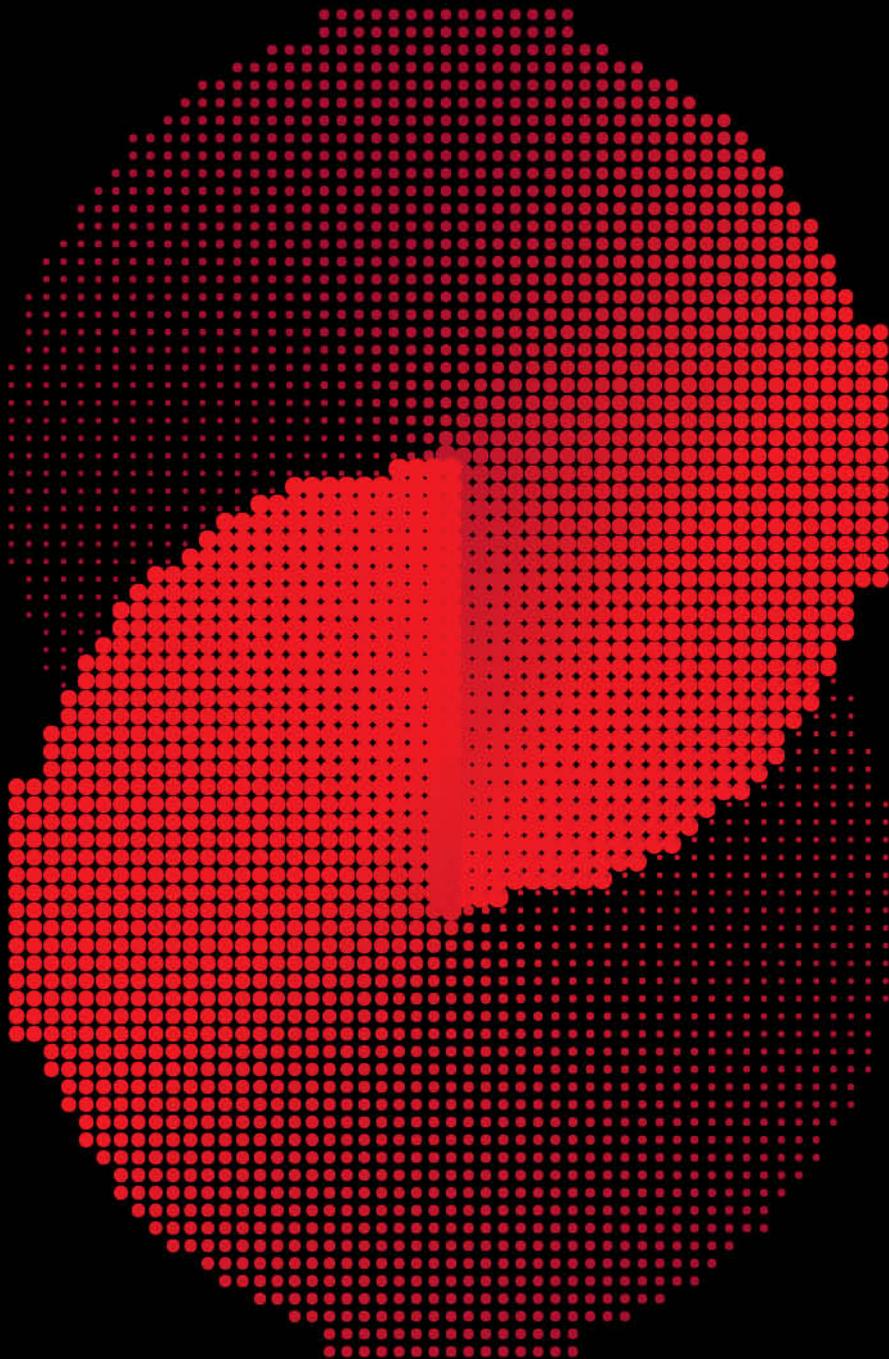


**CRN**  
**ESSENTIAL**

# VENDOR REPORT 2019



## Winning the hearts and minds of tech providers

Resellers, MSPs and other breeds of channel partner wield enormous influence over which technologies their clients adopt.

But as this report demonstrates, the very firms that need to win their approval are doing a decidedly mixed job of impressing them.

