

MCA Market Research

Cloud Computing – Survey Results

1. Purpose & Methodology

Purpose & Methodology

Assess the extent of awareness and usage of cloud computing among businesses

Monitor a number of cloud computing aspects, including knowledge, perceptions, usage and concerns

Input into upcoming work programmes

Fieldwork

- Interviews were carried out by telephone lasting around 15 minutes in June / July 2017 timeframe
- The survey respondents were chosen randomly from a number of business directories
- Interviews on behalf of the organisation were carried out with those responsible for IT within the business

Sample

- Sample size was representatively distributed across 7 predefined industries of the business sector in Malta (Source: NACE Codes)
- The interviews were carried out with businesses that have been randomly selected on the basis of this distribution
- To capture more qualitative information on medium to large sized businesses, the 10– 49 and 50+ employee categories were boosted

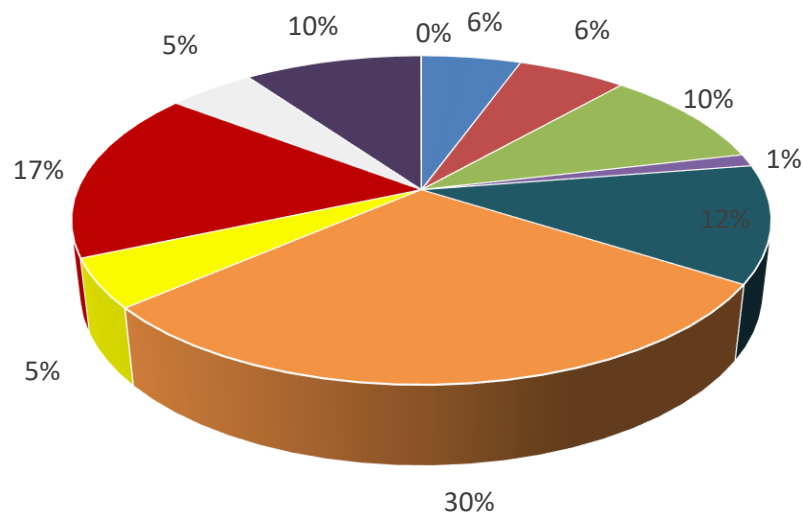
Responses

- 540 net respondents
- Any refusals / incomplete surveys were re-allocated to achieve a net sample of at least 540 interviewees
- Margin of error +/- 4.15% at 95% confidence interval

Methodology – Sample Distribution

Industry company operates in

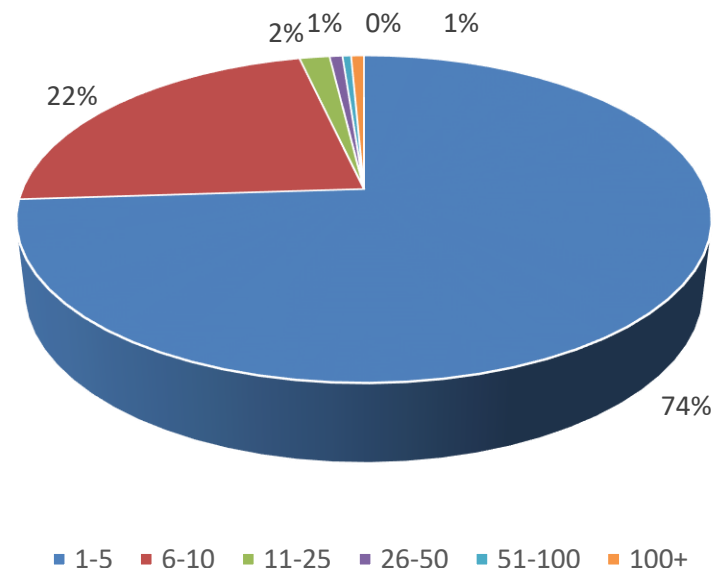
Sample Size – 419



- Agriculture and Fishing
- Manufacturing
- Construction
- Real Estate Activities
- Financial and Insurance Activities
- Wholesaler and Retail trade, transportation, food
- Public administration, health, social work
- Professional, scientific, support services
- Tourism and Hospitality
- Personal Services
- Mining and Quarrying

Company size

Sample Size – 419



To capture more qualitative information on medium to large size businesses the 10 – 49 and 50+ employee categories were boosted (results presented in Section 3)

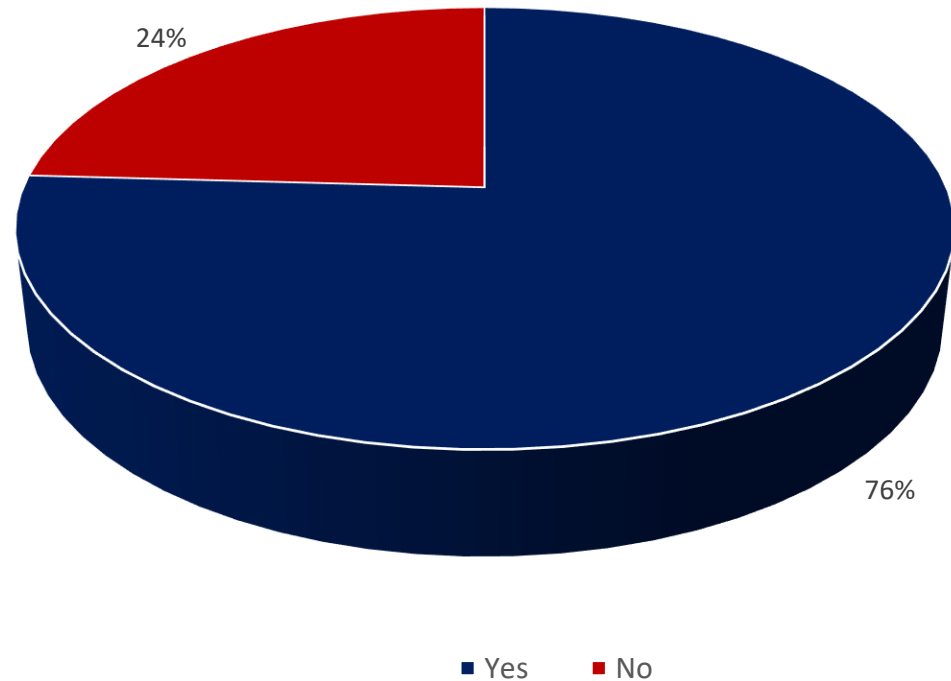
2. Main Sample

Cloud Computing - Main Sample

Do you generally seek to adopt new technology to save money?

Sample Size – 419

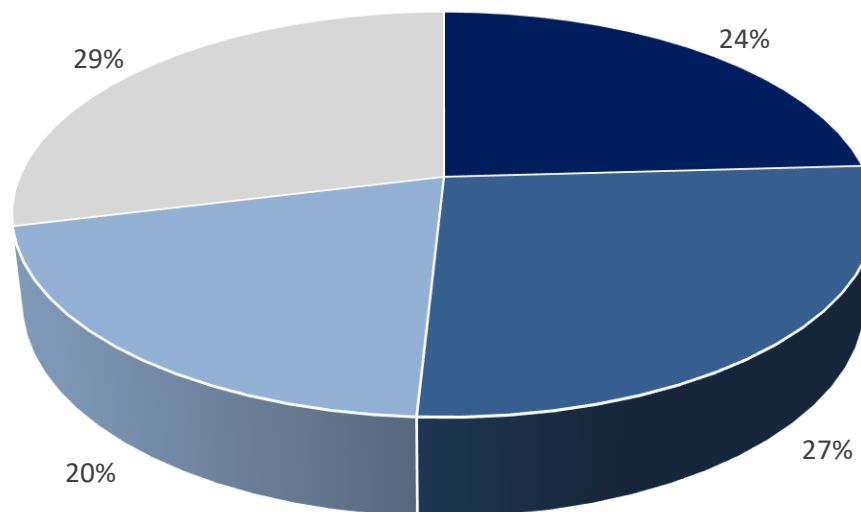
The majority of the businesses (76%) indicated that they seek to adopt new technology in order to save money.



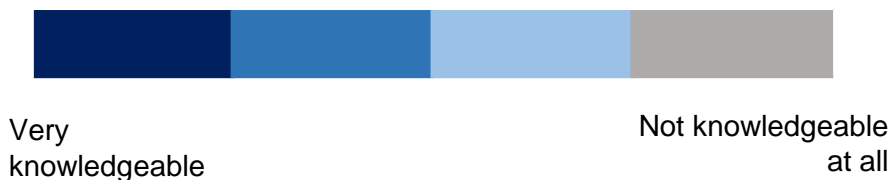
Cloud Computing - Main Sample

Do you feel that you are knowledgeable towards cloud computing technologies and services?

Sample Size – 419



51% of the businesses believe that they are knowledgeable about cloud computing technologies and related services.

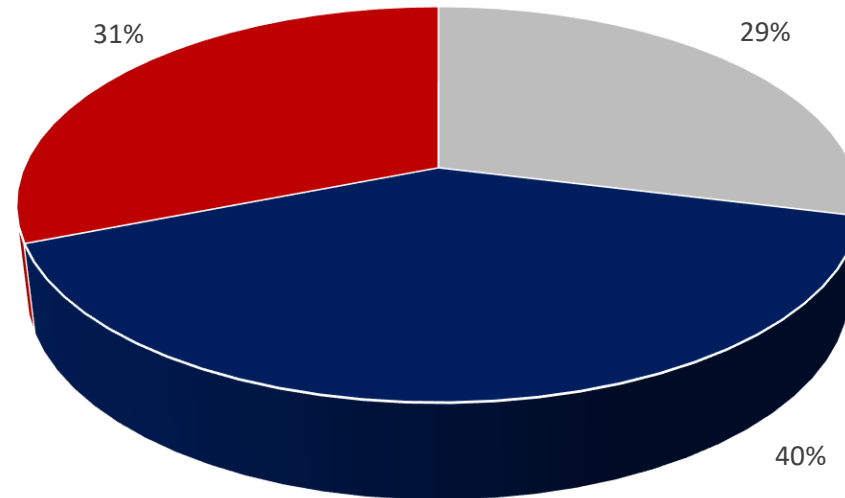


Cloud Computing - Main Sample

Would you consider the industry you operate in to be moving towards cloud based technology?

Sample Size – 298

40% of businesses are of the opinion that the industry they operate in is moving towards cloud based technology. Conversely 31% do not think that their industry was moving towards cloud computing. On the other hand 29% indicated 'don't know/ not sure'.



