

Microsoft Hosters' Bootcamp

Performing Marketing Campaigns and TCO evaluation

Webinar 3/3



From Insights to Execution



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We enable partners
sales acceleration
and GTM transformation



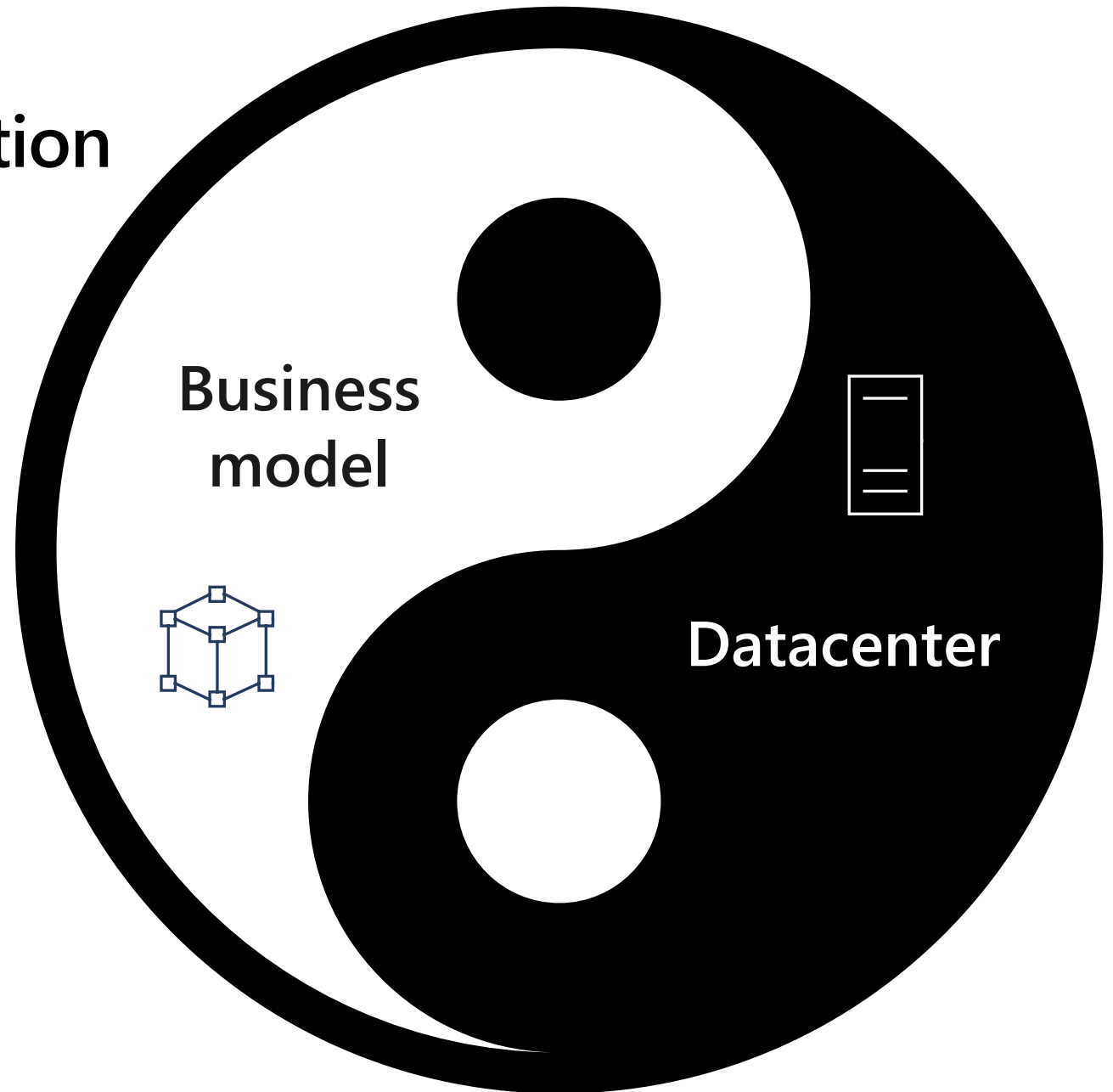
Scope

Three main interconnected topics



Objective: Migration vs. Transformation

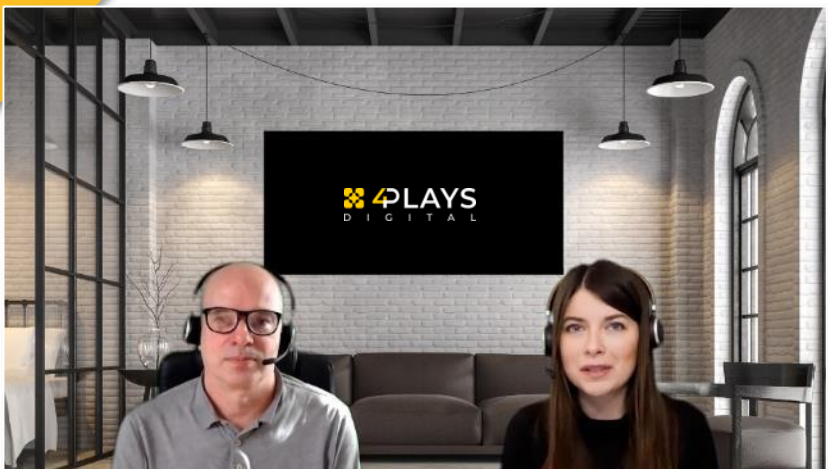
How do I differentiate
in a highly competitive
Cloud and Managed
Services world?



