



Business Value Report

2022 Edition

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 2022.

2022 Value Assessments at a Glance



Average ROI – **464%**



Payback Period – **7 Months**

Organizations by Industry Vertical

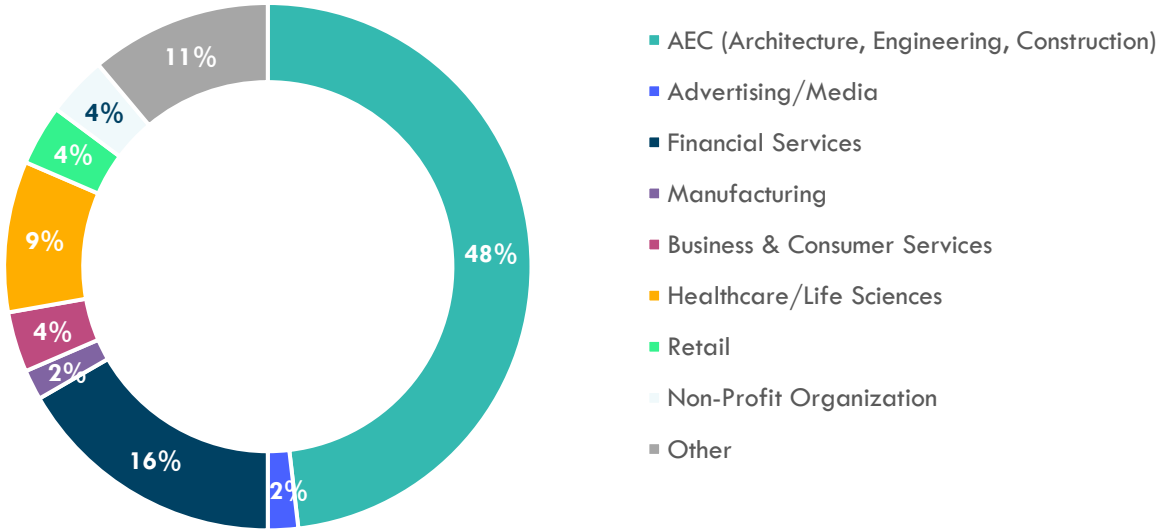


Figure 1 – Business Value Assessment Distribution by industry vertical

Areas of Value

Organizations by Industry Vertical

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:

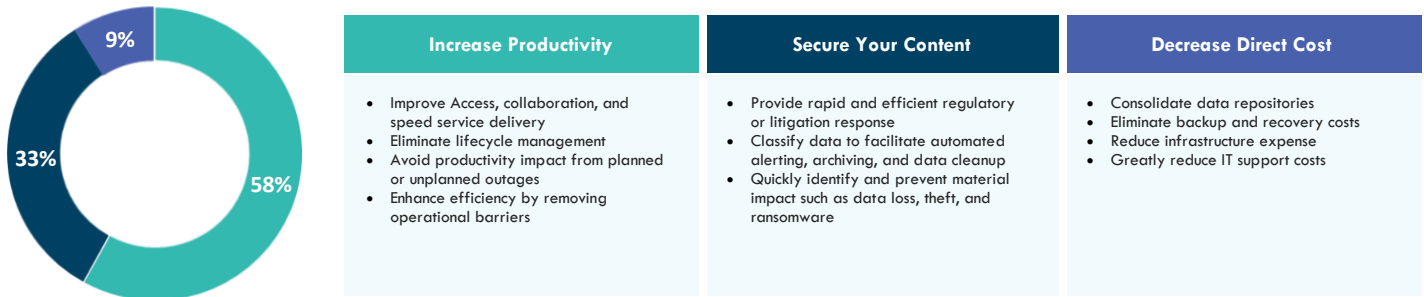


Figure 2 – Most common value drivers and each category's assessed % contribution to total ROI

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.

