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Sales Intelligence: Best-in-Class Practices for Drinking from the Fire Hose

Let's get the jokes out of the way now: isn't "Sales Intelligence" an oxymoron similar to "jumbo shrimp," "agree to disagree," or "open secret?" While it is true that traditional academic preparation is nearly nonexistent in the field of professional business-to-business (B2B) sales, today's commercial landscape nevertheless requires an increasingly well-developed set of skills and sophisticated capabilities in order to succeed. Building on the recently published *Eliminating the Noise: Best Practices for the Five W's of Sales Intelligence* (August 2013), this Research Brief represents the second in a series of publications on Sales Intelligence, designed to empower professional sellers with exposure to the enabling technologies and best practices that their most successful contemporaries are deploying to hit quota.

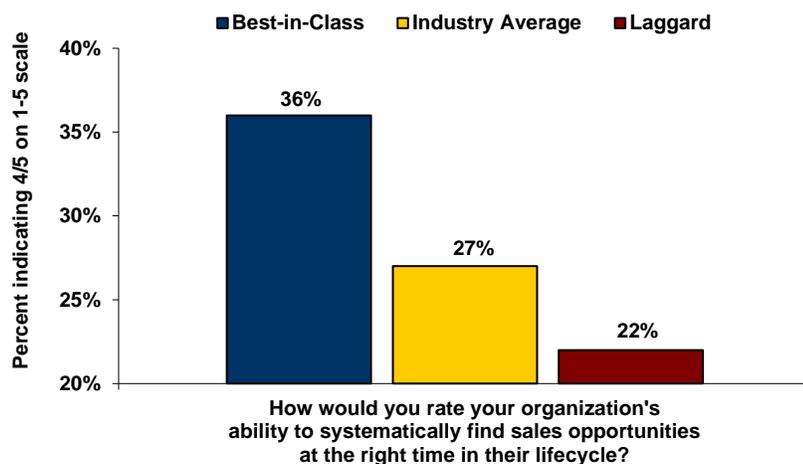
Setting the Stage: Timing is Everything

We begin this analysis by providing insight into the vernacular phrase used in the title of this Research Brief: "drinking from a fire hose." This is a commonly heard phrase in many business discussions, particularly when it comes to identifying and nurturing B2B sales opportunities. Because there are so many sources of web-based information available to professional sellers, as well as their counterparts in marketing, it can become overwhelming when an individual practitioner attempts to figure out which feeds, blogs, posts, tweets,

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.

Figure 1: Opportunity Management — When to Engage?



n = 206

Source: Aberdeen Group, July 2013

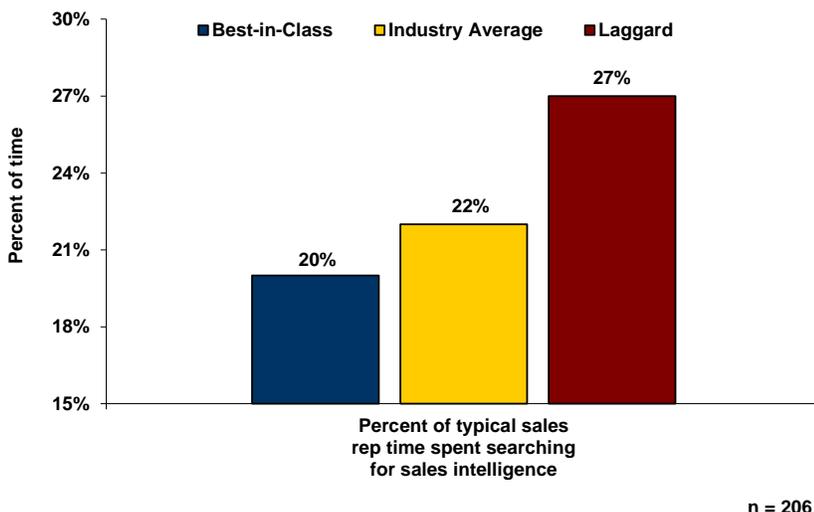
Sales Intelligence Defined

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.

e-mails, and other sources of content are of the most value to them in developing and maintaining their book of business. In exploring the findings behind Figure 1, the research sees barely one-fourth of 206 recent survey respondents indicating that their organization delivered either “good” or “outstanding” results (4 or 5 on a 1 – 5 scale) when trying to identify sales opportunities at just the right time in the sales cycle. On the other hand, 73% of businesses indicated that their sales timing represented neutral, fair, or poor performance: in other words, the vast majority of companies are not proficient in appropriating marketing and sales efforts toward the various sources of revenue that fund them. When we isolate Best-in-Class sales teams (sidebar) from Industry Average and Laggard firms, however, we see in Figure 1 a more telling story: the most successful enterprises are 44% more likely (36% vs. 25%) than All Others to report the strongest levels of efficiency in opportunity management.

