



# TECHNOLOGY & SERVICES WORLD

## Accelerating Partner Transformation in the XaaS World

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# Two Important Things to Remember

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# Who We Are



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# Agenda

Market Dynamics

Partner Transformation

Getting Started

Best Practices

What's Next?

Q&A

# Why We Are Here

PARTNER TRANSFORMATION IS CRITICAL FOR LONG-TERM VIABILITY

**OLD**

**Solving Customer Problem**

## Transactional

Focused on Discrete Sales

Product Focused

Fee-for-Service Advisors



**NEW**

**Delivering Customer Success**

## Post-Transactional

Focused on Business Outcomes

Hybrid as-a-Service Delivery

Shared Risk Partnerships

Source: Techaisle, SMB Channel Partner Trends Research



**OLD BUSINESS  
WAY**

**NEW BUSINESS  
WAY**

“Traditional channels struggle as business leaders make more technology decisions.”  
— Jay McBain, Forrester



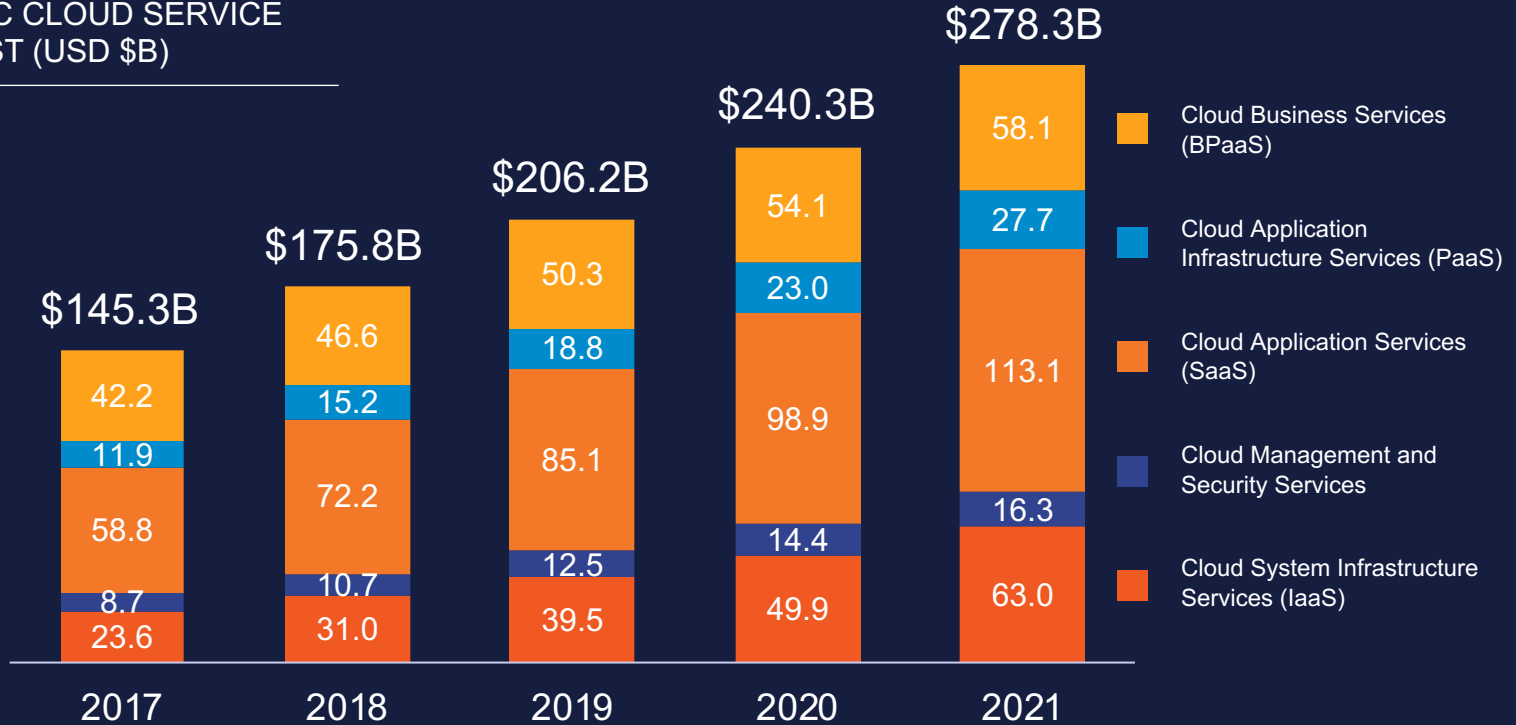
“

We can't sell **recurring revenue**, we have to keep **revenue recurring**. As a partner-led organization, the best way that we can do that is by giving our partners everything they need to build effective customer success practices.

