

Special Study

IDC's Worldwide Data Services for Hybrid Cloud Vendors – Key Players Portfolio Analysis

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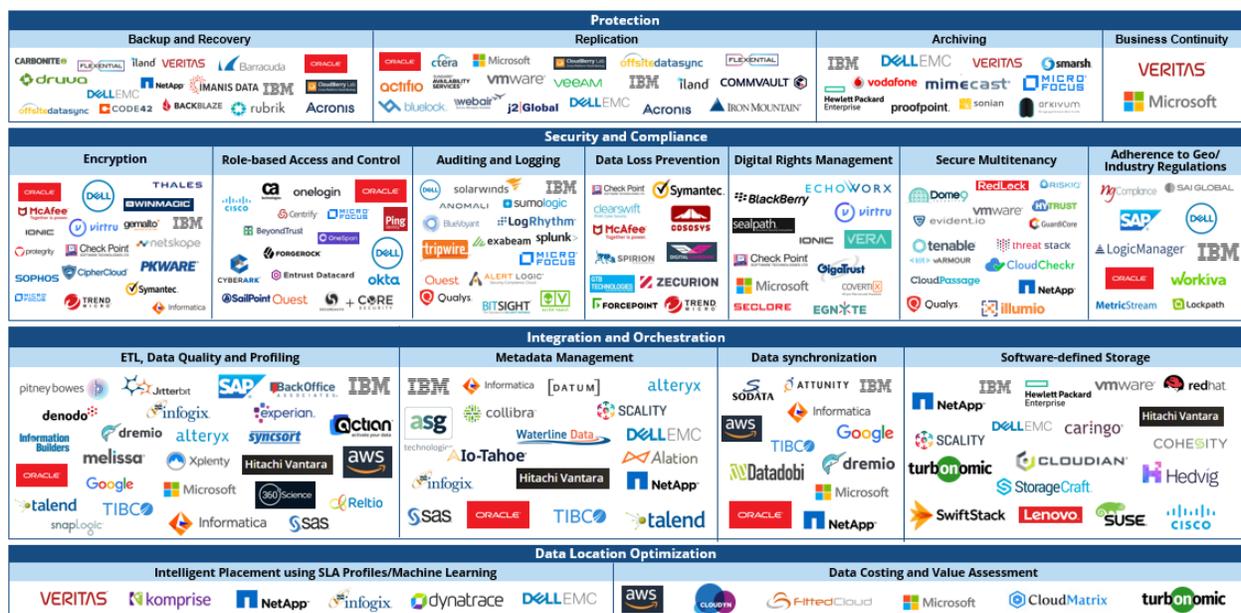
Robert Westervelt

THIS SPECIAL STUDY EXCERPT FEATURES NETAPP

IDC OPINION

FIGURE 1

Worldwide Data Services for Hybrid Cloud Market Glance



Note: For areas on which IDC publishes market share data, the top 3-5 market share leaders are represented. For areas on which IDC does not publish market share data, vendor selection is up to analyst discretion.

Source: IDC, 3Q18

IN THIS EXCERPT

The content for this excerpt was taken directly from an IDC Special Study; IDC's Worldwide Data Services for Hybrid Cloud Vendors – Key Players Portfolio Analysis (Doc # US44266318). All or parts of the following sections are included in this excerpt: In This Study, Executive Summary, Situation Overview, Data Location Optimization Data Services Key Players, Learn More and Synopsis.

IN THIS STUDY

The goal of this special study is to determine how organizations use and manage data in the hybrid/multicloud setup in the digital transformation (DX) era, associated challenges and needs, importance of data to the business, and the different roles and responsibilities associated within DX initiatives. This study is anchored by a survey of approximately 500 C-level and data executives currently using or evaluating data services for hybrid (DSH) cloud and in-depth interviews with customers currently using it. The study consists of four deliverables, and this special study is the third deliverable:

- *Data Services for Hybrid Cloud, 2018: End-User Customer Survey* (IDC #US43791718, May 2018)
- *IDC's Worldwide Data Services for Hybrid Cloud Taxonomy, 2018* (IDC #US44151418, July 2018) and *IDC's Worldwide Data Services for Hybrid Cloud Forecast, 2018-2022* (IDC #US44159818, July 2018)
- *IDC's Worldwide Data Services for Hybrid Cloud Vendors - Key Players Portfolio Analysis*
- *IDC's Data Services for Hybrid Cloud Executive In-Depth Interview Report* (forthcoming)

Executive Summary

Over the past decade, there has been a dramatic shift in thinking in terms of the best way for IT and line of business (LOB) to leverage cloud services. Instead of a focus on acquiring technology to run inside of the company's datacenter by internal IT, decision makers are increasingly looking for the best technology run by specialists. IT buyers are shifting steadily toward cloud-first strategies. For organizations undertaking digital transformation at the business level, cloud isn't just about picking among a specific set of products or service delivery models such as public, private, or hybrid cloud. They must complete the shift to a predominantly cloud-based IT environment in the next few years, but one of the most important elements in this shift will be to extend the value of mission-critical applications through cloud enablement products and services. The implication is that software will need to be agnostic to the cloud platform and be able to run across locations and infrastructure.

