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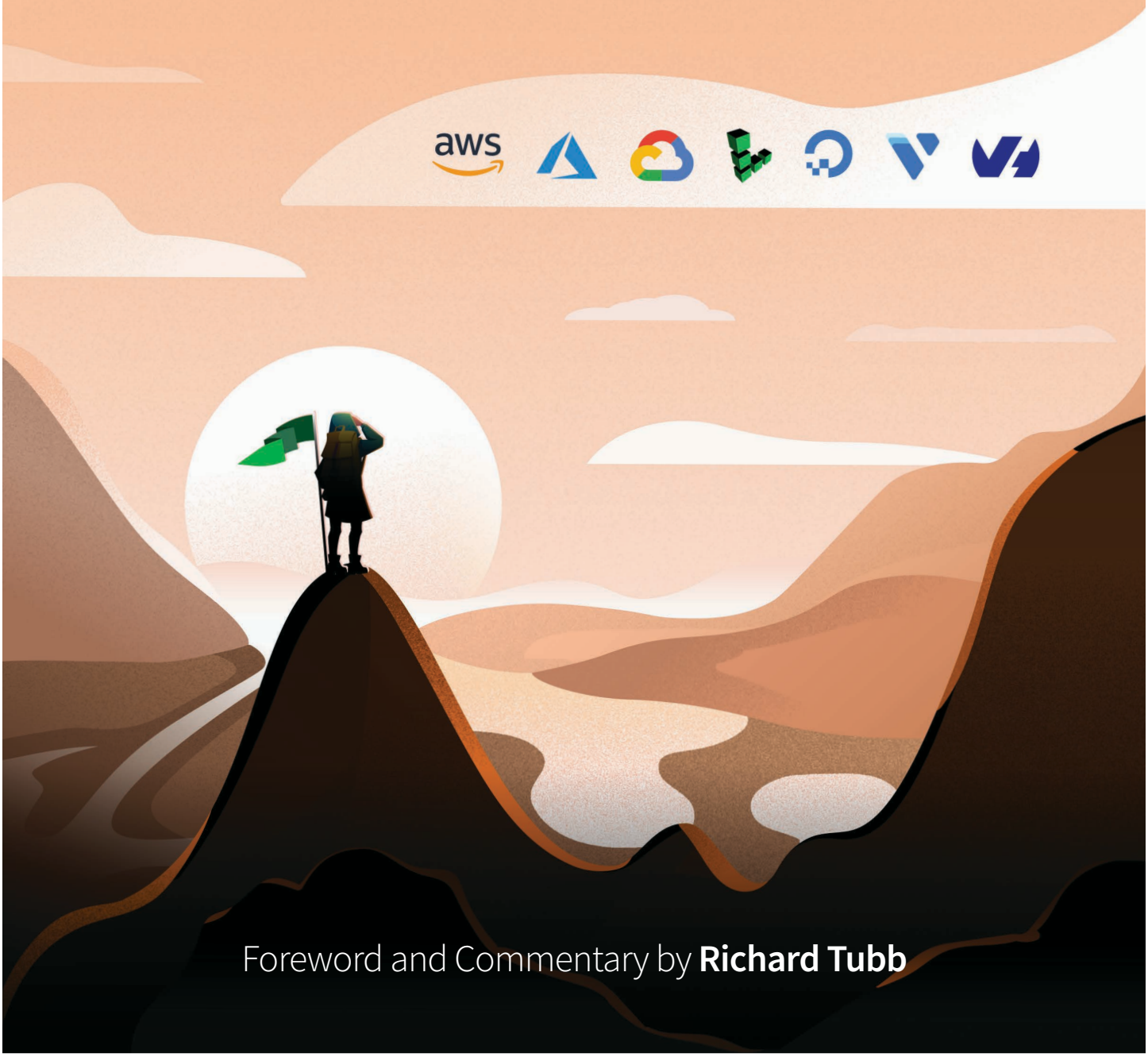
The MSP's Guide to

Modern Cloud Infrastructure



Foreword and Commentary by **Richard Tubb**

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EBOOK

MSP

Table of Contents

Foreward

I AM (JUST ABOUT) OLD ENOUGH to remember an infamous adage from the annals of computing history, "Nobody got fired for buying IBM." This expression came about in the 1970s, persisted until the late 1980s, and referred to the practice of IT managers buying IBM equipment because it was a perceived "safe bet."

Thankfully, the PC market exploded in the 1990s, and buying from IBM was no longer seen as the only choice. In fact, by 2005, the market had spoken. IBM's PC sales had slumped so much that it sold its PC business to Lenovo.

What does all of this have to do with cloud infrastructure? When I ran my Managed Service Provider (MSP) business, the prevailing wisdom among my peers was that clients only wanted Microsoft solutions and wouldn't consider anything else. Despite this belief, my experience was that most clients couldn't care less about the technology involved—they just wanted the solution to work.

After I sold my MSP business and the burgeoning cloud provider landscape started to mature, I noticed a similar "play it safe" approach from Cloud Solution Providers (CSPs) towards hosted solutions. CSPs assumed that solutions from Amazon, Google, and Microsoft were the be-all and end-all of the cloud marketplace.

By reading this eBook, you will quickly realize that the cloud provider landscape is far more than just the "Big 3." If you run an MSP business, regardless of size, you owe it to yourself to become aware of the alternative cloud marketplace.

Today, I work as an advisor and consultant to MSPs worldwide. In my experience, a growing number of well-established IT businesses are turning away from "playing it safe" and are now embracing alternative cloud solutions. It's easy to see why they are doing so. MSPs can differentiate their services from their competitors in a crowded market by embracing these alternative solutions. Plus, these MSPs are increasing their profits and reducing their support costs. As you'll read, there are numerous clear, metric-driven examples of how the alternative cloud is a better fit for all manner of MSPs. Cloud services are established, mature, and clients are asking for more of them.

