

Sales and Marketing Alignment: A Primer on Successful Collaboration

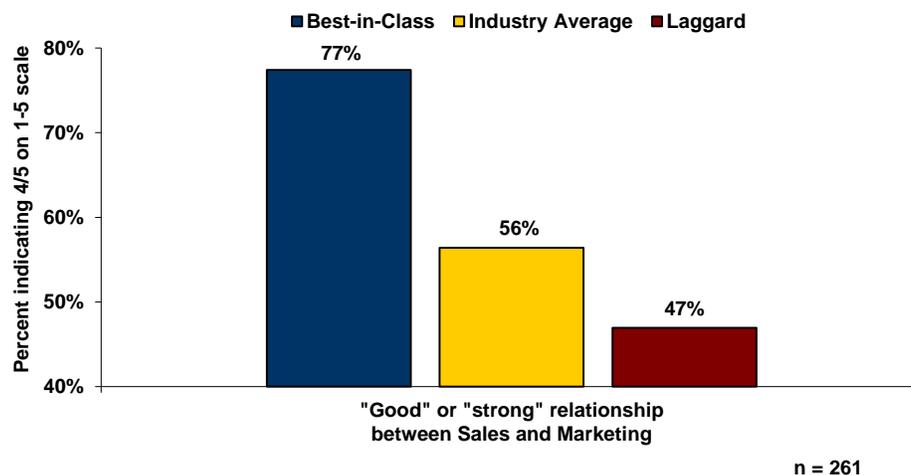
In the business-to-business (B2B) arena, a well-known source of tension has often been associated with the delicate relationship between the marketing and sales lines of business. Whether born out of legitimate complaints or the mutual frustration of not achieving adequate customer acquisition results, the finger-pointing can become predictable, if not childish: “These leads stink!” ... “You couldn’t close a screen door in a hurricane!” Fortunately, modern leaders in both practice areas are increasingly held accountable for fact-based, measurable business results that take emotions off the table, and are empowered by contemporary technology tools that promote and reward a more collaborative and team-oriented approach.

Sales Enablement: Fulfilling the Last Frontier of Marketing-Sales Alignment (September 2013) introduced recent Aberdeen research, which reveals a number of best practices and enabling technologies that top-performing companies utilize to better supply their field sellers with agile and effective marketing content. This Research Brief will discuss the relationship groundwork that is essential for driving adoption of, and the ultimate success associated with, these approaches.

Should We Even Bother?

Before entering into a detailed discussion of how sales and marketing leaders should get along, it is worth confirming that the why is even worthwhile.

Figure 1: Strong Bonds, Stronger Results



Source: Aberdeen Group, September 2013

Research Brief

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

The answer is, quite simply, yes, as demonstrated by the data presented in Figure 1. Aberdeen research is predicated on collecting performance and behavior trends from end-users, and correlating the two. Figure 1 shows that Best-in-Class companies (sidebar) report 38%, and 64% higher propensities, than Industry Average and Laggard firms, respectively, indicating that their sales / marketing relationship is better than neutral. Now, let's take a look at some of the nuts-and-bolts first steps that under-performing firms should take in order to better support this relationship and drive stronger business results.

Learning from the Best: How the Best-in-Class Work Smarter, Not Harder

First and foremost, leaders from sales and marketing teams simply need to get together more often to hash out basic questions such as “what is a lead?,” as well as more strategic agreements, such as shared metrics. They also need to measure collaborative results, gather 360° feedback on messaging and content, and even decide how to push back at one another when leads are legitimately under-cooked (by marketing) or underwhelmingly actioned (by sales).

Figure 2: Détente Has Measurable Value — Frequency of Leadership Sit-Downs is Key to Success



Source: Aberdeen Group, September 2013

The most surprising result from the current research may be that the number of formal meetings to discuss these issues averages only 4.7 times per year among all survey respondents. This means that, less often than bi-monthly (every 77.6 days, to be exact) the average company brings its top leadership from the sales and marketing lines of business together to formally collaborate. Considering the growing power and responsibility of the Chief Marketing Officer (note Gartner’s [prediction](#) of the CMO’s IT budget exceeding that of the Chief Information Officer by 2017), and the all-important revenue generation burden carried by the

The Sales Enablement Best-in-Class Defined

In August and September 2013, Aberdeen surveyed 261 end-user organizations to understand their sales enablement 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:

