

Outreach Marries Engagement and Intelligence to Transform Its Category



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A renowned thought leader, keynote speaker, and author, Mary conducts research to help the market understand the increasingly important role new technologies play in enabling better B2B buying and selling experiences. Before Outreach, Mary was a principal analyst at Forrester, an adjunct professor of marketing at the University of Chicago's Booth School of Business, and a chief revenue officer at various global technology companies.

CRM's Singularity Fades As New Technologies Mature

For almost a decade after Salesforce's IPO, the sales technology landscape remained largely unchanged as most companies viewed Customer Relationship Management (CRM) as the only critical technology solution for the sales organization. But CRM was never designed for sellers. In its earliest iteration, CRM was intended to help companies accelerate invoicing; then it was utilized to manage day-to-day seller activity, and eventually, it became a pipeline management and forecasting tool. CRM's user interfaces and workflows were never tuned to how sellers do their jobs and as such, they never embraced it.

Over the years, lack of seller adoption has caused significant information gaps and data inaccuracies in CRM systems leading to disjointed customer experiences, an inability to derive

insights, and poor visibility into pipelines and forecasts. Many barriers stand in the way of CRM success. According to Gartner®, "Data quality poses major challenges to improving commercial performance"¹ while Forrester identifies the top three challenges CRM professionals face as creating a single view of customer data, providing customer insights, and managing data quality.²

In 2015, with marketing's 'one-to-many' digital transformation well underway, new sales technologies with a scalable 'one-to-one' focus began to emerge and attract investor and analyst attention. Companies with nascent engagement capabilities such as ToutApp and Yesware — as well as early enablement players like Seismic and Highspot — all raised sizable rounds of capital. In mid-2015 when I joined Forrester, the sales technology marketplace was just taking off, and some of the world's largest B2B brands began to digitally transform their selling organizations.

Today, hundreds of point solutions make up a fragmented sales technology marketplace while leading providers extend capabilities and land multi-billion-dollar valuations. Although CRM is still an important component of the sales tech stack, sellers now work from other more relevant layers such as sales engagement, email, and LinkedIn, while sales leaders turn to revenue intelligence and operations solutions to better meet their strategic and execution needs. In a 2020 survey of sales technology buyers, 68% said the value they perceived from their sales engagement solutions was high or very high.³

While CRM has been a necessary system of record for most organizations, it never fully delivered on its promise as it doesn't enable or enhance critical processes for marketing, sales, and post-sale personnel. As newer adjacent sales technologies mature and consolidate into uber platforms, expect CRM to play a lesser or different role in the modern sales technology stack.



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Source: The Forrester Tech Tide™: Sales Technologies, Q1 2021

Challenges Abound As Businesses Face The Next Normal

As we move into the next phase of the pandemic, life as we know it won't return to the way it was. Global supply chains are stressed, labor shortages are rampant, and higher inflation rates are on the horizon. Economic realities combined with demographic shifts, political unrest, and unprecedented technological innovation all point to a near-term climate that will be both unpredictable and transformative. Business models, sales strategies, buying motions, and even the broader sales technology marketplace are all in flux.

Whether it's keeping up with rapidly evolving buyers, leading a multi-generational salesforce, or becoming more data-literate, today's revenue leaders face a myriad of challenges. In a recent Forrester study, 54% of sales leaders said the uncertain economic environment would most heavily influence their go-to-market strategies, while 38% said it was changing buyer requirements.⁴ While near-term challenges abound, revenue leaders must also prepare their organizations for the selling models of the future. Gartner® predicts that, "By 2025, 60% of B2B sales organizations will transition from experience-and-intuition-based selling to data-driven selling, merging their sales process, sales applications, sales data, and sales analytics into a single operational practice."⁵ And if that is not enough, 42% of companies that sell to other businesses now operate with fewer sales personnel than prior to the pandemic.⁶

While many B2B revenue leaders claim to create buyer-centric strategies, it's not yet working. The perception gap between sellers and buyers is wide as 65% of sellers say they always put the buyer first while only 23% of buyers agree.⁷ Changing demographics also impact the buying process. Millennial buyers aren't tasked with just researching suppliers; these digital natives are now key influencers and economic buyers. In the United States, 48% of millennials say they make B2B purchase decisions.⁸ In addition to their proclivity for digital interactions, this cohort values a supplier's corporate culture and position on social issues.⁹

