A collaboration platform provider expands operations, finds a new market — and boosts cash flow

To accommodate rapid growth, Dropbox transforms its entire cloud-based IT infrastructure on the fly.
Challenge

Scale up to target enterprise users

As Dropbox rapidly grew, its public cloud model became inadequate, especially as the company targeted the enterprise market.

In 2007, Dropbox was a small, San Francisco-based file hosting service offering cloud storage, file synchronization, personal cloud, and client software. The company grew at a triple digit rate over the next eight years to nearly a half-billion users today.

As Dropbox expanded, its public cloud service model grew increasingly confining, and its costs onerous. That was especially concerning as the company began targeting lucrative enterprise users.

Dropbox wanted to complement its B2C “freemium” consumer service with a B2B solution for enterprises, rolling out to tens of thousands of users. To effect this growth, Dropbox needed a robust new hardware infrastructure model with greater scalability and the flexibility to fine-tune CPU, network bandwidth, and price-to-performance. That meant migrating hundreds of petabytes of data to a new environment without disrupting existing service to customers.

“It’s like trying to swap out the engines in a jet midflight without any of your passengers knowing. It’s a huge technical challenge.”

Drew Houston, CEO, Dropbox

2007 550M 8M

founded subscribers globally business subscribers
A private solution for business users

Dropbox replaced its public cloud with a high-performance, on-premises private cloud.

To scale its cloud-based data management and security, Dropbox required seamless collaboration for users — from consumer to SMB to enterprise — regardless of device or technology differences. The company built out an on-premises cloud solution that provides the management and security capabilities to satisfy the lucrative enterprise market.

Dropbox built its hardware infrastructure in blocks, providing more control over network bandwidth, CPU, drive space, and cost per core. All data security is performed in-house; an on-premises data center provides greater control from a protection standpoint.

Throughout its hybrid cloud migration, Dropbox built a mirror site resembling a second resource pool within the company’s infrastructure storage tier. When the site was complete, all data on the old infrastructure was copied to the hosted data center.

“Our engineers have been working together to design new kinds of servers, new kinds of storage infrastructure. It’s really been great.”

Drew Houston, CEO, Dropbox
RESULTS

Cash flow positive and poised for growth

Dropbox is now well positioned to provide outstanding service to enterprise clients, and take its business to the next level.

Migrating to an on-premises private cloud solution has not only helped Dropbox scale up, but it also drove costs down. The company has been able to:

- Retain flexibility and accelerate enterprise-level security and scalability
- Leverage scale to drive down cost of goods
- Make its costs more predictable, and amortize those costs over time
- Reduce per-gigabyte costs to support higher ROI.

The company is now cash flow positive — a key objective in its maturation as a business — and well positioned to accommodate further growth in the enterprise market.

USEFUL TIP


Drew Houston, CEO, Dropbox

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VIDEO

To increase workplace productivity for their customers while providing the enterprise needs of reliability, security and scalability, Dropbox partners with HPE for innovation and a hybrid infrastructure to support their leading edge pace.

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