The State of Partnership Leaders 2024



The **definitive Industry** report for Partnerships, Channel, Alliances, and Business Development Professionals and Executives.

PARTNERSHIP LEADERS

Featuring expert contributions from

and many more



Asher Mathew
CEO & Co-Founder
Partnership Leaders

PARTNERSHIP LEADERS

Dear Partnership Leaders,

We understand the crucial need for accurate benchmarks and data in the partnerships industry, we've developed this report to support your strategic discussions and decision-making processes internally. It's designed to provide partnership leaders worldwide with clear, actionable insights that can help guide your organizations and provide referenceable facts for your leadership teams.

Partnership teams are pivotal to their companies, contributing over 25% of company revenue with teams often smaller than five members. These teams frequently lack adequate training and support necessary for optimal performance. The report also points to common challenges including misalignment with sales departments, difficulties in goal-setting with leadership, and constraints in securing sufficient budgets to enhance team capabilities and access to essential tools.

We encourage you to use this report as a foundational tool in your strategic communications. It's structured to directly support your discussions with executive leadership, providing robust data and expert insights that you can integrate into your strategy presentations, budget proposals, and plans for team expansion.

By equipping you with reliable data, our goal is to empower your teams to secure the necessary resources and recognition needed to grow and succeed.

Partnerships are the future of business, we are excited to be building that future together with you!

Asher Mathew
CEO, Partnership Leaders



Tai Rattigan

Co-Founder & COO
at Partnership Leaders

Tai has over 15 years of experience building partnerships & BD teams at

AMERICAN EXPRESS · Optimizely · GGVCAPITAL · Amplitude · deel.

Note from the Author on our Methodology and Objectives

When I set out to develop this report, we had a single objective in mind: give Partnership Leaders the best possible data and benchmarks to make strategic decisions. When we asked leaders in the industry what their biggest challenge was, we most often heard that there are no good benchmarks for Partnerships KPIs, organizational design, performance, or when they do exist they're from a source their finance team didn't believe!

We needed to achieve three things which had never been done before:

1. Create a report which identified and collected the most important data for Partnership Leaders to make strategic decisions.
2. Be an industry leading trusted source and recruit impartial contribution from verifiable experts.
3. Build the report in a format which can be used in presentations, business plans, slack conversations, etc.

This was a tall task for our team, but one that we felt an enormous responsibility to endeavor to accomplish. The conclusions and recommendations are my best efforts to turn fresh industry data into tactical tools which Partnership Leaders can add to their kit to have confidence in their decisions and get more from their organizations. We might look back on this in the future and laugh at some of it, but I know that it will be from a place where Partnerships organizations have been elevated considerably from where they are today!

The data and conclusions presented throughout this report were collected by the Partnership Leaders team through interviews, surveys, and analysis of top partner organizations unless otherwise stated. Each survey has a minimum of 100 respondents, and the questions were carefully designed to gain an unbiased view of how Partner Organizations are being operated.

The conclusions were drawn from the data rather than finding data to support our conclusions!

Partnerships Industry Review

We define Partnership professionals as anyone currently in a Partnerships, Channel, or Alliances role. When we started tracking this metric in 2018, there were ~300K Partnership professionals globally. We have seen a 50% increase since then.

Global Partnership Professionals

450K+

Partnerships, Channels, and Alliances professionals Globally

270K	152K	28K
Partnerships	Channels	Alliances

Geographic Distribution

Partnership professionals are more evenly distributed than we expected between three primary business territories - NA, EMEA, & APAC. This illustrates the global nature of the partnership function, often being the tip of the spear for international growth and expansion. It would serve to assume that most Partnership teams should also have representation across these regions where business is appropriate.



170K	140K	120K	20K
North America	EMEA	APAC	Other



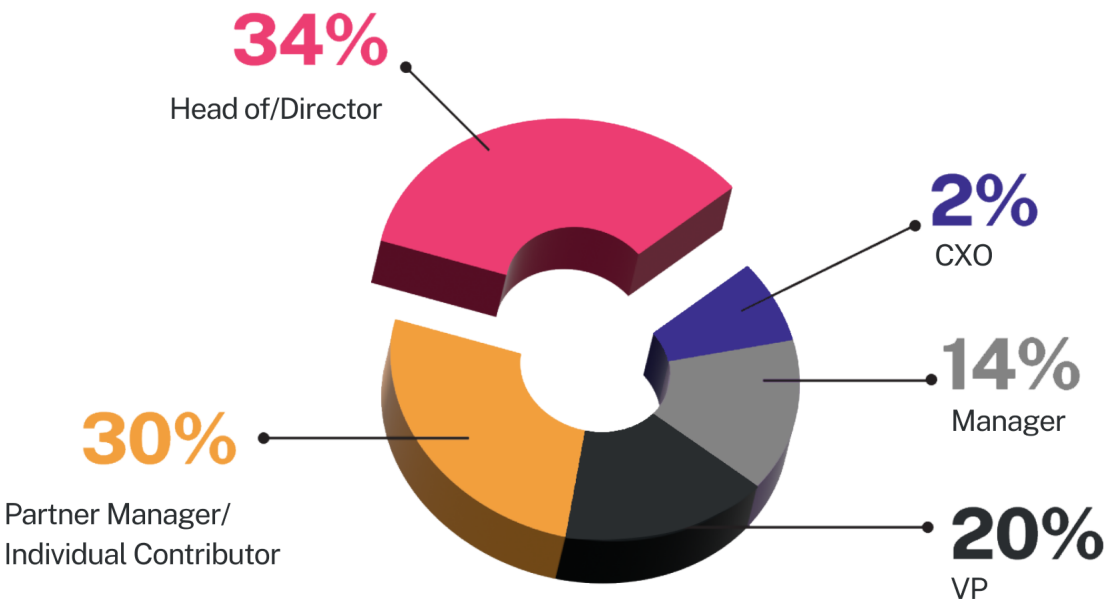
I have spent the last 24 years plus working across partnerships. Witnessing firsthand the evolution of the roles, perceptions of our work, as well as aspirations for what ecosystems of partners can bring to businesses in every sector is incredibly inspiring.

In addition, it's fantastic to see how the roles are taking hold globally. Reflecting new opportunities as well as innovation in the business. At the risk of sounding clique, it's clear that we are just started. There are incredible opportunities ahead for those of us in (as well as interested in) this line of work.

Jack Grey
Global Head of Alliance Ecosystems and Partner Programs, BCG

Seniority of Partnership People

We took a sample of the industry to analyze the most common titles and seniority of Partnerships professionals worldwide.



At **34%**, the largest group of Partnership professionals are Heads Of and Directors, who are responsible for a Partnerships function. This is most often the first hire for a partnerships team, where someone is tasked with both developing a strategy and executing on it. There is also a large group of VPs, at **20%**, where we are observing a trend where Partnership professionals are being promoted to the Executive Leadership Team as partnerships are seen as a both a lever for scalable growth and competitive advantage.

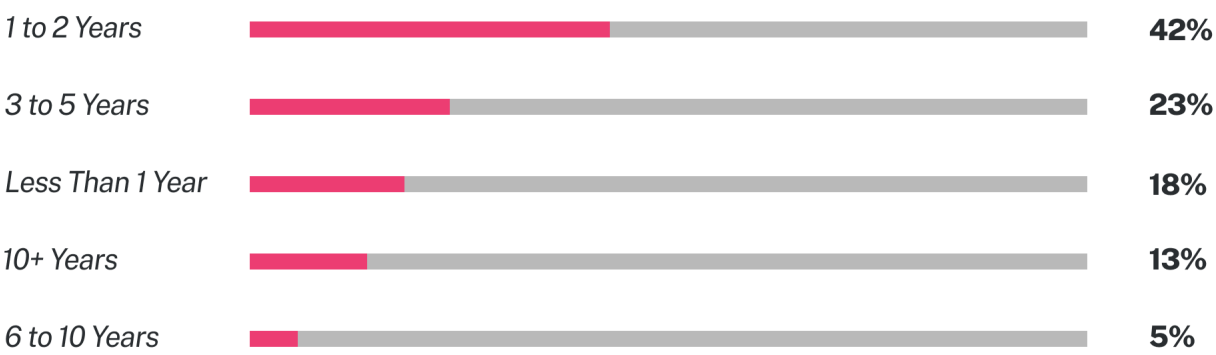
There are still relatively few CXOs dedicated primarily to the Partnerships Organization - we are seeing growing numbers of Chief Partner Officers (CPO), as explored in our CPO Report, but this is certainly an early trend.

Mobility of Partnership Roles

Time in role

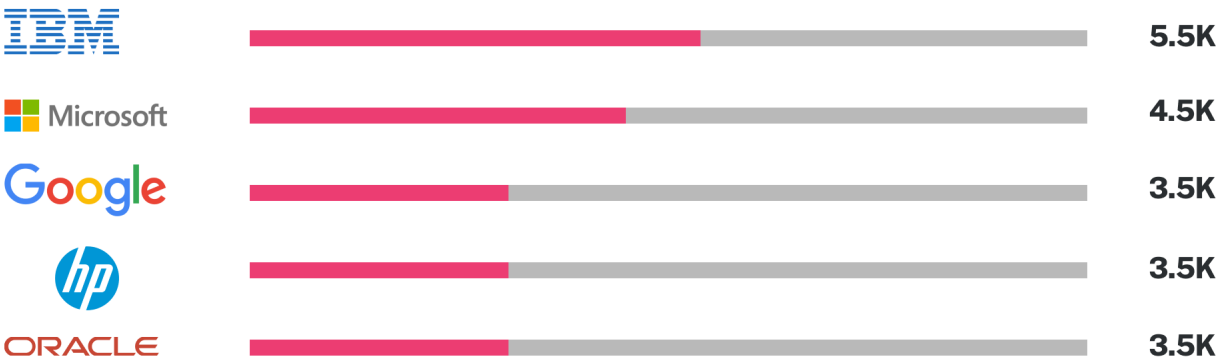
We analyzed the time spent in the current role as an indicator of job mobility in the Partnerships industry. Around **42%** of Partnership Professionals have only been in their role for 1-2 years, with a further **23%** still in the first year of their role. This would indicate considerable mobility in the Partnerships industry with new people joining, finding new roles, or gaining promotions.

Only **18%** of Partnership Professionals have been in their role for 5+ years, which further indicates our industry's evolution and growth. There is also a deep well of knowledge among these people that can be gathered and shared - something we're focused on at Partnership Leaders.



Previous Company

We also thought it would be interesting to analyze the previous employers of Partnership Professionals in the industry to see if we could identify which companies were producing the most partnerships talent.



