Channel predictions for 2020

By Jamie Farrelly
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Over the last year, we've seen consolidation in major markets across the vendor and channel community with organisations looking to take advantage of growth in European markets. As channel partners and managed service providers navigate this era of transformation and growth, Jamie Farrelly, VP EMEA Channels at Veritas Technologies, outlines his predictions for the channel in 2020.

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Offering a value-add service to cut through the hype

Within the technology industry, vendors and analysts are constantly promising the next big thing – from AI to IoT and edge computing. Much of this hype is now turning into reality. The channel's role is to think about how the latest technology can be applied to solve a problem for customers or present a new opportunity.

Whether it's reducing complexity or increasing efficiency, the pace of change is accelerating, and the onus is on partners to understand the technology, know how it positively impacts customers and then work with vendors to develop a new approach for customers.

Vendors break out of their technology bubble

The world of technology is always moving and evolving quickly. As the industry accelerates at a faster rate than ever before, the role of the channel partner is shifting.

Traditionally, channel partners have always aimed to understand customers' problems and find solutions to reduce risk and complexity while increasing revenues. While this aspect hasn't changed, the evolving digital business landscape means that customer challenges are changing, and partners now need to work with a variety of different solutions and platforms that they haven't traditionally worked with before to help address the problems of today's digital age.

Vendors also need to realise that they can no longer exist solely within their own technology bubble and that they, in fact, are part of a much wider ecosystem. However, with this realisation comes a degree of responsibility. There's a real need for technology vendors to think beyond their own area of expertise. It's no longer just about working with partners, but also other vendors, in order to create ecosystem solutions that solve bigger customer issues in this digital age.

Integration and specialisation mean everything to the modern customer, so working with other vendors is a must. As a result, we'll see more integration and collaboration in the channel in the year ahead.

Automation will be the key topic in 2020

As we move into 2020 and towards greater integration, the channel's next big consideration will be on simplifying the user experience. We're already seeing a movement towards generalist IT, and this will continue through the next year. For example, businesses will want to democratise their IT environments, adding security and backup functions to their existing technology stack, with the confidence that the backend processes and policies are taken care of by specialist technology partners.

The channel is vital to this. It can embrace automation and enable customers to adapt to change by delivering services that are independent and decoupled from the underlying infrastructure or operating system, integrating multiple technologies that are guaranteed to work together through a single user interface.

Channel as a service

As partners look for new ways to become a trusted advisor and automate processes, we will see the emergence of new platforms designed to bring together multiple technologies that are guaranteed to work together. For example, combining security, backup and workload technologies with an automated billing platform based on a partner's integration capabilities.

However, channel providers will need to have a very clear plan surrounding the technologies they want to integrate. It will require them to understand a vendor's roadmap, its integration technologies and have a strong go-to-market plan that will continue to add value to the customer after the sale.

Capability, commitment and growth mean traditional partner programmes won't go out of fashion

Forrester predicts that vendors will break down their channel with rewards based on expertise in sub-industries, geographies or technology stacks.

However, larger vendors have already started categorising their partners in this way, but the idea of a pyramid structure based on gold, silver and bronze tiers remains. That's because capability, commitment and growth are what's important to vendors, which is why tiered programmes will remain popular well into the next decade.

The channel will take customers on the second part of their cloud journey

Cloud service providers (CSPs) are driving hyper-growth and we can expect to see more mergers and acquisitions in 2020. The launch of AWS Outposts will also take enterprises by storm and accelerate the move towards a hybrid cloud strategy. In turn, CSPs will need the channel more than ever before.

As businesses move more workloads to the cloud, the channel will evolve from simply managing SLAs to offering a more profitable and consultative approach. The channel will be able to use its understanding of an organisation's business to offer advice on how to secure data in the cloud, move it around to remain agile and generate further insights. All of this will help the channel build more of a long-term relationship with customers and create a bigger role for themselves.

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