

The crucial role of PRM in the ecosystem

Direct selling is no longer as effective as it once was, but prioritizing partnerships as a go to market strategy offers businesses an economical and sustainable way of generating revenue.

Currently, partnership programs suffer from long-tail, with 20% of partners contributing 80% of revenue. It's now time to reimagine the partner experience and focus on maintaining highly effective, strategic relationships.

So, if you want to co-sell, you must also co-keep, and co-grow.

This is the Allbound vision for the future of the partner ecosystem.



The ecosystem is here

Direct selling is no longer cost-effective. Acquisition costs are on the rise and aren't a sustainable way for businesses to generate their entire sales pipeline.

Every year, it takes more interactions to convert a lead, with most of them not involving your business. There also haven't been any new marketing channels since 2016, and AI is gaining ground on the existing ones.

Today, median sales and marketing spend for direct acquisition has returned to 37-40% of revenue which was where they sat before COVID-19.

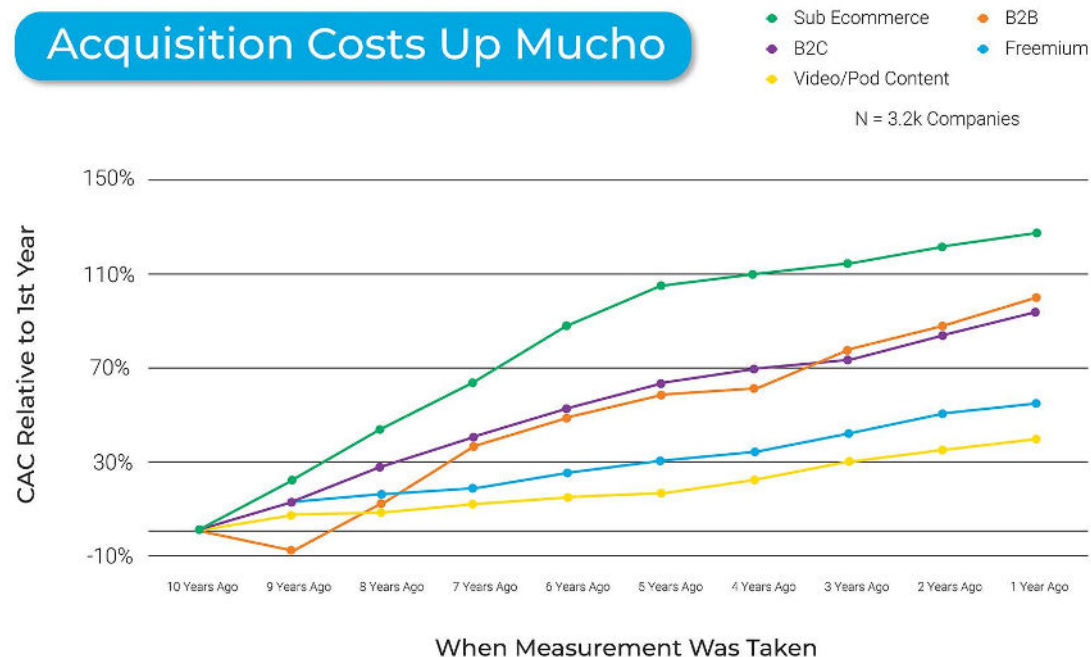
However, the median revenue growth has dropped from 37% in 2018 to just 26% in 2022, with the same spend. These are clear indicators that things have to change.

This is why many businesses, such as Dell and Rapid7, have shifted from primarily focusing on direct acquisition to partner-led growth.

This rapid pivot has given birth to the partner ecosystem; this ecosystem is different from the traditional 'sell-through' model of indirect acquisition.

Let's look at what's next for partnership selling.

