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State of the U.S. Cloud Channel | January 2020
As a result, more channel solution providers than ever now offer cloud products and services. Our current research finds close to 98% of partners polled making money in the cloud. Only about one in 10 solution providers still identify primarily as hardware or packaged software resellers; the rest have, to varying degrees, made cloud a formal part of their organization and their value proposition.

Cloud transformation, coupled with a growing commitment from partners, has helped fuel modest growth in revenue and profits in recent years. That’s the good news. The more bracing finding is that, while solution providers are steadily increasing the volume of revenue from cloud products and services, they aren’t ascending into the cloud with a tremendous amount of strategic direction or forethought.

While industry averages show an industry segment in mostly decent health, a deeper look at the numbers indicates an environment in which some are winners and some are, at least for now, survivors. The differences continue to come down to commitment to the model and appetite for strategic investments to bolster both capacity and capabilities.

Over the past three years, The 2112 Group, in collaboration with Ingram Micro Cloud, surveyed more than 700 U.S.-based solution providers with working cloud practices to see how they structure and run their businesses and prime them for success. The research continues to enrich our baseline – the
foundation for our Cloud Altimeter diagnostic tool to help solution providers compare and contrast their cloud performance to peers – and it informs the many resources we deliver to help partners and vendors sharpen their strategies for delivering cloud solutions.

The results of this 3rd annual 2112 State of the U.S. Cloud Channel study show that the channel is reaching a kind of equilibrium with its cloud practices, a plateau balanced between the exuberance of the early cloud adoption period and the reality of the highly competitive, value-focused environment that has emerged since. Solution providers may have embraced the message that cloud is nothing less than a generational technology transformation opportunity, but work remains to turn that opportunity into tangible business success.

As the data demonstrates, many in the channel continue to resist the kinds of fundamental business planning and reinvestments vital to making measurable and meaningful improvements in cloud development and practices. Last year's modest gains in areas such as strategic business and sales planning, as well as marketing and sales execution, have leveled off at best. And as the cloud industry matures and more partner data is collected, it's increasingly clear that cloud practitioners need more sophisticated approaches to portfolio development and the nurturing of vendor and customer relationships if they hope to optimize the opportunity.

This 3rd annual 2112 State of the U.S. Cloud Channel report gives vendors and solution providers fresh insights into cloud technology adoption levels, revenue performance, and strategic and managerial practices that comprise optimal cloud strategic planning and performance. The report serves as a playbook for crafting more productive, more profitable cloud practices at a time when the stakes in cloud computing in the channel are particularly high and the margin for error is vanishing.
KEY FINDINGS

The 3rd annual 2112 State of the U.S. Cloud Channel study shows cloud computing has moved well past its days as an emerging technology. The data shows a technology segment in solid health and still teeming with opportunity.

The numbers also indicate that the preponderance of the spoils in cloud services go to practitioners with an organized and thoughtful approach to business strategy, portfolio development, vendor relationships, and customer service that prioritizes business outcomes over basic technology features. Among the key findings of our 2019 research:

On Average...

<table>
<thead>
<tr>
<th>Category</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud revenue as a percentage of gross revenue in 2018</td>
<td>14%</td>
</tr>
<tr>
<td>2019 cloud revenue goal as a percentage of gross revenue</td>
<td>18%</td>
</tr>
<tr>
<td>Profit margin on a typical cloud engagement</td>
<td>18%</td>
</tr>
<tr>
<td>Gross revenue reinvested to develop better cloud capabilities</td>
<td>11%</td>
</tr>
</tbody>
</table>

79% PERCENTAGE OF SOLUTION PROVIDERS

- Selling cloud-based backup and recovery
- Expecting to expand cloud offerings in the coming year

Average number of cloud vendors with which solution providers partner: 7.0

Average number of cloud products sold per engagement: 4.6

13% PERCENTAGE OF SOLUTION PROVIDERS that describe themselves as CLOUD EXPERTS

Solution providers that don’t have a business plan

Solution providers that don’t set cloud sales goals

The 2020 watchword for cloud in the channel will be value. Solution providers must continue to grow their practices, improve customer retention, and bolster their offerings with high-touch business services built on feature-rich, business-class cloud offerings in order to maximize growth.
Cloud computing is now a key part of the vast majority of solution provider businesses, with 89% describing themselves as having some level of cloud focus (see Figure 1: Organization Type). The majority (66%) of respondents to our State of the U.S. Cloud survey identify as managed service providers or systems integrators that feature cloud solutions as part of their service offerings.

