

Channel Program Trends

Engaging Tomorrow's Solution Providers

Continuing Education for IPED Channel Masters

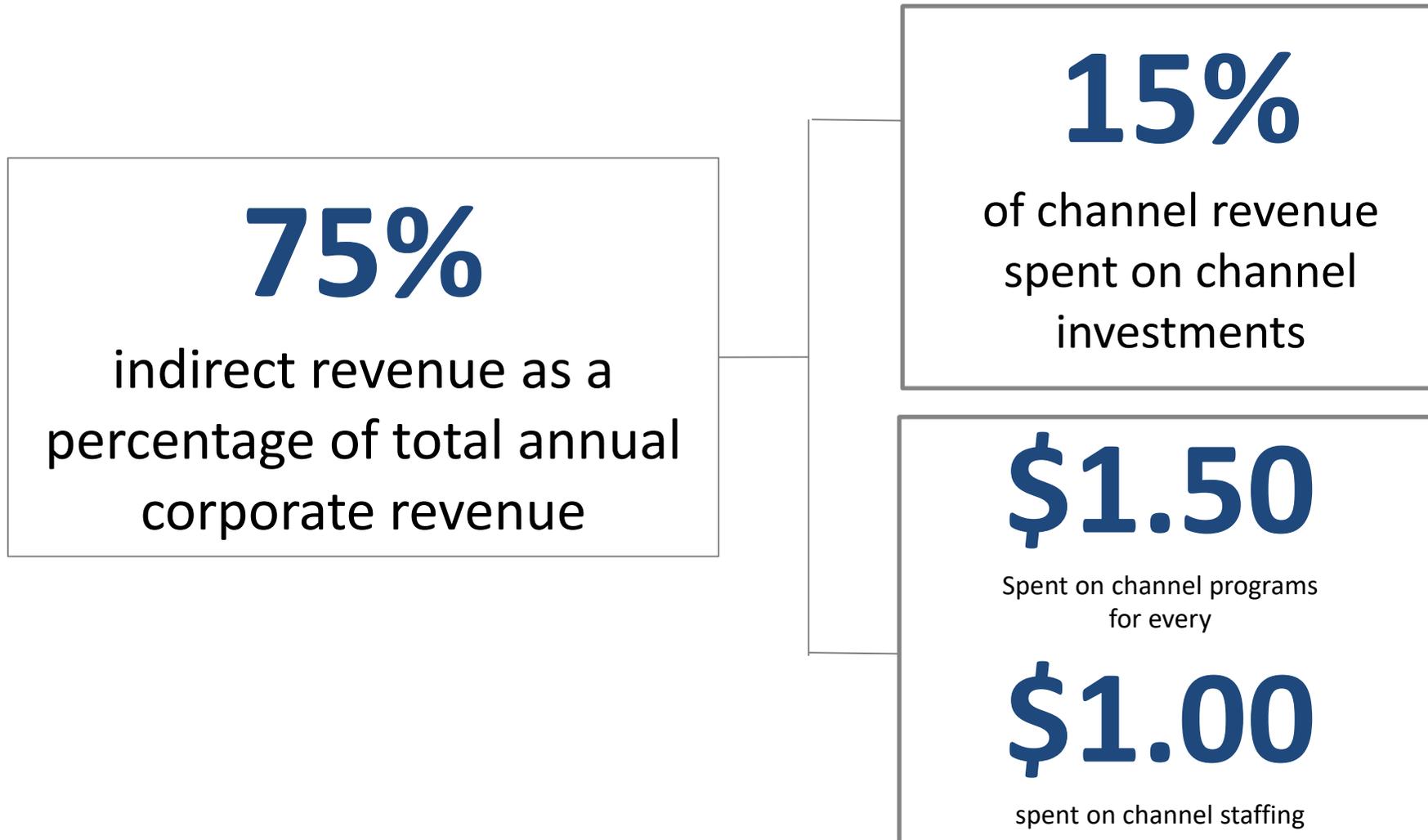
Data Sources

- Annual CRN Partner Program Guide (281 vendors)
- CRN Annual Report Card (>3,000 solution providers)
- Annual Vendor Benchmark (~100 vendors)
- Extensive channel program assessment & design consulting projects
- Bi-annual Channel Masters trainings (<700 students from 155 companies)

