Data#3

ADELAIDE **FESTIVAL** CENTRE

Adelaide Festival Centre's 50% Reduction in Azure Costs Allows More Community Investment

A Data#3 Cloud Customer Story

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ABOUT ADELAIDE FESTIVAL CENTRE

Since it was established in 1973, Adelaide Festival Centre has gained a reputation as one of the nation's premier entertainment venues. Its more than one million visitors each year enjoy a diverse range of festivals, theatre, music, dance and exhibitions. The centre also operates a number of community programs that offer youngsters from disadvantaged schools their first taste of the theatre.

OBJECTIVE

Adelaide Festival Centre had little visibility of its environment, and sought a managed service provider it could confidently expect to monitor its IT ecosystem effectively.

FUN FACT

Through 2024, nearly all legacy applications migrated to public cloud infrastructure as a service (IaaS) will require optimization to become more cost-effective.

Gartner (2020). 4 Trends Impacting Cloud Adoption in 2020. [Online] Available at: https://www.gartner.com/smarterwithgartner/4-trends-impacting-cloud-adoption-in-2020/

COMMENTS

Data#3 was very clear about what would be delivered, they clearly have good systems and processes in place, they were professional and polished – we weren't going to be the first customer they had done this work for.

Christine Dunthorne, Manager for Finance and Business Support, Adelaide Festival Centre.

APPROACH

With cloud costs steadily rising and a lack of adequate monitoring, Adelaide Festival Centre made the decision to seek a new managed services partner at the end of its existing contract.
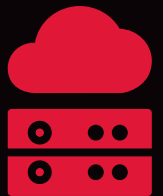
BENEFITS

- 50% reduction in Azure costs
- Increased stability and availability of IT services
- Greater visibility and understanding of IT issues that affected the business
- Knowledge share that gives Adelaide Festival Centre IT team increased learning opportunities

TECHNOLOGY

Microsoft Azure

The Background

Since it was established in 1973, Adelaide Festival Centre has gained a reputation as one of the nation's premier entertainment venues. Its more than one million visitors each year enjoy a diverse range of festivals, theatre, music, dance and exhibitions. The centre also operates a number of community programs that offer youngsters from disadvantaged schools their first taste of the theatre.

Adelaide Festival Centre's small IT department supports a range of activities, from administration and back office to ticketing and providing technology services to exhibitions and shows. A strategic decision was made to use a managed service provider (MSP) to assist with day-to-day activities. However, with cloud costs rising, it was time to find a partner with the right experience to manage their shifting technology needs.

The team carefully reviewed its requirements and issued a tender that included requests for superior monitoring capabilities as well as the ability to reduce cloud costs by 20%. Respondents were scored against the issued criteria, and Data#3 was assessed to be the best partner to help meet the centre's needs.

The Challenge

Adelaide Festival Centre has worked hard to build its reputation as a world-class arts centre, always ready to seek new and exciting ways to entertain the local community and the many visitors it attracts to South Australia. Staying ahead depends increasingly on strong technology provision, and the centre's IT team plays a key role in bringing the arts centre's vision to life. Every facet of the business, said Adelaide Festival Centre Manager for Finance and Business Support, Christine Dunthorne, is affected by the IT decisions that are made.

"We are potentially a 24/7 business, we sell tickets online, and operate a number of food and beverage outlets that must be connected to process payments."

The centre had made the decision to work with a managed service provider for the underlying IT environment, so that its in-house team could concentrate on managing projects aimed at progressing the business. Initially, this worked well, but as IT needs grew, some challenges arose.

"With so many events on, it's a lot of pressure for our small IT team to keep up with the demand. All of our promoters have strict specifications for their shows which can include upgrading equipment, so it's imperative that our IT team can be available as required," explained Dunthorne.

"The less our service provider could do for us, the more the team internally had to do to keep business moving."

Dunthorne was quick to add that, in part, the difficulties stemmed from the centre's initial approach when seeking out the previous service provider. The incumbent was not subjected to the 'rigorous procurement process' that was later employed when it selected Data#3 and, at a distance, it was hard to build a partner relationship.

"One of the main issues was that they weren't local – everything we had to do was from a distance, which caused challenges. We had no face to face relationship," said Dunthorne.

"They had a high turnover out of Sydney, so even if we were dealing with a tech person who was really good, and started to understand the environment, two or three months later they were gone, and you were starting over. There were constant changes in personnel."

The difficulties escalated after Adelaide Festival Centre transitioned much of its environment to the cloud, in a move that was aimed at increasing flexibility and making costs predictable. Costs rose faster than anticipated.

"Another reason to change providers was that our costs were creeping up: over 18 months, increasing by 20% a month in Microsoft Azure costs. Moving to the cloud was meant to be cheaper for us, but I couldn't see any of that," outlined Dunthorne.

