



EMEA Purpose-Built Backup Appliances Market Revenue Declined Amid Market Evolution in the Second Quarter, says IDC

LONDON, September 16, 2019 — EMEA purpose-built backup appliance (PBBA) vendor revenues decreased 5.6% year-over-year to reach \$267.7 million in the second quarter of 2019, according to International Data Corporation's (IDC) *Worldwide Quarterly Purpose-Built Backup Appliance Tracker*.

Total EMEA PBBA open systems vendor revenue decreased 1.0% year on year, with revenues of \$252.4 million. Mainframe system sales also decreased 46.4% year on year in 2Q19.

"The EMEA PBBA market experienced a dismal year-over-year decline in the second quarter of 2019 as the market continued to evolve," said Jimena Sisa, senior research analyst, EMEA Storage Systems, IDC. "Due to organizations' digital strategies, the focus continues to shift away from legacy infrastructures to those that can offer the best way to deal with their most strategic asset — data."

EMEA PBBA Vendor Revenue by Product, 2Q19 (Revenues in \$M)

Vendor Revenues (\$M)	2Q18 Revenue	2Q18 Market Share	2Q19 Revenue	2Q19 Market Share	2Q19/2Q18 Growth
Mainframe systems	\$28.6	10.1%	\$15.3	5.7%	-46.4%
Open systems	\$254.9	89.9%	\$252.4	94.3%	-1.0%
Total	\$283.5	100.0%	\$267.7	100.0%	-5.6%

EMEA PBBA Open Systems, 2Q19

Vendor Revenues (\$M)	2Q18 Revenue	2Q18 Market Share	2Q19 Revenue	2Q19 Market Share	2Q19/2Q18 Growth
Integrated System	\$91.0	35.7%	\$123.6	49.0%	35.8%
Target System	\$163.9	64.3%	\$128.7	51.0%	-21.4%
Total	\$254.9	100.0%	\$252.4	100.0%	-1.0%

Regional Highlights

Western Europe

PBBA vendor revenue in Western Europe declined in 2Q19 posting -8.3% year-over-year to reach \$211.6 million.

"The financial and political turmoil due to Brexit and tension in the Eurozone is affecting investment confidence and directly impacting directly IT budgets," said Sisa. "Organizations are delaying IT upgrades and new projects with a detrimental effect on infrastructure."

CEMA

Conversely to Western Europe, Central and Eastern Europe, Middle East and Africa (CEMA) PBBA market resumed growth after the first quarter of 2019 and reached revenue of \$56.06 million for 6.4% YoY growth in 2Q19.

Overall market growth could be attributed to open systems as mainframe systems, which marked a steep decline for the quarter. Most PBBA vendors had either positive or flat performances, with some shift from midrange to high-end solutions.

"Both storage incumbents and companies focused exclusively on data protection continue to thrive in the PBBA market as CEMA is not so affected by the negative macroeconomic trends in Europe," said Marina Kostova, research manager, EMEA storage systems, IDC. "The demand for backup appliances co-exists with other data protection solutions as end users are prone to invest in more than one technology to leverage their benefits."

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.

About IDC

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