



Developing Client Opportunities with IBM Software Subscription & Support

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You are the Arrow !

IBM is the Wood behind the Arrow

IBM Invests in your Success

... in an effort to support...

The Significant Role of the Business Partner

IBM invests in your success

Help maximize software investments with IBM Software Subscription and Support

USD6B+

in R&D investments annually

#1

in patents each of the past 20 years

>4,000

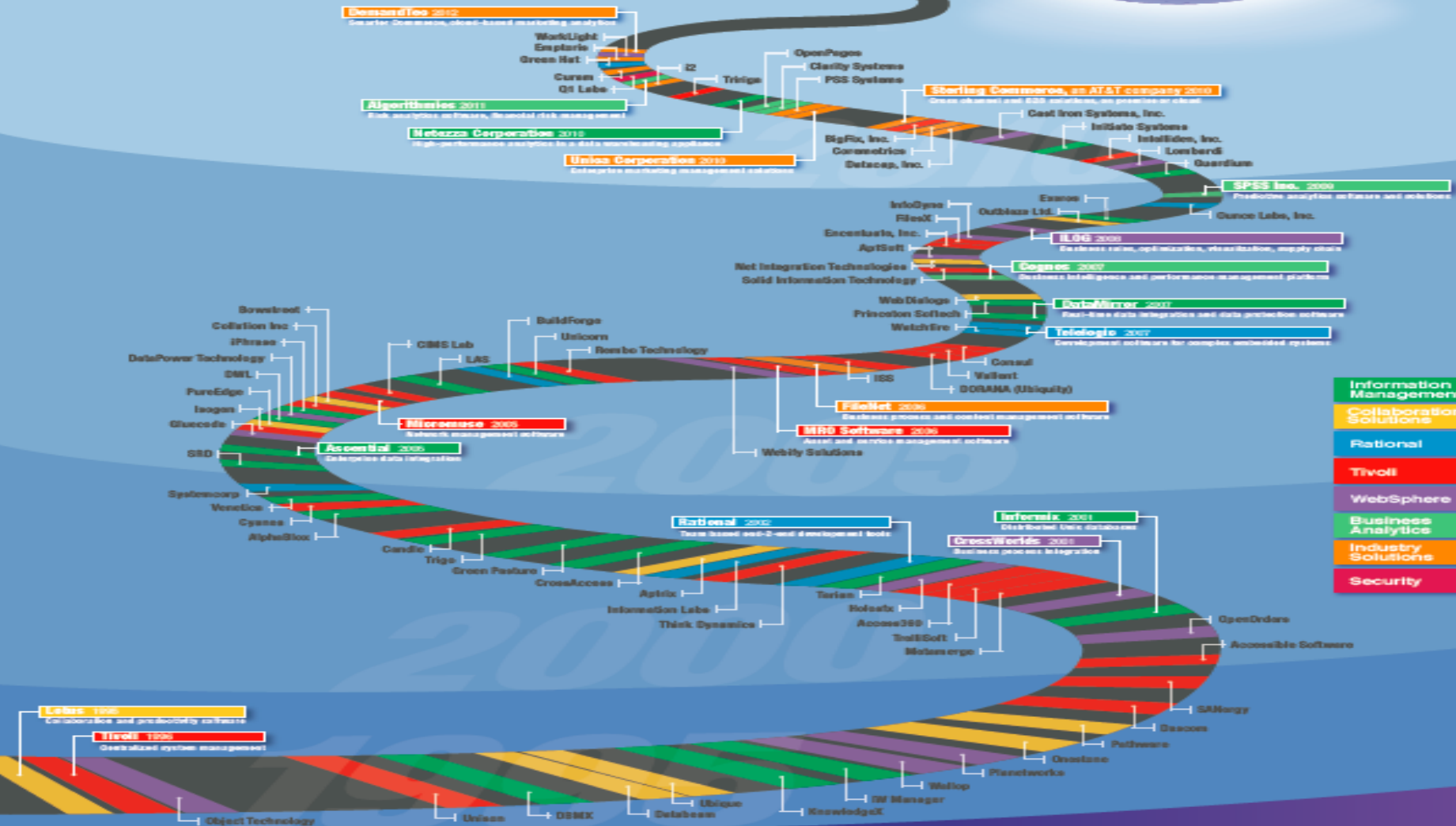
of IBM support experts worldwide

USD3B+

invested annually in software development through >35,000 developers

Milestones that Matter: IBM Software Acquisitions

Closed through March 15, 2012



The Significant Role of the Business Partner

What does a sale cost a Business Partner ?

