



# How to Create Channel Sales Programs That Actually Work

Discover the key to increasing  
revenue growth by 50%



A photograph showing two men in professional attire shaking hands over a wooden conference table. On the table are several documents, a tablet, and a glass of water. The background shows a modern office environment with large windows and other office furniture.

## Introduction



## Do It If It's Right for You

There are two compelling reasons for you to consider establishing an indirect sales channel program. A successful program enables you to:

- 1. Scale at a lower & more manageable cost**
- 2. Increase revenue growth by at least 20%**

Granted, channel sales work best under specific conditions, so how can you tell if a channel sales program is right for you? How do you know when it's the right time to take that step, and how can you find the right partners? And most importantly, if channel sales is for you, how do you create a program that will bring the ultimate benefits to your company?

Read on to find out.

# The Power of a Channel Sales Program



## Maximizing Revenue Potential with a Channel Sales Strategy

Channel sales can be a game-changer for revenue growth, with indirect sales channels contributing an impressive 20-30% year-over-year growth on average. In competitive industries, like technology and cybersecurity, a well-structured channel strategy can yield even higher returns, with some companies seeing growth surge up to 50% when indirect channels are fully leveraged.

The right approach depends on product complexity. For solutions needing extensive customization, implementation, or integration, the direct sales team should take the lead, with channel partners in a supporting role.

In other cases, a balanced channel strategy can be effective. A select group of channel partners with established

customer relationships can help accelerate sales cycles and broaden reach without overloading internal teams.

A channel sales program offers scalability and cost efficiency, allowing companies to expand with lower initial investment and reduced operational demands, while shifting some accounts receivable management to third parties.

If your sales infrastructure is strong and your products suit channel delivery, a channel program can drive growth. However, for products needing specialized expertise, a mix of direct and indirect channels may be the best approach.

# Top Three Reasons for Channel Sales Failure

As with any change in sales strategy, there are pitfalls to avoid from the get-go. When a channel sales program is thoughtfully designed and well-executed, it typically delivers strong results—provided you have the right product and partners. However, there are three common traps that can lead to breakdowns or even program failure. Avoiding these significantly boosts your chances of success.



Channel Conflict	Bad Compensation Plans	Having the Wrong Partners
<ul style="list-style-type: none"><li>The main hazard is channel conflict, which you risk when your executive management does not recognize the role of channel sales in driving sales revenue, or as a go-to-market initiative.</li><li>Unless there is a full consensus on the purpose of the program, even the best-laid plans will end in failure.</li></ul>	<ul style="list-style-type: none"><li>Another major point of failure is bad compensation plans. For example, if financial incentives for direct salespeople don't support the goals of the partner program (i.e. if they are not rewarded for their part in making the channel success), they are less likely to support it and may even perceive it as a threat and work against it.</li></ul>	<ul style="list-style-type: none"><li>Another common reason for failure is having the wrong partners. You need partners with the right profiles, capabilities, and sales and support foundation to bring your product to market and nurture its growth.</li><li>Understanding how a partner's strengths align with your product and strategy is critical.</li></ul>

## Five Questions to Answer Before You Move to Channel Sales

- 1 How will you align topline sales goals with broader channel sales objectives?
- 2 How do you want to go to market?
- 3 How are you allocating resources to hit your revenue goal?
- 4 What is your growth strategy?
- 5 What level of budgeting and investment will your channel sales program require?



# How to Build a World-Class Channel Sales Program



## Optimizing Collaboration for Revenue Growth and Market Reach

You're ready to launch a channel sales program, but how do you ensure a smooth rollout with measurable impact?

Building a world-class channel program requires strategic alignment between your partners and your existing sales engine. Each step matters—from defining clear program objectives and setting partner expectations to establishing streamlined onboarding processes.

A structured approach not only strengthens partner relationships but also drives meaningful results for your bottom line.

In this white paper, we outline seven critical steps to optimize your channel sales program, ensuring it complements and amplifies your core sales strategy. Let's dive into the framework that will set up both your program and your partners for lasting success.

# Strategic Steps for Sustainable Growth and Partnership Success



Finalize the channel sales strategy, making sure everyone—from the top down—understands how to drive that strategy.