What

Running Marketing Campaigns

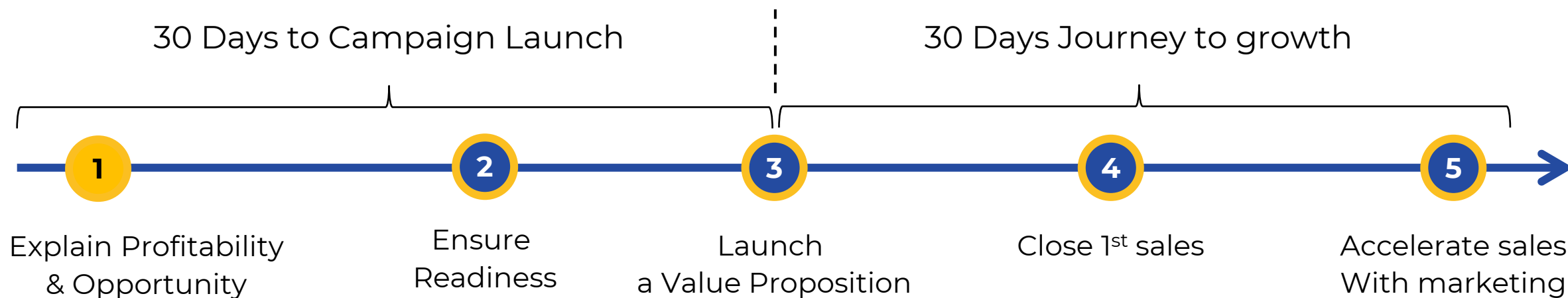




SureStep Campaigns Execution



for **Microsoft** partners



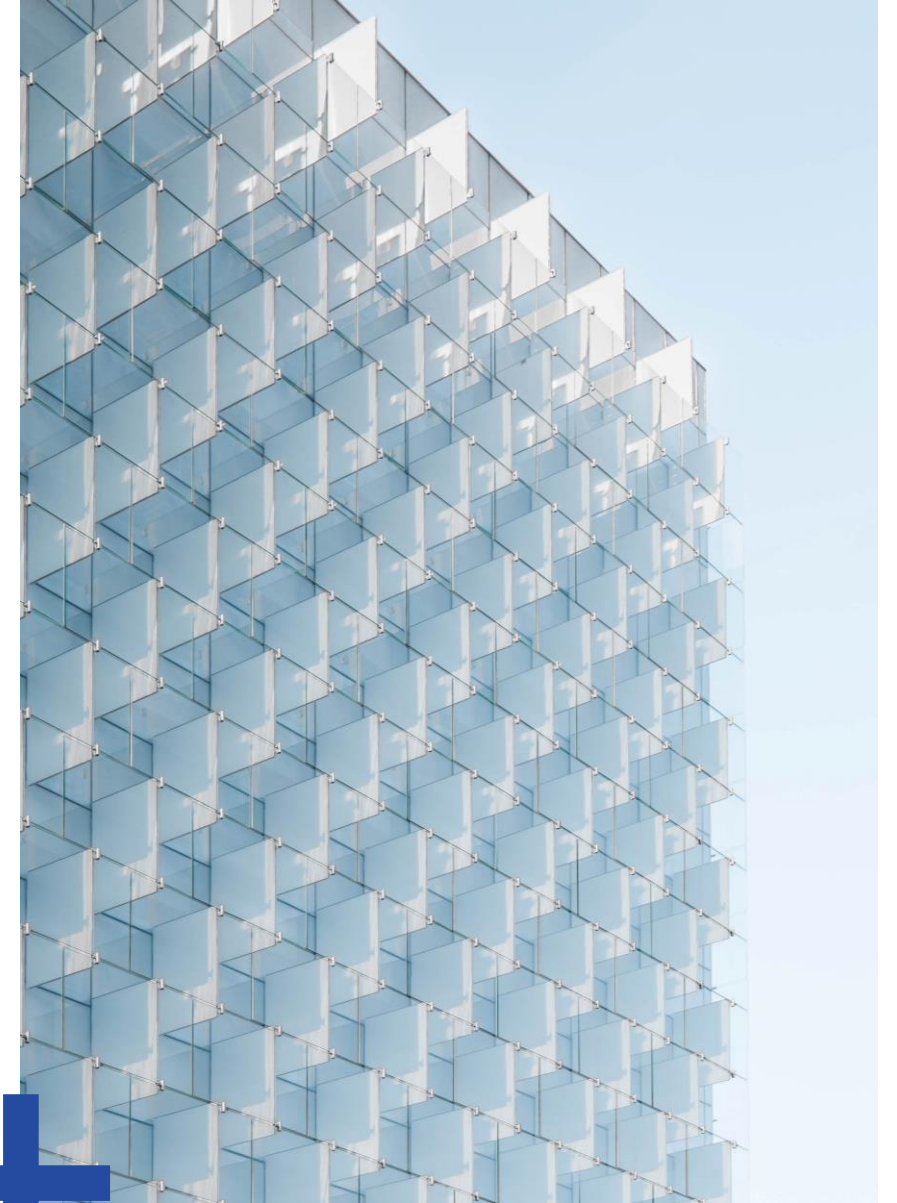
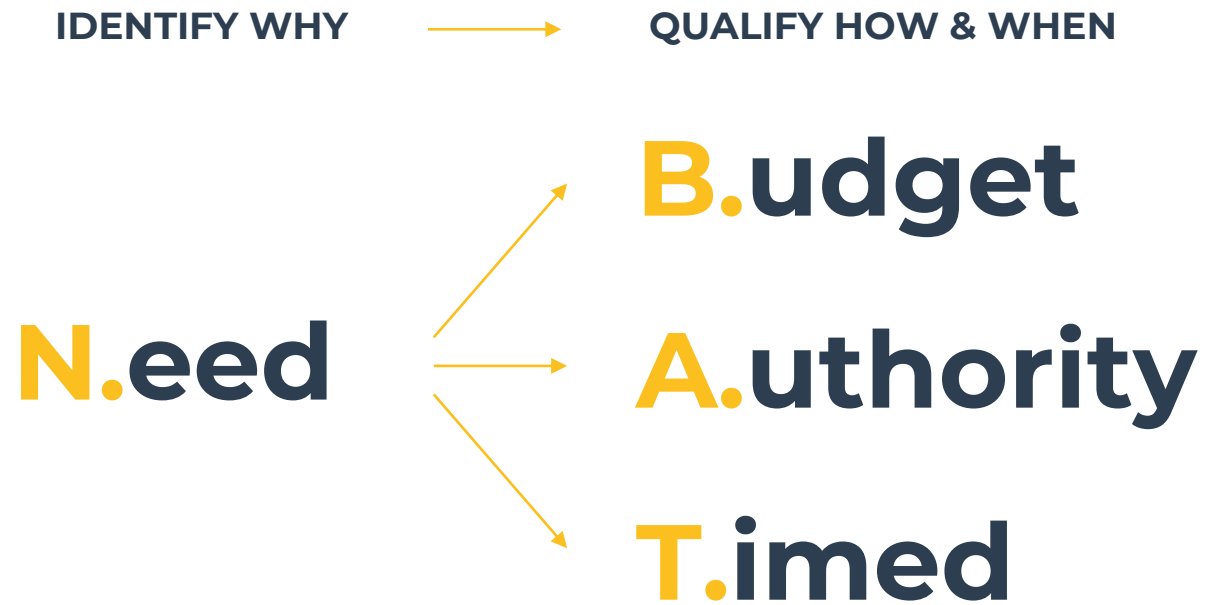


1. Explain the Opportunity and the Profitability

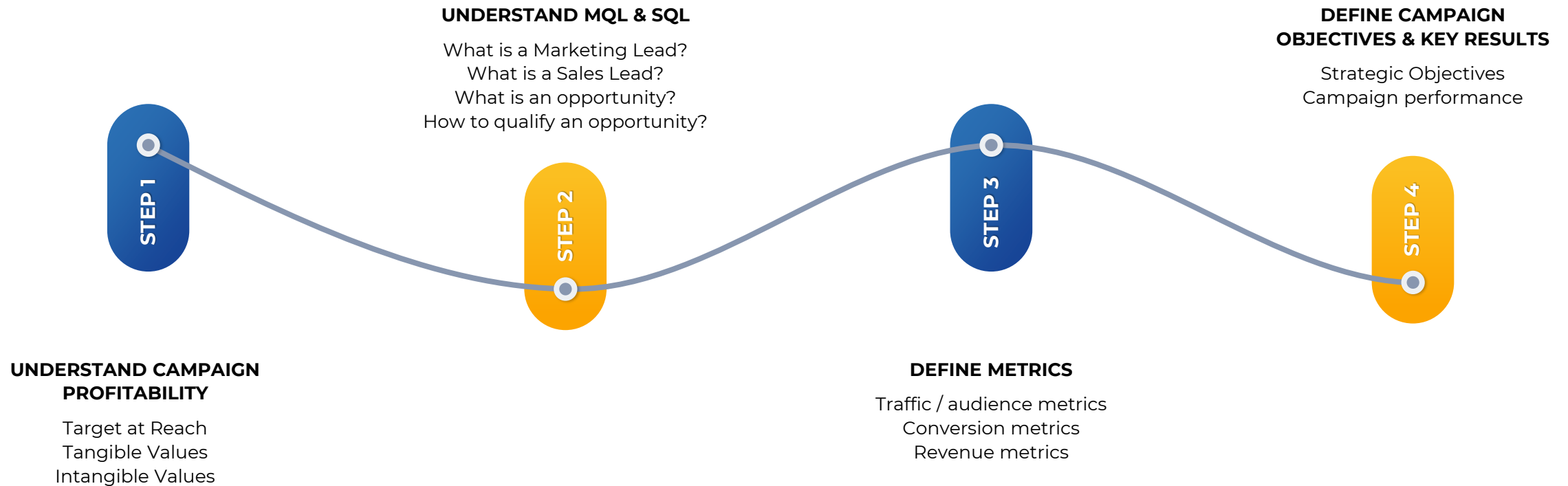


Doing more with MS Azure

Qualifying Opportunities



What it takes to have campaign profitability

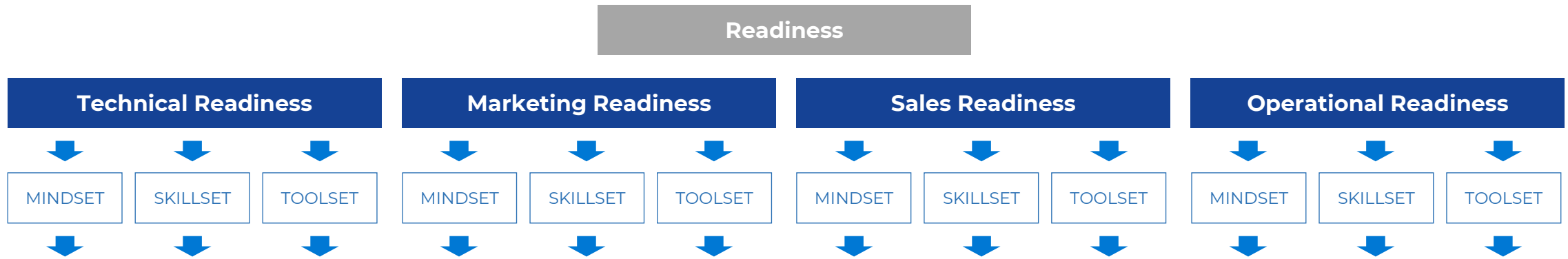




2. Ensure Readiness

 Doing more with MS Azure

2. Are we ready?



Across 4 dimensions, readiness is made of:

MINDSET: What we envisage as the best possible transformation

SKILLSET: Which skills are needed

TOOLSET: Which management tools are needed

2. What is Readiness





3. Launch your Value Proposition

 Doing more with Microsoft

Test you Value Market Fit

1. Transformation / consulting services

Services sold in man-days based on a precise agreement between the customer and the provider who acts in reaction to a demand

2. Managed services

Proactive services sold in exchange for a monthly fee based on a list of activities to be carried out to prevent issues and to ensure monitoring, compliance, optimization,

3. Packaged offers / IPs

Platforms ready to be used by customers and dedicated to solve specific needs, providing benefits to an identified target

Ready to launch

Is it desirable?	Is it feasible?	Is it profitable?
<ul style="list-style-type: none">• The best industry to use my assets: “Where I can make a difference”• The problem to be solved: “What are my customers frustration”• The job to be done: “How might we help them....”• The early adopters: “Who is the most unhappy”	<ul style="list-style-type: none">• My Reach capabilities: “Can I reach the right target?”• Customer Trust: “Will my target listen to my story?”• The right competencies: “Does my staff have the skills?”• A great experience: “Can I turn Unhappy to Happy customer”	<ul style="list-style-type: none">• Revenue impact: “Will I increase my revenue?” “Will I delay my revenue?” “How will my time-to-revenue change?”• Cost Impact: “People utilisation impact?” • “Marketing cost?” • “Sales compensation impact?”• Recurring revenue & Cash flow: “What will be the impact on my bottom line?”

