

# STATE of INBOUND <sup>20</sup>/<sub>15</sub>

Sales



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# ≡ Welcome **Introduction**

Welcome to the seventh annual *State of Inbound* report. We're glad you're here. Whether this is your first time reading this report, your seventh time, or you just downloaded it on a whim, you're bound to have some questions.

## ***"What is *State of Inbound*?"***

Every year, HubSpot surveys thousands of the world's foremost marketers and salespeople -- HubSpot customers and non-customers alike. We poll them on their most pressing priorities, the challenges they face, and the tactics they've used to meet those challenges head-on. We track our respondents' quantitative answers, collate and consolidate their anecdotal answers, and put the polished result into a master report: *State of Inbound*.

For the last seven years, the report has tracked the practice and adoption of "inbound marketing." Instead of blasting out interruptive ads and trying to pull people to your company, inbound marketing uses helpful content to attract visitors and get them to engage of their own volition.

Last year, we added sales to the mix to provide a more complete view into the entire lead-to-customer lifecycle. Our research found that salespeople struggle with a lack of information about their leads and manual data entry -- two challenges that necessarily reduce their effectiveness at converting leads to customers. Just like Marketing's lead generation is of prime interest to salespeople, marketers would be wise to take the problems sapping Sales' efficacy to heart.

Considering that aligning marketing and sales practices is critically important to a company's success, this report contains both marketing- and sales-specific results -- as well as areas where the two intersect.

## ***"Is anything different from last year's report?"***

Yes, a lot is different in this year's report. We asked some of the same questions (for trending data) and several new ones (to keep pace with emerging marketing trends).

The biggest change is that 2015's report doesn't cover the emergence of inbound marketing as it has in past years -- the principles are now well-entrenched. Rather, this year's data begins to reveal why leaders lead and laggards lag. You'll also find trending sales data that reveals how salespeople's pressing challenges and priorities have shifted since last year, in addition to attitudes toward buzzworthy sales practices such as social selling.

We've also improved our entire process since 2014. Thanks to rigorous QA, we've ensured that this year's data is more representative of the marketing and sales

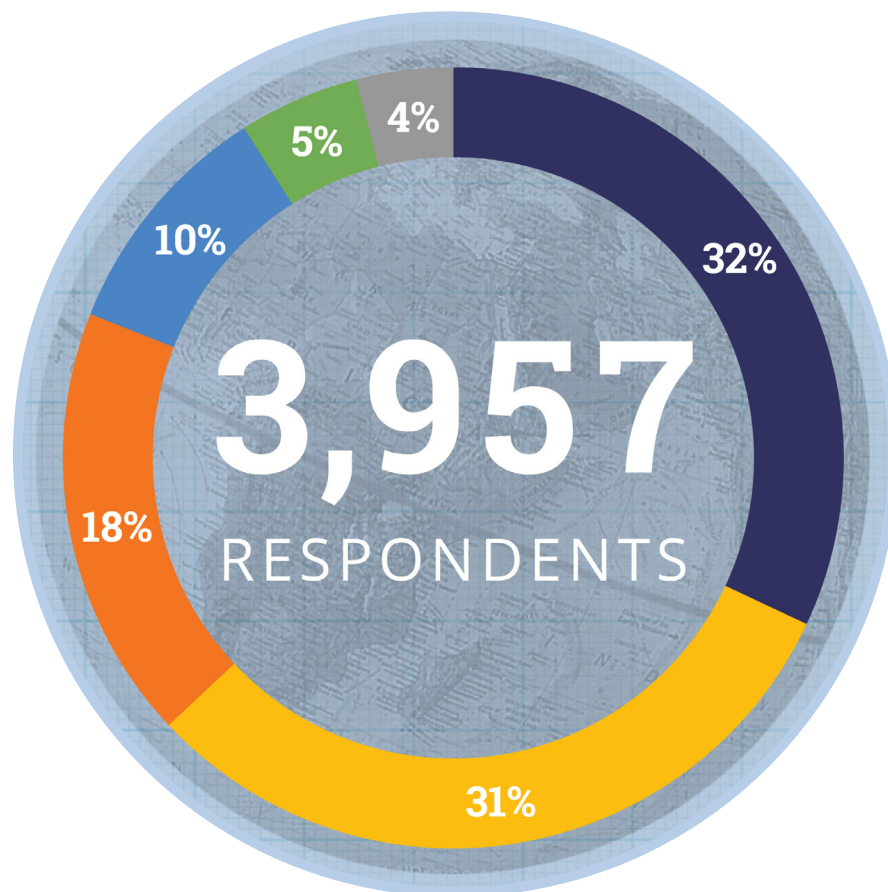


industries as a whole. First, we dug deeper into segmenting different marketing and sales tactics on a more granular level. Additionally, we expanded our reach globally, engaging audiences in 150 countries across six international regions.

## Who We Talked To

The State of Inbound survey has always been comprehensive, but this year's report is truly a global document, with more than 150 countries represented. The majority of our nearly 4,000 respondents are marketers who work for B2B SMBs, and only one-third have an affiliation with HubSpot. Half of the companies represented generate under \$1M a year in revenue, and the other half generate over \$1M.

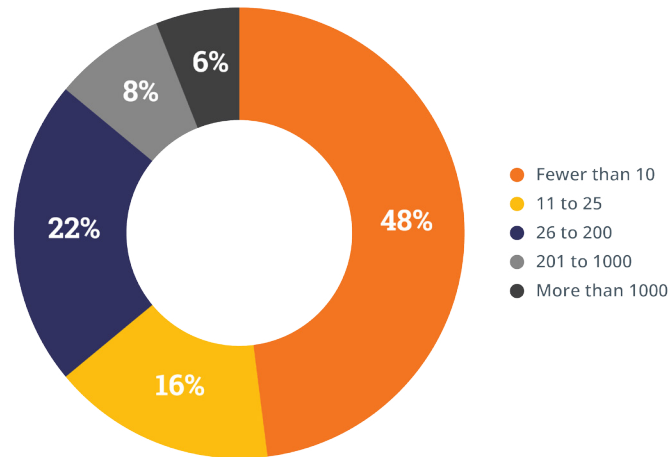
We hope this document can serve as a roadmap for your organization's entire approach to inbound marketing and sales in 2016. All data was gathered on the back half of 2015 to give as accurate a representation of the current industry landscape as possible.



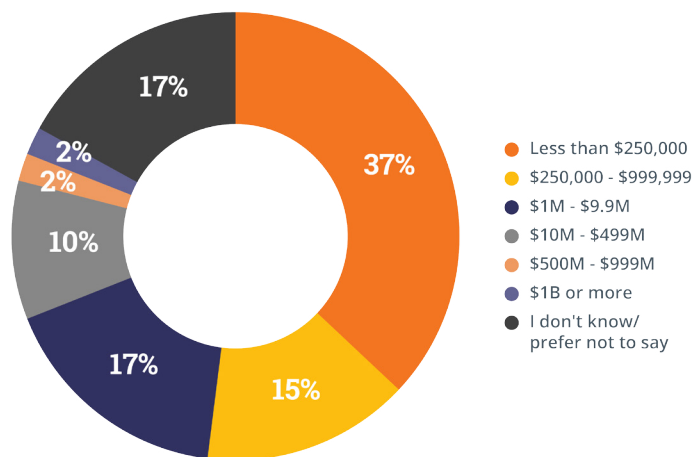
- EMEA (Europe, Middle East, Africa)
- LATAM (Central & South America)
- North America
- APAC (Asia-Pacific, excluding New Zealand & Australia)
- Australia & New Zealand
- Other



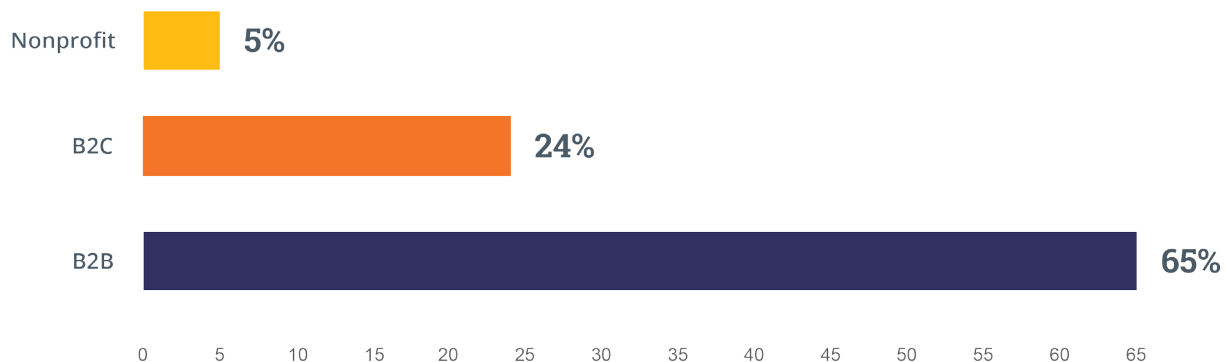
How many full time employees does your company have?



What best describes your company's average annual revenue?

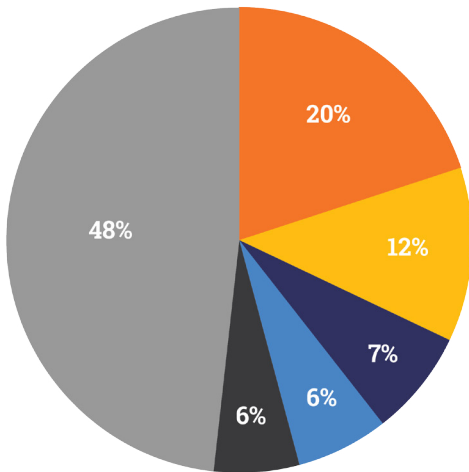


Who does your company primarily sell to?



