

January, 2010

InsideView Customers Derive Measurable Value from Inside Sales Enablement

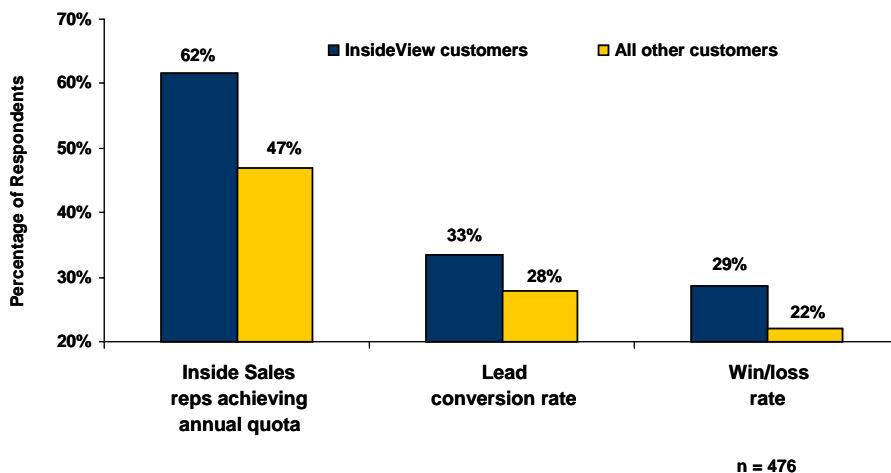
Companies seeking to steer highly qualified leads to their “closers” are faced today with a combination of competitive threats, information overload and hesitant buyer behavior requiring new strategies and tools to succeed. The never-ending economic pressure for sales organizations to increase productivity, while “doing more with less,” often results in organizational emphasis on segregating responsibilities between inside and outside sales teams.

Aberdeen research conducted in October and November, 2009 of 476 corporate sales teams, has provided extensive data that yielded actionable recommendations published in the December, 2009 Benchmark Report, *Inside Sales Enablement: “Let Them Drink Coffee!”* Initial analysis of 26 end-user organizations currently deploying InsideView on behalf of their inside sales teams shows these sales practitioners outperform other companies in both performance and the adoption of Best-in-Class practices, which are defined in this Analyst Insight.

Deconstructing Best-in-Class Inside Sales Deployments

The end-users researched for the inside sales enablement data set (see sidebars for demographics) provided extensive insight into both their current and year-over-year performance, as well as how they respond to business pressures by deploying various capabilities and enablers.

Figure 1: Current Inside Sales Performance of InsideView Customers versus All Other Companies



Source: Aberdeen Group, January 2010

Analyst Insight

Aberdeen’s Insights provide the analyst perspective of the research as drawn from an aggregated view of the research surveys, interviews, and data analysis. InsideView is a provider of SalesView, a sales intelligence application.

Survey Demographics

In October and November, 2009, Aberdeen surveyed 476 organizations, of which 420 reported deploying inside sales teams. These companies’ demographics are as follows:

- ✓ **Job Title:** CEO / President (20%); EVP / SVP / VP (14%); Director (23%); Manager (26%); Consultant (4%); and other (13%).
- ✓ **Department/Function:** sales and business development (58%), marketing (18%), corporate management (8%), operations (6%) and other (10%).
- ✓ **Industry:** software (31%), IT consulting and services (12%), computer equipment, hardware or peripherals (6%), telecommunications (6%), financial services (5%), and other (40%).

continued

As illustrated in Figure 1, InsideView customers are currently outperforming those who do not use their service, in terms of current sales metrics, by an average of 27%. All of these measurements are Key Performance Indicators (KPIs) used by Aberdeen to construct the Best-in-Class designation within this research study (Table 1).

