US CLOUD

Executive Summary:

New Choices and Alternatives to Microsoft Unified Support

Microsoft's replacement of Premier Support with Unified represents the most radical change to Microsoft's support model in decades.

For some, a shift from Premier to Unified's unlimited support hours is worthwhile. For others, massive formula-driven price increases and degrading service quality have become a growing liability.

But for the first time, IT and procurement leaders are able to move past the Microsoft monopoly and explore new options for enterprise support. That choice, however, comes with new risks that need to be fully understood before moving away from OEM-level support for mission-critical systems.

This summary outlines the three primary options for Enterprise Microsoft Support available in the market today, their pro's and con's, and the questions you need to ask about each.

Compiled by US Cloud, the only Gartner recognized Independent Microsoft Support provider. © 2021 All rights reserved

Choice 1:
Lean into Unified Support

For some, Unified Support it a great fit. Large enterprises with heavy PRS (Problem Resolution Support) usage and compatible software spend can come out ahead in the new model. Careful licensing strategy and aggressive support negotiations can yield relatively affordable OEM support on par with past Premier Support contracts.

But for those on the wrong side of the Unified pricing formula, 30%, 50%, even 300% increases are not uncommon with the switch. Some organizations are even opting out of Unified to go it alone with internal resources augmented by SAB support incidents. This approach is NOT recommended for enterprise-level clients or those with mission-critical Microsoft infrastructure given the current state of core Microsoft support.

Choice 1: **Unified Support**

Pro:

Unlimited PRS hours under the Unified model.

Microsoft has direct access to the tenant or code. Although Partners can escalate to Microsoft on your behalf, Unified is the most direct route.

Microsoft engineers are the ultimate experts on the product once you navigate through lower tiers of support.

Access to a large online library of resources and info previously available only through engineer-led proactive support engagements (tools are DIY, live engineering support costs extra).

24/7 global support structure is well established.

Con:

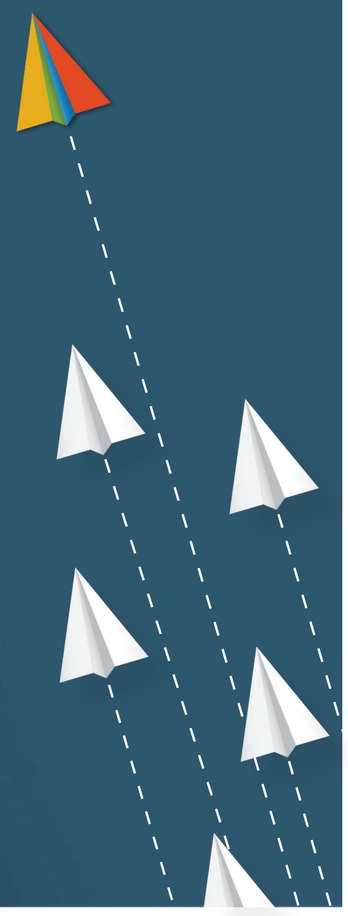
Compared to Premier Support, Unified is EXPENSIVE for many Microsoft clients. And the lack of flexibility in the pricing formula is also frustrating for procurement.

Continued price increases in years 2 & 3, sometimes substantial if a client exhausts SAB credits in year one and plans on increasing Azure or M365 spend in the future.

Clients also report degrading quality, increased outsourced/ offshored resources, slower response times and missed SLA's.

Hidden fees and add-ons within the "unlimited" model (e.g. automatic 30% TAM charges added to DSE's, proactive credits).

Punitive pricing for clients without Software Assurance.



Choice 1: **Unified Support**

By most accounts, Microsoft has gone back to its aggressive migration of clients off of Premier Support and onto Unified Support. For some, the new model is a good fit that allows unlimited PRS Support and direct escalations when necessary. Regardless, here are some questions to ask during re-subscription negotiations:

Ask:

Can you detail how Unified pricing is calculated?

Can we get a full list of contracts, including itemized products, and the Unified Support allocations for each?

Is it possible to spread the price increase over multiple years?

What will my estimated cost be in years 2 and 3 based on my roadmap?

Do you offer discounted Unified rates if we buy large and/or multi-year Azure contracts?

What kind of tools do I have access to now in the online portal?

What is the average initial response time in Unified Support? How often are you hitting published SLA's?

Do you publish or share average Time to Resolution benchmarks or statistics?

How much of Unified Support is handled by outsourced engineers? How much is offshored?

