The Business Value of Verkada

Mike Jude
Research Director,
Endpoint Security, IDC

Megan Szurley
Business Value Manager
Business Value Strategy Practice, IDC

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Executive Summary

As disclosed in IDC's technology user surveys, complexity and cost are the two most important considerations when selecting almost any kind of technology. This is an especially important consideration when evaluating video-based physical security solutions. IDC's data indicates that users will pay a premium for a simple solution that they can implement and maintain. As a result, a solution such as Verkada's hybrid cloud security platform is especially compelling, since it requires very little from the user to set up and operate.

IDC conducted research that explored the value and benefits for organizations using Verkada as their cloud-based physical security platform.

Based on detailed interviews with organizations that had in-depth experience with the platform, IDC found that the key value drivers of Verkada included:

- **Tighter equipment integration:**
  Interviewed organizations benefited from all physical security devices integrating into one cloud-based platform. This enabled easier accessibility, maintenance, deployment, and management.
- **Cloud functionality:**
  The cloud functionality of Verkada allowed organizations to remotely manage alerts and equipment. It also increased accessibility to those beyond IT (i.e., leadership, assistants, legal).
- **Usability:**
  Organizations found the Verkada platform user friendly in nature. As a result, the platform UX created less end-user reliance on IT when needing to review footage or data.
- **Increased equipment reliability:**
  Study participants found that Verkada equipment was more reliable than past solutions. If an incident occurred, they had confidence that their equipment was running and that they would be able to complete a full investigation.

Click highlights for related content in this document.

BUSINESS VALUE HIGHLIGHTS

73%
more efficient IT/ network administration and management teams

69%
faster to extend physical security equipment to new locations

55%
fewer instances of equipment or platform unplanned downtime

76%
more productive incident investigation teams

60%
more productive analytics teams

64%
faster incident investigations

Situation Overview

In recent years, video observation has evolved from simple analog camera installations that security personnel monitor to extensive IP-connected camera constellations. Such constellations exceed the ability of individual security personnel to manage and monitor and, as a result, require sophisticated applications that enable such activities.

Due to the increasing complexity of video infrastructure, many point solutions have been introduced to provide essential video management and video analytics. These point solutions have generally been supported on premises and require local maintenance and support. Complicating this situation is the fact that video data is increasingly being combined with telemetry from other sensors and security solutions such as access control. In this setup, the more complex the physical security environment is, the more complex the management infrastructure required to support it is.

Now, the video monitoring market has bifurcated into two competing approaches: one based on point solutions and one based on platforms that combine multiple capabilities with a single interface. Verkada has adopted the latter approach and has moved to integrate multiple management and analytics functions into a single, hybrid cloud security platform.

Verkada Solution Overview

Verkada overcomes the problems associated with complexity by delivering a cloud-native solution that incorporates both management and analytics capabilities. There is virtually nothing for the user to do except install a camera or other sensor and add it to the Command management platform. Updates are automatic and conducted in the cloud.

As a result of being cloud based, Verkada is mobile friendly, with all management applications accessed through a web interface. This enables any connected device to access Verkada management functions, including video monitoring, access control, and environmental sensor functions. Additionally, AI-powered analytics filters out false positive alerts, thereby simplifying management.

The Business Value of Verkada

Study Firmographics

IDC conducted in-depth interviews that explored the benefits for organizations in deploying and using the Verkada platform. The project included interviews with seven organizations that are currently using the Verkada platform and have in-depth experience and knowledge of its benefits. IDC asked a variety of qualitative and quantitative questions about the solution's impact on their physical security.

Table 1 presents the aggregated firmographics of the interviewed organizations, which had a base of 7,484 employees and 42 IT staff members. The vertical markets represented are education, city services, healthcare, law enforcement, and quarries/landscaping.

