

# You & IaaS

Learning from  
the success of  
early adopters

A survey of 1,600 senior  
IT professionals explores the  
benefits and misconceptions  
surrounding IaaS adoption.



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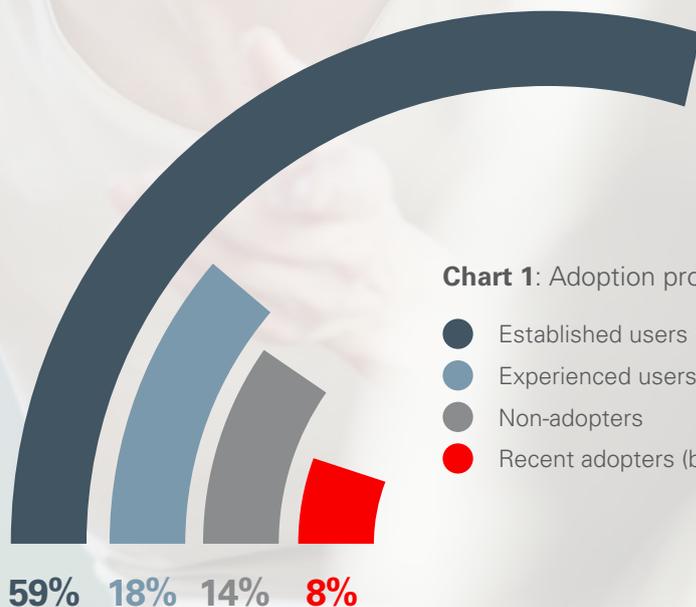
# You & IaaS

IaaS was once beyond the comfort zone of many IT leaders, but finally, many enterprises are now beginning to embrace it—migrating workloads to the cloud and retiring the on-premises architectures they once thought indispensable.

But despite the improved performance, agility, and opportunity for innovation extolled by experienced users, some businesses still find their migration efforts thwarted by fear of change.

Our findings signal that IaaS is at an inflection point. Nearly half (44 percent) of respondents aim to base all—or almost all—of their infrastructure on IaaS within the next three years. In total, 77 percent expect to be using IaaS to some extent in the same timeframe. Yet challenges remain.

- > Three in four will have infrastructure in the cloud within three years
- > Six in ten believe IaaS makes it easier for businesses to innovate
- > Half of organizations say IaaS boosts key performance metrics
- > One in two say misconceptions around IaaS have been a strong barrier to adoption
- > Longer-term users more likely to see benefits and play down challenges



**Chart 1:** Adoption profile of survey respondents

- Established users (began adopting IaaS 1-5 years ago)
- Experienced users (began adopting IaaS 5+ years ago)
- Non-adopters
- Recent adopters (began adopting IaaS within the past year)

# 1. Defining the benefits of IaaS

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## A competitive priority

Almost six in 10 (59 percent) IT professionals believe that any business not investing in IaaS will quickly fall behind peers that are. A similar proportion (61 percent) says enterprise-wide IaaS is an essential ingredient in any progressive cloud strategy.

## Innovation and agility

Organizations are using IaaS to respond quickly to change and even to disrupt their markets. Around six in 10 (62 percent) believe IaaS makes it easier for businesses to innovate, likely because energy spent on maintenance can be redirected to development and experimentation. This sentiment increases among longer-term users, with 68 percent believing in the innovative advantages of IaaS. We also hear 60 percent of respondents saying that moving to IaaS has significantly cut their time to deployment.

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Of those surveyed, 61 percent say enterprise-wide IaaS is an essential ingredient in any progressive cloud strategy.

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## Performance boost

Around half of businesses (47 percent) believe IaaS provides world-class availability, uptime and speed. And the longer a business works with IaaS, it seems the greater the performance becomes. Experienced users—who began integrating IaaS in 2012 or before—are notably more likely to believe in the benefits of IaaS than recent adopters (Chart 2).