Cloud-Focused Provider 16%
Hardware and Software Reseller 11%
Systems Integrator With Cloud Services 16%
MSP With Some Cloud Capabilities 50%
Transitioning From VAR to Cloud Provider 7%

Around one in six (16%) are all-in on cloud, while 7% are still making the transition from traditional VAR to cloud-focused provider. Only about one in 10 (11%) still identify primarily as a hardware and non-cloud software reseller, down from 12% last year.

The average solution provider in the State of the U.S. Cloud study earned $7.1 million in gross revenue in 2018 (see Figure 2a: Average Annual Gross Revenue). While the sample includes around 11% of partners bringing in more than $20 million per year, the majority (65%) earn less than $2.5 million in sales, while
about one in three (34%) came in under $500,000 annually (see Figure 2b: Gross Revenue Trends, 2018-2019). This sample remains consistent with both our previous cloud research and the channel's established baseline firmographics.

Meanwhile, solution providers aim for a revenue boost of about 10 percent, pegging 2019 total sales to come in at just over $7.9 million.

In this mix, cloud makes up an average of 14% of gross, still well short of other sales segments including hardware and managed and professional services. That gap is closing, however, with projections for 2019 putting increased cloud share of 18% on par with hardware sales and doubling non-cloud software revenue (see Figures 3a & 3b: Revenue Breakdown & Revenue Breakdown Trend).
In the 2018 report, the data showed 13% of partners earning at least a quarter of their revenue from the cloud; that group has now risen to 26% of respondents, a clear indication that the cloud is becoming more critical to a larger segment of solution providers.

Over time, the average share of gross coming from cloud sales not only tells us how partners are faring with their cloud computing practices but also affords us a glimpse into the future of cloud in the channel.
In 2015, the average solution provider earned less than 8% of revenue from cloud services, a share that
rose to 9% in 2016 and broke into double digits in 2017 at 13% (see Figure 4: Percent of Gross Revenue From Cloud Sales).

Taking into account respondents' 2019 estimate of 18% of gross revenue from cloud sales, the trend toward cloud dominance in the channel, a phenomenon first noted in the 2018 report, continues unabated. By the close of 2024, cloud computing will be the dominant source of solution provider revenue, topping 30% of gross revenue.

For solution providers to make good on this opportunity, they’ll need diligent business planning and a willingness to commit effort and resources to cloud practice development. As explored in the course of this report, the spoils of cloud transformation in the channel aren’t evenly or randomly distributed. Rather, they’re concentrated among practitioners making the best choices in delivering high-touch, high-value cloud service offerings in a crowded marketplace.

By the close of 2024, **cloud computing will be the dominant source of solution provider revenue**, topping 30% of gross revenue.
Cloud computing presents an attractive delivery model for end users for a number of reasons – ease of deployment, tighter security, built-in maintenance and upgrades, and more manageable, predictable costs, to name just a few. From the channel partner’s perspective, however, nothing trumps the cloud’s ability to produce consistent recurring revenue that supplants unpredictable transactional sales and drives meaningful, sustainable solution provider growth.

Boosting the flow of recurring revenue into the business is by far the greatest driver for investing in channel cloud practices (see Figure 5: Top Cloud Business Drivers). Asked to select only the single most important factor, better than half of partners polled (56%) said increased recurring payments is their prime cloud motivator.

Lesser motivators included increasing overall sales, a driver for 15% of respondents, warding off competitive challenges (10%), and responding to customer demand (9%). Other options presented in the survey, including boosting service utilization rates, upselling to existing customers, and getting to market faster, garnered little to no support from respondents.

