

Selling a BDR Appliance

Whether building or buying, a StorageCraft-powered BDR appliance is a profitable method of delivering DR services.

Most MSPs, VARs, and other IT service providers understand the value of backup and disaster recovery. Businesses can save money by preventing lost production time and have peace of mind knowing their critical data is securely backed up and quickly recoverable. At the same time, an IT provider can not only develop an offering that protects their customers but also cash in providing these goods and services—it's a win-win situation.

One of the most reliable ways to make disaster recovery a profitable part of your business is to sell, or buy and resell, a backup and disaster recovery appliance (BDR).

We've discussed at length how to sell disaster recovery as a service, (see the [full guide](#)) but for this piece, we'll focus specifically on selling and profiting from BDR appliances.

The basics of BDR

A BDR is a key component of a successful disaster recovery (DR) solution. Essentially, a BDR is a device tied to a business's Recovery Time Objective (RTO; see Recovery Objectives) designed to reduce business downtime by storing backups and allowing quick recovery options. This way, when a failure occurs, lost production time is minimal.



BDR appliances come in a lot of shapes and sizes, but some of the best ones provide the following:

- Local storage and management of your StorageCraft® ShadowProtect® backups.
- Rapid recovery of critical servers via StorageCraft VirtualBoot™.
- Replication of your backup chain to StorageCraft Cloud Services™ and other destinations.

These features are what make a BDR appliance a powerful recovery tool and not just a garden variety NAS device. The trouble is now you have to illustrate how valuable a BDR can be to your clients. For this you'll need to have a chat.

The argument for disaster recovery

Common questions posed by solution providers are *what if my clients aren't willing to pay for a second server?* and *how do I get my clients to actually pay for this device?*

Pitching clients a second server might be a tough sell, but here's the thing: you're not really selling them a second server. You're actually selling peace of mind and a way to thwart the cost of downtime. Ultimately, you're selling disaster recovery and all of the assurances that come along with it.

Educating your clients on the difference between having a simple backup and a full-fledged disaster recovery solution is crucial, and you do this by discussing downtime and recovery time.

Any time a business isn't doing business, there are costs involved. This downtime is a hidden cost that some clients probably never considered. Helping them understand this cost is the best way to show how valuable a BDR appliance can be— A backup that takes three to four days to restore costs a business a lot more than a BDR device that can bring equipment back to life in under an hour.

The quickest way to determine how much downtime costs a client is to use a downtime calculator (See Downtime calculator). Inputting a few numbers in this calculator will give your clients a good estimate of the dollar amount an hour of downtime will cost. Add up a few days' worth of downtime and the cost benefit is clear. A disaster recovery solution can save thousands of dollars in lost revenue and recovery costs if a server goes down.

Recovery objectives

When you're trying to understand a client's tolerance to downtime, there are two things you'll really want to know:

- How long can they be without a certain piece of equipment?
- How much data can they afford to lose?

The answer to these two questions will help determine the two most important numbers for backup and disaster recovery planning: recovery time objectives and recovery point objectives.

Recovery Time Objectives

A recovery time objective, or RTO, is most useful in helping you understand the kind of recovery strategies and technologies you need in place to successfully recover from a disaster. Put simply, RTO is a measurement of your client's tolerance for downtime. Once you know what that tolerance is, you're in a better position to plan the recovery.

Note that RTO is not really useful for helping you recover data or set up backup schedules. Instead, it prepares you to get your systems up and running before clients start hemorrhaging money, reputation, and so on.

For a more detailed guide on determining RTOs with clients, read "[What is RTO?](#)"

Recovery Point Objectives

A recovery point objective, or RPO, is the other metric you need to discuss with clients. RPO is a useful tool when it comes to planning and executing backups. Basically, an RPO is a measurement of tolerance for data loss and it can help you and your clients decide how often they need to be backing up, as well as what sort of infrastructure you need in place in order to support those backups.

Keep in mind that, despite its name, an RPO has less to do with the actual execution of a recovery than it does with helping you lay the groundwork, so when you do have to recover, you'll recover everything you need.