Future Outlook

The future of partnerships in 2024 looks highly promising, with a substantial **80%** of companies planning to increase their focus on partnerships. This strategic shift aligns with the overarching goal of achieving revenue growth, which **80%** of respondents identified as their primary aim. That being said, the continued impact of layoffs has teams concerned for the roles - **48%** of respondents felt their job is or might be at risk.

Partner Sourced revenue contributes significantly to overall company revenue with **46%** of respondents saying they generate more than **25%** of their total company revenue, and an impressive **20%** of respondents generating more than **50%** of revenue. Also notable is the forecast that partnerships will continue to be a major revenue stream in the coming year.

In terms of technology, AI and Machine Learning stand out as areas where Partnership Leaders are expecting innovation. When prioritizing Partner Technology investments, Account Mapping tools take precedence, indicating a focus on strategic alignment and efficiency. For the C-Suite, Partner Sourced revenue is crucial for approving partnership technology budgets, reflecting the importance of tangible financial outcomes.

Overall, optimism about the growth of partnership teams is evident, with half of the surveyed companies planning to expand their teams in 2024!



Jack Grey
Global Head of Alliance Ecosystems and Partner Programs, BCG

BCG

"As anyone who has worked in partnerships can attest to; recognizing and rewarding value from your ecosystem can be extraordinarily challenging. At the same time, it is essential. In addition, driving the right kinds of behavior and engagement that ultimately drive to those outcomes can be the trickiest part. Ultimately those indicators of value we look for are simply reflections of getting those things right up until that point of measure that enable the outcome (rather than the focus itself).

Those are among some of the reasons that we decided to build our program on a diversity of value exchanges across commercial, offering, talent as well as brand development elements with the notion of client value as our north star. We refer to these as our core program elements which then inform and fuel, investments, and outcomes across our ecosystem.

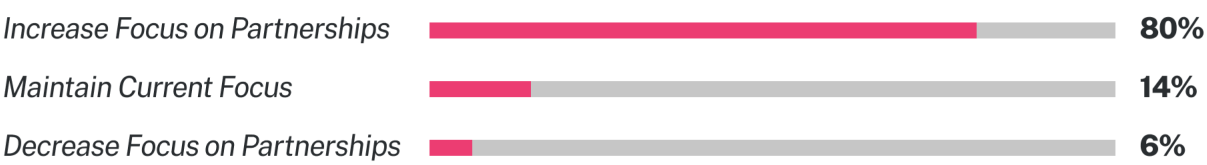
The complementarity and interoperability both across these elements as well as partners in our ecosystem; enable BCG to bring the best perspectives, insights and capabilities to the clients and communities we serve.



Kelly Stratman
Global Ecosystem Enablement Leader, EY

It is critical to differentiate partner deals with other leads from demand generation campaigns. Leads from traditional demand gen are essentially unqualified, but if you pay to attend a partner event or invest in partner activities, the leads generated are more qualified because they're interested in the relevant technology. They're likely already customers of the partner who have made purchasing decisions. Even with a large event like SAP Sapphire, we can generate a billion dollars in pipeline versus spending that money on broader generic campaigns, which will have lower efficacy.

How much focus will your company put on Partnerships in 2024?



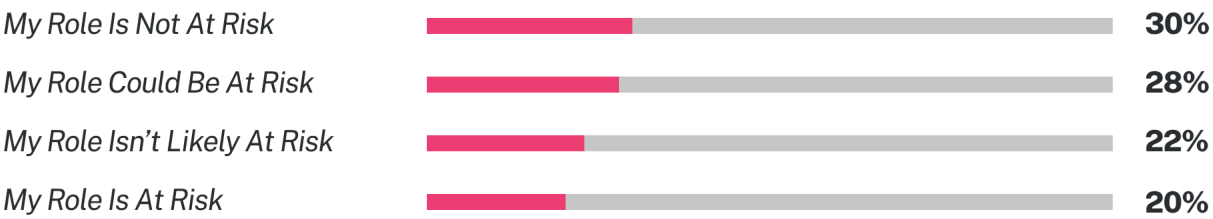
A significant **80%** of companies aim to increase their focus on Partnerships, indicating a strategic pivot towards leveraging Partnerships for growth.



In order for companies to achieve the growth they project, relying on a sales and marketing team is not sufficient in 2024. Having a partnerships leader, and a team under them, helping to drive growth is a recipe for success in 2024 and beyond.

Clinton Senkow
Managing Director at Senkow Ventures

How confident are you in your Partnerships job security in 2024?



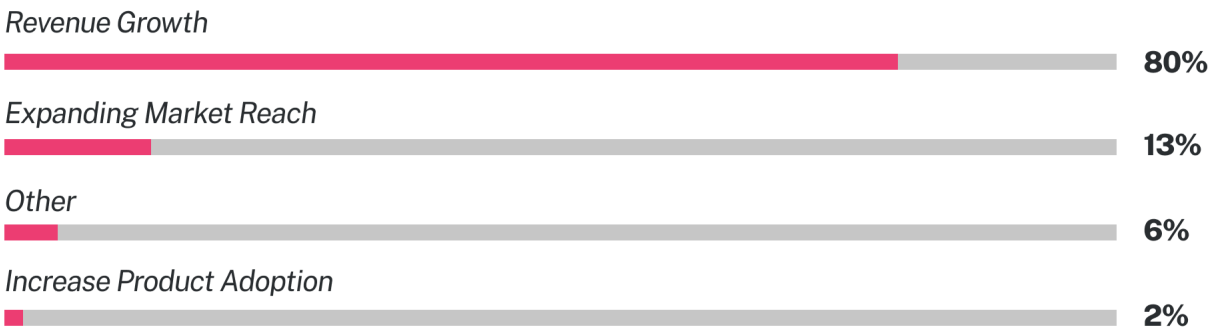
48% of respondents believe their role is, or likely to be, at risk. This underlines the challenges Partnership Leaders are navigating in the current economic climate. Despite the increased focus on Partnerships as a priority, there is still large perception of job insecurity.



In an era where the bottom line defines success, those who master the art of sourcing revenue through partnerships, channel sales, and strategic alliances possess the golden key to job security. For these professionals, their expertise isn't just a career; it's the company's lifeline to prosperity.

Mary Vue
VP of Marketing and Partnerships at Syncari

What's your main Partnerships goal for 2024?

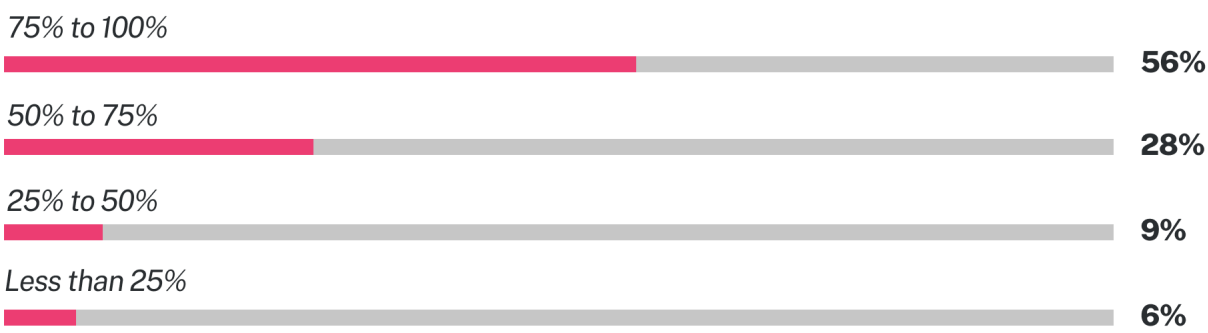




Identifying clear, achievable goals can serve as a roadmap for the evolution of your partner program. Companies should leverage these goals to create program structures that incentivize and motivate their partners to drive performance and ultimately achieve sustainable growth.

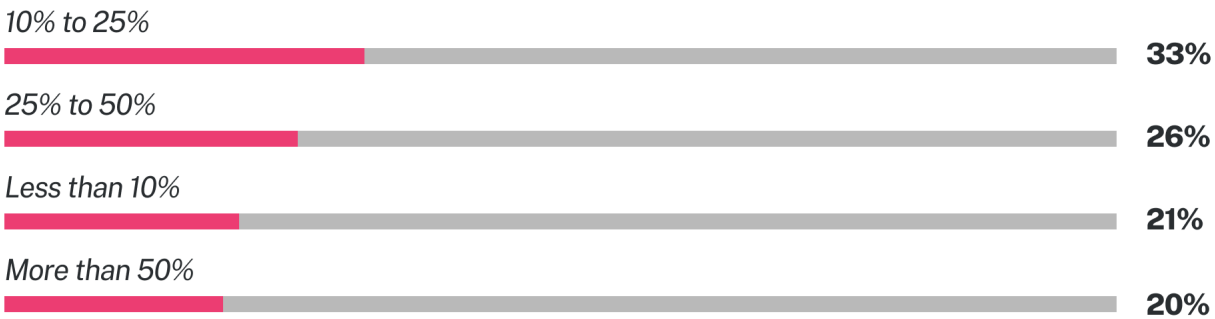
Karlyn Bentley
SVP of Client Partnership at Ansira

How confident are you that your Partnerships team will exceed their goal in 2024?

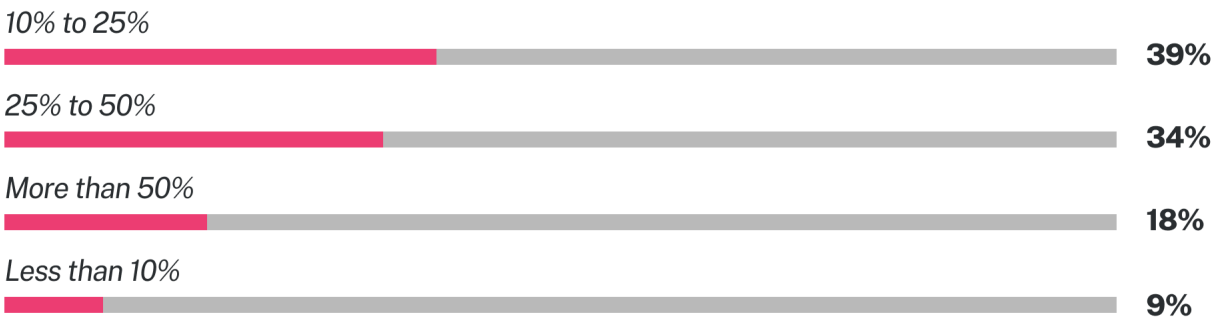


More than half of all respondents have high conviction of exceeding their goals coming into 2024, despite economic challenges. Only **15%** of respondents were less than **50%** confident of exceeding their goals.

How much does Partner Sourced revenue contribute to your overall company revenue?