The recurring-revenue model is now solidly woven into the fabric of the channel. But simply being attracted to the concept of recurring payments hardly guarantees success in the cloud. Time and again,
2112 research demonstrates that recurring-revenue service businesses require thoughtful strategies and strict attention to factors such as customer recruitment and retention, vendor relationships, and portfolio development.

The majority of recently polled partners appear well-positioned to do the work most critical to supporting sustainable cloud practices and recurring-revenue growth (see Figure 6: Most Important Strategy for Cloud Business Growth). Asked to rank factors for growing their cloud businesses, solution providers placed attracting new customers and selling more to current customers in a virtual tie atop the list.

Expanding into new service areas came in third, followed by adding new vendor offerings, focusing on new vertical markets, and selling to non-IT, line-of-business buyers.

This prioritization makes good business sense for practitioners moving past the toe-in-the-water cloud service stage and setting their sights on sustainable growth. The math behind the cloud model – or any recurring-revenue endeavor – demands an unflinching focus on net-new business, upselling, and the quelling of customer attrition as pillars for success. Respondents indicate they understand this calculus and are making investments in the right places and in the right order.

Solution providers placed attracting new customers and selling more to current customers atop the list of strategies for cloud growth.
The channel’s comfort with – and commitment to – the cloud has thus far only been sufficient to keep the profitability of cloud-based services on an even keel. Once again, polled partners reported a profit margin for the typical cloud deal of 16% to 20%, the same range measured last time around (see Figure 7: Profit Margin of Typical Cloud Engagement). The specific mean profit among this year’s respondents was 18.4%, down a full point from last year’s 19.5% cloud margin average.

At least a part of that performance plateau can be traced to the choices solution providers continue to make when developing the bill of fare for their emerging cloud practices. Solution providers have myriad choices when it comes to selling and supporting cloud services, ranging from the rudiments of information technology to complex, highly specialized solutions.

Out of necessity – born of limited skills, experience, and capacity – most solution providers began their cloud transformation over the past decade by focusing on the basics. As cloud computing matures in the channel, however, vendors and distributors have steadily pushed partners to elevate their cloud portfolios by introducing solutions at the high-touch, high-value end of the spectrum. Their encouragement is sound: Cloud practices that address the particular needs of specialized markets and vertical industries offer better...
long-term prospects for profitability and are resistant to the forces of commoditization that are creeping into the lower end of the market.

For the third year running, however, our State of the U.S. Cloud Channel research shows that the disconnect remains intact. Channel partners continue to travel the path of least resistance in the cloud and remain wedded to mostly low-complexity solutions with limited potential for margin and growth (see Figure 8: Cloud Products & Services Offered).

Cloud-based backup and recovery services once again top the list of the most widely sold cloud services in the channel, sold by 79% of respondents and beating out productivity apps, which led the list in the 2017 report. Cloud offerings featured on the roster for more than half of respondents include IT basics such as hosted e-mail, endpoint security, network monitoring, storage, and VoIP.

Such fundamental cloud fare is fine for entry-level practices, but competitive pressures and price erosion promise to make it difficult to sustain a differentiated, growth-ready cloud business with mostly low-touch, low-maintenance offerings. Meanwhile, higher-value solutions such as virtual desktop, mobility management, development platforms, high-performance computing, business applications, and administration services remain underrepresented in the channel, a phenomenon we’ve witnessed consistently over the past three years of State of the U.S Cloud research.
While the depth and complexity of cloud portfolios hasn’t improved much over the past few years, polled solution providers do appear more committed than ever to bolstering their practices with professional services. In 2019, more than 95% of respondents said they deliver some form of cloud-related assessment, migration, configuration, optimization, or support services.

**Almost all survey respondents (95%) offer cloud-related assessment, migration, configuration, optimization, or support services.**

Topping the list are infrastructure managed services, which are on the menu for three out of four cloud solution providers (see Figure 9: Professional Services Offered).

