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Enterprises in Brazil Look to Service Providers to Help Them Move to Hybrid Cloud Data Centers

ISG Provider Lens™ report sees a gradual adoption of the hybrid cloud model, with providers offering new tools to help clients migrate

SÃO PAULO, Brazil, July 21, 2020 (GLOBE NEWSWIRE) -- Enterprises in Brazil are gradually adopting a hybrid cloud data center model and are using managed services providers to help them identify the workloads that can be moved to the cloud and the workloads that shouldn't, according to a new report published today by Information Services Group (ISG) (Nasdaq: III), a leading global technology research and advisory firm.

The 2020 ISG Provider Lens™ Next-Gen Private/Hybrid Cloud – Data Center Services & Solutions Report for Brazil finds enterprises in the country investing in tools related to the software-defined data center. They are also embracing other cloud tools for assessing, planning and automating migrations.

With hybrid cloud data centers becoming more popular in Brazil, public cloud providers now realize the importance of software and services to enable the hybrid infrastructure, the report says.

"The new breed of cloud tools has reached the desired level of reliability that allows for predictable results," said Jan Erik Aase, director and global leader, ISG Provider Lens Research. "The same tools provide a better understanding of the benefits of moving to the cloud, including the architectural and financial impacts, providing enterprises with better business cases."

As large enterprises in Brazil gradually adopt hybrid clouds, edge computing is pushing the shift because it requires a unified management platform, the report says. Most managed services

providers that support complex enterprise environments have developed robust management platforms that shorten the deployment time to a hybrid cloud setup.

In addition, many service providers in Brazil are using artificial intelligence and cognitive computing to support managed services automation, the report adds. Intelligent automation has become the standard for managed services providers that serve large enterprises. While a fully automated hybrid cloud data center is still not a reality, providers are moving in that direction. Using automation, some companies have automated up to 70 percent of their service requests and incident resolution.

Meanwhile, the report sees the Brazilian midmarket in the private and hybrid cloud data center sector growing faster than the large enterprise market. In past years, service providers had reported that new clients were companies that had in-house data enters and were willing to experiment with the cloud. But in 2019, some companies in the Brazilian midmarket began to switch between providers, indicating aggressive competition in the market.

The report recommends that midmarket companies concerned with costs should evaluate hybrid cloud services and their exit clauses. Clients should opt for short-term contracts and open architectures.

Meanwhile, the report sees the managed hosting market losing relevance in Brazil, as it gives way to public and hybrid cloud systems. However, many providers have focused on improving their managed services and data center facilities. Some providers have exited the managed hosting market, and the remaining competitors are focused on improving their value proposition.

An emerging trend has managed hosting providers using high-end colocation facilities instead of their own data centers to host their hardware and software, the report says. Many Brazilian clients are also interested in colocation services, and many colocation providers are building new facilities to keep up with growing demand.

The report also finds data center security providers expanding their capabilities. Providers are focused on zero-trust, micro-segmentation, SD-WAN and AI for threat identification and response. Leading providers are also offering next-generation firewalls that can integrate with other security tools. However, the report doesn’t see any vendors with high-end applications that can provide end-to-end data center security for their customers.

The 2020 ISG Provider Lens™ Next-Gen Private/Hybrid Cloud – Data Center Services & Solutions Report for Brazil evaluates the capabilities of 59 providers across six quadrants: Managed Services for Large Accounts, Managed Services for the Midmarket, Managed Hosting, Colocation Services, Data Center Security Products and Hyperconverged Systems.

The report names Compasso UOL, Equinix and IBM as leaders in three quadrants and CenturyLink, Cisco and TIVIT as leaders in two. Ascenty, Broadcom/Symantec, Capgemini, Check Point, CorpFlex, Dedalus Prime, Dell EMC, DXC Technology, Fortinet, HPE, Juniper Networks, Nextios, Palo Alto Networks, Scala Data Centers, TCS, Trend Micro, T-Systems, Unisys, VMware and Wipro are all named as leaders in one quadrant.

The report names Logicalis, Matrix, Nutanix, OData and T-Systems as Rising Stars.

A customized version of the report is available from Ascenty, Matrix and Scala.

The 2020 ISG Provider Lens™ Next-Gen Private/Hybrid Cloud – Data Center Services & Solutions Report for the Brazil is available to subscribers or for one-time purchase on this webpage.

About ISG Provider Lens™ Research

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services globally, across Europe and Latin America, as well as in the U.S., Germany, the U.K., France, the Nordics, Brazil and Australia/New Zealand, with additional markets to be added in the future. For more information about ISG Provider Lens research, please visit this webpage.

The series is a complement to the ISG Provider Lens Archetype reports, which offer a first-of-its-kind evaluation of providers from the perspective of specific buyer types.

Starting this year, each ISG Provider Lens™ study will include a Global Summary to help enterprise subscribers better understand provider capabilities across all geographic markets covered by that study. All ISG Provider Lens™ reports also will now include an Enterprise Context feature to help executives quickly identify key insights related to their roles and responsibilities.

About ISG

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data. For more information, visit www.isg-one.com.