An IDC InfoBrief, Sponsored by Hitachi Vantara | April 2019

IDC
ANALYZE THE FUTURE

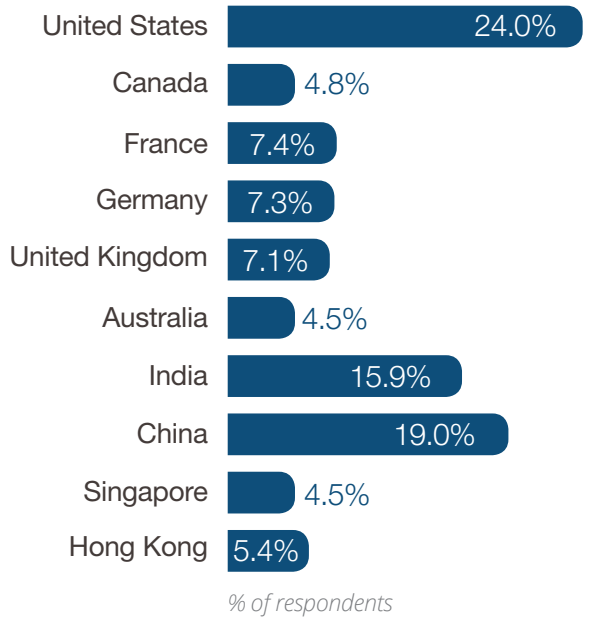
Object Storage:

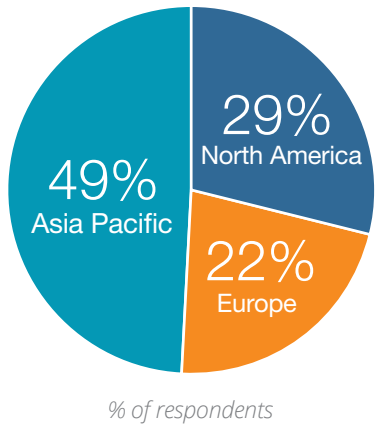
Foundational Technology for Top IT Initiatives

In This InfoBrief

Hitachi Vantara and IDC partnered to understand how object-based storage (OBS) is currently being used in enterprises worldwide, and how IT decision-makers see the role of OBS evolving in the enterprise. This IDC InfoBrief summarizes the results of our study and will help you move forward with the strategic use of OBS in your organization.

Survey Scope and Key Characteristics





- **1,050** respondents worldwide (NA, Europe, AP) – **50%** from AP
- Nearly **50%** AP respondents, over **30%**, deploy less than 100TB capacity on-premises for unstructured data.
- **54%** respondents are from organizations with **500 – 2,499** employees.
- **Titles include**: CIO, Cloud Architect, IT VP/Director/Manager, Storage Admin., App Developer

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Executive Summary

Object Storage Has Matured to Enterprise-Ready

80%
of organizations surveyed worldwide believe object storage can **support their top IT initiatives**

OBS is now the **top choice** for **long-term retention of unstructured data**

Object storage, originally used for tier-2 or archival storage, is now moving to support tier-1 workloads like security and enterprise resource management

38% of organizations believe OBS offers the scalability needed

35% of organizations believe OBS offers the ability to analyze unstructured data and improve data quality

