Strategies for Success in Managed IT Services
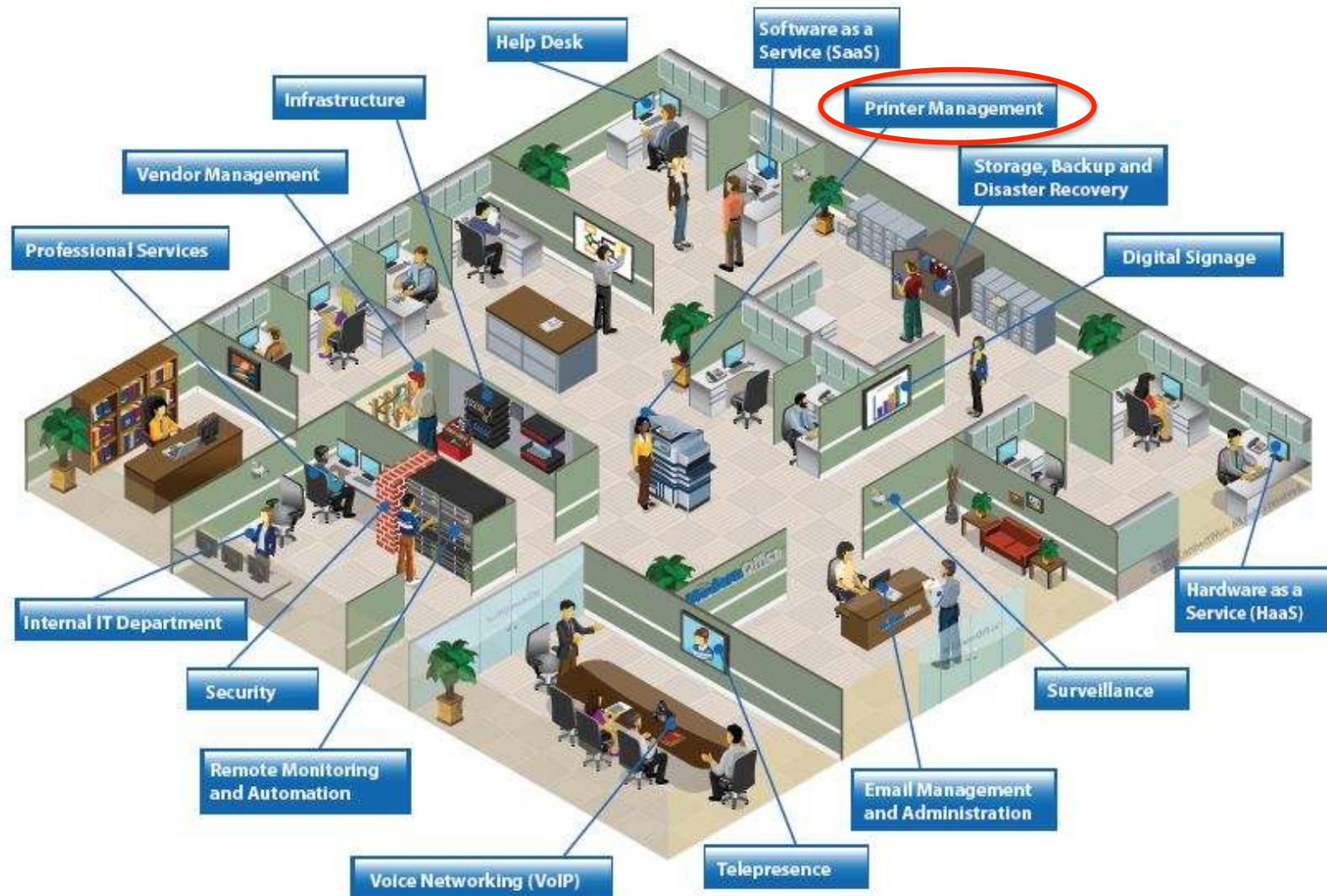
BTA East Event
September 27, 2013

What is Managed IT Services—really?

