

TELE DISCUSSION GUIDE: Surrounding Exchange for Growth

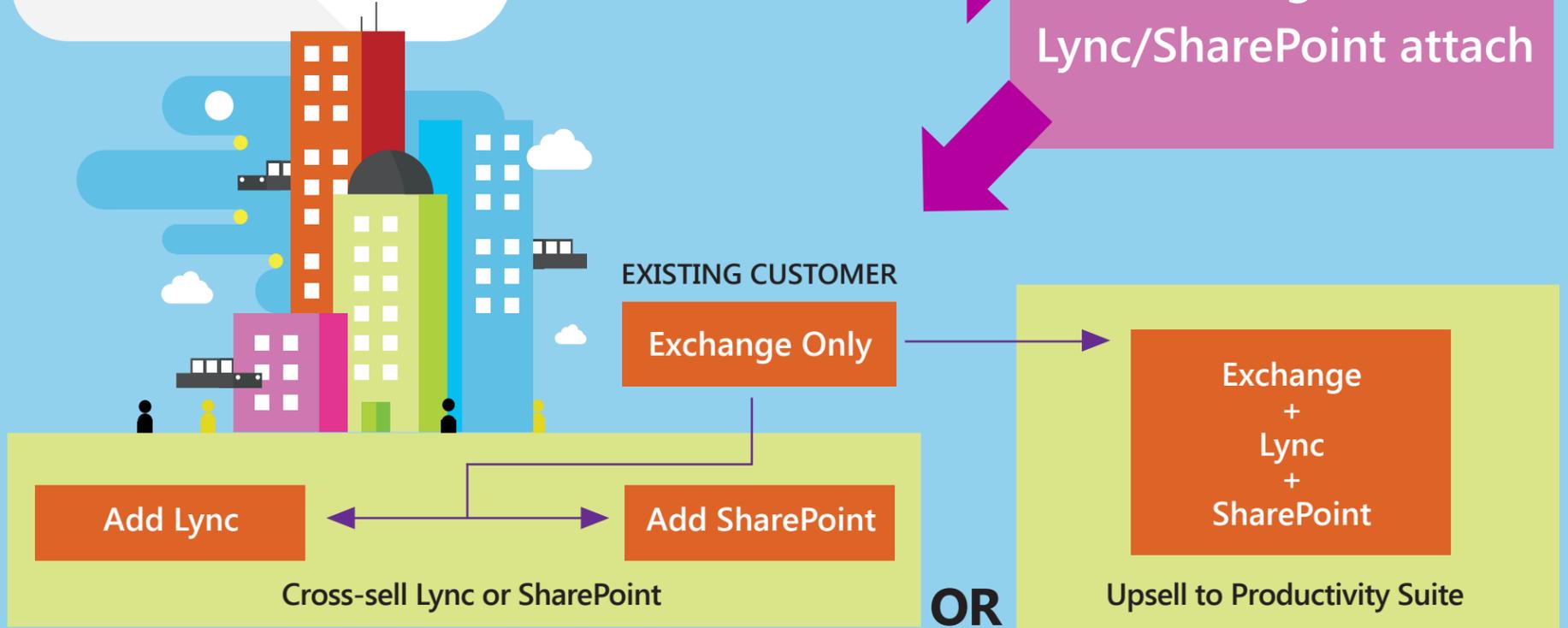
Hosters who diversify their productivity application mix in Exchange-only accounts experience increased average revenue per user (ARPU) as well as accelerated annual growth in their Exchange and overall SaaS businesses. Consulting with these accounts to upgrade their productivity services leads to happier customers who are likely to add services in the future.

ASK:

Do you have Exchange customers who lack equivalent Lync and SharePoint investments?

If so... do you have a Lync or SharePoint offer you can bundle with Exchange?

Increase revenues and accelerate growth via Lync/SharePoint attach



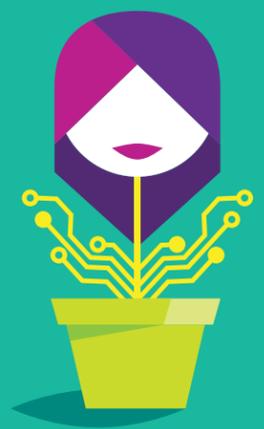
| Exchange Share of Apps | Exchange Growth | Apps Growth |
|------------------------|-----------------|-------------|
| > 80% | +14% | +9% |
| > 60-80% | +25% | +12% |
| > 40-60% | +47% | +32% |

When Hosted Exchange makes up 80% or more of your SaaS business, Exchange growth averages +14% and overall application growth is +9%.

Hosters with only 40 to 60% percent of their business in Exchange are seeing Exchange grow +47% and applications grow +32% annually in their businesses.

Additionally, you gain a Microsoft Cloud customer that is positioned for future upsell, and the opportunity to build onto that platform to serve the customer's future needs.

SPLA Resellers
with greater
app diversity
see stronger
growth.



What's the Big Idea?

Upgrading to Productivity Suite provides a strategic approach to achieving Exchange revenue and SPLA business growth.

