



January 7, 2008

Fueled by Tremendous Growth in Data Generation, Online Backup Services Market Is Emerging and Poised to Grow Fourfold by 2011, IDC Reveals

FRAMINGHAM, Mass.--(BUSINESS WIRE)--Fueled by a combination of factors, including the tremendous growth in digital data generated by individuals and small businesses, the worldwide online backup services market is poised for growth. IDC estimates revenue for this emerging market to reach \$715 million by 2011, representing a 33.3% compound annual growth (CAGR) between 2006 and 2011.

"Consumers and small businesses especially are interested in alternative methods of protecting their data, as traditional backup methods fall short regarding efficiency, reliability, and ease-of-use," said Doug Chandler, research director for Storage Services at IDC. "Online backup has become an attractive approach for many customers, with the advent of cheaper broadband access, users' greater comfort level with Web-based services, and the growing business need for a second site for remote data protection purposes."

Among key assumptions behind IDC's forecast are the following:

- More than 50% of spending in this market will be in North America in earlier years, with other regions gaining share through 2011.
- Adoption by consumers and small businesses will dominate the market for several years, with slower adoption by medium-sized businesses and enterprises.
- Year-over-year growth will slow beginning in 2010, as services practices begin to standardize, pricing competition has an impact, the supplier community consolidates, and in some cases online backup becomes a built-in feature in other online/web-based services offerings.

IDC's study, *Online Backup Services Forecast 2007 - 2011: A New Market Emerges* (IDC #209868), presents a five-year forecast for the online backup services market, discusses key issues and offers guidance for providers.

To purchase this document, call IDC's Sales hotline at 508-988-7988 or email sales@idc.com.

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