What Storage Managers Are Buying

Storage magazine/SearchStorage.com Spring 2009 Purchasing Intentions Survey

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TechTarget

About the survey…

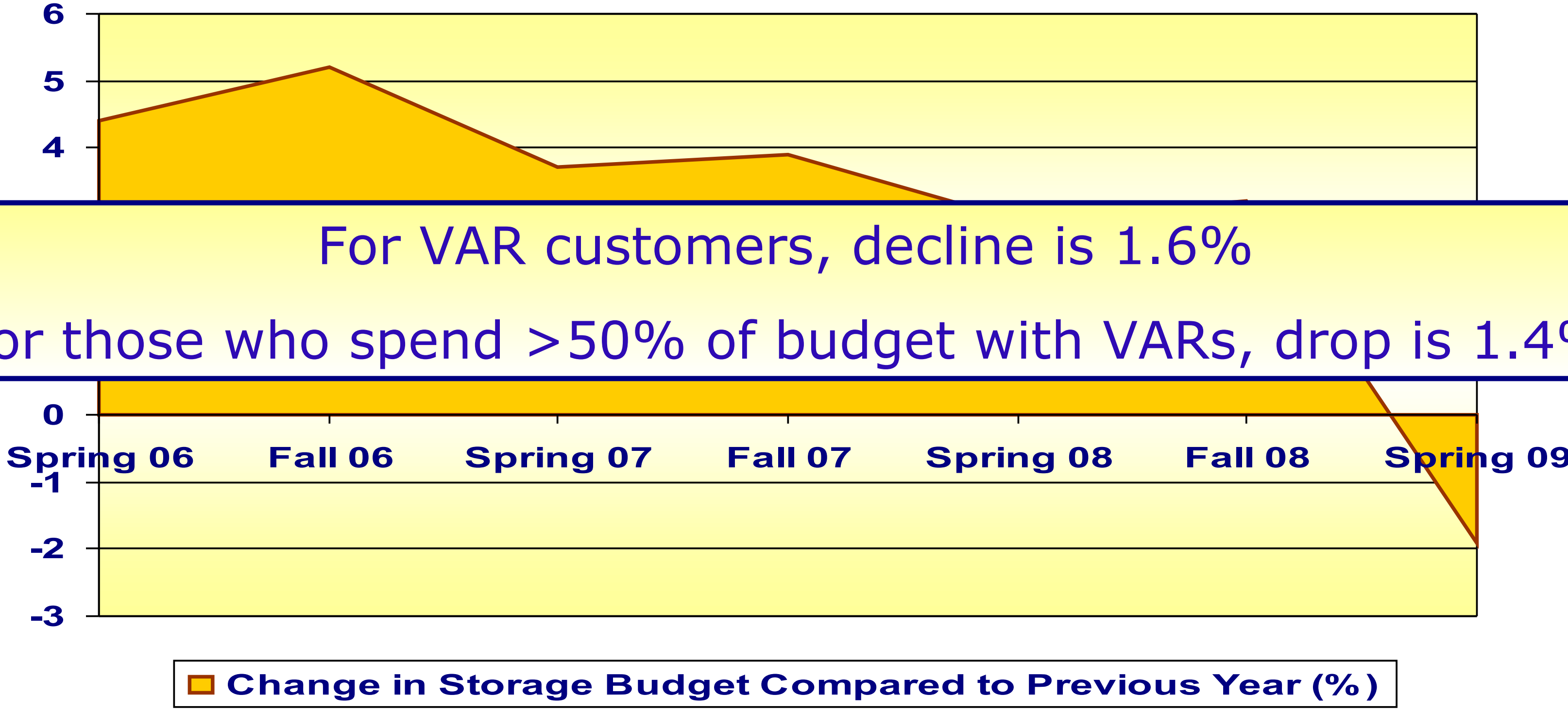
- E-mail surveys conducted in March 2009
- Respondents had specific purchasing authority
- Targets four areas: disk, network, backup & DR, storage management software
- Average company size: $1.6 billion annual revenue. (Small: < $100M, Midsized: $100M - $1B, Large: >$1B)
- Results based on 777 qualified respondents
- All industries, led by Government (10%), Financial (10%), Manufacturing (10%), Education (10%) and Health/Medical (9%)

The highlight reel: Key findings…

- Budgets shrink by average of 1.9% year over year; first time we've seen budgets go negative—big biz takes biggest hit with -2.5%
- Still more capacity—average disk capacity to be added at second highest level we've seen
- FC array buys slowing as biggest chunk of disk spending goes to drives for existing subsystems
- More key apps on iSCSI storage as deployments edge up
- Tape spending dips again, at lowest mark to date
- Overall, increased interest in techs that help bring efficiency to storage environments

Dwindling storage budgets— first time into negative numbers

How does your company's 2009 storage budget compare to 2008?

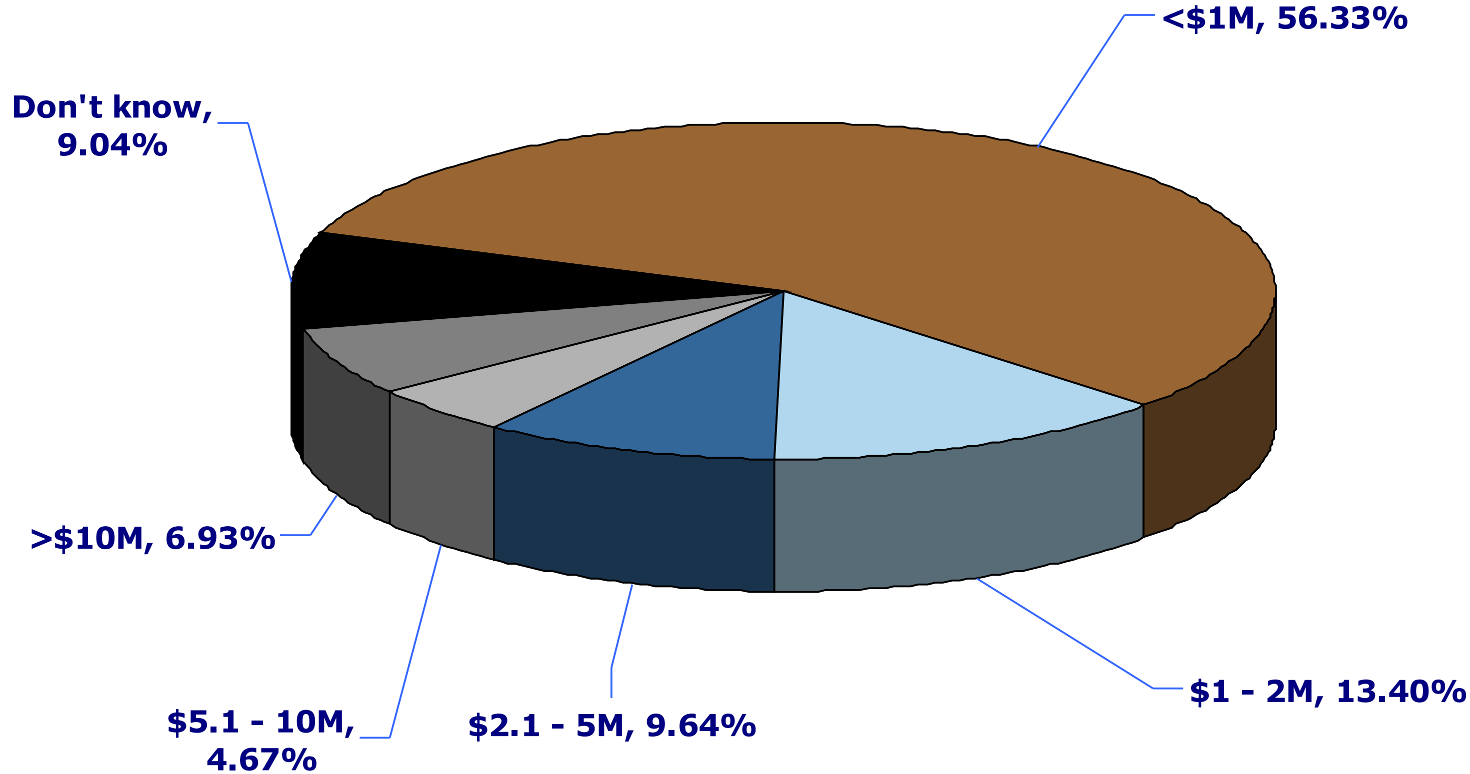


For VAR customers, decline is 1.6%

For those who spend >50% of budget with VARs, drop is 1.4%

Average storage budget: $2.9M

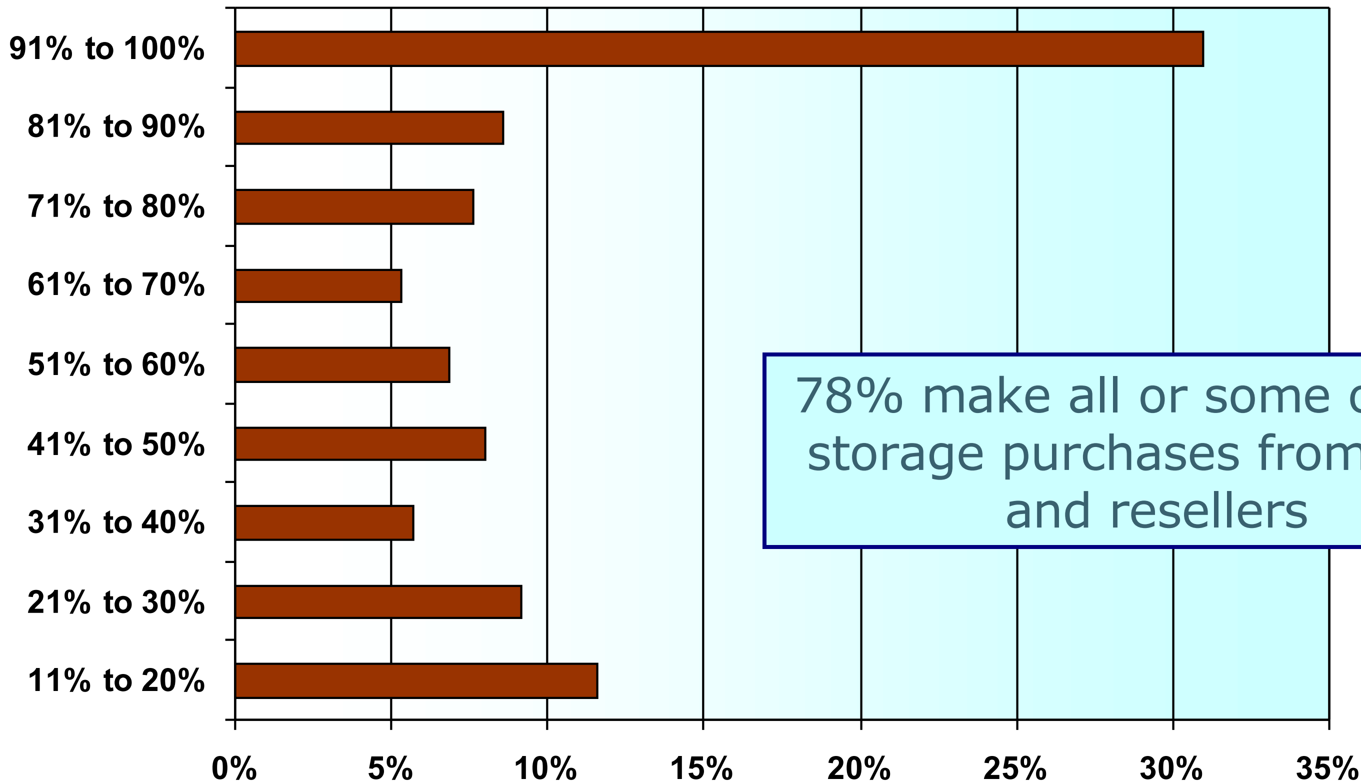
Indicate your company's 2009 storage budget



For VAR users: $2.6M

Storage managers rely on their VARs and resellers…

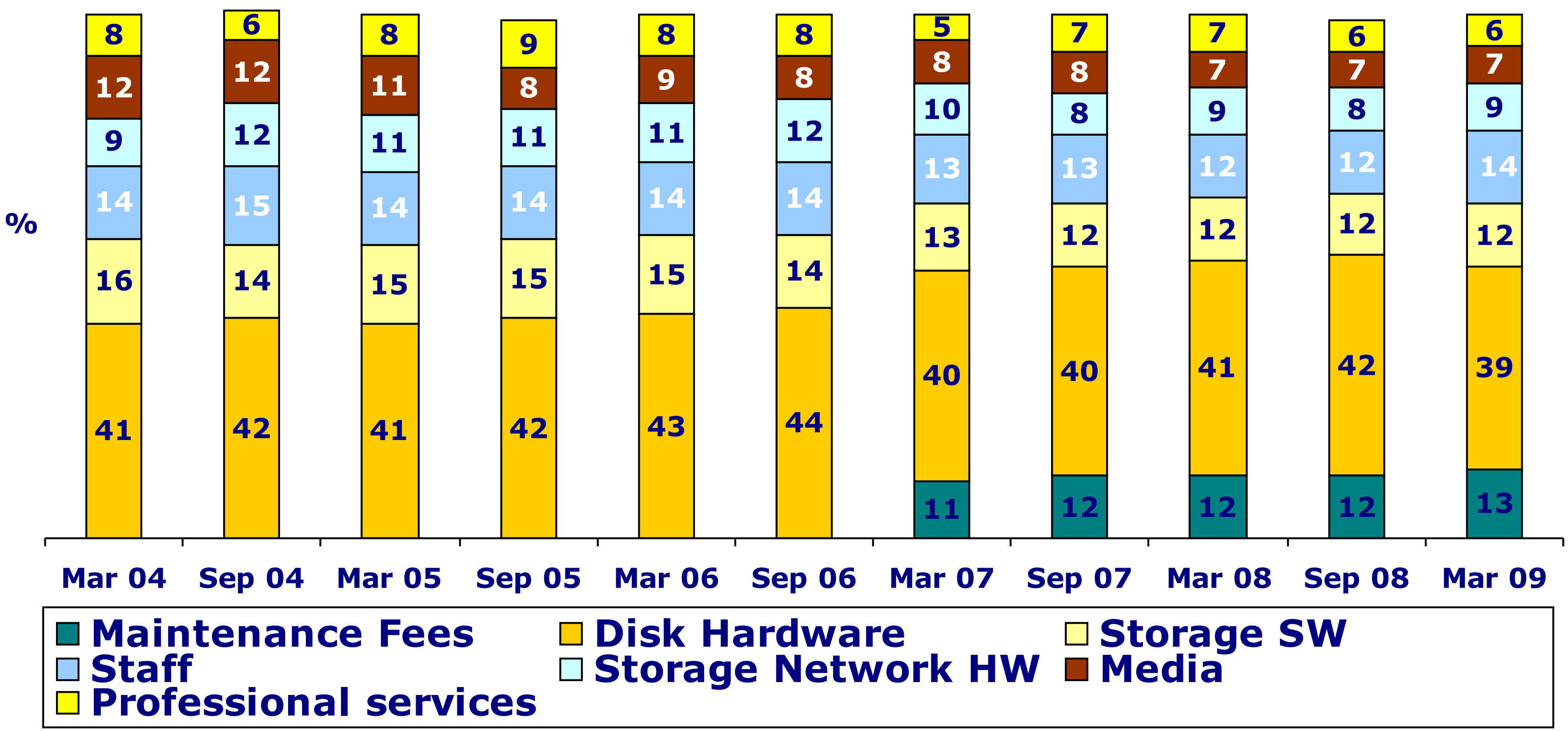
What percentage of your annual storage equipment/services budget is spent with VARs or resellers?



78% make all or some of their storage purchases from VARs and resellers

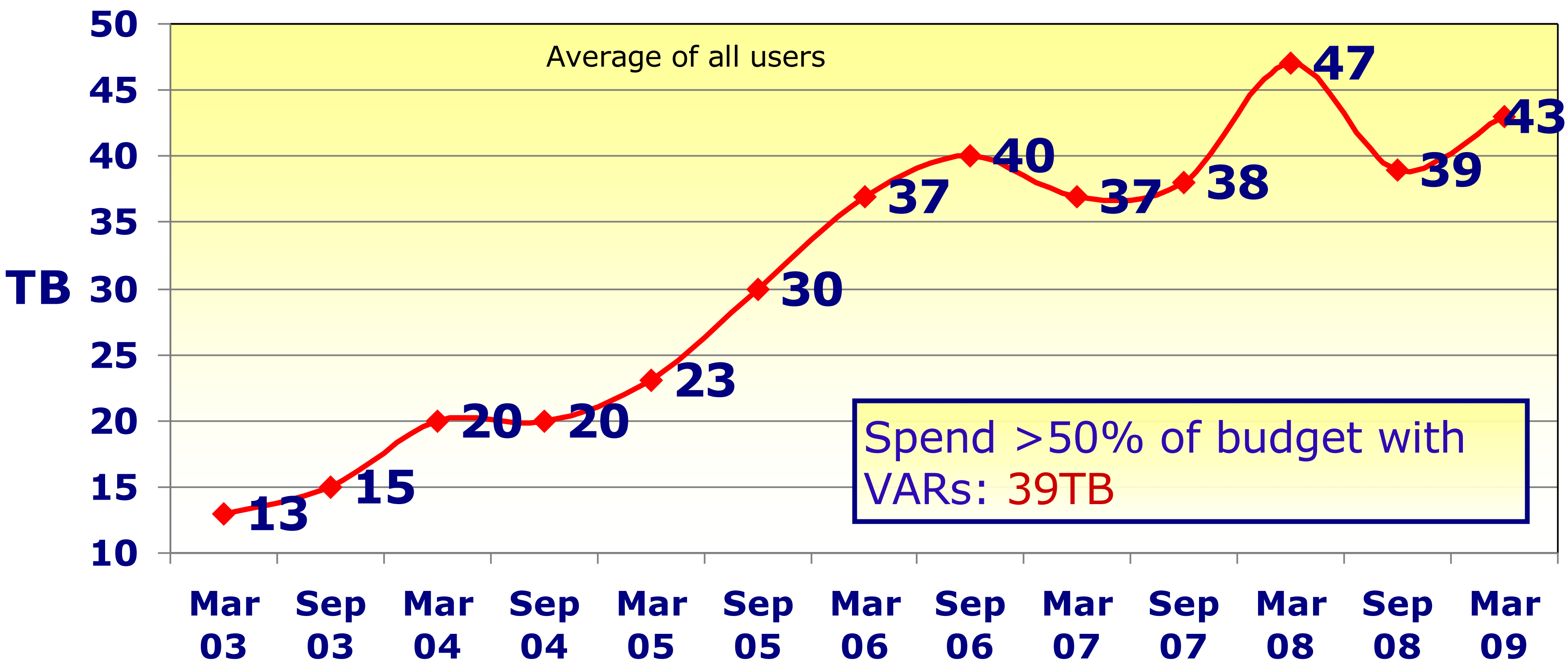
Less to spend maybe, but no shifts in budget allocations

