THE ECONOMICS OF CLOUD COMPUTING

yellowspring

Business IT Solutions

WHAT IS **CLOUD COMPUTING?**

Cloud is not a place, it is a way of doing things and can be defined by its five key characteristics:

Available: on-demand, self-service provision of computing resources

Accessible: deliver access to critical data, applications and computing resources anywhere, anytime, on any connected device

Shared: services are delivered to multiple clients from a pooled resource (data centre)
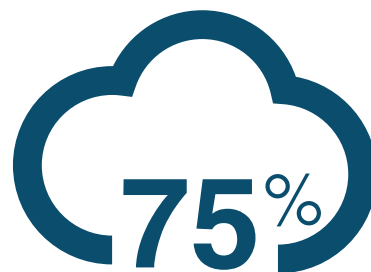
Scalable: add and remove resources from your virtual infrastructure instantly, allowing you to maintain a right-sized IT estate at all times

Measured: resources and usage are monitored, measured and billed on a utility basis so you only ever pay for what you use
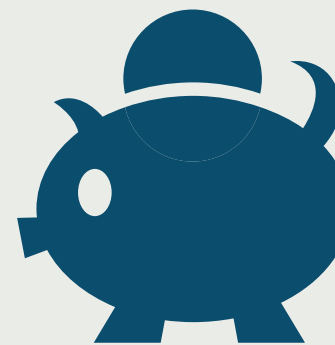

Cloud computing is rapidly becoming the IT deployment method of choice amongst businesses of all sizes, across both the private and public sectors.

A 2015 Cloud Trend Survey shows that **75% of businesses are already using Cloud Computing**, with Hosted web services, email, CRM and back-up / recovery being the most common applications.

COST ADVANTAGES OF CLOUD COMPUTING

Cloud adoption is increasingly being driven by IT as a strategy, rather than business operational demands. The inherent flexibility, availability and security of Cloud services make them attractive to many businesses, but cost savings remain the primary motivator for a majority of organisations.

Set against a backdrop of mobility, collaboration and user-centric technology; IT departments are under even greater pressure to deliver more for less. IT budgets have remained static for the past 5 years, which places an emphasis on driving down the total cost of ownership (TCO)

The TCO of SaaS* is half that of on-premise solutions

-50%

The cost benefits of Cloud Computing can be realised across your organisation. Some, like the reduction in up-front investment in on-premise servers and storage, are obvious. Others, like the savings on call costs from the use of IP communications and the reduction in employee expenses as a result of collaboration tools, offer a longer term benefit.

SMBs and rapidly growing business are, perhaps, best placed to realise immediate cost benefits from Cloud adoption as it eliminates the need for substantial capital investment up-front and allows them to scale at a pace that matches their needs.

In addition to the reduction in capital investment, Cloud Computing offer a wide range of direct and in-direct cost advantages:

- Software-as-a-Service includes free updates and patches, as a result, you are always up to date and IT doesn't need to spend valuable time on low-skilled maintenance
- A smaller on-premise IT estate requires less physical space and requires less expenditure on power and cooling
- Enabling remote and mobile workers to collaborate with each other and access critical data and applications from anywhere reduces the need for business travel
- Less IT means less IT management – a quarter of all businesses are able to reduce their headcount as a result of migrating services to the Cloud
- Built-in resilience and failover from your Cloud service provider means you don't have to maintain additional on-premise hardware for back-up and recovery

*SaaS is a model for provisioning software on a subscription basis from a host who is responsible for all licensing and support. It has become increasingly popular for office, CRM, finance and HR applications.

THE **BEST** OF BOTH WORLDS

Cloud Computing is not an all-or-nothing proposition. In fact, even the most ardent supporters of Cloud recognise there is still some value in retaining an element of control with on-premise IT components.
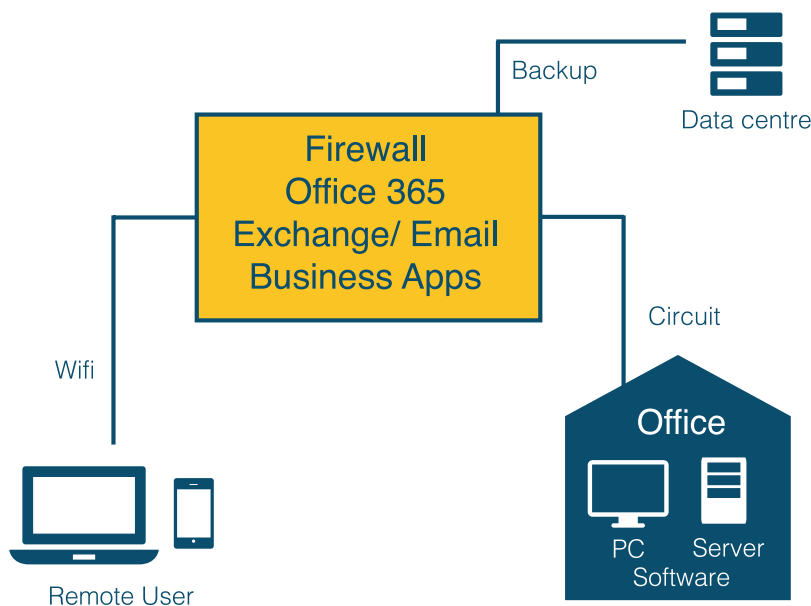
Half of all businesses still see on-premise as their main approach to IT, but a significant number (around 40%) have adopted a Hybrid approach. The hybrid approach provides organisations with the flexibility to run your applications and host your data where it suits you – in the Cloud, on-premise or a combination of both.

