Channel Strategy & Marketing

...for the Rest of Us

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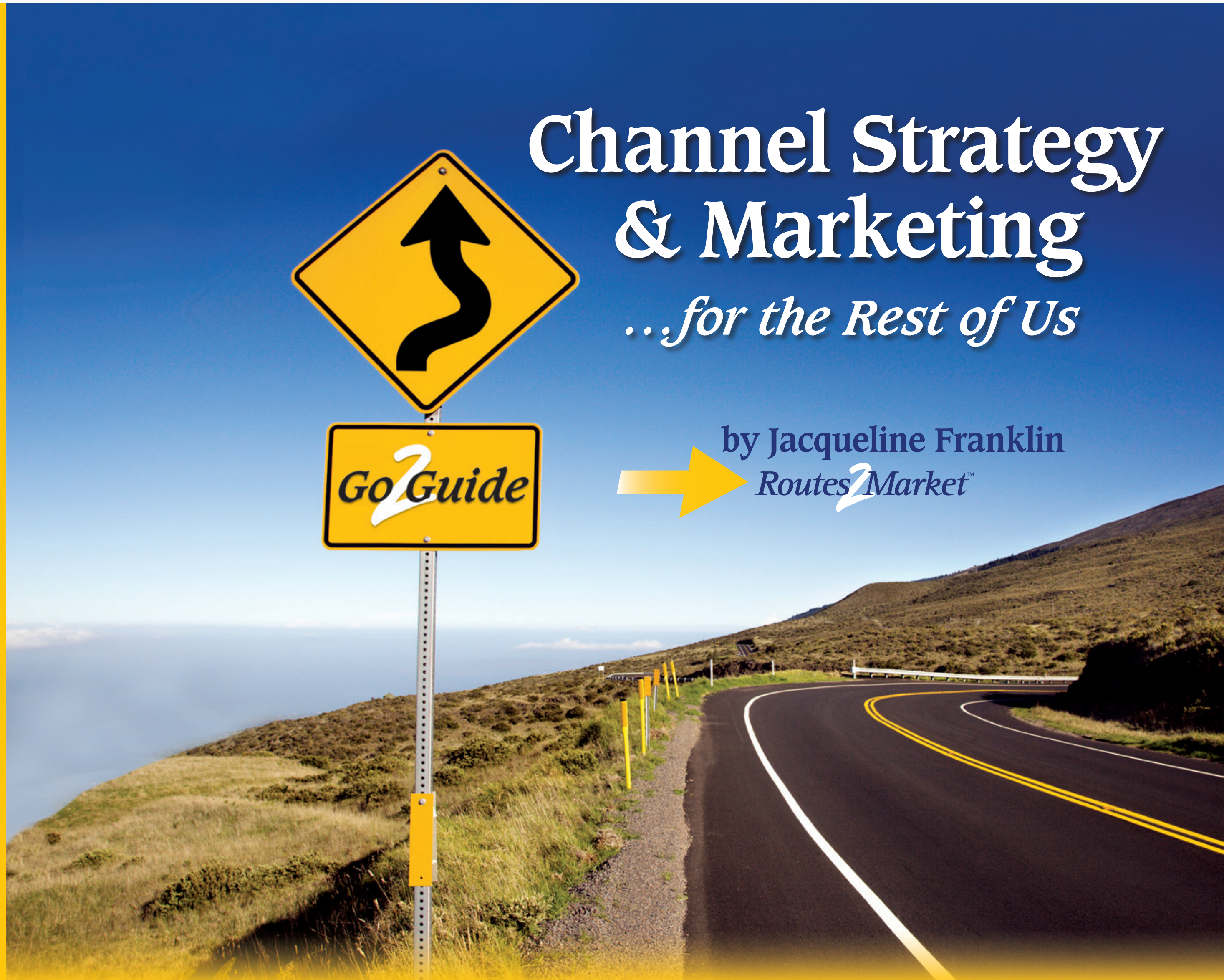

*The **Go2Guide** for challenges we face in developing indirect channels. You are not alone!*

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I was working for a popular software company at the dawn of the Internet. The CTO gave a demonstration of the Internet to the entire company and described thrillingly what would now be possible. The auditorium was abuzz. The SVP of Sales pulled me aside afterward, with odd bravado, to let me know that the channels marketing organization I ran would be at stake in six months. She explained with confidence that the Internet would supplant our need for business partners and all things distribution. I remember thinking **"Huh? What'd I miss?"**

Six months later, however, I was gainfully employed and the company's thriving indirect channel was as critical to the business as ever. While the Internet created a new channel and changed dramatically the way we did business, it did not supplant our business partner strategy. Instead, **the Internet added to our opportunities with partners and required that we make room for new thinking and business practices.**

