

Empowering Customers in a Rapidly Changing World

Table of contents

Big change creates new priorities	3
Know your customer	4
Priority #1: Empower your customers to deliver exceptional employee experiences	4
Priority #2: Enable your customers to improve their customers' experiences	5
Priority #3: Help ensure customers mitigate risk with intrinsic security	7
How partnerships work best: Trusted relationships	9
Lean into VMware	9

“At a time when ‘business as usual’ is not an option, we need to focus on helping each other, and assisting our customers as they respond and adapt.”

PAT GELSINGER
CEO
VMWARE

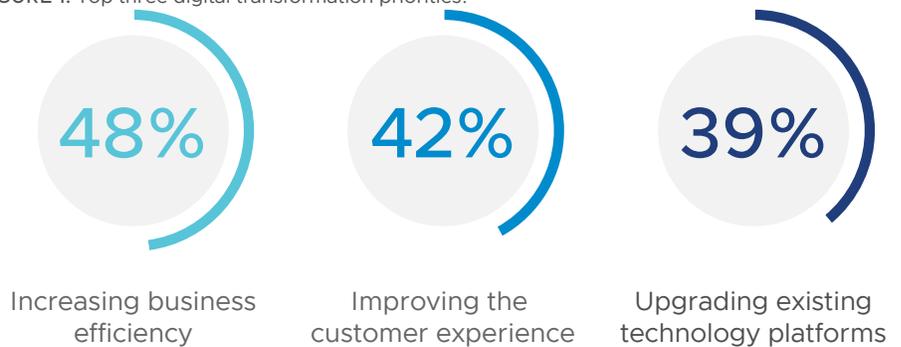
Big change creates new priorities

The recent market volatility is keeping CxOs off balance. While a majority had business continuity plans in place, according to a recent MIT study¹, the sheer scale, suddenness and lingering aftershocks of recent conditions have overpowered even the best strategies created for recovery.

Although the situation has affected different organizations in different ways, most CxOs share three common digital transformation priorities, according to a recent *digital transformation survey* by Vanson Bourne for VMware²:

- Enabling business efficiency by supporting employees working from home
- Keeping customers engaged
- Ensuring infrastructure and systems are able to support and secure the changing landscape

FIGURE 1: Top three digital transformation priorities.²



Given that 2020 IT budgets (including total software, hardware and IT services budgets) *are expected to decline by 2.1 percent*³, CxOs now will be forced to be creative to achieve their transformation goals. Organizations today are looking for guidance to strategically evaluate the short-term technology choices they made in the initial heat of the emergency, and recalibrate how they function to achieve greater efficiencies.

On a scale not seen before, the VMware partner community can empower customers to transform the very nature of what they do. You can help pivot entire business models, supply chains and overall operations to help customers build resiliency—and stay flexible in the face of constant change.

1. MIT Technology Review Insights' survey on COVID-19 and its impact on technology, in association with VMware; N=600 Senior Technology and Business leaders Worldwide.

2. Vanson Bourne and VMware. "Successful Digital Transformation: Apps At The Ready." May 2020.

3. IDC, "IDC Worldwide Black Book Live Edition - Forecast 2020 | Aug (V3 2020)"; Total Value US\$M (Current Annual), https://www.idc.com/getdoc.jsp?containerId=IDC_P336, August, 2020.

COMCAST IMPROVES NPS AND EMPLOYEE ENGAGEMENT WITH ONE STROKE

By building a digital, data-driven customer-service app powered by AI and predictive analytics, Comcast eased employees' support burdens:⁵

- 20-point increase in Net Promoter Score (NPS)
- 40 percent reduction in customer phone calls
- 15 percent increase in employee motivation scores

“[We've] found a 40 percent reduction in customers calling us after using the app. Our Net Promoter Score, which is a key tool for measuring customer experience, has improved and continues to improve.”

JASON MICHENER
DIRECTOR OF SOFTWARE DEVELOPMENT
AND ENGINEERING
COMCAST

This white paper outlines ways your organization can make your customers future ready with a broad and deep range of products and services that move you to the heart of their digital transformation journeys. This goes beyond a proof of concept for digital transformation; it validates partners as trusted advisors.

Know your customer

Your organization must identify quick tactical priorities and target specific customer pain points to fast-track new digital-first needs. All of this involves helping customers with three top priorities:

1. Deliver an exceptional employee experience and keep workers productive, which means accommodating new, distributed work-anywhere locations and the accompanying changes in workstyles.
2. Ensure gold-standard digital customer experiences and enable commerce online when physical transactions are not possible by developing modern apps.
3. Mitigate risk as digital footprints expand.

