What is

"Optimizing for Scalability"?

Selling complex IT services in pre-defined bundles that are easy to quote, sell, deploy, service and bill

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Why

"Productize" Azure IT?

For the customer

1. Simplified **selection** & **purchasing** experience

2. **Predictability** of costs and ability to **budget**

3. Private label **Azure** solution

4. Easy-to-understand **billing**

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Why

"Productize" Azure IT?

For you – the MSP

1. Easier (cheaper) to **quote** & **sell**

2. Higher **margin** because of **bundling**

3. Build trust with **pricing transparency**

4. **Differentiate** with unique packaging and targeting

5. **Standardize** & **automate** delivery

6. Simpler to **bill** upfront

7. **Predictability** of MRR and **focus** that builds long-term value

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How to

"Productize" Azure IT?

Keep in mind

1. You will have to truly **understand** your current or desired customers

2. You will have to make **trade-offs**

3. You will have to say **"no"** to some customer requests

4. You will have to **resist** the temptation of **too many** packages

5. You will have to **iterate** by **testing**

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Optimize for Profitability

CORE COMPONENTS

01 **Managed Services**
What will you be including in your Azure support stack?

02 **Azure Infrastructure**
Infrastructure & cost components to support client compute needs

03 **Microsoft Licensing**
Microsoft 365, Windows Server (AHB) & SQL

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Optimizing for Profitability

Azure Infrastructure

Understand your targets

Each customer has unique needs, you need to average out

**Add-Ons**

Allows for some customization of each environment

AHB, RI & Auto-Scale are Hidden

Your tools to profitability

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Azure Offer Development

✓ **Define the offer.** For example:

✓ *"Complete, Windows virtual desktop centric Azure IT environment inclusive of all hardware, software, support and managed services."*

✓ **How many plans should there be?** For example:

   Professional, Performance and Enterprise

✓ **How to price each plan?** For example:

   $125, $175 and $250 per-user-per-month

How to Create Azure Offers & Packages

Find more:
getnerdio.com
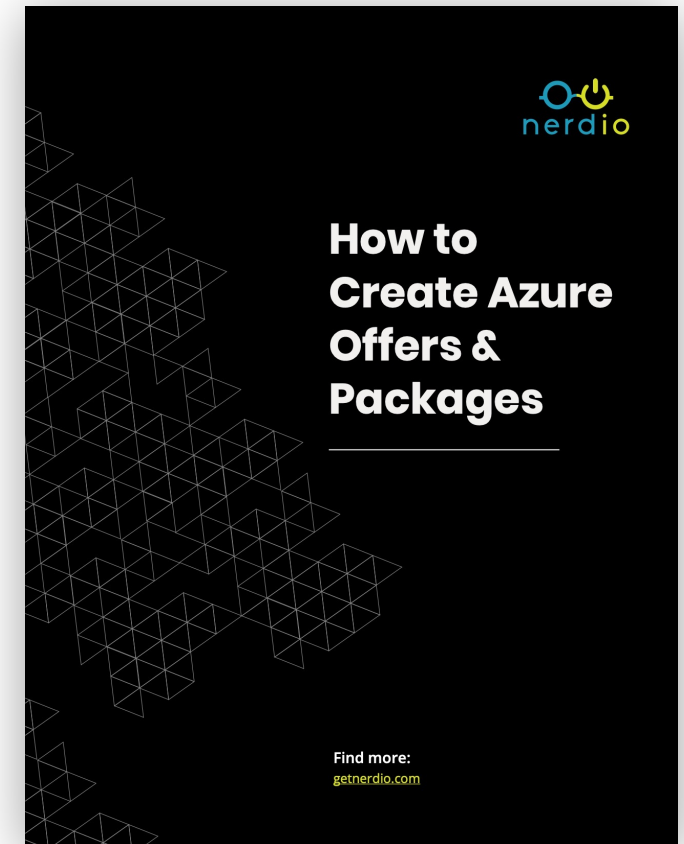
www.getnerdio.com/academy

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Offer Development (cont.)