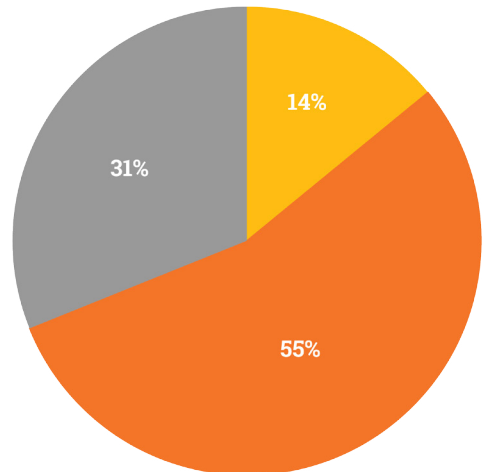


Which of the following best describes the principal industry of your organization?



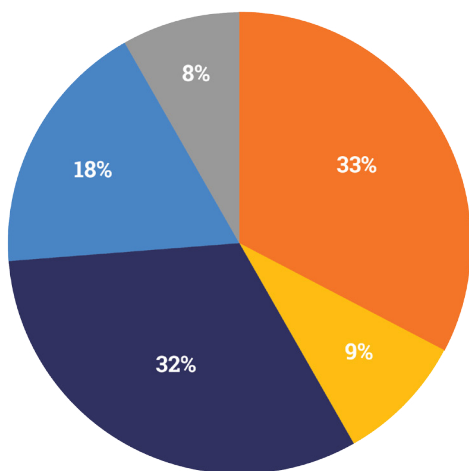
- Marketing Agencies
- Information Technology & Services
- Education
- Software
- Media & Publishing
- Remaining 15 industries represented

What best describes your function in your company?



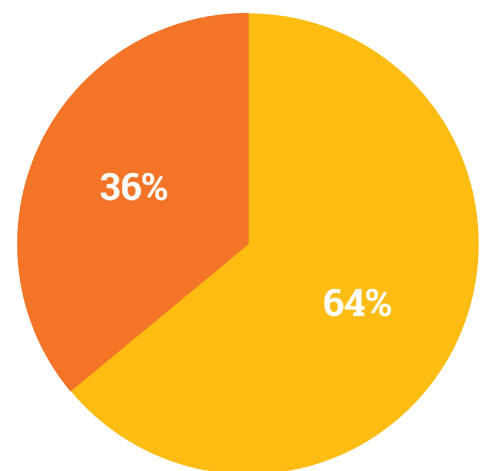
- Sales
- Marketing
- Other

What best describes your level in your company?



- Executive
- Non-executive VP or director
- Manager or senior manager
- Individual contributor
- Other

Are you or your company a HubSpot partner or agency?



- Yes
- No



A photograph of a person sitting at a desk with their arms crossed, overlaid with a blue gradient. The person is wearing a dark jacket and a light-colored shirt. The desk is white, and there is a white chair in the foreground. The text is centered on the image.

⇒ State of Inbound  
**Sales**

# Introduction

Sales and marketing are two sides of the same coin. All of Marketing's lead generation work goes to waste if salespeople aren't following up on those contacts and converting them into customers. In order to be truly successful in business today, Sales and Marketing must work together as partners rather than adversaries.

It was in this spirit that HubSpot included salespeople in the State of Inbound survey for the first time last year. 2014's *State of Inbound Sales* found that despite the significant hype, "social selling" was not a highly prioritized initiative among sales teams, manual data entry was salespeople's number one complaint about their CRM systems, and salespeople are often hamstrung by a lack of information about their prospects, among other insights.

Some things change, and some things stay the same. While a few new trends emerged this year, other results remained relatively consistent. This makes sense -- after all, meaningful change and progress takes time. But we're willing to bet your eyebrows will rise in surprise at least once as you read this report.

This report is divided into four chapters:

**Sales Priorities**

**Sales Technology**

**Sales Challenges**

**Sales Trends**



## The Top 6 Takeaways

1. Social selling is still more hype than reality. However, pockets exist where interest is on the rise -- notably among executives, and in the APAC and EMEA regions.
2. Sales technology budgets have shrunk since last year. In addition, sales departments that have adopted emerging sales tools don't cite confidence with those tools.
3. Different roles within the sales team experience different CRM obstacles. While manual data entry is still the biggest CRM problem overall, executives struggle with lack of adoption, and managers cry lack of integration with other tools.
4. Prospecting is the most difficult step of the sales process. This issue is compounded by the fact that salespeople lack vital information before they reach out to leads.
5. Field sales isn't really dying. Despite sensational articles declaring the demise of field sales, hiring data shows that outside reps are getting hired (and fired) at more or less the same rate as inside reps.
6. Executive buyers are not very trusting of salespeople. To regain credibility among executives, salespeople should arm themselves with content and become active on social networks.



The background is a warm, orange-toned photograph. It depicts a handshake between two people, with one person's arm and hand visible on the right side of the frame. A vintage camera with a black strap is hanging from the left side of the handshake. The camera is a classic SLR type, with a lens and various controls visible. The overall mood is professional and collaborative.

# ≡ Chapter 1 **Sales Priorities**

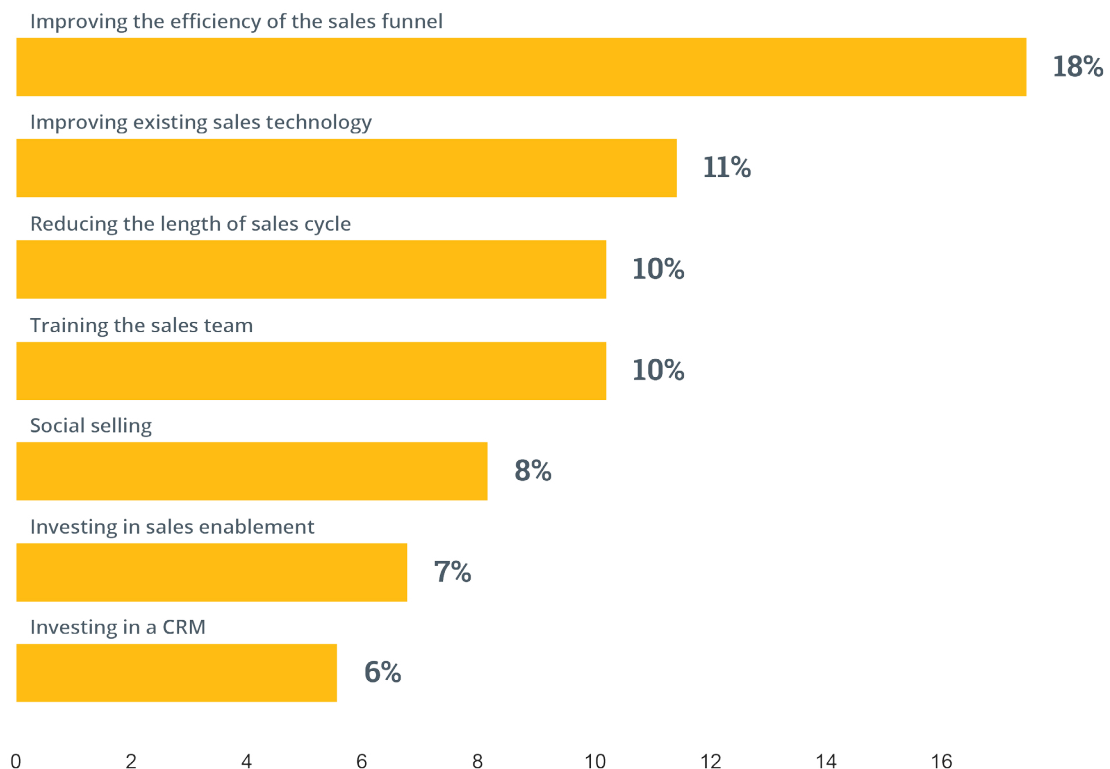


Even though the mantra “always be closing” has largely been displaced by “always be helping,” salespeople’s number one directive is still to bring in new business and generate revenue. The way they go about closing might have changed, but their eyes are still firmly fixed on that goal.

In keeping with last year’s results, “closing more deals” remains salespeople’s number one priority.

### What Are Your Company’s Top Sales Priorities?

Closing more deals tops salespeople’s to-do lists



This top priority holds steady regardless of level in company, region, and B2B vs. B2C. If there’s one thing sales teams of all stripes can agree upon, it’s that ramping up revenue through more closed deals is of prime importance.

