PUBLIC CLOUD: UNEXPECTED COSTS & ISSUES AFFECTING CUSTOMERS AND EMPLOYEES

A Global Survey of IT Professionals and Executives

October 2024

GOALS AND METHODOLOGY

Research Goal

The primary research goal was to understand public cloud utilization, top challenges and operational approaches. The research also investigated pervasiveness of unexpected costs, spitting cloud operations and networking roles, the value of unified tools, and need for public cloud operational and networking skillsets.

Methodology

IT professionals at enterprise companies representing all seniority levels were invited to participate in a survey on their company's public cloud operational practices.

The survey was administered electronically, and participants were offered a token compensation for their participation.

Participants

A total of **314 qualified participants** completed the survey. All participants had enterprise IT responsibilities. Participants were from 5 continents providing a global perspective.

EXECUTIVE SUMMARY

The research finds that…

95% of companies utilize public cloud resources which is typical of modern IT environments, however, 87% continue to utilize on-prem data centers. When network connectivity between public cloud resources and on-prem data centers have issues, employees and customers are negatively affected. IT professionals were asked to share the top challenges with public cloud environments, while the typical security and compliance took the top two spots, unexpected costs, performance, visibility and troubleshooting were the next, and this research specifically focused on those four.

69% of companies state they don't have end-to-end visibility across hybrid cloud environments. Yet, 89% rely on multiple networking tools, which 85% admitted having numerous tools actually causes delays in issue resolution. This led to 76% reporting strong value for a single integrated networking tool, clearly indicating tools in use today are NOT integrated or unified. A staggering 96% correlate public cloud-based application performance directly to the network. This lack of visibility contributes to the 79% of companies have suffered unexpected cloud costs, driven by moving data in and out of the public cloud environments.

While tools play a large part in ensuring performance, providing visibility and troubleshooting issues, the other factors are people and processes. Nearly half (49%) of all companies has divided teams; one team having cloud ops responsibility while another owning networking. 83% of those companies with divided teams stated it frequently results in slower issue resolution. Additionally, 7 out 10 companies shared that two teams created cloud strategy problems. Resolving the people and process issues is key as 92% shared that individuals with cloud operations experiences have more job opportunities and 85% state cloud networking experience is a critical skillset for new employees. Companies need to align people, process and skillset with unified team approach, and uniting cloud and network operations with an integrated tool providing the visibility needed. Otherwise, this lack of cohesiveness will continue to bleed money from unexpected costs and performance issues that affect employees and customers that take too long to resolve.

KEY FINDINGS

Public Cloud Performance Issues Affect Customers and Employees Negatively Impacting the Business

- 95% of companies use public cloud resources today and of those 87% continue to utilize on-prem datacenters
- Poor network performance directly affects employees and customers
- Security, compliance, unexpected costs, performance, visibility and troubleshooting lead public cloud challenges

Public Cloud Lacks Visibility and Routinely Generating Unexpected Costs from Data Migration

- 69% lack end-to-end visibility across cloud environments
- 96% confirm public cloud-based application performance and availability is network dependent
- 79% experience unexpected public cloud costs
- Moving data generates unexpected cloud costs

Divided teams and non-integrated networking tools drive visibility issues while causing delays in issue resolution

- 89% of companies use multiple network management tools
- 85% reveal that multiple network tools create delays in issue resolution
- 76% report strong value for a single comprehensive network solution
- 83% indicate different operations and network teams regularly cause issue resolution delays

DETAILED FINDINGS

dimensional research

SECURITY, COMPLIANCE, UNEXPECTED COSTS, PERFORMANCE, VISIBILITY AND TROUBLESHOOTING LEAD PUBLIC CLOUD CHALLENGES

At your company, what are the top challenges when working with public cloud environments (IaaS, PaaS, SaaS)?
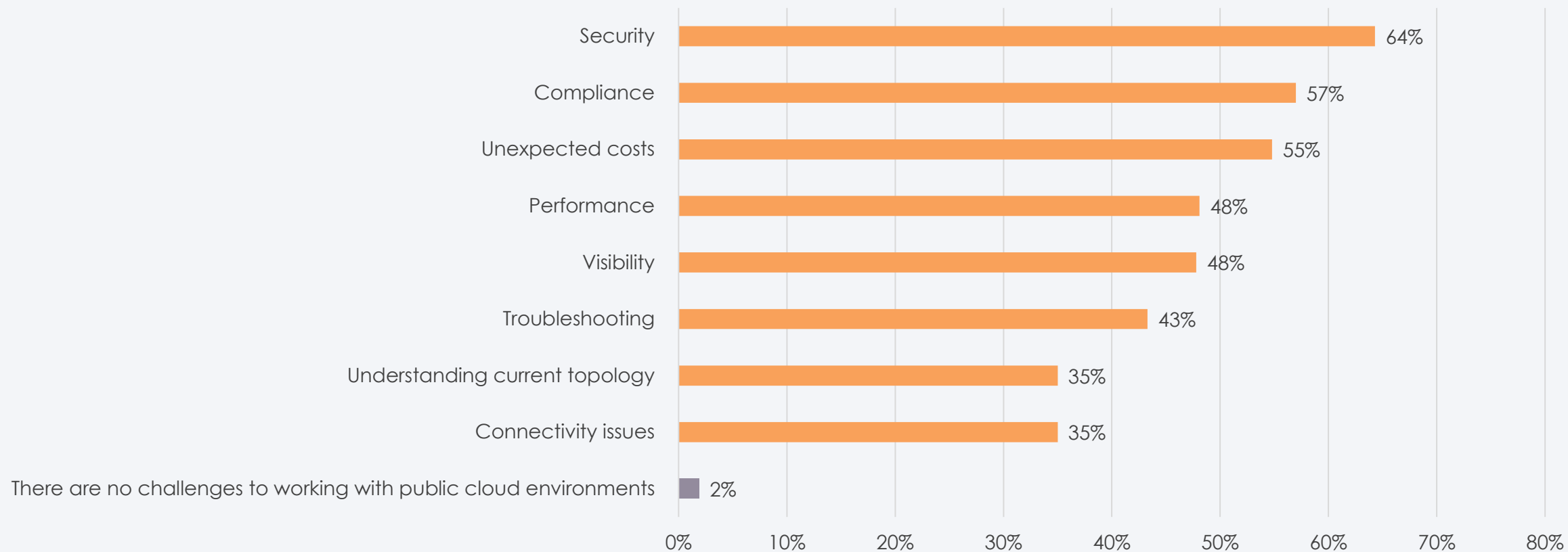
95% OF COMPANIES USE PUBLIC CLOUD RESOURCES TODAY AND OF THOSE 87% CONTINUE TO UTILIZE ON-PREM DATACENTERS

