USA Cloud Adoption & Trends 2012

Introduction

It is often said that Cloud Computing is a disruptive technology and will change the way that businesses use information technology.

Today Cloud services evoke an understanding and expectation of scalability, agility and value-for-money on a pay-as-you-go basis that can therefore fit the needs of the smallest business or consumer to the largest enterprise or government. It is less a matter of technology and more about challenging the fundamentals of how you manage IT operations (and therefore business) efficiently in an online world.

One of the basic challenges for any organization wishing to operate in the modern world is how do you access, manage and deliver IT services in a secure, flexible and cost effective manner. It has long been the aim to improve the way IT assets are sweated, and to de-risk the need for expensive on-premise infrastructure where asset utilization is typically around 20 per cent of capacity (due to peak load planning). Cloud Computing offers a level playing field upon which the focus shifts significantly from maintenance to innovation and market reach. It would be much more accurate to say that Cloud is revolutionizing the way that businesses procure their IT. Instead of buying software licenses, storage capacity or infrastructure and bringing it in-house, under the Cloud model these functions are effectively leased from remote operators and supplied across the internet.

This research clarifies that adoption of Cloud-based services across all manner of organizations, from enterprises to small businesses to the public sector, has been rapid and the Cloud now encompasses an incredibly wide range of applications. So, while many technologies are touted as being "disruptive" or "revolutionary", the Cloud model of IT provision seems genuinely to herald a new era in the supply of organizational computing.

The Cloud Industry Forum does not advocate that all business will move into a wholly online delivery model and fully recognizes that any combination of technical, commercial, cultural and governance issues will require some aspect of an on-premise presence for most organizations for the foreseeable future.

We do advocate though that Cloud services are a reality for any organization today, that they are proven, and that they will continue to improve in both capability and adoption, and as such, everyone needs to be aware of, and considering how to best make use of this agile and efficient IT supply model.
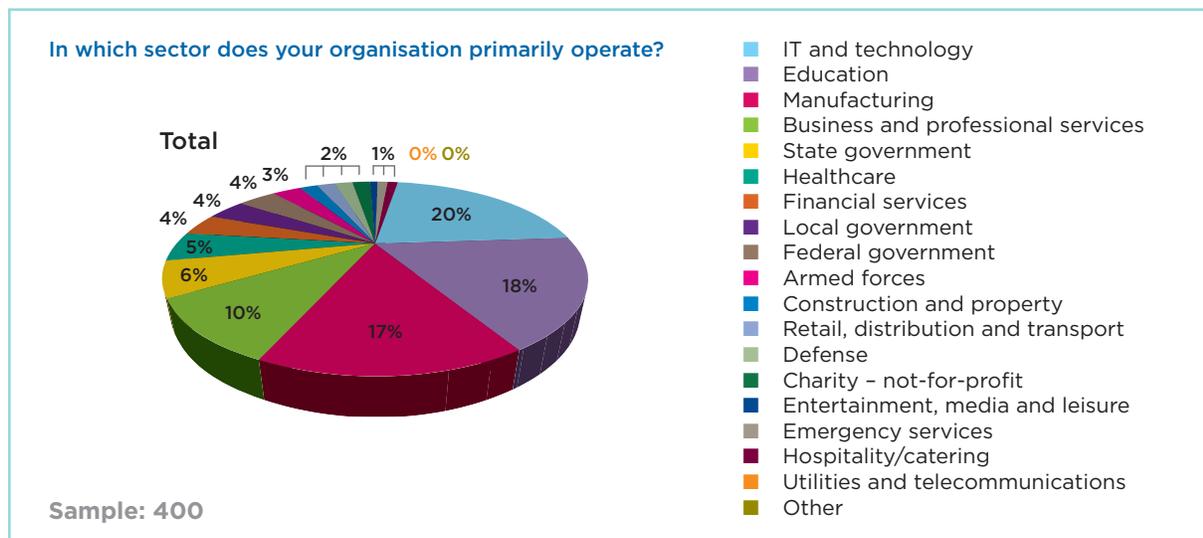
This White Paper explores the reality of adoption in Cloud services across the USA and looks into the levels of adoption across different organizational types; the drivers for adoption; who is driving adoption; the services being accessed; satisfaction levels and the issues and concerns that impede adoption at times. From this paper the reader should be able to gauge current market readiness and satisfaction levels of Cloud service users in the USA and be able to understand some of the key issues and considerations to take into account when contemplating or reviewing plans to adopt Cloud services as part of a wider IT strategy.

