



THE STATE OF SALES

2017

HOW COMPANIES ARE WINNING
THROUGH STRUCTURE, SYSTEMS,
AND PROCESS

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EXECUTIVE SUMMARY

There is no such thing as a permanently successful company. All organizations do great things and not so great things. Some leaders get trapped into believing the reason companies grow is because of one factor. These leaders think, “if only we had this or that, we could be successful”. Growth is not a one-time thing. It’s a combination of well-executed strategies working in parallel with market forces and trends. Some of the elements of success are more controllable and more easily recognized than others. In most cases, understanding and predicting industry-based economic trends is more difficult than hiring the right talent or building an optimal go-to-market-sales structure. Both are important and both need to be understood but maximizing what is under the span of control of individual leaders is what separates good from great. To do this, leaders should study what their company did or what other companies have done to produce positive results and find a way to replicate it.

XANT Labs, in partnership with the American Association of Inside Sales Professionals (AA-ISP), Top Sales World, and the Association of Professional Sales (APS) studied 1,151 companies across the focus areas of structure, systems, and people to determine what these entities focused on to win. In addition, the study completed a benchmarking exercise using sales pipeline metrics.

STRUCTURE

It has often been argued that outside sales and inside sales are at odds with one another. Inside sales offers a leaner and more automated approach while outside sales capitalizes on the in-person interaction and the power of face-to-face communication. Which go-to-market model is better? Which model is right? Using census data, the estimated number of professional sales people in the U.S. in 2017 is 5.7 million and that number is expected to grow to 5.9 million by 2024. According to the research, inside sales professionals (reps who primarily sell remotely) represent 47.2% of the 5.7 million and outside sales professionals (reps who primarily sell face-to-face) represent 52.8%. This trend is different in Europe with companies reporting 37.1% of their sales force as inside sellers and 62.9% as outside sellers. The global numbers will most likely continue towards equilibrium as companies report the ideal split of inside and outside sales at 50/50 (49.4% for inside sales and 50.6% outside sales). With this shift, the lines between inside and outside sales continue to blur as outside sales reps spend almost half of their time (45.4%) selling remotely (an increase of 89.2% from 2013). In addition, companies report the primary purpose of inside sales is to create a model which more appropriately supports the field (86.1%).

Outside versus inside is one of many go-to-market structural decisions companies must make. In addition, other functional role specializations must be considered as well. Our analysis showed that large organizations (revenue > \$500M) are currently

dominated by field sales reps (71.2%) but this number is expected to continue to decrease to 69.8% in 2018.

Organizations with revenue over \$500 million capitalize more than any other on the benefit of the channel function (69.4% higher than the average). Midsize organizations (revenue \$50M-\$499M) have the highest number of roles with 4.4 (12% higher than the average). This occurs with the introduction of the specialized roles, account management (16.9% higher than the average) and renewals (19.2% higher than the average). Small organizations (revenue <\$50M) have the highest percentage of inside sales reps (47%), but they leverage the outbound sales development role more than any other size of company with 67.1% of small companies saying they use this role.

SYSTEMS

Sales technology has become an extremely important part of every sales team's makeup and organization. Using US census data, the overall spend on sales technology is \$15.9 billion¹. In the research, companies reported the average annual spend on sales technology was \$4,581 per rep per year, an increase of 22.0% from 2014 after adjustment to exclude CRM. Interestingly, Europe spent slightly more per rep than the US with an average of £4,508 (\$5,950) compared with \$4,622.

The \$4,581 covers an average of 5.2 categories of sales tools per rep. Low end-commodity tools were as low as \$10 per rep per month while high-impact tools were as much as \$200 per person per month with the average tool costing \$73 per rep per month. The most popular tools were:

- CRM
- Social prospecting
- Presentations
- Pipeline management
- Data/list services

Interestingly, technology spend per rep varies significantly by size of company. Large organizations don't appear to recognize the value of sales technology as their average spend is \$3,143 per rep annually compared to \$5,207 per rep for medium size companies, and \$4,639 per company for small organizations. Large, medium and small companies spend similar amounts on sales technology in relation to their reps' compensation (5.8% of on-target-earnings). This percentage is expected to increase across the board to 6.5% next year.

¹ Because our 2014 study didn't include CRM, this comparison excludes CRM. The estimate including CRM is \$26.2 billion. Capterra estimated the average spend per CRM license was \$150 per month.

PEOPLE

To retain top talent, companies need to pay market value for their people. The study revealed the average base salary for inside sales account executives is \$42,833 with an average on-target-earnings (OTE) of \$96,299. In the US, OTE tends to be higher (\$111,170) than in Europe (£73,219 or \$98,058). The mix between base and variable was a 47/53 split with 47 for the base and 53 for the variable. The average quota for an account executive was \$793,566 with 60.9% of reps achieving that number each year. With these compensation structures in place, the average tenure of a rep is four years and it takes 5.2 months on average to reach full production. With tenure and ramp, a rep is at full productivity for 3.6 years.

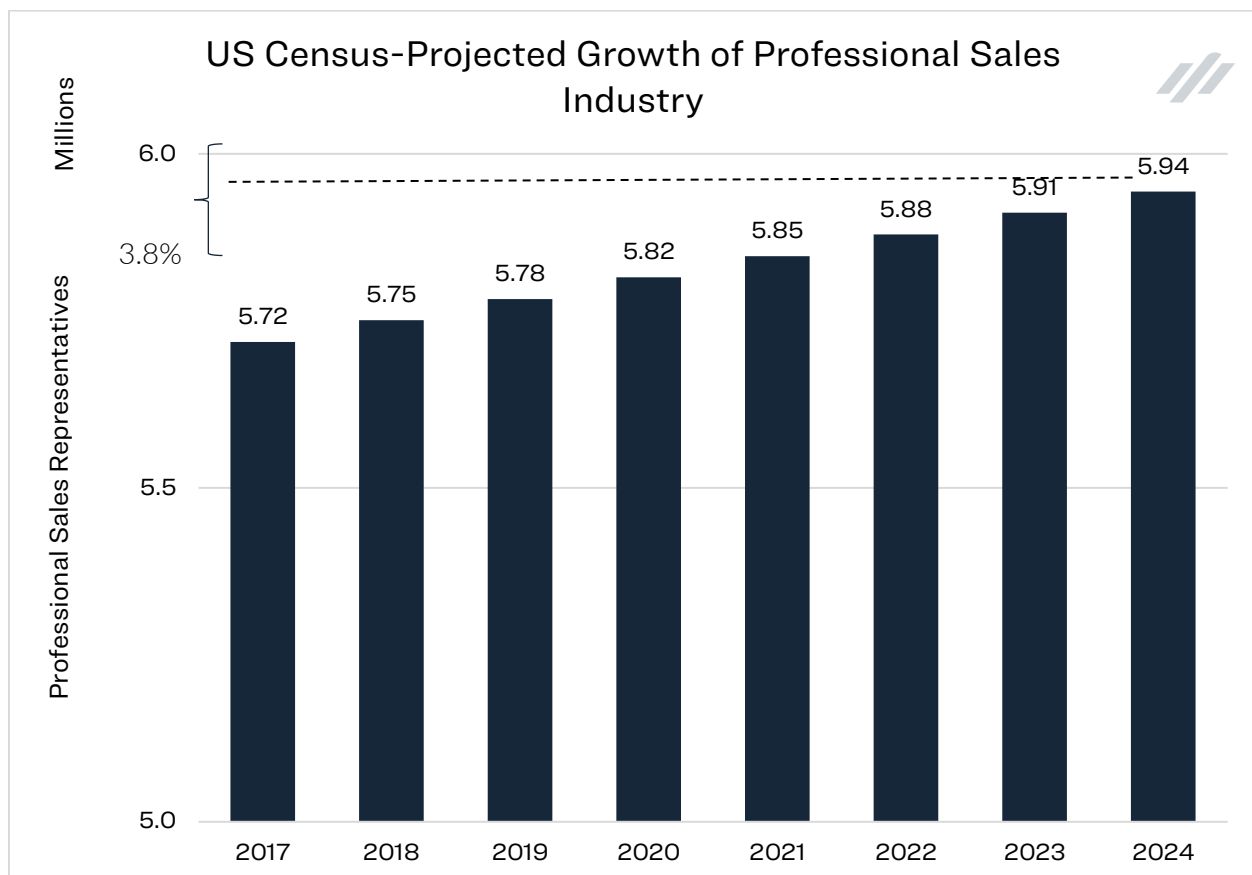
PIPELINE

Most companies track sales metrics in a similar way but very few tools exist to help companies determine where they are in relation to others on important pipeline numbers. To understand and provide benchmarking capabilities, companies reported sales pipeline numbers. Account executives send an average of 34.5 emails per day with phone calls 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 for a market average close rate of 24.8%.

STRUCTURE

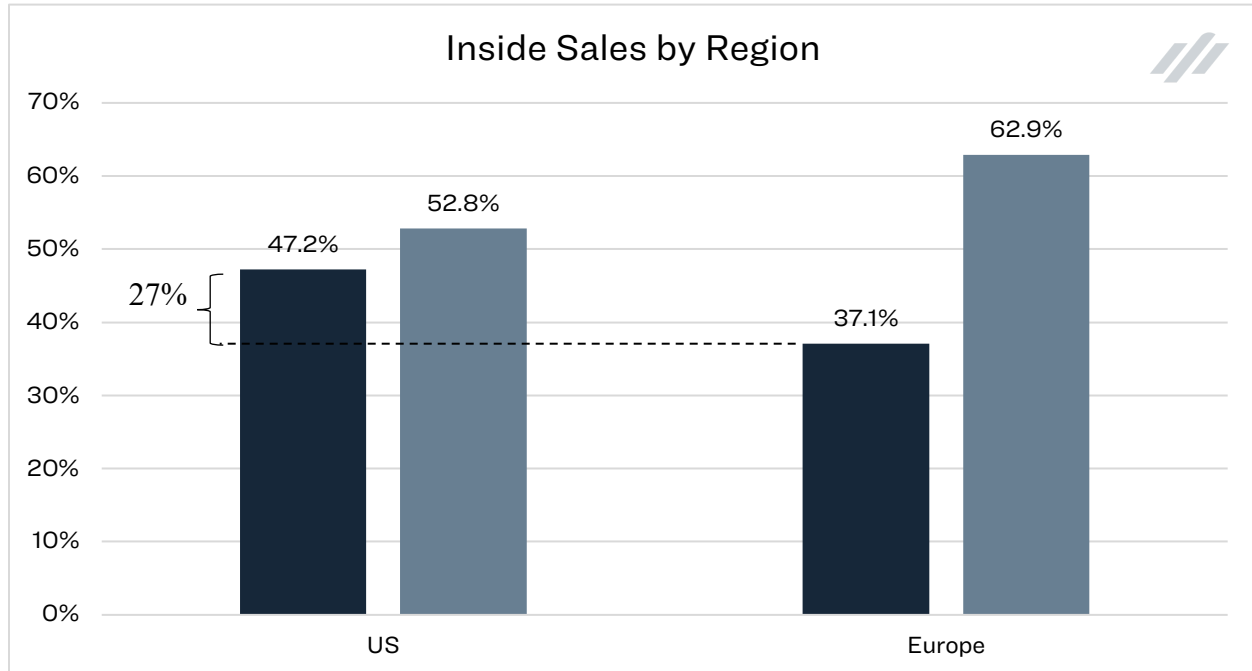
There are 5.7 Million Professional Sales People in the US

Companies often wonder how fast the world of sales is growing. The best way to figure this out is to use census data. Although sometimes difficult to analyze, the census provides the most accurate information on job roles. When examining the US census for professional sales representatives, excluding retail sales, the current number is 5.7 million and that is expected to increase to 5.94 by 2024 - a modest 3.8 percent increase.



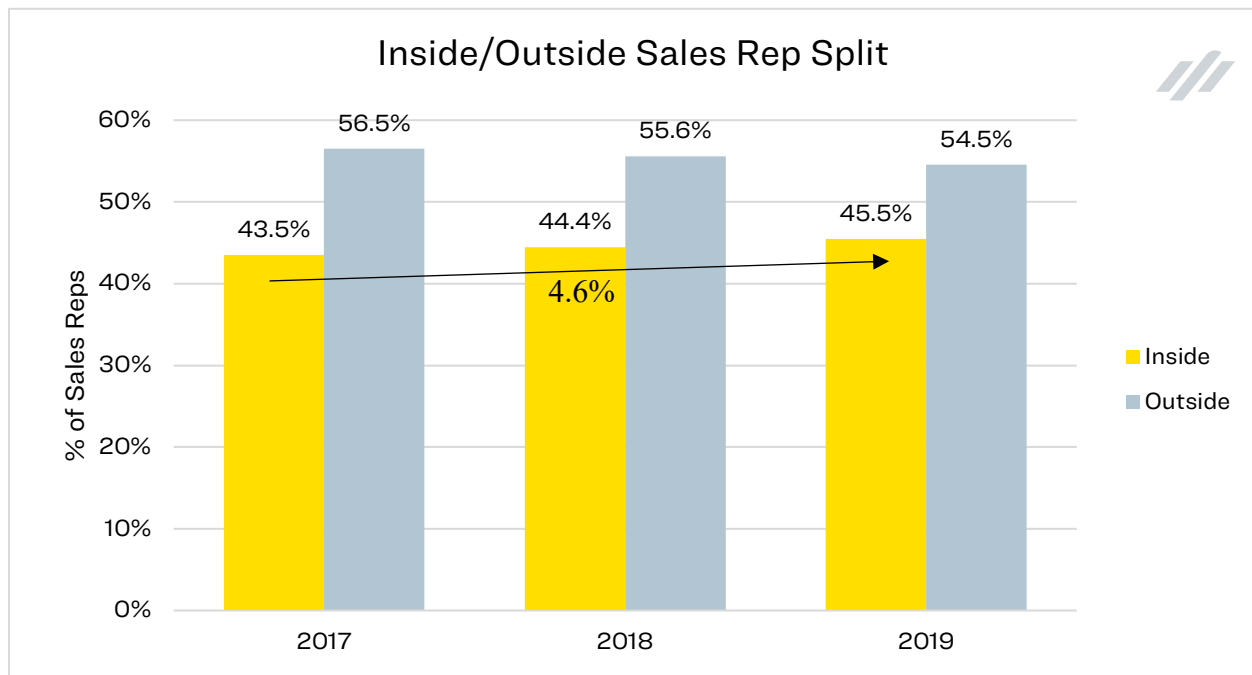
The US has 27.2% Higher Percentage of Inside Sales Reps Than Europe

As you consider the 5.7 million professional sales people in the US, 47.2% are considered inside sales (rep who primary sell remotely) and 52.8% are considered outside sales (reps who sell primary face-to-face). If you compare the US split to Europe, you see a large shift with 37.1% inside sales and 62.9% outside sales. The difference between the US and Europe for inside sales is 27.2 percent.



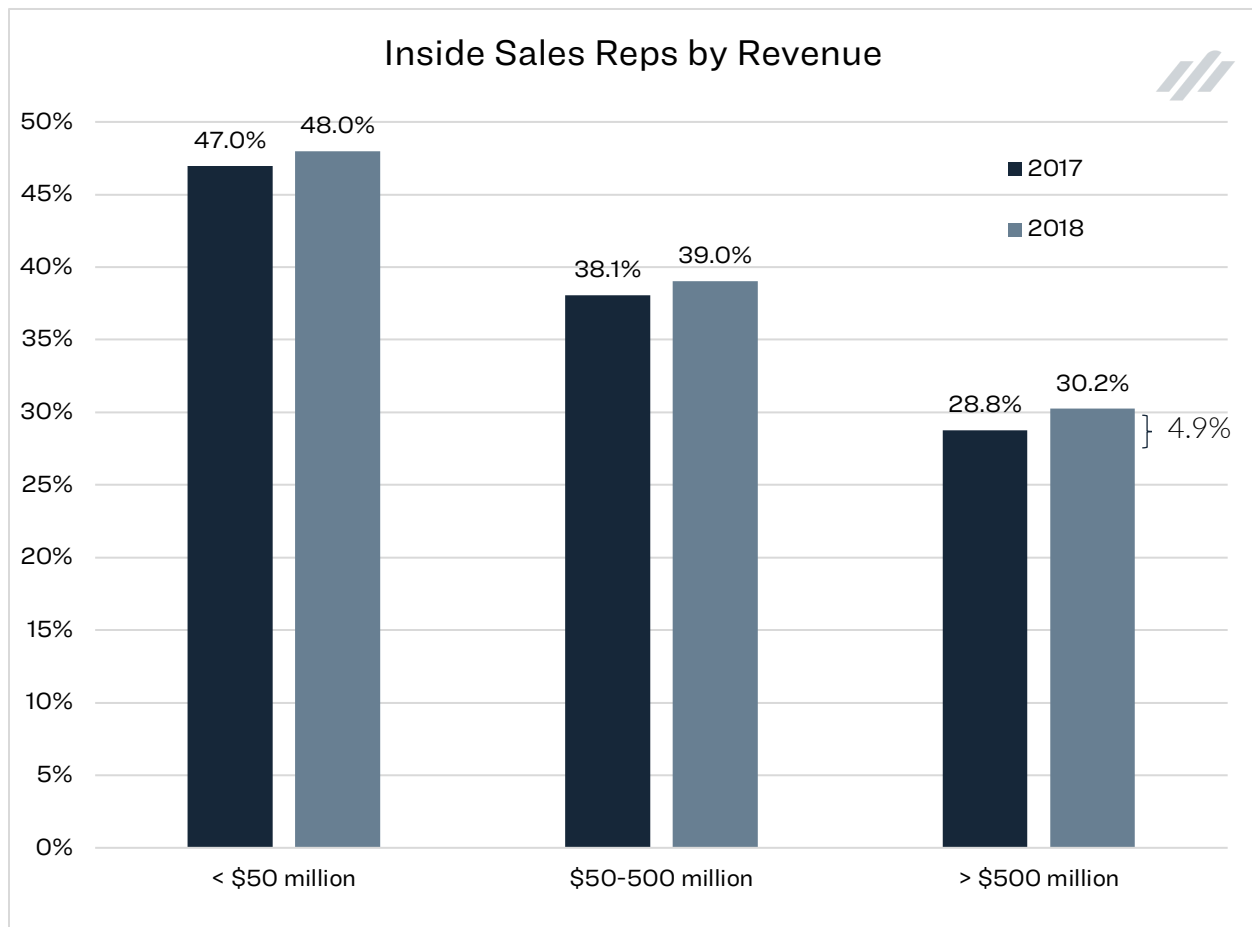
The Percentage of Inside Sales Reps is Expected to Increase 5% by 2019

Outside and inside sales are sometimes pitted against each other as competitors rather than teammates. We see this trend changing and it starts with the overall percentage of inside and outside sales people. In 2017, inside sales made up 43.5% of professional sales people but that number is expected to grow by 4.59% in 2019 as it moves towards sales teams being nearly a 50/50 balance of inside and outside sellers.



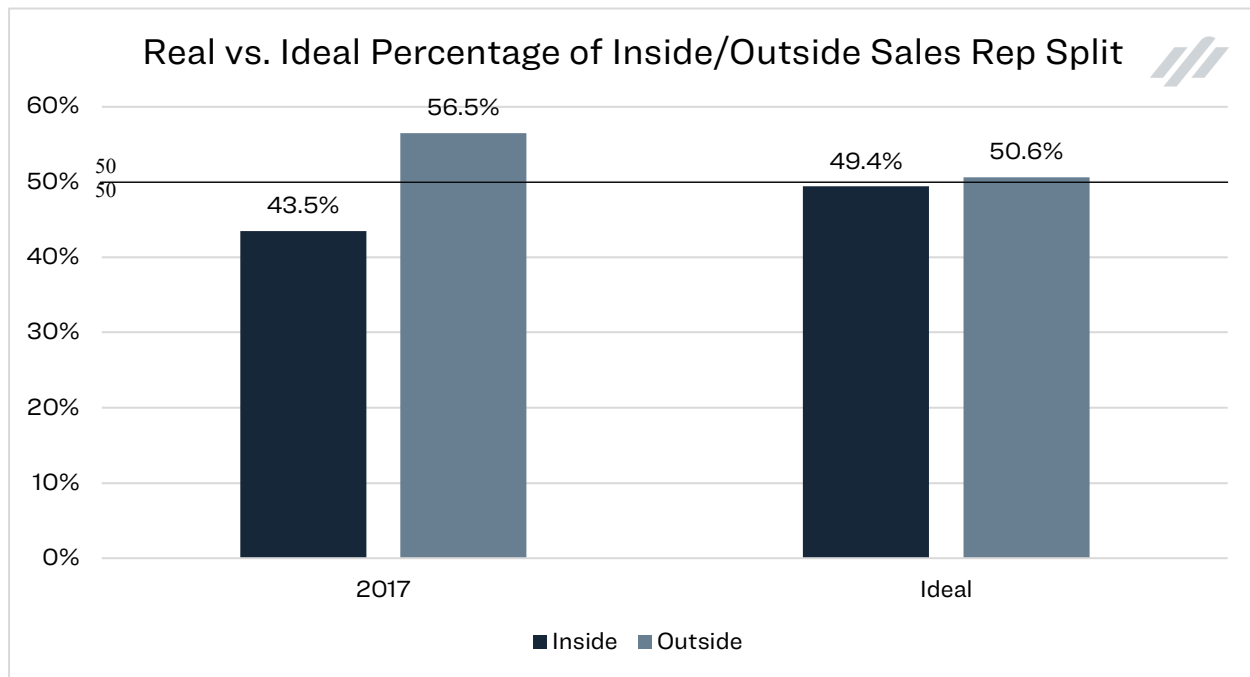
Enterprise Companies Will Experience the Biggest Growth in Inside Sales in 2018 (4.9%)

Small companies have the highest percentage of inside sales professionals and that trend looks to continue. Interestingly, large companies are continually adding inside sales and from 2017 to 2018, large companies expect to see the biggest increase with 4.9 percent.



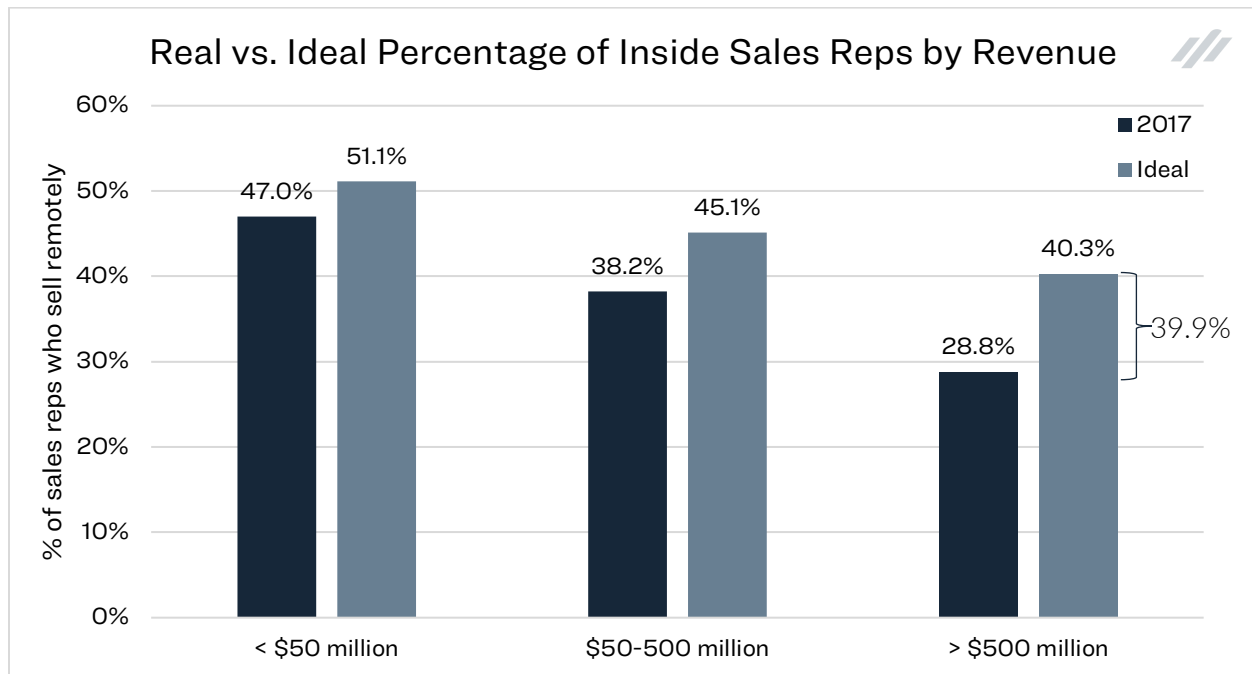
The Ideal Split of Inside and Outside Sales is 50/50

The percentage of inside and outside sales reps per company is continuing to move towards equilibrium with current numbers standing at 43.5 percent inside and 56.5 percent outside. The main reason for the continued move is most companies report the ideal split to be nearly 50/50 (49.4 percent inside sales and 50.6 percent outside sales).



