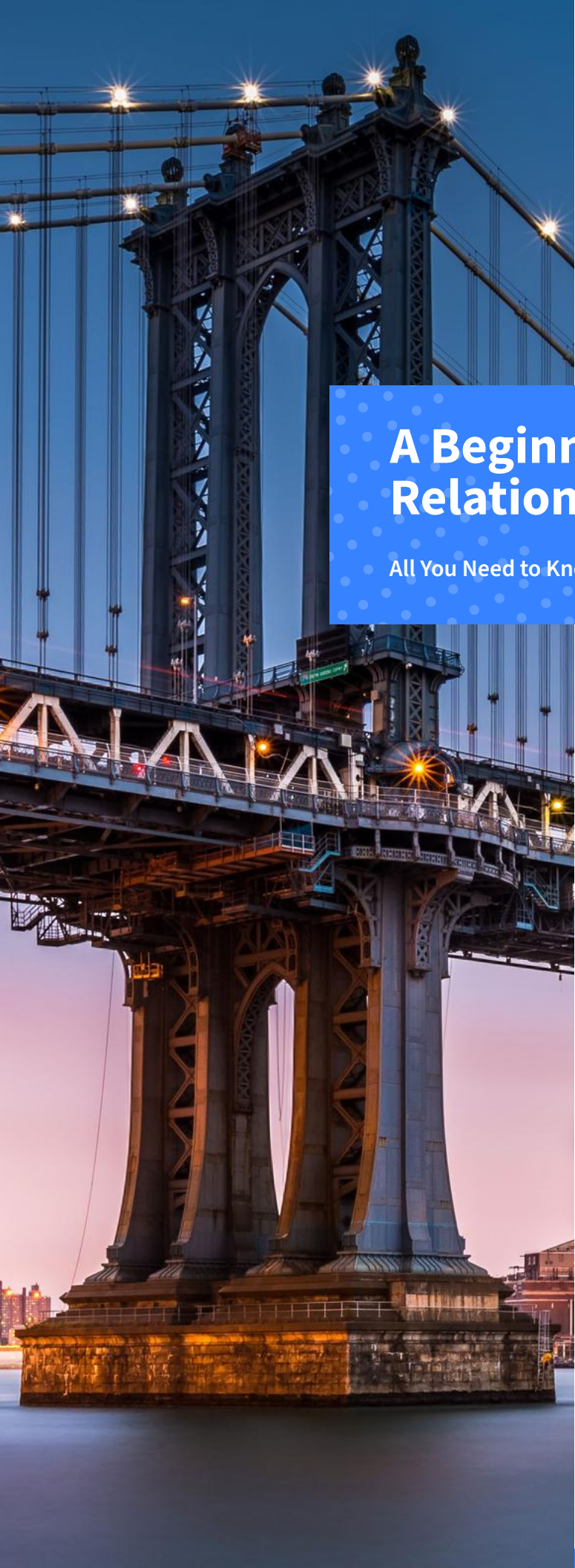




A Beginner's Guide to Partner Relationship Management

All You Need to Know About a PRM Solution to Manage Your Partner Ecosystem

PRESENTED BY



GUIDE



“On average, high-performing ecosystems drive 1.5 times the cost reduction, contribute 1.5 times more to annual revenue, and achieve 2.1 times the incremental revenue growth of low performing ecosystems.”

EY, January 2022

Partnering has changed dramatically over the last 10 years. And with the massive move to cloud, digital transformation, and easily connected applications through APIs, the changes are only accelerating more quickly. How you partner with other businesses is no longer a matter of just finding partners to resell your solutions. Today, businesses are co-innovating together, co-marketing, co-investing, and finally co-selling with their ecosystem partners to offer complete packaged solutions to their customers.

At WorkSpan, we realize the value of partnerships and how they can serve as indirect routes to market for your business to help you stand out. So, we've put together an in-depth guide that will help you understand everything about PRM solutions and how to scale your partner revenue.

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SECTION 1

Introduction



- ➔ 76% of Business leaders surveyed by [Accenture](#) agreed that the current business models will be unrecognizable in the next 5 years, and ecosystems will be the main change agent.
- ➔ A [recent survey of business leaders by EY](#) shows that on average, high-performing ecosystems drive 1.5 times the cost reduction, contribute 1.5 times more to annual revenue, and achieve 2.1 times the incremental revenue growth of low-performing ecosystems.
- ➔ Jay McBain, Principal Analyst at Forrester has declared this the “Decade of Ecosystems” with the massive growth of ecosystem partnering as the dominant trend.
- ➔ And yet, [Forrester](#) predicts the PRM software market to grow over the next three years by a relatively modest annual growth rate of 14.2%.

Partner ecosystems are clearly becoming a major growth strategy for companies to grow market share, deliver better overall solutions to customers, and drive more revenue. As digital transformation progresses at a dizzying speed, solution providers need to take an ecosystem-driven approach to increase their reach and ability to create value for customers. If companies don't tap into their broader partner ecosystems, they risk not delivering on the rapidly changing needs customers demand.

Partnerships have become crucial for most organizations to offer value to their customers

and ecosystem partners. And with the help of technology, such engagements are being adopted frequently.

