Harvard Business Review

ADOPTING HYBRID CLOUD BECOMES A STRATEGIC IMPERATIVE

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The speed and agility that businesses need to keep up with today's modern market is leagues beyond what any of us could have predicted—and it's all for the better. The push for higher productivity continues to drive innovation around devices and technology solutions. But the most impactful movement we've seen, that's disrupting the industry, is cloud computing and the automation and orchestration offered natively within the cloud, whether private or public.

The cloud has transformed the way we do business. It's broken down communication barriers, enabling a mobile workforce where IT teams can solve business problems and create new revenue opportunities that wouldn't have been possible just a few years ago. And, it's opened new doors for personalization, enhancing client experiences.

Insight sponsored this survey to empower midmarket organizations to get the best results from the technology they invest in. We understand that a significant portion of our clients may be hesitant about cloud adoption because of security risks, the belief that the promise of the cloud is either out of reach or not applicable to them, or that the investment process is too costly, difficult or lengthy.

In reality, they can't afford not to invest in the cloud. An example of this is a small to medium-sized business (SMB) that offers moving services to clients nationally—you would recognize the name. Now, while they may seem large, their infrastructure team is small and their ability to rapidly deploy solutions was limited to basic tooling and automation. Since their infrastructure could not scale to meet demand during peak season, their customers experienced delays and outages. Adopting the cloud and leveraging the ability to dynamically scale their platform to accommodate the peaks drastically improved client satisfaction, leading to greater retention and business revenue. As SMBs continue to explore the benefits of the cloud, they're realizing greater competitive advantages linked to cloud integration.

My advice to the midmarket community? Explore what the cloud can do for you by engaging a trusted partner. Our goal at Insight is to guide you as you begin your journey to the cloud, whether it's a private cloud in a colocation or in a public cloud, or, like most organizations, a hybrid configuration. It starts with a solid cloud strategy that balances governance and action so that you are better positioned for success. We'll help you define, design and deploy a pilot solution that will deliver initial business value and lead to deeper and more meaningful level of integration, all in a few weeks.

The cloud offers rich capabilities that are within reach. True, it will take a strategy with attention to process and people, some due diligence and dedication. But the reward is real. The important thing now is to get moving.

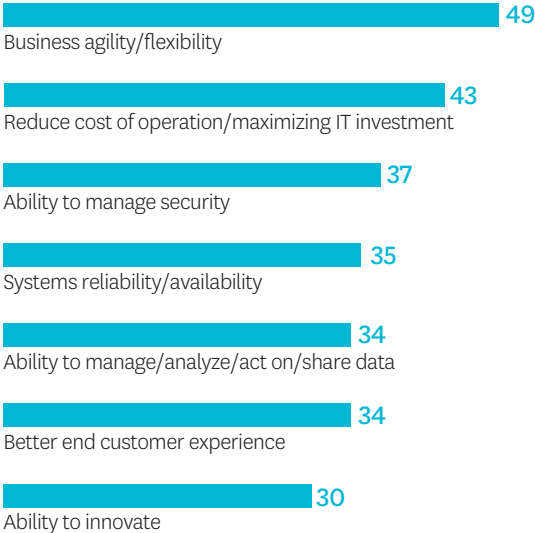# ADOPTING HYBRID CLOUD BECOMES A STRATEGIC IMPERATIVE

CLOUD COMPUTING is no longer a decision made solely for tactical reasons like potential cost savings or ease of implementation. Key strategic business demands—for greater business agility, data capabilities, and better customer and user experiences—are compelling companies to embrace cloud systems today. The call of the cloud may be even stronger for small to medium-sized businesses (SMBs) for whom cloud or hybrid cloud adoption can boost time to market and business growth, as well as risk and security mitigation. However, the migration to multi-cloud environments requires companies to address stakeholder alignment and systems integration issues.

The leading business drivers behind increased cloud or hybrid cloud usage by companies of all sizes are business agility and flexibility; reduced costs; ability to manage security; systems reliability and flexibility; ability to manage, analyze, act on, or share data; and creating a better end customer experience, according to a February 2017 survey of 347 business leaders conducted by Harvard Business Review Analytic Services. figure 1

FIGURE 1

BUSINESS DRIVERS

Percentage saying the following business demands are driving or would drive their organization toward the adoption of more cloud systems or a hybrid cloud architecture

Business agility/flexibility	49
Reduce cost of operation/maximizing IT investment	43
Ability to manage security	37
Systems reliability/availability	35
Ability to manage/analyze/act on/share data	34
Better end customer experience	34
Ability to innovate	30

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"It's gone beyond cost savings. Now companies are recognizing that cloud architecture can enable them to re-automate their businesses in different ways very quickly," says Carl Lehmann, principal analyst in charge of enterprise architecture, integration and process management at 451 Research and author of *Strategy and Business Process Management*. "They're also realizing that when rivals adopt clouds before they do, it can place them at a competitive disadvantage. This often causes cloud adoption and migration to accelerate. Forward-looking companies are analyzing cloud capabilities and trying to use them strategically to enable competitive advantage."

