

Driving ROI through effective Channel Partner Renewals

Background to this eBook

The focus of this eBook is on Channel Renewal Sales — the process of selling subscription renewals, service contract extensions, or license renewals through indirect sales partners instead of directly to customers. Partner-driven renewals are becoming an essential part of partner management and revenue generation.

Channelscaler hosted a virtual panel discussion in Q4 2024, where an expert panel shared best practices for effectively managing channel renewal sales to maximize revenue and minimize churn.

The panel featured senior partnering executives:

- **Rob Rosa**, SVP of Global Service Sales & Customer Success at Extreme Networks
- **Mike Miller**, VP of Global Services Portfolio Management at Ribbon Communications
- **Sinéad McGrath**, Renewals Executive, Channelscaler
- **Kenneth Fox**, Chief Executive Officer, Channelscaler

We've gathered live poll responses from webinar attendees and paired them with expert insights from the panel in this free eBook, providing you with actionable guidance to elevate your channel renewals program.

If you'd like to know more, please contact: [Brenda O'Sullivan](#)

Meet the panel



Rob Rosa

SVP of Global Service
Sales & Customer Success

Extreme Networks



Mike Miller

VP of Global Services
Portfolio Management

**Ribbon
Communications**



Sinéad McGrath

Renewals Executive

Channelscaler



Moderated by:
Kenneth Fox

CEO

Channelscaler

The Importance of Renewals

It is widely understood that retaining an existing customer is cheaper than acquiring a new one, but what does that mean in real terms?

Reports show that:

- The probability of selling to an existing customer is **60–70%**, while for a new prospect, it's only **5–20%**.
- It costs up to **7x** more to acquire a new customer than retain an existing one.
- A **5%** increase in customer retention can boost profits by **25–95%**.
- Loyal customers spend **67%** more than new ones.

Renewal sales now represent a large and vital proportion of overall revenue for many companies. This is especially true in mature product/service categories where renewals can account for more than **50%** of the value of all sales.

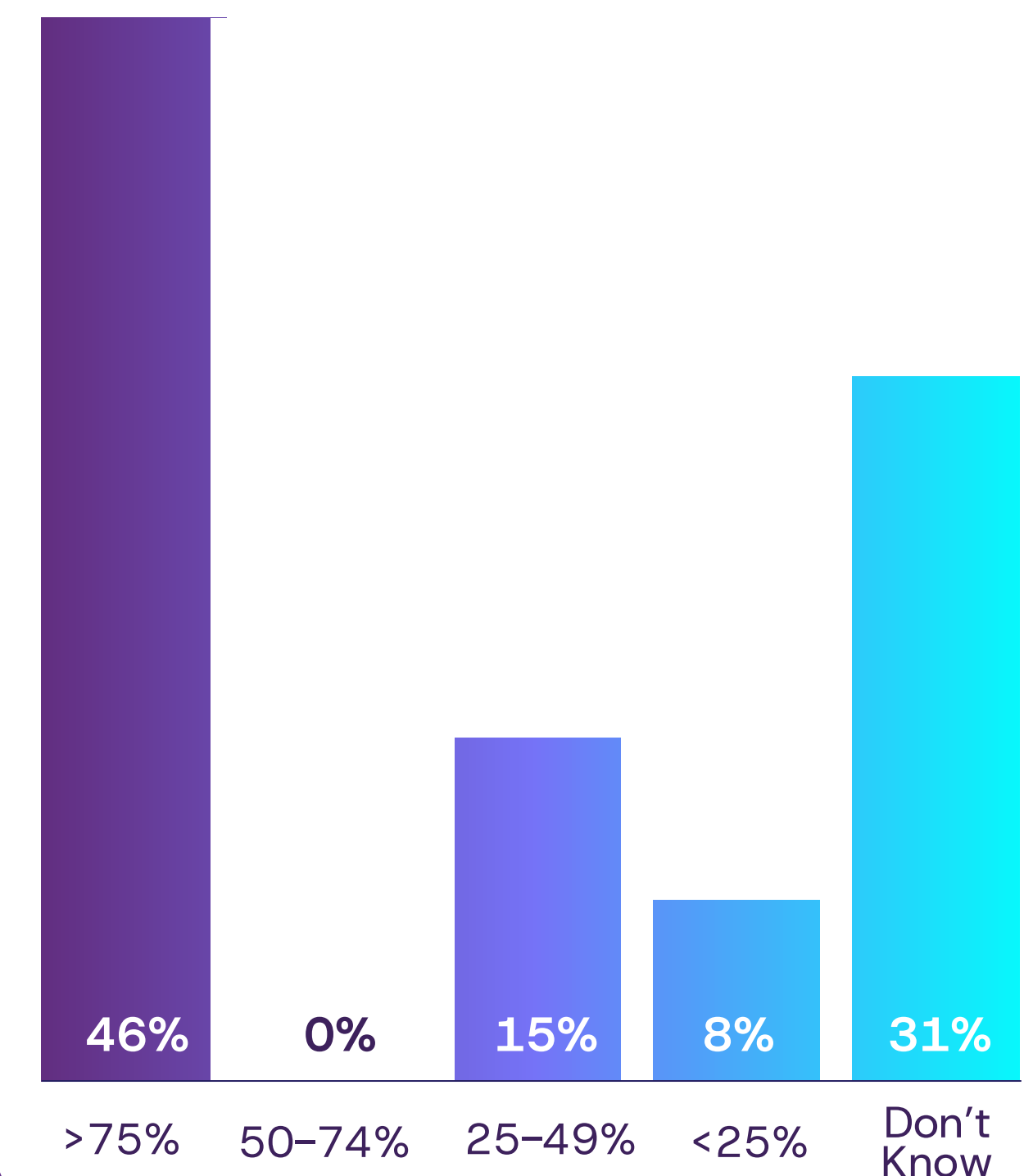
Of those polled who were measuring renewals rates, **67%** had seen improved renewals rates / ROI, and the majority believed their renewal rate to be over **75%**.

