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How to Sell Backup as a Service

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Welcome to the essential BaaS guide

Looking to find new revenue streams, retain more customers and increase your profits? Then you'll want to embrace the opportunities of the cloud services market.

This essential guide shows value-added resellers (VARs) like you where those opportunities lie, the benefits you'll enjoy from using the cloud model, and how easy it is to meet your customers' needs with Acronis' on premises and cloud-based solutions.

We'll look at:

- Why selling backup as a service is a smart business decision for VARs
- What benefits cloud-based backup offers your customers
- How delivering backup as a service enhances your VAR business
- What are the backup selling options you have with Acronis
- What makes Acronis Cyber Backup Cloud the best way to deliver backup as a service

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Business customers are embracing the cloud

Every business owner knows they've got to "fish where the fish are," because you'll never make a sale if you're not connecting with customers. But what's missing from that analogy is you also need the right bait – because even if you're in a school of fish, you won't catch much with an onion on your hook.

When it comes to the future of selling business solutions, offering cloud-based products is essential to ensure the well-being of your VAR business.

Through 2022, the market size and growth of the cloud services industry will be <u>*nearly three-times*</u> *that of overall IT services.*

Gartner

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Cloud solutions like backup as a service (BaaS) create opportunities for VARs

The good news is that for VARs whose clients regularly rely on them for IT solutions, adding online backup to their offering creates tremendous opportunities for new business and new revenue streams.

That's because all modern businesses, regardless of their size, rely on data every day. Since that data generates value for these companies, it needs to be protected from modern threats – making backup as a service an easy sell.

A recent Spiceworks survey revealed that online backup and recovery services are the second highest budget allocation for cloud services in 2020. By reselling backup as a service, you're sure to be fishing with the right bait.

93% of organizations have been attacked within the past three years
IDC

Downtime costs businesses between $10,000 and $260,000 per hour
**CloudRadar and Aberdeen**

By 2023, worldwide spending on public cloud services will more than double
IDC

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The risk of inaction

As companies migrate to cloud-based solutions, VARs have a choice: add managed cloud services like backup to their offering, or watch customers move to other vendors to find the solutions they want.

