

Partner Selection Checklist

One of the most critical components in establishing a successful indirect channel team.



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Identifying the ideal partners is one of the most critical components of indirect channel development.

Once you have established a profile of your target partner, it is important to conduct an in-depth evaluation of each potential partner against the set of criteria you have put in place. Gauging their financial and operational strength and their technical, sales, and marketing expertise, as well as their market exposure and corporate alignment with your business goals, will help you better understand their capacity to achieve early and rapid sales growth.

These selection criteria are a starting point in your evaluation process and can be changed depending on your type of business, customer base, product offering, and markets served. Use this partner selection checklist as is or feel free to add additional conditions based on your specific needs.

Corporate Alignment

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Request a list of the partner's current product portfolio.

- Does the portfolio include products or services that may augment your offering?
- Might cross-selling opportunities to the partner's customer base be possible?

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How many products and services is the partner currently selling?

- Do they have enough resources across all departments to take on your solution or will they be spread too thin?

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How much knowledge of your business does the partner already have?

- Including solutions you offer, target customers, competitors, key messages, technology, etc.

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What percentage of the partner's customers purchase additional solutions?

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Does the partner's current customer base match your target customer?

- This may include company size, number of employees, industry, location, buyer persona, etc.?

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Is this partner really committed to you?

- Are they willing to take the time and resources necessary to be trained on all aspects of your business and solution?
- Do they conduct their own marketing campaigns and educate customers?
- Are they willing to develop a joint go to market strategy?

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Does the partner have unique expertise selling into companies in a specific vertical industry or geography that you may be interested in entering?

- If not, what are their plans for establishing a position in that target market?

Corporate Alignment *(continued)*

- ☐ **Where will your solution fit in the partner's portfolio?**
 - Will it be an important component that they will lead with or will it be an ancillary product that may be added as an afterthought?
- ☐ **What motivates the company to sell certain products over others?**
 - What will motivate them to focus on selling your solution over another in their portfolio?
 - What motivates each individual sales person to sell one product over another?
 - How can you make sure that it is yours?
- ☐ **Does the partner have their own marketing team?**
 - Can they develop and execute marketing campaigns on their own or will you need to create and execute the campaigns and turn the leads over to them?
- ☐ **What has been the rate of staff resignations, layoffs or other turnover at the partner's firm?**
 - Will you have any say in the type of employees or level of experience of people who are considered to replace them?
- ☐ **Will you be given a principal advocate at the partner's firm?**
 - This is someone who will be responsible for your relationship across all departments – accounting, legal, operations, sales, technical support, marketing, etc. - so you can build relationships and communicate with them directly. Your business relationship is about more than just sales and marketing.
- ☐ **What is the partner's reputation in the industry?**
 - How do their customers, other vendors, and competitors see them?

Financial Stability

- ☐ **Is the partner's company public or private and how is it funded?**
- ☐ **What is their reputation in the industry for business practices?**
- ☐ **Request the partner's financial statements for the last 3-5 years.**
 - What is their profit margin and operating margin?
 - Return on assets and equity?
 - Revenue, gross profit, and EBITDA?
 - Net income?
 - Total available cash and debt?
 - Cash flow?

Financial Stability *(continued)*

☐ **Have any companies such as clients, vendors, or others, taken legal action against the partner?**

☐ **Is the partner upfront and ethical?**

- What has been the track record of the current management team?
- How long has the management team been with the company?

Sales Success

☐ **Do they have experience selling (and marketing) products similar to yours?**

- Possibly from a competitor of yours or as a previous partner in your channel program?

☐ **Do they have a sales team?**

- Is it comprised of inside and outside sales teams? Do they also have an indirect sales channel or do they sell direct to end user customers only?
- Do they currently have a sufficient number of sales people to begin selling immediately or will they need to hire additional people to sell your solution?
- Is the sales team qualified to sell your product? Have they sold a similar product in the past or are they currently?
- How much training will need to take place to educate the sales team? Will solution/positioning training suffice or will market/customer/industry training be needed as well?

☐ **How do individual sales people sell?**

- On price alone? On product features? On brand name recognition?
- Do they take on more of a consultative or trusted advisor role in the sales process?
- How does this fit with the way in which your solution should be sold?

☐ **Are the sales people able to adapt and effectively communicate their sales messages depending on the audience, size of business and vertical?**

- Line of business: CEO/CFO vs. HR director vs. sales manager vs. IT manager, etc.
- Company size: Small business vs. mid-size company vs. enterprise.
- Verticals: Healthcare vs. financial services vs. legal vs education vs. non-profits, etc.

Sales Success *(continued)*

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How are the sales people motivated to sell?

- Do they focus on selling the products for which they get the biggest financial reward and virtually ignore the others or do they focus on the product that is most appropriate for their customer's needs?
- Do other vendors within the partner's product portfolio provide sales incentives to remain top of mind which will require you to do the same?

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Are they self-sufficient?

- Is the partner able to complete the sale without needing to get you involved or are you needed to conduct demos and participate at different stages throughout the sales process?

Technical Support

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Does the partner have existing technical support and development teams in place to support your solution?

- If not, how long will it take to hire and train additional technical professionals?

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Is the partner's technical team able to provide the first line of support to their customers?

- Can they close technical issues themselves or will they need you to assist them in most situations?
- Do they provide the same high level of customer care that you would provide to your customers?

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Is the partner's technical support team trained on the underlying technology?

- How often does training on new technologies take place and how many of the team members have the industry and technical certifications which may be required to sell your product?
- If required, how willing are they to dedicate the time needed to become certified?

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Is the partner's technical team experienced in doing product demos?

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Does the technical team have a customer service mindset to stay focused on customer issues until they are solved or are they measured on how quickly they end customer calls whether the issue is actually solved or not?

Customer Care

- ☐ Does the partner have an existing customer care team in place or will additional people need to be hired?
- ☐ Is the partner's customer care team skilled at successfully resolving issues that might arise in a timely manner and to customer satisfaction?
- ☐ Does the partner survey their customers on a regular basis to determine their level of satisfaction?
- ☐ Will the partner provide you with customer survey responses?
 - Are they willing to provide you with a list of existing customers to whom you can speak about their level of satisfaction?
 - How does the partner treat and work with their customer's post-sale? Do they continue to reach out and have a relationship?

About TECHmarc Labs, Inc.

TECHmarc Labs is reimagining the IT channel as a community of people, relationships, and shared goals. We are your Channel Success Partner.

For vendors and manufacturers: We drive sales growth and profitability through every phase of channel development: attracting the right partners, building processes and programs, energizing partner engagement and maximizing channel investments.

For MSPs, CSPs, VARs, SIs, and IT consultants: We help you get the most out of each of your IT vendor partnerships, outperform your competitors by driving sustainable growth and work with you to build your own partner channel.



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