State of Partner Relationship Management 2019
Introduction

When businesses grow, they often need to collaborate with more partners. These partners could be in the areas of sales, technology, solutions or training. As the number of partners increases, so does the complexity of managing them. This is when the need for having a Partner Relationship Management (PRM) solution arises. PRM can be broadly defined as a combination of software, processes and strategies that companies use to streamline business processes with their partners.

According to Gartner, as the drive to sustain business growth through sales partners in difficult market conditions has increased, the demand for PRM applications has gained much more attention in the past years.

In this study, we surveyed senior executives responsible for partner relationships in mid to large-sized companies to understand the level of adoption of PRM systems in their organizations and the practices followed by them in implementing these systems.

Read on to know what we found.
Profile of respondents

Industry break up

- Computer Software: 40%
- Information Technology and Services: 37%
- Internet: 12%
- Telecommunications: 6%
- Computer Hardware: 3%
- Computer & Network Security: 1%
- Hospital & Health Care: 1%

Revenue break up

- $1B+: 44%
- $500M - $1B: 4%
- $250 - $500M: 10%
- $100 - $250M: 13%
- $50 - $100M: 10%
- < $50M: 19%

Employee break up

- > 10,000: 33%
- 5,001-10,000: 8%
- 1,001-5,000: 25%
- 501-1,000: 15%
- 201-500: 11%
- < 200: 8%

Level break up

- C-Suite: 7%
- Vice Presidents: 12%
- Directors: 46%
- Managers: 35%

Department break up

- Partner: 45%
- Marketing: 37%
- Sales: 10%
- Operations: 6%
- Other: 2%
Key insights from the study

- Providing enablement material (74%) and onboarding partners (60%) are the two activities that marketers invest most of their time in.
- For 49% of marketers, keeping their partners updated is the key issue faced by them while managing their partners.
- Product tutorials (78%) and Product datasheets (74%) are the most used partner enablement content assets.
- 88% of respondents said that they use webinars to train their partners.
- 70% of the organizations help their partners in creating co-branded content and collateral.
- 73% of the organizations say their partners spend most of the MDF on email and paid search campaigns.
- Sales management and content management (71% each) are the top two features that marketers consider as the most important in a PRM platform.
Direct requests from vendors is still the primary source for partner recruitment.

77% of respondents said they recruit partners from direct requests that they get from vendors. However, 48% of respondents also said that they run partner recruitment campaigns to recruit vendors. (Figure 1)

While direct requests from vendors might work adequately for the market leaders, smaller and lesser known companies may do well to consider various inbound and outbound methods to reach out to prospective partners with a compelling message.

Figure 1

<table>
<thead>
<tr>
<th>How do you recruit your partners?</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct partnership requests from vendors</td>
<td>77%</td>
</tr>
<tr>
<td>Run partner recruitment campaigns</td>
<td>48%</td>
</tr>
<tr>
<td>Through 3rd party agencies</td>
<td>15%</td>
</tr>
</tbody>
</table>
Partner enablement and onboarding are the two activities that marketers invest most of their time in.

Providing enablement material (74%) and onboarding partners (60%) topped the list of activities that marketers invest most of their time in. (Figure 2)

Periodic training, measuring engagement and identifying opportunities to upsell and grow the existing relationship, at 40% each, are activities that came in at third position.

Partner onboarding and enablement are perhaps the two most important activities that happen before partners begin selling, and hence, call for special attention from marketers as reflected in the responses.

Of the following partner management activities, which are the top 3 in which you invest most of your time?

- Providing enablement materials (marketing, sales, training, etc) - 74%
- Onboarding partners - 60%
- Periodic training - 40%
- Measuring engagement, productivity, revenue, etc. - 40%
- Identifying opportunities to upsell and grow existing partner relationships - 40%
- Setting objectives and milestones - 28%
- Monitoring partner compliance - 11%
- Other - 4%
A significantly large number of respondents say they are not happy with their partner management process.

While 59% of respondents indicated that they were satisfied with their current partner management process, as high as 41% said that they were not. (Figure 3-A)

Key issues faced by marketers in managing their partners included keeping the partners updated (49%), ROI (47%) and training partner teams (45%). (Figure 3-B)

Of those who were not satisfied with their partner management process, 62% identified training and 52% identified onboarding as key challenges. In comparison, only 32% of those who were satisfied with their partner management process mentioned either training or onboarding as key challenges, suggesting that training and onboarding could be key pain points in the partner management process that organizations would do well in resolving, early in the partner management process. (Figure 3-C)

Figure 3-A

Are you satisfied with the current process for managing your partners?

