

Canalys global MSP tech stack

Backup and disaster recovery vendor point of view

The Canalys backup and disaster recovery (BDR) vendor point of view (PoV) compares the leading vendors in the BDR space, paying particular attention to the MSP-focused capabilities of vendors' technology offerings and their go-to-market strategies. This report covers a range of vendors across the enterprise and SMB markets.

This report defines backup and disaster recovery as technology (hardware or software) that creates exact copies of data across one or multiple platforms and/or applications for the purposes of restoration in the event of loss, theft or encryption.

Backup offerings have taken on greater importance in a time of ransomware growth, and MSPs are on the front line of this customer struggle. Along with the increase in cloud infrastructure and software adoption, there has been a timely emergence of new vendors to suit managed service providers and their business models. These vendors combine ease of use and delivery with a more MSP-focused mindset. Enterprise backup and storage vendors have found it hard to address the needs of MSPs from technology, pricing or go-to-market standpoints. Therefore, it is important to view vendors through an MSP-centric lens and rate their capabilities along these defined lines.

The Canalys vendor profiles are designed to provide an overview and highlight the strengths and weaknesses of each of the vendors under review. Each vendor profile includes:

- **Key details:** provides information on leadership, office locations and number of global MSP partners (estimates if necessary).
- **Scores:** based on their results in the Canalys MSP tech stack, each vendor is assigned a score for MSP momentum and technology offering. An explanation of the metrics used to define these scores is available on page three.
- **Highlights from tech stack ratings:** a summary of each vendor's activities, coverage, capabilities and business focus, as well as a cross-section of MSP feedback regarding working relationships with each vendor.
- **The Canalys view:** qualitative analysis of the most important recent company developments, strategies, pricing structures, strengths and weaknesses.

Notes (additions/updates)

This report will be updated annually.

Canalys global MSP tech stack

Backup and disaster recovery vendors 2022



Canalys global MSP tech stack

BDR vendor matrix 2022

The Canalys global MSP tech stack illustrates a vendor's technological and go-to-market performance and MSP focus. It gives an indication of recent performance against the breadth and depth of the MSP-specific strengths of that vendor. The matrix depicting the Canalys vendor PoV is a visual representation of two scores:

The horizontal axis assesses performance in technological capability and channel investment. This includes platform and application coverage, speed and flexibility of the backup and recovery process, cybersecurity investment, MSP program maturity, training, support, ease of doing business and alliances.

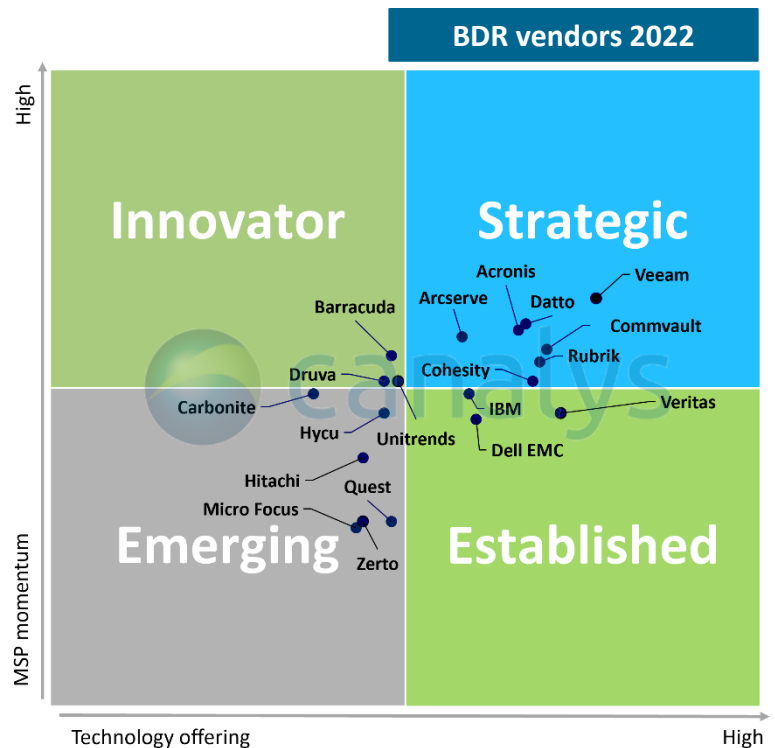
Platform and application coverage refers to the breadth of infrastructure platforms (on-premises and/or cloud) and software applications that are served by the vendor's BDR technology.

