ULTIMATE BUYER'S GUIDE:

Managed File Transfer

Version 2.2

Thru.

Data is the lifeblood of digital transformation, flowing between internal processes and external ecosystems at the speed of business.

Data Exchange in the Era of Digital Transformation
IDC

Introduction

Because of the significance of file-based data within digital transformations, the channels used to securely exchange data have become strategic components of many modern enterprise architectures. One of the most important channels to pass file-based data through is the managed file transfer (MFT) system.

Nearly all business processes require a file transfer component to manage the exchange of file data submitted to or generated by applications. As the volume of file transfers increases and more systems move to the cloud, it becomes more challenging to configure, secure, integrate and track file transfer processes across multiple endpoints.

A managed file transfer platform can help companies solve these challenges by providing a solution for automating secure file transfers and improving controls and visibility. When using a cloud-first strategy to modernize your B2B infrastructure, include a cloud-native MFT platform that will support your business growth and your digital innovations.

This document highlights the essential MFT solution elements to consider as you evaluate options to modernize your B2B architecture for optimized business outcomes.

Contents

WHAT IS

Managed File Transfer?

Managed file transfer (MFT) is a technology that secures and simplifies the process of exchanging files internally or externally. Standalone MFT software first surfaced in the early 2000s as a solution to centrally manage file transfer activities across file transfer endpoints over numerous protocols.

Today's MFT solutions include both ***ad hoc file sharing*** and ***file transfer automation*** to provide reliable secure file transfers between people, applications, businesses and systems. Common features include

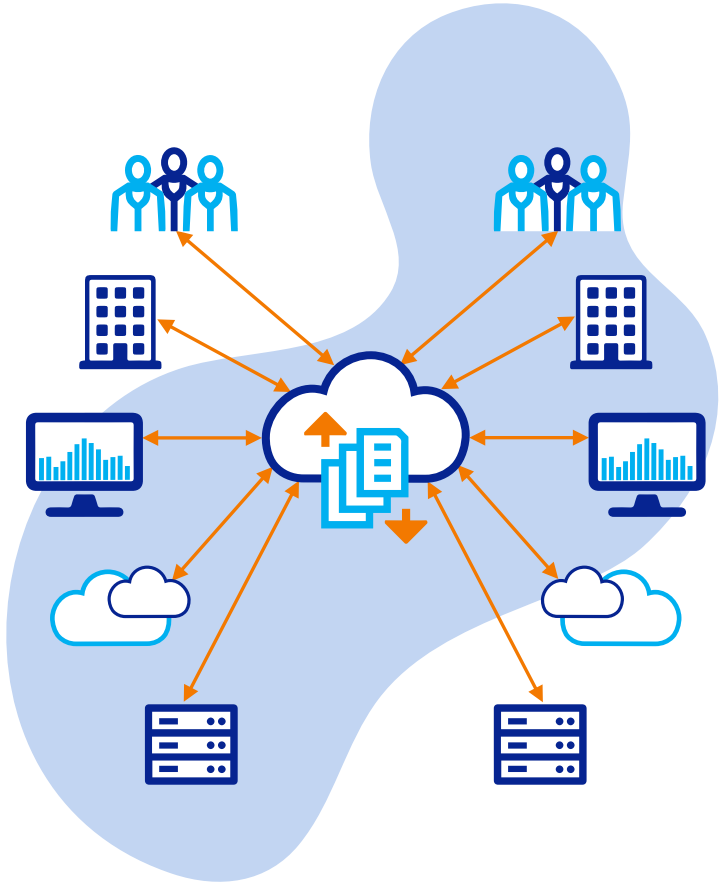
- Tracking, logging and auditability
- High-throughput data transfer
- File transfer resume after interruption
- Security such as authentication and encryption

Ad Hoc File Sharing

Ad hoc file sharing is the manual transfer of digital files from person to person through email, instant messaging or file sharing apps. Enterprise-level ad hoc MFT solutions enable employees to email large files and add advanced security features such as encryption, tracking of every action, download expiration and notifications.

File Transfer Automation

In automated MFT, initiation of file transfers is usually based on a schedule, API-driven events or via file watchers that monitor a file system. An automated solution is commonly used when there is a need to programmatically manage several hundreds, thousands or millions of file transfers a month.



WHERE MFT FITS INTO A

Modern Enterprise Architecture

Since B2B systems have evolved drastically since the early 2000s, best-of-breed cloud applications are now the norm. Companies are moving integrations away from on-premises enterprise service buses (ESBs) to cloud-based **integration platforms as a service (iPaaS)** that are based on reusable APIs.

