

Everbridge Survey: Lack of Automation Hinders Speed of Response to IT Outages and Incidents

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IT Downtime Costs Companies \$8,662 Per Minute - and it Takes 27 Minutes to Assemble an Incident Response Team

BURLINGTON, Mass.--(BUSINESS WIRE)--Dec. 21, 2016-- Everbridge, a global enterprise software company that provides applications which automate the delivery of critical information to help keep people safe and businesses running, today announced the findings of its 2016. State of IT Management survey. The research report polled 152 IT professionals to measure how often significant outages occur, how quickly their organizations can respond, and the cost of IT downtime.

While most companies have automated service management, with greater than 90 percent of companies reporting that they have an IT Service Management system (ITSM), only 11 percent of companies stated that they have automated the process for organizing their response to IT outages and incidents. This finding is significant because 47 percent of companies reported having a major IT incident at least 6 times a year, the average cost of downtime is \$8,662 per minute, and companies take 27 minutes on average to assemble an IT response team. Everbridge's experience with customers who have automated the IT response process shows that companies could reduce this average time to 5 minutes or less, saving an average of \$190,000 per major IT incident and significantly improving worker productivity.

Key findings from the research include:

Most Companies Have an ITSM or Ticketing System:

• Over 90 percent of companies reported using an ITSM or ticketing system. The two most commonly used were ServiceNow (26 percent) and BMC Remedy (20 percent).

Major IT Outages or Incidents Occur Quite Frequently:

- 47 percent of companies experience a major IT outage or incident six times or more a year; 36 percent experience them close to monthly (11 or more times per year). More than a quarter of respondents reported that their companies experienced more than 21 incidents last year—that's close to two per month. Only 9 percent of respondents reported that their organization did not report a major IT outage or incident in the past year.
- The most common sources of incidents are network outages (experienced by 61 percent of companies), hardware failure or capacity issues (58 percent), internal business application issues (51 percent), and unplanned maintenance (41 percent).

Responding to IT Outages and Incidents is Complicated and Too Manual

- Two thirds (66 percent) of companies have distributed IT organizations with people spread among multiple locations and multiple time zones.
- 39 percent have more than 25 people included in their IT response teams; 28 percent have more than 50 people who need to be coordinated to respond to an incident; 16 percent have more than 100 people.
- 43 percent of respondents reported that at least part of their process relies on manually calling and reaching out to people to activate the incident response team. Only 11 percent reported using an IT alerting tool to automate the process.

Response Times Could be Significantly Reduced by Automation

• The mean time to activate and assemble a response team was cited as 27 minutes. Automated solutions can reduce this response time to 5 minutes or less.

IT downtime is Expensive and Hurts Productivity

- The average cost of IT downtime was reported as \$8,622 per minute.
- 63 percent of respondents stated that IT incidents or outages hurt employee productivity, 60 percent that they caused IT team disruption or distraction, and 34 percent that they decreased customer satisfaction. 13 percent reported that their organization had experienced bad press or publicity due to an IT incident or outage.

"The process to activate and assemble an IT incident response team is ripe for automation," stated Vincent Geffray, Senior Director of Product Marketing, Everbridge. "Automation has been shown to speed response dramatically. Given the cost and frequency of IT disruptions, and the impact they have on productivity of organizations and potentially on customer satisfaction, the payback on automation is typically very swift."

The sample for the research included 86 percent of respondents from companies of 1000 employees or more; 45 percent were from companies with more than 10,000 employees. For more information on Everbridge's State of IT Management 2016 survey, please click <u>here</u>.

About Everbridge

Everbridge, Inc. (NASDAQ: EVBG), is a global software company that provides critical communications and enterprise safety applications that enable customers to automate and accelerate the process of keeping people safe and businesses running during critical events. During public safety threats such as active shooter situations, terrorist attacks or severe weather conditions, as well as critical business events such as IT outages or cyber incidents, over 3,000 global customers rely on the company's SaaS-based platform to quickly and reliably construct and deliver contextual notifications to millions of people at one time. The company's platform sent over 1 billion messages in 2015, and offers the ability to reach more than 200 countries and territories with secure delivery to over 100 different communication devices. The company's critical communications and enterprise safety applications include Mass Notification, Incident Management, IT Alerting[™], Safety Connection[™], Community Engagement[™], Secure Messaging an Internet of Things, and are easy-to-use and deploy, secure, highly scalable and reliable. Everbridge serves 8 of the 10 largest U.S. cities, 8 of the 10 largest U.S.-based investment banks, all four of the largest global accounting firms, 24 of the 25 busiest North American airports and 6 of the 10 largest global automakers. Everbridge is based in Boston and Los Angeles with additional offices in San Francisco, Beijing and London. For more information, visit <u>www.everbridge.com</u>, read the company blog, <u>http://www.everbridge.com/blog</u>, and follow on <u>Twitter</u> and <u>Facebook</u>.

Cautionary Language Concerning Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, expectations, beliefs, features, benefits, and use of our product offerings. These forward-looking statements are made as of the date of this press release and were based on current expectations and projections, as well as the beliefs and assumptions of management. Words such as "expect," "anticipate," "should," "believe," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "could," "intend," variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: the ability of our products and services to perform as intended and meet our customers' expectations; developments in the market for information technology alerting products or the associated regulatory environment; our ability to manage our growth effectively; our ability to operate in compliance with applicable laws; nature of our business exposes us to inherent liability risks; our ability to respond to competitive pressures; potential liability related to privacy and security of personally identifiable information; our ability to protect our intellectual property rights, and the other risks detailed in our risk factors discussed in filings with the U.S. Securities and Exchange Commission ("SEC"), including but not limited to our Quarterly Report on Form 10-Q for the guarter ended September 30, 2016 filed with the SEC on November 14, 2016. The forward-looking statements included in this press release represent our views as of the date of this press release. We undertake no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

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