Cloud repatriation is overstated

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SUMMARY

The main reason enterprises are repatriating workloads from the cloud to their own data centers is due to spiraling costs. However, most enterprises are continuing to use several public clouds alongside on-premises facilities in a hybrid IT strategy. The movement of workloads from the cloud is not impacting overall cloud usage, and many workloads are still being migrated to the public cloud.
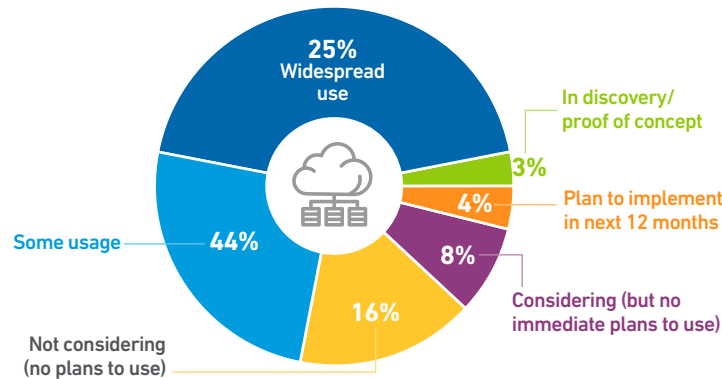
Results from the Uptime Institute Capacity Trends and Cloud Survey 2024 offer an insight into what drives migration to and from the public cloud.

ABOUT THIS SURVEY
The Uptime Institute Capacity Trends and Cloud Survey 2024 was conducted online from October 2024 to December 2024, and had 770 respondents. This report highlights some of the findings.

Operators say they have at least some public cloud usage
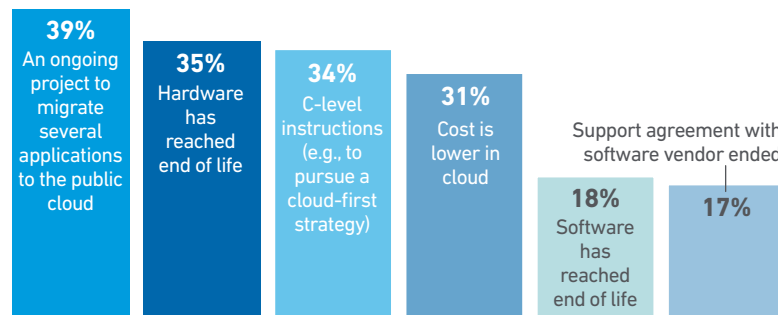Which of the following best describes your organization's adoption of public cloud? (n=262)

- 25% Widespread use
- 44% Some usage
- 16% Not considering (no plans to use)
- 8% Considering (but no immediate plans to use)
- 4% Plan to implement in next 12 months
- 3% In discovery/ proof of concept

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Operator motives behind cloud migration vary
Why did your organization move applications from your own data center(s) or a colocation facility to public cloud(s)? Choose all that apply. (n=108)


- 39% An ongoing project to migrate several applications to the public cloud
- 35% Hardware has reached end of life
- 34% C-level instructions (e.g., to pursue a cloud-first strategy)
- 31% Cost is lower in cloud
- 18% Software has reached end of life
- 17% Support agreement with software vendor ended

("Other" responses are not included.)

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Most operators moved applications to public cloud in 2024
In the past 12 months, has your organization moved any of its production applications from your own data center or a colocation facility to public cloud(s)? (n=186)
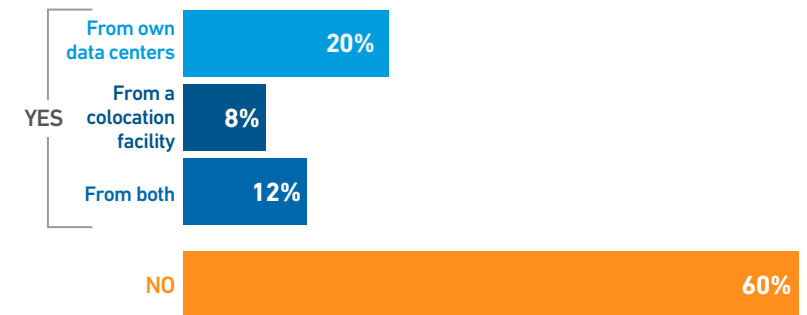