Table 1: Top Performers Earn Best-in-Class Status

Definition of Maturity Class	Mean Class Performance
Best-in-Class: Top 20% of aggregate performance scorers	<ul style="list-style-type: none"> ▪ 87% of inside sales reps currently achieve annual quota ▪ 17% average growth in overall corporate revenue; 80% have shown improvement ▪ 7% average increase in lead conversion rate (pass-through to closers); 47% have shown improvement ▪ 6% average improvement in win-loss ratio; 50% have shown improvement
Industry Average: Middle 50% of aggregate performance scorers	<ul style="list-style-type: none"> ▪ 52% of inside sales reps currently achieve annual quota ▪ No change in overall corporate revenue; 43% have shown improvement ▪ 1% average increase in lead conversion rate (pass-through to closers); 27% have shown improvement ▪ No change in win-loss ratio; 17% have shown improvement
Laggard: Bottom 30% of aggregate performance scorers	<ul style="list-style-type: none"> ▪ 25% of inside sales reps currently achieve annual quota ▪ 14% average decrease in overall corporate revenue; 10% have shown improvement ▪ 5% average decrease in lead conversion rate (pass-through to closers); 6% have shown improvement ▪ 7% average worsening of win-loss ratio; 5% have shown improvement

Source: Aberdeen Group, January 2010

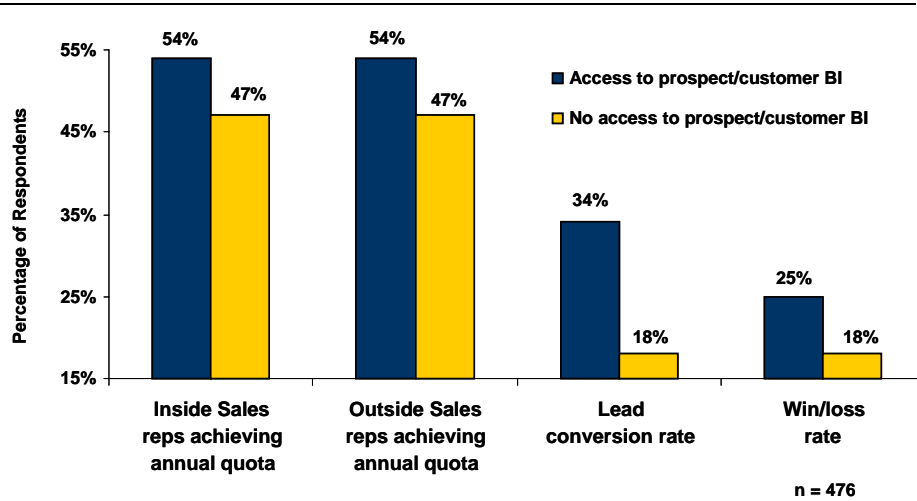
Best-in-Class Inside Sales Methodologies

In Aberdeen’s research methodology, the top-performing companies are contrasted with other organizations primarily in terms of the capabilities and enablers used to support inside sales success. By analyzing the differentials between these audience groups, conclusions are drawn regarding how under-performing sales teams should alter their practices and technology deployments to better mimic the results of the Best-in-Class. The following are detailed explanations of select enablers, in the context of the Best-in-Class performance by all companies evaluated in the study, which is explained in Table 1.

Survey Demographics (continued)

- √ **Geography:** The majority of respondents (84%) were from the Americas. Remaining respondents were from the EMEA region (11%) and Asia-Pacific (5%).
- √ **Company size:** 17% of respondents were from large enterprises (annual revenues above US \$1 billion); 31% were from midsize enterprises (annual revenues between \$50 million and \$1 billion); and 52% of respondents were from small businesses (annual revenues of \$50 million or less).
- √ **Headcount:** 24% of respondents were from large enterprises (headcount greater than 1,000 employees); 28% were from midsize enterprises (headcount between 100 and 999 employees); and 48% of respondents were from small businesses (headcount between 1 and 99 employees).

Figure 2: Access to Customer/Prospect Business Intelligence



Source: Aberdeen Group, January 2010

Top-performing sales teams are 26% more likely than Laggards to provide all relevant personnel – inside sales, closers, customer service, and marketing – with access to prospect and customer contact information, allowing a democratic and effective process to support inside sales success. Figure 2 reveals the delta in sales performance recognized by users versus non-users of the methodology. Limiting access to this data can create a bottleneck and steal valuable selling time from quota-centric staff. Every single InsideView customer, as opposed to 66% of other companies, has adopted this technology enabler. In the case of InsideView, their SalesView product aggregates and analyzes relevant executive and corporate data from external content sources to uncover new sales opportunities.