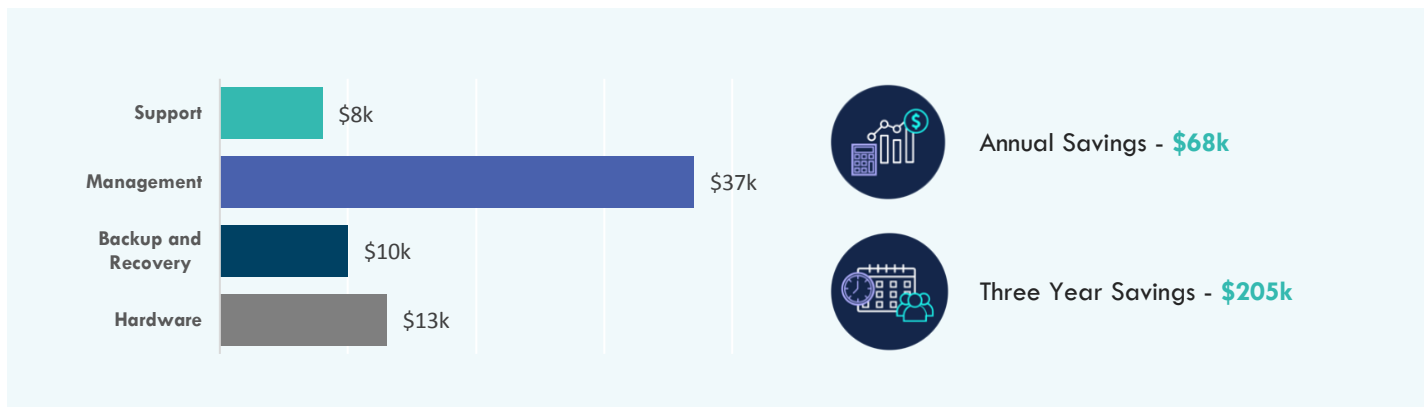


Figure 3 – Average annual savings for each major direct cost category along with total annual and three-year average savings (after Egnyte investment) across all assessments

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.

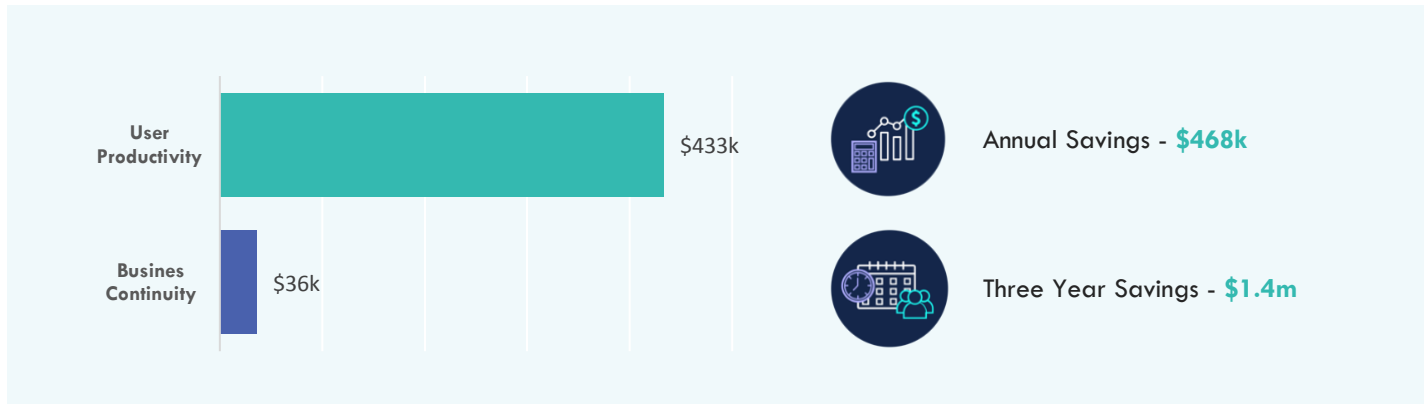


Figure 4 – Average annual savings for each major productivity cost category along with total annual and three-year average savings across all assessments

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-specific 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.

