



5 Mistakes of **Deal Registration**Programs

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These five examples are not the only reasons deal registration programs fail, but they are the most common ones we see in the channel today

Most companies selling through an open channel tend to implement deal registration programs. While some **deal registration** programs are helpful and actually help channel partners close deals and serve their own interests, many programs are inward-looking initiatives that don't seriously take partners' core business goals into account. In this article, we will briefly discuss why most deal registration programs fail and explain some of the fallacies associated with them.

A channel is not a true democracy, so it is impossible to design a program that satisfies everyone, but if you ask questions, listen to your partners and work with them to build a program that meets the needs of most of them, very likely you will end up having a high adoption rate where more than 50% of intended users will end up using it. In the channel, anything higher than that is a real success.

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Failure of most deal registration programs can be attributed to one or more the following reasons:

- 1. Complex process Most deal registration programs have too many steps or hurdles for partners to deal with. These programs tend to fail because going through the burden of protecting an opportunity outweighs the risk of losing it. If the deal registration process involves more than a simple form and a few approval steps, chances are that partner organizations have decided the extra effort is not worth it and they don't participate.
- 2. Small deals Unless there is a large service component attached to a specific opportunity and the partner (reseller) who fails to register the deal stands to lose a large amount of services revenue, the 15%–20% commission may not be enough of an incentive for a partner to register. That's why thinking through how your partners make money and what their financial incentives are is a good foundation for planning a deal registration program.
- 3. Lack of automation In today's world, it is surprising to see many companies are still using archaic tools like Excel and email for the deal registration review and approval process. This is not only inefficient, but also fails to provide sufficient transparency to partners. Faced with a complex approval process that lacks full transparency, partners tend to skip. Vendors who deploy a simple lead management and deal registration automation platform can eliminate this friction completely.
- 4. Allowing direct sales to poach the deal -

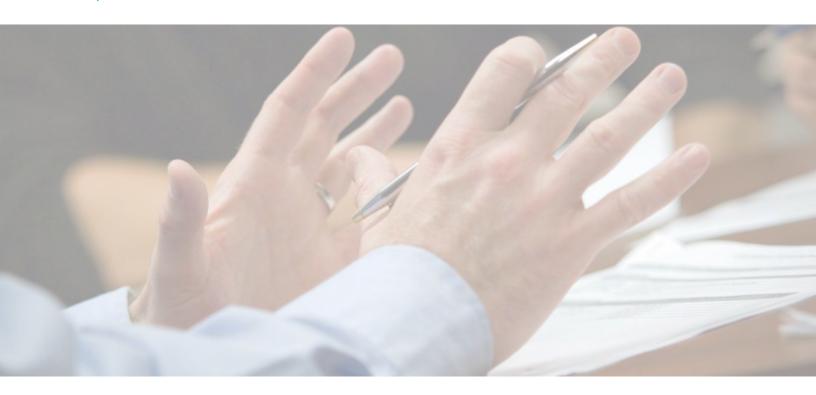
Channels have everlasting memory. If a company has ever violated a deal registration program by shifting an opportunity from the indirect (channel) sales team to its direct sales team, the word gets out very quickly. Fear of losing an opportunity to a vendor's direct sales team will last forever. This is why it is usually better in the long run to give an

opportunity to a partner than to get into a situation where your sales team is competing with the channel.

5. Failure to truly protect the deal – Finally, vendors sometimes fail to keep their promises in protecting a deal. When an end-user decides for some reason or other they would like to switch to a different partner-based provider in the midst of their selection process, too often vendors jump in to make the switch happen rather than trying to work with the first partner to resolve the issue or conflict. While in the end buyers have the right to choose the provider they prefer, a vendor also needs to play the referee sometimes to make sure there are proper business reasons for the switch rather than a personnel-based issue that is getting in the way.

These five examples are not the only reasons deal registration programs fail, but they are the most common ones we see in the channel today. The best way to design a program is to begin by talking to your partner base. A channel is not a true democracy, so it is impossible to design a program that satisfies everyone, but if you ask questions, listen to your partners and work with them to build a program that meets the needs of most of them, very likely you will end up having a high adoption rate where more than 50% of intended users will end up using it. In the channel, anything higher than that is a real success.





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