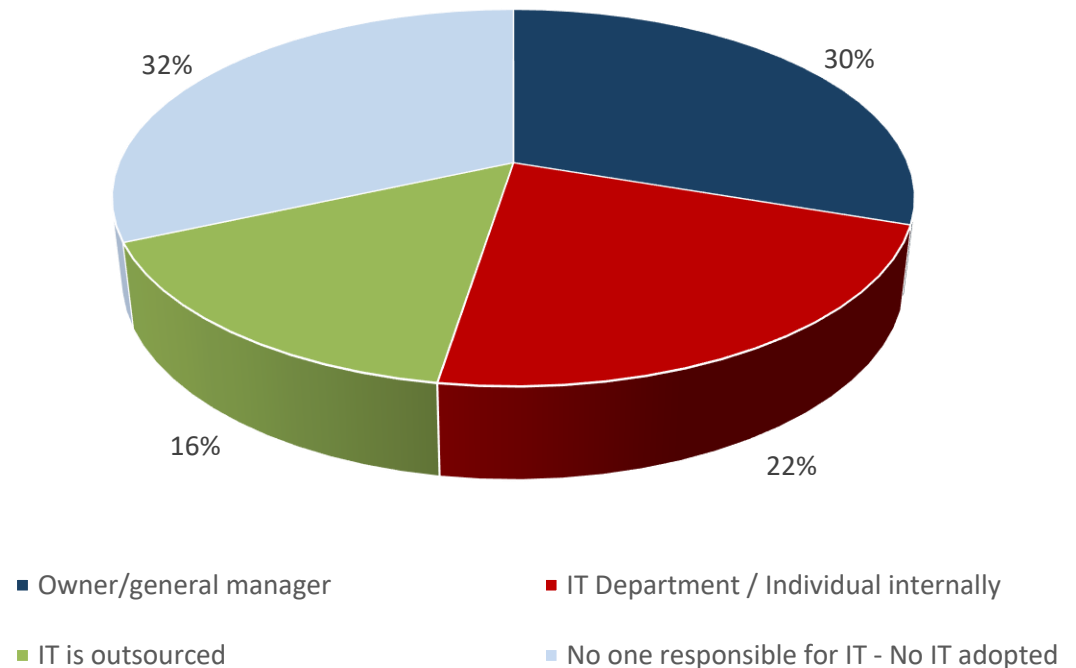
■ Don't know / Not sure ■ Yes ■ No

Cloud Computing - Main Sample

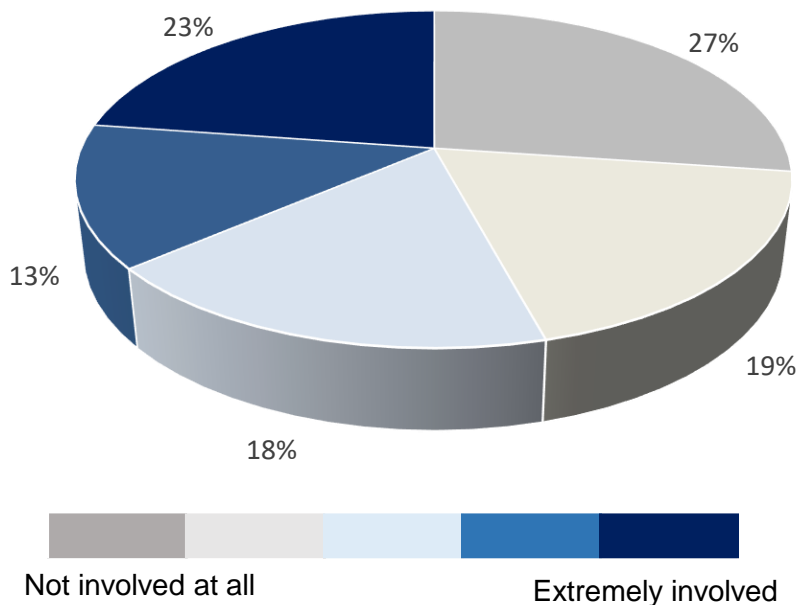
Who is responsible for IT within your company?

Sample Size – 417

One third of the businesses do not have anyone who is responsible for their IT – an indication that such entities do not perceive IT to be of importance to their business. Among businesses that adopt IT, 30% identified the owner/general manager as the person responsible for IT.



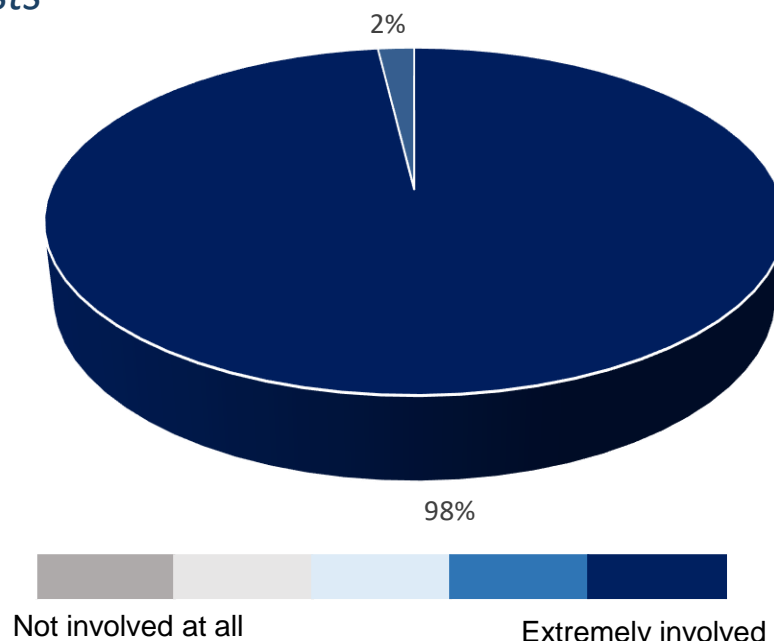
What is your level of involvement regarding the company's IT strategic direction and related costs?



Only 36% of the respondents indicated to be involved in the company's IT strategic direction.

Cloud Computing - Main Sample

If IT is outsourced how involved is the outsourced IT entity with respect to the Company's IT strategic direction and related costs



Where the IT function is outsourced, such businesses deem the outsourced IT company to be extremely involved in the business's strategic direction.

Cloud Computing - Main Sample

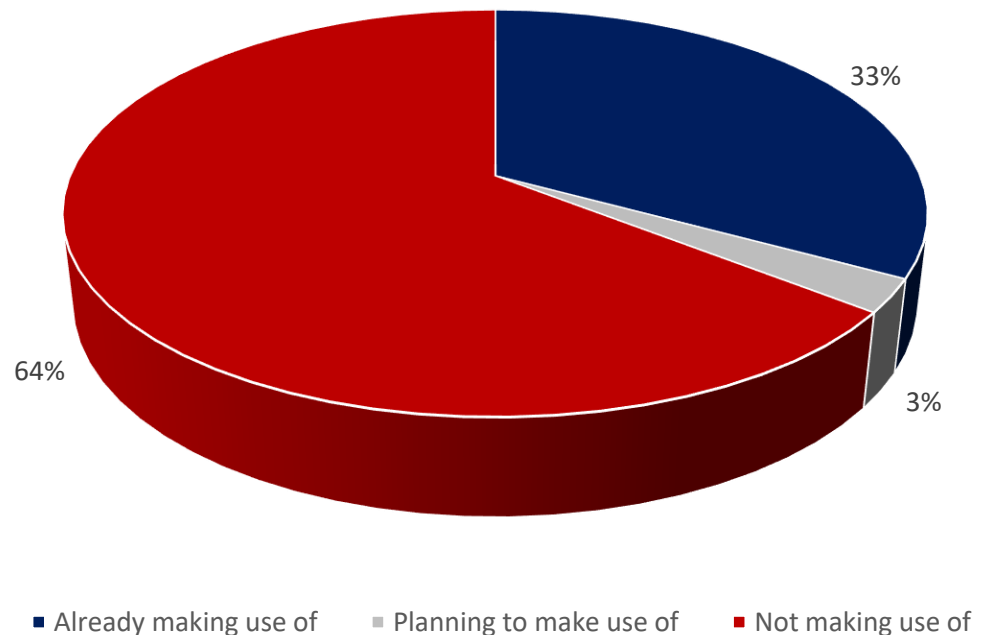
Does your business use or is planning to use cloud computing technologies as part of its IT infrastructure?

The vast majority of the businesses (64%) do not use cloud computing and do not plan to make use of cloud computing technologies in the near future.

Conversely, one third indicated to make use of cloud computing technologies as part of their IT infrastructure.

3% are planning to make use of such technologies and specifically mentioned SharePoint, Microsoft Active Directory, ERP, Office 365

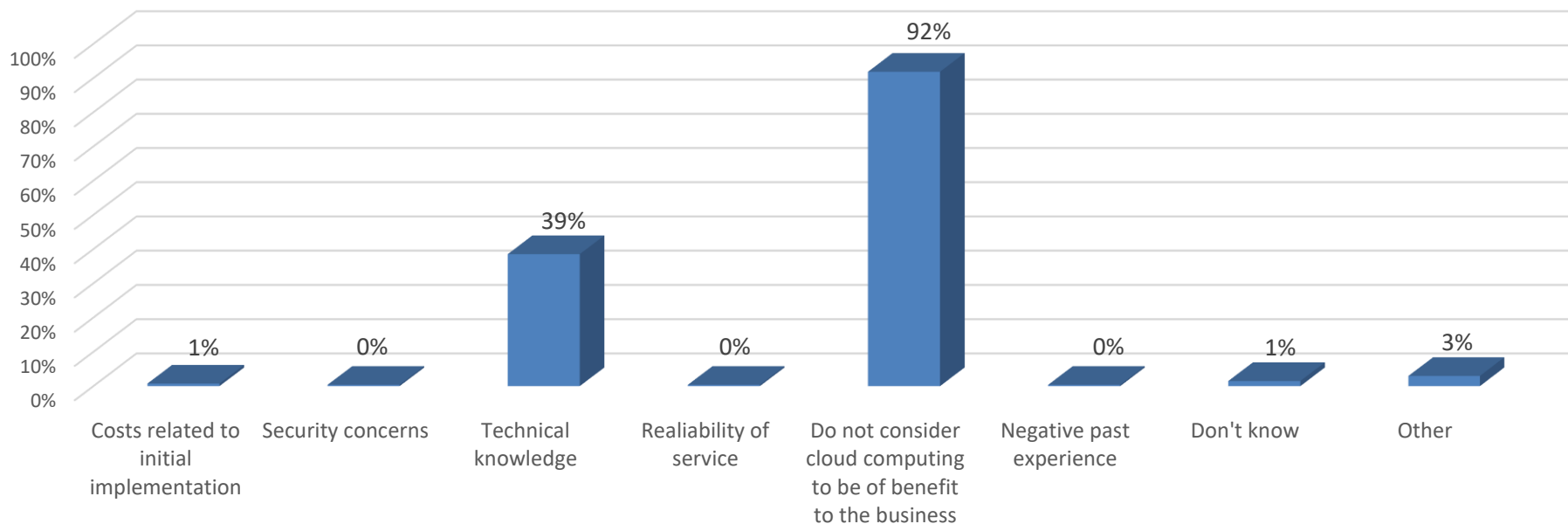
Sample Size – 419



Cloud Computing - Main Sample

If you are not making use of cloud computing what is your major blocker towards this?

Sample Size – 270 organisations
Organisations could give more than one reply



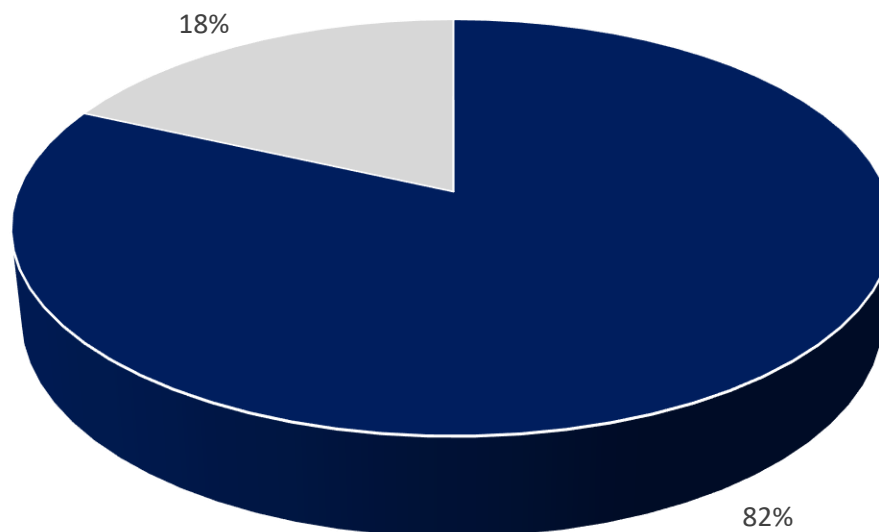
The vast majority of businesses that do not make use of cloud computing are of the belief that cloud computing is not of benefit to their business (92%). This can also be linked to their lack of technical knowledge which was also indicated as a main barrier (39%).