- Proactive management
- Flat monthly fee
- Hassle-free IT experience
- Predictable technology expenses
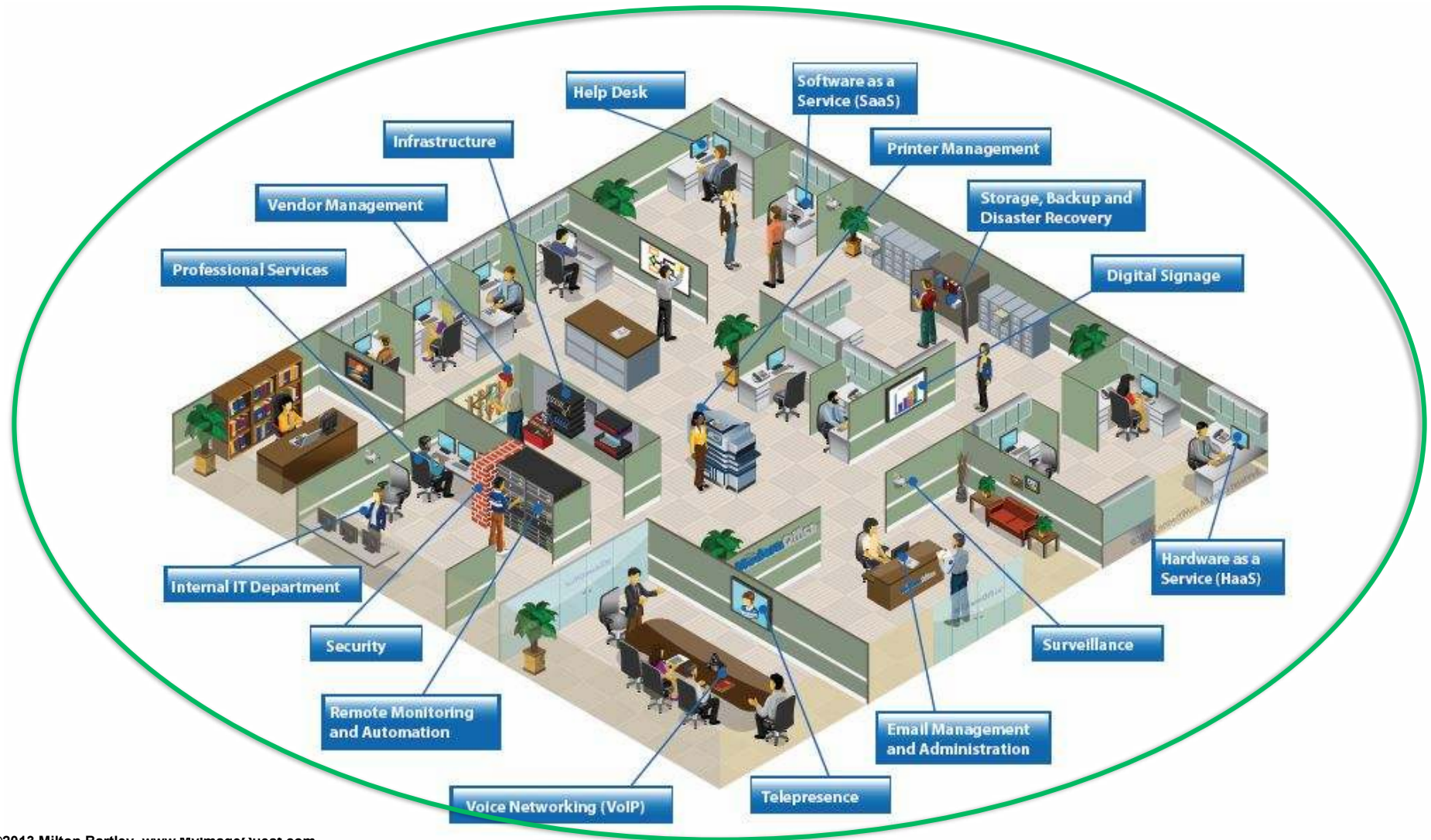- A strategic approach

Managed IT is the ideal state …
It takes work and discipline to get there.

Today's Scenario

Where We Want to Be!

