IDC

CIO ROUNDTABLE

Beyond CapEx:

Making the Financial Case for Modern Storage Infrastructure

Exploring how enterprises in India can modernize storage infrastructure, reduce IT economics risk, and become AI-ready

Sponsored by Everpure

Data, Artificial Intelligence, and Storage Infrastructure to grow very fast between 2026 to 2030

Data

28%

CAGR growth in data from 2026 to 2030 in Asia/Pacific

Data growing at an exponential rate

46% data to reside on cloud by 2030

Source: IDC Global Datasphere Forecast, Jun 2026

AI

$23.5Bn

AI spending in India by 2029 – 39% CAGR from 2025 to 2029

Agentic AI in production

69% organizations have adopted AI agents in India

Source: IDC Semi-annual AI and GenAI Spending Guide

Storage

85%

Enterprises to increase storage spending in 2026

Storage budgets are increasing faster than ever

69% organizations to experience up to 20% budget increase

Source: IDC Enterprise Infrastructure Pulse storage Survey, February 2026; India n=100

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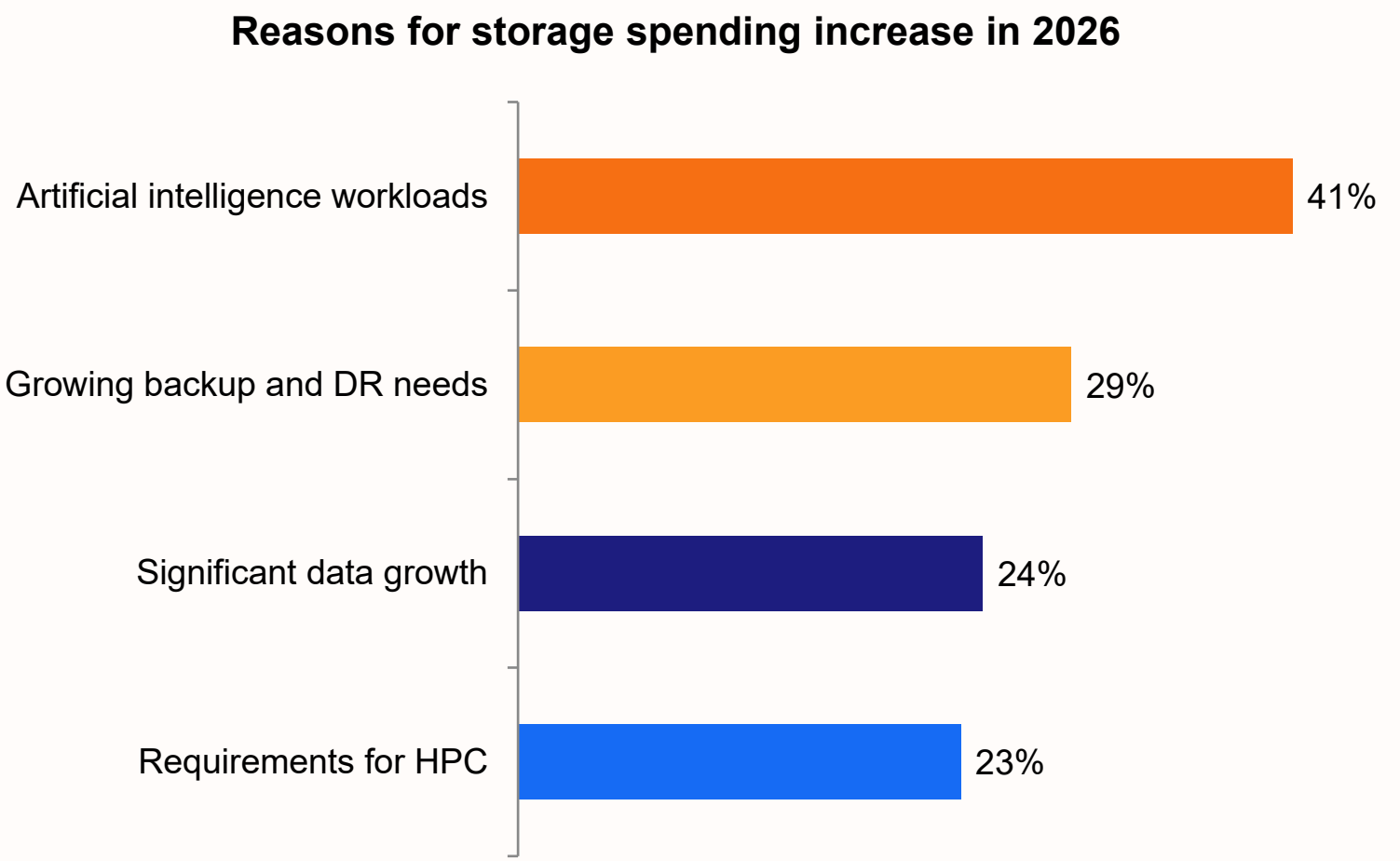
Storage costs are rising - Artificial Intelligence and data growth



