



### Business Challenge

Aiming to win new business, Sypsoft planned to launch innovative cloud services that would provide its clients with faster, cheaper access to SAP Business One software than ever before.

### Transformation

To support the new SaaS offering, Sypsoft began looking for an expert cloud hosting provider. With IBM Cloud, the company found high service quality and superb local support at a competitive price.



**Grimaldo del Solar**  
Managing Director  
Sypsoft

#### Business benefits:

**10%**  
higher sales growth than projected

**96%**  
reduction in provisioning from two months to 24 hours

**97%**  
cut in time-to-market for new cloud services

# Sypsoft

## Surpassing growth targets by offering clients a SaaS option for SAP applications via IBM Cloud

Headquartered in Lima, Peru, Sypsoft specializes in deploying SAP Business One solutions to help small and mid-sized companies meet their business objectives. Founded in 2006, the company has recently expanded into Chile and Ecuador.

*“IBM Cloud has enabled us to launch a successful new range of SaaS offerings for SAP solutions.”*

Grimaldo del Solar, Managing Director, Sypsoft

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## Challenge in detail

With its sights set on winning new business—particularly for its recently founded subsidiaries in Chile and Ecuador—Sypsoft wanted to boost the appeal of its SAP Business One offerings. The company recognized that offering the solution on a Software-as-a-Service (SaaS) basis would enable clients to access it faster and at lower cost than ever before, making the proposition extremely attractive to small firms.

Keen to maintain a clear focus on its consultancy skills, Sypsoft decided to engage an expert cloud hosting partner to provide and manage the infrastructure underpinning the new service.

## Solution delivery

Teaming up with IBM, Sypsoft launched SAP Business One as a service running on the IBM Cloud Bare Metal platform. As well as offering the service to customers, Sypsoft is migrating its own SAP Business One software into the IBM Cloud Bare Metal platform.

The IBM Cloud Bare Metal Server delivers outstanding performance and reliability, making the new service a hit with customers. IBM offered Sypsoft three months of free access to the IBM Cloud Bare Metal Servers, allowing Sypsoft to avoid paying for two different services during the transition from its previous vendor's

## Golden opportunity

To attract new clients, Sypsoft wanted to find a way to make its SAP Business One offerings more appealing to small and mid-sized firms. The company recognized that making the solution available on a Software-as-a-Service (SaaS) basis would put it within reach of smaller organizations, which often lack the financial resources to invest in on-premise enterprise-class technology.

Grimaldo del Solar, Managing Director of Sypsoft, explains: “Sophisticated ERP systems enable companies of all sizes to run their businesses more efficiently. However, small firms are rarely able to afford the substantial investment in software licenses and powerful servers required to run them.

“To enable small companies in Peru, Chile and Ecuador to start using SAP software faster and at lower cost than ever before, we decided to launch SAP Business One as a cloud service. By allowing our clients to avoid major upfront investments, and instead pay only a monthly fee to access the software, we would be able to offer them a more attractive proposition, helping us sell more effectively.”

## Choosing the right partner

SAP Business One is a single application that supports all critical business functions, such as sales, purchasing, inventory and finance. The solution is designed specifically to support small and growing businesses, as well as subsidiaries of large enterprises. It is available both on-premise and in the cloud.

Sypsoft decided to provide SAP Business One as a complete service, including cloud hosting, and engaged a major cloud hosting provider to manage the infrastructure required for the new service. Experiencing some difficulties with its chosen cloud provider, Sypsoft looked again at its cloud choices, seeking greater local support, and selected IBM and its IBM Cloud Bare Metal Server as the new partner for its SAP Business One offerings.

“One of the key reasons for selecting IBM Cloud was the brilliant local support offered by IBM,” remarks Grimaldo del Solar. “Our previous vendor had no offices in Peru, so we received only impersonal online support. With IBM Cloud, we have a friendly, highly competent local team that helps us develop compelling offerings with the right price and performance for our target market.”

The IBM consultants listened carefully to Sypsoft’s strategy, and devised a proposal tailored to fit the business plan.

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“One of the key reasons for selecting IBM Cloud was the brilliant local support offered by IBM.”

### Grimaldo del Solar

Managing Director  
Sypsoft

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“We planned to offer two environments for our new cloud service: a permanent one with minimal capacity, plus a variable environment designed to offer extra capacity when needed,” recalls Grimaldo del Solar. “IBM gave us separate estimates for each environment, allowing us to minimize our fixed costs and pay for additional capacity only when we need it. That was an extremely attractive offer, because we had already made a large investment in the SAP Business One licenses, and at that time we had only ten clients signed up to the new service.”

The IBM Cloud Services team set up the new solution, and gave Sypsoft a free three-month subscription to the IBM Cloud. This enabled Sypsoft to assess the service quality and migrate its existing SaaS customers to the new platform without having to pay for two different cloud services at the same time.



96%

reduction in provisioning from two months to 24 hours

## Moving to the cloud

Within just six months of switching to IBM Cloud, Sypsoft has signed up multiple clients to its SaaS offering, with a total of 350 users on the system. Furthermore, Sypsoft has migrated the SAP Business One applications used by its offices in Chile and Ecuador to the IBM Cloud Bare Metal Servers. The company plans to shift its Peruvian operations onto the IBM Cloud Bare Metal Servers soon.

“Moving to the Cloud has provided advantages for us and our clients,” adds Grimaldo del Solar. “For example, one client’s travelling sales team previously had to connect to the server from a prospective customer’s office to access information on stock availability and prices. Connectivity was often unreliable, impacting employees’ ability to sell effectively.

