

# State of Partner Marketing

# Hosts Today



**Beth Vanni**

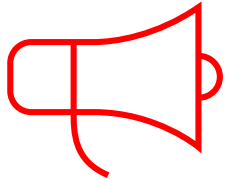
Research Director & Sr. Consultant  
IPED



**Jade Surrect**

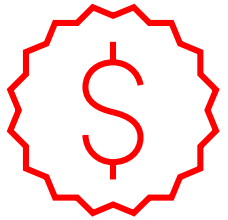
V.P., Partner Demand Services  
The Channel Co.

# Discussion



## ▶ **NEW MARKETING STAFF NEEDS DIGITAL SKILLS**

Solution providers are planning to hire new marketing talent; need vendor training & tools for digital marketing techniques and best practices



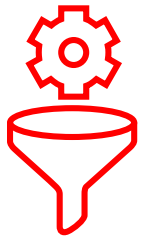
## ▶ **MARKETING BUDGETS NOT KEEPING PACE WITH GROWTH PLANS**

>50% of solution providers don't have a formal marketing budget, vendor MDF pools still favor larger players and <30% of budgets are being spent on digital marketing; revenues shifting to XaaS vs. on-prem. can limit MDF access



## ▶ **SELF-SERVE MODEL SHIFTS TO VENDOR SUPPORTED/MANAGED**

Self-serve model still dominates partner/vendor marketing engagement for smaller partners, but marketing skills are lacking here; shift to vendor-managed or vendor-supported underway, especially for larger and high-growth partners

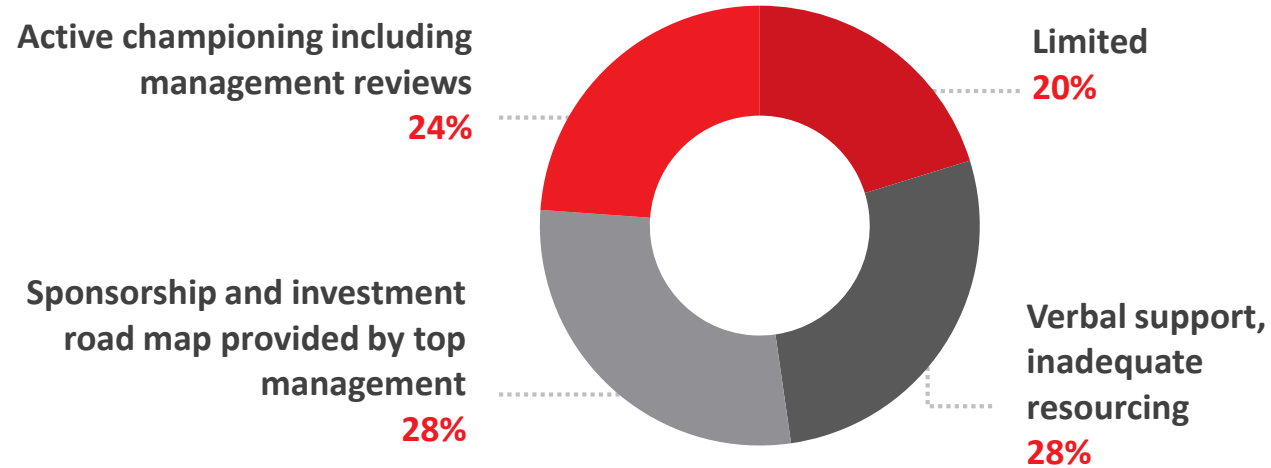


## ▶ **AUTOMATION AND PROGRAM COMPLEXITY ARE STILL REAL BARRIERS**

>50% have no lead nurturing process in place and >80% have not invested in a marketing automation system – both significant barriers to sustained digital marketing; MDF program complexity also perceived barrier to vendor/partner marketing collaboration

# How Strategic is Marketing?

## ▶ MANAGEMENT SUPPORT FOR MARKETING



**>50%**  
of participants have active mgmt. sponsorship and investments

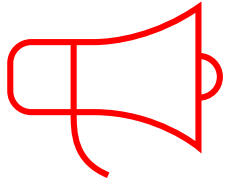
## ▶ MARKETING'S ROLE IN COMPANY'S SUCCESS

**Critical - 48%**  
**Important - 21%**  
**Doesn't Have a Role – 10%**

**~70%**  
say marketing is important or critical to their company's future

Q: How does your company view marketing as it relates to their success in the future? (1 – 7 scale agreement); %'s represent top two agreement categories

# Discussion



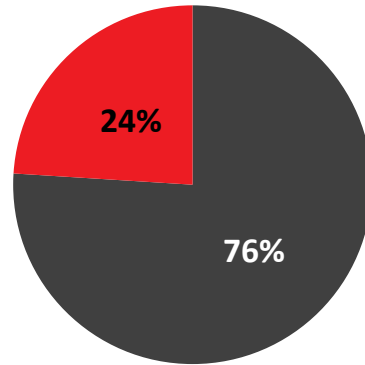
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# Marketing Staffing

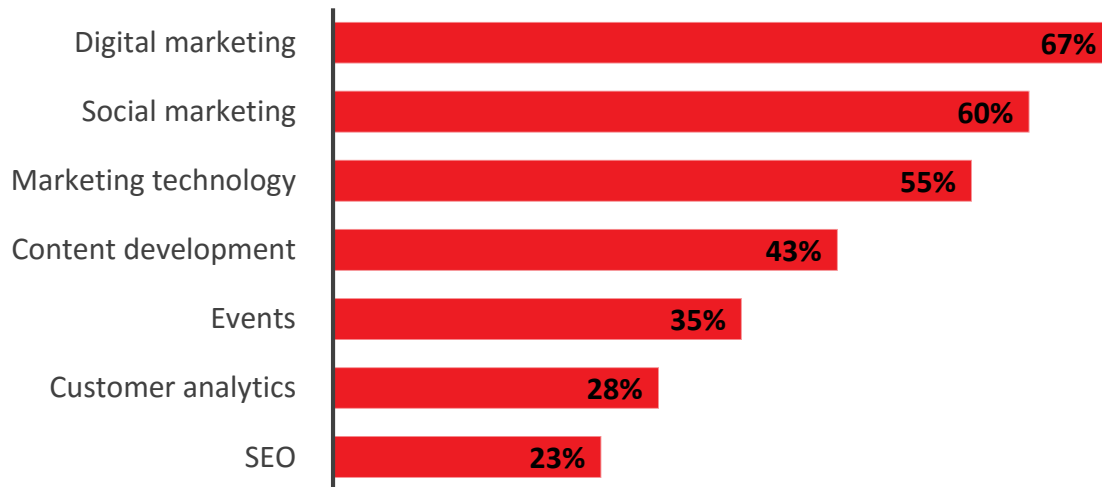
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Full-time marketing employees (median)

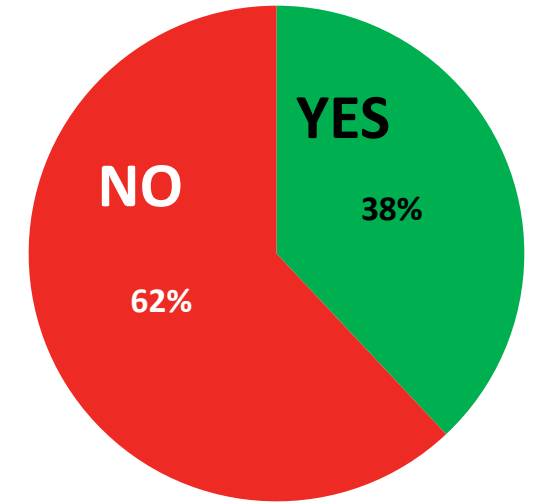


But 3 of the 4 also perform other functions;

## ► SKILLS DESIRED IN NEW MARKETING EMPLOYEES



Plans to hire more full-time marketing employees in next 12-18 months?