Do my customers need it?

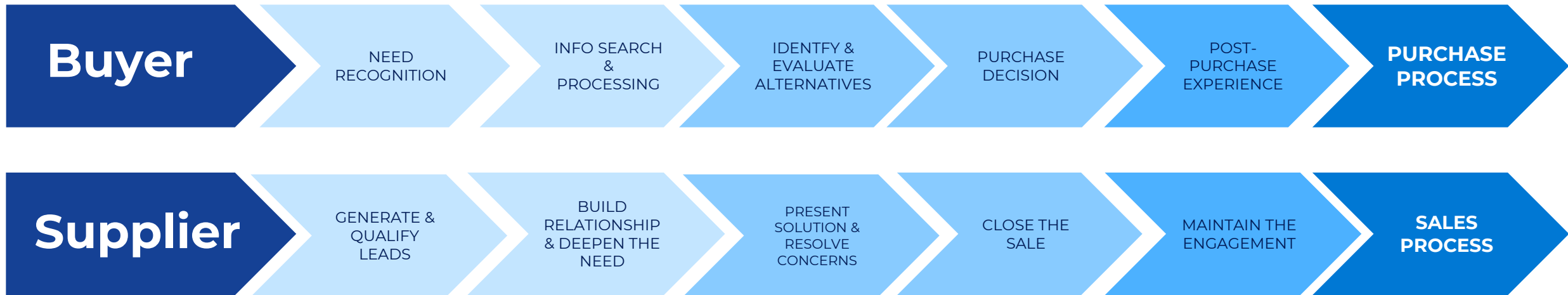
Do I have the right capabilities?

How will I make money?

4. Close Your First Sale

 Doing more with Microsoft

Synchronizing the journeys





5. Accelerate Sales with Marketing



Doing more with Microsoft

Filling the Sales Funnel

TOP OF FUNNEL (TOF)

You need to provide awareness of the problem as well as of solutions to most common pain points

MIDDLE OF FUNNEL (MOF)

You need to create trust about your company and rationale to deepen the interest about solutions

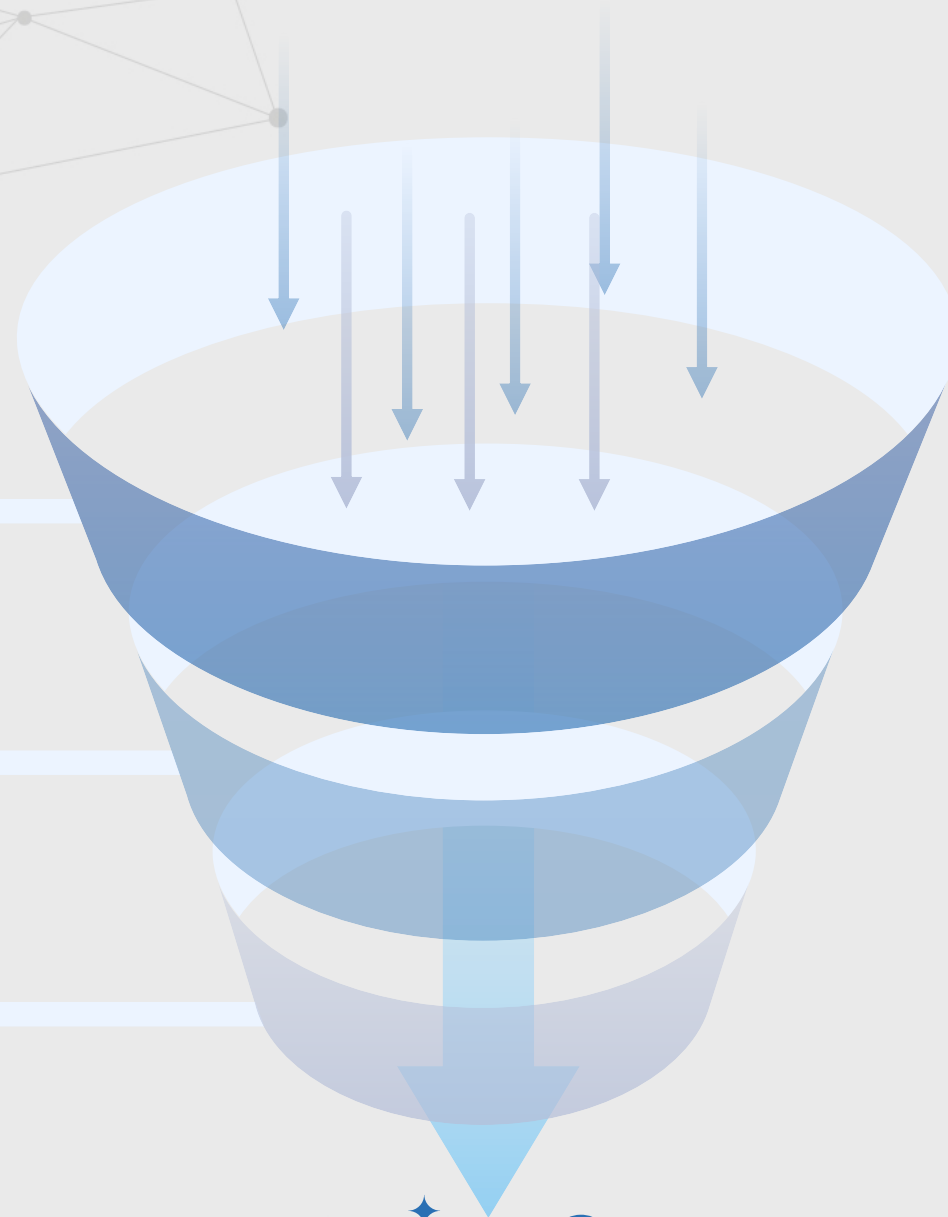
BOTTOM OF FUNNEL (BOF)

