

## Press Release

### How to Succeed In Business Software

**San Francisco, CA--CRN.com--August 6, 2007--**The survey also provides insights into what solution providers are looking for when partnering with a business application vendor. When asked which vendor attributes they considered most important, the list was topped by the quality of technical support (75.9 percent), the quality of pre-/post-sales support (59.6 percent) and ease of doing business with the vendor (57.9 percent).

Solution providers also were asked about their preferred vendor within each product category. When one thinks of business applications, especially ERP software, SAP and Oracle usually come to mind because of their domination of the enterprise application market. But many solution providers cater to small and midsize companies, and when asked in the survey which vendors are best able to deliver the products and services they need, respondents cited Microsoft in nearly all product categories as their vendor of choice.

In CRM, for example, almost half (46.9 percent) of the respondents that resell CRM apps said Microsoft is best able to provide them with the products they need. Sage was picked by 11.1 percent with Oracle, Salesforce.com, SAP and NetSuite all in single digits. Microsoft was likewise far and away the preferred vendor over Oracle and SAP among solution providers that resell ERP and supply chain management software. The competition was closer between Microsoft, Intuit and Sage for accounting/finance/analytics applications.

Tribridge, a Tampa, Fla.-based solution provider, once partnered with multiple application vendors including SAP, Siebel, PeopleSoft and J.D. Edwards. But after the company began working with Microsoft's SharePoint collaboration software and CRM application three years ago, management made the decision to drop its other vendor relationships and exclusively resell Microsoft products, including its ERP and CRM applications. Sales Director Steve Terp says it was just a case of a good fit, culturally. "It sounds kind of sappy, but culture is important," he says.

San Francisco-based **Apollo Consulting** ([www.apollocon.com](http://www.apollocon.com)) began reselling SAP's Business One application bundle for small businesses two and a half years ago after reselling software from Epicor, Infor and Microsoft. "They've built a very friendly channel program," **Apollo Consulting** partner Scott McMahon says of SAP. He specifically cited channel conflict problems with Infor—18 percent of survey respondents said minimizing channel conflict was their top criteria for choosing a business application vendor.

Some VARs, however, are underwhelmed by the choice of vendors that actually "get" the channel and the types of products solution providers need to serve their customers. Looking out over the business application market space, there's not a lot of choice for VARs, says Steve Ciarcillo, CEO of CompuData, a Philadelphia-based solution provider and longtime reseller of Sage ERP and CRM products. In 2003, CompuData

inked a deal with SAP to resell Business One, but dropped the relationship two years later because, Ciarciello says, SAP didn't really understand the channel and the product "wasn't ready for prime time" in the SMB space. "It was very disappointing," says Ciarciello. As for the channel's other main choices, Oracle is too focused on big customers, Ciarciello adds, and he even questions how much Microsoft understands the channel for its Dynamics applications, noting the recent turnover of executives in that division.

What do solution providers look for when adopting a business application? Ease/speed of deployment (43.8 percent), product quality and reliability (43.5 percent) and pricing (41.7 percent) topped the list. The Business One software is what convinced **Apollo Consulting** to sign up with SAP after lengthy efforts by the vendor to woo the reseller. "Within 10 minutes of seeing the product, I was sold on it," McMahon says. "The look and feel is very unique." CRM is an integral part of the bundle, he says, rather than being an add-on module. And he likes the way SAP continues to improve the product's functionality through acquisitions such as Praxis (e-commerce software) and XL Reporter (financial reporting and analysis).

Most solution providers recognize that the old model of reselling and installing IT systems with little value-add doesn't cut it in the business application world. "Today it's less about the technology and more about the business processes these applications will enable on a vertical industry basis," says Michael Speyer, a Forrester Research analyst.

When asked how they sell business software, 62.8 percent of those surveyed said they sell a combination of products and services. On the question of providing a value proposition to help clients solve their business needs, 64.4 percent cited "improving customer service" and 63.4 percent said "improving customers' access to information." And when asked how they innovate when developing business application solutions, 65.5 percent said providing professional services. Still, 56.2 percent said they "innovate" by providing technical "break/fix" services.

The survey shows that solution providers at least understand the changes occurring in the business applications market and that they need to change along with it. But Bluewolf's Kirven says they can't delay. "I think if they don't start making that transition now, they won't be able to make it."

#### About **Apollo Consulting**

**Apollo Consulting**, LLC was founded in 1997 with the goal of helping companies achieve their business objectives through the successful purchase, implementation, training and support of application software. With offices throughout North and South America, we have a strong team of experienced consultants that are dedicated to SAP(R) Business One. Our knowledge in accounting, technology and specialized industries combined with hands on real world situation experience will provide customers with world class service for small to mid-sized businesses.

Additional information can be found at <http://www.apollocon.com>

**Apollo Consulting Contact:**

Jennifer Chow

415-403-0888 ext. 15, PST

[jchow@apollocon.com](mailto:jchow@apollocon.com)

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