Cloud Computing - Main Sample

If you are planning on making use of cloud technologies, when do you plan to introduce cloud computing?

Sample Size – 11

The majority of businesses that plan to introduce cloud computing, plan to do so in the short term (82%).



- Will adopt cloud computing in the short term
- Cloud computing is a viable option only for the medium / long term)

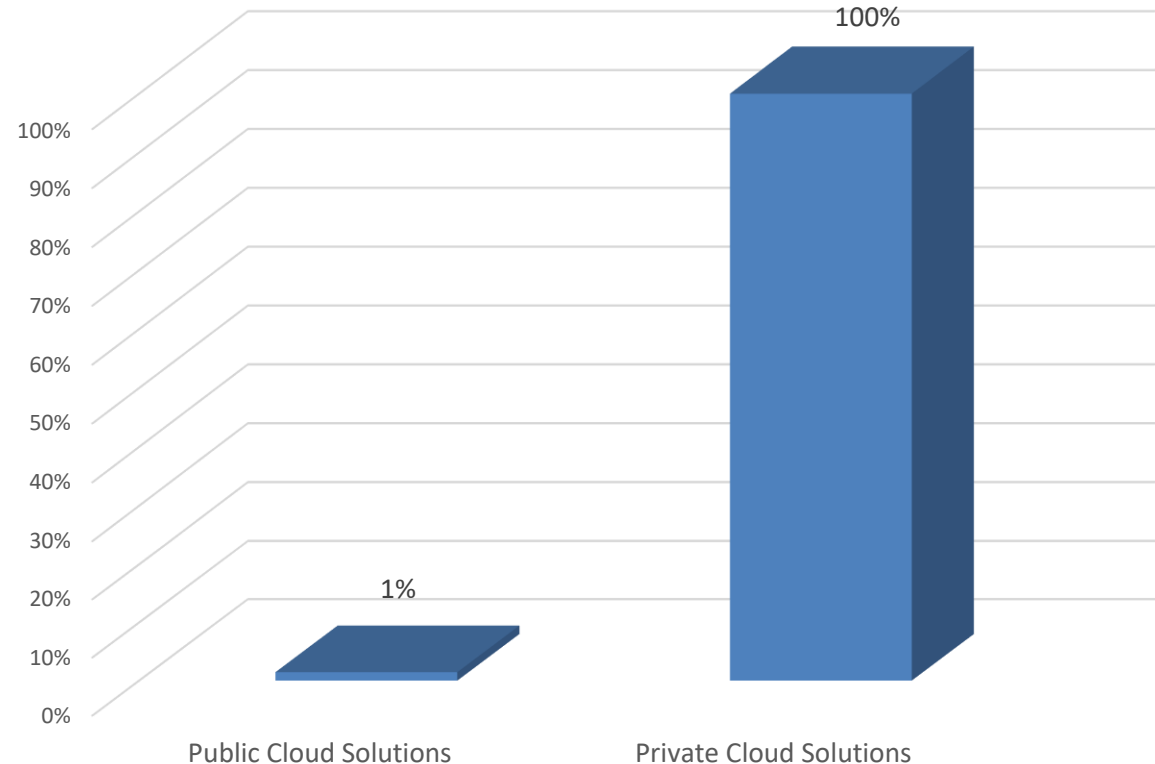
Cloud Computing - Main Sample

If you are making use of cloud computing technologies, what kind of cloud solutions do you currently make use of?

Sample Size – 138

Organisations could give more than one reply

All the respondents make use of private cloud solutions. Only 1% indicated using also public cloud solutions. This points to issues with understanding the question.



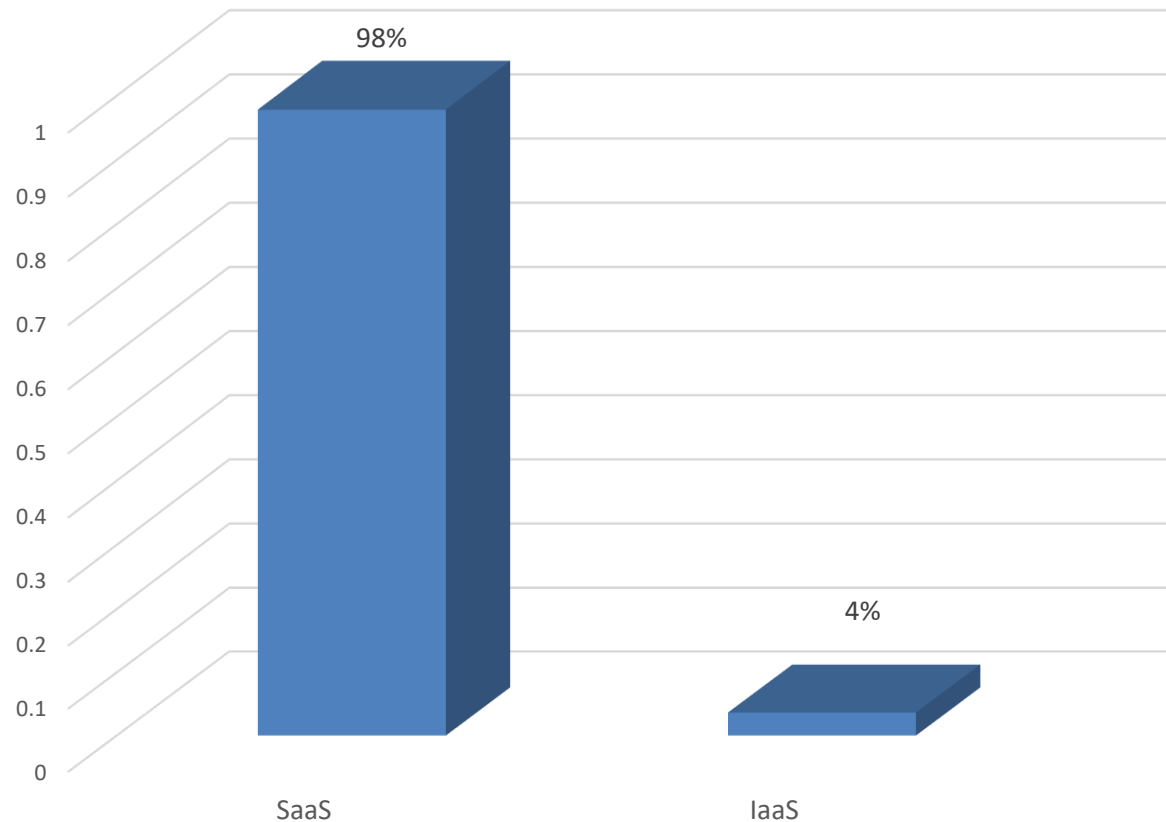
Cloud Computing - Main Sample

If your business is making use of cloud computing technologies, which of the following services are you using?

Sample Size – 138

Organisations could give more than one reply

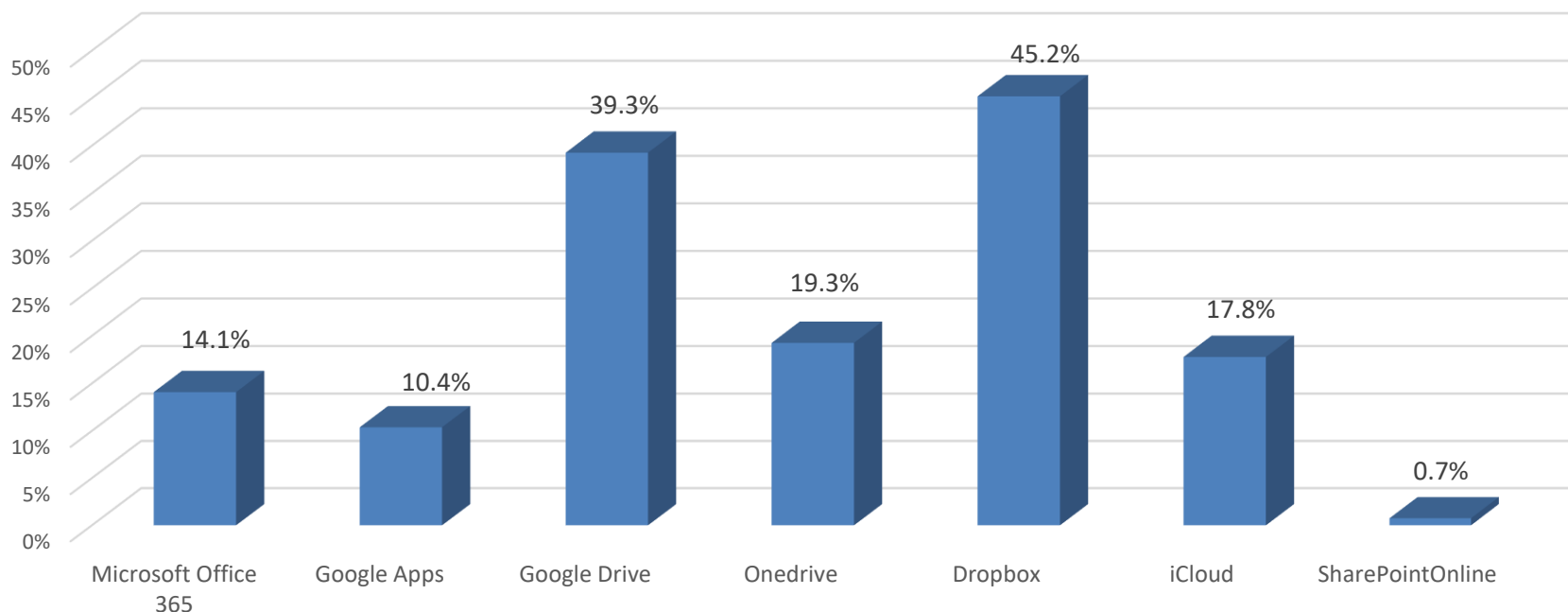
*By far and large (98%) respondents indicated using Software as a Service (SaaS).
A total of 4% use Infrastructure as a Service (IaaS).*



Which of the following services are you currently using re Software as a Service (SaaS)?

