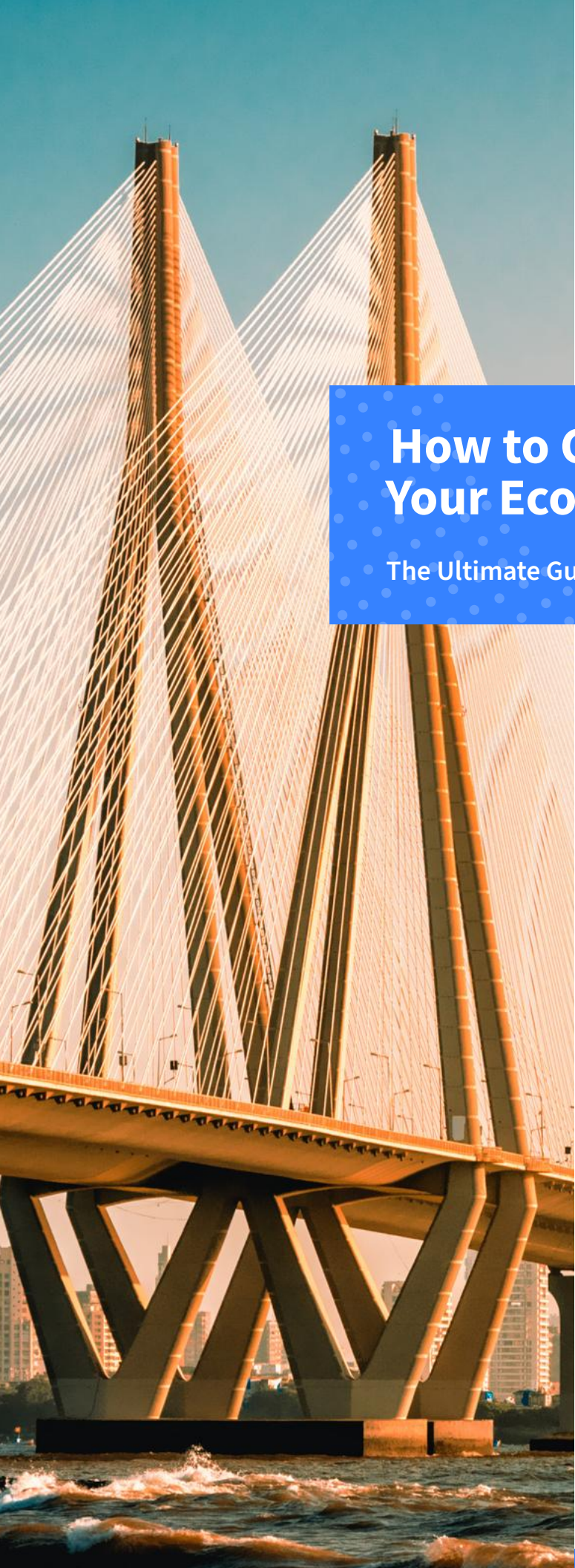




How to Co-Sell with Your Ecosystem Partners

The Ultimate Guide to Drive Co-Sell Partnerships

PRESENTED BY



GUIDE



“To win partner mindshare and for future growth, companies must co-innovate, co-invest and collaborate across the ecosystem.”

Accenture, April 2021

Let's face it - There has never been a better time in the history of partnerships when co-selling with ecosystem partners has led to such unprecedented revenue growth. Current estimates for companies co-selling with partners is expected to be over \$300 billion! Ecosystem partners are now realizing the value of working together by co-innovating and co-selling their complementary solutions to bring greater value to their shared customers.

To ensure success, your organization must focus on shared applications, shared operations and expertise; and shared data and insights with your ecosystem partners (Source: IDC's [Future of Industry Ecosystems Research, May 2021](#)). The time is now for you to work together with your partners to optimize ecosystems and address the complexity of changing customer demands, markets, and supply chains together.

If you're ready to build a partner co-sell program with your ecosystem partners or want to learn more about it, we've got you covered! We'll take you through the ins and outs of co-selling your solutions with your partners. To get the most out of this guide, we recommend you go through each section one-by-one, and you will be well on your way to success!

As you explore this guide, consider the following factors while driving your company's channel sales journey with co-sell partnerships:

- **The unique value proposition that your offerings bring to your customers**
- **The category of customers that you want to target with your offerings**
- **Existing customer-set with which you want to deepen your relationship**
- **Potential complementary technology, services, or cross-industry ecosystem partners that you can co-sell with (to both open new markets and provide holistic solutions to your customers)**

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SECTION 1

Introduction



A study by [IDC](#) estimates that by the year 2023, there will be a **\$7.1 trillion investment in digital transformation (DX)** across the globe. In addition, [according to a survey by Accenture](#), **76% of business leaders agree that current business models will be unrecognizable in the next five years**; and ecosystems will be the primary change agent.

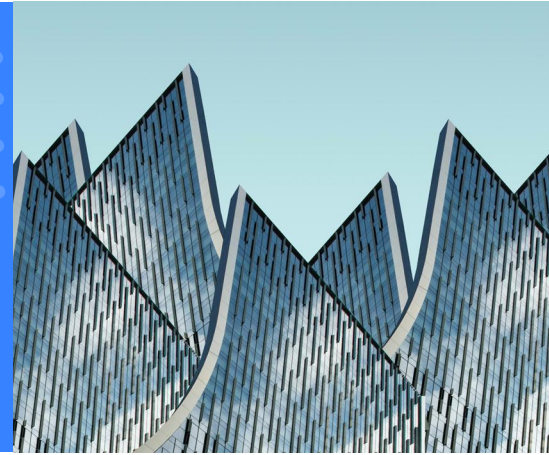
To gain a competitive advantage over your competitors, your business needs to be agile to provide the “value-based” complete solutions that customers are looking for today. Business ecosystems have made this agility possible with seamless partner collaborations and connections across industry verticals and technology expertise.

In addition, in today’s world of subscription pricing, partnerships in your ecosystem need to be fully aligned to help you ensure that customers are engaged throughout their customer lifecycle and increase the chances of renewals and retention.

A few years ago, organizations used to focus on growth through direct sales and marketing. Today businesses are meeting these needs and expanding their growth by teaming up with their ecosystem partners, co-innovating to bring solutions to market faster, and co-selling collaboratively to accelerate deal closing and increase win rates. In fact, innovative companies are partnering with several co-sell partners to offer a satisfying whole lifecycle experience to their customers. With the rapidly changing partner landscape, adapting to evolving customer needs is crucial to building your revenue. Co-selling with partners by focusing on delivering the best customer experience can help you win in the market and achieve outsized returns.

SECTION 2

What is Co-Selling?



In the Technology Industry, co-selling relationships are commonplace today between complementary partners assembling an overall customer solution that could include hardware partners, software partners, systems integrators, hyperscalers, managed services providers, cloud solution providers, technology partners, and others.

Definition of Co-Selling

Co-selling is a modern partnering process where two or more peer-level partners with complementary offerings come together to provide a holistic solution to a shared customer need and work collaboratively to sell together.

