

# 2017: A Tipping point for cloud

By [James Stanbridge](#)

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By 2020, nine out of 10 organisations will utilise hybrid cloud infrastructure, according to Gartner[1]. With cloud spending in this area rising faster than ever before, and data centre outsourcing on the decline, 2017 is set to be a tipping point for IaaS adoption.



James Stanbridge

Herewith some key focus areas enterprises should consider to help them on their journey as they move to cloud.

## Catalyst for cloud

What is the catalyst for this increasing focus? While the International Monetary Fund predicts strong near-term growth prospects for the region, the medium- to long-term outlook is less sunny. Global growth remains sluggish, and macroeconomic events such as China's slowdown are contributing to economic uncertainty.

Set against this, businesses know they need to modernise and innovate to stay competitive and are often trying to do so with reduced or static IT budgets. Cloud, with all its benefits, offers a solution.

## Early stages

Some enterprises have already recognised the advantages cloud economics offer and started to move their workloads, but we are only in the early stages.

Why? Some businesses have been concerned that moving to a cloud infrastructure model would result in performance inconsistency and that the public cloud wouldn't be as reliable as working with an on-premises system.

Data sovereignty laws have also been a major concern, particularly for mission critical systems and those organisations operating in the more heavily regulated sectors such as government, education, healthcare, and financial services, in which customer privacy and industry compliance are paramount.

## **New arrivals**

Now, numerous suppliers have released the next-generation of enterprise infrastructure cloud solutions designed to answer the demanding performance, reliability, and security needs of businesses. These range from primitive, basic but high performance compute, storage and networking capabilities; to bare metal cloud services that combine the elasticity and utility of public cloud with the granular control, security, and predictability of on-premises infrastructure to deliver high-performance, high availability, and cost-effective infrastructure services.

In addition, tools to help with broad base virtual machine migration and management across hybrid environments are arriving on the scene, ensuring a more seamless experience. In simple terms, a cloud that performs as well as - if not significantly better than - dedicated hardware, on premise.

## **First steps**

As enterprises begin to consider taking advantage of the cloud, a good starting point is using cloud infrastructure to help reduce costs and modernise (de-risk) the business, transform development and unlock innovation, transformation and new growth.

Here are some great examples, of how companies are using infrastructure-as-a-service (IaaS) to meet these business requirements:

- **Cost reduction and modernisation**

Pikicast, a South Korean social media content provider, migrated to public cloud services in order to minimise its upfront costs and support a long-term data retention strategy. The business adopted a cost-effective archiving solution to store up to 15GB of daily user access data, enabling the business to more efficiently analyse user patterns, such as specific media content interests, without the cost burden of storing large volumes of user data. As a result, the company was able to reduce maintenance costs by 98% and gain superior support for its ambitious growth plans.

- **Transforming development**

Test and development are already the most common reasons to use infrastructure cloud. One of Korea's leading IT solution providers, Goodus, was experiencing increasing customer demand for its in-house developed-network-management solutions. But, the business was challenged by legacy architecture that made it difficult and time-consuming to perform multiplatform testing scenarios. Thanks to the use of database, compute and storage cloud services, the company now enjoys a highly responsive, low-cost development process.

- **Innovating in the cloud**

Cloud is also an innovation enabler. Falconry is an artificial-intelligence company that specialises in recognising patterns of behaviour from data in real time. For example, brain seizures can be anticipated and monitored and then

the right intervention can be provided in a timely fashion. Using bare metal cloud services, Falconry is now able to quickly leverage a huge amount of computing power to explore data; giving customers instant access to its revolutionary artificial intelligence technology so that they can solve problems in days or weeks, rather than years. By choosing an enterprise-class cloud solution, Falconry can assure clients that their sensitive data is protected.

These are just a few examples of how businesses have made the move to cloud in order to lower costs, effect innovative transformation and stay at the leading edge of their industry. With cloud infrastructure hitting a key tipping point this year and economic uncertainty lingering on the horizon, now is the time for enterprises to take a deep look at the enterprise-class cloud.

[1] [www.gartner.com](http://www.gartner.com).

## ABOUT THE AUTHOR

James Stanbridge is vice president infrastructure cloud at Oracle APAC & EMEA.

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