

The State of Field Sales

2018 REPORT



SPOTIO



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Introduction

The purpose of this report is to better understand the unique challenges field sales reps and managers are facing in today's selling climate and how companies are responding. Through a 3rd-party research firm, SPOTIO conducted a sales survey to provide sales leaders and reps key insights to uncover inefficiencies in their sales process.

This survey was conducted in August 2018 and includes questions about sales challenges from both reps and managers, inside sales vs outside sales, systems and software, and other sales efficiency related questions.

Executive Summary

The sales department has experienced significant change over the last decade. As data has become the newest form of currency, it's those companies that have found ways to collect, interpret and act upon customer data that are winning. The adoption and market acceptance of cloud based customer relationship management systems (CRM) is wide spread, however as the CRM has evolved, so has its level of complexity.

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This survey was conducted in an effort to better understand the current state of field sales teams and their systems. More specifically, do outside sales reps feel they have access to - and are equipped with - the tools, technologies and resources necessary to foster success. It concludes that while reps recognize the need for a foundational single point of truth for storing customer data (CRM), they don't have the technical patience to fully adopt these complex systems, thus minimizing the company's initial reason for purchase.

This report compares the points of view of both field sales and inside sales teams to learn whether or not they believe they have the hardware, software, and development needed to not only enable their sales efforts, but to retain their employees in a highly competitive markets. Inside sales seems to have done a much better job of enabling their teams with tools to be efficient in their selling process while the outside sales reps are left with similar tools they've always had.

Field sales is a traditional go-to-market channel for over half of today's businesses and yet this report highlights the clear need for their sales reps to be enabled with efficiency tools to drive the results being asked of them; often being compared to their inside sales counterparts.

The benefits of having an outside sales team are clear - larger deals, better customer retention, and physical presence in target markets. However, as technology has quickly evolved in the sales department, organizations must be willing to invest in solutions to increase their return on their outside sales channel.

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Demographics

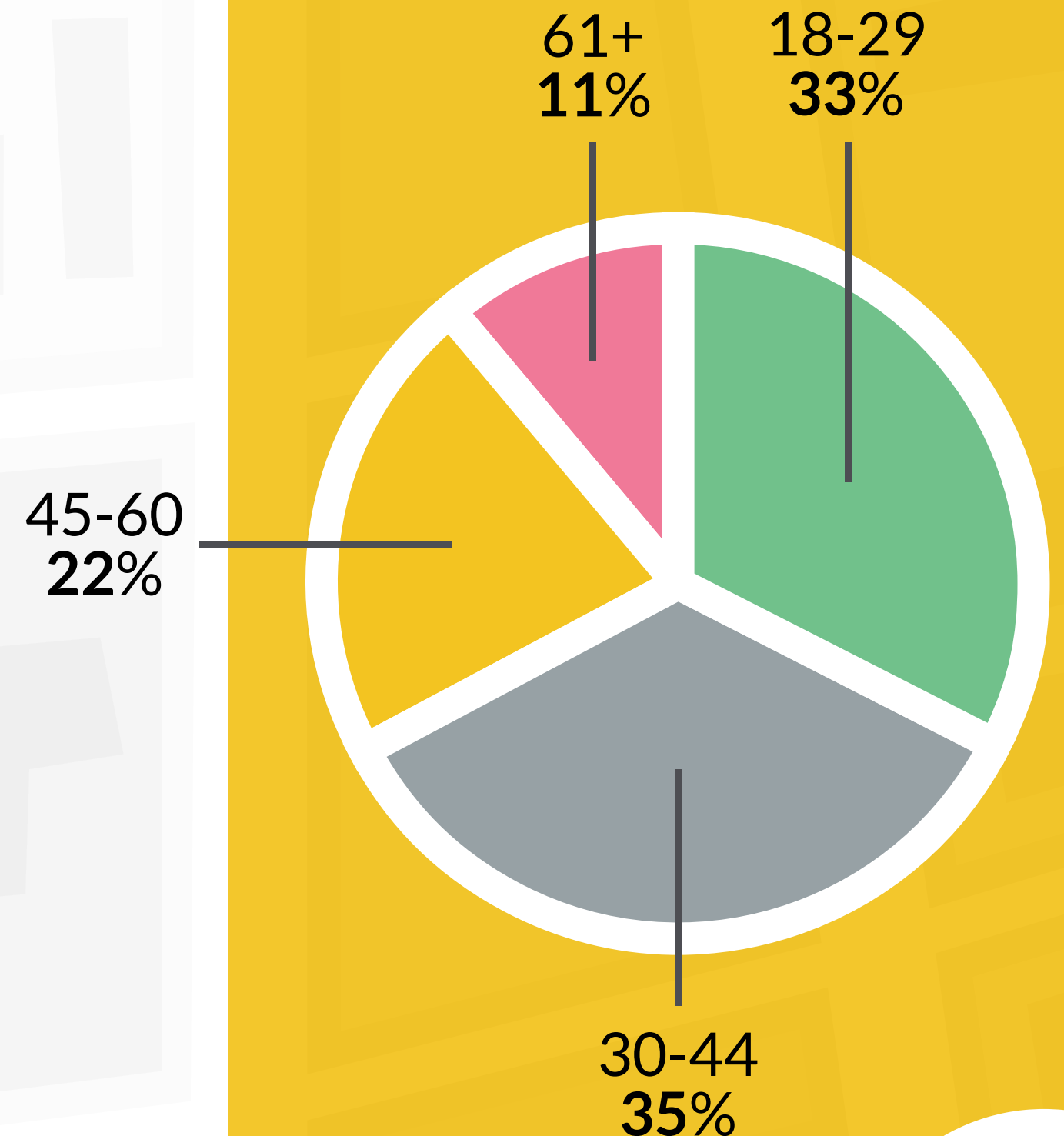
Who Does this Report Represent?

This report includes insights gathered from the survey responses of 492 US-based sales professionals in both inside and field sales roles. The below demographics represent those of the respondents.

AGE

The survey includes a strong representation across age groups and levels of seniority. Of those who responded, 33 percent are between the ages of 18-29, 35 percent are between the ages of 30-44, and 32 percent are 45 years old or older. The largest body of respondents come from the millennial generation (ages 20-37). Millennials are known as tech natives since a large percentage of millennials grew up with technology in the household. While it is easier for this generation to grasp and adopt new technology, millennials have grown up using simplistic platforms that are clear and easy to navigate. This is therefore an expectation for millennials.

