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Growth, Marketing & Sales Practice

Future of B2B sales: The big reframe

November 2022

Customers nowadays expect more and companies need to shift to put them at the center of sales—by improving channels, technology, talent, incentives, and culture.

This article is a collaborative effort by Guilherme Cruz, Boudewijn Driedonks, Ben Ellencweig, Maximilian Fischer, Fidel Hernandez, Josh Klemme, Molly Lewis, and Maria Valdivieso de Uster, representing views from McKinsey's Growth, Marketing & Sales Practice.

Introduction

The world went online when the COVID-19 pandemic hit. Business, board and staff meetings, chats with friends, exercise sessions—anything that was previously done in person was forced into a virtual space. Sales was no exception. The new remote-sales environment presented challenges, yet it achieved a surprising degree of success.

A couple of years later and the state of sales is evolving at a rapid rate—and will only continue to do so. Customers have become savvier and are demanding more, sales are increasingly becoming digital and operating models more hybrid, and the "great attrition" is having a detrimental effect on talent. The current recessionary environment only adds to the urgent need for change. The situation is challenging, yet exciting; some companies are using the macroeconomic environment to their advantage to leapfrog competitors. Leading companies are seizing the opportunity and taking action, with great success.

To understand the new era of sales, we spoke to more than 50 heads of sales across a range of industries in numerous geographic markets. Their insights are enlightening and a wake-up call for those wary of change. Five themes emerge from the research:

1) Put the customer at the heart of growth

Capture your customers and build their loyalty and trust by offering them value propositions and personalized experiences that suit their needs. This can be done with effective analytics and tailored content that emphasizes solutions and expertise.

2) Break the channel mindset

Single channel no longer works. Hybrid is the new standard—it offers powerful opportunities to connect with customers in ways they want.

3) Create a scalable sales engine

A successful sales organization is able to repeat its best practices again and again—leveraging data, technology and agile operating models.

4) Rethink the people strategy in the age of attrition

A new world of selling requires new sales capabilities. Talent needs to be reassessed as businesses face both the attrition brought on by the pandemic and hyper-informed customers expecting more.

5) Make the change stick

For transformation to truly happen, cultures, mindsets, and behaviors need to change. Leaders need to inspire the change and guide the process.

We hope you find the examples of how outperforming companies have put these themes into practice helpful; that it kick-starts discussions in your leadership team around how to deliver growth in these uncertain times; and that it inspires you to achieve what is possible in this new world.

Put the customer at the heart of growth

1

Customers' expectations of how their vendors serve them have changed dramatically—they want simpler, on-demand, omnichannel engagement that puts their needs first. They expect to have informed conversations with vendors who can demonstrate expertise on their industry, product, and market challenges. Otherwise, they have little compunction about moving elsewhere. More than 70 percent of businesses say they will happily consider other vendors if their core "must haves" are not met during their buying journey or if the experience is poor (Exhibit 1).

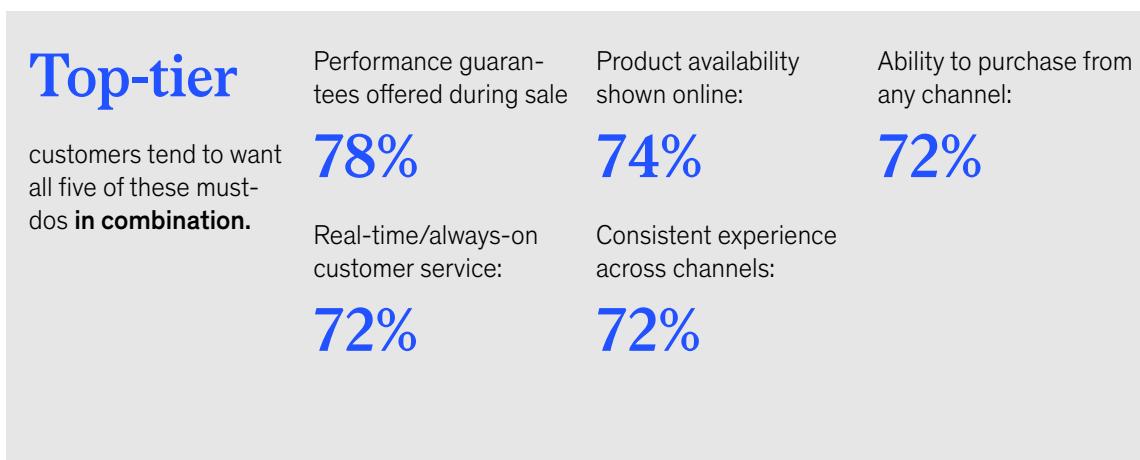Despite this, many B2B companies are struggling to embrace a truly customer centric mindset, starting with the language they use to define success. In this new era, top performers are obsessing less about an internal view of their sales funnel (such as "introductions,", "proposals," or"negotiations") and obsessing more about guiding customers on a personalized buying journey (for example, "awareness," "evaluation," or "purchase"). They might consider three customer-centric practices here. First, find customers by harnessing comprehensive data on customer intent preferences, and deploying analytics that translate those insights into impact. Second, attract customers by offering B2C-grade, personalized content with tailored value propositions. Finally, delight customers by keeping a pulse on readiness and delivering consistent experiences across their entire buying journeys.

Exhibit 1

Changing customer expectations puts pressure on companies to adapt.

Experiences required for customer attention
% of respondents who will actively look for another supplier if these are lacking

Top-tier customers tend to want all five of these must-dos **in combination.**

Performance guarantees offered during sale
78%

Real-time/always-on customer service:
72%

Product availability shown online:
74%

Consistent experience across channels:
72%

Ability to purchase from any channel:
72%

Source: McKinsey & Company Global B2B Pulse, Aug 2020, n= 602, Feb 2021 n = 562, Nov 2021, n = 602

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> **"Today's buyers are more technically savvy. They're more digitally savvy. They're spending more time on their devices. And they want to engage on their time, not your time."**
>
> **—Go-to-market executive,** biotechnology company

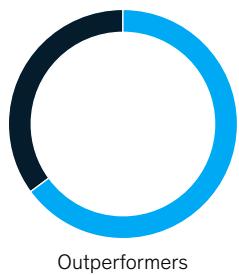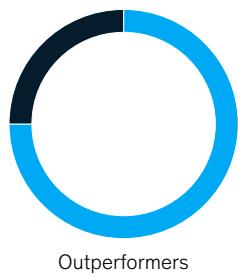### Find customers by turning 360-degree insights into sales

While forward-thinking companies are using analytical insights to find new customers, others are struggling to adapt to the current digital-first engagement model, which has shifted the power from seller to customer. Customers—are doing their own research online and finding out about a company or product before the seller has an opportunity to pitch it, whether it concerns transactional items or complex systems.

Companies are therefore turning to analytics to help them predict more accurately who their potential customers are, their pain points and their next moves, and then proactively engage with them as early as possible. Outperformers—here defined as companies that beat the average growth rate of their sector—already use analytics extensively and successfully. Players with strong customer analytics are 1.5 times more likely to grow fast, and can drive increases in earnings upwards of 15–25 percent (Exhibit 2).[1]

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[1] Jochen Böringer, Alexander Dierks, Isabel Huber, and Dennis Spillecke, "Insights to impact: Creating and sustaining data-driven commercial growth," McKinsey, January 18, 2022.

Exhibit 2

Outperformers are already using analytics extensively.

| Outperformers | Slow growers | Outperformers | Slow growers |

3 out of 4

outperformers apply tables-stakes
analytics such as sales planning
(vs half of slow growers)

2 out of 3

outperformers apply analytics use cases
to be more granular on deal and
account-level opportunities
(vs half of slow growers)

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An automotive original-equipment manufacturer (OEM), for example, was about to launch a new model as its older models were declining in popularity. When the head of sales found out that their current lead generation plan hinged on converting existing customers, he realized an expanded approach was needed to identify potential customers as well. What type of buyer would want to buy this vehicle, and how could the company approach them and finish the sale?

The company used machine learning to combine five different data sources that had not been connected before, including previous ownership data, demographics, and service history. This highlighted 30 specific characteristics that defined their ideal buyers and allowed the company to create 10,000 lead profiles with which to calculate an individual customer's readiness to buy.

Their experience of leveraging granular internal data to determine propensity to buy is a common theme

we heard across leading companies. The company successfully launched the new model, delivering 10 percent higher conversion rates and a 5 percent sales uplift overall.

Top performers emphasize two customer analytics key factors that can unlock growth—data and decision making. These outperformers use them in the following ways:

Use unexpected sources of customer data at a granular level. Leading B2B companies build rich signals that go beyond traditional customer data to offer a fully rounded view. For example, companies are identifying customer buying opportunities by tracking their hiring patterns—if a manufacturing company starts heavily recruiting data scientists, then a tech infrastructure company might infer that the manufacturer is in the market for data infrastructure and target it accordingly.

