



The Business Value of the Veeam Platform

RESEARCH BY:



Megan Szurley
Senior Research Analyst, Business
Value Strategy Practice, IDC



Phil Goodwin
Research Vice President, Infrastructure
Systems, Platforms and Technologies
Group, IDC



Navigating this White Paper

Click on titles or page numbers to navigate to each section.

Business Value Highlights	3
Executive Summary	3
The Business Value of Veeam	4
Study Demographics	4
Choice and Use of Veeam	5
Business Value and Quantified Benefits of Veeam	7
Improved Backup and Data Recovery Operations	9
Business Enablement Benefits	17
ROI Summary	19
Situation Overview	20
Survey Findings	20
Veeam Platform Overview	24
Challenges/Opportunities	26
Conclusion	26
Appendix	27
Methodology	27
About the Analysts	28

BUSINESS VALUE HIGHLIGHTS



Click on highlights below to navigate to related content within this PDF.

**\$110,000
per 1,000**
application users
supported by Veeam

329%
three-year ROI

9 months
to payback

41% more
backups

77% improvement
in response time

34% faster resolution
of unplanned downtime issues

73% less
data incidents per month

83% more confidence
in Veeam compared with prior
solutions

**Nearly 5x
reduction**
in restore times for
mission-critical apps

**93% SLA
attainment**
with Veeam versus
71% attainment
before Veeam

Executive Summary

The data replication and protection software market is both highly competitive and dynamic. In 2021, IDC recognized 40 named vendors in the market that contributed to a total market size of \$10.7 billion. In such a crowded market, vendors compete vigorously on feature differentiation, price, and cloud versus on premises, as well as focus on specific target markets segments.

In the course of competition, every vendor claims some unique superiority, often centered around ease-of-use issues, product simplicity, or higher performance. While there is nothing wrong with making such claims, the real proof is in actual user experience and results. Thus, Veeam commissioned IDC to conduct an independent study of Veeam customers and to quantify the business value these customers experienced as a result of implementing Veeam. We examined such areas as operational efficiency, labor efficiency, total cost of ownership, downtime, data lost, and other criteria. This document details the findings from these studies. (For more information, see “Appendix: Methodology” later in this document.)

Veeam provides backup, recovery, and data management solutions for data protection. Its solution uses a single platform for cloud, virtual, physical, software-as-a-service (SaaS), and Kubernetes environments in order to protect applications and data from security breaches, ransomware, or any other major or minor disruptive events regardless of cause. IDC conducted research that explored the value and benefits for organizations using the Veeam platform to reduce data-related risks by improving their ability to back up, recover, and manage data, both on premises and across clouds. The project included a web survey and eight interviews with organizations that had experience with and knowledge about the benefits and costs of using Veeam.

Overall, IDC calculates that study participants will achieve average annual benefits of \$1.1 million per organization and a 329% three-year return on investment from using Veeam backup and recovery by:

- **Improving business outcomes** by reducing unplanned downtime and ensuring fewer data-loss incidents

- ▶ **Improving the performance** of backup and recovery operations
- ▶ **Enabling data backup and recovery** teams to work more effectively

The Business Value of Veeam

Study Demographics

IDC conducted research that explored the value and benefits for organizations of using the Veeam platform to reduce data-related risks by improving their ability to back up, recover, and manage both data and virtualized workloads. The project included eight interviews with organizations that were using the solution. Interviewed organizations all had experience with and knowledge about the impact of its use and were asked a variety of quantitative and qualitative questions about their IT operations, back-up and disaster recovery (BDR) operations, core businesses, and costs.

Table 1 presents the study demographics. The organizations that IDC interviewed had an average of 2,646 employees and an IT staff of 59. In terms of geographic distribution, five companies were based in the United States, with two companies in Canada and one in France. A diverse set of vertical markets were represented, including the education, electronics, finance, government, healthcare, legal, and manufacturing sectors.

TABLE 1
Firmographics of Interviewed Organizations

	Average	Median	Range
Number of employees	2,646	650	91 to 14,000
Number of IT staff	59	40	4 to 200
Total number of business applications	133	94	20 to 300
Total number of TBs, organization	1,516	600	80 to 6,000
Annual revenue	\$1.9B	\$86.4M	\$60M to \$12B
Countries	United States (5), Canada (2), France (1)		
Industries	Education, electronics, finance (2), government, healthcare, legal, manufacturing		

Source: IDC Business Value Research, April 2022

Choice and Use of Veeam

The organizations that IDC interviewed described their use of Veeam. Study participants cited specific reasons for their choice, such as having a cost-effective approach to backing up data. They also called out being able to address infrastructure growth and Veeam's robust and easy-to-use feature set.

Study participants elaborated on these and other benefits:

▶ **Cost-effective approach to backing up data:**

"In 2018, we started using Veeam for customer data backup. I joined in 2019 so this decision was made before me, but I would have made this choice as well given the strong performance of the Veeam platform. The other vendors' operational costs pushed us toward Veeam. We have a lot of machines needing backup, so we have a large footprint."—Healthcare organization

▶ **Lower-cost way to address infrastructure growth:**

"Our infrastructure was growing, and the backup windows were not keeping pace. We had situations where it was taking over a week to back up a server. It would have required a complete reworking of our licensing to address this, so we decided to look elsewhere. When looking at what was required to address the issues, and looking at other alternatives, we found that Veeam checked all of the boxes for what we needed at a lower cost."
—Education organization

▶ **Robust, easy-to-use feature set:**

"The driver to implement Veeam was about performance, efficiency, ease of use, and features." —Government organization

▶ **Ease of use for recovery:**

"We selected Veeam not because of a single event, but just a series of other vendors' products that we tried to use over the years which weren't working very well for our needs. They were too difficult to work with. Veeam is easier to use, and we have confidence in the product to be able to do recovery within our prescribed recovery time frames."—Manufacturing organization

▶ **Confidence in backups restored with Veeam:**

"The risk of data loss was huge. That was the hole we were looking to fill, and Veeam came along with the technology to provide an ideal solution. We can confidently back it all up, know it's backed up, and know we can restore from a backup."—Legal organization

Table 2 (next page) provides a snapshot of Veeam usage across the interviewed organizations. As shown and on average, there were 10,021 business applications in play using 839 virtual machines (VMs). Additional metrics are presented below.

TABLE 2

Organizational Usage of Veeam Platform

	Average	Median
Total applications	428	94
Number of datacenters	3	2
Number of sites/branches	31	8
Number of physical servers	92	13
Number of virtual servers	839	150
Number of users of applications	10,021	1,330
Number of TBs of unstructured data	139	100

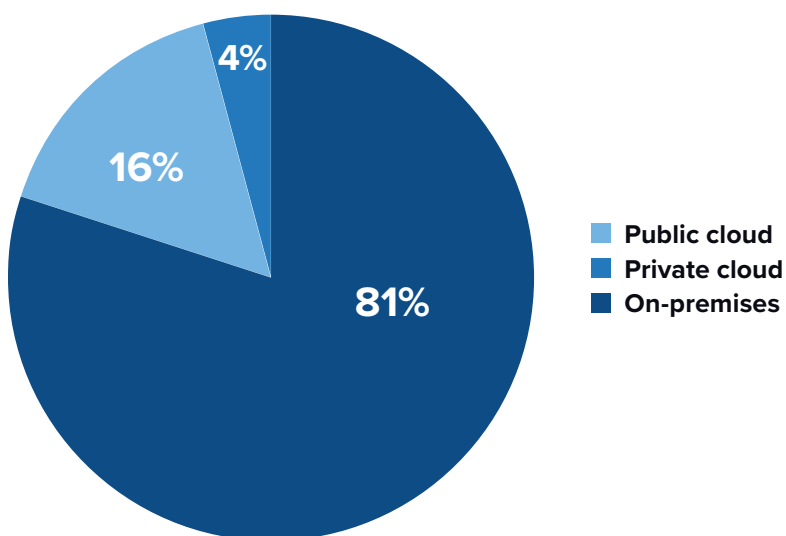
Source: IDC Business Value Research, April 2022

Figure 1 shows the location of the applications supported by the Veeam platform. Most applications were located on premises (81%), with 16% residing on public cloud.