Partner Relationship Management solutions were developed over the last 10-15 years and have been an essential part of managing traditional partnerships with reseller partners. PRM has provided important elements of reselling relationships like partner recruitment, onboarding, enablement, co-marketing, deal registration, and commission payments for reseller partners. This guide covers everything you need to know about PRM solutions and how they fit within the context of the current and changing market dynamics. So, let's get started!



SECTION 2

What is Partner Relationship Management?



Definition of a PRM System

A PRM or Partner Relationship Management System describes software that helps companies automate activities related to companies working with their distributor, reseller, MSPs, and VAR partners to drive better channel sales by reselling their products and services. With a PRM, channel partners get controlled access to leads, joint opportunities, affiliate links, deals, sales metrics, and up-to-date documents of their partner programs.

Multiple Aspects of Partner Relationship Management:

- **Partner Recruitment**
- **Partner Onboarding**
- **Joint Business Planning**
- **Partner Training & Certification**
- **Partner Enablement**
- **Lead Distribution & Management**
- **Deal Registration & Management**
- **Marketing Development Funds (MDF) Management**
- **Partnership Contracts Management**
- **Partner Solutions Marketplace**
- **Partner Performance Management**
- **Communication & Collaboration**

SECTION 3

Understanding PRM Systems



Common features of PRM software:

- **Dedicated Partner portals**
- **Lead management**
- **Dedicated Partner portals**
- **Marketing campaigns, training, and performance management**
- **Admin controls (to give access control based on roles and user privileges)**
- **Dashboards to measure goals**
- **Communication, notifications, and alerts tools**

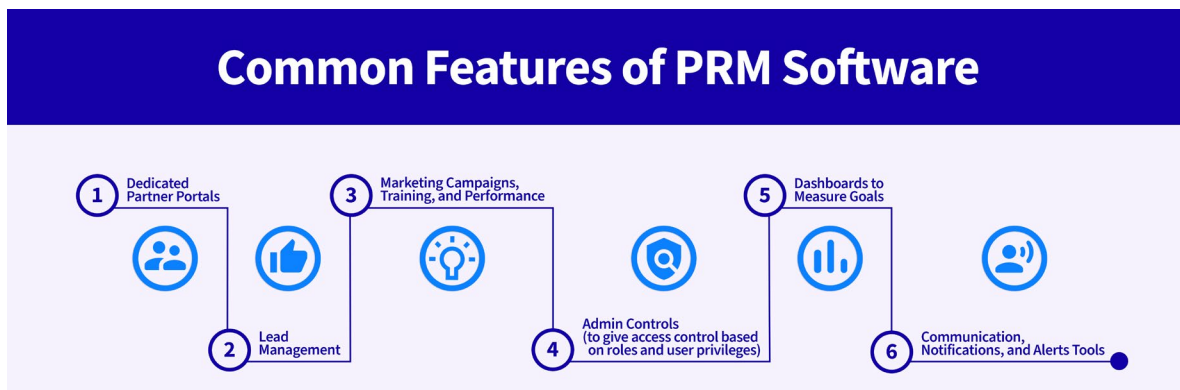


Figure 1: Common Features of PRM Software - Partner Portal; Lead Management; Marketing Campaigns, Training, and Performance; Admin controls; Dashboard; and Communication Tools.

 **Management Tip** → PRM System is also known as Channel Management Software or Channel Automation Software.

SECTION 4

What is the difference between CRM and PRM?



For many years, companies have used Customer Relationship Management (CRM) software to manage all processes around sales, closing, onboarding, and retention of prospects and customers in direct relationships with the company. As channel partners became more and more critical to growing business, companies wanted a way to manage their partners for these indirect sales channels.

In short, CRMs were built for managing direct sales teams. PRMs were built for managing reseller partners who can often have large teams of (indirect) sales professionals. Companies couldn't very well open up their CRM systems to these non-employee sales teams. So PRM systems are essentially an extension of your CRM system but designed for partners to log in and share and receive information to help sell your products.

Factor	CRM System (Customer Relationship Management)	PRM System (Partner Relationship Management)
Purpose	Built for direct sales - where a company sells its own offerings.	Built for indirect sales - where a partner resells a company's offerings.
Functionality	CRM software helps companies manage relationships with their customers in a single system of record to drive customer retention and sales.	A PRM tool is concerned with managing a company's relationship with its indirect sales or reseller partner teams and focuses on the product and sales to ensure long-term returns.
Key Tasks	- Documentation and tracking of calls, emails, or other forms of communication. - Campaign management for specific customers. - Each customer's data. - Each customer's response to marketing activities. - Sales opportunities and steps to close deals with each customer.	- Partner portal management - Leads, marketing campaigns, training, and performance management - Admin controls management - Partner program's metrics measurement - Integration with business tools and APIs - Communication, notifications, and alerts
Examples	- Salesforce - Microsoft Dynamics - SAP C4C	- Salesforce PRM - Impartner - Allbound

Table 1: Difference between a CRM and a PRM System

SECTION 5

Key Features & Benefits of a PRM Software



Sales-focused partner relationship management (PRM) applications are designed to improve an enterprise's ability to market, sell and service end customers through channel partners.

Gartner | Sales-focused Partner Relationship Management (PRM)

- **Dedicated Partner Portals**

As the number of your reseller partners and partner programs grows, the deal sizes and volumes increase. With a PRM solution, your reseller pipeline can be managed and automated on a dedicated partner portal - offering clarity on leads and opportunities - registered and distributed, and their progress without having to constantly chase your partner teams for updated information.

