



# Business Value Report

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2021

## 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 2021. It outlines the average expected savings across three major categories and highlights common use cases that drive value.

### 2022 Value Assessments at a Glance



Average ROI - **601%**



Payback Period - **5 months**

### Organizations by Industry

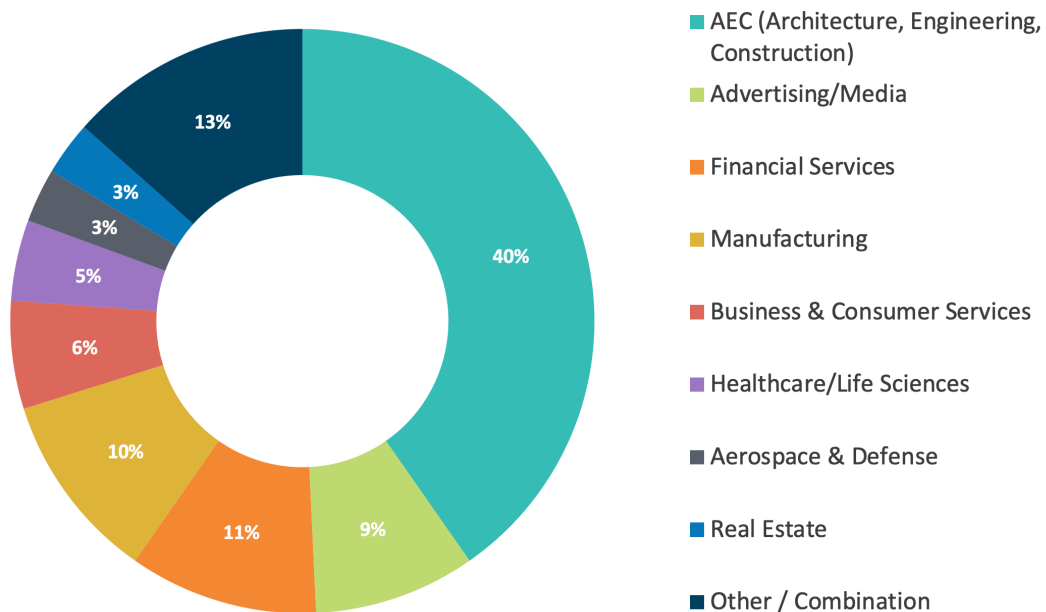


Figure 1 – Business Value Assessment Distribution by industry

## 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.

Details are highlighted below:

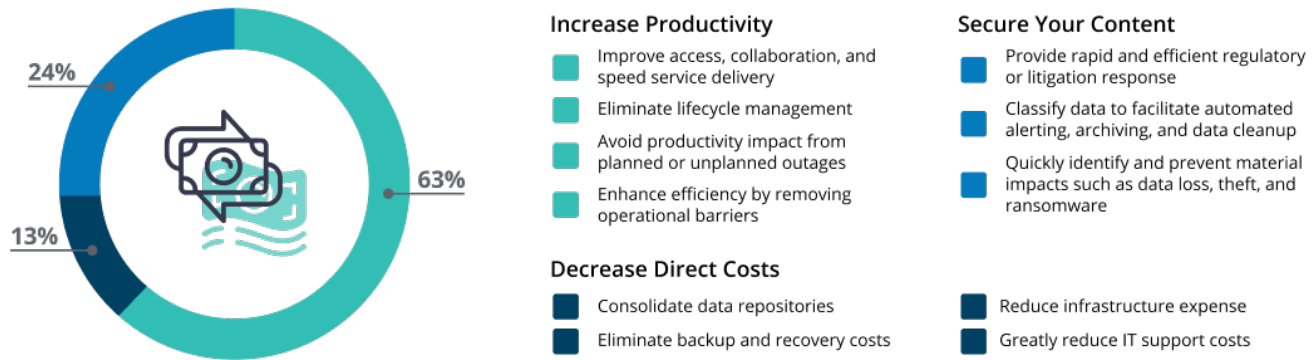


Figure 2 – Most common value drivers and each category’s assessed % contribution to total ROI

## 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 file services. With a cloud-based solution like Egnyte, our customers have been able to eliminate or reduce their legacy infrastructure and decrease both the amount of time they spend on managing their services as well as supporting them.

