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Cloud compute services: survey of telecoms operators

Matt Small and Catherine Hammond

About this report

This report is based on a survey of 21 telecoms operators worldwide. The participants reflect a wide range of operator types, from domestic-only players to larger regional or global players. Most of the participating operators serve markets in Western Europe, but their coverage also includes Africa, Asia–Pacific and the Americas.

The overwhelming majority of the operators surveyed currently offer cloud compute services to their business customers. Over 85% of the respondents interact directly with, or have significant influence on how their company manages relationships with, the cloud compute platform providers with which their company partners.

We asked the respondents about their public, private, proprietary and third-party cloud services, including edge compute and sovereign cloud. The questions covered the cloud services that they offer, customer usage of cloud compute and other adjacent services, as well as partnerships with public cloud platforms. We also asked respondents to rate platforms in the categories of overall impression, ease of doing business and price.

This report includes the results of the survey and our analysis of their outputs.

All of the operators participated confidentially and their inputs are anonymous. We do not name any operators.

KEY QUESTIONS ANSWERED IN THIS REPORT

- Which cloud solutions do operators currently offer to businesses?
- How are operator cloud portfolios evolving?
- Which public cloud platforms are operators partnering with?
- Which factors are the most important for businesses when choosing a public cloud platform from an operator?
- How do operators rate different public cloud platforms?
- Which players are operators partnering with for edge compute services and sovereign cloud?

WHO SHOULD READ THIS REPORT

- Telecoms operators':
  - strategy teams
  - product managers for cloud services
  - heads of enterprise/business/small and medium-sized enterprises (SMEs)/small and medium-sized businesses (SMBs)
- Public cloud providers':
  - strategy teams
  - sales teams that target telecoms operators
  - marketing divisions.

Most of the operators surveyed offer a broad portfolio of cloud services and several will extend this further in the next 12 months

Most operators' cloud compute portfolios include private/hybrid and third-party public cloud solutions. The number of operators also offering edge and sovereign cloud services is increasing.

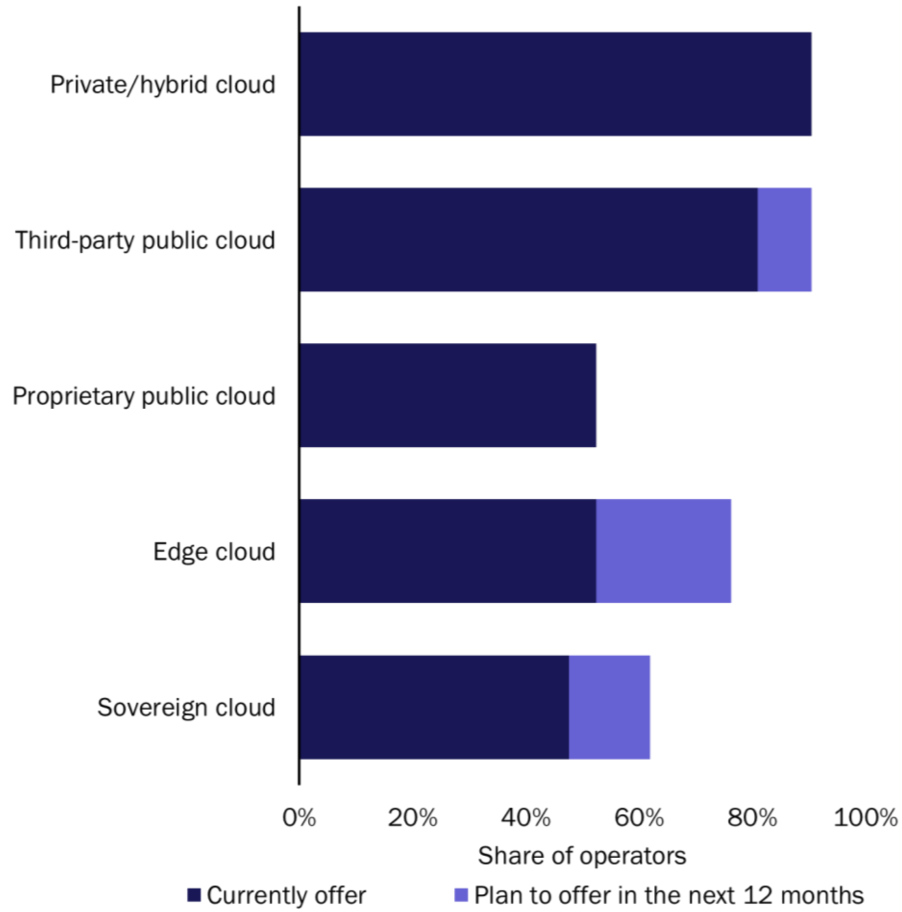
All of the operators surveyed currently offer at least one of the cloud services shown in Figure 2. Almost all operators include private/hybrid cloud services within their portfolio and most include third-party public cloud services (two smaller European operators plan to launch such services in the next year).