Acquisition Costs Up Mucho

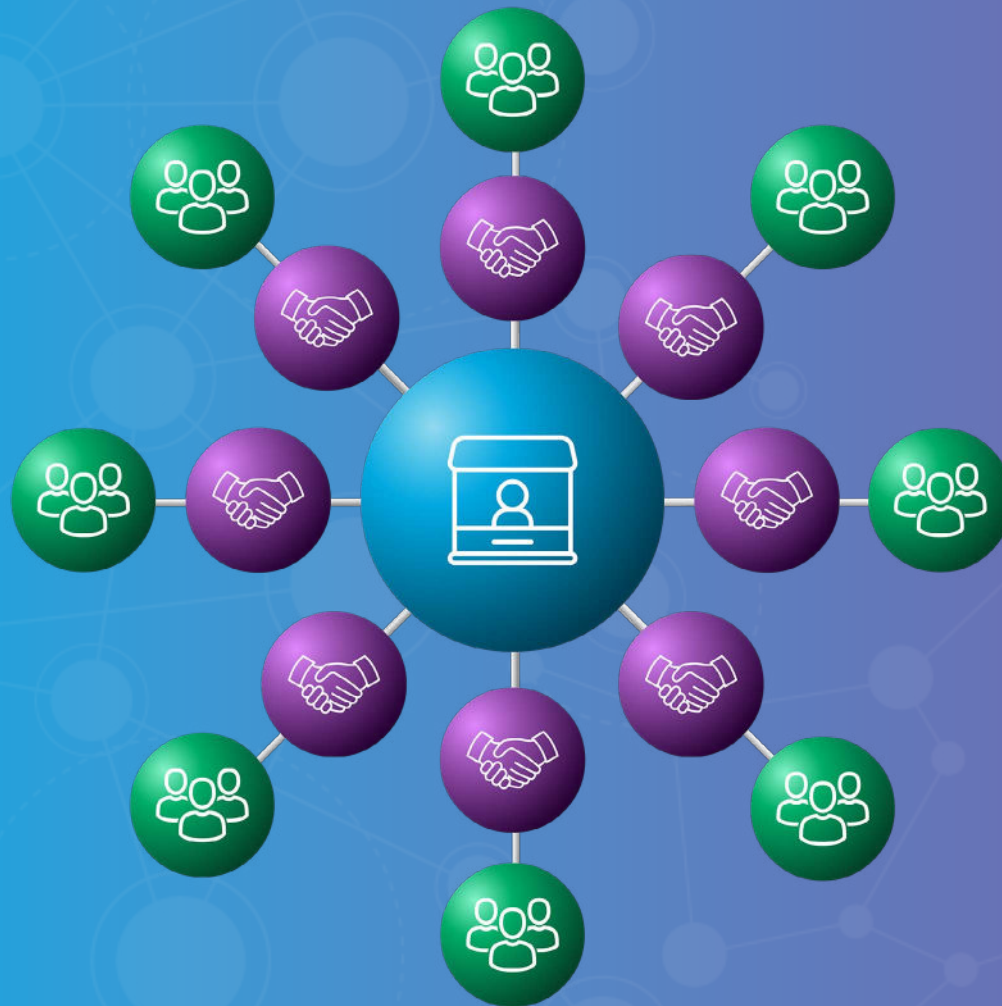


Why the transition?

The predominant partnership model centers around one vendor who 'manages' several partners that advocate on their behalf.

Although a very successful model, it does create challenges around scalability, partner enablement, lack of vendor line of sight to customer, often leading to retention issues.

While this model will remain for many years to come, the challenges with direct acquisition are causing an evolution in the 'hub and spoke' partnership model, to something that more closely resembles a web.



Traditional Channel Model

- The vendor is central
- Partners become an extension of the vendor's sales and implementation team
- The goal is to make partners "self-sufficient"
- Vendor is often removed from the customer

There is no longer one central vendor, but rather all parties have equal status. The value is generated from the interconnection of all businesses. They have full transparency into one another's goals and work together to achieve them.

This is the emerging partner ecosystem.

Emerging Ecosystem Model

- Everyone is equal
- Vendors and partners work together
- Self-sufficiency is still important but it works both ways
- The vendor isn't removed from the customer



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Partner-led is the mechanism for growth that businesses require in a modern B2B environment. **It's everything that businesses are doing today, but at a more efficient rate and more powerfully.**

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Will Taylor, Head of Partnerships at nearbound.com

[How to shift into a partner-led strategy guide »](#)

