

Red Hat scales MDF program and delivers 67x ROI

Digitizing program on WorkSpan reduces campaign time to market and drives cost efficiencies



PROGRAM TYPE

Market Development Funds (MDF)

OBJECTIVE

Streamline MDF processes to decrease campaign time to market and increase ROI on MDF funds

APPROACH

Digitize MDF program on WorkSpan in Joint Funds App with standardized proposal, claims and funds workflows, and automated reporting



"WorkSpan allowed us to expand our breadth of engagement, and utilize and request more funding- without adding any headcount. Our investment in WorkSpan paid for itself the first year."

-Joan Richards, Director, Global Alliances and Partner Marketing, Red Hat

Red Hat is a leading provider of open-source software solutions with a robust portfolio of operating system, virtualization, management, middleware, cloud, mobile, and storage technologies. Red Hat works closely with partners of many types, including Independent Hardware Vendors (IHVs) and Resellers (VARs). These partnerships significantly contribute to Red Hat's growth, with over 75% of revenue influenced by a partner. [\(Source\)](#) To enable this growth, Red Hat drives joint GTM initiatives with these partners supported by Market Development Fund (MDF) programs.

Manual Processes Inhibit Growth

One of these MDF programs, Red Hat's aptly named "Rainmaker", is jointly run with the industry-leading semiconductor hardware vendor ("IHV") and focuses on regional campaigns to accelerate deals as well as with our partner ecosystem by driving leads, pipeline and revenue through events and webinars. The program was at 100% funds reimbursement rate due to the team's diligence and efforts, led by

Joan Richards, Director, Global Alliances and Partner Marketing. However, the program's management was highly manual and complex, contributing to lengthy approval and claim cycle times of up to 3 weeks, delaying GTM field efforts and revenue opportunities. Scaling the program to drive more campaigns with partners was just not possible without adding more headcount.

Multiple meetings, emails, and spreadsheets with stakeholders from corporate, field marketing, channel teams, and the IHV partner were needed to get campaigns approved. A third-party agency was required to submit claims manually, and Red Hat's finance team had to spend multiple cycles on payment reconciliations. Only 3 data points were available for reporting (Geo/Funding Level/Funding Class), and the data was often stagnant. Proof of performance-critical for audit and compliance requirements--was stored in an online folder and challenging to manage.

Case Study

"With WorkSpan, we've been able to reduce our costs, so we've put that back into helping to drive engagement."

-Joan Richards, Director, Global Alliances and Partner Marketing, Red Hat

BUSINESS IMPACT

62%

increase in campaigns managed, with no increase in headcount

6x

increase in real time data points, driving real time decision making

22%

growth in funds managed

75%

reduction in campaign cycle time

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A New Approach - Digitizing to Scale

Having already digitized other MDF programs on WorkSpan, the semiconductor IHV recommended the Red Hat team consider WorkSpan, specifically the Joint Funds App, to streamline the program and allowing it to scale. After an evaluation, the Red Hat team saw the benefits: the complete fund management process is digitized on a shared platform, allowing Red Hat and their partners to work collaboratively to reduce the time and effort needed to approve and claim MDF campaigns.

With WorkSpan's Joint Funds App, Red Hat corporate and field marketers, the IHV partner, channel partners, and Red Hat finance now have self-service access to one platform to manage campaign proposals, funding decisions, and claim status. Field marketers can now submit their campaigns directly, leading to increased engagement across the regions, and the IHV partner can approve without involving the corporate team. Red Hat no longer requires a 3rd party to submit claims. The financial process has been significantly improved, with Red Hat's finance team having a customized budget page to reconcile payments & claims, reducing workload and increasing operational efficiencies and accuracy.

Joan and her team now have six times as many data points for reporting, including an executive dashboard, a calendar view, and ROI roll-up of all campaigns in real-time. These on-demand reports enable the team to get insights into campaign effectiveness earlier to make adjustments as needed. And finally, all proof of execution is tied to a campaign and uploaded in WorkSpan, significantly reducing potential compliance issues in the case of an audit.

Growth and Cost Efficiencies Without Headcount Increase

The impact of digitizing on WorkSpan? Claim cycles have been reduced by 75%, with six steps eliminated from the process. The number of campaigns managed has increased by 62%, and funding managed has increased by 22%. The team achieved these results with no increase in headcount. Not only that, digitizing on WorkSpan is more efficient, which directly translates into a fiscal impact. "With WorkSpan, we've been able to reduce our costs, so we've put that back into helping to drive engagement," said Joan.

The Red Hat team strives for a 15-30x ROI on partner marketing activities in the "Rainmaker" program. After digitizing on WorkSpan, they achieved a 67x ROI, increased contra funds by 800%, and ultimately impacted Red Hat and IHV revenue.

Now it's easier than ever for Red Hat to engage with current and new partners. "We are out there beating the drum to our partners saying we have this opportunity for you, please engage with us on WorkSpan. You don't have to send emails and have calls, you work through the shared platform," says Joan. Growth is no longer limited by the bottlenecks in the workflow but accelerated by partners working together in a shared space, with room for expansion in the future.

ABOUT WORKSPAN

WorkSpan is the Ecosystem Cloud to drive joint sales, marketing and solutions with partners. WorkSpan gives you a single source of truth, bringing together your ecosystem partners on a digital platform to quickly deploy and operationalize your partner initiatives. You can now drive revenue with your partners from Leads to Wins in real-time and deliver solutions from Idea to Launch with speed.