



## Enterprises Over-spending by More Than \$8.75 Million on Cloud Services, Couchbase Research Finds

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*Despite Challenges, Enterprises Predict 58% of Total IT Spend Will be in Public Cloud by 2025 – and Increased Movement of Infrastructure to the Cloud is "Inevitable"*

SANTA CLARA, Calif., June 2, 2022 /PRNewswire/ -- [Couchbase, Inc.](#) (NASDAQ: BASE), provider of a leading modern database for enterprise applications, today released research showing that factors such as inflexible pricing plans, management tools that don't give the level of control users need and data not being stored where it needs to be, are adding more than 35% to enterprise cloud costs. With a typical enterprise spending more than \$33 million a year on cloud services according to the research, this represents more than \$8.75 million that could be saved or spent elsewhere if enterprises and cloud service providers can solve these challenges.



Couchbase survey of senior IT leaders finds enterprises over-spent by \$8.75M+ on cloud services. The survey of 650 senior IT decision makers<sup>1</sup> found:

- **Cloud services are not meeting expectations, and are adding to complication and cost:** More than one third (36%) of enterprises said cloud services adopted in the last three years had not met expectations, while 56% said past cloud decisions had made digital transformation projects more difficult in 2021, and 48% more expensive.
- **Contributors to overspending:** The factors adding to costs included not having enough insight into spend or ways to optimize costs; the need to improve security and compliance functionality; inflexible pricing plans that don't give enterprises what they need in a single package; management tools that don't give the control needed; data not being stored where needed to meet regulatory or performance requirements; and vendor lock-in, meaning enterprises cannot use the specific cloud infrastructure they want.
- **Enterprises are struggling against service limitations:** 61% of enterprises have had to restrict their digital transformation ambitions because of challenges with cloud services; while 58% have chosen cloud services that did not give the ability to scale the business to meet demand.
- **Cloud momentum is unstoppable:** 95% of enterprises said that increased movement of infrastructure to the cloud is "inevitable."

"There's no denying the impact of the cloud, from giving large enterprises increased scalability and agility, to giving smaller enterprises access to services and applications they could never implement in-house," said Ravi Mayuram, chief technology officer of Couchbase. "Businesses believe they are getting what they need, or else we wouldn't be seeing this seemingly unstoppable momentum. The question is whether they could be getting even more – \$8.75 million is too much to just be a cost of doing business. If enterprises raise their expectations and service providers address inefficiencies, they could open up new opportunities for digital transformation – or simply reduce their costs."

Despite the costs and challenges they face, enterprises are optimistic about the cloud. Almost every respondent is confident that their cloud services are giving them the levels of security, availability, performance, cost-effectiveness, control, scalability and compliance they need.

This is matched by growing cloud spend. By 2025, enterprises want 58% of their IT spend to be in the public cloud and said that they are currently more than halfway (56%) towards meeting that goal. Their reasoning is clear. Asked specifically about databases-as-a-service (DBaaS), enterprises said that cloud services can offer better uptime SLAs than their in-house team, and that they can better budget if they switch to consumption-based pricing. This, in turn, would allow them to reallocate resources currently used to manage their database infrastructure to areas where it could be spent better.

Asked to identify their top concerns around new cloud infrastructure, security of data was identified by 43% of respondents, followed by managing data in the cloud (33%) and future-proofing to meet future digital needs (31%), while 30% are concerned about keeping costs under control in the future.

"If costs and concerns keep mounting, we will see more organizations struggling to meet their overall business ambitions," continued Mayuram. "The key to a lot of these concerns, and the additional costs enterprises are facing, is sprawl. The more control cloud customers have over their data, including where it is stored and how it is managed, the more confident they will be that it is secure, that their services are future-proofed, and that they have costs under control."

We know there's no putting the cloud genie back in the bottle, and nor should enterprises want to. Instead, we need to ensure it lives up to every

expectation."

Read the full Couchbase report [here](#).

## About Couchbase

At Couchbase, we believe data is at the heart of the enterprise. We empower developers and architects to build, deploy, and run their most mission-critical applications. Couchbase delivers a high-performance, flexible and scalable modern database that runs across the data center and any cloud. Many of the world's largest enterprises rely on Couchbase to power the core applications their businesses depend on. For more information, visit [www.couchbase.com](http://www.couchbase.com)

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<sup>1</sup> Methodology: An online survey was conducted in February - April 2022 by Vanson Bourne, an independent market research organization, of 650 heads of digital transformation, such as CIOs, CDOs and CTOs, in organizations with 1,000 employees or more in the US, UK, France, Germany, Spain, Italy, Turkey and Israel.

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