White Paper

Veeam Drives Virtual Infrastructure Adoption and Service-Level Attainment

Sponsored by: Veeam

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June 2016

IDC OPINION

Application availability is the name of the game for IT organizations. IDC research has determined that application downtime costs exceeding $100,000 per hour is the median, although that cost can run substantially higher for some organizations. Consequently, organizations are willing to invest considerable sums in availability solutions that avoid downtime and ensure smooth business operations. So, while the cost of the availability solution is always a consideration when making IT purchase and deployment decisions, our broader research consistently shows that purchase cost falls down the list of important criteria when compared with achieving business objectives. Senior IT leaders may take some heat for missing their budget, but they will be absolutely skewered for failing to meet business requirements. Moreover, application availability requirements continue to become more stringent. Recovery time objectives (RTOs) and recovery point objectives (RPOs) of under four hours for business-critical applications is now the norm, with sub-one-hour RPO/RTO for mission-critical applications not being unusual.

To achieve these availability requirements, IT organizations must balance all the elements of the environment, including infrastructure, application software and, of course, data protection and recovery (DP&R). In the context of this study, there must be close alignment between the virtual infrastructure and the data protection and recovery elements, especially with their ability to achieve desired business outcomes.

IDC research indicates that 69.7% of x86 systems were virtualized in 2014, with that rate growing to 71.1% by 2018. With such a high degree of virtual machine (VM) market adoption and the need for better application availability, IT managers are putting a premium on the following:

- Simpler operations
- The ability to meet or exceed organizational service-level agreements (SLAs) for application availability
- Close alignment between virtual infrastructure capabilities and data protection product capabilities

METHODOLOGY

Because Veeam is so heavily invested in virtual infrastructure, its leaders were interested in learning detailed information about the alignment of VMware capabilities and their own availability solutions to determine how this affects ESXi deployment decisions. To accurately assess these factors, Veeam

engaged IDC to perform an independent study using a survey format of its customer base. IDC was granted access to the entire Veeam customer base worldwide, so specific responses could not be gathered on a selective basis. IDC permitted a response from any customer and terminated the survey after receiving 1,244 qualified responses and representative samples from North America, Europe, and the rest of the world. The survey ended at this point because additional responses would not have improved the statistical accuracy of the results. We believe this methodology provides information fairly and accurately to reflect the customers' results as a whole.

IN THIS WHITE PAPER

This study examines the symbiotic relationship between VMware's ESXi deployments and Veeam's availability solutions. The focus of the analysis is on data collected directly from Veeam's customer organizations.

SITUATION OVERVIEW

Since 2009, Veeam has focused on data protection and recovery software for virtual environments, especially VMware and Microsoft Hyper-V. While the company's portfolio has broadened significantly over the past several years, DP&R continues to drive the majority of its revenue stream. For the calendar year 2014, IDC recognized Veeam as the number 5 DP&R software vendor by worldwide revenue, surpassing companies that have been in the market for decades. Its ability to take market share has been largely tied to providing availability targeted specifically at the VM level, which closely aligns with the requirements of VMware users.

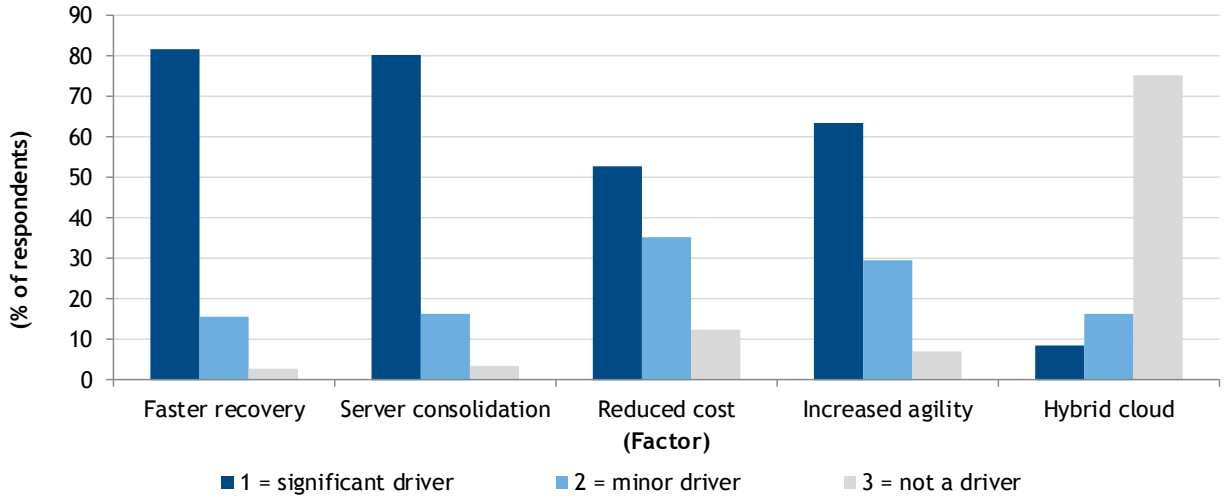
To set a baseline of requirements, our survey asked users to tell us their reasons for adopting VMware (see Figure 1).