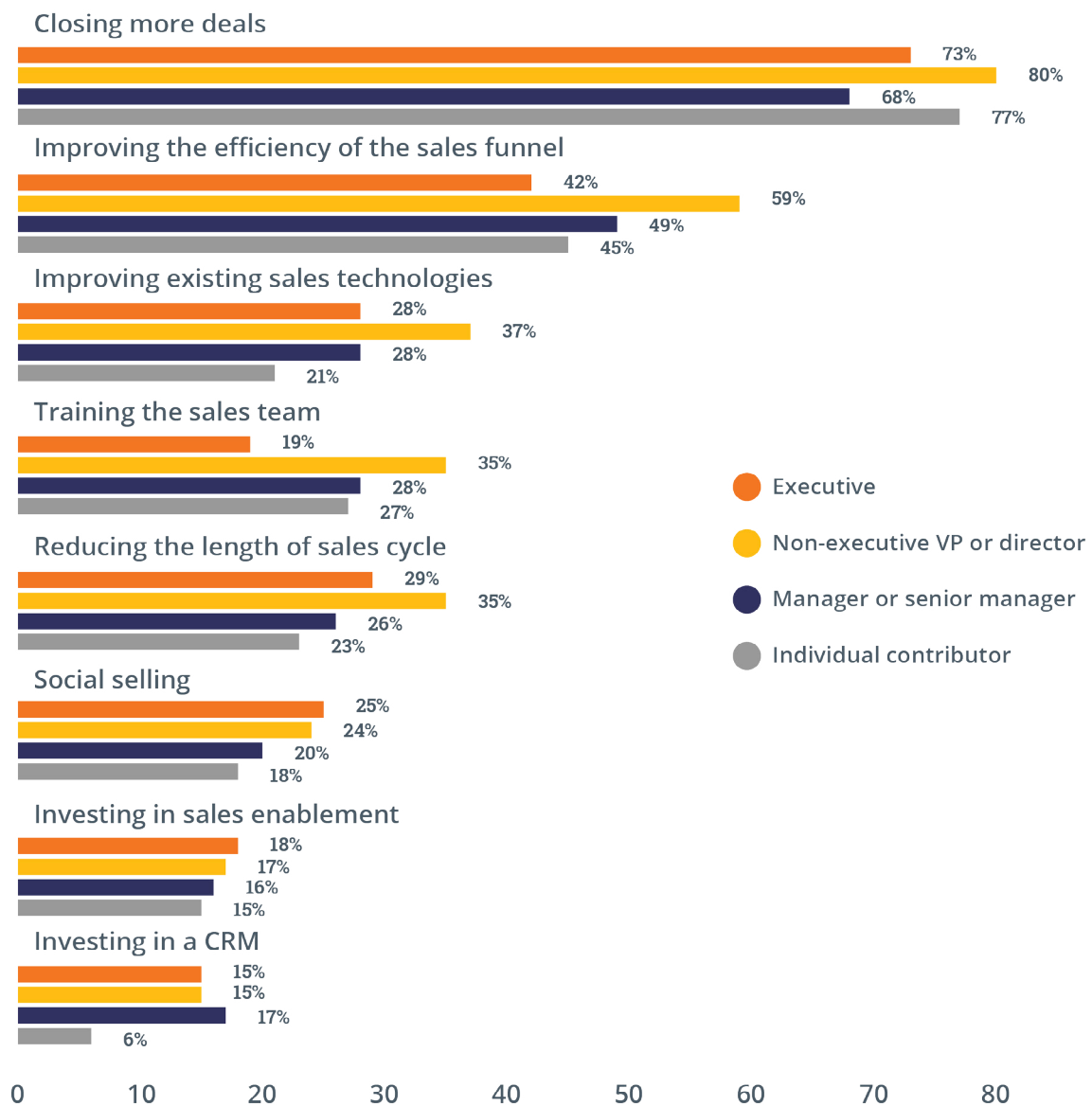
It’s interesting to note that the number two priority -- “improving the efficiency of the sales funnel” -- remains consistent across all sections as well. Sales teams not only want to close more deals, they are striving to close them faster.

Equally as informative as what rose to the top of the to-do list is what fell to the bottom. Social selling has barely increased in importance over the past year despite the considerable hype around the term and increasing evidence of its effectiveness as a sales tactic. Social selling was prioritized by just slightly more than 8% of respondents this year, as compared to 7% last year.

However, social selling is catching on in notable areas. For example, social selling ranked higher on executives' priority lists (albeit not by much) than any other level. This could indicate the very early days of an uptick in social selling adoption as executives begin to investigate and implement use among their teams.

### Sales Priorities by Level in Company

Executives prioritize social selling more highly than their direct reports

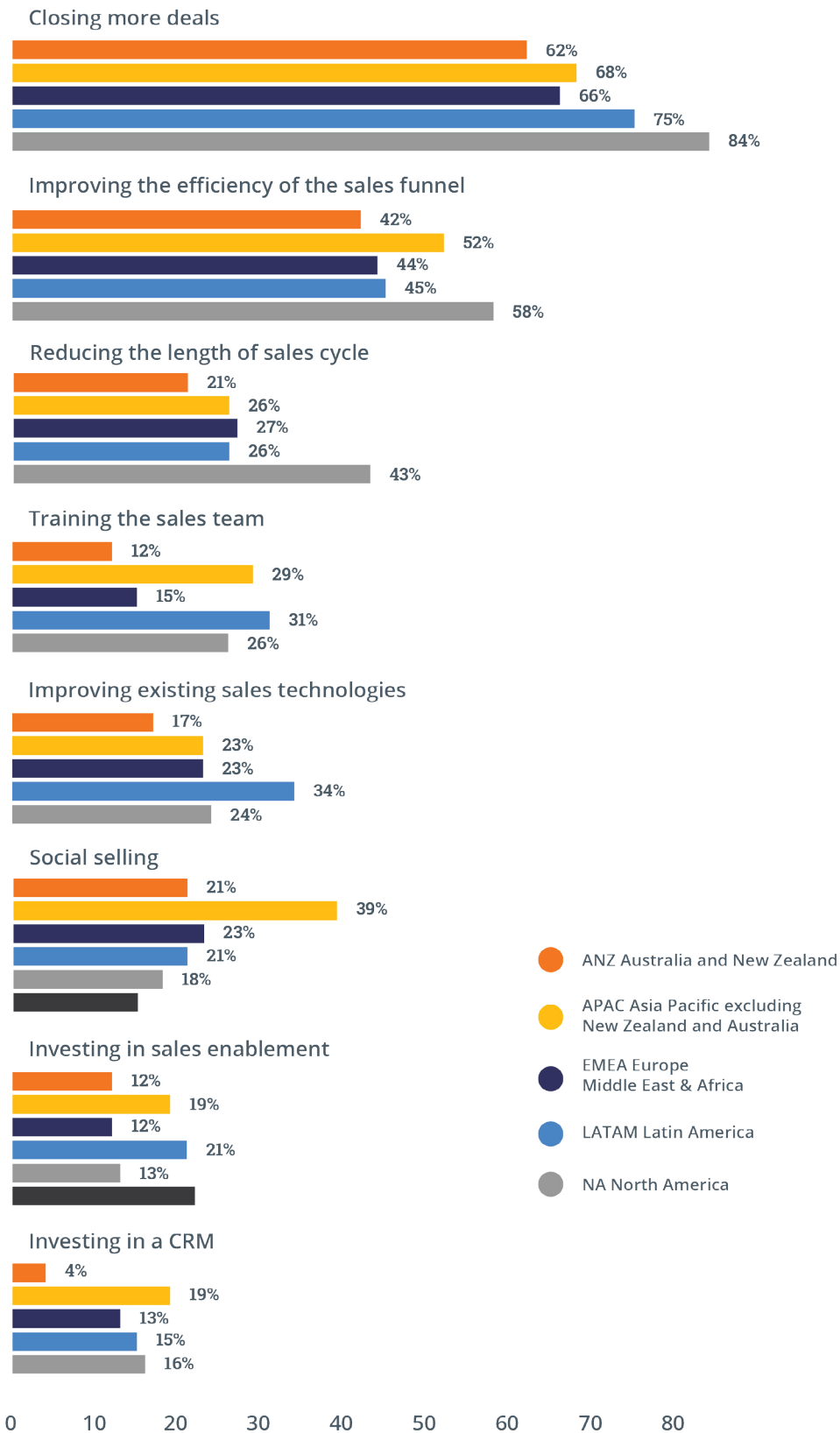


In terms of location, APAC and EMEA tended to prioritize social selling more highly than their peers in North America and LATAM.



## Top Sales Priorities by Region

Glimmers of social selling interest in APAC and EMEA



CRM was another relatively low-ranked priority, again in keeping with last year's findings. This is noteworthy in light of the not insignificant number of respondents who are seeking to "improve existing sales technologies." Companies that have spent a healthy amount of time and money optimizing their CRM system for their unique sales force are likely hesitant to walk away from their investment, instead opting to continuously patch and refine the tool.

Or could a lack of education be to blame for the low prioritization of CRM? Traditionally viewed as a contact management database and little else, modern CRM systems can actually speed the sales process and enable salespeople to close more deals. It's possible that CRM will rise in importance over coming years as sales leaders, managers, and representatives realize that cutting-edge CRMs provide means to an end for their top two priorities: closing more deals, faster.





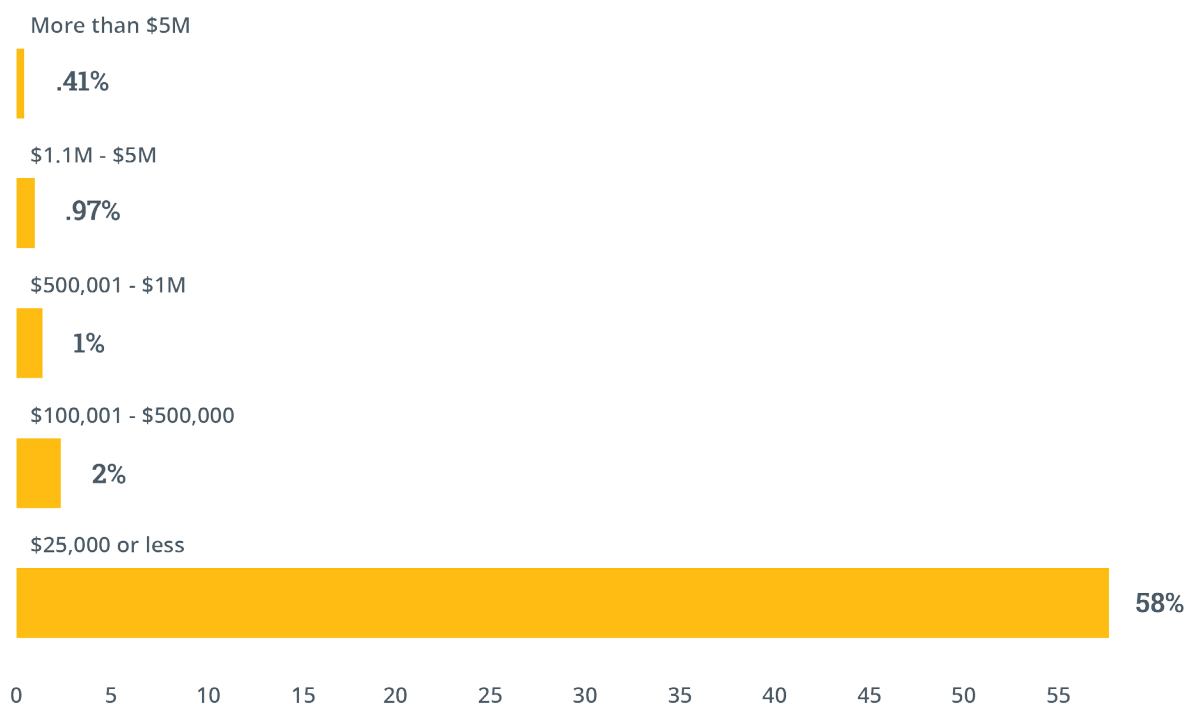
# = Chapter 2 Sales Technology

How does closing more deals more efficiently with less available resources rub you? If you're like most salespeople, this probably doesn't make you too happy. And yet, this is exactly the dilemma sales teams face in the coming year as they try to achieve the same or higher goals with lower sales technology budgets.

