

WHITE PAPER

The Key Role and Traits of Effective QBRs



“The days of speeds and feeds tech talk are over”

The Kaseya 2023 Global Benchmark Survey Report¹ cited increased competition as the biggest overall challenge for MSP executives, not just the challenge of acquiring new customers.

It noted that MSPs can differentiate their services and highlight their unique value proposition by investing in marketing and sales efforts. Additionally, this will strengthen their client relationship and monthly recurring revenues (MRR).

On a similar theme, CompTIA's IT Industry Outlook 2023² stated that the key factors to unlock growth and performance in 2023 would be the ability to drum up business from new customers, building the pipeline and making improvements to, and investing in, both sales and marketing functions.

The CompTIA report noted that “understanding customer needs, spending priorities and constraints would be a crucial ingredient for channel success. For years now, the industry has seen a slow but steady shift in who is holding the purse strings when it comes to technology decision-making and procurement. More and more line-of-business executives today own tech budget, and routinely make critical purchasing decisions for their departments and staff – both with and without the involvement of an internal IT department.

What is completely clear is that everyone today is a potential customer of technology. Consider the following: 17% of channel firms said they sell to a business owner/president, 26% sell to business executives, 31% sell to an IT department person and 26% sell to all three.”

CompTIA concluded that “the days of speeds and feeds tech talk as the main sales call vernacular to the IT guy are largely over”. Buyers today want a channel provider that has unique knowledge of their business mission, operational needs and goals.

This shift in conversation toward a clients' business goals and outcomes is a learning curve for many channel firms, but the skill will be essential moving forward as part of overall improvements to customer experience and sales effectiveness.

This has necessitated change within channel firms seeking to work with these customers, especially with respect to sales techniques and activities, as well as marketing messaging and the choice of conduits for communication.

1. “2023 Global MSP Benchmark Survey Report”. Kaseya, March 2023. ©2023 Kaseya Limited.

2. “IT Industry Outlook 2023”. CompTIA, November 2022. © CompTIA, Inc.

Business-focused QBRs are a 'Must-Have' Priority for MSPs

A key tool to help service providers acquire new customers, transform their client conversation and define the roadmap is Quarterly Business Reviews (QBRs), specifically QBRs that align to a clients' business goals and priorities.

Such is their importance that Service Leaderships' 2023 Annual IT Solution Provider Industry Profitability Report™ names QBRs as one of the five Operational Maturity Level™ Traits that tend to influence profitability and growth most significantly.

"A key trait of top performing TSPs is that they leverage QBRs as a key relationship-building and management activity that directly and continually engages the customer C-level.

TSPs at Operational Maturity Level 5 experience about 2.5x higher profitability compared to OML 3. Additionally, they experience over 17% higher overall gross margins and over 10% on managed services GM%. Also, they maintained about 5% higher margins on product.

Effective QBRs help to implement standardized technology stacks to the customer, which drives higher services gross margins. QBRs that are led by a customers' business goals for the next 1-2 years will help them achieve those goals."³

Key characteristics of effective QBRs are:

- They focus on a clients' business goal and priorities, and how the MSPs services will help them achieve those goals and priorities.
- It is worth repeating CompTIA's observation that "the days of speeds and feeds tech talk as the main sales call vernacular to the IT guy are largely over." The conversation has "shifted toward a clients' business goals and outcomes".
- They are written to engage a broad audience including the client C-level.
- As highlighted by CompTIA, multiple stakeholders and line-of-business executives in a client business can own tech budget and will rely on IT to achieve their own goals and objectives.
- They are used to align the MSPs technology stack to the customer needs, which, as noted above is an essential step to driving higher service margins.

The 2023 Annual IT Solution Provider Industry Profitability Report™ also notes that top performing TSPs have a systematic process for doing QBRs that discuss current and future business plans, making the TSP a strategic business partner for their clients.

3. Extracted with permission from the 2023 Annual IT Solution Provider Industry Profitability Report™, the industry's leading analysis of IT solution provider financial and operational performance and trends. © Service Leadership Inc.

getKambium - The Strategic Sales & QBR Tool for MSPs

getKambium fundamentally changes the way TSPs engage, demonstrate value, and manage roadmaps with prospects and clients.

Top performing TSPs are laser-focused on their clients' business goals and how their services will help them achieve those goals.

getKambium provides a seamless, systematic process to understand and tailor recommendations to a clients' business goals, as well as recommendations aligned to your technology stack, and recommendations that provide the baseline for strategic, goal focused QBRs that can be prepared in minutes - not days.

Effective Discovery and QBRs to maximise customer retention and growth.

To find out more contact Ian McDonald,
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or check out the getKambium webinar with
Peter Kujawa, [Service LeaderShip talking QBRs](#)