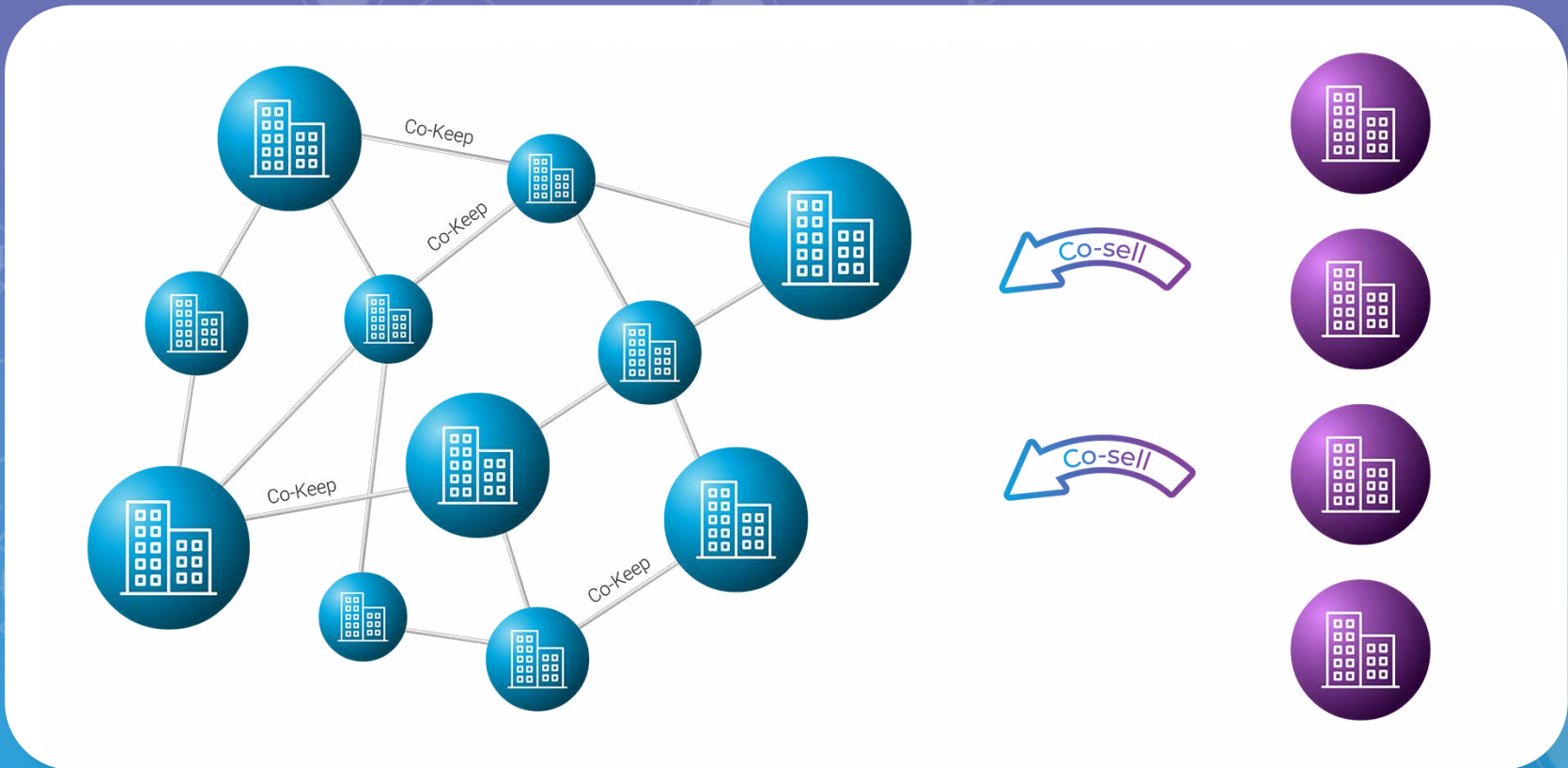
Co-selling and beyond

Co-selling is a common term in partnerships, but it can be difficult to do well.

The current partnership model is transactional in nature, focused on generating revenue through partners rather than focusing on providing them with a superior partner experience.

Allbound is focusing on what businesses can do differently to acquire long-lasting partnerships. And it comes down to how you market to and acquire customers.

This is how we see it: the traditional scenarios of reselling and referrals remain, but co-sell activity will increase driven by the strong results we're already seeing through that motion. Customer acquisition will no longer be left in the hands of another business, rather both parties involved will stay connected and engaged.



This only works if everyone – the vendor, the partner, and the customer – are all equally invested in driving valuable opportunities for all.

This means building strong, resilient relationships is more important than ever. After all, the web is only as strong as the threads that hold it together.

If you're looking to make serious revenue from partnership selling, it's not enough to simply co-sell. To unlock the true value, you need to co-keep and co-grow.