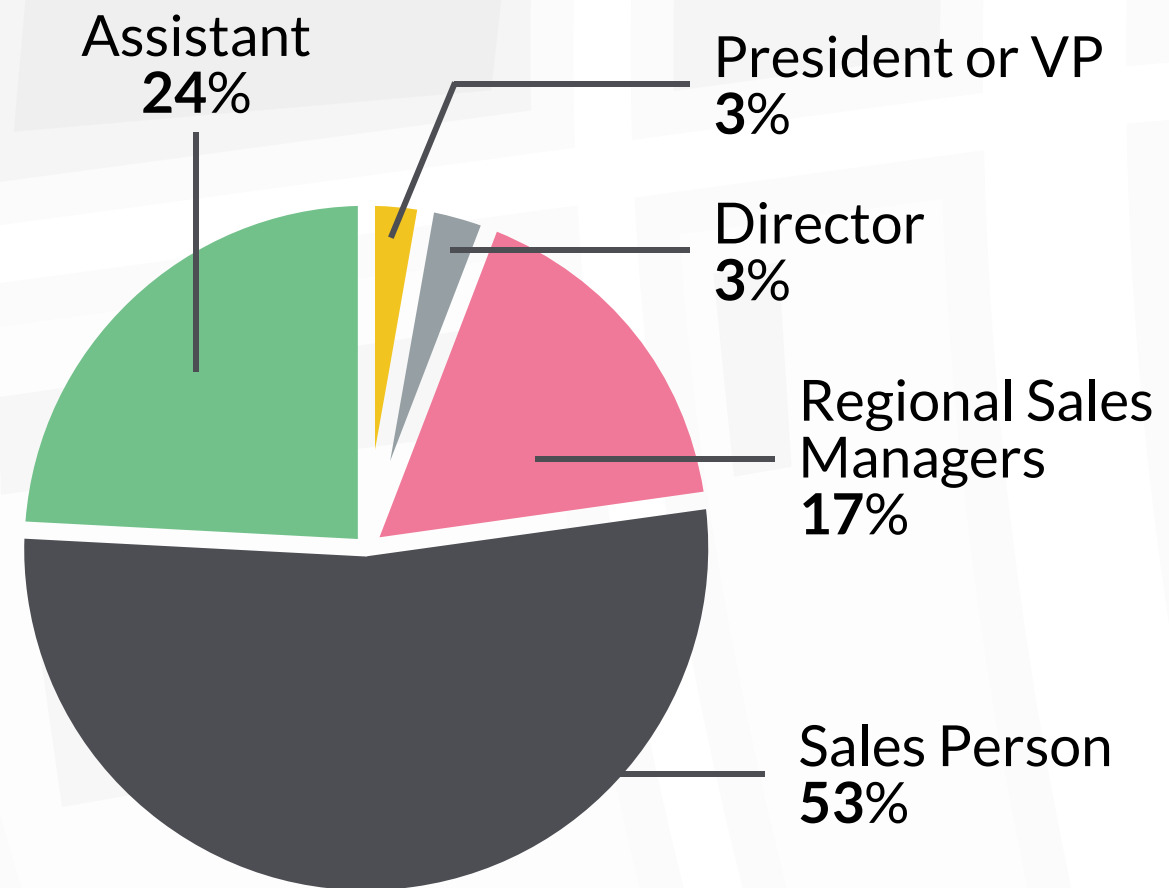
AGE



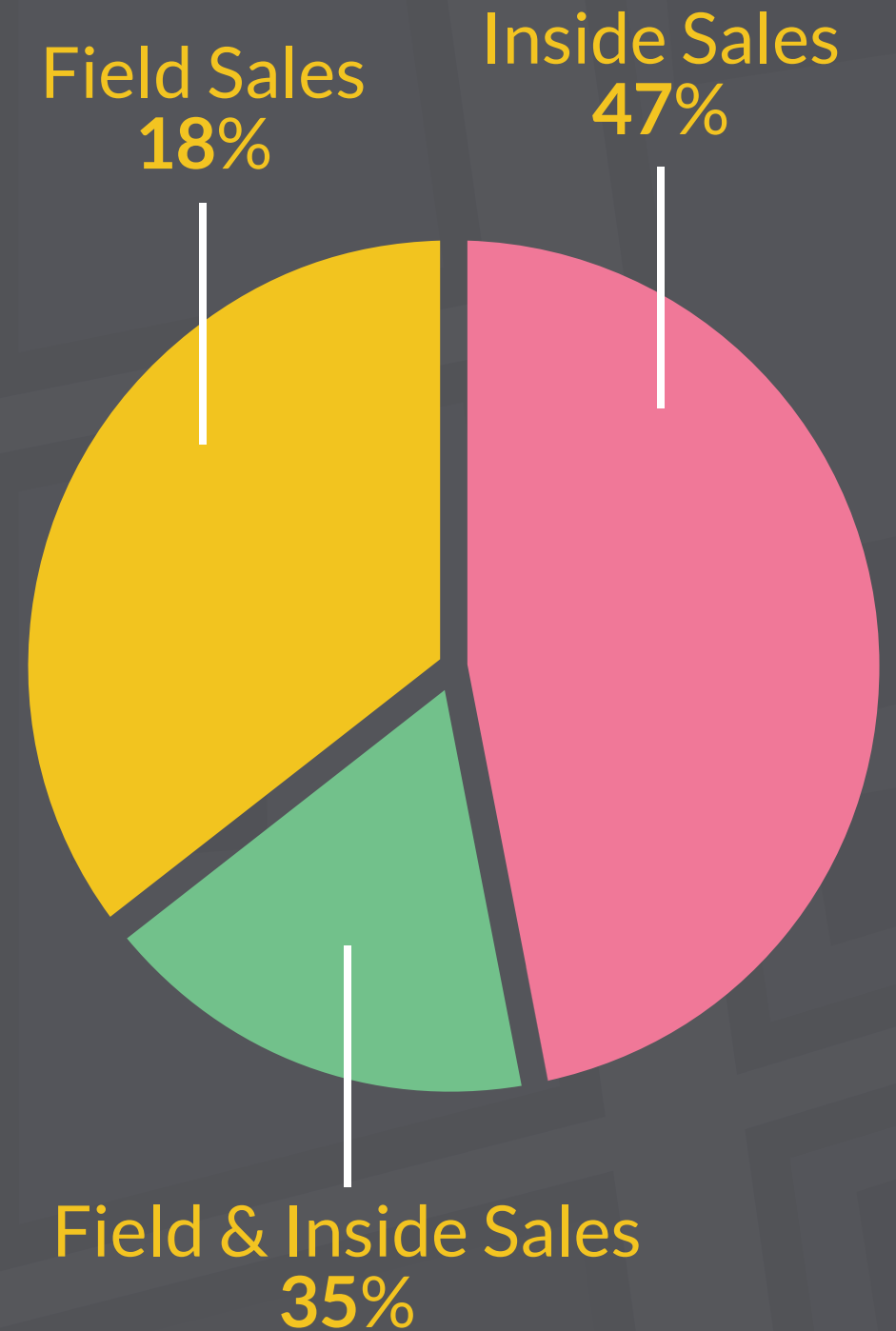
INSIDE SALES & OUTSIDE SALES REPRESENTED

Of those who responded, **47 percent** report having only worked in inside sales, and **36 percent** report having worked in both inside and field sales.

SALES ROLES



SALES CHANNELS



Access to Effective Tools and Technology

ACCESS TO EFFECTIVE TOOLS AND TECHNOLOGY?