$10.2B

16.2%
A five-year
CAGR

$4.8B

$6.9B

4.7%
A five-year
CAGR

$8.7B
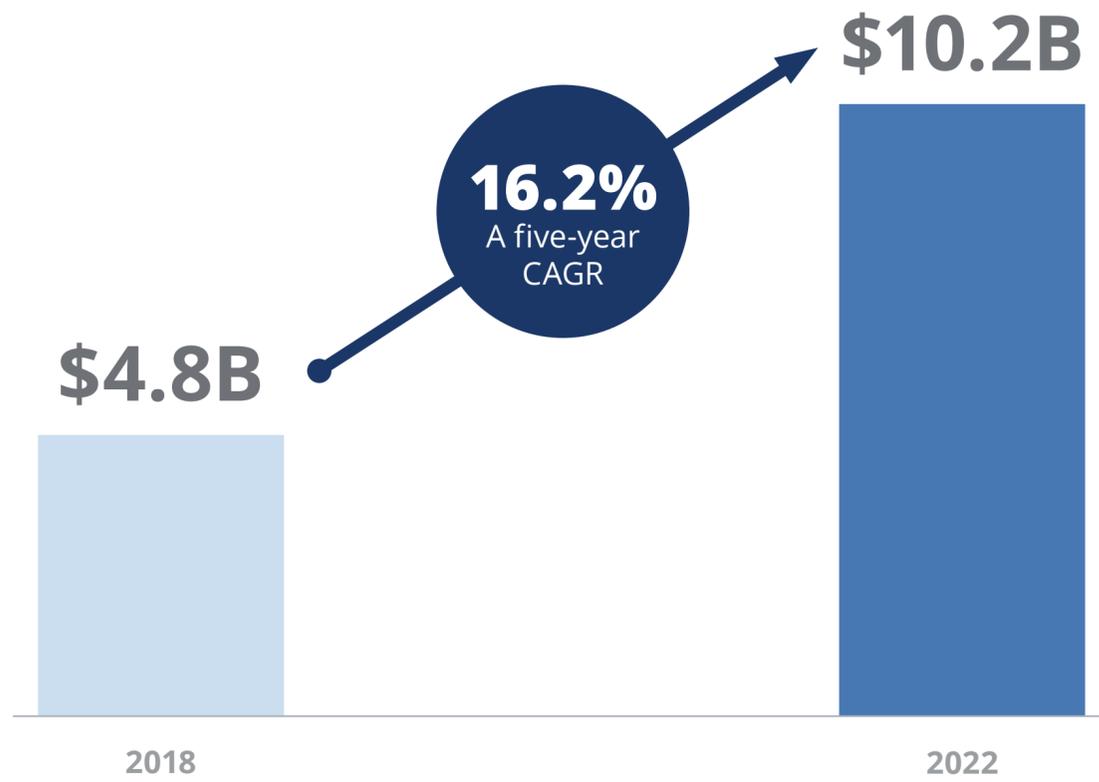
2018   2022

2018   2022

Data protection as a **service**
market size forecast[1]
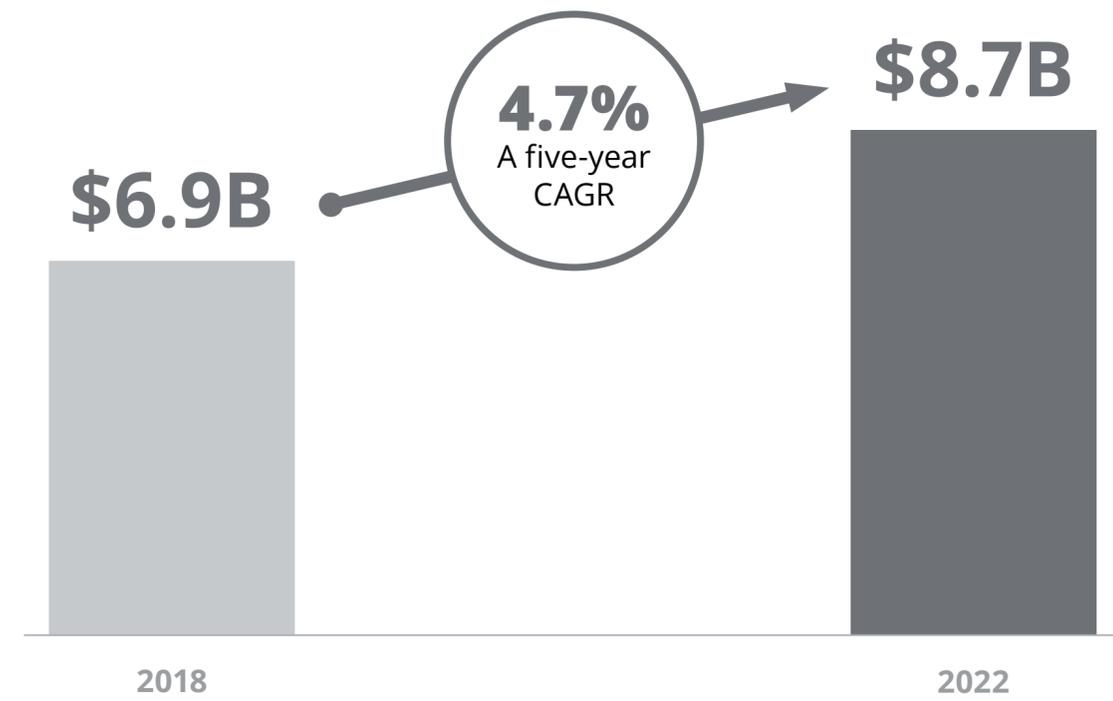
Data protection and recovery **software**
market size forecast[2]

1 International Data Corp (IDC). 2018. Worldwide Data Protection as a Service Forecast, 2018–2022: Initial Market Sizing.