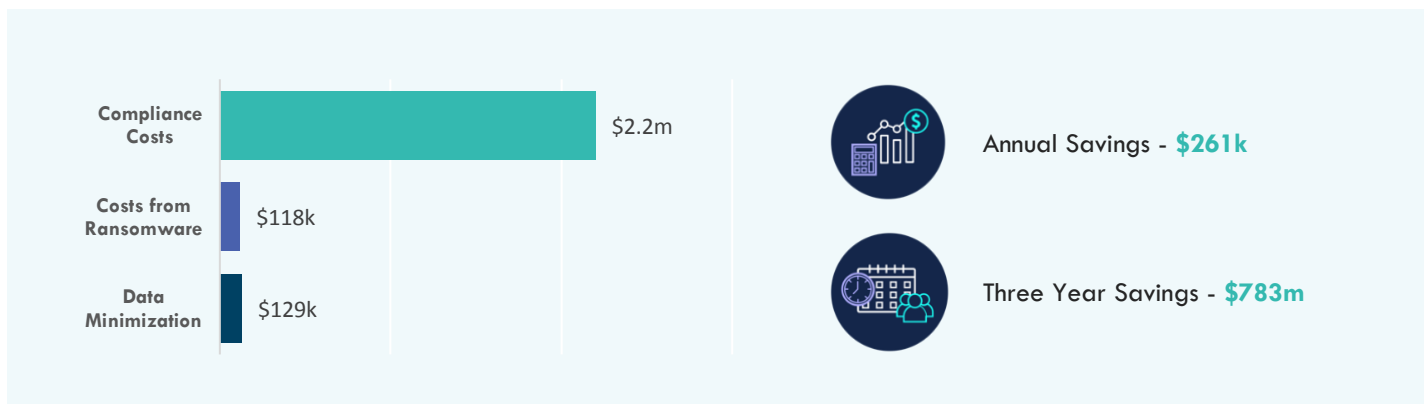


Figure 5 – Average annual savings for each major risk cost category along with total annual and three-year average savings across all assessments.

Value-Driven Use Cases - 2022

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.

