



JSG RESEARCH REPORT

Accelerating Channels

An Expert Perspective

SEPT 2024

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FOREWORD

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In an era of rapidly evolving technological advancements and market dynamics, the importance of robust Channel relationships cannot be overstated. For ITC vendors, these relationships are the lifeblood that drives innovation, enhances customer satisfaction, and ultimately fuels growth. The strategies employed to nurture and strengthen these connections are pivotal in navigating the complexities of the modern Channel landscape.

This research report was crafted as a meticulous guide for ITC vendors and their Channel partners. Our aim is not only to shed light on the current state of Channel dynamics but also to offer actionable insights and strategies that can be easily implemented to forge stronger, more resilient partnerships.

The findings presented herein culminate expert interviews and industry insights. We have explored many factors influencing Channel relationships, from technological integration and communication strategies to incentive structures and collaborative innovation. Each section of this report is designed to provide you with a deeper understanding of these elements and offer practical recommendations that you can easily implement to address the unique challenges and opportunities faced by ITC vendors.

Our purpose is clear: to empower ITC vendors with the knowledge and tools needed to refine their Channel approach and achieve sustained success. We believe the strategies outlined in this report will resonate with your experience and aspirations, offering a roadmap to distinguish your organization in a competitive and dynamic environment.

We thank the industry experts who contributed their insights and experience to this report. Your input, based on years of experience and expertise, has been invaluable in shaping a resource that we hope will catalyze positive change and growth within the ITC sector.

As you explore these findings, we encourage you to reflect on your Channel strategies and consider how the insights presented can be leveraged to enhance your partner relationships and drive your business forward. The path to success is built on a foundation of solid partnerships, and we are confident that this report will provide you with the guidance needed to fortify those bonds.

A handwritten signature in dark ink that reads "Ashlyn".

INTRODUCTION

Achieving rapid growth and enhanced performance in the IT Channel ecosystem is not just a critical objective, but a fundamental necessity for IT vendors. This research report investigates the concepts of IT Channel Acceleration, focusing on the strategies and efforts designed to expedite the development and efficacy of Channel partnerships.

Central to this discussion is the various types of Channel partners – value-added resellers (VARs), system integrators, distributors, managed service providers (MSPs), and independent software vendors (ISVs) – who play pivotal roles in broadening the market reach of IT vendors, delivering value-added services, and supporting customers throughout the sales and implementation process.

The importance of IT Channel Acceleration cannot be overstated. By enabling IT vendors to extend their market reach, scale operations efficiently, strengthen partner and customer relationships, encourage innovation, and expedite market speed, Channel Acceleration is a linchpin for sustainable growth and competitive differentiation. In this report we seek to comprehensively analyze these strategies, offering insights for vendors seeking to optimize their Channel operations and achieve long-term success.

The potential benefits of IT Channel Acceleration are vast, promising a future of enhanced performance and rapid growth in the IT Channel ecosystem.

CHALLENGES IN CHANNEL MANAGEMENT

The Channel partner landscape has evolved beyond traditional VARs to include various partners such as MSPs, Managed Security Service Provider (MSSPs), System Integrators (Sis), influencers, and referring partners, creating a complex ecosystem for vendors to manage. This requires the right tools, processes, and automation to ensure a positive experience for partners, suppliers, and customers, which drives loyalty and revenue. However, vendors are facing several challenges.

First, the cost of Channel investment is often underestimated, leading to ineffective spending and lackluster growth. Second, insufficient or misaligned strategies mean Channels are not delivering the promised rapid growth. Third, internal resistance can occur when vendors force the Channel into their existing go-to-market strategies rather than adapting to fit the Channel's needs. Fourth, vendors frequently select outdated routes to market based on past successes rather than adapting to current market conditions.

"We see a lot of vendors picking routes to market based on someone in the organization's legacy success in the Channel. But the Channel has changed, and so have the routes to market."

Janet Schijns, JSG

Additionally, engagement is critical; vendors must work actively with partners to capture mindshare and drive early sales, as partners have many distractions and competing priorities. Vendors must understand and address these challenges to successfully manage their Channel ecosystems and achieve sustainable growth.

"Many think that when they get a new partner, the money comes rushing in,, but you need to actively work with the partners to know you have their mindshare."