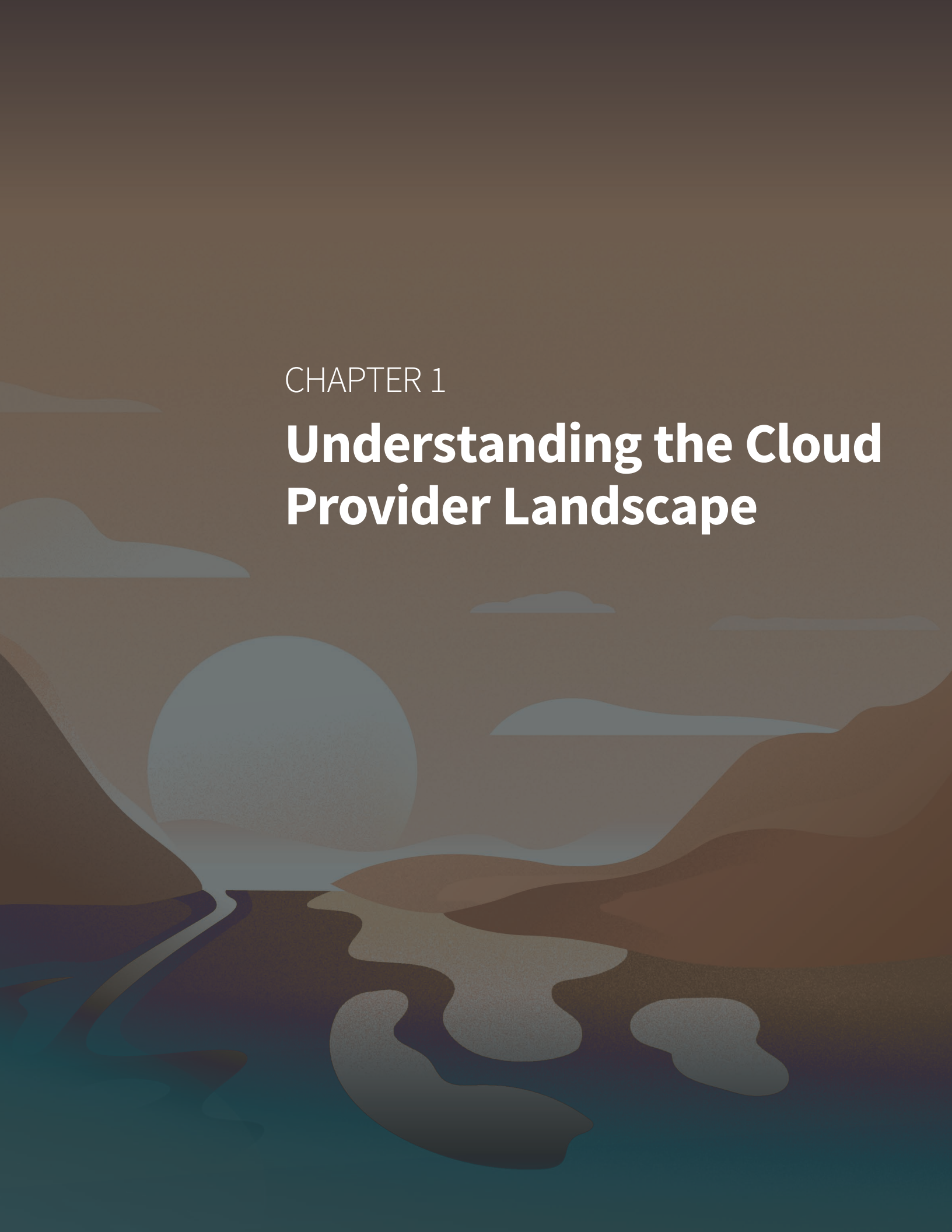
If you run an MSP business and are not aware of all the products and solutions at your disposal, you are leaving money on the table. As you read *The MSP's Guide to Modern Cloud Infrastructure* and begin your journey into the world of the alternative cloud, you will discover that this growing marketing segment is one of the best-kept secrets in building a scalable, thriving, modern Managed Service Provider business.

Richard Tubb

The IT Business Growth Expert and author of the book "The IT Business Owner's Survival Guide"

CHAPTER 1

Understanding the Cloud Provider Landscape



Understanding the Cloud Provider Landscape

As the cloud market continues to mature and demand for cloud accessibility increases, it's no longer an oligopoly where Amazon Web Services (AWS), Google Cloud Platform (GCP), and Microsoft Azure dominate. Their status as the largest providers doesn't mean they provide the best solutions or even the most innovative or advanced products in the market.

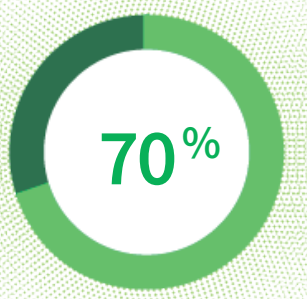
Competition for cloud services continues to grow, with IDC predicting that worldwide cloud spending will reach $1.3 trillion by 2025. MSPs continue to play a critical, influencing role in the cloud market's growth and making alternative cloud adoption more accessible. Also, you don't need to go all-in on just the alternative cloud. Multicloud deployments and cloud-native applications define the new standard to streamline cloud budgets, increase reliability, and diversify resources to protect web applications from outages.

Becoming familiar with other providers and options will give you a competitive advantage when solving your customers' problems and filling knowledge gaps in organizations.

By The Numbers

of cloud spending is going to alternative cloud providers

Source: SlashData

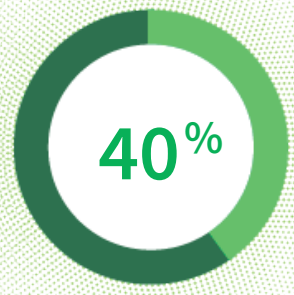


of organizations using the public cloud work with multiple vendors

Source: 451 Research

of companies utilizing public cloud resources are using multiple cloud providers

Source: IDS



of organizations using the cloud believe they overspent their cloud budgets in 2020

Source: HashiCorp

While alternative cloud providers currently hold a small percentage of the overall cloud market, their combined market share is steadily growing. More technologists across different industries are learning about alternatives to the larger, well-known providers and how they can incorporate them into their business to benefit their customers. Cloud gaps on in-house IT teams are the perfect opportunity for MSPs to leverage more value with cloud deployments and help organizations work with multiple cloud service providers and hardware vendors.

Understanding the Cloud Provider Landscape

Defining The Alternative Cloud™

Three providers dominate the public cloud market. Often referred to as the "Big 3," AWS, GCP, and Azure tout the ability to host extraordinarily demanding and popular services, innovation for programs or devices consumers use every day, and constant expansion and global market share. It makes sense to rely on a business that has proven itself to be successful in various highly technical and innovative ways. But along with this thought process often comes conflicts of interest.

AWS, GCP, and Azure are all inherently linked to other business models. Amazon is trying to be your grocery store, clothier, and your cloud provider. Google is constantly selling the benefits of advertising and other paid products ranging from phone service to home devices. Microsoft has a long legacy of making customers rely entirely on Windows.

Still, these cloud providers have been around since the emergence of the public cloud but aren't necessarily the first players. However, the overall capital and rate at which they could scale means that they initially defined early cloud needs, pricing structures, and what it takes to gain access to these services.