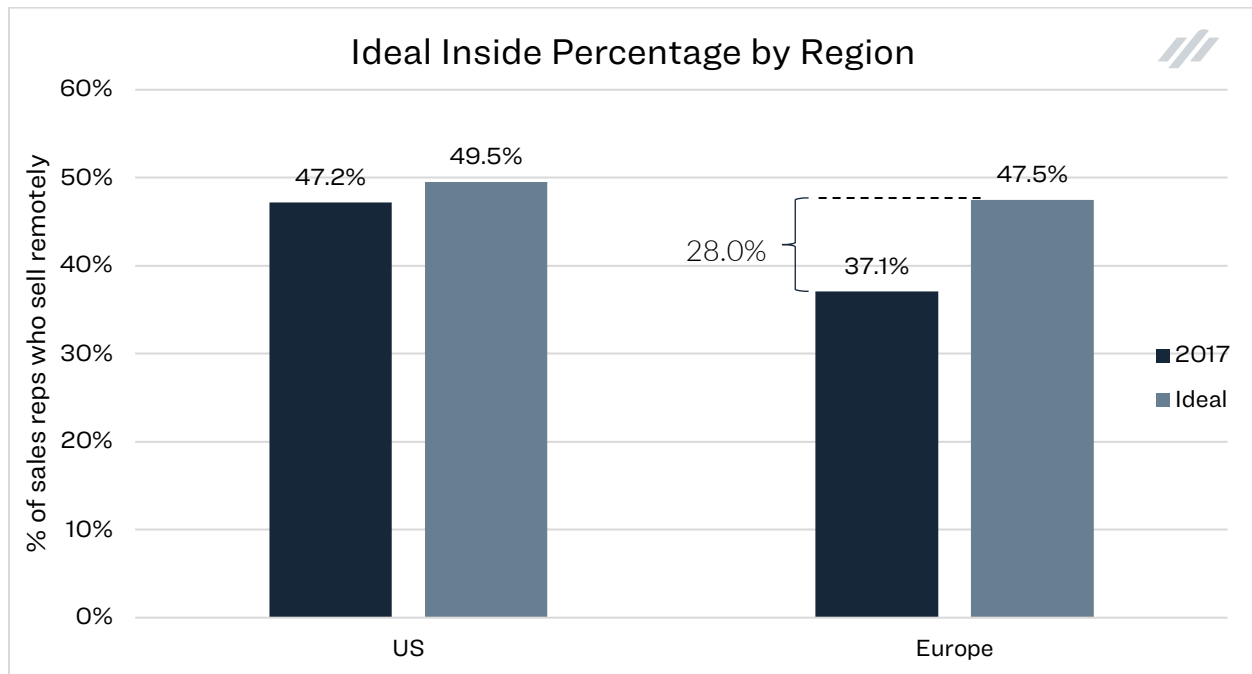
Enterprise organizations believe their sales teams should be 40/60 split of inside sales to outside sales

Most people think the ‘ideal split’ perception comes predominantly from small companies but that’s far from the truth. Even large companies believe their workforces should be more balanced. In fact, when examining large companies, they had the biggest jump (39.9 percent) in where they are today (28.8%) and where they believe their sales team should be (40.3%).



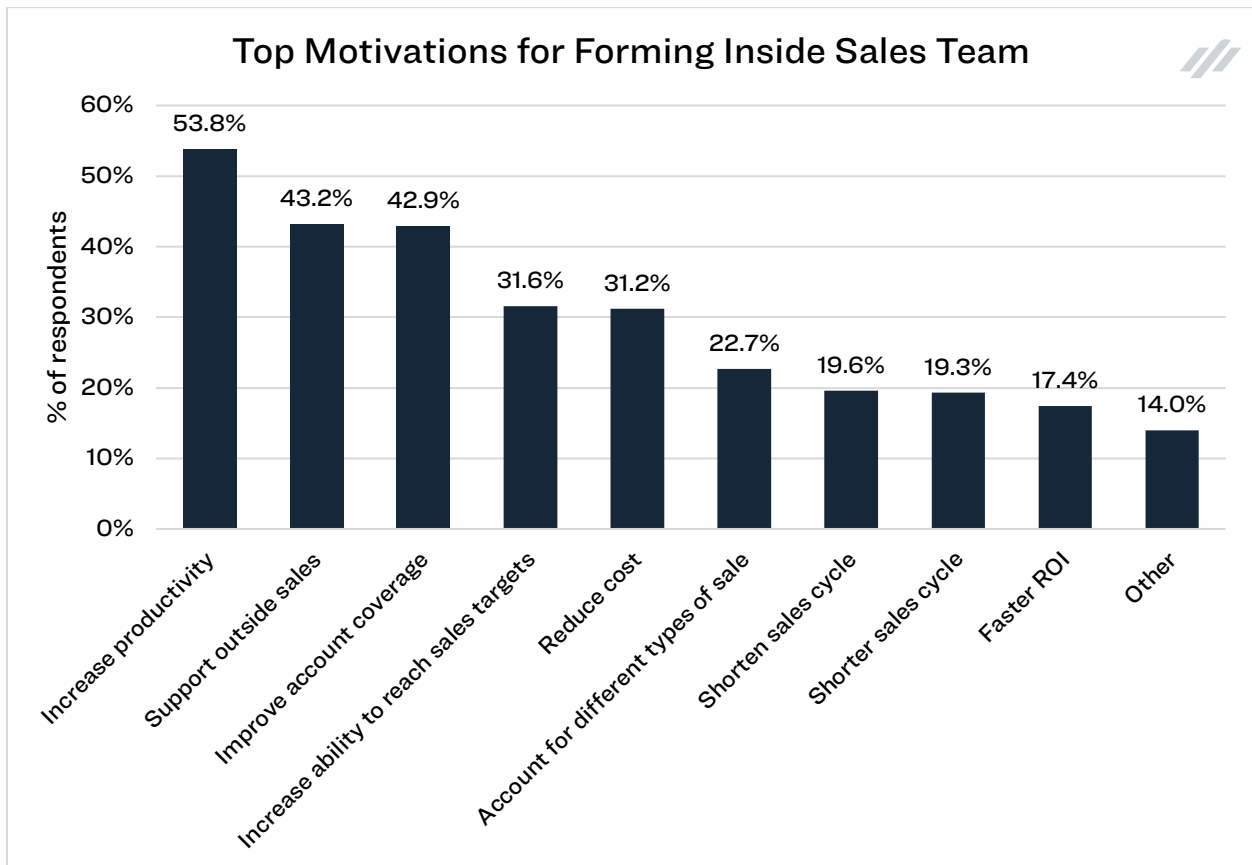
European companies expect 28 percent increase of inside sales reps in their sales forces

In the US, companies are building their go-to-market sales strategies in line with their ideal expectations of inside and outside sales. In Europe, the story is different. European companies recognize the split of inside and outside is not optimal and would like to see a 28.0 percent increase from where they are today (37.1 percent) to where they would like to be (47.5 percent).



Productivity gains (53.8%) is the number one reason organizations shift to inside sales models followed by a need to partner with outside sales

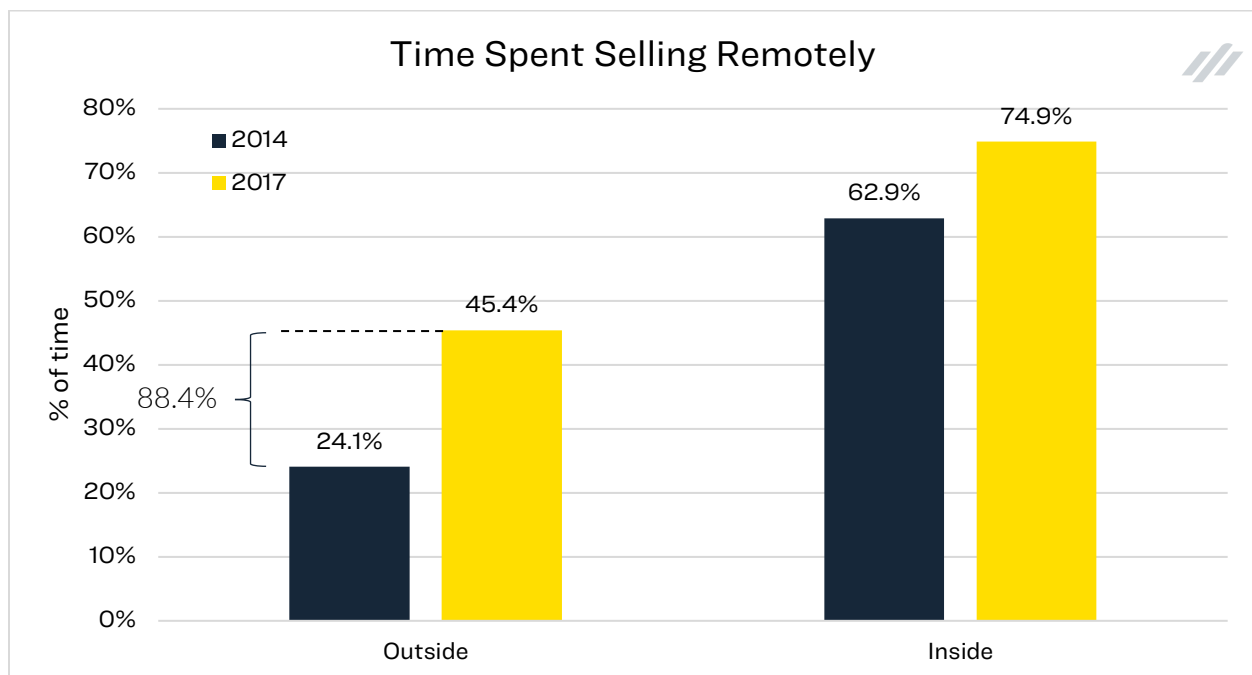
Why does the market want to move to a 50/50 split of inside and outside sales as part of the go-to-market sales strategy? The number one reason is productivity (53.8 percent). Sales leaders still believe that sales resolves around ‘quantity’ and ‘quality’ and inside sales is believed to help drive more quantity across the board on key metrics. In addition, there is a need to partner with outside sales to provide better coverage of territories and accounts (43.2 percent and 42.9 percent).



Outside sales spent 45.4% of their time selling remotely - an 88% increase from 2013

The lines are blurring more and more between inside and outside sales. In many organizations, it is becoming difficult to determine who is an inside rep and who is an outside rep simply by monitoring their daily routine. In the past, outside sales reps spent little time selling remotely (24.1 percent) but that number has continued to increase. Today, organizations report that field reps spend 45.4 percent of their time selling remotely. This is an 88.4 percent increase from 2014.

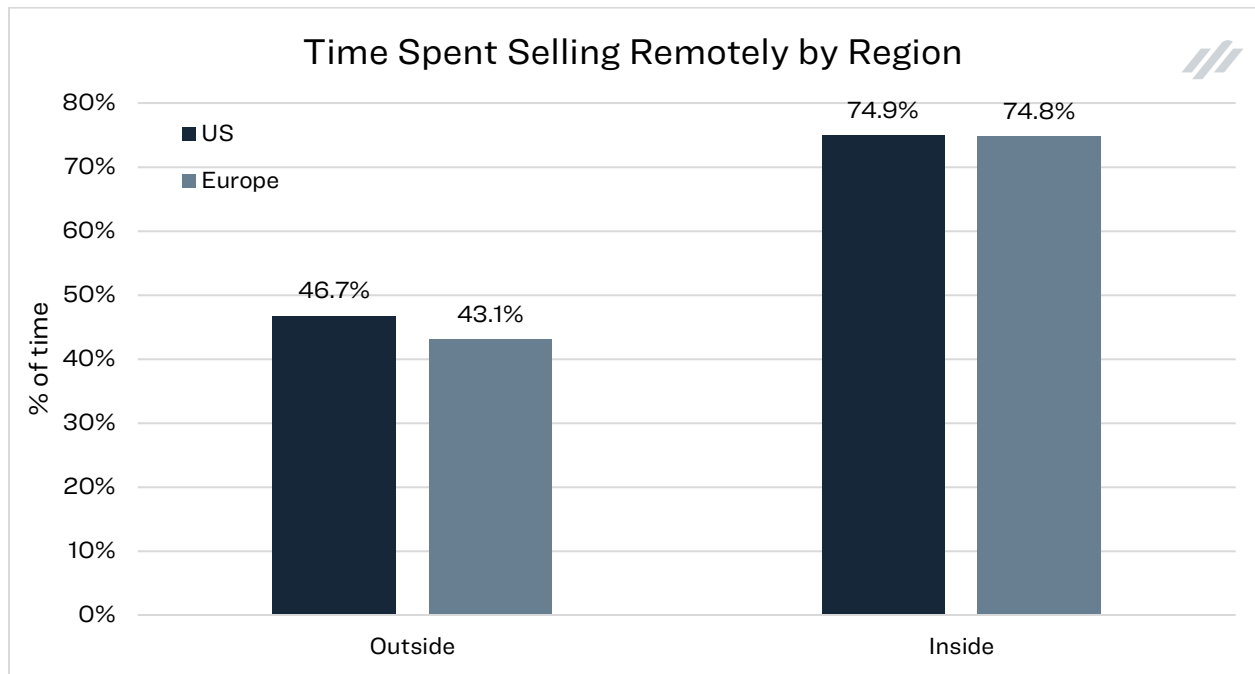
In addition, inside sales rep time has also increased in regard to remote selling activities. In 2014, companies reported inside sales reps spent 62.2 percent of their time selling remotely and that number has increased 19.1 percent to 74.9 percent. The effect of these numbers is dramatic. Soon organizations may not have the ability to distinguish an outside vs. an inside sales rep as their activities and the tools they use will be so similar.



In the US and in Europe outside sellers spend nearly half of their time selling remotely

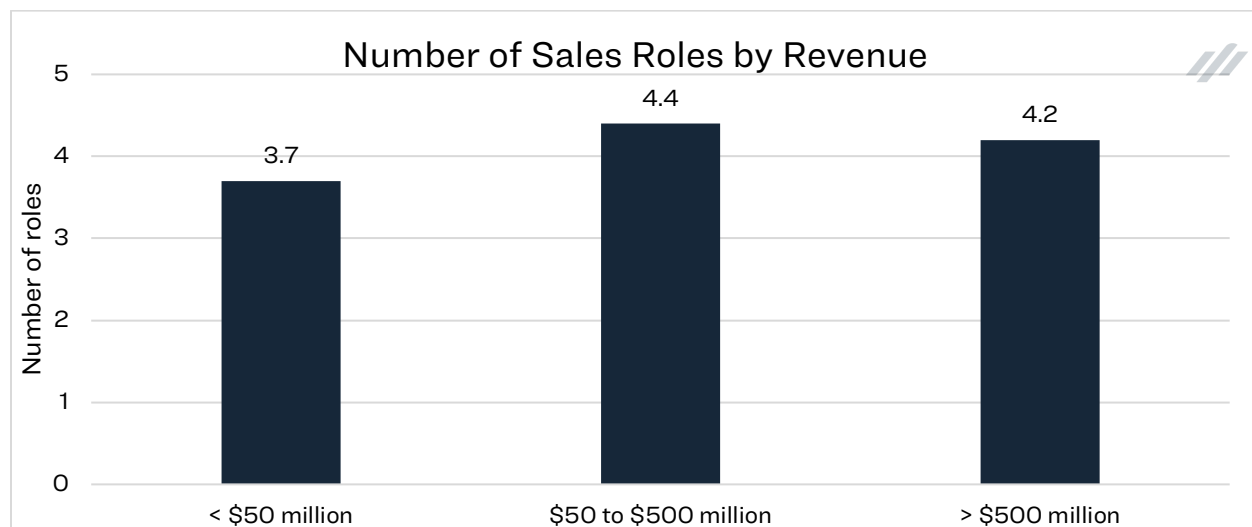
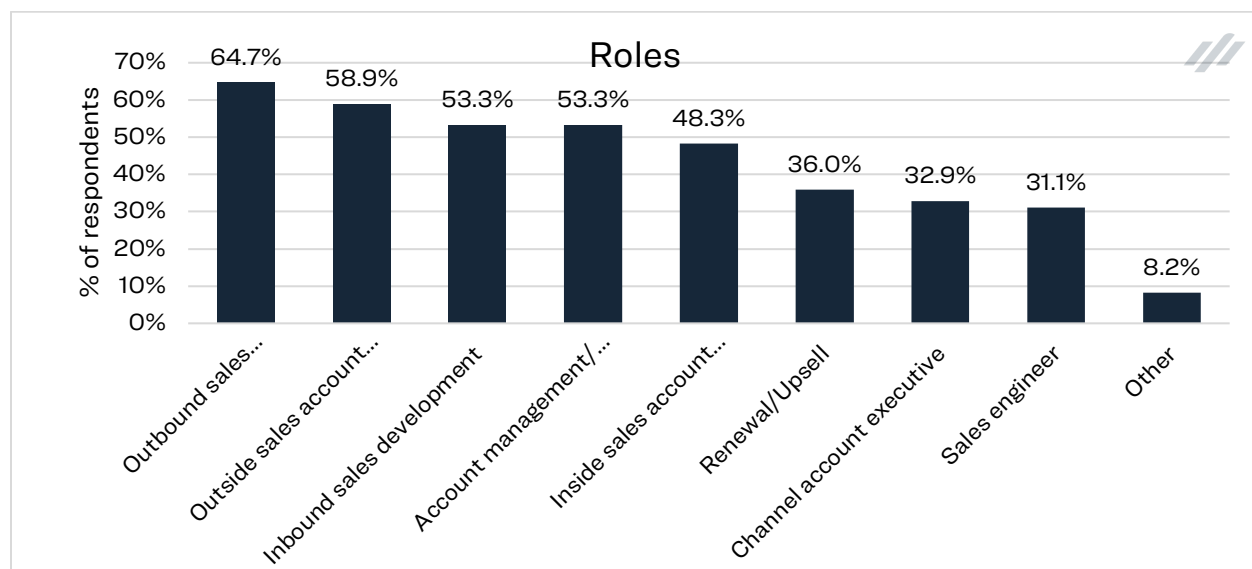
The trend of remote selling is very similar in both the US and in Europe. In the US, companies report outside sellers spend 8.4 percent more time selling remotely than their counter parts in Europe.

Interestingly, in both the US and in Europe companies reported that inside sales reps spend nearly $\frac{3}{4}$ of their time selling remotely.



Outbound sales development (64.7%) and outside sales (58.9%) are the most used roles in sales organizations

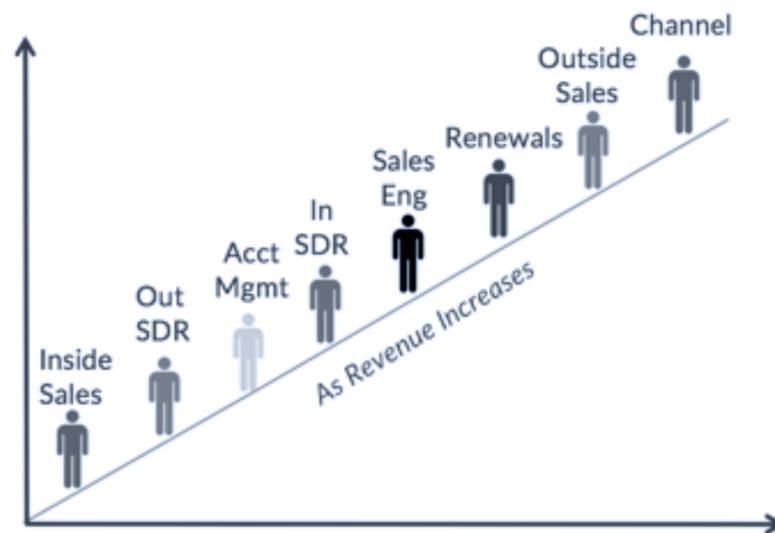
Sales roles are functional areas within the sales department. Examples of different roles would be outside sales, inside sales, or sales development. The most popular roles in use, reported by the nearly 1,200 companies, were outbound sales development (64.7 percent) and outside field sales (58.9%). This was a surprising find in the data and it shows the strength of small and large companies in the sample set. Smaller companies reported higher use of outbound sales development reps (67.1%) while large organizations reported higher use of outside sales reps 72.7%.



The Evolution of Transactional Go-to-Market Sales Strategy

As the data was analyzed, a pattern emerged as companies grew. If the model in the sales organization was transactional, meaning deal sizes were under \$32,000, certain roles emerged more than others as revenue grew.

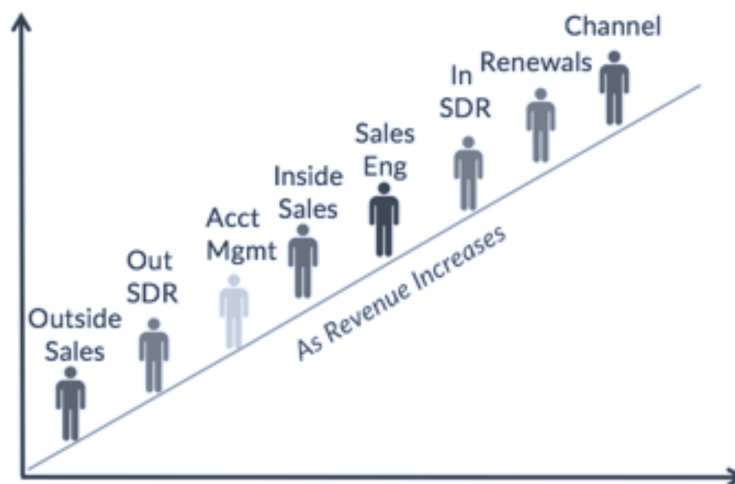
The transactional model started stronger with an inside sales team and a partnering sales development team. As revenue grew, the roles of account management needed to be split off from sales to offer better support for customers and the leverage of the inbound sales development team strongly emerges to respond to a more robust marketing department. With these roles in place, the company continues to expand by adding resources around renewals to support the account management team and a sales engineer or sales support function to better facilitate the sales process. At the end of the company journey, the outside sales team gets stronger with the channel program putting on the final touch.



The Evolution of Relational Go-to-Market Sales Strategy

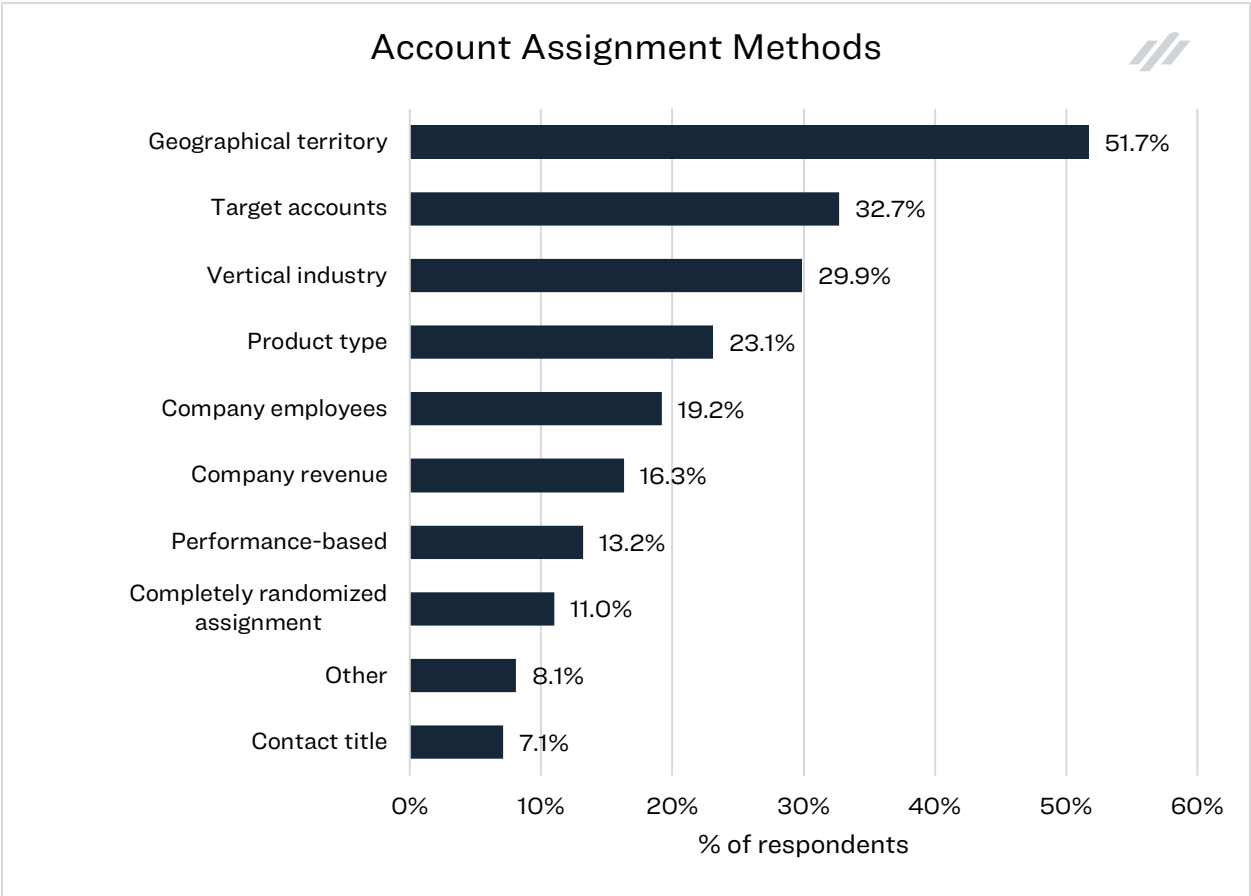
As the data was analyzed, a pattern emerged as companies grew. If the model in the sales organization was relational, meaning deal sizes were over \$32,000, certain roles emerged more than others as revenue grew.