Customer Profile

Demographic

- 15-75 users
- Outsource IT service and support
- High $$ per hour
- View technology as an investment

Structure

- No internal IT
- Growing
- Technology dependent
- Basic, stable environment

The Market for Managed IT

- Gartner
  - 90% of North American companies will use remote managed services by 2014
  - SMBs projected to cross the $1 trillion mark in IT spend in 2015
  - Top C-level concerns:
    - Mobile device management
    - Cloud services
    - How to manage new technologies

Milton Bartley – ImageQuest

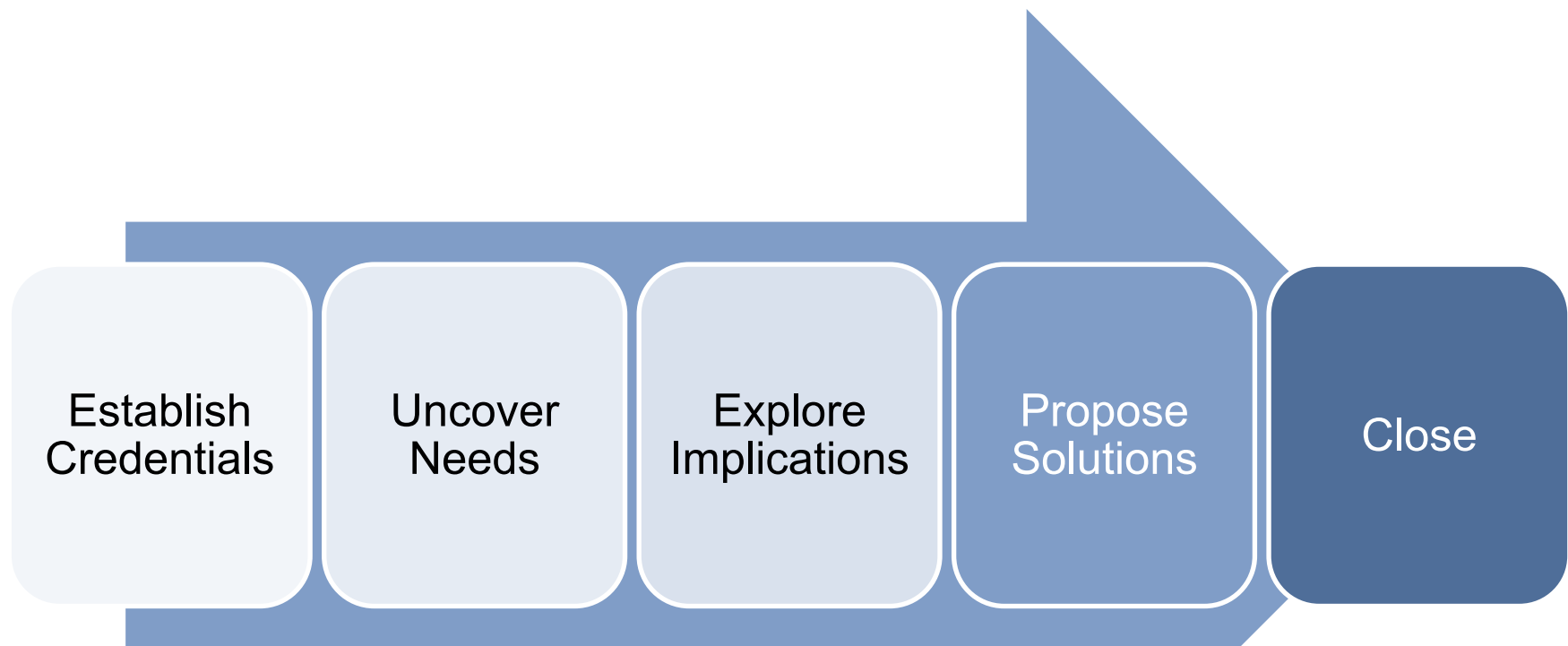| 1987-1995		1995-2002		2002-2007		2007-2010	
1987	U.S. Army Scholarship – Virginia Tech	**1995**	Lanier Color Sales - OfficeWare Louisville, KY	2002	Regional Sales Manager – Southwest US – Candlewood Hotel Company Dallas, TX	**2007**	Led the Acquisition of DDS, Inc. (Sharp Copier Dealer) Nashville, TN
1991	U.S. Army Desert Shield & Desert Storm	**1997**	Sales Manager – OfficeWare Nashville, TN	**2004**	Director, Dealer Operations – Lanier Worldwide Atlanta, GA	**2007**	Dissolved DDS, Inc. and formed ImageQuest LLC
1994	U.S. Army Armor Tactics Instructor Fort Knox, KY	**1999**	Major Account Sales Manager for Government Accounts – OfficeWare Lexington, KY			**2007**	Became Ricoh's Authorized Lanier Dealer in Middle Tennessee
		2000	Vice President of Public Contract Sales – OfficeWare Cincinnati, OH			2008	Introduced ImageQuest Managed Print Services (IMPS™)
		2002	Master of Business Administration Xavier University			2009	Introduced SimpliFind™ Electronic Content
						2010	Launched Managed IT Services
						2011	Grew Total Revenue > 61.6%
						2012	Grew Total Revenue > 43.1% Total IT Revenue > $1.6 M
						2013	Through August: 70.0% Total Revenue Growth > $1.7 M IT Revenue
						2013	Rebranding Campaign