Business Partner Cost of Sale Model	Capable of penetrating existing accounts	Capable of penetrating new customers	Capable penetrating new markets
Cost of selling products you have skill in to customers you know	10-15¢	30-40¢	60-80¢
Cost of selling new products requiring similar skill to customers you know	30-40¢	60-80¢	Low Profit 80¢-\$1.00
Cost of selling new products in an area you don't have skill in to customers you know	60-80¢	Low Profit 80¢ - \$1.00	Black Hole \$1.20 - \$1.60

1. Business Partners will gain the greatest ROI when they sell products in which they have skills, to customers they know
2. Selling S&S, additional licenses, or other products in which the BP has skills, to customers they know, is by far the most cost effective and profitable model
3. Based on the profit versus cost model in the diagram, S&S is key to a BP's over all ability to grow and remain profitable
4. Making sure S&S is paid On Time ensures a steady and predicable cash flow. **Cash Flow** is vital to a BP's success

What fits here ?

- S&S
- Additional licenses
- Reinstatements
- Services (upgrades, product development or enhancements)

What fits here ?

- Complementary products
(eg. Selling Rational Development tools to WebSphere App Server customers)
- Cross-Sell (eg.DB2 to Lotus Portal customers)

Why is Subscription & Support Important to Partners

Protect and grow your renewal revenue



- ✓ S&S Renewal is a reason to revisit your client.
- ✓ S&S a compelling event and a clear deadline
- ✓ Strengthen customer loyalty
- ✓ Provides up-sell and cross-sell opportunity
- ✓ Reinstate lapsed licenses
- ✓ Uncover services opportunities
- ✓ It allows you to grow your installed base
- ✓ Understand your client' s technology plans
- ✓ Every year the customer doesn't upgrade costs increase



Key Features of Subscription & Support

IBM Software Subscription and Support (S&S) :

- Provides a comprehensive software upgrade (Subscription) and technical support (Support) solution for your licensed IBM software
- Is included with all new distributed software purchases
- Must be renewed annually to ensure maximum value on your software investment

FEATURES AT-A-GLANCE	WITH S&S	WITHOUT S&S
Download new releases & upgrades	Yes	No
E-notifications for new releases and upgrades	Yes	No
Designated support contacts	Unlimited	None
Severity "1" telephone support	24x7	No
Remote voice support	Yes	No
Electronic service request	24x7	No
IBM Support Portal: Enhanced self-help & advanced search capabilities	Unlimited	Limited
Download bug fixes	Yes	Yes
Access to technical documentation	Yes	Yes



How much could your customers gain from the VALUE of IBM Software Subscription and Support?

Clients upgrading to current versions and releases see measurable benefits:

500%

500% performance improvement for multi-subscriber message delivery with WebSphere MQ upgrade

80%

Up to 80% increase in compression rates reducing overall storage costs with DB2 upgrade

60%

As much as 60% cost reduction in email storage with IBM Notes® and Domino® upgrade

20%

20% faster interactive response time with Cognos BI upgrade

[View recently enhanced IBM software available for download with S&S](#)

Source: IBM and IBM client experience.

