Partnering for Growth

Or how BD makes effective partnerships, without so much golf.

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My Background:

3rd Employee
5 1/2 years

Developed Alliances Program
Resale with Bladelogic/Opsware

13th Employee

Notable Partnerships:

BD team structure at the start

Partners

BD Org Structure Now

Key Partners

Top Tier

Partner Response Center

Europe TBD

Mobile

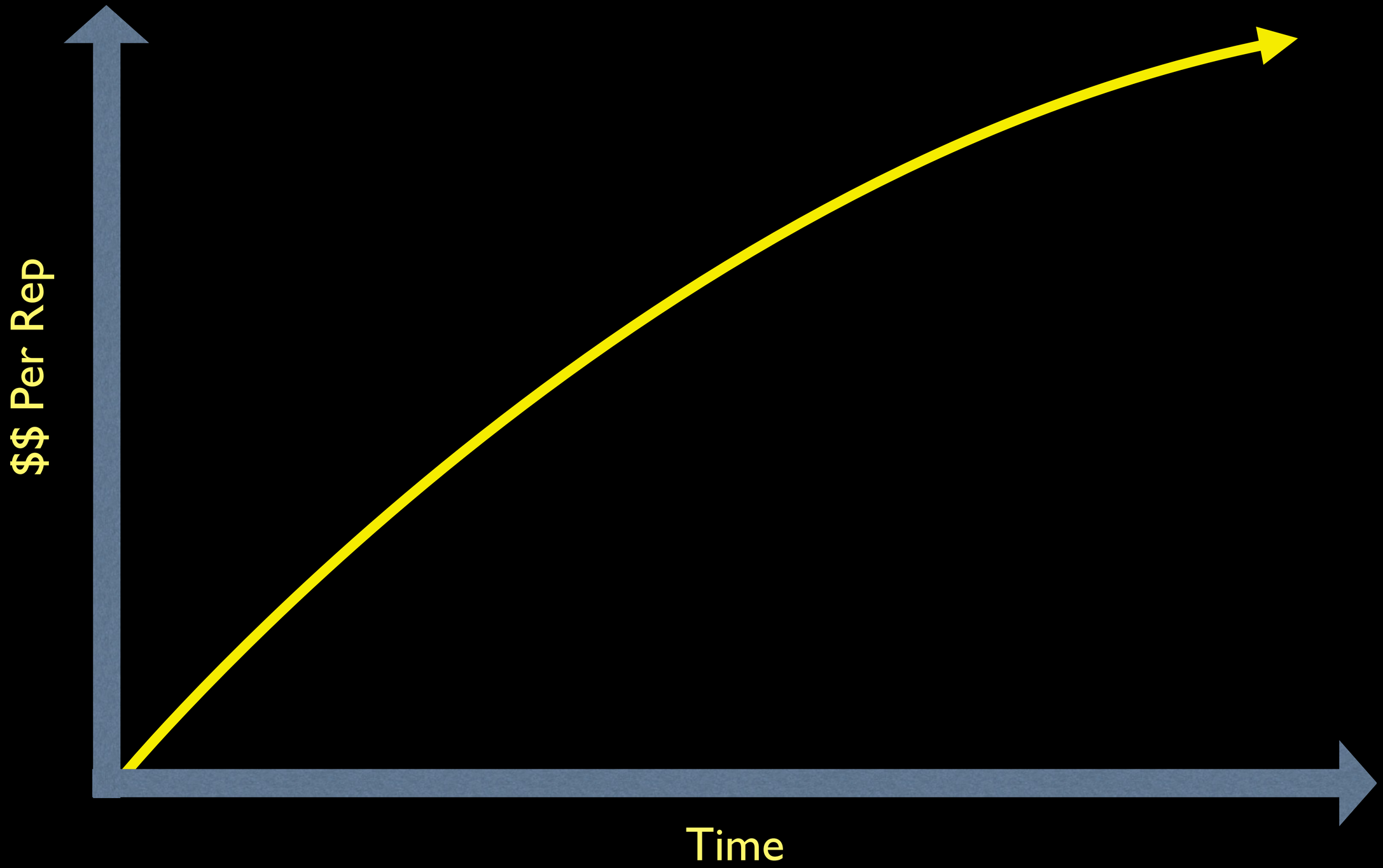
Platform/Connect

Emerging Partners and Hosting Sales

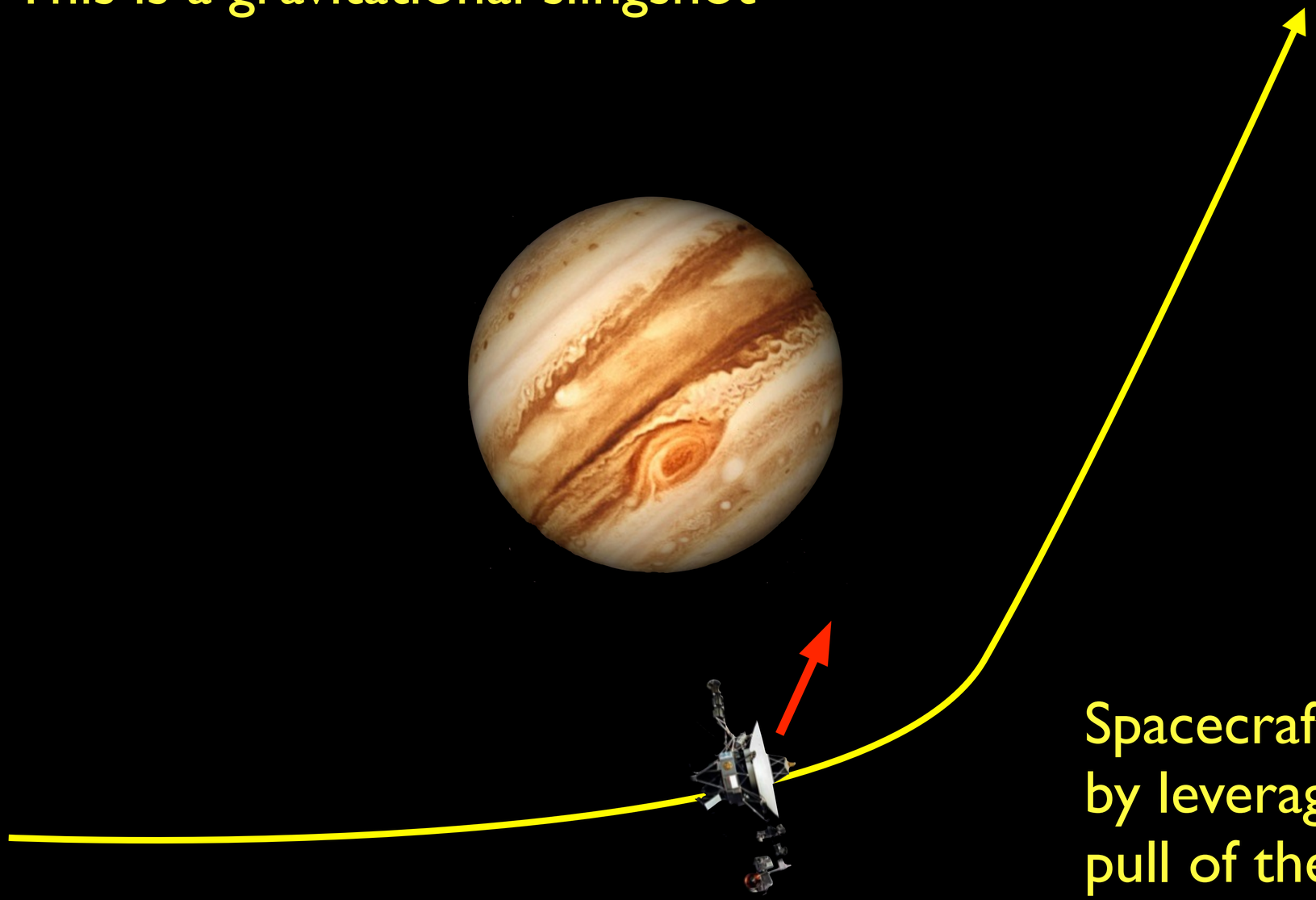
Systems Integrators - TBD

Partner Marketing

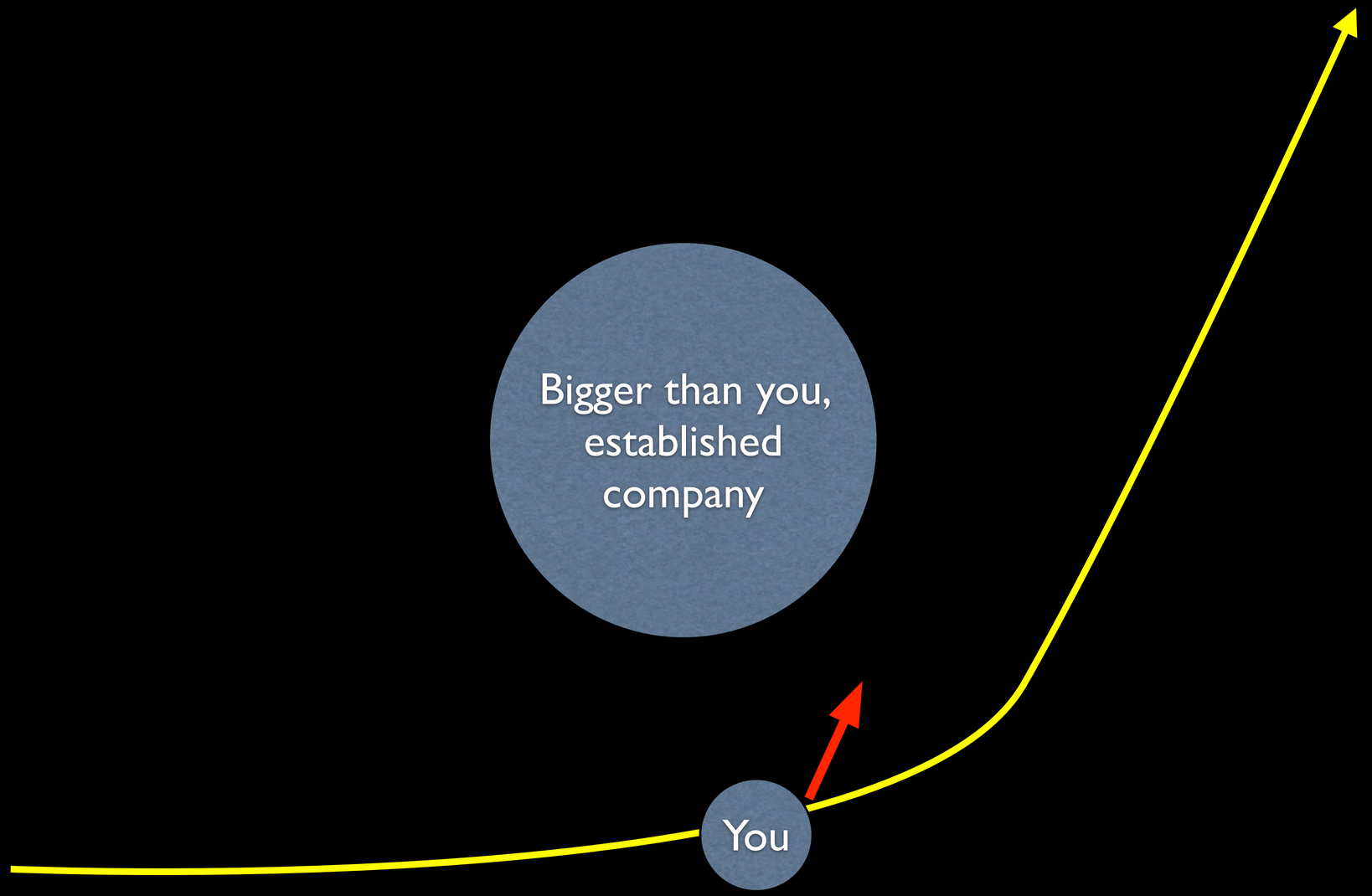
BE

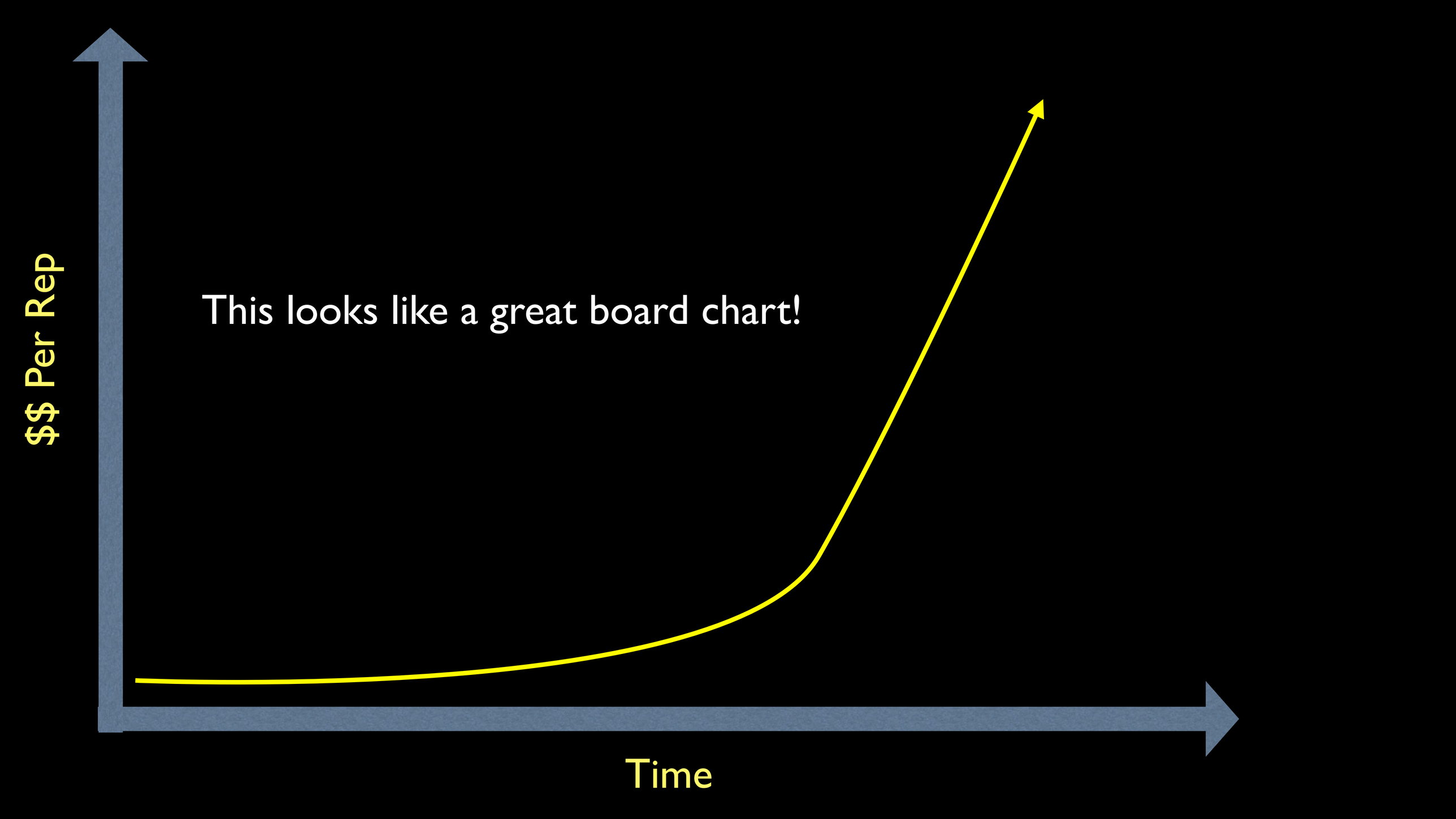

$$ Per Rep
Time

This is a gravitational slingshot



Spacecraft moving FASTER
by leveraging the gravitational
pull of the planet


Bigger than you, established company
You


$$ Per Rep
This looks like a great board chart!
Time

Growth^Partnership

At New Relic, BD is responsible for:

15 - 20 %

New Relic's Standard Partner Motion

1. Identify Partners with big blocks of NR prospects
2. Let Partner give away paid New Relic product for free
3. Let the Partner use paid New Relic product for free
4. Joint Integration and Marketing activities to drive deployments
5. Convert free Customers to paid Professional
6. Share in the Revenue with the Partner

Cost of a New Relic
Marketing Lead

$300

$700

Cost of a New Relic
Partner Generated Lead

$100

How do I spot the right partnerships?

