

# Getting Past the **Breaking Point** of Yesterday's CRM

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Businesses are grappling with a new reality—their conventional CRM systems are no match for digital selling. Meeting the current and future needs of customer-facing jobs means adopting intelligent and interconnected digital tools. This Beagle Research report, in partnership with Oracle, shows where old systems are failing and what you can do about it.

# Executive overview

In most organizations, the benefits derived from modern selling technology may have already peaked. Specifically, technologies that support customer data capture in any form have proliferated to a point that they line the entire sales process from start to finish. These systems of record have enabled organizations to support more activities than the manual selling practices they replaced, but they are not infinite resources.

Unfortunately for vendors, acquiring this technology has had the character of an arms race. Nearly every business worth its logo has systems of record now, but the leading edge of competition has moved from capturing data to implementing better ways to access and manipulate it to produce actionable insights. Advanced systems that do this go by various names—like systems of intelligence—because of their multiple abilities to analyze pipelines, pinpoint next actions and offers, generate accurate and timely proposals, and produce more accurate management reports.

Our research suggests that most businesses lack the systems of intelligence needed to

perform these and other functions—and thus, to compete effectively. Businesses that don't have adequate systems of intelligence find themselves falling behind and increasingly losing contests they should be able to win. As is often true in business, the laggards will catch up, but only after an advantageous innovation becomes a commodity. This means that the early adopters will garner the easy, early wins.

Perhaps the best way to understand how well companies are faring in this contest is to ask the people on the front lines. This Beagle Research report examines the job of selling at the customer interface through the eyes of the people who do the work.



In early summer of 2020, we asked more than 500 line-of-business employees about their jobs as inside sellers, and their evolution towards an increasingly digital role. We also asked about the tools they use to complete their tasks.

We discovered they use a disparate set of general-purpose tools that require a lot of labor to synchronize, which robs them of productivity and their organizations of revenue—quite the opposite of systems of intelligence.



### **Systems of intelligence arm sellers with modern-day selling superpowers**

In our survey, we discovered various ways that employees trudge on to accomplish their sales objectives while often not having the tools they need to excel. Most accept their circumstances and try to do their best. While that may be commendable, our data suggests their companies are losing out by not capturing the sales they could expect, while their employees are working harder than they should. In fact, almost all of our panel fantasizes about the superpowers they would need to be more effective in their jobs. The unavoidable conclusion we draw is that for organizations that want it, improvement has a path straight through adopting customer-facing systems that do better at integrating disparate data, reduce process steps, and add reasonable amounts of machine intelligence to processes. These intelligent systems arm sellers with modern day superpowers, and as a result, enable them to spend more time with customers closing deals as opposed to chasing data through a multi-system maze.

We divide our analysis into three focal areas:

- 01 | The job of selling
- 02 | Tools available to sellers
- 03 | The impact on the business

Our recommendations conclude this report.

# 01

## The job of selling

All of the organizations we studied (n=519) have been exposed to Customer Relationship Management (CRM) approaches for many years. They have websites, CRM, email, and social media outposts; they also work with sophisticated hardware like auto dialers.

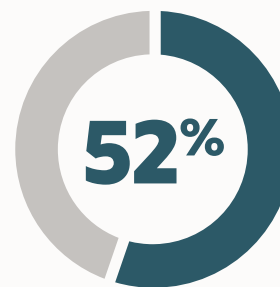
Over the course of those many years, inside salespeople have mastered these technologies but they've now outrun the support they can provide. As we'll see in this report, creative employees have come up with innovative ways or workarounds to use this technology in changed circumstances, but are still running up against the limitations of these tools. The cost is too often a significant increase in the amount of work an individual must perform. This reduces the number of contacts a person can make in a workday. Additionally, shortcuts mean some process steps can fall through the cracks.