FIGURE 1

Location of Applications Supported by Veeam Platform

(% of respondents)

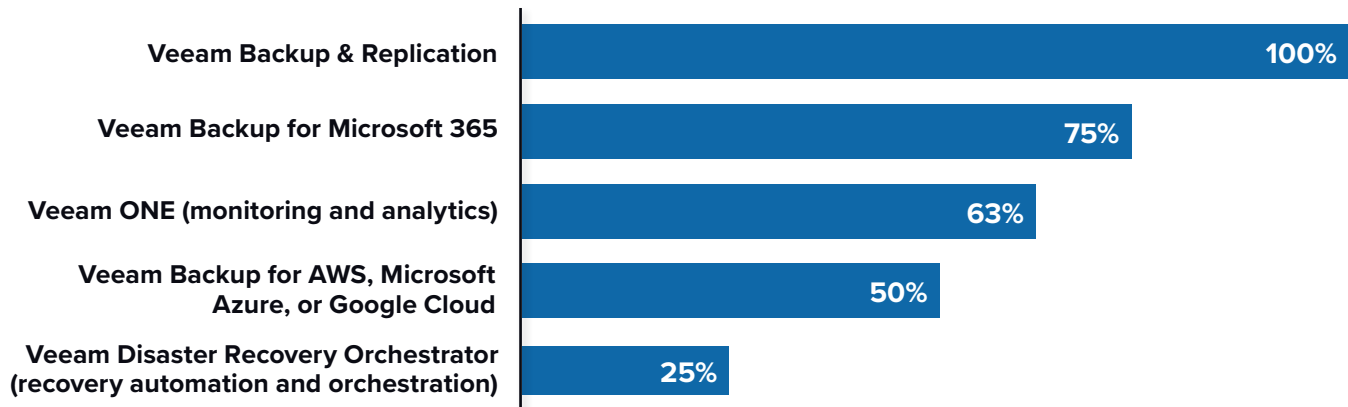


n = 8, Source: IDC Business Value Research, April 2022

IDC's study focused on five primary Veeam offerings as shown in **Figure 2**. Veeam Backup & Replication was used by all of the study participants, with the remainder apportioned as shown.

FIGURE 2

Veeam Platform Features Used (% of organizations)



n = 8, Source: IDC Business Value Research, April 2022

Business Value and Quantified Benefits of Veeam

Interviewed organizations attributed considerable operational and business improvements to their use of the Veeam platform. With Veeam, they were able to help their data backup and recovery teams work more effectively. In general, the platform allowed them to improve the performance of their backup and recovery operations.

They also improved business outcomes by reducing unplanned downtime and ensuring that fewer data-loss incidents occurred. Interviewed Veeam platform customers spoke to the most significant impacts of their use:

► **High success rate for backing up and restoring data:**

"The most significant benefits have clearly been Veeam's low number of issues and high success rate, including backup AND restoration. Veeam gives us the ability to copy backups to datacenters and remote sites, as well as hourly recovery points for critical systems."

—Healthcare organization

► **Quick data recovery/backups and better performance:**

"Veeam has enabled our IT teams to achieve faster data recovery, reduced backup window time, decreased performance impact on production workloads, and reduced RPO/RTO—all of it."

—Government organization

► **High impact on availability:**

“Veeam has had a highly positive impact on availability. We are backing things up more often, we have more restore points, we are able to back up without impacting running servers. The scheduling of backup tasks is now much easier given how much faster the backup is. This gives application teams much more time to do their scheduled updating/modification work.”

— Education organization

► **Greater confidence in data recovery:**

“With faster and more reliable replication, we enjoy the confidence that we can recover from disaster quickly and efficiently with minimal data loss.”— Government organization

► **Better response to data errors:**

“Uptime is very important. If we can restore quickly in response to some data error, that can save hours of work. We are finding the stress of doing a recovery is less with Veeam.”

— Education organization

► **Less stress due to successful backups:**

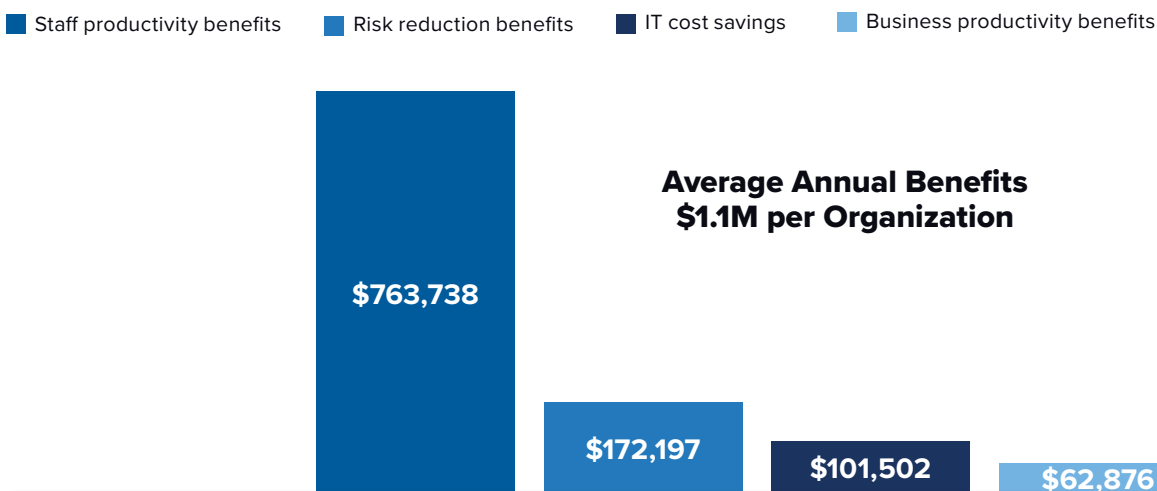
“Veeam brings trust into our whole system. In the past, the IT team was stressed because there were often times when backups were not successful and restoration was impossible. Now, they have no issues, and the stress is much less. This is very important.”—Healthcare organization

IDC’s business value analysis and calculations show that the Veeam platform benefits noted above provided significant value for interviewed organizations. As shown in **Figure 3**, IDC calculated that the Veeam customers interviewed for this study will achieve average annual benefits worth \$1.1 million per organization. As shown in **Figure 4** (next page), the use of the Veeam platform amounted to average annual benefits of \$110,000 when calculated on the basis of 1,000 application users supported by Veeam.

