



FORRESTER®

# Can't Choose Between Public And Private Cloud? You Don't Have To With IaaS

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FORRESTER OPPORTUNITY SNAPSHOT: A CUSTOM STUDY COMMISSIONED BY DELL, INTEL, AND VMWARE |  
OCTOBER 2021

## Overview

In 2021, Dell, Intel, and VMware commissioned a custom study from Forrester Consulting to understand today's IT and business requirements for infrastructure, data storage, and application performance. We found that, though many businesses prefer to keep their infrastructure and data on-premises, they are adopting infrastructure-as-a-service (IaaS) to proactively optimize their deployment strategy across a hybrid of public cloud and private cloud infrastructure for IT and business gains.

Firms today want to boost IT efficiency, gain infrastructure elasticity, and enable faster and more agile innovation. In addition, they require improved data security and business continuity, as well as cost reductions possible from moving to an on-premises, hybrid infrastructure.

## Key Findings



Technology must enable a quick response to business needs. Nearly three-quarters of IT leaders agreed their organizations prefer a cloudlike experience with their on-premises infrastructure.



Data security is the leading driver for IT leaders to adopt internal private cloud. Respondents shared that data security is critical to mitigating breaches and business risks that could result in financial, legal, or reputational consequences.



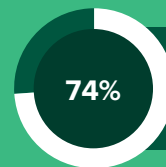
Over 60% agreed that the top challenges to deploying private and/or public cloud included a lack of resources, staff expertise, and the complexity of moving to IaaS.

## A Cloudlike Experience Is In Demand

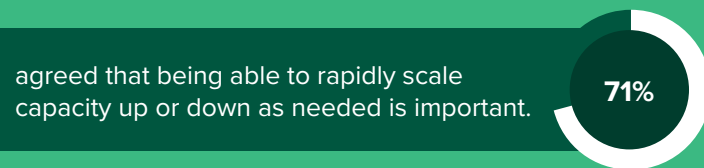
Businesses want to leverage technology to develop innovative solutions more quickly for competitive advantage. They also want the ability to address unforeseen changes in market conditions that affect their customers and their business. While on-premises infrastructure isn't going away, aspects of public cloud, such as its flexibility, scalability, and operating cost structure, are very compelling.

Over 70% of respondents agreed that flexibility in aligning technology with business needs and the ability to scale capacity up or down are important requirements. Respondents indicated a preference for a cloudlike experience delivered with their organizations' on-premises infrastructure. As a result, there is strong interest in developing a strategy that combines a mix of cloud deployments and on-premises infrastructure.

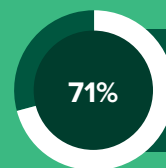
## Technology Needs To Quickly Respond To Business Demands



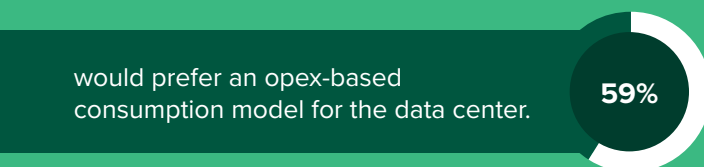
agreed that being able to align technology with business needs is critical.



agreed that being able to rapidly scale capacity up or down as needed is important.



agreed their organizations would prefer a cloudlike experience with their on-prem infrastructure.



would prefer an opex-based consumption model for the data center.

## Data Security Is A Top Consideration When Developing Infrastructure Strategies

Data security is the leading driver for decision-makers to adopt internal private cloud. Respondents shared that data security is critical to mitigating security breaches and business risks that could result in a variety of financial, legal, or reputational consequences.

Specifically, 80% of IT leaders reported that data security is important when deciding where to run specific workloads. Sixty-five percent of respondents said that restricting third-party access to physical systems and software is important to their organizations. Proactive data security and third-party risk management would not only help reduce the security risks, but also reduce development and support time, therefore boosting efficiencies and increasing time for work in other areas.

## Data Security Is Top Of Mind And Important When Deciding Where To Run Specific Workloads

“Data breaches result in **several negative consequences** like financial expense, damaged reputation, etc.”

“Having synchronized data security framework **protects your company against legal or regulatory consequences** aligned with breaches.”

“Installing security into your system beforehand **reduces development and support time**, which could be allotted to other tasks.”

