Unlocking Success in the Broadcom Advantage Partner Program

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Reoriented VMware in the Broadcom Vision

Broadcom is one of the most successful and largest technology companies in the world. Over the past decade, Broadcom has expanded its portfolio through strategic acquisitions such as those of CA Technologies and Symantec. It's driven by a laser focus on addressing the needs of its target customers, maximizing technology investments through right-sized product packaging, and delivering value with and through partners. The result is the creation of one of the most consistently performing and profitable technology companies in the market.

The acquisition of VMware, the market leader in virtualization software, is the latest and largest addition to Broadcom's portfolio. Since the deal closed in November 2023, Broadcom orchestrated a sweeping overhaul of VMware's operations and channel program, accomplishing what typically takes years for most companies. These changes include:

- **Customer Re-Segmentation:** Broadcom reorganized VMware's customer base into new categories, reshaping its go-to-market dynamics to align with how customers use its products.
- **Product Portfolio Restructuring:** Significant portions of VMware's product portfolio were simplified, streamlining offerings to make it easier for partners and consumers to identify the product packages best for them.
- **Prioritized Commercial and Corporate Customers**: Under the new Broadcom program, partners are focused on Broadcom commercial and corporate accounts for software license sales and professional services.
- **Transition to Subscription-Based Pricing:** Broadcom accelerated the shift to subscription-based pricing, a process that had been underway at VMware for some time.
- **Shifted Partner Compensation:** Partners no longer work under the inconsistent expectations of back-end rebates to bolster their profitability; instead, all benefits are included in front-end discounts that provide greater control and consistency over profitability.
- **Focus on Renewals and Expansion:** The shift to front-end incentives helps with new customer acquisition, but Broadcom prioritizes renewals, rewarding partners for retaining and expanding with existing customers.
- **Revenue Predictability:** With the switch to subscription-based pricing and annual payments, partners now have greater certainty in customer payment cycles.
- **Partner Program Revamp:** The long-standing VMware partner program was replaced by the Broadcom Advantage Partner Program, leveling the playing field across all partners in the ecosystem and giving considerable advantages to solution providers with a focus on taking VMware products to market.

The scope and pace of these changes have been nothing short of monumental, reverberating through the tech industry and channel. Broadcom's aggressive approach has compressed years of strategic evolution into a condensed time frame. Naturally, these changes have left partners wondering about the impact on their VMware business and, specifically, their profitability potential in selling VMware products and supporting customers with their professional services.

Critics will say Broadcom is being capricious with these changes, but that isn't the case. Broadcom is an organization built on logic and efficiency. The changes were a "shock treatment" aimed at cleaning up inefficient and ineffective legacy VMware models and preparing partners and customers for future realities.

The world has changed since VMware rose to be the leader of the virtualization category. Customers are no longer just building and managing on-premises data centers. They're no longer buying software through perpetual licenses. They're also seeking predictability and greater return on their IT investments. They want and need complete, integrated systems. The VMware model no longer aligned with customer needs and expectations in an increasingly cloud-based, hybrid, artificial intelligence (AI) world.

Broadcom made a deliberate choice in making the Broadcom Advantage Partner Program by "invitation only." The closed channel approach is a means of organizing the competitive landscape and giving committed partners a better opportunity to win business. While not all VMware partners made the transition to the new program, most were invited to do so.

In this report, Channelnomics will review and explain the changes Broadcom has made to its partner profitability model, show how those changes can benefit partners and produce higher returns than the legacy program, and outline the steps partners should take to maximize their return on partnership investment with Broadcom.

Broadcom Priorities for Partners

The technology market and channel are filled with vendors aiming to capture and expand market share. These vendors often encourage partners to acquire new accounts, believing that new customer acquisitions lead to higher customer lifetime value (CLV).

Broadcom has a different view. Its focus is on keeping existing customers satisfied through high-quality software packages that align with their operational needs and deliver value. Broadcom believes that it's more effective — in terms of cost and profit — to keep and grow with existing customers than to chase new ones. The strategy is straightforward: Secure a customer now and maintain that relationship over time to generate more revenue in the long run.