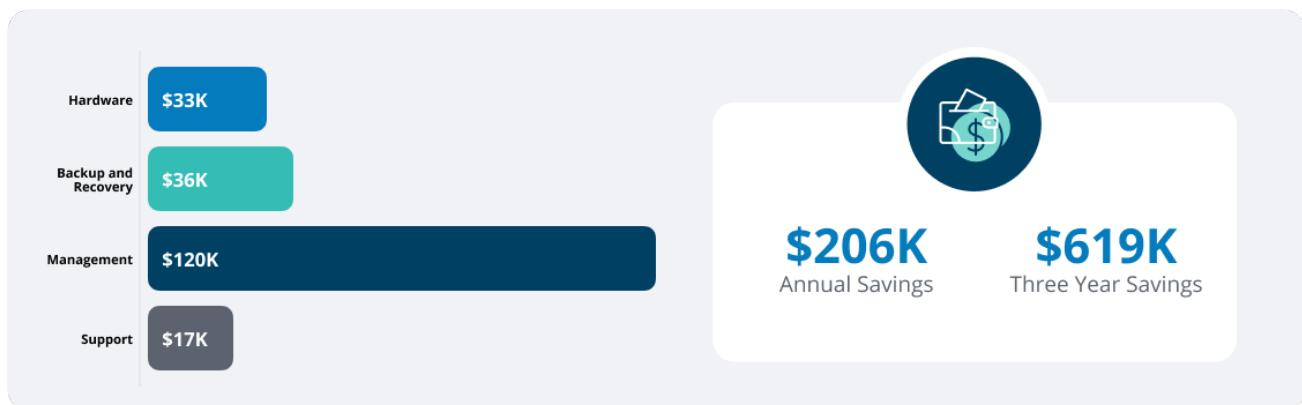


Figure 3 – Average annual savings for each major direct cost category along with total annual and three-year average savings (after Egnyte investment) across all assessments

## Improve Collaboration & Productivity

As with any tool, the real value of a solution is not just the sticker price compared to 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 a 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 are 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.

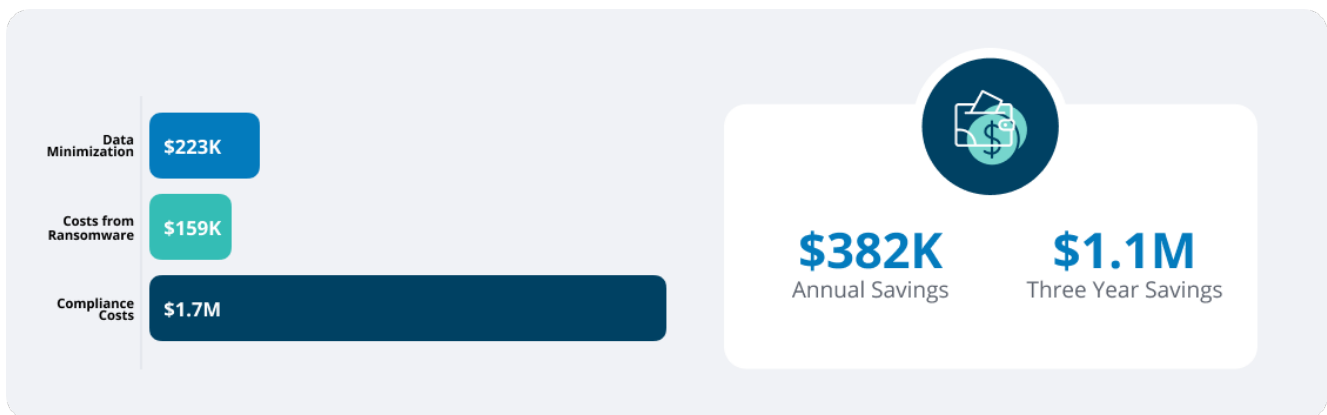


Figure 5 – Average annual savings for each major risk cost category along with total annual and three-year average savings across all assessments.

## Value-Driven Use Cases – 2021

In each assessment, the customer reviewed the value drivers for the project and ranked what was important to them from not a priority to the top priority. The graph below represents the value-driven use cases that were ranked top, high, medium, and none.

