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2016 Cloud Backup Survey: Opinions and Usage

June 30, 2016   by Riley Panko

One of the first references found of the computing term "cloud" is in a 1994 advertisement for AT&T's PersonaLink Services, over 20 years ago. Despite the concept's longevity, however, small and medium businesses (SMB) have been slow to adopt cloud-based technology to back up their data. In fact, 63 percent of SMBs implemented the technology in just the past two years.

As more and more SMBs begin to use cloud-based backup in the upcoming years, we sought to learn more about behaviors and opinions regarding the technology.

We surveyed 304 SMBs in the US to measure the benefits and challenges of using online backup services, as well as behaviors regarding frequency of testing and backing up data. Nearly 3/4s of our respondents work for companies with 11+ employees, and almost half hold a Senior Manager position or higher.

Our results dispel the myth that cloud-based backup is a less secure option for SMBs. Furthermore, they provide useful advice for businesses seeking to implement the solution in the future.

KEY FINDINGS

1. Data security is the primary benefit of using online backup, according to 31% of SMBs.

2. 87% of SMBs see online backup as equally or more secure than on-premise options.

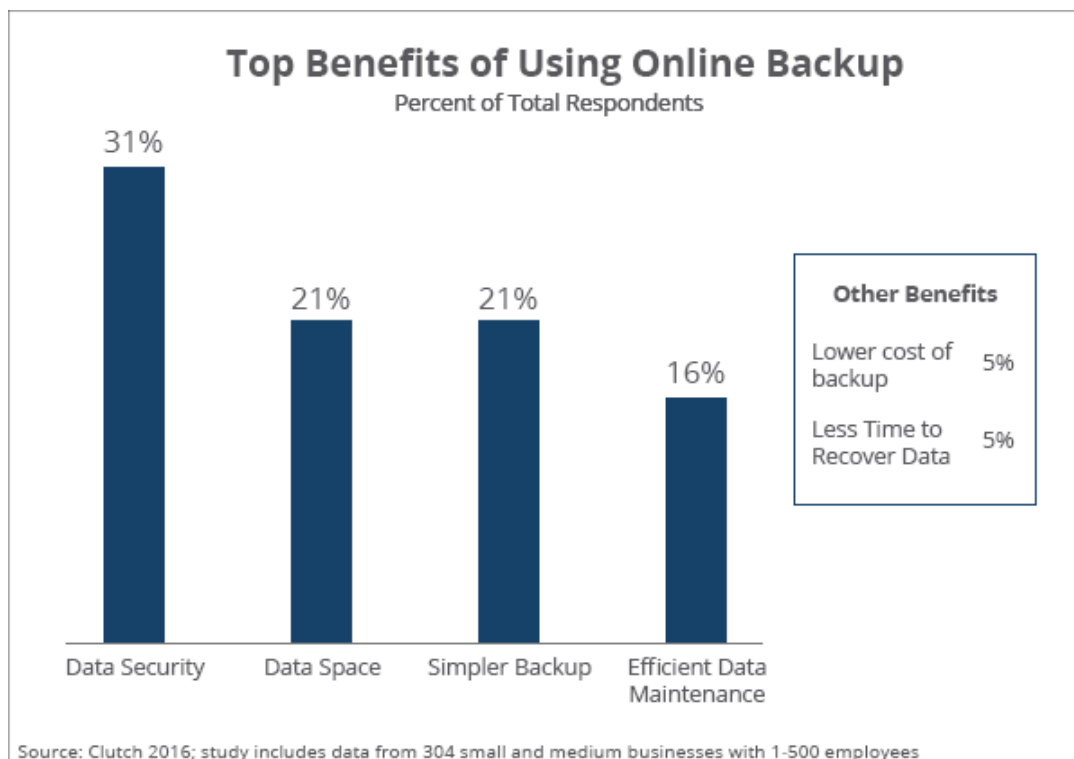3. In an unexpected twist, over a third of SMBs reported no challenges when using online

backup.

4. Nearly half of SMBs back up their data online daily, keeping in line with industry experts' advice.

5. 68% of SMBs test their online backup systems weekly or monthly.

Data Security is the Main Benefit of Online Backup

The increase in adoption of online backup services by SMBs shows that they recognize the technology's unique advantages.

