Quantifying the Business Value of Commvault Software: Worldwide Customer Survey Analysis

Sponsored by: Commvault

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IDC OPINION

IT organizations are facing an increasingly chaotic technology landscape. Corporate data repositories are more fragmented than ever, with continued annual data growth of 40–50%[1] and rapid proliferation of cloud storage, mobile devices, software-as-a-service applications, and open source innovations. Many organizations are also deploying applications in both hybrid cloud and multi-cloud environments. IDC research finds that more than 80% of new application deployments will include a cloud element. The result is a data protection landscape more complex than ever before. Regardless of where the data resides or who manages the application, IT organizations find themselves tasked with protecting all data sources according to corporate requirements.

In many cases, these requirements include ever more stringent data protection service level requirements. The two most common data protection service level agreements (SLAs) include recovery point objective (RPO) and recovery time objective (RTO). In a nutshell, RPO refers to the tolerable amount of data loss in the event of an outage, while RTO refers to the tolerable amount of downtime in the event of an outage. Currently, the best practice RPO is 15 minutes and RTO is four hours. Thus, organizations are looking for data protection and recovery tools that can meet or exceed these SLAs, even in the face of massive data growth and shorter recovery requirements.

Digital transformation (DX) is a key initiative for many organizations. IDC research has found that 60% of IT organizations will have embarked on a DX project by 2020. For many of them, one of the key goals is to become a data-driven organization, meaning one that uses data to create a competitive advantage in the marketplace. For these organizations, data availability, accuracy, and location are paramount. In addition, our research has found that 70% of CIOs have a cloud-first strategy for application deployment. Taken together, these statistics mean that senior IT leaders need products that not only assure data protection availability, but also embrace the cloud to protect storage data, both on-premises and in any cloud repository.

The data protection and recovery software market is robust and competitive, giving IT organizations many options. Competitors, as a matter of course, make claims regarding cost of ownership, ease of use, and the like. However, few can back up claims with comprehensive, independent research. We believe that a compilation of broad-based quantifiable user results are the best indicator of actual product capabilities.

[1] IDC research indicates that data continues to grow 40–50% year over year, meaning that organizational data repositories double in size roughly every 20 months.

EXECUTIVE SUMMARY

IDC conducted a random survey across Commvault's worldwide customer base in April 2018 to provide independent third-party confirmation of the benefits that Commvault can deliver to customers. The survey captured a representative sample of 658 Commvault customers representing a cross section of regions, company sizes, and verticals. The 2018 survey updates a similar survey conducted by IDC for Commvault in 2016.

This year's survey found that Commvault customers, faced with rapidly growing and complex data management needs, have been able to hold the line or reduce their costs while achieving additional benefits of reduced downtime, faster recovery and more efficient litigation support. These benefits have led to improved IT and user productivity gains throughout the organization.

Commvault customers report high levels of satisfaction with Commvault solutions. These levels were the result of customers being able to drive value back to their organization using Commvault solutions, leveraging innovative methodologies to address cloud-based applications, and using the cloud to improve the delivery of data protection. For these organizations, innovative data protection is an important capability needed to match the rapidly changing application landscape.

The value that Commvault customers reported falls into three broad categories:

- **Simplification ---** Achieving cost savings by automating, consolidating, and more efficiently operating the data management process
- **Risk reduction** in terms of reduced downtime, data loss, recovery speed, and litigation support
- **Productivity gains,** both tactically and strategically

Some high-level findings regarding Commvault customer value achievements are:

- 44% reduction in annual spending on data infrastructure, software, services, and compliance
- 31% reduction in weekly administrative hours across all data protection, storage and data management operations
- 15-30% reduction in data management point solutions
- 62% reduction in annual unplanned downtime
- 49% improvement in average recovery time for messages, files, and VMs as well as Exchange, Oracle, SharePoint, and SQL applications
- 57% to 392% improvement in data coverage for protection, analytics, encryption, and reporting
- 50-61% reduction in annual exposure to compliance failures, audit failures, and/or data theft or breach

Commvault customers have been able to simplify operations, keep costs in check, and lower risk by reducing downtime and operational exposure. They have been able to achieve these benefits while also improving recovery capabilities and data coverage. Customers have been able to drive value back to their organizations through productivity gains in IT staff and across the organization. While organizations may look at such savings as an opportunity to improve the corporate bottom line, many Commvault customers are using these freed-up costs and employee hours to become more agile organizations and to focus on more progressive data transformation.

