Research Abstract

PROWESS

The Public Cloud Might Be Costing You More Than You Think

Analysis conducted by Prowess Consulting indicates that a hybrid multicloud solution with private-cloud capabilities could save money compared to a public-cloud implementation for a variety of workloads.

The embrace of the public cloud by organizations of all sizes over the past decade has been extraordinary, but the monetary cost of this profound adoption of the public cloud is staggering. End-user spending for public-cloud services worldwide is projected to top $591 billion in 2023.[1] And by 2026, one estimate projects that 45 percent of all enterprise IT budgets will be spent on the cloud.[2]

But the cost of public-cloud adoption can also extend beyond money. Typical use of the public cloud by organizations can pose a variety of challenges that can span from shadow IT and skills gaps to adherence to governance, regulatory, and compliance (GRC) requirements and data-sovereignty mandates. A public-cloud solution could also yield security, performance, and efficiency concerns when workloads run on cloud instances based on older-generation processors and hardware, or it could lead to security-configuration mismatches across apps and clouds, multiplying the headaches for IT.

Multicloud/private-cloud deployments with Dell™ APEX solutions cost

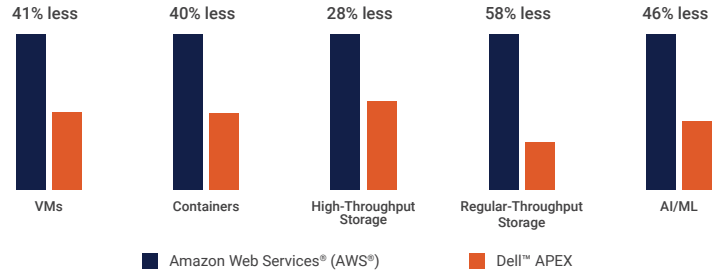
28–58%

less than public-cloud options run on Amazon Web Services® (AWS®).[3]

Evaluating the Multicloud

One option for keeping cloud-like capabilities while reducing the costs and challenges is to adopt multicloud solutions, particularly ones with hybrid capabilities. In order to assess the price differential of multicloud versus the public cloud, Prowess Consulting investigated the costs of running different workloads on public clouds versus multicloud solutions. We examined a matchup of Amazon Web Services® (AWS®) and Dell™ APEX solutions as representative examples of these two as-a-Service options for running a variety of enterprise workloads. We discovered that multicloud/private-cloud deployments with Dell APEX on average cost 28–58% less than public-cloud options run on AWS.[3]

Multicloud deployments with Dell™ APEX solutions cost less than public cloud options by up to:



Study Overview

We investigated the unit cost of running different workloads on public clouds through hyperscalers and with multicloud solutions. We evaluated both exemplars using the following workload scenarios:

- Virtual machines (VMs)
- Containers
- High-throughput storage
- Regular-throughput storage
- AI/machine learning (ML)

In all of these usage scenarios, the multicloud solution we examined brought significant savings relative to the public cloud.

Get the full story by reading the technical research study:

"Cost Considerations for Placing Enterprise Workloads in Public Clouds"

[1] Gartner. "Gartner Forecasts Worldwide Public Cloud End-User Spending to Reach Nearly $600 Billion in 2023." October 2022.

[2] Statista. "Public cloud services end-user spending worldwide from 2017 to 2023." December 2022.

[3] Based on research conducted by Prowess Consulting as of May 2023. For configuration details, see: Prowess Consulting. "Cost Considerations for Placing Enterprise Workloads in Public Clouds." Commissioned by Dell Technologies. 2023.

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