

Growth Opportunities for MSPs, ISVs, VARs and SIs in the Post-Pandemic Era

White Paper | Parallels Remote Application Server



Introduction

The COVID-19 pandemic has made remote work a necessity for many companies—a move that is likely to become permanent for some companies. Consequently, the business world has seen a significant acceleration in the adoption of digital workspace solutions such as Virtual Desktop Infrastructure (VDI) and Desktop as a Service (DaaS). In addition to being efficient enablers of remote work, these solutions provide businesses with an excellent monetization opportunity by providing them as a service to other companies.

In this white paper, we discuss some of the growth opportunities for Managed Services Providers (MSPs), Independent Software Vendors (ISVs), Value-Added Resellers (VARs) and System Integrators (SIs) when it comes to helping businesses build, maintain and manage VDI and/or DaaS environments during the post-pandemic era.

Why Businesses Use VDI and DaaS

For several years now, digital workspace solutions like VDI and (more recently) DaaS have provided businesses with much needed relief in areas such as endpoint device management, operating expenses, business continuity/disaster recovery (BCDR) and cyber security.

Some of the main reasons why companies use VDI and DaaS include:

Simplified endpoint device management

In traditional IT environments, the process of managing endpoint devices (e.g., PCs and laptops) can be quite taxing. Routine tasks such as software installations, patch deployments or configuration updates can take weeks or in some cases months, depending on the number of devices. With VDI/DaaS solutions, timelines for these tasks can be reduced to hours or a few days because changes are carried out via a central location instead of on each individual device.

Reduced operational costs

Most of the savings gained through VDI/DaaS comes from reduced operational costs. Since IT processes like installations, patch deployments, etc., are much faster and easier to complete, companies can reduce IT overhead. In addition, because most of the computer processing is done on the server side, companies can minimize endpoint device hardware requirements, repurpose old devices into thin clients and extend hardware life cycles.

Improve BCDR capabilities

Business Continuity and Disaster Recovery (BCDR) is a set of processes that enables organizations to quickly resume operations during and after a disaster. In major disasters like earthquakes, wildfires or hurricanes, which can render onsite PCs unusable, companies need a way for employees to access their applications, desktops and data in order to continue normal business operations. Reinstalling operating systems and applications on another set of PCs can take a lot of time and money. VDI/DaaS takes a more cost-efficient approach by simply redirecting hosted office applications, desktops and data to employees' home PCs/laptops or to workstations in a disaster recovery site.

Enhance security

When applications are hosted in a central location as in a VDI/DaaS environment, they're easier to patch, reinforce and secure. For example, if an organization has thousands of endpoint devices and their IT team needs to install the latest security updates on all of them, it can be done from a single management console instead of individually on every device. This is crucial from a security standpoint because the faster a vulnerability is addressed, the lower the risk of it getting exploited.



Remote Work Environments Amplify VDI/DaaS Benefits

The benefits listed above have only been amplified as more organizations have moved to support remote work environments—something that's become a hallmark of business operations these days. Although the pandemic may appear as the sole driver of remote work adoption in 2020, this practice has been on the rise prior to the COVID-19 outbreak.

In a <u>survey</u> conducted by social media company Buffer back in 2019, 99% of the respondents checked "Yes" when asked whether they would "like to work remotely, at least some of the time, for the rest of their careers." Even companies that had little choice but to adopt remote working during the pandemic understand this new way of working is here to stay. A <u>Gartner survey</u> of company leaders in 2020 showed that 82% plan to allow employees to work remotely some of the time even after the pandemic.

But remote work is not without its challenges. If businesses implement remote work environments using traditional IT infrastructure, i.e., without VDI/DaaS, it will only amplify issues in endpoint device management, operating expenses and cyber security. Ironically, these areas are where VDI/DaaS shine the most.

Let's take the case of the impact of VDI/DaaS on cyber security, for example. If a remote worker's laptop gets stolen (which may result in a data breach) you can rest assured corporate data will stay secure in a VDI/DaaS environment because that data is stored in the data center or the cloud and not on the device itself.

There's a similar effect on endpoint device management as well. In typical remote work environments, IT administrators are often faced with a plethora of device platforms. We're not just talking about Windows and Mac devices. In many cases, there may also be iOS, Android and perhaps Linux devices.

From a management perspective, this scenario can lead to chaos. Imagine having to upgrade or reconfigure a software application on a multitude of devices with different operating systems when people using those devices are working from home (Imagine when an upgrade or software reconfiguration application is required on a multitude of devices with different operating systems when employees using those devices are working remotely: the logistics would be complex.) VDI/DaaS fixes this because applications delivered through them are OS-agnostic. Any changes are simply applied to an image on the server and then delivered remotely to each device, regardless what operating system they're running on.

Common VDI Challenges and Concerns

Just like many other technological solutions, VDI has its downsides. Although it eliminates a lot of problems, it can also introduce new ones.

