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Deloitte US Future of Cloud Survey Report

A report by the Deloitte Center for Integrated Research

As business and cloud decision-makers map out their future cloud strategies, what should they be doing to ensure their organizations are harnessing the technology's full potential?

Foreword

Increased adoption of cloud platforms and services is underway with upwards of 45% year-over-year growth.¹
Organizations are increasingly using cloud investments to boost business performance, drive strategic outcomes, and enable breakthrough innovation—not just to deliver IT services in a more flexible and efficient way. Many organizations have come to realize that while moving to the cloud can double their speed and efficiency, leveraging and building on the cloud can also give them enhanced capabilities that can reach 10x multiples.²

Although most organizations have come to recognize cloud adds value beyond agility and efficiency goals,³ many don't know where and to what extent cloud platforms and services can contribute to broader enterprise goals such as product and service development, market expansion, cybersecurity, revenue generation, competitive differentiation, customer experience enhancement, and business/regulatory risk mitigation—just to name a few. And the contribution cloud plays to enabling business strategy can be significant. Cloud, in fact, can drive value in ways organizations may not know or realize.

Cloud is now the default platform for many business and technology innovations—enabling everything from artificial intelligence and machine learning to advanced cybersecurity, IoT, and edge computing.

Cloud is now the default platform for many business and technology innovations—enabling everything from artificial intelligence and machine learning to advanced cybersecurity, IoT, and edge computing (as well as new products and services, new operating processes, and new business models). Yet many organizations are not getting nearly as much value from their cloud investments as they could be and are lagging behind in terms of managing cloud capabilities in a way that drives business performance—strategic outcomes and innovation success.

As business and cloud decision-makers map out their future cloud strategies, what should they be doing to ensure their organizations are harnessing the technology's full potential?

Foreword

We analyzed survey responses from US cloud strategy and innovation leaders versus others and found tangible actions that organizations can take right now to potentially improve their current and future cloud strategies and get more out of cloud.

In this report, we'll share information about cloud investments and leading practices, including what sets cloud strategy and innovation leaders apart, how cloud investments can help your organization achieve its strategic and innovation priorities, and specific leading practices, challenges, and opportunities.

We hope this report helps your organization generate more strategic value from its cloud investments, and that you find these insights useful as you move forward on your cloud journey.



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About the study



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To help understand how cloud investment relates to strategic enterprise outcomes and innovation goals, Deloitte surveyed 500 senior cloud decision-makers in the US across a wide range of industries—asking detailed questions about their companies' current cloud maturity and how they view the future of cloud. We also conducted in-depth discussions with some executive-level cloud decision-makers. Our goal was to understand the extent to which cloud maturity is an indicator of business performance and innovation, and how organizations can best use cloud technology investments as a "force multiplier" for their digital strategy and overall business performance.

Cloud strategy and innovation index

As part of our analysis, we looked at nine outcomes where cloud can contribute to enterprise priorities.



Building net new product or service revenue



Expanding existing products or revenue



Reducing and optimizing costs



Increasing efficiency and agility



Expanding into new markets



Providing better sustainability in support of environmental issues



Creating new operational processes or workflows



Developing new ideas, approaches, or methodologies



Mitigating business and regulatory risk

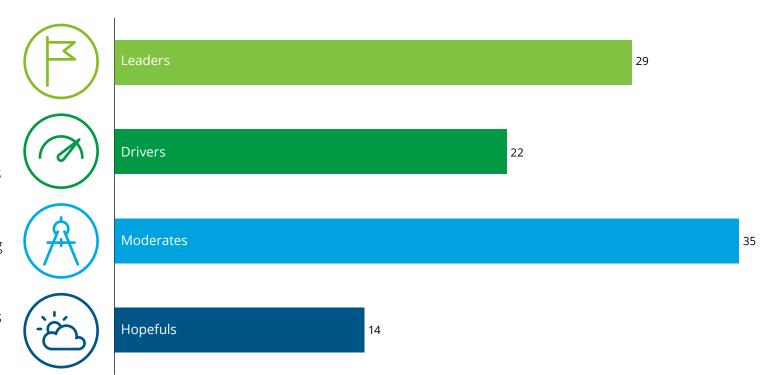
About the study

Respondent organizations were ranked and segmented based on the extent to which they view these nine outcomes as strategic priorities *and* the extent to which they reported a high level of success at driving innovation in these areas.

Organizations that widely view these outcomes as strategically important and have also achieved high levels of innovation in their top-priority areas are classified as *Leaders*, whereas organizations that view these outcomes as strategically important but have not been successful at driving innovation in their priority areas are classified as *Hopefuls*. In between are *Drivers* and *Moderates*, with rankings determined by their level of success at driving innovation in the outcome areas they consider strategically important.

Cloud strategy and innovation segments

Percentage of respondents (n=500)





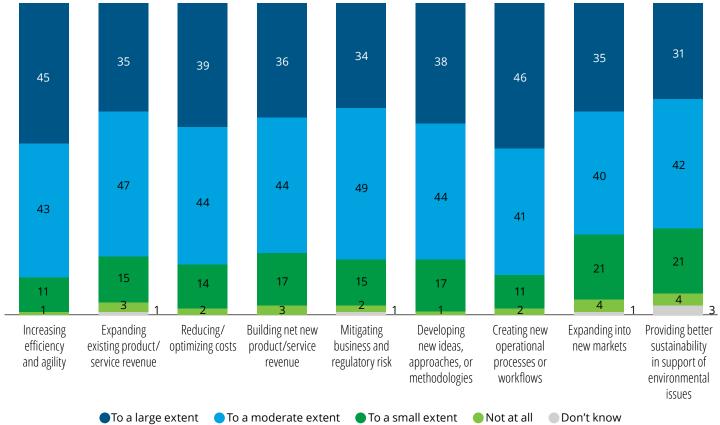




to name a few.

Cloud investment driving positive outcomes

Extent to which cloud investment is driving positive outcomes in these areas (Percentage of total respondents; n=500 for each response)



And while the value being seen from cloud investments is pervasive across all of these measures, our analysis reveals that some organizations are more successful at capturing it than others.

Innovation gap: Strategic priorities vs. successful innovation areas (Percentage of total respondents; n=500 for each response)

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and regulatory risk





Developing new ideas, Providing better 74 approaches, or methodologies sustainability in support 70 61 of environmental issues 62 71 77 Expanding into new markets **Expanding existing** 69 product/service revenue 80 Creating new operational Building net new processes or workflows product/service revenue

Strategic priority

Innovation

Innovation success

Reducing/optimizing costs

In contrast, Leaders are capturing much greater value across all nine strategic value measures. And it's because they are operating in distinctly different ways.

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Leaders seeing the most value from cloud based on strategy and innovation outcomes uniquely:

Don't spend significantly more on cloud platforms and services.

Based on our study, Leaders tend to spend only slightly more on cloud as a normalized percentage of their revenues, indicating that it is not just spend but action that matters.

Have greater cloud maturity in terms of multi-cloud and on-premise approaches.

