



Redefining Channel Relationships

An analysis of working with channel partners amid the COVID-19 pandemic

Introduction

Undeniably, the COVID-19 pandemic has disrupted the way business is done around the world, and this is especially true for a niche group of elite resellers known as the channel. While the pandemic brought about significant challenges, [industry experts note](#) that it forced vendors to pause and reimagine their relationship with partners to make it mutually beneficial for both parties.

As a 100% channel driven company, Kaspersky prides itself on continuously improving its channel program, Kaspersky United. Despite the company's award-winning partner program, we were aware of the challenges that resellers were faced with in the height of the pandemic, and wanted to learn more about how partners have evolved their sales strategies.

As a result, Kaspersky commissioned a survey to learn more about how vendors can improve their relationship with channel partners, and best practices for working with them as the pandemic optimistically comes to a steady decline.

Key findings from the study include:

- 76% of respondents said they will go back to pre-pandemic models for generating sales once COVID-19 is on the decline, including in person sales meetings, events, etc.
- 73% of respondents said they will continue to conduct video calls and meetings once COVID-19 is on the decline
- 44% of respondents said speed of response has become more difficult due to COVID-19 when it comes to working with vendors
- Over 42% of respondents said providing leads is the most important thing vendors can do to help them drive more revenue for their business



Research Methodology

The quantitative study was conducted by research firm Opinion Matters via an online survey from late February into early March 2021. The survey targeted 252 IT channel partners, resellers and distributors based in USA (129) and Canada (123). Conducting this research allowed Kaspersky to collect market research on employees' opinions on channel needs for the coming year as the global COVID-19 pandemic begins to decline.

Throughout the report, businesses are referred to as either SMB (small and medium sized businesses with 0-250 employees), mid-market (251-999 employees) and enterprise (1000+ employees). Not all survey results are included in this report.

Research Findings

COVID-19's impact on the channel

One of the most important things to consider when conducting this survey was to gauge how COVID-19 initially changed the way partners worked with their vendors. Interestingly, the two main ways partners responded were to shop around to find vendors that would give them a financial competitive advantage, or to continue working with existing vendors (both at 37%).

While these responses are somewhat polarizing, it is important to note that if existing vendors can offer creative financing options, extended terms, etc., that partners will be more likely to remain with their existing vendors.

76%

said once COVID-19 is on the decline, they will return to a pre-COVID model for generating sales such as in-person meetings, events, etc.

The vendor/partner relationship

The nuances of a thriving vendor/partner relationship requires continuous feedback from resellers so that vendors are able to tailor their partner programs accordingly. With that in mind, Kaspersky explored partner sentiment when it comes to best practices when working with vendors.

According to survey respondents, the ability to make fast purchasing decisions (42%) and adapting to the fast-changing landscape (40%) were the top difficulties when working with vendors due to COVID-19.

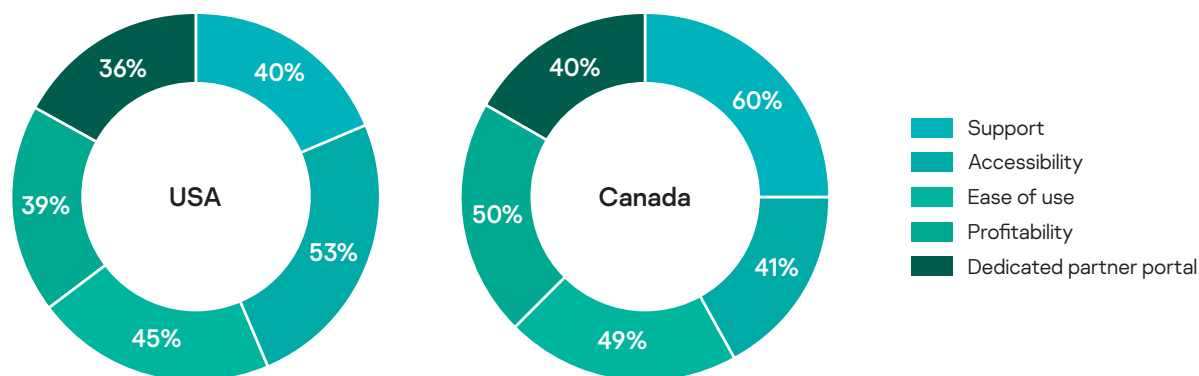
When asking partners what they look for most in vendor partner programs, resellers in the U.S. said 'clear, transparent communication,' while Canadians said it's a 'high level of flexibility with quantity.'

In addition, participants had different responses about what they felt were the biggest vendor challenges dependent on where they work in North America. In the U.S., partners said organization downsizing was their biggest hurdle (62%) whereas Canadians said the shift to remote work (69%) was the main challenge.

However, when it comes to best ways to engage partners, respondents in both regions agreed that video or phone calls are the best ways to engage existing partners (54%).

The survey also gauged what qualities stand out among top vendors when partners choose who resell for. Support was the top benefit according to IT channel partners (47%), resellers (46%) and distributors (65%). In addition, the most important criteria vendors said they require to recommend vendors to clients included good value (37%), high level of support (36%) and good previous experience (36%).