Start the renewal process early

Channel renewal timeline

180 days
before renewal

- Contact your top priority clients
- Confirm budgets, projects, license requirements and issues

90 - 75 days
before renewal

- Log on to Passport Advantage Online, and download your renewal quote
- Forecast with IBM

45-60 days
before renewal

- Reminder emails from IBM, 45 and 60 days before renewal
- Forecast with IBM

30 days
before renewal

- IBM, value-added distributor (VAD) and Business Partner (BP) send reminder emails
- Forecast with IBM

15 days
before renewal

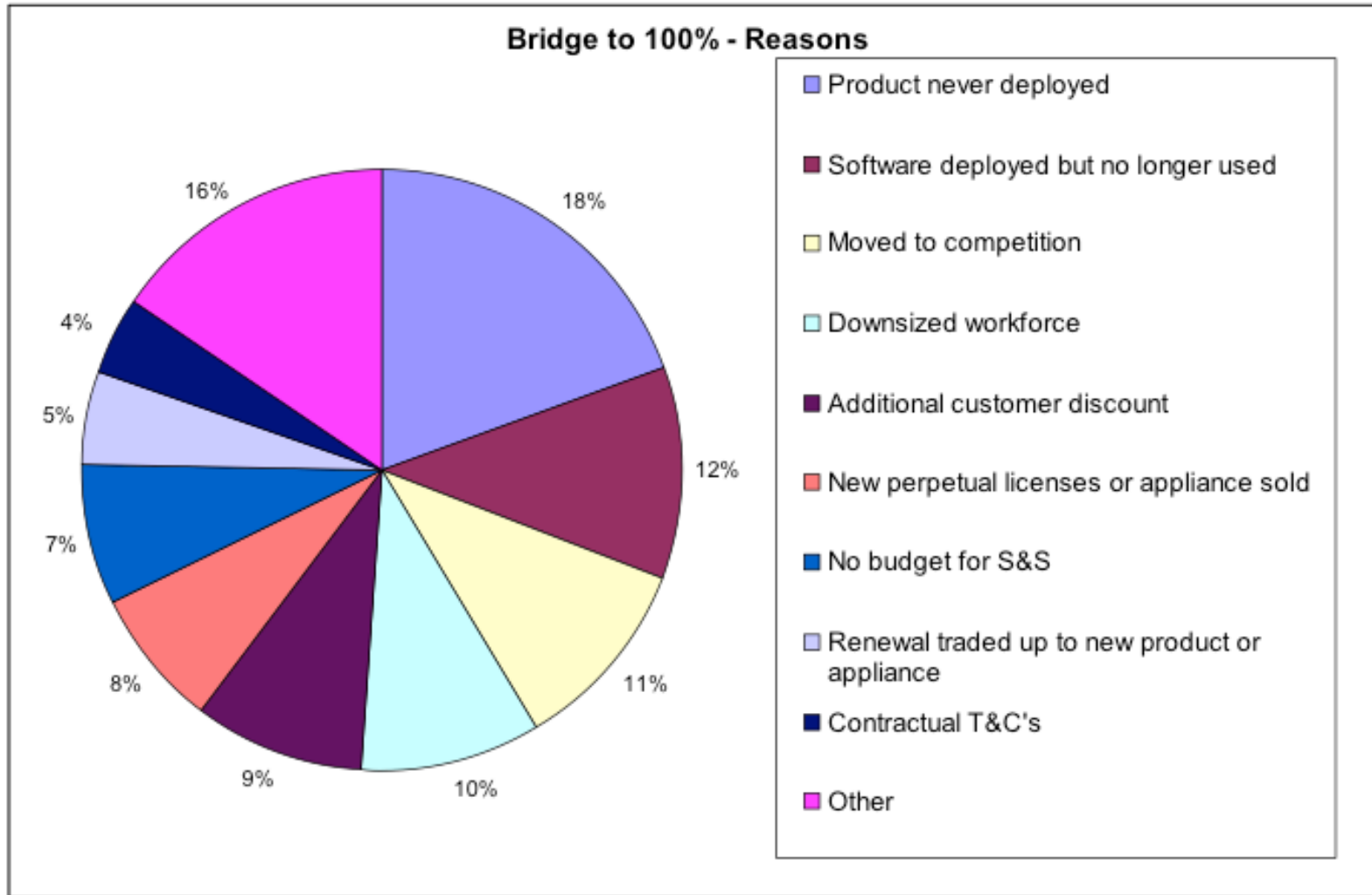
- IBM sends another reminder
- VAD and BP touch base with the client
- Forecast with IBM