Cloud computing expert and former technology executive Joe Weinman devoted an entire book, *Cloudonomics*, to analyzing the total cost and optimization cases for cloud adoption, but has found that IT and business leaders are far more interested in the strategic rationales for cloud implementations. "There are good reasons for using pay-per-use variable cost models for resources in any business. But if you were to save 25 percent of your IT budget through optimal cloud architecture, and the IT budgets is 4 percent of revenues—you've only impacted one percent of your business. That's good, but it's not superb," says Weinman who has since written *Digital Disciplines: Attaining Market Leadership via the Cloud, Big Data, Social, Mobile, and the Internet of Things.* "The real value of cloud or hybrid cloud architecture comes in the form of agility, decreased time to market, accelerated innovation, better and richer user experiences, and inherently cloud-native or cloud-centric business models," he says.

"We are all living in the wonderful world of digital transformation. No matter the size of your company or the industry you're operating in, there's some company ready to completely disrupt what you're doing," says Richard L. Villars, research vice president for data center and cloud at IDC. "The question for the vast majority of companies is how quickly can I respond to a disruption to either capitalize on it or minimize its impact."

AGILITY AS A COMPETITIVE ADVANTAGE

Business agility can be a rather imprecise term. But at its core, it means the ability to respond quickly to opportunities or risks. "Agility is all about rapid change, and companies can change much more quickly in a modern IT architecture that uses cloud technology," says Lehmann. "If they have to re-code a system to introduce a new process, that's not as agile as doing it through low-code, work-flow enabled infrastructure, which is available in most cloud architecture." The value of cloud computing is as much about IT flexibility as it is business agility. It's the difference between it taking the IT organization six months to provision new technology or conduct a study and using a credit card to buy a software-as-a-service tool, says Weinman.

Cloud solutions also open the door to what Weinman calls "cloud-mediated innovation". For example, an athletic shoe company used to sell its sneakers through retailers with little understanding of who bought them or how they were used. Today, that sneaker company can sell a "smart" shoe that enables it to collect customer information and activity on an ongoing basis, aggregate and analyze it in the cloud, and develop a long and sticky relationship with that consumer, collecting valuable data along the way. That business model transformation is enabled by cloud computing. Likewise, a solar company used to have to convince customers to spend thousands of dollars on solar cells with the promise of cost savings years in the future. Now, that company can install smart solar cells on customers' roof tops at no upfront cost and charge those clients based on their usage and generation data which is collected in the cloud, enabling cost savings from day one. Auto insurance providers can introduce pay-as-you-drive insurance. "It's all enabled by cloud computing," says Weinman, "from the personalized recommendations we get from NetFlix to up-selling and cross-selling by Amazon."

Legacy systems remain a significant hindrance to companies in a number of areas including IT implementation time, empowering the workforce, innovation, extracting value from data, business agility, and the end customer experience. figure 2 "A lot of companies invested in legacy systems that have gone through a series of evolutions and customization over the years, so typically it's a lot of effort to make changes and adapt those systems quickly as compared to a fresh implementation of a software-as-a-service offering or cloud-native application rebuilt from scratch," says Lehmann. "When you migrate to the cloud, you don't just take old processes and move them. You can reevaluate for process efficiency."

FIGURE 2

THE LIMITATIONS OF LEGACY SYSTEMS

Percentage saying their legacy systems are a significant hindrance in the following areas

44 IT implementation time

38 Empowering the workforce/better (internal) user experience

35 Ability to innovate

34 Ability to manage/analyze/act on/share data

32 Better end customer experience

32 Business agility/flexibility

31 Improved time to market

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> "When you're only in one or two businesses, it's not just a risk of disruption to a portion of the business— it's an existential threat, which is why it's even more important for [SMBs] to exploit new technologies and opportunities faster."
>
> Richard L. Villars, Research Vice President, Data Center and Cloud, IDC

