

Cloud-Based Backup Takes Off

A huge market for cloud-based backup and recovery services is developing, and it represents a great opportunity for telecom service providers.

By Masha Zager ■ *Broadband Communities*

For all the talk about cloud-based applications, the number of business functions actually migrating to the cloud is still relatively limited. One of the most significant is backup, recovery and restore, sometimes called BURR. Analysts at Forrester Research and Gartner estimate that more than 90 percent of the business data stored in the cloud is backup and archival data rather than data used in live applications.

IT managers were once reluctant to entrust backup and recovery to the cloud. However, business broadband's improved capacity and reliability are changing those attitudes. Forrester analyst Rachel Dines points out that on-site data backup is notoriously risky and leaves much data unprotected. Today, online backup is often the less risky option.

Forrester now recommends that businesses consider replacing or supplementing their on-site BURR with online systems if they have limited IT staff or gaps in protection.

As IT managers gain confidence in the reliability of online backup, they can appreciate its inherent advantages: flexibility, low and predictable costs, security and replacement of capex by opex. As a result, online backup has grown rapidly in the last few years and is poised to grow even further.

BACKUP AS A MANAGED SERVICE

A Forrester survey showed that 15 percent of small and midsized businesses (SMBs) relied primarily on online backup in early 2011, and 59 percent expected to do so in two years' time. In an even more dramatic shift, about 5 percent of SMBs purchased online services from managed-service providers (rather than

from application vendors) in 2011, and 38 percent expected to do so two years later – more than sevenfold growth.

Who are these managed-service providers? Some, such as IBM, historically operated disaster-recovery services. Others, such as Iron Mountain, started out in the records-management business. A third major group is telecommunications service providers.

The Forrester survey also found that SMBs consider a preexisting relationship to be an important factor in selecting an online backup partner. This should give telecom providers an inside track in selling backup services to existing business customers.

To sell these services, providers don't need to reinvent the wheel; a number of business BURR vendors work with channel partners. One such vendor is Asigra, a 25-year-old, Toronto-based company whose BURR software is used at more than 400,000 sites worldwide.

Ashtar Baig, Asigra's senior director of product marketing, says Asigra sells its software only through service providers, never directly to end customers. "That keeps the model clean," he says. "It's our assurance that we'll never compete with our customers." Service providers can either install Asigra software on their own servers or rent Intel hardware appliances with Asigra software already installed. (Baig calls this the "set-top-box model.") Asigra also has partnerships with Symantec and NetApp storage solutions.

The latest version of Asigra's cloud backup platform allows independent

backup of remote tablets, smartphones and laptops, a feature that enables enterprise road warriors to protect their employers' and customers' data. (According to Forrester, much critical corporate information is stored on employee PCs, and these devices are rarely backed up.) Business travelers can automatically back up new data every night to the same repository where enterprise LAN data is kept.

Asigra also recently added a consumer application intended to compete with such powerhouses as Carbonite, Mozy and Norton. Because the consumer backup market is huge, many service providers, after getting started with business BURR services, decide to tap into the consumer market as well.

Previously, Asigra's pricing model restricted it to the business market, but its new consumer service can be offered by service providers at the low prices (usually single digits per month) that consumers expect to pay. Because the application uses the same technology used for the business service, it allows service providers to offer a level of recovery assurance that usually is not available for consumer services.

In a BURR service, the two R's – recovery and restoration – are as important as backup. When a customer needs to recover and restore data, the software must be able to decrypt the stored data and import it into a structured application. "We've never had a failed restore," Baig says. ♦

About the Author

Masha Zager is the editor of **BROADBAND COMMUNITIES**. You can reach her at masha@bbcmag.com.