You need to provide reasons to buy the solutions in the planned timeframe

UNQUALIFIED PROSPECTS

QUALIFIED PROSPECTS

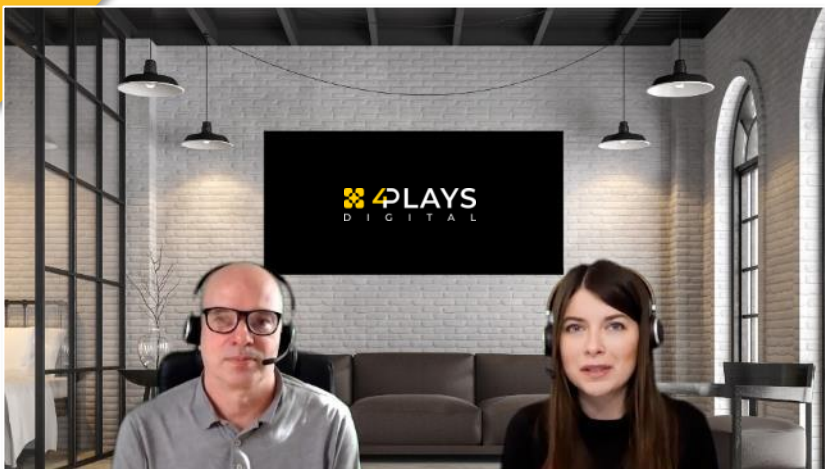
LEADS



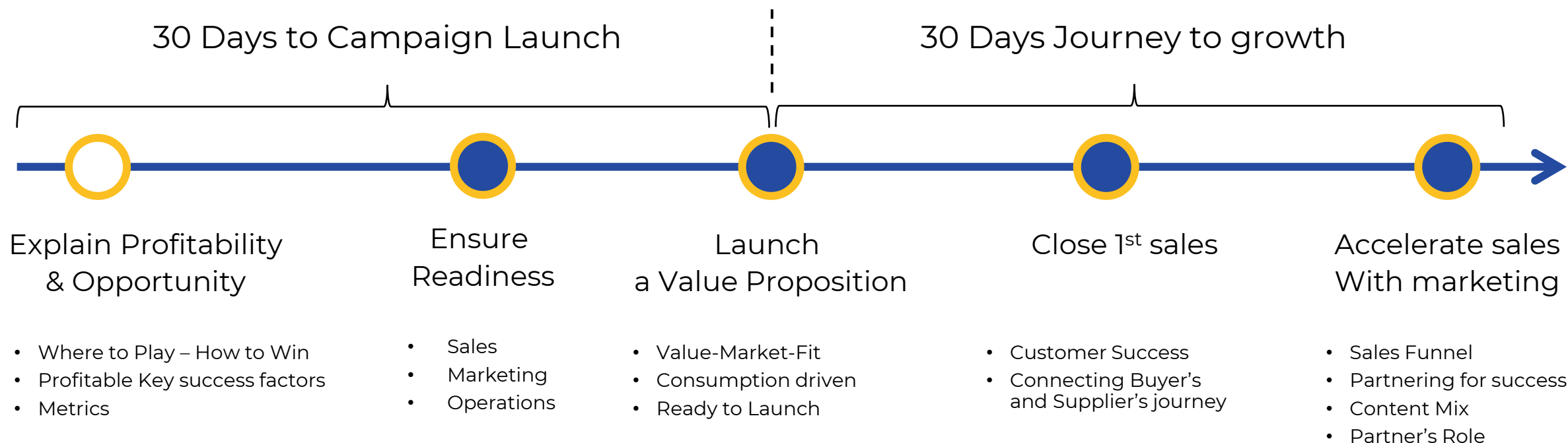
The Content Mix



(*) Digital Marketing Content On Demand, see next slides



Expected timeline for Business Transformation

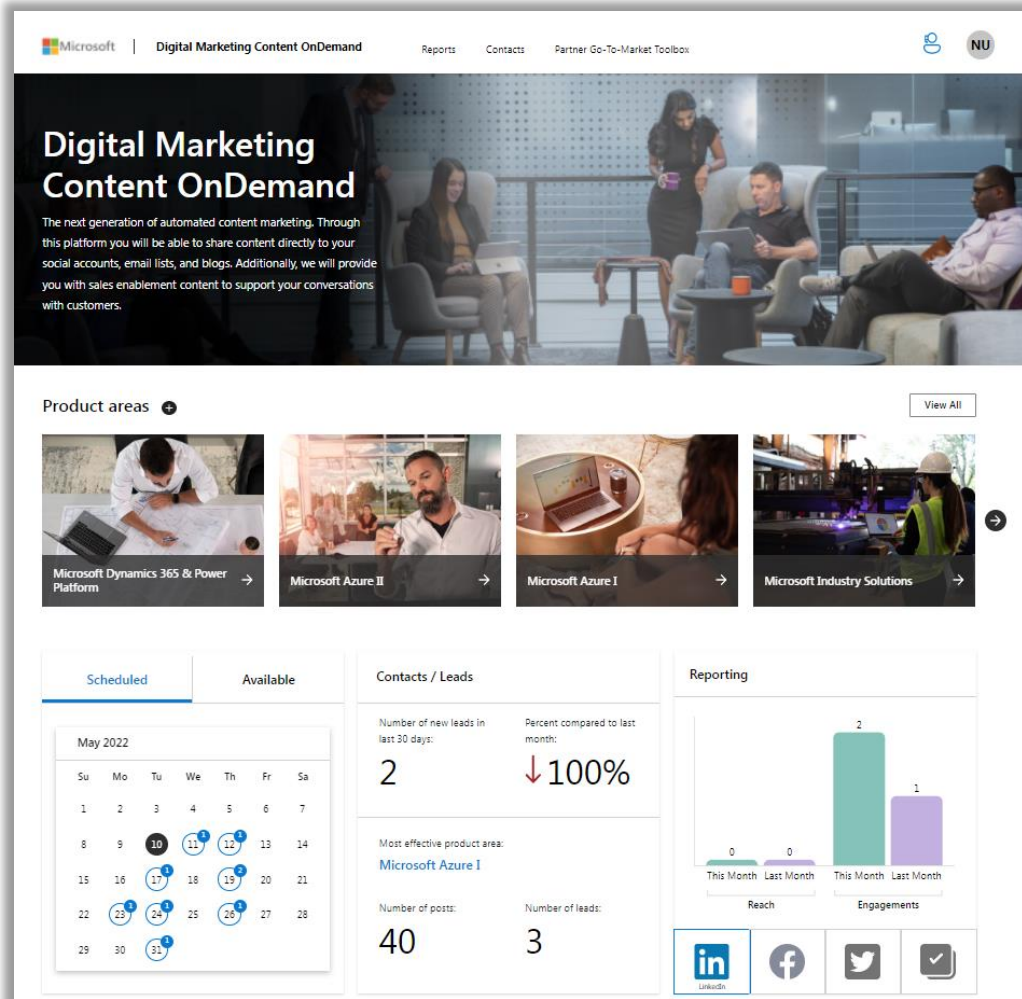


What

Tools to succeed
Digital Marketing Content On Demand



The Magic of Content: DMC



THE RIGHT CONTENT

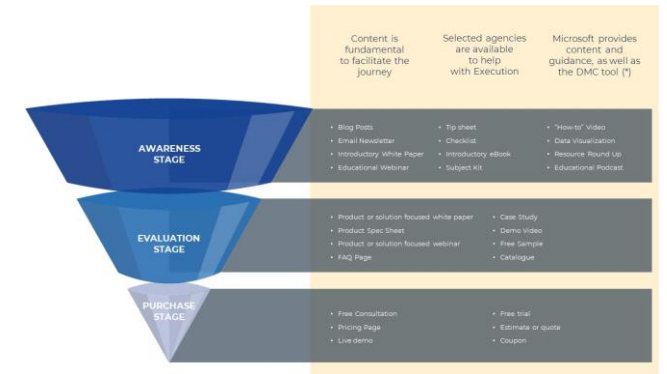
A simple, easy-to-use tool providing partners with comprehensive digital campaigns that include curated, to-customer marketing materials and sales resources in a highly prescriptive format

AT THE RIGHT TIME

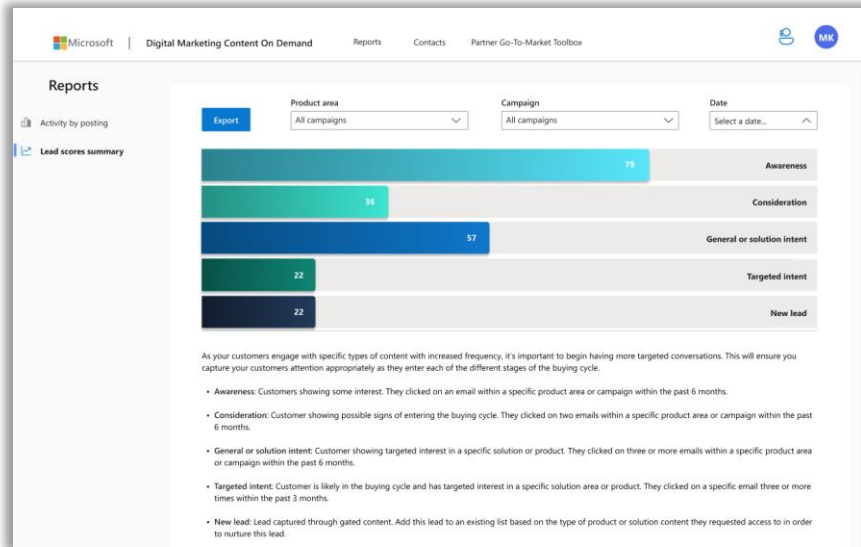
Digital Marketing Content On-Demand (DMC) includes a Marketing Automation Tool that schedules content sharing based on pre-defined timescales, according to industry best practices

THE RIGHT DATA TO CREATE THE FUNNEL

Suggested posts, statuses and emails can be shared (after personalization) as well as gated content across multiple assets and social media accounts. Reports include your most effective product area, number of posts, number of new leads, and reach/engagement across your social accounts

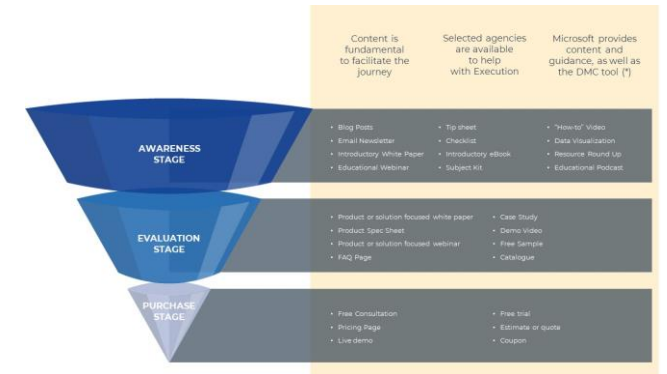


The Magic of Content: DMC



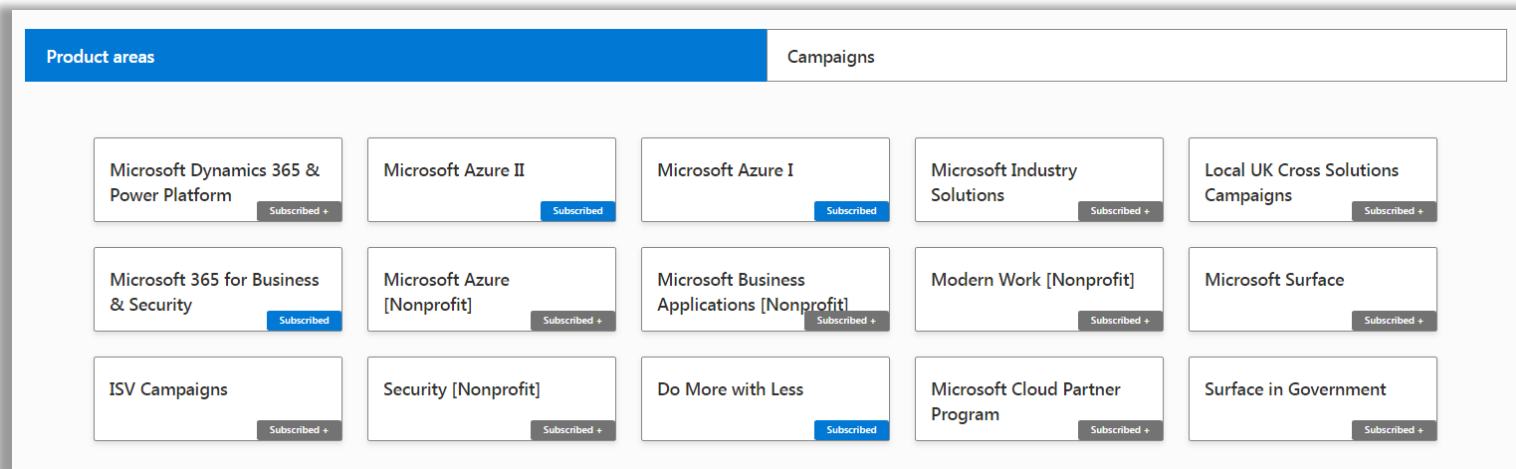
FROM “AWARENESS” TO “NEW LEAD”