Barb Goworowski, Grand Beach Consulting

THE EVOLVING ROLE OF TECHNOLOGY IN CHANNEL MANAGEMENT

The rapid evolution of technology, particularly Artificial Intelligence (AI), will reshape Channel Management over the next 5-10 years. Vendors and suppliers must swiftly adapt to new challenges within the Channel, developing strategies to leverage AI and attract and retain partners to drive revenue growth.

Scaling operations will require tools that enable streamlined processes; however, these tools will only be practical if built on solid, pre-existing processes. Many companies struggle when their roles do not align with their business's needs, often promoting the creation of bespoke solutions. There is an increasing recognition of the need for a balance between simplicity, automation, and process complexity, with automation playing a pivotal role in scaling effectively.

As the ecosystem becomes more complex, current models are proving inadequate for Channel partners. The ecosystem will continue to evolve to prioritize partner growth, a crucial element for vendor success. Future automation efforts will need to focus more on how partners sell than how vendors communicate with them. This shift will emphasize flexibility and partner-centric approaches, ensuring that partners receive the support they need to thrive in a rapidly changing technological landscape.

MEASURING CHANNEL MANAGEMENT EFFECTIVENESS

When measuring the effectiveness of Channel Management, vendors must focus on several key metrics that directly impact the success and growth of their partnerships. First, gauging Partner Experience and Satisfaction provides valuable insights into how partners feel about working with the vendor, assessing their satisfaction with the support, tools, and incentives provided. Equally important is measuring Customer Experience and Satisfaction, which evaluates how well end-customers are served through partners, impacting overall customer retention and loyalty.

Tracking Partner Retention rates is also essential, as it helps to understand how well vendors retain productive partners and prevent them from switching to competitors. Additionally, assessing Partner Growth by examining sales, engagement, and contribution to business objectives offers a clear picture of how partners develop over time. New Business generation, including acquiring new clients and partners through the Channel, is a pivotal metric that indicates the Channel's ability to expand. Monitoring Renewal is equally critical, as contract or service renewals driven by partners are vital to L/T success.

MEASURING SUCCESS

- *Partner Experience / Sat.*
- *Customer Experience / Sat.*
- *Partner Retention*
- *Partner Growth*
- *New Business*
- *Revenue Goals and Analysis*
- *Program Effectiveness*
- *Effectiveness of Incentives*

Achieving Revenue Goals & Analysis involves understanding how revenue goals are met by analyzing partner performance, deal sizes, number of deals closed, partner education, training engagement, and participation in marketing campaigns. This analysis identifies success patterns linked to partner activities. Furthermore, the Program Effectiveness metric determines whether partners continuously increase their sales efforts, utilize incentives like discounts and rewards, or become complacent after reaching certain milestones.

Lastly, monitoring the Effectiveness of Incentives, such as discounts, rebates, Market Development Funds (MDF), and access to leads, is crucial in motivating partners, particularly MSPs, to boost their performance. By focusing on these Key Performance Indicators (KPIs), vendors can comprehensively understand partner performance, drive continuous engagement, and optimize incentives for sustained Channel growth.

PROCESS IMPROVEMENT AND CHANNEL ACCELERATION

When it comes to Channel Acceleration, process improvements are pivotal. Consider the case of a large software security vendor targeting MSPs. They realized the key to success was ensuring their software integrated seamlessly with the MSPs' Remote Monitoring and Management (RMM) and Professional Services Automation (PSA) tools.

"This seamless integration facilitated the growth of their Channel ecosystem, significantly improved partner retention, and spurred partner growth"

Charlie Cox, Think10X

Similarly, a major telecom company faced challenges with a complicated Channel program plagued by misaligned incentives, which made it difficult for partners to track their progress.

"By simplifying their program and aligning incentives, they observed a noticeable growth in Channel revenue."

Barb Goworowski, Grand Beach consulting

These examples underline how transparent, straightforward processes and incentives foster partner engagement and drive substantial growth, while overly complex systems can deter partners. For vendors, understanding these improvements can highlight the importance of strategic simplification and seamless integration for mutual success.