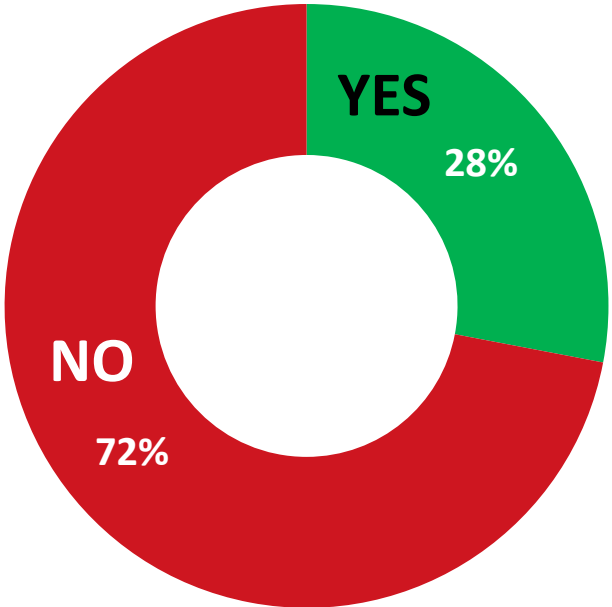


How many will you hire? ►

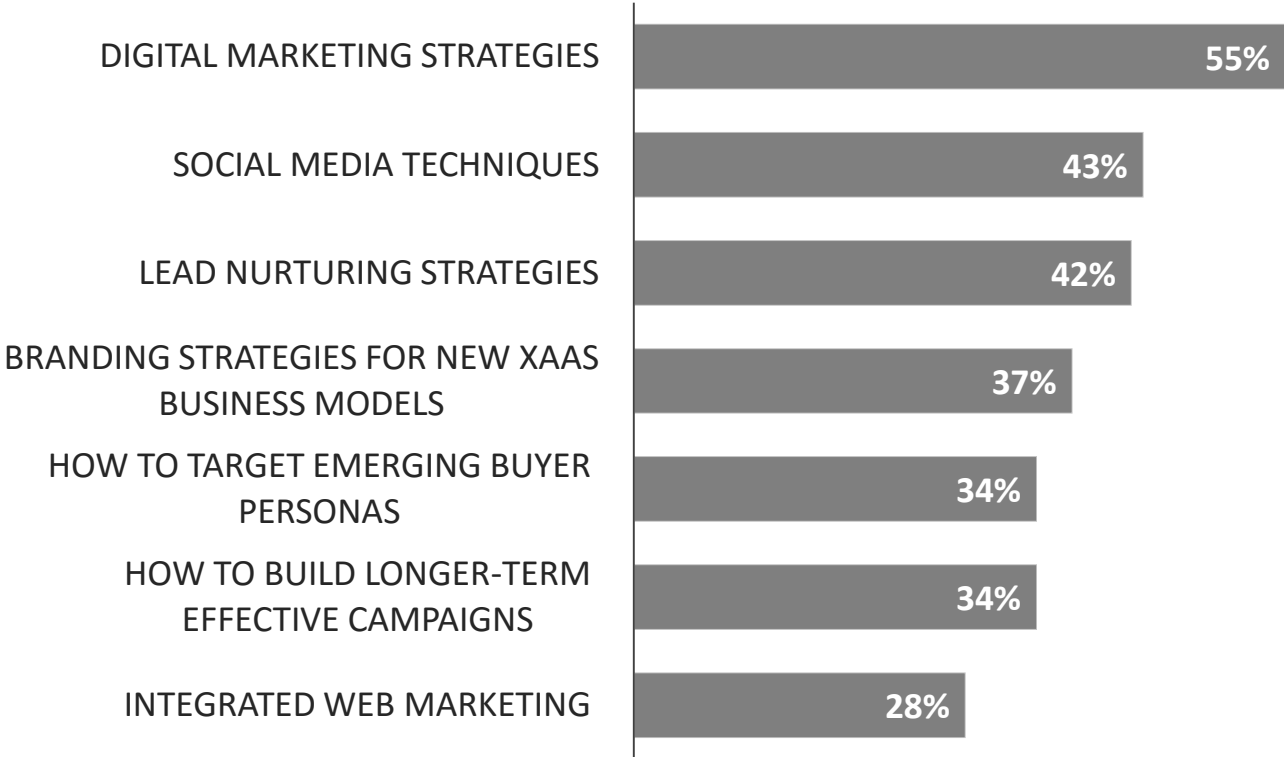
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# Respondents looking for digital, social and lead nurturing skills from IT vendor training

