

PartnerWorld for Software Broadcast I 2002 Series

**Succeeding Together in 2002:
A Frank Discussion on
Marketing Strategies and
Programs**



April 18, 2002



Agenda

- Welcome
 - Kim Lockwood, Business Unit Executive, Software Channel Marketing, Americas
- 2002 Small and Medium Business (SMB) Marketing Programs
 - Joe Vedda, Program Director, Americas Software Partner Marketing Programs
- 2002 PartnerWorld for Software Benefits
 - Colleen Campbell, Program Manager, PartnerWorld for Software
- 2002 PartnerWorld for Software Requalification
 - Joe Vedda, Program Director, Americas Software Partner Marketing Programs
- 2002 PartnerWorld for Software Technical Support
 - Colleen Campbell, Program Manager, PartnerWorld for Software
- 2002 PartnerWorld for Software Communications
 - Carol Anderson, Communications Program Manager, PartnerWorld for Software
- Top Contributor Initiative - 2002
 - Teri Austin, TCI Program Manager, PartnerWorld for Software
- Co-Marketing Software Offerings
 - Teri Austin, TCI Program Manager, PartnerWorld for Software

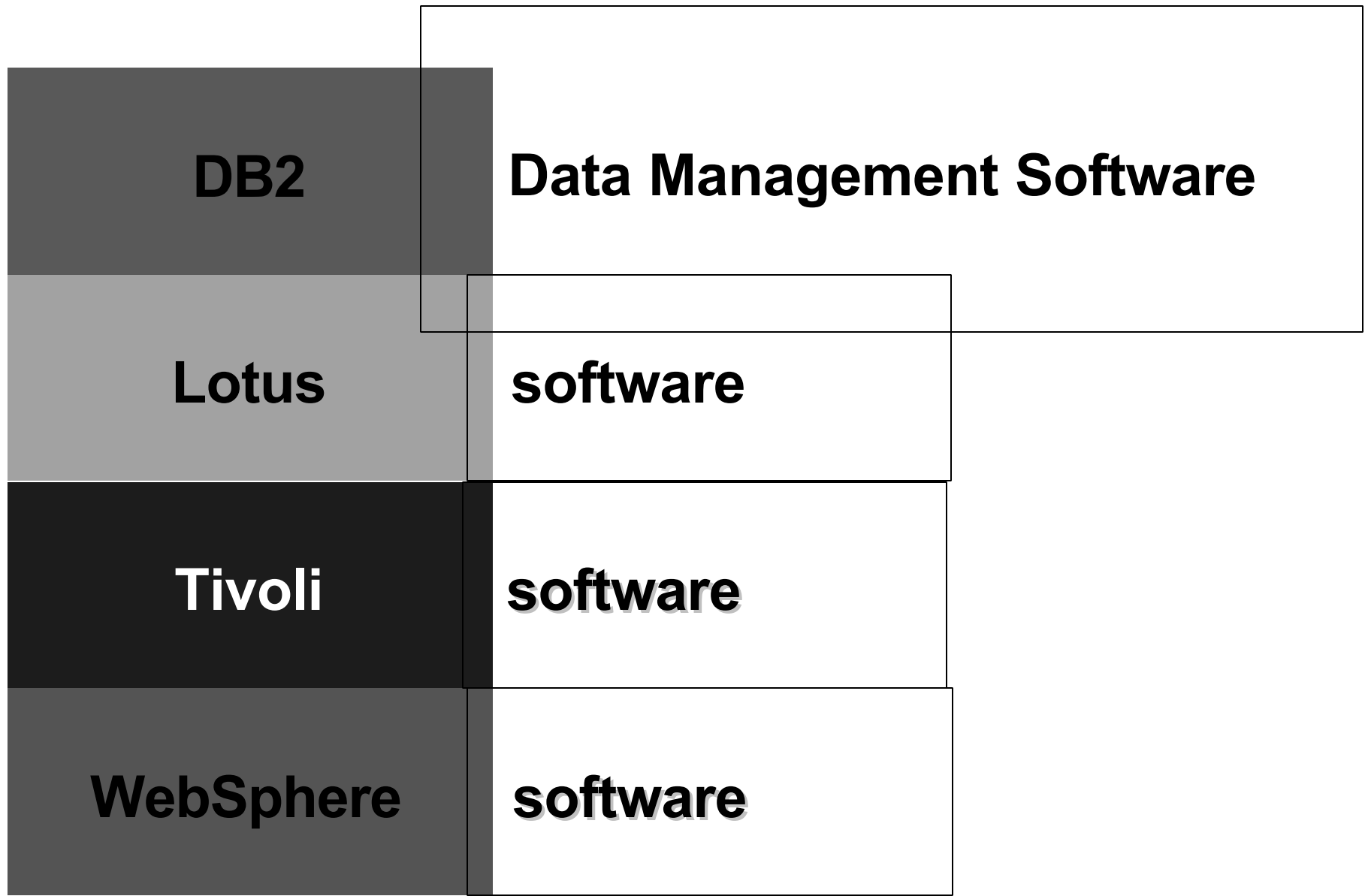


PartnerWorld for Software Business Executive Perspective

Kim Lockwood, Business Unit Executive
Software Channel Marketing, Americas



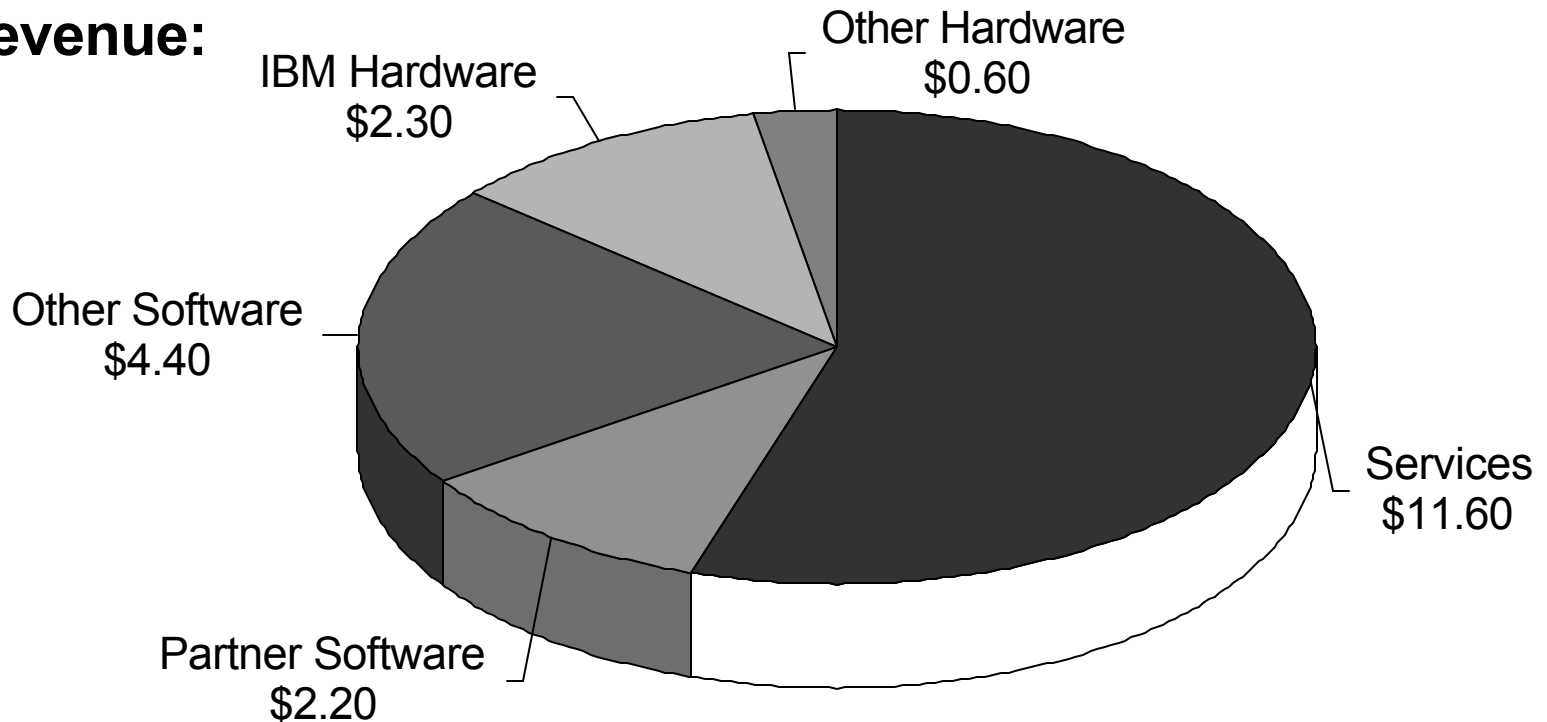
IBM Software Power Brands



IBM Software Leads to \$21 of Other Revenue

Every dollar spent on IBM software generated for partners an average of \$20.70 on related software, hardware, and services.

\$1 Leads to Other Revenue:

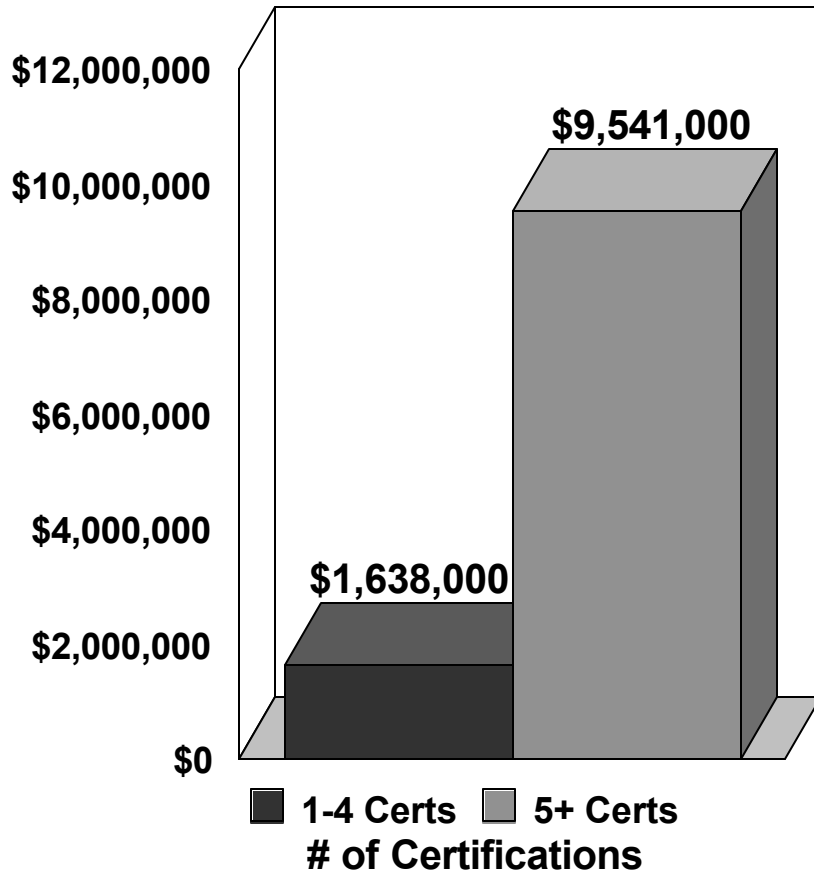


North America

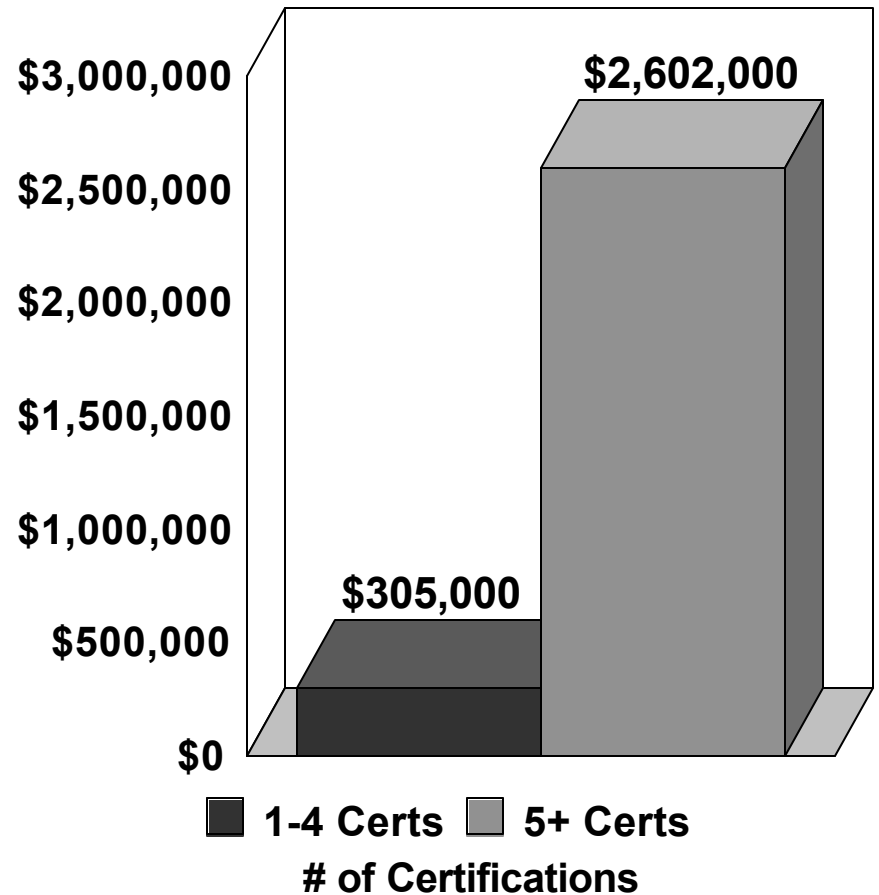


Revenue and Total Profits are Higher for Partners with More IBM Certifications

***Avg Partner Revenue by # of Certifications**



***Avg Partner Profits**



*Based on Partners' Customer Engagements Built on IBM MW



Partners with More Certifications Show Faster Sales Cycles

- Partners with 5+ Certs Show a Faster Sales Cycle by Nearly 4 Months

Average Months to \$200K of Partner's Product/Service Revenue into a Single Customer*	1-4 Certifications	5+ Certifications
1st \$100K engagement	8.5	6.6
2nd \$100K engagement	9.0	7.3
Avg # of Months	17.5	13.9


4 Months Faster

PartnerWorld

2002 PartnerWorld for Software Benefits

**Colleen Campbell, Program Manager
PartnerWorld for Software**



Criteria

Criteria Category	Advanced	Premier
Sponsorship	<ul style="list-style-type: none"> • Sponsorship by IBM Sales Management 	
Business Relationship	<ul style="list-style-type: none"> • Approved Business and Marketing Plan • Monthly Forecasts & Quarterly Business Reviews 	
Annual Revenue Attainment	<ul style="list-style-type: none"> • \$300K (USD) of Enterprise plus Midmarket Revenue OR • \$100K (USD) of Midmarket Revenue 	<ul style="list-style-type: none"> • \$450K (USD) of Enterprise plus Midmarket Revenue OR • \$150K (USD) of Midmarket Revenue
Skilled Individuals	<p><u>3 SKILLED INDIVIDUALS</u></p> <ul style="list-style-type: none"> • 2 Technical Certifications • 1 Sales Skill / Certification 	<p><u>8 SKILLED INDIVIDUALS</u></p> <p>Resellers</p> <ul style="list-style-type: none"> • 5 Technical Certifications (at least 2 Power Brands) • 3 Sales Skills / Certifications <p><u>8 SKILLED INDIVIDUALS</u></p> <p>Influencers</p> <ul style="list-style-type: none"> • 6 Technical Certifications (at least 2 Power Brands) • 2 Sales Skills / Certifications
Customer References	<ul style="list-style-type: none"> • 3 Customer References 	<ul style="list-style-type: none"> • 5 Customer References
Demo Capability	<ul style="list-style-type: none"> • Capability to demonstrate at least one Power Brand 	