However, close to a quarter reported a renewal rate below **50%**, indicating they're losing half of their customers at renewal. More concerningly, nearly a third did not know their renewal rate.

So why do organizations find this so difficult?

Sources: Exploring Customer Acquisition vs Retention Costs (struto.io)
<https://hbr.org/2014/10/the-value-of-keeping-the-right-customers>

Reported Renewal Rate Ranges Among Participants



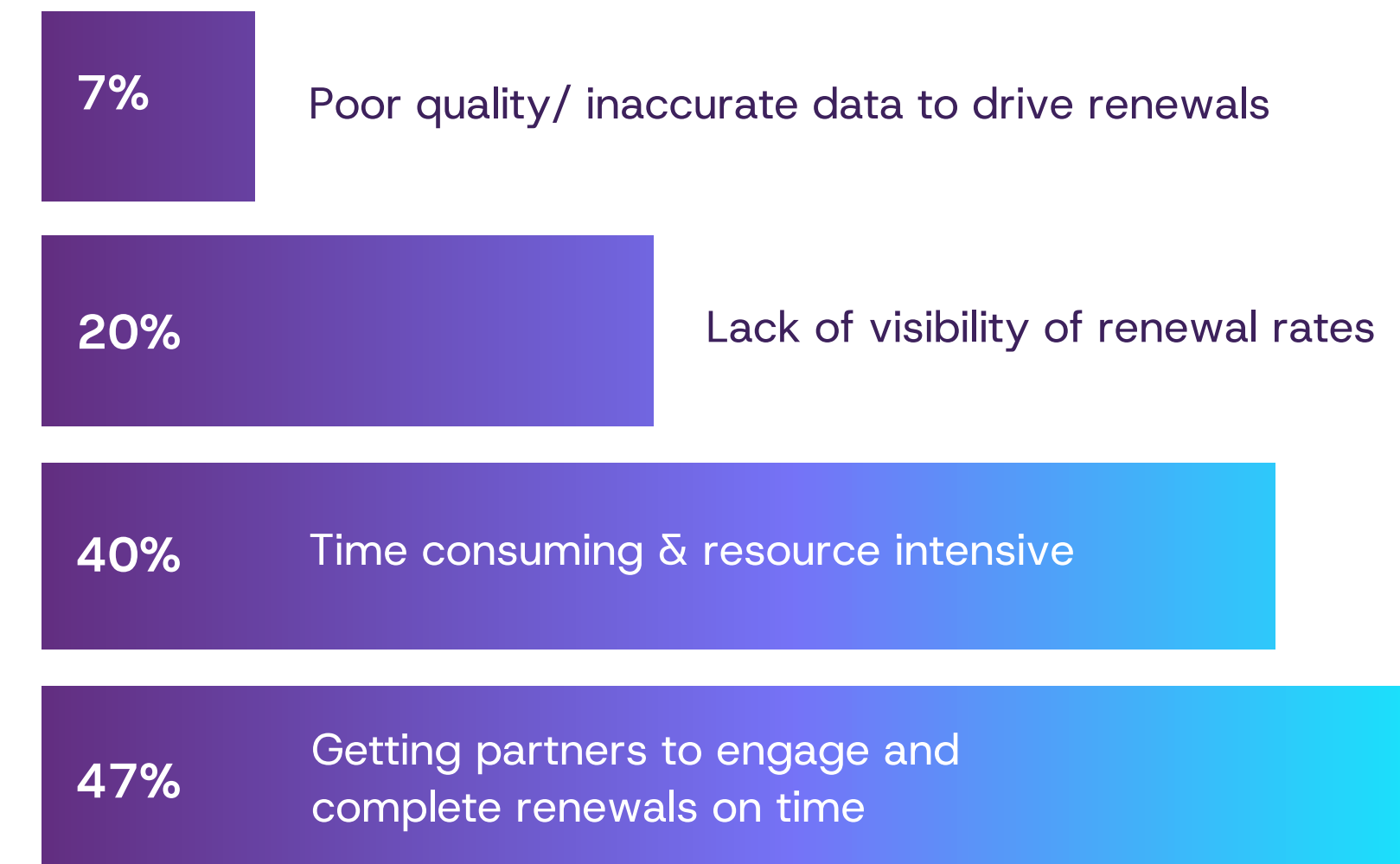
Challenges to Effective Renewals