FIGURE 3

Average Annual Benefits per Organization

(\$ of organizations)

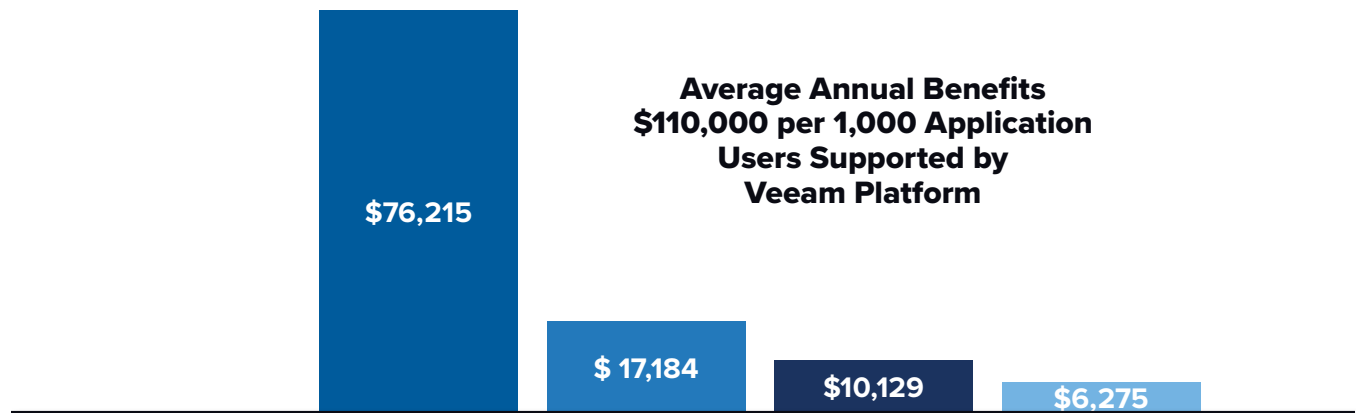


n = 8, Source: IDC Business Value Research, April 2022

FIGURE 4

1,000 Applications Users Supported by Veeam Platform

■ Staff productivity benefits ■ Risk reduction benefits ■ IT cost savings ■ Business productivity benefits



n = 8, Source: IDC Business Value Research, April 2022

Improved Backup and Data Recovery Operations

In today's business environments, an important aspect of data trust is the ability to provide fast and reliable data recovery so that data is always available and fully protected. This capability needs to be available in all environments, including physical, SaaS, public cloud, private cloud, and hybrid cloud. In order to meet these challenges, Veeam provides backup, recovery, and data protection solutions by using a single platform for multiple environments that also includes virtualized workloads. The solution is designed to eliminate downtime and protect applications and data from security breaches, ransomware, and other major disruptive events.

Study participants identified a variety of benefits related to their use of the Veeam platform. They stressed requiring less expertise for runbooks during a disaster as well as having higher-quality backup checks. The ability to replicate workloads to run maintenance was cited, along with being able to spend less time building test environments and easier planning and reporting features.

Study participants commented on these and other benefits:

▶ **Less expertise needed of runbooks:**

"With Veeam, the whole IT department is able to understand and facilitate whatever runbooks need to be played out during a disaster. It's intuitive, easy to use, and easy to understand. Before Veeam, we had certain subject matter experts that had to be involved."

—Legal organization

▶ **Higher-quality backup checks:**

"Backup checks are much less tedious. As such, they are now getting done — not in less time, but with less getting missed."—Education organization

▶ **Ability to replicate workloads to run maintenance:**

"There are times when we need to run maintenance or upgrade hardware, and Veeam allows us to replicate workloads and fill back."—Legal organization

▶ **Less time spent building test environments:**

“Because of the way Veeam does backups, we can capture a virtual backup image of a production system and restore that image into a sandbox environment, where we can perform updates or tests. This means there’s less time required to build/replicate test environments, and we can run them without impacting production.”—Government organization

▶ **Easier planning with reporting features:**

“Veeam reduces the time and productivity cost of backups and includes reporting features that make planning easier. Veeam has freed up IT to respond to initiatives with greater agility.”—Government organization

▶ **High-quality, easy-to-use platform:**

“I have 35 years of IT experience; I’ve used every enterprise backup solution in existence going back to the 1990s. Nothing comes close to the ease of use, efficiency, and quality of the experience I have using Veeam.”—Government organization

IDC evaluated how the adoption and use of the Veeam platform impacted total infrastructure-related costs as well as operational costs as shown in **Table 3**. After adopting the Veeam platform, the interviewed companies saw a 32% improvement in infrastructure costs and a 21% benefit in IT staff costs. This amounted to a three-year benefit of \$1,921,010 per organization.

TABLE 3

Total Three-Year Operational Costs

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Infrastructure-related costs	\$999,571	\$679,214	\$320,357	32%
IT staff costs	\$7.62M	\$6.03M	\$1,60M	21%
Total three-year cost	\$8,62M	\$6,70M	\$1,92M	22%

Source: IDC Business Value Research, April 2022

IDC then looked at productivity gains for infrastructure teams. Interviewed organizations noted that infrastructure teams were able to focus on complex business initiatives because backups were done with greater speed and efficiency, without sacrificing quality.

After adoption, the interviewed companies experienced a 28% improvement in team productivity. This resulted in an annual business value of \$498,400 for each organization. (See **Table 4**, next page.)

TABLE 4
Infrastructure Team Efficiency Gains

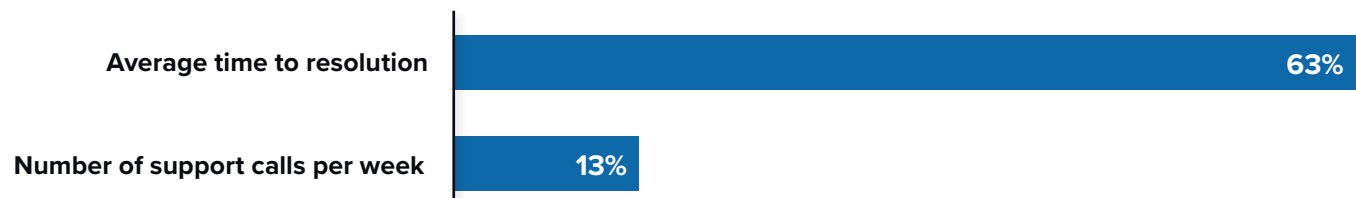
	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Total FTE count	23	18	5	28%
Value of staff time per year	\$2,278,400	\$1,780,000	\$498,400	28%

Source: IDC Business Value Research, April 2022

Companies reported additional benefits for help desk teams. Interviewed organizations stated that due to the high level of automation, performance, and availability provided by the Veeam platform, there was a reduction in help desk tickets and an improvement in time spent resolving issues. As one study participant from the government vertical noted, *“The high level of automation and high performance did reduce the number of help desk complaints about system performance, and we have a small team, so every bit helps.”*

As shown in **Figure 5**, the average time to resolution improved by 63%, while the number of support calls made per week decreased by 13%.

FIGURE 5
Help Desk KPIs
(% of improvement)



n = 8, Source: IDC Business Value Research, April 2022

IDC also evaluated impacts on disaster recovery staff efficiency. These teams particularly benefited from improved recovery time objectives (RTOs) and recovery point objectives (RPOs), better alerting, and quicker remediation, largely because of the numerous backups and reports that were completed with Veeam. A legal organization noted, *“Along with Veeam’s functionalities related to RPOs, RTOs, and runbooks, the ability to test different workloads and different backups in a disaster recovery situation enables us to verify that our RTOs and RPOs are where they need to be. Before Veeam, the DR team was 100% dedicated to backups, looking at errors, etc. With Veeam, much of this is automated, so all they need to do is read reports and remediate errors, and the time saved is spent helping in other verticals in IT.”*

Table 5 shows that after adoption, the interviewed companies experienced a 15% boost in the productivity of these teams. This amounted to an annual business value of \$35,150 for each organization.

