

**Report on sales
and marketing alignment**



**Examining the
relationship between
B2B sales and marketing
teams in the era of ABM**

Kingpin

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Executive summary: Why are we researching this?

With the rise of ABM, more businesses are talking about sales and marketing alignment than ever.

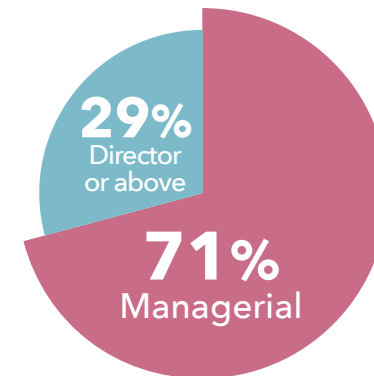
Alignment is a key objective for the majority of B2B tech businesses, with many already claiming to have achieved it. But how do these goals and claims marry up to reality?

Our research aims to provide answers to this and to improve our understanding of how much the definition of alignment varies across the industry.

To do this, we surveyed **209 senior sales and marketing professionals** working in organizations offering technology services in the EMEA and US.

Disclaimer: At an overall level, results are accurate to $\pm 6.8\%$ at 95% confidence limits assuming a result of 50%.

About the survey respondents:



Why alignment is important:

- Sales and marketing alignment can lead to a **32%** increase in year-over-year (YoY) revenue growth (**Aberdeen Group**).



01

Executive summary: What is alignment?

In analyzing the results, we must first attempt to define what alignment means, as its definition and how it is measured can differ greatly not just between the two teams but also with different survey respondents.

In a Harvard Business Review paper on the subject, alignment between sales and marketing is defined as:

“working toward the same destination”

(Kotler et al; 2010)



01

Executive summary: What is alignment?

This definition can refer to a number of different practices, including collaborative/joint KPIs, regular meetings or a strong joint understanding of the business and its goals.

It is essential that we identify the factors that contribute to alignment if we want to understand the best processes and strategies for its delivery.

The subjective definition of **"alignment"** in a sales and marketing context can not only be difficult for sales and marketing teams charged with delivering it, but also for those tasked with measuring it.

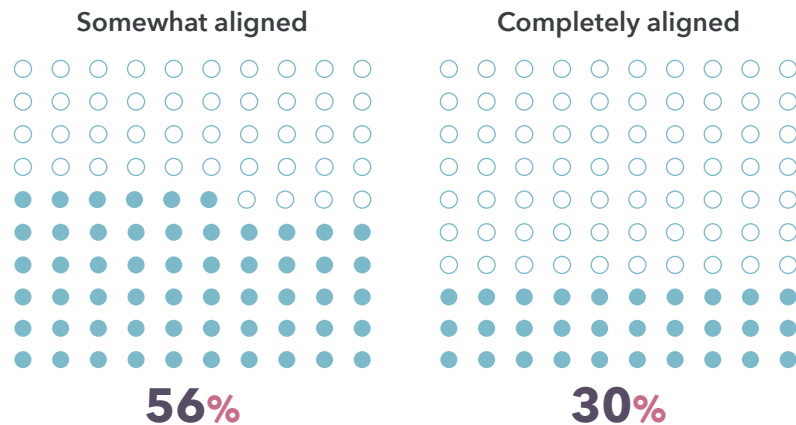


02

Marketing and sales are not equally confident in their alignment

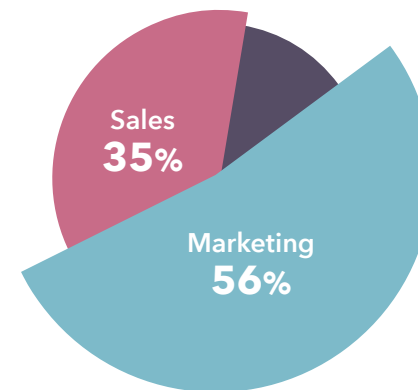
Over half of those surveyed (**56%**) believe the sales and marketing departments in their organization are **somewhat** aligned, while only in three in 10 say they are **completely** aligned (**30%**).

Percentage of sales and marketing who feel they are aligned between departments



Interestingly, more marketers feel positively about the alignment of their organization than those working in sales. In fact, **53%** of marketing believe their companies are **very aligned** compared to just **35%** of sales.

