

With Security and Flexibility Top of Mind, Financial Companies Embrace Hybrid Cloud



Second Annual Nutanix Report Finds 71% of Financial Services Firms Migrating Workloads Back On-Premises

Bangkok – March 17, 2020 — Nutanix, a leader in enterprise cloud computing, today announced the financial services industry findings of its second Enterprise Cloud Index Report, measuring financial firms’ plans for adopting private, public and hybrid clouds. The report found the financial sector outpaces all other industries in hybrid cloud deployments – hosting workloads in both private and public cloud – but trail others in their use of multiple public cloud services.

Most financial services companies must adhere to strict regulatory requirements and government mandates. Not surprisingly, 60% of respondents called out security as the single biggest influence on future cloud strategies.

Additionally, because so many organizations struggle to migrate workloads between environments, financial services companies have the highest percentage of traditional data centers (59%) delivering key applications.

Yet, in the face of digital transformation, the sector faces mounting pressure to modernize IT and to make services more convenient for end-users. Together, this explains why nearly 18% of financial companies have deployed hybrid cloud today, while 51% plan to shift investment to hybrid cloud in just three to five years.

Additional findings of this year’s report include:

- Flexibility to move applications as needed is critical. Nearly three-quarters of financial companies surveyed (71%) shared their plans to move one or more applications running in a public cloud back on-premises.

In the financial services industry, regulatory requirements are constantly evolving, meaning companies must keep pace with changing regulations that govern where these companies can store and manage their data.

Respondents also ranked hybrid cloud as the most secure IT operating model (27% of the time) signalling the importance of flexibility, alongside security, in this ever changing environment.

- The future of work and digital transformation plays a role in the financial sectors' infrastructure decisions. Financial services selected "support for remote/branch office users" as a motivator for cloud decisions nearly 30% of the time, a significantly higher percentage than cross-industry averages, pointing to the increasingly remote workplace landscape and the role of digital transformation in customer experience.

In the short term, respondents listed lack of adoption stemming from concerns around nascent tools for managing hybrid environments (66%), a lack of hybrid cloud skills (30%) and a lack of cloud-native development skills (23%).

- Security is paramount for compliance and regulation. Data showed that financial companies are running the highest percentage of data centers today, with just over 59% of financial companies.

Accounting in part for this trend is dissatisfaction with public cloud, with only 39% of financial services companies reporting public cloud services were completely meeting their expectations.

"The financial sector's digital transformation is aggressively driving datacenter modernization and cloud adoption," said Greg Smith, VP of Product Marketing at Nutanix. "Ambitious, but necessary, plans to shift investment to hybrid clouds clearly demonstrate that financial companies recognize the obvious benefits. With hybrid cloud infrastructure, financial companies can enjoy application mobility across clouds and gain greater control of their IT spend, while remaining confident in the security of their data."

The 2019 respondent base spanned multiple industries, business sizes, and the following geographies: the Americas; Europe, the Middle East, and Africa (EMEA); and the Asia-Pacific (APJ) region.

To learn more about the global report and findings, please download the "Nutanix Enterprise Cloud Index 2019 or register to access the financial services industry findings."

About Nutanix

Nutanix is a global leader in cloud software and a pioneer in hyperconverged infrastructure solutions, making computing invisible anywhere. Companies around the world use Nutanix software to leverage a single platform to manage any app at any location at any scale for their private, hybrid and multi-cloud environments. Learn more at www.nutanix.com or follow us on Twitter @nutanix.