

So, You Think You Can Sell Managed Services?

Making the Switch
from Break-Fix



Introduction

So, you think you can sell managed services?

You've worked in the IT industry for X number of years and during that time, you probably think that you've seen it all.

You're confident in the knowledge of your products and how to make even the most stubborn of prospects see their value as well.

Let me guess, your sales process tends to go like this:

You engage a customer and immediately bombard them with your solution before you've even heard their problem. Then, when the customer doesn't show an interest, you back track and try to fight off all of the alternatives.

If this is how you sell, then congratulations! You've just engaged in SPA based selling, spilling forth your solution before addressing your prospect's problem or their alternatives.

But let me tell you something about SPA based selling: it never works!

In my 20 plus years of working in sales and the IT industry, I can't tell you how many sales people I've encountered that continue to try to make this method work.

A lost managed services deal is equivalent to \$72,000 going down the drain.

I don't know about you, but that amount of cash is not something I'm willing to let fall out of my hands simply because my sales team or I are

not selling effectively.

That's what drove me to write this. Since transitioning my MSP, ARRC Technology, into fully managed services back in 2007, I started on a fast track to grow to what is now \$10 million a year in revenue. My experience isn't a unique one, though. It's one that you, too, can experience by changing up your process and tactics to approaching the sale.

From this point on, let's consider that tired, old elevator pitch as dead and get ready to start anew.

Break out the pencils and paper, and let's get ready to get into managed services sales the right way.



To your MSP success,

Alex Rogers



STRATEGY MEETING
- increase revenue



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Preface: The Marketing Message

It's no secret that first impressions speak volumes. In our case, you want the first impression of you and your business to be one that your prospects can't ignore. That's where your marketing message comes into play. It's important to massage and tailor your marketing message so that it builds interest, but doesn't give away your whole solution.

When crafting your marketing message, keep these few tricks in mind:



One touch is not enough: No matter how fancy, clever, or brilliant your message is, it is very rare that just one touch will get someone interested enough to contact you. Unless their company network just went down at the same time that you made contact, you're probably not going to get a phone call after a single touch. Utilize no less than three touches (phone, email, and postcard/promotional item).

Don't get lost in the bells and whistles: Sure, you're a technology company and that comes with a lot of perks—the main one being that you have access to the greatest and most innovative gadgets. Unless you're giving away the product and want to entice the prospect to enter some type of contest, it's never appropriate to create a simple product advertisement message. Otherwise, you'll just look like the local bargain basement technology company.

Be original: As easy as it is to use cookie-cutter messaging, avoid it at all costs. Your company is different from your competitors, so you want to be sure that your messaging reflects that. Don't focus so much on trying to stay on trend or using "buzz words," and spend more time creating messaging that is unique to your company and reflective of your brand as a whole.

Measure your efforts: There's an old saying that 50% of marketing works; we just don't know what 50% that is. In reality, that means that you're wasting 50% of your time. It's impossible to create marketing that works 100% of the time—there are far too many variables—but measuring your efforts will go a long way in determining what was effective and what was not. Did one email get a 25% open rate, while the other only got a measly 5%? Something happened with the messaging or subject line. Keep track of your outreach and you're much more likely to figure out what truly is working.

