VENDOR NEEDS AND STRATEGIES

Partner Program Review: IBM PartnerWorld

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IDC OPINION

IBM, a longtime dominant entity in the technology industry celebrating its centennial this year, continues to show an immense global impact. IBM solutions touch nearly every industry, every customer segment, and every part of the globe. IBM's multipronged go-to-market strategy, although discordant at times, is now closer than ever to a harmonious intermingling of IBM's direct and reseller channels. This balance has in part been achieved through its steady investment in the right tools and resources for its channel program, IBM PartnerWorld. IBM PartnerWorld is the single IBM partner program crossing business units, segment groups, industry teams, and geographies. The centrally managed and locally executed channel program confers the benefit of consistency for partners and efficiency for IBM. IBM PartnerWorld highlights include:

☑ The worldwide PartnerWorld ecosystem consists of over 100,000 Member-level, 7,800 Advanced-level, and 7,300 Premier-level reseller, ISV, and system integrator partners (numbers include overlap).

☑ Membership in IBM PartnerWorld is open to anyone at the Member level by completing the online enrollment form. Movement to the Advanced or Premier level requires the accumulation of points through verified skills, solutions, revenue, and customer satisfaction.

☑ Benefits for IBM partners include Marketing Resource Managers, who help partners plan integrated marketing campaigns; Grow Your Business, which helps partners identify new IBM businesses to invest in; co-marketing programs; and IBM Innovation Centers, which are physical locations around the world for partner education and customer entertainment.

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This IDC study presents a review of IBM PartnerWorld, the umbrella program for all IBM partner activities across all IBM divisions. While many of the program attributes described are available to all IBM partners, some are exclusively targeted at particular partner types and have been noted as such.

Methodology

IDC embarked on a comprehensive research initiative to review channel and ISV programs among some of the leading software vendors in the marketplace. For each partner program, the vendors submitted to IDC a comprehensive worksheet that explained the key elements of each program, including a list and description of the key benefits that partners have access to with their membership status. IDC then spent two to five hours interviewing each vendor to more fully understand the written submissions.

For any questions that a vendor would not respond to, IDC maintained a practice of estimating the answer to the best of IDC's ability. These estimates and assumptions are noted as such throughout the document. Vendors are provided with an opportunity to review their specific profile for the sake of accuracy prior to publication.

SITUATION OVERVIEW

Company Overview

IBM's history as leader in the various iterations of "computing" predates its own 1911 incorporation by nearly 30 additional years. In a long and rich company history filled with industry and world firsts and with a patent portfolio larger than any other company's in the world, IBM is a steady ship in a sometimes turbulent IT industry. Today, in the year of IBM's centennial, the major IBM business units include Global Technology Services (GTS), Global Business Services, Systems and Technology Group, Software Group, and IBM Global Financing (IGF). Company reach extends to 170 countries, with 426,751 employees on record at the end of 2010. Table 1 provides a brief company snapshot.

TABLE 1

IBM Company Snapshot

Category	Details
Company name	IBM
Head office	Armonk, New York
Total company revenue	$99.8 billion
Web site	**www.ibm.com**

Source: IDC, 2011

Partner Program Overview

IBM PartnerWorld is the umbrella program for all IBM partner activities, across all IBM business groups, worldwide. IBM has offered partner programs of various types since the 1970s and in 1999 launched PartnerWorld as a comprehensive program for resellers, system integrators, ISVs, and entrepreneurs. Three years later, the centralized PartnerWorld Web site was launched, enabling partners to access resources and find information 24 x 7.

The program began with separate "tracks" for partners focused on systems, software, and PCs, which were later consolidated into a single program with a consistent set of benefits. In 2010, IBM focused the requirements for advancement through the PartnerWorld levels around four criteria: skills, revenue, customer satisfaction, and references. Clearly articulated requirements are intended to help partners more easily navigate their organizations to higher levels in PartnerWorld.

Like others in the industry, IBM organizes partners around a three-tier model (described in further detail in the IBM PartnerWorld Program Membership section) and further subsegments by "specialties." This proven model for partner programs allows vendors to offer varying levels of support and benefits to partners at different program tiers and helps customers more easily identify the partner with the skills most aligned with its needs. The specialties are of particular importance to prospective customers because the additional training and experience in the specialty area are often a good indicator of a partner's ability to show more value to its clients, offer more consultative support and, as a benefit to the partner, realize more profitable solutions-focused sales. Partners that earn a specialty in PartnerWorld often receive additional benefits including senior-level IBM relationship coverage, access to market intelligence resources, and expanded phone, Web, and live chat support services. These benefits are described in more detail in the IBM PartnerWorld Program Membership section.

IBM has spent a significant amount of time refining its focus on the small business and midmarket spaces. While the company's focus on small business has been uneven over the last dozen or so years, midmarket has always received a notable amount of resource allocation. As the company's segment strategy becomes increasingly refined, midmarket continues to be a high-focus segment: once defined as 500 to at times several thousand employees, IBM's current definition now sits at a more mainstream definition of businesses with 100–1,000 employees, dipping into the <500 employee company that IBM once considered small business. As the segmentation strategy has become more refined so has the route to market. While this segment was once an area of friendly competition between IBM's Direct and Business Partner teams, today, business partners are the primary route to market. As a result, many of the company's midmarket sales and marketing resources are intended to support and generate opportunities for the partner ecosystem.

IBM made a significant change to its distribution model in early 2009, adding an authorization requirement to higher-value products while maintaining the traditional open distribution for volume products. To sell products under authorized distribution, partners must either earn certifications or offer approved solutions. While in many situations IDC prefers to see open distribution, IDC believes that in this particular situation, authorized distribution helps ensure customers get the most value from complex IT solutions by requiring partners to demonstrate a baseline of knowledge. In return for their skills investment, partners should see higher levels of satisfaction from customers and receive additional incentives from IBM.

Software Value Plus (SVP) is IBM Software Group's authorized distribution initiative. Participating organizations receive incentives through Software Value Incentive and Value Advantage Plus (VAP), discussed in the Incentives section. Partners whose solutions are based on IBM's "strategic software technologies or industries" are eligible for additional financial rewards and benefits through the SVP Industry and SVP Capability Authorization initiatives. Capability Authorizations include:

- ☑ SVP Security Authorization

- ☑ SVP Business Analytics Authorization

- ☑ SVP Cloud Computing Authorization

- ☑ SVP Enterprise Content Management (ECM)

- ☑ SVP Information Integration and Governance Authorization

- ☑ SVP Data Management Authorization

- ☑ SVP Social Business Authorization

- ☑ SVP Smarter Commerce

- ☑ 14 SVP Industry Authorizations (Aerospace and Defense, Automotive, Banking, Financial Markets, Insurance, Media and Entertainment, Healthcare, Retail, Chemicals and Petroleum, Electronics, Energy and Utilities, Government, Telecommunications, and Travel and Transportation)

IBM PartnerWorld Program Membership

As described briefly, Members of IBM PartnerWorld are segmented first by an overall three-tier program structure and then by specialties. IBM's three-tier model segments partners into either the entry "Member" level, the middle tier titled "Advanced," or the top "Premier" tier. Partners move to higher levels of membership by earning points through verified skills, solutions, revenue, and customer satisfaction. Those that meet the requirements of the higher tier levels have access to additional PartnerWorld benefits as noted. Table 2 offers an at-a-glance breakdown of worldwide reseller, ISV, and system integrator membership by program level. Table 3 represents North American numbers. Because partners can have a hybrid business model, it is possible for them to appear in multiple categories.

TABLE 2

IBM PartnerWorld Worldwide Membership Breakdown

Partner Type	Reseller	ISV	Consultant/System Integrator
Premier	3,000	2,100	2,200
Advanced	3,100	2,200	2,500
Member	52,000	42,000	47,000

Note: There is overlap among the groups.

Source: IDC, 2011

TABLE 3

IBM PartnerWorld North American Membership Breakdown

Partner Type	Reseller	ISV	Consultant/System Integrator
Premier	520	420	400
Advanced	520	430	400
Member	16,000	14,000	13,000

Note: There is overlap among the groups.