Cybersecurity investment refers to the amount of investment in MSP-specific security technology to improve the strength of the BDR process. This can either be built in-house or through M&A.

Alliances refers to the number of native integrations and technology partners engaged with by the vendor.

The vertical axis evaluates MSP focus, including number of MSPs, office location and breadth, MSP revenue and growth.

The Canalys vendor tech stack for MSP Analysis will be updated annually and scores will be recalculated to reflect each vendor's performance in 2022.



The performance and opportunity scores awarded result in each of the vendors being positioned in one of four categories:

- **Strategic:** these are vendors that have demonstrated strong performances in the market and are focused on supporting MSPs in technology and channel investment.
- **Innovator:** these are vendors that are focused on delivering MSP solutions but may not yet have the maturity, breadth of capability or offerings required to be seen as strategic vendors.
- **Established:** these are vendors that have shown strong technological capabilities but may lack the offerings for MSPs necessary for broader adoption.
- **Emerging:** these are vendors that have demonstrated recent underperformance and are yet to grow their technology or MSP channel capabilities.

Detailed profiles of key vendors in backup and disaster recovery technology are included in the full report, available from Canalys

 Barracuda
an **opentext** company
a Hewlett Packard
Enterprise company

The full report includes:

- **Canalys tech stack rating** of performance and opportunity for each vendor.
- **Highlights** of the metrics for each vendors that decide their rating.
- **Key information** on leadership, geographical presence and number of MSPs by vendors.
- **Canalys take** on the performance, technological capabilities and critical MSP feedback for each vendor.

Note: "MSP focus" and "Technology offering" are calculated using metrics including estimated revenue, MSP installed base, portfolio depth and breadth, and support and training capabilities.

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Strategic BDR vendors for MSPs in 2022



Summary: Strategic, Innovator, Established and Emerging

Strategic: Acronis, Arcserve, Cohesity, Commvault, Datto, Rubrik and Veeam have all been named Strategic vendors in the backup and disaster recovery (BDR) PoV portion of the Canalys global MSP tech stack. They have all shown technological capabilities in providing strong BDR solutions to MSPs and are all investing in their cybersecurity and channel strategies. While these vendors represent a broad cross-section in size and portfolio, they all receive good MSP feedback and are all viewed as key vendors in the MSP tech stack.

Innovator: Barracuda, Carbonite, Druva and Unitrends have all been named Innovator vendors in the backup and disaster recovery (BDR) PoV portion of the Canalys global MSP tech stack. This shows they are focused on providing good BDR solutions for MSPs. Their portfolios are not as robust as their Strategic peers and they may have not performed as well in revenue terms, though they represent good choices for MSP adoption and are growing their strengths in platforms, applications and cybersecurity capabilities.

Established: Dell EMC, IBM and Veritas have all been named as Established vendors in the backup and disaster recovery (BDR) PoV portion of the Canalys global MSP tech stack. This means they are performing well in overall revenue and have long-standing storage and backup solutions, though they are far more focused on the enterprise sector and do not cater as well to MSPs. Their products, pricing and channel investments are also considered to be less MSP-focused than some of their peers, though they may represent robust capabilities for global customers seeking highly scalable BDR solutions.

Emerging: Hycu, Hitachi Vantara, Micro Focus, Quest Software and Zerto (HPE) have all been named as Emerging vendors in the backup and disaster recovery (BDR) PoV portion of the Canalys global MSP tech stack. This means they are not as strong in their product or MSP capabilities. While they all deliver good BDR products to customers through the channel, they are at a less developed stage in their MSP strategies and/or in their product development. They may, with the right investment and direction, show their capabilities in the MSP backup and disaster recovery community in years to come.



Strategic vendor

Key details

CEO

Anand Eswaran

Office presence

Global

MSP installed base

5,000 to 9,999

MSP focus score

64%

Technology offering score

77%

Veeam has traditionally been known as a mid-market vendor specializing in virtual machine backups but has for some time been expanding into new platforms and applications. It has also been consistently improving its enterprise-class capabilities. This poses a challenge as it balances its investments in its channel, and it will have to work to keep its positive feedback in areas such as support and training to smaller MSPs. Anand Eswaran recently took over from Bill Largent as CEO, suggesting its move toward an IPO could be imminent.

Highlights from tech stack ratings

- Global vendor with a large number of MSPs in its channel base.
- Strong revenue growth, in the top three backup vendors globally by revenue.
- Excellent platform and application coverage for its products.
- Investing in cybersecurity to boost strength in its offerings.
- Ease of doing business, support and MSP focus rated highly by partners.