In April 2018, IDC's Enterprise, Datacenter, Cloud Infrastructure, Security, and Data Management Software research practices conducted a survey of North America (United States and Canada) and EMEA (United Kingdom, Germany, and France) end users to understand current and planned use over the next two years of "data services for hybrid cloud" in their organizations. The primary goal of the survey was to uncover how organizations use and manage data in the hybrid/multicloud setup in the digital transformation era, associated challenges and needs, the importance of data to the business, and the different roles and responsibilities associated within DX initiatives. Secondary goals sought were to understand how hybrid/multicloud deployments will impact the data services ecosystem integration strategy.

The summary insights are:

- Organizations surveyed have ~19PB of data stored and report an ~37% annual rate of data growth. Unstructured and semi-structured data types are a little more than half of the overall data stored.
- Organizations surveyed are currently running about half of their workloads in hybrid cloud and plan it to be ~62% within the next two years. Security is both a driver and inhibitor for hybrid cloud adoption.
- Organizations surveyed are expecting an ~40% increase in spend on data services for hybrid cloud over the next 12 months. Backup and recovery and data costing/value assessment are the top priorities.
- Data integration in hybrid data environments is complicated by the diversity of data, location, and vendor stickiness. Security products are becoming increasingly complex and growing attack sophistication.

All this data will unlock unique user experiences and a new world of business opportunities. The proliferation of data types and repositories creates numerous and increasing challenges for IT staff, ranging from knowing what data is where to the changes in fundamental data protection, security, governance, and infrastructure management. As a result, these organizations are not able to harness the value and the totality of the information within their organization, an issue that is even more important than the inherent inefficiency of this scenario. End-user organizations need to develop a coherent hybrid/multicloud data strategy of complementary, integrated, and cloud-enabled products/solutions that optimizes the value of organizational data.

SITUATION OVERVIEW

Protection Data Services Key Players

Customer Requirements and Challenges

The IT stack has evolved. Monolithic software architectures are transitioning to microservices, on-premises deployment is transitioning to hybrid/multicloud, and scale-up infrastructure is moving to elastic compute and storage. Modern IT stack needs a modern approach to data management. Organizations need modern backup and recovery services that supports semantic deduplication and parallel data streaming for versioning and recovery and ensure that it is data aware and supports distributed metadata catalog. They need archiving services that support data movement and data discovery (e.g., thru integration with Elasticsearch) and ensure that governance and audit capabilities are part of the solution. For disaster recovery (DR), they need support for on-demand security-integrated infrastructure, support for "DR test," and a flexible deployment model. Overall, organizations are looking to exploit data efficiencies and parallelism for superior adherence to performance and uptime SLAs and are striving to simplify onboarding and day-to-day usage – keeping it intuitive and automating tasks as much as feasible.

As per the surveyed organizations in IDC's April 2018 Data Services for Hybrid Cloud Survey, backup and recovery is the number 1 protection data service in use or planned for hybrid cloud across North America and EMEA. Performance and reliability issues are the top protection data services challenges as the technology evolves. While organizations are exploring/adopting them "as a service," they report pricing to be too high.

NetApp

Why NetApp Was Chosen as a Key Player

NetApp is leveraging the right combination of technology, partnership, business model, and vision to be at the forefront of delivering integrated and consistent data services for the hybrid cloud. NetApp's vision for data management is a data fabric that seamlessly connects different clouds, whether they are private, public, or hybrid environments. Data Fabric simplifies and integrates data management across cloud and on-premises to accelerate digital transformation. It delivers consistent and integrated data management services and applications for data visibility and insights, data access and control, and data protection and security.

Protection Data Services NetApp Assessment

- SaaS backup has a rich value proposition for customers. It improves backup/restore operations along with cost savings and customer satisfaction, supports backup/archive in location of choice enabling SaaS vendor management and ensuring compliance, and supports backup/archive copies of SaaS data with integrated security and compliance needs.
- Cloud backup works with any primary storage and all the backup applications. It supports data compression, deduplication, encryption, and transformation for storing cold data in public cloud.
- Cloud Sync helps migrate data between locations for workload migration, processing using cloud resources, movement into object store, and migration from retired gear. It supports metadata tags on data for billing, chargeback, and analysis and can be used one time or for ongoing synchronization. It enables pipeline of data to new location for analytics, storage, and next step in business process.