Which of the following is your company using today?
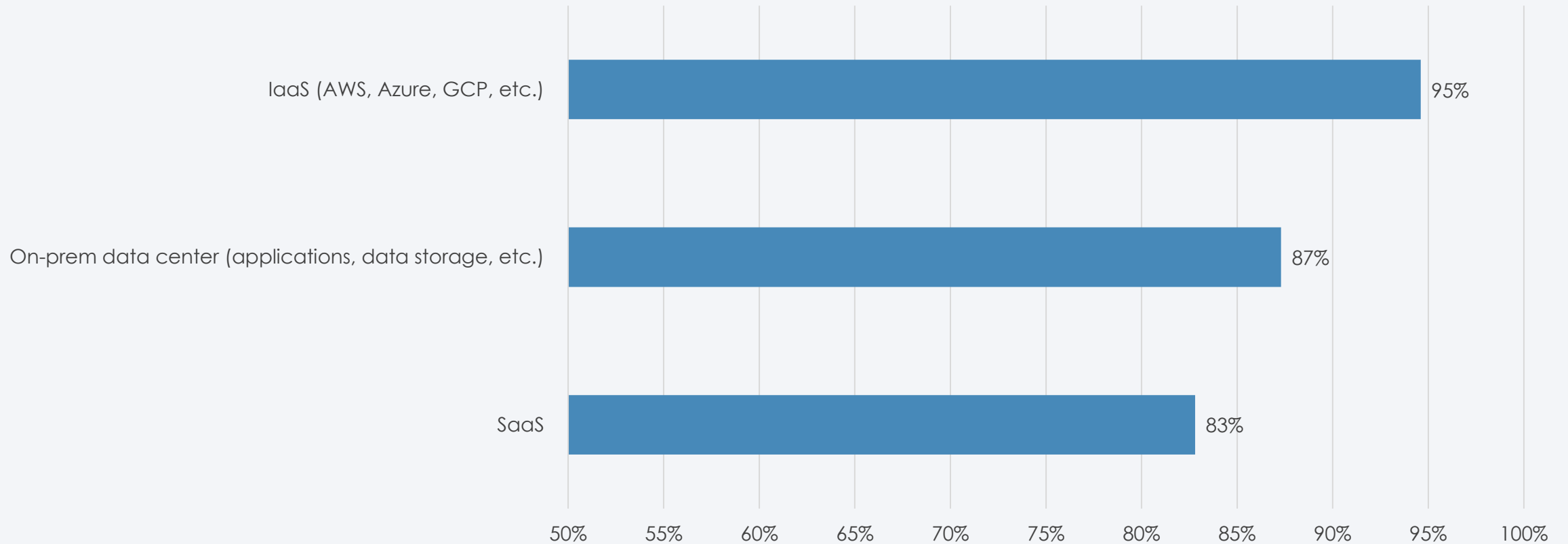
# 96% CONFIRM PUBLIC CLOUD-BASED APPLICATION PERFORMANCE AND AVAILABILITY IS NETWORK DEPENDENT

In your opinion, is network performance critical for the availability and performance of public cloud-based applications?


No
4%

Yes
96%
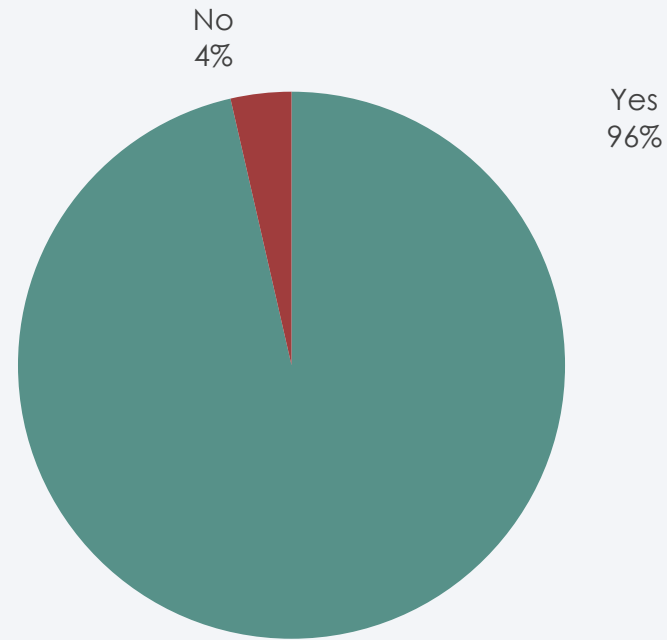
69% LACK END-TO-END VISIBILITY ACROSS CLOUD ENVIRONMENTS

Does your company lack end-to-end visibility across hybrid cloud environments?

We don't have a hybrid cloud environment
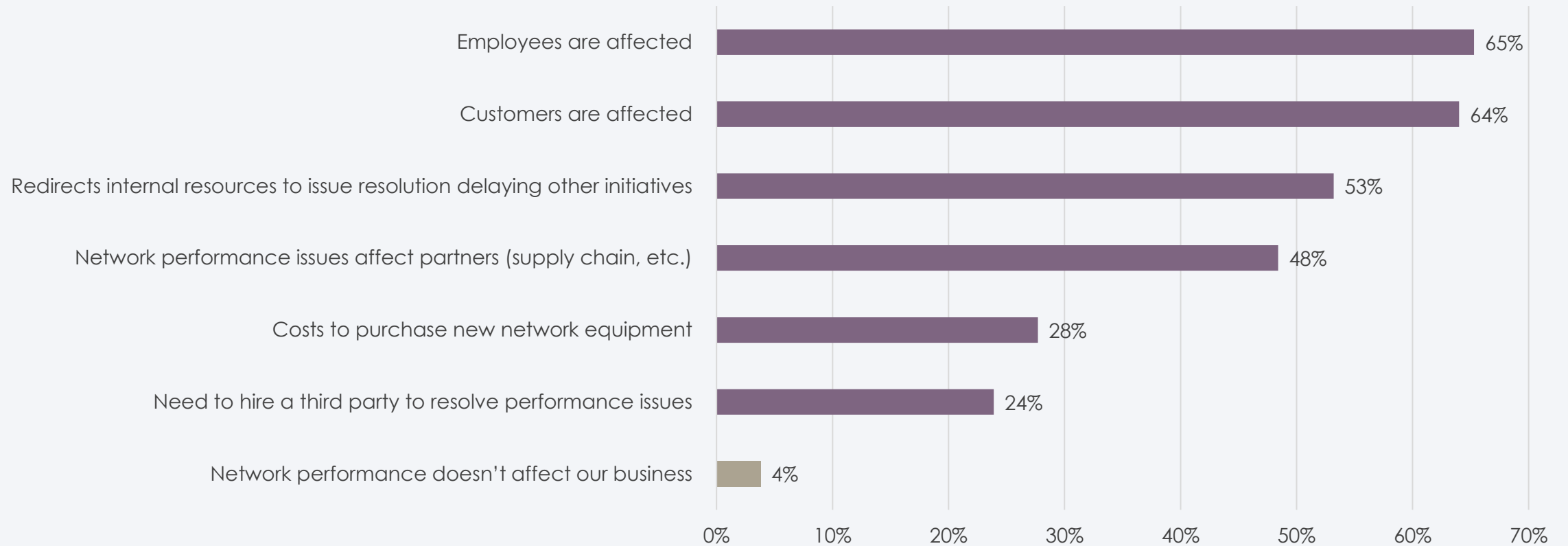3%