The market evidence aligns with Broadcom's strategy, which prioritizes retaining and expanding legacy VMware customers over acquiring new ones. While new-customer acquisition remains important, it's often four to five times more costly than retaining an existing customer. By focusing on customer retention, Broadcom creates a solid, reliable revenue foundation, making subsequent new customer acquisitions more lucrative. Broadcom's priorities for channel partners are clearly defined in this approach.

Broadcom Go-to-Market Priorities
- Migrate existing perpetual-license customers to subscriptions.
- Capitalize on renewal opportunities to upsell and expand with new features.
- Win back customers using unsupported licenses.
- Enhance customer experience and value with partner-led professional services.
- Acquire net-new customers.

Broadcom's strategy focuses on transitioning existing customers from perpetual licenses to subscriptions. This transition not only provides an opportunity to maximize renewal and upsell opportunities but also necessitates partner support, opening avenues for partner-led professional services. These services can include migration assistance, consulting, and ongoing management, all aimed at delivering a better customer experience.

Most businesses are willing to pay more for a better experience, and Broadcom's priorities are centered on providing customers with improved experiences and outcomes. By offering comprehensive and integrated solutions, along with continuous support and updates through subscription models, Broadcom ensures that customers receive ongoing value throughout the lifetime of their engagements. This focus on enhancing customer experience for the duration of the engagement aligns with Broadcom's broader goal of retaining its market share while also fostering incremental growth.

Broadcom's approach of prioritizing customer retention, leveraging partner-led services, and ensuring high-quality customer experiences positions the company to sustain and potentially enhance its market leadership. By emphasizing the value of existing customer relationships, Broadcom seeks to create a stable and profitable channel ecosystem that benefits both the company and its partners.

Product Portfolio Simplification

Prior to Broadcom's acquisition, VMware's product portfolio was extensive and complex, with over 8,000 SKUs encompassing a broad range of offerings in virtualization, cloud infrastructure, and enterprise mobility solutions. This vast array of products made it difficult for partners and customers to navigate.

For partners, this lack of clarity often made it challenging to align the right solutions with customers' overall needs, complicating the sales process. Inconsistent profit margins and uncertainty about earnings further hindered effective financial planning and strategy development. This inefficiency stemmed from VMware's focus on net-new license sales, leading partners to reclassify licenses during renewals to capture new sales benefits. However, this approach resulted in minimal real top-line growth.

Additionally, the necessity for continuous training to keep up with VMware's evolving product lines imposed significant costs on partners, diverting resources away from core business activities such as customer engagement and new business development.

Customers also faced considerable challenges navigating VMware's extensive product offerings. The overwhelming number of options often led to confusion and the potential to acquire unnecessary features or miss out on essential capabilities. This complexity was compounded by VMware's perpetual licensing model, which involved substantial up-front costs and additional expenses for upgrades and separate add-ons, inflating the total cost of ownership (TCO).

The management and integration of various components within VMware's portfolio required significant effort to ensure compatibility and smooth operation, often leading to operational challenges and increased risk of disruptions.

> ## The overwhelming number of options often led to confusion and the potential to acquire unnecessary features or miss out on essential capabilities.

In response to these challenges, Broadcom initiated a comprehensive overhaul of VMware's product portfolio after the acquisition. One of the most significant changes was the drastic reduction in the number of product SKUs. Broadcom consolidated VMware's numerous products into more comprehensive and user-friendly offerings, simplifying the decision-making process for customers and enabling partners to more effectively sell and support these solutions.

New Broadcom-VMware Product Offerings

	VCF	VVF	VVS
vSphere ESXi	●	●	●
vSphere -Virtualized Compute -Building Block of SDDC -Familiar Tools & Skills	●	●	●
vCenter -vMotion -High Availability/Backup Orchestrator	●	●	●
Aria -Managed Capacity & Performance -Monitoring & Logging -Self-Service Cloud Automation	●	●	●
vSAN -Secure Shared Storage -Software Policy Manager	1TiB/Core	100 GiB/Core	
Tanzu -Conformant Kubernetes	●	●	
NSX -Integrated SDN & Security	●		
Select Support Services	●		
SDDC Manager -Automated Ops	●		
HCX Enterprise	●		

This streamlining ensured that customers received complete solutions without the need for numerous add-ons, thereby enhancing the overall customer experience.

