

Digital Transformation @work

Empowering
Together

Digital Transformation work

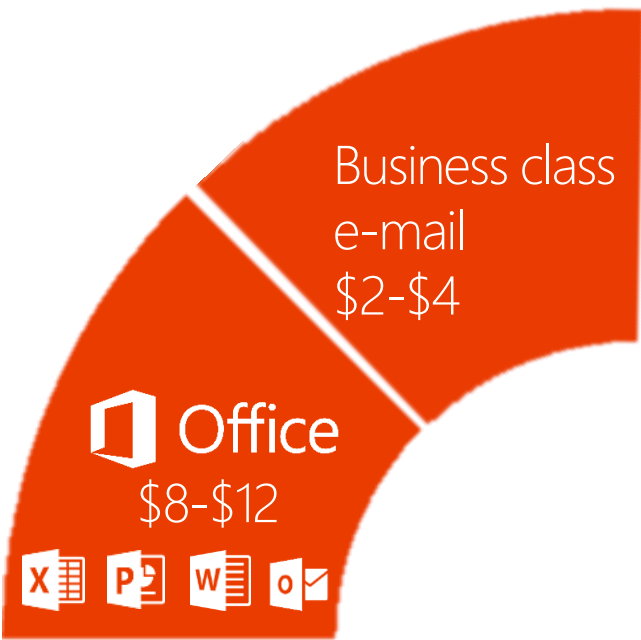
Empowering Together

Best practices from research about Office 365 and (methods to identify) what customers want to buy next

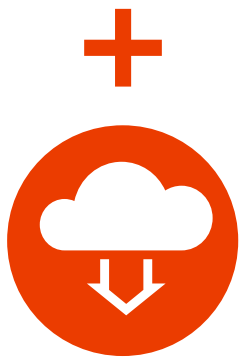
Bob Kazarian, Duncan Huffman & Rich Cannon
Edge Strategies, Paradoxes Inc, Microsoft

Office 365 is your complete office in the cloud

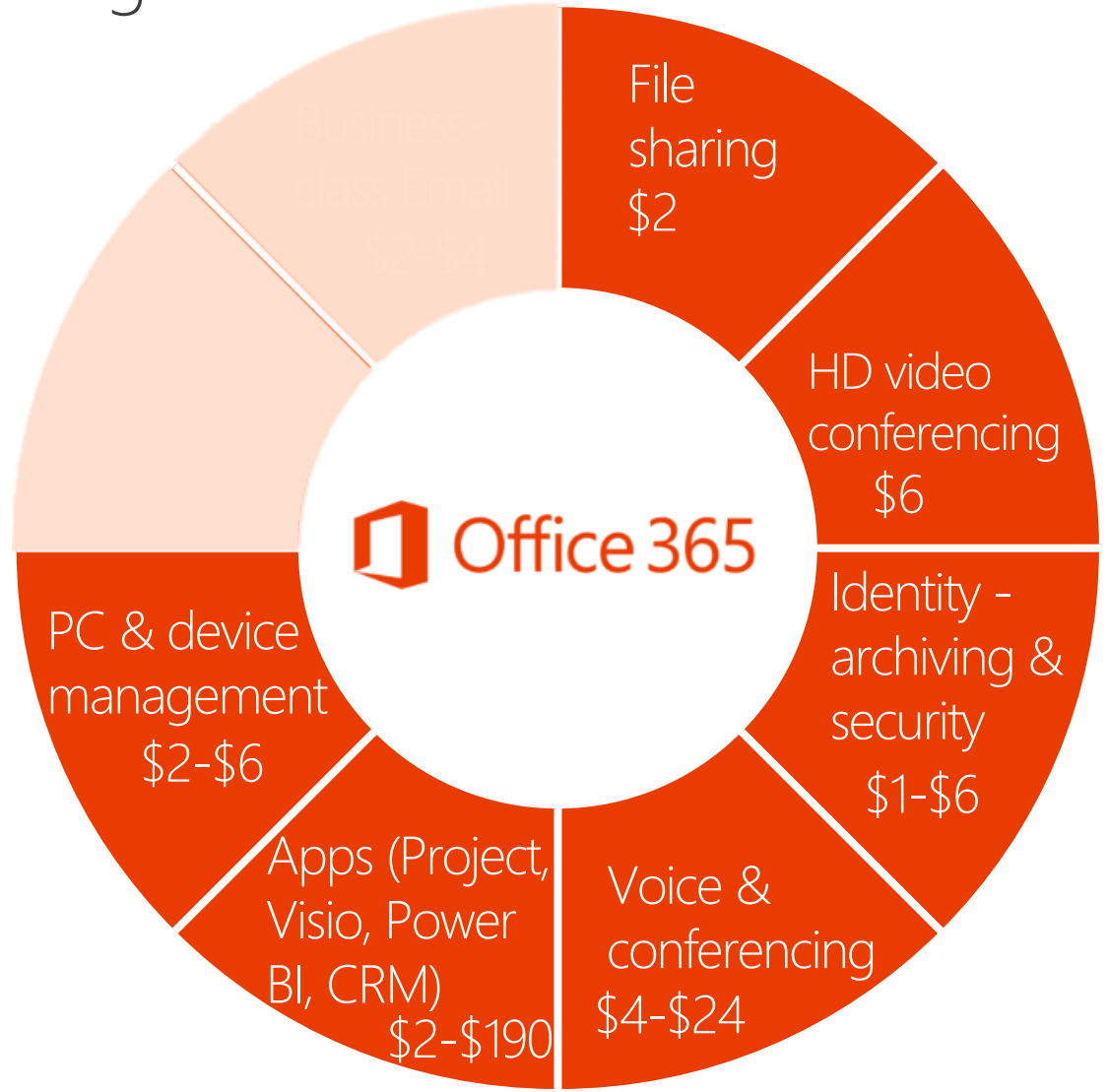
How to build a long-term cloud business together...



