
Micro Survey - Appetite for Cloud – ASEAN trends in Cloud Sentiment

A micro survey to assess ASEAN IT Managers and Directors Appetite and Concerns for cloud enabling IT.

Commissioned by Barracuda

Conducted and Prepared by Data & Storage Asean (a publication owned and operated by Asia Online Publishing Group Sdn Bhd)

Data & Storage Asean (DSA) conducted an online survey completed by 130 IT professionals from SMB companies located in Indonesia, Malaysia, Philippines and Singapore. The survey provides insight into the views and readiness for IT professionals to adopt cloud in their business. The survey aimed to assess perceived risk that IT professionals associate with cloud computing. Whilst cloud is now achieving heavy adoption, our survey discovered a picture of SMBs companies lacking clear strategy in their approach to cloud implementations.

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Survey Summary

Data & Storage Asean conducted a survey commissioned by Barracuda to explore perceived appetite and concerns for adopting cloud in business IT amongst SME companies in ASEAN.

In conducting the survey, we looked into five key areas:

1. Appetite to move entire IT to cloud
2. Cloud usage strategy
3. Perceived risk of moving to cloud computing
4. Level of trust in cloud providers
5. Specific concerns for moving email to a cloud provider

Our aim with this survey is to assist IT professionals to understand how ready their peers are for cloud and what are perceived as the most relevant concerns. This data should serve to provide guidance to IT professionals on how they should prioritise areas of concern for cloud adoption as they develop their own cloud strategy.

We also intend that this survey can prove useful to IT suppliers such as integrators as they develop their own cloud go to market strategies. By understanding the major concerns of IT managers and professionals we hope it will enable IT suppliers to tailor their skills and offerings in areas that will most serve the needs of IT departments in SME companies across ASEAN.

At a macro level the key findings of this survey show that whilst we already know cloud adoption is high, the appetite to move the entire datacentre to cloud is not. We noted higher levels of uncertainty than we expected in terms of defined cloud adoption strategy.

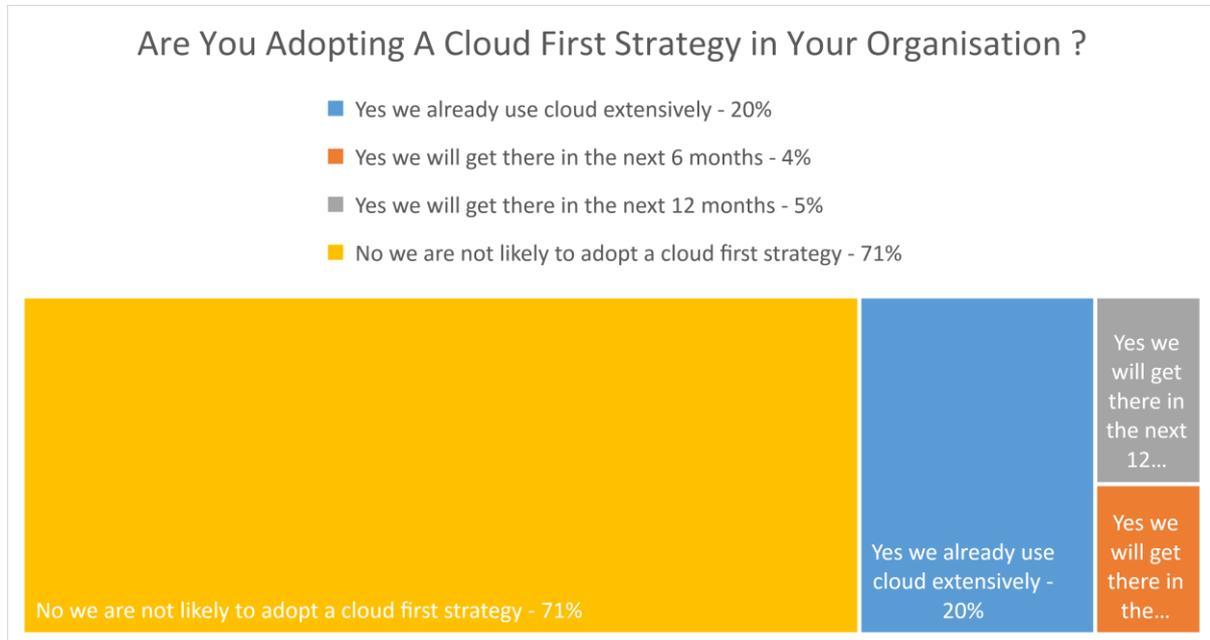
Unsurprisingly security and privacy remained a major and significant concern for a large part of our sample set.