Data-collaboration technology takes this a step further by enabling businesses to share approved data safely and securely with each other, driving smarter go-to-market (GTM) and strategic partnerships. For instance, a retailer might share transaction data with a manufacturing company, that could help the manufacturer predict its required inventory at stock-keeping unit (SKU) level, adjust its sales initiatives, and adapt its marketing material.

These innovative sources of data can be turned into actionable recommendations for companies' frontline sellers. For example, one mortgage lender developed a tool to help its sales teams make decisions based on previously unavailable data. By combining public, partner, and proprietary sources spanning geospatial, urban, financial, consumer, and business data—including datapoints such as distance to highly rated restaurants—the lender could accurately predict the rent of buildings.

Move from predictive to prescriptive decision making. Predictive insights are only helpful if they are actually used to drive targeted actions. Hence, one needs to not only predict customer behaviors but also have the data-driven tools to prescribe what to offer, how to message, and where to engage—in real time. This applies to preventing churn as much as to customer acquisition. It's not enough to know that your customer is at risk of leaving; knowing when they're in the leaving window, why, and what to do about it equips companies to address customers' concerns right away.

As an example, one agricultural distributor was facing mounting competitive pressure and disintermediation from large producers that were selling direct to growers. Faced with rising churn and declining win rates, sales leaders knew they needed to drive mitigating actions that went beyond traditional analytics to build a complete, prescriptive decisioning engine, aligning their engagements and touchpoints with observed customer opportunities and preferences.[2]

Predictive insights are of little help unless combined with data-driven prescriptive recommendations for where to engage, what to offer, and how to message.

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[2] Ibid.

Using internal data, external interviews, and focus groups, they systematically defined customer segments, journeys, and buying preferences. They hosted design-thinking workshops where they translated these insights into a comprehensive list of sales initiatives and campaigns meant to drive specific business outcomes and articulate their unique value proposition. Among these were a new e-commerce sales channel and a customer-experience hub that accounted for over 60 percent of revenues within six months of launching. Field sellers, in turn, had greater focus and success driving strategic growth opportunities, enabled by new data and analytics flows.

The company fed the results back into their analytics engine to measure the impact of these initiatives; The result was $1 billion of revenue flowing through new digital channels, with churn three times lower than the traditional sales model.

Capture customers' attention with personalized content

Of the companies that invest in analytics, many still bring their customers a "boring" laundry list of products. Leading B2B companies are abandoning this one-size-fits-all approach and taking a page out of the B2C playbook. Only 8 percent of B2B organizations are currently set up to deliver highly personalized marketing—but of that 8 percent, three-quarters report growing market share (Exhibit 3). And fewer than half of companies surveyed grew their market share with little to no personalization.[3]
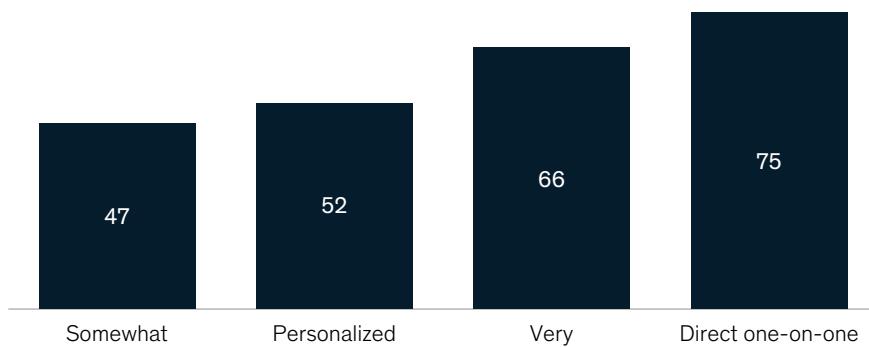
With a more personalized approach, companies can reach out to the right executive with the right message at the right time. In one case, a fast-growth software company built a business around a new enterprise platform but recognized it had to up its game when pitching to the C-suite. It tested a content-personalization strategy that departed from its standardized pitches. After aligning on a target list of industries, sub-industries, and specific accounts, it developed highly personalized value propositions based on a customer's regulatory environment, technological sophistication, recent acquisitions, and publicly announced strategic initiatives.

Developing these tailored pitches took the sales team weeks of training to understand their target accounts' personas and market dynamics. Some

Exhibit 3

The more personalized the marketing, the better.

Increased market share, by degree to which marketing is personalized
% of respondents by market-share move

Somewhat	Personalized	Very	Direct one-on-one
47	52	66	75

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3 Auron Arora, Liz Harrison, Candace Lun Plotkin, Max Magni, and Jennifer Stanley, "The new B2B growth equation," McKinsey, February 23, 2022.

customers required hand-holding, while others were immediately ready to discuss detailed integration of the platform into their existing stack. And the approach paid off: customers specifically celebrated how well the company had "done its homework," earned trust, and demonstrated that they had the expertise to deliver. With this content strategy, the company built a $50 million annual recurring-revenue business in 18 months from an accelerated deal pipeline.
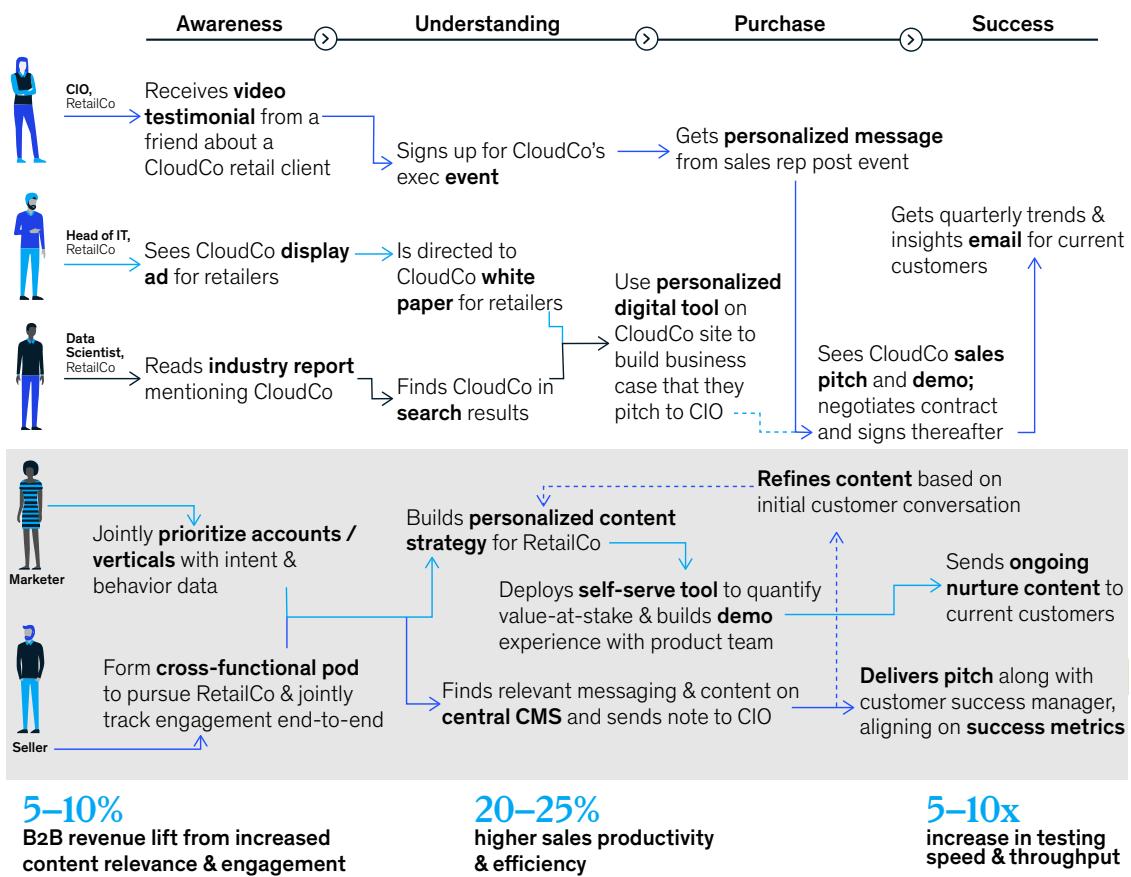
The bar for B2B content is high. Ideally, it is visual and exciting, conveys complex ideas in a simple format, and meets rapidly evolving customer expectations. Products are usually more expensive, and sellers often may have only one vital pitch with their target customer account. Trust, too, is an important issue: great content shows credibility and deep expertise, convinces the customer that they're getting an end-to-end partner, and anchors on the end outcomes rather than individual features or capabilities.

In B2B, content outweighs both sales presentation and timeliness as customer-buying factors. However, 57 percent of sellers say they don't pay much attention to content produced by their marketing teams, feeling it is generic and unresponsive. Yet by combining analytics—using novel data drawn from innovative sources—with direct customer conversations and surveys, B2B marketing teams can personalize content that speaks to individual decision makers and influencers in specific accounts or industries. For example, the sales approach for a chief information officer (CIO) and a data scientist at the same company may be very different while still reinforcing common messages (Exhibit 4).

Leading technology companies have recognized the need for greater customer personalization and deploy specific strategies to target their end users, including data scientists, developers, and designers.

