It's Time To Enable Your Channel Partners For Evolved Selling

Increase Growth, Competitive Advantage, And Buyer Satisfaction With A Digital Sales Enablement Approach

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Executive Summary

Sales digital transformation is no longer optional. In a digital-first world where 62% of B2B buyers say they can develop selection criteria or finalize a vendor list based solely on digital content, buyers want sellers to complement and amplify information they can acquire on their own.[1] In their sales interactions, today's buyers want to learn something new, and they expect to receive tailored pitches complete with relevant data and insights presented in visual and interactive formats. Executing on this vision is challenging for many B2B firms, but particularly for industries with large distributed sales channels, where companies rely on partner sales representatives to communicate their value propositions.

In April 2018, Mediafly commissioned Forrester Consulting to explore how B2B enterprises support sales enablement across the entire direct and indirect sales ecosystem. To explore this topic, Forrester conducted an online survey with 227 sales and marketing leaders responsible for partner enablement at B2B enterprises in the US. We found that enterprises provide far more resources to their direct sales employees than partner companies, which creates inconsistent buyer experiences and reduces visibility into the sales process. Sales enablement platforms are in high demand, and for good reason. Companies that invest in providing partners with access to interactive sales enablement platforms — which support sales execution through content management, interactive tools, and a seller-oriented user experience — drive stronger sales outcomes and enable exciting business growth.

KEY FINDINGS

› **Indirect sales channels are vital to success.** B2B enterprises rely on a variety of partners to drive business growth. Providing the right sales enablement resources to partners is crucial to success because partner sales contribute to nearly half (49%) of annual revenue for B2B firms. With a variety of partnership models in play, sales enablement (SE) platforms must flex to support partners with varying degrees of familiarity with the brand(s) they are selling.

› **Channel partner sellers don't get as much support from B2B enterprises as direct sales employees do.** As firms struggle to elevate sales discussions overall, 55% of sales and marketing leaders are not confident in — or not aware of — their partners' abilities to deliver consistent and compelling sales experiences. These capabilities gaps are not surprising given disparities in resources provided to sales employees (i.e., direct sellers) and partners (i.e., indirect sellers).

› **Sales enablement platforms support cohesive brand experiences across channels that drive sales outcomes.** Sales enablement platforms are in high demand across the sales ecosystem. Companies that have already deployed SE platforms to their partners are up to 2.3x more effective at achieving their sales goals and report 1.4x higher revenue growth. Decision makers value SE platforms that: are easy to use and implement; surface actionable internal and external data; enable interactive discussions; and fit into sellers' natural mobile workflows.

Our survey results strongly support a case for prioritizing interactive tools in a partner enablement technology strategy.

Companies who have adopted SEA for partners experience 1.4x higher YoY annual revenue growth rate than those who have not adopted SEA for partners.

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B2B Enterprises Must Support Their Entire Sales Ecosystems To Compete

The demands of digital-first business buyers have forced B2B enterprises to rethink their sales processes. Winning high-consideration business deals now requires sophisticated, consultative, and technology-enabled salespeople.[2] Transforming the buying experience is no easy task, especially for B2B enterprises that rely on people outside of their own control — i.e., partner sales channels — for business growth. To compete, sales and marketing leaders must extend their sales enablement strategies and technologies beyond the direct sales force and support the success of a diverse cast of sales partners. In surveying 227 sales enablement leaders at B2B enterprises in the US, we found that (see Figure 1):
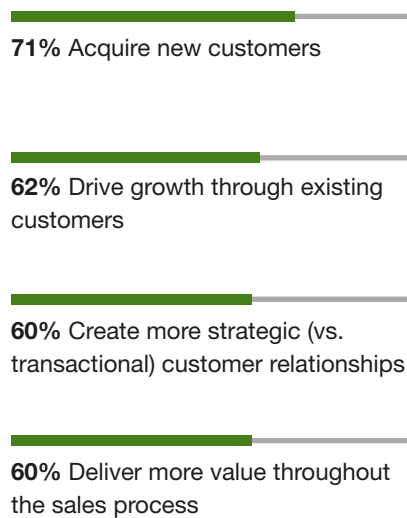
› **Enterprises seek to drive growth by improving sales experiences and deepening customer relationships.** Enterprise sales and marketing leaders are first and foremost focused on revenue growth through a combination of new customer acquisition and enrichment with existing customers. To achieve these outcomes, enterprises are looking to deliver more value throughout the sales process and forge strategic rather than transactional customer relationships.

