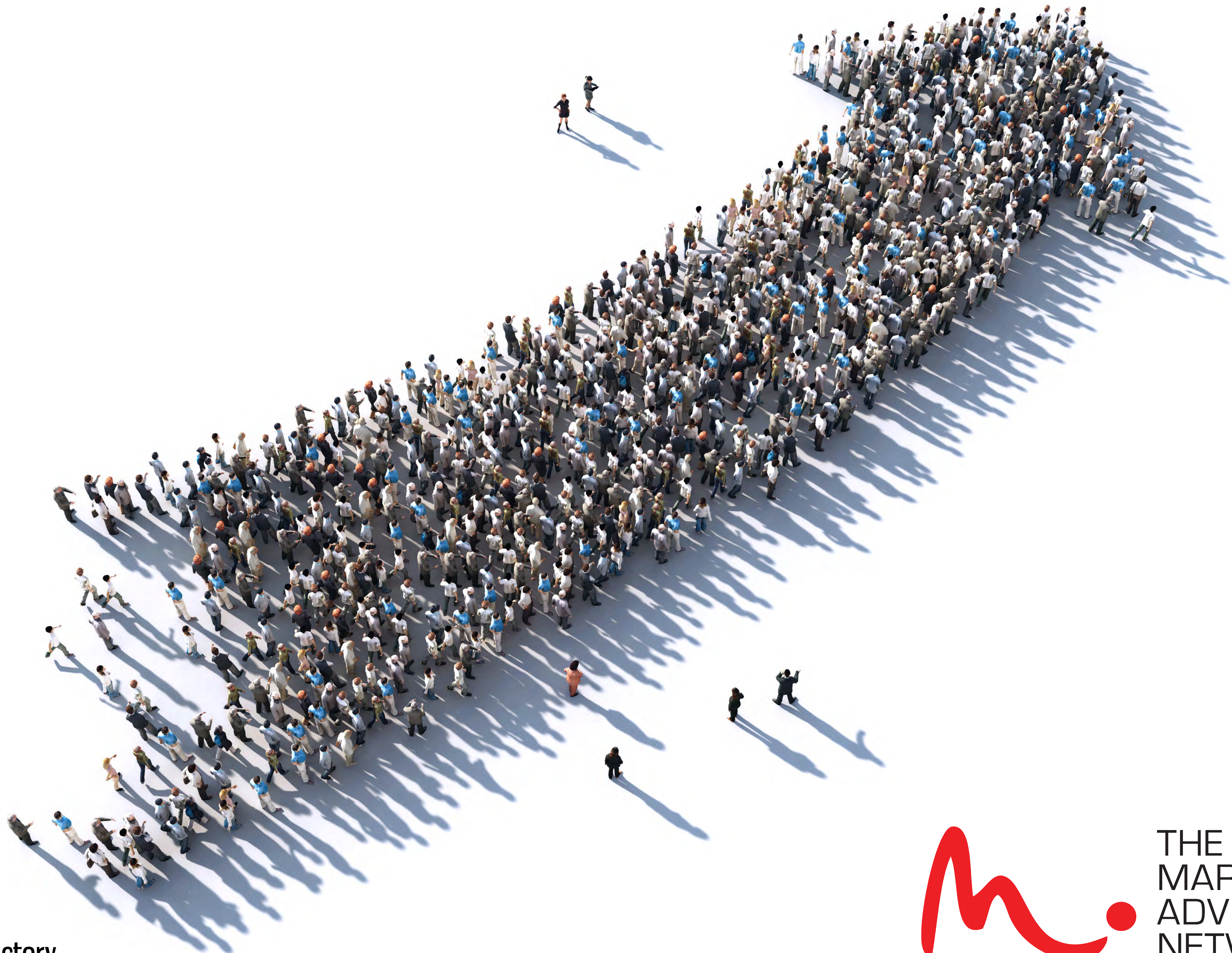


2016 B2B

Sales & Marketing Collaboration Study



2016 B2B

Sales & Marketing Collaboration Study



It's common sense that organizations that rally together around shared goals will drive more efficiency than those where different functions are at odds with each other. Yet, most sales and marketing teams struggle with achieving this ideal. That's almost terrifying given we know fully integrated companies are more profitable, drive faster growth and make happier customers.

Sales and marketing leaders are smart, yet almost every organization I walk into has some level of unhealthy tension between the two groups. It doesn't seem to matter the size of the company, the industry they serve or how fast they are growing. In fact, it's so common we accept it as inevitable.

What are we doing wrong? And what are those who have reached the ideal doing differently than most? That's exactly what we set out to find out in the 2016 B2B Sales & Marketing Collaboration Study where 123 survey respondents gave us a glimpse into their work experiences.

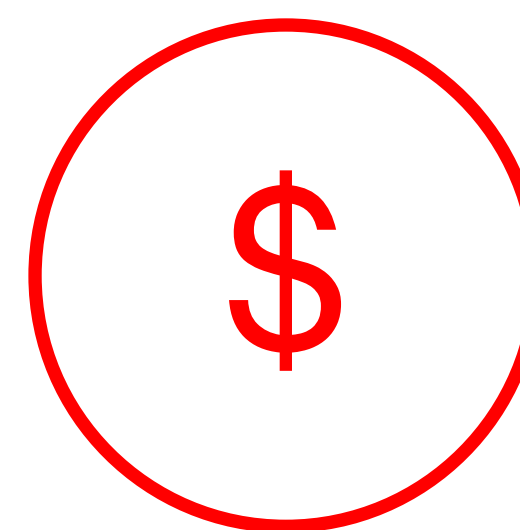
Special thanks to QuotaFactory for sponsoring this important research.



66.9% of respondents report that sales teams are NOT rewarded for supporting marketing objectives, although most report marketing objectives align to the greater business goals.



57% of organizations report that less than 85% of leads delivered by marketing are followed up by sales.



Organizations that exceeded revenue goals in the last 12 months are 3X as likely as those that miss revenue goals for marketing to "own" pipeline acceleration (not just lead generation).

These insights are just the tip of the iceberg.

I encourage you to keep reading and find out exactly how those who excel are ending the tug of war between sales & marketing for good.

2016 B2B Sales & Marketing Collaboration Study

Misalignment is pervasive



The first thing the study set out to do was verify if misalignment was an exaggerated myth or a reality. The data is very clear. The chasm between sales and marketing is significant.

