

Cloud and Managed Service Partners Four Key Trends



Camillo Speroni, Vice President of Worldwide Strategic Alliances at Oracle has said that most of the Cloud Application partners participating in the Oracle program act as an agent that influences the end customer, rather than as a reseller of a classic technology solution. As an agent, the channel partner doesn't own a transaction. Instead, it is facilitating a subscription in much the same way as an agent sells life insurance.

In general, Speroni said, the channel is splitting into two paths. The first is an agent model, in which a partner gets rewarded for exercising influence. The second is a Managed Services Provider (MSP) model, in which the partner owns the ongoing management of the technology environment.

We see four trends in the market that are driving change and defining the channel program of the future.

<i>MARKET</i>		<i>PROGRAM</i>
Separation of transaction and customer influence	Reward for influence, fluid partner role in sale	Open partner programs with fewer predefined tracks
Hybrid cloud SaaS solutions on and off premise	Emergence of ecosystems and marketplaces	Increased reach of programs to new partner types
B2C experience in B2B routes to market	Digital customer journeys, SaaS pay by usage	Commercial model rewards many roles in sale
Emergence of next generation channel partners	Deeper co-planning engagement with top tier partners	Program focus on fewer more committed partners

TREND 1: Cloud Application partners acting as agents, or as MSP, is leading to the separation of the sale transaction from customer influence. Technology services might be delivered by large aggregators, while customers are influenced by specialist consultants and integrators. The partner program of the future has to reward influence, and allow ecosystem partners to define their own role in the customer relationship.

TREND 2: Customers are buying hybrid solutions, on and off premise, sometimes with multiple influencing and service delivery partners in a deal. The partner program of the future must be open to new types of partners who might work together in deals. It must be services-orientated and promote collaboration between partners.

TREND 3: B2C experience is bleeding across into B2B. Ease of use is as important for channel partners as it is for end customers. Programs have to offer excellent partner experience, simple engagement models, and they must reward partners commercially for a variety of roles in a customer sale. Tracks and tiers are being replaced by specialisations and competencies.

TREND 4: The partner landscape is changing as business founders move out and as new cloud and service models become embedded. Vendor programs need to focus efforts and investment on partners who are successfully making this transition. Which means more focus on fewer committed partners.

How will your future channel program measure up against these key drivers?

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About bChannels

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Find more information at <https://www.bchannels.com>

Contact the author at Matt@bchannels.com

<https://www.linkedin.com/in/bchannels/>

info@bchannels.com