2. International Data Corp (IDC). 2018. Worldwide Data Protection and Recovery Software Forecast, 2018–2022

Win-Win: Advantages of the Cloud Model

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Why are businesses switching to cloud-based services?

Companies gain several advantages with cloud-based solutions

OpEx vs. CapEx

Cloud backup services can be charged as operational expenses, which are fully deductible from gross revenues and don't come with a long-term commitment or the future costs of keeping those investments updated.

Maintenance and updating

Business owners and IT pros don't need to worry about maintaining and upgrading either the hardware or software they use, since that's now the cloud vendors' responsibility.

Savings on equipment

Cloud services means businesses no longer need to invest in the hardware, facilities, utilities, or construction of a large data center in order to grow – allowing them to deploy valuable resources elsewhere.

Scalability

Cloud infrastructure allows IT to easily scale their resources up and down to account as needed, without having to maintain costly hardware that would sit idle the rest of the time.

Data security

Cloud providers like Acronis implement advanced protections for their platforms and the data they process, such as authentication, access control, and encryption.

Shorter time-to-value

Cloud eliminates the costly and complicated testing and installation procedures that are required to bring on-premises applications online.

Are there advantages for VARs who sell cloud services?

VARs are adopting the managed services model for many reasons

Business stability

Relying on big, upfront sales to keep your cash flow running every month isn't just stressful, it's risky. With Monthly Recurring Revenue (MRR), you can count on a more reliable and predictable revenue source, do better business planning, and make your company more valuable.

Increased profitability

A survey of MSPs, VARs and partners showed that on average, gross margins for managed services are three times greater than on-premises software and hardware product resales.

Higher client retention rate

Companies typically call on VARs for one-time projects. It's literally a one-and-done deal. Selling cloud-based services involve annual contracts or agreements that span several

years – delivering the kind of "sticky" customers and revenue that are the envy of VARs who operate under the classic "break-fix" model.

Faster growth

Growth is more profitable for those offering cloud services (whose net income increases with growth) than it is for resellers (whose net percentage is eroded by higher operating costs).

Easier financing

Bankers love recurring income, so companies that can demonstrate recurring revenues can get the financial backing they need more easily. So while MSPs have less need for outside financing (which eats into profits), when financing is necessary, they can get it.

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The real benefit is monthly recurring revenue (MRR)

