

Parallels® Automation

White Paper

Rapidly Launch Microsoft® Office 365 Syndication with Parallels Automation

Overview

Microsoft® Office 365 was built for application reliability, availability, and performance in the Cloud. By combining versions of Microsoft's most trusted communications and collaboration products with the latest version of its desktop suite customers can realize unparalleled productivity gains. Office 365 provides Information Workers the convenience of being able to access the latest versions of Office® Professional Plus, SharePoint® Online, Exchange® Online and Lync® Online from any location—and from any device with a browser.

As a service provider, there are two ways of offering Microsoft Office 365 to your customers: refer them to Microsoft to purchase the service and in exchange receive a multi-year referral fee, or for qualified Microsoft Office 365 partners, sell the service as part of a bundle to customers directly through syndication. Syndication offers higher margins and enables you to maintain the customer billing relationship, providing the opportunity to sell customers additional Cloud services. However, building the right infrastructure to offer Microsoft Office 365 through syndication means integrating the service with all your systems— marketing, ordering, provisioning, billing, and support. This white paper shows how Parallels® Automation can help you:

- Minimize syndication complexity and get to market with Office 365 in the fastest way possible.
- Make it really simple to bundle Office 365 with other services like shared hosting, Virtual Private Servers (VPS), and hundreds of other Software-as-a-Service (SaaS) applications.

Parallels Automation: A Complete Cloud Delivery Solution

Parallels, a market leader in Cloud services enablement and long-time Microsoft Gold Certified Partner, has the most profitable and complete operations and business support system for launching and delivering all Cloud solutions, including Office 365, called Parallels Automation. Whether you're a traditional Web hosting service provider, a telecom looking to get into hosting, or a developer interested in delivering Cloud-based applications, Parallels Automation offers:

- **The broadest set of Cloud-based solutions** available today — one that's constantly being updated with new services to services to meet emerging market needs.
- **A business and operations management Cloud platform**, with the ability to integrate everything—including in-house systems, external systems like payment gateways and domain registrars—through a single pane of glass.
- **Billing automation** to manage recurring charges, a product catalog, promotions and discounts, and flexible bundling options for services.
- **A broad ecosystem of partners** that further enhance the services and applications available for the platform.
- **Extensive scalability**, enabling you to launch a wide range of enterprise-class Cloud services to a world-wide customer base.

By helping you launch, host, syndicate, and market new and enhanced Cloud services, Parallels Automation represents the quickest way to profit from the ongoing shift to the Cloud.

By helping you launch, host, syndicate, and market new and enhanced Cloud services, Parallels Automation represents the quickest way to profit from the ongoing shift to the Cloud. Furthermore, when you use Parallels Automation to deliver Office 365 to your customers, you will easily be able to bundle other high-margin services like shared hosting, VPS, domain registration, and hundreds of other SaaS applications. These services are highly “sticky” and will increase the average lifetime value of a customer. Additionally, the built-in integration capabilities and extensive automation provided by Parallels Automation will significantly reduce your operating expenses.

Time to Market is Critical for Success in the Cloud

With \$40 billion in IT spend moving to the Cloud in just the next 3 years (IDC, June 2010), service providers have a tremendous opportunity to capitalize on this shift by offering customers Office 365 bundled with other key Cloud services. However, the market is highly competitive, as Internet giants, distributors, ISVs, hardware companies, network vendors, and virtually every major segment in the IT ecosystem are moving to embrace Cloud services. Therefore, minimizing time to market is critical for success in the syndication of Office 365 as all qualified partners will be coming out of the gate at the same time.

