Sales Engagement Platforms Are The New Frontier Of B2B Selling

A New Category Of Sales Technology Will Help Sales Organizations Maximize Agility, Customer Engagement, And Business Value

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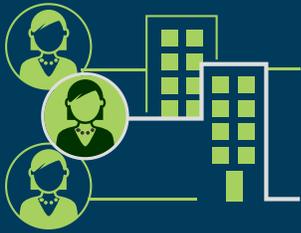
Most sales technologies create more tasks for sellers without helping them better engage with buyers.

Sales engagement platforms help sellers prioritize and automate communications, outreach, and other sales activities with a single solution.

Executive Summary

Modern business-to-business (B2B) buyers have unprecedented access to information to support their buying process and, as a result, have become more self-reliant in the evaluation process. This has made B2B sellers' jobs harder; not only do they have less control in earlier stages of the sales cycle, but they have to work harder to connect and engage with buyers, turning prospects into customers. Sales technologies have helped modernize how sellers and sales leaders manage their pipelines and execute contracts, but technology gaps around engagement persist, making it difficult for sellers to keep pace with, connect with, and support buyer engagement. The common outcome: Sellers become slaves to their CRM systems, focused more on updating reports and logging their activities than they are in driving business results.

In February 2017, Outreach commissioned Forrester Consulting to evaluate opportunities for sales engagement platforms among B2B sales organizations in the US. Forrester conducted an online survey of 164 sales leaders to explore how they are evolving their processes to better meet buyer needs, identify challenges with current processes and tools, and evaluate their interest in sales engagement platforms.

Our study revealed a major opportunity for companies to drive business value by investing in a sales engagement platform. Although relatively few companies use this type of platform today, those that do are already reaping competitive advantage, while others are being left behind.

KEY FINDINGS

› **As buyers evolve, so must sales organizations.** Eight in ten sales leaders (84%) agreed that their organizations and processes have evolved to better meet buyer needs. Lead prioritization and nurture automation have emerged as top priorities, paving the way for new sales technologies to transform buyer-seller engagement, especially for top-of-the-funnel activities.

› **Sales needs more agile, cohesive, and action-oriented tools to turn prospects into customers.** As sellers struggle to move buyers from the interest phase to the purchase phase of the buying cycle, inefficiencies in current sales technologies and processes exacerbate these challenges. For example, only 34% can seamlessly prioritize sellers' engagement activities in a data-driven way. Sellers need tools that cohesively connect data, content, and interactions from across disparate systems into a single experience so they can more effectively nurture leads and win deals.

› **Sales leaders see significant value in adopting a single sales engagement platform that delivers a variety of capabilities.** Three in four sales leaders (77%) see significant value in having a single sales platform for automating communications, prioritizing activities, capturing data, and surfacing insights. While only 25% use a sales engagement platform today, an additional 52% have plans to implement or interest in adopting this type of platform. Early adopters have already realized a competitive advantage by exceeding their sales quotas, growing revenues, driving customer satisfaction, and improving seller productivity.

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Sales Organizations Are Evolving To Meet Buyer Needs

Today's B2B buyers are independent, impatient, and impervious to age-old selling techniques. In fact, about three in four of the 164 B2B sales leaders we surveyed agreed that buyers prefer to self-educate before interacting with salespeople (79%), are more impatient than ever (78%), and respond more frequently to emails than phone calls (74%). Sales organizations must adapt to these changing buyer behaviors to stay relevant and competitive. Our survey revealed that:

› **Buyer needs and dynamics have compelled companies to evolve their sales organizations and responsibilities.** The vast majority of sales leaders (84%) agree that their organizations have evolved to meet buyer needs. Meanwhile, as B2B buyers take a self-service approach to researching and evaluating product and service options, marketing has taken the driver's seat in lead generation — 78% of sales leaders rely on marketing for leads. To be effective in this environment, sellers need to be proactive not only in nurturing leads from marketing but also in pursuing leads of their own.

› **Sales leaders will strive to optimize seller activities through lead prioritization and automation.** As buyers become harder to pin down and sales quotas continue to climb, sales leaders need to find opportunities to streamline processes and reduce the burden on their sales team members. The majority (57%) are planning to take steps toward prioritizing seller engagement on leads most likely to close. Additionally, about half are planning to automate nurture activities and downstream sales processes (see Figure 1)

"My sales organization and processes have evolved in response to changing buyer behaviors and needs."

