



# Channel Executive Council Roundtable Discussion

Nashville, March 2024

## Multi-Partner Engagements: How Do You Make Them Work?

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A discussion on the complexities, challenges and opportunities in multi-partner sales relationships.

### Overview

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No single vendor or partner can solve for all of the customer needs. Terms like ecosystems describe the increasingly intricate nature of multi-party sales, in which a customer may engage numerous partners in different roles to create the systems and support structures required to capitalize on IT investments.

The open conversation shed light on the strategic importance of understanding and navigating the dynamics multi-partner sales. It underscored the necessity for clarity in roles, especially in scenarios where multiple parties contribute to the delivery of solutions to customers. The emphasis was on the need for a cohesive approach that ensures each entity's strengths are leveraged effectively, avoiding confusion and ensuring a unified front in customer engagement.

At the recent Channel Executive Council meeting in Nashville, a group of channel chiefs and experts explored the challenges that vendors and their channel teams face in engaging with and managing multi-partner sales engagement. Under Chatham House Rules, none of the participants are identified and the conclusions coming from this discussion are open to all.

### Discussion Highlights

- Multi-partner engagements are complex, requiring clear roles and responsibilities to leverage each party's strengths effectively.

- Financial dynamics and incentive structures, including discounting practices and credit allocation, play a crucial role in managing relationships between vendors, partners, and customers.
- The challenge of attributing and compensating for influence in multi-partner arrangements highlights difficulties in recognizing and rewarding contributions from each entity.
- Evolving procurement practices, with an increased reliance on digital platforms and marketplaces, are reshaping traditional sales and distribution models.
- The discussion emphasized the need for adaptability and strategic clarity in navigating the interplay of factors influencing multi-partner engagements.
- Technological support and integrated tools, such as CRM systems for shared pipeline visibility, are essential for managing the complexity of these partnerships.
- The shift towards digital channels and marketplaces necessitates a reevaluation of strategies to accommodate customer preferences and operational realities.
- The conversation serves as a call to action for proactive engagement with the dynamics of multi-partner engagements to foster successful collaborations and achieve mutual objectives.

## Conclusions

The extensive discussion on multi-partner engagements in the IT industry allows us to draw several important conclusions:

- **Complexity Requires Clarity and Collaboration:** The inherent complexity of multi-partner engagements demands clear delineation of roles and responsibilities. Success hinges on the ability to collaborate effectively, ensuring that each party's strengths are leveraged for the collective benefit of the engagement.
- **Financial Incentives are Key:** The structure of financial incentives, including discounting practices and the allocation of credits, significantly influences the dynamics between vendors, partners, and customers. Proper alignment of these incentives is crucial for maintaining healthy and productive relationships among all parties involved.
- **Challenges in Attribution and Compensation:** Recognizing and compensating the influence exerted by partners presents a challenge. Developing mechanisms to fairly attribute and reward contributions is essential for sustaining motivation and ensuring the continued success of partnerships.
- **Digital Transformation Impacts Sales and Distribution Models:** The shift towards digital platforms and marketplaces necessitates a reevaluation of traditional sales and distribution strategies. Companies must adapt to these changes to meet evolving customer preferences and to capitalize on the operational efficiencies offered by digital channels.
- **Adaptability and Strategic Clarity are Imperative:** The rapidly changing landscape of the IT industry requires businesses to be adaptable and strategically clear. Understanding the dynamics of multi-partner engagements and proactively managing these relationships is key to navigating the complexities involved.

- **Technology as an Enabler:** Technological tools and integrated solutions, such as CRM systems, are indispensable for managing the intricacies of multi-partner arrangements. These tools facilitate better communication, coordination, and visibility across all parties, thereby enhancing the effectiveness of collaborative efforts.
- **Proactive Engagement is Crucial:** Finally, the discussions underscore the importance of proactive engagement with the dynamics of multi-partner engagements. Businesses that actively address the challenges and opportunities presented by these collaborations are better positioned to foster successful partnerships and achieve their mutual goals.

Navigating the complexities of multi-partner engagements requires a concerted effort across several fronts, including clarity in partnership roles, alignment of financial incentives, adaptability to digital transformations, and effective use of technology. Success in this domain is predicated on a proactive and collaborative approach to managing these multifaceted relationships.

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