Nearly all managed service providers (MSPs) fret about finding new business at one time or another. But CHIPS Computer Services, a multi-service MSP located in Hugo, Minn., has that area more than covered.

As a member of the local Minneapolis area chapter of Business Network International (BNI), CHIPS gains about 80 per cent of its business from word-of-mouth referrals, says Tony Chiappetta, the company’s founder and president.

“We’re the only MSP among 46 members in the local BNI chapter,” Chiappetta says. “We all carry each other’s business cards to help with referrals so I don’t have to go out and knock on doors looking for new business,” he says.

Indeed, one recent introduction from a BNI contact produced a business relationship that generated the MSP some $30,000 in revenue, notes Chiappetta.

CHIPS, which provides remote monitoring and management (RMM) solutions, remote backup, security and network assurance to small and midsize businesses (SMBs), in particular law firms and chiropractors, is a MSP Elite partner of N-able Technologies®, the global leader in RMM software.

N-able, whose IT network monitoring and system management technology CHIPS deploys in its solutions, is a strong supporter of the MSP’s approach to new customer acquisition.

“N-able encourages us to establish strategic relationships with businesses in our area,” says Chiappetta. “We appreciate that they support how vital word-of-mouth business referrals are to our success,” he says.

MSP makes the transition from on-site to remote service

Chiappetta started CHIPS on his own about 10 years ago when he began providing high quality, on-site, network customer service to SMBs in the Minneapolis metropolitan area.

“At the time, I felt that by going on-site I could better identify their needs and help customers achieve their goals,” he says.

Slowly the company generated a list of clients that regularly called for network service. Chiappetta’s big break came when a large builder of custom homes, with three local offices, hired him to help them with their networking and infrastructure IT requirements.

Now the MSP has grown to 10 employees, including four full-time engineers and two technicians. Chiappetta expects to hire two more customer service people in the near-term, partly to help with word-of-mouth strategy to gain new customers.

The majority of CHIPS’ 500 business customers are SMBs, mostly under 30 seats in size, states Chiappetta. About 50 per cent are law firms and chiropractors. Overall, most of the MSP’s clients are located within an hour of its headquarters.

In all, some 210 customers, or about 40 per cent of CHIPS’ total business clientele, are on N-able’s N-central® RMM platform. The move to N-central allowed CHIPS to more than triple its managed service customer base in 2010. Based on this tremendous growth, CHIPS was the winner of the Growth Award at N-able’s Annual Partner Summit in October 2010.
“Now we can fix things remotely in 15 minutes – a process that might have taken three of us 90 minutes to do on-site. That translates to a better customer experience.”

– Tony Chiappetta, CHIPS Founder and President

“We found ourselves in more situations where we had a five-minute server fix on-site at our customer’s location, but getting there and back would take us hours in some cases,” says Chiappetta. “We saw it was easier, and far more cost effective and efficient, to do more things remotely for our customers,” he explains.

“We already had a proactive program for our customers and saw that with N-able we could save them thousands of dollars,” says Chiappetta. “When we set up N-central’s remote monitoring, we knew the status of our customers’ network 24 x 7,” he says. “Just being able to identify what’s going on was a huge value to us,” he says.

“Now we can fix things remotely in 15 minutes – a process that might have taken three of us 90 minutes to do on-site,” Chiappetta says. “That translates to a better customer experience.”

N-central is at the heart of CHIPS’ goal to be the best MSP at eliminating customers’ system downtime, says Chiappetta.

“We try to have a faster response time than anyone else,” he says. “Even for our non-regular customers – we assume that they want it fixed yesterday,” he adds. “Leveraging N-central to know about issues before our customers do and fixing them before they know it helps us meet ours and our customers’ goals.”

Next Steps

• Read more case studies about N-able’s MSP Partners
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• Contact us to learn more about N-central