Although some vendors shone in the *2019 CRN Vendor Report*, others were heavily marked down over perceptions their technology is outdated or buggy, their staff are unfriendly or invisible, or the associated margin opportunity is non-existent.

Across all categories, the average mark out of 10 awarded in this report was just 6.3.

Some vendors will draw encouragement from the glowing written feedback they received from the near-300 respondents in this report, and rightly so.

Sadly, just as many respondents felt they were being let down.

This includes the procurement executive



who referred to one of their vendors as the “big brother you never wanted” and an IT solutions boss who accused one of his vendors of having “the worst channel strategy I have ever seen for a major corporation”.

Some of the tech industry’s biggest names have fared well in this research, with HPE, Microsoft and Cisco, for instance, all finishing in the top half.

On the other hand, the first ever tech brand to reach \$1tn valuation registered the lowest mark in any category in this report, and finished third from bottom overall.

The UK’s top 300 VARs alone generate annual revenues of £19bn, and influence a good degree more.

Any vendor looking to increase their market penetration must first win over the hearts and minds of these front-line tech providers.

We hope that this report offers some important insight into where major vendors are going right and wrong as they approach this task.

■ Doug Woodburn – editor, CRN

## Overview and methodology

Resellers and MSPs rarely get an opportunity to give their vendors no-holds-barred, anonymous feedback on where they are going right and wrong.

But they were provided with a forum to do exactly this in the shape of the *2019 CRN Vendor Report*.

Conducted between April and August 2019, the research invited resellers, MSPs and other front-line tech providers to rate up to five of their vendors on four core service categories, and back this up with written feedback.

We received nearly 300 verified responses from channel partners (see figure 1, right) large and small (see figure 2, p5). Job functions of the respondents ranged from CEOs and MDs to sales directors, COOs, CMOs and rank-and-file sales, marketing and tech staff (see figure 3, p5).

Of the *CRN VAR 300*, eight of the top 10, 33 of the top 100 and 56 of the top 300 players are represented in this research.

This is a UK-centric report, with 238 of the 289 respondents domestically based. Those from the US (45), Canada, Jersey, Ireland, Greece, Spain and India (one each) made up the balance (see figure 4, p6).

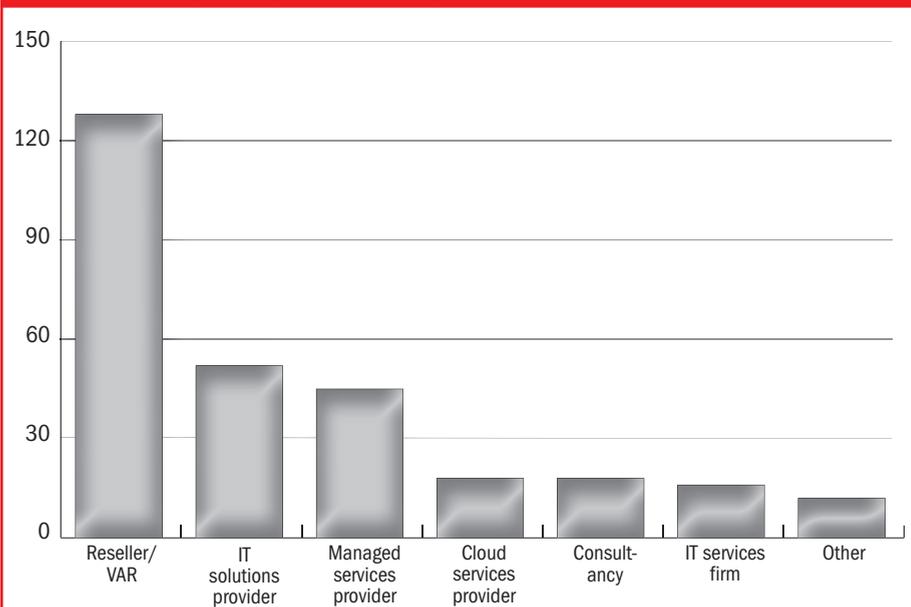
The majority of responses were generated via marketing to the *CRN*

readership database. The survey was also promoted on channelweb.co.uk and social media.

Each response was carefully checked and verified. As a small token for their efforts, all verified respondents have been, or will be, awarded a £3 Amazon gift voucher along with a free Executive Summary of this report.