Sample Size – 135

Organisations could give more than one reply

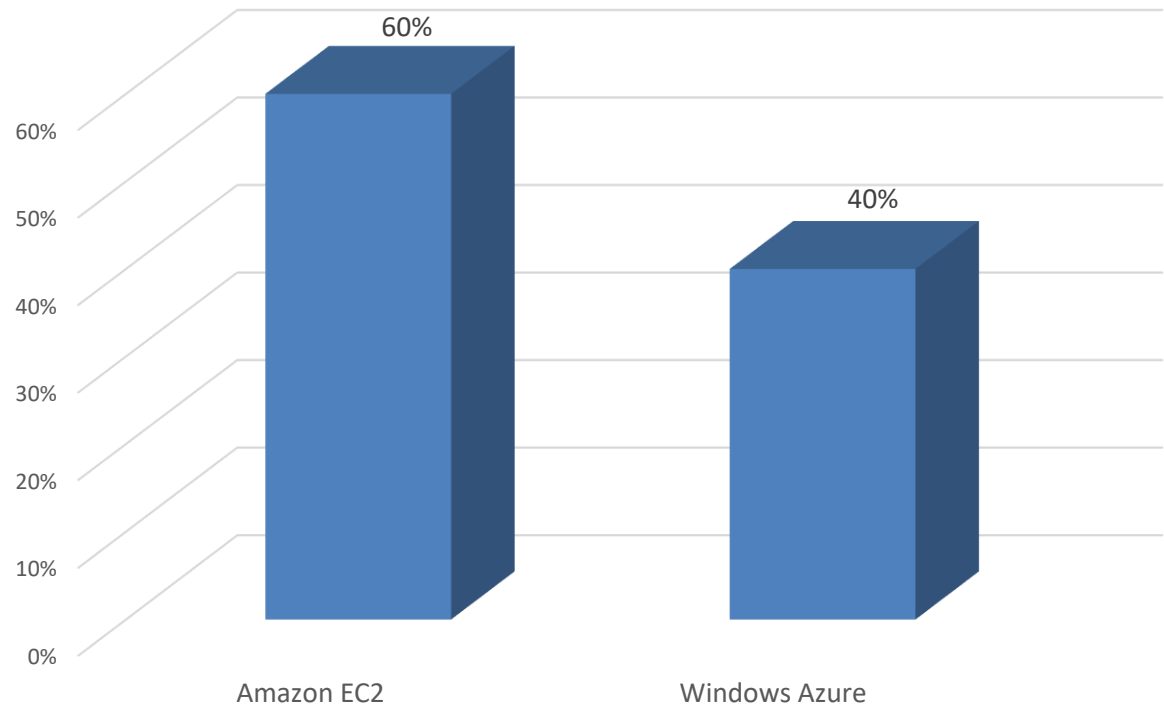


A review of the various SaaS services used indicate that businesses are mainly using Dropbox (45%) and Google Drive (38%). With one-fifth mentions, Onedrive ranked third.

Cloud Computing - Main Sample

Which of the following services are you currently using re. Infrastructure as a Service (IaaS)?

Sample Size – 5



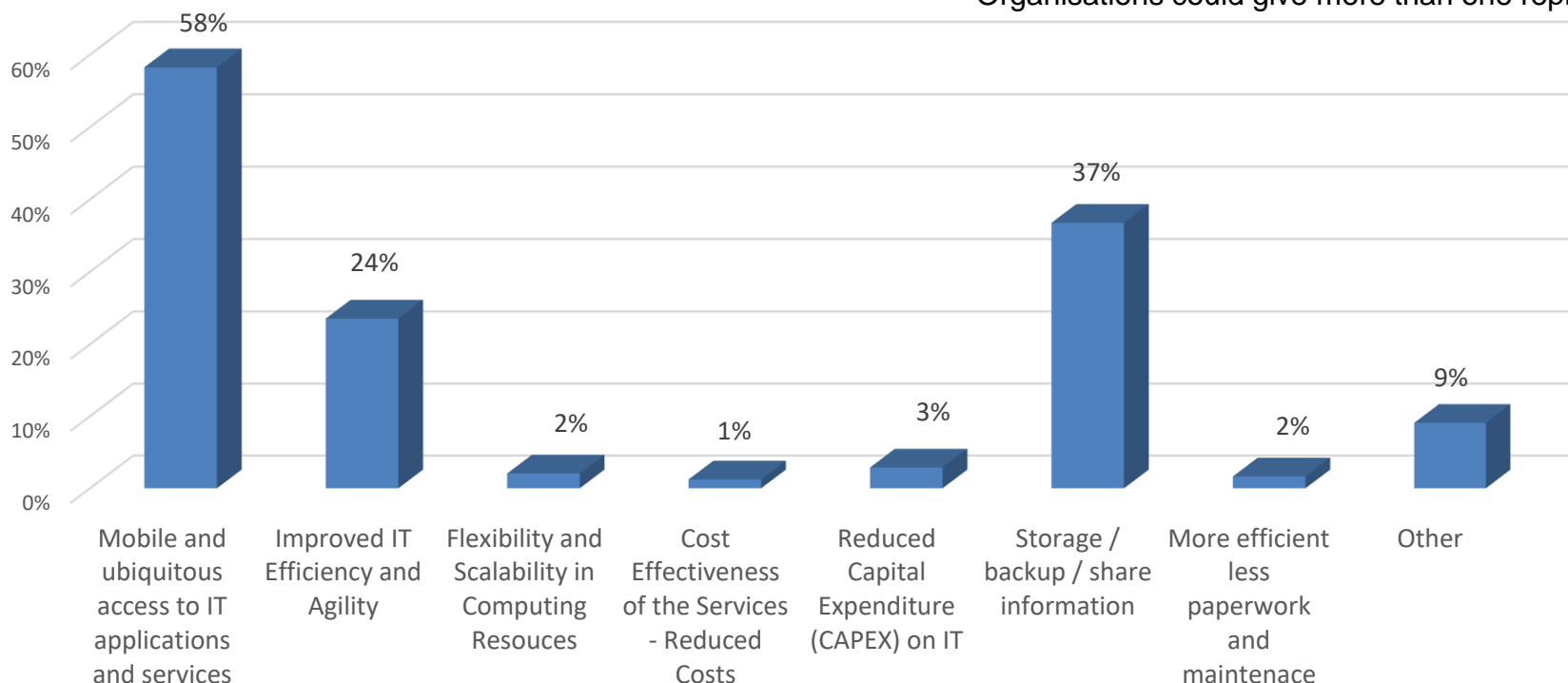
The 5 businesses that indicated using Infrastructure as a Service (IaaS), either use Amazon EC2 or Windows Azure.

Cloud Computing - Main Sample

When purchasing cloud computing services, which of the following advantages do you believe are most beneficial?

Sample Size – 242

Organisations could give more than one reply



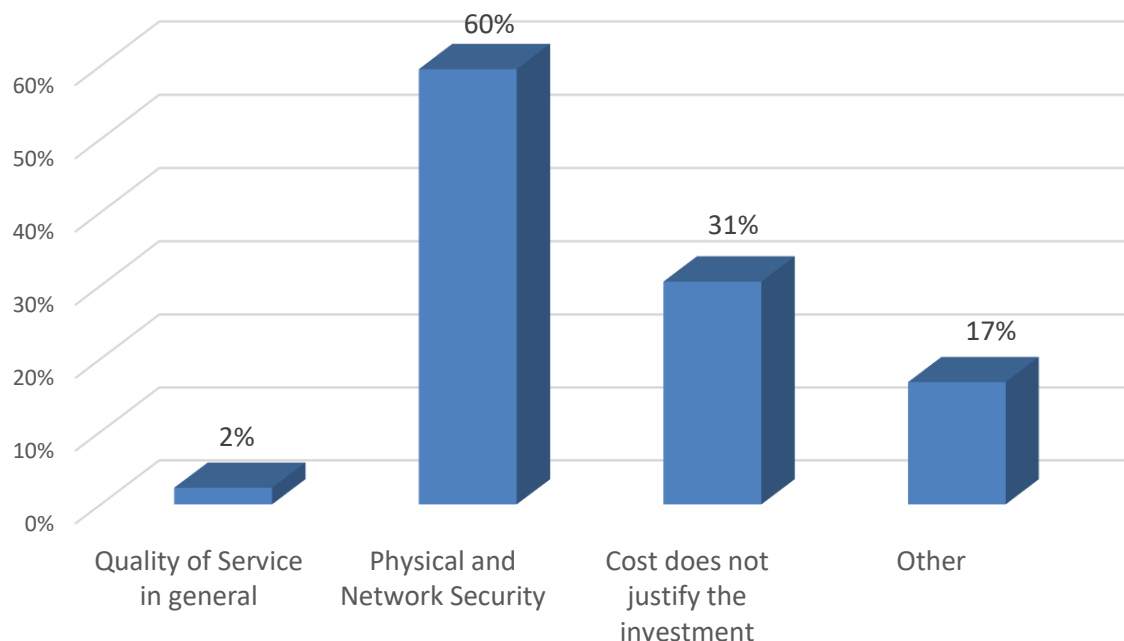
Business perceive the main advantages of purchasing cloud computing to relate to 'Mobile and ubiquitous access to IT applications and services' (58%) and 'storage and backup' (37%). One fourth of businesses also indicated 'Improved IT efficiency and agility'.

Cloud Computing - Main Sample

When purchasing cloud computing services, which of the following issues are you concerned about?

Sample Size – 131

Organisations could give more than one reply



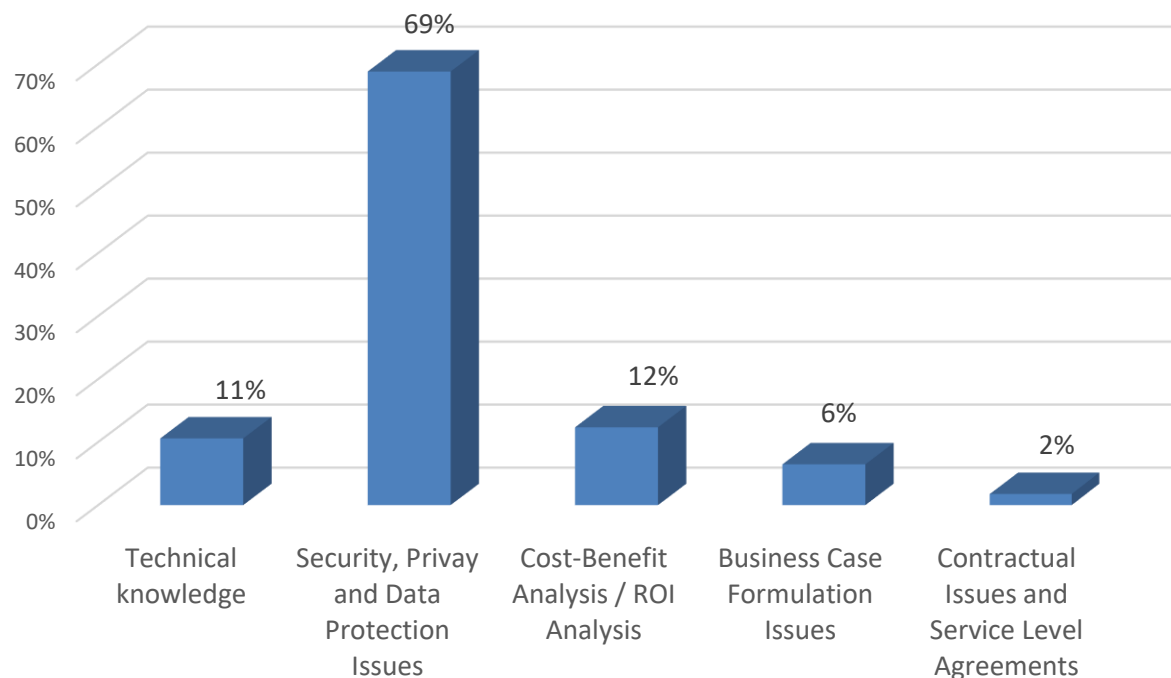
Businesses main issues with cloud computing relate to 'physical and network security' (60%) and the fact that 'cost does not justify the investment' (33%). 'Other' concerns primarily revolve around internet connectivity and reliability.

Cloud Computing - Main Sample

Rank in order of importance the 3 main areas you feel that you need support regarding your cloud-based decisions?

Among businesses that responded to this question, 'security, privacy and data protection issues' was the main area they felt they needed support regarding their cloud-based decisions.