Interestingly we noted that, whilst a large percentage of user showed confidence in cloud providers, an overwhelming majority still feel more comfortable retaining control of their own data.

Our key conclusion is that IT professionals from SME companies around ASEAN have made first steps into cloud, but are doing so in tactical rather than strategic manner. There is still uncertainty about which cloud use case to adopt and also a significant uncertainty around data security and protection as IT is moved to cloud.

We see a need for more education and guidance to help assist SMEs in this region truly harness the full potential of incorporating cloud into their IT strategy.

Are You Adopting a Cloud First Strategy in Your Organisation?



Highlights

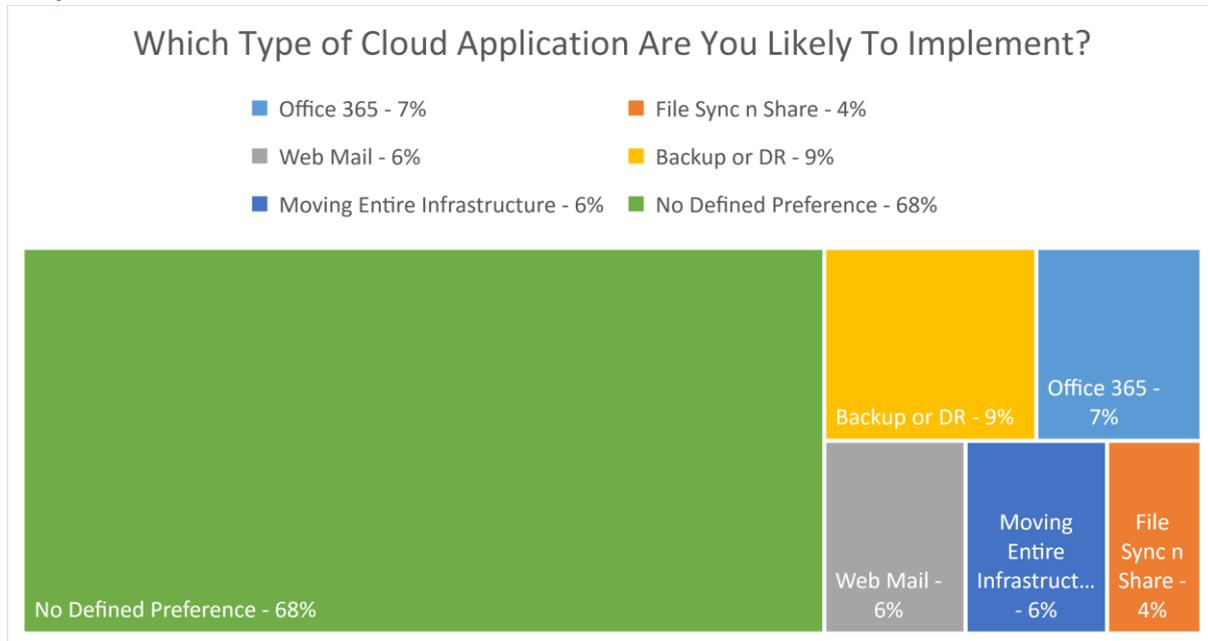
- An Overwhelming number of respondents see cloud as part of their IT strategy rather than the centre of how they run their IT.
- The move towards a “cloud first” approach is real with nearly a third of respondents planning to or already making cloud the predominant element of their IT infrastructure.

DSA Opinion

The idea of cloud first strategy is a new development, where businesses are making a conscious decision to move as much of their IT as possible to cloud and completely minimise their on premise foot print. Typically, resistance to this approach has been high for a number of reasons including cost control, security and also concern about job security amongst IT professionals worrying about their own futures. Existing research showing near universal partial cloud adoption amongst all businesses is not in dispute, however moving to a cloud first approach is a more recent development for many.

We view the fact that 29% of respondents are either adopting or planning to adopt a cloud first approach as highly significant. It shows what we anecdotally believe to be a growing acceptance of moving to cloud as the primary IT resource for all aspects of business IT. This is in line with how vendors are now pushing customers to consume their own IT offerings.

Which Type of Cloud Application are you most likely to Implement?



