

Everyone works better when everything works together

Partner Playbook



Welcome

Welcome to the Microsoft Surface Device as a Service (DaaS) Partner Program.

In this playbook, we provide an overview of the current market opportunity, what the program entails, along with an outline of the differentiated Microsoft Surface DaaS solution. We also offer guidance on how to position your own unique solution offering and bring it to market using best-practice sales and marketing tools and techniques.

We hope you find the Playbook helpful. Please get in contact with one of your team if you have any questions or queries.

Happy reading!

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DaaS market overview

- Background
- Opportunity
- Research proofpoints

Background

The rate at which new technology is developed and old technology becomes obsolete, is driving many organizations to move from purchasing solutions outright, to leasing technology and accompanying services. While this new 'as a service' model has long been accessible for software, services, and support, it has not always been widely available for devices and hardware.

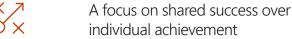
Until now...



The modern workplace is changing

The workplace landscape is changing. To keep up, businesses need to adapt. Cubicles and silos are becoming collaborative workspaces and individual achievements are secondary to teamwork and shared success. Employees are not only expected to be more creative, but to get more done with less and deliver faster results.





Market opportunity

Device as a Service, as it now known, is becoming an increasingly attractive solution for many organizations. It mitigates the costs associated with refreshing a fleet of personal computing devices by taking these hardware devices, bundling them with a variety of services and software, and offering them to business customers for a monthly subscription fee. The result is increased business agility, up-to-date solutions, and lower risk. Now is the time for suppliers to seize on the this opportunity for a number of reasons.

Market demand is growing

Market demand for DaaS is increasing at an exponential rate. The DaaS market is forecasted to grow to \$71.59B (includes the whole proposition – hardware, devices and services) by 2024.

Global market potential for DaaS

2018 \$6.11B

2020 \$10.78B

2024 \$71.59B



North America \$33.97B

South America \$3.76B

Asia-Pacific \$11.0B

Q Europe \$15.80B

Middle East & Africa \$7.03B

SMB and SMC sectors are expanding

We see a particular opportunity in the SMB and SMC sectors. These businesses have not traditionally bought devices with software or services in a pay-per-month model. Combined with the fact that traditional PC-as-a-Service players do not have strong relationships with their clients for this type of offering, provides us, and our partners, with a significant opening.

We have something unique

There are many DaaS offerings in the market. Many of them offer flexible financing models and added value from channel partners. However, all of them are device centric. Microsoft products and services offered as part of DaaS provide something different. It's a customer centric solution that addresses changes occurring in the modern workplace where end user value, employee productivity, and collaboration are becoming more important.



Market research proof-points

Using our own and third-party research, we have a very strong indication that now is the time to seize the DaaS solution. Here's a snapshot of some eye-catching DaaS proofpoints – the numbers speak for themselves.

1.8x

more lifetime value is gained when using a customer subscription relationship, compared with a transactional based relationship¹.

75%

of customers agree that Microsoft 365 powered Surface devices improve employee satisfaction and retention².

70%

or more of customers expect to fully transition to PC subscription services within three years³.

112%

Return on investment gained when Microsoft 365 is on Microsoft Surface².

9hrs

saved per week for highly mobile workers on common tasks².

81%

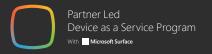
agree that Microsoft 365 and Surface devices have helped improve employee retention².

^{1.} Huang, L. Mainelli, T., Brothers, R. and Middleton, S. (2018). IDC PCaaS MCS, Worldwide Results, IDC

Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface A Forrester Consulting Total Economic Impact™ Study Commissioned By Microsoft, May 2018

^{3.} Devices and Platforms Benchmark 4Q18 - Technology Business Research, Inc.





About the program

- → Objectives
- → Benefits
- → Roles and responsibilities

ABOUT THE PROGRAM

Objectives

The Program aims to help you deliver a clear and powerful message to market, executed through effective sales and marketing assets.



Clear DaaS message

It's important each partner makes their own unique Partner Led Microsoft Surface DaaS offering as clear as possible, so they can generate market awareness.



Strong sales assets

By helping you create the strongest possible sales and marketing assets, we want to ensure that best-practice messaging will be delivered to clients and will reverberate in a way that converts leads to wins.



