



Business Value Report

2020

Overview

The Egnyte Value Acceleration Team designed the Business Value Assessment process to assist our current and future customers to discover and articulate the positive value of an investment in the Egnyte platform. This report summarizes the results from all value assessments performed in 2020. It outlines the average expected savings across three major categories and highlights use cases that drive value.

2020 Value Assessments at a Glance



Average ROI
577%



Payback Period
4.14 Months

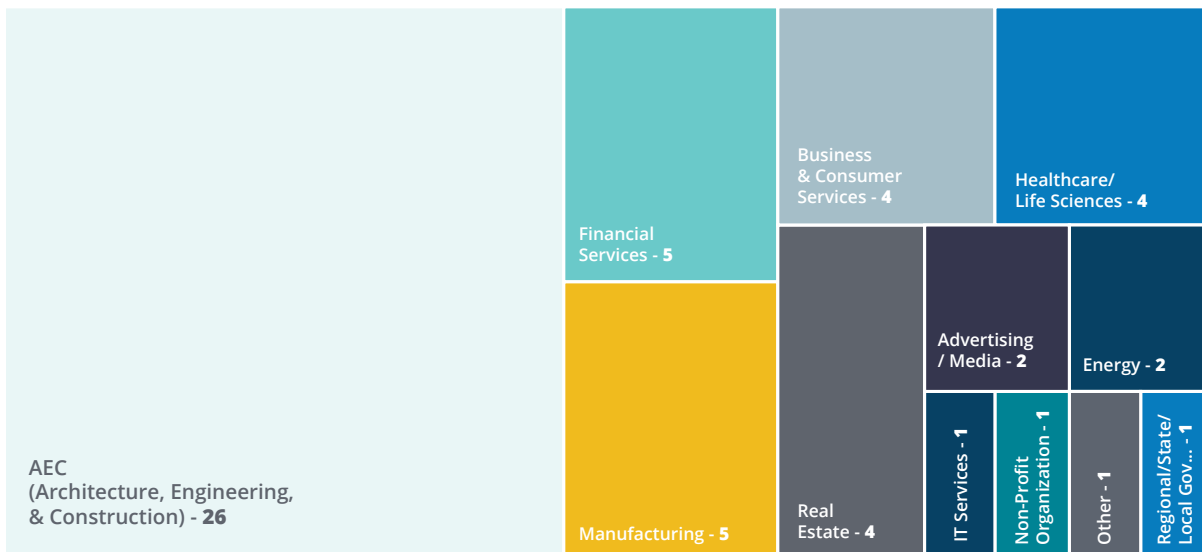


Figure 1 – Business Value Assessment Distribution by industry

Areas of Value – Savings Distribution

The Egnyte value proposition is composed of cost saving or value-added metrics that fall within three major areas of financial return: Direct Costs for hardware and software as well as supporting labor expenses, business user productivity costs, and risk incurred for securing and governing data. The Egnyte platform is intelligently designed to achieve maximum returns in each of these categories. Details are highlighted below:

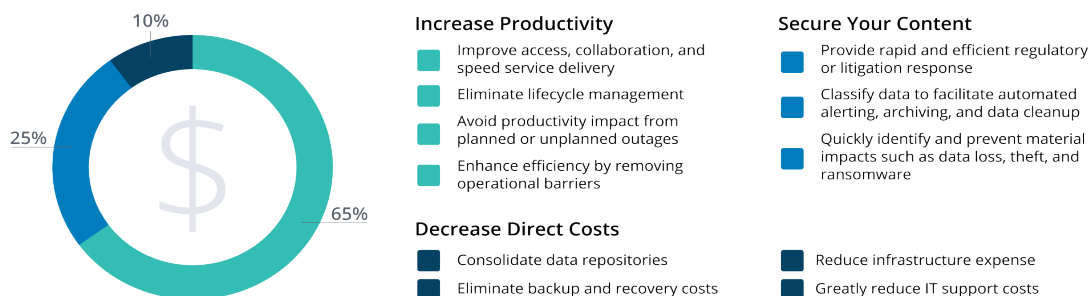


Figure 2 - Most common value drivers and each category's assessed % contribution to total ROI

Decrease IT Costs

A primary area of value for the Egnyte platform is in the reduction or elimination of numerous direct costs associated with supplying and maintaining an organization’s various file services. Unification and simplification of management, use, and security are core to Egnyte’s value proposition. By being able to meet all business needs around storage, replication/disaster recovery, remote/mobile access, sharing, and performance (via an industry best hybrid offering) a consistently positive financial return was seen in the assessments performed.