Percentage of those asked who feel they are very aligned with the marketing/sales



02

Marketing and sales are not equally confident in their alignment

The difference between the responses from sales and marketing can help us begin to find meaning in the survey results.



By analyzing data **comparing the outlook of each team**, we will be able to reach a better understanding of how each defines **alignment** and how it can be improved going forward.

Why alignment is important:

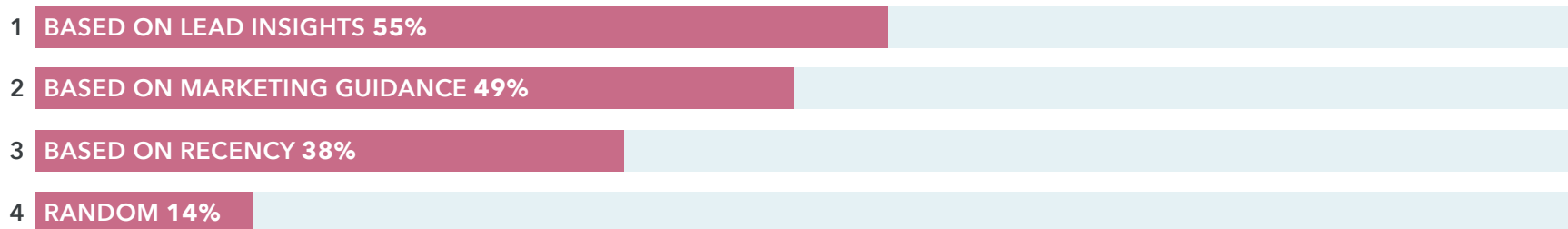
“The silos between sales and marketing departments are a long-standing issue throughout every industry. The problem with misaligned sales and marketing teams is the inefficient processes that arise, ultimately wasting time.” - **Marketo**



How do sales prioritize leads?

More than half of sales professionals decide which leads/accounts to prioritize based on lead insights **(55%)** and on marketing guidance **(49%)**.

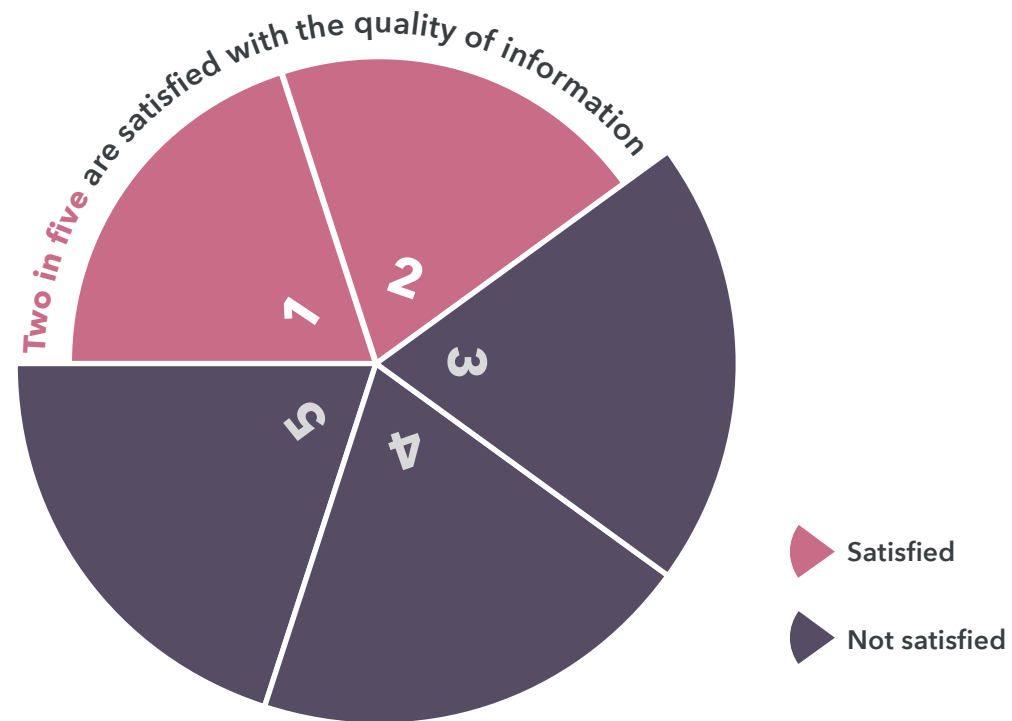
How do sales prioritise leads?



