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IT BENEFITS FROM A HYBRID CLOUD APPROACH CONTINUE TO GROW

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In the 2016 report, “The Best of Both Worlds: Using a Hybrid Approach to Boost IT Agility,” Aberdeen found that small and mid-sized businesses that were leveraging hybrid cloud saw several critical benefits. And based on new Aberdeen research, these gains and benefits are even more vital for today’s organizations.

Terms like hybrid IT and hybrid cloud are getting thrown around a lot today — and for good reason. When a technology lets businesses of any size gain all the benefits of both public cloud and on-premise infrastructure to become more agile and competitive, it tends to get a lot of attention.

So, since the technology has been around for so long, this leads to the obvious questions: “What’s the current state of hybrid cloud?” “Is it delivering on its promise for all organizations of any size?”

Well, our new research shows that the answer is a resounding yes. In fact, hybrid cloud has become even more important for businesses today than when it first entered the scene. To understand this evolution, Aberdeen is revisiting this topic to look at how today’s small and mid-sized businesses (SMBs) are benefiting from a hybrid approach to cloud.

In this new report, we will look at how emerging trends are increasing both the challenges and opportunities for today’s businesses and analyze how leading small to mid-sized organizations are taking advantage of trusted and intuitive hybrid cloud solutions to become more agile, reduce costs and simplify both their cloud and on-premise infrastructures. Furthermore, we’ll look at steps other similarly sized businesses can take to boost their path to hybrid cloud.

A Hybrid Cloud Infrastructure is the New Normal

Many organizations used to think that they had to make choices on whether applications and critical parts of their infrastructure had to be in the Cloud or on-premise. Today, that concept seems almost quaint.

Businesses are no longer having to make a choice because increasingly, hybrid has become the default choice for most elements of the IT infrastructure. Today’s businesses have realized that hybrid gives them

