

**BUILDING A  
SUCCESSFUL  
IAAS BUSINESS  
FOR CHANNEL  
PARTNERS.**





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Many organizations are choosing to adopt cloud and hybrid cloud architectures to integrate with infrastructure-as-a-service (IaaS) solutions. In 2020, cloud adoption is rising to a new level. Multi-cloud strategies are becoming a reality. We've seen the need for the market to evolve beyond technology.

Today, the primary concern of prospective IaaS partners and customers is not the technology itself. There is a larger business goal or need to be met by leveraging the leading public cloud providers, but experience has shown that leading with a

business-based outcome vs. a technology-based message has a much higher chance of closing the deal faster - or simply closing the deal at all.

At Ingram Micro Cloud, we play a major role in helping our partners have these business-based conversations with their customers by knowing the business environment and trends to develop and accelerate their IaaS Practice.

### At Ingram Micro Cloud we understand:



Our channel partners will only use IaaS when they feel they are ready for it.



Our channel partners will only use IaaS if they are convinced it provides added value or benefits for them and their customers.



Our traditional channel partners are converting to Managed Cloud Service Providers in order to support their customers on this journey.

# Becoming a future-ready **Cloud Service Provider**

It's important to build a future-proof organization. As a partner, you want to differentiate yourself and stand out while creating lifetime value for your customers. We see the market trending towards more and more specialization and IP building, where the partner can maximize their profit. We also see the cost of new customer acquisition becoming much higher than maintaining an existing relationship and, therefore, it's more profitable to keep existing customers.

## A Cloud Service Provider:

- *Helps its customers combine traditional IT with cloud and "as-a-Service" IT resources and enables them to make that transition*
- *Opens up more opportunities towards value-added services leveraging the advantages of the cloud*
- *Allows access to resilient IT architectures*
- *Talks to the needs of CIOs and CFOs within customer organizations*



## To provide value to your customers, you should:

- *Master the technical expertise to build architectures on IaaS*
- *Understand how to connect these architectures to SaaS and PaaS solutions*
- *Understand how to build hybrid solutions*
- *Be able to explain IaaS to customers in understandable ways*
- *Be able to build your own Business Model around IaaS*

# REASONS TO BECOME A FUTURE-READY PARTNER



## Create recurring revenue model

- Monthly billing to customers for your monthly services
- Constant revenue stream with high predictability
- Revenue growth as the customer increases spend



## Earn higher margins

- Managed services have much higher margins compared to professional services
- Margins increase with scale and automation



## Increase your portfolio and services

- Span of services grows according to customer demand
- Creation of services close to the customer in the space of development and design
- No limitations to physical location



## Build stronger and deeper customer relationships

- More opportunities to create differentiators from the competition
- Establish a true advisor and business partner role with your customer

## IaaS vs. PaaS – PaaS becoming more popular

Public cloud providers like Amazon Web Services, Microsoft Azure, Google Cloud Platform and IBM offer a rich catalog of services and building blocks designed to help businesses host and manage all types of applications in a scalable, virtualized environment. These offerings of services are categorized as either infrastructure-as-a-service (IaaS) or platform-as-a-service (PaaS). The difference between the two depends on which areas are managed by the vendor and which are managed by the customer/partner.

We are seeing a trend in the market where PaaS is becoming more and more popular. A few years ago, when organizations started to move existing workloads to the cloud, we mostly saw a lift-and-shift approach to IaaS. Organizations wanted everything to work similarly to their legacy environments with minimal changes. As more and more organizations develop maturity in their cloud journey, we're seeing a greater shift in the desire to develop their own optimized solutions and increase their efficiency leveraging PaaS.

### Why adopt IaaS/PaaS

You can find a selection of drivers in the market that businesses may need to address or require support from partners to help meet specific business requirements, as listed below.



#### Security

No one is immune. Security solutions need to be at the forefront when partners engage customers to transform their infrastructure or adopt new services in their portfolio. Though adopting cloud services offers lots of advantages, it also comes with a growing security concern.

When building a cloud-based service, partners should include security to all layers to reduce risks and increase efficiency. This means securing infrastructure and the workplace, as well as managing identities, access, data and other assets.



#### Business Continuity

The major public cloud platforms offer a rich set of capabilities to ensure continuity and availability of services, but also provides backup and recovery features to quickly restore a business after an incident.



#### Compliance & Regulations

Errors in compliance can cause lots of problems, including fines and reputation damages. Most cases can be addressed by leveraging solutions based on one of the major cloud platforms.



#### End-of-Life/ End-of-Support

Companies need to rethink their roadmap to modernizing outdated platforms as they face security and compliance risks, repercussions in their business continuity plans, and limitations in older platforms for further innovation.