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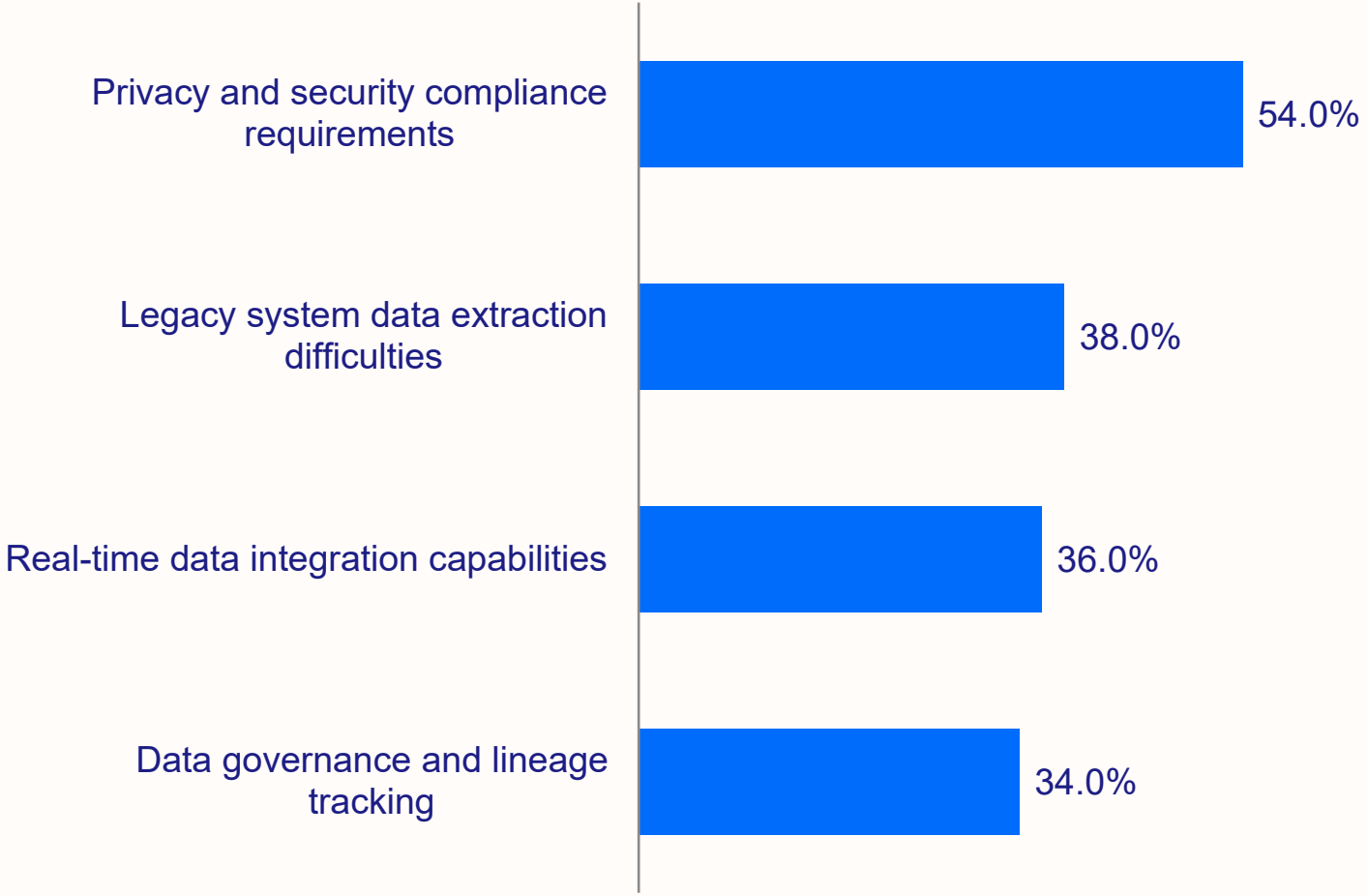
Source: IDC Enterprise Infrastructure Pulse storage Survey, 2026; India n=100