▶ **DO YOU TAKE ADVANTAGE OF ANY IT SUPPLIER MARKETING TRAINING CONTENT?**

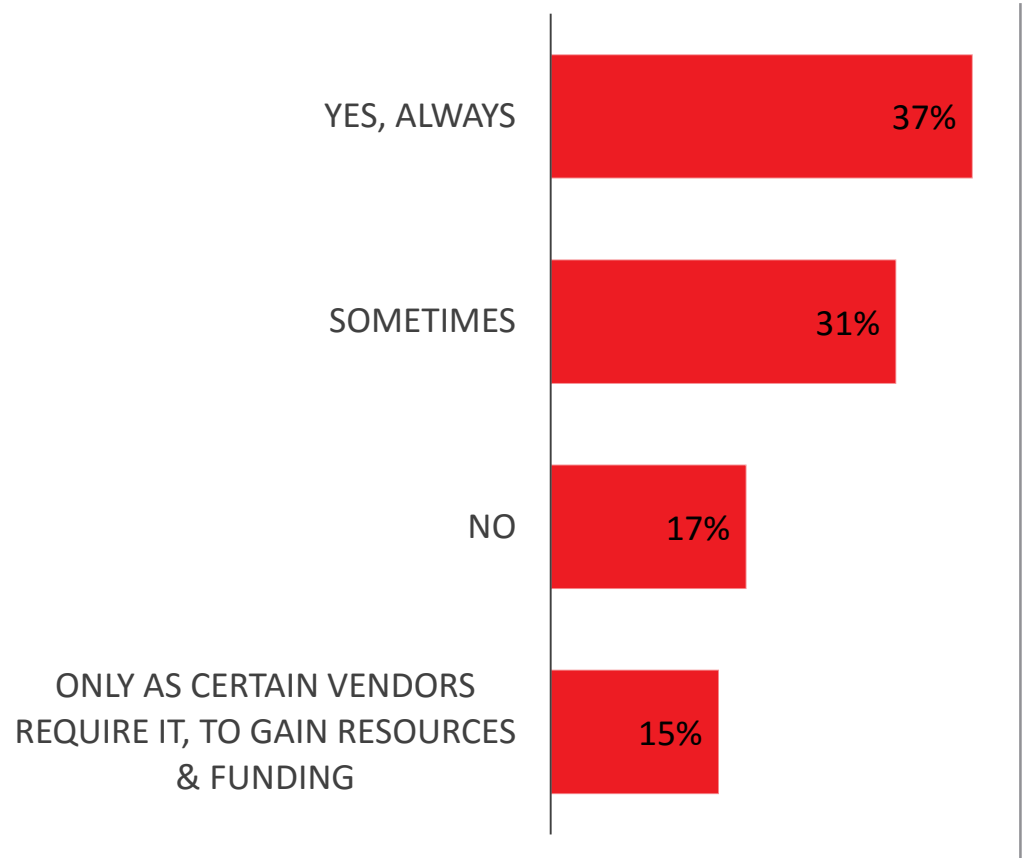


▶ **TYPES OF MARKETING INSIGHTS OR TRAINING DESIRED FROM IT SUPPLIERS**

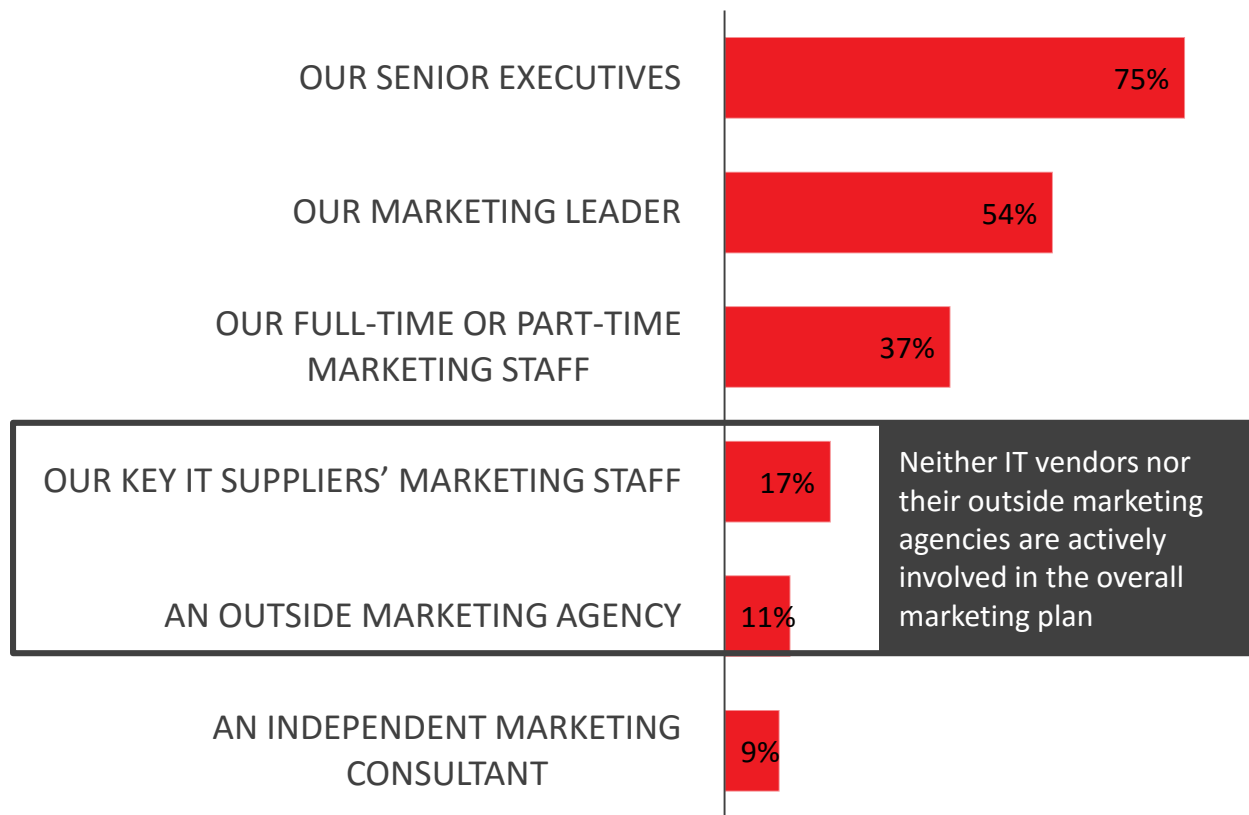


# Nearly 1/3 of respondents don't create a plan or only as required by leading IT vendors. Plans are created by Sr. Execs and Marketing Leader

## ▶ CREATE A REGULAR MARKETING PLAN



## ▶ WHO CONTRIBUTED TO THE DEVELOPMENT OF THE PLAN?





# Discussion

- 1 Do you believe the average solution provider will hire to this level in 2018? What are the barriers to finding staff with these next-gen. capabilities?**

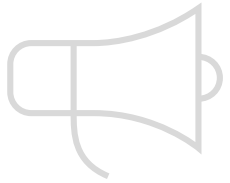


# Discussion

- 1 Do you believe the average solution provider will hire to this level in 2018? What are the barriers to finding staff with these next-gen. capabilities?**
- 2 Why do you think it's so difficult for solution providers to engage outside help with marketing planning?**



# Discussion



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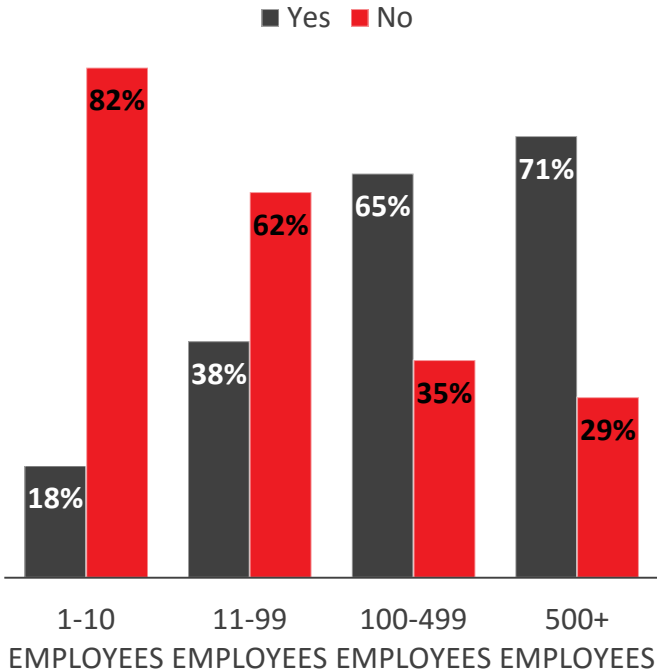
## ▶ **MARKETING BUDGETS NOT KEEPING PACE WITH GROWTH PLANS**

>50% of solution providers don't have a formal marketing budget, vendor MDF pools still favor larger players and <30% of budgets are being spent on digital marketing

More than 50% don't have a formal marketing budget; average budget is 8% of company revenue, with majority spending <30% on digital marketing

▶ **MARKETING BUDGET**

Does your company have an official marketing budget? (excluding personnel)



▶ **MARKETING BUDGET AS A % OF COMPANY'S REVENUE**

**8%** (median)

Nearly 50% of respondents spend 5% or less of company revenues on marketing

▶ **% OF MARKETING BUDGET SPENT ON DIGITAL MARKETING ACTIVITIES**

1% to 10%	25%
11% to 20%	19%
21% to 30%	15%
31% to 40%	8%
41% to 50%	6%
51% to 60%	8%
61% to 70%	8%
71% to 80%	5%
81% to 90%	2%
91% to 100%	2%

Almost 60% of respondents spend 30% or less of their marketing budget on digital marketing

# Technology Supplier Support & Funding

► **SUPPLIERS SUPPORTING MARKETING?**

77%

Yes



Q: Do you believe your technology suppliers are supporting your company's marketing efforts?

