



The Three Keys to Sales Quota Attainment

Keep it simple. Drive results.



Introduction:

“The results of this survey tell us sales leaders and salespeople are not always on the same page about why sales quotas are being missed. But, ultimately, it’s the sales leader’s job to diagnose underperformance and find the right solutions. Successful sales leaders show curiosity about what they can do to create a frictionless selling experience for the sales team.”

—Gerhard Gschwandtner
Founder and CEO, Selling Power

As a sales leader, you probably spend a good deal of time thinking about sales quotas. And why wouldn't you? Quotas offer sales leaders a quick, simple, and effective metric by which to measure the performance of individual salespeople and your team as a whole.

Why Do Sales Teams Miss Quota?

Maybe that's why sales quotas have proven to be such an enduring topic over the years. Consider some recent research about quotas revealed in the third edition of Salesforce's State of Sales report (reflecting input from 2,900 sales professionals worldwide). Of all sales professionals surveyed, 57% said they were likely to miss quota in 2018.

Each year we hear analysts, experts, and successful sales practitioners share stats about sales quotas at industry events. And we always wonder: Why are sales teams missing quota – especially when we're surrounded by tools and information to help reps sell better, faster, and more effectively?

With this question in mind, Selling Power and ValueSelling Associates decided to partner on a survey to ask sales professionals about their quotas. Specifically, we wanted to find out (from the perspectives of both salespeople and sales leaders) about the key elements that contribute to a salesperson's ability to achieve sales quota.

The Three Big Factors That Impact Quota Attainment

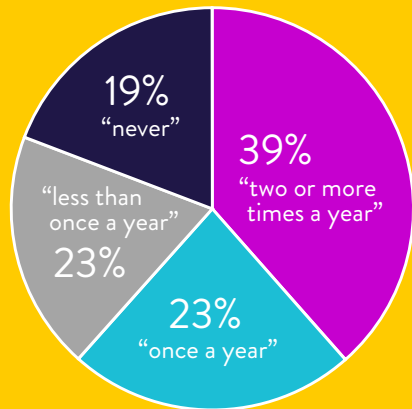
Our joint survey collected responses from more than 300 B2B sales professionals (including individual contributors and sales leaders). At a high level, we learned the three biggest factors that impact sales quota attainment are:

- 1) having enough sales pipeline,
- 2) having the right sales process, and
- 3) the salesperson's ability to communicate value to the prospect/customer.

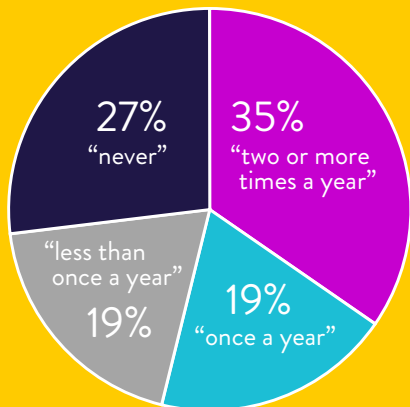
In the following pages, we'll explore the survey results in more detail, and provide some analysis and action steps about what sales professionals can do to see an immediate improvement in quota attainment.



Quota Attainment: A Detailed Look at Survey Results



Product Training



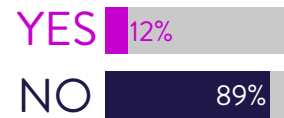
Skill Training

Quota-Missing Reps: Are They Getting Proper Sales Training?

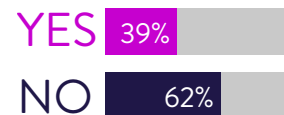
Our research uncovered some interesting findings about the salespeople who said they were likely to miss quota. Specifically, we found underperformers tend to:

- Receive moderate-to-low levels of sales training (both on product and skills)
- Lack the support of a formal sales coaching program
- Lack formal training on how to communicate value to customers

Formal Sales Coaching Program



Instruction on How to Communicate Value to Customers



While most sales teams understand the need to offer product and skills training to salespeople, it seems most salespeople still receive training in minimal amounts.

