Microsoft | 2017 Microsoft Cloud and Hosting Summit

Digital Transformation@work

Empowering Together

Digital Transformation @ work

Empowering Together

Success with Azure
:: Beyond the Enterprise

Corey Prince – WW Industry Marketing
Mike Hartmann – US Industry Marketing

Agenda

Intros

The Building Blocks of Azure

Why Re-Tool?

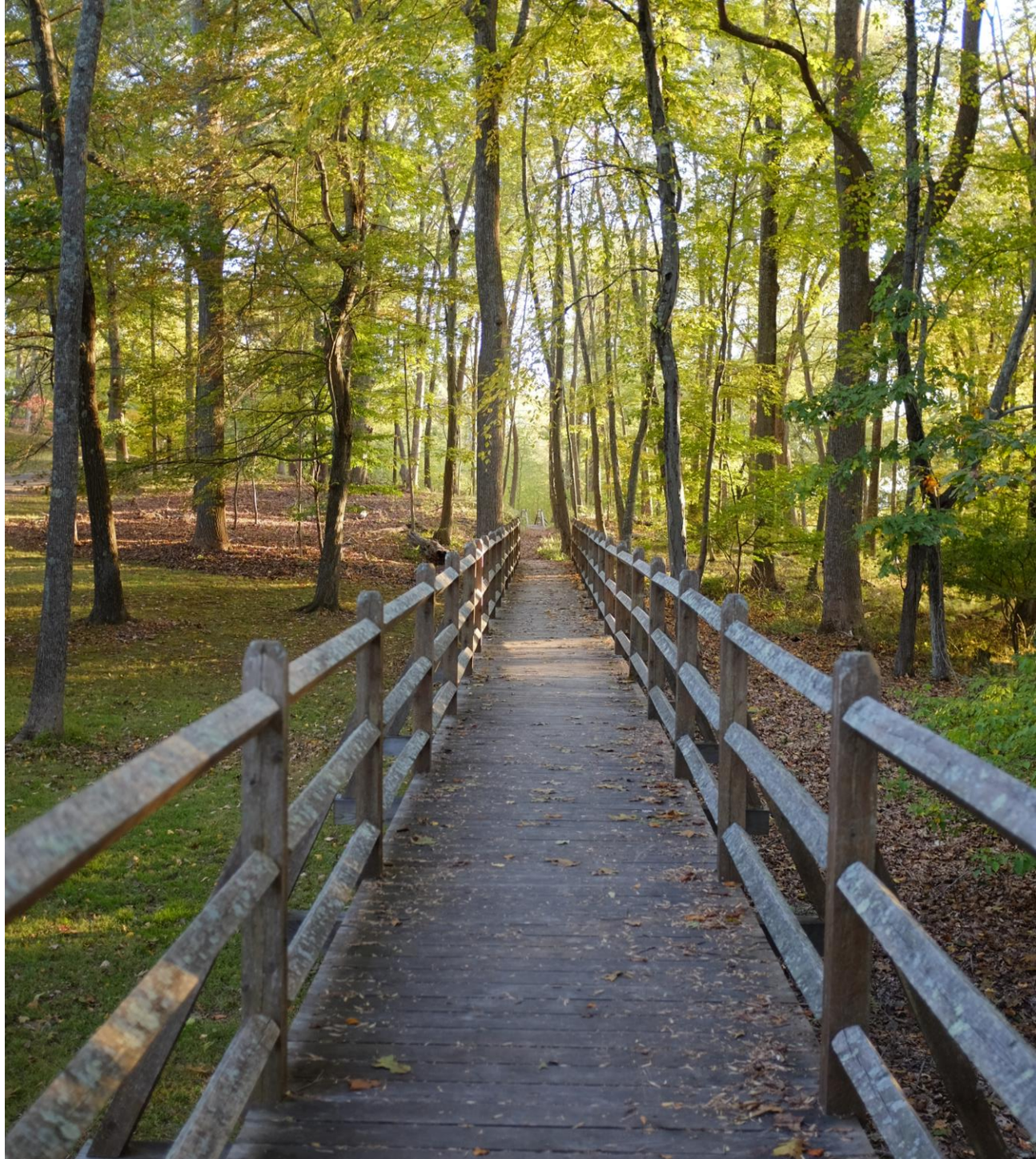
Targeting SMBs
- Evolving to the Market
- Pulsant – a Partner Transformation

Re-Thinking Re-sellers

The MSP Mindset

Apps & Ecosystems

Moving Forward & Go Dos



Who are Corey Prince & Mike Hartmann

@ Microsoft: Drive sell-through go-to-market support, product/offer strategy, and sales enablement initiatives for key WW service provider hosting partners across Infrastructure & Productivity with specific focus on Azure CSP, Office365, SQL & Cloud Platform

16 years experience in web-based product management and marketing primarily dedicated to SMB application development & hosting services

@ Home: Born & raised in the Boston area w/wonderful family of 3 not-so-little kids.

