



## **Channel Gives Thumbs-Up to Dell-EMC Deal but has Mixed Feelings About HP Demerger**

*Distributors' performance also praised in latest CONTEXT ChannelWatch report*

London, 7<sup>th</sup> July, 2016 - The channel in Western Europe was happy with the performance of its distributors over the past year, and of Dell's recent move to buy EMC, but took a mixed view when it came to HP's ongoing demerger, according to European IT research firm CONTEXT.

The market analyst's newly released ChannelWatch report aims to lay bare what resellers really think about some of the key trends in the industry across the UK, Spain, Portugal, France, Germany and Italy. Over 2,000 business owners and senior managers from key channel businesses including resellers, vendors, retailers, distributors contributed to the findings.

"This the largest reseller survey of its type," said CONTEXT CEO and co-founder Jeremy Davies. "Resellers are clear on their opinions, especially when it comes to how they rate their distributors where overall the verdict has been good."

The report revealed that over half of respondents rated their main distributor's performance as "good" with a further 31% claiming they were excellent in the period.

In the UK, the percentage of distributors excelling according to those surveyed climbed above 40%, contrasting with Portugal and France, which had the lowest number of "excellent" rated distributors.

Speed of delivery was by far the top distributor strength cited by the channel, chiming with the results of previous years, and customer service came second.

At the other end, training continued to be the biggest weakness for distributors, followed by certification and technical support.

Respondents claimed Dell's acquisition of EMC/VMware had mainly benefitted the Texan computing giant, but reaction was largely positive with over 50% approval ratings for all parties concerned.

In fact, a net number of 88 channel businesses are thinking of adding Dell to their list in the next six months. The only other vendor close to these figures was Lenovo with 59.

On the other hand, [HP's restructuring](#) – which has seen the Palo Alto giant split into Hewlett Packard Enterprise and HP Inc – was greeted with a more muted response.

Two-thirds of respondents claimed the demerger would have a "mixed" impact on whether they'd choose HP products going forward. However, positive and very positive respondents (22%) slightly outnumbered negative and strongly negative channel businesses (13%).

The channel was more united when it came to its view on illegal print consumables.

Some 68% claimed more could be done by vendors in this space to stop such products entering the market – with the largest proportion (52%) claiming “a lot more” could be done.

Also, more than half (59%) claimed the channel itself could do more.

While a majority (55%) of resellers said it was easy for them to tell the difference between a real and a fake cartridge, just 15% claimed the same was true for their customers.

Better packaging was therefore highlighted as the most helpful measure that could be taken to rectify the situation. Nearly three-quarters (74%) argued that clear labelling for any remanufactured and legal compatibles would be the best way forward.

### **About CONTEXT**

Headquartered in London with approximately 250 staff across the world, CONTEXT specialises in tracking technology sales and pricing globally. Supported by the largest Distribution Channel Database in the world and coupled with our extensive experience in managing and reporting on large data sets, we provide the highest quality data that has been helping our clients make business-critical decisions for over 30 years. CONTEXT also works with Government Statistical Services and key Trade Associations globally.

### **Media contacts**

Funda Cizgenakad  
+44 7876 616 246