By simplifying VMware's portfolio, Broadcom improved operational efficiency and reduced costs for customers. The updated partner incentives aligned with Broadcom's strategic goals, fostering a more sustainable and lucrative business model for all stakeholders involved. The transformation marked a significant shift toward simplicity, predictability, and continuous value, benefiting both customers and partners alike.
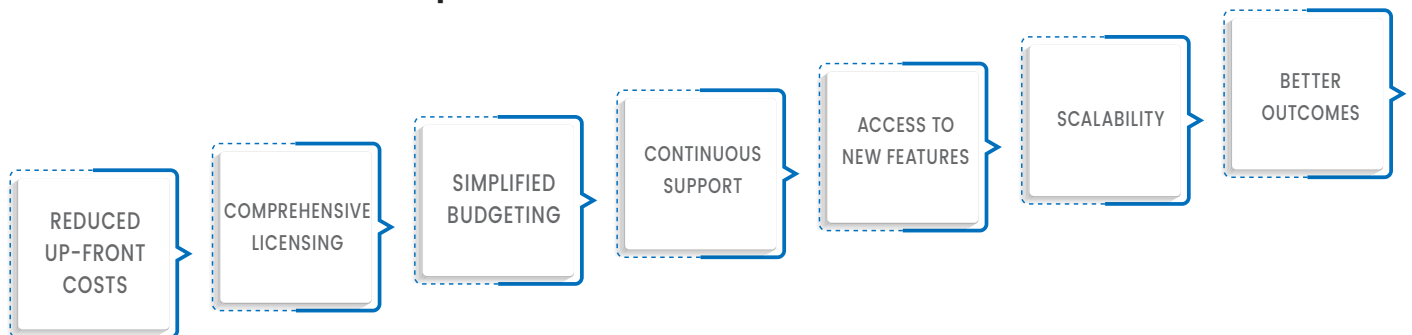
Subscription-Based Pricing Benefit

Subscription-based pricing — also known as the recurring-revenue model — has become the gold standard among software and cloud service providers. Over 90% of software vendors now offer their products through subscription models, moving away from traditional perpetual licenses. This paradigm shift reflects a fundamental change in how businesses consume and value software.

Under this model, customers enter into an annual or multi-year contract that grants them access to applications, regular updates, and ongoing support. This move coincided with a simplification of the product catalog, focusing on three main offerings: VMware Cloud Foundation (VCF), VMware vSphere Foundation (VVF), and vSphere Standard.

This approach offers several advantages:
- Reduced up-front costs, making high-end software more accessible
- Predictable costs for software and support
- Simplified budget planning and upgrade cycles
- Continuous support and maintenance without additional fees
- Immediate access to the latest innovations and features
- Scalability to meet changing business needs

Subscription Model's Benefits to Customers

REDUCED UP-FRONT COSTS	COMPREHENSIVE LICENSING	SIMPLIFIED BUDGETING	CONTINUOUS SUPPORT	ACCESS TO NEW FEATURES	SCALABILITY	BETTER OUTCOMES

Since 2018, VMware had been slowly moving toward a subscription-based pricing model. The company adopted a hybrid approach, offering both subscriptions and perpetual licenses for certain products. The stated rationale was to provide customers with flexibility in their purchasing options. However, as Channelnomics has consistently noted, mixed sales models often fail to achieve their intended goals. Both salespeople and customers tend to gravitate toward familiar territory — typically, perpetual licenses.

Broadcom's acquisition of VMware in 2023 marked a turning point in this transition. The company decided to accelerate the shift to a recurring-revenue model, aligning with significant changes in the product portfolio. This streamlined approach made subscription pricing more logical, as it allowed customers to pay not just for multi-product packages but also for routine updates and maintenance.

