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# Small/Medium Business (SMB) Cloud Study: Summary of Singapore Study Results

## May 2012

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## Background

Microsoft's Trustworthy Computing Division conducted research among small and midsize businesses (SMBs), defined as companies with between 100 and 250 PCs in the U.S., India, Hong Kong, Malaysia and Singapore. The goal of the study was to gather data to better understand the cloud's benefits relating to IT costs, improved security and better time management. For the purpose of this research, cloud users were defined as companies that used a cloud service via a subscription model.

This document summarizes the key findings from the research conducted in Singapore. For more information, including research findings in the other countries in which research was conducted, go to <http://www.microsoft.com/en-us/news/presskits/security>.

## Singapore Summary

### Benefits

- SMBs in Singapore that use the cloud feel at least twice as positive as noncloud users regarding specific cloud service attributes (e.g., time and money savings, revenue enhancement, and quick and security-enhanced additions of products and services).
- One-half of cloud-using SMBs said they had achieved IT cost savings, and 47 percent said they experienced better scalability.
- Twenty-one percent of SMBs that transitioned their business to the cloud said they had been able to reduce the portion of their IT budget used for managing security during the past three years. This compares with 10 percent of SMBs that do not use the cloud.
- Among cloud-using SMBs:
  - Fifty percent said they spent less time managing security.
  - Fifty percent said it was easier to integrate systems.
  - Forty-eight percent said they spent less time worrying about their company's susceptibility to cyberattacks.
  - Forty-three percent saw improved security.
- In addition to realizing better levels of security and cost savings, cloud-using SMBs said they are able to:
  - Focus more internal resources on core business (65 percent)
  - More easily scale business to new markets (57 percent)
  - Invest in more product development or innovation (50 percent)
  - Employ more staff in roles that directly benefit sales or growth (48 percent)

### Savings

- SMBs using the cloud said they saved an average of 30 hours per week after transitioning to the cloud. Singaporean SMBs are also saving 17 percent of their IT budget due to using the cloud.
- The research indicates that areas where cloud-using SMBs are saving money are related to:
  - Being able to increase and decrease IT capacity when needed (62 percent)
  - Requiring fewer internal IT resources (51 percent)

- Requiring fewer specialized skills among IT staff (47 percent)
- Spending less time training new staff (36 percent)

### Impact

- Thirteen percent of cloud users felt that their cloud service provider was entirely responsible for information security, and 81 percent felt they shared responsibility with their cloud provider. More than those from any other country researched, Singaporeans understand that they still retain some responsibility for security, such as client security.
- SMBs that do not use the cloud underestimate the benefits that their cloud-using counterparts enjoy. For example:
  - Thirty-nine percent of cloud users said the cloud saves their IT department time. Only 13 percent of noncloud users thought they would save time if they used the cloud.
  - Thirty-one percent of cloud users said that cloud saves them money. Only 4 percent of noncloud users thought they would save money if they used the cloud.
  - Twenty-nine percent of cloud users said that using the cloud enabled them to add new software products and services quickly and securely. Thirteen percent of noncloud users anticipated such a benefit if they transitioned to the cloud.

### Barriers

- Seventeen percent of SMBs that do not use the cloud said they intend to transition to the cloud within the next 12 months, compared with 28 percent who said they had no such intention. More than one-half remain undecided.
- Sixty-three percent said that more transparency would give them greater confidence about security in the cloud. Sixty percent of SMBs not currently using cloud services said industry security standards would help make them feel more confident about cloud security.
- Among noncloud users, concerns were about how the cloud provider would secure data (47 percent) and lack of control over data (45 percent). Findings from SMBs that have adopted the cloud suggest that such concerns could be overstated.

### Singapore SMBs' Comments

When asked, Singaporean SMBs provided a number of reasons for their adoption of cloud services:

*"Because of the need for reliable and cost-effective storage without maintaining our own data storage and backup solutions."*

– Singaporean cloud user in media and entertainment

*"For a more secure, reliable, fast network for the organization."*

– Singaporean cloud user in transportation and logistics

*"For cost-effective online resource scalability and flexibility."*

– Singaporean cloud user in professional services

**Note:** With pure probability samples of 49 (Singapore cloud) and 47 (Singapore noncloud), one could say with a 95 percent probability that the overall results for Singaporean cloud users and nonusers would have a sampling error of +/- 14.0 and 14.3 percentage points, respectively. Besides sampling error, all sample studies and polls may be subject to several additional sources of error that cannot be calculated, including, but not limited to, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-study weighting and adjustments. It should be noted that the sample used in this study is based on those who initially self-selected for participation, therefore no complete estimate of sampling error can be calculated.