YES
- From own data centers: 31%
- From a colocation facility: 8%
- From both: 24%

NO: 38%
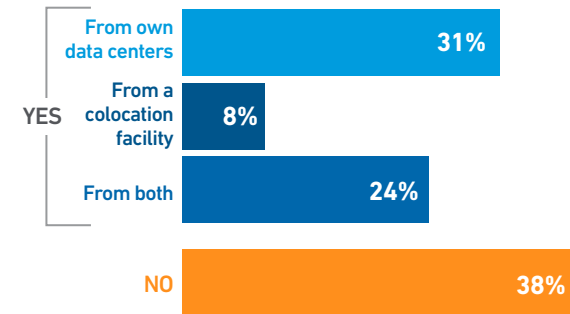
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Movement to cloud is mostly permanent
In the past 12 months, has your organization moved any of its production applications away from a public cloud provider to a colocation facility or your own data center(s)? (n=155)
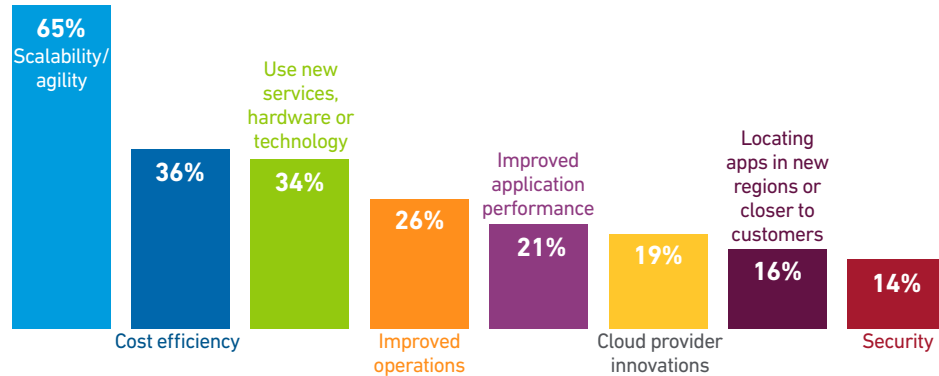

YES
- From own data centers: 20%
- From a colocation facility: 8%
- From both: 12%

NO: 60%

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Scalability viewed as top benefit for cloud migration

Which of these are the primary benefits behind moving applications from your own data center or a colocation facility to the public cloud? Choose no more than two. (n=110)
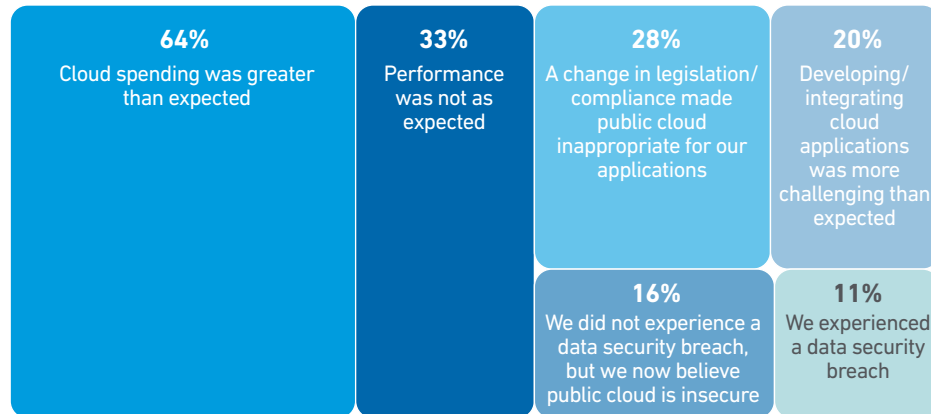

65% Scalability/agility

36% Cost efficiency

34% Use new services, hardware or technology

26% Improved operations

21% Improved application performance

19% Cloud provider innovations

16% Locating apps in new regions or closer to customers

14% Security

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Only 25% are leaving or significantly reducing cloud use

Which statement best describes the overall impact on cloud adoption in your organization, as a result of moving certain applications away from the public cloud? (n=58)

