VIEWPOINT



Tony Bishop

SVP, Enterprise, Platform & Solutions at Digital Realty

Tony Bishop is responsible for Digital Realty's platform strategy and enterprise business, serving multinational corporations globally. He is recognized as an award-winning IT leader and is the author of Next Generation Datacenters: Driving Extreme Efficiency & Effective Cost Savings.



Dave McCrory

Global Head of Insights and Analytics at Digital Realty

Dave McCrory holds 9+ patents, is a published technology author, has extensive leadership experience in the tech and digital fields, and has founded two companies. McCrory is also the creator of the "Data Gravity" concept.

Why Data-First Strategies Win, and How to Get There

Data volume and value are exploding. Both are forcing enterprises across all industries to change how they create and deliver value. Here, two business leaders at the forefront of the digital revolution weigh in on what this means for today's enterprises and how they can get ahead of the curve.

Tony Bishop is SVP, Enterprise, Platform & Solutions at Digital Realty, and Dave McCrory serves as Digital Realty's Global Head of Insights and Analytics.

Q: What are the biggest challenges business leaders face in the transformation to the data-driven era?

Bishop:

Today's businesses need to address a consistent, ubiquitous physical and digital convergence. That is starting to happen, but the problem is that business and technology leaders are doing it piecemeal and are ending up with siloed data. Unlocking the trapped value that data represents starts with understanding and thinking data-first and then putting data first in your systems architecture.

Business leaders and technology leaders need to rethink how they integrate their business platforms of people, process, and technology. They need to think of where they create a neutral meeting place within proximity of where they do business. Because it's not the systems, the best proxy of a new digitized world is data: That's what gets created. Once it gets created, how does it transform into information and intelligence? And then, how does it create new workflows or new insights, new capabilities for productivity enhancement or monetization, or both?

Q: How is data driving the business agenda today? Gartner research shows that over 80% of CEOs expect to increase investments in digital technologies and 70% bet on digital data products to grow. What has changed?

McCrorv:

In the past, data was scarce. It was difficult to obtain, it was difficult to process, and the equipment on which you did it was very

expensive. So, people were very careful about how they used databases, for example, because they were incredibly expensive to manage and held only small amounts of data. Fast-forward to now. Data is ubiquitous, as is the storage and processing that it requires. That ubiquity drives the need for digital transformation by all businesses: large, small, and in between. What's more, there's a physical/digital convergence happening.

Q: Dave, you coined the term *Data Gravity*. What's the elevator pitch on that?

McCrory

Here's how we define Data Gravity: It is the idea that as you accumulate data, you attract more data. You also attract services and applications to consume that data.

Q: Why is a clear understanding of Data Gravity critical to data-first strategies?

Bishop:

If you understand where the data you exchange with customers and partners accumulates, you can understand where to build to support your business digitally. The growth in data, the growth in digitized processes drive the need for proximity — to have infrastructure close to where you do business. It doesn't need to be based in the same building, but it needs to be within proximity. You also need to have a neutral meeting place where you can connect everyone and your data.

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Q: What was the big idea behind publishing the Data Gravity Index™ survey?

Bishop:

Data is the common factor across every industry where business, regulatory, and operational challenges exist. Because data organizes around population centers and business presences, if you understand where and how it accumulates, you're going to unlock value. The Data Gravity Index™ helps you gain that understanding.

Q: A recent Digital Realty Global Data Insights Survey found that respondents are split on whether to further centralize or decentralize their data infrastructure. What's the right approach, and why?

Bishop:

The reality is you're going to have to aggregate data at different distribution points. Each distribution point does not need to be decentralized. But it cannot be trapped in the traditional centralized data center, because you have to create digital "meeting places" to connect and share across departments and subsidiaries and with customers, partners, and even governments.

Q: Most survey respondents (60%) agreed that multitenant data centers need to offer secure data exchange between users, networks, clouds, and IT providers on a single platform. How does this support the hybrid physical/digital business that's vital to success today?

McCrory:

For things like edge computing, which may be very limited in processing power, storage, and bandwidth, you want to aggregate the data in the nearest location you can to reduce latency. And as you do, you may want to make some of that data available to others: for example, a regulatory body, an energy exchange, or partners such as companies providing maintenance or analytics partners. So, the easier it is for you to give them access to that data and the closer to real-time you can make that data, the better it is for you as a business and the better it is for everyone involved.

Q: How should a company get started with transforming into a data-first business?

McCrory:

Understand the concept of Data Gravity, and follow something like the Data Gravity Index™ to understand what others are doing. Also, understand what's happening with your data, even from a very high level. Who owns this database? What's the data coming into the database? Where's it coming from? And what's the data going out of this database, and where's it going? It's not that complicated. But understanding those flows is a great beginning to understanding, for example, if you have all of your data being processed in one location and all your customers are drawing the data from another location that's very far away. It might be optimal costwise, but it may not be optimal for customer experience or the



- » Learn more about how companies are overcoming the challenges of the data-first era at www.DigitalRealty.com/ Global-Data-Insights-eBook
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