How do sales prioritize leads?

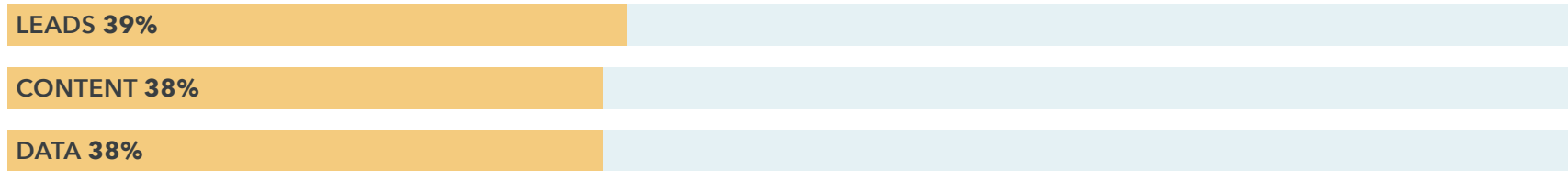


But in spite of this,
only around
two in five are
satisfied with
the quality of
information that
marketing provides.



How do sales prioritize leads?

Percentage of sales **very happy** with the quality of:



04

But marketing does think sales follows up leads effectively...

Three in five marketing professionals think the sales team is very effective at following up on leads **(60%)** and subsequently using data and other insights to drive conversions **(58%)**.

VERY EFFECTIVE AT FOLLOWING UP ON LEADS 60%

A horizontal bar chart with a dark red segment representing 60% and a light blue segment representing the remaining 40%.

USING DATA AND OTHER INSIGHTS TO DRIVE CONVERSIONS 58%

A horizontal bar chart with a dark red segment representing 58% and a light blue segment representing the remaining 42%.

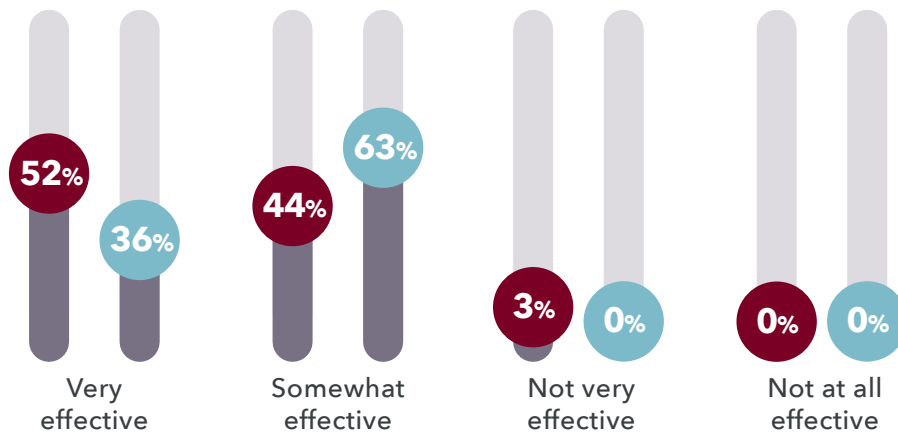
1 in 2 Marketers think Sales do a very effective job, but the feeling isn't mutual

How most sales and marketing teams view their current state of alignment will be largely influenced by two factors: **their opinions of each other and their opinions of themselves.**

How effective are sales/marketing at their job?

● What marketing think of sales

● What sales think of marketing



39% of marketing professionals think they could do a sales job very easily.

Only **30%** of sales professionals think they could thrive in a marketing position.