\$250/user/month
in value from Microsoft



Your cloud
Your support
Azure & ISVs
Your IP



Large market opportunity for Office 365

Economic Stage	Mature Markets
Region	(All)
Country	(All)
Business Segment	(All)
Employee Size Band	(All)
Industry 19	(All)
ICT Lens (Level 1)	(All)
Cloud Lens	(All)



Spending (\$M)		Year			
ICT Sub-Category (Level 2)	ICT Discrete Category (Level 3)	2016	2017	2018	2019
Desktop as a Service	Desktop as a Service (DaaS) Spend (\$M)	\$829	\$1,101	\$1,539	\$1,869
Endpoint Security	Encryption Spend (\$M)	\$1,026	\$1,074	\$1,123	\$1,174
Mobility Management	Mobile Device Management (MDM) Spend (\$M)	\$386	\$463	\$540	\$615
Product Support Services	Computing Support Spend (\$M)	\$17,531	\$17,702	\$17,851	\$17,986
Software-as-a-Service	Business Intelligence (SaaS) Spend (\$M)	\$2,888	\$3,786	\$4,780	\$5,854
	Collaboration (SaaS) Spend (\$M)	\$1,707	\$2,191	\$2,718	\$3,279
	CRM (SaaS) Spend (\$M)	\$3,381	\$3,986	\$4,589	\$5,184
	E-mail (SaaS) Spend (\$M)	\$4,126	\$5,358	\$6,713	\$8,169
	Productivity (SaaS) Spend (\$M)	\$3,055	\$4,151	\$5,407	\$6,807
Storage Software	Project Management (SaaS) Spend (\$M)	\$371	\$446	\$522	\$598
	Backup & Recovery (On-premise) Spend (\$M)	\$1,538	\$1,599	\$1,660	\$1,725
UC Services	Audio Conferencing Spend (\$M)	\$2,419	\$2,591	\$2,814	\$2,939
	Hosted VoIP Spend (\$M)	\$8,036	\$8,994	\$10,192	\$11,208
	Video Conferencing Spend (\$M)	\$960	\$1,147	\$1,404	\$1,613
	Web Conferencing Spend (\$M)	\$3,592	\$4,557	\$6,040	\$7,092
	Presence/Enterprise Instant Messaging (EIM) Spend (\$M)	\$284	\$303	\$322	\$341
UC Software	Website Development Spend (\$M)	\$6,067	\$6,268	\$6,436	\$6,578
Web Hosting & Development					
Grand Total		\$58,195	\$65,718	\$74,649	\$83,031

\$20b+ growth
 In mature markets
 (<1k employees)
 Over next 3 years

Ways of differentiating the Office 365 business

OFFICE 365 PLANS FOR EVERY BUSINESS

Overview Managed Services Why Fanatical Support? Security Pick Your Plan Resellers [Chat Now](#)

Business Plans
300 USER MAXIMUM

Enterprise Plans
UNLIMITED USERS | ADVANCED FEATURES

Business plans are best for small and medium-sized companies with fewer than 300 users. Combine plans to meet your needs. Account minimum monthly charges apply to Cloud Office Products.

[Compare All Plans](#)

Office 365 Plans	Business Essentials	Business	Business Premium
	Email Exchange email, instant messaging, SharePoint and online versions of Office	Office 2016 Full desktop, online and mobile versions of Office	Email + Office 2016 All the features in our Business Essentials and Business plans
	\$8 user/month Try Now	\$8 user/month Try Now	\$15 user/month Try Now

All accounts start with a 14-day Free Trial. No Long-term contracts required.

Max of 300 users / plan

The price for products and services are shown in U.S. dollars unless otherwise

Standard offer

BeMo
Connect • Collaborate

Managed Cloud-based Solutions for Unified Communication and Collaboration

Skype for Business with Enterprise Voice hosted by BeMo

Skype for Business with Enterprise Voice hosted by BeMo connects people everywhere, through the public switched telephone network (PSTN) and via voice-over-IP on devices running Windows, Android, iOS and Mac OS, as part of their everyday productivity experience.

as low as \$29/user*

[Request a Quote](#)

Choose your Skype for Business with Enterprise Voice plan

Standard feature	Optional feature	Enterprise Voice Dedicated
Version		2013
As low as...		\$29 user/month**
User minimum:		250
Phone calling features		
Full inbound and outbound phone call capability with a phone number in an area code of your choosing		
Unlimited calls within the US and Canada		
Voicemail		
Unified Messaging - Voicemail with transcription (requires Exchange Online or Exchange Server)		
Conference calling (Lync to phone)		
Direct Inward Dialing Number (DID)		
Phone number porting		
Schedule and host conferences on the audio conferencing bridge		
Call control (click to call, answer, hold, resume, transfer)		

Skype specific offer

CenturyLink Business

Data Voice **Cloud** Managed Services Resources

Business Applications **Microsoft Office 365** Cloud Compute Colocation File Sync and Share

OneDrive for Business

SharePoint

Intranet Sites and File Sharing:
Online workspace for teams within your organization with 10GB shared storage, plus 500MB per user.

