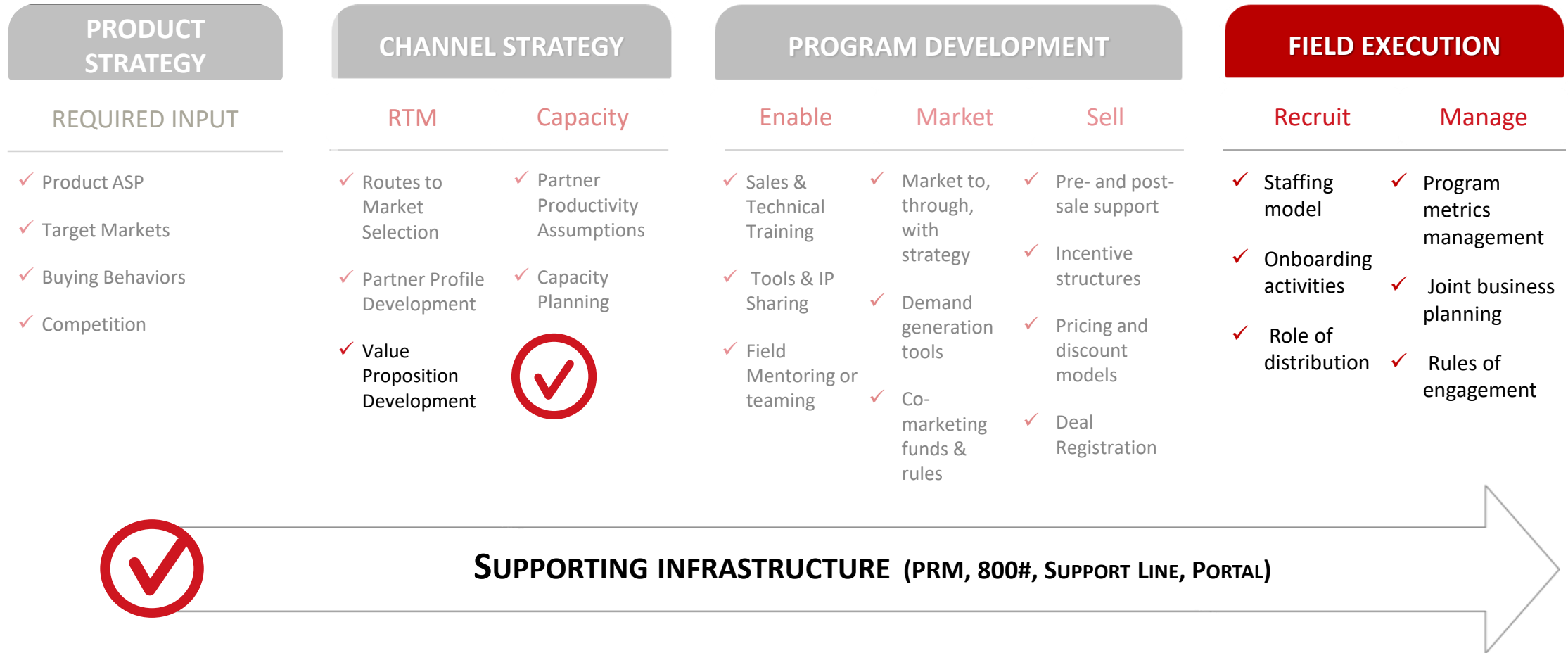
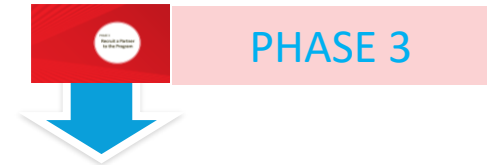


**PHASE 3**

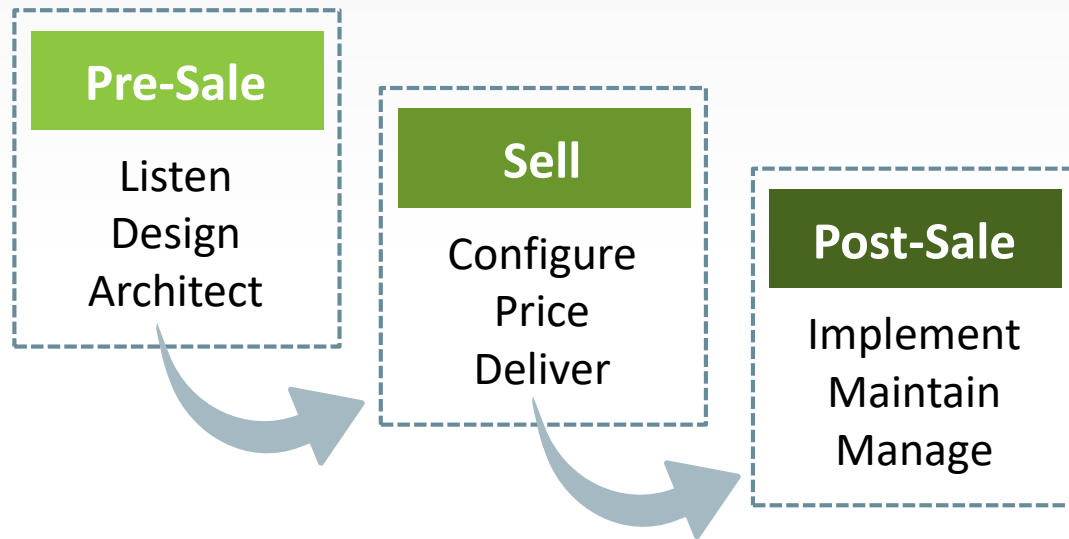
**Recruit a Partner  
to the Program**

# Field Recruiting Using the Partner Value Proposition

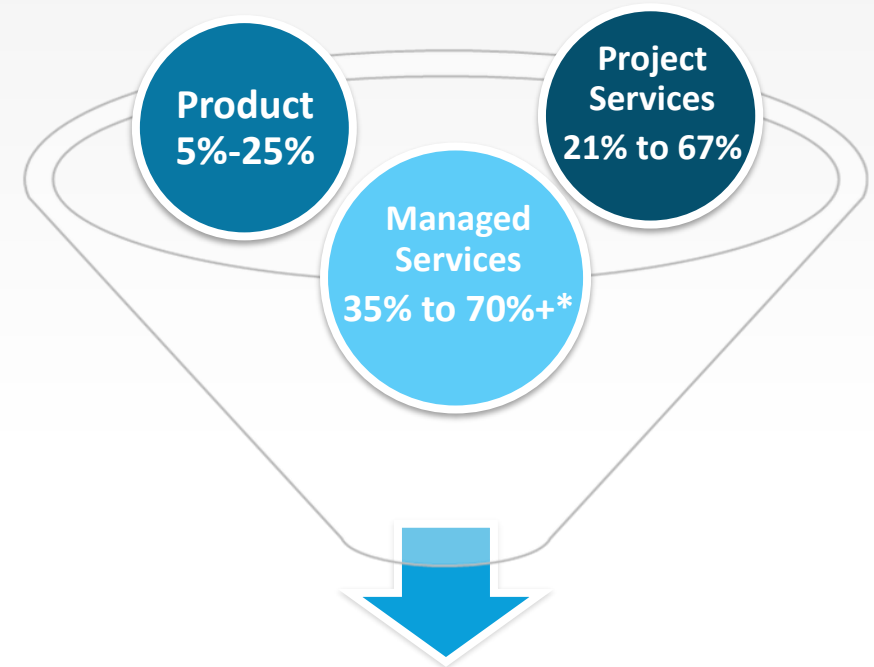


# What They Do to Make Money

The mix of what they do  
at the corresponding gross margin  
dictates profitability



