



# HOSTING DAYS

*Growing Your Hosting Business, Together.*

# HOSTING DAYS

## Dynamics CRM

Winning business and growing  
ARPU with hosted CRM

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Hosting Sales – Communication Sector

Microsoft Central and Eastern Europe



Microsoft Dynamics CRM

WHO

WHAT

WHY

HOW

# WHY - This Opportunity

- Great “Reverse” attach Platform
- Strong margin
- Part of the leading SaaS Solution Set
- #1 Brand Recognition
- ARPU
- Retention



# WHY - On-Premise & On-Demand



- On-demand is **fastest-growing area** in CRM (24%+ thru FY10)
- Accenture estimates that **30% of their CRM business** will be via on-demand delivery within 36 months.

(Source: Forrester, Trends CRM Market Size And Forecast, 2006 To 2010)

# WHY- CRM Completes SaaS?

## Gartner: SaaS Growth by Sector (\$M)

Total Software Revenue Forecast for SaaS Delivery within the Enterprise Software Markets, 2005-2011



CRM is not a attach for MAPI is a new platform with Attach opportunity

Initial hosters' experience substantial MS attach

CRM

Complete SaaS Solution

Exchange/  
Outlook/OCS

SharePoint



# ARPU and Profit Platform

Platform Provider Model	
<b>Hosted Microsoft Dynamics CRM TCO Summary</b> (all values per subscriber per month unless noted)	
# of Subscribers	5,000
# of Concurrent Users	3,000
<b>Revenues</b>	
Standard	\$ 80.00
Quantity Discount	\$ 72.00
Bundled w/ other Dynamics products	\$ 68.00
<b>Average Revenue</b>	<b>\$ 71.20</b>
<b>Costs</b>	
<i>Customer Acquisition</i>	\$ 11.39
<i>Software</i>	\$ 27.20
<i>Hardware Service &amp; Support</i>	
Primary Site	\$ 1.35
Failover Site	\$ 0.67
<i>Facilities</i>	\$ 0.60
<b>Subtotal of Costs, Before Labor</b>	<b>\$ 41.21</b>
<b>Contribution Margin</b>	<b>\$ 29.99</b>
<i>Labor</i>	
Technical Staff	\$ 2.79
Helpdesk Staff	\$ 1.20
<b>Total Costs</b>	<b>\$ 45.20</b>
<b>Margin per subscriber per month</b>	<b>\$ 26.00</b>
<b>Total Monthly Profit</b>	<b>\$ 130,011</b>

- 63% contribution before cost of sales

- 53% Contribution Margin

37% Net Margin per Subscriber

Dive **Margin** and **ARPU** with “reverse” attach

# WHAT – (makes it difficult)

- MS Dynamics CRM is a **Gartner Top Right-Hand Quadrant** CRM solution.
- Is a business solution not a tool – Required VALUE selling and differentiation. You need to understand **end-clients business needs** in advance.
- This is a volume business that requires tight integrations with a high touch partner