› **Indirect sales channels play a critical role in achieving these goals.** For companies with indirect sales models, indirect channels are not just ancillary revenue streams; they are core to the business. Survey respondents reported that, on average, indirect channels generate nearly half of their annual revenue (49%). That equates to a $2 billion opportunity in the hands of partner sellers.[3]

› **Channel partner enablement programs must support a wide range of partnership types.** B2B enterprises rely on a wide variety of partners to achieve their sales goals. The companies we surveyed work with an average of 176 partner companies to sell their products and services. These channel partners range from exclusive sales contracts to preferred partnerships to relationships with companies that sell a variety of brands — which adds complexity to an already crowded ecosystem. The level of leverage and attention the enterprise receives from each partnership type varies widely, yet sales enablement leaders are tasked with driving revenue across all channels.

Partner sales channels are complex, yet critical to business growth.

Figure 1

Top sales priorities for the next 12 months:

71% Acquire new customers

62% Drive growth through existing customers

60% Create more strategic (vs. transactional) customer relationships

60% Deliver more value throughout the sales process

Percent of company revenue that comes from each sales model:

■ Direct
■ Indirect

51%
49%
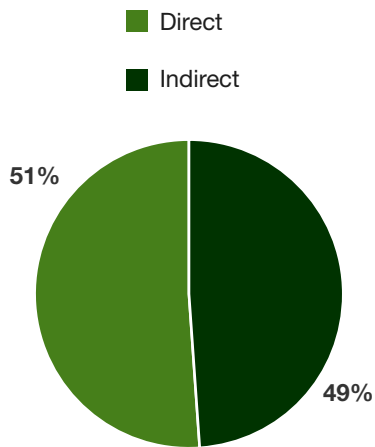
Percent of channel revenue that comes from each partnership type:

■ Exclusive partners that sell only our brand
■ Preferred partners that sell our brand and a few others
■ Other partners that sell a variety of brands

28%
44%
28%
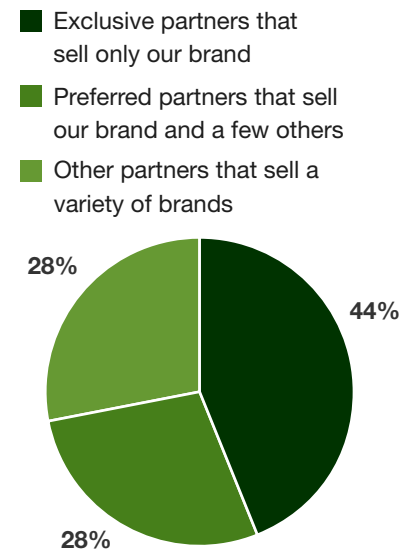
Respondents work with **176** partner companies on average.

Base: 227 B2B marketing and sales leaders responsible for channel enablement
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018

Indirect Sales Forces Are Underserved

Getting traction with empowered buyers requires elevating sales conversations from transactional to strategic. For example, one respondent lamented that his company's services can help customers grow their own businesses, but the company struggles to convey that value proposition in sales conversations. Lackluster sales interactions can counteract all the hard work and investments made in digital marketing and lead generation. Therefore, enterprises must support sellers across the ecosystem with resources that help them clearly articulate the brand value proposition. Enterprises that fail to do so will lose out to those that commit to delivering consistent, compelling buyer experiences through direct and indirect channels. Our survey showed:

› **Sales experiences are largely inconsistent across channels.** Less than half of SE leaders (45%) are confident in the level of brand consistency delivered across channels during the sales process. Nearly as many (42%) feel that the buyer experience is less than consistent. What's more, the remaining 13% of survey respondents don't know whether sales experiences are consistent or not — even though channel enablement is a key part of their job responsibilities (see Figure 2). Consumer packaged goods (CPG) industry respondents have the least visibility into the sales process; 21% of them don't know enough to evaluate the consistency of B2B buyer experiences.

› **Gaps in resources make partners' jobs more difficult.** Partners have a more challenging time advancing the sales cycle than direct sellers do, owing to gaps in resources across content, training, and technology. Respondents reported that partners (i.e., indirect sellers) have 1.3x to 1.6x greater difficulty than sales employees (i.e., direct sellers) in getting customers to take a next meeting. These challenges are not surprising when considering that partners receive significantly fewer sales enablement resources than sales employees do. For example, while 68% of enterprises provide sales employees with presentation templates, only 48% provide these templates to partners. Sales employees are also more thoroughly trained than partner reps — this includes in-person training as well as training documents/collateral and on-demand training courses. Enterprises also provide sales employees with access to devices and software at rates 1.4x to 1.7x higher than partners (see Figure 3).