Co-sell partnerships help you:

- **Boost your revenue**

Co-sell partnerships help you find more important deals - growing your overall revenue faster.

- **Bring value to your customers**

Co-innovation and speed to market through a robust partner ecosystem enhances the value you can bring to your customers.

- **Foster customer trust**

Combining forces with your partners' capabilities can help you increase trust with your and your partners' customers.

- **Gain access to unexplored markets**

You can leverage your partner's trusted brand value to deepen penetration into new markets and spur revenue growth.

- **Strengthen ecosystem partnerships**

Build trusted partnerships - gaining a better understanding of your partners' strengths and weaknesses while improving channel management.

- **Increase your brand awareness**

Driving your co-sell motions with ecosystem partners who have solid brand recognition can positively impact your brand value.

- **Reduce channel sales cycles**

When you co-sell solutions with your partners, your sales cycles are considerably reduced and you are able to close deals faster.

- **Enhance customer experience**

Increased reach within your existing customers helps to develop deeper customer benefits and selling opportunities.

- **Increase business efficiency**

Co-sell motions help increase your and your partners' productivity with shared interests, goals, and values.

How is Co-Selling different from Reselling?

Co-selling is entirely different from reselling. In traditional reselling models, partners resell your company's offerings. Thus, you have minimal or no participation in the sales cycle that your reseller partner leads.

However, in a co-selling model, each partner has its own set of solutions or services to sell to the customer that comes together as a whole solution for joint customers. Therefore,

active collaboration and an aligned sales process are required between the ecosystem partners' sales teams in a co-sell motion.

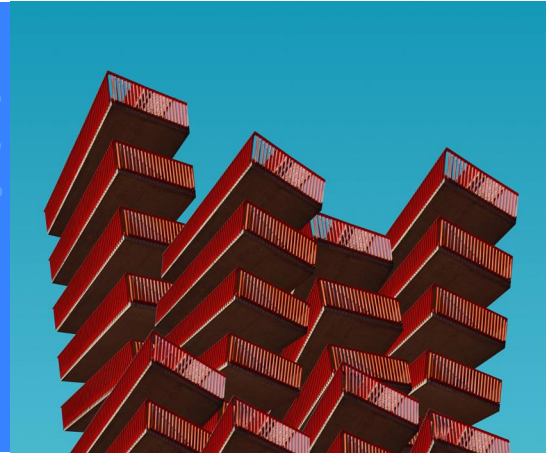
	Reselling Partner resells company's offerings	Co-Selling Selling with one or multiple partners
	PRM / Partner Portal	Ecosystem Business Management
Motion of each deal	Resell (transactional sell through by partner)	Co-sell (collaborative sales with partner)
State of each deal	Each opportunity has one stage, one deal size, one outcome (win/loss)	Each co-sell partner has their own sales stage, deal size, deal outcome. For example, a co-sell opportunity can have a win-win, win-loss, loss-win, or loss-loss outcomes for you and your co-sell partner.
Partners in each deal	Reseller channel	Co-sell ecosystem (e.g., cloud partners, software partners, hardware partners, services partners, MSP partners, ...)
Incentive events in each deal	Deal registration on wins, certification activities	Deal referral, co-sell activities (e.g., POCs, account planning), co-build, and co-marketing activities.
Motion of each deal	Resell (transactional sell through by partner)	Co-sell (collaborative sales with partner)

Figure 1: Difference between Reselling and Co-Selling - In a resell model, partners resell your company's offerings, while in a co-sell model, each partner has its own set of solutions or services to sell to a shared set of customers.



SECTION 3

Understanding the Co-Sell Motion



As you set on a journey of co-selling with your ecosystem partners, it's crucial to start by understanding the “what” and “how” behind the process. In this section, we take you through the collaborative actions needed to create an end-to-end strategy for co-selling with your partners and succeed together.

Partner Co-Selling

Partner co-selling is a massive opportunity as companies co-selling with ecosystem partners are estimated to be generating over \$300 billion in revenue. Using co-sell to grow your business and foster long-term relationships through partner-aligned goals has never been more critical.

Co-selling can roughly be broken into three major processes:

- **Co-Sell Joint Account Plans Management**

Ecosystem partners build and manage joint account plans targeting key accounts with their top co-sell partners.

- **Co-Sell Marketing and Leads Management**

Ecosystem partners develop and execute co-marketing programs with critical partners after deciding the target markets to go after. This includes managing joint leads to be worked by both the partners.

- **Co-Sell Referrals and Opportunity Management**

This is the meat of co-selling - ecosystem partners manage incoming and outgoing referrals and opportunities with their co-sell partners to close business together.



Figure 2: The Co-Sell Processes - Co-selling can roughly be broken into three major processes: Co-Sell Joint Account Plans Management, Co-Sell Marketing and Leads Management, and Co-Sell Referrals and Opportunity Management.

Types of Co-Sell Activities

Co-selling with partners is not as straightforward as traditional reselling models, where a partner simply sells your solution. When partners are co-selling together, a partner's contribution level can vary from one deal to another.

For example, on one deal, a partner could be the source of the deal, bring the right resources to the table to build confidence with the buying team, have significant executive relationships to help influence a buying decision, and be a substantial part of the overall solution that you both will deliver to that customer. In this situation, you'll want to recognize the considerable contribution that partner has brought to your ability to close that revenue.

But in another deal (even with the same partner), you may have already known about the deal; your sales team has been working the deal, that partner may not have a significant contribution to the overall solution and has not been intimately involved in closing the

deal. However, at a critical moment, they may have given the customer an endorsement of your capabilities or helped validate your ability to deliver on the customer's requirements. This also is considered a "co-selling" activity but is not as valuable as the example above. Again, you'll want to recognize and credit that partner with the appropriate level of contribution they made to bring in that revenue.

How to Pick the Right Co-Sell Partners?

Before you jump into partner co-selling, it's critical to think through which partners you want to work with and how you want to go to market together. Some key factors to consider include:

- **Market Demands**

More than 80% of organizations are undergoing digital transformation to meet the changing market demands. In this context, you'll need to map the evolving customer behavior in your industry - the problems, the needs, and the solutions. Then, identify the current and projected customer demands in your markets - even if you don't currently offer all capabilities that your customers are likely to need.

- **Your Strengths and Weaknesses**

After you get clarity on the market demand and projected evolution, figure out what capabilities are your strengths (have clarity on why a partner would choose to do business with your company) and your weaknesses relative to the market demand. Then, find a potential co-sell partner with capabilities, technology, expertise, executive relationships, and geographic presence that can leverage your strengths and complement your weaknesses. This way, together, you can offer a complete package comprising the best capabilities from you and your ecosystem partners to satisfy your customer needs and win the market.

- **Your Support Offerings**

Be clear on the type of support you plan to contribute to your ecosystem partners. For example, you can offer comprehensive training, sales, and marketing resources, technical support, a dedicated manager, incentives, and rewards.

