

———— *2015 Edition* ————

MANAGED SERVICES PRICING GUIDE 2.0

Industry Best Practices

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Introduction

HOW TO READ THIS DOCUMENT

For the IT Service Provider: This document provides an overview of Managed Services and a proven strategy for moving away from break-fix hourly service rates to a predictable, profitable managed services business model.

For the Managed Service Provider: This document provides an overview of how N-able has priced and packaged its Remote Monitoring and Management software (RMM) and how our business support, automation tools and free monitoring licenses can help you take your business to the next level.

SOME THOUGHTS ON THE MANAGED SERVICES MARKET

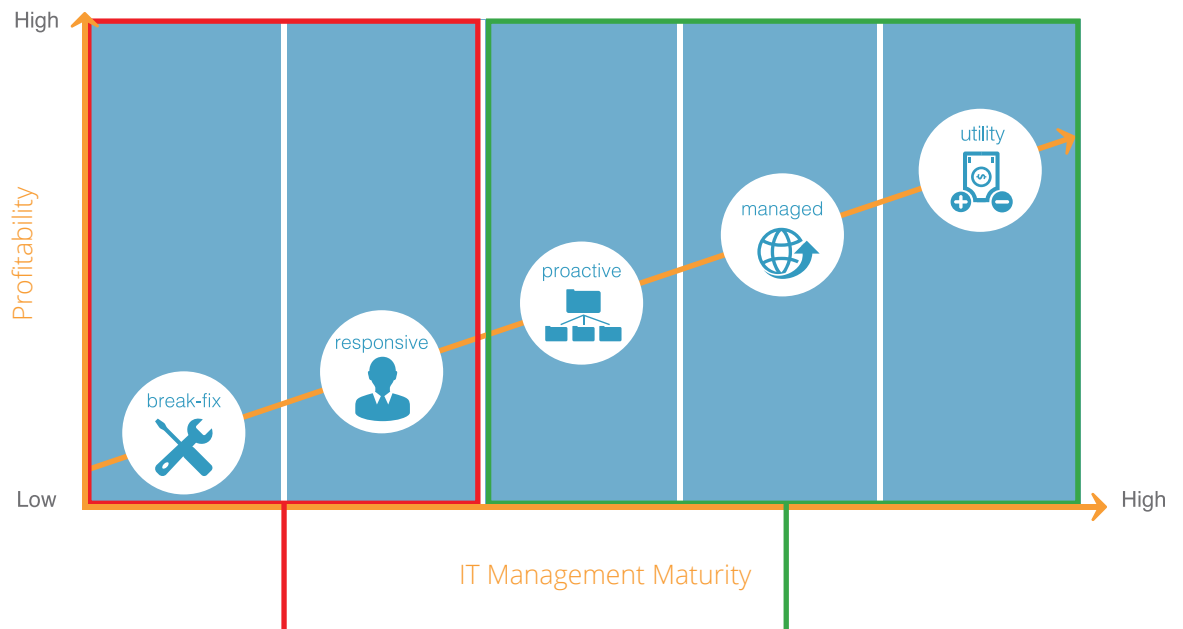
Managed Services continues to be a high growth market with many MSPs rapidly acquiring new customers, managing new devices and building recurring revenue. The reason for this growth is the reliance of SMBs on their IT infrastructure without the IT budgets to justify staffing their own technicians. MSPs are in a perfect position to continue to shift SMBs away from hourly rates and into fully managed services. Moving to a model with consistent monthly fees provides stable IT costs for the customer and predictable recurring revenue for the provider.

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MSP Market Overview

STAGES OF IT MANAGEMENT

- » **Break-Fix:** Customer paying an hourly rate as issues occur
- » **Responsive:** Customer pre-purchases a block of hours
- » **Proactive:** Customer contracts out a checklist of preventative maintenance
- » **Managed:** Customer outsources IT as fixed fee or all you can eat
- » **Utility:** Customer pays based on usage