Most revenue comes from the customer base, not from
new customers
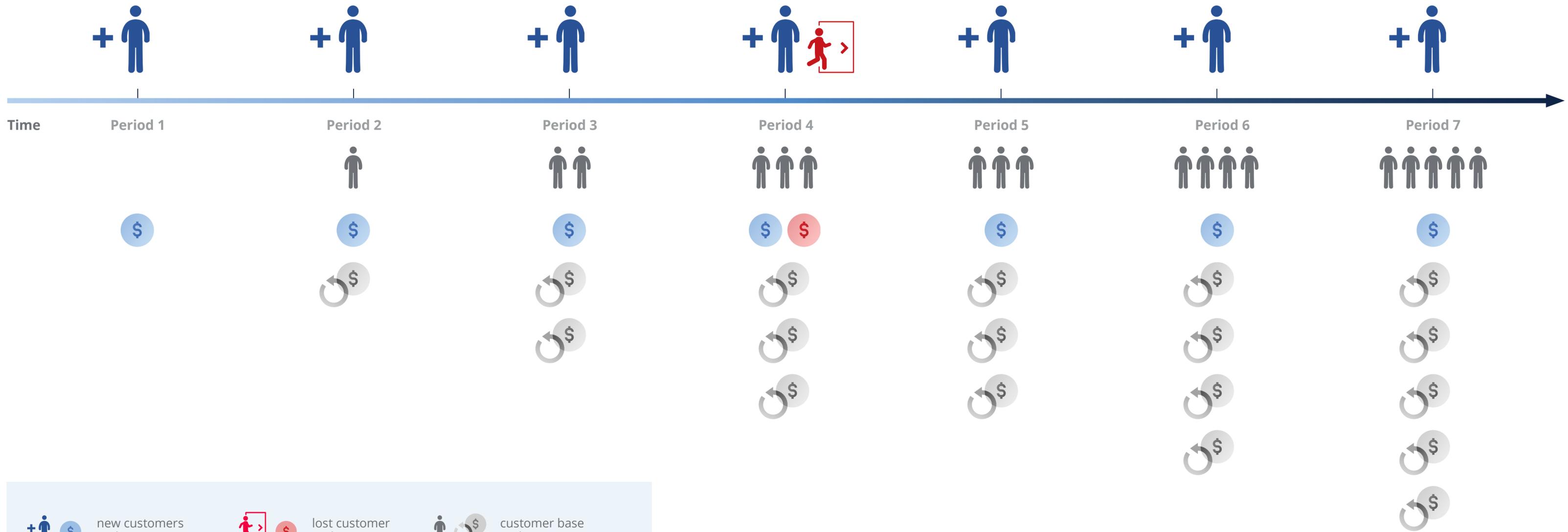
| Time | Period 1 | Period 2 | Period 3 | Period 4 | Period 5 | Period 6 | Period 7 |

new customers
and revenue

lost customer
and revenue

customer base
and recurring revenue

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The simple equations behind subscription business success
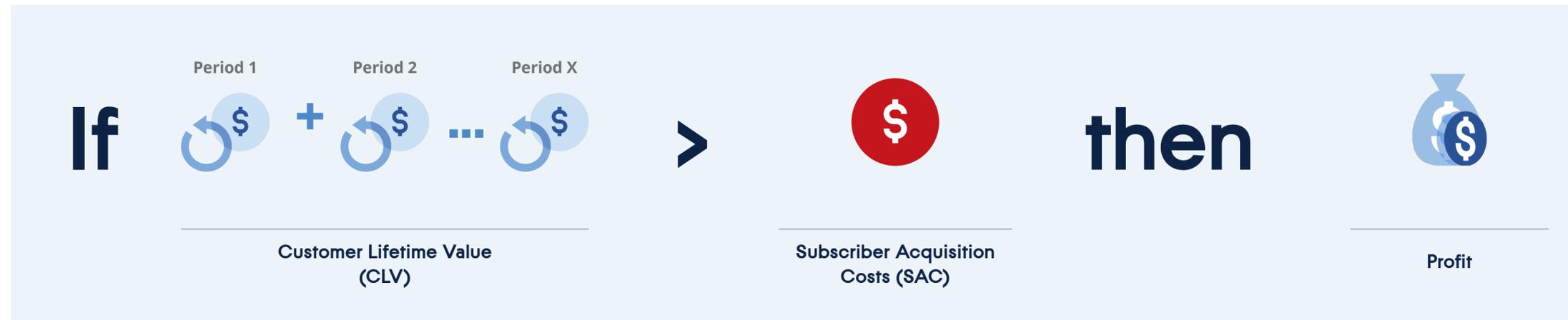
Period 1   Period 2   Period X

If

Customer Lifetime Value
(CLV)

> Subscriber Acquisition
Costs (SAC)

then   Profit

If

New Subscriptions

> Cancelled Subscriptions
(Churn)

then   Growth

Reselling Backup as a Service

Will reselling backup as a service work for your business?

A few questions can help determine if cloud-based solutions are a fit

- Do you have regular customers who trust you to find the right solutions for their needs?
- Do you want to develop a recurring revenue stream from new and existing customers?
- Do the advantages of offering managed cloud-based services make sense to you?
- Do you think you and your team could convincingly resell backup as a service?
- Does your business already offer storage and monitoring solutions?