Especially in the past several years, this is changing with the alternative cloud movement. With cloud computing as their primary business objective, providers such as Linode, DigitalOcean, Vultr, and OVHcloud have become comparable alternatives in terms of services offered and global availability, but with much more competitive pricing and other benefits to all users, especially MSPs.

Understanding the Cloud Provider Landscape

Alternative cloud providers have become credible alternatives to hyperscale clouds and now command one-third of all spending on cloud services. All of those providers meet six essential criteria to being a competitive alternative cloud provider:

Core Cloud Primitives
Strong selection of basic compute and cloud storage plans, plus supported integrations with industry-standard tools like Kubernetes, Terraform, and more.

DNS-Based Load Balancing
Balance requests across a group of servers to maintain critical production server uptime.

Powerful Hardware
Cloud performance starts at the hardware level. A reputable alternative provider will have comparable or better CPUs, storage, and GPUs lined up against hyperscale offerings.

Robust APIs
Programmatic infrastructure capabilities that allow your team to choose how they work.

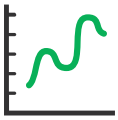
Fair Service Level Agreements (SLAs)
Look for at least 99.99% guaranteed uptime SLA and a statement about data rights. If the SLA is minimal, that's a red flag.

Global Footprint
Look at the alternative provider's current data center locations, expansion roadmap, and how their pricing differs for each data center, and traffic going between data centers. Selecting the right cloud provider can determine the potential for quickly expanding your business to new global region(s) and the associated costs.

Understanding the Cloud Provider Landscape

How the Alternative Cloud Benefits MSPs

When designing cloud solutions, pitching customers, and trying to make your business stand out in the MSP landscape, it's critical to understand the value of using an alternative cloud provider and when/how to make that information work to your advantage.

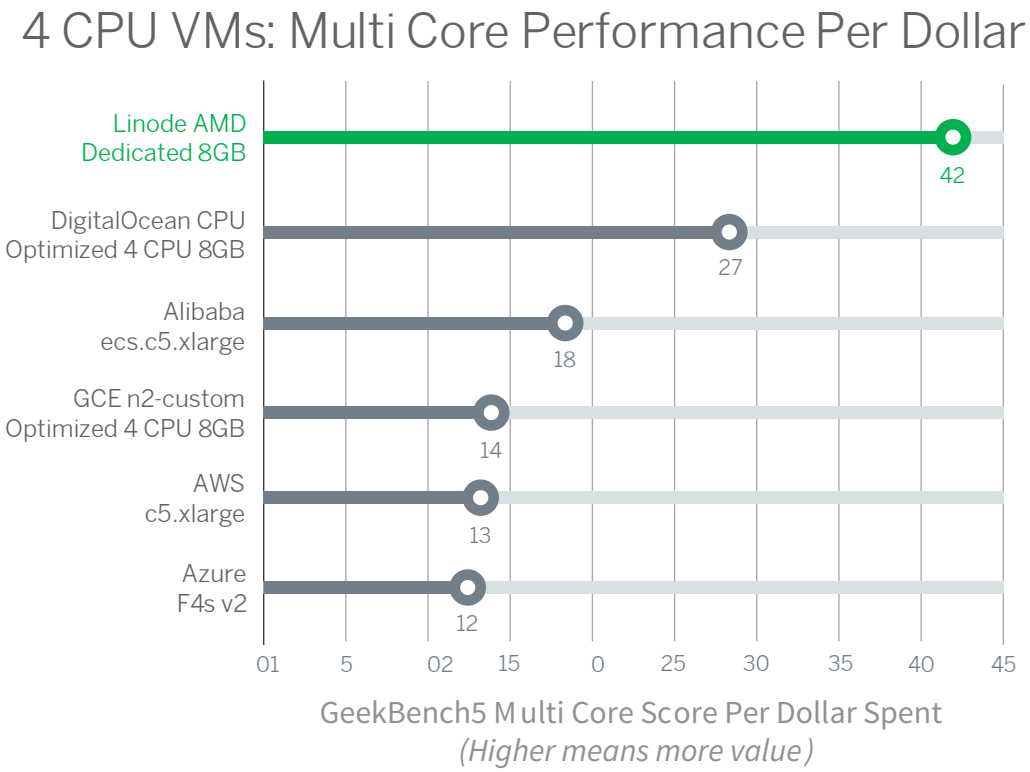


Minimal Learning Curve

Unlike hyperscalers, alternative cloud providers offer core cloud products and services, such as a wide range of virtual machines and storage, instead of proprietary solutions. Fewer products mean that it's also easier to learn the provider's UI, pricing structure, and API.

Price and Performance

Choosing an alternative cloud provider does not mean sacrificing performance or infrastructure quality. According to benchmark research from Cloud Spectator, you consistently get more value per dollar for CPU performance and cloud storage performance while using providers like DigitalOcean and Linode instead of the Big 3 cloud providers.



Source: Cloud Spectator, Standard & Dedicated CPU Performance Analysis — US East, pg 08

Understanding the Cloud Provider Landscape

Flexible Partner Discounts

Even smaller MSPs are more likely to qualify for alternative cloud provider partnership programs to gain access to volume discounts without the need for large commitments or long-term contracts. This savings significantly increases your reliability and profitability than signing contracts for long-term reserved instances or gambling on spot instance availability to get the best infrastructure pricing.

Roadmap Influence

Make your voice heard as a customer by submitting feedback, taking advantage of early-access programs, and showing alternative cloud providers what your business needs. MSP customers can influence smaller providers' roadmaps to get specific products and features prioritized so you can strengthen and expand your business offerings.

Holistic Support

Smaller providers are far more likely to prioritize customer support in terms of support scope, timing, and quality for customers of all sizes. Look for a cloud provider that offers technical support, customer success programs, and business development support with clearly defined customer spend tiers.

Gain access to the best pricing, sell and market your offerings, and modernize your customers' infrastructure with dedicated technical enablement and support.

Become a Linode Partner today.

LEARN MORE

Understanding the Cloud Provider Landscape

TUBB'S TAKE

During my work with MSPs worldwide, one of the biggest challenges I hear is a worry about being "just the same as everyone else." While it's true that the Managed Services industry is now mature in terms of the systems and tools that the majority of MSPs use, the secret sauce to growing a successful MSP business is to stand out from the competition.

So, the question becomes: How can your MSP business differentiate itself in a highly-competitive space?

If I were to start an MSP again today, I'd focus on doing things demonstrably faster and better than the competition. In practical terms, that means consolidating the products and solutions you offer more effectively. Most MSPs I know inherit IT infrastructures with wildly varying software and hardware. This becomes a nightmare to manage, leading to frustration from the client.