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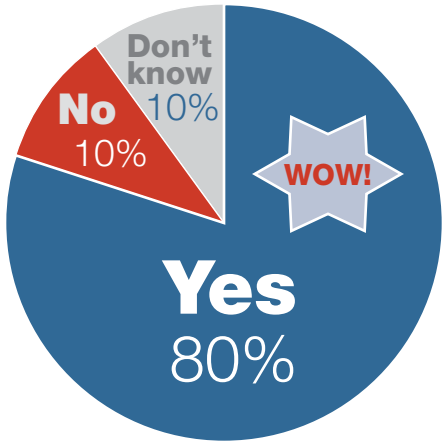
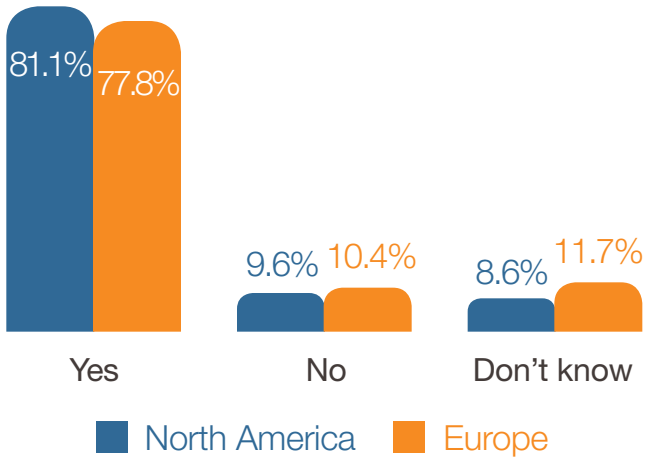
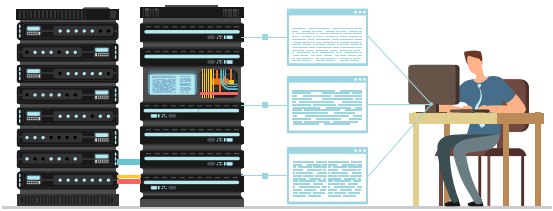
Object-Based Storage Can Support Top IT Initiatives

Companies That Believe Object Storage Can Support Their Top 3 IT Initiatives





80% of respondents believe OBS can support their top IT initiatives



Source: Worldwide - HDS Object Storage, January 2019, IDC

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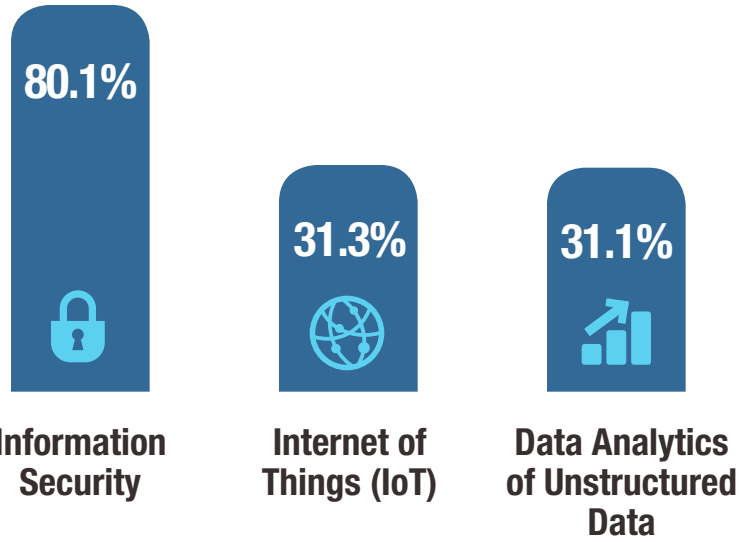
#1 IT Initiative Worldwide: Security

Top 3 IT Initiatives Related to Data Storage



Top IT Initiatives By Region

- Security ranks #1, by highest margin overall (55.2% vs. #2 IoT at 31.3%) and in all regions
- IoT ranks #2 NA and #3 Europe
- Adopting private cloud within datacenter is the #2 initiative for Europe (trigger can be GDPR) vs. Adopting Public Cloud, which is #3 for NA
- AP ranks Data Analytics for Unstructured Data as #2 and IT Automation/Process Automation as #3