Benefits Overview by Program Level

Premier
Advanced
Member

- IBM Business Partner Title
- Web-based Signature Sales Resource
- Executive Assessment
- Campaign Designer
- Business Partner Connections*
- Listing in SW Directory*
- Web-based Selling Guides & Tools
- Web-based Self-help Tech Support
- IBM Global Financing
- Membership Centre Hot Line
- Business Partner Communications
- We Pay Offerings - \$3K Cap
- TechLine (Pre-sales Tech Support)
- Q & A Forums for Tech Support*
- Demo and Evaluation Software
- Run Your Business Software Licenses for Internal Business Use
- Sales and Marketing Cd-Rom Kits

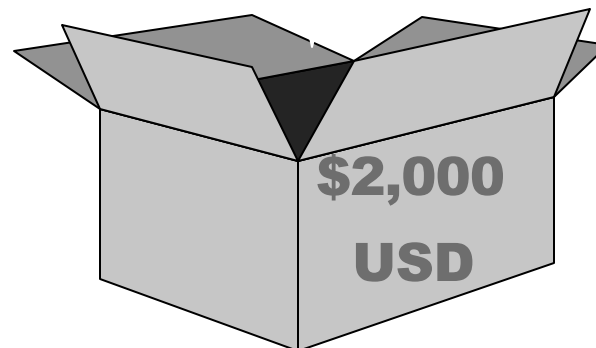
- IBM Business Partner Emblem & Plaque
- IBM e-business mark
- Field Sales or Telesales Contact
- Business & Mktg. Plan Development
- We Pay Offerings - \$9K Cap
- Technical Mentoring
- Trade Show Booths
- Marketing Support Advantage

- Sales Mentoring
- We Pay Offerings - \$50K Cap
- Critical Implementation, Onsite Tech Support
- Private Q & A Tech Support
- Public Relations Support



Value Package for Software

"We Pay" Education Reimbursements
"Demo & Evaluation" and "Run Your Business" Software
Technical Sales Support
Technical Mentoring
Web-based Solution Support
Critical Implementation Support
Marketing Support Advantage
Public Relations Support