Exhibit 4

Modern B2B GTM drives growth with digital and personalization end-to-end.

Awareness → Understanding → Purchase → Success

CIO, RetailCo
Receives **video testimonial** from a friend about a CloudCo retail client → Signs up for CloudCo's exec **event** → Gets **personalized message** from sales rep post event

Head of IT, RetailCo
Sees CloudCo **display ad** for retailers → Is directed to CloudCo **white paper** for retailers → Use **personalized digital tool** on CloudCo site to build business case that they pitch to CIO → Gets quarterly trends & insights **email** for current customers

Data Scientist, RetailCo
Reads **industry report** mentioning CloudCo → Finds CloudCo in **search** results → Sees CloudCo **sales pitch** and **demo**; negotiates contract and signs thereafter

Marketer
Jointly **prioritize accounts / verticals** with intent & behavior data → Builds **personalized content strategy** for RetailCo → **Refines content** based on initial customer conversation → Sends **ongoing nurture content** to current customers

Deploys **self-serve tool** to quantify value-at-stake & builds **demo** experience with product team

Seller
Form **cross-functional pod** to pursue RetailCo & jointly track engagement end-to-end → Finds relevant messaging & content on **central CMS** and sends note to CIO → **Delivers pitch** along with customer success manager, aligning on **success metrics**

5–10%
B2B revenue lift from increased content relevance & engagement

20–25%
higher sales productivity & efficiency

5–10x
increase in testing speed & throughput

Understanding that end users are increasingly influential "option creators", tech companies are putting together tailored, purpose-driven events where the chief technology officer—not sellers—take center stage to talk about new initiatives and topics, such as AI and sustainability.

Companies are hosting everything from hackathons to interviews with engineering luminaries to appeal to this developer demographic. And it works: they are turning these users into influential champions for their products and, by not inviting sellers, building trust with them as well.

Impress the customer with a seamless buying journey

Five years ago, B2B customers had around five distinct marketing and sales touchpoints during their buying experience—now they can have as many as ten. This journey can be cumbersome, and ensuring consistency between touchpoints can be difficult for B2B sellers.

They could consider dismantling the barriers that have long separated marketing and sales, smoothing the experience as customers move from one touchpoint to the next. This requires some bold moves, like fixing broken incentives by replacing marketing-qualified leads (MQLs) with measures of a customer's readiness to have a conversation, and combining marketing and sales forces to give the customer a frictionless experience.

MQLs have long forced marketers into a demand-generation trap, where they are incentivized to push customers through a funnel to sellers without knowing whether those customers are ready to advance. Customers can get annoyed, while marketers become frustrated by artificial targets that call on them to engage in low-value activities. Sellers can become dissatisfied because these MQLs are only marginally more likely to take a meeting; often sellers ignore them and develop separate measures of the pipeline.

Smart companies are shifting from a "sales funnel" mentality to a "customer buying journey" mindset, with sales and marketing working togethe and

oriented on where customers might actually be. This enables marketing to play a deeper role in the customer lifecycle, instead of pushing leads that might have little interest in buying.

One enterprise software company parted ways with the MQL concept entirely. Instead of artificially qualifying customers, it adopted a "conversation readiness" mindset by simply talking to customers at events, in surveys, and via the website, asking them if they wanted to engage a seller. Customers were not pushed to a seller unless they were ready—and they loved it. From fewer leads overall, the company experienced four times more opportunities and a doubling of account engagement.

Make every seller a marketer … and vice versa.
Nine out of ten B2B decision makers say that marketing and sales need to work more closely together to put an end to overlapping work. They recognize it would be more effective for both functions to work on the same go-to-market strategy, from the same data, and with the same message so that customers don't get frustrated by contradictory messaging or confusing handoffs.

To address this, a leading enterprise cybersecurity company has marketing and sales collaborate in "pods" that report to a combined business-unit leader. They work together to approach prioritized customers. Marketers lead personalized content and self-serve digital tools, and train sellers to deliver these. They also educate sellers on their customers' key buying factors and strategies to tailor content.

Sellers then deliver the pitch and report back on how the content resonated or not with customers. Front line reps (field sellers, remote sellers, customer success managers, sales development reps, and channel partners) all provide critical inputs to marketing. Content-management systems and digital-asset managers help access and tag content, while other internal communication channels—company intranet sites, townhalls, client-case videos, and employee pulse checks—ensure consistent delivery. This has all contributed to 30 percent year-on-year growth.

The advantage of the self-serve journey is that it drives a sale without the seller being needed, even at the moment of purchase—making every marketer a seller.

Marketers historically have focused on demand generation, making customers aware of their products. Now, however, by creating and deploying self-serve tools, marketing can play a role in not just generating demand, but converting and nurturing it.

For example, IBM's hybrid cloud-value calculator, Amazon Web Service's migration evaluator, Google Cloud's pricing calculator, and Microsoft Azure's total-cost-of-ownership calculator are all self-service tools that offer personalization and empower potential customers. By answering a few questions about factors such as their company's industry, annual revenue, IT spend, and current cloud maturity, prospects can get a customized, visual business case for adopting the cloud solution.

The advantage of the self-serve journey is that it drives a sale without the seller being needed, even at the moment of purchase—making every marketer a seller. And by using the customer's data from that journey, sellers have a ready-made business case to pitch to leadership.

A customer-centric journey involves finding the right customers through analytics-based insights and ensuring a personalized, consistent customer experience. But to unlock value, it is essential to address the siloed channels that hinder transformation.

Break the channel mindset

2

Traditional channel strategy has been upended. B2B customers now often use more than nine channels on their buying journeys—from older channels like email and phone calls to mobile apps and web chats.[4] They have become so comfortable with this mode that many are happy to close deals in excess of $500,000 without ever meeting the seller in person. Customers no longer think of channels; they want intuitive, seamless, and personalized experiences that satisfy their buying needs (Exhibit 5).

The idea of allocating reps to accounts once a year and then reevaluating for the next planning cycle is no longer effective. Companies that addressed this change and sold through more channels grew market share at a faster rate in 2021.[5]

Leading B2B sales organizations react to changing buyer behavior in three specific ways. First, they adopt hybrid as the default approach. Second, to make hybrid work for customers, companies optimize the channel experience for each step of the customer-buying process. Finally, leaders find creative ways to complement traditional sales channels, thereby unearthing new sources of revenue.
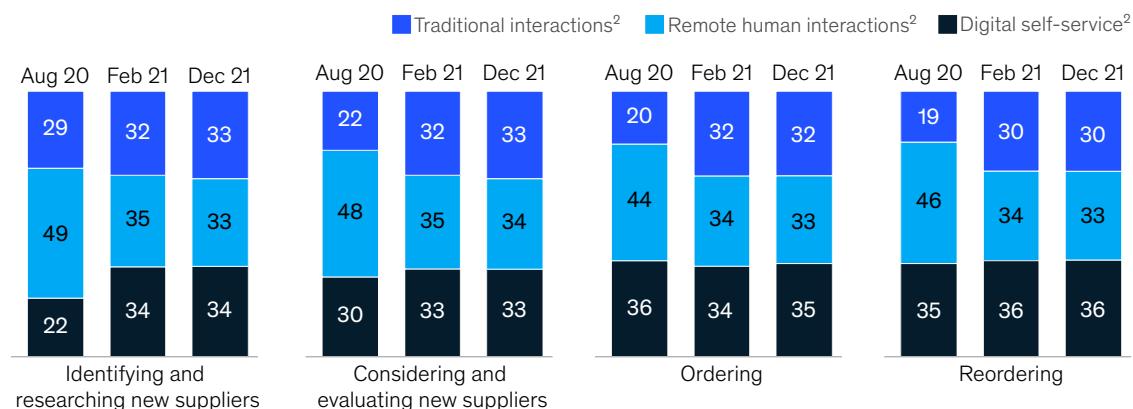
Adopt hybrid as the default approach

It's a reality: more than 65 percent of companies now prefer remote and digital interactions, a trend accelerated by the COVID-19 pandemic. Increasingly, they are investing more in hybrid roles—reps are no longer seen as "field" or "inside"

Exhibit 5

B2B buyers have settled into using an evenly divided mix of sales channels.

Current way of interacting with suppliers' sales reps, by stage of process
% of respondents per sales-channel type[1]

Traditional interactions[2] ■ Remote human interactions[2] ■ Digital self-service[2]

2 out of 3 buyers in 2021 opted for remote human interactions or digital self-service

[1] Q: Currently, how do you split your time with sales reps from your company's suppliers during the following stages of interactions?
[2] Traditional includes in-person meetings, direct mail, fax, etc. Remote includes phone calls, video conference calls, emails etc. Digital includes company websites, e-commerce, chatbots, internet searches, mobile apps, etc.
Source: McKinsey & Company Global B2B Pulse, Aug 2020, n = 3,626; Feb 2021, n= 3,496; Dec 2021, n = 3,360, countries: Brazil, Chile, China, France, Germany, India, Italy, Japan, South Korea, Spain, UK, US

[4] Arun Arora, Liz Harrison, Candace Lun Plotkin, Max Magni, and Jennifer Stanley, "Rebalancing works: Omnichannel is more effective than traditional sales models alone," McKinsey, February 23. 2022.
[5] Ibid.

but a mix of the two, adjusting to customer need at each stage of the sales process. And it seems this phenomenon is here to stay: research shows that hybrid has seen the fastest growth of all types of roles over the last few years—making hybrid a channel of its own (Exhibit 6).

