

Enterprise support in the digital age

Mastering the balancing act of innovation
and operations



Empowering organizations
for what's next



// Our industry does not respect tradition—it only respects innovation. //

Satya Nadella

CEO, Microsoft




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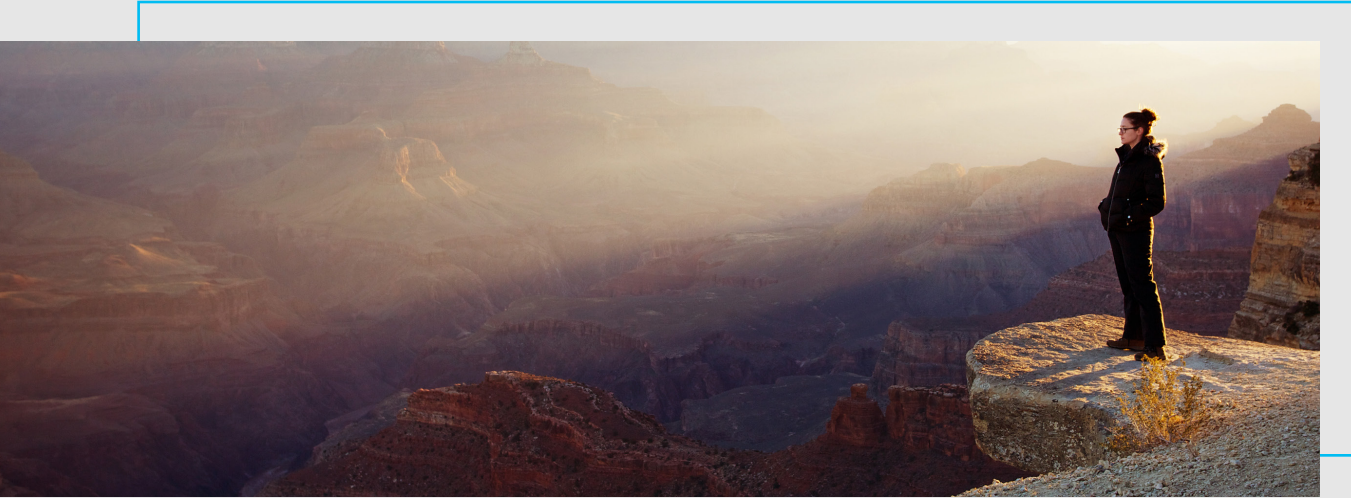
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Overlooking the digital horizon

Everyone needs confidence to take the first step to innovate and continue moving forward in an uncertain world.

For some, it's a safety net; for others, it's the promise of a better future. But for both, the only way to fail in today's world is to do nothing at all.

As you stand on the precipice of change and assess the opportunities that await your organization, it's clear the enormous potential is both inspiring and motivating—and perhaps a little daunting. Indeed, the world around us is changing at an ever-accelerating pace, spurred on by innovators and disrupters. Seemingly overnight, we've watched scrappy startups unseat (and sometimes outright destroy) flagship brands. There has been an endless stream of new market technologies, including the introduction of on-demand platforms and the API economy (think Uber and Airbnb).

Ubiquitous and constant enhancements have heralded the death of predictable, long-term hardware and software refresh cycles. High-performing, cloud-first organizations like Netflix deploy code thousands of times per day over the hundreds of services that comprise their production environments (Puppet, 2017).

The modern workplace further exemplifies how digital technologies such as machine learning and artificial intelligence (AI) are transforming employee experiences. For example, AI ingests data with such granularity that it can learn from employees' distinct interactions with data and can tailor their workplace needs based on that information. This, in turn, empowers employees to create amazing experiences for customers, and further improves product development and operations.

The nature of time as a constraint has fundamentally changed, introducing new business opportunities and challenges. Increased levels of organizational synchronicity are required to keep pace with innovation cycles that are now being measured in days or weeks instead of months or years. Success depends on the ability to quickly make the right business decisions that will enable continuous innovation and customer engagement, while also balancing the complexities of operational go-to-market motions.

