Newsletter

Effective Attraction
How are innovative companies attracting productive partners?

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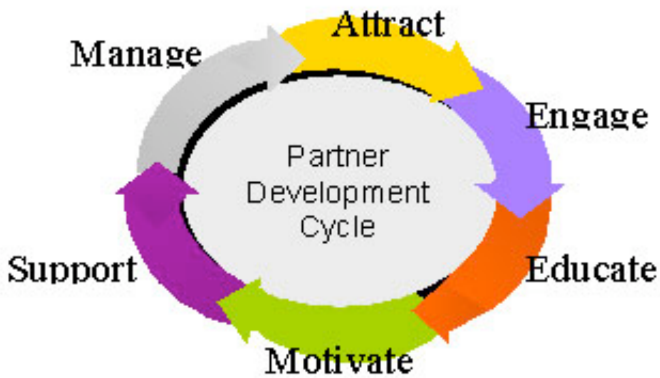
By Diane Krakora, Principal and Founder, Amazon Consulting

The new millennium has ushered in the era of partnering. Everybody's doing it. The key to profitable partnerships is to start off by attracting the "right" types of partners to your organization. In today's economy, partnerships need to productively generate real revenue from day one. Gone are the days of a handshake, a press release, and a logo posted on the web site. Now, both sides must commit the resources necessary to making partnerships work in order to quickly create revenue-generating opportunities. Increasing your reach and revenues through partnerships requires attracting productive partners from the start – those that will best leverage your sales, marketing and technical resources.

During the typical partner development cycle of attracting, engaging, educating, motivating, managing and supporting the program, companies invest considerable time and effort, so it's critical to choose partners wisely. Your public identity and future revenue pull depends on attracting quality partners to collaborate with your organization. Failing to focus during this cycle will squander the resources spent on carrying partners throughout this process, while losing valuable time-to-market.



To achieve quality results -- it's critical to start your partner development cycle with the "right" partners.

Three ways innovative high technology companies are attracting the right types of partners today include:
1) Starting with your customer
2) Structuring partner programs by function
3) Making partner program information available.

1. Start with your customer.
The first question to ask when designing a partnering strategy is "How do my target customers purchase this type of product/service?"

By examining how your target customers get information and recommendations and then purchase comparative solutions, you can adopt a channel already in existence, instead of trying to create one.

For example, in 1997, pioneering e-commerce company, Pandesic, examined how companies purchased electronic commerce solutions. They determined two primary means of influence in this area – web developers and ERP system integrators. During the research, Pandesic discovered that these channels read different publications, attended different trade shows and wanted different types of compensation. Pandesic created a unique value proposition for each type of partner, leading to a successful two-pronged attack on their target market.

2. Structure your partner program by function.
Potential partners are attracted to companies when they understand where they can provide value. Most organizations create partner categories by type of organization – SI, Global SI, VAR, Consultant, National Reseller, Distributor, Service Provider, ISV, Platform, Content, OEM, ASP – instead of by the function these partners play. By creating programs

around functions – marketing partners, sales partners, integration partners, technology partners – potential partners can easily determine a best fit to create a win-win situation for both companies.

Neomar, a wireless Internet technology developer, has successfully adopted this functional model, attracting partners by what they can do for Neomar, not by organization type. For example, Neomar's Marketing Alliance Program draws partners across all types of organizations – ISV's, VAR's, Device Manufacturers and Solution Providers – to specifically focus on co-marketing and lead-sharing opportunities. This entry level is perfect for companies that want to start offering wireless solutions, but aren't ready for a large resource commitment to that market space. The next program level, sales and integration partner, requires additional training and technical commitments from partners, but it also provides more benefits.

3. Provide easy access to partner program information.
With the Internet serving as our online marketplace, most people prefer to surf the web and gather information on their own, before acknowledging interest. Make it easy for potential partners to learn about how and why they might want to engage with you by posting program descriptions and value propositions on your web site.

Broadvision, a personalized web application company, offers a prime example of how to effectively make program information available to prospective partners. The Broadvision partner web page details program requirements for three levels of participation. With this information, a potential partner can review detailed sales, support, training, communication, lead-generation, and executive attention benefits for each level, and then determine which best meets their business needs. The potential partner can self-select how to engage with Broadvision on-the-spot, without picking up the phone or waiting for a return email. They can even link to an online application to sign up immediately.

By segmenting your target audience, designing a functional program, and smartly communicating your program value propositions you can attract partners that will help foster revenue-generating opportunities.

Diane Krakora founded Amazon Consulting in early 1998 with a vision of helping high technology companies increase sales by focusing on their need for effective, efficient alliance structures. Amazon Consulting has grown quickly over the years and Diane now leads a staff of Amazon Consulting specialists who develop and implement partnering and marketing strategies and programs.

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