“With the IBM Cloud, salespeople can access the information they need to close deals faster and more reliably. Similarly, I have found that when I am out of the office, it’s much faster to access the cloud than my server.”

“The IBM Cloud offers terrific performance and availability for our SAP applications. With our previous provider, we incurred downtime due to an unannounced operating system upgrade, but with IBM Cloud we’ve had no downtime at all. Our clients are very happy with the service they receive.”

## Enviably sales growth

The new SaaS offering has proved a hit with customers, sparking exceptional growth particularly for Sypsoft’s newer subsidiaries in Ecuador and Chile.

Grimaldo del Solar adds: “Growth for our SaaS service is faster than for on-premise sales, and helped us surpass last year’s annual growth target by 10 percent. This year, we are aiming to recruit an additional 1,000 customers onto the IBM Cloud Bare Metal Servers, and we predict that IBM Cloud users will outnumber on-premise users within two or three years.

“The explosive sales growth has been partly fueled by our association with the powerful IBM brand. On top of participating in joint marketing activities, IBM sends IBM Cloud specialists to assist in our pitches for new business. Having such a strong presence makes a huge difference to our ability to close deals.”

Now, Sypsoft is working closely with the IBM Cloud team to design further cloud services, such as cloud-based backup, to meet clients’ every need.

The expert guidance and powerful cloud architecture from IBM Cloud has enabled Sypsoft to slash time-to-market for new cloud services from three months to just five days.

## Sparkling customer service

Switching to a cloud environment also enables Sypsoft to take service quality to unprecedented heights.

“With on-premise solutions, each time we won a new client we had to install a new server,” recalls Grimaldo del Solar. “Because we had to engage technicians to complete the set-up, two months often passed before new clients were up-and-running on their SAP systems. With the IBM Cloud architecture, we can complete deployments within 24 hours – that’s 96 percent faster.

“What’s more, the small businesses we serve have limited IT budgets, so traditionally most didn’t purchase a second server for testing or disaster recovery. The IBM Cloud Bare Metal Server enables us to offer our clients many more machines and turn them on and off as required, so they can adopt more advanced IT operations.”

He adds: “On top of that, once our clients are live, it’s much easier for us to give them excellent support. Because everything’s in the cloud, we don’t need to travel to their sites to fix problems, so we can resolve issues faster.”

## Benefits in detail

- Enables remarkable sales growth, particularly in Chile and Ecuador, helping Sypsoft surpass its annual growth target by 10 percent
- Avoids USD200,000 hardware investment, freeing up cash for other initiatives
- Slashes time-to-market for new cloud services from three months to just five days
- Accelerates system set-up for new clients from two months to just 24 hours – that’s 96 percent faster
- Saves money since IBM offers local invoicing, meaning that its hosting fees do not attract taxes applicable to international transactions
- Offers superb performance and reliability for Sypsoft and its clients
- Boosts sales through association with the IBM brand

## Key components

**Industry:** Computer Services

**Applications:** SAP® Business One®

**Services:** IBM Cloud Services®, IBM Cloud Bare Metal

## Massive cost savings

Opting for a cloud deployment allowed Sypsoft to avoid the costs of purchasing and managing its own infrastructure in-house.

“To set up our own infrastructure in-house, the servers alone would have cost approximately USD200, 000,” comments Grimaldo del Solar. “On top of that, we would have needed the other elements of a modern data center, such as networking equipment, security and air conditioning. For a company like us, it makes sense to rely on experts like IBM, rather than reinventing the wheel.”

Switching to IBM Cloud has also enabled Sypsoft to unlock further cost savings.

“Our previous cloud hosting provider billed us from the United States, so we had to pay the high taxes incurred by international transactions,” explains Grimaldo del Solar. “That had a big impact on our overall expenditure on hosting fees. Because IBM can invoice us from its local subsidiaries in Peru, Chile and Ecuador, the transactions don’t attract additional levies, so we actually cut our total spend.”

## Bright future

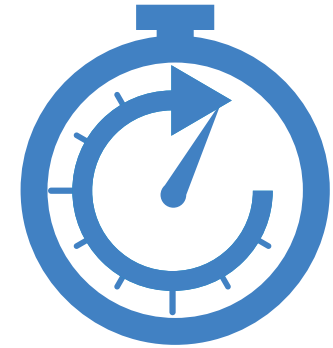
Remaining at the forefront of state-of-the-art technology, Sypsoft has become the first SAP Premier Partner in Latin America, and the second worldwide, to implement SAP Business One HANA. Based on its early success with IBM Cloud, the company plans to use the platform to launch the new SAP product as a SaaS offering.

“Having a brand like IBM as a Cloud Infrastructure partner helps to position our offering to clients that want to feel their ERP is deployed on a secure and relying infrastructure handled by one of the global leaders. The branding also helps while marketing our service as it creates more awareness in potential clients, as they see strong global brands like IBM and SAP coming together to offer advanced solutions to small companies.

“IBM Cloud has enabled us to launch a successful new range of SaaS offerings for SAP solutions,” concludes Grimaldo del Solar.

“We expect that the number of users will grow by at least 100 per cent a year. We are in the process of cloud-enabling all our supporting applications, such as PoS for Retail and our Sales Mobile app, so we can offer them using the SaaS model also. Additionally, we are developing a series of cloud services, including back-up and restore, and mobile sales force, for our existing installed customer that currently use on-premise installations.

“It’s still early days, but we’ve already achieved excellent sales figures, and the future is looking bright.”



97%  
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cloud services

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