4-5 days
before renewal

- Let clients know they have less than a week to renew
- Grace period extension approval will be an exception



Reasons for not renewing Subscription and Support

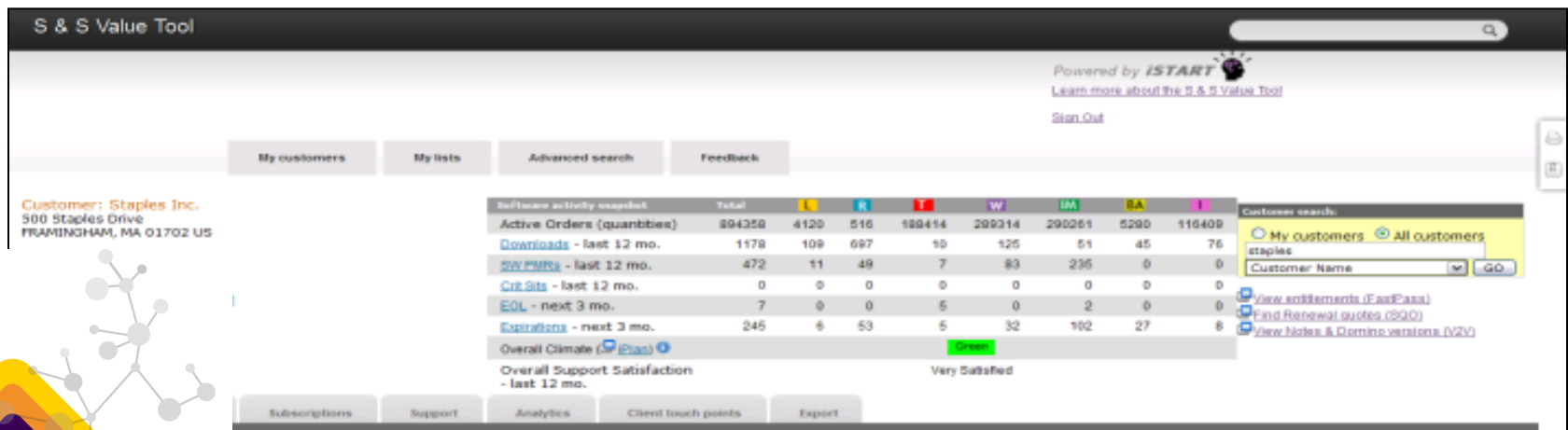


... focus on **Software Deployment!**

Query the IBM Software Client Value tool



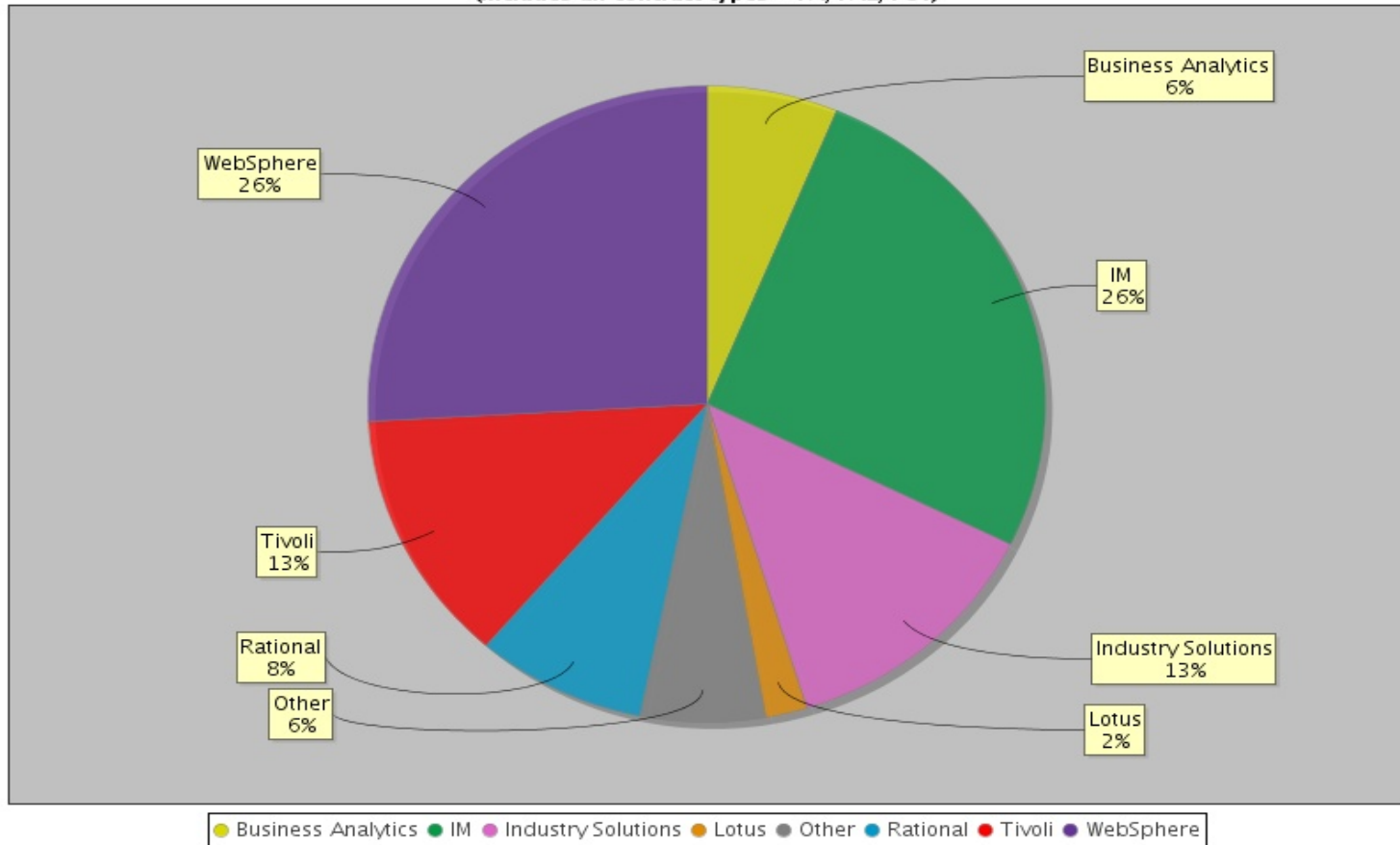
Before a client questions the value of Software Subscription and Support renewal take the time to run a usage report



- # of downloads in the past 12 months
- # of Service Requests in past 12 months
- # of client submitted Critical / Severity1 support requests
- # of licensed products approaching end of life in next 3 months