### **The cost of outdated technology and tools is sellers' productivity and work-life balance**

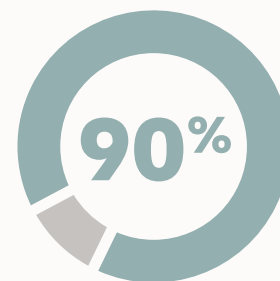
**Nonetheless, over 90% of sellers believe they are able to meet prospects' and managers' expectations.** But, this eagerness comes at a cost to their productivity and work-life balance. Dedication to the job means sellers are doing business outside of normal office hours when they could enjoy life beyond their 9-5 duties.

Fifty-two percent of sellers have taken early-morning sales calls while their colleagues are still asleep. Nearly just as many have calls late into the evening hours. **Meanwhile, 90% are conducting business outside of the office, in some very unusual places.**

Over 90% of sellers believe they are able to meet prospects' and managers' expectations, but:



of sellers take early morning sales calls



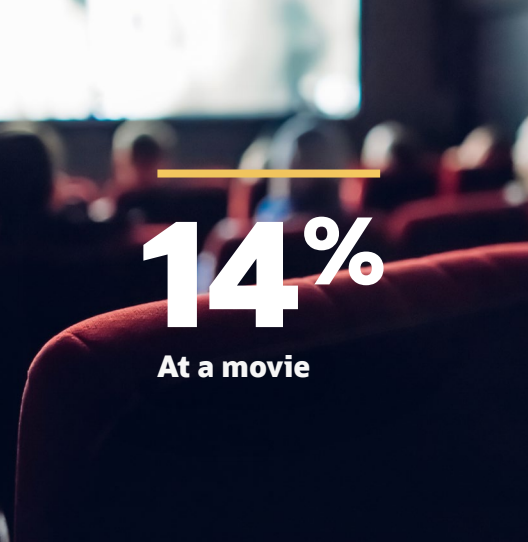
of sellers conduct business outside the office in unusual places





60%

In the car



14%

At a movie



50%

On vacation



11%

In the shower



The unusual places  
sellers work



24%

At the gym



33%

At a social event



24%

At the doctor



30%

In the bathroom



40%

At dinner



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# 98%

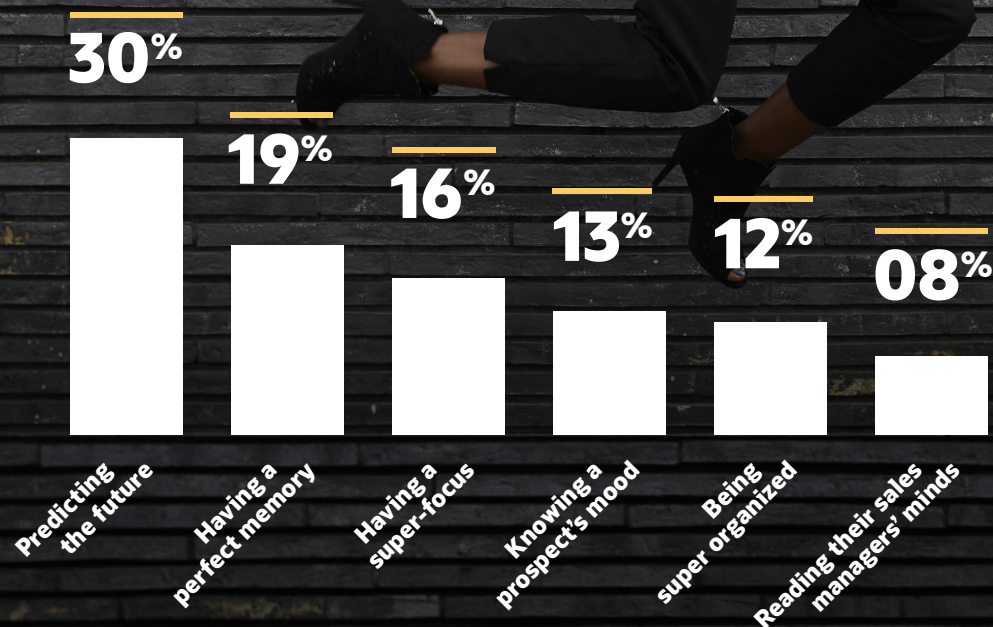
of sellers wish they  
had superpowers.