What, if anything, stand out as top benefits when choosing a vendor to be the reseller for?



"In general, we feel it is important to work with vendors that are focused on our success. We want to see investments in training and sales support to get us off the ground and become self-sufficient as quickly as possible. We also prefer to work with vendors to have separate sales and channel roles. Vendors must have deal registration programs and incumbency protection programs to protect the investments we are making in our customers."

James Range,
CEO at White Rock Cybersecurity

"In our vendor partner programs, we value quality people that support us and implement a structure that promotes mutual profitability and growth. Partner programs should always include components such as ongoing training, certifications, deal registration and protection, marketing support, internal use software, and incentives at both the company and salesperson level."

Hillel Sackstein,
President at Virtual Graffiti



Looking ahead post COVID-19

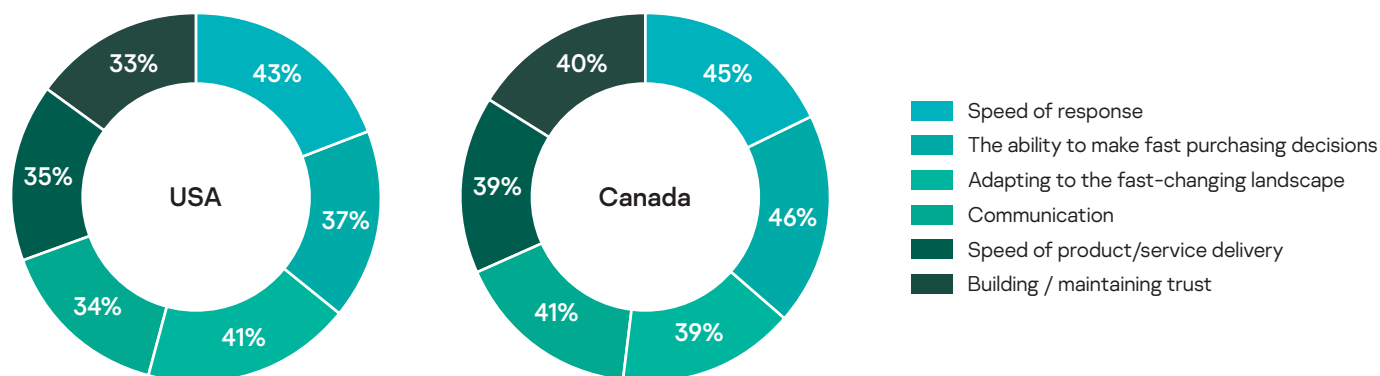
As we optimistically look ahead to COVID-19 restrictions easing up, there are still many questions as to whether or not organizations will fully return to “business as usual.”

To gain a better understanding of what we can expect from channel partners, we asked resellers what their plans were for returning to pre-pandemic strategies for conducting business. 76% said once COVID-19 is on the decline, they will return to a pre-COVID model for generating sales such as in-person meetings, events, etc.

When asked what resellers will do differently that’s different to a pre-COVID model for sales, 73% said more video calls, 63% said less in-person meetings and 33% said more telephone contact. Of the types of roles surveyed, 82% of IT resellers said they would return to a pre-COVID model for generating sales and 89% said they would conduct more video call meetings.

Looking ahead, we also asked partners what trends they expect to see when it comes to reseller needs for the remainder of 2021. They responded that they expect to see more virtual platforms (55%), financing flexibility (54%) and more training opportunities (49%).

What, if anything, has become more difficult due to COVID-19 when it comes to working with vendors?



When asked what resellers will do differently that’s different to a pre-COVID model for sales,

73%
said more video calls

“As we continue to navigate the challenges of working with our channel partners following the height of the pandemic, the data shows that while there is an appetite for in person opportunities, a hybrid model will be most effective. As a vendor, that means any in person meetings or events will have to prioritize quality over quantity, making sure that they offer true value and the audience in attendance aligns with the outcomes vendors are in search of.”

Matthew Courchesne,
Head of Channel for
Kaspersky North America

Conclusion

As we continue to navigate the challenges that the COVID-19 pandemic has imposed on business, it will be more important than ever for vendors to consider detailed feedback from their partners to better inform the ways in which their partner programs can be improved. By implementing their suggestions, vendors can work towards a more mutually beneficial program that will give resellers the tools needed to navigate the ever changing sales landscape during these times of change and uncertainty.

About Kaspersky

Kaspersky is a global cybersecurity and digital privacy company founded in 1997. Kaspersky's deep threat intelligence and security expertise is constantly transforming into innovative security solutions and services to protect businesses, critical infrastructure, governments and consumers around the globe. The company's comprehensive security portfolio includes leading endpoint protection and a number of specialized security solutions and services to fight sophisticated and evolving digital threats. Over 400 million users are protected by Kaspersky technologies and we help 240,000 corporate clients protect what matters most to them. Learn more at usa.kaspersky.com.

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