The relational model started stronger with an outside sales team and a partnering sales development team. As revenue grew, the account roles split off to provide better customer support. The inside sales and the sales engineer team both have a strong presence in this area. To continue, the inbound function of partnering with marketing is strongest next in its lifecycle in conjunction with a renewals function to support the account management team. Lastly the channel program is added at the end of the growth process.



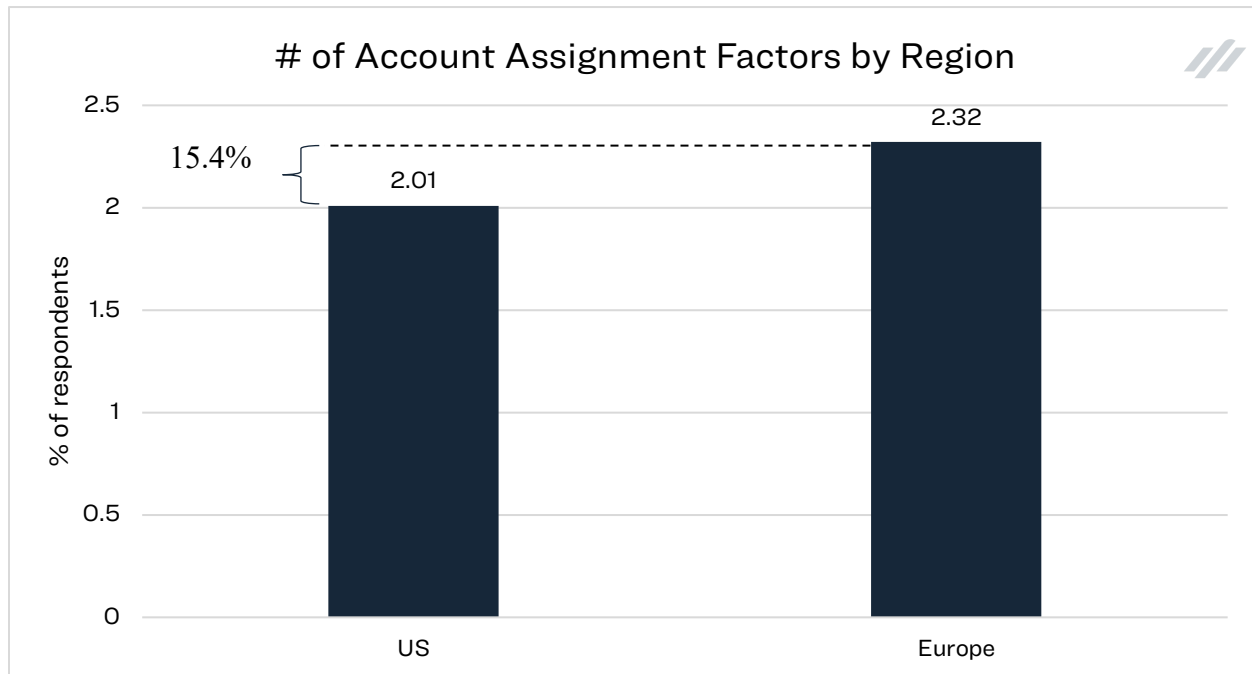
The most popular method for assigning accounts is geographies (51.7%)

As companies define their go-to-market sales strategy, account assignment is often the element that comes after understanding the split of inside and outside as well as and the specialized sales roles a company needs. When examining different account assignment methods, geography dominated with 51% of companies using it as the primary method.



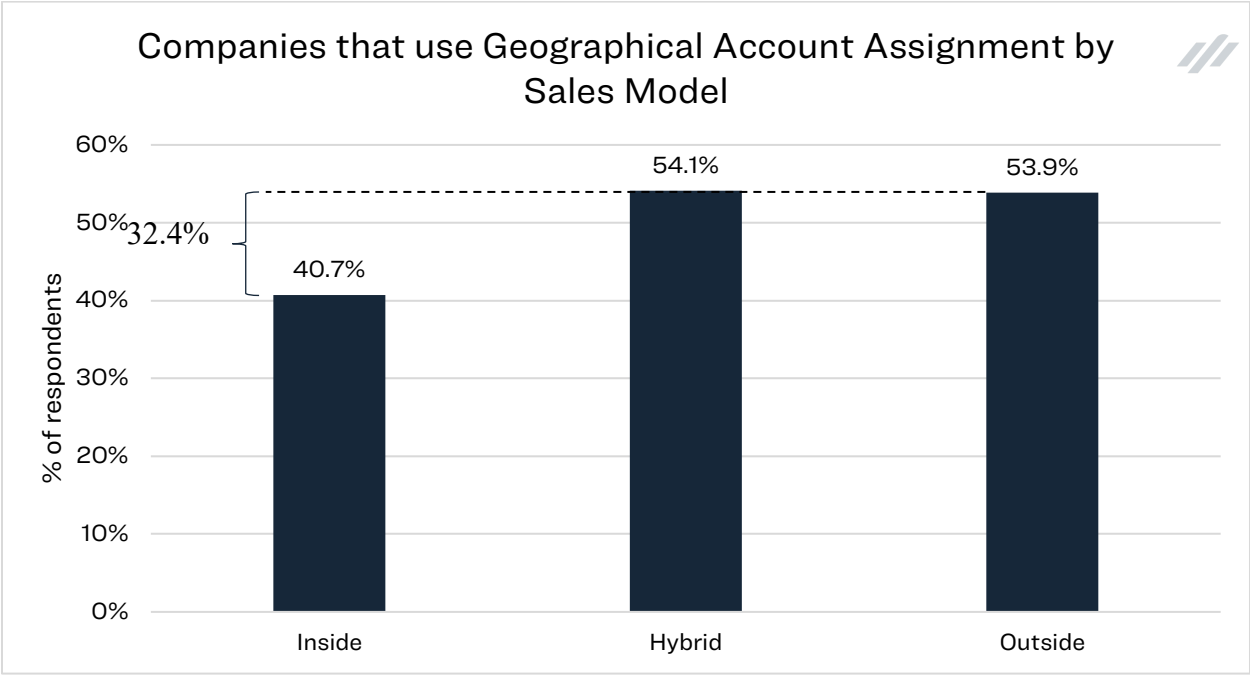
European sales teams use slightly more factors to assign accounts than in the US (15.4%)

Understanding which factors are used is important when assigning accounts. Both US and European companies both use geography and target accounts as their main choices but European companies are 15.4 percent more likely to add another element which typically is vertical industry.



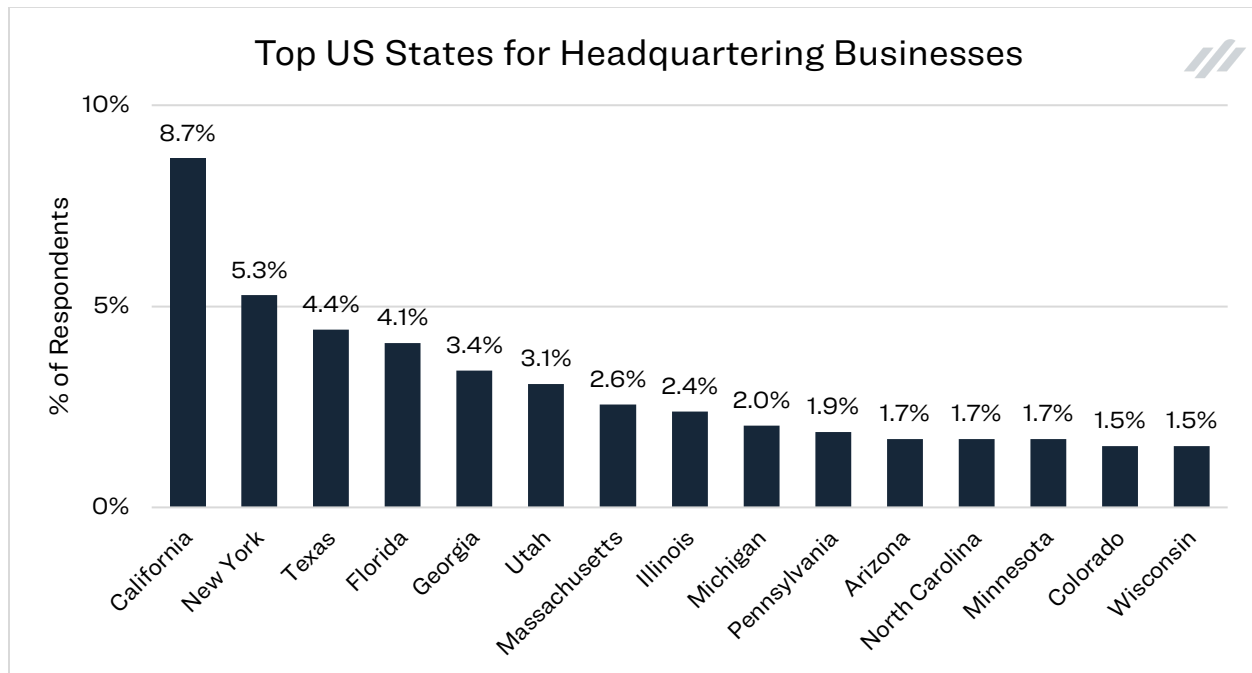
Inside sales teams are 32.4% less likely to use geography than outside sales teams when assigning accounts

Because inside sales reps can sell from anywhere, geography is less of an important factor for assigning accounts. Geographical assignment makes the most sense when travel is required as is the case for outside sales teams. Sales teams that are made up mostly of inside sales representatives are 32.4 percent less likely to use geography when assigning accounts in compared to outside sales.



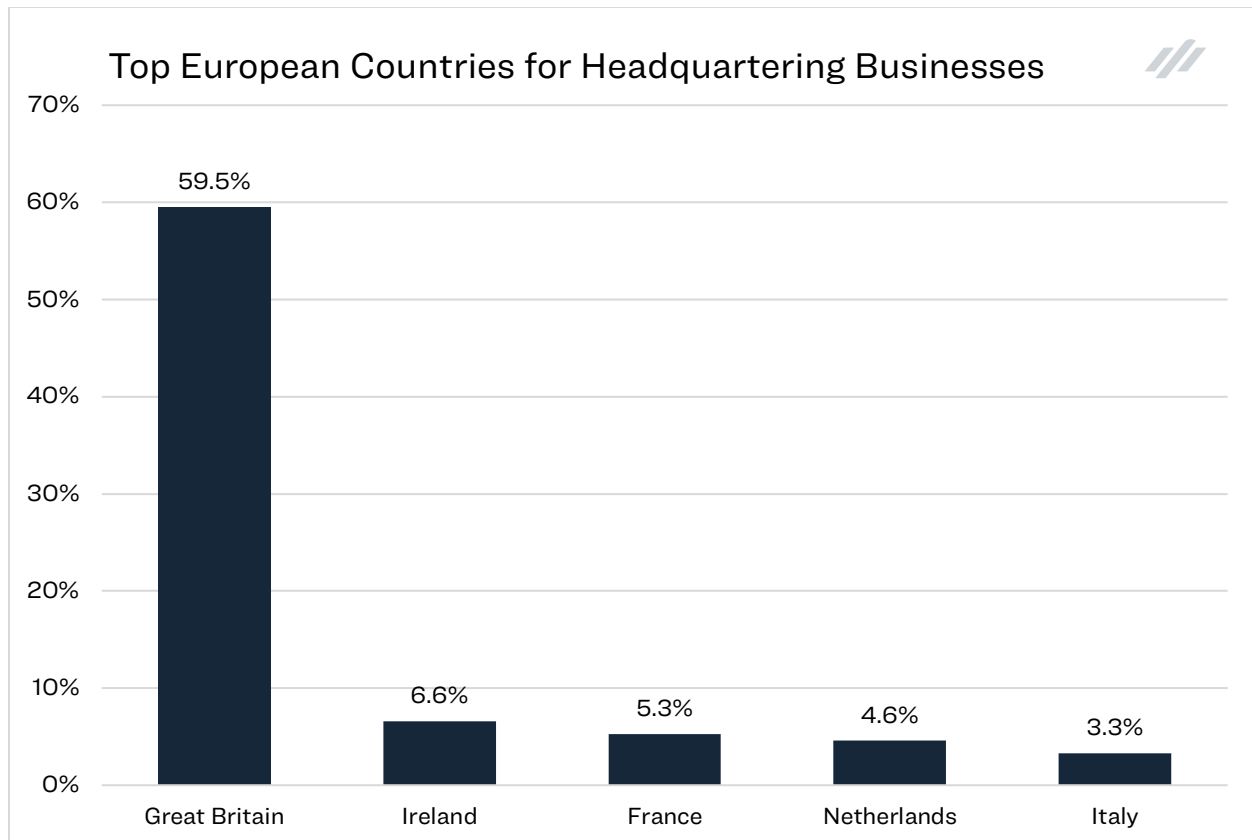
64% of companies surveyed reported being headquartered in the United States with California as the most common state

California dominates as the state companies us for headquarters followed by New York and Texas.



Great Britain was at the top of the list for company headquarters in Europe

The top locations for company headquarters tended to be countries that are perceived to be “business-friendly”.² Great Britain was had the highest percentage of companies headquartered there with 59.5%.



² Some of Great Britain’s high percentage may be due to the databases, but the huge margin suggests that Great Britain does represent the most popular location for company headquarters.

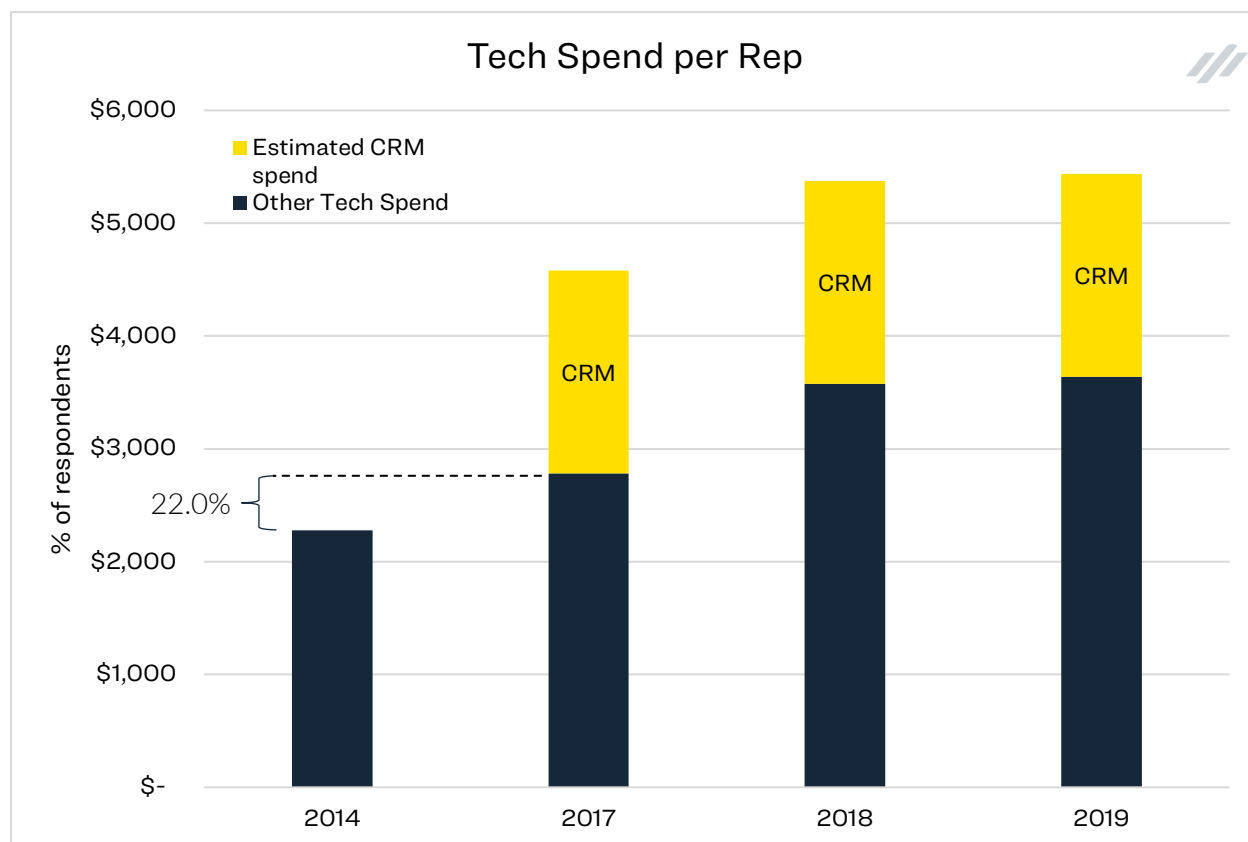
SYSTEMS

Sales technology spend per rep increased 22% from 2014

In 2014, companies estimated they spent \$2,280 per rep on sales technology. That number has risen to \$4,581 in 2017. Because the surveys weren't identical, it's hard to make a direct comparison between the two numbers. The biggest difference was that our previous survey didn't ask about CRM software. To compare these numbers, we used Capterra's estimates of the average cost of CRM³. Once this was removed from the current numbers, there was still a 22.0% increase in tech spending per rep from 2014.

When we consider the US Bureau of Labor Statistics estimates of the number of sales reps, the estimated tech spend for the United States is \$15.9 billion.

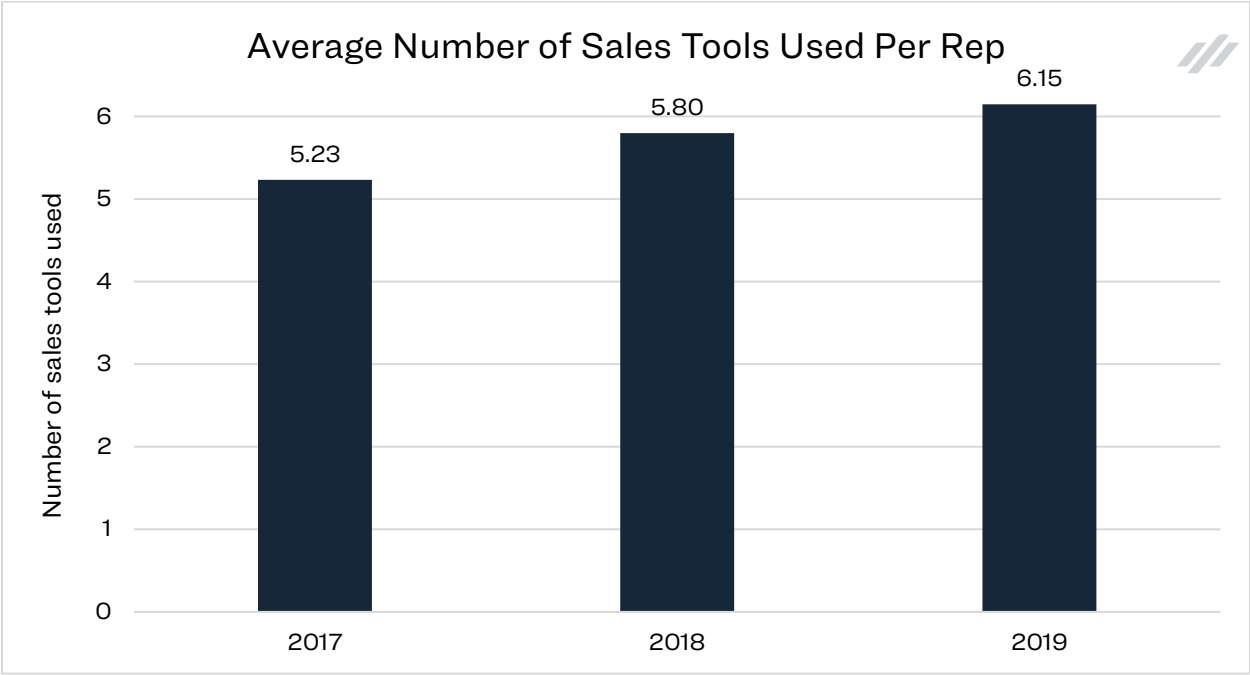
Sales leaders expect this to continue to grow in the coming years.



³ <http://www.capterra.com/customer-relationship-management-software/user-research>

Sales organizations expect the number of tools per rep to increase 17.6% by 2019

Overall, companies reported using an average of 5.23 sales technologies. This number includes CRM as well as many other tools in the sales landscape. Companies were optimistic that in the coming years, they would continue to add tools to their sales process bringing the total per rep to 6.15 in 2019 a 17.6 percent increase from 2017. In Europe, companies reported using slightly more tools (5.35) than in the United States (5.17).

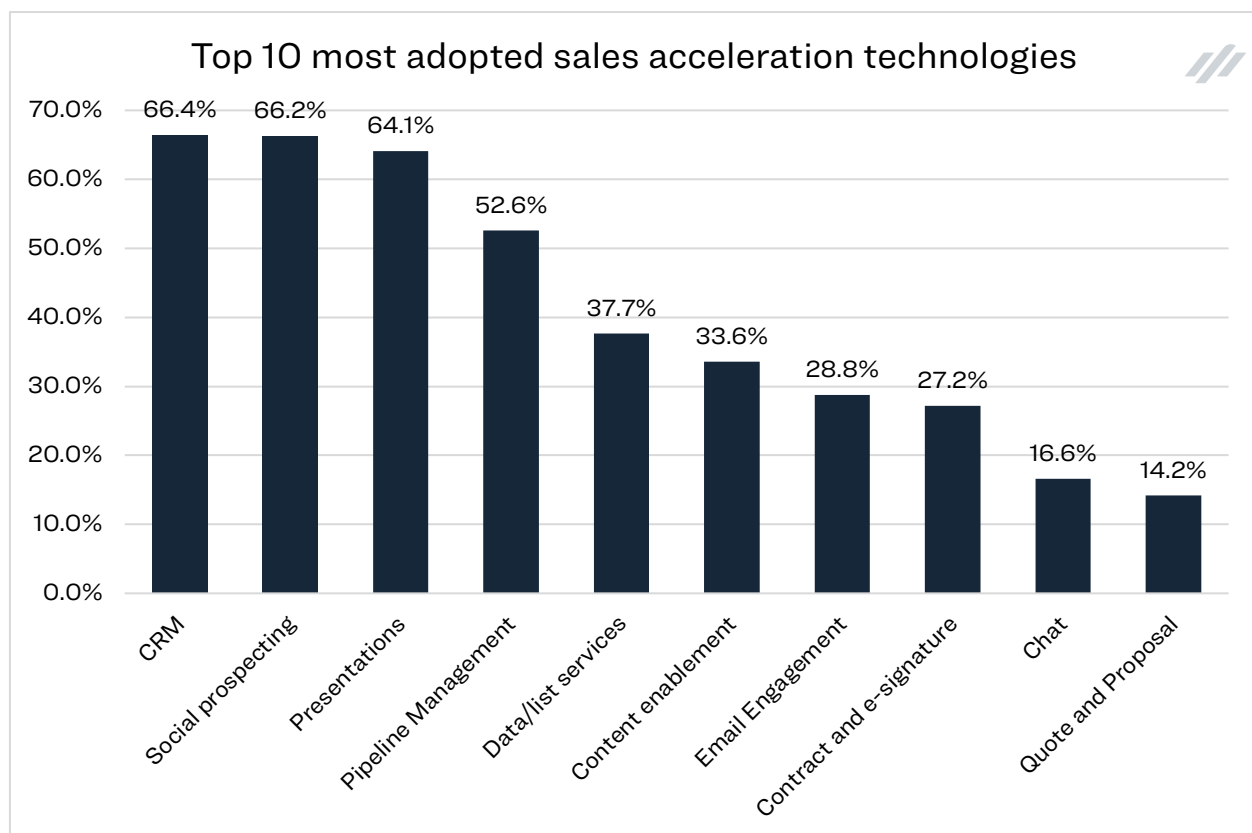


CRM (66.4%) and social prospecting (66.2%) were the most commonly adopted sales technologies

Understanding and building a sales technology stack can be difficult for organizations. Understanding that the typical sales rep uses five tools it would be safe to say the basic tech stack uses CRM, social tools, presentation software, pipeline management capabilities, and data and list services. This is followed closely by content enablement and email engagement.

