

Independent Software Vendor (ISV)

Steps to Success Through a Channel

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This document is a summary of a much more detailed methodology that is focused on helping ISVs understand their role, and therefore their responsibilities, when going to marketing through an indirect channel model.

Step 1: Who are you really?

You need to understand this first and foremost: **You are a software publisher!** While that might sound obvious, the vast majority of ISV's operate as "custom software shops". They create software. They do not have a formalized, effective, efficient, and professional channel methodology in place. The first step in becoming a successful ISV (selling indirectly) is to understand who you are. As a software publisher you need to focus time, money and resources on things that publishers (with channels) do. Specifically...

Step 2: What is your transition? Most ISVs began their journey by creating some software. In many cases they wrote a custom application for a customer and determined that there was a need for that application throughout an industry. This is not always the best scenario. For example, is your ISV organization well enough funded that you can PRE-INVEST in the creation of all of the people, programs, content and other assets required to recruit, manage and grow a channel? If not – then an elegant transition will be needed. Geoff Ashley & Associates can help you understand how you can:

- Truly understand your cost of sales (so you can determine how much margin you can pay)
- Begin with alliance partners (least amount of investment, least amount of margin).
- You will need implementation partners (and the content and program to support them)
- Now you are ready to move to SALES certified partners. A little more margin, but not a full practice yet.
- Once these programs are working, you can elegantly and profitably move to a full-fledged VAR program with Authorized Partners (logo) in all of its myriad of shapes, sizes and requirements.

Step 3: Who else can help? If the funding, time or expertise is not there, then perhaps you should consider "exclusive" partnerships. Organizations that take on specific roles and responsibilities in return for margin. But there are many pitfalls to this approach and you need to understand them BEFORE entering into this form of distribution channel. Especially if you are considering any form of exclusivity!

Step 4: The partner framework: This is where Geoff Ashley & Associates really shines. Having built many of the top ERP channel programs in the industry, we can help you define and create a program that is appropriate for your solution and the opportunity it represents to a partner. But the partnership must be two-way. Partners have responsibilities too...

- The "opt-in" culture. Get rid of "arbitrary" once and for all!
- Differentiate between investment and rewards.

- Motivate behaviors that are required of ALL partners.
- Create a foundation from which to build growth now – and in the future

Step 5: Margin – earned... not entitled...: First off, as the title suggests, this step should clearly define the expectations for performance that every partner is expected to achieve. Margin is earned. And certain productivity is required to reach the top levels. But you also have to reward all of the key elements of a successful “customer for life” relationship.

Step 6: Time to Revenue versus Manage to Revenue: The true differentiator and driver of your success across all partner types. Creation of a VAR Lifecycle, managing to the lifecycle, and creating the processes, programs, methodologies, tools, education, reporting, etc. that is appropriate to each stage of the lifecycle.

Step 7: Channel Management: Geoff Ashley & Associates will help you create, manage and grow best-in-class teams:

- Recruitment
- Enablement
- Channel Management
- Pre-Sales
- Customer Success
- Principal, Owner, Executive Leadership (POE)

Step 8: The Successful ISV: As an ISV, you are an integral cog in a very complex eco-system. Your strategic importance gives you a unique relationship with your primary ERP software publisher. There are so many additional aspects of creating an award-winning partner program. Let Geoff Ashley and Associates help you as you define the “last mile”:

- Marketing (including MDF/BDF programs)
- Agreements and legal
- Operations (QBR’s, Business Planning, etc.)
- Partner Advisory (Partner Advisory Boards, product advisory boards, etc.)
- Strategic publisher relationships (maximizing your value as a strategic partner)
- The Conference – how to maximize the investment in the yearly conference
- AND SO MUCH MORE!

Please call us to find out how we can help you exceed your expectations:

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