Your Competition has Partners

You have a friend who works there

Competitive Lockout

Utility

Generate Leads

Awareness

Market Access

Investors Said So

SEO

It's something to blog about

Improve Conversion

Credibility

Near Golf Course

Defensibility

Social Proof

Drive Web Traffic

Logos for slide

Market Validation

Brand Lift

Revenue

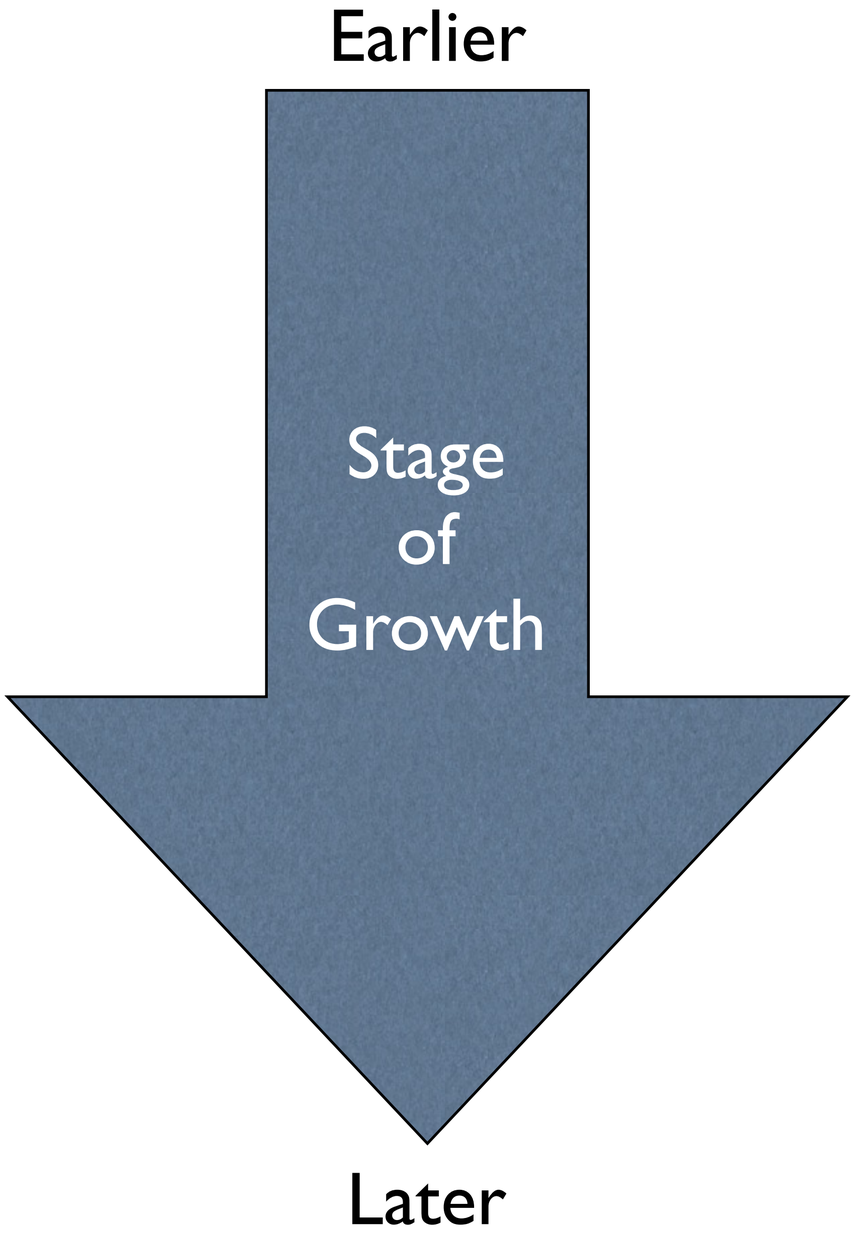
Credibility

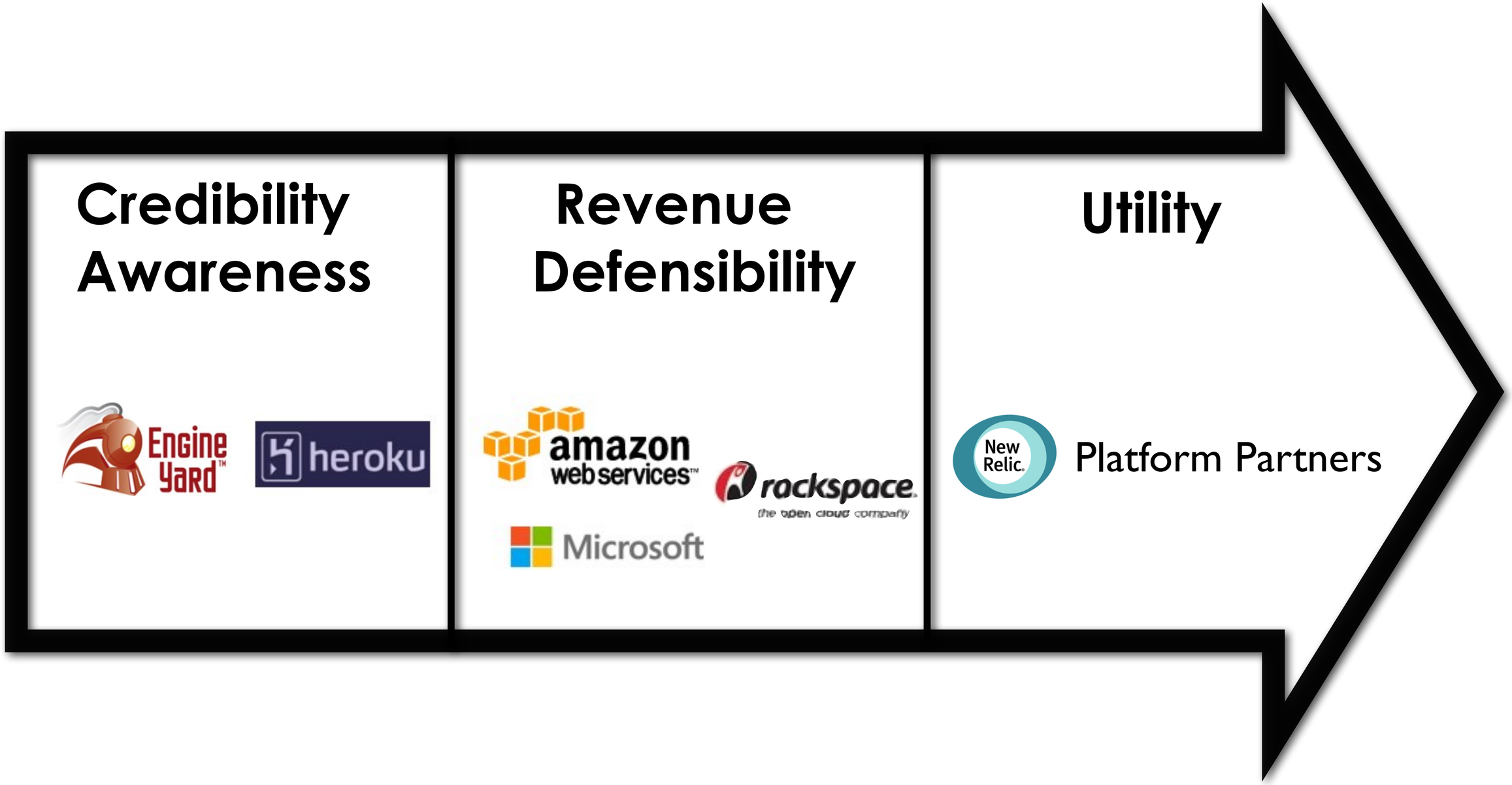
Awareness

Revenue

Defensibility

Utility




Credibility
Awareness
Engine Yard
heroku
Revenue
Defensibility
amazon web services
rackspace
the open cloud company
Microsoft
Utility
New Relic.
Platform Partners

How do you MAXIMIZE a partnership?

