ZiftONE™



HOW TO: Supercharge Partner Recruitment



Recruiting. It's a difficult chore for vendor channel professionals. Onerous as it is, recruiting the right channel partners is just as important as recruiting the right internal talent. But recruiting the right channel partners is no simple task.

Truth is, recruiting channel partners has undergone some fundamental changes due to a perfect storm of factors. Vendor competition is at an all-time high as businesses compete with greater rigor and reach than ever before. Meanwhile, partners are generating more and more revenue from specialized services, and cloud-enabled solutions have fundamentally changed the nature of the sale from one predicated upon IT buy-in to one driven by multi-faceted business benefits. Each of these factors has its impact on what the right partners look like for your channel.

All the while, your business is evolving and facing the illusive yet imperative task of chasing down your evermoving end targets through indirect channel partners, who have fixed specialties, capabilities and reach.

While these changing factors have made the job of the partner recruiter more difficult and critical than ever, **Partnering Automation transforms the targetedness, effectiveness and efficiency of channel recruiting**. In turn, the channel recruiter spends more time connecting with potential partners, and conveying the symbiotic value that is essential to winning partner prospects and building partner loyalty.

READ ON TO ANSWER THESE CRITICAL QUESTIONS:

- Who are the right partners and how can you better answer this question?
- How can a partner portal transform partner recruiting and onboarding?
- How can companies expand by engaging and converting the right prospective partners?
- Are you and your partners speaking the same language?
- How can you leverage analytics to beat the Pareto Principle?

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A Shift in Mindset: The Tables Have Turned

Before we begin, let's answer an important question. When it comes to partner recruiting, who is interviewing whom? Before you respond, consider a few factors:

1. **Partners continue to generate more and more revenue from services offered.**

   As a result, they're looking for vendors whose offerings are complementary to their value-added services.

2. **The large majority of partners are small, with 47% grossing revenue less than $10 million.**

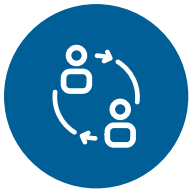
   They're looking for offerings that are a natural fit for their existing customers, and therefore, an easy and guaranteed revenue generator. The average partner is dealing with more vendors than ever.

3. **The average partner is dealing with more vendors than ever.**

   That means you aren't the only one vying for partner attention. Your prospective partner is more than likely being courted by multiple vendors at once.

4. **Partnership is by definition a two-way street.**

   Partners are looking for vendors that demonstrate an ongoing commitment to their success, and ultimately, build their bottom line. Partnership is, after all, about symbiotic business building.



Now, who is interviewing whom? Sufficed to say, while you are undoubtedly interviewing prospective partners, your prospective partners are also interviewing you. And prospective partners aren't an easy sell. They're asking the hard questions. When it comes to recruiting, the promise of Partnering Automation is twofold: find the right partners, and make the right partners choose you.

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Recruiting the Right Partners, the Right Way

When it comes to partners, more isn't always better. In fact, a large, complex channel filled with channel partners can become unwieldy and burdensome if those partners are not best-fit to build your business.

The wrong partners damage return on channel investment, demanding significant investments in channel time, money and effort to no avail. But the right partners transform return on channel investment, unlock new levels of productivity and revenue generation and even beat the doomed **Pareto Principle**.

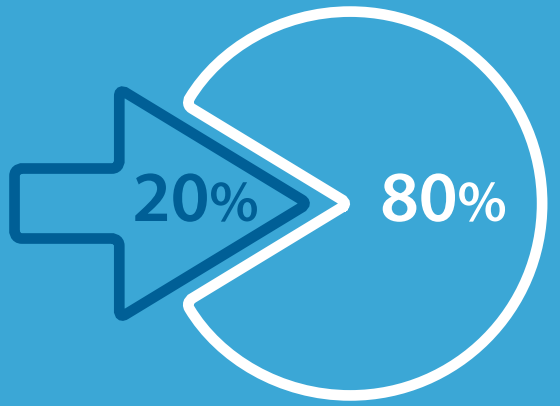
But Who Are the Right Partners?