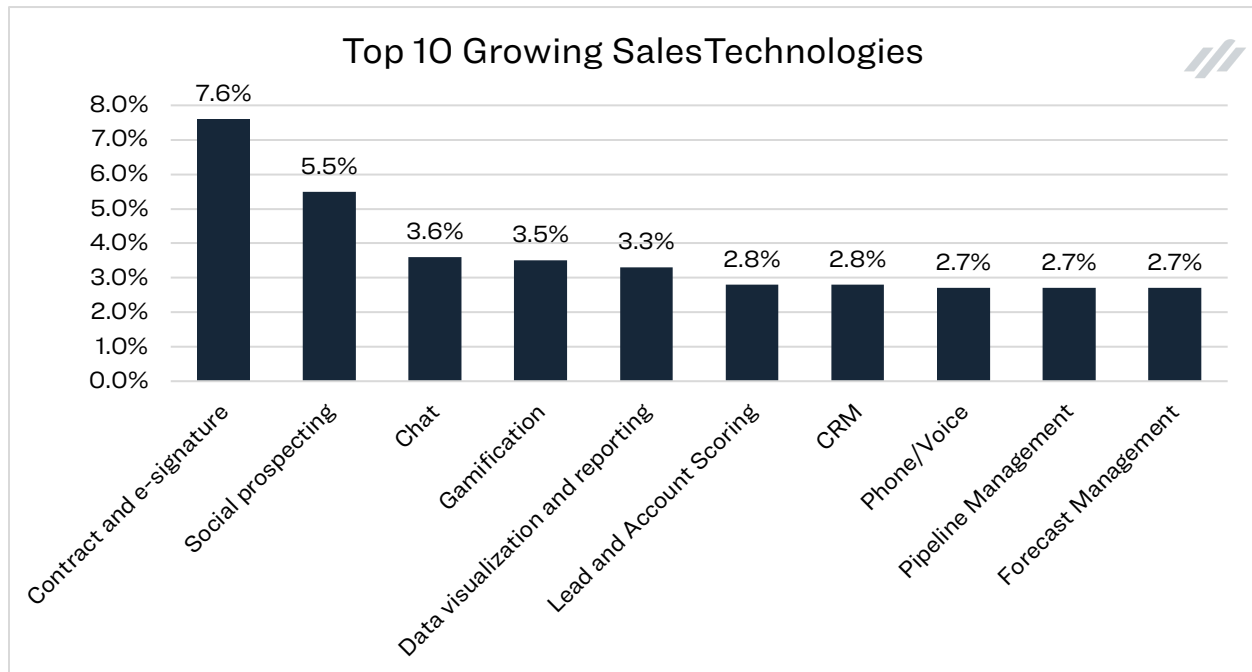
Nearly two-thirds of companies reported that they use CRM, social prospecting, and presentation software the most out of any other sales tool.

Interestingly, data and list services were 75.3% lower in Europe than in the US.



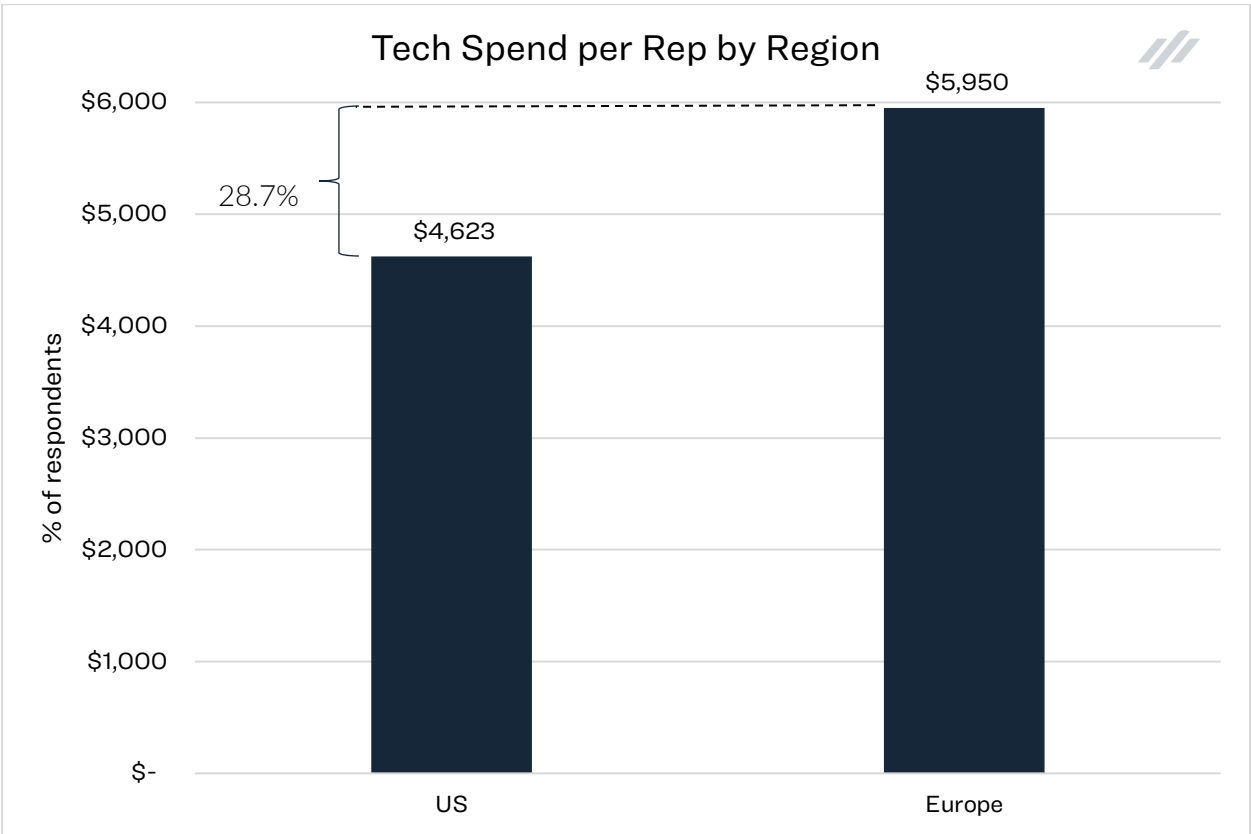
Contract and e-signature (7.6%) followed by other great technologies round out the top 10 tools seeing growth

As companies look to optimize their technology stack there are multiple technologies that are seeing the biggest growth year over year. Contract and e-signature leads the pack but many other technologies such as gamification, lead & account scoring as well as forecast management make the top ten list.



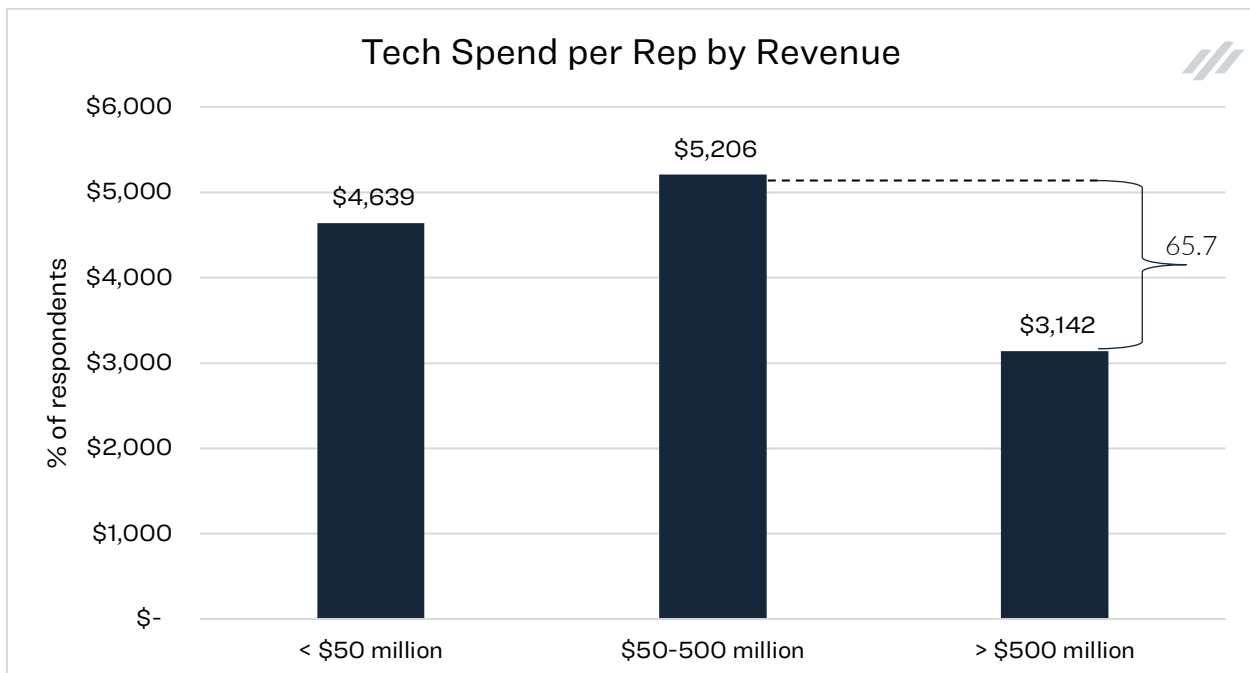
Companies in Europe spent 28.7% more per rep than companies in the us

Technology spend overall per rep was \$4,581 but more interesting was the difference in tech spend per rep in the US versus Europe. Currently, European companies report spending 28.7 percent more than US companies per rep.



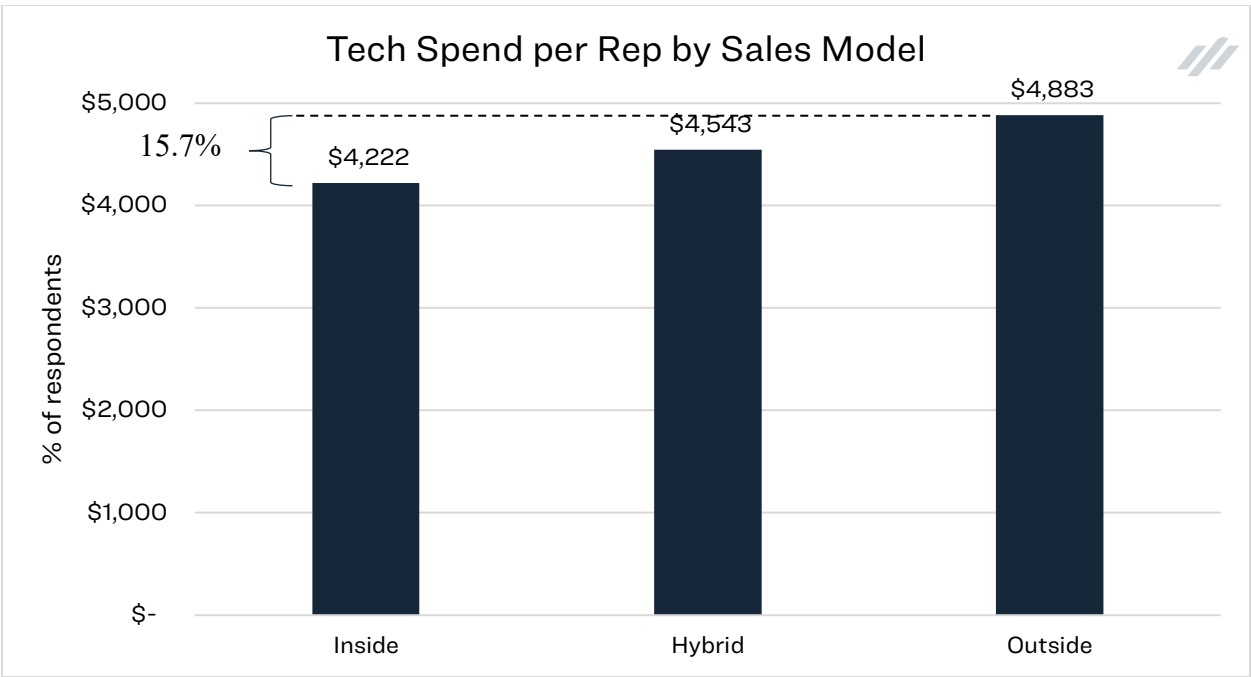
Large companies spend 47.6% less per rep than small companies on sales technology

According to the study, companies report the current average annual spend on sales technology is \$4,581 per rep per year, including customer relationship management (CRM). Interestingly, technology spend per rep varies significantly by size of company—favoring the medium-sized companies by a long shot. Medium-size companies (\$50-\$500 million in revenue) spend 65 percent more per rep than enterprise companies. At first glance, it appears that enterprise companies were simply getting better pricing while using the same number of tools, but a closer look at the data shows that enterprises act very similar to small companies (<50M in revenue) who are reluctant to spend big dollars on sales technology. This is expected to change in 2018. The expected growth of spend on sales technology in 2018 is 108.8 percent higher for large companies compared to small companies. There are many potential reasons for this behavior, but two which stand out include how enterprises are just now starting to see the advantage software can bring to their sales teams and only a few sales technologies are reaching a level of enterprise readiness.



Sales organizations predominantly made up of outside sales reps spent 15.7% more per rep than companies who were predominately inside sales

Sales organizations made up of over 75% field sales reps spent 15.7% more than sales organizations with over 75% inside sales reps.

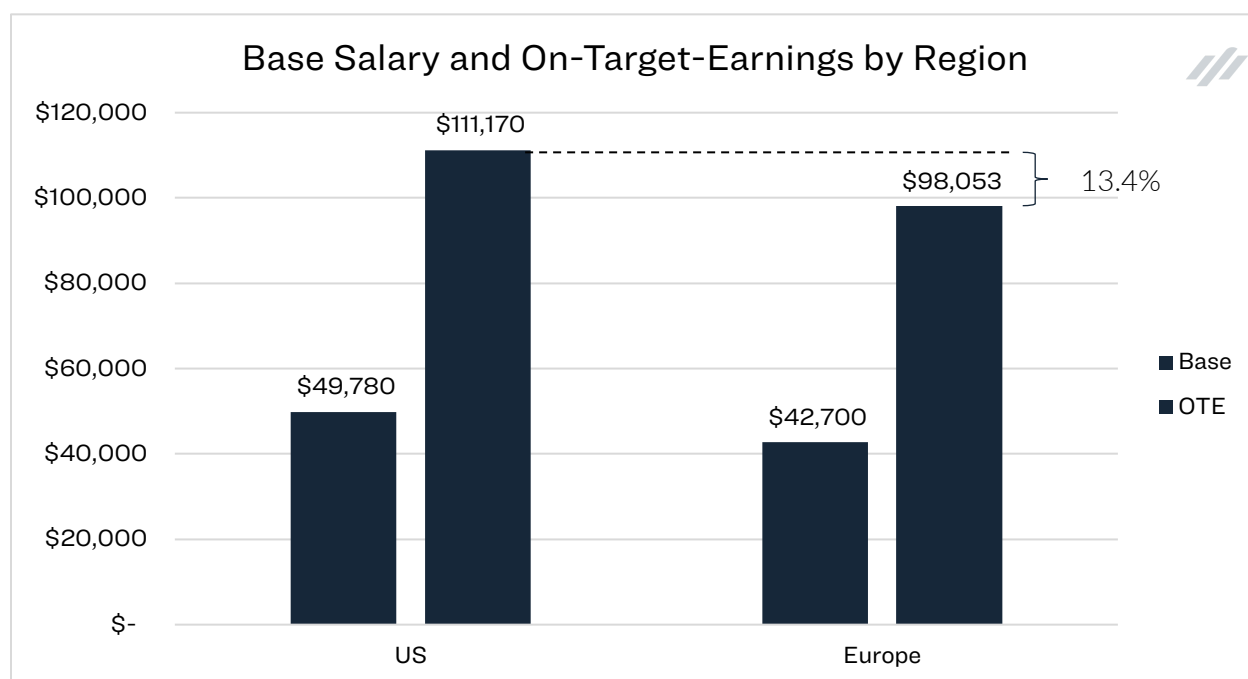


PEOPLE

There are 5.7 Million Professional Sales People in the US

US sales reps have 13.4% higher On-Target-Earnings than reps in Europe

Understanding how to compensate and pay sales reps is key to a strong culture and reps sticking around. The current base salary for inside sales account executives is \$42,833 with an average on-target-earnings (OTE) of \$96,299. In the US, 44.8% of reps' salaries comes from their fixed salary, while in Europe, 43.5% of salaries were fixed for sales reps. OTE in the US was 13.4% higher than in Europe, (\$111,170 in the US and £73,219 or \$98,058 in Europe).

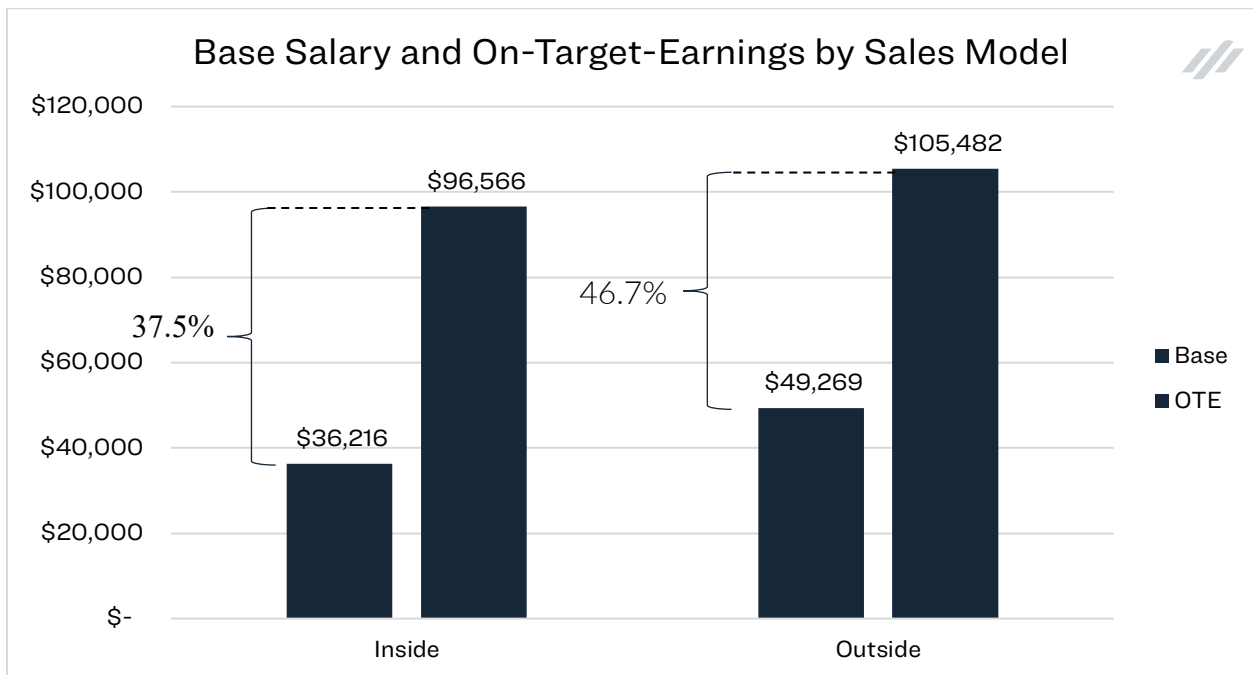


Outside sales reps have 36.0% higher base salary than inside sales but only a 9.2% higher On-Target-Earnings

It is believed that outside sales reps bring more experience to a role so they demand a higher based salary. In analyzing the data, the companies who had majority of outside sales reps had a base salary that was 36.0 percent higher than inside sales.

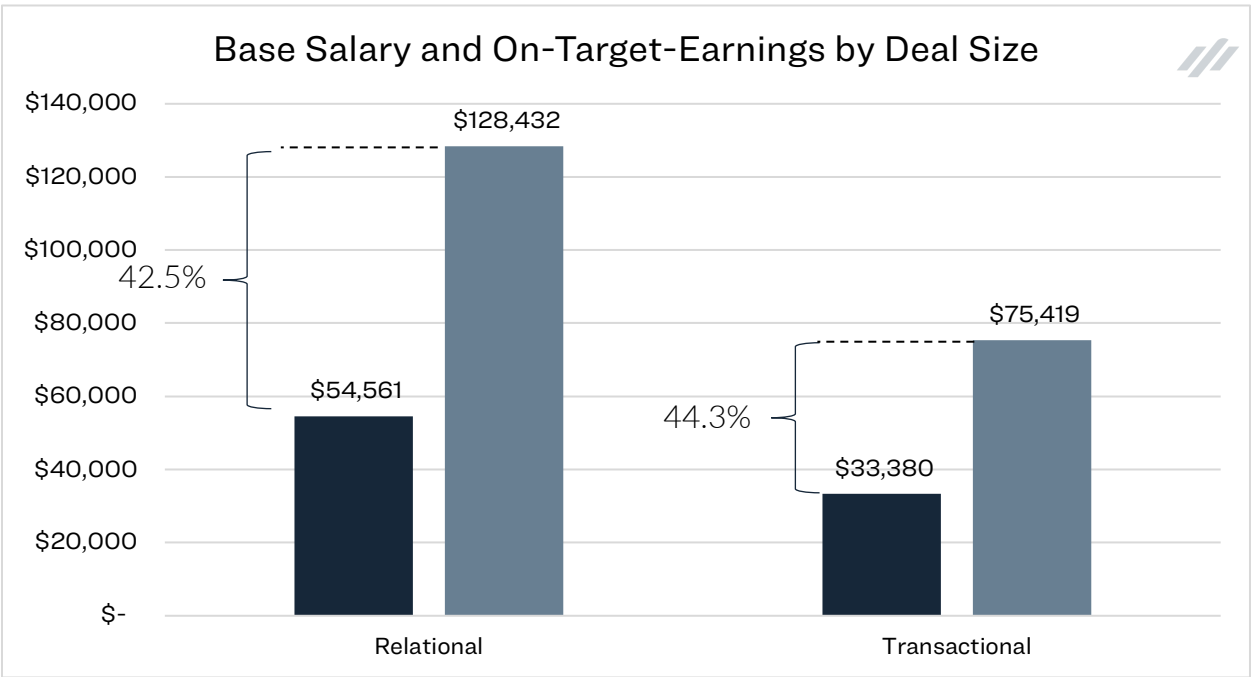
Interestingly, the OTE for outside sales is only 9.2 percent higher. OTE is supposed to be an indicator of expected earnings so inside sales positions earn relatively close to the same amount as outside sales.

For inside sales, base salary made up 37.5% of OTE. For outside sales base salary was 46.7% of OTE.



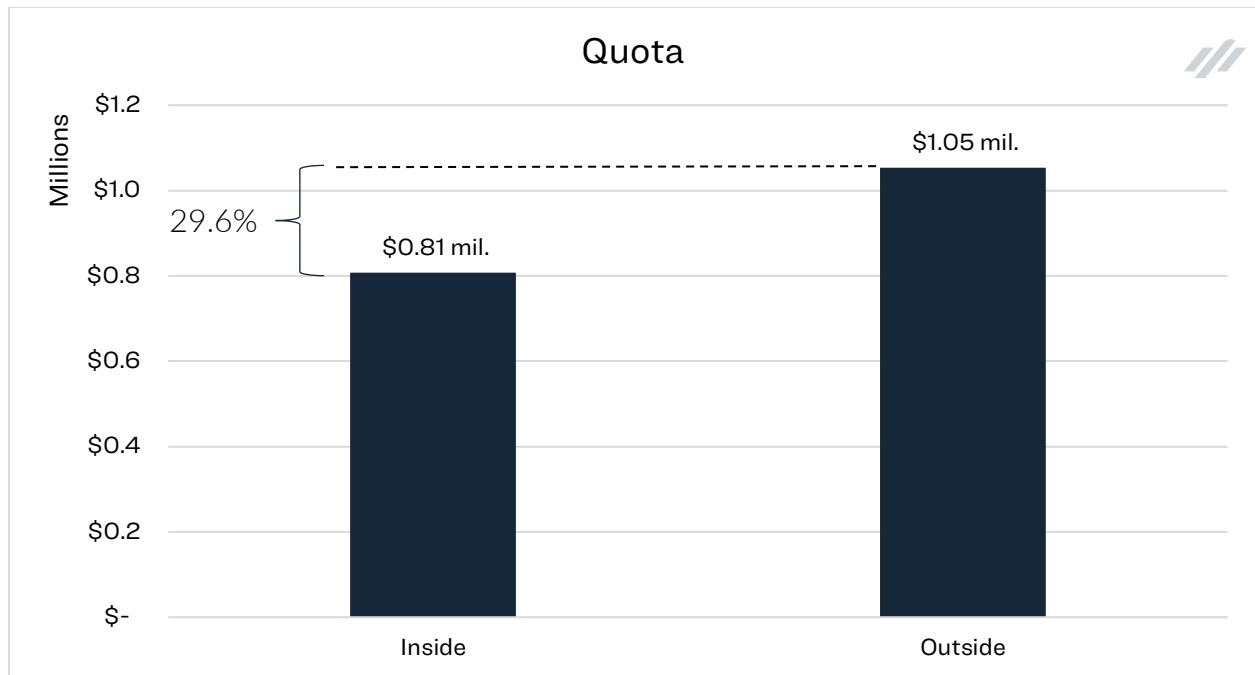
Sales reps who sell larger deals have 70.3% higher on-target-earnings than reps who sell small deals

If sales reps sell bigger deals they have the potential to make more money. When comparing relational sales reps with transactional sales reps, relational reps have a 63.5 percent higher base salary and 70.3 percent higher on-target-earnings.



