

# Dell increases Brazilian sales with strategic planning

How joint planning and governed execution through the CHAMP methodology drove growth



Dell Computadores do Brasil (Dell), a subsidiary of Dell Technologies, is one of Brazil's tech leaders. It has been facing challenges as more customers look for hybrid cloud services for their equipment. Red Hat helps sell Dell's hardware through combined solutions. Together, they implemented a work methodology with planning and strategy to improve results. Dell obtained more accounts, grew in many segments, and achieved high service renewal rates.

## Partner resources

Red Hat® Reseller Program

## Software

Red Hat Hyperconverged Infrastructure

Red Hat Gluster® Storage

Red Hat High Performance Computing (HPC) Solution

Red Hat Enterprise Linux® for SAP Solutions

Red Hat OpenShift®

Red Hat OpenStack® Platform

## Services

Red Hat Consulting



## Technology

**3,500** employees

## Benefits

- Lifted sales of Red Hat training and consulting services from 10% to 38%
- Increased mid-market and small to medium enterprise (SME) segments by more than 300%
- Improved services renewal rates by 65%

*“The software brings Dell’s hardware to life. The partnership with Red Hat is strategic, and it is important to offer the best solutions to our customers in Brazil.”*

**Giovani Zanon**  
Software Sales Manager, Dell



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*“This is a key partnership. Red Hat is important to our ability to deliver end-to-end solutions. We seek to move together, side by side, to deliver the best solutions for our customers.”*

**Luis Costa**  
Red Hat Specialist, Dell

## **Developing opportunities in hybrid cloud and big data**

Dell is a leading, end-to-end technology provider that supports both home users and enterprises. It allows organizations to update, automate, and transform their datacenter using leading convergent infrastructure, servers, storage, and data protection technology.

Dell has been a Red Hat partner since 2007 and is currently a member of the reseller program. The collaboration allows Dell to provide its customers with new and improved ways to work with hybrid cloud and create cloud-native applications and big data solutions using Red Hat’s portfolio.

## **Investing in the Red Hat/Dell partnership**

Dell is a reference in IT equipment manufacturing, but it faces the challenges of an increasingly connected world where many services are cloud-based. “Dell is constantly challenged to keep innovating. Supporting our customers in their digital transformation journey is one of our cornerstones,” said Giovanni Zanon, Software Sales Manager at Dell in Brazil.

Since Dell has a broad customer base that regularly purchases equipment such as laptops, workstations, or servers, it seeks to innovate and keep up with the market by offering software to create solutions that meet customers’ digital transformation needs.

Zanon recognized Red Hat as a “software partner that offers a very comprehensive portfolio that appeals to our customers, and is also a partner devoted to bringing together technical teams and sales departments.”

“The software brings Dell’s hardware to life. The partnership with Red Hat is strategic, and it is important to offer the best solutions to our customers in Brazil,” he added.

With 82 Red Hat product certifications, Dell is the most technically qualified Red Hat partner in Brazil. Dell also has two Champions dedicated to promoting Red Hat’s solutions and synergies.

## **Creating a more strategic and substantial business plan**

The Channel and Alliances Management Process (CHAMP) methodology, adopted by Red Hat, was implemented by Dell to design a more strategic and substantial business plan. CHAMP is an industry methodology that Red Hat has systematized to outline go-to-market planning and strategy with partners. They make all decisions together, to agree on what aspects should be boosted by the partnership.

Dell and Red Hat organize every marketing action in a structured way. On average, ten events are held every quarter. There are goals, and a professional is in charge of making every marketing action happen. Together, they establish next steps and which stakeholders are involved. They set annual sales targets based on previous results that are assessed quarterly, allowing evaluations according to previously established metrics.

This program helped to provide more guidance to the teams. “Relying on capable people, who are 100% focused on the partners’ business, allows both companies to develop a seamless work execution strategy. It also helps both teams to engage well and, above all, it provides high-quality support to other sales teams at Dell,” said Zanon.

## **Achieving more customers, deals, and renewals**

### **Lifted sales of Red Hat training and consulting services from 10% to 38%**

The most significant benefit delivered by the strategy devised with CHAMP was that both Dell and Red Hat obtained new accounts. Two years ago, 90% of Red Hat solutions sold by Dell were operating systems for servers. Now, they make up 62% of all sales.

The remaining 38% include newer software from Red Hat's portfolio, such as middleware, multicloud, hybrid cloud, services, and training. Sales of Red Hat training and consulting services increased from 10% to 38%.

"We are expanding new technologies business every quarter," said Caio Candido, Technical Alliances Manager for Latin America at Dell.

### **Increased mid-market and SME segments by more than 300%**

Increasing the foothold in the mid-market and SME market was one of the main opportunities identified in the plan. In the past couple of years, the segment grew by over 300% thanks to combined hardware and software offers.

This growth made up for the losses in other segments and contributed to a 6% increase in revenues obtained by Red Hat through Dell in 2019. Dell's presence all over Brazil allowed Red Hat to reach customers where it did not have access before.

### **Improved services renewal rates by 65%**

Dell's post-sales customer service delivers renewal rates of 65% to 70% for subscription deals. Renewals account for 40% to 50% of Dell/Red Hat yearly income. The company lives by the motto that it is more expensive to bring a new customer than to retain one.

"We were able to achieve a renewal revenue higher than the growth estimates for previously installed bases," said Luis Costa, a Red Hat Specialist at Dell. "Customers that already have operating systems are ready to move forward to management, automation layers, and, eventually, virtualization and containers. Our ability to grow inside foundations we already own and retain our customers is essential."

### **Grew opportunities and revenues**

This year, Red Hat and Dell identified strategic enterprise and public sector markets as priorities. The aim is to grow not only the number of opportunities but also in revenue.

Also, they will keep expanding in mid-market and SME, in which Dell has a considerable market share. The addition of two other Red Hat Champions to Dell's team aims to explore opportunities proactively.

"This is a key partnership. Red Hat is important to our ability to deliver end-to-end solutions. We seek to move together, side by side, to deliver the best solutions for our customers," said Costa.

### About Dell Computadores do Brasil

Dell Computadores do Brasil is a Dell Technologies unit, one of the largest technology enterprises in the world. The brand owns a portfolio of IT products and solutions for home and enterprise users. Its portfolio of desktops, notebooks, workstations, and security solutions, serves companies of all sizes, boosting workforce productivity.

### About CHAMP

The Channel and Alliances Management Process provides the tools to create and implement an informed plan to enter the market with and through partners effectively. The methodology defines the partnership, success indicators, and expectations. It also improves the perception regarding the partner's business to help outline joint initiatives and associated revenue streams.

### About Red Hat

Red Hat is the world's leading provider of enterprise open source software solutions, using a community-powered approach to deliver reliable and high-performing Linux, hybrid cloud, container, and Kubernetes technologies. Red Hat helps customers integrate new and existing IT applications, develop cloud-native applications, standardize on our industry-leading operating system, and automate, secure, and manage complex environments. Award-winning support, training, and consulting services make Red Hat a trusted adviser to the Fortune 500. As a strategic partner to cloud providers, system integrators, application vendors, customers, and open source communities, Red Hat can help organizations prepare for the digital future.



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