ChannelMasters®



Vendor Spending on Programs & Staff



Source: IPED Annual Vendor Benchmark

Program Trends



**PARTNER TYPES
& ENGAGEMENT
MODELS**



**ENABLEMENT
& TRAINING**



**SALES SUPPORT
& TOOLS**



**PROFITABILITY
DRIVERS**



**MARKETING FUNDS
& SUPPORT**

Program Trends



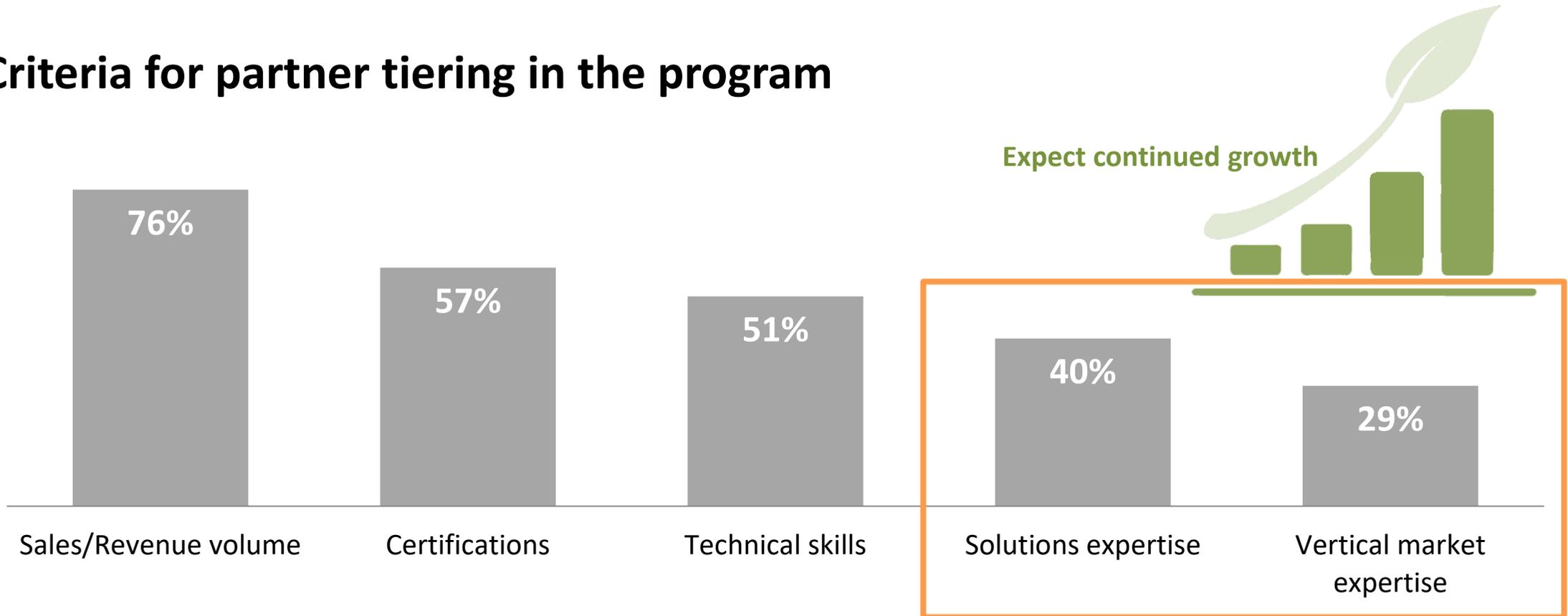
PARTNER TYPES & ENGAGEMENT MODELS



- **CORE BUSINESS MODELS** MSP/CSP, Hybrid service provider
- **EMERGING BUSINESS MODELS** Digital agencies, OT/IT hybrids
- **TRANSACTIONAL MODELS** Value and Volume:
Resale, Sell-To, Consumption/Subscription

Value-based Partner Programs are the norm; increasingly recognize and reward solution, vertical and services expertise

Criteria for partner tiering in the program



Cisco: Diverse Ecosystem Model & Commitment to Collaboration



Focus on cultivating emerging partner types:

- OT integrators (IoT – operational)
- Solution Technology Partner (STP)
- Digital integrators
- Application developers

68,000 Partners

The solutions you need. The partners you trust.
All working together.

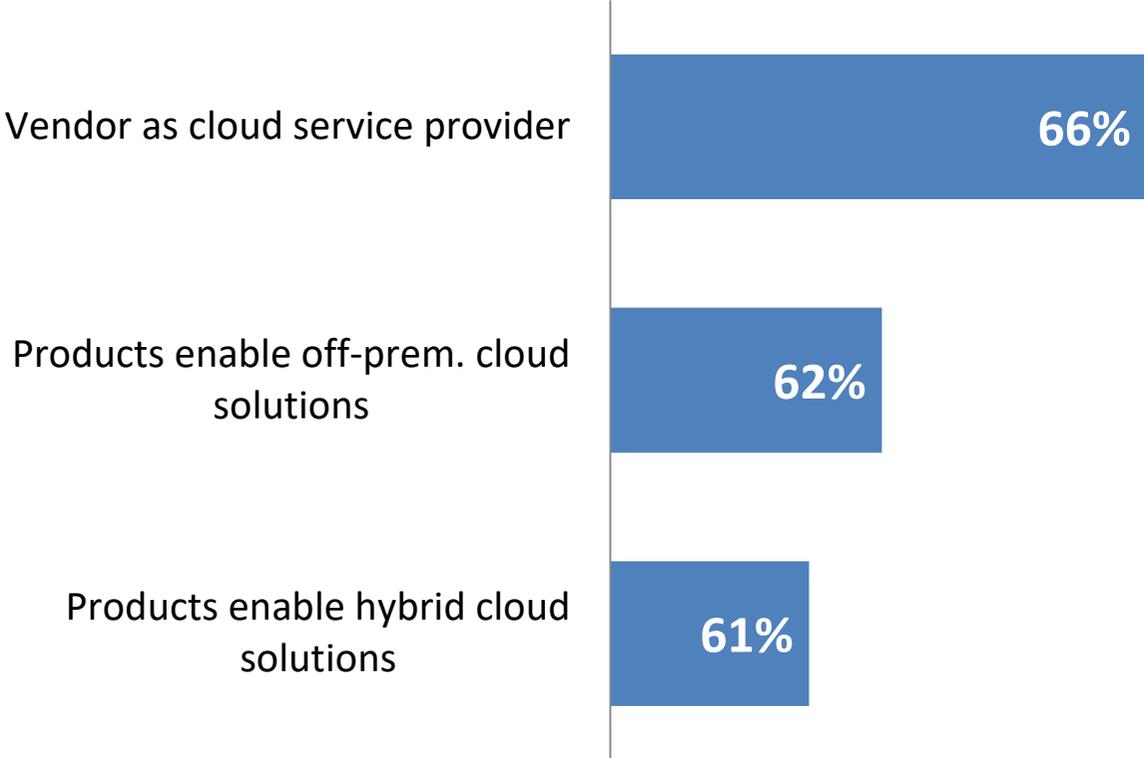
The Cisco Partner Ecosystem is transforming
the digital future. Meet our partners at

www.cisco.com/go/meetpartners

The “Ecosystem Effect”

Cisco conducted 1356 ecosystem enablement events in
the last fiscal year, encouraging ISV, IHV, DSI and
VAR/solution provider connections

Programs attract diverse partner types; cloud is now a mainstream product and partner offering



of vendors' **core channel program** supports the company's cloud products & services

87%

of vendors offer partners **annuity revenue or subscription** services to sell or deliver

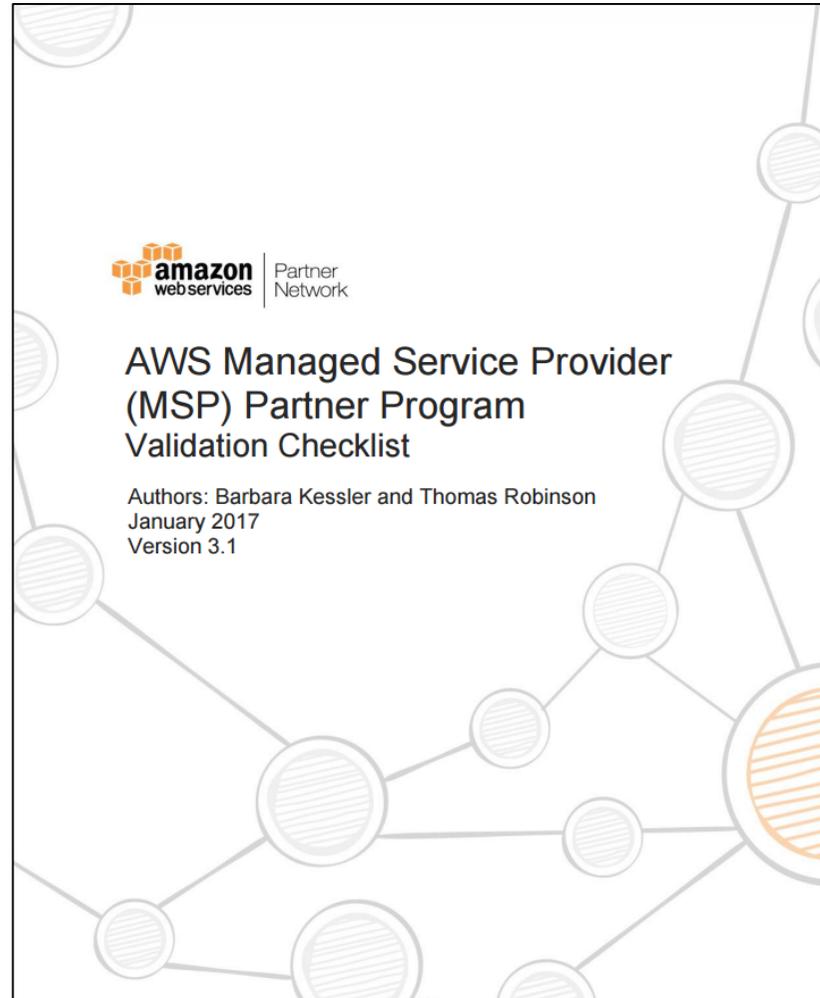
AWS MSPs: Stringent Recruitment Audits and Program Fees