Success of your business

At the end of the day, we want to help our partners succeed. Our goal is to help you increase your sales, improve your revenues, and grow your business.



ABOUT THE PROGRAM

Benefits

By becoming an active participant in the Partner Led Surface DaaS Program, you stand to benefit in a number of important ways:



Access new revenue streams

With DaaS you can set up new revenue streams and upsell the platform by complementing and completing your offering with additional cloud and managed services. The lifetime value of subscription customer is 1.8x more than transaction-based¹.



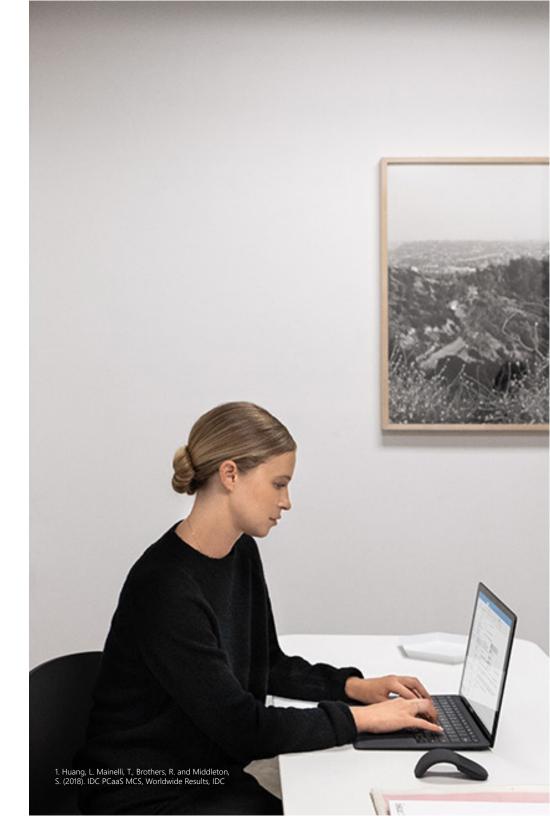
Position yourself as a leader

By offering the full Microsoft experience, you can be a first mover in this greenfield market and drive transformation for you and your clients. This allows you to establish a unique differentiator, stand out from the crowd and, position yourself as a market leader.



Deepen customer relationships

Strengthen your strategic advisor status with value-added consulting engagements. Engage customers over an extended period of time and deepen your relationships to stop customers from looking elsewhere.



ABOUT THE PROGRAM

Roles and responsibilities

It's going to be a joint effort to bring a Partner Led Microsoft Surface DaaS solution to life. Summarized below are a number of roles and responsibilities that need to be met to make the program successful.

Your role

- Develop customer-centric Surface DaaS value propositions.
- Drive Surface DaaS in your markets according to specific criteria.
- Educate your sales teams on the value of the complete Microsoft experience.

Your responsibilities

- Must be able to support monthly or quarterly billing models for customers.
- Must be authorized to sell Surface Devices, Microsoft Cloud Software (Microsoft 365), Provide pre- and post-Sales Support and Provision AutoPilot.
- Must be able to support an operational lease (subscriptions) for 18, 24, and 36 months, either directly, or with an affiliated financing entity.
- Preferably be able to support consolidated billing (i.e., Surface Device and Cloud Service).
- Development of a partner portal for ease of transaction (marketplace).
- Commitment for minimum DaaS unit forecast per quarter.
- Monthly reporting on DaaS deals through Excel.
- Direct marketing to existing resellers.
- Complete the Disti Surface Modern Solutions train the trainers training





Microsoft and DaaS

- Value proposition
- Differentiators
- Benefits

Value proposition

A Partner Led Microsoft DaaS value proposition must clearly encapsulate how the solution is unique and the value it adds.

Microsoft Surface DaaS is a comprehensive **partner-led** marketing program that enables partners to sell **software-led solutions** focused on the **productivity and collaboration of end-users**, not just the hardware they use.

It combines **premium Microsoft Surface devices** with the latest **Microsoft software**, to create a **completely integrated solution** that leverages the power and scalability of the **entire DaaS ecosystem** to maximize the **value to end-customers**.

