



6 Reasons Why MSPs Should Seamlessly Brand Their Backup and Disaster Recovery Services

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Introduction

As managed service providers and value-added resellers think through how to sell backup and recovery services, they may find they need to break convention. The traditional approach of piggybacking off major vendor brand cachet could potentially hurt more than help—while clients may be familiar and comfortable with the big names in backup and recovery, partners may find better success in bundling together best-in-class products under a single, seamless partner brand identity. By building their own brand names first, it is possible for partners to not only service the client better, but also improve their margins and overall business viability.

In this white paper, we explore the six reasons why partners should uniquely brand their backup and disaster recovery services

Reason No. 1: A Seamless Backup and Disaster Recovery Service Brand Prevents Clients from Shopping for Off-the-Shelf Vendor SKUs.

While some partners are very happy to base their business primarily off of reselling big brand-name technology from firms like HP, Cisco, Microsoft and the like, this strategy is not without its faults. These partners are challenged with a business model that is based more on transactions than relationship building. The margins are narrower in this model, and customers have been trained to think of these big brand offerings as commodities, setting up an extreme sensitivity to price.

In particular, these kinds of resellers are plagued with the problem of getting shopped, when customers start picking through the various SKUs to look for better deals from other resellers on individual components, or seeking SKUs from the vendor itself.

Developing a private-label branded service that puts the partner's name on every component, every portal and every executable the client touches hides the underlying vendors from the client. Doing so makes it so the client must shop based on your service feature offerings, rather than getting hung up on line items.

Reason No. 2: A Branded Service Makes It Easier for Managed Services Providers to Develop Unique Standalone Backup and Recovery Offerings.

Once a partner moves beyond the mentality of a product simply being the sum of a bunch of different vendor SKUs, it is easier to differentiate a backup and recovery service. Private labeling a service made up of multiple vendor components and the partner's "special sauce" of value-added services makes it easier to develop unique standalone backup and recovery offerings.

Branding is part and parcel with that. A cohesive brand umbrella enables partners to put together unique vendor combinations and choices that are not otherwise available in the market.

Creating a unique partner brand also encourages creative thinking while building that one-of-a-kind service offering. Most importantly, it puts the service on the map as its own animal, rather than another also-ran, resold version of a common backup product.

Reason No. 3: A Solid Backup and Recovery Brand Stops Price Erosion and Improves Margins.

Price erosion and shrinking margins have been a perennial problem in the hardware and software arena for a long time now. Channel experts universally agree that recurring revenue through managed services, outsourced IT support, managed help desk and the like are what will feed partner businesses well in the future.

Recurring revenue is evergreen and is a big reason why partners are shifting en masse into the managed services provider (MSP) model. By taking a collection of backup and recovery solutions, adding value-added services and selling under a single brand umbrella, MSPs are putting the recurring revenue model into action.

This not only stops price erosion, but it also enables the business to improve margins by selling based on value rather than points.

Reason No. 4: It Forces You to Get Serious About Establishing an Overall Brand Identity.

Most channel partners tend to be marketing challenged. Marketing in general has been a difficult competency to master, and many MSPs and value-added resellers (VARs) consider brand identity only as an afterthought. But branding is critical to earning referrals, building repeat business and establishing a name for the business in local communities or niche verticals.

Successful partners should want to be known for their own name brand rather than as “another one of those companies that resells Cisco or Microsoft.” Ideally, brand identity should touch every aspect of a partner’s business, be it the website, services, product, support portal exposed to end users or the splash screens that come up on a mobile device.

Developing a cohesive brand for a backup and recovery product can force resellers and service providers to get serious about their brand identity. The process of branding such a service may help partners think about elements of overall corporate branding that they have previously overlooked.

Reason No. 5: It Provides Clarity for Clients Seeking Customer Service and Support.

When a partner completely brands a backup and recovery service under its own identity, the process of seeking customer service and technical support becomes much less confusing for clients. There’s no more wondering by clients whether they should approach the big-name vendor for help with a particular problem, or if they should approach the partner.

When the end-to-end product, including the portals and executables, are emblazoned with only a partner’s branding, there’s no question who is meant to answer questions and provide support. This reduces the frustration that comes from that added layer of bureaucracy when the client calls the vendor first, is put on an endless loop of phone trees and wait times, and then ultimately must call the MSP to get the right answer anyway.

A clean brand identity across every part of the service not only adds clarity but also ultimately improves the client experience. This sets up the MSP for more referrals and happier clients in the long run.

Reason No. 6: Branded Backup and Recovery Services Ultimately Help Build Shareholder Value.

Many smaller partners consistently struggle with creating shareholder value for their businesses. A small mom-and-pop service provider may have one or two business partners and 15 techs on staff, and may run more than \$1 million in services billings a year. But often the valuation of the business itself is diminished because all of the company's perceived value is tied up with the personal identity of the business owner.

When a company doesn't build a brand name, it is difficult to build up a valuation that would one day make the organization a sellable asset. Businesses without a unique identity tend to be "just another reseller," without any inherent value beyond their present ability to service current customers.

Developing services such as branded backup and recovery services can start to help business owners create a portfolio of business assets that drive true value to the business. This is a central principle for anyone trying to build a business with lasting worth for shareholders.

How eFolder Can Help

eFolder supplies partners with cloud backup, disaster recovery and cloud file sync offerings in a private-label fashion, enabling MSPs and VARs to uniquely brand their service offerings with their own identity. eFolder is unique in the IT vendor landscape in empowering partners to build their own brand name, first and foremost.



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