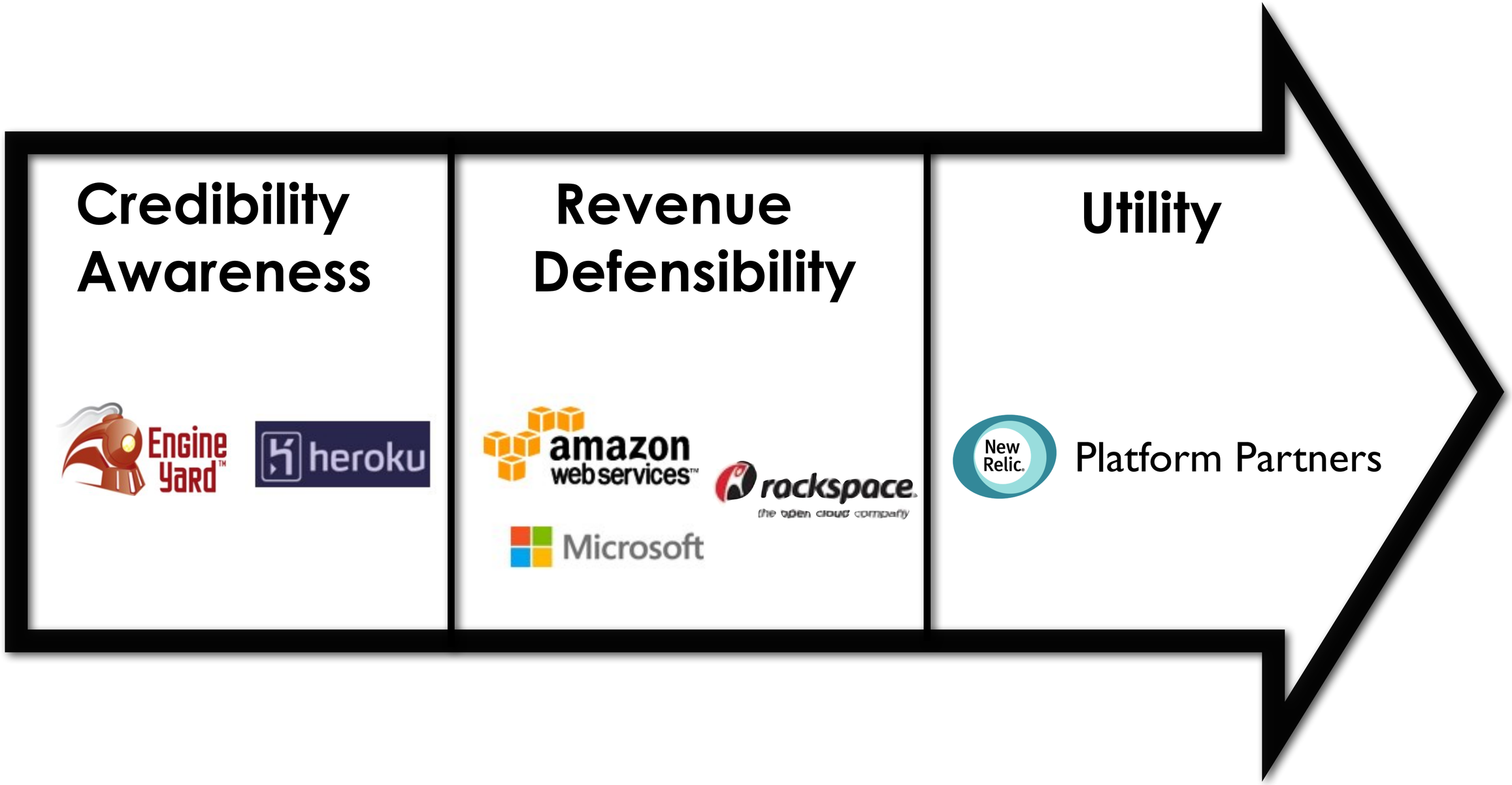
5 Keys to Successful Partnerships

Compelling Reason to Partner

- Make every interaction a positive experience
  - Solve a real problem
  - One plus One must equal three
- Functional Areas (Marketing, Sales, Product)
  - Cannot be marketing only
- The Ultimate Beneficiary (Sales, Technical Support, Services)
  - The primary is not usually “Revenue”

Treat your partner as you would like to be treated

- Get the flywheel spinning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Platform Partners

Life of a Partner

Credibility Awareness

New Relic Launched

Bundle Agreement

Marketing based

Credibility Awareness

Integration

marketing and sales process experimentation

Amendment #1 AND #2 (Pricing/Cost) Cloud Offering

Revenue Defensibility

Competitors arrive

Penetration Efforts

Integration work

Contract re-write (AppCloud, XCloud, Selling rules)

