Five Powerful Factors Driving Dramatic DRaaS Growth

TABLE OF CONTENTS

Disaster Recovery as a Service (DRaaS) has exploded from niche solution to a crucial cloud app because it cuts the cost and increases the capabilities of organizations to protect their digital assets. Managing production data is tough enough. DRaaS solutions help users avoid doubling that effort for backup workloads. That is one reason why DRaaS demand is growing at a 30% to 60% annual rate, though we think that rate is only going to accelerate as threats to data continue to be pervasive.

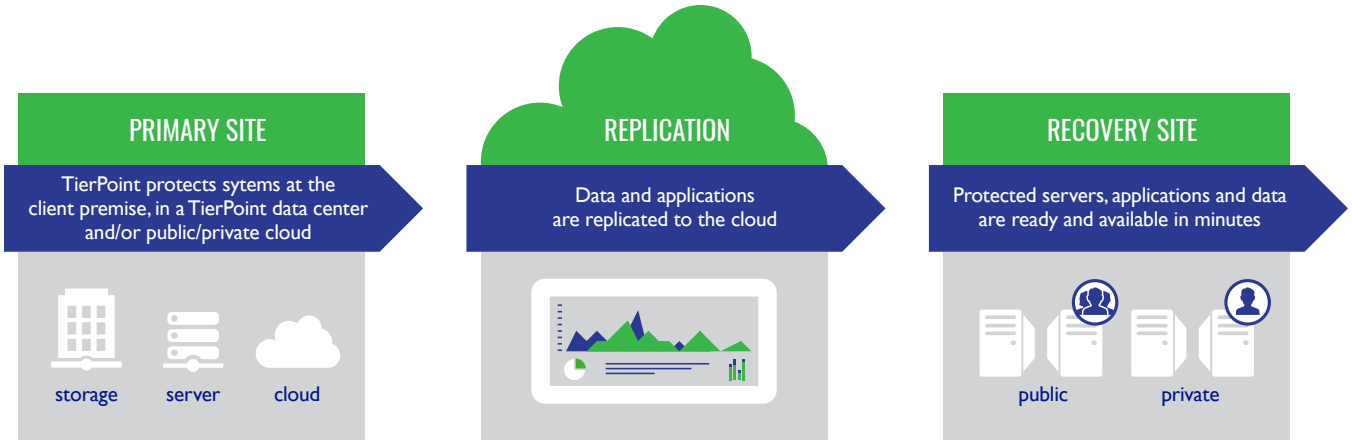
INTRODUCTION

DRaaS allows organizations to replicate their primary sites to either a public or private cloud, from which data, servers and applications can be restored as needed in the event of a disaster. Much like the cloud itself, the DRaaS market is soaring, outpacing cloud with a growth rate between 30%-60% per year. In fact, DRaaS is anticipated to expand at a CAGR of 44.85% during the forecast period of 2017-2024. An increase in the adoption of cloud technology is one of the primary market drivers in the DRaaS industry.[1]

Fundamentally, disaster planning is about risk mitigation and freeing up resources that can be used in other strategic areas. DRaaS enables organizations of all sizes to minimize business disruption. There are several reasons why. This paper examines a few of them:

- The accessibility of enterprise-class disaster recovery to organizations of all sizes
- Recovery Time Objectives (RTOs) and reduced downtime
- Recovery Point Objectives (RPOs) and the consequent financial and non-financial losses
- Total Cost of Ownership (TCO) and cost profile of disaster recovery
- Self-service control combined with managed services options

FIGURE 1: Cloud-Based Disaster Recovery as a Service, illustrated (DRaaS)



A personalized, consultative assessment to determine your needs

Annual disaster readiness tests to ensure that all requirements and expectations continue to meet your needs

Requirements validation and solution documentation for full transparency so you know what to expect in case of disaster

1 Putting Enterprise-Class DR Within Everyone's Reach

DRaaS first started finding traction with small organizations whose data center infrastructure was less than 100 servers. For these companies—those with relatively few servers, minimal IT staff, no DR experts on site—traditional disaster recovery services remained dismayingly out of reach.

"DRaaS opens up the ability to get offsite servers up and running for a set of customers or enterprises that would never have been able to do that in the past," says Dale Levesque, Senior Product Manager at TierPoint. DRaaS changes the equation by making virtual servers available on demand

for organizations that would never have been able to spin up new hardware or data centers on their own due to costs and staffing requirements.