Passions: Family, Photography, music, outdoors, old stuff, getting things done & demystifying technology

Corey Prince – corey.prince@Microsoft.com

@ Microsoft: Drive sell-through go-to-market support, product/offer strategy, and sales enablement initiatives for key US service provider hosting partners across Infrastructure & Productivity with specific focus on Azure CSP, Office365, SQL & Cloud Platform. Azure marketing lead in US.

10+ years hosting and cloud marketing experience via marketing agencies and Microsoft.

@ Home: Born in Detroit & 3 boys, with last one graduating college in June!

Passions: Family, travel, hiking/outdoors, photography, music,

Mike Hartmann– mikhart@microsoft.com

Building Blocks of Azure

Platform Services

Security and Management
- Portal
- Active Directory
- Multi-Factor Authentication
- Automation
- Key Vault
- Store/ Marketplace
- VM Image Gallery and VM Depot

Compute
- Cloud Services
- Service Fabric
- Batch
- Remote App

Web and mobile
- Web Apps
- API Apps
- API Management
- Mobile Apps
- Logic Apps
- Notification Hubs

Developer services
- Visual Studio
- Azure SDK
- Team Project
- Application Insights

Hybrid Operations
- Azure AD Connect Health
- AD Privileged Identity Management
- Backup
- Operational Insights
- Import/Export
- Site Recovery
- StorSimple

Integration
- Storage Queues
- BizTalk Services
- Hybrid Connections
- Service Bus

Media and CDN
- Media Services
- Content Delivery Network (CDN)

Analytics and IoT
- HDInsight
- Machine Learning
- Data Factory
- Event Hubs
- Stream Analytics
- Mobile Engagement

Data
- SQL Database
- SQL Data Warehouse
- Redis Cache
- Search
- DocumentDB
- Tables

Infrastructure Services

Compute
- Virtual Machine
- Containers

Storage
- BLOB Storage
- Azure Files
- Premium Storage

Networking
- Virtual Network
- Load Balancer
- DNS
- Express Route
- Traffic Manager
- VPN Gateway
- Application Gateway

Datacenter Infrastructure (24 regions, 19 online)

Azure is Open & Interoperable

DevOps

Clients

Management

Applications

PaaS and DevOps

App frameworks and tools

Databases and middleware

Infrastructure

Why Retool?

Recognizing the Opportunity Landscape

- More Business apps
- Increased Remote Workers & Collaboration
- Managing Access & Identity
- Lots of Data – Lots of Regulation – Lots of Concern
- Expanded access for Clients
- Acceleration in Infrastructure Outsourcing

Retooling & Service expansion represents a massive opportunity for Partners. And if done well, the rewards for partners will be significant.

Deeper Customer Relevance

Gain trusted advisor status with your customers

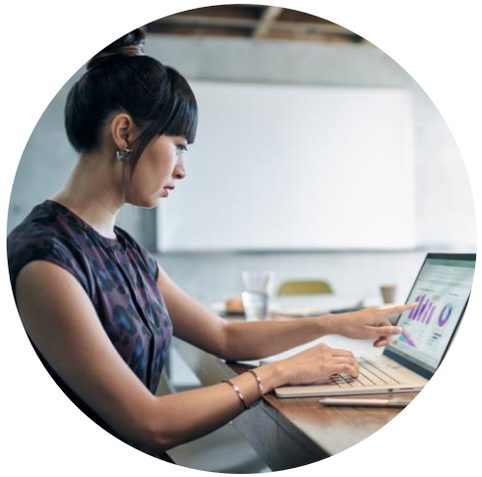
Broader Customer Reach

Engage in conversations with new segments

Larger Deals and Higher Margins

Magnify the revenue capture from new and existing clients

Higher Consumption



Advance workloads that drive higher levels of cloud utilization

Move beyond just thinking ***about*** our customers and start thinking ***like*** them.