THE STRATEGIC BENEFITS OF CLOUD ADOPTION

The move to cloud systems is already helping companies of all sizes transcend the limitations of legacy technology. Survey respondents said the adoption of cloud or hybrid cloud systems has significantly improved collaboration; business agility and flexibility; and their ability to derive value from data, create better internal user end customer experiences, and innovate. figure 3
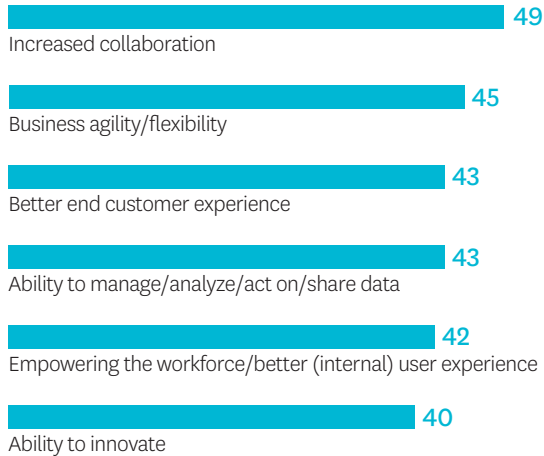
For SMBs, the benefits were even more pronounced in key areas such as time to market, corporate growth, and the ability to mitigate risk. figure 4 The business benefits of cloud adoption may be outsized for smaller companies because the business risks of not adopting more flexible systems can be more significant. "Large enterprises often have more diverse revenue streams and business models," says Villars. "When you're only in one or two businesses, it's not just a risk of disruption to a portion of the business—it's an existential threat, which is why it's even more important for [SMBs] to exploit new technologies and opportunities faster."

Weinman points out that small and medium businesses often can't afford the expertise required for today's complex IT environments. "Subscribing to a SaaS service versus provisioning your own environment is like buying an airline ticket versus buying and flying your own Boeing 777," he says. "You get the economies from scale and sharing, and don't need to develop, maintain, and compensate in-house expertise." Moreover, SMBs today are increasingly "micro-multinationals," smaller shops with a global base of customers, which would benefit from the globally dispersed infrastructure of a cloud provider to optimize the digital experience.

FIGURE 3

CLOUD BENEFITS

Percentage saying the adoption of cloud or hybrid cloud systems has significantly improved company performance in the following areas
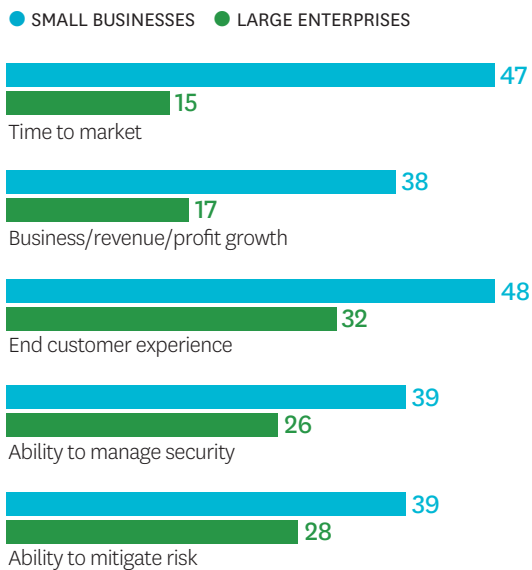
Increased collaboration — 49

Business agility/flexibility — 45

Better end customer experience — 43

Ability to manage/analyze/act on/share data — 43

Empowering the workforce/better (internal) user experience — 42

Ability to innovate — 40

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FIGURE 4

INCREASED CLOUD BENEFITS FOR SMBs

Percentage of SMB and large enterprise respondents who say the adoption of cloud/hybrid cloud systems has significantly improved company performance in following areas

● SMALL BUSINESSES ● LARGE ENTERPRISES

Time to market — 47 / 15

Business/revenue/profit growth — 38 / 17

End customer experience — 48 / 32

Ability to manage security — 39 / 26

Ability to mitigate risk — 39 / 28

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A MULTI-CLOUD APPROACH

The predominant strategy for companies of all sizes today is a multi-cloud approach, with 42 percent of respondents saying their systems are hosted in both the public and private cloud. Four out of ten respondents said they hosted most of their systems in a private cloud, and 13 percent said they hosted most of their systems in the public cloud. figure 5

