

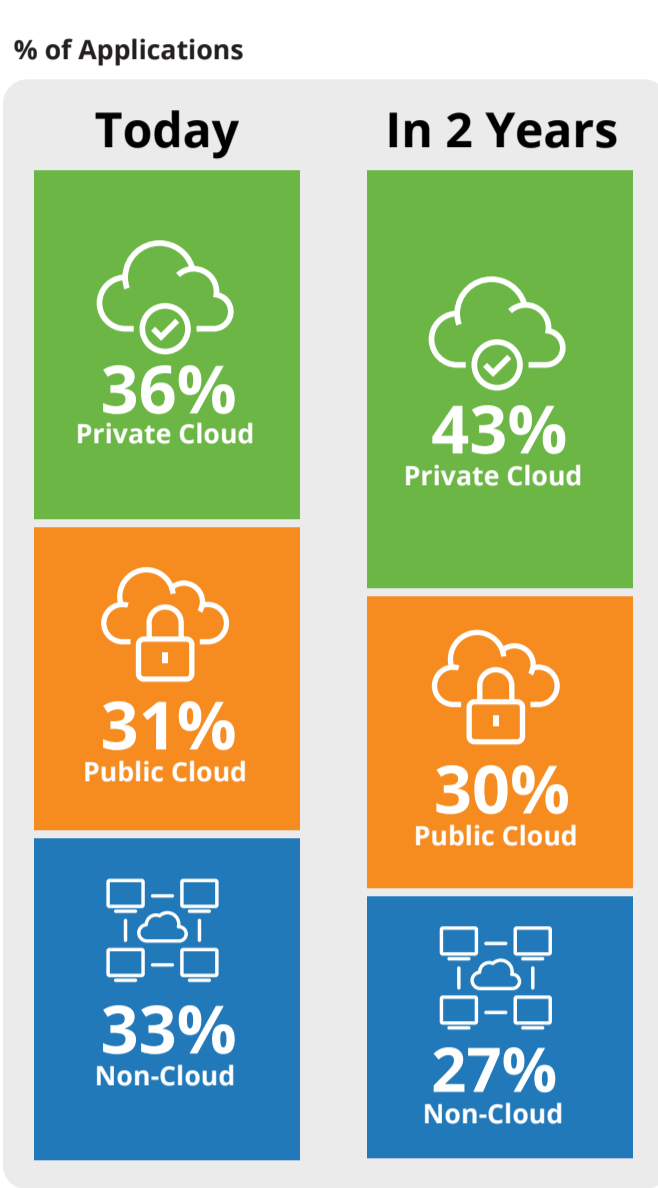
Hybrid Cloud-enabled Digital Infrastructure – Key Trends in Australia for 2022

Australian enterprises are shifting their applications/workloads to cloud-centric IT models and leveraging multiple cloud deployments for best-of-breed technologies and to mitigate risk. Enterprises are placing workloads, applications and microservices across different destinations based on business agility, performance, latency, cost-optimisation, data compliance and governance, and security imperatives.



