



WHITEPAPER

# CHANNEL TRANSFORMATION

CAPTURING NEW REVENUE  
WITH CLOUD-CENTRIC NETWORKING

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Cloud-centric networking is transforming what is possible in the IT Channel. As the Channel is reshaped and redefined by the Cloud, a new generation of network services is enabling Managed Service Providers (MSPs) of all kinds to capture new revenue and accelerate their growth.

While Cloud is disrupting many service provider and enterprise businesses, it is expanding the role of networking in the IT ecosystem. An increasing number of services are hosted in the Cloud and that means connectivity is critical to enterprise operations. With the right Channel partner, that connectivity can be turned into new profitability and new sustainable revenue streams.

It is essential that MSPs develop partner strategies that expand their offerings with a comprehensive set of Cloud-based solutions and network services that are ready to support new models and new growth. Enterprises want greater adaptability, flexibility, agility and control in all IT services, including networking.

The challenge for MSPs, is offering network services that can meet these new expectations and move as fast as enterprises want them to. Enterprises want their network services to be more like the Cloud-based applications and services they are deploying. That simply isn't possible with legacy networking models.

It is up to MSPs to look at how they transform their approach to networking and offer their enterprise customers the network services they need. Networking can no longer be the weak link in their Channel offering.

## **CLOUD-CENTRIC NETWORKING**

Epsilon defines Cloud-centric networking as an approach to connectivity that delivers elastic, fluid and intelligent networking models that service providers and enterprises can shape to meet their specific needs. It offers customers distributed networking resources that can be procured and managed on-demand and from the click-of-a-button.

# DRIVERS FOR CHANNEL TRANSFORMATION



## NEW 'AS A SERVICE' MODELS

"as a Service" models have rewritten the rules in the Channel and are creating the opportunities of the future in software, Unified Communications, security, storage and back-up, platforms, global networking and just about every aspect of IT across the globe. All of these services depend on high-performance networking and new levels of reliability and scalability.



## GLOBAL CLOUD ADOPTION

Growing Cloud adoption is a global phenomenon with almost every enterprise in the world moving some aspect of their IT operations to the Cloud. This means that almost every enterprise customer an MSP works with is becoming increasingly dependent on networking. That creates an opportunity for the MSP to grow revenue from both Cloud-based applications and services and the connectivity they require.



## CAPEX TO OPEX

Enterprise IT departments are being squeezed and asked to deliver more on a limited budget. They also want the flexibility to change and grow at their own pace. This has driven the move from Capex-based models to Opex. Enterprises will no longer want to be tied into long and complex contracts where they are continually oversubscribed and overpaying for what they use.



## NEW COMPETITION

There are lower barriers to entering the market with new players ready to take market share and disrupt legacy models. It is an increasingly crowded market where Over-the-Top players, traditional telcos, app-based innovators, Value-Added Resellers (VARs) and a whole range of competitors are fighting to serve the same customers. Competition is being driven by who can offer the right services to their enterprise customers and connect these services with a model that matches their expectations.



## GROWING DEMAND

Digital Transformation and the widespread acceptance of Cloud models means that demand for new and innovative IT services is growing. Enterprises are beginning or are in the midst of their transformation journeys. They are looking for service providers to support their transformation end-to-end with the simplest possible models.



## LIMITLESS POTENTIAL

In today's market, there are low barriers to entry market but there are low barriers to competing globally. With the right set of services and global connectivity, MSPs can serve the global needs of their customers. MSPs is no longer limited by geography and can roll out services around the world if they are asked to. That means with global connectivity in place they can win new, larger contracts. They can transform from a local or regional provider into global player. The potential for an MSP in today's market is almost limitless.

# PARTNERING TO DELIVER CLOUD-CENTRIC NETWORKING

These drivers add-up to a unique opportunity for MSPs to capture new and sustainable revenues from offering Cloud-centric networking. If the market is becoming increasingly dependent on networking, MSPs need to find the right partner to help them grow their profitability with networking.

The first step in capturing new revenue with Cloud-centric networking is finding a partner that can offer on-demand connectivity. On-demand connectivity is a core requirement for supporting Cloud-based applications and services. It enables enterprises to rapidly turn-up new services and deploy applications at the click-of-a-button.

Enterprises can access the services where they want, when they want them. There is minimal delay between emerging demand and a solution. That delivers true agility in IT services and removes the limits on how services are managed and delivered. On-demand connectivity increases the speed an IT department can move and makes the MSP an essential enabler for new services.

The network becomes a utility and if delivered via a comprehensive platform the enterprise can gain direct control over their services. The best platforms offer on-demand connectivity for Voice, Cloud Access, Enterprise Access and global networking. These services can be procured and managed with a self-service model and a consistent user experience.

The enterprise simplifies their approach to networking with a platform delivered by the MSP. By partnering with a platform provider, MSPs can transform their network services almost overnight and use the platform as a critical differentiator.

New network intelligence adds to this and MSPs can use their networking partner to offer enterprises guaranteed end-to-end Quality of Service (QoS) and Experience (QoE). Real-time and proactive network monitoring gives enterprises visibility into their services and enables them to maximise uptime and overall performance.

MSPs can further differentiate their network services with connectivity that is ready to support hyper-sensitive Cloud-based applications and services. It gives enterprises reliable infrastructure, which enables them to move more applications and services to the Cloud. That benefits the MSP as it enables them to monetise both Cloud-centric networking and potential new applications and services.