The top challenge reported by our poll respondents, is directly related to partners, with nearly half of respondents citing difficulties in 'Getting partners to engage and complete renewals on time'.

In addition to renewals being 'Time consuming and resource intensive', respondents also flagged issues with the quality and visibility of renewals data.

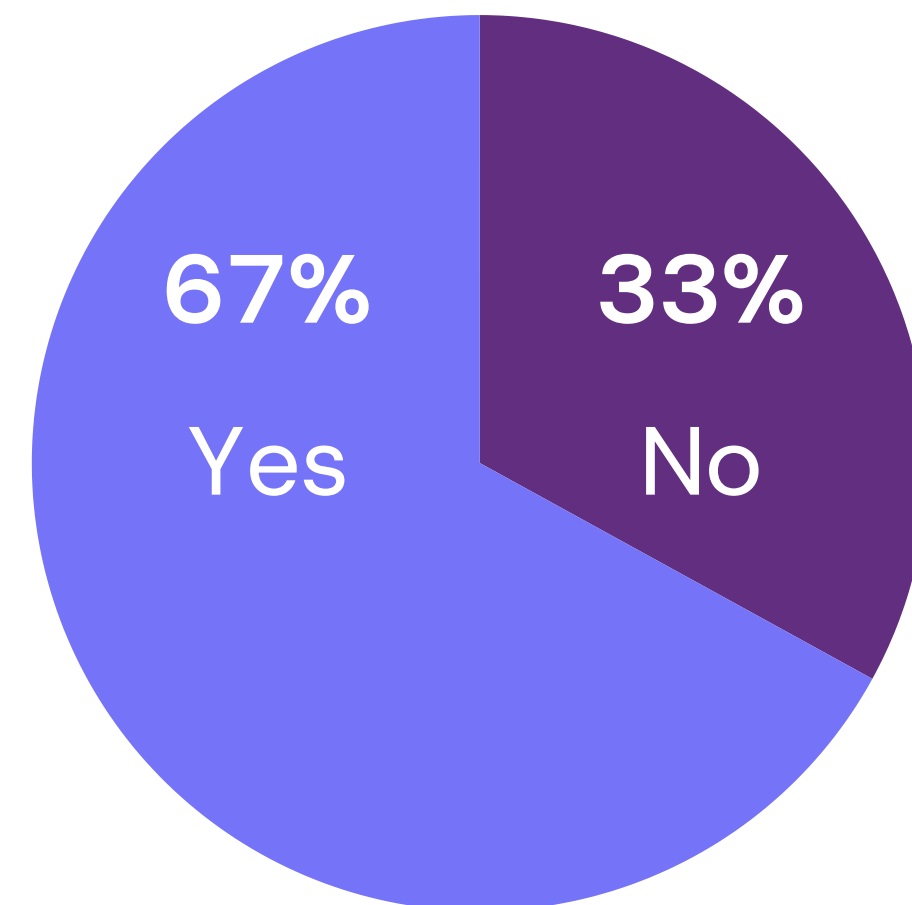
During the webinar, our expert panel shared experiences and advice on how to address the number one challenge: driving effective partner-led renewals, which we summarize in the following pages.