TRENDS IN CUSTOMER SERVICE

Customer service will continue to invest in structured knowledge management and leverage communities to extend the reach of curated content. Service will become more ubiquitous via speech interfaces, devices with embedded knowledge, and wearables for service technicians.

Forrester, "Top Trends for Customer Service in 2017: Operations Become Smarter and More Strategic," 2017

// We are moving from a world where computing power was scarce to a place where it now is almost limitless, and where the true scarce commodity is increasingly human attention. //

Satya Nadella

CEO, Microsoft



Taking the long view



Time pervades all business decisions

Every day, companies are locked in a battle for consumer attention, a fight intensified by mobile technologies, which have dramatically shortened the window for customer engagement and reactivity. Moreover, in-person interactions continue to be replaced and redefined as the desire for more omnichannel, digitalized experiences increases.

To succeed in the new attention economy, organizations must quickly capture, maintain, and retain new and existing customers' attention. With the shift to the cloud and consumption-based billing, customer lifetime value (CLV) is one of the most important metrics a business can track. Revenue that was once recognized immediately is now annuitized over time, and the monetary impact of your acquisition and engagement activities extended. However, achieving higher CLV outpaces revenue from short-term gains and is considered a hallmark of successful customer engagement.

Continuously driving customer awareness, adoption, and consumption requires coordination and contribution across all aspects of a business—from the initial sales interaction to backend operational realization. Therefore, operations should prioritize initiatives that empower employees to deliver the right information to the right person at the right time to accomplish the desired customer outcome. Simply put, operations must focus on enabling organizations to build new customer relationships while maximizing the value of existing ones.



The time value of operations

Modern consumers require businesses to be fast, agile, and flexible. New market activities are constantly updating with advanced features, integrations, and product offerings. More than ever, businesses depend on operations to quickly capitalize on these launches and trends.

Again, it comes back to time—specifically, reaction time. Quickly and sufficiently meeting the demands of modern consumers requires a high degree of operational complexity and agility, more specialization, and therefore greater synchronicity across your operations. Reaction time is critical to jumping on trends before they are passé, keeping you from being viewed as a laughable laggard. For example, companies still trying to ride the wave of Pokémon Go more than a year after the height of the app's popularity look about as contemporary as a dial-up connection.

Achieving customer engagement while maintaining technical and operational integrity is imperative for today's businesses, because speed to market is the difference between riding the wave and missing the boat.



(Up)time is all that matters

If time is money, its current inflation rate is astronomical. Operational productivity is now measured in shrinking increments, as exemplified by leading cloud services, which are monetized by the second. Productivity is important to ensuring people are focused on the right strategies and tactics that contribute to CLV. While the pressure to keep up is evident, the real challenge is how to shift the perception of time from a constraint to a competitive advantage.

If you've ever been running late to the airport, you can agree that time spent in a state of stress seems to go by faster. Stress often puts people at greater risk of making mistakes and rash decisions. On the other hand, minimizing the stress of unplanned activities, such as operational issues or systems defects, frees you up to focus on strategy and innovation, and allows you to make more deliberate, impactful decisions. In the best-case scenario, it clears the way for your business to enter a state of *flow*.

Flow was first coined in 1975 to describe a mental state of optimal performance, in which a person is fully immersed in a feeling of energized focus on, engrossment in, and enjoyment of the task at hand. In a flow state, people are happier, more deliberate, and able to reach new levels of productivity. Tennis great John McEnroe once described the phenomenon of being in a state of flow this way: "Things slow down, the ball seems a lot bigger, and you feel like you have more time." (Fast Company, 2016)

// The opportunity ahead for Microsoft is vast, but to seize it, we must focus clearly, move faster, and continue to transform. A big part of my job is to accelerate our ability to bring innovative products to our customers more quickly. //

Satya Nadella

CEO, Microsoft

Walking the wire

Turning time into a competitive advantage is no simple feat. As businesses aspire to reach new heights, they walk the wire between challenging the status quo and managing run state. Recognizing (and ultimately capitalizing on) CLV is the mission, but not at the expense of operational collapse. Keeping a constant pulse on the customer while also maintaining operational integrity can often feel like a balancing act.