This push to the cloud is largely motivated by its inherit advantages:

- On-demand scalability
- Usage-based pricing
- Desire to reduce on-premises maintenance costs

However, this innovative technology environment presents new challenges as IT must now satisfy managed file transfer use cases consisting of both on-premises and cloud systems. To meet these new file transfer challenges, companies are deploying MFT in the cloud alongside an integration solution such as an iPaaS, resulting in a hybrid architecture providing seamless integration between disparate cloud, on-premises and hybrid enterprise software and services.

Although most B2B and MFT software is still deployed in the datacenter, deployment on cloud infrastructure-as-a-service isn't far behind.

Data Exchange in the Era of Digital Transformation
IDC

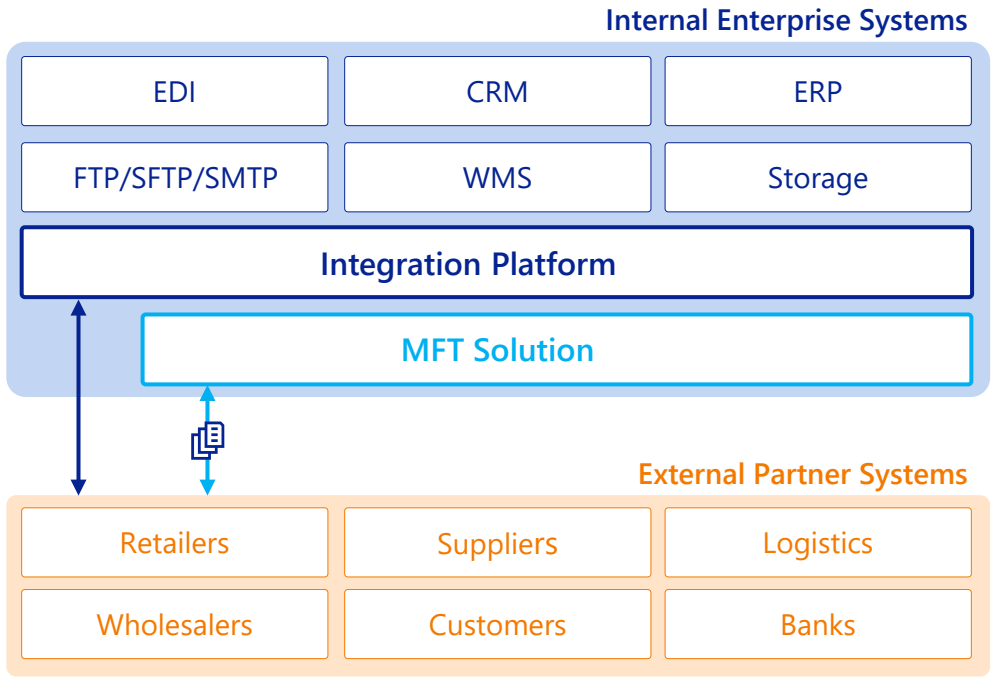
EXAMPLE:

MFT & iPaaS in a Modern Enterprise Architecture

An MFT solution and an integration platform are used together to connect a company's internal systems—such as enterprise resource planning (ERP), customer resource management (CRM), etc.—with its external partner systems.

Leading iPaaS services are cloud-native platforms designed for API-based integration. It is beneficial for an organization to select an MFT solution built on a modern cloud platform with extensive APIs that can be part of existing integration strategies.

Ideally, the MFT solution offers out-of-the-box integration with a variety of integration platforms to be able to easily meet modern use cases. However, not all MFT systems can integrate out-of-the-box with iPaaS. This should be one of the top pre-selection considerations if your company is using an integration platform.



Benefits of Modern MFT

Protect Business Data	Protect against data breaches and meet compliance requirements with the ability to encrypt files in transit and at rest.
Scale On-Demand	Replace on-premises software with cloud subscription license model that is pay-as-you-go, saving on maintenance, hardware and scaling expenses.
Simplify Integration	Streamline integrations and partner onboarding with out-of-the-box connectors to third-party applications that greatly reduce time spent writing custom-coded scripts.
Increase Efficiency of Business Processes	Automate file transfers to increase efficiency for business processes by replacing manual file transfers with scheduled workflows.
Governance & Visibility	Keep detailed records of file movements and govern user access with auditing and authentication controls.
Meet Service Level Agreements (SLA)	Help meet strict SLAs with MFT features that ensure the guaranteed delivery of data such as the auto-retry of transfers if connections break.