84%
Agree

"My sales organization increasingly relies on marketing to generate leads."

78%
Agree

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

Figure 1

"What steps do you plan to take to address the needs of your buyers moving forward?"

57% Prioritize seller engagement on leads most likely to close

51% Automate more of the downstream sales process

49% Automate the nurturing process for new leads

42% Surface insights to sellers to personalize the buyer's experience

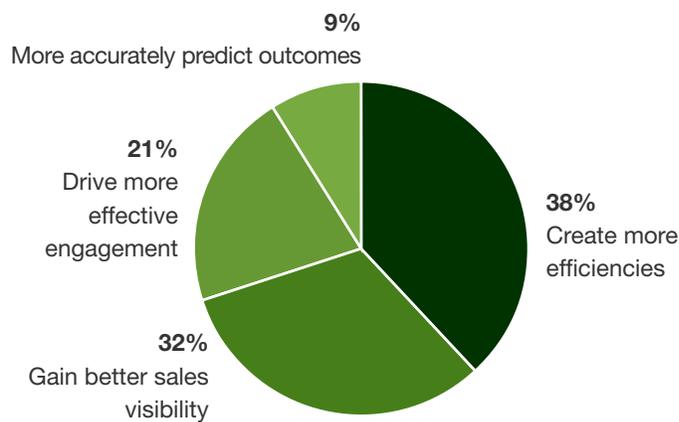**41%** Reduce the amount of nonselling administrative work on sellers

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

Sales leaders seek opportunities to reduce the burden on sellers through improved lead prioritization and automation.

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› **Decision makers invest in new technologies with the primary goals of improving efficiency and visibility.** Technology has a push-and-pull influence on how sales organizations are evolving. For example, sales teams may invest in tools to streamline processes, and they may also build processes like pipeline management around their existing systems. Therefore, it's important to understand the goals that drive sales technology investments. We asked sales leaders to rank four categories of priorities and found that their biggest technology needs center on efficiency — making things easier and more seamless for team members — and visibility — enabling leadership to see where the organization stands in relation to its goals (see Figure 2). Companies are rapidly adopting technologies to support these priorities. In fact, the average company we surveyed has adopted 7.8 sales technologies to support their organization.

Figure 2

Outcomes sought from sales technology investments, in rank order

9%
More accurately predict outcomes

21%
Drive more effective engagement

38%
Create more efficiencies

32%
Gain better sales visibility

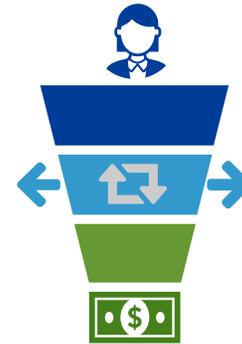Companies reported using **7.8 sales technologies**, on average, to support these goals.

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

Inefficient Processes And Tools Make It Harder For Sellers To Focus On Selling

Platforms and tools can help sales teams streamline and automate their processes, but without a clear strategy, these technologies can become a hindrance rather than an advantage. For example, sales organizations may pursue a new capability with a new tool, then realize that adding another tool to their already disparate technology stack only creates more inefficiencies. These challenges hinder both seller productivity and sales effectiveness. Our survey showed that:
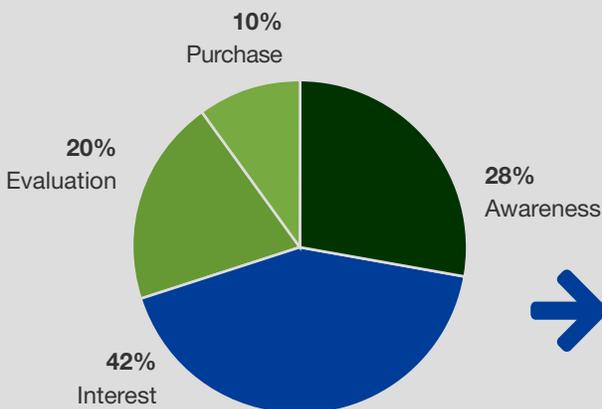
› **Sellers lose the most prospects at the interest phase because sellers can't execute tailored nurturing activities at scale.** Forty-two percent of respondents indicated that they see the greatest customer dropout at the interest phase of the buyer journey — for example, when inbound or marketing-qualified leads who showed interest in a product or service become disengaged. Nurture activities during the interest phase are critical to moving buyers to the next phase — evaluation — and ultimately, to the purchase phase. But sellers today are falling short. Nearly half of those that see the greatest dropout in the interest phase can't keep pace with the volume of leads they receive from marketing (49%), and on top of that, 55% struggle to deliver compelling messages and content that align to buyers' precise needs (see Figure 3).