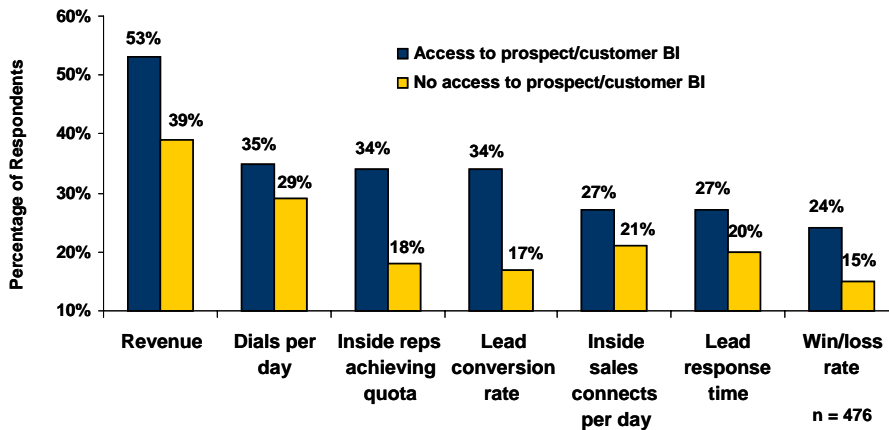
While far more InsideView customers than others (60% versus 26%) adopt the Best-in-Class enabler of directly feeding sales intelligence into the daily selling tool represented by CRM/SFA systems, neither group is realizing the full potential of this protocol. Top-performing sales teams are doing so at a 72% premium over Laggards, because they realize the value of limiting the number of sales technologies required for their team members' use. In Aberdeen research for [The Carrot or the Stick? Competing Strategies for Sales Effectiveness](#) Analyst Insight, the Best-in-Class were 60% more likely than bottom performers to promote CRM adoption through the incorporation of sales intelligence sources. In turn, companies with higher CRM adoption rates outperformed all others by an average of 17% around quota achievement, bid-to-win ratio and lead conversion rates. Figure 3 details the current sales performance metrics of users versus non-users of this technology enabler.

Inside Sale Solutions Provided

Aberdeen's Research into inside sales enablement focuses on solutions provided in these eight functional areas:

- ✓ Consulting
- ✓ Customer Relationship Management (CRM) or Sales Force Automation (SFA)
- ✓ Live chat/co-browsing
- ✓ Marketing automation
- ✓ Sales intelligence
- ✓ Software
- ✓ Telephony
- ✓ Training

Figure 3: Sales Intelligence Incorporated into CRM/SFA



Source: Aberdeen Group, January 2010

Fast Facts

- ✓ The average survey-responding company employs 46 inside and 106 outside sales reps; has an average deal size of \$267k; and has annual revenue of \$661M
- ✓ Inside sales reps for surveyed organizations average 50 phone calls and 17 connects per day; interact with prospects an average of 3.87 times before passing leads to closers; and have a direct impact on 38% of overall corporate revenue

Case in Point: SuccessFactors

According to Alex Saleh, VP of Global Sales Operations, the company in 2008 began focusing its selling message more intensely on higher-level individuals, and C-suite executives, inside target companies. SuccessFactors had been using a sales intelligence service from InsideView since a 2006 pilot, and expanded the contract in 2007, and, Saleh explains, the solution was an ideal fit for the new top-down selling focus. “Most of our sales reps showed a lot of interest in using the product,” he says, “in the way it helps create connections within sales prospects, and made it easier for our hunters to create appointments by understanding how targeted individuals were connected to ‘friendlies’ inside our customer network.”

In order to consolidate a limited sales intelligence budget around a solution that would result in the best ROI, Saleh decided to align all 170 sales staff members with the InsideView product in late 2008, in response to the strong support the team expressed for its value. “There is continued value we receive from commercial database subscriptions,” he explains, “but this solution builds vital connections on top of that raw, and sometimes, aging, data. For example, we import our list of existing customers to the system, and then the product looks at the current and past affiliations of targeted executives to help us ease into a sales conversation more naturally.” Saleh adds, “For the chance to speak directly with a C-level executive, a carefully-deployed reference to their fellow board member or former colleague absolutely gets their attention.” Additionally, the solution creates new connections for the sales team at SuccessFactors and, combined with feeds from social media sites such as LinkedIn, Twitter and pre-selected blog content, “every morning our team gets a message with their own favorite sales trigger information.”