Messaging theme

"Everyone works better when everything works together"

This theme emphasizes the benefit of having a truly integrated proposition where Microsoft devices, software, and accessories work effectively together.

Differentiators

A Partner Led Microsoft Surface DaaS solution differentiates itself in three main ways:



Focused on productivity in the workplace, not hardware

Other OEMs are pushing solutions from hardware to software, we focus on end-user productivity and collaboration (software to hardware).



One integrated and seamless Microsoft experience

We combine our Surface hardware with our software solutions into a single offering that works seamlessly together, making it easier to train, manage, and support users.



Central point of value delivered across the value chain

We bring value across the entire value chain by using our deep knowledge and expertise to deliver flexible solutions that are tailored to clients' needs, all in one relationship.

Reseller benefits

Key benefits the Microsoft DaaS solution delivers resellers:



Extend your service offering

Extend your service offering and contribute even more to your clients' success by selling devices "as a service".



Provide peace of mind

Support for Windows 7 is coming to an end in January 2020, your customers can avoid being left exposed to security risks and take advantage of the latest Window 10 features.



Stay relevant in a tough market

Stay relevant in a world moving towards a more modern way of working where collaboration and innovation are key drivers of success.



Increase your revenue

A DaaS delivery model allows you to set up a new and recurring revenue stream and increase your ARPU.



Benefit from shifting preferences

Customers are shifting from CAPEX models to OPEX alternatives. 70% of customers are expecting to fully transition to PC subscription services within the next three years¹.

1. Devices and Platforms Benchmark 4Q18 – Technology Business Research, Inc.

End-customer benefits

Key benefits delivered to end-customers.



Productive employees

An accelerated hardware refresh allows employees to collaborate from anywhere using the most up to date devices and software.



Lead the market

Using the latest hardware and software, provides employees with the tools to become more agile and market leading.



Predictable costs

Costs are based on a monthly subscription, with a fixed fee, which reduces upfront investment, increases cash flow and are tax friendly.



Efficient resources

IT staff costs are reduced and employees are able to focus on core activities, not IT support.



Simplified IT

Hardware, software, and support services are all packaged together and provided from a single source.



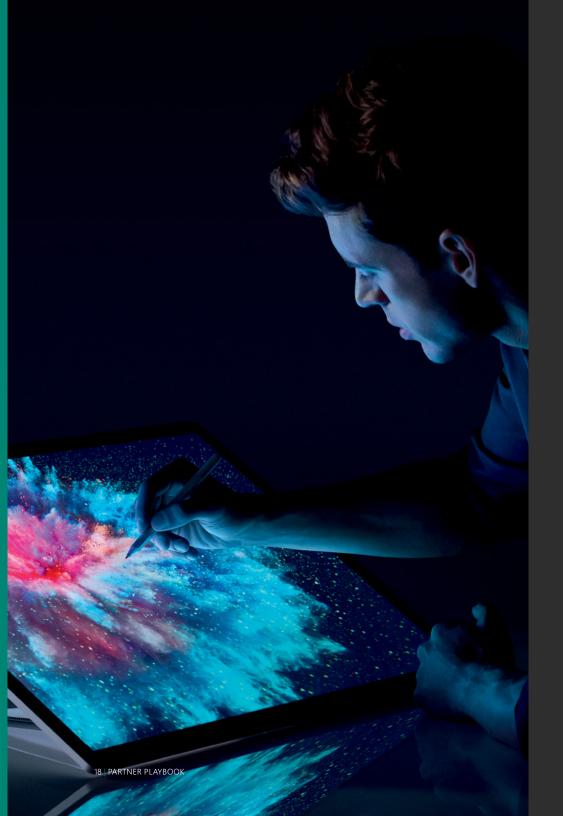
Enhanced IT security

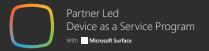
Sensitive data is protected at all times using the latest Microsoft security services.



Faster deployment

Zero-touch deployment means devices can be configured and deployed with minimal effort.





Building your own proposition

- → Step 1: Choose your audience
- Step 2: Decide on the capabilities
- → Step 3: Build on the core solution
- → Step 4: Develop your value proposition
- → Step 5: Create your assets

Bring things to life

To help you bring your own Microsoft Surface DaaS solution to life, we have created a five step process that will help you in a number of key ways.

