

Forrester Opportunity Snapshot: A Custom Study Commissioned by OneAffiniti | February 2019

# Empower Your Channel Partners With A Service-Led Approach To Through-Channel Marketing

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# Empower Your Channel Partners With A Service-Led Approach To Through-Channel Marketing

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## Through-Channel Marketing Is Underutilized, And Results Are Less Than Satisfactory

Effective partner management and through-channel marketing (TCM) represent the third stage in sales and marketing transformation. B2B marketing pros view distributed and local marketing as key to influencing new buyers and increasingly rely on channels, partnerships, and alliances to reach customers. Brands that have invested in TCM programs and through-channel marketing automation (TCMA) solutions, however, have yet to achieve desirable levels of satisfaction and maturity in their use of TCM and associated TCMA platforms.

Small and mid-sized channel partners, on the other hand, lack the capability, skills, and support from brands needed to be effective in executing marketing campaigns. To drive effective execution of TCM campaigns and improve value realization from investment in TCMA platforms, brands must take a service-led approach to through-channel marketing.

OneAffiniti commissioned Forrester Consulting to conduct a custom study with 100 respondents (50 respondents from channel partners firms and 50 respondents from brands) responsible for channel marketing and sales. The study was completed in December 2018.



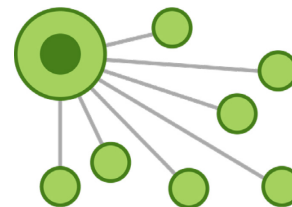
### Region

- › 100 respondents from North America



### Industry groups

- › **30%** - Financial services and insurance
- › **70%** - Technology and/or technology services



### Company size (channel partners) — employees:

- › **45%** - 2 to 99
- › **55%** - 100 to 499



### Company size (brands) — employees:

- › **36%** - 1,000 to 4,999
- › **54%** - 5,000 to 19,999
- › **10%** - 20,000+

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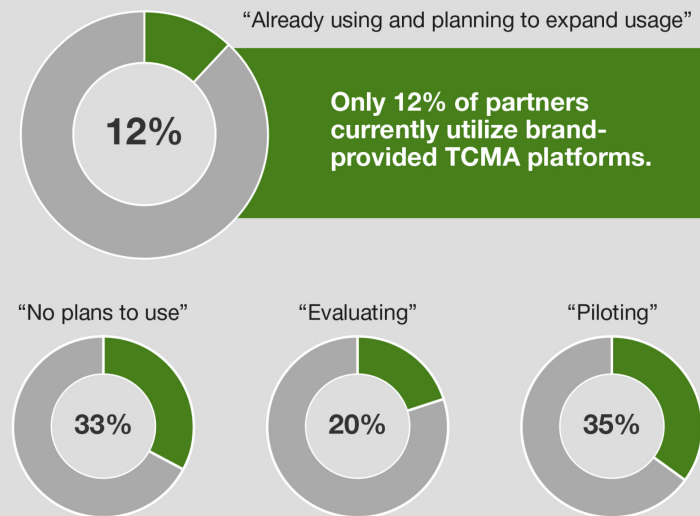
## PARTNERS: Utilization Of Through-Channel Marketing Automation Remains Low

As an increasing number of B2B companies observe a growing amount of sales revenue being delivered through indirect channels, it is no surprise that brands realize the need for effective execution of marketing campaigns through their channel partners.

The utilization of TCMA to this end presents a major opportunity: Brands that are able to get this right stand to benefit by gaining access to a larger number of partners (thereby mitigating partner risk), gaining access to fast-growing segments, and realizing returns on brand marketing investment.

But utilization of TCMA platforms remains a key problem. Both brands and channel partners recognize that TCMA platforms are severely underutilized; just 12% of channel partner respondents surveyed currently use and are planning to expand usage of brand-provided TCMA platforms.

“Which of the following statements best describes your organization’s plans in leveraging brand-provided marketing platforms (partner portals)?”



Base: 50 respondents responsible for marketing in channel partner companies  
Source: A commissioned study conducted by Forrester Consulting on behalf of OneAffiniti, December 2018

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## PARTNERS: Channel Partners Face Critical Challenges In Executing Marketing Campaigns