To succeed, salespeople need to become experts at both remote and in-person selling. There are a number of ways to achieve this. First, learning how to judge the right form of interaction for different contexts and situations at every stage of the customer journey. Second, learning to read both physical and virtual settings and understand what makes buyers tick in each. Third, mastering hybrid orchestration, where some customers might be physically in the room while others are spread across the world.

Although challenging, the benefits of the hybrid approach are clear: it enables a more consistent and customized level of engagement; sellers can engage with customers more frequently; and they can easily access information when using digital remote channels, while not losing the effectiveness of in-person meetings and demonstrations.
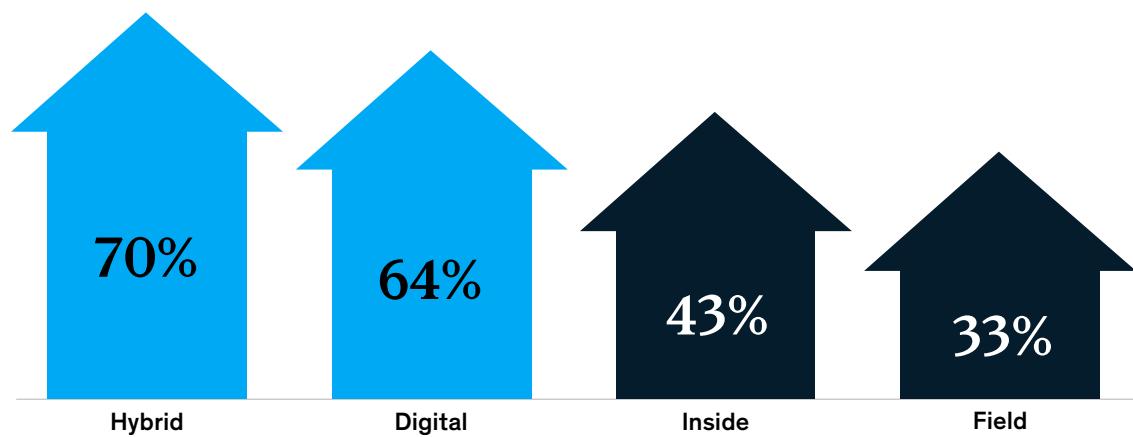
The hybrid model also allows traditional in-person sellers to use technology to optimize their sales activities, such as applying speech analytics to customers' verbal cues or analyzing video footage to clarify customer questions. Adopting hybrid as the default model enables a broad set of channels to be used, depending on where the customers are in their buying journeys.

Many companies have significantly improved their sales performance using hybrid models. For example, a leading financial-services company faced many challenges with its traditional channel structure—it lacked focus on cross-selling, had an inconsistent sales performance-management structure, and placed limited emphasis on advanced-analytics capabilities. So sales leaders chose to increase the number of hybrid sales professionals, who needed to be able to operate seamlessly between the field and inside, by 50 percent.

Exhibit 6

Hybrid and digital are the fastest-growing sales roles.

Net change in sales roles, percent of respondents, US only[1]

Hybrid	Digital	Inside	Field
70%	64%	43%	33%

[1]Q: over the past year, how has the size of your company's sales force in the following areas changed?
Source: McKinsey & Company Global B2B Pulse, Nov 2021, n = 602

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The company also made significant investments in technology, which allowed employees to develop presentations and pitches that could work both in-person and remotely—sometimes at the same time, if the customer had people both in the room and on videoconference. Its best field-sales expertise can now address lower cost-to-serve digital channels, making smaller customers profitable. The shift has allowed sales leaders to introduce consistent messaging across the sales function (which customers reported as a major issue) and helped the company achieve around ten percent top-line growth.

Meet your customers where they wish to meet

With customers wanting personalized buying journeys, approaches that are experience-led (looking at customers' previous buying journeys and needs) and expertise-led (demonstrating expertise in aspects such as customers' industry or geography) could be the way to go. Too often,

customers launch into new channels in relative isolation and with no consistency. Leaders in this space are meeting customers where they are to ensure consistent messaging across channels, rather than making the customers come to them.

A global B2B software-as-a-service player now lets the type of transaction—what is being sold to whom and when—determine the GTM approach instead of assigning larger accounts to field reps and smaller ones to inside sales. Simple transactions for all customers are handled by inside sales or digital channels, while field reps cover more complex purchases.

Before this, if a customer posted a query on the website, the digital-sales team referred it to the call center; staff there had basic technical and selling capabilities but lacked the expertise to land sales. The company's data showed, however, that inside sales can effectively follow up remotely by bringing in experts for guidance from a centralized pool in the commercial hub. The final negotiation and close

Direct-to-consumer experiences in B2B

With the increased use of omnichannels, some B2B organizations have found opportunities in unexpected places. Some have chosen to (re) define their customer as the end consumer. This has led them to embrace direct-to-consumer (DTC) business, without relying on intermediaries. Research shows that DTC margins are typically 8–12 percent higher than other channels.

Companies can operate at various stages of the DTC journey, too: it doesn't necessarily mean just adding an e-commerce function to the website. Some companies focus on building brand loyalty, others on education around their unique value proposition, and others on direct top-line growth. Whatever the entry point, it's important for companies to be clear on the value they want to add for the customer and prioritize building the right

capabilities to deliver that. This includes investing in analytics to predict customer needs and personalize their journeys.

Possible problems with a DTC model include the risk of channel conflict, and antagonization of the customer base. It is critical to gain stakeholder buy-in. Deft organizations achieve this by communicating upfront with retail partners, adjusting incentives, maintaining price parity, and being omnichannel. Most of the mature DTC companies McKinsey surveyed do not view channel conflict as a concern.

Although the DTC model may not work for all sellers, and creates the potential for cannibalization, it's a trend that many B2B companies are exploring and adopting.

are then managed by field sales. This new GTM approach speeds time to market, raises customer satisfaction, and lowers cost.

Getting this model to work is not straightforward. In addition to developing systems and processes where information flows as effectively as possible, some of the sales leaders we spoke to hold regular cross-channel meetings where managers are allowed to rebalance budgets, adjust channel strategies, allocate customers, and improve how channels reinforce each other. They define when and how to engage, and ensure internal resources are aligned so that customers can move seamlessly from one channel to another. This goes beyond just sales and includes all roles that have any meaningful customer interaction, such as customer success, customer service, and implementation.

Customers also like self-service channels— downloadable demos, virtual webinars, digital marketplaces, video libraries, and online communities all help to equip B2B customers with the content they need when and where they want it. According to a recent McKinsey survey, B2B buyers now spend a third of their time engaging with self-serve content across all stages of the buying journey,

Customer success: Focus on business outcomes, and sales will follow

More companies are realizing the power of a customer-success team and that selling a product and offering support create a deeper customer relationship. For example, a leading technology-services company had a new set of products ready to launch, though revenue was in structural decline. It invested heavily in building a customer-success unit alongside its traditional sales channels—to understand how consumers were using existing products, assess whether they could use them more effectively, and ensure that the new product range was being deployed to deliver maximum value.

The company took hundreds of its transactional-service people and moved them into customer success. These people undertook quarterly success reviews to understand how the products helped customers, which then had a meaningful impact on both new sales and retention. In this way, customer-success qualified leads became as important as the more traditional qualified leads, as the company realized the power that non-commercial conversations could have in driving commercial potential.

For smaller customers, where such intense coverage was not practical, the customer-success team created dashboards based on usage data that flowed back from installed products. These showed customers how they were using the products, made suggestions for improvements to support intended outcomes, and recommended additional products.

This data also helped the company identify customers at risk of churn and enabled it to act to mitigate this risk, by tweaking the service or investing more time with customers to help them understand how the product could be used better.

This approach is not limited to tech companies: financial-services companies, manufacturers, and professional-services players can all benefit from the customer-success model. One large financial-services company built a customer-success team as part of a much larger customer-focused transformation by empowering people to drive success outcomes such as usage, adoption, and retention—critical business objectives for the organization. It created small, agile, cross-functional teams to understand customers' underlying needs, answer their questions without many internal conversations, and ultimately ensure that the financial products customers were buying enabled them to hit their strategic goals.

