

It's no secret that the past several years have been especially challenging for Small and Medium Sized Businesses (SMBs). The COVID-19 pandemic, supply chain issues, labor shortages, and rising inflation and interest rates have left SMBs searching for new ways to run their business more efficiently and cost-effectively while increasing their resilience against economic volatility and unexpected challenges.

Although it has been around for more than a decade, Desktop as a Service (DaaS) is now gaining significant traction as SMBs discover its proven flexibility, security, scalability and cost-saving advantages. By increasing operational efficiency, improving reliability, and boosting end-user productivity, DaaS enables SMB leaders to focus on business growth instead of dealing with IT headaches and security concerns.

Given these attractive benefits, it's not surprising that the global DaaS market is projected to grow to \$29.82 billion US by 2030,¹ fueled in large part by widespread adoption by SMBs.

### What is Desktop-as-a Service?

DaaS is a <u>cloud service</u> that delivers virtual desktops to end-users over the Internet — on any device — via a per-user, pay-as-you-go subscription model. The virtual desktops, complete with operating systems, applications, and business file access, run in a secure and scalable hosted infrastructure managed by a cloud provider. That way, SMBs don't have to worry about physical hardware constraints or the hassle of installing and managing an operating system and applications on every employee device.

The virtual desktops run in virtual machines on servers hosted in the cloud provider's data center alongside storage and network resources. The cloud provider handles all backend management, including security, backups, updates, maintenance, and data storage, so the SMB can focus on running its core operations and driving business growth.

This paper discusses the specific benefits that make DaaS a smart strategic choice for SMBs looking to optimize their IT infrastructure, boost security, flexibility, and productivity, and support business growth.



### The Flexibility Factor: Enable Employees to Work from Anywhere

SMBs can be at a disadvantage when competing for talent against larger companies that can offer higher salaries and more comprehensive benefits packages. However, as many big companies issue return-to-office mandates, SMBs can appeal to candidates and engage existing employees by offering greater flexibility via remote or hybrid word models.



Research\_shows that remote and hybrid businesses report improved recruiting success, increased company performance, and reduced employee burnout.<sup>2</sup> According to one\_study, nearly 33% of workers looked for a new job because their current employer didn't offer flexible work opportunities, such as remote work.<sup>3</sup>

Whether SMBs want to adopt a remote or hybrid work model — or simply empower employees with greater mobility and flexibility — DaaS enables secure anytime, anywhere access to business applications and data via the Internet from any device. This flexible access enables employees to stay productive and connected no matter where they work on any given day. DaaS even allows SMBs to adopt bring-your-own-device (BYOD) policies that let employees work on their own phones, tablets, and laptops — without worrying about security compromises.

Consider the example of a construction employee who is at a work site, but needs to pull together an estimate for a prospective client. They can simply log into their virtual desktop remotely. Then, from a single screen, they can access the estimation tool, review the bid documents, request supplier pricing, calculate labor, materials, and insurance costs, and submit the estimate without having to step foot in the office.

# Considerable Cost Savings: Ditch the Traditional IT Infrastructure

With high interest rates and persistent inflation, the economic outlook remains uncertain. In this volatile climate, SMBs must take steps to control costs and prioritize investments for maximum impact. When it comes to optimizing IT budgets, it's critical to explore technology investments that increase operational efficiency, bolster security, and empower employees while unlocking opportunities for significant cost savings.



Providing seamless access to virtual desktops from a cloud-hosted environment, DasS eliminates the need for high-priced investments in on-premise hardware and software. At the same time, DaaS can run on devices that require far less computing power than a standard laptop or desktop machine, which leads to further cost savings.

<sup>2</sup>Liz Wilke, Making the Most of Remote and Hybrid Work, Gusto (July 11, 2023), found at <a href="https://gusto.com/resources/articles/hr/team-management/remote-hybrid-work-small-business-guide">https://gusto.com/resources/articles/hr/team-management/remote-hybrid-work-small-business-guide</a>.

<sup>3</sup>Roy Maurer, Flexible Work Critical to Retention, Survey Says, SHRM (September 10, 2019), found at https://www.shrm.org/topics-tools/news/talent-acquisition/flexible-work-critical-to-retention-survey-finds.



DaaS shifts capital expenditures to operating expenses, freeing up funds that SMBs can invest in growing their business. The pay-as-you-go model means businesses are only laying for the computing power and storage they currently need-with the ability to scale up or down as your business requirements change. That way, they're not wasting their limited IT budget on cloud resources they're not using right now.

It's also important for SMBs to consider the cost savings associated with having a cloud provider manage their IT cloud infrastructure, update applications and security software, and provision new users — instead of trying to take care of these time-consuming tasks using in-house resources. With DaaS, SMBs can reallocate valuable IT resources to other strategic priorities and revenue-generating activities.

SMBs in the manufacturing space, for example, would benefit from considering DaaS the next time their in-house IT servers need replacement. This is an ideal opportunity to move from a CapEx to an OpEx model, allowing the business to invest more in their production facilities and workforce. At the same time, it would enable the SMB to offload IT infrastructure management, application and security software updates, and provisioning of new users to the DaaS provider.