Sample Size – 227



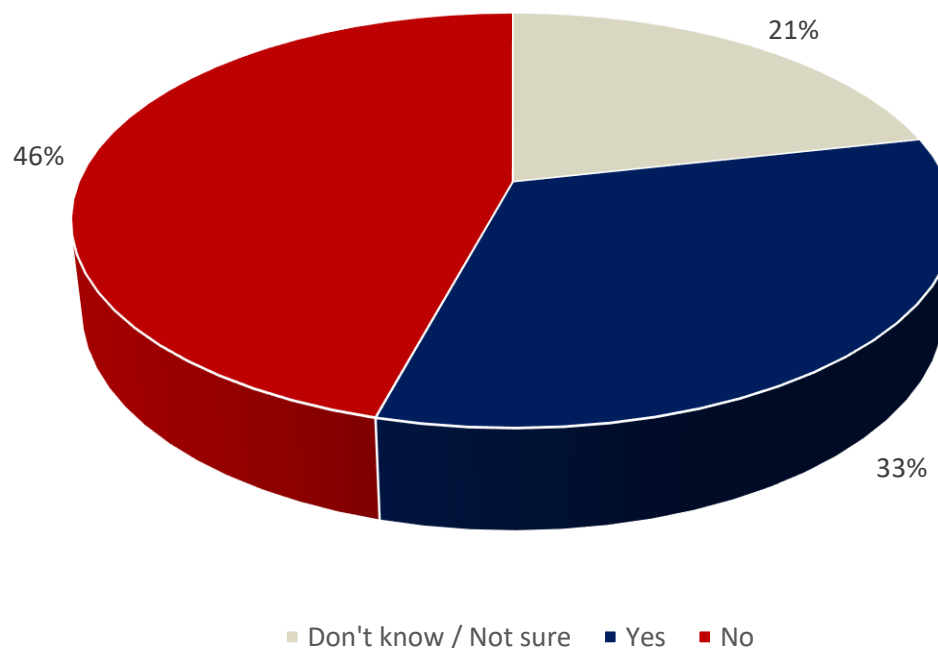
Responses were weighted such that 1st indicated issue attained more importance than issue/s ranked 2nd and 3rd. (Weighting was as follows: 1st indicated issue was given a weighting of 3, 2nd indicated issue was given a weighting of 2 and 3rd indicated issue was given a weighting of 1). The table above indicates the total weighted average scores.

Cloud Computing - Main Sample

Would your organisation be interested in attending technical and/or business training and events related to the use of cloud technologies?

Sample Size – 419

One third of businesses indicated to be willing to attend a technical and/or business training related to the use of cloud computing. Almost half of the businesses indicated that they were not interested. (This figure relates to the 31% of businesses that are of the opinion that the industry they operate in is not moving towards cloud based technology (SLIDE 7)).



3. Booster Medium to Large Size Businesses

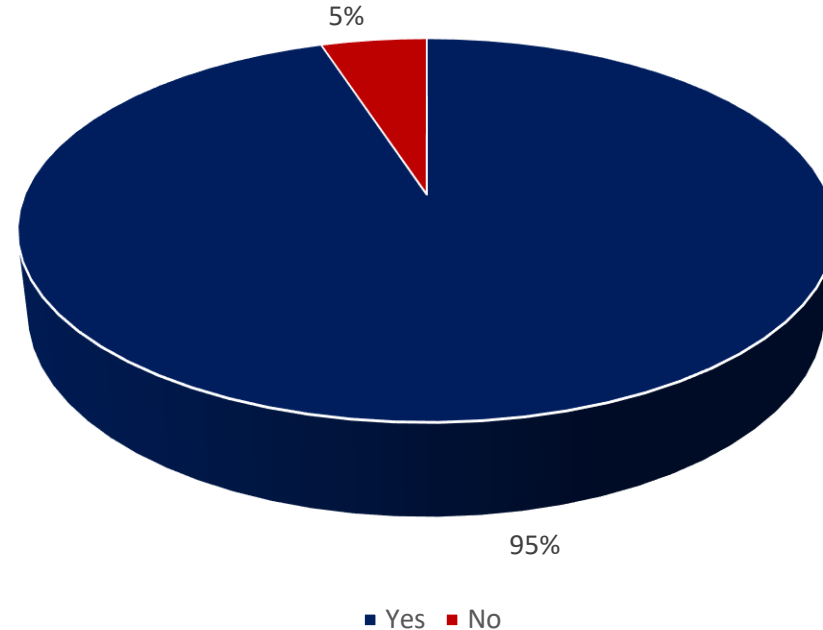
Analysis of Medium & Large Size Businesses

- Statistics published by NSO in 2016 show that in 2015 there were:
 - 85,673 micro enterprises (with 0 - 9 employees) which are 97.4% of businesses in Malta
 - 1,758 medium sized businesses (10 – 49 employees) which are 2.0% of businesses in Malta
 - 540 large sized businesses (50+ employees) which are 0.6% of businesses in Malta
- The medium to large size businesses are likely to be more inclined to invest in ICT and deem such investment to be beneficial to their business (return on investment)
- To capture more qualitative information on medium to large size businesses the 10 – 49 and 50+ employee categories were boosted and analysed further

Do you generally seek to adopt new technology to save money?

Sample Size – 140

The vast majority of the businesses interviewed within this cluster (95%) seek to adopt new technology in order to save money.

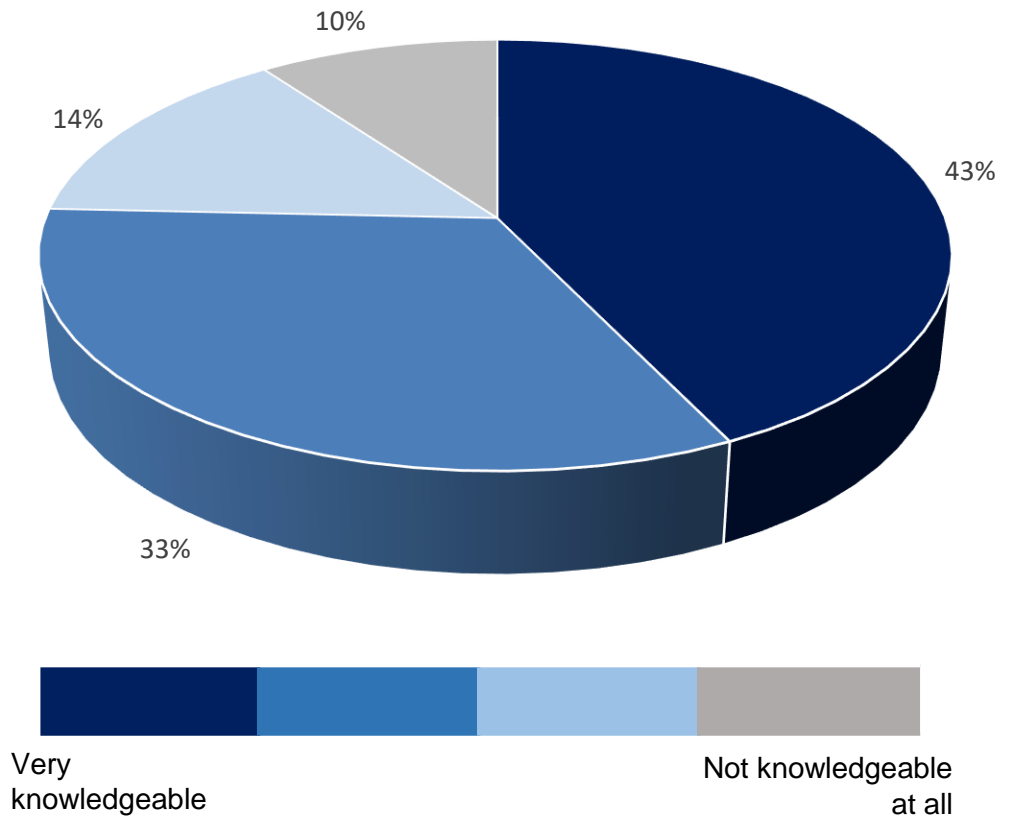


Cloud Computing - Booster

Do you feel that you are knowledgeable towards cloud computing technologies and services?

Sample Size – 140

76% of the respondents believe that they are knowledgeable about cloud computing technologies and related services. Conversely, 10% indicated that they were not knowledgeable at all.

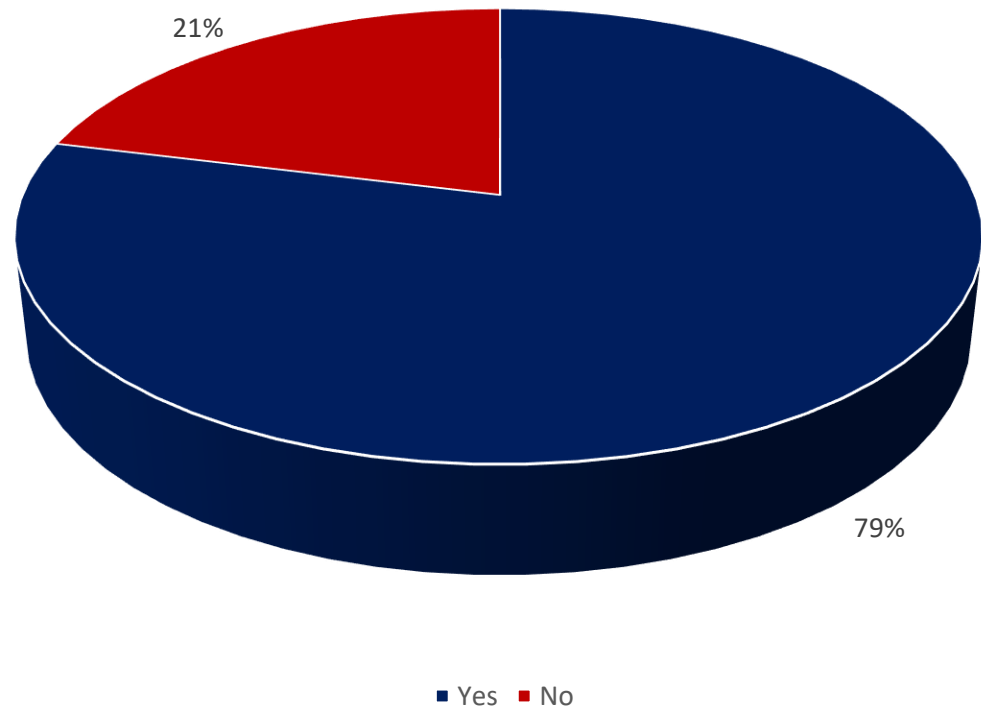


Cloud Computing - Booster

Would you consider the industry you operate in to be moving towards cloud based technology?