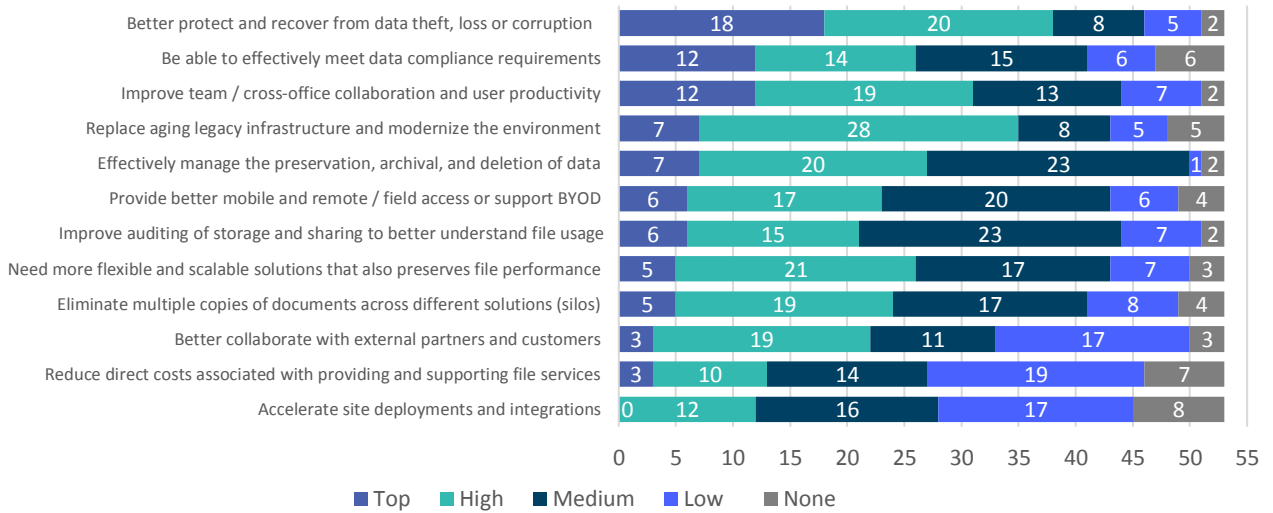


Figure 6 – The chart is sorted by “Top” value drivers.

Tracking Trends

Value-Driven Use Case Rankings 2020 thru 2022

The list below compares the “Top” value drivers for 2020, 2021, and 2022. Our top two value drivers “Better protect and recover from data theft, loss or corruption” and “Be able to effectively meet data compliance requirements” remained atop the list of customer data management strategies.

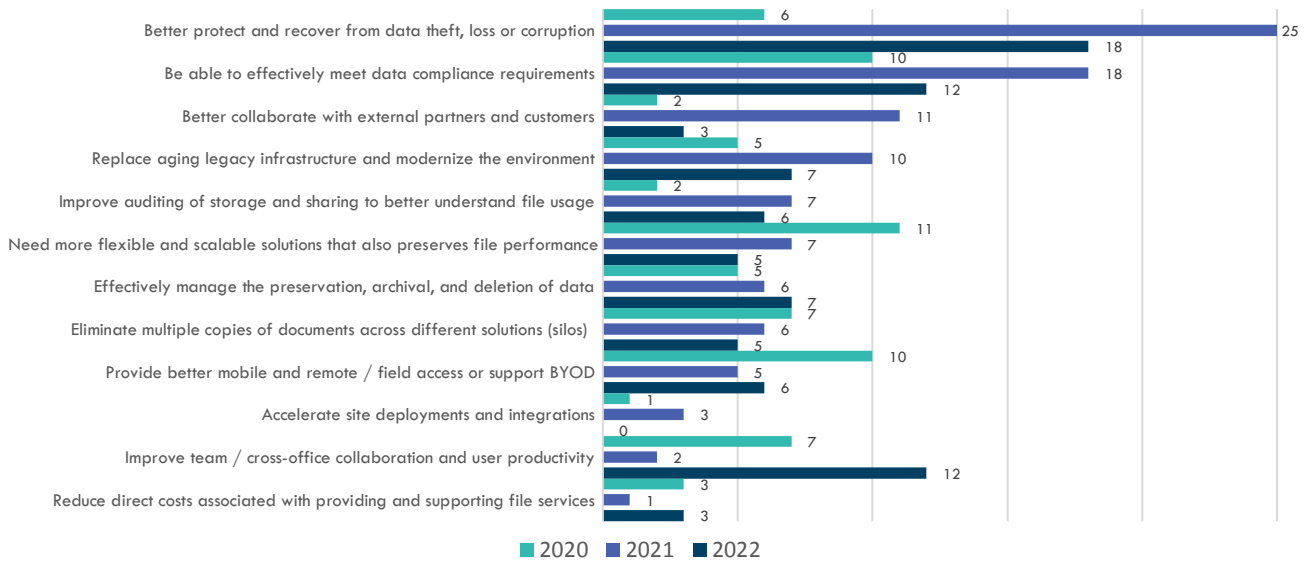


Figure 7 – The chart compares “Top” value drivers from 2020 - 2022.

Value-Driven Use Cases

2022 Deep Dive

The following section closely examines our top three value-driven use cases for 2022 – including typical buyer challenges, quotes from our customers, and links to relevant case studies.