Conventional wisdom says that x86 virtualization is primarily a cost reduction scheme. However, the results of this survey show that faster recovery was the top decision driver, though a virtual dead heat with server consolidation. Reduced costs actually came in as the fourth most important driver of VMware adoption. Server consolidation does play into cost reduction, but it is also a factor in simpler operations.

FIGURE 1

Drivers for Adopting VMware

Q. How much of a driver were each of the following in your organization's decision to implement VMware products?



n = 1,244

Base = all respondents

Notes:

This survey is managed by IDC's Quantitative Research Group.

Data is not weighted.

Use caution when interpreting small sample sizes.

Source: IDC's *Veeam Customer Survey, 2016*, February 2016

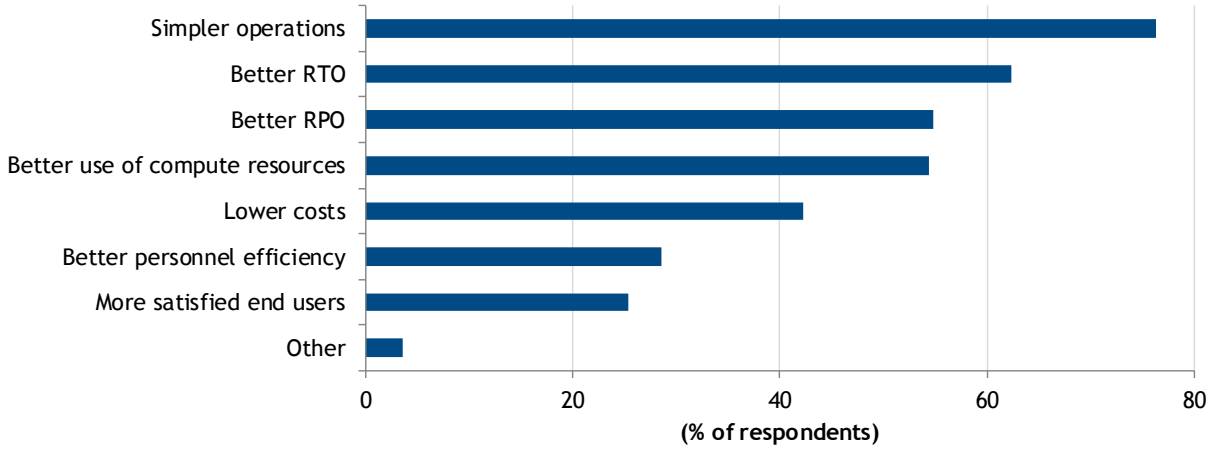
In our survey, we asked joint customers of Veeam and VMware to tell us the benefits they receive from the combination of VMware and Veeam (see Figure 2).

As Figure 2 illustrates, Veeam's customers report both simpler operations and better recovery SLA attainment as the top benefits received; there is a high correlation between these results and the original reasons that organizations invested in VMware.

FIGURE 2

Benefits of VMware with Veeam

Q. What benefits has your organization experienced from the combination of VMware products and Veeam products?



n = 1,244

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Multiple responses were allowed.

Source: IDC's *Veeam Customer Survey, 2016*, February 2016

Indeed, SLA attainment is the primary measure of effectiveness of any data protection product. Consequently, we wanted to know how Veeam's customers' RTO/RPOs compared to SLA requirements as well as results prior to adopting Veeam. Figures 3 and 4 provide these results.