Their focus on multi-cloud strategy is generally more advanced with the majority of respondents working with three or four providers as opposed to others working with only one or two. Most have also progressed further to minimize their on-premises use. Across all respondents, the top benefits viewed as somewhat to very important from a multi-cloud approach are access to more choice in cloud services, application and data processing scalability, and increased flexibility/ negotiating leverage.

Are embracing advanced cloud services like artificial intelligence and machine learning (AI/ML), cloud native, and edge computing.

While data analytics, software engineering, and cloud cyber services are table stakes across all respondents, Leaders say they are using more advanced cloud services such as: Al and ML, cloud native development, and edge computing/IoT.

Are getting much higher value from cloud services.

For example, with AI and ML, for those that participated in the study, the percentage of Leaders who say they are getting very high value from cloud is 1.7x higher than for Hopefuls. The value multiples between Leaders vs. Hopefuls are even higher for cloud cyber (2.3x), cloud native development (2.9x), containers (3.5x), augmented reality (AR)/virtual reality (VR) (~5x), and blockchain (10x).

Overwhelmingly view industry clouds a set of cloud native applications, code, and services—as an enabler and catalyst.

74% of surveyed Leaders "completely" agree industry clouds will be the enabler/catalyst for transformation and automation of industry-specific business processes versus 60% of Drivers, 39% of Moderates, and 35% of Hopefuls.

Have a much greater focus on software engineering culture.

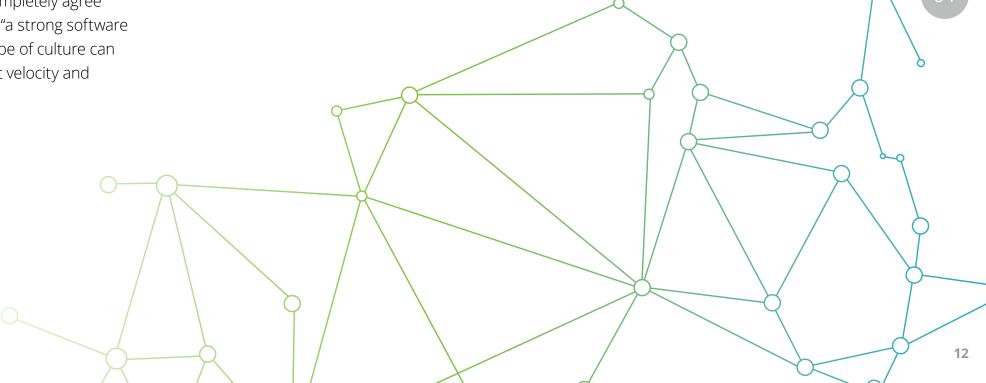
The vast majority of surveyed organizations are focusing attention on building a strong software engineering culture. However, there are some stark differences between Leaders and Hopefuls. Leaders were more likely to completely agree they were focused on building "a strong software engineering" capability. This type of culture can drive problem-solving, product velocity and continuous improvement.

Overwhelmingly feel positive about the future of cloud.

While most emotional terms used to describe the future of cloud were positive, Leaders tended to express confidence while Hopefuls tended to express enthusiasm.











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Cloud platforms and services can enable strategic value overall, even if you're not a leader

Cloud can be a "force multiplier" and cornerstone of digital strategy

Overall, 90% of respondents agree or completely agree with the statement that cloud combined with other technologies, such as Al, IoT, and analytics serve as "force multipliers" for their digital strategy. Similarly, 88% of respondents view cloud as a cornerstone of their digital strategy and believe it is vital to driving revenue and maintaining a strong position in the marketplace.

Cloud native services are increasingly important for customer-facing processes.

While our research shows that many companies are still unclear what cloud native even means, they do recognize that cloud native should be an important part of their cloud strategy. When asked to rank their top two priorities for cloud native solutions, the greatest number of respondents (50%) identified the customer domain, including processes such as customer engagement and customer segmentation, above all other options.

Cloud cybersecurity is an opportunity, not a challenge.

Regulatory and risk concerns can affect cloud adoption, particularly for risk-related cloud solutions such as cloud cybersecurity. However, according to our survey, many organizations—especially Leaders—appear to be overcoming those concerns and achieving highly-positive outcomes for risk-related cloud use cases. The vast majority of organizations surveyed say they have updated their business and operational strategies to address cloud security, risk, and controls and most organizations are seeing positive outcomes related to business and regulatory risk mitigation and value from cloud cyber services.



Learning from the Leaders

Most organizations are not innovating as effectively as they could be, which could limit their ability to achieve their future strategic goals. Lessons from Leaders can be very powerful in guiding your future cloud strategies and benchmarking progress on your cloud journey—helping you get the greatest possible value from your cloud investments.





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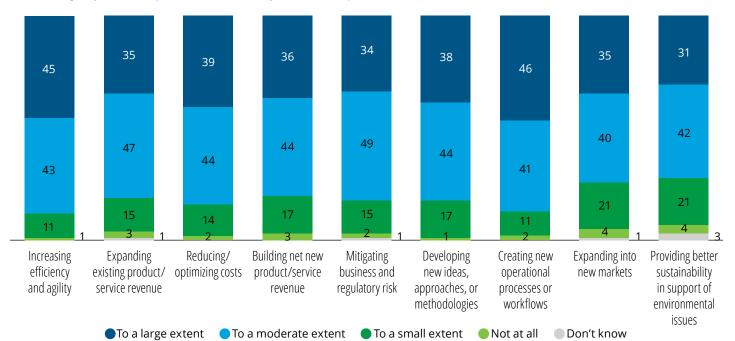
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Leaders are better at driving positive strategic outcomes from cloud

Our survey results show that cloud investments are driving positive outcomes in most areas for most companies.

Figure 1: Cloud investments are driving positive outcomes across strategic business objectives

(Percentage of total respondents; n=500 for each response)



This contrast becomes even more stark when looking not just at the average organization as a benchmark but how other organizations are doing in terms of achieving these strategic outcomes compared with the Leaders in terms of cloud strategy and innovation success.

However, Leaders substantially outperform other organizations when it comes to harnessing the

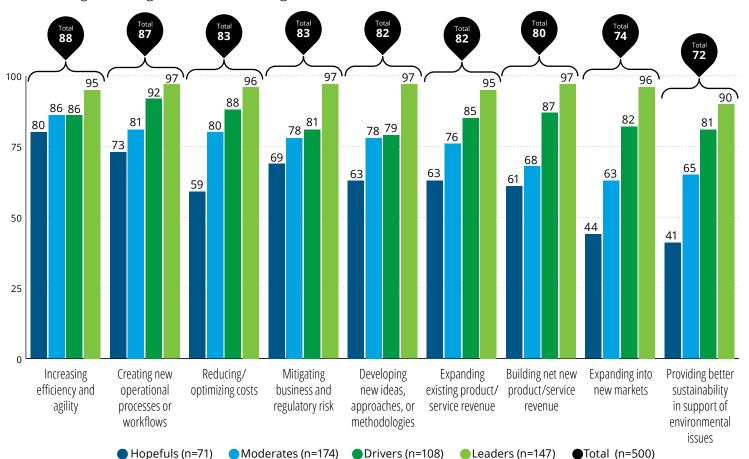
power of cloud—both in terms of success rate

and scope—with Leaders achieving superior rates of success across all nine outcome areas.





