



State of the Internet of Things N. American Solution Provider Community

Continuing Education for IPED Channel Masters

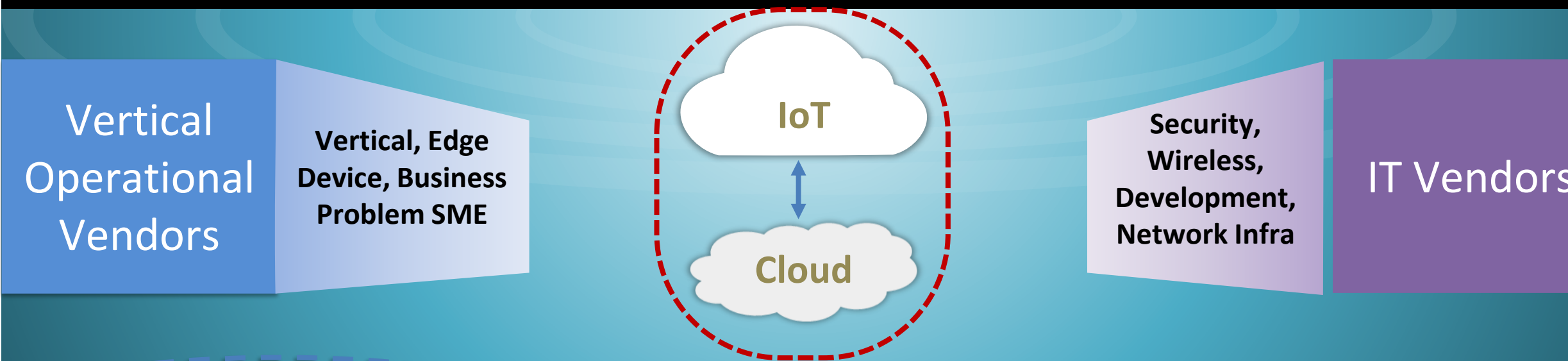


A look back to last October

Telephony Convergence



IoT Operational to IT Convergence



Edge: ROI Potential

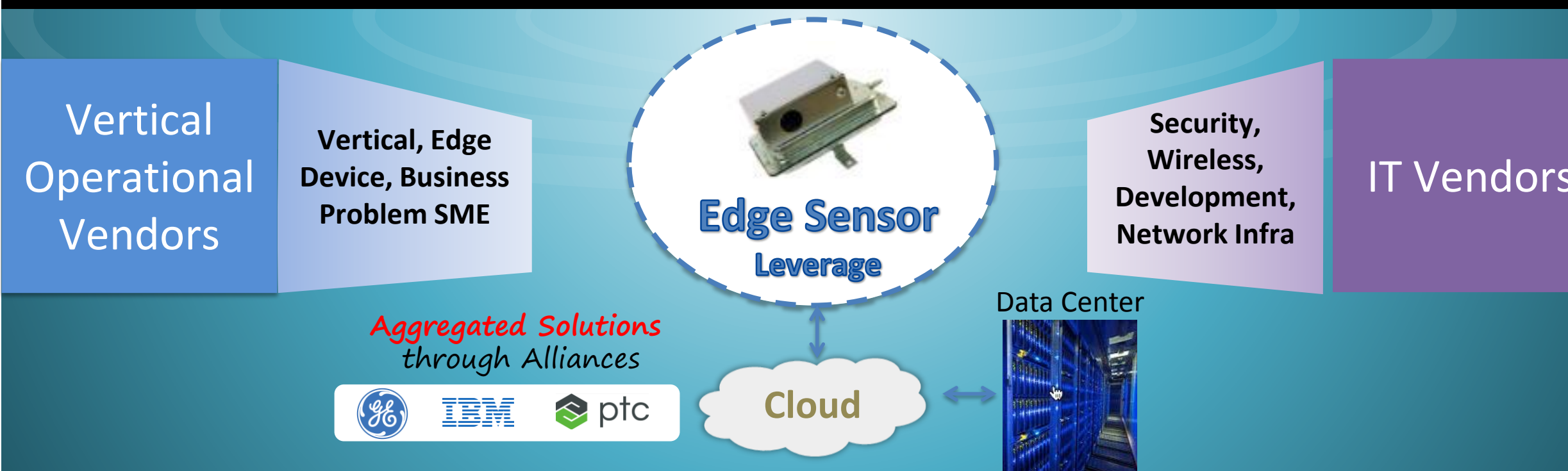
Aggregated Solutions through Alliances



Telephony Convergence

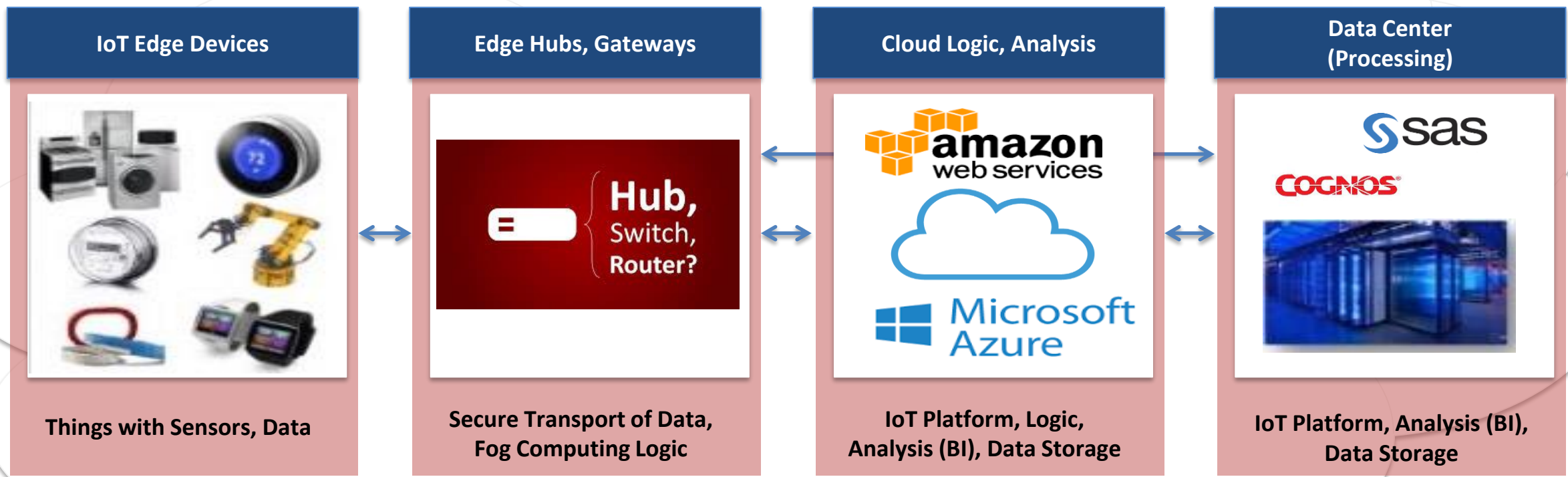


IoT Operational to IT Convergence




Generally Speaking... IoT in Crayola

The Definition is Different by Person... Legacy Business Biases Each View

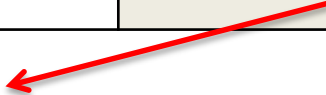


IP/MPLS Network

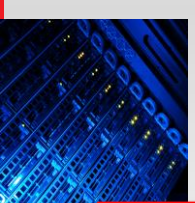
Aggregated Solution Development


Operational		IoT Alliances to Develop Solutions	IT	
Channel Partners	Prospective Vendors		Vendors	Channel Partners
HCL, Genpact, etc.	GE (Digital)	Aggregated Solutions by Vertical 	Cisco	Denton Business Solutions, Acadia Technology Group, etc.
Collaborative Automation Technology Partner Program	Schneider Electric (circuit breakers, switches, etc.)		Vodafone	Synnex, Onecom, etc.
GrayBar Electric, Norton Electric Wholesale, etc.	Phillips (PoE) (also Eaton, Cree) (Lighting Systems)		PTC	AV Engineering, Concurrent Engineering Ltd., etc.
Altura Assoc., etc.	KMC Controls (Building Auto Systems)		Dell	Actionpoint, Asavie, etc.
Advanced Measurements (Oil and Gas), Hydraulics (Calgary, Alberta), etc.	National Instrument (Sensors, Systems, Analytics)		AT&T	Scansource/Intellisys, Sandler Partners, etc.

"We don't equip trucks or wire refers. We team to get the Edge sensor work done."