- **Co-Sell Partnership Expectations**

Understanding what type of commitment and executive relationships you're seeking from prospective partners is a must. Additionally, ensure you get answers to questions like:

- Do prospective partners have the right culture to match your company?
- Do you share customers already?
- Can a partner bring you into new markets or customers?
- Where do you overlap in the customer base? (For example, you may take crucial partner performance indicators like leads shared or converted jointly or total revenue brought in.)

Once you are clear on these factors, you're ready to start focusing on a set of partners to build your broader go-to-market with the right highly competitive solutions with the right reach, influence, innovations, and capabilities to be unstoppable in your market!

SECTION 4

How to Drive Your Co-Sell Partnerships



Now that you've identified the target customers & partners for co-selling, you are all set to drive your partnerships. There are three significant steps involved in co-sell processes: Joint Account Plans Management, Marketing and Leads Management, and Co-Sell Referrals and Opportunity Management. We'll take you through each one-by-one.

1 | Joint Account Plans Management

In Joint Accounts Plan Management, you and your partner organization's partner managers work together to map accounts that they will jointly prospect to develop co-sell opportunities. These opportunities become referrals on either side to jointly co-sell. We discuss the steps involved in this process below:

- **Deciding on ecosystem partners**

The first step is to pick the right partner for your co-sell motions. As discussed above, choose the right partner depending on the market demands, your and your partner's strengths and weaknesses, the offering that both of you bring to the table, and the clarity of expectations from each partner involved.

- **Joint planning sessions to formalize strategy with partner**

When you've decided on the partners you'll be working with, it's time to arrange joint planning sessions with the relevant stakeholders from each partner organization. Schedule joint planning sessions with the relevant stakeholders from each partner organization. This includes the partner managers from each side, representatives from field sales, marketing, product, strategy, regional teams, etc. This step comprises

brainstorming on market opportunities, target accounts, potential solutions or joint solutions you may position in different markets, strengths that each partner brings to the table, regional opportunities, etc.

- **Account mapping**

In this step, you work with your ecosystem partners, their partner managers, and their field sales representatives to map relationships and align on who has strength in which regions and buying centers.

- **Structuring an overall account plan for each account.**

After you've agreed on a high-level list of potential accounts, the next step is to dive deep into each account to determine where you have the greatest opportunities to co-sell together. You may jointly decide that some accounts will have a lower priority or fall off the list entirely through this deeper dive.

Some of the many factors you should consider while planning your strategy for each joint account are:

- Pain points related to the account
- The joint solutions and services that will resonate in this account
- Map where you and your partners have strong relationships in account buying centers
- Where do you and your partners see opportunities in the account - conduct research based on regions, lines of business, buying centers
- Where do you and your partners need to develop leads in the account?
(This could include defining account-based co-marketing plans)
- Where can you make referrals between partners to build a joint book of business?
- How and when to make introductions across partner companies?

- Building and agreeing on KPIs/metrics for each partnership down to the level of regions, solutions, organizations. (Metrics could be defined as leads, introductions, marketing activities, meetings, opportunities, pipeline, revenue, etc.)

2 | Co-Marketing and Leads Management

If you are structuring a plan to work on co-marketing plans with your ecosystem partners and manage the leads involved, here are the significant steps involved:

- **Decide the target markets**

Based on the joint solutions you decide to go after with each partner, potential target markets for those solutions, and expected customer demand, develop the co-marketing plans with your key partners.

- **Execute joint marketing plans**

Once you've decided the market to focus on, the marketing teams of both companies plan and execute joint marketing plans by working together on awareness and demand generation activities.

- **Manage leads as they come in**

At this stage, you and your partner have to decide on criteria and process to share leads (agreement on which leads you and your partner will take ownership of) and to distribute the leads as they come in - keep each other informed on the status of each other's engagement with those leads, and the outcomes of specific outreach until the lead is converted to opportunity or dies.

3 | Referrals and Opportunity Management

In this final step of the co-sell process, each stage has a set of tasks that need to be performed by your team or by your co-sell partners. We explain each of these to you one by one:

- 1 | Identify Opportunities
- 2 | Accept Referrals
- 3 | Engage with Referrals
- 4 | Close Deal (Partial Deal Win/Loss)
- 5 | Close Deal (Complete Win/Loss)
- 6 | Collect Incentives
- 7 | Discuss Discontinued Referrals

7-Steps to Drive Your Co-Sell Partnerships



Figure 3: 7-Step Process to Drive Co-Sell Partnerships - Execution of co-sell partnerships is a seven-step process starting with identifying opportunities, accepting referrals, engaging with referrals, closing the deal (partially and wholly), collecting incentives to finally discussing the disposition of discontinued referrals.

1 | Identify Opportunities

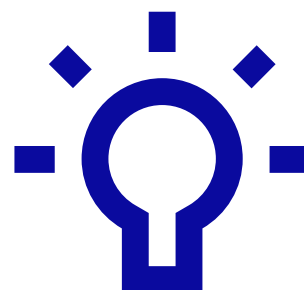
The first step in the referral and opportunity management process includes identifying co-sell opportunities to drive channel sales. This is done by conducting sessions with your partners. For example, you can perform periodic co-sell virtual workshops with each of your ecosystem co-sell partners.

Make sure that you go into this stage with a clear operational policy. Violation of policies creates friction and confusion, potential channel conflict between direct selling and co-selling. Your co-sell program policy should be transparent and define:

- What are your standards for an ideal co-sell referral opportunity?
- How will your co-sell partnership performance be tracked?

- What measures do you have in place to drive partnership success?
- Who drives or owns the partner co-sell motion?
- When will you share the identified leads with your partner?

Defining Service Level Agreements (SLAs) on each stage and executing those SLAs ensures that deals move through the lifecycle with speed and consistency.



- How will your team collaborate with your partners on the marketing or sales cycle for an identified lead?

This phase is the right time to get clarity on these crucial factors with your ecosystem partners:

- **Shared Customers:**

Compare your account list with your partner's account list.

- **Shared Pipeline:**

Compare accounts in your pipeline with partner's accounts in the pipeline.

- **The Pipeline of Interest:**

- Share accounts in your pipeline that partner may be interested in joining your opportunity.
- Your partner can share their accounts that you may be interested in joining their opportunity.

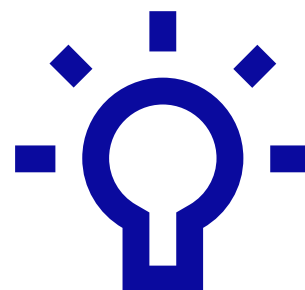
- **Target Market:**

Plan a demand generation activity to generate leads.

- **Leads of Interest:**

- Share recent leads in your marketing automation system that partners may be interested in joining or leading.
- Partners can share their leads that you may be interested in joining or leading.

Run a systematic agile process where you and your partner(s) identify ten pre-pipeline opportunities to pursue each week. Also, respond quickly to referrals. Responding in a timely fashion to incoming requests will increase your partner's confidence.

