



**TECHNOLOGY &
SERVICES WORLD**

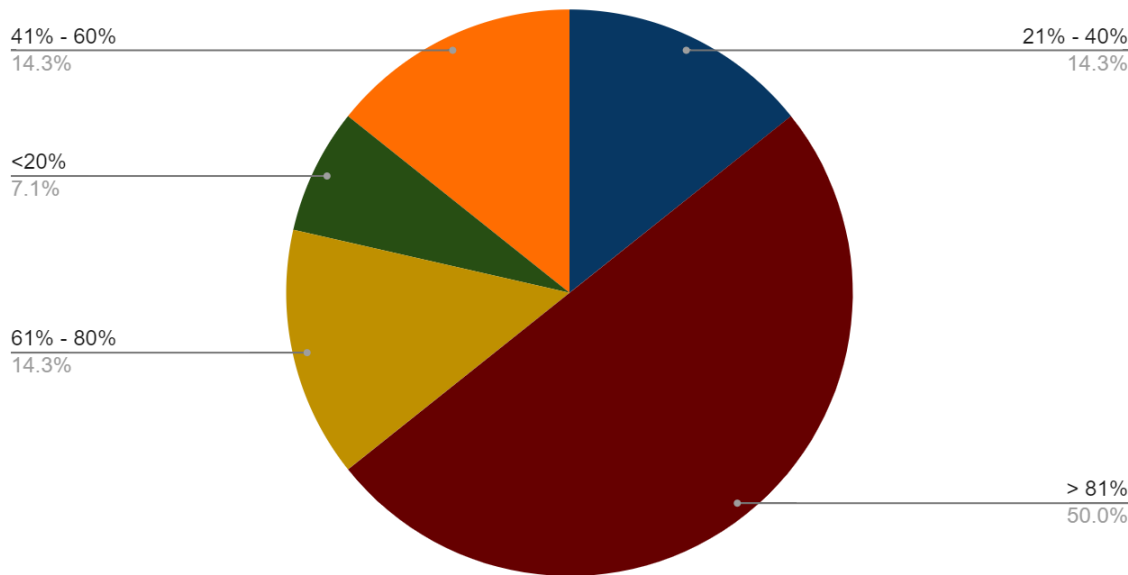
XaaS Channel Optimization

Anne McClelland | TSIA | anne.mcclelland@tsia.com

October 2019

Channel Sales is a significant contributor to overall revenue

What percent of your company's revenue (hardware + software + services) is from Channel Sales?



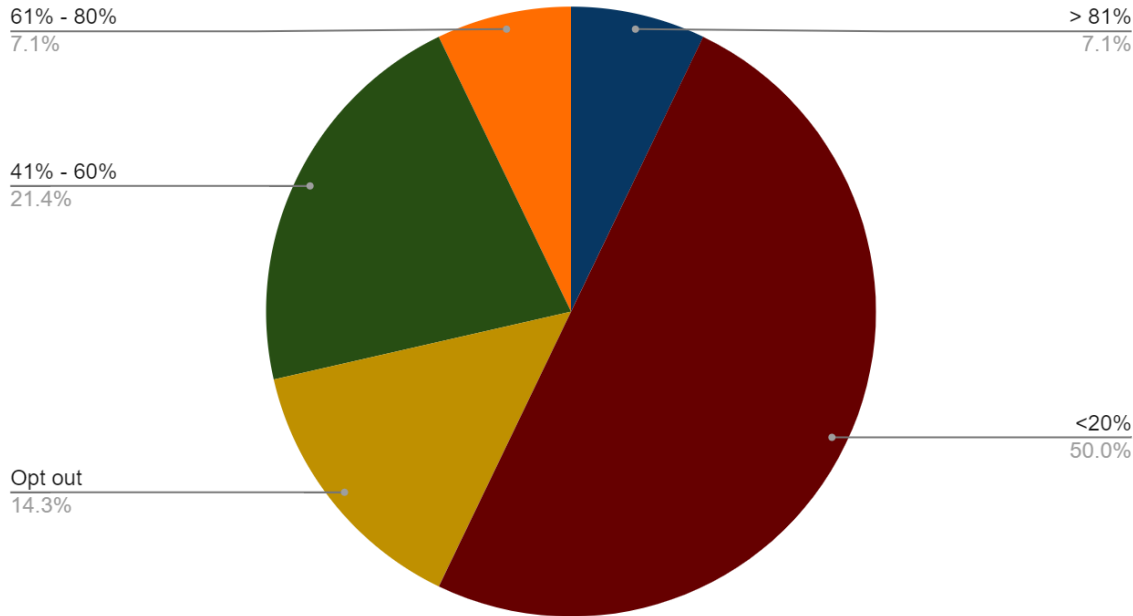
Observation

Majority of companies rely on Channel Partners for +50% of overall sales.