A lack of agile, cohesive, and action-oriented tools makes it difficult for sellers to turn interested prospects into customers.

Figure 3

"Where in the sales process does your organization typically see the greatest customer dropout?"

- 10% Purchase
- 20% Evaluation
- 28% Awareness
- 42% Interest

"What drivers cause your prospects to fall out of your sales funnel?"* (Total ranked in top three)

55% Seller communications or information shared are not in line with needs of buyers

49% Sellers cannot reach out to all the new leads coming from marketing

46% Sellers cannot execute on appropriate engagement plans for new leads

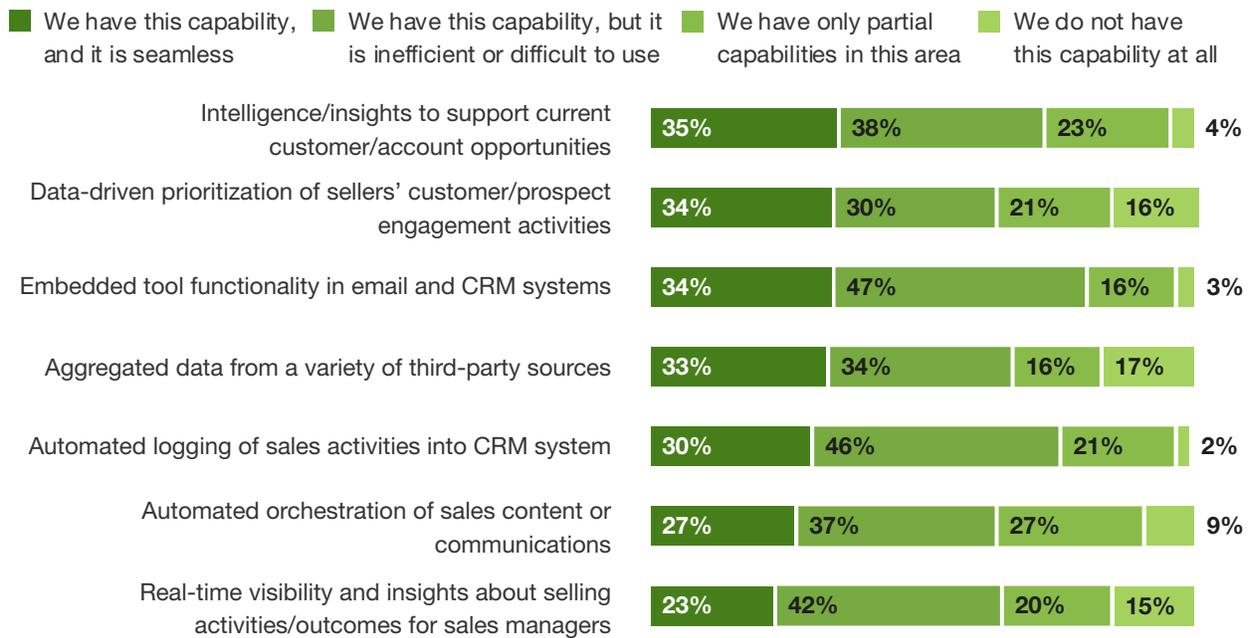Base: 164 B2B sales and sales operations leaders at US companies
*Base: 69 B2B sales and sales operations leaders at US companies; respondents who believe the "Interest" phase is when the greatest customer/prospect dropout occurs
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

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› **A third or more sales leaders feel their current tools can't seamlessly support sales activities or business insights.** For example, only 34% of respondents said they can seamlessly prioritize sellers' engagement activities with their current technology stack in a data-driven way, while the remainder either have inefficient workarounds or limited capabilities in this area. Similarly, only 23% said they have sufficient real-time visibility and insights for sales managers, while the remaining 77% lack a seamless solution for this need (see Figure 4).