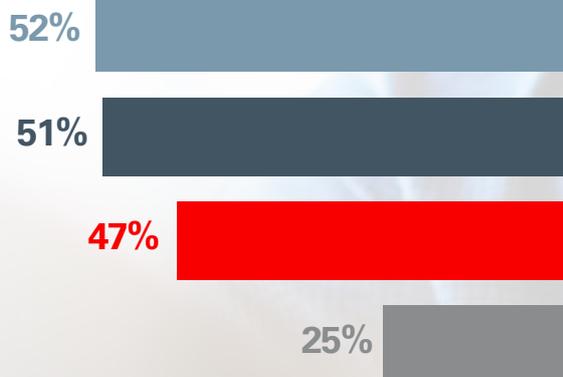
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60 percent of respondents say that moving to IaaS has significantly cut their time to deployment.

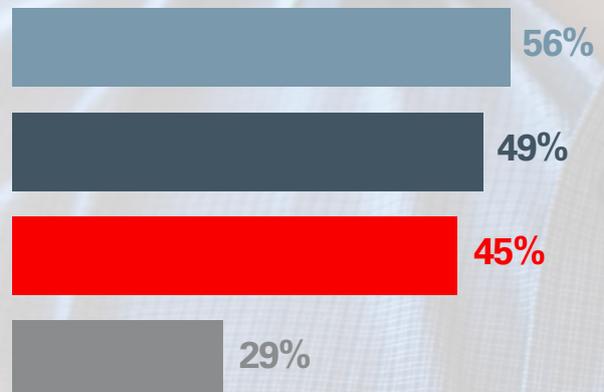
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**Chart 2:** Positive assessment of IaaS over time

IaaS provides world-class speed



IaaS provides world-class availability and uptime



● Experienced users   ● Established users   ● Recent adopters   ● Non adopters

## 2. Barriers, challenges, and bridges to cross

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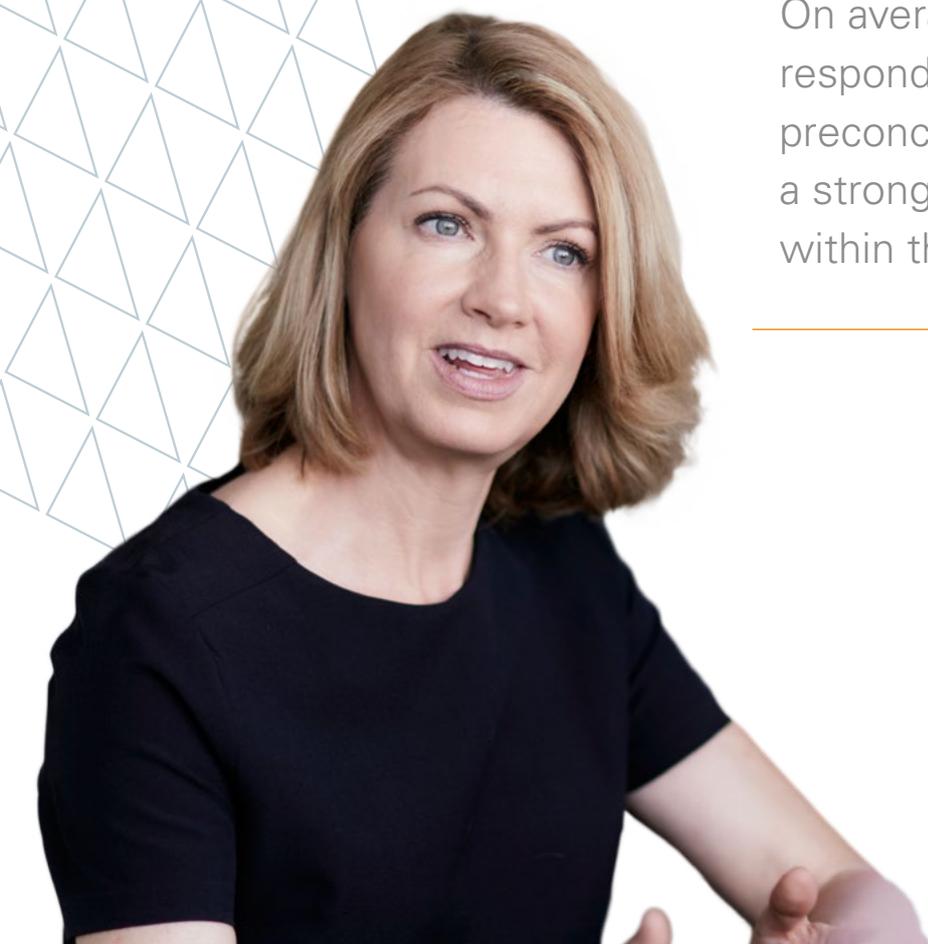
### Negative attitudes remain

