

Best-in-Class Insights for Maximizing Sales Effectiveness

Democratizing Access to Sales and Marketing Content

In a November 2007 benchmark report *Sales Effectiveness: Leveraging Content to Close Deals*, Aberdeen explored the benefits of managing sales and marketing content across direct and indirect sales resources. Top performing organizations that enable sales channels with a centralized sales and marketing resource library or partner portal realize significantly higher return on marketing investments, higher annual revenue, and increased employee productivity. This is particularly relevant today as economic pressures demand higher returns from sales and marketing.

Resource libraries democratize access to digital resources, help Best-in-Class empower the most successful channel partners, and allow sales resources to sell far more effectively than Industry Average and Laggard organizations. With the combined use of best practice processes and technology, Best-in-Class organizations achieved an average year over year reduction in sales cycle time, 11x higher revenue growth and 40% higher annual revenue per channel partner than Laggards. This Research Brief explores best practices in managing and distributing sales and marketing content for use by direct and indirect sales resources. The study demonstrates the measurable value of resource libraries and the qualitative and quantitative benefits of leveraging these technologies.

Pressures Causing the Adoption of Resource Libraries

The research reveals a number of key pressures that drive organizations to implement and leverage marketing resource libraries and partner portals. The most prevalent pressure from the August 2008 benchmark *Channel Sales: Renaissance in Partner Management* was the need to increase top-line revenue growth (75% of all organizations) (See Figure 1)

Research Brief

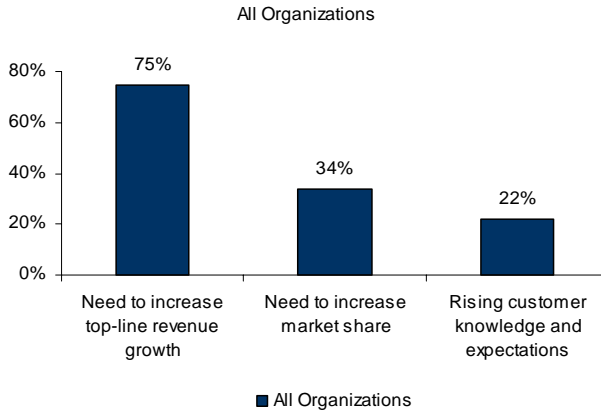
Aberdeen's Research Briefs provide a detailed exploration of a key finding from a primary research study, including key performance indicators, Best-in-Class insight, and vendor insight.

Vendor Checklist

Items to consider when evaluating vendors:

- ✓ Version control capabilities
- ✓ Searchable access to assets
- ✓ Rating and feedback on collateral and content
- ✓ Asset utilization reporting
- ✓ Integration with creative tools
- ✓ Workflow and approval capabilities specific to marketing

Figure 1: Top Three Pressures Driving Investments in Resource Libraries and Partner Portals



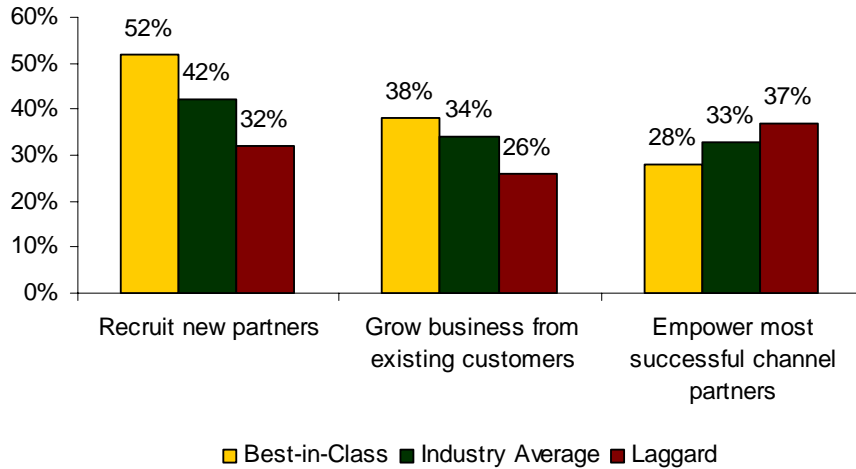
Source: Aberdeen Group, August 2008

Companies seek to accelerate revenue growth and market share growth when the economy begins to slow. Resource libraries address the needs of a distributed sales force and the needs of the indirect channel by empowering direct and indirect sales channels with the content they need to sell more effectively.