Dedicated partner portals mean increased reseller partner productivity and ensure the success of your partner programs. Such portals help you create and manage personalized experiences (like customized reward structures, partner onboarding, etc.) for your reseller partners, based on the type of partner programs.

- **Lead Management**

Companies want to encourage their reseller partners to attract leads to close the business. In addition, companies may also attract leads and share them with their

reseller partners to close the business. Sometimes your partners would miss recording a lead or you'd find your partner program team constantly following up with your partners to update qualified leads or manage deals. PRM platforms have a lead management feature that helps you save your time and energy as it streamlines lead management processes and decreases duplication of leads.

Further, as PRM tools allow tracking of deal progression by streamlining complete partner programs, you are able to close deals faster. Hence, your sales cycles are reduced considerably. This saves a lot of time and energy on unnecessary meetings, tasks, and documentation and you can spend more time on activities that drive your business growth.

- **Marketing Campaigns and Training Management**

If your team is investing time and effort tracking down marketing collateral for several partner programs, responding to multiple partner requests, and sharing the same material repeatedly with partners, a PRM solution can help you. A PRM solution offers asset distribution, empowering your partner program team to send program marketing collaterals and related documents to partners from a single source of information.

Each time you onboard a new partner team, you need to share necessary resources and training material for them to understand your partner programs. This task can get hectic and time-consuming if you have multiple partner programs with partner teams of large sizes. With a PRM solution, you can enable your partner teams with self-guided training and enablement documents. This saves your team's time on redundant training and resource-sharing activities while providing a unified partner experience to your ecosystem partners.

- **Admin Controls**

We know that managing different types of partner programs with multiple ecosystem partners can be a tough task for admins (like a head of partner managers, sales operations teams, or partner operations teams). With a PRM solution, companies can manage and track all reseller programs in one place. This can be a relief for partner

professionals who may have to manage multiple partner programs and can easily lose track of the progress of partner activities.

Some PRM solutions offer workflows for managing activities between you and your reseller partners. Additionally, you can define user privileges and access control on the platform based on the roles of users.

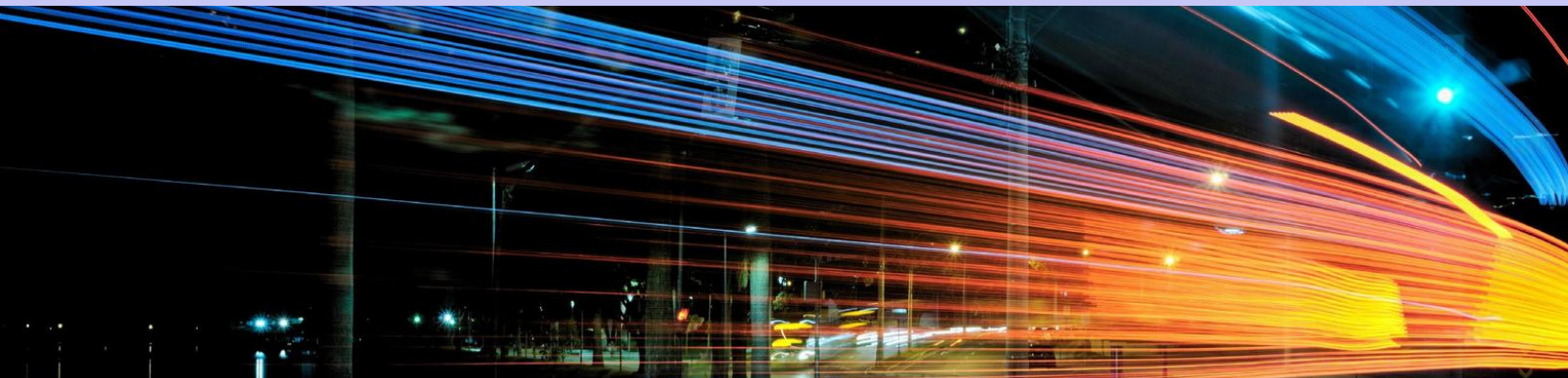
- **Dashboards to Measure Goals**

Business intelligence-based dashboards in PRM platforms enable businesses to manage their reseller partner programs. By tracking your reseller partners' activities and the ROI of your partner programs, you can use data to determine your next move. You can observe your partners' performance and choose to invest in the most profitable ones. Further, data-backed dashboards help you increase your revenue by experimenting with different reselling partner strategies.

- **Communication, Notifications, and Alert Tools**

Communicating consistently and timely with all of your resell partners can be difficult if you have multiple partner programs running in parallel. A PRM solution's partner portal enables your resell partners with self-service access to information. Further, PRM systems foster discussion between you and your resell partners where they share knowledge, feedback, and valuable experience with you.

Additionally, the notification and alert tools of a PRM enable timely management of your partner programs by reminding important activities on time to you.



