

Research Brief:

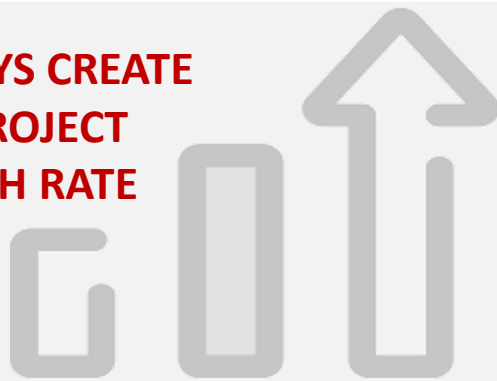
The State of Partner Marketing:

Planning Discipline Drives Success in Partner Marketing

More and more, marketing expertise has become the difference maker for solution providers transforming themselves from sales-driven prospecting engines to brand creating demand generators. This shift has been both a by-product and requirement of the move to recurring revenue services centric business models. New buyer personas have emerged looking more for business outcomes and seeking to build trust in a provider over the long-haul vs having a transaction-based relationship. Solution providers have re-tooled the selling motion from one focused on individual deals to an approach leveraging digital marketing to nurture a funnel of leads through to closure and renewal.

Today, growth is becoming more dependent on profiling and digitally targeting the right prospect, building a prospect funnel, and nurturing that prospect stream. Successful partners will court customers with compelling content and campaigns focused on business outcomes, powered by digital marketing, and manage the process with automation. For many partners, marketing has become a competitive advantage. For the bulk of partners; however, they struggle to hire staff, develop the skills, execute the tactics, and find the budget dollars to embrace digital marketing fully.

**PARTNERS WHO ALWAYS CREATE
A MARKETING PLAN PROJECT
A 38% HIGHER GROWTH RATE**



As it turns out, some common threads differentiate partners who are succeeding and partners who risk falling behind.

Two factors illustrate meaningful differences;

- 1) size of company revenue, a determiner of the ability to invest
- 2) a commitment to always create a comprehensive strategic marketing plan for their business.

These factors divide partners in terms of how they invest in marketing, what skills they have and need, what activities they value most, and even how optimistic they are projecting growth into the future.

