

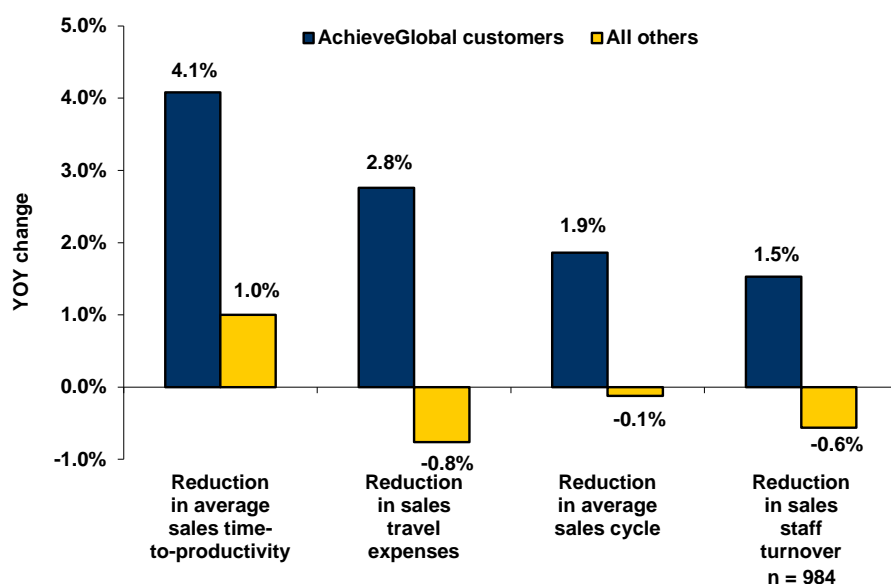
AchieveGlobal Customers Show Strong Benefits of Sales Training

Aberdeen's third annual report regarding the most effective practices around sales training, *Sales Training 2011: Uncovering How the Best-in-Class Sustain, Reinforce and Leverage Best Selling Practices*, revealed a number of key findings that have been publicized by Aberdeen and solution providers alike. Our data shows that sales training remains a consistent, growing business process, despite the economic recession and lingering questions about business stability. Aberdeen surveyed 984 end-user organizations in July / August 2011 to learn about the business competencies, technologies, and services that the most effective sales organizations are deploying to achieve the best quota attainment, larger deal sizes and improved lead conversion rates. In this Research Brief, Aberdeen examines how the 38 companies which indicated AchieveGlobal as their primary sales training provider implement the practices associated with Best-in-Class performance.

Considering the Bottom-Line: Impact of Sales Training Effectiveness

While a number of crucial sales-centric metrics are used to determine Best-in-Class status (see sidebar), it is worthwhile to note that sales leaders are often tasked not only with top-line revenue growth, but also with yielding an optimal profit margin from their labors. In Figure 1, we see that that the

Figure 1: Annualized Performance Gains by AchieveGlobal Customers



Source: Aberdeen Group, August 2011

Research Brief

Aberdeen's Research Briefs provide a detailed exploration of a key finding from a primary research study, including key performance indicators, Best-in-Class insight, and vendor insight.

The Sales Training Best-in-Class

The top 20% of companies in the Aberdeen research for *Sales Training 2011: Uncovering How the Best-in-Class Sustain, Reinforce and Leverage Best Selling Practices* (October 2011) achieved the following average performance metrics:

- ✓ 87% of sales reps achieved annual quota in the last measured year, compared with 49% among Industry Average firms and 4% within Laggard companies
- ✓ 9.5% average year-over-year improvement in average deal size or annual contract value, versus 2.2% for Industry Average and a 1.8% reduction among Laggards
- ✓ 4.5% average year-over-year increase in lead conversion rate (sales-accepted lead to close), vs. 1.1% within Industry Average companies and a 2.4% decrease for Laggards

survey respondents indicating AchieveGlobal was their primary training provider report a number of cost-centric results that, on average, show a more year-to-year improvement than companies using either other solution providers or running sales training in-house. For example, we know from Aberdeen’s report on *Sales Performance Management 2012: How the Best-in-Class Optimize the Front Line to Grow the Bottom Line* (December 2011) that the average “time-to-productivity” for professional salespeople is 3.8 months, that sales turnover averages 18% per year, that average deal size or contract values exceed \$200,000, and that average sales quotas are \$1.3M among those survey respondents. If we consider how these data points intertwine in terms training and keeping sales reps at peak productivity, the value of reducing turnover rates, sales cycles, and time-to-productivity becomes clear.

