

IDC Expects Asia/Pacific Spending on IaaS Private, PaaS Private, and SaaS to Increase in 2020 as Country Recoveries Continue

SINGAPORE, August 18th, 2020 – COVID-19 has accelerated the adoption of digitalization technology and services, with Asia/Pacific spending projected to have a modest growth for full year 2020, according to IDC report [Cloud and COVID-19: Asia/Pacific \(Excluding Japan\)](#). The report examines data on end-user intentions regarding the impact of COVID-19 across IT and cloud spending. Based on IDC’s Worldwide Public Cloud Services Spending Guide, total Asia/Pacific* spending for Public Cloud will reach US\$ 34.51 billion in 2020 – increasing from US\$ 25.98 billion in 2019. Regional spending on IaaS Private, PaaS Private, and SaaS are also expected to increase further this year.

“As organizations transition to the Next Normal, increased demand for public cloud services has solidified and is likely to be maintained. Countries are emerging from the immediate reactive state and are building plans for recovery – with some countries moving faster than others. Moderate growth can be expected across all countries, except for New Zealand which will generally remain unchanged,” says [William Lee](#), Research Director for Cloud Services at IDC Asia/Pacific.

Figure 1

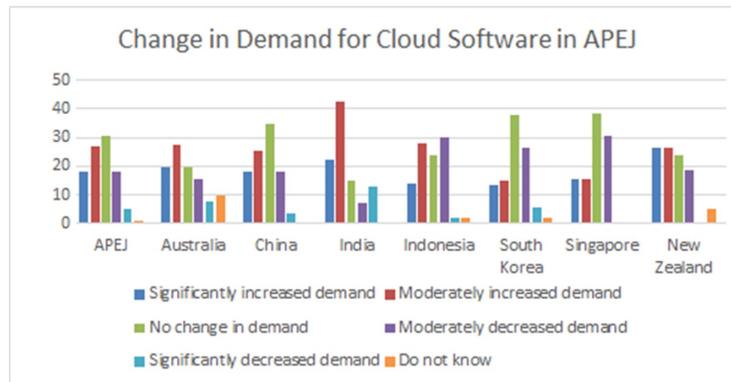


Figure 1: Change in Demand for Cloud Software in APEJ

Other key highlights of the report:

- With the initial temporary interruption of hardware supply chains, some of the increase on infrastructure-as-a-service IaaS spending is likely to be short-term virtual private cloud (VPC) with hyperscalers.
- The increase in software-as-a-service (SaaS) spending will be driven by remote work solutions and conferencing/collaboration services.
- Security is one of the top areas for spending and also the area with little impact on the spend, making it a must-have item.

“The pandemic has brought opportunities for some organizations to take advantage of changed operating conditions to address the weaknesses on what projects to deliver under the current conditions,” ends Lee.

IDC's Cloud Services: Global Overview is a unique research service that provides a "rolled up" view of the entire cloud services market. It provides a wide-angle complement to other IDC research programs that provide drilldown views of specific cloud markets and topics such as IaaS, PaaS, SaaS, private clouds, and edge. This program analyzes how quickly cloud services are being adopted across customer segments and the organizational barriers to faster adoption. It also details key customer expectations about cloud benefits/concerns as well as forecasts how cloud will impact vendor business models

and service offerings. To learn more, contact Deepak Mohan at dmohan@idc.com or click [HERE](#).

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*Note: Asia/Pacific excluding Japan

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