Emerging capabilities are part of what's driving public cloud uptake. "For new services, functions, and capabilities like mobile, cognitive, and big data, companies are absolutely turning to public cloud offerings where they are available," says Villars. "But equally important is making existing applications and services more agile and easier to tie into cloud options via private clouds or hosted versions of private clouds."
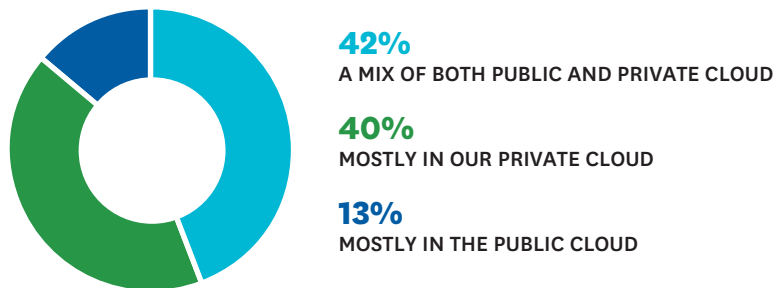
Nearly a fifth of SMBs say they are comfortable putting most of their systems in the cloud (18 percent compared to 5 percent of larger enterprises). But, like large enterprises, they are more likely to take a measured approach to public cloud adoption with 42 percent of them also using a mix of public and private cloud.

"The companies that are smart about it put together a policy that asks a very simple question: under what conditions do we put what workload in what execution venue," says Lehmann. "When an enterprise, regardless of size, is thinking about a new architecture, they should look at all their workloads and assign a risk value to them based on the value they bring to the enterprise and the risk of exposing them to venues other than an internal data center." The systems most likely to reside in the cloud today are email and collaboration, billing and invoicing, business intelligence, payroll, customer service, and project management. figure 6

FIGURE 5

CLOUD APPROACHES

Percentage saying their company's systems are hosted in the following ways

42%
A MIX OF BOTH PUBLIC AND PRIVATE CLOUD

40%
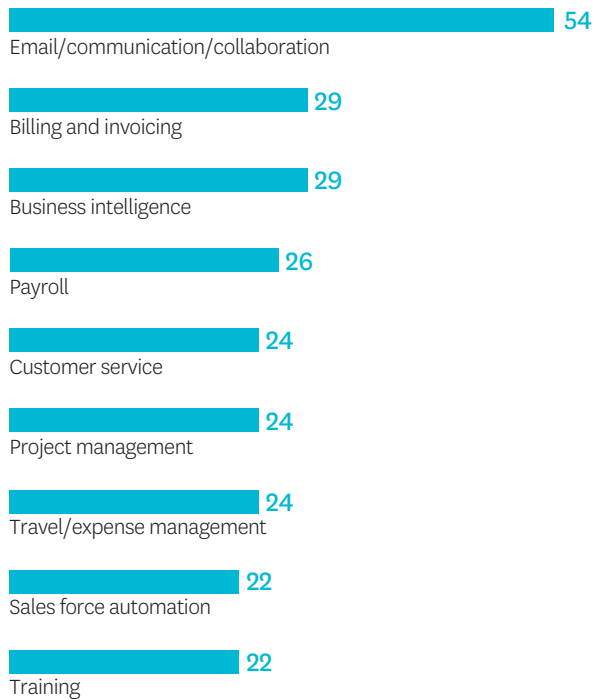MOSTLY IN OUR PRIVATE CLOUD

13%
MOSTLY IN THE PUBLIC CLOUD

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FIGURE 6

APPLICATIONS IN THE CLOUD

Percentage saying the following types of IT systems currently reside in the cloud

Email/communication/collaboration — 54

Billing and invoicing — 29

Business intelligence — 29

Payroll — 26

Customer service — 24

Project management — 24

Travel/expense management — 24

Sales force automation — 22

Training — 22

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According to Weinman, there are a variety of reasons for running these kinds of applications in the cloud. Some, like email and collaboration, are inherently cloud-centric. Others, like business intelligence, can get a cost-effective performance boost by exploiting scalable cloud resources. In areas like payroll, companies have been outsourcing their systems to service providers for decades.

SMBs are likely to have a greater number of systems that can be moved to the cloud with low risk to the organization, according to Lehmann, and even larger organizations are more open to cloud options than in the past. The fact that systems are not migrating even more rapidly to the public cloud (particularly in large enterprises) is "because it requires a lot of effort," Lehman says. "It requires first building confidence and trust in the cloud, then conducting an analysis of what changes are required to move to the cloud, and then testing the systems."

