



IT Solutions Provider Doubles Sales by Shifting Focus to Software Solutions

Overview

Country: Italy

Industry: IT Solutions Provider

Customer Profile

www.salato.it is an IT solutions provider in northwestern Italy that provides business solutions and consulting services to approximately 100 local small business customers.

Business Situation

To become more competitive and increase its revenue, www.salato.it needed to shift its focus from hardware to software solutions, but historically software has been a more difficult sale.

Solution

www.salato.it joined the Microsoft Small Business Specialist Community, which increased the company's technical knowledge and expanded its sales and marketing skills.

Benefits

- A competitive advantage based on brand recognition
- Increased revenue due to a strategic shift to selling software solutions
- Increased ability to help customers solve business problems

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Diego Salato, owner and president

www.salato.it is an IT solutions provider based in northwestern Italy. With three employees and two external freelance workers, the company has about 100 small business customers. Historically, these customers invest more willingly in hardware than software. Facing increased competition from computer stores that discount hardware, www.salato.it needed to find a differentiator that would boost its business. www.salato.it joined Punto Microsoft, which is the Microsoft® Small Business Specialist Community in Italy, to increase its technical knowledge and sales and marketing expertise. After a year, www.salato.it has changed its focus from selling hardware to providing solutions that help customers solve business problems. As a result of learning how to effectively sell software solutions, www.salato.it has tripled its sales of Microsoft products and doubled its total revenues.



“Through the Small Business Specialist Community, there is a way to increase our business, increase our customers’ business, and consequently improve the economy of our country.”

Diego Salato, owner and president

Situation

Located in the town of Salassa in the Turin province of Italy, www.salato.it serves the entire Piedmont region in the northwest part of the country. Founded in 2000, the company has three employees and two external freelance workers. A small but dynamic company, www.salato.it provides innovative business solutions and a breadth of knowledge in information technology. As a solution provider, www.salato.it offers three types of service and two types of products. Services include analysis and consulting, onsite helpdesk, and instruction and training. The products they sell are software (almost exclusively Microsoft) and hardware (mostly HP and Asus).

www.salato.it has about 100 customers, about 80 percent of which are shopkeepers or craftsmen with small networks consisting of three to five computers, with or without a server. In addition, the company has about 20 key customers, the majority of which are small companies with ten to 40 desktops and one or more servers. Typically, these key customers have five to ten office workers and from 30 to 50 factory workers. The majority of these companies serve the mechanical and plastics sectors of the automotive industry and are suppliers to Fiat Group, the largest Italian car manufacturer.

“Our mission is to use IT solutions to solve customers’ problems,” says Diego Salato, owner and president of www.salato.it. Typically, Salato and his staff meet with their customers to understand the business goals they would like to achieve—such as speeding up workflow, finding information more easily, or inventing new ways to do old work. “For these requirements and more, we usually have a solution. They are not magical but are based on an existing application. A great part of our work is to understand our customers’ needs and then show how a particular software solution can help them achieve their

goals. The key is the time in which the solution helps them access and share vital business information.”

Historically, the company’s customer base usually invests a lot of money in purchasing hardware, but typically, software has been more difficult to sell.

Virtually all of the software solutions www.salato.it provides are based on Microsoft products. Diego Salato has been personally certified as a Microsoft Certified Engineer since 1996 and his company has been a Microsoft partner since 2002. However, given that selling software was challenging, the company was interested in what the Microsoft Small Business Specialist Community had to offer. This program is designed to provide selected partners with increased technical knowledge, in addition to sales and marketing training to better reach and serve small business customers.

Salato explains a difficult issue his company faces. “In Italy there is now a strong effort to fight piracy. Until the activation of licenses through the Web several years ago, it was common to find that a company had purchased a Windows and Office license for one desktop and had copied the applications all the other desktops. Many customers were acting in good faith; they thought that one license was enough.” Salato hoped that Microsoft training would help him show the value of licensed software to his customers.

Solution

www.salato.it was primarily interested in the Microsoft Small Business Specialist Community because the company wanted direct contact with the Microsoft infrastructure. “We are a small company in a European country that is not a leader in software development. In our eyes, Microsoft is a very big, multinational company founded in a country that is the leader in information

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Diego Salato, owner and president

technology. Is the leap really very big? I thought so, but it isn't. In fact, we now have the ability to directly access Microsoft Italy for help and suggestions. Microsoft people have been very friendly and very helpful. We receive answers very quickly, either by e-mail or phone. This is important for us because, thanks to Microsoft support, we are able to provide technical solutions to our customers very quickly.”

