

Unleashing the Power of Partnerships

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Market Drivers

“Partnerships? What do we want those for? They only result in sharing revenue that we could otherwise keep for ourselves!”

That kind of statement could easily have been made during a management meeting in the majority of large monolithic computer or technology companies during the 1970s and 1980s. Back then product portfolios were owned from cradle to grave and the full range of technologies used by a computer company was developed in-house. From hardware bus architectures to communications protocols or operating systems - it was all home grown with not an open standard in sight. To be fair, the computer industry was very different then: the concept of “lock-in” was part of the sales bible. Once the first couple of computer systems were delivered to the customer he was ensnared. Peripherals, upgrades, software, maintenance – the customer had no choice but to source them all from the one manufacturer.

Then things changed. Along came the open standards revolution and suddenly hardware or software lock-in became a thing of the past. Some large companies still tried to do everything themselves, while making claims that they supported open systems. However, when asked whether a third-party hardware product would work in their system, these companies might give an answer something like this:

“Well of course the hardware buses are compatible: they’re based on open standards. But the operating system doesn’t have any device driver to support this hardware. Also this hardware product has not been qualified in our system so would invalidate warranties and potentially incur additional maintenance charges.”

If asked what would be needed to integrate a device driver and gain qualification, the answer given by these companies would include a price tag with lots of zeros and also require a long timescale.

Why have open standards become so important within the computer industry? Hardware and software compatibility are the clearly the foundation of open standards. However, the key point is that they lead to increased competition in the market and so bring the real benefit of CHOICE to the customer.

What does all this have to do with partnership programs? The answer has several facets.

- ❑ First, few, if any companies today can truly offer all the computer hardware, software and peripheral devices that their customers require to meet their needs.
- ❑ Second, we come back to choice. Customers want real choices. Unlike the industrial era, where the supply side dictated a limited set of choices, today’s world is demand-side oriented and manufacturers must offer customers an ever-increasing range of choices. For the computer industry, choice now means being able to combine all the elements an application requires into a seamless solution. So, when a customer needs an operating system or communications card, they want to choose from a wide selection.
- ❑ Third, customers do not want to take responsibility for device compatibility. Having made their selection from the marketplace, they want to be sure that those devices interoperate without problems.

So, what is a partnership program? Well, one common approach is to assemble a list of company names and phone numbers and “hey presto” you have a partner program. Put it up on your web site and away you go, job done. **WRONG!** Just like an iceberg, the largest part of a partner program lies below the surface unseen by most observers. It’s what lies behind the partner list and the web page that determines the value of the program and delivers real benefits to customers.

The web is an ideal way to give a customer an idea of what you have to offer. But it's only the storefront; the real customer experience happens after the customer enters the store and walks up to the sales or service counter. It is at this point that many partnership programs fail. Why do they fail? They fail because there isn't an effective process to help the customer solve their problem. They fail because most partner programs have been constructed with outbound communications in mind, rather than service to the customer. By adopting the customer's point of view it is much easier to see a host of issues and problems that wouldn't otherwise come to mind.

So what type of problems are we talking about? These include issues such as: a customer being directed to a partner with suitable hardware products but who does not truly support the customer's chosen operating system; partner products which do not meet the demands of the customer physical environment; a customer who is left with no choice but to perform system integration tasks beyond his technical or logistic capability. In the worst case a customer might even be directed to a partner whose products are fundamentally unsuitable.

A successful partner program must be able to address customer needs. These needs do vary but a high level list of common customer requirements includes:

- **Consultative help** – Ensuring that the customer has the best combination of hardware and software to support their application.
- **Consideration of the entire product life cycle** – Embedded computing projects have a design-in time plus product life cycle totaling five to ten years, so long term secure partnerships are needed. Issues such as revision control and upgrade options are important.
- **A whole product solution** – Customer need, not just a selection of “bits”, but a program that can deliver things that a product development team would normally provide, such as system integration, environmental testing and flexible packaging.
- **Access to a seamless team** - A single focal point that links all the partners together.
- **Mechanisms to support, service and ship a partner product** - Even though there may be 3 different companies products involved, customers would prefer it all shipped to them as one complete unit
- **One-stop shopping** – Time to market pressures now make it expensive to spend months shopping around. It’s much quicker and easier to source everything under one virtual roof.

Designing the “Embedded Connections” Program

Motorola Computer Group launched a new partner program called “**Embedded Connections**” earlier in 1999. Our objective was to meet customer needs and provide best in breed solutions for their problems through a partnership with other leaders in the market. We challenged ourselves to design the program putting the customer first, and set about addressing the issues that a simple web listing does not resolve. We created a technical support team called “InTELEnet” to provide consultative skills to customers and to create demonstration tools which help customers visualize real world solutions to their problems. A flexible database was added as a tool to sort through partner product information, review compatibility data and provide problem resolution information from our field teams. This database is already a mine of useful information that continues to evolve daily. An integration services team has been set up that is charged with solving customer's “whole product” issues. These may range from minor adaptations to standard product set-up to unique processes, tailored to individual customer needs. Either way, customers want to work with a supplier who offers these capabilities. We like to visualise the Embedded

Connections program as a network that supports our computer platforms with the products, software, connectivity and services that customers need to help them compete!

A reference list on a web page is an important and necessary element in communicating information about partnerships, but a real partner program involves far more than just a reference list. It's really about what happens after a customer has referred to that list. It's about creating measurable value from the customer's perspective. **Only through a genuine partner program, such as "Embedded Connections" can customers receive the real benefits of the transition to open systems.**

About the Authors

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