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Sales Forces Not Meeting Expectations

A new CSO Insight survey says firms need more concrete sales methodologies.

by [Martin Schneider](#)

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CSO Insights, a research firm that specializes in benchmarking sales and marketing excellence, says in its 2004 "Sales Effectiveness Report" that more than 50 percent of sales reps are not meeting quota. These results represent the poorest performance levels in the 10 years CSO Insights has been conducting the annual study. The report includes responses from more than 1,300 sales executives.

"Our study shows that there are both internal and external factors at work here," says Barry Trailor, partner at CSO Insights. "However, it is pretty striking that the firms with a strong methodology in place were meeting quotas. The economy is making things tough, but firms are also making it tough on themselves."

Trailor also says that better lead management through best-practices benchmarking can lead to improved sales results: "When you have a predictable sales model you can see what is working and double down, and see what isn't working and stop doing those things."

Top findings of the survey include:

- 33 percent of sales executives feel that administrative burdens on sales reps are increasing
- 30 percent feel that accessing business information is getting more difficult
- 90 percent of sales deals do not close as forecasted

The number one challenge cited for CRM initiatives was populating systems with accurate data, and then maintaining the accuracy of that information. Although 53 percent of the firms surveyed have implemented a CRM system, only 26 percent of those firms were achieving significant performance improvements. Fifty-eight percent of sales organizations polled do not have a formal sales methodology in place.

CSO Insights asserts that in the next year sales forces will need better pipeline analysis, better management and population of CRM systems, better sales methodologies, and better knowledge management systems if they wish to improve their numbers. Trailor adds that sales executives should expect to work just as hard, if not harder, for the same results they saw in the past: "The days of the drive-by sale are long gone."

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