

By the Numbers: How Cloud Service Adoption Changed in 2020

We analyzed actual cloud spending data among nearly 500 organizations worldwide from January through September 2020 to understand how different organizations used the public cloud in response to the COVID-19 pandemic.

Here are a few takeaways from the report. Read the full report [here](#).

-4.5% in Compute Spending

While compute services still represented the largest area of investment among the organizations evaluated, total spending levels decreased in the period evaluated.

This was likely driven by:

- Increased focus on cost optimization efforts, which would reduce compute spending by eliminating unnecessary compute usage
- Purchases made via committed use discount pricing options, which provide steep discounts to on-demand rates in exchange for long-term commitments
- Rising usage of container and serverless technologies, which many organizations are embracing when deploying new workloads in the cloud



Resources on Cloud Financial Management

Ebook: Best Practices for Reducing Spend in a Multi-Cloud Environment

Whitepaper: Building a Successful Cloud Financial Management Practice

Technical Report: Cloud Financial Management for CloudHealth Users



+186% in Purchases via Reserved Instances or AWS Savings Plans

In May 2020, enterprises showed a substantial increase in purchases via committed use programs, which offer discounts to on-demand rates for instances in exchange for long-term usage commitments. As it became clear that the COVID-19 pandemic wasn't going away soon, the financial implications of cloud usage took on a new importance among enterprises.

Resources on Committed Use Discount Options

Blog: AWS vs Azure vs GCP: Discounts, Commitments, and Reservations

Blog: Reserved Instances vs. AWS Savings Plans

Ebook: The Ultimate Guide to AWS Savings Plans



+38.7% in Container Spending

Considering that even organizations that showed a decrease in total cloud spending still increased container usage in 2020, it's clear that modern approaches to cloud workloads are catching on. However, container usage can introduce a number of unique cloud financial management challenges. Even those with mature cloud financial management processes may struggle to track and control costs related to containerized workloads.

Resources on Container Management

Whitepaper: FinOps for Kubernetes: Unpacking Container Cost Allocation and Optimization

Blog: Best Practices to Optimize Your Kubernetes Cloud Costs

Blog: Cloud Governance: Overcoming Cloud Container Challenges



The financial implications stemming from increased cloud usage in 2020 will be a primary focus for businesses in the future, and for good reason—runaway cloud costs are among the most common challenges as a cloud strategy matures. **To see all the insights and data from our report, download your copy: [How 2020 Changed the Way We Use the Cloud](#)**