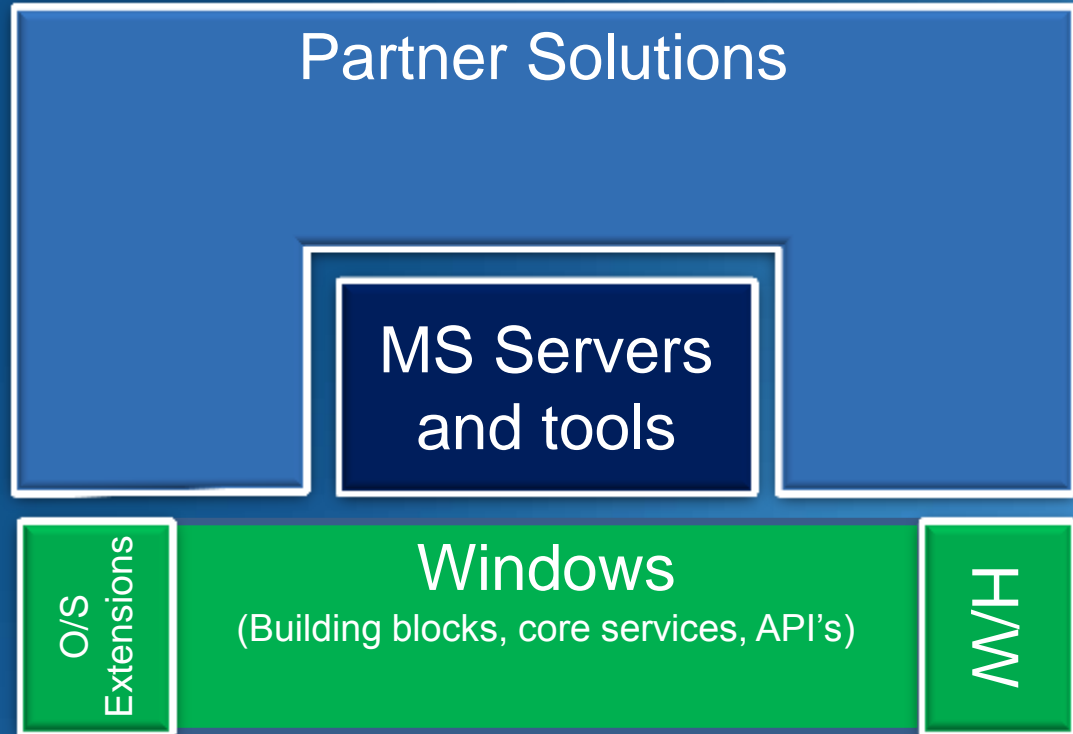




# WHAT - Traditional Dynamics On-Premise

## Partners:

- Build directly onto the platform
- Incorporate the Microsoft servers
- Work with Partner software
- Add to MS Business Apps
- Supply Professional Services
- Resell Microsoft and partner s/w



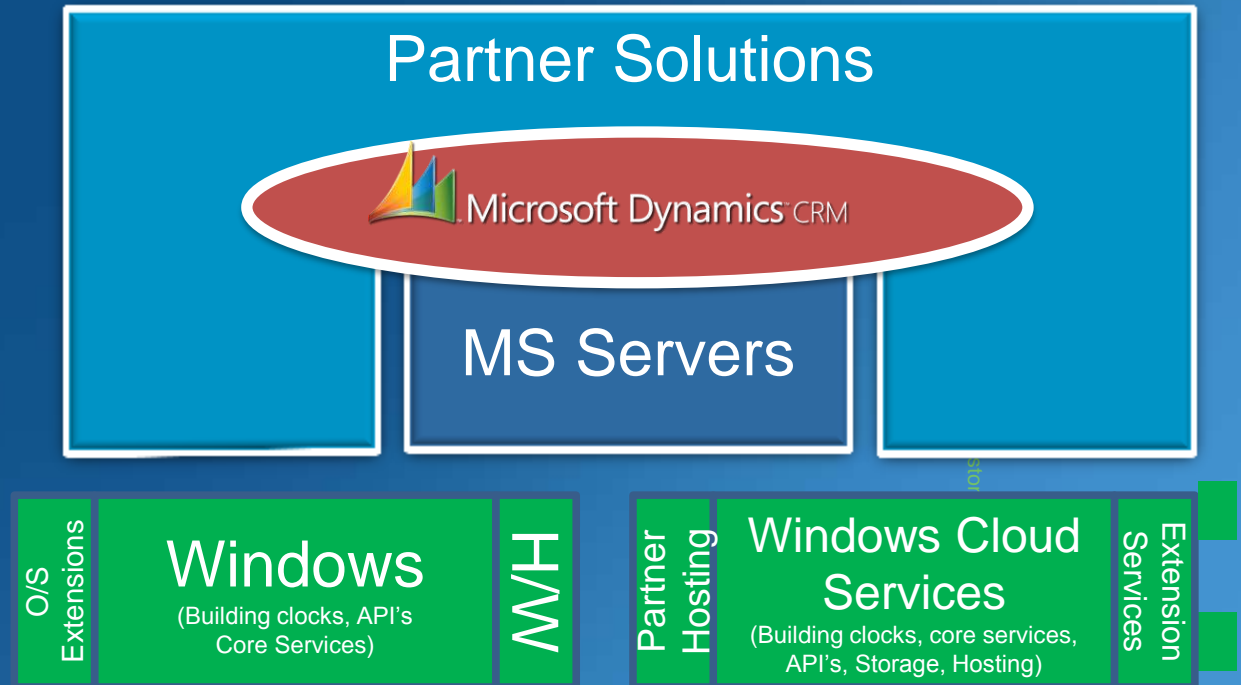
A highly profitable & successful partner driven ecosystem