Data available through DMC reports provided a clear and actionable guidance to help you understand when to have more targeted conversations as your current customers enter a new buying cycle

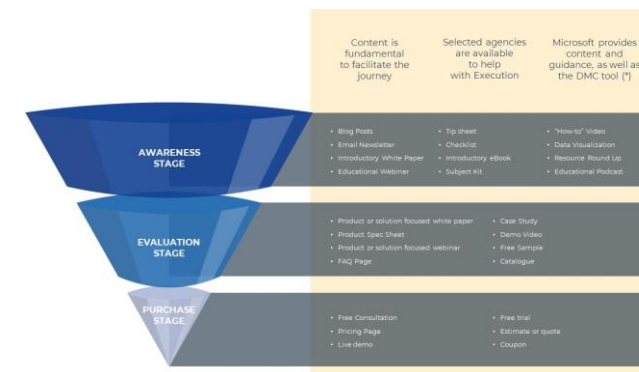


ACROSS PRODUCT AREAS

Suggested content is refreshed weekly and made available by product areas and by campaign objective



Benefits of DMC for partners



FINDING CONTENT

Microsoft content is now easy to find and to use for your campaigns



Locating the right Microsoft content

Partners report spending 3-8 hours/week on average looking for content

USING A SIMPLE TOOL

Organize easily content and contacts and create campaigns in minutes, with your identity



Pulling together cohesive campaigns

Finding the right content and creating a campaign requires more time or resources than partners report having



Managing multiple social media accounts

Consistency is the key to social media and partners report not having time to keep their blogs or social accounts active

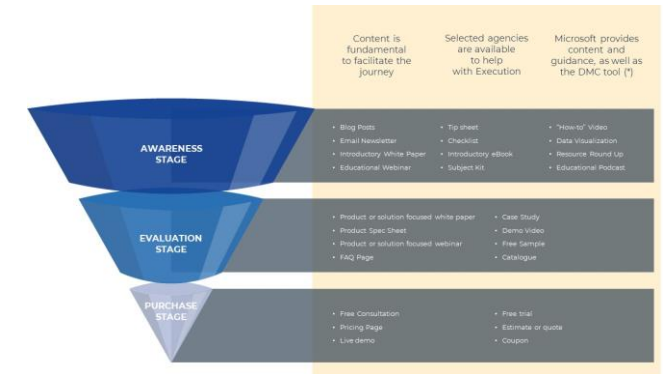


Tracking ROI on social media

Partners have no way to track customer interactions with content or content ROI



- **Call to action**
- **Link to the DMC**
- **Languages (now and plans)**
- **Video**



What

Tools to succeed
Metrics





Companies that can demonstrate sales of recurring revenue in a SaaS model have twice the valuation of companies that don't

Inc.