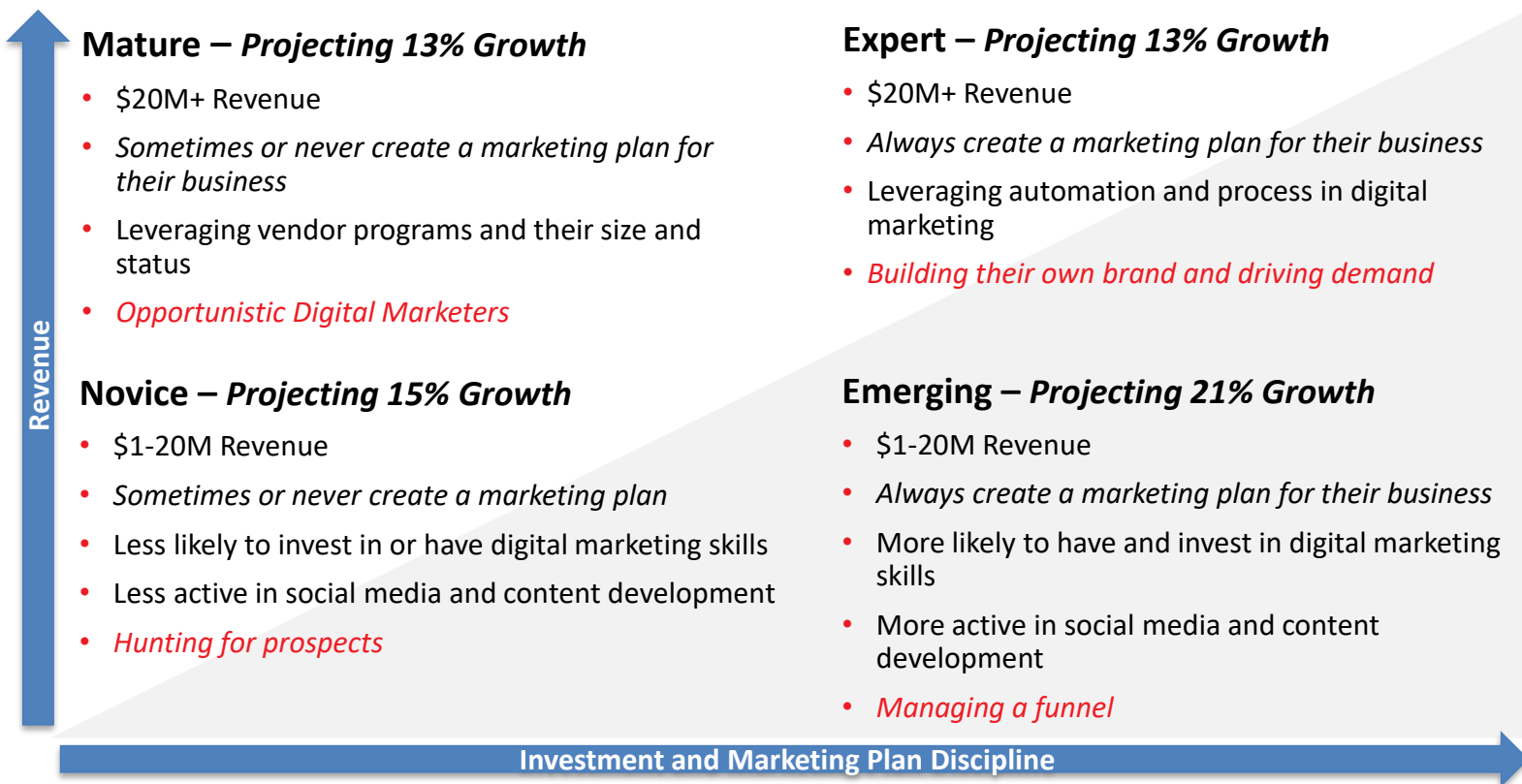


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In our current, *State of Partner Marketing Study for 2019*, we explore these partner differences and provide direction how best to assist partners in the transition to a marketing led growth strategy.



Profiling Partner Success

The first observation – revenue size matters. Partners cited marketing budget dollars as one of their significant barriers to succeed in marketing. Partners executives who ran marketing efforts admitted that the most significant hurdle was convincing their peers on the management team to spend more money on marketing. The fact is, larger partners spend more money and can have more impact.

Beyond just the ability to spend, partners with revenue greater than \$20M were more likely to have a marketing automation tools (not necessarily more likely to use it effectively) and were more likely to have digital marketing skills.

The second observation – partners who said they always created a marketing plan were substantially more likely to be hiring new marketing staff, were more focused on developing digital marketing skills, more focused on building their content, and projected a 38% higher growth rate. This compared to partners who never created a marketing plan, or only sometimes created one opportunistically.

As the chart illustrates, we split partners into four categories based on these two criteria, and we'll dive into what makes them different and what it means to vendors more in the CLF presentation.

Skills and Enablement

Besides marketing budget issues, partners in interviews cite that finding, hiring and retaining talent is the second biggest challenge behind finding budget dollars. This is no surprise, mainly since most partners say they dedicate only part-time skilled resources to marketing. It’s challenging to find multi-talented individuals to excel in marketing and do something else full-time.

But partners recognize that they need to build skills internally as well and look to vendors to provide training to improve marketing planning and execution. Areas in particular where partners look for additional vendor training are; targeting new buyer personas, leveraging marketing automation, and building personalized content. The most consistent areas partners sought training across all partner types was how to create more effective longer-term marketing campaigns.

TOP AREA FOR TRAINING:
**HOW TO BUILD LONGER-TERM
MARKETING CAMPAIGNS**

The top three most important skills for new hires across all partner types and size were Digital Marketing, Social Marketing and Content Development.



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Customized Campaigns and Content

Universally, partners said they wanted vendors to do a better job creating relevant content. Partners say content is too product-focused and is often not customizable to the partner go-to-market strategy and value proposition.

This sentiment carried over to their experience with vendor sponsored/funded marketing agencies as well. While partners acknowledged the value of vendor funded agencies and campaigns, they said the campaigns are often generic and produce few new leads for the partner. In essence, they are great advertising for the vendor, but they provide little value for the partner in terms of new customer relationships.

Partners want the ability to customize campaigns to their unique messaging and leverage content along vertical, solution and use case lines. The belief is these campaigns will illustrate the partners unique value-add, fostering new long-term relationships in addition to driving short term revenue. **That said, all partners interviewed said they planned to continue to take advantage of these programs and 89% of partners said they planned on using vendor-sponsored agencies in the next 12-18 months.**



Program Complexity

The partner often cites complex rules for approval and reimbursement as stumbling blocks to executing better marketing programs. The impact is a lack of predictability in marketing funding and the financial risk associated with committing to activities that fail to get reimbursed. This leads partners to be very opportunistic about their marketing activities, favoring events for event sake (they are easy to get approval) or just signing up for whatever campaign the vendor is pushing, regardless of whether it fits their strategic goals.

Conclusions

Partners who commit to always creating a strategic marketing plan are more optimistic about their prospects and show a measurable, more significant commitment to succeed in digital marketing.

Further, encouraging and helping partners develop a comprehensive marketing plan for their business can be a catalyst for change and increase the ROI associated with vendor marketing investments. A comprehensive marketing plan also ensures that both the vendor and partner coordinate in concert to leverage dollars and resources in the most effective manner.

In the CLF presentation, we'll be covering these topics, as well as looking more in-depth at the data for marketing skills, plans for hiring and support partners need to succeed. In addition, we'll engage our panel to explore the real-world impact of these issues.