It also added to the complexity, and reinforced why indirect channels is not for the faint of heart. Put simply: **A thriving channel is a business imperative for any company that wants to scale.** In fact, I'm hard-pressed to name one billion dollar company that doesn't use indirect channels. Even Dell has broadened its reach to service providers to help expand its reach into the corporate market. And, Apple, with its clean, elegant online and direct store presence (*is that a magnet that pulls you in when you walk by?*), still uses resellers across the world to get its product to customers and provide support. Many companies in the B2B technology market, in particular, continue to bring home the bear with a formidable direct sales force (Oracle, EMC, etc.), but even those behemoths conceded eventually that they needed additional logistical and services capacity, especially if they wanted to reach the mid-market. **Indirect channels, in other words, are critical to growth and are here to stay.**

So, the point of this book is threefold:

1) To acknowledge the challenges we face in developing indirect channels (you are not alone!)
2) To accelerate the learning for those confronted with these challenges (through pragmatic templates and tools)
3) To be the "Go To" guide for your future reference

While a lot of this information is from direct experience, much is derived from a diverse base of clients. As a working e-book document, your experiences and insights are critical to its value. **Please feel free to share and keep me honest, as you see fit.**

Organizationally, you can jump ahead as needed to the sections that follow:

First, the Nomenclature and Framework

Raise your hand if you've ever had this conversation at a social gathering:

Well-intentioned Stranger [WIS]:	What is your line of work?
You:	Oh, I work in the channels group for [insert hot technology company here]
WIS:	Huh…what do you do?
You:	I find, recruit and help business partners sell our products.
WIS [with head cocked like a dog]:	Oh, that's interesting. Well, excuse me, my kid's Tweeting me.

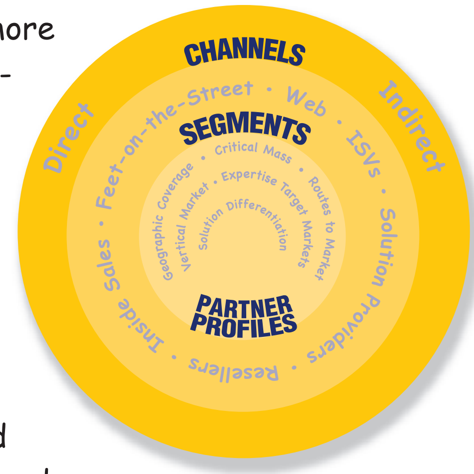
The first point about channels nomenclature is that you can give up the notion that you will ever find the right words to explain to your mother what you do for a living, or anyone else for that matter.

Every once in awhile you will run into someone who "gets it" and you can enjoy the secret handshake, but for now, here's the jargon and how to put it to good use in laying your channel strategy foundation.

For starters, I will define three key concepts: **channels, segments and partner profiles.**

There's a "hierarchy" of nomenclature that can get confusing, so note the visual along with the term.

Channels



The term "channels" can get confusing. "Channels," more often than not, is used in the context of indirect channels, meaning sales channels other than your direct sales force. Technically, though, they both represent routes to market, and should be put in context of one another when developing a channels strategy. What's the difference?

- **Direct channels are straightforward.** They include the product/service provider's resources and assets dedicated to selling and supporting its product and service, otherwise known as the direct sales force, telesales, telemarketing, web site, etc.

- **Indirect channels include business partners and routes to the customer that leverage resources and assets outside the control and not owned by the product/service provider.** These are commonly referred to as resellers and solution providers, but include a myriad cast of players (more on that later).

Technically, **channels should be considered a holistic term that includes both direct and indirect channels.** More often than not, however, it gets reduced to meaning indirect channels.

Segments

First, why do we care about channel segments? Qualifying partners into channel segments allows you to:

- **Extend and reinforce a common language across the company**
- **Accelerate the recruitment process to find partners**
- **Extend benefits to those partners cost effectively**

Channel segments define the "bucket" in which partners with common characteristics fall. Segments are defined most easily by the partner's business model, i.e. how they make money. **We begin with how a partner makes money because if you understand that, it will be easier to construct and tailor your business proposition to the partners that fall into that segment.**

How technology partners make money fall typically into three broad categories:

- Hardware
- Software
- Services

Services can be broken out into two sub-categories as well: Professional Services (higher margin, consulting-oriented services) and Customer Services (break:fix, etc.). Let's keep it simple and focus on the three broad categories for now.

At the highest level, channel segment nomenclature often boils down to Resellers (primarily hardware focused) and Solution Providers (primarily software and/or services focused). As a starting point and for sake of example, you can **see how the business models of these broader channel segments differ from one another:**

Percent of Revenue	Reseller	Solution Provider
Hardware	80%	10%
Software	10%	40%
Services	10%	50%
TOTAL	100%	100%

If you understand this, you will see why **one size does not fit all**, in terms of what each channel needs from you to be successful supporting and selling your offering.

If it was only this easy, I'd be out of business.