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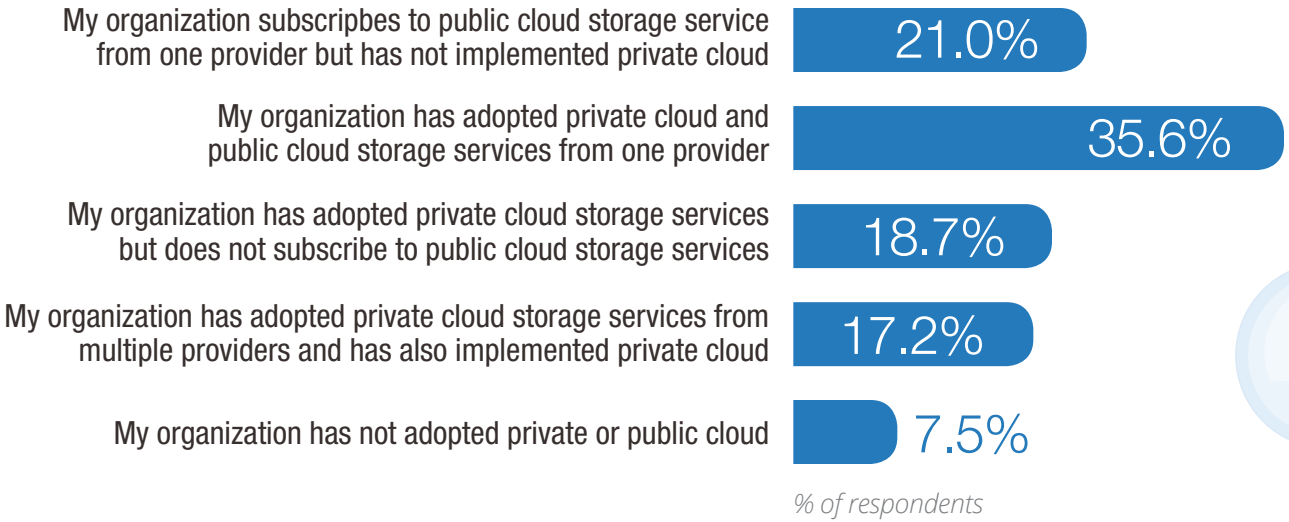
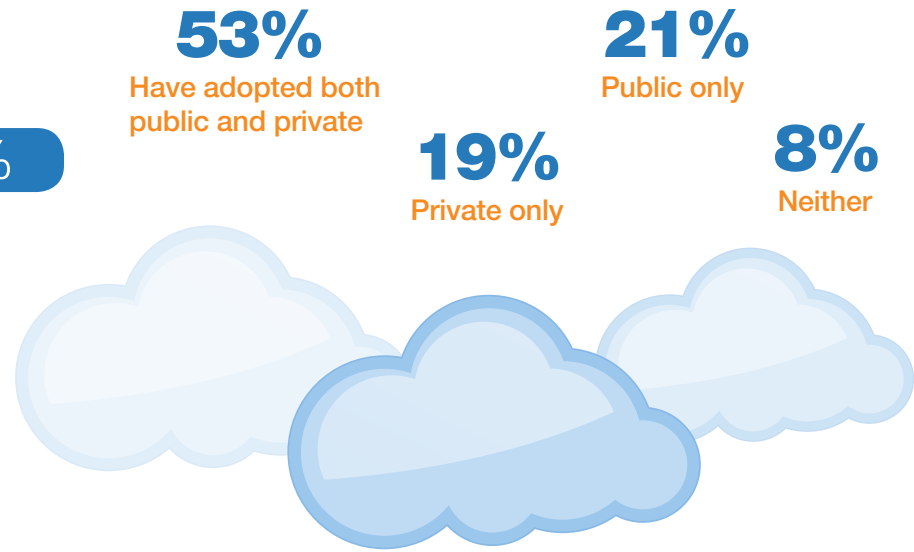
Strong Use of Private & Public Cloud for Unstructured Data

Most respondents have either adopted public or private cloud from **one or more providers**. **Only 8%** respondents have **not** adopted private and public cloud. The majority of respondents have adopted public and private cloud services **from one provider**.