No
28%

Yes
69%
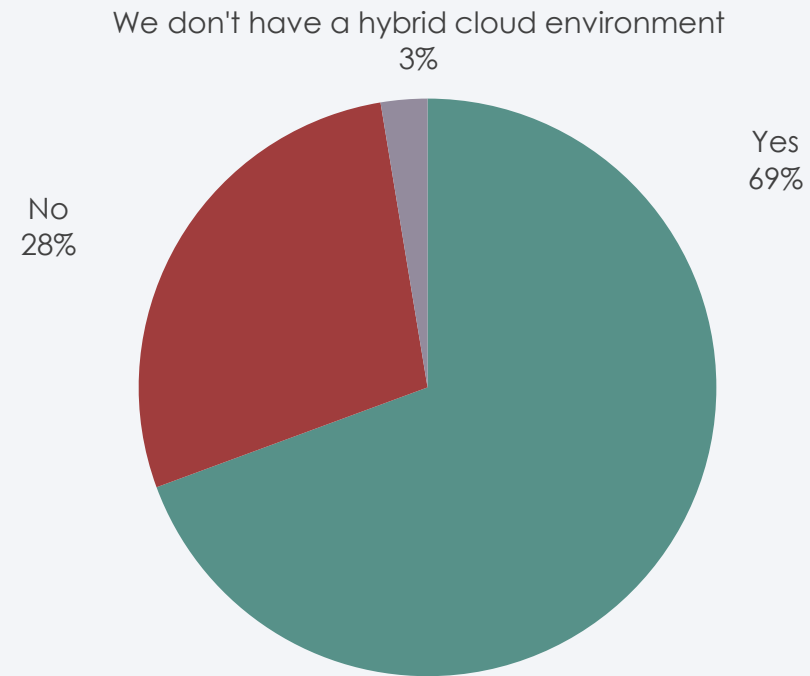
ONLY 54% INDICATE THEY HAVE REAL-TIME NETWORK TOPOLOGY FOR HYBRID CLOUD ENVIRONMENTS

Does your company have a comprehensive, real-time view of hybrid cloud environment network topology?

No
46%

Yes
54%
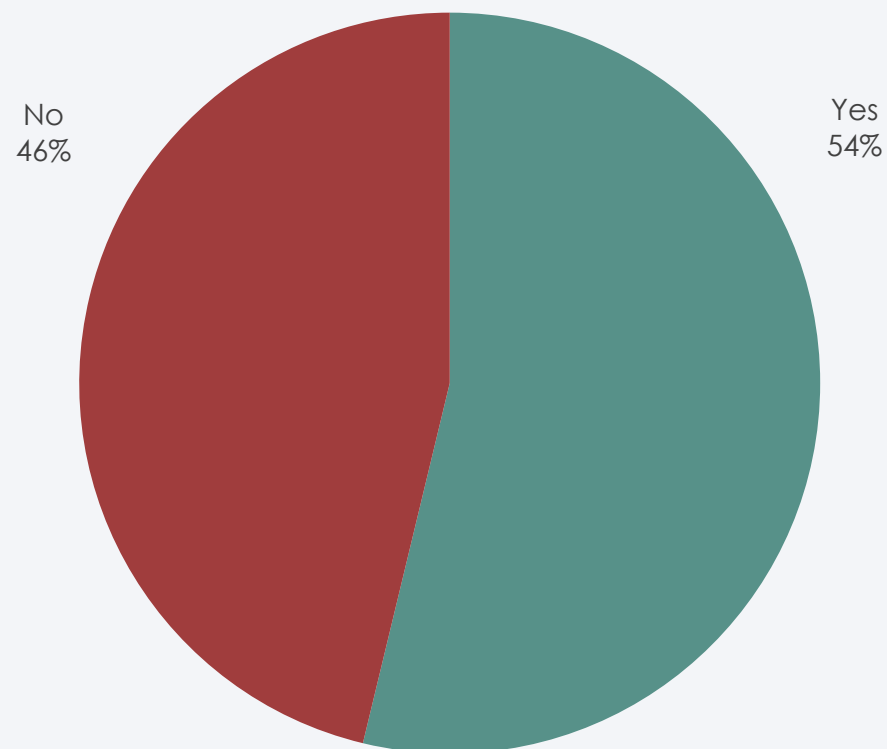
POOR NETWORK PERFORMANCE DIRECTLY AFFECTS EMPLOYEES AND CUSTOMERS

At your company, how does poor cloud network performance affect the business?