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[6] McKinsey & Company Global B2B Pulse, Aug 2020, n=3,626; Feb 2021, n=3,496; Dec 2021, n=3,360. Countries: Brazil, Chile, China, France, Germany, India, Italy, Japan, South Korea, Spain, UK, US.

including the moment of purchase and for high-complexity products.[6]

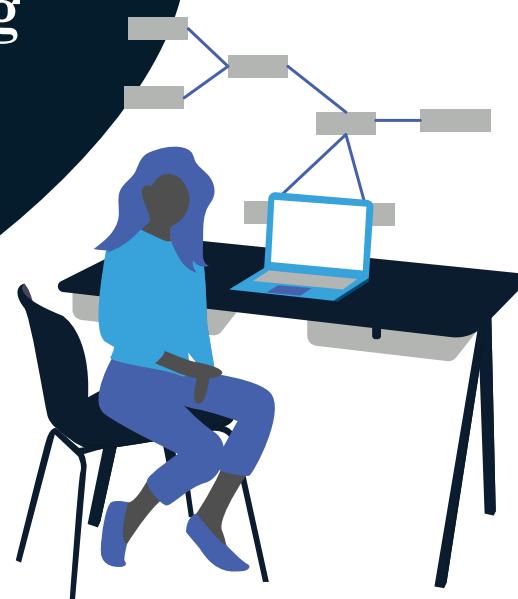### Driving sales through unexpected channels

Selling is not always driven by sales: for example, customer service has long been part of most companies' selling playbook. However, some leading companies. Leading companies are building innovative channels to capture revenue from unexpected places. One frequently used model is influencer marketing—which asks end-users to help sell a product by recommending it to their leadership and colleagues. Companies can harness this power by offering clear incentives to referrers, and by designing marketing events, microsites, and other experiences to intrigue industry influencers.

For instance, a leading cloud-software company has adopted an influencer marketing-style strategy that uses powerful customer testimonials to turn buyers into "ambassadors". Top ambassadors are rewarded with direct monetary incentives or other benefits such as free products. The company includes case studies on product-specific webpages with information about how these products have helped customers—including return-on-investment details,

"It's very easy in people's personal lives to have access to information and to get what you want when you need it. People are bringing that same expectation into the business world."

—**Chief commercial officer,** consumer goods company

video testimonials, and quotes. The testimonials span industries and functions, and help prospective buyers comprehend how products will suit their businesses.
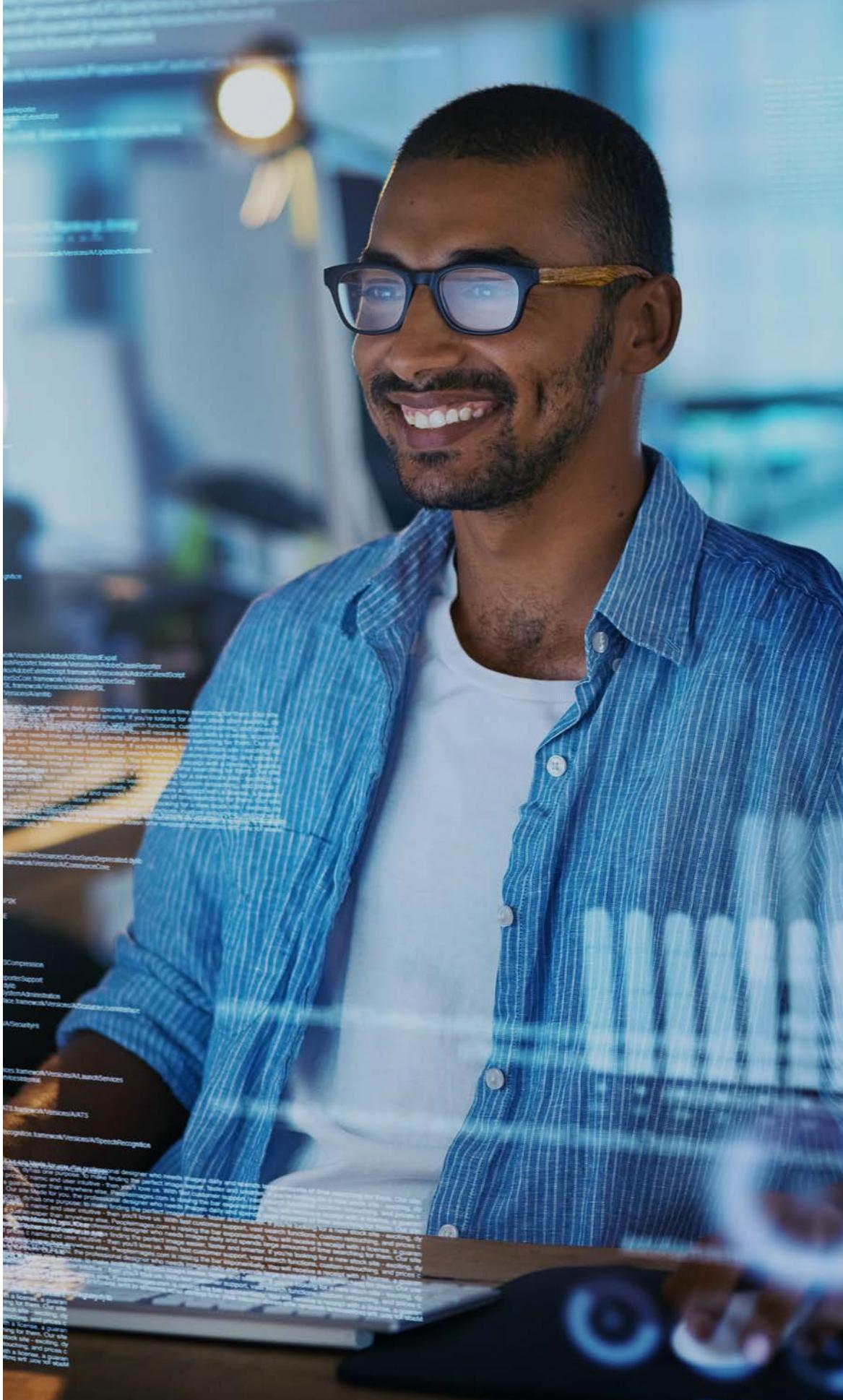
Some companies go further and create buyer communities: platforms where buyers engage without intermediation by the seller. They are successful only if they are seen as independent channels, with communities expressing their genuine opinions of a company's products or services. However, they can act as a core part of the channel journey and are a powerful tool to collect direct feedback from customers.

One large technology company launched communities where customers can find answers or ask for help, accessing relevant data and content. The communities include self-service portals that provide support and feedback (for example, FAQs and discussions with other customers). They provide multiple benefits to the technology company, allowing it to share relevant information easily while reducing sales and customer-service costs. They create better customer experiences, increase customer engagement, grow customer retention, and drive product innovation.

Understanding how to integrate these non-sales functions into their channel strategy is a hallmark of successful sales organizations.

Create a scalable sales engine

3

In sales, what separates average performers from distinctive ones is not just landing the perfect deal but being able to do it again and again. Leading sales organizations deploy three tactics. First, they use cross-functional "win rooms" (agile hubs where deals get solutioned and continuously refined to fit customer needs) and constantly refine their solutions to fit customer needs. Second, they invest in a narrow set of tools and technologies they actually need, but double down to ensure thorough front- and back-end adoption, focusing on driving customer outcomes instead of solving technology problems. Finally, they elevate the commercial operations function into a clear strategic role and make it a true sales leader role in the overall business.

Create cross-functional win rooms as the new standard

A win room brings together a cross-functional team comprising people from sales and from a combination of marketing, product, delivery, finance, and technology (and other functions as needed), all working together at a structured cadence to focus on closing deals. Our research suggests that the top-performing sales functions have embraced and implemented this concept, bringing focus and rigor to the sales process.

Although win rooms can be used for both large and small deals, the approach is slightly different for each. For large deals, the focus is on creating a perfectly tailored solution for a particular key customer—the right design at the right price, with the right support level. For smaller deals, the focus is on designing and testing different experiments and scaling the ones that work well. Whichever approach is appropriate, it is essential that win rooms have clearly defined timelines, meeting cadence, roles, and agility.

As an example, a financial institution launched a new business unit and saw soaring sales for the first couple of months. But as the launch excitement faded, the sales team's focus lapsed, momentum ebbed, and daily sales fell. To revitalize the business, the company set up a win room to shift the team's mindset from reactive to proactive. Sales leaders established a small cross-functional team with clear task owners, meeting structures, and dedicated resources that were guided by working principles (for example, that all decisions were to be made in win-room sessions). They also introduced an accelerated approval process. The team focused on increasing the rate of experimentation around new campaigns and optimizing the conversion rate. It set up dashboards to track both campaign and sales-rep performance and incorporated frontline feedback into campaign design. In just four weeks, the company had launched seven high-impact campaigns that led to a 30 percent increase in daily sales.

Ensure the correct tech-stack intensity

Many leading sales organizations find themselves in a difficult situation—they subscribe to multi-million-dollar technology solutions designed to make reps' lives easier and to help management track performance. But they then realize that few salespeople are using them. Many are streamlining their tech stack and adopting a more outcome-based approach to the problem

"Sales tech" is booming—what was once a niche category dominated by a few customer relationship management (CRM) players has proliferated into dozens of subcategories, with private investment in the sector soaring ~70% between 2020 and 2021. It's also top of mind for sales leaders: around 80 percent of chief sales officers say that having an effective sales tech stack is critical to hitting revenue targets.[7]

However, it can be complicated. Companies race to purchase technology solutions, only to see marginal productivity gains. Most sales organizations spend $500 to $1,000 per rep on sales tech, but barely more than half boast good technology adoption.[8] For example, a Saas company invested significantly in cutting-edge tools to enable the

7   "Taming the sales tech mayhem," Gartner, 2021.
8   How to boost adoption rate of new technology," Bigtincan, November 29, 2019.

sales organization. Yet, even after significant seller training, ultimately only two out of the nine tools implemented were used consistently by the entire sales force.