ROI typically < 12 months



**Technology Line of Business  
or Company**

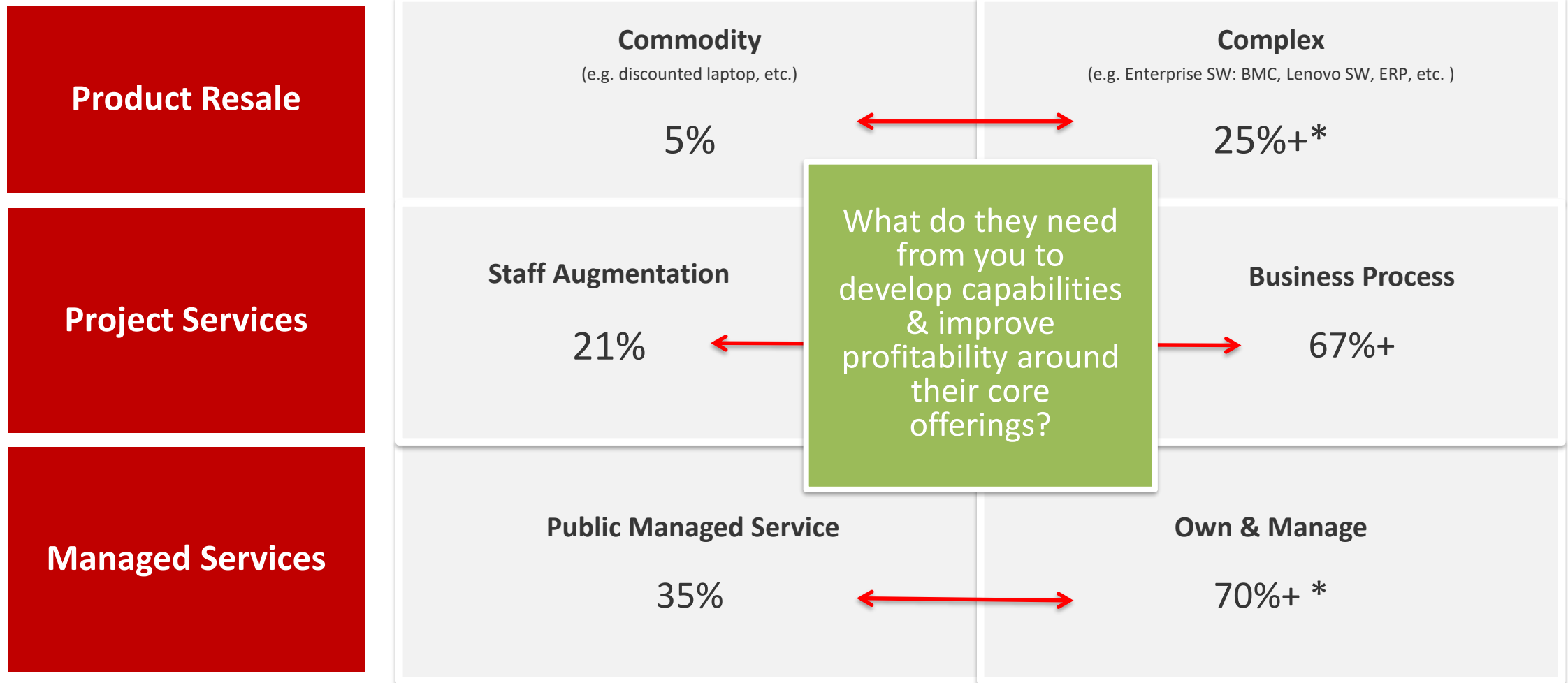
*Sample Average Gross Margins\**

\*IPED Profitability Study and SME: data directionally correct

\*IPED note: Managed Services Gross Margins may go as high as 100% when assets under management are owned by the MSP

# Do You Remember What They Do to Make Money?

Channel Masters Partner Panelist: "Typical MSP goal is 70% Gross Margins"



IPED Research Note: some MSP Gross Margins may go as high as 100% when assets are owned

\*IPED Research Note: some complex solutions, typically ERP, CAD, etc. software, result in 40% gross margins

# Phase 3: Recruit a Partner to the Program

## Workshop Exercise:

- **Develop:** a recruiting presentation
- **Goal:** for your ideal solution provider to join the partner program you have just created
- **Medium:** live presentation to the panel
- **Situation:** you previously met and gained sponsorship for an executive team meeting

*Note: Do not assume your audience understands the Customer or Partner Value Propositions from previous meetings.*

### Partner Value Proposition: Detailed View – Pick the Areas You Will Address

Category	The Questions Partners Ask – What's in it for them?
<b>SOLUTION VIABILITY</b>	<ul style="list-style-type: none"><li>• Do my Technicians vouch for it?</li><li>• Does the product work?</li><li>• Is it considered Best of Breed?</li><li>• Is it an open solution with easy integration?</li><li>• Would I bet my business on it?</li></ul>
<b>CUSTOMER DEMAND</b>	<ul style="list-style-type: none"><li>• What is the size of the target market?</li><li>• What are the use cases?</li><li>• How does it solve those business problems?</li><li>• Are customers asking for it?</li></ul>
<b>PROFIT POTENTIAL</b>	<ul style="list-style-type: none"><li>• How hard is it to ramp up?</li><li>• What are the GMs?</li><li>• What are my costs to sell and support?</li><li>• What investment do I need to make?</li><li>• How long until I break even?</li></ul>
<b>VENDOR CULTURE</b>	<ul style="list-style-type: none"><li>• Can I trust vendor claims?</li><li>• Is the vendor committed to the channel?</li><li>• Does the go to market plan favor the channel?</li></ul>
<b>SYNERGY &amp; DIFFERENTIATION</b>	<ul style="list-style-type: none"><li>• Will it set me apart from my competitors?</li><li>• Will it allow me to become more competitive?</li><li>• Does it offer the next adjacency to my current skills?</li></ul>

**CRITICAL KNOWLEDGE FOR PHASE 3**

# Now Articulate Your Value Proposition

How You Manage Your Partners Depends On WHO They Are .....  
As Well As "WHERE" They Are

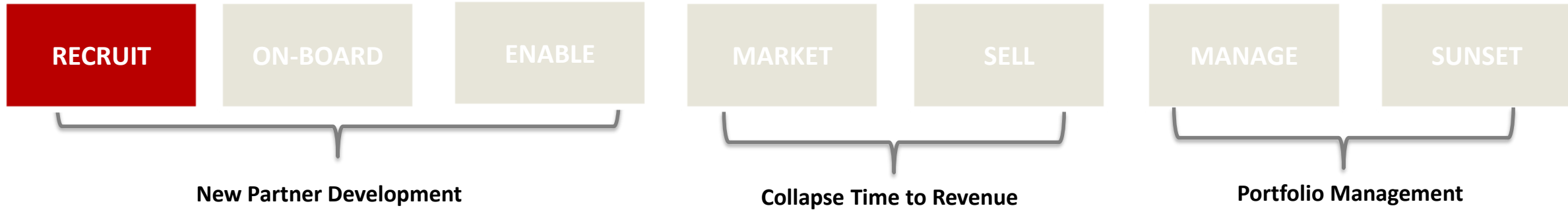


- How much effort / investment?
- How much revenue expected?
- How stable is the relationship?
- Which specific actions / tactics apply?

*Each discipline must be adapted to partner types (model / effectiveness / etc.) as well as relationship type & coverage model*

# Now Articulate Your Value Proposition

## How You Manage Your Partners Depends On WHO They Are ..... As Well As "WHERE" They Are



Q:

- How much effort / investment?
- How much revenue expected?
- How stable is the relationship?
- Which specific actions / tactics apply?

*Each discipline must be adapted to partner types (model / effectiveness / etc.) as well as relationship type & coverage model*

Always  
Be Visible

Reinforce  
Your Message

Demonstrate  
Your Value



**1.5 MILLION**  
Solution Providers

**MAKE CHOICES EVERY DAY**



# Recruiting Starts with the Ideal Partner Profile: see Worksheet #1 Ideal Partner Profile

## Where to find partners...

*Who Meet Your Profile*



*Beyond your Profile; You Want Well Run Businesses*

For managed accounts or competitive win-backs or strategic partner recruiting:

- Channel Account Managers must research the partner before recruitment call.
- Indicate why that particular partner is on your recruitment list... open your meeting with this. Start with Worksheet #1 Partner Profile.

- Partners **positioned for success** today and for the future...innovation and transformation
- Partners who **can execute** their business models and **are accountable** for results
- Partners who have mature / effective **project & recurring revenue** service practices
- Partners who **target** specific high-priority **vertical market segments**
- Partners who have effective **marketing / demand generation abilities**

**CRITICAL ACTION FOR PHASE 3**



**Value Proposition**

# Delivering the Value Proposition MSP-VAR View

## *A Partner's Assessment of Your Product & Program versus Other Choices*

### Solution Viability:

Would I bet my business on it?

Is the product best of breed?

Does it integrate easily?

### Customer Demand:

Pull vs. Push?

Is there sales momentum and customer desire for the product or service?

### Profit Potential:

ROI on Education, Demo Sets, etc.

Is there a compelling case for ROI and profitability?

### Vendor Culture:

Go to Market with Channel?

Is the go to market favorable to the channel?

Is trust established with the channel?

Are rules of engagement trustworthy?

### Synergy and Differentiation:

Am I the Correct Profile?

Is there an obvious adjacency with current offerings resulting in synergy with my existing business?

Does this solution differentiate me from competitors?

# Delivering the Value Proposition VAR-MSP View

## *A Partner's Assessment of Your Product & Program versus Other Choices*

### Solution Viability:

Would I bet my business on it?

### Customer Demand:

Pull vs. Push?

### Profit Potential:

ROI on Education, Demo Sets, etc.

### Vendor Culture:

Go to Market with Channel?

### Synergy and Differentiation:

Am I the Correct Profile?



The goal is not to convince a partner to sell your product, but to recognize a mutually-beneficial business opportunity... then commit to building the business together.

This is NOT a sales conversation, it's a **business investment conversation**. Your role is to help them see the opportunity and the beneficial synergies it brings to their business objectives.

## Partner Value Proposition

- Describe the **Solution**
- **Customer Value Proposition**
- Show the **Profit Potential**
- Highlight the **Vendor Culture**
- Point to **Synergy & Differentiation**

You will create a PowerPoint presentation to Recruit a Partner

*A Partner's Assessment of Your Product & Program versus Other Choices*

### Solution Viability:

Would I bet my business on it?

### Customer Demand:

Pull vs. Push?

### Profit Potential:

ROI on Education, Demo Sets, etc.

### Vendor Culture:

Go to Market with Channel?

### Synergy and Differentiation:

Am I the Correct Profile?