However, the benefits of consolidating your offerings are easy to understand. You can train your staff faster and more effectively by offering fewer products. Your team will better understand the products they are supporting and, therefore, provide a deeper understanding of any support issues your clients could experience.

One of the fundamental tenets of Managed Services is to reduce your cost of support to increase your profitability. The alternative cloud allows MSPs to stand out from the crowd with faster responses and better service than the competition.

Additionally, one little understood roadblock in MSPs year-over-year growth is the need to build a strong partnership with key vendor suppliers. Things can be challenging when building a strong relationship with some of the larger vendors in the space. Relationships with the big players are mainly based on your revenue. This means that many nimble MSPs don't even appear on the radar of traditional cloud providers like AWS, Google, or Microsoft.

The alternative cloud allows MSPs to build a deep relationship with the new breed of cloud suppliers. In turn, this leads to less friction in deploying and supporting solutions, which (you've guessed it!) leads to the MSP lowering their cost and increasing their profitability.

CHAPTER 2

Improving KPIs with the Alternative Cloud

Improving KPIs with the Alternative Cloud

You likely already collect various operational metrics and Key Performance Indicators (KPIs). These data points help you ensure that you generate profits. Some can also go a long way in demonstrating your value to customers and determining the uptime and performance guarantees you can commit to within SLAs. What's more, by striving to improve continuously upon your metrics and KPIs, you can ensure that you have your business headed toward greater profitability and provide more value to your clients.

There are many ways to optimize operational metrics and KPIs. Many involve hard work: You must tediously evaluate your current operations and find ways to implement small improvements. But there's a straightforward strategy that, in many cases, can dramatically improve your outcomes.

By integrating an alternative cloud into the infrastructure that drives your operations, you can capitalize on various opportunities to optimize your operational performance and, ultimately, profitability.

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Here's a look at essential metrics and KPIs and alternative cloud providers' roles in improving them.

Churn Rate

Churn rate measures how long you retain customers. More churn lowers profits. It also translates to more time and money spent on acquiring new customers, which, as any good marketer will tell you, costs from 5 to 25 times as much as retaining existing customers.

Average churn rates vary widely between MSPs. Ideally, your churn rate will be zero, although a 10% or lower churn rate is typically considered good. Thus, minimizing your churn rate makes your business simpler to operate while also improving profits.

Alternative clouds can help you achieve this goal in two main ways. First, adding an alternative cloud is a great way to improve service availability and performance by allowing you to keep services operational if your main public cloud fails. Second, because alternative clouds often offer lower pricing than the larger public cloud providers, alternative clouds can help you reduce the prices of your services. In turn, they'll help you retain customers by offering services at a lower cost than the competition, without sacrificing your profit margin.

Improving KPIs with the Alternative Cloud

SLA Compliance Rate

Your SLA compliance rate indicates your ability to meet SLA guarantees. If you don't deliver on the availability and performance you promise to your customers, they're not likely to remain your customers very long. Poor SLA compliance could also trigger contractually-mandated discounts or lower pricing, which harm your profit margins.

You might think that the typical MSP would excel at SLA compliance, given that delivering managed services reliably is a core component of any MSP's mission. But the reality is that average compliance rates are as low as 80%—not exactly an impressive figure.

As an MSP, you can stand apart from the crowd and improve your SLA compliance rates by ensuring that the infrastructure powering your managed services is as reliable as possible. Alternative clouds provide a second infrastructure set to keep your workloads running if another cloud fails. In addition, you might find that the SLA guarantees made by alternative cloud providers exceed the SLAs of major public clouds, also helping you maximize your SLA compliance.

... you might find that the SLA guarantees made by alternative cloud providers exceed the SLAs of major public clouds ...

Mean Time to Resolve

Mean time to resolve (MTTR) is another critical measure of operational efficiency. The lower your MTTR when dealing with service disruptions or customer requests, the better the value of your services in your customers' eyes. MTTR is known as one of the critical drivers of customer satisfaction.

Beyond the question of customer experience, MTTR is also important because the longer it takes to resolve each incident, the less time your team has to spend on activities that drive greater value, like supporting new customers or developing new offerings.

How can you minimize MTTR? Part of the answer lies in having expert help available to troubleshoot quickly. You get that help from alternative cloud providers that deliver managed support services in addition to cloud infrastructure. Large public clouds don't usually offer hands-on managed support services, certainly not as part of standard service contracts. They provide documentation and tools that can automate tasks like monitoring, then expect customers to manage environments on their own.

With dedicated, world-class cloud support services on your side—often provided at no additional cost from an alternative cloud provider—it's much easier to reduce MTTR when a problem arises with a cloud-based service.

Improving KPIs with the Alternative Cloud

Cost Per Ticket

COST PER TICKET measures the total cost of staff time to respond to customer requests. It allows you to track the efficiency and cost-effectiveness of your support operations. Cost per ticket also serves as a proxy for profitability. The more resources you spend catering to the needs of customers who subscribe to your managed services, the lower your net revenue.

Here, again, the support level you get from alternative cloud vendors (and lack of it when running workloads on the Big 3) can help to minimize this metric. That's because expert support staff can help your team troubleshoot issues faster than your technicians could on their own in many cases.

Average Revenue Per User

AVERAGE REVENUE PER USER (ARPU), considered one of the most popular and most important monetization metrics, measures how much revenue each customer account generates. ARPU should increase over time because your customers remain satisfied, and you can sell them additional services as your relationship with them continues.

Alternative cloud providers can help optimize your ARPU by giving you more cloud services and price points to choose from when building your own managed services. Greater cloud infrastructure and services flexibility translates to a stronger ability to deliver managed services at the most competitive price with the lowest MSP operating expenses.

Improving KPIs with the Alternative Cloud

TUBB'S TAKE

I MENTIONED EARLIER THAT ONE of the fundamental tenets of building a successful Managed Service Provider business is looking for opportunities to reduce your support costs and increase profitability. I see many MSPs become frustrated with the sales and marketing aspects of their businesses. This is because they are working hard to add new clients but not experiencing growth because they are leaking business through existing clients leaving.

As the adage goes, "Two steps forward, one step back."

This churn is frustrating, but it can be overcome.

When it comes to analyzing why churn happens within an MSP business, it's important to manage by metrics. The most successful MSPs I've encountered monitor their time servicing each client. This management by metric allows mature MSPs to understand the profitability of the solutions they provide and the profitability of each of their client's contracts.

During the work I've done with MSPs that are looking to lower their cost of support and increase their profitability, one big lever for profitability can be vendor support. If your vendor partner can provide fast, quality support, you resolve tickets faster for your clients. If you resolve tickets faster, they are less likely to leave for your competition.

