

Table of Contents

Introduction	3
Which Areas of the Cloud You Should Consider	4
What Should You Look For in Cloud Vendor Partnerships	7
Talking the Talk	11
Cloudy Issues	11
Summary	11
Glossary of Terms	13
Author Biography	15
Further Information	15
Extra Reading	16



**CLOUDY CHANNEL
CONSIDERATION**

PART TWO

Cloudy Channel Considerations

In this series of four whitepapers, we will take a look at the top 12 things you need to know to successfully sell cloud computing.

In Part One we discussed how cloud computing is changing the historic landscape of the channel as we know it and what to expect. In Part Two we will look at what areas of cloud computing you should consider and what you can do about it.

This important background information will give you the knowledge required to lead your channel business into the new world where cloud solutions are a necessity to your customers.

Parts Three and Four will cover licensing; billing; sales compensation; services & support models; business metrics; transitioning to selling cloud; adding value; becoming a trusted cloud advisor; and cloud versus product delivery models.

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The 'Build it and they will come' message is easy spoken, but will enough of them come and fast enough.

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Which Areas of the Cloud You Should Consider

Cloud computing can refer to several different service types, including Software as a Service (SaaS), Platform as a Service (PaaS), and Infrastructure as a Service (IaaS). SaaS is generally regarded as well suited to the delivery of standardised software applications and platforms, like email, CRM, accounting and payroll. The development of the SaaS business model has been rapid and it is now being used to provide highly effective resilient and secure applications across a range of company sizes and industries.

As a reseller you need to enter the cloud arena carefully and identify the following:

- The areas you are most likely to succeed in
- The areas that will most appropriately address your customers' requirements
- Where you see your business aligning in 3 - 5 years time
- What areas of cloud computing are selling, which are leading and which are still bleeding edge

Other questions to consider are:

- Do you simply resell a third party cloud service or do you consider building your own offerings? (And do you understand the cost models incurred to do so?)
- Do you take third-party technologies and aggregate them into your own portfolio, or do you take a wide range of cloud services and aim to be 'all things to all people'? Do you follow your existing areas of expertise as a reseller, or do you broaden your area of focus using cloud as the empowering medium?
- Do you add services from the vendors you already carry? Or do you look 'outside the box' to discover new and potentially more advanced and agile cloud vendors who can perhaps bring you greater success and faster results?

Building it yourself can prove attractive; after all, owning your own IP can be lucrative and give you total control and market differentiation. However are you cut out to become your own ISV (Independent Software Vendor)? You can certainly invest to buy in components of hardware and software and configure your own hosted offering, but at what cost? The 'build it and they will come' message is easy spoken, but will enough of them come and fast enough to turn an ownership wish into a sustainable and profitably viable cloud offering? You need to be sure you can truly build a multi-tenancy model, afford the startup costs and the funds to battle possible cost attrition, and finally understand how to scale (often you will just turn a profit and have to re-invest in the next tranch of infrastructure to enable growth, falling back into a loss model). Building cloud services requires a long game of invest, invest and invest with many already proven vendors having taken 5 - 8 years to hit their breakeven point!

Many cloud-based services have already been provided by resellers, such as hosted exchange, firewall management and business applications. Certain areas of cloud computing are growing at a faster rate than others and it is important to understand the mix, not only your own skills and what your customer values, but also the market opportunity to be at the leading edge and not the bleeding edge. Evangelising is fine for a vendor with a vested interest in the technology, but as a reseller you can gain the most traction and success by using the 'right place, right time' philosophy to maximise the most upside and success. Get there first rather than being another follower.

For example, Infonetics Research predicted that despite the recessive economic climate, the Security SaaS market is expected to continue to grow at 46% annually for the next five years.¹ Infonetics Research earlier this year also reported that worldwide SaaS security revenue grew 70 percent in 2009, citing web, email, and anti-virus security among the main drivers.²

Certain technology areas have more attractive and obvious values from being cloud based than others, and these can pose lucrative opportunities for the resellers introducing them to the end customers.