PROCESS IMPROVEMENT AND CHANNEL ACCELERATION

Companies must establish a clear primary Route to Market (RTM) to align Channel strategies with business goals effectively. Balancing Channel-focused and direct sales models is increasingly complex, making committing to a chosen RTM essential. Though exceptions such as referral and influence partners exist, scaling through Channels necessitates substantial investments and the development of robust programs and processes that can guarantee partner success.

At this juncture, automation becomes critical. While Partner Relationship Management (PRM) systems play a role, they only automate some of the necessary processes. It is crucial to reassess current automated and manual operations and integrate AI to enhance efficiency and outcomes for Channel partners.

As businesses pivot to grow indirect sales via SMB volume plays, co-selling, marketplaces, and tech partnerships, technology adoption is essential for simplifying, tracking, and governing these complex engagements. This shift mandates the end of siloed Channel Management; aligning revenue teams across direct and indirect sales is non-negotiable. Better integration of Customer Relationship Management (CRM) and PRM tools will reduce administrative burdens on partners and improve the overall experience, ensuring consistency for both partners and customers.

Vendors must be careful not to disrupt existing partner relationships when improving processes and automating systems. The impact largely depends on the quality of current methods and partner experience (PX) scores. Incremental improvements can minimize disruption, but significant overhauls may strain these relationships – though sometimes they are necessary. Partners often feel frustrated by the many systems they need to navigate to do business. Additional support, such as concierge services or help desks, can mitigate this frustration by assisting when partners struggle with new tools.

“Vendors should focus on high-impact changes, targeting the top 20% of actions that drive 80% of the results.”

Anonymous

PROCESS IMPROVEMENT AND CHANNEL ACCELERATION

Communicating the benefits of new systems to partners is crucial to ensure they understand how changes will benefit them. Reasonable timelines and careful planning are essential, as automation does not always simplify things for everyone. Ultimately, changes must balance the vendor's needs with the partner's outcomes.

“One person’s automation is the following person’s problem when not done correctly”

Anonymous

EFFECTIVE TOOLS AND AUTOMATION FOR CHANNEL MANAGEMENT

Leveraging the right tools and platforms tailored to the vendor's size and relevance to their partners is crucial in managing and accelerating Channels effectively. Overcomplicating CRM and PRM systems can hinder productivity; therefore, simplifying these tools into practical, user-friendly solutions is vital. Among the most effective tools are Content Sharing & Syndication platforms, which facilitate better distribution of marketing materials and information. Additionally, upgraded Learning Management Systems (LMS) can empower partners to become more self-sufficient. For larger-scale partners, Project Management Tools are invaluable for enhancing collaboration and efficiency.

When prioritizing tools for Channel Management, CRM and PRM systems come first, as they streamline communication and relationship-building processes. Channel Incentive Management and Sales Acceleration Tools follow, providing mechanisms to motivate and speed up the sales cycle. Marketing Automation Tools

are essential for nurturing leads and automating outreach. Further down the list, Learning Management Systems and Analytics and Reporting Tools offer insights and training that can refine partner capabilities.

Finally, Collaboration and Communication Tools like Microsoft Teams and Slack ensure seamless interaction and information sharing among team members.

When properly implemented and customized to meet partner needs, these tools can significantly enhance Channel performance and engagement, leading to more efficient operations and stronger partnerships.

ESSENTIAL TOOLS OF THE TRADE

- *Content Sharing & Syndication*
- *Learning Management Systems (LMS)*
- *Project Management Tools*
- *CRM & PRM*
- *Channel Incentive Management*
- *Sales Acceleration Tools*
- *Marketing Automation Tools*
- *Learning Management Systems*
- *Analytics & Reporting Tools*
- *Collaboration & Communication Tools*

EFFECTIVE TOOLS AND AUTOMATION FOR CHANNEL MANAGEMENT

Integrating AI and machine learning in Channel Management holds tremendous potential for overcoming integration challenges among various tools and platforms. Vendors face difficulties harmonizing disparate systems, which hampers efficiency and collaboration.

These gaps can be bridged by leveraging Learning Management Systems (LMS) and other AI-driven tools to enhance outcomes significantly. Although AI's full potential is not yet realized, vendors who strategically harness its capabilities are poised for considerable success.