Source: IDC, 2011

Partners are further subsegmented by aligning with a specialty, a designation that signifies a partner's skills and capabilities in a service or solution area or a product group. Like others in the industry, IBM recognizes that partners that have advanced skills in a particular area can often show more value to their customers and tend to

deliver more profitable solutions. To develop and demonstrate these advanced skills, IBM requires a combination of technical certifications, technically validated solutions, customer references, and the attainment of a revenue target before a partner is awarded a specialty.

Those that earn a specialty can use a specialty mark in their marketing and business development activities to signify their expertise to customers and prospects. These partners also receive additional benefits that may vary by specialty but include incentives like senior-level IBM relationship coverage, access to market intelligence resources, and expanded phone, Web, and live chat support services. These benefits are offered in addition to partners' usual PartnerWorld membership and program-level benefits.

IBM currently offers the following specialties:

☑ Virtualization and Resiliency Specialty

☑ Information Infrastructure Specialty

☑ Advanced Infrastructure Specialty

☑ System x Specialty

☑ Storage Specialty

☑ 8 Industry Solution Specialties (Banking, Healthcare, Retail, Chemical and Petroleum, Electronics, Energy and Utilities, Government, and Telecommunications)

☑ Cloud Computing Specialty

Virtualization and Resiliency, Information Infrastructure, and Advanced Infrastructure specialties were introduced in 2011 as an evolution of IBM's Dynamic Infrastructure Specialty originally introduced in 2009. Dynamic Infrastructure Specialty partners that still met the qualification requirements were automatically accredited with the appropriate new specialties.

IBM PartnerWorld Partner Program Entry and Advancement Requirements

Entrance into IBM PartnerWorld at the Member level is open to anyone that completes the online registration. At this entry level, applicants are not required to complete sales or technical certifications. Industrywide, this open membership strategy is critical because it allows partners to test the program and the relationship with minimal investment. This enables the recruitment of the aspiring entrepreneur who may eventually become the next strategic partner while potentially thwarting competitive efforts to attract that same entrepreneur. Partner organizations that take advantage of this open membership, minimal investment option are not always fledgling businesses either. They may in fact be significant contributors to a competitor's ecosystem looking to expand or overhaul their offerings. With few exceptions, IDC encourages vendors to offer open enrollment like this in their reseller programs.

For partners wishing to move beyond the Member level to the Advanced and Premier levels, "points" must be earned in specific areas including skills and verified solutions, revenue, verified client references, and customer satisfaction. IBM and a few other vendors award partners with points for completing specific activities. Points are then rolled into totals that determine a partner's level in the program. Advanced-level partners must earn 10 points from the areas described previously, with a minimum of 6 IBM skill points. Premier-level partners must earn 30 points, with a minimum of 12 IBM skills points. These numbers represent an increase in all categories since 2009, evidence of IBM's heightened focus on the skills of the partner ecosystem. To meet the minimum skill points requirements for the Advanced and Premier levels, partners can use a combination of certification/mastery skills and verified solutions.

Program membership levels are earned on a country basis, yet partners can apply some activities and skills to the global headquarters, facilitating a higher program level for the company across all countries. This flexibility and some program requirements vary by geography.

Strategic Alliance partners, an area not covered in detail by this document, must commit to driving both IBM technology and services revenue.

While some vendors decline to disclose the requirements for entry into the top tiers of their channel program, IBM is transparent to partners about the qualifications required for movement to the upper tiers of PartnerWorld. IDC believes transparency is the most effective model for generating motivation among partners and cultivating trust in the ecosystem.

IBM PartnerWorld Partner Program Fees

PartnerWorld membership is offered at no charge for all levels of the program. Most program benefits are also offered at no charge. Exceptions include:

- ☑ Optional $2,000 for the popular Value Package provides access to IBM software, pre-deployment/developer support, and tuition reimbursement

- ☑ Optional $795 for the Software Access option for partners that want access to IBM software but do not require the support and tuition reimbursement benefits provided through the $2,000 Value Package

- ☑ Variable costs associated with co-marketing execution

Company Strategy: IBM PartnerWorld Program Benefits

The sections that follow describe the primary benefits and resources available to partners through the IBM PartnerWorld program. While many PartnerWorld benefits continue to be available to all program members, there are some exceptions where those at higher program levels receive some additional membership benefits. Requirements for access to the benefits are noted throughout. Benefits fall into the following categories: sales, marketing, technical, training, relationship and development, collaboration, and infrastructure.

Benefits for small subsegments of the partner community and other ad hoc or personalized benefits for partners may not be listed here.

Partner Program Benefits: Sales

IBM partners have access to sales tools, financing, promotions and incentives, briefing centers, and competitive resources to help them sell IBM solutions. Sales benefits are described in the sections that follow.

IBM Global Financing

☑ **Description:** IBM Global Financing offers leases and loans for customer IT purchases and to help partners with working capital. Used equipment sales and asset disposal are also available.

❑ **End-Customer Financing:** This program provides access to leases and loans for IBM or non-IBM hardware, software, and even services, including services offered by the partner to the end customer.

❑ **Working Capital Financing:** Commercial financing helps partners improve their cash flow. With inventory financing, partners can buy more products to resell, while receivables financing helps partners collect funds due faster.

❑ **Global Asset Recovery Services (GARS):** This program gives partners access to IBM Certified Pre-owned Equipment for resale or lease along with customer financing options. At the end of a lease, IGF offers secure asset disposal.

☑ **Requirements:** Access to IBM Global Financing solutions is available to all members worldwide subject to approval. Financing charges apply if the application meets IBM acceptance criteria. Go to **www-304.ibm.com/partnerworld/wps/servlet/ContentHandler/igf_com_fin_index** for additional information.

Incentives

☑ **Software incentives description:** Software Value Plus authorized partners receive financial incentives and benefits when they identify and close sales and deliver value-added solutions built on IBM software. Additional financial incentives and benefits are available to partners whose solutions map to IBM's strategic industries. Software incentives are available through three programs:

❑ Software Value Incentive (SVI) for identifying and closing sales

❑ Value Advantage Plus for delivering value-add solutions

❑ SVI-Solution for solutions aligned with strategic software initiatives such as specific industries or capabilities (e.g., security or cloud)

☑ **Global Technology Services incentives description:** Through this program benefit, partners can choose to receive remarketing discounts or to obtain sales

fees. They can also opt to collaborate in co-sell/co-delivery. These incentives are earned on partner-enabled offerings, from maintenance services to infrastructure, including cloud computing.

☑ **Hardware incentives description:** These incentives from IBM Systems and Technology Group reward partners for focusing on high-value/strategic solutions implementations, selling into IBM-identified growth markets, owning the end-to-end sales cycle, and increasing their year-on-year IBM revenue.

☑ **Requirements:** Specific criteria for eligibility are noted in each subsection. Specific incentives and benefit availability vary greatly by geography and may not be available to all partners in all geographies.

Lead Passing

☑ **Description:** In many instances, IBM has chosen the partner ecosystem as the preferred channel for deals under $50,000 and has focused efforts on passing these leads to business partners. As part of the process, IBM has enhanced its management systems to ensure that leads are quickly passed to partners and to reduce the possibility of leads falling through the cracks.

☑ **Requirements:** There are regional variations for this benefit, but in general a partner's skills and historical performance are taken into consideration for participation.

IBM Sales Plays

☑ **Description:** IBM Sales Plays provide partners with guidance for each stage of the selling process. Content supports the sale of specific offerings and solutions, and partners are able to draw on this content, from opportunity identification through closing the sale. Regional IBM teams keep the Sales Plays top of mind for the partners by highlighting the prioritized Sales Plays in quarterly communications to the ecosystem.

Partners can view the sales plays as a Quick Reference Guide, a one-page overview that helps clarify the quantifiable value proposition. From the Quick Reference Guide, partners can link to other sales enablement resources, such as a client presentation, a conversation starter, an email prospecting letter, demonstrations, white papers, and an ibm.com Web page that describes the solution.

☑ **Requirements:** This benefit is available at no charge to all PartnerWorld participants worldwide. Sales Plays can be accessed on the PartnerWorld Web site through a selective search from the Products Resources page.

Grow Your Business with IBM Software Tool

☑ **Description:** This tool helps IBM partners identify and evaluate cross-software sales opportunities. The tool helps partners by examining their current customer base, skill set, and market needs and factoring each area into a recommended area of business expansion. The tool also produces a second-year projected

return on investment (ROI) should the partner decide to expand. The latest content refresh includes over 275 products and 650 sales scenarios.

