

Public Cloud Impact on the Channel Landscape

#XCH19 | @TheChannelCo



THE **CHANNEL** CO.®



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SP Transformation Continues to Shift Toward XaaS Business Models

50%

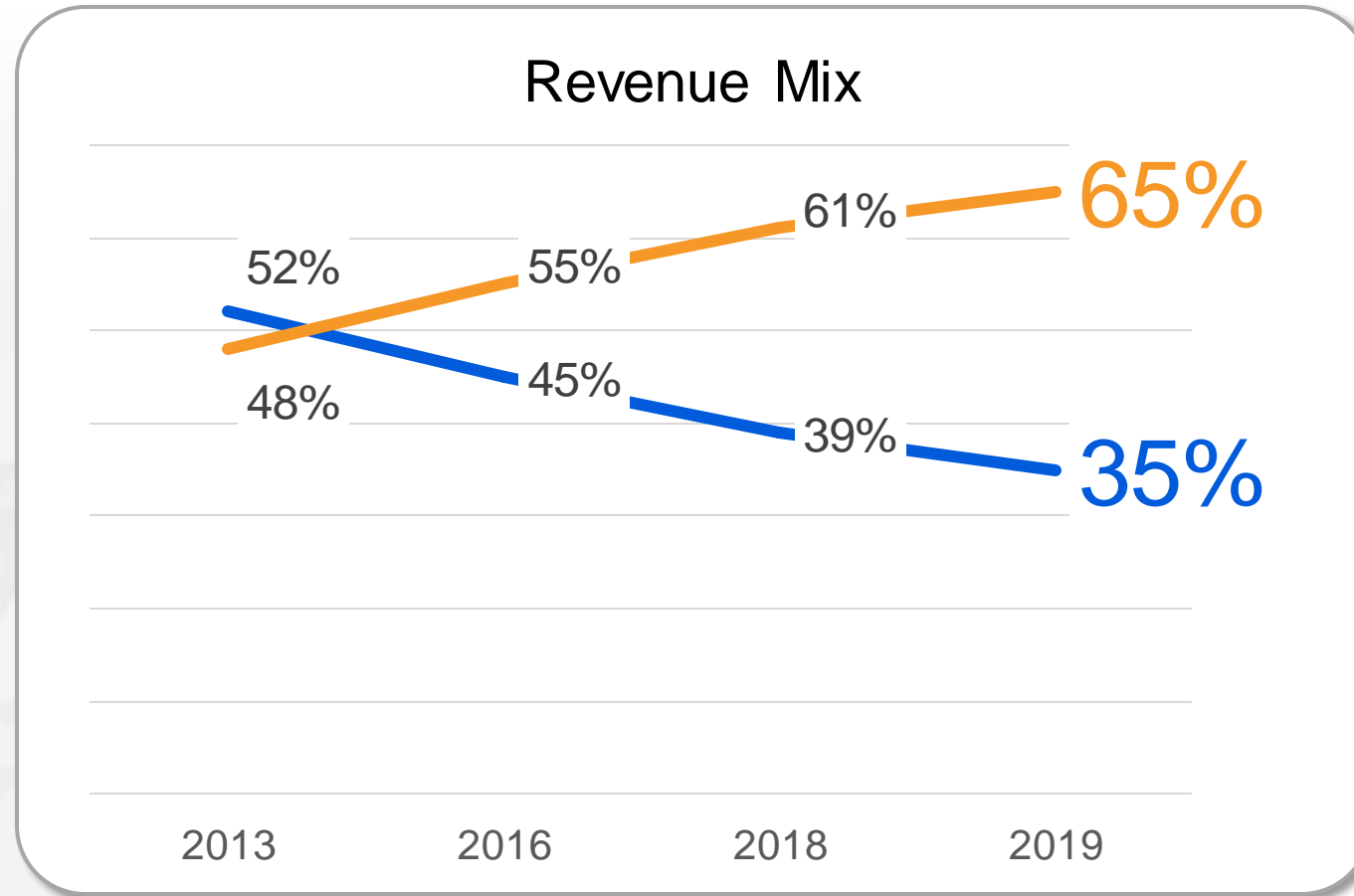
List MSP as primary
or secondary business
model

70%

Recurring Revenue
Streams

*IPED Consulting: 2019 Channel Census and Cloud Platform
Survey, 639 Solution Provider respondents*

Services Now 65% of Overall Revenue



— Project, Managed & Cloud Services — On Premise Hardware & Software

Public Cloud Platform Growth Continues at Dramatic Rate



\$32.2 Billion
(Commercial cloud business)

91%
Growth (Azure)



\$25.6 Billion

47%
Growth



\$4 Billion
(including G Suite)