File Transfer Patterns

When searching for an MFT solution, it is important to understand the basic file transfer use cases / patterns your company requires so you know what to look for in the MFT marketplace.

Frequently, companies using MFT solutions are automating the same file exchange types between multiple lines of business and partners. MFT should provide file transfer workflows that reduce the number of point-to-point connections, resulting in reduction of the number of workflows.

Automation Example

Previously, a company with 200 wholesalers had to create a workflow for each wholesaler for the same file transfer type (e.g., standard EDI purchase orders and invoicing). With the right MFT solution, the company creates a single workflow process to which multiple organizations are added / subscribed. The MFT solution also supports sending files to specific workflow participants based on custom file parameters.

The following sections describe four standard patterns →

4 Standard Patterns To Meet Modern MFT Requirements

A One-to-Many & Many-to-One

B Set File Prefixes for Private File Exchanges

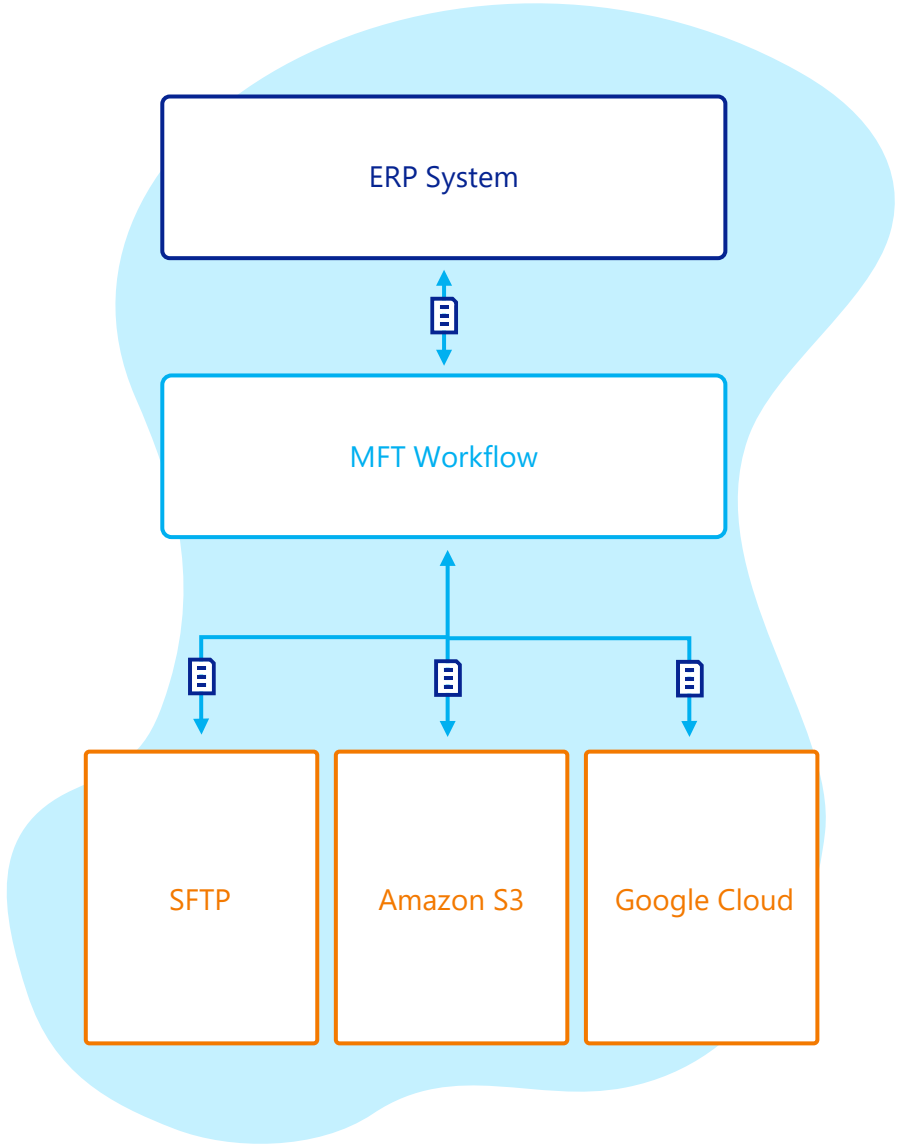
C Connect MFT Workflows with iPaaS Systems

D Manual Uploading & Downloading of Files by Users

FILE TRANSFER PATTERN A:

One-to-Many & Many-to-One

Companies with multiple partners should be able to create an MFT workflow that can distribute a single file sent by the company to multiple partners and likewise be able to receive files from many partners and send to a single enterprise system.



