

**Extending your Reach**

The traditional Channel model was designed to drive incremental sales volume, while sacrificing margin growth in exchange for revenue growth. This model is still viable if you are willing and able to make the trade of bottom-line for top-line. The newest instantiation of the Channel model provides the ability to port your products and/or services into new and untapped markets, affording the opportunity to move away from the “wholesale” model, and actually improve margins while increasing revenues. Is your current Channel strategy driving new revenues, or cannibalizing your margins?

**Channel Strategies**

It is relatively easy to develop a channel strategy associated with bringing a commoditized product to market, but as soon as the product becomes a bit more complicated, or involves any level of services, then the Channel strategy should be well thought out and understood.

While an effective Channel strategy can truly extend your reach into untapped markets, a poorly conceived strategy can actually erode your brand equity and cost you new business. History is littered with examples of both successful and unsuccessful Channel strategies. The only thing they have in common is that they were all thought to be good ideas at one point in time.

As the marketplace continues to evolve, with its push to migrate products into services, and the advent of interactive buying opportunities for B2B Purchasers, the considerations associated with your Channel Strategy has become more convoluted and hazardous to navigate.

**Sell To Partners**

When you begin to consider your Channel Partners strategy, it immediately leads to approaching the Sales organization of a prospective Partner, and then assessing their level of interest in leveraging your product/service to help drive new revenues. While this approach has worked for some, it has underperformed for the vast majority of vendors.

In most situations, it is better to approach the Delivery organization of the prospective Partner, with a unique value proposition that actually makes their delivery function more effective and therefore more profitable.

Through this seemingly subtle change in focus, you can gain access to a relationship that is measurably beneficial to both parties. Where the Partner experiences an increase in profitability, and the Seller experiences net new Revenues.

**Sell Through Partners**

There are a select group of potential Partners that only focus on selling others products/services, acting as a manufacturers representative of sorts. This role is easily understood in the Manufacturing industry, with its numerous Value Added Resellers (VARs), but it has since evolved to include the sale of services as well.

Today there is a multitude of firms that provide outsourced Sales functions, that range from high-touch (Contracted Salesmen) to high-volume (Crowd-Selling), along with many shades of grey in between.

Equipped with an appreciation of your current costs associated with acquiring a new client, you can begin to craft a meaningful and executable Sell-Through Channel strategy that is truly incremental and accretive to your business.

**Sell With Partners**

The traditional approach to selling with a Partner, most certainly has a place in your Partner strategy, but only if the combined value proposition is measurably greater than the sum of its parts.

While this concept is easily understood, it is sometimes difficult to appreciate when you are closely involved with the products/services being cooperatively offered.

When considering which Channel Partners to go to market with, one must look at the cultural fit of both the Sales and Delivery organization of both parties, and be comfortable that the companies can truly work together throughout the Sales life-cycle.

**Benefits**

A well thought-out and thoroughly planned Channel Strategy can make the difference between successfully extending your brand and doing irreparably damage to it. The formerly “tried and true” Channel strategies of yesterday are simply no longer valid in today’s volatile and ever-changing marketplace. Today’s Buyers know more and expect more from its Providers.

In cases where the Channel Strategy was analyzed and professionally implemented, we have seen immediate results, coupled with year-over-year sales growth rates that exceed 39%, while increasing the brand equity of both parties.