Emerging vendors are NOT encumbered by the past

Building programs that meet their needs sometimes contradicting traditional behavior

- i.e. AWS Managed Services Program
- Requires validation by 3rd party audit firm
- \$3,000 USD audit fee + related travel expenses if applicable
- Represented as “Audited Managed Services Partners” on AWS website/marketplace
- According to AWS Partner finder = only 113 MSP partners



Audit Elements:

- APN membership
- Business Health
- Partner Capabilities
- AWS Services & Knowledge
- Business Mgmt. Practices
- Billing & Cost Mgmt. Processes
- Solution Design Capabilities
- Infrastructure & Application Mgmt. Capabilities
- Security Mgmt.
- Service Desk Ops. & Customer Support
- SLAs Mgmt. & Optimization
- “Customer Obsession” rating
- Service Reporting

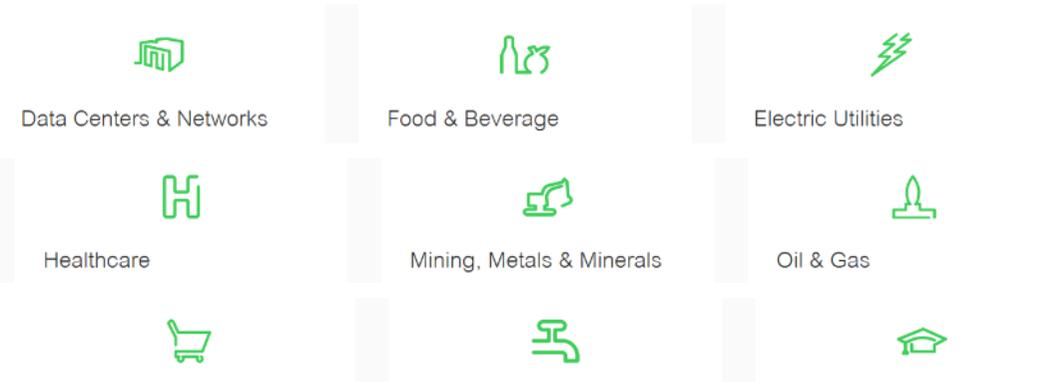
EcoStruxure™ - IoT-enabled architecture and platform

EcoStruxure is an open, interoperable, IoT-enabled system architecture and platform. EcoStruxure leverages advancements in IoT, mobility, sensing, cloud, analytics and cybersecurity to deliver Innovation at Every Level. This includes Connected Products, Edge Control, and Apps, Analytics & Services

Offerings

Verticals & Use Cases

Verticals & Use Cases



Master Builders, Electrical Contractors, etc.



A truly certified experience.

Through tiered competency training paths, your employees gain the industry knowledge and skill sets needed to enable smarter buildings, more reliable infrastructures and optimized energy efficiency.

Certifications

Offering five competency tracks with two certification levels: **Certified EcoXpert** or **Master EcoXpert**.

- Building Management Systems
- Critical Power
- Light & Room Control
- Data Connectivity
- Connected Power



Specializations

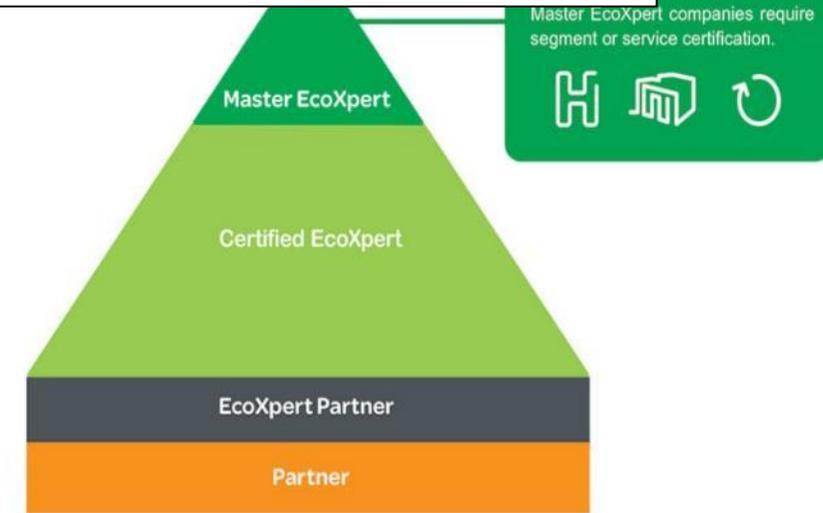
Advanced training on the criticalities faced by customers – and the solutions that resolve these industry challenges:



Call to Action

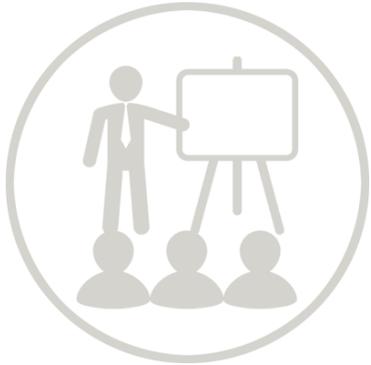
In Short

- ✓ Offerings
- ✓ Roles/Biz Models
- ✓ Verticals & Use Cases
- ✓ Call to Action

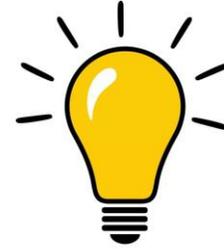


The EcoXpert program is built on a tiered structure, using a combination of badges and certifications. Today, there are 2 badges and 3 certifications available in the US.