39%

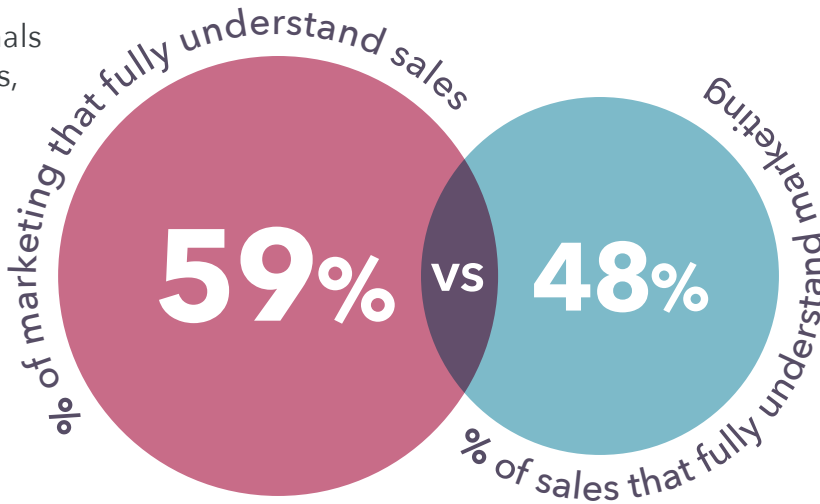
30%



1 in 2 Marketers think Sales do a very effective job, but the feeling isn't mutual

Overall, more marketing professionals claim to fully understand the targets, strategies and day-to-day work of sales than vice versa.

This could explain why marketing would feel more equipped to take on a sales role than vice versa.



Cultural differences:

- In general, more respondents from the US think they could do the job of the other department very easily (**41%**) compared to UK respondents (**28%**)

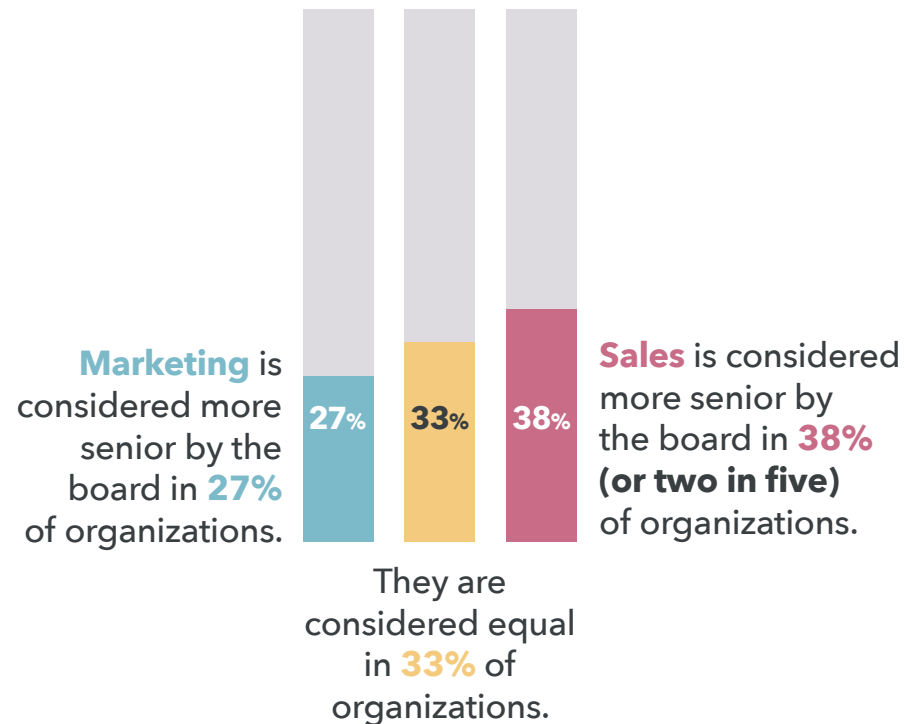


06

Seniority is in the eye of the beholder

Another contributing factor to the mixed perceptions of sales and marketing could be that sales are considered more senior at board level in **38%** (or **2 in 5**) of organizations.

This is not always the case however and marketing are considered more senior in **27%** of organizations.



06

Seniority is in the eye of the beholder

It is interesting to note here that respondents believed, for the most part, that their own departments were the most senior.



Those in sales are more likely to say sales is more senior than marketing **(57% vs 19%)**, while those in marketing are more likely to say that marketing is more senior than sales **(46% vs 9%)**.