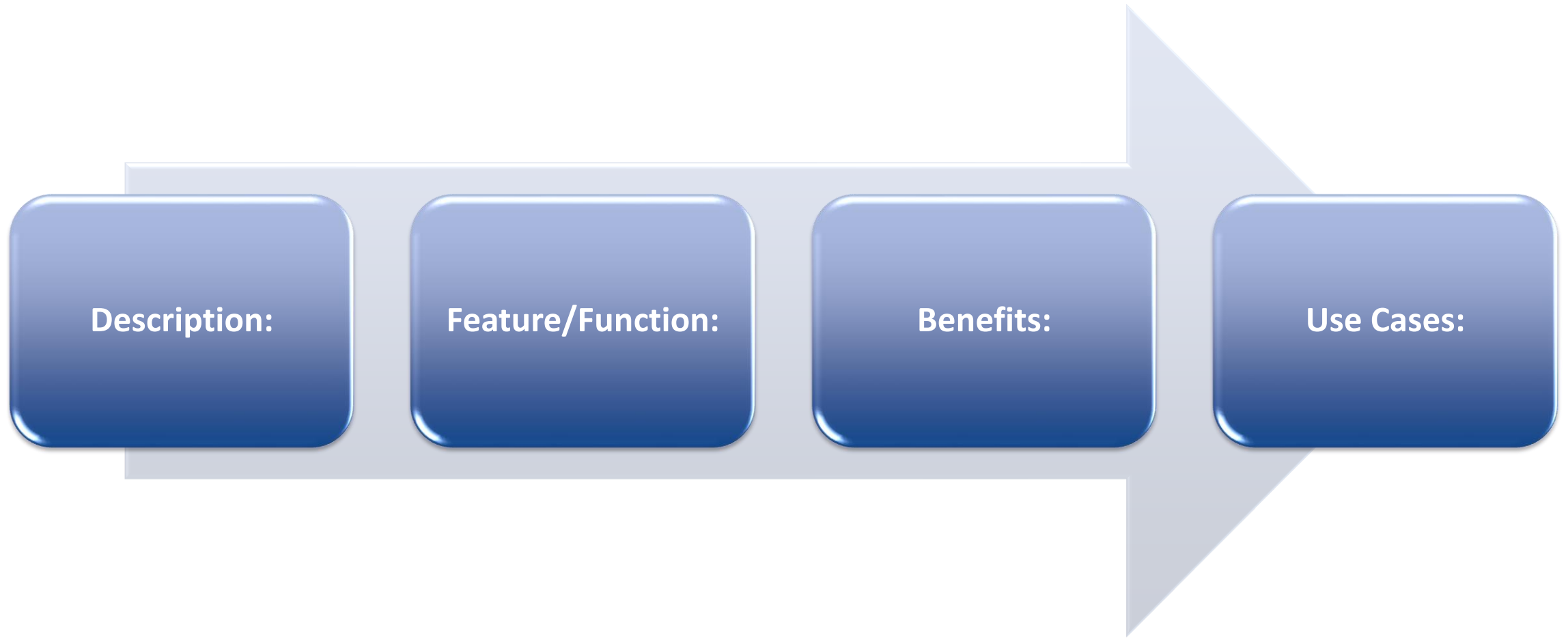
# Partner Value Proposition: Detailed View – Pick the Areas You Will Address

Simulation Phase 3

Category	The Questions Partners Ask = What's In It For Them?
<b>SOLUTION VIABILITY</b>	<ul style="list-style-type: none"> <li>• Do my technicians vouch for it?</li> <li>• Does the product work?</li> <li>• Is it considered Best of Breed?</li> <li>• Is it an open solution with easy integration?</li> <li>• Would I bet my business on it?</li> </ul>
<b>CUSTOMER DEMAND</b>	<ul style="list-style-type: none"> <li>• What is the size of the target market?</li> <li>• What are the use cases?</li> <li>• How does it solve those business problems?</li> <li>• Are customers asking for it?</li> </ul>
<b>PROFIT POTENTIAL</b>	<ul style="list-style-type: none"> <li>• How hard is it to ramp up?</li> <li>• What are the GMs?</li> <li>• What are my costs to sell and support?</li> <li>• What investment do I need to make?</li> <li>• How long until I break even?</li> </ul>
<b>VENDOR CULTURE</b>	<ul style="list-style-type: none"> <li>• Can I trust vendor claims?</li> <li>• Is the vendor committed to the channel?</li> <li>• Does the go to market plan favor the channel?</li> </ul>
<b>SYNERGY &amp; DIFFERENTIATION</b>	<ul style="list-style-type: none"> <li>• Will it set me apart from my competitors?</li> <li>• Will it allow me to become more competitive?</li> <li>• Does it offer the next adjacency to my current skills?</li> </ul>

CRITICAL KNOWLEDGE FOR PHASE 3

# Solution Viability - Describe the Solution





## Solution Viability - Describe the Solution

Because Exadata Express runs the newest enterprise database release plus options, it gives you access to exciting new features of Oracle Database 12c Release 2. For enterprise database experience. You do not need to worry about network or storage configuration, patching, upgrade or other DBA tasks. These activities are managed for you by Oracle, so no customer DBA is required. Exadata Express gives you the same

Oracle Database Exadata Express Cloud Service is the ideal entry-level service for running Oracle Database in Oracle Cloud. It delivers an affordable and fully managed Oracle Database 12c Release 2 experience, with enterprise options, running on Oracle Exadata. It is a great fit for small and medium sized production databases as well as development, testing and evaluation environments. For developers, Exadata Express provides easy access to advanced development features of Oracle Database, enabling you to rapidly create modern data-driven applications.



# Solution Viability - Describe the Solution

Because Exadata Express runs the newest enterprise database release plus options, it gives you access to exciting new features of Oracle Database 12c Release 2. For enterprise database experience. You do not need to worry about network or storage configuration, patching, upgrade or other DBA tasks. These activities are managed for you by Oracle, so no customer DBA is required. Exadata Express gives you the ease

## Description:

- An ideal entry level service to run Oracle DB
- An affordable fully managed DB with enterprise options & Exadata

## Feature/Function:

- Oracle DB 12c Release 2

## Benefits:

- No DBA required
- No configuration
- No patching or upgrades

## Use Cases:

- Production databases
- Development
- Test and evaluation environments

enterprise options, running on Oracle Exadata. It is a great fit for small and medium sized production databases as well as development, testing and evaluation environments. For developers, Exadata Express provides easy access to advanced development features of Oracle Database, enabling you to rapidly create modern data-driven applications.

### MSP Consumes

- May use to host services
- May place on-premise with a customer, but charge an MRR for the hardware

### Reseller Sells

- Accommodates a customer's need for on-premise equipment
- May resell as part of a solution that is not delivered as MRR



*“We have an appliance solution called Wolf Pack. 13% of our revenues are HW but we place these on premise as part of our managed networking solution for our customers. We then try not to sell one time charge, typically we bundle hardware and software into the Monthly Recurring Revenue.” (MRR).*

# HW as a Service

# Partner Value Proposition vs. Customer Value Proposition

What's the Difference



Partner Value Proposition



Customer Value Proposition

**Audience**

Partner: assess relevance, odds of success and ability to make money.

- Partner: during recruitment visualizes which Customers have the solution/product need.
- Customer: assesses need when the Partner sells solution

**Answers the Questions**

- What is the solution?
- Customer Value Proposition?
- What is the customer demand and market size?
- What must I do to invest?
- What is my likely return? By when?
- Will I differentiate myself from my competitors?
- Do I trust you/your company?

- What is the solution? Capabilities?
- What business problem does it solve?
- What is the demand ?
- What are the use cases?
- Who are the references?

# What is a Customer Value Proposition?



- The **Customer Value Proposition** is required, though not always made clear in communications
  - *Vendors often stop at Feature, Function, Benefit*
- The **Partner Value Proposition** is not complete without a Customer Value Proposition
- Product Marketing is typically the source for Customer Value Propositions
- If you do not provide it; CAMs will make it up!!!

Category	The Questions Partners Ask = What's In It For Them?
CUSTOMER DEMAND	<ul style="list-style-type: none"><li>• What is the size of the target market?</li><li>• What are the use cases?</li><li>• How does it solve those business problems?</li><li>• Are customers asking for it?</li></ul>