› **Enterprises are investing in training and technology/tools to close these gaps.** Sales enablement decision makers are shifting their partner enablement budgets away from traditional methods like entertainment, incentives, and co-marketing. Recognizing gaps in the sales enablement resources provided to partners, they are prioritizing investments in training and technology to help partners elevate sales discussions and drive consistency of experiences across channels (see Figure 4).

> "The company sometimes struggles in getting customers to realize that we are far more than a transportation provider. Solutions that help companies grow their business organically can be difficult to position."
>
> *Sales enablement manager, $10B+ transportation company*

Figure 2

"How would you describe the brand consistency delivered to your end customers and prospects during the sales process?"
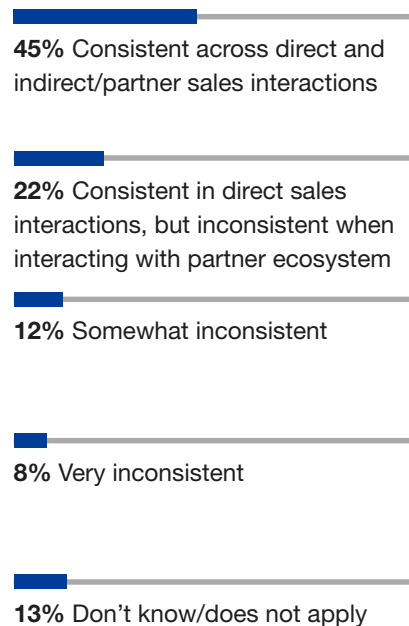
45% Consistent across direct and indirect/partner sales interactions

22% Consistent in direct sales interactions, but inconsistent when interacting with partner ecosystem

12% Somewhat inconsistent

8% Very inconsistent

13% Don't know/does not apply

Base: 227 B2B marketing and sales leaders responsible for channel enablement
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018

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Figure 3

"Which of the following resources do you provide to your sales employees (i.e., direct sellers) and partners (i.e., indirect sellers) to support the sales process?"
(Showing resources with the biggest gaps between groups)

■ Sales employees   ■ Partners

CONTENT RESOURCES:

Sales presentation templates
68%
48%

Sales videos
60%
47%

Case studies
56%
44%

TRAINING RESOURCES:

In-person training sessions
76%
49%

Training documents/ collaterals
72%
56%

TECHNOLOGY RESOURCES:

Access to devices (e.g., tablets)
68%
41%

Access to sales enablement automation software
59%
41%

ROI calculators
46%
30%

Base: 227 B2B marketing and sales leaders responsible for channel enablement
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018

Figure 4

Top ranked area of focus for partner sales enablement investments:

5% Entertainment
11% Co-marketing
12% Incentives
44% Training
28% Technology/tools
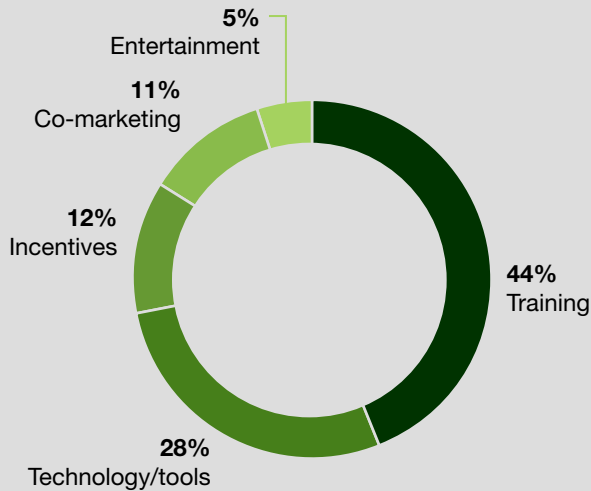
B2B companies are prioritizing investments in training and technology over more traditional partner enablement tactics.