Figure 4

"To what extent does your current sales technology stack provide your sales organization with the following capabilities?"

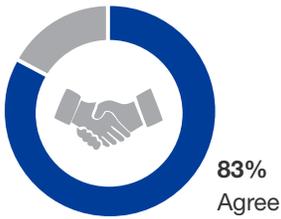|	We have this capability, and it is seamless	We have this capability, but it is inefficient or difficult to use	We have only partial capabilities in this area	We do not have this capability at all
Intelligence/insights to support current customer/account opportunities	35%	38%	23%	4%
Data-driven prioritization of sellers' customer/prospect engagement activities	34%	30%	21%	16%
Embedded tool functionality in email and CRM systems	34%	47%	16%	3%
Aggregated data from a variety of third-party sources	33%	34%	16%	17%
Automated logging of sales activities into CRM system	30%	46%	21%	2%
Automated orchestration of sales content or communications	27%	37%	27%	9%
Real-time visibility and insights about selling activities/outcomes for sales managers	23%	42%	20%	15%

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017
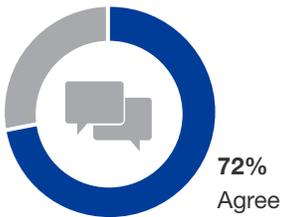
› **Manual tasks and processes detract sales teams from their core focus: selling.** Eighty-three percent of sales leaders agree it takes a high level of effort to connect with prospective buyers. Inefficient tools and processes create a need for manual workarounds that make these connections more difficult. Additionally, 72% of sales leaders believe that their organization's manual processes impact their ability to meet their sales targets (see Figure 5). These organizations are losing business to more agile competitors.
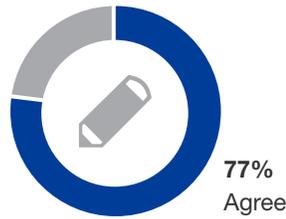
Figure 5

It takes a **high level of effort** for a salesperson to **connect with a prospective buyer.**
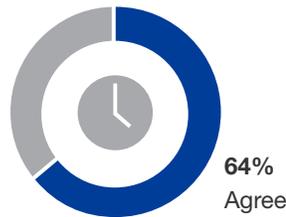
83%
Agree

Manual tasks take time away from our team's ability to **focus on selling activities.**

77%
Agree

Manual processes negatively impact our ability to **hit our sales targets/goals.**

72%
Agree

Individual **sales rep messaging deviates** from marketing/ company guidance.

72%
Agree

It's difficult for my team to **complete all of the sales activities** I need them to execute.

64%
Agree
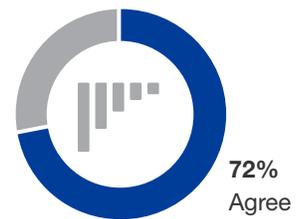
Most sales teams struggle with manual tasks that detract from their main focus: selling.

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

A New Category Of Sales Engagement Platforms Can Help

Sellers need a better way to organize their daily activities so they can nurture their most promising leads and close more deals. Most sales organizations have assembled a robust technology stack with a variety of tools to support seller activities and provide greater visibility to sales leadership. However, these tools often exist in silos — for example, pipeline data and leads reside in sales force automation or CRM systems, while sales and marketing materials for nurturing leads reside in content management systems. This structure makes sellers less efficient and more likely to become slaves to the technology, rather than making the technology work for them.

A platform that integrates various sales systems and functions and supports seller activities is a better path forward. Sales organizations that have invested in this type of platform — which this study defines as a sales engagement platform — are already demonstrating competitive advantage. Our study showed that:

› **Many sales organizations are rethinking their use of flagship CRM systems in favor of more agile engagement tools.** Sales force automation (SFA) is a subset of CRM systems that helps sales teams manage opportunities, leads, and pipelines. According to a recent Forrester report, "SFA delivers a plethora of capabilities that serve sales managers and sales leaders; however, it tends to deliver considerably less value to your frontline salespeople.[1] This rang true in our survey, where 67% of respondents agreed that CRM systems have become less valuable to individual salespeople, and 77% said their organizations will seek to replace CRM systems with more agile sales engagement tools over the next few years (see Figure 6).