- ✓ 99% overall **team attainment of sales quota**, compared with 61% among Industry Average, and 46% for Laggard companies
- ✓ 75% of **sales reps achieving quota**, vs. 50% among Industry Average, and 27% for Laggard firms
- ✓ 13.1% average year-over-year increase in **corporate revenue**, vs. 4.3% for the Industry Average, and a 0.5% decline among Laggard respondents
- ✓ 3.3% average year-over-year improvement (reduction) in **average sales cycle**, vs. a 0.4% improvement for the Industry Average, and a 3.8% decline (cycle increase) among Laggard respondents

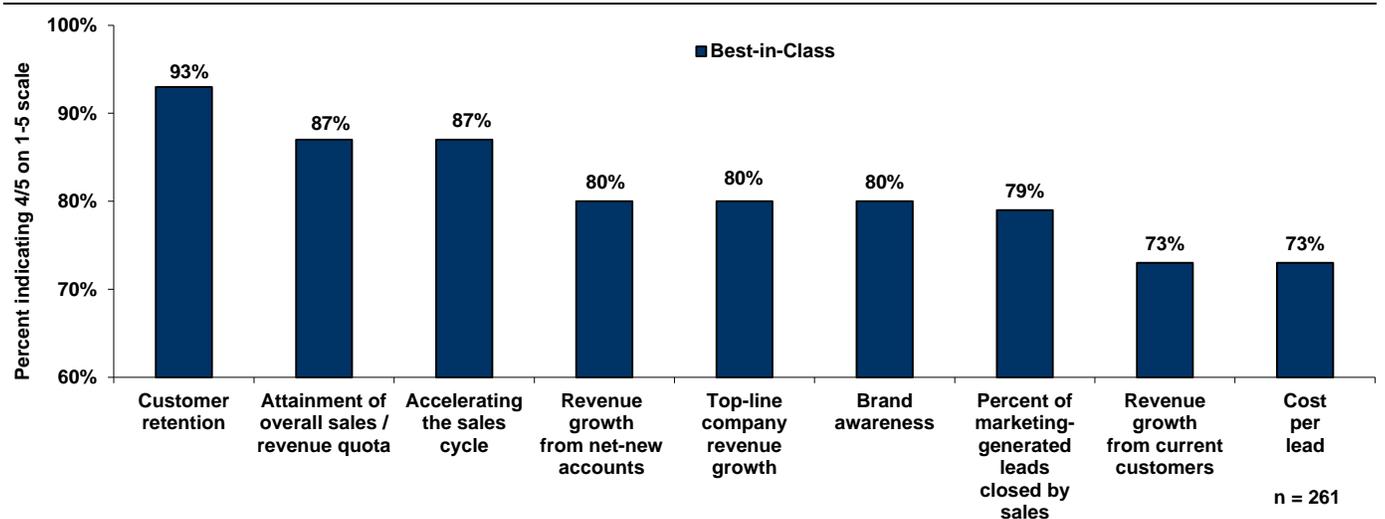
VP of Sales, one would think that a higher priority would be placed on an aggressive meeting schedule in order to maximize an environment of mutually-assured success. Nonetheless, we see in Figure 2 that Best-in-Class firms exceed this average in comparison with All Others (the combination of Industry Average and Laggard survey respondents). While top-performing enterprises get their leaders together more frequently, it is, however, common sense to recommend that all companies attempt to maximize the sit-down rate in order to reduce friction — both between the departments, as well as in the sales cycle, and, finally, in order to enhance the most important thing of all: the customer’s experience.

Indeed, all of these factors come into play when we look at how Best-in-Class companies inform us regarding which key performance indicators (KPIs) they find most valuable in terms of validating their overall sales enablement activity stream.

Sector Definition: Sales Enablement

For the purposes of this research survey, “Sales Enablement” refers to the development and deployment of **selling tools** – marketing collateral, content, assets, messaging, and events – as well as coaching, process, and customer feedback.