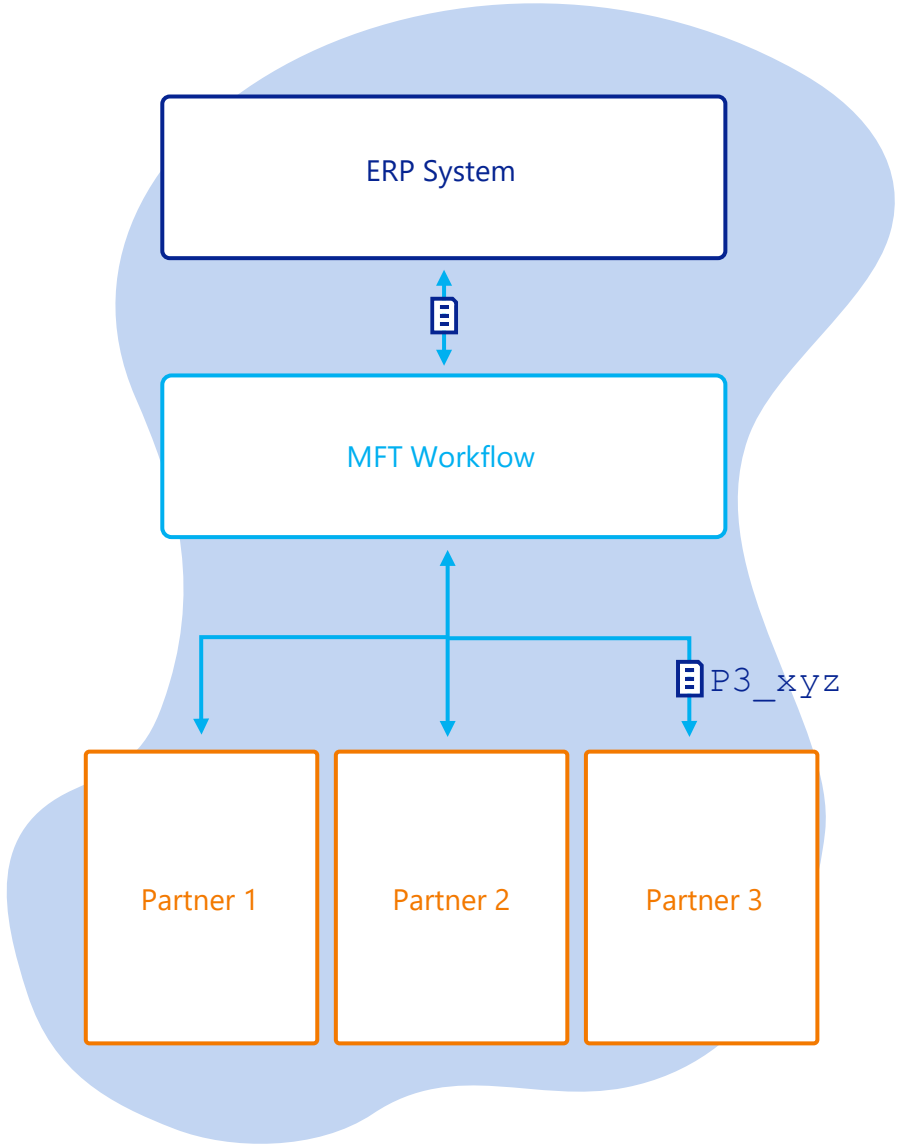
FILE TRANSFER PATTERN B:

Set File Prefixes for Private File Exchanges

Companies should be able to send files to specific partners when needed based on custom file prefixes.

Example

A company adds a rule to an MFT workflow where files with the prefix "P3_" are sent only to Partner 3 systems.

