



Fleetistics Dumps Azure's Costly Cloud for the Stability and Predictability of Hosting with Hivelocity



About Fleetistics

[Fleetistics](#) is a leader in fleet management software and services offering GPS tracking, telematics, and diagnostics via a variety of GPS devices to collect and deliver actionable data to numerous platforms. The Florida-based firm works with fleets ranging from 1 to over 5,500 vehicles in more than 350 locations.



Challenge

Fleetistics sought to lower costs to customers and improve service reliability in a highly competitive industry.



Solution

[Hivelocity](#), a premier provider of dedicated servers, edge-computing, colocation, and cloud hosting services and solutions.

Benefits



Lowered costs to customers by 25-30% while maintaining profits



Predictable costs and systems reliability



Avoided the estimated \$100,000 salary for a server administrator



Eliminated downtime and service disruptions to customers



More responsive customer support



Quote

“By moving away from the ever-rising costs, unreliable uptime, and disruptions caused by constant upgrades and patches for Microsoft Azure’s cloud, to the server-based hosting services from Hivelocity, we gained control and predictability over our business. This resulted in decreased costs of 25%-30%, which we were able to pass along to our customers while also improving service, which makes us more competitive.”

– Darryl Arnold

Director of Product Development, Fleetistics

Fleetistics' Journey to Hivelocity



In a Competitive Industry, Predictability is King

In the competitive and fluid GPS Tracking and Fleet Management industry, keeping costs down is paramount. “GPS Tracking has been cost-prohibitive for many companies but recently that changed and it has become a commoditized product,” says Darryl Arnold, Director of Product Development for Fleetistics. “As a result, it’s critical to keep basic costs down to offer a competitive price.” With nearly 20 years in business, Fleetistics helps scores of companies manage their fleets by providing stellar customer service and best-of-breed technologies for GPS tracking, telematics, and diagnostics.

In a hyper-competitive field in which systems uptime, pricing, and response times to customers can be key market differentiators, Fleetistics stays one step ahead by being proactive. Thus, when uptime and costs became increasingly unpredictable from its cloud computing partner – Microsoft – along

with consistently lackluster customer service, Fleetistics decided to take action.

Like Hot Air, Azure’s Cloud Costs Rise and Rise

“We developed our system based on the cloud and Microsoft Azure, so everything we did was with Microsoft products and Windows Services,” says Arnold. Over time, Fleetistics realized that with trendy services from huge multinational corporations – like the cloud and Microsoft – come services and performance that, too often, are unpredictable. “We had the typical Microsoft experience,” says Arnold. “Products start out ridiculously low priced, and then once you’re committed to their technology the price starts to go up drastically. In only one year, Microsoft Azure’s hosting prices went up 600-700%.”

In addition to costs, Fleetistics found new services, patches, upgrades, and other changes that Azure made to its cloud platform created instability. “When you rely on a large

company like Amazon Web Services (AWS) or Microsoft, you typically get a notice that a service is going to change and you have 60 days to make your application match it,” says Arnold. “Sometimes we came into the office in the morning and Azure had made a change without notice, which makes it hard to plan.”

Arnold also found corporate customer service slow and impersonal. “With Azure, the customer service is stereotypical Microsoft with ticket resolution usually taking 7-14 days,” says Arnold. “When you have a problem, you’ll eventually get an email from someone in a foreign country and you know there’s no chance you’ll be working with that person, so it’s irrelevant who emails you or answers the phone.”

Fleetistics endured further volatility related to network uptime. “Microsoft will tell you they have built in systems redundancy, which is true,” says Arnold. “But they don’t factor in interruptions caused by mandatory upgrades and patches and changes to their products and services that can disrupt service to your customers. Many of these aren’t done in your interest or with your product in mind, but are driven by bottom-line motivations, so you

run into problems and have to deal with their lousy customer support. On three separate occasions it took 24 hours to resolve the problem, which is intolerable in our business. We nearly lost a customer over these outages.”

In a fluid industry, Fleetistics craved predictability in costs, uptime, and better customer support. “We just didn’t receive this in a cloud environment, so we started to look for alternatives,” says Arnold.

High Velocity Doesn’t Equal High Costs

Fleetistics started small just to test the waters. “I did a Google search for affordable dedicated server hosting and Hivelocity’s name came up,” says Arnold. Hivelocity is a premier provider of dedicated servers, private cloud, and colocation hosting solutions to customers from over 130 countries at its eleven world-class data centers. “At first, we only moved a couple of marketing sites off of Azure’s cloud into hosting with Hivelocity.”

