SalesTech

2017 | REPORT

SalesTech
AWARDS

Crowd
Research Partners

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TABLE OF CONTENTS

SALES TECH
2017 REPORT

OVERVIEW

Sales technology, from CRM and social selling tools to dialer apps and sales analytics, is rapidly gaining traction in enterprises looking for ways to enable high-growth, high-performance sales organizations. Yet the market for sales apps and platforms remains fragmented and hard to navigate.

To provide deeper insight into the market dynamics for sales technology, Crowd Research Partners conducted a comprehensive online survey in partnership with the 100,000-member B2B Technology Marketing Community on LinkedIn to reveal the key challenges, solutions, technology choices, and investment priorities of today's sales organizations.

Many thanks to our sponsor IDG Enterprise for supporting this unique research project:

Thanks to everyone who participated in the survey.

I hope you will enjoy this report.

Holger Schulze

Holger Schulze
Founder
B2B Technology Marketing
Community on LinkedIn

✉ hhschulze@gmail.com

Linked in Group Partner

Technology
Marketing

KEY SURVEY FINDINGS

1 Despite the growing demand for sales technologies, companies most commonly assess their sales technology as somewhat effective (37%) in impacting sales success.

2 Customer relationship management (CRM) tools top the list of productivity solutions organizations use to help manage and optimize customer relationships across sales and other functions.

3 The biggest obstacle to sales technology success is lack of management buy-in, with 44% of respondents citing this as their number one challenge. To overcome this hurdle, sales leaders and technology vendors need to find ways to clearly demonstrate ROI.

4 Thirty-seven percent of respondents are struggling to demonstrate the pay-off for sales tech investment with another 35% claiming they are not at all successful. This presents an opportunity for sales tech vendors to improve the outcome tracking and analytics capabilities of their solutions to demonstrate ROI.

5 Sales technology investments are significantly increasing in many sales organizations. Most respondents (52%) are spending well over $1,000 on sales technology per salesperson each year, including 22% of organizations spending over $3,000. Achieving outcomes to boost sales success and increase efficiency are driving these investment decisions.

SALES TECH EFFECTIVENESS

Companies most commonly assess their sales technology as somewhat effective (37%) in positively impacting sales success. Twenty-nine percent of companies rate their sales solutions as very effective (21%) or extremely effective (8%). Thirteen percent of organizations claim sales tech is not effective at all.

Q: How would you rate the overall effectiveness of your sales technologies?

Somewhat effective
37%

Slightly effective
19%

Very effective
21%

Not at all effective
15%

Extremely effective
8%
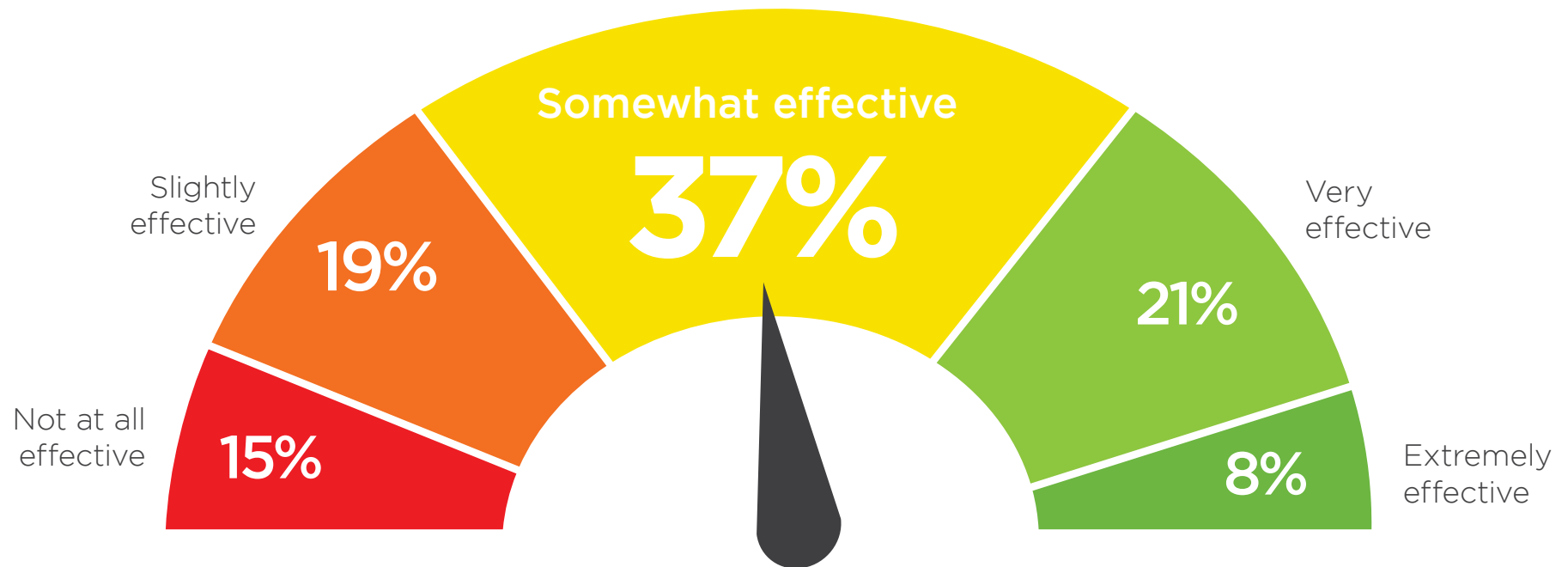
MOST POPULAR SALES PRODUCTIVITY TOOLS

Customer relationship management (CRM) tools top the list of sales productivity solutions organizations use. Eighty-four percent of organizations leverage CRM tools to manage and optimize customer relationships across sales and other functions. Tools to present product information remotely to prospects such as webinars, demos, screen sharing and conference calls are the second highest ranking productivity tools companies leverage (58%). Contact management tools to discover contacts with rich details and map them to target accounts are the third most commonly used sales tools in organizations (46%).