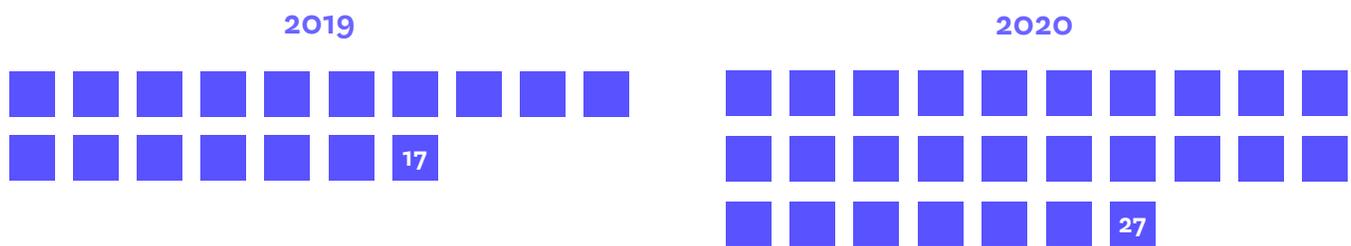


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Changing dynamics create new challenges for B2B sellers, managers, and leaders. According to Forrester’s 2021 B2B Buying Study, the number of interactions needed to close a deal went from seventeen in 2019 to twenty-seven in 2020 (see Figure 1).¹⁰ The 2019 Gartner® Buyer Survey revealed, “Today, an average of 11 individual stakeholders are involved in a B2B purchase; that number can occasionally flex up to nearly 20” (see Figure 2).¹¹ With the reduction of airline routes, the efficiency gains from virtual selling, and the emergence of hybrid work models, B2B

sellers need to refine their digital, virtual, and analog interaction skills to succeed in hyper-hybrid formats. Sales managers, who have one of the toughest jobs in revenue organization, must stretch too. With fewer ride-a-longs and post-meeting debriefs at Starbucks, managers need to increase their data and analytics skills. Managers need tools to optimize and scale their coaching practices, and even though many organizations struggle with data quality issues, revenue leaders are now expected to over-index on data to inform their decision-making.

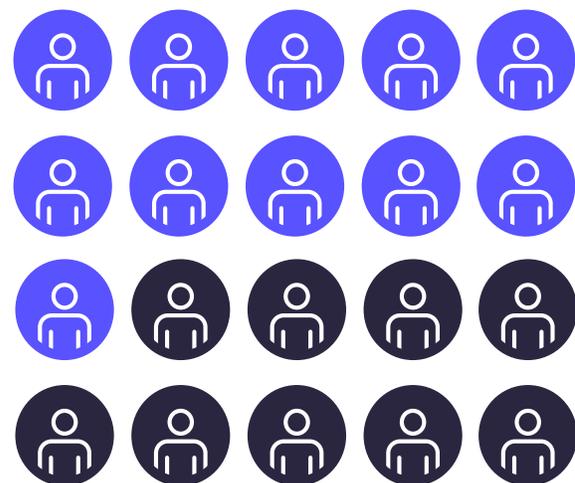
Figure 1
Number of Interactions Needed to Close a Deal



Source: Forrester’s 2021 B2B Buying Study

Figure 2
Average Number of Stakeholders Involved in B2B Buying Decision

An average of **11** individual stakeholders are involved in a B2B purchase; that number can occasionally flex up to nearly **20**.



Source: 2019 Gartner® Buyer Survey



69%

of board members report that their companies accelerated **digital business initiatives** as a result of COVID.

Source: Gartner, Inc.

