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Druva turns up the heat in the DRaaS market with new enterprise features

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The DRaaS market is white-hot at the moment as enterprises become more comfortable using cloud for backing up mission-critical data and legacy DR models are swapped out for cloud-hosted offerings.

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Summary

The disaster-recovery-as-a-service market is white-hot at the moment as enterprises become more comfortable using cloud for backing up mission-critical data and legacy DR models are swapped out for cloud-hosted offerings. Druva is upping the ante with the announcement of new enterprise features for its DRaaS offering, which is a storage layer built on top of S3 using DynamoDB. The key features are the further elimination of multivendor complexity, the delivery of better TCO and a further reduction of downtime.

451 TAKE

Enterprise data is increasingly being distributed around hosted SaaS, branch offices, public clouds and endpoints – expanding from the on-premises datacenter – which creates significant data management challenges and adds risk. Protecting and managing that data is becoming more complex and costlier, especially with ransomware, GDPR, backup/recovery and data locality requirements. Enterprises must deploy DR, backup, compliance, analytics, e-discovery, archiving, information lifecycle management and data forensics to address these. The Druva Cloud Platform is aimed at addressing all of this complexity in a SaaS model, with data stored locally and on cloud.

Context

To further reduce complexity, Druva is providing ‘all-in-one backup’ and DR that is operated using a single pane of glass for management. It provides single-click recovery to replicate virtual machines, clone full VPCs, and move them across regions for testing and development, as well as greater resiliency (datacenter to AWS, VMC to AWS, AWS cross region, and AWS back to datacenter/VMC), fallback on-premises or in the cloud, failover across any AWS region, and clone VPCs if a region goes down. Moreover, enterprises can now automate runbook execution processes for recovery. Druva claims that, by eliminating hardware replication, storage, software and the need for DR sites, in addition to delivering a PAYG service, it can reduce TCO by 60%. It claims a recovery point objective (RPO) of an hour and a recovery time objective (RTO) of minutes, does not require AMI conversions, and provides unlimited testing at no charge.

AWS

The announcement of AWS Backup, in addition to AWS’s acquisitions of CloudEndure and TSO Logic, hasn’t raised a blip in Druva’s progress. AWS Backup is focused on snapshot management for AWS environments, and the rest is migration (at least at this point), where Druva is focused on global and cross-cloud DR management. Druva developed a replication capability that doesn’t use snapshots, to avoid performance degradation in applications, RPO and RTO. The fact that the primary motion is to increase migration into AWS only increases Druva’s relevance, while AWS Backup presents customers with faster APIs for backup. Indeed, Druva remains a key AWS partner and features prominently in partner events. It would be an interesting indicator of the market’s maturity if Druva were to begin supporting other cloud services – it says it would be driven entirely by customer demand.

Business model

Sunnyvale, California-based Druva started with data protection for device endpoints, but has expanded its offerings to include a broader cloud-native data-management-as-a-service platform that encapsulates data protection and governance along with features like information lifecycle management and data forensics. Its core products are inSync, Phoenix and CloudRanger, which provide data protection for endpoint devices and SaaS apps, datacenter and remote-office/branch-office environments, and workloads based in AWS public cloud, respectively.

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The company was founded in 2008 and pivoted its portfolio onto AWS in 2013. Druva raised its most recent \$80m round of funding in Q3 2017, bringing its total funding to date to \$198m. In 2017 it offered only backup and recovery; it has since added workload protection and management for AWS workloads. The company claims to have 4,000 customers – and with only a fraction, we suspect, currently using multiple products, there is a significant opportunity for upselling. The company has 700 staff, up from 450 a year ago. It's starting to build out a global footprint by investing in regional operations, and is undertaking local AWS partner events (it has opened an APAC hub in Singapore, has staff in Tokyo, and is expanding in the UK and EMEA). 451 Research estimates annual recurring revenue to be approaching \$100m, growing at 50%.

Competition

As is typical of the storage market, the data-protection space is populated with long-running incumbents that include Cohesity, Commvault, Dell EMC, Hitachi Vantara, HPE, IBM and Veritas. Commvault and Veritas have provided staunch competition in the data-protection arena, but both have recently faced some disruption from the likes of Cohesity, Rubrik and Veeam, which have been well funded to disrupt these incumbents and stake claims in the cloud. Additionally, Veritas has added data-protection capabilities for SaaS apps, taking it further into contention with Druva. Companies such as Carbonite, CloudAlly, Cloudfinder, Metalogix, Spanning Cloud Apps and StorageCraft also offer the means to back up SaaS application data.

SWOT Analysis

STRENGTHS

The mainstream conversion to cloud is exponentially accelerating the rate at which data is accumulating in cloud. As customers are looking to re-skill and re-deploy staff into more differentiated areas like analytics, the desire to move data-protection services to SaaS has become prevalent. Druva's DRaaS is helping deliver the benefits of cloud 'as advertised' for data backup, recovery, archive, e-discovery and DR.

WEAKNESSES

Data protection is giving way to data management. Successful suppliers will need to extract additional value from the data, as well as execute the basics. Druva will need to expand its portfolio to deliver the analytics, AI and machine learning techniques that will be needed to determine the relative value of the information it is managing. We expect this capability will need to be added inorganically, in order to accelerate its opportunity as market momentum builds.

OPPORTUNITIES

Druva believes one-third of enterprises (and a greater percentage of SMBs) will adopt SaaS for managing data over the next couple of years, one-third will manage their cloud directly and the remainder will still manage on-premises.

THREATS

DR is one component of an overall data-protection strategy. Even AWS handles only snapshot tiering as a protection method – it does nothing to protect application performance and availability. However, AWS could move beyond backup to provide DR and business continuity. Although it is focused on migration for now, the CloudEndure acquisition suggests it might.