

TOP PERFORMANCE PAYOFF STRATEGIES

Driving success and results from sales teams

Introduction

Sales-driven organizations know that hiring the right people with the right skills is critical to growth. More than that, most sales leaders agree that qualified sales teams must share the same core requirements.

Salespeople must have the drive to win, pursuing opportunities for success while still able to leave a lost cause and move on to the next opportunity. Members of a good sales team must be willing to learn, gathering information about customers, competitors, products/services, the organization, and the industry. Similarly, sales people need industry and competitive knowledge, the awareness of industry trends and the ability to position their organization's products/services against those of the competition.

Not only that, every member of a sales force should know how to make the best use of their time and efficiently complete their daily tasks. Their effectiveness must also extend to their interpersonal interactions—they must know how to ask good questions about prospect and customer needs, budgetary matters, and more.

Qualified sales professionals must also understand the sales cycle, consistently be able to identify the process, determine at what stage of the buying cycle they are in, and fine-tune their message based on where they are in the process. Finally, every member of a sales force should have healthy coping skills. Sales work is stressful, a job full of

competition, distractions, and setbacks, so a salesperson needs to be able to handle adversity without breaking down.

So, here's the question: if your sales team has all these skills, what can go wrong? Why aren't salespeople meeting their quotas?

The answer is productivity challenges and inefficiencies.

The average sales rep spends **only 34% of their time engaging with prospects or customers.**

Where does the rest of their time go?

- 21% of their day writing emails
- 17% entering data
- 17% prospecting and researching leads
- 12% going to internal meetings
- 12% scheduling calls

This distribution of time is not without consequences. CSO Insights surveyed over 2500 companies and found that 42.8% of sales reps missed their quota. Research by The TAS Group and Salesforce is even more alarming: their findings suggest that 67% of sales professionals don't meet their individual quotas. Either way, it's clear that productivity issues will decrease a salesperson's odds of meeting their quota.

If you want data about how much unproductive sales reps can cost you, check out the hiring mistake calculator here: <https://bit.ly/2q3QQ8A>.

Top Performers

But what about sales reps who do meet or exceed their quotas? Harvard Business Review found that only 1 out of 250 sales reps exceed their quotas, but this elite group consistently generates 60% or more of a company's total revenue. Not only that, they can earn nearly 50 times the income of underperforming peers!

These star sales reps make it look easy, but it's because they know how to succeed. They know how to make their customers happy, are extremely knowledgeable about the products/ services they sell, can overcome customer objections with ease, look for solutions to even the most complex problems, and are good listeners and communicators.

Top performing salespeople have certain attributes in common, and an Objective Management Group study of over 1,000,000 reps found that the top 1% of sales performers share the following traits:

- 94% take ownership
- 78% don't need approval
- 59% have high emotional intelligence
- 98% maintain composure
- 79% practice value-based selling
- 76% practice value-based buying
- 95% aren't impacted by rejection
- 100% are goal oriented
- 95% aren't intimidated by big budgets
- 77% have prospecting competency
- 59% have qualifying competency
- 66% have consulting competency
- 45% have closing competency
- 100% are driven by sales success
- 99% are committed to sales success
- 99.5% are trainable

1 out of every 250 sales reps is generating a staggering 60% or more of a company's total revenue.

Selling Strategies of Top Performers

Top performers also tend to have their selling strategies and methods in common.

Collaborative Language

For example, a Chorus study found that top performers are 10 times more likely to use collaborative language. 88% of missed opportunities happen because salespeople don't find or leverage internal resources. Top salespeople, however, recognize the value that the entire organization can bring the customer, and will therefore make use of engineers, support, management, etc. to both win the account and provide extra value.

Control the Sales Cycle

Top salespeople are also able to control the sales cycle because they ask the right questions and know the customer or industry. Biznology reports in a study that 82% of B2B decision makers think sales reps are unprepared. Therefore, it's easy to conclude that top performing sales representatives use preparation as an asset. Furthermore, 50% of identified sales leads aren't ready to buy, and customers don't want to deal with salespeople until they are 70% down the path of the buying process. Top performers are fully aware of these dynamics and use this information to their advantage.