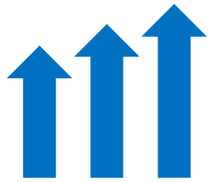
Opportunity, Differentiation & Invention

- Target increased ARPU & customer product consumption via cross-sell/upsell
- Increase support of your clients IT need
- Embrace specialization & a world beyond IaaS
- Separate from commoditized competitors
- Develop new narratives of value & differentiation
- Expand the capabilities portfolio for external channel sellers & partners
- Experiment with the Ingredients – Mix, Match & Pilot

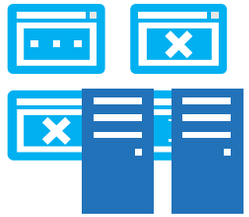
Targeting SMBs

SMBs – Partly Cloudy with a High Chance of SaaSyness

High cost



Hard to scale



Complex

- SMBs are looking more and more to combine service providers for a single-source IT solution
- SMBs are looking for SaaS versions of their application portfolio
- Take advantage of "existing" service relationships
- Mindset of using 3rd parties

SMBs Continue to Drive Cloud Growth.

Find data on Workload breakdown? (see what you can get)

SMBs using more service providers

- # channels used for IT solutions is growing:
  - SB & MM use from 3 to 4 separate service providers for their IT solutions.
- Use of different types of service providers for IT solutions is growing:
  - SB: More than doubling, from 19.6% to 51.0%.
  - MM: Use of VARs that also offer managed or hosted services has increased from 21.6% to 31.4%

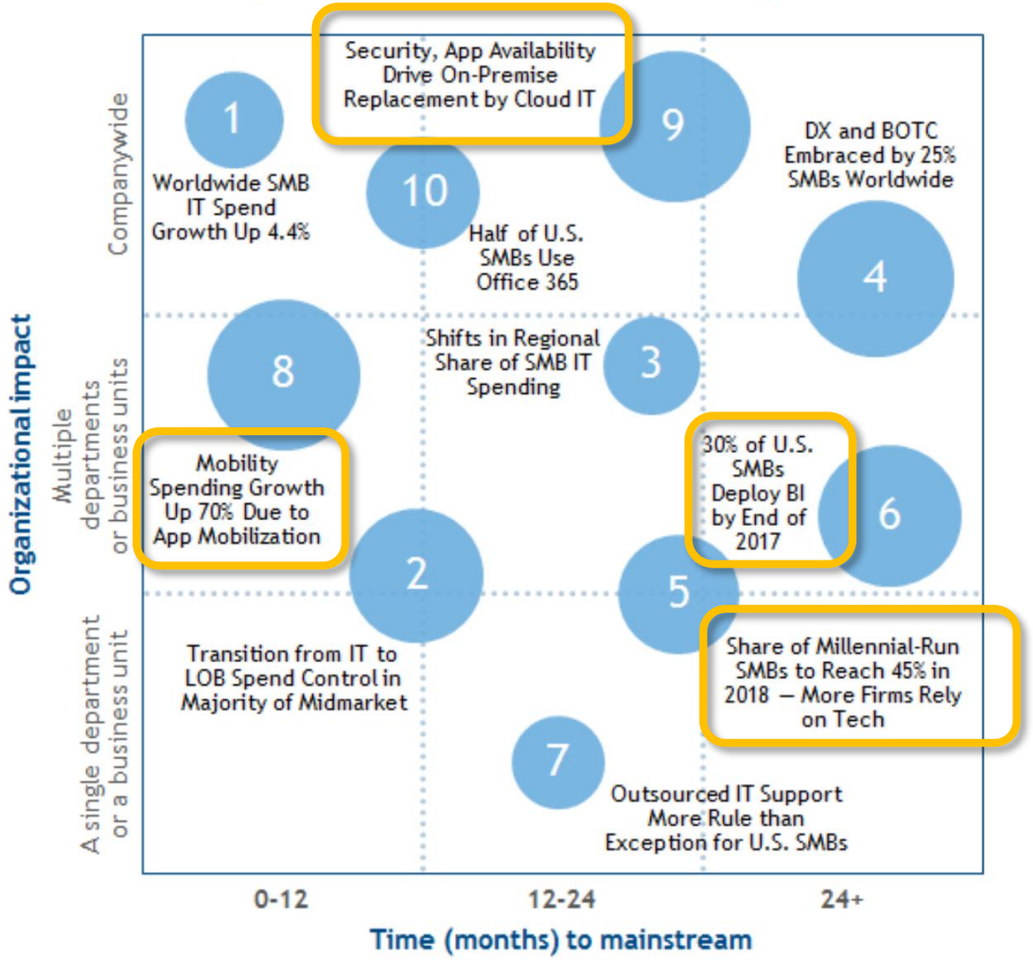
SMB internal resources for Cloud increasing