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The CharTec Sales Process

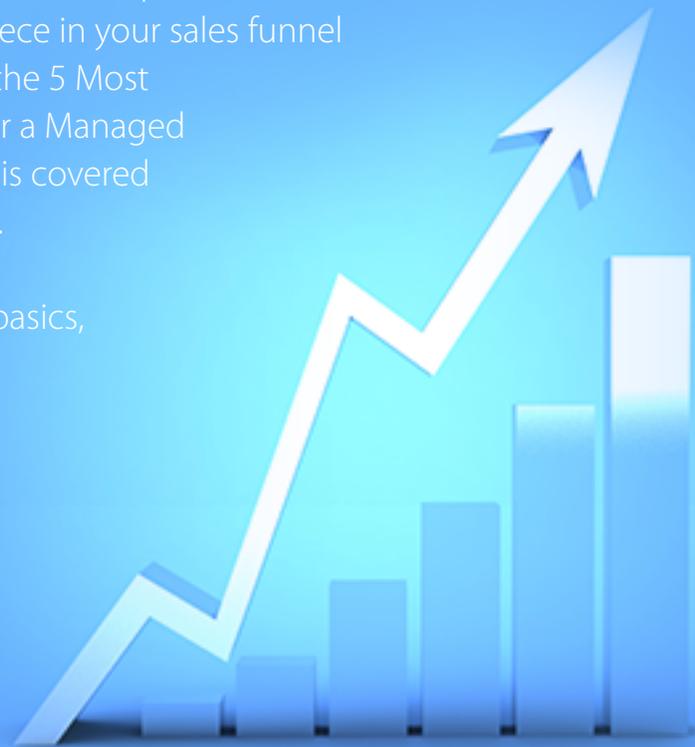
The sales process isn't necessarily the same for every prospect; however, it does follow a general pattern. Here at CharTec, we refer to that pattern as the CharTec Sales Process. This process creates the dynamic and rapport that you build with a potential client, which in many cases is the deciding factor for whether or not you get a 'Yay' or a 'Nay' when it comes to your proposal.

If followed in sequence every time, these steps are a sure fire way of increasing your close ratio and burning fewer leads generated by the marketing message we discussed earlier. Each step in the process sets up a piece in your sales funnel and mirrors one of the 5 Most Important Closes for a Managed Service deal, which is covered in more depth here.

Enough about the basics, let's dive in.

The CharTec
Sales Process has
five basic steps:

1. Research
2. Warm-Up
3. The Discovery/Network Evaluation
4. The Presentation
5. The Proposal



Research

The main point that many a salesperson tends to forget is that **selling is all about understanding.**

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Before you can sell properly in an industry, you have to know a significant amount about it. In the tech business especially, it's easy to get lost in the changing landscape. Each industry uses a different set of line of business applications and a new software or hardware appears to pop up every day. Some industries rely on the cloud, while others remain tied to on-site appliances. It's not difficult to become an expert in any area.

It just requires adequate time and research. It's the secret intelligence process that ensures that when you make the first contact with the client, you're making educated conversation and are appealing to them as a person. This step seems incredibly simple, but here's the funny thing—most IT service providers don't take the time to do this simple step. Instead, they waltz in there peddling the same solution they do to every prospect no matter the industry. It's not hard to stand out. Just make sure you're educated.

So, following the CharTec Sales Process, your marketing message has worked and you've effectively secured that first call. Next comes devoted researching. When you begin the research stage, you should seek to understand the

client, as well as the industry they're in. The main point that many a salesperson tends to forget is that selling is all about understanding.

Dust off those industry publications and investigate customer websites to get the big picture. I can't emphasize this stage enough. If conducted poorly, you'll never get a chance to meet with the decision maker because the receptionist will rush you out of the front door. Don't be afraid to explore a client's Facebook, LinkedIn, or Google + page to get a feel for what they're about. Also, reach out to your employees and see if they are connected or have connections with a potential client. You never know who could be the cousin or uncle of a prospect!

After you've learned all you can about a prospect and have exhausted all means to find a connection or common ground, you're fully prepared to conduct a First Meeting, where you'll use everything that you've discovered in the next step: The-Warm Up.

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Warm-Up

Picture this:

You're back in high school, sitting in that dreaded algebra class that you're passing by the skin of your teeth—that pale-faced, braces-filled, scraggly-haired child just waiting until the day you graduate. But then she walks in, the girl you've been crushing on since freshman year. She's smoking hot and just the sight of her makes you super nervous. Then, she does the unthinkable—she sits down next to you, looks over, and utters one simple word that makes your heart stop: "Hi." You look at her, blink rapidly, and mutter a short "Hey. The weather's really nice outside."

Now, that's the type of small talk that a person who conducted no prior research would engage in. That's not you, though. Oh no, you know everything about this girl, because you've already asked your friends about her. You

know what she likes, what she doesn't, her hobbies, etc., all because you've done the proper research. So, when she walks in, you speak to her and you immediately begin talking about things that she's interested in. You avoid talking about the weather and current events, but rather focus the entire conversation on her. That's because this conversation isn't about YOU: it's about her and putting yourself on her radar.