The main benefit is data security, according to the SMBs surveyed, followed by more data space and simpler backup.

Top Benefits of Using Online Backup
Percent of Total Respondents

Data Security	Data Space	Simpler Backup	Efficient Data Maintenance
31%	21%	21%	16%

Other Benefits

Lower cost of backup	5%
Less Time to Recover Data	5%

Source: Clutch 2016; study includes data from 304 small and medium businesses with 1-500 employees
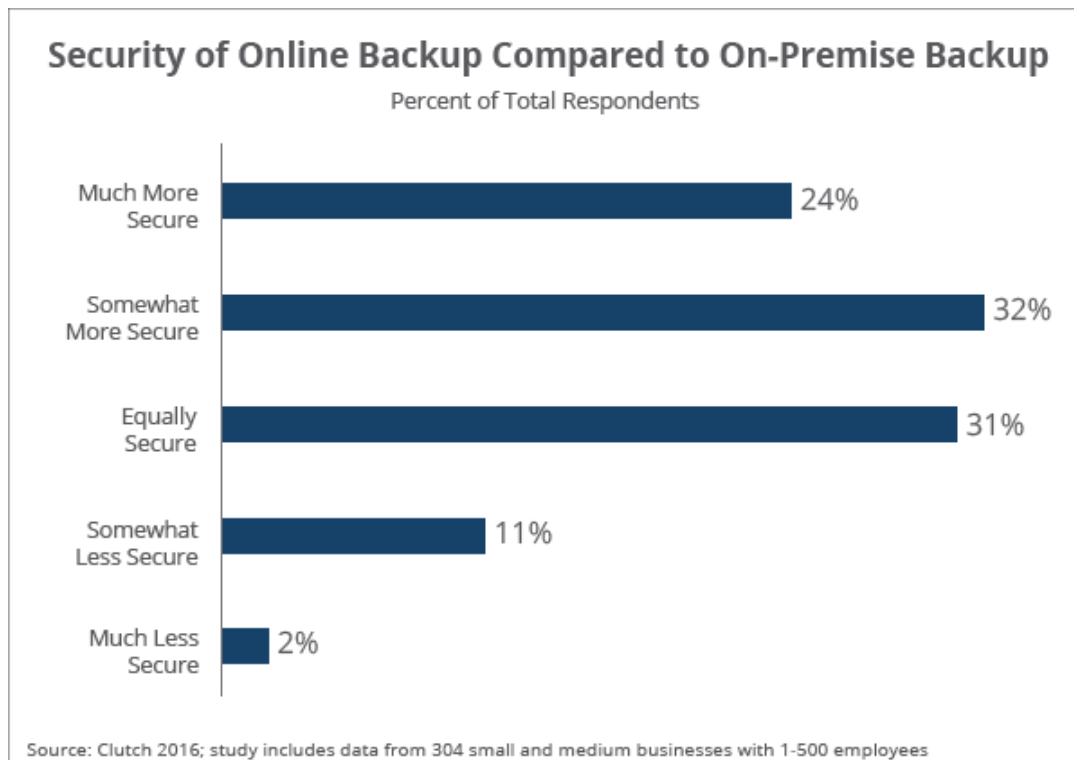
Industry leaders expressed surprise at the top finish for data security, since they often encounter

distrust and apprehension from businesses exploring online backup services.

> "That's actually one thing that we hear quite a bit – how people are concerned about the level of security." – *Steve Woodward, Chief Technology Officer, SkySync*

> "From the customers that we speak to who are interested in online backup, security is high on the list of things they are fearful of. They want to make sure the provider is going to keep their data secure, particularly as they vacillate from file sharing data to enterprise database data." – *Bob Lamendola, General Manager of Infrastructure Services, MindShift*

However, 87 percent of the SMBs surveyed say online backup is either **equally secure** or **more secure** than on-premise backup.

Security of Online Backup Compared to On-Premise Backup
Percent of Total Respondents

Category	Percent
Much More Secure	24%
Somewhat More Secure	32%
Equally Secure	31%
Somewhat Less Secure	11%
Much Less Secure	2%

Source: Clutch 2016; study includes data from 304 small and medium businesses with 1-500 employees

The trend shows that **fear of cloud-based backup often results from inexperience with or ignorance of how the systems work**. The respondents to our survey already frequently use online backup regularly for their work. Therefore, for SMBs who actually use the technology, their personal experience proves the speculations wrong.

