

# The State of Analytics in the Cloud



## Executive Summary

A majority of technology leaders at large organizations find themselves at a crossroads: they believe that the cloud is the best place to run enterprise-scale analytics, but almost all of them also agree that the march toward the cloud is moving slower than it should—especially among the largest companies in the world, where there are perceived challenges to performing analytics at scale.

The disparity between where these global companies are, and where they want to be, when it comes to running analytics in the cloud is a stark finding in a comprehensive survey conducted by the market research firm Vanson Bourne, on behalf of Teradata.

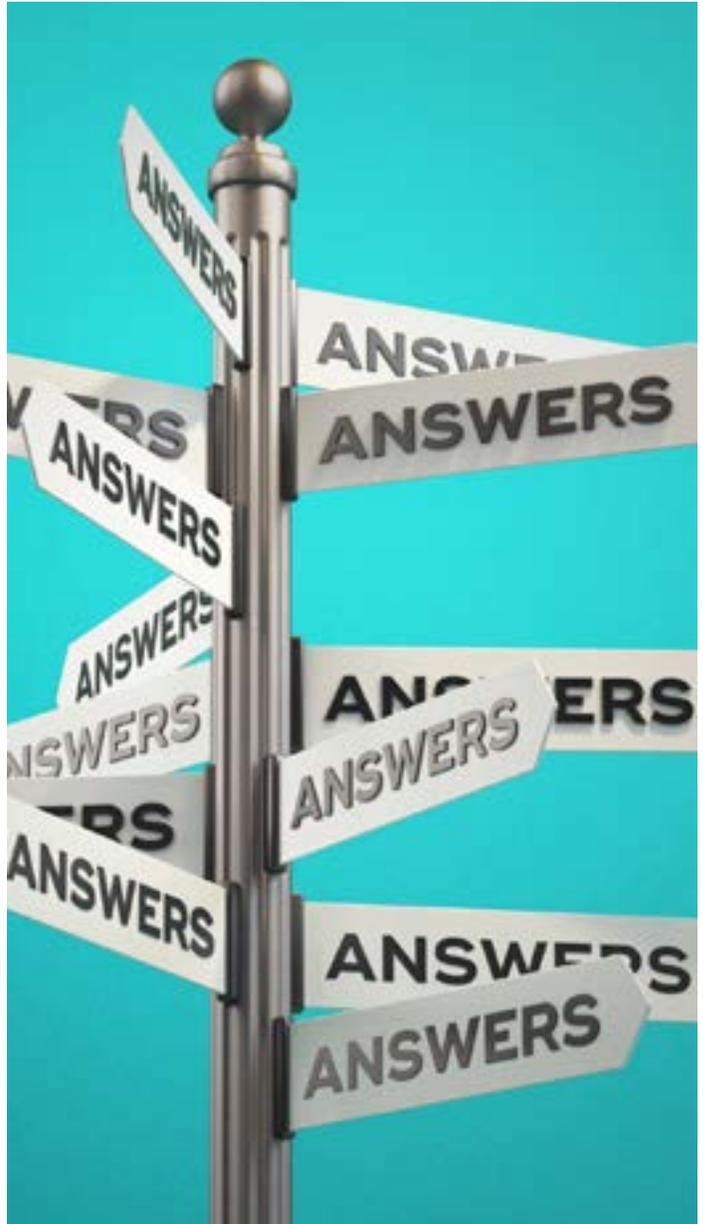
More than half are using business intelligence (BI) and one out of three are performing complex deep learning and machine learning to power artificial intelligence (AI).

### THE STUDY

These results come from a survey titled “The State of Analytics in the Cloud” of senior technology leaders at 700 large, global organizations.

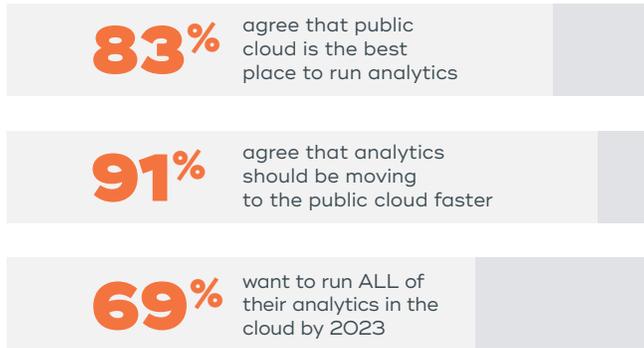


The findings show that technology leaders see clear benefits in using the cloud—including faster deployment, better insights, easier user access, cheaper maintenance, and faster innovation. About a third are currently adopting public cloud across the whole organization, while 39 percent are currently using public cloud in some areas of the organization. The industry is also maturing when it comes to its use of analytics processes and tools.



**A majority of technology leaders at large organizations find themselves at a crossroads in the journey to the cloud.**

Organizations are bullish on the cloud, but concerned about the slow pace of analytics adoption in the cloud.