Three Strategies That Fueled Our Growth

1. Trust-based sales process
2. Standardized reviews
3. Bundled selling

STRATEGY #1
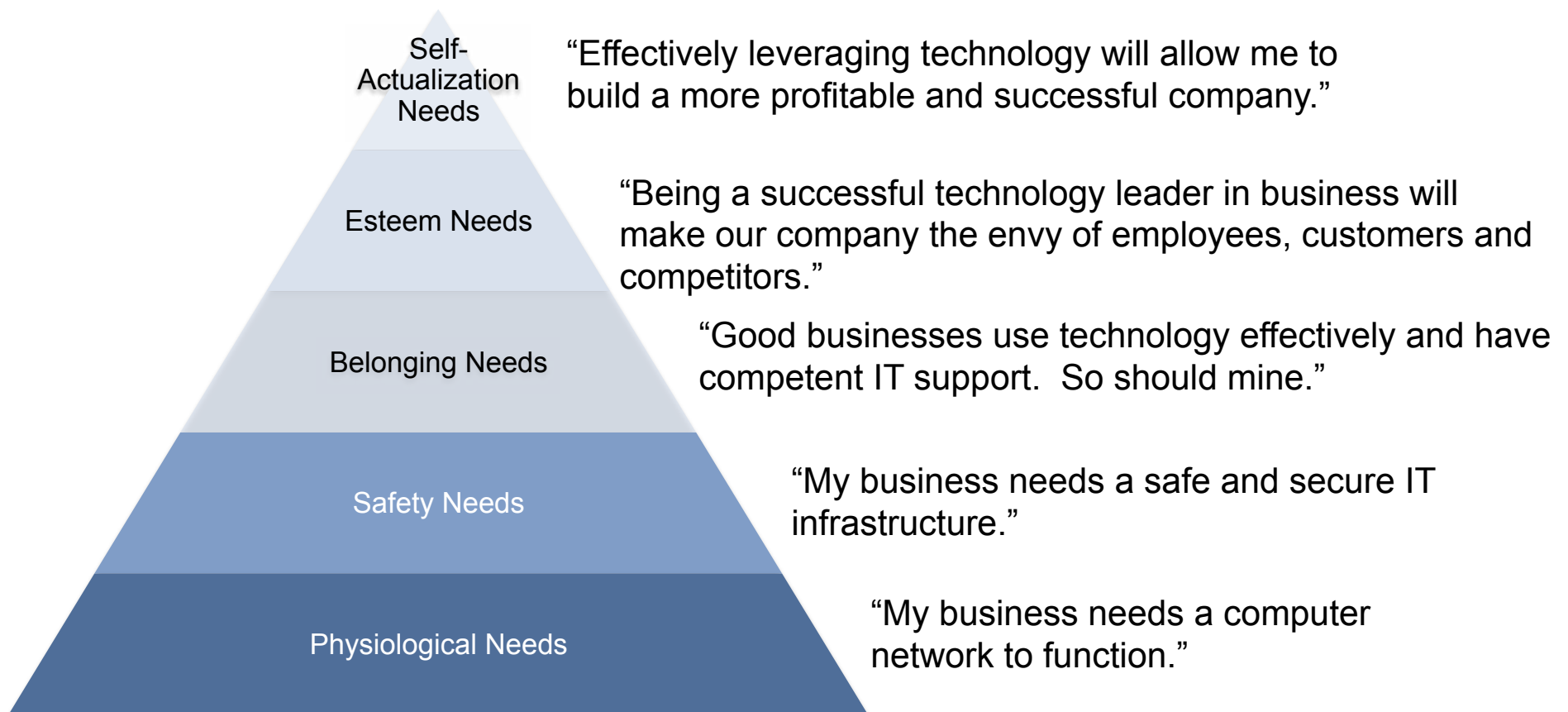# TRUST-BASED SALES PROCESS

Traditional Sales Process

Establish Credentials → Uncover Needs → Explore Implications → Propose Solutions → Close

Charles H. Green, trustedadvisor.com

Rationalized Buying Process

Understand > Explore > Select

Charles H. Green, trustedadvisor.com

Maslow's Hierarchy of Needs

Self-Actualization Needs
"Effectively leveraging technology will allow me to build a more profitable and successful company."

