

# Cloud Predictions 2017

Cloud computing is moving at a dizzying pace. With cloud technologies evolving at such an irrepressible rate, it's difficult to keep track of where it's all headed. How will your relationship with the cloud change over the course of the coming year?

A modern cloud must support and energize the cloud journey from any starting point, adapt fluidly to changing needs, and ultimately realize the potential of genuine business transformation.

Here are our predictions for how the cloud will impact your business processes in 2017 and beyond.



IaaS Prediction

ORACLE®

# One



## Cloud-based mission-critical workloads will take off.

Cloud has long promised the migration of all enterprise production workloads. But that migration has yet to happen.

The chief barrier to cloud migration remains a lack of commitment and recourse to support production service-level agreements. On one hand, cloud providers are limiting their accountability as they lack

the talent to support custom portfolios. On the other, they're failing to provide sufficient control into the public data center to self-manage service-level agreements.

**The IaaS provider best equipped to take more responsibility and deliver the control tenants demand will be the one to drive cloud migration in 2017.**



# Two



## Corporate-owned data center numbers will plummet.

Just a few years ago, this statement would have seemed outrageous. But now, it seems all but inevitable.

As organizations focus their IT spending on cloud computing, they'll begin to migrate their workloads from corporate-owned data centers to purpose-built facilities, managed and run by enterprise cloud providers. Mark Hurd predicts that we'll see corporate-owned data center numbers fall 80 percent by 2025, and that the same percentage of IT spending will be devoted to cloud services.

**While corporate data center numbers may not fall straight away, we do expect an immediate reduction in direct investment for compute capacity, storage, and networking services.**



**Blog:**  
[Mark Hurd Predicts the Future of IT: Round 2](#)



**Article:**  
[ClubCorp CIO Sees Cloud as Hole in One for Golf](#)

# Three



## Enterprise cloud becomes the most secure place for IT processing.

This year's threat landscape will be highly changeable. External threats — coupled with the need for better governance and privacy mandates — will make security a key priority for all lines of business.

In years past, security was a major barrier to cloud investment. Data sovereignty, data privacy, and control issues deterred many organizations from pursuing cloud adoption. But in future, those very same concerns will be the things that draw new organizations to the cloud.

Established cloud vendors with solid security track records have the expertise and resources to deploy layers of defense that many companies simply cannot duplicate in-house.



**Report:**  
[Security Inside Out](#)



# Four

## Digital transformation becomes the norm.

Our world is becoming increasingly digitally connected, and it's transforming the way we live, work, and play.

These same technological advancements provide unprecedented opportunities for businesses to expand, innovate, and create new value. Sectors including healthcare, manufacturing, and even urban planning have been reimagined and redefined by the cloud.

To realize these opportunities, today's enterprises must not only develop new cloud-ready tools, but also put digital at the center of their businesses. Hidden within today's digital connections are the solutions to our most urgent business challenges.

**This year, we'll see more companies successfully embrace new integrated cloud technologies.**



**Blog:**  
[Steering into the Innovation Fast Lane](#)



**Video**  
[Be Business Digital](#)

# Five

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## The rise of intelligent applications.

Artificial intelligence (AI) might sound like science fiction, but many of us use it every day. The software behind many online shopping sites and on-demand music services, for example, is a highly successful and highly pervasive form of AI.

These systems depend on technology infrastructure capable of importing, analyzing, and interpreting huge volumes of data before acting on it—all without

human intervention. And the next step for such technologies? To become an established part of customer service and other business operations.

**Soon, we'll see intelligent applications capable of automatically recommending individualized actions and streamlining business tasks.**



[Press Release](#)  
[Oracle Unveils Its Next-Generation Cloud Strategy: Intelligent Applications](#)



# Six

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## Nothing artificial about it: AI gets real.

AI and robotics have carved out a niche in the manufacturing sector, and now these technologies are poised to bring their exciting benefits to a host of new industries.

The AI space is white-hot, and it's being fueled by the data explosion. Machine learning algorithms find patterns in enormous volumes of digital information and use that data to train, learn, and become even smarter.

CIOs ignore the AI wave at their peril. According to Toby Redshaw, consultant and former American Express CIO, the company that ignores AI-powered technology will be "the guy at the gunfight with a knife."



[Video](#)  
[Larry Ellison on Oracle Management Cloud and Machine Learning](#)

# Seven

## Developers do more with less coding.

This year, a new tool looks set to join cloud app developers' toolkits. "Visual" or "low" coding will be everywhere in 2017.

For many organizations, the real-time enterprise has meant a rethink of application development. IT teams are often stuck with a backlog of work, preventing them from delivering applications quickly enough to capitalize on new opportunities. Visual coding enables quick, straightforward development and extension of enterprise applications.

"More than ever before, application development and delivery professionals must obsess over their UI designs," say Forrester analysts John Rymer and Clay Richardson. "Low-code vendors employ familiar drag-and-drop, WYSIWYG techniques to speed user interface creation."



**Video**  
[Oracle Application Builder Cloud Service](#)



# Eight



## The cloud empowers small business innovation.

Cloud has become a catalyst for small business growth, allowing them to innovate freely, carve out new markets, and disrupt the status quo.

The digital economy demands that companies of all sizes compete based on technology-enabled value. While some seek to evolve existing business practices, others are striving to launch new services that exploit extensive,

low-cost computational power. Traditionally, access to such high-performance resources has been too expensive for smaller businesses. But what once cost 100 million USD up front is now available for 10 USD per hour.

**The cloud is allowing small businesses to innovate, experiment, and sustain ongoing profitability.**



**Blog:**  
[How Infrastructure as a Service \(IaaS\) Can Help You in Your 'Shark Tank' Moment](#)

# Nine



## 60 percent of IT organizations move systems management to the cloud.

More than 90 percent of companies have multiple systems management tools, but just 6 percent trust their incomplete data. Consequently, IT operations professionals struggle to create effective management approaches.

The pace of business is increasing. As more organizations adopt DevOps practices and focus on digital experience, they'll need to eliminate management data silos and embrace machine learning just to keep up.

Some have already embraced systems management in the cloud, unifying management

data across multiple clouds and on premises. Others are benefiting from data science applied to the operational management problem. Only Oracle Management Cloud provides an intelligent, unified, cloud-based approach that applies machine learning to the complete operational data set.

And while many cloud tools are built exclusively for cloud systems, ours does both.

**We expect that by 2020, 60 percent will have moved their most critical systems management use cases to the cloud.**



# Ten

## 50 percent of DevTest will move to the cloud.

Last year, we predicted that DevTest workloads would have all but completely migrated to the public cloud by 2025. At Oracle OpenWorld 2016, Mark Hurd revealed that "we are nearly halfway there" already.

With on-premises hardware and software, IT teams have to buy, license, and configure everything to create development environments that hopefully match production environments. Hurd estimates that the industry could save 150 billion USD by migrating DevTest to the cloud.

This year, we expect widespread adoption of cloud DevTest. We'll see new application development capabilities, including low-code approaches, tools for microservices, and support for all platforms and languages.



[Video](#)  
[IDEA Cellular Provides a Deep Dive on Transforming IT with Machine Learning](#)



[Solution Brief: Mastering DevOps with Oracle](#)



# Contact

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