Convey Services

The Top 5 Mistakes

Channel Teams Make with their Sales Partners ...and How to Avoid Them

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Overview

If you were the only vendor option your sales partners had, then managing a channel program would be easy. The reality is that most channel programs exist in an increasingly competitive environment giving sales partners multiple choices. Channel teams are left wondering why sales partners aren’t referring and channel revenue isn't flowing. Here are five critical mistakes that channel programs make and how to avoid them.

Not Identifying Your Ideal Partner

Vendors engage with a number of sales partners and master agent channel managers at trade shows, regional events or sponsored activities. The hope is that those individuals who express interest in services will be in touch soon with a bid opportunity or a referral. The reality is that those that seem initially interested in your services disappear and you never hear from them. The most common reason that partners fail to reconnect is that they do not have the customer base, expertise or interest in the category of service you offer. Every sales partner has a customer paradigm, you may just not fit theirs.

The important thing is to learn from both your mistakes and your achievements. Successful channel programs spend a great deal more thought and energy identifying the **ideal partner profile**, targeting individuals that are likely a fit and stop chasing partners that are too difficult to convert to changing their paradigm.

Master agents tend to attract specific partner types, so knowing that a master agent specializes in those that like to sell cable deals, that are managed services providers, or ones that only sell cloud services is essential to knowing where to invest time and channel marketing resources.

Channel teams usually have limited marketing budgets and not enough time to try and go to every event or chase every partner. Consider forming an **"elite partner program"** to identify the specific types of partners that qualify and then target your investment in time and money to those that will generate repeat revenue for you.

Not Identifying Your Ideal Customer Profile

The "Ideal Customer Profile" identifies your sweet spot and defines who is most likely to buy.

- **No wasted sales effort on marginal opportunities**
- **Reduce sales partner frustration**
- **Defines the vertical markets**
- **Identifies the company size and revenue**
- **Focuses on the right buying influence**
- **Helps partners use their contacts as a coach**

Not every business is a candidate for your product or services. Everyone knows that, but we often forget how import it is to make sure everyone selling your product understands your **"Ideal Customer Profile"** and applies the test before doing attempting to sell services. Sales partners may send you a number of referrals that they expect you to follow up on, but referrals not connected to the ideal customer profile turn into a wasted effort that consumes time and resources and frustrates the partner when opportunities don't translate into revenue.

Invest in truly understanding your **Ideal Customer Profile** and make sure the partner can clearly identify candidates and ignore marginal opportunities. The Ideal Customer Profile may be defined in some of the following ways:

- The size of the company, number of employees, size of location or network
- The vertical market the company exists in (i.e. healthcare, manufacturing, etc.)
- The type of technology they currently own. For example, if they have an aging phone system or server room.

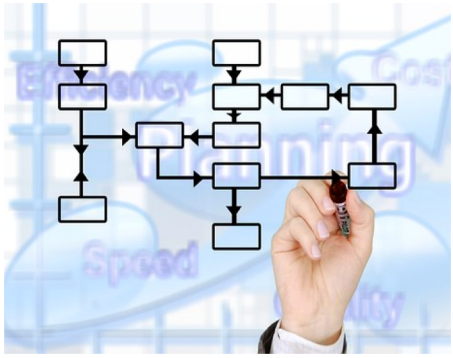
A cloud hosting company recently complained that none of the sales partners were offering their platform as a hosting solution. After looking at the existing customer base, it was determined that 65% were medical organizations that needed HIPAA-compliant hosting. When that was made clear to the sales partner, things turned around and deals started to flow.

The **Ideal Customer Profile** not only relates to the company, but to the type of individual within that organization that is most likely in a position to make a decision. This may not always be the person that they have the relationship with, so the sales partner needs to be clear that their contact can be used as a "coach" to refer or direct the partner to the real buyer in the prospect company.

Overeducating Partners About Your Services

Sales partners, especially in the telecom and cloud space, have a vast array of networking options, hosted voice, cloud hosting options, IT services, or cyber security technology to offer their clients and prospects. The telecommunications and IT channel has over 350 vendors at any given time promoting services through partners. No partner has the capacity to understand the nuances of how every network functions, the intricacies of keeping a data center secure, or how services work in intricate detail.