Private & Public Cloud Adoption





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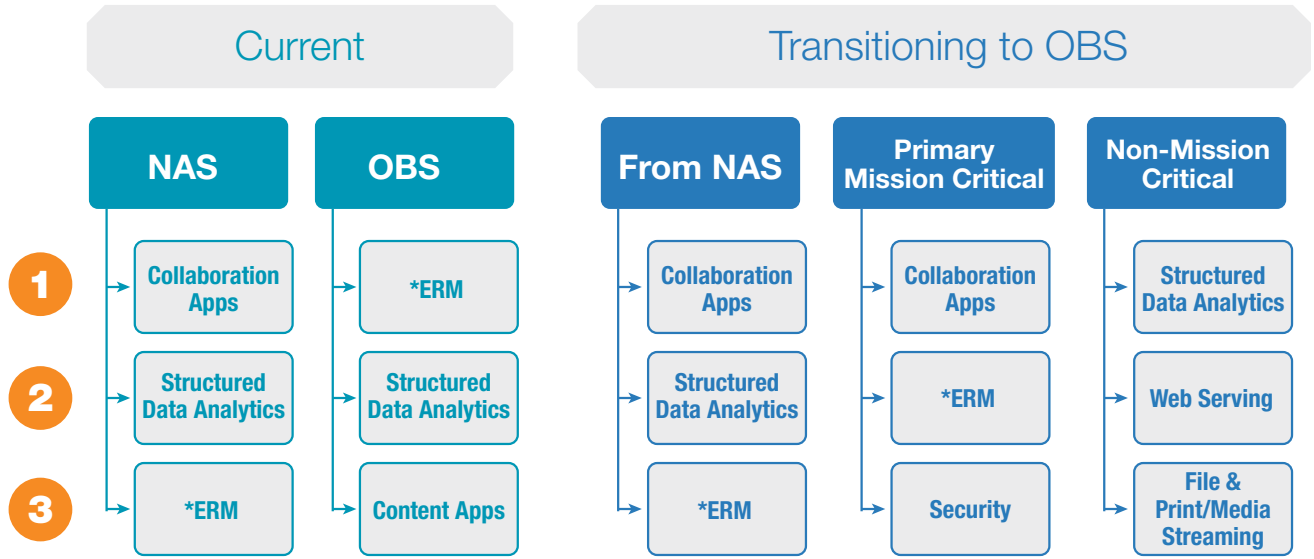
Object Storage: Not Just for Archiving Anymore

Workloads or applications for unstructured data are **now transitioning** to OBS, which originally served as secondary storage tier or archival tier. Applications moving from NAS to OBS are likely to be transitioned to OBS **serving as production/primary storage tier**.



**ERM: Enterprise Resource Management Applications such as Finance, HR, Accounting, Procurement, Asset Management, etc.*

Source: Worldwide - HDS Object Storage, January 2019, IDC

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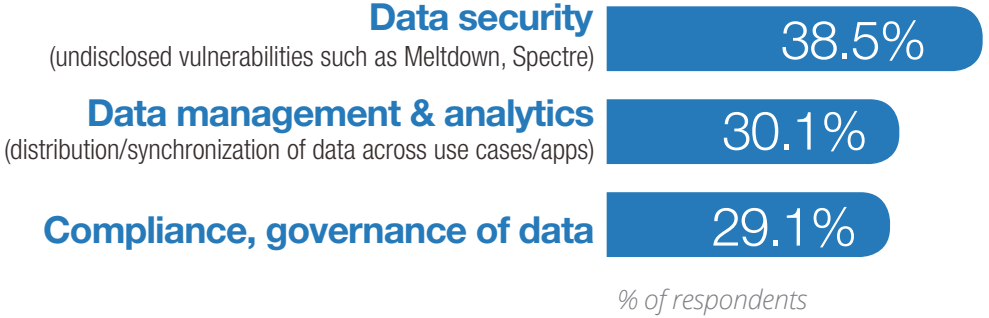
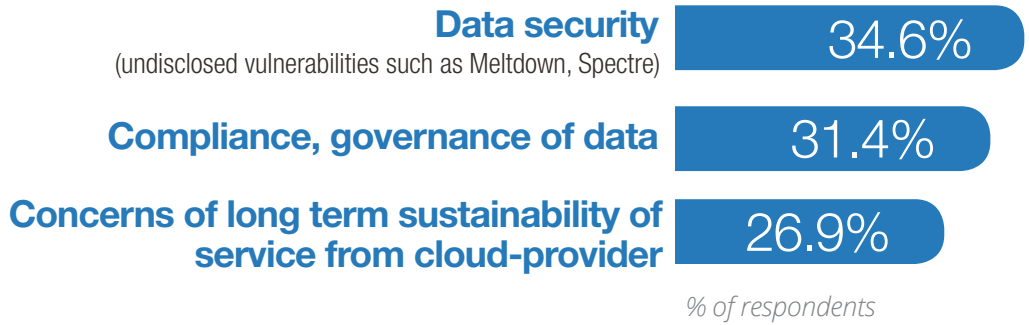
Cloud Is a Top IT Initiative, But Concerns Remain