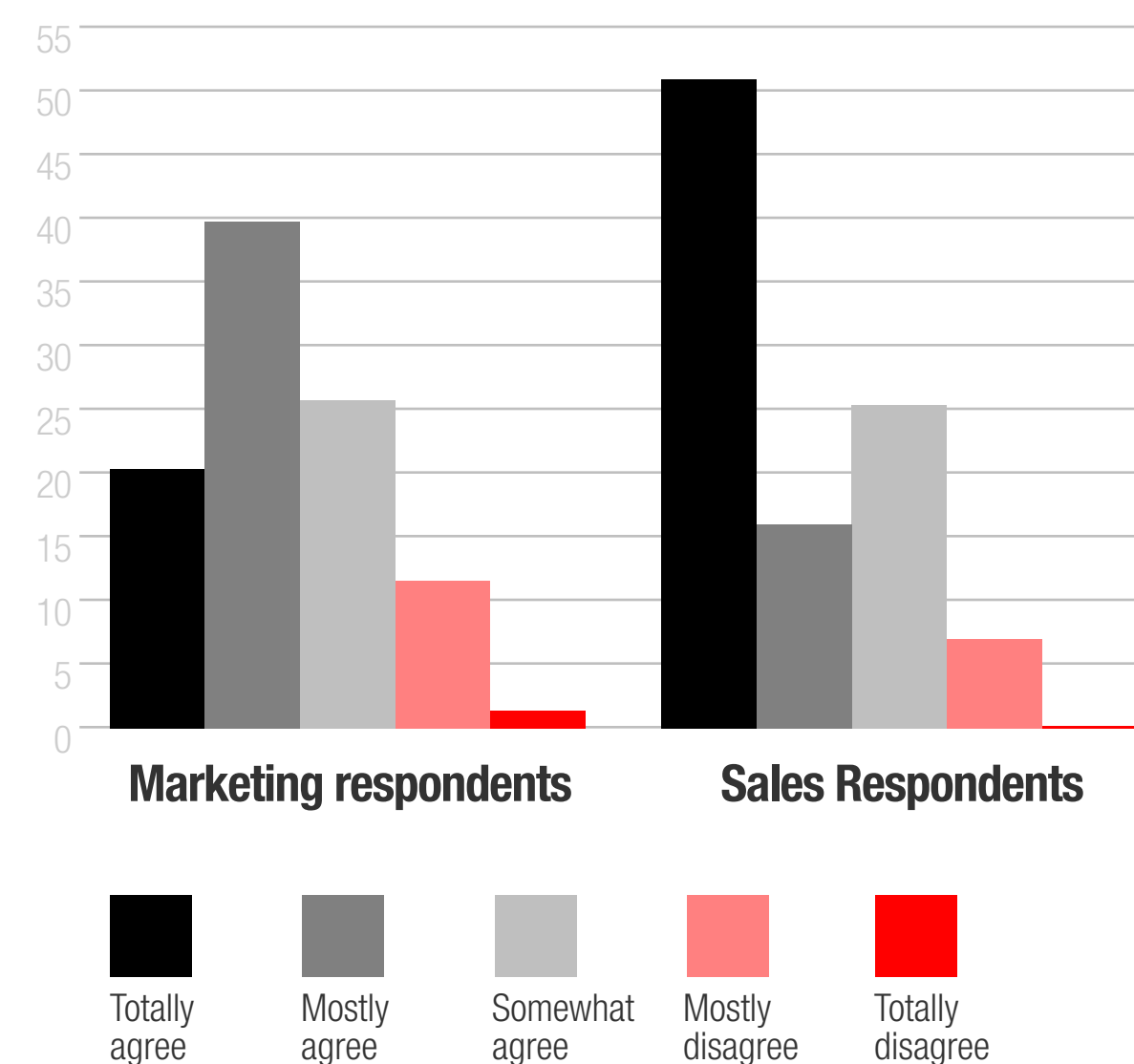
It would appear marketers are harder on themselves than their sales counterparts. When we asked participants to rate marketing's value to sales in the past 12 months 48.72% of sales respondents said it had improved significantly, but only 19.67% of marketers said the same.

What's more, only 20.59% of marketing respondents agreed they do a superb job of supporting sales efforts while 51.16% of sales respondents totally agreed with the statement.

Question:

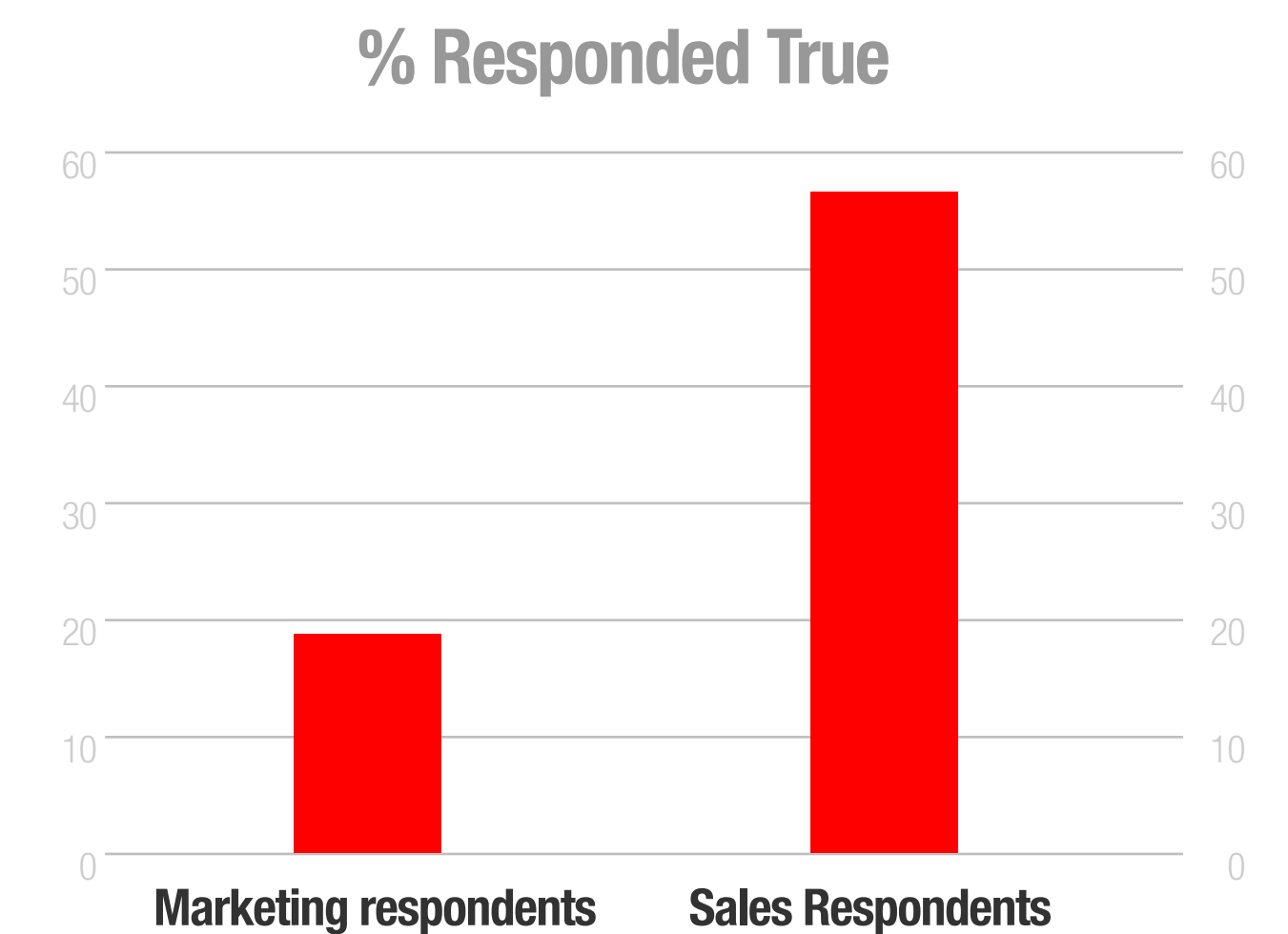
At my current employer my marketing co-workers do a superb job of supporting sales efforts. How much do you agree with this statement?