Figure 3: Top Metrics Used to Evaluate Business Effectiveness, by Best-in-Class

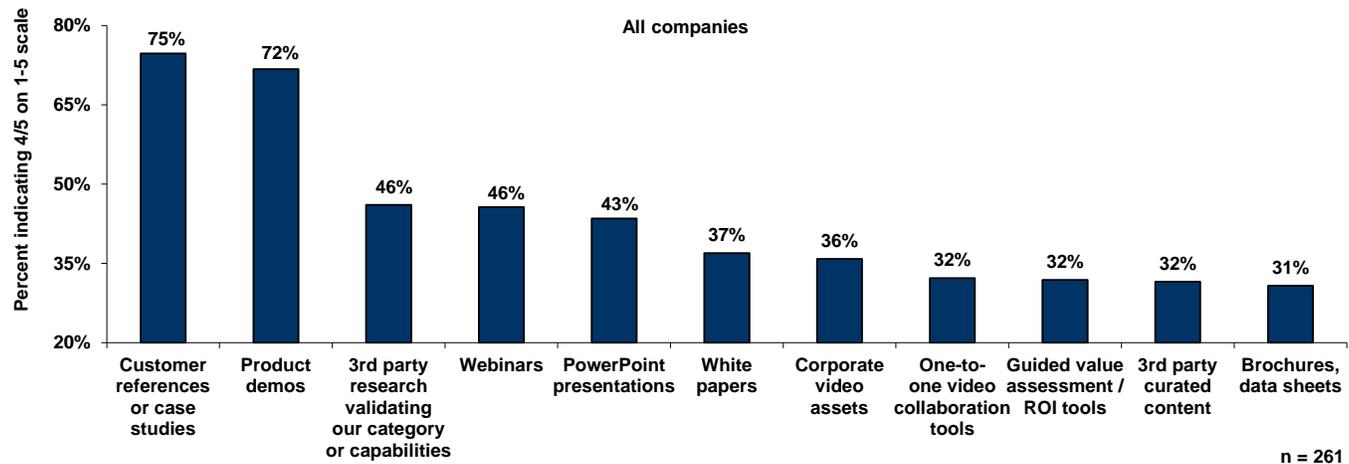


Source: Aberdeen Group, September 2013

Summarized in Figure 3, the most popular metrics speak to the very heart of customer acquisition and retention success: keeping accounts happy; ensuring that sales flow quickly and in a healthy manner; monitoring the contribution of marketing activities in order to validate and justify their efforts. With customer retention showcased as their single most important metric, Best-in-Class firms send a signal that client relationships are of the utmost importance to both marketing and sales leaders. In today’s networked economy, where a single consumer [tweet](#) can create global awareness of customer service deficiencies, it is wise for companies to replicate this focus on building and maintaining customer satisfaction. Indeed, the 93% popularity rate is matched by lower levels, 72% and 69% respectively, among Industry Average and Laggard companies. Laggard firms, in fact, report that eight different metrics, from corporate revenue growth to sales acceptance of marketing-generated leads, are more important than customer retention. These KPIs are not invalid; they are simply over-emphasized by the worst-performing sales organizations. Figure 3 also shows that cost-per-lead is only the ninth most

popular metric among the Best-in-Class; again, it is an important KPI, but the lesson here is that companies overly focused on the tactical CPL mind-set of marketing management are doing their sales organizations no favors.

Figure 4: Show Me the Money! Where Marketing Dollars Are Most Supportive of Sales Enablement