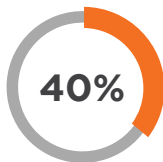**Q: Which of these productivity tools does your sales team use?**

84%
CRM

58%
Webinar, Demo, Screen Sharing, Cobrowsing and Conference Calling

46%
Contact Management

44%
Sales Email Automation

40%
Marketing Automation & Lead Scoring
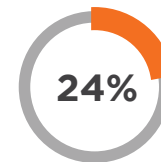
40%
Social Media
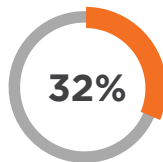
32%
Sales Configure/ Quote/Proposal
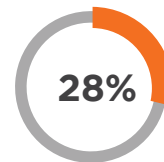
28%
Sales & Account Intelligence

24%
Contract Management
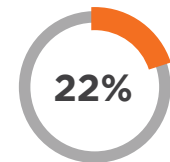
22%
Sales Content Management

Meeting Scheduler 20% | Sales Dialers 18% | Referral Software 10%

MOST POPULAR SALES MANAGEMENT TOOLS

The three most poplar sales management tools include sales forecasting solutions (54%), sales activity management tools (43%), and sales training tools (33%). Gamification software that motivates sales team through competitions, contests and games is the least likely tool to be used for sales management and governance (11%).

Q: Which of these management & governance tools does your sales management and team use?

54% Sales Forecasting

JAN-FEB

43% Sales Activity Management

33% Sales Training

28% Sales Process Management

26% Data Cleansing & Validation

20% Sales Performance Management

17% Territory/Quota Management

13% Sales Compensation

11% Sales Gamification
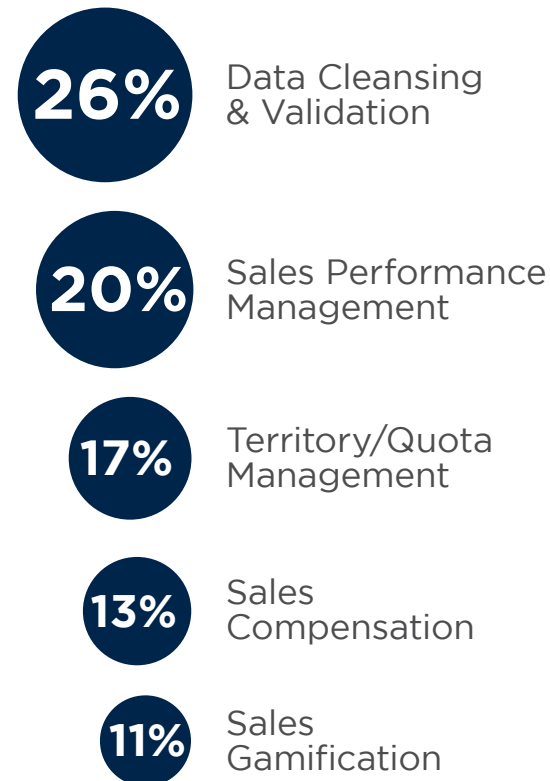
MOST POPULAR SALES ANALYTICS TOOLS

With 72% of responses, sales pipeline management tools are the most common applications used to help sales build, and manage and track opportunities throughout the sales cycle. This is followed by email open and click tracking tools (58%) to help sales professionals understand how prospects are engaging with email communications. Finally, sales analytics tools (51%) rank third, helping sales better understand sales dynamics.

Q: Which of these pipeline & analytics tools does your sales management and team use?

72%
Sales Pipeline
Management

58%
Email Open &
Click Tracking

51%
Sales Analytics

DIFFERENT SALES APPS

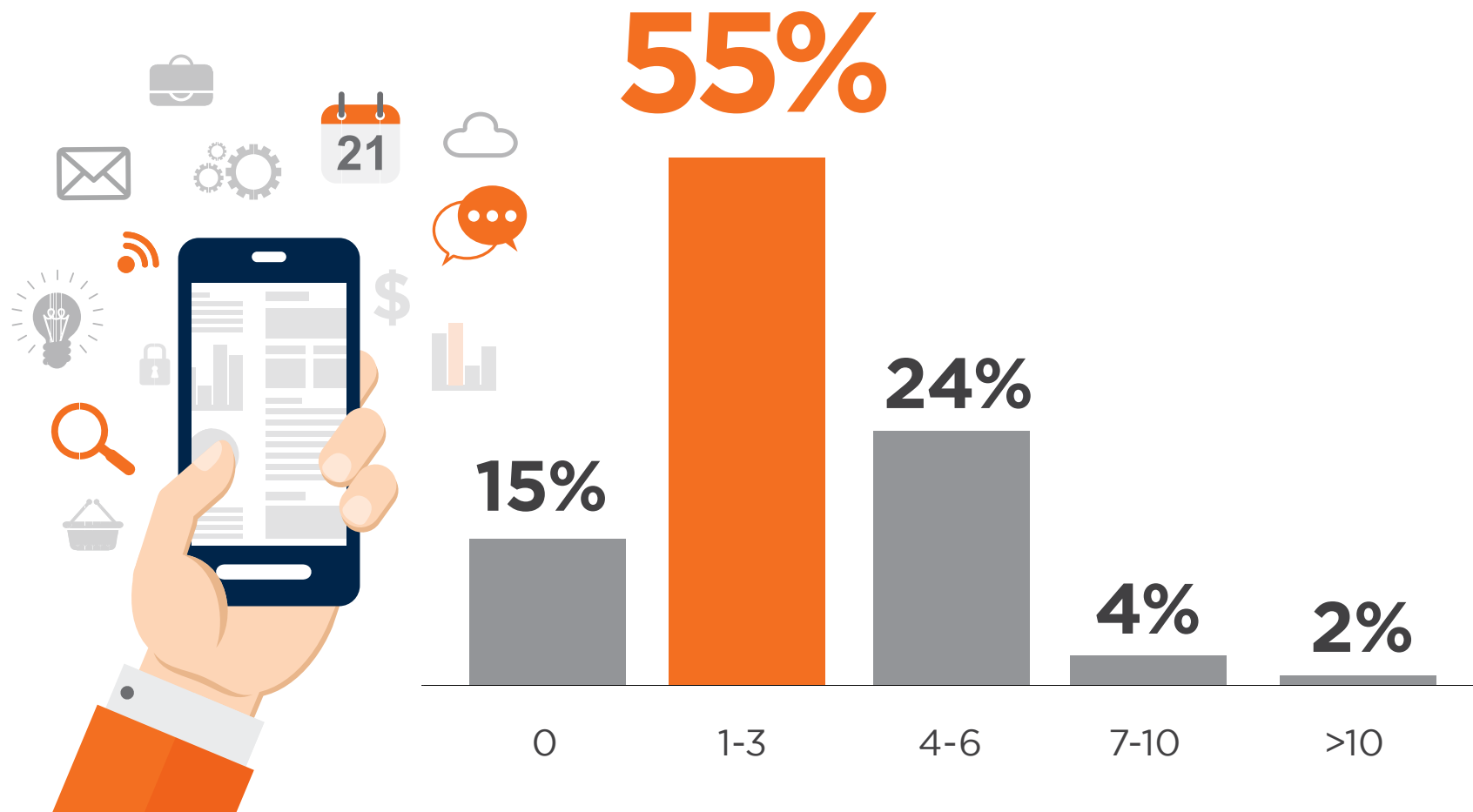Most sales reps (55%) are routinely using between one and three sales applications. Twenty-eight percent use between four and ten applications. Very few (2%) use more than ten sales applications.