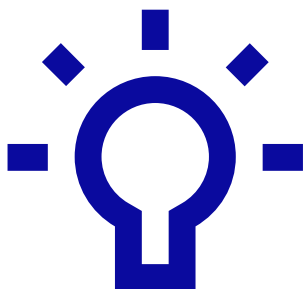


 **Management Tip** → *Run a weekly report to review identified candidates in every region for every partner. Spot under-performers early to pay attention to their productivity.*

2 | **Accept Referrals**

To understand this step, you first need to understand what a referral is. A referral is an opportunity in one company that is being tagged for co-sell with a partner company. A referral is more valuable than a lead as it is an opportunity that is qualified and developed by the source partner.

In this step, you take the referrals identified in the previous step and run them through a marketing and channel sales qualification step. Your partner is expected to do the same.



Expect a 30% drop-off rate - i.e., out of ten leads identified, only three will qualify. The remaining seven will be disqualified for a variety of sales, marketing, or partnering reasons.

3 | Engage with Referrals

In this step, you or your field sales team member engage with referrals. Connect your channel salesperson with the partner's salesperson. Start with an introduction (this could be by email, phone, text, Slack, or your partnering management solution), and then proactively schedule a meeting between your salesperson and partner's salesperson. Expect your counterpart partner manager to attend. In the meeting, play the role of connector - be prepared on details and brief both salespersons. Exude trust and confidence - your trust and confidence in your partner will carry over to both sales teams. (Have a pre-defined briefing document or structured alignment process to run this meeting.)

Once the sales teams have engaged, monitor their connection for activity. If no activity happens, identify the problem and take corrective action. After the opportunity starts developing, watch out for unanswered questions from the partner to your team or your team to the partner - track action items with partner & volunteer guidance. Your sales team doesn't know as much about the partner as you do - you may be able to speak for your partner and unblock your sales team. (With a partner management platform like [WorkSpan](#), you have a single place to see all partner deal engagement.)

Regularly update the status of deals you are contributing to and run a weekly review call with your partner to track updates, record cadence notes, and close action items on top deals. This will allow you to be a trusted contributor to sales.



 **Management Tip** → *Run a monthly report to identify opportunities that have not been updated. These opportunities will require revival or be marked for being discontinued.*

After the sales team has engaged and accepted it as a co-sell opportunity, inform your partner. Follow the process to register the opportunity in your partner's systems and your system. Watch out for questions or proof of performance questions that may be asked in the deal registration review. Ensure to track the deadline for registering deal information in your or your partner's systems.

Management Tip → *Run a monthly report or dashboard to track partner-sourced and partner-influenced revenue. Share reports with sales leadership to report on partner contributed revenue.*



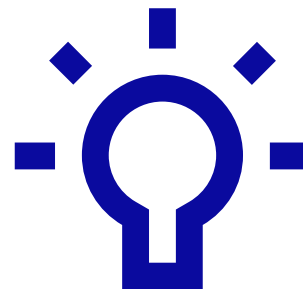
Figure 4: Co-Sell Referrals and Opportunity Management - This business process comprises six key steps between you and your partners.

4 | Close Deal (Partial Deal Win/Loss)

This stage comes when one of the partners has registered a win, but the other partner has not - either because the deal is not yet closed for them or because they lost the deal.

This is a stage that's unique to co-selling. In reselling relationships, your reseller partners are selling your product. You both win, and your partner takes a cut of the revenue. But in co-selling, you are each selling your product or service combined into an overall solution. Each partner that's co-selling together can either win or lose. For example, the customer may choose your software but decide they want to implement it independently, reduce the scope of the services, or award the services to a different partner.

Remember that even if a lead or opportunity is discontinued, it might be eligible for settlement with your partners.



5 | Close Deal (Complete Win/Loss)

After the sales team has closed a deal, inform both partner teams, sales teams, sales management & your management. Remember that collecting the right incentives increases profitability for your company. This requires multiple interactions with co-sell partners. So, do not move opportunities to this stage until all work is completed.

 **Management Tip** → *Run a monthly report or dashboard to track partner incentives that are claimed and paid. Spot missed incentives. Share report with finance leadership to report on partner contributed profitability.*

6 | Collect Incentives

Your partner or your company may be offering incentives over and beyond deal commissions and rebates. These could be reimbursement of POCs and trial costs, consumption incentives, and more. For smooth channel management, ensure that these incentives are applied. In addition, watch out for activity questions or proof of performance questions that may be asked in claim review.

7 | Discuss Discontinued Referrals

Once all partnering post-pipeline work has been completed, move the opportunity to the “done” stage. As you work with your partners, there will be leads and opportunities that you decide to no longer work with your partners, or they choose to no longer work with you. Your channel sales team may continue to work on these opportunities alone or with another partner. Mark these leads and opportunities as discontinued in your working environment, but still record them to track your contributions and work.

SECTION 5

How to Measure Partner Co-Selling



Co-selling with partners is quite different from traditional partner reselling. So, it's not surprising that the way you think about measuring co-sell activities and results will be different as well. While every business may have different requirements, here are some examples of factors that we hear from customers that are important to track and measure while co-selling with partners:

- **Referrals and leads**

- The number of sourced referrals or leads
- The dollar value of sourced referrals or leads

- **Pipeline**

- **Pre-Funnel Metrics:**

Track ecosystem-sourced pre-pipeline metrics like referral opportunities that have been brought by partners or opportunities you're working together on with partners to target strategically. "Pre-funnel metrics" mean potential opportunities the partner teams are working on that your sales teams have not accepted as qualified deals to work on.

- **Sales Funnel Metrics:**

Measure the number of ecosystem-sourced pipeline deals and the dollar value of these referrals or deals. (These are sales accepted opportunities where a salesperson is engaged and working a deal with the partner's sales team)

- **Closed revenue**

- **Closed Deal Metrics:**

Measure your partner-sourced revenue by the number of deals and dollar value associated with these deals. For example, your company may measure revenue by monthly recurring revenue (MRR), total contract value (TCV), annual recurring revenue (ARR), services revenue, etc.

- **Split Incentives:**

As we discussed earlier, different kinds of co-sell relationships can fall on a spectrum of how much value the partner has contributed to closing your deal. At one end, the partner sourced the joint opportunity and was fully engaged in closing the business. This kind of relationship deserves maximum credit for the deal closing.

At the other end of the spectrum, your team may have already had the opportunity, and the partner just endorsed or validated your company or solution and didn't participate in the closing activity at all. In that case, the partner may deserve little or no compensation as a part of the co-sell incentives. Each deal could have multiple partners playing a range of roles along this spectrum. You'll want to have the ability to track, measure, report, and compensate co-sell partners based on these varying partner contribution splits.

- **Line Item:**

Each co-sell deal may have several line items that make up the overall "bill of materials" (BOM) for the deal. And, as shown in split incentives, you may have different partners that have contributed in various ways to closing each of the line items that are part of the overall deal. To properly track and compensate co-sell partners, you'll want to track, measure, and compensate co-sell partners at the line item level for significant deals.