METHODOLOGY

Commvault is a global public company focused on broad data management solutions that redefine what backup and recovery means for the progressive enterprise. Commvault offers customers solutions to help them protect, manage, and use their data. Commvault asked IDC to provide independent third-party confirmation of the benefits and business value that Commvault can deliver to its customers.

IDC conducted a random survey across Commvault's worldwide customer base in April 2018. Commvault provided IDC with its entire customer list, and every customer had a chance to respond candidly to the survey. The 658 responses generated by the survey provide a statistically representative sample of Commvault customers, with a margin of error of ±3.8% at the 95% confidence level. This 2018 survey updates a similar survey conducted by IDC for Commvault in 2016.

IN THIS WHITE PAPER

In this white paper, IDC summarizes the results of our survey of the Commvault customer base. We describe the business value that was quantified in our research regarding Commvault products. The emphasis is on data that is representative of the user community's results — and that therefore can be expected to accrue to a typical organization using Commvault. The data as presented is statistically significant over a broad base of respondents.

Demographics

The survey respondents represent a cross-section of company sizes, data management needs, and usage of Commvault solutions. For this analysis, respondent companies were classified as small, medium sized, or large, based on the amount of data currently under management (Table 1). Commvault has a worldwide customer base and this is reflected in the respondent base for the survey. Approximately 40% of respondents are from North America.

TABLE 1

Customer Type

Customer Type	% of Respondents	Amount of Data (TB)
Small	8	<10
Medium	21	11–49
Large	72	50–5,000

n = 658

Source: IDC, 2018

Approximately 30% of Commvault customers use Commvault advanced capabilities. Table 2 shows that while 85% of these customers utilize Commvault's native deduplication capabilities, they also are extending their Commvault investment by using advanced capabilities. The availability and utilization of these advanced capabilities allow them to maximize their data protection and achieve the risk reduction and cost reduction benefits seen in this study.

TABLE 2

Usage Levels of Commvault Advanced Capabilities (%)

	Physical environment	Virtual	Cloud
Deduplication	85.6	86.1	76.2
Disaster Recovery	71.9	72.7	38.1
Replication (DASH Copy, CDR, DDR)	59.4	61.2	50.0
Archive – File	45.0	40.6	23.8
Reporting and Analytics	43.1	43.0	26.2
Data Retention for Regulatory Compliance	40.6	43.0	35.7
Snapshot Management	36.9	45.5	19.0
Desktop/Laptop Protection	35.0	14.5	11.9
Encryption	32.5	29.1	33.3
eDiscovery (content indexing, search, discovery)	24.4	22.4	9.5
Archive – email	22.5	31.5	19.0

Source: IDC, 2018

THE BUSINESS VALUE OF COMMVAULT SOFTWARE

IDC's survey asked Commvault customers to compare various aspects of their IT operations "before and after" Commvault.[2] Respondents to the survey answered an extensive list of questions regarding the performance and benefits of their Commvault solutions. IDC's Business Value Team analyzed and monetized these results across the three categories where Commvault customers can expect to achieve benefits: simplification, risk reduction, and productivity gains.

Risk Reduction

Users of Commvault software are able to reduce risk by reducing downtime, improving data protection reliability, accelerating recovery, and providing more data protection, reporting, and encryption coverage. This section summarizes Commvault customer results across the following categories:

- Downtime
- Backup reliability
- Data coverage
- Operational exposure
- Recovery
- Restore times
- Subjective benefits

Table 3 demonstrates that increasing the reliability and availability of operations resulted in reductions of annual unplanned downtime among Commvault customers by 62%. Minimizing downtime is a goal shared by most IT organizations as it can drive exponential gains across the organization. (We explore this notion further in the Productivity Gains section.) A 62% reduction in annual unplanned downtime is one of Commvault's more significant value contributions.

TABLE 3

Risk Reduction: Downtime

	Before	After	Savings	Change (%)
Annual unplanned downtime (hours)	19.4	7.4	12	62%

Source: IDC, 2018

[2] "Before and after Commvault" means before customers deployed Commvault solutions and after they deployed Commvault solutions to augment or replace existing data protection and data management solutions.