Adoption of proprietary public cloud solutions is less widespread, though more than half of the operators surveyed say they offer them. Many operators have shifted focus over the last few years away from maintaining their own public cloud solutions to delivering managed third-party cloud services. No operator surveyed plans to launch a proprietary public cloud solution within the next 12 months.

More than half of operators have already launched an edge cloud solution, and a further quarter expect to launch a solution within the next 12 months. This is a key area of operator focus and investment.[1]

Half of all operators surveyed also say that they have a sovereign cloud offer. Such offers often comprise government or healthcare clouds based on private cloud infrastructure. However, there have also been several announcements by operators of plans to offer sovereign cloud solutions in partnership with public cloud providers.[2]

Figure 2: Share of operators that currently offer, or plan to offer, different types of cloud solutions, 2022



Source: Analysys Mason

[1] For details of the edge compute activities of 58 operators, see Analysys Mason's *Edge cloud tracker*. [2] For more information about operator sovereign cloud services, see Analysys Mason's *Operators' approaches to sovereign cloud*.

Azure and AWS are rated highest by operators in terms of overall impression

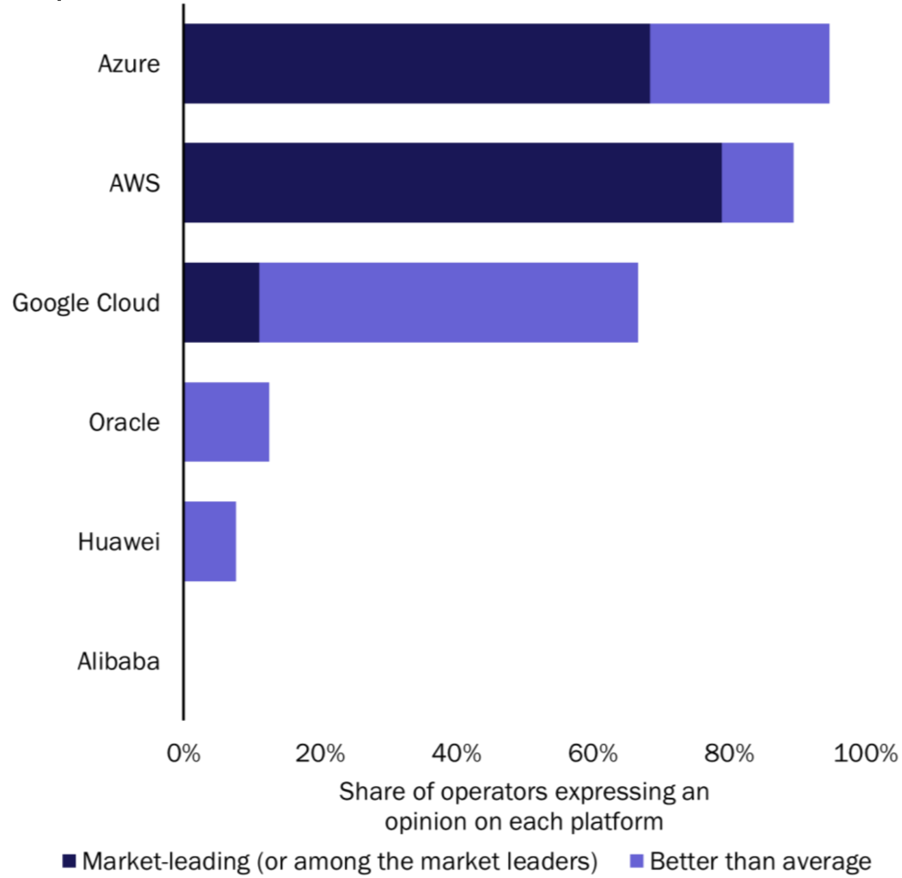
The overwhelming majority of operators surveyed rate AWS and Azure as market leading or better than average in terms of overall impression.

Azure and AWS, and to a lesser extent Google Cloud, are perceived to be the best public cloud platforms by operators. AWS is seen as a market leader by the largest percentage of operators that have an opinion about the cloud platform. However, Azure is seen as better than average or a market leader by almost all operators who expressed an opinion.

Google Cloud is not rated as a market leader by many operators, but it is seen as better than average by most operators.

Other public cloud platforms, Oracle, Huawei and Alibaba, are rated much lower by operators in comparison to the three main hyperscalers. No operator rated Alibaba better than average or above, and only a couple of operators rated either Oracle or Huawei as better than average.

Figure 13: Percentage of operators that rated public cloud platforms better than average or market-leading on overall impression, 2022



Source: Analysys Mason

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Matt Small (Research Analyst) is based in the Cambridge office. He holds a BSc in physics from the University of Sheffield, where he focused on Python and data analysis.