Indeed, budgets for sales technology have decreased from last year's estimates. Of respondents who were privy to their sales tech budgets, 93% indicated their companies planned to spend \$100,000 or less, with 78% spending less than \$25,000.

### How Much Will Your Company Spend on Sales Technologies This Year?

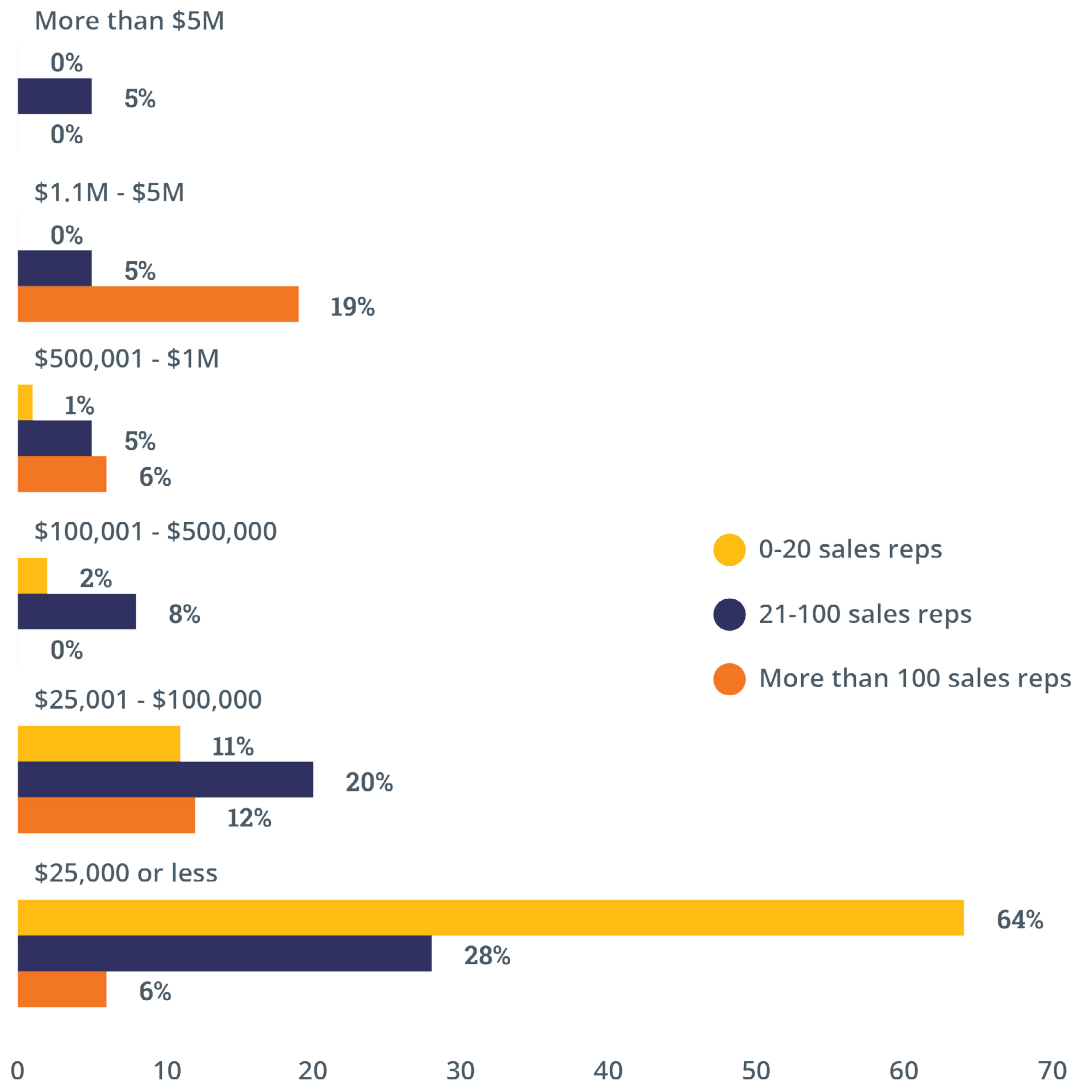
Sales is struggling with decreased budgets



Unsurprisingly, budgets increased with team size. While larger teams can afford to adopt and deploy new sales systems, smaller teams have to be scrappier with their tools. Fortunately, a market of lightweight, inexpensive sales products are emerging in response to these lean and mean teams' needs.

## 2015 Budget by Sales Team Size

Big teams get more money



In addition to falling budgets, sales teams that have adopted new tools haven't been blown away by them.

Of respondents who were using different types of sales tools and felt confident ranking their level of satisfaction, highly satisfied users consistently comprised the minority. In the following chart, we've borrowed the language of Net Promoter Score, and classified "extremely satisfied" respondents as "promoters," "satisfied" and "somewhat satisfied" users as "passives," and "not satisfied" users as "detractors."



Approval ratings emerged as follows:

- **Digital transaction services (e.g. DocuSign):**

Promoters - 17%, Passives - 69%, Detractors - 14%

- **CRM software (e.g. Zoho):**

Promoters - 13%, Passives - 77%, Detractors - 10%

- **Business data software (e.g. Data.com):**

Promoters - 11%, Passives - 77%, Detractors - 13%

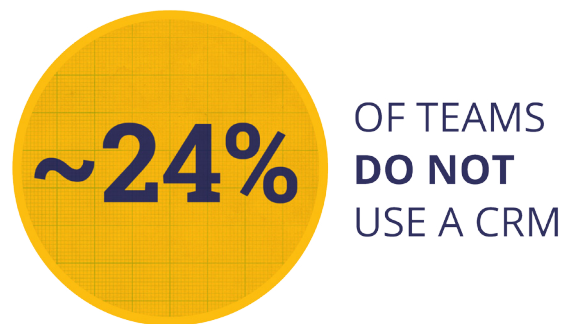
- **Sales engagement platform (e.g. Clearside):**

Promoters - 9%, Passives - 81%, Detractors - 10%

- **Email tracking (e.g. Sidekick):**

Promoters - 20%, Passives - 70%, Detractors - 10%

As you can see, sales technology champions among current adopters are few and far between. And a significant percentage of respondents fell into the troubling “non-adopter” category. Of respondents who knew what sales technology their team had in place, nearly a quarter (24%) indicated their company did not use a CRM system.



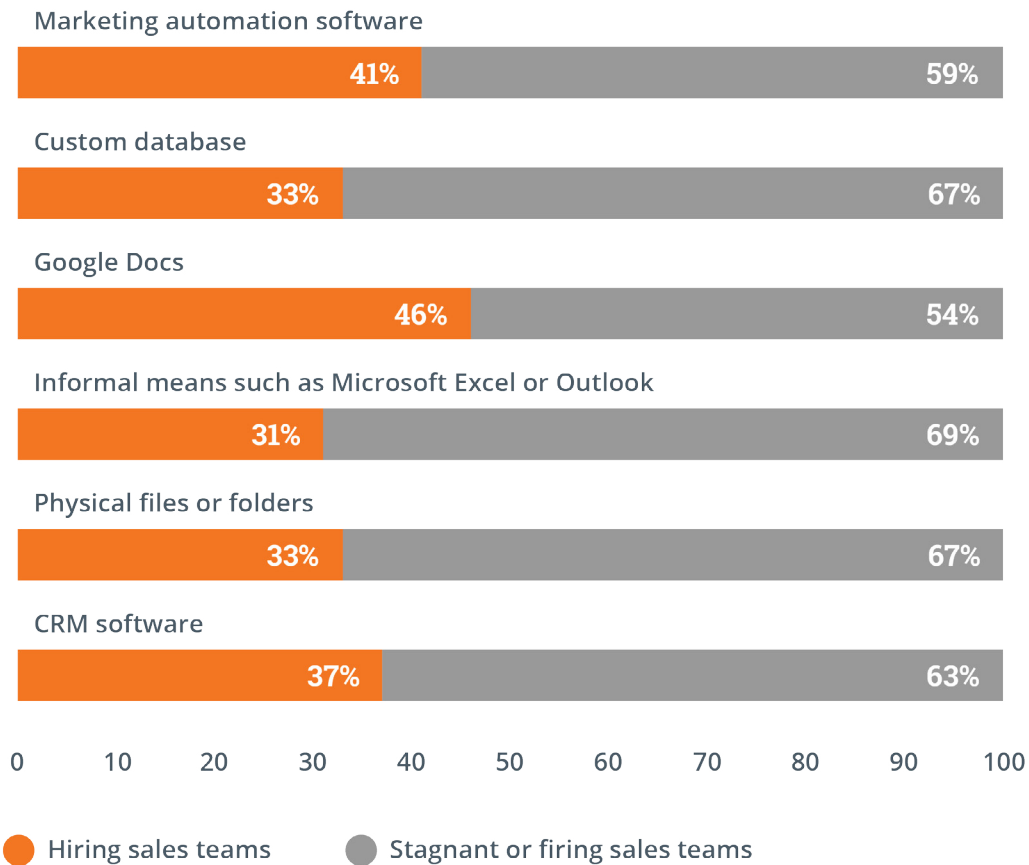
Even more alarming is the fact that approximately 46% of salespeople in our survey are not exclusively using dedicated technology to store lead and customer data. Instead, they’re relying on physical files, Google docs, and other “informal means” in place of or in addition to a dedicated system.