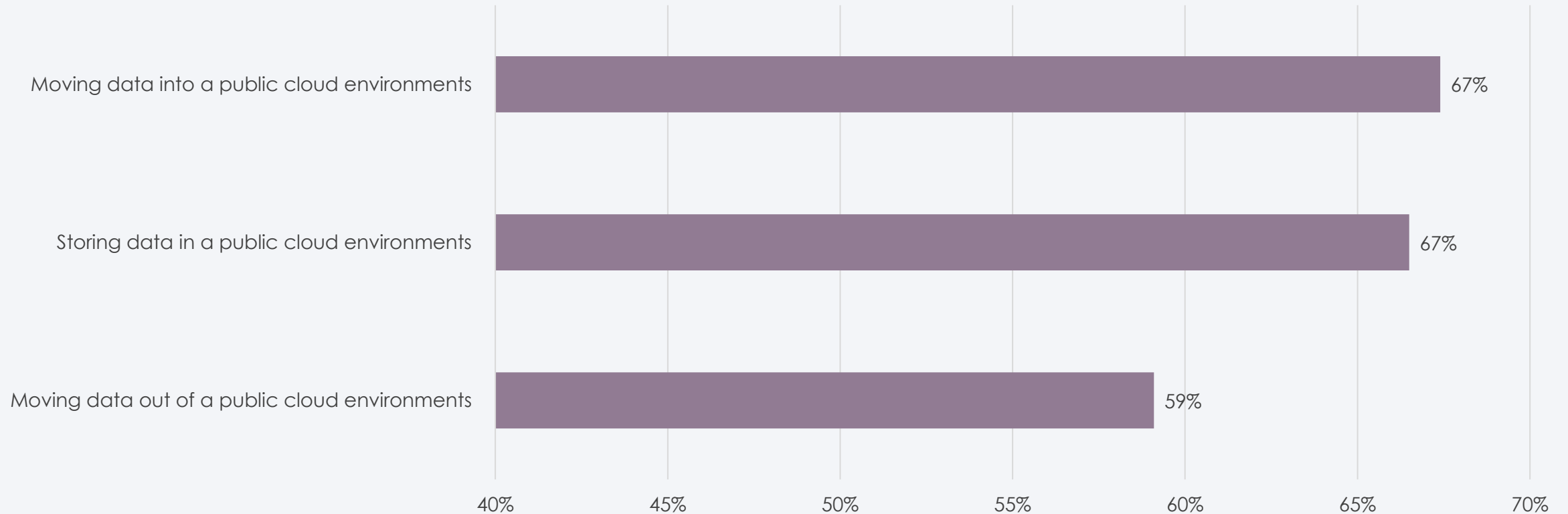| Category	Percentage
Employees are affected	65%
Customers are affected	64%
Redirects internal resources to issue resolution delaying other initiatives	53%
Network performance issues affect partners (supply chain, etc.)	48%
Costs to purchase new network equipment	28%
Need to hire a third party to resolve performance issues	24%
Network performance doesn't affect our business	4%

11

79% EXPERIENCE UNEXPECTED PUBLIC CLOUD COSTS

Has your company experienced unexpected costs from moving data to or from public cloud environments (IaaS, PaaS, SaaS)?


No
21%

Yes
79%
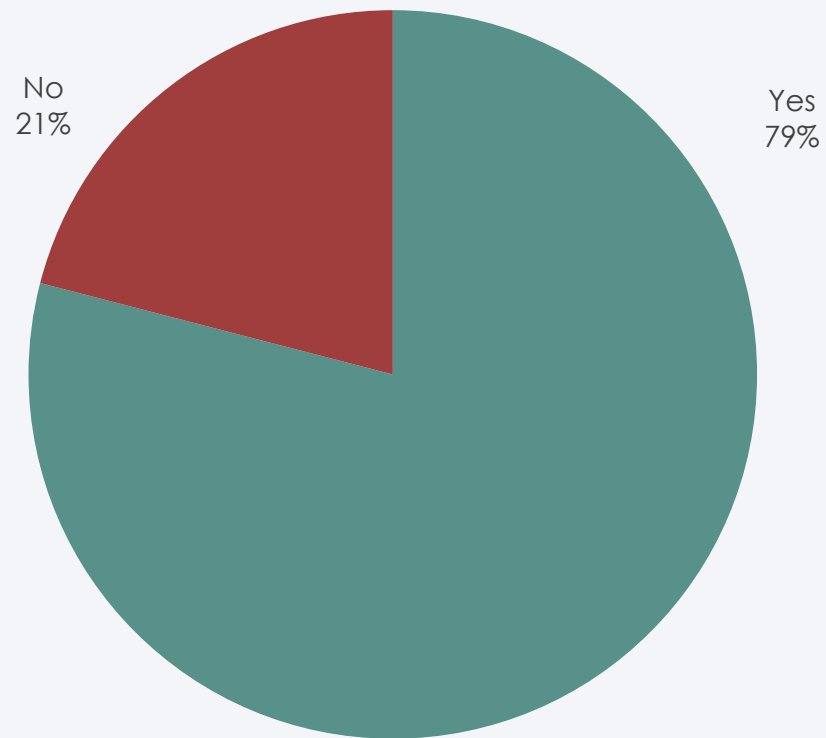
MOVING DATA GENERATES UNEXPECTED CLOUD COSTS

What has caused unexpected data costs in public cloud environments (IaaS, PaaS, SaaS)?

Category	Percentage
Moving data into a public cloud environments	67%
Storing data in a public cloud environments	67%
Moving data out of a public cloud environments	59%

49% HAVE CLOUD OPERATIONS AND NETWORK ROLES ON DIFFERENT TEAMS

At your company is the on-premises networking operation roles in the same team as cloud operations roles?

No, our network roles and cloud operations roles are in different teams
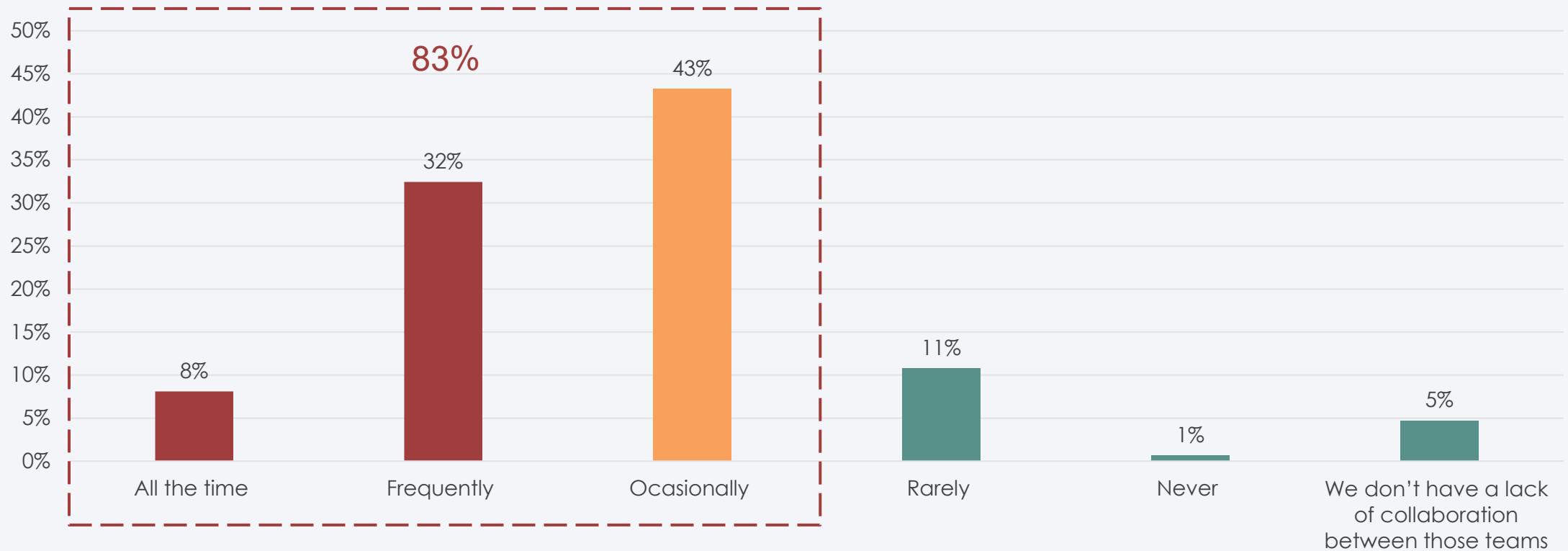49%
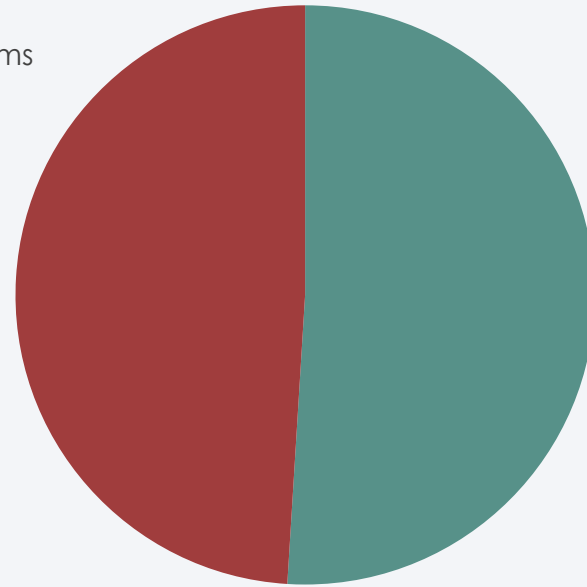
Yes, we have a single team that has both network and cloud operations roles
51%