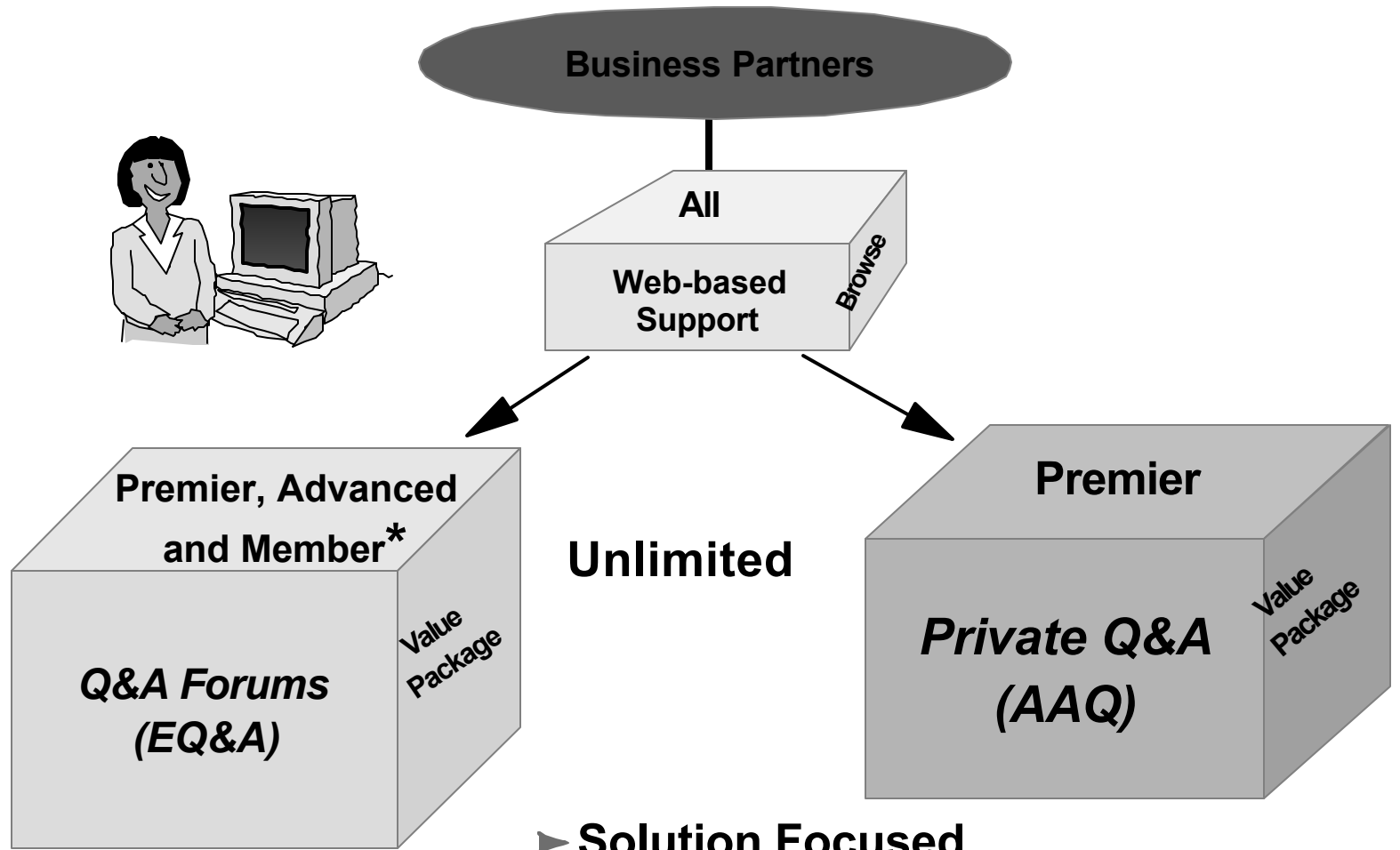


2002 PartnerWorld for Software Technical Support

**Colleen Campbell, Program Manager
PartnerWorld for Software**

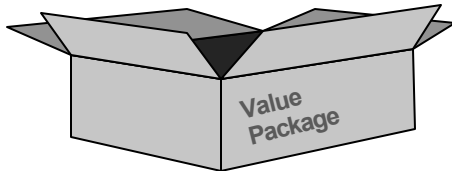


Web-based Technical Support

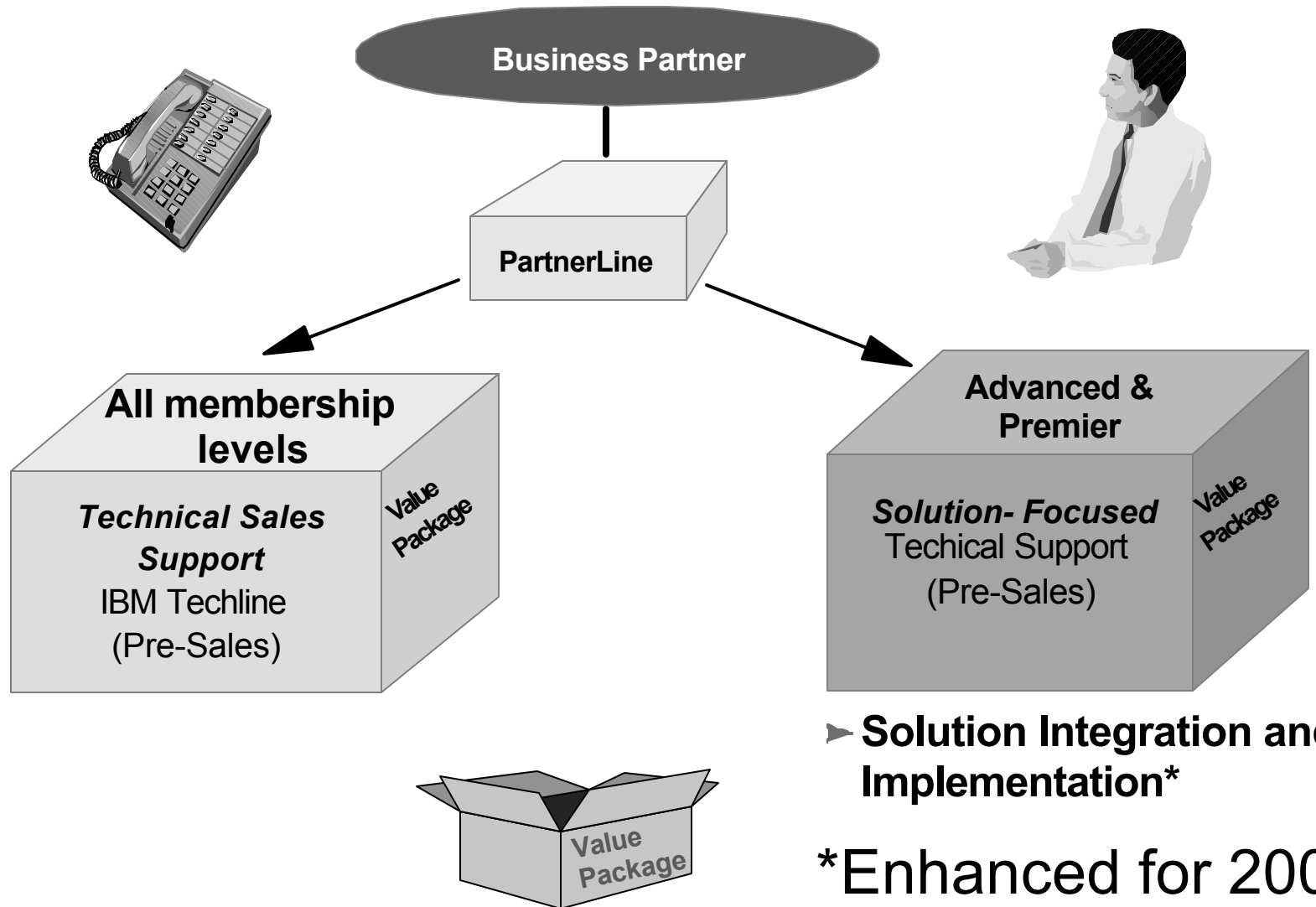


* 1 Technical Certification Required

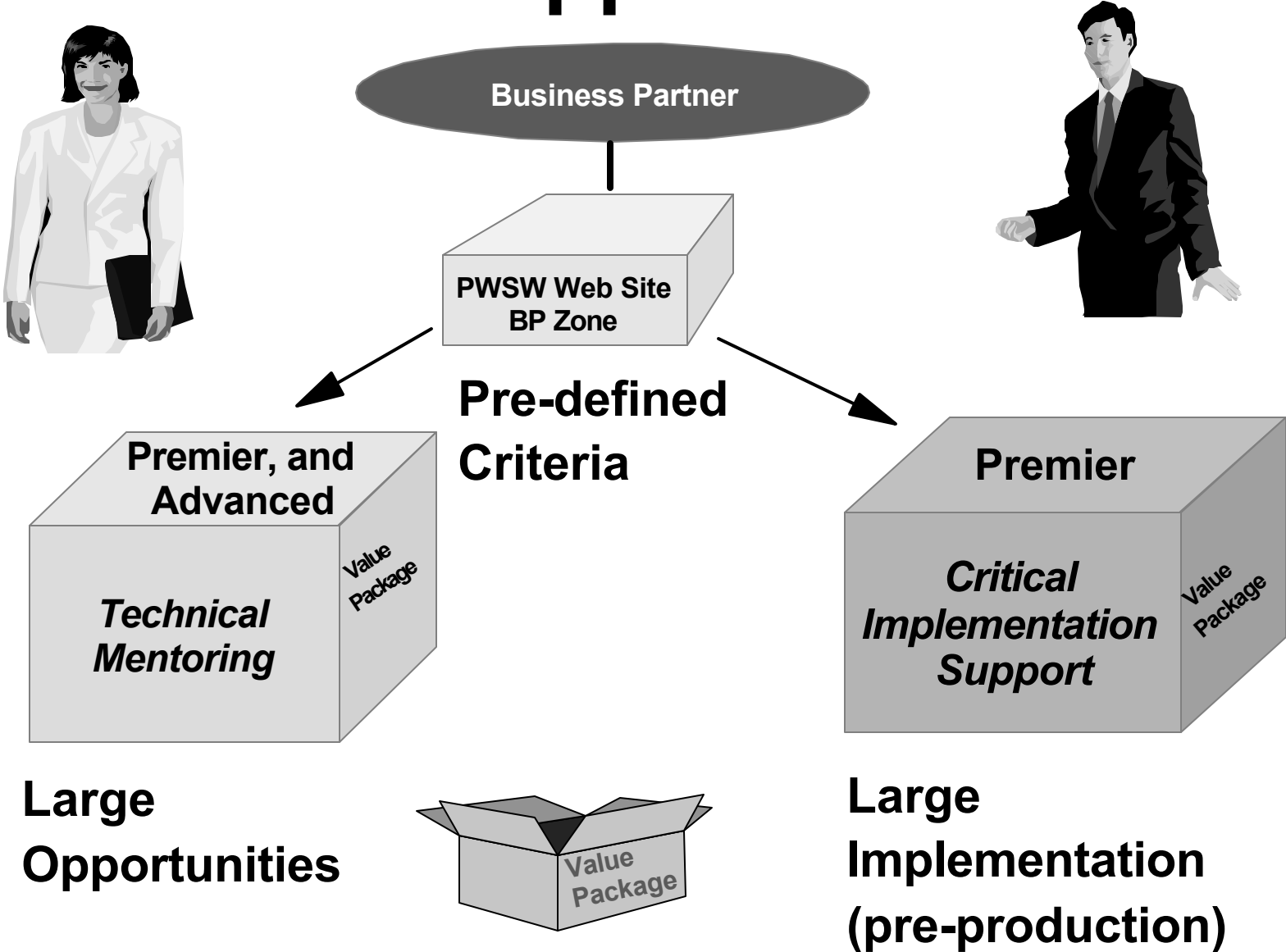
- ▶ Solution Focused
- ▶ Solution Integration and Implementation
- ▶ Enhanced for 2002
- ▶ Value Package Required



Voice Technical Support



On-Site Technical Support



New for 2002



2002 PartnerWorld for Software Communications

Carol Anderson, Communications Program Manager
PartnerWorld for Software



Membership Centre & Tech Support

Voice Response Unit: 800-426-9990*

OPTION 1

Techline for Pre-sales support on eServer hardware, storage and software, including Lotus and Tivoli.

- 1- Software Solutions
Including Lotus Domino
 - 1- WebSphere, Host Publisher, Websphere Studio*
 - 2- Content Management Software
 - 3- Data Management
 - 4- Transaction Software (MQSeries, TXSeries)
 - 5- Lotus Products
 - 6- Business Connect, Pervasive and Secureway
 - 7- Application Development

- 2 - eServer Hardware and System Software
 - 1-iSeries*
 - 2-pSeries*
 - 3-zSeries Software*
 - 4-zSeries Hardware*
 - 5-xSeries

3 - Storage and Networking

4- Competeline

5 - Retail Store Systems

6 - Printing Systems

OPTION 2

PartnerWorld for Developers or Solution-focused support.

- 1 - Membership Center
- 2 - PartnerWorld for Developer or Solution-focused Support

OPTION 3

PartnerWorld for Software Membership Centre

OPTION 4

Other Support

- 1 - Global PartnerInfo and IBMLink
- 2 - IBM Certs
- 3 - Federal Gov 508
- 4 - Other

*Press option 0 at anytime to be connected to an agent.

