ARYS
CONSULTANTS LTD

TACKLING THE THE LONG-TAIL

ERADICATE OR EDUCATE?

THOUGHTS FROM LEADING GLOBAL PARTNER PROFESSIONALS

Linkon Axon

info@arysconsultants.com

www.arysconsultants.com

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C.E.O. A

'We're cutting almost all of our long-tail partners. They are a drain on our resources, they pass us very few leads, and take up too much of our time. Our ICP are our top 20%, so we're going to concentrate on developing those relationships.'

C.E.O. B

'We're developing our long-tail partners. There are a lot of uncovered revenue opportunities we aren't exploiting, they form a large part of our marketing reach and brand awareness, and really contribute to our PLG motions. So we see them as a legitimate asset, and know they'll make a tangible impact on our top-lines.'

Let the debate begin.

The head and tail argument continues to rage in this, the age of the ecosystem.

It can be a polarising topic, and for good reason.

But does it need to be?

So I asked the global channel community that same question recently on LinkedIn, and the response I received was enlightening, to say the least.

So much so, I was compelled to take their comments and turn them into this eBook.

I knew the deep knowledge on this subject deserved to be collected and shared.

Thank you to all the contributors here.

I’m proud to be alongside you, highlighting the importance of indirect initiatives in this, the age of indirect.

I hope you find these valuable insights as helpful as I did.

Per Werngren

Partner Ecosystems Advisor | CEO at Group Accelerator-Idenxt-Awakish | IAMCP 5x WW President

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I like CEO B’s thinking and I respect and understand CEO A.

My take is that some of the long tail partners are well worth to care for. If these partners are interested in developing a more successful business together, then they deserve lots of support.

At Idenxt, we see that our competitors’ partners that they don’t care for, is an opportunity for us if we invest in joint business development.

Mary J. Hand

Program Manager | Business Process & Systems Analyst | Strategic Partner Leadership Professional®

I am pro rightsizing; but since it can be a large undertaking, I recommend incorporating ongoing reviews of longtail partners into regular processes.

Meaning, an hour or three a month you review a report of non-producers, select a handful to quickly look into (company news, exec or key contact moves/changes, M&A, new products…), identify a few to call, then call to discuss whether potential exists or if it makes sense to part ways & revisit a relationship in the future.

I think it's important to look internally, as well. What did your partner org look or function like when you signed that/these partners?

The call is to discuss where both companies are today, and where they're going.

Craig Booth

Sales & Channel Sales Expert | Founder | Author | Innovator | Strategist | CSO | Mentor | I help company's deliver better revenue results

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The real question is Why?

All partners are a roll up of active sellers. and account engagements. Sellers are the production unit of the channel, not partnerships.

Our program-centric focus and enablement are creating the long tail. If you want to solve the problem pilot a sales play with account mapping with three sellers per long tail partners that have reach to your ICP.

Enable and measure prospecting activity. For partners unwilling to participate, cut them. Those that participate will start to prioritize selling your solutions as their results improve.

The Partner-Powered Revenue Revolution (New Book launch June 15, 2024) addresses this problem head-on.

Will Taylor

I help partner pros source revenue with my tactical playbooks | Stop selling on hard mode with nearbound | Partnerships @ Reveal

This has always been interesting to me. A natural occurrence, but I don't want it to happen!

IMO the reframe needs to be "how do we communicate and engage with these partners" and instead of trying to fit them into a box of the 20% of partners... think of them through a different lens to give them a better experience.

Meaning... what if you could run smaller programs with them that align with that value? Create a network of experts that understand (based on how you communicated to them) that it's a minor engagement for both of you.

This is where having a one-to-many approach, but not just an email newsletter for them, can make complete sense.

Aghya Naresh Goel

Channel partnerships @ Novo | I yap about partnerships, personal branding & growth mindset

I think building partnerships is like maintaining any other book of business - you just can't bet on face cards.

You need to learn to play with connected suitors.

Just like that example - we need to find the balanced combination of head + long tail partners.

Yes, the management and operations can be considered but one doesn't supersede the other for sure.

Glenn Robertson

CEO of The Channel Agency: Purechannels | Founder of Komz | Changing the shape of Indirect GTM through content, creativity and comms

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Absolutely depends on the vendor and how their partner program is formed.

The Long Tail was traditionally handed to distribution to manage. High volume, low value, hence hand over the low margin. (or so perceived!)

But in doing this, and has been recognised more in recent years, vendors were handing pots of gold over for distributors to benefit from when doing very little or adding no/any value.

There is no one size fits all. The long tail that's gold for one, might be coal for another. Identifying your sweet spot is key.

Cutting them off changes your whole indirect GTM. So, if that’s your choice, you better be ready to make all the other changes that will come with it!