Watch the Video:

Take a look at the many ways Microsoft Office 365 can help your business.

Office 365

[BACK TO TOP](#)

More Services and Solutions for You

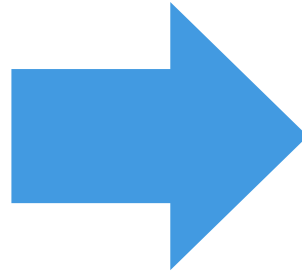
<p>Business Applications</p> <p>CenturyLink business applications can help boost your business' productivity and your coworkers' collaboration.</p> <p>Learn More ></p>	<p>Cloud Compute</p> <p>Save time and space, and eliminate the ever-increasing cost of updating and maintaining a complicated infrastructure with CenturyLink Cloud® Compute.</p> <p>Learn More ></p>	<p>Colocation Dedicated Hosting</p> <p>Premier facilities, operational excellence, and advanced services form a solid foundation for your business.</p> <p>LEARN MORE ></p>
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Cloud integrated offer

Using research to build the new business

A few years ago with service provider

- Productivity (E-mail + Office)
- Web hosting



Service provider - today

- Productivity
- Voice and PBX
- Data center
- Web hosting
- Mission critical apps
- BI
- IOT
- Mobile

Implications

- Address a wider range of customers
- Address different levels of management or decision making within the customer
- Marketing - messaging changed to solution and relationship
- Interconnected decision making - cloud

Challenge

- Build a cohesive research program:
- What services to offer as a Service Provider
 - What services to offer to any given customer, and when
 - How well are you performing

Program to build marketing plan, understand the customer & monitor performance

Goal	Offer Strategy Sales and Marketing Strategy <ul style="list-style-type: none">• Identify Opportunity by Segment• Build packaged offers• Overall messaging	Opportunity Assessment Gather customer specific information for consultative sales call – adoption path <ul style="list-style-type: none">• Current Premise and Cloud Technology Use• Buying Channels• Goals and Challenges• Decision Making	Enhanced Net Promoter Performance monitoring and process improvement: <ul style="list-style-type: none">• Overall Performance Monitoring• Benchmarking• What's next• Interest in an Assessment
Process	<ul style="list-style-type: none">• Aggregated by segment• Custom research into your customer base• Third party research• Periodically	<ul style="list-style-type: none">• Individual company• Customer offered either information or a scheduled consultation• Annual or part of any interaction	<ul style="list-style-type: none">• Individual company and aggregated• 2-3 minute email after an interaction• Continuous process
Case	<ul style="list-style-type: none">• Example: Rackspace Office 365 Offers	<ul style="list-style-type: none">• Example: Global MSP	<ul style="list-style-type: none">• Coming soon

Example: creating a new Office 365 offer

Opportunity:

Office 365 needed differentiation to entice buyers to upgrade from Hosted Exchange or On Premise Exchange.

Perception was a lack of differentiation in the offer.

Solution:

Develop a list of targeted offer and bundle components, and test them with specific audience segments. Match the right offer components with the right priority audiences.

The screenshot shows the Rackspace website for 'Encrypted Exchange Online'. The header includes the Rackspace logo, navigation links (About, Dedicated Hosting, Cloud, Infrastructure, Solutions, Support), and utility links (Call Us, Sales Chat, Email Us, Sign Up, Log In). A navigation bar below the header lists 'Overview', 'Managed Services', 'Why Fanatical Support?', 'Security', 'Pick Your Plan', and 'Resellers', with 'Security' highlighted. A large banner features the text 'ENCRYPTED EMAIL AND RIGHTS MANAGEMENT' over an office scene. Below the banner, the main heading is 'Encrypted Exchange Online – A Secure Email Solution'. The text describes the solution as combining industry standards with security features. A bulleted list highlights: 50GB mailboxes, One-click encryption, Information rights management, and Premium anti-spam/anti-malware. A 'Chat Now' button is in the top right. A red graphic on the right says 'Email is ESSENTIAL' with a laptop icon. A call to action states 'Starting at \$9 - Sign Up for a Free Trial' with a 'Try Now' button. The bottom section has four columns with icons and descriptions: 'Encrypt Email with Confidence', 'Manage Forwarding & Attachments', 'Meet Strict Compliance Regulation', and 'Easy to Configure and Use'.

Encrypted Exchange Online – A Secure Email Solution

Encrypted Exchange Online combines the industry standard in business email with the security features you need to keep your data safe.

- 50GB mailboxes
- One-click encryption
- Information rights management
- Premium anti-spam/anti-malware

Encrypted Exchange Online is perfect for Healthcare, Finance, Legal, and any other business that needs to ensure its data is secure.

