



Channel Executive Council Roundtable Discussion Summary

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Identifying & Leveraging New Partner Types

A discussion on how new types of partners are entering the channel ecosystem and what vendors need to do to leverage these new partnerships.

Overview

The days of simply categorizing partners as value-added resellers, integrators or service providers are long over. The channel is replete with new actors that are selling products, supporting customers, and – increasingly – influencing buying decision making. While the channel remains dominated by the “traditional” partner types, new entities – many non-technology companies – are making their way into channel programs or gaining the attention of channel leaders.

At the recent Channel Executive Council meeting in Nashville, a group of channel chiefs and experts explored the evolving terrain to identify new partner types and trends that vendors should take into account when evolving their partnership strategies and go-to-market operations. Under Chatham House Rules, none of the participants are identified and the conclusions coming from this discussion are open to all.

Discussion Highlights

- The technology sector is experiencing a fundamental transformation in partnership landscapes and market access routes, necessitating adaptation to evolving customer preferences and innovative sales and partnership models to stay competitive.
- A notable challenge is the integration and effective collaboration with non-traditional partners, such as influencers, underscoring the necessity for novel strategies to cultivate beneficial partnerships.

- Despite the consistency in sales models (sell to, sell as, sell through, influence/referral), the convergence of partner roles (e.g., ISVs assuming multiple functions like OEM, reseller, and referral partner) is evident, driven by customer demand for comprehensive solutions.
- Channel conflict emerges as a divisive issue, with opinions split between its avoidance due to potential productivity losses and relationship strains, and its potential to enhance customer experiences and competitive pricing, emphasizing customer choice in partner selection.
- Future industry directions highlight AI and personalized content, particularly short-form videos, as key to engaging the incoming generation of decision-makers accustomed to consumer-grade media in B2B environments, necessitating updates in marketing approaches.
- The deployment of AI in streamlining operations like job applications and customer service is debated, balancing the efficiency gains against concerns over AI trustworthiness and the preservation of human touch in customer relations.
- Success in the evolving tech landscape hinges on embracing technological advancements and non-traditional partnerships while maintaining a focus on innovation, customer satisfaction, and the delicate balance between automation and personal interaction amidst challenges like channel conflict and trust maintenance.

Potential New Partner Types

The discussion highlights the emergence of several non-traditional partner types and routes to market that technology companies should consider or be mindful of:

- Commercial Real Estate Firms: Expanding into digital spaces and potentially influencing technology adoption and integration within new and existing infrastructures.
- Digital Marketing Firms: Offering new avenues for technology companies to reach and engage with customers through innovative digital marketing strategies and tools.
- B2B Retailers: In some regions, retailers are evolving to serve more B2B functions, indicating a shift in traditional retail models towards more integrated business services.
- Telecommunication Companies (Telcos): Gaining prominence in certain global markets as resellers and service providers, offering a potential partnership route for technology firms.
- Cyber Insurance Companies: Collaborating with technology companies to bundle cybersecurity products with insurance policies, offering mutual benefits like lower risk for insurers and value-added services for technology clients.
- HR Tech and Brokers: Entities in HR technology looking to partner with brokers to leverage platforms for managing technology solutions across organizations, indicating a cross-industry partnership opportunity.
- Data Center and Real Estate Partners: Real estate firms venturing into data center operations, showing an intersection between real estate and technology services.
- Investors and Venture Capitalists: Actively looking to create or invest in MSPs (Managed Service Providers), highlighting a financial route to technology market expansion.

- **Influencers and Content Creators:** Particularly those with the ability to influence B2B purchase decisions, not just consumer-facing influencers but those relevant to business technologies and solutions.
- **Industry-focused ISVs (Independent Software Vendors):** Creating adjacencies and complementing technologies, indicating the importance of industry specialization in partnership strategies.
- **Performance Marketers and Marketplaces:** As non-traditional but significant channels for driving sales and expanding market reach, emphasizing the need to adapt traditional sales and marketing strategies.

These partner types represent a broadening landscape of potential collaborations and market entry points, underscoring the importance of flexibility, innovation, and strategic alignment in navigating the evolving technology ecosystem.

Conclusions

Based on the roundtable discussion about new partner types and routes to market, several key conclusions can be drawn that channel chiefs and their teams should consider.

- **Diversification of Partnerships:** The traditional boundaries of partnerships are expanding, with a diverse array of entities now playing crucial roles in the technology ecosystem. Vendors must consider a wider array of partners, including those from non-traditional sectors such as commercial real estate, digital marketing, cyber insurance, and even investors or venture capitalists looking to build technology stacks.
- **Adaptation to New Market Realities:** The inclusion of non-traditional partners and routes to market reflects broader changes in customer preferences, buying behaviors, and the competitive landscape. Technology companies must adapt their strategies to these new realities, embracing innovative partnerships and sales models to stay relevant and competitive.
- **Importance of Integrated Solutions:** The blurring of lines between different types of partners, such as ISVs taking on roles traditionally filled by OEMs, resellers, or referral partners, underscores the growing demand for integrated solutions that combine hardware, software, and services. This integration is driven by the need to meet changing customer demands more effectively.
- **Channel Conflict and Customer Choice:** While channel conflict remains a concern, the evolving market suggests a shift towards letting customers decide which partners are best suited to meet their needs. This customer-centric approach prioritizes customer satisfaction and experiences over rigid channel management, potentially leading to more competitive pricing and better overall outcomes.
- **Leveraging Technology for Competitive Advantage:** The rise of AI and personalized content in marketing strategies indicates a move towards more sophisticated, data-driven approaches to engage customers. This trend is particularly pronounced in the importance of short-form video content and the role of AI in automating processes such as job applications and customer service interactions, suggesting a need for companies

to invest in new technologies and platforms that enable personalized, efficient customer engagement at scale.

- **Building Trust in an Automated World:** As companies navigate the opportunities and challenges presented by AI and automation, maintaining a balance between technology and human interaction will be crucial. Trust remains a foundational element of customer and partner relationships, necessitating transparent, ethical, and customer-focused approaches to the deployment of new technologies.
- **Flexibility and Strategic Alignment:** Success in the evolving technology ecosystem requires companies to be flexible, adaptable, and strategically aligned with the needs of both customers and partners. This includes being open to exploring new technologies and partnership models while also addressing potential challenges such as channel conflict and the need for integrated solutions.

The technology industry's landscape is undergoing significant transformation, driven by changes in customer preferences, competitive dynamics, and the emergence of non-traditional partners and sales models. To thrive in this environment, vendors and channel teams must adopt flexible, innovative approaches to partnerships, market entry, and customer engagement, underpinned by a commitment to trust, integration, and strategic alignment.

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