Almost 60% of sales respondents feel they are rewarded for supporting marketing objectives but only 18% of marketers agreed.



Question:

My sales team is rewarded for supporting marketing's objectives (True or False)



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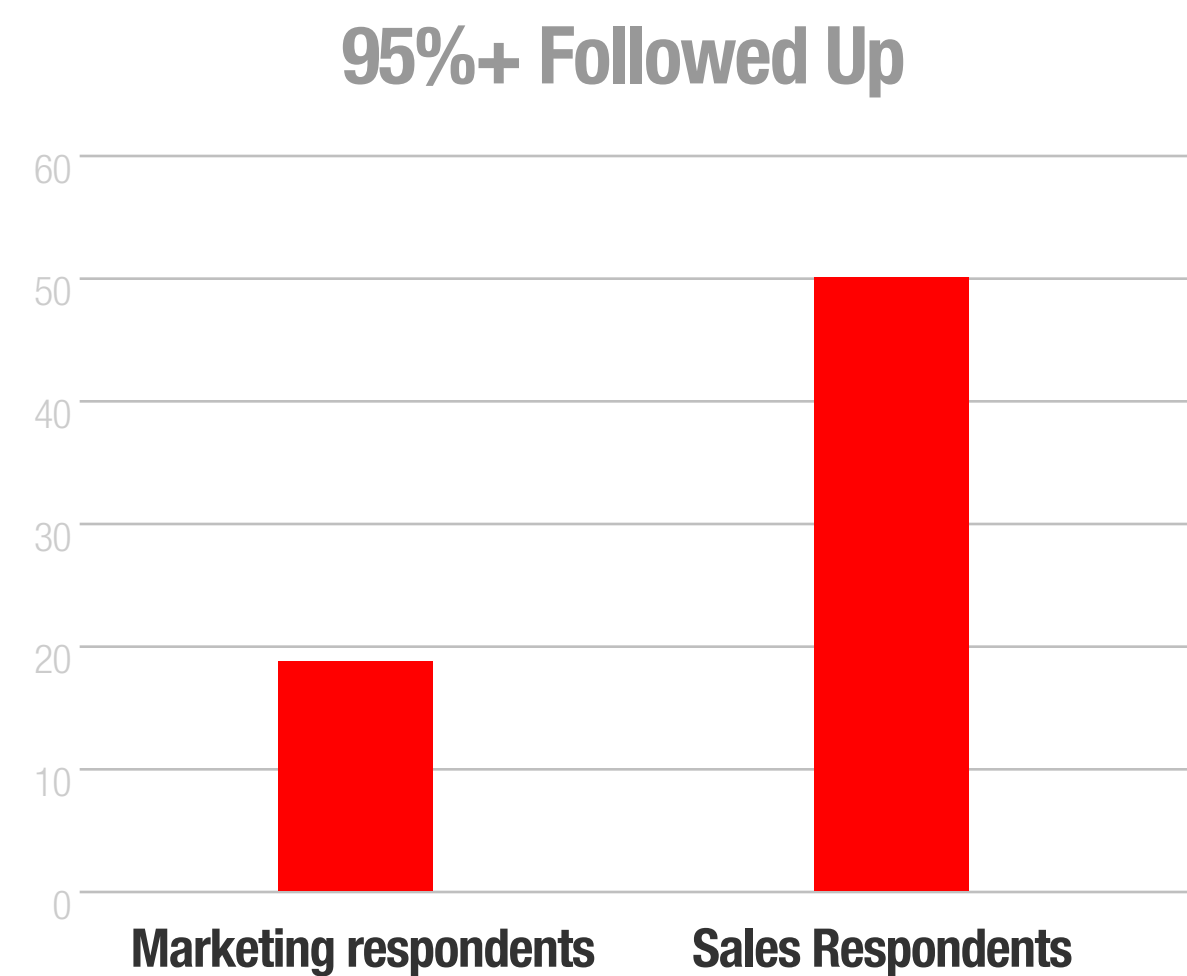
Misalignment is pervasive



Question:

Our sales reps follow up on what % of marketing supplied leads?

Perhaps the most shocking misalignment is around lead follow up – the area where sales and marketing interact most frequently. Less than 20% of marketing respondents indicated that sales follows up on 95%+ of leads delivered by marketing. Yet, sales thinks they are doing a much better job. 50% of sales people said 95%+ of sales leads delivered are followed up.



PRO TIP:

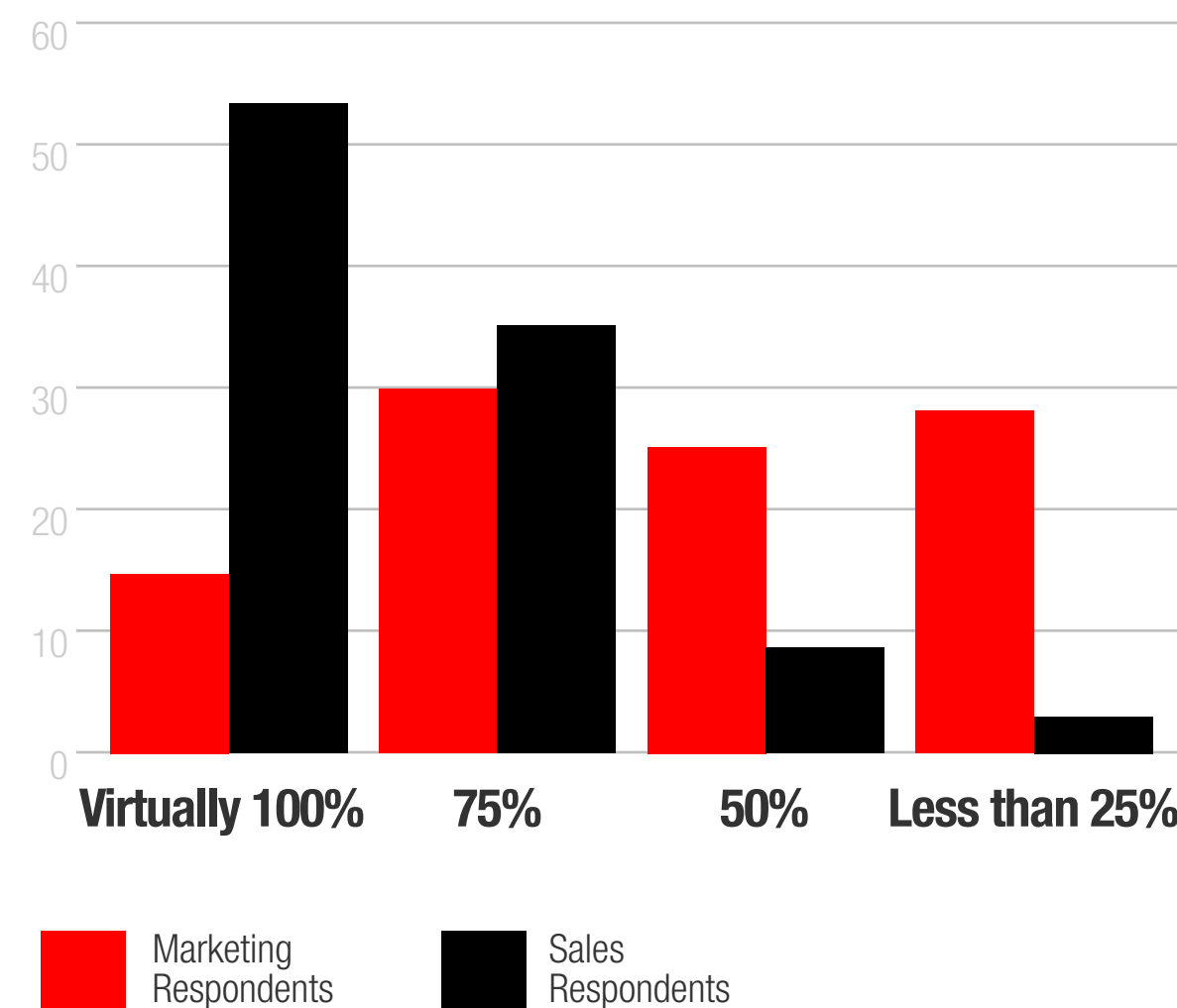
In the modern day SaaS Company it is imperative that the marketing team receive up to date information on the quality of the leads they are generating for the sales team. Every sales representatives needs to take personal responsibility to help marketing come up with appropriate sales campaigns. A good sales manager will explain to the team that they in some sense work for marketing and it is their duty to close the loop with leads in the CRM in a timely manner, which provides accurate information to marketing. In return, marketing needs to learn from the information provided and keep an open mind about what should be adjusted over time.