TABLE 1

Firmographics of Interviewed Organizations

	Average	Median	Range
Number of employees	7,484	500	102–50,000
Number of IT staff members	42	8	1–250
Countries	United States (6), Australia		
Industries	Education (3), city services, healthcare, law enforcement, landscaping		

n = 7; Source: IDC Business Value In-Depth Interviews, June 2024

Choice and Use of Verkada

The organizations that IDC interviewed selected Verkada to upgrade their legacy security systems. These legacy systems were often disparate, hard to maintain, and limited in accessibility. When discussing their criteria and decision-making methodologies, study participants noted that Verkada's cloud-based solution solved these problems by enabling enterprisewide visibility of high-quality security footage at any time. They appreciated that the solution was easily accessible and user-friendly.

Study participants elaborated on their selection criteria:

High-quality security solutions:

"My agency started looking for a solution for license plate readers. Verkada had a good solution, even though it was newer to the game. We deployed one, we liked it, so we moved into starting to use more of them. We also purchased content cameras with that. It helps us locate vehicles involved in shootings, homicides, or robberies."

Replacement to obsolete system:

"Our prior video system was old, and it was breaking down. It was obsolete, we couldn't get parts for it anymore. We had to get hold of a new system, and when we investigated, Verkada rose to the top."

Offsite capabilities:

"The primary reason for selecting Verkada is that the system we had prior was ADA and only accessible if you were onsite. It was an old analog system on which you could view footage if you were onsite, but, if in the middle of the night, we got an alarm call out, we had no idea what was happening, we couldn't view that footage to see what was going on. It was a real pain point."

Simplistic cloud-based solution:

"When my district started to look into Verkada, we had patchwork systems in place, and each building was separate. We wanted a solution that tied all the buildings together and was easy to manage. We found that Verkada was a cloud-based, enterprise-level solution that would support our entire district."

User-friendly UX:

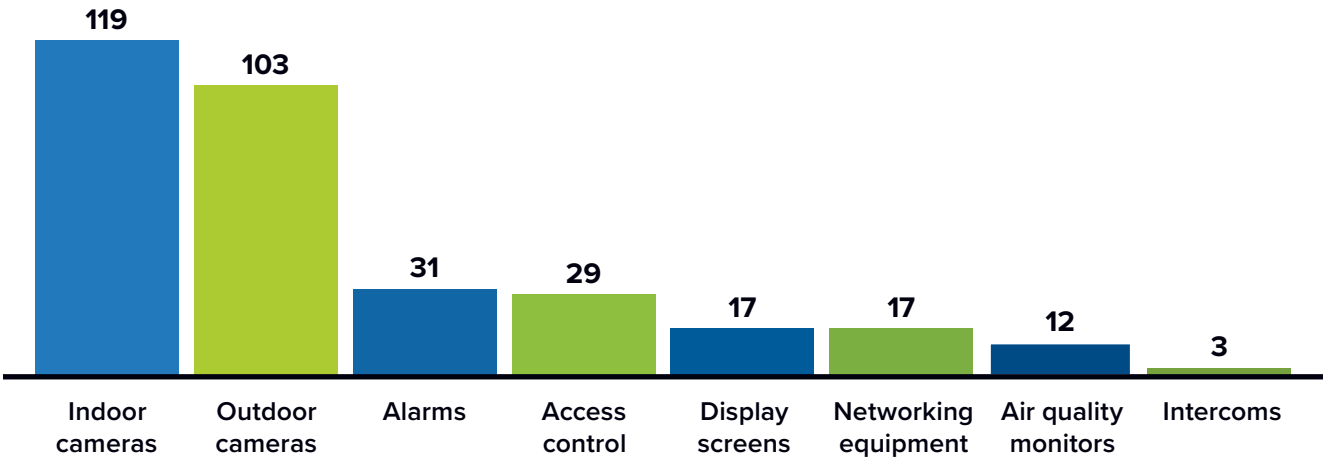
"When my district was evaluating solutions, Verkada was the clear winner in terms of UX. It gave me confidence that anyone could use the system; for example, even the secretary who's retiring in three years can pull up footage. That's really the most important thing to me as the end user: accessibility."

Figure 1 (next page) showcases the average device usage among interviewed organizations. As shown, there was an average of 331 unique Verkada devices per organization. IDC noted that while cameras represented most devices deployed, interviewed organizations extended their physical security to include alarms and monitors, access control, screens, and networking equipment. This illustrates that organizations took advantage of the Verkada cloud-based platform to link, manage, and maintain a large number of physical devices.