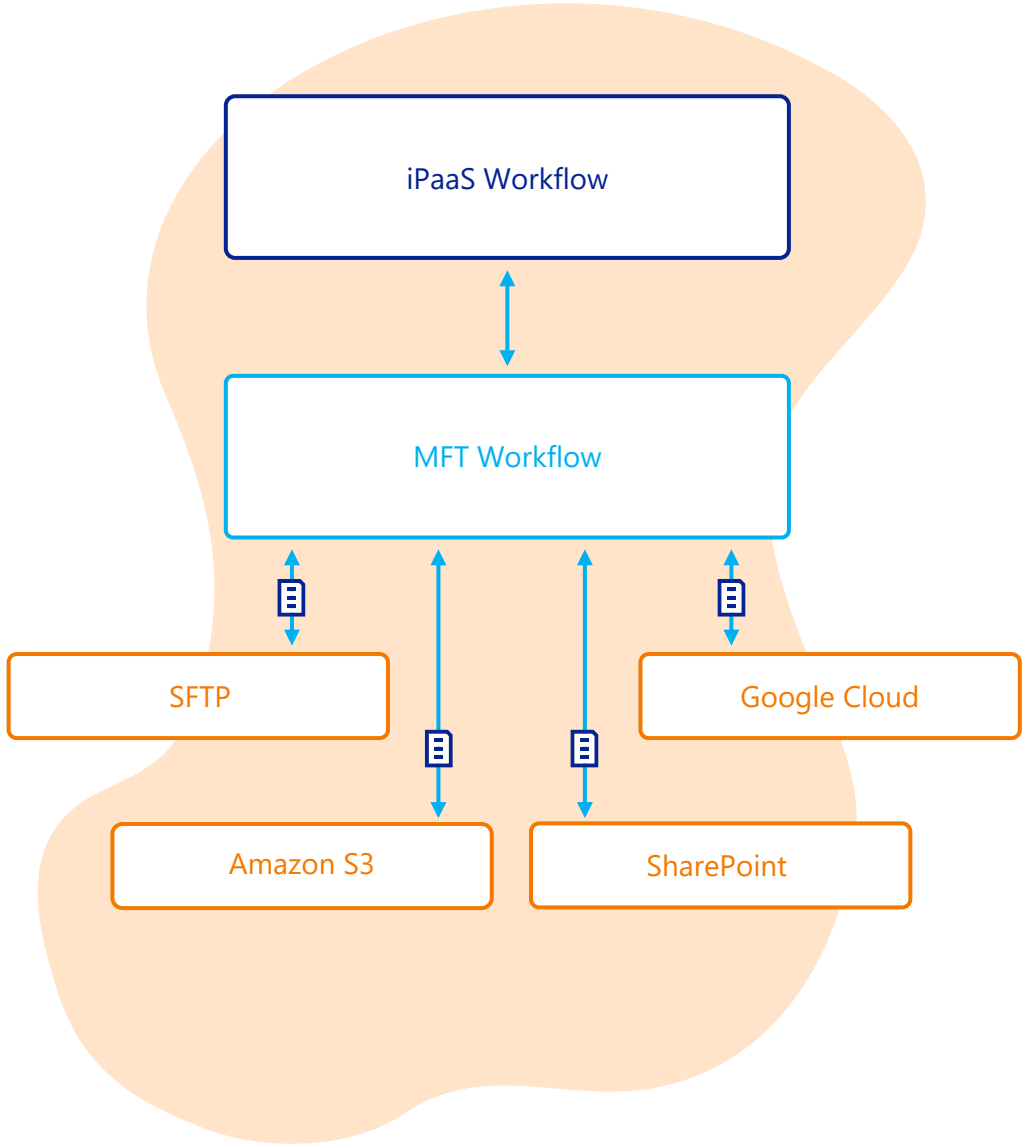


FILE TRANSFER PATTERN C:

Connect MFT Workflows with iPaaS Systems

If a company needs to connect an MFT solution with an iPaaS solution, the MFT should have settings within its system to connect MFT workflows to iPaaS workflows instead of requiring extensive coding.

Connecting MFT to iPaaS should be done via an out-of-the-box connector within the iPaaS or using APIs of the MFT.

