

July, 2012

Sales Intelligence: What B2B Sellers Need To Know Before the Call

“It’s like drinking from a fire hose!” “I’m busier than a one-armed paper-hanger!” “How do I cut through all the noise?” ... these phrases, and more like them, are increasingly being associated with the challenges that contemporary Business-to-Business (B2B) sales professionals face in trying to filter out all the data available to them about their prospects, customers and markets. As wonderful as web-based research has become as a sales prospecting tool, the core competencies of B2B salespeople – communicating, convincing and closing – are not only enhanced by information, but are also threatened by it. This Research Brief will explore how Best-in-Class sellers prepare most effectively for their meetings, especially when faced with ever-more savvy buyers.

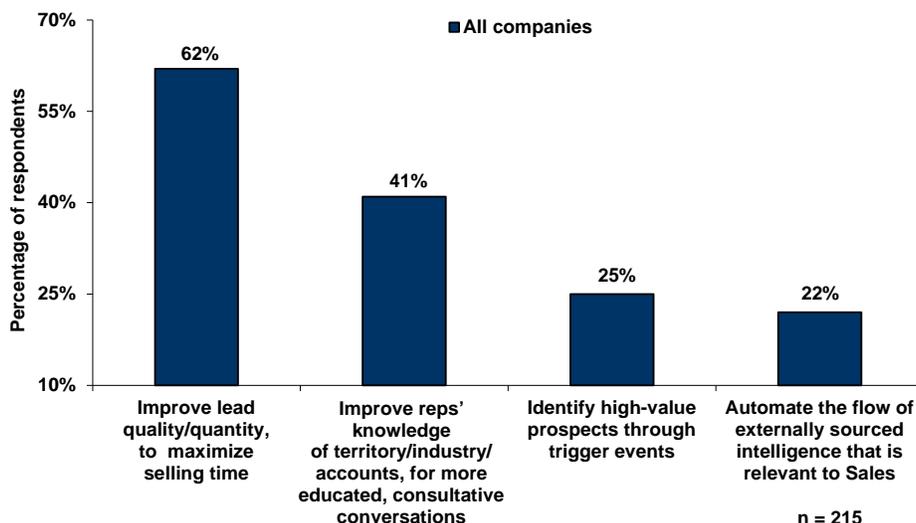
Research Brief

Aberdeen’s Research Briefs provide a detailed exploration of a key finding from a primary research study, including key performance indicators, Best-in-Class insight, and vendor insight.

Setting the Stage: Defining the Business Goals

If there is any truth to the old saying that “time is money,” salespeople are undoubtedly the most likely suspects to validate this fact. Indeed, in the Aberdeen benchmark report, *Leveraging the 360 Degree Customer View to Maximize Up-Sell and Cross-Sell Potential* (September 2011), the average amount of “non-productive time spent each week in search of customer data” was 3.9 hours among all companies (a lower 3.4 hours among Best-in-Class performers), or the equivalent of over 200 hours per person, per year of salespeople not selling. If we combine this over-extension of the precious

Figure 1: Top Goals of Sales Intelligence Deployments



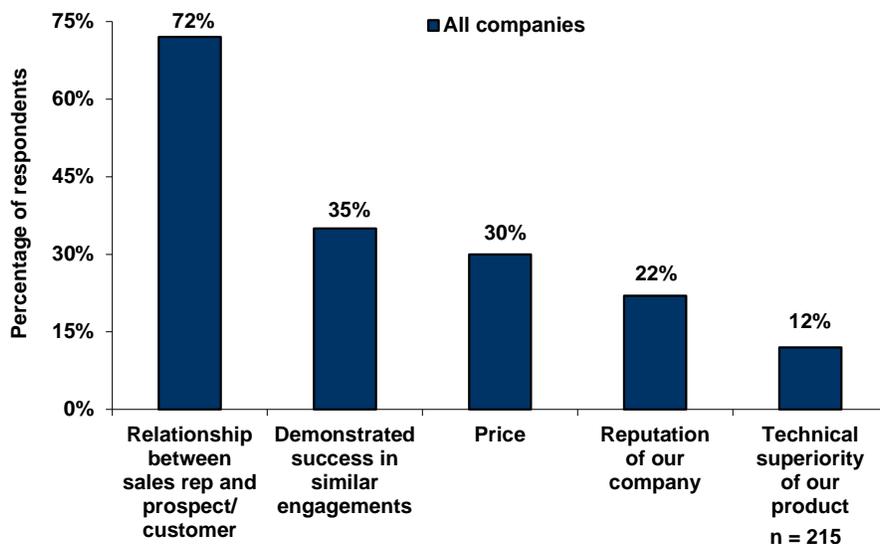
Source: Aberdeen Group, April 2012

resource of time, with the information overload handed to each of us every day by the web, it is little surprise that sales professionals are looking for a better way to find the right information they need, at the right time, for the right prospect/customer interaction. Indeed, the number-one goal among survey respondents in Aberdeen's new study on *Sales Intelligence* (June 2012) focuses on sales efficiency, with the second-most popular aspiration representing the need for more information in the hands of reps prior to their meeting (Figure 1).