Canalys' take

- Veeam is a key part of the MSP tech stack, offering multi-platform and application capabilities to service providers of all sizes.
- The company was acquired by private equity investor Insight Partners in 2020 for US\$5 billion and is widely thought to be planning an IPO in the short term.
- Veeam has long been seen as easy to do business with and delivers good support and training to its partners.
- Its growth in enterprise is balanced with a clear focus on MSP-focused ecosystem cloud vendors, such as Microsoft and AWS.
- Veeam acquired Kasten in 2020, which specializes in backup for Kubernetes environments; it also now offers backup for Google Cloud Platform.

Note: "MSP focus" and "Technology offering" are calculated using metrics including estimated revenue, MSP installed base, portfolio depth and breadth, and support and training capabilities.

datto

Strategic vendor

Key details

CEO

Tim Weller

Office presence

3 regions

MSP installed base

10,000+

MSP focus score

60%

Technology offering score

67%

Datto makes over 50% of its revenue from “Business Continuity” (BCDR) products. This includes backup and disaster recovery integrated with endpoint security products and services. Its status in the MSP community is strong and its products and support are highly regarded. Its IPO in 2020 has been followed with targeted acquisitions in cybersecurity, a good portfolio of integrations and growth of around 18% year on year. It will need to develop maturity in its partner program and invest further in its presence in EMEA and APAC to maintain momentum.

Highlights from tech stack ratings

- Office presence in three regions; investing further in EMEA and APAC.
- Excellent MSP installed base of over 18,000 partners worldwide.
- Over US\$600 million in revenue in 2021, with annual growth of around 18%.
- Good MSP product and support reputation; ease of doing business scores well.
- Targeted cybersecurity acquisitions allow it to differentiate.

Canalys' take

- Datto is a key part of the MSP vendor ecosystem; its greatest strengths are its large MSP base and reputation in the SMB market.
- Datto BCDR has good platform and application coverage, but it could build more alliances and integrations to help MSPs with automated solutions.
- Datto's partner program is less mature than some of its peers, but investment here can help it improve its channel engagement as its installed based grows.
- Datto can build stronger distribution networks in regions such as APAC and EMEA, where it is more well known for its Autotask business.
- Datto has acquired two cybersecurity companies since its IPO in 2020: BitDam, which specializes in malware prevention, and Infocyte for MDR- and SOC-aaS.

Note: “MSP focus” and “Technology offering” are calculated using metrics including estimated revenue, MSP installed base, portfolio depth and breadth, and support and training capabilities.

Acronis

Strategic vendor

Key details

CEO

Patrick Pulvermueller

Office presence

3 regions

MSP installed base

10,000+

MSP focus score

59%

Technology offering score

66%

Acronis provides backup and cybersecurity solutions, with a strong focus on MSPs as a route to market. It integrates with key MSP ecosystem vendors in RMM and PSA, such as ConnectWise, Datto and N-able. It was also one of the first vendors launched on Ingram Micro's CloudBlue marketplace. It has good platform and application coverage with cloud infrastructure and database providers and is highly acquisitive. Its primary investors are Goldman Sachs and CVC Partners, and a recent change of CEO suggests these investors may be planning an IPO or sale.

Highlights from tech stack ratings

- Office presence in three regions; a large MSP installed base.
- Well-regarded in the MSP community; products and support are highly rated.
- Acronis positions itself as a cybersecurity company, packaging backup and security products to create its Cyber Protect solutions.
- Good platform and application coverage; ease of doing business scores highly.

Canalys' take

- Acronis has built a strong reputation within the MSP community, positioning itself in a way that highlights cybersecurity before many of its peers.
- Acronis has acquired nine companies, most recently security companies DeviceLock and CyberLynx, and distributor Synapsys.
- Acronis now has 49 datacenters worldwide, showing it has understood the growing need to localize technology provision for compliance and sovereignty.
- A recent CEO change from founder Serguei Belousov to Patrick Pulvermueller following its most recent funding round (US\$250 million from CVC Partners) suggests its backers will be looking to sell Acronis or take it public in the near future.