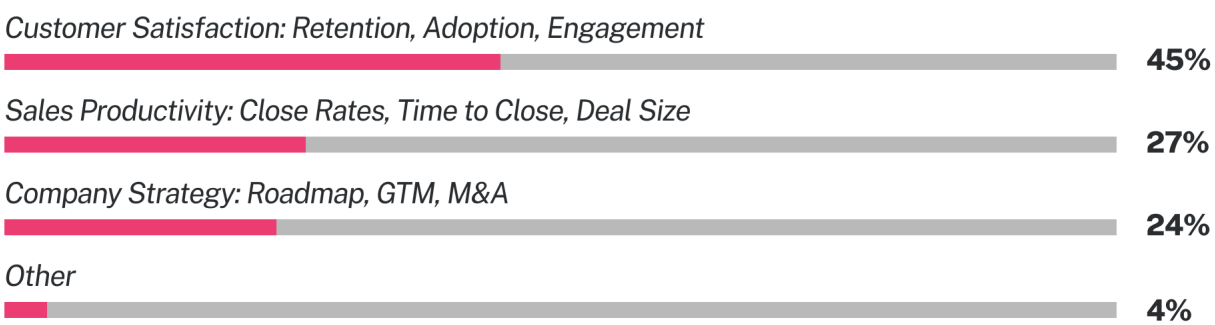


What percentage of company revenue are you forecasting will come from partners in 2024?



The forecast suggests an optimistic view of partnerships, with a majority expecting Partner Sourced revenue to either grow or maintain its substantial contribution to the company's financial health.

Outside of sourced revenue, what metric is your company most interested in partners impacting?



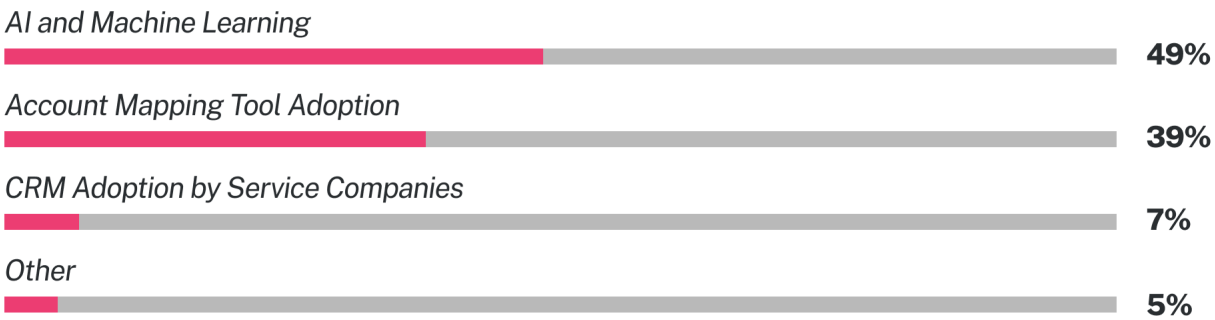
The emphasis on customer satisfaction as a key metric impacted by partnerships underscores the value of partnerships in enhancing customer experiences and loyalty over time. We have encountered several partner teams who roll up into the Product organization where the priority is to increase product adoption and retention.



I have been a big proponent of Partner integration impact on improving retention and reducing churn rates. At my current company, we see that our lifetime value (LTV) is 2x for customers using an integration vs those that do not. We also see that the churn rate is 30% of non-integrated account. Imagine-1/3 lower churn! I've now seen this same results exhibited at ~3-4 companies and feel that this should now be a commonly recognized benefit of partnerships.

Mike Stocker
VP of Partnerships at CallRail

What new technology has the biggest potential to transform partnerships?



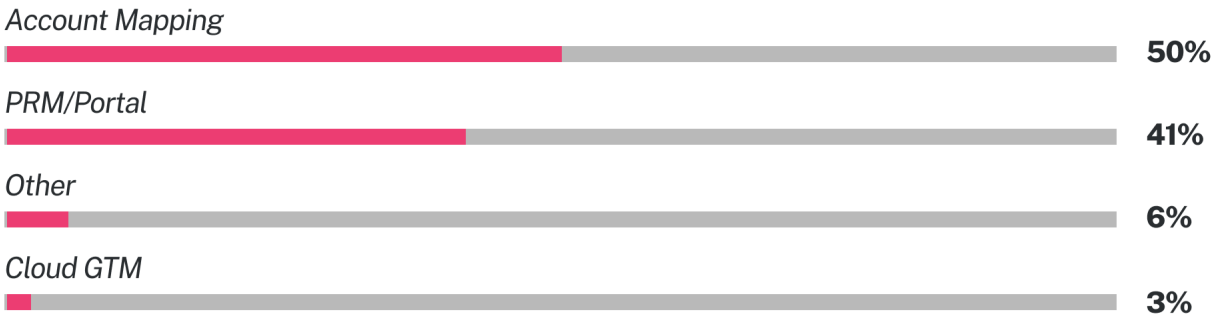


AI is everywhere. It is simultaneously something we cannot avoid hearing about tirelessly in the news; as well as ever-present in our daily lives. While it feels like something new, we have been focused on it for years helping to craft and direct AI capabilities to drive responsible and durable solutions to real-world opportunities. It logically follows that we have continually adapted our partner ecosystem to meet the need working with today's major providers as well as identifying new entrants that will help shape our capabilities and inform our teams to being the very best to the clients and communities we serve.

Jack Grey
Global Head of Alliance Ecosystems and Partner Programs, BCG

Despite the excitement for AI and Machine Learning tools in 2024, we are yet to see significant investment in AI by current Partner Technology providers or new companies emerging with AI as a unique selling point. We see this as a big opportunity for Partner Technology companies to accelerate their product roadmaps.

If you only had budget for one Partner Technology in 2024, what would it be?



The preference for Account Mapping tools reflects a strategic focus on identifying and leveraging mutual opportunities with partners for targeted growth, and the traction that the leading providers of this technology have seen in the market. Respondents still see PRM/Portal as an important investment in 2024.

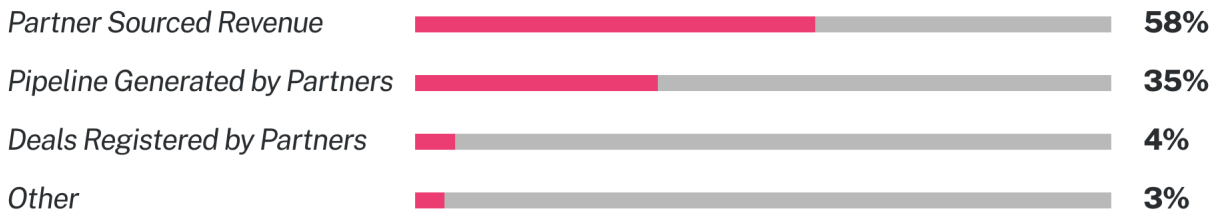
We were surprised to see the low Cloud GTM votes, considering that more than 80% of the respondents to our State of Co-Selling: Hyperscalers edition report were actively investing in Partnerships with AWS, GCP or Azure. We expect the low responses to this question are more likely to be a reflection of the term 'Cloud GTM' not being familiar than seeing leveraging technology to manage listings with these partners not being a priority.



Account Mapping is at the center of successful co-selling motions as it allows both partners to see what accounts are most valuable to one another.

Kyle Schroeder
VP of Global Partnerships
at Movable Ink

When it comes to getting Partner Technology approved in the budget, what is the most important to the C-Suite when building a business case?



The focus on partner-sourced revenue for budget approval highlights the C-suite's emphasis on simple direct financial contributions from partnerships. This is a critical insight for Partnership Leaders who are looking to secure a budget to grow their teams and toolkit this year.



Getting Partner Technology approved is highly dependent on making critical processes more efficient. We cut down our deal registration process from somewhere between 30-60 minutes to just a few clicks. If you calculate the cost of .5-1 hour salary X the number of deal registrations you process in a day, you have a solid ROI for the technology. The year we rolled it out, we also saw a 300% YOY growth in the channel.

Dao Tran
Global Alliances Director
at SoSafe

Organizational Design

The outlook for partnership teams in 2024 reflects cautious optimism when it comes to organizational design, with exactly half of the surveyed respondents planning to expand their teams.

Organizational design varies widely, with a significant portion of teams operating with minimal personnel. More than **73%** of respondents have less than 5 people on their team, despite the large revenue contributions we saw in the previous section and facing substantial expectations in terms of performance and output in 2024. Budget allocations show a lean towards modest investment, highlighting both the need for strategic prioritization within partnership organizations and likely a more concerted effort by leaders to build clear business plans with ambitious headcount requests inline with the amount of revenue they are signing up to deliver.

The prioritization of budget requests for the upcoming year is clear: leaders want resources from finance to expand the variety and depth of partnerships and increase support roles in Partner Enablement, Operations, and Marketing. These areas are seen as crucial levers for driving reciprocal value and scaling partnership success.

Additionally, the findings underscore a compelling preference for incentive structures aligned with deliverables for these roles, reflecting the results-oriented approach we would expect from commercial leaders.

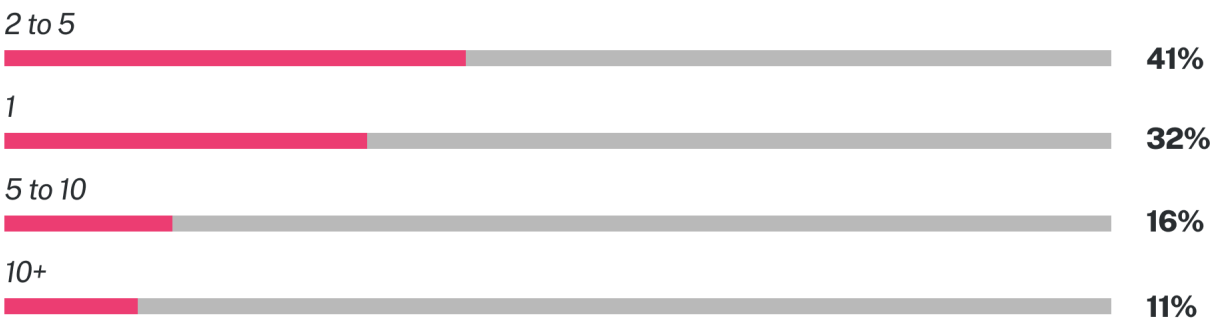


Seeing that companies intent to invest in, and focus on, partnerships in 2024 doesn't surprise me at all. In fact, it's really continuing a trend that has been developing over the last several years and is awesome to see and be a part of.