OVERCOMING CLOUD RESISTANCE

There are a number of reasons companies have not taken a wholesale approach to the cloud. The biggest barriers to fully embracing cloud systems have been concerns about security, costs, integration, and customization. figure 7

SMBs are less likely to cite security concerns as a barrier than large enterprises (43 percent of SMBs versus 61 percent of larger enterprises). However, security is nonetheless the biggest apprehension companies have about embracing cloud options, even though improving security is a driver of cloud adoption for 37 percent of respondents. "There are rational and irrational concerns over security," explains Weinman. "Anytime you have a shared environment that's connected over a network, there are potential vulnerabilities."
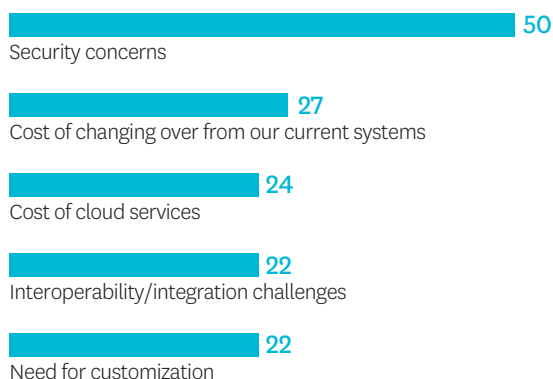
When it comes to a big source of cybersecurity risk—distributed denial of service (DDoS) attacks—cloud providers offer much more protection than any other given firm could. "If there's a DDoS attack at 1.2 terabits per second, it's highly unlikely that any SMB—or even most large companies—could protect against that," Weinman says. "The only companies that can are the large network providers and the top cloud providers." Most companies today understand that, and that's exactly why they cite improved security as a business demand driving migration to the cloud. "Cloud providers spend a higher percent of their capital expenditures on security than most enterprises can. Why? If they fail in that area, they go out of business," says Lehmann.

But while moving to the cloud can relieve companies of the impossible burden of defending against sophisticated hacks, it does not relieve them of potential concerns about who has access to corporate data in the public cloud, for example. "You are still ultimately responsible for understanding how your data is used and connected and protected appropriately, no matter where it resides," says Villars. "Companies want to use more cloud systems because it helps them address some security issues, but it does not help companies manage data control issues. In fact, the cloud can make that more complex because the data is dispersed across more disparate infrastructure."

FIGURE 7

CLOUD BARRIERS

Percentage citing the following as barriers to fully embracing cloud systems

Security concerns — 50

Cost of changing over from our current systems — 27

Cost of cloud services — 24

Interoperability/integration challenges — 22

Need for customization — 22

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Even though some systems may be inherently safer in the public cloud, some companies feel they have more control over on-premises systems or those in a private cloud.

It's not an insurmountable hurdle. Companies can create mechanisms to track where the data is, how it is used, and how it is accessed, says Villars. But, for some companies, it's a difficult mental leap to make. "If you really want something to be safe, you put it in a safety deposit box. However, if you keep it under your mattress, you at least know if someone's broken into your house and taken it," says Weinman. "It's an issue of cognitive control." Even though some systems may be inherently safer in the public cloud, some companies feel they have more control over on-premises systems or those in a private cloud.

The other big barriers—such as the costs of migration, integration and interoperability issues, and the need for customization—reflect a concern about skills to effectively implement and manage a hybrid cloud environment. "It's often not the cost of the service itself but the cost of developing the skills to manage things like integration or customization," says Villars. "In the past, companies had people that were skillful in a single application or service. But in this new world, they need skills in managing and provisioning resources. Integration is not the integration of old—how do you connect systems from Microsoft and Oracle on an HP server—but how you integrate one CRM service with databases in a different cloud tied into a mobile application hosted in a private cloud."

MANAGING A MIX OF SYSTEMS

Indeed, as public and private cloud adoption has increased, the resulting mix of systems is challenging for companies of all sizes to assimilate. And it may be a particular issue for SMBs who have less systems integration experience or talent.

"Multi-cloud interoperability is a challenge. Most enterprises have systems in multiple execution venues that don't talk to each other," says Lehmann. The goal for many companies is a hybrid approach, where systems can interoperate and data is shared and synchronized across the IT ecosystem. But most companies are not there yet. Understanding interoperability is a big deal, and it requires tools and expertise the cloud service providers don't necessarily provide: data migration, data cleansing, extract-transfer-load," says Lehmann. "Plus you need a cloud management layer on top of that to oversee the environment."
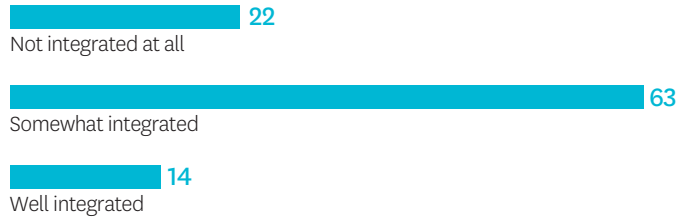
Just a handful of respondents said the systems they used to do their jobs were well integrated. Nearly a quarter said they were not integrated at all, while two thirds said they were somewhat integrated. figure 8 There was no significant difference in systems integration between SMB and large enterprise respondents.