> "These tools have been growing in adoption and I think a lot of the early adopters

were the 'crossing the chasm' type. We're moving to the point now where most of the early adopters have had some level of success, and now later adopters are saying, 'Hey, this is the right time and place.'" – *Steve Woodward, Skysync*
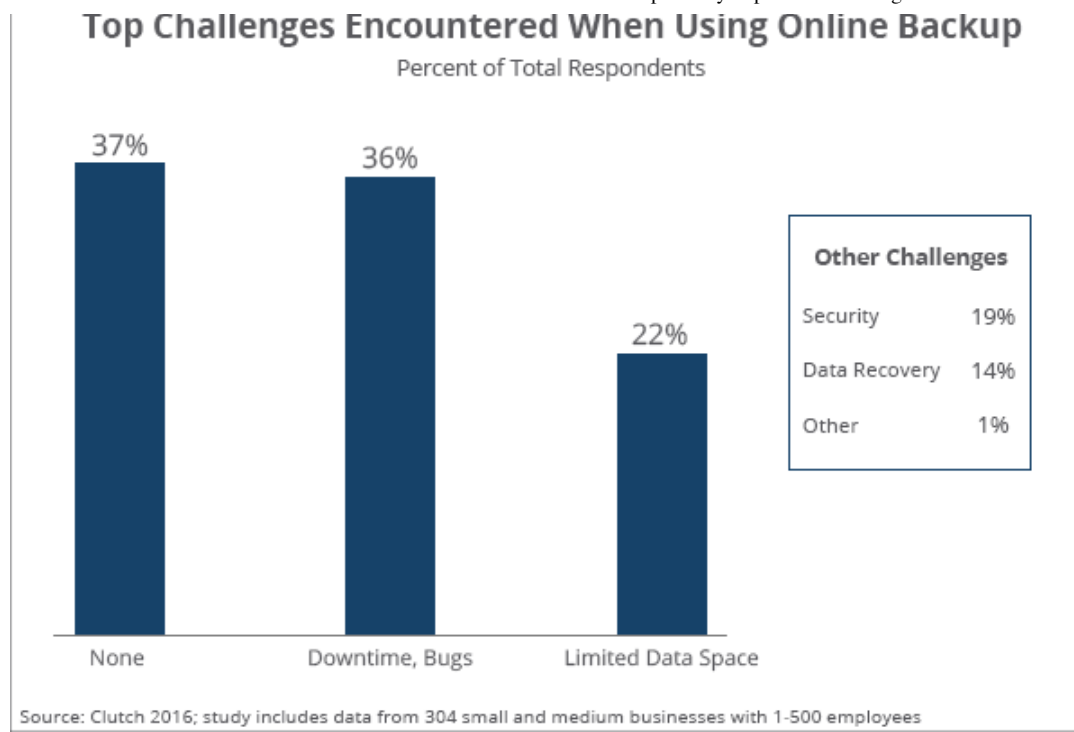
"I can promise you most SMBs will be challenged to answer questions on the security of their backup data if they're using on-premise… However, the online business is built specifically with data security in mind. All the cloud providers understand that without that [security] certification or the ability to prove compliance, customers have no trust in their services." – *Bob Lamendola, MindShift*

Furthermore, online backup vendors offer extensive security features that might otherwise be outside of an SMB's budgetary limit.

"The security and reliability of top-tier cloud vendors' state-of-the-art data center infrastructure is far more robust and stringent compared to what a small- to medium-sized business can afford." – *Mark Anderson, IT Strategist, Anderson Technologies*

Over 1/3 of SMBs Report No Challenges with Online Backup

Despite being relatively new to online backup solutions, 37 percent of SMBs say that they have not encountered significant challenges while using the technology. However, another 36 percent say downtime and bugs can be issues.

Top Challenges Encountered When Using Online Backup
Percent of Total Respondents

Other Challenges

Security	19%
Data Recovery	14%
Other	1%

- None — 37%
- Downtime, Bugs — 36%
- Limited Data Space — 22%

Source: Clutch 2016; study includes data from 304 small and medium businesses with 1-500 employees

SMBs' emphasis on downtime is unexpected, according to leaders in the industry who reviewed the survey findings. Cloud-based backup services hedge their business on being reliable and stable.