Esteem Needs
"Being a successful technology leader in business will make our company the envy of employees, customers and competitors."

Belonging Needs
"Good businesses use technology effectively and have competent IT support. So should mine."

Safety Needs
"My business needs a safe and secure IT infrastructure."

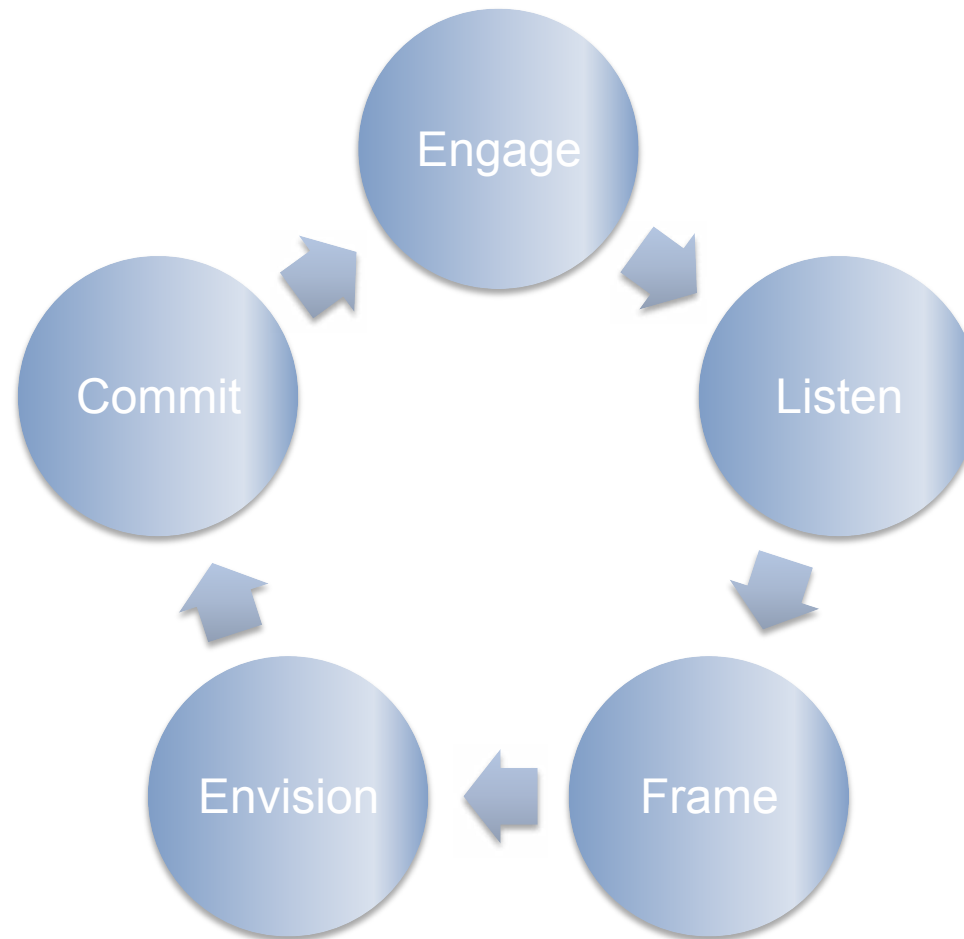**Physiological Needs**
"My business needs a computer network to function."