Roughly seven out of 10 partners offer data and app migration, a service that’s critical to client cloud adoption. Services such as needs assessments, post-sales consultations, and cloud system architecture and design also made the grade for the majority of partners.

Big-ticket application-related services such as integration, customization, and development still lag the field, though their presence has ticked up slightly from previous years, indicating that end users are seeking out (and partners are attempting to provide) more innovative ways to leverage cloud investments as contracts are renewed.
While overall channel cloud portfolios may be unbalanced, lacking in sophistication and complexity, partners at the very least recognize the shortcoming and profess a desire to correct it. Nearly eight out of 10 respondents (79%) say they plan to expand their cloud portfolios this year, up from 74% making the same commitment last year (see Figure 10: Cloud Portfolio Changes in 2020).

Just one in five (21%) expect to stand pat on their current cloud portfolios, while none of the partners polled said they plan to decrease the number of cloud services offered.

Almost 80% of polled solution providers plan to expand their cloud portfolios in 2020.
OPTIMIZING PORTFOLIO CHOICES

Given the need for partners to expand their offerings to increase the value and growth potential of their practices – along with the professed willingness of solution providers to take such meaningful action – the question then turns to one of optimization.

How should a channel partner assess vendor offerings and support in order to make successful additions to its cloud menu without introducing problematic levels of redundancy, complexity, and resource-sapping capacity requirements? The short answer is by finding balance.

The average number of cloud vendors represented by a typical solution provider, as well as the average number of discrete solutions included in the average cloud deal, has steadily increased over the past three years (see Figure 11: Trends in Cloud Offerings, 2017-2019).

The average partner now represents seven different cloud vendors and serves up just under five products in the typical cloud computing engagement. This upward trajectory is heralded by industry insiders as a positive metric, an indicator that cloud practitioners are positioning themselves to more fully service end-user clients seeking to satisfy as many of their cloud needs as possible from the smallest number of channel providers.

There’s some truth to that hypothesis and, indeed, there’s still ample room to expand most solution provider portfolios in pursuit of growth. But the advantages are far from linear (see Figure 12: Vendor Representation Impact on Cloud Revenue).
Three years of State of U.S. Cloud data demonstrates that adding to the number of vendors represented pays dividends only to a point, after which the added complexity of maintaining all those relationships and supporting a larger variety of solutions begins to take its toll on cloud sales revenue and, by extension, overall profitability. The sweet spot, according to the data, resides in the neighborhood of 14 total vendors represented.

Again, that’s double the number of vendors represented by the average cloud provider today, which means that there’s still plenty of room for expansion. But the emphasis must be on balance. Partners need to make smart choices about the vendors on which they place bets, with the understanding that there isn’t endless room in the stable for contenders.

Packing cloud products into bundled contracts operates in a similar way. More is better, but only to a point (see Figure 13: Products per Deal Impact on Cloud Revenue).
Our three-year distribution shows trailing performance after roughly eight cloud products per deal. Again, there’s still room to grow beyond the current channel average of 4.6 products per deal, but it’s worth noting that the math doesn’t support simply piling as many recurring-revenue deals as possible into a sale and hoping for the best. The complexity and capacity burdens are hidden taxes that must be taken into account both when crafting the portfolio and when organizing the service bundles.
Given the importance of finding a proper balance within the portfolio, it’s critical for practitioners to approach the assessment of vendors and their wares with diligence. Partners continue to recognize the importance of securing maximum capability from a finite number of cloud providers (see Figure 14: Top Considerations When Selecting Cloud Vendors).

Asked to select only the one most important criterion when selecting a cloud vendor, better that one-quarter (28%) chose completeness of offering. Technical support came in second at 16%, a nod to the concept that adding vendors to the roster comes with the added requirement to service and support their wares post-sale. Market demand and technical performance were less important, at 12% and 11%, respectively.

Potential profitability and market reputation were mostly unimportant to partners, which indicates the channel is transitioning away from leading with vendor brands and discounts and acknowledging that effective pricing and value-based branding is a challenge it should be solving on its own, something industry pundits have encouraged for several years.