Fit into the Organization Structure Early

A Demand Gen B2B buyer survey found that 95% of buyers choose a solution provider that provides them with enough content to navigate each stage of the buying process. This data is compelling. Top performers seek out the decision makers in an organization and establish themselves early in the relationship. They understand how an organization is set up, who has influence, and who is involved in the buying process. Top performers know that 38% of B2B buyers involve more team members in buying decisions, and these top performers target each of the involved members.

Ask Compelling and Challenging Questions

Top salespeople are also skilled at asking the right questions. These questions must be compelling and challenging and can sometimes create difficult or uncomfortable situations. The best salespeople, however, will not be deterred. A study by Gong reports that top salespeople ask 10.1 'problem questions' per hour, compared to only 6.3 asked by average performers. Top performers aren't interested in tiptoeing around the issues and wasting time, nor are they interested in pursuing opportunities that won't pan out. They want to uncover critical information to better understand client needs, even if it takes tough questions.

Have Influence Over Both Prospects and Customers

The best performers are also able to influence their customers and prospects in a way that leads to action. Top reps understand that 70% of people make purchasing decisions to solve problems, while 30% make decisions to gain something. Good reps pursue that 'something' and determine if their product is compatible. They provide the kind of content and information that helps a customer take action, whether the action is closing a sale, heeding advice, or following a recommendation. More than 37% of buyers say that vendors fail to provide them with enough content tailored to their specific role, but the top salespeople know exactly what their prospect needs.

Driven to Perform and are Mentally Tough

Top performers are also marked by their drive and resilience. They have the self-motivated desire to perform, and possess the mental stamina to overcome setbacks,

mistakes, and other obstacles. A study by Marketing Donut shows that 80% of prospects will say 'no' four times before making a purchase, yet 92% of salespeople give up after the first 'no'. Only 8% of salespeople persist! The best performers aren't afraid of challenges or failure, and, like top athletes, can rebound with an even stronger desire to win.

Similarly, top performers are action-oriented and not afraid of job titles. A HubSpot study shows that 42% of sales reps find prospecting the most difficult part of the job. B2B Lead found that 50% of sales time is wasted on unproductive prospecting.

So, what sets apart the top performers? They aren't afraid to prospect. They have healthy egos and aren't threatened by titles or positions of power. This allows them to make new contacts, develop relationships high within an organization working from the top down, and utilize social selling to fill their pipeline. It comes as no surprise then, that Aberdeen reports that sales professionals who use social selling exceed quotas 23% more often.

If you're training your sales people to do the right things, but only a small percentage of your team is doing them and is driving results, what's the formula for success?

The Psychology Behind Incentives

Business success is contingent on employees who strive to do their best. This is not a new theory—companies all over the world use various means to motivate their workers. One such method is the incentive program.

An incentive program is essentially a reward system. The underlying premise is that the promise of a reward is a significant motivator. Other theories, such as the drive-reduction theory, suggest that people are pushed into action by *internal* drives. Incentive programs, however, rely on the presence of something external that an employee will value.

Cash bonuses have long been one of the primary incentives offered to employees. However, study after study suggest that financial incentives are often inferior options. The fluctuating economy can

make cash rewards difficult to maintain, and employees are less likely to talk about and build excitement for financial bonuses. Furthermore, monetary awards might be viewed as part of a compensation package rather than an incentive program.

Non-cash incentives, however, have the potential to be much more effective. Unlike cash bonuses, which are easily taken for granted, non-financial incentives stand out as rewards. They tend to be more memorable and unique, and are more likely subjects for employee conversation. Travel incentives in particular offer an exciting destination and unforgettable experience. While cash incentives only appeal to an employee's pocketbook, the uniqueness of non-cash incentives make employees feel particularly appreciated. A worker will most value the reward that makes them feel most valued. A cash prize might be nice, but many employees would be much more motivated by a trip to Hawaii awarded to top earners.