FIGURE 1

Average Organizational Usage of Verkada

(Average number of devices)



n = 7; Source: IDC Business Value In-Depth Interviews, June 2024

Business Value and Quantified Benefits

IDC's Business Value Research evaluated the most significant benefits that interviewed organizations achieved in deploying and using Verkada. Participants found that the deployment of Verkada significantly improved data management by providing a single source of cloud-based security information while allowing control over end-user access. Organizations appreciated the platform's added functionality that allowed them to monitor temperature, CO^2, and noise. In addition, Verkada proved to be easy to install and use and eliminated labor-intensive maintenance that legacy systems typically require.

Study participants elaborated on the most significant benefits they achieved from deploying Verkada:

Single source of truth:

"The most significant benefit of Verkada is that everything is on one platform. Everything we can do with Verkada can be controlled from one place, so it's easy to control access, look at video cameras, look at environmental sensors — it's a huge time saver."

Device linkage:

"What my school district really likes about Verkada is that our sensors can link to cameras. They will do temperature, vapor detection, CO^2, and noise. Since each sensor is tied to a camera, if it goes off, I can see what's going on."

Low barrier to entry and easy maintenance:

"The first benefit is that Verkada is easy to use and has a low barrier to entry for our non-technical users. With our old systems, we would get a lot of tickets for equipment that wasn't working. It was a lot of manpower to deal with. Verkada is almost set and forget. It's been remarkable how well it just runs by itself once it's up and going. That has been a huge time saver and benefit."

Reliability:

"It is easy to use and reliable. The cameras hardly ever go down. Verkada also has really great user support."

Analytics capabilities:

"The biggest benefit of Verkada is that my agency has used the system to solved multiple shootings. It has directly helped us find and arrest three homicide suspects, and we've solved a lot of robberies. It's not just the license plate reader, it's the content cameras that go with it. Say we're looking for a black car; the cameras help us find it, and then we match it up later with the license plate reader. We're putting shooters, homicide suspects, and robbers in jail because of this tool."

IDC then drilled down into the further benefits of the Verkada platform as a cloud-based security solution. These benefits fell into two main groups. The first relates to the impact of its cloud-native characteristics and device maintenance on organizations' IT teams. The second relates to the impact of the Verkada solution on organizations' incident investigation and data analytics capabilities.

IT-Related Benefits from Verkada

IT teams appreciated the added visibility Verkada provided with respect to unplanned downtime of installed security devices. Online access to information regarding the status of equipment functionality, along with automatic incident alerts, significantly reduced the time required for equipment maintenance. Additionally, IT teams commented on the relative ease of installation of the Verkada platform, noting a substantial reduction in the setup time.

Verkada customers discuss these important IT benefits below:

Automated downtime alerts:

"Verkada enables my organization to see what equipment is up and functioning with a web browser, whereas with our old system, I had to physically go to the server to be able to pull up the application and then look at the screens and see if any of them were down. What is nice about Verkada is that it sends email alerts letting us know when equipment is not connected to the internet. These alerts and the cloud functionality have enabled us to get about half or more of our time back in terms of maintenance."

Minimal equipment maintenance time:

"A great thing about Verkada is that it takes very minimal time to maintain and support our physical security equipment."

Quicker system deployment:

"My organization found that you can deploy a Verkada system 75% quicker than our previous system."

IDC then validated these anecdotal observations by applying its Business Value methodology to quantify the efficiency gain Verkada provided IT/networking administration and management teams. IDC noted that in consolidating outdated, disparate security systems, those managing the devices were significantly more efficient at maintenance, upgrades, and deployment. In fact, IT teams were able to extend physical security equipment operations to new locations 69% faster with Verkada than their previous security solution.

Table 2 quantifies the benefits for this team in terms of efficiency gains. After deployment, interviewed organizations need 1.4 fewer FTEs to administer and manage their security infrastructure. This resulted in an efficiency gain of 73%, which IDC valued at $137,941 annually for each organization.