Value of Partnerships

Businesses report that by moving to an ecosystem model of trading, they typically see:



Keeping partners engaged with co-keep

The best partnerships are approached less like temporary flings and more a marriage – you need to put in the effort to make the relationship last for the long haul.

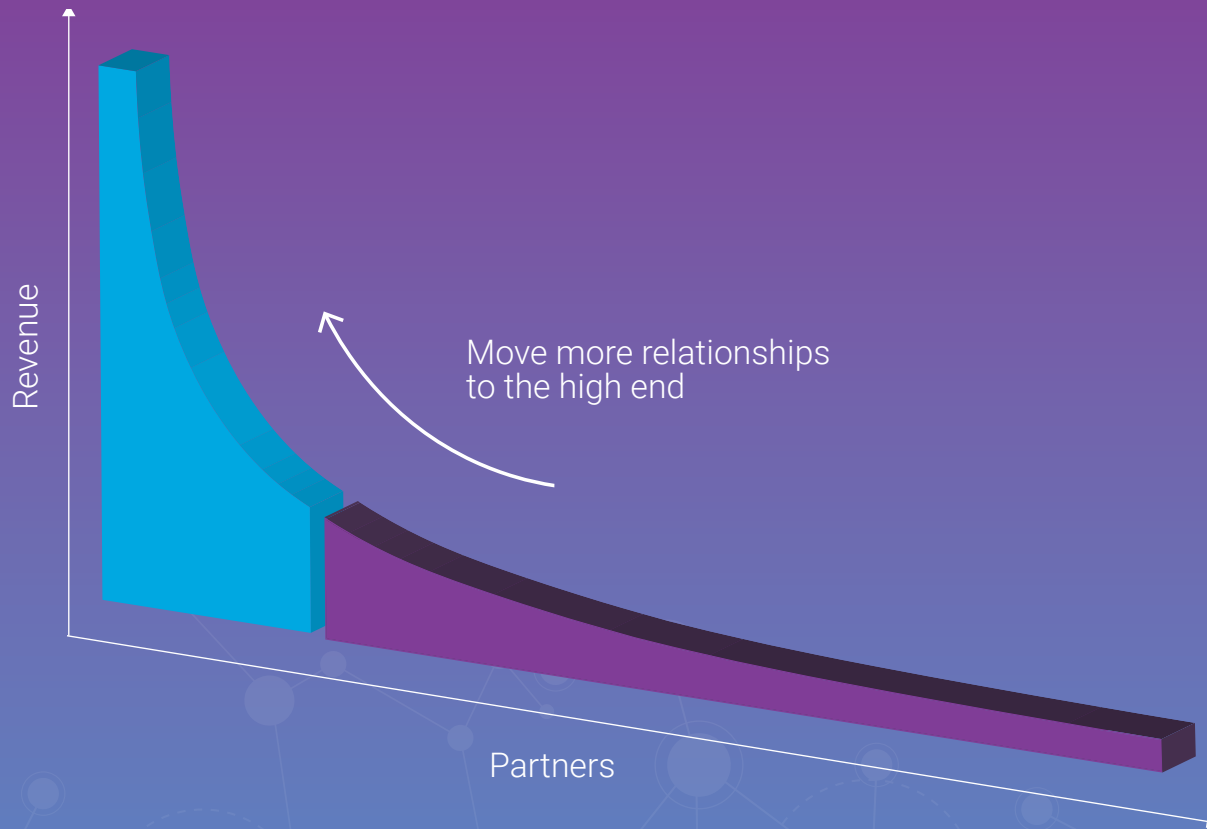
It's imperative you show your partners you're dedicated to them by providing an unparalleled experience. That's where co-keep comes in.

Each partner in your ecosystem could easily generate a multitude of opportunities, arguably making it more valuable than a traditional vendor-customer relationship.

As a result, nurturing and growing your partner relationships should be high on your list of priorities.

If you try to create an ecosystem without a compelling partner experience, your web will unravel quickly.

Co-keep focuses on retaining partners. Just as any business aims to retain its customers, we believe the same level of commitment should be dedicated to your ecosystem partners.



Partner ecosystem enablement

With each ecosystem partner having the potential to generate ten-fold in terms of customer acquisition, we argue that maintaining, nurturing and growing partner relationships in the ecosystem model is just as, if not more, important than the traditional vendor-customer relationship.

So co-keep is all about the partner experience. At Allbound, we've been providing businesses with the technology they need to do more than just setup partner relationships, but to nurture them.