The shift to recurring revenue offers several advantages for Broadcom's channel partners:
- Regular, predictable recurring-revenue streams
- Flexible payment terms for customers
- Co-terminating contracts, simplifying renewal processes
- Increased opportunities for professional, transformational, and support services
- Reduced complexity in license management and support
- Enhanced long-term customer engagement
- Potential for upselling and cross-selling additional services
- Delivery of greater technology lifetime value to the customer

## Partner Benefits of Subscription-Based Sales

To better reflect the nature of subscription-based contracts, Broadcom uses the "annualized bookings value" (ABV) metric rather than the more common "average contract value" (ACV). ABV provides a clearer picture of the total revenue expected over time, especially crucial for multi-year contracts. This approach offers a more accurate representation of the predictable nature of recurring revenue.

Broadcom's focus on working and expanding with existing customers first is reason behind the other way it measures and rewards partner performance — the Expiring Annual Revenue (EAR) metric. EAR is the amount at which a customer should renew under its existing license value. Broadcom looks at the difference between ABV and EAR — the Realization Rate (RR) — to determine growth with a customer and performance value of the partner.

Broadcom's model aligns with the Channelnomics recommended best practice for service-based customer engagements, which is called "CAPTURE": Connect, Acquire, Provide, Track, Upsell, Retain, and Experience. It's a sales model that focuses on continuous engagement between partners and customers to deliver high-quality experiences, expanded utilization that leads to higher annual contract value, and persistent and consistent recurring revenue with customers.

Channelnomics CAPTURE Customer Engagement Lifecycle
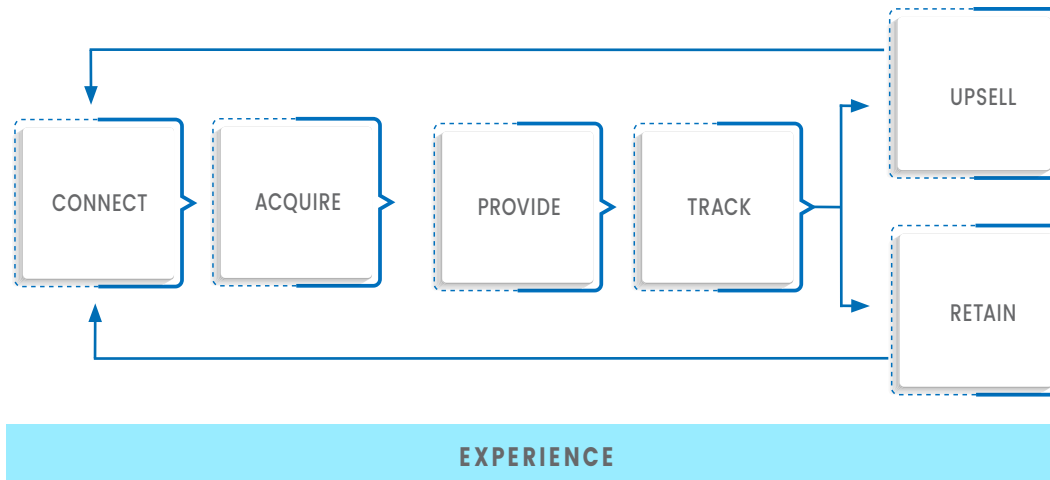
At each point of the CAPTURE cycle, partners must ensure that customers have a superior experience and recognize the value of the service being consumed. The Channelnomics CAPTURE model differs from similar methodologies in that it recognizes the need for continuous engagement through feedback on service utilization, the activation of unrecognized benefits, and the correction of unmet expectations.

The Broadcom focus on ABV and EAR in a subscription model aligns well with current and future technology adoption and consumption trends.

- Cloud computing and SaaS (Software-as-a-Service) adoption
- Increasing demand for flexible, scalable IT solutions
- The need for continuous updates and security patches
- Changing customer preferences for operational expenses (OpEx) vs. capital expenses (CapEx)

While the transition to subscription-based pricing presents short-term challenges, it offers significant long-term benefits for software vendors, channel partners, and customers alike. As the industry continues to evolve, adaptability and customer-centric approaches will be key to success in this new paradigm.