Q: How many different sales apps are your sales reps routinely using?

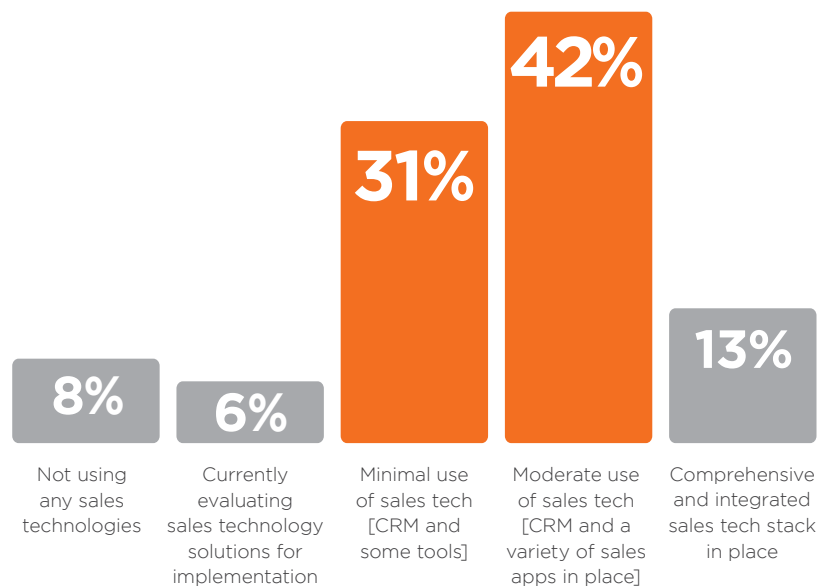| 15%	55%	24%	4%	2%
0	1-3	4-6	7-10	>10

SALES PERFORMANCE CHALLENGES AND ADOPTION
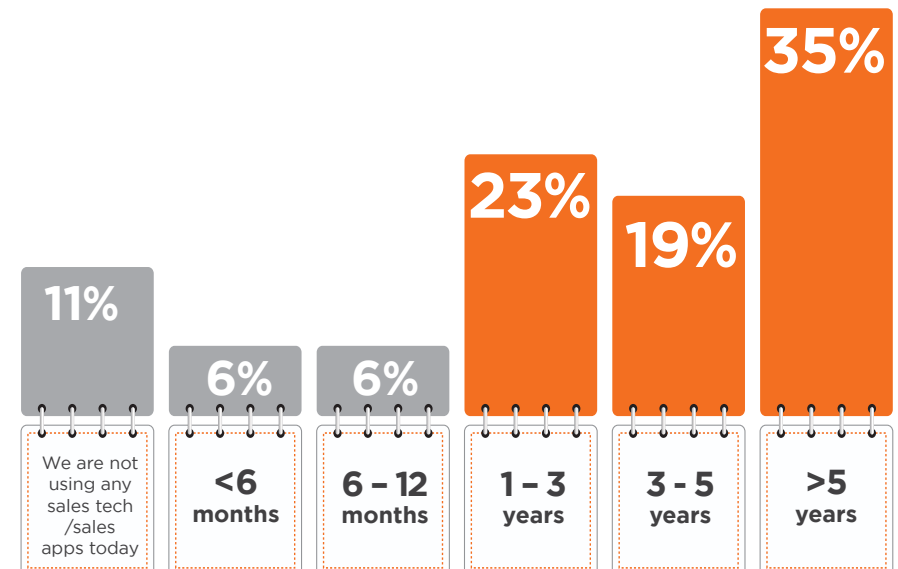
SALES TECHNOLOGY ADOPTION

The typical sales organizations in our survey are moderate users of sales tech with CRM and a variety of sales apps in place (42%). About a third of organizations are minimal sales technology users with a basic CRM setup and some sales tools. A smaller share of survey participants are advanced adopters with a comprehensive, integrated sales stack (13%).

Sales tech has been around for many years, starting with basic contact management and customer relationship management solutions (CRM) in the 1990s. Over one-third of sales organizations (35%) have been using sales tools for more than five years. But even more organizations (42%) are recent adopters of sales technologies within the last one to five years, reflecting growing demand. Twelve percent of companies in our survey just recently adopted sales technology in the previous 12 months.

Q: How would you describe the level of sales technology adoption in your organization?

8%	6%	31%	42%	13%
Not using any sales technologies	Currently evaluating sales technology solutions for implementation	Minimal use of sales tech [CRM and some tools]	Moderate use of sales tech [CRM and a variety of sales apps in place]	Comprehensive and integrated sales tech stack in place

Q: How long has your organization been using sales technologies?

11%	6%	6%	23%	19%	35%
We are not using any sales tech /sales apps today	<6 months	6 – 12 months	1 – 3 years	3 - 5 years	>5 years

BIGGEST SALES CHALLENGES

With buyers being bombarded with information from so many channels, sales professionals have many obstacles to overcome. Finding quality leads (63%), length of the sales cycle (53%), and getting in touch with decision makers (49%) are the biggest sales challenges that organizations name this year. Sales productivity (45%) and time spent away from sales activities (39%) follow next. Lack of competitiveness (12%) and high customer churn (4%) rank at the bottom of the list of sales challenges.

Q: What are your biggest sales challenges?