Yes 59%
No 41%
What key issues do you face in managing your partners?

- Keeping the partners updated: 49%
- ROI: 47%
- Training partner sales reps and dev-ops teams: 45%
- Onboarding new partners: 41%
- Getting real-time feedback: 39%
- Streamlining lead management: 29%
- Other: 6%

Figure 3-B

<table>
<thead>
<tr>
<th>Satisfied</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Onboarding new partners</td>
<td>32%</td>
<td>52%</td>
</tr>
<tr>
<td>Streamlining lead management</td>
<td>23%</td>
<td>38%</td>
</tr>
<tr>
<td>Training partner sales reps</td>
<td>32%</td>
<td>62%</td>
</tr>
<tr>
<td>Keeping the partners updated</td>
<td>45%</td>
<td>52%</td>
</tr>
<tr>
<td>Getting real-time feedback</td>
<td>39%</td>
<td>43%</td>
</tr>
<tr>
<td>ROI</td>
<td>48%</td>
<td>52%</td>
</tr>
</tbody>
</table>
61% of organizations have a proper measurement system in place for tracking and documenting their partners’ activities.

While a majority of organizations have indicated that they have a measurement system to document and track their partners’ activities, as high as 39% of organizations still don’t have such a system in place. (Figure 4-A) This is both disturbing and bewildering given the significant role that partners could play in a business eco-system.

When asked which metrics they checked periodically for measuring partner performance, as high as 90% of respondents chose to mention revenue generated. Some of the other metrics mentioned were number of leads (59%), deal-related metrics (51%) and training and certification for partners (47%). (Figure 4-B)
Which of the following partner performance metrics are checked periodically?

<table>
<thead>
<tr>
<th>Metric</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue generated</td>
<td>90%</td>
</tr>
<tr>
<td>Number of leads</td>
<td>59%</td>
</tr>
<tr>
<td>Deal-related metrics (win/loss rate, deal value, deal velocity)</td>
<td>51%</td>
</tr>
<tr>
<td>Training and certifications of partners</td>
<td>47%</td>
</tr>
<tr>
<td>ROI</td>
<td>16%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
</tr>
</tbody>
</table>
For partner training, webinar turns out to be the most preferred medium. However, traditional methods like on-premise training are still popular among organizations.

88% of respondents said that they use webinars to train their partners. On-premise physical training (65%) and learning management systems (65%) came in as the second-most preferred channels of training. (Figure 5)

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Webinar sessions (live and on-demand)</td>
<td>88%</td>
</tr>
<tr>
<td>On-premise physical training</td>
<td>65%</td>
</tr>
<tr>
<td>LMS (Learning Management System)</td>
<td>65%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
</tr>
</tbody>
</table>

(Figure 5)
In-house resources are mostly used to create partner enablement content; ‘Product Tutorials’ & ‘Product Datasheets’ are the most used content assets.

72% of respondents said they used in-house resources to create partner enablement content while the remaining 28% said they used a combination of both in-house and outsourced resources. (Figure 6-A)

Product tutorials (78%) and Product datasheets (74%) were the most used partner enablement content assets. (Figure 6-B)

Interestingly, sales enabling content assets like analysis of competition (39%) and sales scripts (39%) appeared to receive less attention in partner enablement. (Figure 6-B)
Which types of content assets do you use for your partner enablement?

<table>
<thead>
<tr>
<th>Content Asset</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product tutorials (videos, PDFs, PPTs)</td>
<td>78%</td>
</tr>
<tr>
<td>Product datasheets</td>
<td>74%</td>
</tr>
<tr>
<td>Case studies</td>
<td>63%</td>
</tr>
<tr>
<td>Partner playbooks</td>
<td>54%</td>
</tr>
<tr>
<td>Whitepapers</td>
<td>50%</td>
</tr>
<tr>
<td>Sales scripts</td>
<td>39%</td>
</tr>
<tr>
<td>Competition comparison</td>
<td>39%</td>
</tr>
</tbody>
</table>
Less than half the organizations surveyed use a PRM platform for managing their partners; of the others, a majority don’t plan to invest in one soon.