First, the underlying VDI infrastructure of most solutions has several different components (each with their own inherent complexities) that can make them difficult to install, manage and troubleshoot. A typical VDI administrator will also have to manage images, servers, hypervisors, networks, storage systems and the VDI software, sometimes in addition to several other elements.

Once the underlying infrastructure is set up, the person or team responsible for managing the solution will also have to handle issues pertaining to load balancing, security, compliance, latency, connectivity and user experience. When a VDI solution has several components, these issues tend to become even more difficult to address, troubleshoot and resolve.

A few VDI solutions, such as <u>Parallels® Remote Application Server (RAS)</u>, have managed to simplify things considerably. However, if a company has a severely understaffed IT team or has no dedicated IT team for that matter, even the simplest VDI solution can still be overwhelming.



While the average business might find these challenges insurmountable, technically skilled third parties like MSPs, ISVs, VARs or SIs are more than capable of assisting businesses to overcome them. These third parties can leverage the simplicity of Parallels RAS and turn these challenges into growth opportunities during the pandemic and beyond.

Why Interest in DaaS Is Surging

In mid-2020, Gartner expected the DaaS global market to enjoy an impressive <u>95.4% growth</u> by the end of the year—the largest growth forecast among public cloud services. This surging interest in DaaS can be attributed to two factors:

- 1. Improved remote working and BCDR capabilities. Like VDI, DaaS centralizes data/application/desktop storage and endpoint device management, thus making it ideal for enabling remote working environments, especially those we're seeing as a result of the pandemic. Also, like VDI, DaaS can improve BCDR capabilities by redirecting applications and desktops to employee-owned PCs and laptops or to workstations in a DR site if the main site becomes incapacitated.
- 2. Easier deployment and management. Even as DaaS offers the same benefits as VDI, it also has one major advantage: It frees businesses from the hassles of deploying and managing the underlying infrastructure. Practically all deployment and management tasks, especially for underlying infrastructure (i.e., storage, networking, VMs, etc.) are absorbed by the DaaS service provider.

While DaaS is often associated with global public cloud service providers (CSPs), it doesn't have to be purchased directly from a CSP. SIs, ISVs, VARs, and MSPs can all offer DaaS services themselves. In fact, third parties with DaaS offerings can provide a more nuanced and vendor-neutral approach in matching a DaaS solution with a particular organization.

How MSPs, ISVs, VARs and SIs can Help Companies Enable Remote Working via VDI and DaaS

As discussed earlier, the challenges associated with installing, maintaining and integrating the underlying VDI infrastructure make it difficult for a company with limited IT talent to capitalize on this technology by themselves. No wonder many of these companies are outsourcing a lot of the heavy lifting. It's estimated that <u>47% of DaaS and VDI</u> deployments in recent years were implemented with the help of third parties.

This just goes to show how lucrative the space has become for third parties who can offer VDI/DaaS-related services. The wide selection of services that can be offered, from consulting to a complete DaaS offering, provides several one-time and recurring revenue opportunities for third parties. Some of the VDI/DaaS services typically offered by third parties include the following:

Consulting

This is usually offered as an all-encompassing service that includes assessment, design, implementation and managed services, all of which we discuss in the following subsections.

Assessment/design

This service is normally requested prior to implementation. Here, the third party looks at several areas within the company, such as user behavior, application virtualization compatibility, etc., and then uses the information gathered to assess its VDI/DaaS readiness. Next, the third party proceeds to perform capacity/storage/space/power planning, virtualization modeling, predictive analysis, and integration planning.



Implementation

Here, the third party implements the design and proceeds to deploy the VDI/DaaS infrastructure. For VDI implementations, this would normally include deployment of all associated components, such as hypervisors, servers, virtual machines, images, network, storage systems, databases, etc. The third party would set up all components to work as one cohesive system as well as integrate the VDI environment with the company's existing IT infrastructure.

Managed services

Managed services providers can help companies ensure their VDI environment is always in tip-top shape. An MSP can provide ongoing control and monitoring for the entire VDI environment, perform preventive maintenance and troubleshoot and resolve issues as soon as they arise.

DaaS

Some third parties can also set up their own multi-tenant VDI infrastructure on a public or private cloud and then offer DaaS themselves, making the underlying infrastructure completely transparent to their B2B customers.

Challenges MSPs, ISVs, VARs and SIs Face When Offering VDI/DaaS Services

When a third party insulates its B2B customers from the challenges of VDI/DaaS, they absorb them instead. Common challenges/issues third parties face when offering VDI/DaaS services include the following:

Solution complexity

Many MSPs, ISVs, VARs and SIs will have the technical know-how to handle a range of VDI solutions. However, some VDI solutions can be quite complex, leading third parties to spend endless hours trying to deploy the solution or troubleshoot issues.

High overhead costs

When a VDI solution is overly sophisticated, it raises overhead costs and reduces profit margins. Such solutions can be difficult to maintain and troubleshoot, requiring excessively long professional hours. Some issues even lead to lengthy downtimes that threaten service-level agreements (SLAs).