Did you know:

- Mid-size companies (**100-500 employees**) are more likely than smaller ones (**fewer than 100 employees**) to have a more senior marketing team (**36% vs 18%**), and less likely than larger companies (**500+ employees**) to have sales at a more senior level (**26% vs 41%**)



Only half of sales and marketing teams have a shared definition of leads/accounts

Sharing the same definitions of key metrics across the business, including that of alignment, is crucial to setting feasible targets and creating effective processes. And, of course, in achieving alignment itself.

Having a shared definition/clear distinction between the terms lead and account is crucial.

This is especially important once you consider that almost half of organizations work with both qualified leads and accounts (**47%**) and that just over half of organizations (**51%**) actually have sales and marketing teams dedicated to key target accounts.

It is therefore interesting to discover that only **50%** of organizations have a shared definition of a qualified lead/account between sales and marketing teams.



...and only a third share joint KPIs

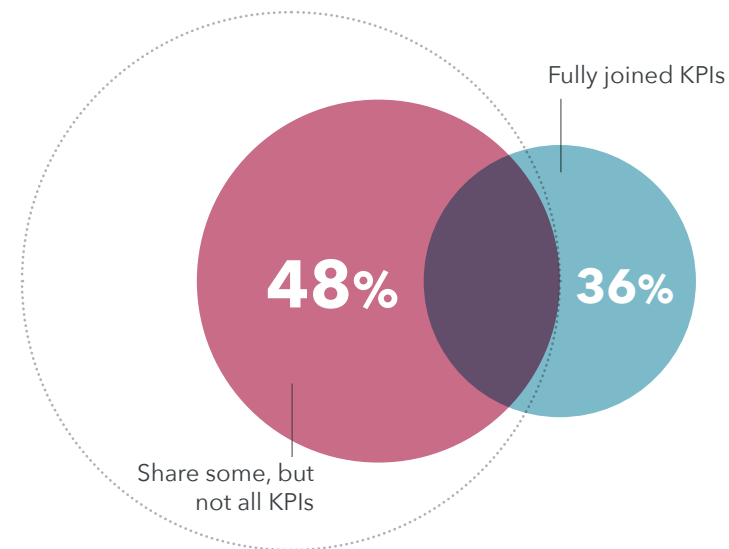
In **36%** of organizations, marketing and sales have **fully joined KPIs**.

Almost half (**48%**) of sales and marketing teams **share some, but not all KPIs**.

Having joint KPIs is a strong step towards alignment but it is just as important to have a shared understanding of what those KPIs mean.

Sales and marketing teams can begin to truly align their goals by improving collective understanding of KPIs and the widely used terms across an organization.

In many cases, they should increase the number of **shared KPIs** so they are more aligned.