In channel times past, profiling and identifying the right partners has been a bit of an art form predicated upon a few driving factors, including partner size, revenue, geography and overall gut instinct. The right partners fit the defined bill of criteria, but once on-boarded, they don't always hit the mark.

While relying on a limited profile may help identify like partners, it's a far cry from identifying the right partners and most importantly, the best partners for your business. This approach often leaves you with a large number of bottom feeders, depending on the same few high performers to drive revenue. **And let's face it; the recruitment practices of yesterday are no match for today's complex and fast-moving channel.**

PARETO PRINCIPLE:

Often termed the 80/20 rule, the unfortunate channel reality that is 80% of channel revenue often comes from 20% of channel partners.



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Evolved Needs Call for Evolved Measures

Why must profiling and recruitment undergo transformation? Simply put, it comes down to the evolution of the channel. Let's take a look at some key evolutions, and how they redefine right when it comes to finding the right partners.

Evolved Models: From Enterprise Software to Cloud-Based Solutions

As technology has continued to move the needle, channel-reliant businesses have shifted from enterprise software to cloud-based solution models. But the channel partners of yesterday have built their businesses by selling enterprise software, and are largely implementation-dependent. **The right channel partners must be fit to thrive in a cloud-based world, where implementation is no longer a lucrative source of revenue.**

Evolved Opportunities: From Limited Presence to Global Reach

The world is flat. As channel-dependent businesses make their way into new markets with untapped revenue potential, they face the obstacle of selling through a channel with limited reach and market presence. **The right channel partners have the presence and resources in the right markets, empowering your business to generate revenue from new and untapped opportunities.**

Evolved Decision-Making: From IT Buy-In to Business Benefits

As models have evolved, so has decision-making. Historically, enterprise sales were predicated upon IT buy-in. With the rise of cloud, IT continues to become less and less involved in the sale. Instead, sales are driven by big business benefits and bottom line impact. But many partners only know how to sell to IT. **The right channel partners know how to tell a ROI story, and can sell to a more diverse range of business disciplines.**

Evolved Offerings: From Complex to More Complex

While implementation has been simplified, technology continues to advance. In many ways, the offerings of today are characterized by greater technical intricacies than ever before. Existing partners may not have the necessary expertise to make such a technical sale. **The right channel partners have the technical expertise, certifications and complementary services to get the job done.**

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Partnering Profiling Redefined

Designed to satisfy the highly complex channel requirements of today and tomorrow, Partnering Automation transforms partner profiling into a business-building form of forensics—a crisp and targeted science that identifies the right partners based on a host of multi-faceted variables, and dramatically increases the probability of new partner success.