Value proposition guidance

We provide guidance on what constitutes a good value proposition and how this should change based on the audience you are targeting.

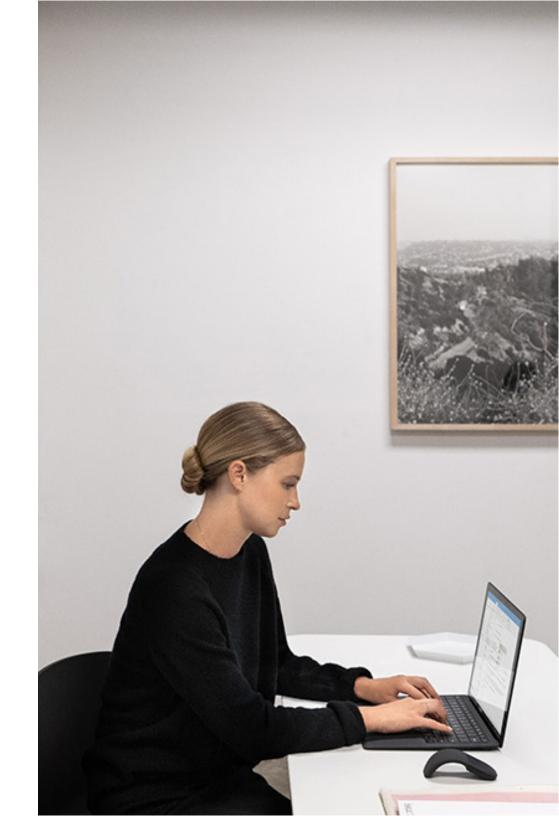
Asset creation advice

We offer best practice guidance on how to create customer-centric content based on real partner feedback.

Templates

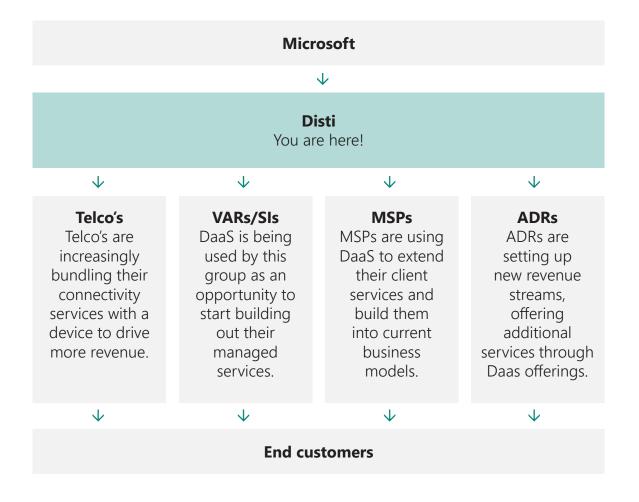
At the end of the document there are a number of links to templates that will assist you in creating your own marketing assets, both internally for your sales teams, and externally for your customers.

Let's begin at Step 1: Choose your audience.



Step 1: Choose your audience

The first step in building your proposition is to decide on your audience. The DaaS distribution channel is made up of a number of different types of organizations including telco's, VARs/SIs, MSPs and ADRs. Different audiences offer different services and have different needs. You will need to tailor your message based on these differences.



Step 2: Decide on the capabilities

The core elements of the DaaS solution that Microsoft brings are hardware, software and additional accessories and services. Depending on who you are targeting, to make the proposition complete you will need to offer resellers a mix of additional capabilities, including logistics, financing, and professional services.

Logistics

Capabilities that take care of all the logistics, from delivery, asset management/tracking, enrollment, and optional device disposition will be required by almost all resellers.

Financing

Some form of capital, or a collaboration with a financial partner, needs to be established. This allows the customers to finance the devices and limits the risk and liability for the distributor and reseller.

Professional services

Professional services around setup, implementation, deployment, and end-to-end managed services need to be considered. These vary greatly across different types of organizations.

Step 3: Build your bundled solutions

Combine the appropriate elements of the core Microsoft DaaS offering including software, hardware and services with your own capabilities and build bundled solutions that are appropriate for your audiences.