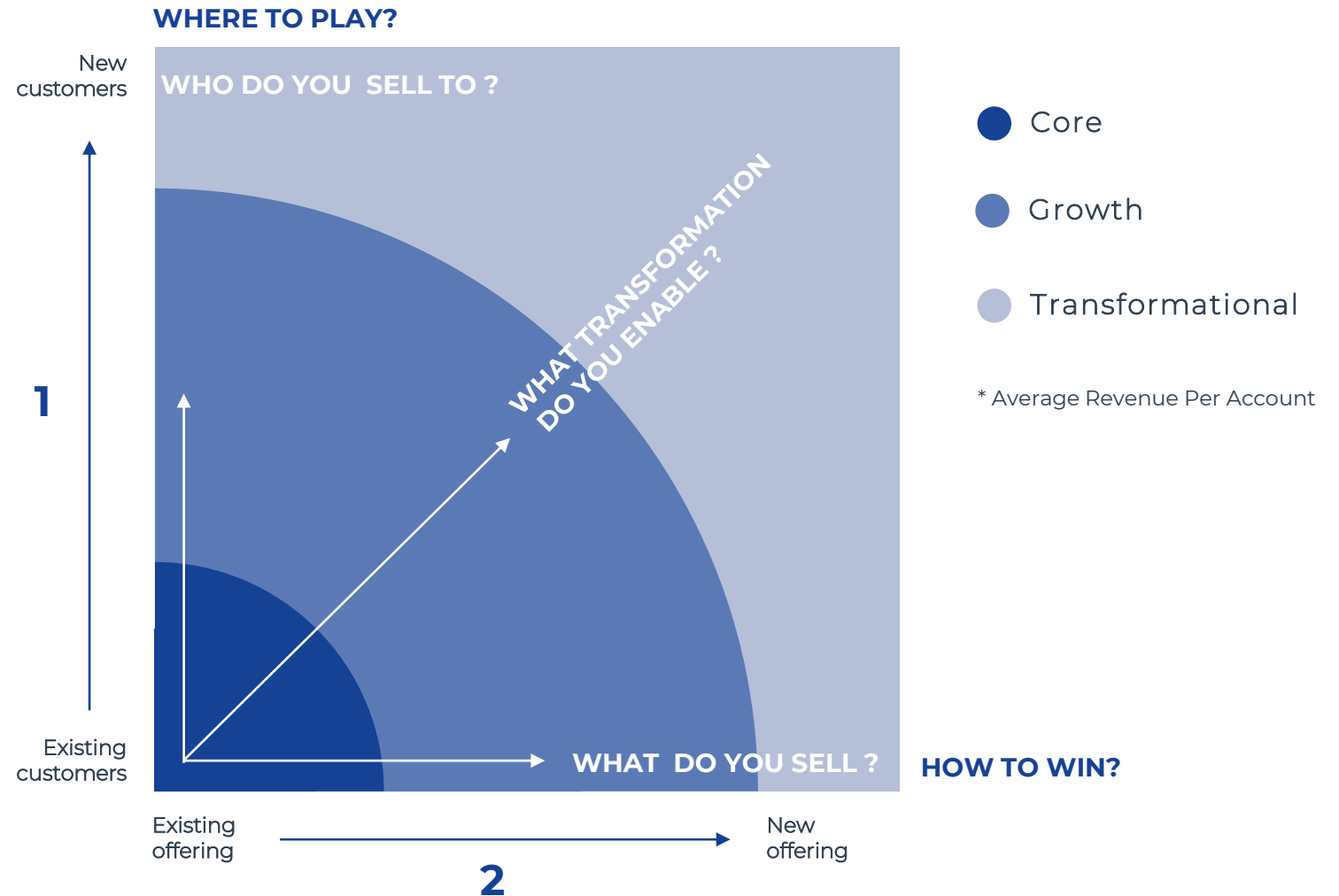
Journey to Cloud sales metrics

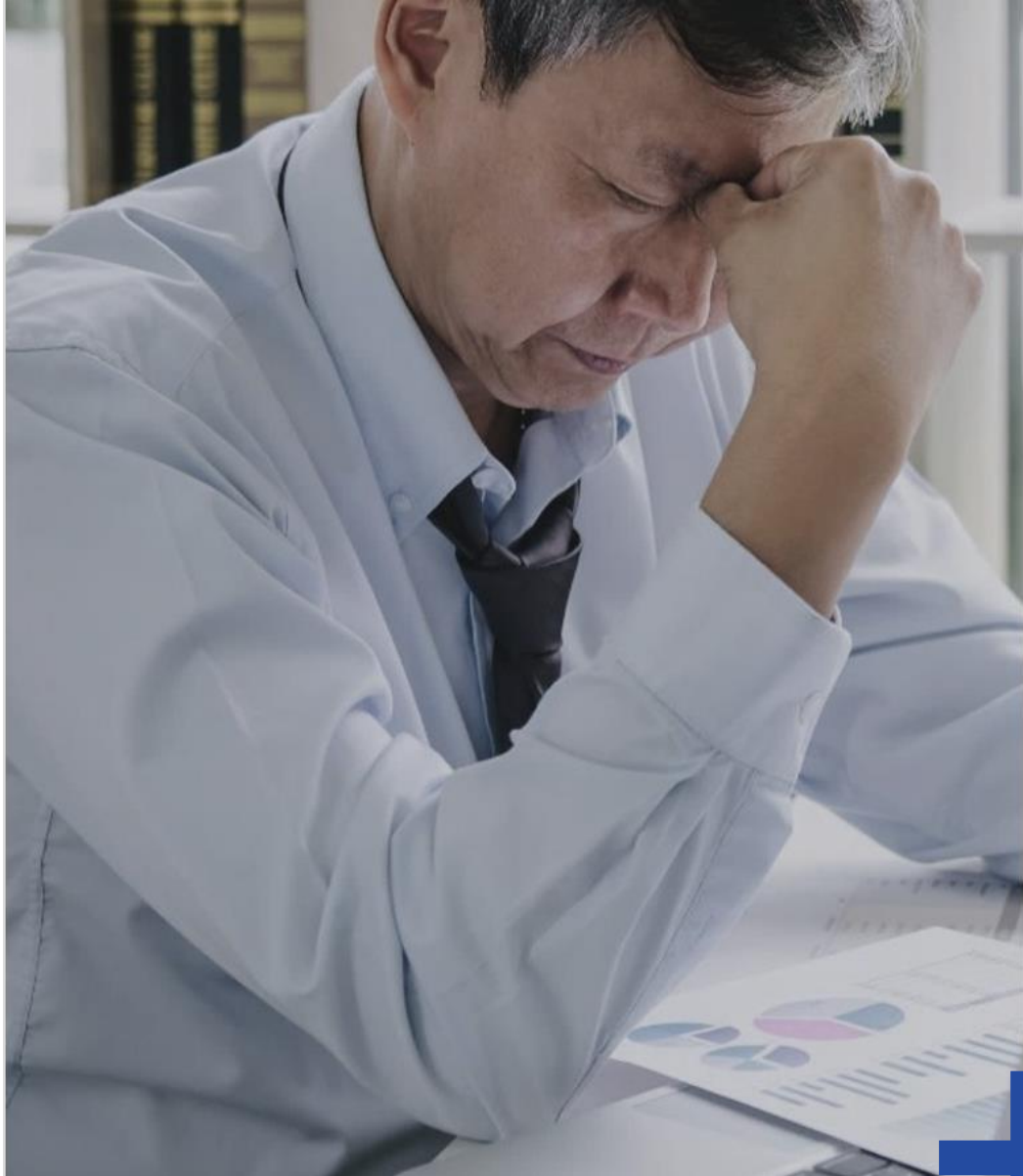
1 Cloud Consumption Reach

How many accounts consume cloud services from you?

2 Cloud Consumption Yield – ARPA*

How much and what type of cloud services are consumed by each account?





Journey-to-Cloud Financial Metrics

Traditional metrics are Backwards looking

- + Sales revenue
- Cost of Good sold

= **Gross income**

- SG&A
- R&D

= **Net income**



Journey-to-Cloud Financial Metrics

Journey-to-Cloud > Forward looking

3 **ARR** Annual Recurring Revenue @ Start

— **Churn:** Lost accounts recurring revenue

+ **ACV:** Annual Contract Value

= **PROJECTED ARR @ next period**

— **Recurring Cost to serve** ARR

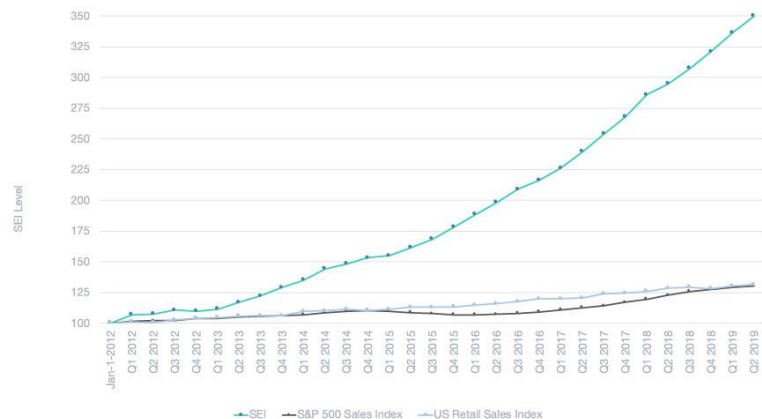
= **RNI Recurring Net Income**

Journey-to-Cloud Operations Metrics

4 Cloud business **GROWTH**

Subscription business grew revenues about 5 times faster than S&P 500 company revenues from January 1, 2012 to June 30, 2019

THE SUBSCRIPTION ECONOMY INDEX LEVEL VERSUS
S&P 500 AND RETAIL SALES GROWTH



Sales compensation suggestions

5 Base

- A. Revenue & Margin
- B. Accelerator on New ACV*

Bonus:

Accounts Breadth
Accounts Depth



Key Metrics in Summary

	Metrics	+	Objective	+	Key Result
1	Cloud Consumption Accounts Reach				
2	Cloud Consumption AccountsYield ARPA				
3	ARR Annual recurring revenue				
4	Cloud business Growth				
5	New signed ACV Annual Contract Value				

What

Tools to succeed
The TCO Concept



Tools to succeed: the TCO concept

A holistic view to the use of IT resources

- TCO = Total Cost of Ownership
- The Total Cost of Ownership is the total cost of acquiring, using, operating and disposing of an asset over its entire life cycle
- It is NOT a concept exclusively used in IT
- It is usually calculated as a sum of 8 components
- It is a variable considered as strategic in complex purchasing and sourcing processes

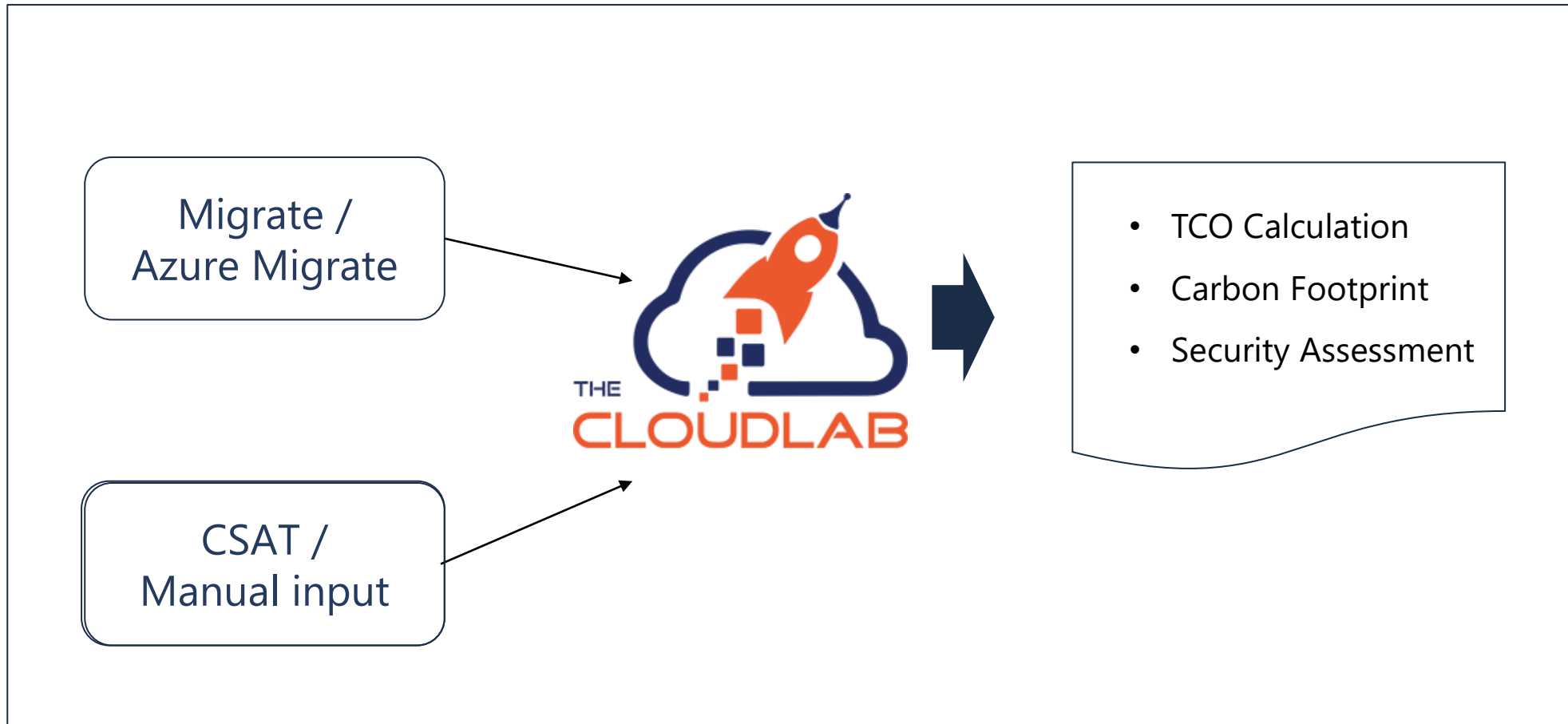
Tools to succeed: the TCO components

A holistic view to the use of IT resources

- **Purchase price:** cost price and supplier margin
- **Cost incurred:** transport, packaging, customs duties, payment terms
- **Acquisition cost:** operations of the purchasing department
- **Cost of ownership:** inventory management, depreciation cost
- **Cost of maintenance:** spare parts, assistance
- **Usage cost:** usage value, operation, services
- **Cost of poor quality:** meeting deadlines, non-conformance processes
- **Cost of disposal:** recycling, resale, destruction.

