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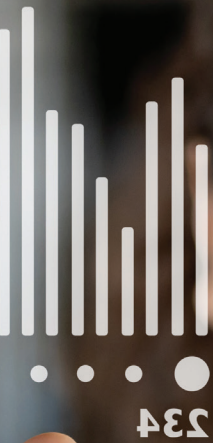


...la individuo, obtendremos tanto el número como el carácter éticas estamos analizando. Así, si en una población solo nos interesa la edad, para cada individuo
 ...pero si nos interesa la edad, antigüedad en la empresa, estado
 ...individuo tendremos 4 valores.
 ...obtenemos una variable unidimensional (E, A, C, S).
 ...variable de dimensión 4 (E, A, C, S).
 ...corresponden al mismo individuo
 ...ocupar de los análisis de
 ...y bidimensionales.
 ...único carácter poblacional y por
 ...una variable unidimensional (por ahora no vamos a distinguir entre variables

Partner Contribution?

What Partner Contribution?

...de la variable se suelen nombrar con la misma letra que la variable pero en
 ...ula.
 ...var una característica, X, de la población podemos obtener unos valores (distintos entre sí): x_1, x_2, \dots, x_m . Además, cada uno de los valores distintos
 ...dos de la
 ...puede aparecer una o m'as veces.
 ...os
 ...cia absoluta de un determinado valor, x_i , de la variable y la representamos por n_i : es el número de veces que se presenta ese determinado valor x_i
 ...cia relativa de un determinado valor, x_i , de la variable y la representamos por f_i : es la proporción de veces que aparece ese valor en el conjunto de



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In the Age of the Ecosystem, the C-Suite Needs to Know, and New Partner Attribution Processes and Technologies Are Beginning to Provide the Answers

By Jon Lavietes

“What did the partner do, anyway?” It’s an age-old question in tech alliance and channel circles. Where once it might have been asked in the spirit of disbelief, skepticism, and maybe even a hint of scorn, today the question is being posed by C-suite executives—not because they need convincing about the value partners bring, but because this data has become critical to the business.

In an ecosystem world, it’s more important than ever to determine exactly what and how much value partners are bringing to the table. Tech companies of all stripes are in search of the partner attribution Holy Grail: a way to quantify the impact partners’ comarketing, coselling, customer support, maintenance, and upselling efforts have on the bottom line—also referred to as “partner NPS,” or “net promoter score.”

In previous years, narrow minds, legacy business processes, and inadequate supporting technology have plagued efforts to get a handle on partners’ impact. But that has started to change as the tech industry moves to upgrade technology and practices to shed a brighter light on the true importance of joint activities.

The first step is to recognize that current methods need an overhaul.

“A Flawed Attribution Model”

“Nearly all partners are working under a flawed attribution model that does not represent the value of those partnerships to the business,” said **Kathy Contreras**, vice president and principal analyst at Forrester.

The most glaring imperfection in today’s attribution models is that they don’t account for all of the ways partners support every phase of the customer life cycle in the ecosystem era. As we have mentioned in this magazine many times over the past few years, prospects interact with independent software vendors (ISVs), value-added resellers (VARs), channel partners, systems integrators (SIs), business advisors, managed service providers (MSPs), and others selling technology products and services dozens of times before a sale is transacted—in fact there are 28 such moments, as **Jay McBain**, chief analyst for global channels, partnerships, and ecosystems at Canalys, has recounted often. Customers are doing their own research and coming across partner social media and web advertising campaigns, meeting partners at trade shows,

and responding to ecosystem members’ direct email marketing transmissions, among other methods of partner-assisted interaction. In addition to traditional marketing tactics, partners might provide a proof of concept for a demo, create a sales plan, or do an ROI analysis, among many other presale activities.

In an ecosystem context, partners are indispensable on so many fronts *after* the transaction as well. They often own the post-sale transition, land renewals and upgrades through upselling efforts, conduct key integrations of new features and functions from other technology/service providers in the ecosystem, and handle troubleshooting and ongoing customer support.

In an ecosystem context, partners are indispensable on so many fronts before, during, and after the transaction.

Product development, marketing, sales, service, and customer support personnel in many ecosystem partners are undeniably performing critical duties, yet the majority of historical attribution is dedicated only to the contributions of sales and marketing at the point of transaction—a remnant of resell-only channel partnerships that becomes detrimental to the overall business when you consider that the majority of global B2B revenue is contracted through existing customers, not net-new buyers, according to Contreras.