Areas of focal growth include those technologies and applications that enable other leading trends to be simpler and cheaper. For example, mobile computing and multi-device access (smart phones, tablets, iPads and the like) are becoming commonplace for the business user, and cloud applications can assist an organisation with managing and securing these mobile devices.



Resellers are finding the capability to make the most money right now in the mass market of small to medium-sized companies. Moving selected applications or core IT functions to a cloud-based software offering with higher resilience, more mobility, more flexibility, and lower costs is an attractive proposition for these customers.

Certain verticals are more receptive to cloud computing than others due to business mandates and industry drivers. For example, the military is far less receptive to cloud computing than certain sectors such as retail and leisure. The professional services space has also shown rapid uptake of cloud services, as has the charity/not-for-profit arena. Again, sectors with a mix of cost constraints, dispersed locations and mobile workers often act as drivers for cloud consideration and adoption.

In deciding which areas of cloud to adopt, embrace, reject or monitor, you need to consider a range of variables: your status quo; your existing skill sets and customer sectors, as well as those you believe you can expand into; the incremental revenues you will gain or those you may lose through customers switching from on-premise to cloud; and your financial capabilities to fund motivating sales commissions alongside a change in your potential cash flow model.

According to Gartner, historically hosted email and Security as a Service (SecaaS) have been the top two uses of SaaS for the average business, with a range of other applications and solutions also doing well in the cloud world.

Table 1. Top 15 Current Users for SaaS, 100 - 499 Employees

Rank	Software Category
1	E-Mail
2	Security
3	Industry Applications
4	Accounting Utilities/Software
5	Office and Personal Productivity Software
6	Content Management
7	Document Management
8	HR and Workforce Management
9	CRM
10	Collaborative Software
11	Videoconferencing
12	BI
13	B2B/B2C Services
14	ERP
15	SCM

Source: Gartner

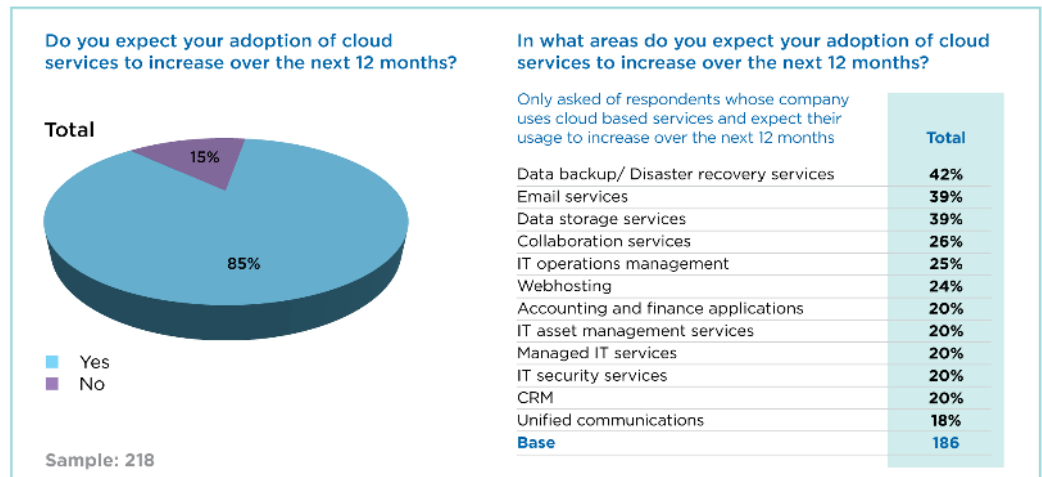
“Customers find it easier to digest and realise the benefits of cloud when they can take a step into it and deliver and feel true business value.”

For example, in one area of SaaS, namely hosted email solutions, we have already seen the start of a pricing war, with Google and Microsoft publicly slugging it out. Whilst Cisco Systems has recently quietly shut down its Cisco Mail hosted messaging offering after only 13 months of limited release citing the commoditisation of hosted email and its lateness to market as reasons. So in this sector unless you can bring differentiating value to your customers, the margins are likely to drop through a massive competitive drive by these two vendor giants. This should not detract from the many areas of cloud that are profitable and growing, but act as a warning that diligence is necessary before investing heavily. Many Internet Service Providers have extended their reach by adding further services such as hosted email and packaging a hosted offering with their Internet connectivity. This does not take away from the SaaS business model that presents the channel with great growth and margin potential. A reseller needs to understand the market and why their offering of a total solution comprising a SaaS component brings differentiating value to the customer and thus enables a different price point. You can sell the value, if you have it and understand it.