It's easy to see why the adoption is so high, given the many benefits, which include:

### **Scalability**

Allows you and your customers to move from CapEx investments to OpEx cost on IT

### **Elasticity**

Gives you the ability to expand and shrink resources according to business needs

### **Resilience**

Decreases the impact of local circumstances on core compute and data storage and increases the continuity of customer operations with redundant architecture

### **Architectural flexibility**

Allows you to only pay for what is used and provisioned

### **Application delivery and agility**

Gives you vendor-provided, cost-effective and efficient IT maintenance and operation, as well as increased speed for faster innovation

### **Data access and data asset usage**

Allows for multiple ways to access data plus growth of data (sorted and unsorted), supporting IoT applications or scale compute to analyze Big Data repositories

***In short, an effective cloud transformation requires engagement from all stakeholders across the organization. It is important to consider the company's overall culture and security posture during the implementation process.***

***EMBRACING IAAS  
MEANS BALANCING  
BETWEEN  
BUSINESSES  
CORPORATE AND  
IT GOVERNANCE.***



## Guidelines to start an IaaS practice

If you are convinced of all the advantages and want to build an IaaS practice, you need to retain and expand your knowledge and expertise on the IaaS topics relevant to you. This requires you to invest and develop competencies which are different than SaaS.

Here are some guidelines that Ingram Micro Cloud provides to help fast-track partners in their IaaS practice:

01

When considering IaaS, first look at how to balance your legacy infrastructure and applications with the benefits of the cloud.

02

Determine which solutions you want to focus on as a partner—you can't focus on all. Each of the public cloud platforms offers you a selection of building blocks to create solutions and services for your customers. Don't sell the building blocks itself but understand your customer's needs and how you can provide a comprehensive solution for your customer.

03

Develop frameworks to provide your IaaS solutions for your customers. Automate and build a "rinse and repeat" process and work closely between IT and the business to understand the capabilities, limits and pricing structures that work.

04

Train your team and pursue certifications. Make sure they feel confident with it.

05

Analyze your customers to identify which are open to your cloud solutions. You can also look at business scenarios from the major public cloud giants that benefit from your IaaS solutions.

06

Make sure you understand the business model and build a managed service portfolio to increase revenue mix and margins.

07

Keep up with technical developments, new service releases and the impact these updates have on both the IT side and the Business side of your company overall and in your blueprints, specifically.

## Technology of choice and multi-cloud

For the first step in maximizing your experience with the support of Ingram Micro Cloud's partnership, investigate and decide which cloud platform is best for you.

This is becoming an increasingly more important exercise for companies. Ingram, leveraging our multi-cloud expertise, will navigate our partners and their customers across the various options. Cloud computing is the foundation for all of today's digital business and we understand that the wrong strategy can create a roadblock to success. Think about how you plan to use the cloud platform in the future. Also consider how you want your billing model to be configured. Consider the following questions when making your decision:



**How long do I plan to use the resources running on a public cloud platform? Am I testing, or do I plan to build a longer-term infrastructure?**

**How do I want to pay for the infrastructure? Should I pre-pay, reserve infrastructure for a reduced price, or get invoiced at the end of the month?** Almost all hyperscalers offer you the option to reserve capacity for a reduced price.

To learn more about the options and which cloud is most beneficial for you and your customers, Ingram Micro Cloud can help you define the right path and enable you throughout your journey—whether that's on one specific cloud or in a multi-cloud approach.

## Estimate the cost of your solution by starting with an Assessment

Before you deploy any infrastructure, assess how much your solution will cost. The assessment will help you create a budget upfront for your organization and for the workload. As you use your budget over time, you can benchmark the validity of your initial estimation. You can also compare it with the actual cost of your deployed solution.

If your organization's current workloads run in on-premise datacenters, an assessment provides insight into how to define a potential migration strategy and the organizational impact of moving to the cloud for your customers.

An assessment also gives you a clearer understanding of what resources you will need from a cloud standpoint. It helps you analyze your on-premise machines to determine whether migration is feasible and also recommends things like virtual machine sizing to maximize performance when using a public cloud platform.

Ingram Micro Cloud has services and tools to help partners in doing their cloud assessments. Whether it's a new cloud environment, existing on-premise to cloud migration, or a move from one cloud to another, we provide the support our partners need to be successful.

## Vendor pricing calculators

The online pricing calculators that are generally available are vendor specific and allows you to mix and match different combinations of cloud service building blocks to see an estimate of the costs. You can implement your solution using different components in the cloud, with each influencing your overall spending slightly differently. Thinking through early on about all of the infrastructure needs of your cloud deployment is key as it can help you get a solid estimate of your forecasted spending. With highly skilled dedicated IaaS representatives across the world, Ingram Micro Cloud provides partners the support in providing assessments and cost estimations for all customer opportunities.