		Professional	Performance	Enterprise
		Spec	**Spec**	**Spec**
Desktop	RAM (GB)	2 (Ds4_v4)	4 (Es4_v4)	8 (Es8_v4)
	Local Storage (GB)	32 (StdSSD)	64 (PremSSD)	128 (PremSSD)
Server Infrastructure	RAM (GB)	0.5 (B2s)	1 (B2ms)	2 (B4ms)
	Server Storage (GB)	32 (StdSSD)	64 (PremSSD)	128 (PremSSD)
	Backup (days)	30 (LRS)	30 (LRS)	30 (GRS)
	Site-to-Site VPN tunnels	10	10	10
Licensed Software	Windows 10 Enterprise	E3	E3	N/A
	Office 365	E3	E3	M365 E3
	Azure AD	Basic	P1	P2
	Nerdio	Enterprise	Enterprise	Enterprise
Security	AntiVirus	YES	YES	YES
	Content Filtering	N/A	YES	YES
Management	RMM	YES	YES	YES
	Monitoring	NO	10x5	24x7
	Automatic patching	NO	YES	YES
Services	End-user help desk	8x5	12x5	24x7

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Offer Development (cont.)

Category	Item	Professional Spec	Cost	List Price	Margin	Performance Spec	Cost	List Price	Margin	Enterprise Spec	Cost	List Price	Margin
Desktop	RAM (GB)	2 (Ds4v4)	$9.31	$36.25	74%	4 (Es4v4)	$12.41	$42.16	71%	8 (Es8v4)	$21.07	$81.95	74%
Desktop	Local Storage (GB)	32 (StdSSD)	$2.04	$2.40	15%	64 (PremSSD)	$7.78	$9.15	15%	128 (PremSSD)	$14.36	$16.90	15%
Server Infrastructure	RAM (GB)	0.5 (B2s)	$6.16	$11.50	46%	1 (B2ms)	$8.54	$16.47	48%	2 (B4ms)	$11.87	$24.76	52%
Server Infrastructure	Server Storage (GB)	32 (StdSSD)	$2.04	$2.40	15%	64 (PremSSD)	$7.78	$9.15	15%	128 (PremSSD)	$14.36	$16.90	15%
Server Infrastructure	Backup (days)	30 (LRS)	$2.52	$3.42	26%	30 (LRS)	$2.91	$4.34	33%	30 (GRS)	$7.38	$12.37	40%
Server Infrastructure	Site-to-Site VPN tunnels	10	$2.79	$3.29	15%	10	$2.79	$3.29	15%	10	$2.79	$3.29	15%
Licensed Software	Windows 10 Enterprise	E3	$5.60	$7.00	20%	E3	$5.60	$7.00	20%	N/A	$0.00	$0.00	0%
Licensed Software	Office 365	E3	$16.00	$20.00	20%	E3	$16.00	$20.00	20%	M365 E3	$25.60	$32.00	20%
Licensed Software	Azure AD	Basic	$0.80	$1.00	20%	P1	$4.80	$6.00	20%	P3	$7.20	$9.00	20%
Licensed Software	Nerdio	Enterprise	$6.00	$12.00	50%	Enterprise	$6.00	$12.00	50%	Enterprise	$6.00	$12.00	5%
Security	Anti-Virus	YES	$1.50	$4.00	63%	YES	$1.50	$4.00	63%	YES	$1.50	$4.00	63%
Security	Content Filtering	N/A	$0.00	$0.00	0%	YES	$2.00	$3.50	43%	YES	$2.00	$3.50	43%
Management	RMM	YES	$1.00	$5.00	80%	YES	$1.00	$5.00	80%	YES	$1.00	$5.00	80%
Management	Monitoring	NO	$0.00	$0.00	0%	10x5	$0.00	$5.00	100%	24x7	$0.00	$10.00	100%
Management	Automatic patching	NO	$0.00	$0.00	0%	YES	$1.00	$3.00	67%	YES	$1.00	$3.00	67%
Services	End-user help desk	8x5	$5.00	$15.00	67%	12x5	$5.00	$25.00	80%	24x7	$5.00	$35.00	86%

Offer Development
Putting it all together

Professional		
Cost	Price	GM%
$62	$125	51%

Performance		
Cost	Price	GM%
$86	$175	51%

Enterprise		
Cost	Price	GM%
$122	$250	51%

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Q&A

nerdio | **Manager** for **MSP**

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