THE AGENT'S GUIDE TO SELLING CO-MANAGED MICROSOFT

HOW TO POSITION CO-MANAGED MICROSOFT TO MEDIUM ENTERPRISE CLIENTS

ABOUT THIS GUIDE

This guide covers why and how agents should start offering Microsoft solutions to medium enterprise clients through a co-managed IT model, as well as advice on positioning and selling Microsoft and SaaS solutions to your client base.

WHY MICROSOFT MATTERS TO THE MODERN WORKPLACE

As business operations converge in the cloud, organizations are looking to reduce complexity and time spent managing vendors by procuring their tech solutions from a single source. Although agents are well-embedded in medium enterprises when it comes to networks and connectivity, they have not typically had the access, expertise, or support needed to offer cloud applications and products, especially in-demand Microsoft solutions.

Balancing ease of collaboration and the ability to work from anywhere with advanced security to protect against today's relentless cyber threats, Microsoft is the proven SaaS engine of the modern workplace.

THE RISE OF THE DIGITAL WORKPLACE

Through 2021, **over half** of the total IT spending increase of $200 billion will be for digital-related services.[1]

By 2021, **more than $150 billion** in annual IT spending will shift to cloud and cloud-related spending.[1]

By 2021, **94%** of workloads will be hosted in the cloud.[2]

THE VITAL IMPORTANCE OF SECURITY

Nearly **one-fifth** of all files shared through the cloud have sensitive information in them; **31%** lives within Microsoft applications.[3]

Microsoft cloud services see **300 million** fraudulent sign-in attempts every day.[4]

Microsoft reports that **99%** of account hacks are blocked using multi-factor authentication (MFA).[4]

THE SURGE OF MOBILITY NEEDS IN 2020

While remote work has been steadily growing in the past five years, 2020 has brought a global surge in remote work, leading to an explosion in business use of Microsoft Teams.

NOVEMBER 2019 – 20 MILLION DAILY ACTIVE USERS[5]

MARCH 11, 2020 – 31 MILLION DAILY ACTIVE USERS[6]

MARCH 18, 2020 – 44 MILLION DAILY ACTIVE USERS[6]

APRIL 29, 2020 – 75 MILLION DAILY ACTIVE USERS[7]

OCTOBER 2020 – 115 MILLION DAILY ACTIVE USERS[8]

THE CHALLENGES OF MICROSOFT IN THE MEDIUM ENTERPRISE

Medium enterprise clients are likely buying Microsoft products either directly from Microsoft through an Enterprise Agreement (EA) or from other CSP distributors and resellers – which can be challenging due to confusing licensing guidelines, frustrating offshore support, costly unused licenses, and an increased risk of Microsoft audits.

THOUSANDS OF SKUS AND CONFUSING LICENSING GUIDELINES

The thousands of SKUs and confusing licensing guidelines in a Microsoft environment create a sea of options that can be difficult for clients to navigate. As a result, many clients spend too much time and money on procurement.

LONG-TERM CONTRACTS AND VOLUME COMMITMENTS CREATE INFLEXIBILITY

Most medium enterprise clients commit to multi-year terms and a license volume – but it's not easy to accurately predict what their license usage may be 24 or 36 months from now, leading to paying for unnecessary licenses.

LACK OF CLARITY AROUND LICENSE USAGE CAUSING OVERPAYMENT

An organization's Microsoft environment often grows organically over time from different distributors in a mix of on-premise and cloud, leaving many clients in the dark about what is in their inventory, what is being used, and what is out-of-date.

COMPLICATED, DISTRIBUTED BILLING

Due to separate invoices for different sets of licenses, billing can be a complicated nightmare that takes hours of time each month to reconcile.

FRUSTRATING, UNRESPONSIVE OFF-SHORE SUPPORT

Off-shore support from Microsoft or other distributors and resellers can take days for resolution, leading to a loss of business productivity and causing clients to waste time trying to figure issues out on their own.

SUSCEPTIBILITY TO COSTLY AND TIME-CONSUMING MICROSOFT AUDITS

Microsoft can audit clients to ensure their environment of licenses are in compliance with their Microsoft agreement. These audits can lock clients up for months, costing a significant amount of time and money.