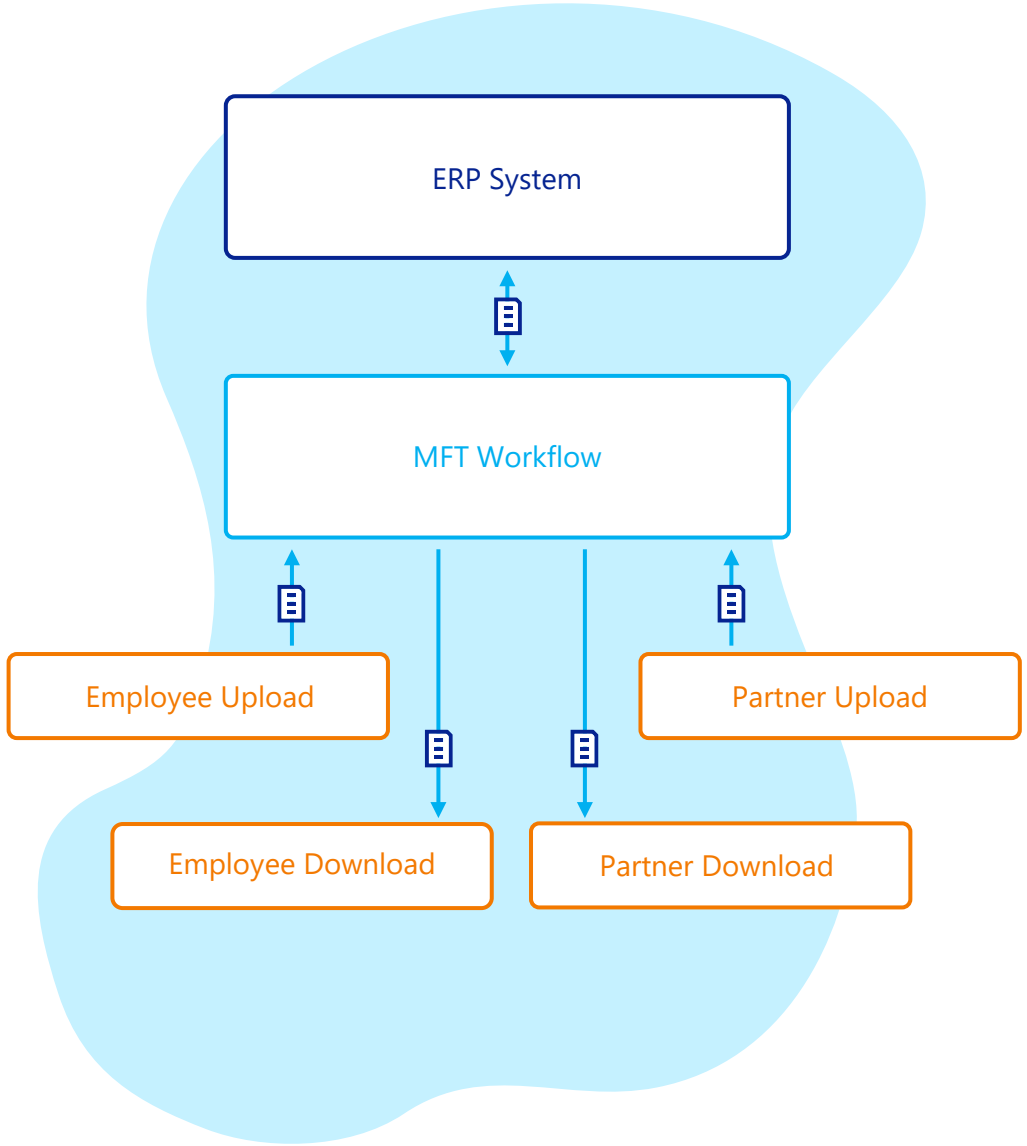


FILE TRANSFER PATTERN D:

Manual Uploading & Downloading Files

While MFT typically consists of system-to-system file transfers, there are use cases that require users to manually upload or download files directly from the MFT interface rather than a third-party interface such as an SFTP folder.

An MFT system should provide the ability for users to log in to a web interface to simply drop off or pick up files from different MFT workflows.



Top Features Priority Checklist

Category - Feature	Critical	Medium	Low
Security & Authentication			
Encryption (In Transit & At Rest)			
Antivirus Scanning			
Auditing of Activity			
Multi-Factor Authentication (MFA)			
Single Sign On (SSO)			
Integration			
iPaaS Connectors			
Support for Various Protocols & Apps (E.g., SFTP, FTPS, AS2, Amazon S3)			
APIs for Custom Integrations			
End-User Features			
No-Code Workflow Creation and Scheduling			
Dashboards with Activity Reporting			
Alerts via Email and Text Message			
Partner Self-Management			
User Upload / Download			

Current State Identification Questionnaire

Technical Questions

How many external partners currently exchange files with your company?

Answer:

Where are the partners and lines of business located that are exchanging files? (Understand their transfer speed requirements.)

Answer:

What are the endpoints and protocols used? (e.g., SFTP, Amazon S3, FTPS, email, on-premises Windows or Linux servers)

Answer:

What is the estimated volume of transactions of all endpoints per year?

Answer:

How do partners currently connect with the company for file exchanges?

Answer:

What are the top business use cases? (e.g., sending POs to suppliers, receiving POs from customers)

Answer:

What solution is used today for file transfer? (e.g., legacy MFT, homegrown SFTP network, custom file transfer software, FTP servers)

Answer:

Challenges & Business Impact

What are the top challenges with the current file transfer solution?

Answer:

What are the main impacts of these challenges to business?