☑ **Requirements:** This benefit is available at no charge to all PartnerWorld members worldwide at all levels of the program.

Business Partner Profitability Tool

☑ **Description:** The IBM Business Partner Profitability tool helps partners evaluate IBM software product offerings to determine how the offerings can increase return on their investment and business growth. Partners can customize most of the inputs specifically for their business. The tool then provides a summary of the product configuration, average sales cycle, software price, and service drag plus expected product and service revenue, gross margin, cash flow, and break-even analysis. The tool also produces a sales and technical enablement road map with projected costs and time to completion.

IDC believes that tools like this and the Grow Your Business with IBM software tool (discussed in the previous section) presumably take the uncertainty out of expanding business offerings so a partner can make an informed decision prior to undertaking or avoiding possible expansion. For large vendors with a lot of options for partners, tools like these can be particularly helpful at guiding partners toward the best course of action for their particular business.

☑ **Requirements:** This benefit is available at no charge to all PartnerWorld members worldwide at all levels of the program.

INNOV8 2.0 Business Process Management Simulator

☑ **Description:** The INNOV8 2.0 simulation game was originally developed through IBM's Academic Initiative to help students learn about business process management. Today, the tool can be used in partner organizations or with customers to help leadership teams learn about the business process, including discovery, collaboration and, ultimately, optimization. Partners can also use INNOV8 to pinpoint where their solutions can help optimize their customers' business.

☑ **Requirements:** Access to the INNOV8 2.0 Business Process Management Simulator is available to all members of PartnerWorld at no charge.

Partner Program Benefits: Marketing

Members of IBM PartnerWorld have access to an extensive number of marketing benefits to support their business. Partners can access co-marketing benefits, tools to facilitate internet marketing, catalogs to boost online visibility, several benefits for building success stories in both print and video format, event planning and execution resources, and market intelligence tools.

IBM Co-Marketing Initiatives

IBM offers a variety of co-marketing opportunities to support partner demand generation efforts. PartnerWorld members can utilize either IBM-approved vendors or vendors they choose on their own. Co-marketing benefits range in value and structure from full funding models to matched funding approaches. During 2011, the co-marketing benefit administration is being transitioned from the legacy Co-funded Marketing Tool to the new PartnerWorld Co-Marketing Center.

☑ **PartnerWorld Co-Marketing Center:**

❑ **Description:** New in 2011, the Co-Marketing Center is a "one stop" online resource for creating "ready to execute," customizable campaign materials. It replaces several related sites and is expected to be easier to use. The tool streamlines data entry to improve the process of completing forms and provides one-stop access to co-marketing reimbursement benefits for eligible partners. The reimbursement process has also been improved with a target of completing claims validations and payments within 30 days.

Like many similar vendor tools, the PartnerWorld Co-Marketing Center is a valuable resource offering fast, competitively priced cobranded marketing materials for partner use. IDC has found that this type of tool is often surprisingly underutilized by partners. The simplification IBM has brought to its co-marketing tools in 2011, along with the knowledge offered by the Marketing Resource Managers, may help alleviate this underutilization for PartnerWorld.

❑ **Requirements:** Access to the Co-Marketing Center is available to all members of PartnerWorld at no additional charge. There is also no charge for the creation of tactics; however, partners incur fees for print production and mailing should they choose this option. Fees are based on IBM-negotiated volume rates, and eligible partners can use funds to reimburse some or all of the costs of co-marketing activities.

☑ **Business partner marks and emblems:**

❑ **Description:** As in most partner programs in the industry, IBM offers "badges," also known as marks or emblems, for its partners that indicate the partner's level in the partner program. These badges are intended to signify a connection to the vendor, helping partners demonstrate credibility and competence to prospective customers.

IBM PartnerWorld recently revamped its Business Partner Identity System, streamlining a number of disparate badges into a single system. This new system enables partners to display their level in PartnerWorld along with their achievements and authorizations. Information about specific emblems can be found on the IBM Web site.

In 2010, IBM launched a Business Partner Mark Generator tool that enables partners to access their badges and build image files to meet their needs. Partners tend to use these logos on their Web sites, business cards,

presentations, and even their software or hardware products. In fact, the badge can be one of the benefits most valued by partners because of the message partners believe it sends to customers.

Helping customers understand the meaning of the badges is usually accomplished through awareness marketing by the vendor, but the tangible payoff for that marketing investment can often be very low. For that reason, marketing tends to be limited, as does customer familiarity with the specific meanings and requirements behind specific badges.

❑ **Requirements:** These badges, often called "emblems or marks" in PartnerWorld, are awarded to partners based on their meeting certain criteria or reaching a particular level in the PartnerWorld program. There are no costs for receiving and utilizing the emblem once the criteria are met.

☐ **Marketing Resource Managers:**

❑ **Description:** Marketing Resource Managers help partners plan marketing tactics to achieve their business objectives, leveraging IBM PartnerWorld marketing resources. These telebased resources are virtual marketing campaign planners and are ideal for partners with little or no access to professional marketing resources or as a complement to a partner's existing marketing team.

☐ **Member level:** Marketing Resource Managers help partners realize the value of teaming with IBM for sales and marketing activities while advising the partner on how to move to the Advanced level in PartnerWorld.

☐ **Advanced level:** The partner may request a Marketing Resource Manager to work as an adjunct to the company. Marketing Resource Managers work closely with the internal marketing team, learning the partner's strategic objectives and marketing goals. The Marketing Resource can then help build a joint marketing plan that may more fully leverage IBM's PartnerWorld marketing benefits. The Marketing Resource Manager continues to work closely with the partner to evaluate campaign effectiveness, debrief on lessons learned, and reengage when the partner is ready to plan additional campaigns.

Marketing Resource Managers can also help partners identify opportunities in new markets and maximize effective use of available IBM benefits.

The Marketing Resource Manager PartnerWorld benefit receives enthusiastic support from IDC for the customized and relevant support it offers the partner. While many vendors provide a variety of marketing materials for partners to leverage, few offer their partners the comprehensive marketing support found in this PartnerWorld benefit.

❑ **Requirements:** This resource is currently available in North America, Europe, China, ASEAN, and India at no charge for all membership levels.

Internet Marketing Benefits

IBM recognizes that Internet-based demand generation is an important component of effective marketing campaigns. To help partners launch effective multifaceted Internet marketing efforts, IBM offers a number of benefits including:

☒ **Web Content Syndication benefit for business partners:**

❑ **Description:** IDC believes that the Web Content Syndication benefit for partners is unique to the IBM PartnerWorld program. While a few other vendors offer some content syndication, IBM appears to be the only organization offering dynamically delivered, regularly updated marketing content to partners' Web sites.

Content includes product information, white papers, brochures, demos, and video. The content helps partners generate leads when prospective customers access and download information while also ensuring IBM-related content is up to date and accurate.

❑ **Requirements:** This benefit is available worldwide to all members of PartnerWorld at no charge.

☒ **Solutions Daily:**

❑ **Description:** This program benefit helps partners syndicate their news and drive traffic to their site. This syndicated online news magazine lets partners input content that is then available to customers and prospects. Publication of articles, podcasts, announcements, and other content through a third-party site also helps the partner develop credibility and be recognized as a subject matter expert, if desired. IBM markets the Solutions-daily.com site through other Web sites to generate ongoing traffic.

❑ **Requirements:** This benefit is available at no charge to all members of PartnerWorld.

☒ **Search engine marketing with IMPAQT:**

❑ **Description:** A Web expert works with the partner organization to optimize visibility in online searches. The process begins with an assessment of search performance followed by a written analysis with recommendations for optimization. The primary objective is to increase traffic to the partner's site, but suggestions are also provided for identifying and capturing prospects that access their site, ultimately creating more awareness and business for the partner.

This is a creative offering from IBM that combines search engine marketing skills of a third-party global marketing agency with real partner needs. This IBM offer of a consultancy service and actionable steps toward improving search results rather than merely a diagnostic tool is admirable.

❑ **Requirements:** This service is provided to members of PartnerWorld by IMPAQT and is available globally to all members of PartnerWorld for $999.

