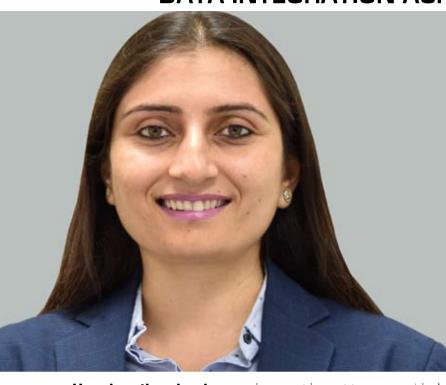# ENTERPRISES WILL STRUGGLE WITH APP MODERNIZATION, DATA INTEGRATION ACROSS CLOUD SILOS

Rishu Sharma, Associate Research Director, IDC India in a brief interaction with Amit Singh highlights that over 50 percent of enterprises will replace outdated operational models with cloud-centric models as 78 percent of enterprises will have a multi-cloud environment in next two years

■ How has the cloud market grown amid the Covid-19 crisis?

Covid-19 has been a catalyst for accelerated cloud adoption in India and has highlighted the importance of flexibility, resiliency and scalability for the Indian organizations. Cloud is a critical element for businesses' forward-looking strategy and we are witnessing enterprises adopting cloud for rapid digital innovation. The overall India public cloud services market revenue totalled $3.6 billion for 2020 and is likely to touch $9.5 billion by 2025, growing at a CAGR of 21.5 percent for 2020-25. SaaS continues to be the largest component of the overall public cloud services market, followed by IaaS and PaaS.

As cloud becomes the backbone for all new technologies and aids digital transformation initiatives, hybrid/multi-cloud will lay the foundation for a future-ready enterprise. According to IDC's Q32020 CloudPulse survey, 78 percent of enterprises will have a multi-cloud environment in next two years, with use of different on-prem and off-prem cloud environments.

■ While enterprises are leveraging on the cloud strengths, many of the smaller SMBs are still lagging in embracing cloud. What are the challenges you see which restrict them to move majorly on cloud?

IDC's research points out that irrespective of the size of the businesses, most organizations' priorities include improving customer experience, efficiencies, and revenue. And cloud not only aids in achieving these objectives but also provide additional benefits in terms of flexibility and scalability. While SMBs are constrained by budgets, right skill sets, and cultural resistance, the digitally determined SMBs are leveraging public cloud services for agility and flexibility and their cloud budgets will continue to rise in the foreseeable future.

■ What is your future outlook for cloud computing in India? How do you see cloud landscape changing over the next couple of years?

IDC predicts that by 2024, over 50 percent of enterprises will replace outdated operational models with cloud-centric models that facilitate rather than inhibit organizational collaboration, resulting in better business outcomes. Some of the other predictions that IDC has for the India market, as per IDC FutureScape: Worldwide Cloud 2021 Predictions – India Implications for 2021 include:

Well-connected clouds: Through 2023, all enterprises will struggle with app modernization and data integration across cloud silos; 20 percent will adopt connected cloud strategies to overcome these concerns.

Modern enterprise applications: To gain business agility, enterprises will commit to modernizing over 50 percent of their existing applications by 2025, through use of turnkey cloud-native development and deployment services.

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