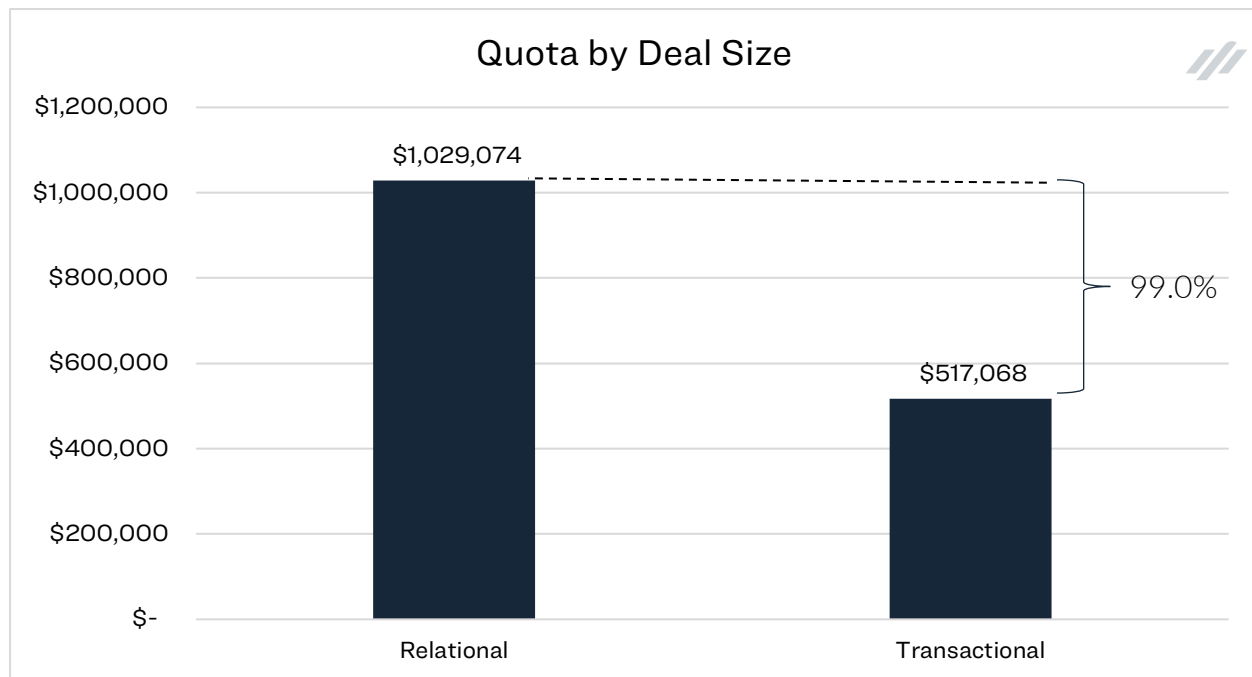
Quotas are 29.6% higher for outside sales than inside sales reps

Quota is a minimum required sales target. Outside sales reps are believed to have higher costs and higher salaries than inside sales reps. Because of this, outside reps have a 29.6% higher quota on average than inside sales reps.



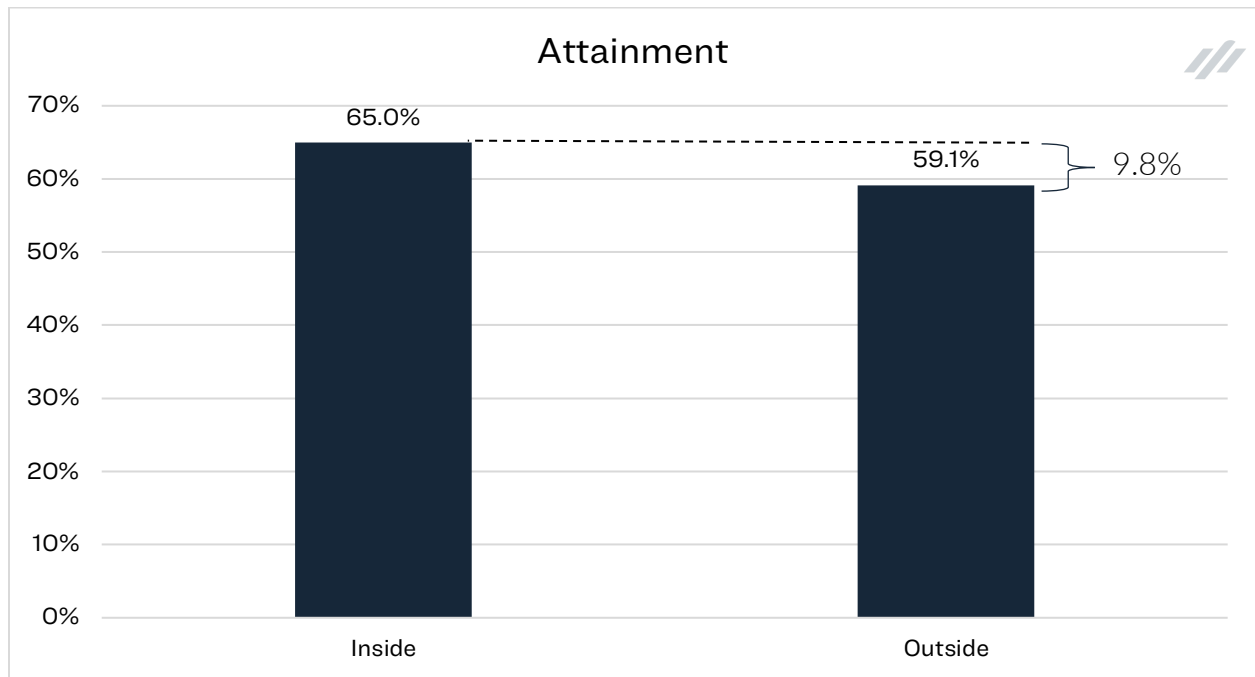
Sales reps who sell larger deals have double the quota compared to reps who sell smaller deals (99.0% higher)

Relational sales patterns focus on selling deals that are larger in size. Because of the size of these average deals, quotas for relational reps are nearly double (99.0% higher) compared to the quotas of transactional reps.



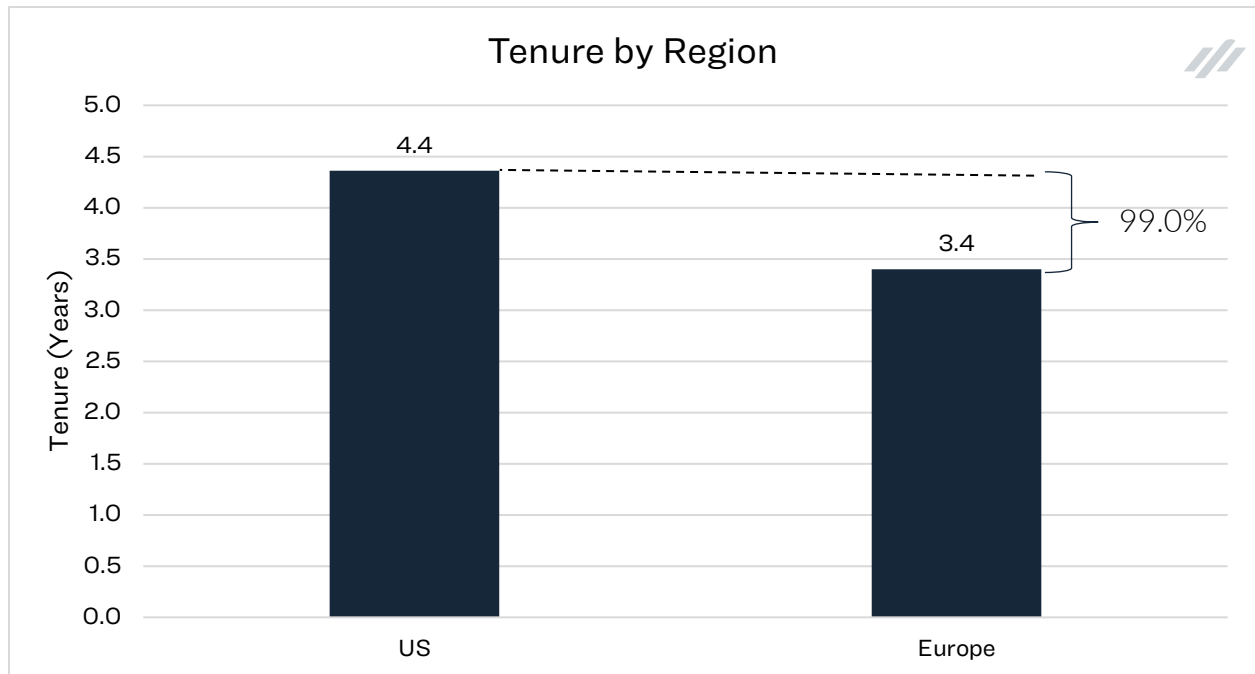
Companies with sales teams dominated by inside sales reps have 9.8% higher attainment than companies dominated by outside sales

The average quota attainment is 60.9% for all sales reps. Interestingly, inside sales reps (65.0 percent) have a 10 percent higher attainment (9.8 percent) than outside sales reps (59.1 percent).



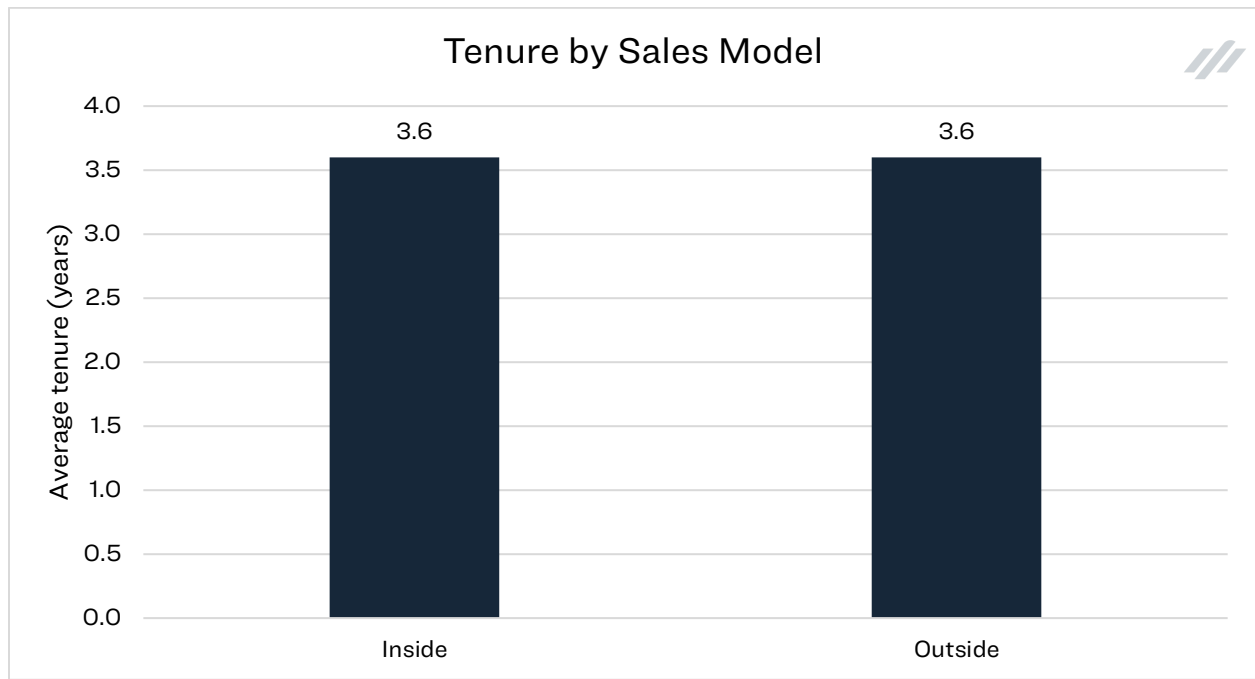
The average tenure of sales reps is one year longer in the US than in Europe

Should reps stay or should they go. Tenure occurs because of voluntary and involuntary reasons. Because of these reasons, the average tenure for sales reps is four years but this differs significantly by region. In the US, reps tend to stay in sales positions for longer than their counterparts in Europe by one full year.



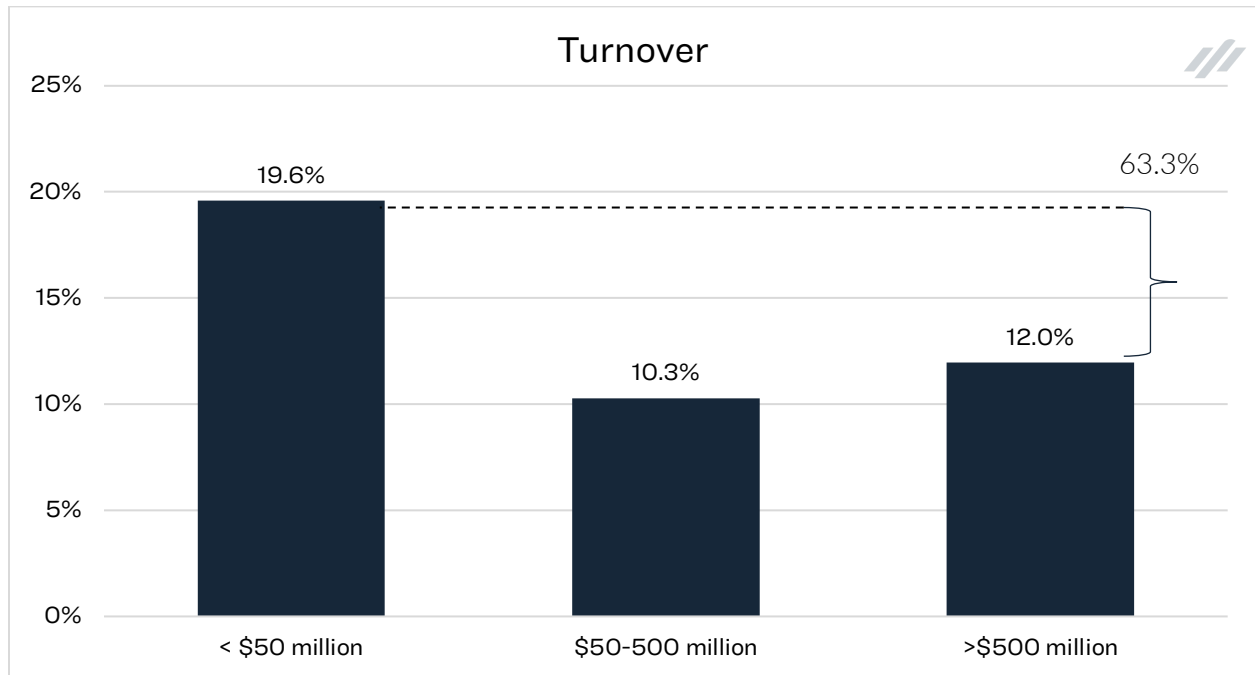
The average tenure is the same for outside and inside sales reps (3.6 years)

Both inside and outside sales reps tend to have similar average tenures at 3.6 years.



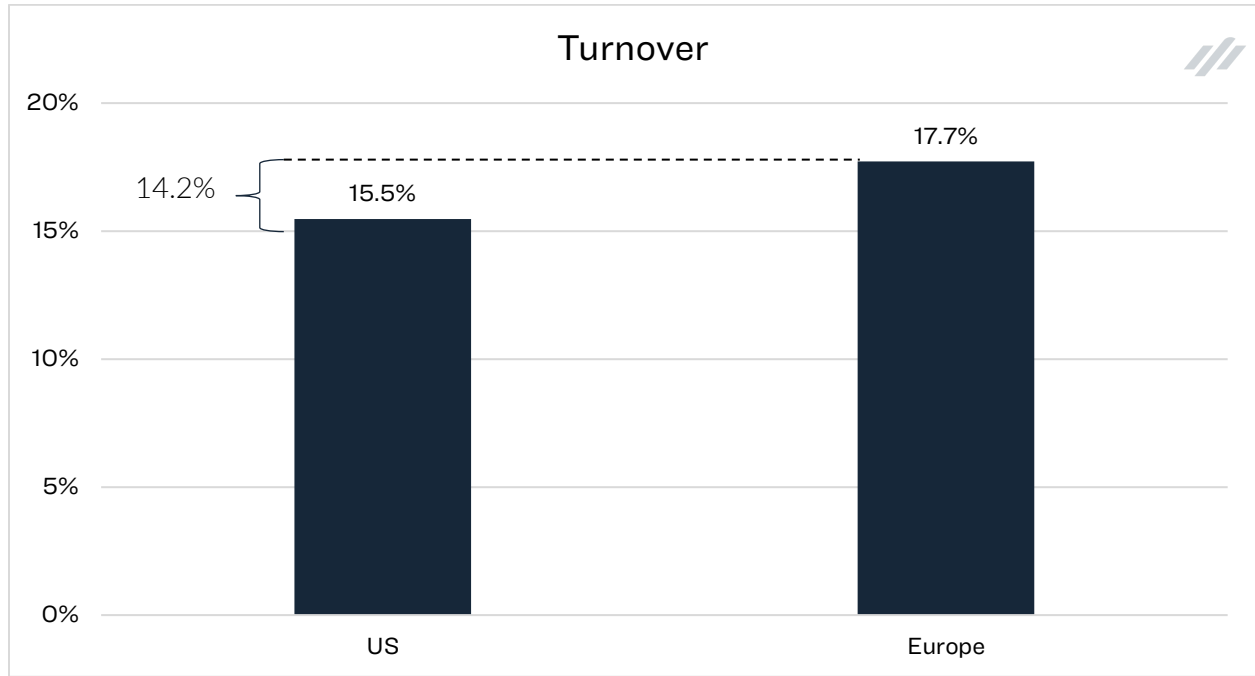
Turnover was much higher for smaller companies

Companies with annual revenue under \$50 million had a 63 percent higher turnover than companies with revenue over \$500 million.



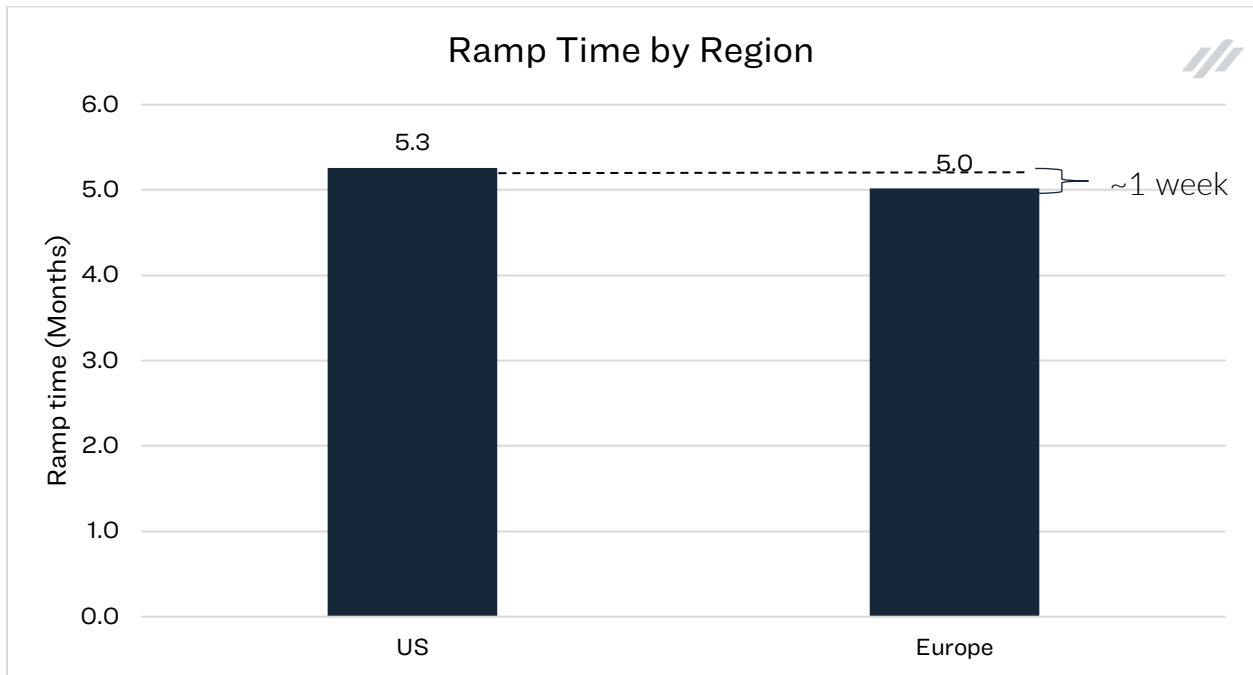
Turnover tended to be higher in European companies than in US companies

The average turnover rate was 14.2% higher in Europe than in the United States.



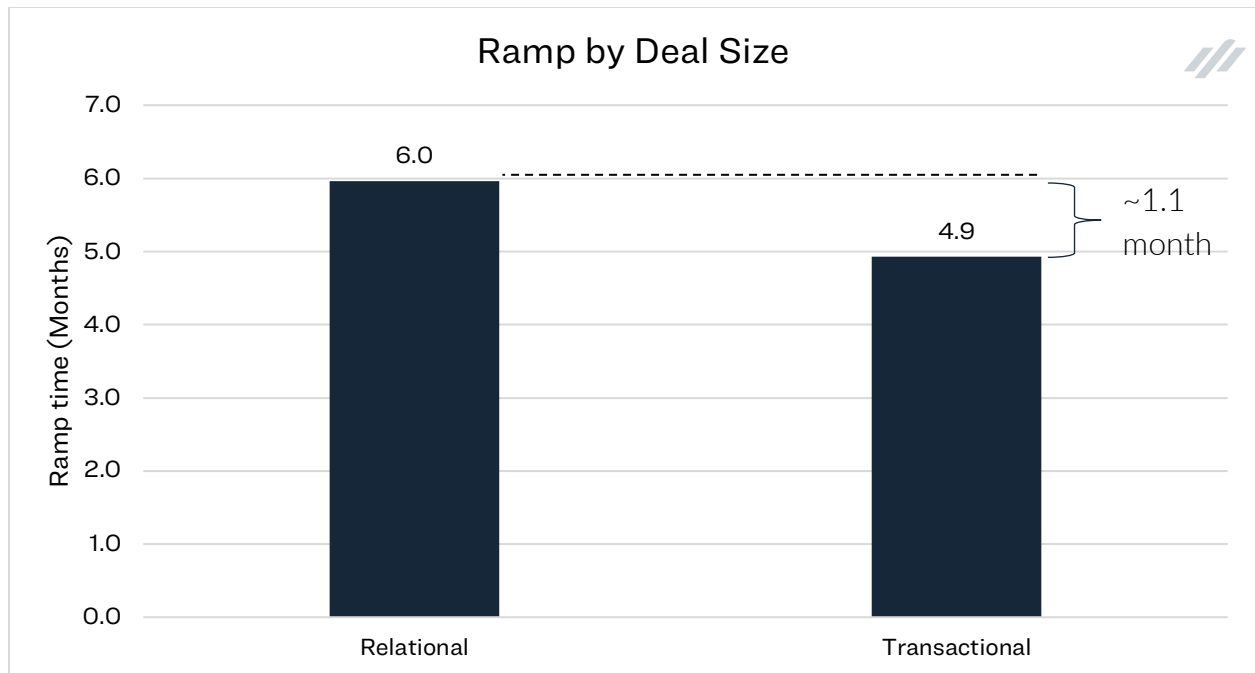
Ramp times were similar regardless of region

Ramp time was very similar across both the US and Europe. The US was just over a week longer on average than Europe.



