

Backup Data Now vs. In-House Backup:

A Cost/Benefit Analysis for Small and Medium Businesses (SMBs)

The key challenge for data backup activity at SMBs is that if there are existing backup processes in place, they usually don't get accomplished regularly and are performed in such a way that does not fully protect the organization.

Copying data to CDs/DVDs or Tapes that are left on premises only insures that some data will be available for restore if the backup media is accessible after a data loss event – and if this data is taken offsite, it is usually unencrypted, making it available for viewing and use by virtually anyone that might come into contact with it. Additionally, fires, floods, storms, destroy backup media that are left onsite and in many cases the affected premises are off-limits to everyone for many days after a fire or other disaster. With the Backup Data Now service proper backups are done at non-peak business hours, are securely encrypted, are available for restore at any time, to any location and are taken offsite – every night, automatically.

The time and processes spent verifying the backups were successful and are restorable (assuming you DO verify your backups) is also a critical component in any backup plan. The worst time to discover that your backups are not current or are incomplete or corrupted, is after the primary data store is gone.

Costs for proper in-house SMB data backup include:

- Employee time - backing up: (daily) ½ - 1 hour per employee
- Backup Media: \$2 - \$200 – depending on format
- Hardware: \$200 to \$8000 depending on format
- Employee time - verifying backups: (weekly) 1 hour per employee
- Employee time – swapping media: (daily) .25 hours+ per employee

Assuming that the employee responsible for the backups, removal of media, verifications and restore processes is on a salary of at least \$30,000 per year, and using the minimum time dedications outlined above, the cost of properly backing up an SMBs data is about \$71.25 per week, \$285 per month, and \$3420 per year – **not including hardware**. If you factor in the cost of true manual 'rotation' of backup copies to a secure offsite location using a courier service (\$300 per month+) and the aggregate costs associated with restoring data from tapes or the internal costs of managing a single total loss/restore event, the costs of in-house backup can skyrocket to well over double the previous estimate.

Compared to the Backup Data Now service operating automatically, at non-peak hours, without imposing on your existing staff, or adding hardware or media resources of any type, typical charges for a basic service might be \$50-\$75 per month, resulting in a *minimum* cost savings of \$2520 and \$2820 per year.



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