Data challenges: Data management complexity is the key challenge: Compliance, visibility, and integration

Q. What are the top 3 data-related challenges impacting your AI/GenAI initiatives?



Data management complexity across hybrid multi cloud

What is required to be AI-ready?

- Visibility to every dataset
- Where it resides
- Data classification
- Integrate it with AI pipelines
- Posture management

Legacy methods are a bottleneck

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Source: Asia/Pacific Data, AI and GenAI Survey November 2025. India N=50

Questions: How robust is your data strategy for AI today?

1. What are the biggest challenges you are facing in maintaining visibility, understanding data context, and ensuring that data remains governed and AI-ready?

2. How important is a unified approach to data management, data intelligence, and policy consistency across hybrid and multicloud environments?

3. How data-ready is your organization today? Can you identify, classify, and govern your enterprise data?

4. Are you spending more time dealing with distributed environments or driving innovation?

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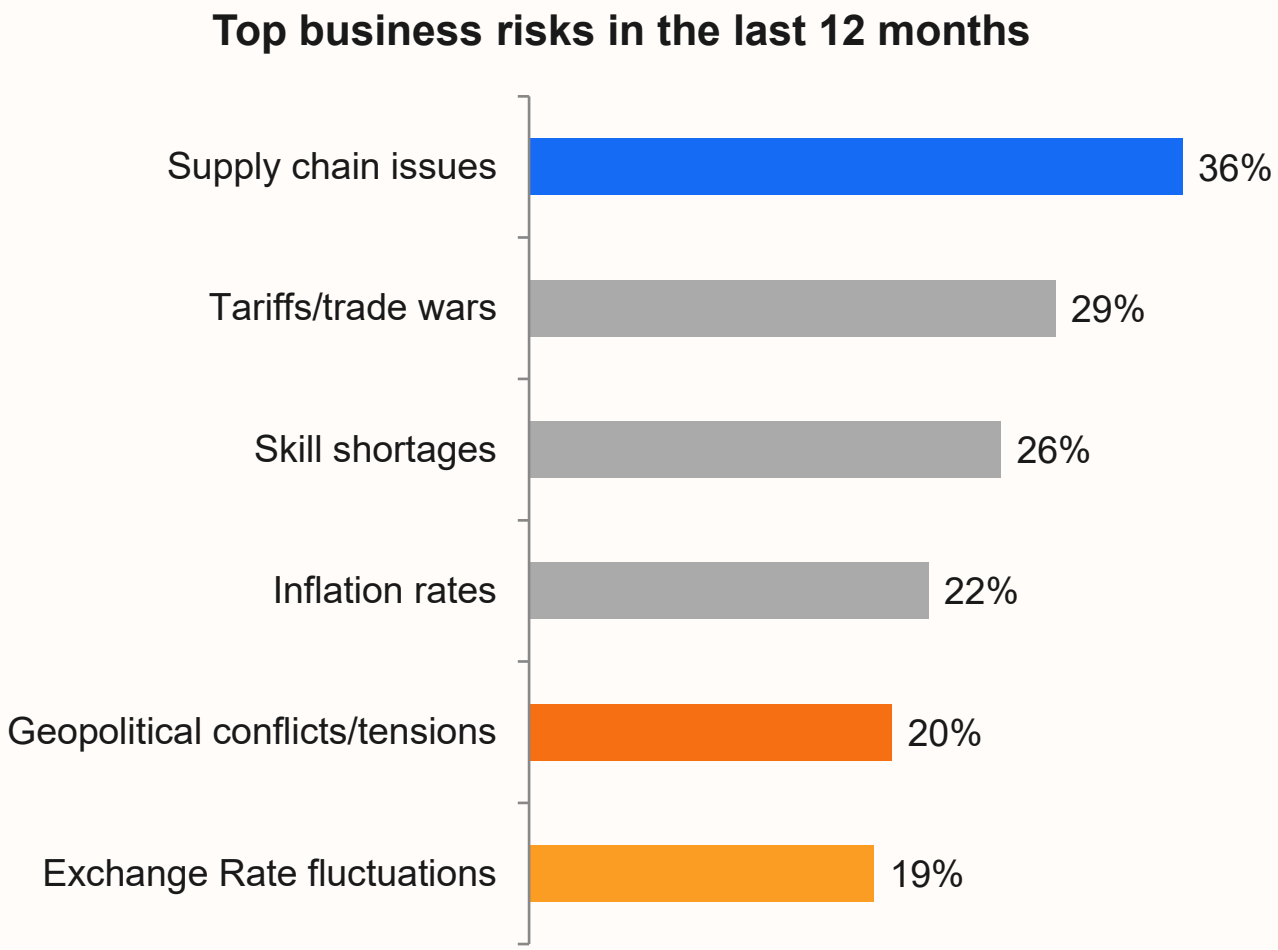
Business risks due to external factors: Supply chain issues, trade wars, and skill shortages