Respondents gave their answers with the assurance of complete anonymity. For context, we have often given ballpark attributes of each respondent beside their written comments. But their names, the companies they work for and their exact job titles have not been cited to protect their identity.

### 1. What is the primary function of your business?



**The survey**

Respondents were asked to select up to five vendors with which they had done the most business over the last year.

They were then invited to score each across four core service categories, on a scale of zero to 10.

Scores on each of these categories were combined to form an overall 'core services average' (see p11 for breakdown).

For instance, if Vendor A scored an average of 8.0 in Category One, 7.0 for Category Two, 6.0 for Category Three and 5.0 for Category Four, its core services average would be 6.5.

The 42 vendors included in this report are those that received the highest number of responses. With big names such as Oracle, Mitel and Pure Storage not making the cut, it is an achievement of sorts just to be included at all.

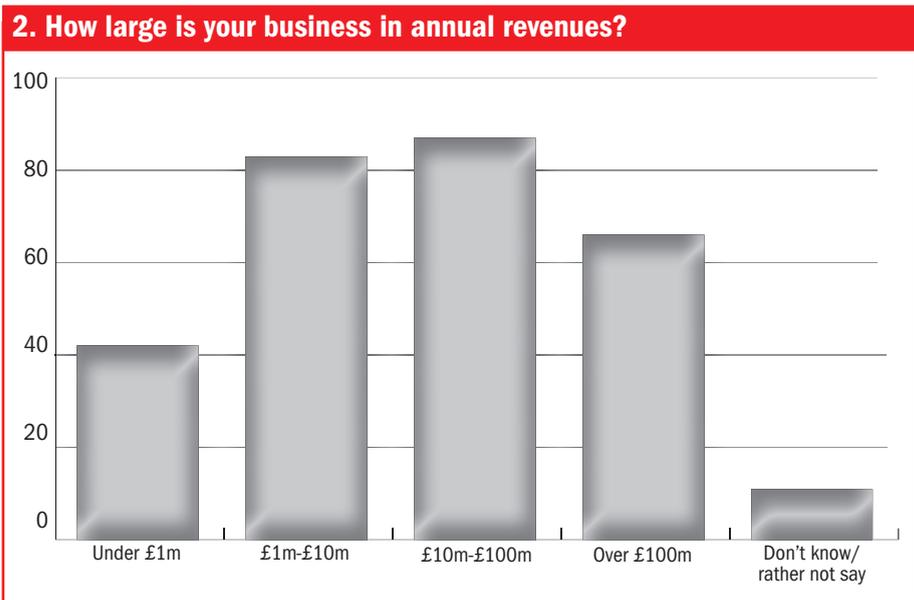
**Core services categories**

The four core service categories were as follows:

- Technology Leadership (see p12 for breakdown)
- Channel Strategy and Account Management (see p14)
- Margins, Leads and Incentives (see p16)
- Training and Accreditation (see p18)

Each category reflects a fundamental aspect of the vendor-partner relationship, namely:

- Do partners rate the vendor's products and believe in its technology vision?
- Do they have faith in its channel strategy and staff?



- Are they able to make a living selling and servicing its technology?
- Can they quickly and cheaply skill up on its technology?

If the answer to any of these questions is 'no', it is a sure sign of a dysfunctional relationship.

It sounds obvious to say, but if a reseller or MSP harbours reservations about a vendor's technology vision, cannot reach its staff to resolve support issues, finds scant financial reward in evangelising its technology, or has no means of quickly and cheaply training its employees on its wares, they will find it hard to fully invest.

Indeed, this research contains numerous examples of where a failure to impress in these four categories is

costing vendors hard sales.

In practice, very few vendors aced all four core services categories. This means that even the top-performing vendors can use this research to identify areas where they can improve.

