

MARKETING KEYS TO DRIVING CHANNEL SALES

Chris Schermer, Schermer Kuehl

There are six key components to successfully using your marketing organization to drive channel sales. Interestingly, we believe it's more about establishing and building mutually beneficial relationships than it is about sales and pricing promotions. Neglect even one, and you'll find that your company will struggle with its channel partners.

1. Quality Product with Clear Positioning

Nothing kills a relationship faster than offering a substandard product. And nothing kills a good product faster than having bad positioning. Create a clearly defined position that is specific to the market(s) your channel serves. This is dependent on you knowing the end user, the market and the competition intimately. If you don't, they'll position your product themselves and that can undermine all of your branding and marketing efforts over time.

2. Clear Distribution/Channel Strategy

Overlap of distribution is a huge problem in B2B technology, whether it's your sales force competing against the channel for the high-end sale or offering the same product to different partners. Either way, your channel views this as a threat to their business, and are liable to question your integrity and commitment. Believe it or not, product marketing and positioning can help you overcome some of these obstacles by creating different products for different channels. Just be sure they're truly different and not just a different model number or label.

3. Goals Alignment

They may exist outside of your walls, but your channel is still an integral part of your team. So are your goals aligned? Probably not; you both have different objectives. Or do you? Actually, you aren't that far apart if you really think about it: You both want to dominate the market and grow profitably. There, that's not so different. How you do it is where you differ, but these details are easier to overcome if you agree first on overall goals.

4. Continual Communications and Feedback

Like creating a vision/goal-driven organization, the same can be done with the channel. Involve them upfront and communicate with them often, sharing your goals and inviting them to do the same. Most tiffs in life happen because someone feels snubbed or because of a miscommunication. It's no different in business. Designate a channel marketing manager responsible for a formal marcom policy, program and process.

5. Clear Expectations and Accountability

Once your goals are defined and agreed upon by you and your channel partner(s), it's both of your responsibilities to reach those specific goals. At this point, they should be formalized in an agreement and terms (which is typically not the jurisdiction of the marketing department). It can be the marketing department, however, that regularly communicates and reinforces the company's actions and results to the channel, thereby creating and meeting expectations.



6. Channel Cleansing

Finally, if you and your channel partner can't agree on goals or if they don't meet your expectations, that partner needs to go. Fast. Chances are they're in the 80% of the partners that are only generating 20% of your sales anyway. Don't spend too much time, money or effort on these squeaky wheels. You'll find that the channel partners that share your vision, philosophy and goals are the ones that it is a (profitable) joy to do business with anyway.

Chris Schermer is President at Schermer Kuehl, a marketing communications agency specializing in Driving Brand Demand for business-to-business companies. Contact him at chris.schermer@skmarketing.com.