> "It's often very disconcerting if there's any downtime with getting to the provider to get the data. It makes people very uneasy if the solution is not reliable and stable... It really casts a dark shadow and can create a barrier to adoption." – *Bob Lamendola, MindShift*
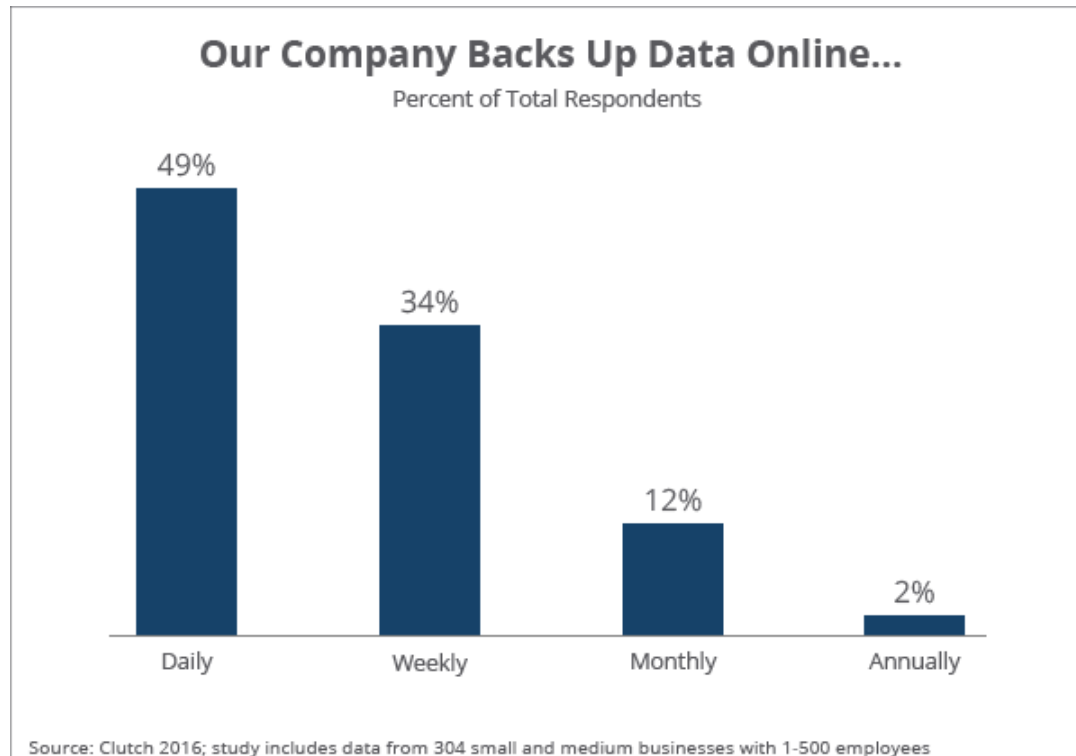
> "I wouldn't think downtime would be a frequent factor. If a cloud-based backup service is experiencing frequent downtime, they will not be in business for long." – *Mark Anderson, Anderson Technologies*

Another explanation for this challenge is restrictions online backup services put in place to manage very large amounts of data.

> "Many times, these cloud services institute what they call rate limitations. Essentially, they put some throttling on every interaction with their service, so that everybody gets a very small piece of the pie, and no one person uses too many server resources. One of the downsides to this is that when you're dealing with the heaviest initial uploads of data, it can be slow." – *Steve Woodward, SkySync*

Backup Your Data Every Day, Say Industry Experts

Businesses use backup services because they want their data to be restored as quickly as possible in case of a disaster. However, the effectiveness of the solution decreases when a business does not back up their data frequently. Luckily, almost half of SMBs perform backups daily.

Our Company Backs Up Data Online...
Percent of Total Respondents

Daily: 49%
Weekly: 34%
Monthly: 12%
Annually: 2%

Source: Clutch 2016; study includes data from 304 small and medium businesses with 1-500 employees

Industry leaders stress the importance of backing up data on a daily basis, especially critical data that could cause massive disruptions if lost for even a short period of time.