► **GET FUNDING FROM SUPPLIERS?**

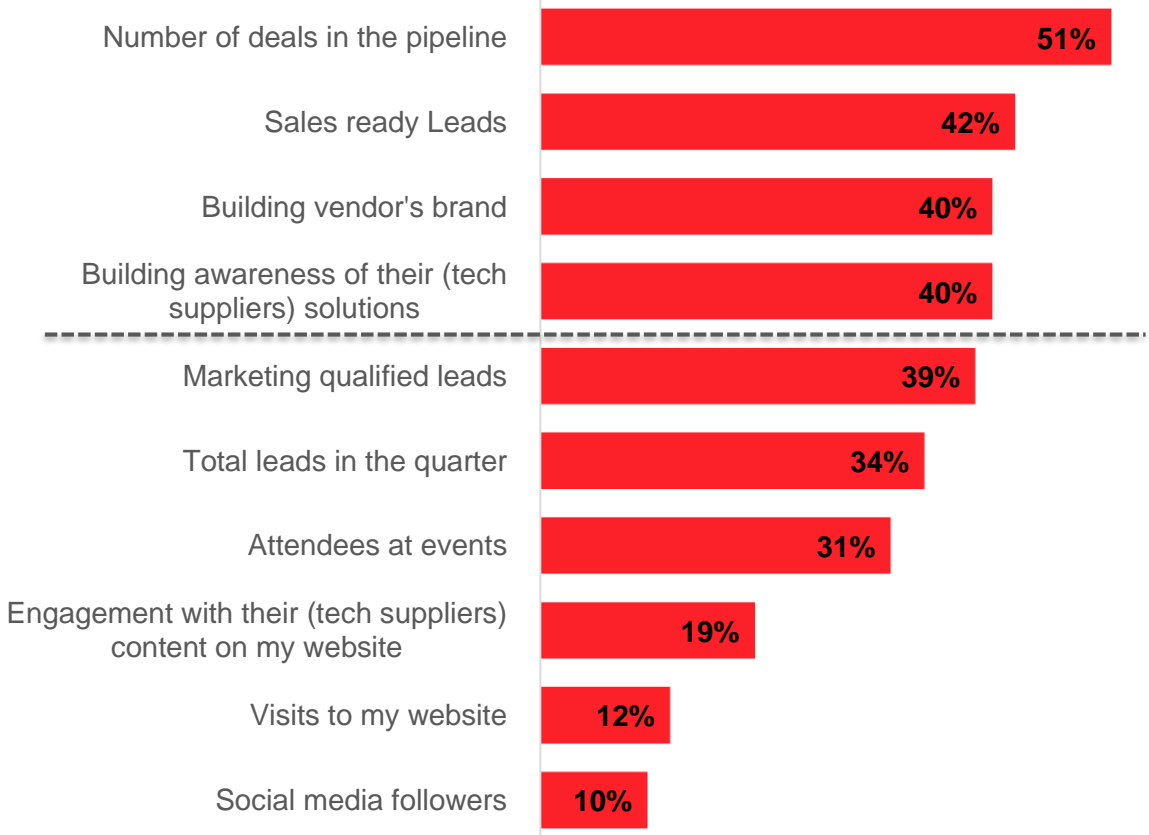
58%

No



Q: Does your company get funding for marketing from your technology suppliers?

► **SUPPLIER EXPECTATIONS – TO RECEIVE MARKETING FUNDS**



Q: What are your technology supplier's expectations in order for your company to continue to receive marketing funding? (Base Sizes Var)

“

**Quarter by quarter approval of funds doesn't work, as we can't plan. If you can't tell me what my 2018 funds are in January, I can't write a plan with you to execute and staff *for the year.***

”

(\$20-50m annual revenue VAR/SI)

# Discussion

- 1** How can we break the vendor/partner cycle of short-term marketing planning and budgeting?



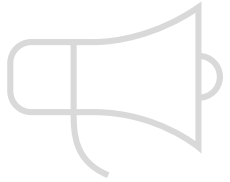
# Discussion

- 1 How can we break the vendor/partner cycle of short-term marketing planning and budgeting?**
- 2 How do we balance focus and MDF allocation across various sizes and profiles of partners?**



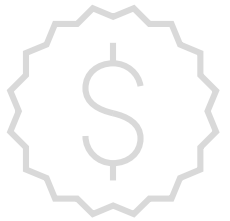


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Self-serve model still dominates partner/vendor marketing engagement for smaller partners, but marketing skills are lacking here; shift to vendor-managed or vendor-supported underway, especially for larger and high-growth partners

# Self Serve Model Shifting to Vendor-Supported or -Managed

## VENDOR MANAGED

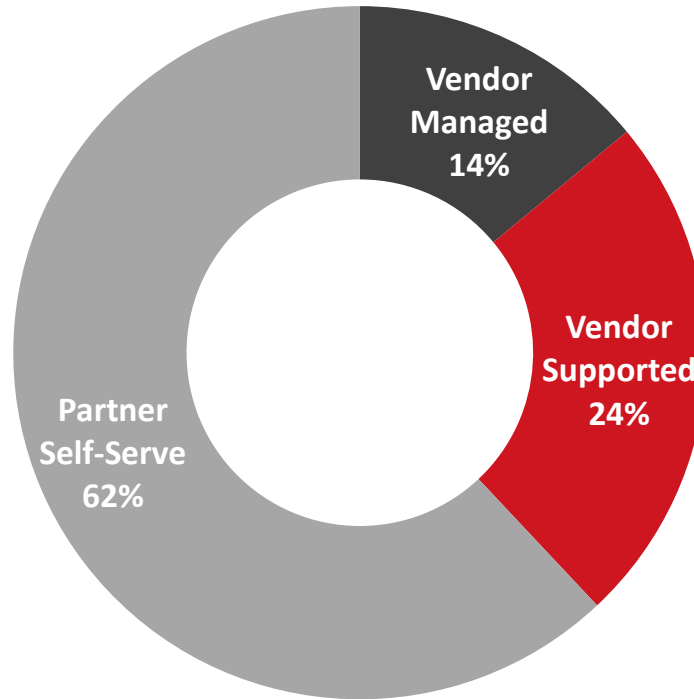
Vendor and/or partner materials, managed as a complete campaign on an ongoing basis by vendor