Where it gets messy and confusing is qualifying all the business model variations and where you draw the boundaries. For instance, it's equally important to identify the profit side of the equation. Software, for example, may not represent the bulk of the revenue, but may contribute a large share of the company's profits. Further, a partner can look like a systems integrator one day, and more like a hardware reseller another day. Sometimes, partners put software under services, or services may mean wireless bandwidth. While complex, the framework enables you to have a dialogue with your partners and demonstrates that you understand and **care about how they make money.**

As mentioned, there are multitude of segments and ways to qualify channels. Some of the other segments that you hear about are listed in this table with the relative business model focus highlighted. This table is provided as an example and not intended to represent the absolute picture.

Channel Segment	Hardware	Software	Services
Application Service Providers (ASP)	Little/No Presence	Primary	Secondary
Consultants	Little/No Presence	Secondary	Primary
Corporate Resellers	Primary	Secondary	Secondary
Direct Marketers	Primary	Secondary	Secondary
eTailers	Primary	Secondary	Little/No Presence
Hardware Integrators	Primary	Secondary	Secondary
Independent Software Vendors (ISV)	Primary	Primary	Secondary
Managed Service Providers (MSP)	Primary	Primary	Primary
Network Integrators	Primary	Little/No Presence	Secondary
Retail	Primary	Secondary	Secondary
Service providers	Little/No Presence	Secondary	Primary
Software as a Service (SaaS)	Little/No Presence	Primary	Secondary
Software Developers/Providers *(Horizontal, Vertical, Custom)*	Little/No Presence	Primary	Secondary
System Integrators *(Regional, Global/GSI, Federal)*	Secondary	Secondary	Primary
Wireless Carriers	Little/No Presence	Little/No Presence	Primary

Primary   Secondary   Little/No Presence

What's important in building your channels model is what is relevant to you and your partners, then exercising the necessary amount of flexibility for exceptions.

Partner Profiles

Profiling partners within each segment allows you to do a few things better:

- **Manage your partners as a portfolio enabling you to minimize duplication of resources and manage your risk**
- **Create guidelines for sales and marketing in recruiting the "right" partners**
- **Fine-tune your business proposition to the partner level**

Within channel segments, while partners look similarly based on business model, individual partners within that segment may vary dramatically, based on:

- Target market (enterprise, mid-market, small-medium business [SMB])
- Vertical market expertise (health care, education, government, etc.)
- Geographic presence/reach (regional…worldwide)
- Core competencies & solution differentiation
- Routes to market & distribution strategy
- Vendor relationships
- Revenue/size

Whether you outsource the recruitment effort, or have your channels organization take on the task, **a partner profile will help you qualify fit between your respective companies.**

Here is a sample partner profile template to tailor for your own use:

SAMPLE PARTNER PROFILE

Profile Category	Characteristics	Fill-in-the-Blank
Company description	Revenue, # of employees	
Years in business	Emerging, established	
Geographic coverage	Local, regional, global	
Business model	Percent of revenue and/or profit driven by hardware, software, services	
Services provided	Customer service, professional services, etc.	
Technical certifications/expertise	Infrastructure (e.g. ITIL), Network (e.g. Cisco), Enterprise software development (e.g. Microsoft), Security, Database, etc.	
Channels to market	Direct or indirect (if indirect, which partner types?)	
Target market(s)	Vertical and/or geographic	
Target decision maker(s)	Line of business, IT, C-level, etc.	
Applications	Horizontal and/or vertical	

If you sell through more than one channel segment, as most companies do, you will likely find it useful, if not essential, to chart your channels in a **Channel Blueprint. A Channel Blueprint is an internal document that allows you to visualize your routes to market in one place**. It can be used to socialize and rationalize your channel strategy. When you can see all of your channel segments in one place, it sometimes becomes apparent, blaringly, where you are duplicating market penetration strategies and where are the holes.

Your Channel Blueprint can be created easily in a worksheet and should be updated annually. A Channel Blueprint typically starts out small with a select number of rows and columns, but once stakeholders see the power of their strategy articulated in one place, **the tool can become a lightning rod for initiating dialogue within product groups and across the sales organization.**

Here is a simplified Channel Blueprint sample for your reference.

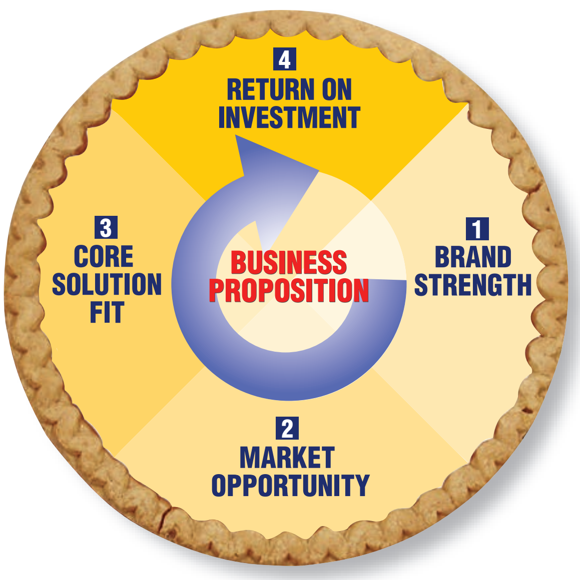
CHANNEL BLUEPRINT SAMPLE

Blueprint Category	Telesales Channel	Direct Sales Channel	Channel Segment #1	Channel Segment #2	Channel Segment #3
Channel segment description					
Geographic coverage					
Business model					
Services provided					
Channels to market					
Target market(s)					
Target decision maker(s)					
Applications					

