

Coverage Initiation: Augmentt launches to help MSPs handle SaaS sprawl for clients

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Introduction

Security continues to be a challenge for SMBs, and managed service providers are seeking offerings to help guide customers through their most common pain points, including 'shadow' IT. Canadian startup Augmentt has launched a platform that supports MSPs as they help customers understand the SaaS applications in use and whether they comply with internal policy, and offers action items that enhance the security posture at a customer's organization.

The 451 Take

SMBs are already accustomed to buying SaaS from MSPs (see figure below), but employees often may continue to purchase SaaS applications directly from vendors to address a business need quickly without going through the typical procurement channels. This introduces shadow IT, where employees are using SaaS applications that may not meet security policies at an organization, an issue that is exacerbated by employees working remotely as a result of the pandemic. Augmentt's platform is complementary to existing and familiar platforms for MSPs, which should help it gain the channel buy-in it needs to be successful, particularly as MSPs are spoiled for choice when selecting security providers.

Context

Augmentt was launched earlier this year by Gavin Garbutt and Derik Belair, cofounders and leaders of N-able Technologies, which was acquired by SolarWinds in 2013 for \$120m. Based in Ottawa, the vendor offers a platform that aims to help MSPs with an existing security practice manage SaaS application discovery, usage and spending via its modules that integrate with a customer's existing environment. Augmentt has 19 fulltime employees that work remotely and engages with contractors where needed. It expects to have roughly 35 employees near the end of 2021. The privately held company does not disclose revenue.

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Services

Built using AWS serverless architecture, Augmentt's platform is currently comprised of two modules: Augmentt Discover and Augmentt Optimize. Augmentt Discover is a SaaS and shadow IT discovery and reporting module, while Augmentt Optimize is a SaaS usage and spend-tracking module. The firm is currently running a third module, Augmentt Manage, in beta that offers centralized SaaS administration, management and automation.

MSPs deploy Discover first to understand which applications its customers are using, and then Optimize allows MSPs to see who is using the applications and whether they are approved, as well as any duplication of SaaS licenses. In addition, once the initial discovery is done, monitoring can be set up to offer specific action items to the customer. These prompts encourage the MSP to establish a proactive relationship with the customer where they can help update policies, track usage of applications, and create awareness of potential security threats on an ongoing basis.

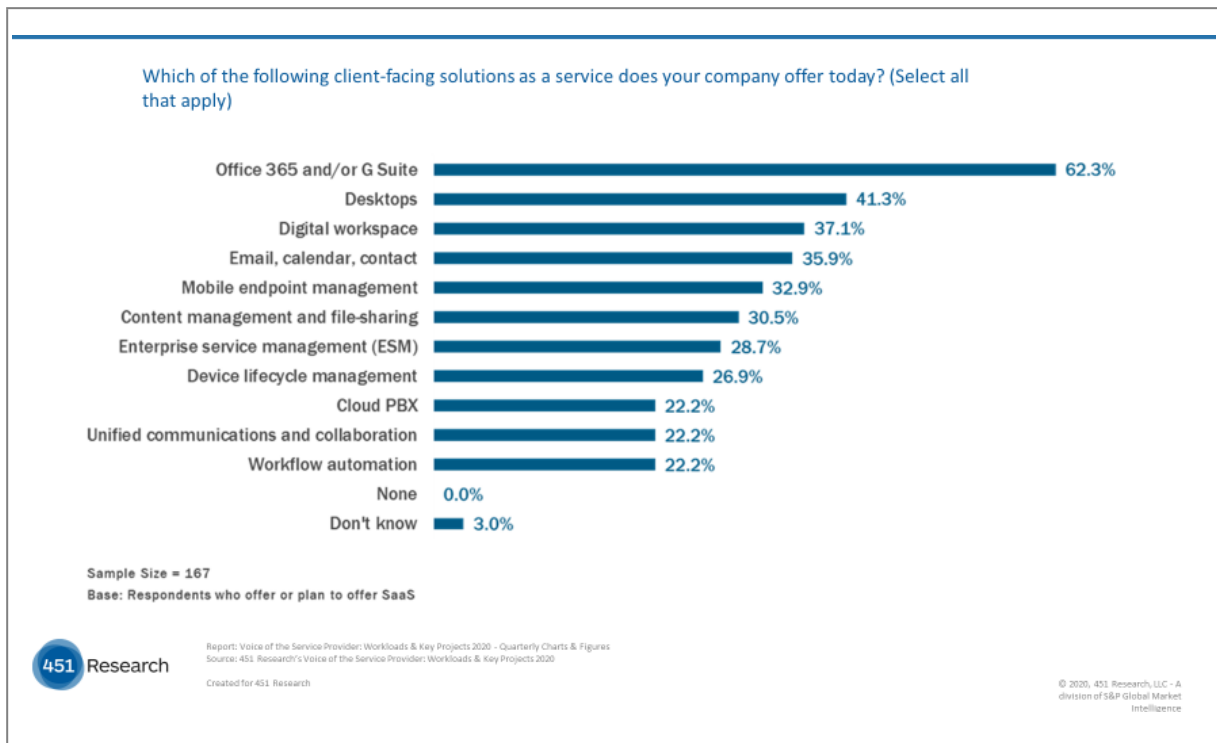
The modules are meant to integrate with a customer's existing environment and leverage DNS data that may otherwise be unactionable. Augmentt says most customers have a centralized way of gathering information about web usage – for example, a DNS service like Cisco Umbrella or Webroot – and its platform can tap into that data and compare it with 22,000 known applications. By tying the data from the DNS to the customer's financial system, Augmentt can help the MSP identify which applications are approved, determine how much the licenses cost, and pinpoint any potential waste. MSPs can integrate the modules into their remote monitoring and management (RMM) or professional services automation (PSA) software.