FIELD SALES

When outside sales professionals were asked if they have access to effective tools and technology, approximately half (53%) of the respondents said they were equipped with the proper tools and technology, while the others either didn't respond or said "no." This data indicates the market is split on the topic of being enabled with the proper resources for success in the field. This is likely impacted by the array of generational representation in the survey, as expectations for tools and technology tend to vary across each age-group.

Of those respondents who indicate experience working in sales leadership roles, responses were even more encouraging with 78 percent saying that their teams have access to effective tools and technology. While over 3/4ths of sales leaders believe their team is equipped with the proper tools and technology in the field - there is a disconnect with their team as only half of them feel this way.

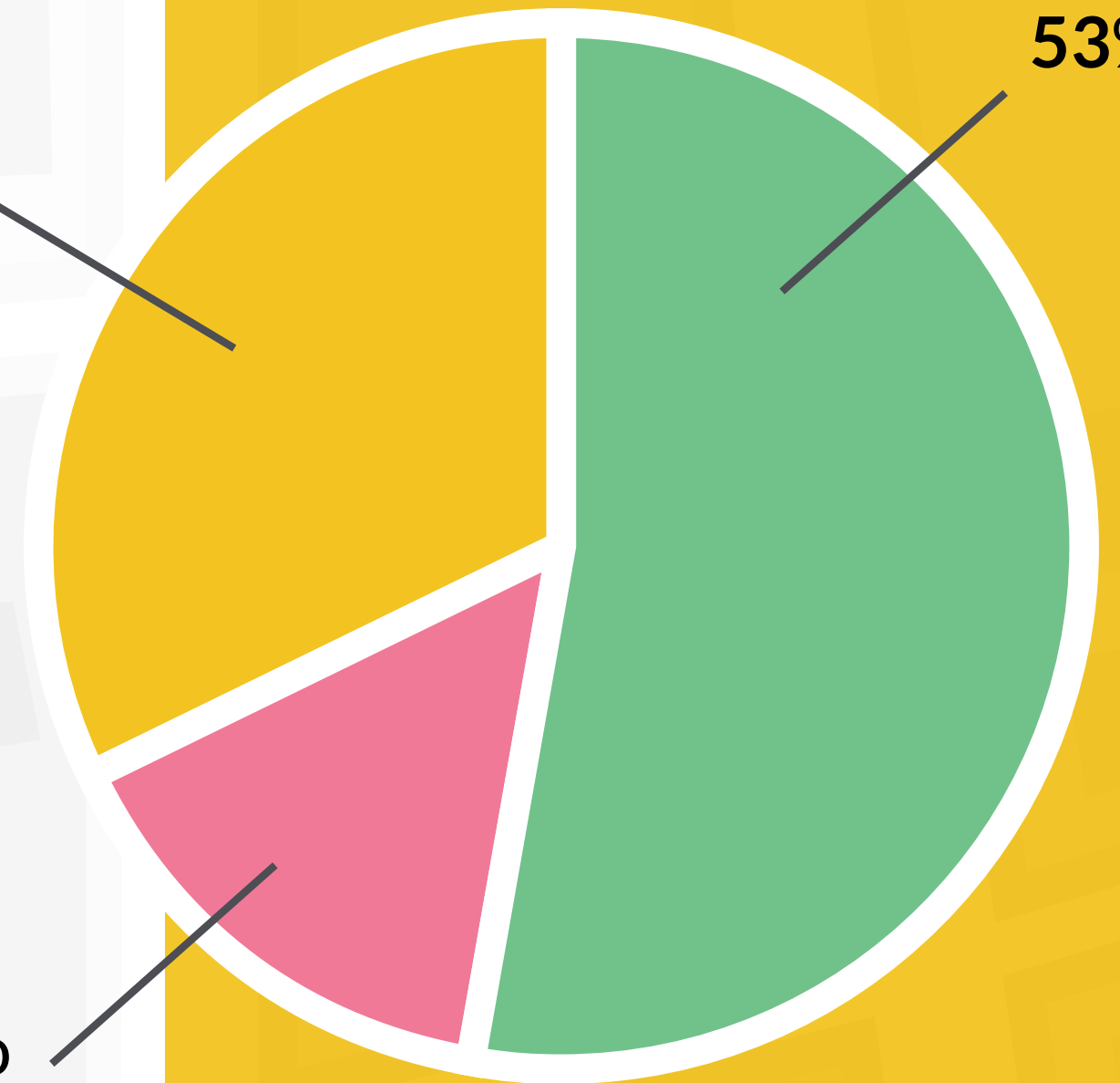
Of the 53% who feel equipped with the proper tools and technology cited 1) access to consumer databases and leads, 2) equipment, and 3) positive training experiences as the top enablers to their success.

Those who answered 'no' cited 1) lack of training, 2) lack of relevant/useful technology, and 3) lack of hardware as the primary gaps.

N/A
32%

Yes
53%

No
15%



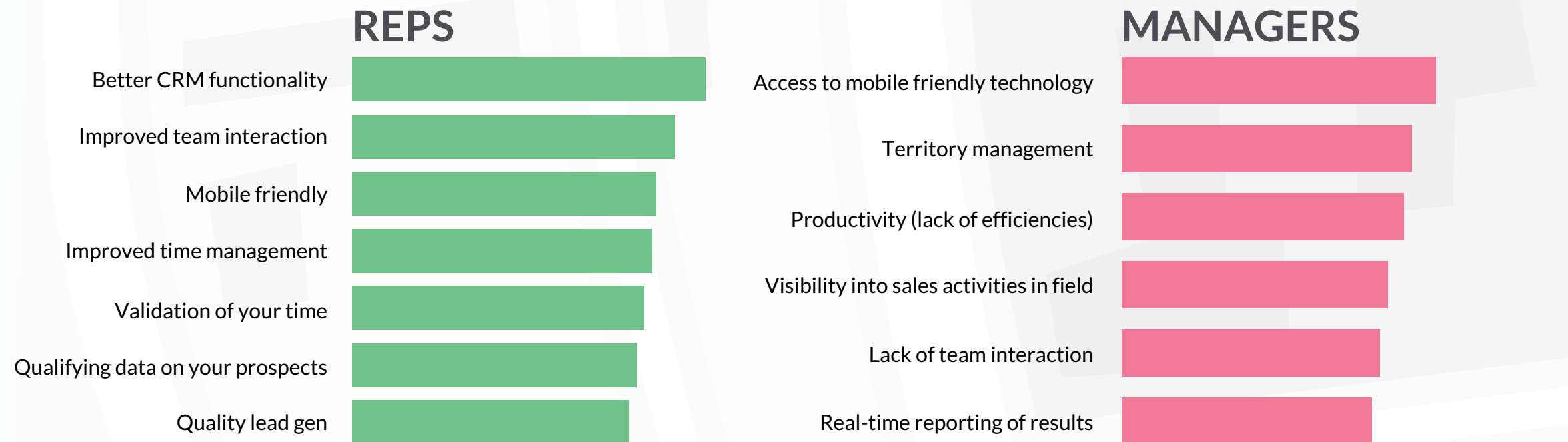
According to a “State of Sales” report from Insidesales.com, the average investment amount companies are making in software (excluding their CRM) is \$4,581 per each sales rep. That’s a 22% increase from 2014. As sales technology continues to evolve, organizational heads are recognizing the importance of investing in software as they see the direct correlation between modern tools and sales rep success.