Percentage of 2008 storage budget allocated to the following



New disk capacity rising again, similar to last spring's increase

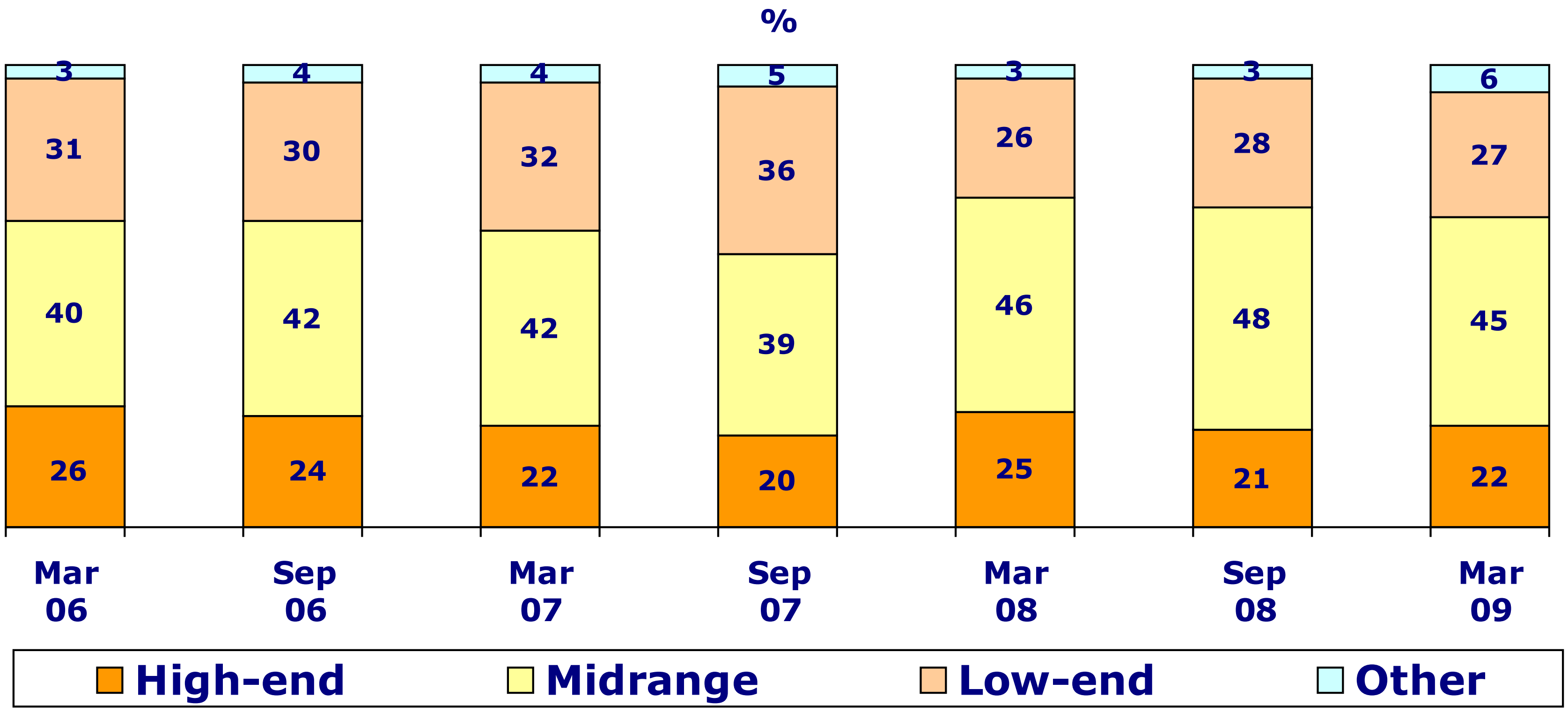
How much storage do you expect your company to purchase this year?



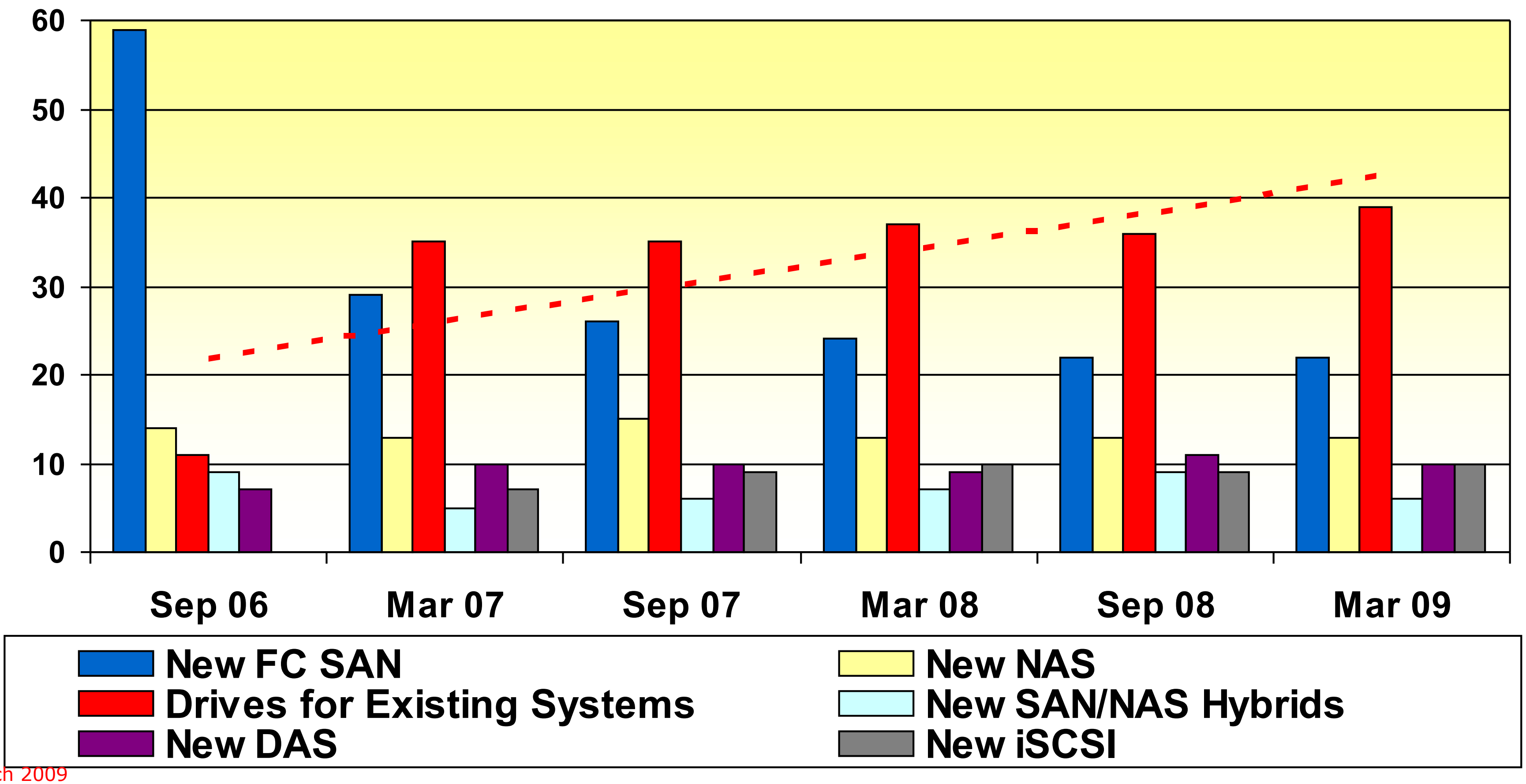
Disk subsystems

Midrange continues to dominate disk system purchase plans

What percentage of your 2008 disk subsystem purchases fall into each category?

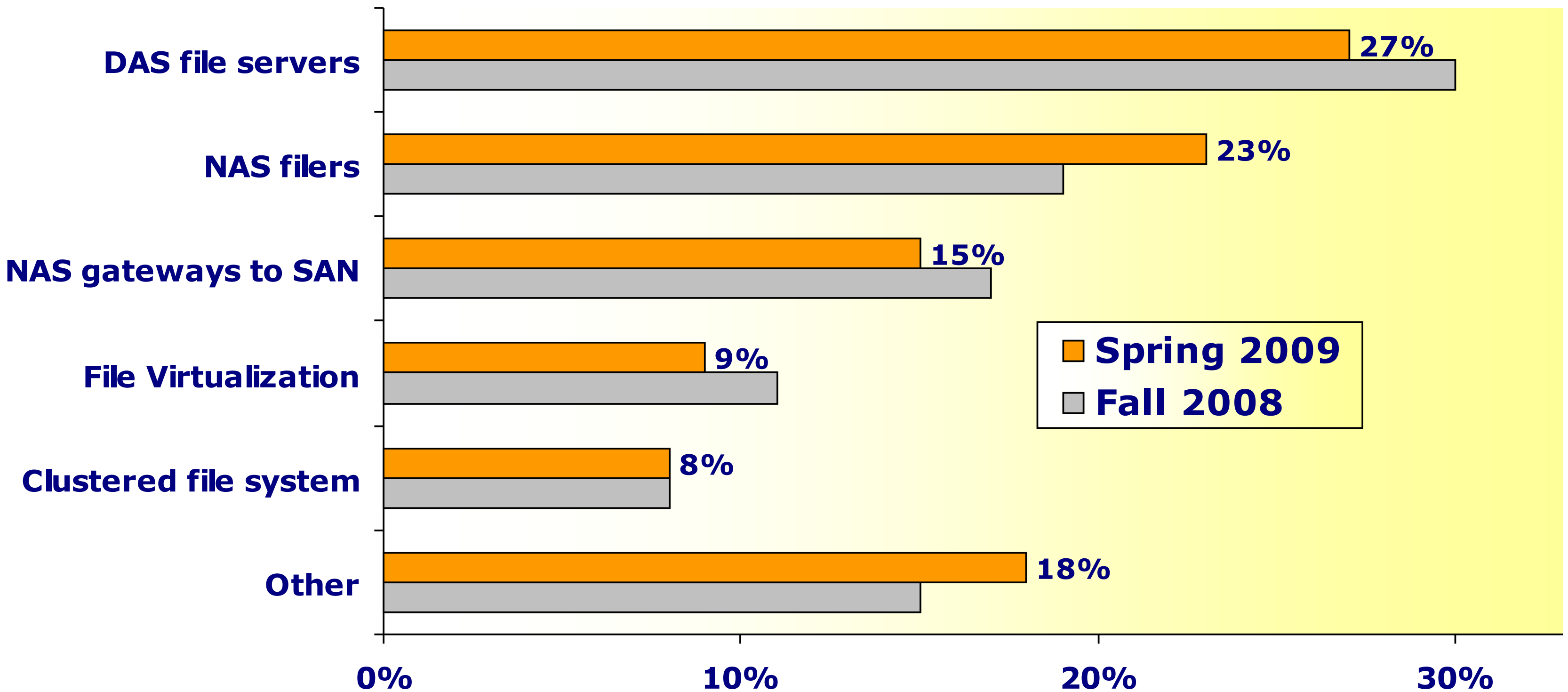


Build-out of existing systems continues to dominate disk buys



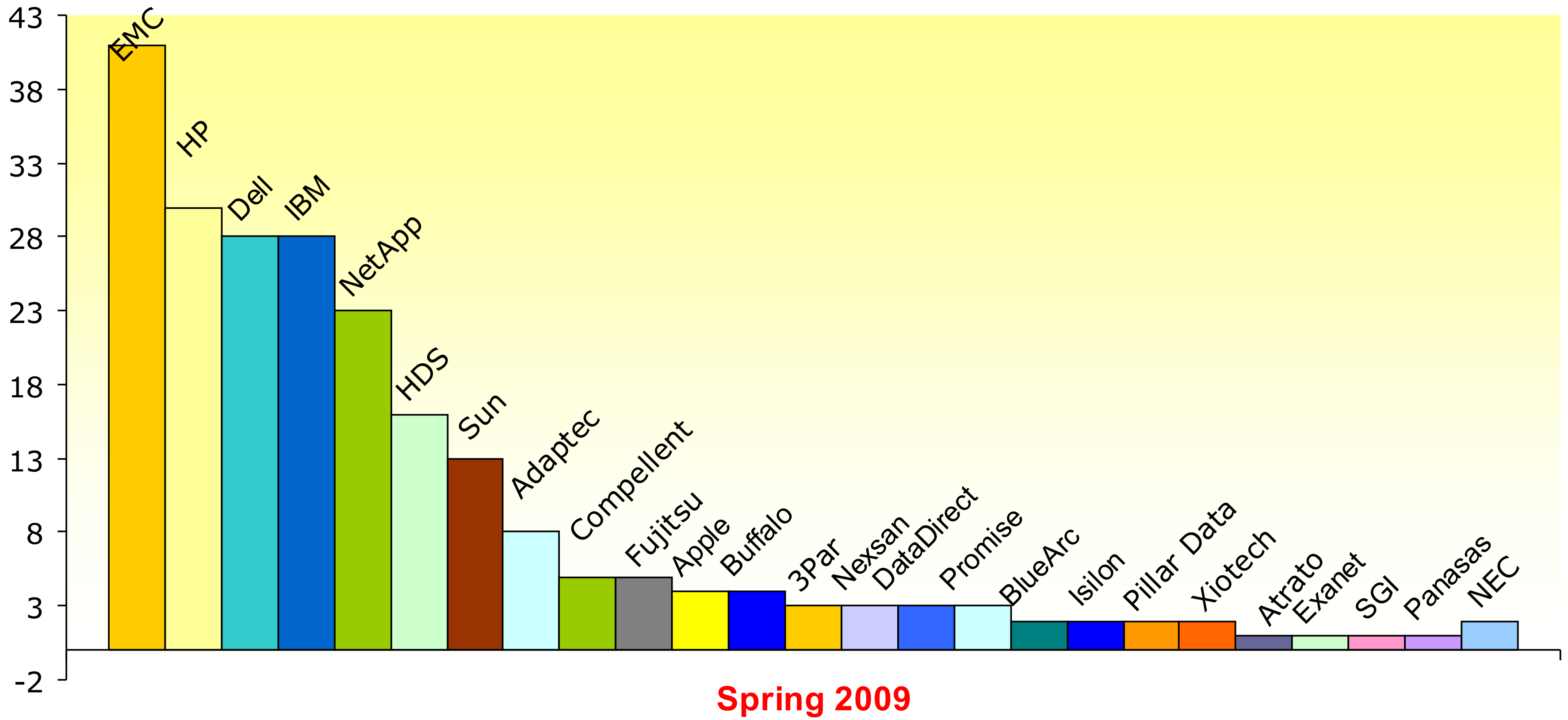
File storage: DAS still tops, but NAS filers gaining

Which best describes your plans for file storage?



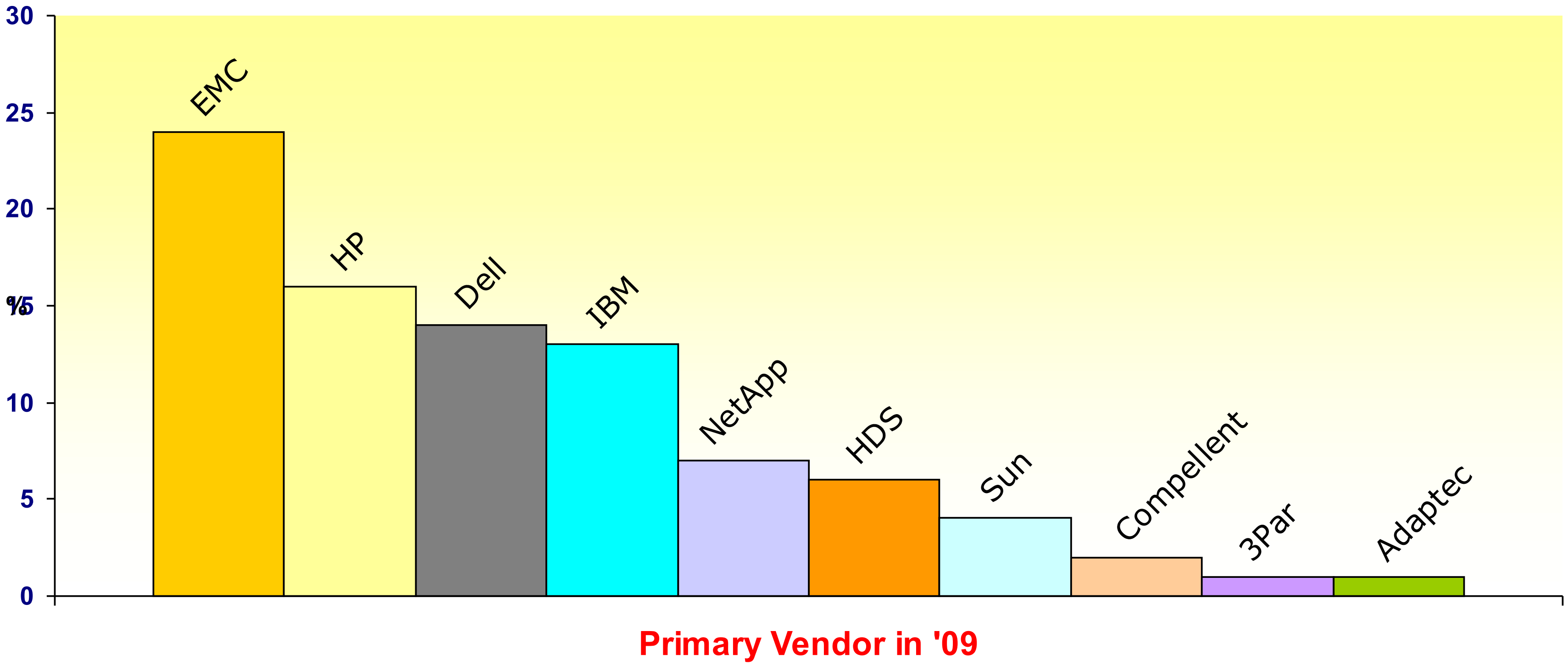
EMC widens lead over HP, IBM pulls even with Dell

Who have you purchased disk subsystems from or intend to purchase from in 2009?



