



# Multi-cloud in the Indian SMB Sector



The multi-cloud concept has gained a lot of traction over the last few years, and is having a significant influence on the way IT is delivered and managed within organizations. Adoption is expected to grow further, with analysts such as IDC predicting that 90% of enterprises would have a multi-cloud environment by 2020. Gartner also states that there will be a significant shift from single cloud to multi-cloud strategies this year, with a greater emphasis on innovation and collaboration.

Multi-cloud adoption trend across organizations in India have been largely similar to global trends. Cost savings, operational agility and speed-to-market are core reasons for multi-cloud adoption. At the same time, CIOs need to address key concerns such as data security, integration and end-user adoption of new platforms and technologies. The SMB sector in India has traditionally lagged large enterprises when it comes to technology adoption. However, with the growing relevance and stability of cloud infrastructure, platforms and services, SMBs have been able to bridge the technology gap over the last decade. The multi-cloud further extends the SMB's ability to drive automation, increase productivity and allow businesses to innovate using latest technology.

A [recent study by Microsoft](#) revealed that cloud technology can help SMBs make significant leaps in market reach, productivity and cash flows. The study projected improvement in business performance within two years of cloud adoption. For many organizations that continue to function using unreliable manual processes, the cloud is being perceived as potential way to improve security and minimize business risks. Much of the cloud adoption story for SMBs is likely to center around the multi-cloud, purely because of the benefits that a multi-cloud approach offers to small, cost-sensitive enterprises.





Here are some of the key areas where SMBs benefit from a multi-cloud approach.

## HYPER-CUSTOMIZATION

Enterprise-class applications meant for large organizations often do not have the customizability to cater to an SMB's unique needs. A multi-cloud strategy allows SMBs to pick and choose functionality from a wide variety of SaaS and PaaS services, to align with unique business processes. For example, payroll automation is a classic example of customized functionality. SMBs often have differing departmental classifications and payroll structures, and may include a large number of customized consultant contracts. Managing a complex payroll process and diverse contracts requires specialized capabilities, including unique collaboration tools, project monitoring tools and accounting software. A multi-cloud environment allows SMBs to meet different departmental needs, and provide supplementary capabilities such as project management, collaboration and contract management.

## COST CONTROL

Follow a gradual process of adding functionality. Typical enterprise-class software such as ERP and CRM platforms, are generally large scale deployments that have multiple complex integration needs. SMBs typically do not prefer to make large one-time investments in such platforms. A cloud-based approach allows them to gradually build capabilities over years. Multi-cloud is a natural fit with cloud-based ERP implementations. SAP S/4 HANA Cloud is a great cloud-based ERP application that provides disaggregated capabilities. Modules can be gradually implemented and can be integrated with other cloud platforms over time.



## **BUSINESS AGILITY**

Chop and change technology (applications, platforms, storage, network resources), depending on changing business needs. Customer facing applications (such as e-commerce sites, and the underlying applications such as EDW, AI and reporting) often get locked into legacy, since changing specific parts involves significant cost and business risk. Organizations that have used a multi-cloud approach at the outset are better placed to upgrade, transform or replace applications and infrastructure outright, without significantly impacting processes, performance or integration points.

## **ALIGNING TO STAKEHOLDER NEEDS**

Provision different functionalities, interfaces, reporting tools, etc. for different user groups. The SMB sector generally does not have the same level of process adherence and industrial benchmarking that large organizations have. User groups often vary dramatically in terms of needs, skills and processes. Using a multi-cloud approach ensures that business stakeholders have the right tools to align with processes and needs.

## **TAKING A CLOUD-FIRST APPROACH TO TECHNOLOGY**

Especially for Greenfield technology implementations, taking a cloud-first approach allows organizations to build greater flexibility and scalability to meet future growth needs. A cloud-first approach also involves replacing many existing applications and manual processes with cloud services, rather than creating complex integration points between on-premise and cloud applications.

To build a robust and sustainable multi-cloud strategy, SMBs therefore need to have a clear understanding of their unique business needs and drive focused, real-world use cases. They also



need to work closely with experience managed-service providers who can build a uniform and standardize governance methodology for their multi-cloud environment. Leading managed service providers such as Netmagic bring strong, global experience around multi-cloud and hybrid cloud management. Some of the key issues that managed service providers can help with are:

- > Selecting the right combination of platforms and services to meet the enterprise's unique business needs
- > Building a robust cloud service, application, platform and vendor portfolio for the enterprise
- > Unifying security and governance protocols across a diverse pool of cloud resources, services and infrastructure, including connected devices, BYOD and third-party applications
- > Getting complete visibility into the organization's IT footprint using proven toolkits, reporting and monitoring technologies (such as Netmagic's Cloud Management Platform)
- > Leveraging best-in-class capabilities – across technologies, resources, R&D, proof-of-concepts, pilot development, governance, provisioning and optimization
- > Helping transform the role of IT teams to business service brokers for all departmental needs. Training is one of the most critical pieces of a successful multi-cloud strategy

From the perspective of cloud service providers, the multi-cloud opportunity in the Indian SMB sector is enormous. India has over 50 million SMBs, employing over 100 million people and accounts for over 30% of the country's GDP. Given its accelerated growth, the SMB sector is seeing large investments in technology, creating unique opportunities for cloud vendors. Business and IT decision makers, on both the vendor and customer side, need to work collaboratively and create viable technology options for the SMB market. And given the unique nature of this sector, the notion multi-cloud is bound to play a critical role in the near future.