– Jared Raftery

# Growth is Increasing.....

WORLDWIDE PUBLIC CLOUD SERVICE REVENUE FORECAST (USD \$B)



BPaaS = Business Process as a Service; IaaS = Infrastructure as a Service; PaaS = Platform as a Service; SaaS = Software as a Service  
Note: Totals may not add up due to rounding

Source: Gartner (September 2018)



# Buying Centers Have Shifted

2/3

# of technology purchase decisions being made by business buyers

1/3

# of technology purchase decisions that do NOT include IT at all

# Business Buyers Take a Different Journey



Research up front and on their own



More likely to buy online

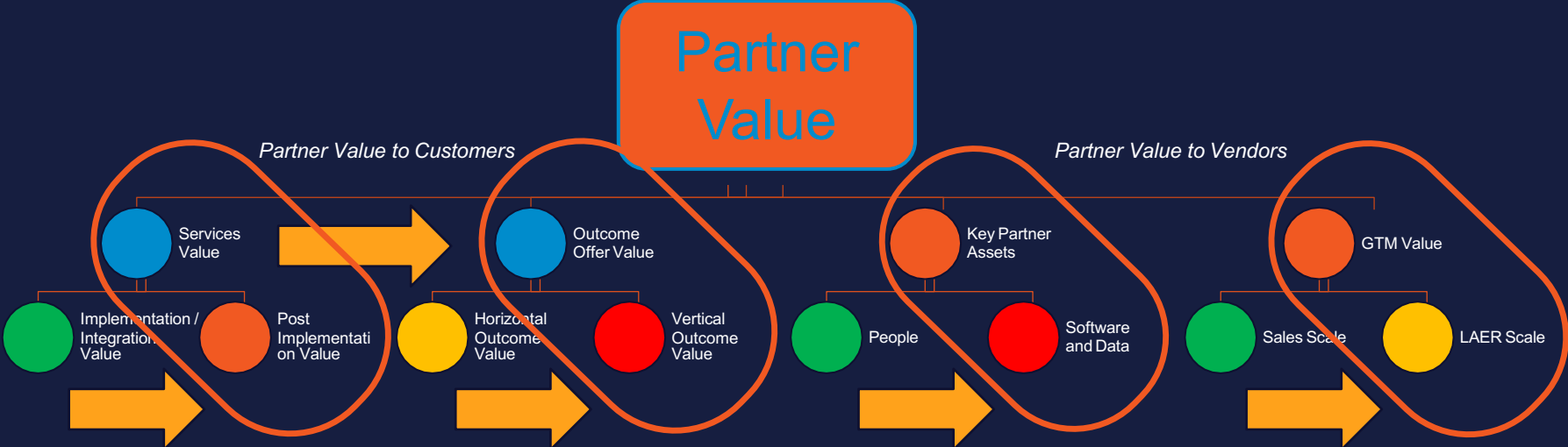


Engage sales for very specific use case information

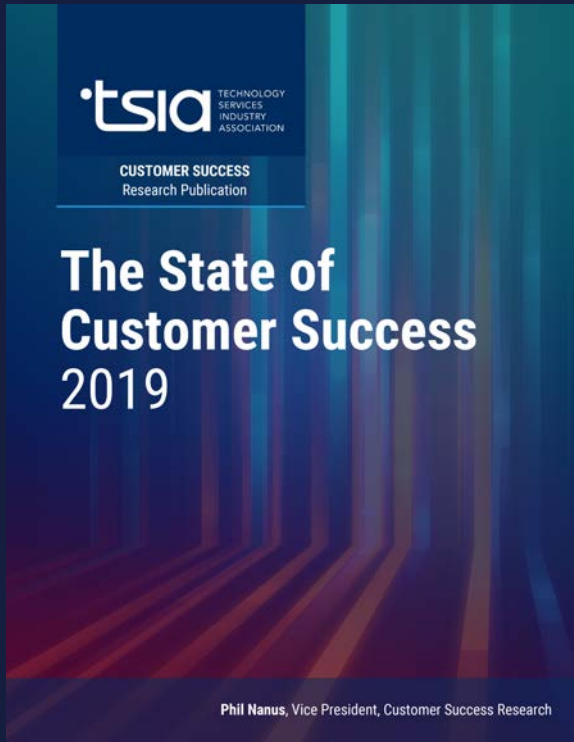


Likely to utilize 3<sup>rd</sup>-party IT providers

# The Perfect Partner in the XaaS World?



# Scaling Customer Success



Operationalize the Customer Journey

Partners

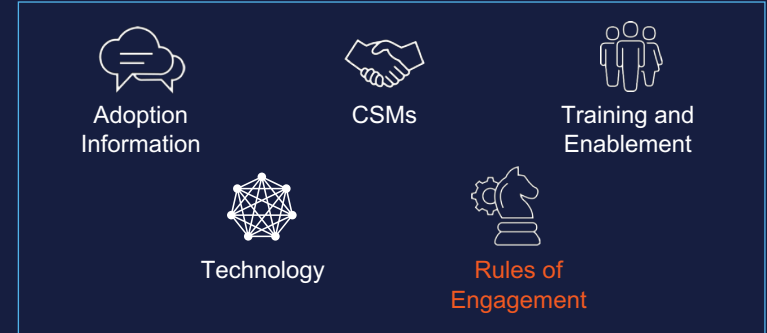