83% INDICATE DIFFERENT OPERATIONS AND NETWORK TEAMS REGULARLY CAUSE ISSUE RESOLUTION DELAYS

How often does a lack of collaboration between the on-prem network operations and cloud operation teams cause delays in issue resolution?

# 71% STATE HAVING SEPARATE CLOUD OPERATIONS AND NETWORK TEAMS MAKES ALIGNING CLOUD STRATEGIES DIFFICULT

In your experience, does having separate network and cloud operations teams make it difficult to align cloud strategies?


No
29%

Yes
71%
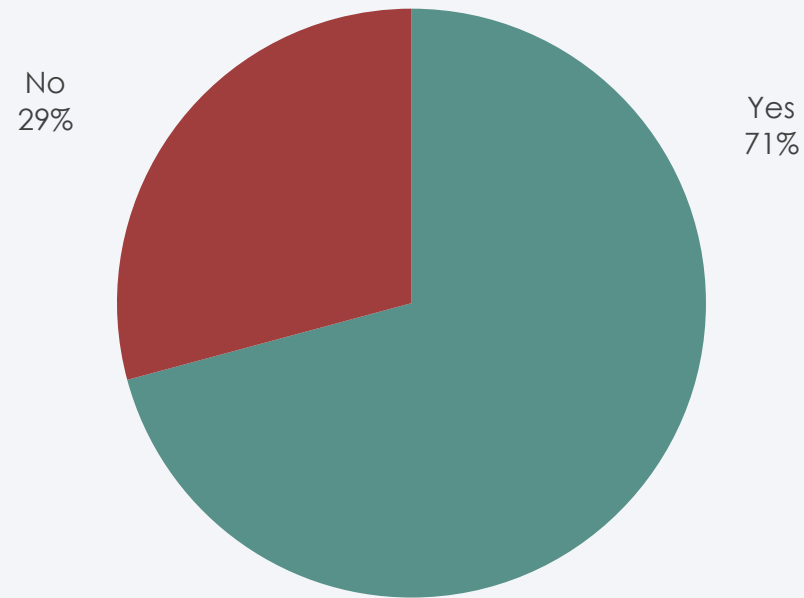
89% OF COMPANIES USE MULTIPLE NETWORK MANAGEMENT TOOLS

At your company, are multiple network management tools used to manage on-premises, WAN, and public cloud networks?

No, we use a single network management tool for all networks
11%

Yes, we use multiple network management tools for various networks
89%
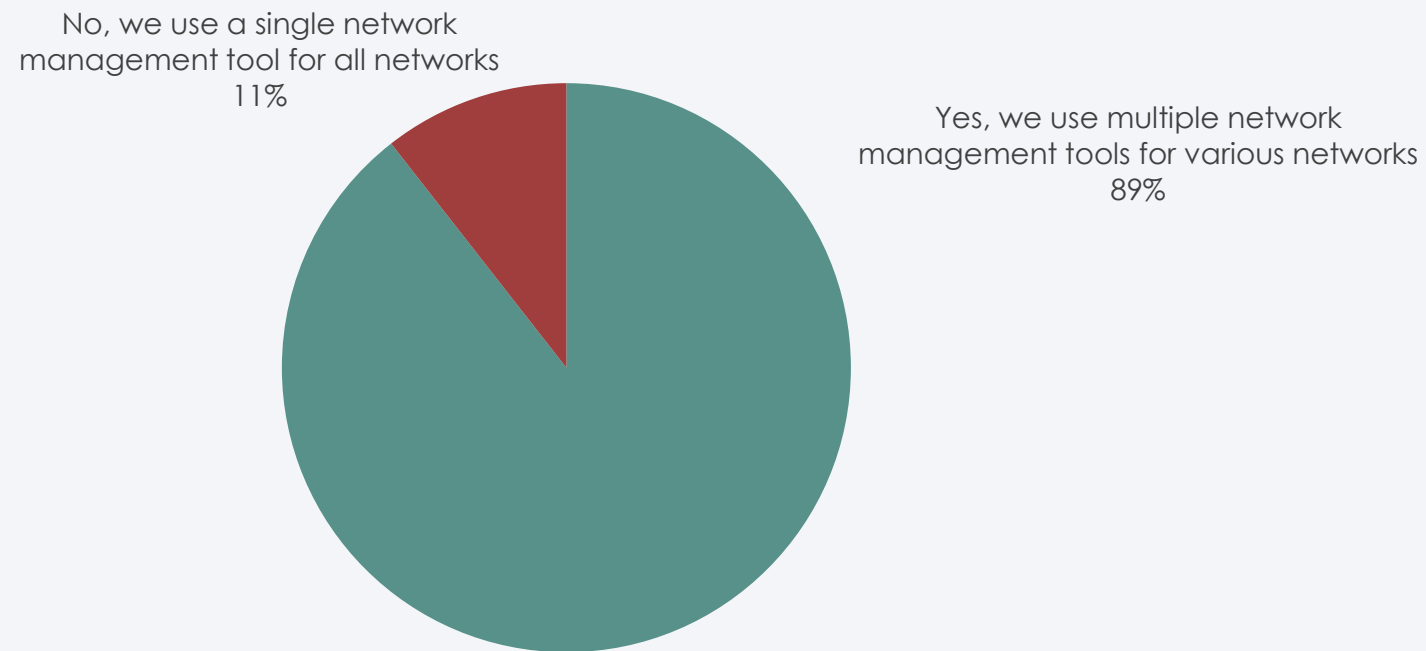
85% REVEAL THAT MULTIPLE NETWORK TOOLS CREATE DELAYS IN ISSUE RESOLUTION

In your experience, does using multiple discrete network management tools create delays in issue resolution?