## VENDOR SUPPORTED

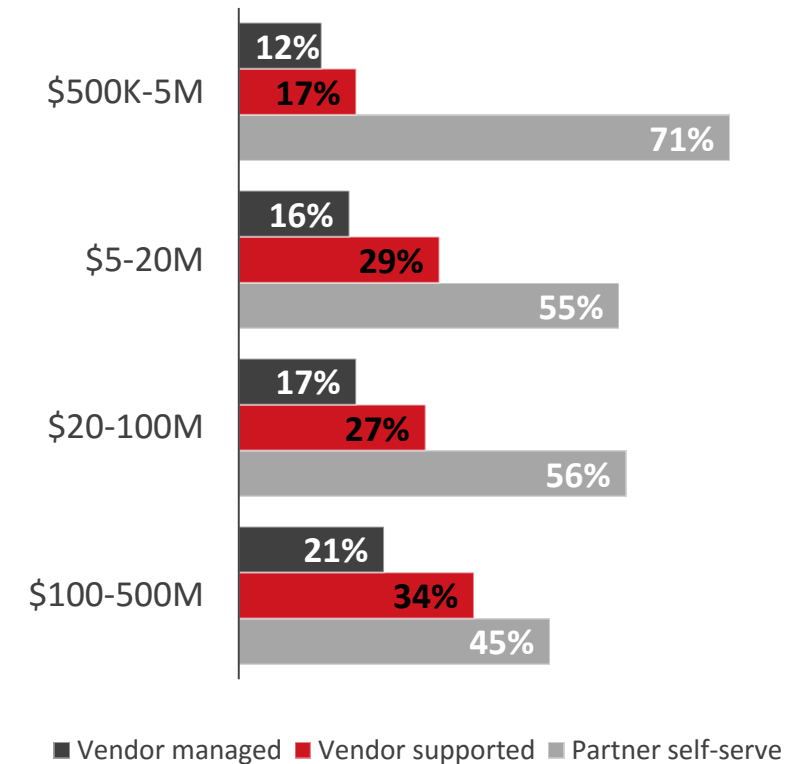
Vendor supports partner planning, or materials and/or execution; partner leads

## PARTNER SELF-SERVE

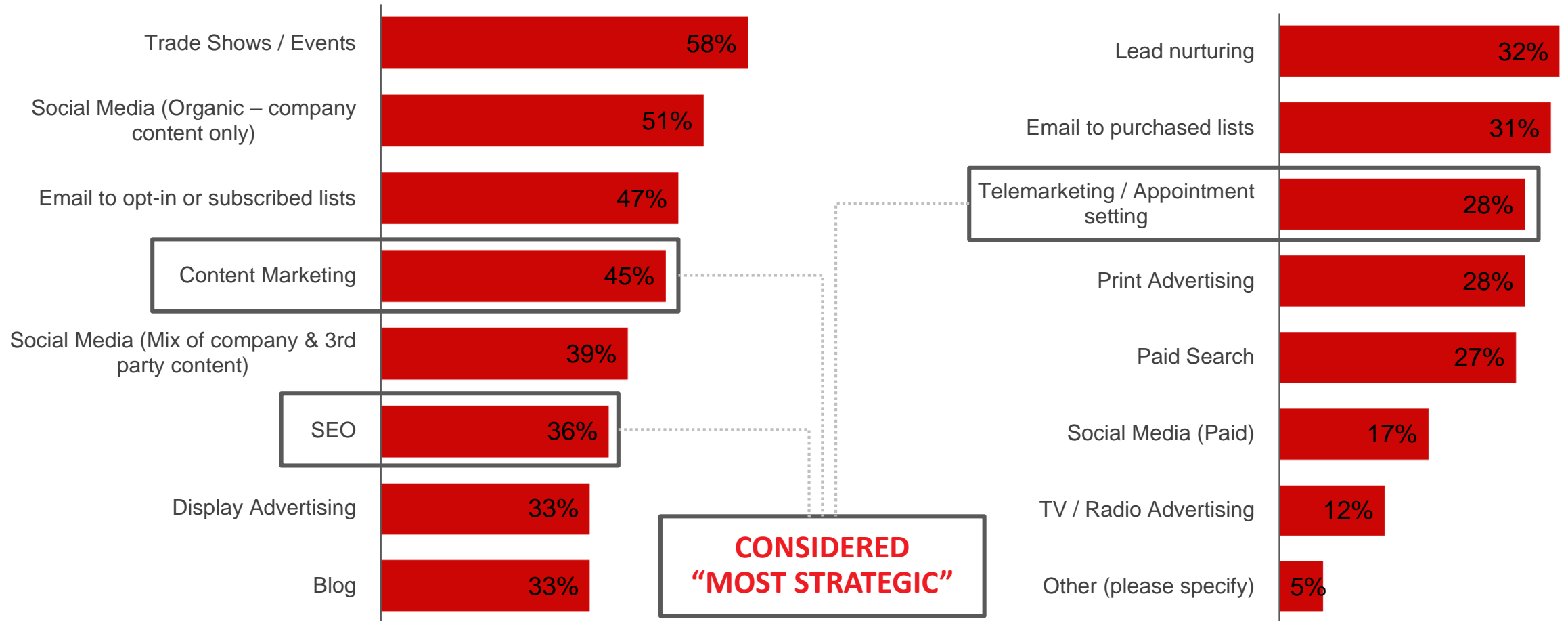
Templated materials available for partners to customize & create campaigns around (no other vendor role)



MARKETING ENGAGEMENT MODEL  
BY SP ANNUAL REVENUES



# Content marketing, SEO and telemarketing considered most strategic marketing activities but legacy activities still dominate, pushing partners to vendors for help



# Discussion

- 1 What priority should self-serve assets have in vendors' marketing programs today?**

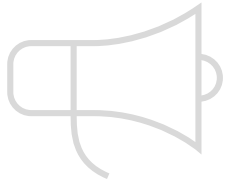


# Discussion

- 1** What priority should self-serve assets have in vendors' marketing programs today?
- 2** How have you seen vendor-supported or vendor-managed campaigns accelerate a shift to content/digital marketing?



