



CSO Insights™

The Research Division of Miller Heiman Group

# *Running Up the Down Escalator:*

2017 CSO Insights World-Class Sales Practices Report | Summary

# “CSO Insights” – Where do insights come from?

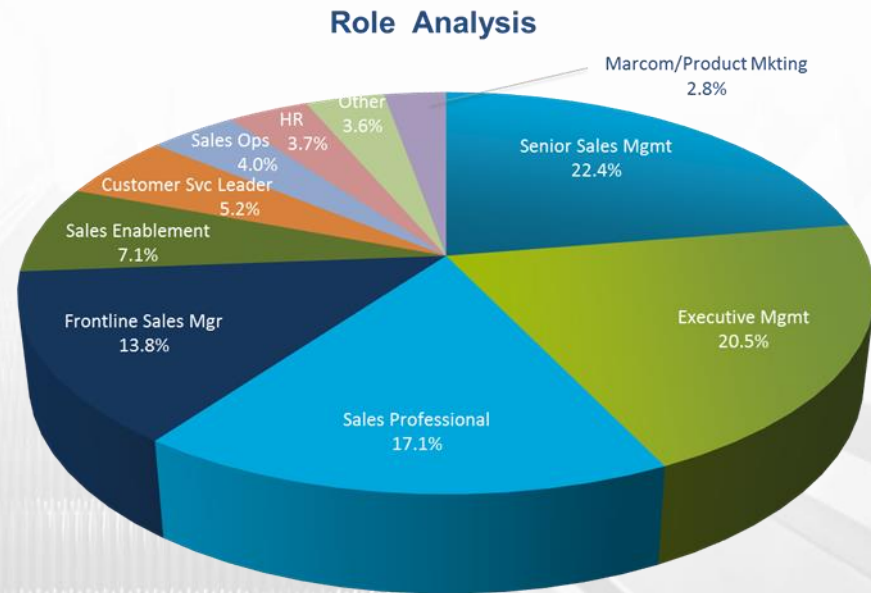
*New & Improved!* For over two decades, CSO Insights’ studies have highlighted the processes, practices, and operational metrics that define selling. For the first time, we’ve developed an overlay to the Sales Relationship Process (SRP) Matrix that provides specific best practices to drive sales success.

Adversity or opportunity? We found surprises in unexpected places.

If you make or influence decisions about sales strategy or need to understand how to win in the current market, this report is for you.

## 2017 World-Class Sales Practices Study Participation

*Data was collected globally from over 1,300 respondents across a wide range of industries, geographies, sales roles, and company types (products, sizes, sales structures, deal sizes).*



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See the full report for a detailed demographic analysis.

# Downward Momentum Is Prevailing

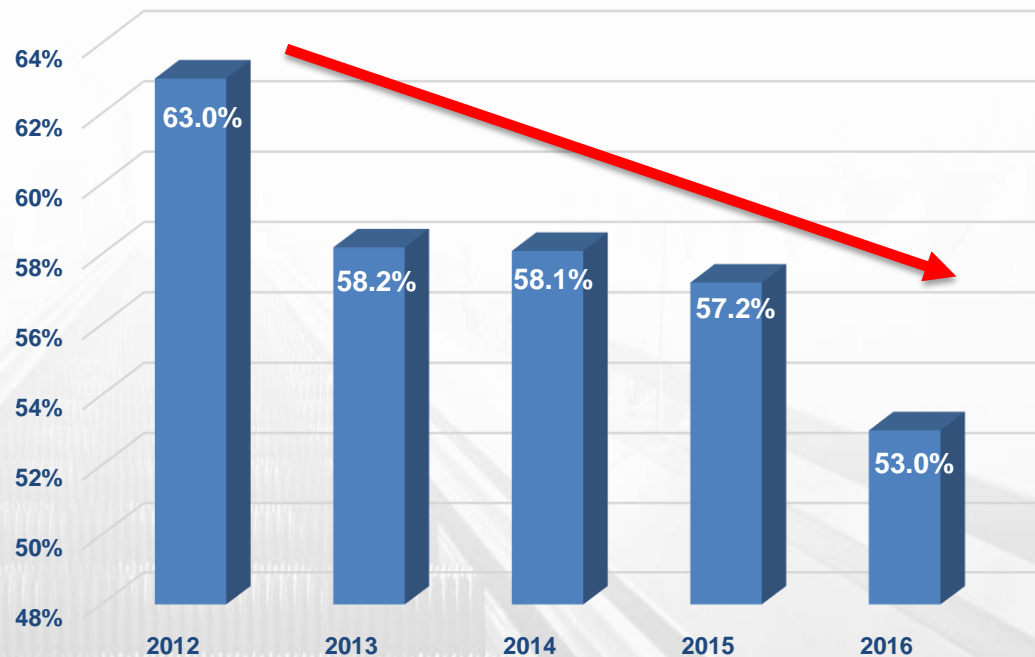
“We’re fighting an uphill battle!” Sound familiar? But at least when you’re struggling uphill, the hill stays still and you make progress. Sales professionals today aren’t climbing a hill—they’re climbing a down escalator.