There are some fundamental elements for organisations to consider before they make a decision on whether to deploy a cloud application. First of all, some applications are better suited to be in the cloud than others. For example, email filtering in the cloud is becoming the norm and it makes total sense to stop all spam and Internet malware at the Internet-level—keeping it at its source. However, it might not be as easy to move a print management software solution to the cloud if there are 50 printers in the office that need managing locally.

SaaS solutions are not ‘one size fits all’ and not every cloud application will be right for every business. You should consider in what areas it makes sense for your customers to utilise the cloud. Where can you take business gain to your clients in terms of efficiency, resilience and cost reduction?

Identify the areas of technology that are your core competencies. If you have never provided a CRM solution before, running into selling cloud CRM may not be aligned with your skillset, your go-to-market strategy, or your customers’ expectations from you. Consider which areas of cloud computing customers are expecting to grow as part of your evaluation process. The survey below gives some indication from an end user audience of the growth areas of cloud expected in the 2011/2012 period (as conducted by the Cloud Industry Forum).



Source: Cloud Industry Forum: Cloud Adoption and Trends Survey 2011

Look to others in your sector to see what they are having success with, which vendor names and technologies are you hearing customer success stories from? Ask your customers, perhaps by initiating a simple online survey, whether they already use cloud in any way, and if so for what areas of business application? Who did they buy it from? What areas of cloud computing do they believe they may utilise in the future, and why? This represents an ideal opportunity to poll your customers for their thoughts and input, to be engaging and to possibly uncover some selling opportunities to kick start your cloud sales.

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If you have been successful selling a particular technology area, consider whether it is suitable for the cloud and if there is success in this area already. For example, if you sell helpdesk solutions, are cloud helpdesk solutions showing growth? Are there defined values and unique selling points for a helpdesk cloud application over a network-based installation? Does your existing vendor have a strong cloud version, or are they planning one? Or should you consider adding a focused cloud vendor to your portfolio to complement your on network solutions?

As an example, Infonetics reported a prediction that SaaS will be the single biggest factor in the rapid growth of the managed security services market with projected overall growth of 78% in the next five years. The Infonetics study reported 'Strong interest in SaaS and broad availability of SaaS offerings from a wide variety of players—from network providers and security specialist service providers to large content providers and product manufacturers—drive continued growth in the market'.³

When surveyed, the most common objections for holding back SaaS adoption as reported from end customers, are named as 'security' and 'reliability'.⁴ This is interesting when you consider that SaaS Security is consistently reported as the fastest growth area of SaaS. This 'security' objection usually stems from the customers' perspective; they are concerned about the security of their data held outside their perimeter by the cloud provider. Being able to answer these questions and easing this concern with any SaaS wary customers will keep you moving in the direction of success.

This could explain why Internet security delivered in the SaaS form factor is the fastest growth area of SaaS. It has certainly already proven lucrative as the first cloud entry point for a large number of resellers. Providing email and/or web filtering in the cloud makes sense to customers, as you are putting the filters and protection up into the cloud where the attacks originate.

Customers find it easier to digest and realise the benefits of cloud when they can take a step into it and deliver and feel true business value.

Do a poll today to find out how many and what cloud services are already in use in your customer base. Take a look at your own channel business—have you appraised your own IT usage and where you might gain value and edge through utilising in the cloud options and thus demonstrate the benefits to employees and customers?

What Should You Look For in Cloud Vendor Partnerships

Possibly the biggest step resellers will actually take once they have made the decision to become a cloud provider is to pick their vendor partner or partners.

Some will rely on historical relationships but others will look to the up-and-coming players that have no legacy products in the market and have a fresh approach to the cloud. There are certainly plenty of those emerging onto the scene.



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³ Jeff Wilson, SaaS drives breakout growth in managed security market, www.infonetics.com, 2009.