Product and skills training are basic table stakes for winning deals with customers. The skill of communicating value is even more advanced. When reps lack proper training in all three areas, they're set up to fail.

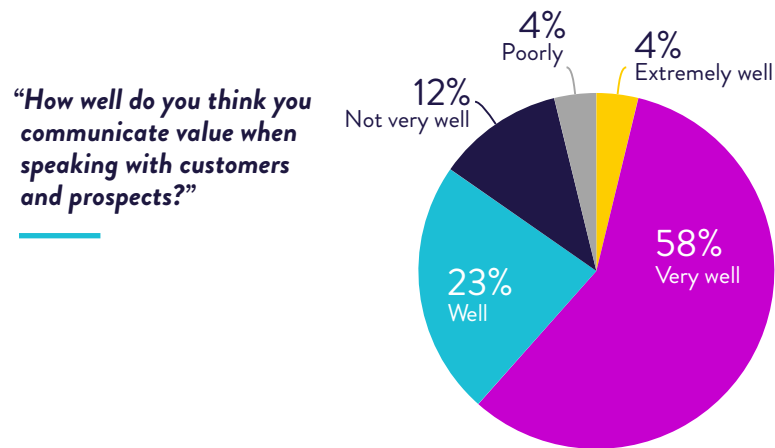
Anyone paying attention to selling in the past decade knows how dramatically buying habits have shifted. Selling has become more complex. Buyers are making purchases in teams, and across multiple departments. Buyers are also finding low-level, transactional information about products and offerings on their own via online content.

All this has made gaining a foothold with prospects an uphill climb for salespeople. In other words, this isn't the time to pull back when it comes to equipping salespeople with the right skills and tools. As our survey shows, salespeople who aren't coached or trained properly tend to fall off the quota attainment track.



Quota-Missing Reps: Can They Communicate Value during the Sale?

Salespeople not on track to meet quota say they're not taught to communicate value (62%), yet they report fairly high levels of confidence in their ability to communicate value with customers.



Meanwhile, sales leaders of underperforming reps reported they do teach reps how to communicate value; however, they had mixed feelings about the ability of reps to successfully communicate value during sales calls.



The disconnect reveals an underlying level of dysfunction between underperforming salespeople and the leaders who manage them. Salespeople and sales leaders disagree about the level of training being provided, and also have different perspectives on how well reps are leveraging this skill in selling situations.

One thing seems clear: If reps truly grasped how to sell value and received proper training on this skill, they'd likely be closer to achieving quota. In fact, when we look at survey responses from successful sales reps, they believe these are the biggest factors that help them stay on track to attain quota:

1. “I can effectively communicate value when speaking with customers/prospects.”
2. “I regularly spend time prospecting.”
3. “My company provides product training and the training is effective.”

Meanwhile, sales leaders of successful reps listed these factors as influencing their reps' ability to attain quota:

1. “Sales reps can effectively communicate value when speaking with customers/prospects.”
2. “Our sales team has a defined sales process.”
3. “Sales reps regularly spend time prospecting.”

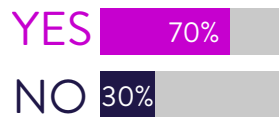
Quota-Missing Reps: Do They Follow a Sales Process?

When we ask sales leaders whose reps will likely miss quota about sales process, we see some additional disconnects.

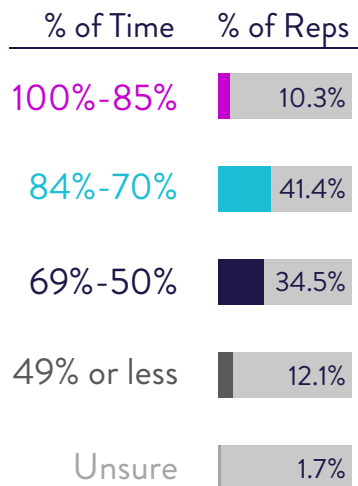
For one thing, while it seems most sales leaders at these companies make a good-faith effort to equip reps with a sales process to follow during the sale, sales leaders are not confident that reps consistently (or ever) follow the process with prospects.