Note: "MSP focus" and "Technology offering" are calculated using metrics including estimated revenue, MSP installed base, portfolio depth and breadth, and support and training capabilities.

arcserve

Strategic vendor

Key details

CEO

Brannon Lacey

Office presence

3 regions

MSP installed base

10,000+

MSP focus score

58%

Technology offering score

58%

Arcserve provides hardware and software for storage, backup and cybersecurity solutions in enterprise and SMB markets. It recently merged with fellow storage and BDR provider StorageCraft, bringing with it a greater focus on the MSP ecosystem and an expanded presence in North America. The newly created company delivered combined estimated revenue of over US\$230 million in 2021, up more than 9% year on year. The sudden resignation of Tom Signorello as CEO following the merger saw Brannon Lacey, formerly of Rackspace, take over.

Highlights from tech stack ratings

- Presence in three regions; large MSP installed base due to StorageCraft merger.
- Good platform and application coverage for on-premises and cloud environments; includes software and hardware appliances.
- Cybersecurity strengths come from its Sophos alliance.
- Ease of doing business and pricing rate well with partners.

Canalys' take

- Arcserve is owned by Marlin Equity Partners and TA Associates, which was an investor in StorageCraft.
- It is in a transition period as it integrates the StorageCraft portfolio and manages its change of CEO.
- MSPs generally consider its products to be good, though it is less highly rated than industry standards such as Veeam and Commvault.
- Support, training and product development are critical to the next phase of its growth, and it will need to invest heavily in its expanded capabilities.
- Arcserve has announced several updates recently, adding its DRaaS to Google's Cloud Platform.

Note: "MSP focus" and "Technology offering" are calculated using metrics including estimated revenue, MSP installed base, portfolio depth and breadth, and support and training capabilities.



Strategic vendor

Key details

CEO

Sanjay Mirchandani

Office presence

Global

MSP installed base

1,000 to 4,999

MSP focus score

56%

Technology offering score

70%

Commvault is better known for its enterprise backup proposition but has worked hard to grow its SaaS offering through its Metallic portfolio, launched in 2019. This has given it greater relevance with MSPs and helped improve its score for ease of doing business. Commvault will have to maintain its support and training levels as well as its channel investments if it is to keep challenging peers such as Veeam as a go-to for MSPs, but its recent additions have been important. It changed its CEO in 2019 and the new leadership has been focused on greater subscription sales.

Highlights from tech stack ratings

- A top five vendor by market share in BDR globally, with a growing proportion coming from MSPs.
- Good platform and application coverage, with Metallic currently focused on cloud infrastructure and applications, databases, SaaS backup and security.
- Improving ease of doing business and MSP program offerings.

Canalys' take

- Commvault is an important part of the MSP tech stack, offering backup across a wide range of platforms and applications for partners of all sizes.
- As a public company, Commvault reports high single-digit revenue growth in line with overall market performance.
- Commvault is seen as easy to do business with and its products are considered to be high performers by MSPs.
- It is growing its share of subscription revenue, over 65% of its total in 2021, making it more flexible and faster to market for service provider partners.
- Commvault has invested in its cybersecurity capabilities, adding the Ransomware Protection and Response service to its portfolio in 2021.

Note: "MSP focus" and "Technology offering" are calculated using metrics including estimated revenue, MSP installed base, portfolio depth and breadth, and support and training capabilities.



Strategic vendor

Key details

CEO

Bipul Sinha

Office presence

3 regions

MSP installed base

1,000 to 4,999

MSP focus score

54%

Technology offering score

69%

Rubrik is focused on the enterprise backup and recovery space but has worked to offer larger MSPs a strong product and support mechanism. Headquartered in the US, its international presence centers on countries such as India, the UK, Japan and the UAE. It recently saw equity investment from Microsoft to provide backup for Microsoft 365 and hybrid cloud data protection on Azure. Rubrik does not offer the same level of preventive security as specialists such as Acronis and Datto, and its MSP program needs to adapt for smaller partners.

Highlights from tech stack ratings

- Present in three regions; growing base of service delivery partners in its program.
- Good application and platform coverage, focused primarily on enterprise cloud and data center requirements.
- Speed and flexibility of recovery, and overall product quality rate highly.
- Ease of doing business rates well for larger MSPs.

Canalys' take

- Rubrik is focused on enterprise and mid-market customers looking for backup that covers both on-premises and cloud environments.
- The company's estimated revenue for 2021 was over US\$660 million, a double-digit year-on-year increase.
- Global systems integrators, service providers and large resellers make up the bulk of its managed services channel, though it does serve many smaller MSPs globally who are looking for a robust backup solution.
- Microsoft's relationship and equity investment in Rubrik raises questions about its future, with an acquisition most likely as Microsoft looks to add a differentiated backup solution to its portfolio for its enterprise Azure customers.