# Discussion



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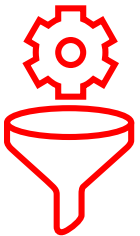
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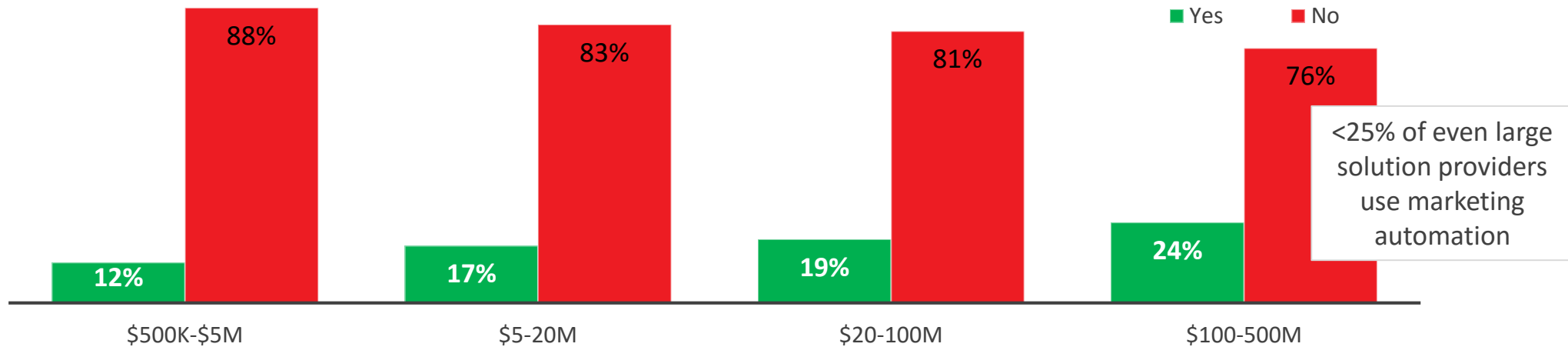
## ▶ AUTOMATION AND PROGRAM COMPLEXITY ARE STILL REAL BARRIERS

>50% have no lead nurturing process in place and >80% have not invested in a marketing automation system; these and MDF program complexity perceived as barrier to vendor/partner marketing collaboration & shift to digital

# Less than 50% have a lead tracking or nurturing process, with about half of functionality automated

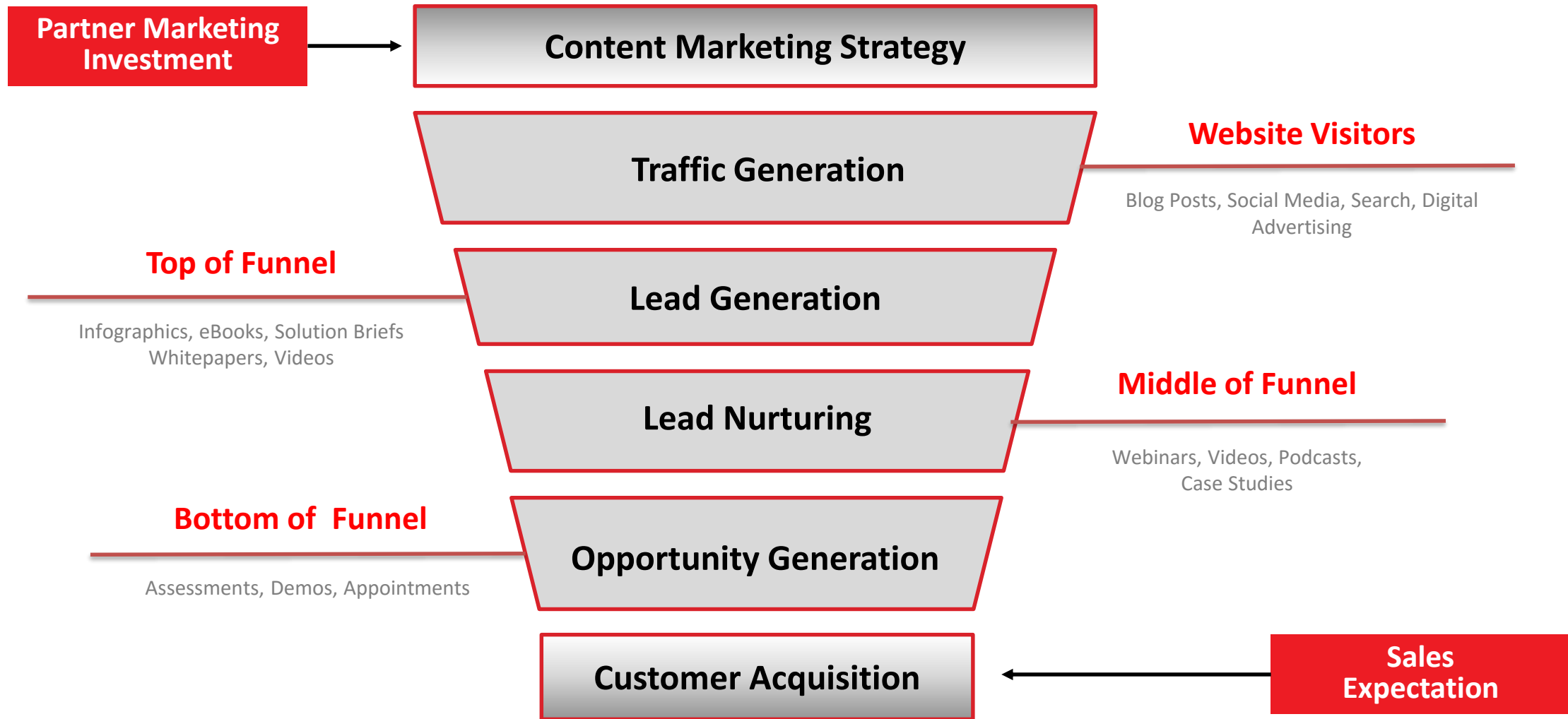
► **USE OWN MARKETING AUTOMATION SYSTEM?**  
(BY ANNUAL REVENUES)

**84% - NO**  
**16% - YES**  
(mean)



Q: Do you use your own marketing automation system as a company today? (n=382)

# Helping Partners Bridge the Digital Marketing Gap





# Transforming Performance Reporting - Partner Dashboard Example

Visibility		Engagement		Conversion	
Email Sends	2,000	Email Engagement (Link)	150	Leads Generated	100
Website Visits	400	Asset Engagement	100	Event Attendees	20
Digital Impressions	50,000	Social Engagement (Likes/Shares)	50	Appointments (Billable)	25
Social Impressions	25,000	Event Registrations	35	Bullet Five	
		Scheuled Appointments	50		
<b>Total</b>	<b>77,400</b>	<b>Total Engagement</b>	<b>385</b>	<b>Total Conversion</b>	<b>145</b>
				Reported Pipeline	\$500,000
				Reported Revenue	\$200,000

