

# Channelytics®

## State of Partner Marketing Executive Summary

# Actionable Intelligence to Grow your Channel

Channelytics®



## Research

- Market Intelligence
- Trending Data
- Vendor Imperatives



## Insights

- Expert Perspectives
- Proven Practices
- Operational Guidance



## Tool sets

- Frameworks & Guides
- Playbooks & Templates
- Channel Primers



## Advisory

- Research Readouts
- Inquiry Appointments
- Executive Briefings

**CRN**

## Partner Databases

- SP500
- MSP500
- + More Lists & Awards

- ▶ 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

Application Development Services	Partner Marketing	Channel Census
Professional Services Enablement	Internet of Things	Partner Profitability
Channel Account Management	Managed Services	Partner Enablement
Emerging Technologies	Partner Programs & Benchmarks	Subscriber Request

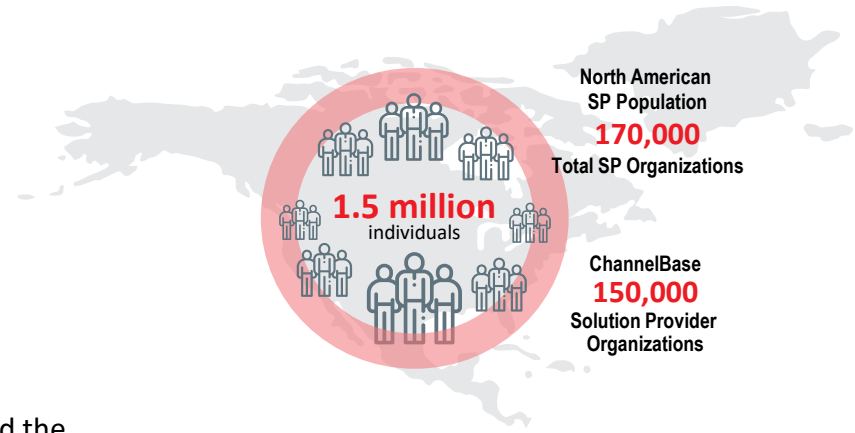
# State Of Partner Marketing Research

## Objectives

- ▶ Explored areas of planning, skills, spending/funding, staffing and marketing automation tools
- ▶ Understanding progress transforming from tactical marketing activities to integrated digital campaigns
- ▶ Determine areas where vendors can better prepare solution providers for success

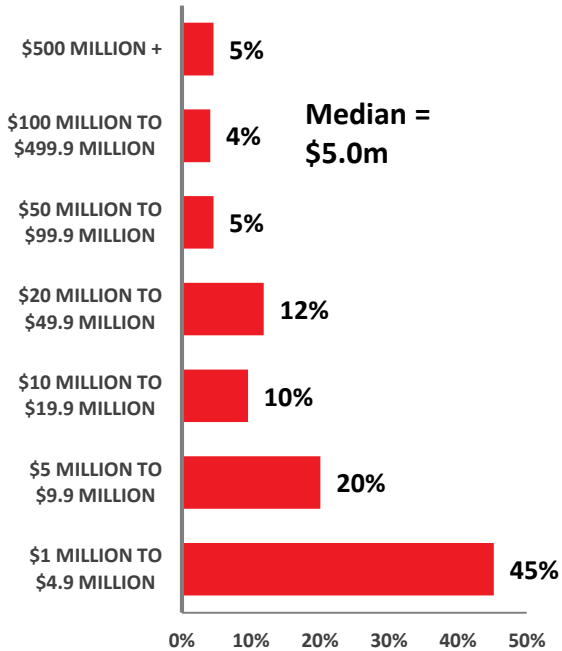
## Methodology

- ▶ Leverage The Channel Company solution provider database and the CRN Channel Intelligence Council
- ▶ On-line survey fielded in May-June 2019
- ▶ 219 individual responses across a wide range of business partner types – *above \$1M in revenue*
- ▶ Data cleansed and normalized for outliers; data represents medians unless otherwise noted
- ▶ Selected partner and vendor interviews to clarify responses