Those who get the sales-tech strategy right can achieve transformational outcomes—yet a good tech strategy is not just "more tech". User adoption, change management, and data should underpin every decision to add another tool. There are four imperatives common to companies that have genuinely transformed their sales productivity:

1. Emphasize quality over quantity: The fragmentation of solutions is a challenge—single-source providers that can expand through the stack can help avoid proliferation. Reps are familiar with jumping from one tool to another, but this is inefficient and halts adoption. A sales executive at a large technology company commented, "I was sitting behind the inside sellers to learn how they worked, and was amazed to see they had dozens of tabs open. I said, 'Can you walk me through each of these tabs?' Of course they couldn't remember the tabs or how to use them. To me it's about having fewer tools but having them easily integrated, and then focus on the best use cases."

2. Start with the outcome, not the technology: There seems to be an automated tool for every step of the sales value chain. But rather than be distracted by the latest technology, successful sales organizations start with the specific outcome they want before exploring what tools are available. A sales leader told us, "The trick was going back to basics. First, reminding ourselves that the end purpose of tools is to support sales reps, and second, to ensure that we see strong results before investing in the next set of tools. We don't focus on the technology, we focus on what we want our sales reps to do, and then see if the technology fits."

3. Invest in the data: While many companies spend a lot of time launching new tools and looking for business insights, few make the necessary investments in the data foundations that let these tools perform best—leading to poorer outputs and a frustrated frontline. As one sales leader put it, "There's no point having all the best-in-class tools if we can't drive the right insights because the data is poor."

4. Prioritize change management: Companies need to consider why a new tool is valuable to the

"It's more about having fewer tools, but thoughtfully integrating them—and focusing on the outcomes instead of the technology."

—**Chief commercial officer,** consumer goods company

seller. A company executive noted that, "You need to communicate clearly why you are using certain tools and new governance methods. The best way is a top-down culture, where the CEO or head of sales clearly communicates the added value—and champions it by role-modelling its use."

Expand commercial operations:

Traditionally, commercial operations was a sales-execution function to set sales quotas, manage sales technology, and make reps more productive. In today's world, that's not enough. If companies want to operate at scale, they need to broaden the role of commercial operations so it's seen as a source of analytical and strategic value. Our research shows that companies that do this perform significantly better than those that maintain a simplified sales-operations function (Exhibit 7). Yet, despite the
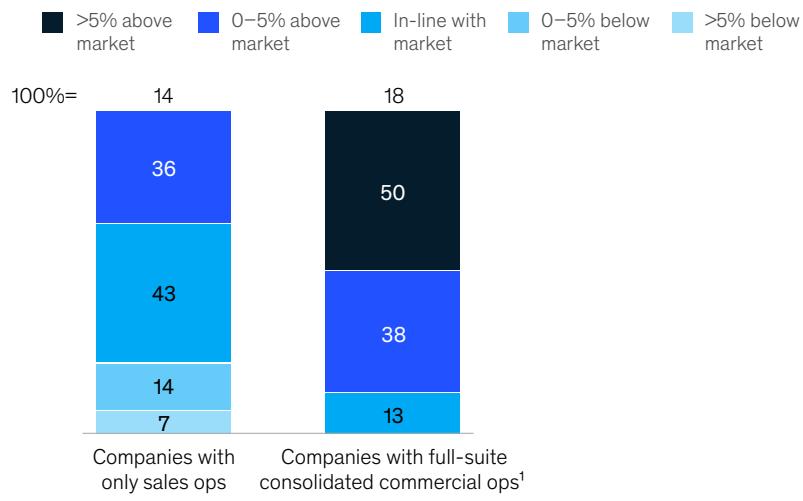
clear benefits, fewer than one in ten companies has seized the opportunity to expand the role of commercial operations.

A software provider's senior vice-president (SVP) of sales operations described how his role has morphed in recent years. He used to be responsible only for day-to-day management and overseeing functions that reported to him. However, as his organization recognized the increasing importance of a sales-operations voice, his role has been elevated. "Now, I play a key role in bringing together stakeholders in the organization's go-to-market strategy. I have a seat at the table in discussing corporate strategy and working with the CFO, and essentially act as a right hand to the chief revenue officer to the CRO by working with marketing, HR, and product to integrate channel strategies."

Exhibit 7

How an evolved commercial operations lifts performance.

View of company's performance vs peers by maturity of commercial operations
Rate of company's revenue growth compared to peers in market/industry, %

Legend: ■ >5% above market ■ 0–5% above market ■ In-line with market ■ 0–5% below market ■ >5% below market

100%=

	Companies with only sales ops (14)	Companies with full-suite consolidated commercial ops[1] (18)
>5% above market		50
0–5% above market	36	38
In-line with market	43	13
0–5% below market	14	
>5% below market	7	

[1]Companies whose commercial-operations organization includes sales ops, professional services operations, customer-care operations, and marketing operations. Figures may not sum to 100%, because of rounding.
Source: 2020 Commercial Ops survey

McKinsey & Company

Commercial operations is an ideal partner for sales, because it has the power to observe and analyze markets, generate insights through data, and use these insights to steer the salesforce. But companies need to invest in it continually to ensure its success. Some organizations have transformed it into a trifecta of sales operations, marketing operations, and customer-success operations—to great effect. This critical change requires reconfiguring the team and organizational structure, but with it comes effective collaboration, the better dissemination of information, and all functions traveling in the same direction.

Many interviewees told us that expanding their commercial operations helped significantly to streamline their processes.

A SVP of global sales said, "When we consolidated our operations functions, we unearthed a lot of inconsistencies and redundancies that we were able to standardize through adopting best practices."

And another SVP of commercial operations told us, "After creating a commercial ops team, we saw a 30 percent increase in productivity and a 5 percent increase in market share over four years."

Rethink the people strategy in an age of uncertainty

4

As much as technology underpins the ability to execute at scale, sales remains a people-driven function. With the global resignation trend, how can sales leaders ensure that they hire, train, and retain the best talent?

More than 57 million people in the US quit their jobs from 2021 through early 2022. As companies look for new skills and capabilities in their commercial function, and focus sharpens on meeting customer needs, the need to attract and retain people has become more important than ever.

Effective talent-development strategies tradition-ally include competitive compensation, an excellent incentive structure, learning and development opportunities, and a strong culture. A growing number of organizations are now also incorporating "purpose" into their talent messaging, as employees value working for purpose-driven organizations. Despite these efforts, hiring, retaining, and replenishing talent remains difficult, particularly within sales: HubSpot reports that average sales turnover is 35 percent, nearly three times that of any other function.[9]

Our research shows, however, that if equipped with the right talent strategy, B2B organizations can revamp their salesforce skills to address today's needs. Three key levers stand out: leading companies are rethinking which sales skills are most relevant, using analytics to craft unique training programs, and breaking away from traditional sales incentive structures.

New sales reps for a new era: Rethinking talent

Today's reps are no longer just agents who sell a product. They need analytical, strategic, and technical skills; they must be able to work with data and derive insights, stay ahead of the customer, strategize on next steps, provide the best solution, and keep an eye on the customer's business objectives and profit and loss. As one sales leader said, "If you can't tell a customer what you're going to do to enhance his profit and loss, then you have no reason to exist as a salesman." Good sales reps can also manage senior executives across different areas of a buyer's organization, from technical manager to chief financial officer.

"If a seller cannot talk to a customer's P&L and tell them what is going to be done to enhance it, then they won't be successful as modern sales reps."

—**President,** technology company

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9 "Sales turnover statistics you need to know," Xactly, August 24, 2021.

At some B2B companies, especially in the technology sector, these skills are becoming standard (Exhibit 8). An executive at a large technology firm explained, "Our salespeople need to be able to understand data. They need to be able to look at situations or customers intuitively and see patterns. If I had more traditional salespeople who thought the job was only about building relationships and closing a deal on the golf course… well, those people won't make it in this market."

Since reps need to have an in-depth understanding of their customers, it's understandable that many B2B organizations target their own customers for recruitment. One technology-sector sales leader is bringing former healthcare professionals into sales roles, for example. Organizations are finding it's more effective to train industry experts in sales than to bring in fresh faces who need both sales and industry training.