Top 3 Challenges of **Public** Clouds



Top 3 Challenges of **Private** Clouds



Concern with adopting public and private clouds as **top initiative:**

#1 is data security due to **vulnerabilities** (such as Meltdown, Spectre)

Other key concerns:

- Compliance/ governance of data
- Data management and analytics

These key concerns are reasons for repatriation of data from public/private cloud storage services to on-premises.

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Most Organizations Store Unstructured Data Longer Than Three Years

In fact, **55%** of IT leaders surveyed indicated they retain their unstructured data for **5 years or more** with Europe retaining data slightly longer than North America and Asia Pacifc.

Organizations are retaining a variety of unstructured data assets long term. Here are the top **5 most common types of data** they retain. Other types include healthcare records, video surveillance and media.

51%

Finance Related

48%

Sales Information

47%

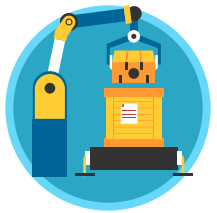
Electronic Communication

39%

User-Generated Content

32%

Sensor/Machine/ IoT Data



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Reasons for Long-Term Data Retention: Compliance Today, Data Analytics Tomorrow

Top 3 Reasons to Keep Data Today

Top 3 Reasons to Keep Data: In 2 Years

Today

Regulatory Compliance is the top reason for organizations to retain unstructured data long term.

Data Analytics is #2 reason for long-term data retention today.

In 2 Years

Data Analytics will be the #1 reason for long-term data retention in 2 years for extracting value to gain insight on customers/products and drive profitability.

Organizations will adopt and integrate **AI and analytics strategies** in making business decisions in the near future.

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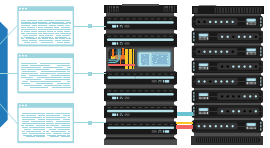
Persistent Challenge: Identifying & Deleting Old Data

How often organizations identify and delete content:



Only 18% respondents have inbuilt/integrated processes to identify and purge data.

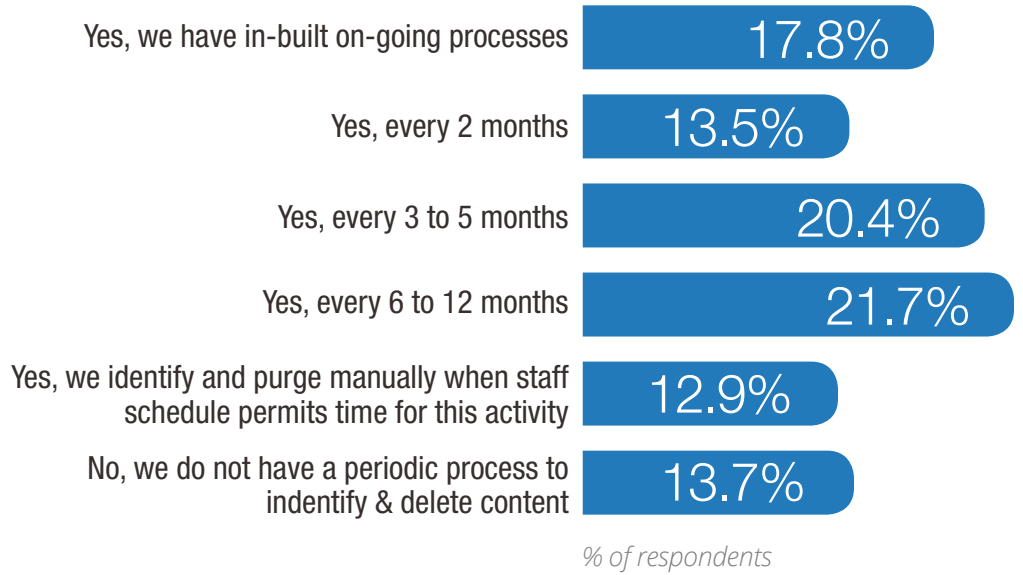
3-12 months is a popular timeframe for this task across all regions.