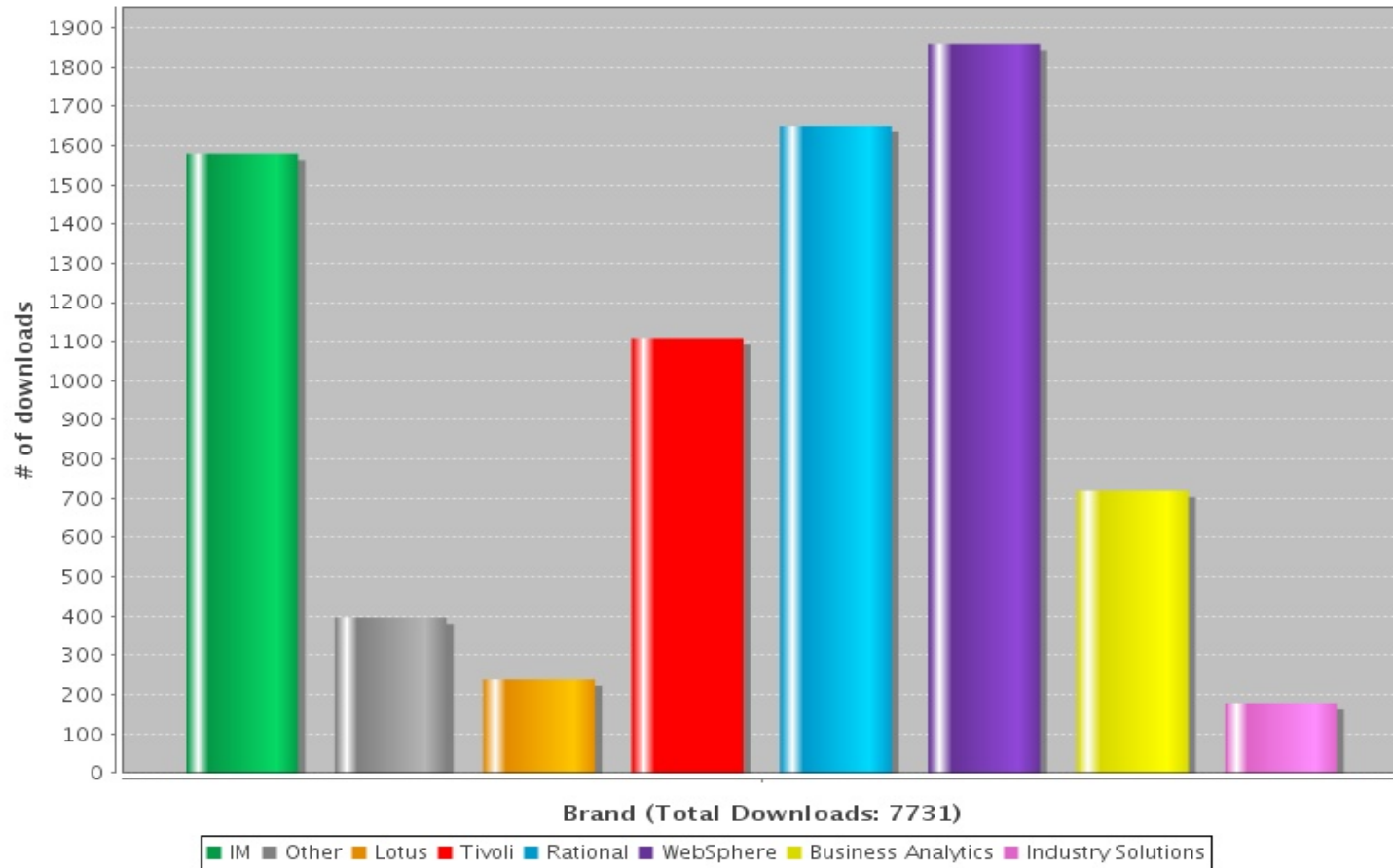
IBM Customer

Software Sales by Brand January 2011 – April 2012 (USD) (includes all contract types – PA, PAE, FCT)