Digital Customer Success

Effective Sales Growth

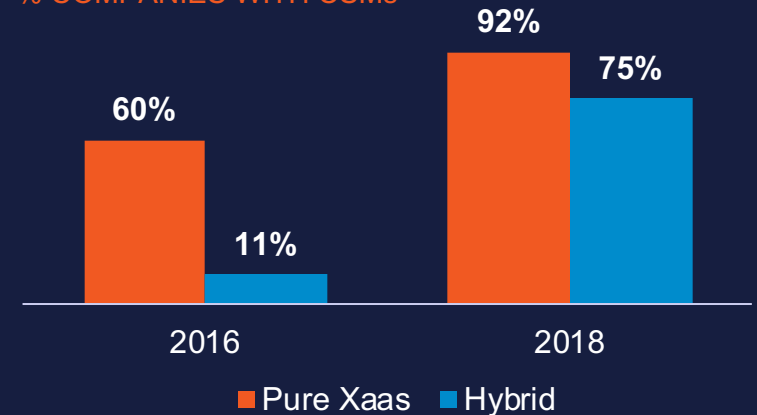
Analytics

Technology

## PARTNER EXPECTATIONS



## % COMPANIES WITH CSMs



Source: AGI 2018 XaaS Market Study

# Traits of the Next Generation XaaS Channel Partner

## CHANGING FACE OF VALUE DELIVERED BY CHANNEL PARTNERS

Multi-Vendor Solution  
Integration

Multi-Cloud Expertise

Industry / ISV Specialization

Next-Gen Managed Services

Partner-Partner

LOW ▶ HIGH

Value Created by Various Channel Partners in the Future

TRADITIONAL VALUE DELIVERED

**From IT Distri**  
reselling HW  
and offering  
credit/financing  
support...

–TO–

**Value-added distributor**  
aggregating  
marketplace/cloud  
exchange for  
ISVs, SPs,  
VARs

**From today's  
VAR** developing  
tailored solutions  
over OEM/ISV  
offerings...

–TO–

**New VAR** with  
industry and/or  
SB specific  
capabilities.  
Managed  
services.  
Ecosystem  
relationships