In addition, Augmentt can do low-touch data collection where it will connect directly to an in-house system and either pull or push data out of that system. For example, a customer can schedule a push on a pre-made schedule and the Augmentt platform waits to receive it. Customers can also add a browser extension that tracks which applications are being deployed by employees, but ultimately it is up to the customer to determine the granularity of the data collection and whether this data is anonymized.

Strategy

MSPs are uniquely positioned to help customers understand how SaaS applications fit within existing security policies and technology stacks, and many already provide SaaS security offerings (see figure below). However, Augmentt notes that SMBs continue to work directly with SaaS vendors. It is easy to buy cloud-based software this way, but therein lies the problem: If employees and line-of-business owners bypass IT approval and purchase SaaS applications, they circumvent company policies and may unknowingly expose the company to risk.

MSPs Provide a Range of SaaS Security Offerings



Source: 451 Research's Voice of the Service Provider: Workloads & Key Projects 2020

The startup targets MSPs that have already embraced cloud services and have between 50-100 customers with 50-500 seats. These MSPs also have a strong understanding of customer purchasing habits six to 12 months out. Augmentt is focusing on the North American market, but has seen interest from service providers in Europe, Australia, New Zealand and South Africa.

Pricing

The vendor offers a free, fully functional trial for MSPs and customers to test out its services. Discover is licensed on a per-customer basis and is available in Essential or Premium package tiers. The essential package allows one log file upload per month, while the premium tier includes a daily log file upload. Optimize is licensed on a per-seat basis, with the core difference between Essential and Premium being that the Premium tier includes automation. Some MSPs can qualify for the freemium model, and MSPs can save with annual terms.

Competition

Augmentt acknowledges that it is not alone in trying to address service management for MSPs, competing with Pax8 and Sherweb, as well as with PSA software that MSPs can leverage to track the SaaS applications being used by employees. PSA software providers include Atera, Kaseya, ConnectWise, SolarWinds, AutoTask and HaloPSA, although Augmentt can be integrated into an MSP's existing RMM or PSA system as a complementary tool with which these firms could develop similar capabilities. There are also security vendors that target shadow IT, including CloudGuard and Palo Alto Networks with Prisma. While Augmentt is targeting MSPs, players that are addressing this problem for enterprises include Flexera, ServiceNow and BetterCloud.

SWOT Analysis

Strengths	Weaknesses
<p>Augmentt's founders have a strong background and understanding of the unique challenges faced by MSPs today, particularly as demand for security help continues to grow.</p>	<p>The strategy of positioning automation in the startup's Optimize tool as a premium feature is sure to raise questions from cloud-savvy MSPs that embrace automation in other processes and increasingly consider it a must-have functionality.</p>
Opportunities	Threats
<p>Extending its integrations and partnerships should help demonstrate the value of MSPs adding Augmentt to complement other security offerings.</p>	<p>Rivals with deeper pockets could develop similar capabilities, such as PSA and RMM software providers that could use R&D budgets to add native features.</p>

Source: 451 Research, LLC