It's no surprise then that 98% of sellers wish they had superpowers to help them accomplish their day-to-day duties.

**Sellers work harder than ever,  
but their tools aren't working for them**

Selling has always been difficult. But, we may have been lulled to believe some of the difficulty has passed by adding systems of record to the process. Our data shows that selling remains hard and employees increasingly substitute their time and effort to support a mix of general-purpose systems to get their jobs done, as you'll see next.

Superpowers sellers  
wish they had:



# 02

## Tools available to sellers

It's not that the tools are failing but that the job criteria have expanded. Systems of record once produced sufficient data to satisfy a customer need. But today, many customers want to meet virtually, the competition is using similar tools, and the increased number of seller steps in any sales situation has created processes that are pushing many companies and sellers to the breaking point.

**Sellers are frustrated with the time-consuming, manual, and unintegrated elements of their jobs**

**As a result, 86% of sellers are frustrated by certain elements of their jobs**, many of which are mandatory. Their top five complaints are:

1. Doing repetitive administrative tasks that could be automated
2. Updating multiple systems that ought to be connected
3. Following up with a prospect they know isn't interested
4. Re-entering email data into a CRM
5. Entering notes into a CRM



of sellers complain that aspects of their job take longer than they should.

Frustrations are high because sellers prefer to spend their time selling, yet they get bogged down by tasks that take longer than they should. They cite manual data entry, working in multiple systems, sales training activities, and deal and pricing approvals as activities that hinder them from meeting their quotas.

Given these complaints, it's no surprise to learn that **72% need to have at least three screens or windows open at once** to coordinate a sales process. Many include their mobile phones as one of the screens.





Almost three-quarters of sellers are following required methodologies, but at what cost to productivity?

**55% of sellers** rely on a combination of applications and manual tools.



**72% of sellers** need three or more screens open.



**Eight is the average number of tools** sellers use regularly.

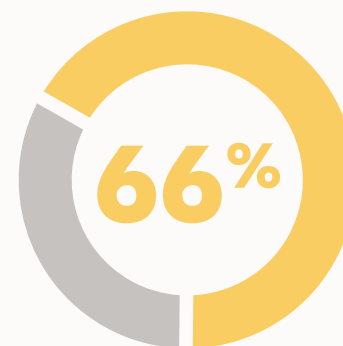


### Sellers are forced to fill the gaps in process left by inadequate technology and tools

With these apparent inefficiencies, one might wonder if sellers are going rogue and creating their own selling process. But our data says otherwise. Seventy-two percent report that they still follow their organizations' defined sales methodologies, but this comes with a big caveat. Only 37% said those methodologies were supported by a well-integrated suite of applications designed to support the methodology. **The majority (55%) rely on a combination of applications—several that aren't well integrated—plus manual tools such as post-it notes.**

Sellers rely on an average of eight tools to do their daily jobs. The top five most commonly used tools among our panel were those of utility:

1. Email
2. The Internet
3. Smartphones
4. Video conferencing
5. Word documents



of sellers believe their CRM is important to getting the job done, but less than half use it daily.

Shockingly, CRM was not in the top five. Only 47% of our panel regularly use CRM—the tool that was supposed to simplify selling. Yet, when we asked sellers to rank the tools they use by order of importance, 68% of our panel rank it as an important tool to get the job done, behind email and smartphones. This is revealing because none of the most commonly used or higher ranked technologies is specific to selling or customer management.

The clear deduction is that the CRM as a system of record is losing relevance because it doesn't cover the spectrum of today's normal work activities. Those holes in the process must be covered by people.

