

Why IT Hosting from The Planet is the *smart* decision.

Reducing IT costs and improving service levels through IT hosting

The Yankee Group, a leading technology research firm, has noted a growing trend in how small- to medium-size businesses (SMBs) pay for and manage their information technology – everything from email to Web sites and applications. Instead of buying hardware and software, and hiring technology employees or contractors on a “do-it-yourself” basis, SMBs are increasingly outsourcing IT infrastructure to IT hosting specialists.¹

IT hosting providers supply businesses with everything from data center space for their own servers — known as colocation — to hosted servers dedicated for the exclusive use of a customer — known as dedicated servers. They may also offer a menu of add-on IT expert services to the whole deal — IT infrastructures that are fully managed, known as managed hosting.

The reason for this trend is straightforward. By leasing servers offsite at an enterprise datacenter for a monthly fee — and gaining access to experts and admin services from hosting providers — SMBs realize significant savings on IT costs compared with purchasing infrastructure and hiring specialized staff. For example, comparing total costs over three years between buying and maintaining IT infrastructure in-house or on-premise versus leasing from an IT hosting provider, analyst firm Frost & Sullivan has estimated that a small business of less than 100 employees can cut its IT infrastructure costs by up to 75 percent.²

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Beyond the substantial cost savings, many SMBs are also choosing IT hosting as a means to access data center infrastructure, networks and technology staff that they could never afford to on their own. It also eliminates IT capital expenses which offers the flexibility for users to scale their IT infrastructure as needed. This executive overview provides a brief description of the advantages and options SMBs are gaining through IT hosting.

Gain access to world-class data centers, networks and technology experts

Hosting suppliers have evolved over the past several years from server warehouses into highly sophisticated IT infrastructure providers that feature world-class data centers. Staffed 24x7x365 with IT experts, these data centers offer ultra-high-speed network connections. For example, The Planet, based in Texas, hosts IT infrastructure for more than 25,000 small- and medium-size businesses and 14.1 million Web sites worldwide. Housing more than 50,000 servers at six SAS 70 Type II data centers located in Houston and Dallas, The Planet boasts a breadth of capabilities that few large enterprises, let alone the average SMB, could ever hope to build and maintain on their own. The Planet IT hosting provides:

- ❑ 250,000 sq ft. of datacenter space
- ❑ Eight Tier 1 telecom providers and direct Internet connections
- ❑ Industry-leading network bandwidth capacity: 150+ gigabits/second with multiple network POPs (points-of-presence)
- ❑ 24x7x365 access and security
- ❑ N+1 cooling and redundant power and diesel generator systems
- ❑ Certified engineers for monitoring, security and admin services options
- ❑ Full range of Dedicated Servers and Managed Hosting services

Eliminate IT capital expenses, minimize risk, and scale on demand

One of the key advantages of IT hosting in an uncertain economy stems from its elimination of capital expenses for technology. SMBs can not only avoid capital outlays, but also the risk of investing too much or too little on technology. They are able to preserve cash that is vital to the survival and success of the business. Predictable monthly fees mean that financial commitments are kept to a minimum and can be changed in a matter of days or hours if required.

“My rule to live by as an entrepreneur is to be cheap and run fast. Using The Planet as a hosted IT infrastructure provider is one of the best ways to be cheap and run fast to build your business... you don’t have to worry about managing the technology or investing a great deal of capital.”

*Mark Fletcher
Startupping.com, California*

STARTUPPING

“The Planet’s multiple Tier-1 providers ensure consistent uptime and an excellent shopping experience for customers...latency is never an issue. The solutions they provide also deliver a comprehensive package that serves as the IT backbone for my business.”

*Ming Keong Kuan
iStyles.com, Singapore*

iStyles

Because of the high reliability of established hosting providers, IT hosting enables SMBs to minimize the risk of downtime for business-critical applications, as well as avoid attacks from malicious hackers or the loss of data from breaches, all of which could be potentially devastating.

A recent report from analyst firm Yankee Group noted that “Far too many SMBs are forced to make do with outdated IT infrastructure, which limits their use of technology to support their fast-changing business needs. SMBs are also generally lacking robust business protection against disasters and security threats, which increases their risk. A do-it-all-yourself approach to managing IT has simply become unmanageable for many businesses.”¹

IT hosting allows SMBs to scale up or down instantly, depending on customer demand without having to overcompensate — and overspend — on IT infrastructure. As a result, if an SMB experiences a sudden burst in online traffic or seasonal fluctuations, the company can scale up its infrastructure to accommodate the increased demand and scale back during periods of reduced activity.

According to the Yankee Group, “IT hosting providers can offer enterprise-class web infrastructure to SMBs, preserving valuable capital that a small business can use instead for customer acquisition and innovation. A hosted IT service also allows a company to focus on its core business and strengths, and allows IT to become more strategic rather than tactical.”¹

Choose from a comprehensive selection of IT Hosting options

The Planet gives SMBs a comprehensive range of IT hosting options, from colocation cabinets to dedicated servers, along with multiple management service options, all the way up to fully managed hosting. Businesses now have the “power to choose” a customized solution that best fits their needs -- along with the flexibility to expand and scale as required. (See Figure 1.)

“The Planet allows BikePics.com to compete at the enterprise level with an SMB price, and this has really helped us to grow and be successful.”

Denis Markwell
BikePics.com



“Uptime is extremely critical to our site, since we have visitors from around the globe viewing our site. Service and customer experience are incredibly important, and we depend on the 24x7x365 uptime guarantee that The Planet provides.”

Amit Kothari
QuotationsBook.com, U.K.