The company also looked to the Small Business Specialist Community for technical and sales support. Regarding technical support, www.salato.it has taken part in several Microsoft TechNet Program meetings. The company finds it much more valuable to listen to Microsoft technical experts explain solutions quickly and simply, rather than rely on books for gaining knowledge. “This is the way, together with the webcasts, to learn faster and to be better updated on new technology,” says Salato.

Regarding sales support, the Microsoft Small Business Specialist Community has provided effective sales brochures, online webcasts, sponsoring material, and CDs that contain customer-ready presentations that explain Microsoft products. There are also meetings for selling and presenting products. This new perspective has helped the company sell the benefits of licensed software, such as critical updates and support, and has made it easier for the staff to explain the value of software solutions.

www.salato.it used to sell the OEM version of Microsoft software, because its customers bought software in small quantities and in combination with hardware. Now, thanks to the Microsoft Small Business Specialist Community, www.salato.it can present other types of offers. For example, the Open Subscription License—which allows customers to purchase a large amount of software, make payments over time, and

receive more service such as Software Assurance—is welcome news to customers on tight budgets. “This type of selling was difficult the first time,” comments Salato, “but with the help of our Microsoft representative, we are finally able to suggest the right solution for our customers. It is also important to sell the solutions that are currently being promoted in national newspaper and TV advertising. By having direct contact with Microsoft, we are informed and educated practically in real time.”

Benefits

Since joining the Microsoft Small Business Specialist Community, www.salato.it has gained valuable benefits, including a strong competitive advantage, increased revenues, and an improved ability to solve customer problems.

A competitive advantage based on brand recognition

Salato explains his competitive landscape, and how the Small Business Specialist Community has benefited his company. “Our competitors are local computer stores that compete only on the price of hardware, which puts us at a disadvantage. So we try to provide value through our consulting services.”

Salato says that having the Small Business Specialist designation in ads and on the company Web site is like showing a recognized brand to customers. “The Small Business Specialist designation can be very beneficial in advertisements that run in national newspapers, especially financial newspapers, as well as outdoor advertising posters on city streets. Every partner has to take exams to be qualified in security or mobility, for example. All of these things have given my company a recognized image.”

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Increased revenue due to a strategic shift to selling software solutions

As a result of the sales training the Small Business Specialist Community provides, www.salato.it has shifted its focus from hardware sales to software. “Software solutions are becoming more valuable to companies than hardware, because software solves business problems. If I sell a server, I don’t sell a ‘brand’ server but say to my customer: ‘I’m selling to you a Microsoft Windows Small Business Server.’ What that means is that I am connecting their business through Exchange, and providing access, security, and so on.”

The company’s customer base is responding enthusiastically to this shift in focus. “Our recognition as being a Microsoft specialist is how I explain the increase in our income,” states Salato. The company has tripled its sales of Microsoft-related products, earning €40,000 in the first three months of 2005, and anticipates revenues of around €130,000 by the end of the year. The company’s overall sales, which include both hardware and software plus services, are up 50 percent over last year.

The bottom line? “This year, thanks to the Small Business Specialist Community, I’ll triple my sales of Microsoft products and double my total revenues,” says Salato.

Increased ability to help customers solve business problems

The Small Business Specialist Community has helped www.salato.it in its mission to help its customers solve their business problems and boost productivity.

“For many customers, Office is only Word and Excel®, and they use only 20 to 25 percent of their capabilities,” says Salato. “When we provide advanced instruction, you should see the face of a user when they discover the Mail Merge function (‘Stampa Unione’ in

Italian), learn how to use Excel formula functions, or learn how to program macros. Now we are trying to show customers the enormous possibility of Project. We have also implemented Business Contact Manager, which has been well received by our customers. We think that Windows 2003 [Server™] and Navision are the two components that a small company needs”

Salato is very confident that Microsoft will meet his company’s need for future growth. “In my opinion, software is becoming a service—and we are the right people to provide that service because we have the knowledge and backing of Microsoft. Through the Small Business Specialist Community, there is a way to increase your business, and consequently the economy of your country, without having to invest a lot of capital or underpaying your workforce. The way to do it is to use your brains and the right tools, such as Office and Small Business Server.”

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: www.microsoft.com

For more information about www.salato.it s.a.s. products and services, call +39 0124.36338 or visit the Web site at: www.salato.it

Microsoft Small Business Specialist Community

Part of the Microsoft Partner Program, the Small Business Specialist Community enables partners to become qualified suppliers of small business solutions. The Small Business Specialist Community is the result of extensive research into small business needs and pilot testing of how partners can best profit by meeting those needs. Partners enrolling as Small Business Specialists have access to marketing materials and specialized training to enhance technical and consultative skills.

For more information on small business opportunities, go to:
<https://partner.microsoft.com/smallbusiness/>