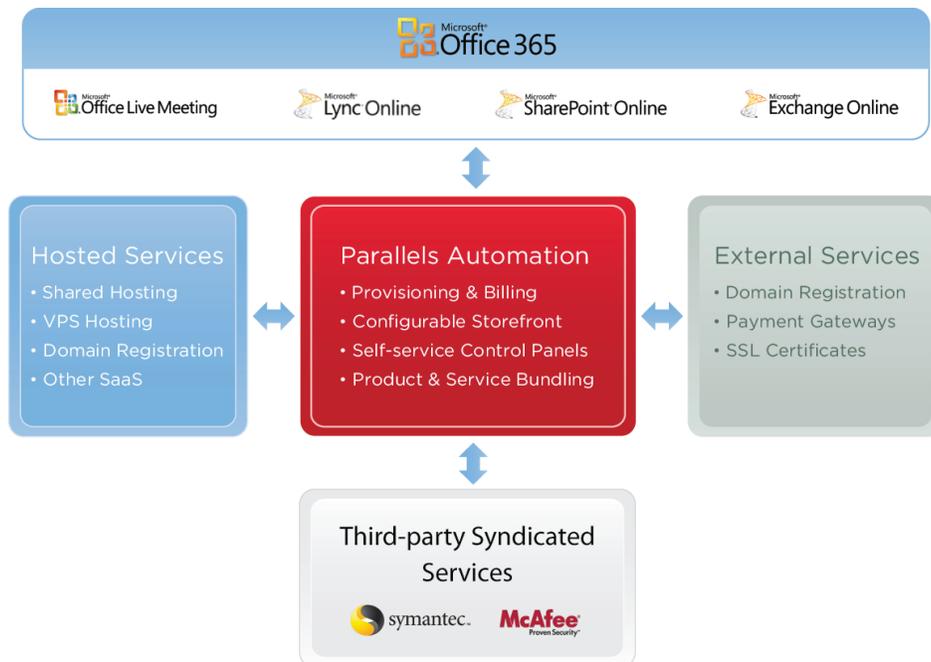


Figure 1. Parallels Automation simplifies the delivery of multiple Cloud services

If you had to create the entire Cloud service delivery infrastructure yourself—from building the data center to integrating with orchestration and billing software to executing on marketing campaigns—it would likely take a sizeable, multi-year development project and then ongoing maintenance. Furthermore, if you're planning to offer your Cloud service to customers in other countries, you would have to deal with issues such as differing tax laws and currencies, which would require additional planning and engineering time and effort.

However, when you use Parallels Automation to launch Office 365, you can get to market in weeks rather than quarters. By leveraging Microsoft's world class infrastructure and Parallels Automation you have all the tools you need to deliver Office 365 syndication as a completely automated offering. This includes branding and marketing the new offerings, integrating them into your corporate infrastructure, and giving you an online storefront that can further increase your revenues (see Figure 2).

Additionally, because Parallels is working collaboratively with Microsoft, Parallels Automation will support the delivery and bundling of new Microsoft Cloud services as soon as they're available as syndicated services. Finally, because all this can be accomplished with no additional development effort, your valuable internal developer resources can stay focused on your core business.

Increase ARPU and Reduce Churn

Office 365 offers a host of capabilities that small and medium-sized businesses want and need—from the award-winning business productivity tools of Office Professional Plus, to the widely used messaging and collaboration capabilities of Exchange Online, SharePoint Online, and Lync Online. Together, these tools enable business users to work from anywhere, on virtually any device, while collaborating with others inside and outside their organization—and to do it all easily and with a high degree of security.

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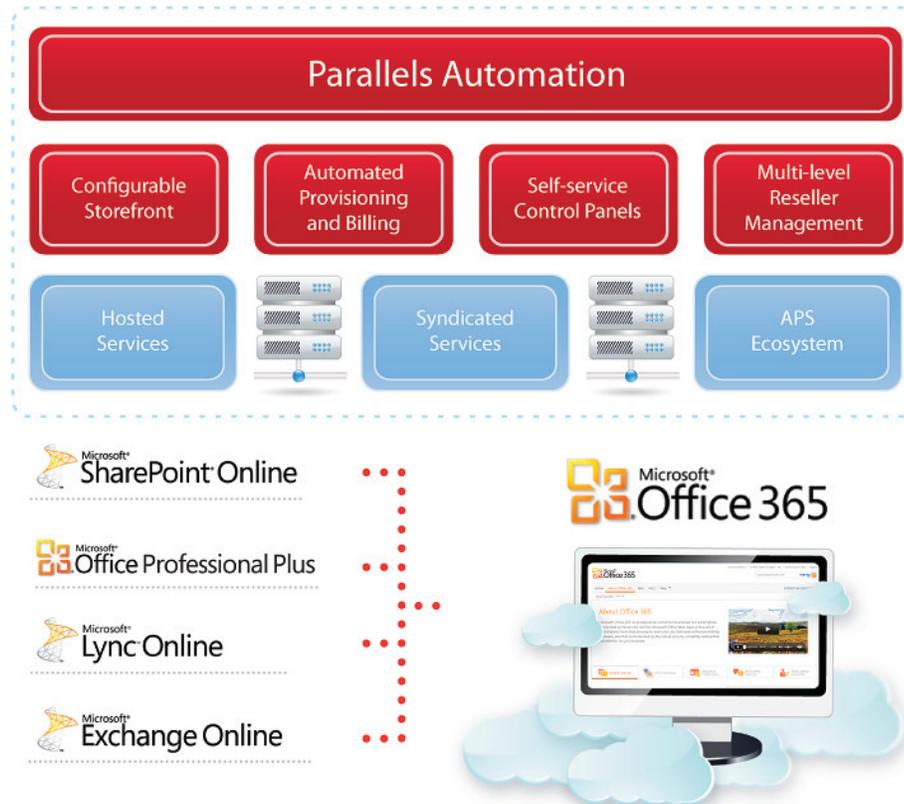