Think of this scenario as how you should approach the warm-up process with a prospect. You should take the warm-up time as a way to gauge your prospect, pique their curiosity, and set expectations. Take some time to make small talk. This will allow them to warm up to you, and make it easier for them to open up their company for you so you can take a look at what's lurking in their network. People open up to those they like or feel a connection to. The first step in the warm-up is developing that connection. Just like landing a date with the girl you've been crushing on since freshman year, use the warm-up to land your next date—a full network discovery or evaluation.

The key thing to remember during the warm-up is to SET EXPECTATIONS! Be sure to explain what you'll be doing during the discovery, how long it will take, and who you'll be meeting with. This is important because you want to make sure you get a clear picture of the organization from the discovery, so you need to meet with at least one member of every major department—but we'll dive into that a bit deeper in the next chapter.



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Discovery

So, you've just spent the last half hour chatting up the client and they've agreed to let you in to conduct the discovery. Awesome! Now what?

Before you begin talking to anyone, you need to figure out exactly who you should be talking to. In general, you should try to meet with the CEO, COO, CFO, sales or marketing manager, the front line, HR, and the current "IT guy". In doing this, you can get each area's particular pain points and address them later in the presentation and proposal. The discovery is the main way you can ensure that you're selling the client solutions that they actually need, not ones that you think that they need.

Be sure that your questions fit the role of the individual that you're dealing with. For example, if you're speaking with the front receptionist, you shouldn't ask them their opinion about the functionality of the company's website to garner new leads. The receptionist would not be concerned about gaining new leads, as this question would be more appropriate for the sales or marketing manager.

You should never ever have to fabricate anything for your presentation if you've conducted the proper discovery. It's the clearest and most honest way to gather information about the company because it's from the employees themselves! If you can gain stories and issues from the staff and proceed to utilize them during your presentation, it shows that you did your homework and really care about the health of their network.

Take your time when conducting a discovery. Ask questions that really trigger the pain points for each and every officer.

Top ten questions you should ask during a discovery:

1. Do you currently have an IT person or support company?
2. What are your three biggest IT issues?
3. What is the most important application that your company runs right now?
4. How does your competition stack up when it comes to technology?
5. Would after-hour support be beneficial for your employees?
6. Do you currently have a technology roadmap?
7. Are your technology expenses predictable?
8. How long does it normally take for your technology issues to be resolved?
9. If you don't solve [insert a particular challenge here], what kind of difficulties will you face going forward?
10. Do you feel that your current technology and data is secure?

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Presentation

The time has come. You've put in the work, done the discovery, and compiled the data. Now is the time to get ready to give a killer presentation. Take a look at the presentation [slide deck](#) we customize here at CharTec based on the prospect's needs.



But don't forget these
key points:

Roll out the red carpet: The presentation is the make or break for all the work that you've conducted in regards to the prospect thus far. So there are no excuses for you not to put your best foot forward. Get on your suit and tie with freshly shined shoes, even fresher breath, and well-groomed hair.

Lay it down for the boss man: Don't let a great presentation go to waste on the wrong person. When you present, be sure that you're in front of the decision maker, that way, when all goes well you can have a decision on the spot. Don't play the telephone game.

Home court advantage: If at all possible, try to schedule your sales presentation at your own facility. That way, the client can see how your business operates and you can use the opportunity to impress them with the professionalism of your staff. Invest in breakfast or lunch for your guests on real plates with real silverware. Digital signage adds a classy touch as well. Operate under the pretense that the presentation is an event and your team should act accordingly.

Know your environment: As luck would have it, sometimes things don't work out to you being able to present in your office. But don't let that small fact prevent you from knowing the area. Get a clear picture of the logistics: who's attending, the technology in the location, the time it takes to get there and setup time.

Be in control: It's easy to get off track when presenting to a room full of people. Between questions and body language, there are a lot of signals that a salesperson has to pay attention to in order to gauge how well their presentation is being received. Even with all the distractions, don't be afraid to take control of the room and 'parking lot' certain questions, topics, or objections. If you stay ahead, you can ultimately lead the conversation to the desired destination.

If you think of every proposal as a **customized fingerprint**, the process will become easier.