Any new technology, especially one that challenges embedded ways of working, can be a cause for concern. Will the system live up to promise, deliver return on investment, or otherwise expose the business to new complexity and risk? How can forward-looking IT managers, who know that other organizations are achieving results through IaaS, demonstrate its value to senior colleagues who cut their teeth on infrastructure they can 'see'? On average, 47 percent of respondents say negative preconceptions have been a strong barrier to IaaS adoption within their organization.

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**Chart 3:** The negative attitudes that businesses face around IaaS



**50%**

IaaS isn't secure enough for most critical data



**49%**

The technology may change, making our investments outdated



**48%**

Migrating our systems will create new complexity

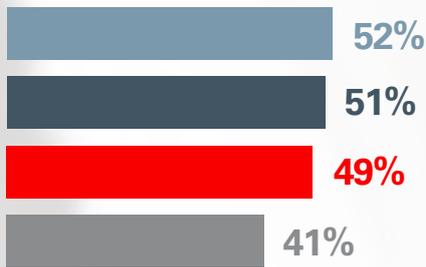


**47%**

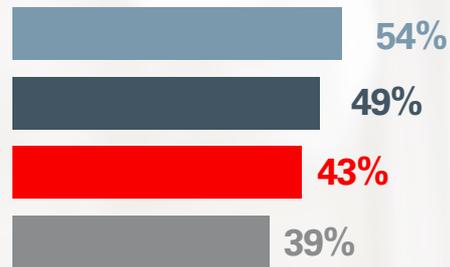
Moving to IaaS means losing the control we have over our on-premises systems

**Chart 4:** Negative attitudes decline among more recent adopters

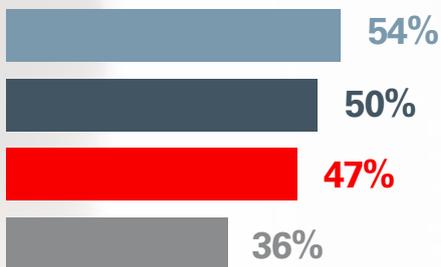
laaS isn't secure enough for most critical data



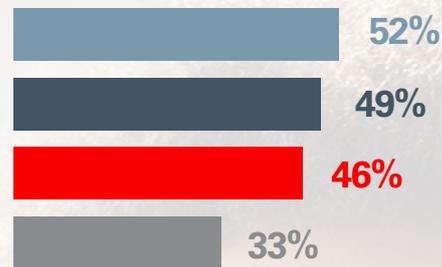
Migrating our systems will create new complexity



The technology may change, making our investments outdated



Moving to laaS means losing the control we have over our on-premises systems



● Experienced users    ● Established users    ● Recent adopters    ● Non-adopters

### Four key attitudinal blockers

As they push to embed laaS, IT professionals are most likely to be blocked by colleagues who are concerned about the security of the business' crown jewels—its most critical data (Chart 3). We find they also face concerns about the technology becoming outdated, increases in complexity, and loss of control.

