

HIGHLIGHTS

AN ADVANCED LOOK AT THE FINDINGS AND INSIGHTS FROM
OUR PARTNER PROGRAM TRENDS RESEARCH.

Partner Program TRENDS

In late **2021**, we collected:

200 data elements,

across **5** partner program trends,

from over **80** channel professionals,

in **60** unique vendor companies.

These are our favorite findings and insights from the study.



Supporting a Diverse Partner Ecosystem

- 12% of the vendor respondents have begun to segment their partner ecosystem by the role partners perform through the customer journey: influence, develop, sell, service. 50% of respondents segment their partner ecosystem by type (ISV, VAR, GSI) *and* role. Dual segmentation increases program complexity and administrative overhead not only for the partners but also internal resources trying to effectively engage, empower and manage the ecosystem.
- Evolving the partner segmentation approach is the third highest partner program priority for the respondents in 2022. Included in these next generation programs are elements for MSPs, SaaS players, marketplaces and large system integrators. A new partner segmentation approach prioritized right behind the two very hot topics of helping partners drive customer adoption and designing partner incentives along the customer lifecycle. All three of these priorities stem from the customers preference shifting to consume technology as-a-service or subscription.

An average of five partners touch a customer along their journey. **Evolve your partner program to incorporate organizations and individuals that influence, sell, aggregate, service, operate and develop technology solutions.** How do varied partner types fit together in a unified structure?



Engaging Partners in Customer Success

- After five years of the shift to as-a-service and consumption-based models, and two years of the pandemic accelerating customer preference for a subscription model, we are FINALLY starting to see the vendors expecting partners to driving customer success. 55% of respondents expect partners to assess customer usage and adoption and a growing 22% of respondents expect partners to report on which groups within a customer are using which pieces of functionality from the technology solution.
- The respondents ranked “incentives for growing the customer footprint” as the greatest driver of partner performance as it relates to customer success. Customer success incentives include promotion to top program levels and higher payouts for negative churn.
- An innovative 5% of respondents provide partner incentives to develop customer success methodologies or to build a customer success team.

In a subscription model, customer adoption is the only metric that matters. **Your priority for 2022 is to provide customer success methodologies, training and incentives to your partner community.** How do you make partners as successful driving customer success as closing the deal?



Understanding Partner Economics

- When focused purely on economic elements, the respondents ranked “customer growth incentive” *last* for driving partner engagement. The respondents felt partners were engaged more with incentives such as: discount from list price (which is relevant only to those partners that resell), deal registration incentives (again only relevant for partners that transact), MDF and a whole host of other financial rewards.
- A pioneering 15% of respondents are beginning to offer partners incentives for driving customer usage. 25% of respondents are offering incentives at the customer evaluation stage (although often the payout is still tied to the transaction). Over 90% of the respondents indicated they still incent partners at the point of purchase.
- 80% of the vendor respondents don’t measure the partner services drag for their solution. When the bulk of partner profitability is from their services, it is difficult to build a partner value proposition without understanding the partner services around your technology solution and the investments required by partners to be proficient at servicing the customers.

Do the math to understand a partner’s unique business model

– particularly their return for investing in a partnership with you. How long does it take for them to be profitable?



Enhancing Partner Experience

- The majority of respondents have documented partner personas at the company level (68%) and for the individual role (55%) and defined and mapped the partner journey (58%). The only reason to define personas and map the partner journey is to be able to improve the overall partner experience.
- Experience affects engagement and partner engagement affects sales and services. A proactive 22% of respondents have developed initiatives to remove friction along the partner journey.
- About 20% of the respondents are measuring partner experience at all levels and almost 10% have calculated a partner experience score. Developing a Total Partner Experience score is a great way to show your executives how your yearly program initiatives are creating a difference for your partner community. As you introduce changes, and the experience score increases, you have empirical data that justifies additional expenditures.

Part of a strong partner financial value proposition is being easy to do business with. Like a customer journey, **map and evaluate the complete partner journey.** Where are the points of friction and how can you create a more optimal experience?



Driving Digital Demand

- Most of the Market Development Funds attributed to partners is now being spent (55%) – which has changed drastically from 5 years ago when most vendors saw more than 50% of the MDF coffers unused.
- The majority of vendor respondents (64%) are increasing the MDF available to partners by upwards of 5%. The pandemic has forced partners to adopt digital marketing as their preferred marketing activity by sheer necessity. Executive breakfast briefings have essentially disappeared.
- The vendors' marketing assets are the most used by partners and produce the greatest ROI, followed in both usage and ROI by customer success stories. When vendors tie several marketing assets, along with email messages and social media posts into a holistic digital marketing campaign, the partners that leverage those customizable campaigns see a 10-20% increase in leads.

65% of the purchase decision is complete before customers

reach out to a salesperson (vendor or partner). **For partners**

to be engaged in the awareness, consideration, and

evaluation stages, they need to produce good digital

marketing. How can you help partners develop digitally-

consumed thought leadership?



Next Steps

If this executive summary of the trends in partner programs has piqued your interest, here are next steps for you to continue thinking about how to evolve your channel:

- ▶ [Read the blog](#) or [watch the video](#) from our year-end partner programs trends webinar with Jay McBain, Principal Analyst for Channels, Partners and Ecosystems at Forrester.
- ▶ [Remaking the Channel: 6 Buyer Trends Changing How We Partner](#)
- ▶ [10 Effects of the Global Pandemic on the Channel](#)
- ▶ [Subscribe to our blog](#) and you'll be alerted to new posts about these trends along with in-depth data reports released periodically throughout the year.

To review additional data and insights behind each of these trends, no need to wait. We'd love to hear from you.

- ▶ In EMEA, [email Amy Roberts](#), Principal at PartnerPath.
- ▶ Everywhere else, [schedule a call with Diane Krakora](#), PartnerPath CEO.

Here's to 2022 being a year of growth, prosperity and normalcy!