Partner Benefit & Incentive Evolution

Switching to the recurring-revenue model isn't the only change Broadcom made to how partners profit from selling VMware products. Broadcom also eliminated most back-end incentives, such as performance and promotional rebates, in favor of better front-end discounts, deal registration enhancements, and incumbency protection.

Back-end rebates are common incentives in the channel. Vendors offer rebates to partners based on their performance, specializations that lead to sales, or product-specific promotions. The idea behind back-end incentives is to boost profitability when front-end discounts don't provide sufficient margins for a healthy profit. Typically, vendors sell products to distributors, which then sell to partners at a negotiated price. Vendors provide rebates to partners to compensate for the slim margins on these products.

VMware's incentive strategy focused exclusively on new business, a small fraction of the overall business. This approach left resellers without compensation for renewals, which constituted the majority of their revenue. Additionally, significant channel conflicts arose across all segments, particularly with license sales and professional services. Partners, encouraged to invest in costly certifications to distinguish themselves, often lost deals to direct representatives. This system led to partners engaging in convoluted tactics to classify deals as new business. With the transition to a front-end discount framework, Broadcom Advantage partners now receive higher discounts based on new sales and renewals. Additional incentives are available for deal registration and incumbency protection, which further increase these discounts.

Switching to Front-End Discounts & Incentives

Broadcom's focus is on renewing and maximizing the potential of existing accounts through subscription-based pricing. The following are the benefits that come with this switch in focus.

Up-Front Discounts	Partners know their discounts going into sales, which provides them with greater flexibility in price negotiations.
Maintain Pricing Discipline	Partners are encouraged to align their margin and profitability model to Broadcom's net margin, up-front discount approach in an attempt to maintain VMware solution street value.
Deal Registration	Partners receive additional up-front discounting when they register opportunities.
Incumbency Protection	Partners receive additional discounting and protections when pursuing renewals and expansions of existing accounts.
Simplified Pricing Structure	The removal of back-end rebates simplifies the pricing model, reducing potential conflicts and complexity in managing deals.
Decreased Back-End Reliance	Partners have more certainty in the profitability of their Broadcom sales as most of the incentives are on the front end, not based on complex back-end rebates.
Lower Operating Costs	A simplified incentive structure reduces the complexity and administrative burden on partners.

Partners may argue that even deeper front-end discounts might not improve their profitability, and traditionally this has been true. Many vendors and partners negotiate price concessions, which reduce the sale price and compress margins. It's common for vendors to apply nonstandard pricing (often called special pricing) in up to 80% of their sales, offering discounts of 50% to 80% off list price on software licenses.

Steep discounts are typically intended to benefit the customer, who expects the savings to be passed on. For instance, if a product's list price is $100 and the vendor and partner agree on a sale price of $50, the partner buys the product from the vendor for $50. However, the partner doesn't resell the product to the customer at the original list price of $100. Instead, the typical markup ranges from 10% to 20%, resulting in a sale price to the customer of around $60.

Switching to a front-end discount incentive model gives partners more control over their pricing and sales negotiations with customers. Partners that can demonstrate value and consequently maintain a higher sale price without the need to provide significant price concessions will earn more on each license sale.

A shift to standard annual payments for single- and multi-year contracts brings a number of benefits for partners and customers alike. For customers, it becomes much easier to manage cash flow by avoiding a big cash outflow in the first year. As far as partners are concerned, annual payments even out commissions, creating a predictable revenue stream for an organization and its sales teams.

Maximizing the profitability potential of the front-end incentive model requires a strategic shift in sales approach. Partners need to rethink their sales philosophy, focusing on value rather than competing solely on price. First, this shift involves training sales teams to avoid quickly offering price concessions and discounts. Also, partners should bear in mind that the simplified product packaging and pricing implemented by Broadcom removes the complexity of managing complex programs, reducing partner operating costs.

For partners, it's essential to exercise discipline, recognizing that not every sale is worth pursuing and that not all customers are ideal revenue sources. As partners transition to this model, they can pursue a more sustainable and profitable approach to sales, emphasizing long-term value over immediate volume.