- Major increases in use of Cloud and hosted resources, especially firms under 100 employees.
- 80% of MBs now use some sort of Cloud resource

Adoption Rate is Accelerating

- A majority of organizations in NA and Euro are considering public Cloud a priority in the next 12 months.
- SMB growth for public IT Cloud services is forecasted at 18% on average from 2015 to 2020 - $36 bill to $81 bill

IDC FutureScape: Worldwide SMB 2016 Top 10 Predictions



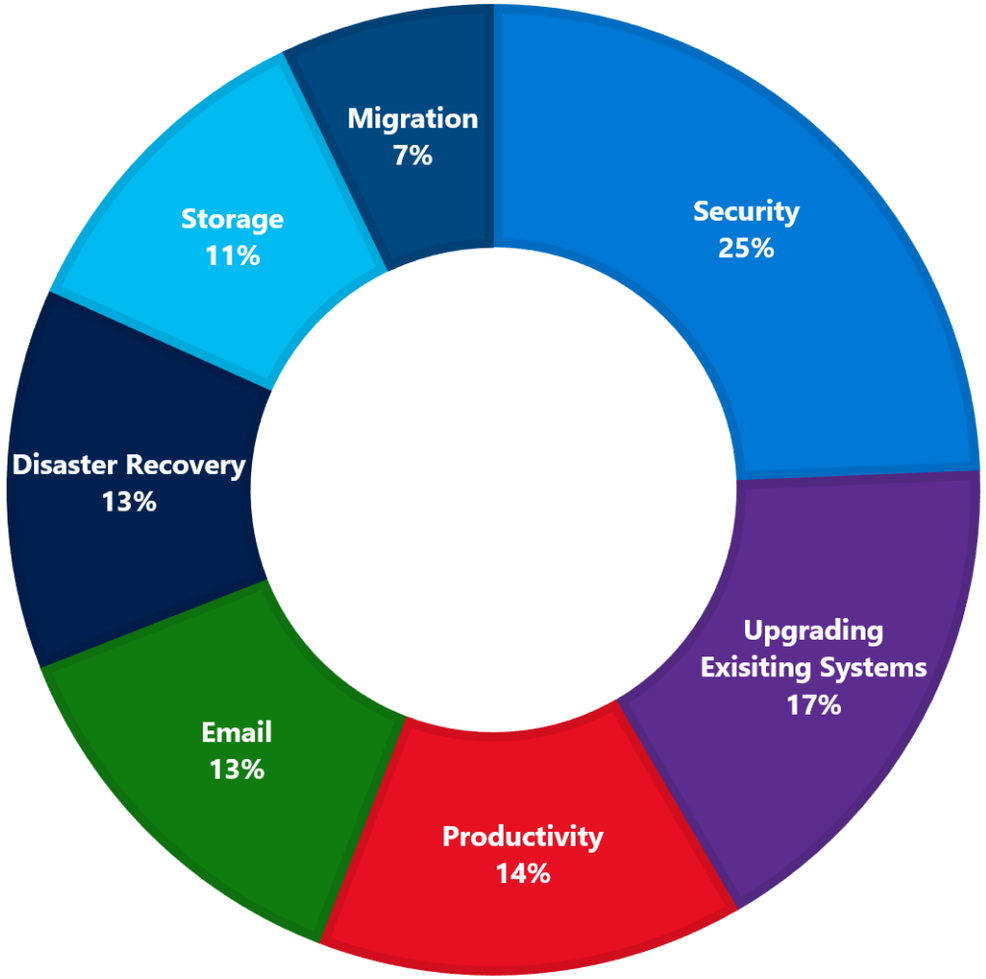
Recommendations :7 GTM Rules for Cracking the SMB Market

SMBs look at tech through customer value lens. Collaboration is one of the largest investment areas because it helps SMBs connect directly with their customers.

1. Know and micro-segment the SMB market: Size isn't the best behavioral indicator, but rather vertical and aspiration type
2. Market to SMBs as SMBs market to their customers: Influencer relations, website, events, social media
3. Coordinate marketing tactics and content with SMBs inflection points: I.e. new hires, new contracts, new office; monitor for these inflection points using social listening tools and business data service providers
4. Build SMB specific product line and category brands: Must be simple, packaged, distinct from enterprise
5. Appeal to SMBs appetite to serve customers: This is #1 goal. Primary advantages are speed and customer intimacy.
6. Publish SMB specific customer case studies:
7. Educate, educate, educate: Not just on product, but on business processes, models, & best practices