# WHAT- an expanded and NEW opportunity

Enterprise class solutions carry New “opportunities”:

- Requires solution sales expertise
- Requires clear understanding of end-clients business needs
- Requires integration
- Not tools
- High touch service

← A familiar but expanded opportunity →

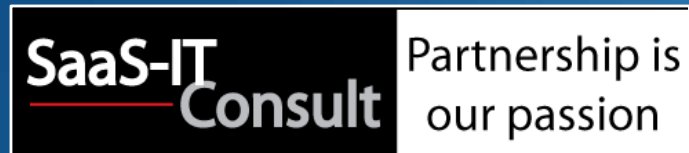


# Who do you work with, Who do you sell to

- May have to re-invent as a business solution provider or find relationship with a business solution provider.
- Look at your customer base
  - Cross sell / up sell
  - What verticals
  - Predict clients needs and define purchase personas
- Find partner that match the **vertical** you are targeting
- **ALWAYS ALWAYS** clearly understand who is selling to who.



# Who – Can Help Help You Deliver



# How – think like a buyer

- Understand price point and operating margins. Make sure you **understand your partners business.**
- Reach out to technical and business partners who can assist.
- Find partner that match the **vertical** you are targeting
- **ALWAYS ALWAYS** clearly understand who is selling to who and develop buying personas.



# How Much

- Hosted CRM with moderate Customization 10–25 Seats
  - **50–70 € per Seat/Month**
- Hosted CRM with vertical Customization and Backend Integration 5–50 Seats
  - **50–100 € per Seat/Month**
- Hosted CRM with Customization and Integration to Backend Systems 100–500 Seats
  - **100–125 € per Seat/Month**

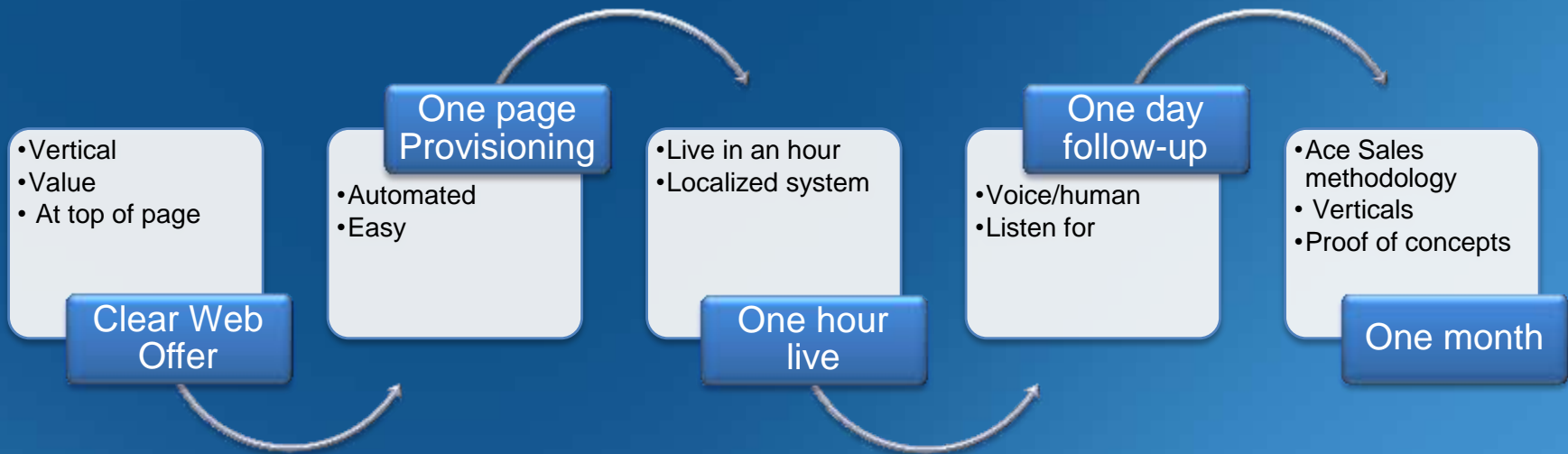
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## Competition

