# The changing landscape of data ownership in a digital economy



In a time when businesses are increasingly reliant on data to enhance operational efficiency and growth, a growing concern is emerging regarding the control and ownership of this crucial asset. Brian Pontarelli, the CEO of FusionAuth, articulated these challenges in a comprehensive analysis published on solutionsreview.com, shedding light on how shifts in technology are influencing data management and ownership.

Over the past decade, businesses have embraced cloud computing, handing over vast quantities of critical data to various Software as a Service (SaaS) and cloud providers. This trend, while beneficial for collaboration and convenience, has resulted in many organisations losing control over their data. The Thales group estimates that 60 percent of corporate data is now stored in the cloud, doubling since 2015. Although accessing and managing data stored in Infrastructure as a Service (IaaS) setups tends to be straightforward, the same cannot be said for those relying on Platform as a Service (PaaS) and pure-play SaaS models.

For instance, retrieving data becomes increasingly complicated for organisations using SaaS solutions, often leaving them at the mercy of the service providers. Pontarelli offers an example regarding airline loyalty programs: while users can accumulate points, extracting data related to their travel remains a daunting task. Similarly, technical teams utilising SaaS tools for application development find themselves grappling with data dependence on the providers.

Three key trends are reshaping the landscape: the rise of AI agents, local-first computing, and the movement towards data repatriation. With AI agents, businesses are beginning to appreciate the necessity of having direct access to their own data to minimise reliance on external systems and develop more tailored solutions. These agents are designed to operate based on local data rather than relying on the expansive and sometimes cumbersome datasets managed by cloud providers, presenting a path forward for companies seeking innovative and efficient operations.

The local-first movement aims to shift the paradigm back toward environments where businesses have more control over their data. Pontarelli contrasts local-first applications with traditional SaaS tools, noting that local-first apps enhance performance, privacy, and data ownership while maintaining collaboration capabilities. By employing technology known as Conflict-free Replicated Data Types (CRDTs), local-first applications can operate effectively offline and sync data when the network connection is restored. This approach could significantly enhance how companies manage their data, especially as organisations look to resolve existing technical hurdles.

As companies migrate towards local-first applications, the process of repatriation is also gaining traction. According to a Barclays CIO Survey, an increasing number of Chief Information Officers (CIOs) — from 43 percent in 2020 to 83 percent in 2024 — plan to bring cloud workloads back on-premises. The primary motivation for this shift seems to revolve around enhancing data control and compliance while also addressing cloud costs. Rebecca Weekly, VP of Infrastructure at GEICO, noted that spreading data across multiple vendors complicates compliance and hinders operational efficiency.

In the EU, where data privacy is a substantial concern, the migration to cloud services has been slower, but there are signs that the trend might shift towards repatriation as organisations look to regain control. A study by Citrix revealed that 25 percent of organisations in the UK have already brought back 50 percent or more of their cloud data to on-premises systems.

The evolving landscape suggests a significant shift in the balance of power within the digital economy, as businesses recognise the importance of owning and managing their data to foster innovation, regulatory compliance, and operational agility. As organisations navigate the complexities of AI agents, local-first technologies, and repatriation, the future competitiveness of companies may hinge on their ability to secure and optimise their data on their own terms.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://solutionsreview.com/cloud-platforms/the-great-data-escape-ai-local-first-and-the-cloud-exodus/> - This URL supports Brian Pontarelli's analysis on the challenges related to data control and ownership, highlighting the shifts in technology that influence data management. It also covers trends like AI agents and local-first computing.
* <https://www.thalesgroup.com/en/markets/digital-identity-and-security/cloud-security> - Although the specific URL for the Thales estimate is not provided in the search results, Thales generally reports on cloud security and data management trends, which aligns with the notion that a significant portion of corporate data is stored in the cloud.
* <https://www.citrix.com/content/dam/citrix/en_us/documents/pdfs/repatriation-report.pdf> - Citrix has reported on repatriation trends, which supports the claim that organizations are bringing cloud data back on-premises. The specific study mentioned may vary, but Citrix is known for such analyses.
* <https://www.barclayscorporate.com/insights/cio-survey> - Barclays hosts CIO surveys that could include insights on repatriation and cloud strategies, although specific details on the 2020-2024 trend might not be directly available without access to the full survey reports.
* <https://geico.com/about/careers> - This URL does not directly support the specific quote from Rebecca Weekly, but it provides context on GEICO's operations and infrastructure management, which aligns with corporate efforts in data control and efficiency.