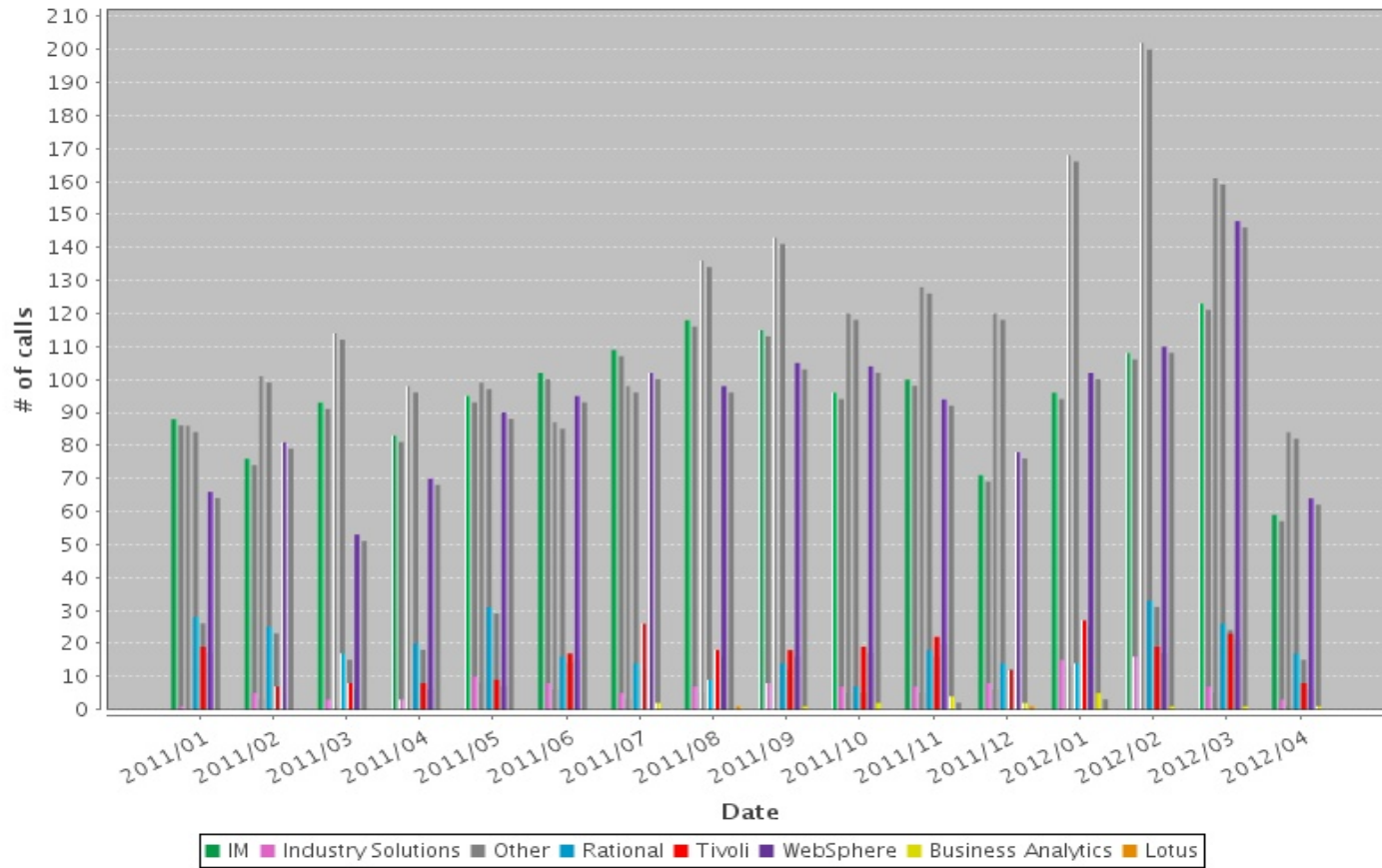
IBM Customer

Downloads by Brand January 2011 - April 2012



IBM Customer

Calls by Brand and Date January 2011 - April 2012



IBM Software Subscription and Support

Features and benefits at a glance



80% Value



20% Value

IBM Software Subscription

- Access new technology via software enhancements
- Gain the flexibility to update or upgrade on your schedule
- Get rapid access to new releases, fixes and updates
- Receive electronic notifications

IBM Technical Support

- Take advantage of rapid response for severity 1 issue resolution
- Access live person support in 140 languages to help with deployments, migrations and code questions
- Access global coverage and 24x7 software technical support
- Leverage online support and tools

ibm.com/software/subscriptionandsupport

Leverage renewals to sell your services / solutions and drive new IBM license sales

- **Capitalize** on a reason to call your clients
- **Create** cross-sell, up-sell, and trade-up opportunities
- **Uncover** Service opportunities
- **Communicate** the value of Software Subscription and Support in every S&S renewal and new license sale
- **Work with your renewal representative and Software Subscription & Support brand leader**



Call to action!

1. Contact your VAD NOW to find out how you can make more money from Reinstatements.
2. Contact your VAD or Renewal Rep now to get a list of your customers due for renewal in the next 6 months.
3. Let IBM know how your deals are going, so we can help. (Forecasting)
4. Work with your IBM rep to address concerns of customers
5. Get help from your IBM team if the customer has not implemented their software yet.





Thank you!