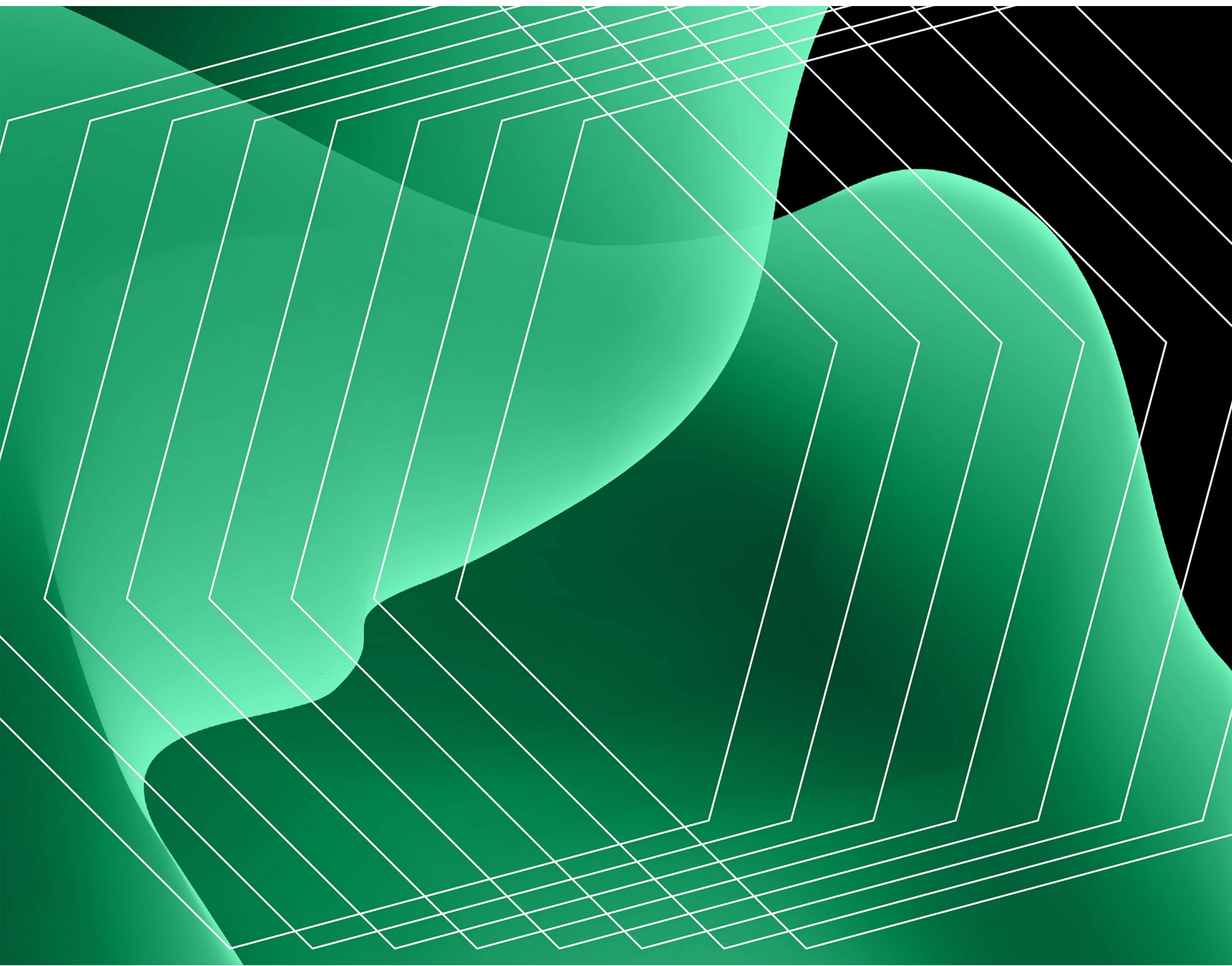
FORRESTER

The Partner Opportunity For Microsoft Intune Suite

A Total Economic Impact™ Partner Opportunity Analysis

A FORRESTER TOTAL ECONOMIC IMPACT STUDY
COMMISSIONED BY MICROSOFT, JUNE 2024



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Executive Summary

In today's rapidly evolving digital landscape, businesses are increasingly turning to cloud-based solutions for their device management and security needs. Organizations expect these solutions to offer comprehensive capabilities around device management, application management, and security capabilities. This new dynamic presents opportunities to partners who can not only expand their service offerings but also meet the growing demand for efficient and secure device management solutions in the modern workplace.

As a cloud-based platform, [Microsoft Intune Suite] offers comprehensive device management, application management, and security features, empowering organizations to simplify management, reduce costs, and transform experiences with AI and automation.[1] For partners involved in selling and delivering services around Intune Suite, this represents a significant opportunity to expand their portfolio and meet the evolving needs of their clients. By leveraging Intune Suite capabilities, partners can offer tailored solutions for device management, application deployment, and security enforcement, providing clients with the tools they need to thrive in an increasingly mobile- and cloud-centric environment.

Microsoft commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) partners may realize by selling and delivering services around Intune Suite.[2] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Intune Suite on their organizations.

To better understand the revenue streams, investments, and risks associated with this investment, Forrester interviewed six representatives of existing Microsoft partners with experience selling and delivering services around Intune Suite. Each of these interviewees' organizations supported all six capabilities of Intune Suite, including

Return on investment (ROI)
181%

Net present value
$2.4M

Endpoint Privilege Management, Enterprise App Management, Advanced Analytics, Remote Help, Tunnel for Mobile Application Management, and Cloud PKI.

