

IBM Study: C-Suite Executives Declare One Vendor Approach to Cloud is Dead

- **Industry-related regulatory compliance is a significant obstacle for 64% of respondents globally (63% in the UK), resulting in an uptick of specialised cloud adoption**

- **Despite escalating cyber-attacks, more than a third of respondents (35% in the UK) do not have security as their top priority**

ARMONK, N.Y. and LONDON, UK, Oct. 28, 2021 - According to the results of IBM's (NYSE: [IBM](#)) new global study on cloud transformation there has been a drastic shift in business needs as only 3% of respondents (1% in the UK) reported using a single private or public cloud in 2021, down from 29% (UK 41%) in 2019 – establishing hybrid cloud as the dominant IT architecture.

The study, conducted by IBM Institute for Business Value (IBV) in cooperation with Oxford Economics, surveyed almost 7,200 C-suite executives across 28 industries and 47 countries, including more than 200 in the UK. The findings indicate that the cloud market has entered the hybrid, multicloud era and concerns around vendor lock-in, security, compliance and interoperability remain paramount. The study found:

Cyber threats are at an all-time high ¹

- Infrastructure complexity is creating cracked doors that cybercriminals are exploiting.
- Yet, surprisingly more than a third of respondents (35% in the UK) did not indicate improving cybersecurity and reducing security risks are among their largest business and IT investments.
- At the same time, 80% (UK 75%) said data security being embedded throughout the cloud architecture is important or extremely important, in most cases, to successful digital initiatives.

Companies are denouncing vendor lock in

- 79% (UK 74%) of respondents said workloads being completely portable with no vendor lock-in is important or extremely important to the success of their digital initiatives.
- Nearly 69% (UK 70%) of respondents said vendor lock-in is a significant obstacle to improving business performance in most or all parts of their cloud estate.

Public cloud adoption is evolving towards specialised clouds

- Nearly 70% (UK 63%) of respondents cited industry-related regulatory compliance as an obstacle to the business performance of their cloud estate.
- Nearly 70% of respondents in the government and financial services sectors cited industry-related regulatory compliance as an obstacle to the business performance of their cloud estate.

Mark Cox, Public Cloud Director, IBM UK & Ireland, said: “Our research shows the message from decision-makers is clear: they want to be able to use a mix of different cloud solutions to meet different needs, and they want to do so securely, without being locked into a single provider. An open hybrid cloud model is the

best design to address these needs and will be the foundational architecture driving the next wave of transformation and innovation across sectors.”

The study revealed that enterprises need to assess how they use the cloud in terms of adoption, velocity, migration, speed, and cost savings opportunity. Other recommendations include:

- **Focus on security and privacy** - determine where your critical workloads reside and scrutinise who and what has access to them. Regularly test that security controls and privacy policies are being adhered to, but also that improperly configured assets and software vulnerabilities are being promptly addressed.
- **Ask which workloads should move to the cloud** – take inventory of the IT environment to successfully determine which workloads and applications will yield the most value in the cloud and which are better suited to stay on-premises.
- **Make data work for you** – analyse workloads using AI driven tools and best practices to determine where and how to put them in the right place for the right reason.
- **Set a tactical approach** – address the technology trade-offs, such as selecting the best approach to modernise specific applications and manage important issues like security, governance, and disaster recovery.
- **Determine the right team** – put a cross-disciplinary team of people to work rethinking how your enterprise creates value for its customers.

IBM has been working with many large private and public sector organisations in the UK to accelerate their digital transformations with a hybrid cloud strategy, including:

- **Audi UK** – in January of this year, IBM announced that IBM iX, the business design arm of IBM Consulting, [worked with Audi UK](#) to redesign its website and unify the mobile and desktop experience, enabled by a cloud platform.
- **UK Government** – The Crown Commercial Service (CCS), the UK Cabinet Office executive agency and trading fund, [signed a public cloud agreement](#) with IBM in 2020 to accelerate innovation across the public sector.

Additional findings from the 2021 report:

- By industry: Respondents in regulated industries, government (85%) and financial services (80%), cited governance and compliance tools being able to run across multiple clouds as important to success of digital initiative.
- By industry: Only 1% of respondents in the electronics, insurance, manufacturing, telco, transportation and travel industries, reported using a single private or public cloud in 2021.

Access to the full study findings can be found here: <https://www.ibm.com/thought-leadership/institute-business-value/report/cloud-transformation>

For further information on IBM's Institute for Business Value, please visit: <https://www.ibm.com/thought->

[¹] 2021 Cost of a Data Breach report by the Ponemon Institute, sponsored by IBM

IBM Contact

Gregor Hastings

UK External Relations

Email: Gregor.hastings@ibm.com

<https://uk.newsroom.ibm.com/2021-10-28-IBM-Study-C-Suite-Executives-Declare-One-Vendor-Approach-to-Cloud-is-Dead>