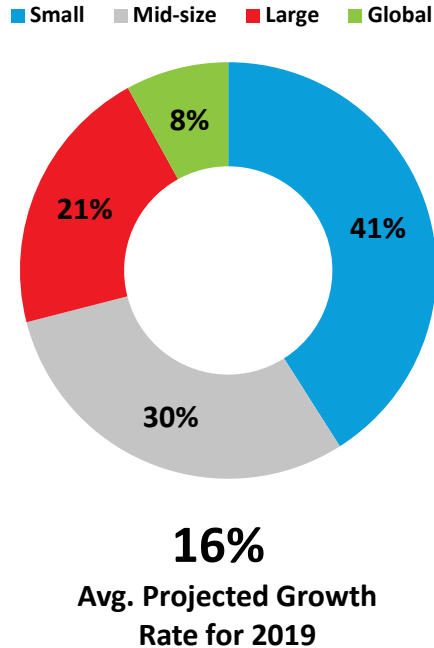


# Transition to MSP Continues to Dominate Demographic Trends

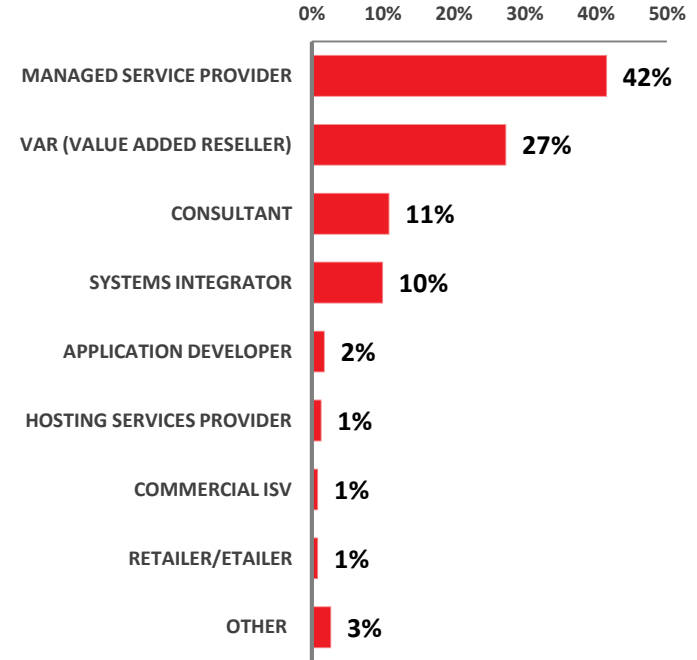
## 2018 Annual Revenues\*



## Sales by Customer Type – All



## Primary Business Model



\*In order to participate, respondents must have at least 1M annual revenue

# Biggest Takeaways



**The Marketing Plan drives investment and growth**

**59%**

***Don't always*** create a comprehensive marketing plan for their business



**Partners are stretched for skilled marketing resources**

**30%**

***Plan on hiring*** addition staff in the next 12-18 months

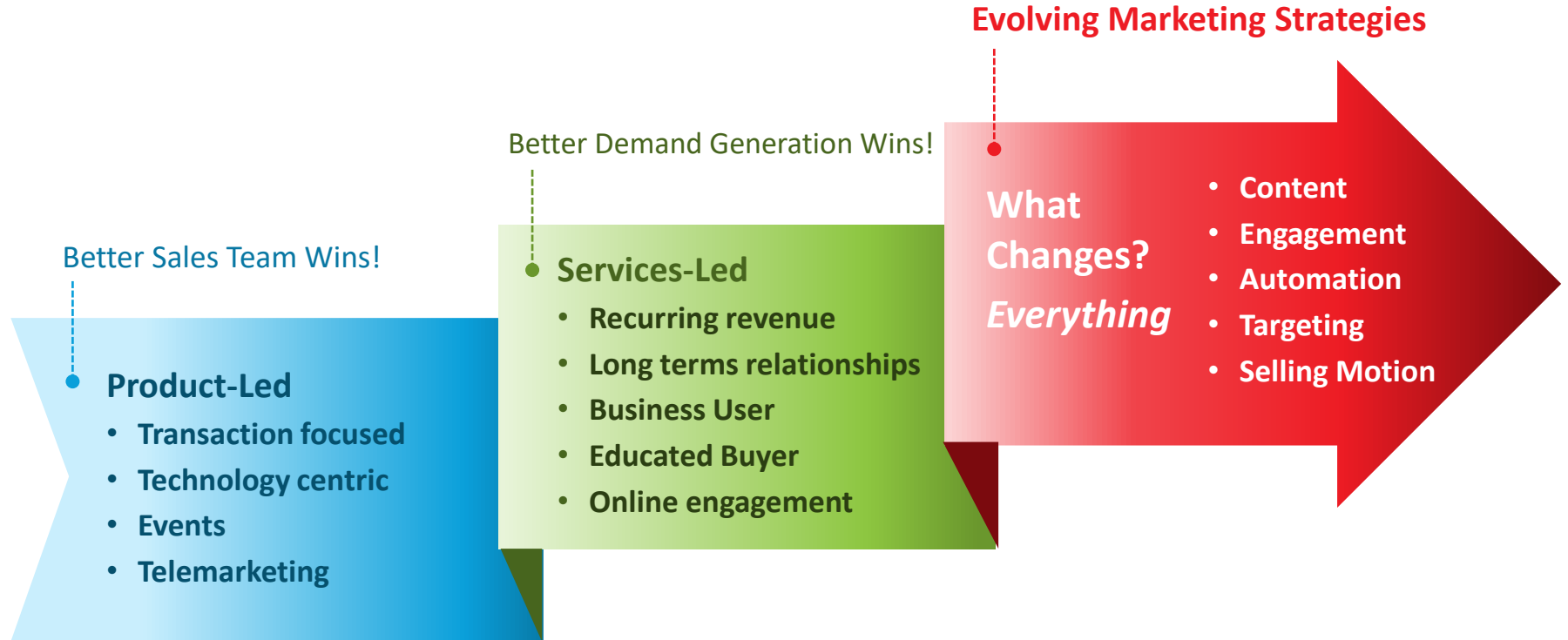


**Partners seek customized content for campaigns**

**62%**

***Want training*** to create better long-term campaigns

# Services Model Shift Causing Significant Change to Go-to-Market Strategy



# Profiling the Partner Marketing Capabilities



# Biggest Takeaways



## The Marketing Plan drives investment and growth

Commitment to always creating a marketing plan for the business seems to be the difference maker in both projected growth and level of investment in digital capability.

Partners who ***commit to building a comprehensive plan*** are more likely to say they plan to hire marketing talent and invest more heavily in digital marketing skills.