36% It has reduced our public cloud usage

33% There has been no change in our public cloud usage

22% It has significantly reduced our public cloud usage

3% We no longer use public cloud

5% It has somewhat increased our level of public cloud usage

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High costs drive cloud repatriation

What best describes your organization's reason for moving applications away from public cloud? Choose no more than two. (n=61)
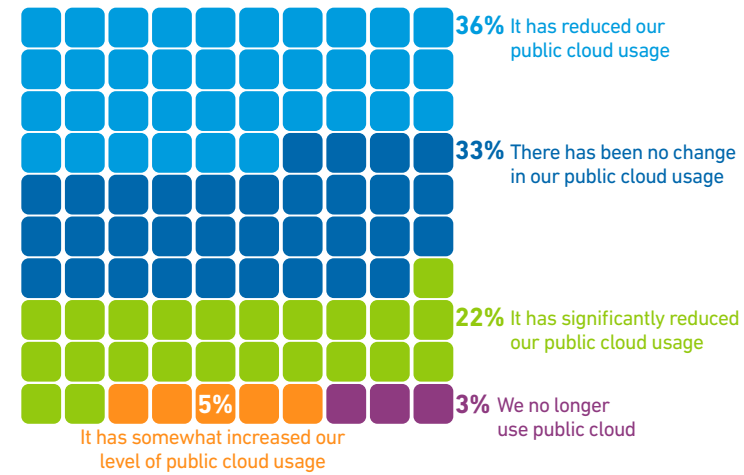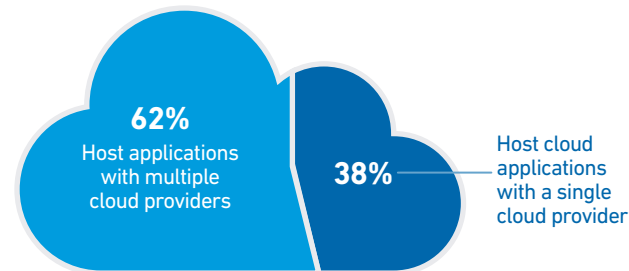
64% Cloud spending was greater than expected

33% Performance was not as expected

28% A change in legislation/compliance made public cloud inappropriate for our applications

20% Developing/integrating cloud applications was more challenging than expected

16% We did not experience a data security breach, but we now believe public cloud is insecure

11% We experienced a data security breach

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Majority of companies use multiple cloud providers

What is your organization's approach to hosting applications with cloud providers? (n=173)
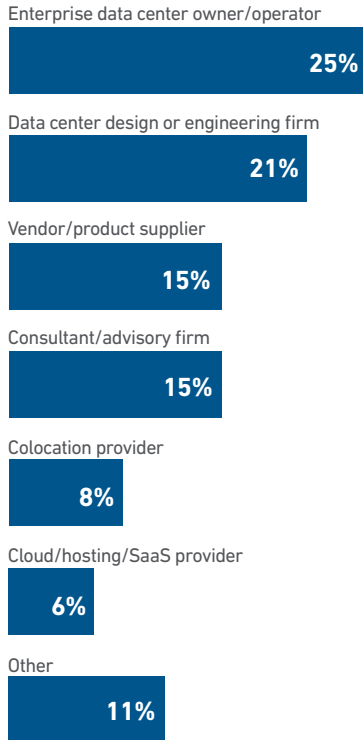

62% Host applications with multiple cloud providers

38% Host cloud applications with a single cloud provider

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Demographics: Uptime Institute Capacity Trends and Cloud Survey 2024

Verticals (n=770)

Enterprise data center owner/operator
25%

Data center design or engineering firm
21%

Vendor/product supplier
15%

Consultant/advisory firm
15%

Colocation provider
8%

Cloud/hosting/SaaS provider
6%

Other
11%

Company location (n=770)