Deployment inflexibility

Some third parties have certain preferences about the technologies they want to use when deploying a VDI environment. For example, they might find it more secure for a particular use case if they use a certain hypervisor or a specific cloud service provider. Sometimes, they might also find it more cost-effective to use a selection of different hypervisors or adopt a hybrid cloud model.

But they can only do this if the VDI solution supports it. Unfortunately, not all VDI solutions have that capability. This limitation can severely impact the security, efficiency and resulting total cost of ownership (TCO) of a given VDI project.

Poor mobile device UX

With more and more of their employees using tablets and smartphones to accomplish work-related tasks, B2B customers are increasingly clamoring for VDI solutions that support mobile devices. However, these devices have limited screen real estate as well as a completely different user experience (UX) than desktops and laptops. While most VDI-delivered applications and desktops can run on mobile devices, many of them provide a sub-optimal experience, which means end users are restricted to only using certain applications on their desktop or laptop.



How to Overcome VDI/DaaS Deployment Challenges with Parallels RAS

While many VDI solutions on the market today can be overly complex, inflexible and offer a poor UX, there are a few exceptions. One of them is Parallels RAS. Here are a few ways Parallels RAS helps third parties overcome common VDI/DaaS challenges:

Simplified architecture

Designed with a simplified architecture and a very affordable pay-per-use licensing model, Parallels RAS gives third parties the rare opportunity to save on costs and increase margins when working with a VDI solution. From installation through deployment and support, Parallels RAS keeps tasks simple and effortless.

Flexible deployment models

Parallels RAS supports multiple deployment options, including:

- On-premises
- Public cloud (e.g., Microsoft Azure, AWS, Google cloud, Alibaba)
- Hybrid (e.g., on-premises + Microsoft Azure)
- Hyperconverged infrastructure (e.g., Nutanix, HPE Hyperconverged, Scale Computing HC3)
- Windows Virtual Desktop

Excellent mobile UX

Designed with mobile users in mind, Parallels RAS can be easily used on any device, including smartphones and tablets. It also supports native touch gestures like swipe, drag, tap-to-click and zoom-in, along with Parallels-specific features, such as the lock 'n go magnifying glass. Parallels RAS even supports Samsung DeX integration for mobile users who want to turn their smartphones into full-blown workstations.

Benefits of Partnering with Parallels RAS

Parallels RAS offers a host of programs, offerings and other initiatives specifically tailored to address the needs of MSPs, ISVs, VARs, and SIs. These include the following:

Parallels partner programs

Parallels RAS offers the <u>Parallels Service Provider (PSP) Program</u>, <u>Parallels Independent Software Vendor (ISV) Program</u>, and the <u>Parallels RAS Partner Program for Value-Added Resellers (VAR) and System Integrators (SI)</u> designed to increase the portfolio offerings and boost revenues of MSPs, ISVs, VARs and SIs.

Free training and certification

All <u>Parallels training and certification</u> for installing, deploying, configuring and maintaining Parallels RAS is provided for free to members of the Parallels Partner Program. These trainings enable third parties to learn how to provide fast and efficient customer support directly to their customers, without the help of Parallels, which can decrease issue resolution times and help provide better customer service.

Recurring revenue streams

Third parties are provided with free webinars and trainings that teach them how to create highly profitable monthly recurring revenue (MRR) by offering Application-as-a-Service, Managed VDI or DaaS using Parallels RAS.



Guided shift to SaaS & DaaS

The Parallels team of experts works closely with ISVs and other third parties to build a customized strategy and scale-out plan for transitioning from a traditional packaged software model to a Software as a Service (SaaS) or DaaS model.

Multi-tenant architecture

Parallels RAS readily supports a multi-tenant architecture, which allows multiple customers to share the same Parallels RAS infrastructure while enabling service providers to manage the multi-tenant environment from a single pane of glass.

Remote access to line of business applications

Third parties are taught how to transform traditional line of business (LOB) applications into full-fledged mobile and web apps and make them accessible from the cloud.

Parallels RAS + Azure + WVD

The Parallels team helps service providers and other third parties leverage Windows Virtual Desktop, Microsoft Azure and Parallels RAS to deliver cloud-based applications from a scalable, automated and centrally managed environment.

Parallels RAS + OrionVM

MSPs and other third parties are provided with a turnkey DaaS solution from Parallels RAS and OrionVM. Through this solution, MSPs can offer DaaS to B2B customers and manage resources from a centralized console.

Conclusion

As businesses adapt to the new normal and the inevitability of embracing remote work on a wider scale, many of them grapple with remote work-enabling technologies like VDI and DaaS. This gives MSPs, ISVs, VARs and SIs rich opportunities to step in, add value and grow in the post-pandemic era. With the help of Parallels RAS, these third parties can offer a wide range of VDI/DaaS services with minimal overhead, high value MRRs, deployment flexibility and a host of other business benefits.

Learn more about the benefits of partnering with Parallels.

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