This is why we now prefer to refer to Partner Relationship Management as 'Partner Ecosystem Enablement.' Because many of the tried and tested capabilities of PRM platforms are completely aligned with partner experience, engagement and retention.

By using PRM capabilities such as training, content access, learning management, co-marketing, deal registration, and lead distribution and integrating them with a co-sell solution, you can provide a seamless relationship lifecycle that acquires, enables, engages, retains and grows.

Co-growing a resilient future

With a strong co-sell and co-keep strategy in place, you will begin to maximize the potential mutual value in every relationship. But how do you leverage those relationships to scale the ecosystem?

Co-grow is all about creating genuine value and mutually beneficial success by boosting partner engagement and identifying the best partners for you.

It's dedicated to feeding the co-sell motion in order to expand and optimize the ecosystem.

When you provide a best in class partner experience, they will want to work with you again and again, getting closer each time.

How do we achieve this? **Let's introduce the co-sell flywheel.**

Co-sell

Identify optimum relationships to **maximize mutual value and hit revenue goals.**



Co-grow

Use co-keep signals to **scale relationships and feed ideal partnership criteria** back into co-sell for new partner acquisition.

Co-keep

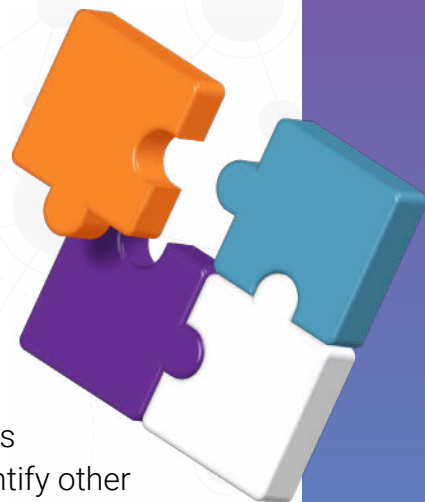
Nurture acquired relationships to **ensure maximum leverage of potential of relationship.**

The co-sell flywheel starts with identifying and recruiting partners based on referrals, recommendations, and resell activities. These businesses become part of your ecosystem (and you part of theirs!).

With a co-keep solution in place, the partner experience ensures an enduring and valuable relationship, driven by transparency, ease of interaction and mutual responsibility. This makes for a resilient ecosystem.

The co-keep stage also provides tremendous opportunity to identify other ideal partners. There are many AI-driven insights such as partner activity, deal frequency, velocity and value, engagement indicators, and user behavior, that can be used to identify the very best partners to add to your ecosystem through the co-sell motion.

Co-keep intelligence is fed into co-sell activities to further increase acquisition momentum and build a stronger ecosystem. This is what the co-sell flywheel represents.



What does this mean for PRM?

The success of the ecosystem is wholly dependent upon the strength of the relationships between the businesses that comprise it. So, it's time to start prioritizing the partner experience.

PRM technology is now evolving from helping vendors close more business through partners, to creating powerful partner experiences that bind businesses together to grow and scale the ecosystem.

At Allbound, we believe this is a key shift that needs to happen in the partner ecosystem. Our mission is to be the glue that holds your partnerships together, and allows you to nurture them to their full potential.

There's been a clear acceleration in co-selling to create mutual value between businesses. After all, people buy from people they know – trust has always been the most powerful marketing tool.

However, the current co-sell motions primarily focus on the acquisition of new partnerships, and less so on how to maintain and nurture these relationships. This is imperative to achieving the maximum value a partnership has to offer.

This is the key to ecosystem growth and the new evolution of PRM.

Co-keep = PRM

PRM technology is commonly viewed as an automation tool used to optimize manual relationship management processes to reduce cost. But this is just the tip of the iceberg.

The real power of PRM technology lies in:

- A means to ensure partner engagement through superior experiences
- The opportunity to nurture and grow the ecosystem when many tasks have been automated (e.g. *optimizing the long tail*)

- The insights gleaned from partner relationships enabling a feedback loop into co-sell

This all directly impacts revenue and builds a foundation for a partner-first go-to-market strategy.

The PRM category has continued to grow and accounts for close to **\$750m in revenue**, with 38 solutions in the category.



What is Allbound's role?

Platforms like Allbound have the capability to help build and maintain this new partner ecosystem. What will differentiate PRM vendors in the near future will be how closely aligned they can be to facilitating the true potential of the ecosystem.