- ☑ **Email list and telemarketing services:**

  - ❑ **Description:** IBM offers discounted access to a range of marketing services provided by Mason Zimbler/Harte Hanks through a custom site. Partners can use these services to supplement their own marketing tactics and resources with data and demand generation services. This benefit helps partners develop, execute, and manage end-to-end lead generation, contact discovery, and enrollment boosting strategies.

  - ❑ **Requirements:** This benefit is available to all members of PartnerWorld at a pre-negotiated 20% discount.

Business Partner Innovation Center

- ☑ **Description:** The Business Partner Innovation Center (BPIC), not to be confused with the IBM Innovation Center program benefit (described in the IBM Innovation Centers section), helps partners optimize their demand generation activities with the following tools:

  - ❑ A template for establishing an effective client facing demo facility

  - ❑ IBM assistance in creating and executing seminars

  - ❑ Quarterly funding, ranging from $30,000 to $40,000, for partner investments in demo equipment, seminar facilities onsite, and demand generation activities

- ☑ **Requirements:** This benefit is available to Premier-level partners in North America and requires a minimum investment in skills, demo equipment, demonstration facilities, and demand generation activity.

Online Business Partner Catalogs

IBM offers a number of online catalogs in which a partner's company or solution can appear. IBM's approach to catalogs is built around the customer perspective, so rather than offer a one-size-fits-all catalog, IBM offers different views for some industries, customer segments, product groups, and so forth. Catalogs sponsored by PartnerWorld are fed by a single data repository, but partners may still have to manage content in non-PartnerWorld catalogs separately.

With a few notable exceptions, one of the challenges partners and vendors find with partner directories is limited customer awareness. IBM has invested in and tested print and electronic marketing campaigns in addition to search engine optimization for driving increased traffic to its online directories/ showcases. The company has found continued success driving traffic with keyword buys, cross-linking, and other search engine optimization techniques. The return on investment for these initiatives has shown greater results than less targeted mass media advertising campaigns. IDC commends the continued intelligent investment IBM puts into driving traffic to these tools.

The IBM catalogs available for partners to reach customers include:

- ☑ **Global Solutions Directory:**

  - ❑ **Description:** The Global Solutions Directory is the central IBM repository of partner offering information. Partners enter information about their solutions

and supporting information like white papers or sales collateral into this single location and can have the information appear in almost real time on a number of catalogs globally. This master directory feeds all other partner listings, showcases, and directories sponsored by PartnerWorld. These entries become an integral part of IBM marketing programs, generating exposure with clients, other IBM partners, and the IBM sales network. This master directory is searchable and available in 10 languages.

❑ **Requirements:** PartnerWorld members at all levels are eligible to submit their information to the Global Solutions Directory (available at **www.ibm.com/partnerworld/gsd**) at no charge.

☑ **IBM Business Partner Application Showcase:**

❑ **Description:** The IBM Business Partner Application Showcase (BPAS) is an easy-to-use interface into the partner solutions entered in the Global Solutions Directory. This interface presents validated solutions from partners that have demonstrated industry and cross-industry expertise. Content is searchable by solution area, industry segment, geography, or platform. Like the Global Solutions Directory, this offering is available in 10 languages.

❑ **Requirements:** Partners at all levels that enter solutions into the Global Solutions Directory can have their information flow to the BPAS at no charge. Validated solutions are given higher visibility. This catalog can be viewed at **www.ibm.com/software/showcase**.

☑ **IBM Collaboration Solutions Catalog:**

❑ **Description:** The IBM Collaboration Solutions Catalog, found on Lotus Greenhouse, is built on a Web 2.0 platform to deliver widgets, plug-ins, portlets, and applications from the Lotus and WebSphere Portal software portfolio.

❑ **Requirements:** This offering is available at no charge to all members of the partner program with relevant IBM Collaboration Solutions. Go to **ibm.com/partnerworld/page/swg_com_sfw_lotus_greenhouse_catalog** to access the catalog.

GTS Marketing Kits

☑ **Description:** This series of marketing kits, available in 11 languages, is intended to help partners build integrated multitouch marketing campaigns. The kits include resources like white papers, presentations, and event-in-a-box materials. The kits are built around business needs with the following themes:

❑ Security

❑ Business resilience

❑ Virtualization

❑ Data mobility services

❑　Maintenance and technical support upsell

❑　Money saving services

◻　**Requirements:** This benefit is available at no charge to all members of PartnerWorld.

Event Support

Events can be a significant undertaking for even the most well staffed organization. Few would decline an offer of outside support to help manage a few of the pieces, whether content development, logistics management, or attendee recruitment. IBM offers PartnerWorld members resources to take some of the pressure off of running in-person and online events.

◻　**Client Events Package:**

❑　**Description:** The Client Events Package allows partners to leverage their IBM relationship and take advantage of low- or no-cost meeting facilities. This benefit helps partners host client events at IBM Innovation Centers or IBM Forum Centers. IBM helps the partner by providing the briefing facility, managing the logistical details and, where needed, securing a technical or industry expert.

❑　**Requirements:** Membership-level requirements for benefit availability vary by geography. The benefit is offered at no charge to those that meet regional requirements; however, some locations may charge catering fees dependent on geography.

◻　**Web conferencing:**

❑　**Description:** IBM has arranged for a third-party Web conferencing provider to help partners conduct Web conferences. The service includes the help of professional event facilitators who assist partners from the planning stages to rehearsal and then run the Web conference and help with follow-up.

❑　**Requirements:** This benefit is available to all PartnerWorld members in the United States and Canada for $600 per Web conference.

Success Stories, References, and Case Studies

IDC believes, and the market has demonstrated, that the voice of the customer plays an important role in the sales and marketing process. In addition to increasing confidence in a partner or solution, the case study/reference also builds general credibility for the vendor and partner organizations. Vendors make a significant financial and resource investment when they offer case study benefits to the partner community and partners are strongly encouraged to take advantage of the marketing power of these types of benefits. At the same time, partners are cautioned to enter into the process aware of the time commitment required and fully committed to driving the process forward. While in most cases writing and production are handled by the

vendor, or its agency, the onus is still on the partner and the customer to provide the input and reviews.

Benefits offered by IBM include:

☑ **Publish Your Case Study:**

❑ **Description:** The Publish Your Case Study benefit is a collaborative initiative between IBM, the partner, and the client to develop detailed case studies that highlight customer successes using IBM and IBM Business Partner products, solutions, or services.

The case studies incorporate a customer solution that showcases demonstrable results. An emphasis is placed on customer solutions that support IBM's Smarter Planet Initiative. With these case studies, IBM partners receive the electronic rights for posting and distributing the case study to help with sales and marketing activities. To provide even more visibility to customers, internal IBM sales representatives, and other partners, the story is also posted on ibm.com and PartnerWorld.

❑ **Requirements:** This worldwide benefit is available at no charge to ISVs at the Advanced or Premier levels in PartnerWorld. An approved Smarter Planet client reference is required for participation.

☑ **IBM Midmarket Software Case Study Guide:**

❑ **Description:** The IBM Midmarket Software Case Study Guide is a collection of recent midmarket customer successes. The case studies describe software solutions implemented by IBM partners for companies with fewer than 1,000 employees. Customers use this reference guide to find references for product, industry, or geographic specific implementations. Partners can use the reference guide to learn from their peers.

❑ **Requirements:** This worldwide benefit is available at no charge to all PartnerWorld members.

☑ **Success story in a box:**

❑ **Description:** For success stories that are not selected for one of the IBM case study programs described previously, partners have the option of undertaking the case study development process with a third-party company whose rates have been negotiated by IBM. This benefit should also be considered by partners with in-house resources to produce written case studies but interested instead in using video for their case studies. The third-party vendor works with the partner and the customer (as needed) to create three-minute video podcasts and one-page write-ups of customer success stories.

❑ **Requirements:** This benefit is available to all partners. Fees vary based on the services used and are offered at a pre-negotiated discounted rate. This benefit is currently only available in English.

Market Intelligence

☑ **Industry Insights:**

❑ **Description:** Leveraging IBM's strong industry focus, Industry Insights aggregates industry-specific sales and marketing information to help partners create business plans, expand into new or niche markets, and keep track of market trends. Content includes information about industry-specific business challenges and solution areas, helping partners develop sales and marketing deliverables with industry-relevant messaging and value propositions. Content is generated by third-party experts and internal IBM teams.

