DRIVING INDIRECT CHANNEL SUCCESS
THROUGH AN INTEGRATED PARTNER PORTAL

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In today’s era of e-commerce and increasingly empowered customers, the role of the salesperson is shifting from initiator/educator to facilitator/solution consultant.

With this shift comes the need for a highly-trained and informed sales and marketing organization that can meet the needs of today’s enlightened customers. Coupled with an increasingly diverse customer base, a strong indirect sales/marketing organization is more important than ever.

There are few successful, global organizations that do not rely on an indirect sales channel for driving a majority portion of revenue. A Forrester report concluded that 80-95 percent of total sales are generated by five to 20 percent of the entire indirect channel base. Despite the clear importance of the indirect sales channel, most are underperforming.

In order to maximize the potential of the indirect selling channel, it is important for organizations to empower and foster relationships with their channel partners. Formally known as Partner Relationship Management, or PRM, organizations must set out to engage in strategically defined activities to increase both the capabilities and commitment to selling the vendor organization’s products/services.

The goal of this white paper is to provide insight into key PRM strategies and discuss how an integrated PRM system can further enable the indirect channel.

Key PRM activities include:

- Marketing/Sales Empowerment
- Commerce Effectiveness
- Marketing/Sales Insight
- Training and Education

Marketing/Sales Empowerment

Many channel partner organizations do not have the resources to effectively market and sell to their customer base. That’s why it’s important for the vendor organization to empower their partners with information and tools to reach new and existing customers. This may include branded and customizable marketing materials, detailed product information, and customer case studies. With these tools, partners are able to effectively educate and inform their direct customers about products and services.

Commerce Effectiveness

It’s unsurprising that when you make it easier for customers to do business with you, they’re more likely to return. The same principle applies to partners: if it’s easy to request a sample product, place an order, or get support, partners are more likely to push your products and services instead of a competitor’s. Reducing and eliminating barriers is key to increasing partner sales.
Driving Indirect Channel Success Through an Integrated Partner Portal  |  Greg Ewing Lee

enabling partners to be more successful. This means giving partners access to the CRM, usually in the form of a partner portal solution.

It is important to remember that a CRM system is not a replacement for a PRM system. While a CRM may track information about partners, a PRM system is all about enabling partners to be more successful.

Marketing/Sales Insight

Data is both rewarding and motivating. When channel partners can see how their sales/marketing efforts are improving their bottom line, they’re more satisfied with their selling relationship. The very same data can also provide key insights to improve market performance in future periods too.

Training and Education

Just like empowering partners with key resources for their customers, it is important to educate marketing and salespeople about products, emerging capabilities and business cases for each product offering.

Bring on the Technology

While all of these strategies can be effective separately, technology integration will dramatically increase the effectiveness with each of these strategies and enable new capabilities.

There are many approaches to building an effective PRM system. However, it is important to consider the use of an existing Customer Relationship Management (CRM) system for use as the foundation of the PRM solution. Often, the CRM system is already a primary data store of partner information because of the commonalities in data structure (e.g. accounts, contacts) as well as the natural synergy that exists in tracking information about the partners that are working with existing customer accounts.

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However, a partner portal is not just about giving partners access to the existing CRM. While this is an important first step, the biggest benefit for leveraging the CRM is the ability to centralize partner-relevant data and functionality in order to maximize partner channel effectiveness.

Each key PRM activity (Marketing/Sales Empowerment, Commerce Effectiveness, Marketing/Sales Insight, Training and Education), when coupled with data of a CRM in an integrated environment, can bring an unbelievable amount of value to the partner organization and vendor. The partner portal becomes the ‘one stop shop’ for partners in order to be successful in doing business on behalf of the vendor organization.

Data is Key

Giving partners a single place to engage with the vendor company is very much important, but the real power for partners is unleashed when all the key PRM strategies are driven by data.
Data-Driven Marketing/Sales Empowerment

Context-Relevant Materials
An important component to any partner portal is partner access to marketing and sales materials. Access to these materials promotes brand consistency and ensures that partners are equipped with the accurate product/service information.

There’s also value added when an existing CRM system is used to promote marketing/sales materials based on context relevance to the partner.

Because the CRM system is likely aware of which products/services the partner is actively selling, it is possible for the partner portal to promote the marketing/sales materials that are most valuable to the user. Amazon uses a similar strategy when the site promotes products based on your previous purchases.

The portal can also be used to present the partner with promotional materials regarding products that they are not actively selling or that have recently had several lost sales opportunities.

Partner Locator/Branded Micro-sites
Partner information from the CRM system can also be viewed on the organizations public website. First, the information about the partner can be leveraged to effectively populate a ‘Partner Finder’ capability. The partner finder application can pull key data about the partners’ product and service offerings. No longer is the partner finder limited to geographic search (i.e. push pins on a map). With CRM data, priority can be given to partners based on sales/service metrics that enable the prospective customer to get partner results that are relevant to what they are looking for. This not only helps the customer to find a partner, but it can also increase partner sales as they try to drive up their search result rank.