28% of respondents said completeness of offerings is the most important factor in selecting a cloud vendor.

INVESTING IN A BRIGHTER CLOUD FUTURE

Like the search for the mythical Holy Grail, the channel’s quest for a magic formula for success in the cloud – some combination of actions and strategy that provably drive sales and growth – proves both elusive and frustrating. The cloud channel, like any business environment, is a dynamic place filled with unique organizations exhibiting myriad characteristics that resist simple profiling and correlation.

If there’s one rock-solid learning from three years of research into the inner working of cloud service providers, it’s this: Partners remain stubbornly resistant to some of the basic business blocking and tackling necessary to realize the optimistic vision they have for their businesses.

A stark example: Solution providers remain consistently inconsistent in their approach to organized business strategy and management (see Figure 15: Business Strategy & Management Tools Used).
Just 62% of channel partners have a formal business plan that defines operational functions, roles, and responsibilities. Fewer still are establishing sales and strategic growth goals, documenting strategies for capturing new business, or crafting detailed offerings that differentiate their cloud services in the market.

The data points have scarcely improved since 2017, and the effect of this planning plateau can be seen in a number of partner performance metrics – most notably, the number of cloud customers served by the average service provider. Most respondents support 26 to 50 active clients, with the median mired at about 30, where it has remained for the past three years (see Figure 16: Active Cloud Customers).
Partners are getting slightly better at managing customer recruitment, retention, and attrition, with the average respondent bringing in approximately five new recurring-revenue cloud clients every two months while losing just one per quarter. That’s an improvement from past performance, but insufficient to sustain current cloud channel growth rates much less support the lofty cloud revenue and profitability expectations partners optimistically express.

The dearth of business fundamentals is reflected not only in the business planning tools, or lack thereof, that partners employ but also in their level of commitment to expanding capacity and capability in pursuit of growth. This is not for lack of understanding the need for improvement. Asked to assess their level of skill in supporting and servicing cloud solutions, more than eight out of 10 (83%) professed a need to improve; 14% of respondents said they flat-out lack basic skills (see Figure 17: Cloud Skills Self-Assessment).

Just 13% claim to be experts in the cloud. But this honest self-assessment hasn’t translated into action in the form of real investment in cloud practices. Once again, the State of the U.S. Cloud research finds the plurality of partners (29%) pouring just 1% to 5% of their gross revenue back into the business to expand their cloud practices (see Figure 18: Percent of Gross Reinvested in Cloud Practice).
Mean reinvestment in the cloud comes just shy of 11% of gross, down from an equally unimpressive 13% in the last study. This dampened investment contradicts the enthusiasm solution providers claim to have for the opportunity cloud computing affords their businesses.

Those low levels of reinvestment in the cloud can be traced directly to the lack of strategic planning and business acumen noted earlier.

In fact, while overall investment hovers at 10%, partners with any combination of formal business, sales, and marketing planning and goal-setting show a leap in reinvestment activity of more than 10 points, landing in the 21% to 25% bracket. These same high-acumen partners enjoy average cloud profits of 26% to 30%, once again a full 10 points ahead of their non-planning peers.

That difference is due at least as much to where those high-performing partners are reinvesting their money as it is to how much they’re committing to the cloud cause. This is evident when looking at the number and breakdown of full-time employees in organizations with and without formal business and sales plans (see Figure 19: Full-Time Employees and Strategic Planning).

![Figure 19: Full-Time Employees and Strategic Planning](image)

While the average partner firm polled employs just over nine full-time employees and supports four sales personnel and one marketer, a typical practitioner with a formal strategic business plan is slightly heftier, with 12.7 FTEs on average. Though the formal business planner has roughly twice the number of FTEs as the non-planner, it outguns its peers with a 3X commitment to its sales force and a 5X commitment to professional marketing.
Channel partners with 5+ cloud sales reps enjoy 30% more recurring-revenue cloud customers than the channel at large.