The industry teams at IBM are built around leading experts in the industry. They are constantly fed the latest industry research while also receiving real-time feedback from customers. By tapping into these expert internal groups, PartnerWorld is able to offer partners much of the pertinent information that these teams utilize in making business decisions. For partners entering a new industry space or looking for new ways to resonate with industry decision makers, this is an invaluable resource.

❑ **Requirements:** This offering is available at no charge to all PartnerWorld members worldwide.

☑ **Infrastructure Insights:**

❑ **Description:** Infrastructure Insights offer partners access to market intelligence data and marketing tools to help them identify and develop business opportunities in four strategic infrastructure areas: business continuity, IT security, IT optimization, and service-oriented architecture. Marketing intelligence data reveals trending information, customer pain points, and value propositions. These components work in conjunction with sales and marketing templates to help partners effectively target markets and quickly develop proposals.

❑ **Requirements:** This offering is available at no charge to all PartnerWorld members worldwide.

☑ **Hoover's online sales and marketing research tool:**

❑ **Description:** This program benefit gives partners access to the services of Hoover's, a subsidiary of Dun & Bradstreet, at a significant discount. The Hoover's database includes detailed information about more than 60 million companies worldwide. Partners can use this service for a variety of campaign planning and execution activities, such as building prospect lists in their target markets and industries, identifying additional decision makers in prospect firms, and investigating the financial viability of prospects and existing customers.

❑ **Requirements:** This benefit is available to all PartnerWorld members worldwide (existing Hoover's clients are excluded). A one-year single-user subscription is offered at the IBM negotiated rate of $1,249.

- ◻ *OneSource sales prospecting tools:*

  - ❑ **Description:** OneSource provides partners with accurate data on more than 17 million companies and 24 million executives, including 6 million executive biographies. Sales representatives in the partner organization can use this information to improve their understanding of prospect organizations. As a result, sales teams can spend less time doing background research and list development and focus more time on building relationships and selling into their accounts.

    IBM Business Partners receive a significant discount on this service.

  - ❑ **Requirements:** This benefit is available worldwide to all members of PartnerWorld at an IBM negotiated rate of $1,049.

Partner Program Benefits: Technical

Value Package

- ◻ **Description:** The IBM Value Package includes benefits for IBM software partners that are working toward or maintaining the skills requirements for Software Value Plus and for ISVs developing applications on IBM software. Benefits include pre-deployment/developer support, tuition reimbursement for eligible classes and tests that lead to software certification, and access to IBM software for demonstration and evaluation, internal training, limited internal use called "Run Your Business," and development and testing.

- ◻ **Requirements:** The IBM Value Package is available to all partners worldwide for an annual subscription of $2,000. The cost in subsequent years is $1,800 if the subscription is renewed before it expires.

Software Access Option

- ◻ **Description:** The Software Access Option is for partners that want access to IBM software but do not require the support and education reimbursement benefits provided through the IBM Value Package. IDC research indicates that access to the vendor's software tends to be one of the most valued benefits of any partner program, even when it is billed as an add-on expense.

- ◻ **Requirements:** The Software Access Option is available to all partners for an annual subscription of $795.

IBM Systems and Middleware Technical Support Options

- ◻ **Description:** This program benefit is available for partners that require systems as well as middleware support. Partners have three service level options to help them manage their costs and receive the level of support that is appropriate for their business. The three levels are limited email, unlimited email, or unlimited email and voice support.

○ **Requirements:** This program benefit is available to all PartnerWorld members worldwide. Costs range from $1,200 to $3,600, depending on the option chosen.

IBM Innovation Centers

○ **Description:** IBM has over 39 Innovation Centers in 33 countries around the world. The centers support partners, from technical development and implementation of their solutions to sales and marketing of solutions. IBM offers all partners access to the Innovation Centers, with the philosophy that the partner relationship will be stronger once a partner is technically enabled. Once the partner's solution is ready, IBM encourages the partner to participate in joint go-to-market activities, with the belief that revenue related to the sale of the partner solution will help offset the early investment IBM makes in the partner.

The Innovation Centers also serve as a local hub for the partner ecosystem, a natural location for collaboration to emerge with other IT professionals, students, and others interested in the subject area.

Specific Innovation Center benefits include:

❑ No-charge technical assistance including 1:1 support and expert assistance from proof of concept to integration, migration, and implementation

❑ Access to hardware, including multiple servers and load-testing tools

❑ Onsite education and business enablement workshops

❑ Access to the latest IBM software

❑ Assistance with joint sales opportunities

This is a remarkable investment based on the potential rather than established performance of partners, a business philosophy and investment style other vendors would do well to consider.

IBM reports that partners do not abuse the privilege and that there is a downstream expectation of a partner's commitment to co-marketing and co-selling once the partner is enabled.

○ **Requirements:** Innovation Centers are available to all partners worldwide at no charge. Appointments are often necessary. Additional information about this benefit can be found at **www.ibm.com/isv/spc/index.html**.

Virtual Innovation Center

○ **Description:** The Virtual Innovation Center is a remote-access version of IBM's Innovation Centers. Offering many of the same benefits as the onsite facilities, the Virtual Innovation Center extends the availability of the Innovation Center resources to partners around the globe.

The Virtual Innovation Center is the primary means of accessing IBM technical resources including:

❑ Online training with over 500 on-demand technical and sales courses available at no charge

- ❑ Certification preparation courses and practice exams to help IBM partners fine-tune and test their skills before taking the formal product certification exams

- ❑ Solution resources to support the design, positioning, selling, and implementing of IBM software solutions including product sets by solution area, education, road maps, and certification

- ❑ Hardware and middleware accessible through remote access

- ❑ Guidance to available technical support

- ❑ Coaching and support from concept to launch including application migration to a new platform

⊡ **Requirements:** The Virtual Innovation Center has been online since 2003 and is currently offered to all members of the partner program worldwide at no charge.

IBM Software Lab Advocate

⊡ **Description:** The Software Lab Advocate facilitates exchange of information between eligible partners and the software development labs. The advocate also assists partners with product strategies, architecture, performance, migrations, and upgrades**.**

⊡ **Requirements:** This benefit is available worldwide to all PartnerWorld members that meet the requirements of Software Value Plus Authorization.

IBM developerWorks

⊡ **Description:** IBM developerWorks is a professional network and knowledge base that helps IT professionals develop skills, connect with their peers worldwide, get career-building recognition, and maximize productivity through easy-to-find, targeted technical resources. developerWorks is a source of information for students, developers, and other technical professionals focused on open standards, open source, and IBM products.

Members can join My developerWorks, which allows them to participate with the larger worldwide IT community, establish a reputation as a thought leader in their area of expertise, build a professional network, and collaborate real-time across the globe via groups and special projects.

The community-generated content from blogs, forums, and wikis is rounded out with IBM-sourced podcasts, articles, 2,300 tutorials and demos, and even code submissions and evaluations from IBM and industry leaders. Additional content includes solution road maps, 4 million lines of searchable reusable sample code linked to how-to articles, and case studies on projects in process or recently launched. Download code, hosted trials, virtual sandboxes, and cloud versions of IBM products are available free of charge, and weekly news and how-to articles are published and stored on the site as well.

IBM offers developerWorks sites in Brazilian Portuguese, Chinese, English, Japanese, Korean, Russian, Spanish, and Vietnamese that draw over 4 million unique visitors per month.

☑ **Requirements:** developerWorks is available globally at no charge to all PartnerWorld members (**www.ibm.com/developerworks)**.

IBM alphaWorks

☑ **Description:** The alphaWorks organization in the IBM Software Group helps deliver new technology into the hands of early adopters. Through alphaWorks, partners can download early versions of IBM software for evaluation and to influence the direction of IBM research and development. There are also opportunities for developers to collaborate with IBM on emerging technologies.

☑ **Requirements:** This benefit is open to all members of PartnerWorld worldwide at no charge (**www.alphaworks.ibm.com/**).