**From an  
SI** specializing in  
systems  
integration,  
implementation,  
post-deploy, etc.

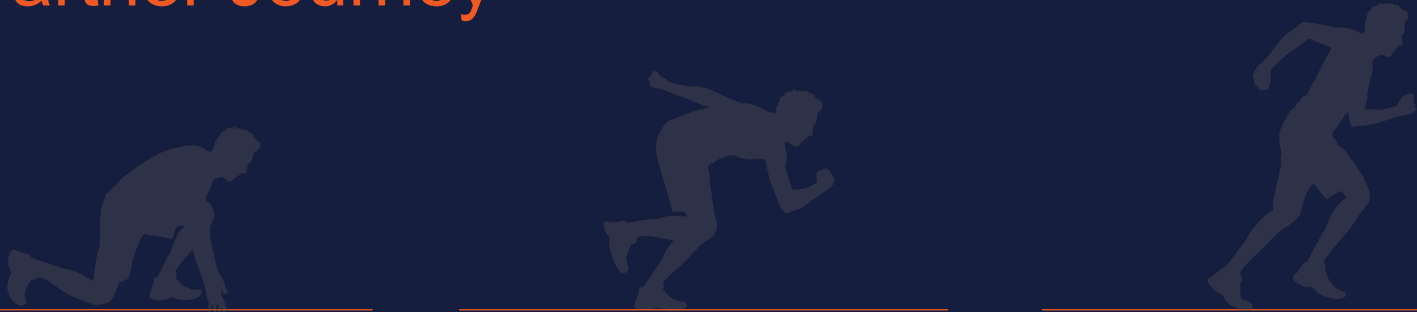
–TO–

**Value-added SI**  
with niche  
industry/IP  
capabilities, E-E  
advisory  
consulting and  
mgd. services

PARTNERS OF THE FUTURE:  
NEW FORMS OF VALUE IN XAAS MODEL

Source: Deloitte

# The Partner Journey

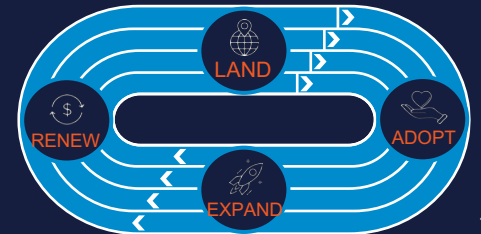


Establish KPIs/MBOs **VALUE EXCHANGE** Practice Building  
Workshop – Joint Planning Joint Business Planning Ongoing Enablement

**Action Plan** Segmentation and Profiling **RULES OF ENGAGEMENT**  
Optimization **Marketing Plans Readiness Assessments** Detailed Playbooks

**EXEC COMMITMENT QUALIFICATION** Customer Insights  
Incentive Programs **Learning and Enablement PILOTS** Sales, Services, Operational Readiness

Resource Allocations **GTM Planning** ACCOUNT SEGMENTING  
Journey Mapping Service Creation/Development  
Sales Acceleration **BUSINESS REVIEWS**