# Marketing Planning is a Difference-Maker to Driving Significant Growth

## Projected Growth Rate

## Marketing Plan Impact

Projected Growth Rate 2019  
Under \$20M **w/o commitment**  
to marketing plan

**15%**

Opportunistically pursuing  
selling-led strategies

Projected Growth Rate 2019  
Under \$20M **with commitment**  
to marketing plan

**21%**

Building demand generation  
and brand creation capabilities

**40 %**

Greater growth projected  
when partners **commit to always**  
**creating a marketing plan**  
for the business

These partners are more  
optimistic and more likely to  
invest in digital skills and  
marketing in general

**Consistent Across All Business Partner Types**

# Marketing Plan Drives Skills Investment and Capabilities

Key Survey Questions	Under \$20M		Over \$20M	
	Novice	Emerging	Mature	Experts
<b>Plan on hiring marketing staff in the next 18 months</b>	18%	36%	26%	61%
Engaged an external digital marketing firm to help build your marketing plan	21%	36%	63%	33%
Engaged an IT Supplier sponsored or approved agency to help you with campaigns around their solutions	32%	19%	32%	25%
Dedicated full or part time digital marketing staff	33%	57%	74%	78%
Dedicated full or part time marketing planning staff	39%	75%	37%	78%
Planning new hires in digital marketing	17%	34%	26%	47%
<b>#1 barrier to leveraging more digital content</b>	Lack of internal resources to create content	Lack of internal resources to create content	Lack of internal resources to create content	Lack of employees sharing content
<b>Top marketing activity</b>	Lunch & Learn	Content Marketing	Trade Shows/ Events	Trade Shows/ Events*

# Vendor Imperatives



## Marketing Plans drive growth

1. Communicate to partners the significant impact on their business performance when a marketing strategy and plan is developed
2. Identify and engage your top Partners to assist them with Market Plan development
3. Assist in co-funding vendor-approved agency to assist partners with Marketing Plan creation
4. Segment partners and investments based on strategic marketing plan commitment (for their company not just your product)

# Biggest Takeaways



The Marketing Plan drives investment and growth



**Partners are stretched for skilled marketing resources need program support**

Partners want training in how to **develop long-term campaigns**, building better content and how to better **leverage marketing automation**.

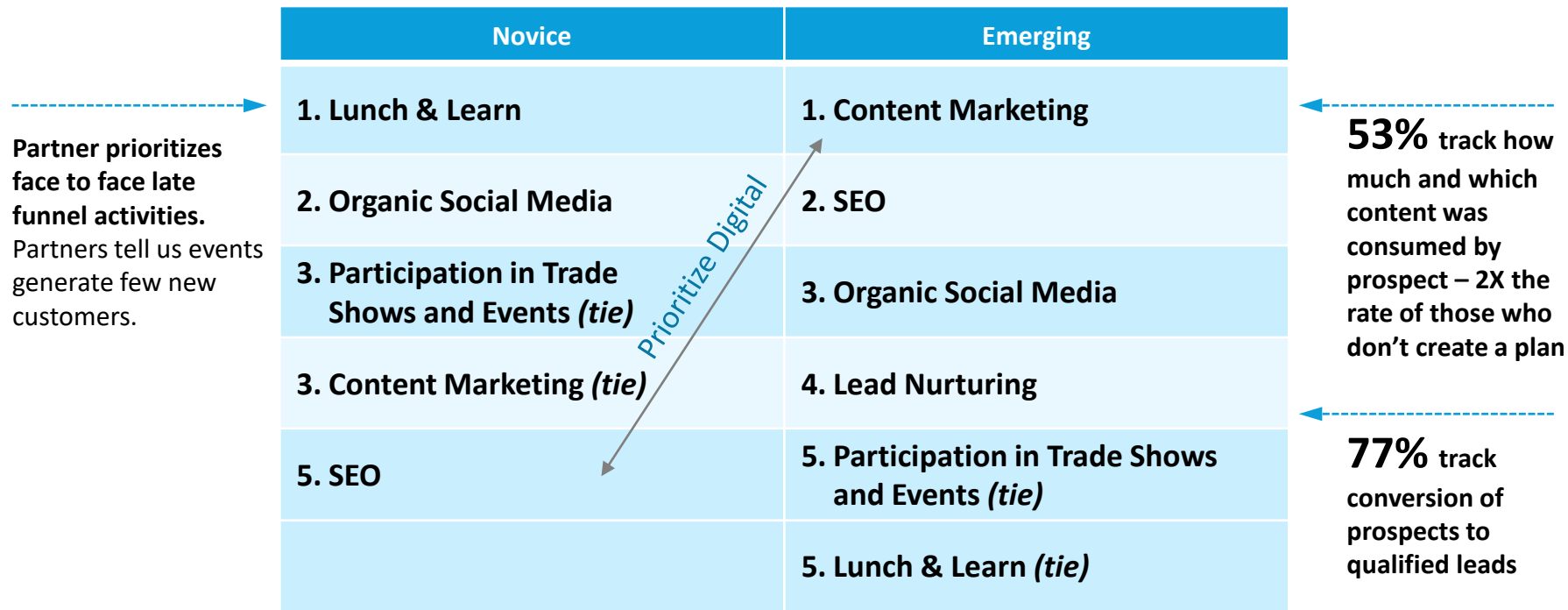
**Programs must be simplified** and easy to navigate so partners can maximize marketing budgets and favor strategic activities vs. opportunistic tactics

