McDonald Butler
CONNECTING MARKETING & SALES

Delivering Successful Demand and Lead Generation for Strategic Alliances

Strategic Alliances have been gathering momentum over the past few years, most notably amongst technology companies looking to sell a new technological concept. Companies that may have traditionally competed with each other are now collaborating, widening their reach and essentially their revenue stream. However, marketing with your alliance partners comes with its' own challenges; dealing with different sales teams, aligning messages, agendas and much more.

Developing a clear and comprehensive strategy at the outset of the campaign will determine its' success or failure. Outlined below are some steps and considerations to take before embarking on an alliance programme.

Wikipedia states that an 'alliance' is 'an ecosystem of technology, service and solution providers aligned to provide standards-based solutions to clients'. More and more alliances are now being formed across the globe as companies identify the benefits of partnering with others. Alliances have become unpredictable and complex, where previous competitors link forces to co-market in some regions and compete in others.

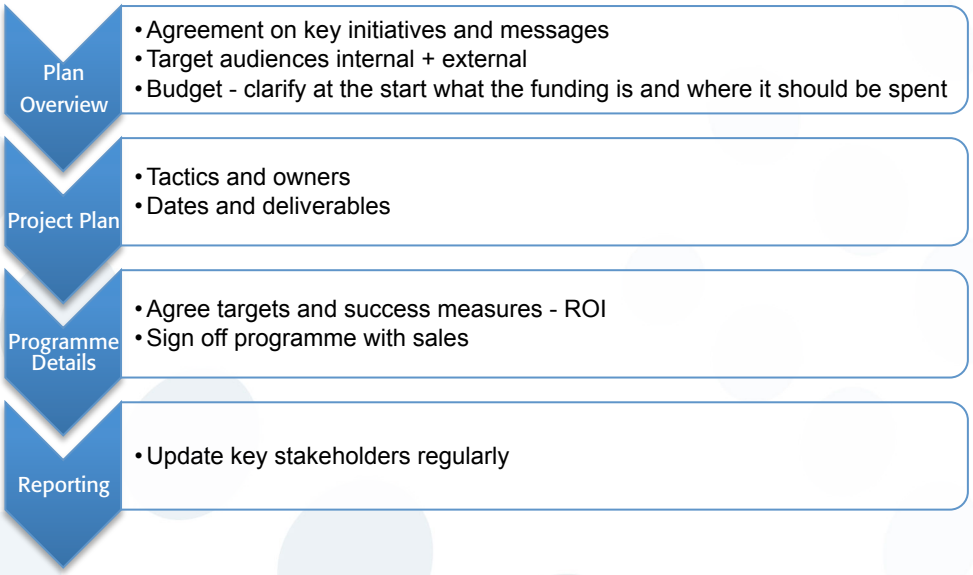
Despite the great benefits, alliance marketing comes with its own share of stumbling blocks, especially when liaising with 3 or 4 strategic partners.

Key challenges facing any alliance:

- Alliances are often announced with little internal training and internal communication can be slow to flow down to the relevant personnel
- Different organisations often bring different agendas to the table so it is very important to identify and agree what the key objectives and outcomes are to be
- Funding and co-funding for the activities must be clarified as well as how the spend will be reported back
- Internal alignment must be ensured to get sales teams and key stakeholders from each organisation working together
- Brand and messaging should be aligned and in tune with each company's brand guidelines
- Identify what the delivery capabilities are within your regions so that you know from the outset you are not requesting an impossible task with regards to resource capability
- Clarify data ownership so identify who owns the data generated by marketing activities and how can it be made 'alliance owned'

Stage 1: Planning Stage

A clear and detailed alliance planning framework needs to be identified and agreed by all parties at the start of the programme. Meticulous project management is required so bringing the right parties to the table is essential. Below is a suggested Alliance Framework, which identifies each of the key stages in the planning process and what they entail:



Plan Overview: this must outline the key messages and initiatives as well as identify who both the internal and external target audiences are. Agreement on the funding structures should be outlined at this point, as well as the areas they need to be spent.

Project Plan: clear ownership should be assigned to relevant parties. Project management skills are crucial in that deadlines must be met and attention to detail given. The key milestones should be mapped out so that delivery deadlines can be tracked and slippage can be identified.

Programme Details: the next stage is to agree and set targets for individuals and the alliance as a whole so that ROI can be measured. The sales teams should sign off the programme and agree to a number of sales meetings. Often, frustrations in marketing result when communication breaks down between marketing and sales, resulting in nurtured leads going to waste.

Reporting: finally, keep all stakeholders regularly updated on programme status. Reporting should be continuous and within agreed timescales so that everyone is kept in the loop at all times. This also maintains stakeholder buy-in.

Stage 2: Alignment and Preparation

- **Align marketing activity with your company's business objectives -**
  Ensure from the outset there is no overlap with individual company brands before you start as an alliance.

- **Understand the key stakeholders and agree on metrics –**
  Ensure clarity with regards to how the sales teams and business leads in each region are to be measured and what success will look like.