Likewise, only around one in ten respondents said that they have seamless, reliable, and ubiquitous access to the systems they need to perform their jobs while nearly four in ten either somewhat or strongly disagreed with the statement. figure 9 It's surprising the numbers reporting seamless integration among systems aren't even lower, says Weinman, pointing out that systems integration

FIGURE 8

SYSTEMS INTEGRATION

Percentage describing the level of integration of the current mix of IT systems they use to perform their jobs

22
Not integrated at all

63
Somewhat integrated
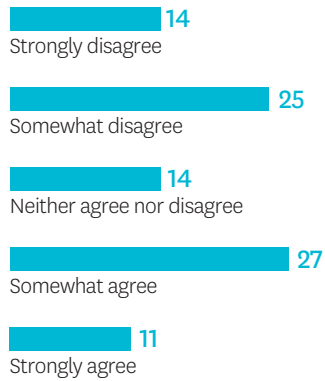
14
Well integrated

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FIGURE 9

SYSTEMS ACCESS

Percentage citing their degree of agreement with the statement: "I have seamless, reliable, and ubiquitous access to the systems I need to perform my job."

14
Strongly disagree

25
Somewhat disagree

14
Neither agree nor disagree

27
Somewhat agree

11
Strongly agree

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has long been an issue for companies. "It often seems that employees are forced to use a random collection of underperforming systems cobbled together over the years from mergers and acquisitions and implementation and migrations and this, that, and the other thing," he says. "No one really has all of the systems needed to do their jobs integrated."

However, if the biggest business driver behind cloud adoption is agility and flexibility, integration becomes even more important. "Hybrid cloud architectures are only optimal if they actually work, are secure, are easy to use, and things happen autonomically," says Weinman. "Companies will have to get there." Indeed, six out of ten respondents said that improving the integration and management of the IT systems environment (cloud and non-cloud) is very important to meeting business demands in the next two years. figure 10

THE RETURN ON ALIGNMENT

A key to systems integration in the multi-cloud or hybrid environment is alignment. "Once systems start to interoperate, alignment is absolutely necessary," says Lehmann. "You need a process owner in some shape or form."
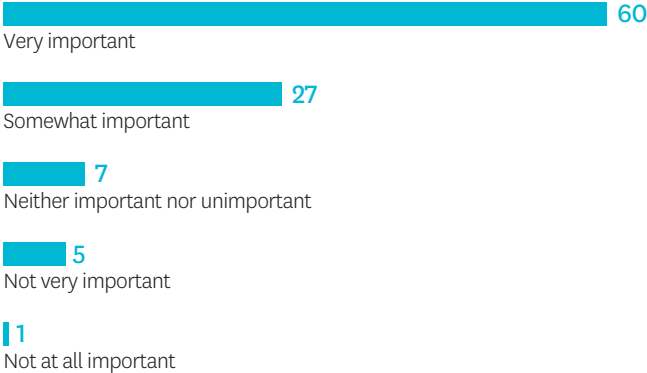
For years, most businesses have had owners of a specific application or workload, but what's needed in an environment that is made up of a mix of on-premises, co-located, and public and private cloud hosted systems, are owners of the end-to-end business process. Consider a seemingly simple procurement process involving someone requesting an item, someone buying it, someone receiving it, and someone paying for it. That likely involves at least four different functions and at least four different applications. "Business processes today transcend multiple applications. If there's not an owner of each end-to-end business process, things can quickly get out of control, and all kinds of problems can occur," Lehmann says. "Most companies manage applications as assets, they don't manage the business processes as assets. That has to change. Companies that manage business processes as assets understand how their systems interoperate and how different stakeholders work together—and when they do, they enable competitive advantage."

FIGURE 10

THE INTEGRATION IMPERATIVE

Percentage citing the relative importance of improving the integration and management of the IT systems environment (cloud and non-cloud) to meeting business demands in the next two years

60
Very important

27
Somewhat important

7
Neither important nor unimportant

5
Not very important

1
Not at all important

> In SMBs, the Office of the CEO was most likely to make cloud investment decisions (71 percent) followed by IT (55 percent).

Alignment among those business and IT leaders that make cloud investment decisions and those that have some influence over those choices is also important in an era of digital competition and transformation. In order to effectively adopt and integrate cloud systems, "executive engagement is critical," says Villars.