Nick Fasano Principle MickTec

Question:

What % of available sales tools are used regularly by sales?

It turns out there isn't even alignment around what sales tools are used. 28% of marketers believe less than 25% of assets are used, where only 3% of sales report the same.



PRO TIP:

SiriusDecisions' benchmark data reveals that organizations that create strong alignment between sales and marketing outperform their peers with 19 percent faster revenue growth and 15 percent higher profitability. The foundation for effective sales and marketing alignment is audience-centricity and strong process. In order to create strong alignment between the functions marketing and sales leaders must jointly promote the creation of deep and shared buyer and customer knowledge that is based on insights from both sales and marketing. Once agreement is reached between the functions on attributes of prioritized segments, key personas, and buyer and customer journey maps, sales and marketing leaders will have exactly what they need to more clearly define scope of responsibility for each function, and build effective and audience centric cross-functional processes.

Jay Gains Vice President and Group Director of Marketing Executive Services

This data is a little depressing, but there is good news too. Those who meet and exceed revenue goals have implemented unique practices that we can learn from and replicate.

2016 B2B Sales & Marketing Collaboration Study

Shared goals is essential



Shared KPIs and measuring lead conversion are two big drivers of excellence. If you want alignment marketing and sales teams must share key performance indicators. The old saying divide and conquer doesn't work when the end game isn't shared by everyone.

We asked respondents to list where their teams are misaligned. Those organizations that missed revenue goals reported they did not share KPIs between sales and marketing twice as frequently as those that exceeded revenue goals. What's more, those that just met revenue goals also reported it twice as often as those that exceeded goals.

PRO TIP:

It's common knowledge that buyers have changed—and so have their expectations. Buyers don't care whether they're interacting with sales or marketing; what they want is a consistent, informative, and valuable experience at every interaction. This is nearly impossible to deliver when marketing and sales don't collaborate to meet buyers' needs across the continuum of the buying process. In fact, it's a big culprit behind halting momentum and losing potential opportunities.

By aligning KPIs, you'll also be aligning focus. This increases the likelihood that the story you're telling across the buyers' journey will meet needs at every step and stage. Never forget that the experience buyers have when considering choosing you as their vendor is an indication of what they can expect from your company if they become customers.

Ardath Albee CEO and B2B Marketing Strategist, Marketing Interactions, Inc.

It goes beyond KPIs. Organizations that exceeded revenue goals in the last 12 months are 3X as likely as those that miss revenue goals for marketing to “own” pipeline acceleration (not just lead generation).

In contrast to many organizations that simply measure volume of leads delivered, those who exceed revenue goals measure conversion.

69% of those organizations that reported exceeding revenue goals measure % of leads that convert to opportunity, vs. 53% of those that miss revenue goals.

PRO TIP:

Marketing needs to embrace revenue responsibility, act like a profit center, and focus on the strategies and tactics that lead to greater sales & higher lifetime value. This requires a major recalibration of how marketing acts, reports and prioritizes their activities and time. But modern B2B marketers have no choice – they adapt to the revenue responsibility requirements of the organization, or they'll be out of a job soon.

Matt Heinz President, Heinz Marketing Inc.

Service level agreements are a differentiator



A key practice of those who exceed revenue goals, which is different from those that meet or miss revenue goals, is documenting service level agreements between sales and marketing.

Teams that perform best, document more service level agreements between sales and marketing than those teams that simply meet or miss revenue goals. Those that exceed revenue goals even collect data points such as win/loss data in a formalized manner. Perhaps the most simple practice they follow is not only agreeing on lead scoring critical for sales follow up, but on time from lead assignment to follow up. It's this closed loop accountability that clearly makes a difference.

PRO TIP:

These are exciting times for The Weather Company. Our rapidly expanding salesforce demands that we evaluate our support structure and marketing processes. We are working to establish clear guidelines on how opportunities are managed while we roll out our integrated offerings. Without considering upfront how leads are captured then distributed and opportunities nurtured, chaos could erupt.

Michelle Boockoff-Bajdek Vice President, Marketing, Global Business Solutions
The Weather Company, an IBM Business

PRO TIP:

- a) Have everyone agree on what a MQL and SQL is and have marketing own the process until it is a SQL (including any telephone work - this means inside sales really belongs to marketing, not the sales team)
- b) Have sales agree to and follow a SLA on lead follow up. There must be a feedback loop that is consistent if a SQL is not really a SQL
- c) Agree to a time frame where marketing will leave a lead alone in the hands of a sales person before they start nurture marketing to it. For example, sales has 3 weeks before marketing automatically puts the lead back into a nurture queue unless sales specifically opts the lead out for a defined amount of time - i.e. opt out for an additional 4 week

Dan Kraus President, Leading Results Inc.

Service Level Agreements are a Differentiator

Those who exceed revenue have more documented SLAs than those that meet or miss. You can see the details in the chart.

What SLAs (service level agreements) are formalized between sales & marketing?

	Exceeded Revenue Goals	Met Revenue Goals	Missed Revenue Goals by more than 10%
Lead scoring criteria to determine what leads are assigned to sales for follow up	69%	19%	17%
Time from lead assignment to follow up	54%	16%	25%
Lead source attribution by sales when not automated by the system	23%	24%	17%
Completion of database profile fields for each contact or account	31%	21%	8%
Number of new contacts added to the database by sales	15%	8%	17%
Collection of win/loss data (i.e. reason for loss captured in database)	31%	16%	8%

Direct marketing interaction with buyers critical

The most successful organizations have broken down the unspoken barrier between marketing and buyers. Often, the gap is caused by a combination of too busy marketers who feel no time exists to speak with buyers, and a resistant sales team who wants to “protect” their account. The result is a lack of engagement and insight.