If you answered "yes" to most of these questions, then consider reselling backup as a service.

Remember:

Your business clients are likely using the cloud already for storage, workload and productivity solutions. Since every customer needs to protect their data, backup as a service is an essential and easy offering for VARs to add.

What kinds of businesses need backup as a service?

All companies rely on data and must protect it – some more than others

The nature of some industries creates unique data protection needs, while others have regulatory standards regarding the protection, conservation and accessibility of data that companies must meet.

Whether those rules and regulations are set by the company, the industry, or governmental agencies, by demonstrating an ability to understand and meet their unique needs, you can better compete for customers in those industries.

Let's look at three examples of industries with unique needs, which you can better meet by reselling backup as a service.

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Manufacturing

Every company seeks predictable expenses to maintain their margins and profitability, but manufacturers are particularly sensitive.

This makes backup as a service a particularly attractive option for them. It not only provides the data safety needed to recover from a system malfunction or cyberattack, the subscription model also gives them a predictable expense to budget for.

Successfully building a backup as a service offering also lets you build a client base that you can later target for disaster recovery as a service. In manufacturing, DRaaS is particularly important because near-instant failovers helps keep the production line moving, avoiding costly downtime.
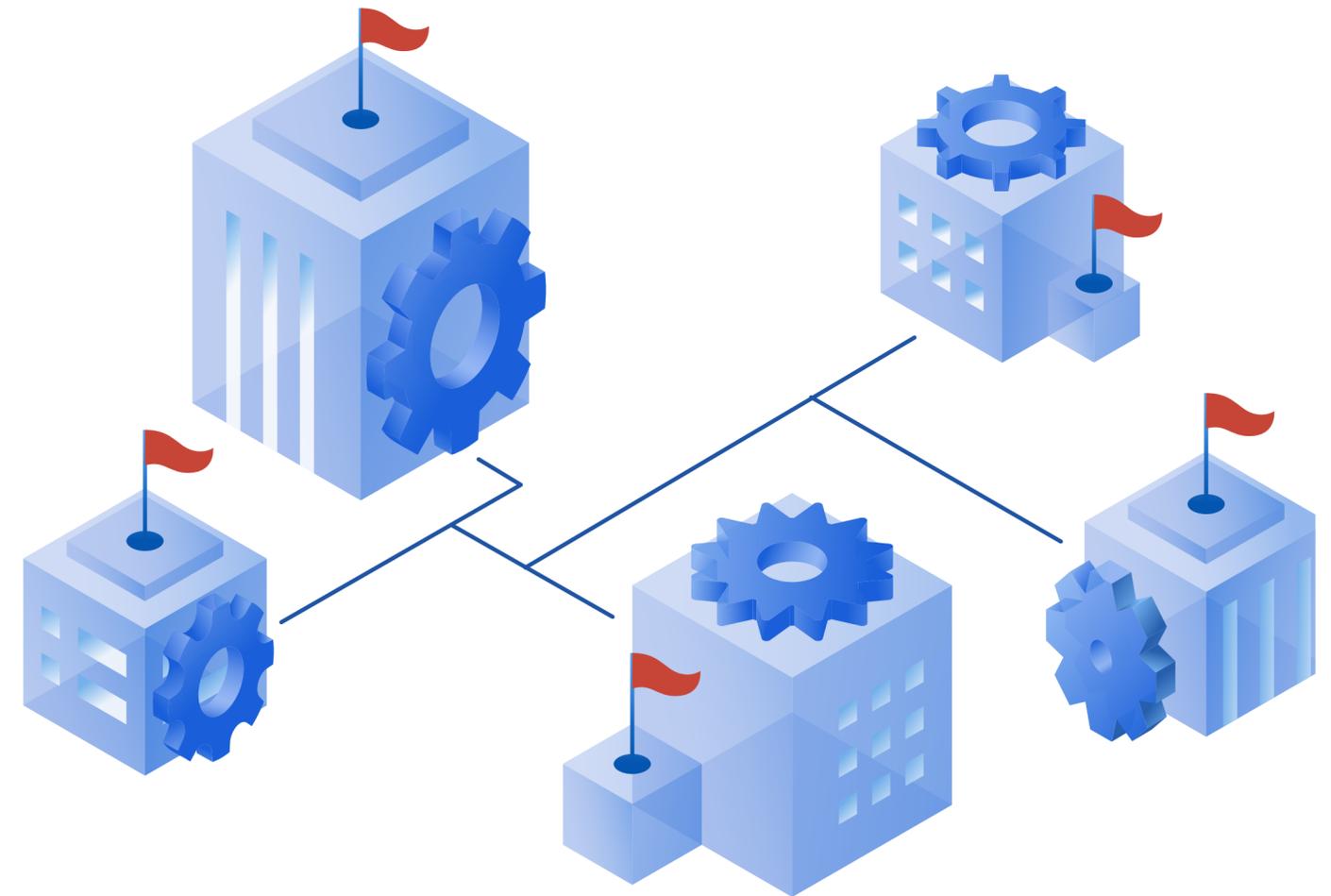
Financial services

