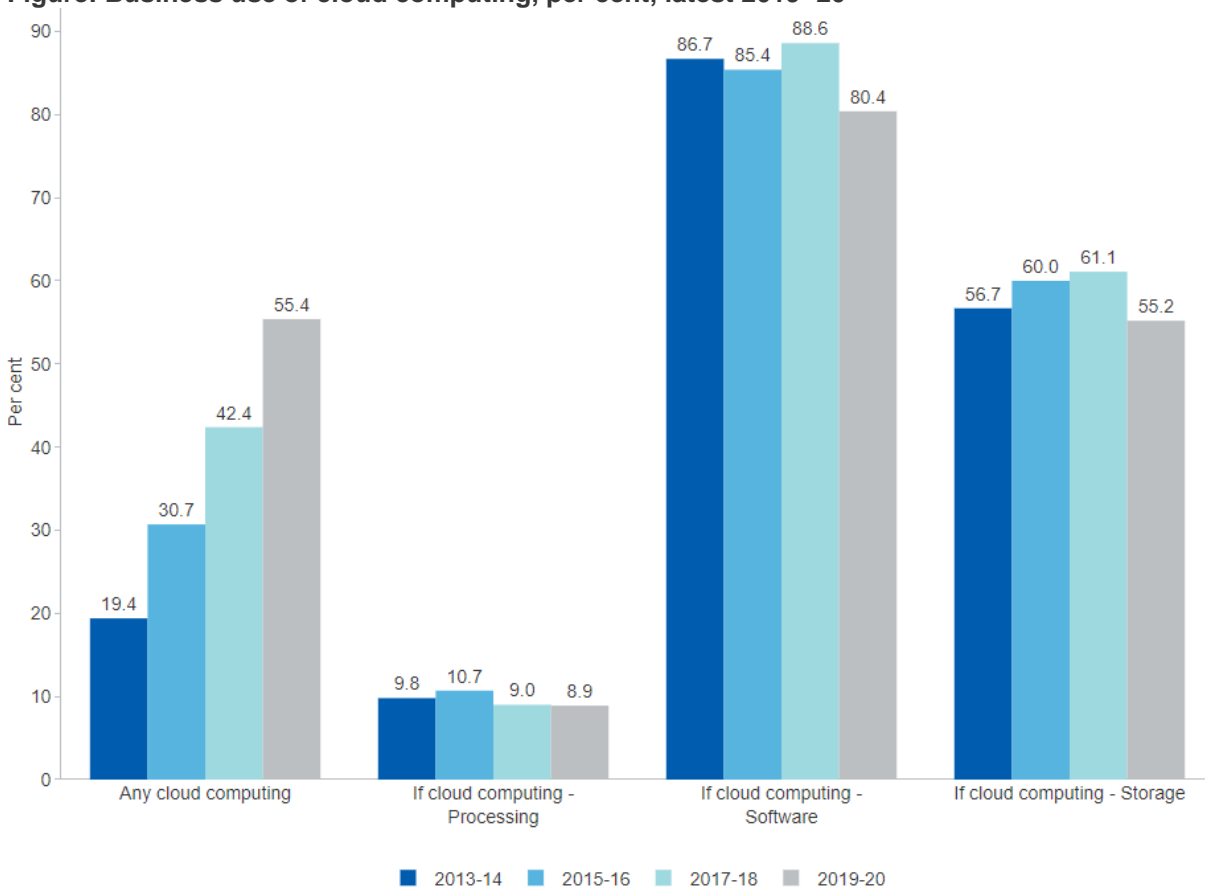


1.2.3 Business use of cloud computing

Cloud computing is a relatively recent technology focused on delivering ICT resources (e.g. software, storage or processing capacity) as a virtualised service over the internet on an on-demand or pay-per-use basis.¹ The share of businesses using cloud computing has rapidly increased from 19.4 per cent in 2013–14 to 55.4 per cent in 2019–20. For those businesses that used cloud computing services in 2019–20, *Software-as-a-service* was the most commonly purchased service (80.4 per cent), followed by *Storage* capacity (55.2 per cent). By business size (data not shown), 48.7 per cent of micro businesses (0–4 employees), 64.8 per cent of other small businesses (5–19 employees), 76.1 per cent of medium-sized businesses (20–199 employees), and 80.6 per cent of large businesses (200+ employees) reported using paid cloud computing services. By industry sector (data not shown), *Professional, scientific and technical services* had the highest proportion of businesses using such services (72.9 per cent), followed by *Information media and telecommunications* (67.1 per cent) and *Mining* (67.1 per cent). Note that survey response options for questions regarding the use of cloud computing have changed since the previous survey period.²

Figure: Business use of cloud computing, per cent, latest 2019–20



¹ Jadeja, Y & Modi, K (2012) *Cloud computing – concepts, architecture and challenges*, Article (https://www.researchgate.net/publication/254035330_Cloud_computing_-_concepts_architecture_and_challenges)

² ABS, *Characteristics of Australian Business*, Cat. No. 8129.0, Cat. No. 8158.0, Cat. No. 8166.0, Cat. No. 8167.0 and ABS.Stat (<https://www.abs.gov.au/>)