Which add-on services, like DSE's or engineer-led proactive support, get 30% TAM fees automatically added? Where can I find that detailed in my Unified Support agreement?

What is happening to the Software Assurance program? How will that affect my SAB credits moving forward?

I heard a 3rd-party partner breach in Dec 2019 compromised of 250 million Premier Support client records. How are you protecting my information? Are my sensitive support details / communications encrypted?

Choice 2:
Traditional IT Partners

Large system integrators, Managed Service Providers (MSP's), Value-Added Resellers (VAR's), Cloud Service Providers (CSP's), and IT consultancies – traditional IT vendors of all stripes have started to offer Microsoft support in response to requests from their clients. However, the effort to add-on a 24/7 enterprise-level MSFT support has proven challenging for many.

Large IT services organizations have some inherent advantages as they enter the high-end support market. Partners tend to be more nimble and responsive, with services (not software) as their core offering. They enjoy established relationships with clients and are already connected with the Microsoft support apparatus in some capacity.

However, providing high-level support across the entire Microsoft stack, including non-business hours, is extremely difficult. From infrastructure to staffing senior engineers in off-hours, some otherwise competent IT outsources or Microsoft project shops have struggled.

Another area of concern is the ability to quickly escalate when necessary. Escalations to Microsoft for critical tickets is a vital requirement that not all Partners understand or are set up to manage well. It requires the right partner agreement and sophisticated vendor management practices to avoid ballooning costs or big delays.

Choice 2: **IT Partners**

Pro:

Working with an existing Partner can take advantage of established relationships and also lessen set-up time and lower risk.

Many larger VAR's or MSP's have competent senior (project) engineers familiar with your systems and can do some PRS work.

CSP's may already have Delegated Admin permissions with your company, a critical component for rapid escalation to Microsoft.

MSP's run 24/7 reactive operations and have much of the necessary infrastructure (ticketing, knowledge base, and on-call systems, etc.).

If run well, augmenting internal Service Desk staff with a CSP or other partner can potentially save money vs. Unified Support.

Con:

Elite engineers often don't work non-business hours. Partners without true three-shift coverage use "on-call" systems that are often unreliable.

MSP's tout 24/7 operations, but these operations are almost always focused on L1-L2 resources. It is imperative to verify that partner resources are capable of handling complex issues.

Many MSFT Partners specialize in certain technologies, lacking broad L2-L4 engineering talent necessary to cover the breadth and depth of the entire MSFT stack at scale.

If a Partner can't close tickets internally, they have two choices: escalation paths to MSFT that are inexpensive and painfully slow or paths that are fast but very expensive.

Poorly run programs promise quality and savings but can often only deliver on one of those pledges.

In the last 18 months, many organizations began to consider ditching Microsoft Support to either go it alone with internal staff and/or leveraging a traditional IT services provider for their support. Here are some qualifying questions to ensure alternative support solutions are up to the task.

Ask:

With this alternative support option, can we fully eliminate our MSFT Premier or Unified Support contract?

Is this a core competency of the Partner? What percentage their revenue comes from Microsoft Problem Resolution Support (PRS) tickets? How long have they offered a Premier / Unified replacement?

What kind of tickets does the Partner handle? Simple L1 - L2 tickets (MSP's) or complex L3-L4 issues?

How does the Partner cover all Microsoft technologies well? How do they address any skill gaps?

What are the Partner's guaranteed initial response times? For normal severities and critical cases?

What are response times like during non-business hours?

What level engineers will be available on nights / weekends / holidays?

If using an "on-call" system, what is the confidence level we will be able to get the right engineer engaged quickly in an emergency?

What percentage of PRS tickets are solved in-house vs. having to escalate to Microsoft?