It can be difficult to determine the price to propose for a prospective client. That's no secret. But if you think of every proposal as a customized fingerprint, the process will become easier. No matter how wonderful or great the products are that you offer, a client should only be sold on the things that they need. Don't expense a service that does not apply to the needs of the client. If the business is not open 24/7 then a 24-hour monitoring service would not be of value to them. If you discuss only the things that will intrigue a prospect, you're more likely to get a positive response to your proposal.

To ensure success, though, follow these three tips:

1. **Never include the PRICE:** The minute a prospect finds the price in your Proposal document is the minute they tune out. Instead, we choose to discuss the price as an hourly rate, something that we call Reduce to Ridiculous, and something that is calculated when our Partners utilize our Configurator to price out a deal.
2. **It's okay to keep quiet:** After you hand out the Proposal, give it a few minutes to sink in. The prospects will be searching for the price that you've chosen not to include. After they realize it's not there, they will be forced to re-engage with you rather than keeping their nose in the paper while you're trying to close the deal.
3. **Spell it out visually:** As lovely as the many-paged proposal document you created is, the prospect likely doesn't understand a word of it. Instead, we like to explain our solutions using a Visio drawing that spells out exactly what our prospect's network looks like now, and what it will look like after we bring in our solution. This creates an opportunity for the prospect to gauge using something they understand, pictures, rather than relying on tech speak in a proposal document.

Conclusion

Now you have the basics of the CharTec Sales Process. I could give you all the tips in the world on perfecting the managed services deal, but they mean nothing if you don't practice, practice, and practice. As you go through the paces, the steps will become second nature to you and you'll find yourself worrying more about what suit you're going to wear, than about what you're going to say.

If you'd like some more hands-on assistance, give us a call. That's what CharTec is here for! Our mission is to train you to avoid the mistakes that we made as we were building our MSP for the last 20 years, so you can start on an expressway to business success!



ACADEMY:

Accelerated MSP Training

CharTec is the SMB channel's leading provider of Hardware as a Service and MSP sales training. We have designed and built the largest MSP training facility in North America – a 20,000 sq. ft. building where our Partners have hands on experience with nearly every key component of what MSPs can include in their offerings.

As a Partner, you will see these solutions and others in a real time working environment with the opportunity of developing them for your own MSP offering:

- HaaS (Servers, Workstations)
- Award Winning BDR Appliance
- Tele-presence
- Digital Signage
- Mobile Computing
- Email, Network, Internet and IP Security
- 24x7 Help Desk and NOC Services
- RMM Solutions

Much of our Partners' success stems from the direct opportunity and exposure to ARRC Technology, a real working MSP practice located in the same facility. ARRC Technology is a 20 year old, award winning, multimillion dollar master MSP practice listed four times on the INC500/5000.

CharTec Partners obtain unprecedented access to ARRC Technology and their staff members during Academy attendance.

Two-Day Academy Training:

CharTec is dedicated to helping our Partners succeed with their MSP business. We have created a variety of business enhancement training sessions beginning with basic MSP sales and business operations to specific technical learning labs. Just a few sessions include:

- Crafting Your Unique MSP Offering
- Revamp Your Sales Presentation to Create the Close
- Sales Secrets and Uncovering Untapped Revenue
- Finding and Motivating the Right Employees for Your MSP
- Best Practices on RMM Deployment, Automation, Alerting, and Monitoring
- The Art of Ticket Triage and Service Management Using ConnectWise™
- Easily Onboarding New MS Clients
- How to Perform the Best Network Discovery
- Proven Managed Service Processes



CharTec Academy

Club CharTec

Standout from the herd.



ACADEMY:

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Additional CharTec Perks:

- CharTec Connect: A Partner Only Resource Site for nearly 800 Partners
- The Configurator: Award Winning MSP Pricing Tool
- Club CharTec: Academy Access to the Private Gym, Massage Therapists, and Excellent Cuisine
- CharTec Channel: Partner Representation and Price Negotiation with Major Channel Vendors and Offerings

CharTec was voted one of the Best Channel Vendor and Best Channel Products in 2011 by Business Solutions Magazine and also received three Channel Insider Bull's Eye Awards and a Best Hardware Product Award from CompTIA in 2010. Our products and trainings are created, developed, and tested for MSP's by a Master MSP practice.