Rome Wasn’t Built in a Day—Nor Is an Attribution Library

But that is starting to change as companies are discovering ways to extend attribution models throughout the customer life cycle and understand partners’ value beyond resell. Contreras noted one supplier that recently developed a methodology to quantify partner-driven value, particularly for non-resell-related activities, such as technical partner product value, integrations, and customer service and support. The approach is neither quick nor easy, but it ultimately yields deeper correlations between partner engagement and joint company/partnership success—in other words, it aims to make somewhat intangible partner undertakings tangible. Contreras urges strategic alliance and partner ecosystem leaders to first clearly establish the objectives of each partnership or partner type and the corresponding overarching strategy in conjunction with a cross-functional task force consisting of experts in sales, finance, marketing, and operations in order to determine expected partner value.

Complex strategic alliance partnerships often have more than one goal, or several “sub-business” opportunities, “a cascading list of outcomes you are looking to achieve,” as she put it. From there, “you can decide up front—and the key is up front—the business outcome intentions and develop plans to measure those outcomes,” as well as “over what timeframe.”

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For example, a platform provider seeking to measure how partners impacted its business success determined that the integration of a single technical partner’s application was associated with a 30 percent reduction in customer churn. This same company found that when it had five or more technical partner application integrations in a client environment, customer retention improved by as much as 80 percent.

While alliance teams will start by measuring the impact of alliance partners in isolation, eventually their efforts will produce

a “library of partner values with aligning metrics,” according to Contreras.

They say that when you’ve seen one alliance, you’ve seen one alliance. Similarly, even though there are commonalities, no two alliance partners and their KPIs are exactly alike. With so many initiatives across the multitude of partners, Contreras warned that building an attribution library is “not a project that is done in a single day.” However, “the good news is that if you have done the work for the rest of your partner types/business models, a common collection of values and aligned metrics will collectively quantify partner contribution across the entire partner ecosystem.”

No Hoarding Partners, No Food Fights

Meanwhile, just because partner attribution has been part of the discourse around the sales transaction since before the advent of the cloud doesn’t mean that efforts to quantify partner impact in this part of the customer life cycle aren’t in need of an overhaul. For years, internal competition inside the sales functions of many technology outfits has hampered partner attribution efforts considerably. It hasn’t been uncommon over the years for companies to pit salespeople against each other and the partner, and to provide more incentive to hide the partner’s value rather than sharing credit—or commissions—with them. When salespeople are



judged by how many more deals they won or lost versus their fellow reps, they will often rather eschew partners to protect their payouts or work with them covertly so as not to divulge their “secret sauce” to internal sales teammates.

“If there is a partner that is consistently driving value for you and the market, but your sales reps are hoarding that partner, that’s bad for your company; it’s suboptimizing your win rate,” said **Greg Sarafin**, global managing partner for the alliance ecosystem at EY. “If you have complex systems where people are spending their time arguing over who gets credit for what, you’re spending a lot of money on non-value-added opportunities. You’re driving the cost of sales up—because that ends up in the cost-of-sales bucket—but you’re not selling.”

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Over the last six years, Sarafin has dedicated a good deal of his efforts to devising a system and a sales culture that would illuminate the value of each partner in the ecosystem without blunting EY salespeople’s willingness to acknowledge them. EY is typically joined by a handful of vendors and service providers in sealing deals and delivering services thereafter, sometimes as many as a half dozen or more. EY now has a substantial rules manual and decision tree for properly attributing the contributions of its major partners.

“We have a preallocation of the attribution based on the contribution to the solution by each partner,” said Sarafin.

For example, some of the joint solutions EY implements and maintains might be partially split 10 percent for SAP, 5 percent for BlackLine, and 15 percent for Microsoft. Others might be coded 50 percent Microsoft, 25 percent SAP, and 25 percent Pegasystems. EY has come up with numerous combinations, and each one is predetermined along the level of technological, sales, and service contributions made by each party.

“That rule sticks every time we sell the solution, so the vast majority of our deals are simple, and they are autocoded appropriately and we’re done,” said Sarafin. “We did that on purpose. We didn’t want to get into the jail of, ‘Oh, you’re double counting. Oh, you’re just making it up.’ Nor do we want food fights on the ground.”



Three Dimensions and a Clean Copy Help Ease the Pain of Change

However, not all deals fit neatly into one of these prearranged percentages. In these instances, EY has a team based in India that will contact the “engagement partner,” the person accountable for selling and delivering the deal, to obtain more details.