Australian Enterprises' Private Cloud Usage Grows

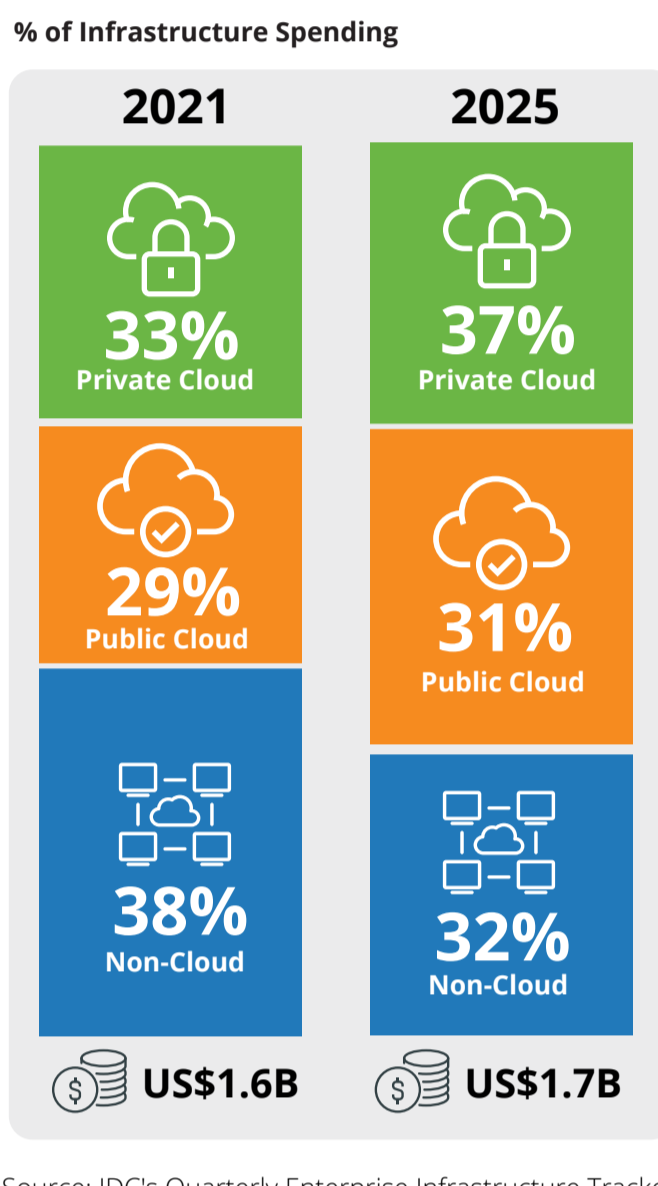
Where are all your organisation's applications deployed **today**? Where will they be deployed in **2 years time**?



Australian Enterprises' Private Cloud Usage Grows

- Enterprises prioritise performance and speed over efficiencies and cost savings
- Traditional applications are increasingly moving from Non-Cloud Infra to Private Cloud
- Cloud management is increasingly important to manage application portfolios across Private and Public Clouds.