EOS/EOL PRODUCTS LEADING TO NONCOMPLIANCE

Microsoft periodically marks SKUs as EOS (End of Support) or EOL (End of Life), causing clients to become non-compliant when it comes to HIPAA, PCI, FINRA, or GDPR regulations.

THE SOLUTION: CO-MANAGED MICROSOFT

By extending Microsoft, security, and continuity solutions to agents as a co-managed solution that offers the ease of ordering, provisioning, billing, and support through Pax8, we're enabling agents to alleviate major client pain points around Microsoft and cloud procurement – making agents increasingly relevant to their clients while capturing revenue from Microsoft and other cloud products.

THE VALUE

We bring our Wingman Experience directly to your clients' internal IT teams – while you collect commission. Your clients will benefit from:

- **Self-service platform** that makes it easy to order, increase, or decreases licenses
- **Month-to-month consumption model** that reduces overpayment and reduces or removes the risk of Microsoft audits
- **Direct access to US-based 24/7 technical support** for internal IT at no additional cost
- **Professional Services** available for cloud projects that require migration, architecting, or engineering (pricing, Statement of Work, and deliverables negotiated in advance)

THE BENEFIT

Simplifying your clients' Microsoft and cloud procurement through co-managed IT with Pax8 can help your clients reduce operating costs, lower risk, and allow their internal IT team to focus on strategic initiatives.

CLIENT FIT FOR CO-MANAGED IT

Medium enterprise clients (150+ employees)

Dedicated internal IT team

Want to consolidate Microsoft in the cloud

Procuring their Microsoft licenses through a Microsoft Enterprise Agreement (EA) or other distributors/resellers

MICROSOFT & COMPLEMENTARY SAAS PRODUCTS

Through a co-managed IT model that brings the value of the Pax8 Wingman Experience directly to your clients, Pax8 makes it easy for agents to capture revenue from Microsoft cloud products, as well as a portfolio of complementary cloud security, continuity, and infrastructure solutions.

MICROSOFT SOLUTIONS

Microsoft 365

Microsoft 365 (M365) offers a single, integrated solution that combines productivity apps with advanced security features, device management, and an always up-to-date Windows OS.

Microsoft Teams

Microsoft Teams (included with M365) is the hub for teamwork and collaboration in Microsoft that combines chat, video meetings, calling, document collaboration, screen sharing file sharing, and calendaring integration.

Microsoft Azure

Microsoft Azure is a growing collection of integrated cloud services that developers and IT professionals use to build, deploy, and manage applications through Microsoft's global network of data centers.

CLOUD SECURITY SOLUTIONS

proofpoint.

Advanced email security that complements Microsoft products

SentinelOne

Endpoint security powered by machine learning and automation

IRONSCALES

Industry-leading anti-phishing platform

IBM MaaS360 | With Watson

Mobile security and management for applications, documents, email, and devices

CLOUD CONTINUITY & INFRASTRUCTURE SOLUTIONS

Dropsuite

Market-leading email data protection solution

wasabi

High performance, one-size-fits-all cloud storage that eliminates confusing storage tiers

INSIGHT SELLING

The traditional consultative sales process that many know and still practice is outdated, and clients are tired of answering the same questions about their business in sales conversations. So stop asking questions and start bringing business insights they haven't heard before – teach them something they don't know!

There is power in story. Instead of asking closed-ended questions that will get you a brief answer, reframe the question in an open-ended way that provides an example and allows them to elaborate.

DON'T ASK THESE TIRED, CLOSE-ENDED QUESTIONS:

1. How many licenses do you have? Which ones? How much do they cost?

2. What are the terms of your contract?

3. What's your experience like with support?

4. Have you ever been audited by Microsoft?

INSTEAD, ASK THESE OPEN-ENDED "CHALLENGE" QUESTIONS THAT REFRAME THE ISSUE WITH A STORY:

1. We find that for a lot of our clients, their Microsoft licenses have grown organically over time, leaving them in the dark on which SKUs they have and use. Have you experienced that?

2. Most business leaders we meet with are focused on the next six months of their company growth and can't accurately predict how many employees they'll have in 24 months. Do you feel you have a good enough handle on how much your company will grow in the next two years to be able to lock into a long-term contract?

3. If you have any chronic issues with IT that require you to open tickets with Microsoft or other vendors, what would the impact be on your business if tickets take days to resolve?

