

## Devoteam x IDC survey: only 15% of companies are taking full advantage of the Cloud

Paris, 28 September 2021 - Devoteam, a leading consulting firm focused on digital strategy in Europe, Middle East and Africa, releases today the results of a study conducted by IDC on behalf of Devoteam among 700 IT decision-makers and business leaders from 16 countries in the EMEA region. The survey looked at the maturity of the organisations in their Cloud adoption and usage, as well as the future outlook of Cloud in achieving their business outcomes. It confirms its role as a catalyst for digital innovation and growth.

2020 has been a tipping point for Cloud adoption, driven by the unprecedented disruptions from the pandemic. However, despite a massive acceleration in Cloud use, the survey reveals significant maturity gaps between organisations, and yet this maturity plays a decisive role in their business performance and ability to innovate.

As of today, only 15% of the EMEA companies surveyed have reached the final stage of their Cloud journey; they constitute the most experienced category of users, the "Cloud Innovators". The findings also show that among these 15%, only 17% are using Cloud at both an industrial and strategic level. This will reach 77% by 2023.

As a direct result of this relative maturity, today only 38% of applications have already migrated to the Cloud. By 2023, 70% of the application landscape will be migrated to the Cloud thanks to turnkey "Cloud-native" development and deployment services. Innovators are driving this paradigm shift: they plan to migrate up to 87% of their applications to the Cloud by 2023 in order to build a competitive edge. In fact, the study reveals that organisations with greater Cloud experience operate their Cloud infrastructure more efficiently.

### Among the key findings:

- The companies questioned fall into 3 categories corresponding to 3 stages of the Cloud path:
  1. **Cloud Experimenters**, who are at the beginning of their Cloud journey. **36%** of the companies surveyed fall into this category.
  2. **Cloud Optimizers**, are those who have already gained experience in the Cloud. This category covers almost half of **respondents** (49%).
  3. **Cloud Innovators**, who are driving digital business transformation of their company based on the Cloud. **15% of the organisations** fall into this category.
- Cloud Innovators are more strategic in their use and implementation of Cloud, enabling them to get more out of it. We note that **96% of Cloud Innovators have realized business benefits from their Cloud implementation**, compared to only 73% of experimenters.

The survey results also point out a significant shift to the cloud in the very near future:

- While **only 4% of European companies are making "industrialized and strategic use of Cloud with very clear governance and effective management"**, **35%** will reach this ultimate standard by 2023.
- Today, **54% of companies use multiple cloud providers**. Tomorrow, public and hybrid multi-cloud architectures will be the norm. Traditional on-premises IT will slowly lose its importance.
- **Identifying the right cloud provider and partner** for each of the major applications is **key to achieving Cloud success**.
- **Cloud security and governance are essential** for effective control of Cloud technologies.
- **Sustainability is emerging as a key differentiator** for European organizations in their choice of a cloud provider.

To enable companies to evaluate their Cloud maturity level, Devoteam and IDC have developed an online tool that provides them with an assessment of their situation and initial recommendations based on the answers to a series of questions: <https://cloudbenchmark.idcready.net/>.

To consult the report, click on the following link: [link](#).

**Methodology:** In the context of its *2021 Cloud Benchmark Survey*, IDC has questioned 561 IT decision-makers and 139 business leaders in 16 EMEA region countries. The majority of organisations responding (99%) have more than 500 employees and 43% of them have more than 5,000 employees.

#### About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

#### About Devoteam

Devoteam is a leading consulting firm focused on digital strategy, tech platforms and cybersecurity. By combining creativity, tech and data insights, we empower our customers to transform their business and unlock the future.

With 25 years' experience and more than 8,000 employees across Europe, the Middle East and Africa, Devoteam promotes responsible tech for people and works to create better change.

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# Cloud, an accelerator of digital innovation for business performance

## Zoom on the IDC survey for Devoteam

### 3 user profiles for 3 different levels of maturity

In order to understand which cloud strategies are effective, IDC conducted a survey for Devoteam on the role of the cloud in driving digital innovation. Based on the 3 steps to a successful cloud strategy, the survey reveals 3 portraits of cloud users that reflect the 3 stages of digital innovation and cloud mastery.

- Cloud Experimenters are at the beginning of their cloud journey: 36% of EMEA organizations fall into this category.
- Cloud Optimizers have already gained experience in the cloud: they represent 49% of the companies surveyed.
- Cloud Innovators are leading a cloud-based digital transformation of their business: 15% of organizations, demonstrating excellence in each of the three pillars and differentiating themselves through industrial and strategic use of public cloud services to drive digital innovation. They achieve better business outcomes by aligning their cloud strategy with their business strategy and adopt automated cloud management focused on governance, risk and compliance.

### A multi-cloud approach dominates

54% of companies use multiple Cloud providers:

- 48% primarily use AWS.
  - Within that 48%, 50% also use Microsoft Azure and 44% Google Cloud Platform;
- 48% choose Google Cloud Platform as their primary choice.
  - Within that 48%, 44% also use AWS and 45% Microsoft Azure;
- and 58% primarily rely primarily on Microsoft Azure.
  - Within that 58%, 41% also use AWS and 37% Google Cloud Platform.

