

SALES & MARKETING ALIGNMENT



Are Marketing and Sales in B2B Still
Living on Different Planets?

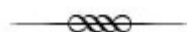
B2B TECHMARKETING

Are Marketing and Sales in B2B Still Living on Different Planets?

The Sales and Marketing relationship is sometimes like the one described between men and women in the (in)famous [book](#) *Men Are from Mars, Women Are from Venus* by John Gray (pub.1992). While that book may now be considered sexist in our enlightened times, it can not be ignored that men and women often think and feel differently which leaves room for misunderstandings about what each wants from the other. Sales and Marketing is a lot like that!



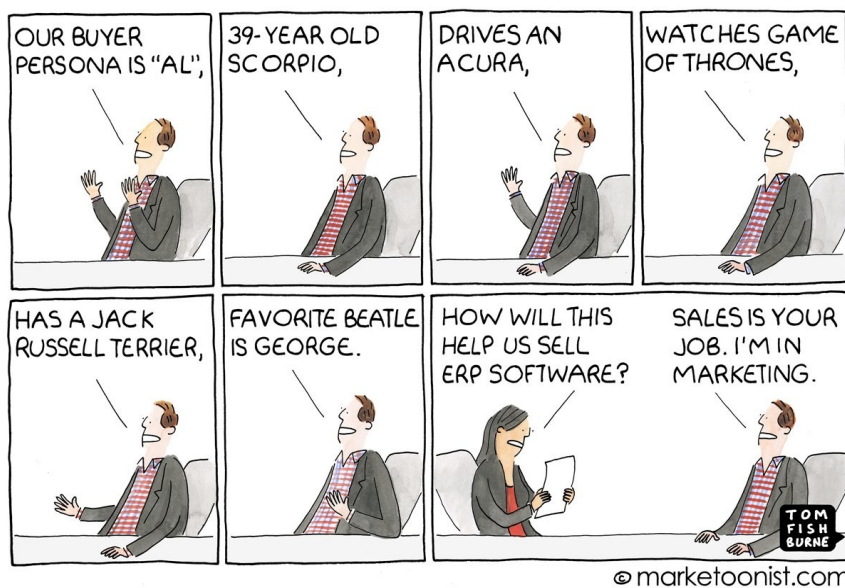
"I was thinking, you know, like, one thing we could do is maybe sell more..."



Googling '[sales marketing alignment](#)' produces 62,600,000 results suggesting it is something people are interested in understanding. The top two organic links go to pages from [Marketo](#) and [Hubspot](#), which is appropriate because I want to consider how far away from the holy grail of 'one team' we still are and the role of automation - particularly as represented by CRM and marketing automation.

While a whole industry has been established around trying to streamline and automate the relationship between the buyer's journey and vendors' functional organizational models – with its lexicon of MQLs, SALs, SQOs, ABM, CDP – are we in reality still arguing about what is a lead?

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The Business Value of Alignment

If we take an outside-in view of your organisation, it is clear that a customer or potential customer shouldn't need to know if you work for Sales, Marketing or Customer Service – they just want what they want, when they want it. When you call your bank, or visit your Broadband provider's website, just like your customers you have a reason and an expected outcome – as well as an expectation of the level of service you should receive.

So Sales and Marketing are part of the same logical purpose for the customer: 'to help me make an appropriate buying decision'. If you get it right, then the stats show that:

- Businesses that respond first get [35-50% of sales](#)
- Aligned organizations save 30% on their [customer acquisition cost](#)

Getting it wrong means:

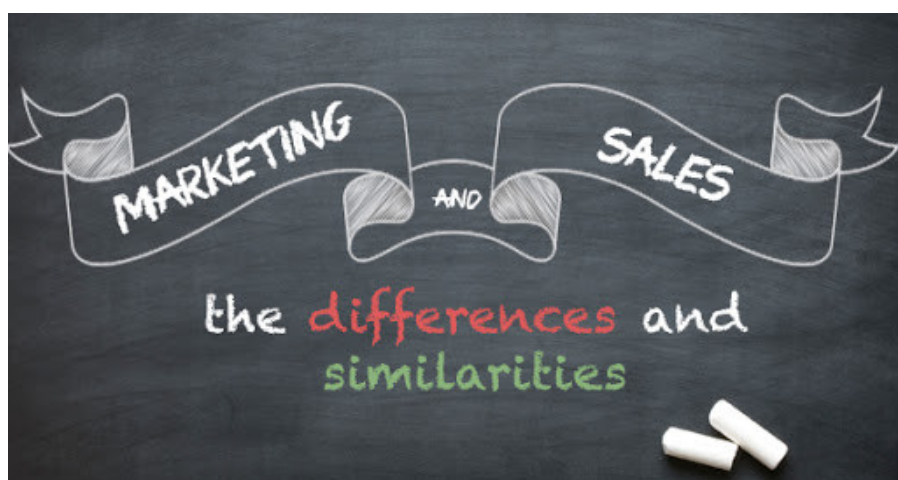
- Teams waste [50% of their sales effort](#) and lead generation budget on leads that won't be contacted.
- Misalignment of sales and marketing costs companies an average of [10% of revenue per year](#)

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So Why Do We Keep Getting It Wrong?

