

5 Habits of Channel Manager **ROCK STARS**





What is a Channel Rock Star?

Channel Rock Stars are not the people you see celebrated in the annual CRN Channel Chiefs list. They do not work for big brand name companies. They are channel builders and they do it again and again. The results they create are the reason we have big brand name companies.

Channel Rock Stars know how to sell, how to be strategic with partners and how to build an organization that will generate significant sales.

On the most basic level, they know how to set and meet realistic expectations. They understand how to create the map for what progress looks like, and how to build a case for what they need to get there.

This e-book outlines the essential habits Channel Rock Stars have in common, and explains how you can adopt these habits in your own channel role.

HABIT #1 Know your Target

Unlike the internal departments who handle direct sales and marketing, partners are separate companies and channel activities can only influence their actions. Channel Rock Stars build strong profiles of who their partners and partner-targets are, and what makes them more successful at closing business.

The How

The best way to get to know which channel strategies are most effective is to set up tests. Plan and execute channel activities in a way that enables you to measure what works for your partners.

Take care to see the nuances of why the activity is working, how it could work better, and what kind of partners it's most effective with.

It is important to remember that cycle times are longer in the channel than with direct sales. Failing to understand longer cycle times required in the channel, you can miss an activity that is actually generating results because those results won't show up for two or three sales cycles.

A Channel Rock Star takes those results and can show the link between successful channel activities and revenue—and that's what executives get excited about.

For example, going on a partner recruiting campaign isn't going to produce sales, but it will produce partners that will eventually make sales. Establish a forecast that shows X number of partners of a specific profile, recruited within a set timeframe should produce X sales volume by X date.



HABIT #2 Show How the Channel Impacts Revenue Targets

Channel Rock Stars can clearly communicate to management how revenue targets are impacted very differently than they are in direct sales, marketing or lead generation.

The How

Chart a path and lead the way.

Channel managers who kill it are able to build a credible plan and defend it. This is about more than guiding activities. It's how you build your and the channel's credibility.

A good plan communicates to executives what you're doing and how it will produce revenue.

Don't give yourself too short of a runway.

If your forecast looks similar to a direct sales revenue curve, you've probably over-promised and you're going to under deliver.

A more realistic trajectory is shallower and it's going to be longer. Don't commit to showing an outcome sooner than you can.

Explain and measure activities on your way to revenue.

As you track activities, you won't be able to show revenue on everything, but you can show progress on a plan that will produce revenue over time. That means you're doing more than listing completed activities: You're measuring activities and linking results to revenue targets.

Lay out how the channel grows, and remind them of that longer cycle time: "We agreed we wouldn't see revenue at this point. We agreed we would see 50 new partners. We agreed that we'd see X many new deal registrations. We agreed that we'd see leads being distributed. We agreed that we'd see these marketing programs planned with these people. We have seen those things" (or "we haven't," in which case be ready to explain.)

Be able to answer the question, "Why?"

One of those activities might be partner recruitment, and one month you miss the mark. Being able to explain less-than-planned performance helps you build more accurate future plans. It also builds your credibility, by showing that you anticipated this may happen.

For example, recruitment could drop off one month if previous months of hitting targets created more partners and those required more resources to manage.



HABIT #3 Sell Your Plan with Confidence

Channel Rock Stars set clear expectations and are adamant about getting the right tools to fulfill them. They can't be pushed around.

The How

First you have to know what you need and why – and then you have to be ready to fight for it.

An effective channel program needs the proper tools and resources to manage and enable them. If you starve the channel at the beginning, you're setting yourself up for failure.

CRM tools like Salesforce are critical to a channel program's success, but they don't offer the specific tools a channel program needs to properly track and collaborate with partners.

Spreadsheets are cheap, but quickly become overwhelming, don't sync with the CRM tool and don't help the partner to sell.

Find a PRM specific solution that will enable you to effectively manage, track and engage your partner. If you

let your IT department say, "no" and you give up, you're not a Rock Star. You've got to be ready to fight for the things you need to get the result.

Drop the buzz phrases.

Use the right language and speak in terms of the direct sales cycle. This is the vernacular execs understand and will listen to. Talk of engaging partners sounds too soft. You do need to get your partners interested in selling your product – but you also need to make it clear your eyes are on the real prize: revenue. You have to figure out how to explain what you're doing and why you need the systems required to do it – all in terms of future revenue.