No
15%

Yes
85%
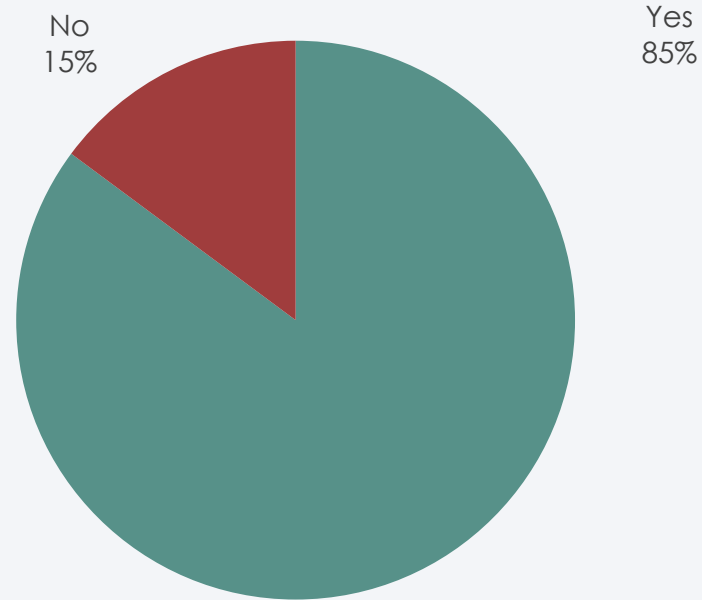
76% REPORT STRONG VALUE FOR A SINGLE COMPREHENSIVE NETWORK SOLUTION

How valuable would it be to your company if a single solution could manage on-prem, WAN, and public cloud networks?

76%

| | 28% | 48% | 22% | 2% |

- Extremely valuable
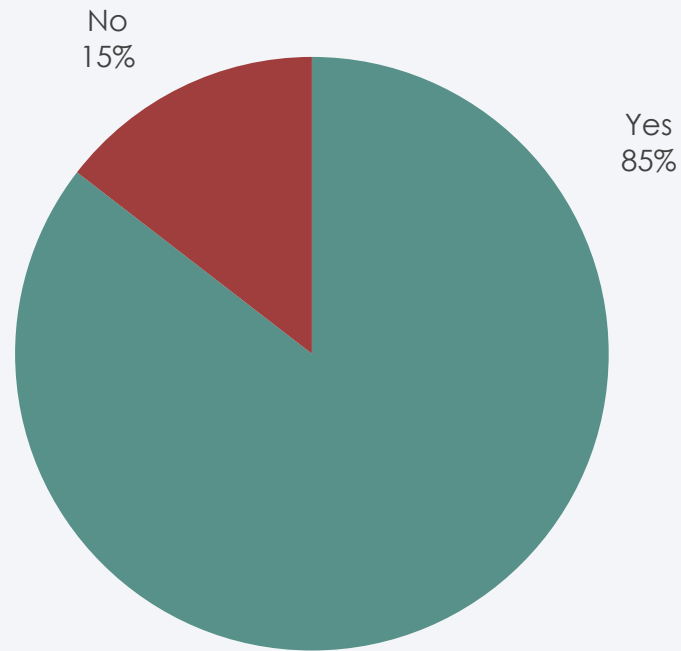- Very valuable
- Somewhat valuable
- Minor value
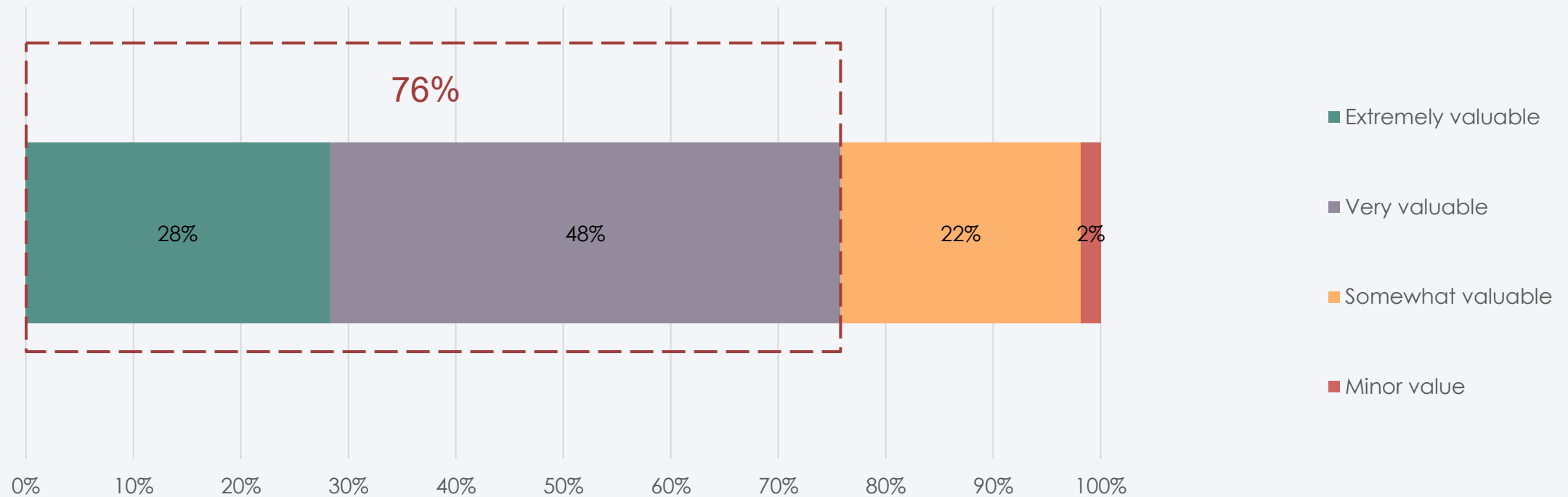
92% INDICATE CLOUD OPERATIONS EXPERIENCES GROWS CAREER OPPORTUNITIES