For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite partner organization with $1 billion in annual revenues.

Intune Suite Capability	Function
Endpoint Privilege Management (EPM)	Allow non-admin users to complete tasks that normally require elevated privileges
Enterprise Application Management (EAM)	Simplify deployment of applications and updates to users and their devices
Advanced Analytics	Generate data driven insights and monitor endpoints to optimize performance
Remote Help	Secure help desk connections with role-based access controls
Tunnel for Mobile Application Management	Allow mobile devices to securely access on-premises resources via VPN without device enrollment
Cloud PKI	Simplify and automate certificate management in the cloud

Prior to standing up their Intune Suite businesses, all interviewees stated their partner organizations were already selling and delivering services for Intune Plan 1, which is included in Microsoft 365 E3, E5, F1, and F3; Enterprise Mobility + Security E3 and E5; and Business Premium plans. Intune Suite, with its more sophisticated features around security, analytics, and remote device management, allowed partners to enhance their customers' endpoint management capabilities while simultaneously attracting new customers with a broader value proposition benefitting security, enterprise IT, and the lines of businesses.

KEY FINDINGS

Quantified revenue streams. Three-year, risk-adjusted present value (PV) quantified revenue streams for the composite partner organization include:

- **Intune Suite workshops.** Prior to deploying Intune Suite, customers engage in a workshop with the composite partner, providing foundational education around Intune Suite and generating a technical roadmap and business case for the Intune Suite deployment. These workshops provide an initial revenue stream for the composite, generating gross margins of 30% and leading to downstream services and licensing opportunities.

- **Intune Suite implementations.** As an output of the workshop, both the composite partner and its customers have a clear roadmap to deploying Intune Suite. During this phase, the composite helps customers set up and customize tenants, enroll their devices, connect services, and configure policies and settings. The composite partner leverages Intune Suite capabilities to automate and streamline implementations, boosting margins to 45% compared to an average of 35% for its alternative endpoint management offerings.
- **Intune Suite licensing.** The composite partner organization sells all modules of Intune Suite together at the full incremental price of $10 per user per month and generates between 15% and 23% gross margins on this revenue as a Microsoft Cloud Solutions Provider (CSP).
- **Intune Suite managed services.** Managed services allow the composite partner to fully leverage the capabilities of Intune Suite on behalf of its customers and generate a sticky and lucrative source of revenue. The composite partner organization tacks on an additional fee of $3 per user per month to the existing Intune Suite licensing fees, generating rich gross margins of 60%.
- **Non-Intune Microsoft Licensing.** The composite partner generates licensing revenue not just directly from Intune Suite, but also from other Microsoft products that are purchased because of the inherent synergies customers gain from consolidating their endpoint management and security stacks under Intune Suite. For every $100 of Intune Suite licensing sold, the composite partner organization generates an additional $20 of Microsoft licensing at gross margins of 15%.

Unquantified benefits. Benefits that provide value for the composite partner organization but are not quantified for this study include:

- **Access to Microsoft resources.** Partners can benefit from resources and support provided by Microsoft, including training, certifications, marketing materials, and access to technical support. These resources can help increase the overall skill set of partner consultants and engineers around the topics of endpoint management and security, ultimately fostering high-quality services delivery to end customers.

- **Improved customer experience.** Because of Intune Suite's broad capabilities around endpoint management and security, partners' customers can use it to replace existing point solutions that cover singular use cases, such as remote assistance and control software or privilege management tools. Partners can introduce and usher these cost savings to their customers, boosting customer experience and loyalty.

Investments. Three-year, risk-adjusted PV investments for the composite partner organization include:

- **Sales and marketing.** The composite partner's sales teams allocate time to shortlisting and upselling existing Intune Plan 1 customers with more robust device management or security requirements on the value of Intune Suite, while marketing teams generate collateral and update documentation and landing pages to reflect their new capabilities and offerings. Sales and marketing investments comprise 81% of total Intune Suite investments.

- **Training and certification.** Sales and consulting teams are trained and certified to sell, deploy, and in some instances, manage Intune Suite on behalf of their customers. These processes are made more efficient by using Intune Suite to simplify and consolidate disparate third-party endpoint management offerings, each previously requiring separate investments. Training and certification investments comprise 12% of total Intune Suite investments.

- **Research and development.** Product teams devote several months to building and testing a new managed services offering, including generating technical capabilities and formalizing pricing and packaging. Research and development investments comprise 5% of total Intune Suite investments.

- **Partnership management.** A director-level partnerships resource inks the Intune Suite partnership agreement with Microsoft; bootstraps and manages the practice; and facilitates go-to-market activities. Partnership management investments comprise 2% of total Intune Suite investments.

The representative interviews and financial analysis found that a composite partner experiences revenue streams of $3.7 million over three years versus investments of $1.3 million, adding up to a net present value (NPV) of $2.4 million and an ROI of 181%.

“Intune Suite allows us to expand our portfolio of offerings across our existing Intune customers while giving them a true single pane of glass for all their endpoint management and security needs.”