In Figure 3, we can see two key points. First, the actual recovery time when using VMware with Veeam is more than two times better than VMware without Veeam. Second, the average RTO experienced is less than the RTO required by the businesses.

FIGURE 3

Mean RTO Comparison

Q. What is your average recovery time objective (RTO) versus the average recovery time for critical applications?

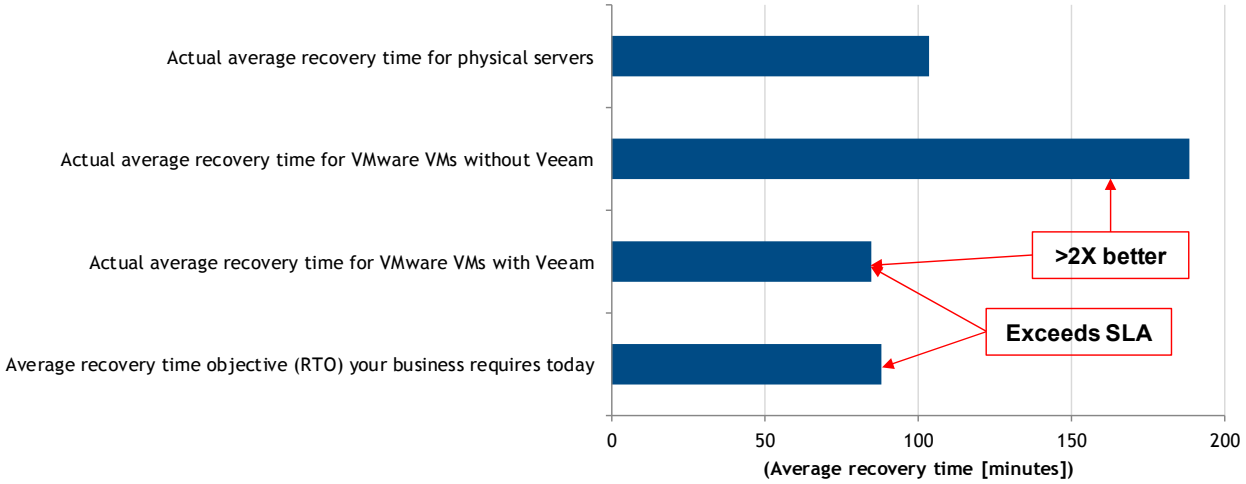

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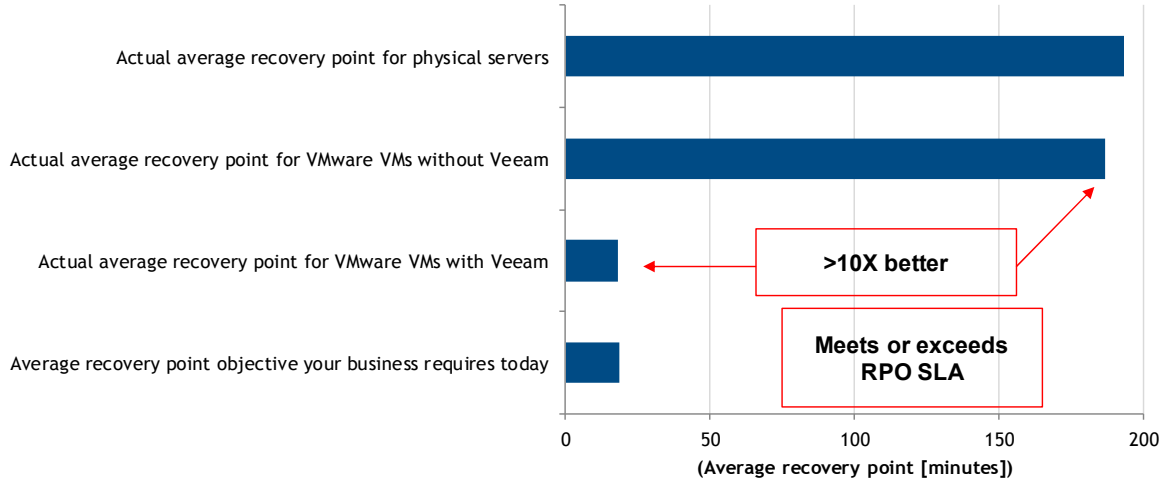
Figure 4 illustrates that Veeam's customers have an actual average recovery point that is slightly less than the organization's requirement. However, the RPO with Veeam is ten times better than with VMware alone. For both RTO and RPO, Veeam's customers have been able to exceed the stated SLA requirements.

