

Zvonimir Gembec on Sysbee performance Q3 2019: “We focused on some upselling, upgrades and cross-selling with our clientele.”

Milan, 21 November 2019. Web hosting is growing at an annual speed of 15,5%, with the managed hosting being the biggest contributor to that figure. It is considered to be the fastest-growing segment of the industry, with the annual growth rate of 18,7%, according to [Hosting Tribunal](#).

One of the innovative young companies operating in the managed hosting market is Sysbee. Today, we spoke with the CEO of Sysbee, Zvonimir Gembec. He told us about the challenges his company faces on a daily basis and how they manage to overcome those.

Mr Gembec spoke about the Q3 of 2019, the company’s current standing, and their plans for the upcoming months.

How did the third quarter of 2019 go for Sysbee?

Zvonimir Gembec: “In the third quarter, our operations were running steady. No major problems or surprises were encountered. That being said, we have not had significant growth in the 3rd quarter. We focused on some upselling, upgrades and cross-selling with our clientele, but nothing major in terms of growth impact. Overall, the third quarter could be considered as a flat line in terms of performance.

We definitely need to do something about it in terms of strategy and I will cover those in the upcoming points. We continued to focus on the projects that we were working on in the second quarter in the third quarter as well. We had spoken about some marketing activities from over a couple of months ago, which we expected would help drive growth, but it has not really produced the results we expected.”

Earlier this summer, you had an addition to your company - a new sysadmin. I believe now the transition process is done. How is he performing? Did the new sysadmin improve operations in the company?

Zvonimir Gembec: “He is an asset now. He is getting an increasing amount of tasks and responsibilities and it is going well so far, but it takes some time to ramp up fully.

He has not taken over the sysadmin shift just yet, but we are getting there. He has turned out to be very helpful. It is not really that it takes time to get to know the work, but rather to actually fit into the workforce efficiently to improve operations. It is just a learning curve. Even if you get a Senior Sysadmin, it is impossible that he will take up responsibilities the next day and it will take him time to get used to the environment here.”

Tell me about your marketing activities – last time we spoke you mentioned you could not decide on the marketing agency. How did it progress during the Q3?

Zvonimir Gembec: “As I said earlier, Q3 was pretty much a flat line with no significant results or progress. I am pretty unsatisfied with how things are currently progressing in terms of growth. I think growth was very slow. Based on this progress, we decided that we would need to change something at the beginning of October.

By the end of October, we had started a new wave of initiatives such as a further focus on marketing. We recently struck a deal with a new agency to assist us with marketing operations and activities. For the last month or so, things have started to pick up and move. We are working on things like explainer videos to build engagement.

We will also attend some education workshops on the topics of market expansion and will also participate in some local conferences and developer conferences. Moreover, we are planning to have a Sysbee event in December - that is our local meetup here.

We are also planning on attending some thematic conferences abroad – some Magento specialized conferences. That being said, nothing is written in stone yet. Overall, a lot of activity lately.”

How are things with the new Magento Managed Product? During our last conversation, you were almost on the finishing line for this product.

Zvonimir Gembec: “It was quite a bumpy road and took much more time than we anticipated, especially because we did not have enough resources available to do this full time. It always ended up being the last thing we did and this is one of the things I was not happy about.

We are launching Magento Enterprise Hosting together with a Gitlab managed hosting product. It is supposed to launch today or probably tomorrow. If you remember, a year ago we were working on a product for developers and this Gitlab managed product is a part of it i.e. we removed some features and made this a standalone product on its own.

There will be a new product, Managed Sentry, that may be released in the following months. Essentially, Gitlab Managed Product and Managed Sentry make up together the product we were trying to push last year aimed at developers. We are reshaping it.”

What can we expect from Sysbee in the coming months?

Zvonimir Gembec: “In December, we will mainly concentrate on sales and marketing activities in the efforts of pushing our new products to the market. We will measure and see what is working and what is not working and adjust our approach accordingly.”



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