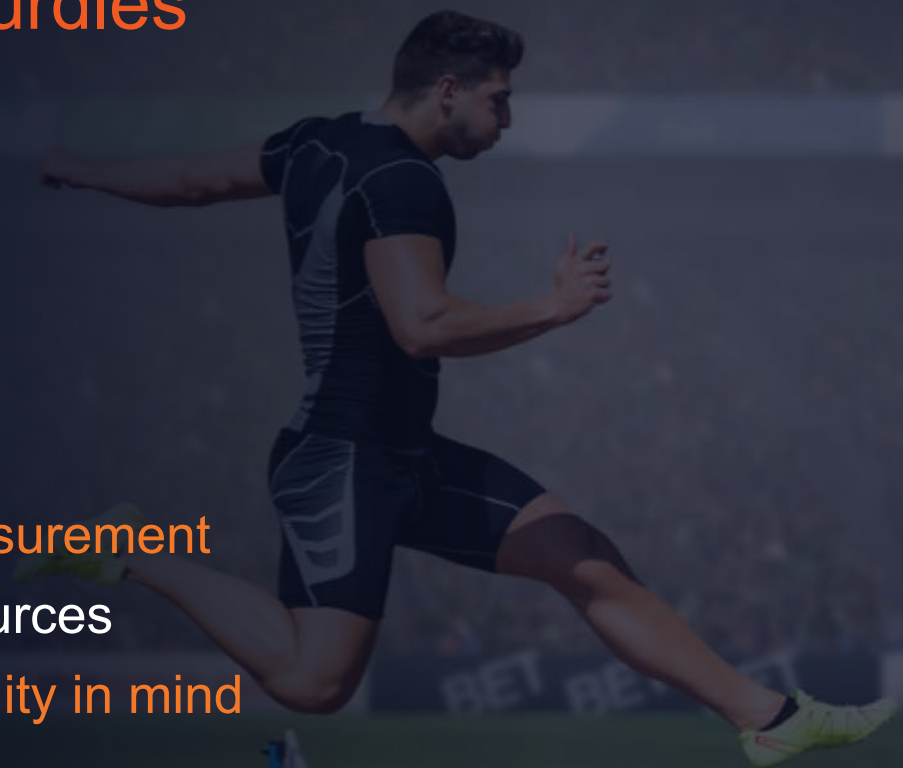




# So Where Do I Start?

# Partner Transformation Hurdles

- ✓ Company-wide commitment
- ✓ Centralize for greater success
- ✓ Ask partners what they want
- ✓ Have a detailed plan
- ✓ Educate and enable
- ✓ Formalize your approach to measurement
- ✓ Leverage and align content resources
- ✓ Keep partner value-add opportunity in mind
- ✓ Prioritize partner profitability
- ✓ Think BIG





# 9 Best Practices for Partner XaaS Transformation

SUCCESSFUL PARTNER TRANSFORMATION REQUIRES NEW THINKING, CAPABILITIES, AND CHANGE ACROSS THE BUSINESS, OPERATIONAL, AND GO-TO-MARKET MODELS



BUSINESS MODEL



OPERATIONAL MODEL



GTM ACCELERATION

- 1 Set a new north star
- 2 Make tough strategic choices
- 3 Identify economics and “real-life” financial implications

- 4 Extend customer engagement framework across entire lifecycle
- 5 Evolve new value offerings and lifecycle capabilities
- 6 Rethink organization model and roles

- 7 Modernize GTM readiness and activation
- 8 Secure quick wins and scale up
- 9 Drive accountability for sustained behavioral change and execution

# Business Model



## START ADDRESSING YOUR BUSINESS MODEL TRANSFORMATION

1

### SET A NEW NORTH STAR

- Segment XaaS customers and identify market coverage requirements
- Determine what role(s) you need your channel to play with your XaaS offers
- Evolve channel strategy that will invest/reward your next-gen partners

2

### MAKE TOUGH STRATEGIC CHOICES

- Assess current partner readiness and identify gaps
- Model XaaS financial performance to understand channel investment economics
- Engage your partners to determine which ones are ready, willing, able and to prioritize investments

3

### IDENTIFY ECONOMICS & "REAL-LIFE" FINANCIAL IMPLICATIONS

- Develop joint business plans to accelerate capability development
- Establish objectives and key results (OKRs) to drive financial alignment and accountability
- Program manage OKRs and course correction monthly

# Operational Model

START ADDRESSING YOUR OPERATING STRUCTURE TRANSFORMATION



4

## EXTEND CUSTOMER ENGAGEMENT FRAMEWORK ACROSS ENTIRE LIFECYCLE

- Develop an XaaS customer journey map to outline customer touchpoints, opportunities, and insights
- Define customer engagement framework for the entire customer lifecycle – and identify partner roles in each phase
- Instill customer experience culture into channel

5

## EVOLVE NEW VALUE OFFERINGS AND LIFECYCLE CAPABILITIES

- Define opportunity for partner co-delivery models
- Establish partner qualification requirements to sell and co-deliver
- Evolve branded service portfolio

6

## RETHINK ORGANIZATION MODEL AND ROLES

- Determine new partner role requirements
- Explore ecosystem partnership opportunities to fill gaps
- Evolve partner programs to ensure brand experience and execution

# GTM Acceleration

START ADDRESSING YOUR GTM EXECUTION AND XAAS TRANSFORMATION



7

## MODERNIZE GTM READINESS AND ACTIVATION

- Develop account strategies that balance erosion
- Initiate customer success plans
- Use market insights to engage more strategically