Evolving to the Market

Expressed IT Needs & Improvements



Key Factors Inhibiting End-User Cloud Adoption

	Total	U.S.	U.K.	Germany	China
Customer's restricting where data can be housed	35%	40%	19%	42%	17%
Cost/Price is restrictive	31%	31%	33%	35%	23%
Security concerns about who owns data in hosted datacenters	29%	31%	40%	29%	2%
Connectivity/bandwidth limitations and on-line performance quality and continuity – fear of outages	26%	30%	28%	10%	22%
Knowing where to start/ how to migrate	24%	28%	15%	19%	17%
Compliance/regulatory issues	23%	22%	14%	27%	31%
Security concerns about where data is hosted (not within national borders)	22%	24%	34%	17%	-
Who has access to data in a 3rd party datacenter	22%	17%	29%	19%	41%
Service provider SLA detail and quality	19%	17%	18%	37%	8%
Complexity of managing Cloud and on-premise environments	19%	18%	25%	20%	14%
Lack of understanding of real benefits of Cloud model/ROI	18%	16%	34%	9%	23%

Paradoxes – SMB IT Trend Synthesis 2016

Azure Tools in the Toolbox

Digital marketing

Mobile

E-commerce

Micro-service applications

Development and test

SharePoint on Azure Stack

Business intelligence

Disaster recovery

Backup and archive

Predictive maintenance with IoT

Remote monitoring with IoT

Big data and analytics

Assembling the Building Blocks for New Offers & Solutions

Website Hosting

Disaster Recovery/Business Continuity Solutions

Site Recovery | Backup

+ Service Monitoring

Office 365

Security Solutions

Azure AD | MFA

+ Archiving & Discovery Services

Managed Magento

eCommerce Solutions

PowerBI | SSL Certificates

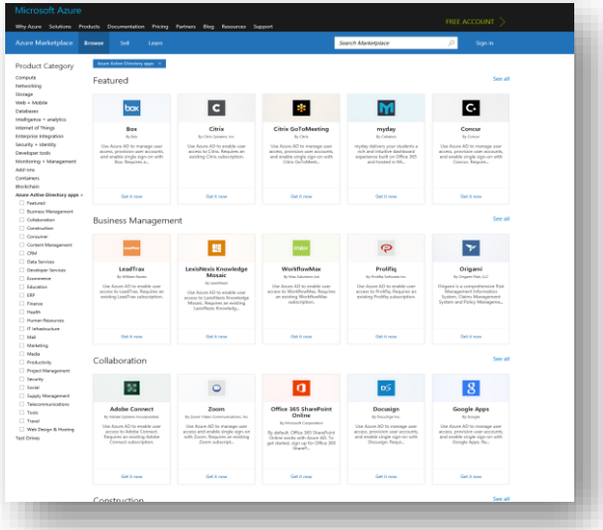
+ Analytics Service w/Partner Wrapper

Shared/ Infrastructure Hosting

Vertical Solutions

Marketplace | Web Apps | Office 365

+ Industry/App Expertise



Provide focused, targeted offerings:

- Industry verticalization, providing support for industry-specific applications.

Provide value-added services:

- Compute: Pre-defined templates – Repeatable Practices
- Storage: Multi-tier options
- Backup and DR
- Access Networking
- Security
- Middleware or Application Management
- Migration services
- Self-service/Admin Controls
- SLA
- Compliance

