



## *How Do They Buy?*

# Sales Channels and Partner Roles in the Highly Dynamic Enterprise Cloud Market

A Briefing to the Northern Virginia Technology Council Cloud Computing and Data Center Infrastructure Committee, May 2013

**WaveLength**  
Market Analytics

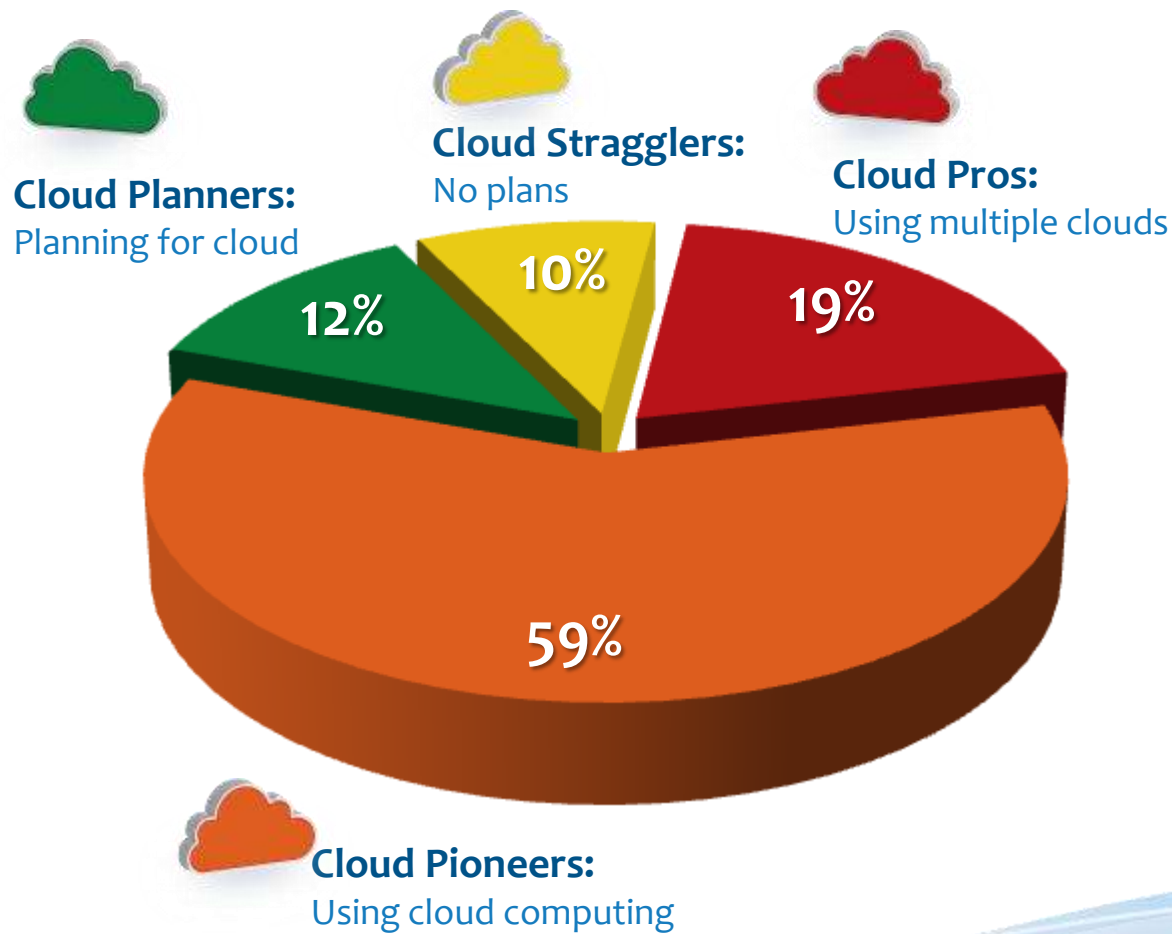


## In the four key steps in an enterprise cloud app/function implementation:

1. Create strategy
2. Develop app
3. Migrate app
4. Manage

## Which Trusted Partner Does What for Who?

# Cloud solutions have broad adoption among large and medium enterprises (LMEs)



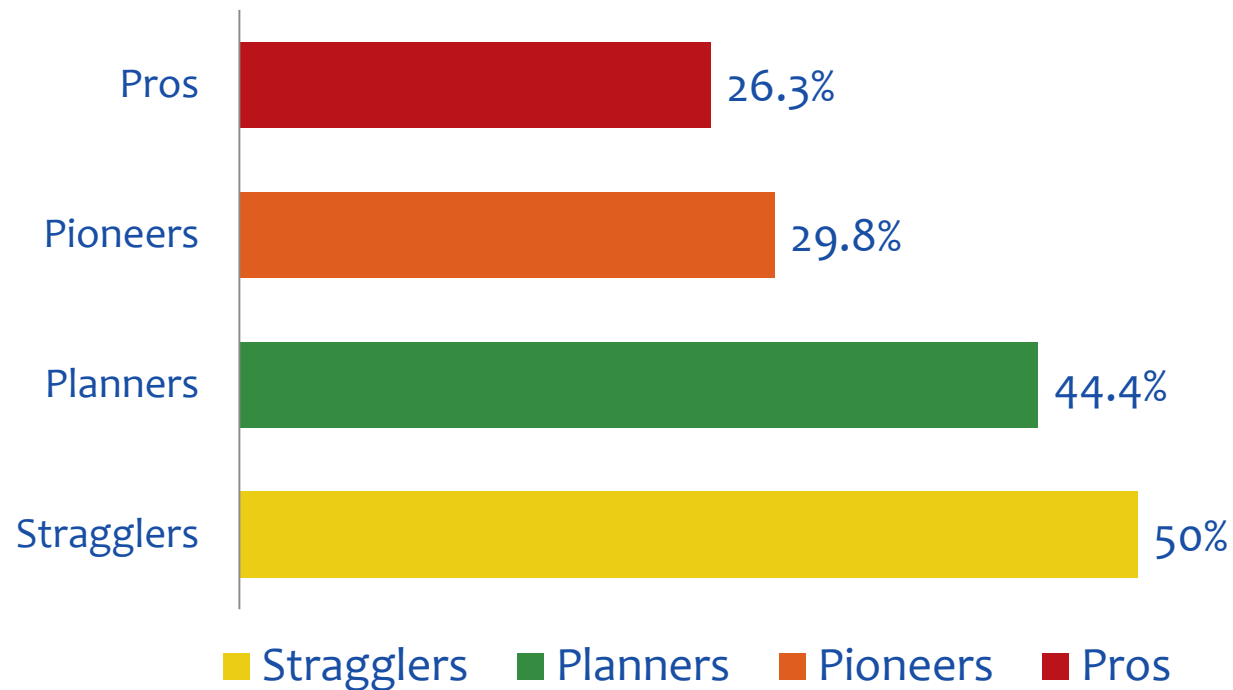
**Multicloud users emerged as a segment called the Cloud Pros. Accounting for about 19% of the sample, Cloud Pros truly lead the way by using 4 or more cloud solutions.**

S: For each type of cloud deployment, we'd like to know if it's currently in production, in trial, is planned in 24 months? N=96



# There's progress, but lack of trusted 3<sup>rd</sup> parties limit cloud adoption

In 2011, it was the 3<sup>rd</sup> highest barrier overall, now it's 4<sup>th</sup> highest