What Our Partners Say:

"By far the best training event I've ever been to! Thank you to Alex and the entire team for the hospitality."

– Eric Moore, Affect4 Technology Solutions

"CharTec Academy really works, it helped my company simplify our offering, cut down client expenses, and gave the clients more of what they needed: 1 bill, new equipment, and freedom to use capital expenses for other projects!"

– Bryan Badger, Integral Network

"Got another customer on a managed service agreement. The sales process we learned at the Academy is working great for us!!! Thanks!"

– Scott Cordell, Redfire Technology Services

"As a Partner attending CharTec Academy, you really do get the 'keys to the castle'... and at 19,000 square feet, it's a pretty impressive Managed Services castle!"

– Rick Bahl, Quality System Solutions



CharTec Academy

Club CharTec

Standout from the herd.



Partnership Has Its Benefits

Becoming a CharTec Partner puts your organization into an elite group of MSPs dedicated to offering a wide variety of superior products and services to their clients. Our relationship with you is a partnership, so that's exactly what we call you — a "CharTec Partner." In initiating our relationship, we open the doors giving you exclusive access to our products, resources, and training. Good things happen when you ride with the Zebra.

Distinguish your MSP with a CharTec Partnership and enjoy these benefits...

Benefits:

- **CharTec's Got Your Back**

Empowering your success with effective programs is at the core of what we do here at CharTec. With our acclaimed Academy training sessions, your MSP can gain valuable real life experience on everything from Sales or Marketing to Operations or HR. Let our devoted educators enhance your organization while teaching innovative approaches to streamlining your MSP.

- **HaaS Ain't a Thing**

Don't know what HaaS is? It means recurring revenue in your pocket when you HaaS a deal with CharTec. Our exclusive "HaaS it Yourself" option gives you control over your clients' hardware, allowing you to own your deals in 6 months or utilize our 36-month terms to watch the revenue flow!

- **Need Some Tricks Up Your Sleeve?**

From the Partner Resources site "CharTec Connect" to our 5-minute configurator tool for quotes and beyond, CharTec makes life a little easier for your MSP. Add in Privately Labeled hardware to grow your branding and you've got yourself a Partner for life.

- **Holding It Down for YOU**

Is your current BDR solution all-inclusive? Step away from mismanaged systems, poor monitoring, and a lack of support, and find your way to the CharTec BDR. From 24/7 monitoring of active BDRs to dedicated network engineers, your BDR is constantly on our mind. Whether utilizing our Perfect RMA program or working with our NOC to resolve a client issue, CharTec holds your success as our highest priority because when you succeed, so do we.

- **Partner Resources? We Got 'Em**

With the widest selection of tools available to MSPs worldwide, we provide the resources to revolutionize your IT practice and gain valuable skills in Sales, Technical, Operations, Marketing, and developing a progressive corporate culture – everything you need to keep recurring revenue flowing.

- **Keeping It Real**

Each and every CharTec department is here to assist you – our campus is yours. Whether developing a marketing campaign, seeking technical guidance or advice on operations, rest easy that our team empowers your MSP to be all it can be. Forget the rest and utilize the best to stop reinventing the wheel, and start making more happen in your business with an all-access pass to our Inc. recognized Master MSP.



Standout from the herd.

CharTec Partnership

Partnership Has Its Benefits

Become an Unlimited Partner*

Select a Payment Program: 1 Payment of 3995 6 Payments of 665.83
Company Name: _____ Telephone: _____
Contact Name: _____ Title: _____
Email: _____
Payment: Visa MasterCard American Express
Credit Card Number: _____
Exp. Date: _____ Security Code: _____
Name as it Appears on the Credit Card: _____
Credit Card Billing Address: _____

The undersigned acknowledges that this is a partnership fee to the CharTec Program and is non-refundable. By signing below, I authorize CharTec to process a charge for the amount indicated above. Upon approval of a Credit Application, remaining documentation consisting of CharTec Partner Agreement, State Issued Resale Certificate, and Certificate of Insurance (listing CharTec as an additional insured) is required to participate in the Program.

Signature: _____ Date: _____

*Annual renewal of \$1500 applies.

CharTec Partnership

Standout from the herd.