63%
Finding quality leads

53%
Length of
sales cycle

49%
Getting in touch with
decision makers

45%
Sales rep
productivity

39%
Time wasted
away from selling

33%
Implementing a
structured, repeatable
sales process

33%
Proving ROI for
tech investments

25%
Cost of customer
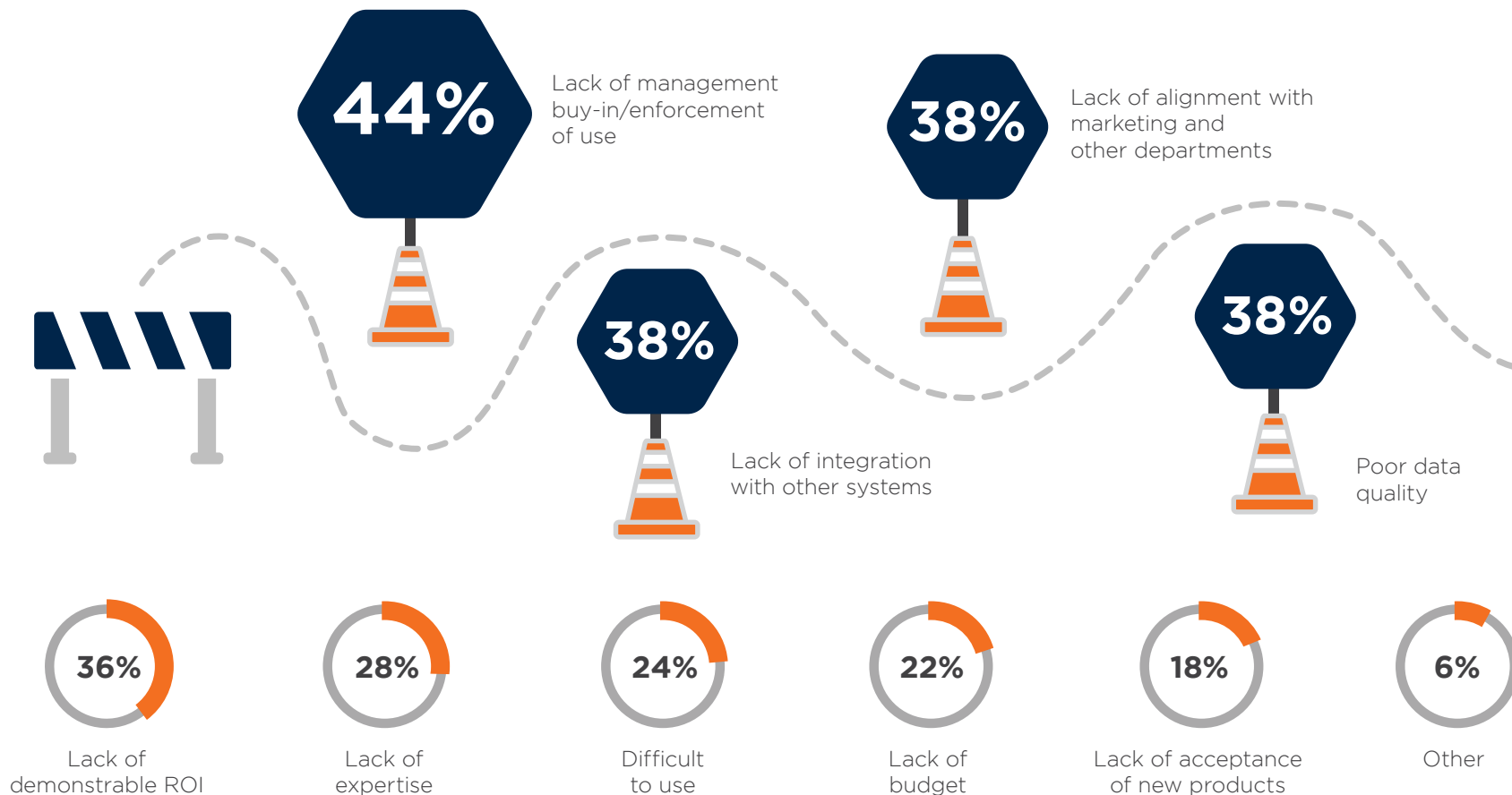acquisition

22%
Low conversion
rates
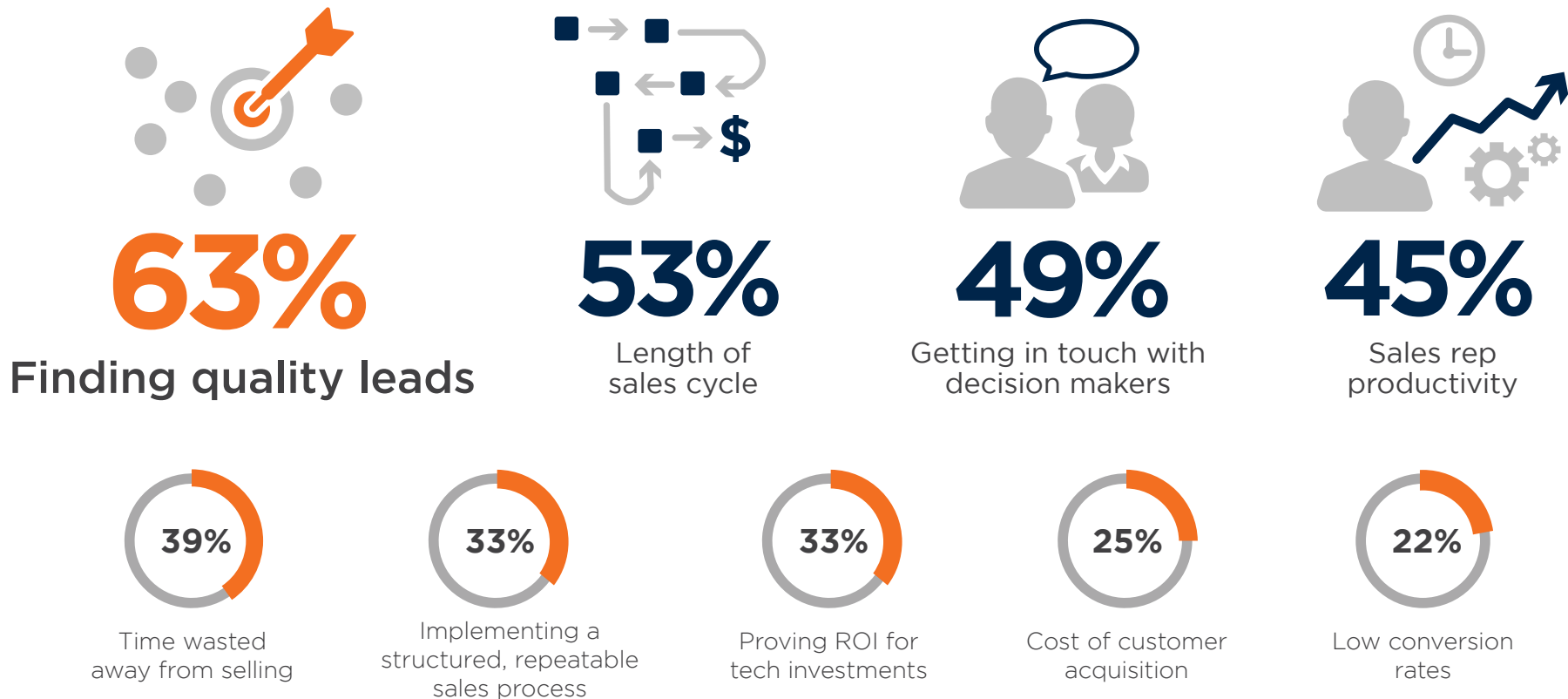
Pitching your solution 22% | Lack of competitiveness 12% | High customer churn 4% | Not sure/other 4%

BIGGEST OBSTACLES TO SUCCESS

The biggest obstacle to sales technology success is gaining alignment throughout the organization: lack of management buy-in (44%). To overcome this hurdle, sales leaders and technology vendors need to find ways to clearly demonstrate ROI. The next highest barriers to sales tech success are integration with other systems (38%), alignment across teams in the organization (38%), and poor data quality (38%).