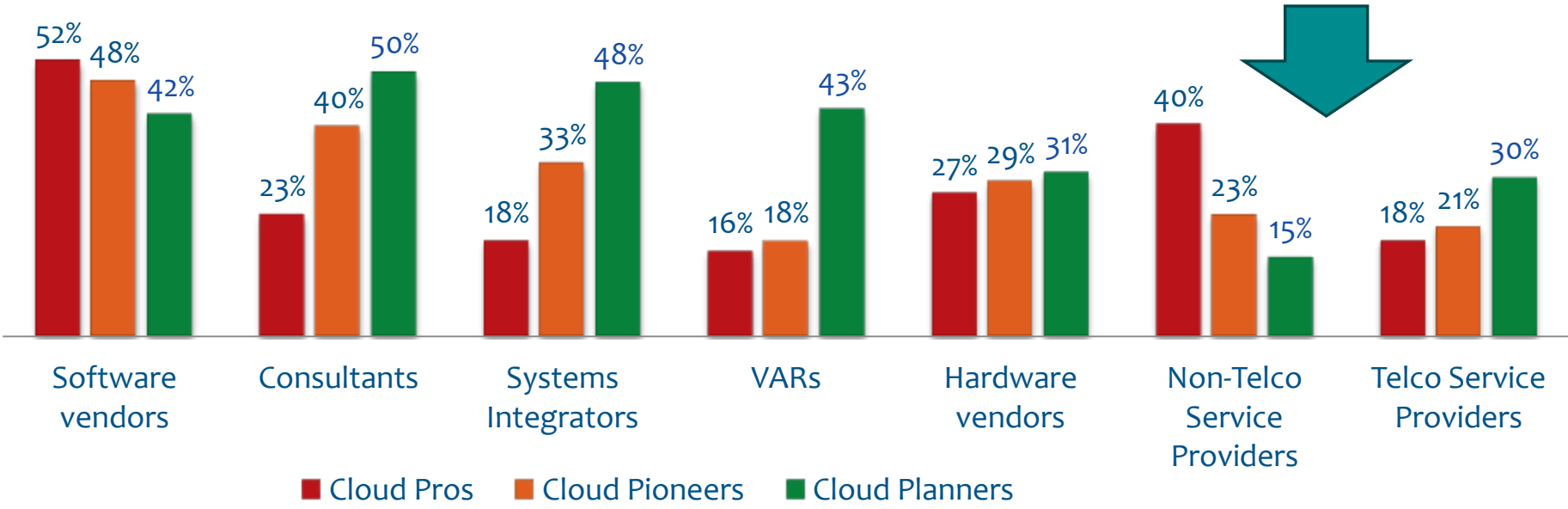
Q: Using a scale from 1 to 10 where 1 is not at all important and 6 is extremely important, please rate the following as concerns that limit adoption to cloud computing? N=127



# Many involved partners within the ecosystem of vendors

Today's Planners are similar to 2011 by involving many partners, non-Telco providers are not as involved and telco providers are on the rise

## Involved partners



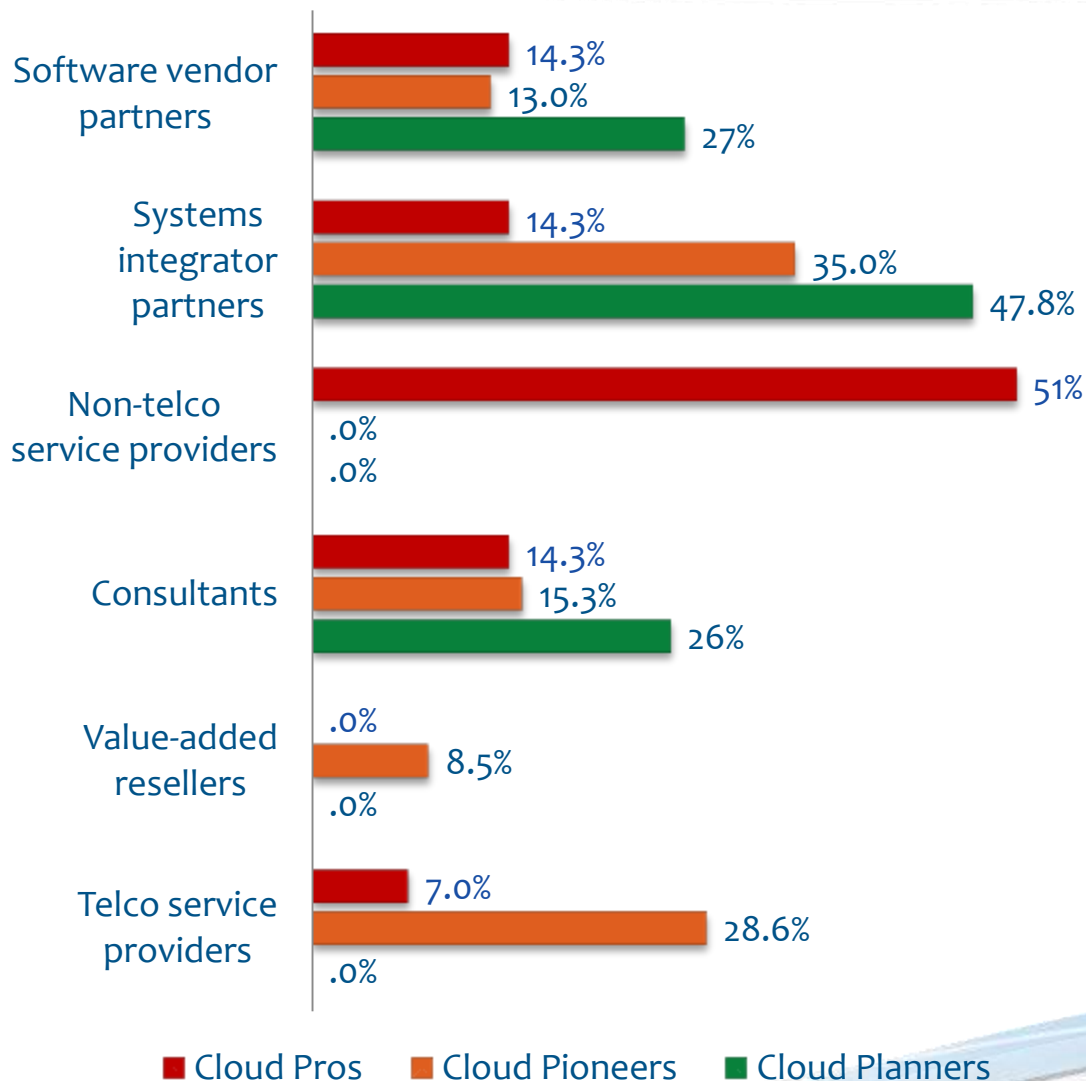
Q: For each of the following types of participants in cloud implementation, on a scale of 1 to 10 where 1 means "not at all involved" and 6 is very involved," what's the involvement level of...? N=78

