the tech purchase process and the primary influences and information sources they rely on.

Customer Engagement

This survey examines the role content consumption plays in the purchase process for major technology products and services, and provides insights for tech marketers to map their engagement touch-points to customers' information needs. The survey looks at how a wide variety of content types are consumed, discussed and shared throughout the stages of the tech purchase process and how that maps to marketing and sales alignment.

Technology insights

Each year we explore the technologies that are top of mind among our audiences to understand the business challenges, drivers, and adoption within the enterprise. These research studies are designed to help IT marketers understand what their customers are focused on and where the market is moving.

Role and priority studies

- CIO Tech Poll: Tech Priorities
- State of the CIO

Technology-specific studies

- Data & Analytics
- Cloud Computing
- Digital Business
- Security Priorities

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