In your opinion, does experience with cloud operations increase career opportunities?
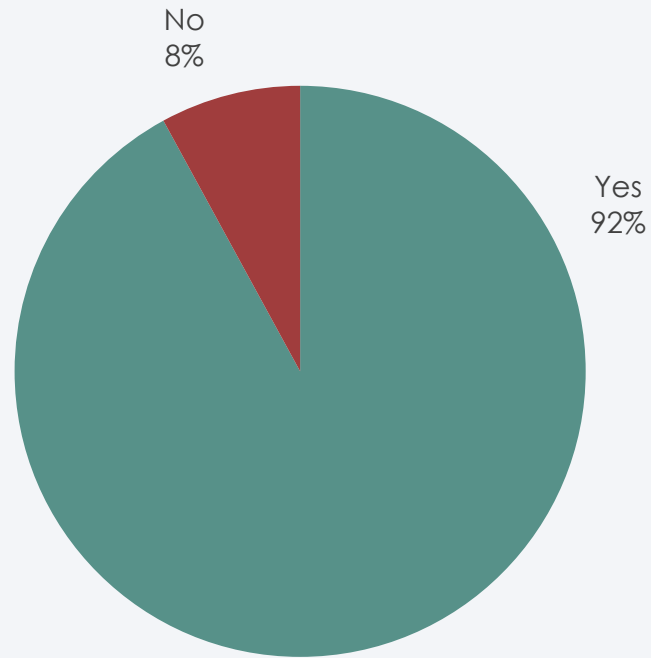
85% SHARE THAT PUBLIC CLOUD NETWORKING EXPERIENCE IS CRITICAL FOR NEW EMPLOYEES

In your opinion, over the next two years will public cloud networking expertise be a critical differentiator in hiring new team members?
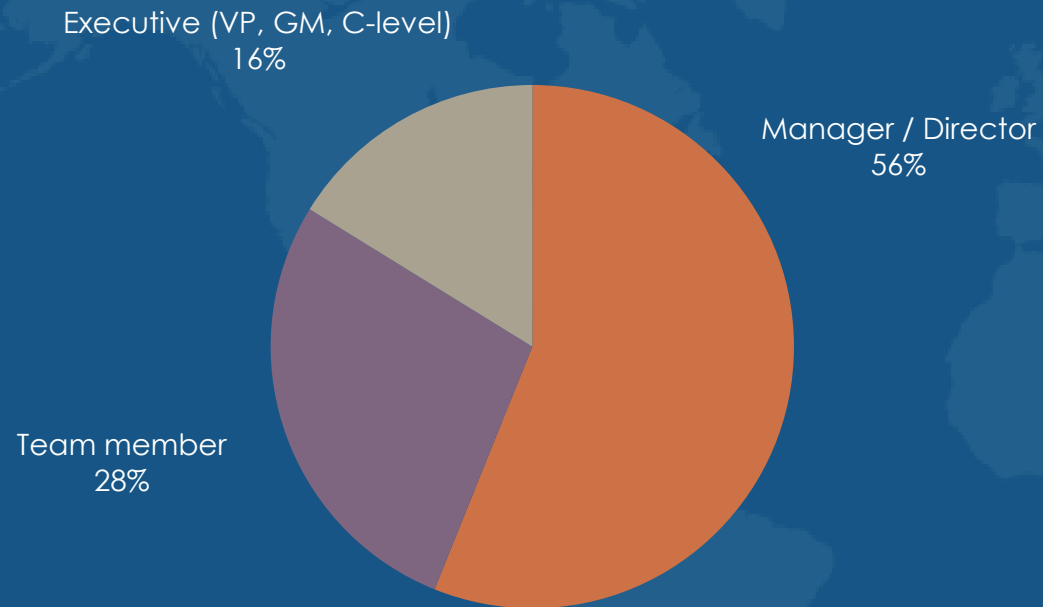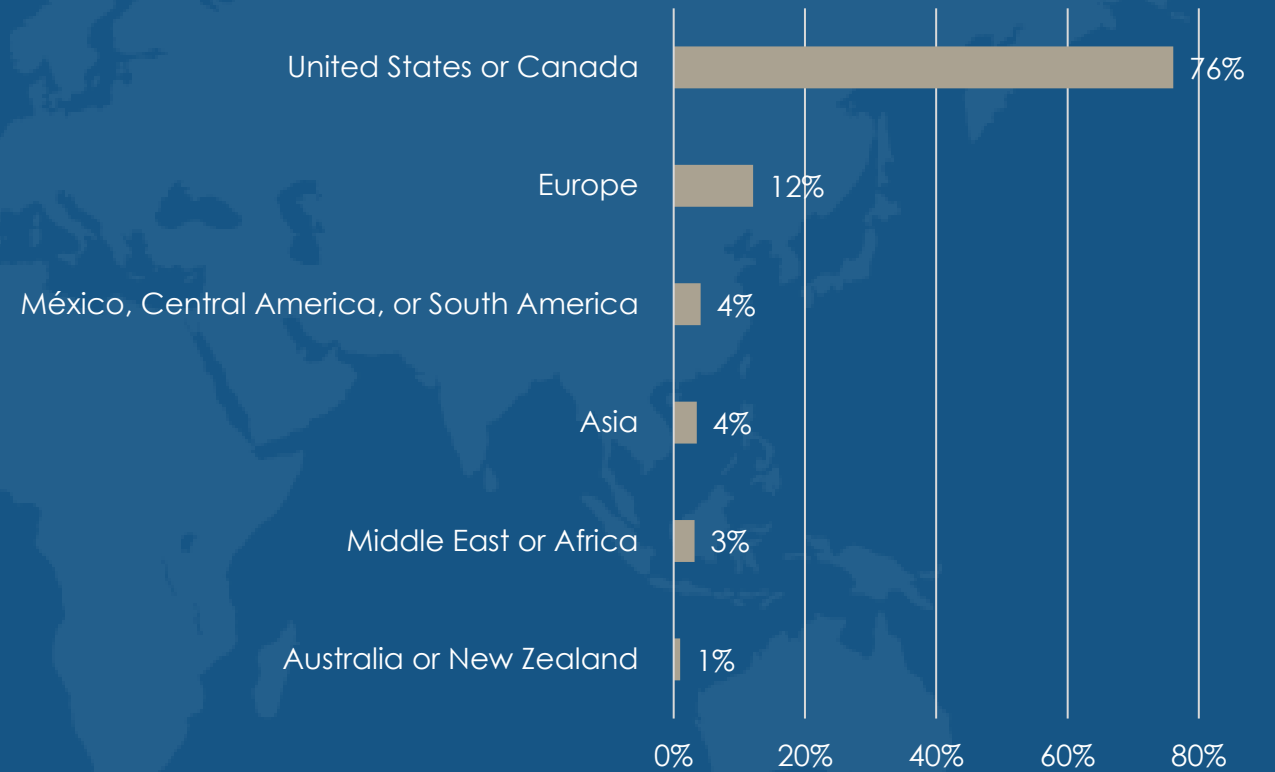