Q: What are the biggest obstacles to the success of sales tech tools?

44% Lack of management buy-in/enforcement of use

38% Lack of alignment with marketing and other departments

38% Lack of integration with other systems

38% Poor data quality

36% Lack of demonstrable ROI

28% Lack of expertise

24% Difficult to use

22% Lack of budget

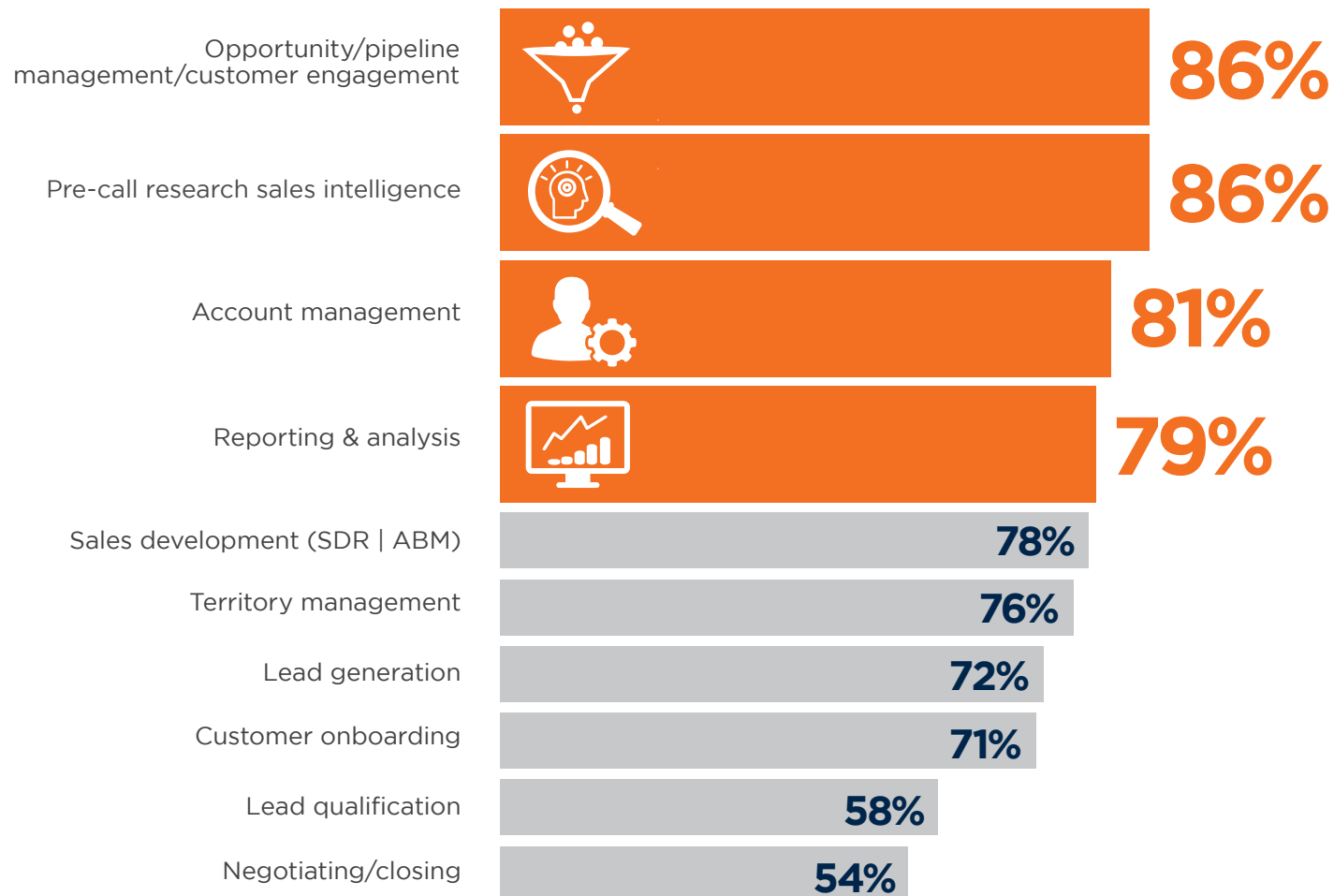**18%** Lack of acceptance of new products

6% Other

SALES TECH EFFECTIVENESS

SALES TECH BIGGEST IMPACT

Of the organizations that are using sales applications, opportunity and pipeline management (86%), pre-call research and sales intelligence (86%), and account management tools (81%) have the highest positive impact on sales performance.

Q: Where in the sales function does sales tech have the biggest impact?

|	
Opportunity/pipeline management/customer engagement	**86%**
Pre-call research sales intelligence	**86%**
Account management	**81%**
Reporting & analysis	**79%**
Sales development (SDR | ABM)	**78%**
Territory management	**76%**
Lead generation	**72%**
Customer onboarding	**71%**
Lead qualification	**58%**
Negotiating/closing	**54%**

KEY PERFORMANCE METRICS

Revenue (58%) and opportunities (54%) top the list of metrics companies use most frequently to measure sales performance. Deal size (44%), leads (42%) and appointments (38%) follow. Eight percent of companies who responded to the survey do not measure sales performance at all.

Q: What key metrics do you routinely use to measure sales performance?