Figure 3 - Average annual savings for each major direct cost category along with total annual and three-year average savings (after Egnyte investment) across all assessments

Improve Collaboration & Productivity

As with any tool, the real value of a file solution is not just the sticker price compared against alternatives but rather its ability to improve the execution and achievement of business goals. Our assessments focused on numerous hidden costs associated with reduced labor efficiency as well as missed opportunities resulting from not having an effective means to easily access, edit, and share important business data. The impact of this poor user experience coupled with system downtime was quite large and, in most cases, contributed to the highest area of cost associated with a company’s file solution.

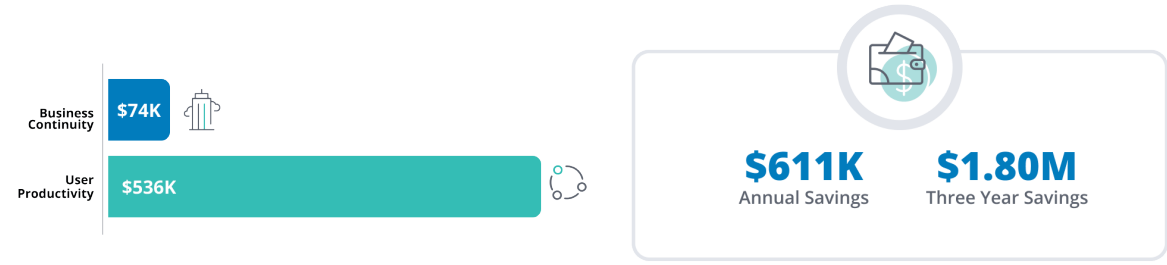


Figure 4 - Average annual savings for each major productivity cost category along with total annual and three-year average savings across all assessments

Increase Control & Reduce Risk

The third area of value that continues to grow in importance to those assessed is their ability to effectively protect as well as manage the lifecycle and compliance of sensitive business data. The unending growth of content, the increasing threat of data attacks (ransomware, theft, etc.), and the ever-expanding need to comply with industry and data privacy regulations is clearly becoming a very expensive part of the cost of doing business in the 21st century. Egnyte's effectiveness at solving these challenges quickly and easily was a major contributing factor to the positive ROI totals seen in the assessments.

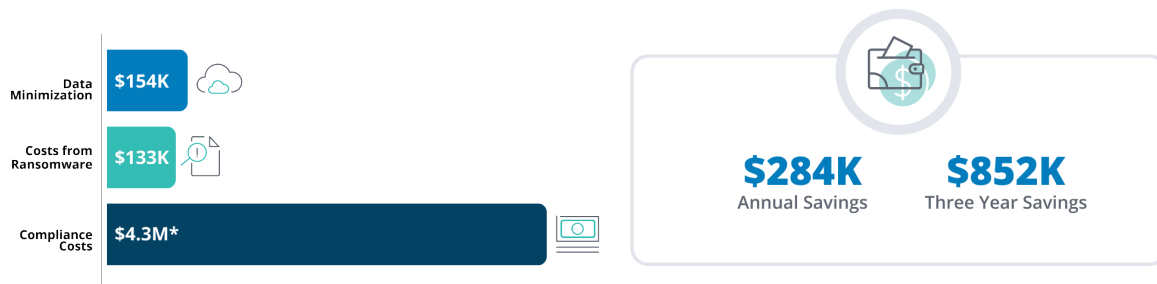


Figure 4 - Average annual savings for each major risk cost category along with total annual and three-year average savings across all assessments. *Average compliance cost reduction from centralized data governance program (not factored in all results). Source: "The True Cost of Compliance with Data Protection Regulations," Ponemon Institute, December 2020

Value Driven Use Cases

In each assessment, the customer reviewed the value drivers for the project and ranked the following value driven use cases from not a priority to the top priority. The table below represents the value driven use cases that were ranked top, high, and medium:

Value Driven Use Cases	Top	High	Medium	Low	None
Need more flexible and scalable solutions that also preserves file performance	11	17	8	5	2
Provide better mobile and remote / field access or support BYOD	10	14	10	5	4
Be able to effectively meet data compliance requirements	10	7	5	14	7
Eliminate multiple copies of documents across different solutions (silos)	7	12	14	9	1
Improve team / cross-office collaboration and user productivity	7	16	12	3	5
Better protect and recover from data theft, loss or corruption	6	14	14	5	4
Replace aging legacy infrastructure and modernize the environment	5	14	13	10	1
Effectively manage the preservation, archival, and deletion of data	5	9	17	8	4
Reduce direct costs associated with providing and supporting file services	3	12	9	14	5
Better collaborate with external partners and customers	2	15	14	8	4
Improve auditing of storage and sharing to better understand file usage	2	14	12	10	5
Accelerate site deployments and integrations	1	7	8	21	6

Based on the ranking, a selection of value driven use cases are outlined in the pages that follow, including common issues, quotes from our customers and links to case studies.