(Percentage selecting 'to a Moderate/Large Extent')



Leaders (n=147)

●Total (n=500)

The index shows that "increasing efficiency and reducing costs" is the top strategic priority for the overall pool of respondents, and the survey data shows highly positive outcomes in this area—even for Hopefuls (80%) and Moderates (86%). "Creating new operational processes or workflows" is the next highest area of positive outcomes, with increasing success rates as organizations move up the innovation scale (73% for Hopefuls, 81% for Moderates, 92% for Drivers, and 97% for Leaders). What most distinguishes Leaders appears to be their performance in areas beyond efficiency and operations, such as "developing new ideas, approaches, or methodologies" and "building net new product/ service revenue."

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How do cloud investments relate to strategic priorities and innovation?

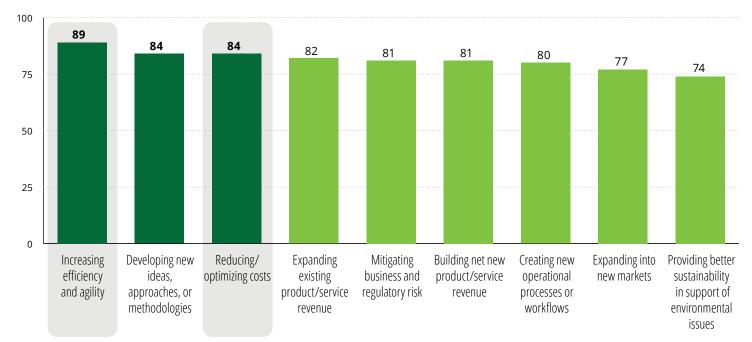
Cloud investments have the potential to drive organizational strategies forward in every major outcome area. Yet our analysis shows most organizations are missing out because their innovation capabilities are not aligned with their strategic priorities.

The gap between strategic priorities and successful innovation

There is a significant gap that should be closed between organizations' strategic priorities and their ability to drive innovation in those priority areas. According to our survey, respondents' top three most important business strategy objectives are "increasing efficiency and agility" (89% of respondents); "developing new ideas, approaches, or methodologies" (84% of respondents); and "reducing/optimizing costs" (84% of respondents)."

Figure 3: Strategic priorities

(Percentage of total respondents; n=500 for each response)



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Yet those top three priority areas are not necessarily where most organizations are innovating. Instead, our overall pool of respondents reported the most success driving innovation in "mitigating business and regulatory risk" (73%); "expanding existing product/service revenue" (71%); and "developing new ideas, approaches, or methodologies" (70%). (Only the latter aligns with the top three business priorities noted above.)

Also, for all nine outcome areas there is a significant gap between the level of strategic priority and innovation success. For example, only 65% of respondents agree or strongly agree their organizations have been successful driving innovation to increase efficiency and agility. Only 62% agree or strongly agree their organizations have been successful driving innovation to reduce/optimize costs—a gap of 24 percentage points and 22 percentage points respectively.

Figure 4: Successful innovation areas

(Percentage of total respondents; n=500 for each response)

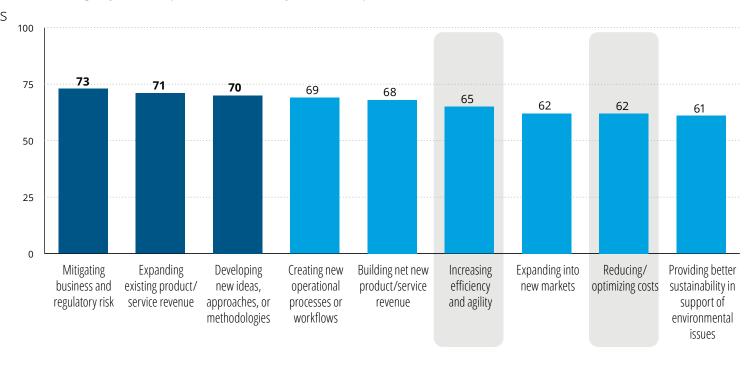
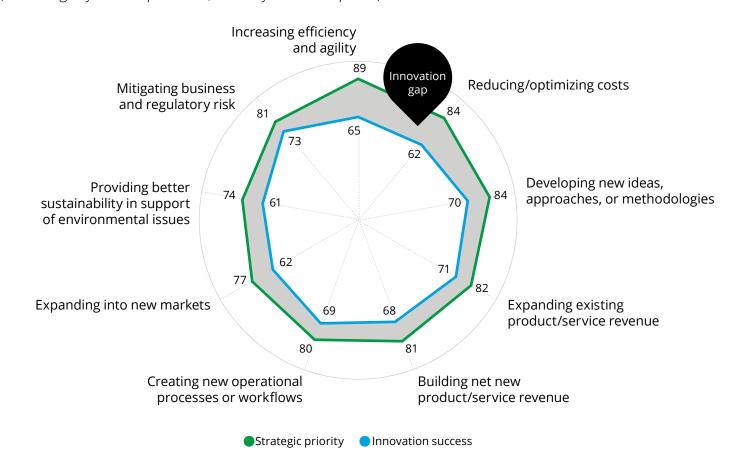


Figure 5: Innovation gap: Strategic priorities vs. successful innovation areas (Percentage of total respondents; n=500 for each response)

This suggests cloud decision-makers might not be focusing on the right strategic priorities and that their cloud strategies should be realigned with where innovation is actually occurring. Another possibility is that organizations simply lack the ability to innovate in their priority areas and need to figure out how to close the gap. The gap is even more apparent when comparing Leaders with other segments.



20 Source: Deloitte analysis.

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Positive performance impacts might be easier to achieve than innovation

Most organizations are better at using cloud to create incremental value in their priority areas than they are at driving breakthrough innovation in those areas. Across all nine areas, the overall range of success at driving positive outcomes from cloud investments was 72%-88%, much higher than the range of success at driving innovation across those same areas, which was 61%-73%.

Overall, cloud investments have an extremely high success rate (88%) at increasing efficiency and agility which is the top strategic business objective overall. However, there is clearly much room for improvement when it comes to innovation. In particular, there should be greater alignment between strategic priorities and innovation, more success at innovating in priority areas, and greater use of cloud to enable innovation.

Cloud is emerging as a key enabler for digital transformation and customer-facing processes

Cloud is increasingly being used to support digital transformation—especially for front-office, customer-facing applications—making the technology a key enabler for mission-critical strategy and high-stakes change.

As noted earlier, cloud investments are already successfully driving positive outcomes related to efficiency and agility in core operations such as supply chain and the back office.

However, when asked to rank their top two priorities for cloud native solutions, half of those surveyed highlighted the customer domain as most important, including a strategic focus on customer engagement and customer segmentation. This is perhaps even more important for the 'Hopefuls' segment which has a significantly higher need for native cloud solutions

in the customer domain, (69%) compared to the other segments, for example Leaders at 49%. Even for Leaders this remains the top ranked area of need for cloud native solution.

This emerging use of cloud technology to enable digital transformation and customer-facing processes—not just back-office systems—is a fundamental shift that can greatly boost cloud's potential impact.