21% US & Canada

25% Europe

2% China

10% Middle East

8% Africa

14% Latin America

22% Asia and Pacific (excluding China)
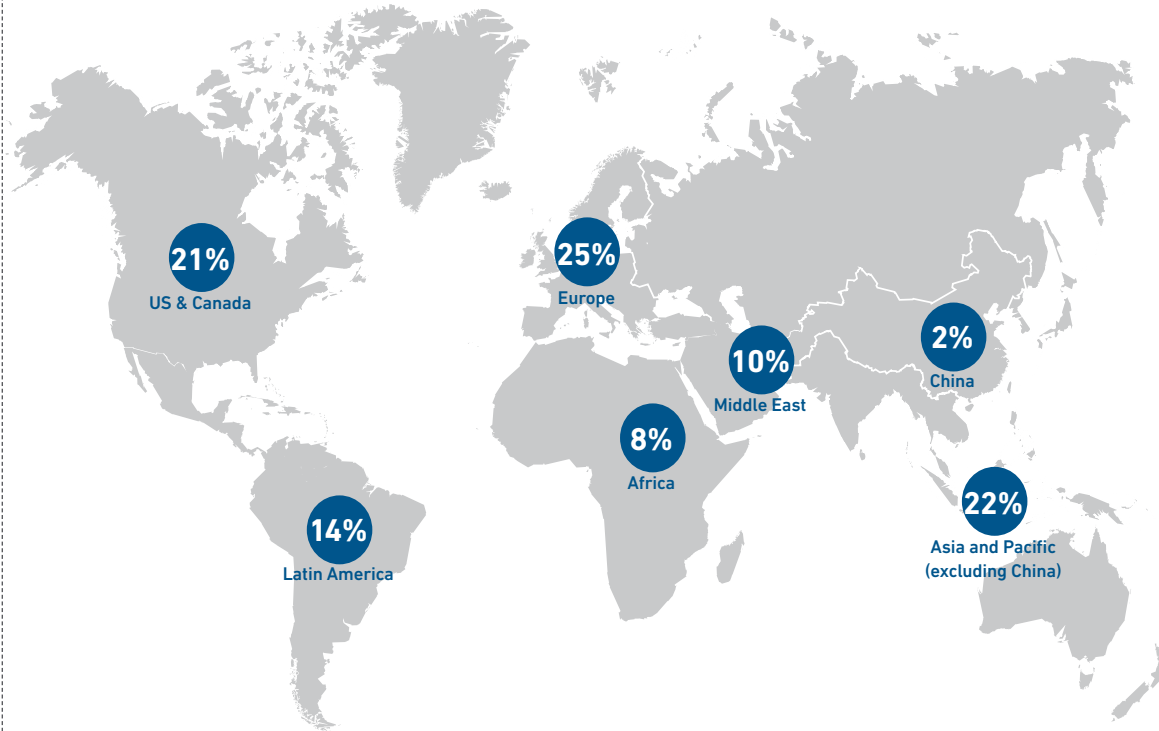
Digital infrastructure environment (n=770)

29%
Own and/or operate one or more data centers

16%
Own or operate data centers, but use colocation

23%
Own and/or operate one or more data centers and use colocation

32%
Other
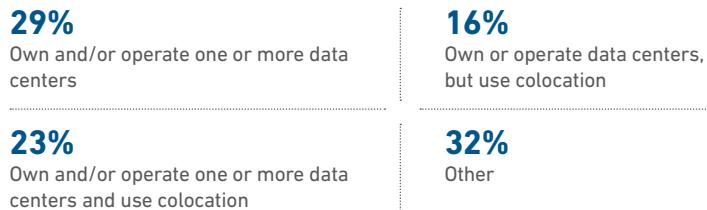
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About Uptime Institute

Uptime Institute is the Global Digital Infrastructure Authority. Its Tier Standard is the IT industry's most trusted and adopted global standard for the proper design, construction, and operation of data centers – the backbone of the digital economy. For over 25 years, the company has served as the standard for data center reliability, sustainability, and efficiency, providing customers assurance that their digital infrastructure can perform at a level that is consistent with their business needs across a wide array of operating conditions.

With its data center Tier Standard & Certifications, Management & Operations reviews, broad range of related risk and performance assessments, and accredited educational curriculum completed by over 10,000 data center professionals, Uptime Institute has helped thousands of companies, in over 100 countries to optimize critical IT assets while managing costs, resources, and efficiency.

Uptime Institute is headquartered in New York, NY, with offices in Seattle, London, Sao Paulo, Dubai, Singapore, and Taipei. For more information, please visit **www.uptimeinstitute.com**

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