42% AP respondents either manually purge or do not have a process.

Respondents who **don't identify and delete data** do so because of:

- Legal & compliance/corporate policy
- Lack of policy/tools and clarity on what can be purged

Q. *Does your organization periodically follow a process to actively identify and delete content with little or no business value?*



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The Value of Object Storage for IT Initiatives

In 2 years over 40% of respondents feel "data is IP and it drives revenue for my organization" and want to "extract value out of data to enhance product/solution." **OBS is a mature solution** for handling data at scale and supporting a variety of deployment models. Therefore, OBS can support top initiatives.

Top 3 Benefits of IT Initiatives

43.4%
Improve internal operational efficiency & productivity

37.0%
Reduce risk

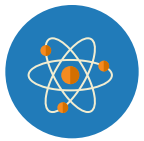
36.8%
Reduced costs & increased profit margin

Top 4 Reasons OBS Can Support IT Initiatives

38.0%
OBS offers scalability needed

35.7%
OBS offers wide variety of platforms to choose from (traditional/private & public cloud)

35.4%
OBS offers the ability to analyze unstructured data/ improve data quality



33.3%
OBS offers is a mature technology

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Important Features When Adopting Object-Based Storage Solutions

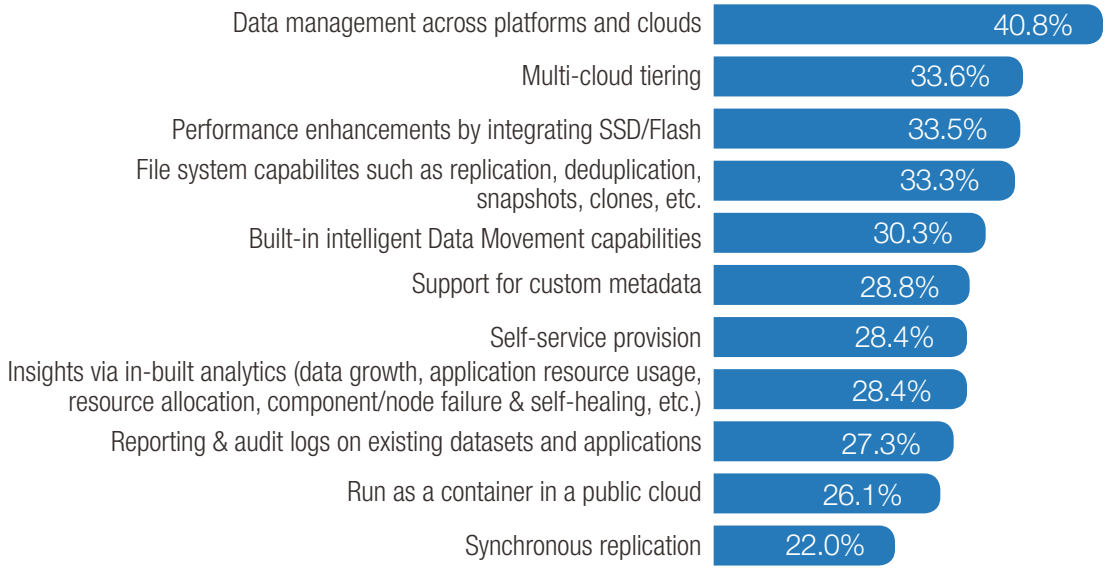
Important features for OBS:

Data management across platforms and clouds

Multi-cloud tiering

Performance SSD/Flash

Q. *Which of the following features are most important to you when adopting object-based storage solutions?*



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Reasons to Choose Object Storage

Reasons to choose OBS support correlate with feature requirements:

