Why the cloud is a no-brainer for startups

Cloud computing has removed many barriers to entry when it comes to starting a business. As a result, it has helped startups the world over to bring their ideas to life, scale rapidly and thrive over the last decade.

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Today, it's uncommon to find a startup that isn't cloud native; most chose to adopt a cloud infrastructure from the beginning. Take businesses such as Slack, Stripe and Boost Commerce. They are just a few examples of startups that have been able to grow and innovate quickly and seamlessly by embracing the security, agility and flexibility of the AWS Cloud.

Startups value flexibility, speed to market and partnering with those that help them to stand on the shoulders of giants. The goal: to drive lower capital expenditure (CapEx) on global infrastructure. The cloud has levelled the playing field and allowed startups to compete with globally recognised companies immediately, without having the overhead of marrying together new capabilities with legacy systems.

Baked in security

As digital native companies define new categories, they are able to meet the most stringent requirements expected by customers by using cloud security services.

Startups must make security a top priority, regardless of size. A security breach can impact startups by hurting their reputation and customer-

bases and can have repercussions on the larger organisations these businesses they do business with.

The global spike in ransomware due to the pandemic is alarming; there has been a 62% increase in ransomware globally, according to the *SonicWall Cyber Threat Report*. To cope with the surge in cybercrime, which has been motivated in part by the disruption of the pandemic, startups need to bake-in security from the ground up to make sure they are not the weak link in a supply chain. Security is critical to deliver peace of mind and remove risk, so organisations can focus on growing their businesses. This is why it is a top priority for us.

For <u>Slack</u>, security of the intellectual property and business ideas flowing through its platform is imperative to its customers. Slack can ensure it's safe, secure and always on, because its cloud provider has the latest security regulations and tools under control.

Cloud is a smart investment

When starting a business, managing burn rate is critical in a startup's journey to finding product market fit. Therefore, investments that deliver the highest possible value and return on investment (ROI) are a must. This approach enables startups to avoid the large upfront expense of owned infrastructure, and manage their IT at a lower cost.

However, low cost does not mean low functionality. To the contrary, a startup operating on cloud infrastructure has access to the same services and capabilities as the largest enterprise or government customers. This investment includes entire teams dedicated to security to satisfy the security and compliance needs of the most risk-sensitive organisations.

This allows them to compete on an even playing field, innovating quickly and bringing products to market, all with the knowledge that they can securely run their business with the most flexible and secure cloud computing environment available today.

For example, since 2011, Stripe has delivered its PCI-compliant payment platform entirely in the cloud, relying on the cloud's security best practices as well as easy auditability. This provides Stripe with access to a world-class infrastructure that helps it to scale seamlessly and increase developer productivity, central to its aim of making it easier than ever for developers to process payments on its web and mobile applications.

The ability to scale

Startups are ambitious, tenacious and hungry to expand, so choosing to build and scale their business <u>on the cloud</u> is a natural choice. Simply by embracing cloud, startups can scale rapidly, giving them the ability to trade capital expense for variable expense, and only pay for IT services as they consume them.

The variable expense is much lower than what startups can do for themselves because of the cloud's economies of scale. This means they can redirect costs into shipping products faster to capture more market share in pursuit of product market fit.

Automating security

Time is precious for startups. Automating security tasks enables startups to be more secure by reducing human configuration errors and giving teams more time to work on other tasks critical to the business. Automation can also offer a smarter approach to detecting potential threats through its ability to monitor patterns of behaviour; being able to identify changes in behaviour means potential attacks can be identified and dealt with immediately.

Applying machine learning and mathematical logic to security also allows cloud platforms to proactively manage tasks including security assessments, threat detection and policy management. Using automated reasoning technology, the application of mathematical logic to help answer critical questions about your infrastructure, cloud providers are able to detect entire classes of misconfigurations that could potentially expose vulnerable data.

From the beginning, it's essential that startups choose a cloud provider whose network architecture can capably serve the most security-sensitive organisations in the world. We believe that startups are integral to innovation in the UK. This would be impossible, however, without a cloud provider that provides support and scalability as they grow, as well as helping them to keep their data safe and protect against potentially devastating cyber attacks.

By adopting a cloud-native approach, startups can channel their time and efforts into innovating and disrupting their industry, safe in the knowledge that their cloud provider is agile, secure and dynamic to meet their needs.

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