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## Article

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# We're spending $300 BILLION on cloud in 2021, is that money well spent?

Originally published in the London Business Matters magazine (LCCI). Read our recent column on getting the most out of Cloud...

A prediction from those well-known magic quadrant folks has put global cloud spending for 2021 at an enormous $300 billion. With some of lockdowns favourite remote working tools leveraging cloud to scale to meet incredible demands, the cloud has truly cemented its place as an enabler for growth, but can it shift its image problem of being too expensive?

One of the critical skills often missed in the cloud world, is cost optimisation. No longer do you manage IT costs on a yearly budget cycle, and at a fixed price, but from month to month, or even day to day, with fluctuations that make it very hard to predict. Inevitably costs only go in one direction, up!

## So how do you get the most out of the cloud without wasting cash?

**Pay Upfront:** Turning the pay-as-you-use mentality of cloud on its head, paying upfront for your cloud resources is one of the easiest and simplest ways you can significantly reduce costs. If you use your mobile phone day-in-day-out, you probably have a contract with inclusive minutes -pay-as-you-go would be a lot more expensive, and the same goes for cloud.

**Performance:** IT systems needs to be performant, but how people use IT systems changes all the time. In the cloud, you have the ability to scale performance up and down to meet the need of actual use. There's no need to pay for peak performance in the early hours of the morning if most of your use is throughout the day.

**Planning:** Its incredibly easy to create new services in the cloud but every action in the cloud has a cost, a lot of the time this cost is difficult to work out and typically a wait and see approach can take hold. Spending time to work on an estimate at the beginning, while challenging, could reveal costs that were otherwise not anticipated and eventually take you down a different technology path.

**Ownership:** In an environment where many people have the ability to create services in the cloud, it can be easy for costs to sprawl. Charging cloud spend to the cost centre of internal owners, prevents cloud costs being hidden within the IT budget.

We understand how complicated the cloud can be and that's why we're here to help you navigate your journey in the cloud, so you can focus on innovating what you do best.

Find out more on our cloud page.

Read the original article in London Business Matters Magazine.