“Has your company outlined a clear sales process for your sales reps to follow?”



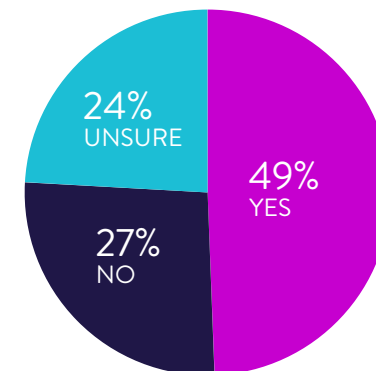
“What percentage of your reps follow the company’s sales process most of the time?”



Here’s what we know about sales process: It doesn’t work unless you work it! The way to get great results from your sales process is for reps to follow it consistently and diligently during each sales call. It’s clear sales leaders feel most sales reps are not following the sales process most of the time.

And, as we see in the data below, sales leaders also express fairly high confidence in the quality of the sales process their company offers sales reps. Nearly half of respondents said they believe their sales process is the most effective one for reps to follow.

“Considering your product/service, and the way your customers buy, do you believe the company’s sales process is the most effective one for your reps to follow?”



The Link between Sales Pipeline and Quota Attainment

Overall, when we asked sales leaders if their reps have enough pipeline to meet quota, 38% of them said yes. Yet only 23% of salespeople agreed they had enough pipeline to meet quota.

In addition, many sales leaders chalk up missed quotas to the fact that salespeople are not spending enough time prospecting, whereas salespeople are more likely to say their lack of quota attainment is (yes, you guessed it) because they don’t have enough leads in the pipeline.

“Do your sales reps have enough sales pipeline to meet quota?”

- 48%** of sales leaders said **no**
- 14%** of sales leaders said they were **unsure**
- 38%** of sales leaders said **yes**

Sales leaders rank the following as the three biggest factors that hold reps back from making quota:

1. “Sales reps don’t spend enough time prospecting.”
2. “Sales reps don’t (or aren’t able to) communicate value when speaking with customers/prospects.”
3. “We have a defined sales process but, most of the time, sales reps don’t follow the sales process.”



Pipeline, Sales Process, and Value: A Quick Success Story

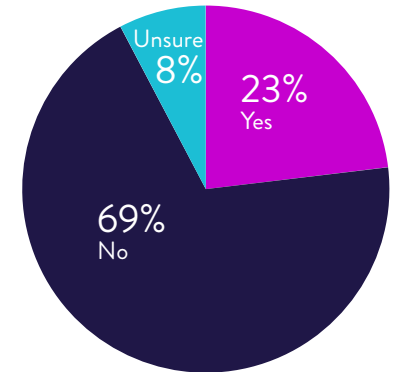
What happens to pipeline when sales reps understand how to communicate value and follow a simple, consistent sales process?

Consider what happened at FMT Consultants, based in Carlsbad, CA, after partnering with ValueSelling. This 24-year-old company provided training to 30 of its salespeople on ValueSelling Associates' Vortex Prospecting and the ValueSelling Framework. These trainings give reps simple, repeatable, effective steps to follow, and the great results make them eager to follow the process consistently, which boosts their prospecting efforts and close rates. FMT sales reps saw an immediate uptick in business results just after the training was implemented; by the end of the year, their overall annual sales revenue had increased by 36%.



Sales reps who indicated that they are not on track to make quota also indicated the following.

“Do you have enough leads in your pipeline to meet quota?”



Sales reps ranked the following as the biggest factors that contribute to their failure to attain quota:

1. “Not enough sales leads in the pipeline.”
2. “Our team doesn’t effectively leverage a CRM solution.” (Either “no CRM,” or, “our existing CRM doesn’t support our sales process.”)
3. “We don’t have a defined sales process.”



Tips for Successful Quota Attainment

“What’s really holding your sales team back and causing them to miss making quota? Our research on this topic shows us that pipeline, process, and communicating value are key. You can help ensure quota attainment for your team through consistency in prospecting efforts, simplicity in your process, and value in your communications.”

