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Gartner Says That Consumers Will Store More Than a Third of Their Digital Content in the Cloud by 2016

STAMFORD, Conn., June 25, 2012 — The desire to share content and to access it on multiple devices will motivate consumers to start storing a third of their digital content in the cloud by 2016, according to Gartner, Inc. Gartner said that just 7 per cent of consumer content was stored in the cloud in 2011, but this will grow to 36 per cent in 2016.

"Historically, consumers have generally stored content on their PCs, but as we enter the post-PC era, consumers are using multiple connected devices, the majority of which are equipped with cameras. This is leading to a massive increase in new user-generated content that requires storage," said Shalini Verma, principal research analyst at Gartner. "With the emergence of the personal cloud, this fast-growing consumer digital content will quickly get disaggregated from connected devices."

The increased adoption of camera-equipped smartphones and tablets is allowing users to capture huge amounts of photos and videos. Gartner predicts that worldwide consumer digital storage needs will grow from 329 exabytes in 2011 to 4.1 zettabytes in 2016. This includes digital content stored in PCs, smartphones, tablets, hard-disk drives (HDDs), network attached storage (NAS) and cloud repositories.

The bulk of the cloud storage needs of consumers in the near term will be met by social media sites such as Facebook, which offer free storage space for uploading photos and videos for social sharing. Ms Verma said that while online backup services are the most well-known cloud storage providers, their total storage allocated to consumers and "prosumers" is small relative to that maintained by social media sites.

Average storage per household will grow from 464 gigabytes in 2011 to 3.3 terabytes in 2016. In 2012, Gartner believes that the adoption of camera-equipped tablets and smartphones will drive consumer storage needs. In the first half of 2012, a shortage in supply of HDDs as a result of the floods in Thailand provided an impetus for cloud storage adoption, leading to an unusual overall growth rate between 2011 and 2012.

Consumers are expected to first try the basic package that is offered free by online backup companies. These services will be offered as apps on tablets, smartphones and broadband-connected TV because of partnerships between original equipment manufacturers (OEMs) and online storage and sync companies. Cloud service providers (CSPs) will also increasingly offer cloud storage. The use of cloud online storage and sync services will provide the foundational experience for consumers to start using cloud storage as part of the personal cloud.

On-premises storage will remain the main repository of consumer digital content, although Gartner predicts that its share will progressively drop from 93 per cent in 2011 to 64 per cent in 2016 as the direct-to-cloud model becomes more mainstream. Cloud storage will grow at an aggressive pace during this period. A majority of this growth will come from North America and Western Europe. In the Asia/Pacific region, Japan and South Korea will witness the highest growth in cloud storage, where CSPs have been offering online storage and sync services for some years.

“Local storage will become further integrated with home networking, presenting opportunities for local storage providers to partner with home networking and automation service providers,” said Ms Verma. “Cloud storage will grow with the emergence of the personal cloud, which in turn will simplify the direct-to-cloud model, allowing users to directly store user-generated content in the cloud. As storage becomes a part of the personal cloud, it will become further commoditised. Therefore, online storage and sync companies need to have a strategic rethink about their future approach.”

Additional information is available in the Gartner report “Forecast: Consumer Digital Storage Needs, 2010-2016.” The report is available on Gartner’s web site at <http://www.gartner.com/resId=1953315>.

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