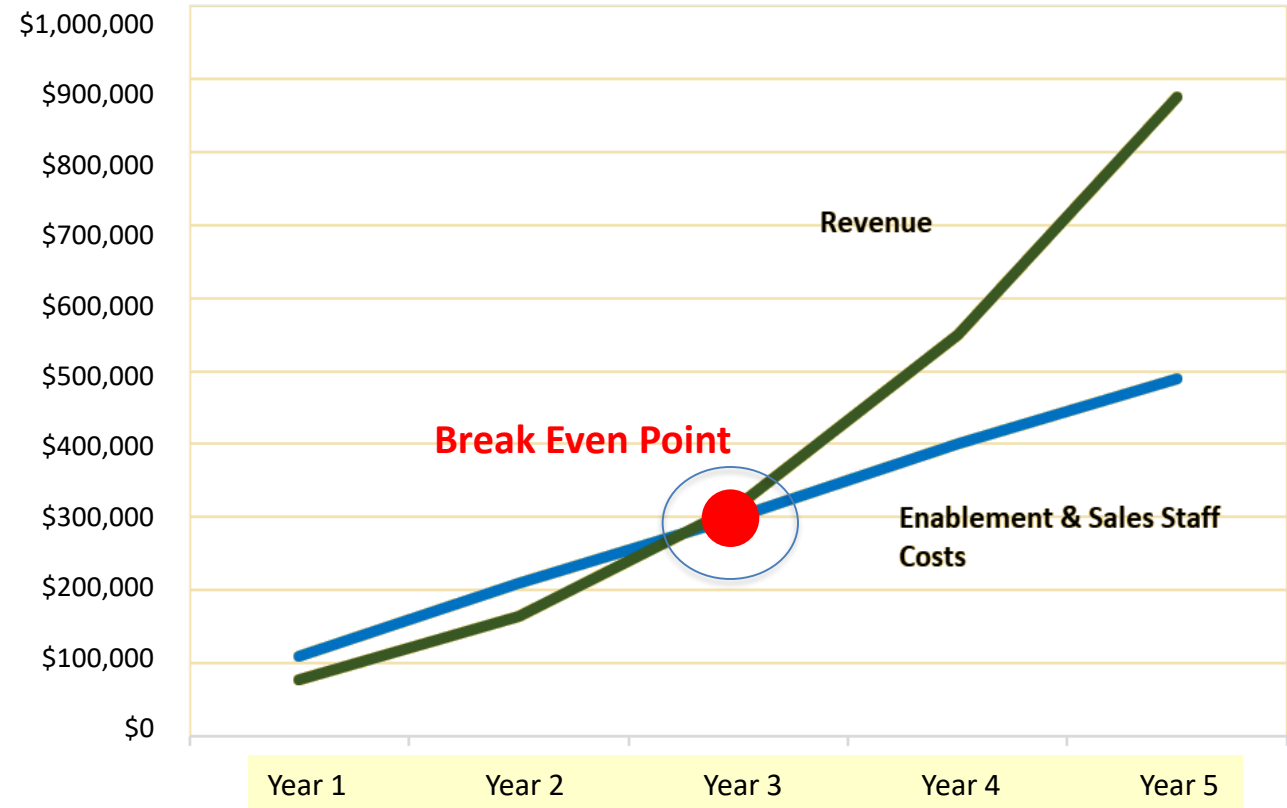
Customer Value Prop

# In a Perfect World, Break Even Would Accompany the Partner Value Proposition

## Sample Break Even Analysis



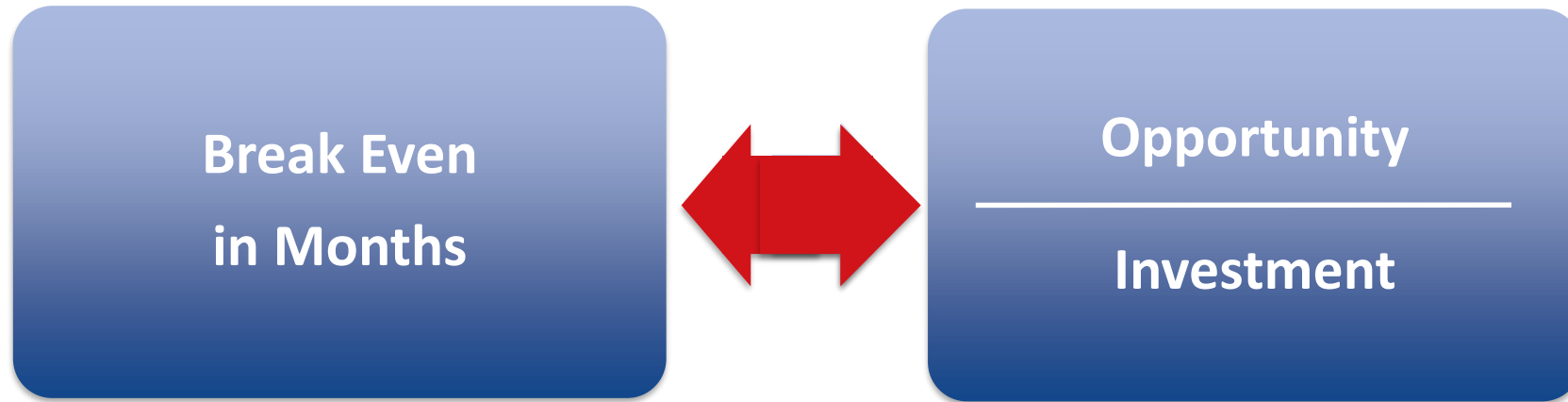
Partners typically invest in technologies where they break even in less than 12 months!



- Data Illustrative Only -

# Time to Break Even Calculation...It's Simply Math

*"I want you to invest..."*



*"I want you to invest...here's what's in it for you."*



Opportunity

---

Investment

## Qualitative:

- Innovative and reliable technology
- Brand strength & market presence
- Ability to differentiate in their markets
- Relationship with you, the Vendor

## Quantitative:

- **Revenue and profits over a period of time projected by month**
- Incentives
- Program support & cost off-sets (sales, marketing, technical, service program benefits (GETS))

*"I want you to invest..."*

## Opportunity

---



## Investment

- Program fees
- Sales Training
- **Technical Training tuition & travel**
- **Technical Training opportunity cost (technical time lost billing @ maybe \$200/hr.)**
- Certification & testing expense
- Marketing
- Demo Sets, etc.
- Incremental staff to be hired



# Service Attach Rates for CloudOne from the Navigator Handbook



- Average Sales Price of the Solution
- Partner Services Assumptions

Your Services Opportunity	CloudOne on Premise	CloudOne as a Service
Pre-sales consulting, billed as a one time charge:	\$7,500	\$4,500
Implementation services, billed as a one time charge:	\$12,500	\$9,000
Additional Managed Services:	~ \$550 Per month / per system	~ \$550 Per month / per system
Product Resale Available at 25% Discount	CloudOne on Premise	CloudOne as a Service
CloudOne List Price	\$50,000	\$1,000/month

# Profit Potential - Gross Margin Math: CloudOne

## Gross Margins for Spreadsheet



SMB as a Service						
	Monthly or OTC	Monthly Revenue	OTC Revenue	GM	Monthly Profit	OTC Profit
Pre-sales consulting	na	0	0			\$0
<a href="#">CloudOne Service (\$1,000/month)</a>	MRR	\$1,000	0	25%	\$250	
Implementation	OTC	0	\$3,600	32%		\$1,152
Managed Services (\$550 @ 36 mos)	MRR	\$550		42%	\$231	
	Total Rev & Profit Est.	\$1,550	\$3,600		\$481	\$1,152
Mid-market, Dept. Enterprise as a Service						
	Monthly or OTC	Monthly Revenue	OTC Revenue	GM	Monthly Profit	OTC Profit
Pre-sales consulting	OTC	0	\$5,400	32%		\$1,728
<a href="#">CloudOne Service (\$1,000/month)</a>	MRR	\$1,000	0	25%	\$250	
Implementation	OTC	0	\$9,000	32%		\$2,880
Managed Services (\$550)	MRR	\$550	0	42%	\$231	
	Total Rev & Profit Est.	\$1,550	\$14,400		\$481	\$4,608
Mid-market, Dept. Enterprise On-premise						
	Monthly or OTC	Monthly Revenue	OTC Revenue	GM	Monthly Profit	OTC Profit
Pre-sales consulting	OTC	0	\$7,500	32%		\$2,400
<a href="#">CloudOne Appliance</a>	OTC	0	\$50,000	25%		\$12,500
Implementation	OTC	0	\$12,500	32%		\$4,000
	Total Rev & Profit Est.	0	\$70,000			\$18,900

# Assume 30 Day Lag from Sale to Revenue: Use These or Make Your Own Assumptions!



Month	Activity	Revenue by Month
January	Staff, Target Accounts	none
February	Train & Sell	none
March	Close SMB service	none
April	Close SMB service	SMB service
May	Close Mid-market service	SMB service
June	Close Departmental Enterprise on prem	Mid-market service
July	Close Mid-market service	Enterprise on premise
August	Close Mid-market on prem	Mid-market service
September	Departmental Ent. on premise	Mid-market on prem
October	Close Mid-market on premise	Enterprise on prem
November	Close Mid-market on premise	Mid-market on prem
December	Close SMB service	Mid-market on prem
January	none	SMB service

## Is this a Reasonable Scenario?

2 months  
-Hire, Train, Sell

Then close one/month for 10 months  
2 Enterprise On Prem  
4 SMB as a Service  
1 Mid-market as a Service  
3 Mid-market on Prem

**Investments:** Use existing reps

**No Sales Rep** \$125,000 fully loaded full time  
\$10,417/mo

**Tech Education Opp Cost** \$4,800 \$1600/day @ 3 days

**Marketing** \$5,000 MDF, two increments available, matched \$ set aside in case asked to match

**Waive MDF matching \$ requirement if ROI is too long**

# Profit Potential: MacroSoft CloudOne ROI



		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Jan	Hire, Train, Sell													
Feb	Sell													
Mar	Sell, Close													
Apr	Sell, Implement, Invoice/SMB Serv, Close				\$1,633	\$481	\$481	\$481	\$481	\$481	\$481	\$481	\$481	\$481
May	Sell, Implement, Invoice/SMB Serv, Close					\$1,633	\$481	\$481	\$481	\$481	\$481	\$481	\$481	\$481
Jun	Sell, Implement, Invoice/MM Serv, Close						\$5,089	\$481	\$481	\$481	\$481	\$481	\$481	\$481
Jul	Sell, Implement, Invoice/ent on-prem, Close							\$18,900						
Aug	Sell, Implement, Invoice/MM serv, Close								\$5,089	\$481	\$481	\$481	\$481	\$481
Sep	Sell, Implement, Invoice/ MM serv, Close									\$5,089	\$481	\$481	\$481	\$481
Oct	Sell, Implement, Invoice/Ent on-prem, Close										\$18,900			
Nov	Sell, Implement, Invoice/MM sserv, Close											\$5,089	\$481	\$481
Dec	Sell, Implement, Invoice/Ent on-prem, Close												\$18,900	
Jan	Sell, Implement, Invoice/SMB Serv, Close													\$1,633
	Monthly Gross Margin \$				\$1,633	\$2,114	\$6,051	\$20,343	\$6,532	\$7,013	\$21,305	\$7,494	\$21,786	\$4,519
	Monthly Investment Costs \$	\$4,800	\$5,000	\$0	\$0	\$0	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
	Use existing sales reps													
	Education opportunity cost	\$4,800												
	MDF Match		\$5,000					\$5,000						
		\$4,800	\$5,000	\$0	\$0	\$0	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
	Cum Gross Margin \$	\$0	\$0	\$0	\$1,633	\$3,747	\$9,798	\$30,141	\$36,673	\$43,686	\$64,991	\$72,485	\$94,271	\$98,790
	Cum Investment Cost \$	\$4,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$14,800	\$14,800	\$14,800	\$14,800	\$14,800	\$14,800	\$14,800

