

## Best Practices in Go-to-Market Alliances Summary of Findings 2010

Thank you to everyone who responded to the Best Practices in Go-to-Market Alliances survey. The results were revealed at the ASAP 2010 Global Alliance Summit in Anaheim, CA. The survey was sponsored by ASAP in collaboration with Norma Watenpaugh, Phoenix Consulting Group; Keith Gaylord, IBM; and Monica David, CustomerImpact. Special acknowledgement goes to CustomerImpact for providing the survey technology, dashboard and analytics to make this study possible.

Below is a top level summary of the survey results. PhoenixCG will be writing a more in depth white paper and analysis which will be available in April 2010.

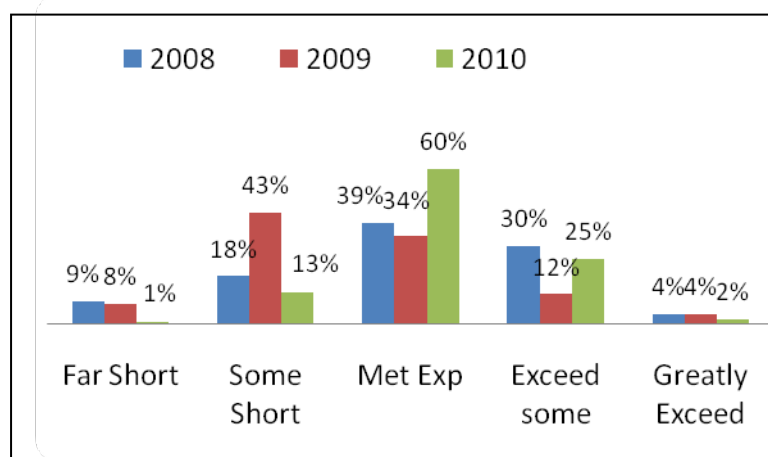
### What were we seeking to learn?

- What drives performance in Go-to-Market (GTM) Alliances?
- What course corrections were taken over the past year?
- What worked? What didn't?
- Questions:
  - Joint offers
  - Market spend and investments
  - Compensation
  - Sales engagement
  - Metrics for effectiveness and performance
  - Performance expectations: 2008, 2009, 2010

### Methodology

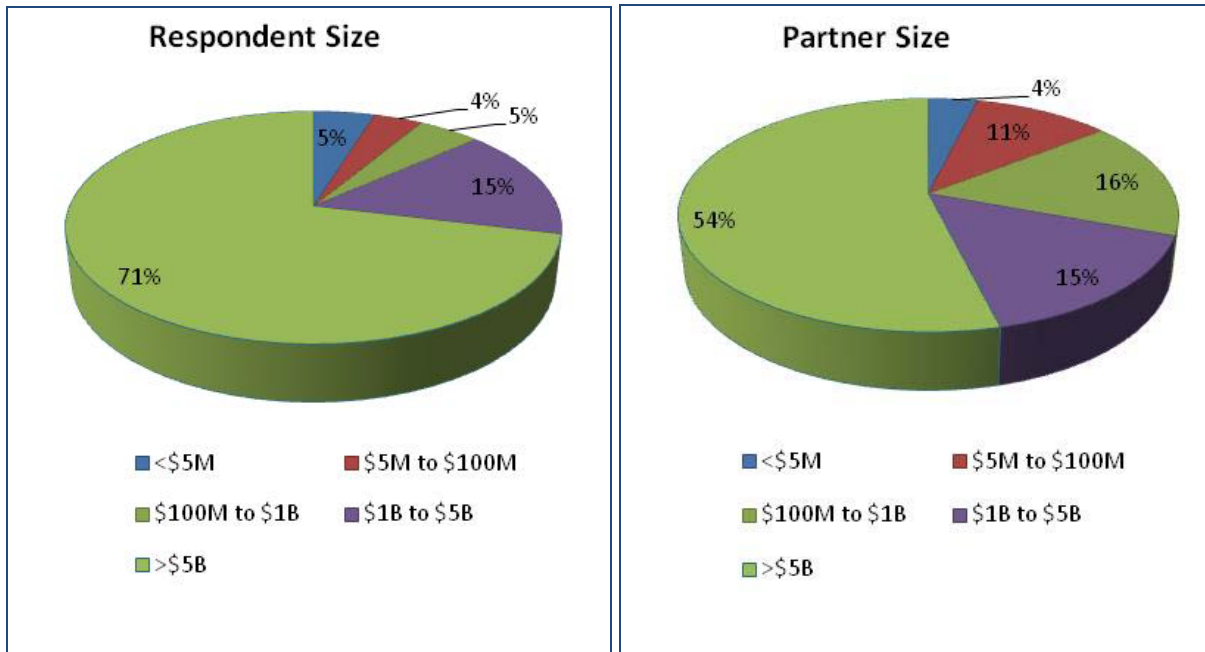
- Survey directed to ASAP and PhoenixCG lists of alliance managers in the technology industry
- 104 Respondents completed the survey
- Analyzed profiles across the population and compared profiles of 'performers' vs 'under performers' to determine what differentiated them
  - Performers met or exceeded performance expectations in 2009
  - Under performers fell short of expectations in 2009