STEP 1

Microsoft hardware

- Surface Go
- Surface Pro 7
- Surface Pro X
- Surface Laptop 3
- Surface Book 2

STFP 2

Microsoft Office software

- Microsoft Office 365 Business
- Microsoft Office 365 Business premium
- Microsoft office 365 Enterprise
- · Additional Microsoft software
 - Microsoft Dynamics 365
 - Intune
 - Azure Cloud Services
 - EMS



STEP 3

Microsoft accessories

- Surface Mice
- Surface Type Cover
- Surface Dial
- Surface Headphones
- Surface Pen
- Surface Dock
- Surface Earbuds
- Surface Adapters

STFP 4

Capabilities and services

- · Logistics capabilities
- Financing capabilities
- Professional services capabilities
- Additional Microsoft capabilities

Step 3: Build your bundled solutions

It's a good idea to bundle hardware, software, accessories, and capabilities with a specific audience in mind. A good way to do this is using personas. Here are a few examples of bundled solutions for different types of workers. Please note, these are not real offerings. Please customize your own unique solutions.



Firstline

- Mobile care workers
- Field technicians
- Case workers
- First responders
- Facilities operators

From \$XX.xx / month

- Surface Go
- Keyboard case
- Headset
- Microsoft 365 Proactive monitoring/patching



Mobile sales representatives

- Pharmaceutical sales reps
- Assistant district attorneys

From \$XX.xx / month

- Surface Pro X
- Extended Warranty
- Carry case
- Headset
- Microsoft 365 Proactive monitoring/patching



Customer relationship managers

- Wealth advisors
- Insurance adjustor
- Physicians
- Retail store managers
- Athletics directors

From \$XX.xx / month

- Surface Pro 7
- Extended Warranty
- Microsoft 365
- Carry case
- Headset
- Proactive monitoring/patching



Information workers

- Sr. Managers
- Consultants
- · Office workers

From \$XX.xx / month

- Surface Laptop
- Extended Warranty
- Microsoft 365
- Carry case
- Headset
- Proactive monitoring/patching



Executives

- Financial directors
- · Legislative staff
- Principals
- School admins
- Professors

From \$XX.xx / month

- Surface Studio 2
- Extended Warranty
- Microsoft 365
- · Carry case
- Headset
- Proactive monitoring/patching



Engineers, designers, researchers

- Investment analysts
- Product designers

From \$XX.xx / month

- Surface Book 2
- Extended Warranty
- · Microsoft 365
- Monitor, keyboard, mouse
- Headset
- Proactive monitoring/patching

Step 3: Build your bundled solutions

Here is a more detailed example of how a bundled solution might look. This illustrative example is targeted at a mobile worker persona.

Surface Go 64GB

Power on the go

Perfect for portable power in the office, the classroom, or out in the field. Our Surface Go bundle is a good pick for those that don't spend much time at their desks but require all the benefits of a truly integrated Microsoft solution.





Modern. Compact. Light.

- Lightest and most compact Surface yet at 1.15 lbs.
- Fast Intel® Pentium® Gold Processor 4415Y
- Stay connected anywhere with optional LTE Advanced connectivity

Microsoft 365

Includes all of the essential Office applications: Outlook, Word, Excel, PowerPoint and more. Microsoft 365 comes with 1TB of OneDrive storage and access to OneNote.

Includes Surface Pen and Protective cover

This bundle comes with a pen and cover so work can be done out in the field at speed and with all the necessary protection required.

Flexible financial support

We offer competitive finance solutions so you can meet and exceed your clients expectations in every way.

Leave the heavy lifting to us

We help with customs clearance, collecting orders, unpacking, storage, removal of packaging material, preparation for shipment.

Make it more with Microsoft Services

Benefit from zero-touch deployment using AutoPilot. You can also access Remote Device Management and Extended Service Plans.