Sample Size – 109

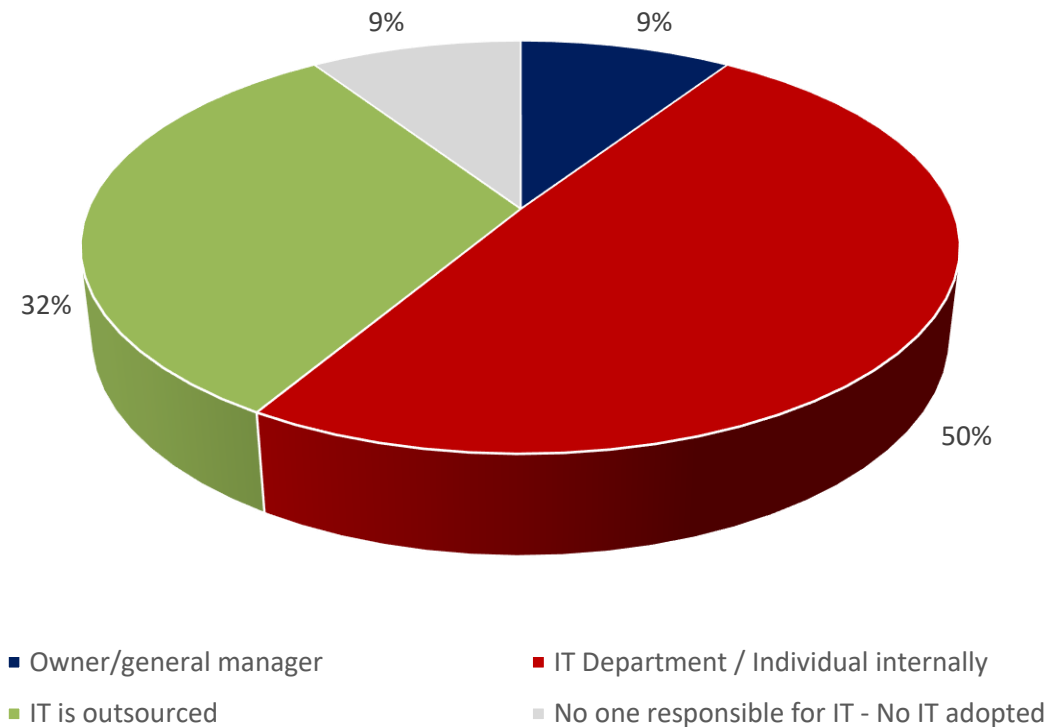
A total of 79% of the surveyed businesses from this cluster (medium/large enterprises) are of the opinion that the industry they operate in is moving towards cloud based technology.



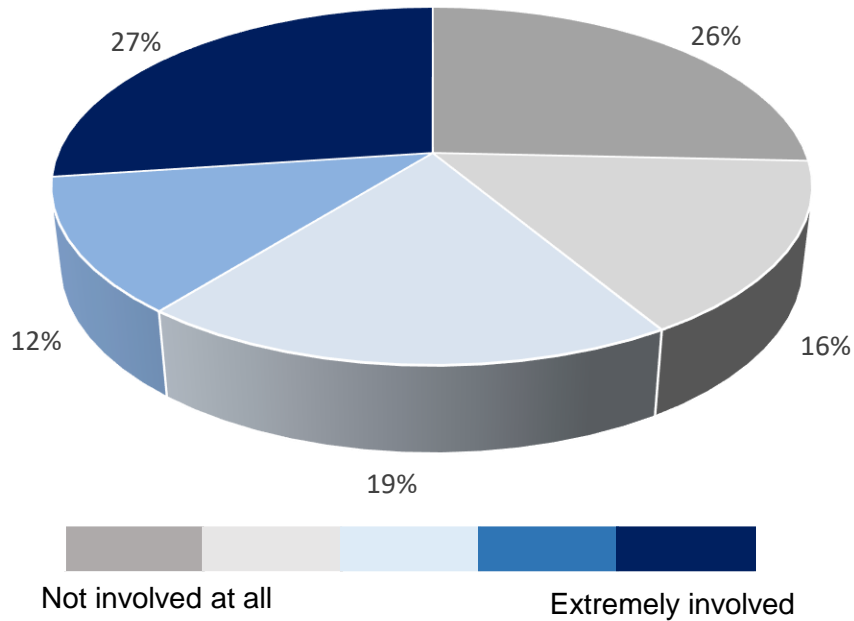
Who is responsible for IT within your company?

Sample Size – 140

50% of the surveyed businesses have an internal IT Department or individual responsible for the IT of the company.



What is your level of involvement regarding the company's IT strategic direction and related costs?

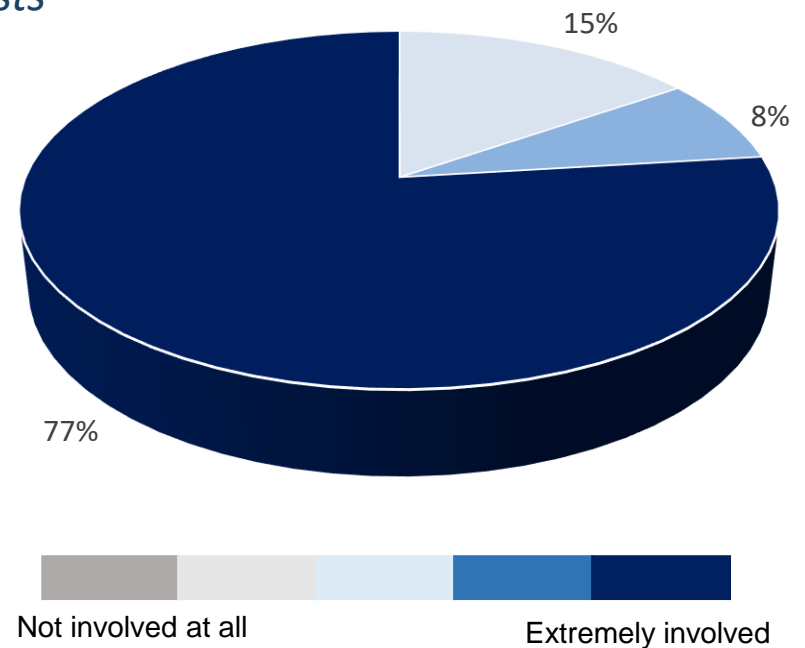


Sample Size – 419

39% of the respondents indicated to be involved in the company's IT strategic direction.

Cloud Computing - Main Sample

If IT is outsourced how involved is the outsourced IT entity with respect to the Company's IT strategic direction and related costs



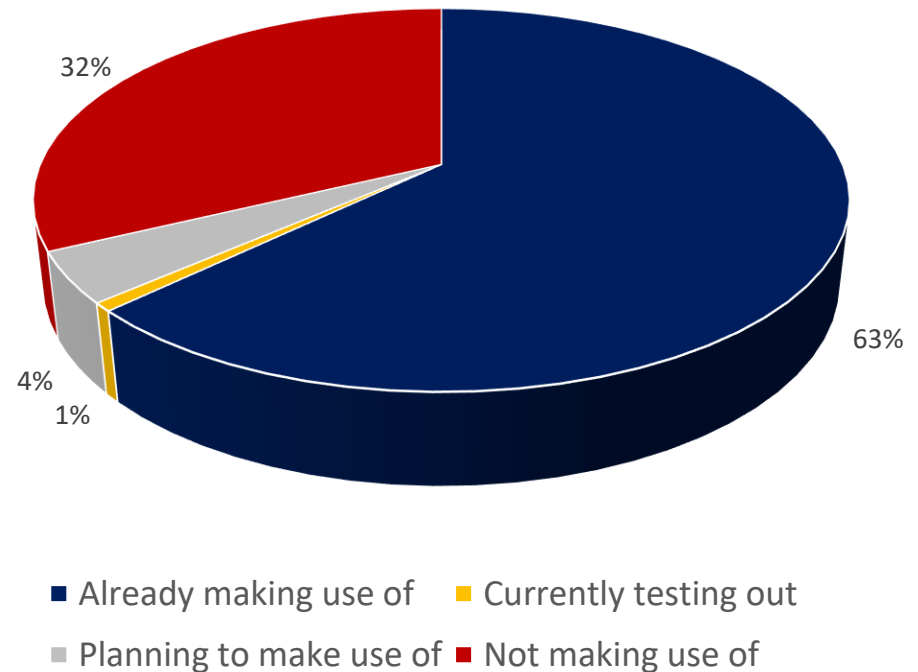
Where the IT function is outsourced, the outsourced IT company is extremely involved in the business's strategic direction.

Cloud Computing - Booster

Does your business use or is planning to use cloud computing technologies as part of its IT infrastructure?

The majority of the businesses are already making use of cloud computing technologies (63%). Conversely, one third are not making use of, and are not planning to make use of such technologies in the near future. 4% indicated of planning to make use such technologies. Of these, the majority (83%) intend to do so in the short term and specifically mentioned Cloud, in-house software, Google Drive, Office 365

Sample Size – 140

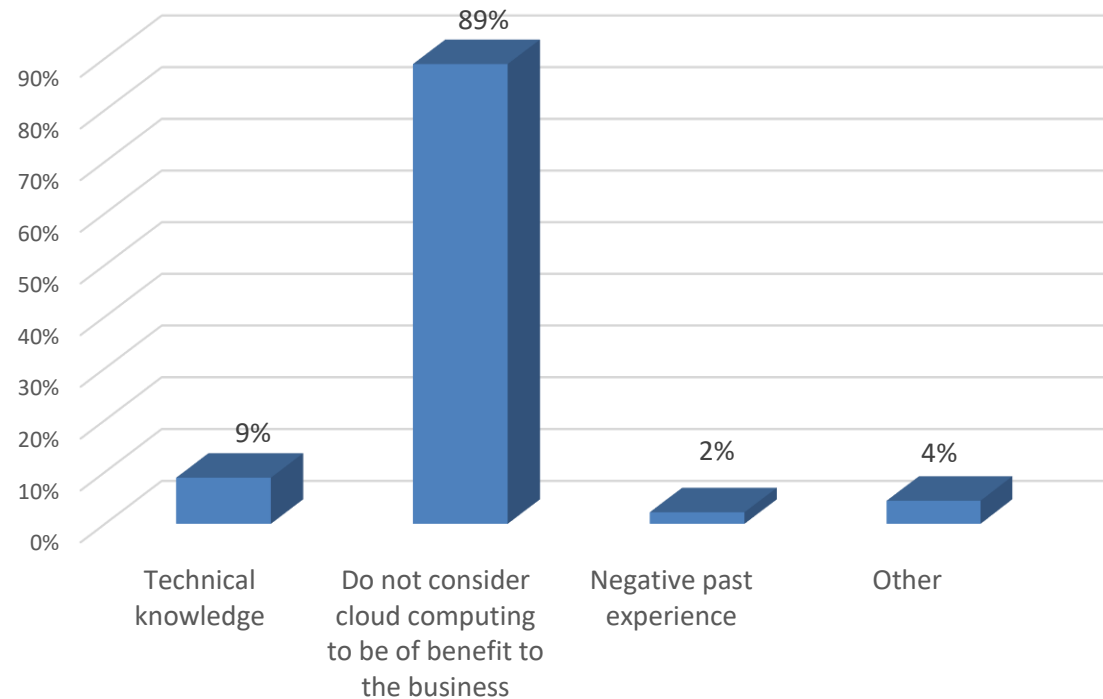


Cloud Computing - Booster

If you are not making use of cloud computing what is your major blocker towards this?

