

Virtualization, consolidation driving solution provider storage sales

The push to cut costs by virtualizing and consolidating storage platforms is driving sales gains for savvy solution providers.

That was the message from a panel of top executives from EMC, HP and IBM in an Everything Channel virtual trade show panel session titled "What's Selling In Storage Right Now" and hosted by Everything Channel Senior Vice President and Editorial Director Robert DeMarzo.

"The biggest thing we are seeing is the whole move around virtualization and data deduplication as a way to drive costs down," said Pete Koliopoulos, vice president of global channel marketing for EMC. He said midmarket customers are the fastest growth market for virtualization and deduplication solutions.

EMC is having success by teaming with partners on solution centers that feature multivendor solutions demonstrations that include Cisco, Microsoft and VMWare.

Rich Michos, vice president, channel strategy, global business partners for IBM, said he sees a "huge opportunity in [storage] consolidation, much like we saw with servers several years ago. There is a tremendous amount of underutilized storage in the marketplace. In this economy it is critical that people squeeze every dollar they can out of their data center."

Key to selling cost-cutting storage solutions, Michos said, is assisting solution providers in selling to CFOs (chief financial officers). IBM has a sales training module partners can take advantage of that details how to successfully make a storage solution sale to a CFO.

Michos said CFOs are responding to the decreased storage infrastructure footprint and reduced energy costs that come with storage consolidation and virtualization.

Frank Rauch, vice president of technology solutions group sales for HP's Americas Solution Partners Organization, said customers and partners alike are looking at driving more value with storage solutions. That led to HP's acquisitions of storage virtualization and iSCSI SAN provider Lefthand Networks and enterprise storage software maker iBrix, Rauch said.

The differentiator, Rauch said, is that HP is providing its solution provider partners with the tools and assessments to provide ROI metrics they can bring back to customers to close deals.

"You really need to be boardroom-ready," Rauch said. "You really need the acumen to talk technology relative to Return On Quarter [ROQ] and business value." He also advised solution providers to go after their current installed base with the full HP solution portfolio before going after the "holy grail" of new customers.

Sean Phelan, director of enterprise sales for Dell, said partners need to be driving virtualization and consolidation as part of an aggressive push to reduce the "cost of managed storage infrastructure."

"Part of the reason we bought EqualLogic is the cost of managing storage has skyrocketed over the last 10 years," Phelan said. "What we are going to see is a shift in storage technologies and protocols that at their heart will help end users reduce the complexity of the storage environment as it exists today."

Phelan stressed that partners must use their services and solutions expertise to drive best-in-class total cost of ownership on storage management. "It's not just the up-front [product] acquisition costs," he said.

Phelan said that Dell is partnering its vertically oriented solution provider partners with Dell account teams and Dell product specialists to win storage solution deals.

As for the 2010 outlook, Koliopoulos said he is optimistic, given that partners are more bullish and are seeing an increase in their storage deal pipelines for the second half of this year. "They are seeing some pretty good leads that they are closing," he said.

Rauch agreed that 2010 looks promising for storage solution sales. "I am very encouraged," he said. "I would say actions speak louder than words. Partners are hiring and investing, and creating [storage solutions] demand."

In a question and answer session following the panel, Channelweb.com Senior Editor Joseph F. Kovar said he sees virtualization having a "bigger and bigger" market impact.

"Virtual infrastructure is a great way to expand your storage business," he said. "It requires SAN and connecting to external storage. A lot of businesses out there have not yet really started with virtualization [solutions]."

Roopam Master, IBM DS3000 brand sales manager, said virtualization has been embraced by enterprises for the last five years and is now aggressively being adopted by midmarket and SMB customers. "In the current economy, everyone is looking at how to make their infrastructure more efficient," he said.