Top Challenges Faced When Managing Renewals



Maximizing ROI and Renewal Rates

Despite these challenges, companies that have incorporated renewals into their partner programs are seeing significant benefits. According to the poll data, **67%** of these companies have experienced improvements in both their renewal rates and return on investment (ROI), highlighting the real opportunity that well managed renewals can bring.



For those with a renewals program, have you seen improved renewals rates/ROI?

Kenneth Fox, CEO, Channelscaler

"It always starts with the data. Having that data, pushing it out through your portal or dashboard, really does drive partner engagement. For example, you show your partner, look you're at 60% right now, we'll incentivize you to reach 70 or even 80%!"

The alternative is, you send them an e-mail or you send them a spreadsheet and they don't even open it. Whereas if you can put them on to a click through for live, real-time visibility, you're straight on to a winner!"



The 4 Most Important Factors for Partner-Led Renewal Success

To drive successful renewals through your partner ecosystem, our experts agreed that there are 4 key areas to focus on.

1. Information

"If you can't measure it, you can't manage it"

Sharing robust and reliable renewals data with your partners, is critical to a smooth and efficient renewals process.

2. Communication

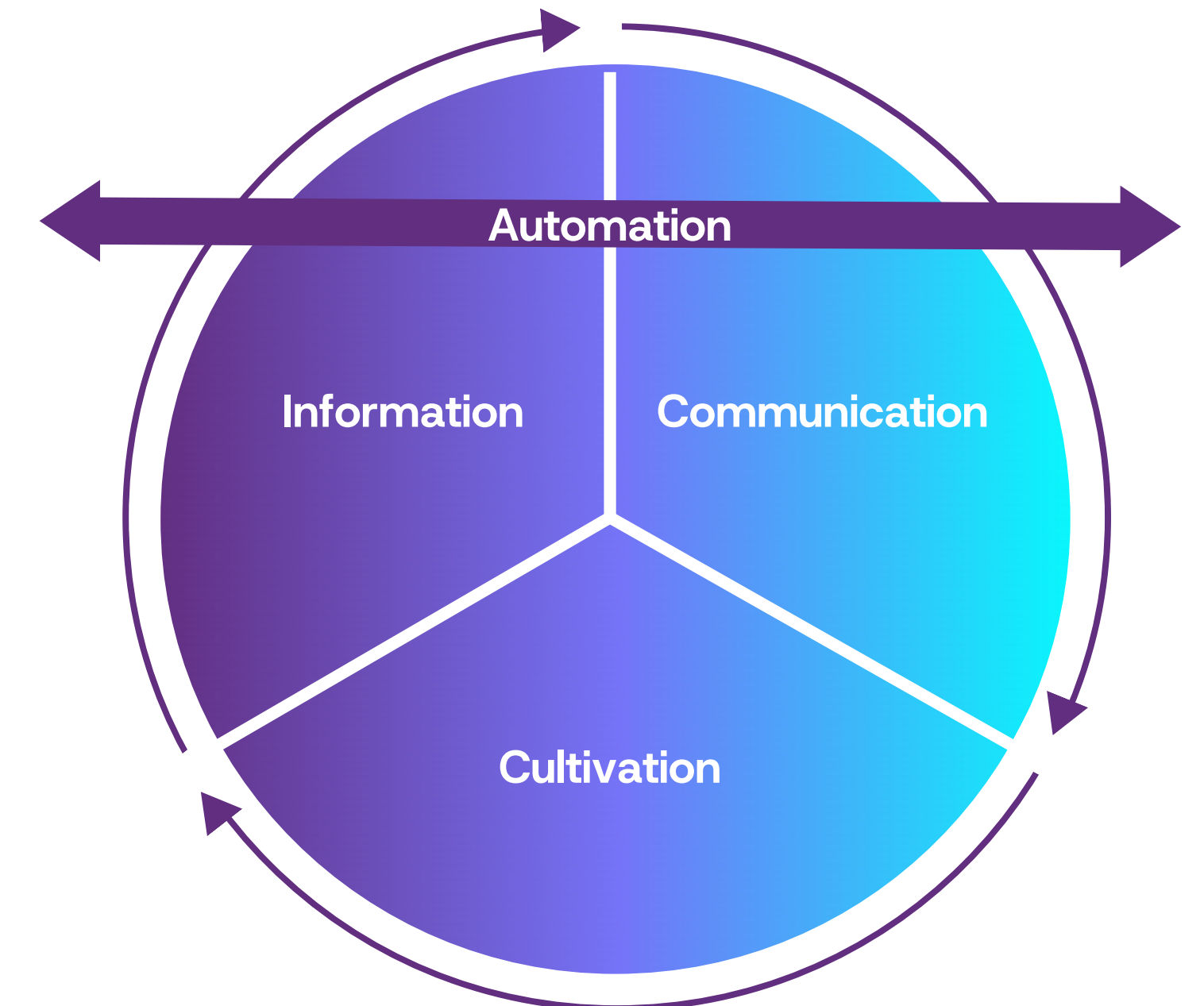
Keeping all stakeholders engaged leads to a streamlined process and no missed opportunities.

3. Cultivation

Encourage and incentivize your partners to use renewals as an opportunity to grow and expand the account through upsell and cross-sell.

4. Automation

Automation improves visibility into renewals data and pipeline, while a programmatic approach frees up vital resources to focus on at-risk renewals and account growth.