Building a More Effective Buyer/Seller Relationship

Why is it so important for a professional seller to maximize their level of preparedness before a prospect or customer conversation? The answer is simple: given the virtually unlimited amount of information that a customer can today uncover about a product or service provider before their meeting, the sales rep needs more than ever to show up with keen knowledge and insight about their counterpart. If there is any doubt that enhanced meeting prep benefits the ultimate sales results, Figure 2 summarizes what survey respondents indicated to Aberdeen regarding the most important aspects of sales success. The all-important relationship between buyer and seller clocks in at more than twice the popularity of any other influencer; sales reps who are better informed about the most recent events, news, social media content, and even legislative developments that can impact their customer, are thus more likely to spend their pre-meeting time more wisely. Plus, with more informed and connected buyers to face, professional sellers need, more than ever, to evolve to a more informed and savvy position of strength.

Figure 2: Top Sales Influencers: What Seals the Deal?



Source: Aberdeen Group, April 2012

When we speak about sales intelligence, a number of different sources of data are worth defining:

Aberdeen's PACE Methodology

Aberdeen applies a methodology to benchmark research that evaluates the business Pressures, Actions, Capabilities, and Enablers (PACE) that indicate corporate behavior in specific business processes:

- ✓ Pressures — external forces that impact an organization's market position, competitiveness, or business operations.
- ✓ Actions — the strategic approaches that an organization takes in response to industry pressures.
- ✓ Capabilities — the business process competencies (process, organization, performance and knowledge management) required to execute corporate strategy.
- ✓ Enablers — the key functionality of technology solutions required to support the organization's enabling business practices.

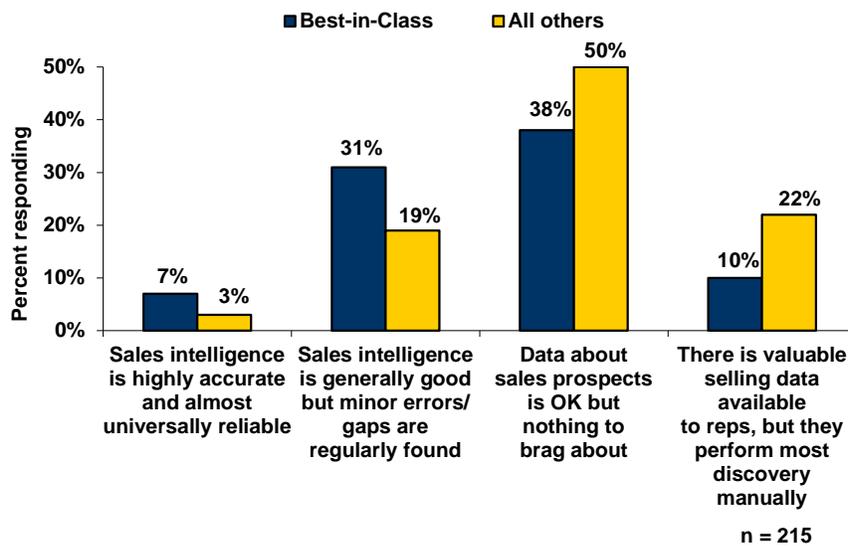
- Customer or Prospect Intelligence:** It is important for a number of basic facts about a prospective or current customer to be readily available to the professional sales rep or account manager. While traditional "business card" data about people and companies can often be found online, for free, the need to ensure that this data is accurate and up-to-date cannot be over-stated. Figure 3 shows a 1 to 4 scale of self-evaluated, good-to-bad sales intelligence quality, as reported by different levels of sales performers; most companies admit to needing better data, but the Best-in-Class from the [Sales Intelligence](#) (see sidebar for definition) are more likely to have built a stronger foundation for sales enablement through more accurate account information.