Reducing Customers' Total Cost of Ownership

VMware was once a leader in the virtualization market, offering one of the most comprehensive and high-quality product portfolios available. Few competitors could match VMware's breadth and depth of product offerings, which made the company a standout in the industry. However, this vast product offering set came with significant complexity and inefficiency.

Again, VMware's extensive catalog included over 8,000 different product variations, with licenses sold on an application-by-application basis. While this approach allowed for tailored solutions, it often led to fragmented, incomplete systems or, worse, infrastructures bloated with unnecessary applications that drove up costs.

Compounding these issues was VMware's emphasis on acquiring new customers rather than focusing on renewals. Incentivized to prioritize new sales, partners were encouraged to sell additional applications that further contributed to licensing bloat and increased TCO.

Broadcom's recent reorientation of VMware's offerings into streamlined packages marks a significant shift. While this new approach comes with a possible cost increase, it simplifies the product lineup by bundling necessary applications into complete packages designed around actual customer needs and usage patterns. This shift brings several benefits:

- **Comprehensive Solutions:** Customers receive all the necessary applications in a single offering at one price.
- **Cost Efficiency:** Eliminating unnecessary applications reduces costs, ensuring customers pay only for what they use.
- **Reduced Licensing Bloat:** Streamlined offerings help customers minimize the number of licenses they require, lowering the aggregate costs and improving TCO.
- **Optimized Experience:** Subscription-based offerings include continuous updates and support, enhancing the overall user experience.

For partners, this transition presents an opportunity to offer valuable guidance and support, helping customers identify their precise licensing needs and purchasing strategies. Despite the reduction in the total number of licenses, partners can achieve higher profitability through Broadcom's new compensation model, which provides partners with incentive to focus on customer needs and apply the appropriate offerings.

Partners should conduct comprehensive assessments of each customer's current IT infrastructure and licensing needs, identifying areas of underutilization or redundancy. With this understanding, they can develop tailored licensing strategies that align with a customer's specific business objectives, avoiding generic solutions. By staying informed about vendor incentives and leveraging the simplified offerings, partners can further reduce costs while providing continuous value through ongoing updates and support.

Recommended TCO Optimization

Partners can optimize customers' VMware investments by taking the following steps to identify opportunities to right-size licensing.

- **Assess Current Infrastructure:** Identify underutilized or redundant licenses.
- **Develop Tailored Strategies:** Align licensing with specific business needs.
- **Leverage Vendor Incentives:** Maximize savings with informed choices.
- **Monitor and Optimize:** Continuously track and adjust license usage.
- **Provide Education and Support:** Facilitate smooth transitions and informed decisions.
- **Focus on Long-Term Value:** Optimize TCO and plan for future scalability.
- **Act as Strategic Advisors:** Build trust through consultative services and success stories.

Implementing continuous monitoring systems allows partners to track license utilization, ensuring customers pay only for what they use. Regular reviews should be scheduled to adjust licensing plans as business needs evolve. Providing education and support during transitions is crucial for minimizing disruption and enhancing customer understanding of licensing options.

To cement their role as strategic partners, partners should focus on long-term value by optimizing TCO and planning for future scalability. Positioning their services as consultative, rather than transactional, builds trust and fosters long-term relationships. Sharing success stories through case studies demonstrates expertise and credibility, thus attracting new business.

By offering proactive engagement, value-added consulting, and regular performance measurement, partners can drive significant customer savings and operational efficiencies while establishing themselves as trusted advisors.

Aiming for Future Market Opportunities

The market is evolving rapidly. Emerging technologies such as AI, coupled with the growing need for cost containment and operational optimization, are making efficiency and effectiveness imperative. This evolution aligns seamlessly with Broadcom's model and future plans.

Meanwhile, cloud computing continues to grow at an annual rate of 20% to 25%. According to Amazon Web Services, only 15% of business workloads have migrated to public clouds, indicating significant potential for growth. Most businesses, particularly large enterprises, will adopt a combination of public and hybrid clouds for their mission-critical systems. This trend presents a substantial opportunity for resellers to market and support VCF and VVF.