SECTION 6

Challenges of a PRM Solution

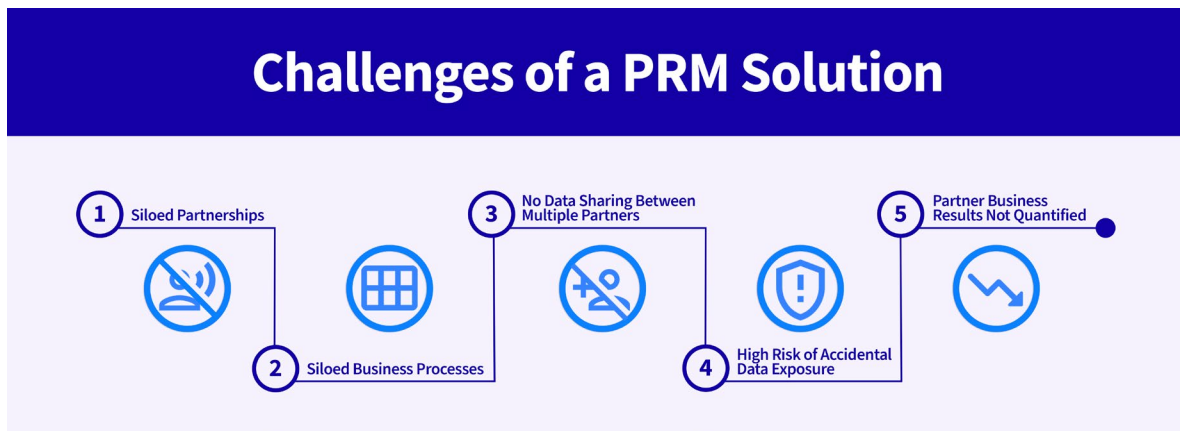


Figure 2: Challenges of a PRM Solution - Siloed Partnerships, Siloed Business Processes, No Data Sharing, High Risk of Accidental Data Exposure, Business Results Not Quantified.

Challenges of a PRM Solution:

- 1 | Siloed Partnerships
- 2 | Siloed Business Processes
- 3 | No Data Sharing Between Multiple Partners
- 4 | High Risk of Accidental Data Exposure
- 5 | Partner Business Results Not Quantified

As we discussed earlier, modern partnering has rapidly moved away from partnering just with reselling partners. Today, software, tech, cloud, and services companies that are winning in the market are working with partners in a much more collaborative and agile way. They are co-selling, not reselling.

Companies are working with partners to co-innovate developing joint solutions, co-marketing those joint solutions in dynamic marketing motions, co-investing in marketing and sales activities with funding needing to move fluidly between partners, and finally co-selling to bring all partner resources together to close business faster and more effectively with joint customers.

Unfortunately, traditional PRM solutions were built for managing the old style of partners reselling your products through a channel and were never built for these modern ecosystem partnering activities.

We discuss some of the challenges in detail below:

- **Siloed Partnerships**

Changing customer demands have transformed the way companies partner with each other. You want to offer satisfaction to your customer throughout the customer journey. This is possible when all your partners collaborate together as peers to serve your customer.

However, with PRM software you connect with your ecosystem partners in silos - meaning each partner can collaborate with you one-directionally where you host the PRM portal, own all the data, security rights, and everyone else must log in to your PRM, upload their information, and keep it updated on a regular basis. However, your partners are also working with other partners, so they have to log into multiple different PRM portals with different logins, protocols, data requirements, and data integrity issues.

That is definitely not how companies are partnering with their top ecosystem partners today. This siloed approach has no provision for you and your partners to collaborate and work together as a unified whole to build joint solutions together, bring multiple partners together on co-marketing and co-funding, and finally managing co-selling activities with joint products, aligning shared opportunities, and connecting all information from multiple CRMs from each of your trusted partners.