Tools to succeed: Cloud LAB

A holistic view to the use of IT resources



Tools to succeed: Cloud LAB

A phased approach to calculate TCO

- Phase 1 – Data Collection
- Phase 2 – Data Checking
- Phase 3 – Analyze Cloud LAB first results
- Phase 4 – Modify Relevant Parameters
- Phase 5 – Get Output Documents

Tools to succeed: Cloud LAB Phase 1

A phased approach to calculate TCO

Application or Instance name	VM-type (Azure/AWS/GCS)	Number of same VMs	# of Cores per VM	# of GB RAMs per VM	Operating System (Windows or Linux)	Source (Configure, Azure VM, Amazon EC2, Google VM)
test instance		1	1	8	PAYG-Windows	Configure
dev 1		4	4	8	Sub-1Y Windows	Configure
dev 2		5	2	4	Sub-3Y Windows	Configure
production		1	6	56	PAYG-RHEL	Configure
	E4s v3	1			AHB-Windows	Azure VM
	D2s v3	2			PAYG-Windows	Azure VM
	B4ms	2			PAYG-Windows	Azure VM
	F8s v2	1			PAYG-Windows	Azure VM
	t3a.small	1			PAYG-CentOS/Ubuntu	Amazon EC2
	z1d.xlarge	1			AHB-Linux	Amazon EC2
	t3.large	1			PAYG-CentOS/Ubuntu	Amazon EC2
	t3.micro	1			PAYG-CentOS/Ubuntu	Amazon EC2
	n1-highmem-64	3			PAYG-RHEL-SAP HANA	Google VM
	e2-highcpu-2	1			PAYG-SUSE+24x7	Google VM
	c2-standard-4	2			PAYG-RHEL	Google VM
	e2-highcpu-6	1			PAYG-CentOS/Ubuntu	Google VM

VM
name

VM
Category
(commercial name)

of VMs
of the same type

#cores per VM

#Gb per VM

OS

Source
(configure=customer on-premise VM)

Tools to succeed: Cloud LAB Phase 2

A phased approach to calculate TCO

Region: West Europe CSP Country: Neutral Salary Benchmark: United States: 1 Reseller: The Cloudlab Customer: Contoso WVD USD Welcome Massimo Facchine

Windows: 23 VM / 98 vCore / 536 GB | Linux: 0 VM / 0 vCore / 0 GB
GBRAM per VM (Windows): 23.3 | GBRAM per VM (Linux): 0.0 | GBRAM/Core ratio: 5.5

Instance Name
Search...

Application or instance name

Remote Desktop

Remote Desktop

Remote App

Remote Desktop_Non-p

Sizing parameters of the current infrastructure

Number of reported VMs

Number of vCores in use (VM)

Number of GBRAM in use (VM)

Number of GBRAM in use per VM (Windows)

Number of GBRAM in use per VM (Linux)

GBRAM/Core ratio - VM in use

Storage & Egress

	Primary	Backup
Total Storage in use (TB)	TB 2	TB 2
Percentage on SSD	% 0.0	

Outbound traffic in terms of TB/month TB 0

TCO Input: Current Security Cost (Estimate)

Either the real security costs are filled in here or the industry benchmark of security s

Current security spending of specified infrastructure

	Per month
Spent on licenses	USD 0
Spent on manpower (internal/external)	USD 0
Compliance and security audit cost (internal/external)	USD 0
Total current spending on security	USD 0
According to CSAT scan your current security maturity level is	0

	Current Cost	Industry Benchmark
Monthly estimated infra-cost	USD 0	USD 0

TCO Input: Current Compute Cost (Estimate)

Benchmark Cost Real Cost Current Invoiced Amount

* Data collected from CASE HANDLER

Infrastructure Cost	Benchmark Cost *	Real Cost
Network	USD 519	USD 0
DC/Co-location	USD 982	USD 0
Total all-in FTE costs per month	USD 1,213	USD 0
Primary Storage	USD 830	USD 0
Auxiliary Storage	USD 260	USD 0
Compute	USD 1,155	USD 0
WinOS & Hyp/visor licenses	USD 982	USD 0
Linux licenses	USD 0	USD 0
Total monthly infrastructure cost	USD 5,941	USD 0

If cost details are not available, fill in here the total amount of your IT cost

Current total invoiced amount USD 0 Save

Application Licenses	Benchmark Cost	Real cost
SQL Licenses	USD 0	USD 0
Office Licenses	USD 3,200	USD 3,200
Remote Desktop Server (RDS) and other VDI Licenses	USD 9,600	USD 9,600
Dynamics NAV/OP Licenses	USD 0	USD 0
Dynamics AX and CRM Licenses	USD 0	USD 0
Security Licenses	USD 0	USD 0
Total monthly application cost	USD 12,800	USD 12,800

Estimated Infrastructure Cost (monthly)

Category	Cost
WinOS & Hyp/visor licenses	\$ 982
Compute	\$ 1,155
Auxiliary Storage	\$ 260
Primary Storage	\$ 830
Total all-in FTE costs per month	\$ 1,213
DC/Co-location	\$ 982
Network	\$ 519

Customer vs Benchmark Cost Structure

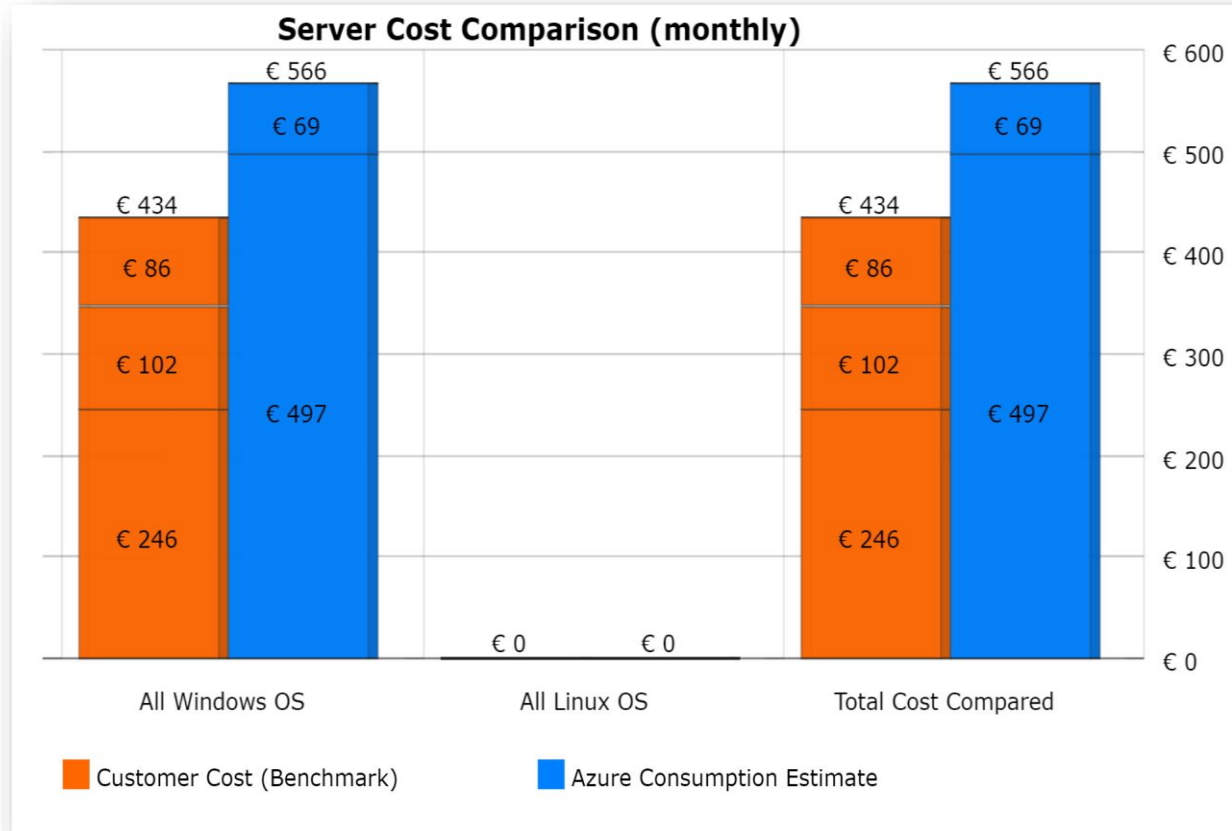
Category	Customer Cost Structure (%)	Benchmark Cost Structure (%)
Linux licenses	9%	17%
WinOS & Hyp/visor licenses	17%	17%
Compute	19%	20%
Auxiliary Storage	4%	5%
Primary Storage	14%	11%
Total all-in FTE costs per month	20%	21%
DC/Co-location	17%	17%
Network	9%	9%