Chart spreadsheet →

Partner Gross Margins

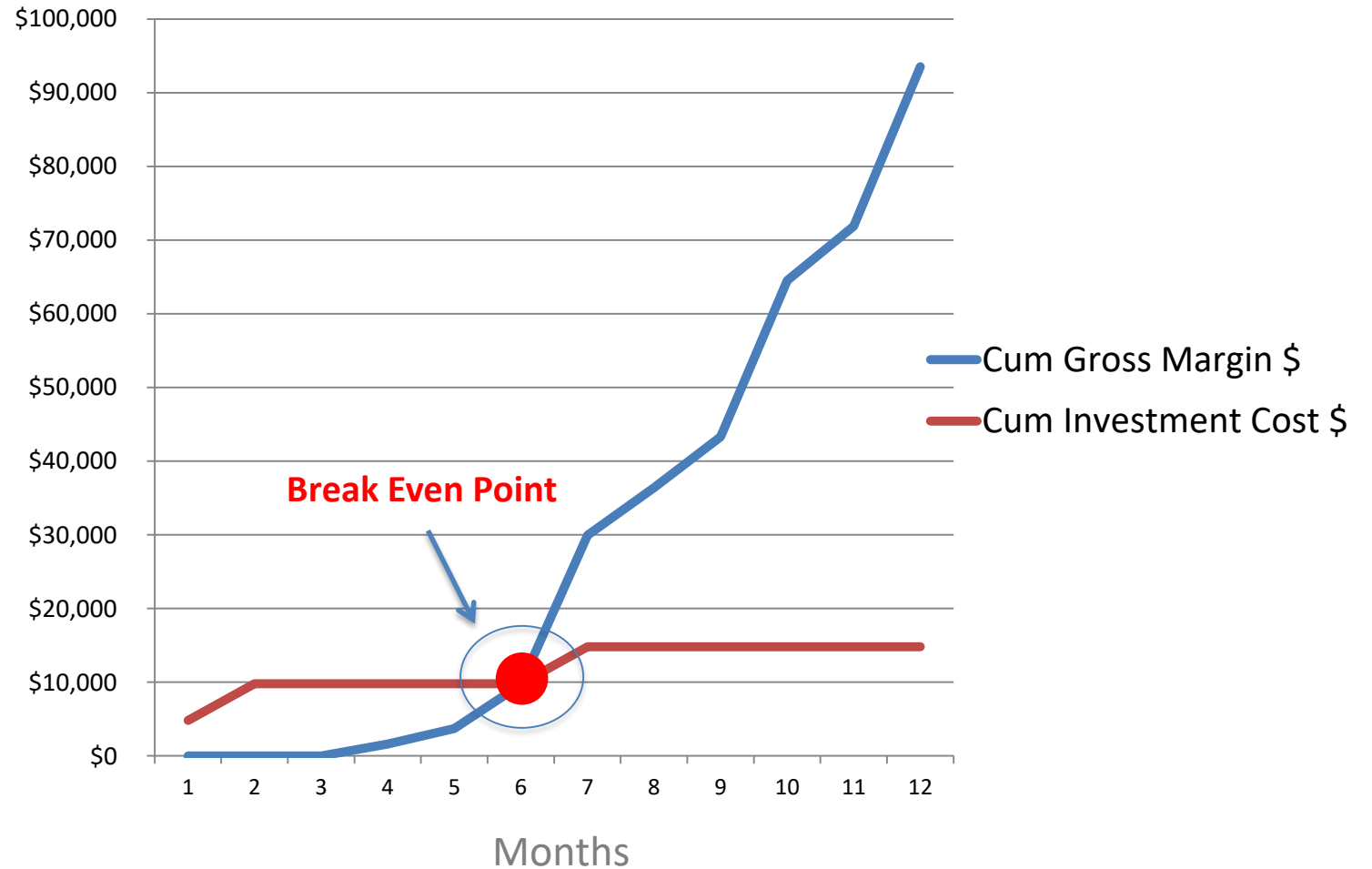
Partner Investment

# In a Perfect World Break Even Would Accompany the Value Proposition

## Sample Break Even Analysis



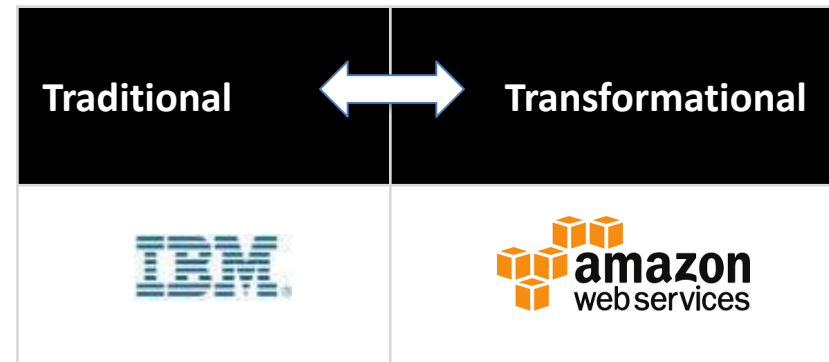
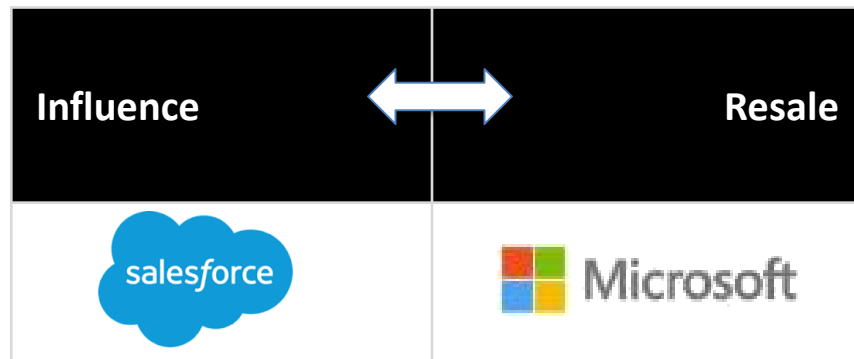
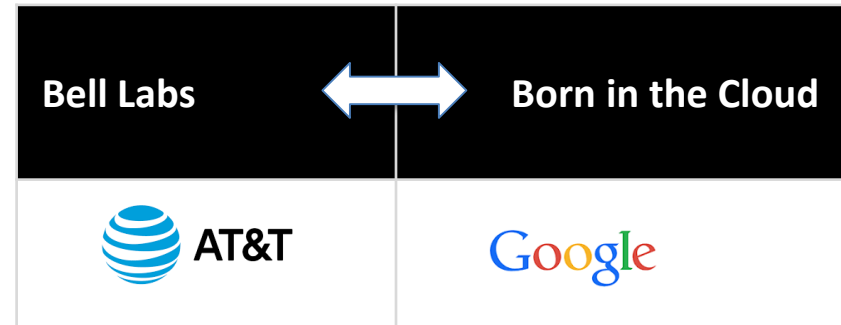
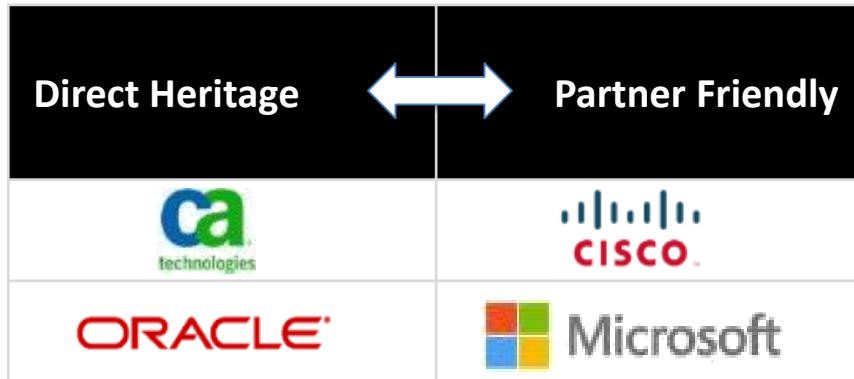
Partners typically invest in technologies where they break even in less than 12 months!