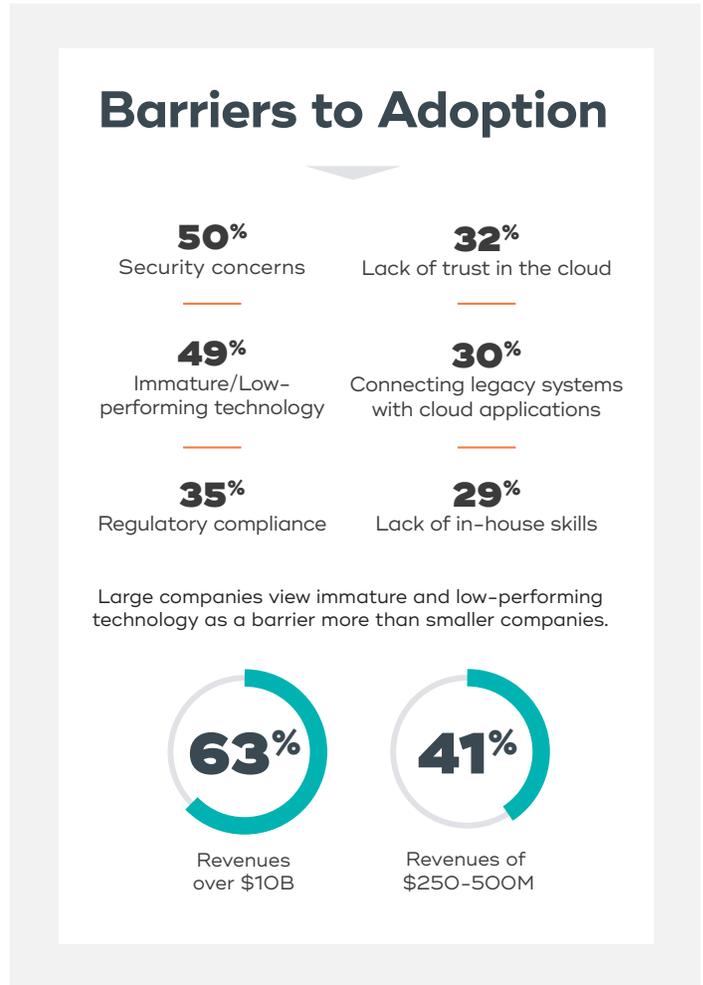


Unfortunately, these advances haven't also resulted in similar gains for the cloud-based modern analytic environment. Although an overwhelming majority of respondents (83 percent) agreed that the cloud is the best place to run analytics—and most said they want all their analytics in the cloud by the year 2023—a staggering 91 percent also said that the move is lagging and should be faster. Nearly three quarters said that other business applications are outpacing analytics' move to the cloud.

This march to the cloud comes with barriers. The most frequently cited reasons among all companies for the delay in getting analytics into the cloud include concerns about security and low performance, at 50 percent and 49 percent of respondents, respectively.

For the largest companies with revenues more than \$10 billion, the survey found that 63 percent view immature technology as a major barrier. By contrast, only 41 percent of companies with revenues of \$250-500 million came to that conclusion.

Those weren't the only issues flagged by technology executives. About 35 percent shared doubts regarding regulatory compliance, and 32 percent cited a general lack of trust in the cloud. Other concerns include difficulty integrating cloud offerings with legacy systems (30 percent) and the lack of in-house skills (29 percent).



**The disparity between where these global companies are and where they want to be when it comes to running analytics in the cloud is stark.**

The findings clearly show that analytics is moving to the cloud at a slower rate than other business applications and workloads. But, both the motivation and perceived value of cloud analytics are solidly understood among top executives at the world's largest companies. Fortunately, these are the very leaders who are best positioned to speed the adoption curve in the months and years to come.

## Key Findings

This survey identifies a dilemma among IT leaders at the world's largest companies—with 83 percent of about 700 executives polled agreeing the cloud is the best place for analytics, but 70 percent are concerned that this migration of analytics to the cloud is not happening fast enough. Despite the maturity of these companies' use of analytics processes and tools overall—a majority already do machine learning and Artificial Intelligence at scale—doubts remain about shifting these processes to the cloud.

The top concerns of inadequate security and performance are especially pronounced at very large-scale companies. Fortunately, respondents overall remain committed to the trend: Most organizations are hoping to get 100 percent of their analytics in the cloud by 2023 and recognize the cloud's multiple benefits—from deployment and scalability, to access and insights. Teradata commissioned independent technology market research specialist Vanson Bourne to undertake the research that this report is based on.



Helping companies overcome the barriers to accelerate their path to the cloud for analytics is central to Teradata's approach. To learn more about enterprise-class analytics in the cloud at scale, download and read the white paper, "Executive Primer: Path to Cloud for Analytics."

\*Survey conducted by leading technology industry market research firm Vanson Bourne on behalf of Teradata (NYSE: TDC), the leading cloud-based data and analytics company.

## High Expectations

By moving analytics to the cloud, companies expect multiple benefits:

- 51%** Faster Deployment
- 46%** Improved Security
- 44%** Better Performance
- 44%** Faster Insight into Data
- 43%** Easier Access by Users
- 41%** Cheaper Maintenance
- 35%** Easier Access to Analytics Technologies
- 33%** Direct Access to Cloud Data Stores
- 30%** Greater Integration with Other Cloud Services
- 27%** Faster Pace of Innovation

## Methodology

In March and April 2018, 700 senior IT decision makers were interviewed in the US (150), UK (100), France (100), Germany (100), China (150) and Japan (100). Respondents' organizations had 1,000 employees or more, were from any public or private sector and had a global annual revenue of \$250 million to \$10B+.

Interviews were conducted online or via telephone using a rigorous multi-level screening process to ensure that only suitable candidates were given the opportunity to participate.