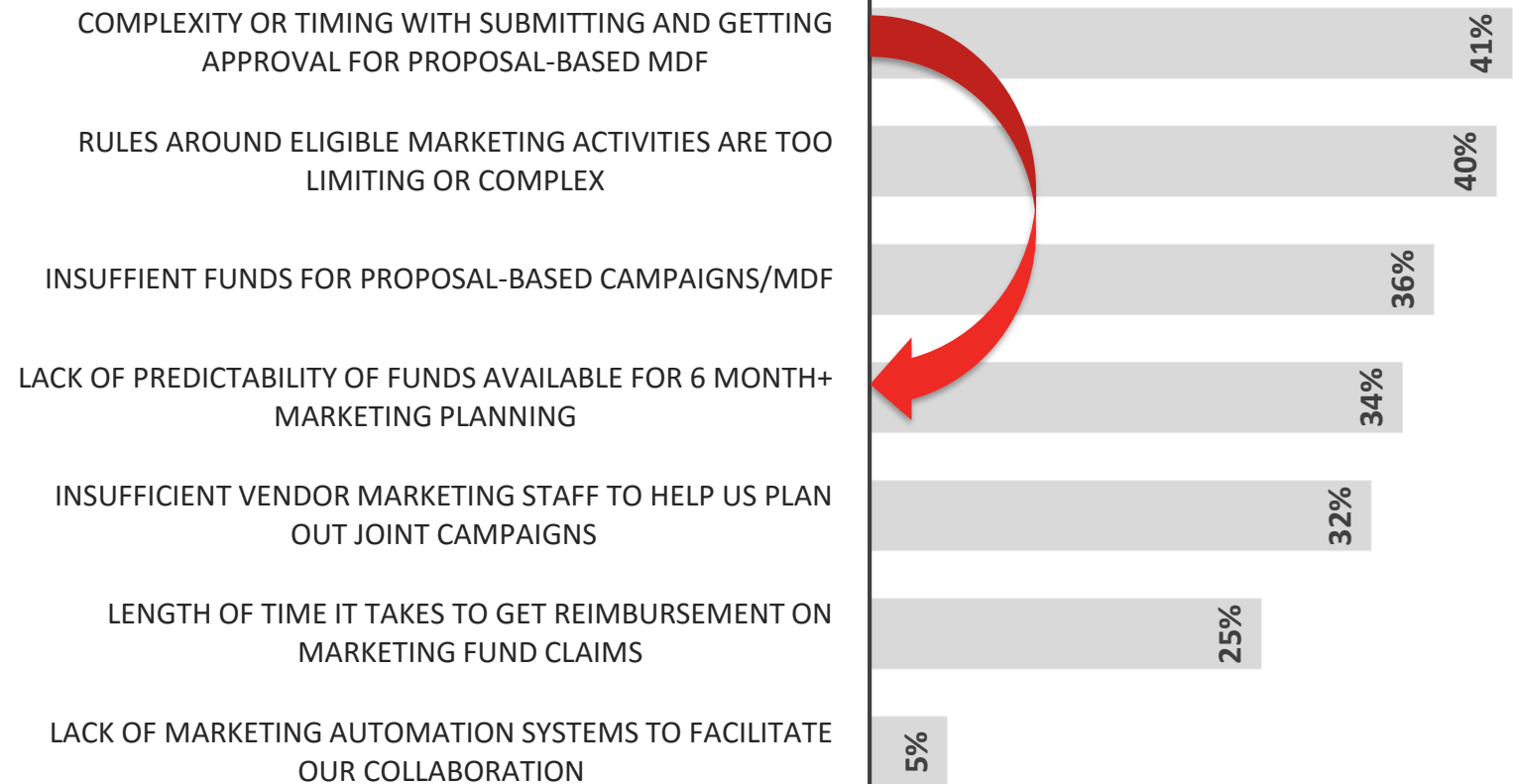
**IMPORTANT UPDATES / UPCOMING ACTIVITIES**

# Biggest barrier to vendor marketing is MDF program complexity; funding levels and staffing support perceived to be less challenging

## Top 3 Barriers Overall: (mean)

- 1 Complexity or time involved in MDF up-front approval process
- 2 Rules around eligible marketing activities for MDF
- 3 Insufficient proposal-based MDF funds

## ▶ IT SUPPLIER MARKETING BARRIERS



# Discussion

- 1** How should vendors strike a balance between traditional and digital marketing ROI metrics?



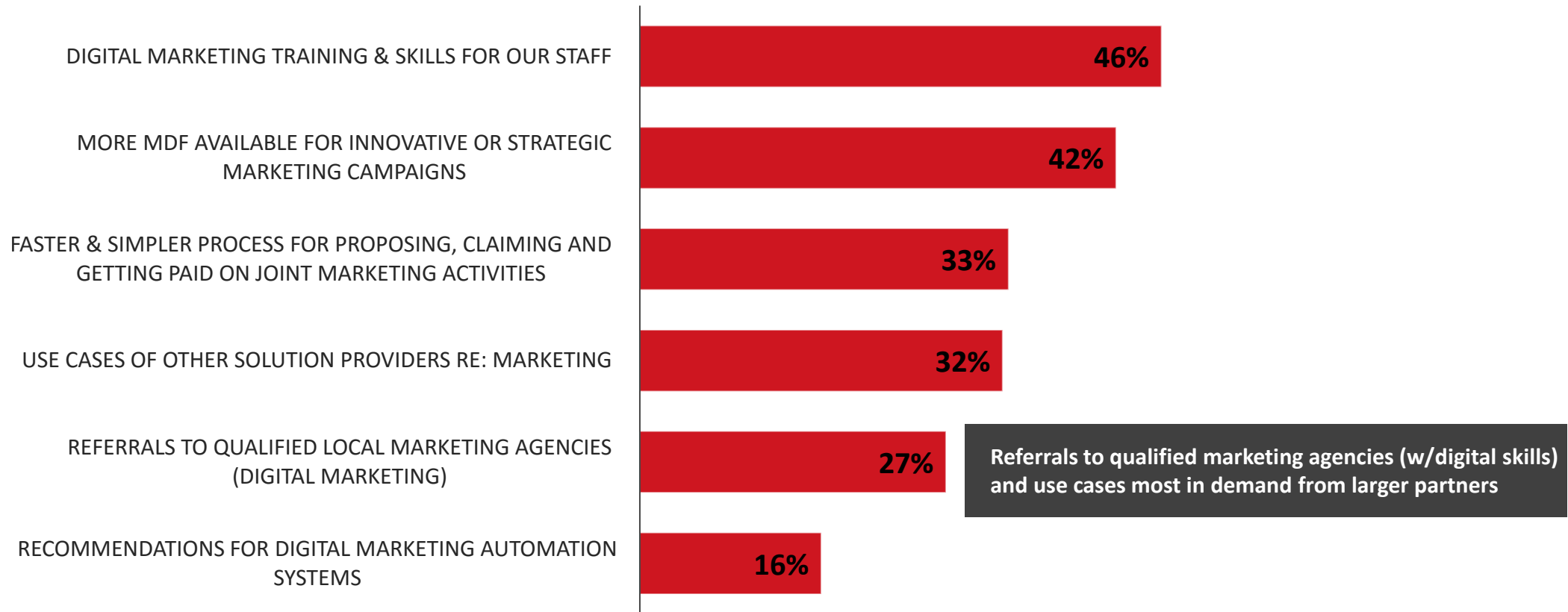
# Discussion: Marketing Automation & Lead Nurturing

- 1** How should vendors strike a balance between traditional and digital marketing ROI metrics?
- 2** Is there really much simplification happening in MDF programs today?



