



 **IDC Custom Solutions**

IDC Partnering Practice Case Study

Helping Microsoft Partners Transform their Business

Helping Microsoft Partners Transform their Business

What was the Challenge?

Provide ongoing credible direction for partners on transforming their businesses to offer cloud solutions.

What was the Solution?

- IDC conducted primary research and insight through in-depth conversations with 25 leading cloud partners and further surveyed 750 partners worldwide.
- Demonstrate to partners the value of reselling/developing on cloud.
- Supportive evidence from IDC market data and Cloudview survey.
- Integrated outreach program by building 5 eBooks.

What were the measurable results?

- The first eBook was downloaded 4,500 in the first 3 weeks of launch.
- It will be showcased on the main stage at the client's partner event to 20,000 partners.
- Cloud eBooks highlighted by the client's senior executives, partners and press.
- Reached 50,000+ downloads by mid June...most successful partner campaign they have ever had.

Helping Microsoft Partners Transform their Business

The Modern Microsoft Partner Series
What Solution Providers Need to Know to Thrive in the Cloud and Beyond

Part 1: The Booming Cloud Opportunity
An IDC eBook, Sponsored by Microsoft

IDC Analyze the Future Microsoft

Part 1: The Booming Cloud Opportunity
The Modern Microsoft Partner Series

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The Modern Microsoft Partner will:

- » Differentiate to Stand Out
- » Modernize Sales and Marketing
- » Optimize Operations
- » Deliver Customer Lifetime Value

5 IDC Cloud Market Overview

- » Public Cloud is growing at six times the rate of IT spending.
- » The Greater Cloud Market will hit \$500B by 2020.

9 The Customer Viewpoint on Cloud

- » 80% of businesses are deploying or fully embracing cloud today.
- » 57% of CIOs see themselves as Chief Innovation Officers within 2 years.

15 Cloud Partners are Outperforming yet Again
Cloud Partners outperform their peers by:

- » 2.0X on growth
- » 1.5X on gross profit
- » 1.8X on recurring revenue

20 Powered by the Cloud: Emerging Opportunities
By 2017, 2/3 of Global 2000 CEOs will have Digital Transformation at the center of their corporate strategies.

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Advice for partners at various cloud maturity levels: Start, Grow, Optimize.

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Part 1: The Booming Cloud Opportunity
The Modern Microsoft Partner Series

“Migrating companies into the cloud has now become a legacy business for us. The real value is unlocked when we help organizations transform their business by virtue of having migrated them to the cloud.”

Tony Safolan, CEO, SADA Systems

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Part 1: The Booming Cloud Opportunity
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GROSS PROFIT AND REVENUE GROWTH BY CLOUD REVENUE

Cloud Revenue	Growth	Gross Profit %
< 50% Cloud	12.1%	27.3%
> 50% Cloud	24.4%	40.8%

Source: IDC 2016 n=79

Cloud Experience Matters

“We realized early on that the cloud was going to happen and the impact it could have on our business. We needed to move fast or risk getting lost in the shuffle.”

Mark Seeley, CEO, Intelinet

Those who have been working with cloud technology for longer (more than 3 years) are also outperforming, with growth of 1.8X those who have been involved in cloud for less than 3 years. And gross profit is a healthy, and statistically significant, 1.2X for the cloud elders. There is still no real substitute for actual years of experience.