### A shift in perception

The good news is that attitudes are changing. More recent adopters are less likely to have encountered negative attitudes about laaS, suggesting that executives are finding laaS to be more secure, flexible and compatible with existing systems than they once thought.

While 54 percent of longer term users have been challenged by colleagues about laaS complexity, just 43 percent of recent adopters have encountered this. A similar pattern emerges across all four main negative attitudes.



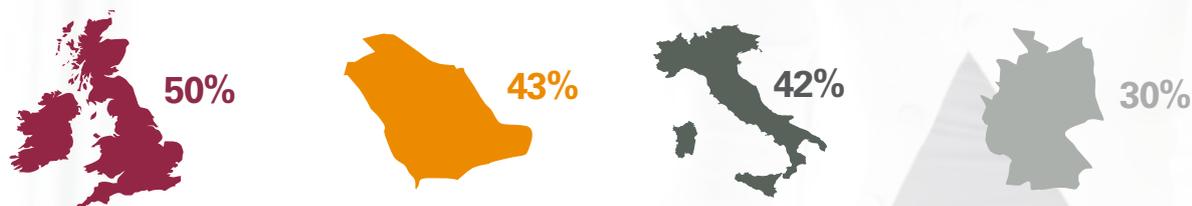
## German businesses face fewer negative attitudes overall

Our findings highlight a clear difference in attitudes across EMEA countries. While half of UK respondents have found negative attitudes in general to be a strong barrier, just 30 percent of their peers in Germany feel the same (Chart 5).

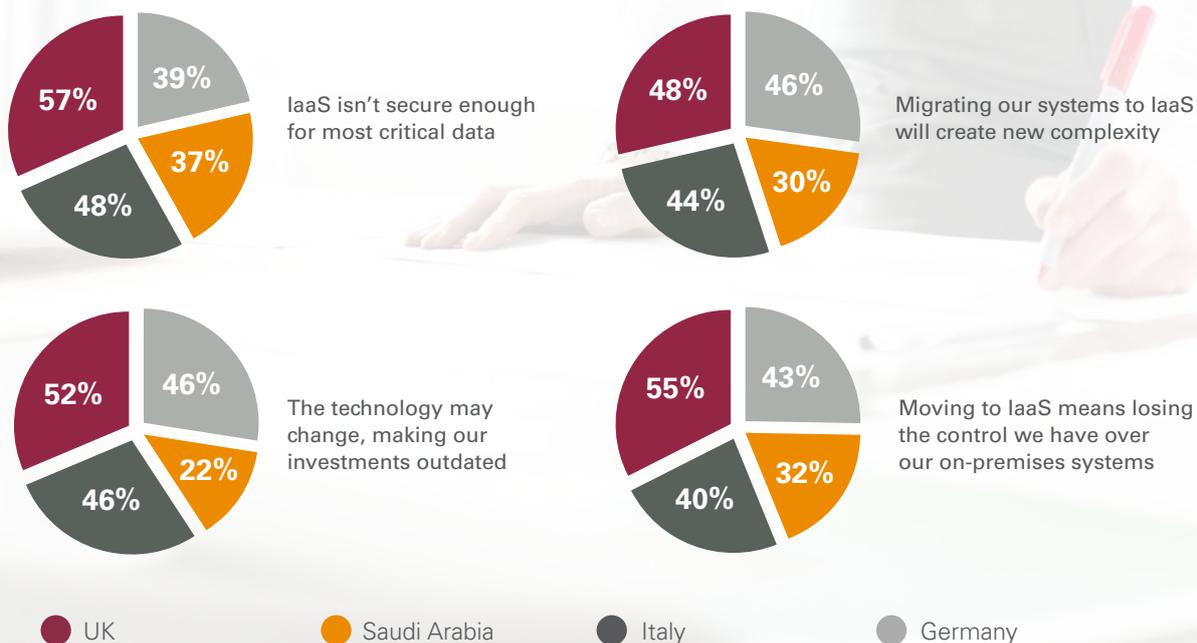
This pattern is consistent across the top four barriers that businesses have faced, with German businesses being more open to IaaS and less concerned about security, technology change, complexity and loss of control (Chart 6).



