A decorative horizontal bar with three segments: dark blue, grey, and light blue.

Seizing the Dynamics 365 Opportunity: Staying Relevant Through Digital Transformation



Why Move to Modern with Dynamics 365?

The historic divide between Microsoft Dynamics® Partners and the rest of the channel has been obliterated by Microsoft's reorganization and the introduction of Dynamics 365® to the market. As Microsoft's cloud-first strategy continues to mature, Dynamics 365 will continue to disrupt the traditional model for Enterprise Resource Planning (ERP), and Customer Relationship Management (CRM) within the Microsoft Dynamics channel and beyond.

While it remains true that a stalwart on-premise ERP and CRM customer base exists in the channel, staying relevant through the digital transformation of the market means adapting to customer expectations of mobility and cloud. Business customers now expect technology that works the way consumer technology does. As the business software channel "Moves to Modern", customers expect user-friendly ERP and CRM functionality with simple access to a robust marketplace of applications to enhance the performance of their core ERP and CRM systems. Solution providers and managed service providers (MSPs) who are able

to differentiate themselves by delivering business value through vertical Intellectual Property (IP) and functional expertise in the Dynamics 365 space will enjoy the lion's share of new Dynamics cloud opportunity.

Of course, the high cost of entry and strain on resources to build a Dynamics 365 practice from scratch would create a reorganization upheaval for many traditional Dynamics solution and services providers. Microsoft recognizes this challenge and has partnered with the **Stratos Cloud Alliance (SCA)**, an exclusive Indirect Cloud Service Provider, to enable Dynamics solution providers and MSPs to easily build their Dynamics 365 practice without strain and little up-front cost of entry.

The conclusions reached within this whitepaper culminated from 30 years of experience from the experts at Velosio. Here we will examine:

- Challenges to seizing the Dynamics 365 opportunity
- How SCA helps capitalize on the D365 opportunity
- Growing with Dynamics 365

Challenges to Seizing the Dynamics 365 Opportunity

In order to capitalize on the Dynamics 365 (D365) opportunity, partners will have to adopt a recurring revenue model, expand their solutions portfolio and differentiate themselves through vertical and functional expertise. For many traditional providers, this opportunity has not been financially viable.

D365 Challenges for Traditional Providers:

- Repositioning Technology Reputation
- Lack of experience selling to business decision makers
- Lack of experience selling and delivering business applications
- High cost of entry
- Financial and customer service risk

Until recently these challenges were true barriers and in many cases deal-breakers for many Dynamics Partners, as high cost of entry and tighter margins in the cloud made it unfeasible for traditional providers to capitalize on Dynamics 365. Now Microsoft's CSP program and SCA have toppled all the barriers to D365 success for solution providers and MSPs.

As the Indirect CSP for Dynamics 365, the Stratos Cloud Alliance (SCA) has already done the heavy D365 lifting for its partners. SCA delivers services, training, tools, and technology to enable any partner to kick-start their Dynamics 365 practice in just 30 days.

Stratos Cloud Alliance Provides:

- Microsoft Business Cloud Services Expertise
- eCommerce and Sales Enablement Tools
- Knowledge Base

SCA helps capitalize on the D365 opportunity

Dynamics 365 is now only available through the CSP program. As a unique Microsoft CSP specializing in Dynamics 365, SCA brings 30 years of Dynamics leadership and a world-class professional services team to help partners capitalize on the exploding market for Microsoft Cloud Business Solutions.

SCA allows solution providers and MSPs to dive into the Dynamics 365 market by providing the necessary sales and marketing enablement tools, including opportunity and deal support. SCA further provides Dynamics 365 training and enablement resources to launch and maintain a Dynamics 365 practice.

- Stratos Cloud Alliance Provides:
 - A streamlined onboarding process
 - Personalized eCommerce Marketplace
 - Dedicated account manager and onboarding team
 - Management of Microsoft Dynamics 365 pricing, discounting and incentive programs
 - Stratos Success knowledge base
 - Stratos Partner Portal providing complete visibility into all your transactions, plus training, marketing collateral, and more.