TABLE 5**Disaster Recovery Staff Efficiency Gains**

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Total FTE count	2.6	2.3	0.4	15%
Value of staff time per year	\$263,721	\$228,571	\$35,150	15%

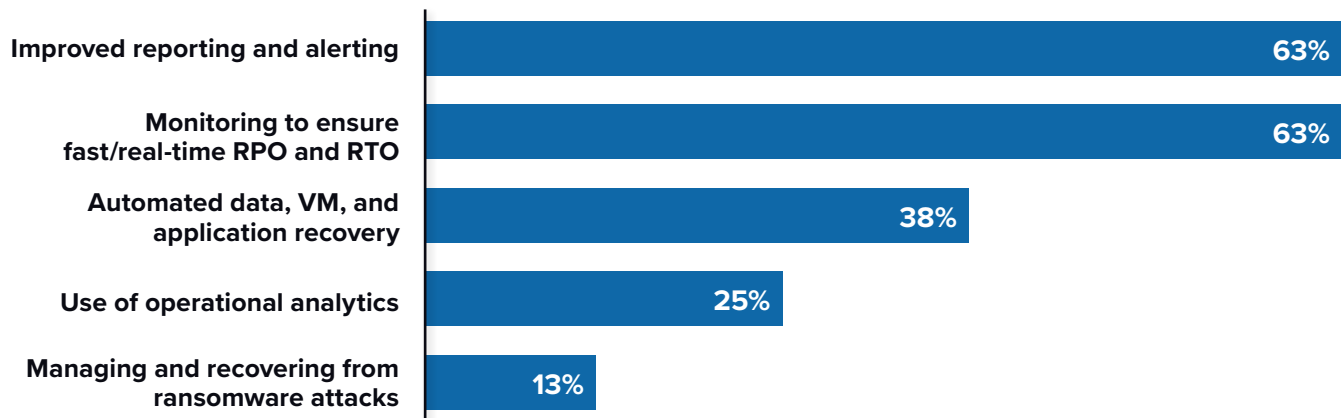
Source: IDC Business Value Research, April 2022

Study participants reported that Veeam use also improved data recovery and protection.

Figure 6 shows a 63% improvement in reporting and alerting and also in monitoring to ensure fast/real-time RPO and RTO.

FIGURE 6**Impact of Veeam Platform on Data Recovery and Protection**

(% of organizations)



n = 8, Source: IDC Business Value Research, April 2022

Table 6 shows the impact of the Veeam platform on RTO/RPO, with a 55% improvement level for executed RTOs within objectives and a 56% improvement for executed RPOs within objectives. As stated by a legal organization, “RPO and RTO have been the most significant operational benefit of Veeam. We didn’t have the infrastructure previously to build and live up to a definite RPO. Now, with Veeam, we’ve built RPO and RTO around what the business needs, instead of the limitations of our infrastructure.”

TABLE 6**Impact of Veeam Platform on RTO/RPO**

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Impact on Recovery Time Objective (RTO)				
RTO hours	14	8	6	68%
Executed RTOs within objectives	44%	97%	53%	55%
Impact on Recovery Point Objective (RPO)				
RPO hours	9	5	4	79%
Executed RPOs within objectives	43%	97%	54%	56%

Source: IDC Business Value Research, April 2022

Importantly, **Table 7** (next page) shows the impact of the Veeam platform on backups. Interviewed organizations were able to complete backups with greater frequency and ease than with their previous solutions. They noted that employees were more comfortable in the Veeam platform, and it required less expertise to complete backups. As a result, after adoption, there was a 74% improvement in backup intervals and a 41% improvement in the number of data backups per week. Further supporting these statements, an education organization detailed, “Backups happen faster. Previously, it could take four days to back up a volume. If somebody wrote to that volume during that window, we couldn’t do the backup. This saves HOURS of work because we can provide backups that require less restructuring of data post-recovery. Also, more of my staff is comfortable with the operations of restoring a VM backup than with the previous solution, so that results in faster time to resolve issues for business units.”

TABLE 7

Impact of Veeam Platform on Backups

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Backup interval, hours	31	8	23	74%
Number of data backups per week	603	1,030	427	41%

Source: IDC Business Value Research, April 2022

Interviewed organizations noted that security teams benefited from the ability to test patches or updates from backups completed in the Veeam platform. This allowed the teams to resolve problems and issues before going into production, enabling the teams to work with greater effectiveness. **Table 8** shows the efficiency gain that security teams recognized from the deployment of Veeam. As shown below, companies saw a 3% improvement in productivity, amounting to an annual productivity-based business value of \$9,000 for each organization.

TABLE 8

Security Staff Efficiency Gains

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Total FTE count	3.1	3.0	0.1	3%
Value of staff time per year	\$309,000	\$300,000	\$9,000	3%

Source: IDC Business Value Research, April 2022

The increase in frequency of high-quality backups created a more secure data environment for organizations interviewed. As a result, Veeam enabled interviewed organizations to reduce the risk of data breaches/loss. **Table 9** (next page) shows cost efficiencies with respect to data breach or loss risk reduction. With Veeam, the interviewed companies saw a 61% gain in total cost efficiency.

TABLE 9

Cost Efficiencies — Data Breach/Loss Risk Reduction

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Total cost efficiency	\$1,951,160	\$760,952	\$1,190,208	61%
IDC operating margin	15%	15%		
Risk cost efficiencies, IDC model	\$292,674	\$114,143	\$178,531	61%

Source: IDC Business Value Research, April 2022

IDC then looked at compliance team productivity gains. As shown in **Table 10**, after adoption, the interviewed companies saw a 6% improvement in productivity, amounting to an annual productivity-based business value of \$10,541 for each organization. This productivity gain stemmed from Veeam helping the teams meet their objectives with simplified auditing due to robust logs and the aid that Veeam offers organizations to adhere to regulatory compliance. Specifically, a legal organization noted, *“When it comes to being audited, Veeam really does help. Wherever there’s a requirement for data protection, it’s always been able to be implemented with Veeam to meet compliance objectives.”*

TABLE 10

Compliance Team Productivity Gains

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Equivalent productivity level, FTEs	2.5	2.7	0.2	6%
Value of staff time per year	\$176,125	\$186,667	\$10,541	6%

Source: IDC Business Value Research, April 2022

Table 11 (next page) shows cost efficiencies for compliance-related fines. As shown, total cost efficiency improved 33%.

TABLE 11

Cost Efficiencies — Compliance-Related Fines

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Total cost efficiency	\$53,933	\$36,405	\$17,528	33%
IDC operating margin	15%	15%		
Compliance cost efficiencies, IDC model	\$8,090	\$5,461	\$2,629	33%

Source: IDC Business Value Research, April 2022

IDC then looked at impacts for application development teams. Veeam enabled applications to have quick backup cycles, which increased their performance and availability. This allowed developers to update applications with greater effectiveness. As stated by a participant from the government, *“The performance and availability of our applications is one of the spots that was a huge positive impact. With our legacy backup solution it would slow down our applications significantly and would take about 2.5 days to complete one full backup cycle, which was not ideal at all. If there was a file changed or corrupted some time in the middle of that 2.5-day window, we were sometimes unable to restore it as it had been created and then changed or deleted within the same window. Veeam not only removed 99% performance impact during a backup cycle but reduced the backup time window significantly.”* As shown in **Table 12**, after adoption, the interviewed companies experienced a 6% productivity boost. This translated into an annual business value of \$250,359 for each company.

TABLE 12

Development Team Productivity Gains

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Equivalent productivity level, FTEs	38	41	3	6%
Value of staff time per year	\$3,837,141	\$4,087,500	\$250,359	6%

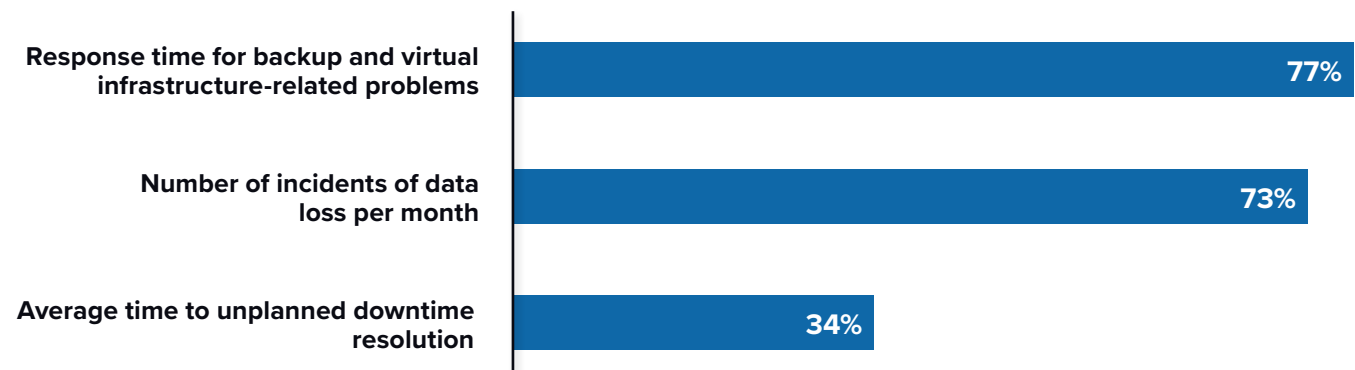
Source: IDC Business Value Research, April 2022

Performance and availability were improved for interviewed organizations (see **Figure 7**). There was a 77% improvement in response time for backup and virtual infrastructure-related problems, and a 73% improvement in the number of incidents of data loss per month.