However, when the imaginary wall is broken the resulting insights have big impact.

Marketers at organizations that exceed revenue goals are 2X as likely to participate in customer and prospect meetings as those that miss revenue goals.

These top performers even go as far as to consult buyers when evaluating what sales enablement resources to build & enhance.

Those that exceed revenue goals are 3.1X as likely as those that just meet revenue goals to survey buyers when evaluating sales tools and 14X as likely as those that miss revenue goals.

PRO TIP:

Talk to real customers, consistently.

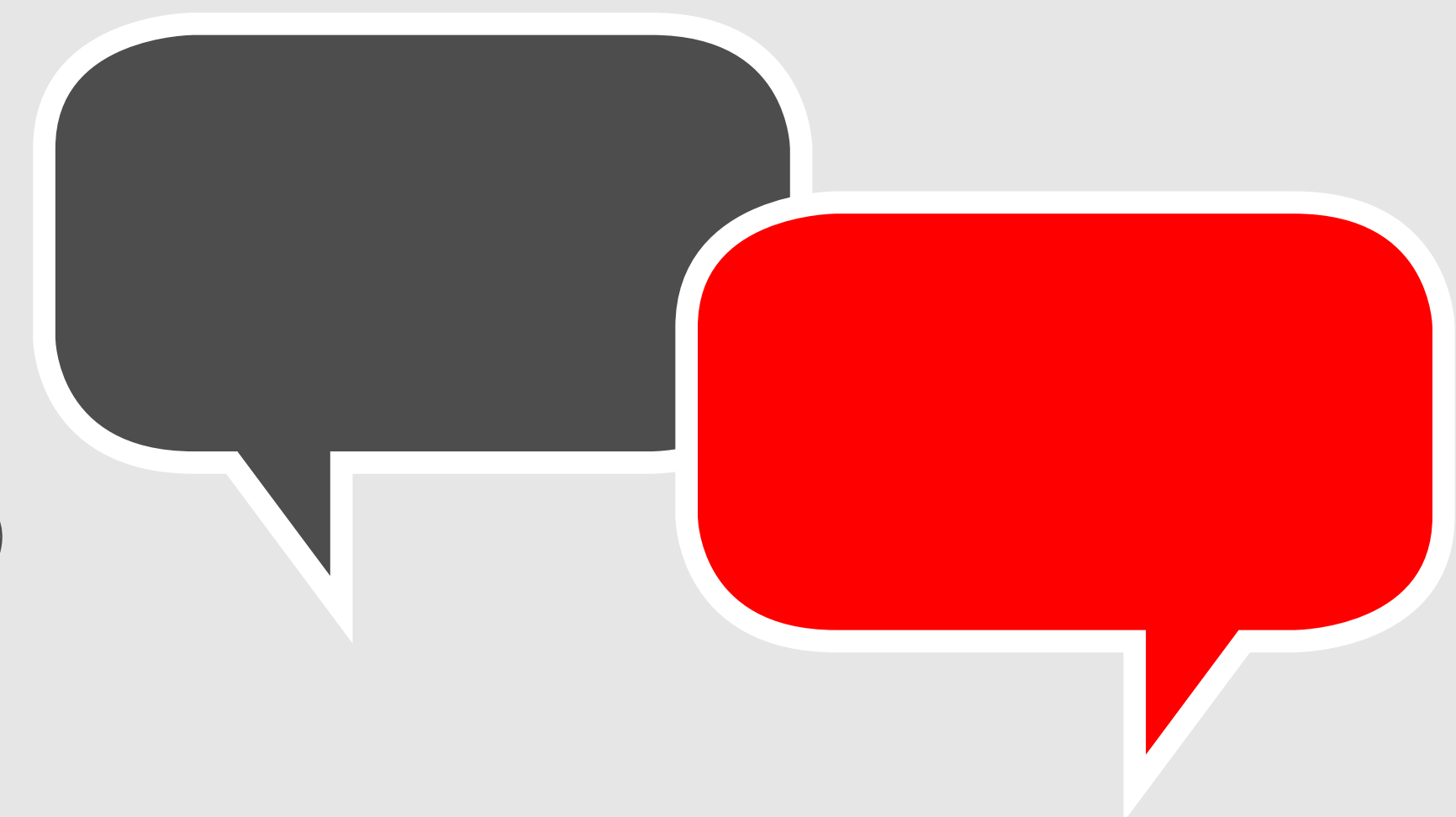
Marketers, break free of your self-imposed bubble and get actively involved in real conversations with real buyers. Just a few conversations every quarter could provide you with actionable insight. Team up with sales to join a few calls as a silent participant.

Listen for:

- *What topics, pain points, and pressures are top-of-mind (this is great fodder for new content topics)*
- *What questions buyers have during their purchase process (and what your reps can and can not answer)*
- *What sales methodologies and tools are working (and which are being ignored)*
- *What sales enablement materials your team is missing*
- *If your marketing messaging is resonating as intended*
- *How targeted and qualified your leads really are*

Many organizations conduct ad-hoc persona research and publish these insights to sales without ever speaking to real buyers. Sales looks at this made-up information and, understandably, disregards it. To improve your relationship with the sales organization, live a day in both the life of your team and your buyers. (And do it consistently!).