Only 46% of respondents said that they currently use a PRM platform; a larger proportion (54%) admitted to not using one. *(Figure 7-A)*

Moreover, of the respondents who said they don’t use a PRM platform currently, 72% said they had no plans to invest in one next year either. *(Figure 7-B)*

As partner networks grow in size and diversity, investing in a PRM platform would be beneficial. Training, onboarding and updating partners, which are seen as key challenges in the partner management process, can be automated and managed more efficiently with the use of PRM tools.

*Figure 7-A*
Figure 7-B

Do you plan to invest in a PRM platform next year?

Yes 28%

No 72%
Salesforce tops the list of the most preferred PRM platform.

52% of respondents said they use Salesforce as their PRM platform. NetSuite PRM (19%) came in at a distant second. (Figure 8-A)

71% of respondents also said they were satisfied with their current PRM platform. (Figure 8-B)
Are you satisfied with the current PRM platform you are using?

- Yes 71%
- No 29%
**Sales and content management are the most sought-after features in a PRM platform.**

Sales management (71%) and content management (71%) topped the list of features that marketers considered as the most important in a PRM platform. The other important features, according to them were onboarding management, training and certification management, and communication management — all three getting 67% of votes each. (Figure 9)

PRM platforms improve end-user engagement by making content discoverable, shareable, and readily accessible. All these content assets are stored in an effective knowledge base from where partners can access the content pieces at any time. Hence, a PRM platform needs to have robust content management and distribution features that support all types of file formats. At the same time, since organizations also need to have visibility of the partner pipeline for proper forecasting, it’s important that the sales management module of the PRM platform is able to provide all the information that an organization would need to forecast and offer targeted support to its partners at specific stages of the sales cycle.
In a PRM platform, which of the following features do you consider important?

- Sales management: 71%
- Content management: 71%
- Onboarding management: 67%
- Communications management: 67%
- Training and certification management: 67%
- Profile management: 62%
- Marketing development funds management: 48%
- Community management: 38%
- Performance, rewards, and gamification: 38%
- Partner locator: 33%
- Support and ticketing system: 29%
- Survey tools: 24%
- Rebate management: 14%
Lack of dynamic alerts is a challenge in current PRM platforms, say marketers.

When asked about the challenges they face in their current PRM platform, 40% of respondents complained about lack of dynamic alerts. Absence of personalized communication (30%) and confusing content distribution (25%) were among the other challenges mentioned. (Figure 10)

An organization with an active partner program constantly introduces new schemes, products, offers, and pricing strategies, and all the partners need to be updated on these changes as soon as they come into effect. Users of many of the current PRM solutions seem to face the lack of proper dynamic alerts which would facilitate this.

Figure 10

What challenges do you face in your current PRM platform?

- Lack of dynamic alerts: 40%
- Absence of personalized communication: 30%
- Other: 30%
- Confusing content distribution: 25%
- Lack of mobile-responsiveness: 20%
- Complicated navigation: 10%
Partners spend most from their MDF on ‘Email’ and ‘Paid search’ marketing campaigns.

60% of marketers confirmed to having an MDF (marketing development fund). (Figure 11-A)

When asked about the types of marketing campaigns their partners spend their MDF on, email campaigns (73%) and paid search campaigns (73%) emerged as front-runners, followed by events and roadshows (64%). Only a little over half mentioned social media campaigns (54%). (Figure 11-B)

Figure 11-A

Do you have a marketing development fund?

Yes 60%
No 40%
What are the different types of marketing campaigns that your partners spend their MDF on?

<table>
<thead>
<tr>
<th>Campaign Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email campaigns</td>
<td>73%</td>
</tr>
<tr>
<td>Paid search campaigns</td>
<td>73%</td>
</tr>
<tr>
<td>Events and roadshows</td>
<td>64%</td>
</tr>
<tr>
<td>Social media campaigns</td>
<td>54%</td>
</tr>
<tr>
<td>Webinars</td>
<td>46%</td>
</tr>
<tr>
<td>Display campaigns</td>
<td>36%</td>
</tr>
</tbody>
</table>

Figure II-B
Majority of companies claim to help their partners in executing their marketing activities.

79% of respondents said they help their partners in executing their marketing activities. *(Figure 12-A)*

Organizations who were using a PRM platform were more inclined to creating co-branded collateral for partners (80%) and in helping their partners with email campaigns, webinars, and events (73% each). *(Figure 12-B)*

Organizations who were managing their partners in more traditional ways were more inclined to help their partners with digital campaigns (80%) and email campaigns (73%). Co-branded collateral came next in line with a 67% response. *(Figure 12-C)*

Since many partners do not have dedicated resources for marketing, they look for marketing support from the organization. Based on the partner’s business plan, size and business goals, an organization can decide which marketing activities will work well for the partner.
What are the different types of marketing activities that you help your partners with (organizations using a PRM platform)?