Banks, brokers, insurance companies, and financial advisors all have sensitive customer information, transaction records, and digital assets that need to be stored and protected.

Building and maintaining an in-house IT infrastructure to keep all of that data on-site is extremely costly and often less secure than using an online backup service vendor.

Keep in mind that financial institutions have some of the strictest regulatory requirements concerning the handling, control, and storage of data. They need a vendor who offers a cloud backup service designed to ensure the safety, security and privacy of data.

Healthcare

Healthcare is a complex, heavily regulated industry in general.

That's particularly true when it comes to safeguarding patient data due to the requirements of the Health Insurance Portability and Accountability Act (HIPAA).

This creates a tremendous opportunity for VARs offering backup as a service, provided they are reselling a HIPAA-compliant service that helps their customers meet the strict standards of data safety, security and privacy.

Legal

There are a tremendous number of sensitive records that are collected and shared during a legal procedure, and all of that information must be retained – from client details and case histories to research and depositions notes.

And, like most industries, all of those files are increasingly being digitized, which challenges the typical legal office's data storage.

Given the nature of the information they handle and store, some law offices are hesitant to move to the cloud. By connecting them with an online backup service that is specifically built for security and data privacy as well as safety, you can differentiate your offering to close more sales.

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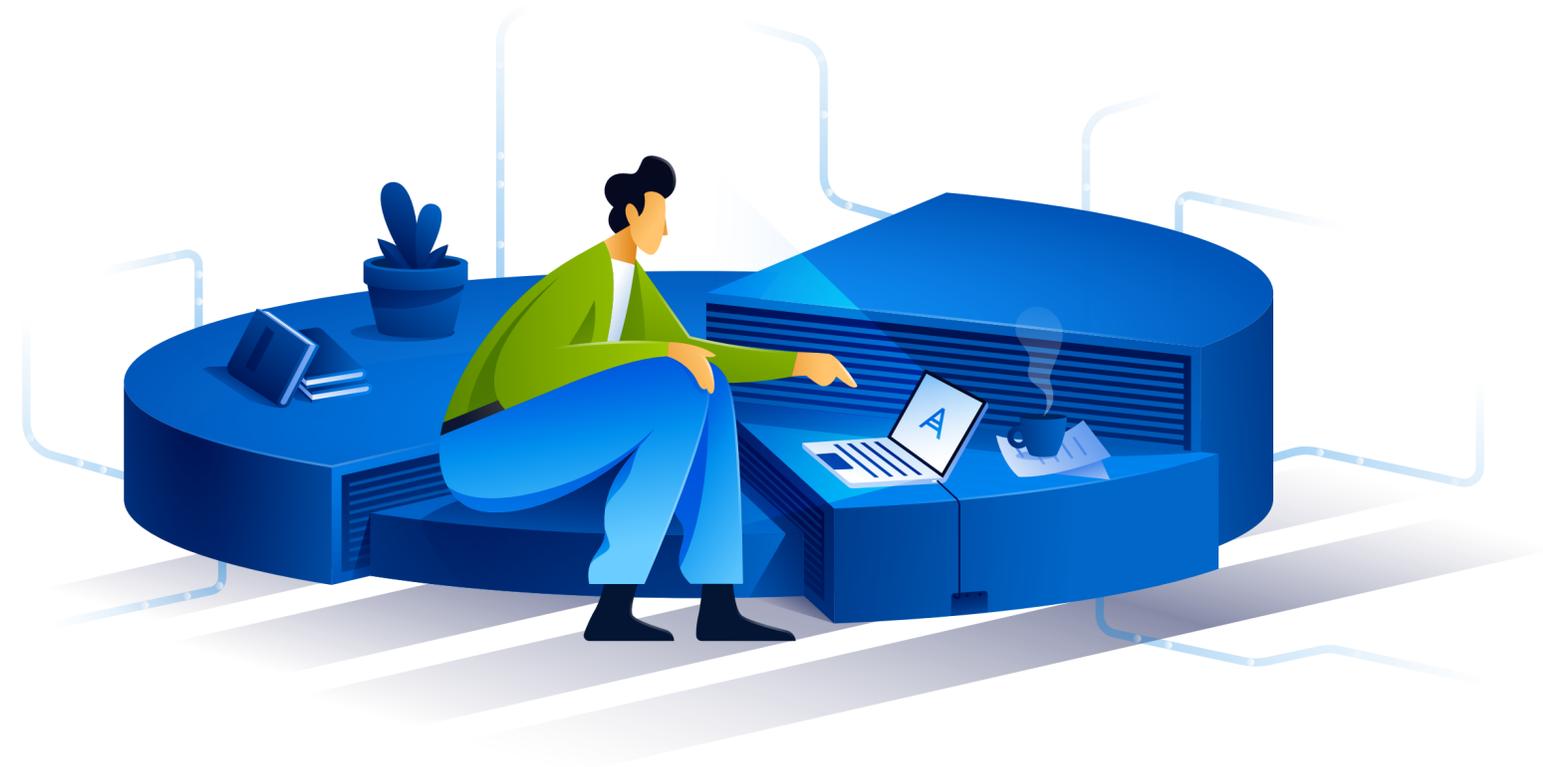
