



# VIEWEW

NEWS, OPINIONS & INSIGHTS FOR THE TECHNOLOGY INDUSTRY

## Partnering Wisely to Grow Your Business

### Part 1: Why Partner?

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You know you need to grow the company and increase sales but you haven't had much success or found the right way to go about it. You may have partnered with companies in the past, but it has led to disappointment at best and disillusionment at worst. Other companies have formed successful business partnerships and your challenge is to find a way to make it work for your company.

Partnering is definitely a good way to increase revenue for your company and there are many good reasons to consider it. First, it is a good way to open up new avenues you haven't had access to otherwise. You can develop a partnership with a company in a niche industry, thus increasing your reach in that market. Secondly, partnering gives you more 'feet on the street' to sell your products and services. This is a cost-effective alternative to hiring many direct sales reps. Finally, you can gain access to a skilled sales force. With technology changing at an ever-increasing rate, developing new skills can be costly and time consuming.

### Confusion about partnering

You need to define what you are really looking for when you say you want a business partnership. Do you want to form an alliance with a company that has products and services that complement yours? Do you want a partner that sells your products and in turn, you sell theirs? Are you looking for a new channel that will sell your products exclusively? Are you looking for a partner that will proactively seek new customers or reactively respond to inquiries?

It is important to understand that a business partnership means different things to different people. Companies are often unclear what partnering means and have unmatched expectations with their partners. This leads to confusion and disappointment when a partner does not come through with the results you expected.

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## Partnering is about building relationships

In a business partnership, one side or both sides have expectations for the other to bring significant revenue to their organization. After they sign a partnership agreement, one partner thinks they found an easy way to get someone else to do the selling for them. This is where partnerships often fail right from the start. You need to clearly set your expectations in the beginning and define what you will provide to the partner in return. Partnering by definition means it's a two-way street and a big factor in successful partnering is building relationships.

Signing the partnership agreement is a legal formality that establishes the relationship. The next and more difficult step is to carry out the spirit of the agreement with the rest of the partner's organization, especially their Sales department.

Many companies mistakenly believe a partner's Sales department will sell your products solely on it's features and benefits. The opposite is most often true. A partner will not sell your products unless they are convinced that you, your company and your product are credible, in that order of importance. The staff member that has day-to-day ownership of the relationship represents 'you'. The history and stability of the company and the business culture of management and staff represents 'your company'. The level of customer satisfaction through the eyes of your partner represents 'your product'. You can have the number one rated product in your industry but a partnership will fail if the partner's Sales, Marketing and other departments are not comfortable working with 'you' and 'your company' first.

## Fostering the relationship

Getting your partner's Sales department fully engaged and enthusiastic about selling your products is a critical step. Put yourself in their shoes and think about what you would need and want from a partner to sell their products successfully.

Envision the Sales department as having many options to chose from and make it as easy as possible for them to sell your products. Sales reps always have other things to sell and will sell what they like best, what they know best, and what makes money for them. That means you need to provide them with guidance and all the resources you would offer your own direct sales force. You need to articulate what is unique and different about your products and services and express why their customers would want to buy them.

You also need to describe your target market. Too often, companies are not clear about their target market and value proposition, and expect other people to figure it out somehow. If it is too much work for the partner's Sales department to figure out, you can be sure they will not make the effort. They will sell something else that is easier and will not produce the results you were expecting.

You need to fully equip and train your partner's Sales department before they will bring new business to you. That means providing marketing materials and marketing promotions and offering incentives to sell. It also means training them on your products on an ongoing basis. You may even have to help qualify and close the first few deals to get them started. All of this is what they are looking for from you. Partners are an extension of your sales team and you need to treat them that way. The more attention you pay to them, the better your return will be. Your role is to be a sales manager to your partners and this is a key, but often missed point.

### Are you ready?

Successful partnering means building a relationship based on mutual trust and benefit, providing tools and resources to make it easy to sell your products and making sure you provide the right incentives for both the customer and the sales reps. The entire process takes time and patience but will produce favourable results in the long run.

*This is the first in a series of articles on how you can grow your company through business partnerships. Part two of this series will look at whom you should partner with and how to go about selecting a partner.*