HYALTO

CASE STUDY

Fast-growing MSP Puts a Stop to Revenue Leakage and Sees 7X ROI with HyAlto



The Client: Deserve-IT

Deserve-IT, an independent company within the global Rad-Bynet Group, is a managed service provider (MSP) that operates in Israel. The Deserve-IT team focuses on keeping life as simple and straightforward as possible for its customers with a single "A-Z" service package that includes Disaster Recovery, Backup, Infrastructure as a Service (IaaS) and even hybrid cloud, to support all aspects of their networks.

Prices are competitive, service is top-notch and 24-7, and customers don't have to worry about getting locked into long-term contracts. Deserve-IT's Tier 3 server farms and redundant Internet connectivity ensures 99.95 per cent uptime for infrastructure services.

All of which puts Deserve-IT in a class of its own compared to other Israeli MSPs that only provide specific services that have become increasingly commoditized, such as IaaS.

Of the over 3,000 clients of Rad-Bynet Group, the Deserve-IT division focuses on small to medium enterprises, most of which operate in the legal, pharmaceutical and high-performance computing markets. However this commitment to end-to-end service excellence proved to be an increasingly difficult challenge for Deserve-IT behind the scenes.



The Challenge: Billing Inaccuracies Resulting in Revenue Leakage

The greatest issue related to managing and monitoring service provisioning and uptake of new services by customers, for accurate and timely billing at month end. The problem became increasingly acute with the rapid growth of Deserve-IT's customer base in recent years.

"Our techs would give customers extra resources – CPUs, RAM, hard-drive space – and we would lose control and visibility into that," said CTO Roy Levy." After two years, I found myself giving some customers full data centre resources without proper billing. It's a challenge to go to a customer after the fact and ask for money due to a billing error after the fact."

What Deserve-IT needed was a more reliable and accurate way to capture all that usage and accurately bill for it at month end – and do so without requiring high-value Tier 3 technicians to take time away from billable work with customers.

The Solution: Transforming Service Deployment with Automation

With one platform, one login and one point from which to perform all tasks, HyAlto centralizes and manages multiple cloud environments and reduces the number of tools required to manage cloud services.

The HyAlto portal allows MSPs and their customers to manage the whole order entry workflow in one place. Billing is consolidated and simplified because usage metering is constant and reliable. All of this ensures accurate invoicing at month end and reduces the reliance on error-prone manual processes.

HyAlto empowered Deserve-IT's customers with a user-friendly interface to better self-manage their services. Deserve-IT's high personnel costs related to providing backup services—particularly after-hours as part of an upgrade cycle—have been replaced with a much faster and less costly snapshot capability.

The classic time-consuming and low-level activities that traditionally suck up a technician's time, such as reboots and reloads, have been automated and simplified so that customers can perform these activities themselves, when they want, through a portal that is a true "single pane of glass." Maintenance activities that once required the hands-on support of a Tier 2 or Tier 3 technician can now be managed, and with less time on the clock, by a Tier 1 tech.



The Results: Dollars are No Longer Missing from Our Bank Account

This has made it much easier for Deserve-IT to take on new customers and upsell existing ones, without needing to hire new technical resources in an increasingly challenging labour market.

"We know that when we are selling new products and using HyAlto, the customer can use the platform and we can be confident that it will work," Levy said. "Before, only 60 per cent would work as needed and the rest would require the time of a technician to troubleshoot."

Such confidence in its service delivery backbone, without the need to hire more hard-to-find staff, is critical for Deserve-IT considering its growth opportunity. In each of the past four years, the MSP has grown by 120 per cent – in other words, it has more than doubled revenue and customers, four years in a row.

Cade, Chief Information Security Officer, compares the difference that HyAlto has made to Deserve-IT's operations to the profound shift in IT support that happened with the arrival of Remote Monitoring and Management (RMM).

"We used to need a Tier 3 technician to sit and go through all of our control panels each month to sort out our billing—about 70 to 80 hours taken away from client facing activities," he said. "With HyAlto, we can now manage our customers and provide higher value services without having to scale up our staff. That kind of savings is worth a lot to our business."

Ultimately, all this allows Deserve-IT to continue to grow its business as a premium service provider, at a competitive price, and avoid playing the commodity pricing game with utility-grade service providers. Levy estimates HyAlto represents a 7:1 savings for Deserve-IT.

For every \$100 that I spend on HyAlto, it allows me to provide, and bill for, \$700 in additional services from our customers. Not only do we earn a lot of money with HyAlto, we capture it all at month end. I now know exactly what resources our customers are using and every change is tracked with HyAlto—dollars are no longer missing from our bank account."

Roy Levy, CTO Deserve-IT

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HyAlto: the only revenue-focused cloud management platform for VMware.

- Improve the vCloud customer experience.
- Transform vCenter with multi-tenant functionality.

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