Stand still and you move backward. Improving or even maintaining performance means countervailing the forces of change: more informed and demanding buyers, economic and political uncertainty, new disruptive technologies and more.

These forces power and accelerate the downward moving escalator. Five years of declining quota attainment bear witness to this relentless, adverse pressure.

## 2017 Quota Attainment

*The percentage of salespeople making quota has dropped from 63% to 53% over a 5-year period.*



# The Sales Relationship Process (SRP) Matrix

For the tenth year consecutive year, two inter-related factors continue to predict sales success: customer relationship level and sales process level.

The Sales Relationship Process (SRP) Matrix is a simple tool to demonstrate these factors. Where is your organization on the matrix today?

How do your customers see you? As a Solutions Consultant, or maybe another Approved Vendor? How developed and consistent is your use of sales process?

Answering these two questions pinpoints which cell of the matrix your organization currently occupies.

## 2017 Sales Relationship Process (SRP) Matrix

*First developed in 2007, the SRP matrix is a useful framework for evaluating sales effectiveness through two dimensions: customer relationship levels and sales process implementation levels.*

### Define Level of Relationship

Trusted Partner				
Strategic Contributor				
Solutions Consultant				
Preferred Supplier				
Approved Vendor				
	Random Process	Informal Process	Formal Process	Dynamic Process

### Define Level of Sales Process

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# SRP Position Is Linked to Measurable Results

The SRP Matrix translates relationship and process levels into performance levels: 1-3.

Want lower rep turnover and higher win rates, quota and revenue attainment? Of course you do!

Caution: Some Level 1 performers moved up to Level 2, but an equal number rode the escalator **down**, from 3 to 2.

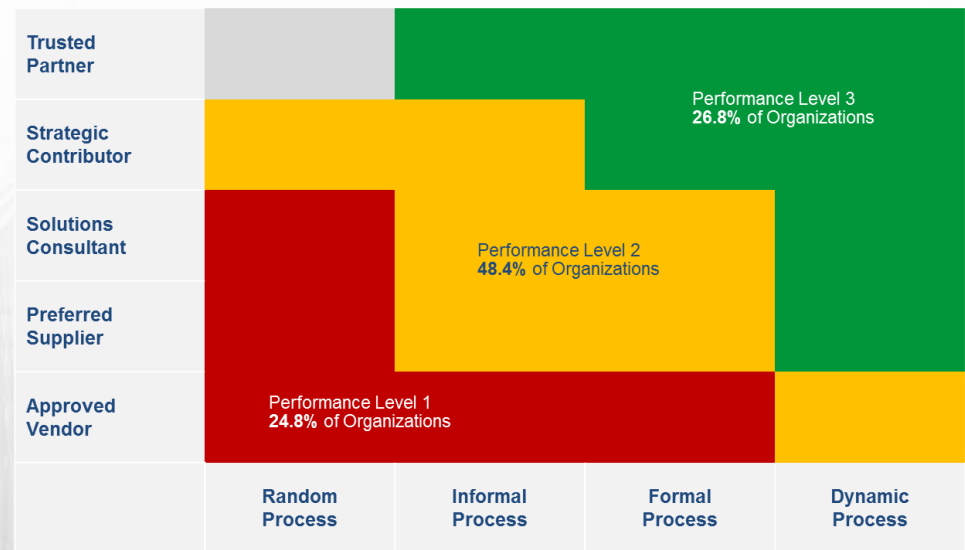
This is a good reminder that regardless of your current level, you must keep moving just to maintain your position. And continually improve to raise your performance level.

Taking action, however, requires insight about *which* practices will move you “up and over” on these two axes.

## 2017 Sales Relationship Process (SRP) Matrix

*For the tenth consecutive year, organizations at higher performance levels have better turnover rates, win rates, and quota attainment and revenue plan attainment than those at lower levels.*

### 2017 Sales Relationship Process Matrix



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# Adopting World-Class Sales Practices Drives Results

Let's get specific. Statistical analysis yielded the top 12 practices (of more than 60) most correlated with sales success.

Six drive relationship levels (indicated by an R in the table at right) and six drive sales process (indicated by a P).

“World Class” respondents agreed or strongly agreed (scale of 1-7) that their organization achieved at least 10 of the 12.

Only 6.9% of survey respondents fell into this World-Class segment. They significantly outperformed the full set of survey respondents in all four SRP basis metrics.