Does this impact performance? Using hiring data as a proxy for success (i.e., sales teams that are actively hiring are “successful,” and those that are stagnant or reducing headcount are “unsuccessful”), we found that unsuccessful teams were more than twice as likely to use Excel, Outlook, and/or physical files to store lead and customer data than their successful counterparts.

Similarly, unsuccessful teams were nine times as likely to report that they didn’t know where leads or customer information was stored, or that the question was not applicable to them (remember that all of our respondents were in sales).

## What System Does Your Organization Use to Store Leads?

Unsuccessful teams are more likely to rely on informal means than their successful counterparts



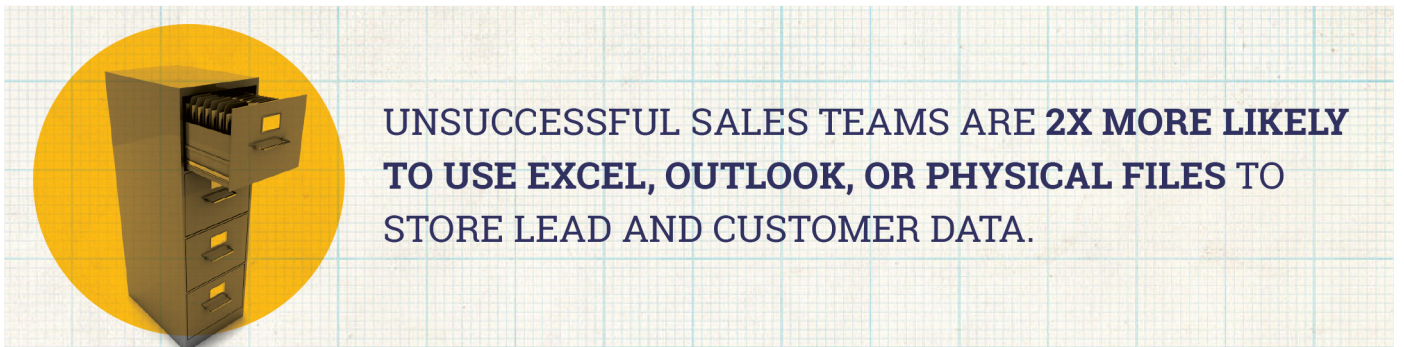
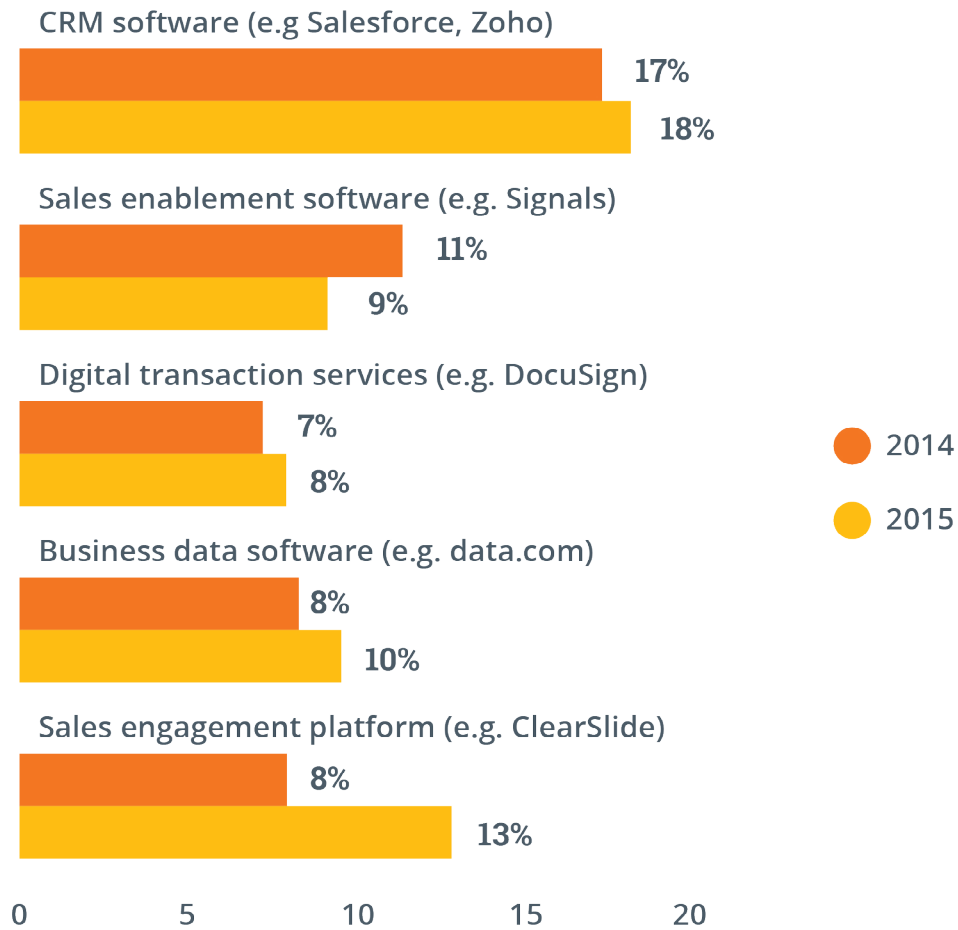
However, unsuccessful teams weren't the only ones storing lead information via informal means. Our data indicated that 46% of successful teams stored some or all of their lead and customer data in Google Docs. This could speak to a need for collaboration capabilities which CRM systems have not traditionally delivered. As dedicated sales technology becomes more collaborative, it will be interesting to note if this percentage falls.

Another less encouraging explanation is that sales teams are scrimping on their contact information storage systems. While saving money where you can is wise (and essential for small companies), cutting corners with lead and customer management -- the lifeblood of your business -- might not be the smartest choice.


But it's not all bad news on the technology front. Despite smaller budgets, more companies are evaluating sales tools spanning a variety of categories than last year, with the exception of sales enablement software. While the greatest number of salespeople are evaluating CRM -- perhaps some non-adopters deploying their first system -- the biggest jump in interest year-over-year was in sales engagement platforms.

## Which Tools Do You Plan to Evaluate or Purchase by 2016?

Interest in sales tech is on the rise





A photograph of a person's arms crossed over a dark wooden desk. A silver computer keyboard is visible in the foreground. The entire image is covered with a semi-transparent blue gradient. The text 'Chapter 3' is in a light blue font, and 'Sales Challenges' is in a large, bold, white font.

# Chapter 3

# **Sales Challenges**

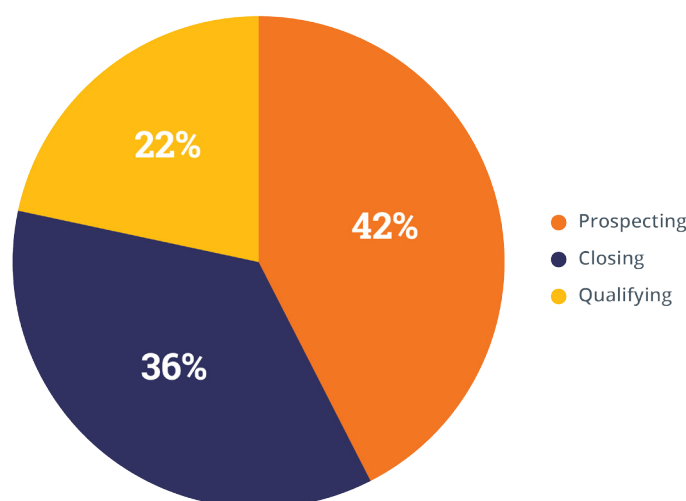
Today's buyer is notably different than the buyer of decades past -- or even just a few years ago. Decision makers enter the sales process much more informed about sales offerings than they used to be, and they're seemingly busier than ever before.

Although salespeople by and large have proven their resilience by tailoring their process to the modern buyer, there are still some challenges that arise from this seismic shift. This section of our report deals with salespeople's most pressing problems -- in terms of both process and technology.

This year, we asked salespeople about the hardest part of the sales process. Prospecting was the number one answer, with 42% of the vote. Closing came in second with approximately 36%, and qualifying garnered a 22% response.

### What Part of the Sales Process Do Reps Struggle With Most?

Prospecting is the most difficult part of the sales process



This makes sense anecdotally. First of all, perfect fit prospects aren't exactly in abundance, and can be harder to find in certain industries than others. Second, buyers' attention spans are all but maxed out by the number of priorities, tasks, deliverables, and projects they juggle at all times. In order for a salesperson to grab a prospect's attention with an email, call, or social media send, they must carefully customize and personalize their message -- and there's still no guarantee the buyer will read, much less respond.

Consider too that prospecting increases in difficulty the less information salespeople have readily available to them. A lack of lead behavior data means that sales reps must hunt for information on their own or forgo it entirely, boosting the odds that their message will be poorly received.