Nearly 50% of companies surveyed say that Channel Partners are delivering +80% of sales.

Most Technology Vendors not driving XaaS with nor through Partners

What percent of total Channel Sales revenue comes from XaaS?



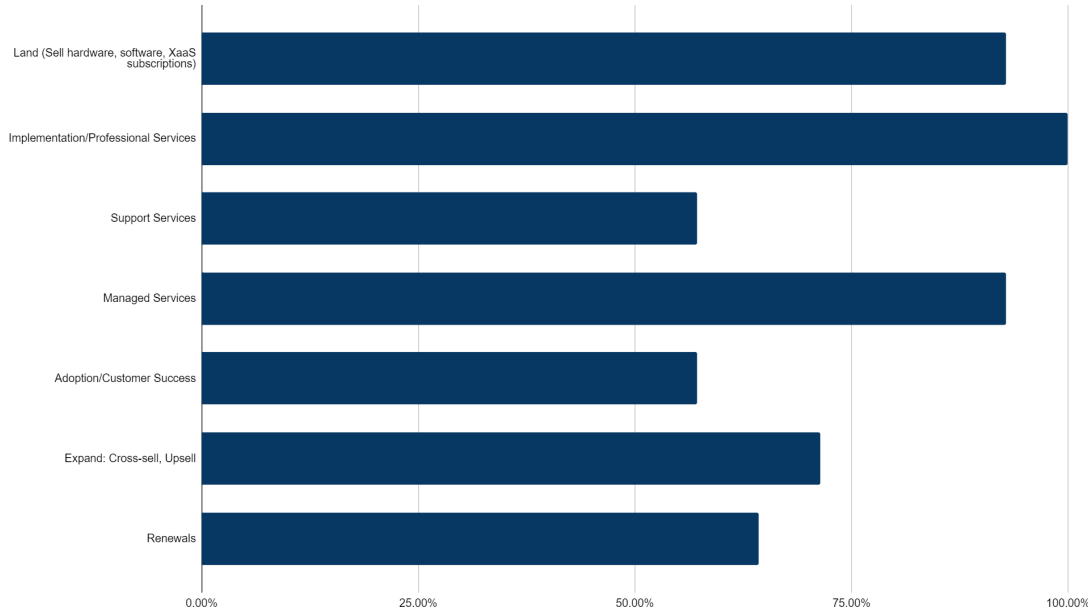
Observation

For 50% of companies surveyed, XaaS revenue is <20% of Channel Sales.

XaaS revenue makes up 60% or more of the Channel Sales for only 14% of companies surveyed.

Channel Partners driving more “E & R” than in past; less “A” (albeit on a small base)

What roles do your Channel Partners perform in "as-a-Service"?



Observation

Channel Partners are primarily utilized for “Land”, Professional Services & Managed Services.