Reactive Service

Profits from customer failure

- » Device Failure
- » Network Failure
- » Data Loss
- » Viruses & Malware

Managed Service

Profits from customer success

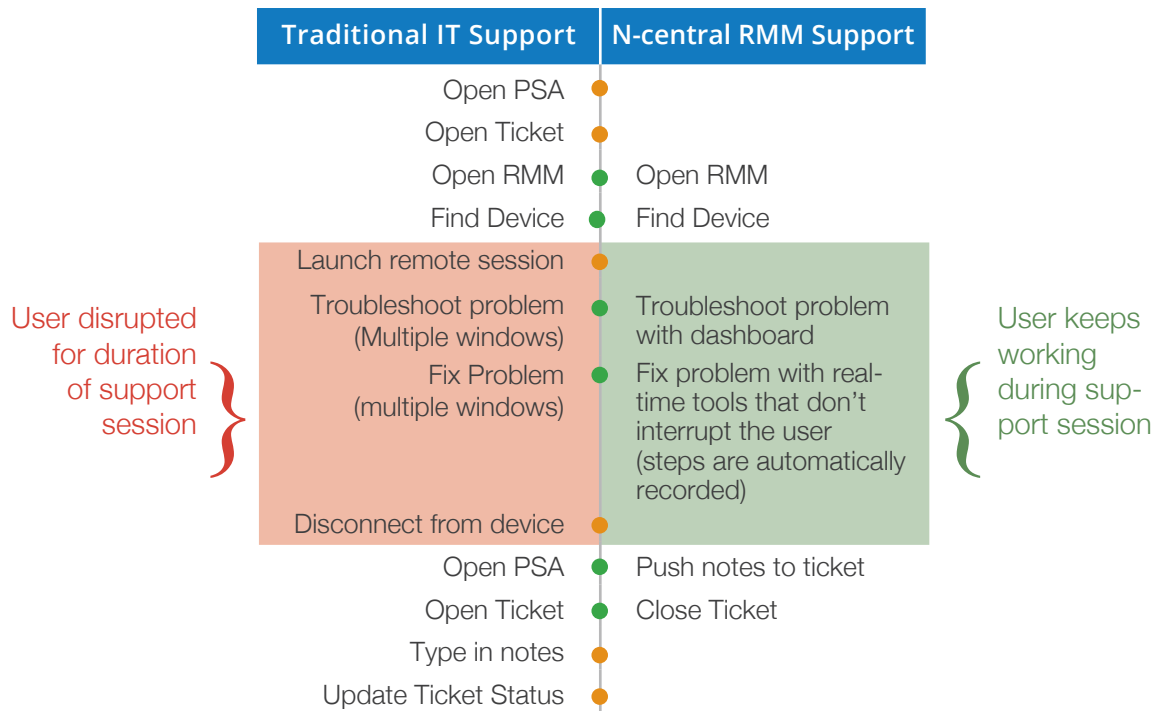
- » Device Uptime
- » Network Uptime
- » Data Availability
- » Malware Free Devices

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Profitable Help Desk Support

BETTER WAY TO SUPPORT CUSTOMERS

Traditional IT support has used remote control software which interrupts end users. Many IT technicians are moving to non-intrusive support tools which provide fast troubleshooting and resolution without interrupting the end user. "Often, we can solve a ticket in 15-20 seconds that used to take 3-5 minutes." ~N-able partner. Greatly reducing ticket times makes help desk support profitable and allows MSPs to build recurring revenue from reactive customers.



NEW SOURCE OF RECURRING REVENUE

YOUR SERVICE	YOUR AVERAGE MONTHLY REVENUE (PER USER*)	YOUR AVERAGE MONTHLY COST (PER DEVICE*)
Through the use of free light monitoring agents, non-intrusive support tools like Direct Support, MSPs are providing a better help desk experience and building recurring revenue at the same time.	\$18-25 USD /user	\$2

*Pricing may vary by jurisdiction and is subject to change without notice.

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How to Build Recurring Revenue with Managed Services

BUILD RECURRING REVENUE FROM REACTIVE CUSTOMERS

With 75% of the market sticking with reactive IT, there is a massive opening for managed service providers to build recurring revenue. N-able provides free monitoring licenses which allows you to get your foot in the door with reactive customers. You can provide free basic services while collecting data about their network and then upsell them managed add-ons to build recurring monthly revenue.

Here is a list of services you can provide to build monthly recurring revenue:

YOUR SERVICE	YOUR AVERAGE MONTHLY REVENUE PER DEVICE*	YOUR AVERAGE MONTHLY COST PER DEVICE*
Light Monitoring <ul style="list-style-type: none">» Light Monitoring» Asset/Software/Hardware reporting» Branded Sys-tray icon» Remote control	Free	Free
Managed Security <ul style="list-style-type: none">» Industry leading AV protection» AV Monitoring & Updates» AV Threat/Status Reporting	\$3 / device	\$1 / device
Managed Patch <ul style="list-style-type: none">» Windows Patch Management» Patch status reporting	\$3 / device	\$1 / device
Managed Mobile <ul style="list-style-type: none">» Mobile management & support» Mobile reporting	\$5 / device	\$1 / device
Managed Backup <ul style="list-style-type: none">» Offsite storage to secure datacenter» Backup status reporting	\$100 -150 / server, or \$40 + \$ / GB hosted	Call for details
Managed Compliance <ul style="list-style-type: none">» Monthly Vulnerability & compliance reporting	\$4 / IP	\$1 / IP

**Pricing may vary by jurisdiction and is subject to change without notice.*

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RMM Pricing Best Practices

FREE MONITORING LICENSES

A Strategy to Grow Your Business

Free monitoring licenses help you get your foot in the door to more businesses. Once you have gathered information about their networks and have built some trust you can quickly upsell these customers to build monthly recurring revenue.

A-LA-CARTE ADD-ONS

Upsell Any Customer, Not just Managed Ones

Most of your reactive customers just want the basic services (Backup, Antivirus, Patch). You shouldn't have to pay for monitoring licenses when you aren't collecting revenue for monitoring. With N-able you can purchase and deploy these a-la-carte add-ons on top of your free monitoring licenses.