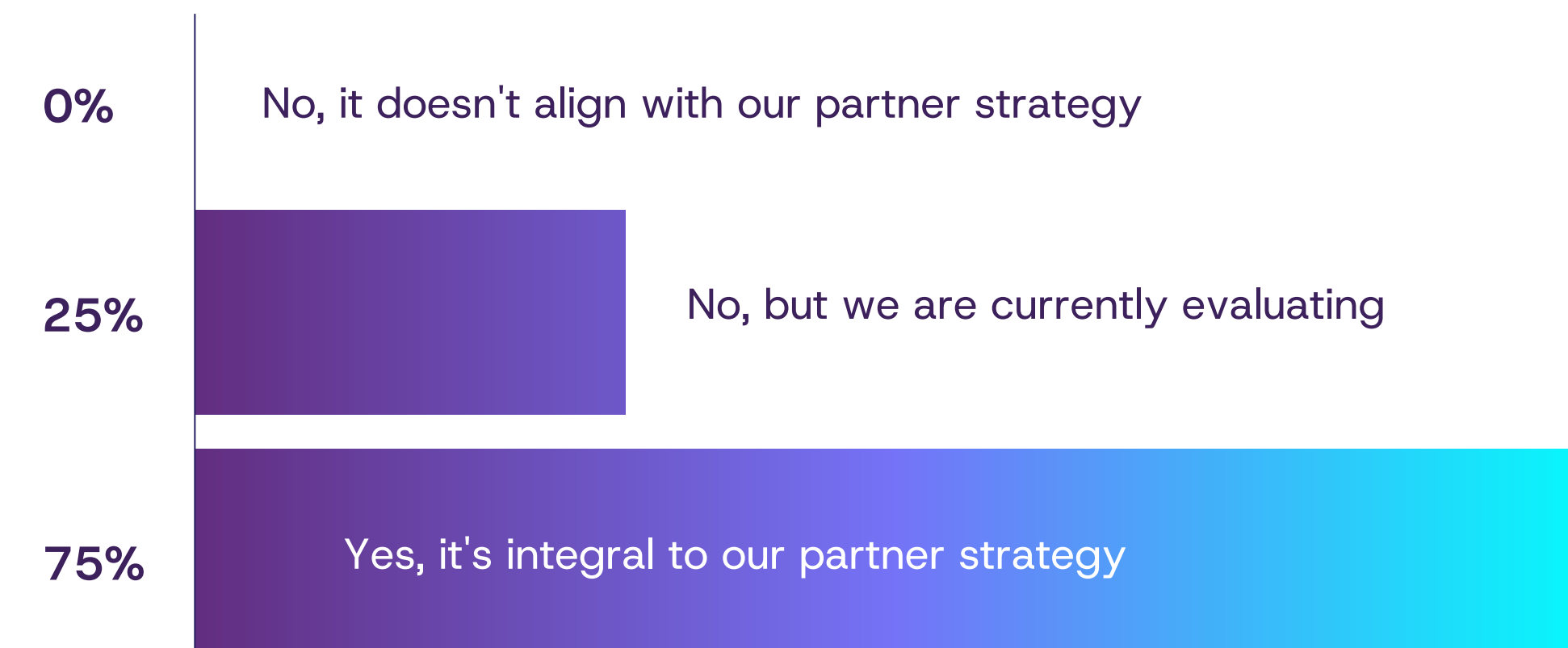
The Power of Information

If your business transacts some, or all, of its renewals through indirect partners, it's crucial to have a clear understanding of how those partners are performing.

So, it is no surprise that **75%** of respondents indicated that they are actively tracking and measuring renewal rates as an integral part of their partner strategy, while the remainder are currently assessing this approach.

Managing renewals through partners involves a structured process where data plays a crucial role at each stage. It begins with ensuring you have good quality renewals data.