MANAGING DIRECTOR, GLOBAL GSI

Projected growth rate of Intune Suite practice from Year 1 to Year 3

40%

ROI

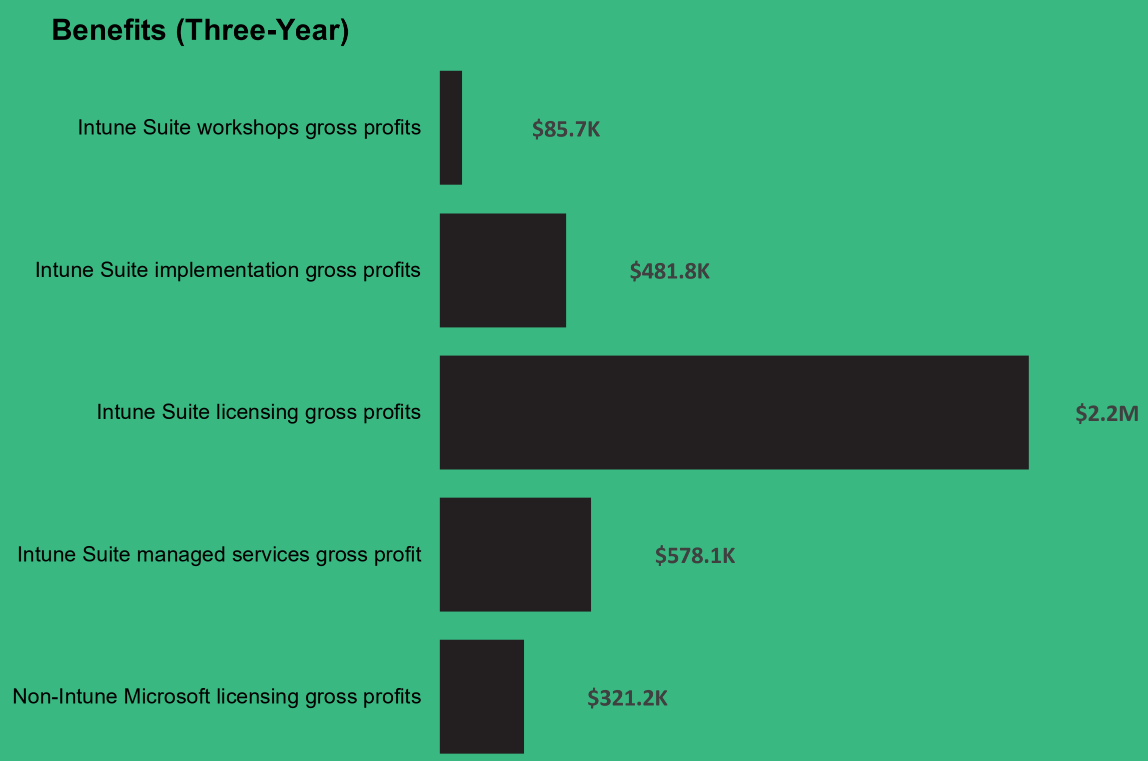
181%

Revenue streams PV

$3.7M

Net present value (NPV)

$2.4M



TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those partner organizations considering an investment in transacting and delivering services around Intune Suite.

The objective of the framework is to identify the investments, revenue streams, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that an Intune Suite practice can have on a partner organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Microsoft and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in an Intune Suite practice.

Microsoft reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

Microsoft provided the partner names for the interviews but did not participate in the interviews.

1. **Due Diligence**
   Interviewed Microsoft stakeholders and Forrester analysts to gather data relative to Intune Suite.
2. **Interviews**
   Interviewed six representatives at Microsoft partner organizations transacting and delivering Intune Suite services to obtain data about investments, revenue streams, and risks.
3. **Composite Partner**
   Designed a composite partner based on characteristics of the interviewees' organizations.
4. **Financial Model Framework**
   Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.
5. **Case Study**
   Employed four fundamental elements of TEI in modeling the investment impact: revenue streams, investments, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

The Microsoft Intune Suite Partner Journey

Drivers leading to the Intune Suite investment

Interviews			
Role	**Region**	**Annual Revenue**	**Partner Type**
Solutions architect	North America	$100M to $500M	RSI
Head of technology enablement	EMEA	$100M to $500M	RSI
Cloud architect	EMEA	<$100M	IT consultancy
Principal consultant	EMEA	<$100M	IT consultancy
Managing director	Global	>$1B	GSI
Technical architect	Global	>$1B	GSI

PARTNER GOALS, CHALLENGES, AND DRIVERS

Interviewees' partner organizations were diverse in size, background, regional focus, and engagement with Microsoft. These organizations partnered with Microsoft to build an Intune Suite practice for a myriad of reasons, including:

- **Market differentiation.** With Intune Suite new to the market, interviewees' partner organizations recognized a lucrative opportunity to differentiate themselves by generating expertise around Intune Suite's capabilities, potentially leading to downstream revenue opportunities, such as managed security services or custom analytics projects. Furthermore, because of Intune Suite's tight integrations with other Microsoft products and services like Microsoft Entra ID and Microsoft Defender, demonstrating aptitude around Intune Suite could signal a commitment to supporting the Microsoft suite, thereby keeping the partner top of mind for other Microsoft needs such as security.