GROSS PROFIT AND REVENUE GROWTH BY TIME IN CLOUD

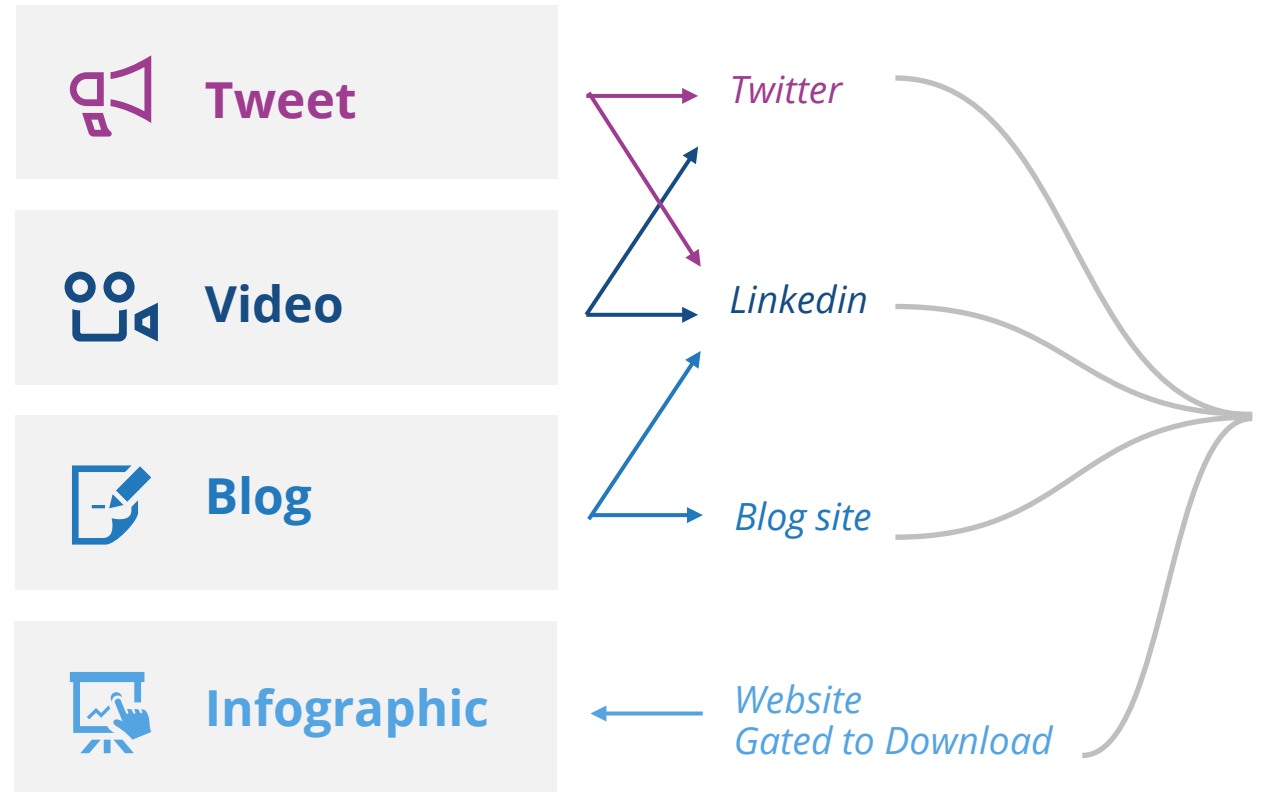
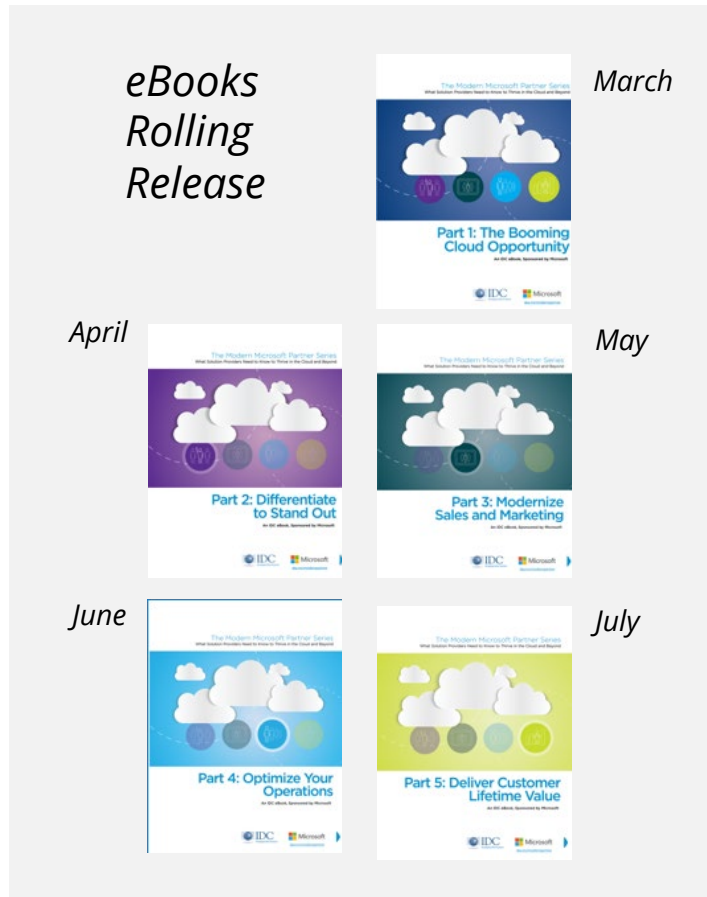
Time in Cloud	Growth	Gross Profit %
< 2 years	10.1%	27.5%
> 5 years	17.7%	31.6%

Source: IDC 2016 n=67

The story here is, do not rest on your past achievements. Continue to look ahead to see where the market is going. Future sections in this eBook may give you some ideas.