Maciek Szczesniak

Global VP & General Manager | Executive MBA | Channel Sales and GTM Leader with global experience | Currently based in Europe

Both approaches are valid and hinge on the specific business model and goals.

For instance, if your target market includes SMBs, the “long tail” can provide essential reach and leverage local trusted advisers.

There are numerous successful low-to-no touch strategies to manage these partners effectively.

However, these require a programmatic, not personal, approach—something many CEOs with direct sales or product backgrounds may not be accustomed to.

Understanding and leveraging these strategies can turn the long tail from a resource drain into a valuable asset.

Jen Waltz

2024 CRN Women of The Channel Award, Vice President @ Kron, Global Channel. WOTC Advisory Board Member Microsoft, Unisys, Equinix alum

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IMHO, long tail partners can be better served by external agents and SDR/BDRs.

These partners are highly important; they deserve time and attention to get them producing more.

Sunir Shah

I win markets through engineering. Product-led growth, data, and partnerships

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The question is not well formed because partners who send you customers are different than partners you send customers to.

However if we are talking about demand gen, the idea of "cutting" partners is wrong because you can't control them.

You can cut your own activities to the market but you can't stop people from talking about you.

You can make that conversation more positive or more negative or more indifferent or more motivated.

There is often a skills issue about how to manage a market.

Desmond Russell

Chief Partnership Officer @ Partner Elevate | Channel Ecosystem Building

The truth is, I hate the world ‘Tail’ and rather see this as producing and non producing(reframe)

The myth is you have one or the other, the reality is your partners flow from producing to non producing throughout their “fiscal year”.

You need to work on having less partners, falling from one to the other and you need to keep partners producing for longer periods.

To do this , I support Will Taylor response and would add that your program activities outcome should be to create dependable partners not dependent partners.

Can your partner truly be successful without you ?

Patrick J. Griffin

Father | Partner | Founder - I help GTM teams negotiate past zero-sum outcomes

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I am of two minds about this.

I think it is largely contextual and may hinge on organizational maturity.

During early, rapid growth stages focus on the high impact partners that pack a lot of punch.

As organizations mature, there is more opportunity to chase the tail.

Another way to look at it may be like more of a waterfall structure.

Don’t touch the long tail until the head is well-positioned.

Mark Rawlings-Smith

Partnership Transformation Coach to Tech Companies. Scaling your business to Profit with Partnerships

Doesn't this come down to (i) understanding your market and (ii) understanding the return on effort to reach that market?

Long tail.... can you leverage low effort steps to raise the long tail revenue such that growth largely takes care of itself?

Then lean effort into the high value business?

Understanding your market is key to understanding why and how different cohorts buy, and how to optimise to those purchase decisions.

Rolf Heimes

Channel Sales, Partnerships, and Alliances | Partnership Development & Certification | GTM Strategy | Ecosystem Development I Channel, ISV, CSP, GSI, SI, VAR, MSP, OEM

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5-7 years ago, I would've replied with 'less is more'. But 5-7 years ago the partner infrastructure in terms of automation and usability was sub-par. Tools would overpromise and underdeliver, be clunky and definitely not improve life.

Today, we have infrastructure that fits! So, number of partners isn't the same issue anymore.

GTM alignment, structured and proactive demand-gen swim lanes, end to end solutions... In a nutshell: I don't think there's a right or wrong answer anymore.

For most of us it SHOULD be that we can actually identify a lot of value in the 'long tail' as probably many partners in there are not the right ones to scale on pipeline and bookings, but have different and important qualities.

Harald Horgen

Revenue transformation for software companies and OEM/machine builders. Build an action plan and focus your team on your next-gen model

I think the answer depends on the complexity of the solution. Very simple, self-service products can benefit from long tail partners because they require little support or engagement from the vendor.

Let a thousand flowers bloom.

More complex solutions are rarely profitable with long tail partners unless it is a pure referral model.

If the partners are expected to take responsibility for the sales process, and get a decent margin for it, the model falls down because long tail partners don't know the product well enough to sell it.

They will always call the vendor sales and deployment support, increasing the vendor's cost of sales.

Ken Wheeler

Rapid7 Partner Program Manager

Very dependent on vendor and market maturity, as noted below.

And also needs appropriate engagement to maintain value to the vendor.

I agree that these partners, at least some % of them, could be little pots of gold! Engage with and encourage them programmatically.

And of course leverage distributors and tech to make it easy for them to do business with you, whatever they have/find.

Mark Talbot

Building great partnerships based on mutual value. | Fractional Leadership | Strategic Partner Planning | Data Driven Partner Lifecycle Management

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While I have very strong opinions on quantity of partners,

I think it depends on the solution your provide, and your ACV, sometimes 100’s of partners make sense, but in almost all situations, every company I’ve seen ends up in the 80/20 situation.

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