Where the two come together

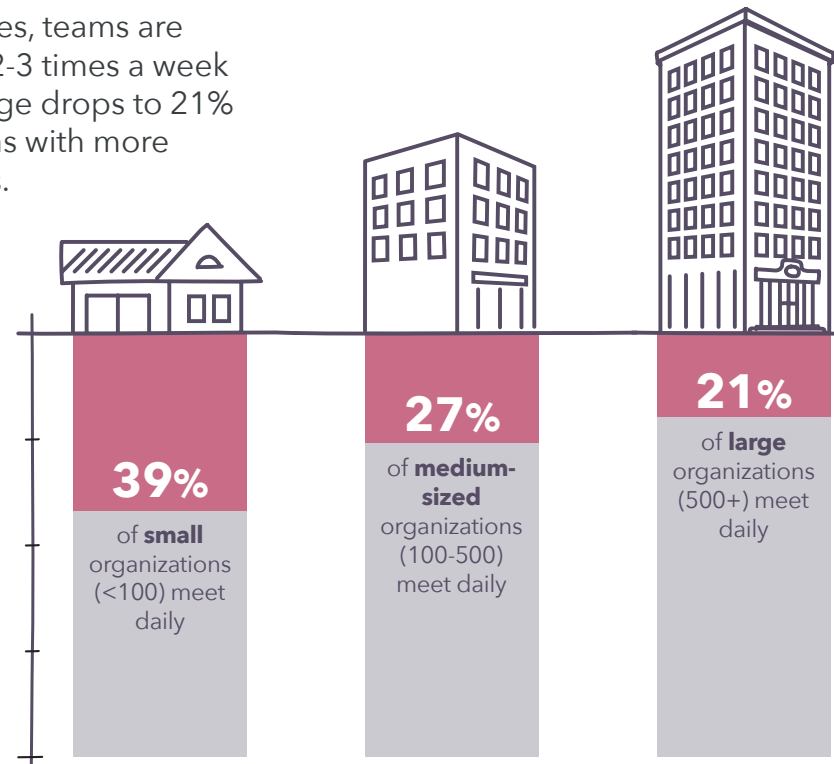


Although our survey highlighted a few areas for improvement, it also demonstrated that sales and marketing are not as far apart as they might once have been.

Communication and regular meetings are the best ways to ensure that the two teams are working towards the same goals. Our survey found that most sales and marketing teams are currently performing well in this area.

In smaller organizations (<100 employees), sales and marketing teams are more likely to meet daily compared to larger organizations (500+ employees) (39% vs 21%).

In mid-size businesses, teams are most likely to meet 2-3 times a week (45%). The percentage drops to 21% in large organizations with more than 500 employees.



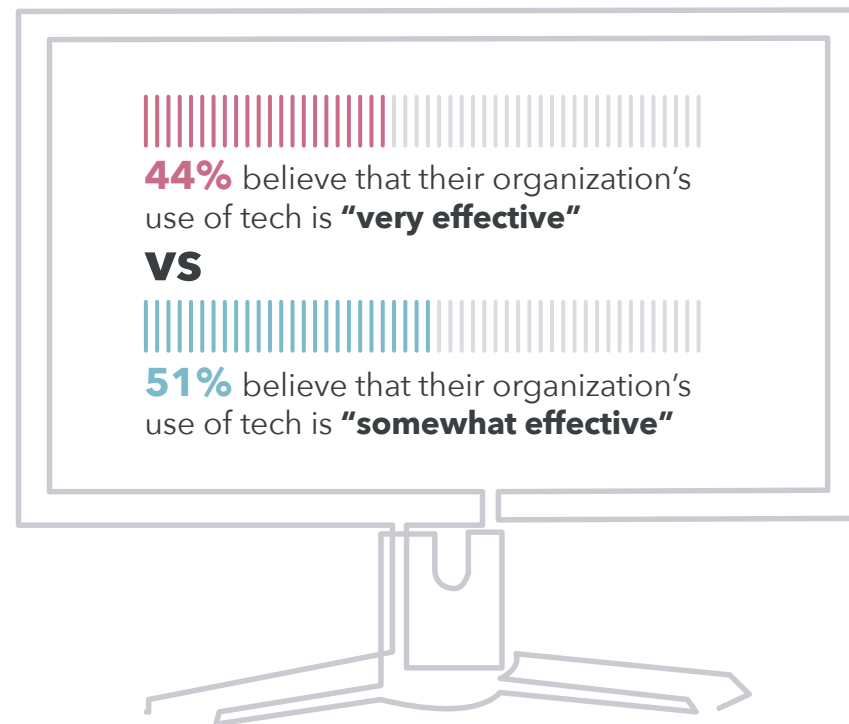
Where the two come together



Additionally, respondents stated that the technology they use helps them work together more effectively.

Over two in five believe their organization's use of technology is "very effective" in aligning sales and marketing (**44%**), while just over half believe it is "somewhat effective" (**51%**).

Naturally, this leaves opportunities for some organizations to refine and optimize their martech stack to help with alignment. As more organizations move further towards integration, the demands they place on their tech may too develop.



How can organizations continue to push for improved alignment?

This kind of research sometimes raise more questions than answers. And in this case, we are left to consider why marketing and sales feel the way they do about alignment.

- Does marketing perceive itself as more aligned with sales because it is driving the alignment?
- Is marketing naively optimistic about what is happening with the leads and insights it has generated and shared?
- Does marketing want to believe that its hard work translates into more value than it actually does?
- Do sales teams have a natural tendency to bend the truth?
- Do sales teams claim to follow up more leads than they do to get the marketing team “off their back”?
- Does sales need more time to adapt to ABM because it is driven by marketing?