- Creating co-branded content and collaterals: 80%
- Email campaigns: 73%
- Webinars: 73%
- Events & roadshows: 73%
- Digital campaigns: 47%
- Phone outreach campaigns: 33%

What are the different types of marketing activities that you help your partners with (organizations not using a PRM platform)?

- Digital campaigns: 80%
- Email campaigns: 73%
- Creating co-branded contents and collaterals: 67%
- Webinars: 60%
- Events & roadshows: 60%
- Web personalization: 27%
- Calling campaigns: 20%
- Other: 13%
Industry expertise is the dominant parameter for choosing a technology partner.

Industry and vertical expertise (94%) emerged as the most considered parameter for companies while choosing a technology partner. The next two important parameters were service quality track record (58%) and geographic coverage (56%). (Figure 13)
Recommendations

• **Evaluate newer channels for partner recruitment:**

Currently, direct requests from vendors (77%) seems to be the primary source for recruiting partners. Given the increasing complexity in technology selling and the growing competitiveness in the marketplace, the need for high-quality partners becomes critical. Under these circumstances, we believe businesses would do well by moving out of their comfort zone and reaching out to prospective partners through partner recruitment campaigns that could be run both in digital media and social. Organizations can also set up inbound and outbound processes for partner recruiting.

• **Invest in partner management technologies:**

As high as 41% of respondents indicated that they were not happy with their partner management process currently. Perhaps this could be correlated with the fact that 54% of respondents were not using a PRM platform to manage their partners, as indicated by the study. Managing a large base of partners effectively requires the help of automated tools, and as businesses grow, marketers would do well by investing in technologies that would help them do so.

Some of the key challenges faced by marketers in managing their partners include keeping their partners updated (49%), realizing ROI (47%) and training them (45%). A partner management platform with content management, sales management and onboarding management features could help in resolving many of these issues. Considering that 71% of those using a PRM platform were satisfied with it, we do not see any major cause for concern for marketers in adopting one.

• **Create content assets that help in the sales process:**

Product tutorials (78%) and product datasheets (74%) dominate the list of content assets used by marketers for partner enablement. This is understandable. However, considering the increasing
trend amongst buyers to do their own primary research online even before contacting a sales rep, it becomes necessary for companies to arm their partners with more than just literature on their products. We believe organizations need to create more sales enabling assets, including analysis of competition (39%), sales scripts (39%), and partner playbooks (54%), that help sales reps in the actual selling process, all of which seem to have a much lesser role to play today. This shift in content assets might require companies to outsource more of their content to external agencies, contrarian to the current trend of creating content in-house (72%).
About the Analysts

Nimish Vohra  
SVP, Principal Analyst

Nimish works with CMOs and senior marketing professionals. His research focuses on customer success management, predictive analytics, mobile enablement and other emerging trends that help customers leverage technology as an enabler of marketing and business outcomes.

Manan Bhatia  
Director, Strategic Accounts

Manan works with senior marketing professionals and is currently involved in studying emerging trends and understanding consumer behavior in the digital space. His research focuses on developing and managing online marketing campaigns, account growth, product strategy and client relationships.

Credits

Research contributors  
Arunh Krishnan  
Shubharthi Ghosh

Survey operations  
Aishani Majumdar

Creative services  
Priyokumar Singh Naorem
About Regalix Research

Regalix Research supports organizations across the globe augment their marketing, customer satisfaction, and retention initiatives through timely insights. Headquartered in Mountain View, the heart of the Silicon Valley, the organization boasts of an extensive network of top executives and practitioners across the globe who help identify, and answer the ‘when’ and ‘why’ of disruptive trends.

About Regalix

Regalix is a Customer Acquisition and Customer Success company that re-imagines digital experiences across hi-tech, ad-tech, and retail domains. The company has partnered with some of the largest global B2B organizations in their efforts at customer acquisition, growth and retention. Regalix works with businesses, supporting their customers’ through the entire journey, to deliver reliable products and services in today’s subscription-based economy.

Regalix has a long history of creating award-winning ventures with enterprises through co-innovation and idea-driven frameworks that inspire companies to think different. Headquartered in the Silicon Valley—Mountain View, California—Regalix has offices in Europe and Asia.