

THE CLOUD WAS MADE FOR THE CHANNEL, March 15th 2016



Rather than a threat the cloud could well provide a platform to make life more efficient for the channel

"The cloud was made for the channel," is perhaps not a view that you hear very often and one that certainly you would not have expected to catch as recently as a year ago.

Plenty of people took exactly the opposite view and saw a move away from physical product to a hosted environment as the death knell for resellers and distributors.

That view even persists in some stubborn pockets to this day and it has only been in the last 12 months that distribution has been able to start pushing back aggressively against those that question its role in a cloud world, as they show the value they can bring.

A view of the cloud being the channel's tool and a platform to enhance business comes from Andy Simpson, vice president global consulting services at [Channel Mechanics](#).

"The cloud was made for the channel because you have hundreds of thousands of resellers, thousands and thousands of vendors and a thousand distributors. How do you connect them all operationally and remove all the operational inhibitors that stop them from going to market in the way that they want?" he asked.

"We now see the need for companies that want to bring their programs, promotions and pricing to market in as efficient way as possible and to remove these operational inhibitors," he added.

The ability to target specific audiences and launch programs anywhere with ease is something that the cloud enables the channel to do.

In some ways Channel Mechanics was slightly ahead of its time when it first appeared a couple of years ago and some people struggled to understand what it was offering.

Simpson said that the time was right now for an approach that uses technology to take the pain out of running promotions and programs and vendors were starting to appreciate the proposition and the attractiveness of using a system that made life easier.

"It was too early and it was too different. It had almost become part of the fabric of running the channel to have all these operational headaches. People thought they could never be solved," he added.

With the cloud and the concept of 'digital transformation' much more mainstream in the customer base Simpson feels able to talk about "digitising the channel" as it uses a cloud platform to make the whole process of vendor, distributor and reseller communication much cleaner.

"There is an opportunity to digitise the channel and bring together all these application providers that support the channel, whether it's CRM, learning management systems, through partner marketing and MDF tools. Wouldn't it be great if we could aggregate that as a platform for the industry and digitise how vendors work with distributors and resellers. It could change relationships because these are now about ecosystems and trying to develop real solutions from multiple vendors and multiple models and it is too heavy lifting for the vendor and the distributor to figure out," he added.

Using the cloud to take the strain the distributor is free to focus on solution aggregation, growing the market for the vendor and supporting partners, rather than the back end.

"That is going to continue on and on because customers more and more want different vendor solutions packaged up and that's where the channel can really play a new role. The move away from product to cloud is as much an opportunity to the channel as it is a risk. Through their vertical expertise and knowledge of multiple vendors and technologies they can craft true solutions. Distributors in particular are very well positioned to source, manage, coach, train and develop the market for them," he added.

Simpson added that awareness was increasing and it was all going in one direction as the delivery model will have shifted to the cloud, the cost model will have changed and the opportunities to aggregate solutions increased.