

Appia Study Seeks Answers for the “Vanishing VAR” | Research commissioned by Appia Communications investigates the challenges facing value-added resellers (VARs) in the new decade.

TRAVERSE CITY, Mich. – January 21, 2010 – Dramatic shifts in customer needs, vendor priorities and market forces are driving traditional value-added resellers out of the technology industry — and out of business.

Those are the preliminary findings of a study commissioned by Appia Communications, a leading provider of communication and networking services for businesses and organizations. Appia partners with value-added resellers (VARs) across the country to market and sell its managed services.

"Our VAR partners are facing serious challenges," said Jason Ulm, Appia's vice president of sales. "We commissioned this study to help put those challenges in perspective."

Ever since computers and the Internet first began to revolutionize business practices, VARs have played an integral role in equipping organizations with the latest technology. But the "golden age" of plentiful, high-margin hardware and software sales has waned, giving way to a market that is significantly more crowded, more competitive, and less profitable for VARs.

"The traditional VAR is vanishing," Ulm said. "Vendor interests are competing with VAR interests, margins for hardware and services are low, and customers have unlimited options."

However, the study found that only a small percentage of VARs have adapted their business models to the new reality. Ulm called that result "alarming," but he said it also represents tremendous opportunities for those who are willing to change.

"This study may confirm the direction a VAR is already taking, or it may be a call to action," Ulm said. "The good news is that it's not too late for VARs to adapt, and Appia can help."



The full results of the study are expected to be published in a white paper next month. To learn more about market strategies and partnership opportunities with Appia, please contact Tim Mahan at 877-277-4297, extension 223, or tmahan@appiaservices.com.

For more information about Appia, including its full suite of communication and networking solutions, customer case studies and more, please visit www.appiaservices.com or call 877-277-4297.

About Appia Communications

Appia Communications is a leading provider of managed communication and networking services, with a focus on small and midsize companies and organizations. Appia's solutions help customers minimize capital investments, reduce costs, enhance employee productivity, improve customer care, and compete more effectively against much larger enterprises.

Headquartered in Traverse City, Michigan, Appia serves markets nationwide, with operations in Boston, Chicago, Detroit, Houston, Indianapolis, Los Angeles, New York, Philadelphia and St. Louis.

Appia has been recognized as one of America's fastest-growing private companies (Inc., 2007, 2008 and 2009); one of the fastest-growing solution providers in the technology industry (CRN, 2009); and one of the top five managed service providers in the world (MSPmentor, 2008-09).

For more information, please visit www.appiaservices.com or call 877-277-4297.