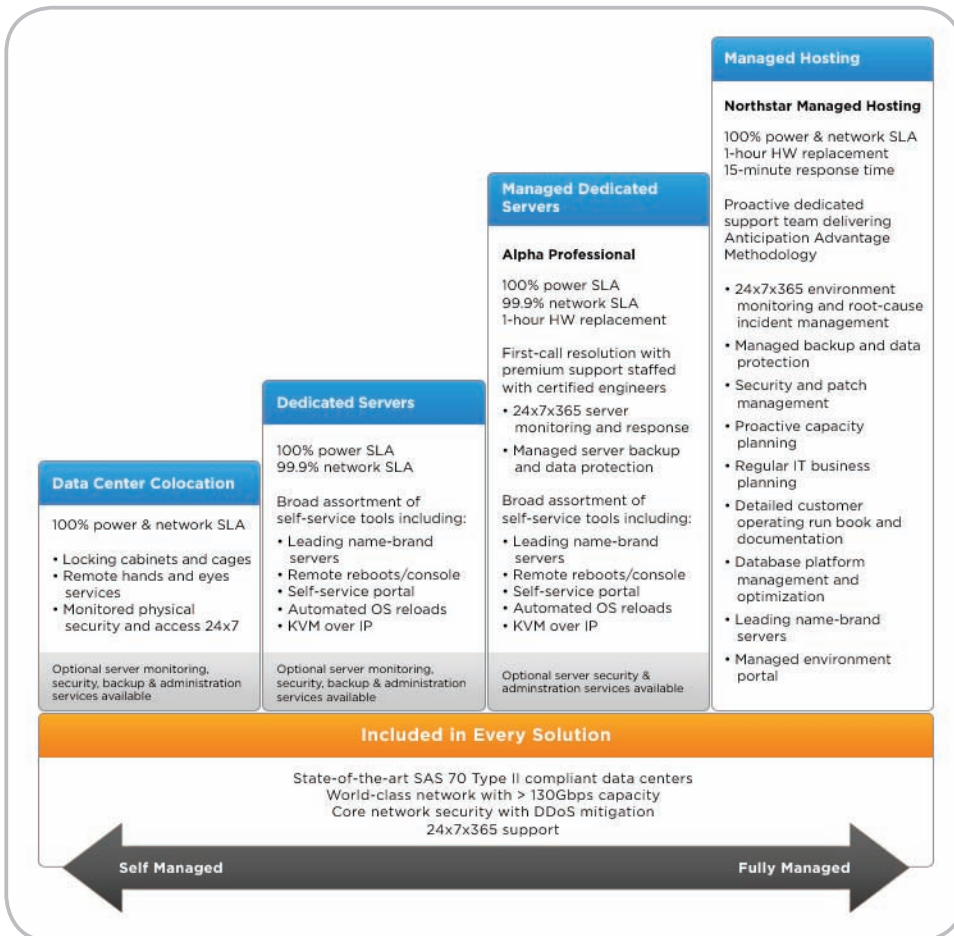


Figure 1: The Planet offers a seamless spectrum of hosted IT infrastructure and managed services. Choose from data center colocation and services, self-managed dedicated servers, advanced service modules, up to fully managed hosting services.

Colocation — The Planet offers more than 86,000 sq. ft. of new colocation space with a broad range of colocation options ideal for cabinet and private cage rentals, as well as disaster recovery solutions.

Dedicated Servers — The Planet offers the widest selection of the latest in dedicated server technology with two levels of management both backed by 100 percent power and 99.9 percent network availability Service Level Agreements.

- ❑ **Self Managed Dedicated Servers** — Optimum choice for SMBs with the expertise to handle the management of their infrastructure who are seeking the most hardware for their budget.
- ❑ **Managed Dedicated Servers** — Ideal for SMBs seeking to offload specific administration tasks such as backup and monitoring. This option offers peace of mind through a 1-hour hardware SLA and enhanced incident management.

Managed Hosting — The Planet provides fully managed IT hosting for businesses of all sizes with proactive services that prevent IT problems, and leverage technology to support business goals.

“The Planet offers a great hosting solution at a great price... and really offers the flexibility for organizations to grow.”

Jason Taylor, Usablenet, New York and Italy



Why IT hosting is the smart business decision for tough times — and beyond

The availability of high quality, reliable IT hosting has radically altered the competitive landscape for small- to medium-size businesses, giving smaller, more nimble organizations a profound advantage. Hosting providers like The Planet provide SMBs the opportunity to exploit that advantage as efficiently and cost effectively as possible, which saves thousands of dollars over do-it-yourself approaches.

By helping to significantly cut IT costs in an uncertain economy — along with reducing risk and enhancing productivity -- IT hosting provides a solution that your company should examine more closely. For more information contact a Business Technology Advisor at The Planet by calling toll free 866-325-0045 or emailing The Planet at hosting-advice@theplanet.com.

IT Hosting from The Planet: The smart IT decision

The Planet is the leading provider of On Demand IT Infrastructure solutions, hosting more than 25,000 small- and medium-size businesses and 14.1 million Web sites worldwide. With the best choice of servers, software tools and world-class support, backed by state-of-the-art facilities and an enterprise-class network, The Planet turns IT into a powerful competitive advantage that enables customers to grow their businesses. For additional information, visit <http://www.theplanet.com>.

References:

1. "Leveraging Capex-Free Managed Hosting," Gary Chen, Yankee Group, 2008.
2. "SMBs Can Cut IT Costs by More Than 75% by subscribing to Hosted IT Infrastructure Services," Michael Suby, Stratecast, a division of Frost & Sullivan, 2006.

"Northstar (managed hosting) provides expertise for our highly available, clustered environment that scales as our business grows."

*William A. Geers
Sant Corporation, Ohio*