Base: 227 B2B marketing and sales leaders responsible for channel enablement
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018
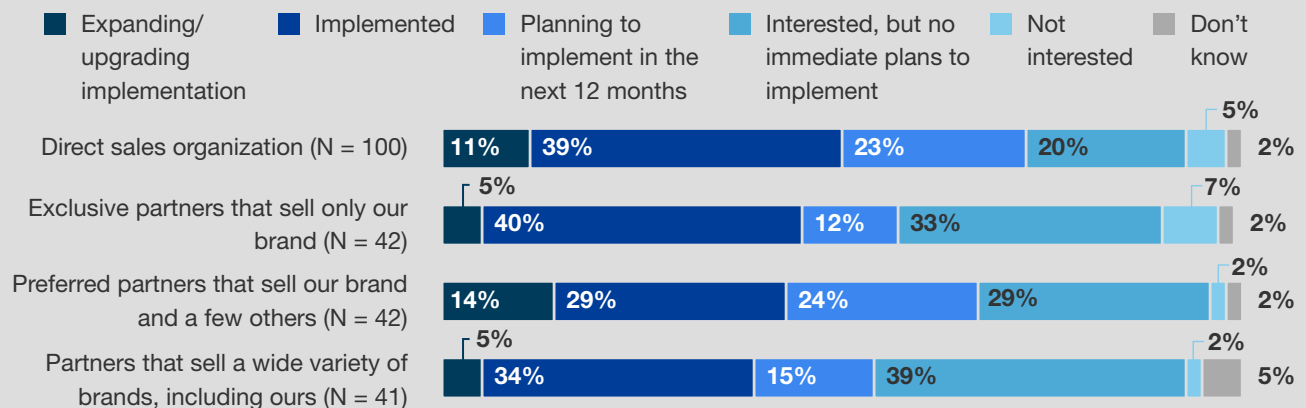
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Sales Enablement Platforms Help Enterprises Drive Sales Outcomes Across Direct And Indirect Channels

As enterprises look to invest in supporting indirect channels with technology and training resources, demand for certain product and service categories is on the rise. For example, sales enablement automation (SEA) platforms are an important technology category that can support the entire sales ecosystem. Forrester defines sales enablement automation as a software category with a set of content administration and reporting functions that support sales enablement execution through content management, prescriptive recommendations, engagement analytics, usage reporting, and a seller-oriented user experience.[4] In exploring the role of sales enablement platforms in driving success with indirect channels, we found that:

› **Sales enablement platforms are gaining momentum, with direct sales employees leading adoption.** More than 90% of respondents expressed interest in, plan to adopt, or currently use sales enablement automation platforms for their direct and indirect sales organizations. However, despite this momentum, most marketing and sales leaders have not yet deployed sales enablement technology across the ecosystem. Sales employees are among the first target audience for SE platforms — respondents reported an adoption rate of 50% for direct sellers. Adoption of SE platforms for channel partners lags at 39% to 45%, depending on the type of partnership. Not surprisingly, enterprises have prioritized their exclusive partners in deploying SE platforms (45%), while penetration is lower at partner companies that sell a variety of brands (see Figure 5).

Figure 5

"Which of the following best describes your company's plans to adopt a sales enablement automation platform across your sales ecosystem?"

Legend:
- Expanding/upgrading implementation
- Implemented
- Planning to implement in the next 12 months
- Interested, but no immediate plans to implement
- Not interested
- Don't know

Category	Expanding/upgrading implementation	Implemented	Planning to implement in the next 12 months	Interested, but no immediate plans to implement	Not interested	Don't know
Direct sales organization (N = 100)	11%	39%	23%	20%	5%	2%
Exclusive partners that sell only our brand (N = 42)	5%	40%	12%	33%	7%	2%
Preferred partners that sell our brand and a few others (N = 42)	14%	29%	24%	29%	2%	2%
Partners that sell a wide variety of brands, including ours (N = 41)	5%	34%	15%	39%	2%	5%