- Data Illustrative Only -

# Vendor Culture

Category	The Questions Partners Ask = What's In It For Them?
<p style="text-align: center;"><b>VENDOR CULTURE</b></p>	<ul style="list-style-type: none"> <li>• Can I trust vendor claims?</li> <li>• Is the vendor committed to the channel?</li> <li>• Does the go-to-market plan favor the channel?</li> </ul>



# Synergy & Differentiation

Category	The Questions Partners Ask = What's In It For Them?
SYNERGY & DIFFERENTIATION	<ul style="list-style-type: none"> <li>• Will it set me apart from my competitors?</li> <li>• Will it allow me to become more competitive?</li> <li>• Does it offer the next adjacency to my current skills?</li> </ul>

**IPED Adjacencies?**  
*In which programs do your targets participate?*

	Applications	Telephony	Networking	Data Center
	<input type="checkbox"/> Office 365, ERP/SCM, Vertical, etc.	<input type="checkbox"/> On-prem PBX	<input type="checkbox"/> Routers, Hubs	<input type="checkbox"/> Servers
	<input type="checkbox"/> DevOps, Containers	<input type="checkbox"/> Cabling, Batteries	<input type="checkbox"/> Security	<input type="checkbox"/> Storage
	<input type="checkbox"/> AWS, Azure Dev/Production	<input type="checkbox"/> Wireless	<input type="checkbox"/> SDN, SD WAN	<input type="checkbox"/> Systems Mgt. Software
	<input type="checkbox"/> IoT Platform Dev.	<input type="checkbox"/> Unified Comms	<input type="checkbox"/> Unified Comms	<input type="checkbox"/> VDI, Business Intelligence (BI)
	<input type="checkbox"/> Business Intelligence (BI)	<input type="checkbox"/> Voice & Data	<input type="checkbox"/> Comm as a Service	<input type="checkbox"/> IaaS, BDR, etc.
		<input type="checkbox"/> Managed PBX		

*“How am I different than every other Cisco Gold?”*

**Blue** in Stack heading indicates IT Capabilities  
**Red** in Stack heading indicates OT Capabilities

We also have an IoT/AI version of these adjacencies

# **Team Workshop**

Recruit a Partner to the Program



# Team Workshop Phase 3 – Reading the Navigator Handbook

## Navigator (Simulation) Overview

- Pages 4-6

## The Business Environment

- Pages 7-14
- The Product: “MacroSoft’s CloudOne Appliance”
- Traditional Resell Offering: ASP \$50,000
- Managed Services Offering: ASP \$1,000 per mo./per appliance
- Target market: SMB, upper mid market, departmental usage in enterprise customers
- Competitive Landscape: limited to one major appliance vendor, but many larger HW & SW vendors claim capabilities via alliance or OEM relationships
- Single tier channel of highly productive HW & SW VARs with solution and managed services capabilities. Annual revenues of \$3M+ and growing

## Phase 3: Recruit the Right Partner

- ✓ Present your Value Proposition to the partner company owner: Page 23

### TEAM WORKSHOP PHASE 3

■ RECRUIT THE RIGHT PARTNER

**Assignment**

As a team your assignment is to complete the following activities:

- Review the presentation template
- Discuss the partner value proposition components outlined in the lecture based on the case study material
- Develop a 10-minute recruitment pitch designed to get the prospective partner to say “yes” to partner with you on the new product offering described in the case study
- Select spokespeople and practice your delivery (leave at least 15 minutes at the end of your working session to make sure you know what you are going to say). Remember this is essentially a “partner recruitment sales call” so the verbal communications will be as important as the charts.
- The solution provider panel will grade each team and the scores will be added to the scores from Phases 1 and 2

**Time allocation**

- Team Presentation: 13 Minutes

**Information for your assignment**

- The solution provider panel will consist of REAL partners that are in role-play mode. They have been briefed in advance. This is a safe learning environment and they realize you and your team are here to learn.
- There will be 3 - 5 panelists, but all will be playing the same role of company owner.
- Use the information provided in the lecture material combined with the investments decisions you made in Phases 1 and 2
- During your presentation, the solution provider panel will grade your team on the following criteria:
  - **Solution Viability:** Would I bet my business on it? Is the product best of breed? Does it integrate easily?
  - **Customer Demand:** Is the product sales environment “Pull vs. Push”? Is there sales momentum and customer desire for the product or service?
  - **Profit Potential:** Is there a compelling case for ROI and profitability?
  - **Vendor Culture:** Is the go to market favorable to the channel? Is trust established with the channel? Are rules of engagement trustworthy?
  - **Synergy & Differentiation:** Am I the correct profile? **Synergy:** Is there an obvious adjacency with my current offerings resulting in synergy with my existing business? **Differentiation:** Does this solution differentiate me from my competitors?

**Final Deliverable**

- 4-6 slide Powerpoint presentation emailed to Lisa Sabourin before you leave the work session.

*After this session, we will tally the final scores and present the winning team with their prize!*

# Phase 3: Recruit The Right Partners

## Workshop Exercise:

- ✓ **Develop:** a recruiting presentation
- ✓ **Goal:** for your ideal solution provider to join the partner program you have just created
- ✓ **Medium:** simulated live recruitment meeting
- ✓ **Situation:** you previously met and gained sponsorship for a meeting with the company owners

*Note: Do not assume your audience understands the Customer or Partner Value Propositions from previous meetings*

### Partner Value Proposition: Detailed View – Pick the Areas You Will Address

Category	The Questions Partners Ask = What's In It For Them?
<b>SOLUTION VIABILITY</b>	<ul style="list-style-type: none"><li>• Do my technicians vouch for it?</li><li>• Does the product work?</li><li>• Is it considered Best of Breed?</li><li>• Is it an open solution with easy integration?</li><li>• Would I bet my business on it?</li></ul>
<b>CUSTOMER DEMAND</b>	<ul style="list-style-type: none"><li>• What is the size of the target market?</li><li>• What are the use cases?</li><li>• How does it solve those business problems?</li><li>• Are customers asking for it?</li></ul>
<b>PROFIT POTENTIAL</b>	<ul style="list-style-type: none"><li>• How hard is it to ramp up?</li><li>• What are the GMs?</li><li>• What are my costs to sell and support?</li><li>• What investment do I need to make?</li><li>• How long until I break even?</li></ul>
<b>VENDOR CULTURE</b>	<ul style="list-style-type: none"><li>• Can I trust vendor claims?</li><li>• Is the vendor committed to the channel?</li><li>• Does the go to market plan favor the channel?</li></ul>
<b>SYNERGY &amp; DIFFERENTIATION</b>	<ul style="list-style-type: none"><li>• Will it set me apart from my competitors?</li><li>• Will it allow me to become more competitive?</li><li>• Does it offer the next adjacency to my current skills?</li></ul>

Simulation Phase 3

CRITICAL KNOWLEDGE FOR PHASE 3

IPED Consulting

164

***This page matters, it is your content!!!***

# Likely Partner Value Proposition Presentation Components (Order)

*Hint: Introduce yourselves, why you want them & why you're there!!!*

In the real world, a competitive program is necessary as partners have alternatives.

Selling that program is critical.

Your time is limited; determine how best to present these in a face to face scenario.

Then present it!

## **MacroSoft CloudOne Appliance**

*Define the solution, customer value prop including: customer use cases, key customer benefits*



## **The Market**

*Describe the customer target market, competition and market opportunity*



## **Partner Opportunity**

*Outline the Partner Value Prop product, services and managed offering assumptions and opportunities to profit. Given more time calculate Break Even Chart (do the math).*



## **Our Investments**

*Propose a business relationship; outline what the partner is expected to invest and what you will provide as a vendor*

*Present your Program Give to Gets*



## **Getting Started**

*Outline next steps*

# How Will Partners Score Your Presentation?

**Recruit a Partner to the Program Judging Scoring Sheet**

Team # \_\_\_\_\_

**CHANNEL NAVIGATOR**

JUDGING CRITERIA	SCORE
<b>SOLUTION VIABILITY</b> Would I bet my business on it? Is the product best of breed? Does it integrate easily? Comments:	<input type="checkbox"/> TOTAL POSSIBLE POINTS = 20
<b>CUSTOMER DEMAND</b> Is the product sales environment "Pull vs. Push"? Is there sales momentum and customer desire for the product or service? Comments:	<input type="checkbox"/> TOTAL POSSIBLE POINTS = 20
<b>PROFIT POTENTIAL</b> Is there a compelling case for ROI and profitability? Comments:	<input type="checkbox"/> TOTAL POSSIBLE POINTS = 20
<b>VENDOR CULTURE</b> Is the go to market favorable to the channel? Is trust established with the channel? Are rules of engagement trustworthy? Comments:	<input type="checkbox"/> TOTAL POSSIBLE POINTS = 20
<b>SYNERGY &amp; DIFFERENTIATION</b> Am I the correct profile? <b>Synergy:</b> Is there an obvious adjacency with my current offerings resulting in synergy with my existing business? <b>Differentiation:</b> Does this solution differentiate me from my competitors? Comments:	<input type="checkbox"/> TOTAL POSSIBLE POINTS = 20
<b>TOTAL POINTS</b> <input type="checkbox"/>	

Judge: \_\_\_\_\_ Print name

**ChannelMasters®**

June 2019 Kickoff Workshop – Phase 3

## SOLUTION VIABILITY

Would I bet my business on it? Is the product best of breed?  
Does it integrate easily?

## CUSTOMER DEMAND

Is the produce sales environment "Pull vs. Push"?  
Is there sales momentum and customer desire for the product or service?

## PROFIT POTENTIAL

Is there a compelling case for ROI and profitability?

## VENDOR CULTURE

Is the go to market favorable to the channel? Is trust established with the channel? Are rules of engagement trustworthy?

## SYNERGY & DIFFERENTIATION

Am I the correct profile? **Synergy:** Is there an obvious adjacency with **my** current offerings resulting in synergy with my existing business?  
**Differentiation:** Does this solution differentiate me from my competitors?

