



Microsoft Software-plus-Services Strategic Hosting Partners Case Study



Overview

ISV Solution Provider: ONE-EIGHTY CORP

Strategic Hosting Partner: Tenzing Managed IT Services

Software-plus-Services Platform of Choice: Microsoft

Case Study Highlights

- Automobile dealer management solution provider ONE-EIGHTY CORP gains hundreds of dealers and facilitates over \$12 billion in automotive sales with compelling Software-as-a-Service offering
- Strategic hosting partner Tenzing Managed IT Services builds and manages true enterprise-class infrastructure to enable fast growth
- Microsoft is chosen as the platform of choice based on credibility, capabilities and scalability

ONE-EIGHTY CORP Partners with Tenzing Managed IT Services to Deliver Improved Car Buying Experience for Consumers and Dealers with a Unique Web-based Solution

“Software-as-a-Service is our business. We depend on the Tenzing team to keep ourselves and our customers in operation and they deliver. They keep us connected, safe and scalable. I simply don’t worry about uptime anymore. Their comprehensive level of service and infrastructure allows us to focus on what we do best: Help automotive dealers maximize their sales and profitability potential by implementing, training and supporting a software guided CRM, sales and management process.”

A.J. Mueller, CEO, ONE-EIGHTY CORP

Many consumers view the car buying process with disdain. It can be painful, intimidating, time-consuming, and an overall unpleasant experience. At the same time, automobile dealers have their own set of challenges with the sales process. Manufacturer and dealer group promotional programs constantly change; pricing changes, lease rate and financing rate fluctuations, add-on packages, inventory availability, and the hundreds of combinations of available options make it impossible for dealership employees to stay current on everything. Is it any wonder that buying a car isn’t an easy experience for anyone involved?

In 2000, Canadian software development firm, ONE-EIGHTY CORP, set out to change the car buying experience with an innovative automobile dealer management software solution. ONE-EIGHTY’s solution, DLS Accelerator®, provides structure to the selling process, reduces its complexity, involves and informs the customer, and provides management control over their operation. “We help dealers sell more cars and make more money, without gouging the customer,” explains A.J. Mueller, Co-founder of ONE EIGHTY.





While there are several companies that provide dealer management software solutions, only ONE-EIGHTY CORP made a visionary, and very gutsy, strategic decision to develop DLS Accelerator® as a 100% web-based solution. Little did the company know just how big of an impact that decision would have on its future.

ONE-EIGHTY CORP Gains Radical Competitive Advantages with Software-as-a-Service Business Model

ONE-EIGHTY CORP was started in the year 2000, when the idea of delivering mission critical software over the Internet was in its infancy. At that time, ONE-EIGHTY surveyed the competitive landscape and came to the conclusion that they could build a better solution, with a more compelling customer value proposition, if it was created as a Software-as-a-Service (SaaS) solution. “For what we wanted to deliver on, I just knew we had to build it as a web-based application. At that time, people thought we were crazy but I knew this was going to be the future”, recalled A.J. Mueller. The critical factor that drove that decision was the dealership’s need for constant data updates to run their sales process. In any given week, there can be hundreds of pricing, financing, tax and promotional changes coming from dozens of sources that will directly impact the profitability of a dealership. With a web-based solution, ONE-EIGHTY was able to solve a huge dealer pain point by providing real-time data updates from multiple sources. Before ONE-EIGHTY came along, dealers had a time lag in updates and typically had to utilize a number of resources to stay on top of things.

Over the next few years, ONE-EIGHTY grew as dealerships bought into the high value proposition provided by ONE-EIGHTY’s solution. Fast forwarding to the year 2009 drives home the staggering success ONE-EIGHTY has experienced with their SaaS solution:

- Since 2002, DLS Accelerator® has facilitated more than \$12 billion in vehicle sales
- Over 4,000 users representing well over one hundred Canadian dealers use ONE-EIGHTY’s solution, representing 26 different brands including Acura, Audi, BMW, Honda, Hyundai, Lexus, Mazda, Mercedes-Benz, Toyota, VW and Volvo
- Currently, DLS Accelerator® is supporting over \$300 million in sales per month, representing 10,000 vehicle sales

Beyond outstanding growth results, ONE-EIGHTY’s SaaS strategy has also paid dividends in a number of additional ways, including:

- **Strategic Data Integration Hub:** The DLS Accelerator® solution has become an indispensable tool for connecting dealers, dealer groups, manufacturers and customers. For example, the system provides controlled administrative access for manufacturers to directly upload accessory pricing and product information; dealer groups use the system to look at their inventory across their dealer networks. It has become an essential data hub that many groups rely on for information.
- **Simplified Application Management:** All users are on one version of the software which immensely simplifies the update process and pushing out new features (which is done every 2-3 weeks). In addition, all changes are instantly live for all users. Any necessary emergency fixes can be completed and are immediately live. All of this would be impossible under a traditional software delivery model as each dealer would have to be separately updated at their location.
- **Enhanced Security, Back-up and Disaster Recovery:** Data security, daily back-ups, and a robust disaster recovery plan are all centrally handled by ONE-EIGHTY, taking the burden off the dealer.

