TOPO

RESEARCH REPORT

SALES ENGAGEMENT LEADERSHIP REPORT

A report focused on the innovative practice of sales engagement

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This report captures the innovative practice of sales engagement observed across high-growth sales teams. The findings in the report express TOPO's point of view on this evolving go-to-market approach, including definitional components and prerequisite technology.

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INTRODUCTION

The 2020 pandemic served as an accelerant for shifts in the ways B2B buyers engage with sellers. Buyers need sellers to exceed expectations at every interaction on their preferred—and increasingly digital—channels. Modern revenue leaders recognize that the ethos of selling is transitioning from face-to-face relationship building to facilitating buying decisions virtually. Inside sales is now just sales, and with that comes a tsunami of innovation in the form and scale at which revenue teams create extreme value, share information, deliver insights, orchestrate change, generate data, and manage sellers with technology.

Sales engagement strategy has emerged as a practice to engage buyers and convert those activities into revenue. Sales engagement consists of the various interactions (e.g., digital, virtual, in-person, phone) that sellers have with buyers. Whereas traditional selling is informed by intuition, modern engagement is informed by data. The charter of sales engagement strategy is to simplify the way sellers can dynamically engage buyers in a hybrid world, resulting in experiences that drive revenue. The success of the strategy has been so overwhelmingly positive with pipeline creation use cases that sales engagement has blurred the lines between digital demand generation and prospecting.

The design, orchestration, and execution of sales engagement requires leadership vision and collaboration. Its design requires a holistic view of the different scenarios and triggers that prompt a seller to engage with a buyer, and vice versa. The orchestration of sales engagement requires collaboration across the revenue function: sales, marketing, customer success, enablement, and operations. The execution results in role-specific behaviors activated through technology. Within high-growth companies, leaders and teams have emerged to champion this strategy with innovative titles such as "Revenue Orchestration," "Growth Enablement," and naturally, "Sales Engagement."

A sales engagement strategy consists of 10 components: messaging, content, channels, technology, data, workflow, touch patterns, enablement, metrics, and management. While many of these components of a go-to-market framework are not new, the main innovation of a sales engagement strategy is in the deliberate effort to intertwine each component with workflows that never existed before, a heavy dependence on automation for execution, and constant testing for optimization. As a result, sales engagement platforms have emerged as a leading technology to help revenue leaders meet this imperative, and new teams are forming to run it.

This report examines the emerging practice of sales engagement and is a resource to help revenue leaders in their effort to design, orchestrate, and execute sales engagement within their organization.

SURVEY OVERVIEW

Objective

TOPO's objective is to deliver actionable insights based on the successful strategies and key trends in sales engagement. We do this by surveying sales and marketing leaders at high-growth companies. In this report, we sought to answer the question of the impact of sales engagement strategies and technologies on organizations.
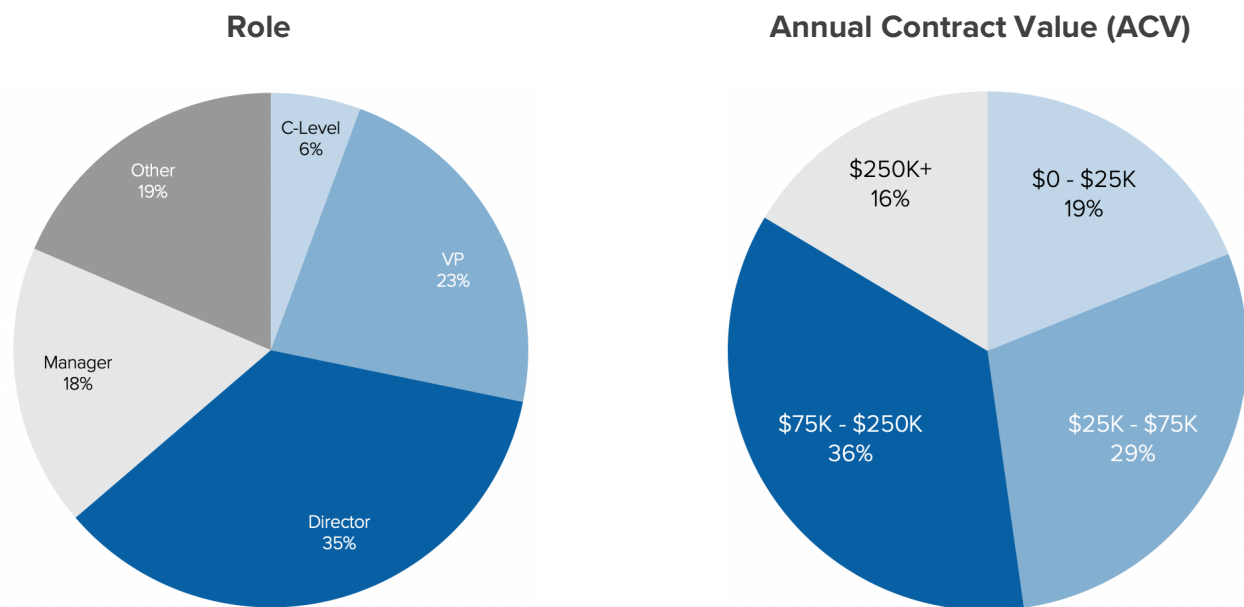
Methodology