- [Content Centralization](#)
- [Secure Collaboration](#)
- [Cloud Content Management](#)
- [Content Lifecycle Management](#)

Content Centralization

Reduce content sprawl and eliminate duplicate files across repositories.

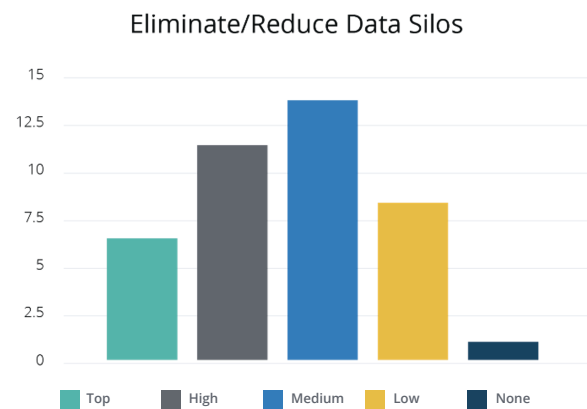
“When you have one centralized system you can ensure it’s highly secure and the right people have the right access”

- **Steve Buchanan, Head of IT**
BW: Workplace Experts

See the [BW Workplace Experts Case Study](#)

Ranking Value Driven Use Cases

This graph shows how participants in the Business Value Assessments ranked the value driver: “Eliminate multiple copies of documents across different solutions (silos).”



Primary Areas of Value

Decrease IT Spend – By consolidating file services in the Egnyte platform, our customers are able to reduce or eliminate existing spend on redundant solutions and significantly reduce data sprawl.

Productivity – Providing a single source of truth for end users simplifies the day-to-day interactions with files including unified search, always knowing where the most recent version of a file resides, and eliminating duplicate files.

Typical Challenges

- Legacy file servers are costly to administer and maintain
- Content is sprawling across repositories and is only increasing in size, scope, and risk
- Users have a difficult time finding the latest file version across repositories

Secure Collaboration

Improve team collaboration and productivity no matter where work happens

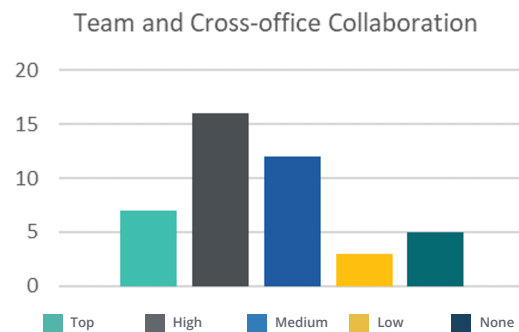
“With Egnyte we’re able to securely store, edit, and share files between multiple offices around the world without running into bandwidth, file versioning, or access issues.”

- Alistair Roberts, Director of IT
M&C Saatchi

See the [M&C Saatchi Case Study](#)

Ranking Value Driven Use Cases

This graph shows how participants in the Business Value Assessments ranked the value driver: “Improve team / cross-office collaboration and user productivity”



Primary Areas of Value

Decrease IT Spend – With Egnyte, you’ll no longer need to maintain FTP sites or other file sharing software.

Productivity – Teams get more done when they work together, but ensuring collaboration isn’t always easy. Version control, lack of visibility into other’s work and the cumbersome nature of file-sharing via email. With Egnyte’s architecture, collaboration is built in. Files are synced in real time, ensuring each team member is working from - and sharing - the same version.

Reduce Risk – With Egnyte, you’ll empower users to collaborate in a company sanctioned, secure manner. Users will no longer need to use rogue file sharing solutions to get their job done.