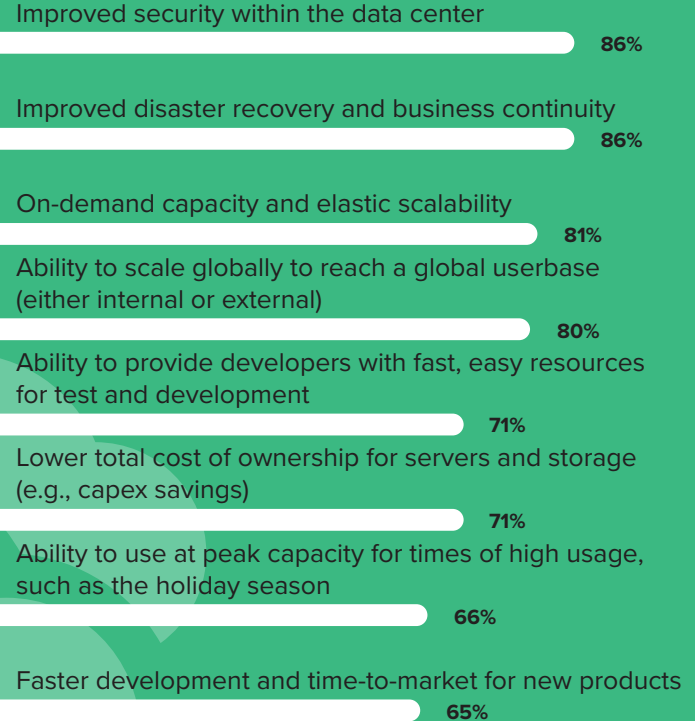
## Retain Control Through An Internal Private Cloud Solution

Modern firms want a robust infrastructure solution that can withstand threats to the business such as cybercrime, ransomware attacks, and natural disasters.

Over 80% of respondents agreed that top considerations for private cloud include improved security, disaster recovery, and business continuity. Private cloud solutions appeal to businesses that must retain parts of their infrastructure and data on-premises due to regulations and corporate policies. Private cloud environments provide increased control and speed when processing workloads or running latency-sensitive applications.<sup>1</sup>

### “How important are each of the following items in your organization’s decision to adopt internal private cloud?”

(Showing “Very important” and “Important”)



## IaaS Adoption Is Increasing Due To Scalability And Flexibility

IT leaders are actively evaluating on-premises infrastructure-as-a-service (IaaS). Fifty-four percent of decision-makers have implemented, expanded, or upgraded their organizations' IaaS, while 40% plan to implement it in the next 24 months. Over 75% of respondents agreed that the top reasons to consider and/or implement IaaS include:

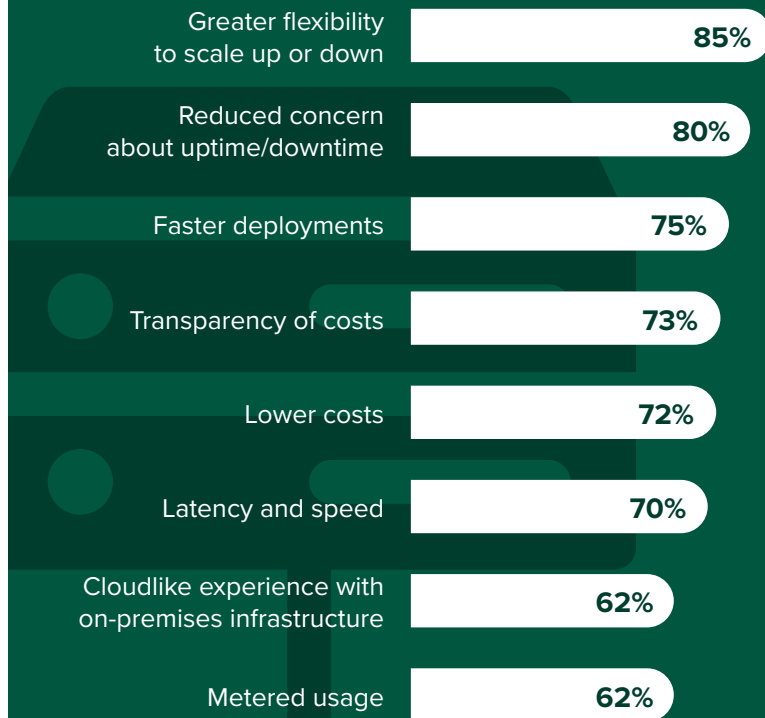
- **Greater flexibility.** IT and businesses need to access capacity to quickly respond to market changes.
- **Faster deployments.** New operating models revolving around DevOps and agility require fast and frequent deployment of new application code or business capabilities.
- **Reduced concern about up/downtime.** Businesses are only as dependable as the technology they run on. The infrastructure must continue uninterrupted despite failures and planned downtime.