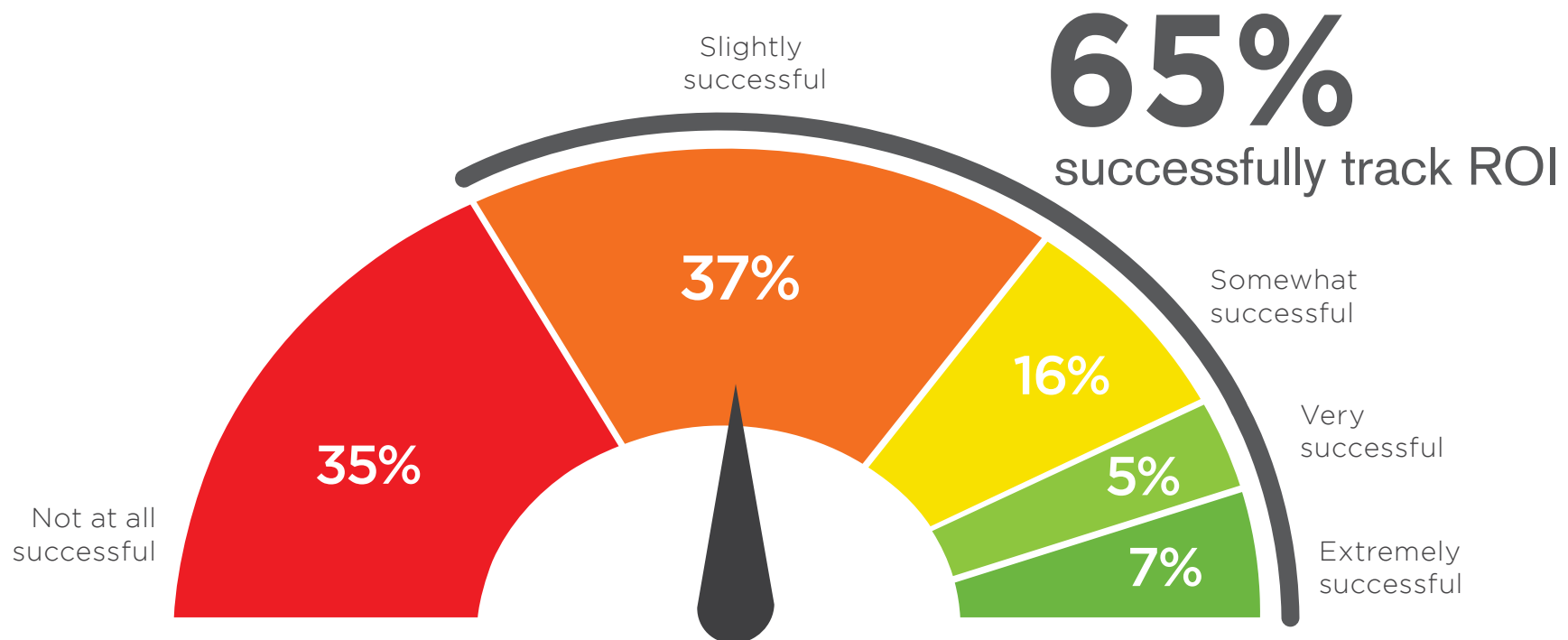| 58%	54%	44%	42%	38%
Revenue	Opportunities	Deal size	Leads	Appointments/meetings
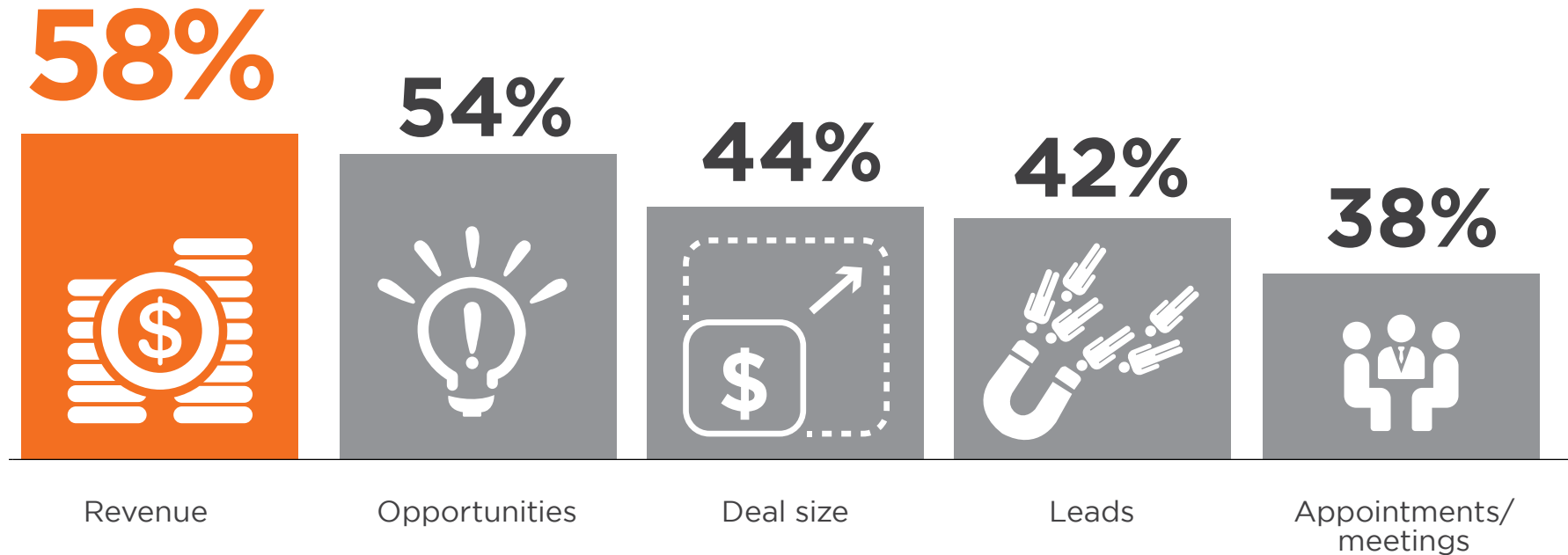
Conversion rates 38% | Calls 29% | Pipeline value added 27% | Conversations 23% | Proposals Sent 21% | Recurring revenue 19% | | Time to quota/on-boarding time 19% | Email touches 17% | Customer churn/retention 17% | | Customer acquisition cost 15% | Demos 22% | Sales velocity 15% | We don't measure sales performance 8%

A majority of sales organizations (65%) successfully track ROI of sales technology investments, albeit at varying degrees. About one-third of respondents struggle to demonstrate the pay-off for sales tech investment - 35% claim they are not at all successful. This presents an opportunity for sales tech vendors to improve the outcome tracking and analytics capabilities of their solutions to demonstrate ROI.

Q: How successful is your organization at tracking the ROI of sales technology investments?


