



VERITAS™

The UK 2020
Databerg Report
Revisited

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Executive Summary

Cloud technology hasn't been around for long, but its evolution in that time has been nothing less than staggering.

And with that, the level of understanding around what can be achieved through deploying a cloud environment has also grown at a rapid pace, particularly in the past five years. No longer simply a data storage mechanism, the cloud is now a business optimisation tool like no other.

Its data storage capabilities are not forgotten, but as the cloud has matured, the volume of data that organisations are creating, storing, and processing has grown even faster.

Staying on top of this growth and unlocking the potential of the cloud to help manage growing data workloads is a challenge facing many organisations. Efforts are rightly being directed into creating strategies and policies to deal with their data growth. However, the complexity of data environments and cloud solutions has meant that these strategies aren't being executed to their fullest extent.

Research conducted by Veritas and Vanson Bourne in 2015 and 2020 shows that cloud adoption in organisations in the UK has not advanced as far as was predicted five years ago.

With data volumes only to continuing to grow, it will be necessary to regularly review cloud and data management strategies, as well as the tools in place, if future targets are to be met

The 'Databerg' is analogous to an iceberg, where the majority of mass hides below the waterline, unseen to the naked eye. Similarly, for a Databerg the bulk of an organisation's data sits below the surface. This year's Databerg report uncovers the data trends and issues lurking below the surface in UK businesses, comparing this year's and the 2015 research results.

UK cloud adoption slower than expected due to increased environment complexity

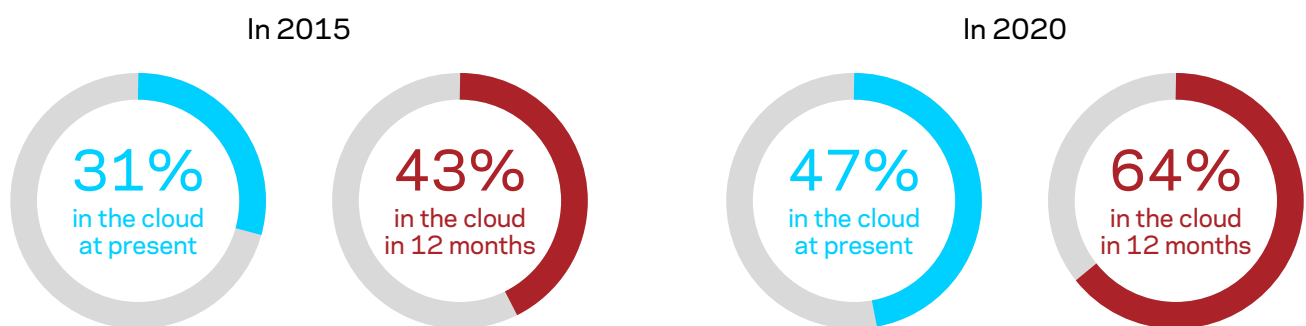
Five years ago, the key capabilities of a cloud environment were primarily centred around data storage. Times have certainly changed since then, with advancements in cloud technology facilitating the use of a wide range of applications and optimising workflows throughout a business. But, in practice, what does this mean for cloud as a storage method?

Cloud adoption levels have risen in the UK in the past five years. In 2015, UK respondents estimated that, on average, 31% of their organisation's data was stored in the cloud, a figure which has risen to 47% in 2020 - an increase of just over 50%.

That said, while cloud adoption has increased, it is not even close to being at the rate that was anticipated five years ago. In 2015, it was estimated that in just 12 months' time (i.e. in 2016), 43% of data in UK organisations would be stored in the cloud, on average. Instead of a year, this estimated figure has only just been surpassed now, five years later. Cloud adoption has clearly not increased at the rate that many predicted.

Looking ahead, on average, respondents expect that 64% of their organisation's data will be stored in the cloud in twelve months' time. However, if cloud adoption levels are to increase at the rate they have in the past five years, it seems unlikely this forecast will be hit.

The proportion of data stored in the cloud continues to grow



What percentage of your organisation's data do you estimate is stored in the cloud at present? And what do you estimate will be stored in the cloud in 12 months' time? [2015 = 200, 2020 = 100] split by historical data

The question is, why has cloud adoption not accelerated at the levels expected five years ago?

On the face of it, concerns around cloud have decreased across a number of significant areas. In 2015, security of the cloud service was a concern for 77%, whereas this year that figure sits at 59%.

In all likelihood, concerns around cloud security will never completely disappear – this is because the data stored within the cloud is always the responsibility of the organisation, and not that of the cloud service provider. Therefore, should a security breach occur that leads to data being compromised, the financial penalties, and the impacts from a reputation standpoint both also sit squarely on the shoulders of the organisation.

The only approach is for vendors to secure the service that they provide to the best of their ability, while organisations must ensure that all employees adhere to the correct security protocols, regardless of their work environment. This will give all parties the best possible chance of keeping data secure.

Further to decreasing concerns around cloud security, respondents are now also less likely to be worried about the unpredictability of cloud services (49% in 2015 vs. 21% in 2020) and being locked into contracts with providers (44% in 2015 vs. 35% in 2020). Both of which are steps in the right direction.