# Partners Want More Training – Regardless of Current Capabilities

Characterize your Companies Capability	Under \$20M		Over \$20M	
	Novice	Emerging	Mature	Experts
Digital Marketing Strategies				
Ability to Target Emerging Buyer Personas		+		
How to Build Long-term Effective Campaigns			+	+
Content Marketing	+		+	+
Leveraging Marketing Automation	+			

Highlighted + = 50% or more want training

# Most Important Marketing Activities – Under \$20M Partners



# Cisco Invest in Channel Digital Marketing



Partners with a strong digital marketing practice see a 9.5% annual increase in revenue\*

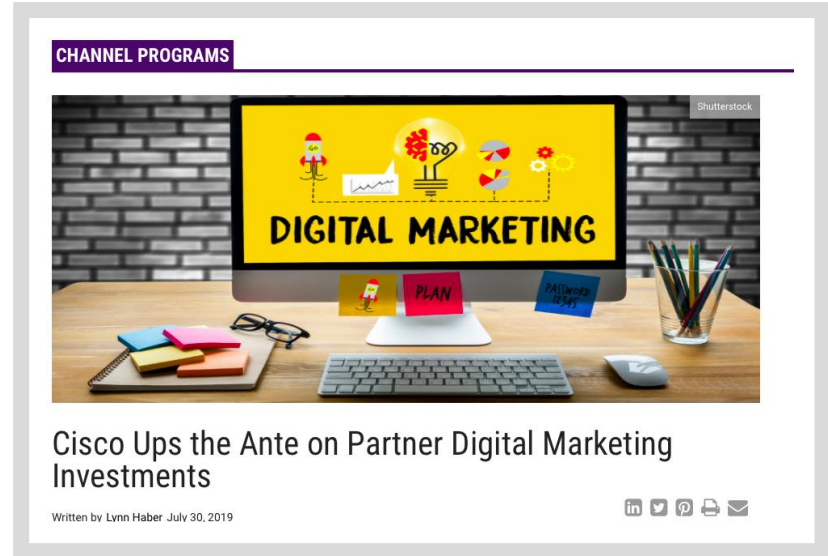
61% of B2B transactions start online\*\*

B2B customers are 60% through the buying process before reaching out to a sales person\*\*

IPED research shows that a partner who always creates a marketing plan cites higher skills in digital marketing and projects on average 38% higher growth

\* Cisco

\*\*B2B Digital Sales Survey, Accenture Interactive 2017



**Cisco Marketing Velocity Learning;**  
**Cisco Funding for Marketing Velocity;**  
**Cisco Marketing Velocity Central;** and  
**Cisco Marketing Velocity Activate**

## Vendor Imperative



### **Lack of marketing skills & complexity on co-marketing program process**

#### **Reduce complexity on MDF process**

1. Streamline and “test” your process on MDF commitment and reimbursement to Partners
2. Allow for flexibility on Partner’s Solutions and funding requests with an emphasis on new digital tactics (social media, automation)
3. Analyze the cost on your process for oversight versus allowing more risk on less than \$10K MDF disbursement (trust versus verification, conduct sample audits)
4. Consider co-funding with partner or distributor sr. skilled marketing resource for top growth partners