OT vs. IT Solution Provider Profile



 OT Legacy Skills		 IT Legacy Skills
<ul style="list-style-type: none"> ✓ Vertical market orientation ✓ Many customers already using smart devices 	<h2>Customer Focus</h2>	<ul style="list-style-type: none"> ✓ Horizontal market orientation ✓ IoT use-case is new, unproven
<ul style="list-style-type: none"> ✓ Primary customers are LOB, operational 	<h2>Selling Motion</h2>	<ul style="list-style-type: none"> ✓ Primary customers are IT mgmt.
<ul style="list-style-type: none"> ✓ Sensor & mobile device mgmt. ✓ Edge to Gateway connectivity ✓ Software platform & app. dev. 	<h2>Technical & Solution Skills</h2>	<ul style="list-style-type: none"> ✓ Data center infrastructure (server, storage, networking) ✓ Private & hybrid cloud builders ✓ WAN networking architecture
<ul style="list-style-type: none"> ✓ Often act as contractor ✓ Application layer, mobile aware ✓ Some data analytics at the edge ✓ BPR through operational insights 	<h2>Services Focus</h2>	<ul style="list-style-type: none"> ✓ Wants to act as prime ✓ MSP services attach unproven ✓ Data center and cloud IaaS design ✓ Security services across WAN
<ul style="list-style-type: none"> ✓ Looking for IT/data influencers and network design, security and cloud infrastructure skills 	<h2>Teaming Interest</h2>	<ul style="list-style-type: none"> ✓ Looking for IoT business/ops. influencers and edge data, security and device management skills

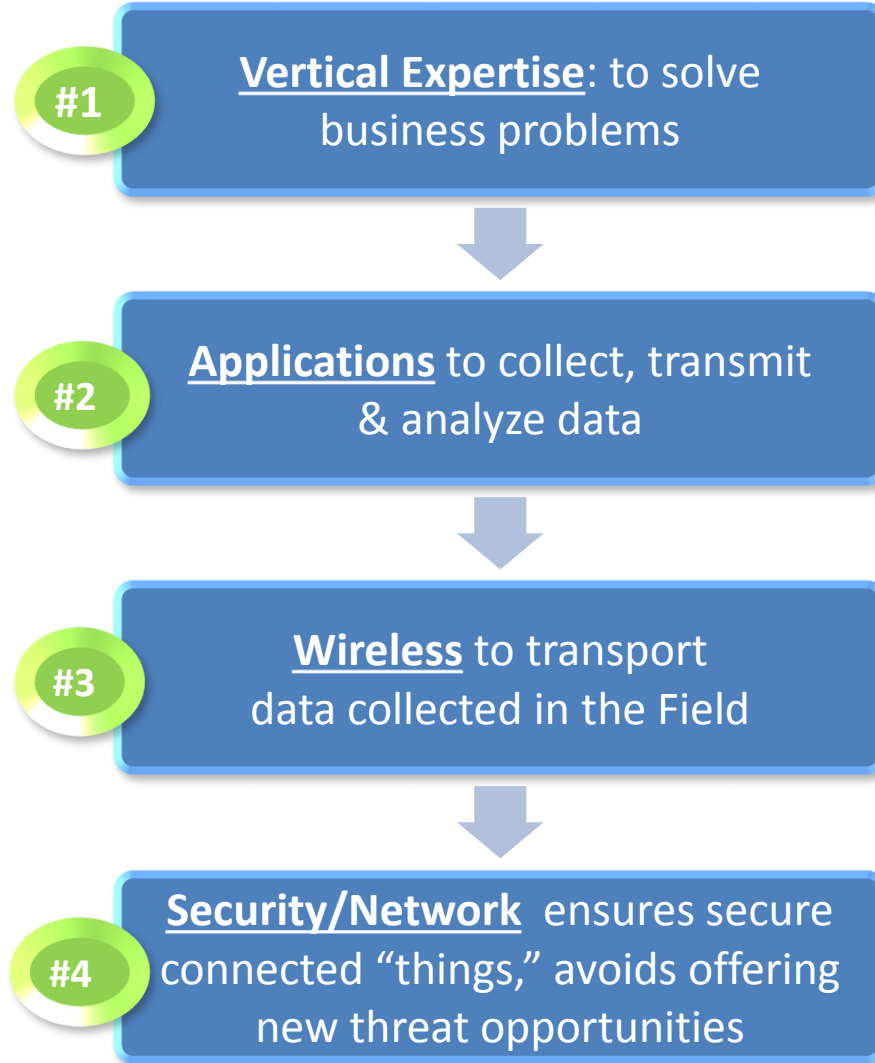
Revenue Opportunity

IDC: Fewer than 1/2 of Manufacturers have implemented a pilot.