TOPO fielded an online survey to sales and marketing leaders, which was completed by 100 respondents at high-performing companies.

SURVEY DEMOGRAPHICS

The leaders who completed the survey represent high-growth companies with a median annual contract value (ACV) of their deals ranging from $75,000 to $125,000. Sixty-four percent of respondents were director level or above (see Figure 1).

Survey Demographics (Figure 1)

Role

- C-Level 6%
- VP 23%
- Director 35%
- Manager 18%
- Other 19%

Annual Contract Value (ACV)

- $250K+ 16%
- $0 - $25K 19%
- $25K - $75K 29%
- $75K - $250K 36%

10 COMPONENTS OF A SALES ENGAGEMENT STRATEGY

Modern revenue leaders recognize the ethos of selling is transitioning from face-to-face relationship building to facilitating virtual buying decisions. Buyers' needs when engaging sellers evolve throughout a buying process; a well-defined sales engagement strategy allows sellers to exceed expectations at each interaction by calibrating each component of the process. In many cases, each component is already part of a go-to-market framework. A sales engagement strategy requires a dynamic and cross-functional team to deliberately pull together each component and contextualize them to common buying scenarios through technology. The 10 components of a sales engagement strategy are as follows:

1. **Messaging**: A framework for the key messages that will be delivered in all customer interactions including personas, value propositions, and use case stories.
2. **Content**: The overall plan for content in go-to-market activities from marketing content such as white papers, blog posts, and webinars to sales content such as email templates and collateral.
3. **Channels**: The mediums through which buyers and sellers engage.
4. **Technology**: A single interface to plan, execute, track, measure, and optimize the interactions of sellers with buyers across multiple touches and channels.
5. **Data**: The account, contact, intent, activity, engagement, and product data required to manage sellers and tailor experiences to buyers.
6. **Workflow**: Manual and automated processes required to create an interconnected engagement experience.
7. **Touch patterns**: A planned progression of communications across multiple channels directed toward specific prospects or accounts.
8. **Enablement**: The strategy and playbook for enabling sellers to take the right steps with buyers.
9. **Metrics**: Accurate assessments of engagement performance to monitor conversion, attainment of pipeline and revenue goals, and customer health.
10. **Management**: The organizational cadence of observing metrics, testing variations, and prescribing improvements across all components of the strategy.

Sales engagement innovation started primarily as a strategy to more predictably generate demand and convert it into pipeline. As a result, the approach quickly found a home within dedicated sales development organizations responsible for repeatedly producing pipeline for the sales organization. Ninety-seven percent of high-growth companies with sales engagement technology currently cite adoption by dedicated sales development teams and 82% by their sales teams. The strategy is rapidly evolving to support more sales and customer success use cases as the technology continues to evolve.

FACTORS FOR SALES ENGAGEMENT SUCCESS

The key factors for success with a sales engagement strategy as indicated by sales leaders include automation, personalized messaging, a defined strategy, and an effective sales engagement playbook and process (see Figure 2). These results indicate the importance of constant cross-functional collaboration between marketing, sales, operations, and enablement to clearly design and deploy the strategy.