A New Cohort of Revenue Innovators Emerges

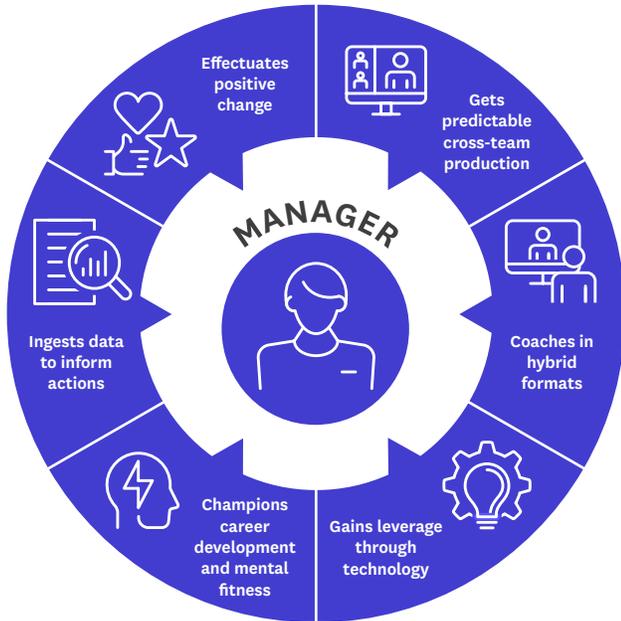
There is no question, the last year and a half has been and continues to be challenging. But the pandemic has hastened, not halted progress. According to Gartner®, “69 percent of Board of Directors accelerated their digital business initiatives following COVID-19 disruption.”¹² It’s within this backdrop that a new class of leaders is emerging. We call these transformational leaders, managers, and reps Revenue Innovators. This new cohort puts buyers at the center of their strategies, arms themselves and their sellers with the most innovative sales technologies and over-indexes on data, rather than intuition, to inform their business decisions.

Revenue Innovator leaders deliver predictable, efficient growth, have finance and data literacy and procure innovative sales technologies for their organizations (see Figure 3). The Revenue Innovator sales manager delivers predictable cross-team production, champions their team’s career development and mental fitness, and ingests data to inform their coaching and other actions (see Figure 4); and the Revenue Innovator rep is a predictable producer who embraces hybrid methods and leans into collaboration (see Figure 5).

Figure 3
Revenue Innovator
LEADER



Figure 4
Revenue Innovator
MANAGER

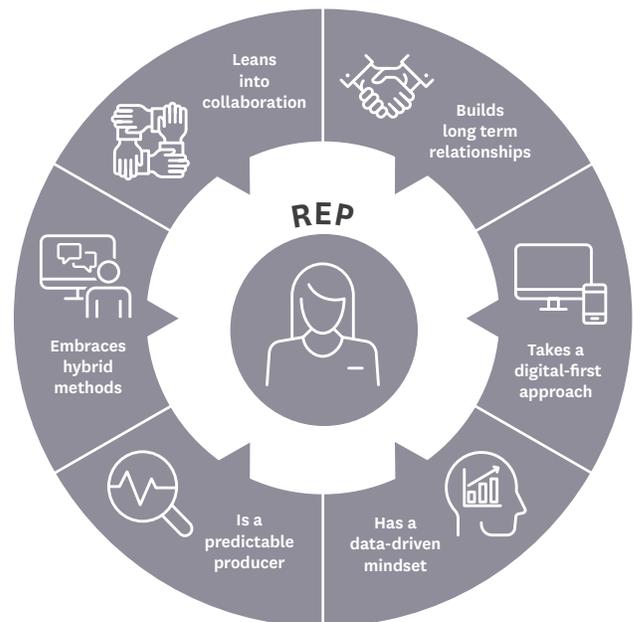


As technologically-aware chief executives and boards demand more profitable growth, digital natives make up half of the global workforce, and global and social uncertainty prevail, Revenue Innovators will rise up and embrace more sophisticated strategies. Instead of relying exclusively on quota-carrying reps to drive top-line growth, they must weave together the right mix of technology investments, talent profiles, and enablement programs to cost-effectively boost rep productivity. They must hire and retain a sales force that reflects their customers and society at large; and they must be prepared to communicate with empathy, collectively and individually, with staff impacted by the latest pandemic-induced challenge, as well as various global, social, or political issues.

Revenue Innovators Need a Platform, Not a Point Solution Mashup

Revenue Innovators cannot achieve maximum performance if they use inconsistent processes and leverage a slew of different apps — each with their own data and user experience — to build pipeline, manage opportunities, and close deals. Today’s predominantly millennial sales force wants to be seen, heard, and involved; they expect to have access to top-tier digital tools, and they strive to make data-driven decisions. Unfortunately, these modern reps and managers get bogged down by siloed sales applications that force them to act as their own data and systems integrator to piece together a picture of what is happening in their pipeline. Many don’t think of CRM as fundamental to helping them do their jobs.

Figure 5
Revenue Innovator
REP





The average rep spends only

23%

of their time on **core, direct engagement selling activities.**

Source: Forrester Research, Inc.