Figure 1 also shows an annualized reduction in sales travel expenses among AchieveGlobal customers – always a cost-reduction focus among CFOs – compared with other firms. While sales training is on the rise overall, and instructor-led training remains the most popular training modality, simple improvements in sales turnover can account for the lower expenditures in terms of the travel associated with up-front onboarding and training.

Best Practices in Sales Training

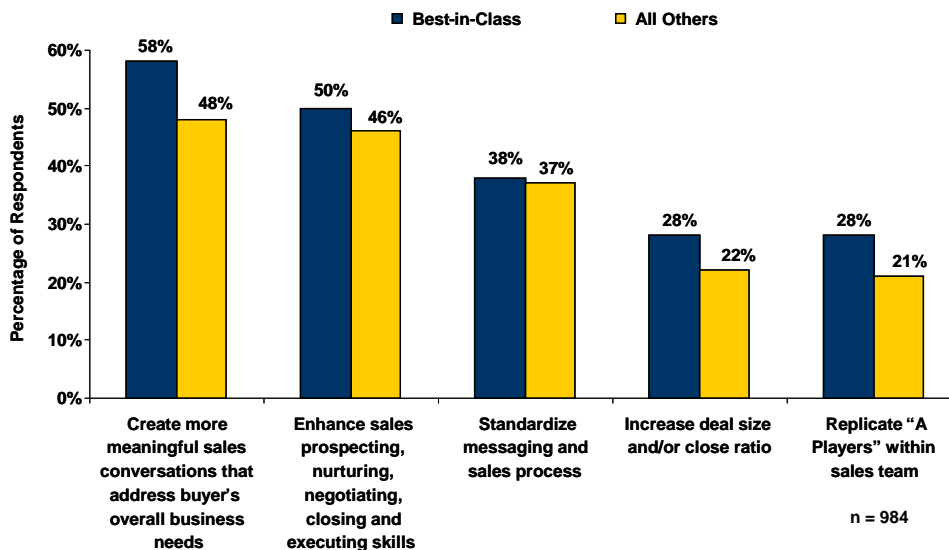
Aberdeen’s “PACE” methodology (see sidebar) is the means by which we analyze the survey responses of nearly 1000 organizations to help end-users learn from one another and prioritize best practices in sales training. With the top-nominated pressure of “Increase or sustain revenue within an uncertain economic recovery” (71% of respondents indicated this was a

Aberdeen’s PACE Methodology

Aberdeen applies a methodology to benchmark research that evaluates the business Pressures, Actions, Capabilities, and Enablers (PACE) that indicate corporate behavior in specific business processes:

- √ Pressures — external forces that impact an organization’s market position, competitiveness, or business operations.
- √ Actions — the strategic approaches that an organization takes in response to industry pressures.
- √ Capabilities — the business process competencies (process, organization, performance and knowledge management) required to execute corporate strategy.
- √ Enablers — the key functionality of technology solutions required to support the organization’s enabling business practices.

