

# **SOLUTIONS FOR SMALL BUSINESS**

Report Series

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## **Online Storage Strategies for the Small Business Market**

*Solutions for Small Business Reports are designed to demonstrate how new technologies enabled by cable providers help small business owners and managers address key challenges, solve problems and achieve mission critical objectives.*

*More resources, including a companion report on Online Storage Solutions for Small Business, which compares online storage services and tools offered by a variety of vendors, can be found at: [solutionsforsmallbusiness.com](http://solutionsforsmallbusiness.com)*

### Online Storage Strategies for the Small Business Environment

#### Introduction

For most small business owners and managers, storing data has evolved from a relatively simple matter to a critical business challenge. The proliferation of data-rich image and video files consumes available storage space exponentially faster than the compact text documents that were the primary file types just a few years ago. Greater use of e-mail, which more often carries large data files and other sizable attachments, also contributes to an ever-growing need for business-class storage solutions.

For the smallest businesses, an additional portable drive or external hard drive may handle the growing need for storage. But these solutions face many of the same issues of storing items on the host computer – they fill quickly, are subject to damage from moisture, fire, electrical surges and other hazards, and they often require too much manual intervention to ensure that critical resources are reliably backed up on a regular basis.

Online storage solutions solve this issue by automating backups so that they only need to be set up one time to run on a regular basis, usually in the wee hours of the morning, alleviating any issues with human error in neglecting to store a day's files. Online storage also enables small businesses to take advantage of additional storage on an as-needed basis, rather than paying for on-premise storage capacity that may not be immediately needed or fully utilized.

Beyond mere convenience, however, use of online storage is also driven by other technological and business considerations:

- Pushed by the effectiveness of on-demand broadcasts in the consumer market, businesses increasingly make audio and video podcasts available on their Web sites for a limited amount of time, then tend to archive them.
- E-discovery requirements mandate businesses to retain electronic information, including e-mail, instant messages, Skype chats, social media transcripts and other forms of electronic communication in the event of litigation.
- Increasingly, mobile workers with easy access to virtual storage solutions don't need to carry large files to off-site meetings or events, can work on files remotely, save version changes, and collaborate with others who may have different operating systems, mobile devices or levels of authority.

By storing files in a central, cloud-based online location, firms do not have to manage separate silos of data on different devices or face data loss if in-house systems go down. Online storage providers may have their own outages, but most have redundant systems to ensure higher rates of availability than a small business would have on its own.

In this report we explore how small businesses can use online storage strategies to be more efficient and competitive in today's global and digital marketplace. The success of effective online storage strategies lies in selecting a storage solution that provides the best combination of reliability, functionality and usage options that meet a company's specific needs now and into the future.

### **Storage Strategies in a Small Business Context**

So what are the important elements of a storage strategy and how should those play into the storage methods that a business uses, both on premise and in the cloud?

The first is to determine what data assets need to be stored, and, just as importantly, how long each asset type should be kept. Each firm's operations, workforce and industry will help determine the answers. A business using records that need to be frequently referenced on-site is better off keeping this data at the company's own location. But it is still prudent to back up and store these files off-site to protect them in the event of a disaster, which is more likely to be a construction worker with a backhoe cutting an electrical line than a hurricane, flood, tornado, or other act of God. With that in mind, a storage strategy is really a three-legged stool that includes:

***A storage strategy includes options for online and on-premise storage; disaster recovery considerations; and data retention requirements.***

- Storage options and costs for online and different on-premise solutions, including external hard drives, servers, disks, tapes and flash drives.
- Disaster recovery considerations, including the sensitivity of data, the criticality of data needed for daily operations, and the business environment. Businesses more prone to outages or for which the loss of certain data poses mission-critical risks will have different disaster-recovery needs than companies with less critical information to store.
- Data retention requirements such as legal or industry regulations, as well as prudent business practices, must balance with storage costs and efficient use of capacity. If a company fails to define retention policies as part of its strategy, the storage solution, no matter how good, will eventually fail under its own weight. It may not fail due to a hardware or software problem, but the more data that is retained, the longer and more time consuming it is to search. This is a prime consideration in e-discovery cases. The cost of a search alone may be enough to force a settlement. And the more storage, the higher the cost, though some methods of storage are less expensive than others.

***Basic factors in formulating a storage strategy include storage availability, storage speed and recovery, cost and security.***

Furthermore, in formulating a data storage strategy, there are some basic factors that each firm will need to weigh:

- Availability – What level of uptime does each storage solution guarantee? What type of verification does the provider have behind these promises?

- **Storage and Recovery Speed** – How quickly can the vendor store system information and how quickly can users retrieve desired content? Much of this will be determined by the level of deduplication used. Some deduplication applications can be too aggressive, purging files that should be stored, or they are not aggressive enough in allowing too many copies of the same files. Another consideration is the storage of “open” files in the case of a power outage or other system failure. If e-commerce information is to be stored, it may be worthwhile to pay for this additional feature, not available from all vendors.
- **Cost** – Most vendors offer variable pricing depending on the amount of data to be stored, but these pricing plans differ from vendor to vendor. Pricing will also be a factor of reliability, availability, storage size and deduplication -- more aggressive deduplication means less content to store.
- **Security** -- For “five 9s” of availability and fast recovery/search speeds, the cost will generally be higher than less reliable or responsive systems. Security should be a must, with strong encryption, authentication and other best practices. But to assume security without verifying a vendor’s policies is to take an unwise risk.

### Conclusion

The value proposition for different choices of online storage as well as for online versus on-premise storage differs from company to company and from industry to industry, and even within the same company as it matures and evolves. Small businesses today need to consider storage as a strategic element of operations, as a well-planned storage solution can lower costs, enhance workers’ productivity and mobility, and most importantly, ensure that businesses’ critical data assets are available and protected.

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### About Solutions for Small Business

*Solutions for Small Business* is an initiative of CTAM, the Cable & Telecommunications Association for Marketing, which is dedicated to helping the cable business grow. Cable companies supporting the initiative include: Armstrong; Atlantic Broadband Business; Bend Broadband Business; Bresnan Business Services; Bright House Networks Business Solutions; Cable One Business; Charter Business; Comcast Business Class; Cox Business; Insight Business; Mediacom Business; Optimum Business; Suddenlink Business and Time Warner Cable Business Class. Small business owners can learn about the initiative at [www.solutionsforsmallbusiness.com](http://www.solutionsforsmallbusiness.com).

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