Currently, the average rep spends only 23% of their time on core, direct engagement selling activities. According to Forrester, in the future maximizing productivity for all types of sellers will differentiate organizations.¹³ To engage efficiently and effectively, all members of the revenue team need access to a platform that automates interactions across phone, virtual meetings, email, and text across the entire customer lifecycle. As time-consuming administrative tasks are rooted out and automated, reps will spend their time on higher value activities such as deepening and extending relationships, delivering insights, and negotiating and closing deals.

Revenue Innovator sales managers must evolve their skills to become more data-literate and technology savvy, but according to Gartner®, “Frontline and overlay sellers — along with front- and second-line managers are rated as having the lowest sales data proficiency despite their focus on sales data and seller activity.”¹⁴ With hybrid work environments the norm, managers need the ability to coach reps in digital, virtual, and analog settings. They need easy-to-consume data and analytics to help them quickly understand what activities, messaging, and channels drive the best results so they can guide their reps on how to continuously improve their interactions and business outcomes.

For Revenue Innovator leaders to deliver predictable, efficient growth, new sellers must ramp faster, tenured sellers must take on larger territories, and both must deliver exceptional buyer experiences. Self-directed and digitally activated buyers leave sellers with less time to influence buying decisions; larger distributed buying committees elongate deal cycles, and sellers need different skills to hit their marks in virtual or hybrid meeting formats.

Modern buying and selling scenarios require modern solutions. Today, all members of the revenue team need a single platform to manage their unique workflows, gain actionable insights, and navigate an increasingly complex buying process. The Outreach engagement and intelligence platform provides all of that – automation takes care of mundane tasks, artificial intelligence surfaces options, and users apply their own emotional intelligence to shape their market-facing interactions.

Engagement and Intelligence Enable Predictable, Efficient Growth

All revenue leaders strive to deliver predictable, efficient revenue growth, but even those with strong quantitative skills struggle if they don't have access to the right data and analytics. Too many sales organizations take a siloed approach to pipeline generation, opportunity management, and forecasting. Unfortunately, this unintentionally severs the continuous revenue cycle, resulting in incomplete visibility into the pipeline and forces leaders to contend with streams of disparate information often pulled together manually and reviewed in offline formats.

With this approach, as soon as the data is collected, it's out of date. Guesswork using limited data results in forecast inaccuracies and an inability to take corrective actions to improve outcomes. Human error and inconsistencies across individuals and teams further confound the problem. To account for inaccurate data and address the lack of human objectivity throughout the process, revenue leaders have had to overlay home-grown algorithms and intuition on top of their models.

In an August 2021 commissioned study conducted by Forrester on behalf of Outreach, almost one-third of B2B sales leaders said their forecasts were derived by selecting key deals and adding in qualitative analysis to arrive at their final number.¹⁵ This static and unscientific approach makes it impossible to dynamically and accurately manage the business.

While well-directed human intuition is still important, it's now time for all members of the revenue team to approach their roles and daily activities with a more scientific bent. Reps and managers need analytics in easy-to-consume dashboards that help them assimilate data, identify patterns, and take action. Revenue operations practitioners need the ability to drive, measure, and report on results at every level of the organization, and revenue leaders need 360-degree visibility to optimize decision-making and deliver accurate forecasts. As data-driven approaches to managing revenue-generating activities and processes become the norm, B2B organizations that lack a



As data-driven approaches to managing revenue-generating activities and processes become the norm, B2B organizations that lack a centralized engagement and intelligence platform, one that provides data and insights across the entire customer lifecycle — including activities, opportunities, accounts, pipelines — **will be at a competitive disadvantage.**¹⁶



In a climate where uncontrollable external events, and ongoing market volatility are **the norm rather than the exception**, robust pipeline management, deal optimization, and accurate forecasting are more critical than ever.

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The myriad of responsibilities and decisions top revenue officers face on any given day is daunting. But with a centralized engagement and intelligence platform, the job is easier. The Outreach platform makes Revenue Innovators more efficient by continuously inspecting the revenue system to show teams what's not working in their processes and guide them to take actions in real time to fix it. Outreach helps Revenue Innovators

drive growth by instrumenting the revenue cycle and using that telemetry to proactively guide teams to maximize growth. Revenue Innovators who use Outreach see increased growth and predictability in their business and evolve their forecast process from predicting the future to changing the future by evaluating and executing on recommended actions. In a climate where uncontrollable external events, and ongoing market volatility are the norm rather than the exception, robust pipeline management, deal optimization, and accurate forecasting are more critical than ever.

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