**Salesforce.com:** 135 € Enterprise Edition + Fees for Add-on Features



# How- FIVE CLICKS 2 CLOSE



# How- Click – Try - BUY

Microsoft Dynamics CRM

Forside **Hvem godt i gang** CRM og Microsoft Dynamics CRM funktioner Spørgsmål og svar

## Bliv bedre til salg og markedsføring og få bedre kundeservice. Nemt og hurtigt.

Med Microsoft Dynamics CRM er du let og hurtig i gang med med effektiv styring af bla.

**Kampagner og salg.** Planlæg og styr dine kampagner. Få styr på salgsprocessen. Effektiv håndtering af konflikter, emner og kunder. Få sat salg og markedsføring i system og få bedre resultater.

**Ledelse.** Få bedre overblik over pipelinen og performance. Find styrker, svagheder og optimer processerne. Dypet indsigt og forståelse styrker lederskabet.

**Kundeservice.** Få nem og hurtig adgang til alle informationer om dine kunder. Gør det nemmere for kunderne at betjene sig selv.

Kom i gang på 5 minutter. Ny læring fra Microsoft varer i din browser. Du skal ikke installere software og det er lige så nemt at bruge som Outlook

Effektive kampagner og mere salg

Styrket ledelse og øget overblik

Optimeret kundeservice

**Prøv GRATIS i 30 dage**

Microsoft

# How- Hosted CRM GTM



## How can you drive?

- Move up the value chain.
- Tools are prepared by Microsoft
- 5 clicks to close should be your goal
- Leverage Web campaigns

How- Case Study:

**OUTSOURCERY**  
CHANGING WORK FOR GOOD

**OUTSOURCERY**



# How to Engage

- **Become a Microsoft Partner**
- **Get MBS certification, or partner for it**
- **Enroll in SPLA**
- **Learn more about Microsoft Dynamics CRM**
- **List yourself on the CS Hosted CRM Partner page**
- **Profile yourself in Partner Solution Profiler**
- **Introduce yourself to your local Microsoft Hosting Solution Specialist**



# Solved

- **Why** – Market Demand, ARPU, Retention
- **What** – A Business Solution, Vertical, Competitive Advantage
- **Who** – Who is the end-client and How are you selling
- **How** – Personas, 5-click, templates





# Useful Links and Resources

## Learn more about CRM

- <http://crm.dynamics.com> (customer-facing)
- <http://www.microsoft.com/dynamics/crm/default.msp>  
(customer-facing)
- <https://mbs.microsoft.com/partnersource/> (partner only)
- <http://www.microsoft.com/downloads/>

## Join the partner network

- <https://partner.microsoft.com/>

The background is a solid blue color with a repeating pattern of various technology-related icons in a lighter shade of blue. These icons include computer mice, wireless signals, document pages, and other digital symbols. The Microsoft logo is prominently displayed in the center in a large, white, bold, italicized sans-serif font. Below it, the tagline is written in a smaller, white, italicized sans-serif font.

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