



# **CHANNEL FOUNDATIONS**

A Back to Basics Guide for Channel Leaders

---

[AchieveUnite.com](https://www.AchieveUnite.com)

## Table of Contents

Introduction

What is a Channel Sales Strategy? 5 Tips to Know if You're Partner-Ready

How do You Ensure your Channel Strategy is Included in Your Marketing Strategy?

How to Hire a Channel Strategy Consultant

How To Prepare Your Channel Strategy For The Next Gen Buyer

How To Recruit And Onboard Partners To Make Your Partner Program Thrive

BONUS: Top Channel Terms, Acronyms, and Definitions

Closing



### **About AchieveUnite**

AchieveUnite's partner consultancy services and channel business programs transform organizations by leveraging revenue growth and building strategic alliances and partnerships. AchieveUnite helps companies of all sizes generate maximum results from their channel and alliance partner organizations. AU is a performance partnering company built by experts with over 100 years of experience in partnering, sales, channel leadership, and collaboration.

[www.achieveunite.com](http://www.achieveunite.com)

@AchieveUnite | +1 770-883-7794 | [info@achieveunite.com](mailto:info@achieveunite.com)



## INTRODUCTION

Partner programs. Incentives. Communications. Recruiting. How do you tie it all together plus stay innovative in your quest to consistently move the needle? At AchieveUnite, we've seen it all. From global organizations with teams in the hundreds to small operations with one or two staff tasked with partner relations... it's never easy. Yet, no matter your size or level of experience, some things never change. That's why we assembled this eBook. We call it "Channel Foundations" because sometimes you need to go back to basics and discover the simple foundational truths that never change. We hope this eBook will be a valuable resource for those in organizations just getting into the channel, new to a channel role, or just looking to refresh on some time-tested principles about partnering success. *You can do this!*

# WHAT IS A CHANNEL SALES STRATEGY? 5 TIPS TO KNOW IF YOU'RE PARTNER-READY

A channel sales strategy is a document and process explaining the value, method, benefits, and elements of your overall partnership program. It should be from the perspective of the partner and essentially answer the question of, "Why should I partner with you?" Your channel strategy can be the best in the industry but if it doesn't include consideration of the partners' perspective, most likely you won't get your desired outcomes. Your channel partners are running a business with many of the same challenges you face and when they decide to add a new vendor to their portfolio, they have very specific questions to make sure the investment in their resources will have high ROI. Partner-ready channel strategies should address these concerns because this is what they will be asking you. Here are 5 tips when it comes to documenting your own channel sales strategy:

## 1. Make sure your partner will want to be one of your channel partners.

As a vendor, your channel strategy generally starts because you have a need in one of the following areas:

- Getting to the mid-market
- Penetrating a new vertical market or geography
- Expanding a stand-alone product to being sold with other solutions/services
- Enabling a company that isn't set up to sell direct

When a partner decides to add a new vendor it's often because they are looking to fill a gap in their solution offering, looking for an alternative to their current vendors, change to ones that will offer better financial outcomes, or open up access to a market they are attempting to get into. Your channel strategy will need to develop and answer the partners Business Proposition. The business proposition answers why a partner would want to make the investments required to sell your offerings and build a business around your product versus the alternatives. It should be based on their perspective in the benefit and offerings. It is different than the customer value proposition but does have some overlap with it. This is also a key place that many companies do not get right until they have spent 6-12 months in trial and error (just giving it to you straight here).

## 2. Ensure your channel program includes the elements important to your partners

Today's partners know which program elements are essential to their business such as deal protection/registration, training, access to support teams, and end-user demand gen support. Partners that create their end-user demand will appreciate market development funds too.

What's most important in your channel sales strategy is that you solidify and clearly explain the policies you will employ within the program to implement your strategy. Make sure you have your "back-office" ready related to program policies, process, and escalation points before you launch. Partners will move on to another vendor if the support elements aren't in place, or if they perceive you to be challenging to work with.

### **3. Understand how automated your systems are (or aren't)**

Plain and simple, partners don't have the time, nor will they make the time, to go looking for the information. To allow for scale in your program, independent productivity is a must, which means automation. Often, deciding how the programs will be managed is an afterthought. When a partner works with on average of 15-20 vendors who are all asking for their focus, no systems means no focus. Prioritize your "Channel Technology Stack" based on what you can do today and build how you will grow your stack in your strategy. You'll want to be able to scale your systems around the one common link of the support infrastructure.