## Organizational Practices Tied to Success Metrics

*These 12 behaviors have a correlation significance score of greater than 50. The World-Class segment that exhibits these practices outperforms others.*

Top 12 Practices Ranked by Correlation Significance Score		
1	Consistently and effectively articulate a solutions aligned to customers' needs	R
2	Deliver a consistent customer experience, aligns with our brand promise	R
3	Continually assess why our top performers are successful	P
4	When we lose a salesperson, we consistently determine the reasons why	P
5	Effectively, collect, share best practices across our sales/service organizations	P
6	Hold sales managers accountable for effective sales team use of tools/resources	P
7	Consistently and effectively communicate appropriate value messages aligned to our customers' and prospects' needs	R
8	Culture supports continuous development of salespeople and sales leaders	P
9	Consistently develop and ensure implementation of personalized performance improvement plans	P
10	Customers have consistently positive interactions across all channels	R
11	Effective at surfacing specific reasons why customers stop doing business	R
12	Effective at selling value to avoid discounting, or gaining comparative value in return for price concessions	R

# World-Class Performers Highlight the Need for Context

Mapping onto the SRP Matrix presented a surprise: World-Class performance is not simply “the upper right-hand corner of the upper right-hand corner” of the matrix.

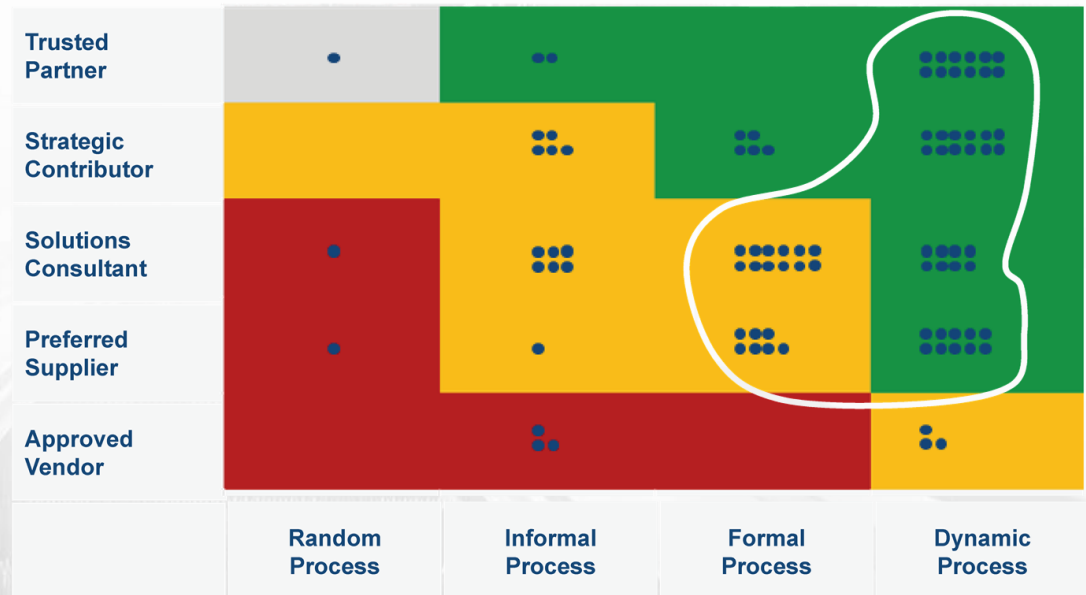
While certainly more concentrated in the upper right, World-Class performers exist at each level!

Level 3 is desirable, but it may not be strictly necessary. A commodities business may struggle to move beyond Solutions Consultant. Still, they can thrive by driving sales process levels. A small consultancy may succeed with random process if their clients view them as a Strategic Contributor.

However, Performance Level 1 is not scalable for growth. Note that while customer relationships may be constrained by your value proposition, sales process is *always under your control*.

## World-Class Performers Across the SRP Matrix

World-Class performers (each represented as a purple dot) are concentrated in the upper right. However, success is possible at each level, with careful caveats.



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# Move Your Organization Upward

Doing nothing means going backward—fast. Sales leaders must determine how best to move forward and upward.

## 1. Where are you today?

Plot your sales organization on the SRP Matrix.

## 2. Set a realistic 12-18 month goal.

Ask yourself where you need to be to establish competitive strength.

## 3. Identify possible actions.

Benchmark against the World-Class sales practices. How successfully and consistently have you mastered them? Are there fundamentals which will be required first?

## 4. Build a holistic/realistic action plan.

Pick 2-3 practices to improve within your full sales system. Success is the result of integrating and aligning functions and processes. It is rarely derived from disconnected tactics.

Visit [www.csoinsights.com](http://www.csoinsights.com) to learn more..

## You Can Coast Down, But You Can't Coast Up





## About CSO Insights

[CSO Insights](#) is the independent research arm within [Miller Heiman Group](#), dedicated to improving the performance and productivity of complex B2B sales. The CSO Insights team of respected analysts provides sales leaders with the research, data, expertise, and best practices required to build sustainable strategies for sales performance improvement. CSO Insights' annual sales effectiveness studies, along with its benchmarking capabilities, are industry standards for sales leaders seeking operational and behavioral insights into how to improve their sales performance and to gain holistic assessments of their selling and sales management efficacy. Annual research studies address sales and service best practices, sales enablement and sales performance optimization.

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