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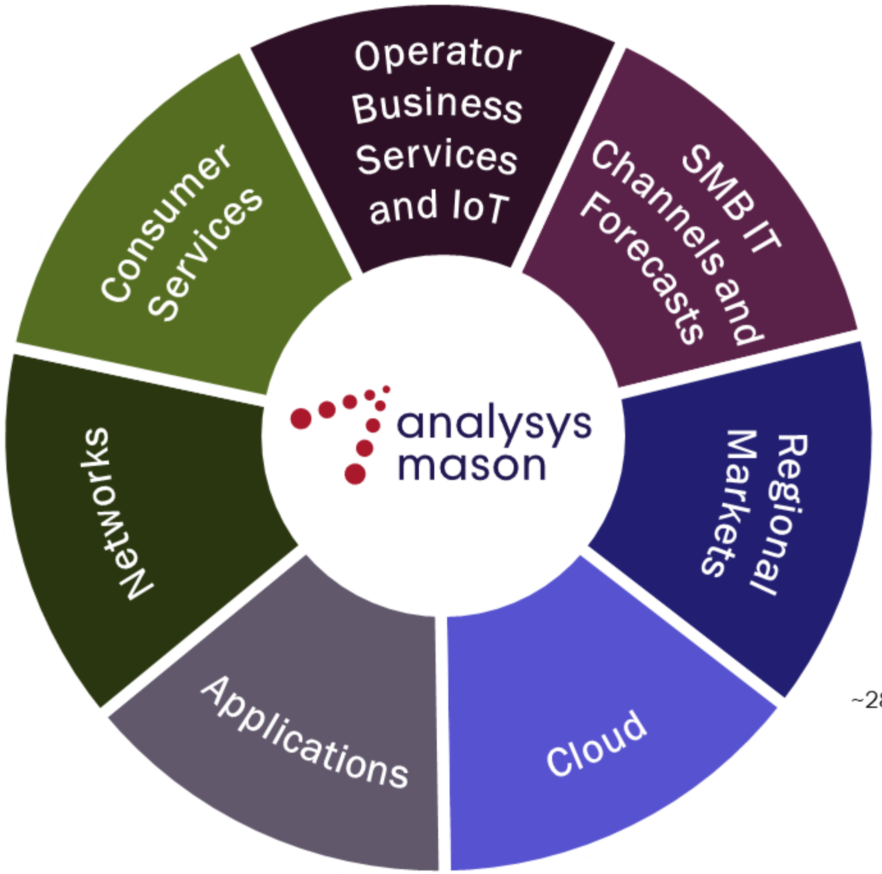

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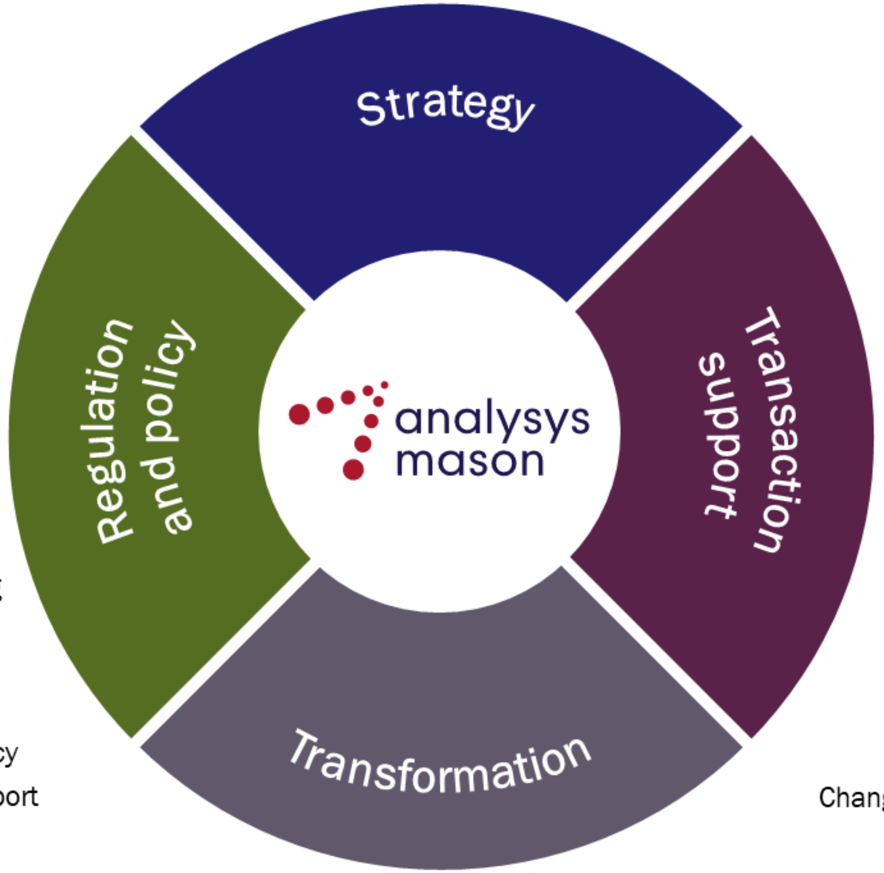

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PUBLISHED BY ANALYSYS MASON LIMITED IN JULY 2022

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