Define the essential processes and emphasize relevant metrics so that all salespeople understand how performance will be assessed, including the methods for calculating ROI.



Structure (and restructure) the sales force to align with your program's objectives. Implement quarterly initiatives to monitor progress and make adjustments as needed.



Establish compensation plans and key performance indicators to assess revenue growth, quotas, and team performance on a monthly, quarterly, and annual basis.



Develop a partner enablement strategy that provides training to engage partners at both technical and sales levels. Consider implementing partner certification or other formal accreditation processes, and mobilizing marketing and technology resources to support this strategy.



Strengthen your team by hiring and onboarding individuals with the specific skills needed in sales, support, and technical roles. A world-class channel sales organization is defined by a well-trained team focused on the right initiatives for success.



Continuously analyze the program environment (at least quarterly) to ensure you're achieving the desired ROI, maintaining team alignment, and confirming the program is functioning as expected.

## Keep In Mind

The best partner programs are dynamic. You can't simply build, launch, and then be done with it. You need to constantly examine the program and tweak it for relevance and improvements. If the goal is growth, you'll need to continuously analyze the sales numbers to figure out how to keep up (or speed up) momentum.

# The Most Important Features of a Successful Channel Program

Every successful channel sales program gets five things right:



**1** First and foremost, gaining commitment from the sales force for the rules of engagement requires a good pricing model. Since everything channel partners do is paid on gross margin, they must see the potential to make money. Discounts must be attractive enough to gain the channel partners' interest. If margins are small, growth via the program will slow down and the program itself could become irrelevant.

**2** A good program documents, defines, and aligns sales goals. There must be absolute clarity on what is expected of your channel partners, their objectives, and how their performance will be measured. Providing clear goals and KPIs for the channel will engage and spur channel partners to work in the right direction.

**3** Having success to review and measure on a monthly or quarterly basis is critical. It allows you to see if the program is performing as expected. After all, if you're not quantifiably measuring results, you don't know whether the program is failing or succeeding, or the best course of action to take.

**4** Also key to a successful program is facilitating clear communication with your partners, particularly during implementation. Make sure they've read the fine print, understand how performance will be measured, and know the dos and don'ts and all your terms and conditions.

**5** The best programs all have built-in accountability. Both your company and your partners must work together for the overall success of the program, checking and balancing each other's actions accordingly.