The bottom line here is that working with an alternative cloud vendor could significantly lower your support costs and increase your profitability. Don't make assumptions about your support based on gut feelings. What can be measured can be managed.

CHAPTER 3

Alternative Cloud Use Cases

Alternative Cloud Use Cases

Now that we've explained the benefits of alternative cloud providers and why they're valuable to MSPs, let's dive into how you can leverage the alternative cloud. There is no shortage of use cases. Regardless of the types of managed services you offer or verticals you cater to, the chances are that an alternative cloud vendor can help you offer the services you already deliver—or build out new ones—as part of a multicloud strategy.

Data Backup and Recovery

The cloud provides affordable, highly-scalable storage that you can leverage to store backup data or recover systems directly from the cloud. While you can use AWS, GCP, or Azure as the basis for data backup storage, you can build a better offering by adding an alternative cloud provider to the mix. Doing so makes it possible to store backups in two separate clouds, which mitigates the risk that data can't be recovered due to the failure of one cloud. If your clients still have on-prem apps and the backup is stored locally, moving to an alternative cloud provider is a great low-cost option to an overall IT strategy.

Alternative clouds also can lower overall backup storage costs. With flat pricing across regions, it's much easier to price and maintain margins competitively. Linode's object storage offering also is built on the same S3 protocol that AWS uses, meaning that you do not need to learn yet another new API. Change an endpoint to Linode, and you're in business!

Want even more reasons to consider data backup in the cloud? Linode and other alternative cloud providers don't charge for data requests (which occur when you access data stored in the cloud). And Linode's egress pricing (what you pay to download data from the cloud) is equivalent to AWS.

The bottom line: The alternative cloud increases data availability while reducing total cost.

Alternative Cloud Use Cases

Managed Data Storage

THE CLOUD IS A GREAT FOUNDATION for building a managed data storage service. You can add value by managing storage for customers, which saves them from the hassle of needing to understand complex cloud storage tiers, API, egress pricing, and more.

It's possible to use object storage from just AWS, GCP, or Azure to build managed data storage. However, alternative cloud providers can help lower operating costs and increase profit margins through open source data storage strategies and solutions that allow you to maintain flexibility in the cloud providers you utilize. At the same time, a multicloud strategy that involves storing data in a Big 3 cloud and an alternative cloud can maximize data availability, an important consideration for meeting SLA guarantees and delighting customers.

Alternative Cloud Use Cases

Managed Application Hosting

Simplicity, price-performance value, and support make alternative cloud providers the ideal location for your customers with enterprise-grade needs but are budget conscious. They also provide you the ability to improve margins without sacrificing the quality of service.

If you choose a multicloud strategy with an alternative cloud provider, consider charging more for the high-availability hosting service. You'll also enjoy the peace of mind that comes with knowing that one data center failure is not a major crisis because workloads remain available in a second data center.

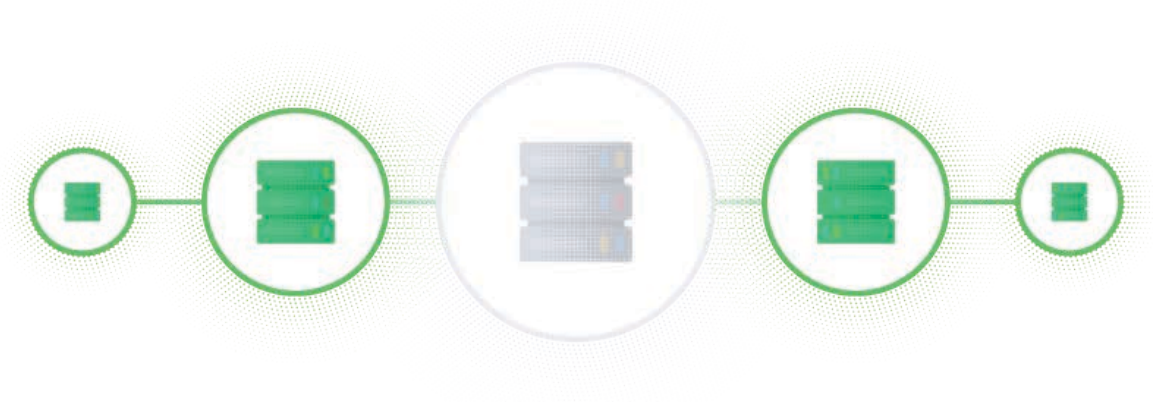
If you offer application hosting or managed web servers as part of your portfolio, you can maximize the reliability by pairing an alternative cloud provider with the likes of AWS, GCP, or Azure. If a cloud provider experiences disruptions due to DDoS attacks or a major incident such as a a data center failure, instances hosted on another cloud provider's infrastructure remain available.

Alternative Cloud Use Cases

Highly Resilient Workloads

Businesses with workloads that require high availability often turn to MSPs to manage those workloads for them as part of a managed high-availability service offering.

While all major cloud providers offer high levels of availability in their SLA guarantees, building a true high-availability cloud environment requires spreading workloads across multiple clouds and using load balancers to spread demand between them. A multicloud approach allows the workload will remain available in the event of a failure in one cloud's underlying infrastructure because traffic gets redirected to the other cloud provider.



Automated Failover

Pairing a larger public cloud with an alternative cloud allows you to construct cloud environments where workloads can easily failover from one cloud to another to maintain operations when a failure occurs in one cloud. You can implement automated failover by deploying an application or data to one cloud, then configuring a backup environment to launch automatically in another cloud if the first cloud fails.

Alternative Cloud Use Cases

Managed Kubernetes

Offering kubernetes as a managed service is one way for you to stand out from the MSP crowd, especially as more and more businesses shift to container-centric application architectures. With a managed Kubernetes offering, MSPs help companies deploy containerized, microservices-based applications without setting up or managing Kubernetes themselves.

Horizontal cluster autoscaling support provides added benefits by allowing you to create and destroy nodes in real-time based on resource limits. Autoscaling makes managing node pools more efficient, resulting in highly available and stable applications.

The Big 3 clouds provide Kubernetes services that MSPs can use to build managed Kubernetes offerings. However, alternative cloud providers also offer Kubernetes services that provide additional management features like native integration with Helm charts and Operators. And unlike AWS, GCP, and Azure, alternative cloud providers like Linode don't charge Kubernetes management fees.

You could still use one of the Big 3 to provide additional Kubernetes hosting options when Kubernetes running in an alternative cloud doesn't make sense. For instance, a service like Google Kubernetes Engine (GKE) operating in "autopilot" mode could be the best option if you want to minimize the extent to which you need to manage Kubernetes. But generally, a managed Kubernetes offering rooted in the alternative cloud will allow you to leverage more management features at a lower total cost.