Methodology and sampling

In January 2012, Vanson Bourne conducted research on behalf of the Cloud Industry Forum to determine Cloud adoption attitudes and trends both among end users.

The research polled 400 senior IT and business decision-makers in enterprises, small-to-medium businesses (SMBs) and public sector organizations.

Of the 400 end user organizations questioned, 20 per cent came from the IT and technology sector, 10 per cent from business and professional services, 17 per cent from manufacturing, 4 per cent from financial services and 2 per cent each from construction and property, retail, distribution and transport, defense and charity – not-for-profit. A further 20 per cent comprised of public sector organizations ranging from Federal, State and local government, while 18 per cent related to the education sector and 5 per cent from healthcare.

In which sector does your organisation primarily operate?

Total

20%, 18%, 17%, 10%, 6%, 5%, 4%, 4%, 4%, 3%, 2%, 1%, 0%, 0%

- IT and technology
- Education
- Manufacturing
- Business and professional services
- State government
- Healthcare
- Financial services
- Local government
- Federal government
- Armed forces
- Construction and property
- Retail, distribution and transport
- Defense
- Charity – not-for-profit
- Entertainment, media and leisure
- Emergency services
- Hospitality/catering
- Utilities and telecommunications
- Other

Sample: 400

In order to give a representative sample the organizations were targeted by number of employees as follows:

Base: All respondents	Total	Private sector	Public sector
Fewer than 20	**19%**	22%	13%
20 – 99	**19%**	22%	13%
100 – 999	**19%**	20%	17%
1,000 – 4,999	**19%**	15%	25%
5,000 – 9,999	**13%**	9%	18%
More than 10,000	**13%**	11%	15%
Base	**400**	250	150

One aspect of the research was to identify and analyze the decision makers who are responsible for whether or not to use Cloud solutions. From the overall sample of 400 end user organizations 61 per cent of those questioned defined the Head of IT as responsible, while 17 per cent stated a functional head, 14 per cent cited the CEO and 7 per cent the CFO.

Base: All respondents	Total	Private sector	Public sector
Head of IT	**61%**	63%	56%
Head of the User Department	**17%**	13%	23%
CEO/MD	**14%**	12%	16%
FD/CFO	**7%**	9%	2%
Other	**3%**	2%	3%
Base	**400**	250	150

As a reference baseline, 92 per cent of organizations have an on-site server room or data center and 65 per cent have business grade internet access (the remainder being on standard Broadband or dial up services).

This White Paper series summarizes the results of this research and examines the drivers for adoption of Cloud services by end user organizations and the changing business rationale for migrating to the Cloud.

1. US Cloud Adoption

This survey polled 400 individuals responsible for IT decision-making, from a wide range of industries. The most widely-represented sectors included IT and services; education; business/ professional services; manufacturing; financial services; and retail, distribution and transport. The public sector was also well represented, with over a third (150) of total respondents.

The results of the survey clearly show that "Cloud" is no longer a nebulous business buzzword: three quarters (76 per cent) of all organizations polled already consciously use Cloud Computing in some shape or form within their organization for at least one service.

When further analysis is undertaken it is clear from the findings of the research that it is the private sector leading the way (83 per cent), with far more Cloud services used than its public sector counterpart (63 per cent).

Interestingly it would also appear from the figures that organizations that employ less than 20 people and those that employ over 10,000 are at the forefront of the current Cloud revolution in terms of adoption rate, as opposed to the mid-market (though the mid-market still shows strong adoption at 65 per cent).

All respondents	Total	Fewer than 20 employees	20 - 99 employees	100 - 999 employees	1,000 - 4,999 employees	5,000 - 9,999 employees	10,000+ employees
Yes	**76%**	83%	76%	65%	71%	78%	84%