For more information on RPOs and how to determine them, read "[What is RPO?](#)"

Methods of selling a BDR

As noted, BDR devices are an affordable option for small to medium-sized businesses that need backup and recovery options. For an IT provider, it can be a gateway to profitability. In general, there are two popular methods for generating revenue from a BDR.

VAR model

Value-added resellers (VARs) will typically sell the BDR along with installation and configuration. Under this model, the end client owns the BDR (and StorageCraft software if you're building it yourself). As a StorageCraft partner, you will purchase and resell the StorageCraft licenses as a reseller.

MSP model

The second method is to provide the BDR, software, and services as a unified business continuity service for a recurring monthly fee. Monitoring and maintenance is provided by you, the StorageCraft partner. Under this model you will purchase your StorageCraft licenses via the [StorageCraft MSP Portal](#).

Other thoughts

The above methods are really just a high-level look at methods of offering this service. You can offer a BDR packaged with cloud backup and recovery, or any number of formulations. Think carefully about how you want to sell or lease BDR units so that you can maximize profit while also being flexible enough to accommodate various client types.

Building or buying a BDR

A big factor in how you roll out and sell a BDR has to do with whether you build a BDR from scratch or buy a purpose-built BDR various vendors have available. See our [Alliance Partner page](#) for more information.

The discussion about building or buying a BDR unit is larger than we have space for here, but it boils down to a few considerations. The chart to the right highlights the main advantages of each type, but for a more thorough look at each option, refer to [Should You Build or Buy Your Next BDR?](#)

Conclusion

A BDR unit is a practical and often profitable way to provide your clients with disaster recovery as a service, but it may not fit every client you have. There are always situations where a BDR may not be the most cost-effective option, so be flexible in the way you think about delivering DRaaS.

If you're curious about other methods of delivering DRaaS, need a primer on service agreements, or other related information, see our guide [Selling Disaster Recovery as a Service](#).

VENDOR-BUILT BDR	CUSTOM BDR
Can rely on vendor expertise	Must rely largely on your own expertise
Hardware and software is confined to a few options	Flexibility in choice of hardware and software
Costs depend on BDR vendor	Costs can be tailored to specific budgets
Security features vary from solution to solution	Security features are up to your own abilities and imagination
Scalability with volume discounts	Volume discounts typically don't apply
Often meet various compliance requirements	May require special knowledge to ensure compliance
May or may not be upgradeable	Upgradeable
May be subscription-based	One-time cost for hardware and software licenses
Support may be confined to certain hours with added cost for 24/7 support	Support may be provided by multiple vendors (i.e. your hardware and software vendor)
Cloud destination is often BDR vendor's	Cloud destination can be your own data center or any offsite location you choose

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Downtime calculator

Here is a formula to give you an idea about what downtime will cost your clients.

First, you need the labor cost per hour. Fill in these values:

A	Number of employees	
B	Average employee wage per hour	
C	Average % of lost productivity (percentage of workforce affected by downtime)	

To get your total labor cost per hour, use this formula:

$(\text{Value A} * \text{Value B}) * \text{Value C} = \text{Value D}$, total labor cost per hour

D	Total labor cost per hour:	
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Once you have that, you need the amount of revenue you lose per hour. Fill out these values:

E	Gross annual revenue	
F	Days per year open for business	
G	Hours per day open for business	

To get your revenue lost per hour, use this formula:

$(\text{Value E} / \text{Value F}) / \text{Value G} = \text{Value H}$, the total revenue lost per hour:

H	Total revenue lost per hour:	
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From this you can determine how much an hour of downtime costs this business, using this formula:

$\text{Value D} + \text{Value H} = \text{Value I}$, the total cost of downtime per hour

I	Total hourly downtime cost:	
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Next, think about how long a downtime event would likely last:

J	Duration of downtime (hours):	
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Now, in order to determine how much one downtime event will cost, use this formula:

$\text{Value I} * \text{Value J} = \text{Value K}$, the total cost of one downtime event

K	Total downtime cost:	
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