

New!!

from

gfa Sales Improvement

Sales Benchmarks

Using CSO Insights' Research Data

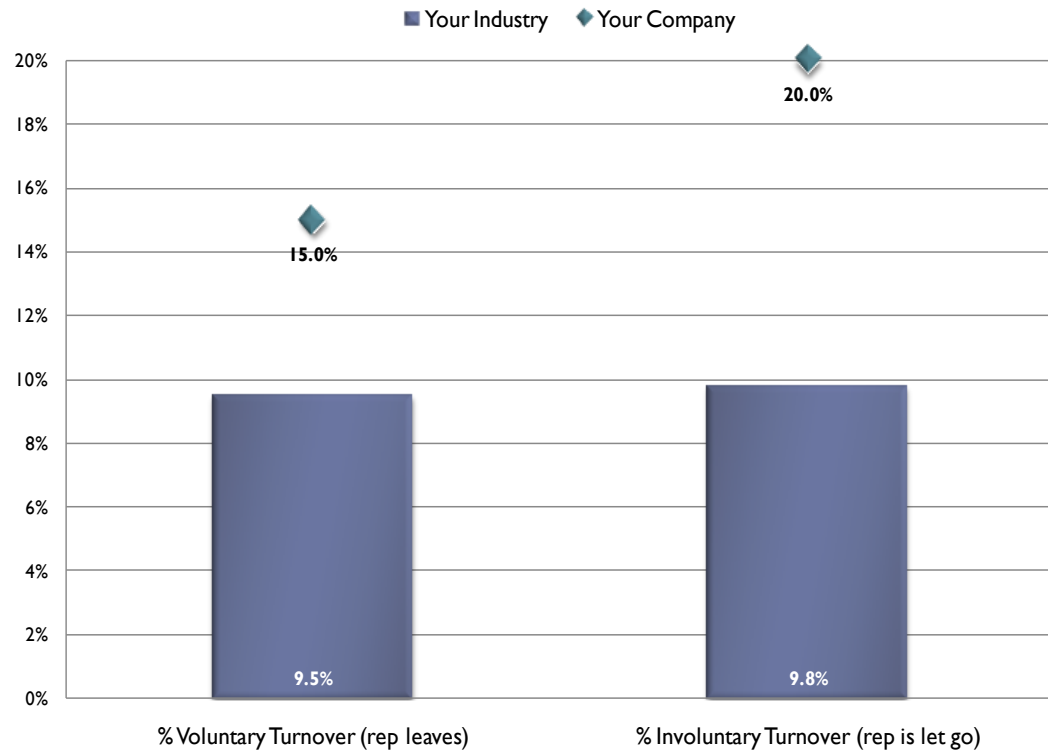
What is a Sales Benchmark?

The sales benchmark compares metrics from your company with those of similar firms in your industry in the CSO Insights database.

The Value of a Benchmark?

- Identify potential problem areas by finding metrics from your organisation that are out of line with similar companies in your industry
- Set strategies for your organisation based on what similar companies are doing
- Identify your strengths by finding areas where you're better than similar companies

What is your annual sales force turnover rate?



This company has a real sales force turnover problem. Sales force turnover is considerably higher than the rest of the industry. What is causing this? Other metrics shed some light on possible reasons – see next chart. The cost of renewing the sales team at this rate is astronomical. Discovering the reasons and solving this problem could make a big difference.

Example – Sales Force Turnover

How does this consulting services company compare with similar firms on sales force turnover rate?

The firm's metrics are indicated by a diamond.

In this example, the benchmarked firm's **voluntary turnover** rate is 15% compare to similar sized firm's average of 9.5%.

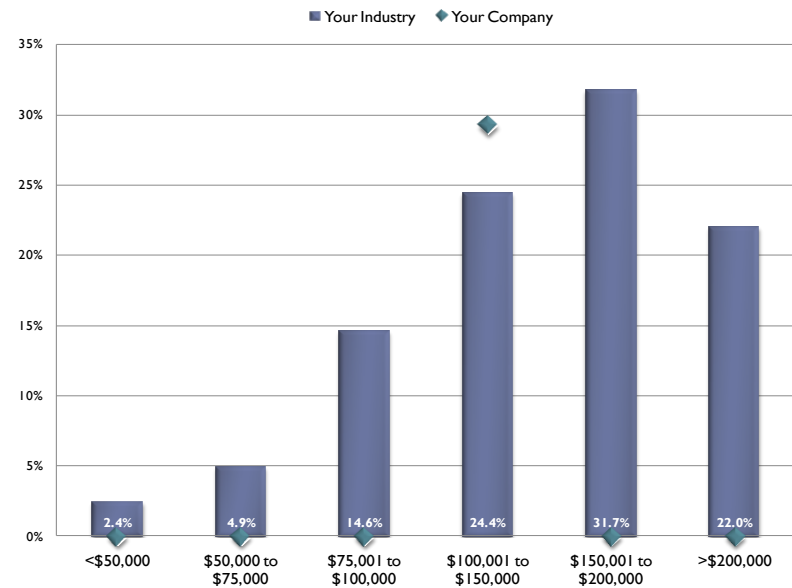
Their **involuntary turnover** rate is 20% compared to the average 9.8%

What Can You Do With a Benchmark?

Use a Benchmark to identify potential problem areas in your sales organisation by finding metrics that are out of line with similar companies, such as:

- Incentives
- Ability to cross-sell/up-sell
- Sales Representative to Manager Ratio
- Reasons for Wins and Losses
- Conversion rates from Leads to Engagement with prospects
- Sales Team Turnover

What is your total target compensation for a typical account sales rep?