Double-Digit
Growth

SPs See Demand for Public Cloud Services at Increasing Rate

Past 12 Months

45%

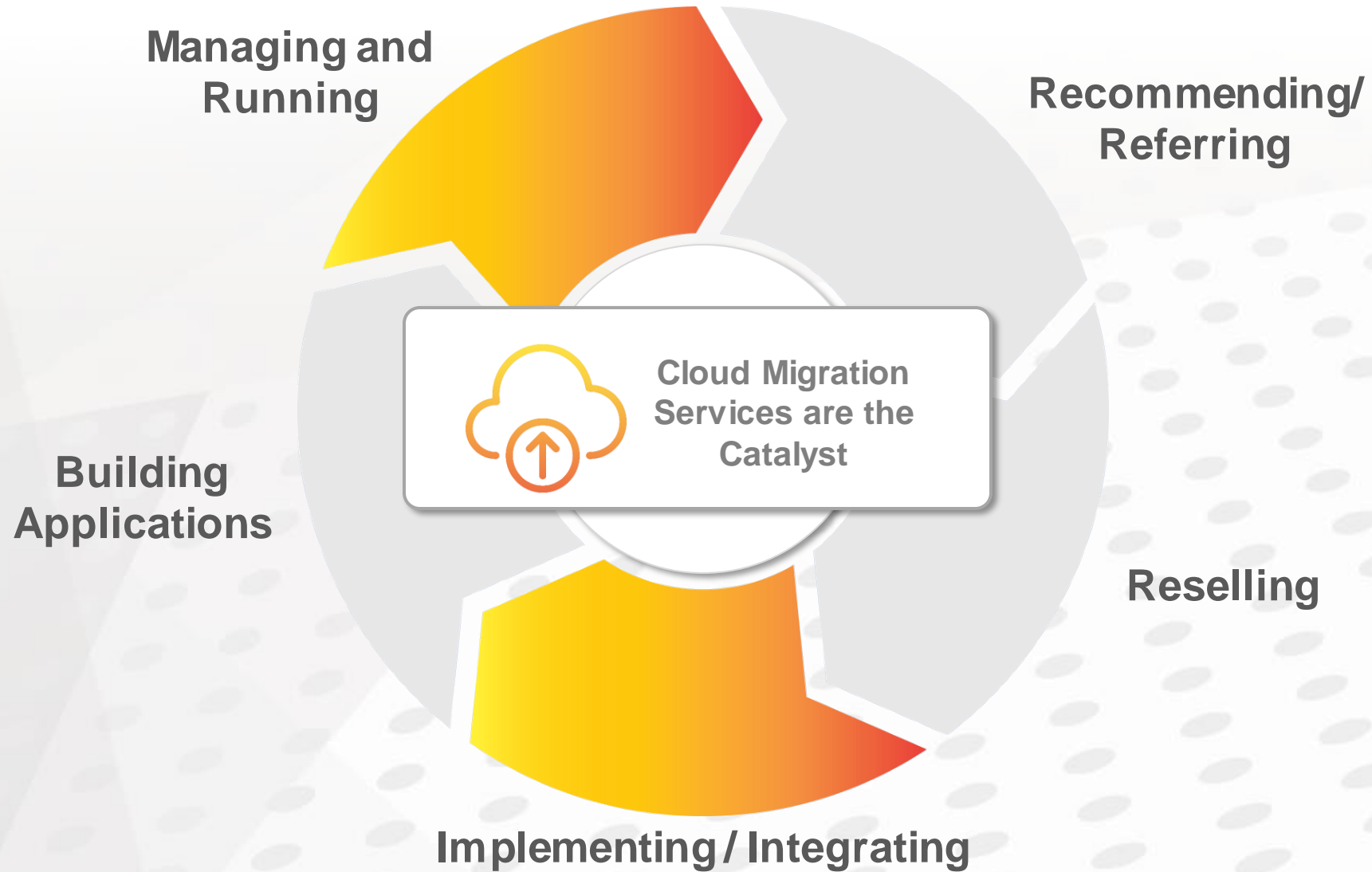
Next 12 Months

52%

Moderate to High Growth



Multiple Opportunities Available for those with Cloud Capabilities



Cloud Platform Providers Impact Solution Provider Businesses

Top-line Growth

Profits Growth

New Customers

Professional Services Growth

Market Differentiation

2018 & 2019

50%+

Cloud platforms having a **Positive Impact** across all areas of the business



SPs View Cloud Platform Providers as Strategic Suppliers

Strategic Supplier Relationship

- ✓ Significant amount of revenue
- ✓ Highly engaged at all levels:
 - Sales
 - Marketing
 - Technical

44%  Microsoft Azure

34%  amazon web services

17%  Google Cloud



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Director, Marketing & Communications

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Jason Rook

VP, Customer & Partner Success

10th Magnitude

@RookJason





Joe Ussia

CEO & Founding Partner

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@Ussia

Final Thoughts...

- There are many opportunities for SPs to capitalize – migration can be bi-directional
- There is no “one right answer” when it comes to a multi-cloud vs. dedicated cloud strategy
- All of the top Cloud Providers are getting more focused on a Channel GTM strategy – force the discussion

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