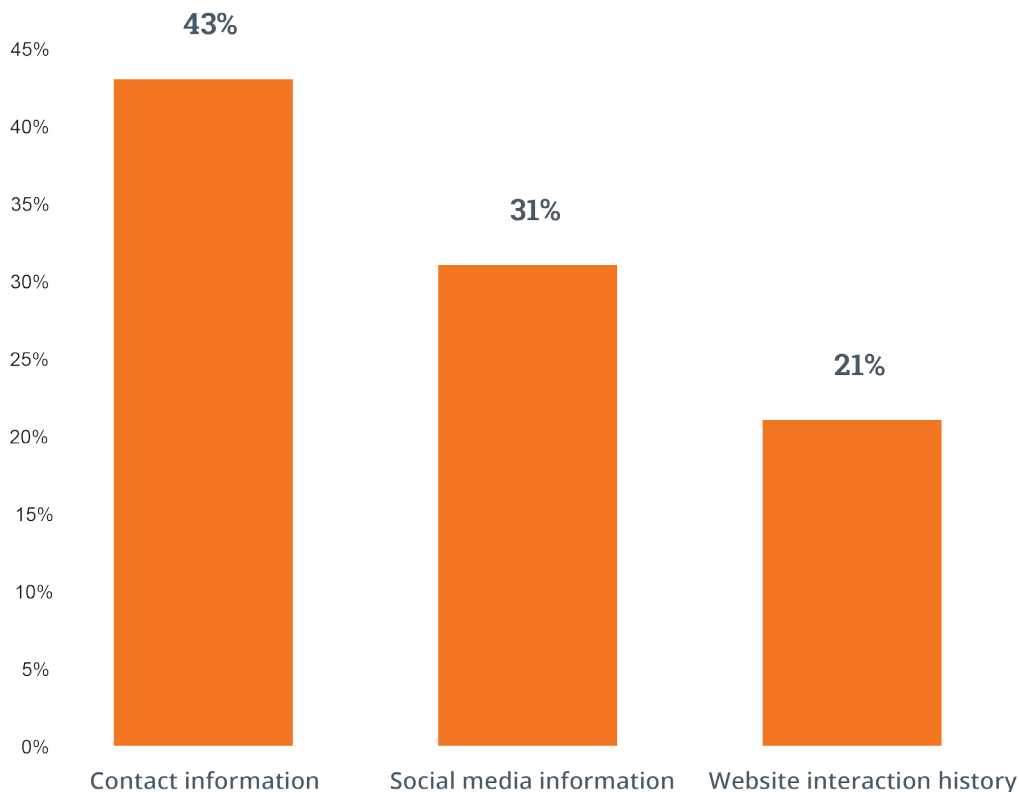
So the more information salespeople have about their prospects going into prospecting, the more effective their efforts will be. Unfortunately, just 31%



of respondents have access to social media data, and 21% their lead's website interaction history. Fewer than 43% have contact information -- in other words, the bare minimum they need to reach out.

### How Much Information Does Your Company Have About a Lead Before a Sales Rep Reaches Out?

Salespeople are not being provided with adequate lead information



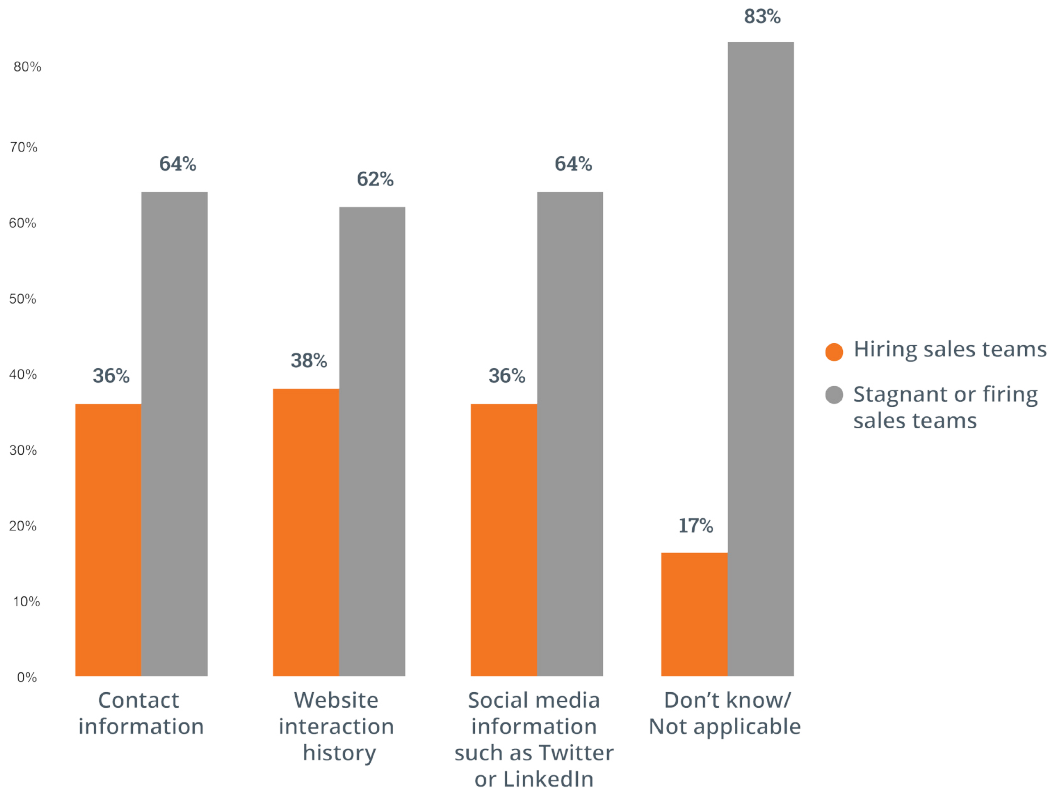
How does lead information correlate with sales success? When we viewed this question in terms of successful vs. unsuccessful teams, a split emerged. While a staggering 83% of respondents from failing teams said they either didn't know what information they had before contacting a lead, or that the question was not applicable to them, a mere 17% of successful teams gave the same answer.

To put this in perspective, "don't know/not applicable" was unsuccessful respondents' number one response, and successful respondents' lowest response.



## Information Before Reaching Out to a Prospect by Team Success

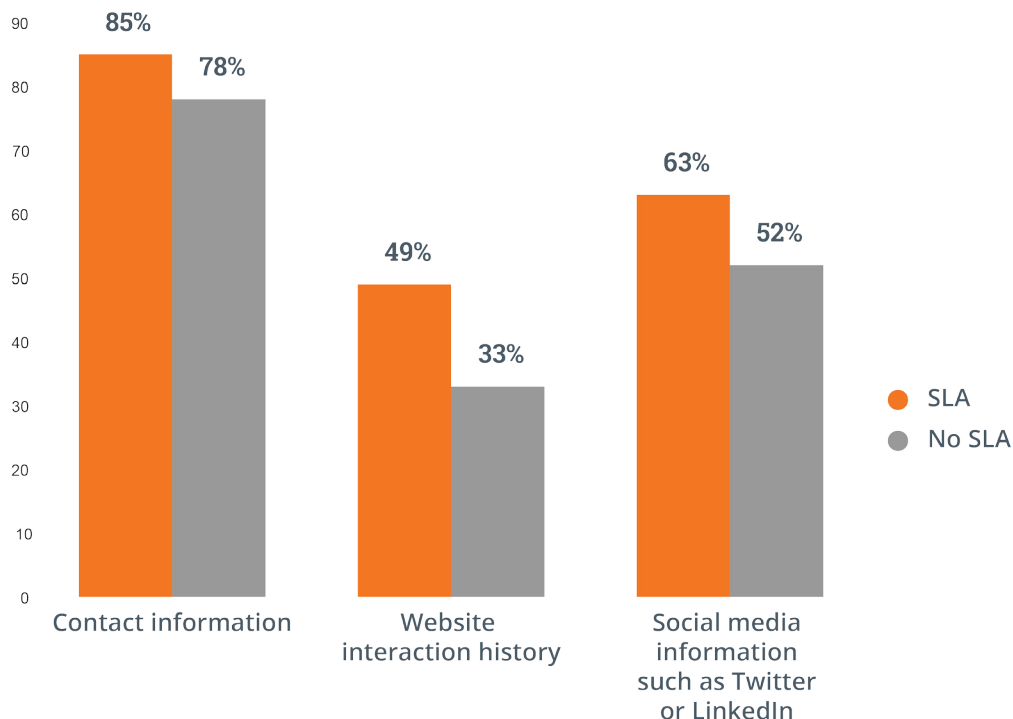
Unsuccessful teams most likely to say they “don’t know”



However, when Marketing and Sales collaborate, salespeople are privy to more lead information. Fifty-two percent of companies with no SLA between Marketing and Sales could provide something more than lead contact information to salespeople. This percentage jumped to 57% when an SLA was present.

## Information Before Reaching Out to a Prospect by Existence of SLA

SLAs pave the way for more pre-call information

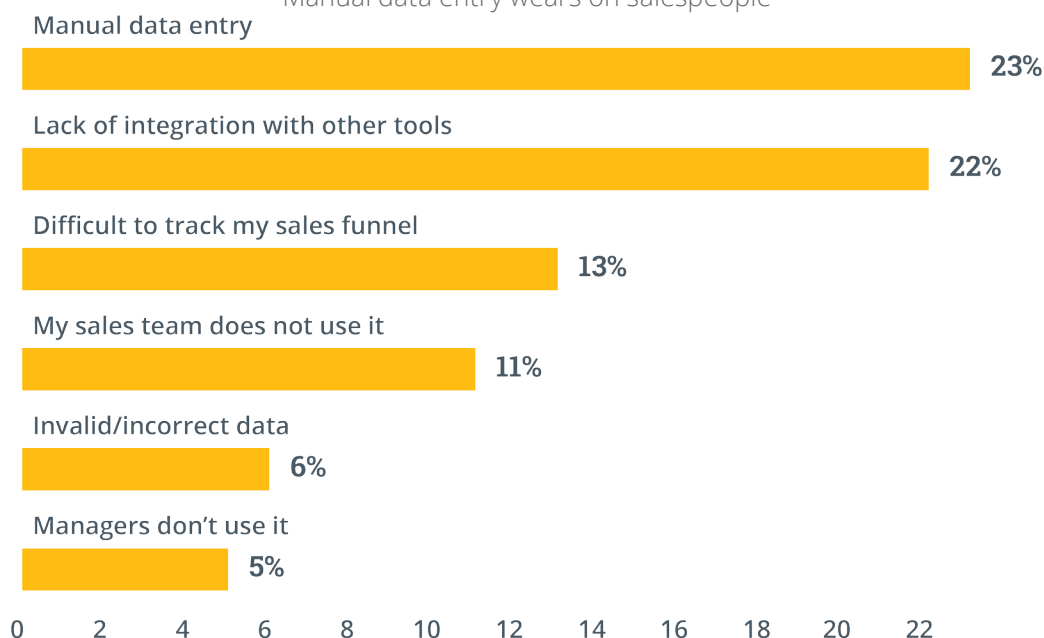


And there's more good news from the marketing side of the spectrum. Salespeople struggling with prospecting can expect some relief over the coming year -- "increasing the number of contacts/leads" is marketers' number one or two priority, depending on company size and B2B vs. B2C.