PLAYS
DIGITAL

42

Tools to succeed: Cloud LAB Phase 3

A phased approach to calculate TCO



Tools to succeed: Cloud LAB Phase 4

A phased approach to calculate TCO

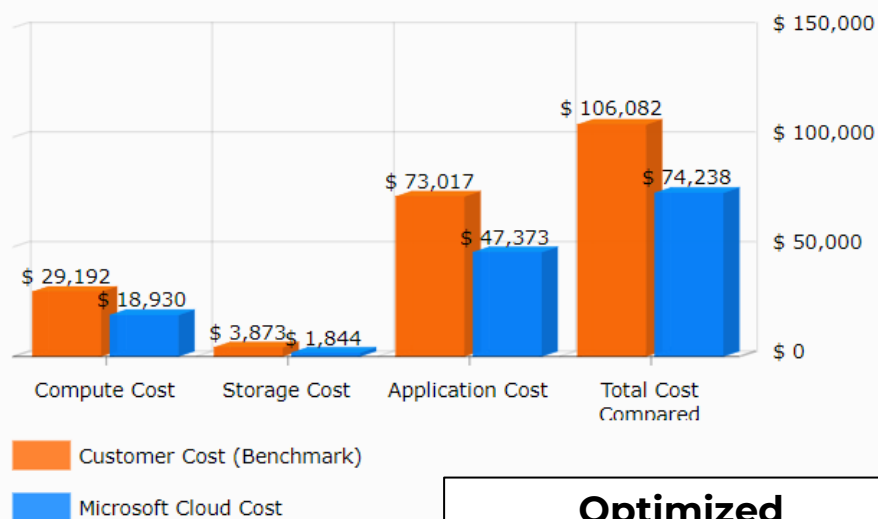
- Select / modify the right category of VM (=refactoring)
- Use AHB in combination with CSP where possible
- Replace RDS with AVD in combination with MS365
- Rightsize the VMs depending on on-premise infrastructure age
- Snooze where possible
- Reserve instances where possible
- Calculate partner margins based on migration and management costs as well as on distributors' discounts, incentives, desired margins

Tools to succeed: Cloud LAB Phase 5

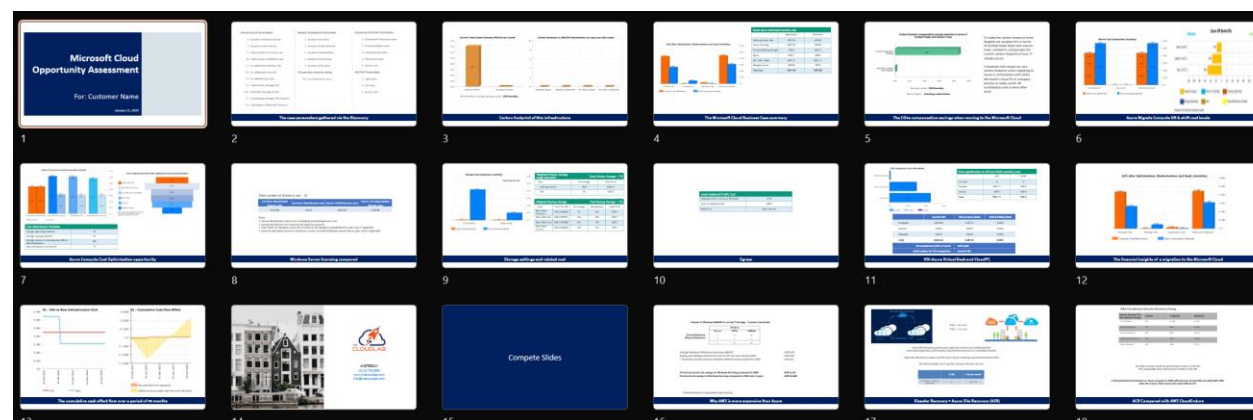
A phased approach to calculate TCO

Self-produced
pre-sales documentation

The TCO analysis of the holistic business case (monthly costs)



Optimized
TCO Calculation



Datcenter to Azure Migration

Customer Name

Contact person: massimo.fachinetti@4plays.it
Prepared by: Massimo Fachinetti

January 12, 2023

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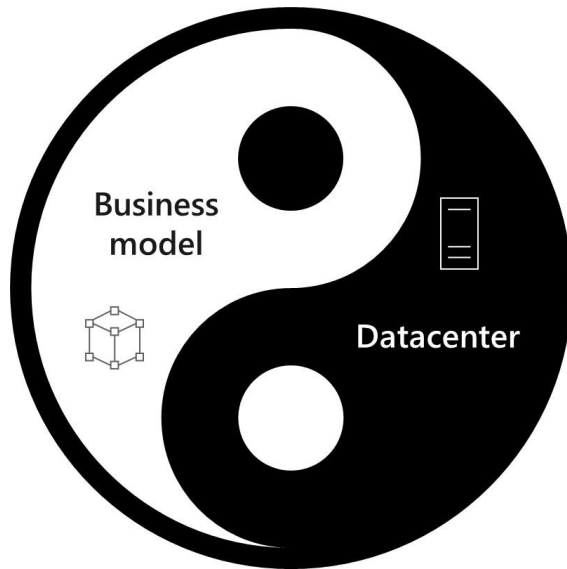
Want to try Cloud LAB?

Please contact massimo.facchinetti@4plays.it

Tools to succeed include:

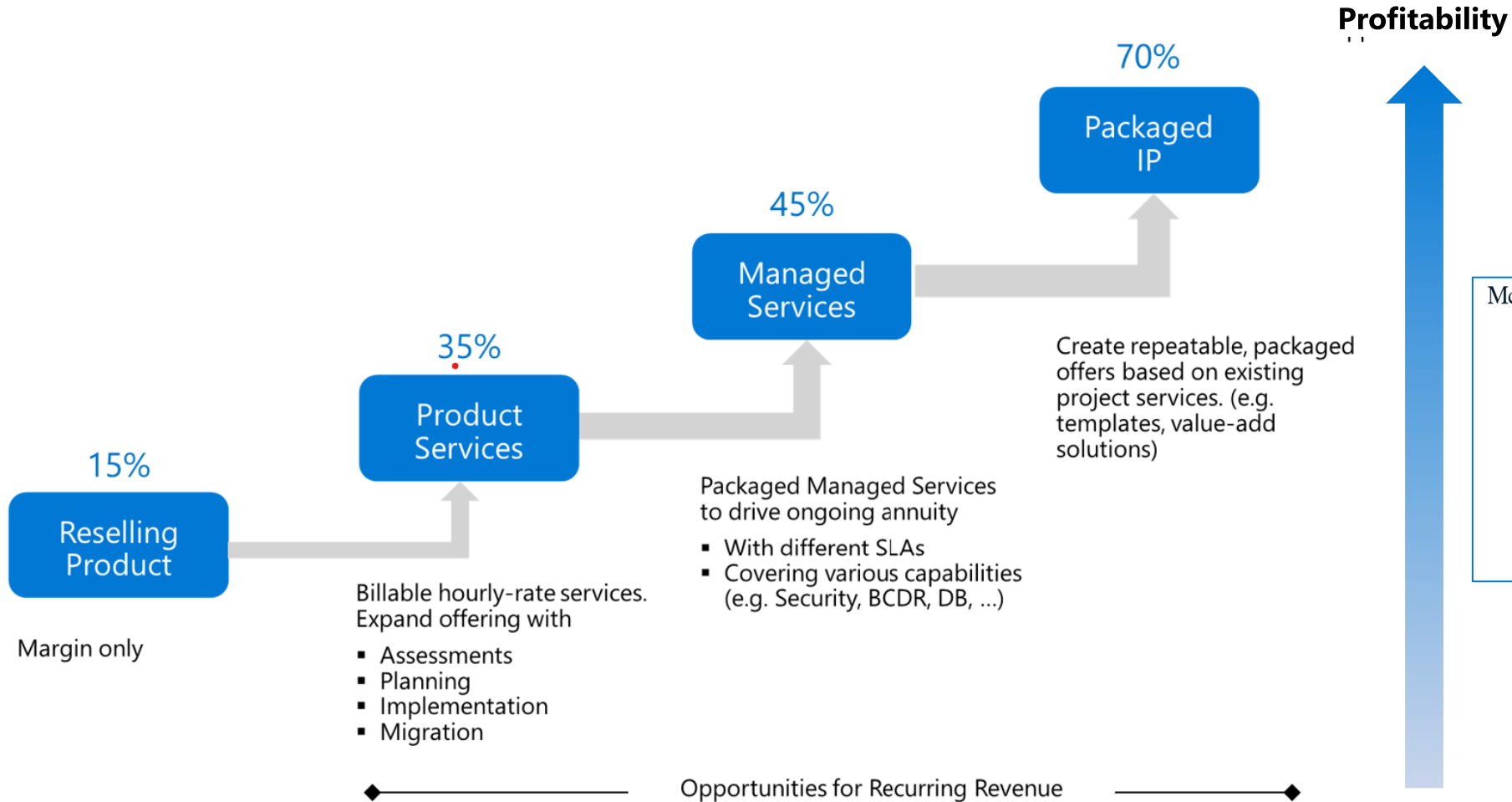
- Marketing campaigns
- Operations Key Performance Indicators
 - TCO Calculation Tools
- (Description of your Managed Services)

Multi-Cloud leads to higher value



- The Cloud market is growing 6 times the overall IT spending
- Multi-Cloud has the highest Security / Price ratio
- Multi-Cloud maximizes TCO

Multi-Cloud leads to higher profit



McKinsey
& Company

Technology, Media & Telecommunications Practice

SaaS and the Rule of 40: Keys to the critical value creation metric

Investors reward SaaS companies that hit this operating performance marker, yet a surprisingly small number have been able to do so. Here's how more can follow their industry leaders' example.

by Paul Roche and Sid Tandon

Call to action

- Please **identify a customer case** to migrate / transform
- Engage with your distributor and Microsoft to build business case
- Let's create **new** opportunities together!



From Insights to Execution



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We enable partners
sales acceleration
and GTM transformation





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Thank You

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