> "With a DRaaS solution such as cloud to cloud recovery, it's basically 15 minutes to get back up and running."
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> - ***Dale Levesque***
> *Senior Product Manager*

That alone makes DRaaS transformative for those without any disaster recovery plan, given that both the risks and costs of downtime are high. Organizations face an average of five downtime events per month[2] and the Ponemon Institute reports that the average 2016 cost of downtime is $8,851[1] per minute in lost revenue and productivity.[3]

In fact, DRaaS is even starting to affect the math of disaster planning at enterprise scale companies. That's because the enterprise realizes, with DRaaS as an option, it's no longer necessary to spend millions of dollars in capital expenditures to get another, mirrored data center up and running. Instead, they can replicate their data as easily as small businesses can and pay a small monthly fee per server. When the time comes to respond to a disaster, organizations of all sizes can spin up their resources and have everything back up and running quickly. In fact, the impact of DRaaS on the speed of recovery is its next notable feature.

2 Shortening Recovery Time Objectives (RTOs)

The RTO defines how long it will take an organization to get their servers back up. This measure is critical to business because it gets at the heart of disaster recovery: the recovery part.

In traditional DR, it's common to set (or at least grudgingly accept) an RTO in the 24-to-48 hour range, or even longer. (Tape backups in particular can take even longer to restore if the tapes have to be shipped, and 40% of businesses still rely on those[4].) That's because traditional DR is based on deploying a secondary physical set of servers in an offsite, geographically dispersed location. Each night, the organization backs up to those servers. Then, when disaster strikes the primary center, it takes time for staff to bring up the servers from the secondary disaster site and restore from backups.

That approach may work for businesses that don't need to be up and running 24x7 and whose critical data isn't growing; but for an Internet-based business or any organization that relies on instant, real-time access to customers or transactions and data, a 24-to-48 hour RTO is too long. In fact, in a recent *Disaster Recovery as a Service Attitudes and Adoption Report*, respondents indicated that if a key business application were to crash, only 11% could recover it in less than 15 minutes.[5]

The cloud-based automation behind DRaaS makes a shorter RTO not only possible but actually likely: without having to spin up new hardware, new servers and restore from backups, DRaaS can compress traditional disaster recovery processes from days down to, in some cases, under an hour.

[1] This represents a 38% increase from when Ponemon first started tracking costs in 2010.

"Hybrid cloud solutions can speed up recovery" says Levesque. "We've seen examples where recovery was 10 times faster with the cloud."

And in some scenarios it could potentially be even faster than that. "With a DRaaS solution such as cloud to cloud recovery, it's basically 15 minutes to get back up and running." In other words, DRaaS does not just offer an alternative to traditional disaster recovery setups; it can actually improve upon them. It can have a similar impact with recovery point objectives, as well.

3 Closing the Gap in Recovery Point Objectives (RPOs)

The RPO defines how much information is saved or lost once servers are restored. For example, does an organization recover to a point 15 minutes back (therefore losing only 15 minutes of data) or 24 hours back? Note that for organizations without a disaster recovery plan, the RPO is effectively never.

This question bears real weight on an organization's risk management: 80% of respondents to a survey by xMatters, a business communications provider, said loss of digital data would have a more significant effect on the business than loss of buildings, vehicles or goods.[6]

In traditional DR, the communication between primary production environment and secondary site typically happens on a set schedule, such as overnight. That creates a 24-hour RPO. In a DRaaS scenario, however, the two environments can stay in near-constant contact, with bandwidth availability as the only major potential constraint. As a result, not only can it take as little as 15 minutes to get back and up and running in a cloud-to-cloud scenario, it's possible to lose as little as just a few minutes of data.

That can be particularly impactful with certain workloads that fit a DRaaS model of disaster planning. Says Levesque, "Any workload that's mission critical is going to be appropriate for DRaaS. The costs of losing core services, employee productivity, customer downtime, and brand image, must be considered in any comprehensive risk analysis."

It can also make a difference when dealing with data storage requirements under compliance regulations.