KEY TAKEAWAY

Approximately half of the field sales market feels equipped with the proper tools and technology to be successful as an outside sales rep; while the other half disagrees or is unresponsive. Even more concerning - the vast majority of sales leaders feel their team has the tools they need to be successful in the field which indicates a strong disconnect likely leading to frustration, turnover, and unmet expectations.

Approximately half of the field sales market feels equipped with the proper tools and technology to be successful as an outside sales rep.

BIGGEST CHALLENGES FOR FIELD SALES REPS & MANAGERS



INSIDE SALES SUCCESS WITH TECH

INSIDE SALES

Similarly, when inside sales reps were asked if they feel set up for success as it relates to technology to help them do their job, respondents were more than three times more likely to answer 'yes' than 'no.' (77 percent said yes, 23 percent said no).

Those who answered 'yes' indicated that their experience benefitted from positive training experiences, good tools and good bosses.

Those who answered 'no' cited dated and irrelevant technology, lack of training, as well as technology that's too complex and inconsistent.

KEY TAKEAWAY

This data indicates that the vast majority of inside sales reps feel set-up for success when it comes to their technology stack (24% higher than field sales reps). While those that don't feel as though it's related to the complexity and irrelevant nature of the technology that they do have.

Yes - 77%

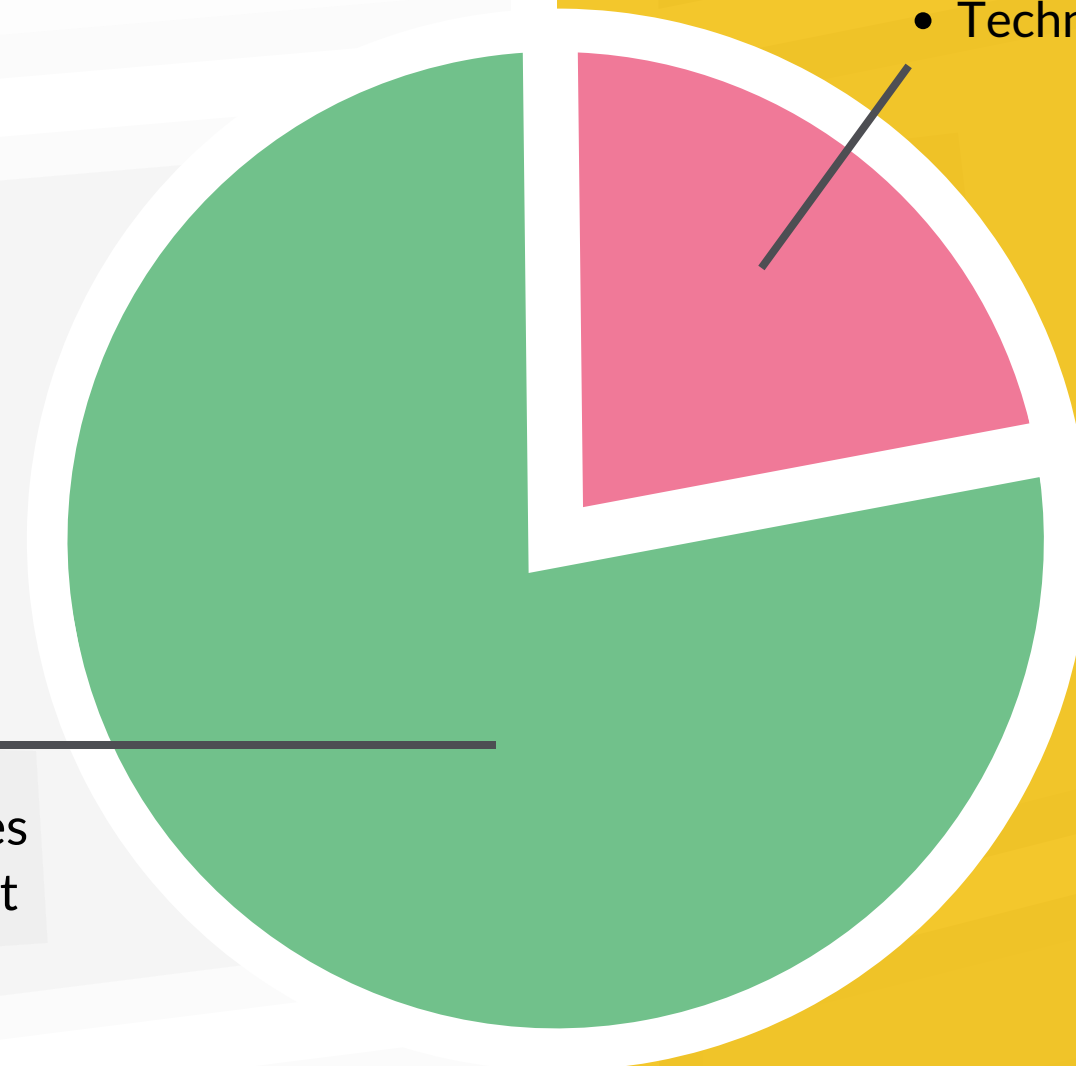
Reasons Given:

- Positive Training Experiences
- New Computers / Equipment
- Good Bosses

No - 23%

Reasons Given:

- Dated / Irrelevant Technology
- Lack of Training
- Technology is too Complex





Sales Organizations Can Improve Results with Hardware Investments.

When asked “What is the one piece of technology you wish you had to make your job easier?” respondents indicated that hardware investments are the biggest opportunity for organizations to better enable sales teams. Laptop/computer, tablet, and better equipment were the top three answers. While mobile office, cell phone faster tech, and WiFi came close behind.