*Additional suboptions



PartnerWorld

Top Contributor Initiative - 2002

Teri Austin, TCI Program Manager
PartnerWorld for Software



Top Contributor Initiatives

- Market Growth Fee - focus on revenue generation
 - Consistent YTY
 - Pay for performance
 - bottom line impact for the Business Partner
- Co-Marketing - linking Business Partners' marketing to IBM
 - Link Business Partner and IBM marketing efforts
 - Enable Business Partner to leverage IBM "air cover"
 - Shift some mid-market demand generation to Business Partners
- Now You! - energize your sales force
 - Sales incentive program
 - Give the Business Partner Principal a stake in the game - Grand Prize
 - Business Partner Principal can register sales reps
 - ▶ Sales reps earn points that can be redeemed for prizes



Top Contributor Initiatives

- What's new in 2002
 - Co-marketing funding increase for resellers
 - Loyalty Program: Resellers required to select one Distributor of their choice (Preferred Distributor) - Market Growth Fee and Now You benefits only paid on eligible revenue from Preferred Distributor
 - Reselling ISVs participating in the SII program will receive full MGF and Now You TCI benefits upon approval - no co-marketing
 - New status - Approved pending attainment
 - New initiative for Influencers - MGF & Co-marketing
 - Dual Sponsorship in PartnerWorld for Software and TCI

2002 Criteria - Resellers and Influencers

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2002 Top Contributor Qualification

- **RESELLERS**

- Approved Business/marketing plan
- Agreed to revenue target for 2002 (min. \$100K)
- \$100K of revenue in 2001

- **INFLUENCERS**

- Approved Business/marketing plan
- Agreed to revenue target for 2002 (min. \$150K)
- Sponsored by Geo. & Brand
- Must not have done more than \$25K in Re-sale Midmarket revenue or 50K total in 2001 or YTD via Passport Advantage.

Incentive Offerings

- Market Growth Fee - focus on revenue generation
 - Resellers 6%, 12%, 18%
 - Influencers 4%, 8%, 12%
 - Influencers are eligible for a flat 5% MGF on Enterprise sales if have chosen the enterprise or GMB/ENT. option at enrollment. Resellers are eligible for Midmarket Revenue only
- Co-Marketing - linking Business Partners' marketing to IBM
 - Resellers 5% Influencers 3%
 - Marketing tactics must focus on Demand Generation in the midmarket space
- Now You! - energize your sales force
 - Sales reps can receive approximately \$1 (USD) in prizes for every \$100 (USD) in midmarket revenue
 - Must register for Now you via Web site when approved in TCI
 - Offer only valid for Resellers



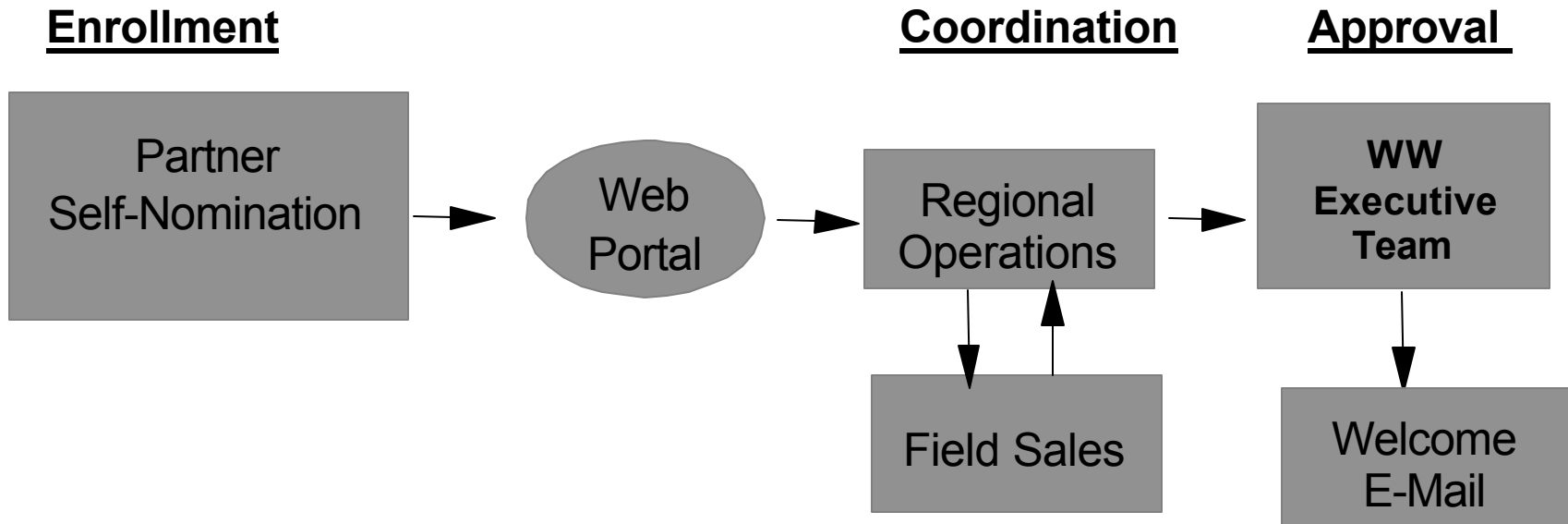
TCl Enrollment/Approval Process

What: The final step for participation TCl initiative

Who: Business Partners (*Tier 2 resellers & influencers*) who have meet PWSW sponsorship criteria and wish to participate in the TCl Initiative

Why: To provide additional benefits to partners who wish to extend our efforts in the GMB space through sales & marketing

How: All 2001 TCl enrollments - Automatically enrolled into 2002 initiative. Net New 2002 partners (resellers & influencers) self enrollment via PWSW Membership Center Website.