Table 4 shows that Commvault increased the percentage of backup jobs completed each week from 76% to 93% (both within their window and without human intervention). This 17% improvement in jobs completed without intervention allows managers to reallocate these hours to other work or reduce overall FTE hours.

TABLE 4

Risk Reduction: Backup Reliability (%)

	Before	After	Change (%)
Backup jobs finishing in window and without help	76%	93%	17%

Source: IDC, 2018

One of the more significant benefits realized by Commvault customers was the increase in coverage. This means an increase in the percentage of data that *needed t*o be protected, analyzed, encrypted, or reported on – and that *could be* protected, analyzed, encrypted, or reported on. Table 5 shows that before implementing Commvault, customers could only protect an average of 59% of the data that needed protecting, meaning that nearly 41% of their data was at risk. After Commvault, they were able to protect an average of 93% of data that needed protecting. Commvault was able to significantly improve all coverage, including tripling protection for analytics and encryption.

TABLE 5

Risk Reduction: Coverage (%)

	Before	After	Savings	Change (%)
Protection Coverage	59%	93%	34%	57%
Analytics Coverage	24%	72%	48%	200%
Encryption Coverage	19%	62%	43%	230%
Reporting Coverage	34%	82%	48%	140%

Source: IDC, 2018

It is obvious that more reliable backup operations reduce risk to the organization. However, that risk reduction extends beyond just data loss. Other risks include failure to meet compliance regulations or audits (with commensurate regulatory fines and penalties) and the much-publicized risk of data theft or breach. Table 6 shows that Commvault customers were able to reduce the annual chance of failing compliance, failing an audit, or experiencing a data theft or breach by 59%, 61%, and 52%, respectively.

TABLE 6

Risk Reduction: Operational Exposure (%)

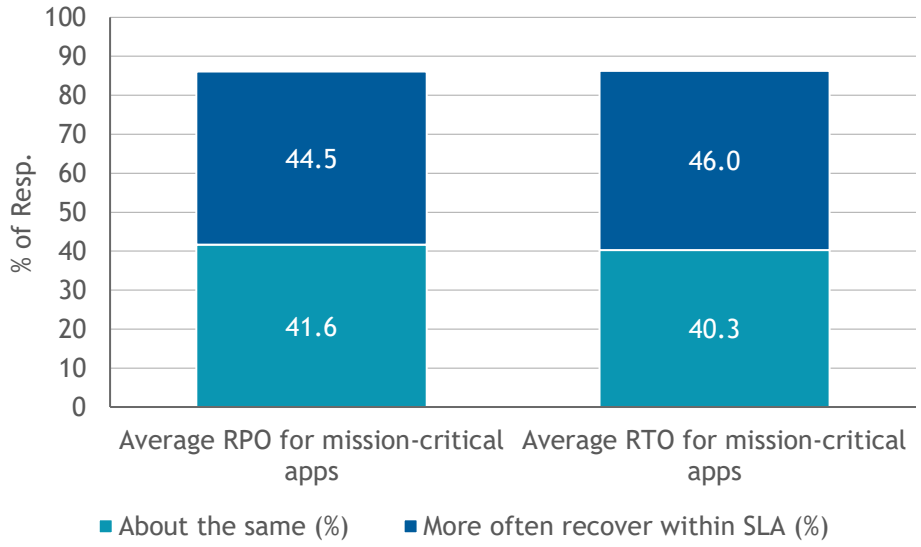
	Before	After	Savings	Change (%)
Chance of compliance failure	36%	15%	21%	59%
Chance to fail audit	35%	14%	21%	60%
Chance of theft or breach	27%	13%	14%	52%

Source: IDC, 2018

Many Commvault customers have experienced an improved ability to meet their recovery SLA's -- a key to mitigating risk and ensuring uninterrupted business operations. Figure 1 shows that 44.5% of Commvault customers are more often meeting their RPO recovery SLA and 46% are more often meeting their RTO recovery SLA with Commvault. Commvault customers, despite facing 41% annual data growth, are managing to operate within the same SLA's or better.