- 1. Improve Content Security
- 2. Effectively meet data compliance requirements
- 3. Better collaborate with external partners and customers

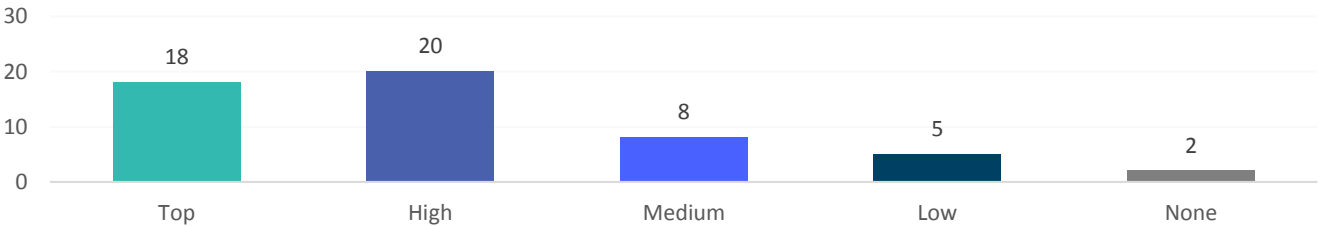
1. Improve Content Security

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

“We needed to have greater visibility of the type of data that we were holding and how it was being accessed. We also wanted to be alerted to unusual activity which is a big issue. Egnyte is giving us those alerts.”

[See the PIB Group 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 - Detect & Recover – Egnyte can quickly detect ransomware using both behavioral and signature-based capabilities however detection is only one element of ransomware. To further protect and provide value to our customers, Egnyte allows customers to use version-based recovery for ad-hoc needs and snapshot-based recovery for fast data recovery at scale.

Activity-Based Alerting – Egnyte’s unusual activity alerting provides customers with visibility into the data being accessed, by whom, and from what location/device. Our alerting is event-driven and does not require administrators to sift through logs or go on hunting expeditions. This type of visibility increases control, manageability and reduces risk

Typical Buyer Challenges

- Unable to effectively identify, categorize and/or classify the types of data being stored within their environment.
- Unable to easily understand who has access to what across their data set, particularly at scale.
- A lack of proactive alerting when data is being accessed in an anomalous fashion.

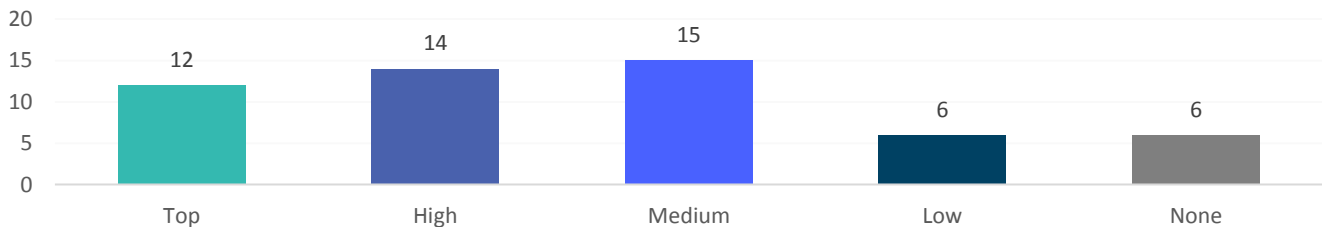
2. Effectively Meet Data Compliance Requirements

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

“We needed a HIPAA compliant solution that did not require a team of expensive consultants to come in and build a file sharing solution, and Egnyte checked all the required boxes for us. The convenience of the cloud with HIPAA compliance made Egnyte an easy choice for us.”

See the Cocoon [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 – A lack of static safeguards and dynamic sharing controls can put sensitive information at risk. Egnyte’s intelligent data classification solution helps customers minimize risk and support compliance by providing both automatic and manual classification capabilities.

