



Develop profits

from Professional Services with Software Assurance

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When the IT market contracted, it squeezed traditional partner margins. Bytes Technology Group exploited Software Assurance offerings to add more than 100 customers, partner with Certified Partners for Learning Solutions, cross-sell, and drive other business offerings. Now Bytes has packaged their program so other Microsoft partners can replicate their success and avoid pitfalls.

Software Assurance, available through Microsoft® Volume Licensing, is a robust package of benefits designed to return to customers the maximum possible value from their investment in Microsoft technology.

In September 2003, Microsoft extended the range of Software Assurance benefits that partners could sell. See www.microsoft.com/licensing/programs/sa for more information.

Realizing the full value of these benefits requires customers' administrative attention and resources, and therefore many seek help from a Microsoft partner. By engaging a partner, the customer is able to focus on their core business while the partner ensures that the customer achieves full value from Software Assurance.

This more proactive role allows partners to leverage existing Microsoft programs to:

- **Increase revenue and accelerate their profit curve.**
- **Raise their perceived and real value to customers and prospects.**
- **Deepen customer relationships for better cross-selling and up-selling.**
- **Evolve at their own pace away from the slipping margins of a VAR business into a high-margin professional services model.**
- **Acquire and implement proven business tools from other partners who have developed and refined these tools over a number of years.**

Evolving from Margins to Services with Software Assurance

Bytes Technology Group (BTG), a UK-based IT services company, is a long-time Microsoft partner supporting corporate networks with a broad range of technical skills and services. Drawing on more than 20 years of experience, BTG developed an innovative way to market and deliver Software Assurance benefits to both their customers (www.bytes.co.uk) and through their partners by means of www.purelicensing.co.uk.

"Three years ago, we knew we had to move away from a purely margin-based licensing model," said Zak Virdi, Software Services Director at BTG.





"With the introduction of the additional Software Assurance (SA) benefits in September 2003 we realized that the traditional notion of licensing, only providing upgrades, was about to change. Having an extensive knowledge of software asset management, we realized that we had to develop tools to help our customers deploy these SA benefits as well as realize the true value to their business."

"We used the Software Assurance benefits as a framework to further develop our own professional services."

"The payoff has been that we now charge for professional services, not only on margins from licensing resale," Viridi says. "Some customers do not even buy licenses from us, *per se*. They see our deliverables as new capabilities for them."

BTG began this transition by becoming thoroughly familiar with the previous Microsoft Volume Licensing Services (MVLS) site to help clients easily navigate it. Their first service was managing customers' MSDN® subscriptions through the MVLS site.

BTG soon discovered the key to successful Software Assurance management lay in helping customers understand their entitled benefits, then making these easy to manage and fully exploit. "When we began to communicate all the benefits Microsoft had put into Software Assurance," said Viridi, "customers saw the ROI immediately."

BTG developed additional services to help customers maximize value from Microsoft technology and Software Assurance, reduce compliance risk, and transform IT from a cost center to an enabler of business agility. Small companies needed help because staff resources were in short supply.

BTG's Unique Offerings

"Microsoft's September 2003 Software Assurance expansions were pivotal in our decision to expand our own offerings. These new benefits opened the gates to new business opportunities," said Viridi.

BTG offerings exemplify new levels of service in:

- **The top-selling Enhanced Benefits Package (EBP)**
- **The market leading Software Asset Services (SAS)**
- **The new MVLS Managed Service (MMS)**

"Since we released these new tools," says Darren Spence, IT Solutions Product Manager, "we have deepened our relationships with customers, raised training deliveries by 200 percent, tripled our asset services revenues, and noticed a sharp increase in customers signing up for Software Assurance. We booked 100 new clients in a few months and it's very profitable for us in relation to the staff we have involved in it."

"One service offering," Spence says, "incorporates Microsoft Developer Network (MSDN) subscription and agreement management components."

Moving Software Assurance Beyond the Margins

Want to generate revenue by managing Software Assurance benefits for customers? Help is here!

Bytes Technology Group (BTG) has led the way in creating Software Assurance benefit management offerings, and now other Microsoft partners and resellers can use what they've learned to make Software Assurance a winning proposition for their own customers and businesses. BTG offers partners the materials, information, and training they need to set up and package standard sets of management services, including the Enhanced Benefits Package, Software Asset Service, and MVLS Managed Service. It's a fast and effective way to:

- **Broaden the revenue base of your practice with new services offerings.**
- **Enhance your value to your customers.**
- **Build better customer relationships and sales opportunities through managed Software Assurance.**
- **Enhance the value of Software Assurance to customers, increasing your sales and margins.**

For more information about Bytes Technology Group's Partner Solutions for Software Assurance, go to www.bytes.co.uk or contact saprofits@bytes.co.uk.

BTG's Chronology of Service Development

Training brokerage service

January 2000

Decided to evolve from margin-based model through introduction of Software Asset Services

Early 2001

Training managed service

December 2001

MVLS "MSDN Register 1"

January 2002

Began to involve Learning Solutions Partners and other partners

Mid-2002

Integrated EBP offering

September 2003

Fully integrated MVLS offering

January 2004

Enhanced Benefits Package (EBP)

Purchasing Software Assurance qualifies customers for free eLearning and a specific number of training vouchers depending on the license and the number of seats. Customers redeem vouchers for designated courses at a Microsoft Learning Solutions Partner. BTG enriched the value of training entitlement by forging a strategic partnership with InterQuad, one of the world's largest Learning Solutions Gold Partners (www.interquad.com). InterQuad's 100-strong sales force now carries a BTG Software Assurance management pack to present and earn commissions on other BTG services.

Software Asset Services (SAS)

Any organization using software needs to have effective mechanisms to ensure that they realize the entitlements allowed under the licensing agreements. Many companies do not have effective processes to ensure this and rely on costly one-off audits. BTG's software asset services are tailored to cover the four key disciplines involved: licensing consultancy, system discovery/management services, business process reengineering, and cost management. BTG's software asset services allow organizations to understand their estate and thus align the benefits available within the enhanced Software Assurance to full advantage.

MVLS Managed Service (MMS)

Although Enterprise Agreement and Open Value customers can manage licenses and benefits on the MVLS Web site, BTG's MVLS Managed Service offering helps fully utilize and exploit MVLS. See licensing.microsoft.com/elicence/I1033 for more detail.

BTG's MVLS Managed Service has several facets and levels that allow customers to reap every advantage Microsoft packed into Software Assurance. Bronze customers are entitled to education on utilizing all available MVLS/SA benefits, setup of MVLS Benefits Administration, 12 months of telephone and e-mail MVLS support, logging queries with Microsoft, Home User Program setup/management, and Microsoft Windows® and Office eLearning library setup.

Silver, Gold, and Platinum customer benefits include: TechNet Online Concierge Chat setup and management; Corporate Error Reporting setup and management; Employee Purchase Program setup and management; Learning Solutions Partner Training Vouchers setup and management; Enterprise Source Learning registration; Extended Life Cycle setup; Problem Resolution support management; and TechNet Plus management. "MVLS Managed Service unlocks the whole range of benefits so it pays for customers to do business with us," said Spence.

"We've made existing programs more available to customers and other partners. We've augmented the deliverables and ironed out the rough spots we discovered along the way. This differentiates us—and partners we ally with—so we all operate at higher margins and increase re-signs."

"The Microsoft September 2003 Software Assurance expansions were pivotal in our decision to expand our own offerings. These new benefits opened the gates to new business opportunities."

— Zak Virdi, Software Services Director,
Bytes Technology Group

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