Here are some detailed recommendations about what partners can do in each of these areas.

Priority #1: Empower your customers to deliver exceptional employee experiences

Going from an office-centric organization to a 100 percent distributed one overnight is no easy feat. It now looks like working from home will not be a transient situation. Most firms at first concentrated on providing sufficient collaborative tools, such as videoconferencing. But other issues quickly arose, such as giving access to necessary enterprise applications and data to homebound employees, and ensuring the security of the now-distributed nature of potentially sensitive corporate assets.

Partners can help customers by encouraging them to think of the employee experience as vital. Happy employees are more productive employees. Positive employee experiences are also linked to competitive positioning, company growth and employee sentiment, according to VMware's *Value of Digital Employee Experience study*.⁴

By building a workforce strategy with their customers, partners can help identify the application needs of employees and discuss integral security.

Partner guidance

You need to help customers build a tech platform capable of securely serving and scaling the services they need, and the culture and environment required to adapt to the long-term reality of work in today's climate:

- Help them build and deliver a robust and secure work-from-home platform.
- Create solutions that take customers through the practical steps required to properly equip their employees.
- Deploy a digital workspace solution that enables customers to simply and securely deliver and manage any app on any device.
- Deliver a solution that integrates access control, application management and multi-platform endpoint management in a single platform.
- Give customers the choice of either a managed cloud service or an on-premises deployment.

4. Vanson Bourne and VMware. "The Value of Digital Employee Experience." May 2019.

5. Amazon. "Comcast Delivers aIQ Application in Just Eight Weeks, Driving Higher Customer and Employee Satisfaction Scores." November 2019.

“We’re seeing the VMware teams being very proactive with us in terms of leveraging our skillset. That’s evidence of a strong partnership.”

JAMISON NACK
VICE PRESIDENT OF SALES
AHEAD

“We invest the engagement cycles and take that risk and complexity away from our customers to accelerate them toward achieving their outcomes.”

GAVIN JOLLIFFE
CEO
XTRAVIRT

Priority #2: Enable your customers to improve their customers’ experiences

Consumers and business buyers alike have high expectations. While the quality of products has always affected their buying choices, now they are getting more concerned about the overall experience. A *Walker study* found that by the end of 2020, customer experience will overtake price and product as the key brand differentiator between companies.⁶ As more and more of life moves online, the customer experience really becomes a software user experience.

In a recent customer experience survey by *Forrester Consulting*, nearly all enterprises (88 percent) said that improving the application portfolio will have a huge impact on customer experience.⁷



of executives agree improving their application portfolio would improve end customer experience.



of executives have not yet begun improving any of their application portfolio as of today.

IT leaders who have started improving their app portfolios see big business outcomes:



increased customer satisfaction



success among peers within their roles

FIGURE 2: Key stats from a recent customer experience survey by Forrester Consulting.⁷

6. Walker. “Customers 2020: A Progress Report.” 2017.

7. Forrester Consulting. “Improving Customer Experience and Revenue Starts With the App Portfolio, a commissioned study conducted by Forrester Consulting on behalf of VMware.” March 2020.

ALLIANZ GAINS AGILITY THROUGH APP MODERNIZATION

European financial services company Allianz *modernized its app development methods and environment*, accelerating app time to production from three days to just minutes.¹⁰

“Agile for us is two things: being faster, but also more customer-centric by developing apps that really matter for the customer.”

DR. DANIEL POELCHAU
HEAD OF DIGITAL FACTORY
ALLIANZ GERMANY

Partner guidance

According to a recent ESG customer demand and adoption study⁸, three out of five partners say their customers are seeking significant app modernization assistance from them, allowing them to deepen their relationships with key customer decision-makers. Almost 7 in 10 (65 percent) companies use two or more public cloud vendors, as do 70 percent of those who use private cloud, *according to Forrester*.⁹ Partners need to:

- Help your customers retire old apps, rehost and migrate some apps to the cloud—particularly multi-cloud environments—and refactor and re-platform other apps.
- Modernize their most critical systems using modern app tools and practices.
- Recommend solutions that allow them to build, run and manage Kubernetes environments from a single control point in multi-cloud environments.