- **Win ratios:**

Track and report on win/loss based on referrals from partners to evaluate which partner is more productive and profitable for your co-sell partnerships.

- **Average deal size:**

Likewise, you'll want to track and report on average deal size by the partner to understand the kind and quality of opportunities each partner is bringing to the table.

- **Cloud consumption**

When you're partnering with hyper-scale cloud partners like Microsoft, AWS, Google, and others, their sales teams are compensated based on cloud consumption models that vary based on the amount of computing, storage, and network that will be consumed for specific customer use cases of the joint solution you're offering. Therefore, you should be prepared to measure and report on these metrics to ensure you're aligned with your cloud partner on co-selling opportunities.

- **Activity-based measurements**

In addition to the above revenue-related measurements, it's often valuable to measure contributing activities by your co-sell partners that can be indicators of the overall health of your co-sell partnership. Examples include:

- **Innovation:**

The number of new joint solutions and revenue contributed from new solutions with your co-innovation partners.

- **Joint Marketing:**

The number of joint activities executed with co-sell partners, number of net new leads generated from these joint marketing activities, and ultimately the pipeline of joint opportunities that have been generated from those joint marketing activities.

- **The measure of the growth of relationship:**

The number of net new accounts with partners and the number of opportunities that they bring to the table.

- **Partner manager and partner productivity:**

There may be a host of other “productivity” measures that could be important for your partner organization. These could include activities like joint account planning sessions, cadence calls, partner field sales engagements, number of customer/prospect meetings, etc.

- **Attach Rate:**

The percentage of deals covered by your partners in a sales plan. This is a measure often implemented to overcome natural inertia for sales teams to “go it alone.” Applying an attach rate metric to sales plans means that the entire sales organization, from the account executive to the head of sales, is measured on the number of deals with co-sell partner participation.

Co-selling has tremendous value by giving your sales team outsized influence on enterprise deals. But some companies that have a culture of direct selling can be skeptical of co-selling with partners, and an attach rate KPI can help transform those organizations from direct-only to true partner co-sell leaders.



SECTION 6

Best Practices to Drive Your Co-Sell Motions



1 | Operationalize Co-Selling Across All Partner Models

To reap the benefits of ecosystem partnering, all of your partners must be aligned and work as one while co-selling your joint solutions. Partner business models are morphing, and thriving co-selling with partners is dependent on your flexibility. You and your partners need to adopt modern tools and processes to empower and enable multi-partner sales business models with shared views of collaborative opportunities. Such a model ensures higher win rates, shorter sales cycles, and increased revenue.

For example, a company struggling to manage joint sales opportunities with other ISV partners can adopt the ecosystem mindset to collaborate with its partners on a shared system. This way, they move away from the constraints of their old partner relationship management tools built for reselling and efficiently work together on scalable co-selling activities.



Figure 5: Best Practices to Drive Your Co-Sell Motions - Seven best practices that are pervasive across ecosystem leaders to drive co-sell partnerships.

2 | **Unlock Cross-Company Collaboration**

The lack of standardized, secure processes across company boundaries has been a challenge when managing co-sell partnership programs and the growing number of co-selling relationships at many companies. A digitized partner program workflow is the solution to many of these hurdles. Imagine running all co-sell motions on a single platform - visible and accessible to partners and stakeholders at all times. With shared cross-company workflows, everyone knows and agrees on where things stand, what's next, by when, and who's accountable.

For example, customers' transition to the cloud has affected how SAP works with partners and prompted a new paradigm of partner engagement. SAP and Cognizant have transformed their partner co-sell engagement.

3 | **Measure and Report Like a Direct Sales Team**

Over 60% of partner professionals consider the evaluation of their success as a prime concern. Up-to-date, advanced reporting delivers data and analysis for what does and doesn't work for your ecosystem business. Direct sales teams have had measurement systems in place for years. It's time for partner leaders to define, track, and report KPI metrics for your partner managers and partners effectively as a direct sales team.

We covered many of the critical factors that affect your co-sell program performance above. Consider those factors when designing your measurement systems to measure and make adjustments, determine top-performing partnerships, and most importantly, demonstrate the value of partnering with company leadership.

4 | **Harness the Power of Multi-Way Partnering**

Today, it's common to be executing go-to-market activities with multiple partners on a single opportunity. (For example, an ISV working with an SI partner, a cloud partner, a

hardware provider, and 2-3 complementary ISVs assembling a whole overall solution.) Partnering is no more a 1-on-1 relationship with a single partner. Earlier, the channel partner's responsibility was to aid partners to “meet in the channel.”

But as channel partners are getting disintermediated, and as SI partners and MSP partners grow in influence on the buying process for end customers, you have to control how you engage with partners in the customer's buying process. Delegating this critical control point to channel partners is not a sustainable strategy anymore. Instead, harness your entire partner ecosystem's influence and expertise to close business faster.

With multi-way partnering, you can significantly grow your combined reach and gain many additional business opportunities. Make facilitating these kinds of multi-partner collaborations simple and easy for everyone, including yourself!

5 | Build Infrastructure for Pre-Pipeline (Referrals and Leads)

A comprehensive, reliable, and up-to-date pre-pipeline is a potent stimulus for sales growth. Vital pre-pipeline processes involve co-sell partners in collaborative joint account planning, focusing energy on joint account nominations and referrals. With an aligned approach to pro-pipeline, you can share sales plays with your partners and get a headstart on attributing partner contributions to deals and revenue.

For example, a systems integrator aligns its referral opportunities with its partners with a proper pre-pipeline framework. Now, the SI has access to new deals it otherwise would never have been involved in and can directly influence and accelerate pipeline, sales, and ultimately, revenue.

6 | Prioritize Data Security to Reduce Risk and Build Trust

Fine-grained security infrastructure is necessary when working with partner ecosystems where partner roles, contributions, and values are diverse and nuanced. Your data