Alternative Cloud Use Cases

Bare-metal Managed Infrastructure

COMPANIES OFTEN HIRE AN MSP to move their on-premises servers into the cloud. But because customers don't want to sacrifice the performance and security that comes with private, bare-metal hardware, they want to use bare-metal cloud servers.

Bare-metal servers often deliver better performance, especially for workloads designed to take advantage of direct access to hardware. For example, data analytics applications that run on bare metal can use GPU offloading to speed compute-intensive analytics operations. This optimization is not usually possible when running on cloud virtual machines.

While bare-metal instance types are available from public clouds, a multicloud strategy that includes an alternative cloud provides access to more bare-metal hosting options, which MSPs can in turn use to maximize the value of their offerings to customers. A multicloud architecture that pairs an alternative cloud provider with a big-name public cloud offers the greatest choice and flexibility for building managed bare-metal infrastructure.

Alternative Cloud Use Cases

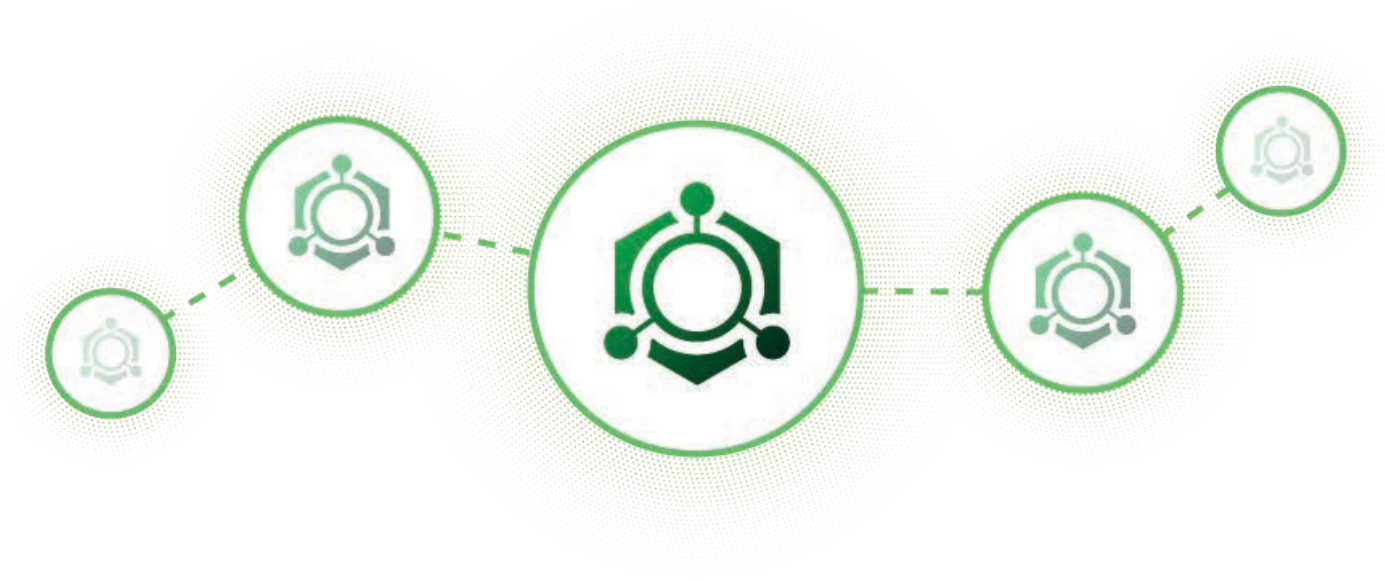
Managed Security Services

Suppose you're seeking to extend your business into the Managed Security Services Provider (MSSP) category. In that case, you can provide more security-centric services at a lower total cost with the help of alternative cloud providers, which give you access to a variety of advanced tools such as support for robust security-specific operating systems like Kali Linux and Parrot, along with applications such as BeEF and Wazuh, and the ability to leverage StackScripts to create custom solutions for your unique customers' requests.

Alternative cloud providers like Linode also offer a framework for managing users and permissions beyond generic access controls supported by identity access management from AWS, GCP, or Azure.

You can help to secure customers' environments on a subscription basis. You also can offer penetration testing to help clients identify weak points in their security postures. These security services don't always have equivalents from the major public clouds. All of these tools can help you build out granular, highly secure managed security services that would be difficult to implement using only large hyperscale cloud providers.

Alternative Cloud Use Cases



Virtual Private Clouds

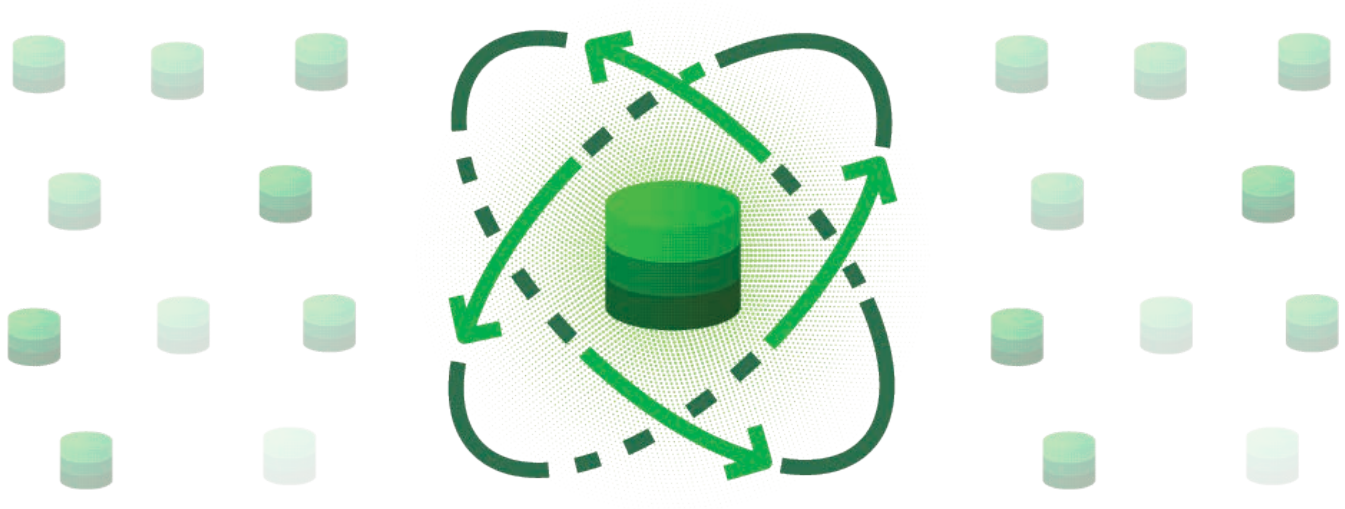
A VIRTUAL PRIVATE CLOUD (VPC) lets customers operate cloud-based applications and storage in an isolated environment at the network level from other cloud resources and, if desired, the public internet.