Answer:

Future State Requirements Checklist

(PART 1)

Requirements	Vendor 1	Vendor 2	Vendor 3
Security, Authentication & Compliance			
Provides single sign on (SSO) integration.			
Encrypts files in transit and at rest.			
Scans files for malware in transit and at rest.			
Data kept in specific geographies as required by partners or LOBs.			
Meets current and upcoming compliance requirements.			
System audits all file and user activity metadata.			
Integration			
Supports required file transfer patterns. (E.g., many-to-one, one-to-many and many-to-many, on-premises to on-premises, external to internal)			
Integrates with iPaaS vendors.			
Fully managed cloud service with no on-premises deployment.			
Supports all required file transfer protocols and endpoints. (E.g., SFTP, Amazon S3, FTPS, AS2).			
Exposes APIs for custom integrations and reporting activity metadata.			

Future State Requirements Checklist

(PART 2)

Requirements	Vendor 1	Vendor 2	Vendor 3
Administrator & User Features			
Provides an interface for partners and internal lines of business to self-manage endpoints and file pickup and drop-off schedules.			
File transfer workflows and activity centrally governed and managed.			
Does not require manual scripting to create MFT workflows.			
Offers the ability to edit or turn off file transfer endpoints without breaking MFT workflows.			
Can manually retry a file transfer with a "retry button."			
System automatically retries file transfers if connection errors occur.			
System automatically alerts users via email or SMS of errors.			
Renders dashboards to monitor and report file and user transfer activities.			
Web interface to manually upload or download files without a third-party FTP client.			
Retention policies for admins to choose what files to archive, retain and purge.			

Calculate ROI of MFT Solution

Outdated file transfer systems can be detrimental to business by putting important data at risk of cyberattack, slowing down efficiency with code-heavy integrations and consuming valuable IT resources to maintain expensive on-premises hardware and software. Finding the right MFT solution as a replacement can modernize various business processes and produce a substantial **return on investment (ROI)**.

The following sections highlight expenses that may be incurred with your current file transfer solution. Research and then supply your numbers to reach a better awareness and understanding of actual costs for your current configuration. This will allow you to make a more comprehensive and accurate comparison between it and a modern MFT solution. It is best to compare 3- or 5-year total spend when calculating ROI.

Categories to calculate ROI of each MFT vendor / solution →

1. Automated File Transfers
2. Manual File Transfers
3. File Transfer Failure & Redemption
4. Security & Compliance

CALCULATE ROI OF MFT SOLUTION

Current File Transfer Expenses

1. Automated File Transfers

Current expenses incurred when creating or modifying file transfer flows, connections or processes

Number of Automated File Transfers		Per Week
Number of File Transfer Scripts / Applications Modified		Per Week
Hours Required to Modify Script / Application		Per Week
Number of Scripted / Coded File Transfers Built		Per Week
Hours Required to Build a File Transfer Script / Application		Per Week
IT Resource Hourly Rate	$	Per Hour

Current File Transfer Expenses

2. Manual File Transfers

Current expenses incurred when spending time manually transferring files

Number of Manual File Transfers Executed		Per Week
Hours Required to Manually Transfer Each File		Per Week
IT Resource Hourly Rate	$	Per Hour

CALCULATE ROI OF MFT SOLUTION

Current File Transfer Expenses

3. File Transfer Failure & Redemption

Current expenses incurred when spending time troubleshooting file transfer failures

Percent of Failed File Transfers (3% Industry Average)		%
Hours Required to Troubleshoot and Remediate		Per Week
IT Resource Hourly Rate	$	Per Hour

Current File Transfer Expenses

4. Security & Compliance

Current expenses incurred when a data breach occurs

Number of Confidential Unencrypted Files Transferred by FTP	Per Week
Number of Confidential Unencrypted Files Transferred by Email	Per Week
Number of Confidential Unencrypted Files Transferred by Other Unsecure Protocols	Per Week
Average Number of Records in Each Confidential Unencrypted File Transferred by FTP, Email or other Unsecure Protocols	Per Week

Estimated Costs of a Data Breach

$3.92 Million

Global average cost of a data breach

25,272 Records

Average breach size

$150 Cost

Per breach record

THE GOOD NEWS:

A cloud-native MFT solution can cut file transfer expenses up to 35%

2019 Cost of a Data Breach Report
The Ponemon Institute/IBM Security

Thru.

A Modern MFT Solution with iPaaS Integration

A modern MFT solution to consider during your evaluation is Thru. Companies choose Thru when there is a strong need for instant scale, security of file transfers in the cloud and out-of-the-box integration with iPaaS solutions.

