Effectively Selling Business Continuity

SIX TIPS TO MAKE IT HAPPEN

With advances in technology and lower costs of production, enterprise-level business solutions are now readily available to the small and medium-size business (SMB) market. Low cost, ease of use, lack of internal IT resources, and dependence on infrastructure make SMBs a prime target to sell business continuity solutions.

In fact, SMBs are currently the biggest adopters of cloud-based data recovery/business continuity solutions.[1] The challenge for MSPs is how to best sell business continuity to take advantage of this fast moving market, while yielding maximum profit.

To compete most effectively in selling business continuity solutions, MSPs must make sure they're ideally positioned to communicate, sell, manage, and grow with this expanding segment of their business model. Here are a few points that may help.

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1. Sell the Value: Backup vs. Business Continuity

It's important to differentiate between backup and business continuity. Simple backup solutions are capable of protecting against data loss, but not against downtime. After a disaster, there is no plan of action for getting data back in a timely fashion. This may not be a problem if backing up non-essential documents. Problems will arise, however, when access to an Exchange server or customer database is impossible due to an outage, power failure, or worse. When a business experiences downtime it loses productivity, its ability to communicate, access to customers, and most importantly, revenue.

Business continuity takes backup and data recovery (BDR) to the next level. The goal of business continuity is to ensure that, in the event of a disaster, data is recoverable instantly, not slowly over time like with tape, local, and online storage options. In addition, the right business continuity solution will allow a business to function during a disaster, rather than simply recover from it.

When considering any backup solution it is important to assess two key metrics. The first is RPO, or Recovery Point Objective. RPO represents how frequently backups can be taken, or moreover how much data one is willing to lose. For example, if a business is utilizing a backup solution with an RPO of 1 hour, then a backup can be

1. Alan Berman, president of the Disaster Recovery Institute (DRI) International

taken once an hour. With that solution, the business is stating that they are comfortable with sacrificing up to an hour of data in the event of an outage. Traditional backup solutions can provide decent RPOs; a good business continuity solution can achieve an excellent RPO, of up to 5 minutes.

Where business continuity truly differentiates itself is with Recovery Time Objective, or RTO. RTO represents how long it will take to get data back after a disaster. This is an essential figure to know, because even though data is backed up and secured from loss, a business cannot function properly until the data is recovered. Intelligent business continuity solutions can provide RTOs of fewer than 10 seconds. This is far superior to the weeks it can take to download large files from cloud online services, or the hours that it takes to convert server images for virtualization.

**Business
Continuity**
Much Higher Margin

Backup
Low Margin

When clients are looking for a backup solution for their business, it is essential that MSPs explain these primary differences so the client knows what they are getting—or not. While inexpensive backup options do offer decent RPOs, and protect data from loss, they also include the risk of long periods of downtime. While traditional backup solutions allow a business to survive after data loss, business continuity solutions enable a business to operate like the data was never lost in the first place.

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2. Better Service Means More Revenue

In the event of a technical or natural disaster, an intelligent business continuity solution delivers peace of mind that it will be business as usual. MSPs should charge accordingly.

The increased business value of business continuity should mean higher margin revenue opportunities for MSPs. By offering a service that completely mitigates the risk of downtime, one is able to mark up that service for greater margins. It is in the MSPs best interest to build up the value that a business continuity solution lends to the end user and develop a cost structure based on that enhanced value.

Business continuity is very cheap insurance for data, and more importantly, downtime. On average, if a business is saved from even one day of downtime over the course of three years utilizing a business continuity solution, they have more than paid for the entire cost of the service. How many businesses can you name that have never experienced a service outage over a three-year period? Not many. Over a three-year period, Datto Partners reported that 82.1% of their customers utilized a failover virtualization to keep their systems running and the doors of their business open. MSPs are delivering a business-essential service to their customers, and they should not feel shy about cultivating revenue from this valuable service.

3. Understand and Manage TCO for Maximum Profit

MSPs need a vendor who is a true partner. It's important for MSPs to work with a business continuity vendor that will help them better understand and identify their Total Cost of Ownership (TCO), to minimize unexpected fees. To better grasp TCO, the following questions should be addressed:

- What are the real costs associated?

- How long will it take a device to be setup?

- How long will it take to get technical support from the vendor?

- What is the overall quality of the vendor's SLA?

- If a disaster recovery scenario were going to occur, how long will it take to fully recover data (RTO)?

- Are there costs for virtualizing servers and workstations?

- How comprehensive are hardware warranties?

- If a device needs to be replaced, what are the costs involved and how long would a replacement take?

- Will they send me a new device free of charge, or will I need to purchase a new one?

- What about upgrades?

  - If a client outgrows a device size, what are the costs involved in upgrading?

