Study Methodology

IDC surveyed 1,011 members of senior and executive management involved in data archiving from organizations of over 500 employees across a broad range of industries. Respondents were executives from IT, legal/compliance, and lines of business. The goals: understand current archiving strategies and processes, the business value of data archives and satisfaction with access to archived information.
Data Archive Definition

In this study, data archive is defined as the long-term retention of fixed content data.

May be retained to meet legal or regulatory compliance, satisfy eDiscovery requests, or future business re-use.

Includes important data that may be necessary for future reference.

Can include active and inactive data.
Companies Archive a Range of Data in Multiple Electronic Archives.

Number of Separate Electronic Archives

- 21% More than ten
- 4% One
- 39% Two to five
- 36% Six to ten

What Corporate Content is Being Archived?

<table>
<thead>
<tr>
<th>Content</th>
<th>% That Archive It</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email</td>
<td>75%</td>
</tr>
<tr>
<td>Files/system data</td>
<td>75%</td>
</tr>
<tr>
<td>Security/incident logs</td>
<td>69%</td>
</tr>
<tr>
<td>Structured files</td>
<td>68%</td>
</tr>
<tr>
<td>User desktop/laptop files</td>
<td>65%</td>
</tr>
<tr>
<td>Images</td>
<td>64%</td>
</tr>
<tr>
<td>Video</td>
<td>58%</td>
</tr>
<tr>
<td>ECM/collaboration</td>
<td>53%</td>
</tr>
<tr>
<td>Web 2.0 content</td>
<td>51%</td>
</tr>
<tr>
<td>Voice</td>
<td>49%</td>
</tr>
<tr>
<td>Instant messages</td>
<td>45%</td>
</tr>
</tbody>
</table>

. . . But Archiving Is Chaos for Most Companies

Instead of “data lakes” – easily accessible and inexpensive repositories to retain data – companies have murky “data swamps” in which information is inconsistent, hard to find, and not well classified.

**Overall Approach to Data Archiving**

- **12%** Have process to determine what gets archived for all categories
- **42%** Archive everything / no process to determine what gets archived
- **46%** Archive everything for some categories / have process to determine what to archive for other categories
- **88%** of companies lack a consistent approach to archiving
- **40%** simply archive everything to avoid spending up-front time sifting through data

There Is Significant Potential Value in Data Archives

Organizations are going beyond historical archive legal and business continuity uses; tapping archives for IT efficiency and risk reduction as well as business insights.

Ways Data Archives Add Value

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substantiated legal position in a case</td>
<td>70%</td>
</tr>
<tr>
<td>Improved customer service</td>
<td>68%</td>
</tr>
<tr>
<td>Reduced IT operational costs</td>
<td>66%</td>
</tr>
<tr>
<td>Reduced cost of early case assessment</td>
<td>66%</td>
</tr>
<tr>
<td>Enhanced revenue opportunities</td>
<td>63%</td>
</tr>
<tr>
<td>Reduced litigation cost</td>
<td>63%</td>
</tr>
<tr>
<td>Reduced IT data retention capital costs</td>
<td>63%</td>
</tr>
</tbody>
</table>

But Businesses Believe They Are Extracting More Value From the Archives Than They Actually Are

The missed opportunity to monetize the archive is a blind spot for organizations.

Maximizing Value of Archives?

- Yes: 76%
- No: 24%

Archiving Strategy

- 38% Use archives for business analysis
- 46% Maintain archives for legal/compliance only; don’t use for business analysis
- 16% Minimal focus on data archiving

76% believe they are maximizing archive value, yet only 38% use archives for business analysis.
Successfully Leveraging Archives Can Yield Millions of Dollars in Benefits

Successful companies not only see operational savings from their data archives, but also substantial increased revenue.

**Average Financial Benefit From Data Archives Over Past Year**

- **Risk mitigation / Avoidance of litigation**: $11.4M
- **Reduced operational or capital costs**: $9.4M
- **Additional revenue**: $7.5M

But Significantly More Value Could Be Extracted

While most companies are blind to the missed value in their archives, 24% realize they could be doing more.

How Much More Archive Value Could Your Business Realize?

- 27% Up to twice the value we are realizing today
- 46% Two to five times the value
- 22% Five to ten times the value
- 5% More than ten times the value

Nearly 3 in 4 of these companies believe they could get 2x or more value than they realize today.
Legal and Compliance Are at Odds with IT and Lines of Business

Though they rely heavily on archived data, legal and compliance are less satisfied with IT’s management across a range of archive activities.

**Satisfaction with IT Performance**

- **Determining what to archive**: 65% IT, 69% LOB, 20% Legal
- **Ongoing management of data archive technology**: 79% IT, 73% LOB, 41% Legal
- **Defining data archiving solutions**: 74% IT, 73% LOB, 42% Legal
- **On-demand access to data archives**: 66% IT, 72% LOB, 49% Legal

N=1,011 (top 2 box satisfaction score shown). Source: IDC and Iron Mountain’s Archiving Thought Leadership Study, April 2015. Percentage of respondents.
Legal and Compliance See Less Business Value in the Data Archives than LOB and IT

Legal sees the least value in archives across both legal and business use cases.

Ways Data Archives Have Added Value

- Enhanced revenue opportunities: 70% IT, 60% LOB, 38% Legal
- Reduced IT operational costs: 70% IT, 67% LOB, 39% Legal
- Reduced cost of early case assessment: 72% IT, 63% LOB, 40% Legal
- Improved customer service: 69% IT, 69% LOB, 51% Legal
- Reduced litigation cost: 74% IT, 68% LOB, 53% Legal

Legal, IT and LOB have different objectives:

- Legal focused on risk mitigation and limiting archive access
- LOB focused on sharing archived information to monetize the data
- IT focused on servicing the needs of LOB

Companies Must Make Archived Data More Accessible

Almost 80% of legal and compliance use archived data, but under half are satisfied with their access.

Legal and Compliance

- Use archived data for legal/regulatory/compliance purposes: 79%
- Satisfaction with ability to access archived data: 48%

Both Legal/Compliance and LOB Have Frustrations Working with IT to Get Archived Information

Largest Frustrations Working with IT

- Archived data format not easy to work with (43% LOB, 45% Legal)
- No defined process to get archived data (34% LOB, 46% Legal)
- IT can’t always locate the information (34% LOB, 40% Legal)

Essential Guidance

**Hire a Chief Data Officer to develop a complete archiving strategy**
- Lead cross-functional team including IT, LOB, legal and compliance
- Define tools, processes to ensure effective archive operation
- Work with COO and CIO on long-term business and data strategies

**Develop Information Maps of all data sources and repositories**
- Set up by business unit, group and business process
- Identify both the types of information and its value

**Implement a holistic, consistent archiving approach**
- Take into account data retention schedules, use cases, value, accessibility and archive costs
- Consider technology refresh for legacy tape or disk archives needed for business analysis
- Consider moving deep archive data not needed for business analysis offsite

**Consider working with a 3rd party partner to optimize archive solution and free up internal IT resources**