FIGURE 7

Performance and Availability KPIs

(% of improvement)



Business Enablement Benefits

Interviewed organizations reported that improving data recovery and backup functionality with the Veeam platform had positive impacts on the effectiveness of their business operations. Study participants explained that they could spend more time on innovation. They cited business improvements that resulted from better executive-level views into data protection and better budgeting capabilities.

Study participants commented on these and other benefits:

► **More time spent on innovation:**

“Veeam is allowing staff to spend more time focused on business-driven projects, like developing an API to interface with provincial systems for ticketing. This puts us in a position of being nimbler when responding to initiatives that are not purely IT-driven.”—Government organization

► **Executive-level views into data protection:**

“Visibility and confidence in data protection with different reporting mechanisms has been a great business benefit. Veeam gives upper management an executive view and has helped a lot with auditing.”—Legal organization

► **Better budgeting capabilities:**

“We’re highly virtualized, and with Veeam’s reporting technology I can find out at the press of a button how many more VMs I can spin up on a given server without affecting performance. I can also say, with an average growth of 10% per year, what kind of capacity I will need in four years. And Veeam will make projections, helping us with budgeting.”—Government organization

► **Peace of mind that work will not be interrupted:**

“We enjoy the peace of mind knowing we are taking backups of our cloud tenants every four hours in case of loss of connectivity to the cloud or an extended outage by the SaaS provider. If there were an extended cloud outage, I would be able to recover their data on prem and they could resume work.”—Government organization

► **Faster access to restored data:**

“Veeam gives my organization the ability to do instant recovery, giving access to a VM’s data without rebooting it. You get faster access to the data to be restored.”—Healthcare organization

► **High customer trust:**

“There are two important business benefits that are related. First, when we say to our customers that we are using Veeam, there is a high trust from our customers. Second, predictable cost model. We need to be able to incorporate our costs into our fees to customers and this predictability is important.”—Healthcare organization

As the above comments illustrate, the Veeam platform enabled interviewed organizations to strengthen their business operations. Over time, these enhanced capabilities translated into better business results.

Table 13 presents business enablement gains for end users, including teams like customer support, emergency response, and analytics, amongst others. It showcases a 7% boost in end-user productivity and a value of staff time per year of \$22,500.

TABLE 13
Business Enablement—End-User Productivity Gains

	Before Veeam Platform	With Veeam Platform	Benefit	Benefit (%)
Equivalent productivity level, FTEs	31	33	2	7%
IDC operating margin	15%	15%		
Value of staff time per year	\$321,000	\$343,500	\$22,500	7%

Source: IDC Business Value Research, April 2022

The Veeam platform enabled organizations to innovate and serve customers with greater speed and agility because of better performance and availability of applications. **Table 14** (next page) shows the resulting business enablement revenue impact of Veeam, with total additional net revenue per year of \$43,670 per organization.

TABLE 14

Business Enablement — Higher Revenue

	Per Organization	Per 1,000 Application Users Supported by Veeam Platform
Total additional gross revenue per year	\$291,135	\$29,053
IDC operating margin	15%	15%
Total additional net revenue, IDC model	\$43,670	\$4,358

Source: IDC Business Value Research, April 2022

ROI Summary

Table 15 presents IDC's return on investment and analysis for study participants' use of the Veeam platform. As shown, IDC projects that they will achieve three-year discounted benefits worth an average of \$2,626,900 per organization (\$26,214 per 1,000 users) through the array of benefits previously described. These benefits compare with total three-year discounted costs of \$612,000 per organization (\$6,107 per 1,000 users). IDC projects that these levels of benefits and investment costs will result in an average three-year ROI of 329% and a break-even point in investment occurring in approximately nine months.

TABLE 15

Three-Year ROI Analysis

	Per Organization	Per 1,000 Application Users Supported by Veeam Platform
Discounted benefits	\$2,626,900	\$26,214
Discounted investment	\$612,000	\$6,107
NPV	\$2,014,900	\$20,107
ROI	329%	329%
Payback (months)	9	9
Discount factor	12%	12%

Source: IDC Business Value Research, April 2022

Situation Overview

The data protection environment is only getting more challenging. To start, organizations are dealing with unprecedented data volumes. Our research shows that data is growing between 35% and 45% annually, depending on organization location, industry, and other factors. Petabyte-scale data estates are no longer uncommon or remarkable. It is fair to say that, regardless of size, nearly all organizations are dealing with more data now than they have in the past.

Secondly, the days of consolidated data repositories no longer exist. IDC research shows that 48% of data is in the core, 29% in the cloud, and 19% at the edge, with the remaining 4% in “other” locations. IT teams are, of course, tasked with protecting data regardless of where it is stored and assuring that the data meets organizational data management policies and regulated governance standards.

Third, not only is data scattered and growing in volume, but it is also distributed across numerous operating platforms, data types, and clouds. This includes MS Windows (virtualized and physical), Linux (virtual and physical, both paid and unpaid), legacy platforms (AIX, HP-UX, OS/400, z/OS), relational database management systems (RDBMS), file systems, NoSQL, and multiple clouds (i.e., Amazon Web Services [AWS], MS Azure, Google Cloud, etc.). Applications may be traditional on-premises, cloud-native (i.e., SaaS), and containerized. The permutations are seemingly endless, and each must be protected.

Moreover, the threats and risks to data have never been greater. Age-old issues such as human error, hardware/software failure, datacenter disruptions, and natural disasters remain as constants. Malware, and particularly ransomware, have taken a top-of-mind position among IT and business leaders alike. Getting hit by ransomware is no longer a matter of time, nor even a matter of how badly, but a matter of how often. IDC research finds that more than 50% of organizations admit to having suffered a successful ransomware attack. Only a third of organizations have been able to recover without paying a ransom. Half of the attacks included an assault on the backup environment, with half of those being successful.

Because of this complex and volatile scenario, organizations are looking for data protection solutions that include:

- ▶ Broad platform support with both depth and breadth
- ▶ Data survival assurance, regardless of the data-loss scenario
- ▶ Automated and autonomous operations to simplify daily operations
- ▶ Robust ransomware protection and recovery
- ▶ Orchestrated recovery to reduce recovery times for any recovery requirement