External challenges:

- Industry struggling with Flash price increase and longer procurement cycles
- 2x-4x hike in storage systems cost
- Lack of skills to manage IT

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Source: IDC Enterprise Infrastructure Pulse storage Survey, 2026; India n=100

Points to discuss on rising storage costs

1. How is your finance team reacting?
2. How are you managing the following?
    - Capacity planning & Infrastructure refresh cycles (storage 4 yrs and older)
    - AI and data initiatives
    - Vendor selection, deployment location, etc.?
3. Re-architecting storage to accommodate the new business outcomes
4. Balancing infrastructure modernization with the need for trusted and governed data

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IT leaders struggle to make the financial case for storage investments

CIO's Challenges

Maintain Performance

AI model training demands ultra-low latency storage

Intelligent storage management in hybrid IT

Requires unified storage management

Data visibility & governance

Data identification, governance, and visibility are a prerequisite for AI

Efficiency

Deduplication and compression improve storage utilization

CFO's Concern Areas

CapEx Approval Cycles

Large storage refresh projects require lengthy CapEx justification

Lead Time Risk

Memory supply lead times are 9–12 months in some cases. Delays could mean losing opportunities

Price Volatility

NAND flash pricing has tripled from 2023, with no guaranteed price lock-in from vendors

ROI on storage investments

ROI not justified on traditional storage for AI workloads

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How about getting the cloud flexibility on-premises and still maintain performance, price, and faster procurement?