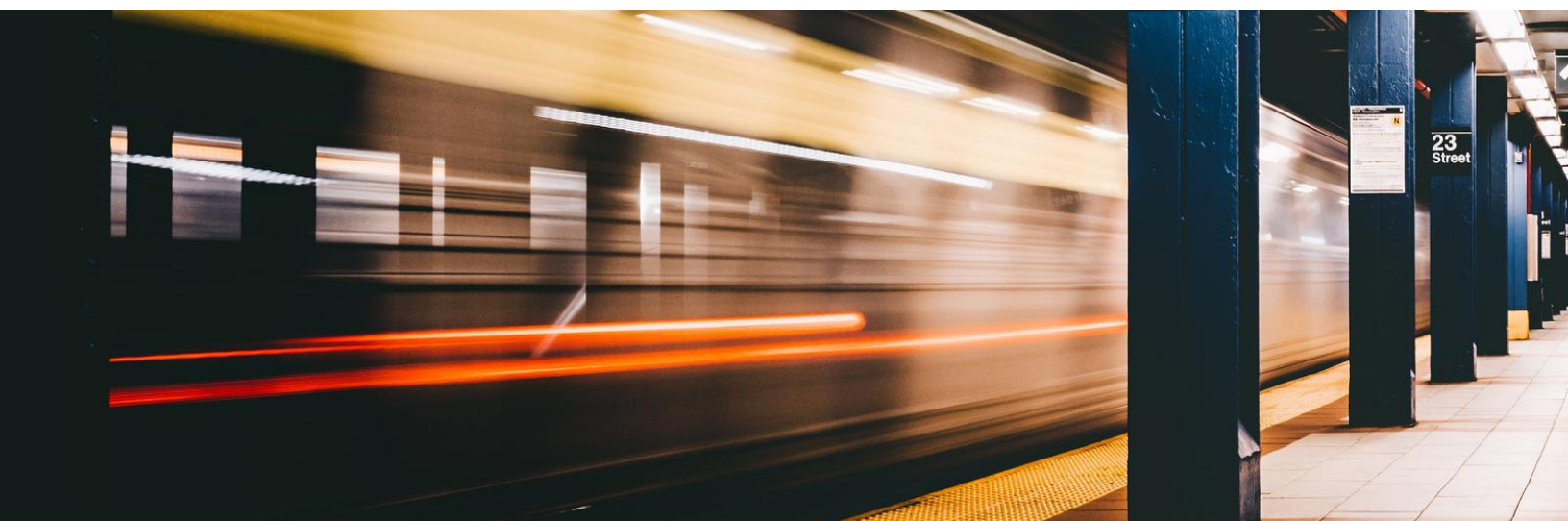
security policies must be easy to scale. Otherwise, managing collaborative opportunities across your ecosystem becomes impossible.

When working with data from critical business systems, such as CRMs, you and your partners must carefully segment data access to share what's relevant to each specific partner and each opportunity. Data access also becomes much more critical and complex when partnering with multiple partners on a single opportunity.

7 | Adopt a Shared System of Record for Partnering

On average, partner teams drive one-third of all revenue and company valuation. Yet, despite helping bring in significant deals, partnering teams are usually left under-appreciated and underfunded compared to other teams. In addition, co-sell partner teams don't have a system to execute their partnering processes and quantify their impact to prove their value.

With a shared system of record, organizations have a dependable platform for collaborating with partners and reporting reliably, accurately, and comprehensively. So it's time to get past trying to manage co-sell partnering activities with endless spreadsheets, emails, and powerpoints.



SECTION 7

Ecosystem Business Management (EBM) Platforms



To maximize your co-sell revenue and scale up your partner activities, you must ensure active partner collaboration - only possible with modern partner ecosystem technology. Partnering has changed dramatically from reselling to co-selling, and the time is now that the technology reflects and supports the new market requirements.

As Jay McBain, Principal Analyst at Forrester, [said in a recent blog](#), “ecosystems don’t run on spreadsheets!” To scale a co-selling business, an ecosystem platform is required. Trying to run a business on spreadsheets is not scalable, data is always incorrect and out of date, reporting is manual and prone to error. Finally, it’s time-consuming with unsustainable operational costs.

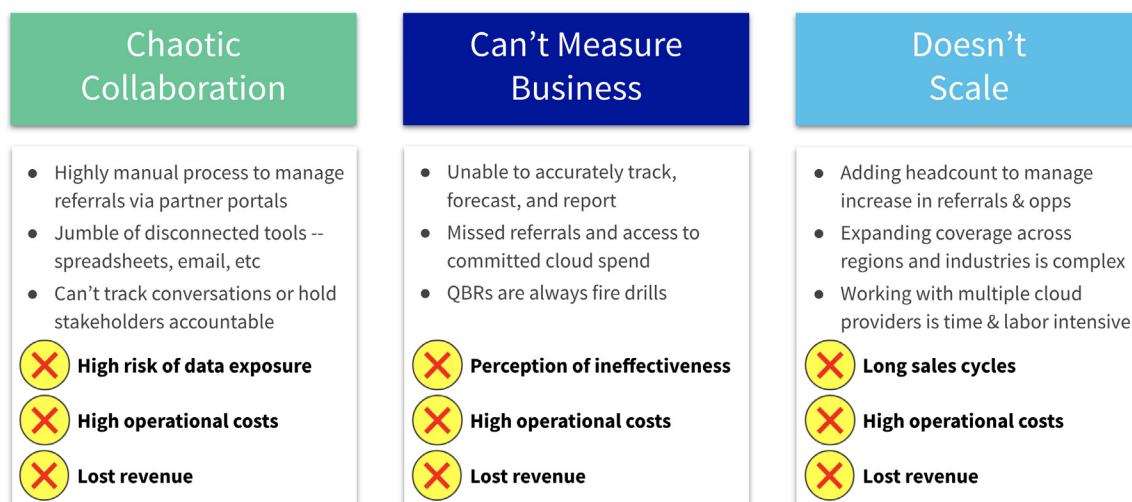


Figure 6: Disadvantages of Managing Co-Sell Processes Manually - The manual management of co-sell partnerships is chaotic, expensive, time-consuming, and has lower revenue potential.

Conventional partner portals or PRM (partner relationship management) tools can't handle the new co-sell motions, and your company is missing out on all the opportunities and potential revenue created by active partner co-sell collaboration and co-solutioning. PRM or partner portals don't support co-sell opportunities with your partners.

To learn more about why PRM platforms don't support co-selling, here's a blog for you:

[Why Your PRM or Partner Portal Won't Cut It](#)

Direct Sales Company sells its own offerings	Reselling Partner resells company's offerings	Co-Selling Selling with one or multiple partners
CRM	PRM / Partner Portal	Ecosystem Business Management
• Direct sales • Each opportunity has one stage, one deal size, line items from own products • CRM is for managing sales	• Transactional sell through • Each opportunity has one stage, one deal size, line items from own products • Partner portal is for managing reseller channel	• Multi-company collaborative sales • Each co-sell opportunity has partner-specific deal size, stage, probabilities, products, owners, regions, industries, etc. • Ecosystem Business Management is for managing co-sell partners like Cloud, IHVs, ISVs, SIs, MSPs, CSPs, and Tech.
• Salesforce • Microsoft Dynamics • SAP C4C	• Salesforce PRM • Impartner • Allbound	

Figure 7: CRM and PRM Platforms Don't Support Co-Sell Motions - Conventional tools like CRM and PRM were not architected to manage the unique requirements of modern co-sell motions.

By 2023, 60% of TSPs (technology and service providers) selling digital business solutions will have developed programs to form or participate in partner ecosystems (up from approximately 25% today).

Gartner | Disruptive Program Design for TSP Partner Ecosystems

The Need of EBM Platforms to Manage Co-Sell Channel Sales

Co-selling with your top partners is the key to supercharging your revenue. However, without any digital tools to manage co-selling, your partner managers will suffer. In reality, your partner managers are running their business on spreadsheets, so partner leaders have zero visibility into what's happening in their business. As a result, partner leadership is flying blind!

A shared platform with distinctly defined business processes and data governance enhances efficiency, stimulates real-time and agile collaboration among ecosystem partners, and allows you to scale your partner co-sell pipeline with higher revenue.