A further evolution of the partner finder concept is leveraging stored data about the partners to generate branded micro-sites for each partner (see example below). These sites can provide partners with a way to market their organization online while giving them a brand-rich experience that is aligned with the vendor organization.

For the vendors, providing partners with micro-sites ensures that partner organizations represent the vendor in a consistent way that is aligned with their brand. Content for these microsites can be as simple as pulling existing data from CRM/PRM systems or as complex as enabling partners to manage rich content themselves through a content management system.
Data-Driven Commerce

Lead Management
The capabilities for managing indirect leads should go beyond capturing and sending to the appropriate partner - often never to be seen again.

With an integrated partner portal, leads become something that are shared between the partner and the vendor. Lead generation becomes a two-way street: leads that may walk in the front door of a partner can be registered into the partner portal, which gives the vendor visibility into a previously unknown population. With increased lead visibility, nurture and qualification activities performed by either party can be seen by everyone, creating a more unified sales team.

A shared lead management process allows partners to be further empowered by the internal sales through timely sales/marketing materials and support activities (e.g. product demos).

Sales Execution
This same level of collaboration between vendor and partner also extends to the later stages of the sales process. Partners need access to detailed, up-to-date pricing as well as additional product details. An integrated partner portal can give them access to the same pricing information and/or processes available to the direct sales teams.

The vendor can also provide relevant materials to support each opportunity during the sales process. This can be done through either intelligent (automated) content promotion or manually by allowing the vendor to push out specific content based on the most recent need for an individual partner.

As opportunities reach the point of sale, it is also critical that partners effectively execute the necessary business transactions, such as submitting an order for the product being sold as part of the opportunity.

Applications such as order entry are not typically part of the CRM suite, but would need to be integrated into the partner portal separately. Integrating critical systems and applications beyond the CRM is an important part of the process.

Data-Driven Marketing/Sales Insight

By enabling partners to capture more data surrounding the marketing and sales processes, not only does this enhance the capabilities to market and sell, but it also promotes a richer data set from which both partner and vendor can gain insights. For the vendor organization, capturing data from the indirect channel enables insight into the indirect sales funnel that may have otherwise been missing or incomplete.

Forecasting revenue for the organization becomes deeply rooted in real data instead of projecting based on previous periods and/or only from direct opportunities. As such, enabling partners to log more and more data regarding leads, opportunities, and sales becomes increasingly valuable.

For any organization trying to quantify their Marketing return on investment (ROI), the ability to gain insight into indirect channel sales may be the holy grail of marketing analytics. By enabling partners to register everything from leads to sales, and track all activity in between, it bolsters the ability to conduct ‘closed-loop’ analytics - where tactics can be measured based on their ability to drive sales. Without information about the indirect sales activity, marketing ROI becomes limited
to measuring early stage successes, such as number of leads generated. However, by being able to gain visibility into both the beginning (marketing) and end (sales) of an individual opportunity, the organization is able to focus its marketing spend on those programs that will have the most impact on sales.

For the partners, there are few things that are going to ensure their success as much as the ability to track their own performance. Many partners may have neither the data nor the capability to gain the level of insight that is really valuable for driving future success. Vendors can leverage the integrated portal to provide insight into partner revenue. Measuring revenue by both product and market segment are two simple metrics that can both give partners a sense of success, while also driving future revenues. By showing success for a particular product or market, partners will undoubtedly drive more focus on these areas. This also means that partners will likely focus more on selling products from the vendor providing this insight rather than products where revenue metrics are not available or are more difficult to come by.

**Data-Driven Training and Education**

Similar to the capability to empower partners with the right marketing/sales materials based on their actual sales activity, training and education can also be driven in this way. By integrating the learning management system (LMS) into the partner environment, key education opportunities can be promoted to partners based on the relevance of the training to the individual partner. Training can also be more aligned to the areas that the partner is either ignoring or having difficulty with. By focusing training in these areas, the vendor can help partners to sell in new areas and increase their overall success.

Additionally, by integrating partner education information into the CRM environment, training data can be leveraged when directing leads and opportunities to partners. This allows opportunities for a particular product to be given to those partners that have completed training on that product. Not only does this reinforce partners to leverage the training resources, but it also increases opportunity success by having the right partner on any given opportunity.

**Keys to Success**

The above sections have outlined several ways that an integrated partner portal can enable both partners and vendors to be more successful at driving indirect sales.

In order to maximize the value of a partner program, all of these capabilities rely on both integration and adoption. Without an integrated solution many of the key strategies discussed in this white paper are not possible or will have significantly less value to both the partners and the vendor deploying them.

Similarly, promoting partner adoption of the integrated partner portal is key for success. With increased usage comes increased ability to gain insights and drive a relevant content experience for the partners. Fortunately, a well-integrated portal is going to be the biggest promoter of adoption. With a well-integrated and highly utilized partner portal, the indirect sales channel can become an ever-increasing value chain for the product organization.

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