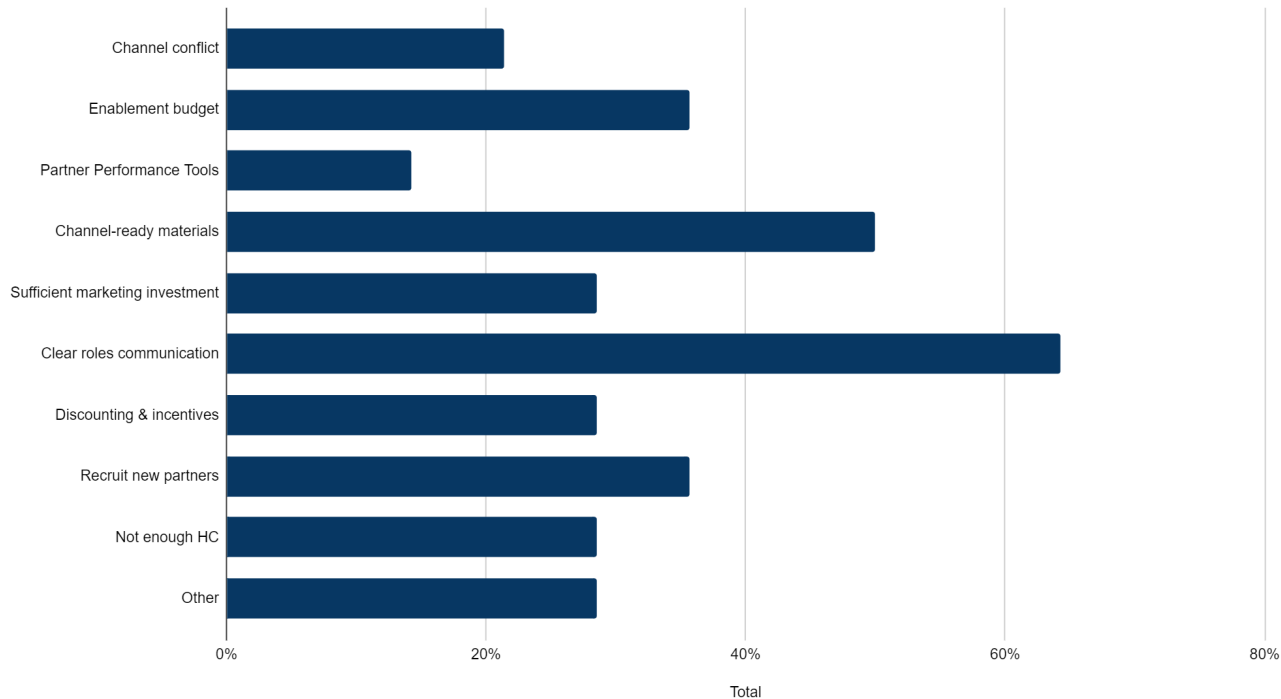
Less traction but growing in “Expand” and Renewal.

Only half of those surveyed use Channel Partners for driving Adoption.

Clarity of Roles
between Vendor
& Partners in
XaaS Customer
Lifecycle

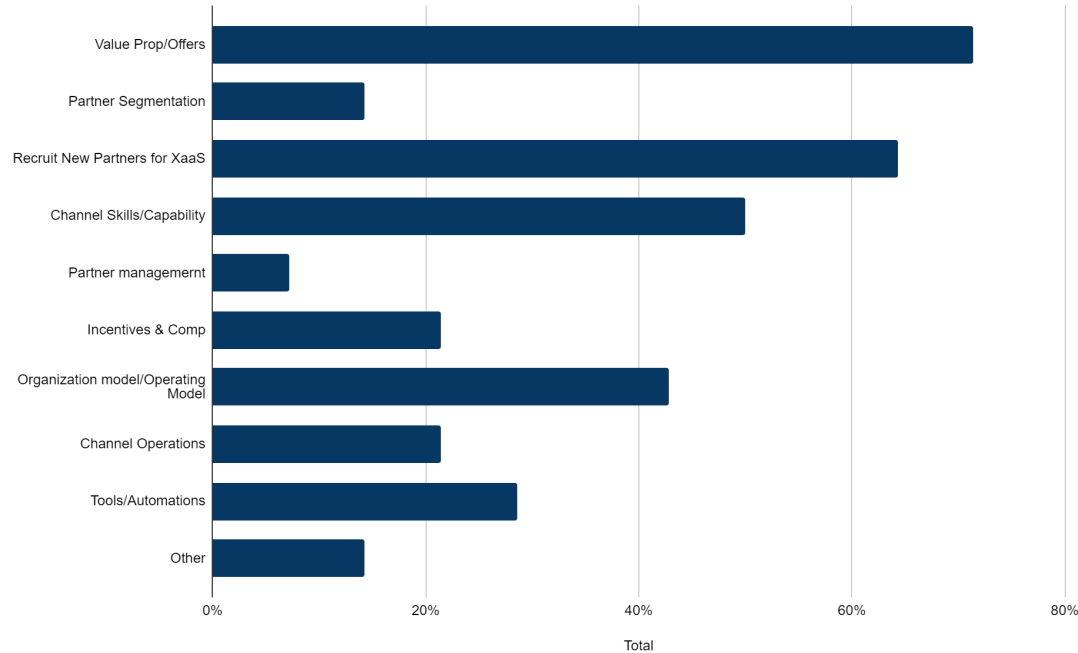
Most Important

What are the biggest challenges for your internal Channel Team in the next 12-24 months?



Vendors working on their XaaS offers and Partner Enablement for XaaS

Which of the following are top areas of focus to address your XaaS Challenges with Partners?



Observation

Vendors are working on communication and partner enablement around their XaaS offers as well as how Partners should deliver customer value.

Vendors are recruiting new Partners and up-skilling existing ones.