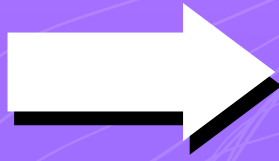


Serverless Architecture: The State of the Industry (2023 & Beyond)

Today, IT engineers and developers are implementing serverless architecture at a rapid rate. Why? The reason for adoption is partially because of its scalability, partially because of its enhanced flexibility, but mostly because of its ability to eliminate the management of the server. (We love that part too.)

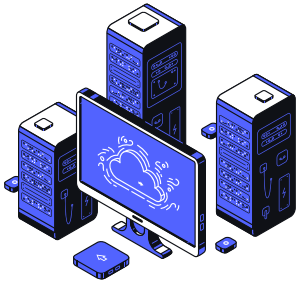
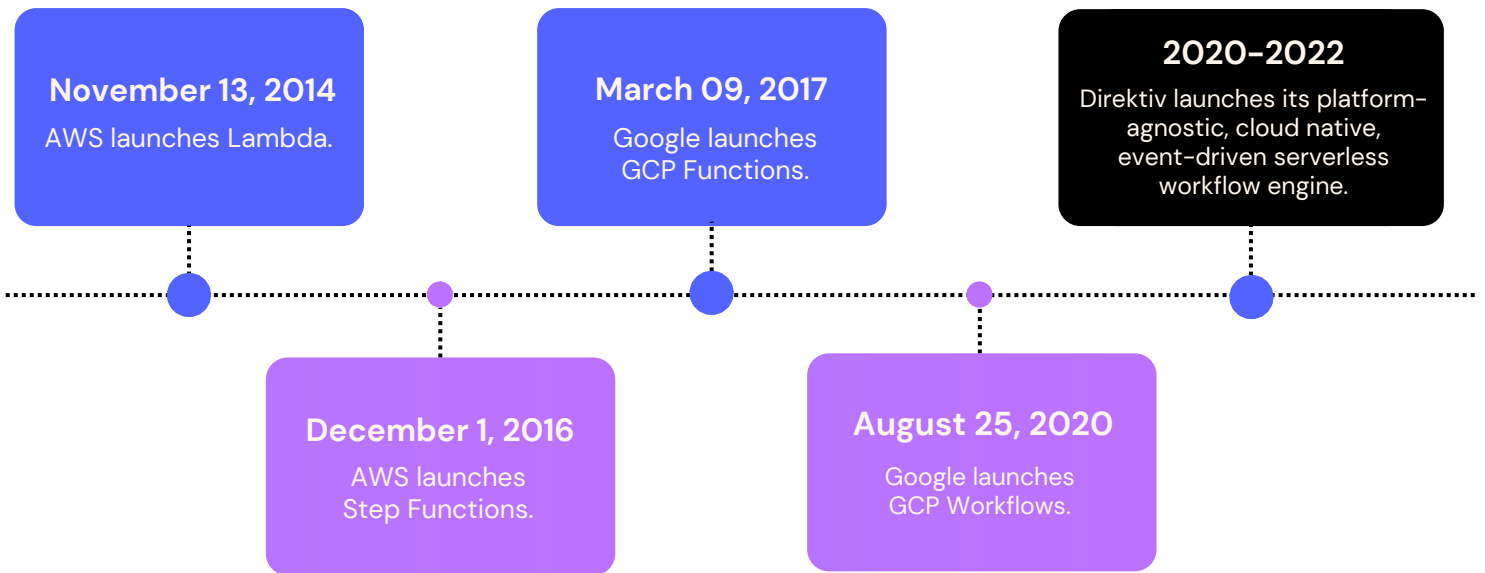
The global serverless architecture market was valued at US\$ 9.02 Billion in 2021.



By 2027, the serverless architecture market is estimated to reach US\$ 25.65 Billion at a CAGR of 19.03%.

Because of this swift rise in adoption, we wanted to take a closer look at the history of serverless architecture, note where the serverless industry currently stands, and peek into our crystal ball to see where we believe it's headed.

A Brief History of Serverless Architecture



The evolution of serverless architecture and its associated solutions have transformed the IT development industry throughout the past two decades. As organizations continue to shift to the cloud—placing cloud computing and cloud-based applications in the mainstream—industry disruptors are inventing ways to optimize development processes to increase efficiency, flexibility, and scalability.

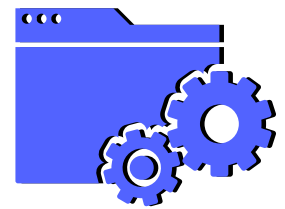
The State of Serverless Architecture Today

Currently, there is a [significant rise](#) in the use of cloud-based applications. This is because today's developers are adopting cloud-based technologies to access, store, and retrieve files and data quicker and easier than ever.



Over [50%](#) of organizations leveraging the cloud have already adopted serverless architecture today.

[35%](#) of organizations report not adopting serverless architecture yet because of the requirement to integrate their current applications with other cloud services that are currently unavailable. Plus, [29%](#) believe they don't have a business use case for serverless yet and mark this as the main barrier to adoption.



The Future of Serverless Architecture

It's clear the adoption and use of serverless architecture is on the rise. But what does this mean for the development industry as we prepare for and head into 2023 and beyond? Here's what we know:

Over [85%](#) of organizations will be adopting a cloud computing strategy by 2025.



[95%](#) of new digital workloads will take place on cloud platforms, a 30% increase from 2021.

By 2025, 65.9% of spending on application software will go directly toward cloud technologies. This is a significant increase from 57.7% in 2022.



A key driver of serverless architecture adoption in 2023 will continue to be the ability to eliminate server management.

As enterprises store their data and applications in the cloud, whether public, private, or hybrid, security breaches are possible. Therefore, there is a growing demand for serverless security solutions.

By 2027, the Global Serverless Security Market size is expected to reach [\\$5.7 billion](#), with a CAGR of 27%.



In Summary

Completely migrating to serverless architecture is a challenge that few large enterprises are able to overcome at the present. Yet, the steady growth in serverless adoption proves that shifting to serverless is no longer a luxury. To remain competitive in today's cloud-based world, organizations need to prioritize adopting the technologies, strategies, and DevOps mindset to make the shift.

Direktiv's platform-agnostic, cloud native, event-driven serverless workflow engine can help ease you into the adoption of serverless architecture. Since Direktiv is Knative and its components run serverless and ephemeral, the platform only consumes resources when workflows run—saving resources and cost.

Speed up your digital transformation and implement serverless architecture solutions with Direktiv.

[Get started](#)