

Your guide to the top three cloud computing trends of 2018

 By [Brett St Clair](#)

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Digital transformation continues to grow with a predicted spend of \$1.7 globally by 2019, a massive 42% increase on 2017 spend (IDC 2017). It is a given that cloud computing services will gain a phenomenal market share in Africa this year.

The “public cloud” with local data centres will explode - this is where a service provider makes virtual machines, applications or storage available to the general public via the internet, on a pay-per-usage model.



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We also know that “software as a service” (SaaS) or on-demand software such as Gmail, Salesforce, or Sage will eat all locally hosted software.

In a nutshell, the business models and processes that we have grown deeply familiar with being are disrupted for the good - that’s what 2018 is really about. Here are our top three trends to expect, watch and plan for in the year ahead.

1. Data warehousing will change: unlimited storage and computing power in real time

Cloud computing is now about access to unlimited computing power and storage, for as much as you need, whenever you need it. This will have a major impact on data warehousing.

Traditionally we created warehouses because our production infrastructure was not powerful enough; we needed to host on additional sets of hardware. Before we knew it, we had many systems with many warehouses, and in turn, we started creating a warehouse for warehouses.

As a result, there was so much data to move around that we had to run batch jobs in low peak times.

Today the cloud offers unlimited storage and computing power at extremely affordable pricing, all being packaged together into services accessible via APIs. The world of data is moving away from warehouses to real-time ingestion engines that can consume millions of records per second, meaning that the data can be processed in real time with real insight into your business.

The biggest effort in data today is transforming the “old school” warehouses into cloud modern architectures (we call this ETL - “extract, transform and load”) that will unlock business potential. By getting this right we will start seeing an explosion of big data and artificial intelligence services, which will now be far more accessible for the first time. Bye bye data warehouses!

2. The big unlock: massive flexibility and diminished costs for hardware and IT outsourcing

The flexibility of the cloud will continue to challenge the “lock-in” business model.

Whereas previously your hardware investment would depreciate over a few years, with the cloud you can choose your computing power and storage as and when required. There is no need for vast capital expenditure on local hardware - you simply select the kind of offering you require for the task. You can use billions of dollars worth of equipment at the price of thousands of rand per month - and of course ‘switch it off’ when you want to.

When it comes to software, businesses will no longer buy three-year licences but increasingly take advantage of “pay-as-you-go” licence models for enterprise services like document editing, CRM, HR and accounting. Again, you turn it off when you want to.

The same thing applies to skills: outsourced multi-year IT contracts used to be a given, but we’ll see that model shrink as internal technical skills are retooled. We will see more investment in internal skills emerge within businesses as the cloud frees up the capacity of existing teams.

Access to knowledge is freely available and retooling your approach comes at a fraction of the cost of what it used to. So good riddance to the lock-in business model.

3. Cloud-based data protection and security in the age of ransomware

Planning for data backup and recovery has long been a grudge purchase for most businesses.

But the reality is that there is a global deluge of security breaches and ransomware. In 2016, South Africa ranked 58th in the list of the 117 countries suffering the most cyber attacks; in under a year, SA jumped up to the 31st most attacked country, losing around R50 billion in the process.

It is clear that having a data and application recovery plan is now vital. Previously, it was painful to create a replica disaster site which barely gets used and is a headache to maintain. The cloud changes all that: it makes the portability of data seamless and, with purchase-on-demand compute, you no longer need to have a disaster site running. All you just need is the necessary scripts for if and when things go wrong.

We predict that cloud backup and recovery will explode this year because it solves all the pain of legacy approaches. 2018 is the year you can comfortably hit that big “test your recovery” button knowing full well it will work every time into the cloud.

This will also prove to be the secret weapon for your big data plans, thanks to your own backed up data set.

Who would have thought backups would prove valuable? In our world, the cloud has only silver linings and we're looking forward to seeing these trends unfold in 2018.

ABOUT BRETT ST CLAIR

Brett St Clair is CEO at Siatik, one of Google's leading African cloud partners. He has 20+ years experience in the global digital landscape. He was previously Barclays' digital transformation director for Africa, where he launched a world-first with chat banking in Facebook messenger. Prior to that he was Google's Africa lead for cloud services and led AdMob's expansion across the continent. He was also the first keynote speaker in Africa to accept bitcoin as payment.

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