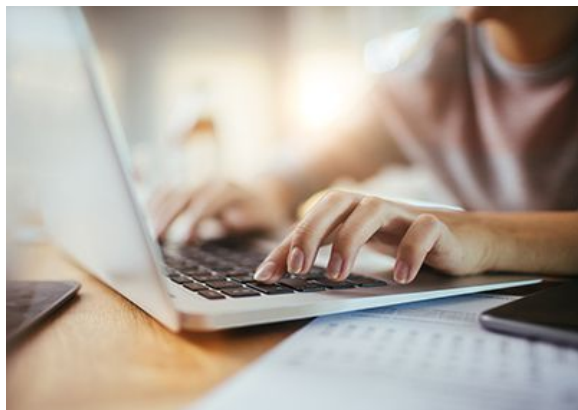


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Report Price: £995.00 | \$1343.55 | €1119.77

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“Digital technologies are disrupting entire industries and customer expectations, and cloud computing has become a key ingredient in enabling companies to cope with this change. Market growth is dynamic, offering constant cost-effective and scalable access to the latest technology for clients and recurring revenues for suppliers.”

– Terry Leggett, Senior Analyst

This report looks at the following areas:

- Better to have the cloud in the UK
- Is the cloud safe?

The battle for worldwide market share is intense and very different strategies are being adopted by global industry giants. At the same time, local facilities are the second most important purchasing consideration for the client base.

One of the greatest challenges to organisations is how to manage their many critical IT assets, including skills. This has led to the explosive growth development of cloud services, which includes everything from infrastructure-as-a-service (IaaS) to platform-as-a-service (PaaS), to fully-managed software-as-a-service (SaaS), the critical applications used by organisations. IT capabilities used to be a significant capital investment for companies, who looked to gain competitive advantage by the constantly evolving capabilities of both hardware and software. IT is now a very large area where scalable service delivery models (so called pay-as-you-go) are challenging formerly capital expenditure-based models.

Organisations embracing cloud services can benefit from the ability to uptake the latest technology, instead of being bogged down by maintaining out-of-date, not-yet-capitalised equipment (some of which may be past its end-of-life). Furthermore, their IT resources can be used on innovation rather than up and down lifting. In many cases, innovation is directly enabled by cloud services with flexible, scalable workloads (a company can 'rent' the extra capacity needed), the provision of highly proficient data analytics, and the ability to analyse vast volumes of data.

Cloud service adoption is evolving from tentative trials to managing mission-critical data in the cloud. Cloud adopters increasingly believe that placing data in the cloud makes it easier to secure, and ultimately enables them to be more secure organisations.

We are entering an unprecedented time of change as digital technologies disrupt entire industries and customer expectations, and the cloud is critical in helping companies cope with this change. A growing number of companies can foresee a time when they move all of their IT to the cloud, though with UK businesses steadily adopting a 'cloud-first approach', this change will take time. While smaller businesses are able to make the logical step to remove their depreciated hardware assets and move entirely to the cloud, this is less feasible for larger organisations with heavy infrastructure investments. Total cloud use remains many years away, but the vast majority of companies are developing hybrid IT environments.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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## Table of Contents

### Overview

What you need to know  
Covered in this Report

### Executive Summary

The market  
Strong growth  
Figure 1: The cloud computing market 2014-18

Market penetration  
Figure 2: Estimated adoption of cloud computing, by function, 2017

Is Brexit actually a market stimulus?  
Much to gain  
Growth across the board  
Figure 3: Cloud computing revenue streams, 2014-18

'Cloud everything' – Still a long way off  
Will it be public, private or a hybrid?  
Figure 4: Cloud strategy among enterprises, 2018  
Figure 5: Cloud strategy among SMEs, 2018

Companies and brands  
The worldwide leaders  
Figure 6: The global cloud leaders, by cloud revenue, 2017

It is much more fragmented than that  
What we think

### Issues and Insights

Better to have the cloud in the UK  
The facts  
The implications  
Is the cloud safe?  
The facts  
The implications

### The Market – What You Need to Know

When will there be a 'cloud first' mentality?  
Will Brexit have any effect?  
Why is ICT equipment expenditure rising?