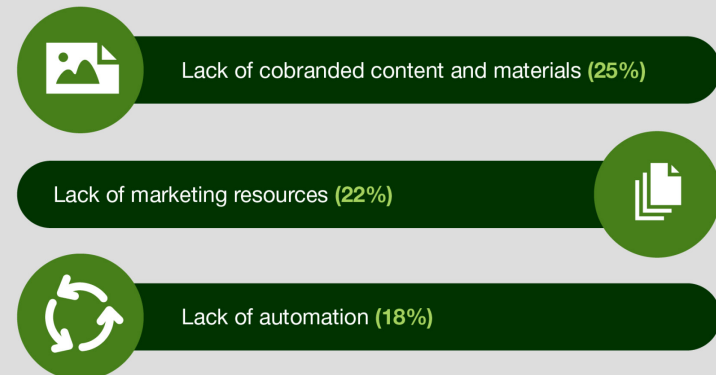
The demands of effectively executing marketing campaigns go far beyond having access to a brand-provided asset repository. Small to mid-sized channel partners typically lack the capacity (in the form of resources, time, and content) required to effectively participate in and execute the marketing campaigns of the brands they serve.

Channel partner respondents cited the following as top challenges:

- › Lack of cobranded content and materials (25%).
- › Lack of marketing resources (22%).
- › Lack of automation in executing brand marketing activities (18%).

“Which of the following are challenges faced by your organization in executing marketing campaigns using brand-provided marketing platforms?”

### Top challenges faced by channel partners



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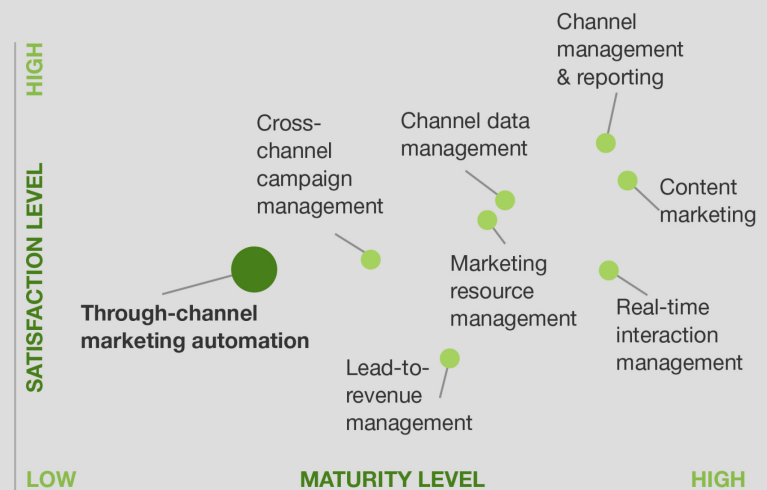
## BRANDS: Brands Are Also Challenged To Execute And Are Unsatisfied In Their Utilization of TCMA Platforms

Brands, likewise, lack marketing resources to provide custom content and execute consistently, which is key to building momentum and generating long-term return through frequency.

While brands have taken steps to enhance their through-channel marketing efforts by investing in TCMA platforms, the results are less than satisfactory.

Relative to other types of channel marketing software, TCMA solutions represent the lower end of the spectrum when it comes to satisfaction and maturity achieved by the brands that utilize them.

“What level of maturity/satisfaction has your organization achieved in utilizing each of the following platforms?”



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## PARTNERS: TCM Is Largely Used For Customer Retention And References

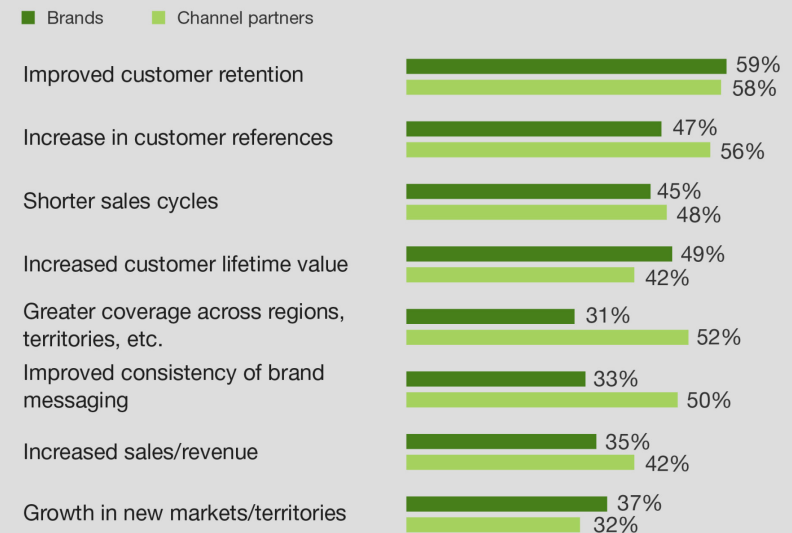
Through-channel marketing serves to amplify the corporate voice of a brand, drive demand and lead generation, and deliver a consistent brand experience to customers.