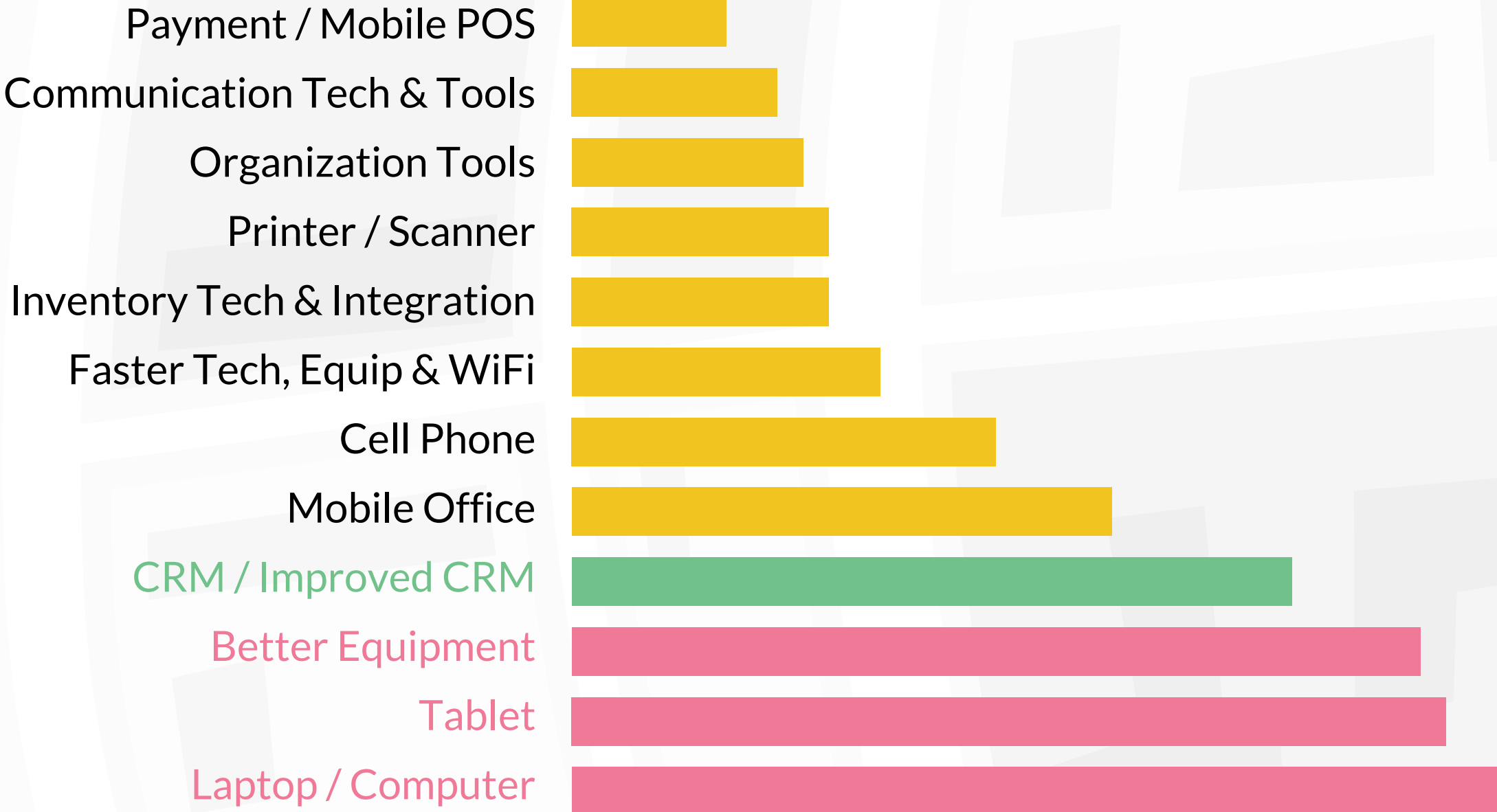
Quality hardware is the base requirement for any technology implementation. Hardware is akin to the foundation of a home: without a solid foundation, anything built upon it will not function optimally. Similarly, software can only be maximized when running on efficient hardware.

KEY TAKEAWAY

Field sales driven organizations can increase team productivity by simply investing in modern equipment for their team. It’s hard to be efficient in the field with dated hardware.

It’s hard to be efficient in the field with dated hardware.

TOP REQUESTS FROM FIELD SALES TEAMS



Hardware is the #1 need cited. This indicates a lack of commitment to technology in field of sales.

This indicates a barrier to implementing new applications in technology.

CRM INVESTMENT

Closely behind hardware, the CRM was cited as a top improvement area, specifically as it pertains to lead management. Of those who responded, 38 percent report using Salesforce, 30 percent report using Microsoft Dynamics, and the remaining 32 percent report using a wide range of other systems.

Salesforce and Microsoft Dynamics (68% of those surveyed) are both known to be comprehensive business solutions. While this is a positive thing for some organizations, CRMs with too much functionality can slow down an organization if sales orgs are not taking advantage of the entire system and all its functionality. Small-to-medium sized organizations may benefit more from simpler solutions that specialize in the features and functionality they will use, while offering a simplified, user friendly interface.

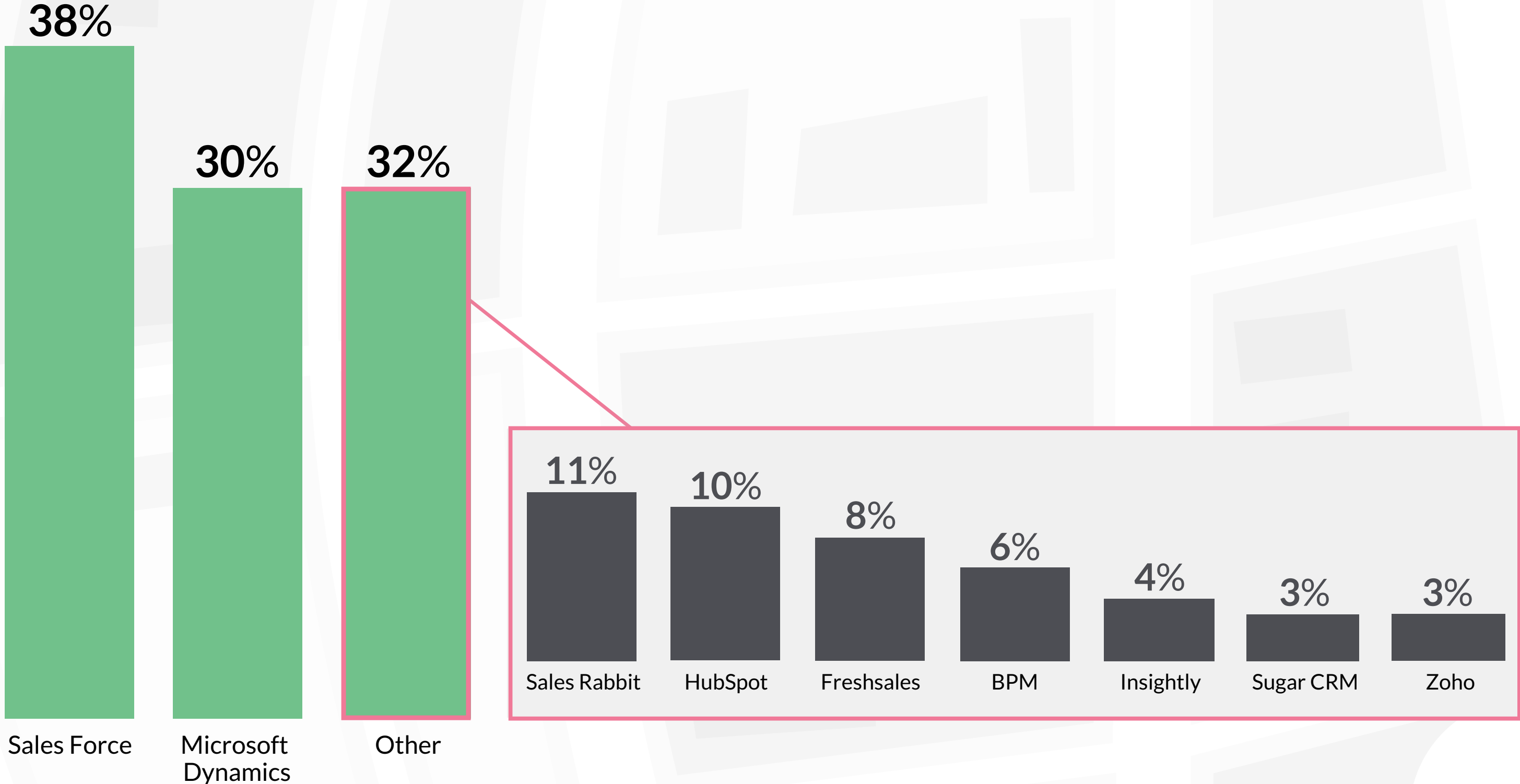
“Particularly for millennials, who represent the most survey respondents, simple and easy technology solutions are expected. Complicated software may result in frustration and poor adoption,” said Trey Gibson, CEO of SPOTIO.