Figure 2. Parallels Automation integrates seamlessly with Office 365, leveraging the APS standard

The broad popularity of these Microsoft tools, combined with the convenience of accessing them through the Cloud, will change the way customers procure applications and services. This will ultimately drive new business and increase the average revenue per user (ARPU) for the service provider while offering "sticky" services that will decrease churn. Plus, as you build a strong base of customers with Microsoft Office 365, you can up-sell and cross-sell them other services, further increasing ARPU. These include customer relationship management (CRM) solutions, shared hosting, VPS, domain registration, and hundreds of other SaaS applications - all easily integrated with your existing hosted offerings. You can also readily aggregate third-party syndicated Cloud services, including archiving, anti-spam, and anti-virus solutions from leading vendors like Symantec and McAfee, as shown in Figure 1.

In order for Parallels Automation to integrate and be able to provision and bill for Microsoft Office 365 and other services or applications, the Application Packaging Standard (APS) is utilized. The APS standard is a set of specifications that covers provisioning, management and integration of Cloud-based services and applications. APS covers the full service life cycle of applications and was designed from the ground up to address requirements of SaaS and Cloud computing paradigms, such as license management, subscription terms, and role-based access control. APS makes it easy for a service provider to offer Microsoft Office 365 plus potentially hundreds of other Cloud services or applications, thereby also positively impacting ARPU.

The broad popularity of these Microsoft tools, combined with the convenience of accessing them through the Cloud, will help you attract new customers, increase your ARPU, and offer “sticky” services that will decrease churn.

Reduce Operating Expenses

Parallels Automation gives you everything you need to launch new Cloud services. By giving you a single delivery system that supports hundreds of Cloud services, Parallels Automation enables you to automate the entire process of creating a new offering, thereby reducing your operating expenses. Key capabilities include:

- Complete automation of Cloud service delivery, including provisioning and billing, enabling you to minimize both administrative and development costs.
- Extensive customer self-service through powerful and intuitive control panels, reducing the burden on your support team and providing vast management functionality to empower your end-users.
- Built-in application programming interfaces (APIs) that allow you to rapidly integrate Parallels Automation with your back-office systems, including CRM, help desk, and ERP Systems and to do so with minimal staff and minimal touch.
- Ability to easily bundle Office 365 with other third-party services, VPS, shared hosting, domain registration, CRM, and hundreds of other SaaS applications so that your SMB customers can get all their needs met through your company.
- Delegation and robust support for a multi-tiered reseller model, providing your resellers control panels and administrative access into their end customer environments.
- Easy transition between Cloud and on-premise models with migration support via Parallels APIs.

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Reduce Risk by Partnering with a Market Leader

With more than ten years of experience in Cloud service enablement, Parallels today is the market leader. The company enables Cloud services for more than 12 million businesses worldwide, holds the #1 position in self-service control panels and virtualization technology for VPS offerings, and has reference customers including Go Daddy, SoftLayer, 1&1 Internet, KPN, Charter Communications, and Softbank.

As a Microsoft Gold Certified Partner, Parallels also has a long history of working closely with Microsoft to deliver integrated solutions that help Microsoft's partners maximize their profits from Cloud service delivery. The Parallels Automation Office 365 integration—developed in co-operation with Microsoft and designed specifically for service providers—is an example of the close collaboration that regularly takes place between our two companies.

About Parallels

Parallels is a worldwide leader in virtualization and automation software that optimizes computing for consumers, businesses, and service providers across all major hardware, operating system, and virtualization platforms. Founded in 1999, Parallels is a Microsoft Gold Certified Partner with 700 employees in North America, Europe, and Asia.

For more information visit <http://www.parallels.com/spp>.

Microsoft

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