

*by Beth Vanni, Director at Market Intelligence Amazon Consulting*



When your children are young, it's hard as a parent to not sit longingly and dream about all the wonderful things your kids could be, could learn, could accomplish. Can they apply themselves in school enough to be a doctor? Will they do humanitarian work? Is pro sports in their future? How can they live up to their full potential, and how can I as a parent help them do that?

The long-standing debate about whether the generalist VAR business model is a thing of the past reminds me of this brain teaser. Should VARs “grow up” and invest in a datacenter to become an MSP? Should they hire hot-shot consulting resources and build a pre-sales assessment practice? Can they invest in specialized IT solutions for a niche vertical market? Every vendor has their own aspirations for their smaller, regional VARs – to both protect themselves and their run rate (albeit often small) product resale business but also to help the partners survive and be successful.

In the June CRN Tech article reviewing the myriad of software development platforms available for ISVs today it occurred to me that we rarely expect VARs to build application expertise. Over the years, the vendor community seems to have agreed that understanding the business demands of end-users at the application layer gives solution providers the greatest insights and leverage. But, the traditional VAR and ISV communities seem to have remained pretty darned separate and distinct over the years.

The advent of cloud services could change all that. The new blending what's a product and what's a service seems to present an unavoidable investment decision for VARs looking to invest in new practice areas, get their feet wet in the cloud and better differentiate themselves in the market. It's easier than ever before to build application logic. Beyond the traditional Oracle, Microsoft, Apple iOS and SAP development tools, the new breed of built-for-the web

development platforms including Microsoft's Azure, Salesforce.com's Force.com, Google's Android, the Blackberry Tablet OS, Ruby on Rails and HP's WebOS make it easier than ever to build, test and deploy an application. With SaaS delivery models, managing revision cycles and stress testing the application also just got a lot easier.

So, why aren't VARs rushing to build practices here? Well, some of them are. They're customizing the GUI or workflow of some of the existing SaaS apps (Salesforce.com) with relative ease. You can count them in the 100's. But, are they seriously considering starting an app. development practice to build custom apps. for their most valued customers? Doesn't seem so. Yes, being in the commercial software business isn't for the faint of heart. Revision cycles, quality assurance testing, user acceptance, providing first line support are all investments and business process not so familiar to on-premise product integrators. But, aren't these solution providers going to get dragged into that model anyway with cloud services? Maybe not with basic virtualization of servers and desktops. But nearly any service beyond that will force the VAR to retool his P&L, pay his reps differently and figure out where he adds value in the customer management lifecycle.

I am admittedly a software bigot. For me, computing has and always will be all about the application. And, the more specialized and focused the applications is in solving the problem for business users, the more successful the developer often is. With the advent of cloud services, if a VAR is going to have to invest in new types of technical skills and possibly also services-savvy sales staff, wouldn't it be nearly as easy to spin off an applications team? Or, at the very least, create a tight partnership with a peer organization whose applications assets are complementary to the VARs' technical skills and customers?

Yes, I can dream. It hasn't happened in any large way over the last dozen years. But, then again, Salesforce.com and Google weren't billion dollar software companies then either ....

*Beth Vanni is Vice President for Amazon Consulting. Go to [bvanni@amazonconsulting.com](mailto:bvanni@amazonconsulting.com).*