Properly implemented AI and machine learning will not disrupt, but enrich, day-to-day operations by analyzing data to optimize processes. Automation platforms stand to benefit immensely, whether through aiding research, curating packages, or sourcing appropriate materials.

Thoughtful application of AI will ultimately foster stronger relationships and boost operational efficiency, making it an invaluable asset in the evolving landscape of Channel Management.

"Partners have endless choices of vendors and suppliers; loyalty and revenue generation will come when partners and their customers have a great experience and are highly satisfied."

Charlie Cox, Think10X

PARTNER ENABLEMENT AND ADOPTION

A balanced approach is vital for vendors looking to empower their partners with tools, processes, and automation. Combine live human interaction with automated learning through a robust LMS. Such an approach should scale according to the size of your partner ecosystem.

Effective Channel Management requires substantial investment in resources dedicated to regular engagement with top partners. When assessing tool adoption, evaluating usage and impact on KPIs is essential. Automation should be strategically implemented to address primary KPIs, ensuring a clear causation between automation efforts and ROI. Avoid implementing automation solutions that do not directly contribute to resolving main KPIs, as this could dilute focus and resources.

Implementing best practices that resonate with Channel partners and vendors is crucial to driving partner adoption and engagement. Financial rewards serve as powerful motivators, offering incentives that encourage partners to adopt new tools and practices. Complementing financial incentives, free training ensures partners are well-equipped with the knowledge and skills necessary to maximize these tools' potential without the burden of added costs. Dedicated support resources further enhance this foundation, ensuring partners can access immediate assistance and guidance whenever required.

Equally important is to showcase the benefits of the tools and solutions provided. By highlighting how these can enhance partners' capabilities and provide a competitive edge, you make a compelling case for their adoption. Another impactful strategy is fostering partner communities. Creating forums where partners can share experiences and provide feedback fosters a sense of community and facilitates continuous improvement through collaborative insights.

Finally, improving partners' economic outcomes must be a central focus. Sharing economic benefits and establishing shared incentives from the outset ensures that all stakeholders are aligned toward mutual success. Implementing these best practices can significantly boost partner engagement and drive adoption, ultimately leading to more robust, more productive partnerships.

CUSTOMER PERSPECTIVE AND EXPERIENCE

Channel Acceleration can significantly enhance customer experience and satisfaction, which requires a highly strategic approach. One essential factor is feedback and benchmarking. Engaging with partners and customers for comprehensive feedback and examining successful competitors' strategies can provide valuable insights into areas for improvement.

ENHANCE THE CUSTOMER EXPERIENCE

- *Feedback and Benchmarking*
- *Partner Profitability & Solution Appeal*
- *Customer-Centric Approach*
- *Focus on Partners*
- *Integrating Tools*
- *Partner Enablement*

Equally important are partner profitability and solution appeal. Ensuring your solution is attractive to end users and financially beneficial for partners is crucial. If the solution is overly complex or not lucrative enough, partners may hesitate to support or sell it, leading to potential drops in customer satisfaction.

Lastly, adopting a customer-centric approach is paramount. Prioritizing customer needs ensures a positive experience, leading to better business outcomes. Your go-to-market strategy and back-end processes should always be evaluated for their value to partners and customers, balancing ease of implementation with customer satisfaction to drive overall success.

Ensuring customer-centricity in Channel Management involves several vital strategies that prioritize the needs of partners and end customers. Focusing on partners is essential, as they are the direct managers of customer relationships. And crucially, it is imperative to integrate Partner Relationship Management (PRM) and Total Channel Management Automation (TCMA) alongside seamless CRM system integrations.

These tools streamline processes and facilitate better communication and collaboration, creating a more cohesive customer experience. Partner enablement involves gathering input on what is important to them and providing the necessary education, training, and incentives to ensure effective use of the tools. By investing in these areas, vendors can empower their partners to deliver exceptional customer service.

CHANGE MANAGEMENT AND TRAINING

When implementing process improvements and automation, it is crucial to consider the human aspect. Purposeful automation ensures that AI and automation are adopted to genuinely enhance partner experience (PX) and partner satisfaction (PS). This means only implementing technology if it offers real improvements. Partners should always have quick access to knowledgeable humans for issues that automation cannot handle effectively.

“Automation is easy, but you must still have the human element.

The face-to-face communication is crucial.”