Program Trends

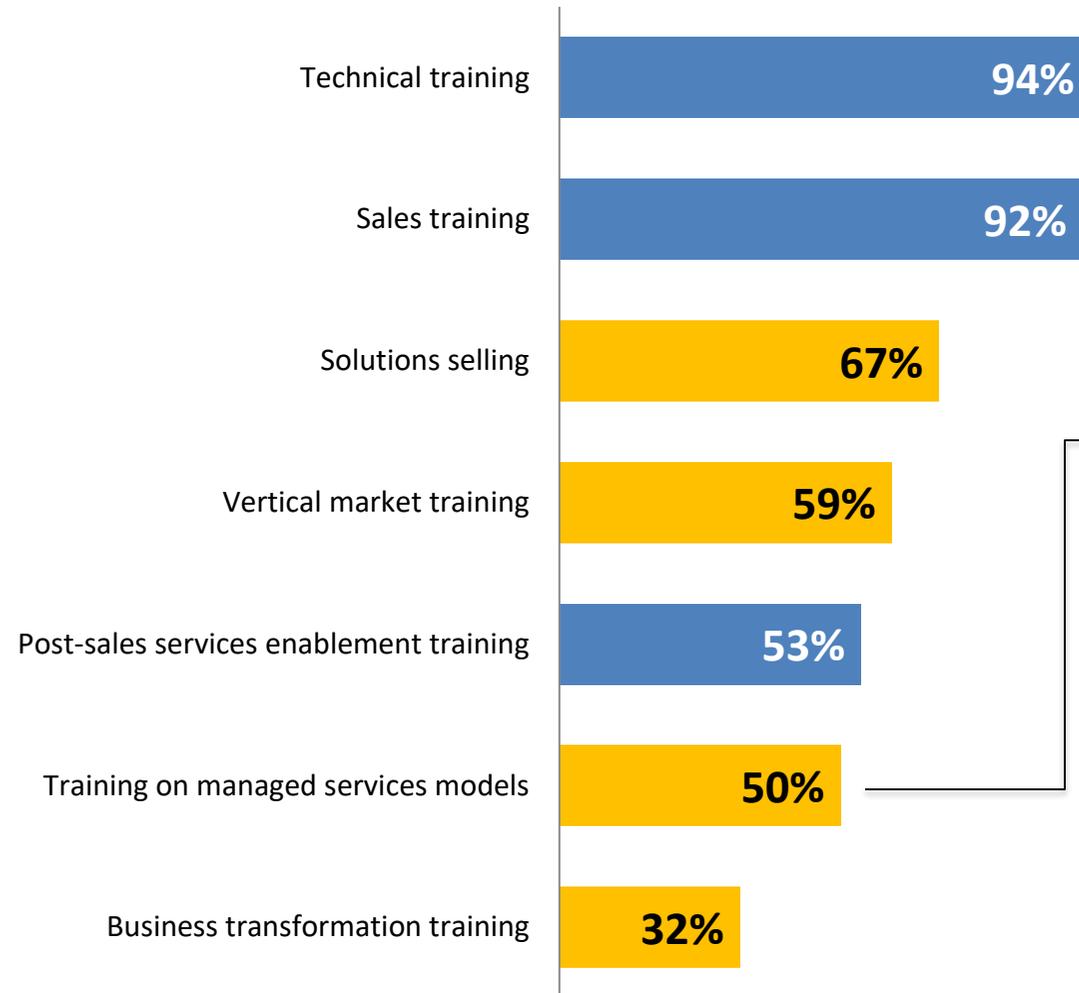


ENABLEMENT & TRAINING



- **SKILLS HONED** Holistic – sales, technical, service-delivery & marketing
- **CONTENT FOCUS** Solutions, with a focus on hybrid on-prem. & cloud
- **VEHICLES USED** Combination of online, classroom, labs and field mentoring
- **CERTIFICATIONS** Vertical market, solutions, service-delivery

Diverse training curriculum focuses on business model transition, services success & vertical market solutions

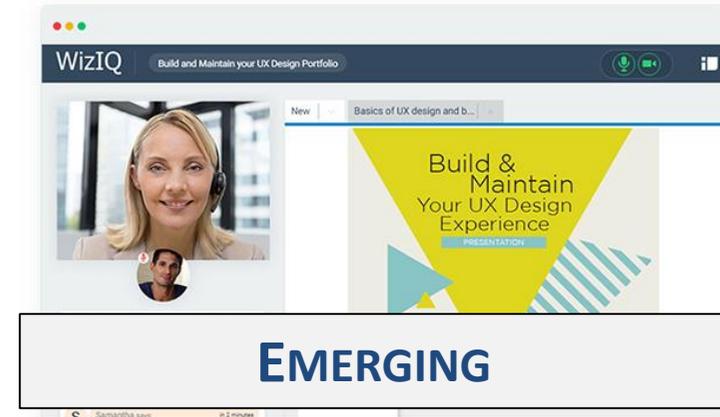


Large appetite for legacy VAR and SI's to get access to best practices in recurring revenues services and selling hybrid cloud solutions

Emerging training vehicles are cross-functional and both HQ and field-driven



- ✓ Self-paced online sales training – 83%
- ✓ Virtual instructor led – 73%
- ✓ Classroom technical training w/cert. test – 59%
- ✓ **Hands-on technical labs – 51%**



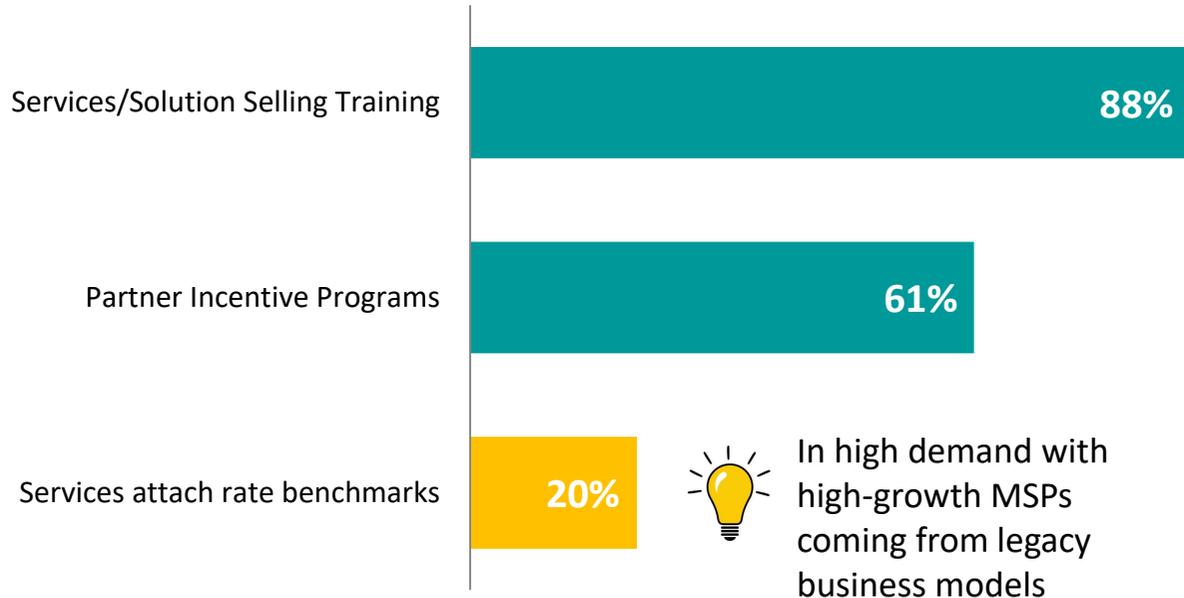
- ✓ **Hands on sales training w/whiteboarding - 82%**
- ✓ Virtual technical labs – 41%
- ✓ **Marketing skills training / certification – 24%**
- ✓ Business model transformation training – 18%