Starting at \$9 - Sign Up for a Free Trial

Try Now

Encrypt Email with Confidence
Encrypting email ensures that only intended recipients can read what is sent, even if you accidentally send email to the wrong address.

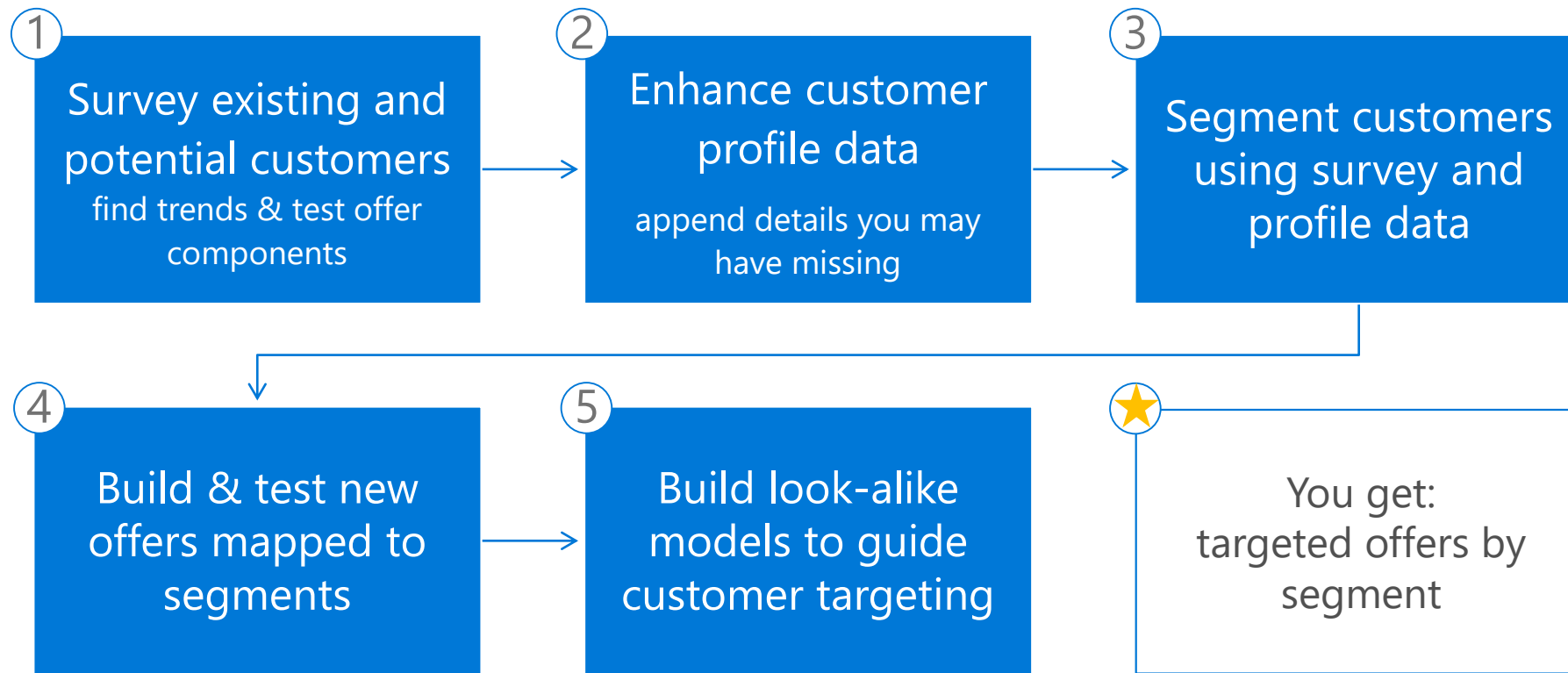
Manage Forwarding & Attachments
Control the flow of emails with user & mailbox settings designed to prevent email forwarding or attachments that may contain confidential information.

Meet Strict Compliance Regulation
Does your business need to comply with HIPAA or PCI-DSS standards? If so, Encrypted Exchange Online can help you meet the strict regulatory requirements.

Easy to Configure and Use
Encrypted Exchange Online is administered through an intuitive Rackspace control panel. Encryption is pre-configured and requires no complex scripting or settings.

Process for building targeted offers

Five steps to effective targeting and offers. Simple, but critical for knowing what **your** customers want, and how you can differentiate.



Cultivate & enhance customer data

What is customer profile data? Internally generated or externally appended data give high resolution on who your customer is, what they buy, and what the opportunity is.

Types:

- Firmographic data – who they are
- Behavioral & product data – what they do & buy
- Financial data – what they are worth to you
- Satisfaction – what they prefer

Examples:

Org revenue	Monthly transactions
Address & geo	Behavioral usage info (bandwidth, etc.)
Industry	Lifetime value
Employees	Support calls & customer service data
License information & product details	Marketing & campaign history
Start date	Sales & marketing industry
Customer journey data	Net promoter & brand perception
...	...

In addition to internal data collection, company profile information can be found via external sources such as: D&B, Hoovers, Acxiom, Government (DOL, Census), etc.

