DOING BUSINESS WITH THE BIG CLOUD PROVIDERS

SURVEYING THE LAND OF THE GIANTS

The 1980s Boston Celtics had their Big Three; so too did the Miami Heat circa 2010. The U.S. auto industry has its Big Three, and so does Japan's. In cloud, we've got Amazon Web Services (AWS), Google Cloud Platform, and Microsoft Azure. There are many other cloud players around, but the Big Three tend to suck up all the oxygen, at least as far as the media is concerned.

Amazon raced out the door in 2006 with a novel concept of offering two web-based services – S3 (Simple Storage Service) and EC2 (Elastic Compute Cloud) – that would provide businesses with an alternative to investing in on-premise infrastructure, or renting dedicated resources from an off-site provider. Google began its foray in 2008 when it opened up its own cloud to developers in the form of its App Engine service. Also in 2008, Microsoft announced its Windows Azure platform, initially as a platform as a service (PaaS) that became commercially available in 2010 and was renamed Microsoft Azure in 2014.

HYPER-BILLIONS

AWS passed the $11 billion revenue mark in the second half of calendar 2016; Microsoft says its commercial cloud business now tops $14 billion, but that includes various server and service offerings in addition to Azure. Parent company Alphabet does not break out the revenues of its Google Cloud business but it's believed to be playing catch-up on the sales front. Another player, IBM, claimed cloud-as-a-service revenue of $8.6 billion for 2016, but much of that is believed to have come from software subscriptions, so it's not in alignment with the Big Three.

There are many other cloud providers, of course, but the Big Three are always likely to be in the picture for enterprises trying to make a decision.

MULTI-CLOUD REALITY

What this tells us is that we live in a multi-cloud world. Each of the Big Three has its own unique advantages and tools that enterprises may choose to mix and match depending on their needs. But it may be difficult for individual enterprises to figure out how to manage and staff those multi-cloud options.

"Multi-cloud also demands the skills and expertise to competently leverage the various cloud platforms you've chosen," says Rackspace CTO John Engates. "Succeeding with multi-cloud means having access to experienced cloud engineers who are competent in all of the various components of your multi-cloud environment and who stay up to date on the developments of each cloud provider as they launch new services and products."

Rackspace in 2015 recognized this trend and evolved into a managed cloud provider, helping enterprises reduce complexity and take advantage of public cloud options as well as OpenStack, VMware, and hybrid solutions that combine public cloud, private cloud, and dedicated servers.

"We are very, very happy now to be able to look at AWS and Azure and Google, who have an amazing ability to invest in public cloud IaaS (Infrastructure-as-a-Service) and revert to our original [managed services] value proposition," Rackspace CEO Taylor Rhodes told Network World in a December 2016 interview. "If those clouds are the right solution for our customers, we will continue to bring them into our portfolio of solutions."

For enterprises that want to avoid the pain and complexity of managing a multi–cloud environment, that Rackspace approach may provide welcome relief.