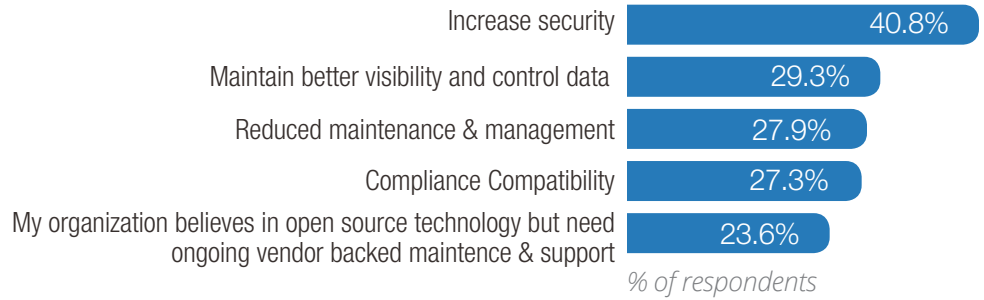
Commercial SW on Commodity HW or Public Cloud:

- Increase security
- Maintain better visibility and control of data
- Reduced maintenance

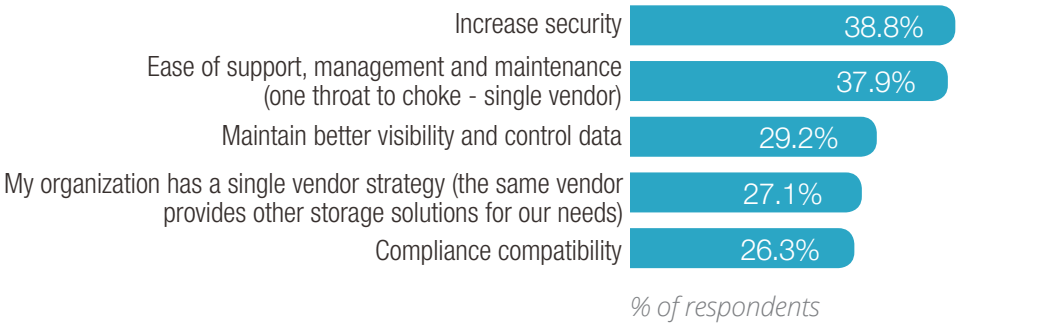
OBS Applicance

- Increase security
- Ease of support, management & maintenance
- Maintain better visibility and control of data

Top 5 Reasons to Prefer Commercial SDS OBS SW



Top 5 Reasons to Prefer Proprietary OBS Appliance



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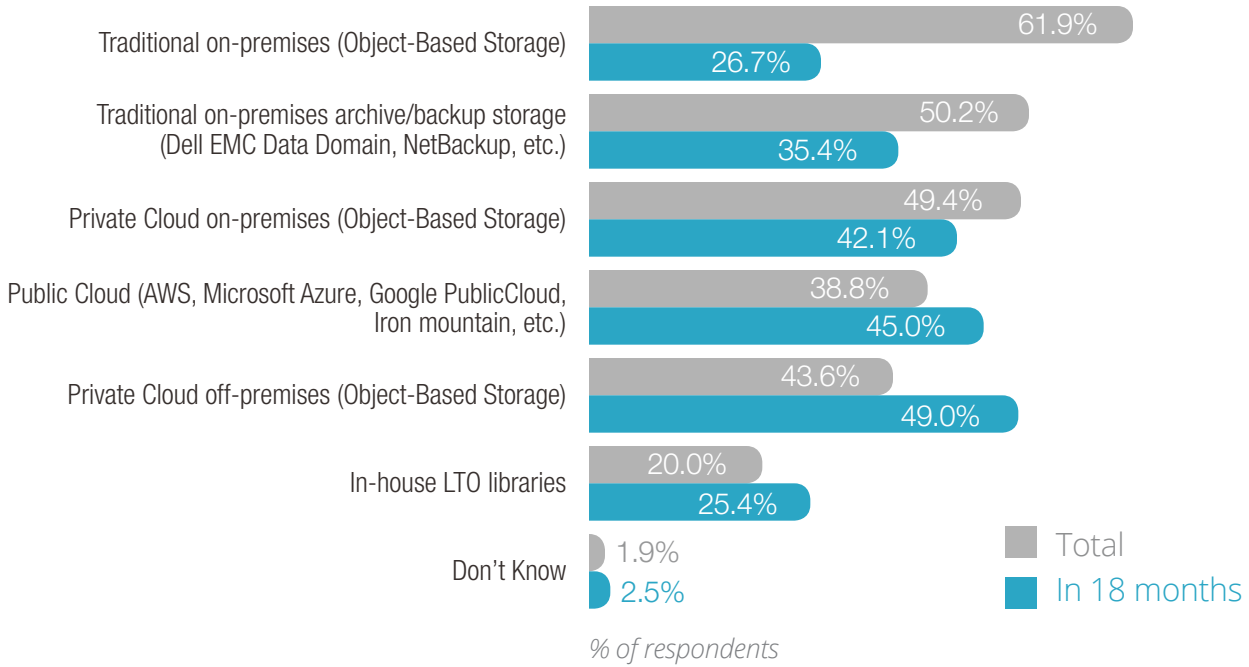
OBS Top Choice for Long-Term Retention of Unstructured Data