While some companies look to their customers for talent, others are taking a different approach. Offshoring is well established for functions such as technology and customer service, but less tested in sales. The potential benefits go beyond traditional cost-reduction measures—by expanding the geographic scope of hiring, companies can access fresh pools of talent, enable global growth strategies, and even tactically improve their reach through such basic measures as being in the same time zone as potential customers. One B2B company is experimenting with offshoring its sales-development reps, starting with a small team of fewer than ten. If successful, it plans to expand the concept to relieve the competitive hiring pressure in the US market.
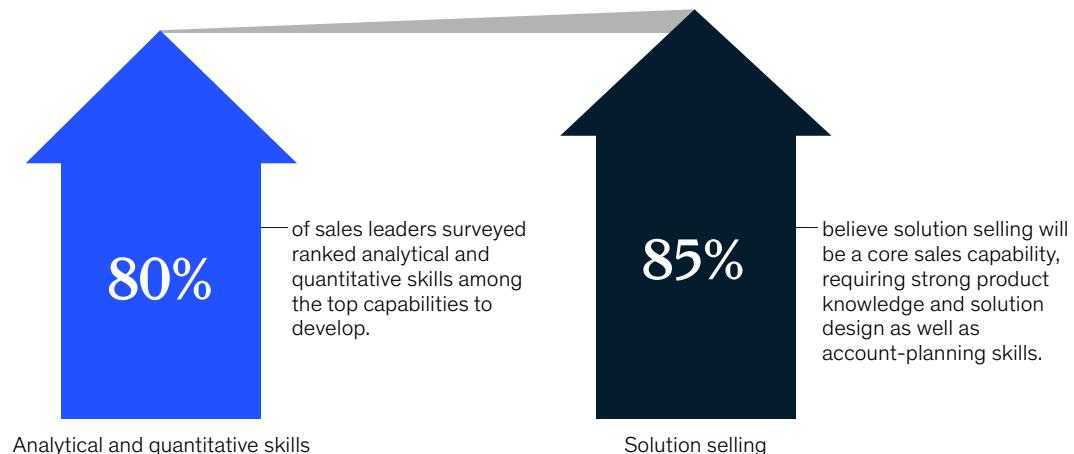
Companies don't have to go offshore to expand their talent pools. Many are taking advantage of the growing popularity of remote work and its role in accessing new domestic markets. A legacy industrial supplier, which had traditionally centered its commercial team in one region of the US, expanded to diversify its team; with new commercial and sales leads in non-traditional regions, they were able to bring in deep sales experience, cross-industry perspectives, and a stronger talent pool that could deliver the next-generation skills needed.

Use analytics to train the team

A US health payor's revenue growth lagged as it struggled to sell ancillary products. The regional sales teams rarely shared best practices, and sales was broadly reactive. As part of a shift to a more

Exhibit 8

There is increasing demand for new sales skills.

80% of sales leaders surveyed ranked analytical and quantitative skills among the top capabilities to develop.

Analytical and quantitative skills

85% believe solution selling will be a core sales capability, requiring strong product knowledge and solution design as well as account-planning skills.

Solution selling

Diversity and inclusion: An imperative for sales

The sales function—at least in the US—has been slow when it comes to increasing gender and racial diversity. In 2019, 76 percent of salespeople in the United States were white, and the number has barely changed in the last decade. Women account for less than one-third of all B2B sales roles, falling to just a quarter in the technology sector. The higher up the organization, the fewer women there are: only 12 percent of the top sales jobs are held by women. Yet research suggests that women in B2B sales outperform men—86 percent of women regularly achieved quota compared to 78 percent of men, according to a 2020 *Harvard Business Review* report. [10]

The sales leaders we spoke to believe that diversity is needed and is desirable, though admit that it is very much a work in progress. The head of strategy at a leading technology firm expressed the view of many: "Having a diverse salesforce is necessary if we are serving diverse customers … [The value of diversity] has been embedded into the culture, into our objectives and key results, into the way that our executives talk about the business, into our core operating principles, and into our reviews. How are you serving the customer and the user? Part of that has to be that I'm serving everyone, not just the people that look like me."

Some companies have been successful here. A leading business-information services firm, where more than 40 percent of the salesforce are women (a proportion that carries through to higher management roles), has taken steps to make the organization more diverse by encouraging employee referrals for hires. And the head of sales at a professional-services company told us that its leadership walks the talk: all six of the senior-level appointments made over the last 12 months are from diverse backgrounds. The company has also created diverse interviewer panels to overcome biases in interviews—and has included diversity as a metric in its quarterly reviews.

consultative sales model, the company needed to develop a training program for reps. Using data analytics, it discovered three crucial issues.

First, reps spent too much time on non-selling activities. Second, there was a large disconnect between how effectively sales managers thought they were coaching reps, and how the reps perceived the coaching. Third, sales reps and managers believed that relationship and network building were key skills for customer growth, when in fact sales analytics showed that pipeline management, prospecting, and product knowledge were more important. The company focused its training on these skills, improved its coaching program, and set up a long-term training structure that made capability building a key enabler of sales growth.

Our research shows that companies can boost the lifetime value of sellers by 10 percent by making the right hires, optimizing onboarding, building capabilities, and retaining the right people. The analytics underpin this: using psychometrics, behavioral data, performance, and team or relational analytics, organizations can build targeted interventions at every stage of a salesperson's tenure.

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[10] Andris A. Zoltners et al., "Why women are the future of B2B sales," *Harvard Business Review*, May 28, 2020.

Companies with the best sales talent demonstrate four to five times higher market growth. For most established organizations, the fastest way to build the best sales talent is through strong learning and development programs. This means reskilling roughly half their salesforce and plugging gaps in core commercial roles to drive success (Exhibit 9).

Leading sales organizations make learning personalized, serve it in small bites, and reinforce it regularly. And it works—our analysis finds that companies that tailor learning programs to the observed needs of sales reps are 1.3 times more likely to be outperformers.[11]

Integrating micro-learning—what one sales leader referred to as "snackable content"—in the sales curriculum overcomes the challenges of lengthy (virtual or in-person) training sessions. Reps are more engaged and retain knowledge, and it takes less time. Training can be delivered through virtual platforms and integrated into reps' customer relationship management so that it's delivered when needed.

An agribusiness company is introducing a tool that integrates sales training into Salesforce. This allows sales reps to access training simply by switching to the landing page in their Salesforce window. When they need support in managing opportunities, Salesforce provides refreshers and micro-training sessions that take just a few minutes and are tailored to what reps need, when they need it.
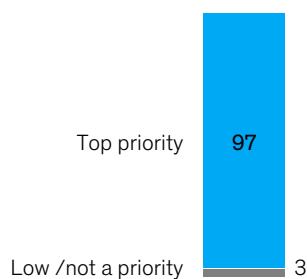
Data and analytics are at the heart of personalized training. A digital-solutions provider grew its business by double-digit percentages every quarter predominantly by hiring more sales staff. But when growth slowed, the company turned to analytics to understand its reps' skills. It discovered large variations between reps—the consequence of investing less time in training after onboarding while it scaled at pace, and not assessing performance management often enough. By comparing reps' skills proficiency with outcomes, the company found it could achieve better results by refreshing reps' product knowledge, equipping them with proven tactics for negotiating prices, and improving their handling of customers' concerns. By personalizing

Exhibit 9

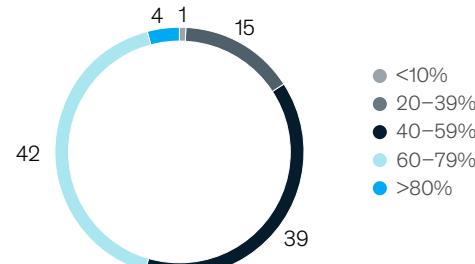## B2B sales organizations need to reskill frontline reps and add leadership roles.

Sales leaders see reskilling as their immediate priority…

Which best describes how your company thinks about upskilling your sales force?
% of respondents

Top priority — 97

Low /not a priority — 3

… as less than half of sales leaders believe most of their reps have the right capabilities to succeed.

What percentage of your company's sales force currently has the right capabilities to be successful?
% of respondents[1]

4 1 15
42
39

- <10%
- 20–39%
- 40–59%
- 60–79%
- >80%

[1]Figures may not sum to 100%, because of rounding.
Source: McKinsey insights

McKinsey & Company

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[11] Boudewijn Driedonks, Sinem Hosletter, and Ryan Paulowsky, "By the numbers: What drives sales-growth outperformance," McKinsey, April 13, 2022.

its training to sellers' individual needs, it saw a 4 percent rise in revenue.

Sales leaders can use data in this way to identify gaps in sellers' knowledge and skills, understand how reps can apply their learning to active sales opportunities, and replicate the best practices of top performers. By using commercial-activity analytics to assess how reps spend their time, measuring digital interactions (such as emails and appointments) and linking them with existing organizational data, business contexts can be assessed. This too can inform which training should be aimed at which individuals.