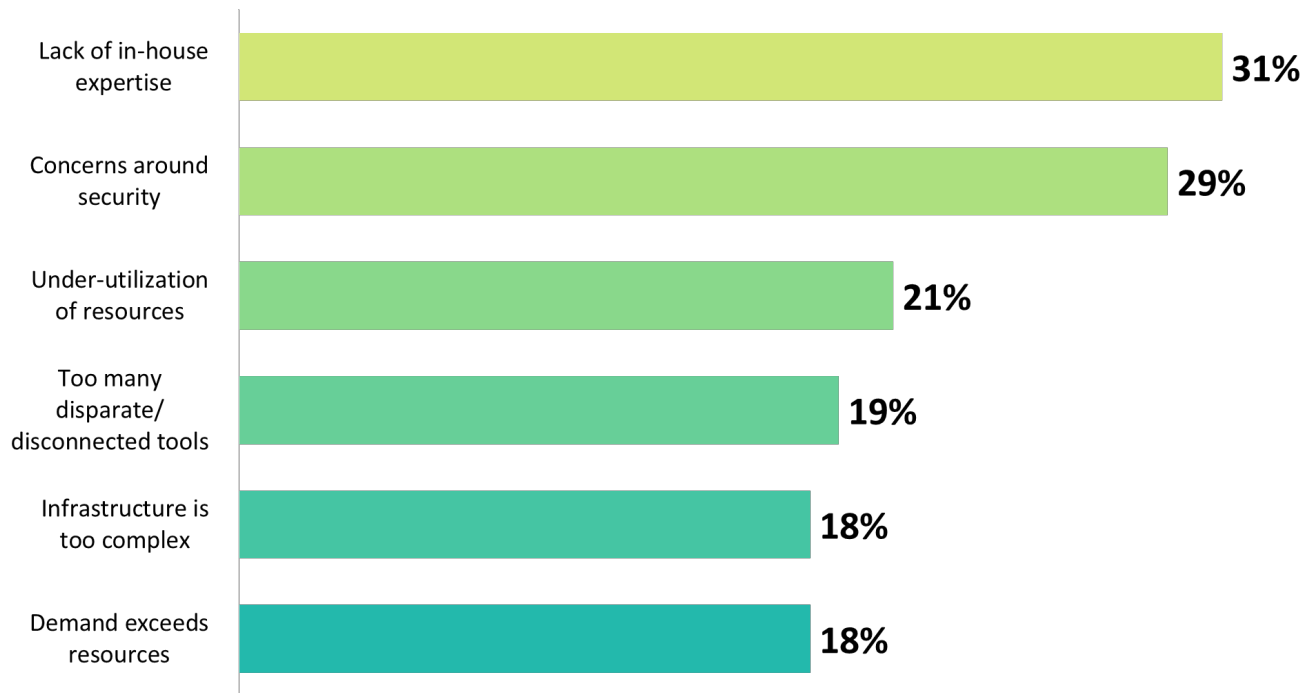
Hybrid Cloud

Hybrid cloud refers to an infrastructure that includes multiple scenarios — i.e., virtualized servers, non-virtualized hardware; public cloud, private cloud, hosted services from multiple vendors — all to support an organization’s workloads and portfolio of applications.

the best mix of capabilities and the best chance to overcome the challenges they face with modern technologies.

And small to mid-sized businesses do still face several key challenges. Aberdeen surveyed SMBs about the key issues they face in building IT infrastructures and utilizing cloud-based technologies (Figure 1). And it's no surprise, given the rapid rate of technological innovation and change, that lack of in-house expertise is now the top challenge.

Figure 1: Top IT Infrastructure Challenges for Small to Mid-sized Businesses

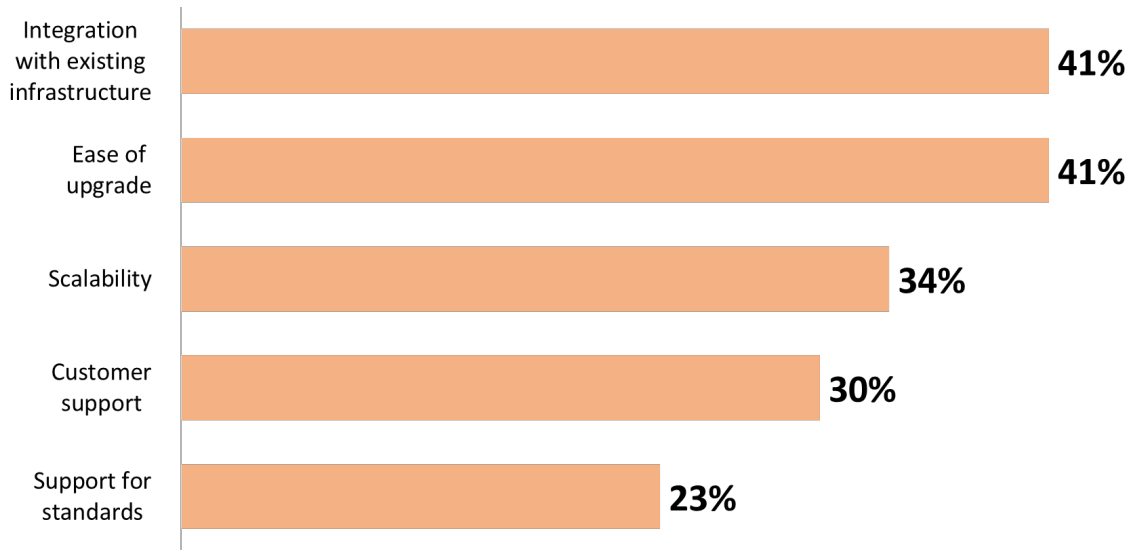


Source: Aberdeen, February 2019 n=184

Our previous top challenge from the 2016 report — concerns around security and data privacy — is still high at number two, and these concerns can be increased by lack of expertise. And we are still seeing that businesses are challenged by complexity and are trying to overcome it with the wrong and often disconnected tools and systems. Without the right tools and internal skill-sets, organizations often find that they aren't getting the most out of their infrastructure and have too high of a demand on their stressed infrastructure. For these organizations, a hybrid approach is often the best way to overcome these hurdles.