With a deep understanding of the Dynamics product, of the SaaS business applications market and VAR and MSP business models, SCA is uniquely able to help providers enter the Dynamics 365 market to drive more revenue from their existing customers and open new revenue streams. SCA enables its partners to:

- Instantly expand a solution portfolio without investing in training, additional staff, or fulfilling requirements for multiple ISV reseller programs
- Develop Dynamics 365 service delivery capacity with practice enablement programs

- Packaged implementation, training, and support services for your customers

Growing in the Cloud with SCA

Once a Dynamics 365 practice is established, SCA can continue to augment resources and keep overhead low for providers. With SCA expertise at their disposal, partners can bundle vertical or functional IP assets with Microsoft Cloud Services to create higher-margin solutions. What's more, SCA delivers training through the Stratos Success program so partners and service providers can continue to grow their Dynamics 365 offerings.

	Volume Partner	Growth Partner	Emerging Partner	Referral Partner
Margins	Up to 28%	Up to 22%	Up to 15%	8%
Partner Portal	Co-branded with partner logo			Stratos branded
Customer Ownership	Partner owns, bills and supports customer			Stratos owns and bills customer
E-commerce Site	Co-brand with partner logo* <i>*Must meet a minimum monthly sales requirement</i>			Stratos branded
Profits	Retail price with volume discounts & Microsoft Incentives** <i>**You must qualify for Microsoft Incentives</i>			One-time and recurring commission
Customer Pricing	Retail pricing - partner can discount			Stratos sets pricing
Customer Support	Partner provides Tier-One Support (optional Stratos support available)			Stratos provides all support
Partner Support	Dedicated Senior Strategic Account Manager	Account Manager: On-Demand access to our Stratos Success Knowledge Base, plus marketing, sales, and technical support teams		

The Stratos Success e-Learning program delivers a comprehensive suite of industry leading solutions for Dynamics 365, with rapid implementation and self-service training portals to ensure your organization maximizes its return on investment.

Stratos Success training delivers how-to-guides, screenshot driven walkthroughs, videos, and more, to enable your growing team to learn through the process that best suits them, with:

- Tailored user learning hubs
- Guided learning paths
- Employee & customer self-service support
- Peer to peer knowledge communities

Move to Modern at your Own Pace

With multiple tiers of entry, SCA lets you seize the Dynamics 365 opportunity at a pace that suits your business needs.

Conclusion: Opportunity is Knocking Now


For more than a decade cloud computing technology has been a disruptive force within the information technology sector and Microsoft has repositioned itself as an active disruptor within the channel through its cloud-first mantra and development strategy. The time for Dynamics solution and service providers to act is now as the rift separating Dynamics ERP partners from the channel has been removed. Those who are

unable to adapt to the digital transformation will miss out on huge revenue opportunities and risk falling into irrelevance as customer IT demands continue to change at an increasing pace.

Despite rapid and pervasive change in the Dynamics space, Microsoft has always relied on its network of resellers, consultants, independent software vendors and managed services providers to deliver its software to the end user. That fact has not changed.

Microsoft has partnered with Stratos Cloud Alliance in order to enable members of its loyal partner network to derive profit and growth from the Dynamics 365 opportunity.

SCA is set up to do the heavy lifting in the cloud, offering infrastructure, training, sales enablement and e-commerce resources to Dynamics software and services providers. Addressing the main challenges to starting a Dynamics 365 practice, SCA enables traditional providers to easily Move to Modern and adapt to a transforming market while maintaining focus on IP innovation. Partners who are able to differentiate themselves through vertical and functional expertise will be best equipped to capitalize on the recurring revenue model and growth potential inherent in Dynamics 365 opportunity.

 For more information about Stratos Cloud Alliance, visit dynamics365partner.com