Vendor Enablement

CRN: ... 49 percent of respondents said they are getting "too little partner enablement" from vendors, and 24 percent said they are seeing "no partner enablement."

We Evangelize These Entry Points to Partners



Partnering Potential



IoT Solutions Partner Program



wyleless[®]
Enabling Global IoT



Examples!

Partner Programs Organized by Roles, Vertical Specialties & Development

Microsoft Azure
Certified

Microsoft Azure Certified
Internet of Things partners

New AWS IoT Competency

Successful IoT implementations require services and technologies not part of the enterprise's DNA

Customers are looking for skilled partners that can provide support for every piece in the complex IoT value chain.

IoT Competency Partners guide customers through all phases of an IoT project development including the integration of AWS IoT and other related AWS services as required.

AWS Competency Programs Accelerates Success

DELL EMC IoT Solutions Partner Program

Verticals

Energy	Natural resources
Manufacturing	Healthcare
Transportation and logistics	Retail and hospitality
Communication	

Use cases

Factory optimization	Fleet management
Predictive maintenance	Security and access control
Automated process/Quality control	Remote asset management
Smart infrastructure	Supply chain management and logistics
Smart metering and energy management	Compliance and documentation

AWS IoT Partner Solutions

IoT Partner Program

- Connectivity
- Platforms/Services
- Hardware and Devices
- Software / Applications

ThingWorx™
A PTC Business

- Build
- Services
- Sell

CISCO Advanced Internet of Things Specializations

Connected Safety and Security

Industry Expert

Manufacturing

Job Role Requirements

	IT Partners		Operations Technology Partners
	Manufacturing	Connected Safety and Security	Industry Expert
AM	IoT Manufacturing Account Manager Representative	IoT CS&S Account Manager Representative	IoT IE Account Manager Representative
SE	IoT Manufacturing Systems Engineer Representative	IoT CS&S Systems Engineer Representative	IoT IE Systems Engineer Representative
FE	IoT Manufacturing Field Engineer Representative	IoT CS&S Field Engineer Representative	IoT IE Field Engineer Representative
Other	None	COS: CCNA R/S	Customer References, Industry Certification

Tech Role Sharing Across, 3-2-2

Go to www.cisco.com/go/iotpartner

Current Update: Intel Sponsored Research



Overview

Objective

Understand the current state of the market for IoT solutions in the North America IT channel community and the solution providers' business models and investment strategy to invest in IoT solutions delivery.

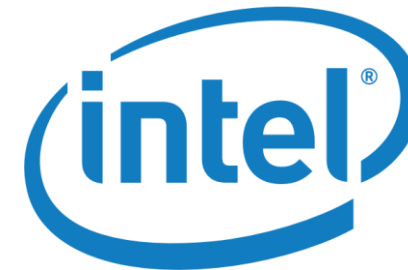
Two Elements:

- ✓ Online survey to The Channel Co.'s broad solution provider base in North America and selected Intel IoT specialized partners
- ✓ Detailed 1:1 interviews with 15 IT and OT solution providers, vendors and other IoT stakeholders

Respondents

Combination of quantitative and qualitative research fielded against The Channel Company database and Intel's targeted partner list:

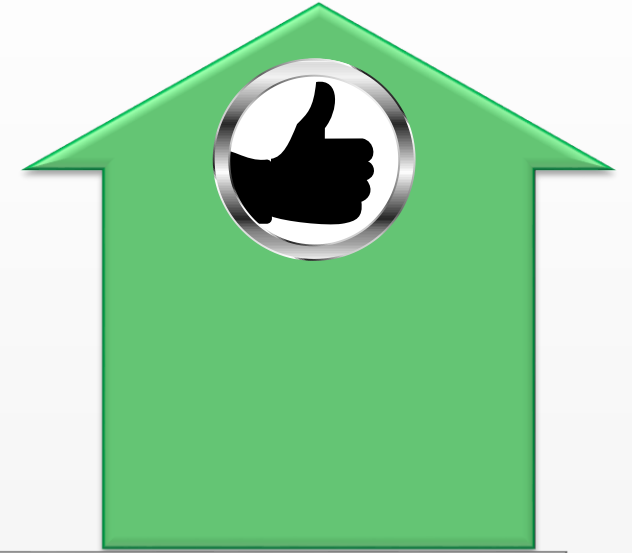
- 254 General TCC solution providers
- 13 Intel IoT specialized partners and partner prospects



Market Drivers & Barriers

Drivers:

- Ease of connecting the unconnected (sensors/meters)
- Need to reduce costs & improve supply chain
- Need to understand customer profiles and preferences
- Maximizing use of existing IT assets (e.g., predictive maintenance)



Barriers

- Unclear use-case or objective
- Business process or cultural change
- Edge and legacy data security
- Solution complexity and fragmentation
- Data integration to legacy apps. & systems

Traditional & Non-Traditional Skills Required for IoT Success

Traditional IT Skills

(in priority order)

1. Performing physical site surveys
2. Business problem resolution and white boarding skills
3. Business intelligence & data analytics
4. Wired and wireless architectures

Non-Traditional (OT) Skills

(in priority order)

1. Advanced Edge Security
2. Deep vertical market business process insights
3. Placement and management of sensors and edge devices
4. Building custom applications to support M2M communication and data collection