“How material was the counterparty in the sales motion? How material was the counterparty in the value proposition to the client? How material was the counterparty in the delivery?” Sarafin explained. “We look at those three dimensions, we score them, and then we come out with an aggregate score for how we code it.”

EY is using AI to detect repeating deal patterns that need to be coded and added to the library.

Sarafin acknowledged that in some respects, this might be easier for EY, which “encourages copying” with “copy-and-paste architectures” that can be replicated across dozens of accounts.

“It’s easier for SIs than it is for tech companies, but it shouldn’t be that way,” he said. “Field sellers at tech companies, everybody is trying to get an edge on everybody else. That’s the problem.”

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“They don’t want to go through the pain of the change management,” Sarafin added. “The hurdle cost of change for most companies is too high even though they’d get so much less friction and so much more productivity.”

PRM: Partners Realize Merit

Although alliance leaders have a lot of work to do to place a dollar figure on or crystallize in some way the value of partner activity across the customer journey, they are getting help from partner relationship management (PRM) software providers. Indeed, the “partner technology stack” is a big part of the attribution solution. Partner platform companies have unveiled many enhancements and integrations aimed

at better attribution over the past few years, and many more are on the way.

One of these companies is Impartner, which is known for its through-channel marketing automation (TCMA) platform that provides deeper visibility into key customer touchpoints. Partners and internal stakeholders can enter key relationships, conversations, client meetings, moments when leads are generated, and other key partner-customer correspondence into the Impartner system with time stamps.

“When I can see that and I can identify and absolutely empirically show that partners are involved—that they understand and have more visibility than I do, and they are helping me accelerate my ability to access a client opportunity and to win it, that’s where I can come back and say the attribution of the value of a partner becomes much, much more clear,” said **Mark Rogers**, senior vice president of global strategic accounts and partnerships at Impartner Software.

The TCMA solution also enables the tracking of leads emanating from specific marketing campaigns or conferences. Policies can be set to give partners finite windows to accept and register those leads. All of this activity is integrated with the partner portal and each partner’s respective CRM systems—normally the main system of record in most companies—which enables partners to “take leads, qualify them, drive them from cradle to grave, and close business” and have all of this activity laid bare, so it could be quantified, according to Rogers.

Impartner’s integration with fellow PRM titan Crossbeam illuminates common customers and associated activity shared by partners. Another integration with leading configure-price-quote (CPQ) vendors allows partners to get immediate access to special pricing and quotes that are granted to direct sellers. With this activity automatically synced with CRM, “[it’s] another means where I can immediately tell if the partner is successful because I have enabled that partner to close the deal faster by cutting off days in getting the price quote out,” said Rogers.

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Damn, the Torpedoes! Surfacing and Mitigating Customer Strikes

Integration with Qualtrics, which incorporates customer feedback through seminars, meetings, and other data sources, results in partners surfacing and rectifying issues that could potentially torpedo customer relationships.

“When a partner tells me, ‘This customer isn’t happy and may be looking at other options,’ and I’m able to course correct because of that, you tell me if I should attribute value specifically to that particular partner.”

“When a customer or partner tells me, ‘You better look out, this customer isn’t happy and may be looking at other options,’ and I’m able to course correct because of that, you tell me if I should attribute value specifically to that particular partner who had visibility into that which I did not—and we track that and we have the ability to automate that process,” said Rogers.

In a recent ASAP webinar, “Partner Ecosystems and the Customer Experience,” **Jeff Mattan**, vice president of global

partner programs and operations at BeyondTrust, used similar functionality from Gainsight to determine partner NPS based on surveys of customers and the BeyondTrust professional services employees associated with each engagement.

A “Printing Press Moment”

The aforementioned PRM provider Crossbeam has integrated its partner attribution functionality with Gong Software’s core capabilities, which allow users to record phone transcripts and email activity with time stamps. Partner managers can review transcripts to pinpoint exact moments in phone conversations and email exchanges where partners swung clients in their favor. Crossbeam also has a similar integration with Slack that facilitates communication with account executives to immediately verify a partner’s contribution to a sale.

“If the salesperson [confirms] it, that’s kind of indisputable, but now we are coupling that with the data to back it up,” said **Adam Michalski**, vice president of ecosystem at Crossbeam. “The CRO can’t really argue that.”

“If the salesperson confirms it, that’s kind of indisputable, but now we are coupling that with the data to back it up. The CRO can’t really argue that.”



Today, users have to sift through the transcripts to find these insights. Soon, AI will enable Crossbeam to automatically identify potential partner assists based on keywords and patterns.