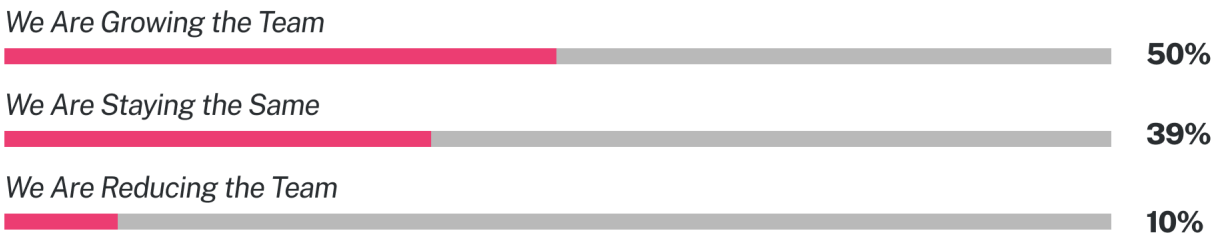
In addition to growing BCG's partner ecosystem, we are increasingly hearing from clients who want to learn more about how we have designed our program as well as engage our ecosystem of partners. Learning from our experiences and sharing our best practices helps extend our network, broaden our horizons, as well as strengthen the community as a whole.

Jack Grey
Global Head of Alliance Ecosystems and Partner Programs, BCG

How many people are on your Partnership Team today?



Do you expect your Partner Team to grow in 2024?



The partnership function often operates with lean teams, with **73%** having less than 10 members, and a huge **32%** being the sole Partnerships person at their company. These results highlight the need for efficiency and strategic focus to deliver results which in turn unlock additional budget for growth.

50% of organizations expect to grow their partnership teams, indicating a recognition of the value these teams bring, despite **10%** planning reductions. **50%** is high, but given the high revenue contributions shared by respondents and the ambitious outlook for revenue growth in 2024, we would have expected this to be higher.



Running lean is a common scenario for partnerships teams. This can be both a blessing and a curse because you have to remain hyper focused and say no to a lot of things. On the other hand, if you focus on what matters, you can deliver results with much higher efficiency.

Dao Tran
Global Alliances Director
at SoSafe



Whether you start with a SaaS provider and eventually transition to a more comprehensive service-based approach, moving away from manual processes and towards automated tools provides a more streamlined and efficient way to manage partnerships. These tools can track partner activities and manage budgets to reduce the burden on your team's day-to-day operations, allowing them to focus more on strategic growth initiatives.

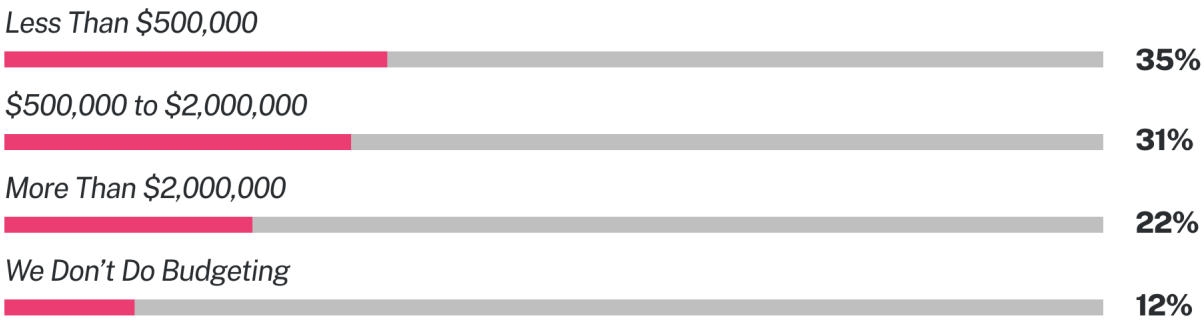
Karlyn Bentley
SVP of Client Partnership at Ansira



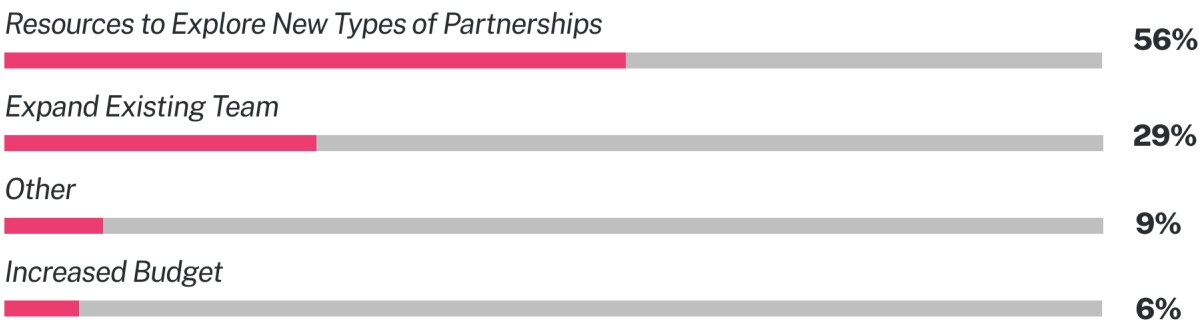
It's clear Partnership teams are running very lean. We've also built out our organization in such a way that we're leveraging scale through our practice areas and ensuring we are not reinventing the wheel every time. It should be clear this is what you do. This is what you don't do. This is how you manage stakeholders. This is how an agreement works. All those things need to be in place to perform with a small team. So we're enabling that. We want to really demonstrate value, so when we ask for more headcount, it is an easy decision.

Jack Grey
Global Head of Alliance Ecosystems
and Partner Programs, BCG

What's the size of the annual budget of your Partnerships Organization, including headcount?



What's your main ask for the Finance Team in 2024?



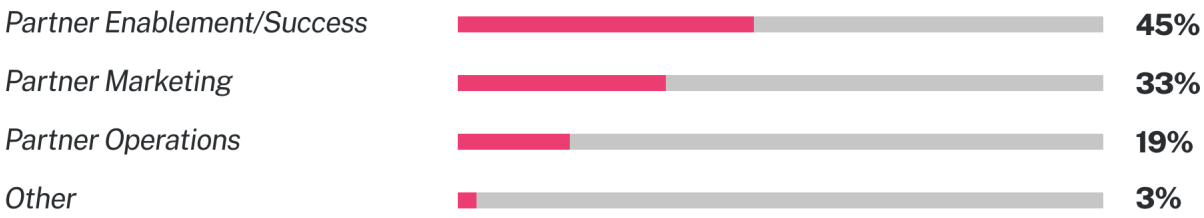
A striking **56%** seek to explore new types of partnerships, suggesting either known opportunities which can't be approached under current constrained resources or a strategic shift towards diversification and innovation in partnership models. Respondents who answered 'Other' described priorities including increased strategic integration investment, funds to invest in the partner program, and increased budget to create reciprocal value to partners.



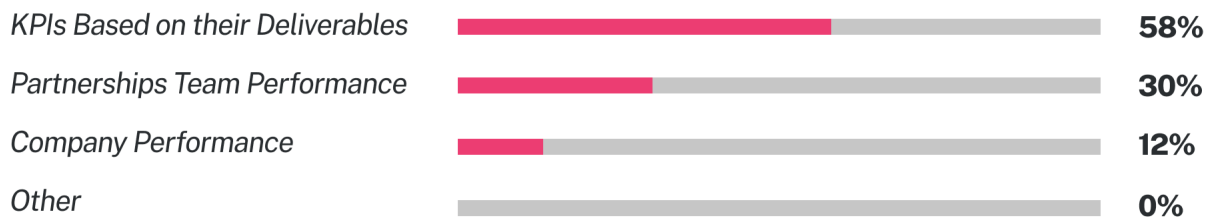
"Limited budget and resourcing is a general theme for all partner organizations. Leaders must think strategically on where to invest. Strategic activities requiring close alignment with clients and partners should be managed by experienced partner leaders. Repeatable or administrative functions are best centralized and enabled through tools and lower cost resources.

Kelly Stratman
Global Ecosystem Enablement Leader, EY

If you can only add one more of these supporting Partnerships roles in 2024, which would it be?



How should you incentivize Partner Marketing, Operations, and Enablement roles?



Partner Enablement/Success is the most sought-after role at **45%**, emphasizing the importance of enabling partners for mutual success. This is logical as the switch between business development with partners and enablement is often the most jarring for a Partner Manager - it is rare to find people who are particularly strong at both disciplines.

Partner Marketing was the most common supporting role currently available to teams with **60%** of respondents saying they had a dedicated Partner Marketing resource. Partner Enablement was the least common dedicated resource with **43%** of respondents saying they had a dedicated resource for this work.

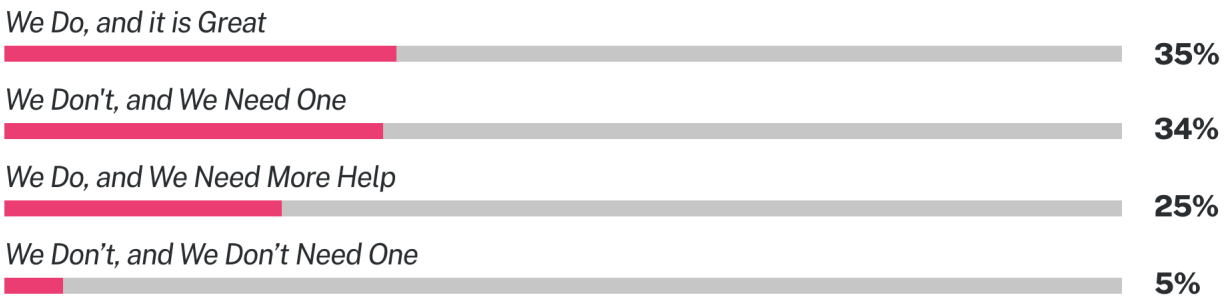


Partner Marketing roles will continue to see growth for the coming years because the most successful leaders are realizing that the best marketing results come from collaborating with partners and organizations that align with yours. I project partnership marketing to be as prevalent in 10 years as "paid marketing" is today and all large organizations will have a partner marketing team.