# Biggest Takeaways



The Marketing Plan drives investment and growth



Partners are stretched for skilled marketing resources need program support

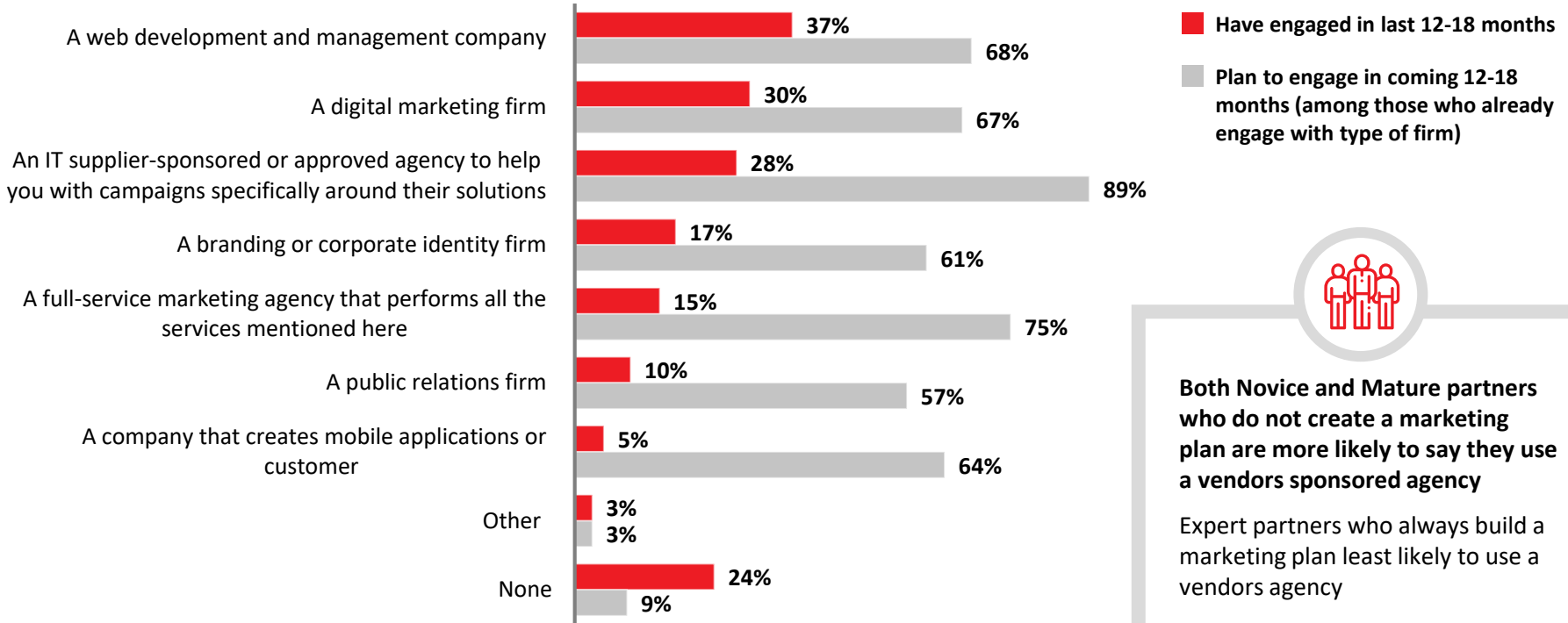


**Partners seek customized content for campaigns**

Partners cite a desire for *more messaging control, better value props and content that feels customized vs. generic.*

Partners need help in creating their own unique value proposition, and support translating this messaging into customized campaigns and content that don't feel "me-too".

# Partners Engage or Plan to Engage External Agencies



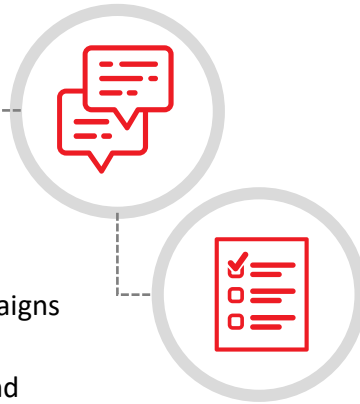
# Partner Feedback on Vendor Sponsored Campaigns via Agency

## What Partners Say

- Content is too generic not customizable
- Campaigns are too product focused
- No room or focus on my value proposition
- Loose governance leads to duplicate campaigns and customer confusion
- “But I’d be crazy not to take free money and effort”

### Outcome

**These campaigns uncover few new leads/ customers for the partner but do lead to some fulfillment business**



## What They Want

- Content that can be customized with their unique spin and value proposition
- Campaigns that focus on vertical solutions, trends and thought leadership
- Tighter coordination in appointment setting and expectations
- Tighter governance on who and when partner can do campaigns
- Greater partner participation in the process

### Outcome

**Integrated, customized campaigns that grow the partners customer base, generates vendor product demand, and teaches partner how to do it themselves**

# Vendor Imperatives



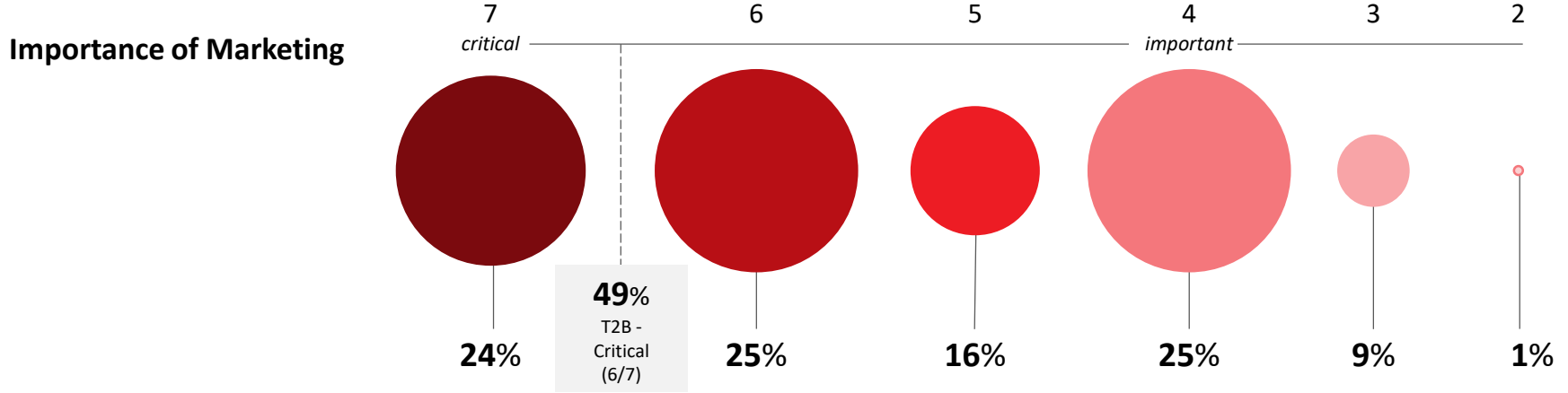
## Campaigns and Content

1. Develop a global strategy for a Marketing Agency model with capabilities to execute in local regions
2. Document criteria for retaining agencies and on-boarding them with quarterly metrics
3. Continuously communicate vendor content, assets and campaigns to the agencies
4. Develop “Hands on” Education workshop to train Partner Marketing personnel on how to create targeted content for their Digital Campaigns
5. Provide examples of best practice customer use case scenarios for input on digital campaigns