Example: SMB Segment overview

TECH ADOPTION

Tech Light	Tech Cautious	Tech Invested	Tech Ambitious	Tech Leader
<p>Use technology least; lowest SaaS usage, Cloud budgets and planned Cloud adoption</p> <p>Least bullish on revenue and employee growth</p> <p>2nd least willing to take risks</p>	<p>Heavy technology adoption; significant legacy system presence – 2nd highest server usage</p> <p>Moderate Cloud budget growth and Cloud eagerness</p> <p>2nd least bullish on rev growth</p> <p>Moderately willing to take risks</p> <p>2nd lowest app outsourcing</p>	<p>Heavy technology adoption; significant legacy system presence – highest server usage</p> <p>2nd highest Cloud budget growth and Cloud eagerness</p> <p>Moderately bullish on rev growth</p> <p>Least willing to take risks</p>	<p>High SaaS usage; 2nd highest app and infrastructure outsourcing; 2nd lowest server usage</p> <p>Moderate Cloud budget growth and Cloud eagerness</p> <p>2nd most bullish on rev growth</p> <p>2nd most willing to take risks</p>	<p>Most SaaS usage; highest app and infrastructure outsourcing</p> <p>Highest Cloud budget growth and eagerness to adopt Cloud</p> <p>Most bullish on revenue and employee growth</p> <p>Most willing to take risks</p>

Example: Segmentation summary

Highest across segments

	Tech Light	Tech Cautious	Tech Invested	Tech Ambitious	Tech Leader
Distribution	36%	16%	14%	17%	17%
% Willing to take risk	59%	60%	53%	63%	71%
Firmographics					
Top verticals	ProServ, Manufacturing, Construction, Finance, Legal	IT, ProServ, Manufacturing, Legal, Retail	IT, Manufacturing, ProServ, Healthcare, Publishing	ProServe, IT, Non-profit, Manufacturing, Retail	IT, ProServ, Retail, Non-profit, Manufacturing
Avg # locations	13	4	9	3	3
Avg # employees	26	44	60	20	47
Avg annl sales revenue	\$6.8M	\$6M	\$14.7M	\$2.9M	\$12.8M
Avg yrs in business	16	17	23	17	13
Business Outlook					
% Revenue increase	50%	55%	56%	61%	68%
% Employee increase	31%	45%	42%	42%	55%
% Cloud budget increase	20%	32%	36%	22%	39%
Tech Usage					
% Using SaaS/laaS	0% / 9%	100% / 51%	100% / 58%	100% / 49%	100% / 63%
Top SaaS applications	NA	Email 73%, Productivity 36%, CRM 32%	Web 100%, Email 92%, VOIP 35%	Web 97%, Email 91%, VOIP 41%	Web 100%, Accounting 100%, Email 97%
% using 6+ servers	15%	36%	37%	17%	26%

Example: Prioritizing which products to sell to which segments (SMB)



Percentages of orgs planning to invest in these areas in next 24 months

	Average	Tech Light	Tech Cautious	Tech Invested	Tech Ambitious	Tech Leader
Email	21%	24%	16%	12%	29%	20%
Productivity	25%	18%	24%	13%	44%	30%
ERP	7%	4%	8%	15%	4%	7%
Infrastructure	25%	17%	28%	41%	19%	29%
Storage	32%	32%	29%	30%	33%	34%
DR/backup	21%	17%	20%	30%	20%	21%
Security	38%	38%	43%	47%	28%	35%
Big Data	11%	7%	17%	15%	7%	15%
Web hosting	52%	11%	100%	0%	3%	0%
VOIP	75%	6%	75%	65%	59%	49%
BI	87%	5%	78%	79%	87%	74%
CRM	75%	8%	68%	70%	61%	49%

Percentage of respondents NOT using SaaS in these areas (except Tech Light)

(percent of Tech Lite planning to have SaaS solutions next 24 months)

Key findings from 24+ months of MSP offer studies, SMB

OFFICE 365 INCREASES ALL CLOUD SALES

- Office 365 makes other sales easier – really. Cloud resistance is lower, and propensity to buy other cloud services is higher.

DIFFERENTIATE YOUR COMPANY

- Don't limit yourself to just infrastructure or Office 365 reselling – focus on whitespace and your target's needs
- SMB is open to *your* branded offer and IP, built on Microsoft's technology

CHOOSE A WAY OF TARGETING

- Many Targeting Options - vertical targeting works (industry, sub-segments), so does a horizontal focus (CRM, accounting, security, etc.)

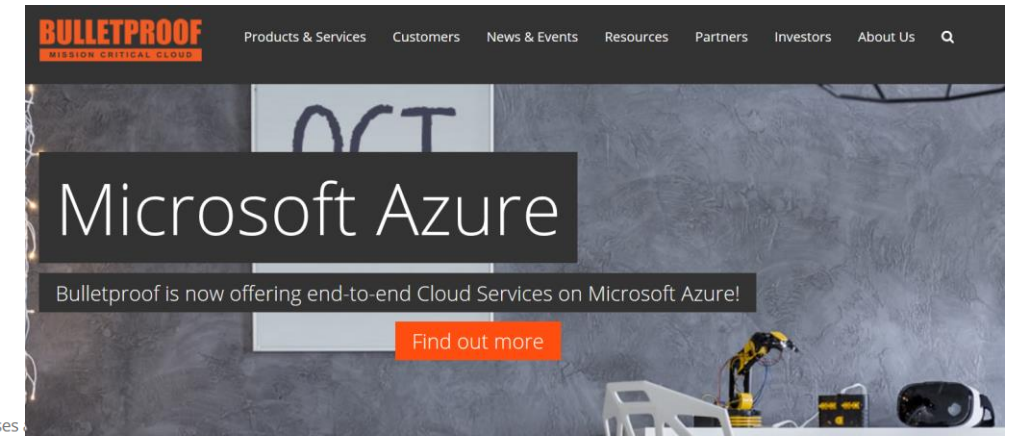
Example: customer adoption path at time of sale

Opportunity:

Bulletproof an MSP in Australia has to assess someone's readiness to move to the cloud.