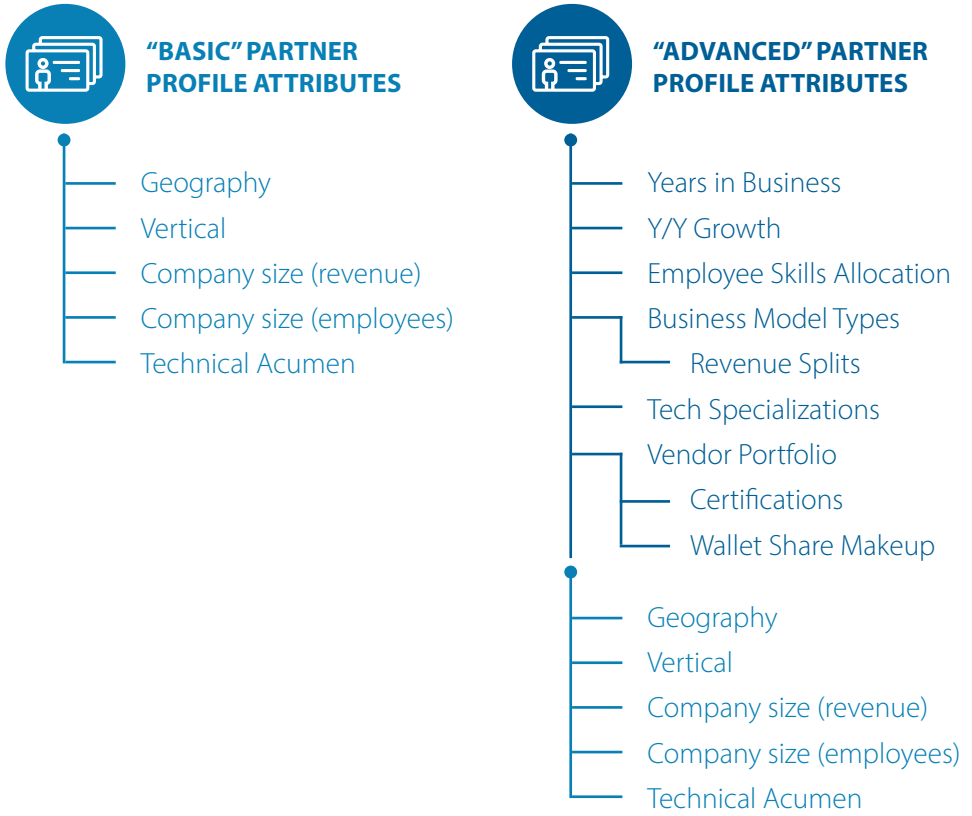
The evolution of the channel has challenged channel recruiters to adopt what we like to call advanced prospect profiling. Take a look at the diagram on the right to see the factors considered by advanced prospect profiling in comparison to the traditional approach.

Partner Revenue Distribution

Advanced prospect profiling encourages channel recruiters to take a deeper and more targeted approach when it comes to creating partner profiles.

By bringing new elements like track record, sources of revenue generation and technical specialty to the table, vendors can tailor partner profiles to those elements that most heavily impact the partner's ability and motivation to perform.

As a result, the fruits of recruitment are more B+ partners who can be groomed into A+ partners and require less hand-holding to get there.



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Keeping Score and Taking Names

Partner Relationship Management (PRM) automation solidifies and systemizes the channel recruiter's advanced prospect profiling efforts through scorecarding capabilities. Using scorecarding, recruiters can ensure that each prospective partner is targeted based on the same criteria, and that the same scale is used for evaluation across all prospects.

Then, after these prospects have become partners, the same scorecard can be used to correlate performance to partner characteristics. **Let's take a look at an advanced scorecarding model.**

Advanced partner scorecarding not only expands the criteria considered and standardizes scales for 1:1 comparison, it allows you to assign a unique weighted importance to each element based on your business's needs. Whether a new geography or a new technical business area, profile weighting ensures that your profiling and recruitment efforts are tailored for your business's growth goals.

With the power of profile weighting, you'll not only recruit the right partners for today, but also the right partners for tomorrow.



PARTNER ADVANCED SCORECARD

CRITERIA	NOTES	POINTS (1–5)	WEIGHT	SCORE
Geographical Coverage	NW US, BC	3	10	30
Vertical Industry Coverage	80% Healthcare	4	15	60
Company Size (Revenue)	$94M (2013)	3	5	15
Company Size (Employees)	420	3	5	15
Y/Y Growth	8%	4	10	40
Employee Skills Allocation	20% Business Consultants	2	15	30
Business Model Revenue Splits	10% Mgd Services 60% Product Sales	3	15	45
Tech Specializations	Cloud, Data Center, BI	5	20	100
Certifications	CCNA, MCSA	1	5	5
			100	240

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Recruiting for Channel Expansion

For a moment, envision your business in the future—say, 5 years from now. What does it look like? What new markets and geographies have you entered? What new offerings have you adopted? **And most importantly, did your current channel partners get you there?**

More than likely, your vision for the future of the business cannot be built without at least adding new partners. Your organization's new and evolving needs demand new and evolving capabilities from your channel and the partners in it. And while you may know what the right partners look like, knowing what they look like isn't enough.