The Big 3 clouds offer VPC services that you can use to secure customers' workloads. However, alternative cloud providers, which also can build VPCs via services like Linode VLAN, could be a better option. Alternative clouds often don't charge for data egress within VLANs.

Linode VLAN also focuses on simplicity, an advantage for MSPs that don't want to master the steep learning curve that accompanies Big 3 VPC and VLAN services. For example, Azure has multiple network virtualization services, including VLANs, Network Security Groups, VNets, and Private Endpoints. While these services are powerful, making them valuable for enterprises with highly-complex cloud networking needs, they are complicated to deploy and manage.

Alternative clouds tend to keep networking virtualization simpler for MSPs that want to help customers build secure cloud environments without having tons of experience in cloud networking.

Alternative Cloud Use Cases



Data Science

THE ABILITY TO ANALYZE large quantities of data using tools like TensorFlow, PyTorch, and OpenMMT is increasingly important to businesses of all types.

The Big 3 public clouds offer managed business analytics platforms, like AWS SageMaker, which provide access to popular business intelligence tools running on public cloud infrastructure. However, these services are relatively pricey because the vendors charge for the management plane in addition to the cloud infrastructure. As such, it can be difficult for you to build a managed business analytics offering around services like SageMaker.

Alternative cloud providers might be your better route. By deploying machine learning tools directly on alternative cloud infrastructure leveraging GPU instances, you can benefit from lower operating costs and higher profit margins.

CHAPTER 4

Security and the Alternative Cloud

Security and The Alternative Cloud™

Security is a priority no matter which cloud provider you use or what you run. And for MSPs in particular, guaranteeing the security of your customers' workloads is vital for retaining clients, protecting your business's reputation, and meeting compliance rules that apply to you or your clients.

The Big 3 clouds include a variety of native security monitoring and compliance tools like Azure's Security Center and AWS Audit Manager to help service providers manage these requirements. These tools can be useful as the basis for securing a set of managed services. However, alternative cloud providers can enhance MSPs' ability to maximize the security of customer workloads and data. There are several reasons why.

... alternative cloud providers can enhance MSPs' ability to maximize the security of customer workloads and data.

Flexible Security Tools

While the big 3 cloud providers offer security tools, alternative clouds deliver the equivalent via services like anti-DDoS protection and VLANs. You might need to lean on third-party security monitoring and management platforms to help detect risks and threats on alternative clouds. However, given that AWS, GCP, and Azure don't design their offerings to work in competing cloud environments, third-party, cloud-agnostic tools are a more obvious choice for MSPs that want to avoid lock-in and retain the flexibility to move to different clouds.

Support Services

The extensive support services of alternative clouds provide MSPs with trusted partners to help them plan and validate a strong cloud security posture. Expert technicians can help you design an alternative cloud environment to be as secure as possible from the start, whether you use it as a standalone cloud or as part of a multicloud architecture. Just as important, support staff can assist you in responding to security events when they occur to minimize the impact on customers and mitigate the risk of compliance violations.

In general, the Big 3 providers don't provide this level of support regarding security and compliance. They deliver automated tools but little in the way of expert human help for managing risks unless you add a professional services tier to your contract, increasing costs and the risk of lock-in.

Security and The Alternative Cloud™

TUBB'S TAKE

I SPEAK TO MANY MANAGED SERVICE PROVIDERS that are refocusing their business on a security-first approach. It's easy to see why they are doing this. During the global pandemic, more of the world moved to cloud-based computing, which inevitably gave a wider attack vector for cybercriminals.

When it comes to businesses that the bad guys target, nothing is off the table. Whether your customers are big or small, non-profit or local, cybercriminals are indiscriminately targeting anybody they can get money from.

One interesting aspect of this focus on cybersecurity is that while your MSP business will undoubtedly do its best to keep your clients safe, you cannot eliminate the risk but only mitigate it. This is why I'm seeing an increasing number of MSPs define cybersecurity not just as preventative technology but as backup and disaster recovery technology as well. For example, if one of your clients were hit with a ransomware attack, it could easily be the end of a small business. But, if you could roll back data to an early ransomware-free point in time, it could mean the difference between your client staying in business or going out of business.

Other alternative cloud use cases might include quickly moving infrastructure onto new virtualized environments. In fact, during the "great working from home rush" of March 2020, many MSPs found themselves inundated with clients asking them to "move us to the cloud."

It's easy to see why most MSPs are now looking for Backup and Disaster Recovery (BDR) solutions. It could be argued that BDR is a necessity in modern cybersecurity.