What's the best approach for reselling BaaS?

Understanding your customers' needs is the key

There are three simple ways you can develop that understanding so you can sell to them better.

Ask what keeps them up

Like most VARs, you're usually taking a call, visiting a client, or pitching a prospect. These are opportunities to mine insights into the challenges they face, which you can use to show how backup meets their needs.

Use the tools you've got

Comments on your e-commerce page, questions to your social media account, and interactions recorded by your team in your CRM software are great places to identify the pain points you can solve.

Know who needs you and why

Delivering a solution that matches the specific needs of the Production Manager, Sales Director, or Office Manager is often the most effective way to sell online backup.

Maintaining trust is a key to successfully reselling backup as a service

When considering if reselling backup as a service is right for your VAR business, the first question we asked is whether you have regular customers who trust you to meet their IT needs – and presumably you said "yes".

You're already serving as their trusted IT consultant, and maintaining that trust is vital for your ongoing success.

The backup service you recommend and resell reflects on your company. You'll want to connect customers to the best cloud backup solution available – one designed to ensure the safety, accessibility, privacy, authenticity and security of their data – because that will preserve their trust and your reputation.

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Cyber Backup Cloud Makes Reselling Easy

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Selling backup solutions with Acronis

When selling backup solutions with Acronis, you have options.