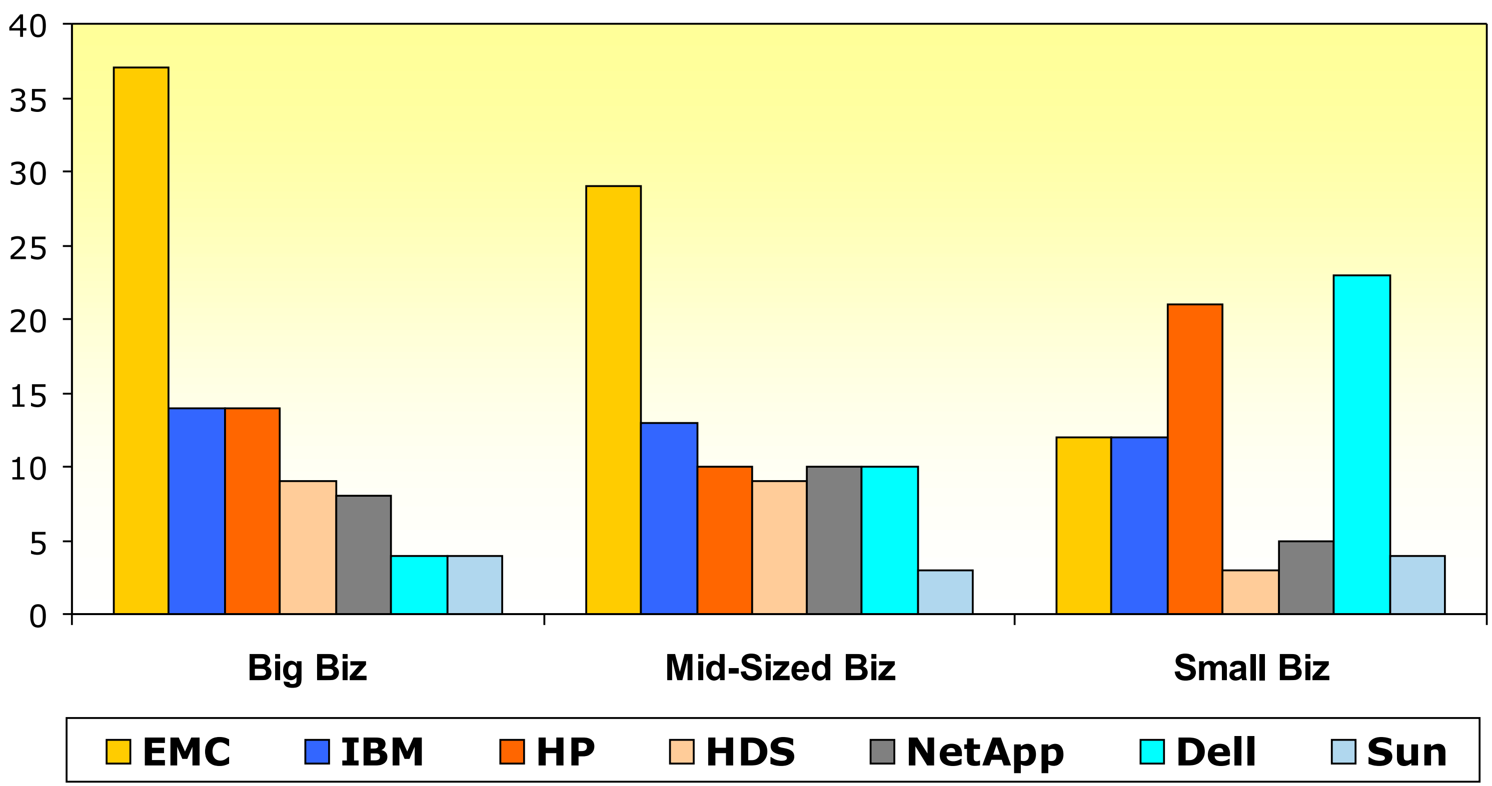
Mindshare: EMC stretched lead a bit, smaller vendors lose ground

Who will be your primary disk subsystem vendor for 2009?



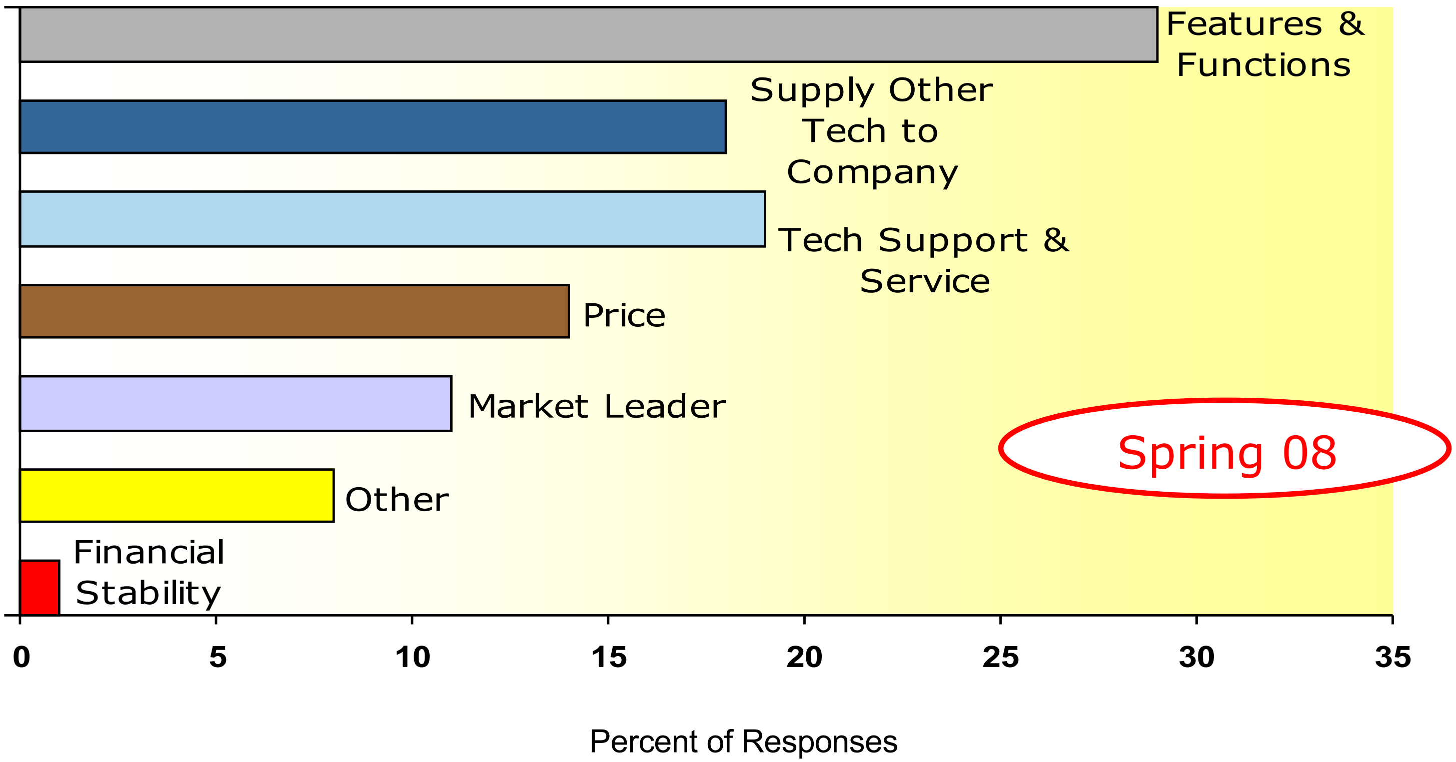
EMC dominates in big biz, “end-to-end” vendors stronger in SMBs

Who will be your primary vendor for disk subsystems in 2009?



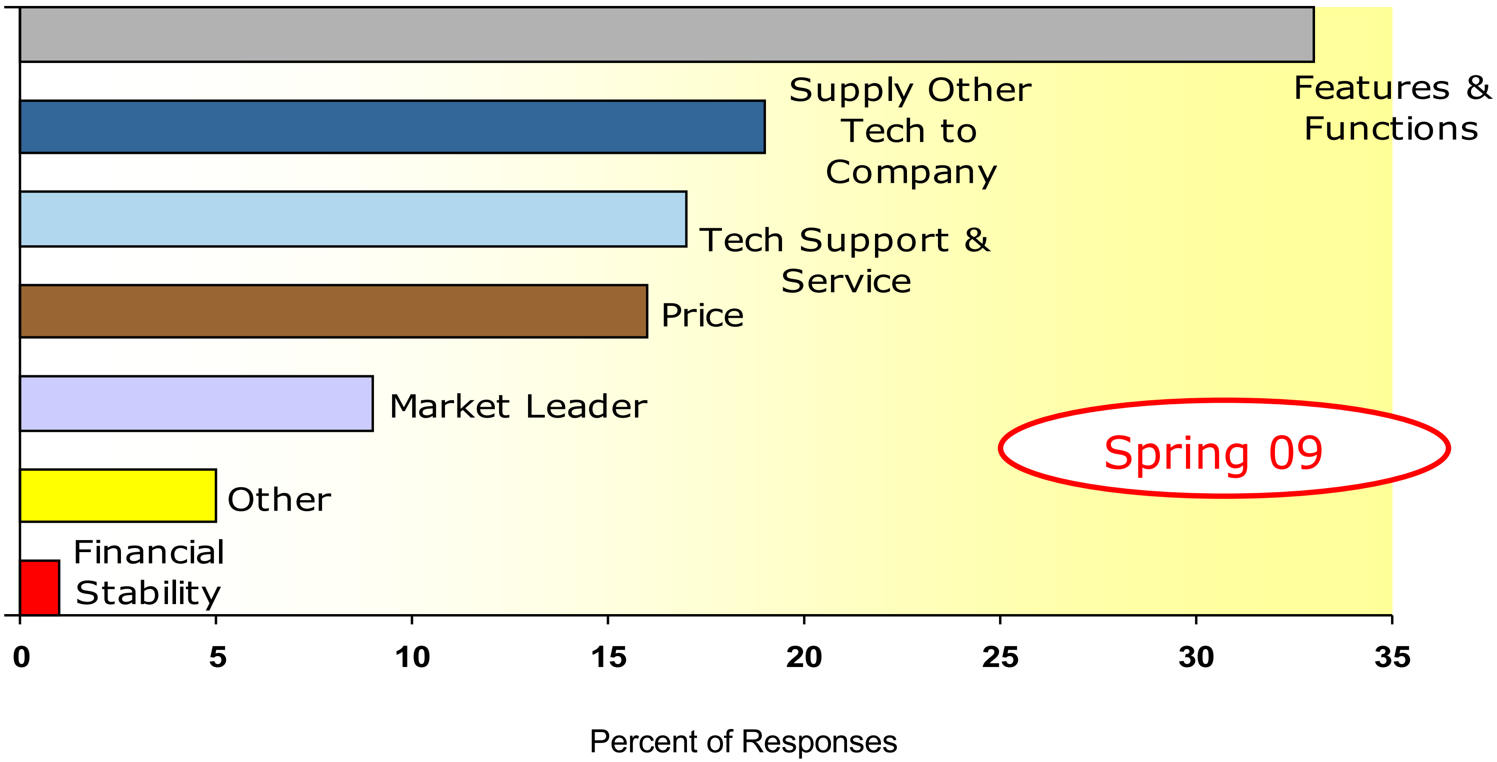
Last year, tech support became a bigger factor in vendor choice

What is the main factor in your choice of primary storage vendor?



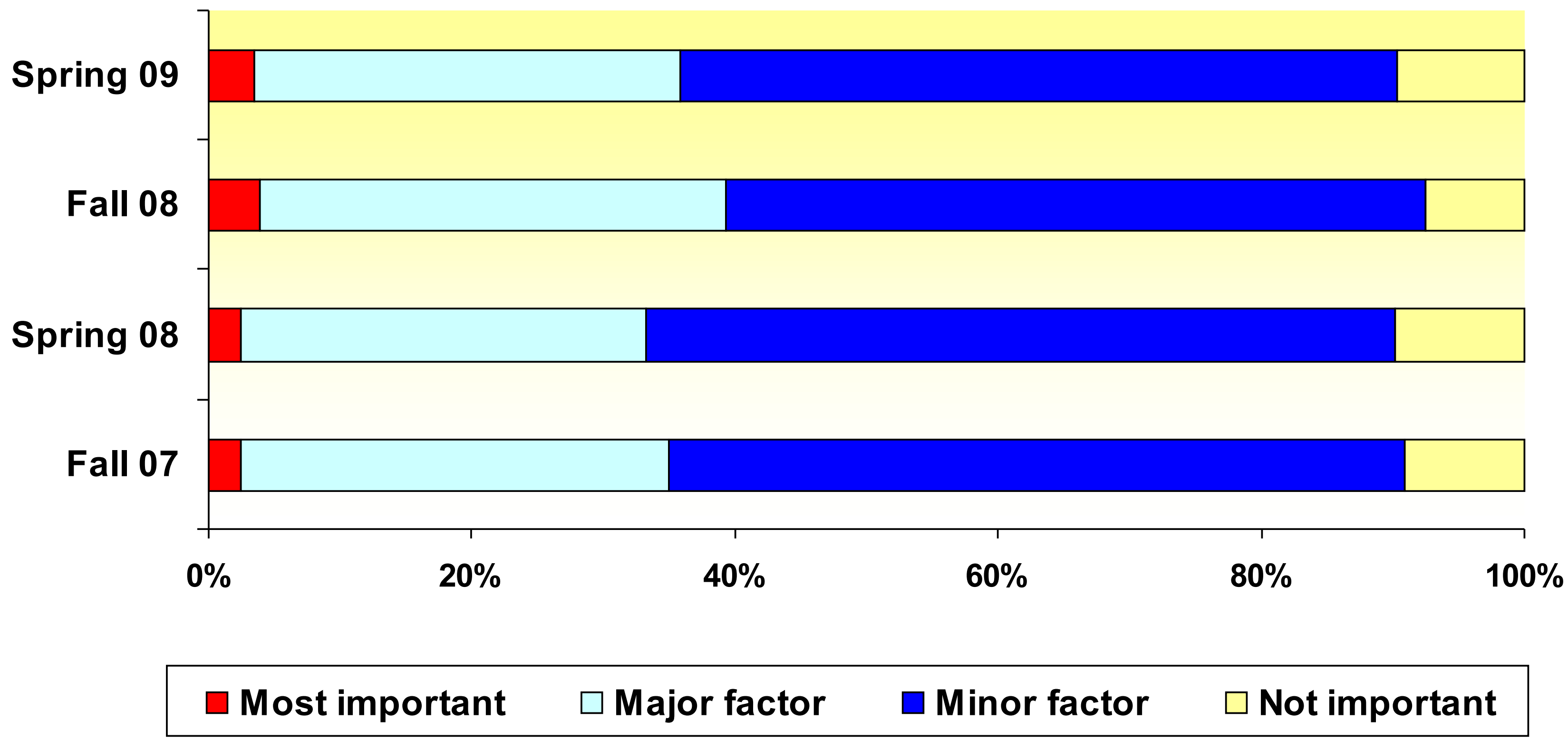
Features still top, but familiar vendor & price are factors, too

What is the main factor in your choice of primary storage vendor?



Green storage—more "nice to have" than "need it"

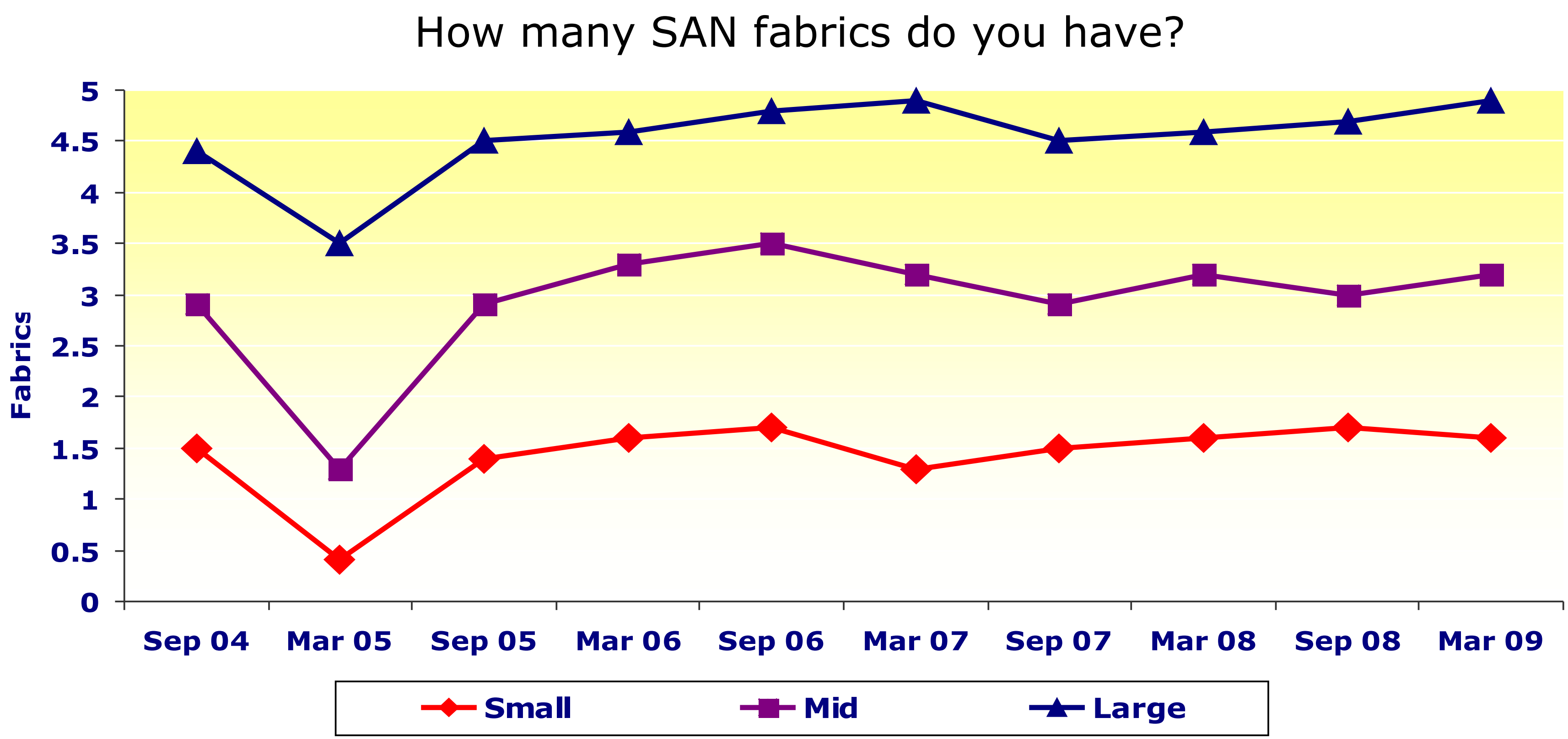
How important is energy efficiency to your choice of disk array?