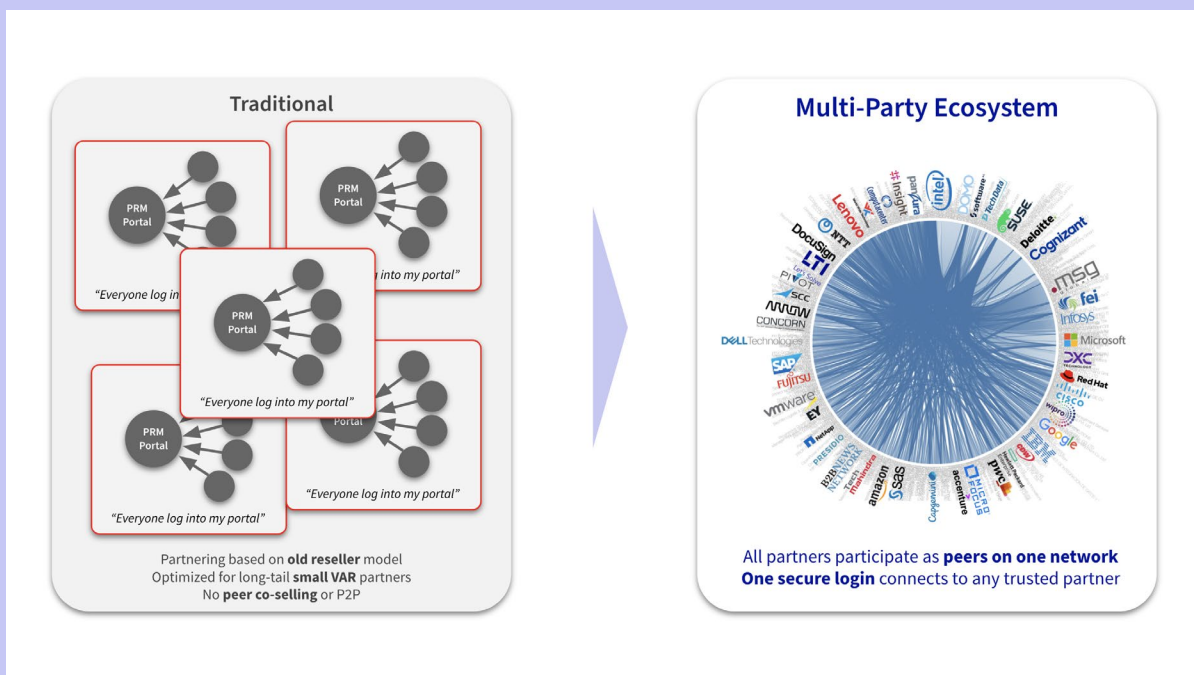


Figure 3: Siloed Partnerships in a PRM Portal - In a traditional PRM model, there is no peer-to-peer connection on a single network. While an EBM platform offers a multi-party ecosystem for partners to work together.

• Siloed Business Processes

Modern ecosystem partners demand cross-partner workflows where you can define the steps, actions, states, approvals, policies for your partners to work together. With this kind of setup, each ecosystem partner benefits from the other to facilitate their respective customers. Unfortunately, a PRM solution does not offer co-innovation, co-marketing, co-selling, co-investment opportunities to your ecosystem partners to collaborate on as a network.



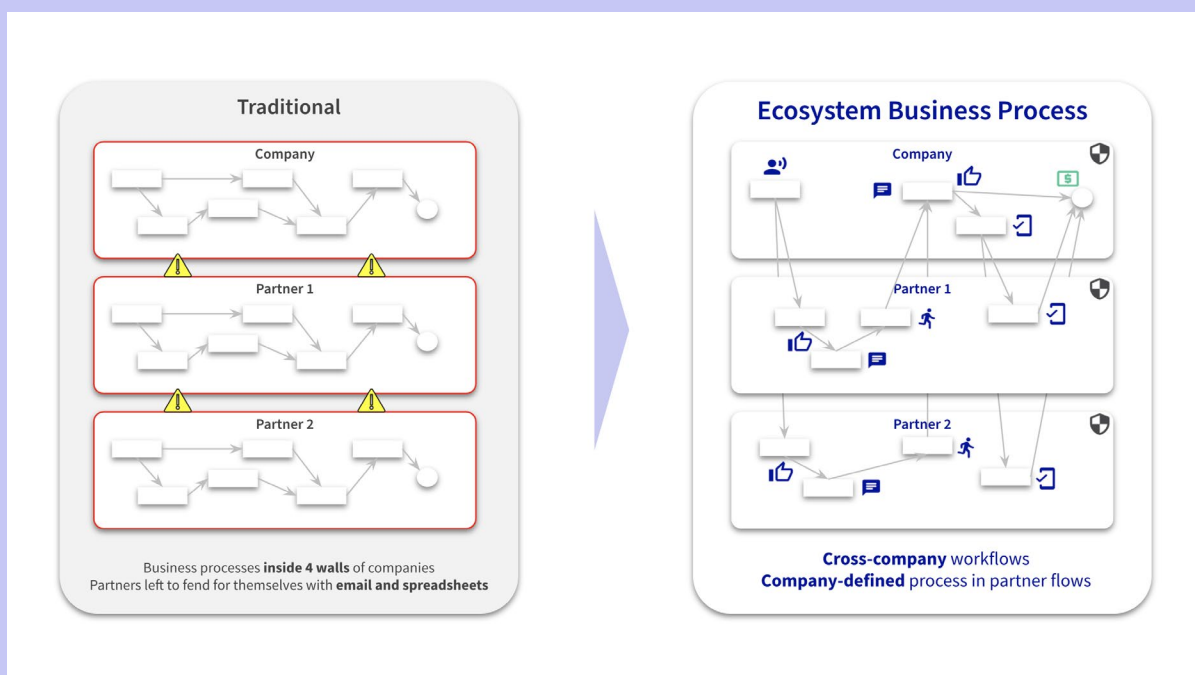


Figure 4: Siloed Business Processes in a PRM Portal - A PRM Portal does not offer a cross-company collaboration of business workflows like EBM platforms.

• No Data Sharing Between Multiple Partners

In order to connect with live data from your partners, PRM solutions require you to build and maintain a custom integration for every partner individually.

That introduces a number of challenges including:

- Heavy involvement from your and your partner's IT organizations to build the integrations.
- Adding a new partner means building and maintaining a new integration for each partner you want to bring on.
- APIs often change and break the connection, so maintaining these connections is not.