⁴ Julian Goldsmith, CIO Jury: Cloud under a cloud with IT heads, www.silicon.com, 23 March 2009.

Making the choice of vendor is a pivotal point of your cloud success or failure.

Picking one that customers don't value or whom can't deliver the quality of service or support in a SaaS world will leave your sales and reputation lacking.

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It is critical that you choose carefully, evaluating your decision to ensure optimal success. If you choose to work with an existing product vendor who has expanded into the cloud, here are some questions to consider: do they have neutrality in their own approach or are they biased via a historic need to retain their product sales revenue levels? Do they have the cloud understanding, focus and edge to enable you to win? Do not assume a customer using vendor ABC's product will automatically switch to ABC's cloud service offering.

Also appraise if the service being offered is a development of their software version; if so, is it true multi-tenancy and has it been coded specifically for the benefits of the cloud, or is it simply a hosted version of the on network deployment (one of the failures of the original ASP model discussed earlier in Part One).

Often you will find the hosted version is nothing to do with the vendor's product version, many times having come into the company through an acquisition of a pure play SaaS vendor. The questions then become wider; what if a customer is migrating from the on-network version? There will be no synergy to the SaaS offering so moving to any vendor will be a fair consideration as there is no inherent similarity or value in staying with the original vendor. What expertise does the software vendor have in delivering SaaS (running datacentres, delivering on SLA's and service rather than product orientated support)? Have they retained the SaaS expertise they bought or simply acquired the ability to tick a box of having a cloud option?

Making the choice of vendor is a pivotal point of your cloud success or failure. Picking one that customers don't value or whom can't deliver the quality of service or support in a SaaS world will leave your sales and reputation lacking.

In your first cloud adoptions look for the obvious choices and alignment with your business/customer needs. Focus on simplicity, those that you and your sales teams can understand quickly and drive sales success from to form quick, but firm foundations.

Once you have identified the sector where you believe you can gain some traction, then research and shortlist a range of local operating players in this sector. Review your vendors carefully and contrast them across a multitude of areas, not just brand or price. In the cloud arena you need to substantiate who you are dealing with, their capabilities and cloud reputation. Don't be 'clouded' by their overall brand; look for specifics of their success in what you are choosing them for. You are selecting a service not a box product, so the criteria to qualify needs to be different.

There will be temptation, especially with cloud services that are rapid to adopt and deploy, to make available all options to your customer and purely aggregate the market. This may seem like a win-win in that you can represent all the vendors to your customer and let them take their pick. But in fact, this has two detrimental effects: one upward and one downstream. Your vendor partners are unlikely to value this approach, to back you in customer engagements or support you as a key partner to them. The vendor community is close-knit and bid after bid, you will usually find the same names coming up. A vendor finding you in customers representing their direct competitors will not favour deal registration and support to the customer.

Downstream, your end customer will likely not view this as flexibility, but rather will focus on the fact you are passing the burden of evaluating the cloud platforms onto them. Instead of acting as the trusted guide and de-mystifying the cloud for them, you are putting it onto their shoulders. With all the jargon and hype around cloud computing, making some clear decisions and delimitations as a valued reseller and backing them to your customers is part of the value and differentiation you bring to both them and the vendors you choose.

Remember you are representing your customers as a thought leader, a practitioner of best practise. This need not be a laborious process, the questions you ask need to be the same for all the vendors and they should assist you in their openness and capability in answering these. In fact the vendor's capability to respond at this point can form a valuable part of your qualification process. A vendor unable to support your request and evaluation is unlikely to be very supportive when it comes to customer engagements and your ongoing partnership requirements.

In selecting your cloud vendor you need to understand the market you are looking to address and their needs (the poll we mentioned earlier can be used to easily assimilate some pointers for you here). Appraise the vendors' value proposition specific to their solution; why is it different? What does this mean to your clients? What are the key differentiators they bring? And what positive impact has this on customers in your region, your market sector? Do they have examples they can cite?