About Pulsant

Stuart Nielsen-Marsh

Director Microsoft Strategy at Pulsant

Pulsant
Business Unlimited

UK-based IT infrastructures & cloud services provider

3,500 customers

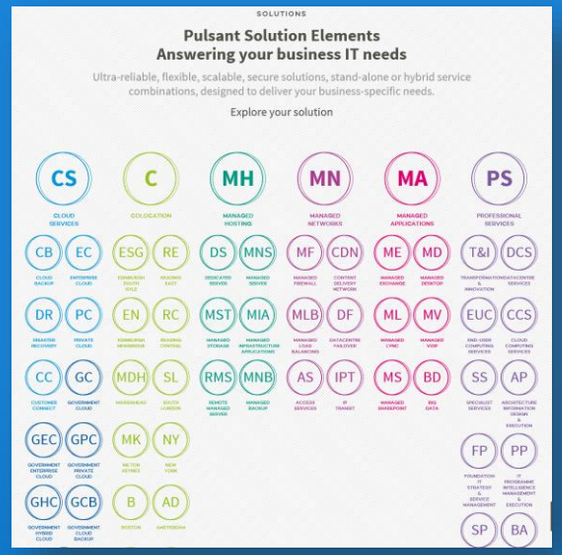
38,000 virtual and physical servers

A Path to Differentiated Offers

Pulsant
Business Unlimited

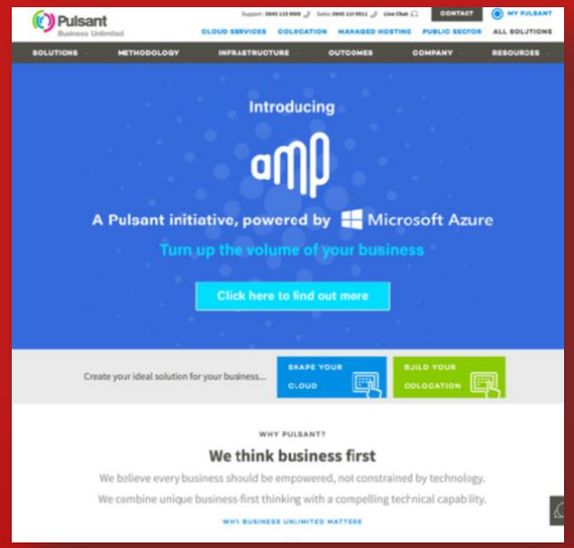
Challenge 1 – The Need for Change

- Clear Executive Sponsorship & a Commitment to Change
- Fostering a culture of Solution Selling & Verticalization
- Upleveling of skills and capabilities to address new demands of cloud



Challenge 2 - Differentiate

- Laser focus – especially on Hybrid solutions
- New opportunities by combining Azure and Azure Stack with existing capabilities
- Verticalization & Line of Business solutions



Our solutions

Amp is a collection of managed solutions supported by Microsoft technology, enabling companies to take full advantage of hybrid cloud services.

Business Agility

- Rapid scalability
- Coded infrastructure
- Mission critical application hosting

Business Continuity

- Preventing data loss
- Ransomware & Malware
- Mission critical application hosting

Data Governance and Compliance

- Data governance
- Regulatory compliance

Business Intelligence

- Predictive analytics
- Use your data
- Optimize marketing and sales

amp Result Driven Technology by Pulsant

Impact & Results

Increasing customer engagement
opportunity and driving longer engagements and higher revenue returns (up to 30%)

New cloud model and brand
set to generate between £1 million and £1.5 million (US$1.3 million and US$2 million) in revenue in year 1

Result Driven Technology
by Pulsant

New focused sales force and skills
greater architectural skills sets, shift to managed services support skills and understanding of annuity services management

Re-Thinking Re-Sellers

Resellers are an extension of your sales force & Need products to sell in this transformative world

Re-Tooling for Resellers

Build IQ

- **Analyze** trends with existing sellers- region, spends, products sold
- **Reach out** – surveys, portal questions, chats or phone – capture their expressed needs for success
- **Review** sites, offer & positions for top resellers

Targeting

- **Develop** a structured onboarding process
- **Recognize** the need for a comprehensive portfolio and provide centralized means for review
- **Provide stable of resources** (inhouse or 3rd party) to fill functional gaps in addressing the needs of business IT

Messaging

- **Position as a Partnership** – mutual understanding with mutual aims of success
- **Reinforce capabilities**, reliability and, importantly, accessibility.
- **Illustrate the Possibilities** that your services enable
- **Showcase Success** by other reseller partners

Support

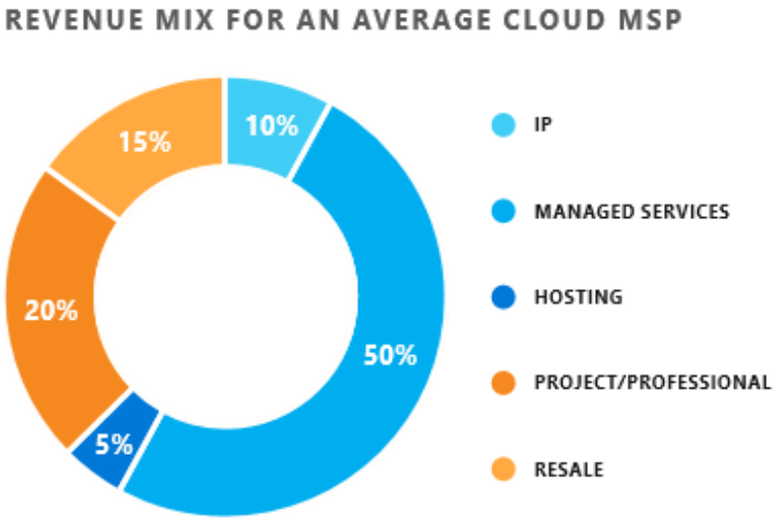
- **Utilize** main reseller log in portal for persistent and *relevant* product recommendations
- **Magnify Enablement -** Provide ready access to "sales tools" – especially ones that can be re-purposed by Reseller to help sell *to* end prospect
- **Monitor success** and Phase 2 analysis. Automate response outreach where possible