Automation plays a key role in helping sellers execute the strategy through technology, as it was the leading response for the survey at 40%. Foundational automation removes mundane activities from the seller's daily task list, such as capturing relevant buyer and engagement data to enrich the CRM database. Historically low-value workflows, such as scheduling a meeting with back and forth emails, have been replaced with automation. Operationally mature teams deploy automation triggers to manufacture great timing and surface high-converting messaging opportunities for sellers, such as responding to inbound demand or calling buyers who frequently view a seller's emails.

The presence of personalized messaging from 35% of respondents seems at odds with automation, but this dichotomy is precisely why a sales engagement strategy is so effective. Personalized messaging, which improves reply and meeting rates, is a high-impact selling activity. Sellers leverage available data, messaging, and content to craft targeted messages using a combination of custom copy and pre-written templates or snippets. Historically, this workflow required multiple windows and applications, but today sellers can execute these high-value tasks from a single interface.

Sales engagement is a nascent strategy; getting a team of sellers to adopt a new way of working requires an effective playbook and process to achieve results. An effective playbook is designed to help sellers prioritize; recognize common buying scenarios; select the appropriate touch pattern, message, or content to engage the buyer; and execute with minimal friction. This requires sales engagement leaders to illustrate how the sales engagement strategy varies based on the different go-to-market segments a seller supports, such as engaging in outbound prospecting or prioritizing customer lists for renewal.

Factors for Sales Engagement Success (Figure 2)
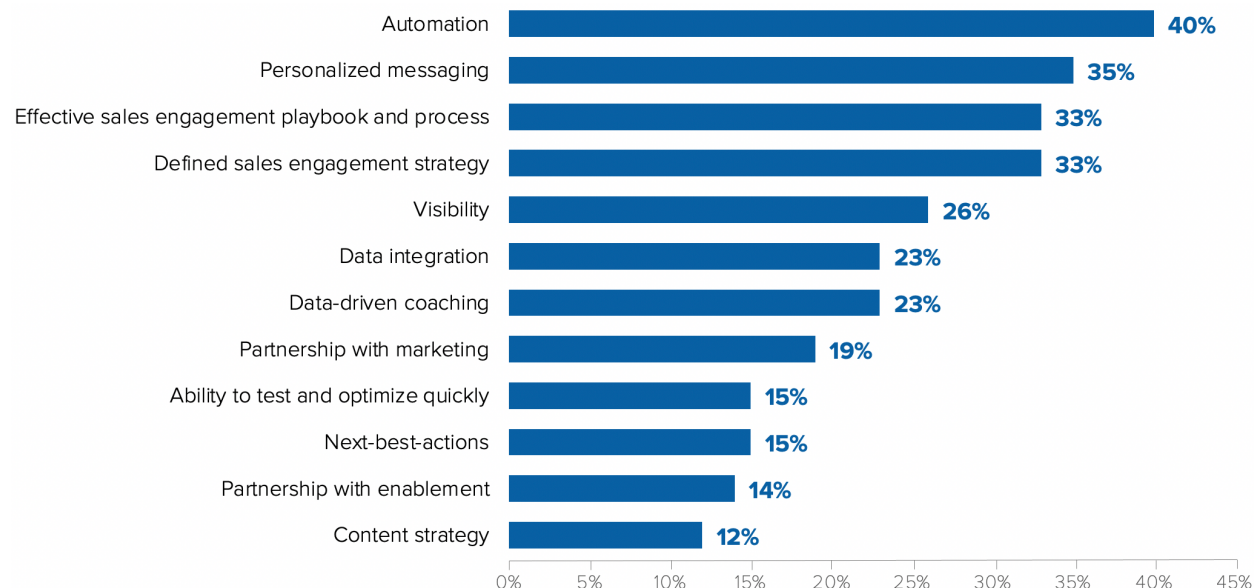
TOP SALES ENGAGEMENT CHALLENGES

The overwhelming top sales engagement challenge is content strategy, followed by partnership with marketing and the existence of an effective sales engagement playbook and process (see Figure 3).