# Most important IT vendor marketing support focused on developing digital marketing skills, following by more MDF; still room for MDF program simplification

## ▶ MOST IMPORTANT SUPPORT FOR IT SUPPLIERS IN NEXT 12-18 MONTHS



# Supplier Marketing Support: Best-In-Class Solution Provider Input

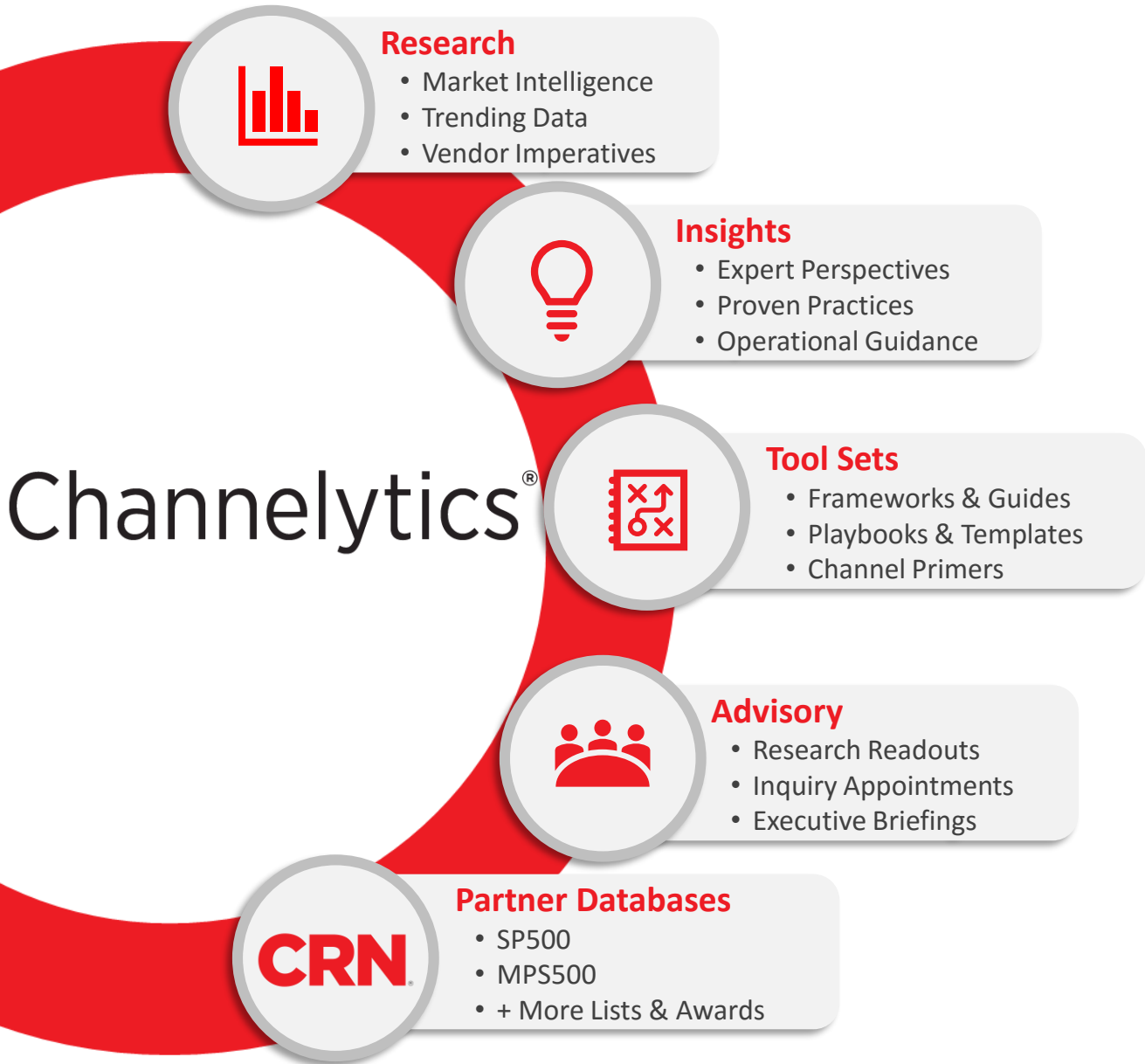


## PARTNER MARKETING SUPPORT - "WISH LIST":

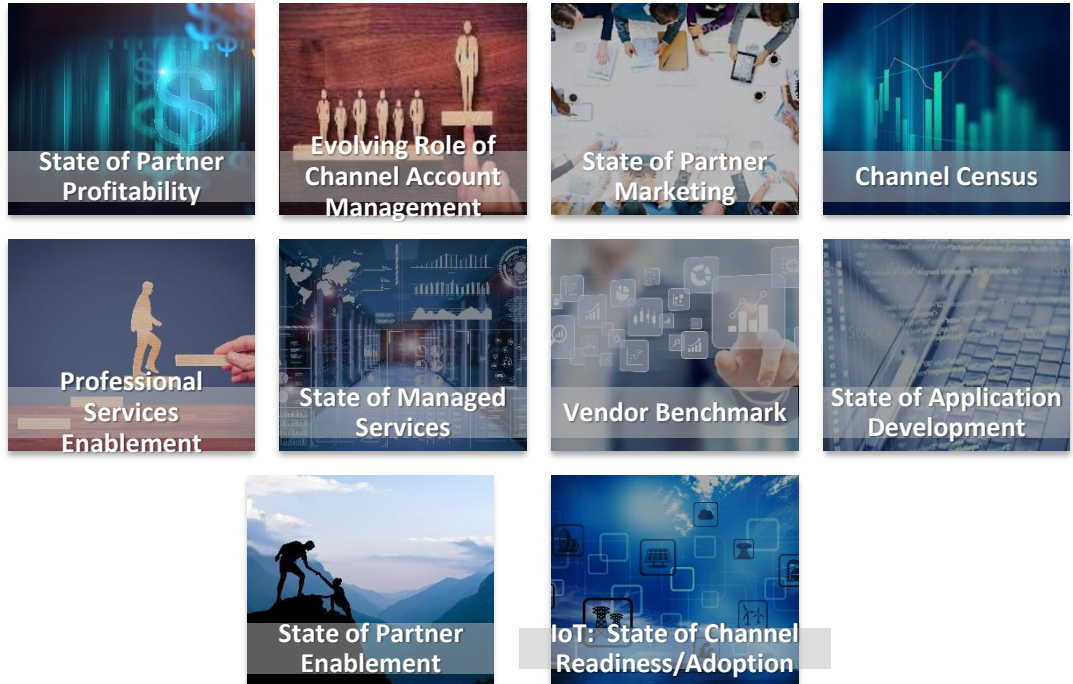
- ✓ Simple portal - straightforward interface
- ✓ Robust self-serve content, easily customized
- ✓ Automated access to proposal-based MDF
- ✓ Vertical market campaign materials & staff with specialized marketing insights
- ✓ Ready access to third party agencies and specialized suppliers (video, digital campaigns)
- ✓ Easy marketing automation to monitor digital lead nurturing campaign responses
- ✓ Designated & consistent marketing staff to help plan sustained campaigns



# Actionable Intelligence to Grow your Channel



- ▶ Research on topics at the forefront of the channel
- ▶ Actionable insights to fully leverage the data
- ▶ Playbooks and tools for quicker execution
- ▶ Advisory services tailored to your objectives
- ▶ Executive communities to network and collaborate



# For More Information:

Contact John Machado or Lisa Sabourin

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[LSABOURIN@THECHANNELCOMPANY.COM](mailto:LSABOURIN@THECHANNELCOMPANY.COM)