FIGURE 1

Risk Reduction: RPO and RTO Restore Times Within SLA

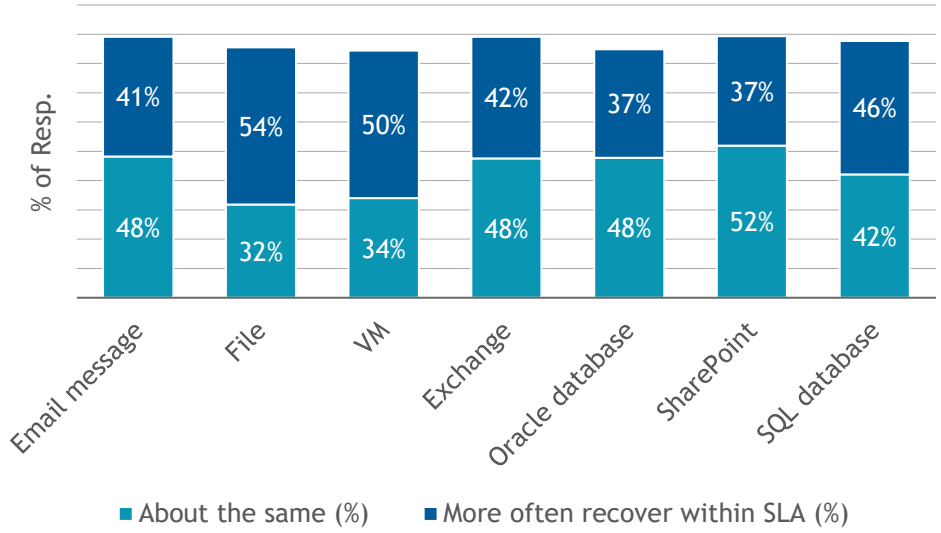


Source: IDC 2018

Often with more than the twice the data under management, Commvault customers have maintained or improved their ability to recover within SLA's for a variety of applications. File, messaging, VM, and application restore time SLAs are also being met more frequently. Figure 2 shows that more than one-third of all respondents indicate that they now meet restore SLAs more often with Commvault.

FIGURE 2

Risk Reduction: SLA Restore Times By Application



Source: IDC 2018

As shown in Table 7, we asked customers to subjectively rate their risk related to downtime, data loss, and compliance failure, on a 1-10 scale (with 5 being the highest risk). Commvault customers rated their risk on each of these three issues as being between 30% and 38% *less risky* than before Commvault.

These subjective benefits reinforce what we see in the quantitative results: namely that Commvault can deliver the required performance, based on the aggregate benefits of reduced downtime; increased backup reliability; faster recovery; reduced exposure to compliance failure, legal issues, and data theft; as well as increased protection, analytics, reporting, and encryption coverage.

TABLE 7

Risk Reduction: Subjective Benefits

	Before	After	Change (%)
Risk of downtime	2.98	2.08	30%
Data lost	3.02	1.86	38%
Compliance failure	3.01	1.94	35%
Five-point scale where 5 = very high risk and 1 = very low risk			

Source: IDC, 2018

The Benefit of Simplification

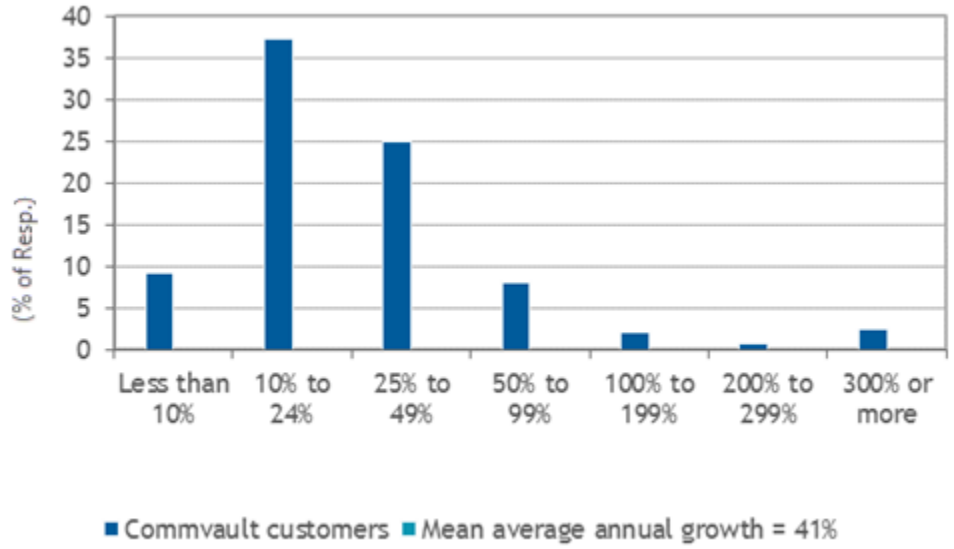
Users of Commvault software can achieve cost savings by simplifying, automating, consolidating, and more efficiently operating the data management process. This section shows Commvault customer results across the following categories:

- Annual data infrastructure and data management spending
- Vendor simplification
- Annual IT overhead
- Annual full-time employee (FTE) hiring

Commvault customers report that the annual growth rate of data under management is 41% (Figure 3). Commvault solutions have allowed them to manage costs related to data management hardware, software, and services spending. When measured on a per terabyte (TB) basis, the cost savings are significant. Commvault customers have seen improvements of between 54% and 75% in management costs related to hardware, services, and eDiscovery. Software costs have improved significantly (26% as shown in Table 8).

FIGURE 3

Average Annual Growth Rate of Data Under Management Since Commvault



Source: IDC, 2018

TABLE 8

Simplification: Data Protection and Data Management Infrastructure (savings per TB)

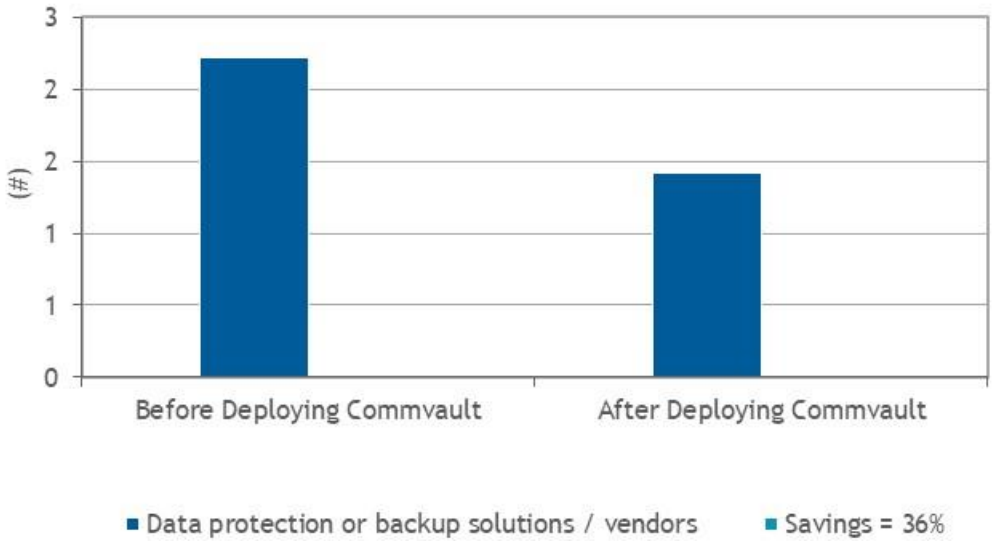
	Before	After	Savings	% improvement
Data storage and data management hardware	$ 573	$ 261	$ 312	54%
Data protection and data management software	$ 549	$ 408	$ 142	26%
Data protection and data management services	$ 144	$ 35	$ 108	75%
Annual compliance, eDiscovery, and insurance spending	$ 542	$ 205	$ 337	62%

Source: IDC, 2018

As a result of the growing complexity in IT departments, many customers have pieced together a collection of multiple data protection solutions and are now faced with scattered silos of data. Commvault customers reported that they've been able to reduce the number of data protection or backup tools and vendors by up to 36%. Reducing the number of vendors saves on software costs, reduces complexity, and leads to improved data protection operational efficiency (Figure 4).