Base: 41 to 100 B2B marketing and sales leaders responsible for channel enablement; results shown are among respondents in the same department referenced
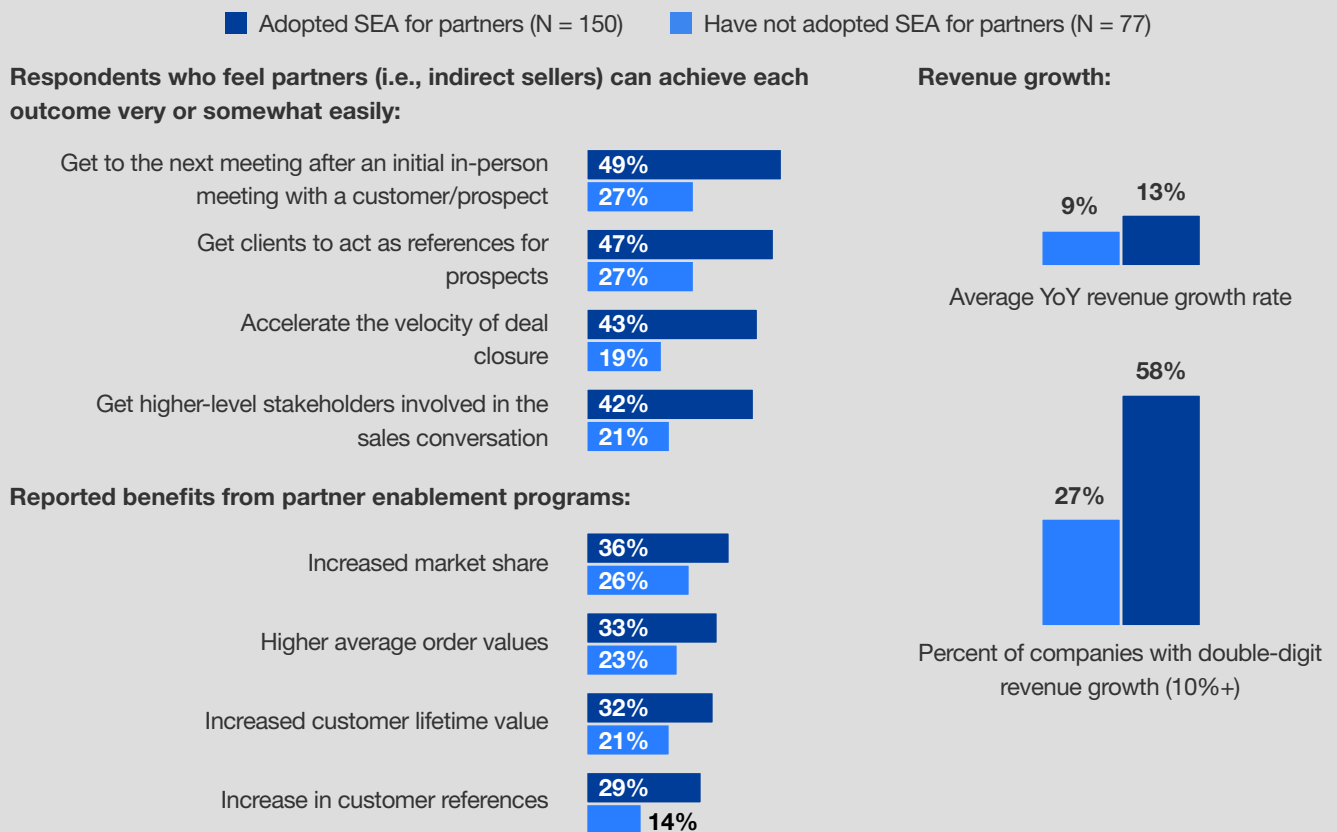Note: Percentages may not total 100 because of rounding.
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018

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› **Companies that empower their partners with SE platforms have a competitive advantage.** In comparing survey results among those that have implemented SE platforms for partners and those that have not, we found a correlation between technology adoption and business success.[5] Users of SE platforms for partners drive stronger sales outcomes than other companies; for example, they consider it 2.3x easier to accelerate deal closure, which they achieve through greater effectiveness in securing the next meeting and in engaging higher-level stakeholders in sales discussions. These progressive companies also see greater benefits from their sales enablement programs that reflect stronger customer relationships. For example, users of SE platforms for partners were 1.5x more likely than others to report an increase in customer lifetime value, 1.4x more likely to report an increase in average order values, and 2.1x more likely to report an increase in customer references as a benefit of their partner enablement programs. Finally, and most importantly, companies that empower the indirect channel with SE platforms drive growth. The average revenue growth rate for these early adopters is 1.4x higher than other companies, and they are 2.1x more likely to report double-digit growth (see Figure 6).

Companies that have deployed sales enablement platforms to partners are 2.1x more likely than other companies to report double-digit revenue growth.

Figure 6

■ Adopted SEA for partners (N = 150)　　■ Have not adopted SEA for partners (N = 77)

Respondents who feel partners (i.e., indirect sellers) can achieve each outcome very or somewhat easily:

Get to the next meeting after an initial in-person meeting with a customer/prospect
49%
27%

Get clients to act as references for prospects
47%
27%

Accelerate the velocity of deal closure
43%
19%

Get higher-level stakeholders involved in the sales conversation
42%
21%

Reported benefits from partner enablement programs:

Increased market share
36%
26%

Higher average order values
33%
23%

Increased customer lifetime value
32%
21%

Increase in customer references
29%
14%

Revenue growth:

9%　**13%**

Average YoY revenue growth rate

58%

27%

Percent of companies with double-digit revenue growth (10%+)

Base: Variable B2B marketing and sales leaders responsible for channel enablement
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018