- Most companies don't want to go through the trouble of creating so many integrations, so they default to letting Partner Managers update their PRM manually from their CRM system - or worse yet, track their partner activities on spreadsheets - resulting in errors, inaccurate and obsolete information in your PRM

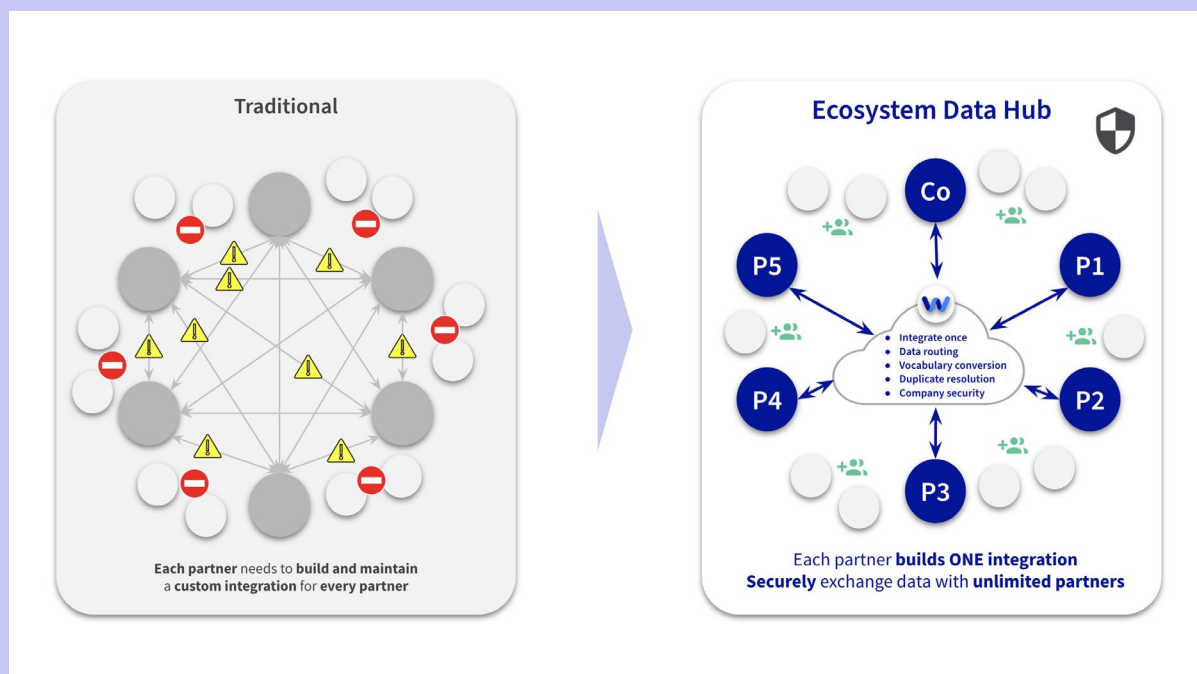


Figure 5: Difficulty in Data Exchange among Partners in PRM Portals - In a PRM Portal each partner needs to build custom integration to connect to other partners, unlike EBM platforms where building just one integration enables partners to exchange data securely among each other.

• High Risk of Accidental Data Exposure

As discussed above, integrating your PRM to your partners' CRM systems is cumbersome, costly, and a heavy burden on IT that companies mostly don't want to take on. That means that most PRMs are actually updated by partners using spreadsheets with a high risk of accidental data exposure.

In addition, because PRMs don't handle today's modern ecosystem partnering requirements like co-innovation and co-selling, partner managers don't even use their company's PRM solution to manage their partner activities. Ask them - they run everything on spreadsheets. They extract information from their CRM, share it with their

partners, and then spend their time on weekly cadence calls reconciling information rather than talking about partner strategy.

All of this adds up to a data security and data quality nightmare. We hear of horror stories (that are never publicly reported) about partner managers mistakenly sharing the wrong spreadsheet or including data in a spreadsheet to the wrong partner and inadvertently including one of their competitor's CRM opportunity data. Ouch.

And even without those data breach nightmares, because data is being managed manually in spreadsheets, it is prone to error and starts getting out of date the minute your partner managers hang up from a cadence call.

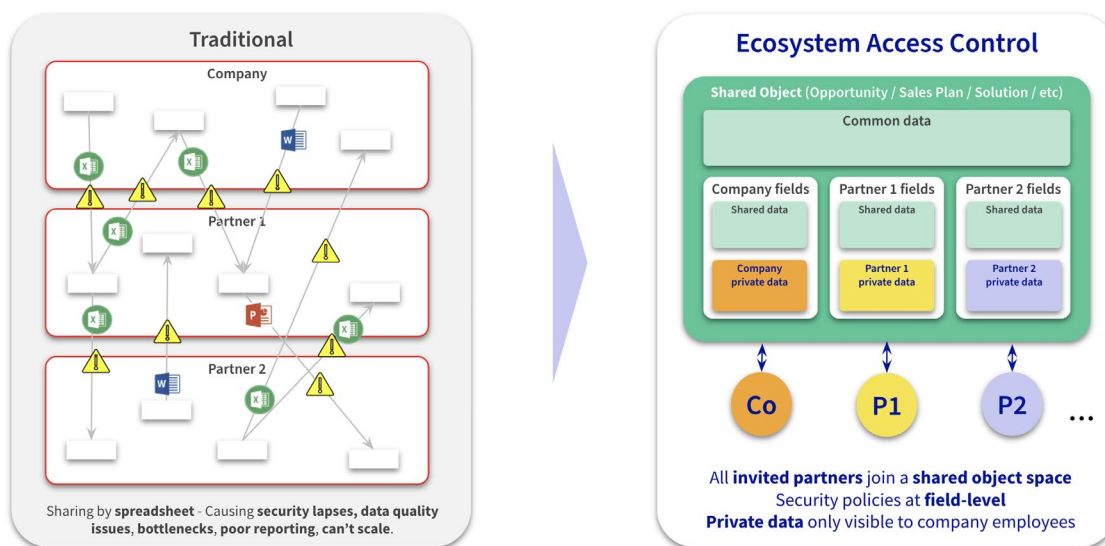


Figure 6: Risk of Data Loss in PRM Portals - A PRM Portal is prone to a lack of data privacy, unlike to other partners, unlike EBM platforms where building just an EBM platform where data in a shared object-space with security policies set in place.