As can be seen from the chart below, the pattern of adoption by organization size shows as inverse curve of normal distribution.
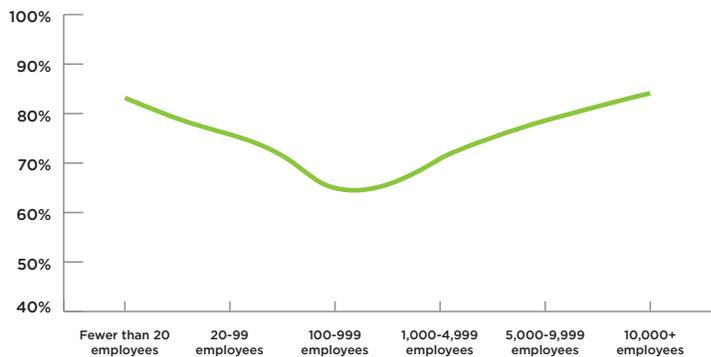
Over three quarters of organizations are formally using at least one Cloud-based service

The survey findings also show that the decision to migrate to the Cloud is now predominantly taken by the head of IT, with 61 per cent of respondents, compared to just a fifth (21 per cent) who said it was the responsibility of CEOs/CFOs.

2. Primary drivers

According to the research the primary reason given for initially adopting Cloud-based services is the flexibility that it brings to the organization. This was identified by 31 per cent of respondents of the entire sample and was particularly relevant to organizations employing less than 1,000 people.

When looked at in detail the findings clearly highlight that it is organizations with under 20 employees, or those with 100 to 999 employees who placed the greatest value on flexibility (40 and 41 per cent respectively) as they seek to compete in the wider market with more limited technical resources in-house. However, in the large enterprises cost savings became seen as the primary reason for adoption of Cloud services, rising to 36 per cent for those employing 5,000 or more.

It is an illuminating picture as it indicates that it is the SMB sector (as opposed to the larger organizations – which historically have been the first to ride the wave of technological innovation) who are now recognizing far faster the benefits of migrating to the Cloud and seeking to leverage the opportunity of Cloud services as a means of operating with greater agility and efficiency than they could have historically.
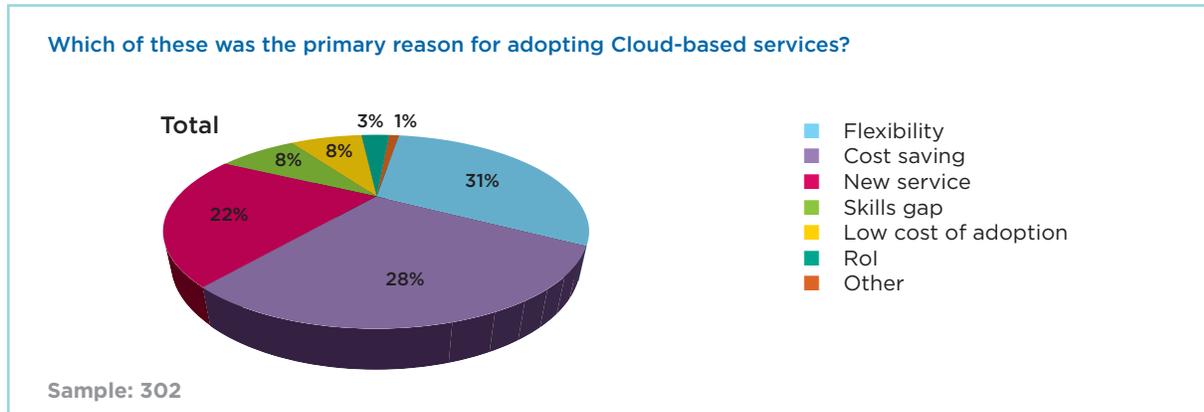
Arguably one of the more interesting statistics is that there is a clear alignment between public sector organizations and large private enterprises. In both cases cost savings came out as the number one reason for the adoption of Cloud (public:private – 34 per cent:36 per cent) by those currently making use of such services.

This dichotomy of opinion between large and small organizations is fairly logical to understand and accept, with smaller entities looking to achieve more with limited resources in IT compared to their larger rivals, whereas larger companies for whom IT is often a material cost in its own right are looking for ways to gain efficiencies and economies of scale.

Over recent years the vendor messaging to the market has been primarily focusing on the cost savings afforded by Cloud service adoption and yet, as the research proves, while financial benefits are achieved and do drive further investment from companies already using the Cloud, for the organizations with less than 1,000 employees it is the agility given to businesses to deliver new services; access technology quickly; and, to offer solutions that they did not already have that has driven initial adoption.