“The emergence of EBM applications is an encouraging sign that strategic alliance and ecosystem partners' business requirements are a priority.”

– Chris Webber, Director, Strategic Alliances Research, IDC
Ecosystem Business Management Concept and Capabilities

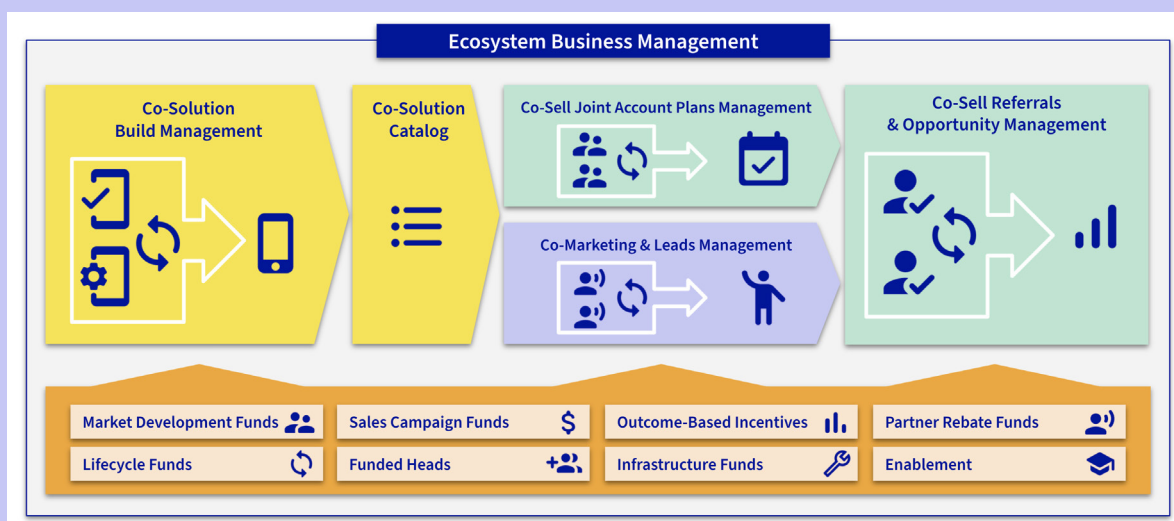


Figure 8: Pillars of Ecosystem Business Management - An EBM platform helps companies manage a full flywheel of ecosystem activities from defining and launching joint solutions, joint account planning, co-marketing, co-investing funds, and finally co-selling with your partners

How an EBM Platform Helps you Drive your Co-Sell Partnerships

1 | Co-Sell Joint Business Planning

An EBM platform enables you to digitize joint business plans with your ecosystem partners and cascade your plans down to regions or business units across both companies and track execution on a shared and complete book of business.

2 | Co-Build Management

With an EBM platform, you can easily create repeatable packages of joint business solutions, build and launch them into the market and drive higher revenue at a higher speed.

3 | Multi-Company Opportunity Management

An EBM platform enables partners to support each others' disparate data models. Each partner company typically has different definitions for regions, products, industries, sales stages, organizations, and a myriad of other data types.

4 | Multi-Company Reporting

With an EBM platform, you get a clear picture of your and your partner's shared data. Access to such data will give you better insights to make better decisions.

5 | Multi-Company Data Privacy

On an EBM platform, ecosystem partners can define their data security and compliance policies and they set data sharing policies at the field level on what is shared and what is private, ensuring no data leakage.

6 | Partner to Partner (P2P) Collaboration

An EBM platform supports the collaboration of multiple partners on the same opportunity. It works as a complement to your PRM or CRM system to manage joint opportunities with your partners.



Figure 9: How EBM Platforms Manage Co-Sell Motions - Ecosystem Business Management Platforms boost revenue by collaboration across companies, quantifying, and scaling co-sell motions.

How EBM Platforms Enable Co-Sell Revenue Growth

An effective EBM platform enables you to:

- 1 | Extend your CRM for partner co-selling
- 2 | Get the biggest bang for your technology bucks
- 3 | Manage peer-to-peer (P2P) partner collaboration

1 | **Extend your CRM for partner co-selling**

Your CRM platform will always be a critical mechanism for running your company's internal sales team and managing opportunities. But without an EBM platform, your CRM and even a PRM portal won't let your partner teams collaborate, securely share crucial deal information, or efficiently manage a co-sell process with each other.

While your CRM and partner portal helps you track direct and resell opportunities of your product offerings, they are incapable of monitoring opportunities with co-sell partners that have multiple deal sizes, close dates, product and service catalogs, deal teams, and other information that all needs to be connected to a single co-sell opportunity.

An EBM platform extends your CRM data (like joint accounts, plans, and opportunities), connecting with your partners' CRM or PRM data. This allows each company to keep their autonomous systems in place, including their separate SKUs, deal sizes, closed dates, and owners, but extending the power of your CRM to enable your trusted partners to seamlessly co-sell with your teams and close more business together.

2 | **Get the biggest bang for your technology bucks**

Your top partners are responsible for driving 80 to 90 percent of your indirect revenue. Now ask your partner managers how they are managing business with those top partners? They're not using a PRM. They're using spreadsheets. Think about that. Your partner managers are using spreadsheets to manage 80-90% of the revenue your organization is driving. And when was the last time you saw an error in a spreadsheet formula? Not a comforting thought, right?

The reality is that PRM tools were built to support many "long tail" small transaction reseller partners. They were not designed to manage peer relationships with your top partners, share opportunities securely, collaborate on those opportunities, and work together to close business.

With an EBM platform, you grow more robust relationships with those partners that are driving 80-90% of the partner revenue for your organization, allow secure, policy-based sharing of limited CRM data, manage those relationships, and deliver on-the-spot reporting across partners, regions, solutions, industries and more.

Now you're investing your technology bucks to drive and manage the MOST productive segment of your business - co-selling with your top partners.