Other Recommendations

- Consider development of specified Reseller Control Panel IP. Target BI tools that help *them* understand their end clients behaviors and activities
- Support "trials" where possible for new service introductions

Learning from the MSP Mindset

Perspective on Revenue Mix



Verticalization and Targeting Opportunities

Understanding segmentation opportunities – some you may already support

Currently Sell to

Total		U.S.		U.K.		Germany		China	
FIRE*	31%	Manufacturing	34%	FIRE*	52%	Legal	33%	FIRE*	35%
Prof. Business Services	31%	Prof. Business Services	32%	Prof. Business Services	32%	FIRE*	32%	Prof. Business Services	25%
Manufacturing	30%	Federal, State & Local Government	30%	Manufacturing	31%	Prof. Business Services	27%	Healthcare/Medical	21%

Plan on Selling to over Next 12 Months

Total		U.S.		U.K.		Germany		China	
Retail	24%	Retail	27%	Healthcare/Medical	28%	Engineering	25%	Retail	21%
Healthcare/Medical	21%	Healthcare/Medical	23%	Wholesale trade and distribution	25%	Federal, State & Local Government	23%	Other Business Services	20%
Federal, State & Local Government	17%	Federal, State & Local Government	20%	Retail	25%	Agriculture, Mining or Construction	23%	Transportation & Utilities including Telecommunications	16%

**FIRE: Finance, Insurance, Real Estate*

Paradoxes – SMB IT Trend Synthesis 2016

Cloud Solutions Offered in Addition to Managed IT Services

In addition to managed services, MSPs are providing customers a wide mix of Cloud solutions ranging from SaaS, DaaS, and IaaS. Over 84% of MSPs are offering Office 365 as part of their portfolio.

98% of MSPs Currently Offering SaaS

% of MSPs Currently Offering SaaS by Type

- **96%** Email
- **93%** Productivity Suites
- **90%** CRM
- **88%** ERP/Financial Mgmt.
- **85%** Payroll/ Accounting
- **75%** HRA & Benefits Mgmt
- **58%** BI/Analytics

Build to identifiable Verticalization trends

Build to the Repeatable

- Additional back office applications & sales support
- BI IP layers – portal delivery +

Paradoxes – SMB IT Trend Synthesis 2016

MSP Mindset – Recommendations

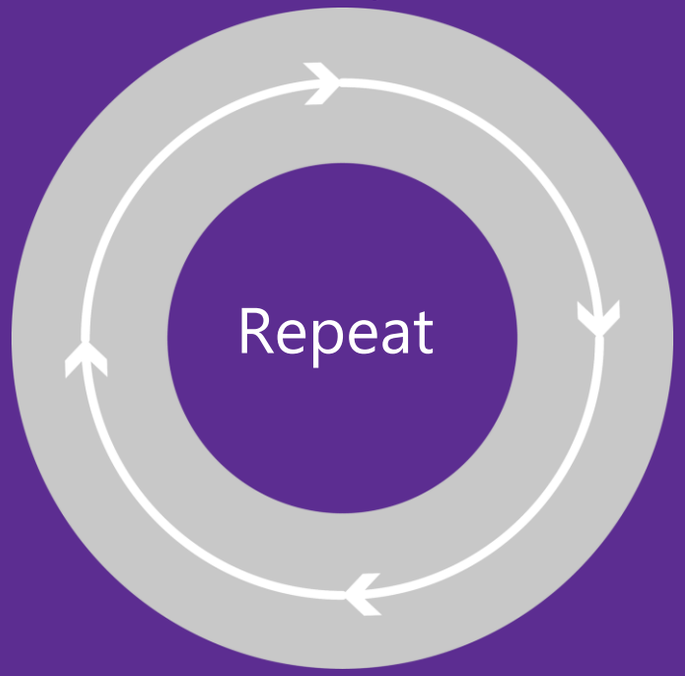
- Review your existing base and looks for vertical patterns
- Evaluate products and services utilized
- Survey these verticals for IT & Services needs & concerns
- PILOT campaigns. Conduction short term, modest cost outreach to showcase specialized expertise and support by vertical (i.e webinar, syndicated white paper, etc)

