

## Growing MSP Backup Margins and Profits Through Vendor Consolidation

Alvarez Technology Group and LANAIR Technology Group achieve operational efficiency by standardizing on the Axcient x360 platform.

Luis Alvarez, President and CEO of Alvarez Technology Group, and Neil Hawkins, Partner, and COO at LANAIR Technology Group, are leveraging Axcient's unified x360 backup platform to make business continuity and disaster recovery (BCDR) profits grow. With 35 years in business between them, Luis and Neil agree that standardizing on Axcient enables MSP growth with high-value data protection, simplicity, and a strong strategic business partnership.

“ We had about 25 different backup vendors, and we were spread too thin. You can't focus on any one vendor or product. There are different training plans, different product support, compression is different, retention is different, and they all do different things. We wonder how we did it at 25.

– Neil Hawkins, Partner and COO at LANAIR Technology Group

### Losing resources to vendor management

It's common to find MSPs buried under the stress and costs of vendor management after trying to be everything to everyone. In fact, 82% of MSPs offer backup solutions, with 78% using more than one backup vendor. Luis used to be one of them. “It's frustrating because you have to train the team on all of these different solutions, and in some cases, very limited deployments. It became a real hassle for us.”

In addition to the time and expense required for training, onboarding, billing, support, and backup, for each and every vendor – legacy products that can't ‘do it all’ demand additional resources for manual tasks. Luis says, “Other solutions required us to manually validate backups when we needed to do so for compliance reasons, or just peace of mind. That took hours for us to do on a quarterly basis.”

Vendor sprawl also makes it hard to add new clients, cutting into cost per acquisition. Technicians need a higher level of expertise to manage multiple products and vendors at once, which means MSP overhead continues to rise. And in order to market the variety – MSPs need vendor and solution-specific campaigns, assets, collateral, sales tracks, and a technically savvy marketing team.

### Standardizing, simplifying, and optimizing

Alvarez Technology Group chose to standardize on the Axcient x360 platform for BCDR, cloud to cloud backup, and secure file sync and share. Luis says, “Simplifying processes by consolidating into one vendor allows us to automate a lot of low-value tasks. Now I can use my team for high-value, customer-facing things, rather than just manage a bunch of backups.” In addition, AutoVerify, Axcient's automatic backup testing and verification

#### THE PROBLEM:

- Vendor sprawl results in high management and operational costs without adding value for clients.
- Legacy BDR solutions require time-consuming and tedious manual processes.
- Allowing clients to opt out of data protection puts both you and your MSP at risk.

#### THE SOLUTION:

- Standardize on a comprehensive backup solution with a strategic vendor to gain efficiency and deliver value.
- Adopted an automatic, always-on, feature-rich solutions designed to simplify management while increasing data security.
- Built-in data protection in client contracts to guarantee their data and your reputation.

#### THE RESULTS:

- Increased margins by reducing vendor management and standardizing on Axcient for BCDR and cloud-to-cloud backup.
- Grew profits by saving significant time, resources, and costs with automatic BCDR features.
- Reduced stress and gained confidence that Axcient solutions would be there no matter what.

feature, has taken a huge burden off the Alvarez team. “Now that backup verification is automatic; we can manage by exception. If we get an alert, we deal with it. Otherwise, we just sit back and relax knowing the system works.”

LANAIR Technology Group has reduced their stack from 25 vendors to 7 and continues toward standardization with Axcient. As they move closer to their goal of one or two vendors, Neil says LANAIR is cementing their relationship with Axcient by maximizing the benefits of standardization. “It solidifies our training plans and what we’re doing within data sets. It definitely helps us optimize our staff for ourselves. Utilization or realization is pretty difficult to accomplish when you have to pull things into a centralized service and management team, and you’re running across separate vendors – so our focus now is Axcient.”

“ With Axcient, we have a complete backup solution. Everything from cloud backup to on-prem servers and servers in the cloud. It gives us the flexibility to say, ‘we use one tool to protect everything.

– Luis Alvarez, President and CEO at Alvarez Technology Group

### Winning margins, new clients, and time, resources, and cost-savings

“At a minimum, we make 35% gross margin on our Axcient stack. Typically though, it’s closer to 50% because we bundle local and cloud backup into all of our managed services agreements,” says Luis. Rather than risking data loss via human error or a ransomware attack, Luis automatically includes Axcient backup and recovery in all client contracts. Not only does that protect clients, but it also protects Alvarez Technology Group while growing profits and reducing operational waste.

Neil also utilizes Axcient’s x360 multi-tenant backup platform for sales wins. He explains, “We purposely use Axcient as a ‘foot-in-the-door’ product because we’ve found incredible success going to prospects with two products – data protection and security. We can approach prospects working with other MSPs and get their data protection business because Axcient’s been so solid for us.” LANAIR continues to capitalize on their standardization efforts by reducing inefficient solutions, and maintaining focus on their bottom line.

Luis also highlights the mutually collaborative, strategic business partner he gained by standardizing Axcient. Luis says, “Because Axcient is our only business continuity provider, we can go to them and say, ‘here are the features we need,’ rather than adding a new vendor. We’ve gotten really good traction on influencing product development by identifying gaps in the marketplace with Axcient.” He continues, “The biggest advantage for us is knowing that the vendor we’re working with, Axcient, is the same across the board. We know how to interact, get support, and escalate when needed. It makes everything so much easier.”

“ We know that we can win with Axcient. We know the price is competitive. And we can make it more competitive to get in the door with a prospect – and then add security after the fact. So to me, Axcient is our number one entry into new clients.

– Neil Hawkins, Partner and COO at LANAIR Technology Group

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#### ABOUT AXCIENT:

Axcient is an award-winning leader in business continuity and disaster recovery for Managed Service Providers (MSPs). Axcient x360 provides one platform for MSPs to Protect Everything™, and includes BCDR, Microsoft 365 and Google Workspace backup, and secure sync and share. Trusted by more than 3,000 MSP partners worldwide, Axcient protects business data and continuity in the event of security breaches, human error, and natural disasters.

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