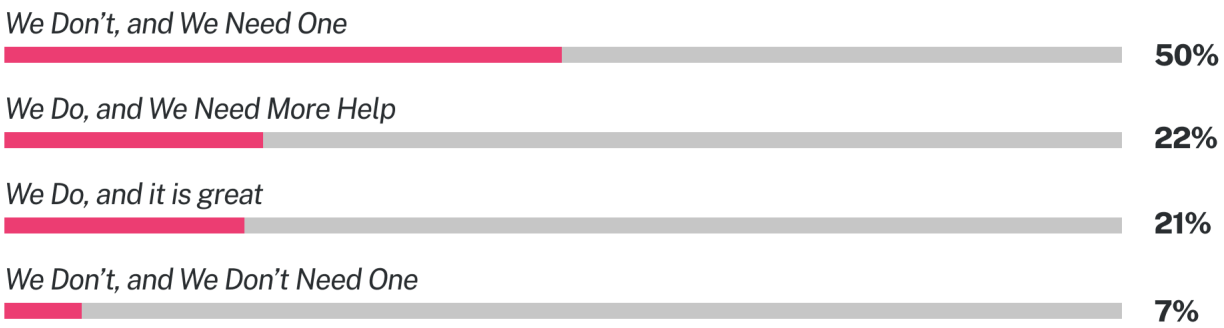
Clinton Senkow

Managing Director at
Senkow Ventures

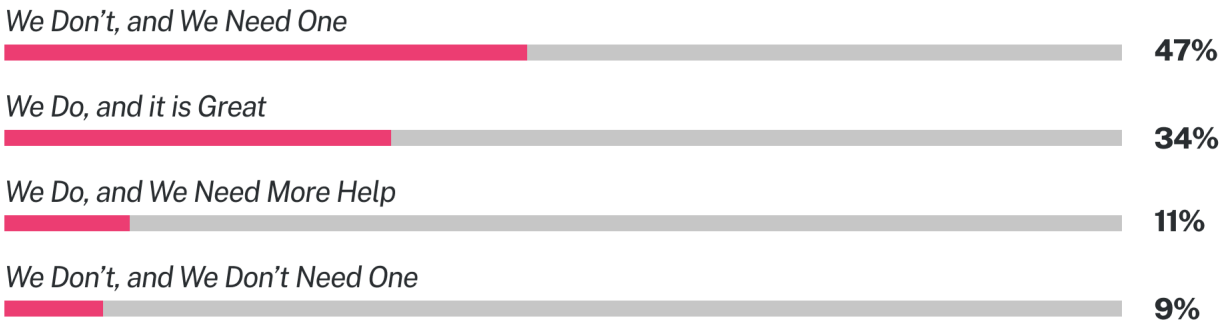
Do you have a dedicated Partner Marketing person supporting your team?



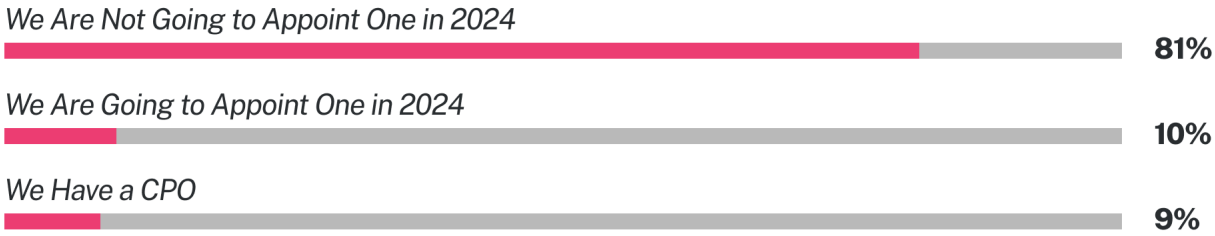
Do you have a dedicated Partner Enablement person supporting your team?



Do you have a dedicated Partner Operations person supporting your team?



Does your company have a Chief Partner Officer or plan to appoint one in 2024?



With **81%** not planning to appoint a CPO in 2024, the role, while recognized, is not widely adopted, possibly reflecting varying stages of partnership program maturity across organizations. We continue to see a number of CPOs appointed with fanfare, and it is also important we remember it takes time for an industry shift like this to take hold.



Kelly Stratman
Global Ecosystem Enablement Leader, EY

> If you intend to use partnerships to drive a significant portion of your business, the organization should absolutely be represented at the C-Level. Partnerships are generating a significant portion of EY's revenue, which is becoming pretty substantial. We're growing, and we're helping to accelerate the growth of the firm. If you don't have that chief-level executive be part of the organizational strategy, you're not going to get there, or you're risking a significant portion of your revenue growth with a leader who either doesn't have C-Level visibility or isn't qualified to be at that level.

Compensation and Team Performance

58% of respondents had more than **50%** of their team hit goals, leaving a surprising **42%** of respondents who had less than **50%** of reps achieve quota. 2023 was definitely a tough year for Partnership teams. A recent Forrester article stated that around the benchmark for sales quota attainment for their B2B customers was around 50% is to expect **50% to 70%** of quota carrying reps to achieve their quota each year, though the exact % varies per company.

The most cited reason for partnership failure is the misalignment of goals, underscoring the need for clear and shared objectives. Compensation insights reveal competitive earnings for VP of Partnerships and Partner Managers, with a substantial part of their compensation being variable, tied to performance. Strategic thinking and relationship management emerge as the top skills desired in partnership roles, yet, a staggering **76%** report rarely or never receiving formal training, pointing to a gap in professional development.

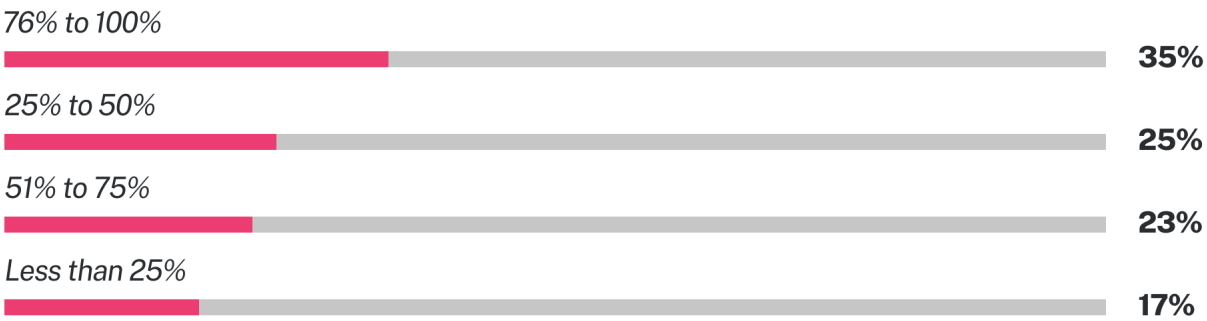
Internal buy-in presents the biggest challenge for success, with sales teams being the most difficult to collaborate with.



> Part of what we're working on is ensuring we're properly comping our people across regions. The data is available in the US, but as we look at Europe and APAC, it's more of a challenge. It's really helpful to get a feel for partnership organizations and what people have in terms of roles and compensation in different geographies. Given the impact partnerships now have on company revenue, we need to be comping our people based on their impact on the overall business.

Kelly Stratman
Global Ecosystem Enablement Leader, EY

What percentage of your Partnerships team achieved their goal in 2023?



A diverse achievement spectrum shows the challenges facing Partnerships in 2023 and a pressing need for strategies to elevate the lower-performing quartile towards higher goal attainment.

What is the main reason for missing Partnership goals?

Misalignment of Goals **60%**

Lack of Resources **19%**

Poor Communication **16%**

Other **6%**

The stark highlight on misalignment of goals at **60%** signals a critical area for intervention to prevent organizational failures. It is vital that the Partnerships team are proactive about setting ambitious but achievable goals which closely align with company objectives. When we dug into the Other answers, respondents mentioned lack of leadership alignment and prioritization of the wrong partners as key areas of difficulty.



The most effective way to mitigate the misalignment of goals is to align the partner team's OKRs (Objectives and Key Results) with the overall company OKRs. For example, if the company has a goal to become the dominant player in the financial services vertical in the Americas, which partner relationships, offerings and activities can help the company reach this goal? In the world of partnerships, a company can use this approach to access and open markets in new industry verticals, emerging solution areas or global expansion in ways that drive business outcomes and true customer value and ALSO resonate with company and partner objectives.

Debika Sharma
Americas VP, Partnerships & Sales, Global Systems Integrators at Palo Alto Networks

How often does your Partnerships team receive formal training or professional development specifically related to performance in their role?

Rarely/Never **76%**

Quarterly **10%**

Annually **10%**

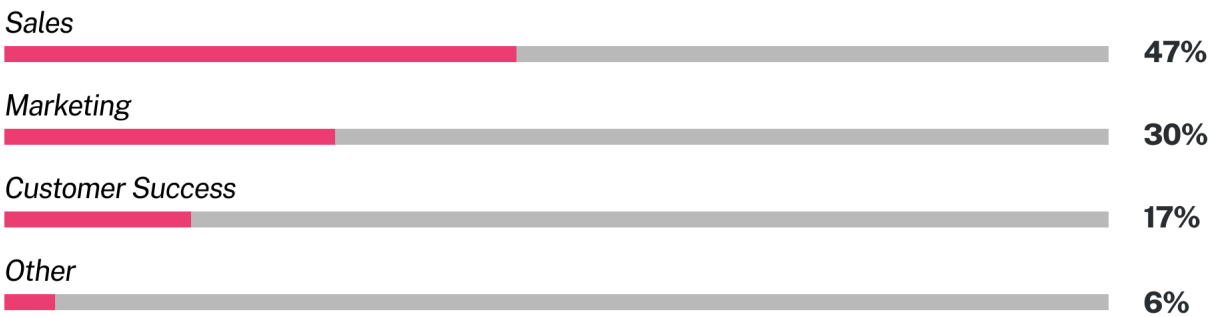
Monthly **4%**



Understanding the impact of the partnership ecosystem at the start of the year, relative to the larger company goals, is critical for driving alignment and success through execution.

Kyle Schroeder
VP of Global Partnerships
at Movable Ink

Which team is the most difficult to collaborate with?





EY has made alliances one of our growth drivers. It is part of our company strategy. We've told all of our account owners, that they need to prioritize alliances. Training is critical in this situation because account teams may not always be equipped to understand how to work with an alliance partner. That's a challenge for someone whose job is maintaining the stability of a customer relationship. If they don't know how to do it, or it's not easy for them, a partner becoming part of their strategy with a client is unlikely. We need to train those account executives to ensure they're buying into how to leverage partnerships to achieve their metrics.

Kelly Stratman
Global Ecosystem
Enablement Leader, EY



Effective sales collaboration comes down to building trusted relationships in the field where sellers understand and experience the give/get relationship with their partners first hand.

Kyle Schroeder
VP of Global Partnerships
at Movable Ink

Gaining internal buy-in was the biggest challenge identified by respondents at **36%**, with sales teams being the hardest to collaborate with at **47%**. These insights highlight potential areas for improved alignment and cooperation between departments at the executive level and the ongoing need for partnership teams to articulate and demonstrate the value of partnerships internally.

If you could only get one thing out of a partnership, what would it be?

More Revenue **60%**

Open New Market **21%**

Improve/Complete your Product **15%**

Improve Branding **4%**

It was no surprise to see **60%** of respondents focus on generating more revenue from their partnerships given sourced revenue goals being the primary objective for teams (see Chapter 2) and how Partner Managers are measured (see below). The data reaffirms the revenue-driven objectives central to partnership strategies.

What's your biggest challenge?