**Chart 5:** Negative attitudes in general have been a strong barrier to adoption



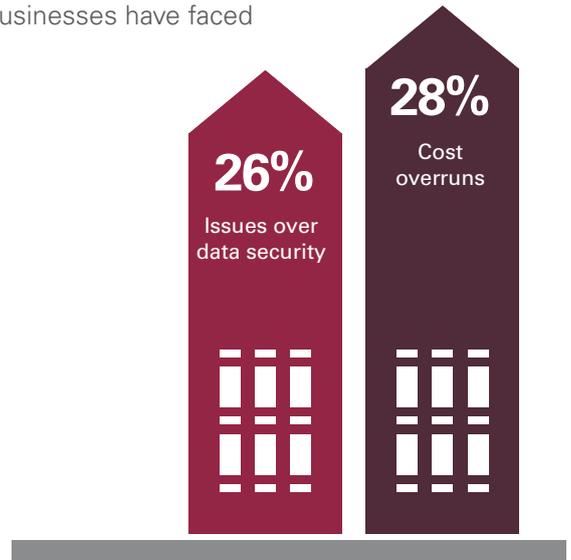
**Chart 6:** Specific attitudes by country



## Top two challenges

Businesses encounter negative attitudes when they start to adopt IaaS, but are these attitudes ever justified? What challenges do businesses face when they have embarked on the migration process, and are these challenges evolving in line with the technology, and as new offerings come onto the market? When we asked our respondents about the IaaS issues they have had to contend with, they pointed primarily to cost and data security (Chart 7).

**Chart 7:** The top two IaaS challenges that businesses have faced

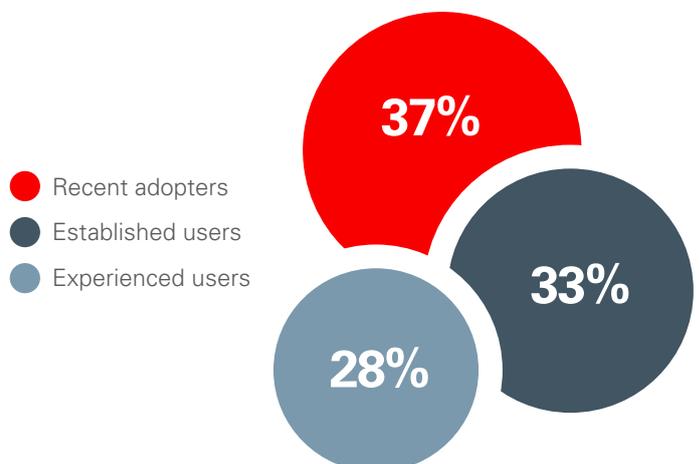


## A mixed picture on cost

Concerns around cost depend primarily on how long a business has been working with IaaS, with more experienced users less likely to admit that this has been a challenge (Chart 8). Two thirds (67 percent) of this group also say IaaS has significantly cut ongoing maintenance costs, compared with 57 percent of all users.

This doesn't mean that cost overruns haven't caused a problem for the pioneers of IaaS adoption. A significant minority (45 percent) of experienced users also believe upfront migration costs ultimately outweigh the long-term savings created by IaaS—higher than the proportion of recent users who feel the same (34 percent). This suggests two things: Firstly, many experienced users will consider cost to be less of an issue as time wears on and the wider benefits of the technology are realized. Secondly, migration costs of IaaS may be falling as a new wave of suppliers provide better optimized solutions.

