



SUCCESSFUL
C H A N N E L S

How to Advance Your Reseller's Capabilities and Competitiveness

Whitepaper Brief: Learn successful practices to define reseller expectations, improve competency levels, market knowledge and enthusiasm.

Key Take-Aways:

- ❖ Define "success" for resellers
- ❖ Outline competency levels and support programs
- ❖ Develop reseller product knowledge and skills
- ❖ Develop reseller market & competitive knowledge
- ❖ Enhance reseller enthusiasm for supporting your brand



What we have learned about **Advancing** channel partners:

Resellers have lots of potential but need to be developed to achieve strong market success. The first step in advancing your channel is defining mutual expectations. This is followed by defining competency levels for partners and providing support programs. Product knowledge, services skills and market knowledge, coupled with motivation strategies, are key building blocks to help your resellers reach beyond their own expectations.

Your Successful Channel's "Advance Reseller" checklist:

A) Define expectations for your resellers

- Revenue
- Reseller leads
- OEM leads
- Staffing
- Metrics

B) Define competency levels and support programs

- Level definition
- Requirements
- Level benefits
- Under performance
- Upside

C) Develop their product knowledge and services skills

- Product training
- Services training
- Service design
- Applied training
- Rewarding skills

D) Develop their market knowledge

- Market training
- News feeds
- Thought leadership
- Syndicated marketing
- Continuous training

E) Develop their motivation and enthusiasm

- Sales incentives
- Product visioning
- Reseller forums
- Reseller community
- Benefit reinforcement

Advancing channel partner’s capabilities is the permanent mission for virtually all executives responsible for indirect sellers. Finding a way to make these independent businesses have the same skills, commitment and enthusiasm for your brand is the challenge these executives are trying to solve. But before you can get to the business of making them better, the first step is to define what you consider “success.” This process of expectation setting will guide the entire channel “Advancement” process and focus your resellers on achieving the unified goals you have set out. Below is a summary of hard working success categories to help guide your partner capabilities development program:

Channel Reseller Success Categories:

- ❖ **Revenue:** Specify revenue expectations by product / line of business per year.
- ❖ **Reseller Leads:** Define the number of reseller generated sales leads that are expected each year.
- ❖ **OEM Leads:** Define the number of leads you’ll commit to providing each reseller.
- ❖ **Staffing:** Define the levels and types of reseller staffing you expect them to maintain to support your brand.
- ❖ **Metrics:** Define the business, financial and operating metrics you expect from each of your resellers.



Communicating these performance expectations in a positive and enabling way can build trust and a belief that you are organized to support their business success. Annual business reviews with individual resellers can help build ownership and commitment with each reseller for their specific metrics. These reviews should contain not only the definition of what they can achieve, but the blueprint for how they can achieve these goals. Linking these interdependent goals is critical within a business planning template. In addition, the process of developing these goals interactively can help build commitment to your brand.

Illustrative annual reseller planning exercise:

- 1) How many x product will be purchased in your market from any brand in the next year? (e.g., 200)
- 2) What is a reasonable market share percentage you think you can achieve? (e.g., 20%)
- 3) What is the number of units and revenue for the next 12 months (e.g., 40 @ \$25,000 each or \$1,000,000)
- 4) How many sales leads do you need to generate to meet this goal? (e.g., 10X sales units or 400 sales leads)
- 5) How many leads can you generate? (e.g., reseller 300 / OEM 100)
- 6) How many staff members will you need to support? (e.g., 2 sales, 2 support)
- 7) How will you report your success? (e.g., leads / Mo., Deals / Mo., Product Revenue / Mo., Gross Profit / Mo., Services revenue / Mo., etc.)

Setting these goals also requires an understanding of how the reseller will be supported in achieving these goals. Resellers want to know what levels of support correspond with each level of performance they achieve. Executives who lead highly successful channel / reseller organizations spend a lot of time developing the benefits and support resources for each level of reseller competency and performance. Several industries refer to this as “precious metal” classifications of resellers (e.g., silver, gold, platinum). When building your partner competency levels and support programs, it is important to account for all of the following factors:

- ❖ **Level Definition:** Define meaningful levels with distinct differences in performance expectations, approval criteria and benefits.
- ❖ **Specific Requirements:** Detailed requirements on how to get to each level and remain there to earn the benefits.
- ❖ **Benefit Summary:** Specific earned rebate or other financial incentives, incremental access levels, incremental training and other accrued benefits.
- ❖ **Under Performance:** Clearly defined consequences for not achieving level requirements
- ❖ **Upside:** Incremental benefit awards that are given to resellers that achieve their goals.



This level of specificity significantly helps to engage and motivate your resellers. Reseller programs with the highest participation rates are unambiguous, well defined and clearly accessible to current and prospective resellers. Access is something that is so obvious but so often missed by larger organizations. Partner portals have the tendency to grow in size and complexity with new features over time, but also are more difficult to navigate. A useful periodic task for channel executives is to conduct a partner portal reseller navigation audit. Take a look at your own portal from a reseller’s point of view and assess how easy it is to navigate and find the highest value items. The items most often searched for should be at the fingertips of all of your resellers.

Most frequently visited / accessed resources for your reseller / partner portal:

- ❖ Deal registration
- ❖ Program eligibility / definitions
- ❖ Sales resources – TCO (total cost of ownership), handling objections, qualifying questions, ROI calculators
- ❖ Revenue / pipeline reporting
- ❖ Reseller performance status
- ❖ Reseller communications updates
- ❖ New product / service updates
- ❖ Marketing materials

In addition to reseller levels and incentives, another key driver for advancing your reseller is developing product and services knowledge. The goal is to help your resellers become as fluent and competent in selling and servicing your solution – they are your best in-house sales executives. As you build your reseller skills development strategy, there are several important components to build into your curriculum.