The B2B buying cycle, as described [here](#), can be very complex. It typically spans a considerable length of time and involves many people in the buying decision. The sales and marketing response therefore starts with the need to stitch multiple pieces of information together, from known and unknown individuals, across multiple online and offline channels; interpret it and then take appropriate action, preferably in real time. This requires people in multiple teams to collaborate and coordinate their actions, interpreting the meaning of the information derived from systems that deliver fragments of data in silos. *It's hard!*

All of the above requires investment, resources, commitment and, above all, leadership. This leadership needs to come from the individuals who dwell on these different planets: the CRO/ CSO on Planet Sales and the CMO on Planet Marketing so it is important that they share common goals.



However, too often Sales is goaled only on the closing/ late stages of the journey – won deal value, revenue – while Marketing is goaled at the other end of the buyer journey on 'leads'. There needs to be shared pipeline creation goals and clear attribution for Marketing on its contribution to pipeline (SQOs – Sales Qualified Opportunities) to ensure Sales and Marketing teams recognise their inter-dependency in financial numbers. Shared targets then focus attention in much more granular detail on the whole buyer journey and the team's conversion performance at different stages of the journey.

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Without a clear definition of the end-to-end buyer's journey, reflected in internal processes and measurement and shared financial goals, the different timescales that Sales and Marketing teams often work in can lead to finger-pointing and a culture of blame. After all, when Sales are focused on closing this quarter why should they be worrying about following up Marketing-sourced leads, which may not deliver anything – and if they do, it will only impact their target in 6 months. A balanced scorecard is required for both Sales and Marketing to avoid this natural conflict. Similarly, Marketing may be spending the majority of its time on acquiring new contacts at the TOF, with insufficient time spent on supporting MOF and BOF sales engagement.



Both teams may be subjected to business short-termism, driven by quarterly growth targets founded on high shareholder expectations, so it is important that they can tell a joined-up story of market dynamics.

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SLA: Agreement on the Fundamentals Helps a Relationship

So where to start?

Experience shows that Sales and Marketing have only a limited understanding of what each other does. And that their perception is often negatively influenced by individual experience. Like Mother-in-Law jokes, the proliferation of stereotypes about how sales and marketing view each other is often based in some historical truth (see cartoon above). Added to this historical conflict is the huge shift in the balance of power between the two functions in B2B. The oft-quoted [research](#) that 67% of the buyer's journey is conducted online, without involving a Sales representative until suppliers are shortlisted, reflects how Marketing must do much more of the heavy-lifting. A lot of buyer influence is now the preserve of Marketing: brand definition, awareness creation through social, search and advertising, demand generation, lead nurture etc. At one time, as soon as a contact raised their hand, sales took over relationship development.

In this environment, it is really important that each team knows what they can rely on from the other. For the business these are investment decisions: when does it make sense to invest in another sales person? Should that person be Inside or Field Sales? Or does it make more sense to invest in a lead qualifier in Marketing; or in more search advertising spend?

Without being clear what KPIs these decisions effect and what outcomes the business needs to drive, it is impossible to make these investment decisions meaningful.

We need answers to some fundamental questions to have confidence of a clear ROI. Questions like: what is a 'lead'? Is a lead the same in ABM? What is a qualified lead? When should a lead be passed to Sales? When is a lead qualified by Sales and when should a value be allocated to it for forecasting purposes? Can we reliably measure the disposition of every opportunity in our pipeline with repeatable, quantifiable data?

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To do all of the above requires much discussion, definitions of the [ideal customer profile](#), [customer lifetime value](#), the buyer's journey and the criteria that represent qualification for your company at each stage (see [previous posts](#) on this). Typically this is the domain of Sales & [Marketing Operations](#). The documentation of this becomes a Service Level Agreement (SLA) which defines who does what, when, how, its measurement and governance. As this represents a [Playbook](#) on how sales and marketing is intended to function in the company, it is important that it is given due attention and time – and is informed by as much real experience as is available. It will be a living document that will evolve as more is learned.

Data and a common Performance Dashboard Drive Continuous Improvements

To become teams that learn together – just as a couple learn to accommodate their Venus/Mars natural differences during the course of a meaningful relationship – the SLA must be embedded in the sales and marketing DNA of the organisation. This is achieved by the configuration of systems, transparency of data and joint interpretation of intelligence that can then be tested to generate continuous improvement.

Documentation of the sales and marketing process, resulting in an SLA between the two teams, is the start, not the end of building the relationship. As with any relationship, it requires understanding, empathy, tolerance and a shared sense of purpose.



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In business terms, it means that the marketing database, external digital platforms (via Google Analytics, or similar) and the CRM / CSM systems must be integrated so that there is one source of truth for key data relating to a customer or target customer. Each company will need to determine what it is important to know, when they need to know it and how to build this key data into one version of the truth. Examples are [Customer Master Data](#), connecting contact data with account and [intent data](#) or being clear that the relationship between pipeline data and sales forecasting is robust.

Whatever it is, the most important this is that the data is presented to users in a way that drives a joint understanding of performance and joint decisions on action to be taken – not once a year, looking back to create a plan, but in real time with weekly and monthly formal review cycles. That's data-driven marketing.

Changing the conversation from 'I-don't-get-enough-leads-from-Marketing' and 'Sales-never-follow-up-properly-on-marketing-leads' to a mutual respect for the inter-dependency of the functions takes time. *And it's hard!*

That is why we still seem to be living on different planets for much of the time!

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