65% successfully track ROI

Slightly successful — 37%
Not at all successful — 35%
Somewhat successful — 16%
Very successful — 5%
Extremely successful — 7%

SALES TECH BUDGET AND PURCHASING DECISIONS

SALES TECH INVESTMENT PRIORITIES

The top priorities for sales technology investments are related to achieving outcomes to boost sales success and increase efficiency, starting with pipeline generation (48%), sales enablement (46%), reaching more prospects (46%), and automating sales processes (44%). Very few organizations are investing in sales tech to facilitate cross selling/upselling or replicating best practice sales processes.

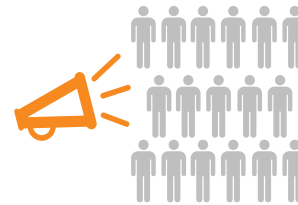**Q: What are your top priorities for sales technology investments?**
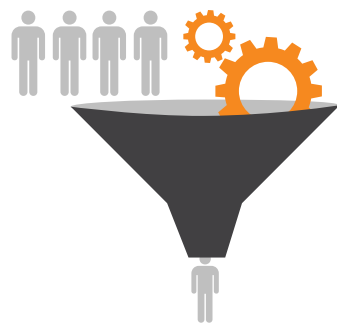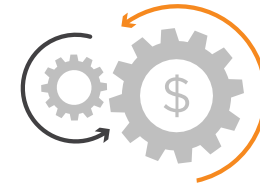
48%
Pipeline generation
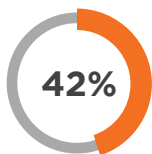
46%
Sales enablement/
boost in sales productivity

46%
Ability to reach
more prospects

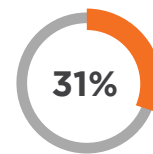## 44%
Automation of manual tasks/
Sales process automation

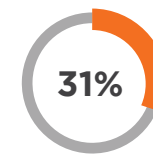**42%**
Increase lead
quality

37%
Increase win
rate
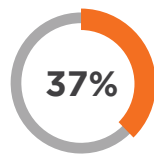
35%
Customer engagement/
nurturing customers
to up-/cross-sell

31%
Better visibility
into the sales
funnel

31%
Accelerating
sales cycles
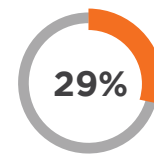
29%
Better predictability
of sales performance

Integration with other systems 23% | Increasing average deal size 19% | Nurturing prospects 15% | Increase content usage 13% | Cost reduction 12%
Using pre-defined best practice processes 10% | Rapid adoption by internal users 6%

SALES TECHNOLOGY BUDGET

This year, we see a virtual tie between companies that have a dedicated sales technology budget (49%) and those that do not (51%). Half of respondents expect sales tech budgets to increase over the next 12 months, while 44% foresee no change. Only a very small number of respondents (6%) expect sales tech budgets to decline.
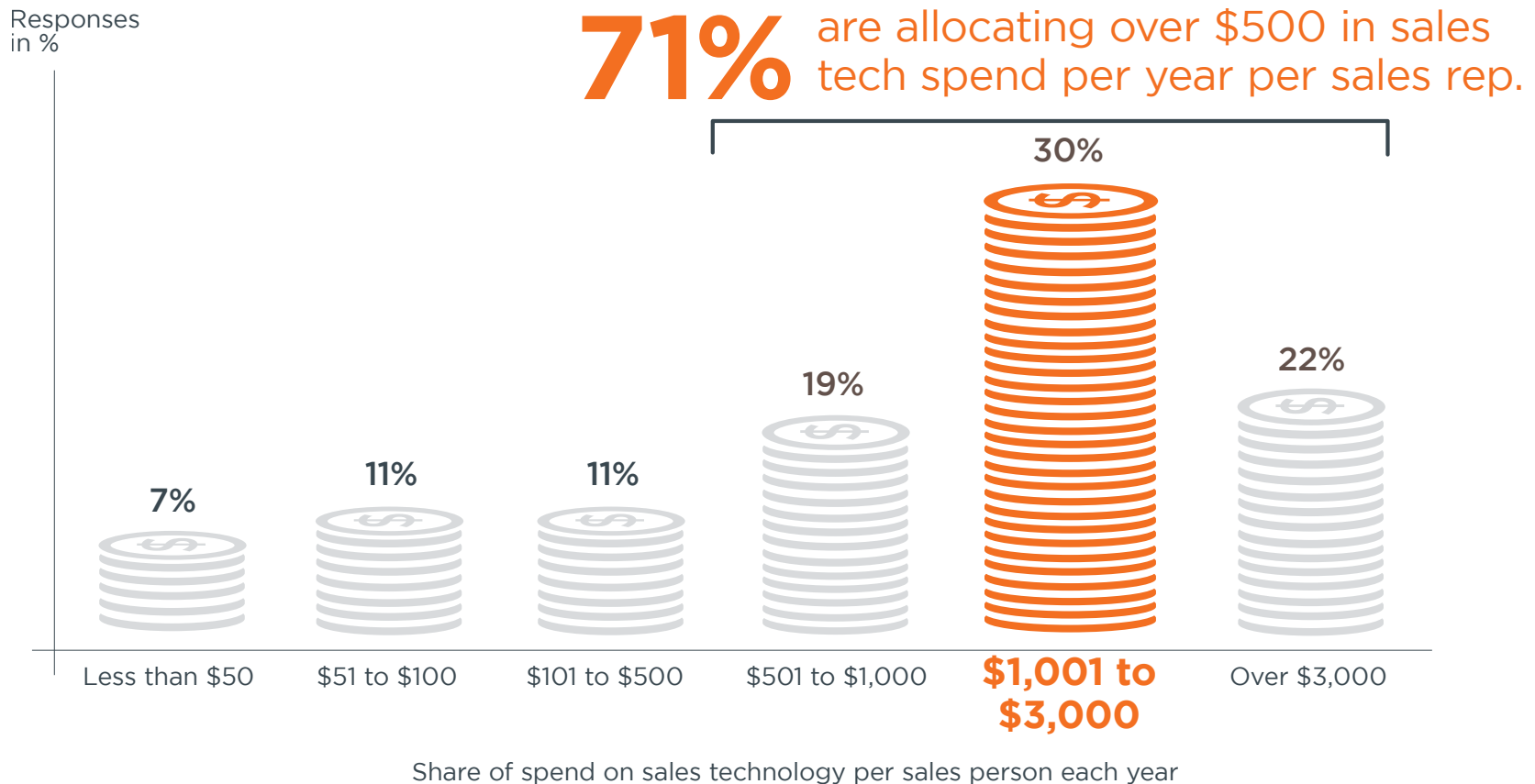
Q: How is your budget for sales tech spend going to change over the next 12 months?