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What role does cloud technology play in digital strategy, growth, and competitiveness?

Cloud is the foundation of a modern IT environment and serves as an essential enabler for other powerful technologies such as artificial intelligence (AI), machine learning (ML), Internet of Things (IoT), and quantum computing. Without cloud, those technologies are difficult or impossible to implement. Conversely, those technologies in combination with cloud have the potential to supercharge growth and boost a company's performance and competitiveness.

Cloud is a "force multiplier" and cornerstone of digital strategy

Overall, 90% of respondents agree or completely agree with the statement that cloud combined with other technologies, such as AI, IoT, and analytics serve as "force multipliers" for their digital strategy. This could mean that cloud investments bring with them additional value related to other technology strategies, business goals, and innovation priorities. Similarly, 88% of respondents view cloud as a cornerstone of their digital strategy and believe it is vital to driving revenue and maintaining a strong position in the marketplace.

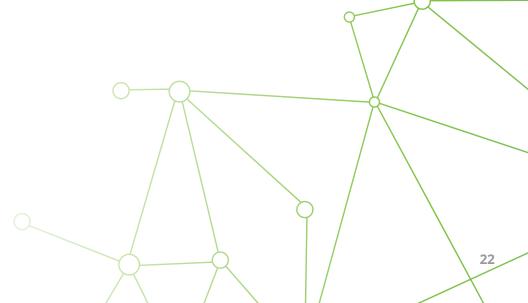


Figure 6: The role and impact of cloud

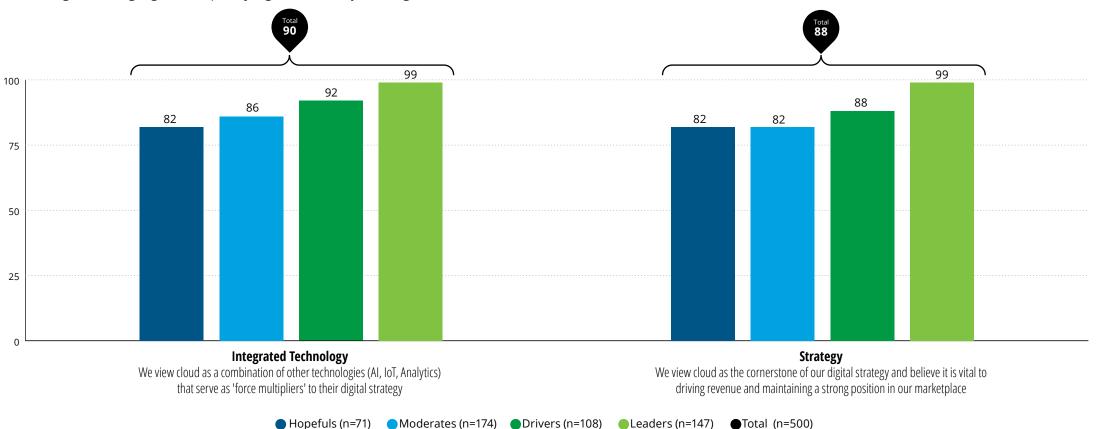
(Percentage selecting 'Agree/completely agree with the following statements')











Leaders hold those beliefs even more strongly, with 99% agreeing or completely agreeing with each of those statements.



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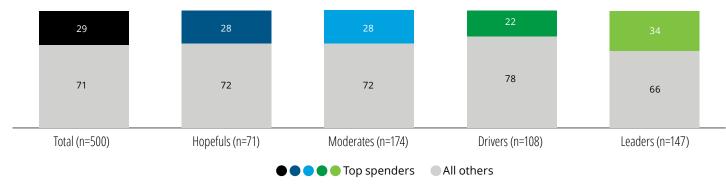




Leaders may spend more on cloud, but that's not what makes them leaders

We looked at the top spenders, defined as those respondents falling in the 70th percentile or higher based on their cloud investments normalized for organization revenue. We found 34% of Leaders are top spenders vs. 22% for Drivers, 28% for Moderates, and 28% for Hopefuls. The differences in cloud spending across the four segments is not dramatic, indicating that spending alone does not make you a Leader.

Figure 7. Cloud investment (normalized for organization revenue) (Percentage)



Over the past year, only 9% of the surveyed organizations invested more than \$100 million in cloud solutions, while another 21% invested between \$20 million and \$100 million. Most organizations (67%) invested less than \$20 million.

Looking ahead, the vast majority of surveyed organizations (87%) plan to increase their cloud investment by at least six percent over the next one to two years and many by more than 20 percent. Over the same timeframe, 12% plan to

keep their investments flat, and only one percent expect to decrease their investments.

It's interesting to note that 93% of Hopefuls plan to increase their cloud investments by at least six percent over the next one to two years, which is a larger percentage of respondents than the Leader (89%), Driver (83%), and Moderates segments (85%). This likely reflects Hopefuls' realization that they are behind and need to catch up.

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Where are some of the biggest opportunities to get more value from cloud?

Leaders are using many of the same cloud technologies and approaches as companies in other segments. However, Leaders are reporting much higher usage rates in areas such as cloud cybersecurity, Al/ML, cloud native development, industry cloud, multi-cloud, and software engineering culture.

Leaders are embracing more advanced cloud technologies

Which integrated technology approaches (i.e., combinations of cloud services) can provide a "magic" mix of cloud services and capabilities that enables Leaders to reap greater value from their cloud investments?

Across all respondents, the technology area where a cloud-based approach is most common is data analytics (86%), followed by software engineering (83%), and cloud cyber (82%). In those three areas, Leaders are using cloud-based approaches at similar levels to the overall respondent pool. However, Leaders are using cloud-based approaches at much higher levels in emerging technology areas, such as AI/ML (84% vs. 74% overall), cloud native development (87% vs. 73% overall), and edge/IoT (85% vs 64% overall).

Figure 8: Use of cloud services in various technology areas

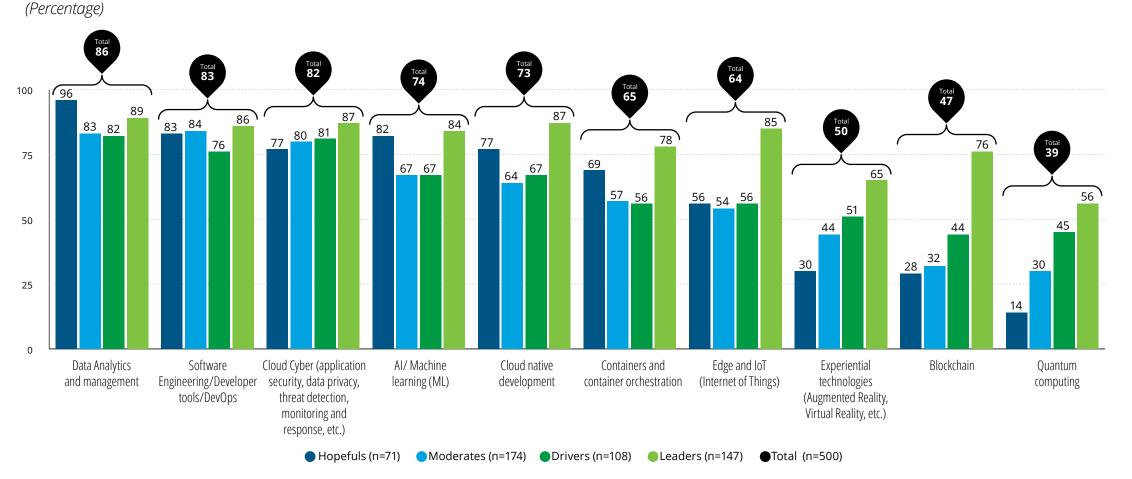












Hopefuls are furthest behind in using cloud-based approaches for blockchain (28% vs. 76% for Leaders) and quantum computing (14% vs. 56% for Leaders).