### Containers: a technology choice, source of competitive advantage

The IDC study found that 58% of Innovators today rely on container-based storage, compared to 50% of Experimenters and 50% of Optimizers. Also, 100% of Innovators are doing API integration - 60% of them following an API-first integration strategy in full alignment with business and IT strategy - versus 1% of Experimenters and 10% of Optimizers.

*"This strategic choice made by the Innovators confirms our analysis of the market, which is increasingly moving towards containers. This is an area in which we are*

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*perfectly legitimate in supporting all companies, since we currently have the largest number of Kubernetes certifications," says Gert Jan van Halem, Distributed Cloud Director, Devoteam.*

### **Security, a critical cornerstone for a successful cloud deployment**

- Security is the second highest cloud priority.
- 35% of Innovators prioritize digital security and trust, compared to only 25% of Experimenters.
- 57% of all respondents use an external partner for cloud security, and that number rises to 63% among Innovators.
- 56% of companies choose an external partner based on their cloud security skills.

### **TOP 5 intrinsic benefits of effective Cloud deployment**

1. Increased business and IT productivity (35%)
2. Higher revenues and profits (27%)
3. Lower IT costs (25%)
4. Improved security, compliance and governance (22%)
5. Better digital customer experience (19%)

### **Cloud for digital innovation and business performance**

Over 82% of organizations surveyed reported positive business outcomes as a direct result of using the Cloud. This is especially true for Innovators, where 96% reported positive business impact, compared to 73% of Experimenters, whereby mastery of each of the three steps can lead to greater business benefits.

Furthermore, 39% of Innovators rank digital innovation as the best benefit of Cloud. 33% of Optimizers and 32% of Experimenters favor data intelligence.

The study highlights how Innovators are moving beyond tactical cloud use cases to much more strategic and transformational use. For example, 35% of Experimenters cite that each cloud team manages its own clouds in silos, compared to less than 1% of Innovators. On the other hand, 85 percent have established a cloud center of excellence to drive innovation via the cloud, compared to 7 percent of Experimenters and 37 percent of Optimizers.

IDC predicts that to gain business agility, enterprises will commit to modernizing up to 50 percent of their existing applications by 2023, using turnkey cloud-native development and deployment services.

### **Some challenges still to be overcome**

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Despite the predicted and unstoppable acceleration of Cloud, organizations face a number of obstacles in implementing a cloud strategy of excellence.

Experimenters struggle with:

1. 44%: cost of migrating existing applications and databases
2. 37%: Lack of internal skills and capabilities
3. 35%: Choosing the right cloud service provider
4. 33%: Technical complexity of cloud migrations
5. 29%: lack of management support.

For Optimizers:

1. 50%: cost of migrating existing applications and databases
2. 45%: Technical complexity of cloud migrations
3. 33%: Restrictive regulations and compliance
4. 31%: Understanding the impact of sustainability
5. 30%: Choosing the right cloud service provider

### **The need for an external, expert strategic partner is reinforced**

While organizations in EMEA face the cost and complexity of cloud migrations, as well as a serious cloud skills shortage, choosing an external strategic partner for cloud services is critical to implementing a successful and accelerated cloud-based digital innovation strategy.

Regardless of their maturity, 57% of companies surveyed are choosing to add an external partner to their internal capabilities to help them implement an effective cloud strategy. But also to help them address key obstacles to cloud adoption. Innovators are more likely to use an external partner than companies that are less advanced in their Cloud journey: 63% of Innovators make this choice.

### **Top 5 criteria for choosing a cloud services partner**

1. Security because it is the foundation of digital trust and the success of digital business models: 56% of companies surveyed (63% of Innovators)
2. Hybrid multi-cloud management (33%)
3. Cloud managed services: (28%)
4. Cloud-native application development (23%)
5. Consulting and strategy (22%)

### **Environmental impact, a significant component**

Sustainability is now an essential and incompressible component in the choice of a cloud supplier. 60% of Innovators have already implemented strict rules to choose the most sustainable supplier when issuing an RFP, compared to only 8% of Experimenters.

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The criteria that matter are : for 43% of respondents, CO2 and GHG emissions, closely followed by production efficiency (40%), energy sources and supply chain energy consumption (38%), and finally consumption facilities (33%).

Among Innovators, sustainability initiatives are led by the sustainability director or the CEO himself in 39% of cases. While for Optimizers and Experimenters, it is the CIO or the CIO who is responsible for them.

### **Assessing your level of maturity and room for improvement to get the most out of Cloud**

IDC and Devoteam have developed a tool that allows organizations to evaluate their cloud maturity level according to the three pillars of a successful cloud strategy: plan and architect; build, secure and optimize; innovate and differentiate.

***"If your cloud strategy is effective then it drives digital innovation and represents a key success factor that influences your competitiveness and growth in the digital economy. That's why we felt it was essential to provide a simple and effective tool for every company to measure its cloud maturity level and, most importantly, to know where it can be optimized," continues Gert Jan van Halem. "With 10 questions, based on your attitudes, usage and deployment perspectives, you receive a detailed report with customized recommendations to take your cloud strategy to the next level, while having an informed view of how you are positioned in relation to the industry average," he adds.***