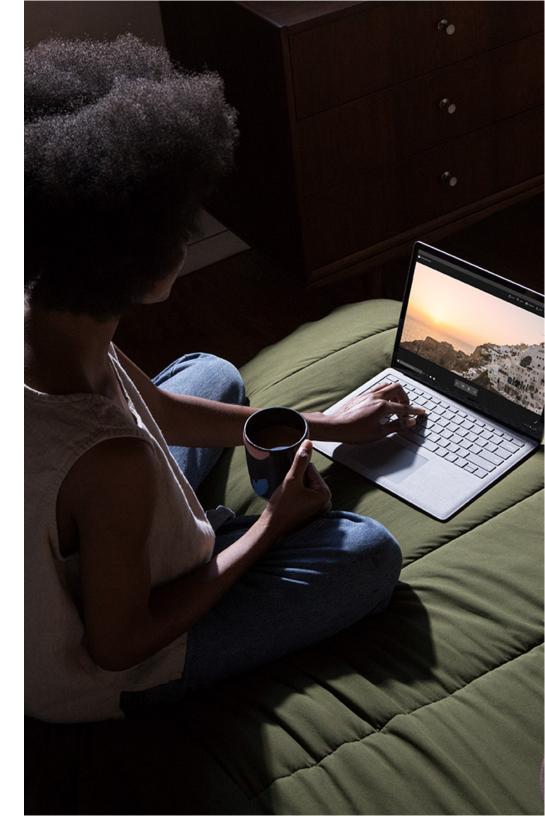
Step 4: Create your value proposition

Once you have determined your audience, the capabilities you will offer on top of the core solution, you will then need create your own effective value propositions. To help you, we have created some audience-based guidance for each of the main audiences listed above and a best practice checklist to make sure all angles have been considered.

Audience-specific guidance

Here we provide some insights and guidance on how to tailor your value proposition to each major audience. Each section contains a number of key elements. Remember the capabilities you offer will change depending on the audience.

- Headline message: The overarching key takeaway for your messaging.
- Insight: Motivations behind a DaaS buying decision.
- Angle: Information to help guide your focus when fleshing out the details.
- Benefits: A summary of the key benefits the audience gains.
- Capabilities needed: These will change depending on the audience.



Telco's

Headline value prop

"Bundle traditional telco services and extend your offering."

Insight

Telco's typically have a huge customer base but a very transactional relationship with their customer. They are looking for a way to build a more trusting and long-standing relationship by bundling their connectivity services with a device.

□ Angle

Messaging should focus on the ability for telco's to deliver an end-to-end workplace and extend the offering to their customers. They have the ability to set up a new revenue stream by selling DaaS as an end-to-end productivity solution, bundle it with traditional telco services while driving cloud consumption all at the same time.

Benefits to focus on

- The ability to set up a new revenue stream.
- Increasing ARPU by upsell towards other connectivity, cloud, and telco services.
- Increasing usage and consumption on Office 365.

+ Capabilities needed

Telco's will always need your logistical services, but additional capabilities will depend on what they already offer. Optional services include financial, professional services, other cloud services.

MSPs

Headline value prop

Extend the managed service relationship offering and service your customer even better.

Insight

MSPs are often seen as trusted technology advisors. They are always looking for new avenues to help them service their customer even better. DaaS provides them with the opportunity to extend their service offering within their own business model.

□ Anale

Messaging to this audience should focus on the ability to help MSPs deliver an end-to-end workplace and service their customers even better than they have been. A DaaS model allows them to add even more value to the customer relationship and act as the strategic partner that can now offer a true end-to-end solution, in their own recurring business model.

Benefits to focus on

- Naturally extending the service offering.
- Become more relevant for their customers and make sure no one else will come in and take them.
- Open up a new revenue stream and increase in ARPU.

+ Capabilities needed

MSPs will likely need financial services, logistical services and other additional cloud services

VARs/SIs

Headline value prop

Start a managed service relationship and transform your current engagement with recurring revenue.

Insight

VARs and SIs have big customer bases and are starting to move towards offering more managed services. DaaS provides them with an excellent opportunity to start building this side of their business.

□ Angle

Messaging to this audience should focus on the idea of transforming their current business models and the ability to realize recurring revenues from managed services. DaaS allows them to open up a recurring business relationship which can help to support their current transactional engagements. This is a good way of extending the current relationship with their customers all without immediately changing the core of their business.

Benefits to focus on

- Ability to transform their business.
- Set up new and recurring revenue streams.
- · Start selling managed services.

+ Capabilities needed

This group will need logistical services and other cloud services. Optional services include financial services and professional services.