Cloud cybersecurity: busting the myths and concerns

Regulatory and risk concerns can affect cloud adoption—especially for risk-related cloud solutions such as cloud cybersecurity. However, our findings suggest many organizations appear to be overcoming those concerns and achieving highly positive outcomes for risk-related cloud use cases. This is encouraging given the critical importance of security-by-design strategies for cloud implementations.⁴

Overall, 91% of the organizations surveyed have updated their business and operational strategies to address cloud security, risk, and controls through processes such as DevSecOps, and 83% say their cloud investments are driving positive outcomes in terms of mitigating business and regulatory risk. This is a dramatic departure from

the conventional wisdom and shows that cloud cyber capabilities can be an important enabler of strategic outcomes.

Use of cloud cyber services is pervasive, with 82% of the surveyed organizations using cloud cyber services (e.g., application security; data privacy; threat detection, monitoring, and response)—and 78% responding that they are receiving high to very high value from these services.

Cloud cyber adoption is even more pervasive among Leaders, with nearly all (99%) saying they have updated their business and operational strategies to address cloud security, risk, and controls through processes such as DevSecOps. A similar proportion of Leaders (97%) have derived positive outcomes around mitigating business risk through cloud

investments. Also, most are seeing high to very high value from cloud cyber services (90% for Leaders vs. 58% for Hopefuls, 71% for Moderates, and 84% for Drivers.)

Overall, the top potential benefits/outcomes that respondents want to achieve with cloud cyber are: (1) improving their ability to detect and address security risks/threats (64%), and (2) improving customer digital trust (59%). Either of these focus areas could provide a strong entry point for cloud strategies. However, detecting risks/threats seems to be table stakes, with Leaders focusing more on digital trust (66%).

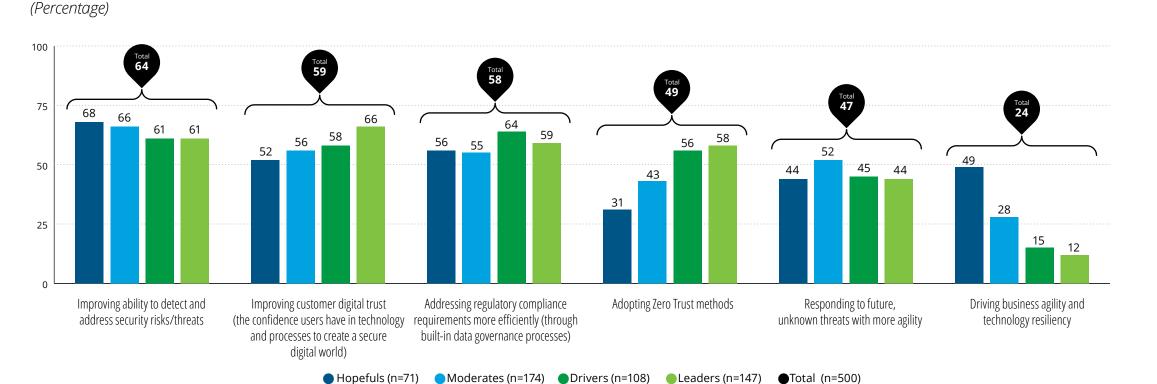
Figure 9: Most desired benefits/outcomes with cloud cyber

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Leaders are furthest ahead of Hopefuls in focusing on "adopting Zero Trust methods" (58% for Leaders vs. 31% for Hopefuls), whereas Hopefuls are much more focused on "driving business agility and technology resiliency" (49% for Hopefuls vs. 12% for Leaders).



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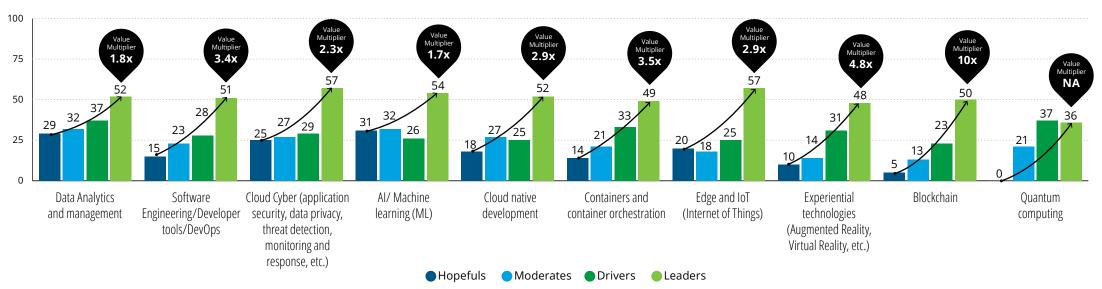


Leaders are getting much higher value from cloud services

We asked respondents to what degree their organizations are seeing value from the cloud services they are using. Compared to Hopefuls, a much higher percentage of Leaders say they're getting very high value from their cloud services. For example, with Al/ML the percentage of Leaders who say they are getting very high value from cloud is 1.7x higher than for Hopefuls. The value multiples for Leaders vs. Hopefuls are even higher for cyber (2.3x) and cloud-oriented approaches such as cloud native development (2.9x) and containers (3.5x) and are especially high for emerging technologies such as AR/VR (~5x) and blockchain (10x).

Figure 10: Leaders and the cloud as a "Value Multiplier"

(Percentage based on respondents who say 'yes' to using cloud based approaches and achieving 'very high value' from them)



Source: Deloitte analysis.



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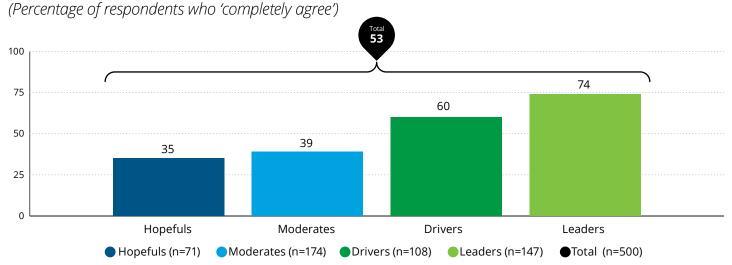




Industry clouds

Industry clouds—which bring together digital blueprints, integrated high-tech capabilities, and an ecosystem development model—are rapidly gaining adoption, and according to Deloitte's analysis could have a \$640 billion market potential by 2024.5 In our survey, 95% of respondents agree or completely agree that industry clouds will be the enabler/catalyst for transformation and automation of industry-specific business processes. However, the level of confidence and enthusiasm for industry clouds varies substantially across segments, with 74% of Leaders "completely" agreeing, versus 60% of Drivers, 39% of Moderates, and 35% of Hopefuls.