What are the ramifications of these differentials in sales cycle touch points? For example, we know from Aberdeen’s research such as [Alchemy of Intent: Content Marketing in the Lead-to-Revenue Cycle](#) (July 2013) that the marketing organization finds that various content assets are more effective at different early-stage points in the demand generation process. Marketers who are better enabled to match their messaging with their prospect’s behavior — clicking through an e-mail message or advertisement, spending substantial time on a particular webpage, registering for an event, etc. — are more likely to deliver an effective asset that advances the potential buyer further down the engagement cycle. For the selling team, the individuals within it are interested only in dealing with “sales-qualified leads” that have been properly developed, vetted, and nurtured by their marketing partners, so that they can spend their time deploying their talents at developing and closing, rather than searching for business.

Figure 2: Best-in-Class Value Today’s Currency — Time



Source: Aberdeen Group, July 2013

The Sales Intelligence Best-in-Class

In June and July 2013, Aberdeen surveyed 206 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:

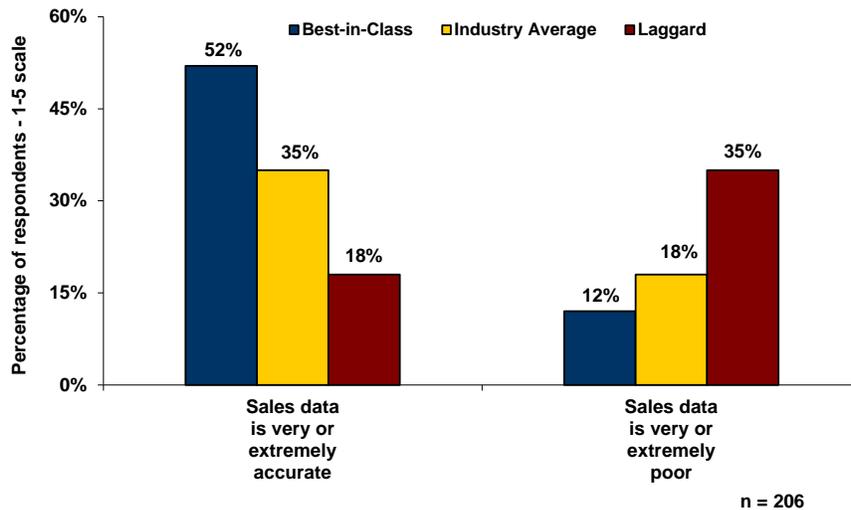
- √ **85% customer retention rate**, vs. 70% among Industry Average and 30% for Laggard firms
- √ **10.7% average year-over-year increase in overall team attainment of sales quota**, vs. a 0.5% decrease for the Industry Average and a 12.4% decline among Laggard respondents
- √ **9.3% average year-over-year increase in average deal size or contract value**, vs. a 0.2% decrease for the Industry Average and a 5.9% decline among Laggard respondents
- √ **7.9% average year-over-year increase in the percentage of sales reps achieving quota**, vs. 2.2% and 13.5% declines for Industry Average and Laggard respondents, respectively, of (increase in) the cycle time among Laggard respondents

While this might seem to be wishful thinking — and perhaps somewhat arrogant — in reality, Best-in-Class sales organizations actually do place an emphasis on deploying their team member’s time more substantially around selling, as opposed to developing, the pipeline opportunities that drive revenue — Figure 2.

Maximizing the Sales Intelligence Investment

Now that we have established the importance of pinpoint accuracy in the timing of B2B sales discussions, and the efficiencies associated with time utilization among Best-in-Class sellers, let’s look at specific best practices that are supported by the research. In Figure 3, we again utilize a 1 – 5 survey response answer scale to understand whether the quality of sales intelligence utilized in the enterprise can be directly related to performance metrics.