Importance of IoT Software Platform Skills: Analytics and App. Development

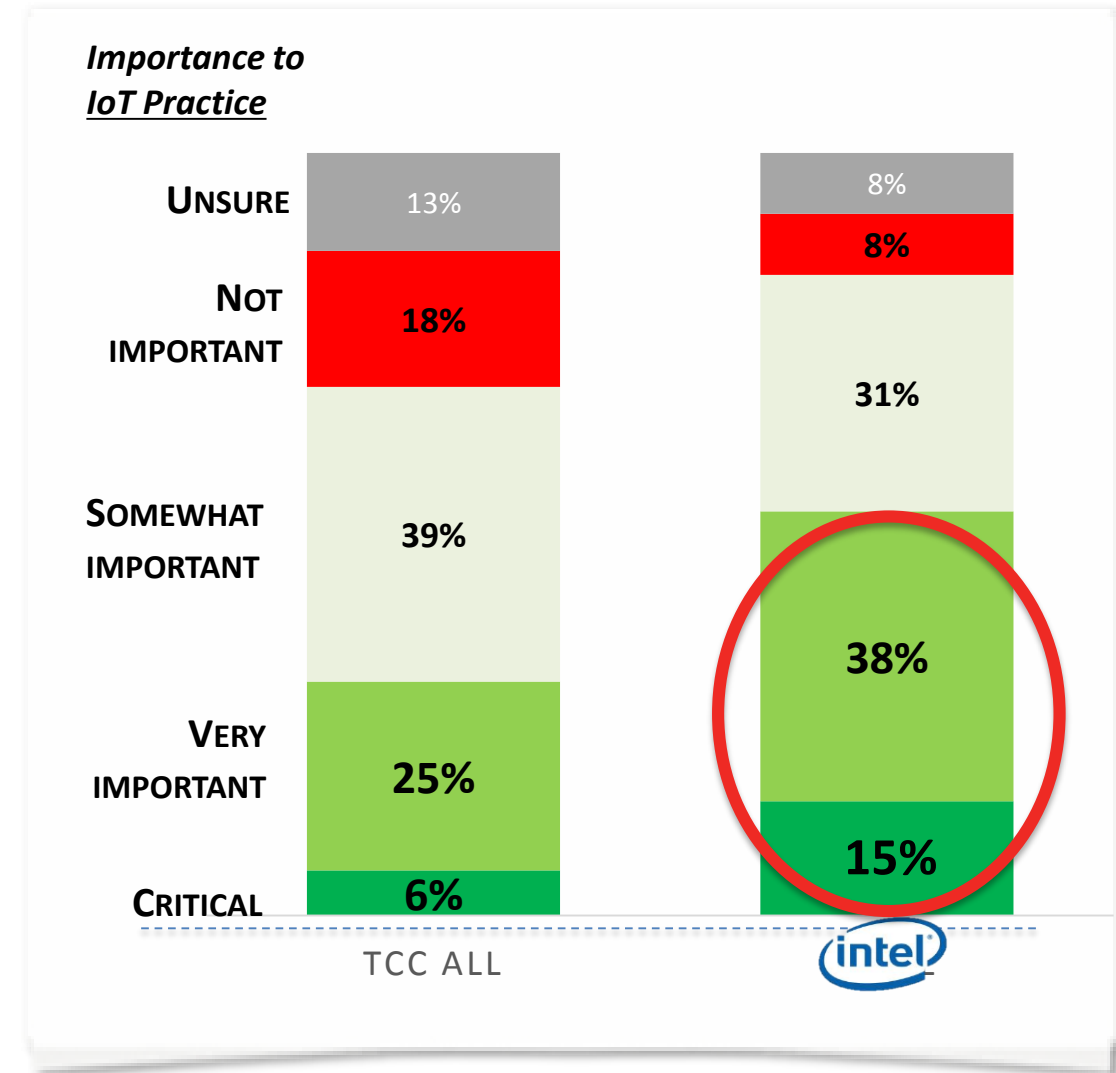
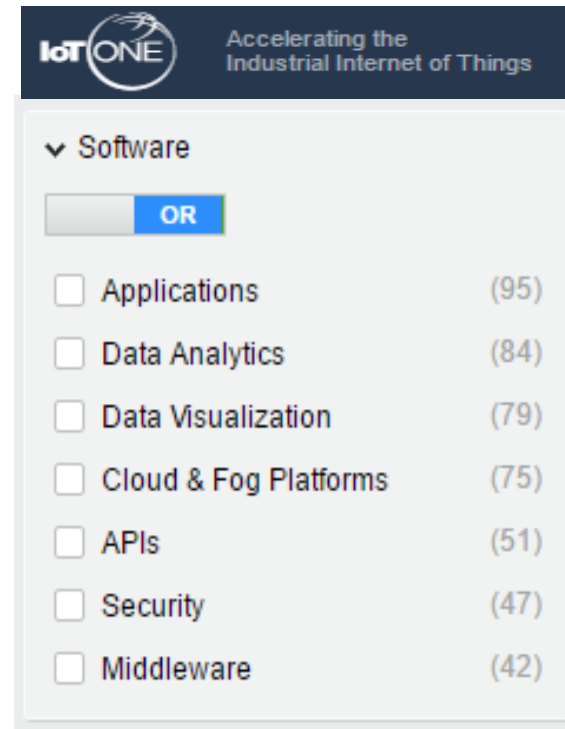


Takeaways:

- Analytics and application development skill priority still emerging - an IoT priority for ~ 1/3 of general respondents
- OT providers recognize larger opportunity
- Fragmented (300+) IoT software platforms

“Having partners that use a development platform and have some level of app. dev. skills is critical to our future.”

