State of Cloud Adoption in APAC

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Existing research on adoption focus on:

- **Readiness**
  - Privacy
  - Government regulatory
  - International connectivity

- **Take-up rate**
Adoption = Availability of In – country Cloud Infrastructure + Affordability of Cloud Services
Availability

• **In-country cloud infrastructure support**
  • High regulated industries
  • Data sovereignty
  • Data residency
  • Connection quality
  • Over 75% respondents from different industries indicated in-country cloud infrastructure is important

• **Cross-border cloud computing**
  • Complication and confusion from regulations surrounding cloud usage
Affordability

• Will you purchase cloud service if it costs more than traditional IT?
• Cloud service cost should be aligned with each country’s cost-of-living
• Basic utilities cost
  • Singapore: ~$150
  • India: ~$45
Availability

• **Reputable cloud service providers**
  - Amazon Web Services
  - Microsoft Azure
  - Google Cloud
  - IBM Cloud Services

• **In-country cloud infrastructure**
  - Cloud infrastructure is located within the country
  - Major cloud services are delivered by these in-country infrastructures
Availability #1

- **Japan**
  - Amazon Web Services
  - Microsoft Azure
  - Google Cloud
  - IBM Cloud Services

- **Tokyo and Osaka**
  - Serving limited regions
Availability #2

- Australia
- China
- Singapore
- South Korea
- India
- Amazon Web Services
- Microsoft Azure
- IBM Cloud Services
Affordability

• **Cloud services price dropped significantly in the past year**
  • Still **unaffordable** for some APAC countries because price of cloud services is high considering these countries’ cost of living.

• **Normalise cloud service cost with economic environment factors**
  • Internet
  • Basic Utilities
  • Rental

*Cloud service cost*

*Internet cost + Basic utilities cost + Rental cost*
Affordability #1

- **Hong Kong**
  - Highest rental cost
  - Highest utilities cost
  - Cloud service is relatively cheap compared to implementing on premise infrastructure
Affordability #2

- **Singapore**
  - Rental cost is more than double the average cost in APAC
  - Cloud services cost may be driven down because Singapore serves as a cloud hub for ASEAN countries
Adoption Ranking

Japan #1  Singapore #2  South Korea #3  China #4  Australia #5  Hong Kong #6

India #7  Taiwan #8  Thailand #9  New Zealand #10  Malaysia #11
Appendix

* understand that Reputation is the 3rd most important thing that affect cloud customers on choosing CSPs.

Asked the respondents to name 5 CSPs –

1. Amazon Web Services (58%)
2. Microsoft Azure (53%)
3. Google Cloud (30%)
4. IBM Cloud Services (25%)

are named because of their reputation. So we use these 4 CSPs to evaluate cloud availability in our report.

We asked the respondents if in-country cloud infrastructure is important for them:

75% said yes.
Appendix

Something that are not considered in this report.

- **Why CSPs are not entering the country?**

- Some countries does have regulations to address cross-border issues. But really confusing. e.g. for healthcare, NZ can use AWS in AUS but not for some other govt agencies.

- Human resources is not factored in in the affordability due to complications on cost allocation.
Thank You

CSA Cloud Adoption Asia Pacific Report – still work-in-progress currently.

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