### Market Size

Dynamic growth  
Figure 7: The cloud computing market 2014-18

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## All revenue streams in strong growth

Figure 8: Cloud computing revenue streams, 2014-18

## Market Segmentation

### Applications of cloud computing

Figure 9: Proportion of businesses buying cloud computing services, by application, 2015

Figure 10: Estimated adoption of cloud computing, by function, 2017

Figure 11: Two year growth in cloud computing services penetration, by application, 2015

### Size of company

Figure 12: Proportion of companies buying cloud computing services, by number of employees, 2015

## Market Segmentation – Manufacturing

Figure 13: Proportion of manufacturing businesses buying cloud computing services, by application, 2015

Figure 14: Two year growth rates in cloud computing applications penetration in the manufacturing sector, 2015

## Market Segmentation – Utilities

Figure 15: Proportion of utilities businesses buying cloud computing services, by application, 2015

Figure 16: Two-year growth rates in cloud computing applications penetration in the utilities sector, 2015

## Market Segmentation – Construction

Figure 17: Proportion of construction businesses buying cloud computing services, by application, 2015

Figure 18: Two-year growth rates in cloud computing applications penetration in the construction sector, 2015

## Market Segmentation – Wholesale

Figure 19: Proportion of wholesalers buying cloud computing services, by application, 2015

Figure 20: Two-year growth rates in cloud computing applications penetration in the wholesale sector, 2015

## Market Segmentation – Retail

Figure 21: Proportion of retailers buying cloud computing services, by application, 2015

Figure 22: Two-year growth rates in cloud computing applications penetration in the retail sector, 2015

## Market Segmentation – Transport & Storage

Figure 23: Proportion of transport & storage companies buying cloud computing services, by application, 2015

Figure 24: Two-year growth rates in cloud computing applications penetration in the transport & storage sector, 2015

## Market Segmentation – Accommodation and Food Service

Figure 25: Proportion of accommodation and food service companies buying cloud computing services, by application, 2015

Figure 26: Two-year growth rates in cloud computing applications penetration in the accommodation and food service sector, 2015

## Market Segmentation – Information and Communication

Figure 27: Proportion of information and communication companies buying cloud computing services, by application, 2015

Figure 28: Two-year growth rates in cloud computing applications penetration in the information and communication sector, 2015

## Market Segmentation – Other Services

Figure 29: Proportion of other services companies buying cloud computing services, by application, 2015

Figure 30: Two-year growth rates in cloud computing applications penetration in the other services sector, 2015

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## Market Forecast

### Growth to continue

Figure 31: Forecast cloud computing market, 2019-23

### The cloud model is different in enterprises and SMEs

Figure 32: Cloud strategy among enterprises, 2018

Figure 33: Cloud strategy among SMEs, 2018

### Workloads differ too

Figure 34: Workload on the cloud by size of company, 2018

## The Impact of the Economy

### Cloud affecting all areas of the economy

Figure 35: UK GDP quarterly development, by sector, 2004-18

Figure 36: Forecast GDP development, 2017-22

## Market Trends

### A change in the IT model

Figure 37: ICT equipment expenditure, 2010-17

### Strong growth in SaaS, PaaS and IaaS globally

### Cloud storage cost and capacity changes

### First people, then things, and ultimately everything

### Security

### Hybrid cloud solutions

### Challenges change by company size

Figure 38: Cloud challenges by company size, 2018

## Market Drivers

### Stimulators and inhibitors

Figure 39: Cloud adoption by decision drivers, 2017

### Internet access and usage

Figure 40: Worldwide internet usage, BY region 2010-17 (Millions and %)

Figure 41: Proportion of businesses with internet access in the UK, by size of company, 2012-16 (%)

### It's all about speed

Figure 42: Proportion of businesses with internet access and type of connection, by number of employees, 2012-16 (%)

Figure 43: Proportion of businesses by maximum contracted internet connection speed, by number of employees, 2012-16 (%)

### Websites

Figure 44: Proportion of companies operating a website, by size of company, 2016

## Companies and Brands – What You Need to Know

### It's fiercely competitive

### Will the hybrid cloud be the end game?

## Industry Structure

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## Investment requirements create stability

Figure 45: Changes in the structure of the data processing, hosting and related activities industry, 2013-17

## Competitive Strategies

- The hybrid model
- The Microsoft target
- Better, cheaper and easier
- The AWS model
- A surprisingly late entrant
- The Google model
- A sector right for consolidation
- It's not all about the technology giants

## Company Profiles

- The global giants
- Figure 46: The global cloud leaders, by cloud revenue, 2017

## Appendix – Data Sources, Abbreviations and Supporting Information

- Abbreviations
- Methodology

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