ADRs

Headline value prop

Offer a managed workspace while setting up new revenue streams and ARPU.

Insight

ADRs sit between a classic and value-adding reseller with direct access to end-users. They either simply offer the device on its own, or the device plus managed services, which looks more like a VAR and MSP all rolled into one.

□ Anale

When targeting this group, the emphasis should be on setting up a new revenue stream by selling DaaS as a classic hardware proposition in a subscription model. It would also be good to entice them by suggesting that they can upgrade the proposition by attaching additional (managed) services to it.

Benefits to focus on

- Set up new revenue streams
- Increase revenue and margins
- Increase ARPU

+ Capabilities needed

This group will need logistical services and other cloud services. Optional services include financial and professional services.

Value proposition checklist

To create a strong value proposition, it's important to think about what your organization adds to the Partner Led Surface DaaS solution. You need to accentuate what differentiates you from your companies and make sure it is clearly understood by key stakeholders.

The checklist on the right has been created to help guide you and make sure nothing is forgotten.

Are you able to develop your proposition based on clear audience / customer insights? Do you and your team understand the value the Partner Led Microsoft Surface DaaS solution brings to specific industries and which of its solutions are relevant for specific verticals? Are there different propositions tailored to different needs and contexts of different audience segments? Does your proposition clearly articulate what's in it for the customer(s)? Does it offer a solution to their challenge? Do you have a clear up-sell/cross-sell path? Is it clear how the proposition will address or counter your competition? Is the proposition simple and straightforward to understand? Is the proposition tailored to the buyer persona? Would business decision makers and IT decision makers understand your proposition? Have those who need to follow up or contribute to the campaign, like your sales team, been trained and understand the reasons for the proposition?

Step 5: Create your assets

Now that you have decided on the value proposition and messaging angle you wish to take, it is time to start developing your sales and marketing assets. For obvious reasons it's important to make your own associates aware of the solution before launching externally to the wider market.

Assets can be broken down into two parts:

- Internal sales enablement
- External launch

In each section we provide some best practice advice and templates that can be used to create your own materials. Click on each of the links to access them.



Internal sales enablement

Internal sales enablement assets include:

- Sales guide / battlecard
- Sales one pager

Sales guide

A sales guide, or battlecard, is a key internal facing asset that helps your internal field sellers understand the value proposition and the key parts of the solution. It can be used prior to joining a meeting or before a client pitch.

Sales guides usually have a lot of key information that can be accessed and read at a glance. Clear, distinct headings and sections that can be easily referenced are important, along with some key proof points, key facts and figures and FAQs which ensure the sales team have well-rehearsed answers to common questions.

Sales guide template



Sales one pager

Similar to a sales guide but in a shortened brochure format, the sales one pager's purpose is to summarize your solution down to a list of important take-aways.

A relatively straight forward why, who, what, when, where, and how approach is appropriate for this sort of document to get the point across quickly and succinctly.

Sales one pager template



Market launch

Now that you have decided on your own unique value proposition(s), it's time to create assets that help you speak to the market, including:

- Sales presentation
- Short brochure
- Landing page
- Launch emails
- Social ads
- Blog

Sales presentation

A sales presentation is a must-have for talks at events and as a visual aid when presenting your solutions to a big group.

Aside from general good practice pointers for presentations, such as keeping text short on slides and investing in an engaging design, we recommend also structuring your presentation in a way that is flexible. For example, designing it to be a 15 min or 20 min presentation with just a few slide changes.

At a minimum, your sales deck should give some industry background, outline pain points and customer challenges, cover how you help prospects achieve long-term goals and detail your solutions and benefits.

Case studies in a presentation are particularly compelling as they allow you to showcase your knowledge and skills in the context of a happy customer. If you do not have customer stories for new solutions, you can create an example scenario for a particular vertical to bring the solution to life.

Sales presentation template



Short brochure

A short brochure summarizes your solutions and benefits. They should be designed in a format that allows your sales team to print and take them to events, or if someone asks for more information on a call the salesperson can quickly send it by email.

It should always contain an introduction to Partner Led Microsoft Surface DaaS, key differentiators of the solution, main benefits for the customer, and of course, your added value.