Marketing and Sales Resources for the Channel

Research from the *Channel Sales: Renaissance in Partner Management* study revealed the essential role partner portals play in channel enablement. Fifty-two percent (52%) of top performing organizations leveraged a partner portal to centralize marketing communications for direct and indirect sales. (See Figure 3) Top strategies for the Best-in-Class included the recruitment of new channel partners (52%), growing the business from existing customers (38%), and empowering the most successful channel partners (28%) (Figure 2).

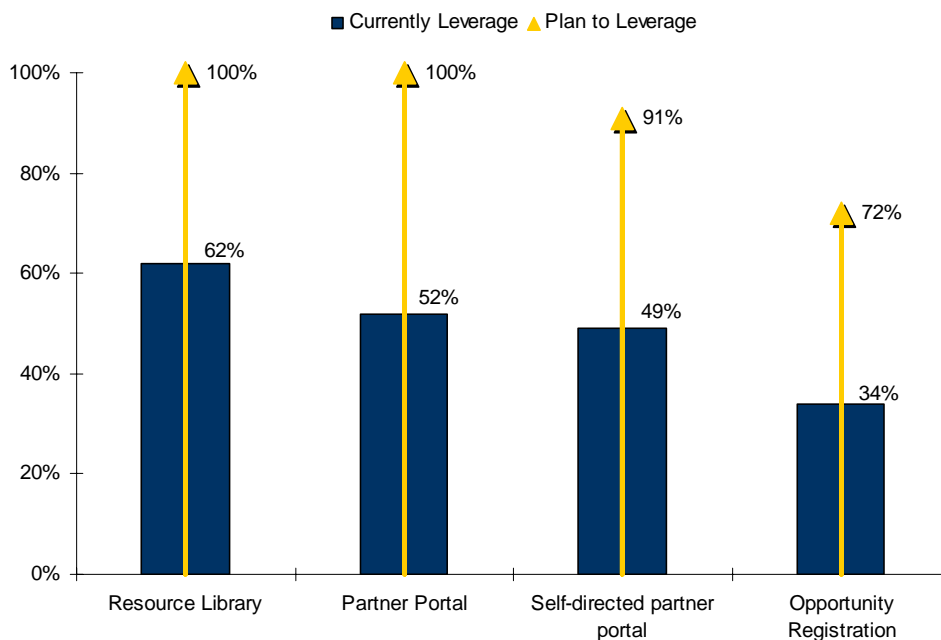
Figure 2: Top Three Best-in-Class Strategies



Source: Aberdeen Group, August 2008

Successful execution of each of these top three strategies requires technology to enable channel partners with timely, relevant content. Best-in-Class are able to recruit new partners far more effectively because they are 80% more likely than Laggards to identify and uniquely communicate with their highest performing partners. The centralized resource library is the enabling technology that makes this possible. (See Figure 3) Best-in-Class support the channel with resources that allow partners to cross-sell and up-sell to existing customers more effectively.

Figure 3: Best-in-Class Adoption of Channel Technologies



Source: Aberdeen Group, August 2008

Measurable Benefits

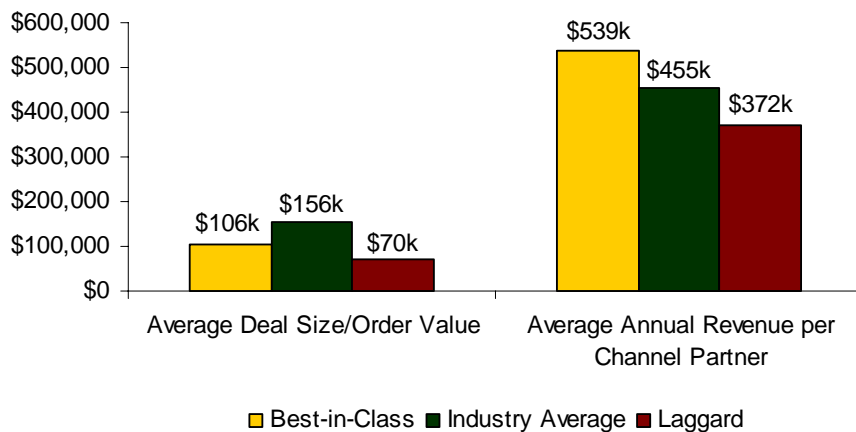
Best-in-Class companies enable channel effectiveness with content management solutions. Top performing organizations can scale partner recruitment much more rapidly through the use of a centralized resource library. Figure 2 demonstrates the Best-in-Class desire to expand partner recruitment. It's important to note, the Best-in-Class have the necessary infrastructure in place to effectively execute on this strategy. Industry Average and Laggard organizations should not expand channel relationships until they have an underlying infrastructure in place to support these relationships effectively. This is accomplished by mimicking Best-in-Class processes, organizational capabilities, and technology adoption. For Best-in-Class organizations, resource libraries help empower the most successful channel partners with the content they need to help grow channel revenue, and engage existing customers with cross-sell and up-sell opportunities.

