

Managed services around Microsoft 365 Business send partner's sales soaring.

"With Microsoft 365 Business and our consultancy and managed services, we can bring distinct benefits to startups, businesses at all points along the small-business spectrum, even larger businesses.... Microsoft 365 Business will have a tremendous impact on our business—it already is."

Chris Dunning, Founder and CEO, TechQuarters



Many Microsoft Partners successfully sell Microsoft 365 Business as a comprehensive security solution for small business. The UK's TechQuarters goes them one better, building extensive training IP and promoting end-user security training as part of its broad managed services for the Microsoft cloud service. The approach works. Sales are up 43 percent this year and margins are up, too.



When you boost revenues 31 percent in a year, what do you do for a followup? If you're the UK's TechQuarters, you go on to boost your revenue by 44 percent the next year. The company is on track to achieve this almost 100 percent two-year growth rate and, with higher-margin managed services driving much of its growth, overall margins are up too.

It's an impressive achievement for TechQuarters, a small-business-focused, born-in-the-cloud Microsoft Partner that was founded in the spare bedroom of founder and CEO Chris Dunning's Wimbledon, London apartment in 2010. Today, it's a 25-person firm generating nearly £3.5 million (US\$5 million) a year.

Dunning attributes significant revenue growth in his company's most recent quarter to Microsoft 365 Business—and to the unique value proposition his company has built around the Microsoft cloud offering, which brings together best-in-class productivity tools, security, and device management. Formerly, customers needed to separately acquire Office 365, Enterprise Mobility +Security (EM+S) and more to gain the same capabilities.

# The best GDPR/security play for small business

Of course, the time couldn't be better to offer Microsoft 365 Business. About 90 percent of TechQuarters' customers are interested in security solutions, especially given the EU's General Data Protection Regulation (GDPR), which went into effect this year.

"We position Microsoft 365 Business as a comprehensive security solution to meet the needs of small business," says Dunning. "Whether the customer is just starting to protect email and implement a privacy policy, or aware that it needs to address ransomware, phishing, device theft, and other threats, this is the solution that can meet their needs and do so cost-effectively."

The small-business customers that TechQuarters targets often can't afford traditional enterprise security solutions—but they can afford Microsoft 365 Business. That's because the licensing cost of Microsoft 365 Business—which includes Office 365, security, and device management features—is far less than the cost of acquiring that functionality separately. So, security via Microsoft 365 Business is now a viable option for small-business customers.

#### It's all about the services

One of those services is consulting. TechQuarters sells security consulting services with 80 percent of its Microsoft 365 Business licenses. Consulting projects around Microsoft 365 Business and Office 365 typically run two months and make up about 10 percent of TechQuarters revenue.

Even better, TechQuarters wraps an unlimited bundle of its own managed services around Microsoft 365 Business for a total fee (license and services) of £50-80/user/month (a limited version is available for £30-50/user/month). That means up to 80 percent of peruser fees accrue to TechQuarters as recurring managed services revenue.

"Getting training and using the comprehensive security features in Microsoft 365 Business give small businesses a level of corporate-grade security that's astounding."

Chris Dunning, Founder and CEO, TechQuarters

Customer Name: TechQuarters Country or Region: U.K.

Customer Website: www.techquarters.com

Employee Size: 25 Employees

#### **Customer Profile:**

TechQuarters is a London-based, forward-thinking cloud computing consultancy. It's helped businesses use Office 365 and Microsoft Azure since 2010 and has migrated more than 300 businesses to Office 365 across the UK as well as the US, Europe, and Australia.



# Turning training into a competitive advantage

IT support and end-user training are key services in that bundle. Many technology partners provide user training, of course, but TechQuarters has developed its training offerings into a competitive advantage that helps drive sales and margins and increase customer stickiness. It's a growing share of the company's business. TechQuarters even sells its training content through 12 active channel partners.

The company provides more than 1,700 training videos to customers through its "365 Cloud Academy" e-learning portal and mobile app. The offerings also include train-the-trainer classroom sessions as part of the initial stage of a Microsoft 365 Business implementation and highly effective, 30-minute VIP one-to-one training sessions for time-challenged senior staff.

"We believe that no single type of training fits all, so we've developed a blended training approach to cover all of our customers' needs to get their users up to speed quickly on Microsoft 365 Business."

TechQuarters' training offerings continue to expand. The company is working on a mobile app and even a training bot. "People want to consume knowledge faster, in smaller bites," says Dunning.

"They want just-in-time training that just gives them the answers they need when they need them. At the other end of the spectrum, customers also want more in-depth, certificate-based training. We're covering all the bases."

In part, TechQuarters sees growing interest in its training content for one of the same reasons it's doing so well with Microsoft 365 Business: GDPR and security. "About half of data breaches result from user mistakes, such as responding to phishing attacks, that give bad actors an opening," Dunning says. "So it's crucial that users are properly trained. Getting security training and using the comprehensive security features in Microsoft 365 Business give small businesses a level of corporategrade security that's astounding."

### For TechQuarters, the future is here

As a result of the growing 365 Cloud Academy offerings, the average size of TechQuarters' customers has grown as well. While the company remains laser-focused on the small-business market, its training services have been implemented by enterprise-class businesses and channel partners are reselling it into their customers.

"With Microsoft 365 Business and our consultancy, managed services, and

training we can bring distinct benefits to startups, businesses at all points along the small-business spectrum, even larger businesses," says Dunning. "We're seeing strong sales to net-new customers and we also have an upsell offering for customers who already have Office 365 Business Premium or Office 365 E3 licenses. Microsoft 365 Business will have a tremendous impact on our business—it already is."

### Software

Microsoft 365 Business