Get Internal Buy-in **36%**

Partner Enablement **27%**

Get Solid Attribution Metrics **22%**

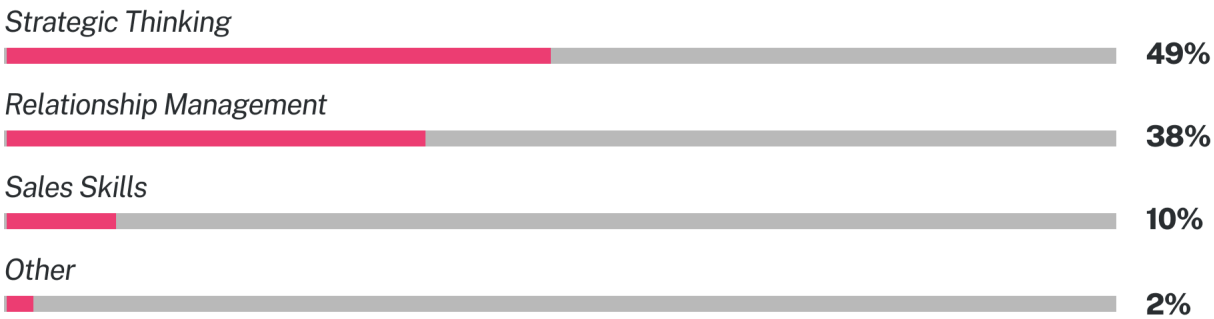
Partner Prioritization **15%**



The key to getting internal buy-in starts with aligning your partner metrics to cross-department KPI's. This needs to happen with sales, marketing, CS and even product when it comes to integrations. Marketing Qualified Leads (MQLs) via partner campaigns, partner integration adoption, Partner Led pipeline and Partner Co-Sell pipeline are all shared metrics which can also drive your primary objectives.

Ryan Lieser
VP, Partnerships and
Alliances at anecdotes

What's the primary skill you look for when hiring for Partnerships roles?



At **49%,** the prioritization of strategic thinking over traditional sales skills reflects the more nuanced, strategy-oriented partnership roles which have surfaced in the last decade. The low priority of Sales Skills among Partner Managers could also be correlated to the low revenue performance reported, and could be an area of development when Partner Manager specific trainings are rolled out.



Effective Partner Managers have a broad skillset and ability to juggle a high-level of activity at any one time. Generally, the best Partner Managers are strategic thinkers with strong operational skills, and may be a marketer, seller, and negotiator all in one day. They are jack and master of all trades.

Kelly Stratman
Global Ecosystem
Enablement Leader, EY

How much budget does a Partner Manager have for events, travel, and entertainment each quarter?

$5,000 to $10,000 — **30%**

Partner Managers Don't Have Discretionary Budgets — **26%**

More than $10,000 — **24%**

Less than $5,000 — **20%**

74% of Partnership Managers have a discretionary budget to deploy on a quarterly basis. This high percentage likely reflects Partnerships travel and entertainment budgeting being included by Finance in the overall budget process.



The best partnerships have the deepest relationships and these are best fostered through in-person interactions in order to build and sustain trust between partners.

Kyle Schroeder
VP of Global Partnerships
at Movable Ink

What would you expect a VP of Partnerships on track earnings (OTE) to be?

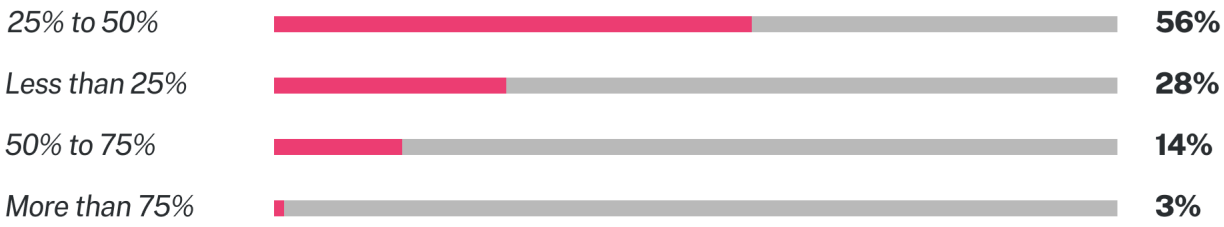
$300,000 to $400,000 — **39%**

$200,000 to $300,000 — **37%**

More than $400,000 — **19%**

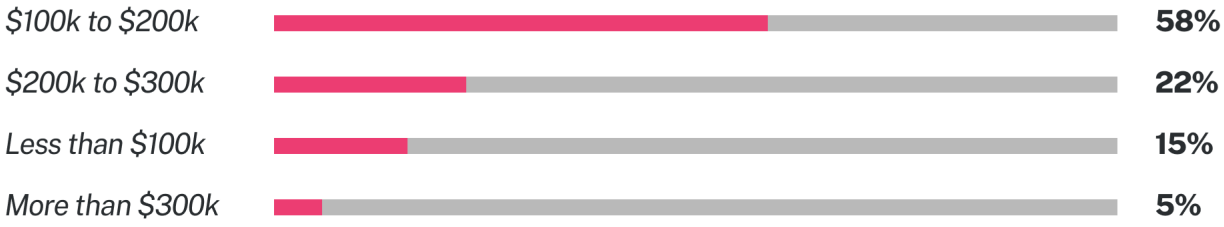
Less than $200,000 — **4%**

How much of a VP Partnerships compensation should be variable vs salary?

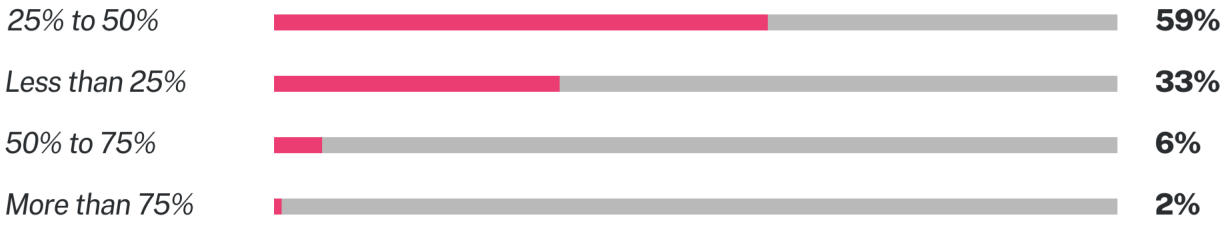


The majority of respondents, **56%**, believed **25% to 50%** of a VP of Partnerships compensation should be variable which seems reasonable. Yet, it is still surprising to find **84%** of respondents expected a VP of Partnerships variable compensation to be less than **50%** of their compensation despite the commercial nature and objectives of the role.

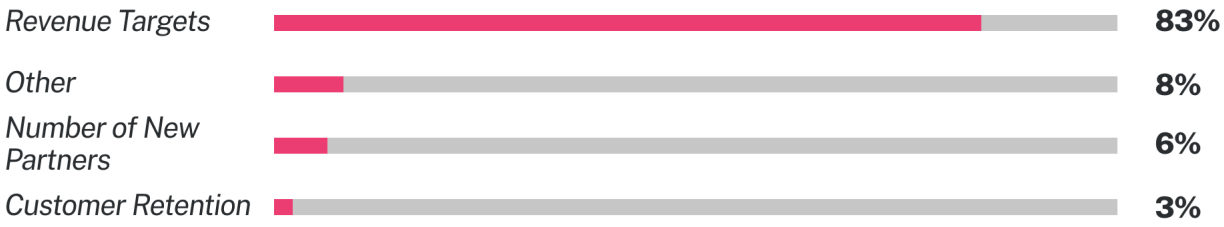
What is a Partner Manager on track earnings (OTE) on your team?



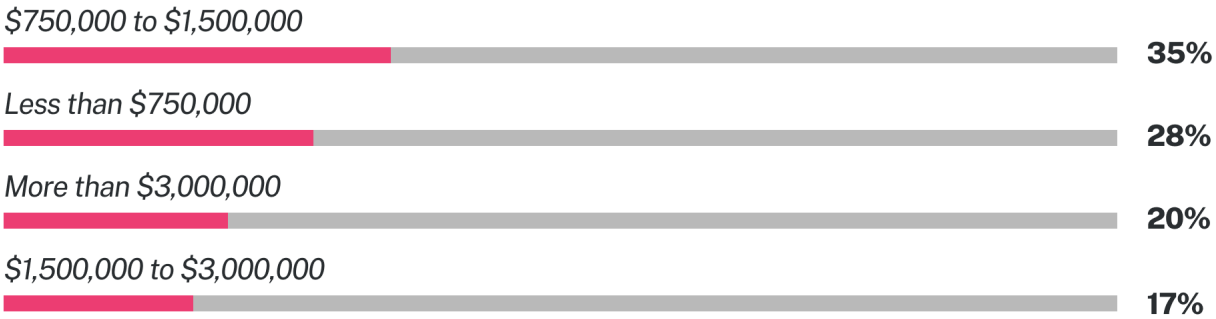
What percentage of a Partner Manager's compensation is variable?



How do you measure Partner Manager performance?



How much is the sourced revenue quota for a Partner Manager on your team?



The majority of Partner Managers earn between $100k and $200k, with a significant portion of their compensation, up to **50%**, being variable, dependent on meeting specific performance metrics. The primary metric for evaluating a Partner Manager's performance is revenue targets, cited by an overwhelming **83%** of respondents. This focus on revenue is further underscored by the sourced revenue quotas set for Partner Managers, with the most common range being $750K-$1.5M.

This data reflects a strong emphasis on revenue generation within partnership roles, highlighting the critical impact these positions have on a company's financial success. Additionally, the variable component of compensation suggests a performance-driven culture, where meeting and exceeding revenue targets plays a significant role in determining overall earnings.

Partner Performance and Program Design

Although many of the best-in-class partner programs from companies like Hubspot, Microsoft, Salesforce, AWS etc. include a large number of partners, the majority of respondents operate programs comprising less than 50 partners and operating on a global scale.

The annual review of partnership program design is common practice, ensuring these programs remain aligned with evolving business goals and partner needs. Recruiting the right partners and managing complex ecosystems are highlighted as the primary challenges in scaling partner programs. In terms of incentives, performance-based and tiered structures are prevalent, with revenue sharing being the most important financial incentive. Interestingly, non-financial incentives, especially receiving new customer referrals, play a crucial role in partner motivation. Co-marketing was mentioned as an important strategy for lead generation and we have also heard a lot about internal company incentives and spiffs, but the results show the majority of commissions are still paid directly to the partner company on both sides rather than to company reps.

CRM software is the primary tool for managing partnerships, though there's a notable reliance on dedicated PRM software and spreadsheets, suggesting a diverse set of tools to cater to different aspects of partnership management. Budget allocations for partnerships tools and services mostly fall below $25,000, indicating constrained investment in this area.