Enterprises are increasingly concerned about costs. IDC reports that over 70% of enterprises are repatriating workloads from public clouds to on-premises infrastructure. While they're withdrawing some of the most cost-intensive systems from public clouds, they're not abandoning cloud computing altogether. Instead, they're transitioning these workloads to hybrid and co-located infrastructures, which offer another opportunity for partners to engage.

AI is poised for continued rapid growth, with expected annual sale increases of approximately 55% over the next five years. According to a Channelnomics-Pax8 survey of end customers, nearly two-thirds are planning to invest in AI systems, and another one-third will likely make such investments.

Customer Artificial Intelligence Adoption Plans

64%
Will invest in
AI systems

34%
Will *likely* invest
in AI systems
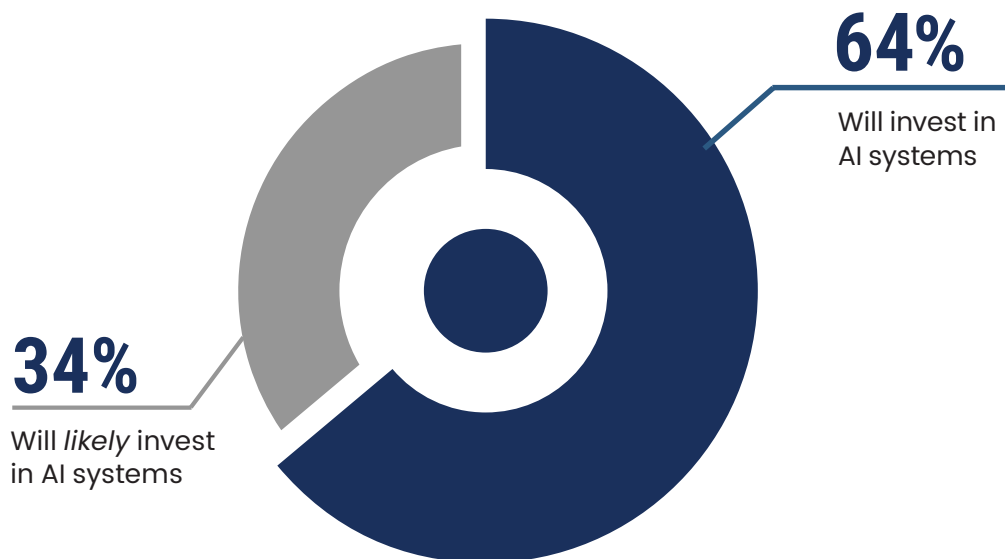
Source: Channelnomics/Pax8 AI End User Study, 2024

AI is projected to become a $550 billion market by 2027. However, due to the technology's intensive processing requirements, many businesses are opting for on-premises deployments to manage costs. Hardware vendors are focusing on local AI implementations, with nearly one-third of AI spending allocated to infrastructure enhancements. This trend opens significant opportunities for Broadcom partners to support AI-driven transformations.

The persistent shortage of IT talent poses another challenge as businesses increasingly rely on technology. The demand for skilled engineers, administrators, and technicians continues to outpace supply. Broadcom partners can capitalize on this talent gap by offering professional services to help customers build, manage, and optimize their virtualized cloud and on-premises infrastructures.

These trends offer Broadcom partners new avenues to sell virtualization software and services. The potential for partner profitability is significant, but the full economic impact of Broadcom's partnership and products becomes even more compelling when current and future market dynamics are considered. As these trends evolve, Broadcom partners will uncover more opportunities for growth and profitability in the market.

Moving Forward

As Broadcom refines its partner profitability model, the focus remains on customer success with a focus on renewals, the migration to new simplified offerings, and professional services. With 95% of business activity concentrated on renewals and the migration to new offerings, partners should prioritize migrating customers to new offerings, expanding capacity, and adopting new product offerings to make sure customers can realize the full value of the Broadcom platform. This strategy not only boosts customer satisfaction but also ensures a more stable and profitable revenue stream.