Service Sales and Delivery Enablement

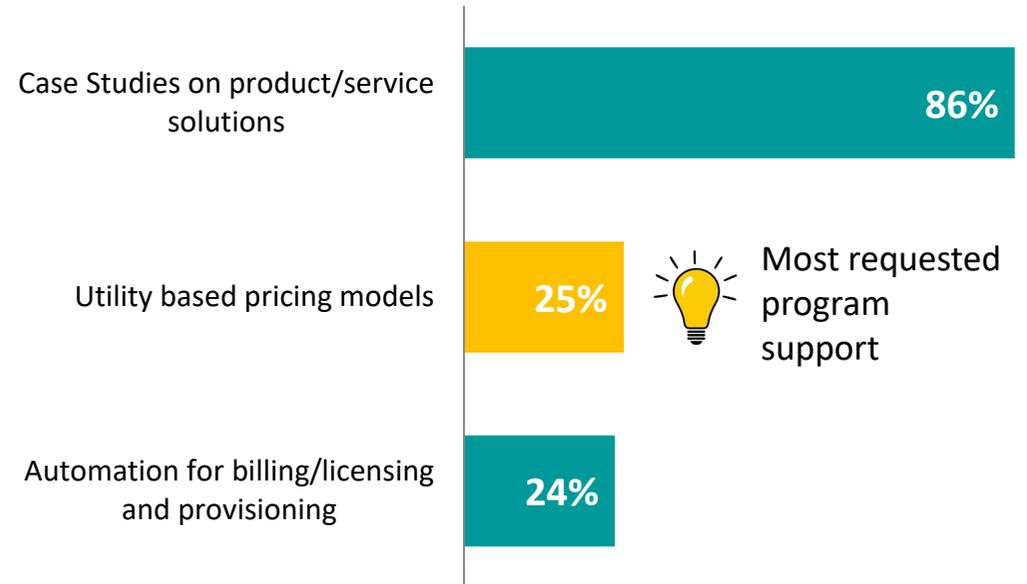


Open sharing of service delivery methods, tools and IP now considered best in class for enterprise class hardware and software solutions

SERVICE ATTACH - RESALE



SERVICE CREATION & DELIVERY



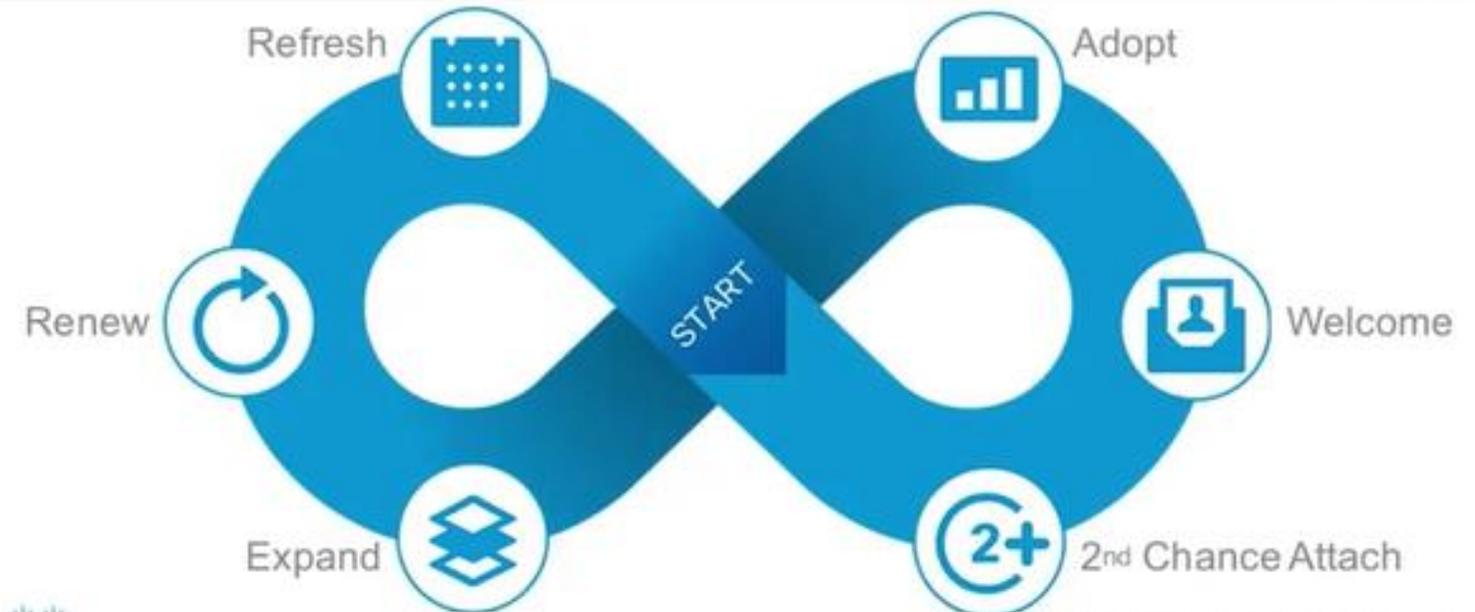
Cisco Lifecycle Advisor Program



- Helps partners build and reward investments in Lifecycle practices
- Supports partners recurring revenue services and Cisco's investments in subscription services
- **Program Support:**
 - ✓ Adoption workshops
 - ✓ Digital sales & marketing platform
 - ✓ SuccessHub portal
 - ✓ eBooks, planning guides, webinars
 - ✓ ROI calculator, Customer Success Index
 - ✓ Subscription expansion incentives

Creating the customer experience

#successtalk



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Microsoft: Cloud Transformation Playbooks

8
Playbook
Topics

Playbooks designed to grow the solution provider's cloud practice on Microsoft:

- Accelerate and optimize your Azure practice in every phase.
- Drive new revenue opportunities, marketing strategies, and lead-capturing tactics.
- Gain access to the technical skills and resources that will keep your team ahead of what's next.

Answering questions, such as:

- How do I determine what Cloud Solution I should offer?
- What kind of team and resources do I need to get started?
- How do I go to market with Azure?
- What do we charge customers? How do we charge them?

A proven plan

Not sure where to start or looking for more guidance? Follow these steps to integrate new cloud offerings and expand your business.

[Learn more >](#)

Join the community

Connect with partners who have expertise in adding desktop solutions to their practices.