It is very easy for cloud vendors to promise the Moon, but it is important that you dig further before selecting the partner you will back. How do you determine which vendors to partner with, especially when many are new names to you? There are already a lot of vendor names in the cloud space, with more likely to appear through new country expansions, acquisitions or new developments from existing vendors.

As such, there are many areas of questioning that are suggested as guidance for you to contrast the providers and none of which should be used in isolation. Having great pricing and attractive flexibility on a service that you won't sell much of due to its lack of vendor backing isn't delivering a winner to your business. Nor is relying on a traditional strong brand to win customers if their commercial model and ability to execute in a cloud arena makes it a non-starter.

Weigh vendors fairly and across the multiple vectors mentioned below, and usually one or two will float to the top.

- **Vendor:** Review their financial viability: Are they profitable? Are they making or losing money? What is the strength of their business model and their ability to execute and be a long term supplier to your business? How are they funded? Do they have the capability to sustain in the market segment they are playing in, particularly with the financial climate and competitive landscape as it is?
- **Partnership:** How does their partner program look? What channel awards and accreditations have they achieved for their cloud offerings and programs, as independent validation of their stated claims? What success can they demonstrate in the channel already for the cloud part of their business? This is important as a vendor with a lot of product success may in fact be hindered and struggling with its cloud offerings. If they are a true channel player in the cloud space this should be an easy area for them to shine.
- **Success Ratio:** What success have they had in cloud? What is their demo to trial ratio, and trial to close ratio? Do they have specific reseller examples they can cite as examples of channel success? What sales cycles can you expect? And what tools do they provide you to enamour success if you represent them?
- **Billing, Pricing and Licensing:** Do they have a model that works for you, that is channel enabled and enables you to win in the market and retain acceptable margins? Can you incorporate their billing into your commission schemes? (*This will be discussed in Part 3 of this 4-part Series of papers*)
- **Pedigree:** What is the background to their technology? How proven is it? And how much has been sold through the channel and what channel tools/structure does their service take? Look at their technology (function/protection) and fit for your business requirements, look at the fundamentals first as you would the safety and reliability when buying a car, then consider the extras that you may get. Do they own the technology in full or part? If part, what dependencies may they have on third parties that could affect you down the line? What roadmap and service enhancements will your customers benefit from during the contract term? What reputation does the vendor have for consistent delivery and innovation in the past few years? Ask to see their release notes or roadmap they have delivered to going backwards as well as forwards. Remember this is part of what your customers will be paying for and will drive their customer satisfaction and hence renewals through you. What is their reputation for support and service provision—how good are the vendors Service Level Agreements (SLAs) in comparison to the others you are considering? How many support people do they have, are they in your region, and are they employed by the vendor?

Use the sample template below to compare cloud vendors, adding your own additional questions and using this as a starting point. Simply put one tick in each row and then add up each column. You can of course apply additional weightings to specific areas that you deem to be more important than others by putting a multiplier in the final column and applying to the scores on that line only.

VENDOR 'ABC' Evaluation	Poor (1)	Weak (2)	Average (3)	Good (4)	Excellent (5)	Weighting
VENDOR						
Financial Viability / Profitability?						
How many staff do they employ? How many are focused on cloud offerings?						
Cloud Focused Vendor?						
Proven Market Cloud Success?						
Brand Strength?						
How many cloud customers does the vendor have?						
How long has the vendor delivered the cloud services?						
Does the vendor have any certifications or participation in cloud industry bodies?						
Have they received positive independent analyst validation?						
What technical support is provided & is it by the vendors staff and in what locale?						
PARTNERSHIP						
Partner Program Quality and Cloud focus						
Partner Case Studies						
% of cloud revenue sold through channels						
Commitment to channels (100% channel?)						
Has their channel cloud program won awards/accolades?						
What partner tools do they have available for you to use?						
What partner training is available and is it free to you?						
Can they illustrate areas for you to add value?						
How are leads allocated and what support is given?						
What trials and demo support are available to you?						
SUCCESS RATIO						
Demo to Trial Conversion?						
Trial to Order Conversion?						
Renewal Rates?						
Customer Case Studies? (Relevant to your region and customer base)						
% of cloud customers sold direct & through the channel?						
What size of customers use the vendor's services?						
PRICING/LICENSING						
How does the end user list pricing compare to other Cloud and on network vendors?						
What are the partner margins on new business?						
What are the partner margins on renewals?						
How flexible is the licensing and pricing model?						
PEDIGREE						
Is the cloud service home grown or from an acquisition and how supported is the technology by the vendor?						
What independent certifications/validations does the vendor have?						
What do their customers say? Do they have any customer comments or case studies?						
How many data centres do they have in your region?						
Which region is customer data stored in their service ?						
What is the spread of services and options available for you to resale? What up and cross sell ability is there?						
What support is included standard in the base pricing and how does this compare to other similar SaaS vendors?						
How does the vendors SLAs compare to others?						
How many SaaS updates does the vendor issue per year (ask for examples of the past 12 - 24 months)?						
TOTALS						