Linking Sales and Delivery
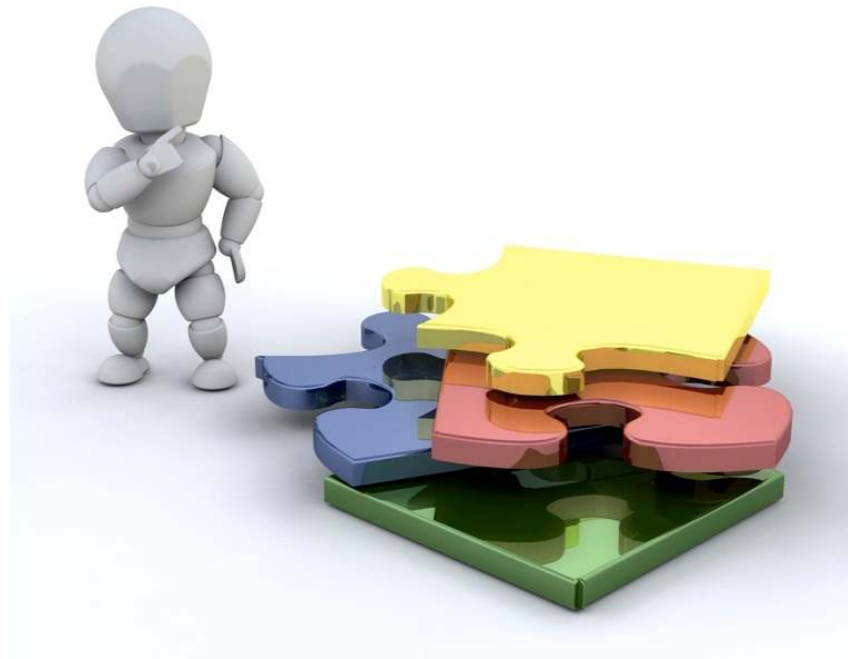
Trust Development Process

Charles H. Green, trustedadvisor.com

STRATEGY #2

STANDARDIZED REVIEWS

Standardized Review Process

- Trusted Advisor
- Business Peer
- Consultant
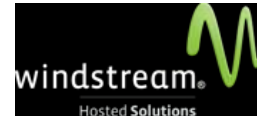- Virtual CIO

A Team of Experts

STRATEGY #3

BUNDLED SELLING

Bundled Selling

- Potential bundle includes:
  - Managed IT
  - Telecom/data
  - Copy/print
  - IT hardware
  - Other hardware
  - Hosting/cloud
  - Application development
  - Managed Mail

IMAGEQUEST
MANAGED SERVICES

MAPA
Global Managed Mail Services

windstream
Hosted Solutions

INTERMEDIA

CISCO Meraki

Communications

Infrastructure

LANIER

IMAGEQUEST
MANAGED SERVICES

INGRAM
MICRO
Partner Smart

AVAYA
The Power of We

COLLABRANCE

FORTINET
REAL TIME NETWORK PROTECTION

CLEARLINK
SYSTEMS

Operations

Security

N-able
ASSESS | ON-BOARD | MANAGE | PROTECT | OPTIMIZE

intronis
cloud backup + recovery

datto

SPAM
soap

Mandatory Solutions Training

OTHER IMPORTANT STRATEGIES AND TACTICS

The Five Things I Wish Someone Had Told Me in 2010

- Branding
- Assessment
- Pricing/Bundling/Selling
- Standardization
- Ongoing Review