Expected increase of OBS deployments in private cloud

Q. *Which of the following platforms does your company use for long-term retention of unstructured content today? And in 18 months?*



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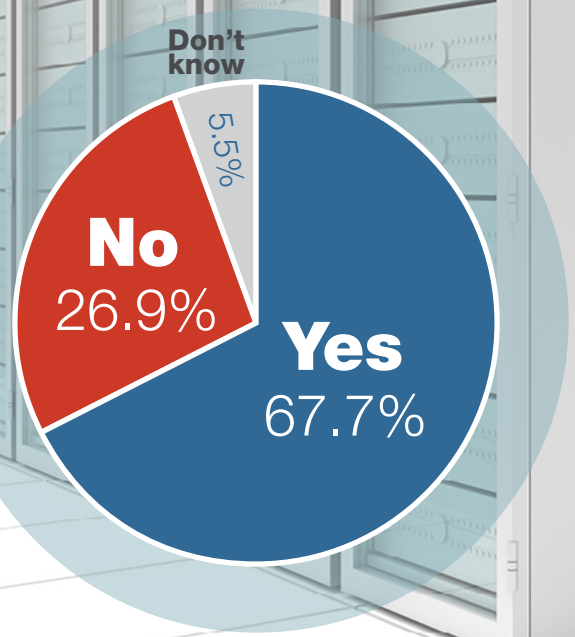
The Future of Object-Based Storage

Q. *Does your organization feel the need to backup data from the cloud to on-premises object-based storage for data protection or cross-workload analytics, etc. (for example: SalesForce (SFDC), Eloqua, Marketo, JiRA)?*



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The Role of OBS Looking Forward:

- **68%** want to back up data from cloud apps to on-premises OBS storage.
- **OBS is expected support tier-1 workloads,** as respondents indicate interest in procuring/deploying OBS All-Flash Arrays in next 12 months for top Initiatives such as IoT.
- **One-fifth of WW respondents** indicate they would like to run OBS as a container in public cloud.

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Conclusion

In mature markets like North America and Europe, **awareness** of object-based storage is **high**.

As OBS data sets increase and span multiple deployment locations (i.e., on-premises and off-premises—private/public/multi-cloud), **data management and security will become a key feature** of object storage systems.

Object-based storage will eventually **support production-tier workloads**, and its adoption will continue to increase across all environments, on- and off-premises.

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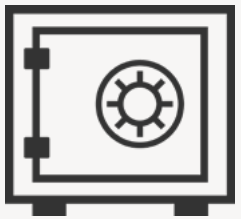
Are You Ready to Tackle Your Top IT Initiatives?

Learn how to build the right object storage foundation with Hitachi Content Platform
Please visit: https://www.hitachivantara.com/en-us/products/cloud-object-platform/content-platform.html

Take an IT solution's assessment at Hitachi Vantara data center modernization portal

https://www.hitachivantara.com/en-us/interactive/data-center-modernization-solution-finder-tool.html

Learn how to protect your data with governance solutions



https://www.hitachivantara.com/en-us/company/data-done-differently/intelligent-data-governance.html

Watch a short video on Hitachi Content Platform

https://www.youtube.com/watch?v=ju-nTEIlhUk&feature=youtu.be