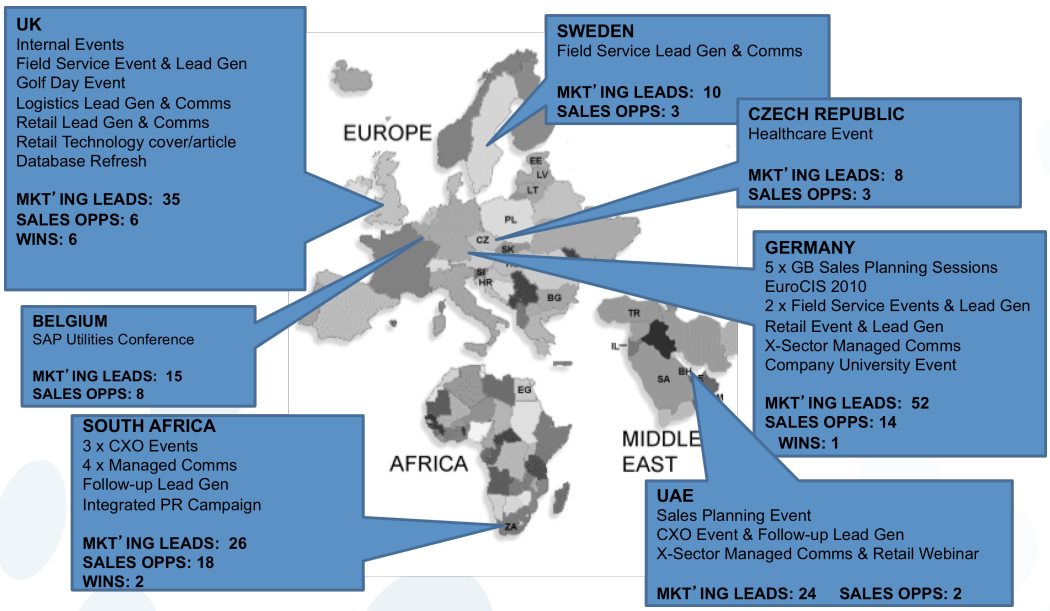
- **Develop reporting metrics around agreed KPI's -**
  Be clear as to how, where and why funds are being spent and communicate this to everyone involved throughout the programme. Keeping everyone in agreement with how success will be measured, and up to date with continuous reporting will answer any questions regarding return on investment. What does success look like for the sales team, marketing and alliance in general? You must ensure these are aligned. And what is considered a marketing lead and what is considered a sales lead? Determine who will follow up and within what timeframe the follow up will happen.

- **Educate the internal teams on marketing objectives and deliverables -**
  Ultimately, you need people in the front line closing deals. This can be a challenge in an alliance as sales people who used to be competitors, are now going into meetings together. You need to educate them to see the bigger picture and fundamentally, the power of the alliance.

- **Ensure clear account mapping from the outset -**
  Identify as an alliance, who are the key target companies identified by country, highlighting where relationships already exist and where is the whitespace to be filled.

- **Understand market priorities and capabilities by region -**
  Different regions have different capabilities and priorities. A suggestion to clearly identify these is to create a heat map by region and identify demand and lead generation areas, training and education areas and/ or areas to leave alone for now. Activity can then be assigned per region accordingly.

Below is an example heat map for a 6 month campaign:



Stage 3: Marketing Focus

So where should the marketing focus be when considering alliance programmes? Marketing needs to consider 3 key groups – stakeholders, internal and external. All too often the internal activities are given lesser importance but they are vital for ensuring programme success. Internal activities could include joint account planning workshops, sales incentives or sales kits produced which address the training needs of those sales teams involved in alliance activity. Again, making sure the sales teams from all companies involved are aligned and supportive of one another is crucial to the development of the programme.

When focusing on external tactics, whether this be telemarketing, customer events or CxO events, resource capabilities must be taken into account and again, internal buy-in is paramount.

When marketing the alliance, create messaging for joint offerings that focus on business issues and how these issues can be addressed. Make sure the plan is sustainable and therefore is integrated rather than ad hoc activity. And ensure you map activity against company initiatives so they work together and not against each other.

The first place people go to find out more information is online. Therefore, make sure your content is optimised for search. Having co branded assets gives an alliance credibility in the market place.

Stage 4: Metrics and ROI

Whatever your measurement model, there are some key fundamentals when monitoring your return on investment. Analyse what the penetration is into the market and what the responses have been like to activities to date. Identify if further nurturing needs to be done through additional activity. Often initial activity proves successful but the link between marketing passing the leads onto sales for follow up can fail in the process, especially when managing the several diaries of the alliance sales teams.

An established model often used to measure success and ROI is the AIDA model. This is one of the most effective ways to track and move prospects through the buying lifecycle from Awareness through to Interest and onto Desire and Action. By ensuring you can measure the position of each prospect, allows marketing and sales to identify and monitor how much market traction is being gained, and gives total visibility of marketing ROI.



Summary:

To capitalise on the benefits of working as a strategic alliance, a clear strategy, careful preparation, clear communication and regular reporting must be maintained. Key areas should be agreed from the outset such as the target audience, the messaging and channel strategy. Budgets are to be identified and signed off with clear understanding of measurement for ROI. Results may take time – leads need to be continually nurtured but as long as progress is continually reported, and buy-in maintained, you are taking every step to ensure the success of your strategic alliance.