Sales engagement platforms integrate with CRM, data providers, and email systems to help salespeople prioritize and automate communications, activities, and outreach.

Figure 6

"CRM systems have become less valuable to my individual sales reps over the past few years."
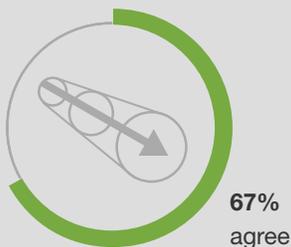
"My sales organization will seek to replace our CRM systems with more agile sales engagement tools over the next few years."

67% agree

77% agree

Base: 84 B2B sales and sales operations leaders at US companies that currently use sales force automation (SFA) solutions
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

Sales leaders are rethinking their use of flagship CRM systems.

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› **Sales engagement platforms generate significant interest among sales leaders.** Three out of four respondents (77%) believe it would be valuable to have a variety of engagement capabilities — including communications execution, activity prioritization, CRM data capture, customer and business insights — in one solution.[2] While adoption of sales engagement platforms is currently low, the same proportion of sales leaders (77%) have some interest (see Figure 7).

› **Sales leaders believe sales engagement platforms can benefit their overall business, sales organization, and customers.** Respondents believe that sales engagement platforms can help increase and improve top-of-the-funnel activities, leading not only to more converted opportunities, but also to greater revenues. They also believe that streamlining seller communications and activities with a sales engagement platform will promote happier customers and happier, more productive employees (see Figure 8-1).

› **Early platform adopters are overperforming against quotas and reaping benefits beyond others' expectations.** Sales engagement platforms are already driving competitive advantage among early adopters. Sales teams that currently use this type of platform are 33% more likely to overperform against their quotas. Additionally, these companies have realized benefits — including revenue growth, increased seller productivity, and increased customer retention — that exceed the expectations of companies that use other tools (see Figure 8-2).

Sales organizations are standing at an inflection point of digital disruption; those that embrace innovative, agile tools are driving real business value, while others are getting left behind.

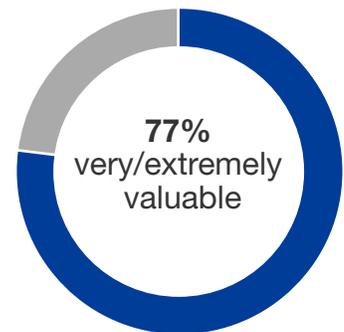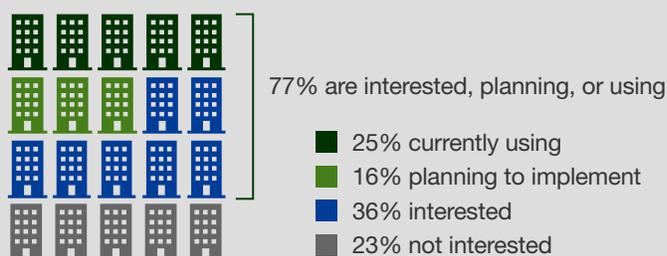**Perceived value of having a variety of sales engagement capabilities in one solution:**

77% very/extremely valuable

Figure 7

"Which of the following best describes your organization's use of a sales engagement platform?"

This type of platform would deliver the following capabilities: automated execution of sales communications, prioritization of seller activities for buyer engagement, automated capture of data into CRM, surfacing of relevant insights to sales reps, embedded functionality within your email or CRM system, and real-time insights for sales managers.

77% are interested, planning, or using

- 25% currently using
- 16% planning to implement
- 36% interested
- 23% not interested

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

While adoption of sales engagement platforms is currently low, 77% of sales leaders have interest in or plans to use one.