8

## SECURE QUICK WINS AND SCALE UP

- Identify quick-win opportunities
- Utilize available intelligence and ABM for pipeline acceleration
- Ensure compensation plans are aligned to incent right behaviors

9

## DRIVE ACCOUNTABILITY FOR SUSTAINED BEHAVIORAL CHANGE AND EXECUTION

- Utilize your own XaaS solutions to drive your own business agility
- Establish enablement and communications plans
- Invest in required platforms and tools

# Transformation Challenges

## HOW TECH OEMs CAN HELP THEIR PARTNERS TRANSFORM

### Partners' XaaS Challenges

Develop a customer-centric mindset; move from transactional to relationship-based interactions

Address increased role of LoB executives in making technology buying decisions

Tackle new competitive threats driven by changing market dynamics

Acquire specialized talent and expertise to develop custom solutions

Manage short-term financial impacts, including increased difficulty in making investments for business growth

### How Tech OEMs Can Help

Engage channel partners throughout a customer's IT buying and implementation journey; find talent and expertise; emphasize data and analytics competencies

Promote value of focusing on achieving business outcomes for LoB executives

Expand channel's opportunity by broadening portfolio of services; prioritize specific geographic and customer market segments to determine targeted go-to-market approach

Design targeted programs; create a common platform or framework

Enable channel partners to transform in a phased manner; develop new pricing and billing capabilities



# Best Practices

# Creating a Customer Obsessed Company

Guide customers to better **deploy, adopt**, and get real **business value** from their investment in Microsoft

---

Grow our cloud business through **continuous cross-sell & upsell** to increase **lifetime value** and extend the **customer lifecycle**

---

Hire and enable **2400 CSMs** and certify over **400 partners** in Adoption & Change Management

---

Realizations: It changes **everything** we do and we have seen the **snowball effect** of Customer Experience



*"In a consumption-based business, customer success is all that matters, because it builds on itself over time."*

- Amy Hood, CFO, Microsoft

# The DaaS Portal: Everything DaaS in One Place

## DaaS Portal

The DaaS Portal provides a simplified, one-stop destination to sell, consume, and manage DaaS offerings.

- Marketing & Sales Enablement
- DaaS Configure, Price, Quote
- Proactive Management
- DaaS contracts, SLA
- Contact HP Help
- Renewal management
- Service tickets/status
- Predictive Analytics and reports





# Cisco: Enabling A Software-led Business Framework

## Business Readiness

### Software Solution Sales

Software-led sales motion focused on delivering business outcomes with the appropriate mix of software, hardware, and services



### Software Licensing Expertise

Scalable sales methodology, systems and tools to address customers' licensing and financial needs with the appropriate Cisco consumption model

### Partner Lifecycle Services

Portfolio of repeatable and scalable services offerings designed to ensure customers maximize the value realization of their software purchases

### Software Development

Leverage Cisco APIs and open platforms for programmability, creation of custom applications and integrations for incremental IP revenue potential

## Operational Readiness

Software-led business aligned to Customer Experience



# Driving the Partner Value Evolution: *The Service Enablement Platform of the Future*

- Vendor paid, vendor owned, scaled for multiple partners
- Move partners into new services more quickly
- Design in IP/APIs for partner value add in SW and industry
- Based on data acquisition and analytics to drive the services
- Consistency in CX across channel landscape
- Competitive advantage



Source: JB Woods Closing Keynote, TSW Spring 2019

*The vendors who do this will dominate the Channel GTM in their segments*

# What's Next?

Start NOW

“

*For tech OEMs, partners of the future will likely be those channel players that **recognize the urgency to transform now**. IT solutions provider Velocis Systems is one such partner. “If indirect channel partners do not change their operating models today,” says Atul Bansal, cofounder and managing director of IT solutions provider Velocis Systems, “they run the risk of losing out to nimbler start-ups and other competitors in this changing IT landscape.*



# QUESTIONS?

A group of sprinters in various colored uniforms (blue, red, purple) are captured in mid-stride during a race on a track at night. The scene is dimly lit, with stadium lights visible in the background. The runners are positioned in the foreground, with their shadows cast on the track. Lane markers with numbers 5, 4, 4, 3, 3 are visible in the lower left.

# THANK YOU