

Are channel-driven sales the best way to grow your business?

4-min read



Sales is to a business organisation what breathing is to a human body. For a business to “get fitter”, i.e., improve performance, it needs to “breathe” more effectively.

Neither humans nor companies could survive without this permanent exchange with the outside world. Therefore, a frequent question from any sales manager is how the organisation should be structured to satisfy this natural demand as effectively and efficiently as possible.

Let’s look at the 3 basic options to consider.

1. Organic growth by hiring more sales reps

Hiring more people is usually the first option that comes to people’s minds.

A kind of linear thinking ingrained in our brains tells us that more sales reps means more sales. On an emotional level, we may also surmise that more internal competition could add an extra quantum to performance.

In addition, some managers feel more important with larger teams. However, the other side of this coin is more personnel costs, sometimes a protracted hiring process, a lengthy learning curve, and the risk that the new employees might not live up to the expectations set in the initial interviews.

2. Organic growth by training

Although training can be very effective, several companies are reluctant to accept it for 2 reasons.

First, some seasoned employees feel no need to accept additional training. Second, many sales reps claim the last training fizzled out rather quickly.

The first argument is very subjective, and so it's hard to fight a lack of willingness to learn new skills or refresh forgotten ones.

Being short-lived is a common opinion of sales training, but it is actually quite easy to solve. A “cookie-cutter” training method doesn't add much value and can evaporate quickly. Knowing this, SBR takes a 3-phase approach to building a training programme, which eliminates this risk:

- a) discovering the skills, systems, and habits that need improvement,
- b) tailoring the training to these needs, and
- c) ongoing coaching so that the newly acquired knowledge becomes a permanent habit.

The results speak for themselves. [Click here to watch a video case study.](#)

3. Channel business

The most appealing option to grow sales might be from Channel (or Partner) Business.

In other words, another company is selling for you – this proves to be heavily oversimplified.

When considering channel business, we tackle questions like:

Q: Shall we be 100% channel-driven? If yes, then,

- How do we handle the dependency of our partner companies?
- What will drive our partners to do their business with us?
- How can we receive trustworthy market feedback to strengthen our USPs?

Q: If we go for a mixed direct / channel approach,

- How do we handle likely conflicts with direct vs. channel for some customers?
- What is the optimal revenue ratio of direct vs. channel?

Q: In both cases,

- How do we select the right partner for us?
- How can we make our partners feel like they're part of the family?
- Should we grant exclusive / non-exclusive distribution?
- Which territories (local or abroad) should be partner-driven?
- What is the optimal margin for our partners?
- How can we ensure our partners are properly trained, both technically and sales-wise?
- How can we run them, and join them with finance or marketing?

Partnering is convenient when you are extending business into other countries. A local company equipped with the language skills, knowledge of local habits and business relationships may seem like the right choice for international growth.

Nevertheless, each of the questions above also indicates a risk that channel business can bring.

Not every problem is a nail

Abraham Maslow said,

“I suppose it is tempting, if the only tool you have is a hammer, to treat everything as if it were a nail.”

After working with more than 1000 customers in different sectors and industries, and with various business challenges, we at SBR Consulting have enough experience of both organic and channel-driven sales to recommend the most appropriate strategy for your specific needs and growth, so that you can choose whichever tool suits you best.

To discover more about improving your sales, [let's talk growth](#).