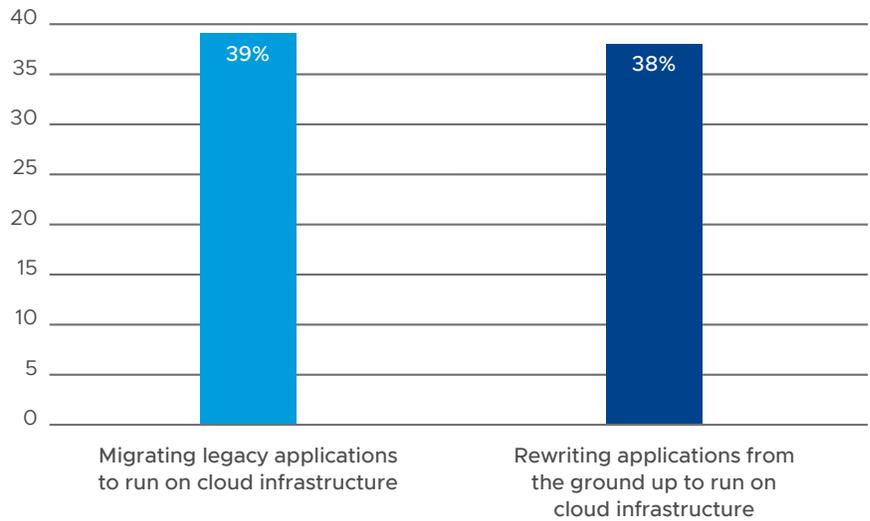


FIGURE 3: Customers' biggest app development needs, according to partners.⁸

8. Enterprise Strategy Group. "2020 Thought Leadership: Customer Demand and Adoption Study." July 2020.

9. Forrester Research. "Adoption Profile: Public Cloud In North America, Q2 2020." Dave Bartoletti, Lauren Nelson, Amanda Lipson, Diane Lynch. May 27, 2020.

10. Cloud Foundry. "Allianz Delivers Apps Faster in Digital Transformation." Jodi Smith. November 9, 2016.

“Once businesses start to understand their ‘new normal,’ they can move out of their short-term stabilization phase, identifying the changes necessary to drive new growth away from the old world.”

GAVIN JOLLIFFE
CEO
XTRAVIRT

Priority #3: Help ensure customers mitigate risk with intrinsic security

Security vendors abound, each with its own approach to security. A good proportion of them still push a centralized strategy for managing security in a distributed enterprise. But customers are realizing that model is broken. The stakes for them are high. In 2019, 33 percent of security decision-makers at firms that had experienced a breach in the preceding 12 months reported that intellectual property may have been compromised, *according to Forrester*.¹¹

Today, businesses are realizing that risk mitigation begins with a new approach, not a new product. They are shifting from a central to a distributed security model—specifically enabled in the cloud as many of their employees will continue to work remotely. They are considering intrinsic security.

Intrinsic security gives CxOs the level of control to innovate in a crisis. Leaders are looking for:

- **Partners that offer a full spectrum of solutions** – When considering security practice investments, partner organizations must build skills and acquire solutions that span the entire spectrum of cybersecurity areas. They need a full breadth of offerings to help customers manage the complexity of their multi-cloud environments and today’s rapid rates of change.
- **The ability to identify and reduce risk** – To support newly distributed enterprises facing a wide range of endpoint threats, partner organizations must have intimate knowledge of built-in security that will give CxOs the level of control they need while offering the greatest level of flexibility to customers and employees.
- **Clarity and direction within a broken security market** – Partner organizations need to better understand and help customers navigate a broken security industry with far too many vendors. You need to help customers make sense of the noise with custom solutions comprised of offerings from different security vendors.

11. Forrester Research. “The Eight Business And Security Benefits Of Zero Trust.” Chase Cunningham, David Holmes, Jeff Pollard, Joseph Blankenship, Madeline Cyr, Peggy Dostie. September 25, 2019.

“If customers had done the application modernization much earlier, they would be in a situation where they could have deployed their existing solutions much faster. Right now, they are figuring out how to do it, so the opportunity has only increased.”

VIVEK PARATH
VICE PRESIDENT OF SALES
HUCO

VMware Carbon Black analytics found that remote workers increased by 70 percent between February 4 and April 7, 2020. The data also showed a rapidly escalating threat landscape, with March 2020 having a 148 percent increase in ransomware attacks, and financial services organizations logging the most incidents among industries.¹² Given work-from-home directives, the increasingly hostile cybersecurity landscape and the economic pressure, businesses have a lot more risk to manage.