Our take on sales-marketing alignment

Review team structure and business processes

Rethinking your team structure and how your business processes operate can help better define areas of responsibility and seniority and improve your cross-team communication.

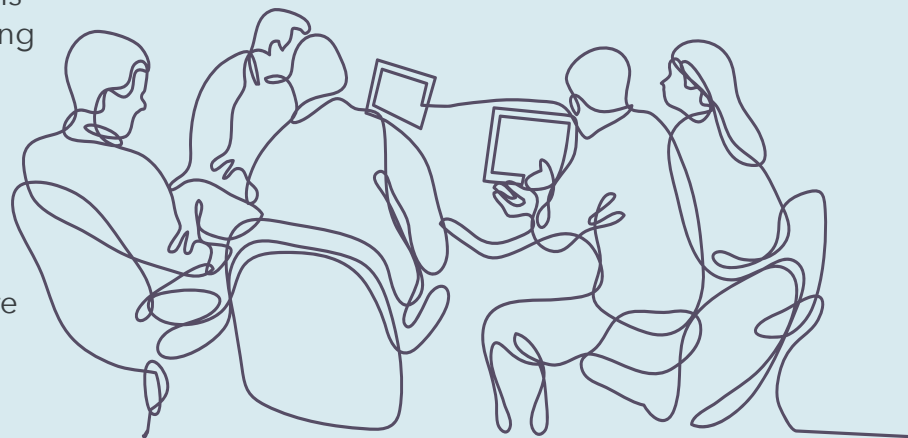
To become more aligned, both teams should work together to better define their unique roles and responsibilities.

Our research found marketing saying it has a better understanding of sales' role than the reverse, but this can be fixed by introducing clear role specifications, which everyone can be educated on.

Misalignment of the two teams can be worsened by underlying tensions - particularly over the unspoken battle for seniority.

Our research showed that both departments commonly thought of themselves as more senior than the other.

By clarifying seniority and responsibilities through job specifications, communication and accountability could be improved.



Our take on sales-marketing alignment

Reducing waste of time and resources

By knowing who is doing what, how and when, organizations will boost efficiency and less time will be wasted by the two teams on repetitive or useless tasks.

To further reduce waste, marketing and sales must also focus on improving communication of key ideas, terms and metrics.

It is common to hear marketing teams complain about sales teams being too busy to share their insights and experiences.

Likewise, sales teams will frequently question the purpose behind marketing's actions or their actual role, as their job is often less "visible" than their own.

Typical areas for improvements in communication include the clarity of sales feedback and the purpose of certain marketing activities.

Sales teams working on a commission basis are likely to be even less willing to share their time with marketing. In these cases, clear incentives should be introduced for salespeople to share their time.

Another easy way to improve communication is to physically locate marketers and salespeople in the same area.



Our take on sales-marketing alignment

Agree on strict lead criteria and follow-up practices that are specific to your organization

Our research suggests that while marketers sometimes complain of sales not following-up leads properly, sales are more frequently dissatisfied with the quality of the leads and insights provided by marketing.

According to research from Marketo and ReachForce, sales ignores up to 80% of marketing leads. It is therefore essential to define strict criteria for insights, leads and their follow-up process.

Sales and marketing should be more transparent about what they actually do to gather, and follow-up leads and insights on a daily basis.

They can then work together to develop more efficient practices that fit into the daily routines of each department's role to build company intelligence and maximize outcomes.



Our take on sales-marketing alignment

Ultimately, organizations must work to shared goals and KPIs

Marketing and sales will sometimes have conflicting methods of doing things and measuring outcomes.

Marketing traditionally has less tangible KPIs than sales. Measuring those KPIs can be more difficult as there are more “unseen” elements to the role.

Marketing projects are often long term and include generating qualified leads that are durable and can be nurtured to prove marketing ROI in the long run.

Sales goals and everyday tasks are a lot simpler and more trackable. Sales professionals are more focused on deals and revenue growth, as well as problem-solving for clients and prospects alike.

The actions of sales will usually spur an immediate outcome. As a consequence, this can mean that sales is often only interested in marketing offerings that also show an obvious and immediate impact.

This results in less willingness to consider and understand marketing’s longer-term view.

The organization must set KPIs that incorporate the needs of both teams and reflect the value of each action.