Therefore, you must activate the right support structures that make productivity and innovation possible, but without the tradeoff of your people's time being spent managing those structures for effectiveness. And while recognizing the need is one thing, operational transformation requires equal measures of intention and organizational competency to invest in the right support partnership that will elevate your business.



Fighting against gravity

The marketplace for technology support services can seem vast. With each new support vendor comes the pitch of a seemingly better, greater value proposition centered around the philosophy that support is a necessary evil to the inherent risks of digital. For many, support services act as safety nets—rooting for them from below while waiting for them to fall.

Determining who to partner with in support is further encumbered by the complexities surrounding each vendor's unique set of service terms and billing cycles. In a worst-case scenario, business owners are initially drawn to the allure a new technology vendor brings, only to be shocked by that vendor's inability to integrate the solution with their existing ecosystems.

Transforming the backbone of a company requires considerable time and resources, so who you partner with for your support needs is imperative to the success of your operations. On the other hand, what if innovation could be achieved without time spent scaling, simplifying, and stabilizing the systems that make customer engagement possible? Often, technology vendors will dwell too much on the value of their support features, which, while useful, are triggered only when something is already broken. Rather than investing in a partner focused solely on support services, what if in addition to these services, that vendor also bears the burdens of transformation on your company's behalf?



Taking the first step

Eliminating the burdens of operational transformation allows organizations to focus on acquiring new customers, achieving focused outcomes, improving brand reputation, and increasing customer lifetime value. With the right upfront support investments, scale is achieved sooner, systems are continuously and proactively updated, workflows streamlined, and downtime reduced. As a result, you can now devote your time and energy to collaboration, employee productivity, and driving greater product and service development.

Replace inertia with intent

At Microsoft, we are on our own journey of reimagining enterprise support. Designed to be an extension of your existing business suite of solutions, Microsoft Unified Support was founded on the belief that true support should actively and continuously keep your systems balanced while also driving a continuous return on your investment as you grow and scale. In doing so, this creates opportunities to focus on innovation, reaction time, and individual productivity.

We provide the resilience, predictability, and responsiveness essential to running your operations while alleviating the afflictions hindering your business from innovating.

“The one thing I anchor on in my role is the focus on the customer. When it comes down to it, when customers need help, [Microsoft] is where they go. This new era and this new platform is really going to enable [our customers’ needs] in new ways.”

Todd Garrettson

Sr. Director, Support Solutions Group

Resilient

Purpose-built for the digital age



Predictable

Provides predictability in an unpredictable world



Responsive

Provides peace of mind, whenever and however you need it



Purpose-built for the digital age

Our Unified Support tiered structure is specifically designed for the cloud-first, digital era. It automatically scales and adapts to meet ever-evolving business priorities and unique risk profiles, so you always have the right amount of support. Our goal with Unified Support is to counterbalance the ambiguous nature of business operations and propel your business forward, securely and easily.



Predictability in an unpredictable world

One of the biggest challenges for businesses as they shift to consumption-based business models and the cloud is the inability to easily predict and anticipate costs. Unified Support is built on the premise that pricing should be predictable and fair, so you can focus on running your business, not managing support spend. With price protection, instead of facing price fluctuations based on your cloud consumption in the moment, you lock in your price for a 12-month period.



Peace of mind, whenever and however you need it

When the unpredictable eventually happens, you have access to Microsoft's trusted, industry-leading technical experts and systems. Microsoft Unified Support is a pioneer in B2B enterprise support, with over 25 years supporting our partners, both in market and online. Where others are rushing to meet the in-market needs of the consumer, we pride ourselves on our team's ability to meet the customer both in-person and online.

Whether you are writing applications, moving to the cloud, or maintaining an app, Microsoft Unified Support's Services Hub, coupled with our technical account management team, provides our customers various channels to optimize their technology platforms.

// I'm not even thinking about it as a support agreement anymore. I'm thinking about it as an innovation agreement or an acceleration agreement, because [Microsoft] really partners with us. //

Nektar Therapeutic

Customer feedback, 2017



Finding balance

A new vantage point

In the digital age, businesses have adopted the term “fail fast,” meaning if a product or service shows signs of failure, it can be quickly abandoned without causing significant harm to the business. And while failing fast may be appropriate for product and service innovation, the concept does not extend to business operations. When it comes to operational excellence, the inverse of fail fast holds true: “never fail.”