The research reveals that Best-in-Class organizations demonstrate superior performance in annual channel revenue. Figure 4 shows that the Best-in-Class channel partners demonstrate a lower average order value than Industry Average organizations and yet these top performing firms achieve demonstrably higher annual revenue per channel partner. This means Best-in-Class are driving more transactions through their channel partners; largely in the form of cross-sell and up-sell opportunities among existing customers. Partner portals play an integral role in delivering marketing collateral and training materials to the most successful channel partners. The Best-in-Class are also 1.8-times more likely to empower high performing partners with tiered marketing support.

"It's difficult to measure all the benefits of our partner portal. We estimate that our portal is responsible for supporting 50% more deals in our indirect channel. It's also become a central source of collateral for our direct sales force when they are in the field.

~ Director of Marketing, High Tech Software

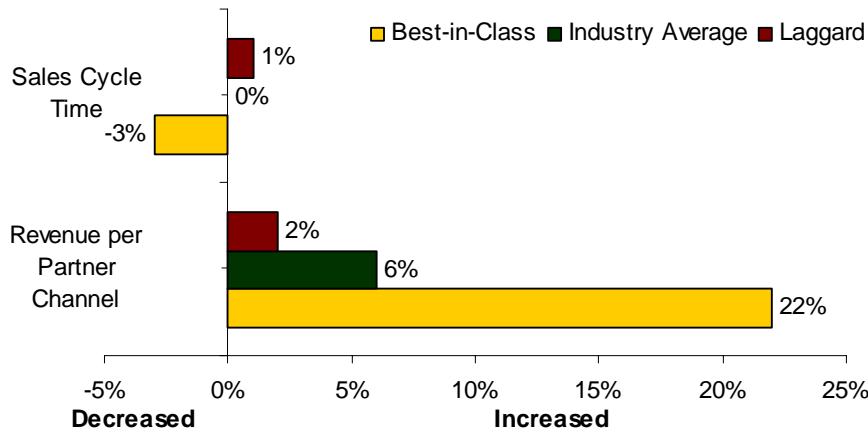
Figure 4: Current Performance



Source: Aberdeen Group, August 2008

Additionally, Best-in-Class companies achieved higher year-over-year performance gains in sales cycle time reduction and overall channel partner sales (Figure 5).

Figure 5: Year-over-Year Performance in Key Metrics

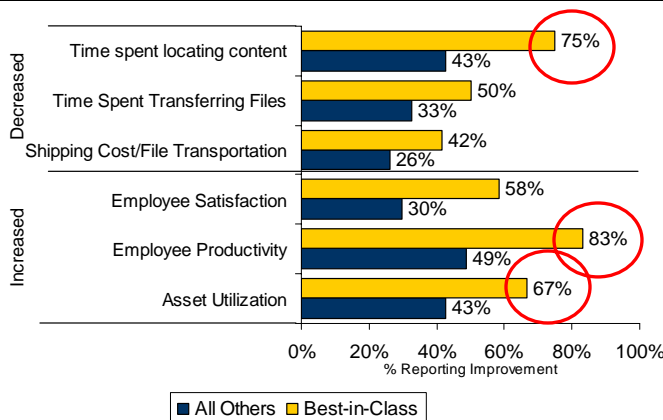


Source: Aberdeen Group, August 2008

Tangible Value from Sales and Marketing Resource Libraries

Best-in-Class companies rely on technology to identify asset usage statistics. By identifying what content is being consumed, marketing can consistently maximize marketing effectiveness and content relevancy. Figure 6 demonstrates that the Best-in-Class (that are currently using a content management solution) consistently achieve superior performance in the following qualitative metrics.

Figure 6: Qualitative Value in Resource Libraries*



Source: Aberdeen Group, January 2008

*(Improvement as a Result of Implementing a Content Management Technology)

"Because we're able to manage our partner relationships better, we're able to provide them with programs that match their unique capabilities, instead of a one-size-fits-all approach. We can better match our programs with what partners want to accomplish in a given quarter, and avoid less effective programs. It's a very key management tool for us."