Tracking and Measuring Renewal Rates: Organizational Practices



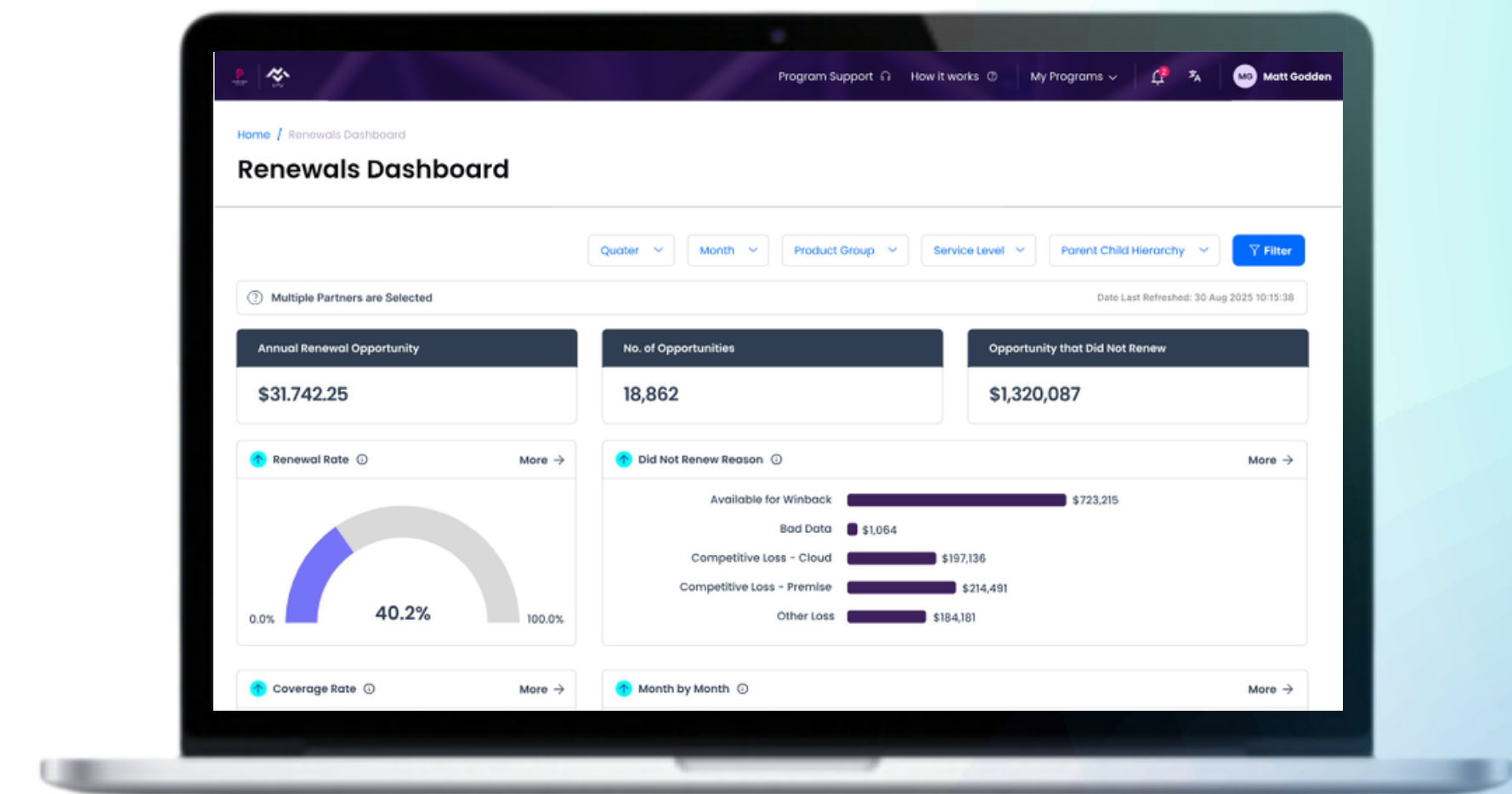
Visibility through Automation

A well-designed renewals dashboard plays a crucial role in this process by providing partners with essential information and insights. The dashboard provides partners with a clear view of their renewal pipeline, upcoming renewals, and overall performance. This transparency helps partners **prioritize their efforts** and **allocate resources effectively**.

Partners can schedule and prioritize resources based on factors like industry, size, and renewal likelihood. This allows for **targeted support** to those at risk of churning.

Real-time data monitoring enables proactive outreach. Automated reminders can be scheduled, ensuring partners are well-equipped to engage clients effectively and no renewal opportunities are missed.

A well-implemented renewals dashboard is a powerful tool for managing renewals through partners. It provides the necessary visibility, insights, and tools to drive proactive renewal management, ultimately leading to **higher retention rates, increased revenue, and stronger partnerships**.



