

Osterman Research Executive Summary

Email Archiving Market Trends, 2004-2007

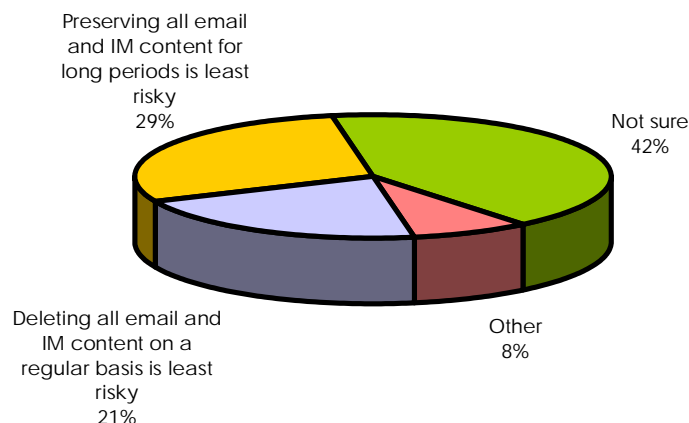
Much of what is transmitted through an email system or an instant messaging (IM) system constitutes a 'record', or a document that must be kept for a minimum period of time that is often established by statute. A messaging archiving system that can index, store and purge these records according to corporate or other policies is an important component of an overall messaging management strategy, particularly in heavily regulated industries, such as financial services or healthcare.

However, messaging archiving systems can also provide other benefits, including the ability to automatically migrate messaging system content to other storage media, thereby making messaging servers more efficient and users more productive. Other benefits of messaging archiving systems include the ability to make the messaging system serve as a corporate knowledge store, allowing users to mine data for a variety of purposes.

Corporate Reluctance to Retain Messaging System Data

Virtually no enterprise decision maker is undecided about the costs associated with messaging (they want to reduce them), the need to deal with viruses or spam (they want to eliminate them) or the basic need for messaging capabilities (email is viewed as more important than the telephone in many enterprises). However, there is significant debate and uncertainty about whether or not to preserve the content of email and IM systems on a long term basis.

Enterprise Views Toward Email and IM Archiving



Report Focus

This report analyzes the North American market for messaging archiving, providing the results of two Osterman Research surveys that were conducted specifically for this report during May 2004. The report also offers a variety of other information from additional Osterman Research surveys and secondary

research, as well as information on key requirements for messaging archiving systems. This report analyzes the market for messaging archiving not only from a compliance perspective, but also from the perspective of the improved storage management, knowledge management and assistance with legal discovery that a messaging archiving system can provide.

Key Findings Presented in this Report

- Most enterprises do not preserve email and instant messages in an archiving system, instead relying on simple tape backups to preserve content from their messaging systems.
- Current practices by most non-regulated enterprises make it very difficult to recover old email during legal discovery, during a regulatory agency's audit or simply when a user is looking for old content. However, during the past three years, the IT departments of nearly three in four enterprises surveyed has been required to search through backup tapes in response to a formal legal, HR or other request. A large percentage of enterprises have been ordered by a court or regulatory body to produce employee email.
- Compounding the problem is the fact that message stores are growing rapidly, increasing 24% in volume between May 2003 and May 2004.
- Although only 15% of enterprises surveyed employ a messaging archiving system, 62% of enterprises view such a system as either 'desirable' or 'very desirable', implying that there is significant unmet demand for messaging archiving capability.
- Most enterprises have no policies or systems in place to prevent users from deleting messaging system content that is important for the enterprise to retain on a long term basis.
- Fewer than one-half of enterprises have an email retention policy in place, despite the fact that virtually all enterprises use email for business applications.
- Most enterprises that are not heavily regulated, such as organizations outside of the financial services industry, are not satisfying the minimum data retention periods imposed by the array of statutory requirements for records retention.
- For the most part, enterprises view their preparedness for regulatory compliance to be inadequate.

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About Osterman Research

Osterman Research, Inc. provides market research, cost modeling, benchmarking and related services to vendors of technology-based products and services.

We help vendors, IT departments and other organizations make better decisions through the acquisition and application of relevant, accurate and timely data on markets, market trends, products and technologies. We also help vendors of technology-oriented products and services to understand the needs of their current and prospective customers.

Part of what makes us unique is our market research panel: a large and growing group of IT professionals and end-users around the world with whom we conduct our research surveys. This allows us to conduct surveys quickly and accurately.

Email Archiving Market Trends, 2004-2007
was published in June 2004 and is available for \$1,995.



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