The flexibility of Cloud-based services is the most reported reason for its adoption with organizations employing less than 1,000 people, cost savings are most critical for larger enterprises

The adoption of a completely new service was the third ranked driver for Cloud services after the size related juxtapositions of Flexibility and Costs Savings are taken into account, with 22 per cent of the overall sample. While lack of skills and low cost of adoption was identified by 8 per cent of participants respectively for their original driver for adopting a Cloud service.

Which of these was the primary reason for adopting Cloud-based services?

Total

- Flexibility
- Cost saving
- New service
- Skills gap
- Low cost of adoption
- RoI
- Other

3% 1%
8% 8%
31%
22%
28%

Sample: 302

So what conclusion can we draw from this? The evidence indicates that the Cloud is affording businesses both large and small, public and private, the flexibility and commercial benefits they need to adapt to the ever changing business climate. These are the principal hooks for early adopters.

The benefits of the Cloud have been known for some time, not least its rapid deployment, reliability, scalability and pay-as-you-go financial model. What appears to be happening in the market is that this message, for so long evangelised by vendors and IT channel alike, is being heard, and actioned on, by organizations seeking to expand or change their IT capability in support of their organizational performance.

Cost savings are secondary to operational flexibility in the first phase of Cloud adoption by those employing less than 1,000

3. Satisfaction levels

When it comes to organizational satisfaction with the current use of Cloud services, a staggering 98 per cent of those currently using Cloud services stated that they were happy with the results of their use of the Cloud. This is an extremely high figure and is further evidence that the market is not immature and that businesses that have embraced the opportunity to adopt Cloud services perceive that they are reaping the benefits they sought.

Have you been satisfied with the results of your use of Cloud services?

Total

2%

98%

■ Yes
■ No

Sample: 302
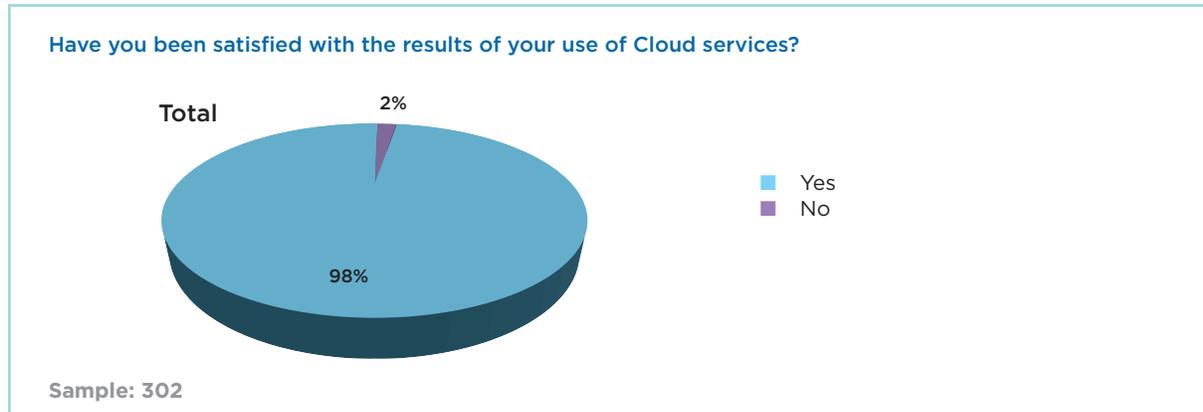
Breaking this result down by company size reflects the following:

Asked of respondents who have hosted or Cloud-based services in use	Total	Fewer than 20 employees	20 - 99 employees	100 - 999 employees	1,000 - 4,999 employees	5,000 - 9,999 employees	10,000+ employees
Yes	**98%**	100%	96%	100%	96%	97%	98%
No	**2%**	0%	4%	0%	4%	3%	2%
Base	**302**	62	57	49	53	39	42

Breaking this result down by private and public sector reflects the following:

Asked of respondents who have hosted or Cloud-based services in use	Total	Private sector	Public sector
Yes	**98%**	99%	96%
No	**2%**	1%	4%
Base	**302**	207	95

Those organizations that stated they were unhappy with the level of service amounted to a total of just 6 and while statistically this is not a representative sample, the reasons cited need to be explored from a Cloud services provider perspective.

Half of this group highlighted poor levels of service provision while the other half believed the solutions were not specific enough for their needs. Two larger end users also stated that the migration to the Cloud had proven more difficult than they expected.

