Executive Insights: Empowering Customers in a Rapidly Changing World

This brief is intended to provide VMware partners with market insights and guidance on emerging joint business collaborations. Recent global events have created significant changes in the IT landscape. By understanding three key areas—customer experience, employee experience and security— we can make our customers future ready.

TOP THREE DIGITAL TRANSFORMATION PRIORITIES[1]

48%
INCREASING BUSINESS EFFICIENCY

42%
IMPROVING THE CUSTOMER EXPERIENCE

39%
UPGRADING EXISTING TECHNOLOGY PLATFORMS

Big change creates new priorities

While a majority of CxOs had business continuity plans in place, 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:[1]

- 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

2020 IT budgets (including total software, hardware and IT services budgets) *are expected to decline by 2.1 percent*.[2] 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. As trusted advisors, VMware partners 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.

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.

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

2. 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.

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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

Moving to a 100 percent distributed organization overnight is no easy feat, and this appears to be the future. Early deployments concentrated on providing sufficient collaborative tools. But other issues, such as security and application access control, quickly arose.

Partner guidance
Help customers build a tech platform capable of securely serving and scaling the services they need to be successful, and the culture and environment required to adapt to the long-term reality of work:

- Help them build and deliver a robust and secure work-from-home platform.
- 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.

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

Today, buyers have high expectations about the quality of products and the overall experience. By the end of 2020, *customer experience will overtake price and product* as the key brand differentiator[3], and the customer experience is rapidly becoming a software user experience.

Partner guidance
Three out of five partners say their customers are seeking significant app modernization assistance from them.[5] In addition, *65 percent of companies* use two or more public cloud vendors, as do 70 percent of those who use private cloud.[6] You need to:

- Help your customers retire old apps, rehost and migrate some to 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 modern app environments from a single control point in these multi-cloud environments.

3. Walker. "Customers 2020: A Progress Report." 2017.

4. 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.

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

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

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TYPES OF RISK BUSINESSES ARE FACING

- **New risk for IT to manage** – Unsecured devices, environments and untrained users; disruption from physical infrastructure failures

- **Digital-first customer approach** – Regulatory mandates, governance across consistently changing engagement platforms

- **Employee productivity everywhere at scale** – Opportunistic attacks, human error and compliance missteps

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

Customers are realizing that the current security model is broken. The stakes for them are high—33 percent of security decision-makers at firms with a breach in 2018–2019 reported that *intellectual property may have been compromised*.[7]

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.

How partnerships work best: Trusted relationships

The ramifications of recent events will continue for some time. By encouraging enterprise CxOs to speed up development and digital transformation efforts, you can help your customers quickly adapt and become more resilient.

Trust doesn't stop with your customer. You need to be able to deliver a single, holistic solution, no matter your skills and practice limitations. The VMware partner ecosystem allows you to network with other partners with complementary skills and offerings. 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 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.

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.

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7. 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.