Highlights

- For those looking at cloud, backup and DR is the single largest driver
- For those looking at cloud, moving entire infrastructure is a prominent use case.
- Single use cases such as web mail are driving decisions as much as looking at complete offerings such as Office 365.
- Over two thirds have no strategic view of how to adopt cloud.

DSA Opinion

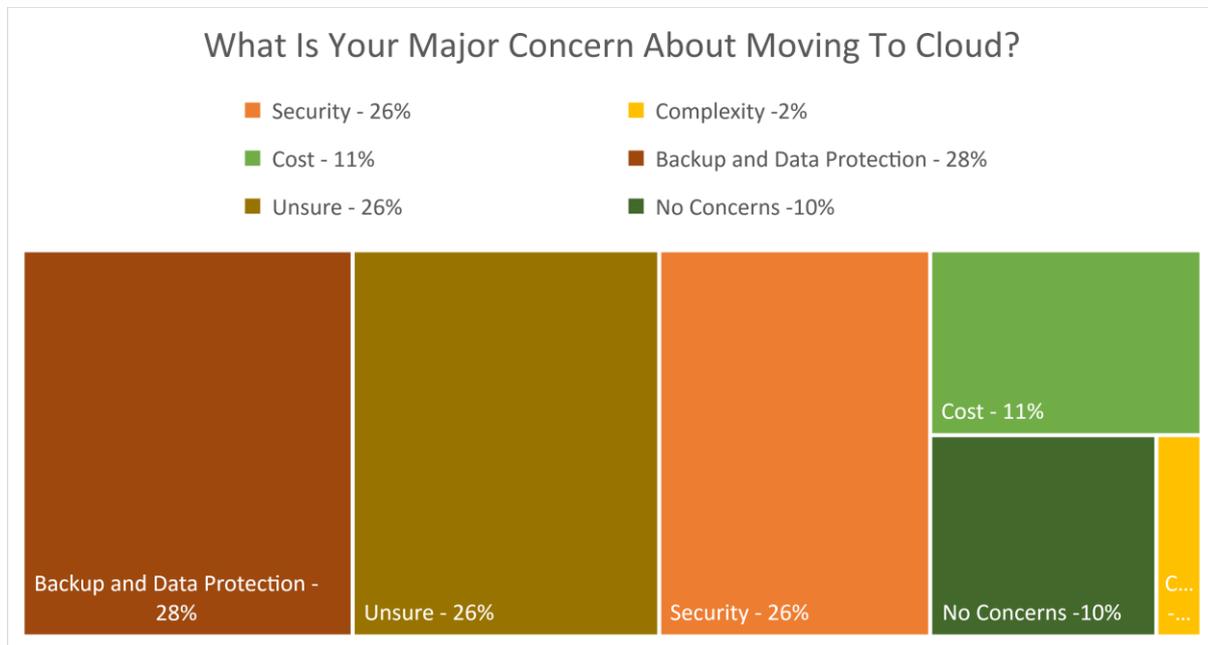
The high percentage of respondents (69%) that have no preference on cloud use cases, ties in with the fact that nearly the same percentage do not have any plans to adopt a cloud first strategy. This indicates that the majority of SME companies are still adopting cloud in a tactical and reactive manner. Anecdotally this can be driven by things like easy entry and low cost buy in to SaaS applications like CRM, accounting packages and file sync and share.

Productivity applications combine to be the biggest single driver for cloud adoptions (Office, webmail and file sync n share combine to form 17% of all use cloud use cases). Whilst Office 365 tends to be a strategic decision, other use cases such as file sync applications can be more tactical and creep into an organisation reactively.

Backup and Disaster Recovery is shown to be the single biggest strategic use case for cloud adoption at 9%. This is almost always driven by IT and reinforces numerous other studies that identify data protection as one of the key drivers for moving to cloud.

The picture drawn from these results is that cloud adoption is at a very early stage on the maturity curve and it will take time for SMEs in ASEAN to develop rounded mature cloud adoption strategies.

What Is Your Major Concern About Moving to Cloud?



Highlights

- Backup closely followed by security (over 50% combined) constitute the largest concern of IT managers when moving to cloud.
- IT managers are generally not concerned about complexity of moving to cloud.
- A small core of IT professionals are showing high confidence in making the move to cloud.