It's important to make automation decisions from the onset that will grow with your success. For example, consider a Customer Relationship Management tool that integrates well with your Partner Relationship Management tool, and yet further integrates with Incentive Automation or Demand Generation Platform from solid companies that will be around for the long term. Taking these factors into consideration can save you time, money, and aggravation as your channel strategy and programs scale with success.





## 4. Know the answer to this: “How will you support me as a partner?”

Several internal aspects need to be addressed to ensure your company is ready to support your partner’s sales efforts. True readiness comes from all levels of your organization and directly affects your channel competitiveness. Before launching the channel strategy, here are some considerations to help ensure channel success:

- **Onboarding Program** – A comprehensive onboarding roadmap should cover from when a partner signs on the dotted line, to when they are fully proficient and providing sustainable revenues for the business. This could last for 30-90days, or up to 2 years depending on your product or service and the ability to which you bring partners through your methodology. Regardless, it is imperative that you properly engage and onboard your partner in the first 90 days. Keep track of success metrics like key training completed, new joint account sales calls, deal registrations happening and current lead generation campaigns.
- **Channel Team Roles and Support** – One of the key ingredients your partners are looking for is in support. For most companies that means a sales support role such as a Channel Account Manager (CAM), pre-sales technical support, marketing and insides sales too. The key is ensuring the roles are defined and the partners understand who to contact when the need arises.
- **Channel Tools and Resources** – Training and enablement are critical to the success of a partner. Be ready to support your partners with technical, sales, and industry knowledge and skills. Consider various resource tolls like; sales playbooks, competitive comparisons, 2-3-minute informational videos and webinars as a few options. Additionally, access to product documentation, sales collateral, demonstration capabilities and key leaders in your organization are also essential.

## 5. Clearly define your partner growth strategy

Partners want to understand your partner growth strategy. They want to know if you plan to grow steadily and controlled through authorizations and certifications or the more shotgun approach of adding many partners. Typically, that will produce little more than frustration amongst your partners. Determine your plan early, how you will grow your channel to keep healthy, and how you’ll spur interest from partners to join your program. They will want to know if you are 100% channel, mixed (and how you segment that mix), or leveraging partners in only a certain area.

Generally, the partners you want are interested in selling a vendor offering on value, not just price. If you’re recruiting just to up your partner count and not on the value they can bring (revenue and support) then you’re spinning your wheels. In the end, that kind of strategy doesn’t usually yield results and will only cost you time, money, and valuable partners.

It's important to define the right partner types and develop a targeted profile. Understanding your partner's business model will help you understand what type of partner will work best for you and how to structure a business proposition offering that will attract them to your company.

Partners want to work with "Channel Ready" vendors and want to know that you are building everything in your company to enable, support, train, market, and transact business through their businesses. This concept of "channel readiness" never ends; it is a constant heartbeat in the rhythm of your business. If you apply these principles upfront, you will save time, money, and profit with building your channel model.

*"This concept of 'channel readiness' never ends; it is a constant heartbeat in the rhythm of your business."*

## HOW DO YOU ENSURE YOUR CHANNEL STRATEGY IS INCLUDED IN YOUR MARKETING STRATEGY? START WITH THIS CHECKLIST

So, you hear about a meeting with the CMO and the marketing managers regarding next year's budget planning. What's on the table? Top line sales growth, increased awareness, and new services offerings. The meeting was very productive through creating an outline of the plan and allocating budget and resources. Immediately, you start thinking how the channel can help drive results to these goals and what kind of budget you'll need to make it happen. But wait, you weren't included in that meeting and come to find out, the focus was on end user demand creation, with very little for channel...

Does the story above sound familiar? Partners not only help grow your business through new customer acquisition, they also offer expertise to implement, service, and support your complex products and services. If you want to ensure that your channel strategy is included in your overall marketing strategy, then take a look at the channel checklist below for ensuring your marketing team considers your partners as a key segment in the broader strategy.



## **1. Collaborate with your marketing group for planning and communication**

For companies selling through and/or with an indirect channel, it's critical the marketing teams are in sync with your channel plans and goals. Proactively engaging cross-functional teams creates knowledge and understanding of how channel marketing fits into general marketing and general marketing specific functional planning. It also goes both ways; Channel marketing sharing what the partner-facing teams are engaged with, focused on, and prioritizing as an essential part of the success recipe. Effective long-term collaboration should start at the top with upper management establishing a commitment and a cadence for ensuring successful collaboration. Communicating early in the planning will create success especially in areas such as budgeting, customer and partner communications, promotions and incentives, and events. Effective collaboration also means seeking input from one another. Remember, in an indirect channel model, the partners are the ones that design, develop, and deliver your solutions for your customers. It doesn't hurt to include specific goals related to channel success.