Figure 3: Cleanliness is Next to...Beating Quota



Source: Aberdeen Group, July 2013

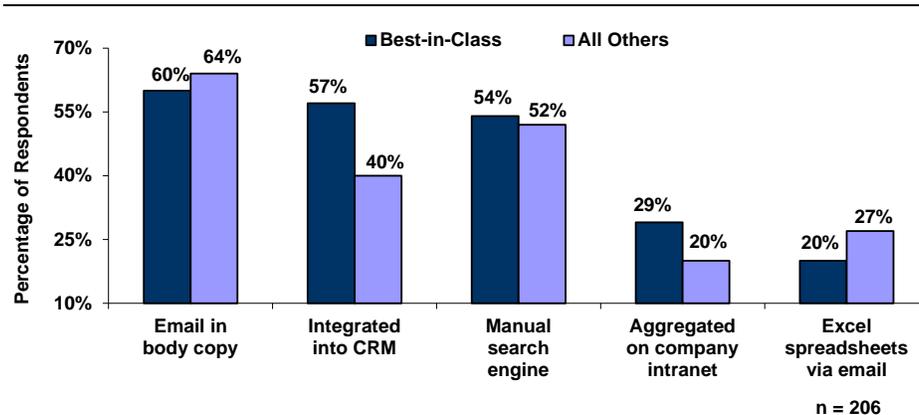
The V-shaped results in Figure 3 are clear: Best-in-Class firms are nearly three-times more likely than Laggards to report high levels of sales information accuracy (score of 4 or 5), and nearly one-third less likely to indicate very or extremely poor quality data integrity levels (score of 1 or 2). Figure 3 gets to the heart of why the most successful selling teams place a high degree of emphasis on obtaining and maintaining strong sales intelligence deployments. While previous generations of marketers and sellers treated business development as more of an event — simply buying a new list from an external vendor when the previous one stopped yielding results — the Best-in-Class more appropriately recognize that accurate and timely sales intelligence needs to be a full-time, always-on endeavor. Indeed, 73% of these top performers support their front line with a formal data quality technology solution, compared with 57% of Industry Average and only 33% of Laggard companies. Such solutions are specifically deployed by organizations seeking to ensure that the various iterations of prospect and customer records — such

as in the marketing automation system, the customer relationship management (CRM) deployment, the help desk platform, or call center application — are regularly cleaned and normalized so that all customer-facing functions are provided with an accurate and consistent view of external buyers, and so that sellers in particular spend minimal time chasing down contact information, buying history, and other administrative details that detract from selling hours.

Wherefore Art Thou Sales Intelligence?

After establishing that demographic and firmographic information about sales prospects, and existing accounts, needs to be continuously updated and refreshed, we must ask: “How exactly are professional sellers most effectively provided with this data?” While the majority of all survey respondents indicate traditional e-mail as the leading source of sales intelligence, we see in Figure 4 that Best-in-Class companies lead All Others in deploying additional mechanisms that help them achieve their superior results. The largest gap between top performers and under-achievers is represented by the best practice of integrating sales intelligence into the CRM platform. By a 43% margin (57% vs. 40%), the Best-in-Class are more likely to recognize the dual benefits of connecting these two investments. CRM adoption will undoubtedly increase if the system is front-loaded with valuable news and information that helps sellers. Also, determining which sources of sales intelligence will be more effective when they are measured against the most successful opportunities tracked through sales stages in the CRM.

Figure 4: Top Intelligence Delivery Models, by Best-in-Class



Source: Aberdeen Group, July 2013

The remainder of the top-five data delivery models revealed in Figure 4 confirms that the majority of sales staffers continue to use individual desktop tools, beginning with manual search engines. Next, the use of the company intranet — which has dropped from 22% overall use in Aberdeen’s [2011 Sales Intelligence research](#) to 18% currently — still see more Best-in-Class use for those organizations with less developed web infrastructures. Finally, simply emailing spreadsheets around the work community is not highly advisable. To

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.

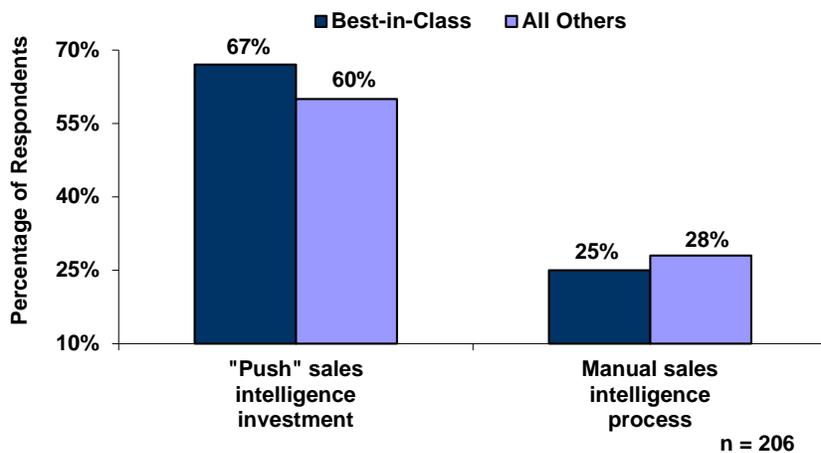
this last point, the majority of sales organizations have learned that maximizing the time of their front-line staff is best supported by adopting a “push” rather than a “pull” model for delivering sales intelligence to their team members. In Figure 5, this data point is further supported by modest gaps seen between Best-in-Class and All Other companies’ adoption of this approach. “Push” delivery models refer to a variety of ways in which, ideally, an enterprise sales rep will automatically receive exactly the data they need to do their job, and zero extraneous information that clogs up their inbox or attention span. Whether adopting the leading delivery modality from Figure 4 — perhaps a daily email digest of financial, personnel, legislative, or other business news specific to their territory, product line, or market vertical — or company-provided social media filters or internal collaborative discussion streams, Best-in-Class firms recognize the value of filtering and automatically presenting the vast quantities of sales intelligence to their quota-carriers. Under-performing companies, on the other hand, are more likely to continue promoting a “pull” environment for their sellers, expecting their team members to independently source information about their territory on a more manual basis, condemning them to spend more time administering, and less time closing. This is not the wise approach toward leveraging the investment made in sales human capital.

