



# Strategy Is Not Enough: Cloud Service Partners Help Achieve Cloud Goals

How CSPs Help Companies Reach Their Cloud Strategy Goals

[Get started →](#)

FORRESTER OPPORTUNITY SNAPSHOT: A CUSTOM STUDY COMMISSIONED BY TIERPOINT | JUNE 2020

## Companies Need Cloud Service Partners To Achieve Cloud Goals

Universally, business leaders agree that cloud strategy is essential to success in this digital age. What's less known, however, is that IT leaders are struggling to accomplish their top initiatives for cloud strategy.

To fill the gap, firms have turned to cloud service partners (CSP), third-party suppliers that offer professional services like advisory, strategy, implementation, and managed services to support cloud strategy. CSPs not only help firms realize their top cloud initiatives, but they also yield strong business ROI by creating efficiency and optimizing cost.

### Key Findings



IT leaders understand the importance of a strong cloud strategy; however, firms are unable to meet their top initiatives.



Firms have invested in cloud service partners to meet their cloud strategy initiatives and increase business efficiency.



Cloud service partners provide a high ROI — and decision makers know it. Eighty-nine percent plan on increasing their investments this year.

## Cloud Strategies Are Universal, But Firms Struggle To Accomplish Their Main Goals

Most decision makers (91%) said their firms have already invested in cloud strategy, and they believe that their strategy is successful (90%). Specifically, IT leaders have found their cloud strategy has allowed them to be more flexible as a business (55%) and deploy application solutions faster (53%).

But these IT leaders are overconfident as most cloud strategies have not yet accomplished company's main goals: migrating existing workloads to the cloud and achieving cost optimization.

**“You indicated that you have, or are building, a cloud strategy. Which of the following are included in that plan?”** (Select all that apply)

**64%**

A plan for migrating existing workloads to the cloud

**59%**

A focus on cost control and optimization

**47%**

A business case focusing on anticipated benefits

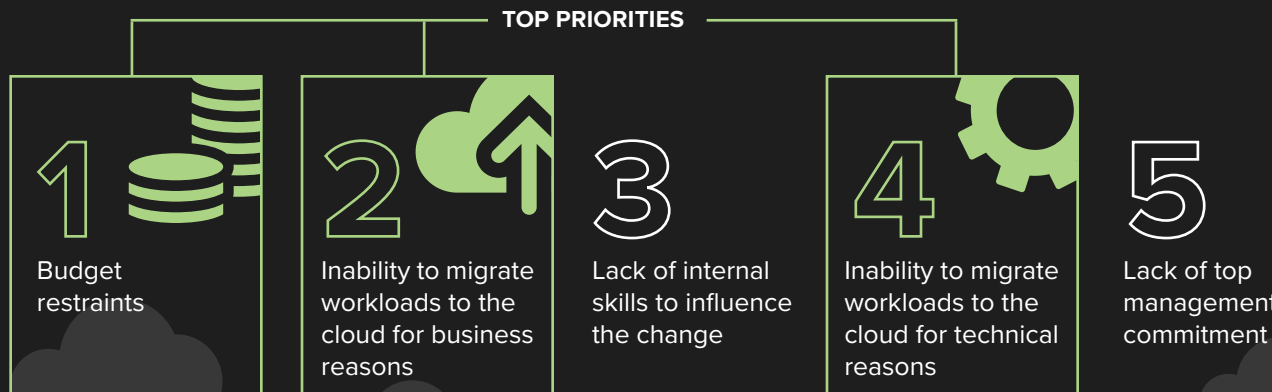
**43%**

Policy recommendations at both the central and distributed level for proper use of cloud

## Cloud Strategies Have Not Accomplished Their Main Objectives

Perhaps unsurprisingly, IT leaders' main cloud strategy goals are also their top challenges. Close to 60% of surveyed decision makers indicated they invested in cloud strategy to optimize cost; yet cost optimization remains the top challenge IT leaders face with their current cloud strategies. Similarly, the top reason for investing in a cloud strategy was to migrate existing workloads to the cloud, but companies continue to struggle with migrating workloads due to business reasons (39%) and technical reasons (33%). To make matters worse, leaders also indicated that they lack the internal skills to influence the change needed.