In order to achieve true channel expansion and growth, you'll need to engage, capture and convert these prospects into thriving partners.

Lets get started.

Are You and Your Partners Speaking the Same Language?

Like your business value proposition, your partner value proposition rests at the heart and soul of your ability to convert prospective partners into active members of your channel community. Like any value prop, your partner value prop must communicate your ability to provide something that partners truly care about. Value is in the eye of the beholder.

So, what do partners want?

Answering this question begins with the realization that over the past 10 years, as your business has been changing, **your partners have been changing too**. As business models and offerings have continued to evolve and cloud has made its pervasive impact on the tech sector, your partners' businesses have undergone significant changes. **And with these changes have come a shift in wants and needs.**

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Look at some fundamental partner wants, and how each impacts the language you're speaking.

Partners want…

1. **To sell more services.**

   You'll need to communicate how your offerings can drive revenue for their related services.

2. **To get a competitive advantage.**

   Leaders lead. The times are a changin'. Are you still talking about software?

3. **To sell more of your products.**

   You'll need to communicate how your offerings respond to inherent market demand, and provide value to your partners' existing customer bases.

4. **To do more with less.**

   To do more with less. You'll need to demonstrate how your offering is an easy sell, and how you make it easy for partners to drive sales.

5. **To be supported.**

   Partners To be supported. You'll need to give prospective partners a taste of what it's like to partner with you. What technology, engagement and resources can they tap into?



Aligning with these wants is an essential step in crafting a compelling partner value proposition, but the right value prop is only one piece of the conversion equation.

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Converting Prospects into Partners

As a general rule, you should identify roughly 5 prospects for every 1 partner you plan to onboard.

With a conversion rate of roughly 20%, even an effort to onboard a small percentage of new partners can demand significant resources for attracting, engaging and converting qualified prospects.

When it comes to recruitment, it's important to adopt an inbound attitude. Done correctly, a targeted inbound approach can bring qualified partner prospects to you—making it infinitely more attractive than the traditional practice of outbound selling by brute-force.

This is not to say that traditional marketing outreach doesn't have its role. Your inbound outreach will be substantially enhanced by a **marketing halo**, consisting of press releases, web updates and social activity announcing your call and qualifications for new channel partners.

Animated by technology, today's channel marketer has vast and seemingly infinite possibilities for outreach. But all good inbound initiatives have one thing in common. **Where traditional marketing is predicated upon communicating value, dynamic inbound marketing is predicated upon providing value.** Examples of value-driven marketing include webinars, workshops, whitepapers, reports, training videos or other incentives.

The most effective value-driven inbound marketing focuses on providing value that directly relates to your core offering—in this case, participation in your channel. Prospective partners that engage around value-driven content have already undergone some qualifying by expressing their interest in this relevant content.

HOW CAN YOU TELL IF YOUR INBOUND RECRUITMENT MARKETING INITIATIVES PASS THE VALUE TEST?

CHECK THEM AGAINST THE FOLLOWING QUESTIONS:

YES	NO	
○	○	Does it help or benefit my prospect in some way?
○	○	Does this benefit relate to the value I provide as a vendor?