**Written feedback**

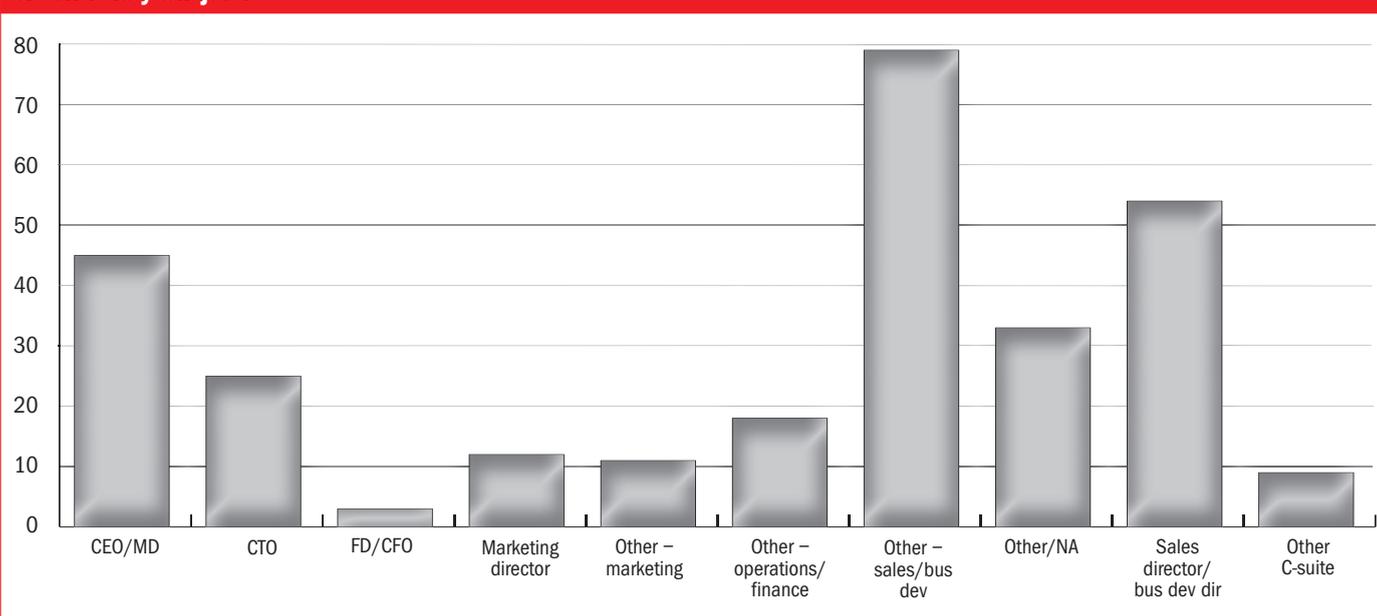
If these scores provided the bones of our study, the related comments provide the muscles and sinews.

Respondents were invited to leave detailed written feedback to justify their scores.

For most vendors, we were only able to include a flavour of the comments submitted.

To add extra context, we have in many cases displayed how many

**3. What is your job?**



positive, negative and mixed/neutral comments vendors received for each category.

We encouraged respondents to be as candid as possible in their praise or opprobrium, and respondents duly did not pull their punches.

Some vendors were variously branded as “appalling”, “elitist” and “anti-channel”.

But respondents were just as likely to give glowing testimonials as they were to sling insults.

“They couldn’t be nicer – attentive, responsive and helpful,” read one rapturous review in the Channel Strategy and Account Management section.

“We’ve only recently started working with them again, and my God their technology is impressive,” another respondent said of a tech giant’s performance in the Technology Leadership category.

In many cases, comments were thoughtful and considered. Taken together, the written feedback adds vital context to the scores.

#### Additional Indices

In an addition to previous *Vendor Reports*, this time around we invited respondents to score their vendor partners out of 100 in three ‘bonus’ indices.

Unlike the four core services categories, scores here did not count

towards the core services average.

The Loyalty Index asked respondents about how much brand loyalty they feel towards their vendors (*see p20 for more*).

The Durability Index tested how likely they felt the vendor in question will be a thriving, independent company in 10 years’ time (*see p20 for more*).

Finally, the Satisfaction Index asked how satisfied respondents are with the relationship overall (*see p21 for more*).

Although there was a strong correlation between the scores in each, and between the index scores and those in the core services categories, some interesting anomalies emerged.

These scores may not be the be-all and end-all, but important bragging rights come with topping these indices nevertheless.

#### Vendor performance

This report breaks down how the 42 vendors performed in various ways, but two intriguing themes emerge when considering them as a group.

Firstly, at just 6.3, the core services average is lower than some might have expected.

The averages were particularly low for Margins, Leads and Incentives (5.8), and Channel Strategy and Account Management (6.0).

Clearly, many respondents felt their vendors should be giving more.