By employing IaaS, firms maximize productivity and their ability to achieve business goals.

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## “How important are the following features to your organization as you consider an IaaS model?”

(Showing “Very important” and “Important”)



Base: 260 global decision-makers responsible for infrastructure strategy and decisions  
Note: Top 8 shown

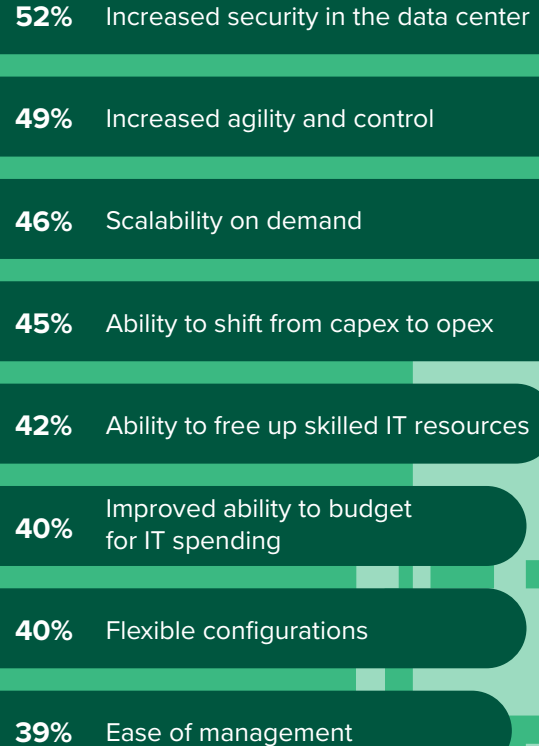
Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, Intel, and VMware, March 2021

## IT Leaders Anticipate Achieving The Best Of Both Worlds With IaaS

Implementing IaaS can allow businesses to receive the benefits of both private and public cloud. Because of this, IT leaders have high expectations for implementing IaaS. Over 40% of respondents expected to achieve the flexibility and cost benefits of public cloud and private cloud's security, agility, and scalability. Yet to reap these benefits, firms must prepare their IT and business teams and processes to adopt a subscription-based, on-premises infrastructure model.

Only about 40% of respondents reported that their organizations are prepared to handle the financial and technical aspects of adopting this type of solution. Leaders that proactively optimize their deployment strategy seamlessly across a hybrid of public and private infrastructure can boost efficiency, maintain business continuity, innovate, and reduce costs and risk.

### “What benefits do you anticipate as a result of implementing an IaaS model?”



## Conclusions

Organizations want — and need — their technology to respond quickly and efficiently to business demands. Security is the top driver for businesses as they develop their IT strategy. By implementing IaaS, organizations access the best attributes of public and private cloud: security, speed, performance, and flexibility, as well as the added benefit of cost stability.

IaaS blends public and private cloud to maximize the benefits of both deployments, minimizing the flaws of each. While IT leaders will need to dedicate appropriately skilled resources to implement an IaaS solution, they will benefit from an IT infrastructure that runs as a service. Additionally, businesses can focus their IT talent on new and critical projects thus maximizing their ability to achieve wider-reaching business goals.

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### **Contributing Research:**

Forrester's Infrastructure and  
Operations (I&O) research group



## Methodology

This Opportunity Snapshot was commissioned by Dell, Intel, and VMware. To create this profile, Forrester Consulting conducted a custom survey of 260 global decision-makers responsible for infrastructure strategy and decisions from the US, the UK, Germany, France, and Canada. The custom survey began and was completed in March 2021.

### ENDNOTES

<sup>1</sup> Source: "The New Economics Of On-Premises Infrastructure," Forrester Research, Inc., January 22, 2021.

### ABOUT FORRESTER CONSULTING

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## Demographics

COUNTRY	
United States	31%
United Kingdom	20%
Germany	20%
France	20%
Canada	9%

NUMBER OF EMPLOYEES	
500 to 999 employees	25%
1,000 to 4,999 employees	48%
5,000 to 19,999 employees	19%
20,000+ employees	8%

TOP 5 INDUSTRIES	
Tech and tech services	12%
Manufacturing and materials	10%
Retail	9%
Transportation and logistics	8%
Travel and hospitality	7%

TITLE	
C-level	12%
Vice president	21%
Director	39%
Senior consultant/strategist	28%

A low-angle, upward-looking photograph of several modern skyscrapers against a dark, overcast sky at dusk or dawn. The buildings are dark with some windows glowing with interior lights. The Forrester logo is centered in the middle of the image.

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