Storage networking

Number of SANs leveling out for all company sizes

Spring 2009: overall average of 2.8 SAN fabrics
For VAR customers: 2.7

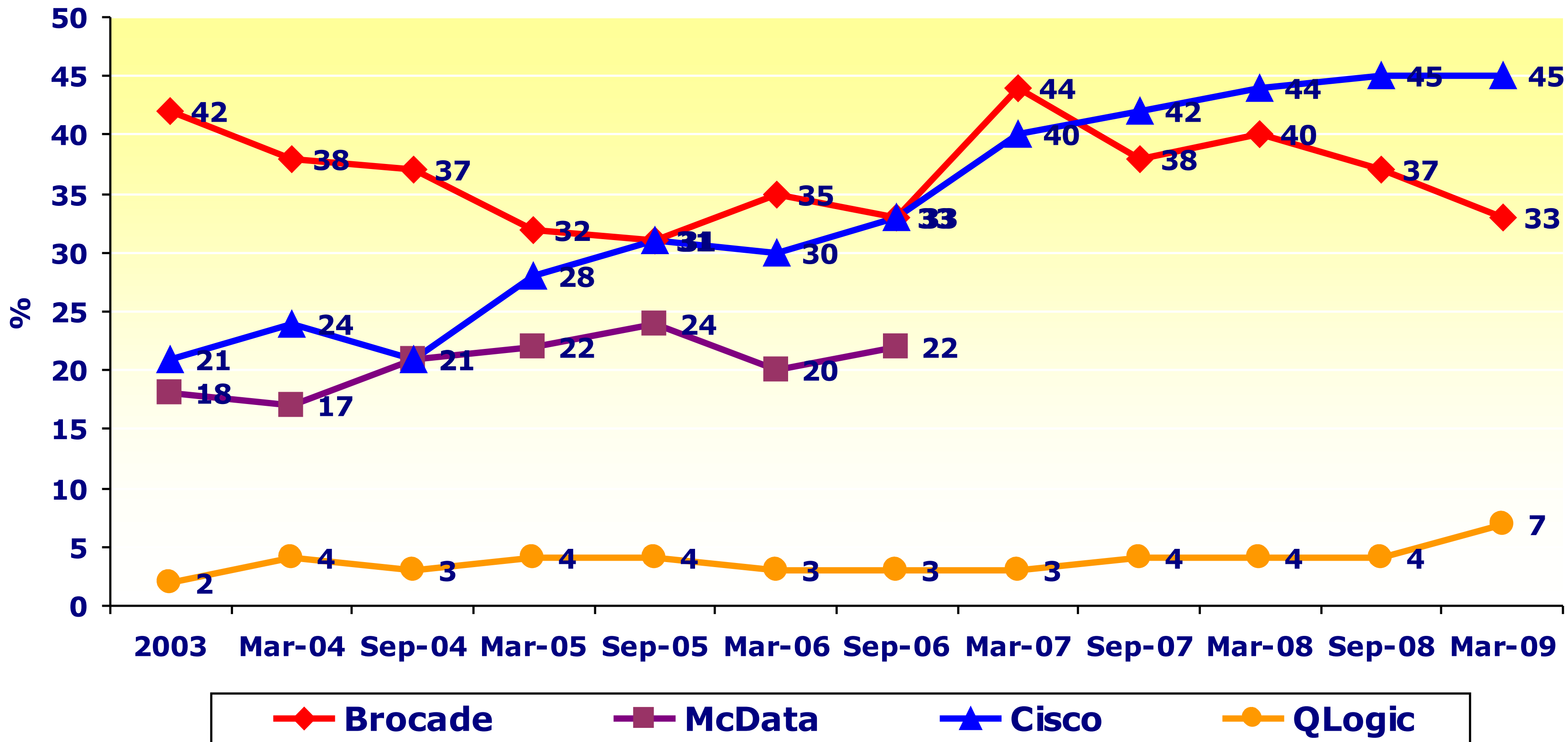


Director-based SANs in 28% of companies, all sizes show interest

- Average number of switches installed: 16 with plans to add 6 more
- Overall, 28% have director-based fabrics—same as last fall
- 45% of big companies have director-based networks—down over last year
- Mid-sized companies also shifting to directors—31% is highest in 2 years
- Smaller companies' networks getting more sophisticated—17% are director-based

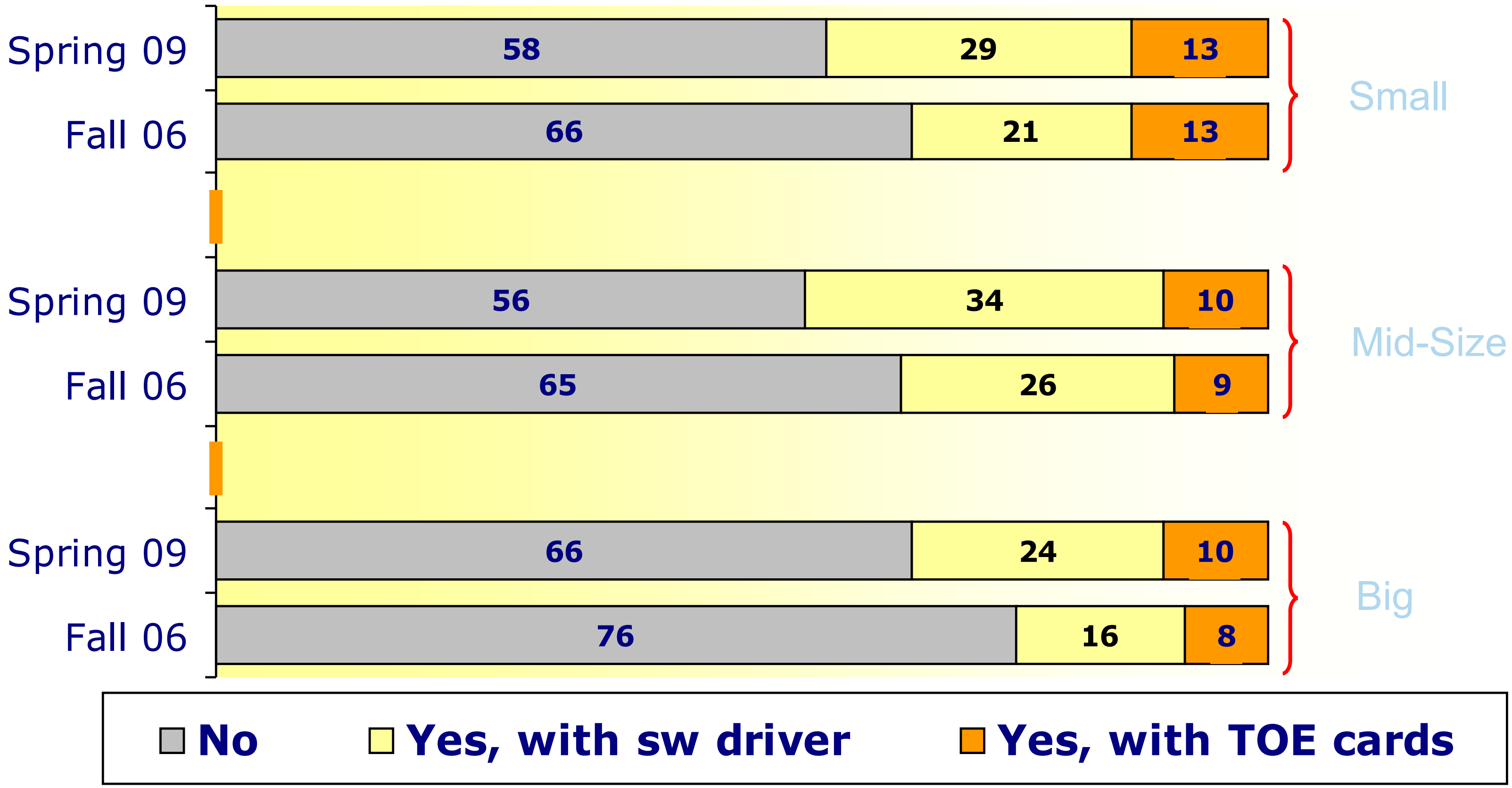
Cisco widens lead in race for switch market mindshare

Who will be your primary storage switch vendor in 2009?



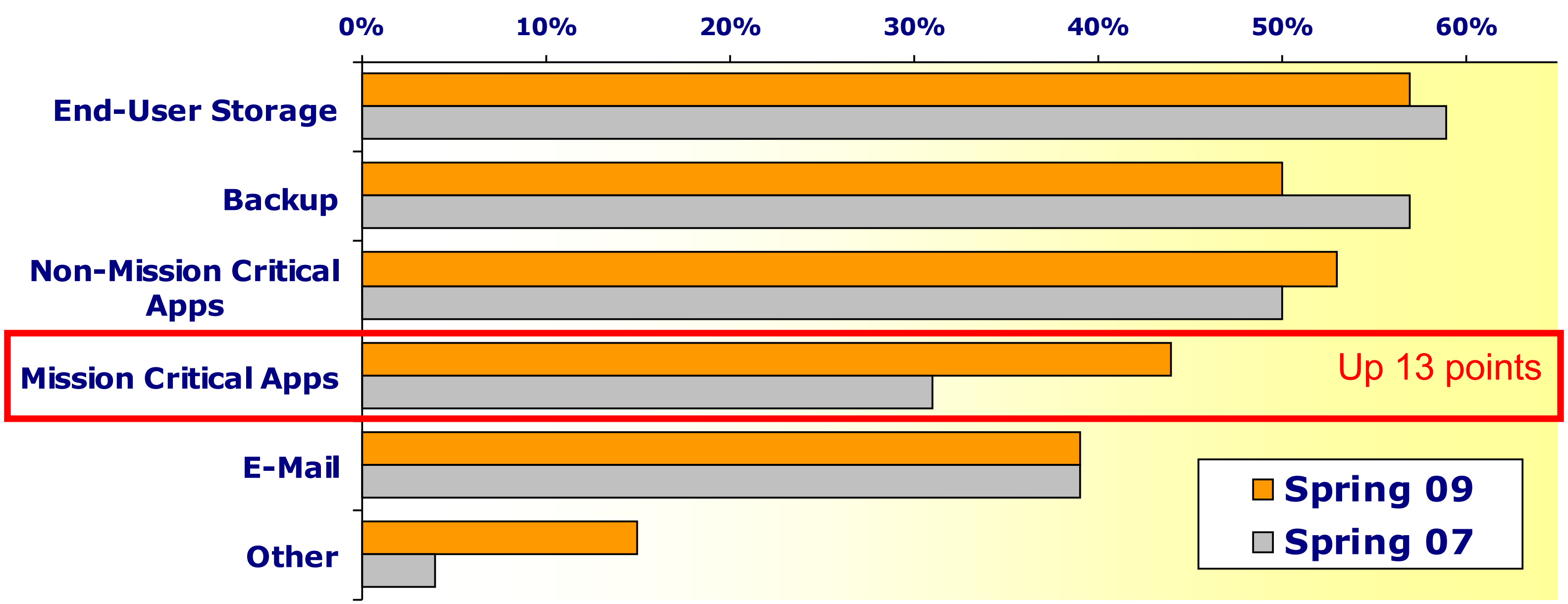
iSCSI adoption rate steady, with 40% deployed/will deploy in 2009

Have you deployed, or will you deploy iSCSI in 2009?



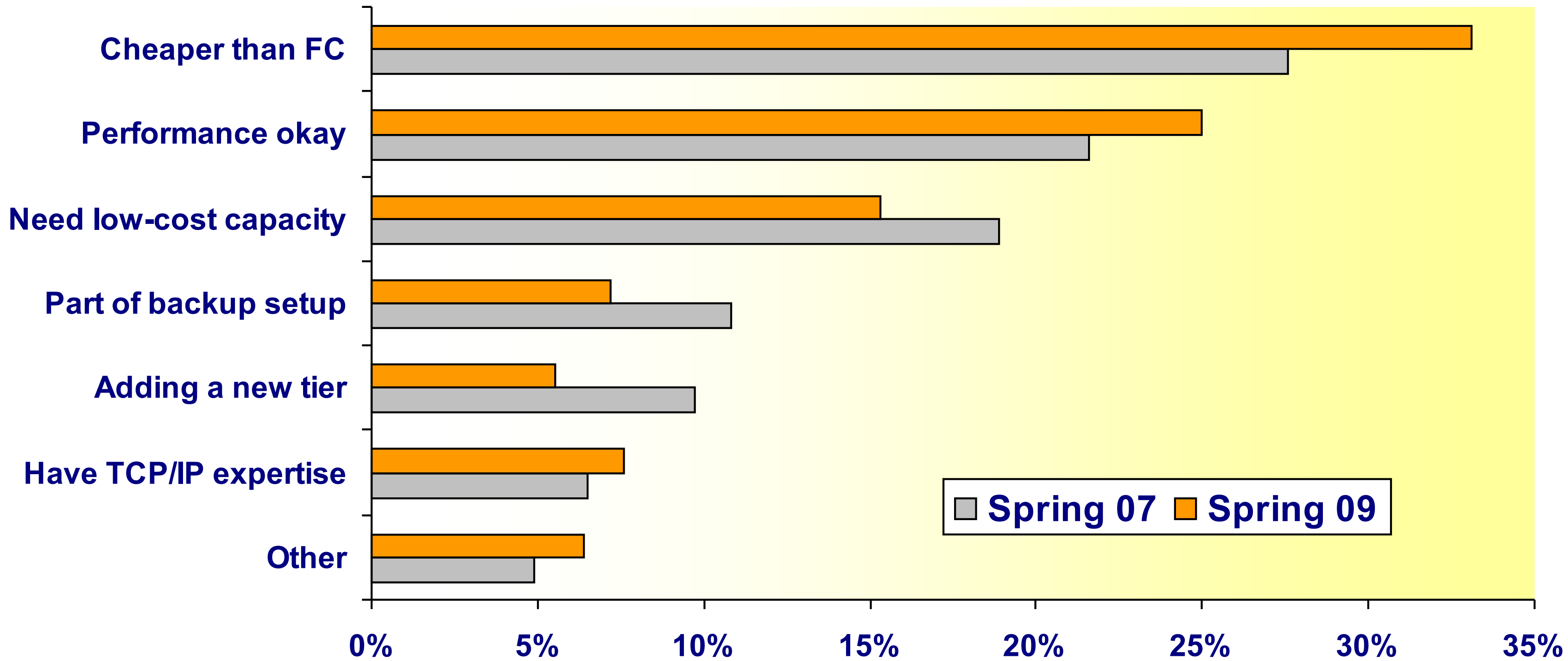
iSCSI usage patterns steady, with critical apps growing

What applications will you put on your iSCSI SANs?



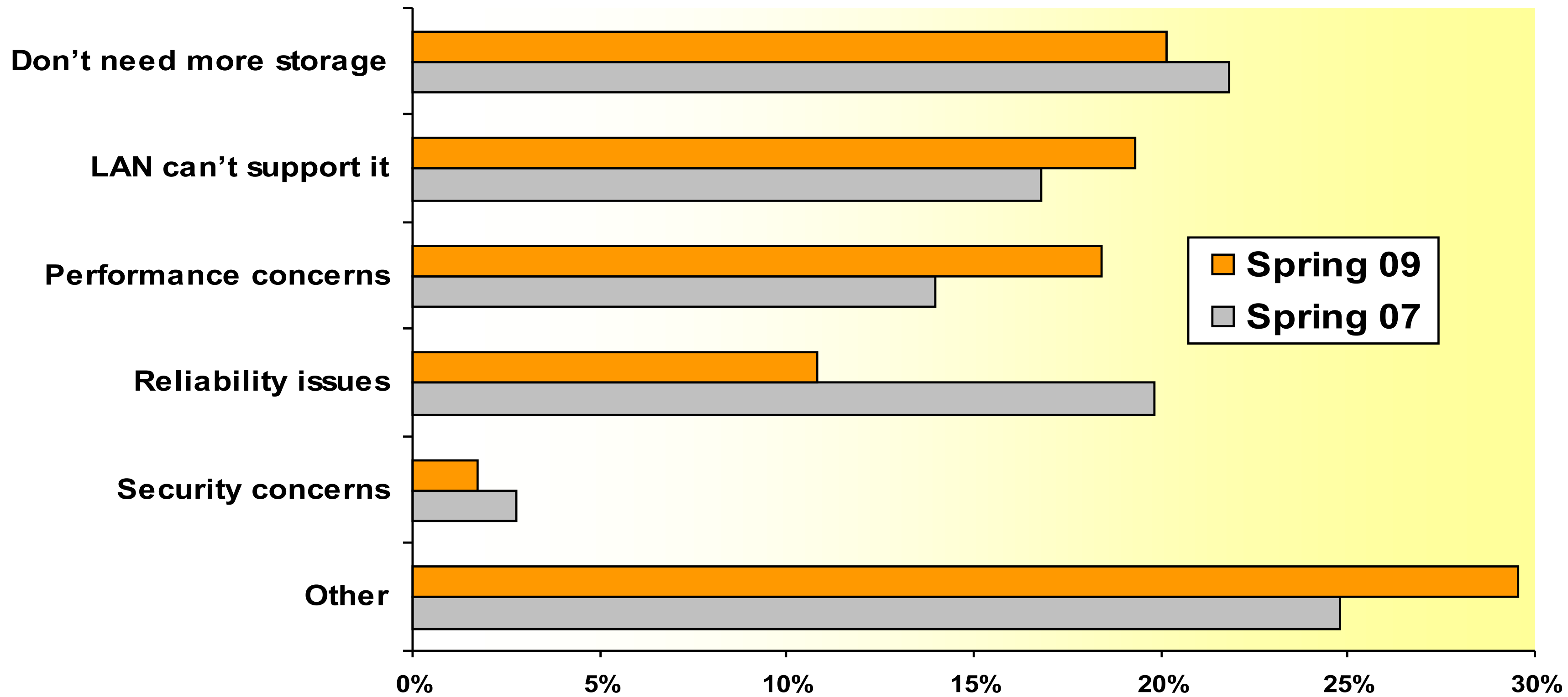
Price sensitive users see iSCSI as FC alternative with okay performance

Primary reason for deploying iSCSI storage in 2009



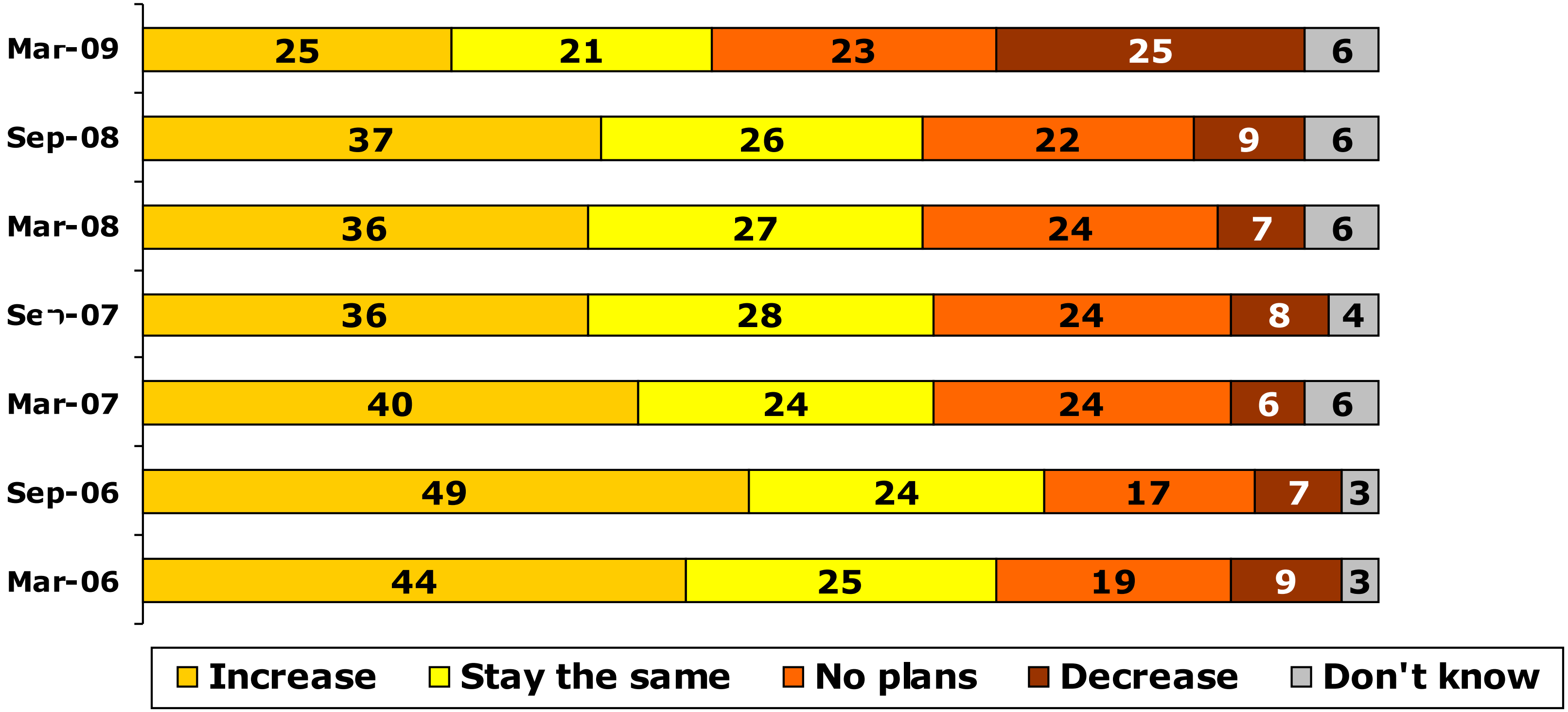
Some still cool to iSCSI, but don't question reliability, security