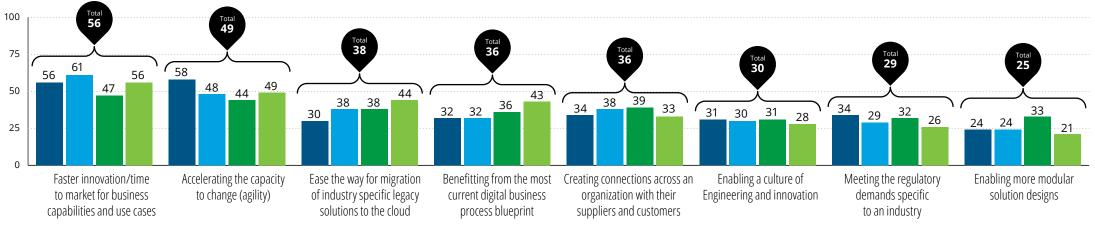




Overall, the top three benefits of industry clouds cited by respondents are faster innovation/time to market for business capabilities and use cases (56%), accelerating the capacity to change (agility) (49%), and easing the way for migration of industry-specific legacy solutions to the cloud (38%).

Figure 12: Most compelling benefits of using an industry cloud (Percentage, ranked top 3)





● Hopefuls (n=71) ● Moderates (n=174) ● Drivers (n=108) ● Leaders (n=147) ●Total (n=500)

Hopefuls rated industry clouds higher than average (58% vs. 49%) for agility (i.e., the ability to accelerate change). This might reflect the fact that Hopefuls are lagging behind and hope that industry clouds will help them guickly catch up. It might also reflect that Hopefuls tend to be larger companies (75% of Hopefuls have revenue of more than \$5 billion vs. only 35% of Leaders, and 55% of Hopefuls have more than 20,000 employees vs. only 19% of Leaders). As such, Hopefuls are more likely to be struggling with legacy systems and organizational inertia and might view industry clouds as a means to achieve rapid change and become more agile.

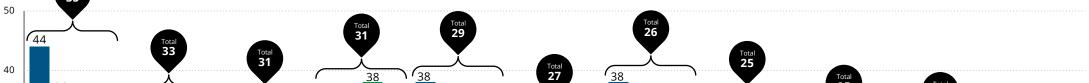
Overall, respondents' top three concerns about industry clouds are "control over data and insights" (35%), "vendor lock-in" (33%), and "data protection" (31%). This makes constructing the right operating model when implementing industry clouds important in order to create the necessary control over data ownership and the flow of information across the solution, platform, or ecosystem. A strategy-first approach to deciding where, when, and how to use industry clouds and how to balance buy and build architectures, can help address these challenges.

Figure 13: Top concerns about using an industry cloud



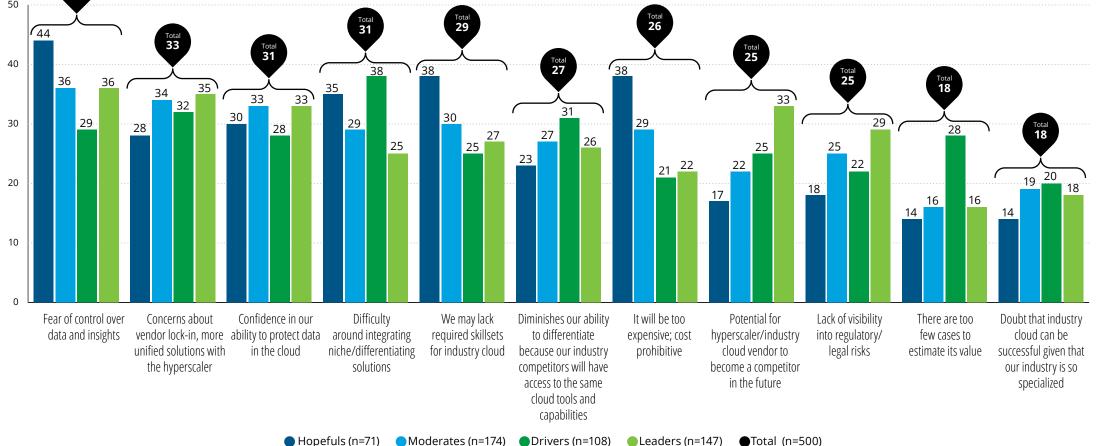
(Percentage, ranked top 3)













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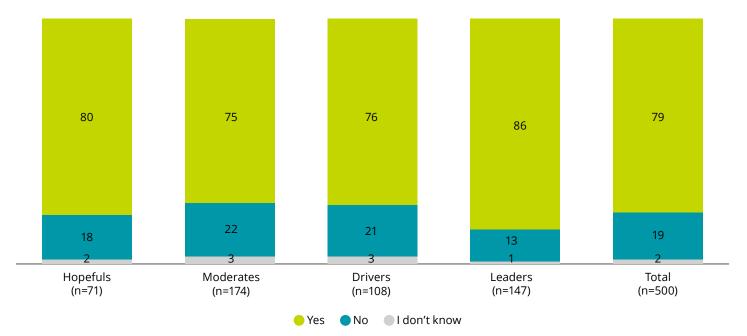
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Multi-cloud

A multi-cloud approach, which brings together more than one cloud service provider,⁶ is common across all surveyed segments (79%) but is highest among Leaders (86%).

Figure 14: Use of multiple clouds/providers

(Percentage)



According to our analysis, Leaders' use of service providers varies in a multi-cloud strategy, with 48% using three or four providers (the most common number of cloud providers for Leaders). In contrast, one or two cloud service providers was the most common number for Hopefuls (52%), Moderates (50%), and Drivers (51%).

The most important benefits cited from a multi-cloud approach are access to more choice in cloud services (85%), application and data processing scalability (84%), and increased flexibility/negotiating leverage (83%).

Figure 15: Benefits of a multi-cloud approach

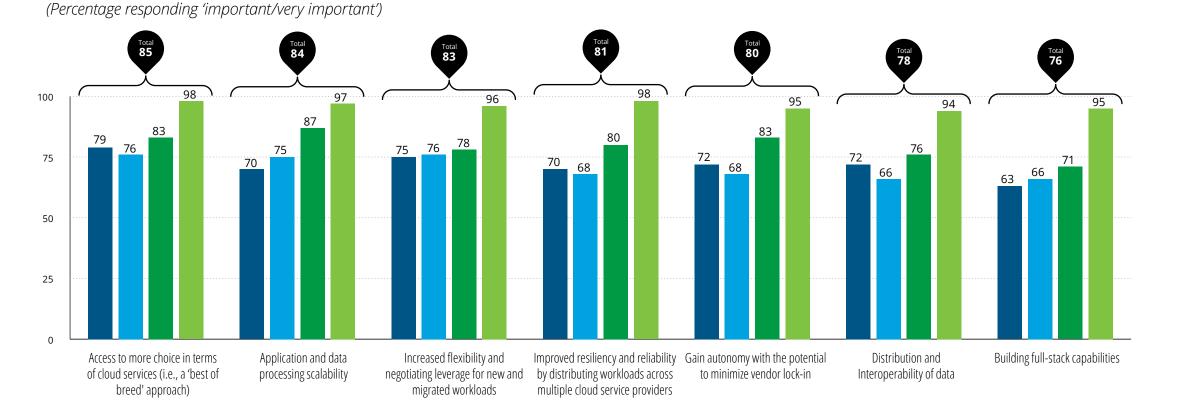












Across the board, Leaders seem ahead of other segments in recognizing the benefits of a multi-cloud approach. However, the biggest differences for respondents are in "building full stack capabilities" (95% for Leaders vs. 76% overall) and "resiliency and reliability" (98% for Leaders vs. 81% overall).