Techline

☑ **Description:** IBM offers partners a single point of entry for all presales technical sales support through the Techline organization. The Techline team gives partners a range of support, beyond basic presales assistance online and over the phone, including:

❑ Solution design

❑ IBM server sizing for IBM software and for selected software vendors

❑ Configuration validation and assistance

❑ Technical product information including:

  ☑ Interoperability and compatibility

  ☑ Versions and release positioning

  ☑ Performance/benchmark information

❑ Education sources

❑ Solution assurance information

❑ Assistance in competitive situations

☑ **Requirements:** Techline is available worldwide to all Advanced and Premier PartnerWorld members and those at the Member level that have purchased an IBM Value Package. Products and solutions supported by Techline may vary by region.

Virtual Loaner Program

- ⊡ **Description:** The Virtual Loaner Program (VLP) provides remote access to IBM hardware, operating systems, and software through a self-service remote interface. IBM manages and hosts the hardware, saving the partner the cost and time associated with shipping, maintaining, and managing boxes. Systems can be available in only a few hours after a reservation is made. As an added benefit, some configurations can be saved for later reservations, reducing the setup time required of the partner in the future.

- ⊡ **Requirements:** The Virtual Loaner Program is available to all partner program members worldwide at no charge.

STG ISV Solution Sizing Guides

- ⊡ **Description:** Through a point-and-click interface, STG ISV Solution Sizing Guides help partners identify customized IBM hardware recommendations including internal and external storage options for their software solutions. The STG ISV Solution Sizing Guide benefit has two formats for partners:

  - ❑ A downloadable toolkit that enables partners to create their own sizing guide

  - ❑ A "fast path" Web-based questionnaire from which IBM will produce a sizing guide for the partners

  The STG ISV Solution Sizing Guide automatically recommends the latest offerings from the IBM server product families and offers options for Linux or Windows platforms, resulting in continuous accurate sizing for the partner's solution. This in turn helps partners set customer expectations during the early sales phases.

- ⊡ **Requirements:** This PartnerWorld benefit is available to all members at no charge.

Hardware Purchase/Lease

- ⊡ **Description:** IBM offers partners low-cost lease and discount purchase options of IBM hardware products to be used for business purposes such as product development, testing, and demonstrations.

- ⊡ **Requirements:** This benefit is available to all partners that have a development interest in a platform that corresponds to their requested equipment. Availability varies by geography. Pricing and discounting levels also vary based on the product purchased or leased.

IBM Systems Application Advantage for Linux (Chiphopper)

- ⊡ **Description:** Chiphopper is offered to IBM partners to help port, test, and support Linux x86 applications on other IBM systems and middleware. Through the support of this program, partners are able to reach additional markets by offering their applications on multiple IBM platforms while reducing their development, QA testing, and support costs. Once a solution is ready, the

application is eligible to display the Ready for *IBM Systems with Linux* mark, which helps partners promote the solution among other partners and within the IBM sales community.

⊠ **Requirements:** This benefit is available worldwide to all members of PartnerWorld at no charge.

System z Remote Deployment Program

⊠ **Description:** The System z Remote Development Program (RDP) provides remote access to IBM system z hardware, operating systems, and software. The program offers ISVs a z/OS, z/VM, or z/VSE system dedicated to their use.

⊠ **Requirements:** The System z Remote Development Program is available to all PartnerWorld participants worldwide. Fees begin at $350 month, which includes a limited amount of usage and grows based on system resources consumed. The Linux on system z Test Drive and z/OS Validations programs provide similar no charge 30-day self-supported limited resource evaluation environments similar to the System z Remote Development Program.

IBM Technical Validations — "Ready for"

⊠ **Description:** The IBM Technical Validations benefit encompasses the validation and designation of a partner's solution. During the validation stage, a partner is given assistance with both development and product integration. The product is then tested against preestablished criteria to determine compatibility with IBM products.

Once compatibility has been determined, partners are able to display "Ready for" designations on their packaging and in the marketing materials of qualified offerings. The "Ready for" designations help partners differentiate their products in the marketplace. Plus, having a validated solution offers partners additional exposure to IBM internal teams, other partners, and customers through merchandising in the IBM Global Solutions Directory.

The "Ready for" designation is available for:

❑ Software solutions including designations for Lotus, Rational, WebSphere, Tivoli, and others

❑ Technology solutions, including Power Systems Software and Systems with Linux

❑ IBM Technology — Foundry

❑ Retail Integration Framework

A complete listing of the "Ready for" designations can be found on the IBM Web site.

☑ **Requirements:** The technical validation process in this benefit and the subsequent use of the "Ready for" mark are both available to all partners at all levels worldwide. There is no direct cost associated with this benefit, with the exception noted previously.

Partner Program Benefits: Training and Certifications

Most vendors manage their partner ecosystem training with a hybrid model: offering some instruction directly from internal resources and contracting a large amount of training and testing to third-party organizations. Despite the expense associated with training, most vendors at least partially if not fully subsidize partner training. Vendors also offer recognition and rewards for the completion of certain training, although the real reward is often seen in the partner's bottom line.

IBM offers a number of training options for partners to help refine their sales, marketing, and technical capabilities. Partners that follow specified training paths can earn certifications, and those that implement their new knowledge are likely to have more satisfied customers and enjoy new business opportunities.

Know Your IBM

☑ **Description:** Know Your IBM is a rewards program designed to motivate partner participation in training activities through two components: Learn & Earn and Sell & Earn. Learn & Earn enables partners to earn points for the completion of 20-minute downloadable and portable training modules that focus on the features, benefits, and/or selling points of a product or solution. Points are awarded to the individual rather than the organization, and the number of points awarded is independent of a partner's level in PartnerWorld. Partner employees can follow learning paths or select courses from a catalogue depending on their stage in training. Points are then redeemed for items including merchandise like electronic goods and travel awards.

The Sell & Earn component of Know Your IBM tracks sales results associated with the quick-learn modules. When partner employees sell eligible products, they become eligible for more significant and valuable prizes. Reward processes vary by region.

There are several unique and positive aspects to this PartnerWorld benefit. The most significant aspect is the on-demand, short format of the modules, a combination that fits well into the usual day of a partner. As discussed elsewhere in this document, IBM offers traditional and lengthier training as well, but vendor organizations know from experience that partners are reluctant to take employees off of billable work or sales calls for training. Know Your IBM modules fit well into the brief breaks between billable activities.

☑ **Requirements:** This benefit is available to all PartnerWorld members worldwide. Prior to participation, a partner must sign an agreement that approves distribution of points to individual employees. The program is active in over 100 countries. Learn and Earn modules are available in English and 13 additional languages.

PartnerWorld University

☐ **Description:** PartnerWorld University (PWU) is a Web-based learning management system delivering intermediate level self-study sales and technical education on IBM products and services. PartnerWorld University offers over 2,000 Web lectures from seven colleges:

- ❑ Systems College

- ❑ Sales and Finance College

- ❑ Marketing College

- ❑ PartnerWorld Offerings College

- ❑ Small and Medium Business College

- ❑ Services College

- ❑ Software College

In 2010, PartnerWorld University users accessed over 70,000 PartnerWorld University Web lectures.

☐ **Requirements:** PartnerWorld University is open to all PartnerWorld members worldwide. The courses are available on demand and at no charge. For more information, visit **www.ibm.com/partnerworld/pwu**.

IBM Virtual Innovation Center: Sales Enablement Online Education

☐ **Description:** The online sales resources site available through the IBM Virtual Innovation Center (described in more detail in the Partner Program Benefits: Technical section) offers partners access to sales tools and training.

Partners can also access training through the portal, including more than 100 on-demand software and hardware sales courses and 500+ technical and technical sales courses organized with role-based road maps.

☐ **Requirements:** The Virtual Innovation Center is available to all partners worldwide at no charge (**//ibm.com/partnerworld/vic**).

2011 PartnerRewards Program

☐ **Description:** This program is targeted at partners that sell IBM Systems and Storage offerings, specifically Power Systems, System x, System z, and System Storage brands to midmarket customers. This set of benefits includes discounted Prometric test vouchers so partners can save on testing fees for STG-specific exams. Partners can also receive marketing assistance and opportunity identification support through the program. Partners whose revenue increases can earn bonus payments as well.

- ☑ **Requirements:** This program benefit is available to partners that meet specific product and customer sales requirements. Specific benefits are based on PartnerWorld level.