Rethink incentives to drive motivation and retention

Organizations typically motivate sales reps by using monthly or quarterly financial incentives to ensure revenue targets are met and to retain staff. Over time, however, companies have seen downsides to this approach, exacerbated by changing customer behavior and redefined sales-rep skills.
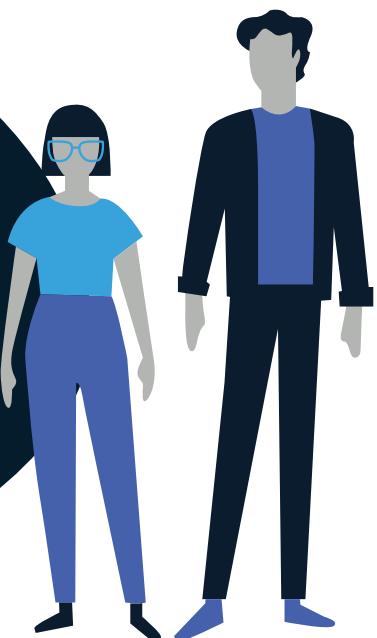
Short-term incentives can even lead to decisions that hurt long-term opportunities. To meet monthly targets, for example, a sales rep might sell a product that is not the perfect fit for a customer, damaging longer-term prospects for that relationship. Meeting targets is challenging—especially in times of economic uncertainty—and, as reps strive to meet them from one quarter to the next, they might have little interest in long-term account management. Or they might move off if they get a better deal elsewhere. However, as the skills and mindsets of reps evolve, more personal motivations to drive retention and focus on longer-term objectives could be a solution.

Go beyond financial incentives. The most recent recruits to the workforce, Generation Z, care about the principles and culture of their place of work: 42 percent care more about their company's values and purpose than salary levels.[12] Young professionals today seek mentorship, career opportunities, and flexibility. The desire to decide when, where, and how they work has been reinforced by the pandemic, and available options have increased. Younger recruits also care deeply about a culture of diversity and free thinking.

Analysis shows that a lack of career path is a major driver of voluntary attrition. Most companies have a two-year plan for a sales career path, often causing reps to leave after that amount of time. A

Young professionals today seek mentorship, career opportunities, and flexibility. Younger recruits also care deeply about a culture of diversity and free thinking.

[12] Hillary Hoffower, "Money isn't everything for the 20 percent of people who regret quitting their jobs during the Great Resignation," *Business Insider*, April 19, 2022.

fast-growing B2B2C company that needed to grow its sales team quickly in a competitive market focused on career opportunities as a pitch to both candidates and its existing salesforce—reps were not just joining a sales team, but had a definitive path with significant career options, both within and beyond sales. This helped the company not only hire strong people, but also keep many of its top performers.

Promote long-term strategic incentives. Financial incentives are unlikely to disappear completely, but some companies, especially in industries with long lead times, are starting to restructure incentives to get away from quarterly or annual targets. More customer-centric attitudes can be achieved by offering sales reps multi-year quotas and incentives to develop an ownership mindset.

Some fast-growing companies have even removed quotas. A leading technology company now pays no variable compensation to its B2B salesforce. Instead, it has introduced a long-term compensation model where top-performing talent gets ranked higher, promoted earlier, and receives more stock. Since the stock takes several years to vest, sales reps tend to stay with the company. Not having to

drive for incentives every quarter has changed sales reps' mindsets, fostering an attitude of collective partnership to drive the business forward, while removing much internal politics.

Simplicity is another hallmark of successful incentive structures. Leading companies tie financial incentives to only one or two core metrics that they want to drive and that are aligned across the entire commercial organization.

For example, one company's inside sales center needed to address attrition; the problem wasn't the rate of attrition, it was who was leaving. On average, attrition was less than 20 percent, but that masked dramatic variations across business units: some were losing more than 40 percent of sales staff. Attrition correlated with quota attainment, but while quotas were uniform across territories, the territories themselves differed greatly in their potential. The company switched the major performance metric from quotas to growth, allowing strong sellers to benefit from upselling while not being under threat from canceled deals. This retention effort alone was responsible for preserving $20 million in revenues.

Make the change stick

5

Best-in-class companies are innovating their GTM practices to drive meaningful, sustainable growth. But it's not easy. In the words of a senior sales leader, "If I'm struggling to get my reps to update their CRM, how will I get them to use analytics insights in their sales process?"

Other pertinent questions arise: How do you change the way of working of a sales team that has seen major attrition over the last 12 months? How do you embed technology in every action of a sales rep who has relied, and thrived, on intuition for decades? How do you balance independence and relationship building with a rollout of best practices? How do you make the changes scale past a few proofs of concept?

There are no easy answers. Change is hard. However, a few practices could accelerate change— and make it stick. First, define a simple, compelling vision that the whole sales organization can understand. Second, role-model change from the top. Third, embrace the "two-pizza" rule: adopt nimble cross-functional teams (small enough to be fed with just two large pizzas!). And finally, create a culture of autonomy—but measure everything that matters.

Create a compelling but simple change story

A clear vision allows everyone, from sellers to customers to channel partners, to understand what the change is and why it's necessary. The sales VP at a leading company put it this way: "The 'aha' moment for our team was when we asked reps for their thoughts on the transformation and it became clear they didn't really understand why we were making it. So, we spent time making the change story clear and transparent and this allowed us to gain whole-hearted buy-in from employees."

When Microsoft, for example, pivoted its core sales efforts from selling Windows-based software to focusing on the Azure cloud platform, it undertook a

large salesforce transformation. It adopted a simple narrative of "mobile first, cloud first," departing from the traditional "Windows first" strategy. Later, targeting new areas of opportunity, the company shifted toward an "AI/cloud first" strategy.

This type of messaging is ideal. Simple and concise, it can be understood by everyone in the organization, and captures the essence and the magnitude of the change. It became a key pillar of Microsoft's hugely successful transition to the cloud, which contributed to its stock multiplying more than fivefold.[13]

Role-model change from the top

No implementation will work without steadfast support from the top. And role modeling is even more effective than executive support. When reps see their leaders embracing new concepts that they've been preaching to the frontline, they model that behavior in their own sales pods and it cascades through the organization. As a sales leader told us, "Nothing is more important than seeing senior sales leaders doing exactly what they're asking the broad organization to do—especially when it's hard!" This level of collaboration requires overriding internal politics, seeing the big picture, and focusing on the best solution.

Embrace the two-pizza rule

"Change might be designed in the board room, but it happens on the ground," said a former executive of a global technology company. And it happens faster with small, agile teams.

A leading biotech company had an issue where patients with serious, life-threatening illnesses could not afford the drugs they needed. It typically took the company up to three months to process patients' information so they could receive free medication. To fix this, the company developed a cross-functional team of eight frontline members who were given free rein to redesign the system in two weeks. They devised a new system that could

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[13] Doug J. Chung, "Commercial Sales Transformation at Microsoft," Harvard Business Review, October 15, 2019.
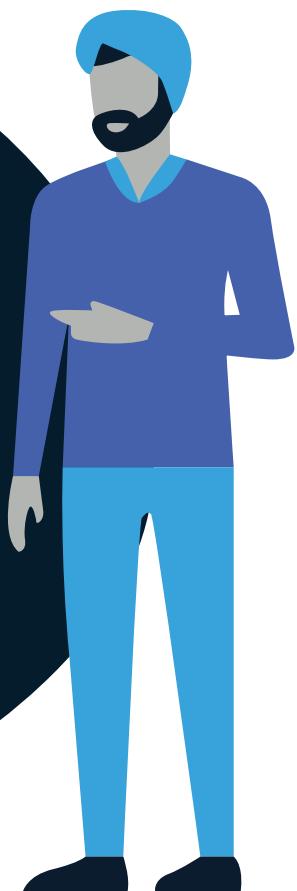
process patients' data in just three days, thanks to a deep understanding of customer and seller pain points.

Grouping the right cross-functional people and empowering them to take decisions and drive change is a fundamentally different way to run a business. Executives at best-in-class organizations are moving away from "command and control" and relinquishing authority to smaller, independent teams, which can move faster without bureaucratic challenges.

Balance autonomy with measurement

Teams require autonomy if they are to act fast. And this goes hand in hand with trust. A culture of trust drives ownership, boosts confidence in the transformation, and makes employees feel involved. As one sales manager explains, "Salespeople typically don't like to be micromanaged, so we really need to make sure they have autonomy to shape the change." Autonomy does not, however, equate to lack of oversight. Change needs to be clearly measured and tracked. This drives results better transparency and enables leaders to correct course where necessary.

> Executives at best-in-class organizations are moving away from "command and control" and relinquishing authority to smaller, independent teams, which can move faster without bureaucratic challenges.

Sales has changed more in the past two years than in the previous decade—and is unlikely to slow down. Customers expect a tailored rather than a generic answer, channel silos are moving to hybrid, analytics is at the heart of all GTM discussions, and companies have to rethink how to obtain and retain skilled salespeople.

The full menu of actions that best-in-class players are taking may seem daunting, but in reality all these concepts reinforce one other. As we spoke to sales leaders, it became obvious that the trends outlined in this report are no longer "ifs" but "whens". There are three questions sales leaders are now urged to address:

- **Which topics do you want to prioritize?** Where are you already ahead, and which issues will affect your business the most?

- **How quickly do you want to embrace change?** Are you confident with going all-in with a full-scale transformation, or would a series of change waves make more sense in your context?

- **What capabilities are most critical for your organization?** And how do you know?

To continue successful growth in this new era of sales, change is no longer optional. There is no better time to start than today.