● Leaders (n=147) ● Total (n=500)



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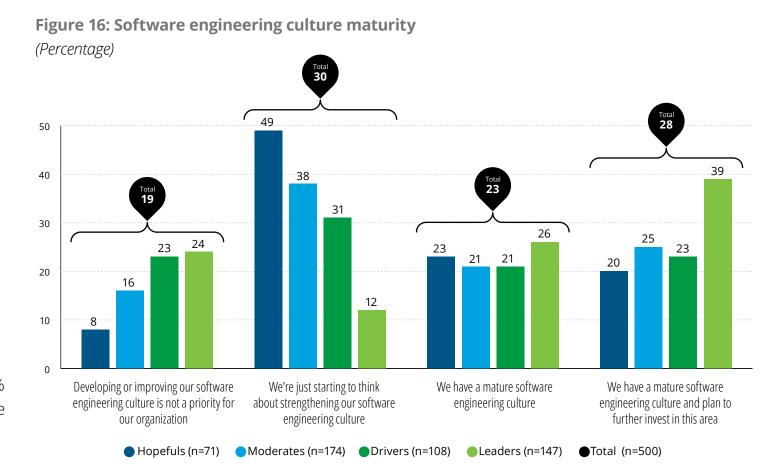
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Software engineering culture

The vast majority of surveyed organizations (85%) are focusing attention on building a strong software engineering culture, including agile pods, continuous learning, and business/technology product teams. Consistent with that focus, 83% say they are already using software engineering processes/services (and 75% are seeing value). However, there is still significant room for improvement.

Looking at software engineering maturity survey results, there are some stark differences between Leaders and Hopefuls. Nearly half of Hopefuls (49%) are just starting to think about the issue (vs. 12% for Leaders). Overall, only 23% of respondents say they have a mature software engineering culture, but many more Leaders have plans to further invest in this area (39% vs. 20% of Hopefuls).





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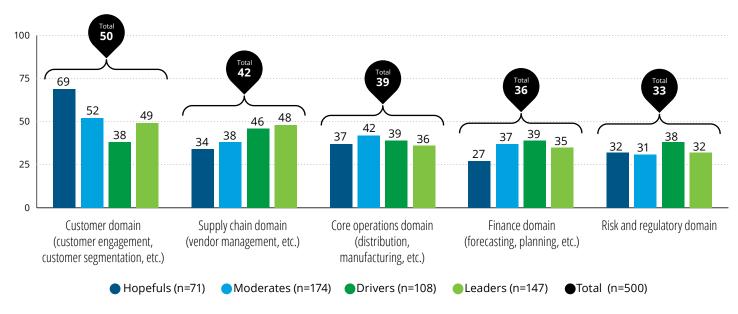




Cloud native

While our research interviews show that many companies are still unclear what cloud native even means,⁷ survey respondents do recognize that cloud native should be an important part of their cloud strategy. Across the total pool of respondents, the top-ranked need for cloud native solutions is in the customer domain (50%) which includes customer engagement, customer segmentation, and other related areas. This ranks ahead of respondents' other possible needs for cloud native services, including the supply chain, finance, core operations, and risk/regulatory domains. Interestingly, Hopefuls cited the highest level of need in the customer domain (69%), far higher than any other segment.

Figure 17: Business domains with the greatest need for cloud native solutions (Percentage, ranked top 2)



Clearly, there is a strong imperative to apply cloud native concepts to designing and developing new cloud-enabled capabilities for front-office and customer-facing applications. This is especially true for Hopefuls; however, those companies could encounter extra challenges in their pursuit, given their less mature ability to innovate and their relative lack of experience achieving strategic outcomes (beyond agility and efficiency) and moving solutions to the cloud and off premises.

Detailed study findings

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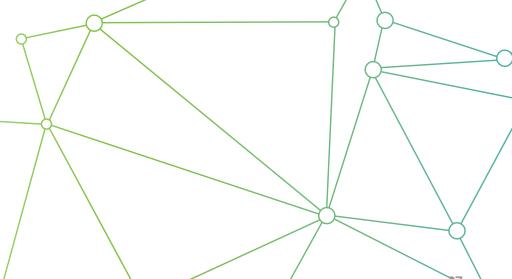
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What are the current sentiments about cloud's future?

When asked to describe the future of cloud in their organizations, emotional sentiment was mostly positive (86%) with *confidence, enthusiasm,* and *excitement* as the top emotions. Leaders tended to be the most positive (91%), followed by Hopefuls (85%), Moderates (84%), and Drivers (84%).

As organizations progress along the continuum, confidence tends to supplant enthusiasm. For example, the top cloud sentiment among surveyed Hopefuls is enthusiasm (31%), whereas the top sentiment among Leaders is confidence (29%)—presumably due to Leaders' superior capabilities and proven track record. One caveat to these highly positive feelings about cloud is that Hopefuls, Moderates, and Drivers might be underestimating the extent to which they are lagging behind the Leaders (and the challenges they might face due to their lack of proven ability to innovate).



Detailed study findings

Figure 18: Cloud sentiment analysis by index segment

Respondents were asked to rank 20 emotions from most to least based on how they felt about their organization's future use of cloud.

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(Percentage based on total share of preference for each attribute)

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Hopefuls (n=71)		Moderates (n=174)		Drivers (n=108)		Leaders (n=147)	
Attribute	Share of preference	Attribute	Share of preference	Attribute	Share of preference	Attribute	Share of preference
Enthusiasm	31%	Enthusiasm	20%	Confidence	19%	Confidence	29%
Excitement	18%	Confidence	17%	Excitement	15%	Excitement	14%
Confidence	16%	Excitement	15%	Enthusiasm	11%	Enthusiasm	11%
Peace of Mind	6%	Peace of Mind	7%	Joy	8%	Peace of Mind	8%
Uncertainty	5%	Triumph	5%	Pride	7%	Joy	7%
Contentment	5%	Pride	5%	Triumph	6%	Pride	7%
Triumph	4%	Contentment	5%	Contentment	6%	Triumph	6%
Overwhelmed	3%	Joy	4%	Peace of Mind	5%	Contentment	4%
Stress	2%	Relief	4%	Relief	4%	Relief	3%
Pride	2%	Uncertainty	3%	Surprise	3%	Surprise	2%
Joy	2%	Overwhelmed	2%	Overwhelmed	3%	Aggravation	1%
Relief	2%	Surprise	2%	Aggravation	2%	Overwhelmed	1%
Fear	1%	Stress	2%	Uncertainty	2%	Disappointment	1%
Aggravation	1%	Aggravation	2%	Stress	2%	Stress	1%
Disappointment	1%	Fear	2%	Anger	1%	Fear	1%
Surprise	1%	Disappointment	1%	Disappointment	1%	Uncertainty	1%
Sadness	1%	Panic	1%	Fear	1%	Remorse	1%
Anger	1%	Remorse	1%	Remorse	1%	Anger	1%
Panic	1%	Sadness	1%	Sadness	1%	Panic	1%
Remorse	1%	Anger	1%	Panic	1%	Sadness	1%

