



EMEA Purpose-Built Backup Appliances Record Double Digit Growth for Another Quarter in 2Q18, says IDC

LONDON, September 18, 2018 — The EMEA purpose-built backup appliance (PBBA) market finished the second quarter with an increased 26.8% year-on-year to reach \$239.7 million, according to the International Data Corporation (IDC) *Worldwide Quarterly Purpose-Built Backup Appliance Tracker*. This is the second period in a row of double-digit growth for the market, and the first half of 2018 ended with a 19% increase compared to the first half of 2017.

"Open systems continue to be the driving force for the EMEA PBBA market, with an increase of 25.7% year-on-year in vendor revenue to reach \$214.9 million," said Jimena Sisa, senior research analyst, EMEA Storage Systems, IDC. "Meanwhile, mainframe systems also increased sales, leading to a strong growth year-on-year of 37.3% in this segment during the second quarter."

EMEA PBBA Vendor Revenue by Product, 2Q18 (Revenues in \$M)

Vendor Revenues (\$M)	2Q17 Revenue	2Q17 Market Share	2Q18 Revenue	2Q18 Market Share	2Q18/2Q17 Growth
Mainframe systems	\$18.1	9.6%	\$24.8	10.4%	37.3%
Open systems	\$171.0	90.4%	\$214.9	89.6%	25.7%
Total	\$189.0	100.0%	\$239.7	100.0%	26.8%

EMEA PBBA Open Systems, 2Q18

Vendor Revenues (\$M)	2Q17 Revenue	2Q17 Market Share	2Q18 Revenue	2Q18 Market Share	2Q18/2Q17 Growth
Integrated systems	\$58.2	34.1%	\$68.1	31.7%	16.9%
Target systems	\$112.7	65.9%	\$146.7	68.3%	30.2%
Total	\$171.0	100.0%	\$214.9	100.0%	25.7%

Regional Highlights

Western Europe

PBBA vendor revenue in Western Europe increased 26.6% year-on-year in 2Q18 to \$184.3 million. Open systems and mainframe systems both show strong annual increases of 24.3% and 48.6% respectively. Target systems was the main driver of open systems with an increase of 28.7% year-on-year, while integrated systems reported a 16.6% rise year-on-year.

There was robust PBBA spending in France and the DACH market, with year-on-year growth of 46.7% and 41.6% respectively.

"Digital transformation is forcing European enterprises to invest in projects aiming to modernize their datacenter with solutions that offers not only data quality and validation solutions that help them make the data more accurate and compliant, but also to incorporate data management solutions to give enterprises agile and unified access to the various data formats across multiple platforms and provide IT control, stability, reliability, and availability that are equally critical for the digital transformation success, said Sisa. "This has helped boost the PBBA market in Western Europe as some vendors have incorporated data control, management solutions, and the ability to tier to the cloud into their product portfolio."

CEMA

The Central and Eastern Europe, the Middle East, and Africa (CEMA) PBBA market was in tune with overall EMEA vendor revenue trend, recording 27.3% growth YoY in 2Q18. The main boost came from open systems (both target and integrated) while mainframe solutions stayed flat.

At a subregional level, both Central and Eastern Europe (CEE) and the Middle East and Africa (MEA) PBBA markets grew in revenue, but the CEE region outperformed MEA, increasing by nearly 40% on the back of heightened demand in bigger countries. Most vendors recorded growth across the subregion, strongly supported by the channel, while the performance in MEA varied more significantly from country to country.

"Clients are increasingly looking not only for backup but very much for fast data restore, which is crucial for their business," said Marina Kostova, research manager, IDC CEMA. "This turns out to be one of the biggest advantages for PBBA which will sustain demand, notwithstanding emerging new backup technologies and approaches. This trend is especially valid for CEMA, where cloud penetration is slower compared to Western Europe and the major vendors still invest extensively in this segment."

Taxonomy Notes

IDC defines a purpose-built backup appliance as a standalone disk-based solution that utilizes software, disk arrays, server engines, or nodes that are used for backup data and specifically for data coming from a backup application (e.g., NetWorker, NetBackup, TSM, and Backup Exec) or can be tightly integrated with the backup software to catalog, index, schedule, and perform data movement. PBBAs are deployed in standalone configurations or as gateways. PBBA solutions deployed in a gateway configuration connect to and store backup data on general-purpose storage. Here, the gateway device serves as the component that is purpose built solely for backup and not to support any other workload or application. Regardless of packaging (as an appliance or gateway), PBBAs can have multiple interfaces or protocols. They can also provide and receive replication to or from remote sites and a secondary PBBA for disaster recovery.

IDC's *Worldwide Quarterly Purpose-Built Backup Appliance Tracker* provides vendor share, market size, and forecasts for purpose-built backup appliances. IDC provides key market insights and growth for vendors active in the PBBA market and for those looking to introduce new products into the market. Revenue and capacity for disk systems behind PBBA gateways are included in the PBBA market sizing and forecast. Some PBBA solutions integrate the data movement engine (backup application) with the appliance, while others serve only as a target for incoming backup application data. Both solutions are included in the PBBA market sizing, although segmentation between the two product categories is provided.

Major companies covered in this tracker include Dell Inc., Veritas, HPE, IBM, Quantum, Barracuda, Oracle, Fujitsu, Exagrid, HDS, Unitrends, and Falconstor Software.

Contact

For more information, please contact Giorgio Nebuloni (gnebuloni@idc.com, +49 69 90502 112) or Jimena Sisa (jsisa@idc.com, +44 20 8987 7121).

http://www.idc.com/tracker/showproductinfo.jsp?prod_id=243

About IDC

IDC is the premier global provider of market intelligence, advisory services, and events for the information technology and telecommunications industries. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. Over 775 IDC analysts in 50 countries provide global, regional, and local expertise on technology and industry opportunities and trends. For more than 40 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. You can learn more about IDC by visiting <http://www.idc.com/>.

IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. Additional information can be found at www.idc.com.

All product and company names may be trademarks or registered trademarks of their respective holders.

For more information contact:

Jimena Sisa
jsisa@idc.com
+44 (0) 20 8987 7172