Rock Stars know how to create the argument for spending money to make money. A decidedly non-Rock Star way to do it? Say, "I want the system because it's going to save me time. It's going to make my life easier." Executives and chief financial officers don't want to make your life easier. They want the company to produce revenue.

ROCK STARS in their own words

““ You need to have a PRM system to create an effective program for your partners. You need to make it as painless as possible for them to work with you. Make it easy for them to get answers: What is the status of my deal registration? What is the MDF of my program, and what are the critical pieces I need? ””

Amanda Gomez
Channel Marketing Manager
Forescout

HABIT #4 Be a Consummate Influencer with Partners

Rock Stars know that before they can influence partners, they must prove themselves to partners, and create trust. Without the name recognition of a Cisco, they need to clearly demonstrate how they'll create progress for the partner. And they do this by establishing a strong relationship with them.

The How

You can influence partners through pricing, MDF, etc., but if you really want to have an impact on them, develop meaningful activities and programs tailored to their needs to move their business forward. This will reap many benefits in the long run.

Start at the beginning of your relationship by being an active part of partners' business planning processes. Find out what their P&L is and know what their goals are. Show them how you're going to help them make their numbers for their business.

Information, education and marketing dollars aren't enough.

Asking for likes and for visits to your portal because you put a bunch of content there for partners is a losing strategy. What helps partners is knowing their key performance indicators and goals. If you don't know them, what are you really working towards?

Be a business consultant and partner.

It's better than being a channel manager with partners. Know how your products help partners make more money, and how that ties into their P&L. Because if it ties into their P&L, it's watched and managed and it makes an impact.

Partners do business with vendors who create progress for them.

The best thing you can do is get deep into their planning process and come to agreement on how you can all make money together. Channel Rock Stars can show: "Working with us, offering our product and yours together, you're going to achieve \$X, based on your current client base."

ROCK STARS in their own words

“At the end of the day, it's about the relationship. Be an advocate for your partner. They need to know you're on their side and you're trying to get them to grow their business with you. Sometimes it's the little things that go a long way. As long as they know that I'm trying to help their business and help them grow, they are going to want to do the same for me.”

Tony Luzza
Director of International Channel Sales
Security Innovation, Inc.

HABIT #5 Base Partner Decisions on Accurate Data

By effectively logging data around meaningful metrics from the start, you're able to detect trends that can inform better partner selection.

The How

Set up your system for continuous improvement.

Keep improving the quality of partners – and the quality of your target partner profile – by using data to test assumptions about what sorts of partners are actually able to help you fill the pipeline. Collect partner performance data from the start around the following criteria:

- Are these partners bringing in any opportunities?
- Are they bringing in the right opportunities?
- If they're not bringing in the right opportunities or any opportunities at all, why aren't they?
- Do our partners have the right customer base in terms of who we need to be talking to?

- Are any partners looking to us to do all their marketing for them?
- Are we sending leads, and are they coming back as registered opportunities?

Don't rely on gut feeling.

Channel Rock Stars create systems to automate the process of collecting the data they need to answer these questions quickly – and accurately.

When the CEO asks them to come up with a list of the company's top go-to-market partners, they're able to put their hands on it quickly.

Collect and track critical info/data using a PRM system.

It's not just more efficient than manual—it's much more accurate. The problem with relying solely on a manager or other human to make a determination about partner performance is gut feeling. Because, unfortunately, sometimes our guts are just wrong. We humans are very impressionable. We're easily swayed by the shiny object effect.

Someone who's just closed a big deal will probably be the first partner who comes to mind, but if you look over a longer time period, what do his numbers show? How many new total deals has he registered this year? What's his registered-to-closed ratio? What's his utilization rate for co-op or MDF spending? How long does it take on average for him to close deals?

The other problem with gut feeling is that your CEO doesn't want to hear that it's the reason these partners are on your top go-to-market partner list.



Growing your Channel Program? Explore Channeltivity.

Channeltivity is a partner relationship management software platform that helps companies build strong relationships, optimize partner productivity and support new sales.

Channeltivity is easy to use, is fast to set up, and connects to Salesforce.com.

To find out why 20,000+ channel sales professionals around the globe depend on us, schedule a demo today:

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