Partner Program Benefits: Relationship and Development

Partners are often seeking contact points within the vendor organization. The challenge on the vendor side can be keeping the relationship moving in the right direction, maintaining top-of-mind awareness with the partner, and minimizing confusion when a number of personal contact points are available for partners. Partners are urged to take advantage of as many of these personal points of contact as is feasible to get the most from any vendor relationship.

PartnerWorld Contact Services

- ☑ **Description:** PartnerWorld Contact Services (PWCS) responds to partner queries and helps partners better navigate IBM PartnerWorld and access program resources. PWCS has a presence in 135 countries, and partners can access PWCS with a single phone number per country or a single email address. Agents are also available through recently expanded live chat and live person as well as other social media. Agents' skills in marketing, selling, training, technical support, and collaboration have recently been expanded to cover both a greater breadth and a greater depth of information.

- ☑ **Requirements:** This benefit is available worldwide to all members of PartnerWorld at no charge.

PartnerWorld Executive Relationship Benefit

- ☑ **Description:** This benefit allows eligible partners to connect one-on-one with an assigned senior-level IBM executive who works to understand the business strategy of the partner, strategically helping the partner grow its business with IBM. The executive can help identify areas of joint interest for business growth, representing all IBM business units that are relevant to the partner. The executive can also leverage his/her extensive internal executive contacts and knowledge of IBM while serving as an escalation point for partner satisfaction issues when needed.

- ☑ **Requirements:** This benefit was made available in 2010 to a select group of Premier-level, Software Value Plus authorized, and Software Value Plus industry authorized partners that formally requested a relationship executive.

Business Partner Relationship Management: Influencer (ISVs, RSI)

- ☑ **Description:** IBM's partner management model for ISVs includes the following roles:

  - ❑ **Client Executives:** Client Executives are responsible for recruiting ISVs into partnership with IBM and managing the ongoing relationships. These teams provide coverage and help develop and execute joint marketing plans to

drive ISV sales and IBM services, software, and hardware sales worldwide. Larger partners enjoy more dedicated attention from these reps.

IBM Software Group has dedicated an entire team to ISV coverage to assist partners in developing the most effective initiatives, driving sales engagements, and documenting joint success stories.

- ❑ **Technology Managers:** Technology Managers are responsible for working with ISVs in porting applications and building skill levels. Every Premier ISV, selected industry ISVs, and key geography ISVs have an assigned technology manager who assists them in the enablement of their applications to IBM's technology.

- ❑ **Marketing Resource Managers:** As described in the Partner Program Benefits: Marketing section, ISVs can receive one-on-one support from a dedicated specialist to help them plan and execute marketing campaigns and guide them to the resources they need.

- ❑ **Project Resource Managers (PRMs):** Any ISV that comes through the Virtual Innovation Center and completes a project profile receives access to a Project Resource Manager to assist in getting the appropriate technical enablement for the partner's project.

- ⊟ **Requirements:** Client Executives and Technology Managers primarily support IBM's Focus ISVs and RSIs. Marketing Resource Managers and Project Resource Managers are available to all PartnerWorld members.

Business Partner Management: Channel

- ⊟ **Description:** IBM's partner management model for high-performing channel partners includes the following teams and roles:

- ❑ **Client Executive teams:** Client Executives are assigned primary relationship responsibility with many of the largest IBM partners (hardware distributors, large ISVs, global and major systems integrators, and large tier 2 resellers).

- ❑ **Regional Business Partner teams:** At the individual country level, partner sales teams are organized to support partner sales activities by region. Business Partner sales reps (CRBPs) are assigned to individual partners.

- ❑ **Business Partner Network teams:** In some countries, IBM has dedicated partner sales teams assigned to work with local and regional networks of IBM partners (ValueNets).

- ❑ **IBM Brand Technical Specialists:** Technical sales specialists from the individual IBM product groups provide support to partners on sales transactions as needed.

◻ **Requirements:** While most of these benefits are accessible by all partners, priority tends to be given to higher-performing partners, especially within the enterprise segment.

Business Partner Management: Midmarket Coverage

◻ **Description:** In 2008, IBM designated partners as the primary route to market for sales to midmarket customers (100–1,000 employee companies). A new partner coverage model was implemented to operationalize this strategy. IBM's partner management model for its small and medium-sized partners includes the following teams and roles:

❑ **Territory Business Partner Representative (TBPR):** TBPRs are assigned to midmarket partners and serve a cross-IBM function with accountability to multiple IBM divisions including Systems and Technology Group, Software Group, and Global Technology Services Group. The TBPR is responsible for managing local partner strategy and teaming with internal and external resources to help drive midmarket revenue. TBPRs focus on market development, opportunity pipeline, pipeline management, and root cause analysis.

❑ **High-volume sales teams:** In most countries, IBM has dedicated sales teams to work with its "high volume" hardware resellers and solution providers.

❑ **Tele/Web sales support:** IBM provides sales support to partners through several non-face-to-face organizations including IBM PartnerWorld Contact Services, ibm.com, and Deal Hubs.

◻ **Requirements:** While most of these benefits are accessible by all partners, priority tends to be given to higher-performing partners focused on the midmarket.

PartnerPlan Business Planning Tool

◻ **Description:** PartnerPlan helps establish a shared vision between IBM and the partner to drive growth. Through this tool, partners work with their IBM contacts to build and execute against a business plan and related joint marketing plan. The tool also helps partners build campaigns and related tactics that map back to their business plan.

The internal interface of the PartnerPlan tool allows all IBM account managers, alliance managers, client executives, and other partner-facing employees access to the same partner data, saving the partner time by reducing the number of times information must be entered or communicated during interactions with different IBM business groups. The data in this tool includes the partner plan, the progress against plan, and funding access.

◻ **Requirements:** This offering is available to all partners at all membership levels worldwide. Advanced- and Premier-level partners have access to additional co-marketing programs and funding.

"Maximize Your Relationship with IBM" Seminars

�ённ **Description:** "Maximize Your Relationship with IBM" seminars are based on a globally consistent set of content and offered by IBM Innovation Centers around the world. The content is modified slightly to address the local market needs while consistently addressing the following topics:

- ❑ Help partners maximize their IBM relationship

- ❑ Educate partners on IBM benefits and resources

- ❑ Help partners collaborate with other partners and with IBM

◰ **Requirements:** This benefit is available at no charge to all partners worldwide at all levels of the program.

Partner Program Benefits: Collaboration

Business Partner Locator

◰ **Description:** The IBM Business Partner Locator is a new application for customers, partners, and IBM to access IBM partners. The tool offers an additional place for customers to locate local partners with specific skills, ideally making it easier for customers and partners to connect.

◰ **Requirements:** This PartnerWorld benefit is available to all partners worldwide when partners select "permit searches by customers and other business partners" in their PartnerWorld Profile settings.

IBM Social Media Technology in Use for Partner-to-Partner Networking

◰ **Description:** IBM is pioneering a number of social media activities and Web 2.0 technologies to help its partners connect with each other, with IBM subject matter experts, and with potential clients. Highlights of these activities include:

- ❑ **IBM PartnerWorld Communities** are online communities where IBM partners and IBM subject matter experts can connect, collaborate, and innovate for growth. These communities include social networking and collaboration capabilities and are designed to facilitate relationships and enhance teaming across the partner ecosystem. Partners can link to a variety of communities through the PartnerWorld Community portal.

- ❑ **Infoboom** is a social networking community targeted at midmarket CIOs and IT professionals. The forum encourages discussion about midmarket-relevant topics and trends. The forum also facilitates a connection between midmarket customers, third-party industry experts, and partners.

- ❑ **IBM PartnerWorld Livestream Channel** aggregates streaming video, RSS, and Twitter and Facebook feeds, including support of events like the 2011 PartnerWorld Leadership Conference. With this resource, the IBM partner can access a wealth of information in one location.

❑ **Social Media Education** provides partners with information about how and why social media can help support business objectives.

❑ **My developerWorks** is a community of IT professionals coming together to develop skills, solve technical problems, and collaborate with each other. My developerWorks is the perfect environment for developers to connect with remote teams or other thought leaders and/or collaborate with university students.

☒ **Requirements:** These tools are available to all members of PartnerWorld, and in some cases, members of the community as well. There are no costs associated with using these tools.

LotusLive

☒ **Description:** This program benefit gives all partners one year of access to IBM's online collaboration solutions and social networking services for their business.