[Check it out >](#)

Microsoft: Cloud Transformation Playbooks

Built in collaboration among the Microsoft One Commercial Partner group and 12 successful Azure partners

Plus

A survey of 364 Azure partners selling cloud migration services



CONTRIBUTING PARTNERS

Attunix	Hanu
BitTitan	Sentia
CAPSiDE	Inframoon
Clear People	Intercept
Cloud Direct	Rackspace
Daisy Group	TCS

ABOUT THIS PLAYBOOK

PAGE 5

Table of Contents

About this Playbook	2	Availability Options	79
Digital Transformation	5	Customized Virtual Machine Images	80
The Cloud Migration Opportunity	10	Migrating to Virtual Machines	81
Define Your Strategy	11	Migrating Disks	82
The Big Picture of Migration	13	Migrating VMware Workloads	84
Identify Your Target Customers	14	Migration Tools	85
Define Your Service Offering	16	Business Continuity	87
Defining Your Pricing Strategy	20	Migrating Existing VMs to CSP	88
Apply for Azure Incentive Programs	22	Migrating Databases	89
Build Your Migration Practice	24	Modernizing Apps	91
Landing a Migration Project	25	Modernizing Applications with Azure	93
Executing Your First Migration Project	28	Cloud-Native Architecture and Design	95
Leverage Reusable IP	29	Cloud Design Considerations	97
Managed Applications	31	Cloud Design Patterns	99
Managing a Migration Program using a Migration Factory	32	Azure DevTest Labs	100
Guide: Optimize and Grow	33	Migrating Applications to Azure App Service	103
Hire & Train	34	Microservices and Containers	105
Building a Migration Team	36	What is Docker?	106
Job Descriptions for your Migration Team	37	Modern Data Platform	107
Reskilling for the Cloud	44	Cognitive Services and AI	109
How is the Cloud Different?	45	Optimize & Manage	110
Hiring and Onboarding	46	Cost Optimization	112
Azure Certifications and Exams	47	Azure Cost Management	113
Migration Assessment	53	Automatic Shutdown of VMs	123
Discovery	55	Optimized Architecture	125
Planning	59	Azure Management Best Practices	131
Evaluation	65	Azure Subscriptions	132
Lift & Shift	67	Resource Organization	135
Building Out the Network	69	Controlling access to Azure Resources	136
Network Appliances	73	Security and Compliance	137
The Virtual Data Center	74	Infrastructure as Code	138
Enabling Hybrid Identity	75	Azure Resource Manager Templates	139
Planning for Storage	76	Automated Scripts	140
File Shares	77	Azure SDKs and REST APIs	141
Choosing Virtual Machines	78	Playbook Summary	142

Program Trends



SALES SUPPORT & TOOLS



- **SALES SKILLS IN FOCUS**
- **PRE-SALES EFFORTS**
- **SALES CYCLE TO SUPPORT**
- **CO-SELLING SUPPORT**

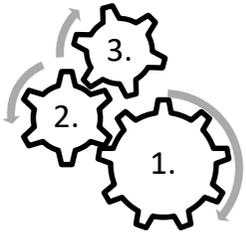
Business value, financial modeling,
cloud transformation

POCs, trials, real-time online demos

Land, expand, adopt, renew;
hybrid on-prem./cloud is default

Alignment of direct and channel on target
markets, solutions and value propositions

Sales support is most wanted to support shift to recurring revenues and selling targeted solutions to high-growth verticals



Enhance our **sales methodology** and approach - **43%**



Enter a **new customer segment** or vertical - **30%**



Increase our **sales staffing** - **28%**

HP University: Focus on next-gen. sales skills to drive contractual vs. transactional revenues



Three areas of focus:

1 SALES SKILLS

Classroom/virtual:

- Strategic Solution selling
- Executive Level Selling
- Intro to Inside Selling
- Hunting: New Business Development
- Relationship Mapping
- Storytelling

Self-Paced:

- Creating a win strategy
- Effective client communication
- Meeting and call planning
- Fundamentals of negotiation
- Intro to business case development
- Social selling
- Financial Acumen

2 CERTIFICATIONS & SPECIALIZATIONS

New volume certifications:

- Business PCs
- Printing hardware
- Supplies

Specializations:

- Sales certifications
- Technical certifications
- Advanced certifications

3 PRODUCT TRAINING • Print and Personal Systems



TRANSACTIONAL

- Feature and price driven selling
- Procurement driven
- Reactive



CONTRACTUAL

- Solution selling and contractual selling
- Sales, consultancy and services
- Selling at the C-level
- Certifications in critical capabilities

Sales Campaign & Target Market Alignment: Direct & Indirect Selling

SUPER SIX Sales Initiatives:

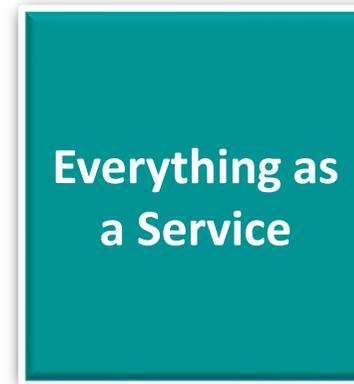
- Led by the corporation's Chief Sales Officer
- 6 core GTM initiatives each with a defined TAM and \$\$ growth target
- Drives a focused set of corporate initiatives that trickle through HPE's direct and indirect sales efforts
- Shows up in the PartnerReady channel program in:
 - Training and competency structure
 - Sales tools
 - Marketing campaigns
 - Service delivery engagement



Short-term (2-3 years)



Long-term (now to the next 10 years)



Sales Support: Fortinet FortiExpress



Two 90' articulated 18 wheeler's dedicated to delivering Advanced Threat Detection;
1200 sq.ft. showroom & classroom



- Lunch n' Learns
- Open house networking
- Digital signage
- Demos & presentations
- Technology showcase



Program Trends



PROFITABILITY DRIVERS



✓ **PRICING MODELS**

Resell, sell-to, subscription, commissions referral/agent, consumption

✓ **RANGE OF INCENTIVES**

Automation supports increasing shift to value-based performance incentive & customer lifecycle services

✓ **COST OFFSET**

Discounted training, creative use of MDF, Business development funds

Deal Registrations now drive multiple selling behaviors & teaming

88% of vendors offer Deal Registration support

-----> Only 11% of these require registration without financial incentives



43% offer deal registration incentives for direct-closed deals

27% offer deal registration incentives for deals closed by another partner

Consumption Based Pricing Models



Biggest Obstacles When Working With Strategic Vendors?