Source: IDC's Cloud Pulse, 1Q21

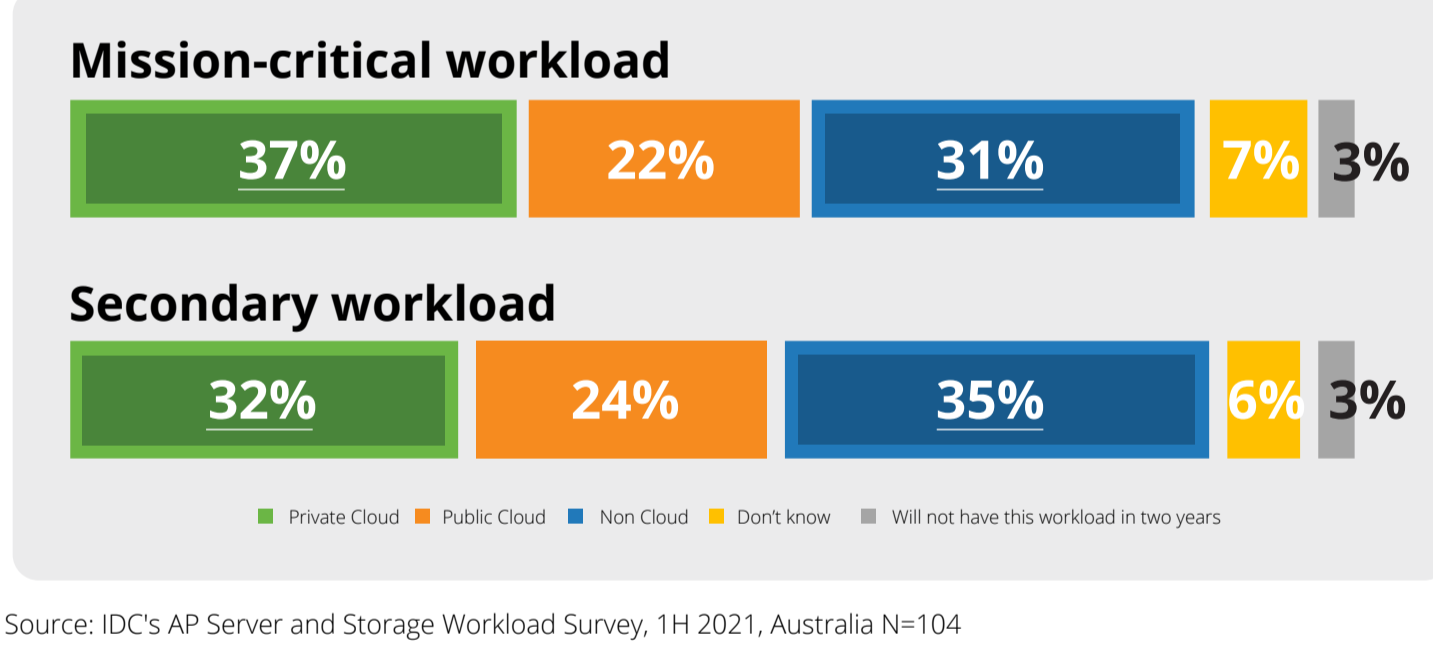


- Infrastructure for Hybrid Cloud (Private and Public) will account for 67% of the total infrastructure spending in Australia in 2025, up from 61% in 2021.
- By 2025, enterprises will spend more than 2x on Private and Non-Cloud Infrastructure compared with Public Cloud.

Source: IDC's Quarterly Enterprise Infrastructure Tracker - Buyer & Cloud Deployment Forecast, 2Q21

Mission-critical Workloads Continue to Run Predominantly on Private Cloud and Non-Cloud Infrastructure

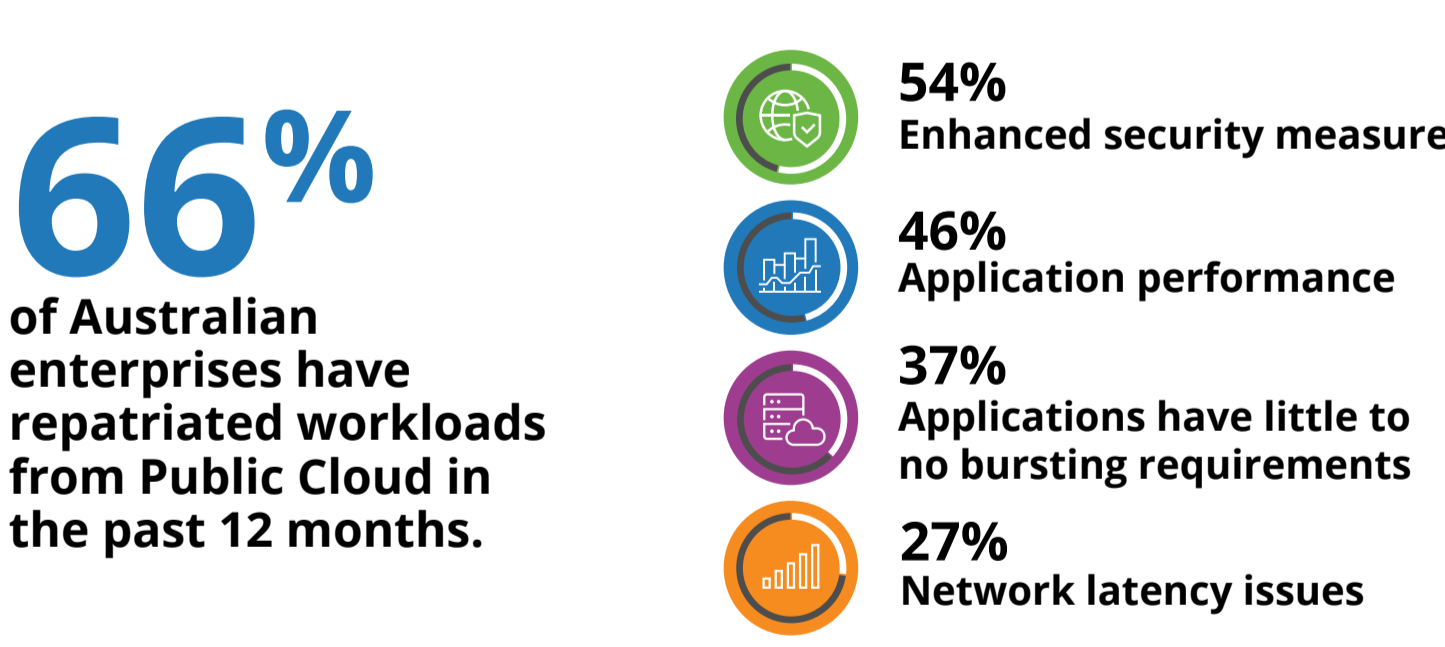
Thinking about your workload infrastructure in the next two years, in what environments do you expect your workloads will run?