As a result, 46% of our panel say they have found a roundabout way or created a non-standard shortcut in their CRM. **That's nearly half who aren't using the tool the way it was intended.**

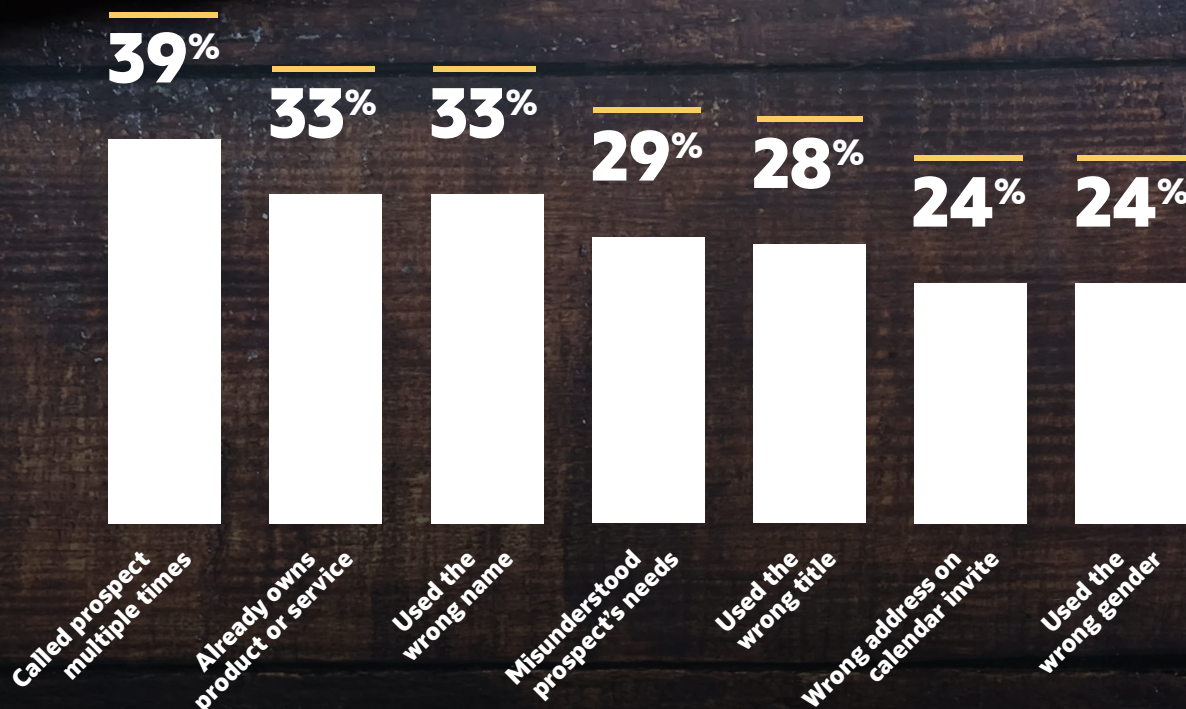


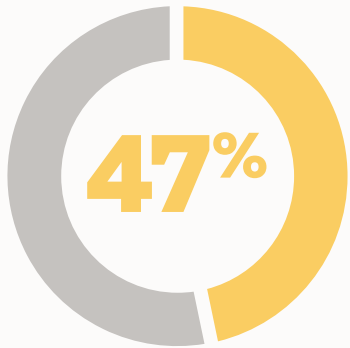
# 85%

of sellers admit having made potentially embarrassing mistakes due to faulty CRM data.

Furthermore, there's evidence that CRM has actually let sellers down. **Eighty-five percent admit having made potentially embarrassing mistakes due to faulty CRM data** such as calling the prospect by the wrong name, or having the opposite idea of what a prospect wanted.

## Mistakes due to faulty data





Less than half of sellers consider CRM a go-to tool.

It's apparent that sellers consider their CRM a tedious tool, but a necessary evil to the selling process. To get to the heart of this dilemma, we asked our panel what they'd prefer to do instead of updating their CRM systems. Sixty-six percent of sellers would rather wait in line at the DMV, get stuck in traffic, do jury duty, or perform other unpleasant tasks than update their CRM.