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Figure 8-1

"Which of the following benefits [do you believe your sales organization could achieve/has your sales organization achieved] by using a single platform for sales engagement?" (Multiple responses accepted; top five benefits shown)

51% Greater volume of sales opportunities

45% Improved customer satisfaction metrics

45% Revenue growth

44% Increased salesperson productivity

40% Increased employee engagement

Sales leaders believe sales engagement platforms can benefit their business, sales organization, and customers

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

Figure 8-2

Percent of sales leaders who reported that their teams exceed sales quotas modestly or considerably:

39%
Not using a sales engagement platform (N = 122)

52%
Currently using a sales engagement platform (N = 42)
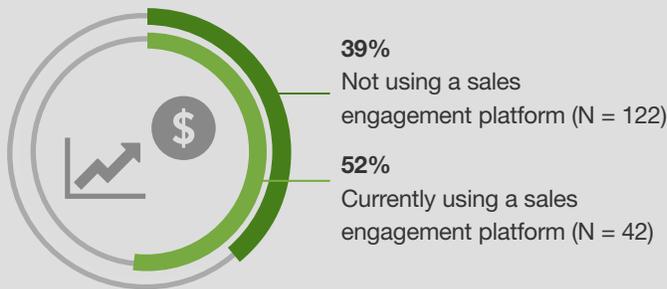
Sales leaders' perceived/realized benefits of sales engagement platforms:

■ Not currently using (perceived benefit) (N = 122)
■ Currently using (realized benefit) (N = 42)

Revenue growth
41%
57%

Increased sales person productivity
41%
52%

Increased customer retention
25%
50%

Early sales engagement platform adopters are overperforming against quotas and reaping benefits beyond others' expectations

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

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Key Recommendations

B2B selling has changed forever; greater access to information puts buyers squarely in the driver's seat. In order to win the hearts and wallets of these buyers, sellers must be proactive with personalized outreach to capture their attention. For years, sales technologies have lagged behind. The primary course of action for many companies was to license CRM tools, but, in many cases, this only exacerbated the problem by forcing sellers to complete more administrative tasks.

It's time to rethink the purpose of sales technology investments. The drivers need to shift from process consistency and visibility to better customer engagement during a customer's moment of need or interest. Forrester's in-depth survey of sales leaders yielded several important recommendations:

Pivot from reactive to proactive nurturing. Marketing's lead generation efforts will go to waste if a sales organization is not proactive about nurturing those leads. Businesses must strive to automate and optimize. Only by doing so will a sales organization be able to engage with and qualify those leads, move opportunities down funnel, and realize the revenue gains promised by marketing. At the same time, sales can leverage the work of their marketing and operations teams by proactively hunting for opportunities with prospects that fit their ideal client profile.

Align with the needs of your sales organization. Sellers want to sell, but far too often they are bogged down with non-sales-related activities, such as updating CRM systems with data that won't help them close deals. Instead, engage your sales force to understand what is holding them back. Align your investments around tools that relieve their burdens, allow them time to sell, and empower them to deliver value for your prospects and customers.

Stop wasting time with niche point solutions. The sales technology market has been flooded with solutions over the past 15 years. Instead of bolting on another solution, focus on untangling the mess that has been created. Look for ways to consolidate disparate functionality onto a single platform. A single platform allows sellers to gain access to the right information at the right time and focus on engaging buyers in their moment of need.
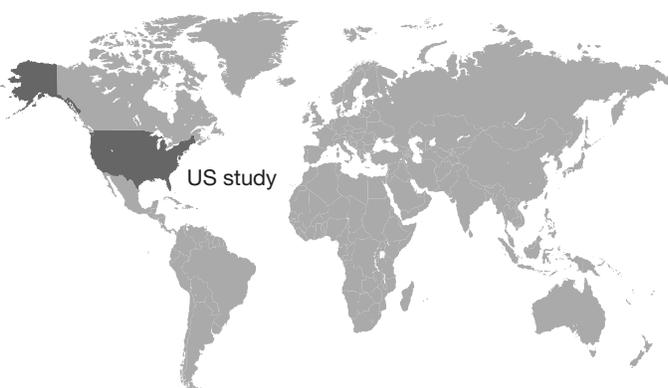
Use sales engagement to rethink your CRM strategy. Ask yourself, "Is CRM where I want my sellers spending their time?" A "no" response does not necessarily mean that you should cancel your CRM subscription. CRM and sales engagement platforms can and should coexist if you use them in the right way: CRM as a system of record for customer data and operational tasks and sales engagement platforms to facilitate the frontline engagement between buyers and sellers. Sales engagement platforms help address the buying needs of modern B2B buyers and the requirements of customer-obsessed sellers, all while providing better quality data to your CRM systems.