Revenue Defensibility

Amendment #3 Direct Customer Selling by NR

Penetration Efforts

PaaS Integration Launch

Exec Summits

Revenue Defensibility

EY moves to top 5

Frictionless Adoption Improvements

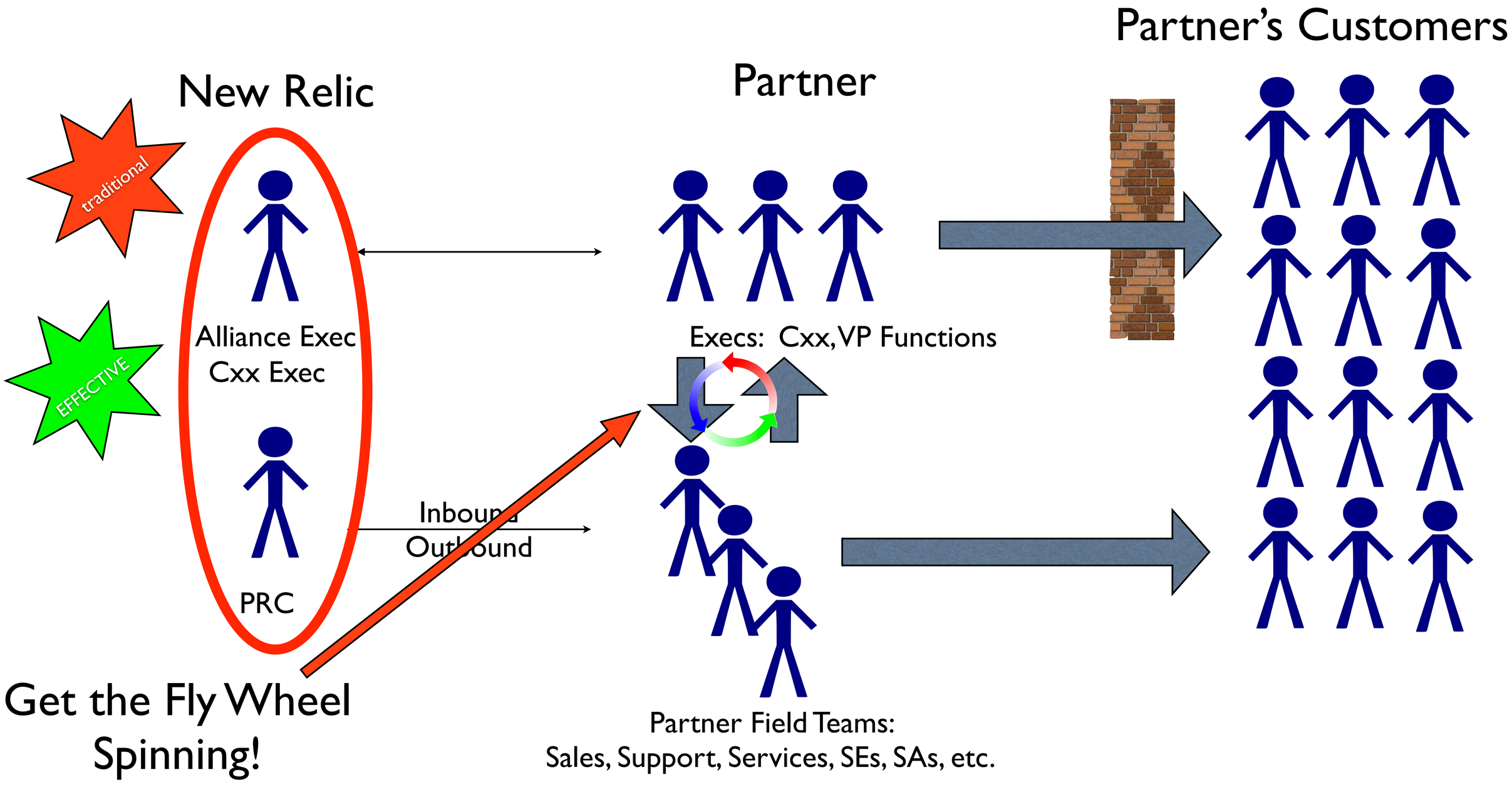
Support Training

Exec Summits

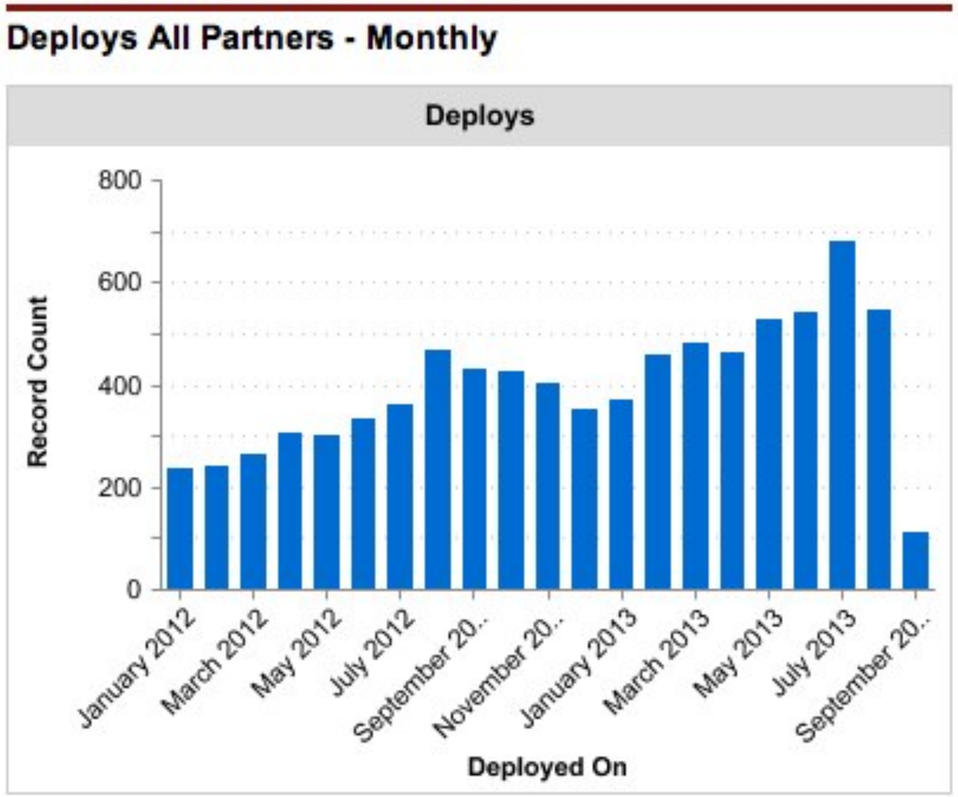
Platform Discussions **(Utility)**

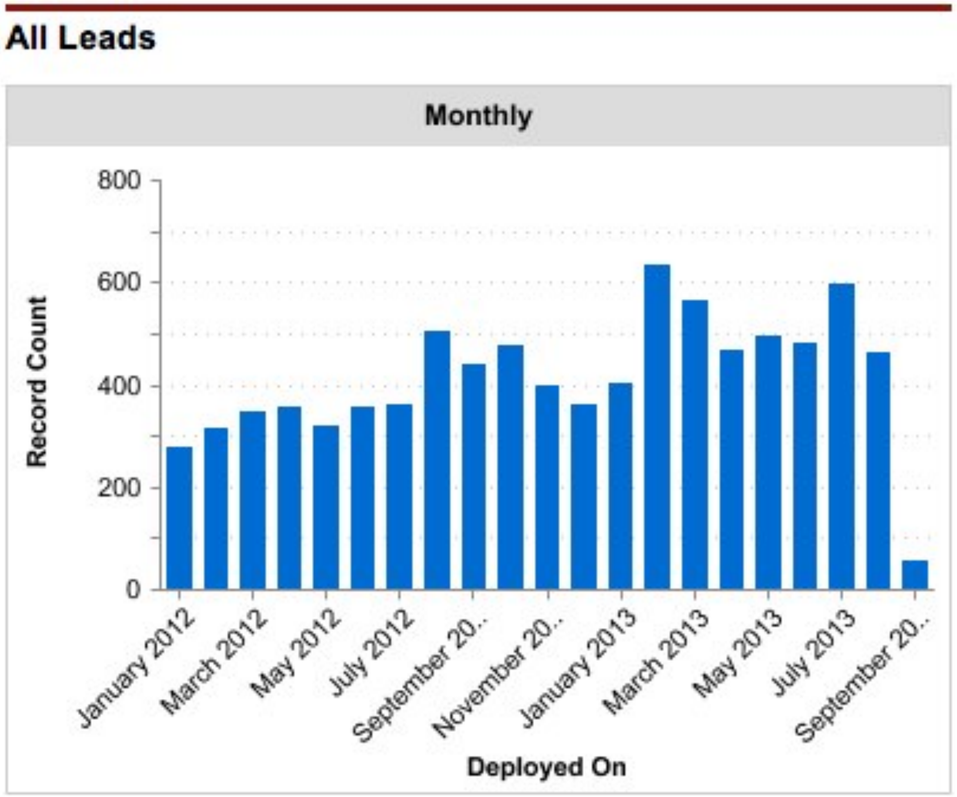
2008 2009 2010 2011 2012 2013

So... Alliance Exec, a Partner Exec, and a Customer walk into a bar...