And the latter is almost certainly a direct result of UK organisations now being considerably more likely to have a policy in place for when they want to stop using a cloud service provider (39% in 2015 vs. 57% in 2020).

Where these types of policies can translate into more effective data management, they will have an important effect upon the resilience of the organisation. However, the sharp rise in the volume of data held by organisations means that while policies may be put into place, the complexity of data environments and the compliance regulations that must be followed, makes turning these policies into meaningful results an uphill battle.

Decreasing cloud concerns

Security of the cloud service

77%
in 2015

59%
in 2020

Unpredictability of cloud services

49%
in 2015

21%
in 2020

Being locked into a contract

44%
in 2015

35%
in 2020

This complexity is only increased by the number of cloud storage services being used within organisations. On average, it is estimated that employees in respondents' organisations are using four separate commercial cloud storage services, regardless of whether the organisation has a policy allowing their use or not.

For organisations, this presents a visibility and compliance nightmare as they cannot possibly know every place where the data that they hold exists. So, even though the proportion of data officially being stored in the cloud has not risen at the anticipated speed, it seems apparent that the real proportion could be significantly higher than reported.

Another area to consider, as with any product or service, is cost, which will have inevitably played its part. In 2015, reducing storage costs (58%), reducing backup/recovery costs (57%), and reducing disaster recovery costs (52%) were three of the key driving forces behind cloud adoption. While these are still present, the proportion of respondents citing them has dropped in 2020 (52%, 50% and 31% respectively), which goes some way to debunking the myth that cloud storage is free or cheap.

Yet, on the plus side, reducing overall IT costs is still a key driver of cloud adoption (65% in 2015 vs. 66% in 2020). Education and advancements in cloud technology have meant that cloud is no longer viewed as just a storage solution and is now seen as a way of optimising overall IT environments, and the costs of these environments. As a result, overall cloud adoption has increased, but this has not translated into the levels of storage adoption that were anticipated in 2015.

This is undoubtedly because companies who were already struggling to manage their increasingly complex cloud storage environments have been reluctant to push greater proportions of their data towards the cloud, until they can rectify their issues. However, from the 2020 data it appears that there is still a desire to keep moving in this direction.

If this is to happen, organisations are going to require assistance in streamlining and enforcing their cloud storage policies, while also simplifying their cloud environments. Without it, complexity will increase, and with it, so will visibility and compliance difficulties.



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Dark data continues to cause problems

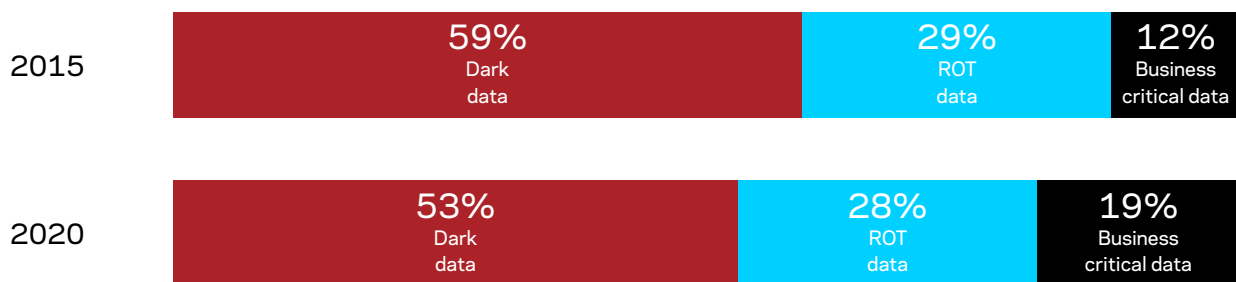
Data management and cloud storage go hand-in-hand, but with complex cloud environments and data volumes increasing by the second, the levels of difficulty that organisations face are also on the rise.

The proportion of data within respondents' organisations that is classified or tagged has only risen slightly from 2015 (41%) to 2020 (47%), on average. This illustrates that – while some progress is being made – organisations are struggling to improve in terms of classifying their data.

Further, when considering this in the light of the enormous growth in actual data organisations are collecting, producing and storing, there are increasingly vast amounts of data existing within organisations which is neither classified nor tagged. This data is known as dark data, which consumes huge costs to store and manage, particularly considering organisations do not know what value it holds for them, if any.

The average proportion of data which can be classified as Redundant, Obsolete or Trivial (ROT) has remained similar, dropping only slightly from 29% in 2015 to 28% in 2020. This is despite the proportion of organisations with a strategy for deleting ROT data increasing from 82% in 2015 to 97% in 2020.

The proportion of dark data has only slightly decreased in the last five years



Showing the proportion of data in respondents' organisations that is classified as dark data, ROT data and business critical data [2015 = 200, 2020 = 100] split by historical data

In reality, it appears that the adoption of these policies seems to have had little impact upon the proportion of ROT data in organisations. It may be that while understanding of the importance of reducing this data has increased, organisations lack the specific tools to help them overcome a challenge of its complexity.