• Partner Business Results Not Quantified

Because of many of the issues mentioned above, most partnering teams have reverted to using spreadsheets or are manually updating systems in order to keep track of what's happening with their partner activities.

In addition, even when working well, PRM systems were only built to manage resell partners. So partner managers responsible for co-sell motions with SaaS vendors, tech partners, services partners, cloud partners, and others are typically using spreadsheets and never actually log into the PRM to manage their business.

As a result, partner leaders are challenged to get their arms around what's actually happening in their business - especially as co-selling becomes a larger part of your revenue opportunity. Running a QBR takes 2-3 weeks of collecting data from your partner teams, regions, and product teams. Then assembling the data into a system, tool, or spreadsheet to do data analysis. It's all challenging, time-consuming, manually intensive, and definitely not scalable.

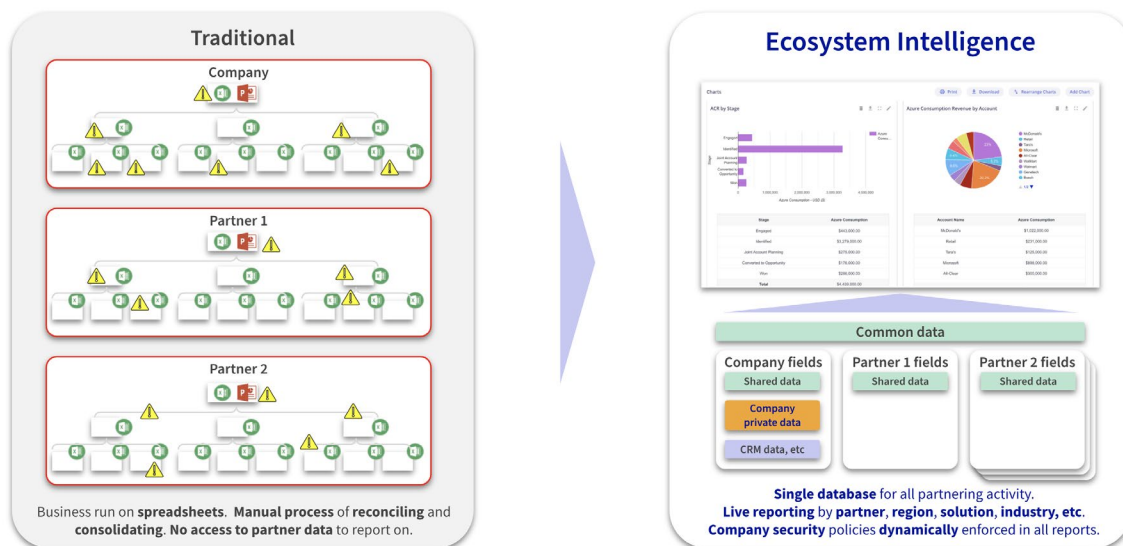
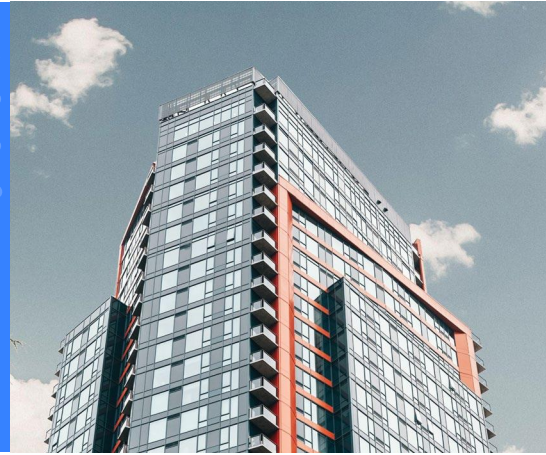


Figure 7: Challenges in Quantifying Results on PRM Portals - PRM Portals do not have real-time reporting of reconciled and consolidated partner data. Hence, it is challenging to get live reports for partnering activities (like in EBM platforms).



SECTION 7

Do You Need a PRM Solution?



You might be wondering if a PRM is the right choice to scale your partnerships for modern partner activities. The answer is - it depends! Your decision about making an investment in a PRM solution depends on a number of factors including your strategy, where you see the partnering opportunity for the future, whether you already have a PRM solution in place, what kind of partnering market you are working in, and other factors.

In today's ever-changing world it is hard to track the speed of innovation and hence, the rate and ways in which businesses are partnering with each other are constantly evolving. In this scenario, if you are focusing on co-selling with your ecosystem partners, then investing in an Ecosystem Business Management (EBM) platform is the right approach.

On the other hand, if you already have a PRM system in place, and you will continue to have a robust partner reselling business, then embedding or integrating EBM with your PRM could be the way to go.