Another notable development in terms of mainstream satisfaction can be gleaned from the fact that 92 per cent of those organizations taking part in the research stated that they now considered Cloud to be a formal component of their wider IT strategy. This is encouraging as it reflects that even though 76 per cent of the researched base actually have adopted a solution, it is being reviewed in total by another 16 per cent of organizations who are looking for the right opportunity to deploy.

4. Future trends

Given the clearly high levels of user satisfaction it may come as no surprise to see that moving through 2012 the overwhelming majority of those end users already using Cloud services intend to extend Cloud provisioning throughout their organizations.

94 per cent of those organizations questioned in the research currently using Cloud services expect to increase their use in the next 12 months, with growth most likely to center on three core applications – email, asset management and security, though as can be seen from the table below the priorities of organizations vary considerably based upon their size.

Base: Only asked of respondents who expect their adoption of Cloud to increase	Total	Fewer than 20 employees	20 - 99 employees	100 - 999 employees	1,000 - 4,999 employees	5,000 - 9,999 employees	10,000+ employees
Email services	**56%**	67%	21%	51%	63%	74%	66%
IT asset management services	**54%**	75%	37%	47%	58%	51%	51%
IT security services	**52%**	72%	25%	49%	54%	72%	44%
Managed IT services	**49%**	65%	33%	49%	40%	59%	49%
Data storage services	**46%**	30%	46%	51%	48%	59%	49%
IT operations management	**44%**	82%	31%	44%	46%	23%	27%
Collaboration services	**43%**	26%	33%	33%	46%	64%	63%
Webhosting	**41%**	58%	21%	44%	35%	44%	44%
Data backup/disaster recovery services	**39%**	28%	54%	37%	44%	38%	29%
Infrastructure as a service	**32%**	53%	15%	23%	29%	44%	29%
United communications	**32%**	26%	15%	37%	38%	44%	34%
Service management/ help desk services	**28%**	32%	21%	19%	29%	36%	32%
Office automation	**26%**	30%	17%	35%	37%	21%	15%

What is also insightful is that of those organizations not currently employing any Cloud services, over a third (39 per cent) said that they anticipated adopting them in the next year, a further 28 per cent were undecided at this time, and a slightly higher proportion (34 per cent) reporting that they had no plans to move into the Cloud. Highest solution areas of new Cloud service adoption were anticipated to be email (50 per cent) and data storage (45 per cent).

94% of current Cloud users want to expand their use in 2012

Breaking new Cloud users in 2012 down by company size the results were as follows:

Respondents who do not have hosted or Cloud-based services in use	Total	Fewer than 20 employees	20 - 99 employees	100 - 999 employees	1,000 - 4,999 employees	5,000 - 9,999 employees	10,000+ employees
Yes	**39%**	38%	33%	38%	50%	45%	13%
No	**34%**	54%	39%	38%	23%	9%	38%
Don't know	**28%**	8%	28%	23%	27%	45%	50%
Base	**98**	13	18	26	22	11	8

Looking beyond 2012 the survey asked those organizations not currently using Cloud services if they foresaw their business ever making use of the Cloud. Indeed 50 per cent stated it was a high possibility, and a further 18 per cent said that they would in fact migrate at some stage.

The figures give us another valuable insight into the thinking of the end user community as only 18 per cent of the sample who would not have used a Cloud service by the end of 2012 stated categorically that they would not ever migrate which is less than 3 per cent of the total base.

Given the lifecycle of any new technological innovation these general findings will come as little surprise. And yet what is clear from the Cloud revolution is the scale and speed of early adoption. The survey also asked any existing users of Cloud services who did not plan to expand their use why they would not extend Cloud provisioning still further. Admittedly this is a small sample of 18 organizations, and yet it is worth dwelling on the figures.

A third (33 per cent) did not have funds for any new IT projects in 2012, 28 per cent saw no immediate advantage for deploying further Cloud solutions in the near future whereas, just over a fifth (22 per cent) cited that they wished to keep their remaining applications and data in-house.

Even though the general trend of Cloud adoption is very positive the majority of participants (52 per cent) still consider that there are applications and data sets that they deem to be unwilling to move to a Cloud delivery model at this time. Notably employee data and internal file sharing topped the list at 69 per cent and 53 per cent of the respondents respectively as highly sensitive.