Why does this matter? Because sales and marketing capacity correlates directly with productivity and client account management. It takes targeted marketing and a dedicated cloud sales force to recruit, sell, and work with clients through adoption, implementation, and support. A cloud sales team is critical to customer relationships that lead to repeat business. Adding new customers while reducing attrition and managing churn is vital for maintaining consistency and predictability in the recurring-revenue model.

As noted in the prior study, solution providers with five or more cloud sales representatives enjoy 30% more recurring-revenue cloud customers than the channel at large and about 13% more than the average organization measured by the study. For want of cloud sales assets, many partners are squandering the recurring-revenue opportunity offered by the cloud.

Thus, as the channel increasingly becomes an environment of haves and have-nots, the ties among business instrument use, revenue and profitability performance, customer retention, reinvestment, and robust support of sales and marketing demonstrate the criticality of strategic planning and goal-setting to long-term success in the cloud. Solution providers that plan well and execute with purpose are winning the cloud battle.
THE CLOUD'S CALL TO ACTION

The State of the U.S. Cloud research once again demonstrates the need for sound investment, thoughtful planning, and purposeful execution in order to reap the growth opportunities inherent in an evolving, maturing – and increasingly challenging – cloud marketplace. The data shows savvy cloud practitioners making use of key best practices, including:

**Formalizing Strategic Planning**
There are still far too many solution providers feeling their way through the challenging maze of cloud transformation without a solid business plan. Formalizing the vision for the cloud journey and defining milestones, objectives, and expectations are the only proven ways to achieve stable, long-lasting profitability and growth with a cloud practice.

**Choosing Vendors Wisely**
Much like the services on a solution provider’s line card, the vendor roster plays a key role in the long-term performance of the modern cloud practice. As portfolios mature, it’s more vital than ever to develop relationships with vendors that feature technical road maps and a commitment to channel support that works in harmony with the partner’s aforementioned business strategy. Like new solutions, new vendor relationships also come with added levels of complexity, however, so choices must be grounded in a realistic view of the practitioner’s goals and resources.

**Measuring and Correcting Practice Performance**
Establishing and measuring key performance indicators as part of the strategic business plan gives partners a structured guide for running, improving, and growing their evolving cloud practices. The most successful cloud service providers are adept at tracking, analyzing, and sharing actionable indicators related to sales and revenue targets, gross margins, customer satisfaction, revenue per user, customer churn, staff utilization, marketing ROI, and more.

**Balancing the Cloud Portfolio**
As the cloud market gets tighter and more competitive, basic cloud versions of IT staples won’t be enough to sustain a cloud practice over the long haul. Partners need to investigate higher-touch, higher-value cloud solutions that appeal to the next generation of business cloud users. It’s important for partners to bear in mind, though, that new offerings mean added overhead in the form of complexity, so portfolio additions must be balanced based on a realistic assessment of the partner’s capacity and capabilities.

**Setting Realistic Sales and Marketing Goals**
Still an aspirational ideal for many in the channel, setting formal, measurable cloud marketing and sales goals helps profit-seeking solution providers tackle the complex issues of what to sell, how to sell it, and whom to sell it to. Such goals also help partners rein in customer churn, an effort critical to the profitability and health of any recurring-revenue business. Bolstering a formal cloud sales plan with focused promotional marketing for cloud services helps solution providers distribute their value proposition to the widest possible audience of both technical and non-technical buyers and generate maximum revenue opportunities.

**Leveraging Available Resources**
Finding success in the cloud is challenging; solution providers must use every bit of available assistance. Distributors such as Ingram Micro and consulting firms such as The 2112 Group offer information and resources for building cloud service businesses. With the support of Ingram Micro Cloud, 2112 has developed the 2112 Cloud Altimeter, a Web-based diagnostic tool designed to help solution providers assess the state of their cloud practices and see how they compare to their peers (see “Leveraging the Improved 2112 Cloud Altimeter” section, page 26).