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› **Interactive sales tools are particularly valuable in supporting sales.** Sales enablement platforms have many features, and delivering interactive tools (e.g., calculators, value assessments, interactive selling stories) are among the most powerful. Generic, static sales presentations are no longer effective in a world where buyers demand unique value from each interaction. By the time they're ready to interact with a sales rep, buyers expect a hyperpersonalized value assessment for investing in a product or service.[6] Our survey results strongly support a case for prioritizing interactive tools in a partner enablement technology strategy. We found that achieving key sales outcomes is easier for partners that frequently use interactive tools, compared to those that occasionally, rarely, or never use interactive tools. Partners that use interactive tools frequently or always find it twice as easy to accelerate deal closure and 1.8x as easy to get high-level stakeholders involved in sales discussions (see Figure 7).

SALES ENABLEMENT PLATFORMS MUST BE DATA-RICH, EASY TO USE, MOBILE-FRIENDLY, AND EASY TO DEPLOY
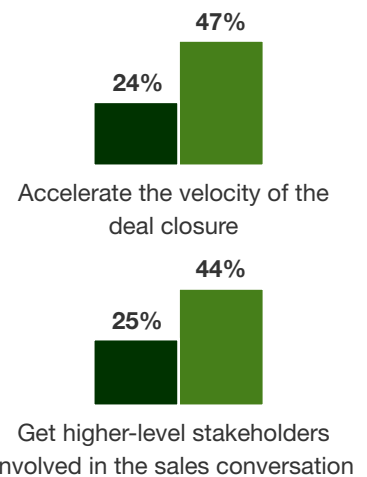
Sales enablement platforms help direct sales employees and indirect/partner reps deliver consistent, compelling sales interactions that drive growth. In an evolving software market, SE leaders must select a platform that helps their companies capture the benefits of the technology as quickly as possible. Above all, decision makers seek SE platforms that are easy to use and fit into sellers' mobile lifestyles to encourage maximum adoption and usage across the sales ecosystem. The ability to get users up and running quickly is critical for this same reason. Other important capabilities include features that make the platform more robust: access to customer/prospect data, collaboration capabilities, and integration with core systems like CRM (see Figure 8).

Interactive sales tools help sellers close deals.

Figure 7

Proportion of respondents who say it is very or somewhat easy for partners (i.e., indirect sellers) to achieve these outcomes:
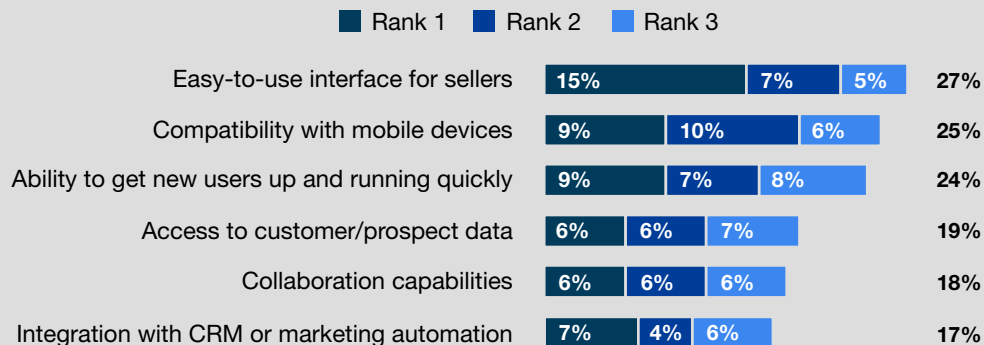
■ Partners use interactive tools <50% of the time or not at all

■ Partners use interactive tools frequently or almost always (50%+ of the time)

24% / 47%

Accelerate the velocity of the deal closure

25% / 44%

Get higher-level stakeholders involved in the sales conversation

Base: 113-114 B2B marketing and sales leaders responsible for channel enablement
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018

Figure 8

"What do you consider the most important features and capabilities of a sales enablement automation system?"
(Rank your top three)

■ Rank 1 ■ Rank 2 ■ Rank 3

Feature	Rank 1	Rank 2	Rank 3	Total
Easy-to-use interface for sellers	15%	7%	5%	27%
Compatibility with mobile devices	9%	10%	6%	25%
Ability to get new users up and running quickly	9%	7%	8%	24%
Access to customer/prospect data	6%	6%	7%	19%
Collaboration capabilities	6%	6%	6%	18%
Integration with CRM or marketing automation	7%	4%	6%	17%

Base: 227 B2B marketing and sales leaders responsible for channel enablement
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018

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Key Recommendations

Buyers only want to engage with sellers that add value to their decision-making processes. The results of our study were clear: B2B sales organizations reap tangible benefits from investing in modern sales enablement tools. B2B companies with large direct and indirect selling systems that invest in these tools will deliver high-quality and consistent buyer engagement experiences, will increase revenue growth, and will outpace competitors that rely on 20th century enablement methods.

