

ESG SHOWCASE

Commvault-Microsoft Alliance

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ABSTRACT: Commvault and Microsoft have just announced that they are tightening their partnership in multiple dimensions. Building on a few quarters marked by significant launches, integrations, and execution in the field, this multi-year and comprehensive agreement will give Commvault an advantage over its competitors.

Overview

I wrote a few months ago that under Sanjay Mirchandani, Commvault was not just changing, it had already changed. Fast forward a few months and we now find ourselves in a totally different world. But one thing that hasn't changed and stands out is the continued execution and focus of the Commvault team, even through these confusing times.

Building on this original platform choice, Commvault and Microsoft have just announced that they are tightening their partnership in multiple dimensions. They have entered into a multi-year agreement with Microsoft that tightly integrates go-to-market, engineering, and sales of Commvault's Metallic software-as-a-service (SaaS) data protection portfolio with Azure.

Recent Launches and Initiatives

To better understand the strategy and significance of the alliance, let's look at the past few months.

Hedvig

First, it is important to remember the bold Hedvig acquisition last year (2019) to build a platform at the intersection between storage and data management. One of the keys to success is the integration of new capabilities into the overall platform: Commvault did not waste time and recently released the combination of Hedvig Distributed Storage Platform (3998) and Commvault 11.18, with Hedvig supported as a storage target. This specific integration is critical because both components optimize performance throughout the entire lifecycle of the data. The end goal is to provide end-users with a seamless experience from storage to data management, while helping them remove hardware complexity. This results in an automated platform that allows users to leverage cloud, multiple locations, and new applications as they modernize and transform their business. The name of the game here is scalability, ease of use, multi-site resiliency, multi-cloud support, and data governance optimization. The execution of the product teams has been diligent and we do expect to see more on a regular basis.

Metallic

Second, and taking us a step closer to this important partnership announcement, there's the Metallic service, which has only been running for 8 months at the time of the announcement, which is a short time.

Commvault developed the service in an incubation mode internally, and recently hired a new GM, Manoj Nair, to expand on the original success of the offering and put a lot of gas in the sales and marketing engine. Metallic initially targeted the midmarket and the company has many new customers in that competitive segment. Enterprise customers have also started using the service with solutions around Office 365 backup and endpoint backup.

ESG research on the impact of the COVID-19 pandemic crisis provides a lot of insights on the many changes and challenges knowledge workers and IT have had to handle to adapt.¹ Endpoint protection is one of them. With recent events, Commvault finds itself with a very compelling offering and a complete shift in interest in endpoint protection and have made their endpoint offering free until September 1st for up to 1,000 endpoints. This is a smart move on many levels, and a great way to support organizations undergoing a complex transition due to the health crisis.

Let's delve a little deeper. Commvault originally partnered with Microsoft Azure as the platform on which they built the service, for which the lead offering is Office 365 backup. The Metallic solution comes with unlimited Azure storage, unlimited retention, and no charge for egress or deleted users. From recent conversations with Commvault, ESG learned that customers and prospects are also interested in the core solution, which is VM file backup. This typically addresses organizations that may be decentralized and already comfortable with SaaS backup but who also want more of an on-prem infrastructure for other areas. Another interesting twist is the concept of SaaS Plus for VM file and SQL backup, allowing an on-prem copy to be available to users for fast recovery and to maintain a copy in the cloud. This type of on-premises "first line of defense" supplemented by cloud backup is a great way to optimize SLAs.

The Agreement

Commvault has just entered into a multi-year agreement with Microsoft that tightly integrates go-to-market, engineering, and sales of Commvault's Metallic software-as-a-service (SaaS) data protection portfolio with Azure.

This gives Commvault an advantage over its competitors. Considering how well they have executed in the past few months, there is strong potential for accelerated market adoption. Critically, the plans include rollout of Metallic internationally, and we expect many other value-added offerings to further the intelligent data management vision leveraging native Azure services.

It's great news for organizations looking for a high performance, extremely scalable, natively integrated, and feature-rich SaaS solution for their mission-critical Office 365 environments. As a bonus, organizations will also benefit from the security aspects that come with the Azure platform.

We have seen many alliances and partnership announcements in this space, but this is not just another one of those. It is comprehensive, spanning key initiatives from the technology to the go-to-market components, to sales, and is partner-friendly. This agreement has substance. It is clear that strategic thinking combined with practical considerations for execution drove its creation.

Let's net it out. This partnership, to be successful, is going to require a lot of technology work. Deep integration is the only viable strategy and this agreement makes that possible. Co-engineering is a great mechanism to make new capabilities happen. The integration with the Azure PaaS and native services will provide a "native" next-gen SaaS experience. It's the right approach, and that's step 1.

The next steps are about go-to-market. Commvault has thoroughly addressed every component of the go-to-market cycle and has a multifaceted plan to do so with thought leadership initiatives and demand generation. One interesting component is the

¹ Source: ESG Research Report, [The Impact of the COVID-19 Pandemic on Remote Work, 2020 IT Spending, and Future Tech Strategies](#), June 2020.

channel. Microsoft and Commvault will jointly launch a channel/attach or seeding program. This is critical to the long-term success of this initiative and builds on previous efforts.

Where the rubber meets the road is in the field. It's about sales. Here again, the partnership makes provisions for coordinated sales executive-level engagements. In other words, it starts at the top. More importantly, compensation and seller incentives have been thought through, and co-selling into accounts will also be encouraged. It's pretty simple: if the salespeople care, sales happen.

The Bigger Truth

Looking ahead, and probably in the not so distant future, the real prize is to further accompany organizations in their transformations by allowing easier and compliant access to their data so that it can be reused for other business purposes beyond "just" backup and recovery. It's what ESG defines as intelligent data management and clearly where we expect Commvault and Metallic to be headed. Data governance and data reuse are the future of backup and recovery.

On the basis of what we've seen in the past few months, and this recent agreement with Microsoft, Commvault has just raised the bar again and put itself in a very desirable competitive posture. The next steps start now for Commvault and they're all about execution.

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