> "Addressing all capability gaps by consolidating endpoint management under Intune Suite is a significant cost-savings measure for our customers and doubles down as a great way to simplify their operations."
>
> CLOUD ARCHITECT, EMEA IT CONSULTANCY

- **Streamlined device management.** Intune Suite offers a powerful tool to streamline device management across various platforms, including Windows, macOS, iOS, and Android. Interviewees noted their partner organizations looked to capitalize on the high demand for efficient remote device management solutions, helping clients navigate a complex, cloud-based, hybrid work environment while securing multiple stable revenue streams.
- **Enhanced security capabilities.** With the increasing importance of balancing data security and worker productivity, the interviewees' partners recognized the opportunity to deliver robust but lightweight security services through Intune Suite. Intune Suite capabilities, such as Tunnel for Mobile Application Management and Endpoint Privilege Management, allowed these partners to meet customers' stringent cloud security requirements while still enabling seamless remote or hybrid work experiences.

> “You can no longer separate security from an IT buying decision, and both are extremely happy about Endpoint Privilege Management because it removes the issue of local admins accessing different machines while providing extra security around select workstations.”
>
> HEAD OF TECHNOLOGY ENABLEMENT, EMEA RSI

- **Expanded service offerings**. By incorporating Intune Suite into their service portfolio, interviewees looked to diversify their organizations’ offerings and cater to a broader range of client needs, including endpoint analytics and monitoring, enhanced endpoint security, and automated device, application, and certificate management. These domains drew in vested interest across IT teams, security teams, and lines of businesses, creating a wealth of opportunities to land and expand Intune Suite across the enterprise.

> “Intune Suite allows customers to move beyond just managing their devices to now being able to properly secure them, all from the same platform. On top of that, you’re adding in highly requested features like Cloud PKI and now they don’t need to look anywhere else for their endpoint management needs.”
>
> TECHNICAL ARCHITECT, GLOBAL GSI

COMPOSITE PARTNER

Based on the interviews, Forrester constructed a TEI framework, a composite partner, and an ROI analysis that illustrates the areas financially affected. The composite partner is representative of the six interviewees, and it is used to present the aggregate financial analysis in the next section. The composite partner has the following characteristics:

Description of composite. The composite is a partner organization based in North America with global operations and annual revenues of $1 billion. The partner's average customer has a user base of 2,500. These customers range from small businesses to large enterprises, most of which are cloud-born or operating in a hybrid environment leveraging Microsoft cloud licenses.

Prior to adopting Intune Suite, the partner actively supported Intune Plan 1 for its customer base engaging in Microsoft cloud-based enterprise licensing. It continues to do so. With Intune Suite, the partner pilots its offerings with proof of concepts (POCs) for 10 existing Intune Plan 1 customers. The partner's Intune Suite practice includes both licensing and services and is projected to grow at an annual rate of 40% from Year 1 through Year 3.

KEY ASSUMPTIONS

$1 billion in annual revenues

2,500 average users per customer

10 customers in initial launch

40% projected yearly growth rate

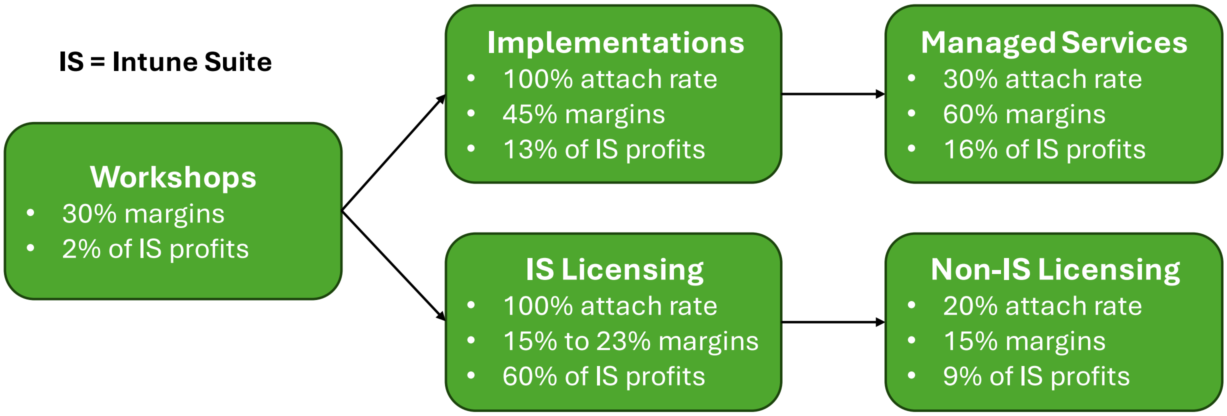
Supports both Intune Plan 1 and Intune Suite

Analysis Of Partner Revenue Streams

Quantified revenue data as applied to the composite

Total Revenue Streams						
Ref.	**Revenue Stream**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Atr	Intune Suite workshops gross profits	$24,000	$33,600	$48,000	$105,600	$85,650
Btr	Intune Suite implementation gross profits	$135,000	$189,000	$270,000	$594,000	$481,781
Ctr	Intune Suite licensing gross profits	$450,000	$966,000	$1,380,000	$2,796,000	$2,244,252
Dtr	Intune Suite managed services gross profits	$162,000	$226,800	$324,000	$712,800	$578,137
Etr	Non-Intune Microsoft licensing gross profits	$90,000	$126,000	$180,000	$396,000	$321,187
	Total revenue streams (risk-adjusted)	$861,000	$1,541,400	$2,202,000	$4,604,400	$3,711,007

Interviewees said their Intune Suite partner organizations accessed multiple services and licensing revenue streams with a workshop kicking off each customer engagement, as depicted by the figure below:



Services, including workshops, implementations, and managed services, generated higher gross margins but represented a smaller percentage (31%) of total Intune Suite profits. Licensing, including Intune Suite licenses and other non-Intune Microsoft cloud purchases influenced by Intune Suite, generated most Intune Suite profits (69%) but carried smaller margins limited to Microsoft partner discounts and incentives.