TABLE 2

IT/Networking Administration and Management Team Efficiency Gain

	Before/ Without Verkada	With Verkada	Difference	Benefit
Total FTE count	1.9	**0.5**	1.4	73%
Value of staff time per year	$189,297	**$51,355**	$137,941	73%

Note: $100,000 IT salary assumption

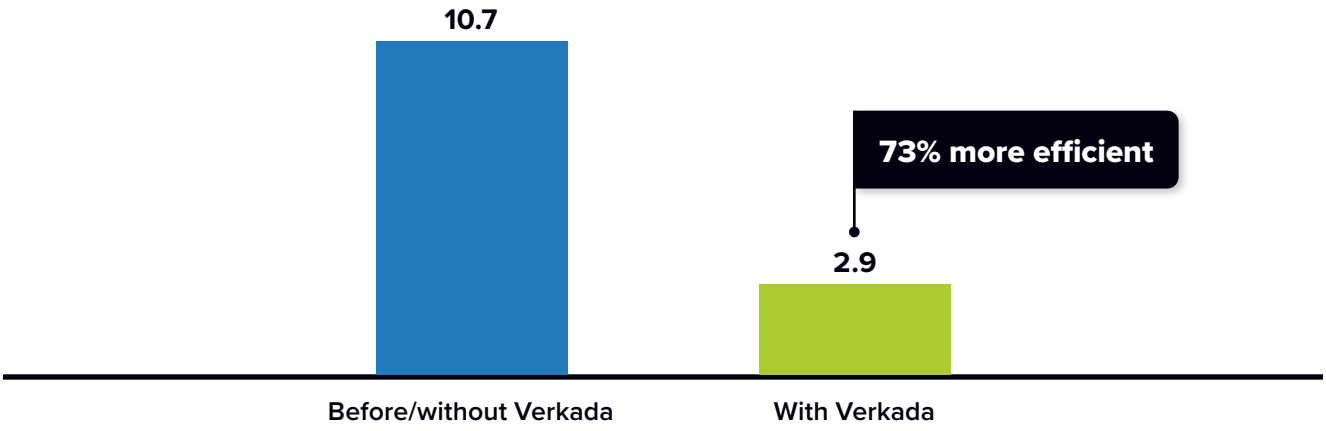
n = 7; Source: IDC Business Value In-Depth Interviews, June 2024

Figure 2 further breaks down this efficiency gain by comparing the staff hours saved using the Verkada security platform versus the organizations' previous security solution. Year over year, organizations were able to reduce the number of staff hours required to manage and maintain their security devices by 7.8 hours per device.

FIGURE 2

Staff Hours per Device per Year

(Hours)



n = 7; Source: IDC Business Value In-Depth Interviews, June 2024

Interviewed organizations noted that the single-platform approach that Verkada provided created an environment that was easier to update and maintain. This ultimately increased the reliability of their equipment. One respondent organization compared its previous security environment to Verkada, commenting on how the unplanned downtime it experienced under its legacy system seriously limited its ability to retrieve camera footage of security breaches. *"Prior to deploying Verkada, it was a nightmare to monitor alerts. We would have an incident and try and get that footage to download and find that the server had failed, so there was no footage. Basically, someone would break in, and then we would find out that the whole system did not work."*

As shown in **Figure 3** (next page), the Verkada security platform resulted in a significant improvement in downtime, with 55% fewer incidents per year and requiring on average 45% less time to repair.

FIGURE 3

Impact of Verkada on Security Environment Unplanned Downtime

n = 7; Source: IDC Business Value In-Depth Interviews, June 2024

Incident Investigation and Analytics Benefits from Verkada

In their detailed conversations with IDC, study participants zeroed in on specific benefits from Verkada related to key aspects of incident investigations and security analysis. Customers found that they achieved time savings when conducting investigations using the Verkada platform relative to their legacy security systems. In addition, they noted the availability of additional data and the time stamping and audit logs features as significant benefits. They also appreciated the clarity of camera footage, the ability to isolate motion events, and the ease of sharing camera footage between users.

