



# Growth from Second Tier Channel Partners

## BACKGROUND

Seagate ([www.seagate.com](http://www.seagate.com)) is the global leader in data storage solutions, developing amazing products that enable people and businesses around the world to create, share and preserve their most critical memories and business data. Experiencing tremendous growth in the U.S. storage market, Seagate was enjoying revenue success with its largest and best known partners. At the same time, the company wanted to broaden its partner base, especially with partners integrating hard drives into specialized equipment.

## THE CHALLENGE: Profitable Growth From Smaller Channel Partners

With all internal resources dedicated to supporting their largest distribution, OEM and reselling channel partners, Seagate could not justify the headcount to support the broader channel partner base. The company needed a way to grow sales from smaller channel partners, but at an attractive cost of sales, ideally at 2% or less. To this end, Seagate issued an RFP in search of a provider that could deliver the following services:

- ✦ Tier, recruit and manage unmanaged channel partners
- ✦ From this partner pool, grow revenues at a sub 2% cost of sales
- ✦ Identify and grow partners matching the desired profile that could ultimately be transitioned to managed accounts
- ✦ Achieve specific market share, partner program registration and buying frequency targets for the managed partners

## THE SOLUTION: Deployment of an Outsourced Channel Sales Team

The solution that met all of the RFP's criteria was the deployment of a centralized inside sales team, delivering assisted selling services to partners in the US and Canada. The engagement resulted in the following achievements:

- ✦ Over a year period, 153% attainment against quota
- ✦ Small partner revenue growth of greater than 60%, over the same year period
- ✦ Expansion of the engagement to encompass EMEA partner coverage
- ✦ Rapid deployment of sales resources and a cost of sales of less than 2%
- ✦ Processing of special price actions in support of the partner base