Barb Goworowski, Grand Beach consulting

Despite the increasing prevalence of automation, human involvement in implementation and decision-making remains essential. Engaging stakeholders through “town hall” style meetings and councils can help discuss and promote the benefits of new processes and technologies. Maintaining the human touch through face-to-face communication and personal interaction is vital. While automation brings valuable efficiencies, keeping the human element is crucial for successful implementation and partner satisfaction.

DATA MANAGEMENT AND ANALYTICS

Data is central in informing Channel Management decisions and meeting their effectiveness. Leveraging data from automated systems allows technology vendors to refine their Channel strategies and enhance partner relationships.

While data should form the basis for all decisions, qualitative considerations are equally important. Vendors should start with quantitative metrics and use platforms to provide partners with their data, including insights into their relationship with the vendor.

Success in Channel Management is measured by the number of new partners and their engagement in marketing, training, and communication activities. Incentivizing teams based on set KPIs and ensuring partners understand these metrics fosters a more collaborative environment.

Additionally, Channel Managers should have access to the same data that partners find useful, facilitating more effective management and support.

MEASURING SUCCESS

- *Channel Sales Growth*
- *Partner Engagement Rates*
- *Partner Pipeline Contribution*
- *Partner Satisfaction Scores and Net Promoter Scores (NPS)*
- *Time to Revenue*
- *Partner Churn Rate*
- *Market Share*
- *Deal Registration Numbers and Conversion Rates*
- *Effectiveness of Incentive Programs*

DATA MANAGEMENT AND ANALYTICS

What to measure and how to measure it

Evaluating the effectiveness of a Channel Management strategy requires meticulous measurement and analysis of various data points. Tracking Channel sales growth over time is fundamental in assessing the impact and success of your Channel strategies.

Equally important is understanding each partner's contribution to overall revenue, as this reveals the importance and performance of individual partners. Partner engagement rates offer insights into their loyalty and how much they prioritize your products and services. Additionally, monitoring the partner pipeline contribution helps gauge how effectively partners generate and convert leads.

Partner satisfaction scores and Net Promoter Scores (NPS) can pinpoint improvement areas while fostering performance and loyalty. Evaluating the ROI for specific Channel programs or initiatives further helps assess their value and effectiveness. Shortening the time to revenue after onboarding is another critical metric; it suggests a streamlined process and rapid revenue generation. Conversely, a high partner churn rate might indicate underlying issues within the Channel program, necessitating immediate action to improve satisfaction and retention.

Measuring the market share captured through Channel partners relative to competitors provides additional context on the effectiveness of your strategy. Tracking deal registration numbers and conversion rates offers insights into partner activity, pipeline health, and deal closure efficiency. Lastly, evaluating the effectiveness of incentive programs and the ROI of co-marketing efforts ensures that your spending is optimized and drives the desired partner behavior. By carefully analyzing these metrics, Channel partners and vendors can make informed decisions that enhance Channel Management and effectiveness.

SECURITY AND COMPLIANCE

Ensuring the secure and compliant use of tools, processes, and automation in Channel Management is paramount. Central to this effort is the implementation of secure data encryption protocols for both data at rest and in transit, along with multi-factor authentication (MFA) for an added layer of security. Access governance also plays a critical role; utilizing role-based access control (RBAC) helps limit access to sensitive information to only those who need it. Regular security audits and vulnerability assessments are vital to identifying and mitigating potential risks.

Additionally, real-time monitoring and alerts for suspicious activities or unauthorized access attempts ensure swift action can be taken when necessary. Compliance with industry standards and regulations, such as GDPR, HIPAA, or CCPA, is non-negotiable to maintain trust and legal standing. Using large language models (LLMs) outside of established enterprise standards poses significant risks to a company's core intellectual property (IP); therefore, it is essential to adhere strictly to these standards. While an intelligence engine can recognize helpful information, it should not be relied upon alone. Finally, when partnering with vendors, remember that their access to your data can significantly impact your company. Verified vetting and stringent access controls are crucial.

To mitigate risks and ensure regulatory compliance, consider forming a dedicated compliance team that monitors regulatory changes and maintains ongoing compliance. Regular consultations with legal experts, industry associations, and compliance platforms are essential to stay informed about updates and receive thorough analysis. Implementing automated tools and software can significantly aid in tracking regulatory changes and providing timely alerts or updates.