The Sales Intelligence Best-in-Class

In March and April 2012, Aberdeen surveyed 215 end-user sales organizations to understand their sales effectiveness best practices. The performance metrics used to define the Best-in-Class (top 20%), Industry Average (middle 50%) and Laggard (bottom 30%) among these sales teams are:

- √ 88% customer retention rate, vs. 78% among Industry Average and 14% for Laggard firms
- √ 12.3% average year-over-year increase in overall team attainment of sales quota, vs. a 1.0% increase for the Industry Average and a 5.8% decline among Laggard respondents
- √ 10.1% average year-over-year increase in the percentage of sales reps achieving quota, vs. 1.2% and 7.7% declines for Industry Average and Laggard respondents, respectively of (increase in) the cycle time among Laggard respondents
- √ 8.0% average year-over-year increase in average deal size or contract value, vs. a 0.8% increase for the Industry Average and a 1.5% decline among Laggard respondents

Figure 3: Age and Accuracy of Sales Intelligence Data



Source: Aberdeen Group, April 2012

- Company Hierarchy** data assists sellers in knowing who the decision-makers are – and whether they are selling to the right executives, influencers or champions. While we are all taught to try to access the highest-ranking person possible in our sales efforts, in reality the most competent business leaders deliberately empower their direct reports to handle most sales inquiries. It's not a problem if the seller is not dealing directly with the decision-maker, but not knowing who the behind-the-scenes players are can hinder overall sales effectiveness.
- Trigger Events** are crucial, time-sensitive situations or developments that every professional salesperson or account manager needs to track. Before any sales call, meeting, presentation or pitch, the most successful reps know that they need to check a variety of sources to make sure they are up-to-speed regarding what is going on in the life of their prospect or customer. Whether the trigger event is a press release, a career change by a key executive, financial news,

merger/acquisition rumors or even user-generated, social media content such as tweets, blogs or posts – today's successful sales rep needs to "know before they go."

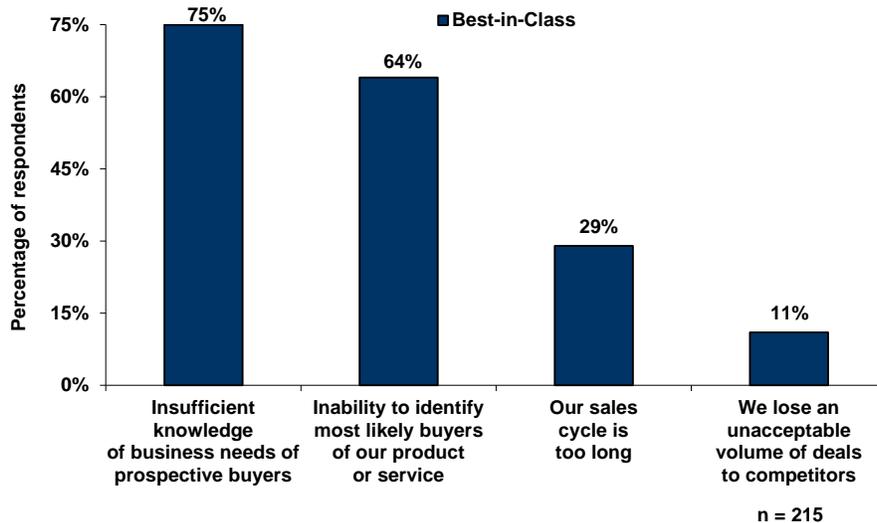
How the Best-in-Class Solve the Problem

The importance of "working smarter, not harder," in the context of better meeting prep, is borne out by the extent to which Best-in-Class companies indicate what keeps them up at night. In Figure 4, we see that the top business pressure motivating these top performers to invest in sales intelligence solutions are squarely focused on the need to better understand what will most help a prospect or customer succeed. When a rep is about to join a conference call or in-person meeting, they will have an edge over the competition if the latest information about their customer/prospect is in their hands, to help them provide a more solution-oriented or consultative approach. An additional top Best-in-Class pressure, around the frustration of identifying proper business contacts to whom they can sell, is also well-mitigated by sales intelligence solutions that provide current, on-the-fly vital data about their target company's potential buying executives.

