New Survey Reveals 41% of Australian Enterprises Unaware of Object Storage

Object-based storage offers cost-effective and flexible modern data management that is often overlooked by enterprises in Asia Pacific, according to IDC research

Sydney, AUSTRALIA – 11th December, 2018 – To better understand the current state of the object storage market in the Asia Pacific region, Hitachi Vantara, a wholly owned subsidiary of Hitachi, Ltd. (TSE: 6501), has partnered with global research firm, IDC, to survey close to 4000 IT professionals and executives in the region*. A recently published white paper entitled, “Digitalisation of the Business with Object Storage,” highlights the key findings from this regional survey. The IDC survey reveals low awareness of object storage among enterprises in the region, with 41% of surveyed enterprises in Australia not aware of the technology.

Digital transformation is a focus for enterprises across the region, and an integral part of this is the emphasis on data – making it the key to thriving among fierce competition in the digital era. IDC forecasts that global data will grow to 163 zettabytes by 2025. The majority of this data will be unstructured, from sources that include social interactions, emails, transactions, music, videos, photos, IoT, augmented and virtual reality, and many more.

Data Storage a Key Issue for APAC Business

When asked about the top priorities for data storage, respondents across the region indicated the following capabilities as being the most important for their organisations to support:

-- Information security (25%)
-- Analytics of unstructured data (11%)
-- Multicloud platform adoptability (9%).

In Australia, the results are similar: information security (33%), adopting public cloud (13%) and multicloud platform adoptability (13%)
In addition to this, 60% of enterprises surveyed are storing data with the hope that in the next two years they will be able to use analytics to gain business insights from this data. More than 60% of Australian respondents advised they also expect to use this stored data for regulatory compliance.

On average, respondent enterprises in APAC store their data for five to seven years, with one-fifth choosing to store it for over 15 years. More than half of the Australian organisations (57%) surveyed prefer to “keep everything” because they are not sure what data will be needed in the future, suggesting further pressure to manage and govern tremendous amounts of data created and accumulated over time.

It is evident that enterprises in the region are facing huge issues concerning data storage costs and functionality. Data storage solutions are expected to store and manage large amounts of data for longer periods of time. Moreover, enterprises expect these solutions to offer integrated intelligence and analytics features to help them realise the potential value of their data through manipulation, aggregation, and visualisation.

Modern Data Management for the Digital Age

Object-based storage architectures enable enterprises to deal with the drastic growth of data while improving ease of use, providing flexibility to scale capacity and performance independently to address provisioning management issues, and to meet a variety of workloads.

The top technology reasons respondents indicated for the deployment of object storage in APAC are to:

-- Address scalability issues due to relentless growth in unstructured content (15%)
-- Reduce complexity by eliminating complex hierarchical file structures (13%)
-- Ease data migration and infrastructure refresh (12%)

In Australia, the top three reasons are to reduce complexity (17%), address scalability issues (16%) and easily add capacity as business and application requirements increase (15%).

Historically, object storage has been used as a data archive tier due to its scale and compliance features. The survey reveals that 67% and 64% of respondents indicated that they are using object storage to aggregate and store big data repositories, and to optimise their backup and recovery capabilities respectively. In Australia, those numbers rise to 72% and 74% respectively.

Treating an object storage solution as a big data reservoir or scalable and centralised data hub enables analytics-based applications to blend structured and unstructured data together for business intelligence and visualisation workloads. The custom metadata that object storage solutions attach to files as a form of detailed enrichment gives unstructured data more context and makes it easier to search. Aggregating unstructured and structured data together improves an enterprise's ability to gain more relevant insights from a more complete set of data.

The survey further examines the top business drivers for APAC enterprises to deploy object storage in the future:

-- Achieving flexibility to add storage capacity as business grows (18%)
-- Reducing storage management costs (16%)
-- Increasing business agility (13%)
-- Improving data analytics capability for faster decision making (12%)

In Australia, the top drivers are achieving flexibility (31%), increasing business agility (13%), and optimising or reducing storage expenditure (11%).

Despite the wide range of benefits object-based storage offers, the IDC survey reveals low awareness among enterprises in the Asia Pacific region, with 41% of surveyed enterprises not aware of the object storage technology. Australia shares the same level of awareness.

Overcoming Adoption Hurdles

As the survey findings indicate, the three most common obstacles for adopting object storage are:

Application compatibility (52%)
On-premise business applications that do not necessarily require infinite scalability (44%)
Stringent data protection and recovery (43%)

In Australia, application compatibility is the top hurdle (70%), followed by lack of cost benefit (56%), and on-premise business applications that do not necessarily require infinite scalability (52%).

As reflected in the survey results, enterprises who choose to test or adopt object storage are more likely to realise the benefits of the technology in their specific business requirements and use-cases. For more details on the cost benefits of object storage, the IDC whitepaper reviews three case studies of customers who achieved cost savings from 30% to 70% when using object storage solutions.

“We believe the findings of this survey have pinpointed the opportunities and future of data storage infrastructure across APAC. With the explosive growth of unstructured data and rapidly changing business demands in the digital age, enterprises inevitably require the support from flexible and agile storage solutions,” said Daniel Chong, senior vice president and general manager, APAC, Hitachi Vantara. “Based on our work with clients, we have seen object-based storage continue to be the solution to traditional storage struggles. It is clear that we must educate and work closely with enterprises across the region to develop and deploy tailored solutions to unleash the full benefits of object storage and facilitate digital transformation.”

HCP Portfolio Solves Data Challenges

The Hitachi Content Platform portfolio addresses today’s data challenges while being highly adaptive to the future needs of businesses. The portfolio is based on an object storage solution with the ability to manage and govern data to the edge of the business, support a highly mobilised and distributed workforce, tier to public and hosted cloud layers, and offers an integrated data intelligence foundation. The benefits of these products include:

Hitachi Content Platform (HCP) to address the new challenges in storing digital information with centralised and cost-effective management and governance features for multistructured data, minimising the risk of data loss, and making data easier to access with object storage concepts. HCP Anywhere to address the demands of the end-user with collaboration, file synchronisation, file sharing and file protection without compromising the requirements of the business. HCP Anywhere Edge as a means to bridge the gap between traditional storage architectures (NAS) and object storage with the added benefits of pushing data to the edge (remote office), and to the cloud. Hitachi Content Intelligence to help organisations understand the context and content of data impacting their business with a scalable and performant solution to connect, understand and explore repositories to extract fact from data and be in the know.

To learn more, please refer to the IDC whitepaper “Digitalisation of the Business with Object Storage”.

*About this research

The data in this IDC white paper is derived from a 2018 IDC survey of executives from large enterprises who identified themselves as responsible for, or familiar with, the IT investments of their companies. IDC ran a short screener survey of almost 4,000 respondents to assess their familiarity with object-based storage. From these 4,000 respondents, IDC recruited 518 respondents to complete a more comprehensive user behavior survey. These 518 respondents are familiar with and have tested object-based storage for their organization although not all of them have deployed object-based storage. Respondents were based in Australia, China, Hong Kong, India and Singapore, and represented a range of industries. IDC also conducted interviews with senior executives from several clients of Hitachi Vantara who are current users of object-based storage to gather additional content on their decision to deploy object-based storage and the benefits and challenges they have experienced.

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