~ Mike Stinson, VP Marketing, Motion Computing

Figure 6 shows that the Best-in-Class recognize strategic value in people and process from the implementation of resource libraries. From a process standpoint, sales and marketing resource libraries allow Best-in-Class organizations to reduce the time spent locating files, which enhances employee productivity. From a people standpoint, these tools have a measurable, positive impact in the form of increased employee satisfaction. Not surprisingly, the Best-in-Class are able to identify an increase in asset utilization because these organizations actually measure and monitor asset use.

Strategic Value of Marketing and Sales Resource Libraries

Ultimately, resource libraries deliver superior performance for Best-in-Class organizations because these organizations support the technology with organizational processes, knowledge management, and performance capabilities. Table I demonstrates the quantitative change in key metrics as a result of implementing a resource library.

Table I: Measuring the Impact of Content Management Technology on Key Metrics

Performance Metric (Year Over Year)	Average Performance for Best-in-Class	Average Performance for All Others
Return on marketing investments	↑ 22%	↑ 7%
Customer satisfaction	↑ 11%	↑ 4%
Customer churn rate	↓ 2%	↓ 1%
Time to market	↓ 5%	↑ 3%
Cost of content creation	↓ 2%	↑ 3%
Brand effectiveness	↑ 12%	↑ 5%
Brand consistency	↑ 12%	↑ 5%
Shipping costs	↓ 2%	↑ 2%
Production costs	↓ 2%	↑ 1%

Source: Aberdeen Group, January 2008

Case in Point

Evolution Benefits, Inc. provides Payment Services for consumer directed benefits. As the company grew, they were challenged with sharing member educational materials with third-party administrator partners. The company relied on a server to allow resellers to obtain sales and marketing materials. In order for resellers to find what they needed they had to know the name of the file. "It was just file names on a server, with no corporate branding and a gross user interface. People couldn't get access to the materials. It

was a real nightmare," said Jimnahs Herron, marketing and sales support manager.

Evolution Benefits implemented a resource library which enabled communication tools between their own sales and marketing staff, and external partners. The content management tool fully integrated with their CRM application to provide advanced document management, collaboration, and partner communications. Evolution Benefits can use this information to track asset utilization and improve marketing and sales collateral based on high demand content. The new tool also provides time savings in locating content for internal and external parties.

Key Insights

The following represent key insights from Best-in-Class organizations:

- Best-in-Class use resource libraries to support up-sell and cross-sell opportunities from existing customers in both the direct and indirect sales channels. Partner portals play an integral role in delivering marketing collateral and training materials to the most successful channel partners. Seventy-five percent of Best-in-Class (vs. 43% of All Other organizations) reduced the time spent locating content. On average organizations that are currently using resource libraries recorded increases in employee satisfaction and employee productivity after implementing the tool.
- Best-in-Class demonstrate the highest adoption of sales and marketing resource libraries among all maturity classes. These organizations maximize investments in technology by leveraging key processes and organizational capabilities. For example, top performing organizations can identify and uniquely support the highest performing channel partners. They are also 1.8 times more likely to tier marketing support based on channel partner performance and 1.3 times more likely to hire dedicated resources for channel management.
- Economic pressures demand tighter budgets and the ability to stretch marketing resources as far as possible. Centralized partner portals reduce shipping costs and provide measurable statistics on the utilization of digital assets. This information can be invaluable in optimizing marketing assets. Research reveals that Best-in-Class organizations empower sales resources with feedback and rating tools to help foster communication and rapidly isolate the most relevant or impactful collateral. Table I on page 6 is a powerful representation of the direct benefits derived from resource libraries: increased customer satisfaction, decreased customer churn rates, decreased time to market, improved brand consistency, and reduced shipping costs.

The research demonstrates that resource libraries play an integral role in Best-in-Class direct and indirect sales support. Best-in-Class organizations achieved an average year over year reduction in sales cycle time, 11x higher

revenue growth and 40% higher annual revenue per channel partner over Laggard organizations. Centralized asset management results in qualitative and quantitative improvements that ultimately allow Best-in-Class to deliver the highest growth in overall annual revenue and channel revenue.

For more information on this or other research topics, please visit www.aberdeen.com.

Related Research	
Channel Sales: Renaissance in Partner Management ; August 2008	Marketing Digital Asset Management: Capturing, Storing, and Retrieving Digital Media to Deliver Strategic Value ; January 2008
Sales Analytics: Hitting the Forecast Bulls-Eye ; July 2008	Sales Effectiveness: Leveraging Content to Close Deals ; November 2007
Author: Ian Michiels, Sr. Research Analyst, ian.michiels@aberdeen.com	

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