To see content strategy rated so high as a challenge (41%), followed by partnership with marketing (26%), is not a surprise. Most sales engagement implementations are owned by sales or sales development leadership, operations, or enablement, yet content strategy is typically owned by the marketing organization. Often, sellers take it upon themselves to create the messaging but lack the infrastructure and experience to do so at scale and in an optimizable fashion, leading to disorganized content libraries, ineffective and unchecked content, and poor buyer experiences. This challenge can be avoided with cross-functional collaboration focused on the successful alignment of touch patterns organized by segment and the minimum content needed to deploy the messaging.

Leaders of sales engagement must take ownership over the design of the implementation. An effective sales engagement playbook visualizes the common scenarios and triggers for sellers to enroll prospects into touch patterns, and then simplifies the number of decisions sellers must run through to pull relevant content into those scenarios. An effective sales engagement strategy and playbook will include prescriptive guidance on how to prioritize leads and accounts; store relevant research; a touch pattern decision tree, guided workflows; and an easy to search content library tagged by scenario, persona, industry, product, and use case.

Sales Engagement Challenges (Figure 3)
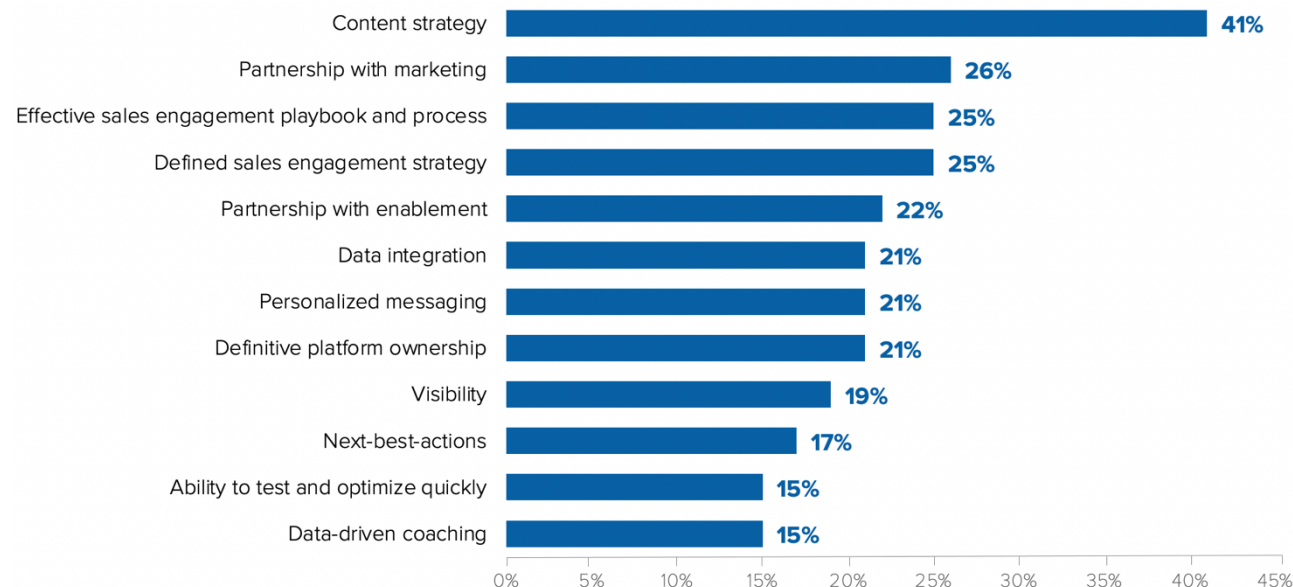
SALES ENGAGEMENT TECHNOLOGY

Sales engagement platforms are the mission-critical technology investment required to implement a sales engagement strategy. The sales engagement platform sits between the CRM and the rest of a seller's tech stack. It acts as the management console for the engagement process while sending activity data back to the CRM.

At the heart of the technology is the touch pattern—the ability to orchestrate multi-channel, multi-touch engagements over a defined period of time. The primary engagement channels supported by today's vendors include email and phone, with additional channels supported across different vendors including SMS, LinkedIn, social, video, direct mail, and chat.