Onto the technology challenges. Manual data entry once again emerged as salespeople's #1 CRM challenge, although "lack of integration with other tools" trailed less than half a percentage point behind.

### What Is Your Biggest CRM Challenge?

Manual data entry wears on salespeople

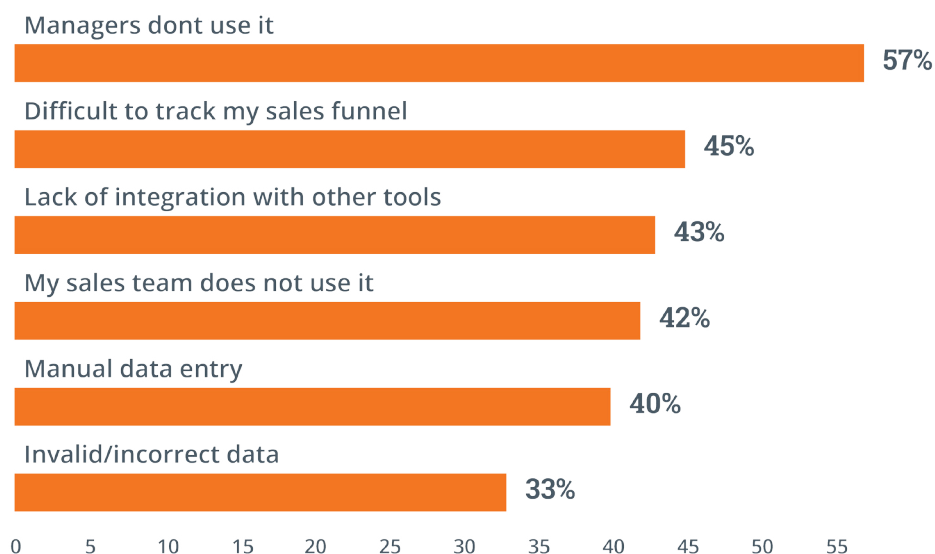


However, dig down and a different picture emerges. It turns out that the perceived worst CRM problem varies significantly depending on who you ask.

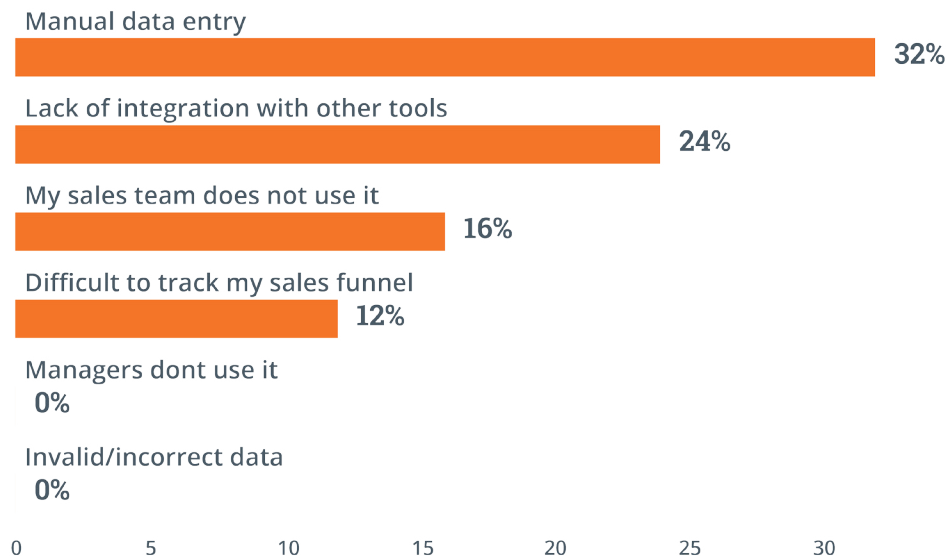
### Biggest CRM Challenge by Company Level

Leaders, managers, and reps all cite a different #1 CRM challenge

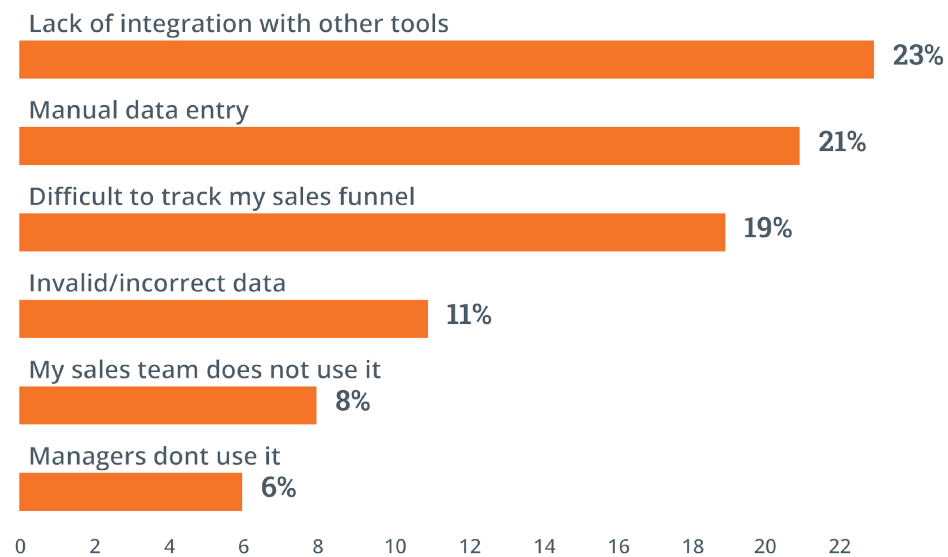
Executive



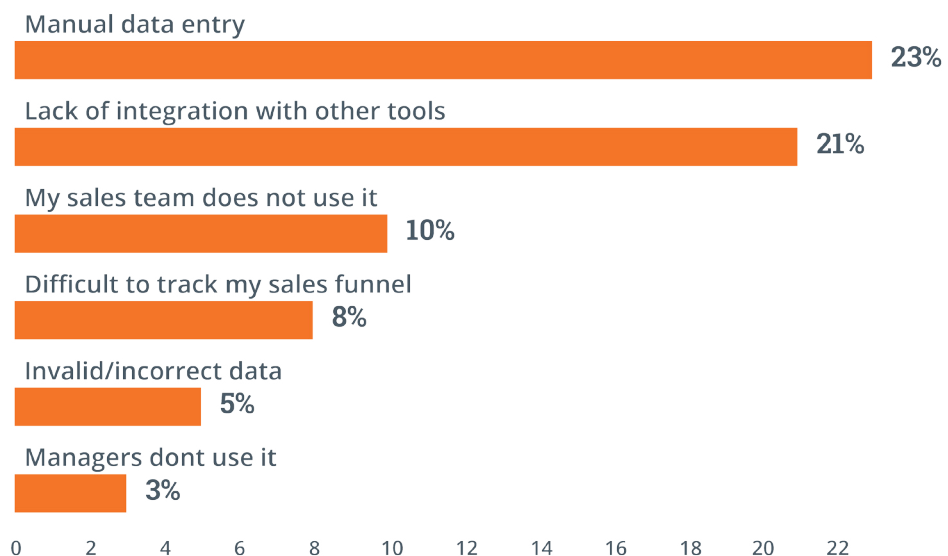
#### VP or Director



#### Manager or Senior Manager



#### Individual Contributor





While executives identify manager non-adoption as the most pressing hurdle, managers themselves report lack of integration with other tools, with manual data entry close behind.

At the lowest level, the number one issue for salespeople was manual data entry. Considering that reps are primarily responsible for data entry, this is not surprising. However, manual data entry was also the most pressing challenge at the VP/director level, which might raise some eyebrows.

Keeping in mind the high ranking of manual data entry at three out of four levels within the sales organization, sales teams would be wise to either adopt a CRM with more streamlined and automatic data entry, or simplify the data input process in their existing system.