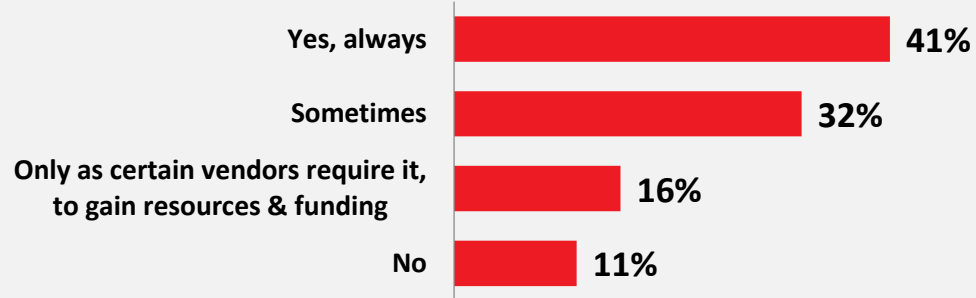
# Channelytics®

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# Partners Committed to Marketing

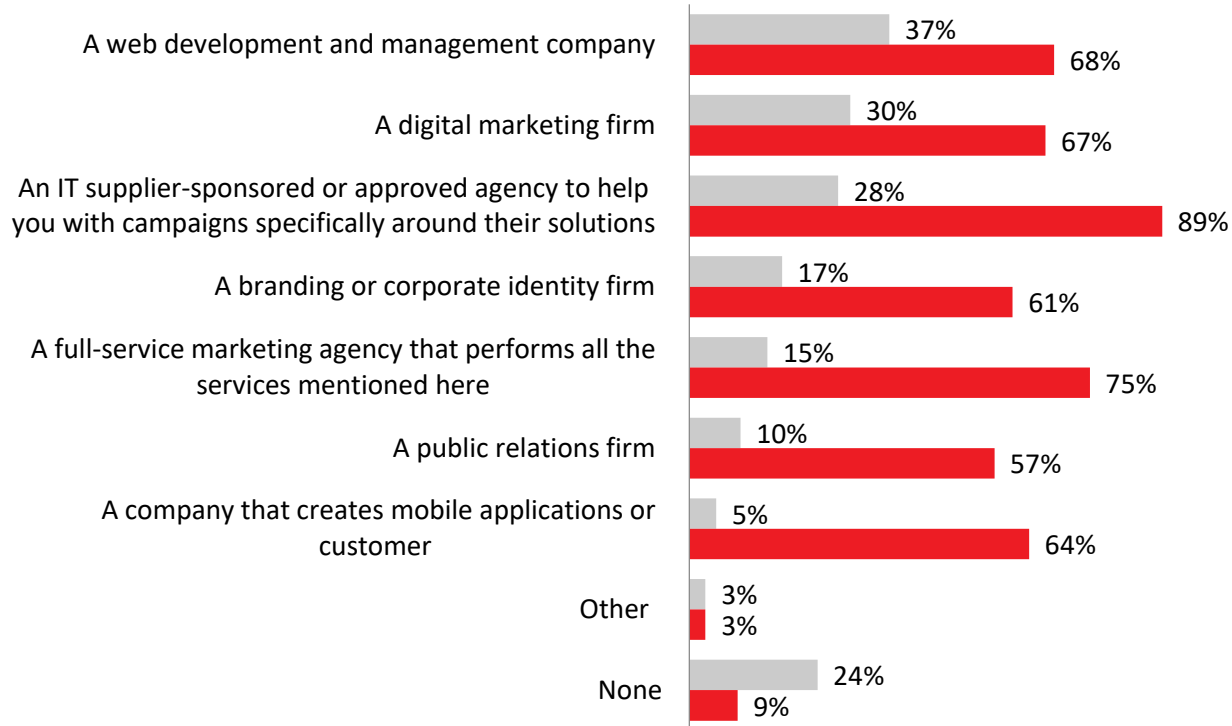


## Create a Regular Marketing Plan



# Partners Engage External Firms for Digital Expertise

■ Have engaged in last 12-18 months   ■ Plan to engage in coming 12-18 months  
(among those who already engage with type of firm)



Partner **intent to engage** with outside firms far **outstrips their current actions**

Nearly ¼ of partners **plan no engagement with outside firms** for assistance

**89% expect to engage** a vendor sponsored or approved agency for assistance

## Partners Confident with Digital Skills But Welcome Assistance



Digital Marketing was the #1 area for new hire skills

**50%** of partners cite full or part time resources **dedicated to digital marketing**

**73%** of partners cite having **digital marketing capabilities**

**45%** of partners ranked **digital marketing training and skills** for staff 1<sup>st</sup> or 2<sup>nd</sup> in terms of **most important** marketing support from vendors

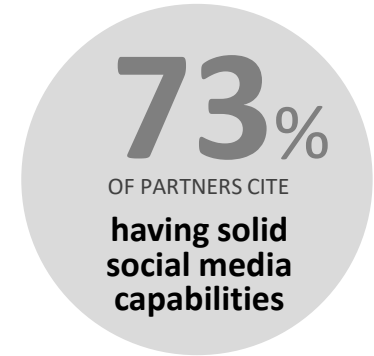


# Social Media and Content Marketing Emerge as Priorities

Social Marketing was the #2 area for new hire skills in marketing



full or part time  
resources for  
**content creation**



of partners track  
social media following  
and content consumption  
by prospects