At the time, Arnold wasn’t considering Hivelocity as a long-term replacement for Microsoft’s cloud platform, but that soon changed. “The initial choice of Hivelocity was



based mostly on pricing,” says Arnold. “However, Azure’s pricing kept going up, so we started reviewing the cost to add additional physical servers to Hivelocity for hosting and rearchitecting our system to run on servers. Our analysis revealed that it would be cheaper to completely rearchitect on Hivelocity bare-metal instead of continuing to pay for Azure.”

Getting Off Microsoft’s High Priced Cloud

Arnold and his team mapped out a plan to get off Microsoft’s pricey cloud. “A year later, we literally had everything rearchitected and running smoothly at Hivelocity,” says Arnold. “We initially had six servers running VMWare virtualization, but Hivelocity has a specific server type with more cores in it which has allowed us to get even better performance out of just four machines. We now have 4 Linux-based servers where we run both Windows and Linux VMs and achieve a very “cloud-like” experience.”

Lower Costs. Better Service. Profits Steady.

The results have been dramatic and fast. “We reduced our monthly hosting costs exponentially,” says Arnold. “The GPS market is in flux, but in the midst of this turbulent time we’ve been able to lower costs to our customers by 25-30% over three years while maintaining our profit margins, which we credit to Hivelocity.”

First Name Basis Customer Service

Arnold has been impressed with the more responsive and personal customer service he receives. “I’ve been talking to the same people at Hivelocity for three years now, on a first-name basis,” he says. “It’s so unusual in technology to deal with the same people for years in support.”

Fleetistics believes it shares Hivelocity’s commitment to customers. “Like large cloud providers, in GPS services the big guys ignore customers and don’t pay attention to the fact that what they do affects daily life for end

users. Like us, Hivelocity listens to the customer and gives you a say in product development and the ability to talk to a human; they’re responsive – which is the opposite of huge players like Azure. That matters more to us than a Wall Street-driven company that focuses on earnings, not the customer.”

Bare-Metal Brings Control and Predictability

One of the biggest benefits of Fleetistics’ decision to abandon the cloud for Hivelocity is network and business stability. “Overall, there are a lot of changes and unknowns working with cloud services like AWS or Azure, but with bare-metal servers we control our system and we are in charge; there are no surprises,” says Arnold. “We choose the OS and when we’re going to apply updates. Moreover, we budget the cost of Hivelocity and it comes in right at that at the end of the year. We just didn’t have that with Azure.”

This predictability is particularly beneficial when Fleetistics is planning new products or initiatives. “Now, we never need to discuss reliability or the costs of bringing services online when planning because it’s a given that the availability, cost-effectiveness and support will be there,” says Arnold. “When you can take hosting completely out of the equation when planning a product that is a huge compliment to Hivelocity. In the Software as a Service business, the end user should not have to consider or even be aware of the actual system under the hood that runs your product.”