Apps& Ecosystems

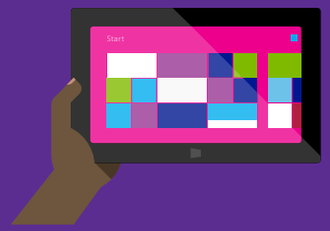
Creating Repeatable Practices – Value in Experience & Scale

Automation Everywhere Possible

Productizing to Solution Types or Segments



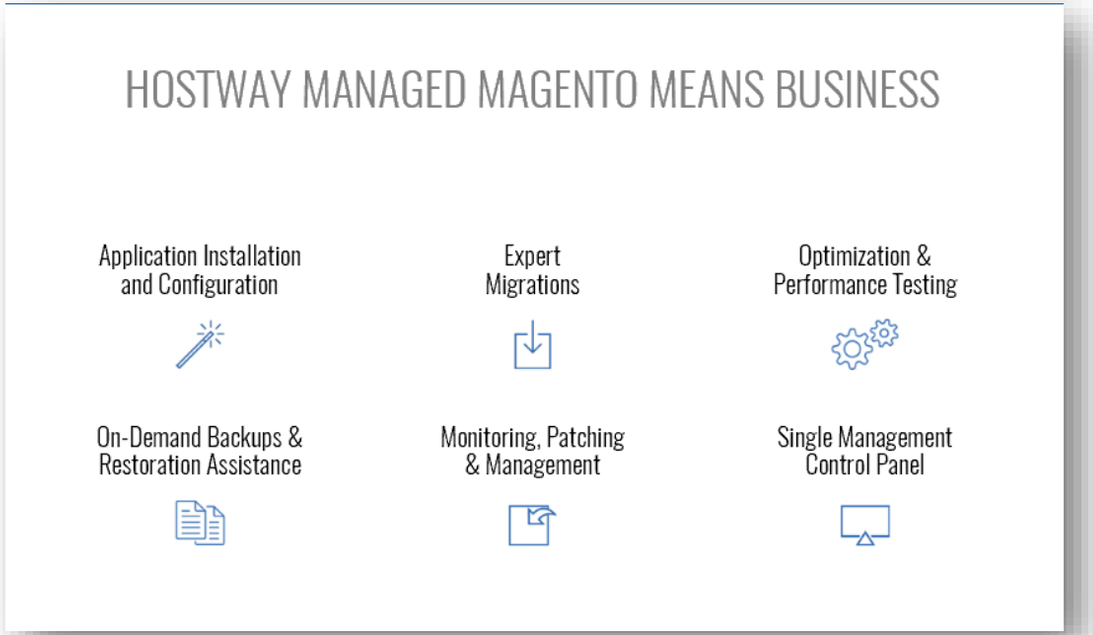
Expand & Accentuate Area Expertise



Developing & Providing Unique & Targeted Services

Partner Illustration - Building the Repeatable

Targeting the ecosystem and organizations that need, and advance, the application in market



Expertise, managed services & IP positioning

Other Segment Opportunities

Segment	Challenges	Your Solutions
ISVs	• Infrastructure management • Application Lifecycle Management • Speed to market	• DevOps • Database Management • Application Monitoring • Infrastructure Management • Resell ISV Solutions
System Integrators	• Support for environment after project completion • Staying current on rapidly evolving cloud technologies • Increasing compliance complexity	• Supplemental Professional Services • Infrastructure Management • Application Monitoring • Security Management • Database Management
Developers	• Speed to market • Agile development • DevOps process and implementation	• Dev and Test • DevOps • Database Management • Application Monitoring • Infrastructure Management

Moving Forward

Resources for Continued Learning & Success

CSP in a Box

Azure sales and marketing resources

https://www.microsoft.com/en-us/CloudandHosting/Azure_Hosting.aspx

Develop and launch your CSP offers

Marketing resources for offer development

Office 365	Azure	Enterprise Mobility Suite	Branding resources
Partner offer examples and SKU guidance Telesales guide	Azure services guidance Azure services resources	Product overview	EMS resources

Level 100	**Azure Fundamentals** Azure214x openedx.microsoft.com	All Roles
Level 200	**Azure Virtual Machines** Azure202x openedx.microsoft.com **Azure Virtual Networks** Azure203x openedx.microsoft.com **Azure Storage** Azure204x openedx.microsoft.com	Consulting Service Delivery Support Staff Sr. Support Staff
Level 400	**Architecting Azure** Dev205Bx aka.ms/edxazurearchitecture	Consulting Sr. Support Staff Technical Sales

Azure Documentation Center
azure.microsoft.com/en-us/documentation/

Thank You!

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