KEY TAKEAWAY

Complex CRMs have become a necessary evil for mid-size and larger organizations. While their robust reporting capabilities and having single point of truth is extremely beneficial from a business standpoint - they are much too cumbersome for users on the move, where simplicity and accessibility is preferred. Thousands of sales tools have come to market that integrate directly into CRMs to solve this challenge.

CRMs are too cumbersome for users on the move where simplicity and accessibility is preferred.

CURRENT CRMs





Inside Sales vs Outside Sales

According to survey responses, field sales people believe inside sales have better employee retention, better sales efficiency metrics, and higher overall job satisfaction. However, sales leaders say that the field sales function results in stronger customer relationships, higher customer loyalty, larger deal sizes, and overall better ROI for the company.

According to a Forbes article from 2017, 59% of **inside** account executives and 65% of **outside** account executives attained their targeted quota. There is a 10% higher quota attainment for outside reps.

Respondents from both inside sales and outside sales agree that while the outside sales reps seem to be more effective (higher deal sizes, increased customer loyalty, better ROI), inside sales is more efficient (faster close rate, faster speed to proposal) which leads to better employee retention (cost of losing a good employee is 10x their salary).

59% of inside account executives are attaining quota, and 65% of outside account executives which is 10% higher quota attainment than inside reps.



Why are Outside Sales Reps More Effective but Less Efficient?

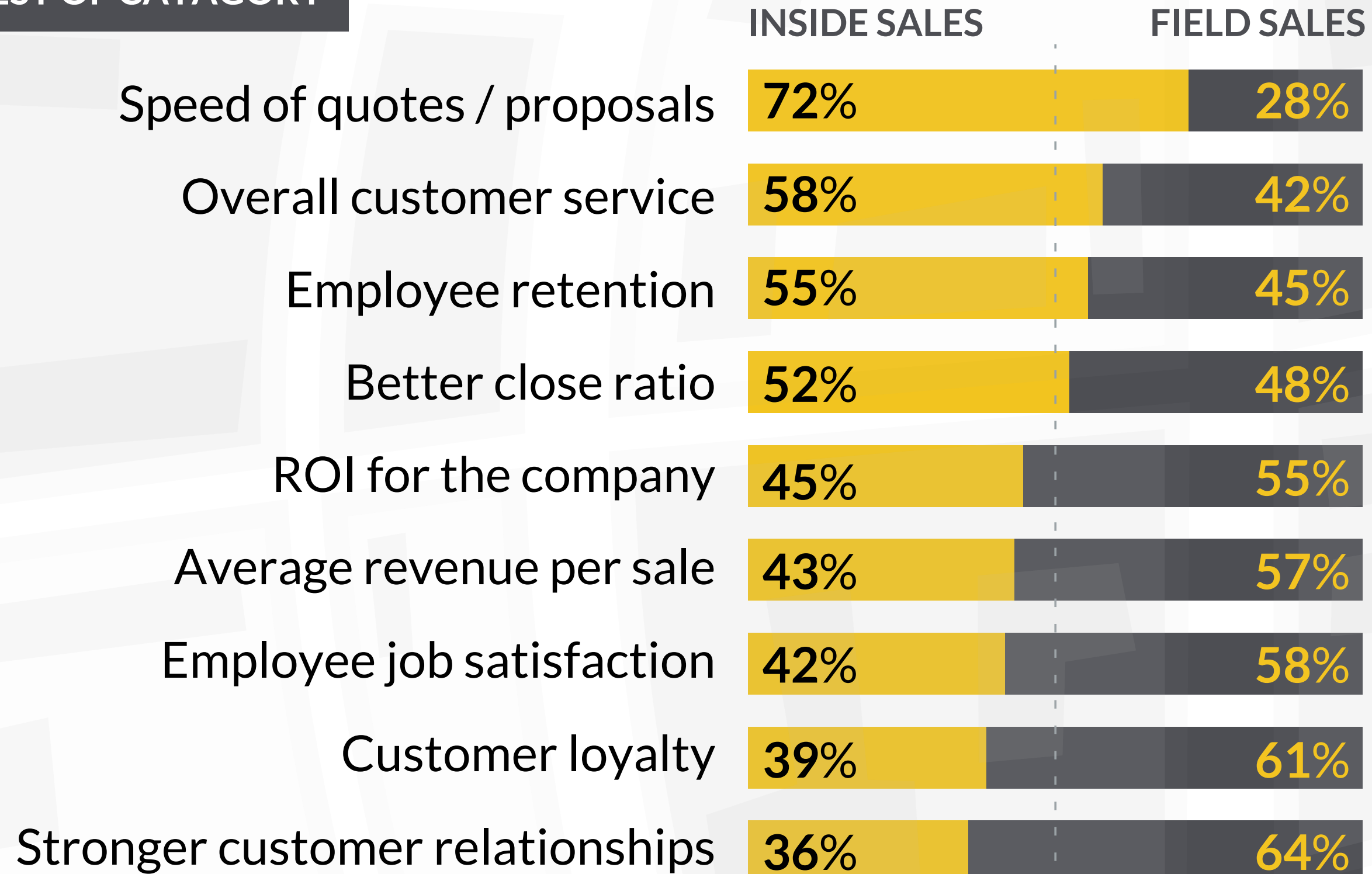
Some factors that may contribute to the efficiency of inside sales teams, but have not carried over to outside sales at the same rate, include an increase in the amount of inside sales enablement tools available on the market, as well as a perceived increase in the tool investment per sales rep in inside sales.

A survey by Aberdeen Group found that companies with sales enablement technology in place can expect revenue growth of 3 times that of companies without such systems in place.

