

Distributor FAQ and Objection Handler

For the 2007 Microsoft Office system

Why should my customers upgrade to the 2007 release of Microsoft® Office?

A PC with Windows Vista™ Business and Microsoft Office Professional 2007 has the essential operating system and the productivity and contact management software to help your customers get work done quickly and more securely. Customers can enjoy breakthrough enhancements at every level, from a simplified user interface and powerful search capabilities to automated data backup, better protection against spam and spyware, and a single location for customer and contact information—whether they are in the office, at home, or on the go.

What do I need to begin selling licenses of 2007 Microsoft Office?

To get started selling licenses of the 2007 Microsoft Office system, you will first need to obtain the Microsoft Office Preinstallation Kit (also called the Microsoft Office OPK Master Kit). This kit includes a single master image for the business suites that converts to either Microsoft Office Basic 2007, Office Small Business 2007, Office Professional 2007, or a free 60-day trial of Office Professional 2007; it also includes a master image of Microsoft Office Home and Student 2007 (though there is no trial available for Microsoft Office Home and Student 2007).

Second, you must purchase SKU-specific Medialess License Kits, which customers will then purchase from you to unlock the preinstalled version of Microsoft Office on their PC (that is, Office Basic 2007, Office Small Business 2007, or Office Professional 2007).

Why is there a single business image for all the Microsoft Office business suites—isn't that just a large, more costly installation? How does it benefit me?

A primary goal for the single Microsoft Office business image is to empower the system builder channel with greater flexibility in how it sells Microsoft Office with a new PC. Recent Microsoft research shows that, in mature markets, about half of Small Business PCs that don't have Microsoft Office preinstalled have Microsoft Office installed within 60 days of purchase. Many small businesses actually buy the more expensive retail license within two weeks, while others install older versions of the Microsoft Office system.

With the single business image, system builders now have an opportunity to capture this missed revenue by providing their customers with a free 60-day trial of Office Professional 2007 on a new PC. System builders are then able to sell the Microsoft Office OEM medialess license to that customer post-PC purchase.

Microsoft research also shows that customers who purchased Microsoft Office preinstalled on a new PC were more satisfied with both their PC purchase decision and with their PC reseller/distributor. With a single

Microsoft Office business image for all our business SKUs, it's easier than ever for system builders to preinstall Microsoft Office on a new PC and provide a great out-of-the box experience for their customers.

My customers do not want a Microsoft Office Trial preinstalled on their PCs.

If you are unable to sell licenses of Microsoft Office at the point of sale, it's your decision whether or not to preinstall the single business image on your new PCs. However, many customers do want to try the latest version of Microsoft Office. Microsoft-commissioned research shows that most customers who decide not to purchase a license with their new PC would prefer to have a genuine trial of the latest version and then make a purchase decision. This leaves your customers more satisfied and provides you with a second opportunity to sell the medialess license for Microsoft Office.

Microsoft testing shows that preinstalling the single business image from the CD takes approximately four to five minutes. Using network deployment software, the image adds one to two minutes of deployment time.

If I preinstall the single business image and offer my customers a free trial, they can purchase the license online directly from Microsoft. How does this benefit me?

Microsoft will sell the Microsoft Office licenses online to satisfy those customers who have an immediate demand for the license. However, the price online from Microsoft will be much less competitive than what system builders can offer. The price direct from Microsoft will be similar to retail (Full Packaged Product) pricing, whereas system builders can still sell the more competitively priced OEM medialess licenses.

The "medialess" approach will create customer service problems for us later on. What happens when a PC drive crashes or has to be reformatted and our customers have no backup media?

Customers with the Microsoft 2007 Office system preinstalled have several options to receive backup media. They will be able to:

- Visit www.microsoft.com/office/backup to receive backup media directly from Microsoft
- Beginning in the first half of 2007, customers will be able to download a copy of their media from www.microsoft.com/office/backup
- Use the Windows Vista Business backup feature to create a system backup

In addition, a customer can return to their original reseller and request that the image be reinstalled.