> "Most traditional backup practices would recommend doing a full backup initially and then doing a 'delta backup' at least every day. If you were to lose one day of data – do the math – out of only 365 days per year for your business, plus all the fallout that would occur, it can be very disruptive." – *Steve Woodward, SkySync*

60% of SMBs Use Automated Backup Exclusively

Automated backups make it easier for businesses to back up their data daily.

Overall, automation removes the possibility of human error which, though often an accident, can lead to critical errors.

> "I think automated backups are very appealing, just because it takes one human factor out of the equation … Computers are much better at following routine and schedules sometimes than people are." – *Steve Woodward, SkySync*

> "Computers (and backup schedules) don't take vacations or leave the office because of a holiday." – *Mark Anderson, Anderson Technologies*

Steve Woodward of SkySync suggests that automatic backups are best for specific types of data, namely collaborative content that is altered constantly.

> "People are editing documents together. They're trading around this data that's always growing and changing. You need to back up this data consistently, in an automated fashion, because you're going to need it every day, or every 12 hours, or every four hours." – *Steve Woodward, SkySync*

Frequent Low-Level Monitoring of Online Backup is Vital

With emphasis on frequent backups and prevention of loss, what happens when your security net itself is the issue? How often should an SMB test its cloud-based backup system?

The majority of SMBs test their online backup service either weekly or monthly.

Industry leaders emphasized that a proper and thorough testing of a backup system is not a quick

process.

> "[You should] simulate the 'loss' of a critical file, folder, database, or system, and document the exact steps and amount of time it takes to recover this data completely. Go through every step necessary to get the data back on a system in-house and completely usable again." – *Mark Anderson, Anderson Technologies*

This sort of intensive testing is often not conducive to daily or weekly repetition, since it requires shutting down vital systems. It is more helpful to conduct low-level monitoring and testing on a daily basis, while holding more rigorous testing on an annual or semi-annual basis, according to Steve Woodward of SkySync.
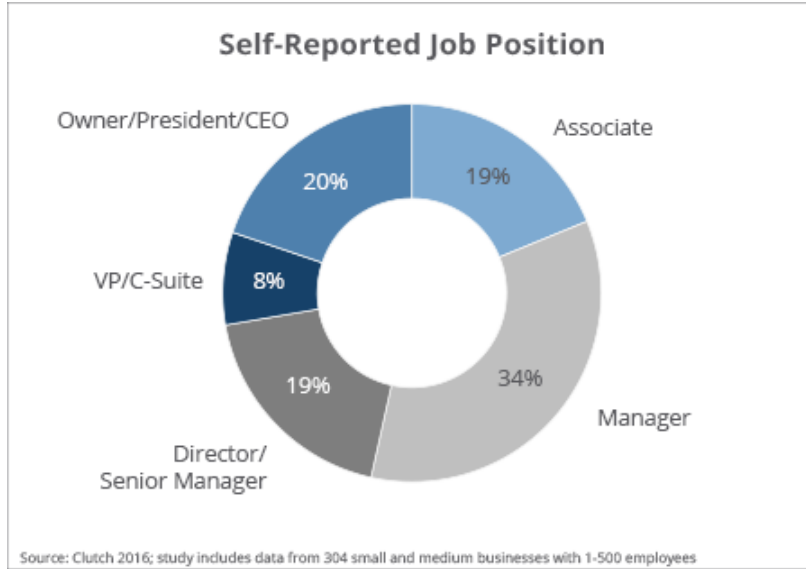

Thus, rather than asking yourself how often you should test your online backup service, **it's more productive to ask what types of testing you'll conduct and at what frequency**.

ABOUT THE SURVEY

Clutch surveyed 304 SMBs that use a cloud-based, online backup service, with all respondents holding an associate position or higher. An SMB is defined as a business with 1-500 employees. 81% of respondents reported working at the manager level or above.

Self-Reported Job Position

- Owner/President/CEO — 20%
- Associate — 19%
- VP/C-Suite — 8%
- Manager — 34%
- Director/Senior Manager — 19%

Source: Clutch 2016; study includes data from 304 small and medium businesses with 1-500 employees

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