As this doc is short and punchy, try to focus on the key selling aspects of the solution rather than a detailed explanation of its ins and outs. This sort of information should be reserved for a follow up conversation and can be covered at length in the sales presentation.

Short brochure template



Landing page

Your solution landing page is what most prospects and customers will see, so it should present your solutions in an interesting way that resonates with your target audience. The more targeted landing pages and their content are, the better. If you have multiple audiences you need to market to, set up specific landing pages for them, where you discuss their challenges and showcase your solutions.

To achieve the best results, make sure to include a straightforward description of your Microsoft DaaS offering, a detailed breakdown of solutions, and a range of benefits for the customer.

The site should be search engine optimized so people looking for solutions like yours can easily find your page. Don't forget to setup analytics to track people coming to your solution page: the more you know about your traffic the better you can target.

Landing page template



Launch email to existing customers

To share the news that you are launching your new Microsoft Surface DaaS solutions, you can send a stand-alone email, like the first template we have provided, or you can send an email that references a new piece of content like a blog. Alternatively you may want to link all three emails together to entice people to take action at the end.

Email template



Launch social ads

With social media, the key decision is which route you will take for promotion. Are you going to post organically and reach people already in your network, or are you going to do paid posts to reach a wider, new audience?

For B2B tech marketing, the most widely used social media channels are Twitter, LinkedIn, and Facebook. We recommend posting organically and also doing paid advertisements on channels such as LinkedIn. You will see greater conversion numbers if you tailor your messaging effectively to existing versus new prospects, industry verticals, size of company, geographical location, and so on.

Prepare a few different ads with copy: test and see which ones perform better. If you are using paid channels, by optimizing you will be allocating money to those ads that actually work.

Social ad template



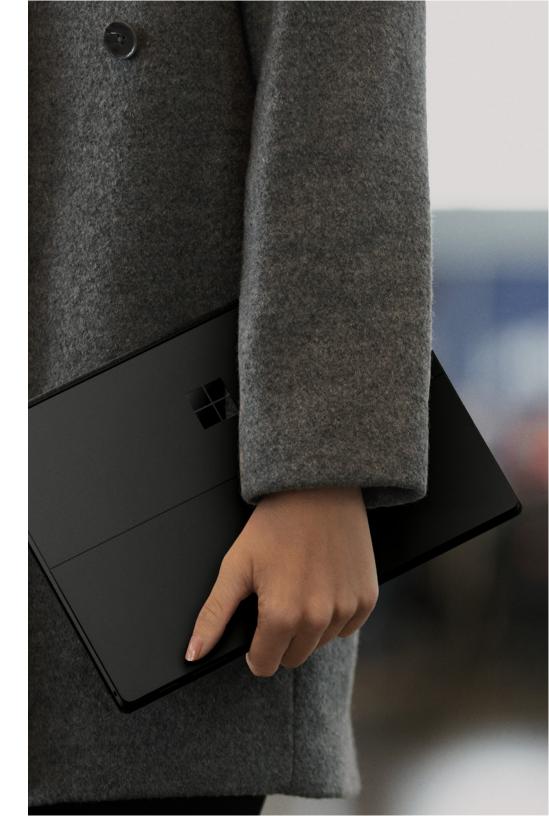
Launch blog

Your launch blog should have a wider reach. Create a post for your website blog – a great idea since on topic content and relevant keyword usage will provide an SEO boost – or if you don't have a company blog, consider posting on a third-party site like LinkedIn.

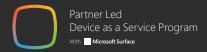
If you are going to create a LinkedIn launch blog post, just keep in mind articles are linked to the person who publishes them, so it is crucial to work out in advance who will publish. It should be someone important and relevant, such as your CEO or a senior manager. Afterwards, ensure the article is re-posted on your company page and encourage your employees to become brand ambassadors by sharing with their networks, as well.

Blog template









More information

We have created this Playbook to provide you with the essentials needed to define your Microsoft Surface DaaS solution and execute it using best practice sales and marketing assets. If you've read through the entire Playbook and downloaded the supporting assets, you should be well on your way to defining your own solution and taking advantage of this tremendous market opportunity.

If you have any questions about the program, please contact **Lior.Bela@Microsoft.com**