Typical Challenges

- A VPN is required to access company content outside the office
- Users often use multiple non-sanctioned tools to share files externally
- It’s complicated to maintain proper access permissions and ensure performance on multiple solutions and servers often isolated across locations

Cloud Content Management

A scalable content solution that supports existing and future growth in data

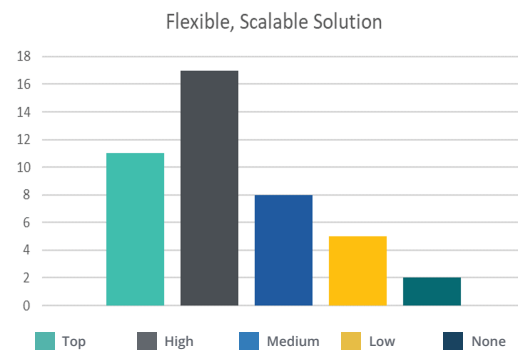
“With Egnyte, we’ve been able to eliminate the labor required in provisioning new storage while reducing our capital spend in this area, saving PCL time and money”

- Chris Palmer,
Advanced Technology Services Manager, PCL

See the [PCL Case Study](#)

Ranking Value Driven Use Cases

This graph shows how participants in the Business Value Assessments ranked the value driver: “Need more flexible and scalable solutions that also preserves file performance”



Primary Areas of Value

Decrease IT Spend – By consolidating file services in the Egnyte platform, our customers are able to reduce management and support spent on redundant solutions.

Productivity – With Egnyte’s hybrid architecture and the ability to sync content, users don’t experience latency issues that come with pure cloud solutions.

Typical Challenges

- Too many resources to maintain current content systems
- Current content platforms do not scale with the business or growth in data
- Need to modernize existing content infrastructure and be able to deploy services faster

Content Lifecycle Management

Easily identify content to retain, archive & delete and remove redundant, obsolete, trivial and stale data

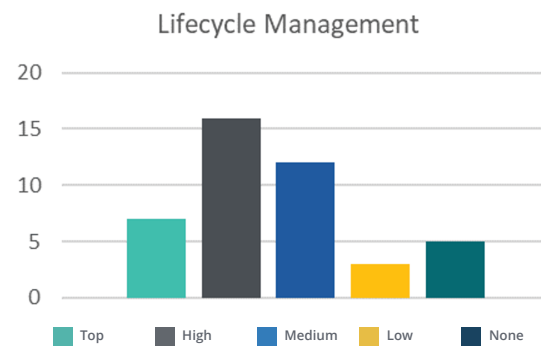
“Egnyte is looking at unstructured file data in a completely different way. They are looking at the whole picture of content management and all of its challenges. It is not just about storage and sharing, Egnyte is genuinely listening to its customers to helping them solve much broader challenges”

- Mike Mason, Head of Global Projects
LesMills

See the [LesMills Case Study](#)

Ranking Value Driven Use Cases

This graph shows how participants in the Business Value Assessments ranked the value driver: “Effectively manage the preservation, archival, and deletion of data”



Primary Areas of Value

Decrease IT Spend – By automating the identification, retention, and deletion of files via policy, IT resources are able to use time saved from manual processes on the critical capabilities of the business.

Reduce Risk – Keeping files beyond their useful life or required retention periods introduces unnecessary security and legal risk with little value. Egnyte enables turnkey policies to reduce risk in both areas.

Typical Challenges

- Taking inventory of all active and inactive content across the organization
- Reducing costs and risk of maintaining data that provides no business value
- Managing content lifecycle requires too many IT resources

Conclusion

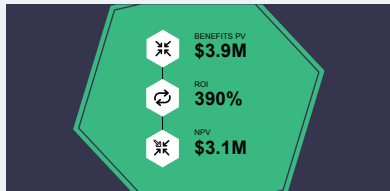
The Business Value Assessments in 2020 highlighted areas of savings and additional value of the Egnyte platform. The customers and prospective customers who partnered with the Value Acceleration Team averaged a 577% Return on Investment over three years. The total benefits of the Egnyte platform averaged just under \$1M (\$998,000) in year one with 10% derived from Direct Cost Savings, 60% from Productivity gains, and 30% from risk mitigation by Increasing Control and Reducing Risk.

Next Steps

We invite you to explore our other content on the value of the Egnyte Platform. Below are links to our aggregated report on results of our Business Value Assessments, Forrester's Total Economic Impact study summary infographic, and infographics that illustrate the productivity impacts on end-users and administrators.



Egnyte's 2019 Business Value Report



Forrester TEI Study Infographic



Productivity Infographics



Egnyte provides the only unified cloud content governance solution for collaboration, data security, compliance, and threat prevention for multicloud businesses. More than 17,000 organizations trust Egnyte to reduce risks and IT complexity, prevent ransomware and IP theft, and boost employee productivity on any app, any cloud, anywhere. Investors include GV (formerly Google Ventures), Kleiner Perkins, Caufield & Byers and Goldman Sachs. For more information, visit www.egnyte.com.

Contact Us

+1-650-968-4018
1350 W. Middlefield Rd.
Mountain View, CA 94043, USA
www.egnyte.com