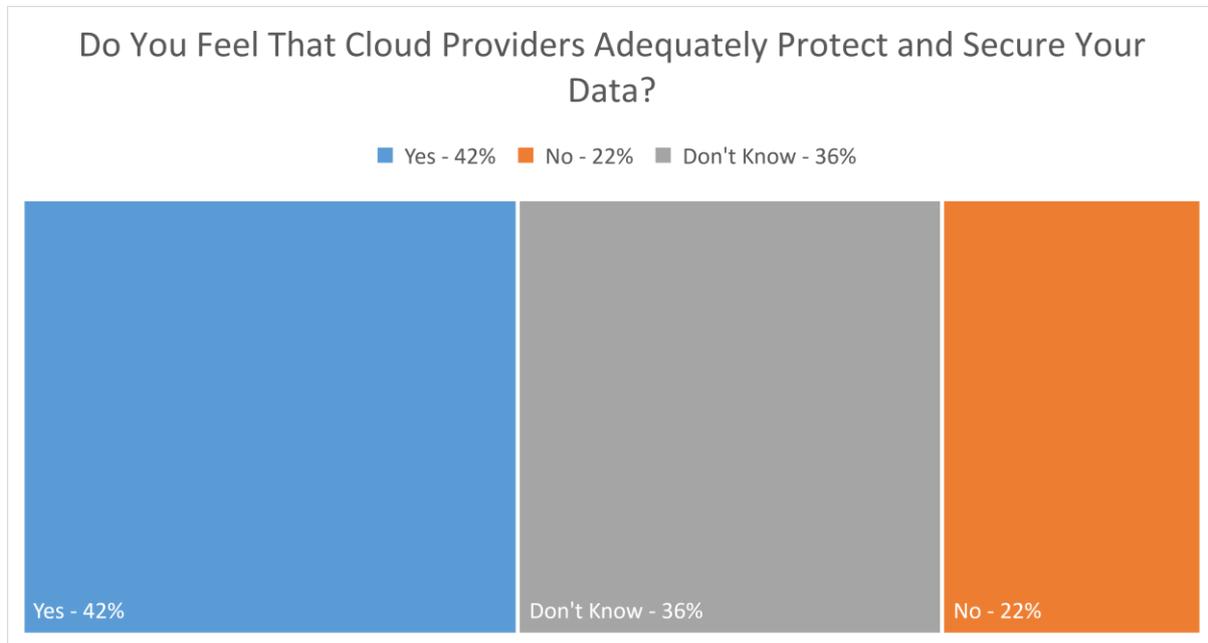
DSA Opinion

Nearly one third (28%) of respondents identified backup and recovery as their major concern when moving to cloud. This demonstrates a wide spread understanding that cloud providers may not be providing data protection service levels that meet the requirements of the business. It highlights an acceptance of the need to develop a data protection strategy that lies over the top of cloud providers.

Over a quarter of all respondents (26%) identified security as their major concern. This is to be expected with security long being cited as an obstacle to cloud adoption. We view it significant that backup is rated as a bigger concern than security, but ultimately the two combine show that control over data remains a critical concern for the majority of IT professionals.

Only 2% of respondents cited complexity as a concern. This indicates IT professionals are already convinced that cloud simplifies IT operations. The combination of these stats show that at the current time concerns over cloud are still overpowering benefits of cloud for most IT professionals.

Do You Feel That Cloud Providers Adequately Protect and Secure Your Data?



Highlights

- A significant proportion of IT professionals have high confidence in Cloud Providers' data protection and security capability.
- The Majority of respondents still do not have confidence in Cloud Providers' security and data protection capabilities.