Sales Intelligence Defined

For the purposes of this research, the phrase "sales intelligence" refers to any information used to educate and enable the sales force and enrich the sales pipeline. This includes news on industry trends, consumer generated/social content, list/database providers, analyst reports, prospecting tools, competitive/market intelligence, and lead augmentation solutions

Figure 4: Best-in-Class Pressures around Sales Intelligence

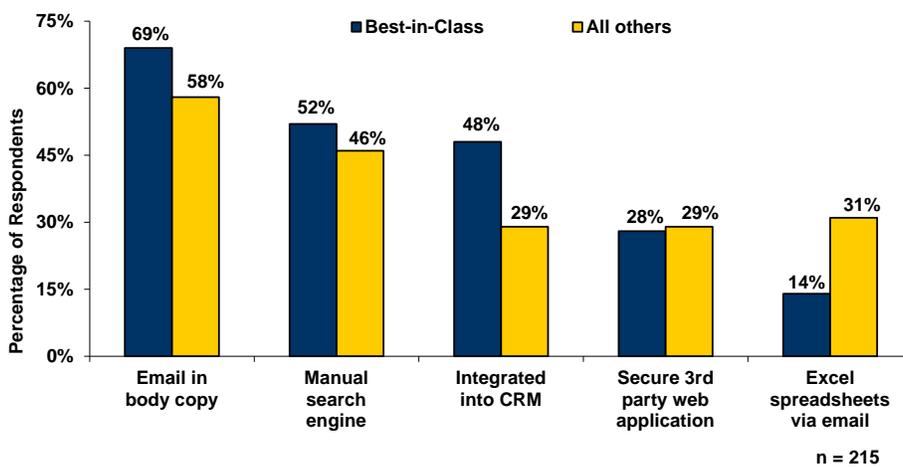


Source: Aberdeen Group, April 2012

Once an organization has made a commitment to better preparing their sellers for meetings through a sales intelligence deployment, how do they actually get the data into the hands of their staff? Figure 5 showcases the most popular methods of transmitting sales intelligence to the front-line practitioners, with the most popular methodology being e-mail. The simple fact of today's knowledge worker environment is that e-mail is our lifeblood: 78% of survey respondents (and 83% of the Best-in-Class) indicate that this is the first application they open up every day, with the next most popular technology – Customer Relationship Management (CRM) – far down the list at only 13% of all end-users. While most of us may

complain about having too much e-mail arriving in our inbox, Aberdeen research has yet to see social media or any other collaborative communications methodology rise up to displace it. Essentially, e-mail is where we live, and none of us requires any training to understand how to interpret the contents of a message. Therefore, it only makes sense that the sales intelligence we need to better prepare for calls and meetings be married to our most commonly used business application. The top performers, indeed, rely on e-mailed sales intelligence 19% more frequently (69% vs. 58%) than other companies, and additionally lead the way around most of the other delivery models detailed in Figure 5.

Figure 5: Delivery Models for Sales Intelligence, by Best-in-Class



Source: Aberdeen Group, April 2012

Anywhere, Any Time, Any Device

It is worth noting in Figure 5, however, that Best-in-Class organizations are less than half as likely as all others (14% vs. 31%) to use e-mail to deliver sales intelligence when the data is captured in an attached spreadsheet. This is because unlike the body copy of an e-mail message, an attachment is much more difficult to consume when a sales rep is checking e-mail on a smart phone or tablet computer. These contemporary devices that now allow us all to remain connected virtually 24/7 are great for consuming basic content, but not necessarily as adept at opening attachments or viewing multiple columns

Table I: Better Information, Better Access

Mobile Sales Intelligence Enabler	Best-in-Class	Industry Average	Laggard
Mobile access to CRM/SFA	58%	36%	20%
Mobile access to account and customer information	45%	24%	19%
Mobile-enabled access to sales intelligence	38%	29%	23%

Source: Aberdeen Group, April 2012

Fast Facts

- √ Best-in-Class companies report an average current team attainment of sales quota of 77%, compared to 75% among Industry Average companies and 34% for Laggard firms
- √ Sales forecast accuracy averages 77% for the Best-in-Class, 69% among the Industry Average, and 31% among Laggards
- √ Fifty-six percent (56%) of sales reps in Best-in-Class companies achieve quota, versus 49% and 26% of Industry Average and Laggard firms, respectively

or rows of information. This does not mean, however, that the most effective sales organizations are not empowering their team with sales intelligence when they are remote. In fact, the Best-in-Class are helping their reps maximize their selling time more than Industry Average or Laggard companies, by ensuring that their physical location – whether at the office, in a building lobby, at the airport gate, or even at their child's soccer match – matter little in terms of their ability to conduct the best meeting prep using the most current sales intelligence available – Table 1.