**CRM is an inefficient yet necessary aspect of selling, just like a trip to the DMV is an inefficient yet unavoidable aspect of driving**

For the most part, inside selling today is supported by a plethora of general-purpose and poorly integrated tools, like email and mobile phones, while CRM is, at best, just one part of a big menagerie. CRM does a lot of record keeping, but it falls short of providing the assistance modern knowledge workers need to excel. Significantly, less than half of our panelists, 47% picked CRM as one of their go-to tools.

In addition, it's hard to believe that any organization could follow a defined sales methodology while using disconnected or manual tools. Longitudinal research by Jim Dickie and Barry Trailer of CSO Insights shows that the most successful sales organizations are those that both 1. have a well-defined methodology and 2. support it end-to-end with appropriate technology.

In CSO Insights' research, just 25% of the businesses they studied met both criteria. Technology and process go together, and an indirect finding from this research is a lack of both.



Two thirds of sellers would rather do the following than update their CRM:

Wait in line at the DMV



Get stuck in traffic



Do jury duty



Make a trip to the dentist



Clean the bathroom



Perform unpleasant tasks



# 03

## The impact on the business

### **Selling is reaching a breaking point, with diminishing returns**

The organizational impacts revealed by this research are multiple and subtle. It's not unusual for some parts of a job to be harder than others, and all businesses live with that reality—they don't call it work for nothing. For the 500+ randomly selected businesses we studied, the evidence suggests to us that the work of selling is reaching a breaking point, with diminishing returns. In fact, 39% of sellers are actively considering a career change outside of inside sales.



of sellers say they have been ghosted by prospects because the competition got them first with a better offer

Even a cursory examination of this data shows the difficulty many inside sales organizations face.

If your employees feel they are being ghosted because they can't offer something of value, or if your competition turns around a request faster than your organization can, that's a problem.

If frustration is the regular order of business for your people, that's a problem.

If it takes a superhuman effort to organize the necessary information to do a deal, that's a problem.

If there's a long chain of events involved in generating an accurate proposal or quotation and getting it approved, that's a problem.

If every deal has to go through a long approval process, that's a problem too.

If your people routinely work more than a full workday, talking or making calls on their personal time, that's not sustainable over the long term.

