TERAGO DRIVES NEW MANAGED SERVICES GROWTH WITH VCLOUD DIRECTOR, NSX, AND THE VMWARE CLOUD PROVIDER PLATFORM

TeraGo

INDUSTRY
MANAGED SERVICES

LOCATION
TORONTO, ONTARIO

KEY CHALLENGES
- Deliver on TeraGo's platform-agnostic strategic approach by being able to move and manage client assets to private, public or hybrid clouds

SOLUTION
VMware vCloud Director™

TeraGo understands the strength of technology and the role it plays to drive business growth. As a leading Canadian hybrid IT provider of end-to-end managed cloud services, the company is focused on meeting the cloud infrastructure needs of Canadian mid-size companies. These customers demand partners who are not only experts in their fields, but who can also serve as a single source for technology solutions. TeraGo offers its customers a range of technology solutions including connectivity, co-location, and cloud services. Recognized by IDC as a Major Player in MarketScape Cloud Vendor Assessment, today TeraGo manages over 3,000 cloud workloads from its five regional data centers.

The Challenge

TeraGo customers have varying needs. Some organizations are trying to adopt cloud technologies with limited staff and skills, while others are looking to scale their cloud infrastructure with newer consumption models. This diversity of customer requirements demands that TeraGo to invest in technologies and design solutions that can support customers in all stages of cloud adoption.

"Customers have more need to be in the cloud today than ever before," says Mohamed Jivraj, product manager. "TeraGo is a complete solutions provider, which means not only infrastructure but also managed services to ensure that our customers have the best experience and an easier route or migration path to the cloud."

Cloud adoption and managed services consumption varies greatly. Some customers are starting to migrate workloads to a TeraGo private cloud while others are asking for managed services such as backup, recovery, secure applications, and a migration path toward hybrid clouds. TeraGo was challenged to offer a flexible and comprehensive set of solutions to address these highly varying customer needs.

"From managing and monitoring a customer's infrastructure, to providing back-up and disaster recovery, TeraGo meets customers where they are on their cloud journey," explains Jivraj. "Doing that in a cost-effective, reliable, secure and scalable manner requires an infrastructure platform that leverages our team's existing skill sets while enabling us to manage and monetize new services, such as private cloud."

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MOHAMED JIVRA
PRODUCT MANAGER

BUSINESS BENEFITS

• Develop new sources of revenue with value-added and differentiated managed services

• Increase customer retention and cloud services consumption

• Lower customer management costs with self-service capabilities

VMWARE FOOTPRINT

• VMware vCloud Director™
• VMware NSX®
• VMware vCenter®
• VMware vSphere®

The Solution

TeraGo has built a scalable platform to offer managed services and enable customers to increase their use of TeraGo services as they grow comfortable with and consume more cloud services.

As an early adopter of VMware technology, TeraGo immediately saw value in vCloud Director upon its release. vCloud Director enabled TeraGo to create and offer multi-tenancy and private cloud with both self-service and managed service options. Further, vCloud Director enabled TeraGo to leverage existing investments in the VMware Cloud Provider Platform, including NSX, for hybrid cloud and multi-cloud management. Today TeraGo can provide cloud infrastructure solutions – public or private – to meet various customer needs, such as provisioning on-demand infrastructure for their testing, pre-production, and post-production processes. With vCloud Director integrated with NSX, TeraGo can offer a wide variety of managed services, giving customers a complete cloud infrastructure solution. TeraGo now hosts one of the largest deployments of vCloud Director with over 3500 customers and over 1200 instances of vCloud Director.

"vCloud Director helps us manage our customers' infrastructure needs and provide a breadth of solutions that includes public, private, and hybrid cloud. Consequently, our customers have a single source for all of their cloud service infrastructure needs," notes Jivraj. "In addition, the API that vCloud Director exposes helps us to leverage managed services beyond just infrastructure and allows us to support capabilities such as backup, disaster recovery, and business continuity."

Business Results and Benefits

As part of the VMware Cloud Provider Platform, vCloud Director empowers TeraGo to offer new managed services beyond infrastructure, including application, security, and consulting services. With these new managed services, TeraGo is a single source of solutions for all customer cloud service needs.

"Managed services is an area of growth for us and with the VMware Cloud Provider Platform, including vCloud Director and NSX, we have new opportunities to better serve the evolving needs of our customers," explains Jivraj. "Customers want to be able to focus on their core businesses, and not be in the business of maintaining and managing infrastructure. That also means moving from a CapEx model to the advantages of an OpEx model."

The ability to offer new private cloud and managed services increases customer retention for TeraGo while also increasing the share of wallet for customers' cloud spending. For example, customers who consumed only the connectivity solution from TeraGo do not have to move to a hyperscale provider to take advantage of cloud services, and can now stay with TeraGo and consume more managed services offerings.

"A lot of our existing customers are excited about the fact that we can offer them opportunities to migrate to the cloud, in addition to VMs," Jivraj says. "When they learn that we actually offer those services – and disaster recovery, and back-up – they're happy to stay with TeraGo because we're a trusted and familiar partner."

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vCloud Director gives customers greater control over their environments while streamlining management and making it more efficient – which is of tremendous value to SMBs. vCloud Director offers a single pane of management and control to customers who want to manage TeraGo cloud services, thereby freeing up TeraGo's resources to cater to customers who require more assistance.

"For customers who want to self-serve, vCloud Director is essential, but even if we are the ones setting up the VMs, vCloud Director gives customers the ability to visualize and get an idea of the performance of their infrastructure," Jivraj explains. "They get a good sense of how much more they can evolve and expand their footprint."

In addition to growing the topline by monetizing new managed services, TeraGo is also able to realize significant economies of scale by being a single source of cloud technologies and remaining a leader in an increasingly crowded cloud provider market.

Looking Ahead

"Today eighty percent of TeraGo solutions use vCloud Director, and vCloud Director is enabling TeraGo to expand in different regions, including Barrie, Kelowna, Ottawa, and Mississauga. As TeraGo grows its private cloud and managed services offerings, VMware's vSAN and NSX solutions enable TeraGo to move toward a hyperconverged solution. When the needs of their customers' cloud services evolve, hyperconvergence will allow TeraGo to extend their managed products and service to deliver a significant competitive advantage."

"As private cloud grows hyperconvergence, NSX will also help TeraGo grow," concludes Jivraj. "The VMware Cloud Provider Platform give us the confidence to execute our strategy, deploy and monetize new cloud and managed services, and ensure that we remain relevant and differentiated in a market that demands evolution."

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