NetApp

Spot by NetApp Survey Shows Organizations Continue to Prioritize Cloud Optimization, but are Still Experiencing Challenges

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SAN JOSE, Calif. — May 12, 2022 — NetApp® (NASDAQ: NTAP), a global, cloud-led, data-centric software company, today announced the results of the annual **Cloud Infrastructure Report** based on a survey of public cloud business and IT decision makers. The report from Spot by NetApp, continuing the annual survey previously conducted by CloudCheckr following its acquisition by NetApp, highlights the current state of cloud management and how organizations are working to optimize their environments.

A key trend surfaced in the report highlighted that while companies continue to accelerate cloud adoption, many do not believe they are effectively optimizing their infrastructure. Businesses are addressing this through the development of internal programs such as Cloud Centers of Excellence (CCoEs) and FinOps, cloud purchase commitments, tools, and external help (e.g., managed service providers). While several respondents indicated that they are still maturing in these areas, those that have successfully deployed and scaled programs report improved agility, efficiency, and governance in their cloud journey.

"The results highlight that while companies have rapidly adopted cloud, IT continues to look for ways to increase the value and ROI of its cloud investments," said Anthony Lye, Executive Vice President and General Manager, Public Cloud Services at NetApp. "Organizations also make it clear that cloud cost, security, automation, and resource optimization will remain key concerns. Cloud-centric companies most likely to succeed will implement the right strategies, technology solutions and partner relationships to help manage costs and reduce complexity."

Key Findings from Spot by NetApp's 2022 Cloud Infrastructure Report:

Cloud and cost management is still a work in progress

- Confidence in visibility into public cloud costs has dropped in the past year; 21 percent were "very" confident in 2022, down from 31 percent in 2021.
- 62 percent of respondents will focus on cost management in 2022.
- 96 percent say FinOps is important to cloud success, but only 10 percent have a mature FinOps practice.

As investment in public cloud infrastructure deepens and the number of cloud users matures, there must be

careful consideration of the business value gained from these resources. The continued focus on improving cost management this year—and the role of FinOps to help do this—is even more critical for larger enterprises.

Managing cloud operations in 2022 will grow in scope

- 2022 transformation goals include increasing the use of cloud technology (63 percent), migrating additional services to the cloud (52 percent), and optimizing cloud costs (50 percent).
- 90 percent report they have or plan to have a Cloud Center of Excellence (CCoE).
- 61 percent of those who currently have a CCoE say that their responsibilities will grow in 2022.

Enterprises must continue to take steps even after migrating to the cloud to optimize their cloud investment. Those with a more mature CCoE practice reported seeing greater benefit and value compared to those with less established CCoEs.

MSPs play a key role in cloud operations

- 71 percent use an MSP for their cloud operations.
- 100 percent of companies that work with an MSP for cloud operations say that they have benefited from that relationship.
- 83 percent of companies that work with an MSP for cloud operations rely on them for their FinOps practice.

When MSPs take a more significant leadership role in operating their clients' cloud environments, IT organizations report seeing greater value. This reflects the impact of MSPs' investments in developing their cloud operational services, such as cost optimization, security, compliance, and asset management.

Methodology

In February 2022, an online survey was sent to independent sources of IT and business stakeholders responsible for public cloud infrastructures such as Amazon Web Services (AWS), Microsoft Azure, and Google Cloud. A total of 305 respondents completed the survey. Participants represented a wide range of roles, company sizes, industries, and job levels. Certain questions were repeated from similar 2017, 2019, and 2021 studies to investigate changing trends.

Additional Resources

- **Cloud Infrastructure Report**

About NetApp

NetApp is a global, cloud-led, data-centric software company that empowers organizations to lead with data in the age of accelerated digital transformation. The company provides systems, software and cloud services that enable them to run their applications optimally from data center to cloud, whether they are developing in the cloud, moving to the cloud, or creating their own cloudlike experiences on premises. With solutions that perform across diverse environments, NetApp helps organizations build their own data fabric and securely deliver the right data, services and applications to the right people—anytime, anywhere. Learn more at **www.netapp.com** or follow us on **Twitter**, **LinkedIn**, **Facebook**, and **Instagram**.

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