Saleh acknowledges that most of the data being shipped to his team is readily available through search engines, “but the functionality is far better

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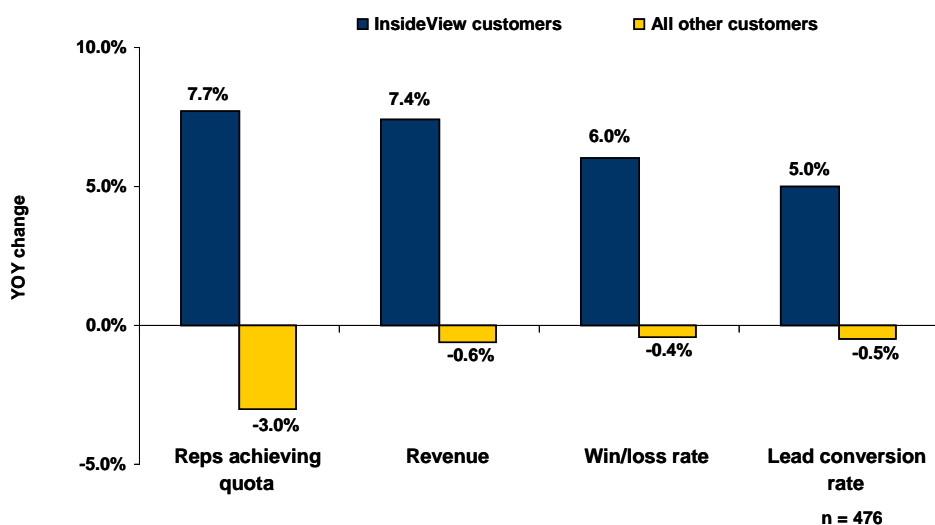
~ Alex Saleh, VP Global Sales Operations, SuccessFactors

with everything integrated to our CRM, and this seamless interface makes it far more productive for our sellers.” CRM adoption itself has increased, he adds, because “while CRM is usually deployed for the benefit of management, for oversight and forecasting purposes, our team is now enticed to provide more thorough updates because their InsideView data stream is married to the CRM.” As a result, Saleh says that, “most of my lead generation reps are saving one to two hours per day. Instead of searching for information, it just comes their way automatically.”

Key Takeaways

With consistently higher levels of adoption of Best-in-Class capabilities and enablers, InsideView customers are achieving measurable results, including the chronological values represented by Figure 4. Whether the metrics are financial (revenue), performance (quota achievement) or activity-oriented (conversion and win/loss rates), this group is realizing considerable value from how they support their inside sales function.

Figure 4: Year-over-Year Performance Change of InsideView Customers versus All Other Companies



Source: Aberdeen Group, January 2010

Conclusion

The recently published Benchmark Report, *Inside Sales Enablement: “Let Them Drink Coffee!”* provides companies with a roadmap for leveraging the tools and methodologies for driving increased revenue through inside sales, and to mimic the relatively strong performance of InsideView customers. Not only does the study outline steps to address the short-term need to enhance the sales pipeline, but it also provides long-term value to the field sales organization via career advancement between the teams. Further, the report presents specific recommendations for defining measurable goals and

metrics around inside sales management, based on the performance of Best-in-Class companies.

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

Related Research	
<p><u>Inside Sales Enablement: "Let Them Drink Coffee!";</u> December 2009</p> <p><u>Sales Training: Translating Tribal Selling Knowledge Into Bottom-Line Productivity,</u> September 2009</p> <p><u>Sales Training: Embedding Best Practices into Tribal Selling Knowledge;</u> July 2009</p> <p><u>Sales Training: Tracking Best-in-Class Deployments;</u> July 2009</p> <p><u>Sales Training: Instructor-Led Options for Best-in-Class Performance;</u> September 2009</p> <p><u>Sales Intelligence: The Secret to Sales Nirvana;</u> January, 2009</p>	<p><u>Sales Effectiveness: Pathways to Productivity;</u> September, 2008</p> <p><u>Sales Analytics: Hitting the Forecast Bulls-Eye;</u> July, 2008</p> <p><u>Sales Effectiveness: Leveraging Content to Close Deals,</u> November, 2007</p> <p><u>Sales Effectiveness: Getting Sales Back to Selling;</u> June, 2007</p> <p><u>Sales 2.0: Social Media for Knowledge Management and Sales Collaboration;</u> September, 2008</p> <p><u>Users of Sales and Marketing Solutions Display a Significant Lack of KPI Awareness;</u> August, 2008</p>
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