But there is a roadblock for outside sales teams because they have not seen the same level of investment in tooling to streamline their process, putting these teams at a disadvantage and missing huge revenue and growth opportunities.

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BEST OF CATAGORY

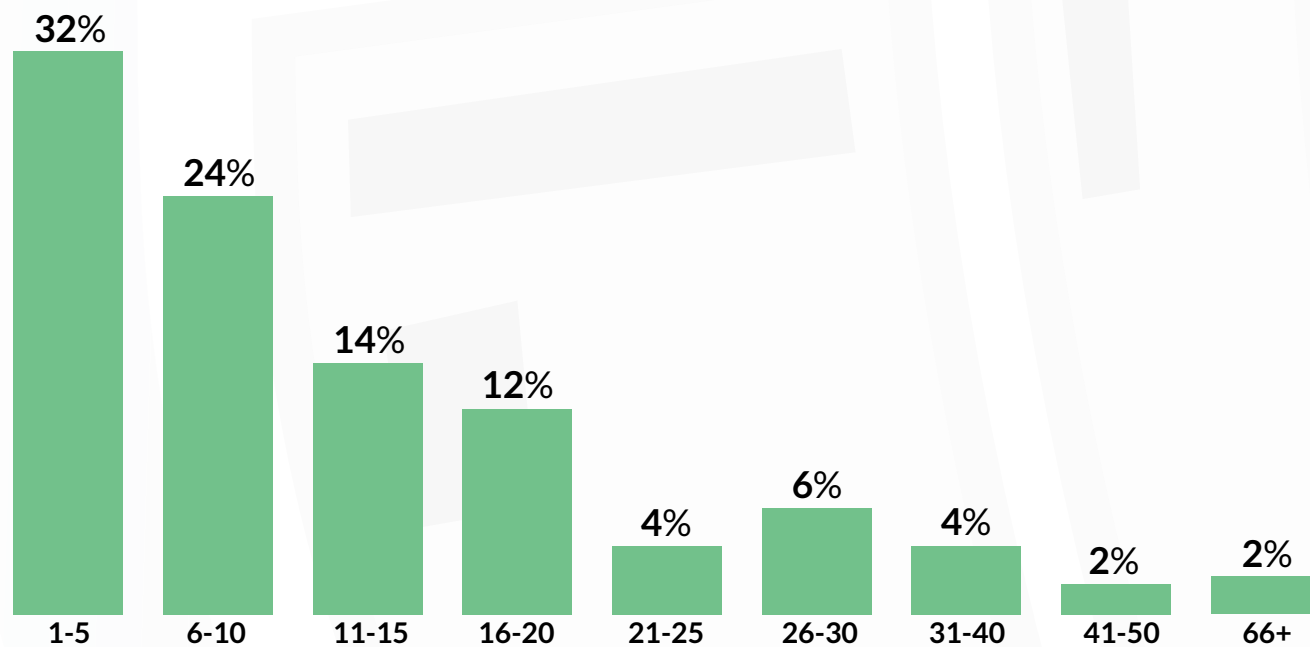


SIMPLIFYING THE LEAD MANAGEMENT PROCESS

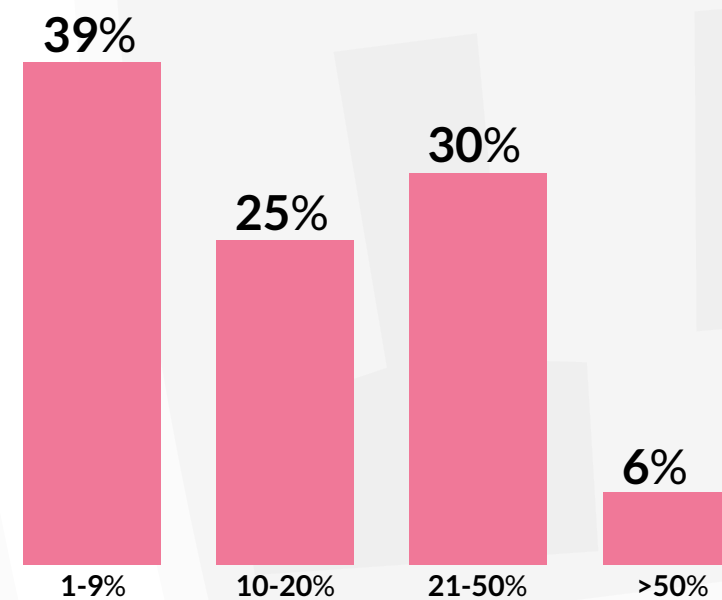
Easy access to targeted leads may generate significant upside for companies. 61 percent of respondents said they could produce at least 10 percent more in weekly revenue with easier access to leads, and 36 percent said they could produce at least 20 percent more.

In addition, 45% of respondents report that they spend between 6 and 20 hours per week on manual processes to report leads, sales and other activities. This epidemic of time loss due to manual tasks (which can be solved with sales enablement technology) is why sales reps spend only one-third of their time actually selling.

HOURS PER WEEK SPENT ON MANUAL REPORTING (LEADS, SALES, OTHER ACTIVITIES)



HOW MUCH MORE COULD YOU GENERATE PER WEEK (BY %) WITH EASY ACCESS TO TARGETED LEADS?



This epidemic of time loss due to manual tasks is why sales reps spend only one-third of their time actually selling.



Summary

According to sales reps, organizations have a clear opportunity to improve sales force productivity by increasing their investment in hardware. Modern and fast hardware is a foundational investment and affects the productivity of any software application used by employees across the organization. Insufficient hardware, on the other hand, is a likely barrier to the adoption of new technologies.

Reduction of manual reporting would increase revenue and productivity. With 92% of respondents reporting that they spend up to 30 hours per week on manual reporting, this is a huge opportunity.

Leaders acknowledge the strengths of field sales compared to inside sales in critical categories including: customer loyalty, ROI for their companies, average sales size, employee satisfaction, and stronger customer relationships. To ensure organizations get the most from these strengths, they should evaluate whether they're investing in field sales productivity, technology and tools with the same (or greater) focus as inside sales.

An opportunity exists to focus on improving and increasing the interactions field sales team members have with customers as well as their peers. 61 percent of field sales leaders believe that relationships suffer due to lack of in-person contact. Field sales reps also cite lack of team interaction as their number two challenge. Focus in this area may contribute to better performance and team member retention.

Finally, CRM functionality remains a top challenge for sales reps. While the benefits of a CRM are clear, organizations should consider if their solution of choice is flexible enough to easily collect the data points they're looking for, yet robust enough to provide the deep insights that drive progress. We know today's sales reps have a low tolerance for poor hardware performance and a complicated user experience.