In Figure 2, below, we asked small and mid-sized businesses about the criteria used when choosing cloud-based systems and compared it with the results from our last report. One thing that hasn't changed in the last few years is the importance of integration between the Cloud and existing infrastructure when it comes to choosing cloud and IT solutions.

Figure 2: Top Criteria Small to Mid-sized Businesses Use When Choosing Cloud Solutions



Source: Aberdeen, February 2019 n=156

Ease of upgrade, not even in the top five before, makes a jump in our new research to the top five. In fact, it shot all the way up to number two. The reason for this? Most SMBs have already implemented cloud solutions and now want an easy path to keeping their existing solutions up to date, as opposed to implementing new cloud technologies.

Scalability is still an important criterion for small and mid-sized businesses looking for solutions that will allow them to grow and scale their IT infrastructure to meet any demand or emerging need. They are also looking to ensure that they are running the right workloads on the right platforms. For example, some workloads require the speed and control of on-premise, while some need the flexibility of the Cloud.

While support for standards remains key for all organizations looking to avoid lock-in and integration issues, a new key criterion in this research is the importance of customer support. Small and mid-sized businesses are

looking for hybrid cloud partners who can help them overcome complexity and keep their infrastructure running its best.

With the previous data on challenges and selection criteria in mind, it becomes increasingly clear why a hybrid approach is vital. With hybrid cloud, businesses have the increased security and performance that comes with their on-premise systems, while leveraging the Cloud's ability to deploy applications quickly, keep infrastructure costs down, and scale capacity as needed.

Table 1 illustrates why SMBs with hybrid cloud are excelling over their peers.

Table 1: Key Benefits from Deploying Hybrid Cloud

Businesses deploying hybrid cloud are:

50%	more likely to have better application performance
43%	more likely to have succeeded in building an agile IT infrastructure
38%	more likely to have seen a reduction in overall IT expenditures
35%	more likely to have reduced the amount of downtime they experience

No matter the company size or type, Aberdeen research has consistently and continually shown that a move to hybrid results in a more agile organization.

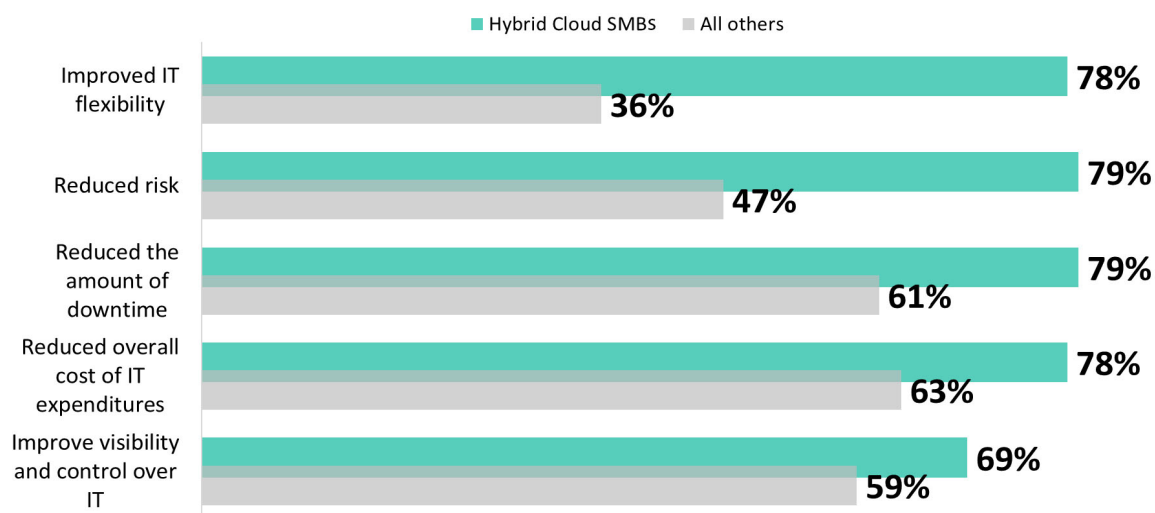
Winning with a Hybrid Cloud Approach

At the outset of this report, we discussed how hybrid has increasingly become the default IT architecture for modern businesses. And the data shows that there is good reason for this development.