INTUNE SUITE WORKSHOPS GROSS PROFITS

Evidence and data. Interviewees noted their partner organizations generated revenues by facilitating workshops that evolved into proof of concepts for deploying Microsoft Intune Suite, providing clients with hands-on experience and insights into the platform's capabilities and its impact on their unique environments. These workshops served as collaborative sessions where partners engaged with customers to understand their specific IT and security requirements, challenges, and goals related to device management and security, ultimately preparing a roadmap for deployment.

Results. The three-year, risk-adjusted total PV (discounted at 10%) of delivering workshops around Intune Suite is $86,000.

$8,000

Amount of revenue per Intune Suite workshop

> "Every Intune Suite engagement to date has started with a workshop and proof of concept."
>
> MANAGING DIRECTOR, GLOBAL GSI

Intune Suite Workshops Gross Profits					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Intune Suite workshops	Composite	10	14	20
A2	Average deal size per workshop	Interviews	$8,000	$8,000	$8,000
A3	Intune Suite workshop revenues	A1*A2	$80,000	$112,000	$160,000
A4	Gross margin	Interviews	30%	30%	30%
At	Intune Suite workshops gross profits	A3*A4	$24,000	$33,600	$48,000
	Three-year total: $105,600		**Three-year present value: $85,650**		

INTUNE SUITE IMPLEMENTATIONS GROSS PROFITS

Evidence and data. As an output of the workshop, both partners and their customers had a clear roadmap to deploying Intune Suite. During this phase, the interviewees' partner organizations helped customers set up and customize tenants, enroll their devices, connect services, and configure policies and settings. These partners utilized automation tools and scripting capabilities inherent to Intune Suite to streamline this process, automating repetitive tasks, such as policy assignment and device enrollment. As a result, the interviewees noted their organizations accelerated deployment timelines and boosted their margins by an estimated 10 percentage points compared to comparable implementation services.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite partner:

- The partner implements all capabilities of Intune Suite for each customer. While several Intune Suite capabilities can be purchased on a standalone basis, most interviewees' partner organizations sold and implemented the full suite as a single package.

Results. The three-year, risk-adjusted total PV (discounted at 10%) of delivering Intune Suite implementation services is $482,000.

45% gross margins on Intune Suite implementations

(Compared to 35% average for comparable implementations)

"Because Microsoft develops products so quickly, our customers want us to deploy Intune Suite right away instead of over months or years. Part of what makes Intune Suite so great is that you don't have to do it all at once. You can take a modular approach and deploy in rings so you're adding value immediately while never compromising on security."

CLOUD ARCHITECT, EMEA IT CONSULTANCY

Intune Suite Implementation Gross Profits

Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Intune Suite customers	A1	10	14	20
B2	Average deal size per implementation	Interviews	$30,000	$30,000	$30,000
B3	Intune Suite implementation revenue	B1*B2	$300,000	$420,000	$600,000
B4	Gross margin	Interviews	45%	45%	45%
Bt	Intune Suite implementation gross profits	B3*B4	$135,000	$189,000	$270,000
	Three-year total: $594,000		**Three-year present value: $481,781**		

INTUNE SUITE LICENSING GROSS PROFITS

Evidence and data. According to interviewees, partners primarily leveraged their existing relationships with Intune Plan 1 customers to grow their Intune Suite business, leading with the value proposition of improved security, analytics, and operational efficiency. Partner resale margins consisted of discounted licensing offered to Microsoft partners and additional sales acceleration incentives which could be used to boost profitability or entice customers to commit to an investment.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite partner:

- The partner discounts Intune Suite by 8% in Year 1 for new customers. In subsequent years, the partner retains this margin.

Results. The three-year, total PV (discounted at 10%) of reselling Intune Suite licenses for the composite partner is $2.2 million.

15% to 23% gross margins

On Intune Suite licenses

"We often discount Intune Suite licensing for the first year even if our margins take a hit because we know we'll more than make up for it in services later."

MANAGING DIRECTOR, GLOBAL GSI.

Intune Suite Licensing Gross Profits					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Intune Suite customers	A1	10	14	20
C2	Users per customer	Composite	2,500	2,500	2,500
C3	Total user base	C1*C2	25,000	35,000	50,000
C4	Intune Suite licensing per user	$10*12 months	$120	$120	$120
C5	Intune Suite licensing revenue	C3*C4	$3,000,000	$4,200,000	$6,000,000
C6	Gross margin	Interviews	15%	23%	23%
Ct	Intune Suite licensing gross profits	C5*C6	$450,000	$966,000	$1,380,000
	Three-year total: $2,796,000		**Three-year present value: $2,244,252**		

INTUNE SUITE MANAGED SERVICES GROSS PROFITS

Evidence and data. Interviewees' partner organizations generated incremental revenues by offering managed services around Intune Suite, providing clients with comprehensive support and expertise to optimize their device management and security operations. These managed services typically started with Remote Help and Endpoint Privilege Management due to the clear use cases around productivity and cost savings, but interviewees also alluded to the potential and demand for managed services for more recently launched capabilities, such as Cloud PKI and Enterprise Application Management, once they further developed.