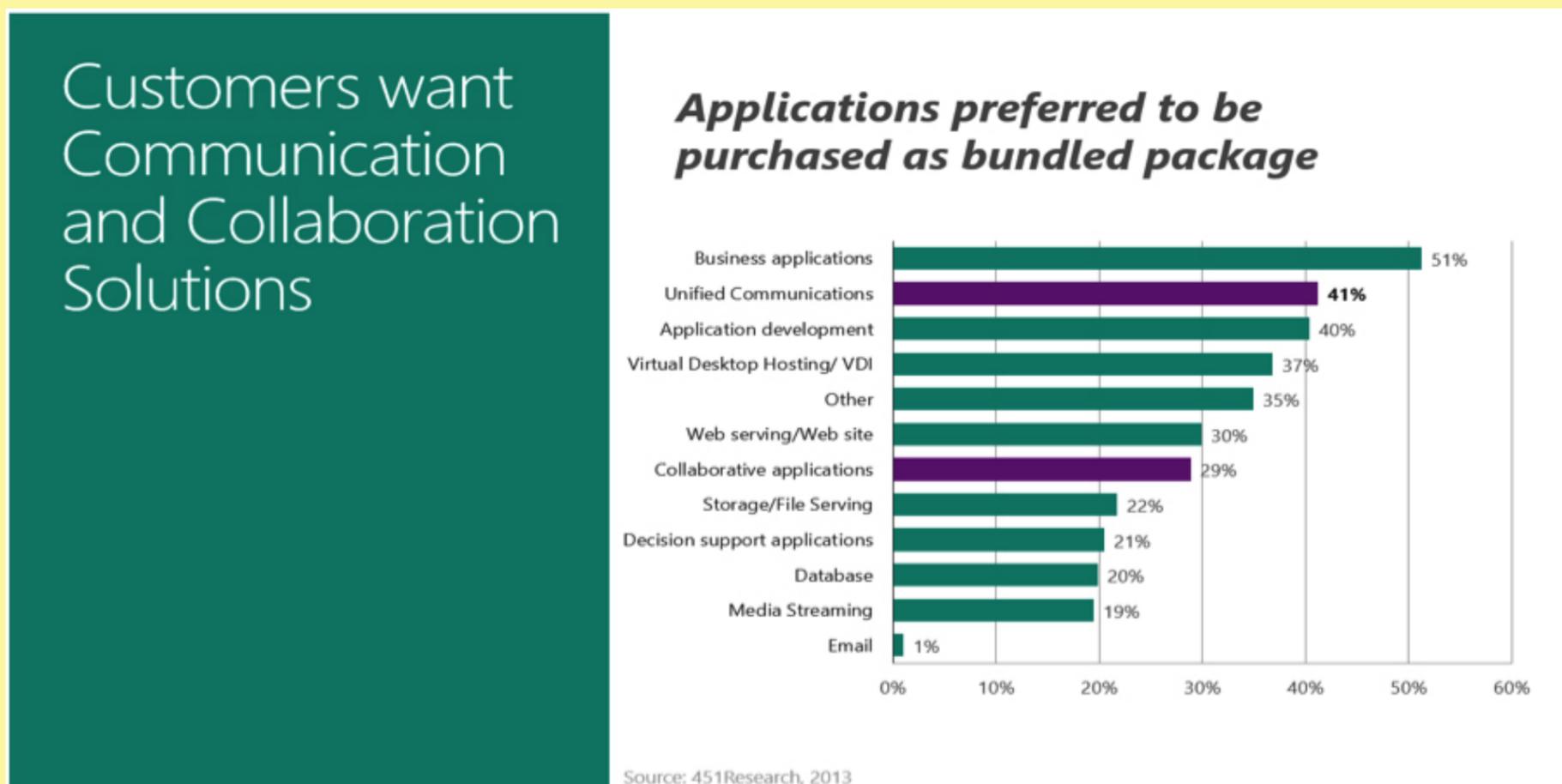
What's the Next step?

View the partner-ready assets designed to help companies like yours take enhanced productivity offers to market.

The Demand for Integrated Solutions



Customers prefer to buy solutions from a single provider versus piecing it together from various vendors.



62% of cloud users would choose to get their internet voice services from their email provider (assuming availability and competitive price)
Source: Edge Strategies, 2013

The Importance of Differentiation

The hosting marketplace is crowded with competitors. By attaching an existing Lync, SharePoint or Productivity Suite offer to existing Hosted Exchange customers, you can reduce your competition by differentiating your hosting services.

Handling Hoster Objections

"I don't think there's enough ROI for the effort."

On average, Microsoft has seen that Hosters offering Lync with email versus \$5 for email-only packages are seeing \$35 average revenue per user (ARPU).

"I am satisfied with current growth."

While growth in your current business may be doing well now, with an ever-evolving cloud service market it's always good to diversify and spread the risk. Do you have enough insight and indicators on the health of your business to let you know before a problem arises? While you may be growing well on your current offers, competitors are driving more than twice the business and growing at a much stronger rate. We see that those partners offering Exchange only are growing on average at 12% year-over-year versus those partners that are offering Exchange plus one other productivity application (Lync or SharePoint) are growing at more than double that rate—25% year-over-year.

"I don't have marketing resources."

We have created some resources that make it relatively easy for anyone at your organization to get organized and create a plan to drive a marketing campaign. In fact, Microsoft has enlisted the help of an agency to fully outsource the marketing activities for you. If you'd like information about retaining their services, send mail to SPLA@MeritMile.com.

"Where do I get the funding?"

Surrounding Exchange for your current Exchange-only accounts is an upsell/cross-sell activity. As such, this campaign saves you demand generation dollars while boosting growth and ARPU just by driving awareness to existing customers.



For more information:

- Contact your Microsoft Licensing Specialist
- Read about Service Provider Usage Rights at: <http://www.microsoftvolumelicensing.com/>