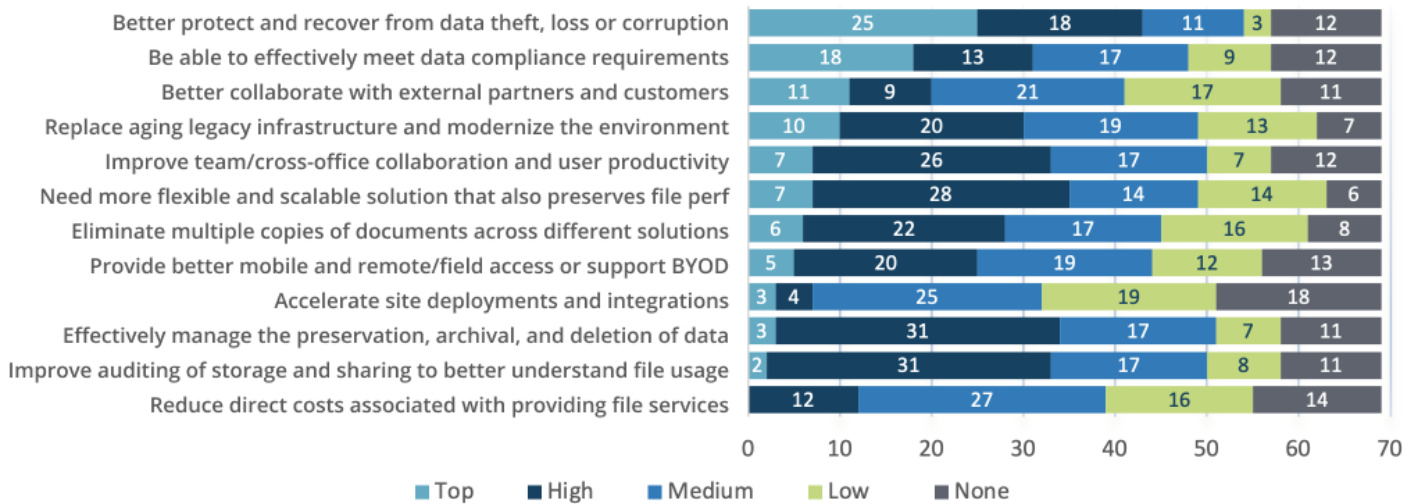


Figure 6 – The chart is sorted by “Top” value drivers.

## Tracking Trends - Value-Driven Use Case Rankings 2020 vs 2021

The list below compares the “Top” 2020 value drivers to the “Top” 2021 value drivers. Both “Better protect and recover from data theft, loss or corruption” and “Better collaborate with external partners and customers” have increased significantly in 2021 compared to 2020 showing the importance our customers are placing on securing and protecting their data while maintaining an efficient and flexible collaboration environment.

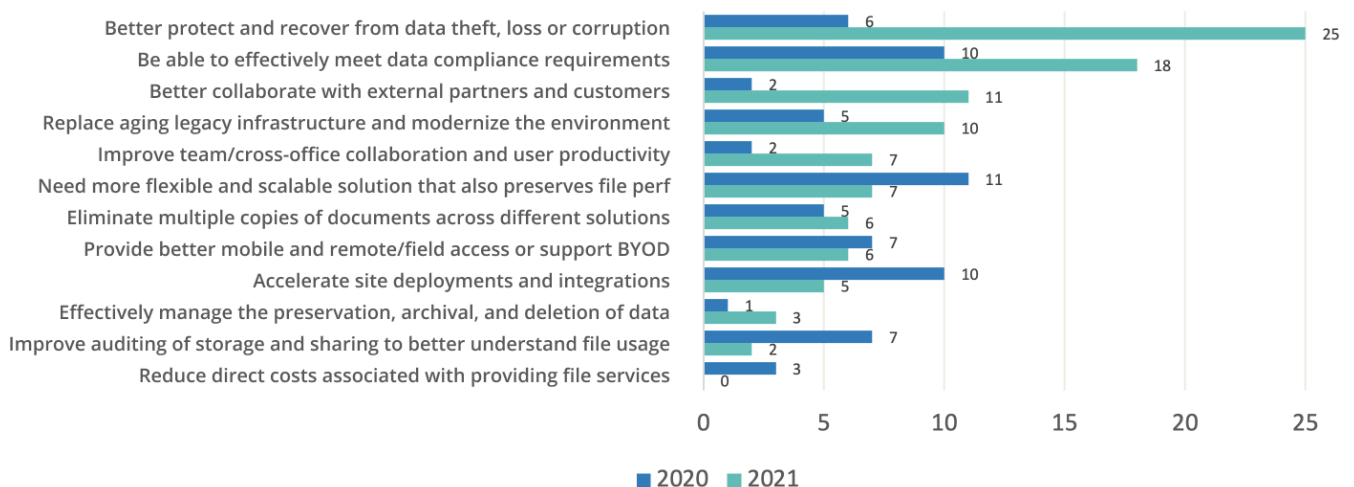


Figure 7 – The chart compares “Top” value drivers between 2020 and 2021.