This ensures that marketing is credited for their work more often.



Our take on sales-marketing alignment

This is where technology can help.

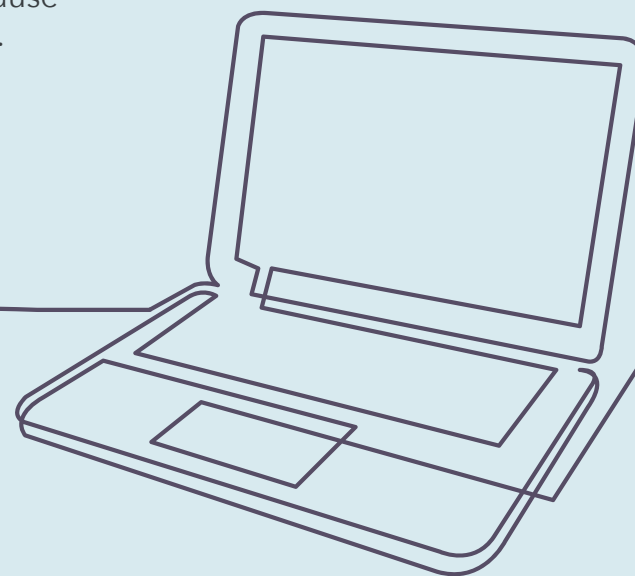
The MarTech landscape can be confusing and overwhelming, but there is a variety of insight and data validation tools that can help with alignment. Platforms like Argus can help to align and track shared goals.

Argus is a powerful ABM and marketing automation tool that enables one-to-one conversations with prospects instead of just one talking to many.

Argus is a demand orchestration solution that goes beyond data validation by enriching it. By allowing users to view all of their prospects in one place, Argus can alleviate some of the difficulties which generally cause sales and marketing teams to clash.

For more information about Argus, visit argusintent.com.

For maximum benefit, marketing must ensure the methodology, process, and terminology used to support these efforts is in alignment with and created in collaboration with sales.



Our take on sales-marketing alignment

Where do we draw the line between alignment and integration - and should we even be pushing towards integration?

Integration occurs when the divisions between sales and marketing teams disappear and their targets, goals, metrics, and day-to-day activities become a joint, shared effort.

David Brock describes alignment between marketing and sales like an Olympic relay, whereby marketing starts the race and then hands off the baton for sales to get over the finish line.

Brock says integration is more like basketball: each team player knows their clearly defined role, but they are still adaptable and nimble.

“This nimble marketing and sales team can change, based on the way the customer changes-‘passing the ball’ from one to the other to most effectively achieve the goal.

If we want to engage the customer most impactfully and effectively, we need to stop looking at marketing and sales alignment, and start talking more about marketing and sales integration.”- **David Brock**

“Alignment means that sales and marketing are working to the same end goal but running alongside in parallel and how they get there differs, which often is the source of friction. This is backed by results we’ve seen.

Integration means that sales and marketing are consistently working together to set, monitor and reach joint KPIs and targets. Integration is the key to ABM, but it will take senior management from both functions to lead this in practice.” - **Matt Ramsay**



Our take on sales-marketing alignment

Integration is the solution to barriers created by budget-sharing and traditional strategic differences. As such, integration will be heavily dependent on senior members of an organization taking hold of budget distribution to remove economic barriers and taking an objective hand in reforming business processes so they meet the needs of both teams.

Naturally, salespeople and marketers will be of different dispositions and have different sources of motivation in their day-to-day work. For integration to work, the values of each team and each individual must be recognized to draw out their true value.

How fully integrated teams' function will differ from company to company as roles and responsibilities will be formed to fit each organization. In larger businesses it may be necessary to employ a chief officer to overlook activities and prevent either team from gaining too much influence or budget over the other.

Marketing should be asked to think more about the immediate outputs of their strategy; sales should be asked to consider the long-term goals.

The very foundations of an organization must adapt for integration to occur fully. The systems, technology and budgets must be put in place to allow the team to understand and tackle tasks as one.

Irrespective of whether your goal is alignment or integration, the key levers are the same: **regular and open communication**, clear, shared understanding of objectives, KPIs, and processes and a strong, **collaborative process** for dealing with leads and accounts.



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