Solution:

Extensive readiness assessments on the front end built into the SALES process instead of the DELIVERY process.



How can we help you?

Bulletproof's Professional Services team uses your business. Working in partnership with you and support you throughout your journey.

Cloud & Infrastructure

Cloud readiness and assessment

Our Professional Services team can help discover how to move to the Cloud.

Cloud roadmap

Designing a detailed migration plan with our Professional Services team.

Cloud migration

Transitioning to the Cloud is easier with our Professional Services team. We'll help you migrate your most important infrastructure, applications and workloads.

Application and infrastructure re-architecture

Our team works with you to help you move your applications and infrastructure to the Cloud.

Security

Your Cloud environment will be optimised and secured to ensure your organisation has resilience, recoverability and compliance.

Your Cloud experts.

Bulletproof is the leading end-to-end Cloud Services provider in Australia/New Zealand. We will transform the way you operate by taking the complexity out of technology – regardless of where you are in your Cloud journey.

Cloud Services

Bulletproof provides expert Cloud services in the following specialist areas. We help you realise your business goals and overcome your challenges, at any stage of your Cloud journey.



Cloud & Infrastructure

Thinking about migrating some or all of your workloads to the Cloud? Unsure about where to start and how to get there?

[Learn more >](#)



Strategy & Innovation

Have an idea that you want to turn into reality? We'll give you the confidence to take full advantage of the cloud.

[Learn more >](#)



Agile, DevOps & Automation

Implement the building blocks for Agile, DevOps and Automation with Bulletproof as your trusted partner.

[Learn more >](#)



Digital Commerce & Marketplace

Gain retail agility with Bulletproof's Digital Commerce and Marketplace expertise to support your retail strategy.

[Learn more >](#)



Integration & APIs

Gain the Business Intelligence and roll out new services. We'll help you integrate your systems and modernise your data.

[Learn more >](#)

Customers' position today

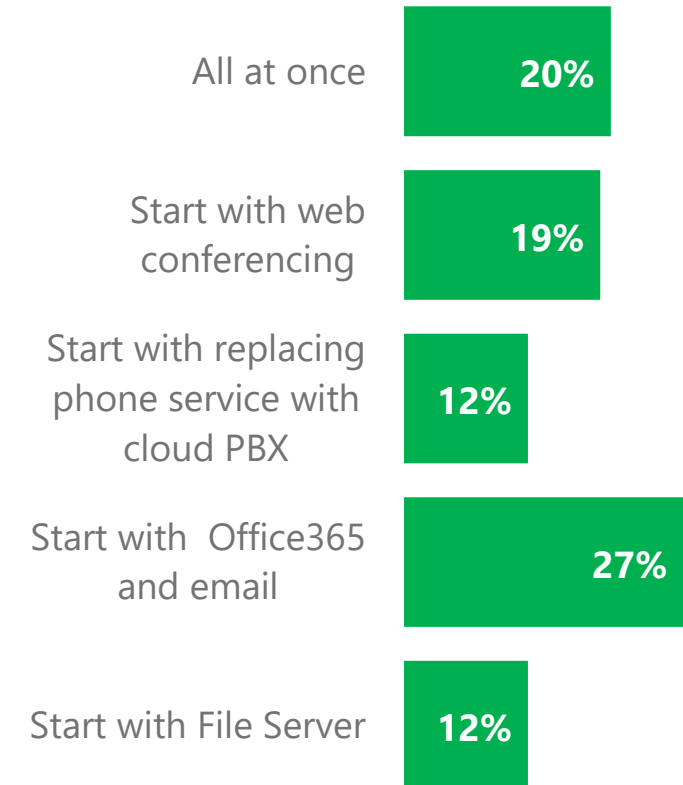
- Customers don't understand the alternatives
- Customers understand that they are making costly long term decisions
- It's less about fear of the cloud, and more about confidence in the provider
- Requires an Acquisition and Implementation Roadmap that reduces fear, and takes into consideration the ability to adopt

A "cookie cutter" approach won't work. Differences include:

- Installed environment
- Goals
- Timing issues
- Financial concerns
- Skills
- Relationships
- Cultures

So, what does this mean, and how can we use the research process to help?

