Upside Research

PRODUCT BRIEF
KineticSecure & KineticExtend

COMPANY OVERVIEW

KineticD (formerly Data Deposit Box) is a Toronto-based company that provides continuous backup, restore, sharing, and access services for SMBs. Back in 2002, Data Deposit Box came to market to address a growing market for online data protection with a patented continuous recovery system for the data held on business-critical PCs and servers. Over the next eight years, the company paid attention to the way its customers, mainly small and midsize businesses, were using the service. The results led to the launch of a new set of solutions targeted at not only insuring protection of key business data but also providing remote access to that data and the applications that powered them. Today, KineticD provides backup and remote access to more than 40,000 users in over 15,000 businesses. The secure online backup and remote access solutions can be used by businesses of any size, but resonate particularly well in the small business market. With its software-as-a-service model, KineticD provides added flexibility and ease of use and management for small businesses. New applications for the iPhone and iPad extend the functionality of secure remote backup and access to two of the newest productivity devices for the mobile business user.

COMPANY STRATEGY

- Provide easy-to-use self-service data backup and recovery services to small and midsize businesses who have limited or no IT resources (KineticSecure).

- Offer remote accessibility to data and applications via a number of methods, including iPhone and iPad applications (KineticExtend).

- Encourage expansion of use throughout accounts by charging for storage capacity actually used instead of per device.

- Partner with resellers to bundle KineticD solutions as part of complete outsourced IT and DR services.

IMPLEMENTATION STRATEGY

KineticSecure and KineticExtend are cloud storage and remote access solutions that are delivered entirely via the web. Users can begin with a fourteen-day free trial by visiting www.kineticD.com/en and downloading the KineticSecure client to their machine. Users then select the files they want backed up. Administration is web-based as well, enabling any user within the company to set up and manage backups across multiple devices. For KineticExtend, users download the free Windows client, iPhone or iPad apps directly to their devices, and make sure their account is configured for remote access. Note: KineticExtend requires a Windows-based operating system with RDP enabled, such as Windows 7 Professional.

KineticSecure provides a number of utilities to assist with data backup and storage, including their patented Continuous Backup technology, a Cleanup Wizard and a secure web portal for managing data, users, systems, settings and a full set of restore features to recover individual files or folders that may have been lost.

Pricing starts at $2/gigabite/month. There are no license fees or device fees. The monthly charges for an account are based on the aggregate amount of storage being backed up.

PRODUCT OVERVIEW

KineticSecure is a cloud storage solution that provides continuous data backup and recovery for business-critical data. KineticD also provides remote access capabilities (via KineticExtend) for remote users to access both their data and business applications. Ideal for small and midsize businesses, KineticSecure can be used to securely backup and protect critical data that runs the business. New free apps for the iPhone and iPad extend the remote access capabilities of KineticExtend, enabling business users to have access to their most pertinent data, files and applications from their mobile computing devices.

Upside Take

Backup and recovery services via the web are not a new category of IT solutions. The space is well-populated with some vendors that are more well-known than others. For small and midsize businesses, online storage and recovery options make complete sense in the face of limited or nonexistent IT staff on-premises. With competition, the space has become an economical option for many companies.

What sets KineticD apart from its competitors is its pricing model ($2 per gigabyte), its continuous backup and recovery approach, and its KineticExtend remote access option for iPads, iPhones, and more. While organizations can obtain these types of services from individual vendors, it's unusual to have a single vendor solution for backup and remote access, making KineticD's solutions particularly attractive for small and mid-sized businesses.

CRITICAL SUCCESS FACTORS

- Leverage new mobile computing apps to distinguish itself from crowded online backup market.

- Cultivate and establish strong partnership relationships with business software vendors to continue to ensure relevance of cloud storage.

- Continue to build out channel partners and raise visibility of KineticD brand across SMB market.

- Establish leadership in key verticals with tight integration to specific vertical productivity applications.

UPSIDE ANALYSIS

Online backup and recovery is an important market offering for small businesses that often have limited or nonexistent onsite IT staff to assist when systems go down. These companies need the same industry-strength storage and backup solutions as enterprises, but without the hefty price tag or labor overhead. Cloud computing has provided small and even micro-businesses with the same functionality as enterprise-strength solutions, but without the maintenance challenges. As small businesses have discovered the new opportunities that cloud computing offers them, they are reaching for even greater functionality and services options that were previously available only at the enterprise level.

This is where a savvy vendor can enter the market and make a significant impact. KineticD has positioned itself well, extending from its original focus on data protection to areas such as remote access. For example, based on customer feedback, KineticD has developed a remote access service that enables mobile business users to access their data and applications wherever they go. Using the newest mobile devices like the iPhone and iPad, KineticD is delivering value-added services to its customers right where they will use them most. KineticD is currently developing additional functionality in its backup services that will help users make even better use of its existing backup and recovery services. Upside Research believes KineticD is doing well executing on the technology and innovation aspect of its goals. We recommend that the company work on adding application partners in key SMB vertical markets to provide customers with a more complete, robust application access and data storage solution. We also believe the company should continue to refine its corporate messaging to clarify its products and messages. This will help KineticD continue to innovate and deliver value-added services to a growing market.