### Alliance Performance Expectations



## Demographics

- Respondents tended to come from large or very large enterprises
  - 87% were companies with greater than \$1B in annual revenues
- Somewhat more mix in size of partners in the alliance
  - 31% were companies under \$1B in revenue
- Alliances profiled tended to be mature
  - 36% were older than 8 years
  - 18% were between 5 and 8 years old
- Alliances were most frequently managed in Sales (32%), Business Units (23%) and Marketing (18%)



## Joint Offer

- Respondents most frequently contributed hardware (56%) and implementation services (56%) to the joint offer
- Partner contribution was most frequently implementation services (53%) or application software (50%)
- SaaS/PaaS/IaaS was still a small component of the offer
  - 20% of respondents
  - 16% of partners

## Marketing

- Most frequent marketing spend was between 1-5% of projected revenue, however 26% spend less than 1% of sales projection
- Targeted events was the largest budget allocation for marketing and the most frequently mentioned as the top source of leads

## Sales Engagement

- Co-selling with direct sales was the most common sales model (65%)
- Alliances were engaging in multiple routes to market utilizing channels and resale models as well as direct sales
- Most common sales cycle length was 6-12 mos
- 76% of respondents employed revenue neutral sales compensation for the joint offer

## Metrics

- Most frequent performance metrics were
  - Revenue
  - New Customer Wins
  - Major Account Wins
  - Revenue Growth
- Lead generation was the most prevalent marketing effectiveness metric
- Joint pipeline management was the most prevalent sales effectiveness metric

### Course Corrections

- Most frequently utilized course correction resulting from the current economic conditions were:
  - Investment in new Offers
  - Decrease in Revenue Projections
  - Decrease in Marketing Spend
- Decrease in Marketing Spend had most Negative impact on performance
- Increase in Joint Offers and in Sales Resources had most Positive impact

### What differentiated Performers vs Under Performers?

- Performers leveraged channels in the sales model
- Performers were more likely to track strategic metrics: market share, technology adoption rate and market share growth as well as revenue related metrics.
- Performers are more likely to be managed in Marketing or Sales organizations
- Alliances managed in Business Units were more likely to be Under Performers.
- Performers Invested in Joint Offers, Increased Sales Resources and Marketing in 2009.
- Under Performers Decreased Investment in Sales and Marketing in 2009

### About Phoenix Consulting Group [www.phoenixcg.com](http://www.phoenixcg.com)

Phoenix Consulting Group partners with our clients to optimize collaborative business relationships. We help companies transform their partnering practices to accelerate revenue, tap new sources of innovation and open new markets through effective alliances and partner ecosystems. We specialize in best practice partner strategies, programs, and marketing.

### About CustomerImpact [www.customerimpact.com](http://www.customerimpact.com)

CustomerImpact is a consulting and solutions provider, specializing in the design and deployment of customer and partner feedback programs and dynamic dashboards. Our Partner Success Program delivers professionally created surveys that gather partner and customer feedback; interactive dashboards that monitor the performance of your partnerships, pinpoint problem areas, and highlight best practices that help you achieve corporate goals; verbatim intelligence through sophisticated text analysis that categorizes comments by theme and sentiment

### About ASAP [www.strategic-alliances.org](http://www.strategic-alliances.org)

The Association for Strategic Alliance Professionals (ASAP) is the leading professional association dedicated to alliance formation and management. Founded in 1998, the organization provides a forum to exchange best practices and frameworks for cultivating the skills and toolsets needed to manage successful business partnerships and network with the world's best alliance management professionals in several industries. Global sponsors include Cisco, Eli Lilly, IBM, Microsoft, Novartis, Procter & Gamble, USAA Insurance and Xerox.

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