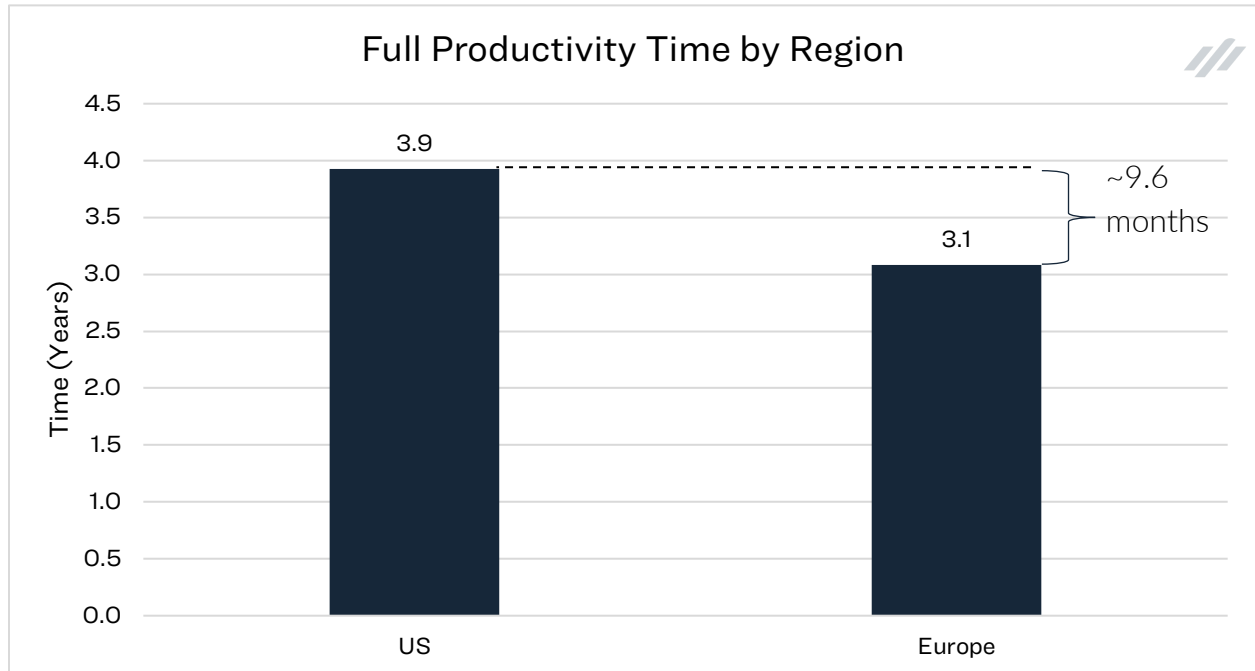
Selling bigger deals requires a 1.1 month longer ramp time than transactional deals

Examining what makes the difference between ramp times, the pattern of relational deal sizes emerged. Sales reps preparing to work bigger deals take an extra 1.1 months or 22 percent longer on average than those who will work on smaller deals.



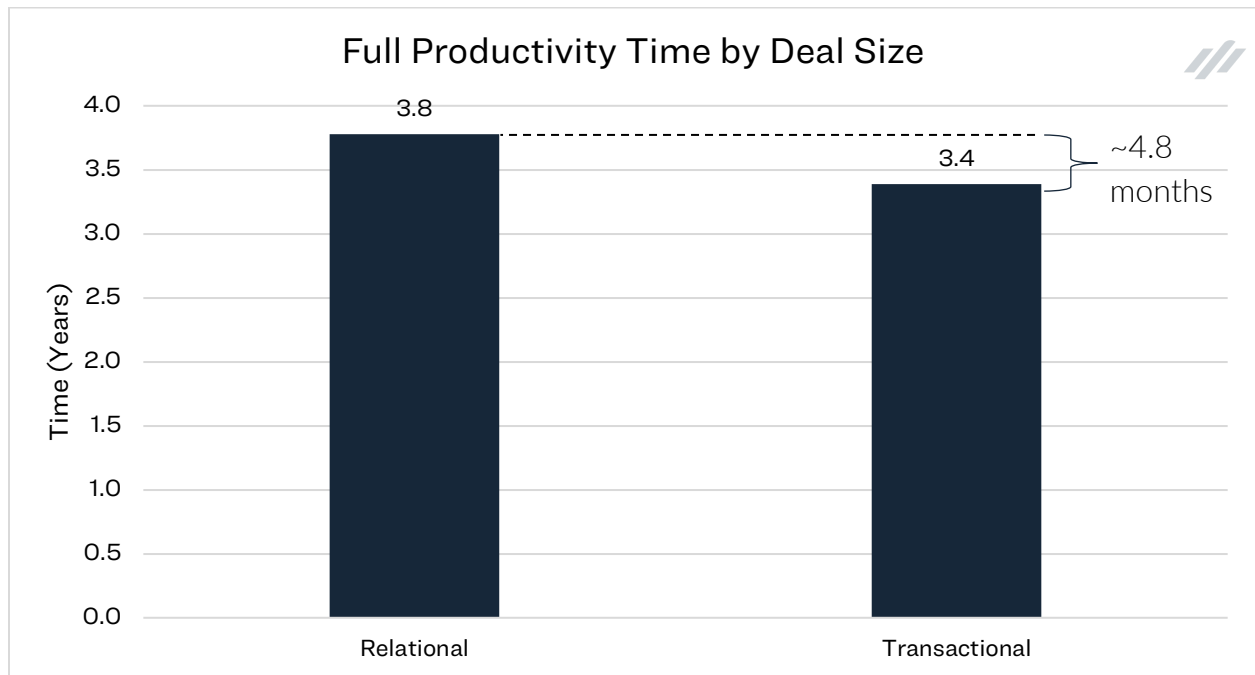
Despite longer ramp times, US sales reps spend 9.6 months longer at full productivity in sales positions than Europeans

Full productivity is the difference in tenure and ramp time. For the US and Europe, the difference amounts to about 9.6 months, which can be a significant difference in how much training a sales team needs to do for new employees.



Reps selling Bigger deals are at full productivity 4.8 months longer than reps who sell smaller deals

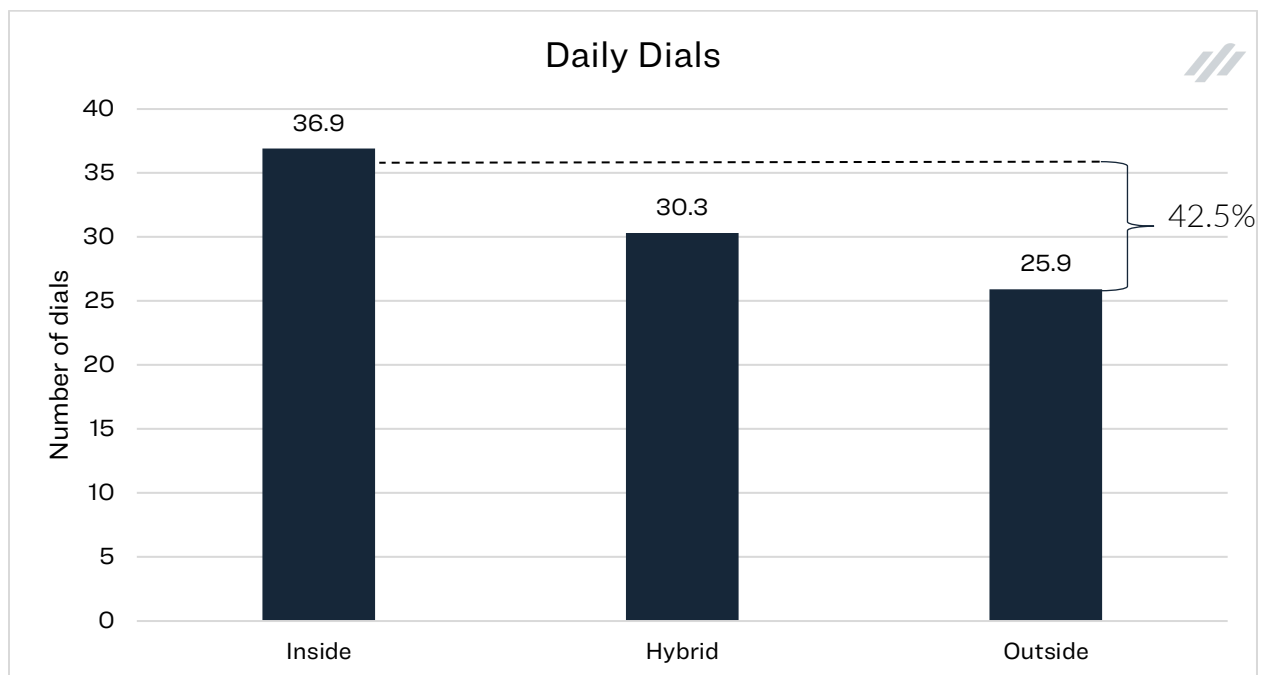
Relational deals are more difficult and take longer than transactional deals. On average reps who sell relational deals are at full productivity for 4.8 months longer than reps who sell transactional deals.



PIPELINE

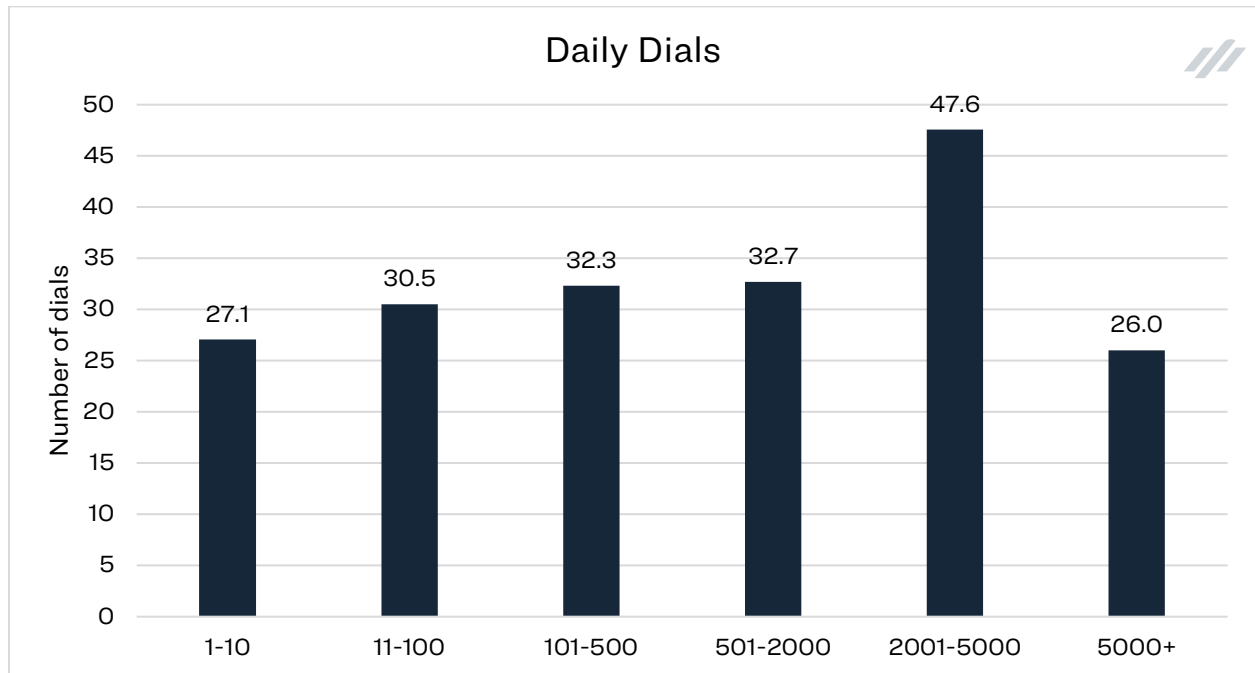
Companies with higher inside sales reps make 42.5% higher dials than companies with higher outside sales reps

Sales organizations that were primarily made up of inside sales reps, made 42.5 percent more dials per rep per day than organizations that were primarily outside sales reps.



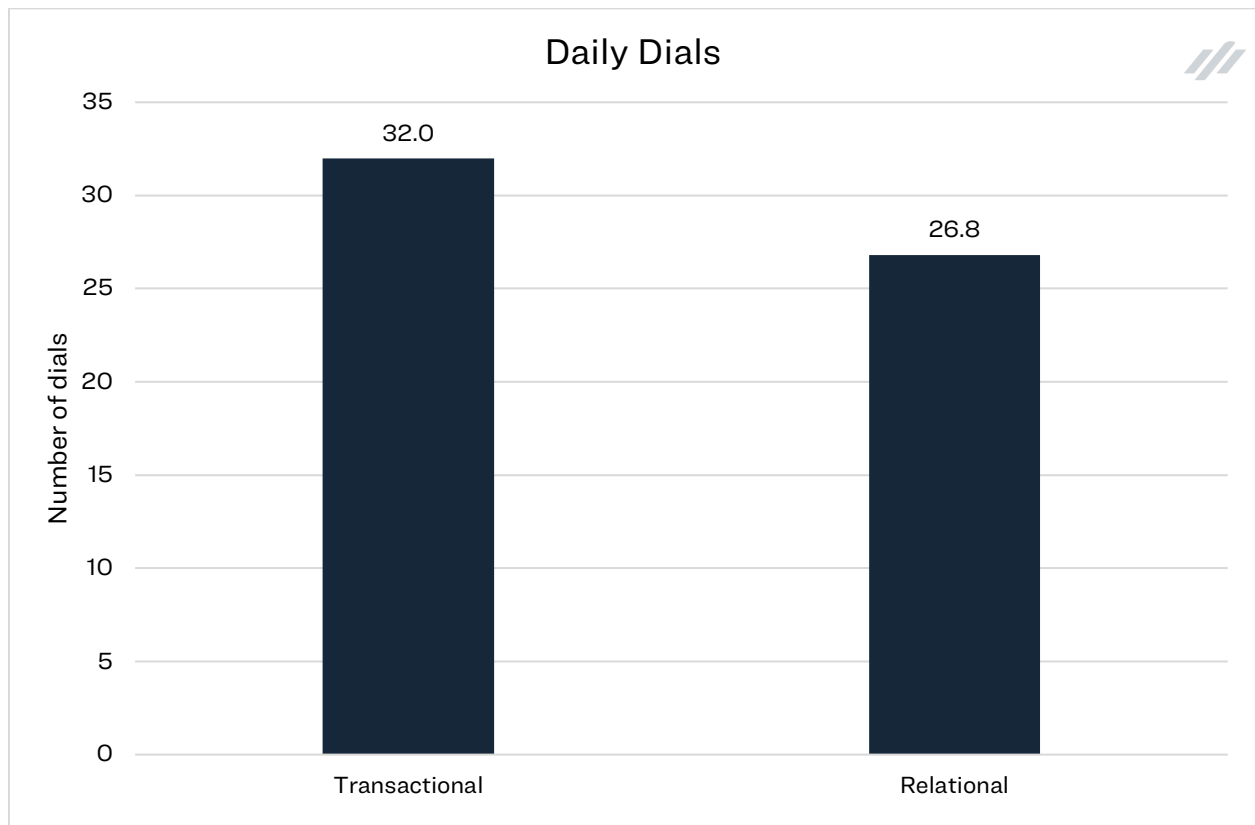
Larger companies (employee count) make more dials than smaller companies

The average number of daily dials rises steadily with employee count until 5000 employees when it drops off. Companies at 2001-5000 make.



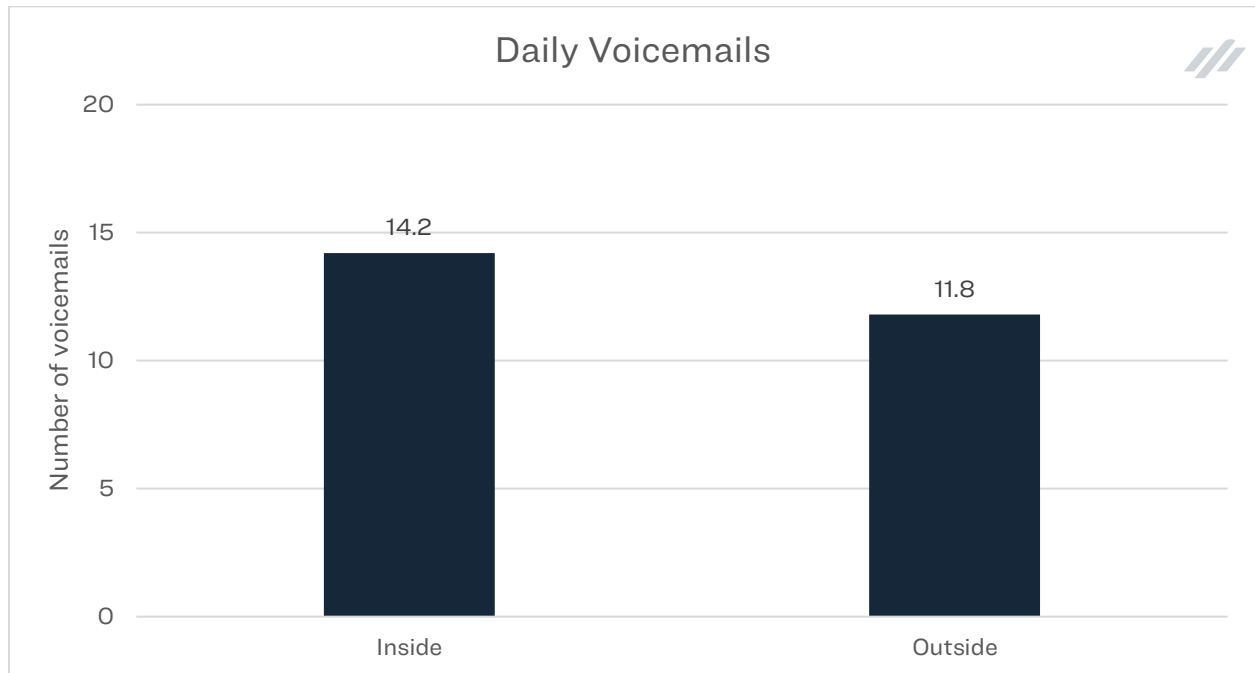
Transactional sales reps make 19.4% more dials than relational sales reps

Sales reps focused on transactional deals that have smaller deal sizes tended to make 19.4% more calls than those reps who focus on relational deals.



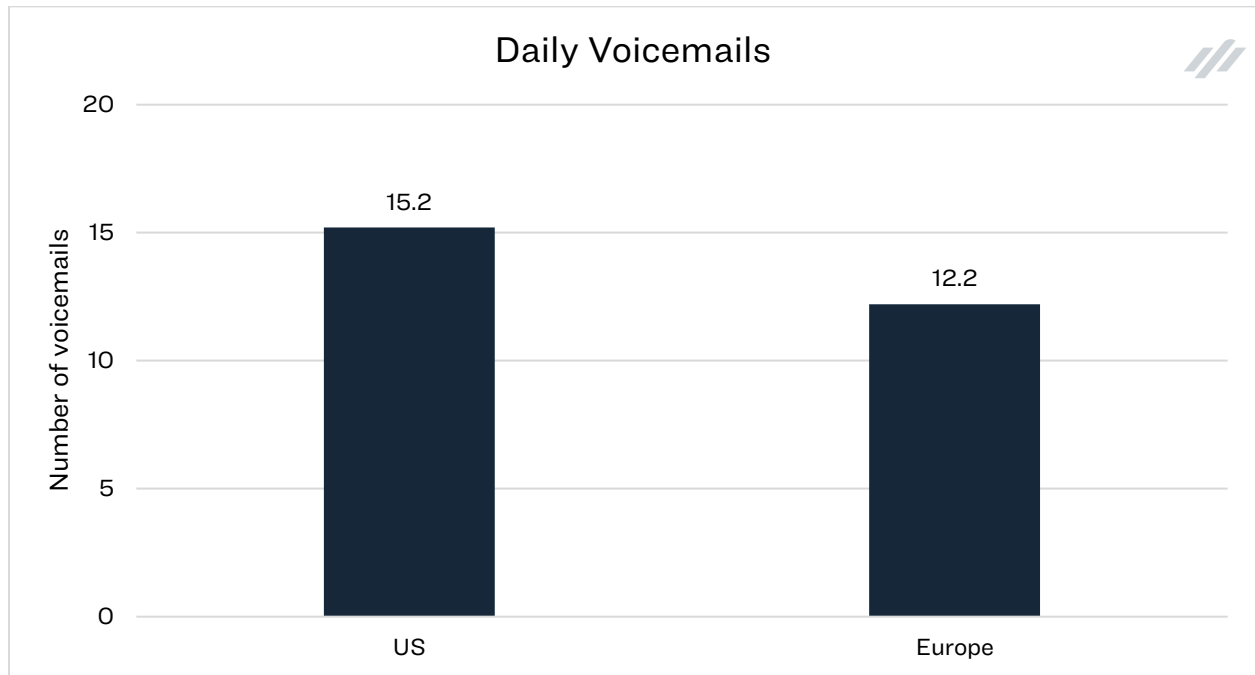
Inside sales reps leave more voicemails than outside sales reps

Along with making more phone calls, teams made up of more inside sales reps tended to leave 10.2% more voicemails than outside sales reps.



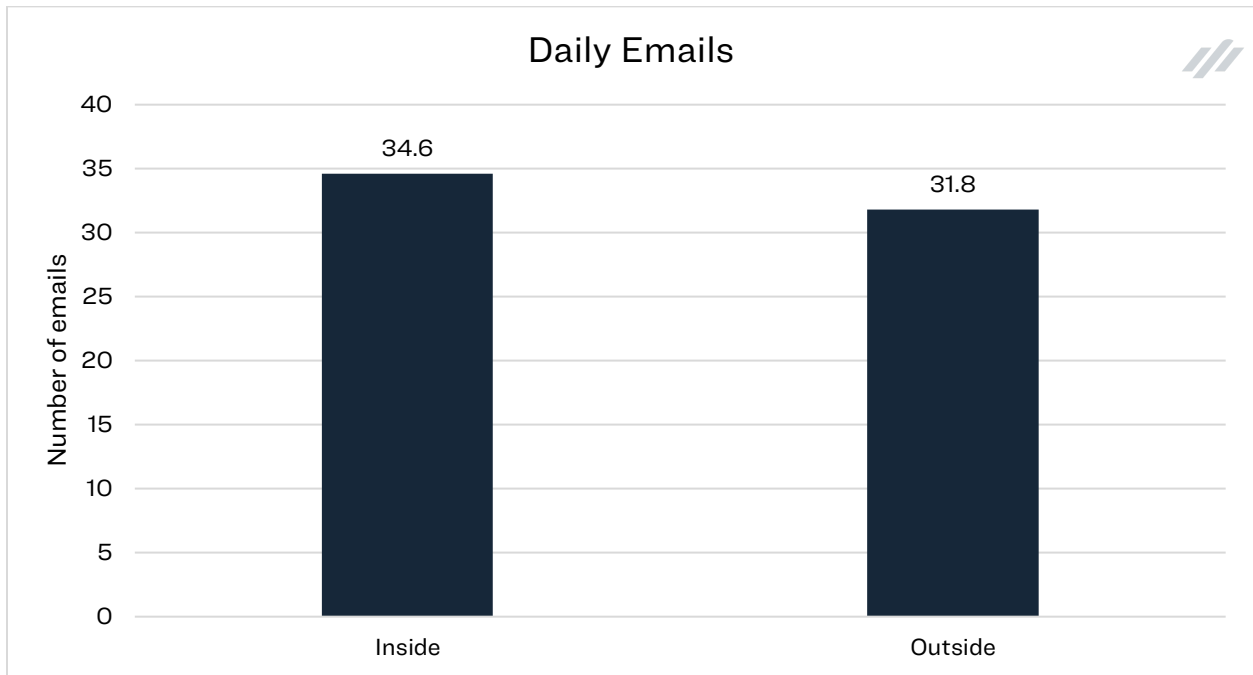
US reps leaves 24.6% more voicemails than reps in Europe

Sales reps in the US tended to leave 24.6% more voicemails than their counterparts in Europe.