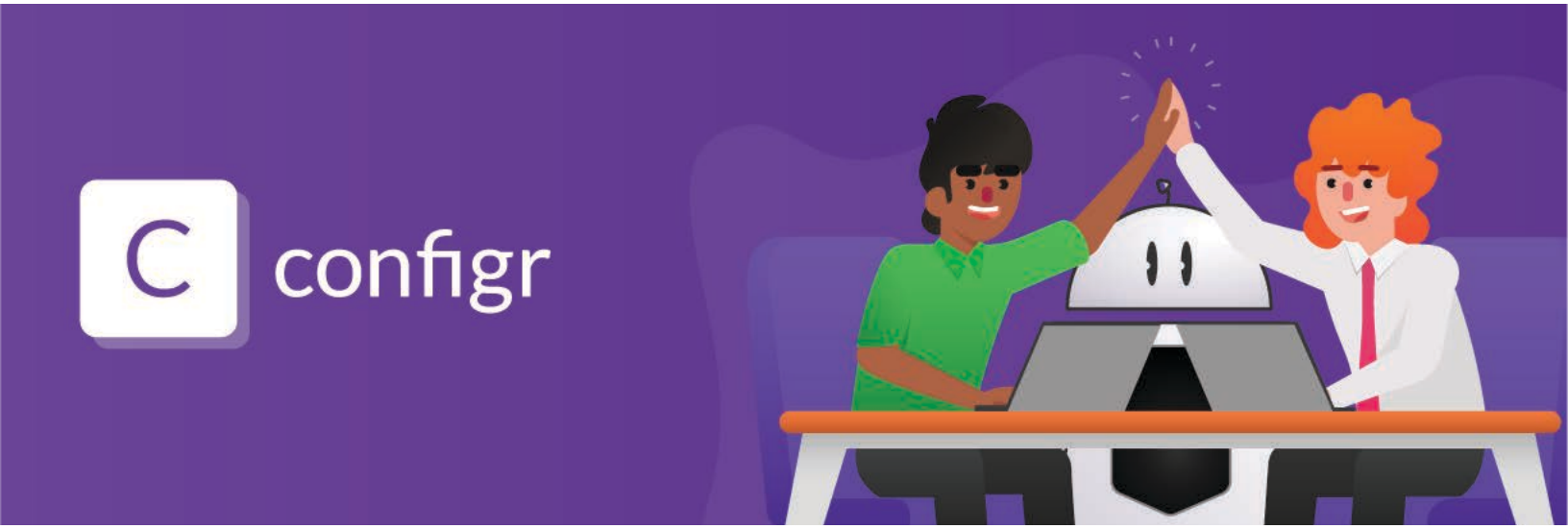
CHAPTER 5

Alternative Cloud in Action

Alternative Cloud in Action

Cloud providers and MSPs have one significant quality in common: the most powerful marketing tool is a testimonial or referral from customers.

Here are some examples from current Linode partners and customers that demonstrate how the alternative cloud accelerates MSP service quality, customer satisfaction, and growth while highlighting alternative provider must-haves to achieve parity with the Big 3.



Global Footprint & Infrastructure Quality

> *"Because Linode offers fantastic infrastructure, despite the distance, we're able to provide a low-latency connection that's better than our provider here in Brazil. They offer us a great price point without a compromise in performance, or forcing tools and features on us we don't want."*
>
> - Configr

Brazil-based cloud reseller configr has maintained a close partnership with Linode since it made the switch from relying on larger hyperscale providers. High cost and mediocre performance made working with these providers a lot more difficult, especially with unclear pricing structures and expensive network transfer costs. By switching to Linode for all possible workloads, Configr now has more than 3,000 servers running on Linode.

"With other cloud vendors, pricing is not as clear as it should be, and support is an afterthought," said COO Felipe Tomaz. "Linode's pricing is transparent and the same all over the world. We can also contact Linode directly and have extremely technical discussions when needed."

Alternative Cloud in Action

Personalized Support & Business Development for MSPs

> *"A good partnership isn't defined by when things are good. It's when things are bad, and you can count on each other. With Linode, there's a bond from years of us working and growing together."*
>
> - Cloudways

Cloudways is an example of a company with constantly scaling and varied needs that are determined by their customers, requiring a lot from their cloud partnerships in order to maintain their 95% client satisfaction rating.

"We might have a digital agency that works with a $1 million client and another that works with a $10,000 client. The end-users' needs all look different—but Linode enables us to serve both," said CEO Aaqib Gadit. A straightforward global pricing structure and the ability to influence both product development and growth are two examples of how the alternative cloud works harder for MSPs. On Linode, Cloudways is growing by 98% YoY.

Alternative Cloud in Action

Core Cloud Primitives & Free Bundled Services

> *"Roughly 98% of ChemiCloud will be running on Linode when all is said and done."*
>
> - ChemiCloud

Linode's free advanced DDoS protection (with no configuration required) and a simple, but effective, Cloud Firewall are game changers for MSPs in terms of built-in cloud services. For US-based managed hosting provider ChemiCloud, finding a cloud provider that proactively includes DDoS protection has helped keep its customers online and helps the ChemiCloud team save significant time working with both their customers and vendors.

"Even if we had a small DoS, they would null route our server and kill it," said ChemiCloud Special Projects Manager Michael Thomas. "[With our previous hosting provider], we'd have to open a support ticket with their team and wait for them to undo the null route so we could bring the server back online."

Alternative Cloud in Action

Developing a Competitive Advantage with the Alternative Cloud

> *"With Linode, we are becoming more competitive and are able to build smarter server infrastructures in cost-efficient ways."*
>
> - Nephila Web

A GLOBALLY-CONSISTENT PRICING STRUCTURE makes a huge difference for regions where cloud infrastructure and bandwidth often comes with staggering premium costs. Nephila Web, the only Philippines-based certified partner for e-learning platform Moodle, found demand for its services tripling at the beginning of the COVID-19 pandemic. Between availability, performance per dollar spent, and tight educational budgets, other cloud providers couldn't allow Nephila to support online learning for more than 100,000 customers without raising costs during a critical time for education systems around the world.

By using Linode's handful of data centers in the APAC region and having extremely predictable costs, Nephila was able to rapidly scale their business and services as needed while offering pricing that was a welcome relief to K-12 schools and universities alike. "Throughout the whole process, Linode has been really helpful in getting these resources configured and online," said CEO Sheryl Villaroman. "And they are orders of magnitude more responsive than giant cloud providers."

Conclusion

The cloud is ubiquitous across almost every industry. But while big players such as AWS, Google, and Microsoft have made the cloud accessible for any organization, they're far from the only players in town.

As a former MSP business owner, I was always on the lookout for products, services, and solutions that would enable me to stand out from the crowd. The alternative cloud is the opportunity for modern MSPs to lower their cost of support, increase their revenues and gain a competitive advantage over those technology companies that prefer to stick with the Big 3.

As an MSP business, this ebook has provided you with the information to judge whether the alternative cloud is a good fit for your business. We've also explored why you should manage your business by metrics rather than gut feeling and how the alternative cloud stacks up as a clear winner in terms of ease of deployment, support, and, ultimately, profitability.

In an age when every MSP is security-focused, the alternative cloud is also inherently more secure. A smaller attack vector and better support from alternative cloud providers mean that MSP businesses can sleep easier at night. Plus, the applications of alternative cloud solutions are mind-boggling. Data storage, data backup, and recovery (a must for any modern MSP) managed security services, business analytics… the list goes on.

In conclusion, for your MSP business, the alternative cloud is where the future of Managed Services is headed. If you've found any of the information presented in this ebook useful, the onus is on you to take action.

As one of my mentors drummed into me when I was running my own MSP business, "Vision without execution is hallucination."

The MSP's Guide to Modern Cloud Infrastructure should be your launching pad to research your alternative cloud options further. So, what's your next step towards embracing the alternative cloud, lower cost of support, and increased profitability?

- Richard Tubb

About Linode

Linode accelerates innovation by making cloud computing simple, accessible, and affordable to all. Founded in 2003, Linode helped pioneer the cloud computing industry and is today the largest independent open cloud provider in the world. Linode empowers more than a million developers, startups, and businesses across its global network of 11 data centers.