## **2. Budgets for channel marketing should be an essential and integrated part of the overall marketing (and/or the Channel Chief's budget), not an afterthought**

Start early with the budget owners, discuss planning and goals, and then come to agreement. Partners will drive new business for you and as such, they need support in areas such as program management and administration, marketing to (and through) partners, market development funds, promotional programs, sales tools, recruitment, and onboarding. If you have distributors, they need to have their own budgets as well.

It'll be helpful to develop a better understanding of the needs of your partner to use history as a basis when formulating your funding request. Be sure to include results for justification and then, based on your new goals, allocate the funds to attain them. Educate the marketing team on how the channel is another avenue to attract potential customers.

## **3. Determine how you will process leads and how channel partners will be involved**

Lead generation is usually a main priority for marketing departments and has a process in place to disseminate the leads. Lead referral is often a benefit offered in partner programs but when it comes down to passing on leads, it tends to be limited, usually starting at inside sales and moving on to field sales. It's understandable that companies want to make sure the leads are sent to partners that will respond quickly and effectively to close the deal. This can be achieved when a process, preferably a closed loop process, is in place with partners. Often, lead disbursement, as an element of a partner program, can be set-up to go to partners that have committed to selling your





solutions and agree to the requirements you set in the process. We find the best results have a required process to follow; regular and ongoing communication of the opportunity stages, reviewing the partner's sales funnel, and working with your team to close (if needed). It's OK to make the partner accountable or you take them off your approved list for receiving leads.

#### **4. Align your message and your timing based on your target audience**

Coordinate and plan your end user communication with your partner communication. It's not always easy but giving advanced notice of your customer communication will allow your partners to deliver the same message. We've seen too many times when new information is sent to end users, they call their solution providers to inquire about the information and the partner isn't aware of either the new product or the promotion they're expected to sell and support. Whoops! Timing your communications and giving your partners opportunities to blend your communications into their own is a critical success recipe for leverage. Messaging to end users shows how your product or solution will solve a problem or increase productivity and to partners, the message should convey how it will add value to their solution, help them make money, and add to their customers' satisfaction. Same info, but very different messages and timing.

#### **5. Develop your cohesive–yet–different Customer Value Proposition and Partner Business Proposition**

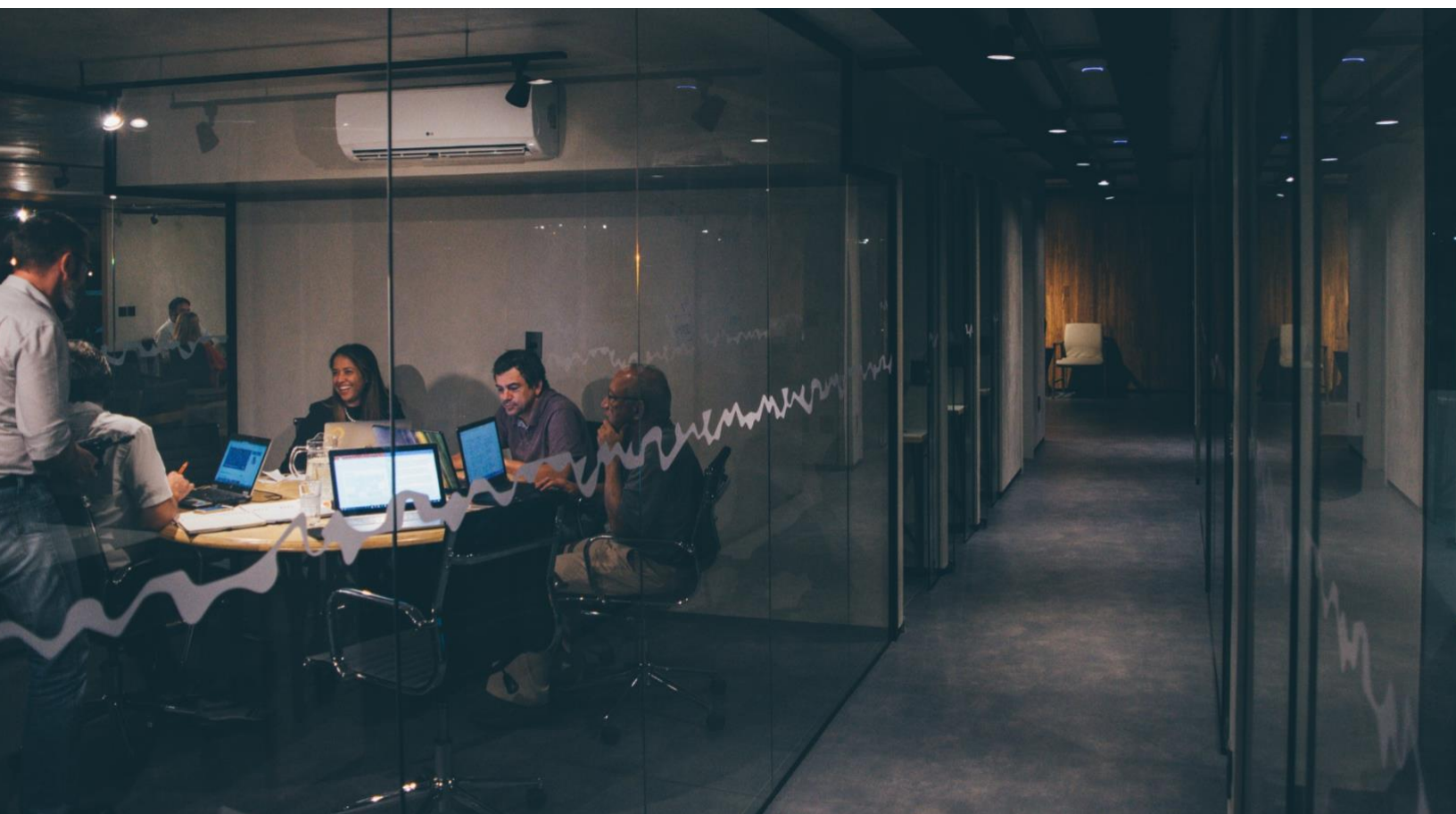
These two are similar yet distinct. For each, we need to answer the following questions:

- Who is your target audience for the communication?
- What are the key challenges that audience is dealing with?
- What are the expected business outcomes you can help them achieve?
- What are the value drivers for the audience?
- How do we differ from our competition?
- How do we help them differ from their competition?

Ponder these questions. Partners need to know how it will increase their business by helping to solve the needs of their customers and the customer wants to know how it will solve their own needs. When the two messages are unified, and hit the mark to the right business drivers, they then complement each other. Your messaging will connect with your target audiences and help you gain leverage.

When your company's go-to-market strategy is to move products or services through the partner channel, then your marketing department should be focused not only on directly targeting potential customers but marketing through and with your partners to reach their customers too.

*“Partners need to know how it will increase their business by helping to solve the needs of their customers and the customer wants to know how it will solve their own needs.”*



# HOW TO HIRE A CHANNEL STRATEGY CONSULTANT

As the channel chief, your responsibility is to lead the development of your company's channel strategy for the next wave of business products. With an understanding of the current situation, discussions with key stakeholders, the channel team and your partners, it's important to introduce new approaches for your channel strategy to get everyone out of the old way of thinking and into a new and open mindset. Bringing in a consultant would:

- Offer a fresh perspective on the current situation
- Remain objective yet come in with a results mentality
- Increase our speed to deliverability
- Have insight into best practices and ideas

Here are some things to keep in mind when hiring a channel strategy consultant, both before, during, and after the process.

## Start Broad and Then Narrow Down

Once the decision is made to hire a consultant, it's time to choose the right one. Here are a few things to keep in mind when making your decision of who to hire.

- Research online through Thought Leadership content and websites. Get to know the consultant or firm you're considering talking to and look for a fit not only with their results but in their values and approach to the working relationship as well. Watch their videos!
- Industry events are great for getting a chance to see who's out there and where they have their expertise. Often, consultants will speak at these events so make sure you attend their sessions and hear what they say. It's also a great chance to meet them face to face and start developing a relationship to see if they're a good relational and cultural fit.
- Word of mouth from your industry peers is immensely valuable. It's highly likely that your peers in other companies have worked with at least one or two consulting company and have a contact or connection that can make for you. Be sure to listen to your peers when they tell you about how that engagement went and where they may have encountered any friction or issues.