Here's why: Rather than limiting applications and services to just on-premise or just the public cloud, with hybrid, these businesses can leverage the best features of both. All while avoiding the limitations that come with just cloud or just on-premise. Small and mid-sized businesses using hybrid cloud gain many benefits that allow them to have a high-performing IT infrastructure.

To analyze these benefits, we researched SMBs that have deployed hybrid cloud and are using on-premise servers and systems designed to work well with cloud-based technologies. As the data in Figure 3 shows, these organizations gain many advantages over their small and mid-sized peers that have yet to embrace hybrid approaches.

Figure 3: Gains SMBs Achieve with Hybrid Cloud



Source: Aberdeen, February 2019 n=109

As shown in Figure 3, small and mid-sized businesses with hybrid cloud are more than twice as likely to report having improved IT flexibility. Clearly, being able to leverage on-premise or cloud at times — and for the services that they make the most sense — gives them this vital flexibility. In the second data point, and perhaps most importantly for many smaller organizations, a hybrid approach pays off by making it much more likely that these businesses will see a reduction in their overall IT expenditure costs. Along with the increased flexibility and scalability, a big source of these cost reductions is probably due to how hybrid businesses see less downtime and excel at reducing IT risks. And with the unified infrastructure that comes with a hybrid approach, these small to mid-sized businesses have improved visibility and management control.


SMBs can meet all of their IT infrastructure needs by taking a hybrid cloud approach. This gives them the performance of on-premise, with the flexibility of the Cloud.

Key Takeaways

Small and mid-sized businesses leveraging a hybrid approach that combines cloud-based systems with an on-premise infrastructure gain several key benefits. But to achieve this hybrid cloud reality, they need to follow a few best practices.

To get the most out of hybrid cloud, these businesses need to enable well-designed systems with high performance, reliability, and the ability to scale. In addition, consider the following:

- ▶ **Understand your cloud infrastructure requirements.** Some organizations think that using public cloud is as simple as choosing a provider. But leaders in IT infrastructure know that it requires more upfront work in understanding what needs to be in the Cloud and what should run on-premise. By working to understand what services and applications should run on the public cloud, small and mid-sized businesses will have a much more effective hybrid cloud infrastructure.
- ▶ **Know your current technology requirements.** You can't grow and improve a system that you don't fully understand. For small and mid-sized businesses to get the most out of a move to hybrid cloud, they need to have full visibility in to all their servers, processes, and applications (on physical devices *and* in the Cloud).
- ▶ **Get your in-house systems ready for a hybrid world.** While we've shown the advantages of hybrid cloud, experiencing these benefits will be impossible if an organization's on-premise systems



are out-of-date, overwhelmed, and poorly managed. Small and mid-sized businesses that succeed with hybrid ensure that their on-premise base is up-to-date, high performing, and ready to meet the challenges of modern IT.

- ▶ **Make cloud and on-premise work together.** The ability to use cloud and on-premise systems together is both a top challenge and a top selection criterion for the IT staff at small and mid-sized businesses. By using the platforms together, these organizations will be able to get the most out of both and increase the capabilities of their technology initiatives.
- ▶ **Create an infrastructure designed for today and tomorrow.** As emerging technologies continue to come onto the scene bringing new opportunities and increased IT complexities, small and mid-sized businesses need to be ready. With an agile and flexible hybrid infrastructure, they can reduce the complexity of these technologies and increase their ability to utilize them for competitive advantages.

Hybrid cloud has evolved over the last few years, transforming itself from a cutting-edge technology, to something that needs to be a part of every organization's infrastructure. Small and mid-sized businesses can meet their IT needs by taking a hybrid cloud approach. By doing so, they'll get all the performance and direct control capabilities of on-premise, integrated with the scalability and flexibility of the Cloud.

And when we look at the reduced costs, improved agility and greater reliability that a hybrid approach brings to small and midsized businesses, we clearly see why it's the new normal for IT.



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