Is Your **Channel Sales** Motion Choppy?

There are several factors that can make channel sales choppy, to know more read on...

A well-run channel can produce a consistent sales motion that will not only drive profitable growth, but also help an organization establish a significant competitive advantage. However, building a **channel sales** motion that is not choppy requires a highly structured approach. Basically, you need to do a few things right in a very organized way. If your company is struggling to figure out why your channel sales are choppy, read on.

> *"When a company steps back and invests 20% to 30% of their short-term resources into long-term activities and takes a structured approach in addressing these core issues, channel sales will gradually transition from choppy to linear and overall sales will begin to show steady, profitable growth."*

In a previous article entitled **"5 Factors That Affect Channel Sales,"** I explored McKinsey's 7-S Framework to discuss strategy, structure, systems, staffing and skills that can impact sales positively or negatively. In this article, I continue to explore the foundations of channel sales, but here I shift the focus to the specific factors that can make channel sales choppy. Let's start with a few common issues that can undermine the consistency of your channel sales motion.

1. **Seasonality –**

   If your products are services tied to seasons—whether natural (winter, spring, summer, fall) or social (tax seasons, wedding seasons, etc.)—then chances are you have a naturally choppy channel sales motion. The best way to balance this is to do business in different hemispheres (e.g., the US and Australia) or in different countries that have different social seasons. Another way to overcome seasonality is to expand your product portfolio. For example, if you are in tax services, expand into financial services to help even out the highs and lows of the tax services business.

2. **Motions –**

   If you do not have your people, processes and programs aligned to address channel partners' core business needs, it is almost impossible to build a repeatable channel sales motion. Instead, you'll find yourself pursuing random quarterly activities, and you will soon feel like you are always fighting fires. In that case, it is hardly surprising to see your channel sales to go up and down. The only way to change this is to take a properly aligned, long-term approach.

3. **Products –**

   At the end of the day, what you sell is what determines your relationship with your channel partners. If your product is out of touch with market demands, is becoming stale or is simply losing its utility, your channel sales are likely to turn spotty. While you may not have an immediate fix—after all, product development is a long-term game—you can try to linearize your sales by exploring other channels where viable competition may not be present yet. When Chiquita selected convenience stores as a new way to distribute bananas as a snack the company not only expanded its channel sales, but also achieved multifold increases in its product margins.

4. **Programs –**

   Channel sales is all about building repeatable "coin-operated" motions, assuming you have a strong product and a compelling value proposition. Just like a direct sales team, sales teams are driven by the prospect of financial gain. Therefore, properly **structured channel programs** can have a significant impact on channel sales, provided they are designed with partner business needs in mind. The potential for profitability is always a key driver for channel sales. That means that programs not only need to directly address a partner company's financial needs, but also the needs of sales reps at the partner organization. Properly structured compensation and **incentives programs** should address both the needs of the partner organization and its individual salespeople.

While there are several other factors that can make channel sales choppy, these four are probably the most important, and they need to be managed and approached in a thoughtful fashion. Again and again I have observed when a company steps back and invests 20% to 30% of their short-term resources into long-term activities and takes a structured approach in addressing these core issues, channel sales will gradually transition from choppy to linear and overall sales will begin to show steady, profitable growth.

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