Business Proposition

Many companies refer to their product/service positioning in context of a Value Proposition to their customers. When it comes to working with business partners, however, the customer value proposition is table stakes. While partners want to know that you have a compelling customer story, **they are more interested in hearing about your Business Proposition to them.** Like any productive partnership, **they want to know how they can make money with your offering, over and above other offerings they could or do support.**

If you've done the work above to understand your partner's business model, then you'll understand how they make money and where your solution complements or enhances the opportunity within their target market and existing customers. Think of the Channel Business Proposition as a pie made up of four pieces:



Although the size of each slice of the pie may vary, ideally, your business proposition needs to fill up the complete dish to be compelling.

Brand Strength

Your company's brand lies somewhere along this continuum:

The first technology company that I worked for was Data General. As a sales rep in my blue suit, scarf and pumps uniform (*then, perish the thought*), the first question I had to answer before I could explain how fabulous the customer's life would be with our incredibly fast metal box, was "Data Who?" This was tough as our primary competitor was Digital, at the time, and Data General was not a household name.

As a sales rep, I couldn't move the needle all the way to "Well-recognized, highly-valued brand," but I had to get the customer as far away as possible from "I'm sorry. Who?" Until I convinced them that we were a reputable, financially sound, responsive company, no amount of product or market opportunity would turn a head. This works the same way with business partners. **It doesn't mean all is lost without a brand, it just means that the other components of the business proposition will need to compensate.**

The market opportunity

Like your brand, the market opportunity also falls along a continuum:

Once you get beyond your brand, you can look at the market opportunity. Again, your solution will play somewhere along a continuum. **The hotter, more sustainable the market, the more attractive is the business proposition to the business partner.**

And, claiming it's an emerging market is not enough. Arm yourself with third party analyst reports and/or sizing data to demonstrate to partners that the market in which your solution plays is viable and interesting. Pretty graphs help, too.

Then, make sure that the market is one that either maps or complements the partner's existing market penetration strategies. In other words, if your target partner is focused on large enterprise accounts, don't expect it to be able to get you into the SMB market. If your target partner sells to manufacturers, it is unlikely to break new ground for you in health care or education. **It's not reasonable to expect a partner to throw caution to the wind and invest in an entirely new market unless you are going to front-end that investment.**

The goal here is to make it easy and accelerate time to market. Shoehorning your solution into a market in which the partner doesn't currently play is like, well, jamming that glass slipper on Anastasia's bulbous toe. It won't work.

The greater the match between the market opportunity and the partner's existing market focus, the more you can compensate for a weaker brand.

Core Solution Fit

There are three ways to qualify your solution's fit with a partner's offering:

1) Match with partner's current solution
2) Stable, and easy to understand and use
3) Match with business model/core competency

One of the first essential questions to answer before talking to a business partner about a prospective partnership is **how critical your offering is to the partner's current solution?** Does the partner need your product/service to complete the full solution for the customer, or is it a "nice to have" add-on? The more critical your offering is to the complete solution **from the customer's point of view,** the more compelling it will be to your partner.

Another indicator of the amount of attention you're likely to receive from a partner is **the percent of revenue that your offering represents of the entire customer solution.** If your offering represents two percent of a million dollar opportunity, that's $20,000. In the big picture scheme of things, that is not an eyebrow raising opportunity.

At the same time, **don't underestimate the importance of an easy to use and stable product.** If your product is so new to the market that your partner will be required to field many technical support calls, or requires a lot of sales training or technical certification, it will be less enticing for the partner to make the investment in your product/service.

Revisiting the partner's business model and core competencies is important here too. If your latest whiz-bang is a hardware device and your target partner sells software, it is unlikely that the partner is going to begin selling your device anytime soon…without a complete re-engineering of its business model. However, a software provider can be an extremely influential business partner with prospective customers and some would argue has more influence on the hardware decision than the hardware provider does. **The point here is that your offering has to fit the offering, core competencies and business model of your partners for the partnership to work well.**

Solution fit can compensate for a weak or undiscovered brand. On the other hand, **it's sufficient, but not enough.** If you're going up against the likes of Microsoft or Cisco, your offering will need to be particularly compelling to get a partner to take a risk on your behalf.

One of the tools we use to determine fit between product offerings is a **Whole Product Analysis Worksheet.** In this template, you can complete for what are **your core competencies and what is better outsourced to partners.** This minimizes conflict with your partners and helps you identify what you really need from them. It serves as a qualifying tool as well. You will likely have to edit the various categories for your customer solution, but it should get you started.