- You can resell Acronis Cyber Backup software licenses.
- You can also resell cloud-based solution licenses (Acronis Cyber Backup as a Service).
- If you're looking to become a true service provider, Acronis Cyber Backup Cloud comes with all the options and related service provider features.

Let's see how the solutions are different from the reselling perspective shown on the next page.

Backup as a service _(SaaS)_		On-premises backup _(software)_
ACRONIS CYBER BACKUP CLOUD	ACRONIS CYBER BACKUP AS SERVICE	ACRONIS CYBER BACKUP
The #1 hybrid cloud backup-as-a-service solution made specifically for service providers	Effortless backup-as-a-service for SMBs that eliminates on-premises backup complexity	The most reliable and easy-to-use on-premises backup for businesses of all sizes

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The options comparison

Category	ACRONIS CYBER BACKUP CLOUD	ACRONIS CYBER BACKUP AS A SERVICE	ACRONIS CYBER BACKUP
	Backup as a service (SaaS)	Backup as a service (SaaS)	On-premises backup (software)
Backup server location	Acronis Cloud	Acronis Cloud	Customer premises
Licensing	Pay-as-you-go with monthly payments	Subscription (1, 2, 3 years)	Subscription (1, 2, 3 years) or perpetual
Pricing model	Per GB and Per device	Per device	Per device
White-labeling	✔	✖	✖
Multi-tenancy to support multiple customers	✔	✖	✖
Multi-client management portal	✔	✖	✖
Integration with RMM, PSA, and custom systems	✔	✖	✖
Partner-hosted cloud storage option	✔	✖	✔

RECOMMENDED

Why sell Acronis Cyber Backup Cloud

A platform made specifically for cloud providers

Selling cloud services requires both the services and a delivery platform. Acronis Cyber Backup Cloud is a part of Acronis Cyber Cloud, a platform for service management, onboarding, integration and customization – which helps you to deliver cloud services in an easy, efficient, and secure way, and come online with little or no upfront costs.

The platform comes with a broad set of features that you won't find in the end-customer solutions from Acronis, such as:

- Multi-tenancy to support multiple customers

- Multi-client, multi-service management portal

- Both per-GB and per-device pricing models

- Ability to white-label the service

- Ability to create various offerings and service bundles

- Service usage quotas and reporting

- Integration with PSA and RMM tools

- API for customer integration

- Partner-hosted cloud storage option

Partner roadmap to start selling Acronis Cyber Backup Cloud

A dedicated partner care manager is assigned

First customers onboarded

5+ customers

Free trial signup and product demo	Product readiness (30 days)	90-day go-to-market onboarding	On-going sales and marketing support

Free trial signup and product demo
- Signup for free 30-day trial
- Or contact Acronis Sales
- Get a live product demo

Product readiness (30 days)
- Product testing
- Initial pricing and packaging development
- PoC for customers
- Signing distributor agreement

90-day go-to-market onboarding
- GTM strategy and sales best practices
- Marketing campaign
- Tier-1 support certification
- Sales certification
- Product webpage and service trial integration
- Integration with your systems

On-going sales and marketing support
- Pre-sales assistance
- Partner Care Team assistance
- On-going sales and technical trainings
- Access to demand generation campaigns and sales collateral
- Marketing development funds (Gold level)

ALL STAGES ASSISTED AND CURATED BY ACRONIS EXPERTS

Start selling fast with zero upfront cost

✔ No infrastructure investments (turn-key SaaS)

✔ Ramp-up period for new partners

✔ Free 30-day trial period

✔ Free sales and technical trainings

✔ 100% pay-per-use licensing model

Try Acronis Cyber Backup Cloud for yourself free for 30 days

FREE TRIAL

Other useful resources:

Ebook: 5 Exclusive Ways Acronis Skyrockets your Data Protection Business

Acronis Cyber Cloud training videos

The Ultimate MSP Marketing Guide

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