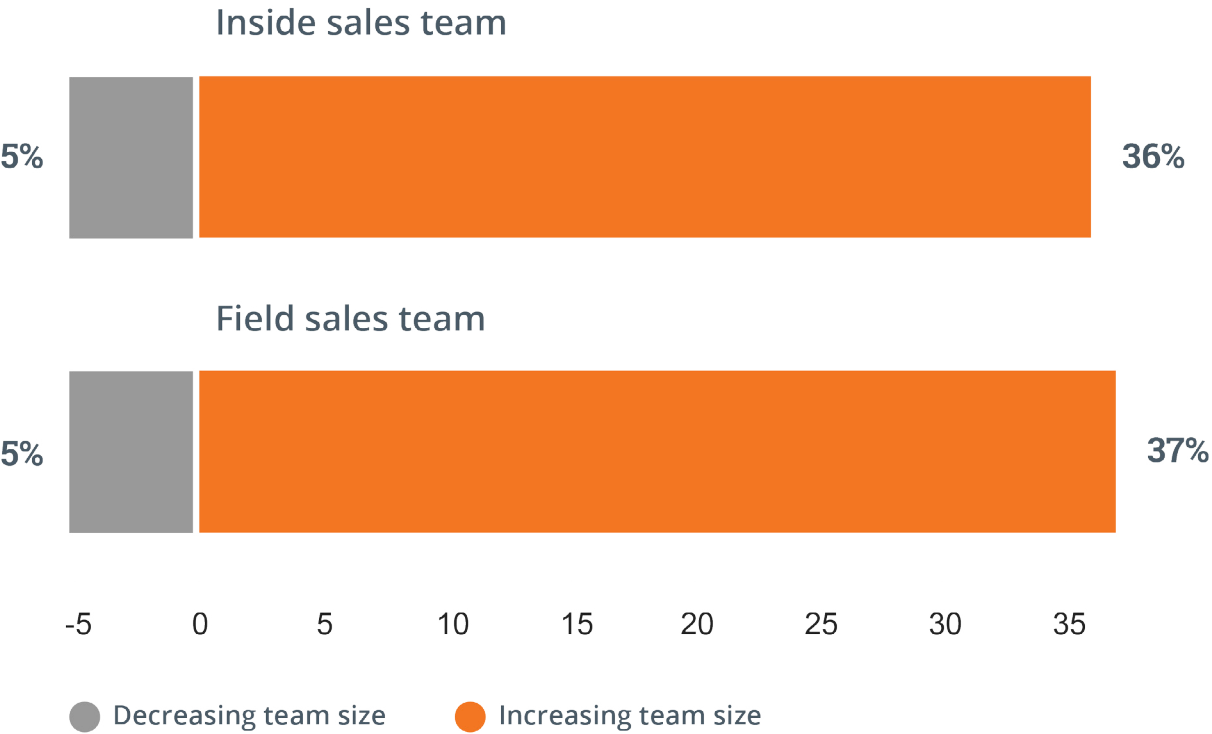
# ≡ Chapter 4 **Sales Trends**

Regardless of whether you work with an inside or outside sales team, you've likely seen at least one blog post, article, or social media snippet decrying the imminent demise of field sales. Proponents of inside sales models argue that inside sales is cheaper and more efficient for the company, and that customers don't want to be bothered at their offices, anyway. No matter how you slice it, it's preferable to conduct business virtually.

The buzz might make you think the trusty field sales rep will imminently go the way of the dinosaur. But data from this report indicates otherwise. Survey respondents' staffing plans for inside and outside sales positions emerged nearly identical.

**Hiring Plans by Inside vs. Outside Sales**

Field sales reps aren't going the way of the dinosaur quite yet





Far from the mass purging of outside positions from sales team, inside sales reps actually stand a better chance of being laid off than their counterparts in the field.

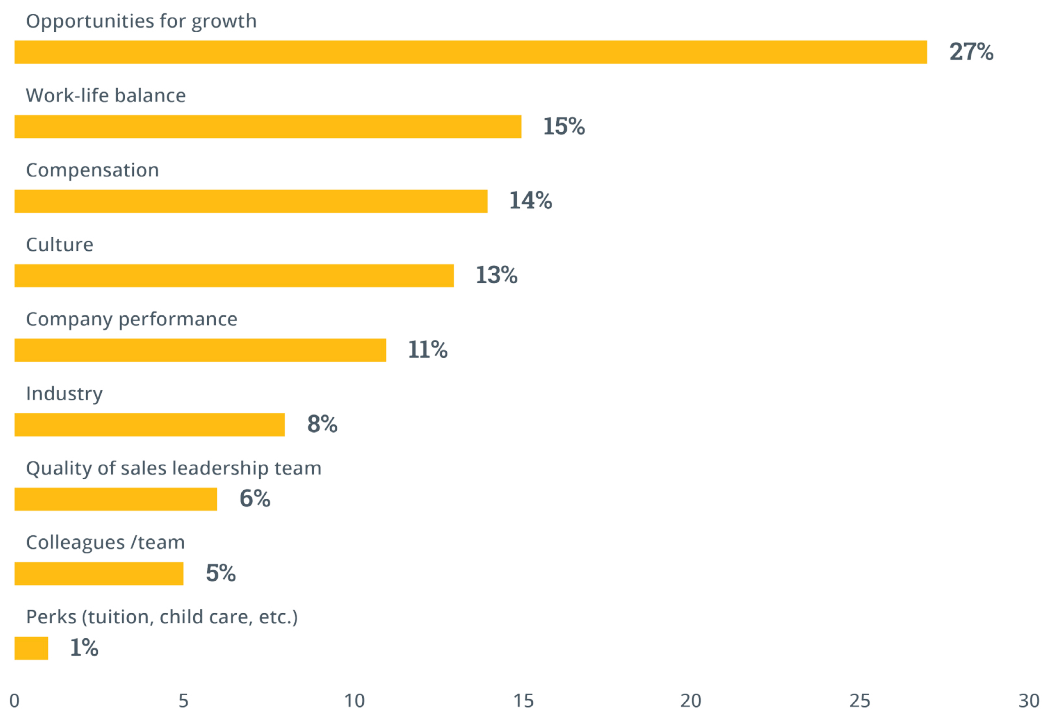
One sales myth debunked, one to go.

Popular culture often paints salespeople as employees who care about the size of their paycheck and little else. Think about Leonardo DiCaprio's depiction of Jordan Belfort in *The Wolf of Wall Street*. Belfort lies, cheats, and bamboozles hapless clients into buying from him simply so that he can throw money around -- sometimes literally.

So is this perception fact, or fiction? Our survey asked salespeople what they look for when deciding whether to pursue a position at a new company.

### What Do You Consider When Looking for a Job at a New Company?

Sales job candidates are eager for growth opportunities



"Opportunities for growth" is the number one most important factor salespeople look for in new jobs -- by a wide margin. Compensation was the third highest response, closely clustered with work-life balance, and company culture.

This finding is not only interesting in terms of changing the popular perception of salespeople; it's also significant for sales leadership and management in terms of recruiting and organizational structure. Sales careers typically offer one traditional growth path -- sales rep to sales manager to sales director to sales VP. However, sales management is a very different job than a quota-carrying rep, and

not every rockstar is cut out to be a manager. In fact, promoting top-performing reps to management can actually hurt the team in the long run.

With this in mind, sales leaders need to create new growth opportunities for reps who might not be suited for management if they hope to recruit and retain solid sales talent. Here are some ideas:

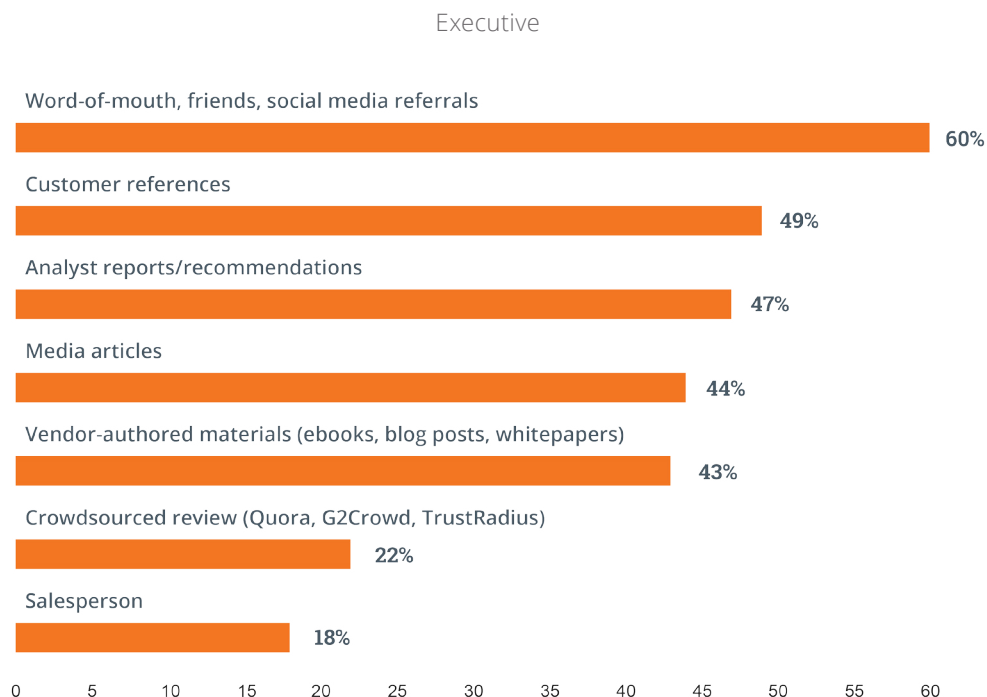
- Mentor a new sales rep
- Break into an emerging locale
- Additional educational and/or training opportunities
- Scale up in terms of account size or monetary value
- Assume additional responsibility
- Cross-train in a different department

The specific opportunities will vary depending on your company's needs and culture, but this data proves the importance of offering salespeople more than one strictly linear career path.

The final trend we identified is disheartening to say the least. According to our survey, executives making business software purchase decisions are least likely to rely on a salesperson for information, instead preferring to seek out word-of-mouth and social media referrals, customer references, and analyst reports.

### What Sources of Information Do You Rely on When Making Purchase Decisions for Business Software?

Salespeople's credibility is at an all-time low



Bearing in mind that executives increasingly put their faith in reports and social media referrals, arming yourself with content and engaging with buyers on social channels could boost your credibility. In addition, because of the high importance executives place on customer references, double down on client service and post-sale customer care.

## Survey Methodology

HubSpot fielded our 2015 State of Inbound survey between Wednesday, June 3, 2015 and Monday, July 6, 2015. The survey was administered online, where 3,957 respondents completed it. To see an exact demographic breakdown of the completed survey respondents, please reference the “Who We Talked To” section of the report.

The sampling method was a voluntary sample, with the audience solicited through promotional channels including Facebook, Twitter, LinkedIn, paid, and email campaigns.

Thousands of sales professionals read the HubSpot Sales blog every day to learn the most cutting-edge selling hacks, tips, and tricks. **Subscribe to the blog today.**

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# STATE *of* INBOUND <sup>20</sup>/<sub>15</sub>

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