Regulation-Specific Solutions – Customers see a reduction in the time and effort required to achieve compliance with the US DoD’s CMMC framework through our secure and controlled environment for CUI. Minimize spend by gathering and protecting only the data that is subject to regulation in our Secure Enclave.

Typical Buyer Challenges

- An inability to control data sharing when employees move sensitive data from one location in the system to another.
- Unable to bid on jobs due to a lack of compliance with regulations.
- On-premise infrastructure requires 3rd party compliance tools.

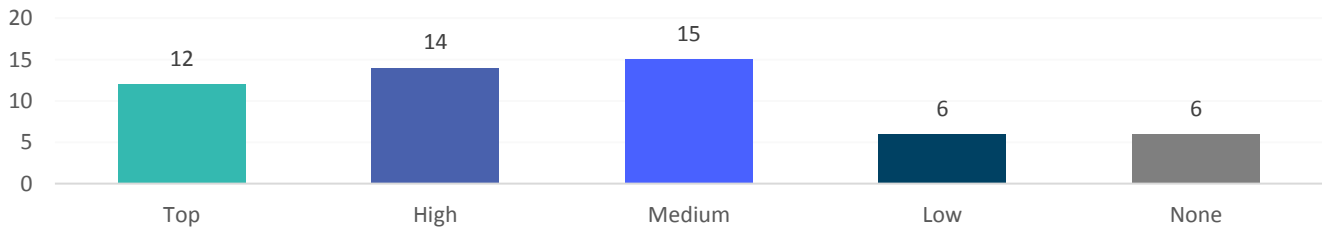
3. Improve Collaboration and User Productivity

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

“With Egnyte as the infrastructural backbone of PC Construction, the company saves time, money, and puts company talent to the best use.”

See the PC Construction [Case Study](#)

Ranking Value-Driven Use Cases



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

Example Areas of Value

Internal and External Sharing & Collaboration – Egnyte has become the hub for all project-based files and collaboration. Businesses and IT departments value the integration as it allows users, including employees, contractors, and vendors, to access information and make changes while still keeping support ticket requests low.

Simple User Experience – Egnyte’s customers continue to champion the value of our drive letter and file server directory structure. Our engagements made it clear that this approach, while often minimized in terms of value by tech leaders, is actually the opposite. Companies are able to realize faster time to value through a familiar working environment while still enabling modern collaboration and security.

Typical Buyer Challenges

- Lifting and shifting on-prem file services to hosted solutions doesn't provide modern collaboration capabilities.
- Old FTP servers did not provide collaboration options and instead caused confusion/frustration.
- All file access requests go through IT making the IT team a bottleneck for productivity.

Conclusion

In 2022 we observed an ever-greater focus on data security while ransomware protection and meeting data compliance requirements remained at the forefront of business leader priorities. The rising probability and financial impact of ransomware attacks coupled with increasing compliance requirements across a growing number of industries are key drivers in this regard.

In addition to data security, business leaders are focusing more on improving team collaboration and user productivity. Throughout our value assessment engagements, we observed this trend to be primarily driven by a need to improve Performance Per Head Count (PPHC). PPHC is a key metric especially during a challenging economic time and boils down to "do more, with less" (people).

Egnyte's secure, compliant, and efficient data access/collaboration capabilities provide an avenue for businesses to do just that. Driving up the value of employee effort while keeping their frustration down is often overlooked and it's where Egnyte provides some of our greatest value.

The significance of our efficiency and security value can be seen in our 464% average ROI over 3 years, with \$2.5M average total benefits.

Next Steps

We invite you to explore more content on the value of the Egnyte Platform. Below are links to our annual Customer Productivity Survey, Forrester's Total Economic Impact Study Infographic, Productivity Infographics, and the Content Management Maturity Assessment all of which help illustrate important productivity impacts on end-users, administrators, and your business.

[Customer Productivity Survey](#)

[Forrester TEI Study Infographic](#)

[Productivity Infographics](#)

[Content Management Maturity Assessment](#)



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.

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