50% Budget will increase

6% Budget will decline

44% Budget will stay flat
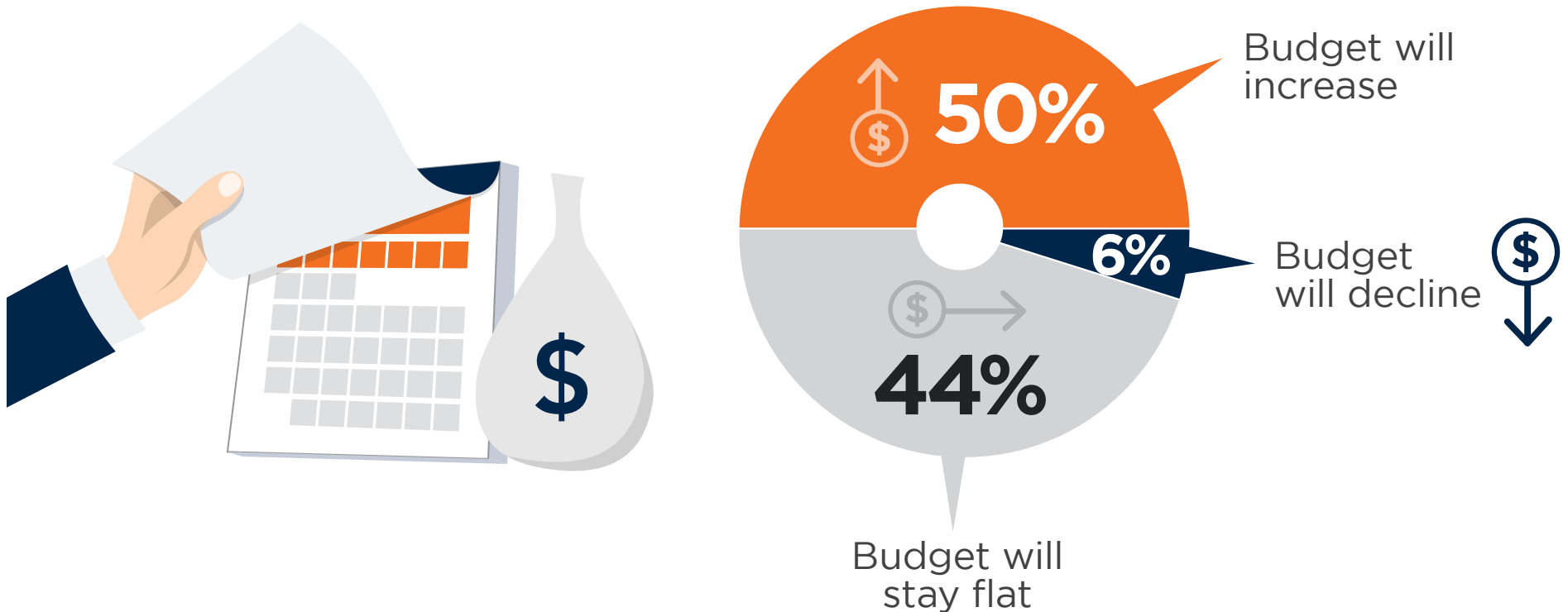
SPEND PER SALESPERSON EACH YEAR

With sales technology investment significantly increasing in many sales organizations, most respondents (52%) spend well over $1,000 on sales technology per salesperson each year, including 22% of organizations spending over $3,000. Seventy-one percent of respondents are allocating over $500 per year per sales rep.

Q: How much does your organization spend on sales technology per sales person each year?

Responses in %

71% are allocating over $500 in sales tech spend per year per sales rep.

7%	11%	11%	19%	30%	22%
Less than $50	$51 to $100	$101 to $500	$501 to $1,000	**$1,001 to $3,000**	Over $3,000

Share of spend on sales technology per sales person each year

METHODOLOGY & DEMOGRAPHICS

This survey was conducted in partnership with the 100,000-member B2B Technology Marketing Community on LinkedIn. We collected 265 responses from B2B sales and marketing professionals across all career levels, industries, and company sizes. Here is a detailed breakdown of the demographics.
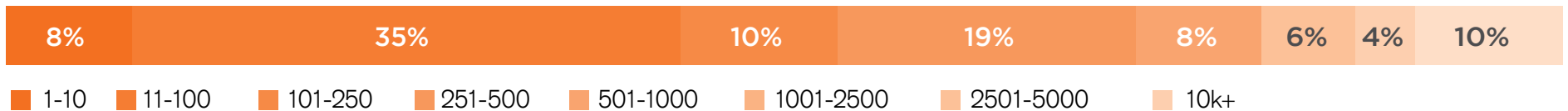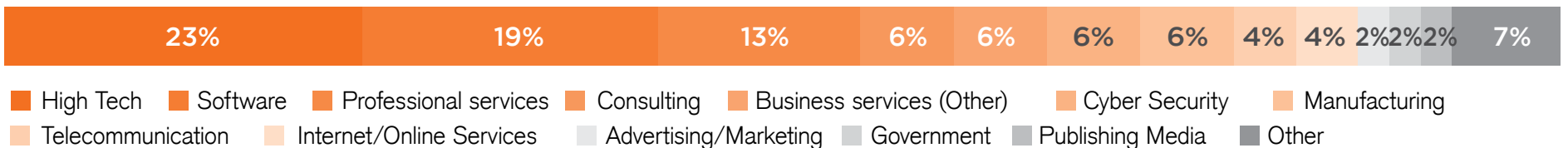
CAREER LEVEL

29%	25%	15%	10%	6%	6%	2%	7%

■ Manager ■ Director ■ VP ■ Specialist ■ Analyst ■ Consultant ■ Owner/CEO/President ■ Other

DEPARTMENT

60%	33%	7%

■ Sales ■ Sales Operations ■ Sales Enablement

COMPANY SIZE

8%	35%	10%	19%	8%	6%	4%	10%

■ 1-10 ■ 11-100 ■ 101-250 ■ 251-500 ■ 501-1000 ■ 1001-2500 ■ 2501-5000 ■ 10k+

INDUSTRY

23%	19%	13%	6%	6%	6%	6%	4%	4%	2%	2%	2%	7%

■ High Tech ■ Software ■ Professional services ■ Consulting ■ Business services (Other) ■ Cyber Security ■ Manufacturing
■ Telecommunication ■ Internet/Online Services ■ Advertising/Marketing ■ Government ■ Publishing Media ■ Other

SPONSOR OVERVIEW

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