Websites/Numbers to Remember

- Partnerworld for Software
 - www.ibm.com/partnerworld/software
 - Enrollment URL for PWSW & TCI
www.ibm.com/partnerworld/software
BPZone-> Membership Centre-> 2002 Membership Basics
- Now You Enrollment
 - www.nowyou.com
- Harte Hanks Lead Mgmt Website
 - mms.harte-hanks.com/800-859-9618
- Partnerline
 - 800-IBM-9990
- Opportunity Registration Desk
 - 877-426-7402



Co-Marketing Software Offerings

Teri Austin, TCI Program Manager
PartnerWorld for Software



What is SW Business Partner Co-Marketing?

- Co-Marketing is:
 - Targeted marketing offerings that enable IBM Software business partners to generate their own autonomous software leads, revenue, and pipeline.
 - Co-funded means:
 - ▶ IBM and Business Partner both pay for marketing tactic execution
 - Co-Marketing enables BP's to:
 - ▶ Leverage IBM's annual \$400m software advertising spend
 - ▶ Generate their own demand
 - ▶ Leverage IBM corporate and brand Campaigns



Leverage Key IBM SWG Corporate & Brand Campaigns

SW Co-Marketing ties to key Channel Plays in 2002

- SMB Marketing Programs
 - Retain & Grow, New Acquisition, Packaged Apps
 - Start Now, including new ISV "Solutions Proven"
- Corporate Campaigns - e-business infrastructure & One Voice
- Key Brand Campaigns
 - Websphere - Business Needs, Infrastructure Needs, Portals
 - Data - Content Management eDynamics, DB2 Serving up Profits
 - Lotus - Competitive Wins, Winning Strategies, Incumbency Cross Sell
 - Tivoli - Entice, Customer Satisfaction



2002 Co-Marketing Offerings

- Direct Marketing -
 - "How to use Direct Marketing as an integral part of your Marketing Plan"
 - Campaign Designer - Customizable Option for SWG & Corp Campaigns - pre-approved
 - Direct Mail - pre-approved
 - Advertising, Web Banners, Email Blasts - pre-approved
- Telemarketing -
 - "How to use Telemarketing as an integral part of your Marketing Plan"
 - Campaign Designer - Customizable Option for SWG & Corp Campaigns - pre-approved
 - Telemarketing - Telemarketing scripts - pre-approved
- Seminars / Events -
 - "How to use Seminars/Events as an integral part of your Marketing Plan"
 - Traditional Seminars / e-seminars - pre-approved
 - Events - ie. Trade Shows, Breakfasts, etc.
- New "How To" Tools Enhancements - Online help for BP's "How to's"
 - "How to do effective Co-Marketing"



Partner Co-Marketing \$\$\$ Access

- 2002 TCI Reseller / Influencer Access to Funds
- TCI Approved for Benefits Resellers- those who achieved their target SMB revenue in 2001 or YTD 2002, AND have approved 2002 plans;
 - Can access \$5K in co-marketing funds, up to 50% of their 2002 funds, upon approved for benefits
 - Can access the remaining 50% of their 2002 funds upon achieving 50% of their 2002 SMB revenue target
- TCI Approved, Pending Revenue Attainment Partners includes;
 - TCI Resellers who did not achieve their 2001 target, & new TCI Resellers,
 - All TCI Influencers
 - Can access 4.5K or up to 50% of their 2002 funds upon approved for benefits
 - Can access the remaining 50% of their 2002 funds upon achieving 50% of their 2002 SMB revenue target



2002 Reimbursement Required Reporting"

- Leads formally entered into HH Lead Tracking System
 - Responses
 - Leads and Pipeline generated
 - Revenue closed and forecasted
 - Updates regularly
- New customers acquired
- SMB Revenue closed vs Lead Management Reported
- Response rate to telemarketing
- Response rate to direct mail send
- Customer attendance at BP seminars



Web Sites Referenced

- **IBM PartnerWorld for Software**
 - www.ibm.com/partnerworld/software/zone
 - Enter User/ID and Password
- **IBM Learning Services Network**
 - www.ibm.com/services/learning/satellite, or
 - www.etnetworks.com
- **Web based Technical Support**
 - www.ibm.com/partnerworld/software/zone
 - Technical support -> Web-based Support -> Solution Integration and Implementation Support
- **Now You**
 - www.nowyou.com
- **Harte Hanks Lead Management**
 - mms.harte-hanks.com



Remote TV Sites (CompUSA, PartnerWorld I)

- Input from remote TV sites
 - Fax comment sheets to 972-280-6394

Thank You

- Thank you for your attendance and support of IBM PartnerWorld for Software
- We appreciated your input today
 - Additional input
 - ▶ Membership Centre at 1-800-IBM-9990
 - ▶ FAX 1-972-280-6394
 - ▶ E-mail
PWSWNA@US.IBM.COM