## Seek out Channel Specialization

It's essential that you make sure the consultancy you're considering has channel as their primary focus (not an afterthought). I've worked with consulting companies that had a dedicated person focused on channel consulting, but the rest of the company specialized in other areas. It's best to look for consulting companies that have one focus (the channel) and have built their practice and client list around that. Make sure it's what they do and what they know. When you meet with these

companies consider:

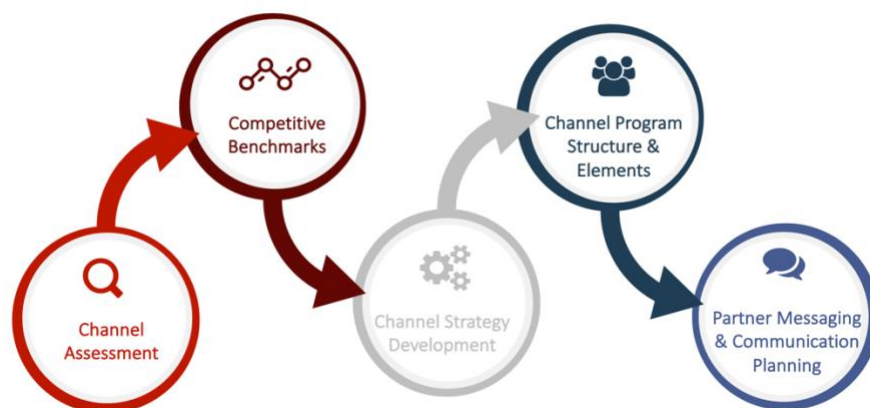
- Does it seem like a good fit? Do you feel you have a good rapport? Do they truly understand what you are looking for as an outcome? Do you think you'll enjoy working with them? If any of these questions are no, then keep looking. They can all be experts but if you don't like or respect who you're working with, it's likely you won't respect their results.
- Do they work with similar companies? Is their client roster full of brands you respect as channel companies? Do they work with a wide range of companies in size and technology type? Their expertise should be the work they've done in the IT channel, but they don't need to be experts in your specific area of tech. Their channel expertise will demonstrate a good understanding of the types of partners and programs that will be most effective for your business.

## Know What You're Getting

As you narrow down the options or are close to engaging with a particular firm, be sure that you are fully aware of what you're going to get as part of this engagement, what it will entail, how the pricing is structured, and how long it will take. There are two primary documents to take the time to review before locking in a deal with anyone. They are:

- **Non-Disclosure Agreement.** This is a must-have and should be completed after the initial discussions and before you go into great detail of what and why you need help. You'll want to give the consultant/firm enough information so that they can understand the full scope of what you need. Ensuring an NDA is in place will allow for transparency in what is really needed to develop the detail of what is included in the proposal and expected outcomes.
- **Statement of Work (SOW).** This is the outline everyone will work from for final delivery. The SOW should be detailed enough for everyone to understand the process and steps that will take place and include a project timeline for the development of your final deliverables. Generally, SOW's are laid out in phases or steps like the chart below.

### Channel Strategy Consulting Path of Engagement





Consultants can get a bad rap because everyone has a story of a consultant that didn't deliver what they wanted or there wasn't someone in the company to drive the implementation to see it through. Reputable consultants will let you know if they aren't the right fit and probably refer you to a company that's a better fit. When you select the right channel strategy consultant for your company, you'll get objective information and feedback and work together to develop your strategy and allow you to implement to success. Depending on the consultants' business structure, they can help with the implementation too.

In today's world of networking and access to information, channel strategy consulting companies want the same thing you want, a successful strategy that leads to profitable outcomes.

*“Reputable consultants will let you know if they aren't the right fit and probably refer you to a company that's a better fit.”*

## HOW TO PREPARE YOUR CHANNEL STRATEGY FOR THE NEXT GEN BUYER

In a recent partner QBR, the buzz was about the very definite change occurring in *who* is buying new solutions and products. We've all been talking about the new buyer, their journey and a customer's experience, and how omni-channel fits into the channel. It got us thinking about relating this to the channel.

We've all seen the stats that a potential buyer will have researched and made their decisions anywhere from 55%-85% through online research, peers, and referrals to find what will meet their needs before they even make that first call to a vendor. So...big picture, how does this relate to a channel strategy and how does this information force us to change to be ready for the buyers of tomorrow?

Legacy IT providers are focused on IT and procurement for budgets, decisions, implementation and ongoing management. Solutions Providers understand and are well versed in addressing the personas of IT and procurement, but most are not familiar with the newest power persona – Line of Business (LOB). These emerging decision makers are becoming the new “influencers of technology.” They are doing their own research, using their own budgets, managing implementation, and managing the services. The shift in the journey is happening with the fast-moving advancement of “X as a Service” and the need for more advanced automation, information, and analytics. It seems it follows the retail view of the customer journey and the Omni-Channel experience of being wherever the customer is and allowing them to continue their buying experience seamlessly no matter what device or medium they are using. So, how do we do this for our partners and their new buyers in business?