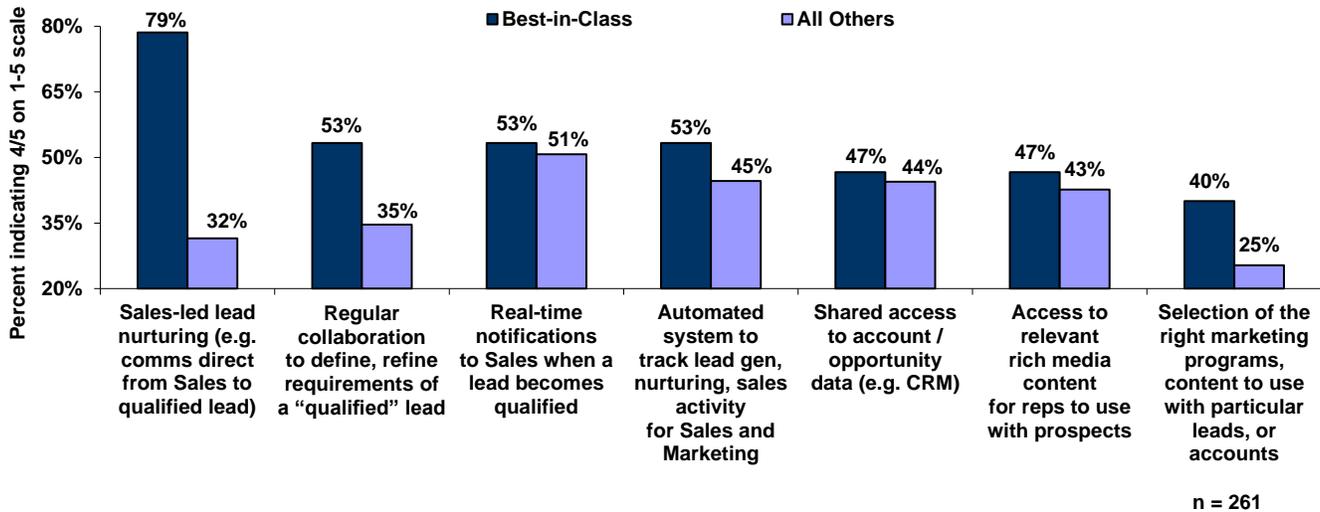
Source: Aberdeen Group, September 2013

In the spirit of this “customer first” approach, we see in Figure 4 that the most commonly utilized marketing assets, in support of sales enablement initiatives, focus appropriately on the needs of the buyer, and validate the old saying, “facts tell, but stories sell.” As discussed in Aberdeen’s [Hidden Sales Cycle](#) content, contemporary B2B sales prospects don’t want to be sold to; they are more comfortable researching the capabilities of products and services on their own schedule. One of the most effective ways in which marketers can passively but effectively generate interest is to make customer references, case studies, product demos, and externally validating third-party content (such as Aberdeen’s research findings), available to prospective customers who want to browse, undisturbed, through their options. On the other end of the spectrum, showcased in Figure 4, traditional brochures, data sheets full of features, pay-for-play content and purportedly objective online assessments (“see how much money you’ll save!”), are far less popular among all survey respondents.

Conclusion: Creating the Optimized Sales Enablement Environment

With the right metrics in hand to evaluate overall sales enablement, supported by clarification of which traditional and modern marketing assets are most likely to yield the best business results, companies are well-informed by their peers (through Aberdeen’s crowd-sourced research methodology) regarding specific paths to take as they seek to align marketing and sales functions more effectively. As proof of the value of taking these approaches, Figure 5 shows us that Best-in-Class firms are, across the board, actively engaged in more sales enablement activities than All Other companies.

Figure 5: Sales Enablement — Most Important Capabilities, Better Leveraged by Best-in-Class



Source: Aberdeen Group, September 2013

Here we see a complete “how-to” guide to building and deploying an effective sales enablement program. Best-in-Class firms are more than twice as likely as All Others to provide sales team members with the opportunity to work as micro-marketers, using content and assets deep into the sales cycle, as they see fit, with their individual accounts and territories. Top performers are also more likely to collaborate on lead definitions, use automation to track and provide notifications around leads moving through the funnel, and to take the “right message, for the right person, at the right time” lesson to heart. Their results speak to a worthwhile investment in relevant tools and core competencies for all sales leaders and sales operations departments in the B2B space.

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

Related Research

[*Beyond the Quota: Best-in-Class Deployments of Sales Performance Management*](#); January 2014
[*Enterprise Social Collaboration: High-Power Teamwork for Better Sales Results*](#); November 2013
[*Sales Enablement: Fulfilling the Last Frontier of Marketing-Sales Alignment*](#); September 2013
[*Eliminating the Noise: Best Practices for the Five W's of Sales Intelligence*](#); August, 2013
[*Making the Most of Your CRM: How Best-in-Class Sales Teams Maximize Revenue and Customer Experience*](#); June 2013

[*Learn, Collaborate, Connect, Close: Best-in-Class Mobile Sales Enablement*](#); June 2013
[*CRM 2013: Generating Business Value throughout the Enterprise*](#); April 2013
[*Breaking the Laws of Physics: Shortening the Last Sales Mile Through Workflow Automation*](#); April 2013
[*Non-Cash Incentives: Best Practices to Optimize Sales Effectiveness*](#); March 2013
[*Sales Effectiveness 2013: The Rise of #Gamification*](#); February 2013
[*Collaborate, Listen, Contribute: How Best-in-Class Sales Teams Leverage Social Selling*](#); November 2012

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