Best-in-Class Additional Performance Results – current

In addition to the sales-centric performance metrics used to determine Best-in-Class companies within these findings (page 2), these firms also report average **current performance** results that are superior to other companies:

- √ 76% average current team attainment of annual sales quota, vs. 61% and 49% among Industry Average and Laggard companies
- √ 59% average sales forecast accuracy, compared with 53% for Industry Average and only 29% among Laggards
- √ 53% of sales reps achieved their individual annual sales quota, vs. 44% among Industry Average and 31% for Laggards

Figure 5: Push vs. Pull Data Delivery — Automating the Flow

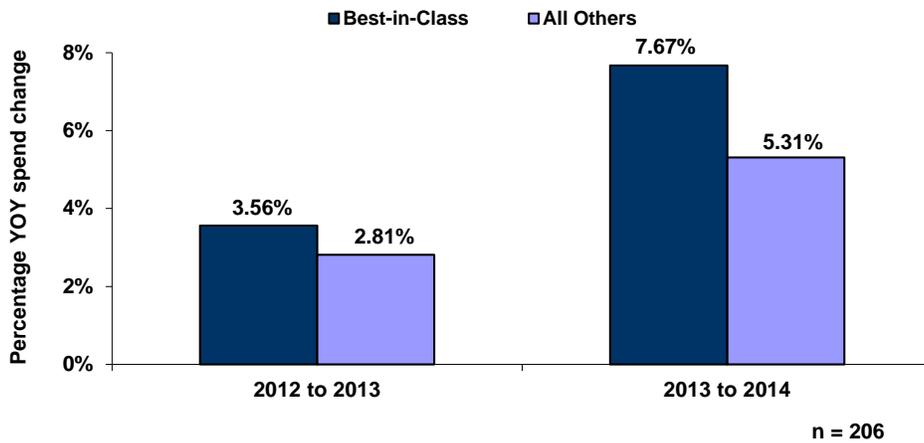


Source: Aberdeen Group, July 2013

Conclusion: Investing Wisely

Even the worst-performing companies within the current research data set are increasing their investment in sales intelligence solutions. As we see in Figure 6, all companies report an average growth in their budget from the previous year, and even more significant spending enhancements predicted for next year. Among the Best-in-Class, the past and future budget increases are even more significant. These firms clearly understand the value of empowering their sellers with plenty of good information, while omitting the noise by filtering out the data they don’t need. They also automate the process so the content most

Figure 6: Sales Intelligence Spend — On the Rise



Source: Aberdeen Group, July 2013

relevant to each contributor’s personal needs arrives at their virtual doorstep, ready for action and prepared for closing the deal.

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

**Fast Facts: Best-in-Class
Additional Performance Results
– year-over-year**

In addition to the sales-centric performance metrics used to determine Best-in-Class companies for this research data set (page 2), these firms also report average **year-over-year performance** results that are superior to other companies:

- √ 11.4% growth in overall company revenue, vs. 2.9% for the Industry Average and a 2.5% decrease among Laggard companies
- √ 3.1% improvement in customer retention, contrasted with 0.6% for Industry Average firms and a 4.8% decrease among Laggards

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
[Reducing Friction in the Sales Cycle: Best Practices in Sales Contract Management](#); October 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
[Configure-Price-Quote: Best-in-Class Deployments that Speed the Sale](#); July 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
[Electronic Signatures: Pursuing the Hockey Stick for Sales Effectiveness](#); May 2013
[Sales Content Management: How the Best-in-Class Deploy Portals...and More Room to Seal the Deal](#); May 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
[Train, Coach, Reinforce: Best Practices in Maximizing Sales Productivity](#); October 2012

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