Respondents further described these benefits:

Impressive investigation results:

"Verkada cameras are not significantly cheaper than comparable systems, but the savings we realize are in the results provided. When we do an investigation and look at videos based on a customer claim or an employee misconduct investigation, the Verkada platform allows us to do the investigation much more quickly than the other platforms would have. The Verkada platform gives better clarity and time stamping than the other systems we investigated. Also, the audit logs on Verkada are pretty bulletproof. If someone is inappropriately saving video, we know right away. The clarity of the video is super clear, so you can catch facial features and details in clothing that the other platforms didn't match."

Quicker investigations:

"Verkada provides MUCH more data than our previous system, so more time is spent responding to alerts. However, our older system probably took three times longer to fully investigate incidents from start to finish."

Deeper footage analysis:

"Verkada helps us analyze camera footage. It allows us to separate footage by motion events, and you can look at people or vehicles. You can look at footage and draw a little grid to say, 'On this camera, I only care about this top-left corner.' And then it kind of takes out all the noise. Sharing footage and investigations is extremely easy as well. That's been a huge feature."

IDC then quantified how the incident or alert teams benefited from the Verkada platform. **Table 3** shows the productivity impacts on these teams. With 64% quicker incident investigations, this team worked at an equivalent level of having added 1.6 FTEs to their investigation team, or an annual productivity gain of 76%. This resulted in an annual added productivity-based value of $109,335.

TABLE 3

Incident/Alert Investigation Team Productivity Gain

	Before/ Without Verkada	With Verkada	Difference	Benefit
Equivalent productivity level, FTEs	2.1	**3.6**	1.6	76%
Value of staff time per year*	$144,655	**$253,990**	$109,335	76%

Note: $70,000 non-IT salary assumption

n = 7; Source: IDC Business Value In-Depth Interviews, June 2024

Similarly, IDC calculated the net productivity gain for interviewed organizations' data analysts. **Table 4** (next page) illustrates that data analysts were more effectively able to work because of Verkada's self-service access to high-quality, robust data.

One interviewed organization commented on the impact of improved analytics on the effectiveness of its law enforcement efforts. *"The analytics of our Verkada cameras has contributed greatly to the success of what we're doing in law enforcement. The data helps us with tracking. We may not necessarily be looking to get a shooter or a homicide suspect, but we may need to track an individual who may be a threat. There are other uses where we combine analytics with intelligence."* These benefits amounted to adding an equivalent productivity level of one additional FTE to the interviewed organizations' analytics teams, or a 60% increase in productivity. IDC valued this productivity gain at $70,140 per year.

TABLE 4

Analytics Team Productivity Gain

	Before/ Without Verkada	With Verkada	Difference	Benefit
Equivalent productivity level, FTEs	1.7	**2.7**	1	60%
Value of staff time per year*	$116,900	**$187,040**	$70,140	60%

Note: $70,000 non-IT salary assumption

n = 7; Source: IDC Business Value In-Depth Interviews, June 2024

Further reports from the organizations interviewed showed a marked decrease in security breaches involving theft and vandalism after installing the Verkada platform. **Figure 4** illustrates how Verkada's cameras had a positive impact on organizations that were concerned with thefts and vandalism (i.e., schools, healthcare, public sector). Overall, these organizations reported 17% fewer theft events per year and 26% fewer vandalism events per year. Importantly, if an incident did occur, they had the footage they needed to recover stolen goods or provide law enforcement.

Notably, one organization commented on its ability to catch a culprit red handed, which allowed it to retrieve its stolen property. *"Verkada has deterred theft. People know that we have video cameras. We have recouped some equipment that has been swiped just by going to the video and saying, 'Well, this kid clearly did that.'"*

FIGURE 4

Impact of Verkada on Security Events

n = 7; Source: IDC Business Value In-Depth Interviews, June 2024

Challenges/Opportunities

Given the extreme evolution of the physical security space and the need to incorporate increasing capabilities and data sources, there is not a perfect solution nor can there be. Verkada provides a platform that is purposefully designed to simplify the experience for the user. However, in doing so, Verkada is limiting the user to a single source for physical security technology. This can have the effect of also limiting immediate access to new innovations or solutions that other vendors may develop in response to unique requirements.