Measure, Measure, Measure

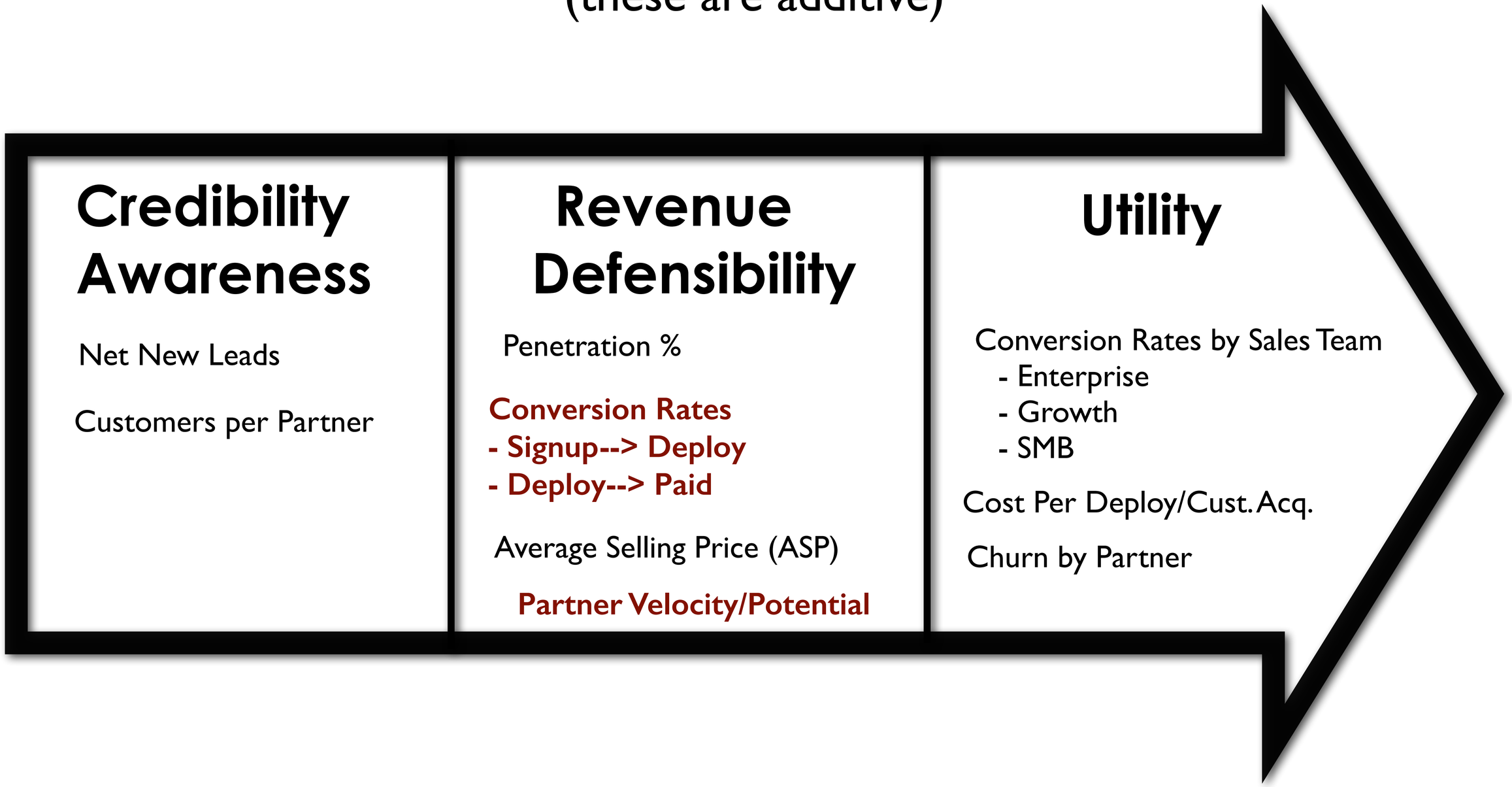


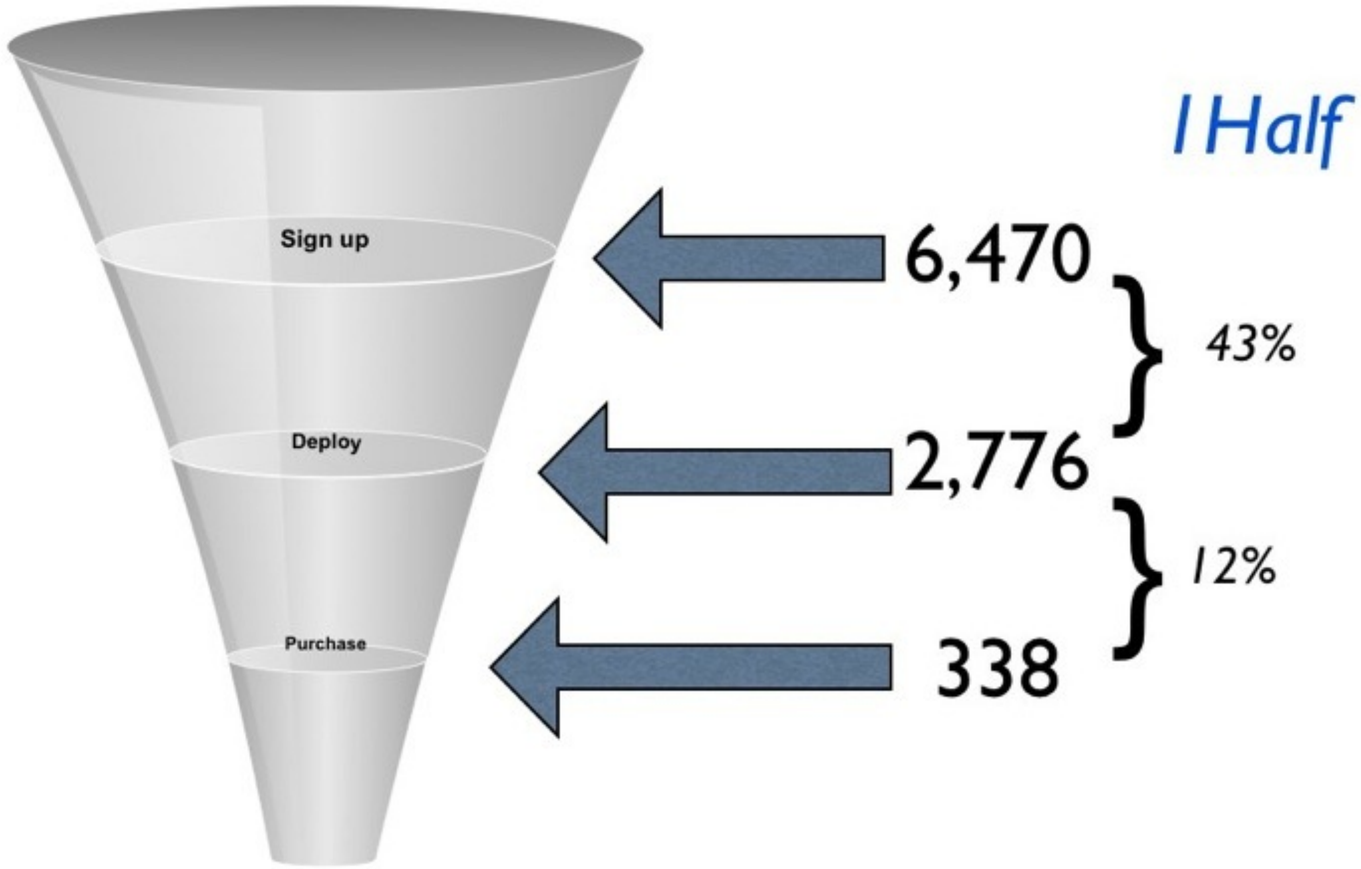


and then when you're done...