60% of poll respondents said that they did not offer a partner facing renewals dashboard. So why are so few vendors providing this to their partners?

Is it any wonder that 'Getting partners to engage and complete renewals on time' is the number one challenge?

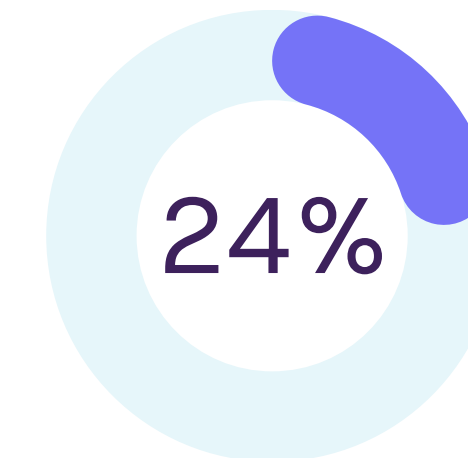
Availability of Partner-Facing Renewals in Organizations



Yes



No



No, but currently looking to implement one



**Mike Miller,
VP Global Services Portfolio Management
Ribbon Communications**

“With the correct data, you can give insight and use that to build the relationships with your partners to drive to the targets. It's allowed us to set those cadences with our partners, provide them with better visibility to what's coming and what's past due, and to work with them on status and strategies to get things over the line when they were a bit stuck.”

Communication Matters

Effective teamwork begins and ends with communication, and it is vital to collaborate with your partners to drive effective renewals.