Debika Sharma

Americas VP, Partnerships & Sales, Global Systems Integrators at Palo Alto Networks

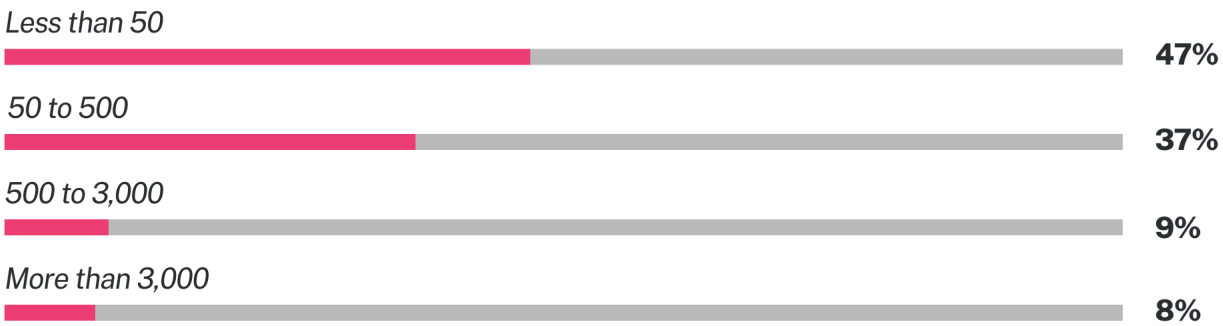
Partner metrics should reflect the partner's maturity and stage. While sourced revenue is a key metric, its critical not to overlook the other compelling signals of partner momentum. Strong participation in enablement and advanced certifications in emerging capabilities aligned with company strategy signal serious partner investment. From my past experiences, our strongest partners attained 8-10X the number certifications when compared to mid-tier partners.

Secondly, joint co-marketing at major industry events indicates strong partner engagement. These events showcase thought leadership, boost awareness, and generate massive pipeline – often 6X more than company-driven events alone.

Thirdly, active field collaboration with sales in deal cycles and post-deal activities showcase a partner's lasting impact. With top partners, we see win rates soar above 85%, deal velocity increase 2-3X, and deal sizes expand by 3-4X.

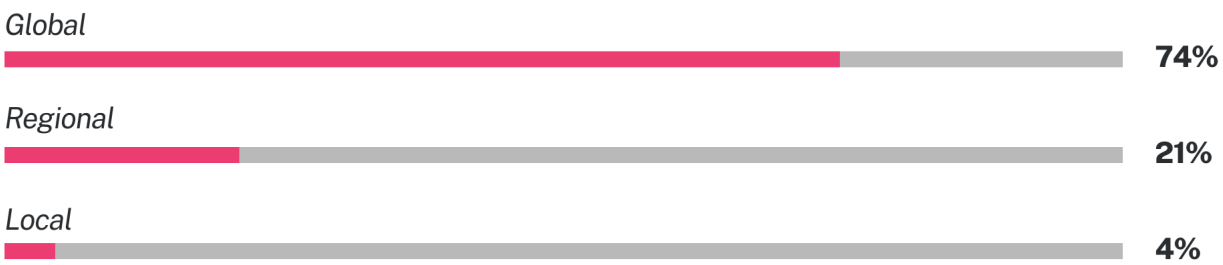
Finally, sharing partner metrics and unit economics that resonate at the CFO and board level, such as partner impact on LTV, CAC and payback period can powerfully demonstrate why its important for companies to invest in building out a partner ecosystem.

How many partners do you have in your Partner Program?



Nearly half of the programs have less than 50 partners, suggesting a focus on deep, potentially more meaningful engagements rather than sheer volume. It doesn't make sense for all companies to aim for a giant ecosystem. This can often distract a team from delivering results with the partners which matter.

What's the geographical scope of your partners?



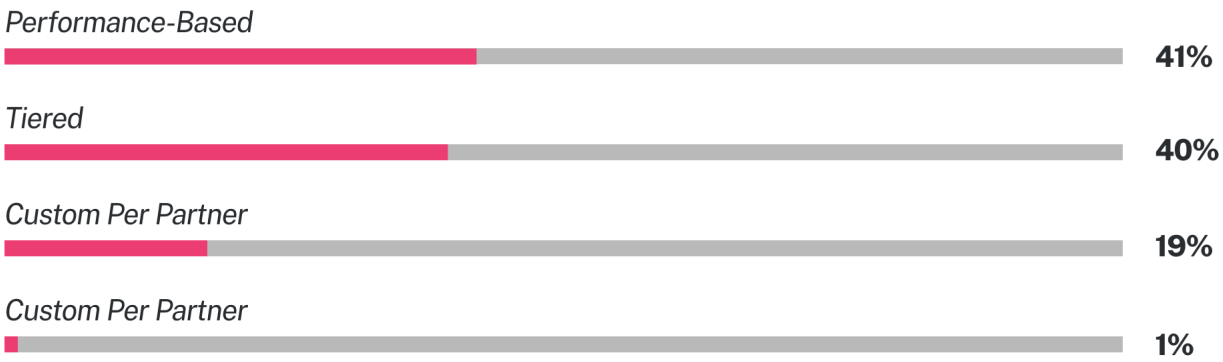
The global reach of **74%** of partners underscores the importance of international markets in partnership strategies and the ease of doing global business, despite team sizes being small on average. The introduction and adoption of video conferencing platforms and comfort with doing business remotely has almost certainly accelerated this trend.



As a scaling Series B company, we have taken a Partner Led approach to enter new geographies as it has lowered our barriers to entry.

Ryan Lieser
VP, Partnerships and Alliances at anecdotes

What structure do you use for partner incentives?





Karlyn Bentley
SVP of Client Partnership
at Ansira

Financial incentives such as monetary rewards, points-based systems based on sales achievements, and funding for developing new intellectual property or additive solutions can be effective in motivating partners like sales engineers or reps to prioritize certain products or solutions over others, especially in a saturated market.

But non-financial incentives are equally as important. These can include certifications, trainings, and enablement opportunities that enhance partners' skills and knowledge. Additionally, partners may value being spotlighted on a company's website or invitations to exclusive events, partner summits, or the opportunity to share the stage at such events. Even offering marketing assistance like the opportunity to co-create content for better messaging can be seen as a huge incentive for some partners.

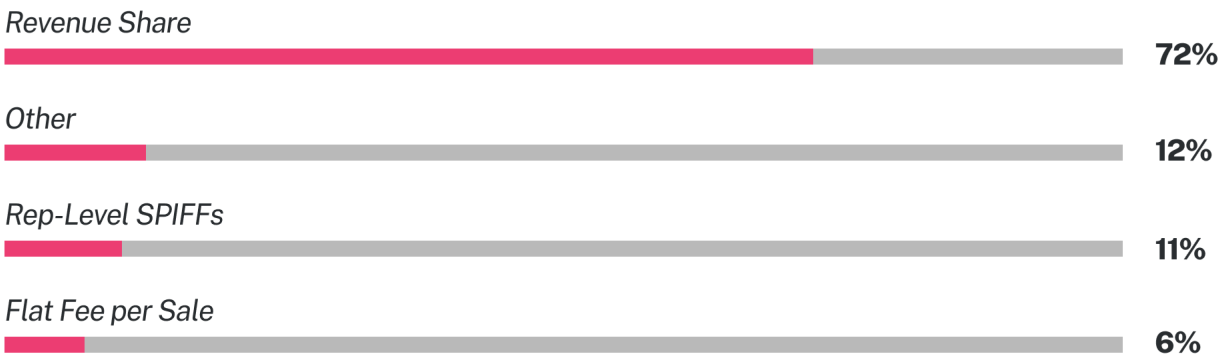
The nearly even split between performance-based and tiered incentive structures reflects diverse approaches to motivating partners. This also makes sense when you consider the number of partners in a program, for smaller partner programs focusing purely on an individual partner's performance and customizing incentives makes the most sense. As a program scales, finding a structure which can allow for grouping partners into tiers based on participation begins to make more sense.



I have built and managed all four structures, and at the end of the day, it is about hitting company KPIs while attracting and driving partner engagement. Today, I prefer a hybrid structure that include both Performance and Tiered so that partners are holistically measured across revenue, source vs influence, number of logos, retention %, conversion, and certifications.

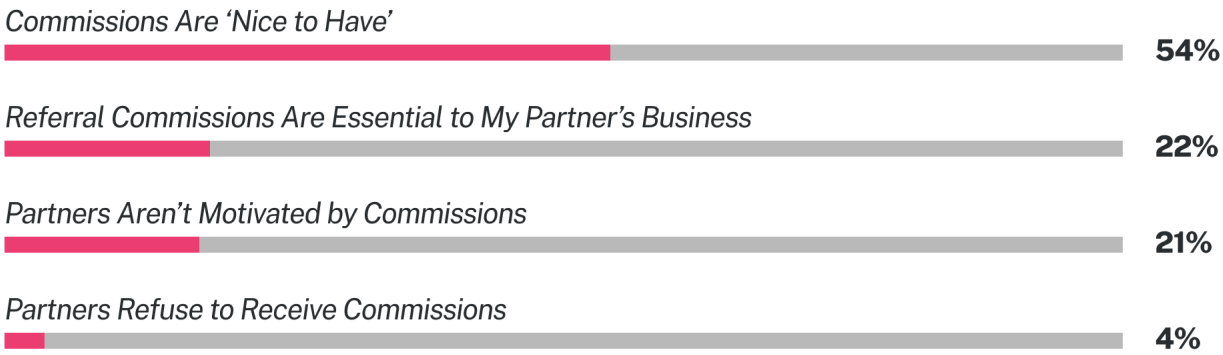
Mary Vue
VP of Marketing and Partnerships
at Syncari

What is the most important financial incentive you provide to your partners?

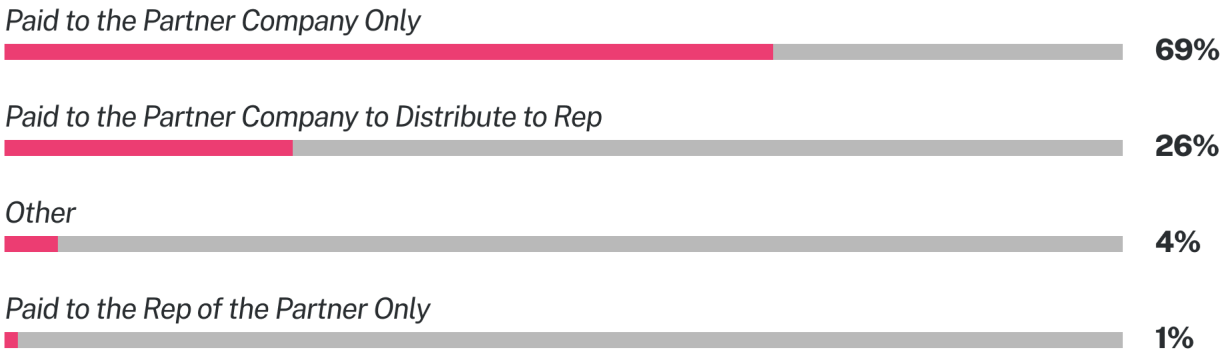


Respondents who answered Other described custom incentives set up for each partner, rather than blanket programme benefits.