Optimal Reseller Training Curriculum:

- ❖ **Product Training:** Rigorous product training and real time access product resources to support your sales team.
- ❖ **Services Training:** Skills development for supporting after sales servicing your brand’s products.
- ❖ **Service Design:** Train your resellers on how to build new services models on top of / within the sale of your solutions.
- ❖ **Applied Training:** Provide real-time access to training and support materials on your reseller’s website .
- ❖ **Rewarding Skills:** Employ reseller skills tracking tools to measure progress and reward improvements.



Traditional training methods, including onsite and virtual training courses, are good resources to build reseller skills and competencies. But the old adage is true with reseller training...“they’ll forget 75 percent of what you taught them the minute they walk out of the classroom.” Being realistic about what you can expect from your training efforts is key to designing a successful reseller skills development program. Any classroom training program must be complemented by real time access to resources. There are several excellent content syndication, content curation, and automated marketing tools that organize a wide range of your brand content by key buying topics. This will provide your resellers sales and services team easy access to the training and support materials. This can make the difference in landing a new sale or renewal - by making it as easy as possible for your resellers to get what they need in order to support their customers business.

Other reseller knowledge areas include a deep understand of the hot topics in your served market. Part of making them more effective is building their knowledge of the industry competitors, legislation and regulations, and other hot topics that are on the minds of your end customers. This will help the reseller’s positioning as a thought leader in their local market and the go-to resource for best practices in your solution area. Providing your resellers with access to the latest news and market intelligence can help win more deals.

Setting up services and resources for making all of your resellers market savvy will help make your brand one of the favorites among your resellers.

Techniques to develop reseller market knowledge:

- ❖ **Market Training:** Providing market trend, competitive analysis, and market forecast training to help resellers speak about the future.
- ❖ **News Feeds:** Provide news feeds from RSS or syndicated content to display on their website.
- ❖ **Thought Leadership:** Involve your partners in think tank sessions, and provide access to industry luminaries to keep them current.
- ❖ **Syndicated Marketing:** Provide real time access to the latest content via syndication.
- ❖ **Continuous Training:** Provide bite size training modules where less is more to keep your resellers current on the latest movements in your industry.



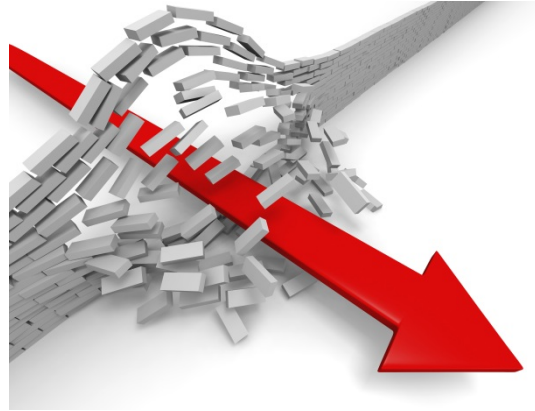
In many ways, your resellers have a better sense for the pulse of the market than you do. They are on the front line with your target customers and are updated daily on the needs, requirements, pending market changes, and new regulations that will shape your business. Capturing these insights and sharing them through many of the methods above will improve the productivity and competitiveness of your resellers.

Building your reseller capabilities is not complete if you are not able to build enthusiasm and motivation to put these skills and knowledge into action. There are a lot of other things your resellers can focus on, and well designed incentive strategies can make the difference between success and failure of your skills development programs. Your resellers want to be heard, to be a part of the process for the future, and to have input based on their market experience. Finding a way to allow your resellers to have input and feel like they are being listened to is a very important motivator. Reporting back to them on their input and the subsequent actions you have taken is critical to build confidence and commitment to your brand.

Consider the use of additional incentives to encourage the specific behaviors you are looking for from your channel resellers Below are a series of techniques to build reseller motivation, enthusiasm, and commitment to selling and supporting your brand.

How to Build Enthusiastic and Motivated Resellers:

- ❖ **Sales Incentives:** Targeted sales incentives that provide incremental rewards for specific behaviors work well to motivate resellers to sell your brand.
- ❖ **Product Visioning:** Providing resellers the opportunity to have input on the vision you set for your products builds commitment to sell.
- ❖ **Reseller Forums:** Forums are an excellent way for resellers to share their concerns and ideas for making your / their business grow.
- ❖ **Reseller Community:** Resellers appreciate the opportunity to collaborate with each other and share success practices for accelerated growth.
- ❖ **Benefit Reinforcement:** Take every opportunity to reinforce the benefits of your brand to your resellers. There are a lot of distractions and memories are short.



Motivated and enthusiastic resellers can help you knock down market barriers, surface new market opportunities and generate more sales wins than you may think possible. Motivation will come if all five elements in this white paper are addressed and actively worked.

Five elements to generate more advanced resellers:

- Define Success
- Define Expectations
- Develop Skills
- Develop Knowledge
- Build Enthusiasm



About



Successful Channels is a services company staffed by a range of channel experts. Successful Channels delivers channel assessment, strategy, implementation and measurement services to help channel executives from all industries make their businesses more productive. Please contact us to discuss your channel growth challenges and improvement opportunity areas.