Across the 42 vendors, the core services average ranged from 7.7 to 4.7 (*see p11*).

The highest score in any category (8.3) was achieved by ConnectWise for Technology Leadership, and the lowest (3.4) by Apple in Margins, Leads and Incentives.

Although that’s a sizeable range, even the top-performing vendors evidentially have room for significant improvement across all categories.

Secondly, some breeds of vendors have clearly fared better than others.

As a rule, big, mass-market brands such as Apple and Samsung, antivirus vendors such as McAfee, Symantec and Sophos, and enterprise-focused, direct-selling software vendors such as SAP and Salesforce have been marked down.

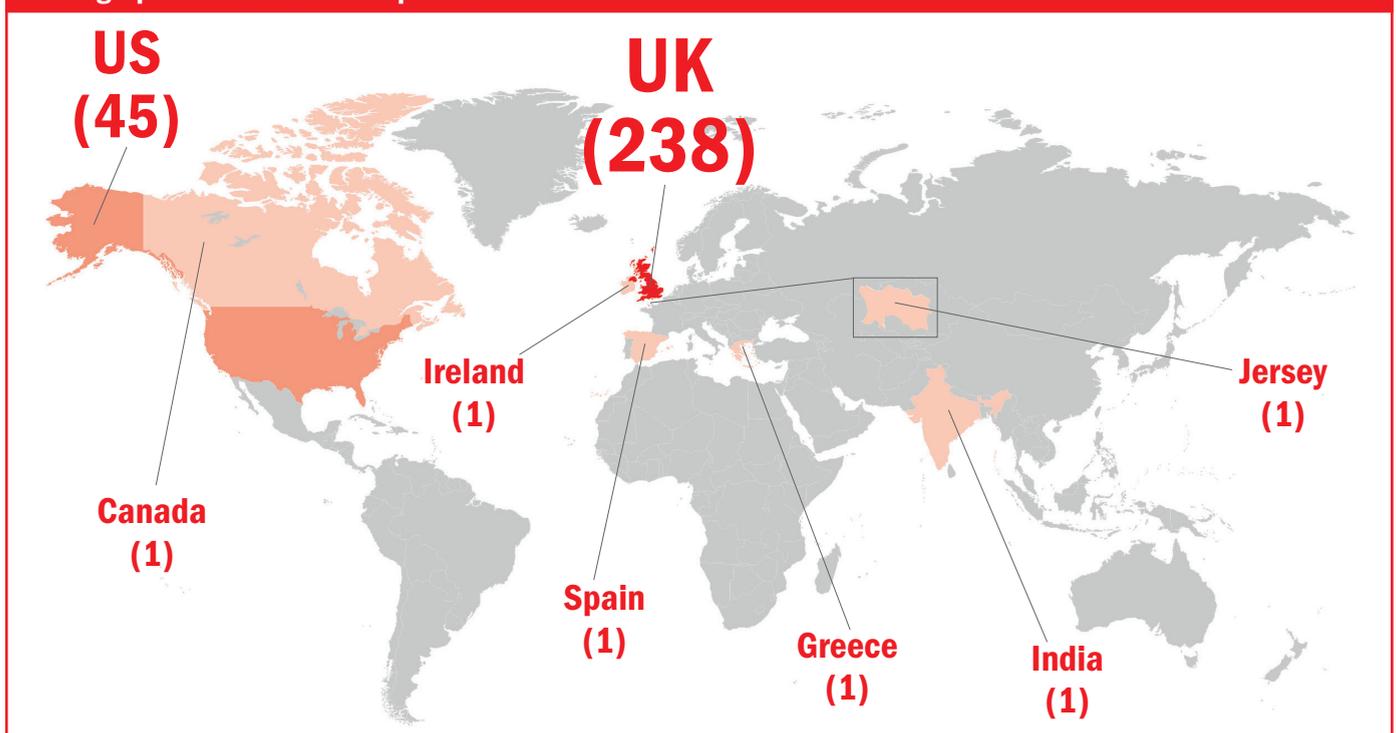
There are several exceptions to this, most notably public cloud behemoth AWS, which defied the odds to rank eighth overall.

Vendors are obsessed with customer satisfaction these days – and rightly so.

But it is curious that many do not pay the same attention to how they are viewed by the tech solution providers that hold the key to the vast majority of B2B tech budgets.