— Julie Thomas, President & CEO,
ValueSelling Associates

Sales leaders want to create strong teams that achieve quota consistently. And, while the formula for quota attainment will always be unique to each team, here are three critical steps you can take to improve.

#1: Keep the Sales Pipeline Full

A sales leader’s perpetual quandary is how to keep the sales pipeline full, so it’s no surprise the results of our survey show sales leaders and salespeople agreeing that sales pipeline is a challenge.

To improve in this area, you need to focus on two key areas: **lead generation** and **prospecting**.

Establish a Common Goal for Lead Generation

Lead generation has only gotten more challenging as the buyer’s path-to-purchase has become fragmented and complex. Today, leads often come in from many different places. The traditional hand-off from marketing to sales may no longer be relevant for some organizations. Instead, many companies are taking a different, fluid approach to generating leads.

Sales and marketing teams should identify common goals for lead generation. This process also helps teams avoid the classic arguments between sales and marketing about what constitutes a qualified lead (yes, these fights persist: Recent research from Gartner reveals sales teams end up rejecting 55% of marketing-qualified leads).

Again, because leads come in from multiple channels, your plan may not look as traditional as marketing taking sole responsibility for generating leads and passing them off to sales. For example, a percentage of your leads may now come from salespeople who generate leads through social platforms like LinkedIn, or from your customer service and support teams who have close connections to customers could leverage their position to generate referrals.

Be Disciplined about Prospecting

Keeping the funnel full will always require strong prospecting efforts on the part of your salespeople.

The results of our survey show many sales leaders believe reps neglect their prospecting efforts. To address this issue, you need to create a consistent framework for prospecting.

First, reps need to understand how much time they must devote to prospecting to help keep the sales pipeline full. Second, sales leaders must give reps the proper training to build the skills they need to move the sale forward. Confident reps are more likely to make their prospecting calls and follow a prospecting discipline.





#2: Create a Simple Sales Process

Salespeople need a simple sales process they can follow easily.

The key word here is “simple,” and this is much easier said than done. Many sales teams make the mistake of creating a process that has too many steps or inadvertently causes reps to devote time to non-selling activities. In fact, research from SiriusDecisions shows salespeople spend:

- **26.6%** of their time **selling to customers**
- **9.7%** of their time **talking to customers about issues indirectly related to deals**
- **36.5%** of their time preparing to **engage with a customer** (for example: crafting proposals or searching for content)
- **27.2%** of their time on **administrative tasks**

If your sales process isn't simple to follow, reps won't follow it at all. By contrast, simplicity paves the way for consistency – and consistent efforts are the key to getting winning results.

#3: Help Reps Communicate Value

As the results of the survey show, sales professionals who are on track to attain quota say their ability to communicate value is a big contributing factor to their sales success.

The fact is, most salespeople need to work on their ability to communicate value to prospective buyers. This is particularly true for reps calling on executive buyers who are older, more

experienced, and have less time and patience to have conversations with reps who don't yet share their level of business acumen. In these cases, sales reps might lean too heavily on their product training during sales calls. Is product training still important? Yes. Just know that excited sales reps sometimes end up talking too much about features and benefits after all that great product training – and end up losing out on sales opportunities.

Buyers today are very clear that they're looking for reps who can provide value. Salespeople need to take the prospect's perspective into account by understanding:

- How prospects prefer to communicate
- The top challenges and issues in the prospect's industry
- The key revenue challenges on the prospect's mind (for example: offsetting competitive threats, saving time, reducing labor costs, or generating higher sales)

When sales teams empower salespeople with the ability to communicate value to the prospect, salespeople will gain more traction with prospects. Those efforts typically result in higher levels of motivation among salespeople to prospect more frequently and routinely, which leads to an uptick in sales results overall.



About SellingPower

In addition to Selling Power magazine, the leading periodical for sales managers and sales VPs since 1981, Personal Selling Power Inc. produces the Sales Management Digest and Daily Boost of Positivity online newsletters, as well as a series of five-minute videos featuring interviews with top executives. Selling Power is a regular media sponsor of the Sales 3.0 Conference.

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