“Ultimately there is nothing to fear inherently about the cloud.

Companies simply have to perform their due diligence as they would when buying any other solution.”

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TALKING THE TALK?

Many vendors are talking about the cloud, but are they walking the walk when it comes to the channel? As a reseller, you have to think clearly about what this is going to mean for your business. You must ask a set of questions before signing on the dotted line to ensure you know exactly where you stand with your new cloud partner.

Remember, just because you have worked with some vendors for many years, the cloud does not work in the same way as conventional product or licensing. Because so many vendors have jumped on the cloud bandwagon there is no shortage of choice, but always try and look ahead with the cloud. Is your existing vendor truly committed to the cloud or are they simply hedging their bets? Do they have a cloud sales model that suits you as perhaps their product model previously did?

CLOUDY ISSUES



As sure as eggs are eggs, the cloud will not look the same way it does now in 12 months time. So is your chosen vendor forward thinking enough? Will it and its products still be around in a year's time? Does it have case studies and customer/partner references you can look at before making a decision? Can you speak to any of its existing partners or see video testimonials? Why should you become their partner? What can they promise and more importantly deliver for your business?

Most importantly of all—what are their contracting and billing terms? Do you still act as the touch point for your customers, or are you going to be effectively signing them over to this vendor once you become a fully-fledged partner? Who will bill the end user and what are the SLAs in the contract—what do they actually mean, how are they measured and what are the penalties?

Should you suddenly find yourself unhappy or dissatisfied with their services, what are the cancellation terms? What if something goes wrong, what are they going to do about it?

Another important point to consider is whether the vendor actually owns a substantial percentage of the technology or has the required control to deliver the qualities needed. If it is based on another technology, this may mean that some decisions are out of their control, and consequently out your hands too.

Also think of questions that your customers may well ask you and turn them into questions for your vendor partner: what support is included in the contract and who should you call in an emergency? Do they provide out of hours support? Where exactly are they located? Where is your and your customers' data stored? How is it stored? Is it in the local regional jurisdiction? How safe is their system? What is the update cycle of the vendor's products? Who has access to the data? Do they work with companies of all sizes? Can they prove it?

These are all important questions that must be asked at the beginning of any cloud-based partnership. Because there are no physical products involved, it is easy to lose hold of the service. Ultimately there is nothing to fear inherently about the cloud. Companies simply have to perform their due diligence as they would when buying any other solution. It is just about having the right questions to ask.

If a vendor promises it can move mountains with its cloud solutions, you could be better off picking one that is still climbing its way carefully to the top of its mountain.

Also if you are still not convinced, ask to see the financials of a potential vendor. If they have nothing to hide they will willingly share information, after all this may be what prospect customers ask of you down the line. The information you may get can help you find out where the vendor actually stands in the market and how healthy it is as a supplier regardless of its size.

Making snap decisions and pushing everything to the cloud in a rush is perilous. Taking educated steps to the cloud will ensure you gain the benefits that cloud services can bring to your business.

SUMMARY

Cloud computing is a new way of delivering computing resources, not a new technology.

It is imperative that you understand where cloud slots into the IT sector, the impact it is already having and specifically how it may align to your business and customers in the years ahead. You may deny or resist it, but it will undoubtedly have an impact on all of us and change the face of the channel as we have known it for the past decade.