KMC Controls



Linkage between IoT Growth and Managed Services/MRR

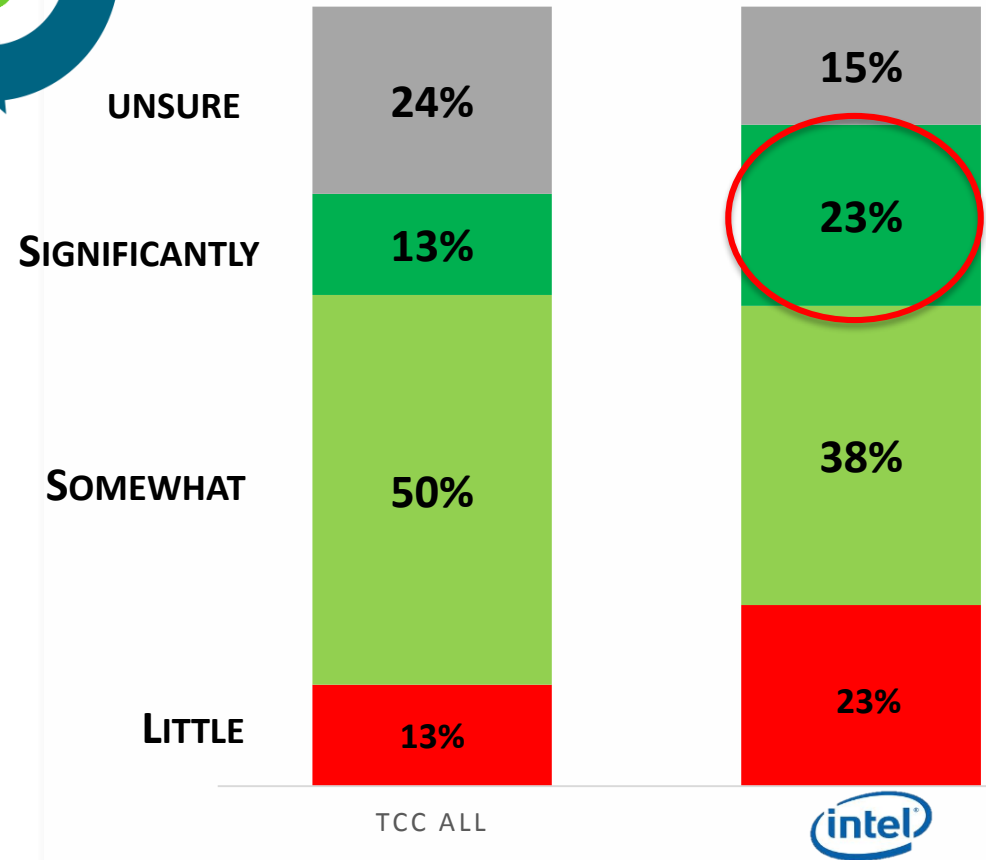


Takeaways:

- IoT offerings not considered repeatable enough yet for consistent linkage to managed services;
- Those with an existing MSP business approach IoT opportunities with MRR focus;
- Device management and/or edge analytics most common entry points

“These solutions must be sold as XaaS – it’s fundamental. IT solution providers are hiring new sales staff with mobile and XaaS orientation to sell these things.”

Davra Networks



Top IoT Influencers Within Customers

TOP IoT INFLUENCERS

SP Ranking	Customer Role	% of SPs with a "well-established/previous relationship"
1.	CEO	49%
2.	CIO	49%
3.	CTO	41%
4.	CFO	48%
5.	COO	29%
6.	VP, Technical	37%
7.	CMO	21%

LOWER-RANKED IoT INFLUENCERS

SP Ranking	Customer Role	% of SPs who have a "well established relationship"
13.	Staff, Operations	33%
16.	VP, Sales	29%
18.	VP, Operations	67%
20.	Chief Security Officer	60%
25.	VP, Marketing	0%

"We aim for the VP or Director of Facilities (who often reports up through CFO office) or someone in charge of assets. The sooner we get with the CFO, the sooner we can prove ROI.

And that's where we want to be anyway!"