Example: Buying Path differs significantly even with similar companies



Most of these differences can be explained by asking the right questions

** Quantitative Survey adjusted with qualitative data*

Customer Opportunity Assessment

Establish a consultative sales assessment process:

Have customer complete a basic assessment

Customer schedules a phone or on-site consultation (self-scheduling system)

Annual process – staggered according to your capacity or as part of an introductory sales call

Customer may request specific information prior to consultation

Prepare in advance to explore:

Customer environment / existing technologies and services

Effectives of current technologies

Problem areas

Goals and priorities

Decision process

Next steps

- Information
- Consultation
- No action

Have the right conversation with the customer

Assign to the appropriate sales consultant

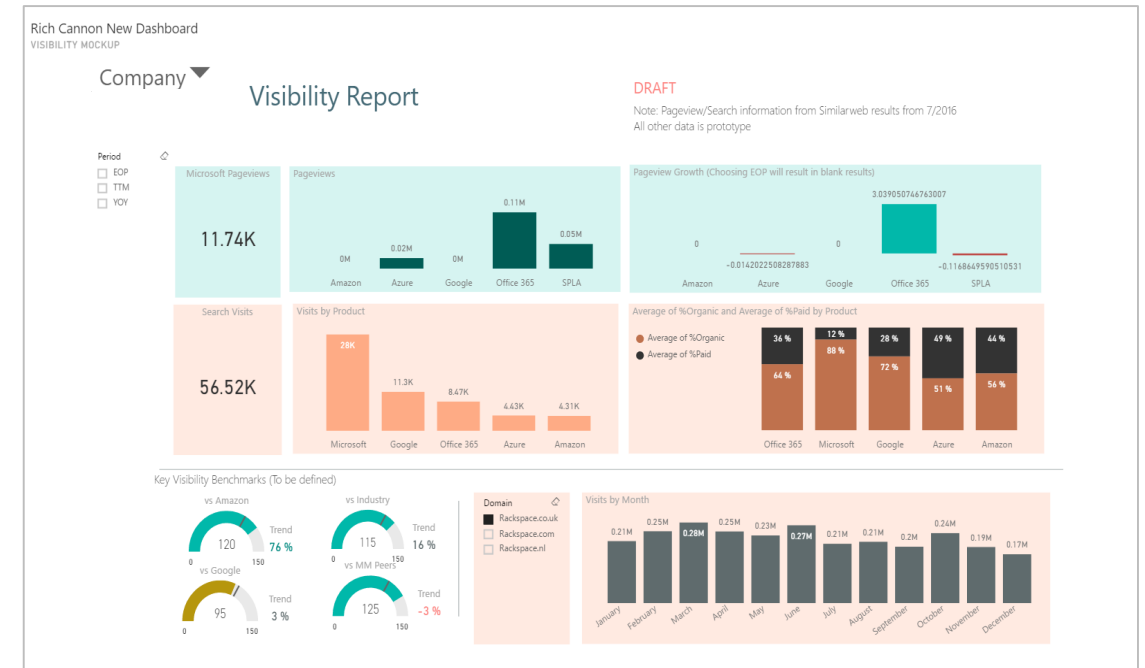
Performance & monitoring

Problem:

How do we monitor the partnership between Microsoft and its partners in order to jointly invest in sales and marketing results?

Partner gets:

The revenue, customer experience, and marketing dashboard to gain insights and measure effectiveness of its portfolio – resulting in better offers, campaigns, and customer experience



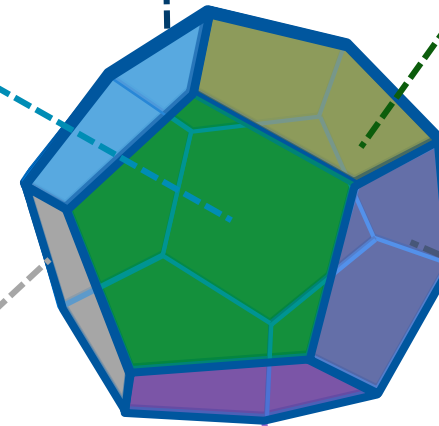
Building out the dashboard

Multi-dimensional dashboard combining internal and external data, calculations and analysis to measure and drive results

Financial Performance
Revenue by product
Consumption – users and usage

Quality Evaluation
Net Promoter Score (NPS) for Microsoft Products
Experience ratings by category: sales, support, etc.

Web Metrics
Product-Specific Page Views
Organic vs. paid search traffic for Microsoft products



Sales Effectiveness
Cross Sell Metrics vs. Benchmarks
Revenue per user
Etc.

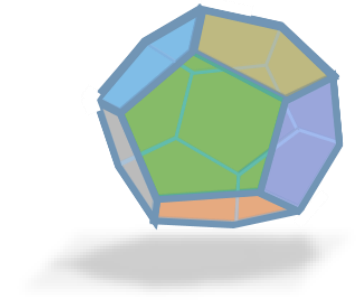
Activities
Campaigns
Events

Customer behavior and insights (from NPS)
Existing environment
Buying path
Future needs
Competitor alternatives