FIGURE 4

Mean RPO Comparison

Q. What is your average recovery point objective (RPO) versus the average backup period (i.e., the time between backups for critical applications)?



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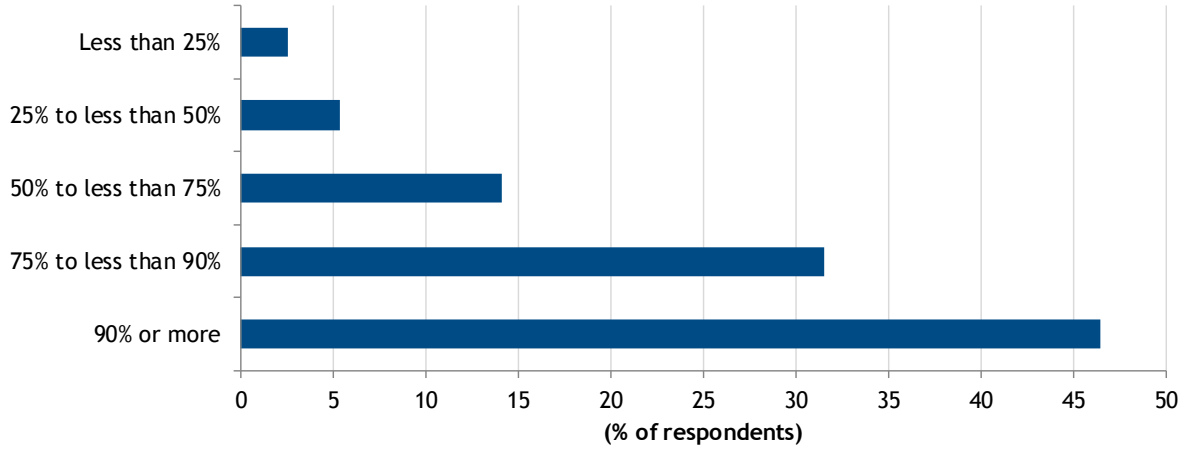
FUTURE OUTLOOK

As noted previously, approximately 70% of x86 workloads are currently virtualized. However, for those customers using Veeam, the percentage is actually higher (see Figure 5). The data shows that 78% of Veeam's customers are more than 75% virtualized (46.5% are more than 90% virtualized).

FIGURE 5

Percentage of Virtualized Workloads for Veeam Customers

Q. Of all the application/server workloads in your organization, how many are virtualized?



n = 1,244

Base = all respondents

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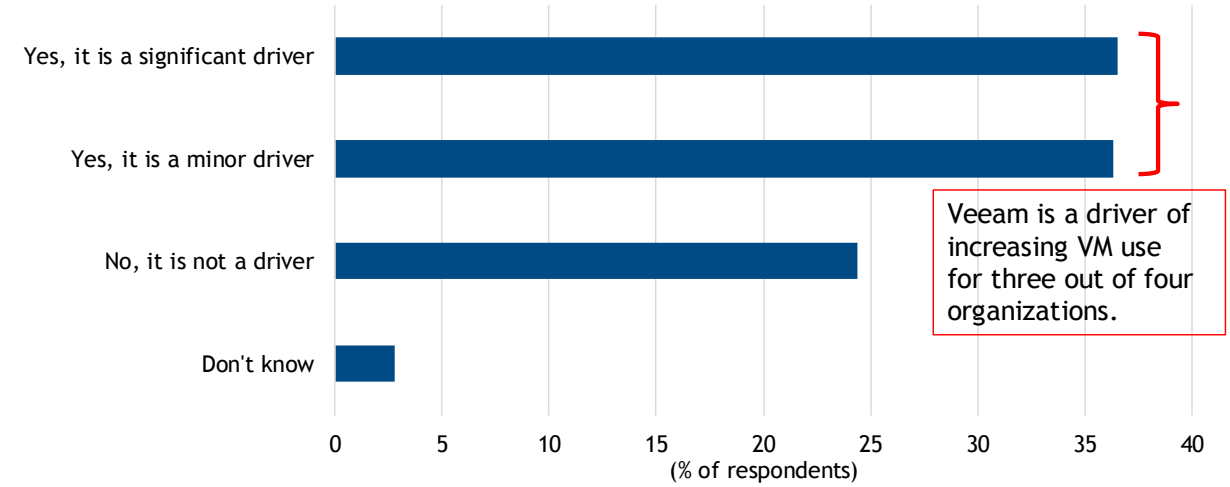
Source: IDC's *Veeam Customer Survey, 2016*, February 2016