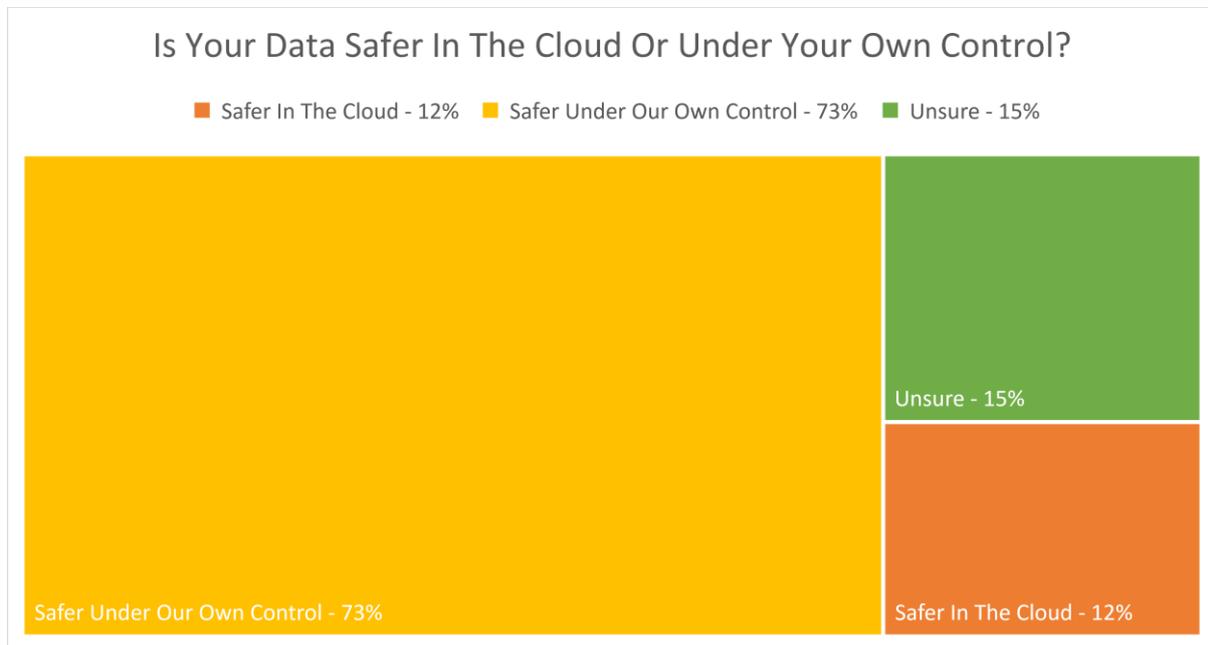
DSA Opinion

These results substantiate other findings in the survey explaining why SMEs in ASEAN are still holding back in moving to a cloud first strategy. More than half the survey set are lacking in confidence in this critical area. This endorses a tactical approach to cloud where less critical or sensitive data is moved to cloud, but there is a lack of confidence to move business critical and/or sensitive data.

We note that the 42% that answered Yes to this question express an opinion, our survey does not identify if this is based on a feeling or substantiated research. We suspect but cannot know that a subset of this group have not substantiated this sentiment.

We assess that this uncertainty (at least 36%) needs to be addressed through education. IT professionals are correct to have reservations, however the reality is by taking a strategic approach it is possible to archive string protection and security in the approach to cloud.

Is Your Data Safer in The Cloud or Under Your Own Control?



Highlights

- The single most conclusive results in the survey – 73% believe that their data is safer under their own control than with a cloud provider.

DSA Opinion

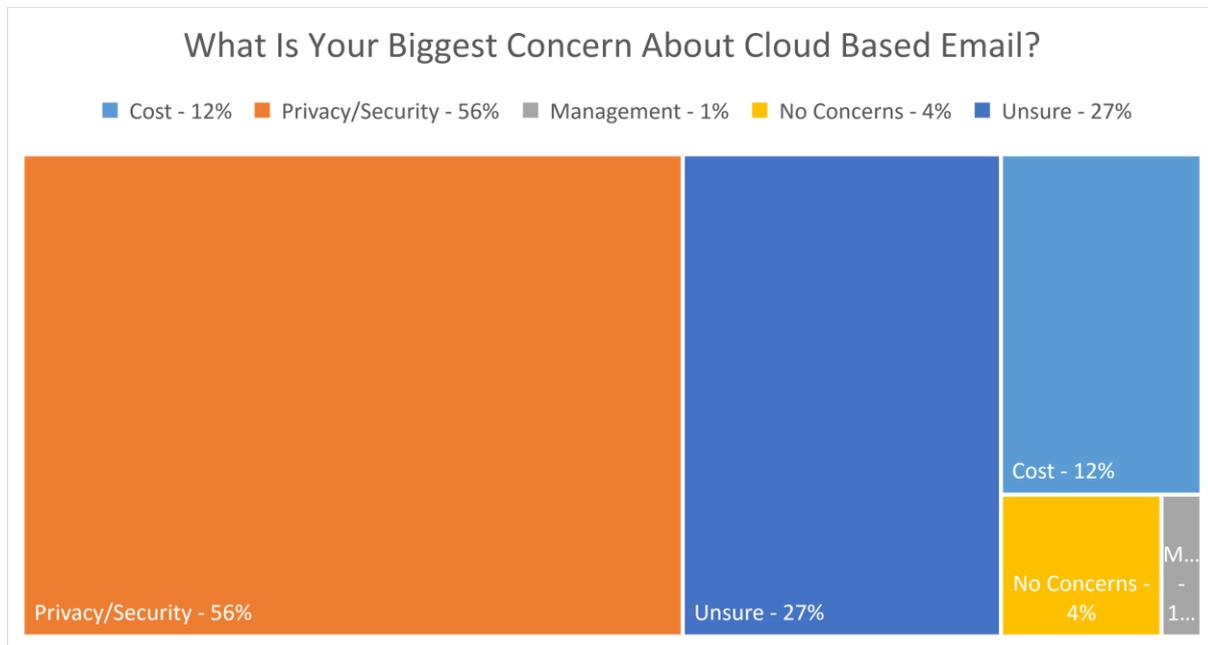
This result is extremely telling. Perception is always more important than reality. Nearly three quarters of all respondents perceive that their data is safer under their own control. The reality is that many but not all cloud providers have a higher standard of data safety technologies than SME company IT departments.