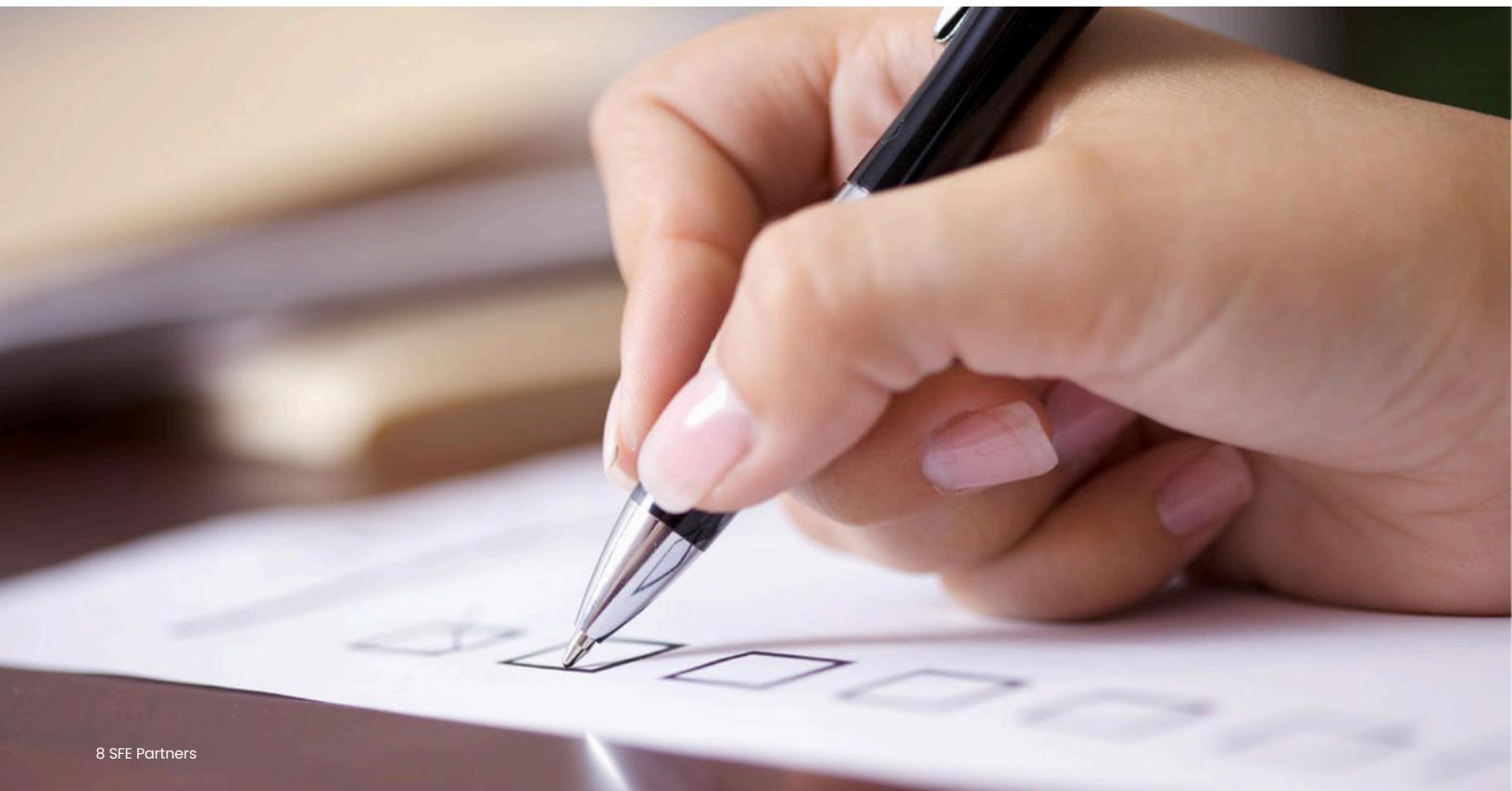


## Elements of a Proven Channel Sales Program

Are you missing any of the critical elements to build a proven channel sales program? You are unless you have:



- Clear understanding of the process for building a channel strategy
- A formalized planning process
- An unambiguous picture of your preferred partner types
- Absolute stakeholder alignment on investment strategy
- Awareness of the connection between go-to-market strategy and revenue yield (i.e., inputs vs. outputs)
- A strategic plan for different customer segments
- A business plan developed mutually by your company and channel partners
- Precisely outlined activities and goals for channel partners
- An incentivized and enthusiastic channel sales team
- Relevant metrics for channel sales performance, strategy payoffs, and partner execution
- Consistent field deployment and onboarding



# The Secret to Making a Good Channel Sales Program Great



The success of any channel sales program hinges on commitment at every level of the organization, from top executives to regional sales representatives. While leadership buy-in accelerates ROI and ensures program alignment, the true distinction between a good channel sales program and an exceptional one lies in the commitment of your partners. This partner engagement is the secret sauce that transforms your channel strategy into a powerhouse for growth.

