

# Matt Rowland-Jones, bChannels

by [Stuart Wilson](#), Thursday 5 February 2009



Matt Rowland-Jones is general manager of bChannels

**The Changing Role of Channel Partners in Two Tier Distribution Models:** Matt Rowland-Jones of channel consulting organisation bChannels examines the key trends and the lessons for developing markets.

## Resale to solutions to services

We know that economic factors are causing delayed spend in many key technology markets. However the news is not bleak across the board, with some channel players predicting significant growth in specific technologies.

Videoconferencing is a good example. There is also continued focus on tapping the SMB opportunity, with many vendors looking to adapt their offer to enable them to better reach customers outside the larger enterprise customer base.

Outside of these recognised trends, perhaps the major development in the channel is the evolution of the 'software as a service' model. Microsoft has now stepped into this market with hosted solutions. The impact on the role of the channel partner could be significant. Microsoft is promoting their 'software and service' model, positioning services as part of the overall solution mix. Other large vendors are looking to distribution partners to up-skill and deliver more value in this area.

In the US, often an indication of where things are heading in Western Europe, the traditional VAR channel model has morphed into a solution provider model, and beyond this into a service provider model. Large vendors like Cisco are placing emphasis on channel programmes that enable partners to integrate hosted services into their overall customer solution.

## What are the lessons for developing markets?

Developing market channels have often been perceived by vendors as more 'entrepreneurial'. Distribution partners have traditionally played a more 'value added' role and offered greater local representation to the vendor. Balancing this are concerns about compliance and regulation.

Clearly the larger vendors will look to drive consistent global strategies, often pushing programmes from the US and Western regions into emerging markets. Focus on SMB will feature; with SMB markets perhaps representing a larger share of overall customer spend in developing markets. The emerging 'software and service' models will also feature we believe, as this is not a trend only associated with Western economies.

In some areas developing markets have been able to 'leapfrog' other markets, as there are fewer of the legacy infrastructure challenges that channel partners face in more mature markets. Many believe that emerging economies offer significant opportunity for hosted solutions and managed service models.

## Exploring the issues

Matt Rowland-Jones is chairing a workshop on these topics at the DISTREE XXL event in Monaco, which takes place in on February 9th-12th 2009. For full details on the event, please visit [www.distree.com/xxl](http://www.distree.com/xxl)

Matt Rowland-Jones is general manager of bChannels. He works with many of the world's

largest technology vendors to develop channel strategy and to manage channel programmes.

bChannels is a specialist in the development and outsourced management of channel programmes for technology vendors. The company works across EMEA, the US and in Asia, for clients like Cisco, Intel, Samsung and Microsoft. Find out more at [www.bchannels.com](http://www.bchannels.com)