

Hosted**Solutions**

Case Study

Company:
ChannelAdvisor, Inc.

Core Competency:
Online channel management solutions and services

Challenge:
The Identification of a managed service partner to aid in maintaining internal IT teams focus on core business competencies.

Service Solutions:
Hosted Solutions Hi-Touch Dedicated Servers, Managed Firewalls, Managed Load Balancers, Dedicated Storage Area Network, Monitoring, Colocation services, Content Delivery Network

The Company:

ChannelAdvisor is considered the industry leader in online channel management solutions and services. ChannelAdvisor prides themselves on combining best practices, innovative software, and integration technology to help retailers maximize their profits across multiple e-commerce channels. By utilizing ChannelAdvisor's solutions retailers are enabled to create, analyze, and streamline e-commerce initiatives. ChannelAdvisor offers a complete solution focused on helping retailers succeed in the new global marketplace with integrated software across many facets of e-commerce.

The Business Challenge:

In the summer of 2005 ChannelAdvisor's agreement with their current colocation provider was coming to an end. With rapid growth in their technology platforms and a need to cover critical business functions worldwide, ChannelAdvisor began an extensive search for another colocation provider that could provide the company the level of service in which they need to accomplish their aggressive growth strategy. With new initiatives in place, and utilizing a Software as a Service model their site reliability and accessibility to their data was paramount. Like many businesses, ChannelAdvisor was using information technology to improve efficiency and service, not just to meet its own internal targets, but also to satisfy customer demand. ChannelAdvisor's previous reactive relationship had begun to not only affect their employees, but their business profitability.

Set against a backdrop of dramatic growth, these needs had become very demanding on the workloads of their internal IT department. The Vice President of Engineering, Ralph Kasuba realized very early on in their search that an enterprise managed services partner would be able to not only optimize their IT functionality but would also free up their internal workload. ChannelAdvisor needed a solution that would allow them to focus on their core business. A solution without the distractions of technical issues at deployment, ongoing maintenance, or worries



about updating the latest software patches. “As IT was advancing, so had it’s complexity,” quotes Kasuba, “we needed our staff focused on the overall goal, not the everyday IT functions.”

Finally ChannelAdvisor needed a cost effective solution that could be delivered on an operational cost versus a one time large capital expenditure. Expanding this rapidly, Channel Advisor would have to raise funding for this infrastructure. By utilizing a managed Hosting provider Channel Advisor could realize the cost over a month to month structure.

The Solution:

After evaluating a number of managed services providers, ChannelAdvisor decided that Hosted Solutions would be the best partner to meet and exceed their goals. Hosted Solutions operates four SAS 70 Type II certified data centers located in Charlotte, Cary, and Raleigh, North Carolina and Boston, Massachusetts providing best-of-breed data center operations with hardened physical infrastructure, the highest level of availability, and a complete managed services portfolio. “We considered building the managed services infrastructure in house, but

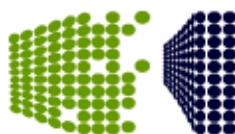


“...we needed our staff focused on the overall goal, not the everyday IT functions.”

Ralph Kasuba- Vice President of Engineering, ChannelAdvisor

that would have required a huge capital investment and an increase in our employee base,” says Kasuba. “We decided our mission was to remain focused on providing our customers with our core software competency, and to leave the infrastructure portion to the experts at Hosted Solutions.”

The business partnership flourished from day one, as ChannelAdvisor and Hosted Solutions partnered to develop a customized enterprise solution. The solution consisted of numerous dedicated servers, managed firewalls, managed redundant load balancers, a dedicated storage area network, monitoring, colocation services, and a content delivery network. The solution would not only meet the specified ChannelAdvisor goals, but would also supply several advantages that would



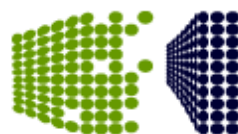
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enhance their overall productivity. By utilizing Hosted Solutions' dedicated infrastructure, ChannelAdvisor would save on upfront capital expenditures, and be able to upgrade the production and development infrastructure on a rotating basis.

Hosted Solutions' award winning Raleigh data center facility is the base upon which ChannelAdvisor's solution was delivered. Hosted Solutions' data centers are backed with a 100% power up-time and network service level agreement which exceeded ChannelAdvisor's stringent demands. To further the security of the infrastructure, ChannelAdvisor also opted for a secure cage environment within the Raleigh data center. ChannelAdvisor now turns to an industry leading partner for their secure hosting, management, and delivery of their applications. "Hosted Solutions industry wide reputation for reliability spoke volumes about their attention to detail, but upon implementation we really began to see the fiscal rewards of such a strong partner," quotes Kasuba.

Another distinct advantage ChannelAdvisor found with Hosted Solutions was their customer support. ChannelAdvisor's applications are monitored 24x7 with centralized alert processing that collects and aggregates alerts across their environment. Automatic remedy applications ensure Hosted Solutions' reliability by providing hands-free real-time intervention of assessed issues. Automated escalation management streamlines routine IT errors, decreases integral time on escalations, and provides rapid resolutions. Hosted Solutions proactive incident analysis allows for identification of the root issue and defines future remedies.

Hosted Solutions also provides ChannelAdvisor with a 24x7 monitoring dashboard. This provides a real time view into the operations of applications and networks. Hosted Solutions expertise and customer service gives ChannelAdvisor the peace of mind of knowing their IT operations are in the hands of experts.



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