

We Can't Just Sell Managed Services

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Since we're I.T. Consultants and Trusted Advisors, we have an endless selection of products and services which we sell to our clients, and one of these items is a Managed Service Agreement – but it's not the only one. We get asked by our Partners all the time how to sell and integrate their Managed Services deliverable with their existing Professional Services, or Solutions deliverables. If we're talking about a new prospect, it's quite simple when we understand that we're going to sell our prospect *exactly what they require in order to address their immediate need*. This solution may or *may not be* a Managed Service Agreement, but could be a voice or data T-1 circuit, an email or spam filtering solution, a VoIP system or any of a number of other products and services that we offer.

The important thing to remember is that we want to eventually sell all of our clients *all of our products and services*. We discuss this concept in great detail in our first book “The Guide to a Successful Managed Services Practice”, and describe the Client Solution Roadmap (the tool we created to manage this process), and how to use it. The idea here is to list all of our clients down the left side of a spreadsheet, and all of the solutions we can possibly think of to offer them across the very top of the spreadsheet. Then we assign a red dot or a green dot in each client's corresponding cell, where their name and the solution intersect – a red dot if they don't have the solution and a green one if they do. By the time we're done with this exercise, we'll be able to determine each product or service that our clients don't have, and choose which services and solutions to start selling them in order of priority.

If we've got a decent sized client list, we may never complete the roadmap, as we'll be adding new products, services and solutions to it on a pretty regular basis (for extra credit, we'll choose as many of our products and solutions from vendors and partners that pay us a commission *as well as an annuity* after the sale). Next we'll create two more rows of cells at the top of the spreadsheet above the names of the solutions, and in one row, calculate our commission for selling that solution to the entire client list, and in the other row, calculate the annuity for a year or two or three. Then at the end of our spreadsheet, we'll total up the value of all of our commissions, as well as our annuity revenue...*now that's how to tell what our client base is really worth from an opportunity perspective*.

Pick up a copy of our last book and use this tool, if you don't already own it, or create your own – *I guarantee you'll be surprised* at the tremendous amount of opportunity available right in your existing client base.

Remember I said that we might never complete delivering all of the services in the Client Solution Roadmap to all of our clients? That's actually really good news! Why? Because that means that we have an almost endless stream of sales opportunities, and it's tremendously easier to sell solutions to our existing clients whom we have built relationships with, than it is to sell to new prospects.

So what types of services will we seek to add to our deliverables? *Every single service that we think any of our clients will ever need.* That might sound a little crazy, right? I don't mean going out and getting trained to implement and maintain a bunch of additional services – what I mean is we'll first determine what all of those services are, then find good vendor and partner relationships to help us sell, quote and deliver them. Always try to seek out vendor and partner relationships that will pay a commission as well as an annuity – this isn't always possible, but try really hard, *trust me...you'll thank me later.*

Let's run through a list of products and services that we've found to be a good start for our Client Solution Roadmap:

- Managed Services
- Monitoring Only Services
- Managed Firewalls
- Internet Monitoring/Content Filtering
- Disaster Recovery/Business Continuity Planning
- Website Design
- Website Hosting
- Co-Location Services
- Remote Backup/Storage
- Email and Spam Filtering
- Email Archiving
- SAN Storage Solutions
- Voice and Data T-1's
- VoIP
- Application Development
- CRM Solutions
- SharePoint Solutions
- POS/Inventory Control Solutions
- HaaS/SaaS

How many of these solutions do you currently offer your clients? As you can tell, many of these services are subscription-based, which means there is annuity to be had for as long as the client

maintains the service. Did you note that I didn't say "for as long as they remain a client"? That's the beauty of annuity-based revenue – even if we sever our relationship, *we'll still earn the annuity revenue* month after month, year after year, as long as the client pays the vendor or partner delivering the service. How great is that?

So we expand our portfolio of solutions, and become the true I.T. Consultant and Trusted Advisor who can marshal the forces necessary to address any of our clients' needs. This is the reason we can increase our rates and charge a premium – because we'll be able to design, develop, implement, manage and maintain solutions that save our clients money, improve their efficiencies, alleviate their business pain and mitigate risk, all with the help of the right vendor and partner relationships.

Erick Simpson is Senior Vice President and CIO of Intelligent Enterprise, a Gold Certified Microsoft Partner, and MSP University, and is a recognized IT and Managed Services Author, Speaker and Trainer, and contributor to numerous industry publications and events. Author of "The Guide to a Successful Managed Services Practice - What Every SMB IT Service Provider Should Know...", the definitive book on Managed Services, and the follow-up in MSP University's Managed Services Series "The Best I.T. Sales & Marketing BOOK EVER!", Erick has also co-authored the HTG publication "Peer Power – Powerful Ideas for Partners from Peers". MSP University (www.mspu.us) has helped numerous Vendor Channels, their Partners, and thousands of independent IT Solution Providers worldwide educate themselves in transitioning their I.T. Service Businesses to successful, profitable Managed Services Practices.

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