

WHAT'S DRIVING CLOUD ADOPTION?

By Savannah Shapiro

Would you be surprised if we told you that cloud adoption is still going strong?

It may come as no shock that the global pandemic acted as a catalyst in sparking cloud adoption—but what may surprise you is that cloud technology is experiencing a decade-long growth trend with no signs of slowing down. In fact, today's global XaaS market is expected to grow at a <u>CAGR of 22.3% from 2022 to 2030</u>.

But now that we have moved beyond the pandemic surge, what is driving cloud adoption today? And have we only scratched the surface of what's possible?

The simple answer is yes.

Organizations are fully immersed in a digital-first strategy, with many business objectives concentrated on hosted services. Cloud deployment and service models are becoming the business standard—their flexibility and agility open the door to not only cost savings, but new opportunities you may have never imagined. Backed by today's <u>double-digit growth</u> <u>rates</u>, businesses still continue to set their sights on cloud technology as market growth rates increase exponentially.

Although the market growth rate seems like enough to keep customers embracing cloud technology, there are other factors that continue to add to its adoption—here are some of the main contributors that continue to add to its rise.

Flexibility and control

Businesses need to prioritize flexibility and agility to maintain a competitive advantage. How are they doing it? They're embracing a mix of models—hybrid, public, private and multi-cloud.

- A hybrid cloud model allows businesses the flexibility to use their preexisting infrastructure, while also allowing them to scale operations up or down when needed.
- Public cloud allows the flexibility of pay-asyou-go services and private cloud models allow customization to meet your specific business needs.
- Multi-cloud is truly the best of all cloud worlds businesses can take advantage of features and capabilities from each cloud model to best fit their organization.

The flexibility and control that all <u>four different cloud</u> <u>models</u> provide give way for businesses to implement the latest technologies currently out in the industry.

Scalability and cost savings

All cloud models offer scalability. Whether you are looking to scale up or down, cloud allows businesses to quickly respond to the shifting demands of today's digital landscape. Take away the pressure of having to install on-premises infrastructure and cloud models give both small and midsize businesses alike the ability to grow their business faster than ever before. The instantaneous nature of cloud models also opens the door, or should we say wallet, to cost savings. With most cloud models, you can pay as you go. Want to cancel a service? No problem. Want to add a service later down the road? Easy. Making a decision like this can happen on demand, with immediate functionality. Meanwhile, you are also saving tremendously on infrastructure costs alone.

Market demand and fast growth

Believe it or not, a year-over-year growth rate of 5-7% was once considered a huge win for businesses. In the last five years, though, things have changed drastically. If you are not growing at a 30-40% rate, then you could be losing a share in today's market. Cloud models allow businesses to expand their global reach while also growing at a speed that is much faster in comparison to on-premises infrastructure.

In a world that feels like there is only constant change, cloud technology acts as an agile puzzle piece. It can grow quickly alongside even the most rapid of changes, giving organizations a competitive advantage when it comes to innovation. The digital world is only growing to become more complex, but at the same time, today's cutting-edge technologies only show tremendous promise in what's to come for businesses—and everything is moving faster than ever before.



It's clear: Cloud adoption comes with benefits. But let's not forget it also comes with its own complexity. These technologies are inherently sophisticated in nature. Add the element of how quickly technology advances day by day...there's a lot you have to stay on top of.

This is where Ingram Micro comes into play—our innovative and creative approach can help you identify the cloud technology that best suits your business needs.

We are helping resellers and managed service providers (MSPs) grow at hyperscale with leading-edge platforms and integrations. Our diverse offering of cloud services and solutions allows you to operate effortlessly using end-to-end automation technology. And regardless of your business size, we will help you uncover more ways to run your business better and more profitably, so you can grow faster and do more for your customers.

Simply put: Cloud adoption doesn't have to be complex. In fact, we are here to make it simple.

Since 2022, Savannah Shapiro has provided content development and copywriting support for the Ingram Micro Global Digital Marketing team. Her primary focus is Ingram Micro events and cloud technology.