Primary reason for NOT deploying iSCSI storage in 2009



Big drop in WAN spending plans—highest % ever will cut

Describe your spending plans for extending your storage network over the wide area

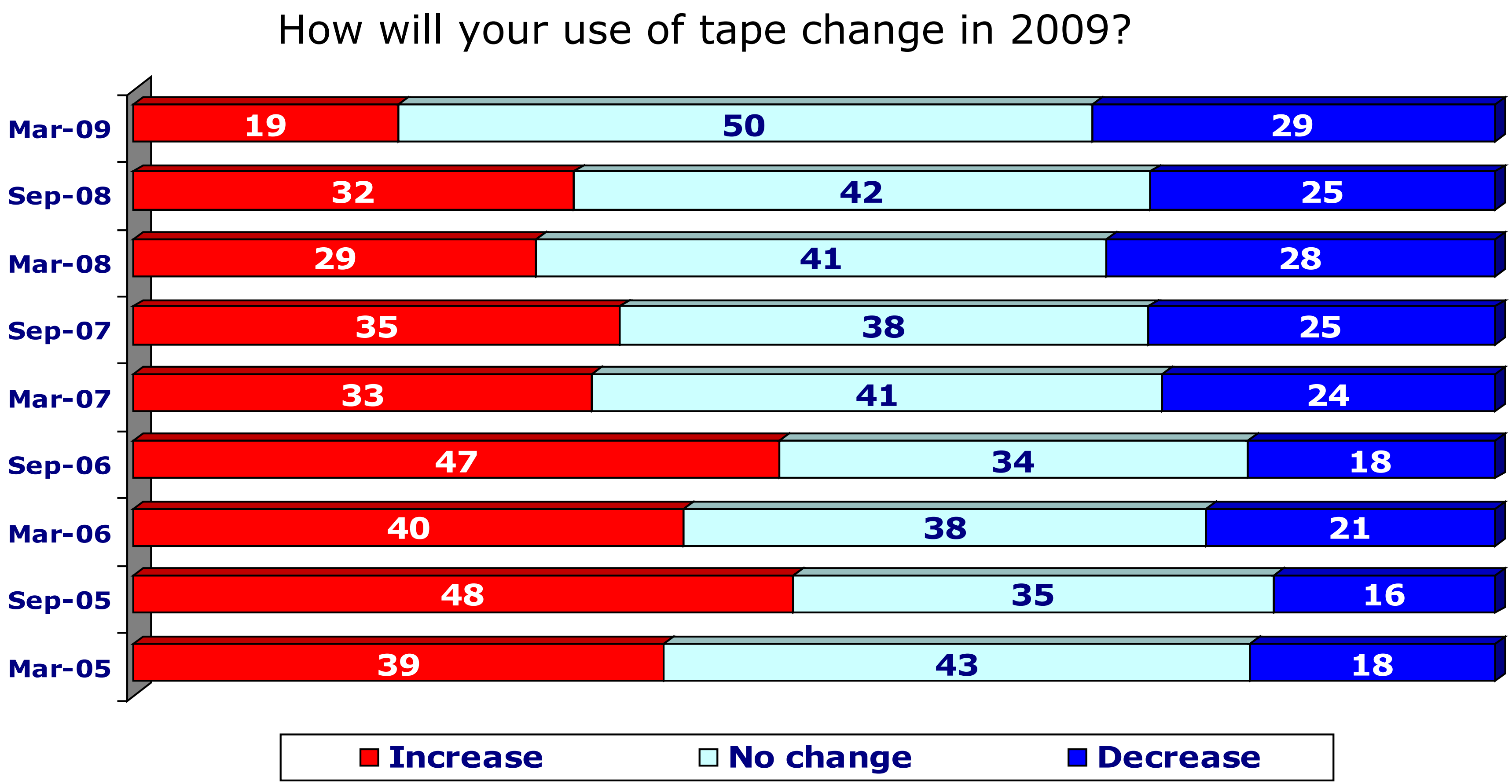


Wide-area network spending declines across the board

- Only 25% will increase wide-area spending vs. 36% one year ago
- Equal number—25%—will *decrease* WAN spending
- 50% say DR is driving wide-area purchases (up from 44% in Spring '08)
- 25% will connect data centers
- 21% will buy more or faster long-distance communications lines (down from 26%)
- WAFS interest waning: 11% will buy (down from 20%+ high)
- Interest in WAN accelerators holds steady at 21%

Backup and disaster recovery

Tight budgets slow down tape spending even more, "increase" at lowest ever



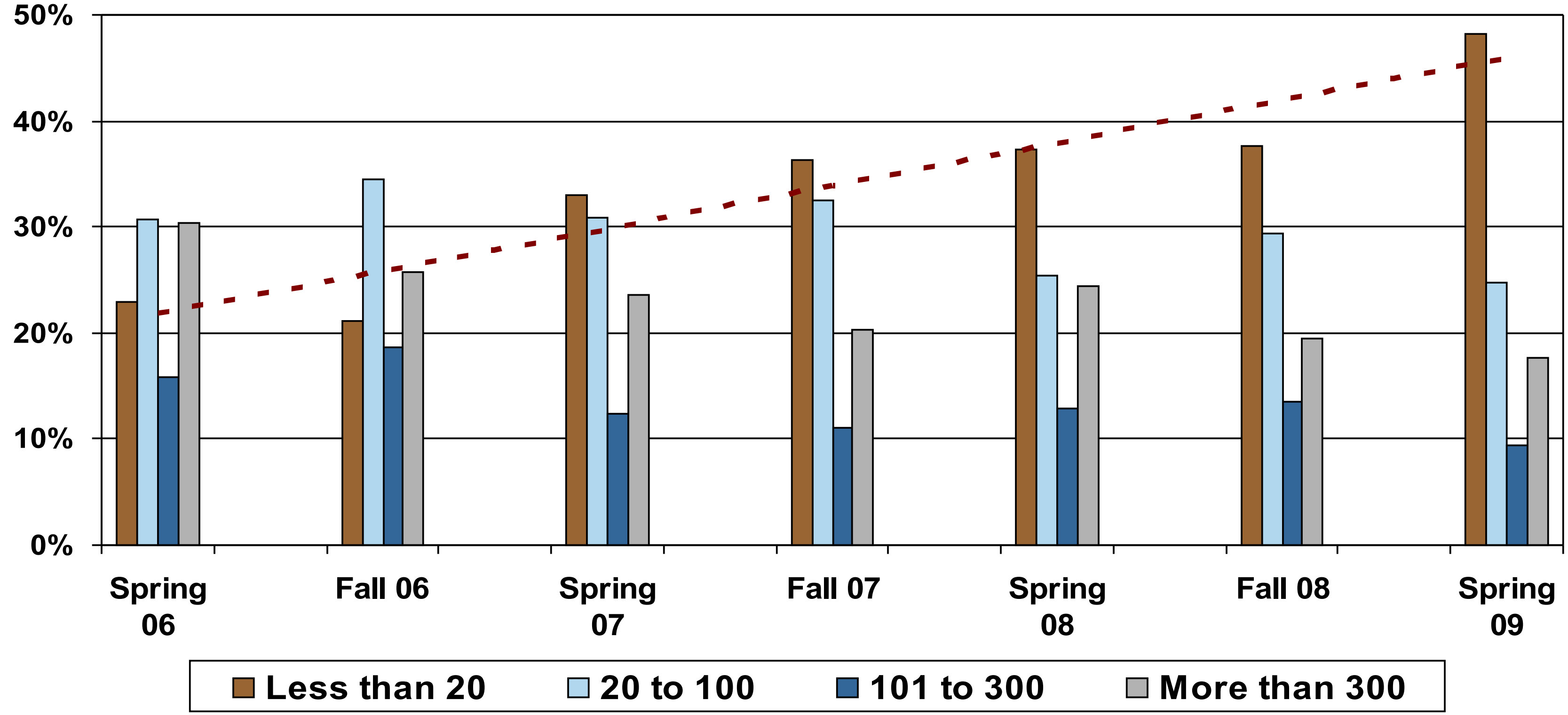
Tape purchasing plans shrink for all company sizes

- Big companies
  - 33% plan to cut tape spending (vs. 29% last fall)
  - 20% will increase tape spending (vs. 39% last fall)
- Mid-sized
  - 27% will decrease tape spending (vs. 22%)
  - 25% will increase tape spending (vs. 35%)
- Smaller companies
  - 13% will increase spending (25% last fall)
  - 29% will decrease tape spending (25%)

… but 80% still spin off some or all data to tape (vs. 86% a year ago)

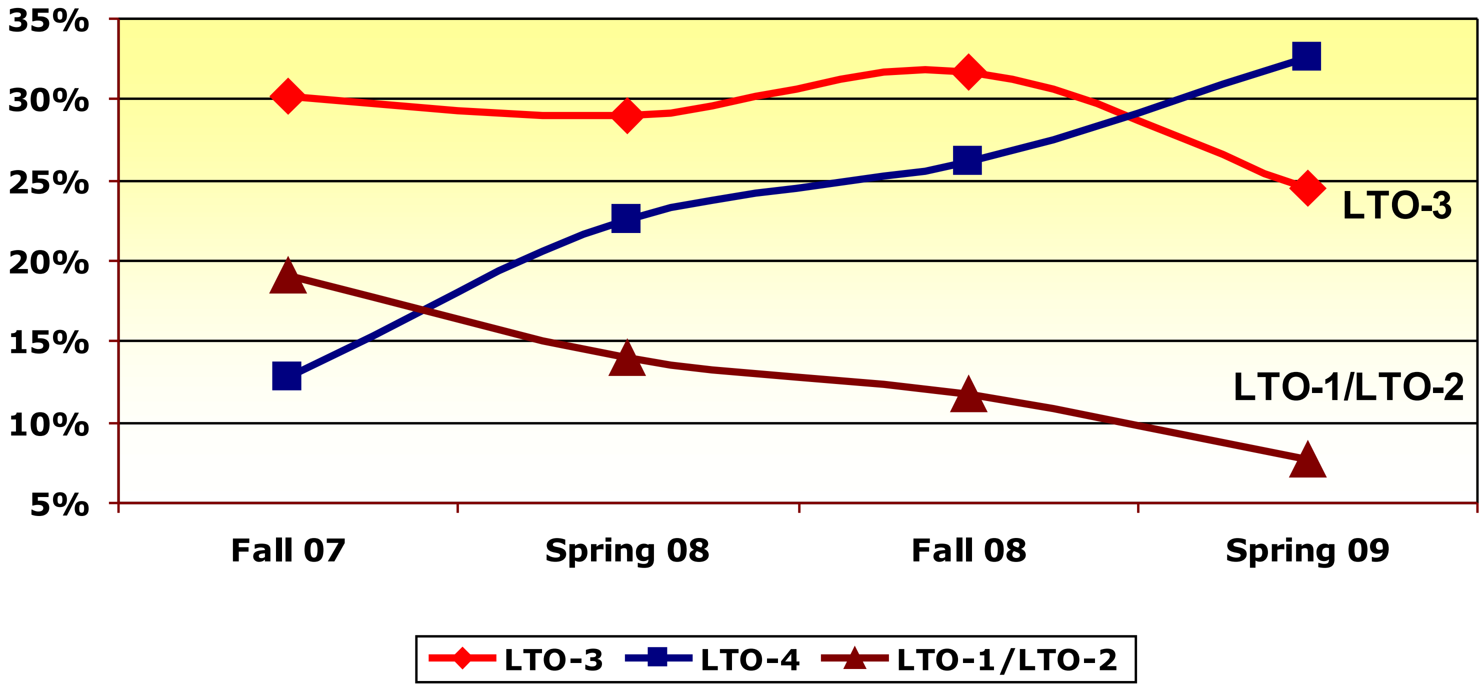
High density tape drives + disk backup = smaller tape libraries

Average number of slots in tape libraries purchased/will purchase in 2009…



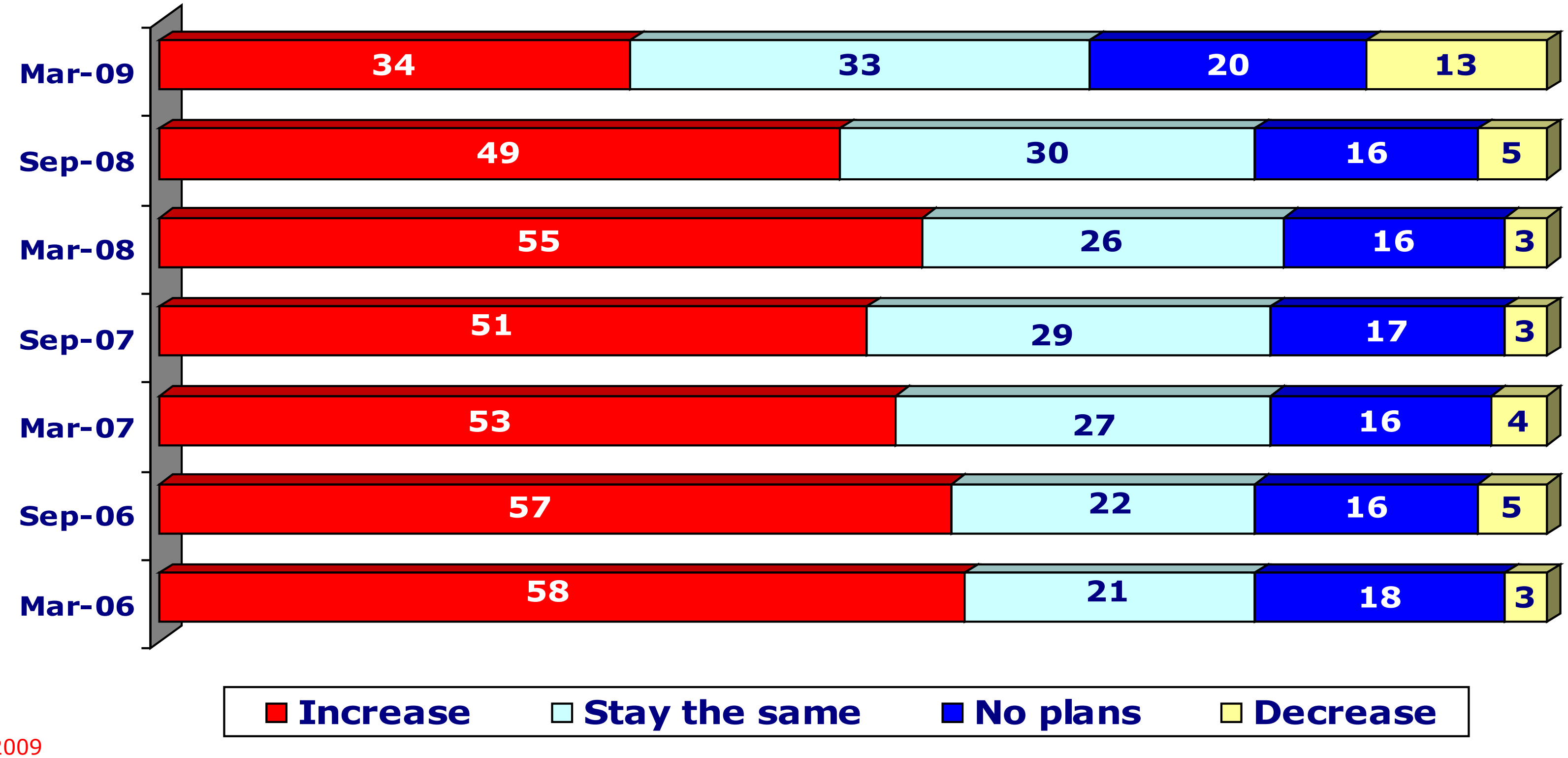
LTO-4 tape format adoption finally outstrips LTO-3

What's the primary format you've selected for your tape drive purchases in 2009?