Internal teams and partners should receive continuous training and resources to keep everyone informed about regulatory requirements. Building relationships with regulators is also crucial, as it allows you to gain insights into upcoming changes and clarifying any ambiguities in existing regulations. Leveraging the expertise available within the organization can further ensure compliance and help in navigating the complex regulatory landscape. By adopting these strategies, Channel partners and vendors can better manage compliance risks and maintain adherence to regulatory standards.

PERSPECTIVES ON TOOLS, PROCESS IMPROVEMENT, AND AUTOMATION

Automation and the advent of sophisticated tools have significantly transformed the role of Channel Managers. With access to new data, Channel partners now have the potential to evolve into trusted business advisors, offering strategic insights that were previously unattainable.

Automation tools eliminate many of the manual responsibilities that once burdened Channel Managers, enabling the focus to be more on building valuable partner relationships. However, this reliance on tools can also lead to a lack of fundamental business understanding among newer Channel Managers, making it essential for firms to provide comprehensive training and establish management processes. To differentiate more experienced Channel Managers, resourcefulness and a keen understanding of business impact are crucial. Ultimately, Channel Managers must strive to create value as a point of contact, ensuring they remain indispensable to their partners and vendors.

When implementing process improvements and automation, companies must avoid working in isolation. Engaging an experienced Channel consultant can provide valuable insights into your current processes and facilitate collaboration on essential tools and strategies. Begin by thoroughly documenting your desired processes and identifying areas for improvement, including necessary adjustments to your Channel strategy.

Only after these processes are functioning smoothly should you consider implementing automation. Maintaining effective communication with your partners and focusing on their needs is also essential. Vendors often adopt a more autocratic approach, but a collaborative mindset will yield better results and stronger partnerships.

“Do not automate broken or outdated processes!”

Janet Schijns, JSG

PERSPECTIVES ON TOOLS, PROCESS IMPROVEMENT, AND AUTOMATION

Balancing human interaction and automated processes is crucial for enhancing the experience of both customers and Channel partners. While automation and AI have the potential to streamline various operations, caution must be exercised to ensure they do not detract from the overall experience.

Chatbots often fall short of user expectations, leading to frustration rather than satisfaction. It's essential for Channel partners to easily connect with the right human contact within vendors or suppliers, especially for addressing complex issues that automated systems may not resolve effectively.

Providing partners with tools that reduce friction and increase their self-sufficiency can be beneficial, but these should complement, not replace, human support. This approach allows Channel partners to handle straightforward tasks independently while still having access to personalized human assistance when needed.

By viewing automation and AI as tools to free up time for more valuable, human-centric tasks, businesses can strike a balance that maximizes efficiency without compromising the quality of interactions.

COMMON MISTAKES AND BEST PRACTICES

Companies often encounter several common pitfalls when implementing and scaling Channel automation tools. One significant mistake is acquiring an automation tool without first clearly defining its processes and automation requirements. This lack of clarity can lead to inefficiencies and a poor return on investment.

Some companies mistakenly believe they can develop a more effective tool in-house, underestimating the complexity and resources required for such an endeavor. Another prevalent issue is siloed tools, which can create management headaches and lead to a fragmented partner experience and success.

It is also crucial to remember that automating broken processes will only amplify existing problems; therefore, addressing and fixing these issues beforehand is essential. While tech analysts' recommendations can be valuable, companies should avoid following them mindlessly. Instead, they should focus on their problems and use cases to ensure the chosen solution meets their needs.

When avoiding errors and ensuring a successful implementation, using multiple tools and integrating them effectively is critical for driving revenue growth. It is about having the right technologies and how well they work together to support your strategy. Equally important is building a strong, “sticky” relationship with your partners, which can only be accomplished by implementing the right Channel automation tools. These tools help streamline processes, improve communication, and foster collaboration, making your partnership more resilient and productive.

Traditional ROI measures may not fully capture the quality of these relationships or the satisfaction of your partners. Instead of focusing solely on numbers, measuring partner sentiment is crucial. Understanding how your partners feel about the collaboration will provide deeper insights and help fine-tune your approach, ensuring sustained growth and mutual success.