  - How long would the process take?

- Initial device seeding is also a procedure that often gets overlooked. If 700GB of archived data needs to be backed up immediately off-site, sending that data direct to the cloud will take weeks and substantial bandwidth. To remedy this, most vendors offer seed drive services to expedite the process. There a few things to consider before choosing the correct vendor.

  - How does initial device seeding work?

  - Who provides the hard drives; the vendor or the MSP?

  - Who covers the costs of shipping drives back and forth?

  - How many man hours are involved?

  - Are there any guarantees for how long this whole process will take?

While these steps are rarely at the top of the list when MSPs are considering business continuity options, the right vendor will welcome this discussion to ensure that a win-win relationship is established. No doubt that an MSP can benefit financially from offering a business continuity solution, the best partner will help them maximize their profit while minimizing unexpected costs.

## 4. Set Expectations with SLAs

While MSPs want to offer the best service possible to their client, it's critical to articulate practical measures into the backbone of their Service-Level Agreements (SLAs). For example, it's recommended that MSPs include issues like trouble shooting minor hardware or software issues. Creating a more detailed SLA will help the MSP show its' client that they are more aware of all the elements of their systems, and more committed to servicing them.

If minor issues are not addressed they may end up being handled inappropriately. This doesn't help the MSP or the client. It's important to set expectations as to what the MSP should manage, what the client can manage (with assistance from MSP), and when to bring in the vendor. MSPs and end-users will have issues fixed more efficiently, and vendors won't need to expend resources and charge on a problem that is simple to solve. With practical measures taken at the front end of an agreement, an MSP will protect its margins.

5. Leave it to the Experts

While many MSPs and IT service providers may be capable of building their own business continuity solution, it's necessary to consider the substantial time and capital investment required to create a robust and marketable solution. The building blocks of an intelligent business continuity solution are complex, and getting all the pieces working together is a very difficult task.

- Backup software and storage hardware need to be developed. This can take months or even years to perfect.

- Failover hardware must be engineered in order to deliver the excellent RTO crucial for a solution to be relevant.

- Off-site storage facilities, in diverse locations, have to be developed to archive data and run failovers in the event of a server or workstation crash.

- Remote failover capabilities must be in place in the event of facility loss.

Remote Failover · **Off Site Storage/ Archiving** · **Failover Hardware** · **Backup Storage** · **Backup Software**

The Building Blocks of Business Continuity
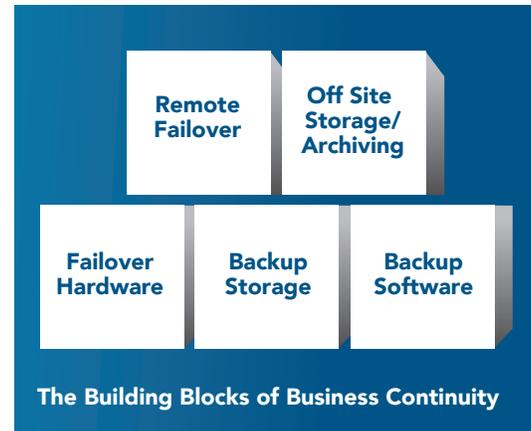
In order to compete in the market, valuable tools, interfaces, and support systems need to be developed while maintaining costs of scale. For example, adding the 5001st GB of data to Datto's cloud is far more cost effective than an MSP adding their 5th GB. Couple that with the liability assumed to ensure that everything is working perfectly, along with maintaining, updating and developing this solution and an MSP may soon find itself with a huge cash drain on their business, instead of cash influx.

Partnering with an award winning, channel-only business continuity vendor is the best means for success. With Datto, for example, intelligent business continuity is the heart and soul of the business. It is Datto's job to deliver the best solution to its MSPs; and the MSP's job to deliver the best service to their clients.

6. Take Advantage of Partner Support

Don't go it alone. MSPs should work with a vendor that is 100% channel-focused, 100% channel-driven, and 100% committed to the success of its partners. MSPs should then take advantage of the tools their partner offers, from training to marketing.

Datto has bundled all of the essential building blocks of business continuity into one easy to manage solution. With no virtualization fees, complimentary device seeding, free hardware replacements and a low-cost upgrade program, Datto prides itself in providing one of the lowest TCO solutions in the channel. Datto's innovative technology is industry leading, providing an RPO as low as 5 minutes and an RTO of less than 10 seconds. With dedicated bi-coastal data centers, US based technical support, and in-house hardware and software development, Datto has assembled a platform capable of the offering exactly what VARs, MSPs and their clients need in an intelligent business continuity vendor.

For information on intelligent business continuity and everything Datto, go to: www.dattobackup.com/siris.

Intelligent Business Continuity

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4