## How To Adapt Your Channel Strategy For The New Buyer Journey:

1. **Evaluate your partner ecosystem and determine where you have gaps and where you need growth.** Partner profiling and getting to know your partners better will bring to light those partners that are moving toward the LOB buyer or if they need help getting there. You may find that you need to start recruiting new types of partners, find new individuals within your partners that are focusing on the buyers, and start getting your partners to think differently.
2. **Consider what areas in your partner enablement you need to change.** When your training includes targeted buyer personas, you're helping partners understand how to talk to the influencers and decision makers of their customers. Think about how you can help partners understand the customer's journey and who within the customer is making the journey and how and when they will interact in the buying decision.
3. **Determine if your channel partner program is ready for the new buyer.** Partner programs should help the partner sell your solutions through training, incentives, and rewards based on the value they bring to your company's revenue growth. One-size fits all programs are yesterday's programs. Programs should allow for your different types of sellers and how their customers buy and find your solutions. Think influencers and referrals. Measure your partners based on the value they bring to you like: The number of new customers, number of deals registered and closed, the investment they make getting certified, and co-marketing. Understand the role they play in growing your business and build your program to allow for these new ways of selling.
4. **Re-position your messaging.** Start communicating to your partners based on the buyer personas making the decisions. You don't want to become unrecognizable in your brand communications but you do want to make the adjustments needed to reach them and ensure that sure your partners understand as well, adding value for the user, decision maker, and influencer. Help your partners communicate to their new customers in your partner campaigns and collateral.

Your channel strategy is always evolving based on market changes, your product solutions, or maybe a change in your company's overall direction. Ensuring your channel strategy is ready for the changes to come will continue to add value to your partners. Helping them transform their sales methods and messaging to stay in touch with the changes of tomorrow will increase your value to them and in turn help your business grow and increase partner loyalty today and tomorrow.

# HOW TO RECRUIT AND ONBOARD PARTNERS TO MAKE YOUR PARTNER PROGRAM THRIVE

Companies like Adobe, Epson, and Autodesk have always been innovators when it comes to developing and nurturing their partners. However, their partner ecosystems have evolved significantly since the early days, causing channel and partner programs to change as well in order to keep up. Many of these changes are impacted by factors like these:

- Technology innovation has accelerated – it's easier to have an idea, develop an app and take it to market, then iterate rapidly based upon the customer response.
- The internet, cloud, smart phones and social platforms now offer alternative channels of supply for customers.
- Competition is fierce as new paradigms emerge such as digital transformation and artificial intelligence.

These are some of the challenges/opportunities partners face today. Gone are the days when vendors can rely on partners to 'market make' and partners are less willing to invest without a compelling reason. Now vendors must design and implement a Partner Program with careful consideration and investment. The ones who do this well move from a basic understanding of the partner lifecycle to a partner centric culture that understands the importance of recruitment and onboarding partners to drive business growth.

How vendors effectively manage recruitment and onboarding directly impacts the success of their program. Recruiting is all about getting partners to the table, and onboarding is all about mutually growing revenue. Vendors must take the time to recruit the right partners for their program, and then take the time to set their partners up for success.

## Identify The Partners

A well-designed partner program will include multiple partner types to support a company's strategy, these could include Resellers, MSP's, Technology Alliance Partners etc. Each partner type is quite different with their own characteristics. Identify which partners to work with and compile a list of target accounts based upon criteria such as:

- Alignment to the company strategy
- Requirement to work with a distributor
- Agreed characteristics (Size and market position, Vertical markets served, Existing customer relations, Complimentary product portfolio, Partnering commitment, Company strategy)

## Recruitment

After deciding both the partner type and partner profile, the next step is to work with the marketing team to develop a partner recruitment strategy and plan.

The marketing team will be able to create a focused recruitment campaign with appropriate messaging to the appropriate partner types across multiple channels. A comprehensive marketing plan that includes events, collateral, branding, social media, blogs, webinars and more is essential to stimulate interest. As the recruitment campaign generates leads, it is essential to respond to the partner leads and compare their business and objectives to the agreed partner profile. If there is alignment and partners sign up the next stage is to *successfully* onboard them.