Source: IDC's AP Server and Storage Workload Survey, 1H 2021, Australia N=104

While critical business workloads continue to reside in existing core enterprise datacentres or modern colocation facilities, new digital services increasingly reside in diverse core cloud regions and new network edge locations. The ability to consume and manage resources in the optimal location based on latency availability, compliance characteristics is critical and non-negotiable.

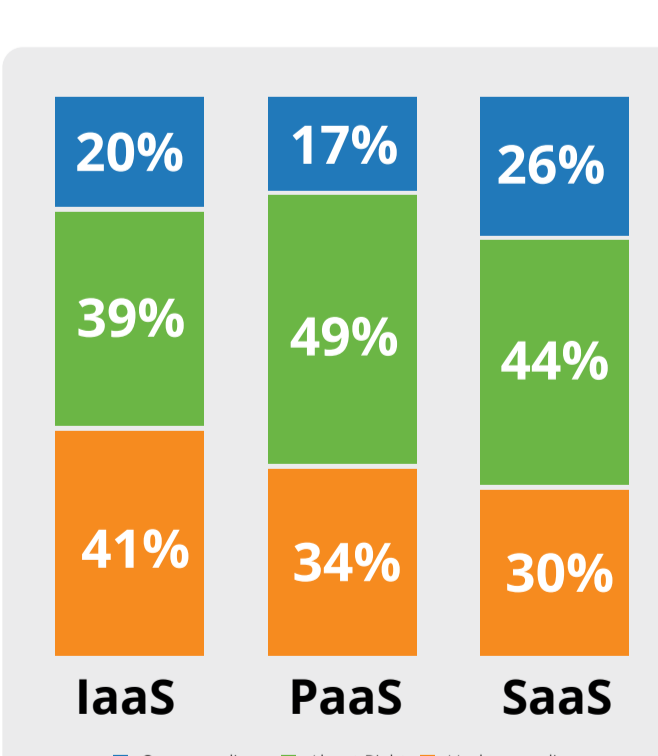
Security and Application Performance: Key Catalysts for Repatriating from Public Cloud



Source: IDC's AP Enterprise Infrastructure Survey, 2020, Australia N=50

Cost Concerns on Public Cloud also Contributes to Repatriation Trends

Mix of Australian enterprises that believe their organisation is over/about right/underspending on their Public Cloud environment.



17-26% of them believe that they are overspending on their Public Cloud environment.

60% of Australian enterprises believe they are not spending appropriately on Public Cloud.

Source: IDC's Cloud Pulse, 1Q21

IDC Essential Guidance

- Embrace Hybrid Cloud Deployment Model**
Public Cloud adoption will continue. Private Cloud and Non-Cloud infrastructure will be preferred for mission-critical workloads.
- Pragmatic Approach to Workload Placement**
More pragmatic and objective approach will be needed for workload placements. Business outcomes, performance, security and compliance will top considerations.
- Invest in Cloud-Centric Digital Infrastructure**
Future-ready digital infrastructure built on cloud-centric technology is imperative for scale, agility and flexibility.
- Select Technology Partners Based on Long-term Vision and Roadmap**
Strategic and innovative technology ecosystem partners are critical for success.

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