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How phoenixNAP Competitively Differentiates Itself with Intel-Optimized Infrastructure

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Meeting Customers Where They Have Needs

Founded in 2009 as a regional service provider for the southwestern United States, phoenixNAP has since become a global provider of cloud infrastructure, providing dedicated server capacity, colocation, and specialized infrastructure-as-a-service technology solutions.

As a service provider, the Phoenix-based company benefits in two ways from its Intel-optimized solutions: first by using Intel infrastructure to optimize its own IT and datacenter operations, and second by utilizing the infrastructure to enhance the services and provide the consistency in performance that it offers clients.

phoenixNAP wants to provide the benefits to its customers of not only Intel Xeon Platinum processors, but also of an array of Intel technologies including Intel Non-Volatile Memory Express (NVMe) SSDs and Intel high-speed Ethernet controllers to deliver up to 40Gbs for I/O-intensive workloads. This has helped the company to competitively differentiate its services that meet specific customer needs while also maintaining competitive pricing.

William Bell, executive vice president of products, explains that phoenixNAP's fundamental business strategy is to meet its customers where they have needs, including through customized offerings. *"We use 'workload-specific infrastructure' as our tagline,"* says Bell, *"because that's one of our unique value propositions. If we don't have a service for your need but there's a business benefit, we will work with you to make it happen. That's the mentality we take, and it would not be possible without Intel-based workload-optimized solutions."*

Better Together

Bell describes phoenixNAP's relationship with Intel as "better together" cooperation that enables his company to meet unique and changing customer requirements. *"We are consistently incentivized to make our customers' applications work better on our platform, often again and again with the same customers to optimize by bringing new technologies and making things work. We're trying to stitch all this together to drive maximum business value and scale for our customers."*

According to Bell, using Intel has helped the service provider get its products to market faster, which accelerates its sales cycle and promotes additional business use cases. *"They have also made our IT operations more agile and responsive to business demand,"* he says, which is critical for a service provider.

In the last five years, phoenixNAP has continually increased its investment in Intel hardware and related Intel products. *"The return on our investment in Intel has been good for us,"* Bell says. *"Half of our revenue already comes from our ability to solve complex technical problems through the use and implementation of Intel workload-optimized solutions, and we are only scratching the surface of what we can do together."*

Operationally, Bell estimates that his company performs 30% to 40% better by using Intel-based workload-optimized solutions for its datacenter infrastructure. His company's technological foundation also leverages VMware to create a virtualization architecture that runs virtual machines (VMs). *"For our customers, the performance metric is 200% to 300% better because of the Intel workload-optimized solutions,"* he says.

An additional value point Intel provides for phoenixNAP is increased infrastructure density, which optimizes its cost-performance ratio and allows it to provide customers with a more robust value proposition. *"Moving to Intel Xeon Scalable processors and the optimizations made around virtualization, cryptography, and the like probably netted us a 20% to 35% increase in VM density,"* Bell says. *"And more VMs per host mean more profits."*

Collaborative Problem-Solving

Overall, Bell considers his company's cooperation with Intel as core to its ability to maintain competitive differentiation: *"This is the business value Intel brings to us. It allows us to solve hard problems that customers or other service providers couldn't resolve. Without our relationship with Intel and these capabilities, we would struggle to differentiate ourselves from other service providers."*

"In these and other instances, Intel is our key partner," he says. *"When customers come to us with a problem it quickly becomes a tri-party conversation between Intel solution engineers, our engineers, and customer engineers to solve the problem together. That is a unique value proposition for our business. Having access to Intel engineers*

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William Bell,
Executive
Vice President
of Products,
phoenixNAP

to help solve complex requirements enables my business to deliver consistent services that are differentiated from the larger competition. With Intel we are constantly working with customers to optimize their workloads and drive maximum business value."

Bell says, *"Much of our company's revenue is derived from our ability to deliver Intel workload-optimized solutions to our customers. That's really what it all comes down to. We wouldn't be where we are today without that value proposition."* He explains that phoenixNAP can solve harder problems for its customers with its Intel-based environment, which therefore encourages them to increase their spending levels.

Bell also describes how his company leverages Intel as an efficient platform from which to run its business. *"We buy a lot of Intel-based infrastructure and consume it to build predominantly multitenant applications."* Because Intel offerings enable this approach, phoenixNAP can deliver more cost-effective and secure options for its customers.

Bell says, *"Overall, Intel has helped us consolidate and reduce our infrastructure footprint by 20% to 35%. We've saved 5% on manpower since fewer people are needed to manage operations. Our customers also enjoy better uptime."*

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