

Cloud Computing: Inc Impact of COVID-19 - UK - October 2020

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“COVID-19 has emphasised more than ever the need for robust digital infrastructure able to cope with remote working arrangements. The economic uncertainty associated with the pandemic is also causing further caution in investment decisions.”
– Terry Leggett, Senior Analyst

This report looks at the following areas:

- The stimulus to the cloud computing market caused by measures to restrict COVID-19
- Why the market remains in strong growth and how this is being accelerated by COVID-19
- The different types of cloud usage and the way these clouds are integrating
- How different cloud revenue streams are performing
- How the industry is led by the American technology giants

Migrating to cloud-based infrastructure and software offers organisations greater flexibility, predictability and scale. The transformative power of cloud-based solutions ingrains the companies offering these services into their clients’ business operations, while offering clients enhanced productivity and improved cost control. Yet the business world has yet to fully adopt cloud computing, though there has been something of a boost in 2020 with the economic disruption caused by COVID-19.

In a year when official bodies variously expect GDP to fall by between 11% and 12.5%, growth in cloud computing revenues of 14% represents a strong performance. While the market has been boosted by some of the measures introduced to contain COVID-19 (such as encouraging remote working), the growth is also partially offset by end user casualties. However, the pay-as-you-go, scalable model of cloud computing is ideally suited to the economic uncertainties that were already evident as a result of the issues surrounding Brexit.

Cost reduction remains the key purchase consideration for cloud computing adoption, but there are many other benefits, with the issue of scalability particularly attractive in 2020. Companies have had to rapidly adapt to new conditions, and the cloud has been a major facilitator of adaption.

At a global level, the industry is dominated by four major providers: AWS, Microsoft Azure, Google Cloud and Alibaba Cloud, which are believed to command a combined 62% of the market in 2020, having slightly increased their share in the year. There are, however, other notable high growth companies and niche players active in the sector.

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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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