

# Avangate Client Success Story

## PowerFolder

Seamless online selling experience, direct and via partners, for the home-user to the Fortune 500 customer

*“ We couldn’t be happier with our commerce provider. Having gone through the pains of an in-house built solution, and then an unsuitable 3rd party tool, we appreciate Avangate even more. Because things got that much easier with Avangate, we have much more time to focus on new customers, improve our SaaS product and roll out large projects while most of the daily business runs smoothly. They enable us to provide a seamless online selling experience from the first acquisition to renewals, whether direct or via partners, for the home-user to the Fortune 500 customer. A commerce solution done right, ”*



**Christian Sprajc,**  
CEO,  
PowerFolder

### Customer: PowerFolder

**Segment:** SaaS

**Vertical:** Docu Management and Collaboration | Private & Public Cloud

**Target:** B2B & B2C

#### Benefits & Results:

- 18% revenue uplift from using Avangate in-platform features
- Easy subscription management
- Efficient partner management
- Visibility into business metrics

#### Avangate Solution:

Enterprise Edition: eCommerce, Channel Manager and Affiliates Modules



## Context

PowerFolder offers solutions for business file sync and share and has grown over the years from a small open source project to a successful company and market leader in the German educational sector for sync and share services.

PowerFolder are currently developing and hosting a European sync and share public cloud service with web-based user management, clients for desktop computers and mobile devices and online editing functions. They are also selling on-premise private cloud licenses that can be used by a wide range of clients - from small installations without special requirements to large installations with special SLAs, high available configurations, whitelabel options, with licenses which cover different periods of time.

## Objectives

From the beginning, PowerFolder have been very aware that they need to automate ordering and billing as much as possible, so they can focus on developing their products. The goal was to implement a commerce solution to allow them to sell online, both in their local market as well as internationally, direct as well as via partners.

“This search brought us finally to Avangate but until we found this solution we have walked a long and difficult road.”





## Digital Commerce Platform Selection

### The In-House Solution: A Pain in Disguise

Initially PowerFolder tried to create their own e-commerce system in-house. While it was easy to implement the logic and generate invoices, there were several hurdles associated with the process:

- Needed to register with various payment providers around the world, a complex and time consuming task by itself
- Had to deal with the constant technical & financial problems that came up, inherent to the nature of the payment processing activities: blocked account, broken API, withheld payments
- 24x7 shopper support required to deal with ordering and payment issues
- Liaison with the technical support teams of the payment providers
- In-house solution lacking various commerce features and flexibility, such as configuration option or support for coupon codes

#### In-House Solution

“Even when we finally managed to integrate with payment providers, there was always some kind of problem: the account got blocked, the API was broken, the payments were withheld, the customers had problems with ordering, or we needed to manually request payments every month. And if a customer had problems with the payments we had the hardest time to get in touch with the technical support of the payment provider.”





## Next Deployment: 3rd Party On-Premise Solution

Given PowerFolder's in-house commerce solution required significant internal resources for maintenance and feature development, PowerFolder eventually migrated to a 3rd party on-premise commerce solution. The software company migrated all existing users, connected the e-commerce solution with their cloud environment and integrated with all supported payment providers. Given their increase in international sales, PowerFolder confronted themselves with additional issues:

- Poor multi-language support
- Erroneous European VAT calculations requiring additional internal resources to fix and deliver larger business orders (more than 30 minutes per order).
- Slow & inefficient client support
- Fixed yearly license cost, regardless of the sales volume

Eventually, the on-premise solution was discontinued by the 3rd party provider and replaced with a hosted cloud solution, without any significant improvements in service quality.

### 3<sup>rd</sup> Party On-Premise

"Multilanguage support was abysmal. We practically begged our previous vendor along with hundreds of other users to improve VAT handling, but while we paid thousands of Euros each year for Licenses, we were gracefully ignored."





## Final Selection: Avangate Cloud-based Commerce Solution

Following significant business growth, with clear requirements for the commerce solution they needed, PowerFolder started out a new search for a modern, agile commerce platform. Key requirements were:

- Multi-language and multi-currency support with multiple payment options
- Provider able to handle the specifics of doing business in Europe and elsewhere globally
- Integrated platform for online direct as well as distributors & resellers and affiliates
- Solid technical documentation, including API
- Flexibility for setup of complex product and pricing options
- Solid subscription management capabilities; easy upgrade and renewal options
- Responsive and efficient vendor and shopper support
- Sound reporting capabilities
- Reasonable fees & earnings paid to client's account on a monthly basis

Following a thorough investigation, PowerFolder selected Avangate as their digital commerce provider.

### Selection winner: Avangate

"We saw all the product demos, we knew all the buzzwords, all the options and we had a winner which ticked all the boxes with a few minor limitations: Avangate. But the most impressive thing was that those limitations were removed soon afterwards!

So we finally had found a commerce service provider who is actually listening to its customers and with an awesome technical support. Each of the revenue streams we have benefit greatly from our partnership with Avangate and we have yet to explore all the features that Avangate offers."





## Benefits & Results Brought by Avangate

With Avangate, PowerFolder is able to:

- Easily integrate their private and public cloud solutions with the commerce platform
- Quickly setup flexible product and pricing options and deploy their products immediately
- Easily customize shopping cart templates
- Provide special offers in the shortest time for customers via the ecommerce module or for affiliates within the Avangate affiliate network
- Provide extremely easy ways for clients to upgrade and renew their subscriptions, whether ordering direct or via partners
- Doubled the number of countries they sell into within 2 years
- Obtained an 18% revenue uplift from using Avangate in-platform features such as promotions
- Visibility into business metrics as well as future revenue through strong reporting capabilities

Distributors and resellers are the biggest contributor to PowerFolder's revenue growth. Before switching to Avangate, partner orders were a lot of work: different partner levels with special conditions, manual upgrades and the communication before each order took a lot of time. PowerFolder now employs Avangate's Channel manager module to:

- Simplify partner management
- Automate order processing
- Improve partner communication & overall service

"Avangate makes it very easy for our customers to upgrade and renew their subscriptions."

"PowerFolder obtained an 18% revenue uplift from using Avangate in-platform features such as promotions"

"Our Partners and resellers have an easier life: now many of the processes are automated, our partners can place most orders in self-service mode or we can place and process orders for our partners within minutes, during the first call."





## About PowerFolder

PowerFolder / dal33t GmbH is a German software company, which provides “out of the box” cloud and inhouse Enterprise file sync and share solutions and partly individualized on-premise services for the educational-, research-, industrial and information-sector.

The company focuses on efficient, reliable, scale-able and secure sync, share and backup solutions. PowerFolder has become the base for some of the biggest German educational cloud services and a wide range of cloud and infrastructural services for companies of any size around the world. The on-premise solutions of PowerFolder allow companies to become independent and self-sufficient when it comes to “dropbox – like” cloud services, the collaboration with Jun.-Prof. Dr.-Ing. Kalman Graffi and his team in this new BMWi project aims to create an advanced level of independence, security and reliability for PowerFolder customers.

More info on <https://www.powerfolder.com>

## About Avangate

Avangate is the modern Digital Commerce provider that enables the New Services Economy, helping Software, SaaS and Online Services companies sell their products and services via any channel, acquire customers across touchpoints, increase retention, leverage smarter payments, experiment on the fly and optimize their business in order to increase overall revenue. Avangate’s clients include ABBYY, Absolute, Bitdefender, Brocade, FICO, HP Software, Kaspersky, Metaio, Telestream and many more companies across the globe.

Learn more about how Avangate can help your business at [www.avangate.com](http://www.avangate.com)



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