Note: "MSP focus" and "Technology offering" are calculated using metrics including estimated revenue, MSP installed base, portfolio depth and breadth, and support and training capabilities.

COHESITY

Strategic vendor

Key details

CEO

Mohit Aron

Office presence

3 regions

MSP installed base

1,000 to 4,999

MSP focus score

51%

Technology offering score

68%

Cohesity is an enterprise storage and backup vendor that has attracted US\$660 million in funding from companies such as SoftBank, Sequoia Capital, Cisco and HPE since its founding in 2013. It filed for an IPO in December 2021, though the number of shares and pricing are yet to be determined, but valuation will likely be between US\$5 billion and US\$10 billion. It is expected the company will go public in the first half of 2022. The company announced two new security improvements to its portfolio, with AI monitoring and data vault capabilities to come in 2022.

Highlights from tech stack ratings

- Present in three regions; focus on North America, West Europe, ANZ and Japan.
- Strong application and platform coverage, alliances with a broad range of infrastructure and cloud vendors.
- Partners rate its products highly, and ease of doing business rates well too.
- Improving security capabilities to complement its cyber-alliances.

Canalys' take

- Cohesity is at a crossroads as it looks to go public; it will have to work hard to focus on channel investments, to maintain its support and training levels.
- The company is a mid-market and enterprise specialist for both on-premises and cloud storage and backup.
- It is well-regarded by partners for both the strength of its products and its level of support and training to the channel.
- Cohesity has a growing program for MSPs, with its Cohesity Helios backup-as-a-service offering seen as a strong upgraded solution for large deployments.
- The company's investment in data vault and ransomware protection shows it understands it needs to differentiate itself from its core competitors.

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Canalys global MSP tech stack

Summary – Innovators



Barracuda Networks specializes in cybersecurity, networking and data protection. It is owned by private equity company Thoma Bravo and has a strong MSP focus. It is developing a platform solution message as it looks to own more of the MSP wallet share, with a combination of cybersecurity, backup and monitoring offerings. Its latest acquisition, SKOUT Cybersecurity, will help it to offer XDR-as-a-service to its channel, a hot topic area in which many other MSP-focused vendors are investing in 2022.



Druva is a relatively new player in the backup market and has built its data protection platform on AWS for cloud backup. It has received US\$475 million in funding from VC firms and other investors and has acquired three companies specializing in areas of SaaS backup and data protection.

It operates a SaaS model with three pricing tiers. It currently offers services for a limited number of platforms and SaaS applications but is integrated with several cybersecurity vendors to provide SIEM and SOAR services. Dell EMC uses Druva for its APEX Backup Services.

UNITRENDS

Unitrends was merged with RMM and PSA specialist Kaseya in 2018 to create a unified business continuity service for MSPs. Unitrends is generally more suited to smaller backup and disaster recovery requirements than its competitors, such as Veeam or Datto, but it can be used for enterprise solutions and is generally well regarded by its partners. Support and ease of doing business are reasonably well rated, and it covers a good number of alliances in cloud and on-premises infrastructure.

Canalys global MSP tech stack

Summary – Established vendors

DELL EMC

Dell EMC partners with several other vendors to deliver its backup solutions as well as having its own hardware appliances and software. Its overall global backup revenue positions it in the top three vendors globally, though it is generally much more enterprise-focused. It does not have a truly dedicated MSP program that addresses the needs of those channel partners, but its alliance partnerships mean it is building a better technology message.

IBM

IBM's storage and backup products have suffered from a lack of development and focus in recent years, but it is still in the top five vendors globally by revenue in the BDR space. It typically partners with much larger resellers and global systems integrators to deliver its enterprise data protection solutions, but its program is more developed and recognizes competencies as well as revenue contribution, so smaller partners with innovative solutions can get good support. Its positioning, pricing and the size of its portfolio mean it will likely always struggle to have a good BDR offering for the mid-market and below.

VERITAS

Veritas is the overall global market leader by revenue for backup products. Its managed services channel is biased toward large resellers and global systems integrators. It has strong competition from both large and small competitors, such as Veeam, Datto and Commvault, which are all more MSP-focused and innovative in the cloud space. But it has struggled to maintain consistency in its MSP investments. Its products are generally well regarded due to its legacy, broad application and platform coverage and alliance relationships.

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