# Most important partners for each activity

The 2011 Planners and Pioneers looked pretty similar; the notable change is the emergence of Telco SPs among – likely driven by acquisitions, e.g., Terremark by Verizon

Activity	Pros	Pioneers	Planners
<b>Create</b>	<ul style="list-style-type: none"> <li>Systems Integrators</li> </ul>	<ul style="list-style-type: none"> <li>Consultants</li> </ul>	<ul style="list-style-type: none"> <li>Systems Integrators</li> <li>Software partners</li> <li>Consultants</li> </ul>
<b>Develop</b>	<ul style="list-style-type: none"> <li>Software partner</li> <li>Hardware partner</li> </ul>	<ul style="list-style-type: none"> <li>Telco SPs</li> <li>Systems Integrators</li> </ul>	<ul style="list-style-type: none"> <li>Software partner</li> <li>SIs</li> </ul>
<b>Migrate</b>	<ul style="list-style-type: none"> <li>Software partner</li> <li>Hardware partner</li> </ul>	<ul style="list-style-type: none"> <li>Consultants</li> <li>Software partners</li> </ul>	<ul style="list-style-type: none"> <li>Software partner</li> </ul>
<b>Manage</b>	<ul style="list-style-type: none"> <li>Internal</li> </ul>	<ul style="list-style-type: none"> <li>Consultants</li> </ul>	<ul style="list-style-type: none"> <li>SIs</li> </ul>

# Systems Integrators and app partners most important to successful deployment



## Since 2011:

- Telco service provider made big strides
- Hardware vendors are not perceived as most important by anyone,
- Non-telco providers decline and are really most important only to Pros.

Q. Of all the partners you work with on your cloud solution, which one is most important... ? N=78



# Summing Up

- With rise of traditional IT channels to the enterprise, market is transitioning to a more mainstream buyer with entirely different needs than early adopting, do-it-yourself *Cloud Pros*
- Today and into the foreseeable future, meeting enterprise cloud requirements heighten partnership requirements
- Successful, comprehensive cloud solutions require skill diversity and a strong ecosystem offering complementary, best of breed strengths
- Partnerships must be significant and meaningful and managed accordingly





## Methods

- Goal: Understand broad enterprise migration-to-the cloud trends and the channel to customer
- Random sample drawn from Winn Enterprise/mid Market DB that included high-level IT decision-makers (Senior Managers, Directors, and VPs)
- Primary research data collection methodology collected by Winn Q4 2012 by using a telephone survey, supplemented by e-survey, landing page provided to provide respondents the ability to answer via Web, and incentives to increase response rates
- Sample size = 96; weighted to present distribution of US companies greater than 500 employees
- Using only SaaS alone not considered a cloud user or planner; they had to use another cloud service model and must actually have IT staff working on it
- Update from 2011 “Five Key Themes on Enterprise Cloud Migration”

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