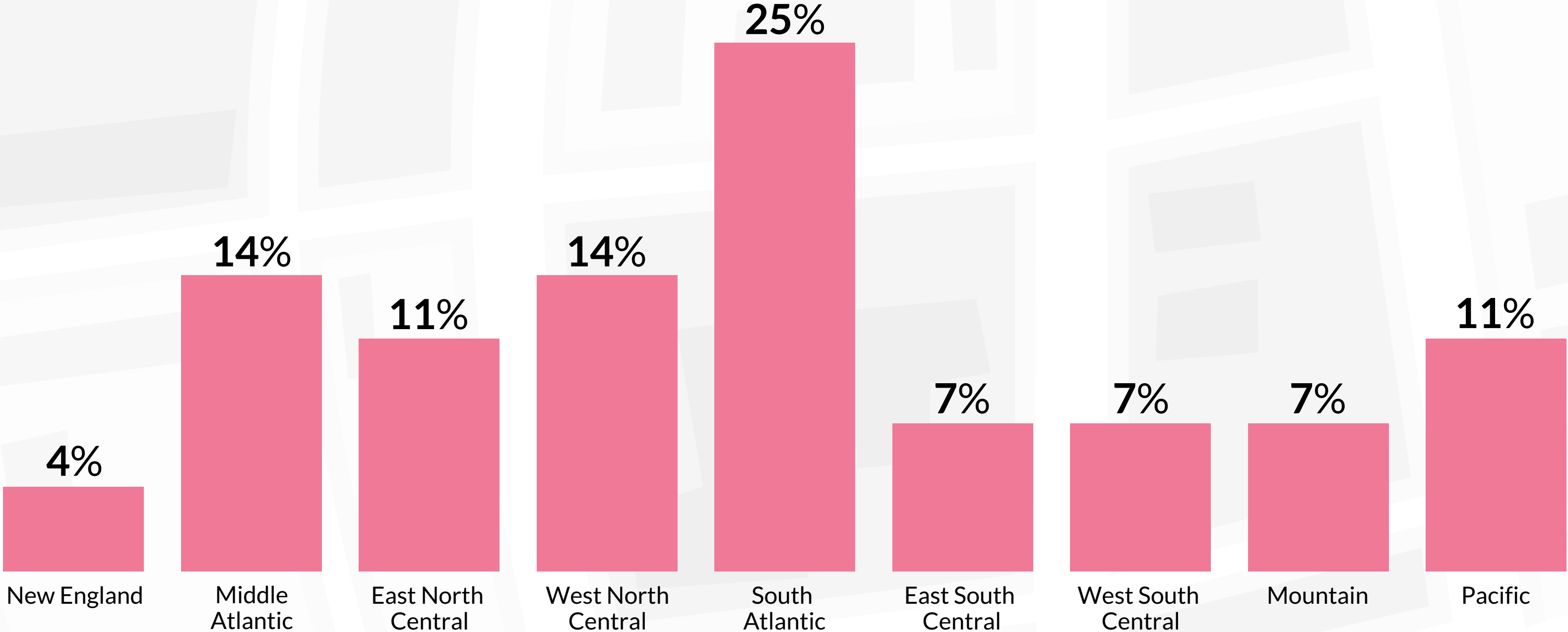
Therefore, it's those sales organizations that provide reps with reliable equipment in the field and a seamless user experience that are going to collect the critical data in the field and optimize their sales performance; getting the most value out of their investment. Since many CRMs are unable to provide the simplicity and accessibility reps are demanding -- the sales acceleration market will continue to emerge.

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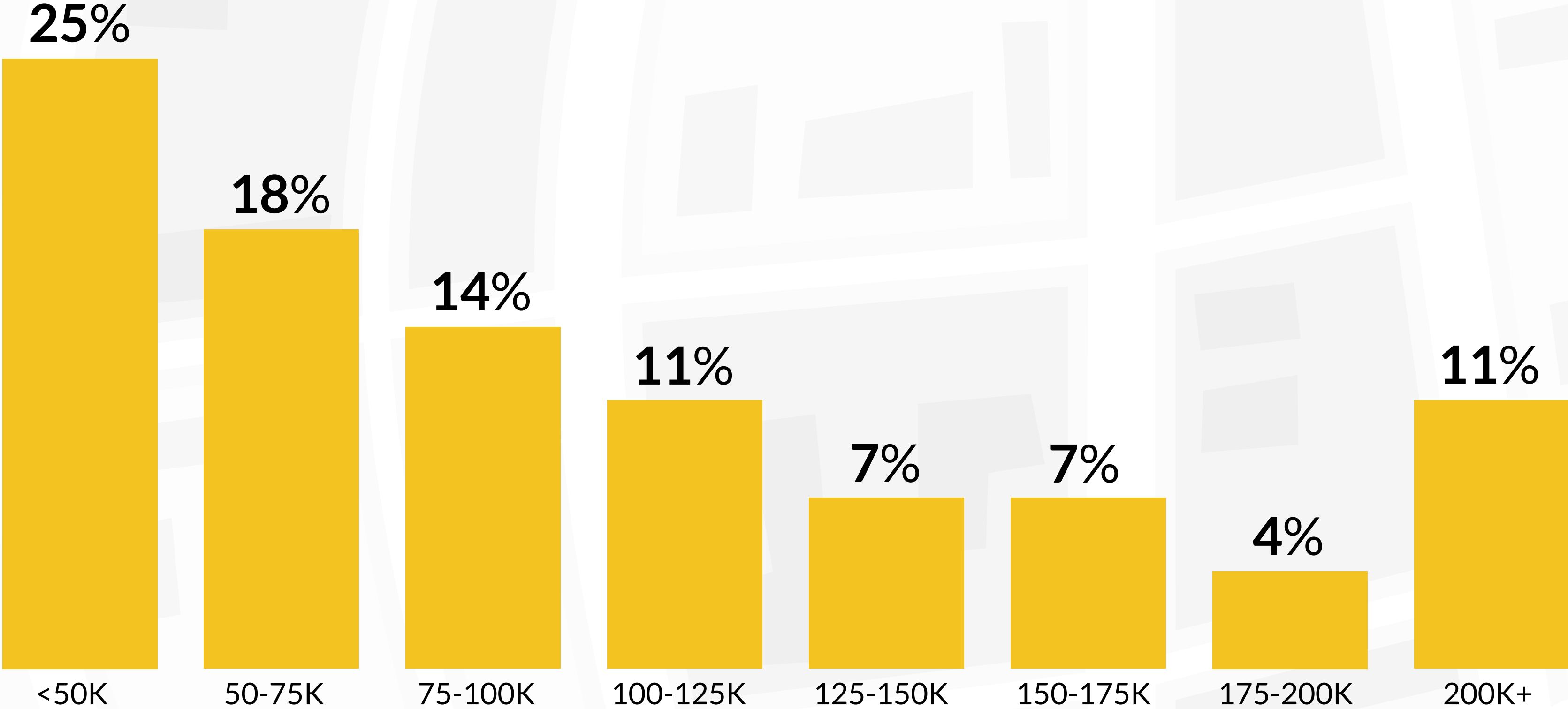


Appendix

REGION



HOUSEHOLD INCOME



DOES THE RELATIONSHIP BETWEEN MANAGEMENT AND SALES REPS SUFFER DUE TO LACK OF IN-PERSON CONTACT?