State of the U.S. Cloud Channel | January 2020
METHODOLOGY & FIRMOGRAPHICS

The 2112 Group conducted the 3rd annual State of the U.S. Cloud Channel study between Oct. 27, 2019, and Nov. 24, 2019. This data augmented benchmark survey data collected from June 1, 2018, to Aug. 15, 2018, for trending analysis. Both online surveys solicited participation from U.S.-based solution providers sourcing cloud services and other IT products through Ingram Micro Cloud and Ingram Micro. The total number of participants was 729. The survey’s margin of error is +/- 5 percent with a 95 percent confidence level.

The firmographic data presented in this report applies to participants in the 3rd annual State of the U.S. Cloud Channel study. The participants also exhibited the following characteristics:

More than half of survey respondents (52%) occupy the role of CEO or President at their organizations.
Figure 22: Vertical Industries Served

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Services</td>
<td>76%</td>
</tr>
<tr>
<td>Health Care</td>
<td>62%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>61%</td>
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<tr>
<td>Legal</td>
<td>57%</td>
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<tr>
<td>Financial Services</td>
<td>55%</td>
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<td>Retail</td>
<td>42%</td>
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<td>Education</td>
<td>38%</td>
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<tr>
<td>Local Government</td>
<td>33%</td>
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<tr>
<td>Other Public Sector</td>
<td>20%</td>
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<tr>
<td>Media</td>
<td>18%</td>
</tr>
<tr>
<td>Utilities</td>
<td>17%</td>
</tr>
</tbody>
</table>

The 2112 Group believes this dataset fairly represents the general channel population and accurately reflects cloud computing trends in the U.S. channel. Some of the analysis is augmented with additional quantitative research by The 2112 Group. The analysis and interpretation of the survey data are subject to change.
LEVERAGING THE IMPROVED 2112 CLOUD ALTIMETER

Cloud computing is the present and future of the IT marketplace. End users are digitally transforming their business operations by adopting cloud-based infrastructures and applications. The services they're buying are being sold and supported by solution providers of every ilk.

For solution providers, adopting cloud computing products isn't enough. They need to know their place in the clouds – their altitude, so to speak. That's where the continuously updated 2112 Group Cloud Altimeter comes in.

Built with the support of Ingram Micro Cloud, the 2112 Group Cloud Altimeter helps solution providers gain a detailed understanding of their competitive position in the cloud computing marketplace. This year, the refreshed 2112 Group Cloud Altimeter presents an even richer, point-by-point comparison to solution providers in a given region.

The updated 2112 Group Cloud Altimeter now delivers even more comparative data, including:

- Number of cloud customers
- Cloud products sold
- Cloud sales goals
- Cloud professional services offered
- Cloud business plans
- Annual cloud revenue
- Account attrition rates
- Sales capacity

Solution providers can try the 2112 Group Cloud Altimeter today and accelerate their ascent into the cloud:

www.the2112group.com/2112-cloud-altimeter
ABOUT US

THE 2112 GROUP

The 2112 Group is a business strategy and research firm focused on improving the performance of technology companies’ direct and indirect channels through a portfolio of market-leading products and services. The 2112 Group leverages proprietary intelligence with qualitative research, market analysis, tools, and enablement programs. Industry experts approach each engagement by applying innovative solutions customized to meet the needs of clients. By looking at the technology market from the viewpoint of vendors, partners, and end users, The 2112 Group is uniquely positioned to develop go-to-market strategies that are beneficial to all parties from both a channel and enterprise perspective. For more information, please visit: www.The2112Group.com.

INGRAM MICRO CLOUD

At Ingram Micro Cloud™, we view cloud not just as a single technology, but as a foundational platform to run and drive a whole new way of doing business. By leveraging our platforms and ecosystem, cloud service providers, telecom companies, resellers and enterprises can quickly transform and get up and running in the cloud within minutes, with little to no investment. Our portfolio includes vetted security, communication and collaboration, business applications, cloud management services and infrastructure solutions designed to help clients monetize and manage the entire lifecycle of cloud and digital services, infrastructure and IoT subscriptions. For more information, please visit: www.IngramMicroCloud.com.

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