# Partners Invest in Digital and Social – Need Vendor Help in Automation

## Skill Areas For New Marketing Hires

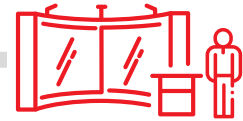
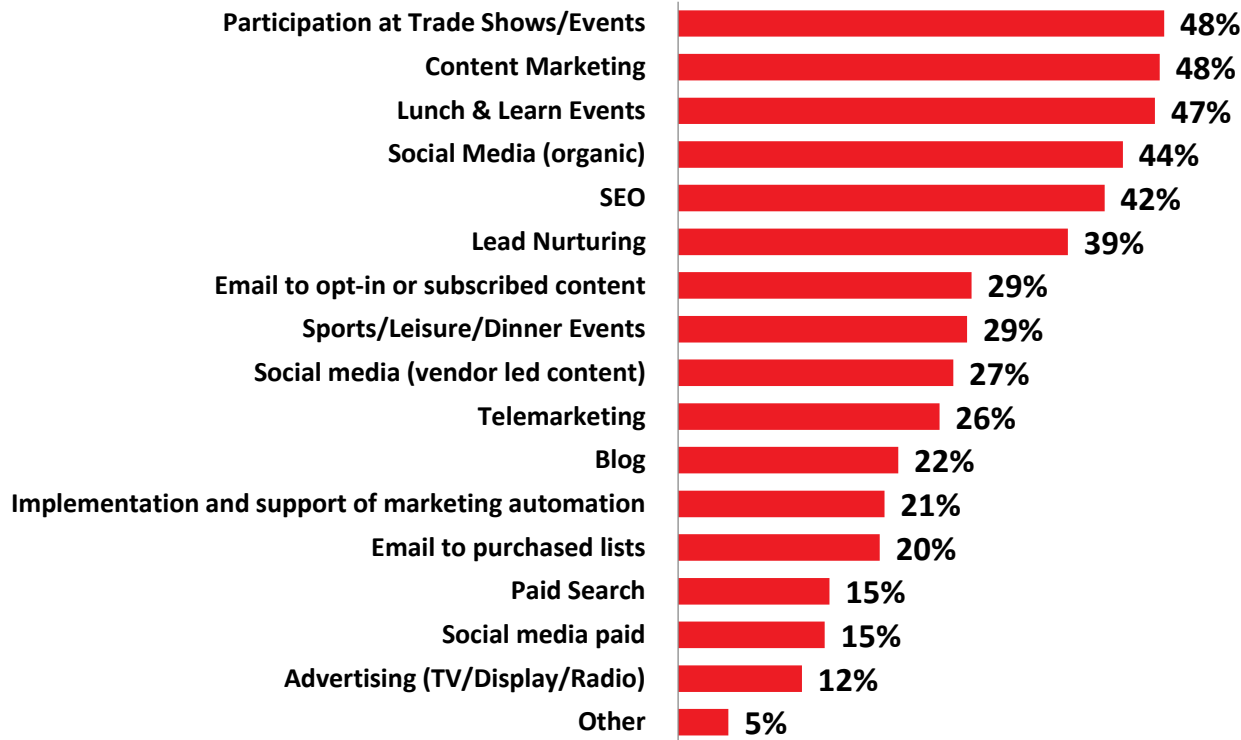


A combination of **digital and social skills** top priorities for new hires

**Analytics** fall further down the list – partners cite needing guidance as to how to optimize automation

# Partners Cite a Mix of Conventional and Digital Marketing

## Most Important Marketing Activities



**Events still top activities** but tied with Content Marketing

**Social and SEO** move up the list

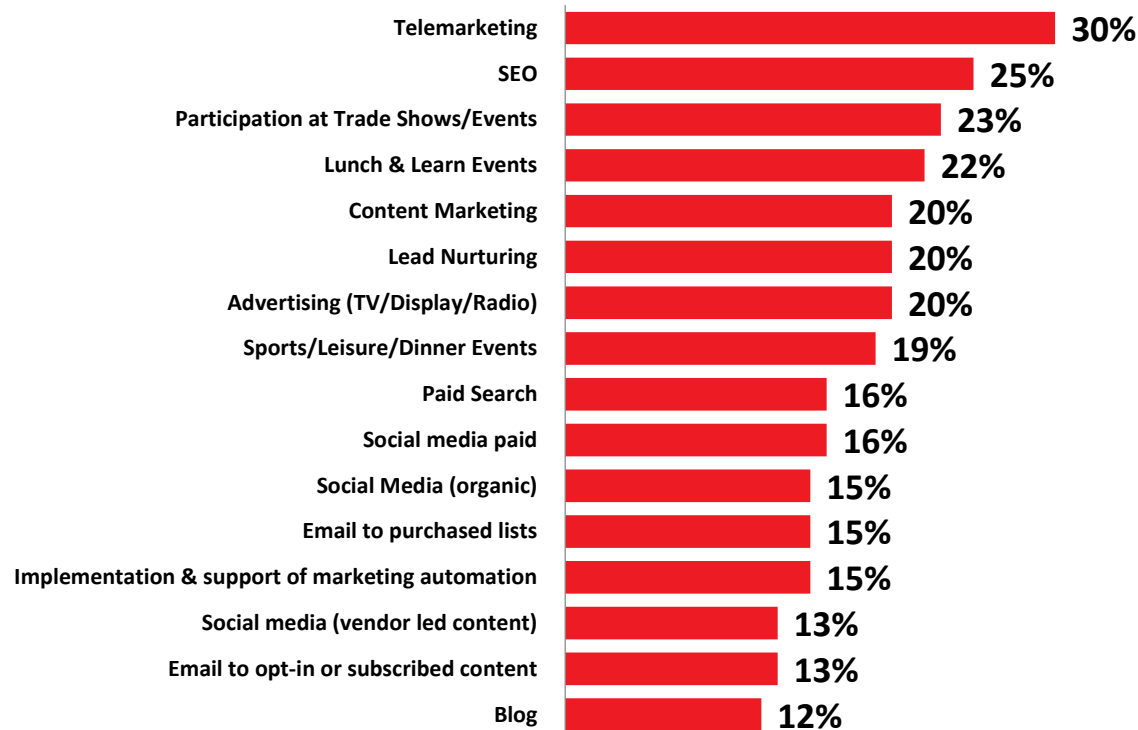
**Marketing automation down the stack** in terms of priority in favor of tactical activities

