

Improving partner performance

Five ways

Synopsis

IT and Technology providers often see channels and partners as a key way of increasing sales and entering new segments, whether they are geographic or specific customer groups. Selecting and signing-up a partner can be a major investment and if the partner fails to achieve the planned sales, this investment may be wasted. This article describes five ways to increase existing partner sales performance.

Introduction

Partners can provide an effective way of increasing sales by providing, for example:

- Access to new markets: geographic, new industry sectors or new customer segments
- Complementary products or services which provide the customer with a full solution rather than a component or box
- Increased organisational capability, with more salespeople
- Marketing assets such as brand value, promotion resources
- Physical distribution or manufacturing assets, where these are seen by the customer as an essential requirement



Many companies have had the experience of signing a partnership agreement, issuing a press release and then finding, several months later, that sales have failed to materialise.

We'll assume that the partner selection has been carried out successfully so that you are still in a position where the partner should be able to meet your expectations.

In this article, we will focus on the situation where the partner organisation is larger than the vendor, for example:

- A technology start-up selling through a communications equipment vendor
- A software company selling through a global Systems Integrator (SI)

The techniques may also apply to the opposite situation, where, for example, a major IT company is selling through a large number of small channel partners.

Why aren't they selling our products?

Before looking at solutions it's always a good idea to audit the situation to identify why the partner's performance might not be meeting expectations and what needs fixing. You can do this yourself, but it also might be valuable to get use an external resource who can take an independent view.

In addition to the areas addressed in the following section, you might also want to consider end-market changes, solution (product/service), pricing, and competition.

Five ways to improve partner performance

1. **Manage**
Invest in managing the partner.
2. **Understand what drives their business**
Ensure that your solution will help your partners achieve their targets.

3. **Identify and route round blocks in their organisation**
Work with your partner's organisation but don't let its deficiencies prevent them selling your solution.
4. **Support**
Apply selective sales support to prime the sales process.
5. **Enable their salespeople**
Ensure their salespeople can sell your solutions.

1 Manage

Although it would appear to be an unnecessary cost, investing time and resources in managing your partners is essential if you are to get the most out of the relationship. And that means being proactive by, for example, setting and monitoring sales targets, as well as being reactive, by responding to problems.

“In managing monthly partner meetings I've always blocked attempts to record actions as 'on-going'. Usually it's late and we need to take some other actions to achieve our goals!”



In larger companies, and complex relationships, management may be required across different functions (finance, sales, marketing, etc) but it is important to have a single partner manager who has overall responsibility.

Proactively managing the relationship sets expectations for the partner, helps them to see that you are serious and helps to achieve results; nobody wants to attend a partner management meeting and have to explain why they haven't achieved the planned results. It will also help you detect issues with the relationship as soon as they occur, and take corrective action.

Although it depends upon the type of relationship and the style of the businesses, it can be good to use a partner business plan to measure results against on a monthly basis and ensure that actions are recorded, dated and followed up at the next meeting.

2 Understand what drives their business

It's easy to assume that your partner's business uses the same metrics as yours, in terms of sales, margin, profit, etc. However, both big and small companies have their own culture that determines what really drives the business.

If their business is driven by software licence sales, identify how your product can help drive more licence sales. If their business is driven by new customer wins; determine how your product can help win new deals.

If you align your product or service to achieving those goals then you are more likely to achieve sales. For example, if the partner has their own products it's highly likely that these will be seen as a preferred sale compared to a bought-in product, even if the bought-in product has equal or better margins. Showing how your product can pull through their product will help you win. Equally, if the partner is trying to get into new segments or markets and your product or service is an enabler, then this will help get more visibility and priority within the partner.

3 Identify and route round blocks in their organisation

If your partner is a large entity then they will inevitably have blocks in their organisation. Ideally, your partner contacts will help to remove anything that gets in the way of increasing your sales, but they may not always be in the best position to overcome problems.

Those responsible for developing in-bound partner relationships are often in a product, solutions or industry group. They may not have a direct link to sales. Separate sales

territories may have their own agenda or be unaware of your solution. Incentives may be stacked against your product.

If you suspect that the internal blocks are hindering an otherwise good partnership then you may want to find your own way of circumventing the block. You can do this by, for example, holding briefing sessions in-territory, or inviting the local partner salespeople to your launch event or road show. This has some dangers, as you do not want to interfere with the internal relationships or cause your partner contacts to lose face. But if this is the only way, and the partnership succeeds as a result, they can share in the success.

4 Support

Although the partner may take a significant margin and the contract terms may not require you to extensively support your partner's sales efforts, providing technical support may be key to priming sales. It works on three levels: it shows your commitment to the partner sales teams, it enables you to apply your expertise at the customer interface, where it can't be diluted, and it maximises the chance of winning the sale. One of the prime reasons for working with a partner is to get them to sell on your behalf; you need to be selective in the engagement, ensuring the partner has qualified prospect before you apply resources and ensuring that the engagement is at the right level. Qualification and level of engagement should be part of your partner "Sales Enabling".

5 Enable their salespeople

Expecting partner salespeople, who are already busy selling their existing products and services, to just take on a new product and start selling it without proper knowledge is an optimistic approach. Experienced salespeople will not want to take time out to listen to long presentations or attend "training" sessions, but you need to *enable* them to sell your solution. This can be achieved through a variety of methods, but one of the best is to create a single document, a sales guide, that captures the key information needed to sell the proposition and back this up with a sales campaign.

Although many companies have their own sales portals and it's good to get a presence on their intranet, you need to remember that salespeople may rarely look at it. Having a hard-copy document and access to sales events, backed by information on your website is a good approach, giving you access and control.

The sales guide can be produced in-house but the best result may come from having it produced by an objective third-party. That way it is easier to ensure it is sales and business orientated rather than being product based (for more information see the [QuickStart Sfs](#) sheet on the Expertek website).

Putting it all together

It is always important to remember that the partner is also a customer, and should be the subject of marketing or sales campaigns in a similar way to an end-customer. You may find it difficult to run a campaign through your partner's organisation but it should be part of any joint marketing plans. These should not be limited to external, end customer activities.

The five ways described above should be applicable to most partnerships but maximising partner sales needs a combination of marketing, sales and commercial skills. The first step is to recognise that you need to drive the relationship to benefit from increased sales.

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