Key Differentiator

- NetApp protection data services work across a breadth of use cases and provide good RTO, granularity of recovery, intuitive user interface, and consistent experience across different personas and location deployment on-prem or on public cloud.

Challenges

- NetApp has traditionally sold to enterprise storage buyer personas. In the DX era, sponsorship and budget is managed by committee and consensus, aligned with business objectives. The changing nature of today's buying teams means that their sales force is now facing a new audience. To speak to these teams, they must understand the perspective of functional leaders (e.g., CMO, CISO, CFO) and industry-specific buyer personas.
- Hybrid cloud data services are being made available via public cloud marketplaces, for which they need to continue to expand their partnership with hyperscalers, tap into newer use cases, and adopt CI/CD for the release cycles.

Data Location Optimization Data Services Key Players

Customer Requirements and Challenges

Forward-thinking leaders who embrace change are turning to technologies such as big data and analytics (BDA) to transform their organizations and effectively compete in an increasingly digital environment. The financial services sector, discrete and process manufacturing, and retail organizations are the lead investors of BDA technologies varying from fraud detection and prevention, security-related efforts to transforming operating models and weaving agility into the fabric of their businesses. With growth of big data and the heightened need for analytics, optimization of the data location is on the rise.

Organizations worldwide are looking to do more with less and are also exploring to optimize data location for cost, availability, and reliability. Various tools and technologies are being leveraged to do data costing and value assessment and then automate the placement. Alation, for example, is trying to understand who is using what data the most, and the opposite: what data is being used the least. This is helping organizations move less frequently used data to archive and purging unused data completely. Waterline Data is also doing some optimization in that it is helping organizations find duplicated data that can be removed to save on storage costs.

Data location optimization is the fastest-growing market segment of the data services for hybrid cloud market. Security and performance issues were noted as the top data location optimization solutions challenges in IDC's April 2018 Data Services for Hybrid Cloud Survey.

NetApp

Why NetApp Was Chosen as a Key Player

NetApp is leveraging the right combination of technology, partnership, business model, and vision to be at the forefront of delivering integrated and consistent data services for the hybrid cloud. It is leveraging modern technologies and innovating rapidly to support insights across the application infrastructure stack and across deployment locations on-premise and public clouds.

Data Location Optimization Data Services NetApp Assessment

- Cloud Insights has a modernized microservices architecture.
- Cloud Insights can help reduce mean time to resolution (MTTR), reduce cloud infrastructure costs, and prevent significant set of cloud infrastructure issues from ever impacting end users.

Key Differentiator

- NetApp's Cloud Insights modernized architecture enables continuous feature enhancements.
- NetApp's Cloud Insights monitors relationships between the different parts of the IT stack and help optimize performance and cost.

Challenges

- In the digital era, automation is key to operational efficiency and support of superior business outcomes. NetApp needs to continue to expand availability of it's offering through the breadth of hyperscalers while keeping up with the dynamic nature of the cloud.

LEARN MORE

Related Research

- *IDC's Worldwide Data Services for Hybrid Cloud Taxonomy, 2018* (IDC #US44151418, July 2018)
- *Worldwide Data Integration and Integrity Software Forecast, 2018-2022* (IDC #US43555318, June 2018)
- *Data Services for Hybrid Cloud, 2018: End-User Customer Survey* (IDC #US43791718, May 2018)
- *IDC's Forecast Scenario Assumptions for the ICT Markets and Historical Market Values and Exchange Rates, Version 1, 2018* (IDC #US43651518, April 2018)
- *Worldwide Disk-Based Data Protection Forecast, 2018-2021* (IDC #US40992516, January 2018)
- *IDC's Worldwide Storage Software Taxonomy, 2017* (IDC #US42834017, August 2017)
- *IDC's Worldwide Software Taxonomy, 2017* (IDC #US42961816, August 2017)
- *Worldwide Governance, Risk, and Compliance Software Forecast, 2017-2021* (IDC #US42047117, July 2017)

Synopsis

This IDC study does portfolio assessment of the worldwide data services for hybrid (DSH) cloud key players.

"Data services for hybrid cloud are integral to successful digital transformation in an ever-growing hybrid and multicloud world," said Ritu Jyoti, program vice president, IDC's Cloud IaaS, Server and Storage Research.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

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