IT and the Office of the CEO are most likely to have decision-making power over cloud investments, followed by another C-suite member. In SMBs, the Office of the CEO was most likely to make cloud investment decisions (71 percent) followed by IT (55 percent). Those with influence on the decisions include other C-suite members like the CMO, finance, and operations. figure 11 and 12
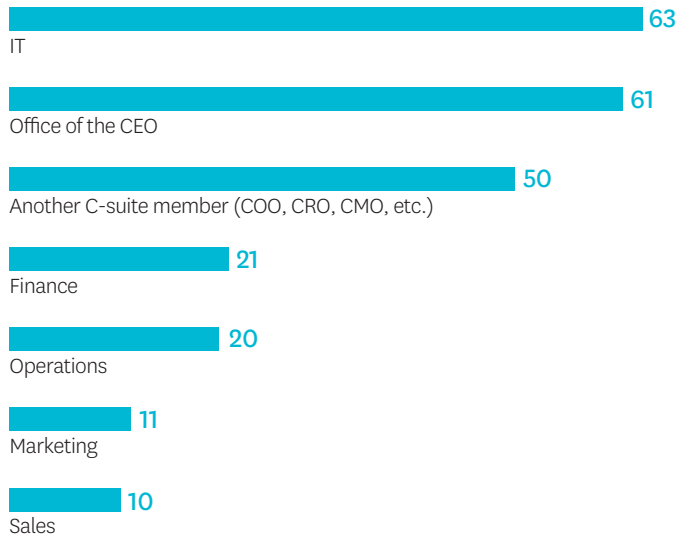
When first introduced, cloud computing was largely adopted by line-of-business leaders looking to rapidly implement systems to solve business problems or members of the IT function that needed fast access to additional computing resources, says Lehmann. As those systems proliferated, companies began to realize they needed to take a step back and develop a cloud adoption strategy. As they did so, interoperability became the next issue and cloud decisions were then elevated in the organization. "These decisions were actually impacting the execution and reliability of business processes that could make or break a company," Lehmann says. "At the same time, management started to hear about how rivals and new market entrants were using clouds. The C-suite began to ask their CIOs about how their IT architecture could enable a competitive advantage. They got more involved."

The involvement of the C-suite is a growing trend, says Weinman. "Someone responsible for an athletic shoe maker's P&L isn't necessarily going to keep up with the latest developments in information technology. But the CIO can play a critical role talking to and collaborating with them about how new technologies can enable disruptive innovation in whatever the core business is. The CIO can be a visionary innovator collaborating with senior leadership on where all of this technology is headed." That requires the CIO to convey the value of cloud computing in business terms. "It's less about [tactical] objectives like how much will be saved per server or how staff levels can be reduced by moving to the cloud," adds Villars. "It's more about how [cloud adoption] will do one of three things: reach more customers, more effectively engage with existing customers, or get faster answers. The C-suite or any business leader wants to see cloud benefits translated into business benefits."

FIGURE 11

CLOUD DECISION MAKERS

Percentage saying the following have decision-making power regarding cloud computing investments

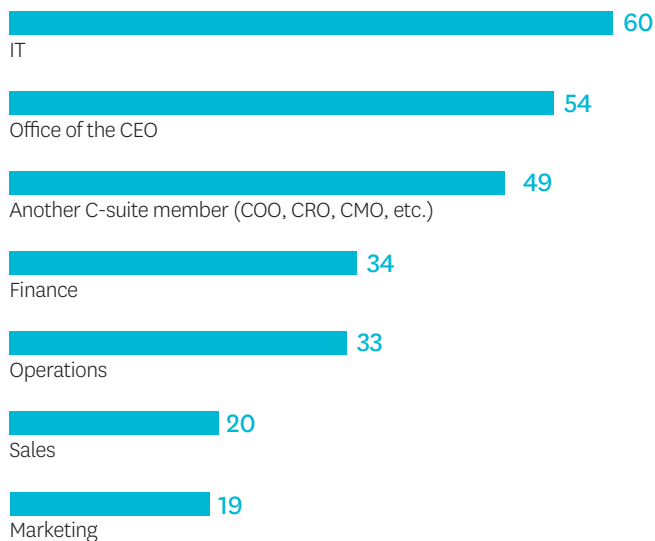|	
IT	63
Office of the CEO	61
Another C-suite member (COO, CRO, CMO, etc.)	50
Finance	21
Operations	20
Marketing	11
Sales	10

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FIGURE 12

CLOUD INFLUENCERS

Percentage saying the following influence decisions regarding cloud computing investments

IT	60
Office of the CEO	54
Another C-suite member (COO, CRO, CMO, etc.)	49
Finance	34
Operations	33
Sales	20
Marketing	19