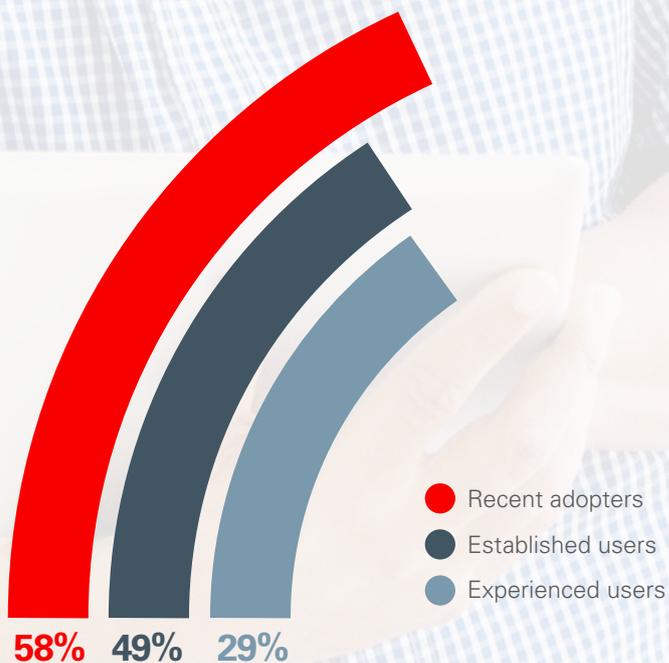
**Chart 8:** Proportions that say cost overruns have presented an issue



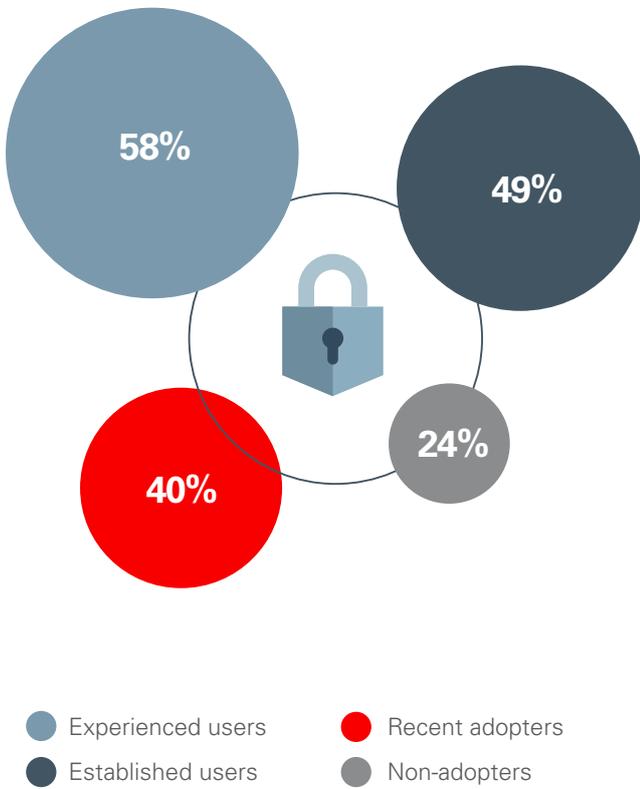
## Data security: threat or best practice?

Information security is a board-level issue for most businesses today, so it is not surprising that some executives have had concerns about the robustness of IaaS. Yet the experience of longer term IaaS users suggests the technology ultimately makes a positive impact on security. Simply, the longer a business migrates to IaaS and works with it, the less likely it is to think of data security as a problem. Over time, businesses even start to think of IaaS as a security enabler rather than a risk: almost six in 10 (58 percent) experienced users say they consider IaaS to be best practice security for enterprise architecture.