At present, once dark and ROT data are discounted, under a fifth of data (19%) in UK organisations can be classified as usable business critical data.

There is clearly much room for improvement when it comes to translating data management policies into an action plan which will increase the proportion of useful data that organisations hold. And while some improvements in this regard are evident between 2015 and 2020, there's still a very long way to go.



Just under a fifth of data (19%) in UK organisations can be classified as **usable, business critical data**, a slight improvement compared to 12% in 2015 - but there's still a very long way to go

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Compliance concerns are increasing, and with good reason

Organisations are also facing a third critical issue – meeting compliance requirements in relation to their data. This is on top of difficulties with the complexity and visibility of their cloud storage environment, and in increasing the proportion of their data which can be deemed “business critical”.

Compliance issues cannot be separated from the previous two, but rather it is a direct result of them. Concern about non-compliance with regulations in relation to adopting cloud services has grown slightly over the last five years (21% in 2015 vs. 23% in 2020).

Further, in 2020, data loss (55%) and compliance breaches (54%) are the risk factors which senior IT decision makers believe IT professionals should be most worried about. It is something which organisations are rightfully wary of.

In reality, with an average of 53% of the data that respondents’ organisations hold being classified as “dark” data, the likelihood that organisations are able to meet all data compliance requirements is low. For example, what happens if a company receives a request to remove all data on a customer under the ‘right to be forgotten’ law of GDPR? Their ability to meet this requirement is likely to be considerably compromised while dark data exists in large quantities within the organisation.

Comparing concerns

Concern about non-compliance with regulations in relation to cloud adoption

21%
in 2015

23%
in 2020

54%
say compliance breaches are a risk factor that IT professionals should be most worried about

In addition, there has also been a worrying trend in the wrong direction for organisations in terms of the proportion of their employees who are taking data out of the organisation on a personal device in past five years. The number doing so via cloud storage solutions in particular has seen a marked rise from 21% in 2015 to 31% in 2020, on average.

21%

of employees had taken business information outside of the organisation via cloud storage in the past year in 2015, on average



31%

of employees are doing so in 2020, on average - a worrying trend for organisations trying to manage their data

Furthermore, with an average of four different commercial cloud solutions in use by employees at each organisation, the requirements to locate and safely store data in order to comply with regulations is going to be compromised.

The issues that all of these difficulties cause are numerous, both from data security and data compliance standpoints. If improvements cannot be made in this area, organisations could leave themselves wide open to operational consequences as well as considerable punitive fines.



What can be done?

Understanding around the importance of the cloud and of good data management practices has clearly grown in the past five years. But in practice the effects have yet to be fully felt, with ramifications on compliance and in regard to data protection and management laws. The vastly growing volumes of data and the complexity of the solutions for managing it mean that this isn't entirely surprising. Tools which help actualise the growth in knowledge and improvements in policy making into better data management practices are the bridge which could help organisations improve their data management processes.



Veritas recommendations

Five areas to consider and plan when moving to the cloud:

When moving services to the cloud you still need to consider and plan for both availability and protection because you are still responsible for your information.

1

Discover your data

Visualise and locate your data on premise and in the cloud

2

Understand your data

Classify, analyse and enrich your data

3

Act on the data

Apply information lifecycle policies to your data

4

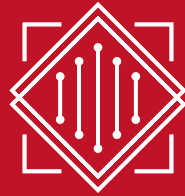
Protect your customer data

Reduce risk and gain compliance to regulations

5

Monitor your data

Gain confidence on its authenticity



VERITAS™

ENTERPRISE DATA SERVICES

P L A T F O R M



AVAILABILITY



PROTECTION



INSIGHTS

ABOUT VERITAS

Veritas Technologies is a global leader in data protection and availability. Over 50,000 enterprises—including 99 of the Fortune 100—rely on us to abstract IT complexity and simplify data management. The Veritas Enterprise Data Services Platform automates the protection and orchestrates the recovery of data everywhere it lives, ensures 24/7 availability of business-critical applications, and provides enterprises with the insights they need to comply with evolving data regulations. With a reputation for reliability at scale and a deployment model to fit any need, Veritas supports more than 500 data sources and over 150 storage targets, including 60 clouds. Learn more at <http://www.veritas.com>

ABOUT VANSON BOURNE

Vanson Bourne is an independent specialist in market research for the technology sector. Their reputation for robust and credible research-based analysis is founded upon rigorous research principles and their ability to seek the opinions of senior decision makers across technical and business functions, in all business sectors and all major markets. For more information, visit www.vansonbourne.com

METHODOLOGY

Veritas commissioned independent technology market research specialist Vanson Bourne to undertake the quantitative research upon which this report is based. The data included in this report is based on UK data only. A total of 200 senior IT decision makers were interviewed in March and April 2020, across the UK (100) and the Nordics (100). Respondents were from organisations in public and private sectors with at least 500 employees. In 2015, 1,475 respondents were interviewed from 14 countries, with 200 coming from the UK. Interviews were conducted online using a rigorous multi-level screening process to ensure that only suitable candidates were given the opportunity to participate.