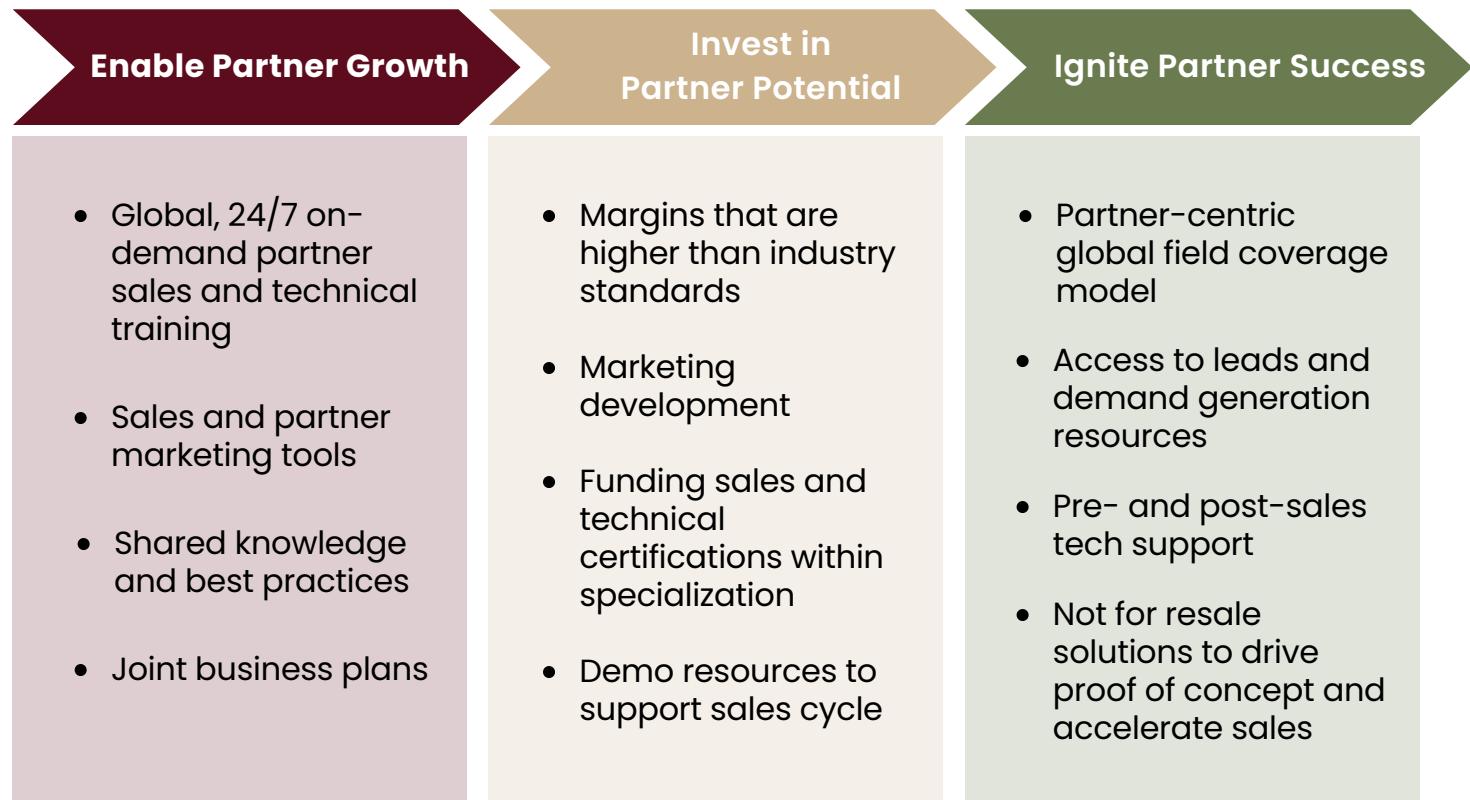
Resellers are motivated by clear rewards and tangible benefits. They're more likely to fully commit to your program when they see how it directly contributes to their success. That's why it's critical to prioritize fostering enthusiasm and aligning their goals with yours. By making your success inseparable from theirs, you create a mutually beneficial relationship that drives exceptional results.

A great channel sales program doesn't just distribute products; it builds lasting partnerships. When you focus on energizing and empowering your resellers, you set the foundation for a program that delivers measurable growth and sustained loyalty.

# The Secret to Making a Good Channel Sales Program Great



Consider this three-stage process and sample tools you can offer to empower partners:





## Ensure the Success of Your Channel Sales Program

Whether to define your channel sales strategy or optimize and expand your existing program, our expert advisors are here to help. Contact our team to find out how you can achieve more manageable, more repeatable, and exponentially more profitable sales as you grow.

### About SFE Partners

SFE Partners, is a leading sales consulting firm specializing in scalable growth strategies. With over two decades of experience, our team works across people, processes, systems, and technology to fuel top-line growth.

We are recognized for our holistic sales outsourcing services, helping companies build robust sales pipelines and generate revenue. With a presence in DC, Massachusetts, and Florida, our expert team remains committed to delivering strategic, impactful results for clients across diverse industries.



Contact us and see how we can help you grow your pipeline!

(781) 460-2100

[cs@SFEPartners.com](mailto:cs@SFEPartners.com)

100 Tradecenter Drive, Suite G-700 Woburn, MA 01801

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