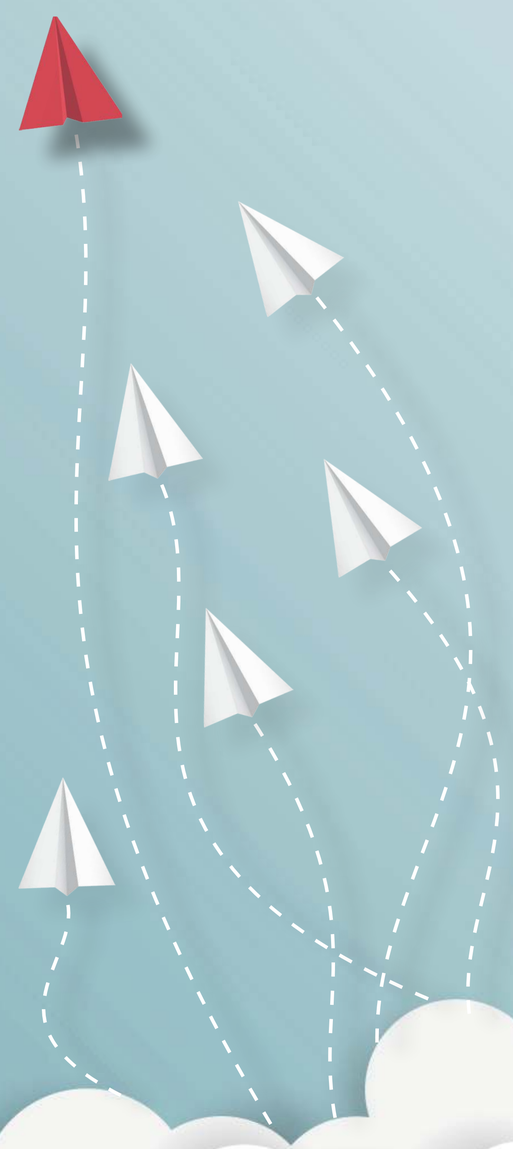
What are the SLA's, processes, and agreements in place to govern when to escalate tickets to Microsoft?

What level Microsoft Partner Agreement does our potential support provider use for escalations?

What are Microsoft's SLA's for responding under the Partner's plan (Pro / Advanced / Premier for Partners)?

What enterprise clients does the partner have in my industry (reactive support, not project)?

Choice 3:
Microsoft Support Specialists



Although still limited to only a few providers, Independent 3rd-party Specialists dedicated to Microsoft support are emerging. These "pure-play" companies are completely focused on delivering comparable support vs. Microsoft Premier or Unified but at a reduced price – often up to 50% less.

Some common misconceptions about Independents are:

- They cannot escalate tickets to Microsoft *(false)*
- They use cheap offshore resources to lower costs *(false for some)*
- They cannot handle Fortune 500 clients *(false)*
- They do not offer TAM's or DSE's *(false)*
- They cannot fully replace Unified Support *(false)*

If considering an Independent 3rd-party, make sure to verify their ability to escalate quickly to Microsoft for high-severity tickets, require contractual SLA's for response times and escalations, and ask about support engineer credentials and locations.

Choice 3: **Support Specialists**

Pro:

Significant savings vs. Microsoft — 30% to 50% are typical savings for enterprises moving from Unified to an Independent Support Specialist

Support Specialist have consistently faster response times, some with financial penalties for initial responses over 15 minutes.

All the providers in this space have shown that they have concrete, proven paths to Microsoft for managed ticket escalations.

Pure-plays have the benefit of dedicating all systems, infrastructure, personnel, and business processes, specifically for Microsoft support.

Niche players have focused on recruiting higher-level L2 - L4 engineers, resolving ~80% of tickets in-house and staffing around the clock.

At least one provider in this nascent market is committed to all domestic, US-based resources as quality of service element.

Maturing pure-plays have well-established Partner networks themselves to cover skill gaps and to facilitate rapid escalations to Microsoft leveraging the highest-level MSFT Partner plans.

Con:

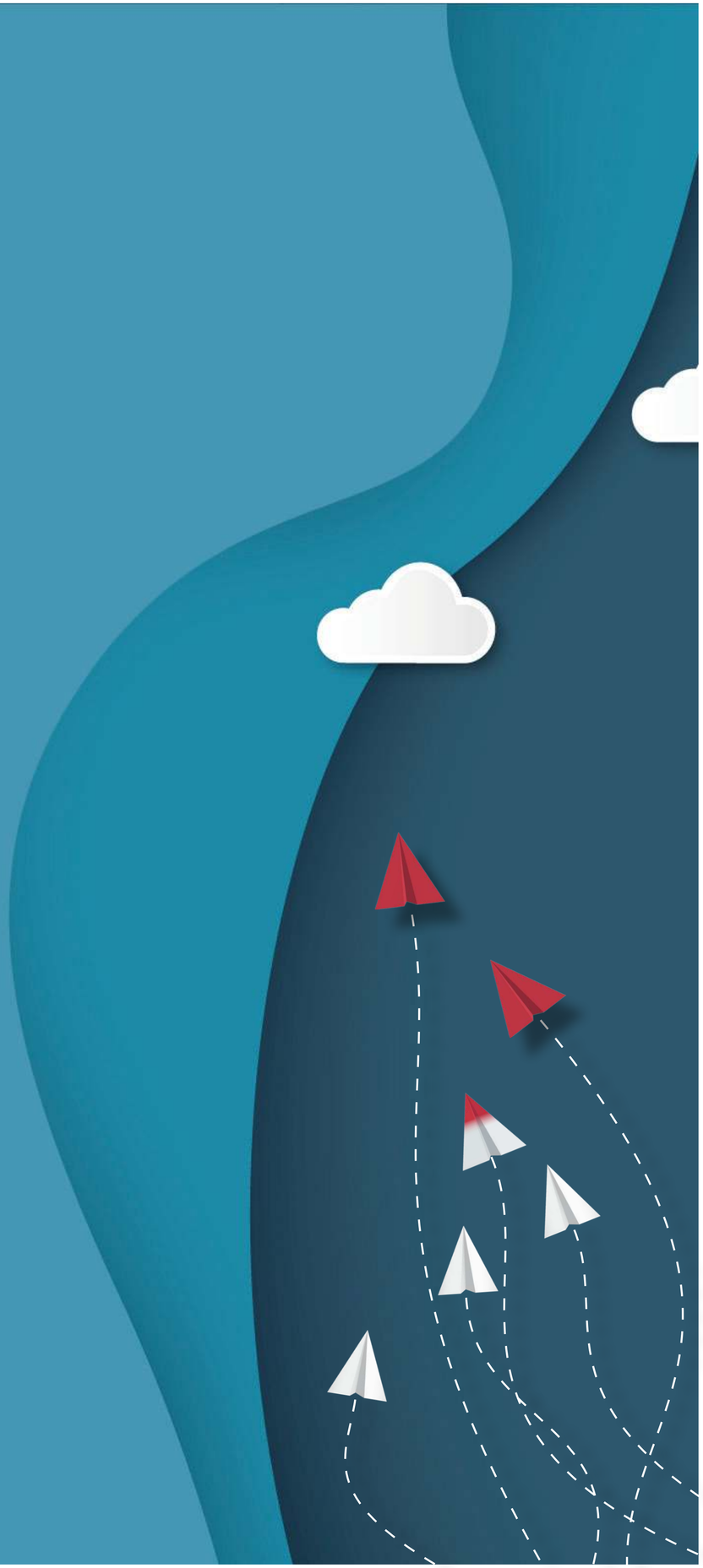
These support alternatives are NOT a good fit for companies that are simply looking for a cheaper way to escalate the majority of their issues to MSFT.

Even with high resolution rates, the more complex model necessitates an “extra step” for tenant cases or bugs.

Engineering talent can be inconsistent in smaller providers.

Non-emergency escalations to MSFT can be slow.

Some recent entrants rely on lower-quality offshore engineers.



Choice 3: **Support Specialists**

The third-party software support market is exploding with a growth path expected to double in size over the next three years. As enterprises become more comfortable with non-OEM software support as an option, many are choosing to save on support costs to preserve funds for game-changing IT initiatives. However, the market for Microsoft Independent 3rd-party Specialists in still maturing and companies should perform proper due diligence before choosing a new Partner.

Ask:

Can you fully eliminate our MSFT Premier or Unified Support contract?

What are typical savings that I should expect in Year 1? Years 2 & 3?

What percentage of revenue comes from MSFT problem resolution support?

What proactive support services do you offer?

How and when do you escalate tickets to Microsoft if needed?

What are your guaranteed performance SLA's? Are they financially backed?

What level engineers do you have and where are they located?

How do you support overnight and weekend problem resolution?

Do you provide true Technical Account Managers (TAM)?

What DSE's and proactive support can you provide?

What size clients can you support? S&MB, Mid-size enterprise, Fortune 100?

What is your client retention rate after the first year?

US CLOUD

We provide fanatical Microsoft support for less, fully replacing Premier or Unified Support for 30%–50% less than MSFT with 5x faster response times.

- The ONLY third-party Microsoft support provider recognized by Gartner
- 15-minute initial response times guaranteed
- 100% domestic, US-based engineers
- Level 2, 3, and 4 engineers in-house
- Managed Microsoft escalations
- 20+ years of Microsoft support experience

If you would like more information visit us at www.uscloud.com
or click the link below to schedule a time to talk.

Schedule a Call!