At this point, we wanted to know if Veeam played a role in the continued adoption of virtualization among the company's customers. So we asked them if Veeam was a significant driver, a minor driver, or not a driver in their decision to expand the use of VMware. As shown in Figure 6, Veeam was either a significant driver (36.5%) or a minor driver (36.3%) in the customers' plans for expanding virtualization in the future. We acknowledge that there could be a small percentage of respondent bias in these responses, meaning that respondents are more likely to indicate positive impact to rationalize past investment decisions; however, more than 72% of customers see Veeam as a driver for future virtualization.

FIGURE 6

Veeam as a Driver of Increased Virtualization

Q. Is Veeam software a driver for increasing the use of virtualization in the future?



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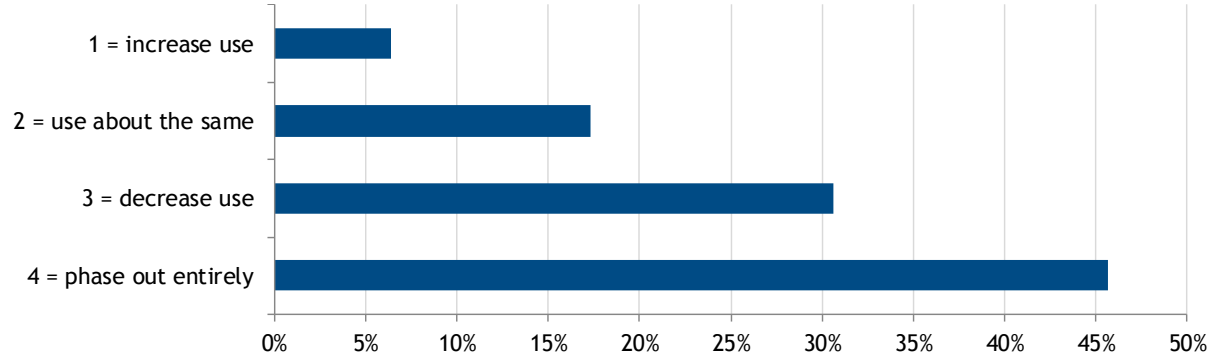
Last, we were interested if Veeam was purchased by customers as an addition to their existing data protection scheme or as a replacement for other products. So we asked customers what their plans were for the continued use of incumbent software. The findings are in Figure 7.

As Figure 7 details, 77% of respondents indicated that they plan to either decrease the use of competitive products or phase them out entirely. This combination of data – along with better RTO and better RPO, together with user sentiment around Veeam as a driver for virtualization – does tell a compelling story.

FIGURE 7

Plans for Future Use of Competitive Products

Q. You mentioned that your organization used the following product(s) prior to deployment of Veeam backup software. How has your organization's use of those products changed since deploying Veeam software?



Base = Respondents who indicated their organizations used Veritas NetBackup backup solutions

Notes:

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CHALLENGES/OPPORTUNITIES

The halcyon days of virtualization are almost certainly in the past. New deployments will be largely because of new workload deployments rather than "greenfield" virtualization implementations. Veeam will be challenged to continue its current growth rates given slower industry virtualization. However, this study showed that Veeam's customers are willing to virtualize well beyond the industry average and regard Veeam as an enabler of further virtualization deployment.

CONCLUSION

From a business perspective, the most significant findings from this study were the RPO/RTO attainment levels reported by Veeam's customers. In both cases, the business-level SLA was exceeded using Veeam. From the reported results, this outcome could not have been attained with VMware alone. Given that the number 1 reason stated for adopting VMware was faster recovery, and that recovery with VMware alone would not meet SLAs, it is reasonable to postulate that greater expansion of virtualization with VMware alone would be less likely. From this survey, it seems clear that Veeam's customers have found the combined Veeam and VMware environment to be symbiotic and beneficial.

About IDC

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