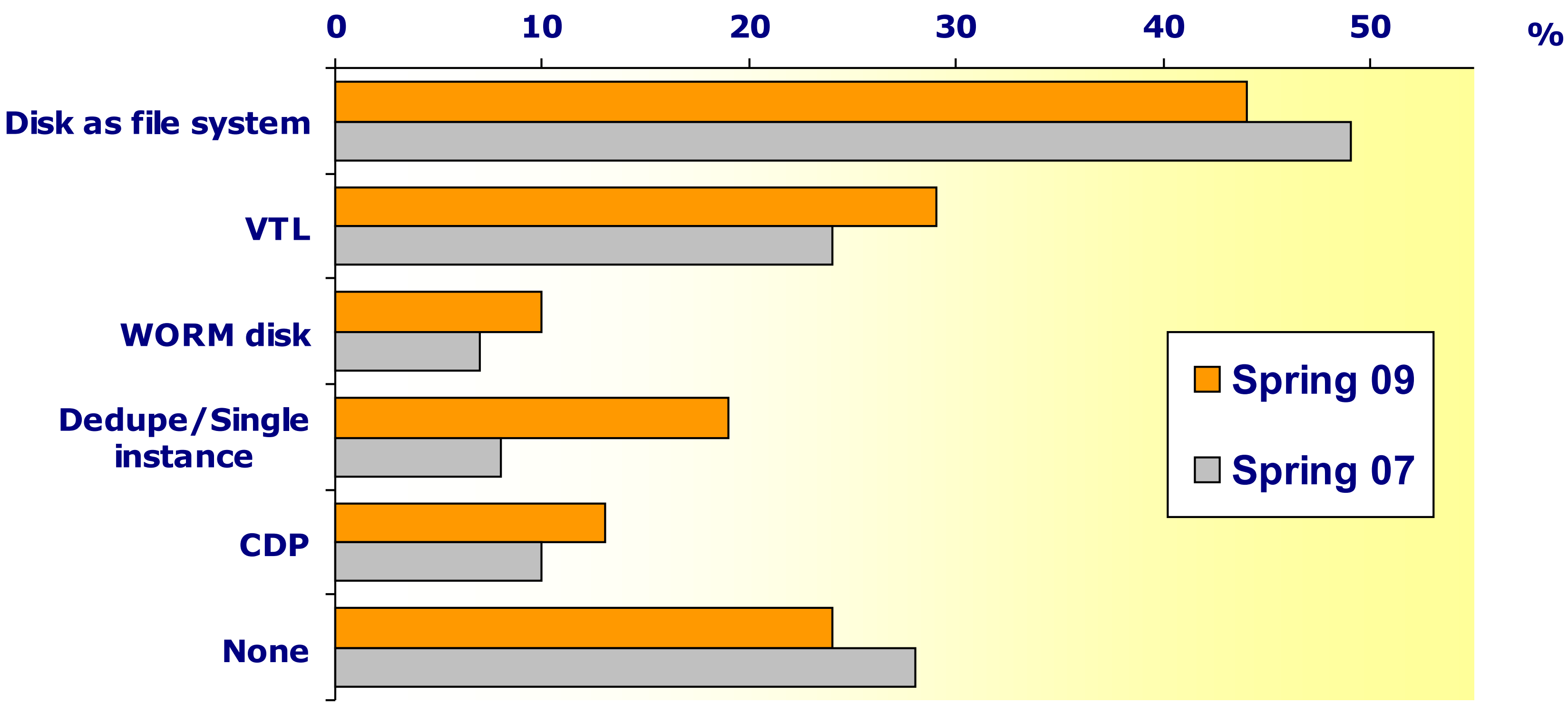
D2D backup purchases likely to dip, 1/3 will cut or not spend at all

Compared to 2008, your 2009 spending for disk-to-disk backup systems will probably:



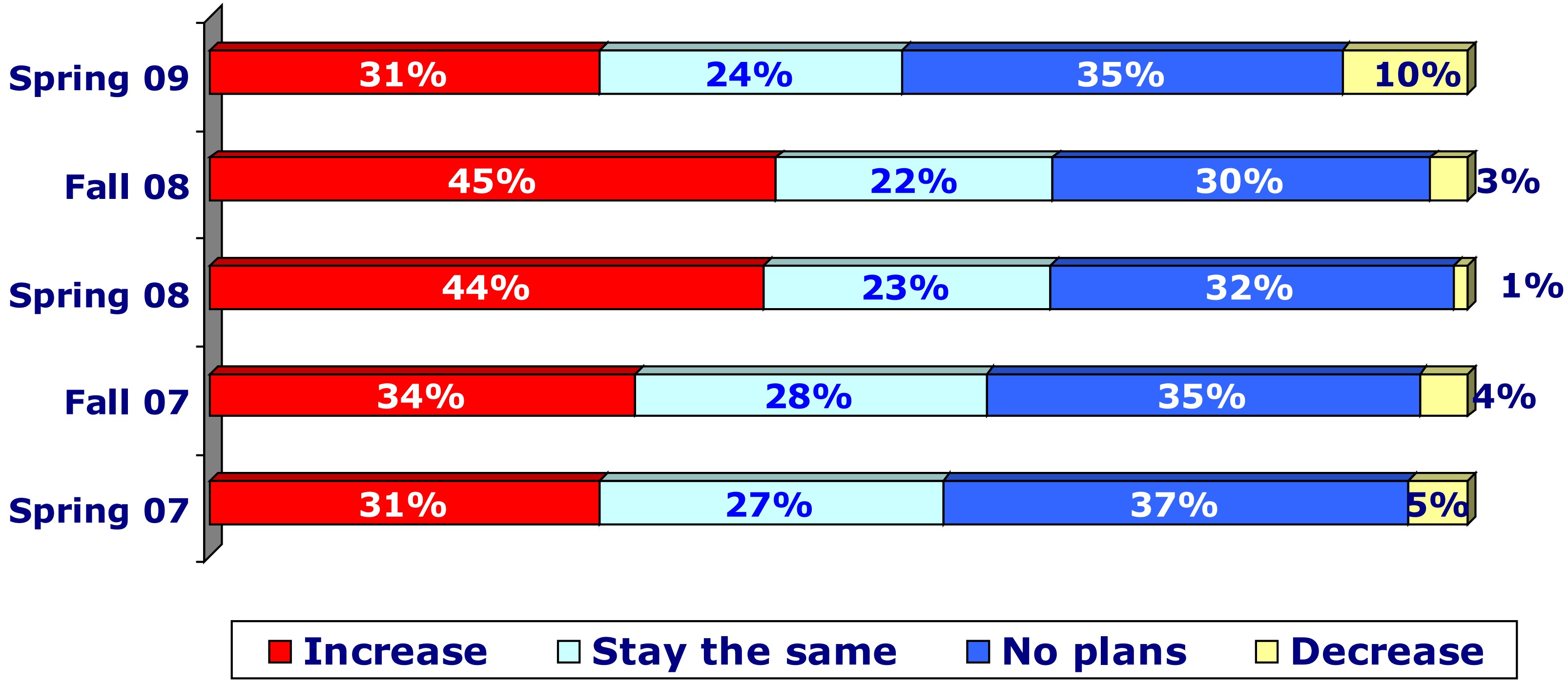
Dedupe still hot in cool market, interest in VTL up, disk as cache tails off a bit

Which disk-to-disk backup strategies are you using?



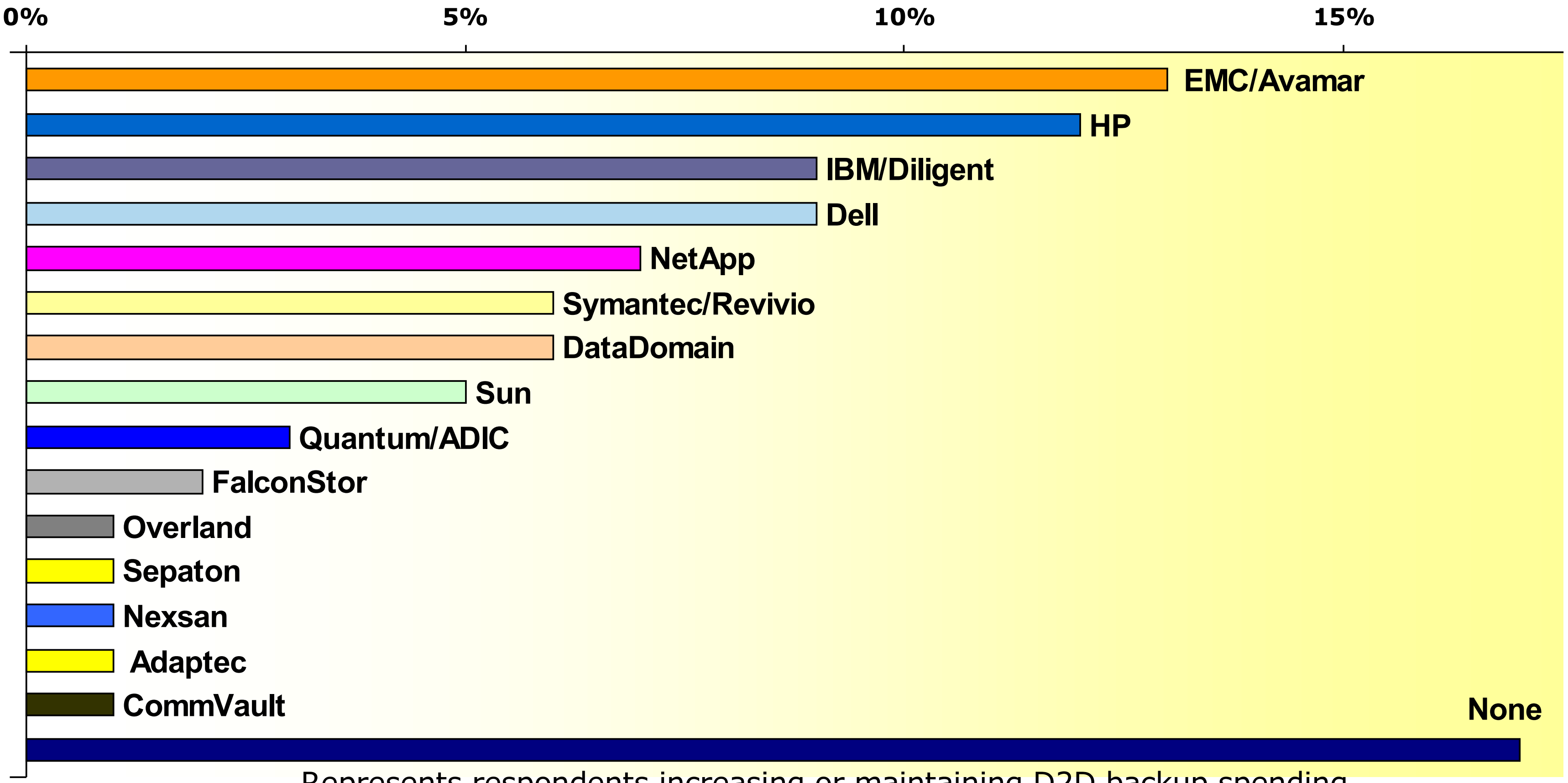
Dedupe juggernaut slows, but more than half to increase/maintain spending

In 2009, your spending for deduplication products probably will…



EMC, HP vie for lead, NetApp and Dell gain ground as D2D vendors

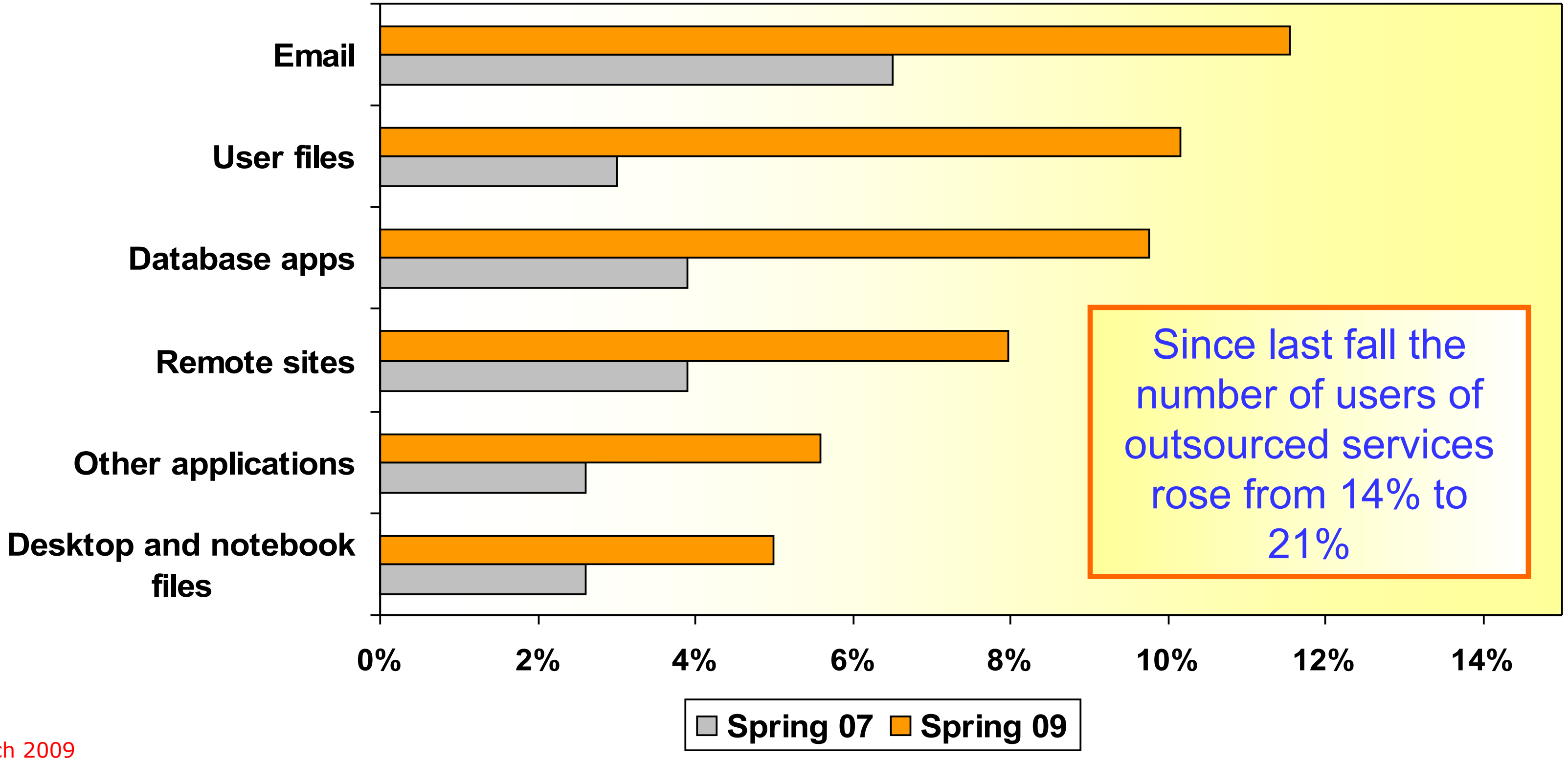
Who is your main disk backup vendor?



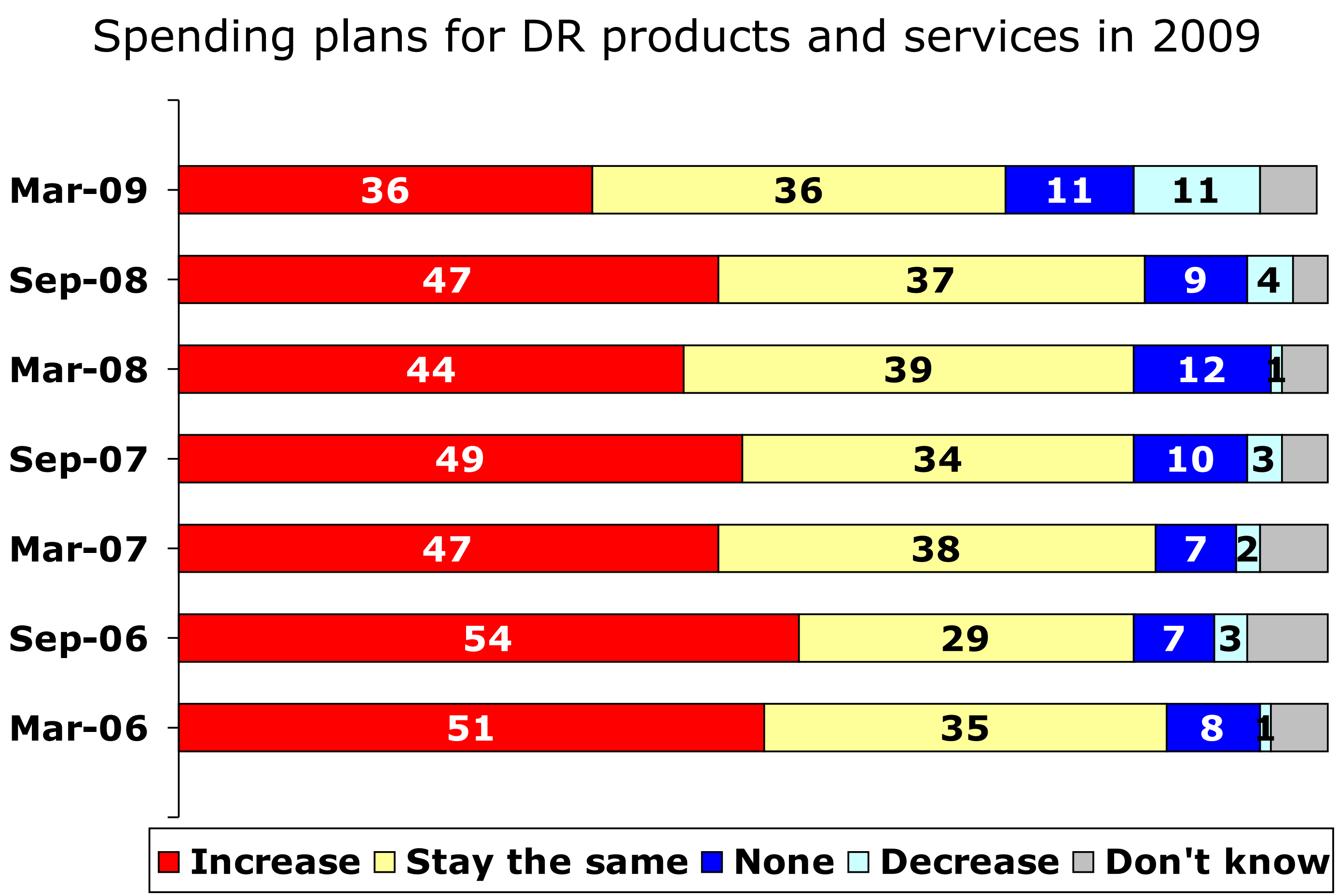
Represents respondents increasing or maintaining D2D backup spending

Cloud storage picks up, more opt for outsourced backups

Are you outsourcing backup or using an online backup service?