# Value-Driven Use Cases – 2021 Deep Dive

The following section takes a closer look at our top four value-driven use cases for 2021 – including common issues, quotes from our customers, and links to relevant case studies.

1. Improve Content Security
2. Improve internal and external collaboration
3. Effectively meet data compliance requirements
4. Modernize the environment

## 1. Improve Content Security

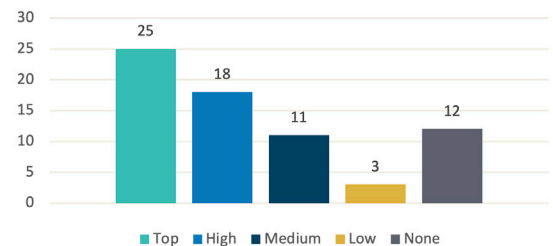
*Better protect and recover from data theft, loss, or corruption*

“In a matter of days, the firm went from a ransomware attack that brought all engineering and construction operations to a standstill, to being back up and running on a secure cloud platform that their users love.”

[See the NA-based Construction and Design Firm Case Study](#)

### Ranking Value-Driven Use Cases

This graph shows how participants across all Business Value Assessments ranked the value driver: *“Better protect and recover from data theft, loss or corruption”*



### Example Areas of Value

**Ransomware Detection & Mitigation** – Detection, mitigation, alerting, reporting, and flexible recovery options are key areas of value when it comes to combating ransomware. Egnyte does this through a combination of capabilities e.g., signature-based/behavioral analytics-driven detection, file version & snapshot file recovery, as well as auditing and automated notifications.

**Data Footprint Reduction** – Egnyte provides both turnkey & configurable policies that enable effective Retention, Archive, and Defensible Deletion capabilities. This data footprint reduction can minimize your attack surface, mitigate your exposure to negative litigation outcomes and decrease your data storage operating costs.

## Typical Challenges

- Ransomware attacks are extremely difficult and costly to contain & recover from when using legacy solutions
- Inability to access critical data results in loss of revenue and productivity
- The risk and cost of data breach increase without effective Data Lifecycle Management

## 2. Effectively meet data compliance requirements

*Reduce the effort required for compliance and audit responses using pre-built and customizable classification policies to identify and classify regulated and impacted data*

“The biggest business accomplishment is the efficiency of freeing up IT resources. Without having to do the labor-intensive work of identifying sensitive content, IT can now concentrate on value-add projects.”

[See the Rockbridge Case Study](#)

### Ranking Value-Driven Use Cases

This graph shows how participants across all Business Value Assessments ranked the value driver: *“Be able to effectively meet data compliance requirements”*

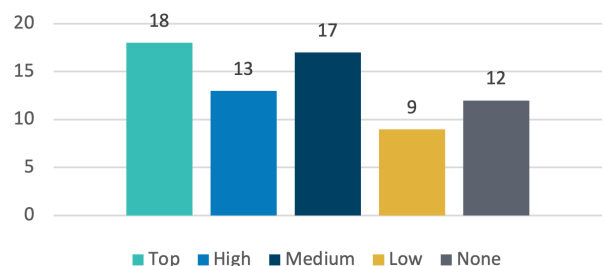
### Example Areas of Value

**Data classification** – Egnyte enables you to create customized policies or utilize more than 500 built-in patterns to quickly identify and classify regulated content.

**Regulatory compliance** – Using Egnyte’s built-in patterns and single-click policy creation automates the identification of sensitive data and can reduce time spent on compliance projects and audits.

## Typical Challenges

- Taking inventory of all data across the organization
- Manually responding to audit requests can take weeks if not months
- The cost of non-compliance with regulatory standards is increasing



### 3. Improve internal and external collaboration

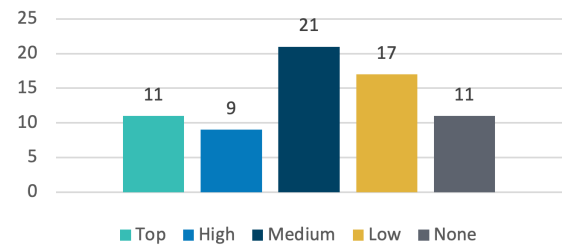
Enable secure, user-driven file sharing, co-editing, and remote/field access for employees and trusted external parties

“Egnyte is not only a content collaboration solution for Balfour Beatty, but it enables us to think out of the box and solve business problems for our clients as we discover new use cases every day.”