“When I met them, I thought they were really on the ball. They had a no-nonsense approach that exuded confidence and knowledge. They asked the right questions and were really interested in our business.”

A.J. Mueller, CEO, ONE-EIGHTY CORP

Perhaps the most staggering benefit of all is the fact that ONE-EIGHTY CORP is able to run their business, serving 4,000 users and providing constant feature updates, with only 25 employees. “Without SaaS, we would not be able to deliver all of this. There is no doubt that we would not have made it as a company if we did not choose to build our application as a SaaS solution,” indicated A.J. Mueller.

Another important component of ONE-EIGHTY’s ability to do more with less is their approach to finding good business partners. Over the years, the company used several hosting partners to support their SaaS solution. As the company continued to grow, it became apparent that they would need to find a true enterprise-class hosting partner to help them grow to the next stage.

Sophisticated Software-as-a-Service Company Needs a Sophisticated Hosting Partner: Enter Tenzing Managed IT Services

By 2008, ONE-EIGHTY CORP had matured into a sophisticated SaaS solution provider. Their agile development process was fine tuned, their application was robust, and they had a very smooth on-boarding process for new customers. The only weak point was their current hosting infrastructure; it was not at the same level of sophistication or capabilities as the rest of their organization. It lacked the scalability, uptime, and level of control the company needed. ONE-EIGHTY needed a new strategic hosting partner that could grow with the company – they found one in Tenzing Managed IT Services.

A.J. Mueller recalled when he first met the Tenzing team: “When I met them, I thought they were really on the ball. They had a no-nonsense approach that exuded confidence and knowledge. They asked the right questions and were really interested in our business.”

The Tenzing team quickly sprung into action to put together both an infrastructure plan that would solve their business needs, as well as a migration plan from their old environment. “Our overall plan was focused on moving ONE-EIGHTY into a true enterprise-class SaaS environment that better supported the mission-critical nature of their solution,” indicated Kelly Beardmore, COO at Tenzing. The Tenzing team started with their Assessment and Design Phase – a fast but comprehensive two day on-site session that aligns the SaaS application architecture, capabilities, and roadmap with the infrastructure needed to deliver on the plan both now and in the future. “We really dive in deep to understand a company’s application complexity, development process, database structure, testing needs, release management cycles and required customer service levels to arrive at the most cost-conscious yet manageable infrastructure needed,” comments Kelly Beardmore.

Once the infrastructure and migration plans were completed and approved, Tenzing quickly moved to build the infrastructure and migrated ONE-EIGHTY to the new environment. This entire process, from initial planning to the actual migration, occurred in an astounding 22 days. Tenzing was able to deliver on its promise to ONE-EIGHTY that the migration would be smooth and painless for its customers, and with the new infrastructure in place, they would be able to meet ONE-EIGHTY’s needs both now and in the future.

More importantly, Tenzing brought ONE-EIGHTY into a true enterprise-class hosting environment with a set of services that allows ONE-EIGHTY to more exclusively focus on their application and business. The new infrastructure provides ONE-EIGHTY with a more scalable environment where it is easy to add additional capacity as needed, and also provides for a sophisticated data backup, recovery, and system redundancy capabilities. Tenzing also provides value to ONE-EIGHTY in several additional ways, including:

- **24 Hour x 7 Day a Week Customer Service:**

Tenzing assigns a Technical Account Manager who is dedicated to ONE-EIGHTY. The Technical Account Manager is proactive in working with ONE-EIGHTY on current and future needs. In addition, the infrastructure is supported by sophisticated performance and capacity dashboards that keep the company ahead of potential issues.

- **Proactive Infrastructure Cost Management:**

Tenzing helps ONE-EIGHTY with cost predictability, with a proactive plan aligned to the growth of the company. Tenzing's Everest Enterprise-class cloud environment provides additional bandwidth and server capabilities for planned or unplanned spikes in service needs (for example: if a large block of new customers need to be on-boarded at the same time). These services can be dialed back down so ONE-EIGHTY only pays for what it needs, when it needs it.