In total 97% of the 400 organizations researched believed they would adopt Cloud services

5. Concerns

Material concerns over committing data to be stored and accessed in the Cloud do clearly remain. When asked to name their chief worries about Cloud adoption, users were clear that data security and privacy stood out above all others, cited by 56 and 53 per cent of respondents respectively.

Base: Only asked of respondents who use hosting or Cloud-based services, or foresee their company using these services in the future	Total	Fewer than 20 employees	20 - 99 employees	100 - 999 employees	1,000 - 4,999 employees	5,000 - 9,999 employees	10,000+ employees
Data security	**56%**	49%	47%	71%	56%	64%	52%
Data privacy	**53%**	49%	36%	66%	48%	67%	57%
Confidence in the reliability of the vendors	**33%**	35%	29%	37%	34%	24%	35%
Dependency upon Internet access	**31%**	38%	42%	31%	28%	24%	17%
Cost of change/ migration	**31%**	49%	29%	27%	31%	27%	17%
Contract lock-in	**26%**	43%	23%	23%	23%	20%	22%
Confidence in the vendors business capability	**26%**	35%	21%	27%	25%	16%	30%
Confidence in knowing who to choose to supply service	**25%**	44%	23%	19%	27%	18%	11%
Confidence in the clarity of charges (ie will they be cheaper than on-prem)	**22%**	29%	12%	21%	23%	33%	11%
Lack of business case to need Cloud services	**22%**	37%	23%	19%	17%	16%	13%
Lack of any advice within the company to adopt	**21%**	43%	20%	15%	19%	13%	7%
Contractual liability for services if SLA's are missed	**19%**	25%	29%	11%	11%	24%	13%
Lack of any promotion or awareness by the people we buy IT from	**15%**	35%	15%	13%	9%	9%	4%

The three biggest users concerns are data security, data privacy and reliability of service providers

The physical location of data was another area of concern for Cloud users, with all applications quoted in the research attracting a range between 59 per cent and 83 per cent of users stating that they were required to store data in specific locations. The key reasons for specific locations being required were cited as security (85 per cent), regulation (64 per cent), size of database (63 per cent) and levels of integration with other applications (52 per cent).

Only asked of respondents whose organizations are required to store data	Total	Fewer than 20 employees	20 - 99 employees	100 - 999 employees	1,000 - 4,999 employees	5,000 - 9,999 employees	10,000+ employees
Concerns over security	**85%**	93%	83%	90%	72%	83%	89%
Regulation	**64%**	84%	48%	43%	75%	77%	55%
Size of database	**63%**	68%	61%	52%	68%	66%	66%
Integration to related application	**52%**	63%	27%	51%	48%	70%	61%
Other	**1%**	0%	2%	0%	0%	0%	2%
Base	**361**	68	64	69	69	47	44

60 per cent required data to be stored in the USA, a further 26 per cent required data to be stored in the US or Canada, while 9 per cent included Europe as a required/acceptable storage location.

This is an interesting development as it reflects natural concerns driven by regulation and legislation (such as the Safe Harbor Agreement and the Patriot Act) but also has a sense of State and Federal Law providing a higher level of comfort to Cloud users. This is particularly relevant as it would require end users to be able to determine where their data will reside in a hosted environment and requires the Cloud industry to ensure that it caters for clarity and choice in the design and delivery of SaaS and IaaS solutions as a one-size-fits all delivery will not meet all organizations requirements, regardless of cost benefits. It's also noteworthy that small private companies and public organizations have a greater sense of concern than upper mid-market and enterprises reflecting that this is more about access to knowledge and technology than a fundamental weakness in Cloud security.

86% of end users wanted their data stored in North America

6. Influencers on Cloud service selection

The majority of the organizations polled said that they believe Cloud services are likely to change the way they acquire IT solutions. There was only a 2 per cent variance between public and private sector companies and in a pattern similar to that seen about Cloud adoption generally in the US, it is the largest and smallest companies that are more likely to change the way they procure solutions, with the mid-market more inclined to stick closer to their current procurement and business models.

When asked what the drivers are for changing how an organization acquires IT the key reasons given related to the ability to reduce costs and the experience of Cloud brought about an expectation of self service and higher flexibility. The table below summarizes the results by organizational size.

