

Cloud Solution Provider Program Partner Case Study



Partner: AppRiver

Website: www.appriver.com

Partner size: 240 employees

Country or region: United States

Industry: Professional services—IT services

Partner profile

AppRiver is a software-as-a-service provider that specializes in email, web security, and productivity services. More than 90 percent of its customers have been with AppRiver since its start in 2002.

Software and Services

- Microsoft Office 365

For more information about other Microsoft customer successes, please visit: customers.microsoft.com

IT service provider adds cloud productivity suite, increases revenues by 91 percent

“We’re adding an average of 1,000 new business customers a month, and half of those include an Office 365 activation.”

Scott Paul, Senior Director, Microsoft Alliance, AppRiver

AppRiver has expanded its successful hosted email and security services business by joining the Microsoft Cloud Solution Provider program and selling Microsoft Office 365. Since adding Office 365 to its lineup, AppRiver has increased global revenues by 91 percent. The emphasis on exceptional customer care is key to the company’s success with Office 365 and, soon, other Microsoft cloud services. AppRiver doesn’t win customers—it wins friends for life.

Build on the very best service

When AppRiver lands a customer, there’s an excellent chance that the customer will be around for a very long time. Since its inception, AppRiver has sustained an impressive 93 percent customer retention rate while growing its customer base to more than 53,000 companies and 8.5 million mailboxes worldwide.

AppRiver, a member of the Microsoft Partner Network, provides hosted email and security services to small businesses; its sweet spot is companies with about 18 users. It sells both direct to end customers and through a global reseller channel.

AppRiver has survived and thrived in the face of competition from large national resellers by focusing on what it has branded Phenomenal Care. “We don’t just offer good service, we offer the best,” says Scott Paul, Senior Director of Microsoft Alliance at AppRiver.

“We deliver a ‘white glove’ customer experience, from first contact to post-sales support, making a very compelling case for customers to stay with us.” AppRiver Phenomenal Care includes a free 30-day trial of any AppRiver service, US-based phone and online support that is available 24 hours a day, seven days a week, and no cancellation penalty.

And that white-glove treatment isn’t just a claim. In a recent independent measurement of customer experience, AppRiver logged the highest cloud service provider scores the evaluators have ever measured.

Ride wave into the future

AppRiver was already a longtime, committed Microsoft partner, with a hosted Microsoft Exchange business totaling 300,000 mailboxes. When Microsoft introduced Microsoft Office 365, a cloud-based suite of communications and productivity solutions, it

looked to AppRiver to help bring the new service to business customers. “We realized that Office 365 would transform the marketplace, especially with the small businesses that we serve,” Paul says. “We saw an opportunity to ride the Office 365 wave into a future that involved a lot more customers and many ways to attach AppRiver value and services to Office 365 offerings.”

To sell Office 365, AppRiver joined the Microsoft Cloud Solution Provider program, which allows partners to sell Microsoft cloud services and manage the complete customer lifecycle. AppRiver calls its offering Office 365 Plus, and the “plus” comes from the addition of AppRiver Phenomenal Care, expert migration and onboarding services, and add-on AppRiver security services.

“We wondered whether we could put our Phenomenal Care wrapper around Office 365 when we didn’t control the servers, but our customers have had a great experience,” Paul says. “Consistently around 90 percent, our trial conversion rates for Office 365 Plus are indistinguishable from our conversion rates for other AppRiver products.”

AppRiver made a significant investment in its back-end control panel for billing and user management, which lets it sell and manage its security services alongside Office 365 in a seamless way. The company can manage all AppRiver services, including Office 365 Plus, from one control panel, and resellers have access to this same unified management experience.

Provide white-glove treatment to prospects

When approaching customers, AppRiver leads with its Phenomenal Care rather than products. “We take the time to understand the customer’s needs, and during that time we find out which of our products meet those needs. We’ve succeeded in attaching real value to the role of trusted advisor, which is the only way to differentiate ourselves from the big resellers.”

AppRiver extends to Office 365 Plus customers the same free-trial offer it makes to all its customers. “At the end of a 30-day trial of Office 365 Plus, most companies wouldn’t dream of giving it up,” Paul says. Free trials, with the level of support that AppRiver provides, is expensive, but it pays off in the end. “We treat a prospect like a paying customer, but we easily make back the heavy first-year investment over the customer’s lifetime. When you invest in an SMB’s entrance into the cloud, you have a friend for life.”

Enhancing AppRiver Phenomenal Care further is the Microsoft brand. “In the cloud services space, Microsoft is the best possible brand that you can bring into a sales conversation,” Paul says. “Microsoft has built a hyper-scale cloud that is welcoming 1 million new users a month. Customers respect and trust this kind of experience.”

Create new customer opportunities

Since adding Office 365 to its lineup, AppRiver has increased global revenues by 91 percent. “Office 365 provides a very important way to reach new customers and also sell more products,” Paul says. “We’re adding an average of 1,000 new business customers a month, and half of those include an Office 365 activation.”

That expansion will continue with new Microsoft cloud offerings—Microsoft Azure, Microsoft Dynamics CRM Online,

Microsoft Intune, and Enterprise Mobility Suite. “We’re already licensing some of these cloud services, and we’re working closely with Microsoft to bring them to market in an AppRiver way,” Paul says. “We’re also very interested in the Skype for Business Online enterprise voice capabilities.”

Customer focus extends to partner channel

AppRiver partner Executech is committed to adapting as technology changes and says that AppRiver plays a major role in offering solutions and support to help it stay ahead of the curve. “If my customer with 200 users

goes down, I know that AppRiver cares as much as I do to get them back up and running,” says Eric Montague, President of Executech. “It means our paycheck, and AppRiver feels the same way.”

Lisa Carter, President of SpartanTec, another AppRiver partner, likes that her company can get a bundled solution from AppRiver. “AppRiver offers complementary services such as email encryption, spam and virus protection, and web protection, which are bundled with Office 365,” she says. “This is more convenient and cost effective for our customers and means that they don’t have to look at competitive solutions, which means more customer longevity for us.”