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Appendix A: Methodology

In this study, Forrester conducted an online survey of 164 US-based respondents at B2B-focused companies with 50 or more employees and 10 or more sales reps. Respondents worked for companies in the technology, telecommunications, and financial services industries. The study explored whether technology gaps around engagement make it more difficult for sellers to keep pace with, connect with, and support buyers through their purchasing process. Survey participants included decision-makers in sales or sales operations roles with decision-making responsibilities for their organizations' sales technology stack. Questions provided to the participants asked about current approaches and challenges, technologies deployed and planned, interest in sales engagement platforms, and benefits of sales engagement platforms. Respondents were offered a small incentive as a thank you for time spent on the survey. The study began in February 2017 and was completed in March 2017.

Appendix B: Demographics/Data

US study

Industry

Technology services	21%
Technology hardware	16%
Software	16%
Financial services and insurance	16%
Telecommunications	15%
Business/professional services	15%

Respondent role

- ■ New client acquisition
- ■ Account management
- ■ Sales management
- ■ Sales acquisitions

21%	33%	19%	27%

Company size (employees)

- 5% 20,000 or more
- 7% 5,000 to 19,000
- 12% 50 to 249
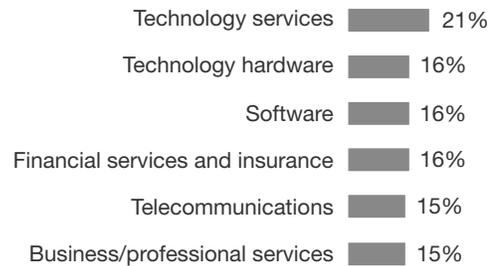- 18% 250 to 499
- 34% 500 to 999
- 24% 1,000 to 4,999

Types of customers/prospects served in role

- ■ Divided thoroughly between customers and business
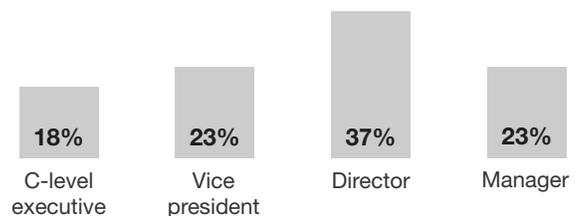- ■ Primarily businesses
- ■ Only businesses
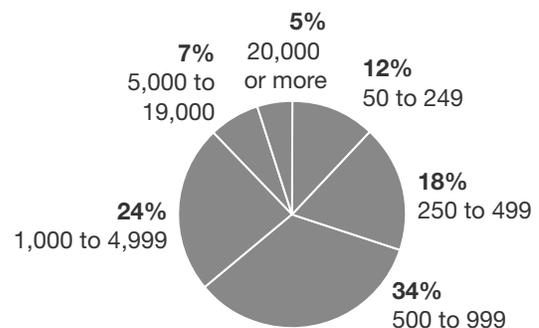
35%	36%	29%

Respondent level

C-level executive	Vice president	Director	Manager
18%	23%	37%	23%

Base: 164 B2B sales and sales operations leaders at US companies
Source: A commissioned study conducted by Forrester Consulting on behalf of Outreach, March 2017

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Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

"How To Improve Your Top Line With Salesperson-Centric Software," Forrester Research, Inc., October 5, 2016

"Prescriptive Advice: The Salesperson's Crystal Ball," Forrester Research, Inc., March 7, 2017

"Brief: Find The Right Sales Efficiency-Effectiveness Balance," Forrester Research, Inc., September 28, 2016

Appendix D: Endnotes

[1] Source: "How To Improve Your Top Line With Salesperson-Centric Software," Forrester Research, Inc., October 5, 2016.

[2] The question presented to respondents was phrased as follows: "How valuable would it be to have a single solution that delivered the following capabilities: automated execution of sales communications, prioritization of seller activities for buyer engagement, automated capture of data into CRM, surfacing of relevant insights to sales reps, embedded functionality within your email or CRM system, and real-time insights for sales managers?"

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