Over the last five years, sales engagement technology has evolved as an essential platform for B2B sellers in the technology industry. Sixty percent of companies intend to increase their current sales engagement technology spend this year. Now, they are part of digital transformation efforts for sales teams in evolving industries such as financial services, healthcare, real estate, education, and life sciences. The success of sales engagement technology can be seen in the growth of vendors in the market, comprising of a series of standalone mid-sized companies with billion dollar valuations, a crowded but competitive cadre of rapidly growing competitors, and product investment from major technology firms. As vendors continue to innovate to support additional roles and use cases, the market is poised for explosive growth; TOPO estimates that the market is approximately $320 million today, with potential to evolve into a multi-billion dollar market by 2025.
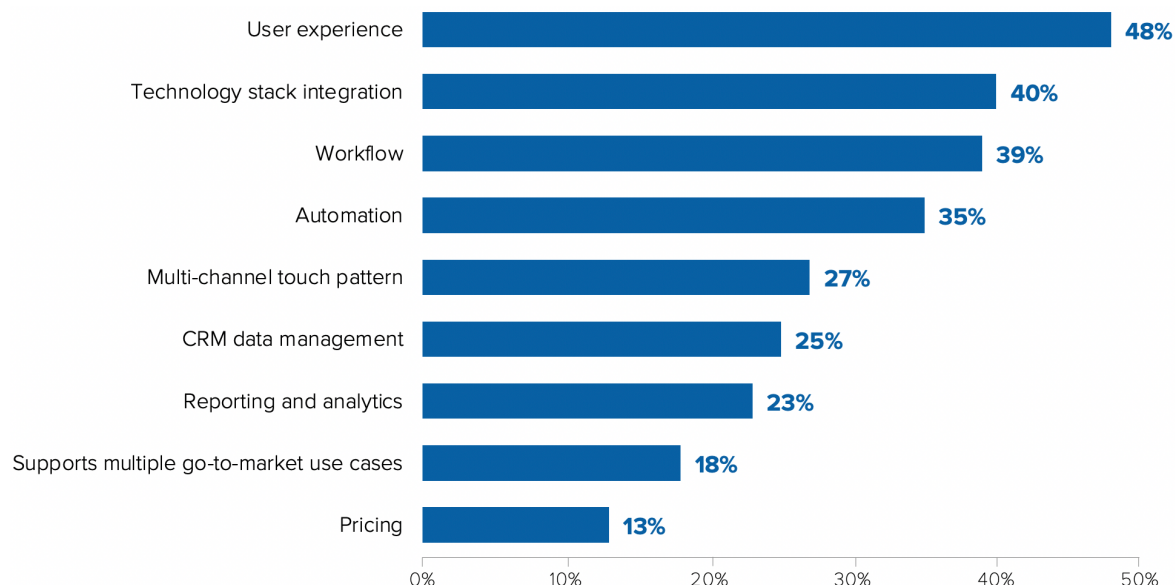
REASONS FOR SELECTING CURRENT SALES ENGAGEMENT TECHNOLOGY

The top reasons leaders selected their current sales engagement providers are clear: seller-centric user experiences, integration across existing technology, simplified or new value-added workflows, and automation across those workflows (see Figure 4).

The notion of transforming the way sellers work through technology on the user level is the heartbeat behind the fundamental value created through a sales engagement strategy. An emphasis on seller-centric user experiences (48%) represents a rebuke to the user experience challenges sellers historically faced with the CRM. Great seller experiences are paramount to the facilitation of better buying experiences; sellers can use the technology within the context of their work, such as email inboxes, and directly on accounts, contacts, and opportunities in the CRM.

Tech stack integration is key for the successful deployment of the strategy, as indicated by 40% of sales leaders surveyed. There are two overarching philosophies behind the architecture and delivery of the technology: built on top of the CRM or built as a standalone application that syncs with the CRM. The needs for CRM integration are diverse and depend on the complexity of each unique CRM environment. While early adopters to the market favor standalone application providers, both philosophies present opportunities to enrich the CRM and use more automation. Additional integrations allow sales engagement teams to leverage existing investments in third-party technologies that may already be used to deliver on components of the sales engagement strategy such as channels, data, workflow, and content.