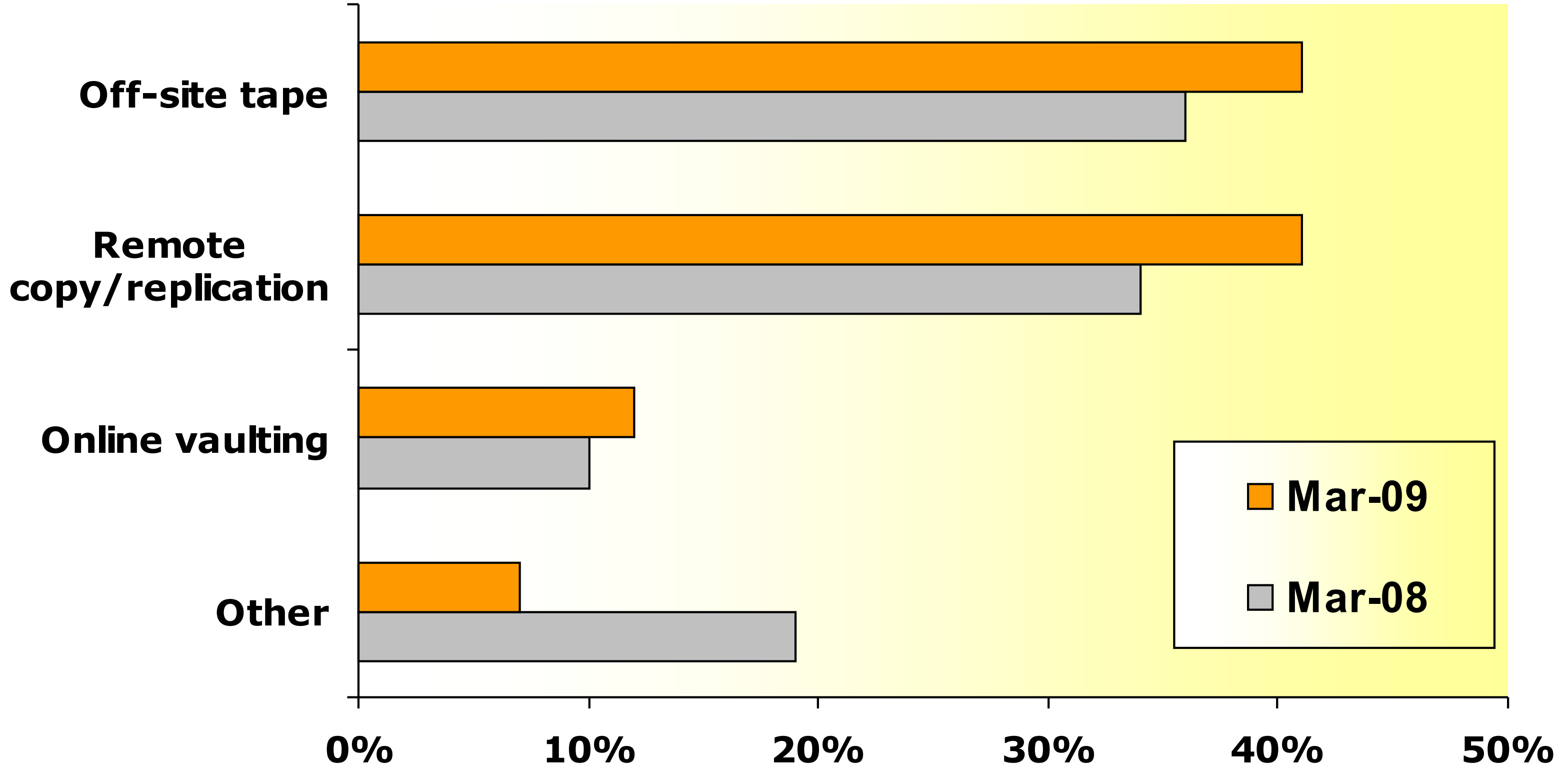


DR spending dips, too, but nearly 3/4 to increase/maintain levels



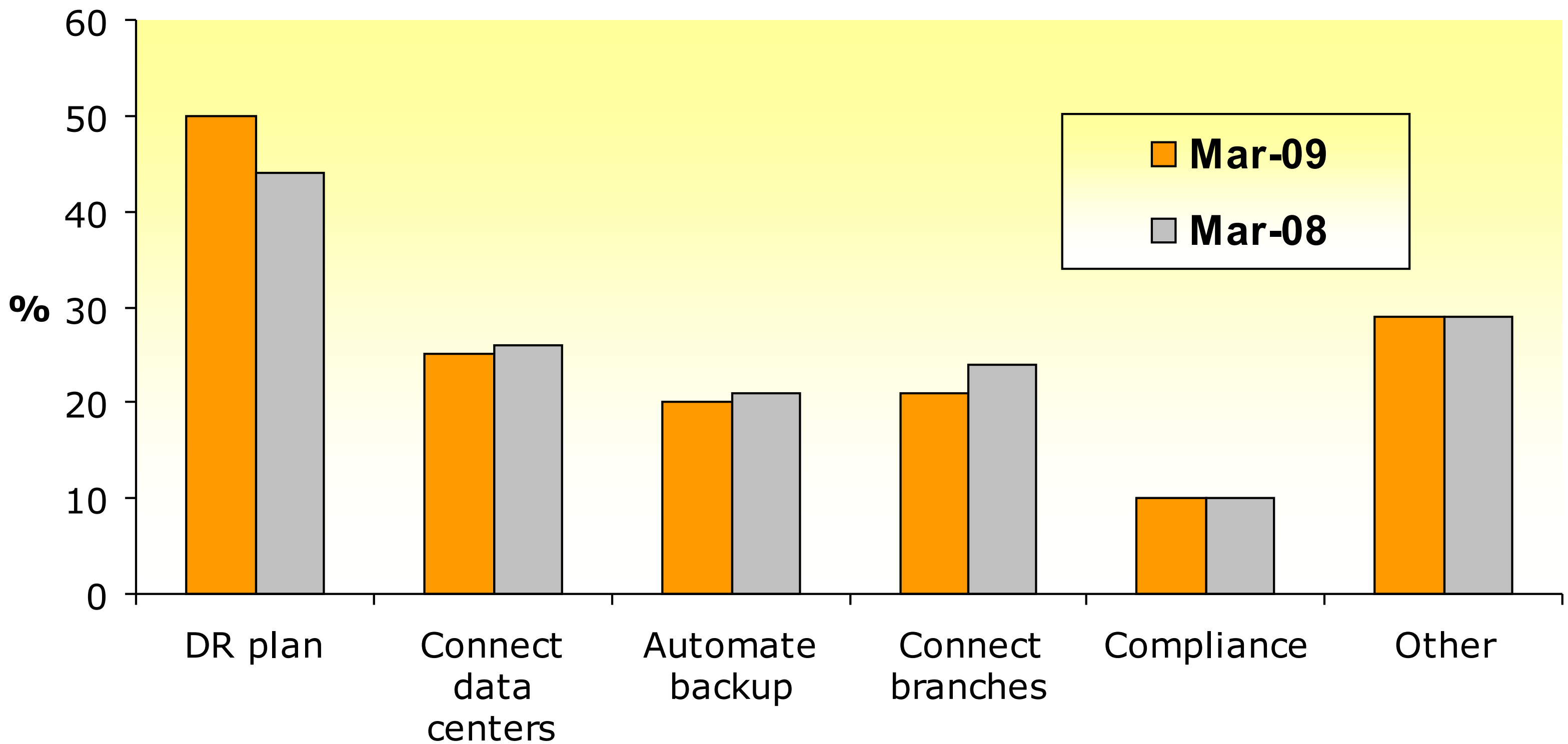
DR spending equal for off-site tape, replication

Primary storage-related expenditure for DR in 2009



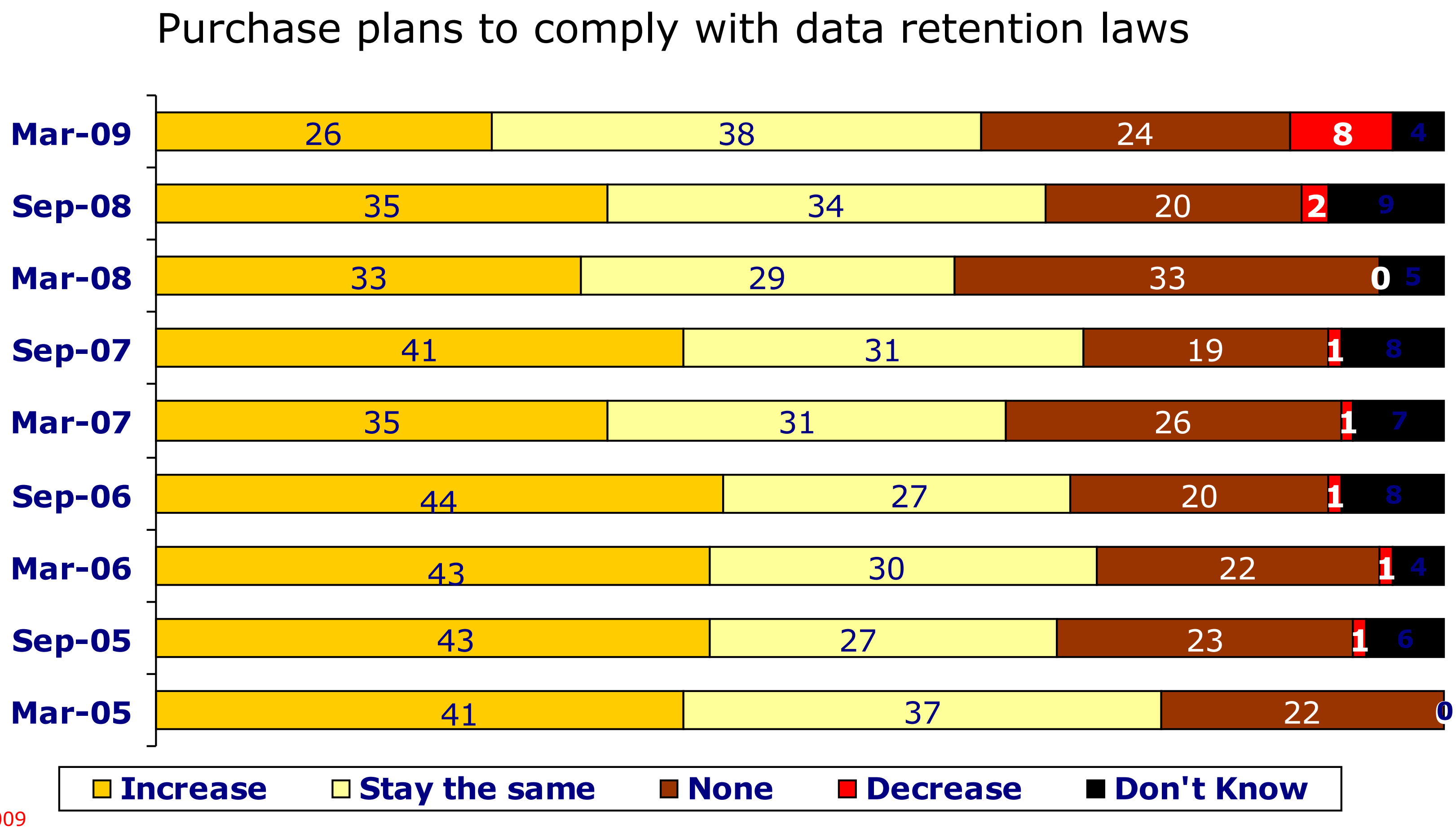
Disaster recovery still prime mover for wide-area spending

What is driving your wide-area storage network purchases?

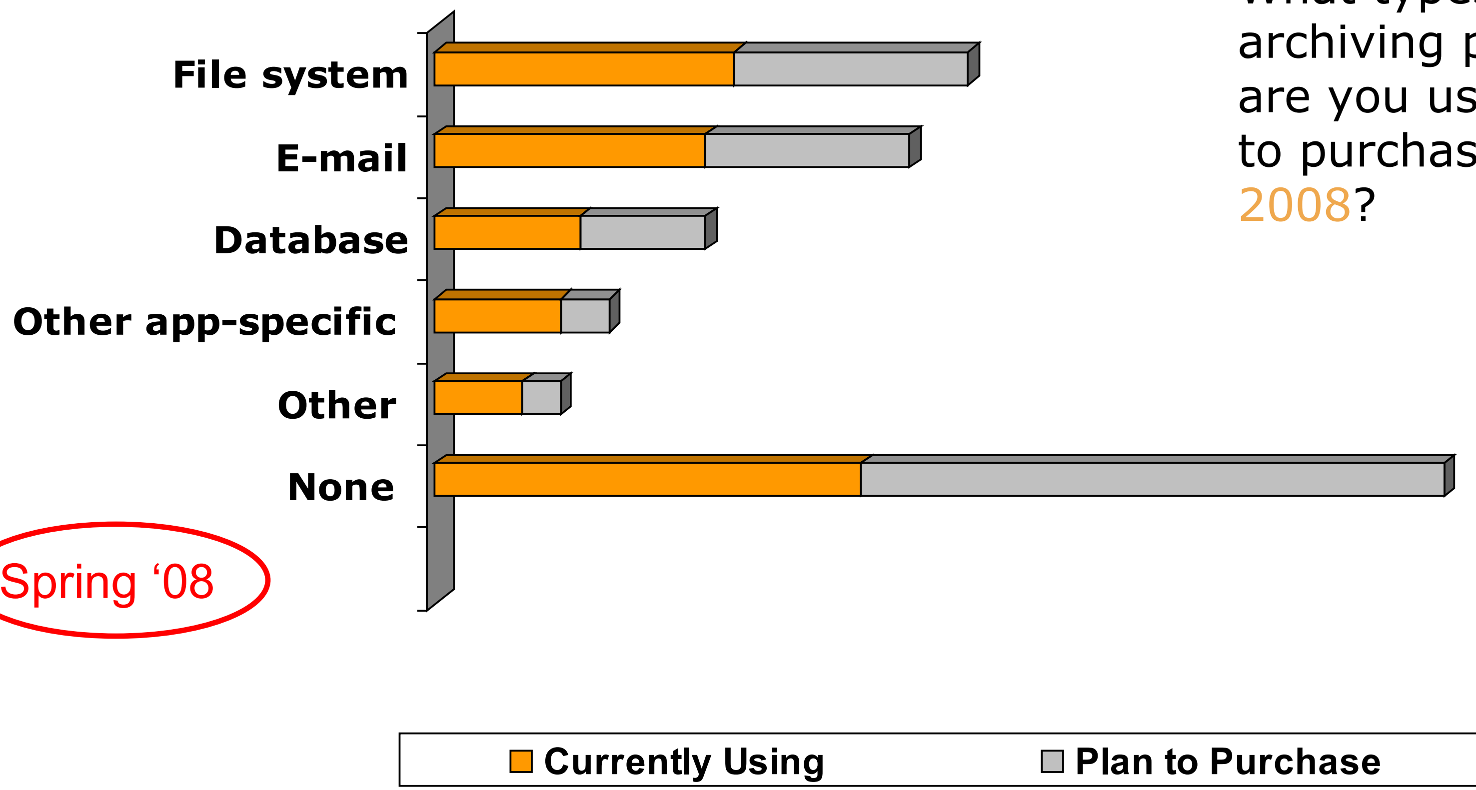


March 2009

Compliance spending plans relatively steady



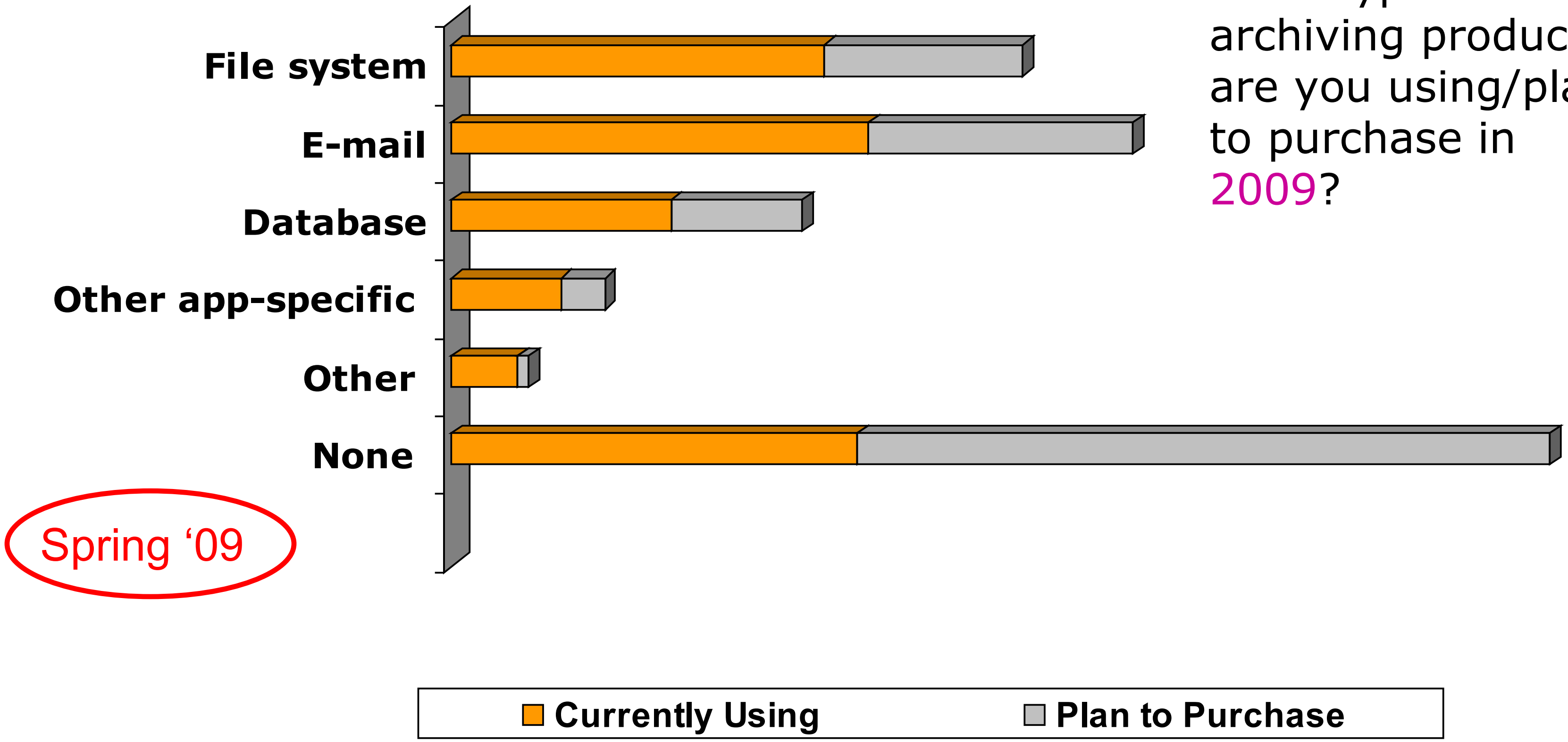
Spring 2008: 56% use some form of archiver



Spring '08

What types of archiving products are you using/plan to purchase in 2008?

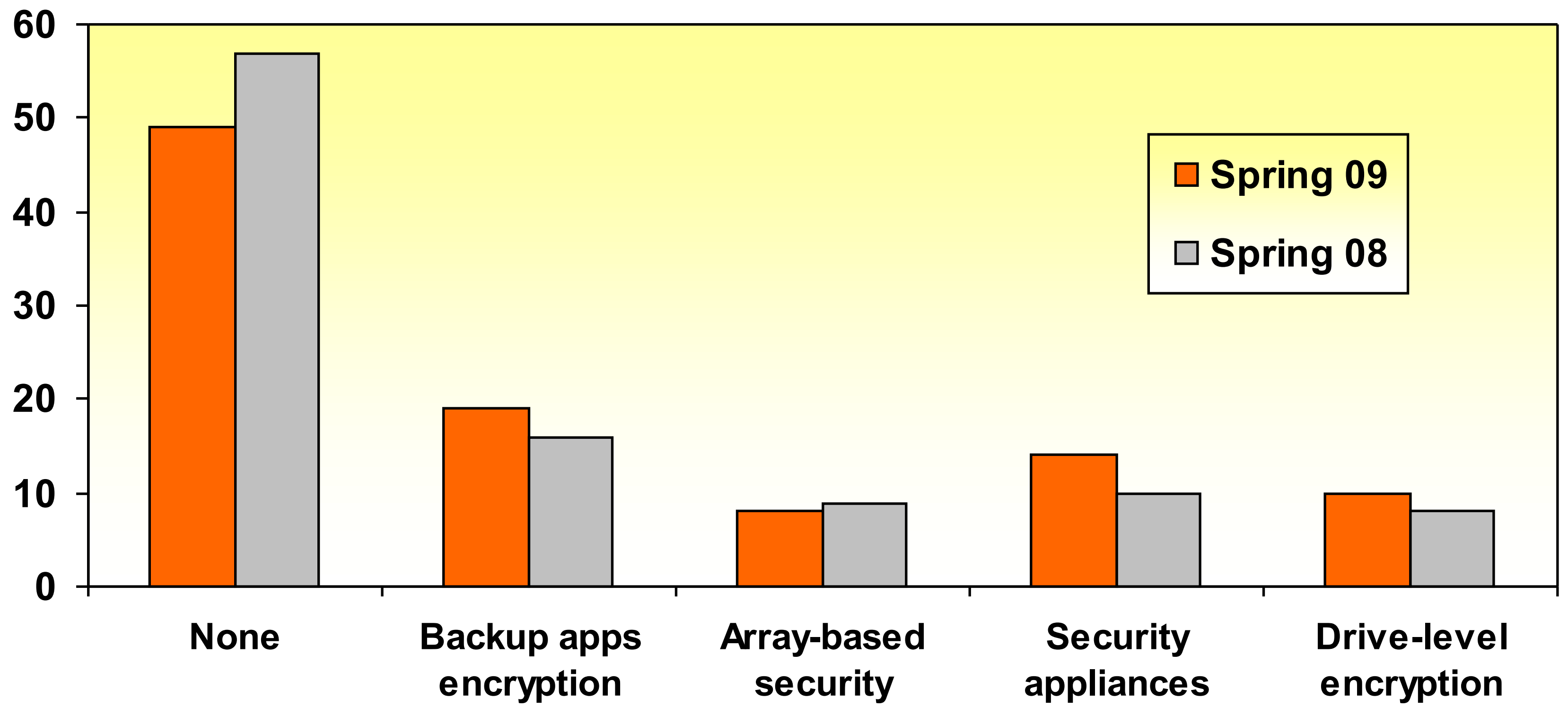
Archiving use rises, but fewer plan new purchases



What types of archiving products are you using/plan to purchase in 2009?