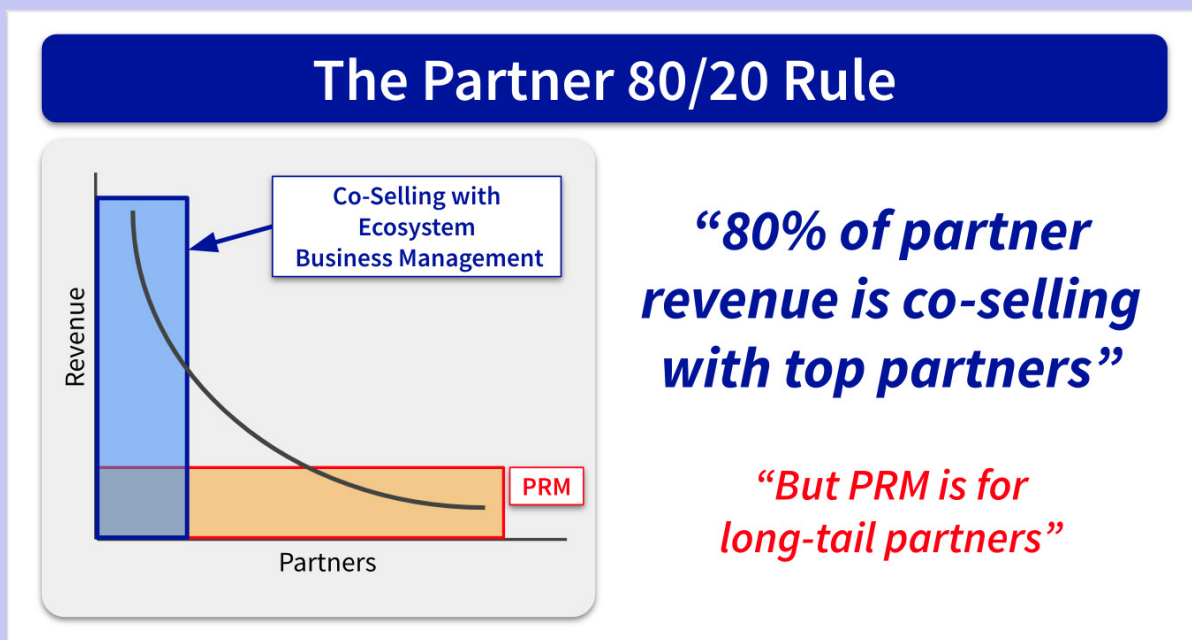


Figure 10: The Partner 80/20 Rule - 80% of your partner revenue is attributed to co-selling with your top partners. But your most significant investment in partnering technology today is likely on PRM - managing the long tail of small reseller partners and driving a small percentage of your partnering revenue.

3 | Manage peer-to-peer (P2P) partner collaboration

PRMs were built for reselling, back in the day where you were selling your product through channel sales partners. PRMs were designed for an individual vendor to host a portal for partners, own all the data and the security rights, and everyone else must log in to upload and access information.

The concept was solely for single-use, non-collaborative, and non-peer partner relationships. But partnering has changed. And that's especially NOT how you partner with your top producing strategic partners.

An Ecosystem Business Management platform like [WorkSpan](#) serves as a unifying network where your company and multiple partners can come together as peers and collaborate securely on joint opportunities to drive co-sell deals together!

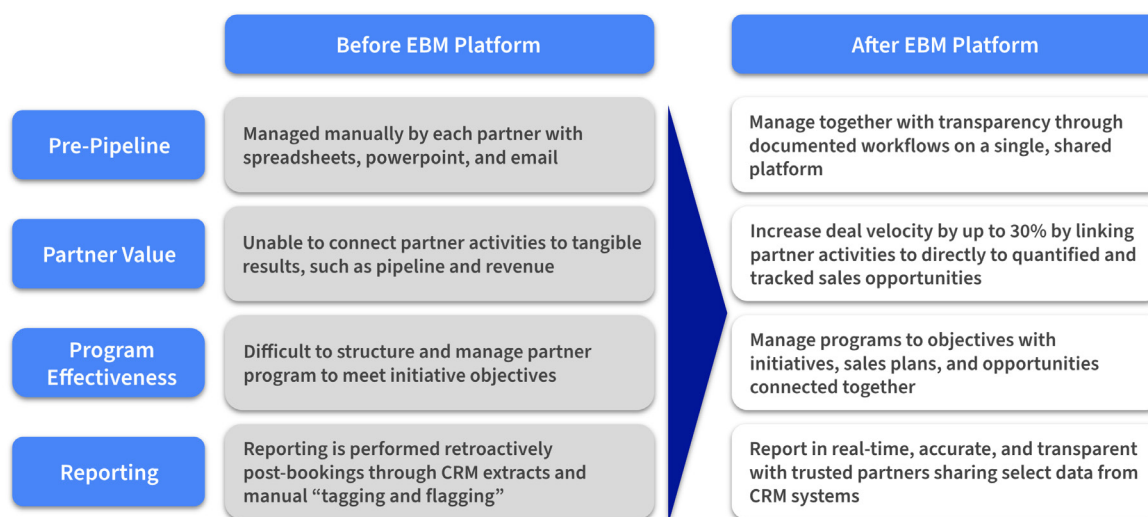


Figure 11: How EBM Platforms Transform Your Platform - EBM platforms significantly affect pre-pipeline motions, partner value, program effectiveness, and reporting.

Should You Consider Building Your System to Handle Co-Selling?

The answer is clear. The top four industry analysts (IDC, Forrester, Gartner, and Accenture) covering the Partnering Technology Stack have all voiced their opinion to Buy, not Build the solution. Some key advantages of buying an EBM platform instead of building it include lower upfront cost, easy scalability, rapid deployment with less time in implementation, and most importantly - agility with frequent updates, new features, and ongoing maintenance.

	Build Custom IT Projects	Buy Ecosystem Business Management SaaS
	Extend Partner Portal	Embed EBM into Partner Portal
Capabilities	Engineer custom objects for co-sell, co-market, co-solution	Purpose-built ecosystem apps with pre-configured best practices
Cost	High implementation cost + per-user pricing	Unlimited users, per-partner pricing
Timing	12-18 months	Go live in 1-3 months
Agility	Work with IT to roll out new programs	Partner Ops configure & deploy new programs

Figure 12: Buying an EBM Platform is Better than Building - Buying is always a better option than building an EBM platform in terms of capabilities, cost, timing, and agility.



SECTION 8

Ensure Successful Channel Management with Co-Sell Motions!



Ever-evolving technology transformations are pushing businesses to explore new market opportunities to meet and exceed customer needs. However, with growing competition, you no longer have the time or dollars to explore, ideate, build and market innovative solutions on your own. So working with your ecosystem partners is the best strategy for rapidly offering agile solutions to your target market. It is the right time to join hands with your channel partners and adapt to the dynamic demands of the partner ecosystem.

“You need software like WorkSpan that can orchestrate all the moving parts to align the stars and moons and drive value from your partnerships.”

**– Jay McBain, Principal Analyst, Channel Partnerships & Ecosystems
Forrester**

Contact Us

Speak to a Co-Sell Specialist at WorkSpan.

[Get Started](#)



Trusted By

WorkSpan Digitizes Partner Programs for the World's Leading Technology Companies:



About WorkSpan

WorkSpan is the #1 ecosystem business management platform. We give CROs a digital platform to turbocharge indirect revenue with their partner teams at higher win rates and lower costs. We connect your partners on a live network with cross-company business applications to build, market, and sell together. You can securely exchange data with trusted partners and have real-time visibility and insights.

We power the top 10 business ecosystems in the technology and communications industry today, managing over \$50 billion in joint pipeline, 6x faster speed to market for joint solutions, and 2x partner manager productivity. Customers include Microsoft, Verizon, SAP, Accenture, Dell, NetApp, and VMware. WorkSpan was named Cool Vendor in Channel and Sales Enablement by Gartner in 2019. Headquartered in Palo Alto, California, WorkSpan has a presence in Bangalore and over 20 other locations worldwide.