Wall Street Doesn’t Dictate When We Upgrade

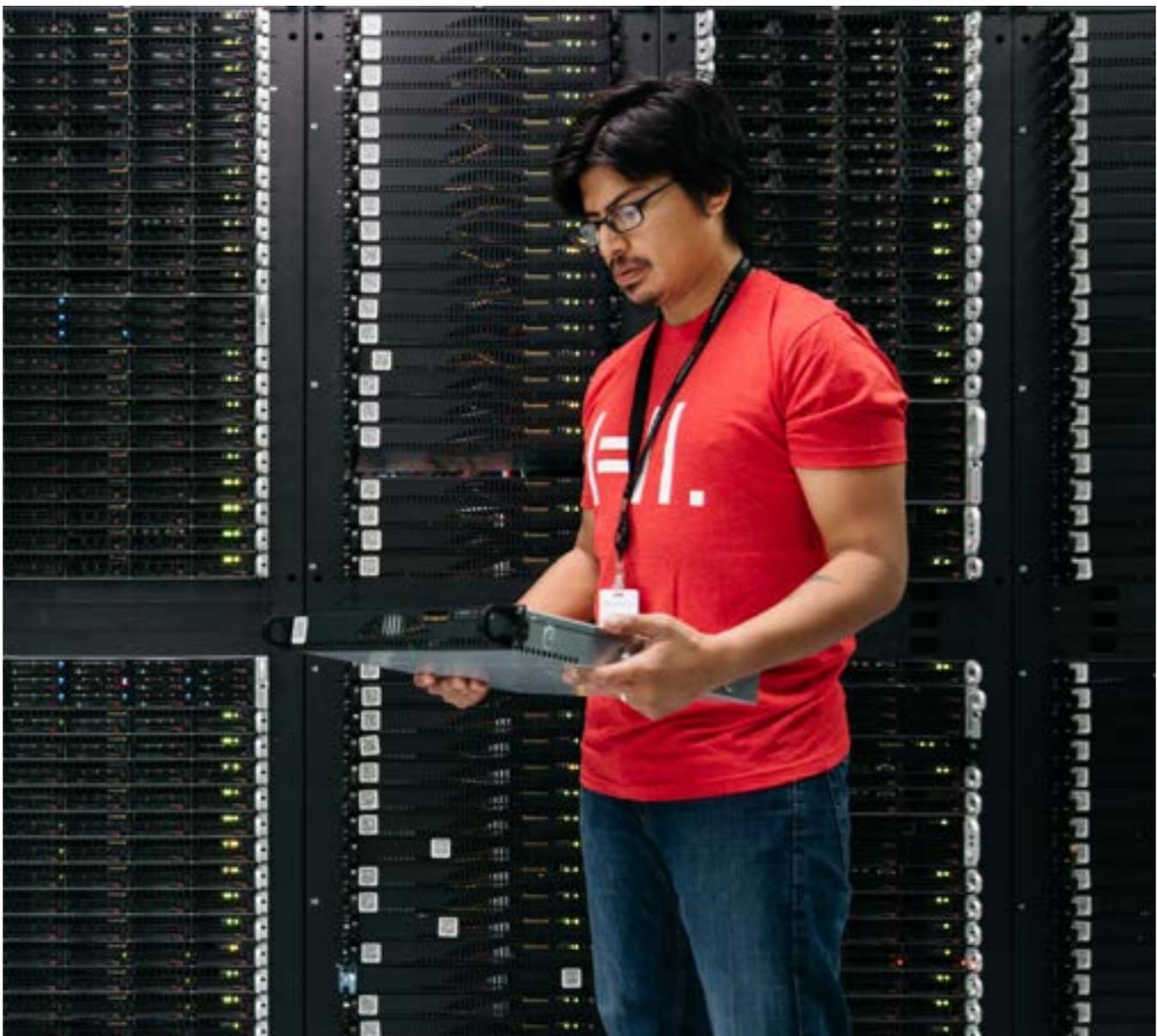
Arnold has advice for companies considering moving from the cloud to bare-metal-based systems like those offered by Hivelocity: “When you come off the cloud you reclaim control over your system again,” he says. “You call the shots on when and which upgrades to adopt or to stick with your current system. You don’t have to respond to the cloud providers’

universal changes, which can often break or bring down your system. Often, those updates and upgrades are motivated by earnings targets as opposed to actually benefiting you with new features or solving application instability issues. We don't let Wall Street decide when we're going to upgrade; we now have the ability to decide what's best for our business with Hivelocity."

Fleetistics is realizing other savings as well. "The cloud folks will try to convince you that you'll have to hire a \$100,000 a year server admin to handle everything for you, but that's not the case; applying patches is not rocket

science and Hivelocity is always available to assist even if we were to need help," says Arnold. "I've concluded that the only people who benefit from the cloud are cloud providers. Sometimes, moving to an established business model makes more sense than sticking with something trendy."

By investing in the latest technologies, adding new data center locations, and delivering responsive service and affordable, customizable services, Hivelocity continues to help companies like Fleetistics be more competitive and thrive despite tough market conditions.





Learn more at:
hivelocity.net
or call
1-888-869-4678

About Hivelocity:

Hivelocity provides dedicated servers, bare metal cloud, and colocation hosting solutions to customers from over 130 countries worldwide. Featuring 38 world-class, edge-ready data centers, strategically positioned in 36 cities, across 4 continents, Hivelocity's expansive global footprint allows users to reach 80% of the world's internet population in under 25 milliseconds. All of their data centers are SSAE-16 SOC1 and SOC2 certified, and HIPAA and PCI compliant services are also available. With award-winning 24/7 support, an average 15-minute ticket response time, and an SLA-backed 99.99% network uptime guarantee, Hivelocity is the hosting provider you can rely on.