Before the acquisition of VMware, an artificial distinction between new and renewal business created friction within sales teams as they often catered to the same customer and a specific business need. In parallel, partners often had to present certain opportunities as "new" to secure preferential treatment of the deal. This all detracted from value-added customer engagement. At Broadcom, this problem doesn't exist, since the focus is on existing customers, not putting deals in the "right bucket."

To cultivate "happy, repeat" customers who fully utilize and adopt additional products, partners should emphasize the delivery of comprehensive professional services, which typically offer better margins than license sales, especially in larger accounts. Broadcom's preference for value-added partners over mere fulfillment partners highlights the importance of high-quality services that enhance customer satisfaction and loyalty.

Broadcom's strategy prioritizes quality growth and deepening relationships with existing customers over acquiring new business. Partners are advised to be judicious business owners and managers, recognizing that not every opportunity aligns with strategic goals. Training sales teams to focus on overall top-line revenue growth, rather than dwelling on specific losses or business model shifts, is

crucial. The positive impact of this approach is already evident, with partners experiencing significant growth just one quarter into the new model.

To maximize profitability, partners should adhere to the following best practices and action items:

- **Focus on Renewals, Migrations, and Upselling:** Actively engage existing customers to renew contracts and upsell additional features or services with adjacent technologies. This reinforces customer loyalty and generates recurring revenue.
- **Enhance Professional Services Capabilities:** Develop and expand professional services offerings. This not only differentiates partners in the market but also allows for higher margins and greater customer value.
- **Align Sales Strategies With Broadcom's Vision:** Training sales teams to understand the value of the offerings is imperative in applying pricing discipline. This approach helps maintain healthier margins and better reflects the real value of the solutions offered.
- **Maintain Product-Customer Alignment:** Broadcom's alignment of simplified offerings to specific customer segments helps partners position the right solutions to customer needs rather than selling a patchwork of different product licenses.
- **Think Long-Term Engagements:** The recurring-revenue subscription model works best when the customer commits to more than a one-year contract. A multi-year engagement provides customers with reduced total cost of ownership and partners with a more stable revenue stream.
- **Invest in Skill Development:** Ensure teams are equipped with the necessary skills and knowledge to deliver high-quality services. Becoming a value-added partner requires ongoing education and expertise in Broadcom's product offerings.
- **Offer Professional Services:** Customers need help in selecting, deploying, integrating, and operating VMware products. Through professional services, partners can earn margins of 40% to 60%, on average, for the expert resources they provide.
- **Communicate Strategic Objectives Across the Organization:** Implement a top-down approach to ensure that all levels of the partner organization understand and align with Broadcom's strategic direction. Clear communication of goals and strategies fosters a unified approach to the market.

Every change requires time for everyone involved to understand the benefits. Partners, therefore, should engage with customers early — well ahead of renewal time — to discuss value. In addition, partners' sales teams should make a clear distinction between the renewal of a former product and a newly designed solution that offers greater value and functionality.

By following these best practices and focusing on strategic growth, partners can maximize their profitability and strengthen their relationship with Broadcom. This alignment will not only enhance customer satisfaction but also create a robust, profitable partnership ecosystem. ■

About Us

CHANNELNOMICS™

Channelnomics is a global analyst and research firm that helps technology vendors and service providers fine-tune their channels, win customers, and sharpen their competitive edge. The company offers a portfolio of best-in-class products and services, including research, market analysis, thought-leadership content, and expert guidance. The innovative analysts at Channelnomics leverage data to develop customized route-to-market strategies for any client that wants to translate vision into value.

BROADCOM®

Broadcom Inc. (NASDAQ: AVGO) is a global technology leader that designs, develops, and supplies a broad range of semiconductor, enterprise software and security solutions. Broadcom's category-leading product portfolio serves critical markets including cloud, data center, networking, broadband, wireless, storage, industrial, and enterprise software. Our solutions include service provider and enterprise networking and storage, mobile device and broadband connectivity, mainframe, cybersecurity, and private and hybrid cloud infrastructure. Broadcom is a Delaware corporation headquartered in Palo Alto, CA. For more information, go to www.broadcom.com.

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