Interviewees said their partner organizations structured managed service contracts on a subscription basis, tacking on an additional $1 to $4 to existing Intune Suite monthly user licensing fees, depending on the scope of services provided. Typical managed services included active management of personas, policies, and Windows Autopilot for each Intune Suite capability deployed. By proactively managing clients' Intune environments, these partners helped customers maximize efficiency, minimize downtime, and enhance the security posture of their endpoints, ultimately driving long-term client satisfaction and retention.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite partner:

- The partner packages and prices its managed services at $3 per user per month. Interviewees said their organizations priced their managed services at anywhere from $1 to $4 per user per month depending on scope of services.

Results. The three-year, risk-adjusted total PV (discounted at 10%) of Intune Suite managed services is $578,000.

Intune Suite Managed Services Gross Profits

Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Intune Suite customers	A1	10	14	20
D2	Managed services attach rate	Interviews	30%	30%	30%
D3	Managed services customers	D1*D2	3.0	4.2	6.0
D4	Users per customer	Composite	2,500	2,500	2,500
D5	Managed services users	D3*D4	7,500	10,500	15,000
D6	Managed services licensing per user	$3*12 months	$36	$36	$36
D7	Intune Suite managed services revenue	D5*D6	$270,000	$378,000	$540,000
D8	Gross margin	Interviews	60%	60%	60%
Dt	Intune Suite managed services gross profit	D7*D8	$162,000	$226,800	$324,000
	Three-year total: $712,800		**Three-year present value: $578,137**		

60% gross margins

On Intune Suite managed services

> "Remote help will continue to be a managed services pathway for us, but the opportunity will be even more lucrative if we can tie it back to security and start doing things like elevating permissions on a centralized basis."
>
> MANAGING DIRECTOR, GLOBAL GSI

NON-INTUNE MICROSOFT LICENSING GROSS PROFITS

Evidence and data. Intune Suite serves as a powerful catalyst for customers to purchase more Microsoft products by seamlessly integrating with and enhancing the functionality of existing Microsoft ecosystem offerings. Its compatibility with Windows, Entra ID, Defender, and other Microsoft solutions creates a cohesive environment where clients could leverage the full potential of their Microsoft investments. According to interviewees, as customers experienced the efficiency, security, and convenience of managing devices and applications through Intune Suite, they often also recognized the value of adopting complementary Microsoft products to further optimize their operations. For example, some clients saw the benefits of aligning their security strategies by integrating Intune with Microsoft Defender for Endpoint or enhancing productivity through tighter integration with Microsoft 365 applications.

Results. The three-year, risk-adjusted total PV (discounted at 10%) of reselling non-Intune Microsoft licenses is $321,000.

Non-Intune Microsoft Licensing Gross Profits					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
E1	Intune Suite licensing revenue	C5	$3,000,000	$4,200,000	$6,000,000
E2	Non-Intune Microsoft licensing driven by Intune Suite, as a percentage of gross Intune Suite revenue	Interviews	20%	20%	20%
E3	Additional Microsoft licensing influenced by Intune Suite	E1*E2	$600,000	$840,000	$1,200,000
E4	Gross margin	Interviews	15%	15%	15%
Et	Non-Intune Microsoft licensing gross profits	E3*E4	$90,000	$126,000	$180,000
	Three-year total: $396,000		**Three-year present value: $321,187**		

$0.20 in non-Intune Microsoft licensing revenue

For every dollar of Microsoft Intune Suite sold

"Vendor consolidation is at least one-third of my Intune Suite pitch. Customers are now realizing there are huge advantages with having a suite of products developed by a best-in-breed vendor rather than having a dozen distinct best-in-breed products that don't talk to each other."

MANAGING DIRECTOR, GLOBAL GSI

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Intune Suite and later realize additional uses and business opportunities, including:

- **Analytics and custom solutions.** With longitudinal customer data from Intune Suite, partners can begin to develop customized solutions for customers based on their unique environments. For example, using data from Advanced Analytics, partners can add support layers to their managed services for customers experiencing significant bouts of downtime or build custom workflows, integrations, and functionality for customers who want to add automation around Intune Suite capabilities such as Cloud PKI.
- **Influenced services opportunities.** Because of Intune Suite's aforementioned influence on the purchase of additional, non-Intune Microsoft licenses, partners can also benefit from attaching downstream services, such as implementation, modernization, or managed services, to those additional licenses. However, additional services layers would require additional partner training and investment, and some partners may opt to simply transact licenses.
- **AI-generated insights.** For several partner organizations, integrating AI-generated insights with Intune Suite using Microsoft Copilot for Security was a pivotal next step in the Intune Suite journey. Interviewees discussed several possible use cases, including optimizing service delivery leveraging the natural language processing (NLP) features of Copilot and reducing the barriers to entry for consultants to deliver Intune Suite services, thereby improving margins and accelerating time to market.