The issues behind this perception are complex and extend beyond technical capability of cloud providers. It is affected by issues including contractual obligations (or lack thereof) of cloud providers to protect and secure data, as well as variables such as inability to fully trust staff employed by potentially faceless cloud providers.

A cloud first strategy also involves dealing with multiple cloud providers each of whom may have differing standards when it comes to safeguarding data.

ASEAN SME's need to develop an independent free standing cloud data protection and security strategy in order to build confidence in this area. Ultimately they need to feel like they retain control of their data whilst leveraging the benefits of cloud.

What Is Your Biggest Concern About Cloud Based Email?



Highlights

- No perceptible difference about email on cloud as compared to other cloud based applications.
- A small but relevant number (12%) have questions about costs.
- A general acceptance that Management of mail on cloud is simple.

DSA Opinion

The results here demonstrated that general sentiment about cloud is mirrored when focusing on cloud based email.

A majority of respondents (56%) still sited privacy and security as a big concern relating to cloud based email. We found this surprising as web based email is already very widespread. Our assessment is that this is related to a general need for increased maturity in general cloud strategy in the region.

We noted 12% of respondents cited cost as a concern and this was consistent with a similar number identifying cost as a concern for moving to cloud generally. We take this as a reminder that despite the attractions of OPEX for low cost “buy in” a statistically significant percentage of employees are recognising that cloud does not always mean cost savings.

With only 1% citing management as a concern, this provides further corroboration that IT professionals in the region accept that cloud simplifies IT management and operations.

Notes on Survey Methodology

Sample Selection – We used a combination of convenience and purposive sampling for this study. Focusing on subscribers of Data & Storage ASEAN online publication with whom we have convenient access and with known interest in data and cloud, based on the content they had accessed on the site. For the purposes of a cloud adoption study, this method of sample selection was deemed appropriate as this survey needed to be completed by individuals with first-hand experience of backing up company data. Some of the respondents were driven as a result of content that specifically referenced Barracuda Networks. This may have had an impact on results collected, however we were able to analyse that impact and deem it to be statistically negligible.

Modes of Data Collection – All surveys were completed using online forms guided by tele canvassers. 73% of the respondents viewed content on the DSA portal relating to this survey prior to being contacted by our tele canvassers. 27% were directed to the form after being tele-canvassed despite not specifically viewing content relevant to this survey.

Response Formats – DSA used a combination of Dichotomous and Ordinal-polytomous response options for the survey questions. This level of control was implemented in order to give standardized answers that could be grouped but that were still wide ranging.

Interviewer Effect – As the surveys were conducted using an online form which our tele canvassers adhered to strictly we deem that the chance for interviewer to have affected responses was negligible. However, we do acknowledge there was potential for erroneous answers due to non-understanding of terms used in the questions.

Data Cleansing – Answers by respondents that were clearly from a consumer background were removed from the final selection set. The choice of which respondents to remove was left to individual researcher assessment. We acknowledge that this means it is possible though unlikely that a relevant respondent's answered may have been removed. We have a high confidence level that the final sample selection was representative of the skill base we needed to tap into.

Statistical Significance – With a small sample selection, statistical significance can be put into question. Our sample set needed to have a specific skill set and as such quality of respondent was preferred over quantity. That said, we are unable to provide a range of representative accuracy for this survey. Instead we feel it provides a strong feel for the realities of the ASEAN cloud market.