The Advantages of

Hybrid IT

Are Driving a

Boomerang Phenomenon

Companies want choices to orchestrate an optimal resource mix for each workload.

Top Reasons for Hybrid IT's Rising Popularity

Hybrid IT strategies are becoming more popular because companies have realized that a singular IT infrastructure solution is not effective. This repatriation is causing a boomerang phenomenon that's driven by a need to more effectively match workloads to optimal resources.

In hybrid IT environments, applications are integrated across on-premise infrastructure and multiple clouds and can seamlessly tap needed resources. This allows companies to plan and build their own infrastructure model instead of buying pre-defined packages with more resources than they need.

The top reasons companies return to hybrid IT include concerns about:

Cost
Pay only for what you need per workload instead of being forced to use packaged services.

Security
Hybrid IT provides more choices for protecting sensitive data, such as private cloud or on-premise.

Performance
A mix of options to manage applications based on functions and requirements offers more flexibility.

23%

The global hybrid cloud market will grow at a compound annual growth rate of 23% from 2018 to 2023 (US$40.6 billion to $138.6 billion)[1]

Choosing the Right Mix for Each Workload

With a hybrid IT strategy, organizations have access to a variety of infrastructure options so that they can select the optimal mix of services for each workload based on the most effective match for functionality and requirements:

Public cloud
Hyperscale cloud providers such as AWS, Azure and Google

Private cloud
Built inside a colocation facility; self-hosted or vendor-hosted

Multi-tenant cloud
Tenants share computing resources and costs, but their data is stored in isolation

Colocation
A data center where costs such as power and cooling are shared among users, and where connectivity options to multiple networks are available

Multi-cloud
Using many cloud platforms at once

Hybrid cloud
Integrating platforms to allow applications to work across environments

34% of companies have migrated applications or data from public cloud to private cloud or a non-cloud environment[2]

As more IT organizations realize single deployments aren't the right fit, they are moving back to cloud platforms and on-premise infrastructure[3] in a hybrid IT model.

Let's take a look at the three big opportunities for companies that use a hybrid IT strategy.

Big Opportunity No 1
Lower-Cost, Improved Control

More and more enterprises are using a mix of infrastructure options for application services because they can put their applications where it makes the most sense in terms of cost, risk and performance.

For example, privacy concerns and regulations could make on-premise the best choice for applications that contain proprietary or customer data used by back-office functions. At the same time, applications used regularly by field technicians may make sense in a public cloud closer to the point of use.

Hyperscale cloud models, which sometimes limit visibility into cloud resource usage and create unpredictable costs, diminish an enterprise's control of their workloads. Conversely, the price of hybrid models is often more transparent, enabling businesses to more effectively allocate workloads across multiple platforms as needed.

Taking that a step further, an organization might decide to use three environments — on-premise, hosted private cloud and public cloud — and have them all maintained in a colocated data center. All three of these environments have different implications for cost, risk and performance. Taking that a step further, an organization might decide to use three environments — on-premise, hosted private cloud and public cloud — and have them all maintained in a colocated data center. All three of these environments have different implications for cost, risk and performance.

"The financial comparison detailing how the savings were allocated across various parts of our organization were impressive. In all, we calculated that we had reduced the cost of our cloud environment by $141K per year utilizing a hybrid IT model, which was a 66.5% savings. Since we have many different business units, the cost savings affected not only the individual products involved, but also the overall IT infrastructure spend."

—Jon Bromling,
    Chief Technology Officer, PetroSkills[4]

By identifying the right match for the right application, businesses can gain:

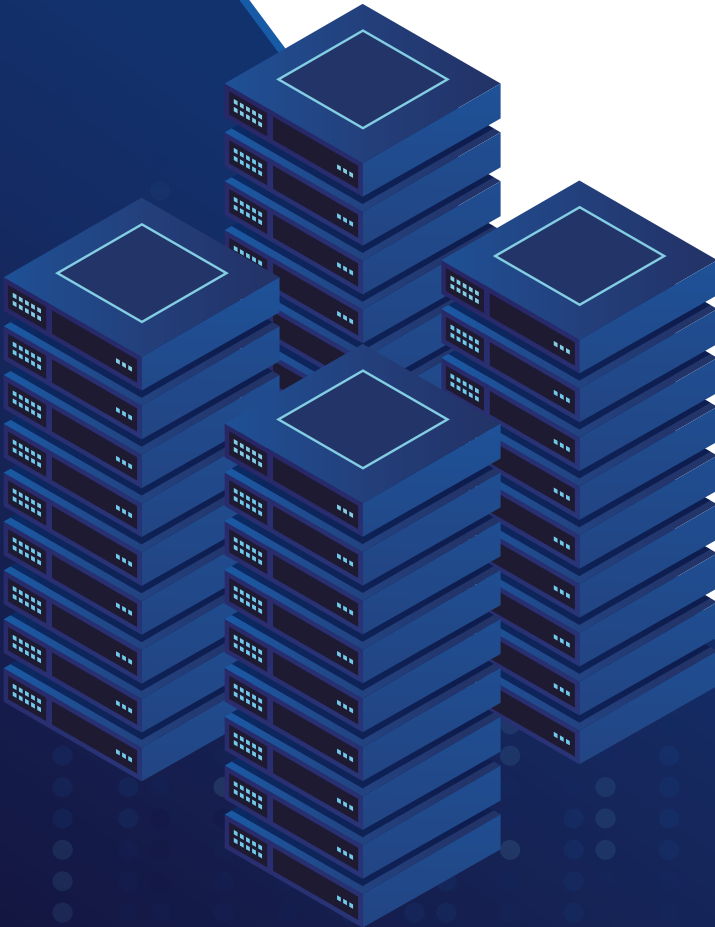Access to the latest infrastructure technology and data management tools and experts.

