

# VSR

**VERTICAL SYSTEMS RESELLER**

TECHNOLOGY INSIGHT THAT BUILDS BUSINESS



3RD ANNUAL

# REVIEW & OUTLOOK

**MORE THAN 100 OF THE CHANNEL'S MOST RESPECTED THOUGHT LEADERS OFFER THEIR PREDICTIONS FOR 2010 AND BEYOND**



**INSIDE: A SPECIAL REPORT ON CHARITY IN THE CHANNEL AND HOW VARs ARE GIVING BACK TO THEIR COMMUNITIES**

As it is integrated into most storage offerings — everything from backup software, to primary storage, to replication and archiving software—VARs can help their customers leverage de-duplication to more effectively manage their storage resources.

Another area for investment in 2010 is easing the software upgrade and migration process for customers. Newer versions of programs may offer significant technological advancements, but the migration process can be intimidating. Migration projects such as Windows 7 upgrades present a significant opportunity for VARs in the upcoming fiscal year. Solutions providers should aim to win business by helping streamline processes that cut the expense, delay and disruption associated with a migration.

Maintaining relevance with partners is also critical for vendors. It is important for VARs to seek out those vendors who are committed to being relevant to partners by providing focused resources and innovative technologies that help them better meet customer needs. Through an increased focus on maintaining relevance with our customers, both vendors and solutions providers will benefit from strategic investments and can look forward to a prosperous 2010.



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Frankly, I don't expect my part of the industry to change much at all. The "professional negotiators" of the world will continue to share strategies and tactics designed to help their clients defend value, and ultimately increase margins, decrease costs and improve profits.

With that said, I fully expect our VAR client industry to change in 2010, in fact, it's already happening. You see, in the short 10 years since Y2K the world of the VARs has changed dramatically. What used to be a simple strategy of going to market; a manufacturer builds it, a reseller sells it and takes a cut, just isn't surviving. The reseller, by definition, always needed to "add value" (VAR), but going forward, the survivors are going to be exponentially more involved in the process. I like to call them X-VARs (exponential value added resellers). It's these X-VARs that are changing my side of the market. They're asking for more help, because they get it.

The few X-VARs that already exist — got it long ago. They positioned themselves in front of the challenges and asked the question, "how I can defend my margins?" They learned how to "differentiate to add value" and are now the front-runners (and frankly survivors) in the economic recovery.

So what's the easiest way to differentiate? From where we stand the Independent Software Vendors (ISVs) seem to be the wave of the future. They're able to provide the X-VARs with a differentiated model which further adds value and entices the market. We're suggesting to all our VAR clients that they consider the services side of the business more, and that the ISV model might be the quickest and easiest form of entry.



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As part of the economic recovery, companies will find a driving need to differentiate themselves against increasing competition in order to successfully sell their products and services. We believe that in 2010 there will be a paradigm shift by companies to drive increased customer service and customer satisfaction as a key differentiator.

Telecom vendors can play a significant role in helping companies differentiate themselves by selling applications that help increase customer service and satisfaction. Unified Communications (UC), Contact Center, Call Recording, IVR and Unified Messaging applications are just a few examples.

Case in point, vertical markets such as auto dealerships can use IVR to call customers when their car servicing is complete and allow them to pay their bills before returning to the dealership. Call center applications can be used to do post-service customer satisfaction surveys.

Medical and healthcare organizations can use call recording technologies to verify insurance authorizations and resolve related conflicts. Using Unified Messaging can help healthcare organizations meet HIPAA privacy regulations by enabling faxing directly to the user's PC rather than to public fax machines.

Companies can use the Net Phone call manager application for Presence, Chat/Instant Messaging and Click to Dial, to improve communications. Additional Unified Communications benefits include "find-me, follow-me" solutions that help mobile workers stay accessible and be more efficient.

SMBs and large enterprises alike can benefit from Contact Center and Unified Communications applications. With these applications becoming more affordable, even SMBs can enjoy the customer service and satisfaction benefits that were once only the domain of larger companies. Businesses that implement these customer-oriented applications will position themselves for greater success in 2010.