Sales leaders looking to boost the effectiveness of their indirect sales channels should consider the following recommendations:

Revisit your seller enablement strategy. Take a hard look at how you're supporting both internal and external sellers. If you're using the same tools, systems, and methods you've used for years, then you're falling behind. B2B buyers are no longer swayed by generic sales pitches; they need consultative sellers that help them build a unique business case for their companies' needs. Sellers must be enabled with deeper SE capabilities around the specific line of business, sub-industry, sector, segment, size of customer, geography, and solution stack. Without the right support, your sellers — and by extension, your business — will not thrive in this environment.

Evaluate the effectiveness of traditional marketing tactics. Digitally enabling your sales force is necessary, and many enterprises will need to make room in their budgets to accommodate new investments. For example, sales and marketing leaders are already prioritizing investments in technology and training over traditional marketing tactics like entertainment and incentives. Trade shows and relationship-building activities are costly. If the ROI is not there, redeploy funding to new tool acquisition or tool expansion. Spend less on underperforming events and activities, and redirect those funds toward modern sales enablement tools. As our survey data shows, these investments will pay off in more effective sales interactions that support business growth.
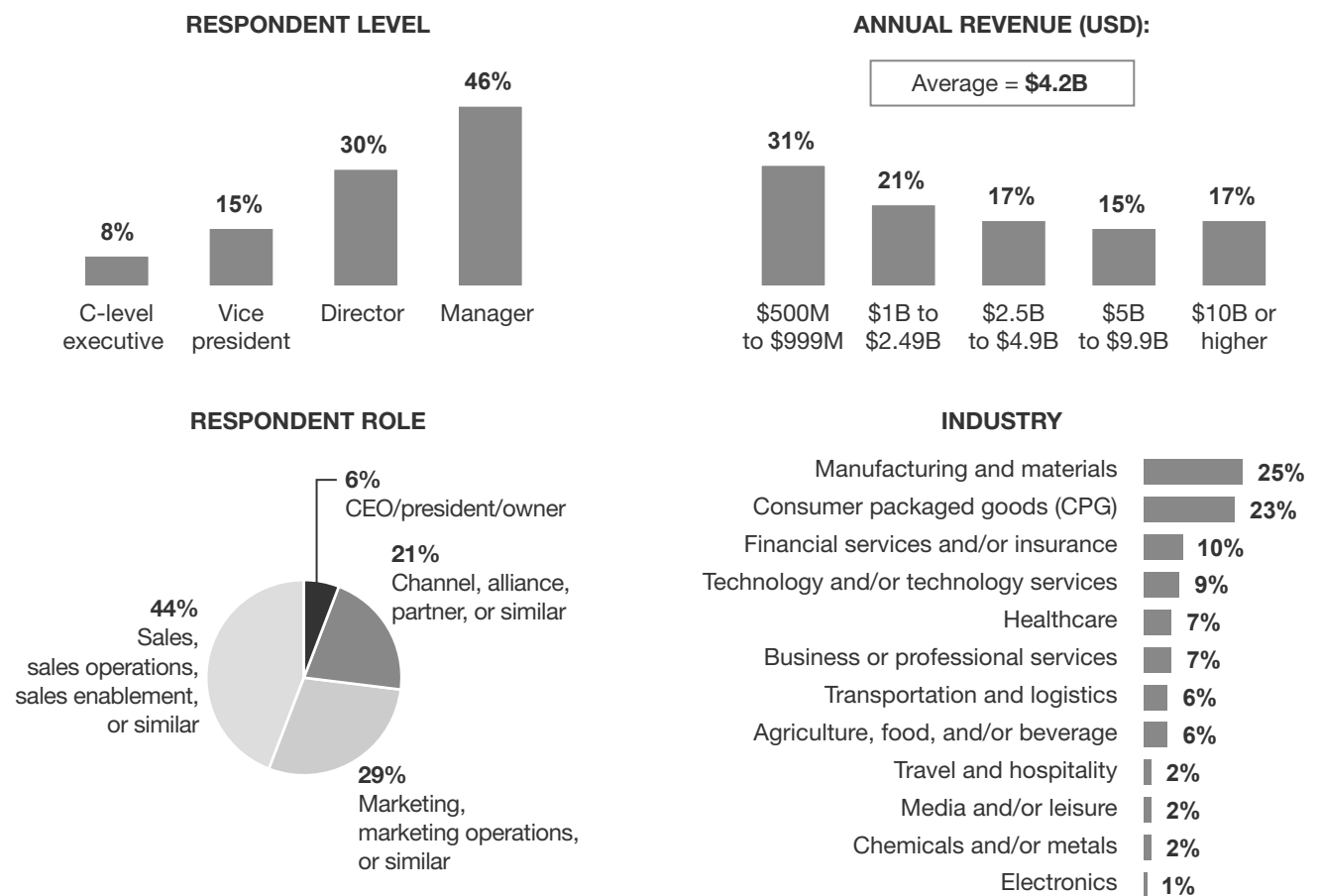
Support your channel with the gusto it deserves. The channel is notoriously underfunded and underappreciated, but with partner channels contributing nearly half of annual revenues, you cannot afford to make your channel enablement strategy an afterthought. Remember the selling environment is just as challenging, if not more so, for your channel partners. In addition to enabling your direct sellers, the time has come to prioritize investments in technology, training, and content resources for channel partners. These investments will not only help partners advance the sales process, they will also differentiate your brands and gain you mindshare with your partners.