Data becomes much more valuable when correlated and benchmarked

2017 Microsoft Cloud and Hosting Summit

Sample dashboard screens: revenue & results

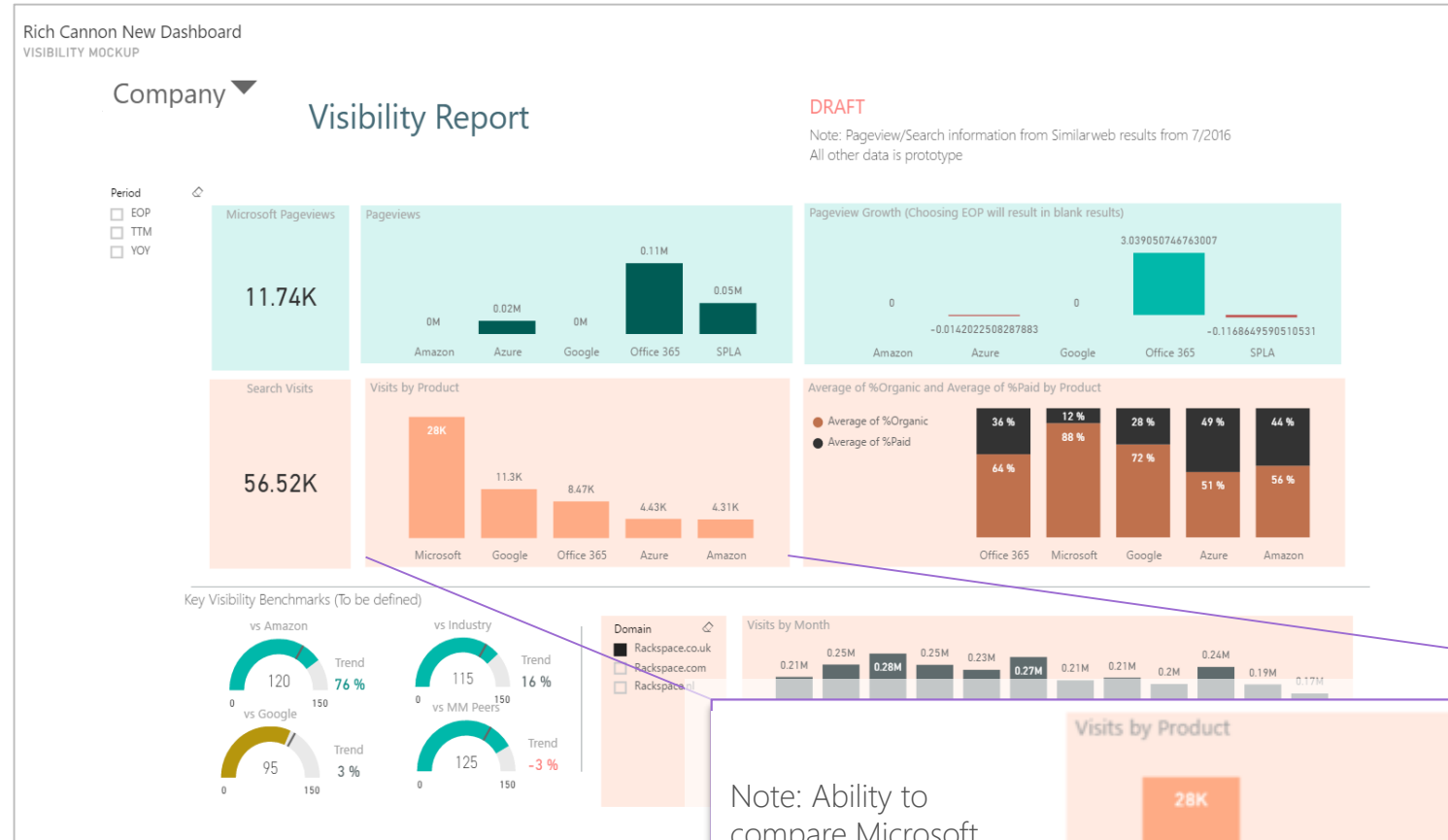


Web traffic data – your own, plus Benchmark

Net promoter data – your own plus Benchmark

Campaign performance data – your own plus Benchmark

Performance within Segment



Summary

- Office 365 success requires a long-term, end-to-end focus on our joint business model
- Building that model includes customer targeting, adoption scenarios, and operational dashboards
- Success is efficiency of your sales and marketing spend, more loyal customers, and ability to maintain a high-growth business

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About Paradoxes, Inc.



Paradoxes is a strategic marketing company that helps organizations minimize guessing by finding a clear, data-driven path to improvement. Our proven combination of research, analysis, and positioning helps you make smarter decisions. Smarter decisions make your business better.

Founded in 2007 and with offices in New York and Seattle, Paradoxes conducts audience and market research across North America, LATAM, EMEA, MEA and APAC for clients who range from some of the world's most recognizable brands to early-stage startups.

We have a well proven practice area dedicated to helping managed service providers, hosting providers, and cloud providers improve their offers and understand how to sell more – Find out more at <http://paradoxesinc.com>

About Edge Strategies



Edge Strategies has worked with Microsoft for over 15 years to help Microsoft grow and transform its business through Partner Channels. Edge Strategies provide the key end-customer and Partner Business Model research to help Microsoft build the CSP (Cloud Service Provider Program, and is now working with Microsoft and its Partners to accelerate Partner success across the entire set of Microsoft Services – from IaaS, to PaaS to Office 465 and related services.

For more information about what Edge Strategies and our capabilities, please contact Bob Kazarian Bkazarian@EdgeStrategies.com .