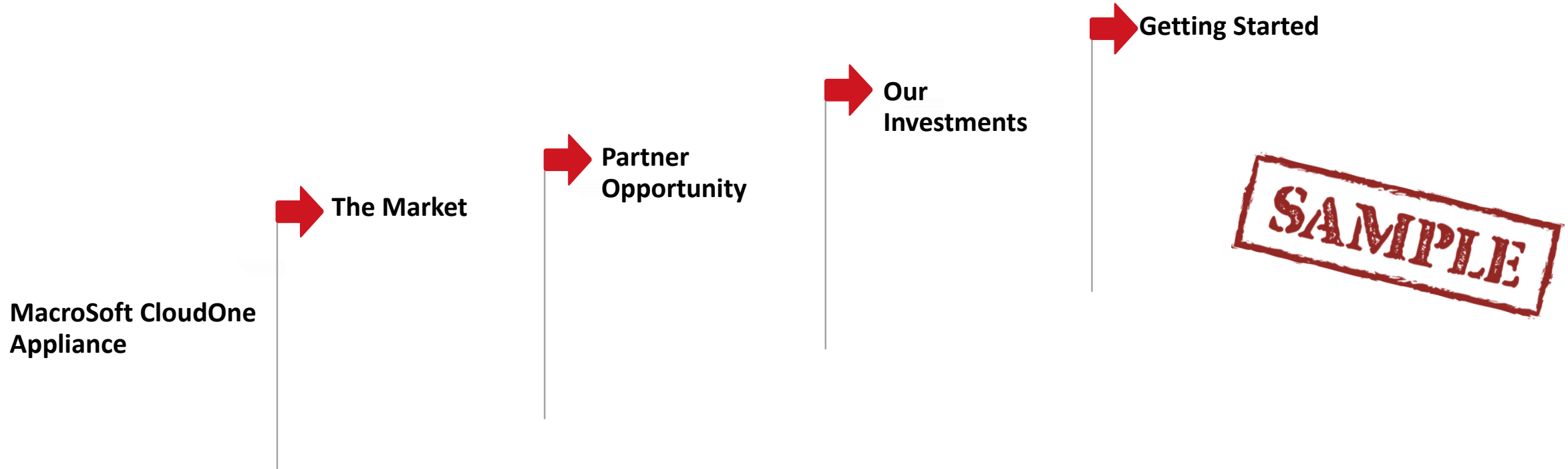
Cloud One Appliance



MacroSoft

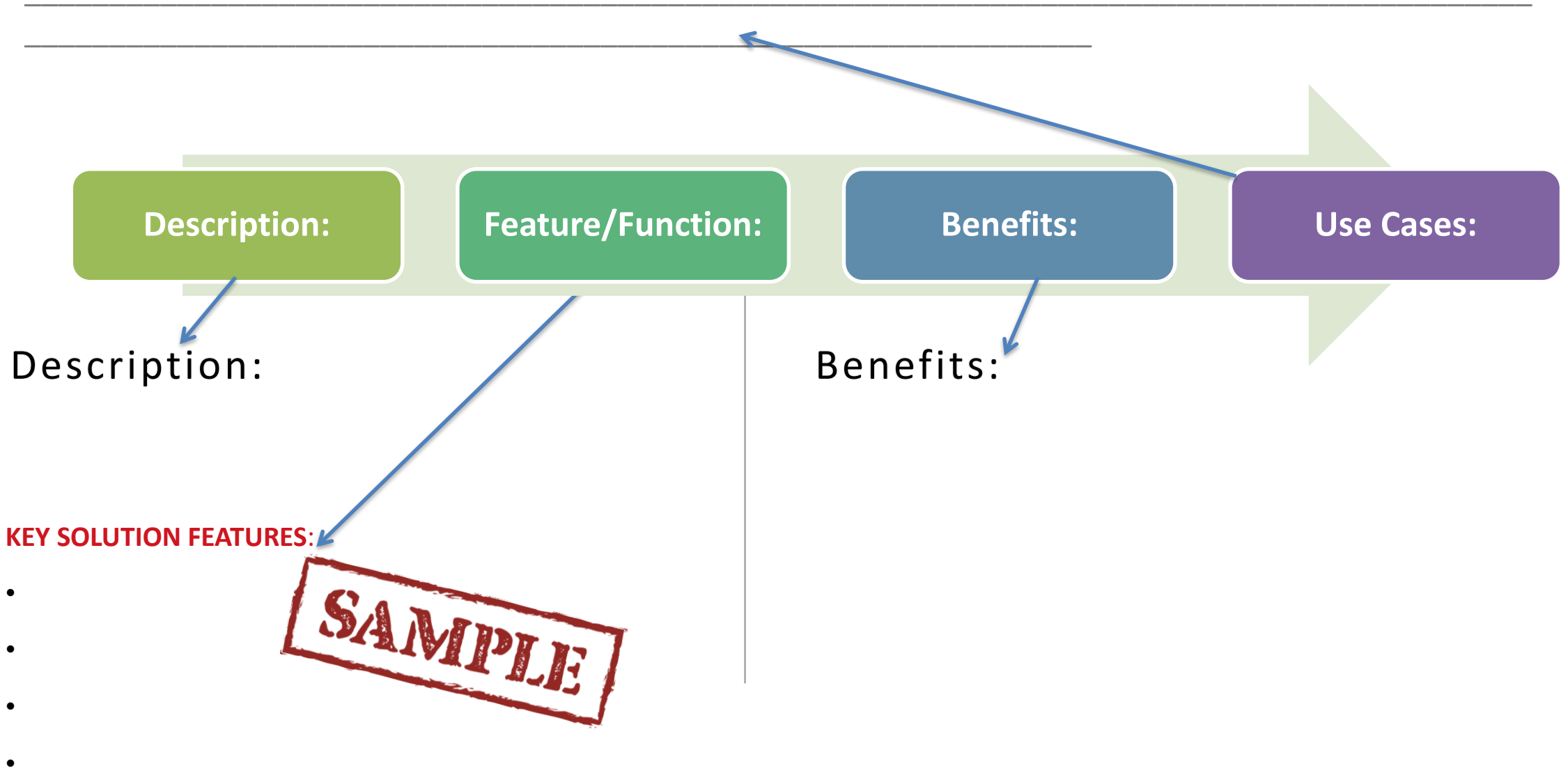
# Today's Discussion

Potential Talk Track: Thank you for taking the time today ... Your company is of specific interest to us because You fit the profile of a partner who can make significant money with MacroSoft.  
We are looking for Partners who: ...



# Start with Customer Needs, then Describe the Solution and How it Addresses the Needs

Do You Have Customers with These Needs?



# Describe the Market

## Indicate:

Market size \_\_\_\_\_  
\_\_\_\_\_

Growth rates \_\_\_\_\_  
\_\_\_\_\_

## Describe:

Target buyers \_\_\_\_\_  
\_\_\_\_\_

Competition \_\_\_\_\_  
\_\_\_\_\_

MacroSoft go to market plans \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_





# The Opportunity

For partners who meet the Ideal Partner Profile, lay out the opportunity.

CloudOne product revenue and gross margins for both On-premise and As a Service model

Pre- and post-sales project based services, and/or additional managed services when CloudOne is sold as a service

**SAMPLE**

Describe how the box can be placed on-premise via resale/managed service or how it may be consumed by the partner for a managed service.

Answer how adding offerings that leverage this appliance might differentiate this partner from others who don't offer this appliance or solution? (optional)

**Please use your skills to title appropriately**

# Our Program Investment

## Partner benefits (Give)

- 
- 
- 



e.g. Benefits: what I, the vendor, will INVEST

## Partner requirements (Gets):

---

---

e.g. Requirements: what you must achieve

**Single-tier channel ready solution: that offers the partner the opportunity to: \_\_\_\_\_**

Capture new customers or grow MRR or build a managed offering or ?? \_\_\_\_\_

---

**Please use your skills to title appropriately**

# Financial Summary of Investment & Return to the Partner

Pull in your ROI spreadsheet and financial assumptions around how many deals they can close in 12, 18 or 24 months.

Calculate a Break Even analysis if you have time.

**SAMPLE**

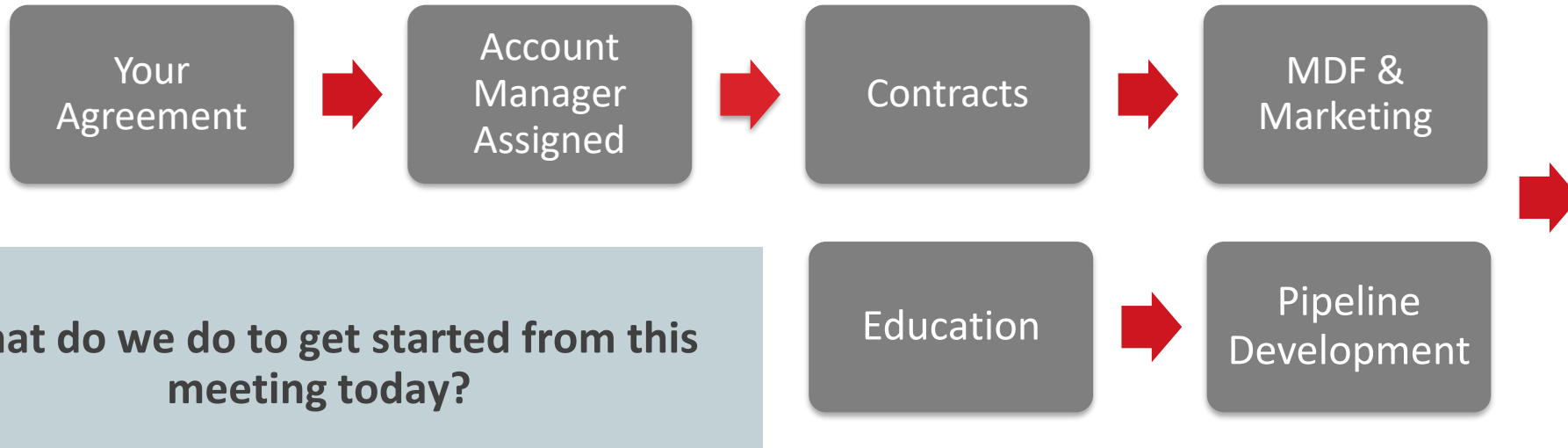
**Please use your skills  
to title appropriately**

# Getting Off to a Fast Start

**Today!**

**30 Days!**

**SAMPLE**



**Please use your skills to  
title appropriately**

## Keep These in Mind...

- ✓ You are meeting with the Company President/Owner
- ✓ You have 13 minutes to get him or her to “YES”
- ✓ Prioritize on relevant information and get to the point quickly
- ✓ These are real partners, BUT this is a “safe learning environment”

**Credibility & Believability Matter!!!**

# Your Solution Provider Panel... in Real Life



**Allen Falcon**  
*CEO & President*



**Jamie Shepard**  
*Managing Director -  
Intelligent Cloud &  
Infrastructure Tech Advisory*



**Dori Spade**  
*VP Services*



**Glen Jodoin**  
*VP of Marketing and  
Operations*

- ✓ What do they want?
- ✓ What is the value for the customer?
- ✓ How do they assess vendors?



