

## Field and Inside Sales Continue to Blur, Sales Tech On The Rise

Posted by Julia Manoukian on Sep 22, 2017 10:44:50 AM

The State of Sales

How Companies Are Winning Through Structure, Systems, and Process

The lines between field and inside sales continue to blur and the use of sales technology is rapidly rising. These are just some of the key findings of InsideSales.com's latest study, The State of Sales. Some other key findings include:

The optimal tech stack and how much companies are spending on it

CRM

Social prospecting

Presentations

Pipeline management

Data/list services

The average annual spend on sales technology was \$4,581 per rep per year, up 22%, excluding CRM. Large companies spend less per rep. This average number is expected to increase 6.5% next year.

The optimal sales structure and how companies are creating their go-to-market approach

As it currently stands in the U.S., inside sales professionals (those who sell remotely) comprise 47.2% of the 5.7 million all sales reps, and outside sales reps comprise 52.8%. In Europe, 37.1% are inside sales professionals and 62.9% are outside sellers.

Large organizations (> \$500M) are currently dominated by field sales reps (71.2%), but this number is decreasing. These organizations also use the channel structure 69.4% more than average.

Midsize organizations (\$50M-499M) have the highest number of roles (4.4), such as account management, renewals, etc.

Small organizations (<\$50M) have the highest percentage of inside sales reps, but they also use the outbound sales role (67.1%) more than any other size company.

How much people are paying salespeople and how long they stay with one company

The study reports the average base for inside sales account executives is \$42,822, with on-target earnings (OTE) of \$96,299.

The average quota for an account executive was \$793,566 with 60.9% of reps achieving that number each year.

The average tenure of a rep is four years and it takes 5.2 months on average to reach full production.

Critical pipeline metrics

Account executives send an average of 34.5 emails per day—more than any other activity. Phone calls were second on the list with 30.3.

After all activities, the typical account executive has 11.9 meaningful conversations a day. About 1 in 20 conversations (4.8%) is turned into meaningful sales opportunities.

The average rep creates 17.2 opportunities per month and is closing 12.8 deals per quarter.

\*This is a summary of The State of Sales by Ken Krogue, Gabe Larsen and Bryan Parry.

### The 7 Biggest Trends Upending Sales Today

What differentiates top sales leaders from the rest? The ability to find growth opportunities and sales trends before their competitors, writes Maria Valdivieso De Uster, Director of Knowledge, McKinsey & Company's Marketing and Sales Practice. So what are the top trends Maria sees driving sales growth today?

#### Trend #1: Investing in Future Growth

The best sales leaders make trend analysis a formal part of the sales-planning process. They translate macros shifts into real top-line impact fast. This shift is often reflected in their budgets: 45% of fast-growing companies invest more than 6% of their sales budget on activities supporting goals that are at least a year out.

#### Trend #2: Finding the Growth in Micromarkets

The most successful sales leaders Maria knows mine the growth “beneath their feet in what can appear—on average—to be mature markets.” The key here is to analyze the data and double down where you might see growth or opportunity, even if it might be obscured by average data.

#### Trend #3: Capturing Value from Big Data and Advanced Analytics

The best companies leverage data to chase opportunities and minimize risk.

In fact, in these areas, three-quarters of fast-growing companies believe themselves to be above average, while 53%–61% of slow-growing companies hold the same view.

#### Trend #4: Outsourcing the Sales Function

High growth companies optimize their existing resources by outsourcing often all parts of the value chain. The outsourced companies understand their target segments, using big data to identify leads, etc. They're paid based on their performance, rather than the service delivered.

#### Trend #5: Understanding Social Selling

Sellers today must understand their customer, from the decision-maker level to the influencers who owns the budget and what the perception of their organization is. They can do this by mining social channels and activity.

#### Trend #6: Collaborating More Closely with Marketing

The sales and marketing relationship has always been dysfunctional, but big rewards come to companies who nail it—61% of companies that have both functions deliver above-market revenue growth and enjoy high profitability. To optimize this experience, sales and marketing needs to align, keeping the data flowing in a symbiotic relationship.

#### Trend #7: Adopting Automation and Artificial Intelligence

The McKinsey Global Institute found that 40% of tasks salespeople traditionally do can be automated, such as lead generation. Maria says she's seen companies where 75% of leads aren't followed up on. Automation can keep these leads warm for months, often brokering the first introduction.

\*This is a summary of The 7 Biggest Trends Upending Sales Today by Maria Valdivieso de Uster.

#### What Buyers Want

When it comes to interacting with a salesperson, what do buyers really want? This infographic from premium publisher Raconteur outlines:

The most valuable content types used to make decisions. B2B buyers found the following types of content most valuable:

- Third-party/analyst reports (77%)
- Case studies (72%)
- White papers (69%)

How dependent B2B buyers are on salespeople during decision-making

- Compared to two years ago, buyers are 57% less dependent on salespeople during decision-making

Top reasons why meeting customer expectations is a top challenge for sales teams

- Customer needs have grown more sophisticated (1)
- Customer expect us to be a trusted advisor (2)
- Customers expect the same level of service every time we interact with them (3)

The disconnect between buyers and sellers. The top disparities between what B2B buyers and sales representatives want to discuss in the first call:

- Product pricing: 58% buyers, 23% sales
- How the product works (demo): 54% buyer, 23% sales
- What my company is trying to achieve with the purchase: 47% buyer, 65% sales

Top-rated recommendations for improving content. Most selected recommendations for content by B2B buyers:

- Add more insight from industry thought leaders/analysts

\*This is a summary of What Buyers Want by Raconteur.