Only asked of respondents who believe that Cloud services could change the nature of buying IT solutions in their organizations	Total	Fewer than 20 employees	20 - 99 employees	100 - 999 employees	1,000 - 4,999 employees	5,000 - 9,999 employees	10,000+ employees
Reduced cost	71%	75%	70%	82%	65%	68%	67%
Ease of use for end users/ encourages self-service	66%	68%	66%	61%	63%	76%	64%
Flexibility of choice	64%	54%	59%	67%	72%	71%	67%
Speed of delivery	54%	69%	46%	47%	51%	49%	60%
New model of IT delivery	37%	51%	20%	39%	32%	54%	26%
Other	1%	3%	2%	0%	0%	0%	2%
Base	**310**	65	56	49	57	41	42

In regard to addressing the challenge of how to find a suitable Cloud Service Provider, 82 per cent of respondents stated that they would favor Cloud Service Providers that had attained Certification to an independent industry Code of Practice, validating the work of the Cloud Industry Forum in its launch of the only certified commercial assessment of Cloud Service Provider criteria. Please refer to **www.cloudindustryforum.org** to download the Information Pack about the Code of Practice.

82% of end users would favor selecting a CSP that demonstrates Certification to an independent industry Code of Practice

7. An international perspective

Cloud is by nature a global phenomenon, enabling individuals and organizations anywhere in the world where they can gain access to the internet to benefit from utilization of Cloud-based solutions. Indeed the penetration of smart internet enabled mobile devices is expanding the opportunity for Cloud to reach the third world as quickly as it is the developed West.

To put the US Cloud adoption trends into perspective we have compared several of the key leading indicators from the research in the US against a similar peer group of 300 UK based organizations as follows:

Category	UK	USA
Current Cloud adoption level (1 service)	**53%**	76%
Satisfaction level with Cloud experience	**96%**	98%
Existing users extending use in 2012	**73%**	94%
New users adopting Cloud in 2012	**18%**	39%
Cloud seen as part of the IT strategy	**85%**	92%

The US leads the global market for Cloud services

On every key indicator above the US market leads the UK market and it is assumed that the US actually leads the global market for Cloud services both in terms of adoption and satisfaction.

One interesting difference between the two nations that can be extrapolated from the data when looked at by organizational size is that while the US shows an inverse curve of normal distribution the UK market actually shows a fairly uniform adoption rate regardless of size as shown in the graph below:
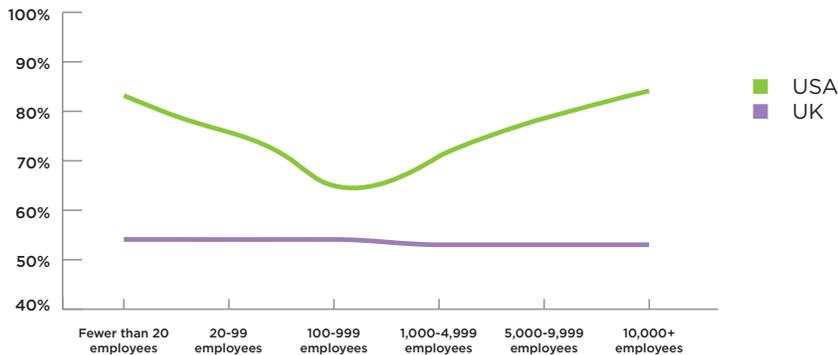
It is unsurprising that very small companies adopt Cloud services because of the flexibility it affords them and the associated reduction on risk associated with dependence on in-house staff and skills. It is equally understandable that very large companies look to the Cloud as a means of obtaining the utility-like benefits of economy of scale and scalability to reduce costs without risking service levels. Quite why the mid-market in the US is at a lower level of adoption is open to conjecture but the fact the UK has a more normalized adoption rate across all sizes of business tends to be more in keeping with the ubiquitous nature of the Cloud offering solutions pro rata to the organizations needs and as such there are no barriers to entry that are size related.

