



VMware Education Partnership

CASE STUDY

Education Sales and Operations

BEST-IN-CLASS STRATEGY SOLUTIONS

Key Metrics



10 YEAR
partnership



23% AVERAGE
revenue growth YOY



11% GROWTH in
average transaction
volume YOY

Business Challenges

Demand for Revenue Growth

Clients that leverage the robust training and education that VMWare offers are happier and more likely to renew. To ensure customers take recommended training, VMware offers Training Credits as well as Professional Services Credits (PSO Credits) which can help cover customer training expenses. Without someone proactively managing consumption, PSO Credits went unused and expired. This meant VMware Education was missing out on the opportunity to turn those credits into training revenue. In order to achieve their financial goals, VMware Education needed a solution dedicated to helping customers consume their PSO Credits on training products before expiration.

As VMware's business evolved, so too did their challenges. Concerns over proactive PSO Credit management were quickly compounded by the need to sell more education products to net new prospects. This shift in direction meant VMware Education needed more than just people running credit consumption plays; they needed a partner who could supply sales strategy, resources and processes that scale with their changing business needs.

Objective

A People-Powered Solution that Scales

To avoid revenue loss related to unused PSO Credits, VMware Education needed resources to proactively consult with customers on credit utilization in advance of expiration. This required people. People experienced in aligning education offerings with customer needs. Instead of taking on the time, expense and risk of hiring more headcount, VMware Education partnered with ESG. ESG supplied a team of experienced sales professionals who focused exclusively on managing PSO Credit 'burn down'. These inside sales representatives prioritized accounts based on credit expiration and size of dollar balance. Then worked with each account to 'burn' existing credits on courses with immediate impact and upsell additional courses for longer-term objectives.



VMware, a global leader in cloud infrastructure and digital workspace technology, accelerates digital transformation by enabling unprecedented freedom and flexibility in how our customers build and evolve IT environments. With VMware solutions, organizations are improving business agility by modernizing data centers and integrating public clouds, driving innovation with modern apps, creating exceptional experiences by empowering the digital workspace, and safeguarding customer trust by transforming security. VMware is a member of the Dell Technologies family of businesses.

When business goals shifted to incremental revenue growth, VMware Education looked to ESG to help them navigate the change. ESG assessed what resources were necessary to drive more net new training customers and scaled the tools and team accordingly. This flexibility allowed VMware to focus on more complex initiatives. As time went on, the relationship between ESG and VMware Education flourished. ESG's scope of work expanded to include managing open enrollment and online learning registration as well as consulting customers on recommended training paths to achieve Certification. Taking on more responsibility meant ESG needed to reassess how to analyze and report on continued progress. Weekly reports and pacing forecasts were created to offer sales managers and representatives greater insight into the impact their actions have on the business.

Results

Year-Over-Year Transaction & Revenue Growth

VMware Education and ESG began their partnership in 2009. Over the years, the scope of the relationship has evolved to adapt to changing business needs. Yet one thing has remained consistent – Results. From 2011 to 2016 transaction volume grew 11% each year on average. This equates to a 23% average growth in revenue year-over-year.

How has ESG kept the momentum going? With scale. ESG resources shift to manage costs and align with new goals when conditions change. Sales activity is adjusted to meet changing needs while maintaining focus on improving key metrics such as PSO credit consumption rates and incremental sales volume. In turn, ESG provides analytics that uncover valuable insights beyond what VMware Education could identify on their own. These insights foster ideas that promote further growth. Ongoing sales success and unique flexibility are what fuel the continuing partnership between ESG and VMware Education. With ESG, VMware Education can quickly adapt to changing environments, reap the benefits of a talented sales team without HR headaches, and better position themselves for long-term success.