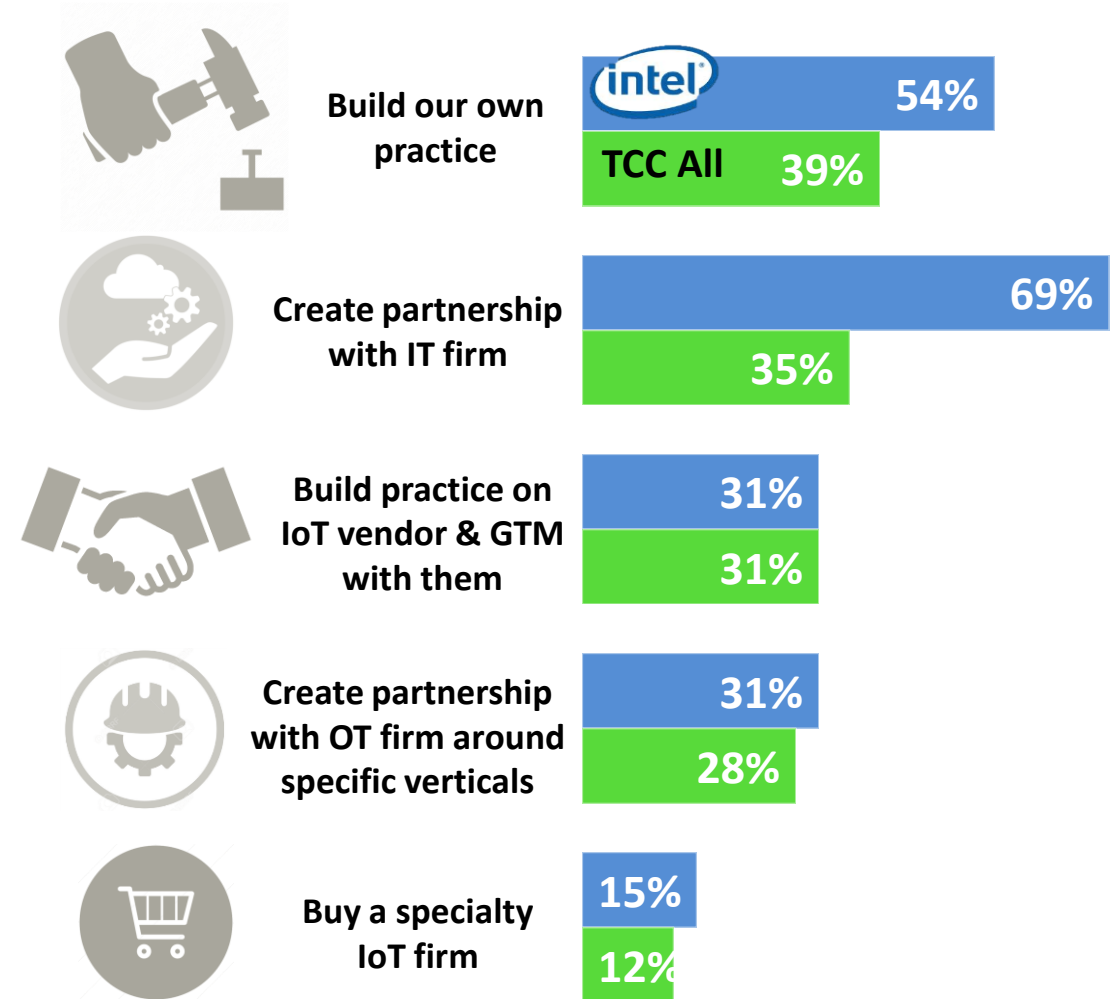
CB Technologies

Build vs. Buy vs. Team for IoT Capabilities



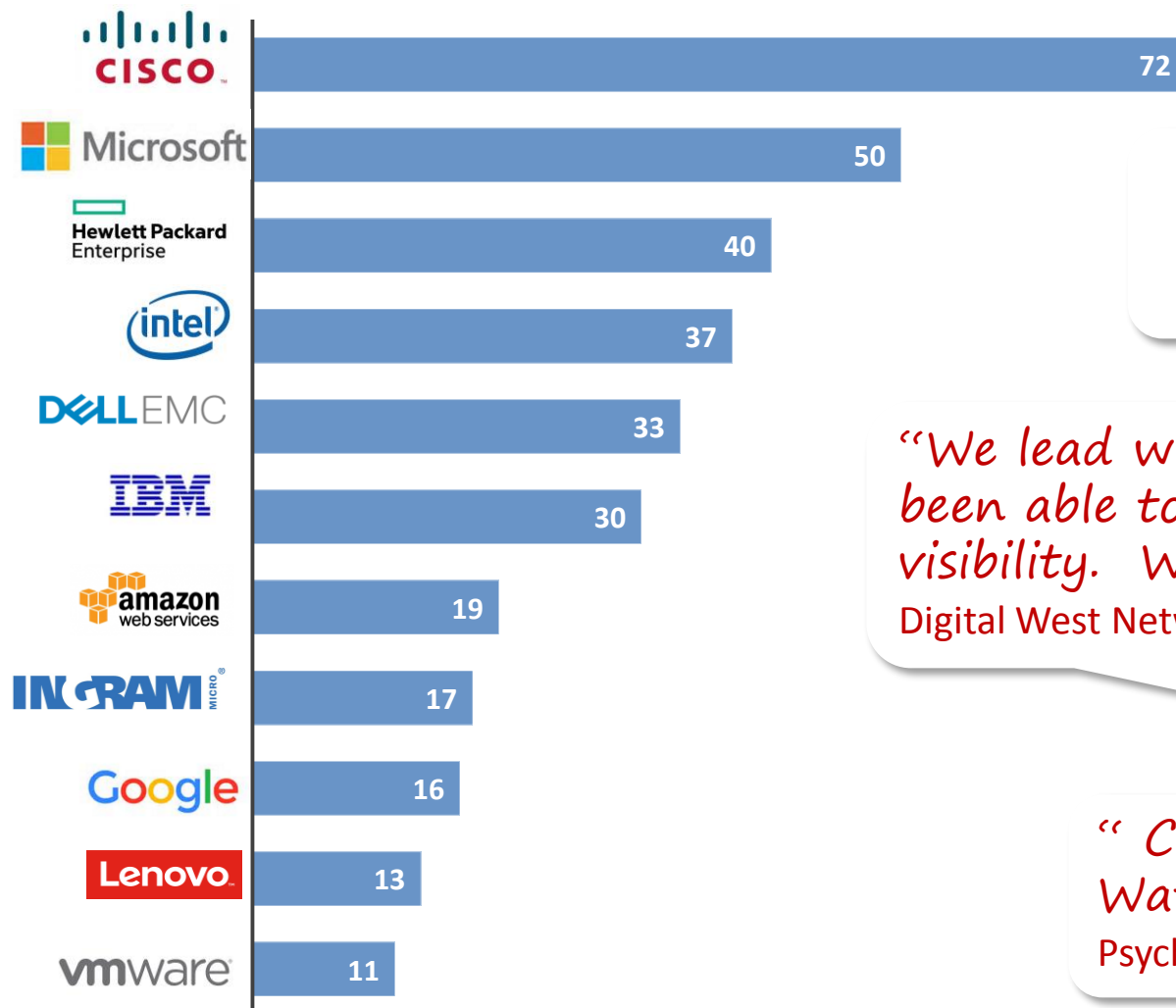
Takeaways:

- IT legacy partners tend to want to prime and own the customer relationship; OT providers tend to act as sub-contractor
- Intel/OT partners have strong desire to team for legacy IT skills
- Desire for partnering with OT specialists around specific verticals approaching 1/3 of respondents; nearly on-par with aligning with IoT vendors
- Market not mature enough yet for most to consider acquisition of IoT solution providers



IT Vendors Considered Strategic to IoT Growth

Based on number of mentions (from 204 write-ins)



“ Cisco is pretty far in the lead. They’ve built the IoT market for solution providers.”
Wachter Intelligent Solutions

“We lead with Juniper in networking. They’ve been able to give us product roadmapping visibility. We could never get that with Cisco.”
Digital West Networks

“ Cisco and IBM with their machine learning Watson model are the leaders so far.”
Psychsoft

Role of the IT Vendor in Fostering IT to OT Solution Provider Collaboration: All

Create events and other activities to introduce & foster relationships between IT and OT

52%

Establish teaming agreements with OT providers and vendor sales teams -to deliver solutions together

40%

Profile and create a directory of vertical OT providers interested in teaming

37%

No role; don't need or want their help at this time

19%

“Finding new projects is our biggest challenge – expanding our sales reach and operational contacts. We are all engineers who sell – that’s both an advantage and disadvantage.” Psychsoft



Takeaways:

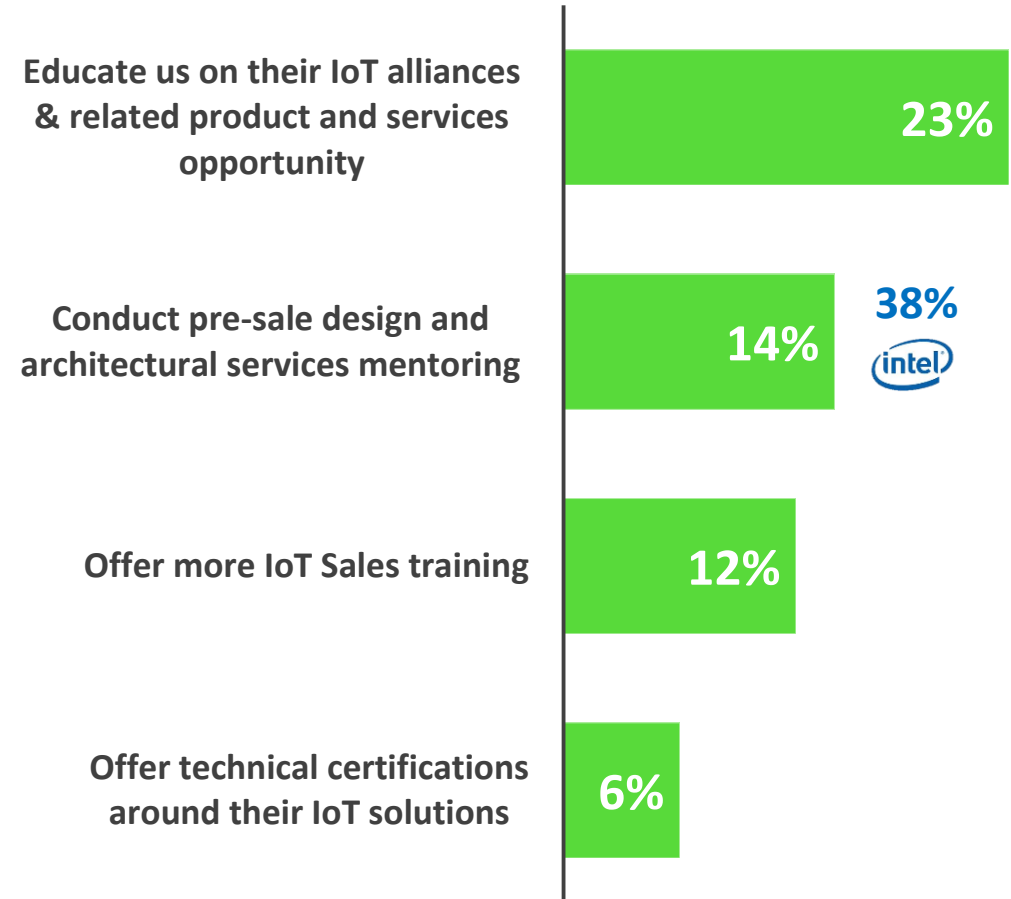
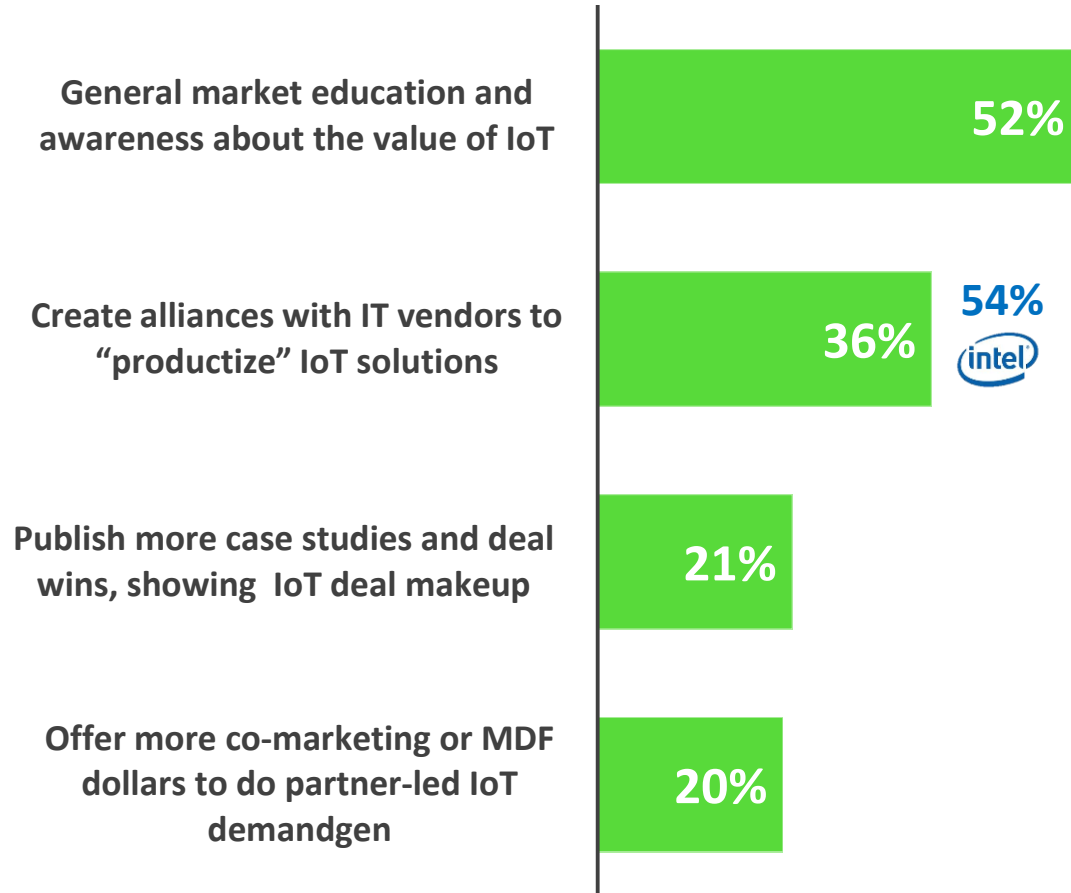
- Expectation for vendor involvement in linking OT and IT communities is mostly profiling and holding networking events
- SP’s want vendors to establish teaming agreements to co-sell with OT providers & establish early wins collaboratively (more prominent need among SI’s)



Top Vendor Support Expectations for Growth of IoT

Partners first want market education, case studies and simplified, productized solutions

Then, they want training on solutions, design services, sales and lastly technical certifications