We hope that this research will help redress the balance by providing a comparative guide into where vendors are failing and succeeding in the eyes of these enormously influential firms on the front line of B2B tech provision.

#### 4. Geographical location of respondents



# Barracuda Networks

Barracuda Networks emerged as a star performer in this report, placing fifth overall with a core services average of 7.0.

The email security specialist was lauded for its solid, reasonably priced technology that matches or outperforms the competition. With one or two exceptions, respondents found it approachable and easy to work with, although a few felt its training regime needs work. Barracuda's strong showing in the core categories was matched in the additional indices, where it ranked third for satisfaction and sixth for loyalty.

## Technology Leadership

Barracuda ranked seventh for Technology Leadership with a laudable average score of 7.7.

Respondents by and large agreed that Barracuda delivers on its mantra of offering affordable and easy-to-use technology, with related comments eight positive to three mixed/neutral and one negative.

A sales/business development executive at a mid-sized VAR said that Barracuda has "great products for the cost, and good support", while a marketing employee at a small cloud services provider praised its "good products and forward thinking".

"Barracuda products perform as well as or better than any comparable solutions. Vendor support is good," said the sales director of a small reseller.

The sales director of a large cloud service provider praised the vendor's

## WWW.BARRACUDA.COM

Barracuda Networks specialises in "easy, comprehensive and affordable" email protection, data protection and network and application solutions.

Having been taken off the New York Stock Exchange in February 2018 by private equity house Thoma Bravo, the California-based vendor has outlined plans to hit \$1bn in revenues and has made a string of acquisitions including Sonian, Phishline and Managed Workplace RMM.

technical team for being "passionate and knowledgeable", meanwhile.

"Pricing is good, reseller engagement and support is outstanding, and [it has a] solid product roadmap with products that clients want to buy," added the CTO of a mid-sized partner, who scored Barracuda a nine in this category.

On the downside, one respondent grumbled that products and issues aren't always updated or fixed in a timely manner, while another felt the vendor "just seems to follow the crowd" and is "not at the forefront of technology".

## Channel Strategy and Account Management

A score of 7.0 saw Barracuda rank fourth for Channel Strategy and Account Management.

Comments were seven positive versus three negative and two mixed, with the majority of respondents painting it as channel friendly and easy to deal with.

The sales director of a large cloud services provider praised Barracuda's

"excellent channel team and leadership", adding that "other vendors should take note".

"Access to top C-level execs is good, although be prepared to (rightly so) put the effort in yourself," added the CTO of a mid-sized reseller, who scored Barracuda an eight here.

The sales director of a small VAR said they had encountered "no issues working with partner account managers", and the boss of a small MSP remarked that Barracuda is "very proactive and works only with MSPs".

Not everyone concurred, however, with a marketing executive at a small cloud services provider complaining that it "can be difficult to pinpoint the correct person for a specific task".

An MSP respondent, admittedly based in the US not the UK, grumbled that Barracuda has "a very bad habit of contacting customers directly", while one disgruntled reseller respondent characterised its staff as "wide-boy sales people, just doing any deal at any price".