[See the Balfour Beatty Case Study](#)

#### Ranking Value-Driven Use Cases

This graph shows how participants across all Business Value Assessments ranked the value driver: *“Better collaborate with external partners and customers”*



#### Example Areas of Value

**External Sharing & Collaboration** – Egnyte provides the ability to securely share data externally as well as the ability to allow external users to collaborate with internal users directly within the Egnyte Platform. IT can control folder permissions and limit access to external users as needed.

**Content protection** – Content is protected in multiple ways with flexible administration and permissions hierarchy, with insight into content residency. Folder permissions can be locked down for internal data so that users do not accidentally share data externally.

#### Typical Challenges

- Accessing data outside the office required VPN
- Use of non-sanctioned tools to share files internally as well as externally places sensitive data at risk
- Access permissions are very difficult to maintain when multiple document storage/sharing solutions are in use



## 4. Modernize the Environment

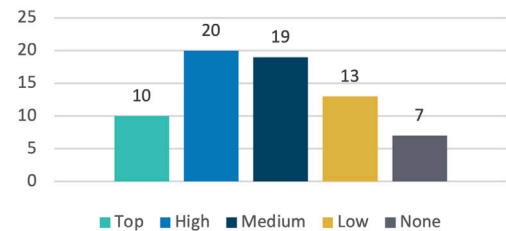
*Reduce or eliminate legacy file servers across the organization while also reducing cost*

“We needed a single content platform to drive digital transformation. Along with eliminating on-premise file servers that cost us time, money, and effort to manage, we wanted to initiate a cloud-first backup strategy that made disaster recovery a cinch.”

[See the Hakkasan Group Case Study](#)

### Ranking Value-Driven Use Cases

This graph shows how participants across all Business Value Assessments ranked the value driver: *“Replace aging legacy infrastructure and modernize the environment”*



### Example Areas of Value

**Eliminate legacy infrastructure** – Reduce data center/server room-related expenses through the removal or minimization of on-premises file servers.

**Improved data protection capabilities** – Eliminate or significantly reduce error-prone backup and restore related elements (hardware & software.) Increase effectiveness of data-related Disaster Recovery and Business Continuity execution.

### Typical Challenges

- Requiring skilled, on-site resources for continuous Hardware Lifecycle Management
- Inflexible, slow to scale, hardware-based sunk cost model (CAPEX)
- IT resources are forced to focus on non-differentiating operational management/support tasks

## Conclusion

In 2021 we observed increased momentum in the migration of file services infrastructure from on-premises environments to the cloud. With this continuation, we saw a significant shift in the value associated with common use cases. Focusing on the “getting out of the data center business” use case is becoming a thing of the past with companies now focusing more than ever on three key areas:

1. Increased ability to better protect and recover from data theft, loss, or corruption.
2. More effectively meeting data compliance requirements.
3. More efficient collaboration with external partners and customers.

This new focus is being driven by a higher probability of ransomware attacks, increasing compliance requirements for all industries, and a desire to create more efficient and cohesive collaboration ecosystems that include both the company and its customers.

While value is still well and truly in the eye of the beholder, we see a clear trend. Providing people with efficient and intuitive access to their data while maintaining a secure and compliant environment is key to unlocking significant business value. The significance of this value can be seen in our 601% average ROI over 3 years, with ~\$5M average Total Benefits realized in Y1.

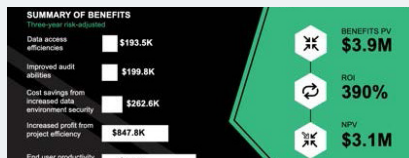
**-Egnyte Value Engineering Team**

## Next Steps

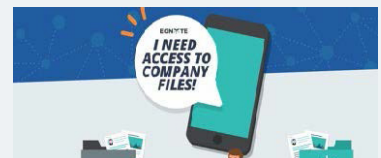
We invite you to explore our other content on the value of the Egnyte Platform. Below are links to our annual Customer Productivity Survey, Forrester’s Total Economic Impact Study summary infographic, and infographics that illustrate important productivity impacts on end-users and administrators.



**Customer Productivity Survey**



**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](http://www.egnyte.com).

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