Exploring the different needs for cloud services across Europe

By Massimo Bandinelli, Aruba Enterprise Marketing Manager.

Although digital transformation is happening across Europe, each country continues to have its own IT needs and the different cloud markets highlight this. The ICT European market is a growing market and, according to IDC, this market will continue to grow by 22% until 2022 with higher growth rates than in any other part of the world, mainly because of the GDPR.

This transformation process is moving at different speeds. In Poland, for example, the mistrust of the cloud is still high. According to data from the report "Use of cloud services in enterprises of Poland", 87% of organisations still have a physical on-premise infrastructure, while only 27% of them use cloud solutions.

The main factors that encourage cloud adoption are the availability of the service via the Internet (39%), followed by the higher level of security facing cyber-attacks (38%) and lower activation costs (in 36%). Nonetheless, 63% of respondents indicate that data security concerns are the main obstacle when it comes to using cloud services.

In Poland, all cloud models (public, hybrid and private) are in use. According to a survey we commissioned recently, 50% of users turn to private cloud solutions[1], 26% to the public cloud and 23% to the hybrid cloud. The reason for the popularity of the private cloud model among Polish organisations seems to be the direct control that the solution provides to each company on data security.

The situation is different in Italy, however. The awareness campaigns conducted over the last eight years has proven to be effective. To date, the Italian cloud market is worth 2.34 billion euros, it has grown 19% since 2017. In Italy, 82% of medium-large organisations use at least one service in the public cloud, in 23% as an extension of a core process. This trend affects not only large organisations but also SMEs who, in 74% of cases, recognise the cloud as an effective manner to introduce innovation in the company.

The demand for the cloud in Italy is continuously changing. If in 2017 there was the hybrid cloud boom, with many requests for mixed solutions - private cloud and physical infrastructure -, both on-premise and in the data centres. In 2018, the public cloud adoption rate grew due to growing awareness around Disaster Recovery, Business Continuity and Backup solutions on cloud platforms as well as a surge of requests due to the GDPR which imposed on firms to provide for the data security when designing the overall data management infrastructure.

Today's emerging trend is the result of the introduction of multi-cloud strategies in organisations. Quite a few reasons have led to the migration of an infrastructure or part of it to different providers: from the level of service and assistance offered (SLA), to the type of service, from the level of experience of a provider in the management of a service, to the geographical redundancy and, even the price.

In the UK, the multi-cloud strategy has taken over and has been adopted by 81% of organisations. At the same time, hybrid solutions are losing popularity (-7%). This represents a real change in the way businesses perceive the cloud[2].

The speed with which organisations based in the United Kingdom are adopting the cloud is quite impressive. Only seven years ago, not even half (48%) of organisations used cloud-based services. Today that number is 88%. Half of

[1] http://www.egospodarka.pl/146106,Uslugi-chmurowe-oczami-MSP,1,39,1.html
[2] https://www.doherty.co.uk/blog/cloud-trends-2018

the organisations that don’t currently use the cloud, expect to do so shortly. Within two years 93% of organisations will use at least one cloud service.

An increasingly high percentage of UK organisations are relying on a public cloud solution for their backup and disaster recovery. This is not surprising considering that Gartner forecasts that in 2021 the revenues generated by the public cloud worldwide will be at an estimate of around 278 billion dollars, almost the double of the 145 billion generated in 2017. And a fair share of this market is located in Europe.

It will be exciting to see how the European cloud market continues to develop over the coming years. The achievement of the pan-European awareness campaigns that have brought us to this point is also the merit of GDPR, which has metamorphosed from an alleged obstacle into not only a real accelerator of the digitalisation process of organisations throughout Europe but also has increased everyone's awareness regarding the importance of data and privacy.