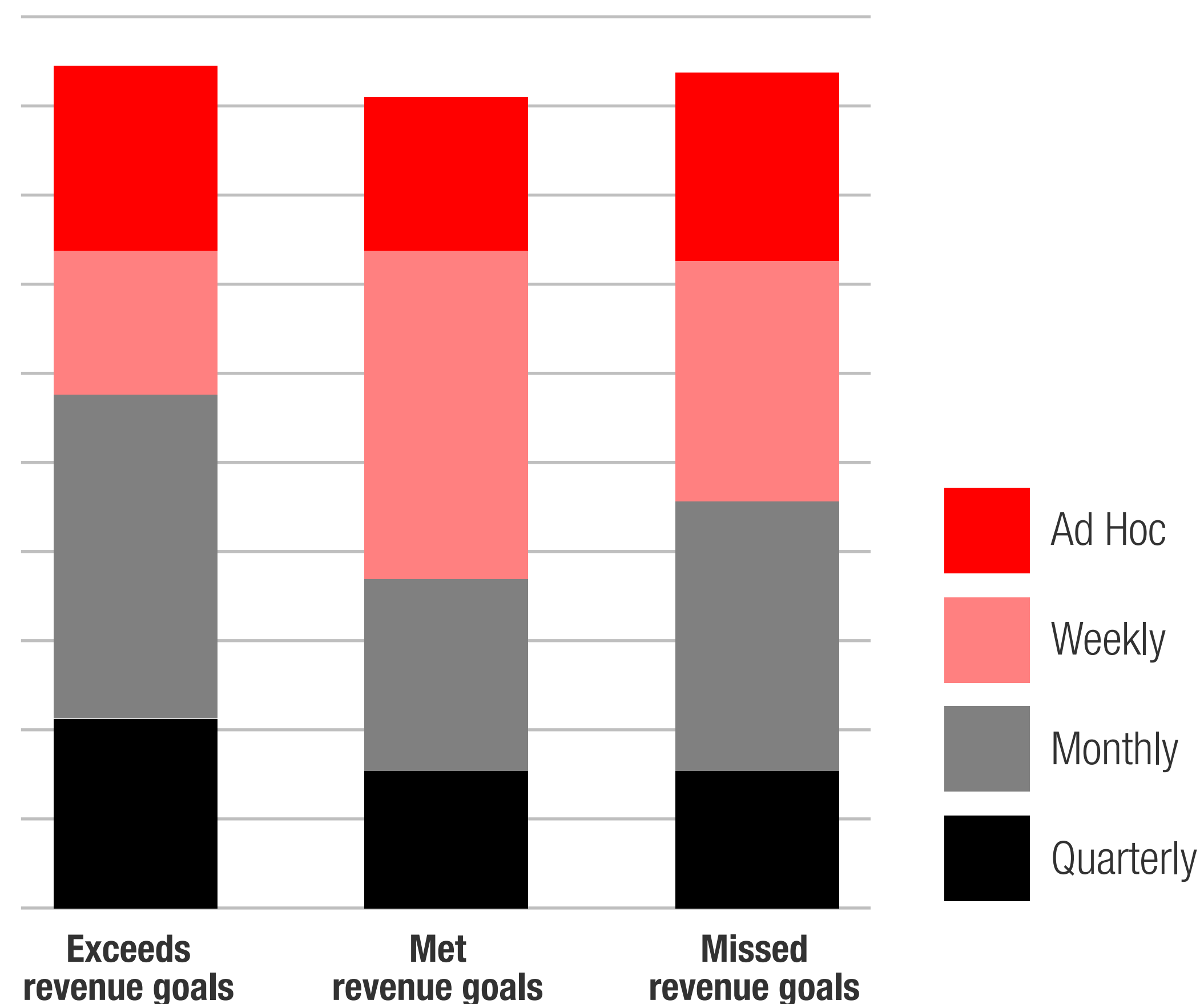
Katie Martell on-demand marketer



Communication variety not volume is the key

More frequent meetings between sales & marketing does not equate to better communication when it comes to reviewing campaigns.

How often does sales and marketing meet to review campaigns?

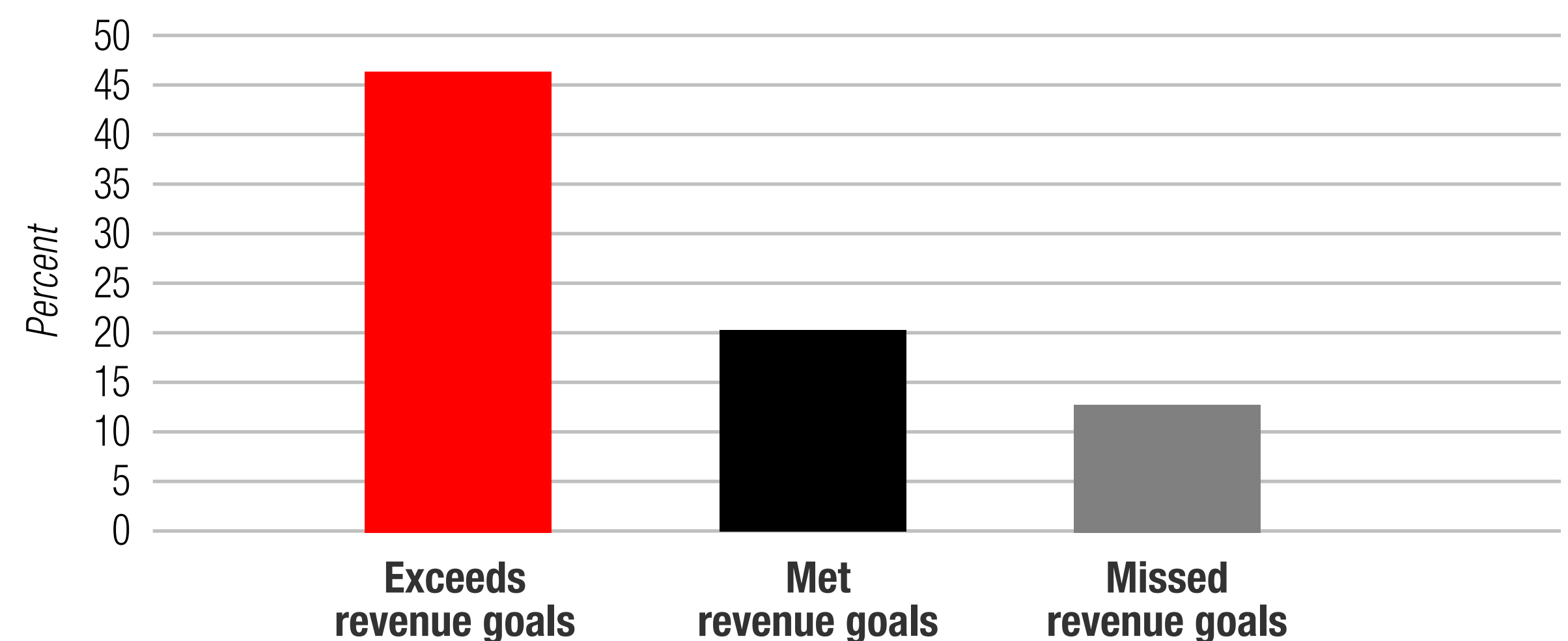


What matters is the variety of distribution and training techniques that are leveraged.

Email, virtual & in-person training and publishing to a sales tool repository were all options to select. Those that exceeded revenue goals were 3.5X as likely as those that missed goals to use all available methods.

When a new sales tool is produced how is it communicated to sales?

The chart below shows the percent of respondents within each category that use all available distribution methods (email, centralized repositories, virtual and in-person training) to communicate new sales tool publication.



PRO TIP:

I have always seen sales and marketing as being on a shared mission and fighting the same battle. Like the military, to succeed, marketing has to provide air cover for the ground troops, namely sales, and this requires complete coordination, planning, execution, and review. This needs to extend from lead generation through all stages of the sale. At each stage, marketing offers up different coverage based on the feedback from sales. And sales needs to be sure to provide that feedback every step of the way or the air cover may miss the mark. While each branch of the military has their command, the overall effort is led by the commander. That's why I am a fan of companies having a Chief Revenue Officer, rather than a distinct VP Marketing and VP Sales.

Tibor Shanto Principal, Renbor Sales Solutions Inc.

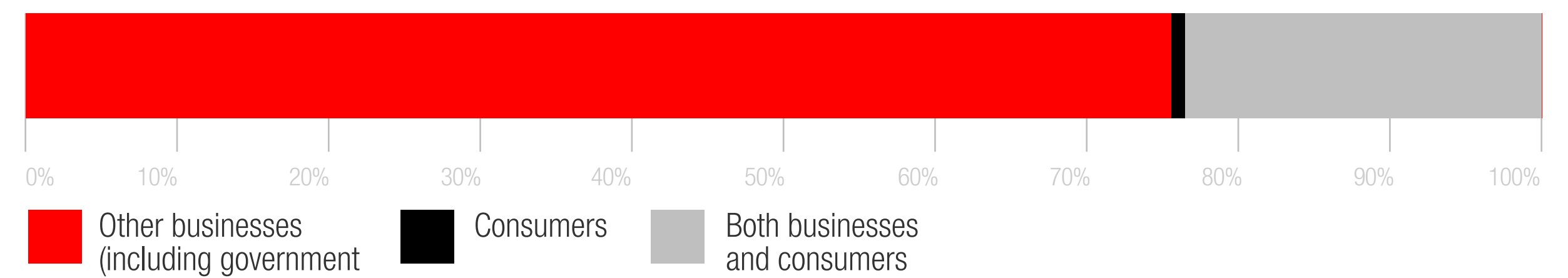
2016 B2B Sales & Marketing Collaboration Study

Survey participants



Survey participants came from a wide range of organizations that serve other businesses. 26% were from Business Service organizations, 51% High Tech, and the balance from a wide range of other industries.