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Marketing to Channel Prospects

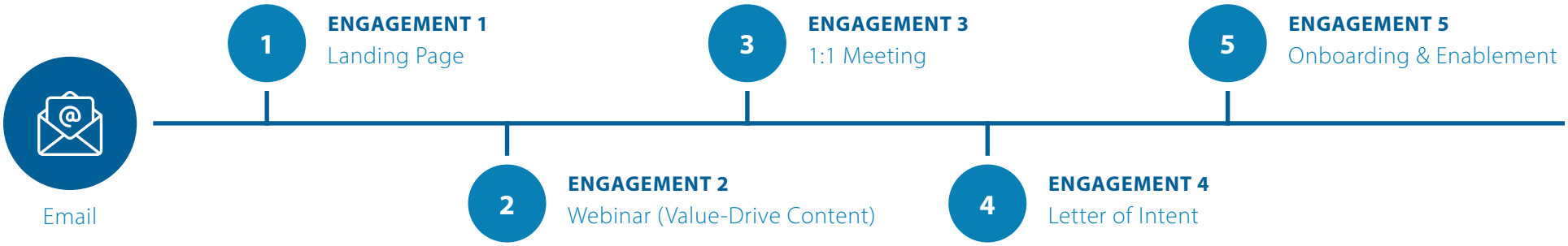
In every application, even channel recruiting, inbound marketing is about establishing relevance—and relevance is different for every prospect in the pipeline. The **relevance gaps** in your prospect pipeline become even more pronounced as you enter new markets and geographies—where prospect perspectives may differ widely from partners within your existing channel.

An essential element of automating is 1:1 content delivery, achieved through mass customization. Let's consider the possibilities of **mass customization**, when applied to recruiting.

By segmenting your prospect pipeline into profiles with shared interests, languages and specialties, then creating marketing materials for each of these segments, you can present the right content to the right partner in the right language and format—dramatically increasing the impact of your recruitment marketing efforts.

Met with the right relevant material, prospective partners will be most likely to engage. But what does **engagement** look like? Engagement takes different forms and must continue throughout recruitment, conversion and beyond. With each subsequent engagement, interactions become richer and more intimate.

Check out the following diagram for an example of 5 subsequent engagements throughout the recruitment process.



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Automation's Edge Up On PRM. The Portal is Virtually Limitless.

A good partner portal should be a dynamic hub of interactivity and engagement.

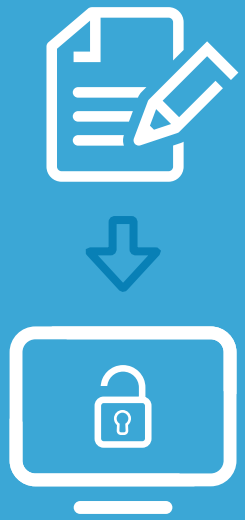
The partner portal removes the historical limits of time, distance and access, giving your partners new power and your business new presence.

Since partner technology and partner loyalty are two sides of the same coin, it makes sense that those vendors with an engaging and intuitive partner portal are those who will win the hearts and efforts of the best partners. But not only does the partner portal increase partner access, it also transforms vendor visibility by measuring and monitoring critical partner behaviors.

Now, apply the power of the partner portal to your prospect pipeline. The majority of partner portals are closed to prospects, **offering access only to those partners that have already signed a letter of intent (LOI)**.

While some level of restricted access makes sense for security and confidentiality purposes, offering your prospects limited access to portal contents transforms the partner portal into your most powerful conversion tool for partner recruitment.

THE MAJORITY OF PARTNER PORTALS ONLY OFFER ACCESS TO THOSE PARTNERS THAT HAVE ALREADY SIGNED A LETTER OF INTENT (LOI).



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Why does enabling access to a limited prospect portal make sense?

1. Experiences speak louder than words.

You may tell a prospect that your company is committed to their success, but portal access will **prove this commitment**. A portal experience, even if only a taste of the full experience, speaks far louder to prospects than a sales pitch.

2. Happy partners are your best salespeople.

Providing prospects portal access allows them to **see happy partners** thriving and interacting. Chances are, they'll want to be part of the action.

3. Prospect behavior informs prospect conversion

A partner portal is equipped with behavioral analytics and metrics, giving you **eyes into the prospect's priorities and needs**. By viewing the prospect's portal behavioral, you can tailor your partner value proposition to fit them. With a tailored value proposition, you'll have a better chance of converting each prospect into an active channel partner.