PER DEVICE LICENSING

Use Your Licenses However You Want

You charge customers less for monitoring a workstation than a server so it makes sense that a desktop node should cost you less. Also, it shouldn't matter how you deploy your nodes. When you purchase 1000 device licenses from SolarWinds N-able you can use them in any configuration you want.

“*I'm a huge advocate for the simple fact that it is clear, concise and to the point on what you are getting. No smoke and mirrors.*”

- Bud Dewayne, Owner, ByteWorks

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Licensing that Grows with You

THE MORE YOU BUY, THE MORE YOU SAVE

All software and services that N-able provides are designed to help you grow your business. We require a monthly minimum spend which ensures that we can deliver all partners the level of business and technical support required however our pricing is 100% A-La-Carte, meaning you have complete flexibility on which licenses your purchase allowing you to deploy in any configuration that you need.

YOUR SERVICE	YOUR AVERAGE MONTHLY REVENUE PER DEVICE*	YOUR AVERAGE MONTHLY COST PER DEVICE*
DEVICE MANAGEMENT		
Managed Server	\$100 -250 USD	\$9.00 USD
Managed Network	\$25 - 65	\$4.50
Managed Workstation	\$20 - 60	\$2.10
A-LA-CARTE SERVICES		
Managed Security	\$3.00	\$1.00
Managed Patch: Applications	\$1.00	\$0.25 / application
Managed Patch: Windows®	\$3.00	\$1.00
Managed Mobile	\$5.00	\$1.00
Managed Backup	\$100-150 / server, or \$40 + \$ / GB hosted	Call for details
Managed Compliance	\$4 / IP	\$1 / IP

YOUR SUPPORT TOOLS	YOUR AVERAGE MONTHLY COST
Attended Remote Control	\$50 / concurrent session
Help Desk	\$23 / tech
Reporting	\$150

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Device Based Licensing

YOU CAN DEPLOY YOUR LICENSES HOWEVER YOU WANT

When it comes to providing Remote Monitoring and Management, SolarWinds N-able's pricing allows you to deploy your devices in any configuration you want.

Many Locations, Average Configuration



10 Standard Locations
» 20 Workstations
» 1 Network
» 1 Server
\$55.50 USD / month
per location

Few Locations, High Device Counts



2 Large Locations
» 100 Workstations
» 5 Network
» 5 Server
\$277.50 USD / month
per location

“The best thing about N-able's pricing is the flexibility it gives us. We can design an offer that is just right for us while meeting our customers' needs.”

- Brent McCasland, President, CalTech

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SolarWinds N-able has the People and Resources to Help You Succeed

YOUR SOLARWINDS N-ABLE PARTNER DEVELOPMENT TEAM

Sales Engineering

Our team of sales engineers helps new partners get up to speed on the SolarWinds N-able platform and helps experienced partners master their skills

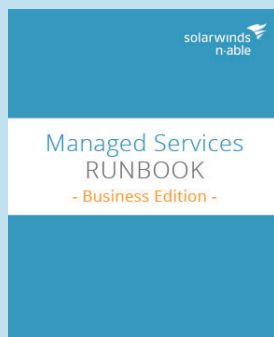


Partner Development

Our partner specialists help IT service providers succeed in Managed Services and provide business coaching to experienced MSPs.

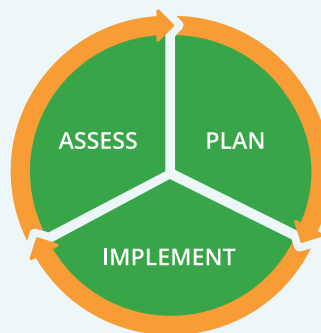


BEST PRACTICES GUIDE



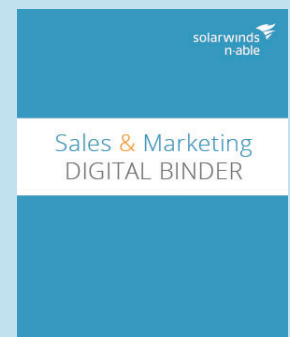
Your guide to packaging your services into a repeatable scalable business.

BUSINESS PLAN



Your N-able Team will help you develop a strategy to increase profits and grow your business.

MARKETING RESOURCES



Free marketing templates and resources to start attracting new customers.

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About SolarWinds N-able

SolarWinds N-able, is a recognized market leader in MSP business transformation solutions. Our systems and support provides the most comprehensive solution on the market today and includes: N-central, the industry leading remote monitoring and management automation platform, dedicated Partner Development Specialists, self-directed educational modules, customizable sales and marketing collateral, and help desk support services to help service providers quickly ramp-up and deliver the broadest range of new managed services at the lowest service delivery cost.

MISSION STATEMENT

“To make our partners the world’s most successful MSPs”

OUR AWARDS



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