‘Storage as a Service’ addresses the concerns to a greater extent

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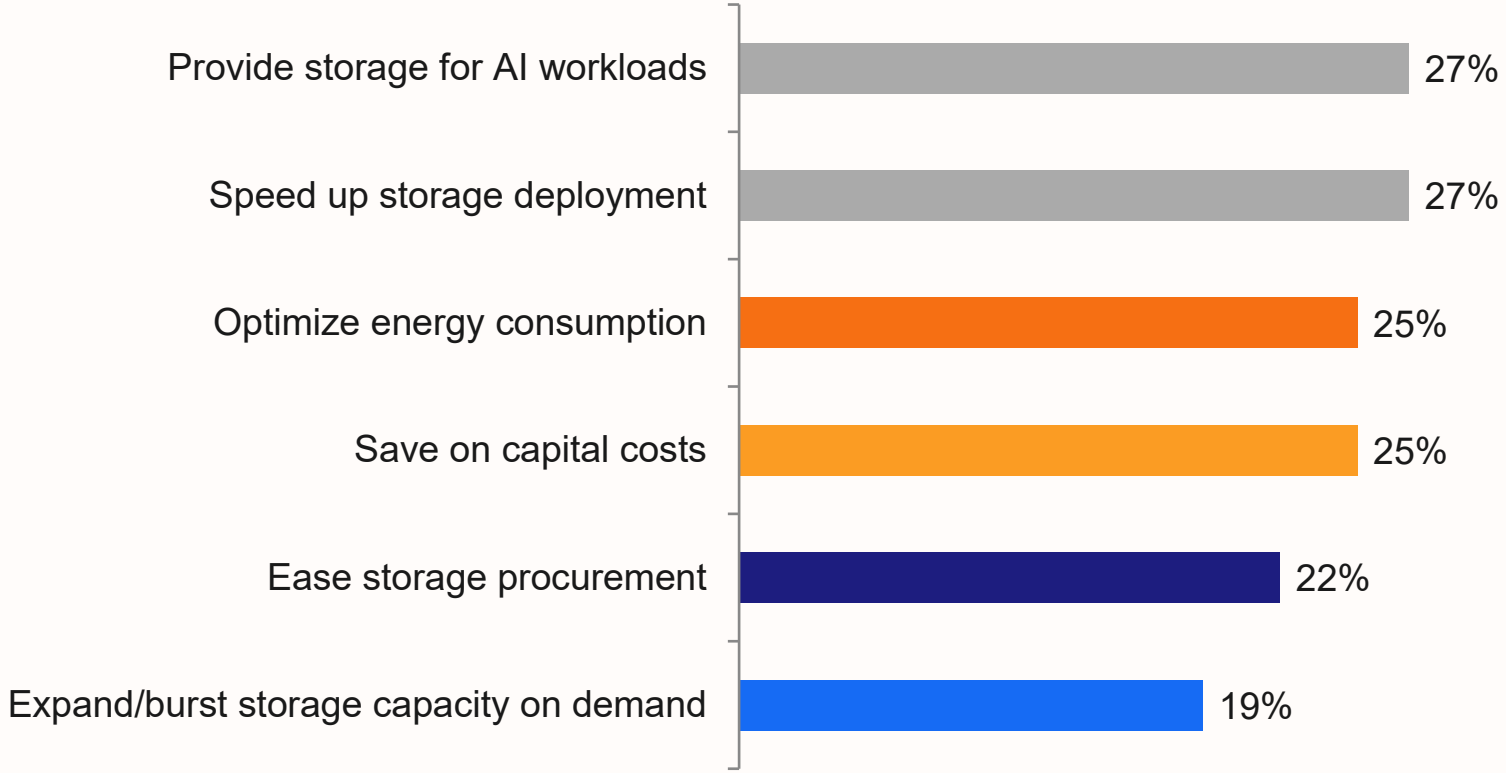
Storage as a service in initial stage of growth. Reasons for growth: AI, speed of deployment, and energy optimization

Q. What are the top three reasons for on-premises **as a service storage** usage?



What new consumption patterns are you looking to adopt, considering the increase in flash storage prices?

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Source: IDC Enterprise Infrastructure Pulse storage Survey, February 2026; India n=100

What makes StaaS viable? Traditional CapEx vs. Storage as a Service

Dimension	Traditional CapEx	A Reliable Storage as a Service
What you invest into	Hardware. Its customer's responsibility	**Customer focuses on business outcomes and SLAs**
Performance over time	Degrades in 2–3 yrs	**Maintained by vendor via upgrades**
Price certainty	Market driven. Will increase	**Locked across contract term**
Minimum commitment	Full CapEx upfront	**12 months**
Elasticity	None	**Scale up/down like cloud**
Lifecycle management: Hardware upgrades	New purchase	**Included within SLA. Vendor is responsible**
Storage efficiency	Buyer's risk	**Guaranteed data reduction ratio**

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Recommended path: From fragmented legacy to a unified data cloud

1

Audit & Classify

Identify every piece of data across on-prem, cloud, and edge.

Data you cannot find, cannot be managed or governed for AI.

2

Consolidate Storage Silos

Move from fragmented arrays to a unified platform supporting block, file, and object — managed from a single window.

3

Adopt Consumption Model

Shift from CapEx refresh cycles to STaaS.

Start with a smaller timeline engagement to prove the model before committing long term contracts.

4

Enable Hybrid Cloud

Extend the same storage architecture on public cloud platforms (AWS, Azure) for a seamless experience

5

Become AI-Ready

Deploy flash storage with guaranteed IOPS, deduplication, and data classification.

Your AI pipeline is only as fast as your slowest data layer.

IDC perspective: 80% of organisations will modernise legacy cloud environments for AI-readiness by 2027

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THANK YOU