## Margins, Leads and Incentives

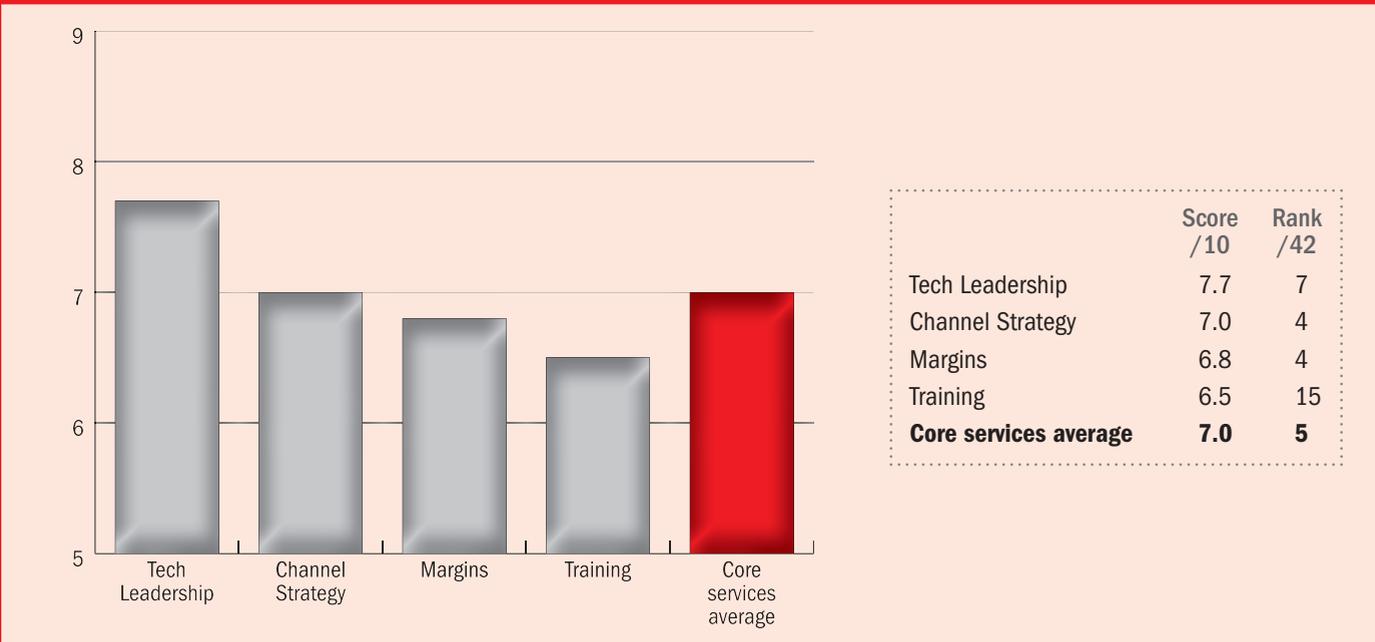
The high scores and upbeat feedback

## Barracuda Networks versus key rivals





**Barracuda Networks scorecard**



continued for Margins, Leads and Incentives, where Barracuda ranked fourth again with an average mark of 6.8.

Comments were five positive, three negative and four mixed, with most respondents satisfied that they can make money selling and servicing its technology.

The boss of a mid-sized IT solutions provider said their firm enjoys leads and discounting “when needed”, while the boss of a small MSP said that Barracuda offers “good margins”.

The CTO of a mid-sized reseller scored Barracuda a nine here, hailing its “good lead generation” but grumbling that its deal registration is “a little backward – vendor *must* contact opportunity to approve”.

On the downside, two small partners felt that Barracuda’s margins and pricing don’t pay for firms of their size.

Barracuda “have been reluctant to pass leads at times but have offered good incentives for events,” added a marketing employee at a small cloud services specialist.

**Training and Accreditation**

If there was one chink in Barracuda’s armour it was in Training and Accreditation, where it ranked 15th with a score of 6.5.

Barracuda generated mixed written feedback within this category, with some partners feeling that the vendor

**Additional Indices**



	Loyalty	Durability	Satisfaction
<b>Score /100</b>	70.8	79.5	74.2
<b>Rank /42</b>	6	7	3

could up its game.

The sales director of a large cloud services provider felt that Barracuda has achieved the “perfect balance of training for [its] certification programme”. Another CSP respondent remarked that Barracuda is “very proactive and keen to get partners trained”, while a director at a small MSP said that its “online training is very good and mostly useful”.

In contrast, the sales director of a small reseller said the matter of attaining certifications is “confusing”, while the boss of a small MSP complained that Barracuda’s programmes here are “not the most engaging”.

“It’s OK, [but] would be good to see a stronger training programme that can be alternatively funded, ie by Barracuda,” added the CTO of a mid-sized reseller.

**Indices**

Barracuda matched its strong showing

in the core service categories by placing third in the Satisfaction Index with a score of 74.2. It also finished a respectable sixth and seventh, respectively, in the Loyalty and Durability Indices.

**Verdict**

Barracuda stormed this report, ranking fifth overall and finishing in the top 10 in all but one of the seven categories and indices.

With a couple of exceptions, partners are sold on its affordable and easy-to-use technology vision and find the company a pleasure to deal with.

The only blot on its copybook was Training and Accreditation, where some respondents felt that Barracuda has room to step up.

Private equity takeovers can lead to a period of upheaval for the channel, but in Barracuda’s case the majority of partners are clearly content under its new owner.

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