“Solve your problem; don’t solve for the entire Channel.”

Anonymous

COMMON MISTAKES AND BEST PRACTICES

Evaluating ROI and tracking KPIs post-automation Best Practices

Evaluating ROI and tracking KPIs post-automation is crucial for Channel partners and vendors to understand the impact of their PRM systems. One key metric is the Partner Engagement Rate, which measures interaction with the PRM system, ensuring partners actively utilize the platform. Next, Pipeline Growth and Conversion Rates are essential in monitoring the partner-generated pipeline and lead conversion, highlighting the effectiveness of the partners in driving new business. Deal Registration Velocity assesses the speed at which deals are registered and processed, providing insights into the efficiency gains of post-automation deals.

Another significant KPI is the Revenue Contribution per Partner, which tracks revenue generated by individual partners post-implementation, offering a clear picture of financial returns. Time to Revenue measures the period from partner onboarding to their first sale, indicating how quickly partners can become productive. Additionally, Partner Satisfaction and Net Promoter Score (NPS) gauge the overall satisfaction of partners and their likelihood to recommend the program, reflecting the health of the partnership.

Content Utilization and Effectiveness tracks which content is most accessed and its impact on sales, helping to refine the content strategy to support partners better. Finally, the Churn Rate of Partners monitors partnership retention rates post-automation, providing insights into the long-term viability and success of the automated PRM system. By focusing on these KPIs, vendors can ensure their automation efforts yield tangible benefits and drive partner success.

ENSURING REVENUE GROWTH AND EFFECTIVE DECISION-MAKING

While no single tool can guarantee revenue growth, the strategic integration of Channel automation tools can significantly enhance your revenue streams. It is vital to ensure that these tools are used collectively and integrated seamlessly to achieve this. Integration enhances functionality and adds substantial value to your operations, leading to more successful partnerships.

A robust and enduring relationship with your partners forms the backbone of sustainable revenue growth. You can foster that “sticky” relationship by deploying the right Channel automation tools, ensuring partners remain engaged and dedicated to mutual success. Partner involvement in monitoring and nurturing results is critical; their investment directly correlates to achieving desired outcomes.

Hence, prioritizing revenue-driving projects and processes closest to the customer should be your primary focus. This approach will not only streamline operations but will also cement a collaborative environment where both vendors and Channel partners thrive.

Monitoring early warning signs such as declining deals, low partner activity, and decreasing Partner Satisfaction (PSAT) scores is essential to maintain sustained revenue growth. Automated systems can provide valuable data highlighting trends that may indicate potential issues. By surveying partners regularly, businesses can identify areas for improvement and adjust strategies accordingly.

Prioritizing tools and automation that directly impact customer experience is essential; these solutions streamline processes and enhance satisfaction. Engaging team members with direct customer contact in advocacy or change initiatives ensures that the implemented changes are practical and effective. While feedback is important, focusing on measurable outcomes will provide a more accurate gauge of success and drive continuous improvement.

CONCLUSION

The evolution of the Channel partner landscape necessitates a comprehensive approach to Channel Management that integrates the latest tools, processes, and automation. Vendors must recognize the importance of investing in strategies and technologies to engage partners, suppliers, and customers effectively.

While tools and automation can significantly accelerate business growth, it is essential to reevaluate your offerings and strategies regularly. The future of Channel Management lies in leveraging artificial intelligence, automating processes, and maintaining a human touch to enhance partner experience and satisfaction. Companies can ensure successful Channel Management by focusing on measurable outcomes, such as partner satisfaction, retention, and revenue growth. Regular evaluations, integration of multiple automation tools, and continuous communication with partners are essential for adapting to the dynamic market and fostering long-term success.

Implementing new tools should be done with an awareness of their long-term implications, and communication with partners must occur well in advance to prevent discomfort and resistance. Moving quickly internally is crucial, but you should avoid making sudden changes externally to accommodate partners who may be slow to adapt.

A clear, long-term roadmap and open communication Channels are critical to fostering successful, lasting partnerships. Prioritizing user experience, security, and compliance will strengthen partnerships and drive growth. As Channel Management continues to evolve, companies must stay agile and open-minded to embrace new technologies and strategies that enable them to engage with their partners effectively.

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