With the larger vendors such as Microsoft, Google, IBM, HP and Amazon all now heavily backing cloud initiatives, now is the time for you to be identifying the areas your customers will expect you to advise them on, which technologies and vendors are beneficial to them and your capability to gain knowledge and bring value around these. Which can you work with successfully to ensure a positive outcome for both your clients and also yourselves in terms of margin, reputation, customer's satisfaction, support, renewals and relationship?

In the third part of this four part paper we shall cover how cloud solutions are changing the licensing and billing models, how this may affect the way you need to compensate your sales people, what effect they will have on your services and support delivery models and how does cloud affect your business metrics.

End of Part Two



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**CLOUDY CHANNEL
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Glossary of Terms

PRIVATE CLOUD

Sometimes referred to as internal or corporate cloud, private cloud uses a cloud-like infrastructure to enable hosting of applications and virtualised machines behind the corporate firewall and under the control of the IT department, creating a cloud infrastructure accessible by only one organisation.

Private cloud brings the values of cloud in terms of virtualised servers, up and down scaling of computing power, utility computing and shared hardware costs to the users within the corporation. With virtualisation and distributed computing becoming commonplace, it has enabled internal IT staff to become service providers who can emulate cloud computing on the private network. It removes common cloud objections and worries such as the loss of control over enterprise and customer data, worries about security and issues connected to regulatory compliance.

With a private cloud, however, the customer may have to buy, install and manage the hardware unlike with the public cloud; therefore, they would not gain all the benefits of a cloud solution: the lower up-front capital costs and the removal of infrastructure management responsibility. Private cloud may be managed by the organization or a third party and may exist on premise or off premise, but is dedicated to the organisations own private user base. It can also be seen as delivery of IaaS to a restricted set of customers, usually within a single organization.

PUBLIC CLOUD

Also called the external cloud, represents the traditional meaning most people take of the 'cloud'. The services provided in this cloud infrastructure are available to all & any subscribing members. Meaning services/resources are provisioned over the public Internet via web applications from third party companies who share their data centre resources and power across a wide range of customers, billing for services used or licensing users for their remote login capabilities. Many Public cloud services are freely provided to the consumer home user and examples of what can be considered cloud applications are Facebook, Hotmail and Flickr.

HYBRID CLOUD

This can be used to have several meanings. One is meaning the joining of separate clouds together such as a private and public cloud joined implementation where both communicate and link to each other. Another use is of where a locally based and installed application connects and utilises a cloud backend host for its power or intelligence (examples here include Apps such as iTunes where the application runs locally but its data and intelligence such as track names and content is provided from the cloud).

The most common meaning by vendors today combines a locally installed physical hardware and software with a cloud service to provide a common installation and management platform of both form factors.

SaaS SOFTWARE AS A SERVICE

The delivery of a software application over the Internet medium. It represents a provider licensing an application to customers, with access being given through a web browser, replacing the need for the customer to purchase, install and maintain the application locally. Generally SaaS is a term associated with business software (such as Salesforce.com) although many consumer applications can also be considered SaaS in their format such as Facebook and Hotmail.

While commonly associated with CRM, ERP and Email Management systems, SaaS is vast and is continually being applied to a vast array of other applications for the business and consumer. Independent Software Vendors are seeing the need to diversify to maintain strength in this consistently evolving market. SaaS is not just a buzz word, it is a reality and many are now offering SaaS versions of their solutions available today, or considering for the future.

PaaS PLATFORM AS A SERVICE

The delivery of a computing platform and solution stack as a service and provides all the facilities necessary to support the complete process of building and delivering web applications and services, for availability over the Internet.

These offer full software development and operation capabilities as well as providing for the integration of OS, API's, middleware and applications. They often include facilities for application design, application development, testing, deployment and hosting as well as application services. Platform as a Service is most viable for organisations who prefer a chosen application, but see the benefit of a more managed service deployment platform. PaaS starts to move beyond SaaS to encompass the entire operating environment.