Our survey findings, however, show that the benefits realized by both brands and channel partners are not typically associated with through-channel marketing:

- › Fifty-nine percent of channel partners and 58% of brands surveyed observed improved customer retention.
- › Forty-seven percent of channel partners and 56% of brands surveyed indicated an increase in customer references.

It is important that brands and channel partners use TCM to generate demand, new opportunities, and leads to create greater value for channel partners.

### “What benefits has your organization seen from participating in brand marketing campaigns/using through-channel marketing campaigns?”



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## PARTNERS: Services Are Being Used To Accelerate TCMA Utilization

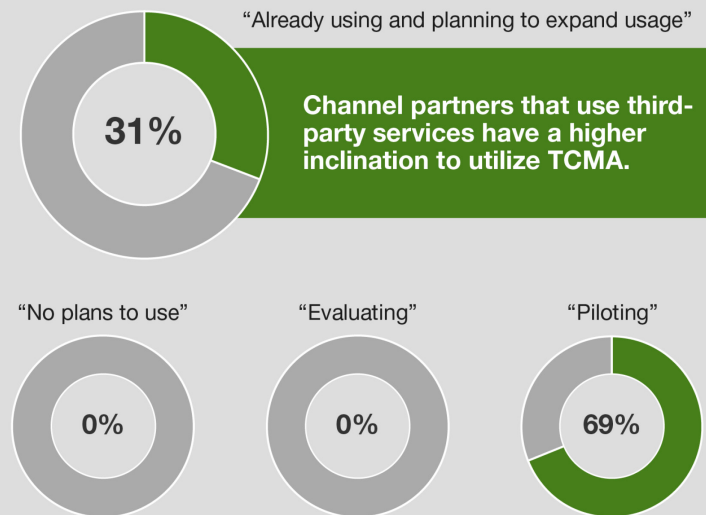
Small and mid-sized channel partners are engaging services to outsource the production and management of campaigns and to write customized content to third-party services providers.

Based on the findings of our study, channel partners that engage services with the execution of marketing activities typically show a higher inclination to use TCMA:

- › Thirty-one percent of channel partners that use third-party services on at least a weekly basis are already using and planning to expand usage of brand-provided TCMA.
- › The remaining 69% are piloting the use of brand-provided TCMA platforms.

It is important to note the difference in approach for providing services to channel partners: While concierge services are ideal for larger partners with dedicated marketing teams, programmatic services work better for small-and-medium-size-business (SMB) and mid-market-focused channel partners with limited resourcing.

Future plans of channel partners that access third-party services on TCMA platforms weekly or more



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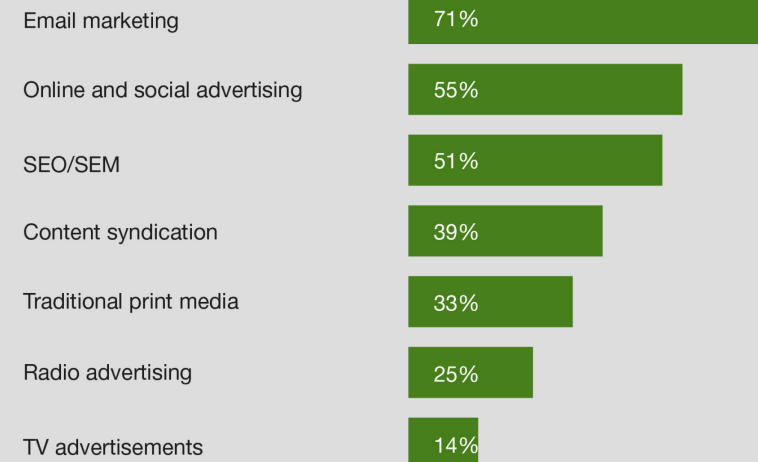
## PARTNERS: Digital Marketing Should Be Front And Center To Help Partners With New Business

Digital marketing is a proven demand-generation method. As partners expect more net-new business from TCM, brands must prioritize their efforts on delivering sophisticated campaigns. Moreover, campaigns need to match or beat readily available marketing automation solutions that partners can now deploy in-house.

From the results of our study, email marketing, online and social advertising, and search engine optimization/search engine marketing (SEO/SEM) showed the highest percentage of marketing activities that channel partners intend to execute going forward as part of marketing campaigns of brands.

These sentiments were consistent between both brands and channel partners surveyed, highlighting the significance of digital marketing as the way forward.

“Going forward, which of the following marketing activities does your organization plan to execute as part of vendor marketing campaigns?”



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## PARTNERS: Technology And Services Should Work Hand-In-Hand To Make It Easy For The Partner To Engage Regularly

Services and technology need to work together to ease and facilitate channel partners' use of TCMA platforms.