Sample Size – 45

Organisations could give more than one reply



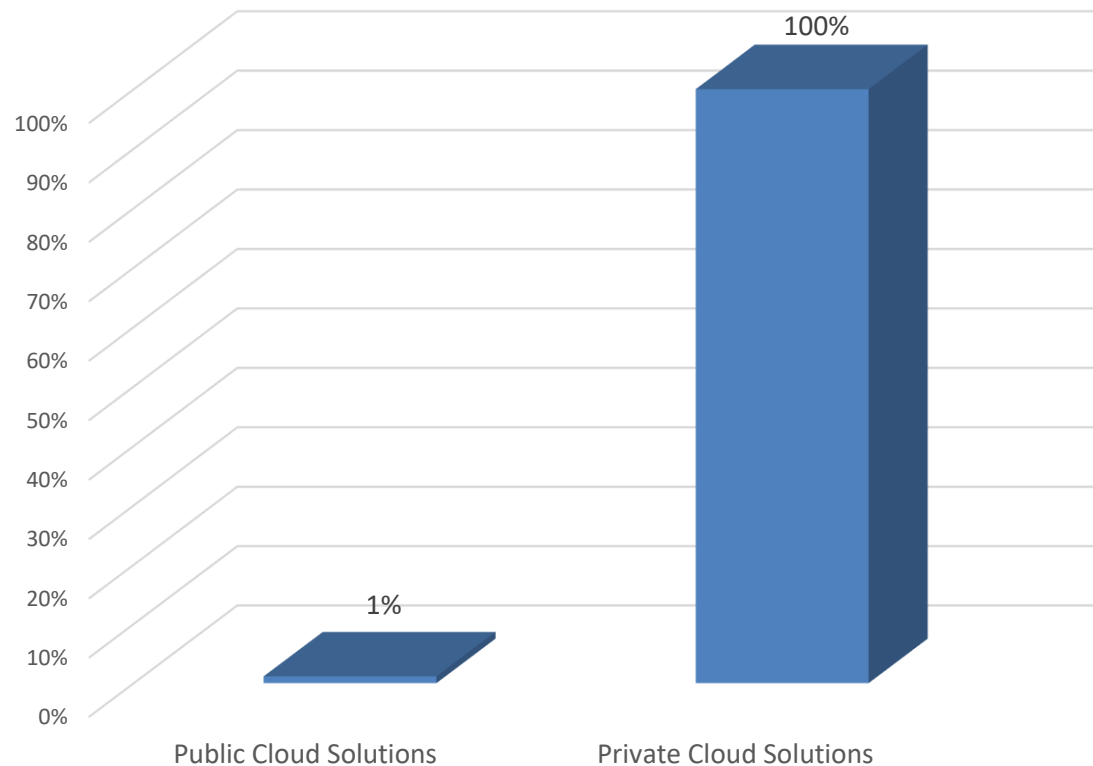
Businesses that do not make use of cloud computing are of the belief that cloud computing is not of benefit to the business (89%).

Cloud Computing - Booster

If you are making use of cloud computing technologies, what kind of cloud solutions do you currently make use of?

Sample Size – 88

Organisations could give more than one reply



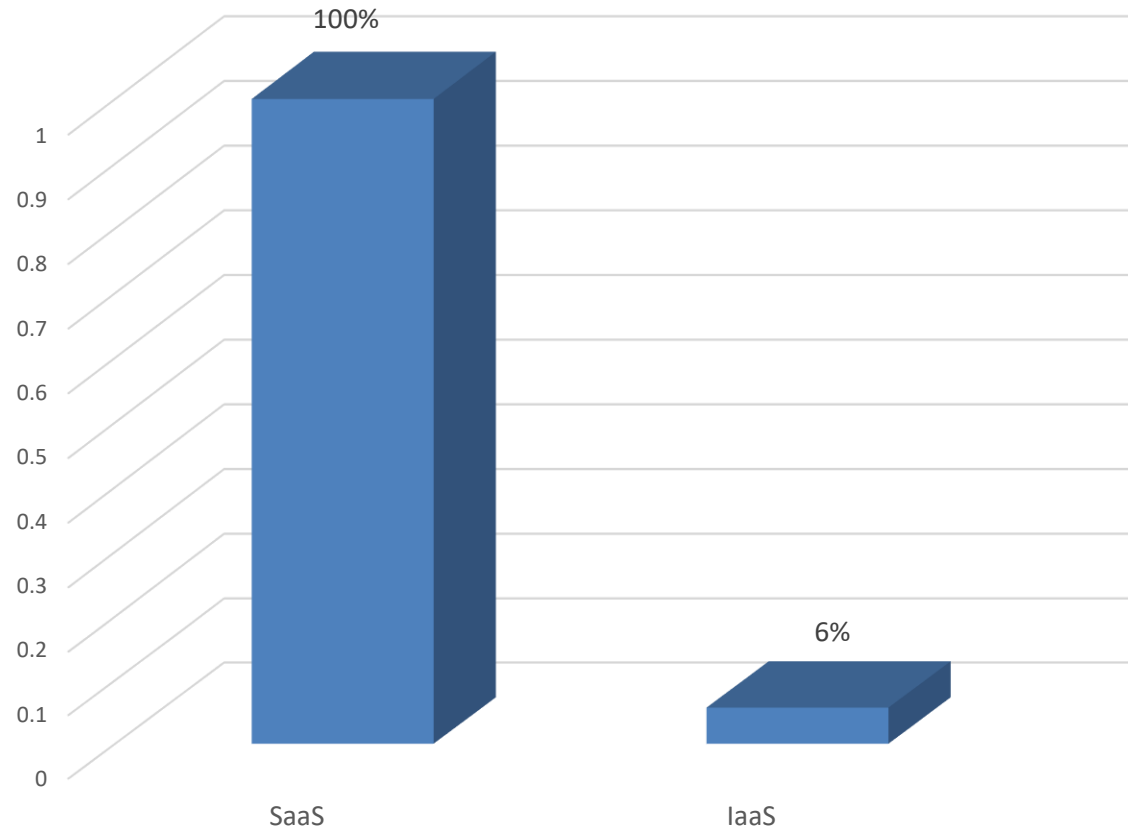
All the respondents make use of private cloud solutions. Only 1% indicated using also public cloud solutions. This points to issues with understanding the question.

Cloud Computing - Booster

If your business is making use of cloud computing technologies, which of the following services are you using?

Sample Size – 88

Organisations could give more than one reply



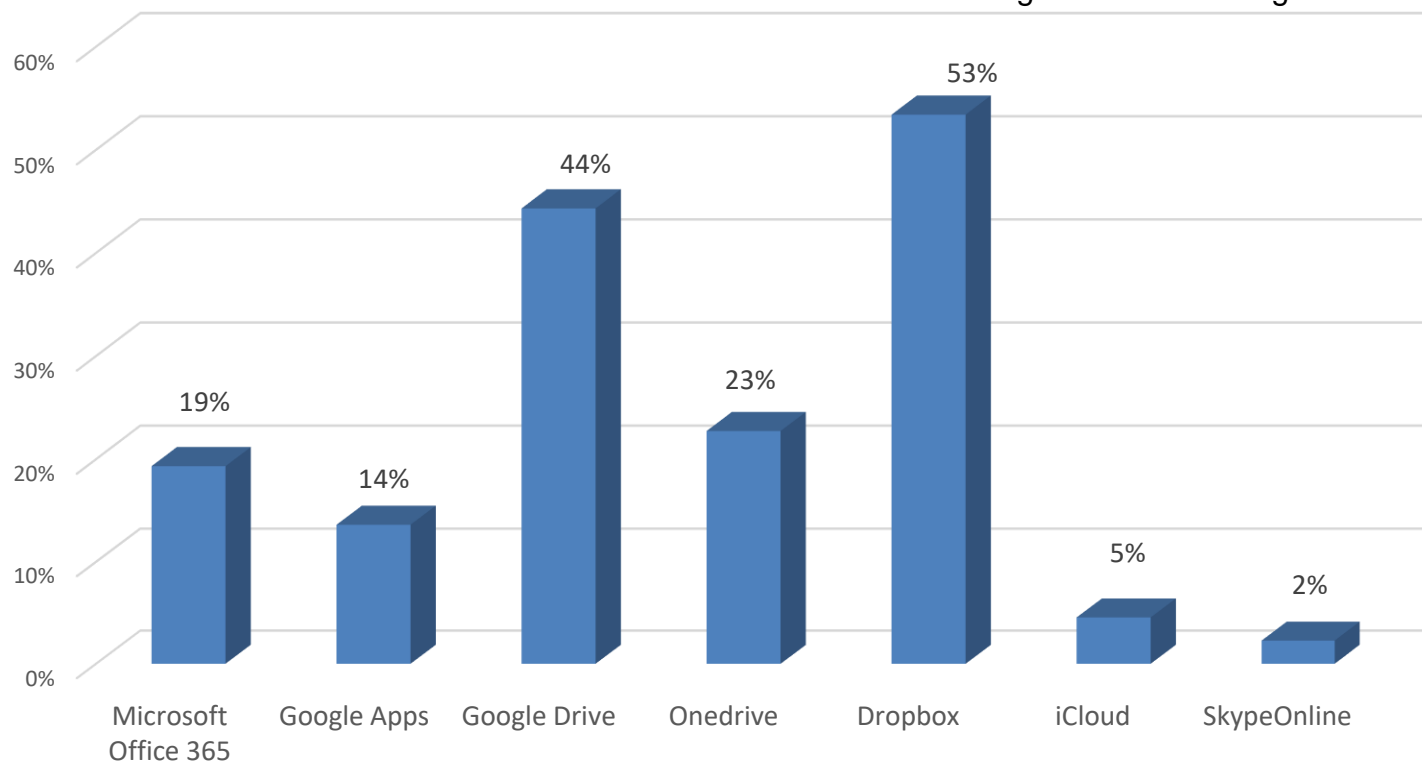
All the entities mainly use Software as a Service (SaaS).

A total of 6% use Infrastructure as a Service (IaaS).

Which of the following services are you currently using re Software as a Service (SaaS)?

Sample Size – 88

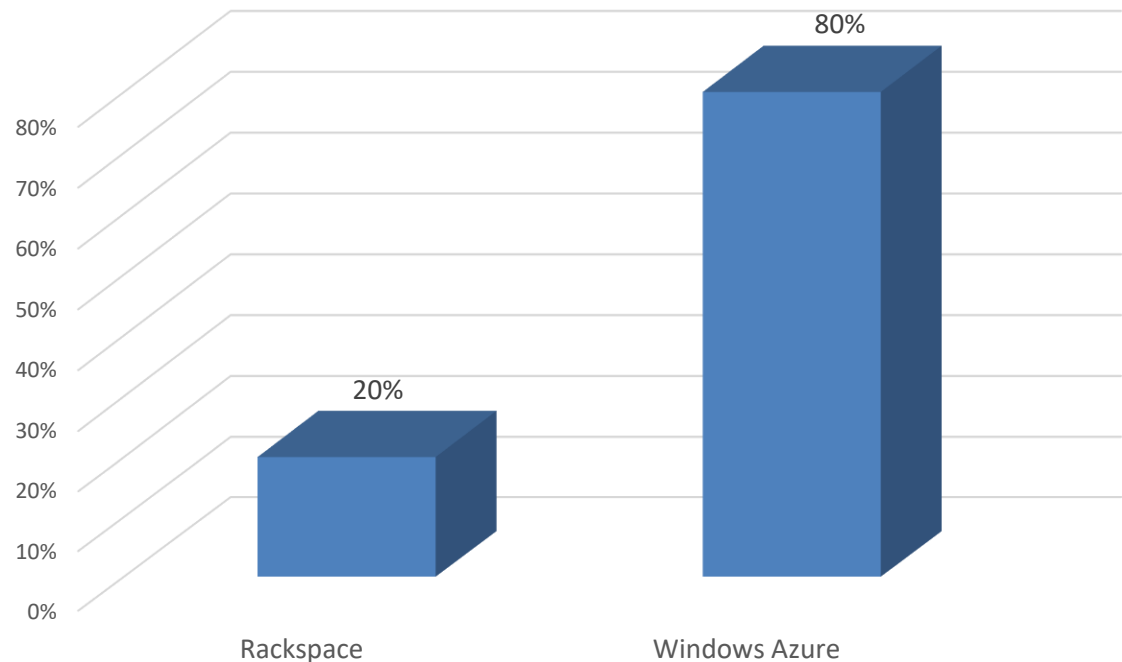
Organisations could give more than one reply



A review of the various SaaS services used indicates that businesses are mainly using Dropbox (53%) and Google Drive (44%). Onedrive ranked third (23%).

Which of the following services are you currently using re Infrastructure as a Service (IaaS)?