A great place to start is with solutions like YSCloud (the Cloud Computing platform from Yellowspring IT), Office 365 and local servers. Using one, all, or a combination of the three, you can quickly adapt to changing business demands with affordable solutions.

If you want to host your applications in the cloud, Office 365 provides anywhere access to the familiar Office experience, from desktop to device, and YSCloud offers a fully managed Cloud infrastructure to host your business apps.

YSCloud enables organisations to scale their applications, or deploy new ones, quickly and easily. It provides a simple migrations path, where businesses can move their applications to the Cloud at a time that suits them.

Hybrid Cloud Solution

Backup

Data centre

Firewall
Office 365
Exchange/ Email
Business Apps

Circuit

Wifi

Office

Remote User

PC
Software

Server

YOUR INVESTMENT
IN TECHNOLOGY

There is a big difference between spending money on IT and investing in IT. Spending is easy. As organisations get bigger their IT estate develops "sprawl" and features a mix of new and old technology, much of which is either inefficient or a barrier to growth and productivity.

Investing in IT requires that you think a little differently and implement solutions that grow seamlessly with your business, adapting to your future needs. Think long-term value, moving from a capital expenditure model to operational costs and how to extend the life of legacy equipment.

The next time you need new technology, think about how you can invest your money smarter. Can you lower upfront costs with the Cloud's pay-as-you-go model? Use the hybrid model to move to the cloud on your terms? Get more value out of your servers through virtualization?

6 OF THE BEST
REASONS WHY YOU SHOULD **MOVE TO THE CLOUD**

1
Virtualisation and consolidation mean **better use of your IT resources** and evens out the peaks and troughs traditionally associated with systems performance

2
Fewer servers mean **less money spent on power and cooling** – a major cost associated with on-premise data centres

3
Cloud service providers have **invested in state-of-the art servers, storage and security** so you don't have to; you simply pay for what you use, when you use it

4
Resilience comes as standard. Cloud services are delivered from a **secure network of data centres in geographically remote location**s to deliver business continuity

5
Reducing your on-premise IT reduces your need to maintain a large in-house support team and frees expensive IT resources to concentrate on strategic activities

6
Cloud computing is a more environmentally friendly way of doing things – **less energy consumption, less travel, less waste**

HOW DO YOU
EMBRACE THE CLOUD?

Your journey to the Cloud could start from almost anywhere. You could be looking to leverage the Cloud to consume additional applications and services or to complement your existing IT environment.

You could be looking to migrate some of your critical applications to the Cloud in a hybrid infrastructure or you could be looking to go virtual with a pure Cloud model.

At Yellowspring, we believe your journey begins with identifying your business needs, defining your current environment and establishing your objectives for the future. We then apply our collective experience, based on more years than we care to remember, to provide you with your options.

For anyone looking to embrace the Cloud we would recommend:

- Make experience a key requirement in selecting your partner
- Establish a partnership, not just a contract
- Don't think of Cloud in terms of outsourcing your current IT environment but in terms of what you need for the future
- Stop thinking of IT as what it is, start thinking of IT in terms of the service it delivers.
- Rome does not have to be built in a day; you can start now and migrate at a pace that suits you

ABOUT **YELLOWSPRING**

Yellowspring is a specialist in providing IT Support, Cloud Computing, Datacentre and Infrastructure-as-a-Service solutions to small and medium-sized businesses in London and the South East. What makes us unique is our attention to detail and focus on exceptional service delivery.

We like to view ourselves as a new breed of IT Service Provider. We are not an IT Outsourcer, a Datacentre or a Hosting Company; we are all of these things. Most of all, we are a service company.

We are judged on the service we provide to our clients and the impact that the services we deliver have on their business.

Our aim is to be a seamlessly integrated part of our client's organisation; fully understanding their business needs and using our knowledge and experience to deliver exceptional IT. We focus on what we are good at, leaving you to focus on what you are good at - your business.

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