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Helping Microsoft Partners Transform their Business



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CHANNEL PROGRAMS, CLOUD, SOFTWARE

Microsoft launches first part of five part eBook for partners on winning with cloud

by Mark Cox • March 16, 2016


The series, done in collaboration with IDC and available as free downloads, will continue with a new chapter every month until the final one rolls out at WPC in July.

Microsoft has been increasingly vocal over the last year about getting its partners to invest in [cloud](#), and [cloud](#) – to no one's surprise – will be top of mind at the upcoming [Microsoft Worldwide Partner Conference](#) in July. To help partners make their [cloud](#) practices more profitable, Microsoft has launched an eBook series in collaboration with IDC. The first part is now available as a free download. The remaining parts are scheduled to roll out over the spring, with the final part becoming available at WPC.



Phil Sorgen, Microsoft's global channel chief

"In this time of great transformation, we know that partner [profitability](#) is particularly important, so to assist with that, we just launched our latest eBook in partnership with IDC," said Phil Sorgen, Microsoft's global channel chief.



CHANNEL WATCH

The 4 Cloud Numbers Microsoft Wants Partners To Know

According to IDC, partners that bet their businesses on Microsoft's cloud are making out like bandits. Scott digs into some of the specifics.

By [Scott Bekker](#) March 16, 2016

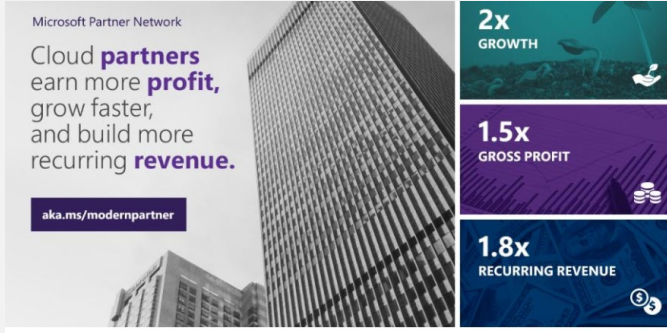
Microsoft regularly hires market research firm IDC to survey and interview partners about their business models. Over the last few years, these joint projects emphasized cloud.

The two companies released another such report in mid-March called "The Booming Cloud Opportunity" (available [here](#) as a PDF), which is the first in a series.

The report has a few significant metrics in it that you can expect to see on a regular basis from Microsoft over the next few months, especially in keynotes and slide presentations at the Microsoft Worldwide Partner Conference (WPC) in July. The metrics are based on surveys of 750 partners in eight countries, and other content of the report comes from detailed interviews with 25 partners with solid credentials, like Christopher Hertz of New Signature, Mark Seeley of Intellinet and Geeman Yip of BitTitan.

Let's dig into the four headline claims, and examine what they mean:

1. Cloud Partners Have 2x the Growth of Less-Cloudy Partners. For this report, IDC defines cloud partners as companies that get more than 50 percent of their revenues from the cloud. Of the 750 Microsoft partners they surveyed, about a fifth of them hit that mark. That top tier of cloud partners reported overall company revenue growth of 24 percent on average, while the rest saw growth of 12 percent.



Microsoft Partner Network

Cloud partners earn more profit, grow faster, and build more recurring revenue.

[aka.ms/modernpartner](#)

- 2x GROWTH
- 1.5x GROSS PROFIT
- 1.8x RECURRING REVENUE

Brent Combest @BrentCombest · 9h
The evidence is empirical - #cloud #mspartner have 2x growth, 1.5x profit, and 1.8x recurring are you capitalizing?



Year-over-year customer cloud maturity is growing rapidly!

Source: IDC CloudView Survey, 2016 (n=6159)

Category	Today	24 Months
AD HOC	23.3%	4.0%
OPPORTUNISTIC	23.6%	9.1%
REPEATABLE	16.1%	13.0%
MANAGED	27.7%	28.8%
OPTIMIZED	9.3%	45.1%

Three things IDC & Microsoft research tells us about today's modern customer

Jen Sieger

Live Blog: Apple Unveils Smaller iPhone, iPad; Says 'Will Not Shrink' from Protecting

John C. Abell

Trump, Trade and Community Colleges

Michael Meoli

Infbear IPO: Why Twitter's Dirty Secret — Paid Tweets — is not funny anymore

Jayadevan P.K.

Jen Sieger
Sr Business Strategy Analyst - Partner Profitability

Following

Three things IDC & Microsoft research tells us about



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