# Partners Confident in Core Skills But Not in Advanced Methods and Measurement



# Conventional Tactics Still Outpace Digital in Spending

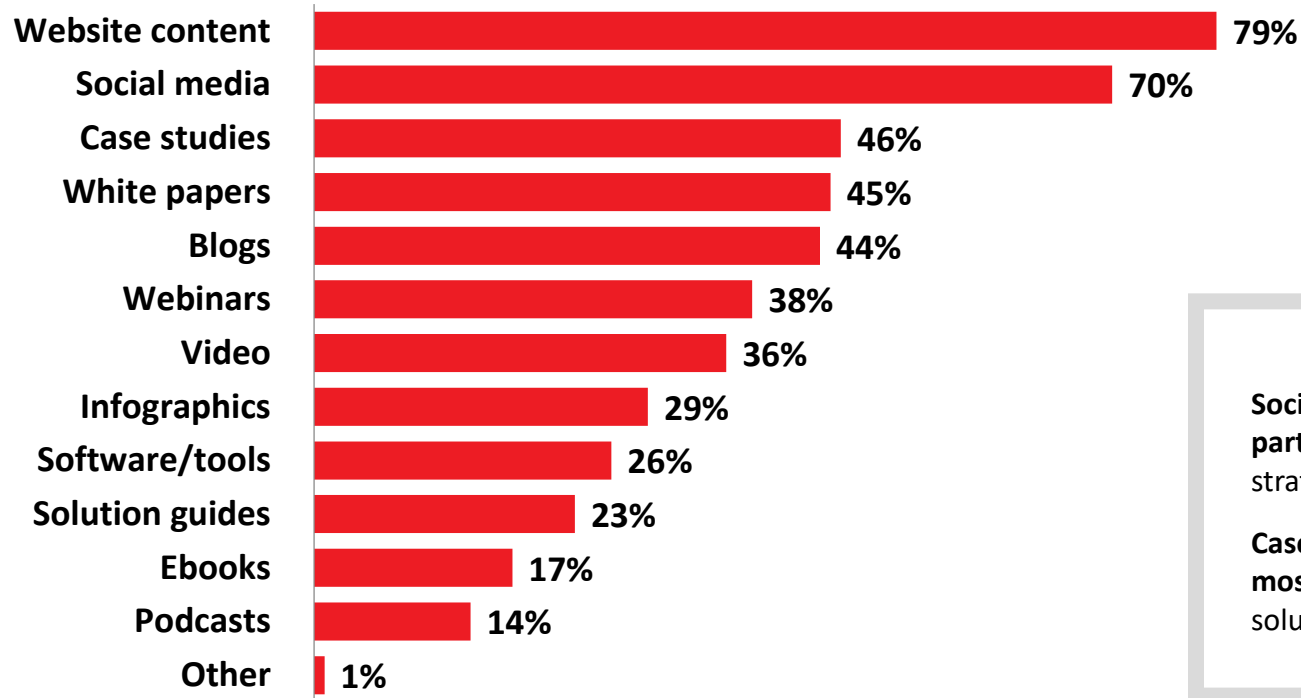
## % of Total Marketing Spend Allocated To Activities (Avg)



While partners state **social media is becoming more important** to customer connection/outreach, they still **spend more money on telemarketing**

# Partners Leverage a Mix of Content in Marketing Efforts

## Digital Content Elements Used in Marketing Efforts



**Social media becoming a critical part of the overall marketing strategy**

**Case studies continue to be the most useful piece of content for solution providers**

Please contact us if you need help or would like to set up advisory session or live webinar for your team!

Lisa Sabourin

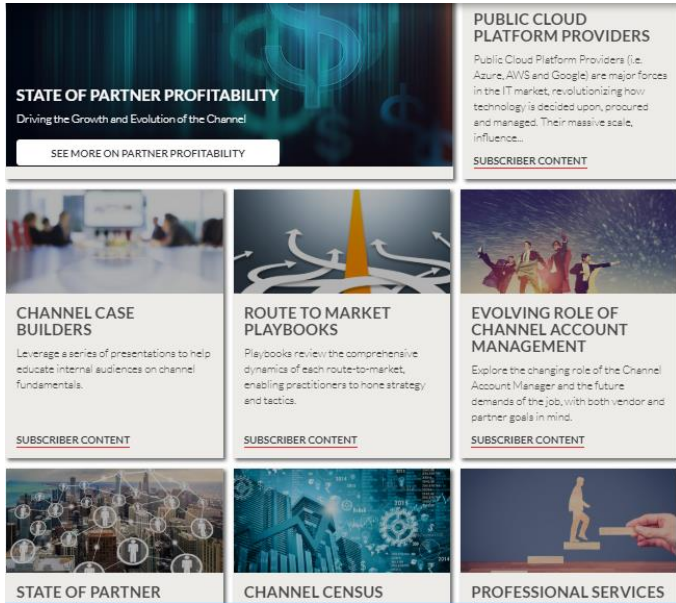
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