8. Predictions for US Cloud Adoption in 2012

In light of the research findings the Cloud Industry Forum has formulated its opinion on Cloud adoption in the US market in 2012 and offers an informal and objective outline as follows:

I   **Organizations adopting Cloud services in the USA will grow by over 20 per cent in 2012.**

II   **75 per cent of those organizations already in the Cloud will increase their use in 2012.**

III   **Organizational size will no longer be a determinant of/barrier to Cloud adoption.**

IV   **Public sector adoption will grow as a percentage share to close some of the gap with the private sector.**

V   **Most universally adopted services will be Email, Storage & Collaboration.**

VI   **The primary concern facing end users in decision making will center on Data Security, Privacy & Sovereignty.**

VII   **IT Executives will embrace Cloud alongside on-premise as an acceptable deployment model for their IT strategy.**

VIII   **IT Governance of distributed IT environments will drive investment in IT monitoring and control.**

IX   **Private & Public Cloud deployments will both grow in adoption but in different vertical sectors and applications.**

X   **Mobile and Cloud convergence will continue to drive the greatest level of process innovation.**

XI   **Organizations will adopt independent standards to filter ITT's/Procurement processes.**

XII   **The provision of Implementation/Management Services will differentiate successful suppliers.**

Conclusion

The migration towards Cloud services has been rapid with 76 per cent reported use across the research base and its adoption is widespread across all manner of organizations, from large enterprises to small businesses, and in both the public and private sectors. In looking at Cloud adoption in the USA, a number of key conclusions can be drawn:

1. While rates of adoption were generally high across the board, it is the poles of smallest and largest organizations that have most embraced the opportunity of Cloud services.

2. Satisfaction with Cloud services (where they have been adopted) is, at 98 per cent, extremely high, and is leading the vast majority of current users to expand their use into other areas of their IT operations. This simultaneous move to a new type of technology led business model is a rare and perhaps a unique phenomenon in business IT: after all it has usually been only the large organizations and enterprises that can afford to be the pioneers of new technology.

3. While the first wave of adoption has been primarily driven by SMB desire for the flexibility that the Cloud delivery model provides, and by Public Sector and Private Enterprises by cost reduction it is the pursuit of ongoing cost savings that is the main driver for the second wider phase of adoption.

4. Cloud services are being adopted across multiple solution areas and in multiple deployment models. The details of this will be investigated further in the next White Paper in this series.

5. There are several areas of concern that are limiting the rate of growth of Cloud Computing. End user organizations continue to express anxieties about data security, privacy and sovereignty, all of which were cited by a majority of respondents and in response to which the Cloud industry needs to provide more practical guidance and comfort. Further it was interesting to note that 86 per cent of the participants did not want their data hosted outside the United States and Canada.

6. Adoption of Cloud services relating to employee data and internal file sharing is perceived by most users as to be higher risk than any other IT activity. Again there is a lack of confidence and clarity surrounding the protection of data online that the industry should seek to educate the market on to build confidence and trust on this critical topic.

7. The opportunity of Cloud services has clearly won over IT departments with 92 per cent now actively considering Cloud as a part of their wider IT strategy. The decision to move into the Cloud is not one taken purely by senior or functional management, but now involves and is being driven by IT managers themselves.

8. The US is a leader in global adoption of Cloud services with very high levels of formal adoption and satisfaction.

The research found that Cloud Computing is fast becoming the norm in organizations of all types and sizes. What is more, there are major opportunities for expanding the Cloud market alongside an on-premise capability, by enabling organizations that have yet to adopt or by encouraging end users that they can safely take even more data and IT functionality into the Cloud.

In closing, when asking the participants in the research "Do you see value in working with CSP's who sign up publicly to an industry Code of Practice that is independently audited over those that have no public accountability?" The overwhelming majority, 82 per cent, said yes, reinforcing the Cloud Industry Forum's focus in driving adoption of the industry Code of Practice.

The Cloud Industry Forum (CIF) was established as a not-for-profit industry body in direct response to the evolving supply models for the delivery of software and IT services. Our aim is to provide much needed clarity for end users when assessing and selecting Cloud Service Providers based upon the clear, consistent and relevant provision of key information about the organization/s, their capabilities and operational commitments.

We achieve this through a process of self-certification of vendors to a Cloud Service Provider Code of Practice requiring executive commitment and operational actions to ensure the provision of critical information through the contracting process. This Code of Practice, and the use of the related Certification Mark on participant's websites, is intended to provide comfort and promote trust to businesses and individuals wishing to leverage the commercial, financial and agile operations capabilities that the Cloud-based and hosted solutions can cover.

The Cloud Industry Forum

Sword House, Totteridge Road, High Wycombe HP13 6DG UK   **t** +44 844 583 2521   **e** info@cloudindustryforum.org

www.cloudindustryforum.org

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Rise 322 NW 5th Avenue, Suite #301-D, Portland, Oregon 97209 USA   sales.us@rise.co   +1 877 910 RISE