## Migration – Choose the right way to the cloud

### Lift and Shift

It is exactly what it sounds like—moving everything as-is to the cloud. This one is often the most common one chosen by organizations. It requires little to no modifications to the environment. In this approach, workloads are migrated directly to a VM in the cloud and maintaining similar capabilities as before. However, in this migration, organizations aren't leveraging most of the benefits of the cloud compared to replatforming and refactoring strategies.



### Replatform

This strategy requires a bit more modification, but still no major changes when bringing your application to the cloud. It requires optimization of the environment, but no major core architectural changes. It sits in between lift-and-shift and refactoring. It requires more time and resources than a lift-and-shift, but it allows you to capitalize on more benefits of the cloud. As an example, think of the advantages that come with adapting a managed database in the cloud.



### Refactor

This one requires a complete re-architecture of the application to adjust it to the new cloud environment. This can be a complex and disciplined process and is the most resource intensive approach. In the long run, it is well worth the effort and improvement to get the return on the investment. In this approach, the application becomes cloud-native leveraging full cloud native benefits.



Choosing the right strategy is not too difficult and there is no definitive answer on what the best approach is. The right strategy is based on what suits you best. Designing and implementing, however, can be quite challenging. Ingram Micro Cloud offers a variety of Professional Services to support partners throughout the cloud Migration strategy and execution to meet your business needs.

## **Understanding common challenges**

Embracing IaaS comes with its challenges, especially for partners starting their journey in the cloud. We see common challenges around optimization and complexity.

With optimization, organizations tend to want to take full advantage of IaaS, namely using the elasticity of the cloud and the cost-saving potential. When discussing cost-saving potential, it's key to understand the shift in IT cost from CapEx to OpEx. In addition to helping you leverage the built-in resource recommendation functionalities provided by the major public cloud vendors, Ingram Micro Cloud offers a wide variety of tools to help organizations scale their cloud resources without impacting performance and availability.

With complexity, understanding all the public cloud design principles is key because there are endless possibilities. To use the cloud to its full potential, partners need a lot of in-house skills. In many cases, if it's possible, the PaaS route is easier and provides a set of ready-to-use components.

## **Building a profitable business with IaaS**

We've seen that some partners are more successful than others. Driving a successful, profitable business model has a critical, most basic characteristic—you need to achieve the perfect revenue mix. Our current partners transform their revenue streams across the board, including a variety of resell services with some IT project services that shift more and more towards Managed Services. Even though Managed Services is a top revenue producer in a healthy revenue mix, it's a challenging exercise for many who started with a different business model.

Another important element is the willingness of your customers and what services they feel comfortable paying for. The IaaS business requires a different type of selling that partners need to be aware of.

**GET  
STARTED**

For questions on how to get started, contact our Ingram Micro Cloud representatives at [iaas@ingrammicro.com](mailto:iaas@ingrammicro.com).

## More about Ingram Micro Cloud partnership

- With highly skilled, dedicated representatives across the entire world, we are the first point of contact for our partners' IaaS needs. We have extensive experience and skill sets in the full IaaS cloud stack with all the major IaaS players in the market.
- We help partners provision new customers, order subscriptions, and manage subscriptions within the world's leading Cloud Marketplace and offer the best in class tools to optimize and manage your cloud environment.
- We provide partners their technology of choice.
- We can provide technical support for pre-sales assessments, migrations, deployments, managed services and post-sales support.
- We support partners in winning new customer opportunities and help with their Go-To-Market.
- We help you bundle services with unique solutions or resell opportunities while improving partners' operational excellence.
- We offer unique partner acceleration programs to support Customer Demand Gen, Professional Services, Competency building, Sales growth, and more.



# NEXT STEPS

Are you ready to become future-ready and embrace IaaS? Or are you already in IaaS, but ready to accelerate? Contact Ingram Micro Cloud to partner with you in building a profitable IaaS business.

## CHECK OUT THIS SERIES.

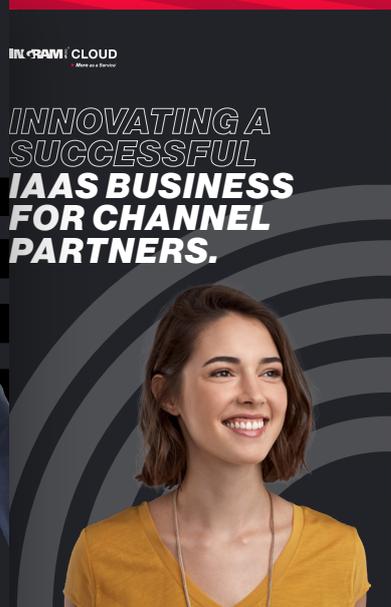
Playbook 2



Playbook 1



Playbook 3



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