

71 PERCENT OF US SMB VAR CHANNEL OFFERS MANAGED SERVICES, 35 PERCENT OFFER CLOUD COMPUTING SOLUTIONS

San Jose, CA, August 23, 2011: Based on a study conducted with Channel Partners focused on the SMB market in the US, Techaisle has identified that 71 percent of VARs currently offer some type of Managed Services Solutions to SMB customers and another 16 percent plan to in the next 12 months. On the other hand, although enthusiastic about Cloud Computing solutions, Techaisle research shows that only 35 percent of US VARs currently offer Cloud services to SMBs.

The SMB Managed Services spend in the US is estimated to be US\$6.7 Billion – out of which nearly US\$3.5 Billion is for Remote Managed Services. Nearly twice as many VARs are offering Managed Services as compared to Cloud as this is seen as a natural extension of the value add IT support services that have been offered over the last two decades. Many of these VARs are small and have average revenue of US\$ 0.8 Million.

SMB Cloud Computing is a growing opportunity in US and is estimated to be US\$4.1 Billion by the end of 2011. Savvy VARS would be expected to immediately move to Cloud Solutions, however, they are still trying to understand the business model with 38 percent stating they lack in-house expertise. Among the Cloud offerings, CRM is the most popular solution offering, followed by Storage. The slack allowed by the VARs has been taken up by ISVs and SPs where over 40 percent have entered into Cloud Computing solutions for SMBs. “This is a situation where the application layer is clearly dynamic but the infrastructure one needs developing and vendors have a large role to play here” – says Paolo Puppoli of Techaisle.

VARs in US although very upbeat about the emerging technologies are increasingly finding themselves at a crossroad where they have to make key business direction decisions regarding Cloud, Managed Services and Mobility. Only about 11 percent of VARs are currently capable of offering all three solutions for the SMB market segment.

In-depth analysis is covered in Techaisle’s report titled *“US Channel View- Trends & Challenges in offering SMB Mobility, Cloud, & Managed Services Solutions”* and companion study *“US SMB Cloud Computing Adopting & Trends.”* Additional channel demographics for US are available in *“Techaisle’s Channel Demographics and profile study.”* SMB Adoption & Trends are available in *“US SMB Managed Services Adoption & Forecast”* and *“US SMB Mobility Adoption & Trends including Tablets.”* All research deliverables are based on primary research with SMBs and Channels.

About Techaisle

Techaisle is a global SMB ICT Market Research and Industry Analyst organization delivering forward looking insights and tracking the future of SMBs and Channels. Techaisle conducts surveys with SMBs and channels to understand market trends, opportunities, buying behavior, purchase intent, and IT priorities. Techaisle offers its clients: SMB & Channels focused Syndicated Research, Custom Consulting, Market Forecast and Competitive Intelligence. For more information on Techaisle or its global products/services, please visit www.techaisle.com.