**But Wait!!  
There's More!!**





# Partner Program Development Topics We Don't Have Time to Address

- Affinity Alliances
- Two Tier Distribution
- Trends in Routes to Market usage
- Tiers and Levels: Three versus Four
- Graduation to higher tier levels
- Consolidation resulting in Broad Product Lines offering Cross Sell opportunities
- Ease of Use in Single sign-on, single brand with multiple tracks by business model or role
- Tiered vs Role based discounts

- Incentives
- Global considerations
- Feedback loops: CAM, Advisory Councils, Road Shows, Roundtables
- Program transformation history: Revenue, Points, Specialization/Certification, Role
- PRM
- Forecasting and access to POS through Distribution
- PSA and RMM product integration for Managed Services

For Folks Back Home...

# What We Don't Do at Channel Masters

PRODUCT STRATEGY	CHANNEL STRATEGY		PROGRAM DEVELOPMENT			FIELD EXECUTION 	
REQUIRED INPUT	RTM	Capacity	Enable	Market	Sell	Recruit	Manage
<ul style="list-style-type: none"> <li>✓ Product ASP</li> <li>✓ Target Markets</li> <li>✓ Buying Behaviors</li> <li>✓ Competition</li> </ul>	<ul style="list-style-type: none"> <li>✓ Routes to Market Selection</li> <li>✓ Partner Profile Development</li> <li>✓ Value Proposition Development</li> </ul>	<ul style="list-style-type: none"> <li>✓ Partner Productivity Assumptions</li> <li>✓ Capacity Planning</li> </ul>	<ul style="list-style-type: none"> <li>✓ Sales &amp; Technical Training</li> <li>✓ Tools &amp; IP Sharing</li> <li>✓ Field Mentoring or teaming</li> </ul>	<ul style="list-style-type: none"> <li>✓ Market to, through, with strategy</li> <li>✓ Demand generation tools</li> <li>✓ Co-marketing funds &amp; rules</li> </ul>	<ul style="list-style-type: none"> <li>✓ Pre- and post-sale support</li> <li>✓ Incentive structures</li> <li>✓ Pricing and discount models</li> <li>✓ Deal Registration</li> </ul>	<ul style="list-style-type: none"> <li>✓ Staffing model</li> <li>✓ Onboarding activities</li> <li>✓ Role of distribution</li> </ul>	<ul style="list-style-type: none"> <li>✓ Program metrics management</li> <li>✓ Joint business planning</li> <li>✓ Rules of engagement</li> </ul>



*Field Execution is where the Rubber Meets the Road, Beyond the On-boarding and Ramping, Business Planning comes into Play*



## The Partner Business Plan

A jointly developed plan resulting in an understanding of your partner's revenue mix, investment with competitors, enablement plans, marketing plans and organization. Share of wallet and clear revenue commitments are two critical.

## Revenue & Opportunity Planning

Optional: A jointly developed opportunity worksheet identifying the top opportunities for immediate engagement to close.

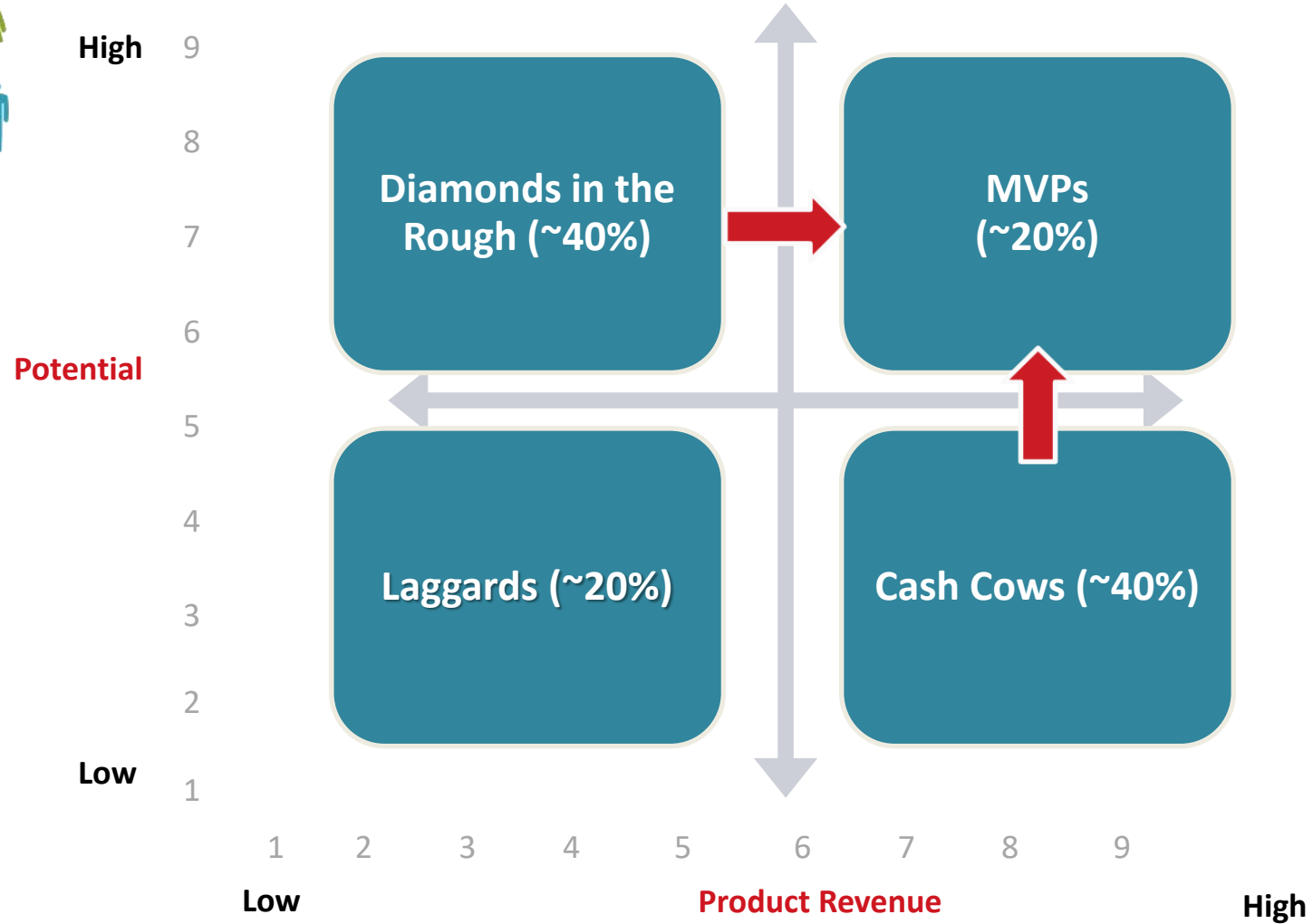
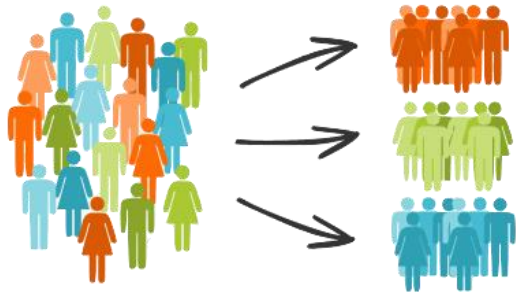
## The Quarterly Business Review (QBR)

A structured, quarterly meeting to review progress against quarterly goals set out during the annual Business Plan.

## The Call Plan

A structured Partner call preparation template (may be reduced to a checklist) to maximize the effectiveness of your partner call. Clearly prepare your stated goals, anticipate objections, prepare objection handling tactics.

# Segmenting Partners Indicates Which to Prioritize for Business Plans



# Capacity Planning Templates Help Identify How Many Partners are Required for Recruitment

INFO REQUIRED	
Product Average Selling Price (ASP) @ Net Revenue	
Number of Deals Average Partner Can Sell / Year	
My Annual Quota	
Recruitment Failure Rate: <i>(Historically what % of partners recruited do not achieve AT LEAST 80% of the # of deals the Average Partner sells per year?)</i>	

## CALCULATIONS

### Average Partner Productivity =

% of partners recruited historically that didn't make revenue expectations

---

### Number of Partners Required =

quota / average partner productivity / year (round up)

---

### Number of Partners Likely to Fail =

failure rate \* number of partners required (round up)

---

### Final Number of Partners to Recruit =

number of partners required + number of partners likely to fail (round up)

---

---