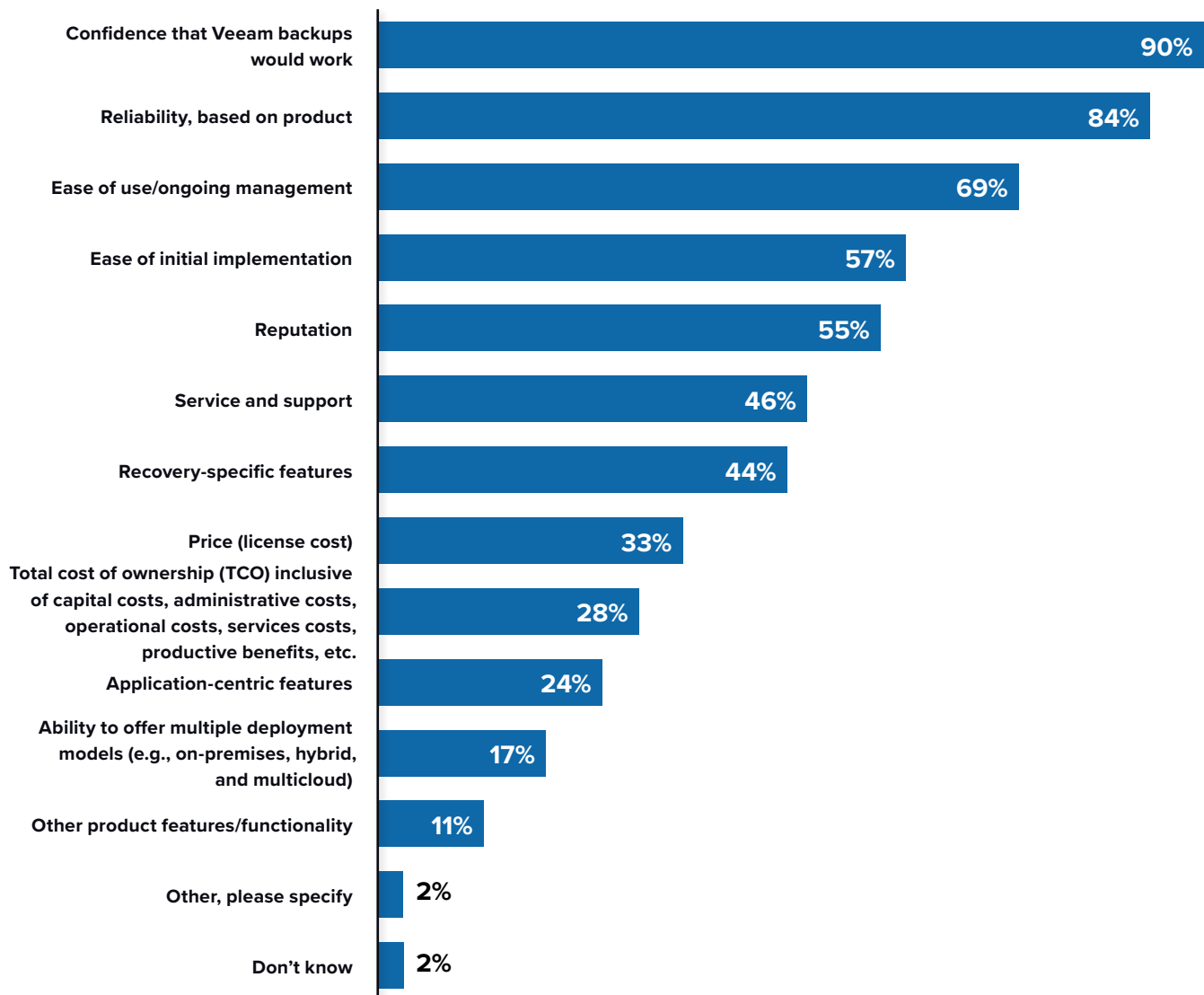
Survey Findings

The results from the survey provide insight into the ways Veeam has impacted the data protection operations of organizations after the platform was adopted. The survey was based predominantly on a before-and-after format, helping us quantify that impact. We did not ask about specific “before” products, as this was not intended to be a competitive comparison.

Inherent in a before/after analysis is the fact that organizations felt enough motivation for change to implement a new product. Thus, we wanted to know what those motivations were. **Figure 8** shows that the top reasons existing Veeam customers implemented Veeam Software solutions for their backup and data protection needs were their confidence that Veeam works and is reliable. In fact, 83% of respondents indicated that they were more confident in Veeam relative to other backup solutions.

FIGURE 8**Reasons for Implementing Veeam**

(% of respondents)



n = 509, Source: Veeam Race to Zero Survey, IDC, April 2022

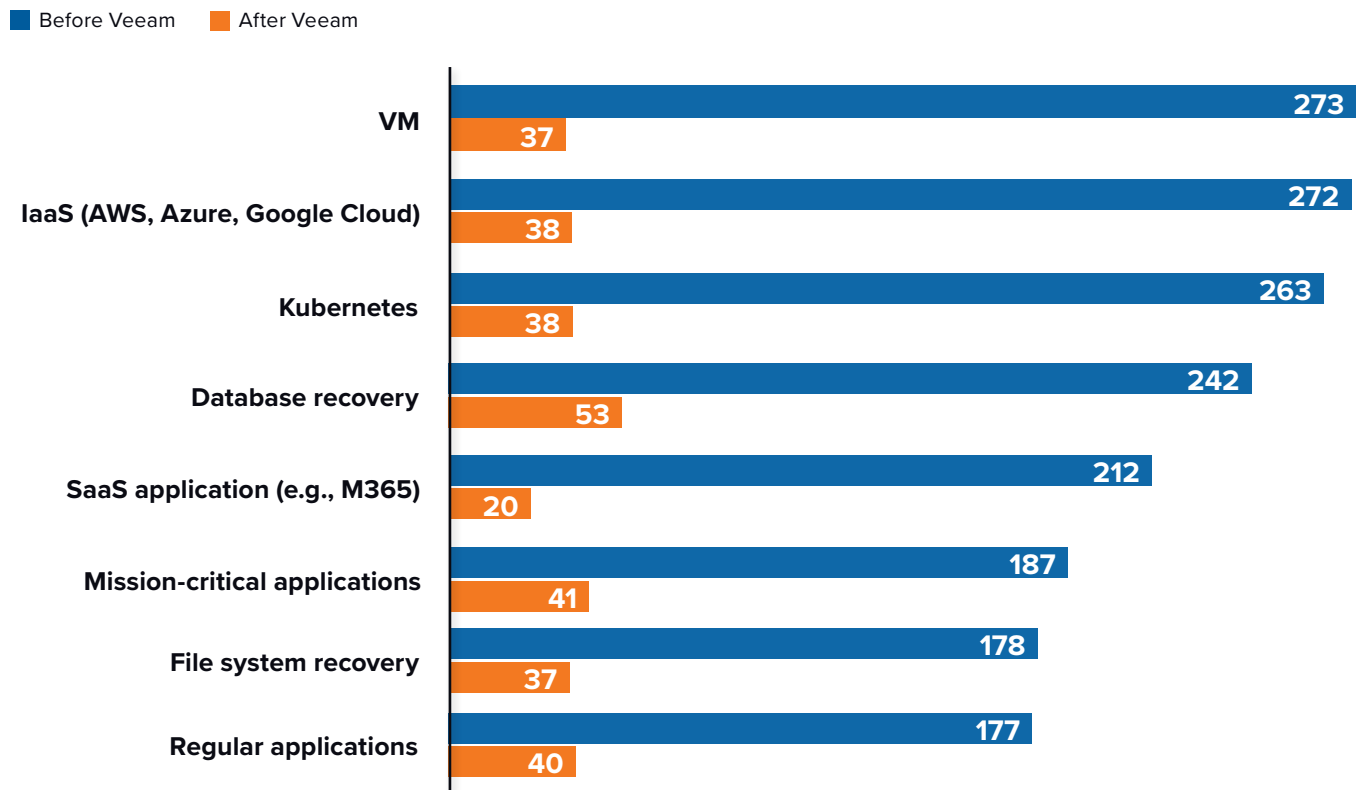
Base = All respondents.

Notes: Managed by IDC's Quantitative Research Group; data not weighted; multiple dichotomous table — total will not sum to 100%; use caution when interpreting small sample sizes.

We find that one of the most important characteristics of backup and recovery products is the speed of data recovery. Certainly, backup reliability is important, as the data must be present in order to be restored; unavailable data halts business operations and can cause costly downtime. In our survey, respondents reported that they achieved nearly a five-times reduction in restore time on mission-critical apps with Veeam. See **Figure 9**.