My organization serves



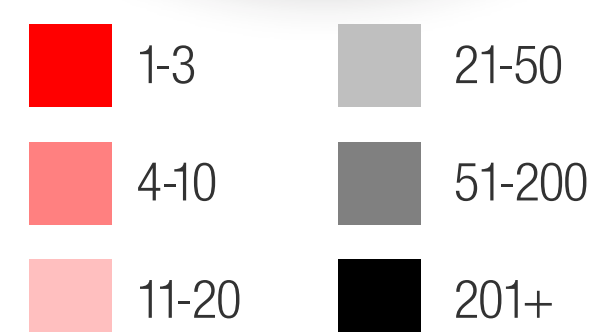
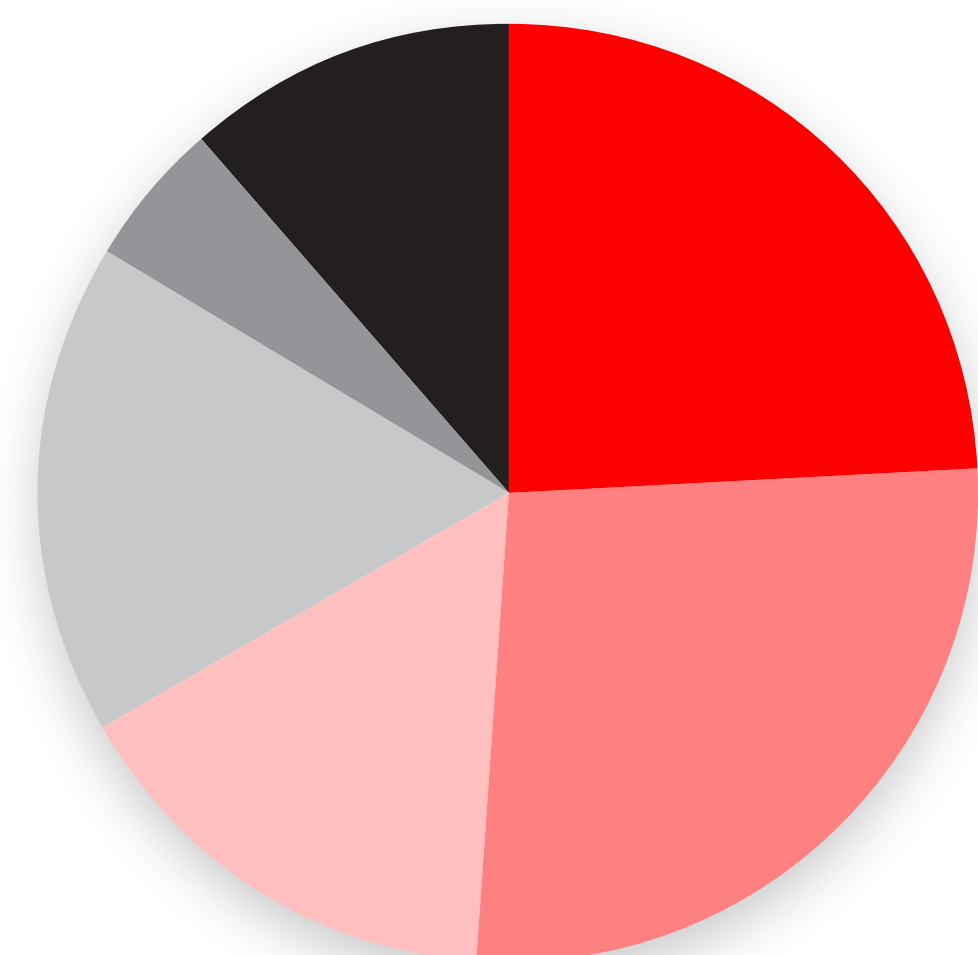
A healthy selection of different sized sales teams also participated in the study.

The majority of participants serve customers globally, with those focused on North America following closely behind.

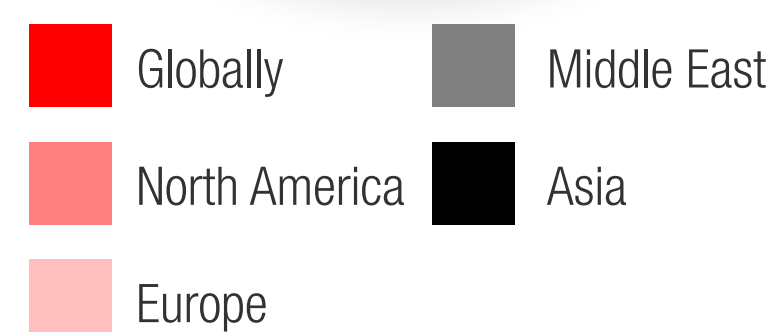
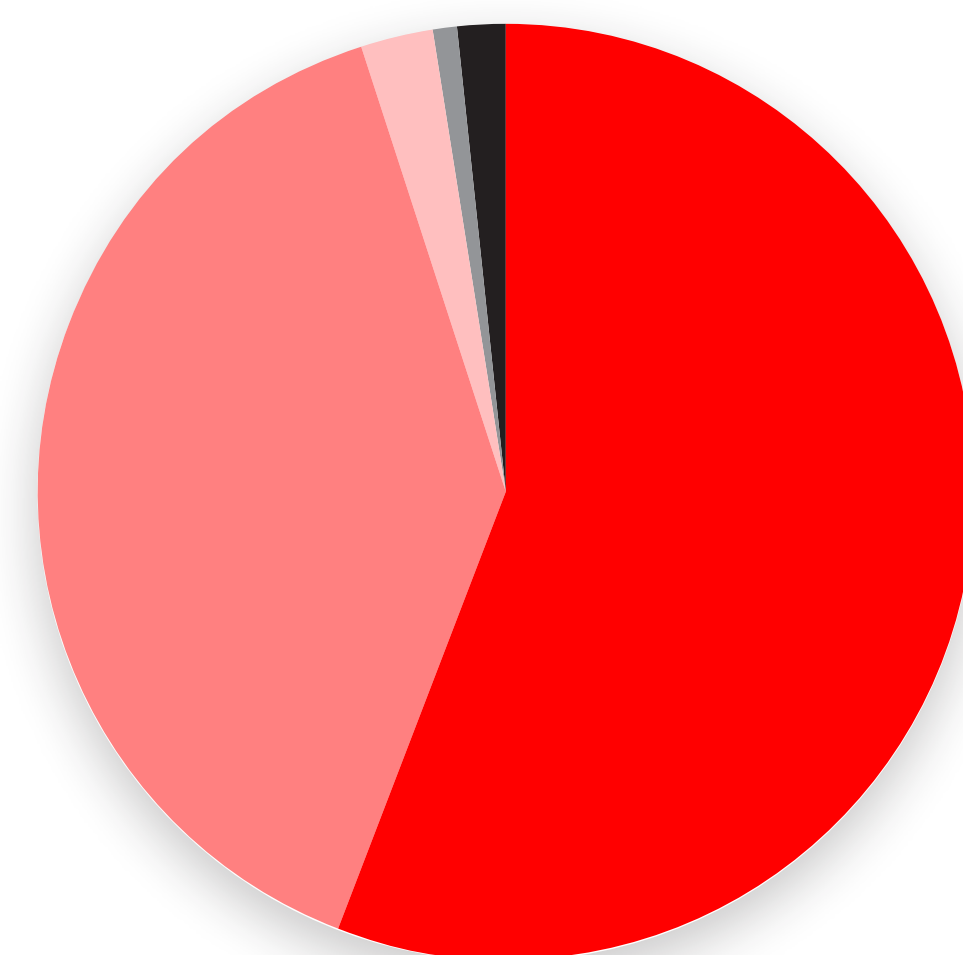
About 20% of participants exceeded their revenue goals in the last 12 months, with 46% meeting them. The balance missed their revenue goals.