#1 Pricing models that supports a XaaS model

HP Device as a Service (DaaS)

Smart, simplified computing solutions for today's world

Products & Services / Unified Communications / End-of-Sale and End-of-Life Products / Cisco Unified Communications Software Subscription / Data Sheets

Cisco Unified Communications Software Subscription

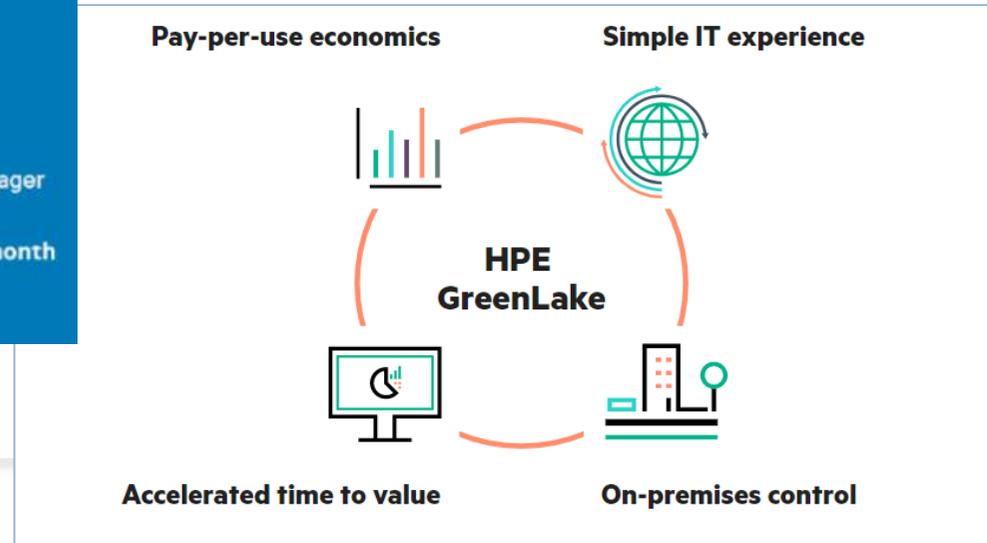
Dell PC as a Service

Latitude 5480
+ ProDeploy
+ ProSupport
+ Asset Return
+ Services Delivery Manager
3 year term
Starting as low as **\$45/month**

FORTINET Products Threat Research Solutions Support & Training

Security Subscriptions:

 Application Control	 Antispam	 Antivirus	
 Credential Stuffing Defense	 Database Security	 Domain Reputation Service	 FortiCloud Sandbox



Total Partner Contribution & Incentives



Salesforce.com Consulting Partners: Partner Value Score (PVS)



Both partner-sourced and co-sell dimensions

Year over Year

Technical Sales Service Developer

Emerging product focus or specialized services in 1 of 5 target vertical markets

Automated survey over a rolling 18 month timeframe

Referenceable customer projects



Program Trends



MARKETING FUNDS & SUPPORT



✓ **MARKETING SKILLS**

Digital lead nurturing and brand building/differentiation

✓ **DEMAND GEN. FOCUS**

Sustained thought leadership
inbound communications

✓ **MARKETING AUTOMATION**

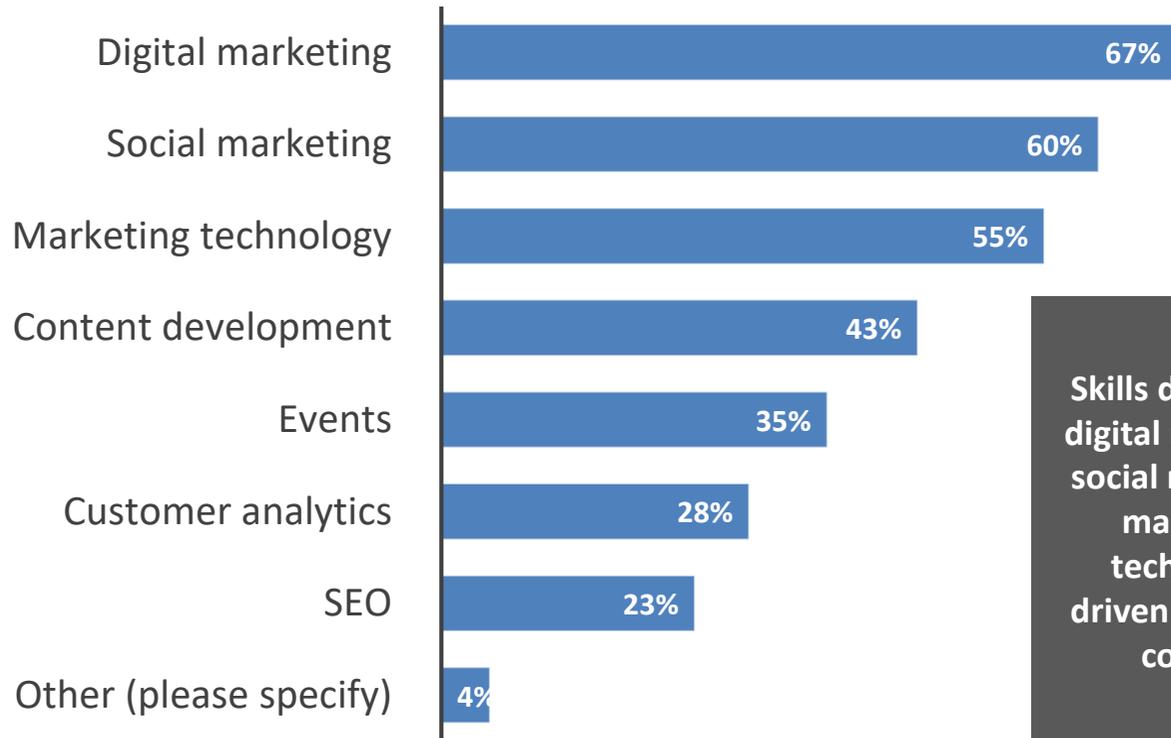
Full digital marketing platforms;
connected to SFA & Deal Reg. systems

✓ **MDF ALLOCATION**

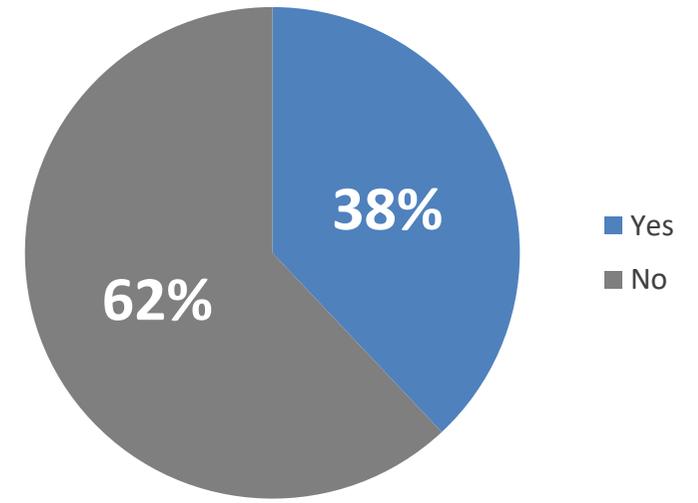
To strategic growth partners (not just largest) based on plan & proposal

Investing in Marketing Staff with Digital Marketing Skills

SKILLS DESIRED IN NEW MARKETING EMPLOYEES



Skills desired are digital marketing, social media and marketing technology, driven by unique content



Plans to hire more full-time marketing employees in next 12-18 months?