FIGURE 4

Average Reduction in Data Protection Solutions



Source: IDC, 2018

As previously emphasized in this report, the typical Commvault customer in this survey has deployed Commvault for 4+ years and during that period faced over 41% annual growth in data under protection. Despite the rapid growth and complexity of data under protection, Commvault customers have been able to reduce annual overhead devoted to data protection and data management tasks (backup, recovery, reporting, archive, scripts, discovery, storage, infrastructure management, etc.) by an average of 9% (see Table 9).

TABLE 9

Simplification: Annual IT Overhead (hours)

IT Staff Productivity (FTEs)	Before	After	Savings	Savings (%)
Average annual IT admin time spent on data protection and data management tasks	1,230	1,124	106	9%

Source: IDC, 2018

The data in this section suggests that the majority of Commvault customers can significantly reduce infrastructure spending and IT overhead while simplifying their IT environments and streamlining data management operations. This, in fact, has allowed customers to manage average annual data growth of 41% more efficiently and with fewer resources.

Productivity Gains

Users of Commvault software are able to improve IT, employee, and organizational productivity by accelerating recovery, reducing downtime, and streamlining data management. Tables 10–13 summarize Commvault customer survey results across the following categories:

- IT administrative productivity
- IT task productivity
- Organizational productivity (downtime costs)

Commvault software provides a single focal point for managing data across files, applications, databases, datacenters, and cloud, including SaaS, hybrid cloud and multi-cloud. Commvault users reported significant reductions in the weekly hours required to manage data protection and management tasks. Table 12 shows that Commvault users have been able to reduce IT administrative hours by 31%. Using an annual average salary of $70,000, Commvault customers are saving more than $5,000 per week through improved IT administrative efficiency. This savings is especially impressive given the average annual growth of data under management at 41%.

TABLE 10

IT Administrative Productivity (hours per week)

	Before	After	Savings	Change (%)
Total Annual IT Admin Hours Before/After Commvault	468	324	144.0	31%

Table 11 shows that Commvault also reduced the hours required to complete discrete tasks including creating a database copy for test/dev, processing discovery requests, recovering key applications, and deploying new VMs – anywhere from 49% to 73%. Fundamentally, this makes the IT staff more productive and the organization more agile.

The exception is that organizations are putting more administrative hours into managing data in the cloud. Commvault customers have doubled the percent of their data footprint in the cloud, from 10% in the 2016 survey to 20% today. Commvault has enabled them to absorb this growth while keeping costs in check.

TABLE 11

IT Administrative Productivity (hours per week)

	Before	After	Savings	Change (%)
Backup — administration	11.2	8.97	2.23	20%
Backup — reporting	3.5	2.48	1.02	29%
Backup — troubleshooting	6.84	5.89	0.95	14%
Cloud provisioning and cloud data management	0.81	1.92	-1.11	-137%
Data management (outside of backup) administration	6.36	5.09	1.27	20%
DR — setup, test, and maintenance	4.59	2.87	1.72	37%
End-user help desk support	2.64	2.43	0.21	8%
Finding/searching data for recovery	3.51	2.02	1.49	42%
Legal discovery	1.44	0.74	0.7	49%
Managing snapshots and associated scripts	2.68	1.61	1.07	40%

Source: IDC, 2018

Commvault also reduced the hours required to complete discrete tasks – including: creating database copies for test/dev, processing discovery requests, recovering key applications, and deploying new VMs – anywhere from 49% to 73%. The only area where an increase was seen was in cloud provisioning and cloud data management tasks. This is due to the fact that more organizations are moving forward in their digital transformation journey, and moving more significant workloads into the cloud. According to IDC's latest Cloud Trackers, between 2016 and 2018, annual spending by enterprises on cloud-based storage to support next generation, data intensive workloads will almost double from $7.6B to $14.9B while annual spending on enterprise storage in their own datacenters will remain flat at just under $27B. This is further evidenced by the figures in Table 2 where most of the survey respondents indicated that they are managing and protecting data in the cloud.

The natural result of this workload migration would be more administrative hours managing this data set. Because Commvault customers were able to manage all data types in a uniform way, and with a single product, they were able to see a net savings of 31% in total administrative hours spent in managing their data, both on-premises and in the cloud. Fundamentally, this made the IT staff more productive and the organization more agile as a result of the significant time savings.