Pricing

- Base prices on your TOTAL support

- Present prices per user

- Charge for your expertise

- Don't be *market* driven

- Understand your competitors and their services

- Target deal size: >$1,500

- Target service margin:
    - 50%+ - partner
    - 65%+ - build/buy

Compensation

- Sales
  - Recurring revenue vs. gross profit
- vCIO
  - Account penetration
- Account Manager
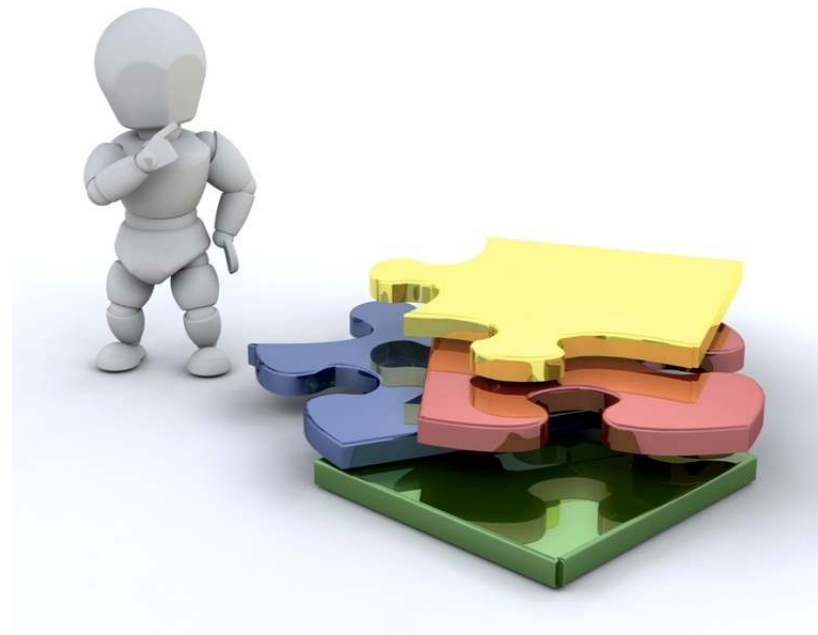 - Recurring revenue vs. gross profit
  - Total customer revenue growth
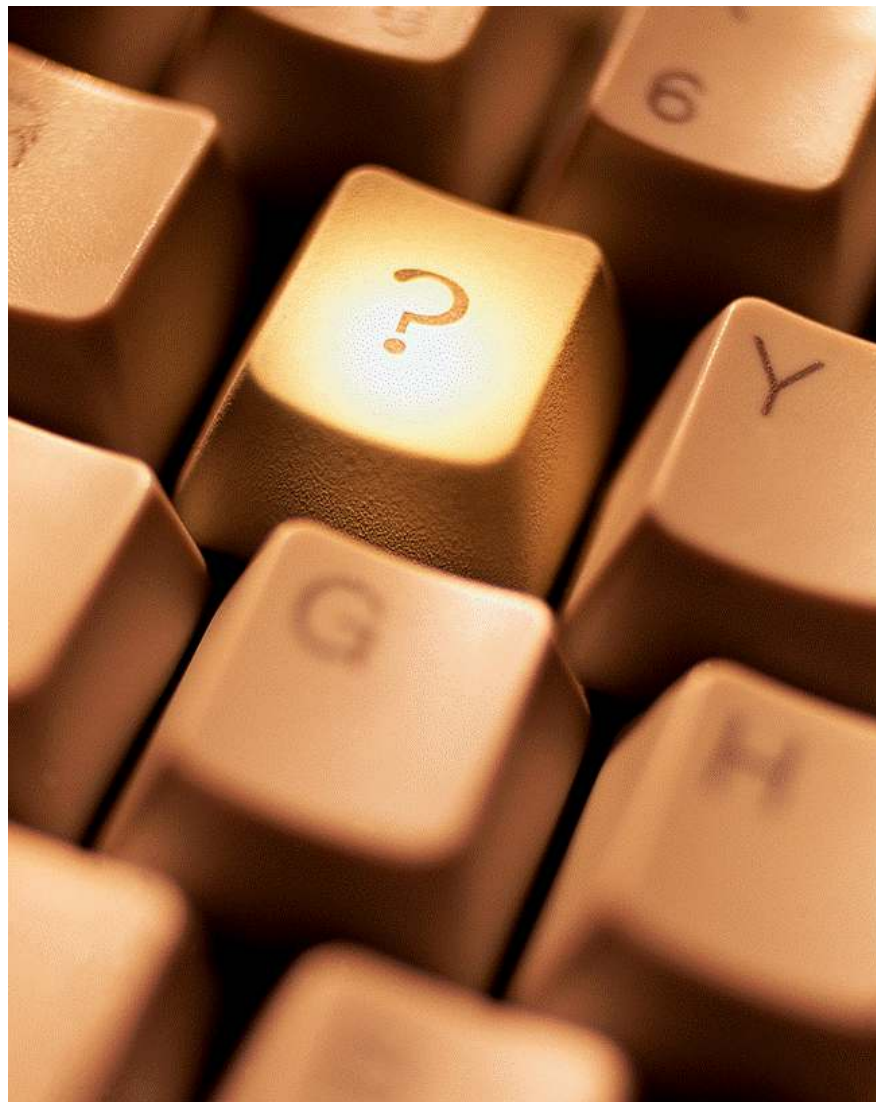
Marketing and Lead Generation

- ## Marketing-as-a-Service
  - ### Website
  - ### Email marketing
  - ### Social media

- ## Third-party lead management

Putting it All Together

- Trust-based sales process
- Standardized reviews
- Bundled selling
- Other key strategies

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