**Chart 9:** Proportions that say data security has presented an issue



**Chart 10:** Proportion of users that say IaaS provides best practice security



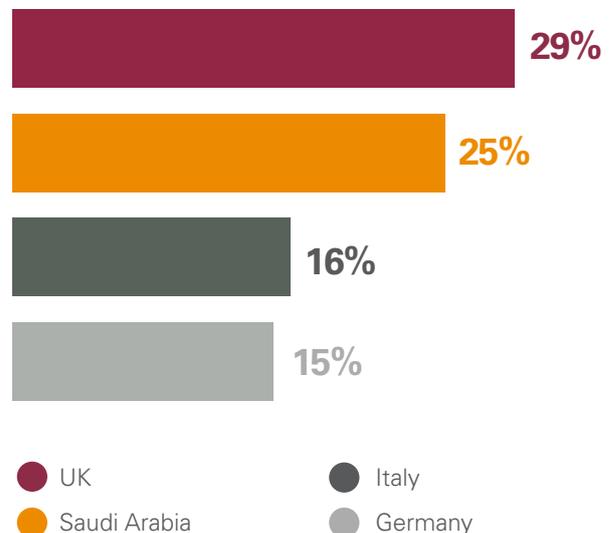
### Bridging the talent gap

Adopting IaaS requires new skills and may call for additional training or resources within IT teams. Half of all respondents say their IaaS adoption is being held back by IT teams that are more comfortable with on-premises architectures. A shortage of key skills and lack of experience could also explain why 49 percent think a customizable IaaS solution can cause more problems than it solves. Yet the skills gap may be declining. While 58 percent of experienced users say unprepared IT teams have held back IaaS, only 44 percent of recent adopters feel the same. Many will have taken steps to build the capability they need, which could have been enabled by the reduction in maintenance costs that IaaS creates.

### The view on skills across EMEA

Of the EMEA respondents to our survey, the UK stood out as having had the most difficulty in building the capability needed to make the most of IaaS. The issue is not necessarily because their teams are more comfortable with on-premises architectures—as UK respondents appear less likely to flag this as an issue than their EMEA peers—but is primarily around skills. Redirecting the savings made by IaaS elsewhere could help fill this gap.

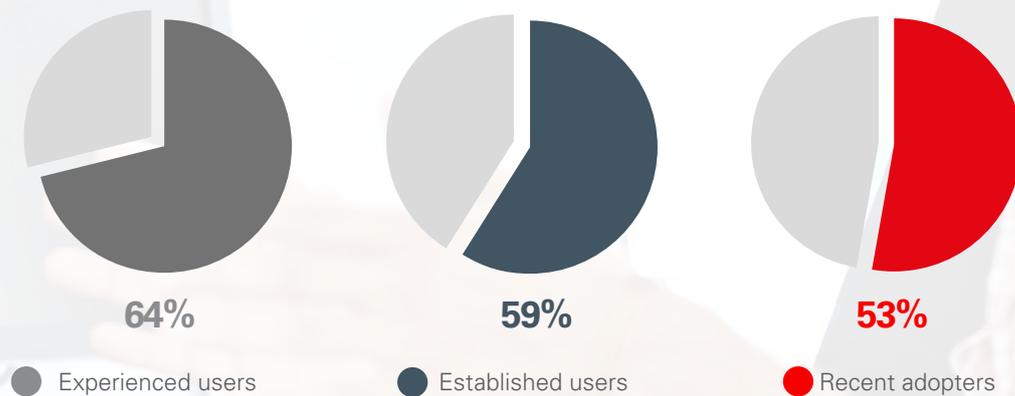
**Chart 11:** EMEA countries that have encountered a skills gap



# Conclusion: An evolving technology in the landscape

Our research tells an intriguing story about IaaS and its place in a business technology landscape which is still evolving. While concerns and preconceptions still exist, we find these drop off as businesses adopt the technology and encounter its benefits first-hand. Overall, IaaS is much easier to embed than some in the past have suggested: indeed, almost two thirds (64 percent) of experienced users say migration has been easier than expected. We would anticipate the picture will become even more positive as more and more businesses embrace the advanced IaaS solutions now entering the market.

**Chart 12:** Proportions who believe that moving to IaaS has been easier than expected



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