It's no surprise to see automation capabilities cited as a reason for purchasing after seeing it listed as a top factor for success. Workflows are systems used to design and automate processes based on pre-defined business rules. While out of the box capabilities automate or augment known workflows (e.g., logging activities), more advanced workflows are emerging and completely shifting the way sellers prioritize their time. These workflows include automation triggers to automatically enroll buyers into targeted touch patterns, re-prioritizing buyers in real-time based on frequent engagement with emails, and using artificial intelligence and machine learning to suggest specific messaging based on the scenario. These capabilities add exponential value but require sophistication from sales engagement teams to actualize.

Reasons for Selecting Current Sales Engagement Technology (Figure 4)

Reason	Percentage
User experience	48%
Technology stack integration	40%
Workflow	39%
Automation	35%
Multi-channel touch pattern	27%
CRM data management	25%
Reporting and analytics	23%
Supports multiple go-to-market use cases	18%
Pricing	13%

TOP SALES ENGAGEMENT TECHNOLOGY CHALLENGES

Sales engagement leaders cite their top challenges with the technology as reporting and analytics and in-platform content management (see Figure 5). Even a basic sales engagement strategy requires a significant amount of effort and resources to develop the content necessary to fulfill the touch patterns that comprise a sales engagement strategy, while reporting and analytics shortfalls are primarily rooted in performance attribution.
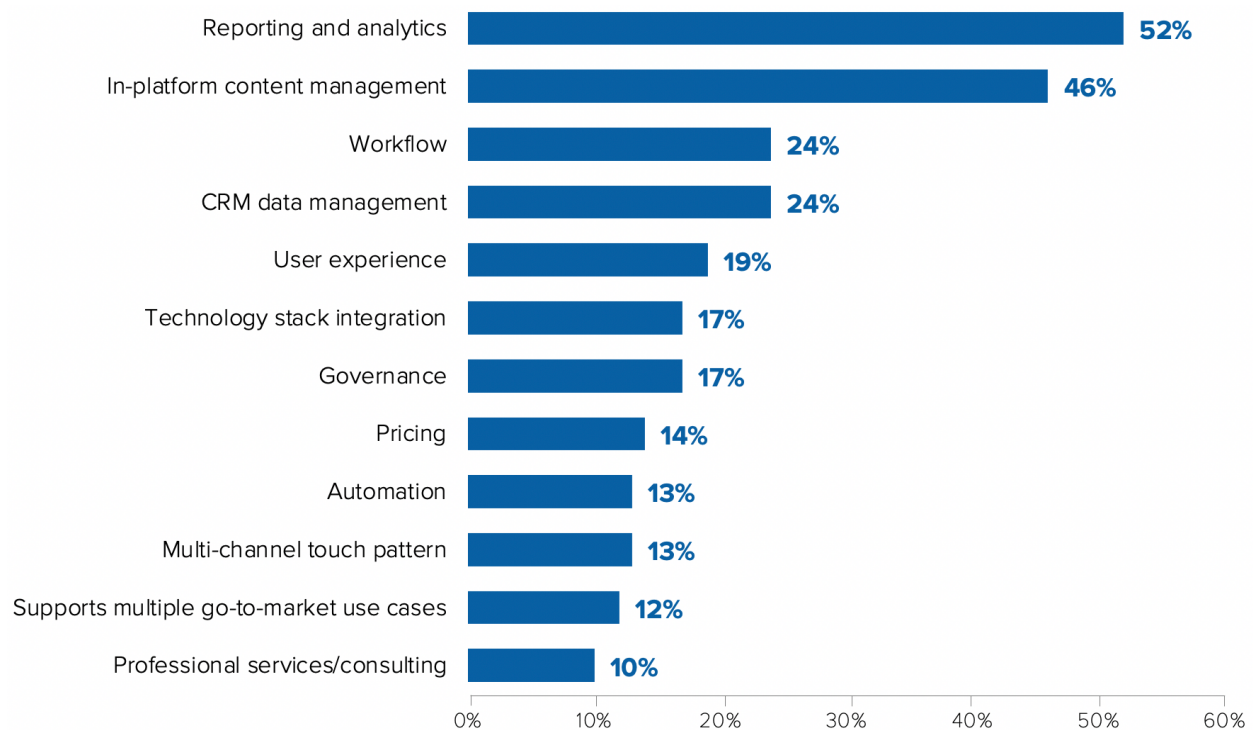
Reporting and analytics challenges are typically consequences of the way organizations configure their sales engagement platform and the architecture of the sales engagement platforms themselves. With more than half of users (52%) citing this as a challenge, there is work to be done on the vendor side and those implementing the technology. Today's reporting and analytics tools typically help front-line managers identify leading indicator opportunities to coach their sellers based on email and call metrics. Many sales engagement leaders struggle to report which touch patterns and activities are contributing to opportunity creation, progression, and revenue.