WHOLE PRODUCT ANALYSIS WORKSHEET

	Requirement	Technology Provider (core competency)	Partners (need to outsource)
Sales/ Marketing	Brand Awareness & Equity		
	Lead Generation		
	Business Requirements Definition		
	Pilots/Trials		
	Pre-Sales SE Technical Support		
	Selling Capacity		
	Support/Maintenance Contracts		
	Customer References		
Hardware	Systems/Servers		
	Network Infrastructure		
	Peripherals/Devices		
Software	Network OS		
	Database Platform Software		
	BI Tools Software		
	Application Software (CRM)		
	Horizontal Application Software		
	Application Software – Verticals		
	Middleware		
Delivery/ Fulfillment	Order Entry/Management		
	Reselling Management *(logistics, Inside Sales, and user agreement, etc.)*		
	Order Staging/Shipping		
	Partner compensation mgt.		
	Financing		
Professional Services	Needs Analysis/Site Survey		
	Project Management		
	Custom Development		
	Installation & rollout		
Integration/ Configuration	Product Configuration		
	Data Configuration		
	Systems Integration		
	Solution Assembly & Installation		
	Testing/QA/Debugging		
Customer Support	Help Desk		
	Technical Support		
	Diagnostics		
	Break/Fix		

The other tool that we use to help channel leaders articulate their value to prospective partners is this simple **fill-in-the-blank Business Proposition Template.** In this template, we ask that you identify your offering in context of the business partner's "pain" (or hole in their offering), the category in which your offering plays, and your primary differentiation. This last part being the most crucial as you ask prospective partners to invest in your offering, over-and-above, or in addition to, what they are already doing.

BUSINESS PROPOSITION TEMPLATE

Business Proposition Element	Fill-in-the-Blank
For *(target partner segment)*	
Who are or need *(this is the PAIN)*	
[Technology Provider] is or provides *(solution or category)*	
That *(compelling reason to care: address the PAIN)*	
Unlike *(alternatives)*	
[Technology Provider] *(list top three differentiators)*	

The Return on Investment (ROI)

Once you get beyond brand, market opportunity and product fit, there is the pesky little matter of rationalizing the partner's return on investment. **While margin is critical, the ROI calculation that partners make, even if some of it is in their heads, is more complex.** It's not as simple as plopping a worksheet in front of your prospective partner and touting that your solution will generate 20 more points over what they're currently getting from Cisco. That 20 points may be eaten up readily in:

- Training staff on your offering
- Rationalizing it with existing business plans and stakeholders
- Changes to infrastructure or operations
- Time surrendered from existing solutions

So, when you go down the ROI path, **you may want to capture answers to the following questions ahead of time so you are ready for the partner's objections.**

1) How many technical and sales resources will the partner have to tie up supporting your solution? What is the cost to integrate your solutions (time and money)?
2) What will be required for the partner to rationalize the partnership to internal stakeholders? If it's a board decision, it will take more time, but it may increase the likelihood of success.

3) What will be required operationally between your companies to make this partnership work? If the partner is taking license or ownership of your offering, what logistical mechanisms are required to make it work?

4) Will the partner "fund" this with incremental time, or take time from existing endeavors? If the former, will the partner have to hire new people? If the latter, what business, if any, will it give up, as it ramps sales and operations for your offering?

Business Partner Program

Another key part of the business proposition equation is the business partner program you will put in place to ensure the partnership is a success. Because this element of your business proposition is so critical and requires a lot of thought, however, I'm giving it its own section.

In building or refining your program, it is helpful to think about it terms of the primary areas in which your partner will need help to grow its business with you:

- Sales
- Marketing
- Operational
- Technical

Business Partner Programs are designed typically around Partner Requirements and Benefits. The following represents a best practice model for program design. The kinds of things that fall under each category will differ for each company, but the following tables provide some guidelines for what partners need to be successful in working with you. Admittedly, this is in its simplest form, so feel free to broaden this context by looking at some of the Channel Champion Partner Programs on the CMP web site. **Channel Champions**

Of course, you will not be able to offer everything to every partner, so most companies tier their offerings based on the partner's investment in the relationship[1]. While I'm not a big fan of the 'Gold', 'Silver', 'Bronze' monikers, they work for sake of example. The farther to the right, the more each party has invested in the relationship; the column on the left is where low-touch mechanisms are deployed to minimize costs. Note too that specific benefits and requirements might look differently across geographic regions.

Requirements

Unfortunately, many companies struggle to hold partners accountable to the requirements they've put in place because they are fearful of putting the relationship at risk. **If you are not going to hold the partners accountable to the requirements, however, your program integrity is at risk and your business proposition is compromised for the partners that have worked to meet your requirements.** It's a fine line to walk, but as one wise channel executive I know once quipped, "sometimes we have to 'just say no' to send a message."