Services should be:

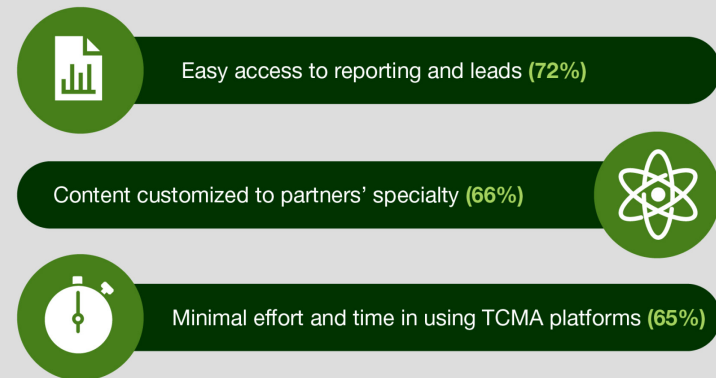
- › Deployed to make it easy for partner setup and to repeat regularly with minimal effort.
- › Provided to create nonbranded content for campaigns to appear impartial.
- › Delivered to assist partners in prioritizing leads and optimizing campaigns over time.

Technology should be:

- › Smart to mass-customize campaigns with content appropriate for partners' specializations.
- › Able to facilitate channel partners' approval and scheduling of campaigns.
- › Leveraged to uncover best opportunities to optimize partners' time.

“Which of the following would encourage your organization to access/use brand-provided marketing platforms?” (sum of agree and disagree)

### Key ways to encourage partner use of TCMA platforms



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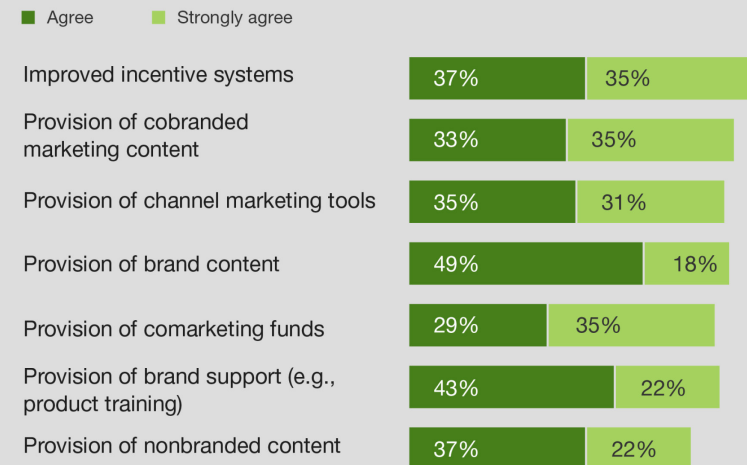
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## BRANDS: Encourage Early Adoption And Adjust Incentives Over Time

To encourage channel partner adoption of TCMA platforms and participation in TCM programs in the immediate term, brands must remove upfront barriers by fully funding programs and using incentives to drive utilization. Based on the results of the study, improved incentive systems are the strongest factor (72%) that would encourage brands to execute marketing campaigns on brand-provided TCMA platforms.

In the longer run, brands need to help partners see value from participating in TCM programs by aiding them in finding new business, after which incentives can be gradually wound back as partners begin to realize value from the program.

“Which of the following would encourage your organization to execute marketing campaigns on brand-provided marketing platforms?”



Base: 50 respondents responsible for channel marketing/marketing in brand and channel partner companies  
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Brands will continue to leverage and rely on channel partners to reach and engage new buyers across markets and geographies. Through-channel marketing will be critical to drive success in the channel, and brands need to take a programmatic service-led approach to effectively enable and empower their partners. Services providers that can deliver simplicity and ease, content customization, lead follow-up and reporting, and seamless integration between services and systems are an imperative for brands working with SMB and mid-market-focused channel partners.

Participation in through-channel marketing programs and utilization of TCMA platforms remain top challenges. Brands need to remove upfront barriers and accelerate channel partner participation by providing funding and incentives as a short-term sweetener. To sustain usage, brands need to show the value of participating in TCM programs by generating new opportunities for partners, after which incentives can be pulled back as partners begin realizing value from programs.

## METHODOLOGY

This Opportunity Snapshot was commissioned by OneAffiniti. To create this profile, Forrester leveraged its existing research on through-channel marketing. Forrester Consulting supplemented this research with custom survey questions asked of channel marketing decision makers in North America. The custom survey began in November 2018 and was completed in December 2018.

### ABOUT FORRESTER CONSULTING

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