The centre identified a lack of visibility and poorly monitored environment as a particular problem, something made more difficult by the distance from the incumbent service provider. The small IT team, already busy, found itself taking on extra tasks, which created a heavy workload.

"We were monitoring whether they were monitoring our systems. Sometimes we picked up issues that they hadn't picked up, and we were having to tell them there was an issue. It was impacting our business," said Dunthorne.

"We don't want to spend 30 per cent of our time managing a contract, it is just not feasible. It needs to be ticking along on its own – we had to release the burden on the team."

Business Outcome

Taking on board the lessons of the previous managed services contract, Dunthorne interviewed people from IT and other key business areas over the course of six months in order to get a distinct view of what was needed. Then, it was time to define the ideal fit.

"We leveraged a specialist to help put us put the tender together, and in the process, we got better at knowing what we were after. We had to be clear about what would fit, and we had to start thinking more strategically about IT," said Dunthorne.

"Data#3 was very clear about what would be delivered, they clearly have good systems and processes in place, they were professional and polished – we weren't going to be the first customer they had done this work for."

Cloud expenditure had been a key consideration for Adelaide Festival Centre. As a not-for-profit organisation with 30 per cent government funding, every cent must be carefully spent to provide the best return for the community. In the tender that was issued, respondents were challenged to demonstrate a minimum of 20 per cent savings on Microsoft Azure costs.

"Data#3 told us they could provide greater savings, potentially up to 70 per cent, depending on how many of their recommendations were taken on board," described Dunthorne, who accepted most recommendations.

"We weren't well set up in the cloud, and when they did a health check, they managed to achieve a 50 per cent cost reduction."

Any savings that are made operationally by the IT team enable the centre to increase funding in other projects, such as its community outreach projects. In particular, Dunthorne is passionate about their activities that introduce youngsters to the theatre.

"The more we spend on infrastructure, the less we have to provide programs for the public. We have an education program for teachers, we fund disadvantaged schoolchildren to attend the theatre for their first time, sometimes providing transport from remote areas."

In addition to local community programs, Adelaide Festival Centre works to attract the best international shows, such as Disney's Aladdin and Billy Elliott the Musical. These high-profile productions often have special ticketing and performance requirements, and the availability of the IT team is essential to provide the necessary support. In turn, the team needs its IT environment to be managed and monitored efficiently with minimal intervention.

"We now have very defined service levels, which makes it easy to manage the agreement. Previously it wasn't well documented. Part of our problem had been contract management, part was the distance from the service provider," said Dunthorne.

"As soon as we changed to Data#3, my staff were more willing to try new things. I rely heavily on my staff to advise me if there's a problem with a supplier, and they are no longer in my office every three minutes."

Dunthorne credits much of this new-found confidence to having a locally based managed services team that is supported by a national and international team of experts. Adelaide Festival Centre has developed a strong relationship with Data#3's South Australian-based engineers and account manager and sees the venture as a 'partnership' that creates an extended team. Visits from a Data#3 senior executive helped cement the affiliation.

As part of their requirements, Dunthorne included in the issued tender that the new managed service partner should aid strategic planning and include some training opportunities for her small IT team.

"I wanted to feel like it doubled the size of my team and saw it as an opportunity for extra training. We are invited to lunch and learns at Data#3's workplace, we had this built into our agreement," described Dunthorne.

"The actual work to achieve the Microsoft Azure savings was done by my team, they felt more confident doing it because they had a good managed service provider in the background to support them."

The handover process was extremely smooth, with a special team brought in to ensure that work was completed before the next contract renewal was due with the incumbent. Dunthorne is now confident that their IT environment is well monitored, so that potential issues are flagged well before they become problematic, leading to greater stability.

"We can see what's happening – our system now gives us good visibility of what jobs are outstanding. We can see when the Data#3 team makes notes on the system, we can look where they're at, it works well," said Dunthorne.

Conclusion

Adelaide Festival Centre's IT team learned from the limitations of their remote managed service contract that face-to-face contact and a better cultural fit would benefit them. Dunthorne's advice is to be clear about what is needed from a service provider, and to seek strategic advice as well as day-to-day support.

"We had it written into our contract that our service provider needs to be providing advice on what direction we should take; it is not just about keeping stable, it is also about looking for opportunities. Our managed service provider is out in the wider world, keeping on top of what's new in IT," said Dunthorne.

"We are a unique business, South Australia's premier performing arts venue, and Data#3 made an effort to understand what we do."

Dunthorne cites communication as Data#3's greatest strength, with 'nobody left in the dark, a massive plus'. With the help of Data#3, the team is not yet finished with seeking savings on its cloud costs.

"We are happy with the level of savings we achieved, but we haven't finished yet, we can now identify further potential savings," she concluded.

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