In developing program requirements, you can take a similar approach to devising benefits. The requirements to be a gold partner are more challenging and, hence, the benefits more lucrative. The tables on the next page suggest relative requirements, so you will want to refine to meet your specific requirements.

REQUIREMENTS

Sales/Relationship	BRONZE	SILVER	GOLD
Business Plan	None	Annually	Every 6 Months
Certified/Accredited Sales Staff	Minimal	More	Most
Customer Satisfaction	Bar	Higher	Highest
Demo Equipment/Evals	Optional	Yes	Yes
Geographic Coverage	Local	Regional/Theater	Global
Revenue/Influence Commitment[1]	$100,000	$500,000	$1,000,000

Marketing	BRONZE	SILVER	GOLD
Branding Compliance	Yes	Yes	Yes
Designated Marketing Resource	None	Shared	Dedicated
Jointly Developed Marketing Plan	None	Case-by-case	Every 6 Months
Reference Customers/ Case Studies	None	Some	Most
Vertical Market Specialization	None	Some	Most

Operational	BRONZE	SILVER	GOLD
Completed Application *(Renewed Annually)*	Yes	Yes	Yes
Deal Registration	No	Yes	Yes
Logistical Capabilities	Optional	Yes	Yes
Sell-Through/ Influence Reporting	Through Distribution	Yes	Yes
Website Partner Locator Info	Optional	Yes	Yes

Technical	BRONZE	SILVER	GOLD
# of certifications *(product and/or technical)*[2]	Least Stringent *(if at all)*	Stringent	Most Stringent
Dedicated Technical Staff	Least Stringent	Stringent	Most Stringent
Help Desk Availability	No	Yes	Yes
Services Attach Rate	No	Stringent	Most Stringent
Tier 1 customer support	No	Stringent	Most Stringent

[1] The trend in requirements is to move away from revenue/influence commitments and toward the partner's investment in building expertise around the technology provider's offering. I've included it here, however, as some companies still have a hard time letting go of the revenue requirement. Also, revenue/influence requirements only work if you can measure them.

[2] Keep in mind that the breadth and depth of certification requirements should be based on the depth and breadth of the technology. Some companies don't require certification if the product/technology is relatively simple to install and integrate. You may have some "open" products that anyone can sell and support.

Benefits

The following tables provide an example of how you might organize and allocate benefits once requirements are determined.

BENEFITS

Sales/Relationship	BRONZE	SILVER	GOLD
Account Rep Coverage	Telesales	Shared	Dedicated
Advisory Council Participation	No	Select	Yes
Demo Equipment/Evals	Discounted	Discounted	Discounted
Exec Briefing Center Access	Case-by-Case	Yes	Yes
Executive Sponsorship	No	Director-Level	VP-Level
Incentives *(e.g. Rebates and Promotions)*	No	Yes	Yes
Partner Conference	Yes	Yes	Yes
Qualified Leads	No	Select	Yes
Sales Training *(free)*	Yes	Yes	Yes

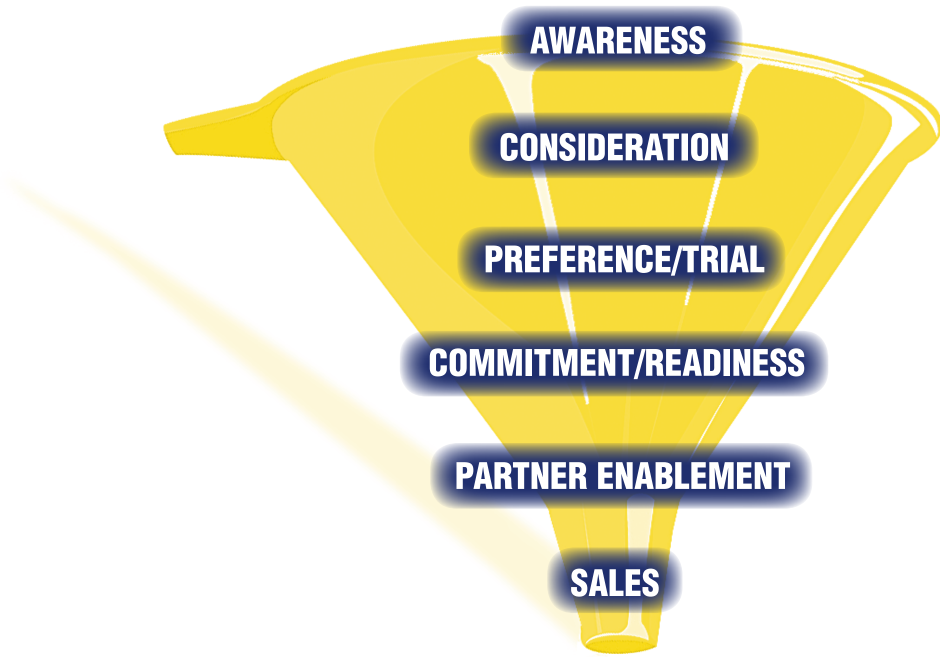
Operational	BRONZE	SILVER	GOLD
Deal Registration Discounts	Yes	Yes	Yes
Low Interest Financing	No	Case-by-Case	Yes
Partner Portal	Yes	Yes	Yes
Peer-to-Peer Collaboration	Yes	Yes	Yes
Talent Acquisition	No	Select	Yes