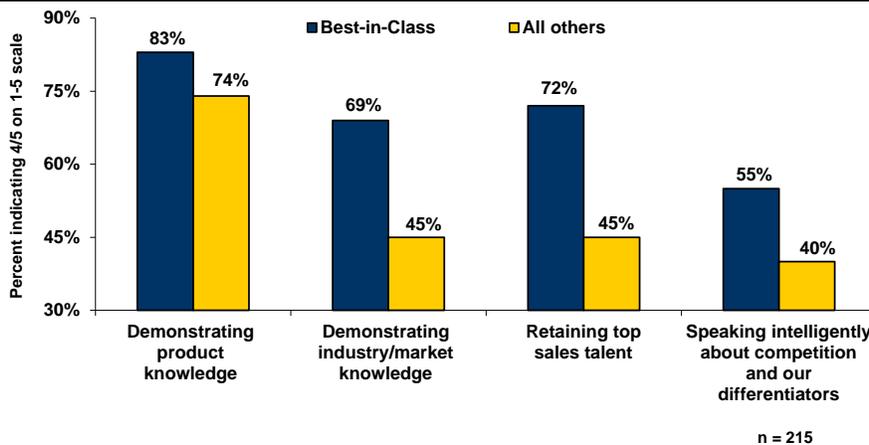
Conclusion: What's the Pay-Off for Sales Intelligence?

While Best-in-Class performance has been thoroughly ratified here by the adoption of many sales intelligence best practices, are there additional leading indicators of sales effectiveness that are associated with this topic? In Figure 6, we see that a number of highly valuable sales attributes are indeed indicated more frequently among the Best-in-Class companies that adopt more of the call/meeting preparation enablers described above. In addition to empowering their sales reps and account managers with better tools to solicit and service business, the top performers also benefit from a far better ability to retain their top sales talent, who are in turn more likely to make or break their quota. Noting that Aberdeen research published in *Sales Performance Management 2012: How the Best-in-Class Optimize the Front Line to Grow the Bottom Line* (December 2011) shows an average cost of \$35,670 to replace a typical field sales rep, this delta provides proof-positive value in the context of sales intelligence investments.

Fast Facts

- √ Best-in-Class firms report more widespread use of sales intelligence, with an average of 6.52% of all employees engaged with such data. This is 25% higher than the 5.22% among all other companies
- √ The Best-in-Class are 25% more likely than other firms to deploy formal win-loss analyses around either aggregated or deal-specific opportunity evaluations; Industry Average and Laggard companies are 50% more likely than the Best-in-Class to have no win-loss activity whatsoever

Figure 6: Self-Assessments of Sales Proficiencies



Source: Aberdeen Group, April 2012

Such investments, moreover, are on the rise. Within the current research, among all survey respondents, an average increase in sales intelligence spend from the previous to current years of 5.54%, and an even larger anticipated next-12-month increase of 7.51%. With this level of confidence expressed by an aggregated audience of over 200 companies, the ROI and future of sales intelligence as an integral component of sales enablement best practice is well-established and secure.

For more information on this or other research topics, please visit www.aberdeen.com.

Related Research	
<u><i>Better Sales Forecasting Through Process and Technology: No Crystal Ball Required</i></u> (July 2012) <u><i>Sales Intelligence: What B2B Sellers Need To Know Before the Call</i></u> (June 2012) <u><i>Sales Mobility: How Best-in-Class Remote Sellers Are Replacing “See” with “Do”</i></u> (May 2012) <u><i>Lead-To-Win 2012: Managing People, Process and Technology to Optimize the Last Mile of the Sales Cycle</i></u> (March 2011) <u><i>Partner Relationship Management: Channeling Better Sales Results</i></u> (March 2011)	<u><i>Sales Performance Management 2012: How the Best-in-Class Optimize the Front Line to Grow the Bottom Line</i></u> (December 2011) <u><i>Sales and Marketing Alignment: The New Power Couple</i></u> (December, 2011) <u><i>Sales Training 2011: Uncovering How the Best-in-Class Sustain, Reinforce and Leverage Best Selling Practices</i></u> (October 2011). <u><i>Leveraging the 360 Degree Customer View to Maximize Up-Sell and Cross-Sell Potential</i></u> (September 2011) <u><i>Streamlining the Top of the Funnel: How Inside Sales Teams Source, Qualify and Close Business</i></u> (February 2011)
Author: Peter Ostrow, Vice President and Research Group Director; Customer Management, Sales Effectiveness (peter.ostrow@aberdeen.com) LinkedIn Twitter	

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