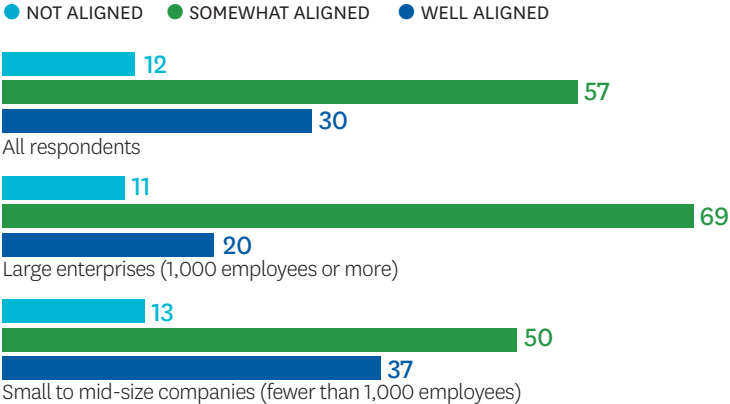SOURCE HARVARD BUSINESS REVIEW ANALYTIC SERVICES SURVEY, FEBRUARY 2017

The key to extracting value from increased cloud adoption is how effectively the senior executive team can translate implementation into actual change, Villars says. Which is why alignment is so important. Just under a third of respondents say cloud stakeholders are well aligned. figure 13 SMBs more likely to report being well aligned (37 percent) than large enterprises (20 percent). Things naturally move slower in big companies "because there are so many stakeholders and processes and approvals," says Weinman. "Small companies can be much more agile and do what's needed." And while SMBs have fewer issues with stakeholder alignment around cloud investment decisions than their larger counterparts due to size and CEO decision-making power, there is room for improvement on that front as well. In all cases, "you want an optimal investment, aligned with the board and CEO and with all business leaders on board and involved because you want to make sure that the decisions made about IT systems support the strategic direction of the company," says Weinman.

In fact, respondents reporting strong stakeholder alignment accrued business benefits from cloud adoption at higher rates than the overall base. Three-quarters reported benefits to the end customer experience and more than half reported improvements in the ability to manage, analyze, act on, or share data; time to market; collaboration; empowering employees; business agility and flexibility; and innovation. They also were moving systems to the cloud at increased rates, were less likely to see security as a barrier to cloud adoption, and were more likely to experience well-integrated

FIGURE 13

STAKEHOLDER ALIGNMENT

Percentage indicating the level of alignment among their organization's decision-makers and influencers when making cloud investment decisions

● NOT ALIGNED   ● SOMEWHAT ALIGNED   ● WELL ALIGNED

All respondents
- 12
- 57
- 30

Large enterprises (1,000 employees or more)
- 11
- 69
- 20

Small to mid-size companies (fewer than 1,000 employees)
- 13
- 50
- 37

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Companies classifying their leadership as well-aligned on cloud-related decisions reported business improvements resulting from cloud/hybrid cloud systems at significantly higher rates than the overall base.

systems in doing their jobs. Perhaps even more importantly, those respondents with well-aligned stakeholders were more likely to be in a favorable market position vis-à-vis the competition (62 percent versus 28 percent of non-aligned companies) and more likely to be in revenue growth mode (73 percent versus 49 percent of non-aligned companies).

CREATING A HYBRID CLOUD STRATEGY FOR THE FUTURE

All companies—both large and small, across industries—will have to create a business-aligned strategy for cloud adoption that not only determines what systems should migrate to the cloud but how best to integrate and manage an increasingly complex multi-venue architecture. The resources required to execute on that strategy will be critical—not just financial investment but the new skills necessary to manage a hybrid IT ecosystem. This will ultimately underpin a business's ability to make rapid adjustments in an age of disruption.

METHODOLOGY AND PARTICIPANT PROFILE

A total of 347 respondents were drawn from the Harvard Business Review audience of readers (magazine/enewsletter readers, customers, HBR.org users).

SIZE OF ORGANIZATION

Forty percent were in organizations with 1,000 or more employees, 24 percent were in organizations with 101-999 employees, and 36 percent had fewer than 100 employees.

SENIORITY

Twenty-nine percent of respondents were executive management or board members, 28 percent were senior management; 31 percent were middle management; 12 percent came from other grades.

KEY INDUSTRY SECTORS

Twelve percent were in financial services, 11 percent were in technology/IT and manufacturing, and 10 percent were in consulting. Other sectors were each represented by 8 percent or less of the respondent base.

JOB FUNCTION

Eighteen percent were general management, 13 percent were IT, and 9 percent were in consulting. Other functions were represented by 7 percent or less of the respondent base.

REGIONS

Forty-one percent of respondents were located in North America; 32 percent were from EMEA, 19 percent were from Asia, and 8 percent were from ROW.

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