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BULLETIN

Course-correcting Q2 Misses

Most companies are off-track after Q2

Many companies find they are off-track after Q2 with respect to meeting some of their annual corporate goals; these may not necessarily be revenue goals.

> To understand why many organizations fail to bridge the gap between strategy design and delivery, The Economist Intelligence Unit (EIU), sponsored by the Brightline Initiative, undertook a global multi-sector survey of 500 senior executives from companies with annual revenues of $1 billion or more. Their responses confirm that implementation shortfalls are widespread and corrosive: 90% of respondents admit that they fail to reach all their strategic goals because they don't implement well, and 53% agree that inadequate delivery capability leaves them unnecessarily exposed to competitors.
>
> **From the Economist – Link**

Though missed goals may not be revenue goals per se, they may well be goals that will impact revenue or market share down the line, i.e., later in the year.

Consider, for example, goals having to do with customer experience or on-time product launch. The impact on revenue and/or market share, either immediate or subsequential, is obvious. Even something as simple as missing a goal for the number of blog posts published has downstream consequences:

# of blog posts ⇨ SEO ⇨ # of website visitors ⇨ MQLs ⇨ Opportunities

There are many such corporate goals (as an example, see Figure 1). And the sad state of affairs in the manufacturing industry is that many are not tracked, much less incentivized/rewarded.

Figure 1: 17 goals and marketing objectives examples

1. **Improve Brand Reputation**
   Gain and retain a 90% positive share of voice by the end of the calendar year so that prospective customers know, like and trust us.
2. **Increase Brand Presence**
   Publish 4 articles every month on external sources our target audience follows to increase brand presence
3. **Optimize Brand Positioning**
   Define brand positioning statement and communication frameworks by the end of the month so that our team understands our strategic differentiators from the competition.
4. **Increase Traffic**
   Test three new traffic generation methods every month to increase traffic month over month by 3%
5. **Increase Suspect Pipeline**
   Increase website conversion rates by 2% by the end of Q2 so that we increase the number of suspects in our marketing to sales pipeline from 500 to 510
6. **Diversify Lead Sources**
   Test two new lead generation sources every month. In fiscal year 2022 to find at least two successful methods of generating new demand that we will implement by the end of 2023
7. **Acquire More Prospects from Existing Market**
   Implement content upgrades into every blog post by the end of the calendar year to turn 30% of our website visitors into prospective sales leads
8. **Launch Product**
   Define the go-to-market strategy for Product A by the end of the week so that the team can create all content before the launch date
9. **Improve Product Quality**
   Launch Product A by the end of the month with Zero bugs
10. **Acquire More Customers From Existing Market**
    Implement off-site tactics to acquire 5% more customers month over month by the end of the fiscal year
11. **Break Into New Markets**
    Research the competition in Market A by the end of Q1 so that we understand how different Product A positioning to win a new market share
12. **Retain Existing Customers**
    Reduce bugs to zero from every feature launch, so that user churn decreases to 3% by the end of Q4
13. **Increase Efficiency**
    Publish four blog posts every week by the end of the calendar year
14. **Increase Revenue**
    Launch four new products by the end of the fiscal year to increase revenue
15. **Increase Profit Margin**
    Improve brand positioning on ten existing products by the end of the calendar year to increase product value so that we may increase prices for those product lines
16. **Increase Customer Experience**
    Reduce user experience challenges in Product A to improve net promoter scores (NPS) to 70%+
17. **Increase Customer Advocacy**
    Implement a customer ambassador program by the end of the calendar year so that our best customers introduce our product to new prospective customers

Source: Coschedule.com

The channel can mitigate goal-performance gaps

The manufacturing industry channel (dealers, distributors, etc.) is often seen as simply a sales channel. In reality, the manufacturing channel today is a robust, fully fledged, marketing-sales-delivery-service-experience channel.

The former view (i.e., the channel as a sales channel) results in incentivization approaches involving "sell more!" Recognizing the channel as an ecosystem of fully fledged business models enables companies to leverage their channels more strategically and to align their channel strategies and incentive techniques with corporate goals.

Read on to learn how savvy tech channel professionals (i.e., the "non-missers") are enabling, guiding, and motivating their channel partners to:

- **Increase brand presence** – Your corporate marketing function isn't the only voice to the market. Your channel partners have marketing voice as well. The goal here is to work to foster partner messaging that supports and strengthens your corporate brand messaging.
- **Increase traffic** – Channel partners also have their own websites and social marketing channels. It's helpful to be able to track how much of your content they republish or share, how many blog posts they author referencing your brand, etc.

- **Increase suspect pipeline** – Channel partners can be equipped with marketing automation technology – known as through-channel marketing automation (TCMA) or distributed marketing automation – governed by you so that you control the message customization latitude, the types of marketing channels, the digital assets they use, etc., to spur new demand generation.
- **Break into new markets** – You can provide your channel partners with training on how to break into new markets, high-quality leads to direct them, and the content and tools they need to win new greenfield deals.
- **Retain existing customers** – This is an obvious direct-revenue goal for both you and your channel partners. You can monitor and measure the number and type of interactions (QBRs, cross-sell meetings, training workshops, etc.) your partners have with customers over the course of the year.
- **Increase profit margin** – With channel partners, you essentially want to get faster deal close time, or bigger deals per deal close time. Providing partners with the knowledge and tooling they need to be more efficient goes a long way towards increasing profitability.
- **Increase customer experience** – Monitoring CSAT and NPS scores by customers served by your channel partners, and communicating (and building a gamified competition) can put your channel in rocket mode (customer experience has cycled goal implications involving renewals, brand reputation, etc.)

"Winning" companies are incentivizing these goal-oriented behaviors

Companies are employing channel incentive programs strategically. Not only do they reward channel partners for revenue generation, they also reward them for the type of revenue generated behaviors that result in higher revenue and profitability, and better customer experience. An incentivization system like this enables them to not only close gaps between performance and goals, but to exceed those goals. Here are a few examples:

Example 1: Incentivize channel partners to break into new markets
Standard transactional incentive – 3% rebate for every deal closed

Strategic behavioral incentive – 5% rebate for every new-market deal closed

Strategic behavioral incentive – additional rebate for getting trained and certified, and/or hiring market-skilled resources

Example 2: Incentivize channel partners to increase pipeline
Standard transactional incentive – points or additional rebate for registered deals

Strategic behavioral incentive – points or additional rebate for the number of marketing campaigns and activities

Strategic behavioral incentive – points or additional rebate for the number of leads generated from marketing campaigns and activities

Example 3: Incentivize channel partners to increase customer experience

Standard transactional incentive – points or funds for CSAT scores

Strategic behavioral incentive – points or funds for implementations on-time and on-budget

Strategic behavioral incentive – points of funds for service response times

We can help fuel and incentivize your marketing-generated revenue

Fielo Incentives is a modern channel incentive solution that empowers brands with streamlined incentive program management, enhanced partner experience, and a plethora of resources to equip your channel partners with everything that they need to drive successful marketing efforts, great customer experience – and ultimately more revenue.

Fielo Marketing, a premier Distributed Marketing Automation solution, offers a centralized repository of pre-approved customizable marketing assets for your channel partners to localize communications to customers. With controlled customization, your partners can run successful personalized marketing campaigns to meet the needs and concerns of specific customers; and co-brand communications leveraging standardized templates while maintaining brand and legal compliance at all times.

To learn more about how manufacturing companies are using Fielo to drive more business with their partners, email us at **marketing@fielo.com** to ask to talk to a Fielo manufacturing industry expert.

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