If the MSP chooses a white-label model, they retain control over their customer relationships while delivering new innovations under their own brand. Enterprises only see the MSP offering Cloud-centric networking and benefit from an expanded set of capabilities.

Similarly, partners that offer APIs enable MSPs to add new network services to their existing platforms and simply integrate on-demand connectivity into their service portfolio. This enables MSPs to seamlessly grow their capabilities.

With the support of a partner, MSPs do not have to develop these capabilities themselves and can focus completely on selling new services. The Channel model for Cloud-centric networking ensures that MSPs are ready to win business from day one and can efficiently monetise new services.

# PARTNERING FOR NEW PROFITABILITY

The key is to find a networking partner that can offer each of these elements of Cloud-centric networking with a commitment to helping the MSP grow. The networking partner has to be focused on making the MSP successful when offering new network services. That collaboration drives new profitability and enables the MSP to efficiently add new revenue streams.

The networking partner needs to ensure optimal customer service while also supporting the MSPs marketing efforts. Customer service cascades across the channel and gives end users the best possible experience. At the same time, MSPs should be equipped to sell new services and given marketing support that enables sales teams to understand the product and effectively communicate its value.

Together, the networking partner and MSP can grow and win new business. Both benefit from new growth across the Channel and share in the returns. As Cloud-based applications and services are increasingly adopted globally, both the networking partner and MSP grow their profitability and enhance their role in the IT ecosystem.

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# SUPER-CHARGING THE CHANNEL

## HERE ARE FIVE WAYS THAT MSPS CAN DIRECTLY BENEFIT FROM PARTNERING TO DELIVER CLOUD-CENTRIC NETWORKING:

- **Increased Speed-to-Market.** Cloud-centric networking enables MSPs to deploy new applications and services faster than competitors and with greater efficiency. They can serve new enterprise demands quickly and compete on agility rather than just cost. That delivers higher margins and drives new profitability.
- **A Comprehensive Platform.** Enterprises demand simplicity and through providing one comprehensive platform MSPs can connect SIP, Global and National Ethernet, Cloud service providers via a web-based portal or API from a single web-based portal or API. That means they can serve more of their customers' needs with an easy to use model. That drives new growth with a consistent experience across services and a simple platform.
- **New Stickiness.** MSPs can reduce churn and create new stickiness by meeting more of their enterprise customers' needs. Enterprises want to simplify their service provider relationships and MSPs can reduce churn and increase stickiness with a 'one-stop-shop-approach'. By offering a comprehensive platform, MSPs are able to play a critical role in their customers' short and long-term strategies.
- **Brand Building.** MSPs that choose white-label platforms can own the customer relationship and build new brand value. They can brand the platform with their logo and colour and give their customers another powerful tool for enabling Cloud services. This ensures that MSPs remain relevant in today's market while building on their track record of offering new innovative services.
- **New and Bigger Contracts.** Cloud-centric networking enables MSPs to immediately differentiate their businesses from others. They can use Cloud-centric networking to expand their reach beyond their local markets and serve existing customers with global services. That removes the geographic limits on their businesses and enables them to compete for new and bigger contracts. New reach positions MSPs to capture sustainable high-margin opportunities.



# TRUE TRANSFORMATION

Today's Cloud-centric networking models are really the beginning of a whole new approach to networking. For MSPs, networking is becoming just another app to offer enterprises. As platforms support with automation, virtualisation, on-demand connectivity continues to evolve, networking is becoming as simple to deliver as any other app.

Networking can join Unified Communications, Storage and Backup, Customer Relationship Management (CRM), and a whole range of business applications with Cloud-centric models. It can be just as friction-free and easy to manage for both MSPs and their enterprise customers.

Eventually, the Channel offerings will evolve into an almost app store-type model where enterprises can select, connect and deploy services seamlessly. Manual process will be removed and an 'app-centric' Channel model will emerge. From their smart phone, enterprise customers will be able to access and add modular apps, offering them the freedom to customise and control their services.

Cloud-centric networking enables this transformation. MSPs that partner with a Cloud-centric networking provider will be able to accelerate their growth and begin their journey to this 'app-centric' model. The first step is to find the right partner and begin to compete with elastic, fluid and intelligent connectivity.

# THE EPSILON PARTNER PROGRAMME

The Epsilon Partner Programme enables you to rapidly monetise on-demand connectivity, colocation and professional services. We offer a comprehensive suite of solutions that are ready to be deployed across the globe with a model that is focused on driving profitability and supporting your long-term growth.

## BENEFITS FOR YOU & YOUR CUSTOMERS

- **Simple** – Simplify service provider relationships by being a one-stop-shop for customers
- **Agile** – Give customers rapid access to new solutions in new locations
- **Global** – No geographic limits for apps and services with global reach
- **Future-Proof** – As demands change and new apps are deployed, customers can trust you to scale and grow with them

If you'd like to learn more, please visit:

[www.epsilonintel.com/epsilon-telecommunications-partner-program](http://www.epsilonintel.com/epsilon-telecommunications-partner-program)

### ABOUT EPSILON

Epsilon provides connectivity and infrastructure solutions to Communications, Applications, Content and Cloud service providers. Its underlying network infrastructure, intelligent application layers and industry expertise enables its customers to seamlessly deliver mission critical, high performance applications and communications services globally. Epsilon offers a wide range of communications infrastructure services from network connectivity, co-location or data centre services and system integration through to an on-demand ordering platform for ethernet services and cloud access.

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