Lastly, although there were more marketing participants (60%), than sales representation (40%) there was a healthy mix of sales and marketing participants in the study.

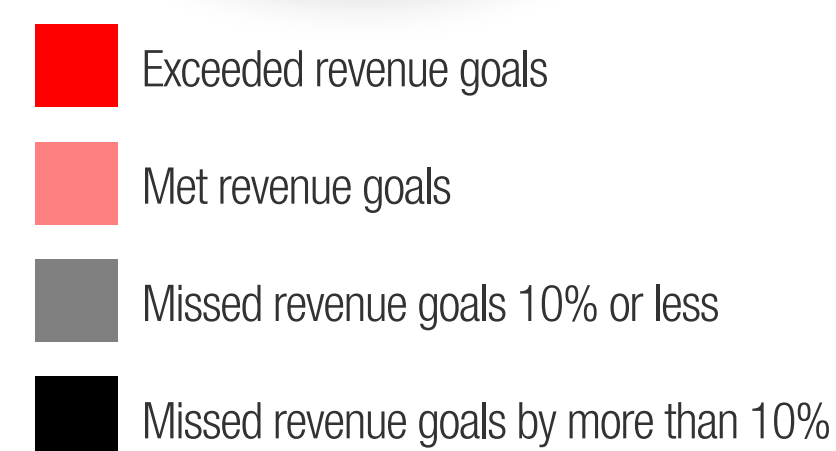
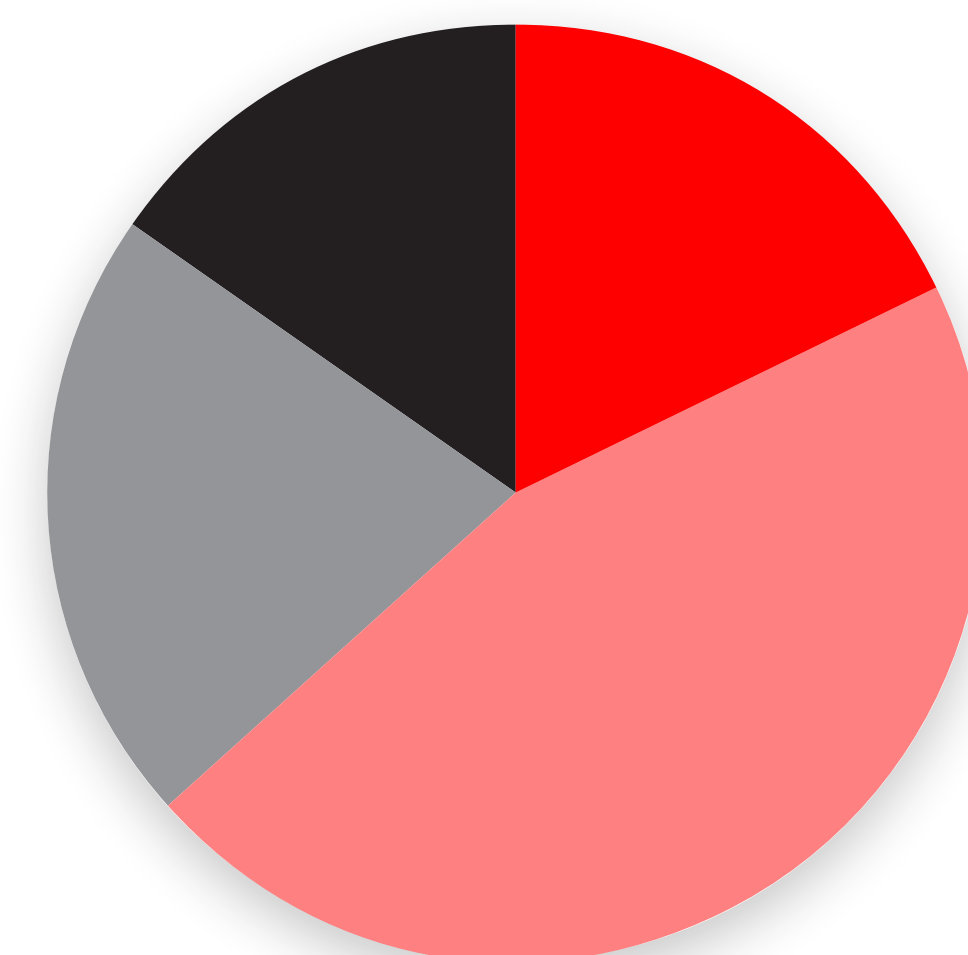
Number of Sales Representatives



Serves Customers in these Geographies



Revenue Goal Attainment Last 12 Months



Participant Titles





About the Author

Throughout her career, Samantha has influenced hundreds of millions of dollars in revenue in complex, high consideration selling environments. For more than a decade she launched go-to-market initiatives and lead marketing strategies for award-winning, companies including Netezza, SAP, Ascential Software and Powersoft.

In 2012 she founded The Marketing Advisory Network to help enterprises unleash the possible within their organizations. You can read more about her marketing philosophy and get practical advice by visiting www.unleashpossible.com or following her on twitter [@SamanthaStone](https://twitter.com/SamanthaStone).

About the Sponsor

QuotaFactory is the leading prospect relationship management (PRM) software and outsourced sales development services company. Our PRM platform



enables sales development reps and managers to perform, track, and execute all prospecting activities to generate an increased number of fully qualified leads.

Our focus is on streamlining your sales and marketing workflow to put your sales development reps in the best position to have more conversations, exceed quota, and grow your business.

The platform combines a successful and ingrained account-based sales development prospecting workflow, data fulfillment and management, automated dialing, competitive intelligence and gamification for increased employee engagement. You have the option to allow our SDR team to handle your sales development process for you, or our customer success team can coach your reps to use the QuotaFactory platform internally. Either way, the combination of these functions provide greater visibility into the sales process, initiate a higher level of SDR accountability, create a more accurate forecast, and ultimately more closed business.