

# Channel gives education a raw deal

Are resellers overselling IT to schools to maximise their own profits? Fleur Doidge investigates

Education deals – many of which are heavily focused on audiovisual – are being artificially inflated by some vendors and resellers. This can damage the potential for schools to develop trusted adviser relationships with suppliers, or even achieve IT goals in a time of straitened budgets.

Duncan Fitz-Gibbons, chair of governors at Wharton Primary School in Cheshire and owner of SME-focused IT consultancy One and All, said it is his belief that many schools are being exploited by technology suppliers. As chair of governors at Wharton, he regularly sits in on conversations about IT purchases for the school.

He cites a recent server upgrade project as an example. “I lend an expert ear to the school,” he said. “We needed a new server, so the incumbent supplier was invited in and asked to quote again, and the price came back at £26,000. According to him, we had to buy all the client software again. So I spoke to another supplier and got an equivalent package for £6,000.”

That was for a server from the same vendor, with the same specifications – minus certain things, particularly all the client applications the school already had and did not need or want to renew. The incumbent had refused to do the deal without the school agreeing to re-buy all the client software, and without Fitz-Gibbons, no one would have had the expertise or confidence to ask different questions and challenge that company’s claims.

“It was absolutely disgusting. I was appalled by it,” said Fitz-Gibbons. “[And] with the personal experiences I have had, I cannot imagine it being terribly different at any other place.”

In another situation, Wharton was looking for a new wireless solution. One supplier came in with an “absolutely fantastic solution” that

enabled users to walk around the campus with their laptops, moving from access point to access point seamlessly, according to Fitz-Gibbons. The supplier was pushing that as the ideal upgrade, despite the fact that the school never removed its laptops from the classrooms and simply did not need such advanced features and functionality.

“Schools may not have the expertise to understand technology [that is being offered to them] and I guess they also get very little support from the government to help them make those decisions,” said Fitz-Gibbons.

Such overselling was probably partly due to salespeople’s poor understanding of schools’ real needs, as well as an element of taking advantage of schools’ lack of knowledge in a deliberate attempt to upsell, he speculated.

Underselling, which can end up costing customers more in the long term, should also be avoided. Better communication and pre-sales support is needed, he said.

In the end, Wharton opted for new wireless from Netgear via reseller PW Comms, which did not have that additional functionality, but saved the school some £4,000 or £5,000, Fitz-Gibbons said.

“Too often, the supplier with the best sales pitch may secure the business. Schools become reliant on a single supplier, and often do not question additional money they are spending with that firm,” he added.

## Too much “big IT”

Fitz-Gibbons was a panellist at a roundtable held by Netgear to discuss the benefits of IT in education.

Paul Donovan, country manager for commercial business at Netgear, said there is definitely a perception that schools are being oversold “big IT”.

“There is a concern that schools overall may be buying technology that is a bit more than they need,” he said. “Yet what we are seeing, not just in the education sector but across all industries, is that people are being asked to do more with less.”

He added that suppliers, not just resellers but vendors as well, must focus more on delivering smart,



Wanted sales: Schools may be buying technology they do not need

appropriate IT rather than big IT. Robust, sensible and simple offerings are more likely to hit the spot for many – and a smaller deal that makes your customer happy is more likely to result in repeat business and long-term relationships. “This message has resonated with all the customers we have spoken to,” he said.

Donovan urged schools to evaluate their suppliers’ advice about IT spend carefully. “The majority of schools throughout the UK do not have the resources to employ a dedicated IT expert. It’s vital, therefore, that teachers do not fall for the slickest sales pitch; they need to find a trusted partner from the IT channel,” he said.

Channel players that wish to develop or retain status as a trusted adviser need to work hard to provide the education sector and individual schools value-for-money offerings that meet the customer’s requirements. “The last thing they need is to simply be sold the latest bells and whistles, which may hamper them in the long run,” added Donovan.

Another panellist, education consultant and former government

adviser Margaret Coleman, said some are trying to “keep up with the Joneses”, striving to match the IT offerings of their local rivals instead of thinking about what would most accurately meet their requirements.

“What is most frequently absent is a bespoke strategy. Schools need an advisory partner, not just a smart sales presentation,” she added.

## Wise choices

Jon Collins, director of Inter Orbis and former chief executive of market research firm Freeform Dynamics, agreed that schools should not overlook the systems they already have.

Organisations, including schools, are not necessarily constantly striving to upgrade their technology, he warned.

“More often than not, schools will find that by making a wise investment into, say, 20 per cent of a new system, they can make the most of the 80 per cent of legacy equipment on which they have already spent their money,” Collins said.

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