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

How EBM solutions work with PRM

1 | Embed EBM in your PRM

If you have a PRM portal in place and want to manage your co-sell partnerships with your ecosystem partners, simply embed an EBM platform in your partner portal. This will help you gain visibility of data between partners, experience collaborative selling (co-selling) among ecosystem partners, and gain an edge with P2P partner collaboration.

For example, [WorkSpan Co-Sell Platform for Salesforce](#). WorkSpan's turnkey solution lets your sales team co-sell with the AWS ACE partner portal or Microsoft Partner Center portal from inside Salesforce Sales Cloud.

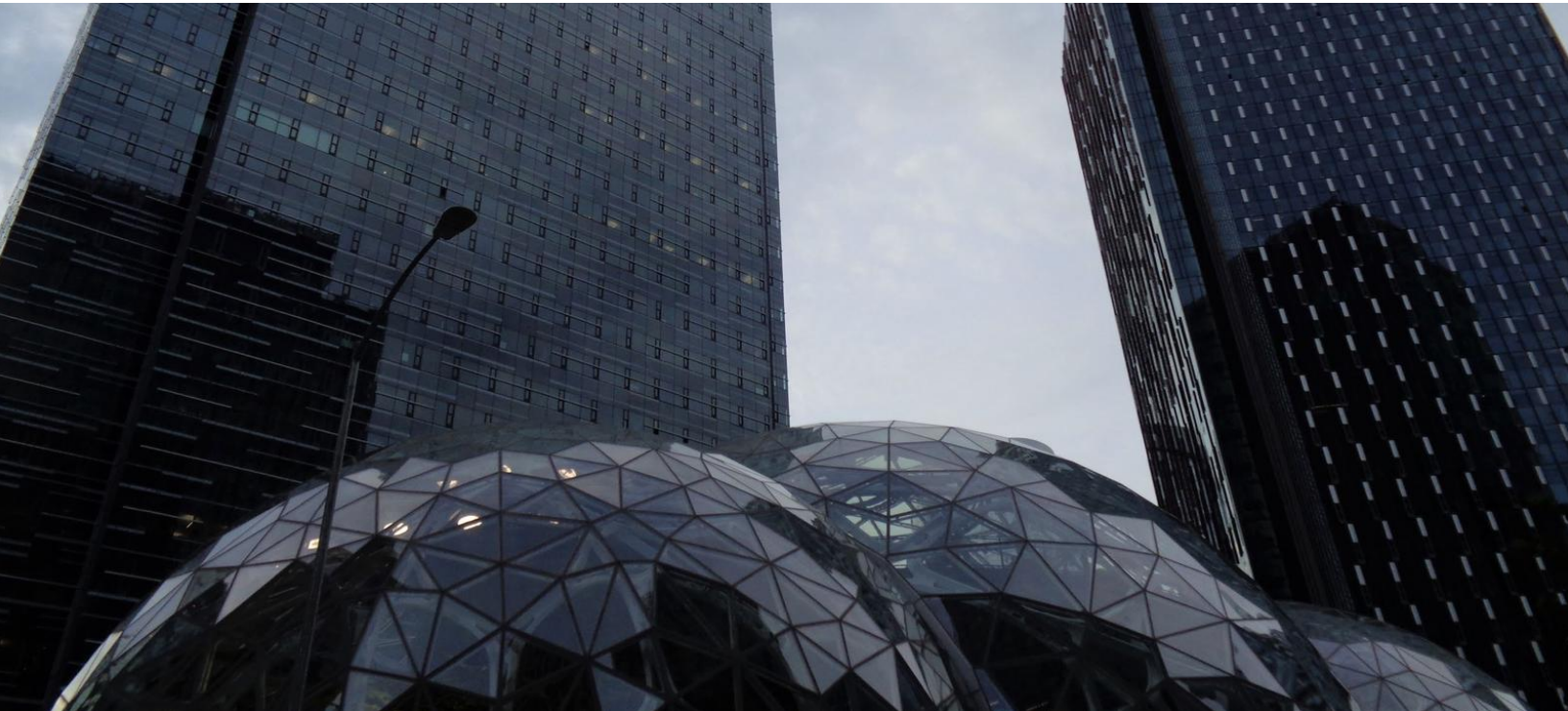
WorkSpan Co-Sell Platform for Salesforce integrates with AWS ACE or Microsoft Partner Center, and your Salesforce CRM instance and helps you:

- Automate opportunity referral sharing from inside Salesforce with the easy-to-use WorkSpan Salesforce application
- Track real-time pipeline updates, partner influence, and sales performance using KPI reports and analytics
- Gain granular access to your data with configurable data sharing, access, and security policies

2 | Integrate EBM in your PRM

Another way for you to work on your PRM and EBM platform simultaneously is to integrate EBM into your PRM solution. By this integration, you can reduce hours of manual data entry, maximize your revenue with data-driven decisions, grow your business efficiently with streamlined processes, faster deal cycles, and automation, and get time to focus on growing your business.

For example, WorkSpan's integration with [Microsoft Partner Center](#) and [AWS ACE](#). As the enterprise expense on Azure cloud and AWS is growing rapidly, customers want Microsoft and AWS to be sold together with their partners. WorkSpan's integration with AWS and Microsoft provides access to unexplored markets, a powerful referral engine, and a platform for scaling partner revenue.



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.