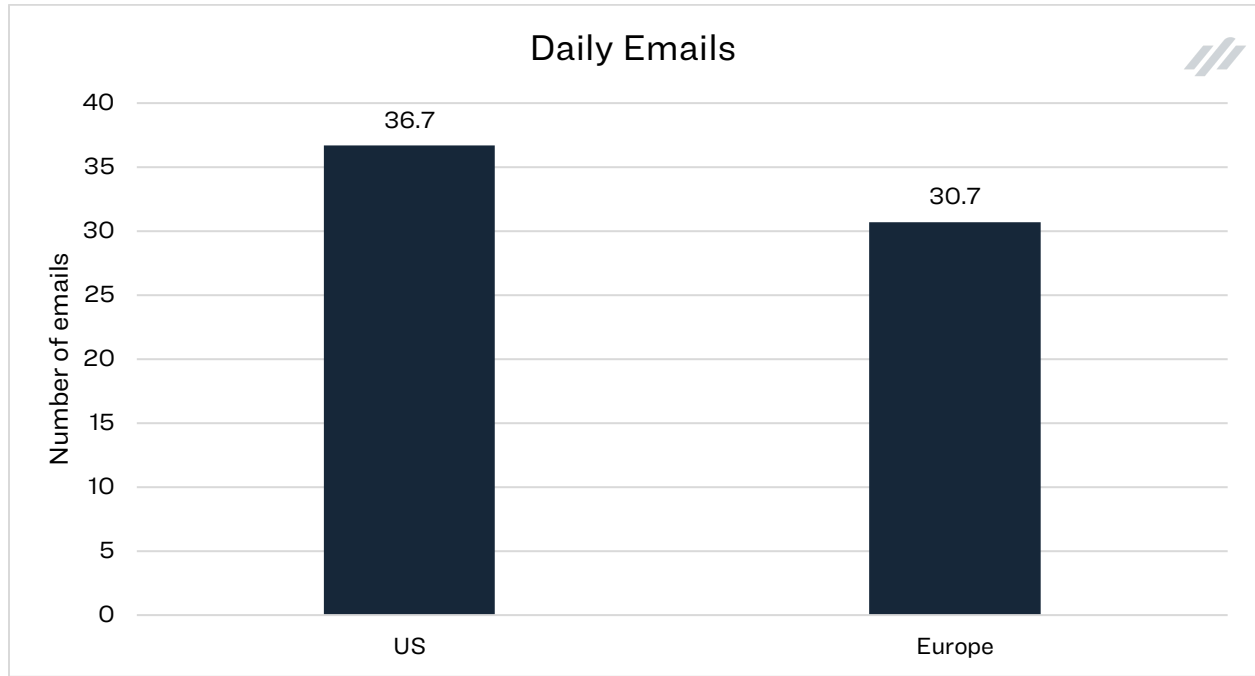
Inside sales teams sent 8.8% more emails than outside sales teams

Sales teams that were majority inside sales sent 8.8% more emails than sales team who had a majority of inside sales teams.



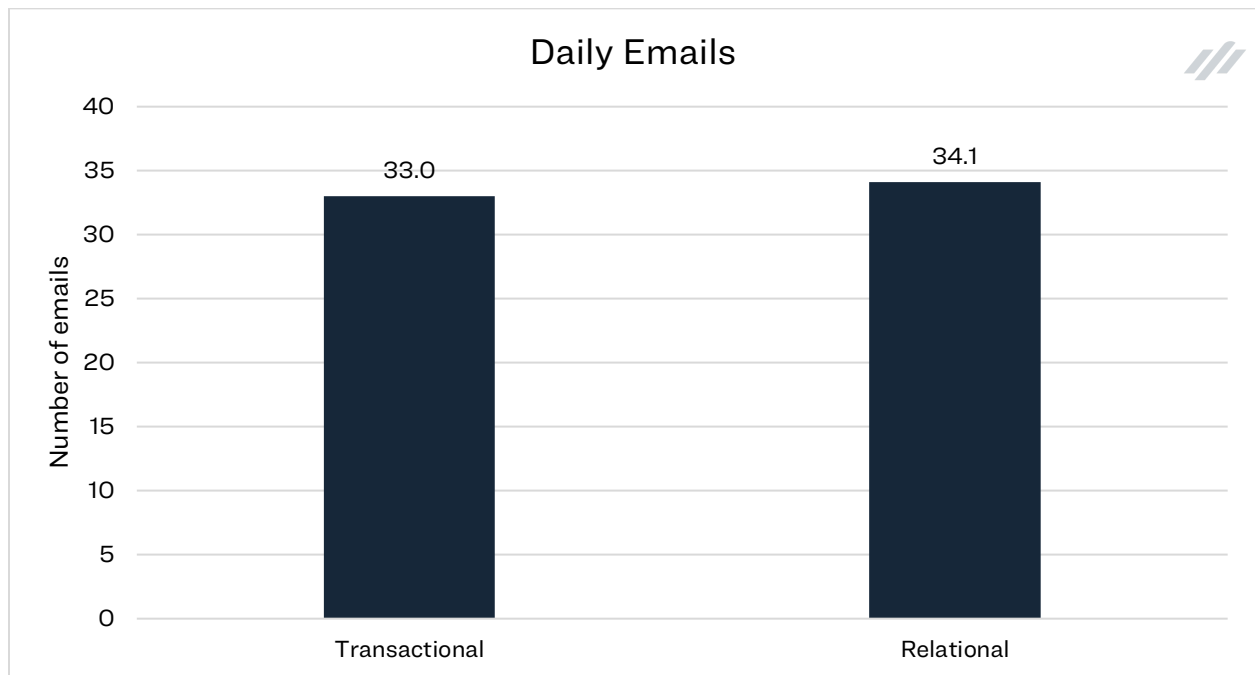
US sales reps sent nearly 20% more emails on average than reps in Europe

Sales reps in the US sent 19.5% more emails on average than reps in Europe.



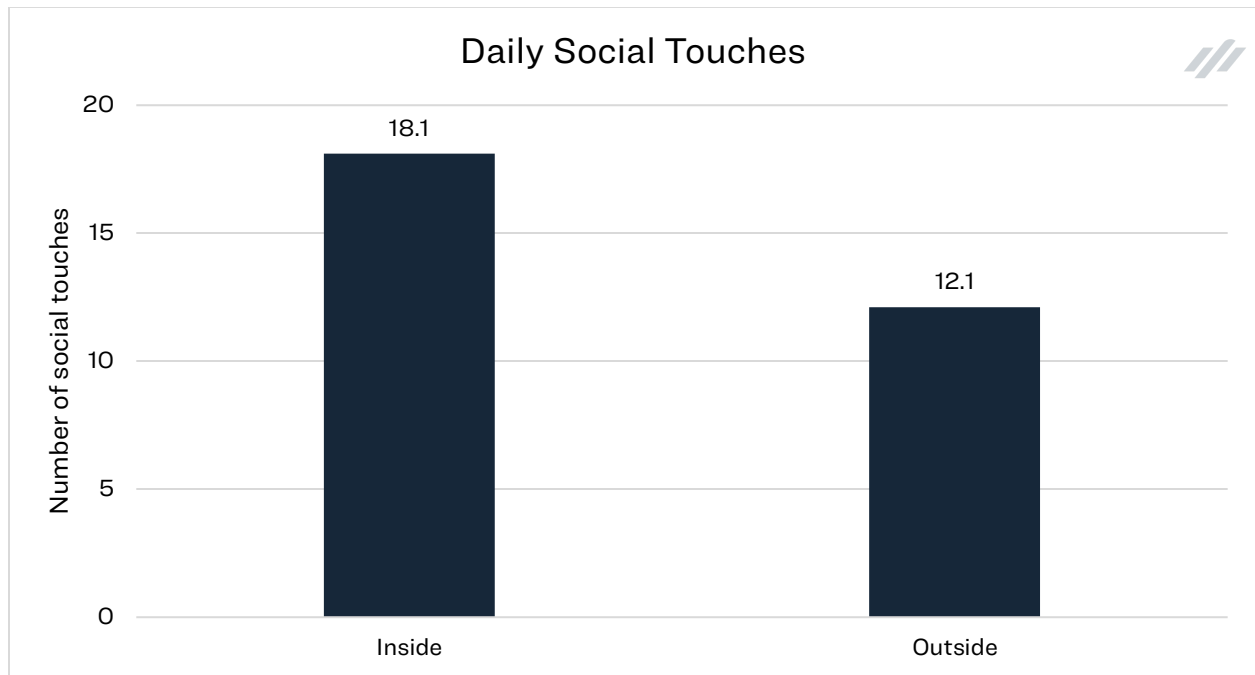
Reps who work relational deals send more emails than reps who work transactional deals

Reps working larger deals sent 3.3% more emails than those working smaller deals.



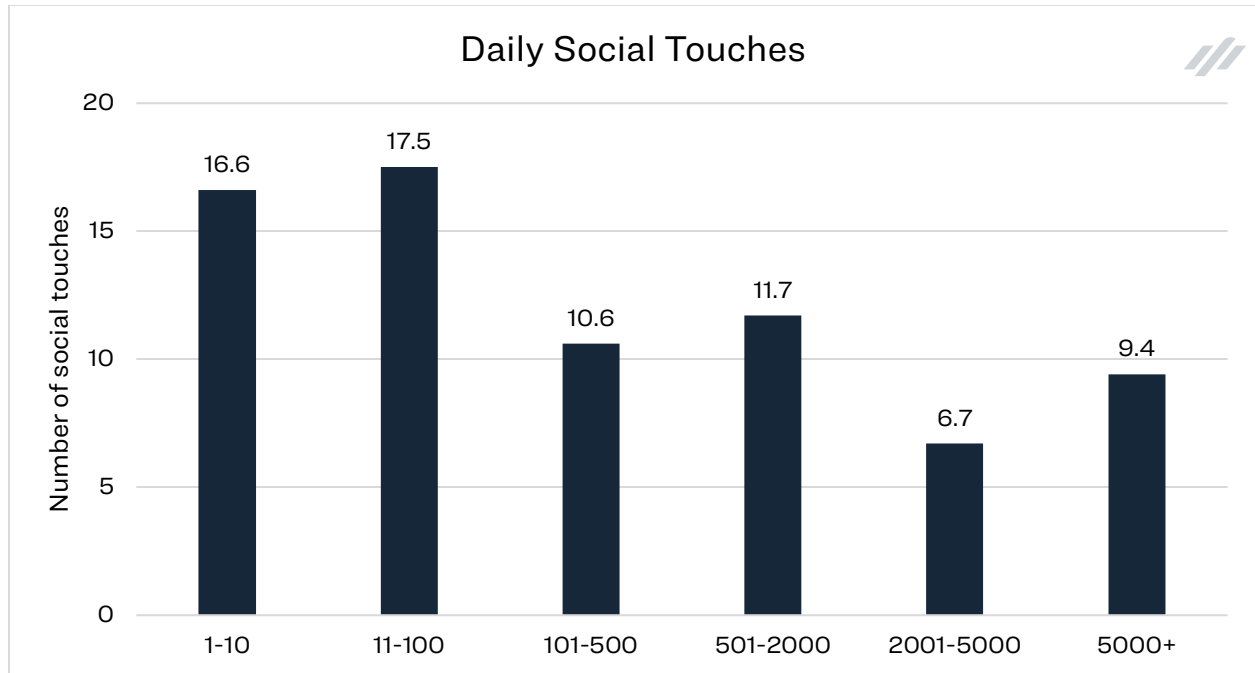
Inside sales reps do 49.6% more daily social interactions than outside sales reps

Sales teams dominated by inside sales reps focused on prospecting through social media more than those with more outside sales reps. Inside sales reps did 49% more social touches than outside sales reps.



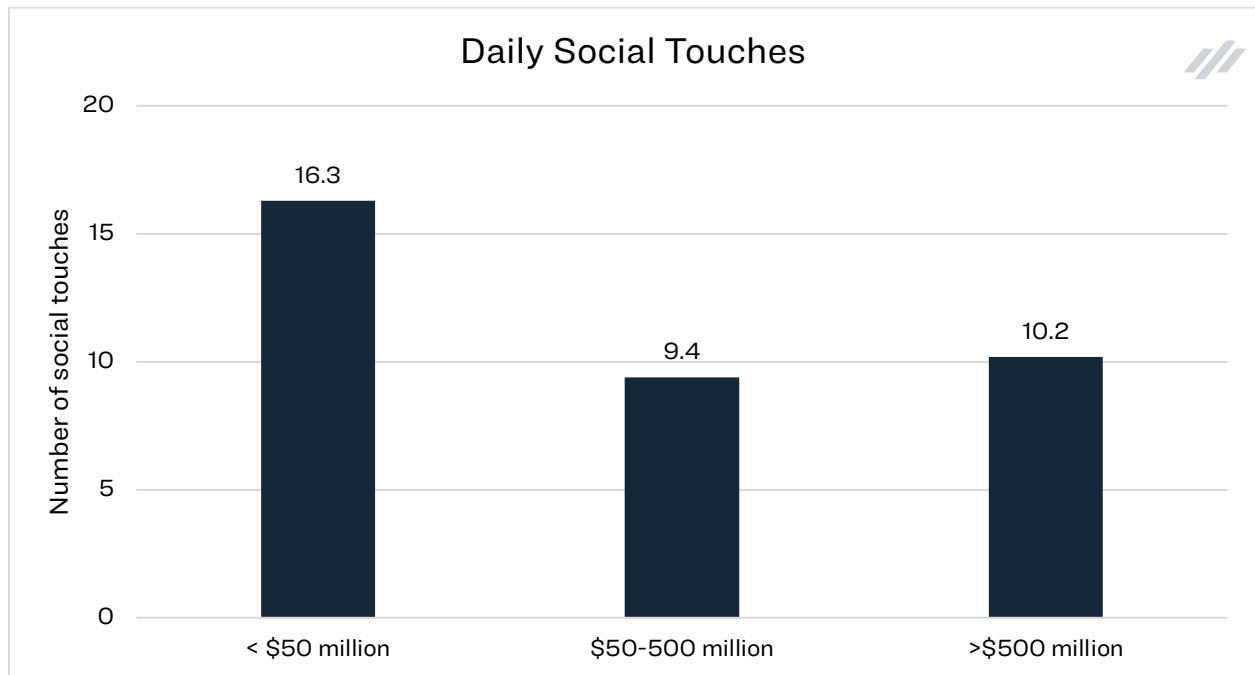
Smaller companies do more social selling than large companies

Sales reps in smaller companies tended to reach out through social media more than those in larger companies. In fact, companies with 11-100 employees do 161.2 percent more social interactions than companies with 2001-5000 employees.



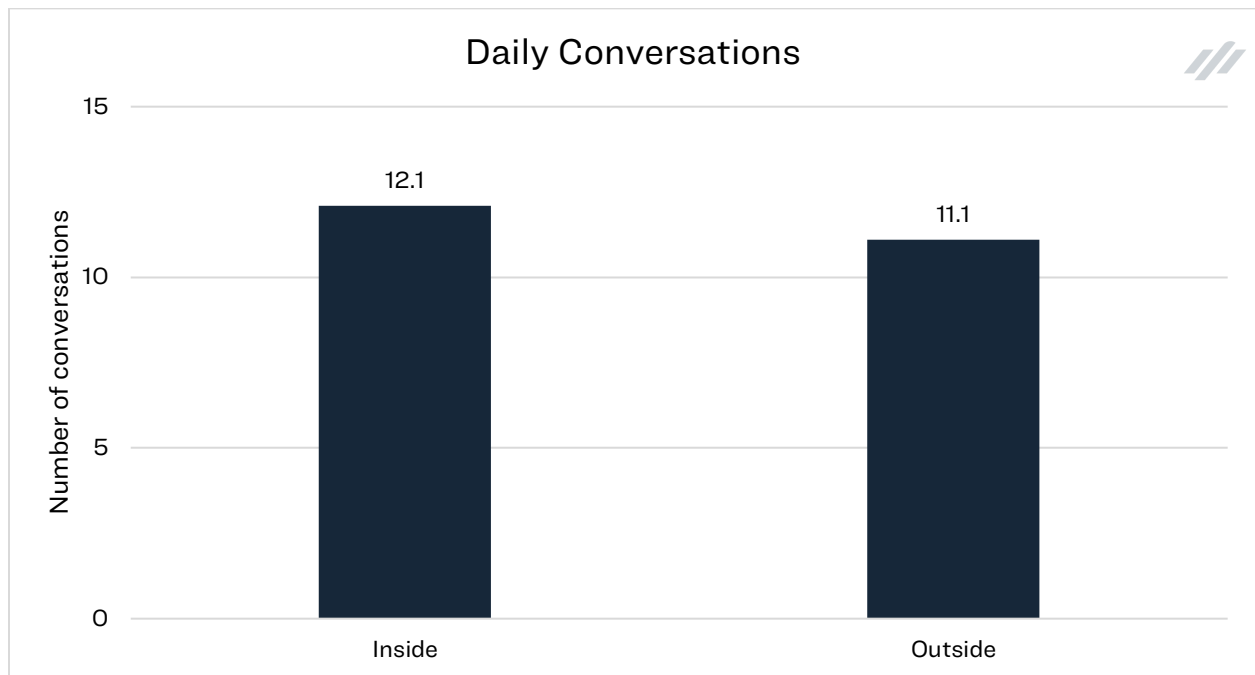
Companies with lower revenue do more social interactions than companies with larger revenue

Smaller companies (with annual revenue under \$50 million) made more contact attempts through social media than larger companies (>\$500 million in revenue) by 59.8 percent.



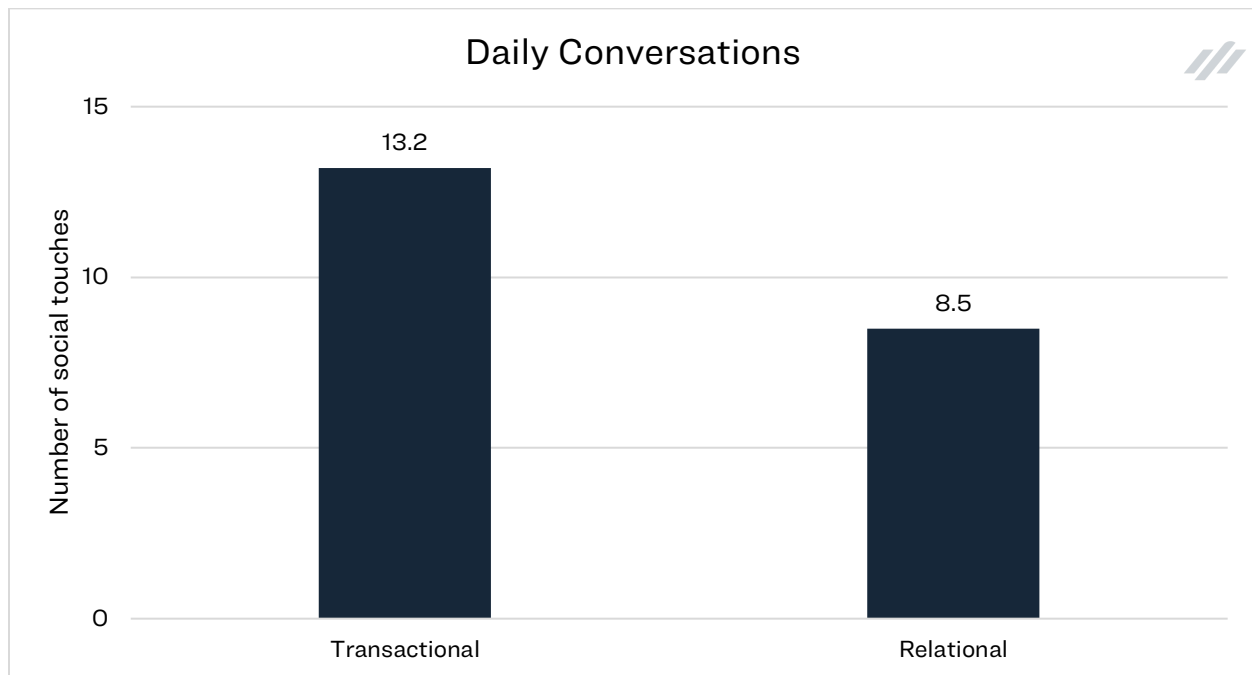
inside sales reps have more daily conversations than outside sales reps

Reps on inside sales teams tended to have about one more meaningful sales conversation per day on average than those on outside teams.



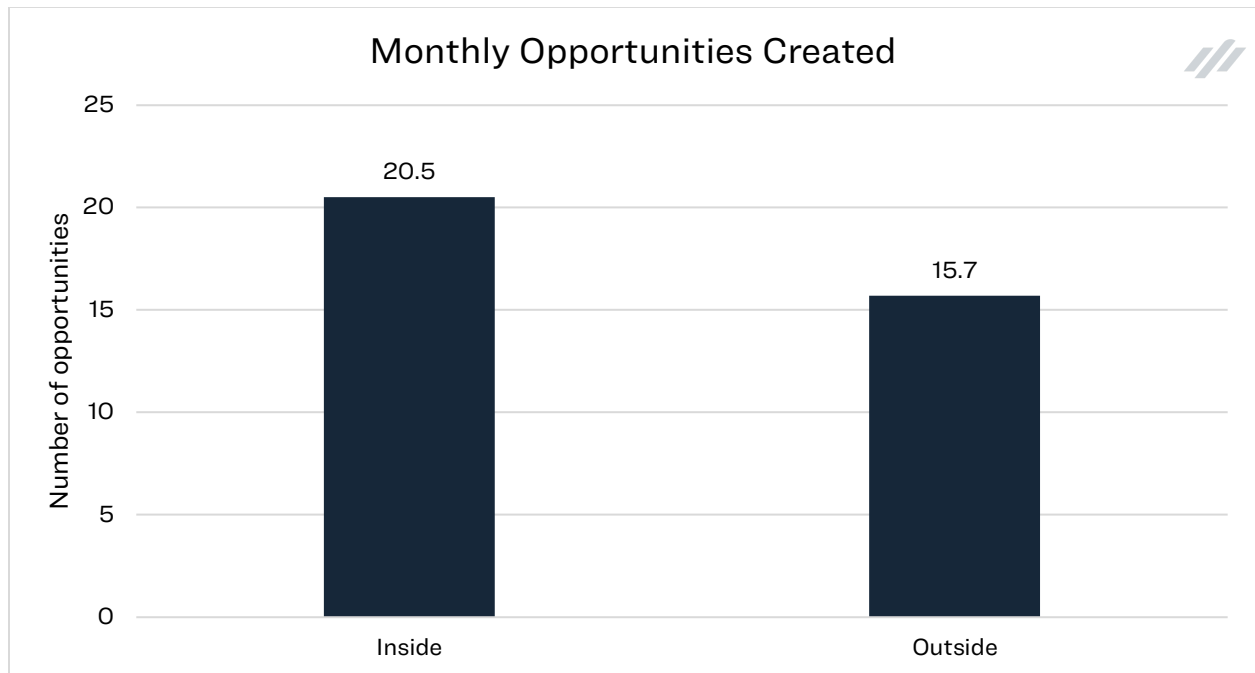
Larger companies (employee count) make more dials than smaller companies

Sales reps at companies with smaller, transactional deals tended to have 55% more conversations per day.



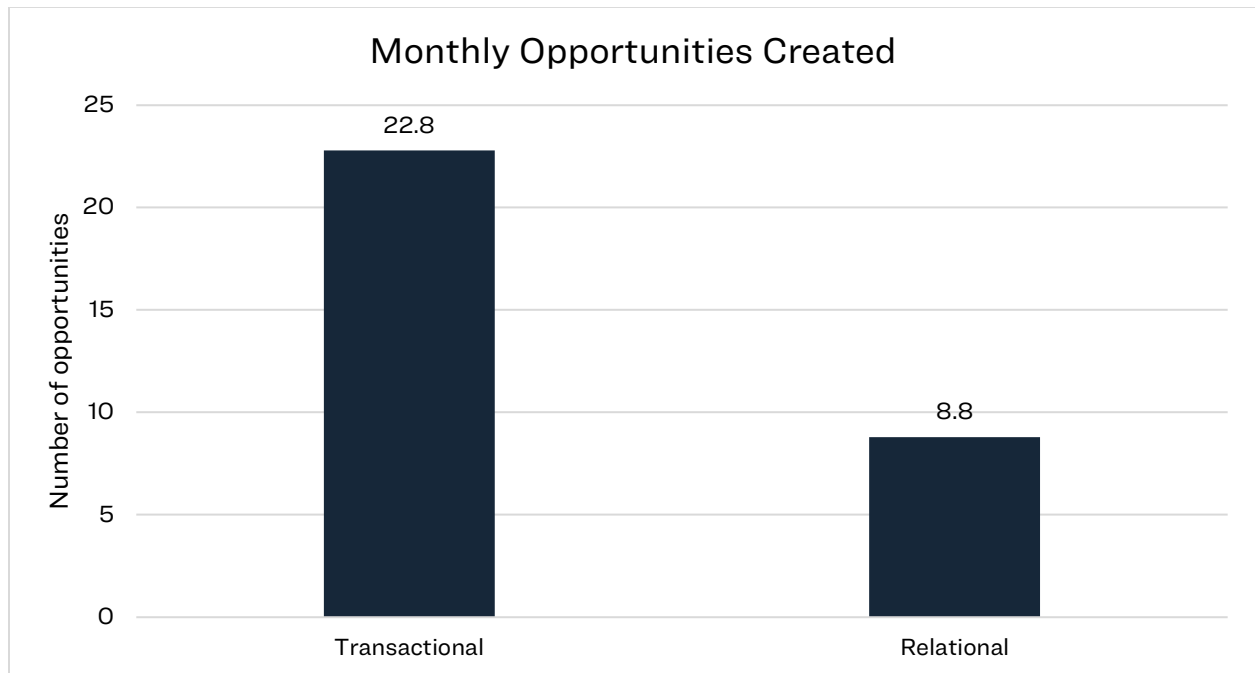
Inside sales reps create 30.6% more opportunities each month compared to outside sales reps

Reps on inside sales teams tend to create 30.6 percent more opportunities each month than those on outside sales teams.