Marketing	BRONZE	SILVER	GOLD
Agency Services	No	Select	Yes
Listing on web site	Yes	Yes	Yes
Market Research	No	Select	Yes
Marketing Resource	Telemarketing	Select	Yes
MDF/Co-op Dollars	No	Select	Yes
Monthly Newsletter	Yes	Yes	Yes
PR Assistance	No	Select	Yes

Technical	BRONZE	SILVER	GOLD
Access to "Knowledgebase"	Yes	Yes	Yes
Free Tier 1 Support	No (web-only), or paid for	Yes	Yes
Product Briefings and/or Beta Participation	No	Select	Yes
Systems Engineer Support	Telephone	Shared	Dedicated
Technical Training *(free)*	Yes	Yes	Yes
Tech Notes Availability	Yes	Yes	Yes

Recruitment

Once you have determined your partner strategy and business proposition, the job of recruitment begins. Like finding customers, recruitment is a multi-faceted initiative that requires both marketing and sales. **Like finding (and keeping) customers, it's challenging and nearly impossible if you don't have marketing to pave the way.** You wouldn't expect end customer sales reps to go out and sell your stuff without collateral, a web site, or support resources to back them up. Likewise, channel account managers require the same support and backing to be successful. Partners need to be brought through the same decision "funnel" as customers and they need the similar tools.

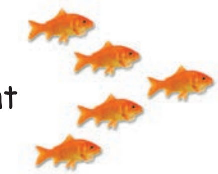


So make sure that you have resources and approaches lined up accordingly.

While you need sales and marketing to work in harmony for partner recruitment to be effective, you do not have to count on highly paid feet on the street resources to do the entire job. **Telesales and telemarketing organizations can be extremely cost-effective in paving the way for a senior-level channel resource to bridge and further qualify partnership potential.**

Because recruitment can be a complex process, it's important to define roles, responsibilities and hand-offs from the get go. Many companies find that a flow chart is the best tool for determining who owns what part of the process when.

Partner Readiness and Enablement



If ever there was an example of teach them to fish, partner enablement is the area.

In some companies, channel account managers are rewarded handsomely for the number of partners recruited. The impressive bar charts that show hundreds of partners have signed up each quarter, however, only tells half the story. **Signing them up is easy relative to getting them to sell.** Unfortunately, some companies leave partners to figure it out on their own, and then wonder why sales are dragging.

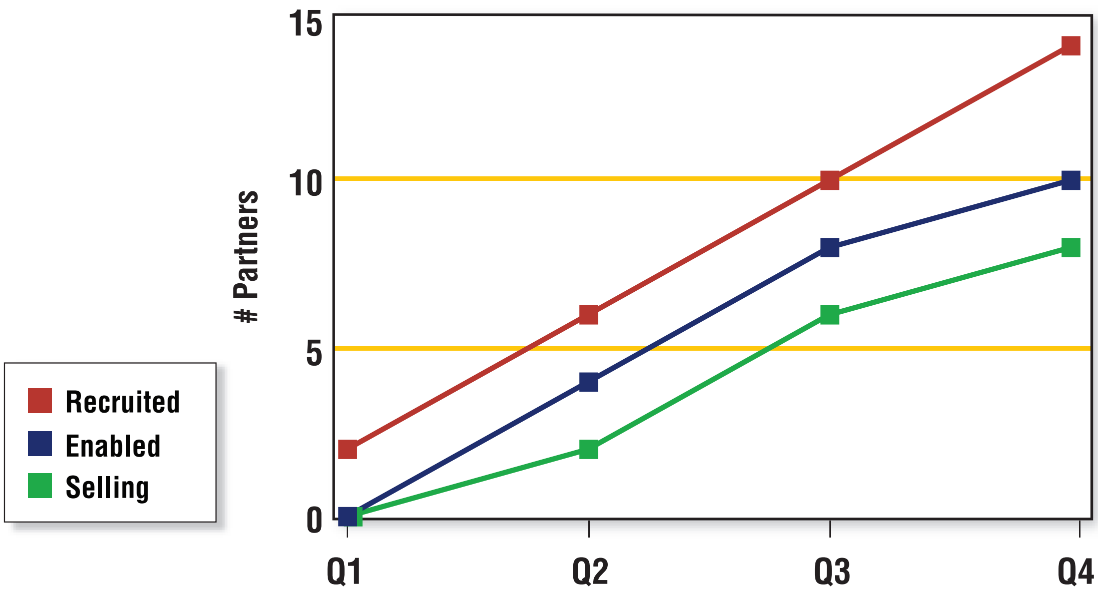
If you have a direct sales force, you probably know a lot about what it takes to get someone to sell your solution independently. Typically, there's a training requirement and most companies pair a new rep with a seasoned rep for awhile before turning the rep loose on the market.