☒ **Requirements:** This program benefit is available to all partners worldwide at no charge for one year.

PartnerWorld Beacon Awards

☒ **Description:** Beacon Awards recognize innovation and achievement across a range of solutions and markets to support a smarter planet. The awards give winners greater visibility among clients, across the industry, and throughout IBM.

☒ **Requirements:** Nominees must be Advanced- or Premier-level participants in PartnerWorld.

Partner Program Benefits: Infrastructure

PartnerWorld Portal

☒ **Description:** The PartnerWorld Web site provides partners with a single entry point for online IBM resources for all brands and geographies. Prospective partners can learn about program benefits and entry requirements, while PartnerWorld members can view and access program benefits, from sales and marketing support to technical support and training. IBM also posts relevant partner news and updates on the portal. Activity-based navigation helps partners find information quickly, whether marketing, selling, or collaborating. Alternatively, partners can access information based on product, industry, services, or customer segments.

☒ **Requirements:** This global portal is available to all PartnerWorld members and to those with an interest in PartnerWorld. Members receive an ID and password to access member-only information and resources (**www.ibm.com/partnerworld**).

Marketplace for IBM Business Partners

☒ **Description:** To help reduce the costs of running their businesses, PartnerWorld members can receive promotional pricing on products and services from over 60 merchants through the Marketplace. Employees of partner organizations can also take advantage of the savings offered through these vendors for personal use, including travel, office supplies, books, vacations, automobiles, and electronics.

☒ **Requirements:** These discounts are available worldwide to all members of PartnerWorld.

Global Partner Portal

☒ **Description:** Global Partner Portal Opportunity Management is intended to help partners engage IBM in opportunity management and to help partners manage their incentive claims for specific IBM-supported programs. A B2B portal that links to a partner's CRM system helps partners more efficiently update IBM opportunities.

☒ **Requirements:** This portal is available to all partners that manage opportunities for IBM software, hardware, and services worldwide.

Additional Partner Program Initiatives

Industries and Smarter Planet

The Smarter Planet initiative continues to frame a significant portion of IBM activities. These activities tend to be driven at the industry level, making industry-specific partner enablement increasingly important. IBM industry-specific partner initiatives that are gaining traction include:

☒ **Industry Progression Paths:** These paths guide partners through the steps to manage, integrate, and optimize business processes in government services, transportation, public safety, energy, water, education, and healthcare.

☒ **Industry Frameworks:** The 11 Industry Frameworks are IBM's recommended approach to solve common industry challenges. The Industry Frameworks offer industry-specific software platforms based on business usage patterns often resulting in faster and more cost-effective realization of business value for customers. The Industry Frameworks include industry-specific extensions and standards, are based on service-oriented architecture, and leverage an ecosystem of independent partner assets.

IBM has also created an opportunity for ISV pre-integration with IBM's Industry Frameworks through an official partner validation program, currently available around seven Industry Frameworks. New Industry Frameworks are rapidly being added to the validation program, which has a global scope. Initiatives to reward resellers and systems integrators that deliver industry framework–based solutions are also available. Software Value Plus Industry Authorization provides incentives to partners that deliver industry framework–based solutions.

- ☑ **Industry Solutions specialties:** Industry Solutions specialties are available for ISVs in nine industry areas. The specialties build on the industry frameworks, helping partners deliver Smarter Planet solutions. To qualify for the specialty, an ISV must demonstrate framework and system support, provide qualified industry references, and show that it has generated revenue with its solution.

- ☑ **Industry Authorization:** Industry Authorization recognizes software resellers and system integrators with proven deep industry skills and solutions aligned with an IBM Industry Framework or strategy.

Cloud Computing

With cloud computing, partners can expand their services and offering portfolios, build recurring revenue annuity streams, and help clients transform their businesses. The PartnerWorld cloud Web site provides a single consolidated destination for partners to access all of the information related to cloud computing that IBM provides to partners. From this site, partners can find information about IBM's recently announced Cloud Computing Specialty, which provides a road map of required skills and training for partners. For partners that market and sell IBM's cloud offerings, information is also available. IBM seminars, training classes, reference publications and other partner resources are also available through **www.ibm.com/partnerworld/cloud**.

Venture Capital and IBM Global Entrepreneur

IBM's Venture Capital Group works with 120 of the world's top venture capital firms and more than 1,300 venture-backed companies to gain insight into emerging technologies. In April 2010, IBM Global Entrepreneur was launched to help start-ups build their business around Smarter Planet. Support and resources like no-charge IBM software, technical enablement resources, mentoring through SmartCamp events, and solution validation are available to start-ups through the IBM Global Entrepreneur initiative.

FUTURE OUTLOOK

Future Partner Program Directions

Growth Initiatives

IBM's 2015 road map focuses on four growth initiatives: Smarter Planet, cloud computing, business analytics, and growth markets. Partners can expect to see training opportunities and specializations emerge around these focus areas to help partners capture opportunity in these areas.

Simplicity

A number of recent changes to PartnerWorld have involved a move toward simplicity. Condensing numerous badges, portals, or incentives into streamlined offerings appears to be just the beginning of the PartnerWorld simplification process. IBM is focusing on ways to make it easier for partners to team with IBM so they can get the most from their IBM relationship.

Growth and Profitability

IBM will continue to focus on helping partners develop the skills needed to help their clients get the most out of their technology investments. IBM's focus on solution selling will continue to strengthen as business units find more ways to collaborate. Many of these solutions will be intended for sale through the partner channel to midmarket customers.

Challenges and Opportunities

IDC believes that the IBM PartnerWorld program is an exceptional example of a partner program from a large software vendor. The program is comprehensive and consistent across products, partner types, and geographies and does not appear to operate in any way as a profit center for IBM. The inclusive nature of the program membership is laudable while still allowing for special recognition of higher-performing partners.

Maintaining this inclusiveness is important. IDC recommends a careful balance between skills requirements, benefit access, and maintaining a welcoming environment for the up-and-coming strategic partner. Legend has it that Thomas Watson, founder of IBM, grew his sales force in times of economic crisis so he was prepared to recapture the market immediately when the economy turned around. IBM partners are part of that sales force. Keeping them engaged and enabled now will keep IBM well positioned for the future.

ESSENTIAL GUIDANCE

Advice for IBM and IBM Partners

IBM continues to offer one of the most robust partner programs in the industry. A steady investment in end-to-end business and technical support under a single unifying program umbrella benefits the vendor and partner alike. Continuing an open membership strategy where the barriers to program entry are kept to a minimum will help the company identify and gain loyalty among the next wave of up-and-coming partner organizations. The extensive amount of human support partners receive from IBM sets the company apart from most other companies in the industry and earns IBM praise from partners that note the resourcefulness and skill of their IBM representatives. Of course, at the end of the day, what partners want most is more business opportunities. Routinely communicating current lead generation and lead passing initiatives to partners will help reinforce the support partners are already receiving. Finding new ways to enhance, monitor, and report on these initiatives will only work in IBM's favor.

New and long-time IBM partners are encouraged to review the benefits available to them and take advantage of the resources IBM offers. Utilization of the road map and planning tools IBM offers will help partners select the most appropriate benefits for their particular business. Two-way communication between IBM and the partner is also important: engage with IBM representatives and other contacts within the organization.

LEARN MORE

Related Research

- *Software Channel Leadership Council Proceedings: Partner Enablement, Online Certification Proctoring, and the View from Asia/Pacific* (IDC #228998, June 2011)

- *IDC's Worldwide Partnering and Alliances Taxonomy, 2011* (IDC #228405, May 2011)

- *IBM Business Partner Update: Smarter Planet, Cloud, Analytics, Growth Markets, and SMB* (IDC #228241, May 2011)

Synopsis

This IDC study presents a review of IBM PartnerWorld, the umbrella program for all IBM partner activities, across all IBM divisions. While many of the program attributes described are available to all IBM partners, some are exclusively targeted at particular partner types and have been noted as such.

"IBM PartnerWorld continues to be one of the most robust partner programs in the industry. A steady investment in end-to-end business and technical support under a single unifying program umbrella crossing business units, segment groups, industry teams, and geographies benefits the vendor and partner alike." — Mira V Perry, senior analyst, Software Channels

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