

USE PRIVATE CLOUD TO BECOME THE GODFATHER OF IT

May 2016

Using private cloud technology, to help organizations gain the benefits of business-critical enterprise applications, can be a vital component of building and offering services that no smart business can refuse.

→ **Jim Rapoza**, Senior Research Analyst & Editorial Director,
Information Technology



Businesses that utilize private cloud for their enterprise applications gain a number of benefits, including improved disaster recovery, reduced IT costs, and increased ROI.

One of the most iconic lines from the classic film *The Godfather* (and probably all film history) is, “I’m gonna make him an offer he can’t refuse.”

In the context of the movie, this is not a good thing, as it means Don Corleone is going to make you do something you don’t want to do. And non-compliance means, at best, waking up with a horse’s head in your bed and, at worst, swimming with the fishes.

But in the world of business technology, making someone an offer they can’t refuse can be a very good thing. Because, instead of being a threat, it means that you are meeting all their needs, providing good products and services, and solving a very real problem for the customer.

In this context, using private cloud technology, to help organizations gain the benefits of business-critical enterprise applications, can be a vital component of building and offering services that no smart business can refuse. And by leveraging

private cloud capabilities, leading managed service and hosting providers can boost their offerings by adding increased flexibility, reliability, and performance for the critical applications that they provide.

How does this work? Think about the traditional options organizations face when deploying critical enterprise applications.

They can deploy them themselves in their own data center and on their own hardware, which certainly offers some key advantages and benefits. But many businesses, especially small and mid-sized, fear the complexity and resource requirements of taking this step.

Or they can go with a fully SaaS-based version of an enterprise application, which can be available for use nearly instantly with little upfront complexity for the organization. But for some applications, they may sacrifice some of the flexibility and customization that comes with an on-premise deployment.

However, when managed service and hosting providers take advantage of private cloud technology to improve their offerings, especially in how they provide business-critical applications to customers, they can offer customers many of the benefits of both these approaches, without the drawbacks.

When deployed at a provider with private cloud technology, customers can still have many of the same customization, security, and administration benefits that they get from an on-premise deployment, without the complexity and upfront costs, all while gaining the fast and simple implementation benefits that come from a hosted service.

In the Aberdeen Group report, [A Simple Path to Private Cloud](#), we found that businesses utilizing private cloud for their

71%

of businesses report easier application management and administration since deploying private cloud.

46%

**of companies
implementing private
cloud have seen a
reduction in the
complexity of their IT
infrastructure.**

enterprise application systems gain a number of vital benefits, including improved disaster recovery capabilities, reduction in IT costs, and increased ROI from their business-critical investments.

To give customers an offer they can't refuse, you don't need to go all *Godfather* and make threats. Just give them an offering that makes it possible for them to leverage the applications they need, without the cost and complexity that they don't need.

With an offer like that, most customers will be happy to accept.

About Aberdeen Group

Since 1988, Aberdeen Group has published research that helps businesses worldwide improve their performance. Our analysts derive fact-based, vendor-agnostic insights from a proprietary analytical framework, which identifies Best-in-Class organizations from primary research conducted with industry practitioners. The resulting research content is used by hundreds of thousands of business professionals to drive smarter decision-making and improve business strategy. Aberdeen Group is headquartered in Boston, MA.

This document is the result of primary research performed by Aberdeen Group and represents the best analysis available at the time of publication. Unless otherwise noted, the entire contents of this publication are copyrighted by Aberdeen Group and may not be reproduced, distributed, archived, or transmitted in any form or by any means without prior written consent by Aberdeen Group.