It is important to communicate early and communicate often. Schedule routine renewal reviews with each partner to ensure everyone has clear visibility and expectations.

Having a renewals dashboard embedded into your partner portal can significantly help to improve transparency and communications.

Automated notifications to prompt your partners can be triggered at specific dates (e.g. 120 days before renewal or 6+ months for large, enterprise opportunities). You can help partners make the renewals process part of initial contract discussions with customers to avoid any roadblocks further down the line.

Account Managers, Customer Success and other internal teams are often in regular contact with customers and can provide warning of any issues and key strategic insight into the best timing and approach. It is critical to ensure communication channels are as clear internally as they are externally and to share that knowledge with your partners!

Top Tip

Replicate Best Practice: In the spirit of open communication, perhaps the most important question to ask your partners is:

“What do you need from us to be more successful?”

Most partners work with multiple vendors so take the opportunity to learn from them about what works and what doesn't!



**Mike Miller,
VP Global Services Portfolio Management
Ribbon Communications**

"You've got to follow a certain recipe and a certain playbook, you know, talk to your distributors, talk to your partners, communicate to your end customers, make sure all that's synced up and work through all the questions and issues."

Cultivating for Upsell and Cross-Sell

Cross-selling and **upselling** during the renewal process can enhance revenue, deepen customer relationships and reduce churn.

This creates an ideal **opportunity for partners** to build a pipeline of new opportunities by offering additional products or upgrades.

However, many companies are not fully leveraging this potential. According to the poll data:

- **30% of companies** with renewals programs have not integrated cross-sell and upsell strategies into their partner-led renewals efforts, leaving significant revenue potential untapped.
- Additionally, **40% of companies** with renewal programs have not offered partner incentives to drive improved renewal rates, potentially missing out on motivating partners to actively pursue these high-value opportunities.

As customers approach contract renewal, they're more open to reassessing their needs and the value they receive, making it a prime time for partners to introduce complementary solutions.

To ensure success, **enable your partners** with the right tools, training, and data insights while offering performance-based incentives to motivate them. This not only helps secure renewals but also drives new sales opportunities, ultimately leading to stronger customer retention, increased revenue growth and more motivated and engaged partners.



**Rob Rosa,
SVP Global Service Sales & Customer
Success at Extreme Networks**

"When it comes to renewals, it's a captive customer base: if they've renewed before, you expect them to renew again, and you should be capitalizing on that. It's not hunting; it's farming, and if you can grow off farming, that's just as good as hunting."

Final Words of Advice



Mike Miller
VP Global Services Portfolio Management
at Ribbon Communications

"I would say start with the data. Figure out what you have, what you need, what you want to track, and what your goals are. Start there, as this data will be used to build your tools, processes, and anything you want to automate. But it really is all going to start from the data, so it's important."



Sinéad McGrath
Renewals Executive at
Channelscaler

"I think the number one pitfall is people thinking that a renewal program starts from 120 or 90 days out from the renewal date. It starts from the day after the sale, and everybody within the partner and vendor has a role to play. Knowing your customer, how they use your product, what they're doing with it, what problems it's solving, is key to getting that renewal."



Rob Rosa
SVP Global Service Sales & Customer
Success at Extreme Networks

"Getting to that self-service model is really important because otherwise you can't scale, you're never going to have enough people to serve 5,000 or 50,000 renewals. Having that data, pushing it out through your portal or dashboard to show partners and distributors is critical. You know what renewals are coming up but measuring them is also key."

Additional Resources



eBook:

Building the Business Case for a Partner Performance Dashboard

Drive partner success with data, metrics, and actionable insights



eBook:

Unlock the Power of Joint Partner Business Planning with Automation



eBook:

Building the Business Case for Partner Relationship Management (PRM) in 10 Steps



eBook:

Partner Journey Excellence:



eBook:

Utilizing Partner Performance Dashboard to Build a Stronger Partner Ecosystem

A data led approach to analyzing, managing, and optimizing your partner ecosystem



eBook:

A Guide to Partner Leveling (Tiering) Programs in 2025



eBook:

What's Happening with MDF in 2024



eBook:

Everything you need to know about partner incentives 2024

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