TABLE 12

Productivity: Restore Times (hours)

	Before	After	Savings	Change
Database Test / Dev copy creation (admin hours / creation)	6.20	4.00	2.2	35%
Discovery time (admin hours / request)	4.80	2.50	2.3	48%
DR Test (admin hours / test)	7.80	4.50	3.3	42%
Exchange recovery time (admin hours / recovery)	6.60	2.90	3.7	56%
Oracle recovery time (admin hours / recovery)	5.70	3.20	2.5	44%
SharePoint recovery time (admin hours / recovery)	6.40	2.70	3.7	58%
SQL recovery time (admin hours / recovery)	5.80	3.40	2.4	41%
VM deployment time (admin minutes / deployment)	6.90	4.80	2.1	30%
VM recovery time (admin hours / recovery)	5.30	2.40	2.9	55%

Source: IDC, 2018

Table 13 shows IDC's Business Value analysis of the savings Commvault customers have achieved through reductions in unplanned downtime. IDC measures the cost of lost productivity by multiplying the person hours lost by an hourly rate based on an annual average salary of $70,000. The number is then discounted by a 50% productivity factor as not every hour is fully lost or unproductive.

These findings are in line with IDC's research regarding the cost of downtime. Cost of downtime is one of the most visible forms of total cost of ownership (TCO) reduction. It is a relatively simple matter to capture the number of downtime hours saved and multiply those hours by the cost of downtime. This savings is often higher than the cost of the solution alone, resulting in a return on investment (ROI) of less than a year. Faster file, messaging, VM, application, and database restores, as detailed in the Risk Reduction section, can also contribute to increased employee and organizational productivity.

TABLE 13

Downtime Savings

	Before	After	Savings	% Improvement
Annual unplanned downtime	19.40	7.40	12.00	62%
Hours/recovery	17.30	7.00	10.30	60%
Hours total	336	52	284	85%
Hours per user	310.5	47.9	263	85%
Productivity costs per user at $70,000	$ 358	$ 55	303	85%
Productivity costs per TB	$ 219	$ 34	$ 185	85%

Source: IDC, 2018

CHALLENGES/OPPORTUNITIES

The survey results indicate that Commvault's customers have been able to achieve value through the simplification of data protection and management processes. This is a strong message for prospective customers. Yet, for Commvault to grow its customer base, and continue to redefine what backup and recovery means for the progressive enterprise, it must continue to displace incumbent vendors and gain entry into frequently complex IT infrastructures. This will be a difficult task, especially when its competitors are large and well capitalized. That said, Commvault, with a single platform, offers a significant set of capabilities that extend well beyond core backup and recovery. In many cases, Commvault customers have consolidated their point protection products, allowing them to reduce costs and complexity as well as provide greater enterprise access to data. Commvault will need to continue its effort to grow the market awareness of its solution benefits that can consolidate disparate or dissimilar products and drive increased value to the overall organization.

CONCLUSION

Commvault is one of the leaders in backup and recovery. Its converged data management solution impacts the state-of-the-art in backup and recovery and is designed for protection, management, and use of critical data assets. IDC's survey of Commvault's worldwide customer base documented consistent, measurable direct and indirect cost savings, and a wide range of benefits that we categorize as simplification, risk reduction, and productivity gains.

Commvault customers experienced significant costs savings through several factors, including: a 62% reduction in unplanned downtime; a 36% reduction of data backup vendors; a 45% improvement in back up jobs completed without human intervention; and up to an approximate 31% improvement in IT administrative productivity related to backup, recovery, discovery, and overall data management.

IDC attributes these benefits to a combination of Commvault capabilities. Consolidated management of cloud, DR, backup, archive, recovery, and snapshots enables infrastructure simplification, higher IT productivity, and reduced annual spending; faster, more reliable backup and restore operations reduce downtime and drive organizational productivity; enhanced reporting and greater protection, encryption, and analytics coverage reduce the risk of legal issues, compliance failures, and data loss. Taken together, these capabilities and benefits should drive enhanced business outcomes including greater IT innovation, improved employee productivity, and enhanced organizational agility.

The data summarized here is representative of Commvault's user community. Given the large sample size of this study and the broad diversity of respondent organizations, we feel confident that the results of this study fairly represent the range of benefits that other organizations can expect to gain from using Commvault solutions.

About IDC

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