



## News release

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For immediate release

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### **Endurance International Group Publishes VSB Cloud Exploration – VSBs Are Searching for a Cloud with Substance**

Burlington, MA, February 21, 2014 — Endurance International Group (NASDAQ:EIGI) today released the next wave of data from its Very Small Business (VSB) Exploration. This week's focus is the first of a two-part series focused on the cloud – a misunderstood and ambiguous phrase used to describe everything from email to Dropbox to SaaS solutions. Many VSBs have had difficulty articulating the value proposition that the cloud might offer them or what they might be able to do once they are enabled by the cloud. Endurance sought to get a better understanding of how VSBs define the cloud, how they might see themselves using it, and what they want and expect from the cloud in the future.

In this latest panel, 420 VSB subscribers within the total Endurance subscriber base completed the survey. Endurance found that when it comes to the cloud, there is relatively high awareness of its existence, but little familiarity and knowledge of what it can do. Describing “the cloud” is too difficult and filled with ambiguity for many VSBs, so Endurance took the equation apart to excavate what VSBs know, believe and feel about the cloud.

"When asked to articulate the qualities that capture the essence of the cloud, they clearly identified the basics: online storage, anytime access from anywhere, synchronization among multiple devices, and instant availability of the latest features as the most cloud-like qualities. However, it was surprising to see how many VSBs truly underestimate the power and the promise of the cloud to help drive their business," says Michael Kesselman, EVP, Innovation and Strategy at Endurance.

The study began with a question about VSB consumer behavior when it comes to use of the cloud. A majority of respondents use cloud-based applications including email (73%), social media (72%), and Google (56%). However, business-focused applications like collaboration tools (12%), productivity tools (9%) and survey builders (13%) are used by fewer respondents. Data storage is a key component of cloud usage, with over three quarters of respondents saying that they store photos (75%), email (70%), and business documents (66%) on the cloud. “It will be critical to the cloud's success that we get beyond the ‘public storage in the sky’ model and move to one that is more dynamic and active,” says Kesselman.

While most respondents were somewhat familiar with common cloud-based applications, cloud-based computing was a different story. Nearly a third of respondents admitted that they have

heard of cloud-based computing but aren't sure what it means. Only 11% of respondents currently rely on it, and 67% have never purchased a cloud-based solution for their business.

Could it be that users don't trust the cloud? 50% of respondents said one of the reasons they do not use cloud computing is because they don't know enough about it. 30% admitted to security concerns, and 29% cited privacy concerns. However, of those VSBs that had purchased a cloud-based solution, 72% said they had never had any security problems, and 72% had never lost data or suffered from a reliability issue. "The problem here is with perception and the belief that what is unknown is intrinsically dangerous," says Kesselman. "We can help alleviate some of these security concerns and then communicate the value of the cloud in a way that VSBs will appreciate. We've already seen in previous studies how reliant VSBs are on mobile – the cloud will make it easier to maintain this 'anytime, anywhere' attitude and I am eager to demonstrate the cloud enablement that is possible for VSBs."

Cost is another deterring factor for 38% of respondents. Additionally, the price/value equation is also unclear with almost half of the respondents who had purchased a cloud-based solution saying that hidden pricing was a problem — 23% citing it was a major problem and 24% admitting it was a minor problem. Other issues with cloud-based services included a lack of control, speed and reliability issues, and inadequate customer support.

Copies of the panel's responses can be found at [endurance.com](http://endurance.com) with Endurance releasing more learning in the coming weeks.

### **About Endurance International Group**

Endurance International Group is a leading provider of cloud-based platform solutions designed to help small and medium-sized businesses succeed online. Less than 20 years old, Endurance serves over 3.4 million subscribers through a family of brands that includes Bluehost, HostGator, Domain.com, FatCow, iPage, BigRock and MOJO Marketplace. Endurance is headquartered in Burlington, Massachusetts, has a presence in Asia and the Americas, and employs over 2,600 people. Endurance provides a comprehensive suite of over 150 products and services that includes web presence and mobile sites, email and eCommerce solutions, as well as more advanced offerings, such as SEO services, scalable computing, security, storage and backup, online marketing and productivity solutions. For more information, visit [www.endurance.com](http://www.endurance.com).

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**Press Contact:**

Dani LaSalvia

Endurance International Group

(781) 852-3212

[press@endurance.com](mailto:press@endurance.com)