“For the first time in history, a partner manager now has the tools to feel like they can defend their attribution at scale,” said Michalski, before hinting that this is the first of many more impactful innovations to come. “That in and of itself is like the printing press moment for attribution.”

Great Books, Better Outcomes

Early attribution efforts are confirming what we all suspected: partner involvement yields greater returns at every phase of the customer life cycle. In the aforementioned “Partner Ecosystems and the Customer Experience” webinar it was revealed that Lenovo’s partners are contributing to a 28 percent increase in customer satisfaction rate, a 25 percent overall cost reduction, a 24 percent increase in customer lifetime value, and a 19 percent increase in customer cross-sell/upsell opportunities.

Norma Watenpaugh, CSAP, founding principal at Phoenix Consulting Group, and **Nancy Ridge**, CA-AM, president and founder of Ridge Innovative, literally wrote the book on the gargantuan boost a great partner experience ultimately has on customer experience, sales, and retention. According to their recent e-book, *Partners Are the Customer Experience* (published in collaboration with ASAP), 87 percent of companies say that sales opportunities are first identified by partners, 70 percent insist that partners play a pivotal role in identifying and engaging key decision makers, 59 percent count on their partners to transact and contract opportunities, and just about half assert that partners provide ongoing customer success services, such as user training, upselling, and cross-selling. And that’s just the tip of the iceberg when it comes to the importance of the ecosystem. (See figure below, “Partners Span the Customer Journey.”)

Multipliers Unite Divided Organizations

In what has evolved into a chicken-and-egg plight, alliance leaders need even more evidence to get senior management to increase investment into attribution processes and

	87%	70%	61%	66%	
Pre-Sale	Partners Identify the Opportunity	Engage Key Decision Makers	Provide Business Strategy	Create Customer Value Prop	
Point of Sale	72% Advise on Selection	59% Transact or Contract	58% Augment with IP		
Post-Sale	63% Implementation Services	72% Integration & Professional Services	54% Managed Services	49% Ongoing Customer Success Support	32% Track Customer Outcomes & ROI

(Source: Adapted from Nancy Ridge, CA-AM, and Norma Watenpaugh, CSAP, *Partners Are the Customer Experience*, ASAP, 2023)

technology. Michalski said alliance managers' initial efforts to quantify partner impact by running the numbers themselves could make that case for more resources.

"If we agree on that premise, now we need to invest in better attribution so that we can then do this at scale," he said. "You're going to put more money into the areas where you can actually have a measurable outcome of every single dollar spent."

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With the C-suite recognizing the importance of ecosystems to tomorrow's business models, they cannot afford to ignore partner attribution.

"If it goes unsolved, in my opinion, it's just going to hold the entire industry back," said Michalski.



In Ridge's view, the Holy Grail is identifying the "multiplier effect." For example, some reports claim that \$7 are created for partners for every dollar Google spends.

"That's part of where attribution is going to be critical: to be able to measure where the multiplier brought the sale," said Ridge. And the path is also still evolving. "It [isn't] a clear-cut thing, but it is an evolving deal. And a lot of it has to do with getting rid of this mindset of 'What am I going to get?'"

"A lot of it has to do with getting rid of this mindset of 'What am I going to get?'"

Time Is on Our Side: Partner Attribution Becomes Urgent in the C-Suite

Indeed, each individual partner within the ecosystem is going to have to give up control, but if ceding responsibilities to the other players is difficult at first, it will get easier when everyone sees the returns. When partners earn the trust shown in them, they can deliver growth multiples by doing a lot of the legwork that would otherwise cost individual companies more time, money, and resources.

With ecosystems changing business models across a variety of industries, senior leaders are just as eager to develop sophisticated partner attribution models that will further encourage this trust—and investment—in ecosystem partners. Alliance and ecosystem leaders can leverage this urgency to obtain the resources necessary to drive innovation in this area.

"Perhaps for one of the first times historically, there are others outside of us focused on this space recognizing the importance of partnerships and the partner ecosystem to their success."

"Fortunately, the importance of partners and partner ecosystems has recently been rising up to the C-suite," said Contreras. "Perhaps for one of the first times historically, there are others outside of us focused on this space recognizing the importance of partnerships and the partner ecosystem to their success in the B2B space." ■

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As a practitioner of collaboration in a variety of perhaps non-traditional alliance functions myself, I've found so many key elements of partnering and collaboration management for synergistic outcomes were perfectly encapsulated by ASAP's offerings.

—Kevin Little, CSAP
Senior Partnership Director
Novo Nordisk