FIGURE 9

Restore Time Comparison in Minutes (Mean)



n = 509, Source: Veeam Race to Zero Survey, IDC, April 2022

Base = All respondents.

Notes: Managed by IDC's Quantitative Research Group; data not weighted; sample sizes for IaaS (AWS, Azure, Google Cloud), SaaS application (e.g., M365), and Kubernetes responses are below n = 13—use caution when interpreting small sample sizes.

The best measure of backup and recovery reliability is service level attainment (SLA), specifically recovery point objective (RPO) and recovery time objective (RTO). Better SLA attainment can result in less data loss and reduced downtime. Survey respondents cited a 22% improvement in SLA attainment after implementing Veeam. **Figure 10** (next page) illustrates the details of this finding. We would further note that the 93% average SLA attainment is very close to the 95% best-practice benchmark prescribed by IDC.

FIGURE 10**Average SLA Attainment (RPO and RTO) as a Percentage**

(% respondents)

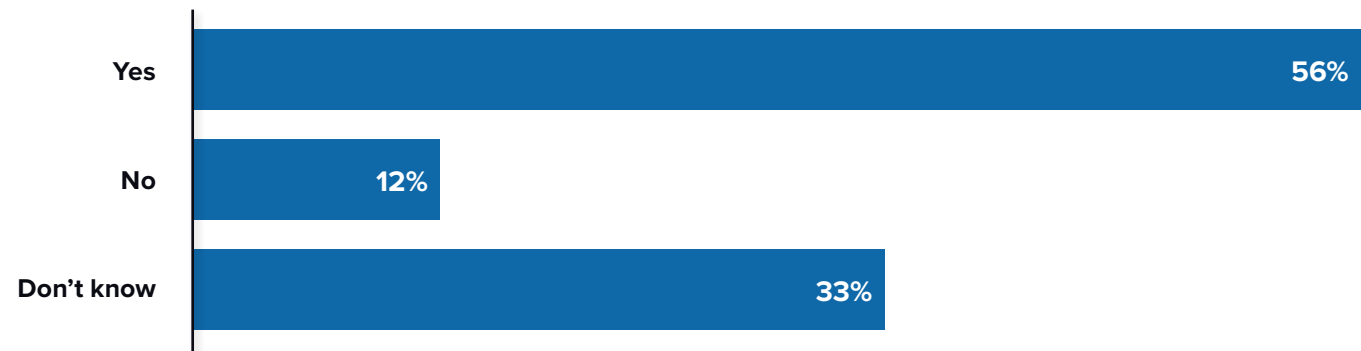


n = 509, Source: Veeam Race to Zero Survey, IDC, April 2022

Delving further into specific SLA attainment, we asked respondents about their ability to lower their SLA targets. More than four times as many respondents were able to lower their target RPO as those that were not (see **Figure 11**). As organizations drive toward less downtime and less data loss, they adopt more stringent SLAs. These results indicate that Veeam customers were able to do just that.

FIGURE 11**Lower RPO Using Veeam**

(% respondents)

Q: Since using Veeam, have you been able to lower your target RPO for your most critical data?

n = 509, Source: Veeam Race to Zero Survey, IDC, April 2022

Our survey also delved into specific application use cases. The majority of respondents reported a good or very good experience using Veeam for instant file recovery and using Veeam Explorers for MS Exchange, Active Directory, SQL, and SharePoint relative to other data protection vendors/products their organization utilizes — or has utilized — to protect its servers. See **Figure 12** (next page) for more details.

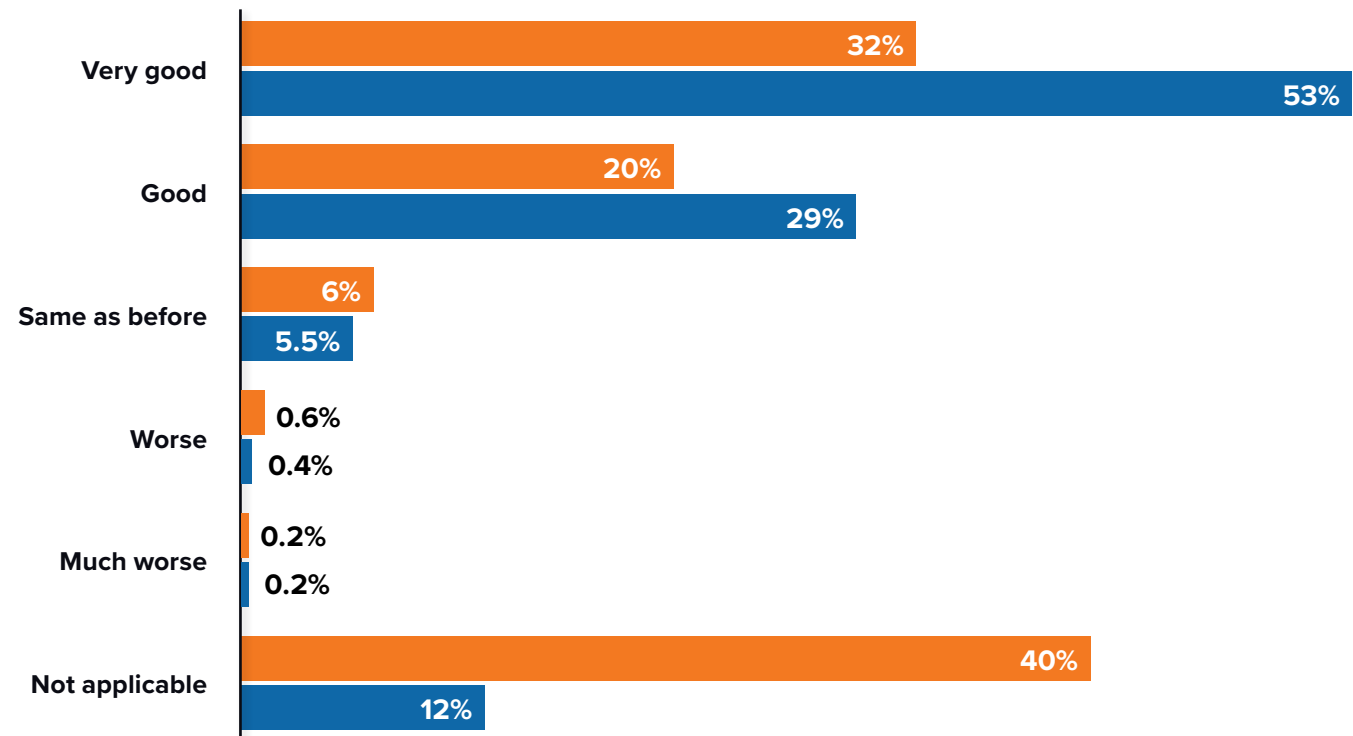
FIGURE 12**Experience with Veeam in Specific Use Cases**

(% respondents)

Q: For each of the areas below, please rate your organization's experience with its Veeam Software solutions relative to other data protection vendors/products that your organization utilizes — or has utilized — to protect its servers.

■ Veeam Explorers for MS Exchange, Active Directory, SQL, and SharePoint

■ Instant file recovery



n = 509, Source: Veeam Race to Zero Survey, IDC, April 2022Base = All respondents

Notes: Managed by IDC's Quantitative Research Group; data not weighted; use caution when interpreting small sample sizes.

Veeam Platform Overview

Veeam is a provider of data protection solutions used for backup and replication, disaster recovery, cyber recovery, and more. Veeam protects data in virtual, physical, and legacy applications as well as in core, cloud, and edge locations. Veeam is sold directly to end-user organizations through an ecosystem of cloud service providers (CSPs) that offer solutions such as backup as a service (BaaS) and disaster recovery as a service (DRaaS).