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

> "Our vision is to integrate Copilot with Intune Suite because with Copilot, you can turn a junior engineer into a seasoned senior engineer overnight. For the more data-heavy capabilities of Intune Suite like Advanced Analytics or Endpoint Privilege Management, this could mean turning 100 lines of code into a single sentence. That's a huge opportunity for long-term managed services."
>
> **SOLUTIONS ARCHITECT, NORTH AMERICA RSI**

Analysis Of Partner Investments

Quantified investment data as applied to the composite partner

Total Investments

Ref.	Investment	Initial	Year 1	Year 2	Year 3	Total	Present Value
Ftr	Sales and marketing	$0	$300,000	$420,000	$600,000	$1,320,000	$1,070,624
Gtr	Training and certification	$0	$60,000	$54,000	$78,000	$192,000	$157,776
Htr	Research and development	$42,880	$10,720	$10,720	$10,720	$75,040	$69,539
Itr	Partnership management	$10,400	$5,200	$5,200	$5,200	$26,000	$23,332
	Total investments (risk-adjusted)	$53,280	$375,920	$489,920	$693,920	$1,613,040	$1,321,271

SALES AND MARKETING

Evidence and data. Interviewees noted that because their partner organizations generated their Intune Suite leads from their existing Intune Plan 1 customer base, they reduced the cost of customer acquisition and kept sales and marketing expenses minimal. Sales-driven leads generally developed organically through uncovering changing requirements and needs during weekly check-ins with Intune Plan 1 customers. Marketing teams, on the other hand, primarily invested in updating their existing landing pages and documentation around Intune and creating compelling content, such as case studies, whitepapers, and webinars, to demonstrate the value proposition of Intune Suite beyond Intune Plan 1.

Modeling and assumptions. Forrester makes the following assumptions in modeling training and certification investments:

- Sales and marketing expenditure scales linearly as a percentage of Intune Suite licensing revenues.

Results. The three-year, risk-adjusted total PV (discounted at 10%) of sales and marketing is $1.1 million.

> "There's a lot of interest around Intune Suite once people are exposed to it. Perhaps the biggest growth driver going forward is in generating awareness through marketing campaigns, events, and co-driven workshops."
>
> TECHNICAL ARCHITECT, GLOBAL GSI

Sales And Marketing

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
F1	Intune Suite licensing revenue	C5		$3,000,000	$4,200,000	$6,000,000
F2	Sales expenditure as a percentage of licensing revenue	Interviews		8%	8%	8%
F3	Sales investment	F1*F2		$240,000	$336,000	$480,000
F4	Marketing expenditure as a percentage of licensing revenue	Interviews		2%	2%	2%
F5	Marketing investment	F1*F4		$60,000	$84,000	$120,000
Ft	Sales and marketing	F3+F5		$300,000	$420,000	$600,000
	Three-year total: $1,320,000		**Three-year present value: $1,070,624**			

TRAINING AND CERTIFICATION

Evidence and data. Interviewees noted adopting Intune Suite consisted of reskilling existing sales and consulting resources to be able to sell and deliver each component of the suite. For both groups, this entailed an extended initial training and certification period prior to launch and recurring learning activities in subsequent years.

Modeling and assumptions. Forrester makes the following assumptions in modeling training and certification investments:

- The fully burdened hourly rate for an account manager is $90.
- The fully burdened hourly rate for an implementation consultant is $60.

Results. The three-year, risk-adjusted total PV (discounted at 10%) of training and certification $89,000.

> "We were ready to offer parts of Intune Suite like Remote Help from day-zero because of our experience with Intune Plan 1."
>
> PRINCIPAL CONSULTANT, EMEA IT CONSULTANCY

Training And Certification						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
G1	Sales FTEs trained and certified on Intune Suite	Composite		10	14	20
G2	New sales onboarding and certification time (hours)	Interviews		40	40	40
G3	Existing sales recurring training time (hours)	Interviews		20	20	20
G4	Fully burdened hourly rate for an account manager	Assumption		$90	$90	$90
G5	**Subtotal: Sales training and certification investment**	**(($G1_{CY}$-$G1_{PY}$)*G2) +($G1_{PY}$*G3))*G4**		**$36,000**	**$32,400**	**$46,800**
G6	Implementation consultants trained and certified on Intune Suite	Composite		5	7	10
G7	New implementation consultant onboarding and certification time, in hours	Interviews		80	80	80
G8	Existing implementation consultant recurring training time, in hours	Interviews		40	40	40
G9	Fully burdened hourly rate for an implementation consultant	Assumption		$60	$60	$60
G10	**Subtotal: IT and security training and certification investment**	**(($G6_{CY}$-$G6_{PY}$)*G7) +($G6_{PY}$*G8))*G9**		**$24,000**	**$21,600**	**$31,200**
Gt	Training and certification	G5+G10		$60,000	$54,000	$78,000
	Three-year total: $102,400			**Three-year present value: $89,100**		

RESEARCH AND DEVELOPMENT

Evidence and data. While interviewees said their partners had the tools and skill sets to transact licenses and deliver workshops and implementation services within weeks of adopting Intune Suite due to familiarity and experience with Intune Plan 1, those whose organizations invested in managed services dedicated a minimum of one month to product development and testing before launching.

Product managers typically started by generating offerings around the Remote Help and Endpoint Privilege Management capabilities of Intune Suite due to the immediate potential for boosted productivity and cost savings from outsourcing these functions. However, several interviewees also mentioned the potential for building managed services for Cloud PKI and Enterprise Application Management once these newly launched capabilities have time to further develop and reach market maturity. Beyond creating the technical components of their managed service offerings, product managers also worked with account managers, marketing, and other constituents to price and package Intune Suite managed services to match customers' expectations and willingness to pay. Most interviewees' partner organizations opted to price managed services as an incremental add-on to the monthly licensing fees of Intune Suite, generating anywhere from $1 to $4 in additional monthly revenue per user, depending on the scope of services.