Measure even more

A Few NR BD Metrics by Stage
(these are additive)



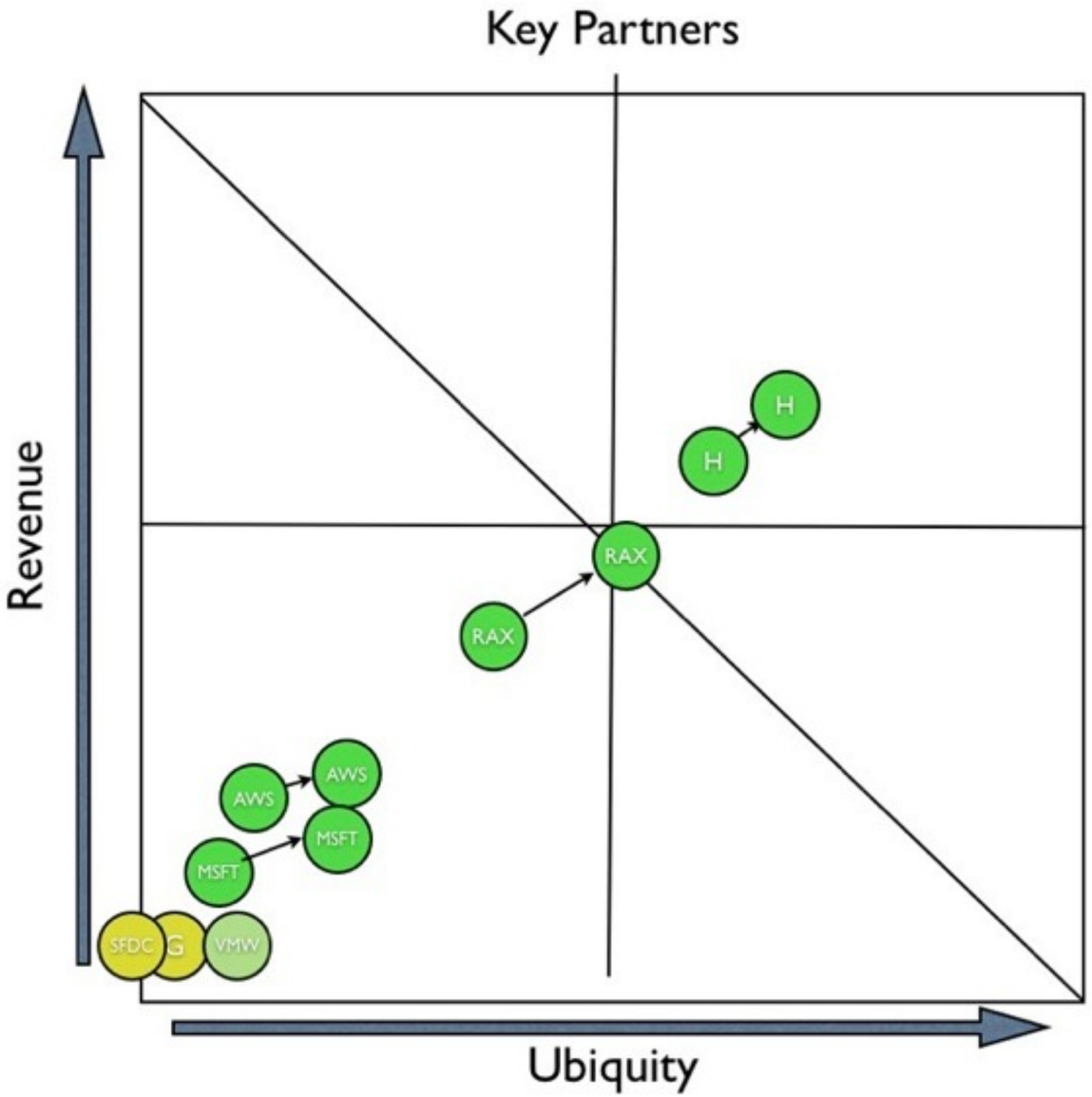


Total ARR: XXXXX

ASP: XXXXX

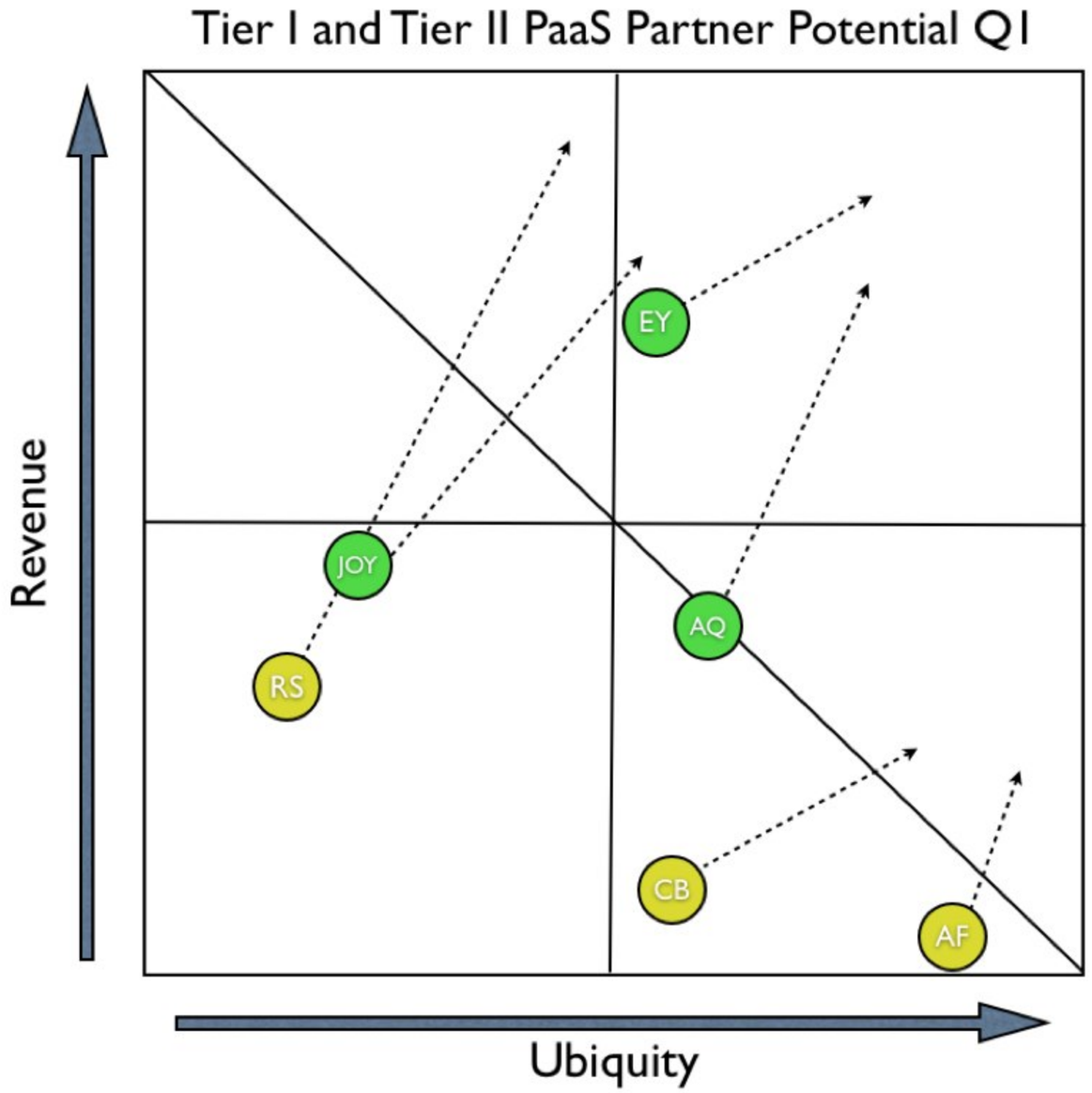
- Keystone Metric Set
- Track these Monthly
- Track overall, by Partner, by Rep, by Sales team, etc.
- Consistent Reporting to Execs and BOD

Partner Velocity



- Track QoQ progress
- Use it to identify trouble spots
- Highlight your strongest partners

Partner Potential



- Tracks POTENTIAL of a partnership
- Identify strength of partnership
  - Revenue
  - Ubiquity
- Identify on which partners to apply valuable corporate resources
- Slot partnerships for potential, not just actual performance