“What challenges do you have with your current cloud strategy?”



## Firms Are Investing In Cloud Service Partners To Meet Their Cloud Goals

Recognizing these gaps, IT leaders are realizing that they need help implementing their ideal cloud strategies. Eighty-eight percent of IT leaders have already invested in a cloud service partner, and a further 11% plan to invest.

Respondents believe that professional services will allow them to implement changes faster (53%) and provide expertise on optimizing cost (51%).

**“You indicated that your company has invested in, or is planning to invest in, a cloud services partner. What has led your company to this decision?”**

(Select all that apply)

Adding professional services would allow us to implement changes faster.

53%

Adding professional services would give us more expertise on optimizing our costs.

51%

Adding professional services would offer us more expertise on optimizing our infrastructure.

43%

Adding professional services would offer us access to best practices.

41%

Adding professional services would offer us more tools and services that help mitigate risk.

40%

## Cloud Service Partners Have Provided A Significant ROI

Firms that have invested in CSPs have already reaped the expected benefits — and more. Respondents' main motivation for investing was to optimize cost and efficiency, and they have experienced such benefits with their partners, including faster time-to-value (47%) and proactive cost optimization (41%).

Perhaps even more compelling than achieving the intended ROI: Cloud service partners have solved firms' top cloud strategy challenges. Over half of respondents said their CSPs have increased their IT talent (56%) and helped migrate workloads to the cloud faster (50%).

### “What are the top benefits your company has experienced from your cloud services partner?”

- Rank top five



**56%** Increased IT skills/talent



**50%** Ability to migrate workloads to the cloud more quickly



**47%** Faster time-to-value



**41%** Proactive cost optimization

## IT Leaders Plan To Increase Investment in Cloud Service Partners

The benefits of CSPs speak for themselves. IT leaders understand these partners are helping them reach their goals while optimizing cost. As a result, almost all respondents (88%) indicated that they plan to start investing or increase their current investments in cloud service partners.

**“How likely are you to invest/increase investments in a cloud service partner in the next 18 months?”**

- 52% Very likely
- 36% Likely
- 9% Neither likely nor unlikely
- 3% Not likely

FORRESTER OPPORTUNITY SNAPSHOT: A CUSTOM STUDY COMMISSIONED BY TIERPOINT | JUNE 2020

Base: 104 US IT and technology decision makers  
Source: A commissioned study conducted by Forrester Consulting on behalf of TierPoint, May 2020

## Conclusion

Firms understand that an effective cloud strategy is imperative for business success; however, they have not been able to achieve their top cloud strategy goals. To get the most out of their cloud strategy, organizations have invested in cloud service partners.

Forrester's study found:

- IT leaders are investing in CSPs to increase business efficiency and achieve their cloud strategies. Eighty-eight percent of IT leaders have already invested; 11% plan to invest in the next year.
- Firms that have invested in CSPs have received a high ROI. CSPs have increased business efficiency and IT skill sets while expediting the process to migrate workloads.
- Firms are not done investing in CSPs: 88% of respondents indicated they intend to invest or increase their investment this year.

### Project Director:

Vanessa Fabrizio, Market  
Impact Consultant

### Contributing Research:

Forrester's Infrastructure &  
Operations research group



## Methodology

This Opportunity Snapshot was commissioned by TierPoint. To create this profile, Forrester Consulting supplemented this research with custom survey questions asked of IT decision makers in the US. The custom survey began and was completed in May 2020.

### ABOUT FORRESTER CONSULTING

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit [forrester.com/consulting](https://forrester.com/consulting).

© 2020, Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, RoleView, TechRadar, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to [forrester.com](https://forrester.com). [E-47901]

## Demographics

### COUNTRY

United States: 100%

### COMPANY SIZE

750 to 999 employees: 23%

1,000 to 4,999 employees:  
59%

5,000 to 14,999 employees:  
18%

### RESPONDENT LEVEL

C-level executive: 24%

Vice president: 8%

Director: 24%

Manager: 44%



FORRESTER®