Partners need to know some very simple facts. Consider a checklist that includes who is your company and what are the key services they sell? Who is the **ideal customer** for those services in terms of size, industry and decision maker? When a prospect is identified, how do you want the partner to engage with you.... ask for a quote, set up a meeting, register the deal or have a conversation with one of your channel managers? And last but not least, include how they make money on your checklist.



Ask yourself, "Is it too much?"

If you attempt to offer up network schematics, exhaustive product specifications or overwhelming detail about how your services work, your partners' eyes may glaze over and the little they may learn will go out the window as they return to their office and go about their daily business. It's often too much information.

Inform, Educate, Inspire

- **Reinforce your message** with email marketing
- Provide examples of **partner success** with case studies
- Invite partners to **webinars**
- Educate partners on the **market**
- Use **guest speakers**
- Promote **incentive programs**

No Strategy to Keep Partners Engaged

Every one of us receives a mailbox full of inquiries and offers every day inside and outside the industry. The formula for being successful to engage your partners isn't a mystery, but it does take thoughtful planning and persistence.

You don't have to reinvent the wheel to be successful, just observe how successful operations do it and follow their lead. Big retail brand name companies like the Gap, Home Depot, or Costco have learned things about buyers that channel programs can replicate. The key to getting people into a store or onto their online site is to stay top of mindshare. As a consumer, you may not be ready to purchase something until you've gotten your 8th daily email from the Gap where you finally notice that deal that suits you today

Use a strong email marketing program following the example of the successful retailers. Despite what you have heard, email marketing isn't dead. It still outpaces all other social media combined. Use email and other messaging to give partners new strategies, case studies, and success stories. Invite partners to short webinars, but don't drone on about your product. Provide a balanced education about the markets you pursue and new sales strategies to help partners grow in their overall business, with you at their side. Invite guest speakers, particularly partners who have sold your services. Promote incentive programs and remind partners of any promotions and incentives you are offering.

Think of sales partners as consumers. They need to be reminded that you are out there after the Channel Show, regional meeting or golf outing is over. Staying top of mindshare should be a goal of every channel program for partners to remember who you are, so they keep you in mind when their customer or prospect needs a service you sell.

Failing to Offer Clear Financial Incentives

Sales partners do not take a salary. They only make money when they successfully represent your services. If partners are unclear about how they can make money by selling your services, they will pursue technologies they are comfortable with and know will pay the bills. This industry touts that agents provide services with a “vendor agnostic” approach. However, if the agent has a big incentive and better tools to sell your services, you are more apt to receive the deal or at least given the chance to quote.

Partners will visit their master agent portals and land on the promotions & spiffs page long before they look at any other content. Just like most consumers, partners will respond to an incentive that offers him extra commission to sell their first deal or sell deals within a certain time frame. **Incentives need to have a time clock running on them, they should be understandable and readily attainable.**

Less significant revenue producing services are often ignored because the vendor fails to make the case that these services can be positioned as “add on” revenue to existing customer accounts, further deepening the relationship and generating long term incremental revenue. Keeping the financial incentives in front of the partner is critical so they stay top of mindshare.

Summary

Leveraging channel partners can be the pathway to accelerating revenue or it can be an exercise in frustration with wasted dollars and time focused on efforts that will never generate deals. Channel programs should keep in mind that they don’t need thousands of partners selling their services. A select number of partners that like what you do, have a customer base that needs your services, and are willing to repeatedly refer deals, is the pathway to a productive channel.

A healthy channel program understands the type of partner most likely to produce deals and enlists that partner type in the marketplace. Successful programs identify master agents that have partners that meet their profile and invest time and dollars in working with them. Engaging partners to focus on your ideal customer profile and clearly defining what to do when they find a prospect will make your sales partners more successful in servicing their clients and making money. Keep yourself top of mindshare by committing to e-marketing, social media and other electronic forms of outreach so they remember you, when the right opportunity comes along.

Learn More About Convey Channel Marketing Programs

Learn how businesses engage partners their partners and help partners engage customers.

Explore Convey's Portal Solutions
Schedule a portal demo today

Contact Convey to learn more:
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