- **aPaaS** the platform for hosting and managing individual application services and data Integration PaaS
- **iPaaS** the platform for intermediation and integration of the application services hosted and point-managed by aPaaS
- **Knowledge PaaS (kPaaS)** the platform for access and analysis of broad data resources in context
- **User experience PaaS (uxPaaS)** the platform for multichannel, multidevice user-facing applications
- **Data PaaS (dPaaS)** the platform for hosting and serving data.

IaaS INFRASTRUCTURE AS A SERVICE / HaaS HARDWARE AS A SERVICE

Also called Hardware as a Service, Infrastructure as a Service delivers a basic set of storage and computing capabilities remotely as a service. It concerns the delivery of servers, network equipment, CPU, memory, storage and data centre facilities, combining automated load balancing and scaling of resources.

Infrastructure software is irrelevant in the delivery as this is part of the virtual applications internally. This is a benefit for businesses who wish to take advantage of utility storage or capacities from the cloud and allows them to capitalise on virtualised equipment and avoid the capital expenditure costs (the investment still comes as an operating expense despite it being licensed hardware).

CaaS COMMUNICATIONS AS A SERVICE

An outsourced enterprise communications solution that can be leased from a single vendor. CaaS can include voice over IP (VoIP), instant messaging (IM) and videoconference services.

It allows small and medium-sized business businesses to afford levels of communication technology and sophistication that could prove cost prohibitive otherwise. It enables them to selectively deploy devices and modes on a pay-as-you-go, as needed basis. CaaS eliminates the large capital investment and ongoing overhead for a system whose capacity may often exceed or fall short of current demands.

SECaaS SECURITY AS A SERVICE

This is a subset area of SaaS and delivers security products and services in an on-demand model. The leading areas in this space are anti-virus, anti-spam and anti-spyware, with email and web security the strongest areas of delivery today. Security as a Service brings the advantages of keeping the vast amount of malware sourced from the Internet at the Internet level, with scanning happening in the cloud and removing the need for customers to perform the volume of constant security updates that the industry demands today (as these are done by the vendor).

SECaaS can also be extended to traditional in-house security products such as firewalls, IDS and IPS, which can normally require specialized expertise to configure and manage.

Other terms you may hear include:

EaaS EVERYTHING AS A SERVICE

DaaS DESKTOP AS A SERVICE

MaaS MONITORING AS A SERVICE

BCaaS BUSINESS CONTINUITY AS A SERVICE

STORAGE AS A SERVICE

DATABASE AS A SERVICE

SLA SERVICE LEVEL AGREEMENT

QOS QUALITY OF SERVICE

Author Biography

IAN MOYSE, EMEA CHANNEL DIRECTOR, WEBROOT

Ian Moyle has over 25 years of experience in the IT Sector, with nine of these specialising in security. With over 23 years of channel experience, Moyle currently heads up the channel partner programme for Webroot in EMEA.

Starting as a Systems Programmer at IBM in the mainframe environment, he has held senior positions in both large and smaller organisations including Senior Vice President for EMEA at CA and Managing Director of several UK companies.

Moyle has been keynote speaker at many events and runs one of the largest Channel Discussion Groups worldwide on LinkedIn. He sits on the board of Eurocloud UK and the Governance Board of the Cloud Industry Forum (CIF). Moyle was recently awarded global 'AllBusiness Sales AllStar Award for 2010' and The 'European Channel Personality of the Year Award for 2011'.

Further Information

For more information, please visit <http://www.webroot.co.uk> or call +44 (0) 20 3349 2499.

Read the Webroot Threat Blog: <http://blog.webroot.com> and follow Webroot on Twitter: <http://twitter.com/webroot>.

To help facilitate further discussion around the content of these papers, there is also a LinkedIn group. We encourage you to join it called 'Cloud Resellers Network' available through the search groups function on LinkedIn, or directly at

<http://www.linkedin.com/groupRegistration?gid=3722225>

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Extra Reading

There are also many useful third party cloud and channel sites that provide invaluable background reading when deciding which vendors to consider cloud partnership with such as;

- <http://www.cloudindustryforum.org>
- <http://www.eurocloud.org>
- <http://www.mspalliance.com>
- <http://www.mspmentor.net>
- <http://www.saas4channel.nl>
- <http://www.talkincloud.com>

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