4. I just met with a client a similar size to you who's been locked up in a Microsoft audit for the past three months and they estimate it's cost them tens of thousands of dollars. Have you heard similar stories?

WANT TO DIVE DEEPER ON SALES METHODOLOGIES AND TACTICS?

Pax8 Academy is full of on-demand learning videos and a
Co-Managed IT Expert certification, available to Pax8 partners.

MAP PAIN POINTS TO CO-MANAGED SOLUTIONS THROUGH PAX8

CLIENT PAIN POINTS		SOLUTION VIA CO-MANAGED IT THROUGH PAX8
Thousands of SKUs and confusing guidelines complicate license procurement	- - - -	Self-service platform to easily order, increase, or decrease licenses and a deep bench of Microsoft experts
Off-shore support with unsatisfactory SLAs and poor experience	- - - -	Direct access to world-class 24/7 US-based technical support for your internal IT team
Time is wasted each month reconciling multiple invoices from multiple vendors	- - - -	Consolidated billing (one invoice per month!)
Billing is unpredictable and long-term volume commitments lead to overages	- - - -	Flexibility of month-to-month consumption model so you only pay for what you need
Microsoft audits are increasingly common and costly, while compliance (e.g. HIPAA, PCI, GDPR) can be difficult to maintain as products reach end of support/end of life	- - - -	Month-to-month consumption model reduces or removes threat of audits and helps maintain compliance by keeping licenses up-to-date

EMAIL TEMPLATE: ADVANCE THE CONVERSATION ON CO-MANAGED IT

New Email — ▢ ✕

To: Client

Subject: A better way to buy and manage Microsoft? 📎

Dear [CLIENT CONTACT FIRST NAME],

A lot of businesses find that their Microsoft licenses have grown organically over time, leaving them in the dark on which SKUs they have and use – and with a mess of invoices from multiple resellers and distributors. Sound familiar?

If Microsoft procurement and billing has become a headache, you might be interested in moving your licenses to my co-managed IT offering through Pax8, the leader in cloud distribution. This would allow your internal IT team to take advantage of:

- **Self-service cloud platform** that makes it easy for you to order, increase, or decrease Microsoft and other leading SaaS product licenses
- **Month-to-month consumption model** that reduces overpayment and reduces or removes the risk of Microsoft audits
- **Consolidated billing** with just one invoice a month for all your licenses
- **Direct access to world-class, US-based 24/7 technical support** for your internal IT team, at no additional cost
- **Professional Services** available for cloud projects that require migration, architecting, or engineering (pricing, Statement of Work, and deliverables negotiated in advance)

Let's set up a call to discuss if co-managed Microsoft is a good fit. What's your availability this week?

Thanks,

[AGENT NAME]

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A MODERN PLATFORM +
A MODERN PARTNER EXPERIENCE

Pax8 simplifies the cloud journey, empowering our partners to sell cloud solutions and services the way they want, as easily as possible. That's why Pax8 makes it easy for agents to capture revenue from Microsoft and other SaaS products with our co-managed IT model through:

- **Streamlined access to in-demand Microsoft, security, and business continuity cloud products,** including Microsoft 365, Azure, Proofpoint, IRONSCALES, SentinelOne, Dropsuite, IBM MaaS360, and Wasabi.

- **Deep bench of Microsoft experts** around Office 365, Microsoft 365, and Azure.

- **Educational resources and sales enablement,** such as Mission Briefing events to teach you the ins and outs of co-managed Microsoft, and our online Pax8 Academy for self-paced cloud learning that includes a Co-Managed IT Expert certification.

- **Sales support throughout the sales cycle** from discovery, to demo, to change of channel.

WHAT DO AGENTS NEED TO DO?

Identify clients who are a good fit and work with Pax8 to easily move their licenses — then start earning commission!

GET STARTED TODAY

OTHER RESOURCES

▶ **WATCH:**
Video – Learn About Pax8 Academy & Our Co-Managed IT Expert Certification

👤 **REGISTER:**
Free Events – Pax8 Mission Briefings

⬇ **DOWNLOAD:**
Product Linecard – Empowering Agents to Capture Cloud Revenue

⬇ **DOWNLOAD:**
Playbook – Co-Managed Cloud Solutions with Pax8

⬇ **DOWNLOAD:**
Guide – The Agent's Guide to Selling M365

SOURCES

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