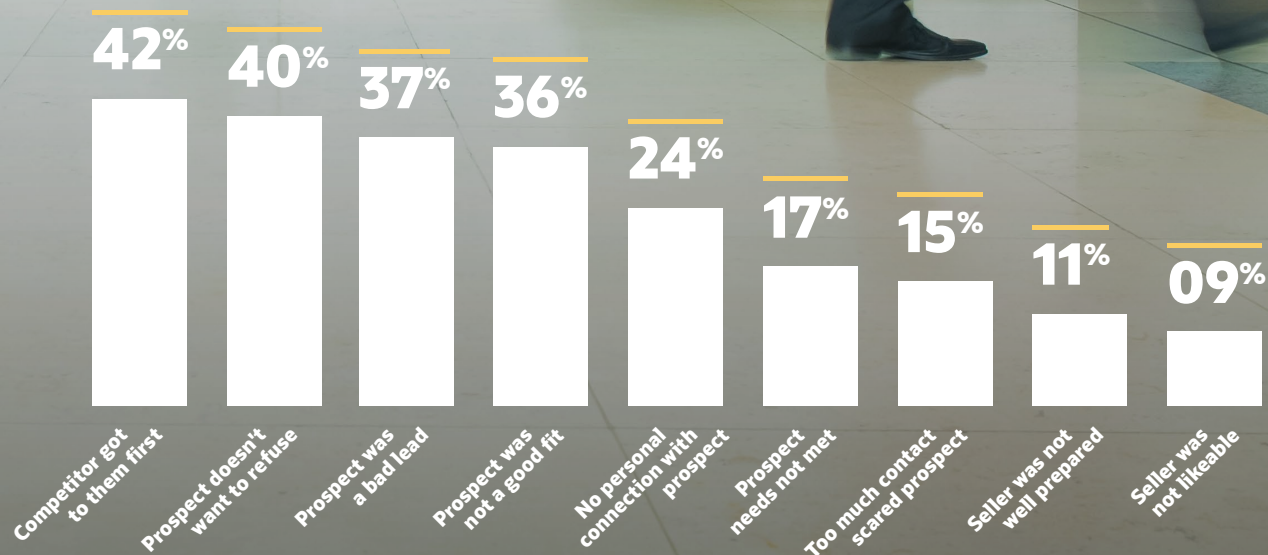


Virtually all of the challenges associated with selling surface in this research. Many of the challenges arise from a lack of technology to support mundane tasks. For example, needing multiple systems to assemble an understanding of a customer to make an informed sales call is a job that technology can do better and faster than people. Furthermore, having the ability to automatically suggest a next best offer or action is well within the capability of modern business intelligence systems. This is rapidly becoming a necessity more than a luxury.

The same is true for proposal generation. As a matter of process, **58% of our panel expressed frustration with getting approval of either a quote or a deal.** Modern configure, price and quotation (CPQ) subsystems can ensure that all of the pieces, parts, and services get included in a proposal automatically. If there are no outstanding issues, such as a discount rate, it generates the proposal automatically.

Modern technology can also improve sales reporting. With less effort needed to set up and pursue sales calls, sellers have more time to enter notes concurrently during their calls, thus improving the information flow to management.

## Reasons why prospects “ghost” sellers



# 04

## Recommendations

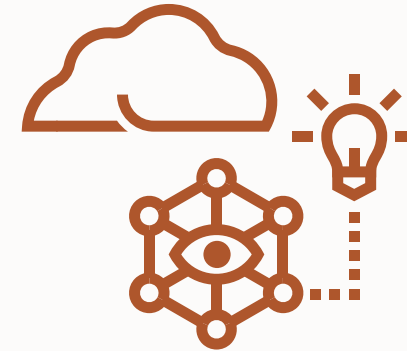
### Sellers' superpowers are intelligent tools

Selling is a hard job and it is likely to remain so. Employees face not only rejection from the public but high scrutiny from their employers. One of the most significant difficulties of selling is dealing with a random and chaotic world. This is evidenced by the great amount of time and effort it takes to capture and assemble data—to both prepare for calls and to report back to management.

In these two elements of chaos management, modern computing can do a lot. But solutions that apply machine intelligence to all manner of business processes, like customer research, marketing, proposal generation, and management reporting, are relatively recent additions to the salesperson's toolkit.

Even organizations that have made recent acquisitions of CRM or customer experience technologies might not have all of the right functionality in place, or the proper integrations to aid the selling processes. Lacking a fuller toolkit, many organizations have unwittingly fallen into situations where they have to compensate in labor and time what modern technology could supply better and faster. Thus, diverting labor from its role of customer interaction and allocating it to supporting inefficient technology means less time and effort applied to the primary job of selling.

But there is a silver lining in all of this.



Improvements in technology over the last several years have produced new systems—systems of intelligence—that can reduce the workload and help refocus people on the primary job of selling.

**Today's cloud-based platform technology makes it possible to tightly integrate disparate systems like AI, machine learning, proposal generation, next best action/offer, and much more.** The resulting systems are far more resilient to change than those of a few years ago because they are based on platforms that generate running code. Generation from specifications provides a level of flexibility that drives business agility—the thing that systems of record can't produce and that businesses desperately need.

Lastly, modern platform-based systems present the possibility that an organization employing them will not find itself stuck with customer facing systems that don't evolve, as is currently the case.

# Methodology

Beagle Research identified over 500 line of business employees with primary responsibilities of selling new business, in the business to business space. During June and July of 2020, we fielded a survey to them inquiring about their jobs, the wins and frustrations they encounter, and the technologies they use. Because we were able to pinpoint these individuals, we believe our results are highly accurate (z-test = 95/90).

## About the author

Denis Pombriant is the founder of Beagle Research Group and the author of this report. Pombriant is also the author of several books on CRM including, *Solve for the Customer—Using Customer Science to Build Stronger Relationships and Improve Business Results*, and *You Can't Buy Customer Loyalty, But You Can Earn It*.