Modeling and assumptions. Forrester makes the following assumptions in modeling training and certification investments:

- The fully burdened hourly rate for a product manager is $81.
- The fully burdened hourly rate for a project manager is $50.

Results. The three-year, risk-adjusted total PV (discounted at 10%) of research and development $70,000.

Research And Development						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
H1	Product managers generating managed services offering	Composite	3	3	3	3
H2	Labor hours required to generate and test managed services offering	Interviews	160	40	40	40
H3	Fully burdened hourly rate for a product manager	Assumption	$81	$81	$81	$81
H4	**Subtotal: Product management investment**	**H1*H2*H3**	**$38,880**	**$9,720**	**$9,720**	**$9,720**
H5	Project managers supporting product team	Composite	1	1	1	1
H6	Project management hours required to generate and iterate managed services offering	Interviews	80	20	20	20
H7	Fully burdened hourly rate for a project manager	Assumption	$50	$50	$50	$50
H8	**Subtotal: Project management investment**	**H5*H6*H7**	**$4,000**	**$1,000**	**$1,000**	**$1,000**
Ht	Research and development	H4+H8	$42,880	$10,720	$10,720	$10,720
	Three-year total: $75,040		**Three-year present value: $69,539**			

PARTNERSHIP MANAGEMENT

Evidence and data. According to interviewees, director-level partnerships resource inked the agreement with Microsoft around Intune Suite, bootstrapped and managed the practice, and drove growth strategy. The partnerships lead dedicated time to collaborating with their Microsoft counterparts, keeping abreast of any product developments, program changes, and incentives, and ultimately communicating any new information to the appropriate groups while adjusting partnership and go-to-market strategy.

Modeling and assumptions. Forrester makes the following assumptions in modeling partnership management investments:

- The fully burdened hourly rate for an alliances leader is $130.

Results. The three-year, risk-adjusted total PV (discounted at 10%) of partnership management is $23,000.

> "Intune Suite was a natural extension of our existing capabilities, so we needed a minimal amount of time to get started."
>
> SENIOR VP, AMERICAS

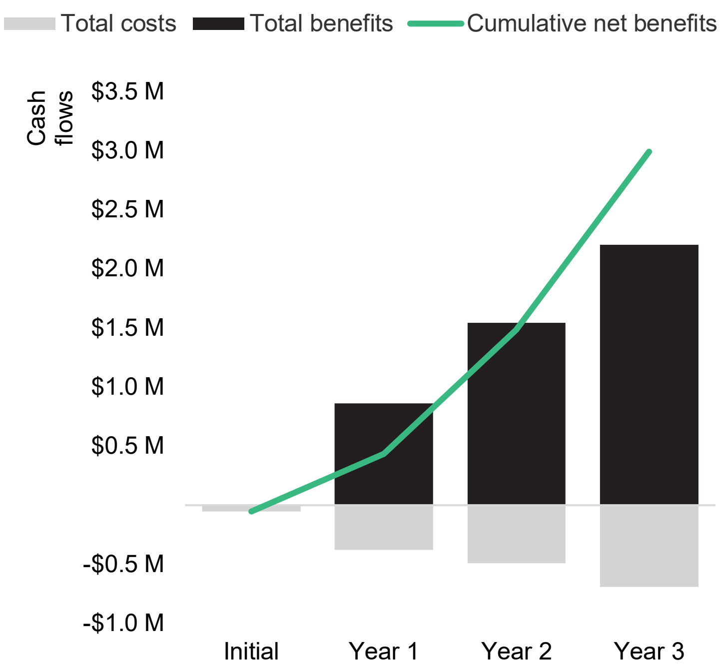
Partnership Management

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
I1	Partnership management FTEs	Composite	1	1	1	1
I2	Labor hours required to manage Intune Suite partnership	Interviews	80	40	40	40
I3	Fully burdened hourly rate for an alliances leader	Assumption	$130	$130	$130	$130
It	Partnership management	I1*I2*I3	$10,400	$5,200	$5,200	$5,200
	Three-year total: $26,000		**Three-year present value: $23,332**			

Financial Summary

Consolidated Three-Year, Risk-Adjusted Metrics

Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Revenue Streams and Investments sections can be used to determine the ROI, NPV, and payback period for the composite partner's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Revenue Stream and Investment section.

Cash Flow Analysis (Risk-Adjusted Estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total investments	($53,280)	($375,920)	($489,920)	($693,920)	($1,613,040)	($1,321,271)
Total revenue streams	$0	$861,000	$1,541,400	$2,202,000	$4,604,400	$3,711,007
Net benefits	($53,280)	$485,080	$1,051,480	$1,508,080	$2,991,360	$2,389,736
ROI						181%

APPENDIX A: TOTAL ECONOMIC IMPACT

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

Total Economic Impact Approach

Benefits represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization.

Costs consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

Present Value (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

Net Present Value (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.

Return on investment (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

Discount rate

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

Payback period

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total investment and revenue stream estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits Streams, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

APPENDIX B: ENDNOTES

[1] Source: "The Forrester Wave™: Unified Endpoint Management, Q4 2023," Forrester Research, Inc., November 20, 2023

[2] Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

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