

WHITE PAPER

Unlock the Power of a NetSuite Partnership in 90 Days

How to Hit the Ground Running and Brace Yourself for Long-Term Success as an Oracle NetSuite Partner





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Partnering with a major software provider can be both exciting and challenging. You have a chance to develop a new license revenue stream. There's new customer verticals to service, new product capabilities to offer, and new services to provide to both your new and existing client base. These are all important "wins" for growing companies.

Yet, signing on with a new software partner can also pose new challenges and may leave you wondering exactly how you're going to recognise these new opportunities, what the first critical steps to success are, and which existing resources will need to be allocated to this new partnership.

Smart software providers understand the potential roadblocks to their partners' success and they take pains to ensure that the relationships are win-win-win—benefiting not only themselves, but also their partners and those partners' customers. This white paper explores the growth trajectory of a new channel partner, shows the best practices used by successful partners and explains the benefits of following their well-worn paths.

Missing a Roadmap for Success

It's easy to jump into consulting jobs that distract from a firm's competitive advantages. Starting with a strategy that maps to your team and its strengths is critical. Too often partners don't

collaborate with the provider. All sides need a solid partner alliance, refined to the point where both sides benefit substantially. The earlier this alignment is established, the more buy-in by the partner and the more support and encouragement on the part of the software provider.

Hitting early targets—that first customer, initial revenues, new logos, etc.—doesn't always come with clear cut instructions or a roadmap for success. As a result, new partners tend to get derailed by challenges like:

Overlooking the wealth of resources that the software provider offers. Chances are, your software provider has been supporting its ecosystem for a while and understands the drawbacks associated with adding a new line of business. To activate new partners and circumvent these issues, NetSuite's SuiteLife Programme offers resources (e.g., training, FAQs, support resources, marketing resources, etc.) that are tailored to roles and specific offerings.

Whether the software provider or the partner was at fault for this oversight, the end result is usually the same—companies left to flounder on their own, even though the tools for success were right in front of them.

“There are a lot of partners who fail to take advantage of these tools and that miss out on some significant success opportunities as a result.”

Chris Hering, Director of Global Partner SuiteLife, Oracle NetSuite

Overinvesting in tribal knowledge of a solution.

Partners that have a history with any solution tend to see the fastest results. NetSuite's SuiteLife Programme training closes that gap. With some software providers, a lack of these “connections” tend to create stumbling blocks during the early stages. Partners that don't train and put too much money into hiring ex-employees of the software provider may end up with an expensive bench. Instead of paying big salaries for deep talent, hire one or two principal consultants and then grow the practice on the backs of younger, less experienced associates who produce higher margin.

Training gaps. In some cases, partners decide to start by training their consultants, followed by their sales force. Then, at a later date, they kick off their marketing efforts. This sequence eats up time and delays the closing of the ultra-critical first transaction (which should happen within 90 days).

“We want our partners' cylinders to be firing right out of the gate,” said Hering, “and then we can fill in the gaps as their businesses grow.”

Expecting one team member to just “figure it all out.” Leaning too heavily on one person in charge of the partnership and expecting them to figure it out without proper direction and a mandate is a recipe for disaster. For example, the marketing team isn't empowered and needs permission from the CEO to add NetSuite to the company website, the whole relationship can begin to backpedal quickly. Instead, set up an activation

team that includes all stakeholders (including the CEO who has to approve key decisions) and focus on making key wins early.

“When you can just rip the band-aid off, so to speak,” Hering said, “you can get up to speed and realise revenues very quickly.”

Death Spiral vs. a Virtuous Cycle

When the first 90 days of a new software partnership goes well, that momentum flows over into a virtuous cycle. Conversely, poor returns early only compound themselves. Within 90 days, the partner's sales, marketing and strategy teams should be ready for business.

With NetSuite by the end of its first year, partners are on track for higher levels of success in the following years.

To create this virtuous cycle of success, partners should take these five steps early in the relationship:

- **Allocate dedicated business development and sales personnel to the project.** Don't rely on consultants to be salespeople. Instead, hire dedicated lead-generation professionals to handle the task.
- **Rely on two- to three-person cohorts.** Rather than basing data on one person's individual results, smart partners form cohorts that can assess and tackle projects from a group perspective. This helps to build buy-in for the partnership and ensures that if one person drops the ball, gets too busy or moves to a new position, the entire project doesn't fall by the wayside.
- **Find a competitive advantage.** Whether they're focused on upmarket opportunities, a sub-vertical, or a micro-vertical niche, partners that see the best (and earliest) success discover opportunities that the software partner itself isn't focused on. A company that's based near a major aerospace hub, for example, likely has access to (or even personally knows) aerospace engineers that would want to work for it and the companies that need modern software options.

- **Create a recurring license base.** At NetSuite, for example, a customer that buys a \$25,000 license one year translates into \$12,500 in license fees from that engagement. That relationship will also create consulting revenue (e.g. \$100 per hour for X number of hours). Upon renewal the following year, the partner once again receives \$12,500 simply because the customer stayed on the system. That's the beauty of the recurring license base.
- **Increase deployment numbers or "logos."** The most successful partners are continually coming up with new ways to increase their deployments. For example, rather than seeking new services work like side consulting for existing clients, they seek out new clients and deploy them. This helps newer partners learn more about the software system while also helping those partners build up their annuity streams. "The gross margin on the license revenue is high and powerful if you're willing to make that investment at the beginning," Hering said.

Get into the NetSuite SuiteLife Orbit

Every professional has a set of skills that he or she is known for, but many of them also want to learn new skills or add a new page to their repertoires. The SuiteLife Partner programme helps practitioners grow to that next level of competency—be it more technical prowess, more sales experience or more professionalism in another dimension. Once someone gets into the successful partnership club, they can begin to pivot and invest further.

One partner that joined the Oracle NetSuite partner programme took advantage of all the assets and resources, taking many recommendations of the practice and applying them in its own business niche was able to recruit its first new client within 60 days. That's just one example of why it's a great time to become a partner with NetSuite, which—along with Oracle as a whole—is making major investments in the channel.

With more companies using the cloud and with many firms transitioning from older legacy platforms, this is a window of opportunity that may not last forever. With the barriers to entry relatively low right now, it's time to add a unified enterprise resource planning (ERP) platform to your firm's software portfolio.

"Our goal is to get you there as fast as possible. The more money you make and the more successful you can be, the more likely you will be to double down and invest even more in your firm's long-term success."

Chris Hering, Director of Global Partner SuiteLife, Oracle NetSuite



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