## Win the Partner's Commitment

Onboarding a partner into the program is a very important series of steps. A full onboarding methodology should cover the period until a partner is fully proficient and successful within the program. This could be as long as 1 year or 18 months, depending on the product and program. However, the first 90 days of the process is the most critical, research from CompTIA – the voice of Information Technology – shows that if vendor's fail to engage and onboard a partner in the first 90 days of a relationship, the likelihood of success with that partner is greatly diminished.

Onboarding is a process that builds upon itself over time. In the beginning the vendor will spend most of the effort in getting a partner enabled, but over time the effort should level out, and by the end of the onboarding process, the partner will be self-sufficient enough to handle most of the workload.

## Developing Partner Success

Growing revenue with a partner is directly linked to the onboarding process and how fast a partner can be fully trained, enabled and begin selling. The good news is that the more effective the onboarding plan is, the faster a partner can contribute. So, moving through the phases completely and efficiently is the key to success. Here are a few pointers in developing an onboarding plan:

- Document a plan for the team as well for partners to see. It is sometimes helpful to break the plan into manageable chunks of time; where in each bucket of time there are specific tasks to accomplish.



- Lead with growth in mind, but always have the company goals aligned with the partner’s goals. Communicating and agreeing on expectations is a great way to reach and exceed individual expectations.
- Have a conversation about money and goals and be very specific about it. Money is a driving factor in the vendor/partner relationship, so it is important to understand how both sides profit from working together.
- Establish ownership and accountability at every step in the onboarding process. Make sure action items are clearly documented, reviewed, and agreed upon with ownership and due dates. It is important to “do what you say, and say what you do,” as you establish the framework of a trusted vendor/partner relationship.

## Creating Partner LifeTime Value®

Whether training an athlete to win a race or securing foundations upon which to build a house it’s the preparation that ensures the success and results. Recruiting and onboarding partners correctly will set the tone for the *entire* relationship. Taking the time to set things up for success will get the company to revenue faster. It will also help establish Partner Lifetime Value® that develops collaboration and sustainable revenue stream for years to come.

*“Recruiting and onboarding partners correctly will set the tone for the entire relationship.”*

# BONUS: TOP CHANNEL TERMS, ACRONYMS, AND DEFINITIONS



**Agent:** an individual or organization that acts as an intermediary between channel suppliers (hardware, software, cloud, and other services companies) and professionals (and firms) who support the end-user community. Agents typically receive fees or commissions as compensation.

**Certification:** an accreditation demonstrating a professional's competency in a specific aspect of technology. Individuals receive certifications upon the completion of an assessment, educational curriculum, review, or a combination of those activities. In IT, these accreditations may be vendor-specific or apply to a particular technology field or service specialization (i.e., cybersecurity, networking).

**Channel Chief:** the executive responsible for a company's indirect revenue and associated programs. The channel chief's role is diverse, from overseeing partner recruitment and developing strategy, to managing a variety of channel-related sales, marketing, and distribution activities.

**Channel Conflict:** a situation in which members of an organization fail to follow established sales and distribution agreements. For example, a vendor sales representative closes a deal obtained from a business opportunity registered by a partner. These conflicts can undermine the integrity of channel programs and damage valued partner relationships.

**Channel Enablement:** processes and resources vendors create to help IT services firms sell their products and services. That could involve training programs, sales and marketing materials, deal registration systems, advanced technology integrations, and support options, as well as a feedback mechanism for developing additional resources. Channel enablement investments are meant to empower the indirect sales force and increase revenue and margin opportunities for vendors and their partners.

**Channel Incentives:** inducements that motivate and encourages specific channel partner behaviors. IT services firms receive channel incentives for attaining certain sales objectives or selling new products or services during a promotional period, and for other activities that benefit partners and vendors. Compensation can be in the form of discounts and rebates, marketing development funds, prizes, and other non-monetary gifts.

**Channel Marketing:** activities to promote the indirect distribution of products from vendors to end customers. Since suppliers don't sell directly to the eventual consumer, they rely on channel marketing to help recruit IT services partners and highlight the advantages of reselling their products and services.

**Channel Operations:** also known as channel management, this is a sales and marketing approach that can expand a vendor's reach, technical and support capabilities, and revenue opportunities. A mutually beneficial partner program can help companies achieve those objectives. That process



includes identifying and recruiting IT services firms with the right mix of knowledge and skills and then providing those partners with the appropriate level of technical, sales, and marketing support.

**Channel/ Partner Strategy:** a company's indirect plan for marketing and selling products and services through the supply chain to end customers. Channel strategies may be single-tiered (vendor sells through IT services companies) or two-tiered (vendor sells through distribution and providers), to support varying business models and solution needs.