How Incentive Travel Changes Behavior

Travel incentive programs are a great way to energize your company, not just with a short burst of enthusiasm, but with a lasting influence. These programs have myriad benefits:

Increased Productivity

Many, if not most, incentive programs exist to increase productivity. The award of travel can help improve productivity by giving participants something to strive to achieve. This boost in productivity doesn't need to end with the conclusion of the program. Habits developed during the course of the qualifying period should continue on well past the contest's completion. Management should come alongside participants and encourage those habits until they become permanent methodology and behaviors. Furthermore, qualifiers will return to work with a desire to win again, and those who didn't win will see what a good experience the trip was and work to earn the next trip.

Increased Trust

Any good travel incentive program offers a destination that will truly interest and excite participants. To create this kind of program, management must know their participants. They must care about what

will motivate people and take the time to learn what participants want. This effort can greatly build employee trust. It shows that management cares about rewarding good work, and providing a reward that participants genuinely want. This is the kind of management that employees want to trust.

What's more, the program itself—not just the destination selection—is a chance to earn employee trust. It's a chance to show that employees really, truly matter, that their thoughts and interests are worth hearing. It also emphasizes behaviors that have positive impact on both employees and the organization as a whole. The best managers will seek employee input before, during, and after the contest is completed. Participants, in turn, feel valued and listened to, which increases their trust in their management and in the effectiveness and desirability of the incentive program.

Improved Morale

Good incentive programs also boost group morale. When your workplace offers exciting programs that promise a memorable reward, it makes showing up to work a little easier. People have a better attitude about their career when they know that hard work is amply rewarded. Winners return with a renewed vigor, and their good spirits make for a happier workplace overall.

Increased Loyalty

A successful travel incentive will also develop lasting loyalty. Companies offering travel incentives will have an easier time retaining employees than identical companies that don't offer such incentives. A good incentive program adds an element of excitement to the workday, which makes for a more desirable workplace. The numbers don't lie: research conducted by the Incentive Travel Council and the Site International Foundation found that 72% of people who earn a travel reward feel increased loyalty to their company.

Increased Desire for Further Incentive Programs

One of the nice things about incentive travel is that a successful trip opens the door for additional programs. Let's say you've never implemented a travel incentive program before, but pull off both a memorable experience – and exceed business objectives – your first time around. Winners will come back with a desire to earn another enjoyable, unforgettable trip as soon as they can. Not only that, those who didn't win will see the winners' good experience and want the chance to earn a similar experience for themselves.

The Business Case for Travel Incentives

Travel incentives are a great way to reignite an employee's motivation. Travel is the most preferred reward for high-producing employees, and more than 95% of employees believe they are more motivated by travel incentives than higher pay levels. The trips themselves have proven results: a well-constructed travel incentive program can increase

productivity by 18%! Not only that, 72% of people who earn a travel reward feel increased company loyalty.

But it doesn't stop there! Aberdeen Research found that companies providing non-cash rewards like incentive travel had an average year-over-year annual corporate revenue increase of 9.6%, as opposed to the 3% increase for companies providing cash rewards. The same study found that organizations providing non-cash rewards like travel opportunities had a 2.1% year-over-year increase in revenue per sales FTE, while organizations giving cash saw a 0.7% decrease. And check out this statistic: a good travel incentive program can also produce a 112% ROI. If you wanted to achieve this kind of success with a cash incentive, you'd need to increase your employees' base compensation by 8.5%! Travel incentives are effective means of driving employee motivation, and this is good for your workers *and* your business.

Conclusion

Most of sales revenue is driven by the top 1% of performers. Without continued motivation, however, these key employees are going to seek opportunities elsewhere. Under-performing or disengaged sales representatives can be motivated through competition and peer challenges. Additionally, travel incentives can motivate and rejuvenate laggard reps, encourage and affirm top performers, and provide strategies and tactical elements to help leaders, managers and reps move the needle to reach objectives.

ABOUT GAVEL INTERNATIONAL

Gavel International was founded on the premise that companies place more value on an efficient, boutique-style organization with the assets and negotiating power of a large company. Our clients prefer the flexibility and high level of personalization we bring to each and every corporate meeting and travel incentive program. As a client-focused, team-driven organization, we strive for continuous improvement while adhering to sound business principles and industry practices. We work tirelessly to help our clients succeed and to deliver programs that have positive outcomes for all participants.



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