Figure 2: Best-in-Class Sales Training Strategic Actions



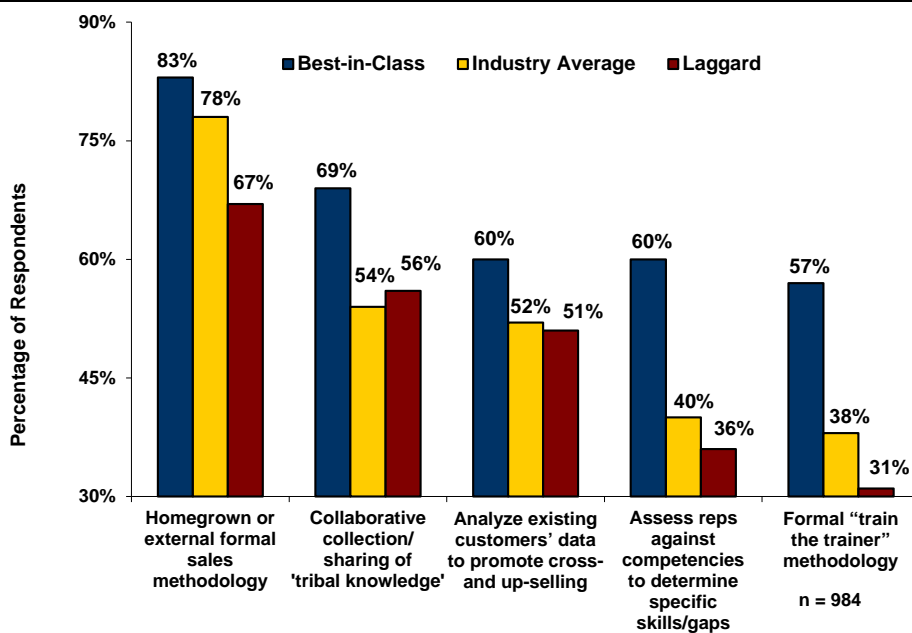
Source: Aberdeen Group, August 2011

a top-two business pressure), the most common strategic actions deployed by the Best-in-Class (Figure 2) focus on two key elements of effective sales training. The data behind the top two strategies teaches us that the highly individualized and personal skills of prospecting, nurturing and closing professional sales deals are directly linked with making the verbal conversations between reps and their prospects / customers more meaningful. AchieveGlobal’s customers lead the Industry Average (47% vs. 43%) in taking the most-frequently used action, creating better sales conversations.

Fast Facts

- √ Best-in-Class companies have had sales training in place for an average of 5.6 years, compared with 4.6 years among Industry Average companies and 4.1 years for Laggards
- √ An average of 86% of sales reps within Best-in-Class firms have received formal sales training; the frequency drops to 79% and 61% respectively among Industry Average and Laggard companies

Figure 3: Process Capabilities Among Sales Training Leaders



Source: Aberdeen Group, August 2011

Figure 3 shows the process capabilities most frequently adopted by the Best-in-Class, the top 20% of performers achieving the business results seen on page 1. By significant margins, these high-level performers have implemented corporate sales effectiveness processes that support sales training initiatives and results. In three of these areas, AchieveGlobal customers deploy the capabilities more frequently than other firms:

- **Collecting and sharing “tribal knowledge”** to create a team-wide collective wisdom that benefits both current and future sellers
- **Assessing reps against skills or competencies** to ensure that the right person and capabilities are matched to the right selling role, such as “hunter,” “farmer,” inside, field, etc.
- **“Train the trainer” methodology** to help develop internal subject matter experts (SME's) who can refresh and reinforce the lessons learned initially from external sales training providers

Summary

Contemporary corporate sales organizations must adapt to today's on-demand selling environment and the resulting altered buying cycles, as well as new ways to transfer knowledge to and from customers and prospects. Maintaining credibility, customer satisfaction, and profitability requires ongoing attention to the skill sets of the company's front line, to assure the highest degree of sales effectiveness in managing prospects through the sales cycle. Companies striving to achieve Best-in-Class results are well advised to pursue the best practices outlined above, and engage in ongoing refinement of their sales training processes and deployments.

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

| Related Research | |
|---|---|
| <i>Sales Training 2011: Uncovering How the Best-in-Class Sustain, Reinforce and Leverage Best Selling Practices</i> (October 2011) <i>Leveraging the 360 Degree Customer View to Maximize Up-Sell and Cross-Sell Potential</i> (September 2011) <i>"Chance Favors the Prepared Mind" - Understanding the Science of Sales Intelligence</i> (July 2011) <i>Sales Forecasting: How Top Performers Leverage the Past, Visualize the Present, and Improve Their Future Revenue</i> (July 2011) | <i>The Extended Sales Enterprise: Channeling Better Results</i> (March 2011) <i>Streamlining the Top of the Funnel: How Inside Sales Teams Source, Qualify and Close Business</i> (February 2011) <i>Sales Mobility: Quotas Untethered</i> (November 2010) <i>Sales and Marketing Alignment: Collaboration + Cooperation = Peak Performance</i> (September 2010) |
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