# Strong Security: Keep Threats at Bay for Absolute Data Protection

SMBs are attractive targets for cybercriminals because they often lack robust security practices and can be an entry point to larger enterprises with valuable data and deep pockets. How widespread is the problem? A recent report revealed that 73% of SMBs were victims of a cyberattack,



data breach, or both in 2023 — up from 43% in 2022.<sup>4</sup> What's more, the direct and indirect costs of a data breach are significant; according to an IBM study, the average cost is approximately \$150,000 for SMBs.<sup>5</sup>

The frequency and impact of cyberattacks and data breaches are making some SMBs think twice about adopting remote or hybrid work models — even though many employees prefer them. One study found that 79% of SMBs are worried about their remote devices or remote employees being breached.<sup>6</sup> This hesitation is not completely without warrant given that remote work during the COVID-19 pandemic drove a 238% increase in cyberattacks.<sup>7</sup>

<sup>&</sup>lt;sup>4</sup>Drew Todd, Cyberattacks on SMBs Reach Record Highs Despite Confidence in Defenses, SecureWorld (October 26, 2023) found at https://www.secureworld.io/industry-news/cyber-attacks-smb-record-high

<sup>&</sup>lt;sup>5</sup>Cost of a Data Breach Report, IBM (2023) found at https://www.ibm.com/reports/data-breach.

<sup>&</sup>lt;sup>6</sup>Jay Ryerse, The State of SMB Cybersecurity in 2020, ConnectWise (August 24, 2020), found at https://www.connectwise.com/blog/cybersecurity/The-State-of-SMB-Cybersecurity-in-2020.

<sup>&</sup>lt;sup>7</sup>Mary K. Pratt, 10 Remote Work Cybersecurity Risks and How to Prevent Them, TechTarget (March 21, 2024), found at https://www.techtarget.com/searchsecurity/tip/Remote-work-cybersecurity-12-risks-and-how-to-prevent-them.



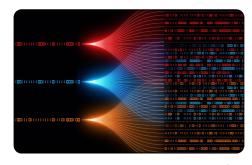
Does this mean SMBs should discourage remote and hybrid work due to security risks? Absolutely not; it simply means that they need to take action to improve their security posture. With DaaS, the SMB's data is processed and stored in a secure cloud environment, minimizing the risk of compromise due to malware or lost devices.

SMBs should make sure their DaaS provider has implemented best-in-class security solutions—from firewalls and data encryption to SIEM, DoS/DDoS protection, and IDPS—at every level of their cloud infrastructure. Some DaaS providers even offer targeted security solutions, such as multi-factor authentication, email security, and managed detection and response to meet specific requirements. It's also prudent to confirm that the DaaS provider performs read-only back-ups on a rigorous schedule to ensure complete data restoration in the unlikely event of an outage.

For verticals such as Optometry, HIPAA compliance is another concern. DaaS can help SMBs in the healthcare space by ensuring that their cloud hosting environment has security measures in place to withstand regulatory scrutiny. While the SMB is responsible for compliance-enabling their applications and auditing their environment for compliance purposes, DasS can deliver robust data protection across information storage, processing, and transmission to help them achieve HIPAA compliance and meet other regulatory requirements.

# Unlimited Scalability: Align Resources with Demand

In today's business climate, SMBs need to stay agile while optimizing resources and controlling expenses. Cloud-based solutions offer cost-effective alternatives to traditional infrastructure and software, allowing SMBs to scale their operations up and down without major



upfront costs. In fact, 63% of SMBs believe that cloud technologies improve their ability to scale.8

Scalability is a major advantage of DaaS. The cloud service makes it easy to add or remove users, increase or reduce storage capacity, and adjust computing resources as business requirements change. With DaaS's pay-as-you-go model, SMBs only pay for the virtual desktops, computing power, and storage they need right now, with the ability to scale up and down as needed.

Consider, for example, a 50-person accounting practice that brings on a team of temporary employees to handle the spike in demand during tax season. With DaaS, the cloud provider can instantly provision the precise number of virtual desktops they need to meet the needs of their contingent workforce. Even better, the temporary employees can work from anywhere using their own device — desktop, laptop, or tablet — without worrying about security risks. When tax season is over, it's just as easy to scale down by removing those virtual desktops.

<sup>&</sup>lt;sup>8</sup>Noah Kravitz, Why SMBs Are Looking to the Cloud to Scale Their Operations, Salesforce (February 16, 2019), found at https://www.salesforce.com/blog/smbs-look-to-cloud-scale-business.



DaaS also makes it simple to accommodate users with different computing needs. If a particular user needs more RAM to work productively, the DaaS provider can make that adjustment on demand. There's no need to take apart computers and disrupt business operations to boost that individual's processing power and performance. It's all done on the DaaS provider's end.

## Paving the Way Forward for SMBs

With remote work and hybrid work models here to stay, DaaS provides an opportunity for SMBs to increase employee productivity and flexibility while achieving new levels of cost-efficiency, security, and scalability. The right DaaS solution can help SMBs gain a strong competitive advantage and accelerate business growth for new levels of success.



### **About Infinitely Virtual**

Infinitely Virtual (IV) is the most comprehensive and customer-focused cloud provider for Small and Medium Sized Businesses (SMBs). Since 2007, we've been helping SMBs solve real business challenges with solutions and services that leverage our revolutionary Enterprise Virtualization Environment (E.V.E.) When you work with IV, you get a dedicated team of virtualization experts whose sole responsibility is to help you achieve your goals with an efficient, cost-effective cloud solution tailored to your business, application, user, and data requirements.



IV offers a <u>Desktop-as-a Service (DaaS)</u> solution designed specifically for SMBs. IV DaaS is a cloud hosting service that delivers virtual desktops to end-users via the Internet—on any device—for a seamless experience and greater flexibility, security, scalability and cost savings.

With IV DaaS, it's easier than ever for your SMB to switch to virtual desktops with user profiles, applications, and data that follow end-users regardless of where they're working, what device they're using, or what network they're on. Your virtual desktops run in IV's best-in-class, E.V.E. cloud environment. Because the IV cloud hosting infrastructure provides optimal availability, performance, and security, you can focus on serving customers and growing your business while we take care of your end-user's IT requirements.