



Why Most **Deal Registration** Programs Don't Work

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The best way to make deal registration work is to start with the end objective in mind

Most technology vendors selling through a network of channel partners tend to turn to **deal registration** programs to streamline their go-to-market motions. They also leverage such programs to incentivize the partner base and increase sales productivity. However, the sad reality is that most **deal registration** programs actually do not work. Here are the reasons why. It's not about the vendor's own goals, but the partner's ability to sell without facing unfair competition and make decent margins from their efforts.



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- First, deal registration programs tend to be designed with the vendor's own business interests in mind, and are often focused on managing over-distribution, managing the sales mix and achieving pricing protection. However, when the design of such programs does not take into account the partner's business interest regarding profitability and sales productivity, it can create huge rifts in the vendorpartner relationship. It can also create a complete lack of trust in the vendor's deal registration program and, therefore, a lack of adoption.
- Second, deal registration programs that focus on a short-term sales cycle often fail to establish the rapport with partner sales reps that's necessary to build momentum and close deals, and thus minimizes the return for the partner base. Deal registration programs that are campaign-specific rather than structural or systemic in nature across a set of product portfolios typically fail to achieve traction with the partner base.
- Third, deal registration programs that do not explicitly tout the benefits of participation from a partner perspective, and are perceived more like a black-box mystery by the partner base, tend to lack relevance to the partners they are supposed to incentivize. The best way to overcome such a challenge is to clearly show to the partner base that the partners who register deals actually have demonstrably higher sales productivity as well as higher profitability.

There are plenty of additional reasons for the lack of adoption in deal registration programs, including failures to establish clarity of purpose, communicate frequently with the partner base and align programs with appropriate **incentives**. But the key point here is that deal registration programs that are not designed with partners' core business interests in mind—and particularly their interest in closing more deals at a lower cost and higher margin—are likely to fail. Fear is not an effective motivating factor and ultimately fails to control a vendor-partner relationship, which is highly complex in nature.

The best way to make deal registration work is to start with the end objective in mind. It's not about the vendor's own goals, but the partner's ability to sell without facing unfair competition and make decent margins from their efforts. If a partner sees clear policies that are being pursued by the vendor that are fair and that level the playing field, then will be much more likely to trust in the vendor's ability to successfully deploy such programs. Once that happens, the next key question partners tend to ask is, How long will the program last? That's why many deal registration program must remain in place at least for a year, if not more, before they are changed and tied to new product launches, acquisitions and other initiatives.

Finally, vendors must regularly share success stories related to deal registration programs and celebrate partner achievements by calling attention to participating partners' gains in profitability and productivity. As I hinted at earlier, the carrot-based approach is much better than stick-based approach in the channel. Nothing builds confidence and thereby drives adoption like stories of partner success. Vendors can't control their partners' goto-market intent and motion by resorting to measures like threatening to lower a partner's medallion status or take away other incentives. This simply doesn't work. However, when a deal registration program is clearly tied to higher profitability and aligned with streamlined partner sales rep enablement activities and marketing programs, partners will take note and be motivated. They will see a deal registration program with legs—a program that is here to stay and is designed primarily with their interests in mind.

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