How important are referral commissions to your partners?

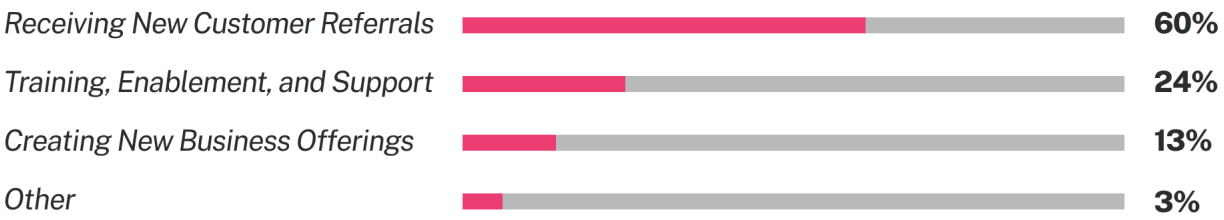


How are partner commissions most commonly distributed?

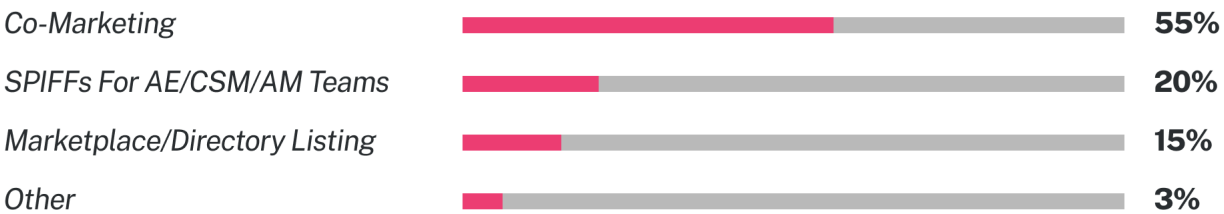


Most interestingly, despite Revenue Share being the most important incentive provided to partners, most respondents still indicated that partners saw these commissions as a nice-to-have rather than something which is essential to their partners. Commissions are mostly paid to the Partner Company directly today, despite them not necessarily being high priority.

What is the most important non-financial incentive for your partners?



How are you primarily generating leads for your partners?





> Your partners may not have the in-house infrastructure in place to support lead qualification processes. As a result, companies are complementing their efforts by partnering with SDR teams or other entities to help qualify leads generated through these campaigns.

Karlyn Bentley
SVP of Client Partnership at Ansira

New customer referrals as the top non-financial incentive highlight the value partners place on expanding their business through partnerships, and are a reminder for Partnership Leaders to optimize for generating leads for partners. If you're looking to generate more leads, respondents reported co-marketing with partners as the highest performing investment for sending referrals to their partners.

How often do you review your Partnership Program design?

Annually — 52%

Semi-Annually — 24%

Quarterly — 22%

Other — 3%



> Quarterly reviews are a great best practice to ensure you're constantly adapting and evolving to meet the ever-changing needs of your partners. There are always opportunities for you to pivot and optimize your program further in a way that satisfies your partners while driving business growth for the company. If quarterly updates aren't an option, consider layering in a new incentive or short-term promotion to meet your partners where they are at.

Karlyn Bentley
SVP of Client Partnership at Ansira

97% of respondents review their program design at least once a year, highlighting the importance of regular assessments to adapt to market changes. This is likely also an indicator of the experimentation still happening in the market to figure out what works for each company.

What is the biggest challenge in scaling your Partner Program?

Recruiting the Right Partners — 43%

Managing Complex Ecosystems — 33%

Partner Satisfaction & Loyalty — 16%

Governance and Compliance — 8%



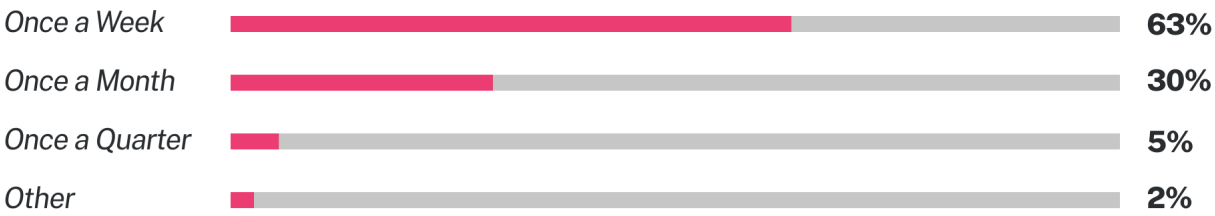
Karlyn Bentley
SVP of Client Partnership at Ansira

Data management is one of the biggest challenges we see among our clients when managing a complex ecosystem. Even the most sophisticated companies can struggle with data challenges. Transparency about these challenges upfront can lead to better utilization of available data.

When segmenting partners, having good data quality and a single source of truth is crucial. Without these, managing the ecosystem becomes exponentially more difficult. It's important to establish clear protocols for handling data discrepancies ahead of time. One small change in data formatting or sourcing can have significant downstream effects on your partners. Being proactive and anticipating these changes can help mitigate disruptions.

Recruiting the right partners is identified as the biggest challenge for respondents. This emphasizes both the strategic importance of partner selection and developing incentives to attract the right partners when it comes to program design.

How often do you talk to your partners?

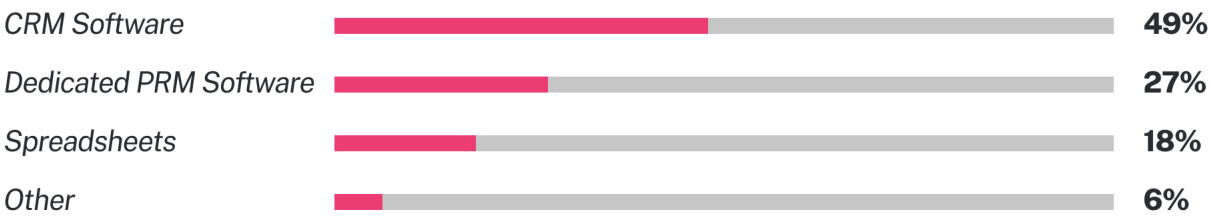




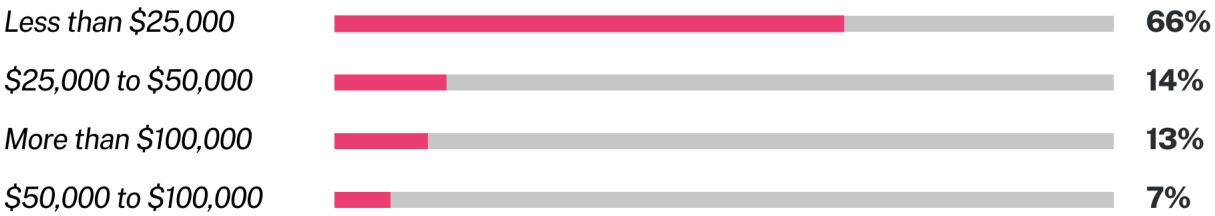
Kelly Sarabyn
Platform Ecosystem Advocate at HubSpot

Recruiting the right partners requires collecting data on current partners and conducting market and competitive research to refine an ideal partner profile. Once an organization understands their ideal partner profile, they should do proactive outreach and community engagement where their ideal partners congregate and consume information. They should also tailor their partnerships pitch to be personalized to the objectives of their target partners. In addition, organizations should implement mechanisms to filter inbound partner requests to identify ideal potential partners and ensure they are identified and invested in from the first interaction.

What tool do you use to manage your partnerships?



How much do you spend on tools and services exclusively for the Partnerships Org?



We heard from respondents that it was hard to pick a single tool, and to separate what they do in their CRM as a source-of-truth for the company to how they engage and manage partners via PRMs and Account Plan spreadsheets.

The small budgets for tooling follows the theme of underinvestment in the partnerships organization. Despite the large amount of sourced revenue being generated by partner teams, the budget dedicated to tooling is remarkably low.



The partner tech stack has rapidly evolved in the last 3 to 5 years and as partner leaders, we must seize this opportunity. Data and AI driven tools to support recruitment, onboarding, co-selling, co-marketing, relationship management and partner development are now essential. Modern tooling doesn't just boost partner success–it fuels transparency across the organization, leading to smoother customer experiences, powerful cross-functional collaboration, and skyrocketing partner adoption.

Debika Sharma
Americas VP, Partnerships & Sales, Global Systems Integrators at Palo Alto Networks

As we conclude this first of many State of Partnership Leaders reports, the insights provide a clear snapshot of the challenges and opportunities facing partnership teams today. Here are the key findings that should inform the strategies of partnership leaders:

- Team Composition and Performance: Despite their small size, most partnership teams are responsible for generating a significant portion of their companies' revenues. Despite this, there is a clear lack of budget being established for tools, training and headcount. Partnership Leaders need to ensure their executive team are aware of the contributions they are making to the business, and how much more impact they could have with a well resourced organization.
- Alignment Challenges: Alignment with sales and other departments remains a challenge for many teams, affecting goal setting and budget approvals. Improving this alignment is crucial for the smooth operation of partnership programs but it is also critical that it doesn't become a distraction from generating more revenue for the business. We need to find alignment on incentives and outcomes which create more value for our businesses.
- Resource Allocation: Securing sufficient budgets is a consistent hurdle. This report provides data that can help you make a strong case for the necessary investments in your partnership teams. Every Partnership Leader needs to take an action item to uplevel their budgeting and business planning skills and showcase them to the executive team.

For practical application of this report, consider these steps:

1. Utilize Data in Leadership Discussions: Use the findings in this report during strategic discussions about resource allocation and program expansion. This data can support your proposals and plans effectively.
2. Improve Alignment and Training: Focus on initiatives that enhance alignment across departments and invest in ongoing training for your team. This will not only aid internal cooperation but also boost your team's overall output.
3. Advocate for Adequate Resources: With the insights from this report, clearly articulate the need for resources that match the revenue potential and strategic importance of your partnership teams. Highlight the necessity for increased headcount, better tools, and more comprehensive training programs.

In essence, the path forward involves addressing these critical areas, employing a data-driven approach, and advocating strongly for the resources your teams need to succeed.

Let's do it,



Tai Rattigan

Co-Founder & COO
at Partnership Leaders