No
15%

Yes
85%

METHODOLOGY
AND
PARTICIPANTS

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INDIVIDUALS REPRESENTED

Seniority

Executive (VP, GM, C-level)
16%

Manager / Director
56%

Team member
28%

Location

Location	Percentage
United States or Canada	76%
Europe	12%
México, Central America, or South America	4%
Asia	4%
Middle East or Africa	3%
Australia or New Zealand	1%

0% 20% 40% 60% 80%

Responsibilities

Responsibility	Percentage
IT Operations	69%
Cloud operations (public, private, hybrid)	66%
Infrastructure (server, switches, routers, etc.)	62%
Cloud architecture	59%
Security	55%
Networking	51%
DevOps	49%

COMPANIES REPRESENTED

Size

- More than 10,000: 53%
- 1,000 – 5,000: 24%
- 5,000 – 10,000: 23%

Industry

Industry	Percentage
Technology (software)	25%
Financial Services	17%
Technology (hardware)	10%
Healthcare	9%
Education	9%
Manufacturing	8%
Other	7%
Retail	7%
Government	5%
Transportation and Logistics	3%
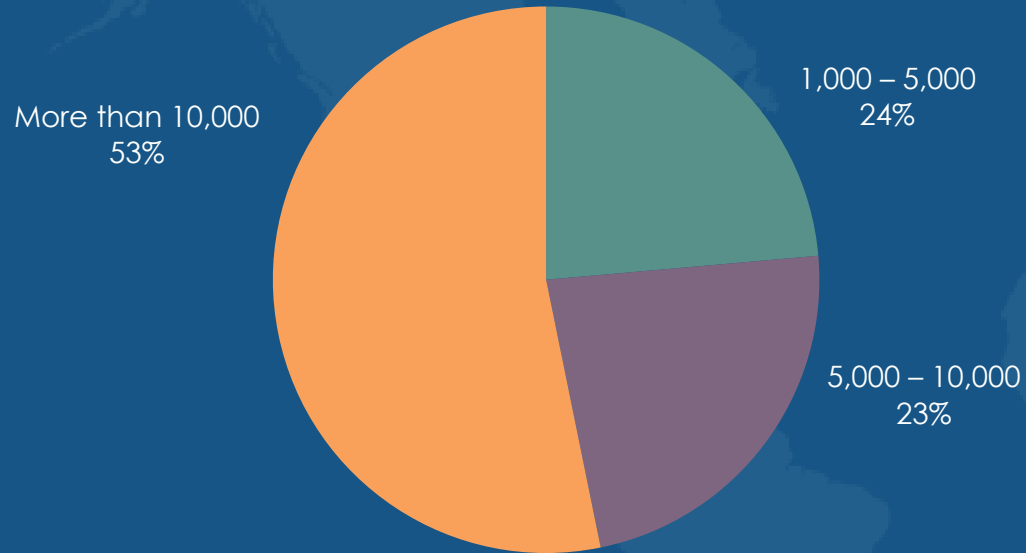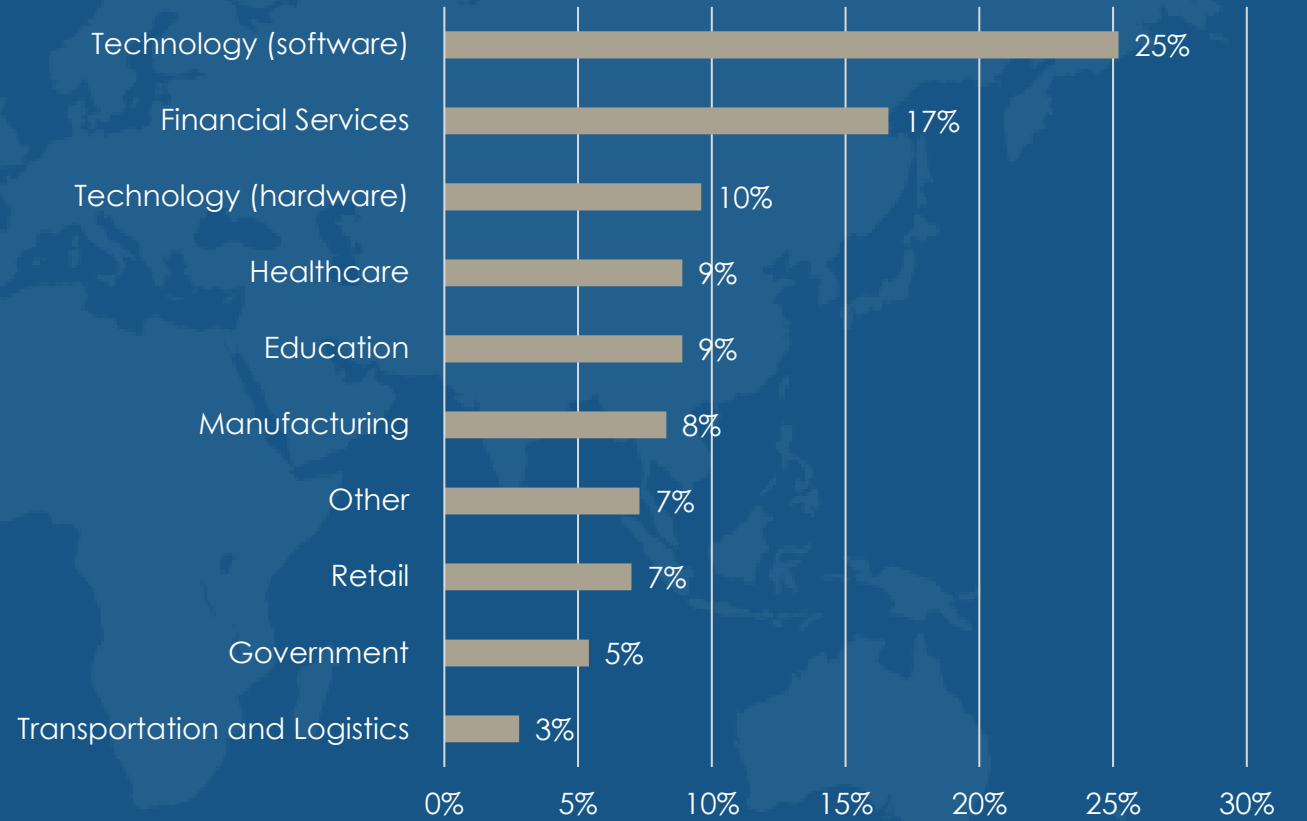
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