

Challenges and opportunities in local partner channel marketing

When local businesses stumble, a national brand's revenue tumbles. A third of national marketers say 40% or more of their company's revenue comes from local business partners, yet less than 30% of small businesses have fully recovered from the pandemic. Do the math, and you'll see a lot of lost revenue.



Source © Konstantnov 123rf When local businesses stumble, a national brand's revenue tumbles

Only two-thirds of national marketers have only a moderate understanding - or worse - about their local partners' business and marketing challenges and how to kickstart local demand.

This is the finding of the National Brands Kickstart Local Demand report from the Chief Marketing Officer (CMO) Council and BrandMuscle.

The Chief Marketing Officer (CMO) Council is a global network of executives with 16,000-plus members who control approximately \$1tn in aggregated annual marketing expenditures. It includes more than 65,000 global executives in more than 110 countries covering multiple industries, segments and markets.

This new research examines the opportunity and challenges national marketers face when improving and promoting their local partner channel marketing programmes.

"Local partners are the last mile to purchase and have the most interaction with customers," says Donovan Neale-May, executive director of the CMO Council.

"If national marketers really want to know their customers, they need to work closely with local partners, collaborate on marketing projects, share data, etc. Shoring up your local partner channel marketing programme is a great place to start," adds Neale-May.



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Key findings

- 95% of national marketing leaders say it's important (41%), very important (41%), and even critically important (25%) to increase revenue through their local partner channel.
- 75% have only a moderate understanding (40%), limited understanding (29%), or no understanding (6%) of local partners, their challenges, and how to optimise their performance.
- 55% say the overall effectiveness of their local partner channel marketing programme is only moderately effective or worse.
- 43% say it's very important, even critical, to improve digital marketing among local partners, yet 48% don't even offer fund reimbursement for digital marketing tactics.

Opportunity for improvement

There is a significant opportunity for national marketers to improve their local partner channel marketing programmes, such as making services more easily accessible, getting more creative with funding, and providing marketing training, content, and digital marketing tactics that are meaningful at the local level.

"The opportunity to grow revenue incrementally through local partners should be a priority for marketing leaders," says Kyle Coughlin, VP of marketing and demand generation at BrandMuscle.

"Given the amount of revenue already being generated through local channels, optimising and enabling partners to better align with marketing objectives and drive a positive ROI will help both the brand and partners succeed.

"Partners are often the last touchpoint before a sale. By helping them be better marketers, they become more active brand advocates in the path to purchase, which is a win-win for everyone," states Coughlin.

The report is based on a survey of over 140 marketing leaders across B2C and B2B industries. Additionally, in-depth interviews with executives at Sharp Home Appliances, Caterpillar, Gap, Invesco, Nationwide, BNY Mellon Wealth Management, KloudGin and MisfitsGaming were conducted. You can download the report here.