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The MSP's Guide to

Building a Better Cloud Practice: Tips from MSPs for MSPs

Introduction

As small and medium businesses (SMBs) continue to shift their workloads to the cloud, managed service providers (MSPs) can take advantage of this trend by building a cloud practice. Offering cloud-based managed services enables MSPs to better support customers moving workloads to the cloud and create new revenue streams.

Indicators for SMB cloud migration are strong. Recent research¹ shows that 99% of MSP clients are using the cloud in some capacity, while 50% of MSP clients have shifted more than half of their workloads to the cloud.¹ Further, 93% of MSPs expect to have at least half of client workloads in the cloud in the next three years.¹

Delivering cloud services and providing them with strong business continuity and disaster recovery (BCDR) protection can present challenges, so it's helpful to hear from other MSPs about what worked for them and to learn best practices for providing value to customers. Since MSPs are integral to our business, Datto interviewed our MSP partners to gather insights about what helped them successfully grow their business with the cloud.

No matter your cloud maturity, learning from other MSPs will help guide you in your efforts to establish a cloud practice.

This eBook focuses on the following best practices for MSPs:

- Be a trusted advisor before, during, and after migration to help your customers maximize the benefits they get from the cloud.
- Drive more predictable cloud billing to make it easier to build in margins for your business and minimize cost complexity for your customers.
- Ensure client workloads in the cloud are secure and easily recoverable with a BCDR solution.
- Learn how Datto and Azure together can help you establish a cloud practice with best-in-class BCDR solutions for Azure workloads, purpose-built for MSPs.

¹ Datto. *Global State of the MSP Report (2021)*. <https://www.datto.com/uk/c/state-of-the-msp-2021>

Be a trusted advisor before, during, and after migration

Businesses that utilize Azure are better able to retire technical debt, scale rapidly, and innovate without friction. However, to effectively reap those benefits, it's important to first prepare for migration with strategic planning, operational onboarding, and Azure skills training.

This pre-migration process can be overwhelming for SMBs from a resourcing perspective, as it typically involves building a comprehensive plan, aligning internal stakeholders, and making sure key team members are educated on the nuances of Azure before migration can begin. Additionally, to ensure things go smoothly during and after migration, they need to create and implement plans for oversight and optimization.

In short, migration can be a lot to manage, especially for SMBs. This means MSPs have a great opportunity to step in and help SMBs navigate their cloud journey by offloading or heavily managing their planning, onboarding, and skilling processes.

Specifically, MSPs can help their customers maximize their Azure experience by following these steps:

- Educate your customers on [Azure's Shared Responsibility Model](#) and variable-pricing model so they understand what they have control over and how it impacts costs.
- If you don't have Azure skills built out, work with a vendor who does. That way, you can always be ready to assist your customers on their migration journey, as help is only one call away.
- Inform or provide customers with [resources](#) from Azure that are offered to help accelerate the cloud journey:
 - » [Azure Advisor](#)
 - » [Microsoft Azure Well-Architected Framework](#)
 - » [Microsoft Cloud Adoption Framework for Azure](#)
 - » [SMART tool](#)
 - » [Azure Migration and Modernization Program](#)



"Our business is changing. We're moving away from visiting clients on site to fix servers, and towards building solutions in Azure."

— COLIN DENNIS
Head of Operations Development
OGL Computer Services Group

Drive more predictable cloud billing

Cloud pricing models deliver newfound levels of flexibility for organizations by letting them pay only for what they use.



"It's difficult for our cloud customers to adapt from fixed price solutions to being billed based on consumption—it's a big challenge when you can't accurately tell them how much their bill will be."

— COLIN DENNIS
Head of Operations Development
OGL Computer Services Group

This flexibility also means other variable factors are introduced that can influence costs in unexpected ways—for example, data egress fees when replicating across clouds or virtualization costs during a failover. These can impact cloud usage bills and surprise customers with costs they weren't expecting.

While many organizations look to the cloud as a way to reduce costs, MSPs should be looking for ways to drive more predictable costs instead.

Establishing predictable cloud costs enables MSPs to easily build margin into their offerings and sustain them month to month, as well as give peace of mind to customers who know what to expect in each billing cycle.

Here are some ways MSPs can help to drive cost predictability:

- Leverage Azure [Reserved Instances](#) for customers with predictable workload demand.
- Seek flat-rate software offerings from third parties that allow you to bill for consistent amounts.
- Use cost management tools with your customers to analyze and optimize the costs of cloud deployments.



"We rely on Datto SIRIS for on-premises BCDR. When Datto launched Datto Continuity for Microsoft Azure we knew we'd be able to provide the same high performance that our customers expect."

— RICK TOPPING
*Vice President of
Operations and Technology*
Ceeva

Ensure client workloads in the cloud are secure and easily recoverable

When supporting SMBs, one of the most critical benefits MSPs provide is keeping customers' businesses up and running. No matter how brief the duration, any sort of downtime can have significant negative impacts on an organization's revenue and customer relationships.

While Azure enables geo-redundancy via a global data center network, it's a best practice to operate across multiple clouds for maximum protection. Doing so allows MSPs to differentiate their cloud practice, because if there ever were a global outage event, your customers can continue operating as normal with a backup environment that isn't relying on the same infrastructure.

Below are some recommendations for how MSPs can help maximize protection for cloud workloads:

- At a minimum, have a geo-redundant architecture to optimize uptime.
- Have cloud-redundant backups to ensure business-critical workloads are always available.
- Look for options to virtualize workloads in an off-site location external from Azure, so you have the flexibility of multiple environments.

Why Datto and Azure?

When it comes to public cloud platforms, many MSPs are choosing Azure to build their cloud practice for the following reasons:

- Beyond the broader benefits of inherent agility, flexibility, and scalability, Azure offers advanced security and hybrid capabilities.
- Native integration with other Microsoft products like Microsoft 365 can help ease the transition from on premises to a cloud environment by providing familiar experiences for users.
- Azure continues to innovate on behalf of their customers, giving you a future-ready platform to build your cloud practice.

Datto complements these benefits with our new offering, Datto Continuity for Microsoft Azure. This BCDR offering meets MSPs wherever they are in their cloud journey, offering management capabilities for both on-premises and cloud workloads. It also includes an extra layer of security against ransomware and other malicious attacks. This solution was built specifically for MSPs, and will continue to evolve as you and your customers' needs change.

Together, Datto and Microsoft are partnering to deliver a best-in-class BCDR solution on Azure:

- Multi-cloud by design—Datto provides its own private cloud used for data replication
- Delivering BCDR solutions at a predictable, flat-rate price
- Products designed for MSPs, by MSPs
- Tech support available 24 hours a day, 365 days a year
- New levels of security and performance for BCDR

[Learn more](#) about Datto and how we can help you build out your cloud practice for Azure.



Azure is growing in popularity, with 36% of SMBs reportedly experimenting with Azure already.²

² Flexera. *State of the Cloud Report* (2021). <https://info.flexera.com/CM-REPORT-State-of-the-Cloud>

"Datto Continuity for Microsoft Azure has been something we've been waiting for, to make sure we have a single-pane-of-glass view of backups for Azure services.

We're very pleased to see Datto innovating in this space."

— COLIN DENNIS
Head of Operations Development
OGL Computer Services Group