Proficiency in services necessary for quickly emerging, high-benefit technologies such as machine learning and blockchain.

The ability to scale and pay only for what you use.

Lower costs and resource burden.

Big Opportunity No 2

User Experience as a Competitive Advantage

Whether a company makes products or provides services, applications have become essential to delivering high-quality user experiences. But application latency — the lag time between when an IT system "instructs" data to transfer and when it begins transferring — needs to be strategically managed by matching the right network resources with the functions and requirements of the application. Otherwise, end-users could have bad experiences, whether they are making a purchase, accessing private customer information at a job site, communicating with people or equipment, or doing anything else with an application.

As applications with different requirements (such as latency) have become more commonplace in internal and external service delivery, organizations with a single IT environment have found it more difficult and expensive to orchestrate the optimal infrastructure mix for different application workloads.

51% of end-users are not getting data at the moment they need it.[5]

A hybrid IT strategy is better than a one-size-fits-all approach because businesses have more choices about infrastructure and so can more cost-effectively:

DRIVE INNOVATION

Whether the end-user is internal or external, data-rich applications are driving innovation in customer service, such as one-day deliveries in B2B and B2C commerce and shorter wait times at government agencies.

PROVIDE SEAMLESS EXPERIENCES

Applications and services that are customer-facing or influence the customer experience are good candidates to move to a hybrid infrastructure.

BE SECURE AND COMPLIANT

Some local, state or federal requirements may dictate that your customer-facing data stay local. Also, since it's easier to audit in colocation platforms, you can offer your customers more control and transparency.

"Hybrid-cloud architectures provide one of the most secure means of protecting stored data."

—Network World [6]

Big Opportunity No 3
The Best of All Worlds
with Colocation

Managing your workloads in a colocated data center greatly simplifies your ability to effectively use a hybrid IT model, which provides the benefits of ease of management, predictable cost and access to a rich ecosystem of IT resources.

Colocation can be a solution to balance both IT and business requirements because it offers:

Specialized IT professionals who manage critical infrastructure 24/7, as well as use of the most current security technology to protect mission-critical data and business applications.

Customized scalability to adapt to evolving business requirements.
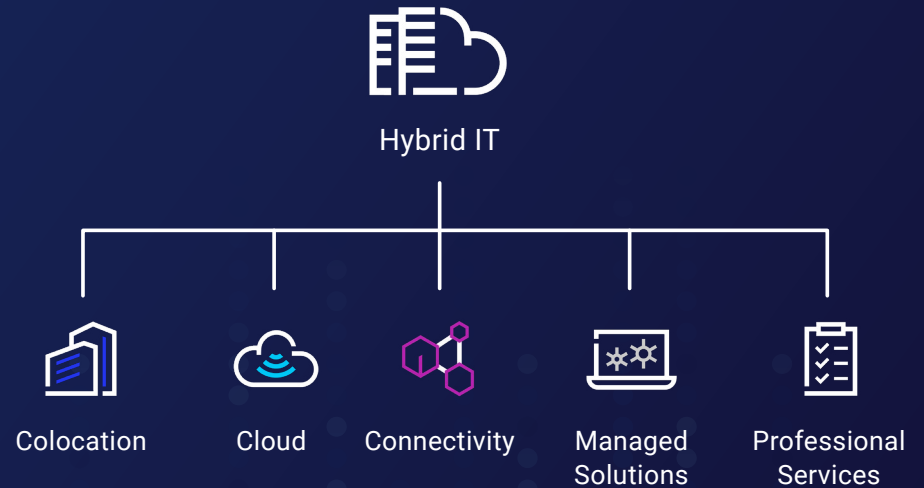
Lowered cost and operational expenses with predictable pricing models based on dedicated space, cooling, power and connectivity.

$35.9 billion

2018

$69.8 billion

2024

2018: $35.9 billion vs. 2024: $69.8 billion

Value of the global colocation market [7]

Are You Ready to Move to
a Hybrid IT Model?

Are you ready to optimize your IT transformation while simultaneously balancing cost, scalability, compliance and security? Continue the discussion around how you can boomerang your infrastructure back to a hybrid IT model with the experts at Flexential.

Contact Us Today: www.flexential.com

Hybrid IT

Colocation   Cloud   Connectivity   Managed Solutions   Professional Services

Sources:

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