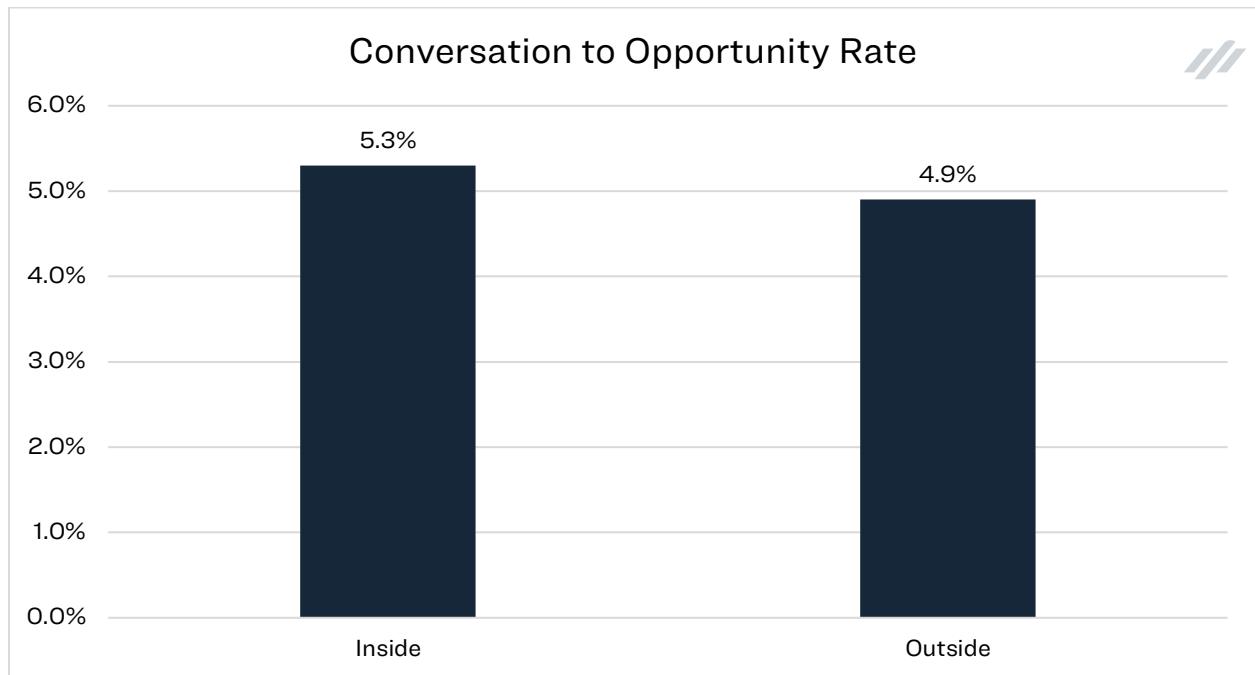
Reps who focus on transactional deals create 159.1% more opportunities per month than reps who focus on relational deals

With transactional deals, sales reps tended to create 159.1 percent more opportunities per month than reps who sell relational deals.



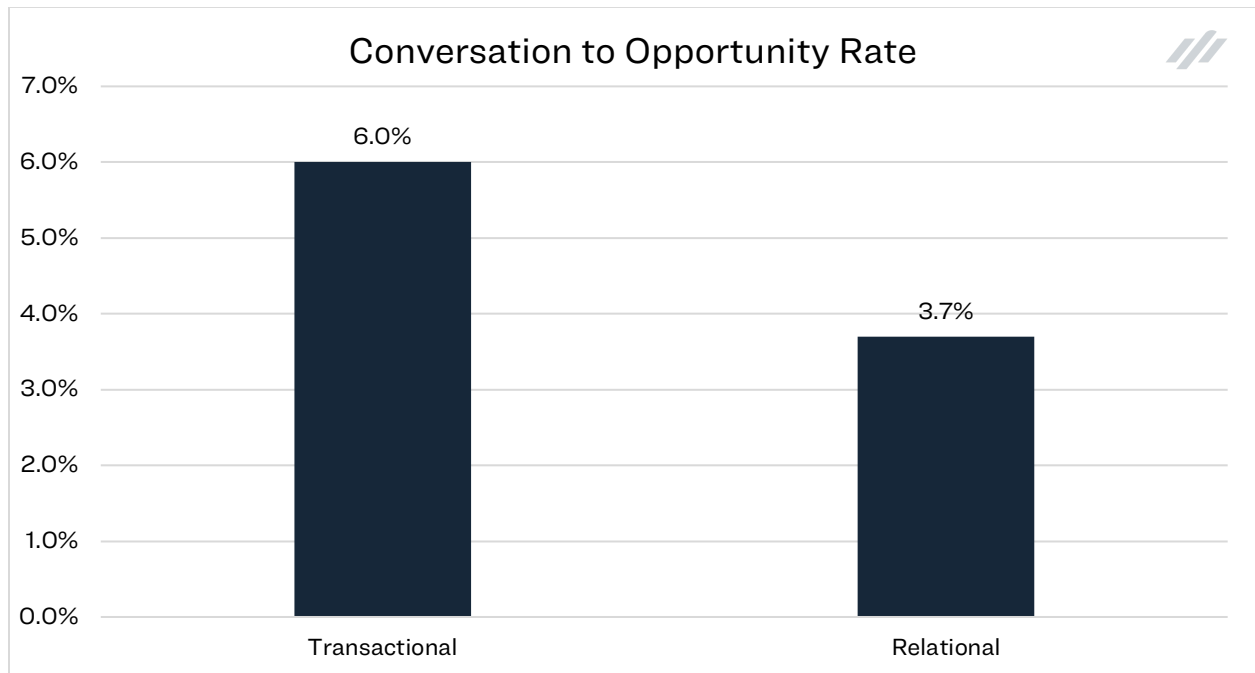
Inside sales reps have a slightly higher conversation to opportunity rate than outside sales reps

While inside sales teams didn't have a dramatic number of conversations more than outside sales teams, they were more 8.2% more likely to convert those conversations into qualified opportunities.



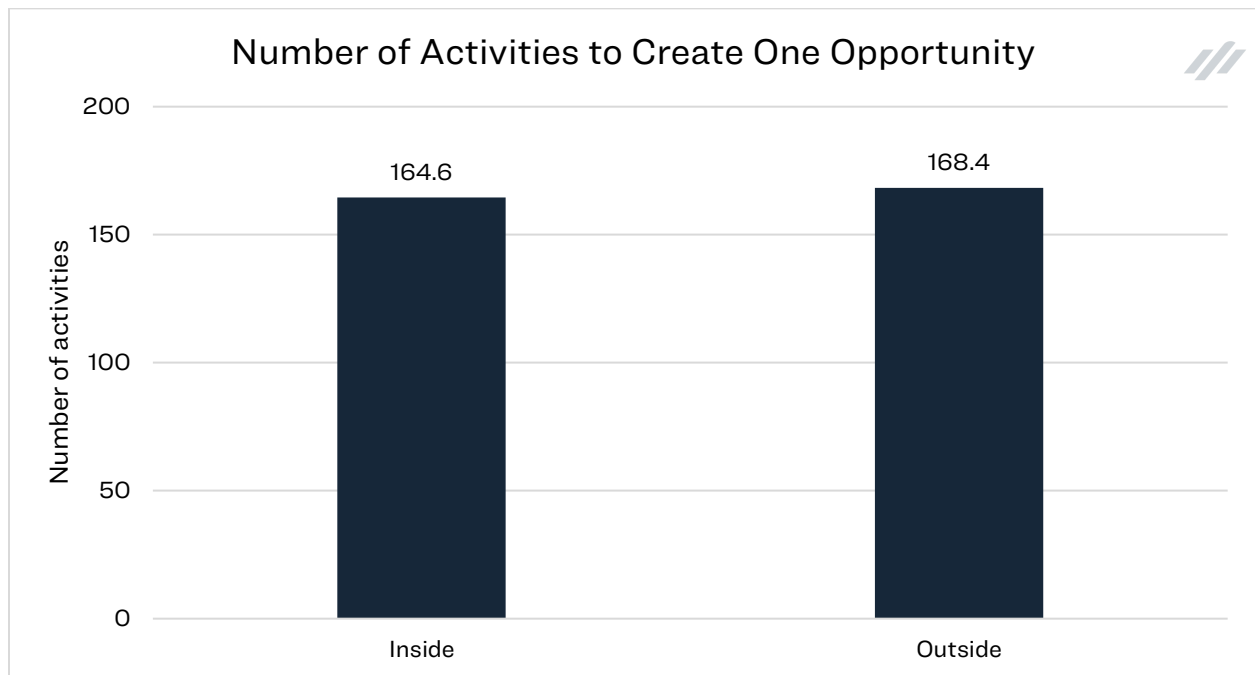
Reps who focus on transactional deals convert opportunities better than reps who focus on relational deals

Sales reps in companies that focus on smaller deals were 62.2 percent more likely to convert conversations into qualified opportunities than those focused on larger deals.



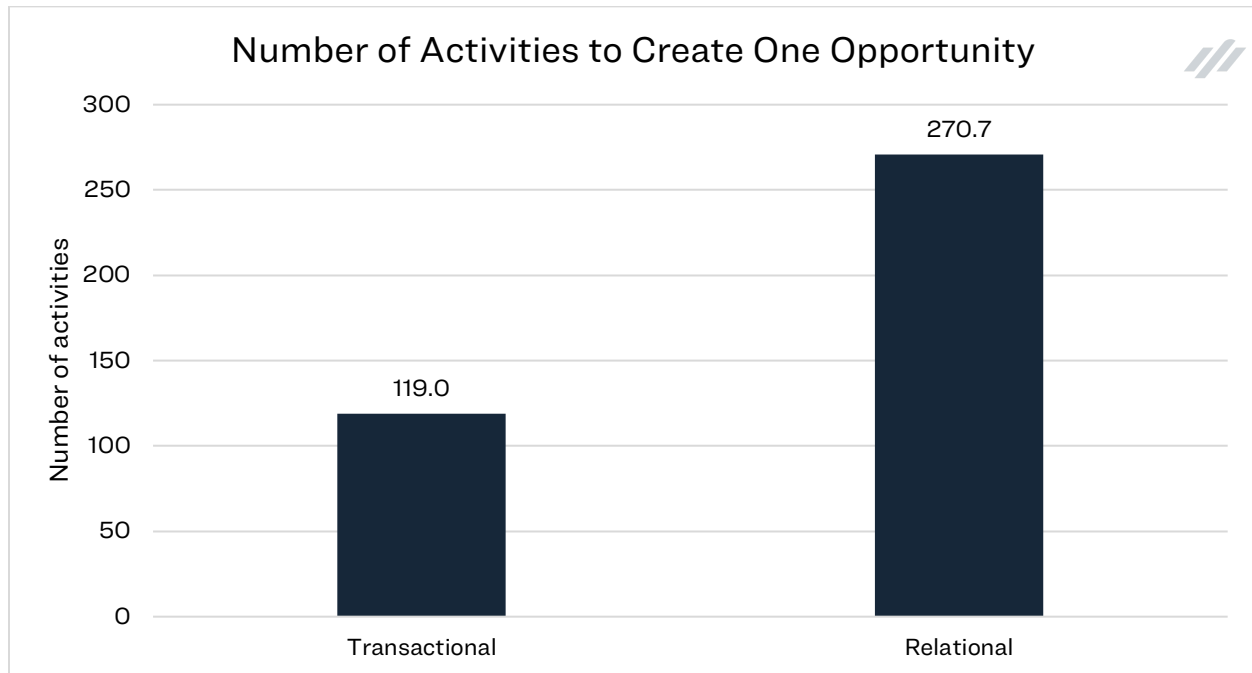
Outside sales reps take 2.3% more activities to create opportunities

Reps on outside sales teams tended to need 2.3% more activities for every opportunity created when compared to reps on inside sales teams.



Relational opportunities require more activities than transactional activities

With larger, relational deals, 127.5% more activities were required to create one opportunity when compared to smaller transactional deals.



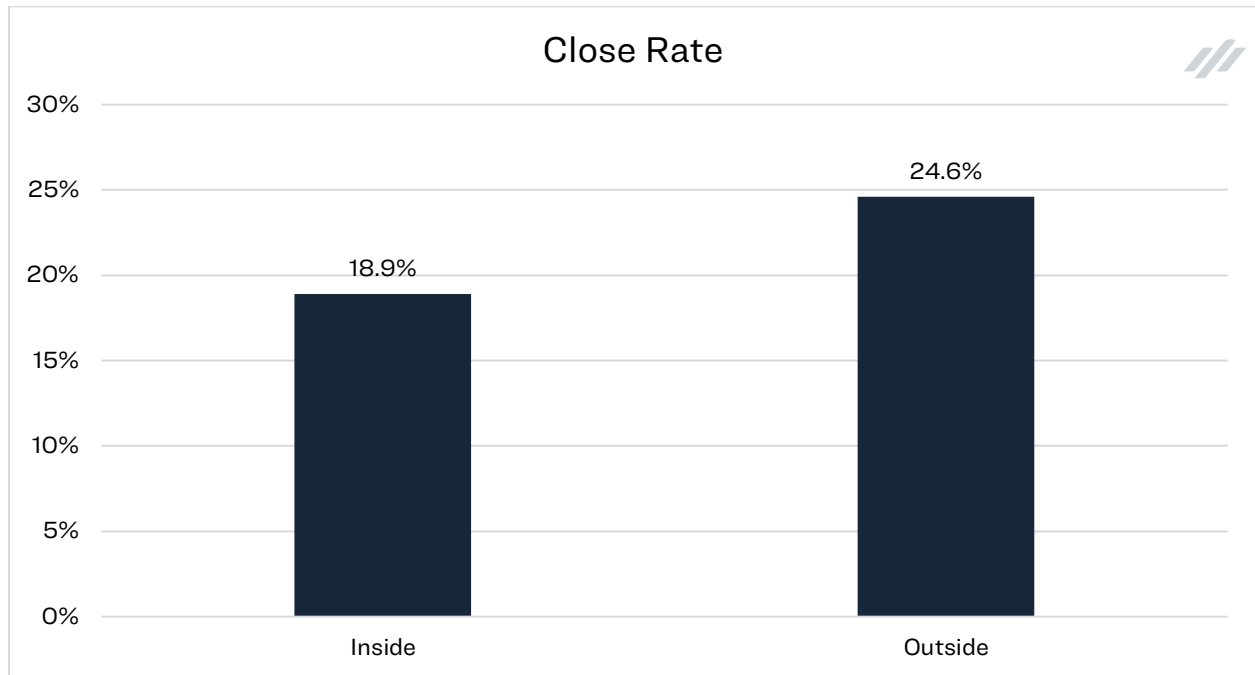
Reps who focus on transactional deals close more than reps who focus on relational deals

188.3% more transactional deals were closed per quarter when compared to larger relational deals.



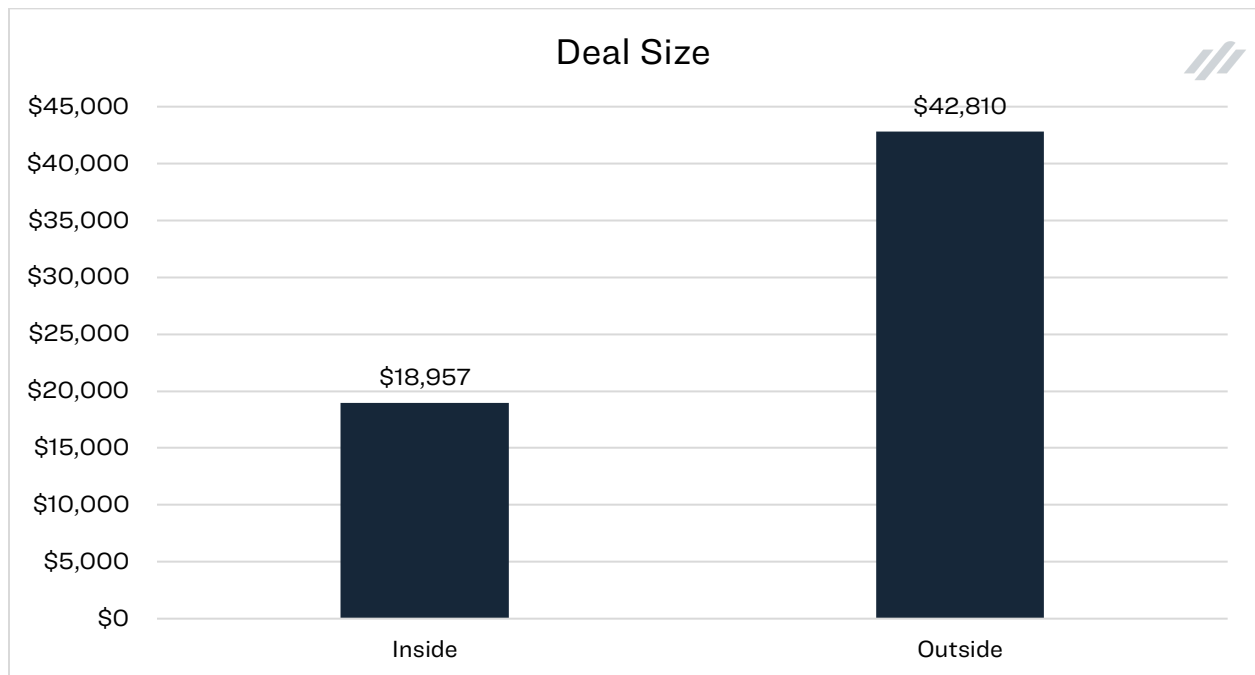
Outside sales reps have a higher close rate than inside sales reps

Companies who have a majority of outside sales reps have a 30.2% higher close rate than companies who have a majority of inside sales reps.



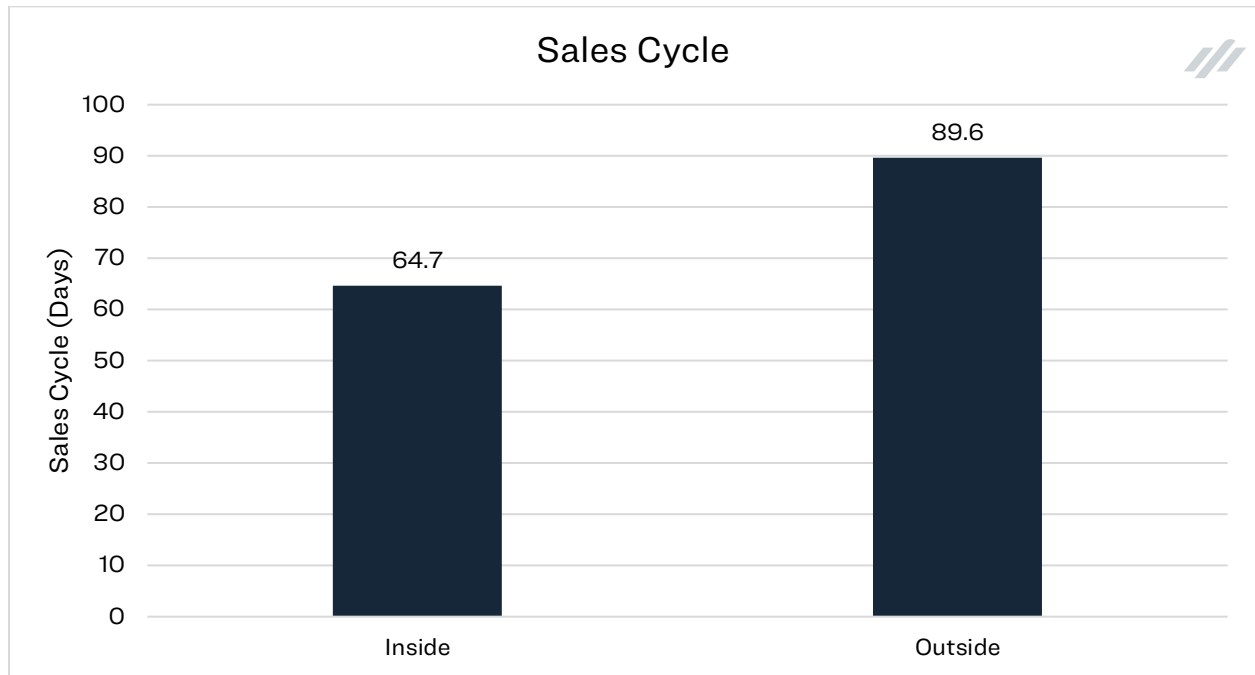
Outside sales reps close much bigger deals than inside sales reps

Deals worked by outside sales teams tended to be 130.2% bigger on average than those worked by inside sales teams.



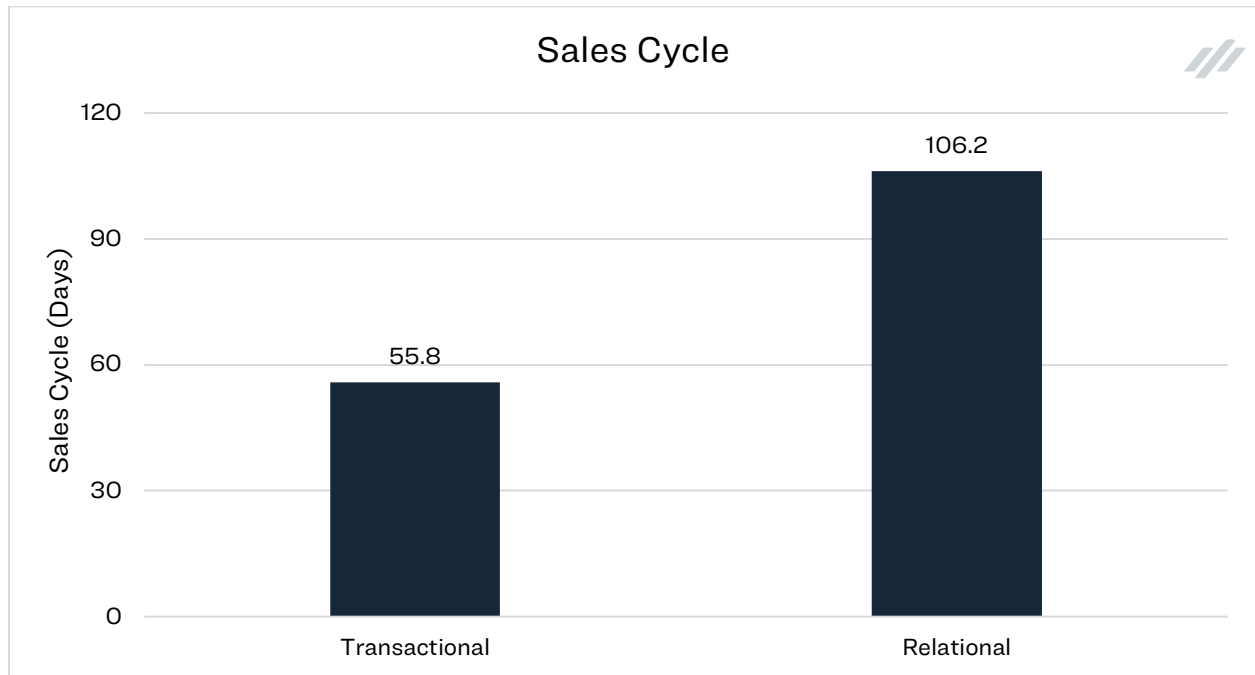
Outside sales teams have a 38.5% longer sales cycle than inside sales teams

Deals pursued by outside sales teams tended to take 38.5% longer to close than those pursued by inside sales teams.



Transactional deal sizes take longer to close than relational deals

The average sales cycle was almost double (90.3% higher) for relational deals than for transactional deals.



ABOUT THE RESEARCH TEAM

Ken Krogue

Ken Krogue founded XANT (formerly InsideSales.com) with Dave Elkington in 2004. Ken has been intimately involved in the research performed by XANT since the first landmark speed-to-response study done with Dr. James Oldroyd while at MIT in 2007 and with Harvard Business Review in 2011. Ken is a prominent thought leader in the inside sales space and second ranking person nationally in social selling strategies. Ken had been out of the research role for over a year with health concerns due to an automobile accident, but prior to that was a weekly columnist for Forbes.com and an international speaker. Ken attended the United States Naval Academy and holds a Bachelors of Science degree in Psychology from the University of Utah. Ken has two new books due out.

Gabe Larsen

Gabe joined XANT (formerly InsideSales.com) with over 15 years of experience in revenue generation, from helping financial clients price and trade complex derivatives at Goldman Sachs to helping multinational organizations penetrate new markets at Accenture and Gallup. Gabe co-hosts the award-winning Playmakers podcast and acts as Vice President of Marketing and Sales Development, where his expertise and research have helped more than 200 clients solve their biggest problems in the sales acceleration space.

Bryan Parry

Bryan Parry joined XANT (formerly InsideSales.com) in January 2016 as a Research Analyst. In this role, he is responsible for performing analysis to discover insights related to sales acceleration and the sales industry in general in order to support InsideSales's position of innovation. Bryan graduated with a bachelor of science in statistics from Brigham Young University.