On another level, however, getting partners to sell on your behalf is more challenging than engaging your own resources. Not only do you need partners to learn your technology, there may be work involved to make your respective technologies compatible. Once compatible, the training can begin, but even with training, there is a ramp up time required for partners to be able to answer customer questions and receive high quality technical support.

What most companies do not like to hear, or reject outright, is **that this process can take three to nine months,** depending on the complexity of your solutions and the marketplace. Unfortunately, we see far too many optimistic forecasts from companies that under-estimate this critical stage.

So, to help companies create realistic forecasts and line up resources to accelerate sales, we use the following forecasting tool:

FORECASTING TOOL



Before you can create a forecast, however, it's helpful to outline the steps involved in onboarding your partners. That is, what are the discreet steps that you will need to go through together before your partners are a trusted, competent extension of your company, bringing business in on your behalf?

Here's a simple Onboarding Checklist to get you started:

ONBOARDING CHECKLIST

Completed	Step
✓	Contract review, revisions, signature
✓	Credit review & approval
✓	Partner portal access/engagement
✓	Joint business plan developed
✓	Joint marketing plan developed
✓	Technical training and/or certification
✓	Sales training and/or certification
✓	Collateral & tools
✓	Customer pre-sales support
✓	Customer post-sales support
✓	Etc.

If you consider your partners an extension of your sales force and do the hard work of enabling them sell on your behalf, the rewards of leverage will deliver handsomely. If you cannot invest in the necessary onboarding requirements, you may want to consider holding off on your partner initiatives. Like customers, partners have long memories. Getting back in the door to the job right a second time is costly and humbling. **Better to have fewer partners who sing your praises and sell confidently, than many disgruntled partners**….which is a great lead in to our final chapter.

Loyalty

Several companies have come to us over the years bemoaning a lack of loyalty from their partners. Again, I remember a quote from one wise mentor along the way:

"If you want loyalty, get a dog."

Loyalty, like marriage, is a two way street. If your partners are not loyal, the first thing to consider is the degree to which your business proposition is still compelling. Over the years, companies evolve their programs and solutions. Customer's business requirements change, as does the competitive landscape.

If your business proposition is sound, you may want to inspect the level of engagement with the partner, at both the field and corporate levels.

1) When was the last time a channel manager (including tele-resources) called or visited this partner?
2) How easy is it for the partner to get an answer to a question, operational, technical, or otherwise?
3) Are there unresolved issues? Sometimes partners raise issues at Council meetings and/or Webinars, only to have them ignored.
4) When's the last time you visited a customer with the partner?
5) To what degree are your partners included in new product roll-outs, or are they left unprepared for new product requirements from their customers?
6) To what degree are your direct selling resources compromising the work of partners? In other words, when's the last time you revisited your sales engagement model?

A Few Words on Letting Go

If you've done all you can to maximize your business proposition for a particular partner, and bending over backwards is creating too much strain on the relationship and resources, **it may be time to cut the cord.** It's hard to let go of a partner, especially if the relationship goes back to the beginning of time. But, some of your initial partners will not be the same partners to carry you through the next phase of company growth. Fighting the tide can be a waste of time and energy that would be better spent elsewhere. So, **sometimes, parting company makes good sense.**

The best way to manage your portfolio of partners is to embrace and institute a **"seed, feed, and weed"** methodology. Reviewing your partners on an annual basis (minimally) for fit with requirements, including partner satisfaction, allows you to evaluate objectively whether a partner works well in today's environment. **If you don't weed the garden periodically, there will be no room for the beautiful flowers to sprout.**

Close

The good news is that working with channels is never boring or static. The bad news is that working with channels can put gray hair on your head, or cause you to lose it altogether. While the above material won't likely help you answer your mother's inquiries about what you do, it's designed to touch the surface and get you started. And, if you noticed your heart racing while reading this book, you might even develop a flair or passion for working with channels, so look out!

About the Author

Jacqueline Franklin is a results-driven professional with a track record in delivering compelling go-to-market strategies and programs for companies that want to accelerate time to market and scale through business partners and strategic relationships.

She publishes a monthly newsletter, *Ahead of the Curve*. You may sign up to receive the free newsletter on the Routes2Market.com web site at **www.Routes2Market.com/Resources**.

You may also enjoy and participate in the Routes2Market blog at **www.Routes2Market.com/Blog**.

About Routes2Market

Routes2Market is a service provider focused on two of the most challenging areas of business:

- Business Partner Development and Channel Marketing
- Marketing Strategy and Programs

We help business leaders achieve success and grow revenue through compelling go-to-market strategies and best practice channels development.