Based on the top sales engagement strategy challenge of content strategy, it's also no surprise to see in-platform content management as a top technology challenge, too. These challenges arise in two common scenarios: complex buying environments and decentralized sales engagement strategies. In a complex buying environment, content management difficulties create challenges with managing content across global deployments, many personas, industries, and permutations of similarly structured touch patterns. De-centralized implementations put the burden on designing touch patterns, templates, and snippets in the hands of sellers, with varying degrees of

organization and success. To combat this challenge, a sales engagement team takes responsibility for creating and managing the content behind the strategy.

The implementation of sales engagement requires a balance of vision and execution. Sales leaders are starting to recognize that they lack the operational, enablement, and messaging expertise to deploy the technology effectively. To fill the void, they increasingly rely on the growing professional services offerings from vendors or firms specializing in sales engagement implementation. These costs in human capital and effort must be heavily taken into consideration during the implementation of sales engagement technology.

Sales Engagement Technology Challenges (Figure 5)

Challenge	Percentage
Reporting and analytics	52%
In-platform content management	46%
Workflow	24%
CRM data management	24%
User experience	19%
Technology stack integration	17%
Governance	17%
Pricing	14%
Automation	13%
Multi-channel touch pattern	13%
Supports multiple go-to-market use cases	12%
Professional services/consulting	10%

CONCLUSION

Sales engagement strategy—powered by sales engagement platforms—is changing the way revenue teams think about creating experiences that exceed buyers' expectations. We see it in increased revenue efficiency, predictable pipeline, and shortened ramp times for new sellers. Sales engagement technology is going to continue innovating; vendors in this market are already investing in capabilities such as conversation intelligence, opportunity management, and deal management. Artificial intelligence and machine learning models are increasingly automating more human processes, making recommendations, and executing specific activities.

Innovation in sales engagement strategy will also continue re-shaping sales support resources. We see it in the rise and growth of account based sales and the orchestration of activities directed at three different groups across five different channels in pursuit of getting a single meeting. We see it in the organizational design investments to combine demand generation and sales enablement into a cohesive, singular team. We see it in the way managers are increasingly using new metrics to manage performance and coach their teams.

With the market dynamics continuing to evolve, combined with the success that organizations have already seen, sales engagement strategy is one of the key trends for sales teams in 2021.

ABOUT TOPO

TOPO works with high-growth companies to transform their sales, sales development, and marketing organizations into world-class functions. B2B organizations rely on TOPO research and consulting to make informed strategic decisions that drive pipeline and revenue growth.

We do this by offering:

1. **Data and benchmarks** collected from the world's fastest-growing companies across hundreds of key metrics.

2. **Research, best practices, and tools** that make faster revenue growth a reality by focusing on specific, actionable strategies, tactics and plays.

3. **Personalized advice and support** from sales and marketing's best and brightest—TOPO analysts and your peers from the world's fastest-growing companies.

4. **Consulting** helps clients address big sales and marketing issues in a manner that's deeply specific to you. Our consulting work focuses on areas such as go-to-market strategy, organizational design, and marketing/sales process

5. **Events and peer networking** with industry-leading practitioners to learn and share best practices associated with top-performing sales and marketing teams

About the analyst

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Dan spent the last 10 years supporting some of the world's fastest growing companies with a deep background in B2B tech sales. Dan Gottlieb leads the sales practice at TOPO and is responsible for conducting sales, sales development, and sales enablement research. Using our research findings, Dan advises revenue leaders on how to adopt the patterns and plays of high-growth companies within their teams.

Jeffrey L. Cohen, *Analyst*
Jeffrey L. Cohen works across TOPO's marketing, sales, and sales development practices. He is an award-winning marketer, strategist, author, speaker, and blogger with a 25-plus year career in B2B marketing, who previously led content strategy for Salesforce and Oracle.

For more information

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