How many will you hire? **3**

Source: IPED State of Partner Marketing

Marketing support now often includes concierge services and digital automation platforms

45%

Provide access to an automated marketing platform

20%

Provide full-service marketing support through 3rd party providers



Vendor Managed Campaigns: Subsidized MDF program through concierge agencies



INTRODUCTION
HPI FUNDED MARKETING PROGRAM
FOR SELECT HPI PARTNERS



INTRODUCTION
Why Participate?

- Zero Cost**
HPI is completely funding the program for you to help you drive sales.
- 5 Minutes**
Our program only requires a couple minutes of your time each month.
- Impress Customers**
Stay top of mind with your customers so the next time they have IT needs, they think of you.
- Great Content**
We craft topical articles each month to engage your subscribers. We also feature offers from HPI for them to take advantage of.
- Grow Business**
Generate more business and increase your product sales.



INTRODUCTION
Lead Generation



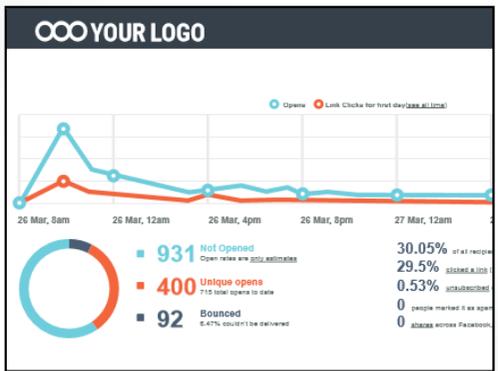
We use a combination of action emails and telemarketing to deliver leads to participating partners.

You will also be rewarded for sharing your HPI sales results with our Gift Card Incentive Program.



INTRODUCTION
Real-time Results

You can track results in real time.



-  Sends
-  Opens
-  Clicks
-  Live leads
-  Nurtured leads

Example of a turn-key campaign sent to Silver partners. Full-service agency is OneAffiniti

MDF funding allocations increasing in 2018 as well as breadth of eligible partners

MORE MARKET DEVELOPMENT FUNDS (MDF)



46% of vendors plan to **increase** MDF dollars to partners in 2018

16% of vendors plan to increase MDF **by more than 50%**

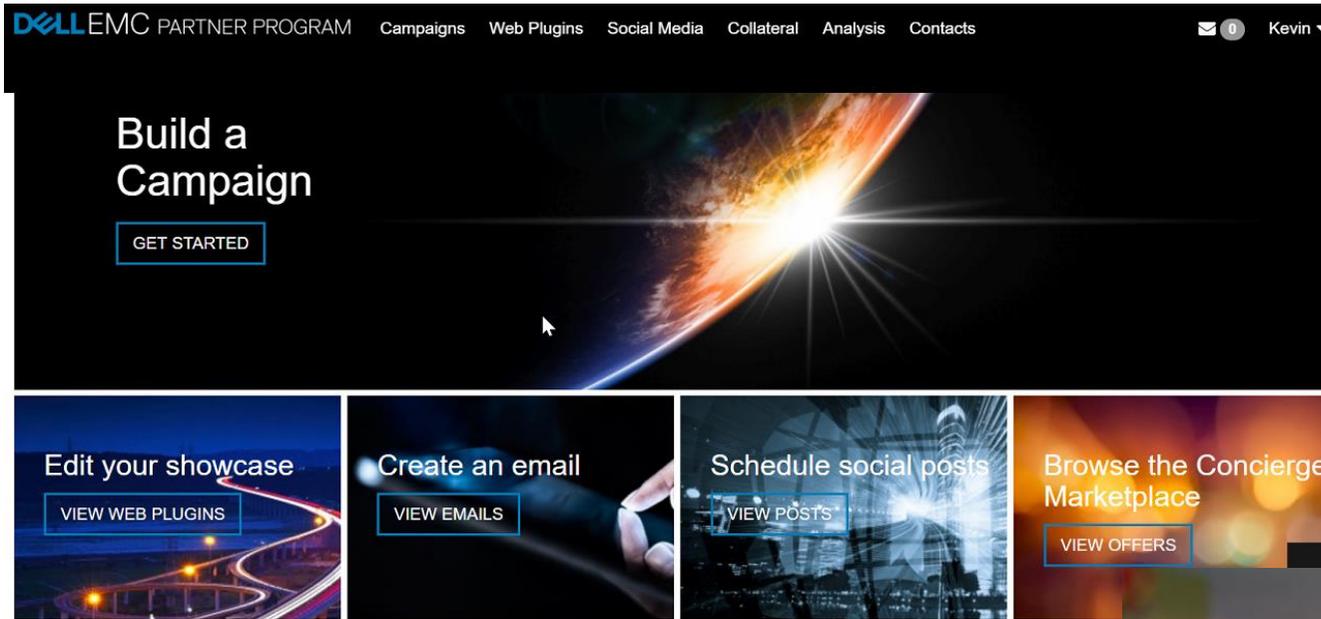
TO MORE PARTNERS



58%

of vendors plan to give **MDF to more partners** in 2018

Digital Marketing Platforms



- ✓ Simple portal - straightforward interface
- ✓ Robust self-serve content
- ✓ Easily customized content (e.g., client microsites branded to the partner)
- ✓ Automated access to proposal-based MDF
- ✓ Easy marketing automation to monitor digital lead nurturing campaign responses

datto

Search Campaigns Quick Links Access the Digital Marketing Platform Help Center



Source: IPED State of Partner Marketing

- Launch lead generation campaigns
- Create custom co-branded collateral
- Boost web and social media presence
- Gain insight into leads while managing the sales process



Actionable Intelligence to Grow your Channel

IPED Consulting
Channelytics®



Research

- Market Intelligence
- Trending Data
- Vendor Imperatives



Insights

- Expert Perspectives
- Proven Practices
- Operational Guidance



Tool Sets

- Frameworks & Guides
- Playbooks & Templates
- Channel Primers



Advisory

- Research Readouts
- Inquiry Appointments
- Executive Briefings

CRN

Partner Databases

- SP500
- MPS500
- + More Lists & Awards

- ▶ Research on topics at the forefront of the channel
- ▶ Actionable insights to fully leverage the data
- ▶ Playbooks and tools for quicker execution
- ▶ Advisory services tailored to your objectives
- ▶ Executive communities to network and collaborate



THE **CHANNEL** CO.®



To Learn More About Taking Advantage of Channelytics contact John Machado jmachado@thechannelcompany.com or Lisa Sabourin lsabourin@thechannelcompany.com

Thank You



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