This is where we see our business going. Allbound is part of the glue that works to help kick-start, protect and feed co-sell activities to nurture and scale relationships and in turn, the ecosystem.

Providing a superior partner experience has always been a priority for us; it's the key to relationship success.

After all, why would a business invest in PRM if their partners are not inclined to use it? Most PRM vendors' focus has been on providing a platform for the vendor without focusing on the experience of their partners.

We believe there should be an equal focus; the ecosystem only works in a level playing field.

Therefore, the focus must be on creating and nurturing mutually beneficial relationships and unparalleled partner experiences, not just a means to drive nice sales-driven KPIs. By creating strong relationships, value will naturally come. And it will come quickly.

In an era where partnership-led growth is fast becoming the predominant route to market, Allbound will spearhead the transformation of PRM, championing the principles of co-sell, co-growth and co-keep, and moving towards the next evolution of PRM.

“ Dialpad strives to be an innovator in the Technology and Communications industry, and Allbound helps us amplify our reach by empowering meaningful engagement through our partner ecosystem. ”

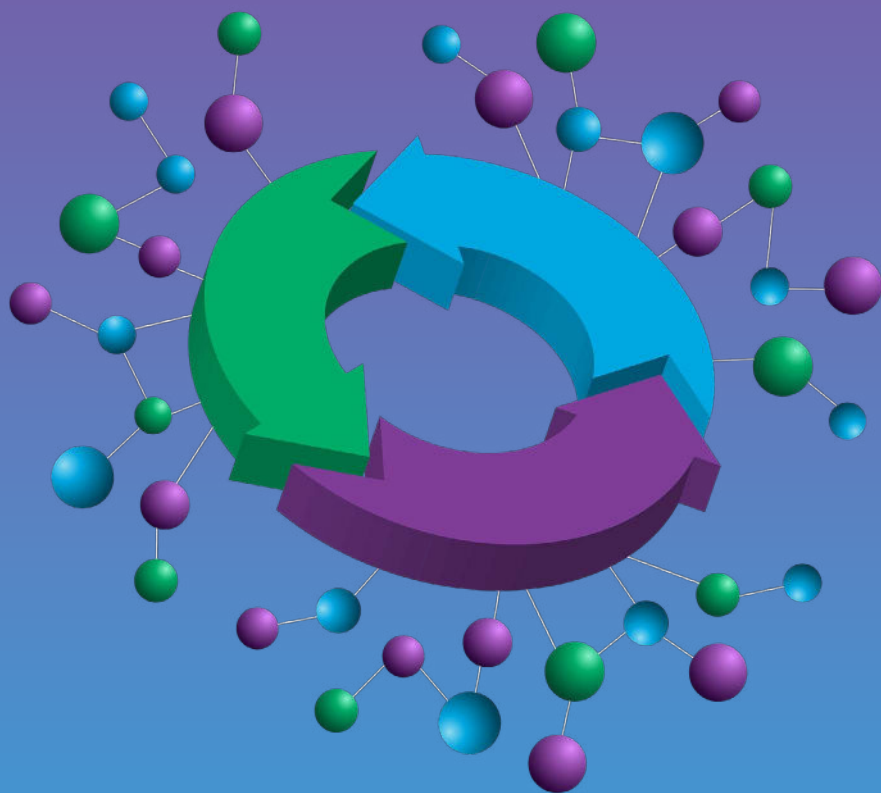


Chris Gell, Senior Channel Enablement Program Manager at Dialpad

[Read the case study »](#)

The partnership revolution is here

By pushing what it means to create and nurture a partnership, Allbound is transforming the future of the PRM space.



With over eight years of helping businesses manage their partner relationships, Allbound is well positioned for this inevitable transition to the partner ecosystem.

Allbound is a PRM technology that provides capabilities needed to nurture engaging partner experiences.

We know what it takes to ensure a compelling and resilient relationship between businesses and have evolved our technology to achieve just that.

With capabilities such as:

- Self-managed partner education
- Content access
- Learning management
- Co-marketing
- Deal registration
- Lead distribution
- Partnership analytics
- And more!

When you integrate all this with both traditional and emerging co-sell strategies, you build a seamless relationship lifecycle that acquires, enables, engages, grows, and retains more partnerships.

Allbound is committed to closely collaborating with businesses to enable you to harness the full potential of your PRM.

All you need to do is unlock the tools that can support your new partnership ecosystem.

[GET STARTED](#)