- **Enterprise SLA Management:** Tenzing's superior Application Delivery Infrastructure and IT Service Management (ITSM) best practice processes and tools virtually eliminate human error, the leading cause of unscheduled downtime. This combined with Tenzing's expert staff (on-site Database Administrators, Security Analysts, Storage Administrator, and Network Administrators), and multi-data center strategy that provide complete application redundancy (data centers in Vancouver and Toronto) are the bedrock of what enables ONE-EIGHTY to deliver on its customer Service Level Agreements (SLA) with a 99.99% uptime guarantee. Tenzing takes the creation, management and monitoring of a client's SLA very seriously as the SLAs with Tenzing's clients underpin the SLAs with their clients.

Kelly Beardmore best sums up the relationship: "ONE-EIGHTY is a mature SaaS provider. They are able to do things with their application and infrastructure that very few SaaS companies can do. We are proud to call them a customer and are excited to continue to support their growth."

The Microsoft Platform Enables ONE-EIGHTY to Deliver an Enterprise-class SaaS Solution

ONE-EIGHTY chose to build their solution using Microsoft technologies for a number of reasons. Fundamentally, ONE-EIGHTY felt that their customers trust Microsoft software. "From a business application standpoint, everybody is on Microsoft, and it works," indicates A.J. Mueller. "We are able to walk into a dealer environment and provide them with mission-critical solutions. Microsoft adds to our credibility and helps build trust. Plus, we're very familiar with the development tools and can get the most out of them. We are happy to be on the Microsoft platform," concludes A.J.

For More Information on Microsoft's Software-plus-Services Strategy

When you combine the ever-growing power of devices and the increasing ubiquity of the Web, you come up with a sum that is greater than its parts. Software-plus-Services is that greater sum. It all adds up to a commitment from Microsoft to deliver ever more compelling opportunities and solutions to consumer and business customers—and to our partners.

Microsoft has vibrant businesses on the desktop and in the enterprise, and is making sizable investments in online services and devices. As these four worlds converge, no technology vendor is better positioned to deliver on the vision of Software-plus-Services. Microsoft has multiple ways to monetize the results through the familiar model of software licensing, offering services by subscriptions, leveraging Microsoft's industry-leading advertising platform or the growing form of micro-payments known as Microsoft Points. And, Microsoft has the world's largest and most diverse partner ecosystem, which is committed to its role in our strategy. For more information visit: <http://www.microsoft.com/softwarepluservices/>

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Document published November 2009

About Tenzing

Founded in 1998, Tenzing provides an enterprise ready hosting platform for the development and delivery of business-critical applications over the Internet. Leveraging ITIL best practices, Tenzing's award winning five-step "Summit with Tenzing" approach addresses the entire IT lifecycle to deliver a new level of hosted managed IT services. Recognized by PROFIT magazine in each of the past four years as one of Canada's fastest growing companies, Tenzing is ISO 27001, SAS 70, and PCI DSS certified with datacenters in Toronto and Vancouver.

For more information visit:

<http://www.tenzing.com>

About ONE-EIGHTY CORP

ONE-EIGHTY CORP is a privately owned Canadian corporation founded in 2000. ONE-EIGHTY provides innovative automotive dealer management solutions that improve the dealer sales process and provide greater management control and insight. By taking the complexity out of the daily operating processes and adding operational transparency, ONE-EIGHTY helps dealers increase efficiencies, effectiveness and profitability. ONE-EIGHTY operates its main development and client support center out of Waterloo, Ontario with additional regional client support representation in Montreal, Vancouver and North Toronto.

For more information visit:

<http://www.oneeightycorp.com>

About the Microsoft ISV Incubation Program

The Microsoft Incubation Center Program is designed to ease the commercial, financial, and technical challenges ISVs encounter while adding a service-based delivery application to their business offerings. Microsoft has established global facilities with a set of Gold Certified Partners in Hosting to guide ISVs through a structured series of business and architectural consulting sessions to ensure their business model and applications are ready for service-based delivery.

For more information visit:

<http://www.microsoft.com/hosting/programs/incubationcenter.mspx>

Powering Software-plus-Services Solutions: Microsoft Products Used In This Solution

- Microsoft Windows Server 2003
- Microsoft SQL Server 2005 (64-bit)
- Integrated Microsoft Active Directory
- Microsoft .NET Framework 3.5
- Windows Enterprise Server w/Microsoft Cluster Services

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