



Trust X Alliance Member Q&A

Rob Bello, Partner and VP of Sales, Bit by Bit

Since joining Bit by Bit 20 years ago, Rob Bello, partner and VP of sales, has been part of the company's transition from a VAR to a managed services provider. Today, that evolution continues as they help customers move workloads to the cloud in response to the pressure to do more for less.

From the top, how did the business get started?

Bit by Bit was founded in 1985 by Bruce Steinfeld, and for 10 years it operated as a database application development and networking company before morphing into a full-service IT firm. Today, we have 300 customers, and about 70% of our revenue comes from selling services with the remainder from hardware and software.

What are the most common needs of your customers? How have you seen that evolve in the last few years?

Companies are transitioning to the cloud, so we're having a lot of conversations about those solutions. Many customers are moving toward having a lighter IT infrastructure within their organization, and they're under pressure to do more with less overhead. The fixed monthly fee that comes with a hosted model gives them a better idea of what they'll be spending over the next

12–24 months. It's a more flexible business strategy than retaining their infrastructure until it's dead and then having to make a significant investment in new systems.

We know that the cloud isn't a one-size-fits-all solution, and we want to make sure our customers are getting the right cloud model for their needs. To accomplish that, we talk to the client, and then our team assesses their technology needs and goals, all before we make our cloud recommendations—if that's the best answer.

If you could go back, what would you do differently with the business and why?

We were ahead of the curve when it came to managed services, but we still could have transitioned our accounts sooner. The problem with the older model of selling blocks of time was that clients treat it like gold—they don't ever want to use it. As a service provider, we had no insight into when they were going to buy another block. Plus, when a tech went onsite to perform a task,

customers would argue about how much time he was there. It was an all-around reconciling nightmare that managed services removed from the service mix.

With so much emphasis on the customer experience, what are customers looking for in and from a technology business advisor such as you?

Clients need to know their data is secure and their email and phones are always available. More importantly, they need to see the value we bring to the business and their role within the company.

For example, if we have a managed services client paying a fixed monthly fee, but they only put in three service calls a month, we have to show them the value. We explain that they've only called us three times because we're doing all the right things behind the scenes to prevent problems and downtime—not because they don't need us. It's a constant process of changing their mindset to an insurance plan mentality. They can now sleep at night.

To do that, we host quarterly business reviews (QBRs) with our clients to highlight the alerts and other vital tasks we handled behind the scenes on their behalf. We perform disaster recovery testing to show how we'd keep their data safe and their office running if they had a flood or fire. Meeting with clients frequently is key to keeping them happy. Each of our technical account managers has the expertise to serve as virtual CIOs for our customers—it's an approach to customer service that we instill in our people.

How has your company's role changed over the years?

We've become more of a partner to our customers from the break-fix era to managed services. We're way more involved in their daily business activities. For example, we provide security awareness training to help their employees stay aware of the types of dangers coming through email—it's a proactive step that positions us

on their side. It's a much more consultative model than when we first started out.

What's your company doing to stay ahead of technology trends and business model shifts?

We're continually training our staff on new products, services and solutions. We have a dedicated team of engineers that frequently look at new trends. Additionally, we rely on our core vendors—Dell, Fortinet, HP, Microsoft and Veeam—as well as Ingram Micro, our distributor, to help keep us in the know.

From the customer perspective, our marketing director works with our sales team to produce a monthly blog for our website as well as keeping our clients updated via our email newsletter. Education is everything at the customer level.

What's your approach to using technology within your own business and how does that help you better serve your customers?

Understanding the technology is a must, and knowing how to apply it to our customers' businesses is a differentiator. To do that, we work with the vendors we support, Ingram Micro and the Trust X Alliance community to identify and vet new vendors and solutions. Many of our vendors have "not for resale" programs that make it easier for us to procure hardware and support for our internal use. That makes it easier to demo products to prospects. We also have colocation facilities where it's easier to test new products and show our clients the technology in action.

How has Trust X Alliance positively impacted your business?

First, being a Trust X partner expands our regional reach to a national footprint. We also use that community for expertise, partnering with other members who can do what we don't and vice versa.

With the geographic diversity of the partners involved in the community, Trust X gives us the flexibility to efficiently service an account that's headquartered near us in New York but also has an office in San Francisco. It's also helpful learning from other partners what they're doing operationally to help their culture, such as how they're compensating their salespeople and what kinds of programs and opportunities they're providing.

After 15 years in Trust X, we've also learned to use Ingram Micro differently. For example, enhanced tech support is a crucial benefit—presales tech support and the software licensing help desk have saved us a ridiculous amount of time. If we had to call each software vendor individually for assistance, it would never work. With Ingram Micro, we call one number, and it's like working with one manufacturer.

What has surprised you most about being part of Trust X Alliance?

The willingness of TXA members to share operational practices always impresses me. Trust X Alliance members even open their playbooks and share what they charge for specific services. For example, at a recent meeting, I was talking to another member about desktop support. He told me right up front: "You're charging too little; your hourly rate should be much higher." That type of information is incredibly valuable; it gives insight into what the industry trends are and that helps our company and the TXA community as a whole.

Not surprisingly, this community goes above and beyond when it comes to charitable events, the time and resources dedicated to helping others are second to none.

Just a few more details:

Service specializations

Managed services, business continuity, cloud services, cybersecurity, application development, enterprise fax solutions, hosted PBX

Percentage of growth, 2016 to 2017 20%

Headquarters New York

Reach National

Number of office locations

Offices in New York; Arlington, Texas; and Newton, Mass., plus colocation facilities in Manhattan and Dallas.

Best business advice ever received

The invitation to join VTN (forerunner to Trust X Alliance) in 2003. I put it off for a while, but eventually tried it by attending a two-day event. It was overwhelming until I met a few other partners and got involved. We've received a lot of sound business practices early on that we're still using today.

Little-known fact about your company

The partners and top management have been with the company for 20+ years, and most are Mets fans.

Bit by Bit:

www.bitxbit.com

Social sites:



www.trustxalliance.com

@IngramTrustX