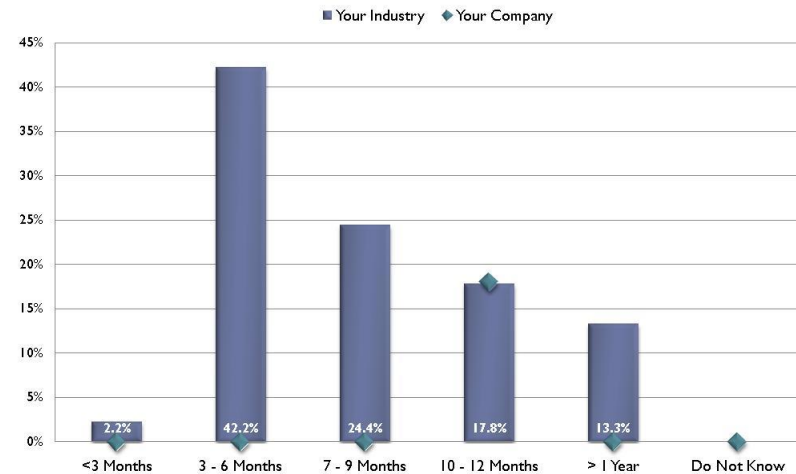


Over half of the firms in this sector have salesperson compensation that is higher than our firm (diamond). Does this help to explain the high turnover rate? Could it be a contributing factor? Other charts (not shown here) indicate that their sales managers are paid less than their peers in majority of firms and that the number of salespeople reporting to each manager is higher than in the majority of comparable firms. Does this point to structural compensation issues? Data on sales targets and % of targets attained are also available for comparison.

Use a Benchmark to set strategies for your organisation based on what similar companies are doing, such as:

- % of leads generated by salespeople
- Amount spent on training
- Planned Initiatives
- Planned change in sales force size
- Blend of New & Existing Customers
- Length of time to “ramp up” new salespeople

On average how long does it take for a new sales rep to be fully productive?



This company's ramp-up time for new salespeople is longer than that in two thirds of comparable organisations. Could this be reduced? What could be the impact on sales results of a reduction in the time for salespeople to become effective?

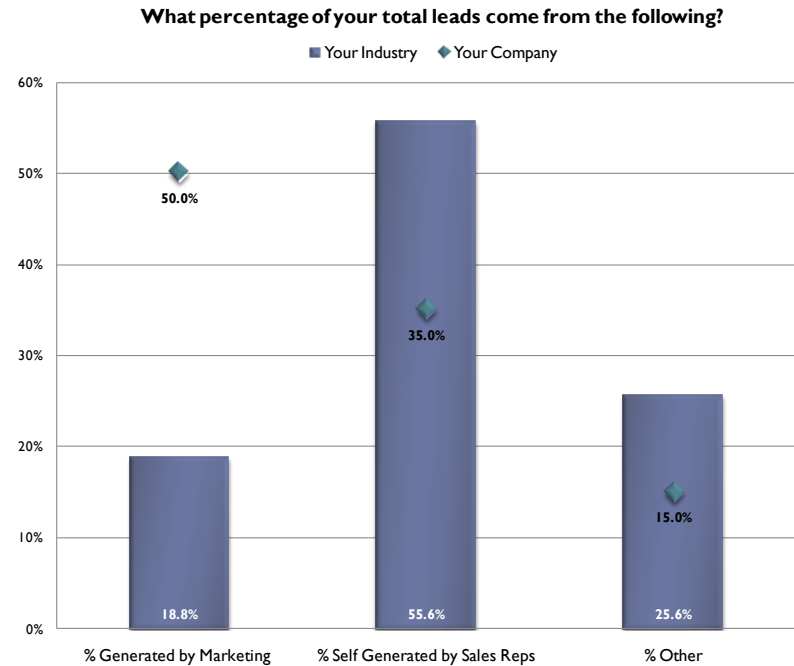
Benefits of a Sales Benchmark

- Stimulates management discussion and promotes action
- Finds weaknesses you may not have known about - before it is too late
- Removes the guesswork on sales initiatives that should be implemented this year
- Prompts the right questions; helps management to come up with solutions
- Shows how you compare with your peers for better decisions
- Uses the most current industry information to help formulate strategy
- Provides independent research data to support your planned changes

As can be seen, the benchmark does not set out to provide all the answers. Its value is to highlight, by the use of comparative data, areas where your firm differs from others in the same industry or type of sales force. It prompts management to investigate, consider possible solutions and take action to improve sales team performance.

Use a Benchmark to identify your strengths by finding areas where you're better than similar companies:

- Win rate
- Forecast accuracy
- Turnover
- Sales rep ramp-up
- Leads Generated by Marketing



This company's marketing organisation appears to be outperforming the industry average by over 30% in lead generation which should improve sales productivity. However, management would need to take into account the perceived *quality* of the leads generated by marketing vs the quality of sales generated leads in order to assess the effectiveness of the strategy.

You will receive your benchmark charts with a commentary from gfa Sales Improvement. We will present the results to you (and subsequently, if required, to your management team). Hopefully, this will stimulate management discussion about taking action that could drive improved performance.

Get your Benchmark started today. Contact Graham French at gfa Sales Improvement on 01608 66 37 52 or email gfrench@enterprise.net