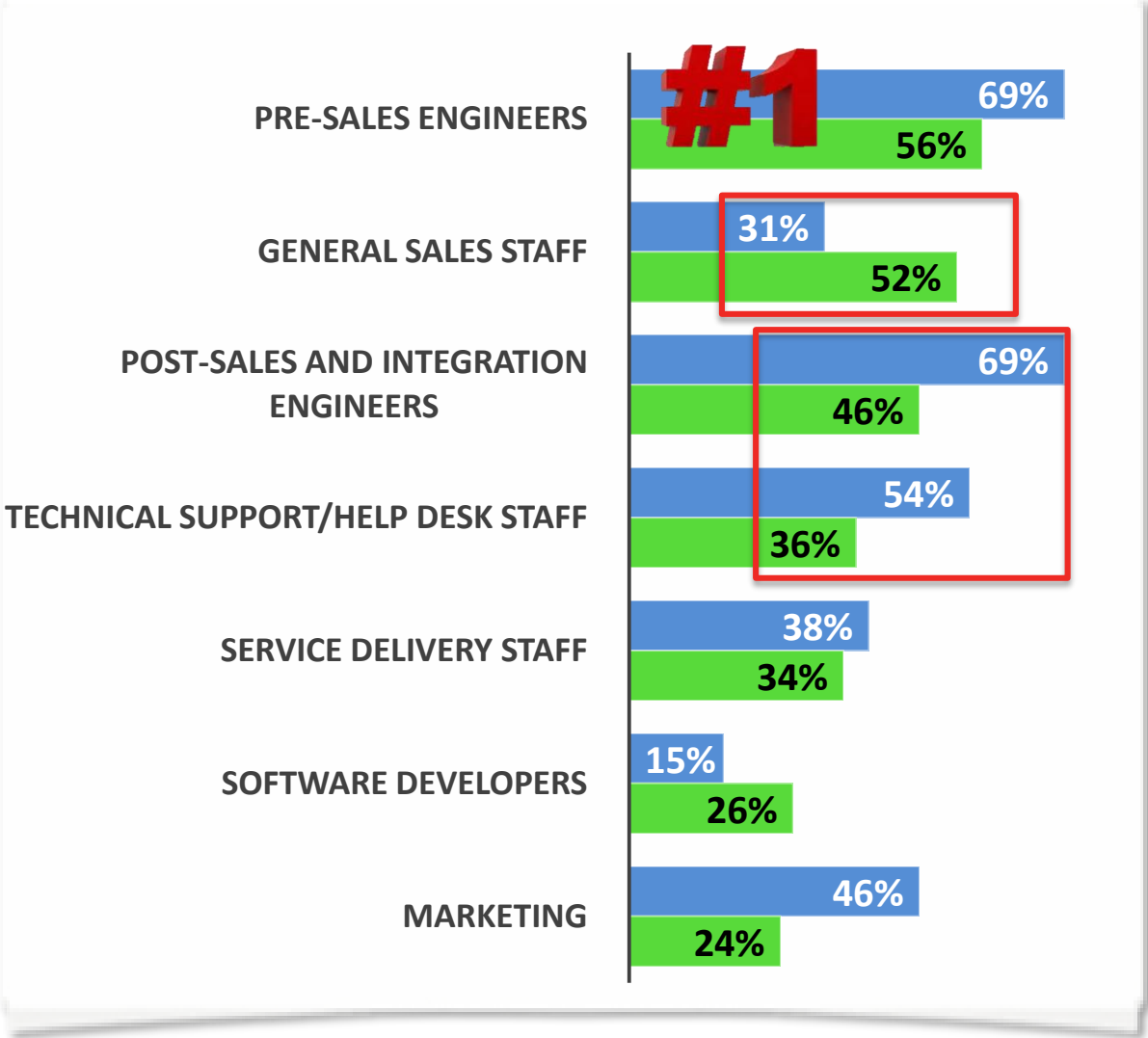
Need for IoT Training, by Role



“We need help to recruit a more diverse set of IT roles. It’s a 3-man team on these projects; business analyst, software engineer and technical infrastructure engineer.”

Cognizant

62% Say they see **“too little partner enablement”** from their primary vendors to help them capitalize on IoT



Partner Programs Organized by Roles, Vertical Specialties & Development

Microsoft Azure Certified
Internet of Things partners

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Vendor IoT Imperatives



MAP PRODUCT & AGGREGATED SOLUTION SALES & IMPLEMENTATION NEEDS TO IOT ENTRY POINTS...

WRITE THE PARTNER PROFILE...

RECRUIT...

IoT Entry Points:

Vertical Expertise: to solve business problems

Applications to collect, transmit & analyze data

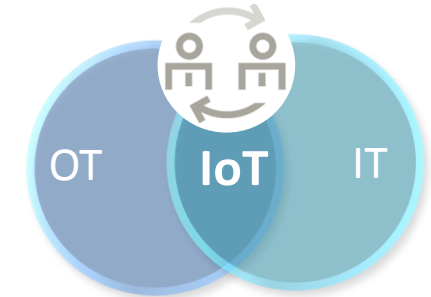
Wireless to transport data collected in the Field

Security/Network ensures secure connected "things," avoids offering new threat opportunities



BUILD OR UPDATE PROGRAM & METRICS TO SUPPORT RECRUITED PARTNERS

OT & IT Partnering with Partners



IOT Enablement



Enablement

VENDOR IoT POV & PLAN

BUILD AGGREGATED IOT SOLUTIONS



DETERMINE POINT PRODUCT IOT RELEVANCE

START MARKET AWARENESS & EDUCATION

Thank You



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The Channel Company

thechannelco.com

The IPED ChannelMasters[®] Advantage

YEARLONG Development Series for Senior Channel Professionals

Proven program designed to arm vendor sales, marketing, and channel program leaders with the insight, tools and real world techniques to:

- **BUILD** upon best-in-class channel programs
- **RECRUIT** the most effective partners
- **ENABLE** partners to full productivity as quickly & predictably as possible
- **MANAGE** partner relationships to drive continued success

*Channel Masters Classes Kick off 2x per year.
Seating is limited to approximately 25 attendees per class.*

Next class kicks off
May 23-25 in Boston

2-PART PROGRAM

PART 1: MAY 23-25



2.5 day Interactive Kickoff Workshop

Best practices data driven lectures. Facilitated discussions around attendee real world challenges. Simulation exercises including a live partner panel.

PART 2: JUNE '17 – APRIL '18



11 Monthly Continuing Education Webinars

Topics prioritized by members. All webinars are delivered live, recorded and made available for on-demand usage behind a gated learning portal.