Business Enablement Engineering

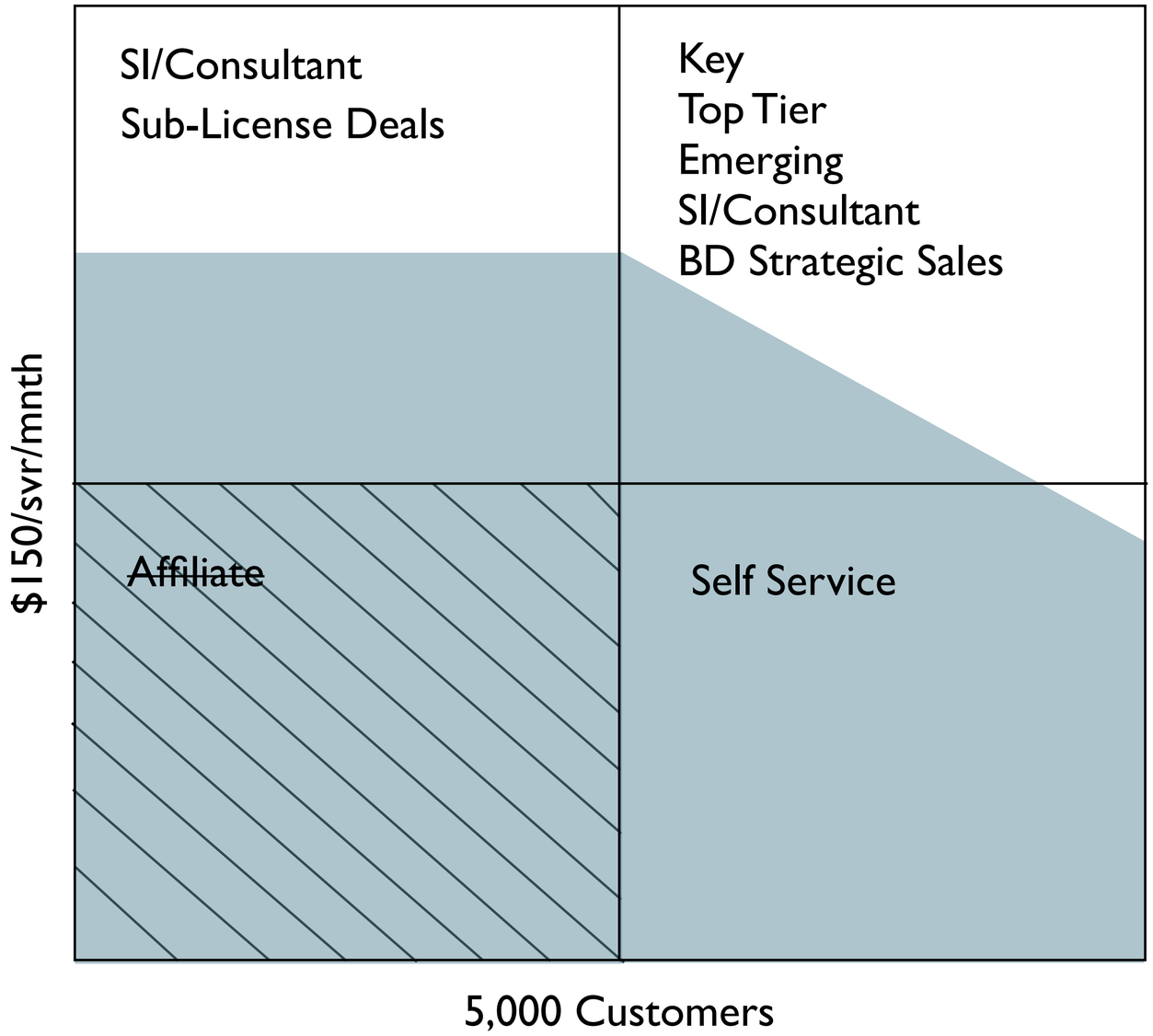
- Emphasis on significant reduction of friction through partners

Integrated Partnerships are STICKY

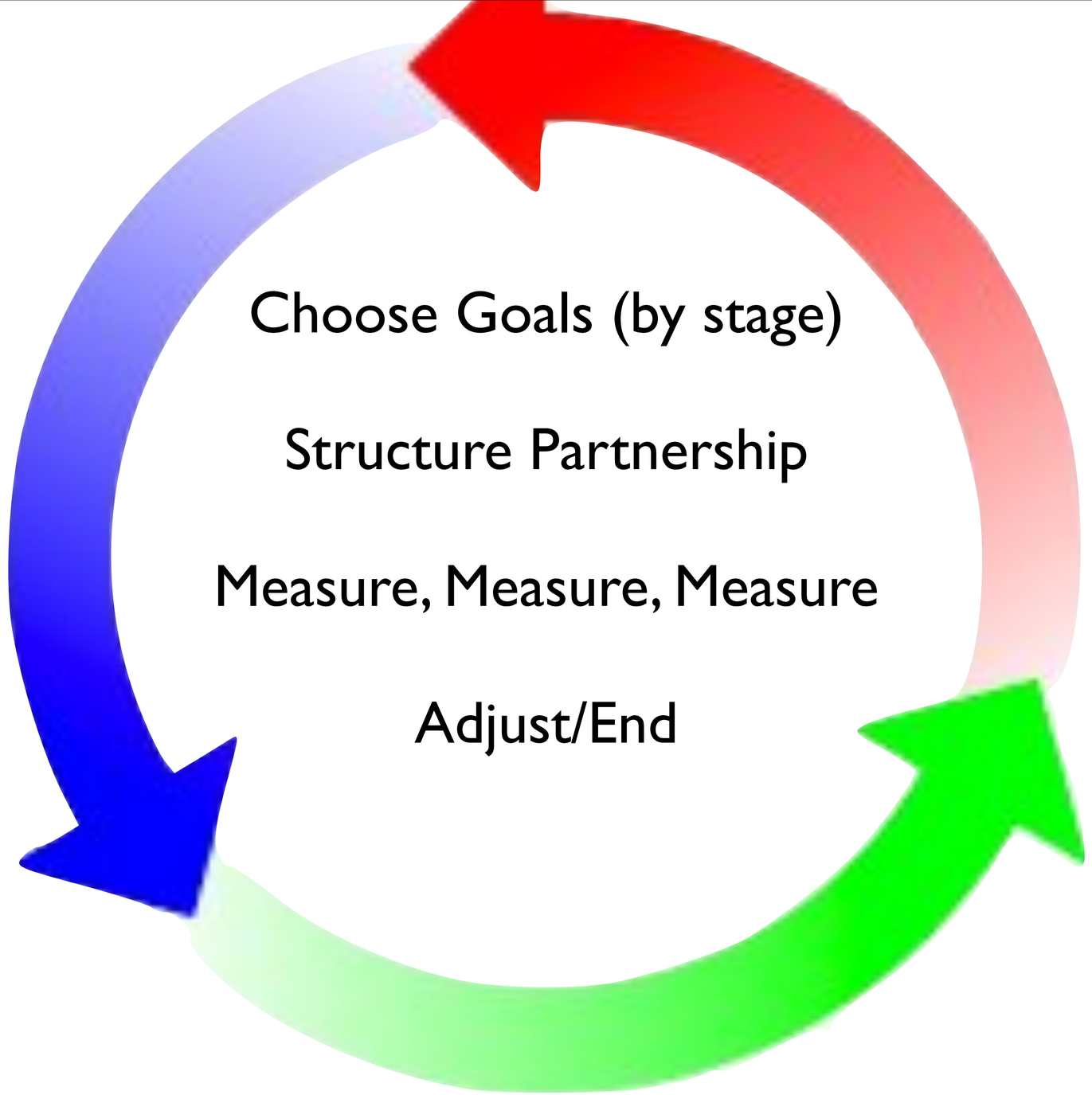
- BD no longer competing for Mainline Product Engineers

- BD can prioritize integration efforts or product efforts based on the need/potential/velocity

Channel Conflict is a good thing!



It's a sign that things are working really really well!


Choose Goals (by stage)
Structure Partnership
Measure, Measure, Measure
Adjust/End

What do you do when a partnership goes bad?

Only a Diamond is Forever

Trouble Brewing

1. Metrics headed South
2. It's not a Stool if it has only 1 leg...
3. Resource Black Hole
4. GTM Process Friction
5. "Pay for Play"
6. BD Love-fest!
7. Resource Black Hole

STAY ON
TARGET!!!!

Summary

- Select a strategy
- Develop your partnering motion
- Maximize the partnership
- Measure, Measure, Measure...
- Be prepared to shift as necessary
- Watch for Red Flags