Distribution sector evolves in the face of changing demand; new campaign to raise awareness

[London. England and St. Petersburg, Florida - 15 February 2017] Leading Distributors are set to explain what they can offer new markets for technology sales in a focused campaign which highlights the value-adding benefits to all in what is emerging as a "New Distribution" model for the ICT industry internationally.

Recent research by IT Europa has revealed significant shifts in the products and services being offered by Europe's leading distributors. As end-user market demand for Cloud-based solutions and Managed Services grows, distributors are adapting their business models and developing new services to support channel partners. The emergence of new technologies such as Artificial Intelligence and the increasing demand for mobility and the integration of technologies to support digital transformation are further fuelling such changes.

"It is clear that there has been a sea change in the way two-tier channels work in recent years," says Alan Norman, MD of IT Europa. "We have seen in our research of European VARs, integrators, MSPs and other channels that they are adopting a more value-conscious, services-led approach, using their technology skills and market understanding to create and drive new propositions in the channel. Distribution has stepped up a gear to meet these challenges, and the IT industry and its components should respond to this and take advantage of what is now on offer."

The scale and speed of this move is clearly visible in the additional offerings being made by the distributors, but not all channels and vendors are fully aware of the "New Distribution" models that are emerging. The <u>Global Technology Distribution Council</u> (GTDC), the worldwide industry association dedicated to defining and promoting the role of wholesale distribution in a successful and healthy information technology channel, has also observed the shifts taking place and is developing a campaign using case studies, white papers and social media to help build recognition in the industry of the changing nature of distribution. IT Europa will support this campaign with research and analysis. Any arguments over the role of distribution as opposed to vendors selling directly to resellers dissipated long ago, GTDC CEO Tim Curran says. "Europe's distributors are resilient, diversified and innovating...and the IT industry's partners of choice," he says.

Recognizing increased demand for newer technologies, such as cloud, IoT, mobile, and big data, distributors are investing heavily in new programs and processes to bring those technologies to market in an efficient manner. And Curran says that some HQ senior executives may not understand how the channel and distributors can play a role in cloud for example, although those downstream - the channel leaders - typically **do** understand the deeper value and potential of these relationships. They work directly with distributors and see first-hand how partners strongly prefer their services. We want to help the upper senior management realize and support related advances."

About the GTDC

The Global Technology Distribution Council comprises the computer industry's top wholesale distributors dedicated to serving "the channel," a network of skilled VARs, Internet resellers and retailers focused on providing hardware, software, and services to businesses and consumers around the globe. GTDC members drive more than \$130 billion in annual worldwide sales of products, services and solutions through dynamic business channels.

About IT Europa

With more than 20 years' experience in channel development and marketing, IT Europa is the leading provider of strategic business intelligence, news and analysis on the European IT marketplace and the primary channels that serve it. In addition to its news services, the company markets a range of database reports and organises European conferences and events for the IT and Telecoms sectors. Other services include: market segmentation, development of channel value propositions, channel and partner strategy development, transitioning business models, new partner/vendor identification, marketing and communications.

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