**Channel to Channel or Partner to Partner:** peer or cross-industry collaborative efforts that expand business opportunities for multiple partners. These relationships often develop to satisfy the needs of specific clients or grow vertical market expertise, creating revenue streams for each organization

**Deal Registration:** a component of channel programs through which IT services providers formally notify technology vendors about new business opportunities to obtain certain sales protections (as outlined in their partner agreement). The ITSP registering a deal typically gains exclusive negotiation rights for equipment and services listed in a specific sales proposal. In turn, a vendor will usually agree not to hand the opportunity off to its internal sales team or another partner, which reduces the chances of channel conflicts. Allocating additional sales/ engineering resources to the registering party as a program benefit (varies by vendor) is another option.

**Direct vs. Indirect:** the two predominant vendor or supplier Go to Market (GTM) strategies. The indirect approach involves the sale of products and services through one or more third-party affiliates, such as IT services provider firms and distributors. While suppliers often provide brandable marketing materials, sales engineering, and other support, their partners own and manage the accounts, as well as the sales and support function. The direct model eliminates the intermediaries, with employees of the vendor handling all aspects of sales, marketing, and service.

**Distributors:** organizations that act as intermediaries between manufacturers and value-added resellers, systems integrators, and IT services providers. Resource limited vendors may leverage distributors to manage parts of their channel programs, including sales and marketing support, as well as managing the procurement and payment processes for manufacturers and providers.

**KPI (Key Performance Indicator):** a measurable factor that allows companies to evaluate the performance of various aspects of their businesses in relation to their strategic goals and objectives. Organizations use KPIs at multiple levels (i.e., business units, teams, executive suite) to appraise their success reaching assigned targets, including those covering sales, marketing, customer service, and support objectives.

**Managed Services (IT):** proactive control and oversight of an organization's computers and devices, networks, and software/applications, typically by an outside MSP (Managed Services Provider) using the "as a service" monthly pricing formula. Businesses benefit from having skilled technical support professionals maintaining their systems with SLAs (Service Level Agreements) to provide minimum support guarantees. Proactive monitoring and remote support options let MSPs quickly detect and remediate potential issues, minimizing downtime and productivity concerns for their customers.

**Partner Lifecycle:** the stages of engagement between vendors and IT services providers, value-added resellers, and system integrators. While the industry relies on a variety of models with numerous levels, each should include a detection or identification phase, followed by engagement or recruitment before moving into the onboarding and then nurturing or management stages. Vendors utilize this process to track progress and provide support where needed to ensure the success of their partners and channel programs.

**Partner Models:** refers to the types of technology businesses that work with IT vendors and distributors. Examples include VARs (Value Added Resellers), MSPs (Managed Services Providers, Systems Integrators), and consultants.

**Partner Profile:** a synopsis of the perfect candidate for a specific channel vendor. The IT services providers partner profile may include factors such as the number of clients and devices under management, technology capabilities, and vertical specializations. Vendors may create profiles for other partners as well, including ISVs, systems integrators, and other manufacturers/suppliers with complementary solutions for comarketing and integration purposes.

**Partners:** a firm that resells products and services on behalf of a technology manufacturer or vendor. Essentially an extension of a vendor's sales team, these companies operate independently and may rebrand or incorporate those offerings into their own portfolio of services and solutions. This symbiotic relationship creates efficiencies and generates revenue opportunities for both organizations.

**PRM (Partner Relationship Management):** programs vendors employ to support and engage with their channel partners. PRM applications, like CRM (customer resource management) systems, automate the process, collect information on partner interactions and activities, and streamline the management and reporting functions.

**Rules of Engagement (ROE):** a framework typically used by vendors and distributors to minimize channel conflict. Rules of engagement set the expectations for all parties in the partner community, especially in relation to deal registration and in interactions between direct sales teams and the channel.

**Value Added Reseller (VAR):** an IT firm that enhances third-party offerings by adding customized products or services and reselling those solutions to end-users. VARs typically provide hardware, software, implementation, consulting, and other related services.

## CLOSING

At the end of the day, whether a channel newbie or seasoned veteran, it's about a clear strategy built around timeless principles. From PRMs to gamification to bleeding edge content... none of the tools and tech matter if the fundamentals aren't in place. No matter where you are in the process, we hope this guide was helpful and can amplify and accelerate your team's activities like never before. Whether you are overhauling your partner program, eager to boost your channel strategy, or looking for a Channel Strategy Consultant, it's what we do at AchieveUnite.

*How can we help you?*