Detailed study findings



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Learning from the Leaders

Most organizations are not harnessing the full power of cloud and are not innovating as effectively as they could be. This may limit their ability to achieve their future strategic goals. In particular, digital transformation is now inextricably linked to cloud strategy and technology, so it's important to understand how cloud can enable business innovation—and where you stand in relation to your peers.

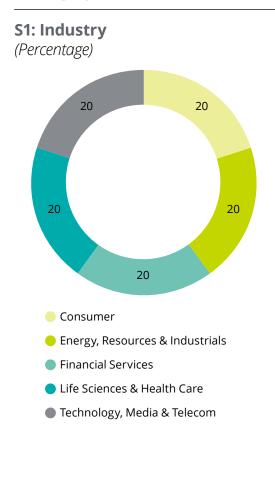
Sentiments about cloud's future are overwhelmingly positive and enthusiastic across all four index segments: Leaders, Drivers, Moderates, and Hopefuls. What appears to set Leaders apart in this area is that their enthusiasm seems combined with confidence. We want your organization to be confident too. Achieving the cloud capabilities necessary to instill that confidence will likely require new ways of thinking and working.

Leaders can serve as a powerful example of what a future cloud strategy looks like as you benchmark progress on your cloud journey—helping your organization get the greatest possible value from its cloud investments.

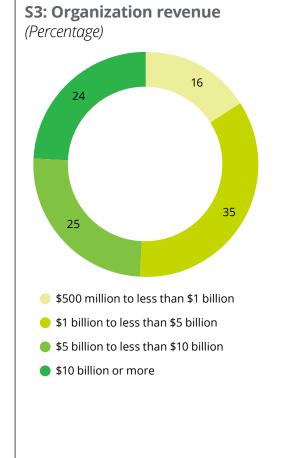
To find out more, please visit www.deloitte.com/us/cloudsurvey.



Firmographics

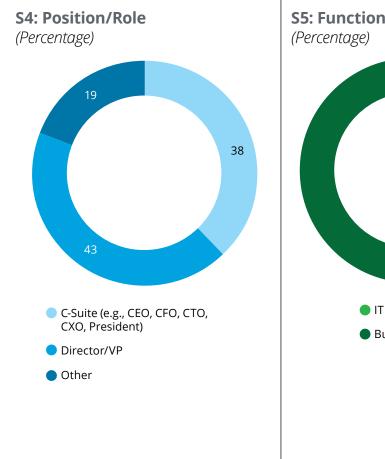


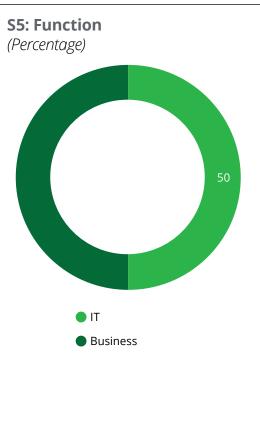


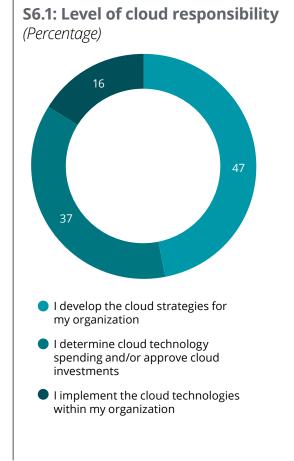








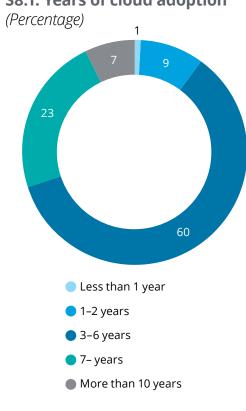






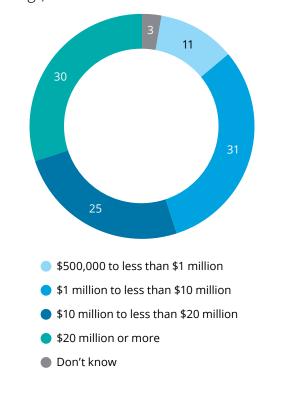
Cloud adoption

S8.1: Years of cloud adoption

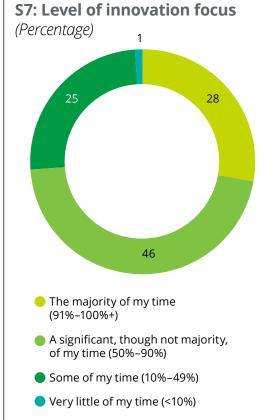


Investment in cloud solutions

S6.3: Level of investment in cloud solutions (Percentage)



Level of innovation focus





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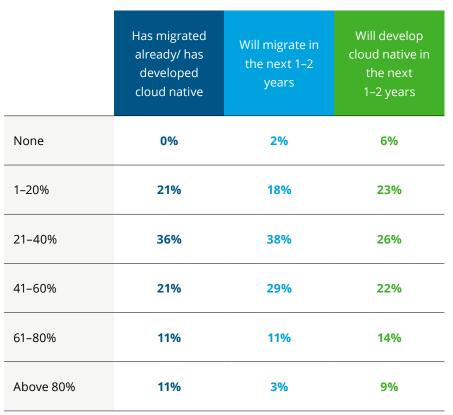
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Workloads and application in cloud

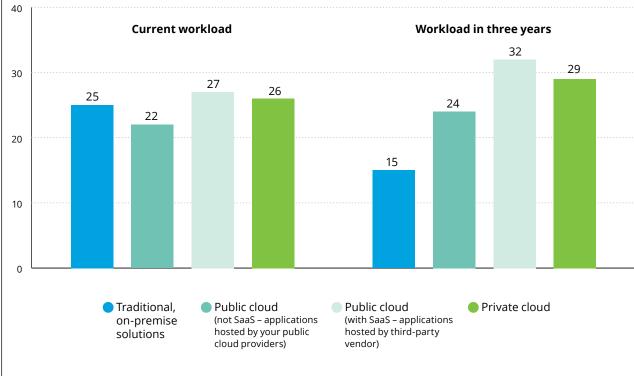
S8.2: Percentage of workloads/application in the cloud (*Percentage*)



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Workloads and application in cloud vs. traditional on-premise solutions

S8.3: Percentage of workloads/applications in the cloud vs. traditional solutions (*Percentage*)



Endnotes

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