4. Portal analytics serve as a silent interview.

In addition to empowering you to tailor your conversation with prospects, **behavioral analytics** can provide a taste of what kind of partner the prospect will become. If they aren't engaged as a prospect, chances are they won't be engaged as a partner.

5. Build familiarity for faster onboarding.

Prospects later become partners. If a prospect has already made their way around your portal, they'll be **more familiar and more self-sufficient during onboarding**—compressing their time-to-performance.

6. Communicate across markets and geographies.

If your recruitment efforts are focused on adding partners in markets and geographies where you do not currently have a presence, the portal can **become a powerful translator**—serving up content in different languages and market lexicons to facilitate conversion.

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Recruiting the Best Partners

Who are your rainmaker partners? Every channel has them. They live at the top end of the Pareto curve where they produce more revenue with less investment than the rest of your partner community. Think of your best partners for a moment. What are they like? How do they engage? And what do they have in common?

Chances are, you've noticed some shared characteristics among your top performers, but have you translated these observations into strategies to recruit more top performers? **Partnering Automation harnesses advanced channel analytics to definitely answer these critical questions and most importantly, apply the answers to change the face of channel recruiting.**

Leveraging Scorecarding to Best the Best.

Scorecarding has long been a facet of the channel recruiter's mindset—widely leveraged as the level in the recruiter's toolbox, capable of measuring and comparing prospective partners in a systematic way. **But for the large majority of channels, scorecarding stops there. Few have explored the scorecard's utility in the existing channel community.**

Let's revisit the advanced scorecarding approach introduced on page seven. Now, apply the same scorecard to your existing channel community. Once all of your partners have been benchmarked using a common scorecard, advanced analytics can go to work.

What characteristics are correlated to top performance? Conversely, what characteristics are widely shared among your poorest performers? Armed with the answers to these questions, would your prospect profiles look any different?

Consider an example.

Let's assume you've identified three characteristics that all of your top performers share: year-over-year growth of over 10%, cloud technical specializations and CCNA certification.

By placing greater weight on these characteristics, your scorecarding model will identify prospects that look most like your top performers, making rainmaker partners the blueprint for your recruitment efforts.

The converse is true of characteristics that mark your weakest partners. You'll want to avoid these characteristics in your recruitment efforts.

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Defeating the Pareto Principle

Too often, the Pareto Principle becomes an accepted—or at least unchallenged—reality of the channel. In actuality, while challenging, the Pareto Principle is not indomitable.

If every new partner recruit looks like your very best partners, and characteristics correlated with low performance are virtually removed from your partner mix, it naturally follows that a greater number of your total partners will fall at the upper end of the Pareto curve. The result? A new channel reality.

The implication of this new reality is **greater overall channel revenue with lower overall channel investment**. This is the true promise and power of Partnering Automation.

Profiling is Never Actually Complete.

Before we venture into enablement, let's conclude with an essential channel truth. Profiling is never actually complete. **Your targeted partner profiles should be living and evolving insomuch as your business and its customers live and evolve.**

Ongoing scorecarding, measurement and analytics are inherent aspects of the highest performing channels. Revisit the partner profiles that are driving recruitment efforts at a pre-determined interval, and don't be afraid to make changes. Are the same partner characteristics driving partner performance? Is recruitment doing its job? What kind of partners are you lacking? Where could you use more support?



Channel recruitment drives channel performance. Keep it tightly woven into your channel's processes and strategies.

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About Zift Solutions

Zift is the Enterprise Channel Management leader, delivering the people, processes and technology organizations require to drive channel success. Zift boosts channel partner program productivity, and profitability by automat-ing and aligning marketing, sales, and operational processes. The ZiftONE platform integrates seamlessly with established systems and infrastructure to speed time-to-sales, create and exceptional partner experience, and provide faster ROI.

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