Key products in the Veeam platform include:

- ▶ **Veeam Backup & Replication:** As the core of the Veeam platform, Veeam Backup & Replication provides backup, recovery, and management for on-premises, hybrid cloud, and cloud applications, whether physical, virtual, or network-attached storage (NAS). The product features continuous data protection (CDP), ransomware recovery, and cloud archiving to AWS Glacier or Azure Archive. Backups can be encrypted and made immutable to disk, tape, AWS cloud, and object storage, or purpose-built backup appliances.
- ▶ **Veeam ONE — monitoring and analytics for the IT environment:** Veeam ONE, transacted via the Veeam Availability Suite bundle, provides insights for Veeam Backup & Replication, VMware vSphere, and MS Hyper-V to proactively identify common infrastructure and backup problems and alert administrators. It provides 24 x 7 real-time visibility along with capacity planning and forecasting, whether cloud or physical infrastructure.
- ▶ **Veeam Agents:** Veeam Agents are modules within Veeam Backup & Replication offering specific support for physical workloads, including Microsoft Windows, Linux, MacOS, IBM AIX, and Oracle Solaris.
- ▶ **Veeam Backup for AWS, Microsoft Azure, and Google Cloud:** These modules offer powerful support for cloud-native infrastructure-as-a-service (IaaS) and platform-as-a-service (PaaS) workloads like VMs, databases, and file shares, available as standalone modules or as part of Veeam Backup & Replication. Veeam can also be deployed to protect IBM Cloud environments.
- ▶ **Veeam Disaster Recovery Orchestrator:** Veeam Disaster Recovery Orchestrator automates the process of DR planning and recovering data, whether from natural disaster or ransomware. It also automates the testing and validation of recovery strategies. It includes tracking and auditing features to assure compliance, and one-click recovery after disaster strikes.
- ▶ **Veeam Backup for Microsoft 365:** Veeam offers protection for Microsoft 365 data, including Exchange, OneDrive, SharePoint, and Teams.
- ▶ **Kasten K10 by Veeam:** This cloud-native support for containerized workloads is purpose-built for Kubernetes data protection, providing DevOps teams with Kubernetes backup/restore, DR, and application mobility. Kasten K10 offers integration with RDBMSs, NoSQL databases, Kubernetes distributions, and clouds.

Veeam has a number of industry partnerships, including HPE, Pure Storage, Lenovo, Nutanix, Cisco, VMware, cloud hyperscalers, and others.

Challenges/Opportunities

As we noted earlier, the IT environment is increasingly complex, and the application environment that drives data use and growth is constantly evolving. Specific requirements and best practices are changing as well. No vendor—of any size—is able to address every permutation of the data protection environment and must make trade-offs regarding development priorities and the depth and breadth of any solution. Consequently, IT buyers must also make trade-offs, sometimes between “best in class” for a specific use case versus a product that can address a broad range of use cases, but perhaps not the specific one needed. Like all vendors, Veeam must operate in this reality and make choices on when, how, or even if it chooses to address a scenario that will influence a buyer’s decision.

We believe that ransomware is driving both the development and purchase of data protection solutions. Defending against ransomware is inherently reactive, whereby tools and techniques are developed to address known attack methods. When a new attack method is deployed by cybercriminals, the industry will respond with solutions, but the damage will already have been done to the early victims. The only way to get ahead of this reactionary posture is through artificial intelligence (AI) and machine learning (ML) built into data protection solutions. Currently, ransomware can be detected through such things as changes in input/output (I/O) activity, backup volumes, and the like. However, this is monitoring and alerting, not AI/ML. True AI/ML is nascent in data protection today but will become a major differentiator among products in the future. Whereas Veeam today does not build true AI into its products (nor do most of its competitors), the company will need to focus on such capabilities in order to stay with or ahead of the market. Though Veeam has been very successful to date, advanced engineering and development are critical to its future success.

Conclusion

Marketing claims are easy to make: “best,” “fastest,” “lowest cost” are commonly used terms by nearly every product vendor. And no one would expect them to say otherwise. However, claims and counterclaims can make product differentiation and selection confusing and difficult.

IDC believes the best proof of product claims comes from customers that actually use the products. This document approached the quantification of Veeam user results from two perspectives: in-depth interviews that allowed detailed probing and analysis as well as an anonymous survey of hundreds of Veeam customers. We believe this methodology gives the result both breadth and depth. The survey contained representative samples by organization size, geographic location, and industry.

While no product or vendor can address every organizational need, this study quantifies the business results gained from using Veeam as expressed by the customers. Certainly, specific results will vary from one organization to another and cannot be predicted, but we believe the broad-based methodology used herein is a fair measure of actual product results. The “per 1,000 user” metric allows organizations to estimate value in alignment with their organization’s size. These results certainly illustrate a strong business value result from using Veeam.

Appendix

Methodology

IDC's standard Business Value/ROI methodology was utilized for this project. This methodology is based on gathering data from organizations currently using the Veeam platform as the foundation for the model.

Based on interviews with organizations using the Veeam platform, IDC performed a three-step process to calculate the ROI and payback period:

- 1. Gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of using the Veeam platform.** In this study, the benefits included employee productivity gains, staff time savings, and reduced costs.
- 2. Created a complete investment (three-year total cost analysis) profile based on the interviews.** Investments go beyond the initial and annual costs of using the Veeam platform and can include additional costs related to migrations, planning, consulting, and staff or user training.
- 3. Calculated the ROI and payback period.** IDC conducted a depreciated cash flow analysis of the benefits and investments for the organizations' use of the Veeam platform over a three-year period. ROI is the ratio of the net present value (NPV) and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

IDC bases the payback period and ROI calculations on a number of assumptions, which are summarized as follows:

- ▶ Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and manager productivity savings. For purposes of this analysis, based on the geographic locations of the interviewed organizations, IDC has used assumptions of an average fully loaded salary of \$100,000 per year for IT staff members and an average fully loaded salary of \$70,000 per year for non-IT staff members. IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).
- ▶ The net present value of the three-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.
- ▶ Because IT solutions require a deployment period, the full benefits of the solution are not available during deployment. To capture this reality, IDC prorates the benefits on a monthly basis and then subtracts the deployment time from the first-year savings.

Note: All numbers in this document may not be exact due to rounding.

About the Analysts

**Megan Szurley****Senior Research Analyst, Business Value Strategy Practice, IDC**

Megan Szurley is a Consulting Manager within IDC's Custom Solutions Division, delivering consultative support across every stage of the business life cycle: business planning and budgeting, sales and marketing, and performance measurement. In her position, Megan partners with IDC analyst teams to support deliverables that focus on thought leadership, business value, custom analytics, buyer behavior and content marketing. These customized deliverables are often derived from primary research and yield content marketing, market models, and customer insights.

[More about Megan Szurley](#)**Phillip Goodwin****Research Vice President, Infrastructure Systems, Platforms and Technologies Group, IDC**

Phil Goodwin is a Research Vice President within IDC's Enterprise Infrastructure Practice, covering research on data management. He provides detailed insight and analysis on evolving industry trends, vendor performance, and the impact of new technology adoption. He is responsible for producing and delivering timely, in-depth market research with a specific focus on cloud-based and on-premises Data Protection, Business Continuity and Disaster Recovery, and Data Availability. Phil takes a holistic view of these markets, and covers risk analysis, service level requirements, and cost/benefit calculations in his research.

[More about Phillip Goodwin](#)



This publication was produced by IDC Custom Solutions. As a premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets, IDC's Custom Solutions group helps clients plan, market, sell and succeed in the global marketplace. We create actionable market intelligence and influential content marketing programs that yield measurable results.



@idc



@idc

idc.com

© 2022 IDC Research, Inc. IDC materials are licensed [for external use](#), and in no way does the use or publication of IDC research indicate IDC's endorsement of the sponsor's or licensee's products or strategies.

[Privacy Policy](#) | [CCPA](#)