The backbone of your company must be resilient, predictable, and responsive to afford you the luxury of innovation. Microsoft Unified Support eliminates the burdens of

operational pressures, enabling your business to take risks without the fear of failure. With Microsoft Unified Support, businesses find the balance they need to break away from operational reactivity and accelerate customer engagement.

Time, when used as an asset, can transform how you view your customers, business, and people. You need only to partner with the right technologies to reap the rewards of scale, simplification, and stability, and to unlock and accelerate your company’s potential for innovation.



What's next?

No matter where you are on your digital transformation journey, Microsoft Enterprise Services can help.



Empower employees

Empower a high-quality, committed digital workforce to work as a team anywhere, on any device, with seamless data access—helping you innovate, meet compliance requirements, and deliver exceptional customer experiences.



Engage customers

Reimagine the customer experience for a digital world and deliver more value through insights and relevant offers by engaging customers in natural, highly personal, and innovative ways throughout the customer journey—driving increased relevance, loyalty, and profitability.



Optimize operations

Gain breakthrough insights into risk and operational models with advanced analytics solutions and act on real-time intelligence to optimize risk management and meet regulatory requirements.



Transform products

Drive agility with open, connected systems and automated digital processes to support new product development and optimize distribution channel strategies, while meeting the security, privacy, and transparency expectations of customers, regulators, and shareholders.

Credits

Many subject-matter experts from various groups at Microsoft contributed to the conceptualization and articulation of the story contained in this document.



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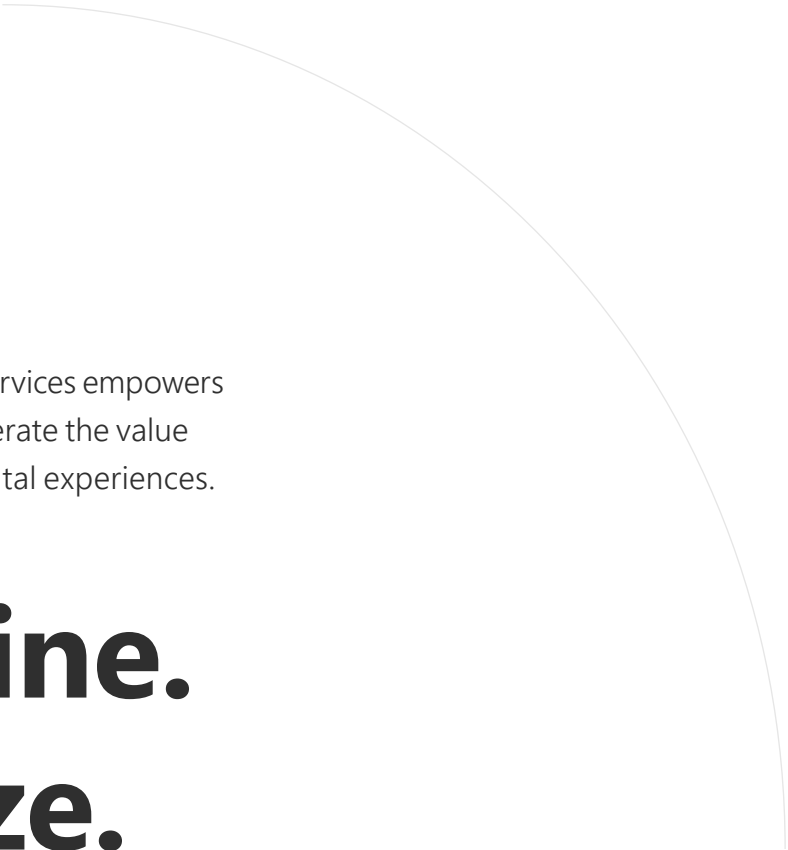
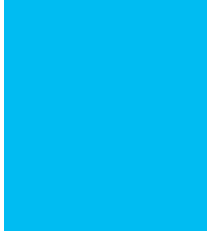
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Microsoft Enterprise Services empowers organizations to accelerate the value realized from their digital experiences.

Imagine. Realize. Experience.

microsoft.com/services

