Boosting the ease of doing business

Fortifying the partner experience
Partner experience is crucial for success

In the global enterprise computing market, the dominant channel of distribution for manufacturers comes through indirect business channels, making the “partner experience” crucial to the bottom line. Despite getting over 80% of its revenue through its global network of partners, Lenovo realized an opportunity to deliver a better partner experience: Partners noted the company’s challenges when compared to its competitors in “ease of doing business” and digital capabilities.

Globally, Lenovo has 80,000 partners—ranging from very large distributors to small, local resellers and distributors in almost every city across continents. On the back of multiple large mergers—historically, Lenovo’s partner operations were run by each region independently, resulting in five separate digital portals and siloed processes. Even within a region, partners often had to navigate between different portals to accomplish the most basic tasks, like registering for deals, using pricing tools and getting rebates. These fragmented and disparate systems made Lenovo slower than its competitors to quote prices and verify claims. In addition, service attachment rates, were lower than the competition, which was limiting the growth potential – even as partner incentive programs suffered from a lack of consistency and transparency across geographies.

To catch up to competitors, the company needed to reimagine all aspects of the partner experience so that doing business with Lenovo was simple, predictable and profitable.
Personalizing to ring in the X factor

Lenovo collaborated with Accenture to undertake a partner experience transformation enabled by new digital capabilities and intelligent automation. The team structured the program around three key tasks: creating a unified, end-to-end global portal; enhancing various aspects of the partner program, from boosting service attachment rates to better target setting in partner incentive programs; and creating a new “Price to Win” pricing strategy that relied on automation to speed up the quote process.

Infusing the entire project was a desire to personalize and improve the experience for each of the 80,000 partners. Previously, partners were viewed in a single, monolithic manner with limited personalization. The newly developed portal delivers specific content to different users based on their individual needs, which vary dramatically across front-line sales representatives, operations personnel, business owners and leaders. Processes like the service attachment rate saw investment in new incentives, with the goal of improving ROI. Price to Win used analytical models to automate price quotes, while empowering Lenovo’s salespeople to make better decisions on the discounts they offered to buyers.

Inherent in all the workstreams was the overriding concern of easing partner friction when it came to interacting with Lenovo, whether to access the portal, take advantage of incentive programs or get a price quote. Lenovo team members played an important role as well, unifying across several global geographies to achieve the project’s goals. This involved intense outreach to and engagement with stakeholders by the team to inform every change.
Sweet spotting the right price to win

Overall, elevating the new partner experience is preparing Lenovo to leapfrog the competition. The early results show the transformation program is having its intended impact with external partners—and internally. From a partner perspective, the new portal has provided a one-stop-shop for all of their needs, offering personalized content, visibility into the pipeline, and a real-time performance dashboard – enabling them to better manage and efficiently grow their business. Partners have received dynamic digital marketing assets, joint customer nurturing and tools to co-sell, increased rewards for partner specialization, and new solutions. This transformation offers new advantages to the partners to drive their growth by enabling them to combine hardware and service offerings. Measures of quality of the partner experience are expected to vastly improve. Quote turnaround time is expected to shrink from days to minutes for more than 90% of partner transaction bids.

In addition, a new pricing strategy, Price to Win, provides enhanced deal capabilities, including streamlined processes and an advanced analytics model to identify optimal discount points for transactional deals and faster contract price communication. For Lenovo, intelligent pricing has helped to improve win rates. Standardized global taxonomy and gross-to-net (GTN) analytics are enabling the company to track and measure GTN program spend globally. Meanwhile, an automated target-setting process ensures uniformity across partners and helps them to achieve their goals.

As a result of the transformation, Lenovo’s program benefits levels are now in line with competitors, and partner communication has been enhanced across all levels. Finally, service attachment rates, are on target to increase dramatically contributing to substantial increase in Lenovo revenues from services. Lenovo is also expecting higher average deal size with additional service attachments that were previously impossible to offer, from upselling tools to better peripheral availability, like warranties.

The project has been one of Lenovo’s first demonstrations of a truly global transformation program. It also showed the benefits of a cross-functional team in action, able to execute and respond more quickly. Moreover, the new partner experience has tightened communication and connection between the Lenovo field team and partners, which helps contribute to loyalty and continuing business. This is the first step in a long journey as Lenovo is fully committed to continue the transformation and improve the partner experience and win together in the market.
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