Additionally, Verkada has based its business model on a subscription-based approach that requires the user to subscribe to management services to utilize its camera and sensor technology. This shifts the burden of maintaining management applications off the user but drives up the carrying cost of the hardware. Compared with competitive offerings, Verkada's initial cost can seem higher to the user.

Finally, the market perception of Verkada is that it is primarily a green field solution because it is not able to integrate directly with the user's existing physical security technology. Verkada has taken steps to correct this perception by providing ways to integrate its solutions with other providers, but the perception of being proprietary is one that Verkada will need to overcome.

Conclusion

Verkada provides a tightly integrated physical security solution that combines video observation and environmental sensing along with associated management and analytics applications. Its cloud-based approach to device management and analytics provides great flexibility and ease of use. This makes Verkada an ideal solution for applications that require a quick, easily implemented physical security solution.

However, Verkada is not without its challenges. Because it is a highly integrated package of capabilities, its price point is higher than many competitive solutions. It is also less flexible when deployed into an existing physical security technology ecosystem. These considerations may make some applications harder to address using Verkada.

Nevertheless, when compared with competitive offerings, Verkada can be more cost effective, since the overheads associated with operation and maintenance are much lower. Additionally, when asked about the most important considerations for technology selection, IDC survey respondents usually identify cost and complexity, often noting a willingness to pay more for a less complex solution. When evaluated on that basis, Verkada is a superior solution for many physical security situations. As this study demonstrates, Verkada's customers agree with this assessment.

Appendix: Methodology

IDC's standard Business Value methodology is based on gathering data from organizations currently using Verkada as the foundation for its model.

Based on interviews with organizations using Verkada, IDC calculates benefit metrics by:

- Measuring the savings from reduced IT infrastructure costs, IT staff efficiencies, increased user productivity, and higher revenue over the term of the deployment attributable to their use of Verkada.

IDC bases calculations on a number of assumptions, which are summarized as follows:

- Time values are multiplied by burdened salary to quantify efficiency and productivity savings. For this study, IDC used its standard assumptions of an average fully loaded IT salary of $100,000 per year and an average fully loaded non-IT salary of $70,000 per year.
- Downtime values are a product of the number of hours of downtime multiplied by the number of users affected. The impact of unplanned downtime is quantified in terms of impaired end-user productivity and lost revenue. Lost productivity is a product of downtime multiplied by burdened salary.
- IDC applies a margin assumption (15%) for other user productivity gains and additional gross revenue attributed to interviewed organizations' use of Verkada, resulting in the net productivity and revenue calculations applied to IDC's model.

Note: All numbers in this document may not be exact due to rounding.

About the IDC Analysts

Mike Jude

Research Director, Endpoint Security, IDC

Mike Jude is the Research Director for the IDC Endpoint Security practice within the Security & Trust Group. Dr. Jude's core research coverage includes solutions that defend personal computing devices, physical servers, and mobile devices against a widening array of cyberattacks. Functions covered include end-user device prevention and protection, server security, detection and response, mobile threat management, and the expanding array of capabilities in consumer digital life protection. Drawing on his background in telecommunications regulation and data network infrastructure design, Dr. Jude's research also focuses on the regulatory and public policy implications of cybersecurity at the endpoint.

More about Mike Jude

Megan Szurley

Business Value Manager, Business Value Strategy Practice, IDC

Megan Szurley is Manager for the Business Value Strategy Practice, responsible for creating custom business value research that determines the ROI and cost savings for enterprise technology products. Megan's research focuses on the financial and operational impact of these products for organizations once deployed and in production. Prior to joining the Business Value Strategy Practice, Megan was a consulting manager within IDC's Custom Solutions division, delivering consultative support across every stage of the business life cycle: business planning and budgeting, sales and marketing, and performance measurement. In her position, Megan partners with IDC analyst teams to support deliverables that focus on thought leadership, business value, custom analytics, buyer behavior, and content marketing. These customized deliverables are often derived from primary research and yield content marketing, market models, and customer insights.

More about Megan Szurley

IDC Custom Solutions

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IDC Research, Inc.
140 Kendrick Street, Building B, Needham, MA 02494, USA
T +1 508 872 8200

idc.com @idc @idc

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