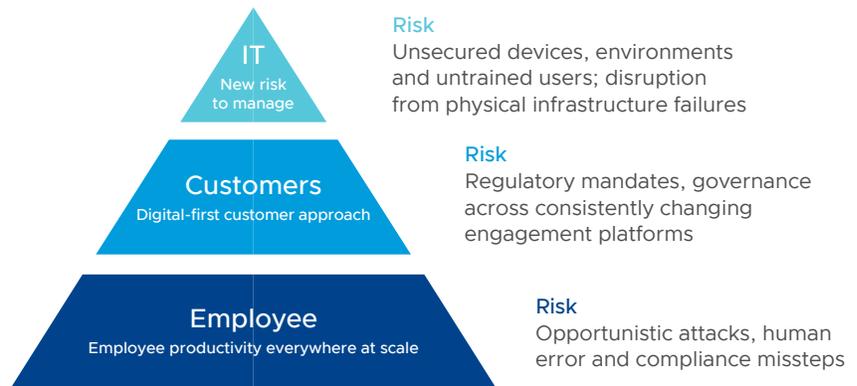


FIGURE 4: Types of risk businesses are facing.

ESG’s *2020 Technology Spending Intentions Survey* found that improved cybersecurity continues to be a top business driver for enterprise technology spending. It also found that most customers (93 percent) now look to partner organizations to deliver cybersecurity products and services.¹³

Partner guidance

Customers today expect partners to have a full set of capabilities to satisfy their cybersecurity needs and support their total infrastructure, network and applications. To give them what they need, partners need to:

- Invest in training and certifications for key security technologies to manage threats, ensure security visibility across the environment, and help customers maintain compliance.
- Hire experienced technical talent, and invest in security-specific training programs.
- Deploy a cloud native endpoint protection platform (EPP) featuring intelligent system hardening and behavioral prevention.

12. VMware. “Amid COVID-19, Global Orgs See a 148% Spike in Ransomware Attacks; Finance Industry Heavily Targeted.” Patrick Upatham and Jim Treinen. April 15, 2020.

13. Enterprise Strategy Group. “ESG Research Report: 2020 Technology Spending Intentions Survey.” February 18, 2020.

“As a business owner, I see that hybrid cloud security and connected devices will shape the future of this industry. And we believe that VMware has the right technologies to address all the challenges. This is why we have passionately partnered with VMware on this journey.”

MOHAMAD KARAKI
GENERAL MANAGER
CCI

How partnerships work best: Trusted relationships

It's still a tumultuous time, and businesses are recalibrating how they operate. By encouraging enterprise CxOs to fast-track development and digital transformation efforts, you can build trust with your customers, and help them quickly adapt and become more resilient.

Trusted partners are already doing this:

- They are building specialized practices in which they focus on a particular vendor and create differentiated product solutions.
- They are investing in training for their staffs to handle the new digital-first world.
- In acknowledgement of the accelerating movement to multi-cloud, they are expanding their cloud-based consultative and managed-service offerings.

Trust doesn't stop with your customer; it extends to the larger VMware partner ecosystem. In times where our customers are seeking trusted guidance from you as their technology partner, you need to be able to deliver a single, holistic solution, no matter your skills and practice limitations. Our partner ecosystem allows you to network with other partners who may have skills and offerings that complement your own. To that end, we recommend that you:

1. Leverage your existing customer relationships to build confidence in your commitment to them, helping with near-term needs.
2. Expand your influence. Get to know the new, expanded slate of decision-makers and how to engage with them to develop trust and long-term thinking.
3. Seek cooperative relationships with technology partners in areas outside of your specialty to aggregate skills/offerings to deliver a complete solution to your joint customer.
4. Focus customer discussions on a strategy that will deliver long-term agility and differentiation for their business.

On a scale not seen before, your organization can help customers transform the very nature of what they do. As trusted advisors, you can help them pivot entire business models, supply chains and operations—from banks to retailers, government agencies to universities, manufacturers to healthcare providers—to achieve continuity, remain resilient and advance strategic missions.

Lean into VMware

Leverage our tools and resources. Take advantage of offerings, such as training, certifications, enablement, co-marketing, technical expertise and joint account planning. We are here to help you.



VMware, Inc. 3401 Hillview Avenue Palo Alto CA 94304 USA Tel 877-486-9273 Fax 650-427-5001 vmware.com Copyright © 2020 VMware, Inc. All rights reserved. This product is protected by U.S. and international copyright and intellectual property laws. VMware products are covered by one or more patents listed at vmware.com/go/patents. VMware is a registered trademark or trademark of VMware, Inc. and its subsidiaries in the United States and other jurisdictions. All other marks and names mentioned herein may be trademarks of their respective companies. Item No: 633053aq-wp-prtnr-exec-kit-uslet 9/20