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News Release

# Company Executives Claim Security is the Biggest Deterrent to Storing Data in the Cloud, but Mass Cloud Migration Continues Globally

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## Teradata study predicts widespread cloud data storage adoption by 2019, by which time over half of enterprise IT, customer, and financial data will be stored in the cloud

TERADATA UNIVERSE CONFERENCE, NICE, FRANCE - April 4, 2017: Security is the number one concern amongst senior business executives when it comes to cloud data adoption, yet more than half of business-critical data is likely to reside there by 2019.

According to the findings of a new study released today, by **Teradata** (NYSE: **TDC**), the leading data and analytics company, eight out of ten executives cite security as a concern when storing data in the cloud, but that has not stopped a huge rise in the amount of critical data being sent there. Looking ahead to 2019, executives predict that over half of IT (56%), customer (53%), and financial data (51%) will reside in the cloud.

The study highlights that although businesses want to invest in cloud storage and many plan to do so over the next two years, there are real concerns about security of information and data breaches. A number of key trends were identified:

- Security and lack of control are the top obstacles holding back storage of critical data in the cloud:
  - 40% of respondents say general security is a risk, while 25% of respondents believe cloud data adoption will result in more security breaches.
  - A quarter of those surveyed believe data cloud adoption will result in lack of control.
  - 52% say executive buy-in to data in the cloud is holding them back and 22% struggle with the additional staffing needed to move to the cloud.

- Yet cloud storage is set to rise sharply in the next two years:
    - Although 58% of data from organizations surveyed already sits in the cloud today, usage of cloud will increase over the next two years, with three in ten companies globally predicting a significant increase of data in the cloud by 2019.
- Majority of legal data is being held back from the cloud:
    - Legal data is being kept on physical servers for the most part, with just 27% of businesses surveyed expecting to move their legal data to the cloud in the next two years.
- Telecoms is making the biggest commitment to the cloud, with marcomms making strong moves within organizations:
    - 48% of organizations surveyed anticipate a significant increase in their cloud storage use by 2019
    - 48% of marketing and communications departments within organizations surveyed will increase data stored in the cloud by 2019.
- Healthcare will move its customer data to the cloud, whilst utilities will prioritize IT and R&D data:
    - 59% of respondents highlighted that the healthcare industry will move customer data to the cloud in the next two years.
    - Utilities will prioritize moving IT infrastructure (64%) and R&D/Engineering data (52%).

Marc Clark, Director of Cloud Strategy and Deployment at Teradata said: "Our message to organizations around the world is that the cloud is actually one of the most secure means of virtual storage available. While our study finds widespread concerns, the fact is that cloud storage is growing rapidly, remains hugely cost-effective, and that there are ways to manage it securely.

"Cloud computing security processes should be designed to address the security controls that the cloud provider will incorporate, in order to maintain the data security, privacy and compliance with necessary regulations, as well as providing a business continuity and data backup plan.

"By identifying the barriers within the business that hinder further adoption, as well as where cloud storage is creating positive opportunities, we aim to provide reassurance that cloud storage is a safe and cost effective way to store company information."

Notes to editors:

The Study was carried out in January 2017. The research was conducted across nine countries: Australia, France, Germany, Japan, UK, US, India, Spain and Russia, with 100 respondents from each.

Organizations were targeted from a range of vertical industries including Telecommunications, Automotive, Healthcare, Manufacturing, Finance, Oil/Gas/Electric/Nuclear, Solar Power, Public Sector, Media/Communications, Retail, Entertainment and Transportation. The following functions of the organization were represented: engineering, finance, HR, IT, Logistics/Supply chain, Marketing/Communications, Operations, Product development/R&D and Sales.

As organizations around the globe embrace digital transformation in an IoT era, the primary goal of the research was to identify and outline the key trends in 2017 that surround cloud storage adoption. Respondents were all senior executives with decision making capabilities, performing a wide range of functions within organizations, ranging from IT, Engineering, Finance, HR and Logistics to Marketing/Comms, Operations, Product Development, R&D and Sales.

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