Thru provides

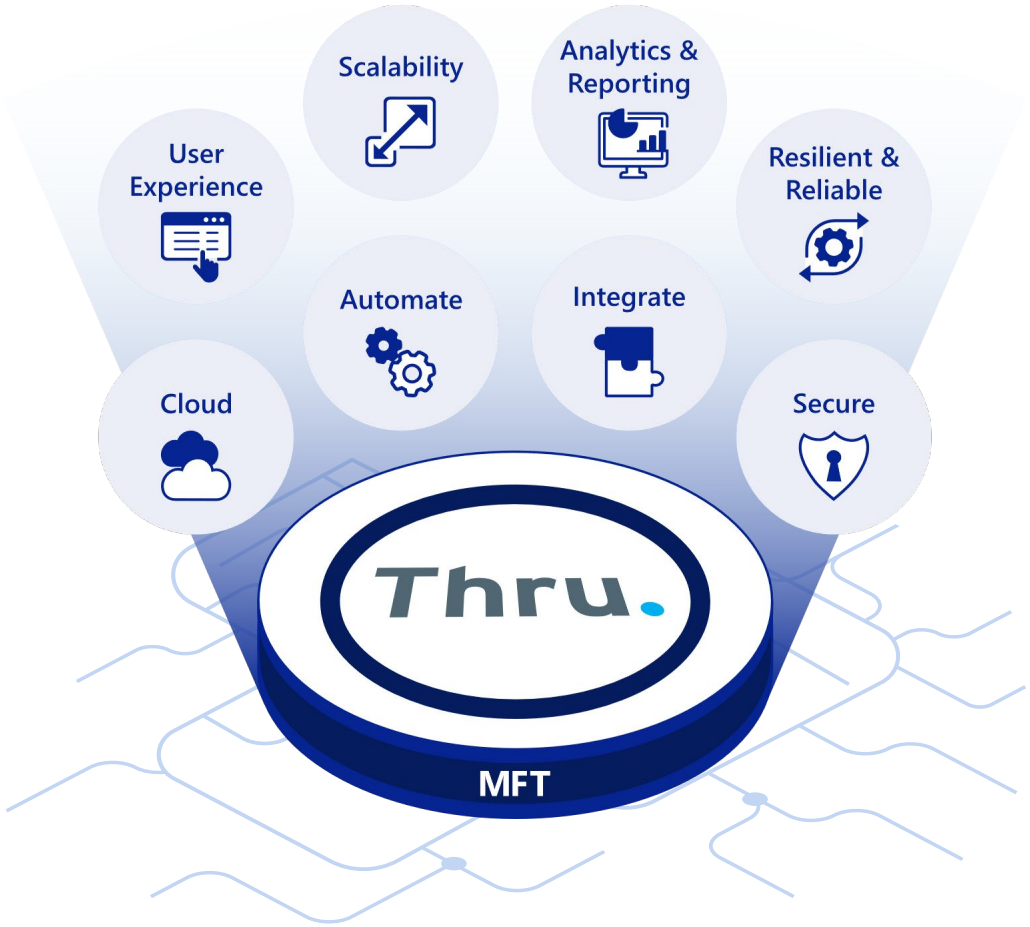
- A centralized platform to simplify secure file distribution for regulated industries.
- Guaranteed delivery of data.
- Tracking, logging and auditability of all metadata of activities.
- Reduced integration time with easy-to-use, no-code workflows.
- Usage-based pricing.

Top Features & Benefits	Thru	Other
Cloud-Based Deployment	✓	
Antivirus Scanning	✓	
TLS and AES 256-bit Encryption	✓	
Multi-Factor Authentication	✓	
Guaranteed Delivery with Fault Tolerance (E.g., Auto-Retry of Failed Transfers)	✓	
Auditing of Activity	✓	
Customize Integrations with APIs	✓	
No-Code Workflow Creation and Scheduling	✓	
Faster Integration with iPaaS Connectors	✓	
Supports Multiple Workflow Types (E.g., Many-to-One and One-to-Many)	✓	
Dashboards with Activity Reporting	✓	
Alert Users Via Email and Text Message	✓	
Partner Self-Management	✓	
User Upload/Download	✓	

Develop Your MFT Strategy with Thru.

Since 2002, Thru has offered market-first technologies designed to tackle the most demanding and complex file transfer challenges. Thru is a global leader and the only provider of cloud-native machine-to-machine MFT and person-to-person (ad hoc MFT) secure file exchange solutions.

To learn how Thru can streamline MFT for your business processes and partnerships,
continue to our Overview page »



Contact Thru.

DEMO	Schedule Consultation
WEBSITE	Contact Us
EMAIL	sales@thruinc.com
PHONE	+1 214 496 0100