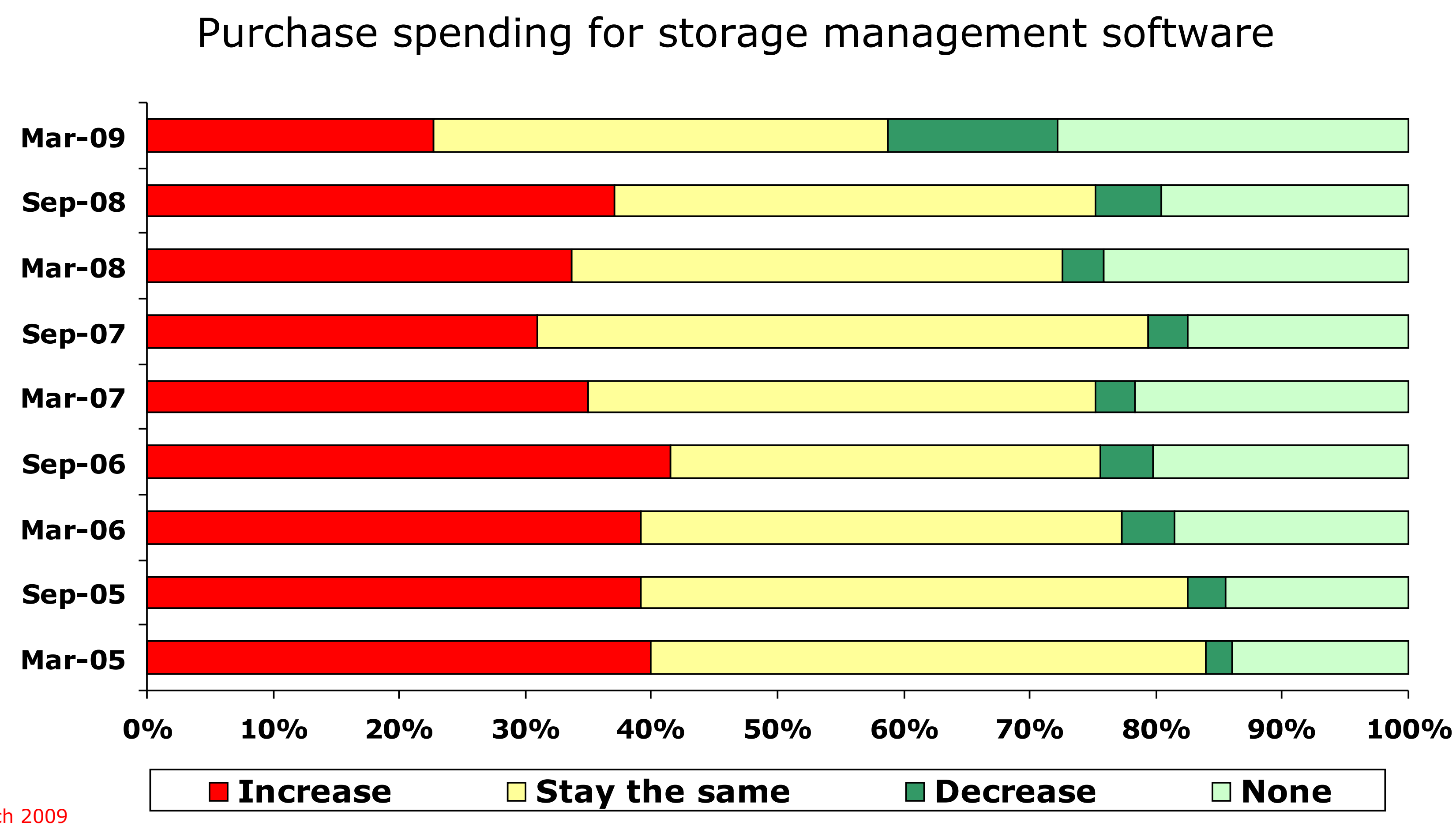
Promising signs for security—slightly more than half encrypting

Have you deployed storage security?



Storage management software

Scarce budget bucks not likely to go for management apps

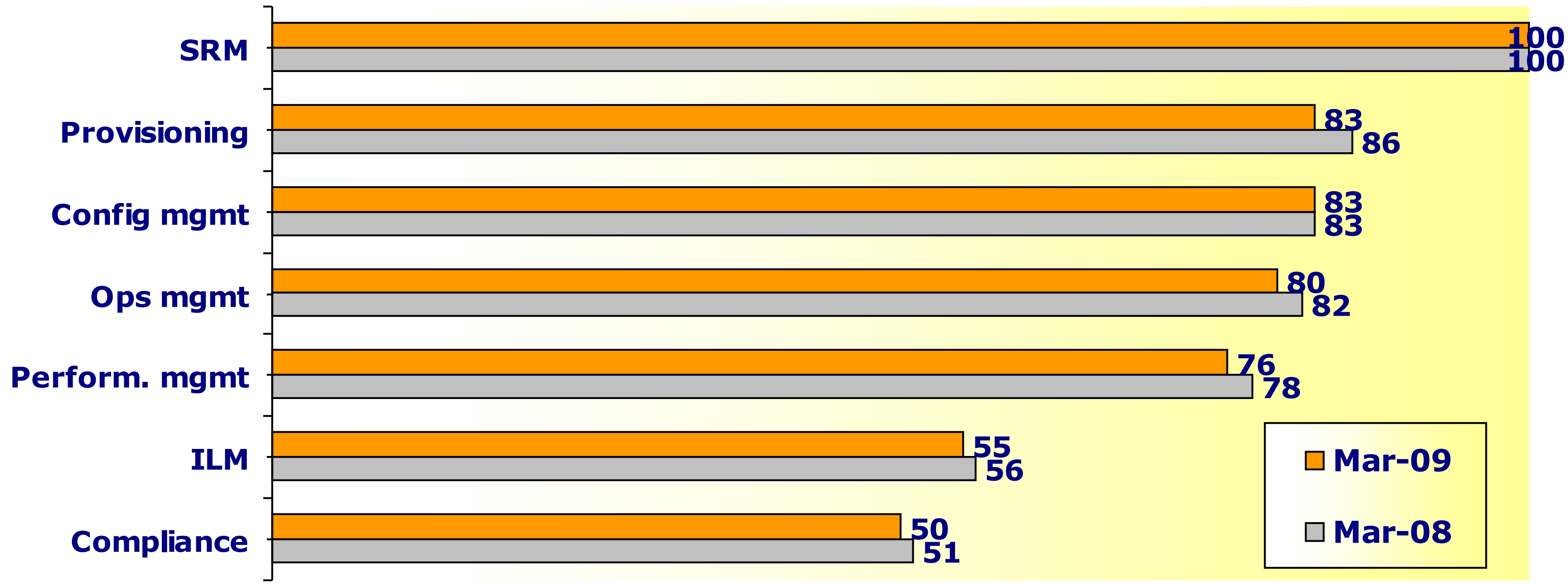


Storage managers grapple with issues, but management tools costly

- $$$! -- 48% lack budget or say it just costs too much (vs. 28% last spring)
- 14% just use what comes with hardware
- 33% don't need more management tools
- 34% want to manage more storage with same staff…
- 12% need to manage storage with less staff

Interest in capacity-related tools, others just "nice to have"

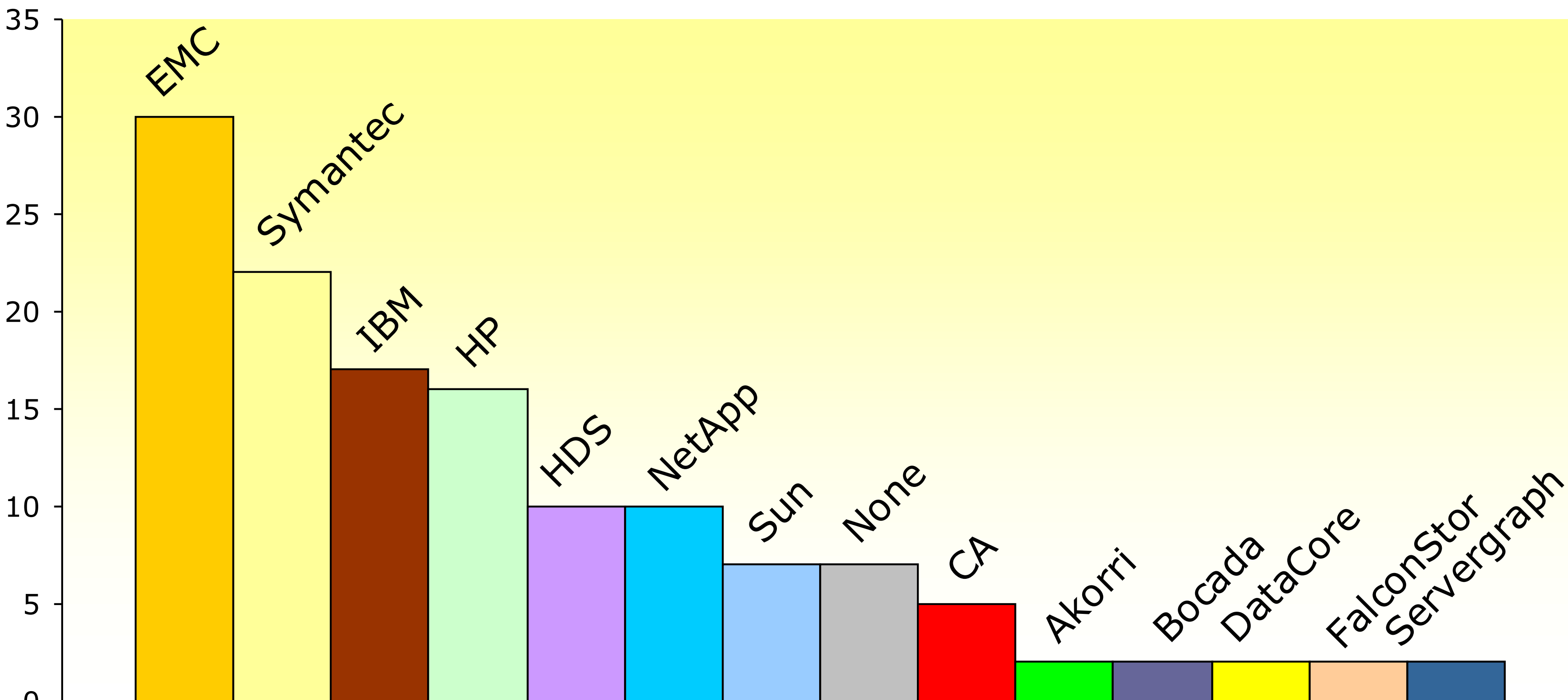
Rank these storage management functions in order of importance



Rankings based on an index where SRM=100

For management apps, hardware vendors still favored

Have purchased from or intend to purchase from in 2009…



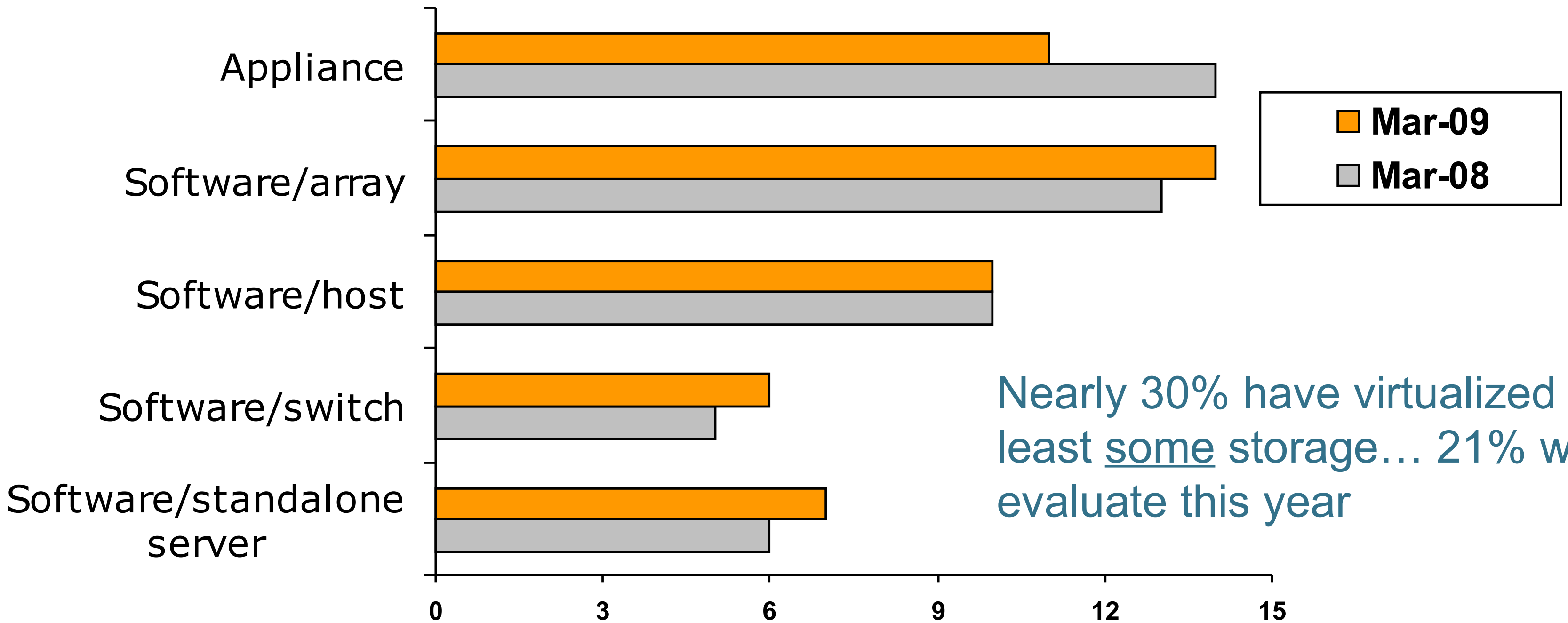
March 2009

Features, current vendors and SMI-S play into purchase decisions

- 31%: Features/functions key to choosing management software vendor
- 17%: Opt for vendor that already sells them other software; 11% tilt toward hardware vendor
- 51%: SMI-S compliance is very or somewhat important (down from last spring’s 59%)
- 34%: Uh, what is SMI-S..?
- 23%: EMC will be prime vendor in 2009; 16% say Symantec; 12% will turn to HP
- Smaller players with specialized apps still looking to trying to get some attention

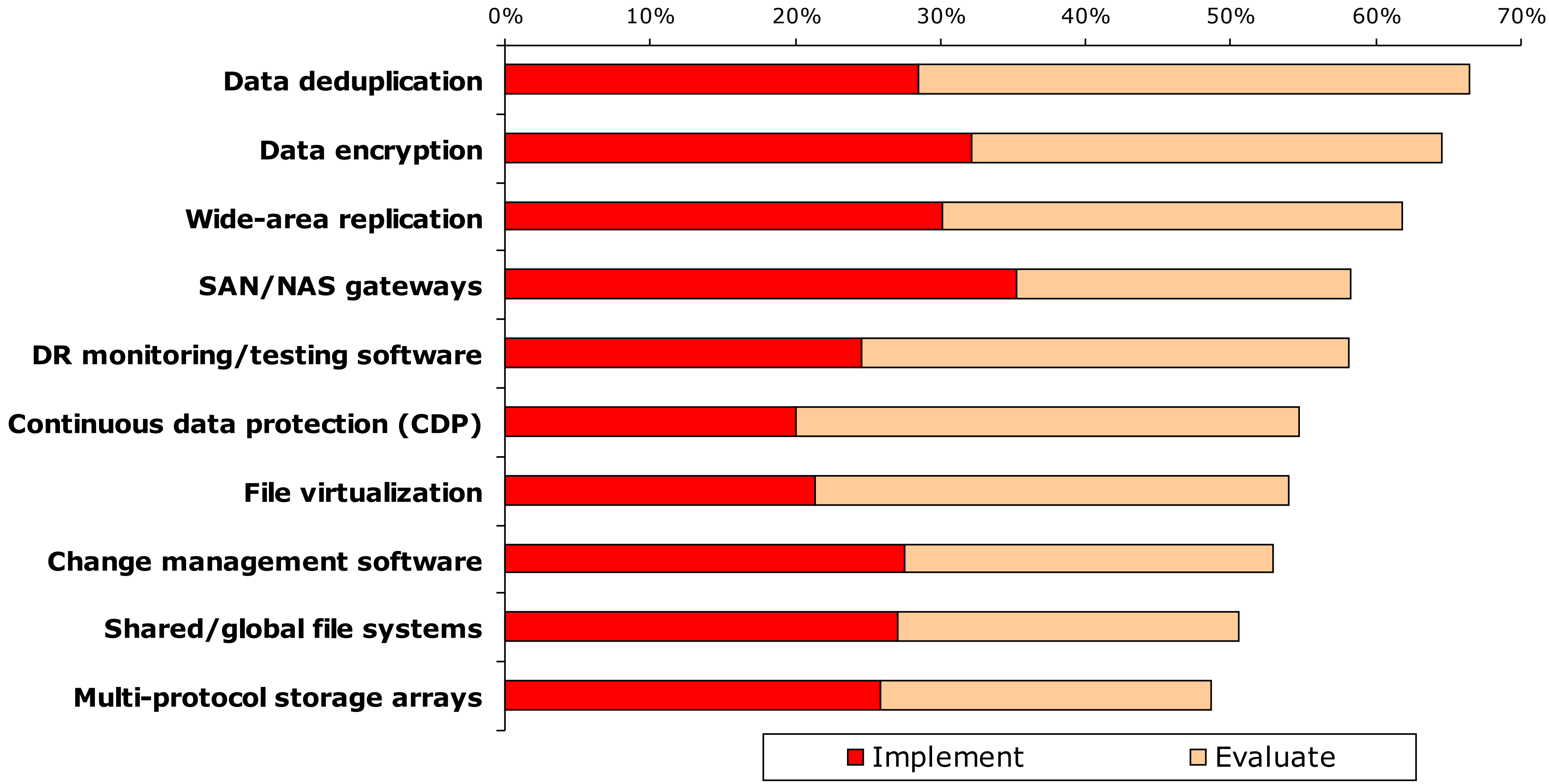
Interest in storage virtualization, software options favored

Describe your purchase plans for storage virtualization



Nearly 30% have virtualized at least <u>some</u> storage… 21% will evaluate this year

What's hot—top ten techs users plan to implement/evaluate in 2009



Closing thoughts…

- Dwindling budgets plus continued capacity growth—efficiency is the byword for 2009
- Spending will slow across the board—but techs like dedupe, archiving and thin provisioning will get attention
- Storage managers still building out existing arrays purchased three years ago
- iSCSI storage getting a serious look—traditional "shortcomings" are fading
- Dedupe's still one of the hottest storage techs
- Tape libraries continue to shrink, along with budgets for tape gear

Thank you…

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