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> - ***Dale Levesque***
> *Senior Product Manager*

4 Shifting to a "Predictive and Inclusive" Operational Cost Model

Traditional DR does not come cheap. Worse, it involves hefty capital expenditures at regular intervals—enough for servers and resources to cover maximum potential usage for the next several years. That price tag is on top of recurring costs just to maintain equipment and systems.

Even larger organizations must carefully consider how they will allocate funds to hedge against the risk of a rainy day; smaller organizations may simply lack the resources altogether.

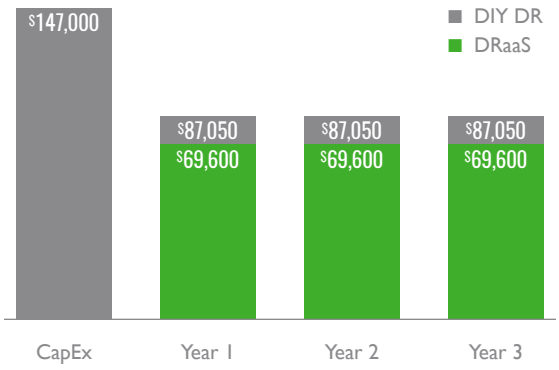
DRaaS shifts the cost of ownership (TCO) into a commodified operational expense that focuses on performance instead of trying to predict hardware needs years in advance. Also, organizations can plan around a fixed monthly cost that might fluctuate only slightly if additional resources are needed to offset heavy demand.

As *Forbes* writes of DRaaS: "Costs are predictive and inclusive."[7]

And those costs have fallen dramatically. Only a few short years ago, prices for DRaaS (per protected server per month) were quite steep.

Cloud pricing in general has plummeted, and customers of DRaaS will see that benefit. "In the past three years [cloud] prices are down by around a quarter," reports *The Economist,* "and further significant falls look all but inevitable."[8]

FIGURE 2: DRaaS vs. DIY DR-Cost Comparison



More Cost-Effective Than Traditional

- Elminate the need to maintain a dedicated DR site
- Stop paying for resources you don't use
- Minimize staffing requirements and the need to fill in-house gaps
- Support distributed and heterogeneous environments

5 DRaaS Can Be as Managed or as Self-Service as Needed

Flexibility is key to DRaaS. For some customers, it will be as simple as going through an initial set up and managing the environment through a self-service portal. For others, it may be more complex.

One significant purchase decision is the level of managed services that are required. "Before a disaster, self-service usually makes more sense by giving companies immediate access and fine-tuned control," says Levesque. "But when disaster actually strikes, it can be invaluable to have access to managed services and enterprise-grade support staff as needed." DRaaS offers that level of flexibility.

Getting Started with DRaaS: Next Steps

Review multiple solution providers

When evaluating solution providers, determine how long they have been in business and, more specifically, their experience delivering disaster recovery and DRaaS solutions. Also a provider with a menu of multiple solutions generally indicates they can deliver a more flexible, customizable solution.

- Scrutinize provider offerings for hidden costs while understanding that saving a minimal amount per month is meaningless if the vendor can't bring services back online when disaster hits.
- Verify compliance certifications meet your industry's requirements; subscribing to DRaaS should mean gaining access to a world-class data center that meets the most exacting regulations.
- Understand how much testing you can do within your arrangement—passing a DR audit is not enough. You need to have confidence that you can recover in an acceptable timeframe if need be.

Remember business continuity

Disaster recovery—and DRaaS specifically—is just one component of a comprehensive business continuity plan. As powerful a service as DRaaS can be, it doesn't address some critical questions an organization in a disaster scenario will face. For example, if workers can't get to the office or data center, how will they work at all? Ideally, your solution provider should be able to help you formulate and implement a more comprehensive business continuity plan as well—another advantage to finding a provider who offers multiple solutions.

CONCLUSION

The shift to disaster recovery in the cloud is being driven by a "cavalcade of Cs including cost, complexity, capacity, consolidation, certification and compliance, not to mention customer confidence."[9] DRaaS makes effective disaster planning readily available to organizations of all sizes at more competitive pricing without cheapening the quality of the service—indeed, in many situations it can enhance service over traditional and DIY models.

Ultimately, DRaaS enables organizations to reduce data loss risks at a more affordable cost and fewer capital expenditures than by doing DR on your own. DRaaS is a powerful tool in the toolkit for helping businesses do their best to prepare for the worst.

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