Sample Size – 5



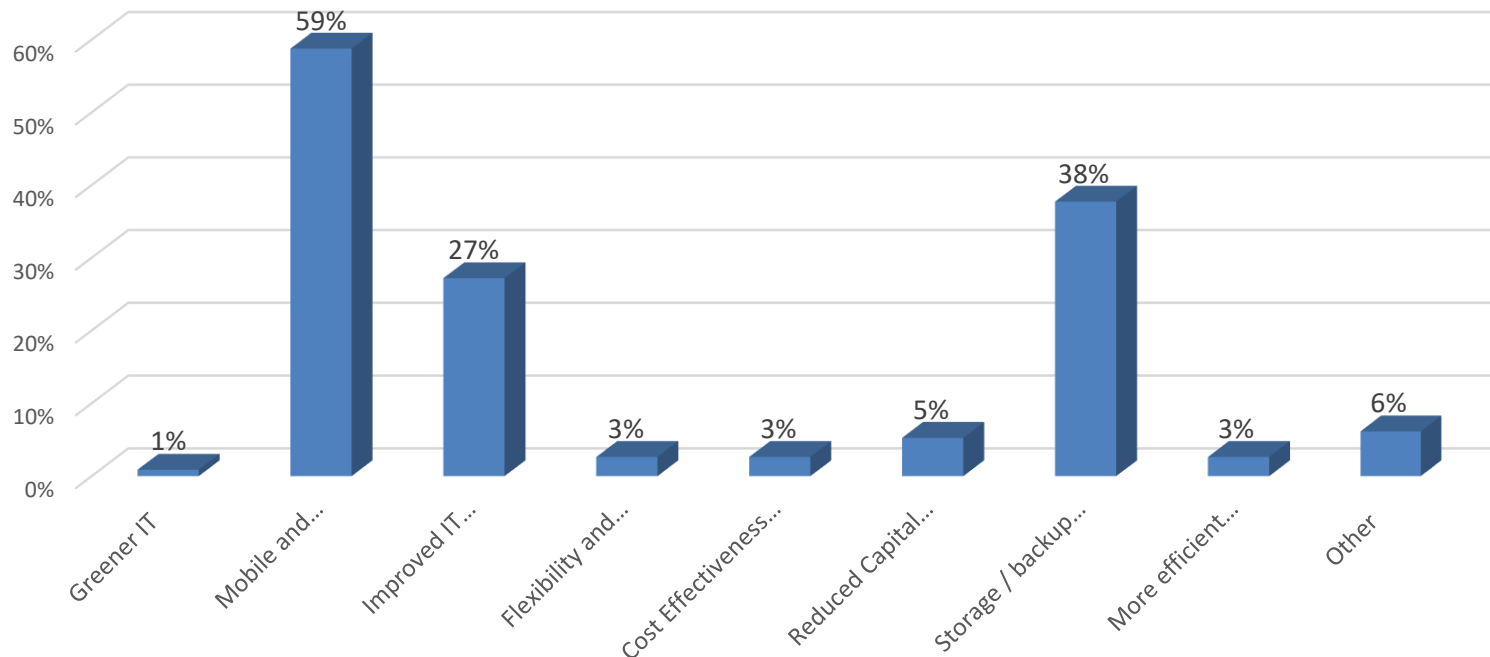
A review of the various IaaS services used indicates that businesses are mainly using Windows Azure and Rackspace.

Cloud Computing - Booster

When purchasing cloud computing services, which of the following advantages do you believe are most beneficial?

Sample Size – 114

Organisations could give more than one reply



Businesses perceive cloud computing to be beneficial in relation to 'Mobile and ubiquitous access to IT applications and service' (59%) and 'storage and backup' (38%). 'Improved IT efficiency and agility' ranked third with 27% responses.

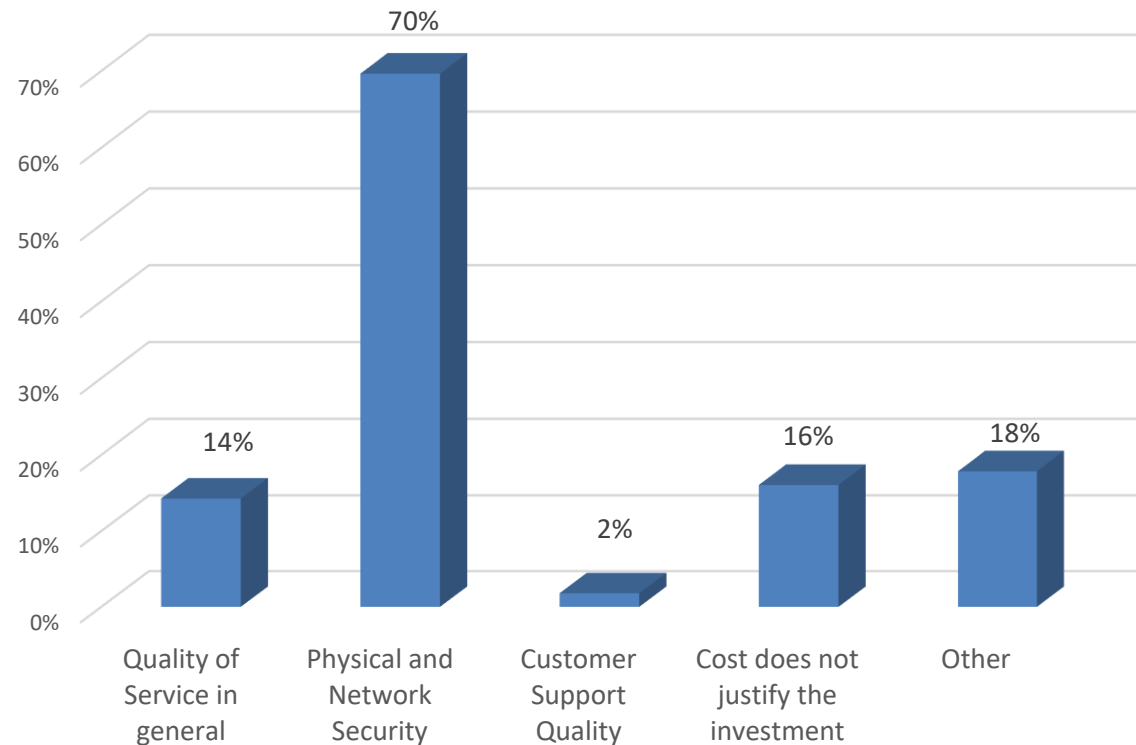
Cloud Computing - Booster

When purchasing cloud computing services, which of the following issues are you concerned about?

Sample Size – 131

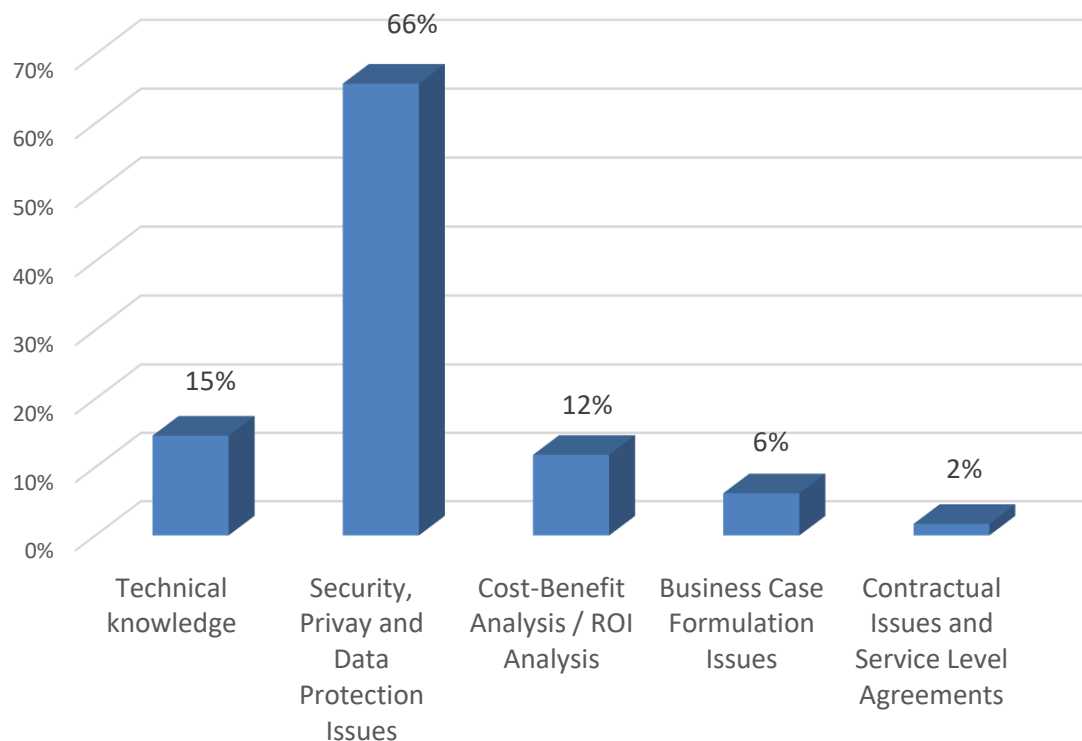
Organisations could give more than one reply

Businesses main concerns when purchasing cloud computing services mainly revolve around 'physical and network security' (70%). 'Other' concerns relate primarily to 'control' and 'internet speed/reliability'



Rank in order of importance the 3 main areas you feel that you need support regarding your cloud-based decisions?

Sample Size – 56



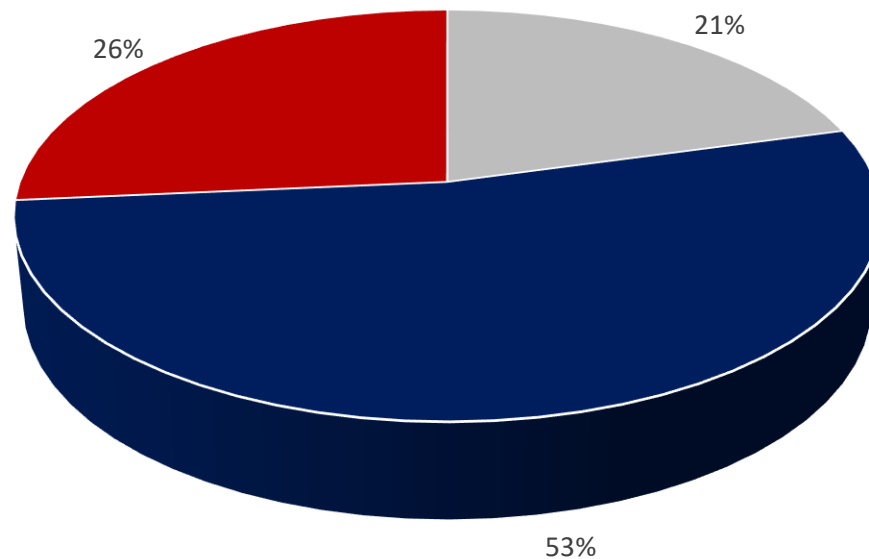
Among businesses that responded to this question, 'security, privacy and data protection issues' was the main area they felt they needed support regarding their cloud-based decisions.

Responses were weighted such that 1st indicated issue attained more importance than issue/s ranked 2nd and 3rd. (Weighting was as follows: 1st indicated issue was given a weighting of 3, 2nd indicated issue was given a weighting of 2 and 3rd indicated issue was given a weighting of 1). The table above indicates the total weighted average scores.

Would your organisation be interested in attending technical and/or business training and events related to the use of cloud technologies?

Sample Size – 140

Just over half the businesses that responded indicated that they would be interested in attending technical and/or business training events related to the use of cloud technologies. Conversely 26% showed no interest in attending.



■ Don't know / Not sure ■ Yes ■ No

Thank you

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