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Appendix A: Methodology

In this study, Forrester conducted an online survey of 227 B2B organizations in US to evaluate partner enablement strategies. Survey participants included manager-level and above decision makers in sales leadership, sales operations, marketing, and partner/channel enablement roles who are responsible for defining and executing partner enablement programs at their companies. Questions provided to the participants asked about sales priorities, resources provided to partners and sales employees, investments in technologies, and benefits respondents have seen from their efforts in these areas. Respondents were offered a small incentive as a thank you for time spent on the survey. The study began and was completed in April 2018.

Appendix B: Respondent Profile

RESPONDENT LEVEL

- C-level executive: 8%
- Vice president: 15%
- Director: 30%
- Manager: 46%

ANNUAL REVENUE (USD):

Average = **$4.2B**

- $500M to $999M: 31%
- $1B to $2.49B: 21%
- $2.5B to $4.9B: 17%
- $5B to $9.9B: 15%
- $10B or higher: 17%

RESPONDENT ROLE

- 6% CEO/president/owner
- 21% Channel, alliance, partner, or similar
- 44% Sales, sales operations, sales enablement, or similar
- 29% Marketing, marketing operations, or similar

INDUSTRY

Industry	%
Manufacturing and materials	25%
Consumer packaged goods (CPG)	23%
Financial services and/or insurance	10%
Technology and/or technology services	9%
Healthcare	7%
Business or professional services	7%
Transportation and logistics	6%
Agriculture, food, and/or beverage	6%
Travel and hospitality	2%
Media and/or leisure	2%
Chemicals and/or metals	2%
Electronics	1%

Base: 227 B2B marketing and sales leaders responsible for channel enablement
Note: Percentages may not total 100 because of rounding.
Source: A commissioned study conducted by Forrester Consulting on behalf of Mediafly, April 2018

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Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

"The Sales Tide Is Shifting To Pan-Route Strategies," Forrester Research, Inc., November 30, 2017.

"B2B Consultant Sellers Reign In The 21st Century," Forrester Research, Inc., May 22, 2017.

"The Forrester Tech Tide™: Channel Software, Q1 2018," Forrester Research. Inc., January 10, 2018.

Appendix D: Endnotes

[1] Source: Forrester Internet Retailer Q1 2017 US B2B Buyer Channel Preferences Online Survey (N = 229)

[2] Source: "B2B Consultant Sellers Reign In The 21st Century," Forrester Research, Inc., May 22, 2017.

[3] Survey respondents reported average annual revenues of $4.2 billion. We calculated the indirect sales opportunity by multiplying respondents' reported revenue with the proportion of their current sales that come from indirect/partner sales models.

[4] Source: "The Forrester Wave™: Sales Enablement Automation Systems, Q4 2016," Forrester Research, Inc., December 6, 2016.

[5] Our analysis compared respondents who reported current use of SE platforms across any partnership type (exclusive, preferred, or otherwise) with those who have not implemented SE platforms for any of these three groups.

[6] For more insight on the benefits of interactive and dynamic sales interactions, read the September 2016 thought leadership paper conducted by Forrester Consulting on behalf of Mediafly, "How B2B Sellers Win In The Age Of The Customer."

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