Nektar

5 Reasons Your Sales Teams Are Losing Deals

If you are in revenue operations or sales management, you would indeed be doing a win-loss analysis to help you:

- cover gaps in your sales process,
- provide relevant feedback to your product and marketing teams, and,
- create opportunities to train and coach your sales team to set them up for better win rates.

Most of this analysis is done locally within the company's region or business unit, and there is limited availability of industry-wide data for benchmarking.

At Nektar, we decided to fill this gap by collaborating with leading revenue operations professionals and sales leaders to understand the top reasons why their teams are losing deals.

And what YOU can do about them.

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Executive Summary

The last two years transformed B2B sales completely, making it more challenging than ever.

With all the digital noise in the inbox and social media, scattered Go To Market data, siloed revenue tools, and the rise of a digital but less accessible B2B buyer, sales teams are finding it harder to adapt to this ever-evolving sales landscape.

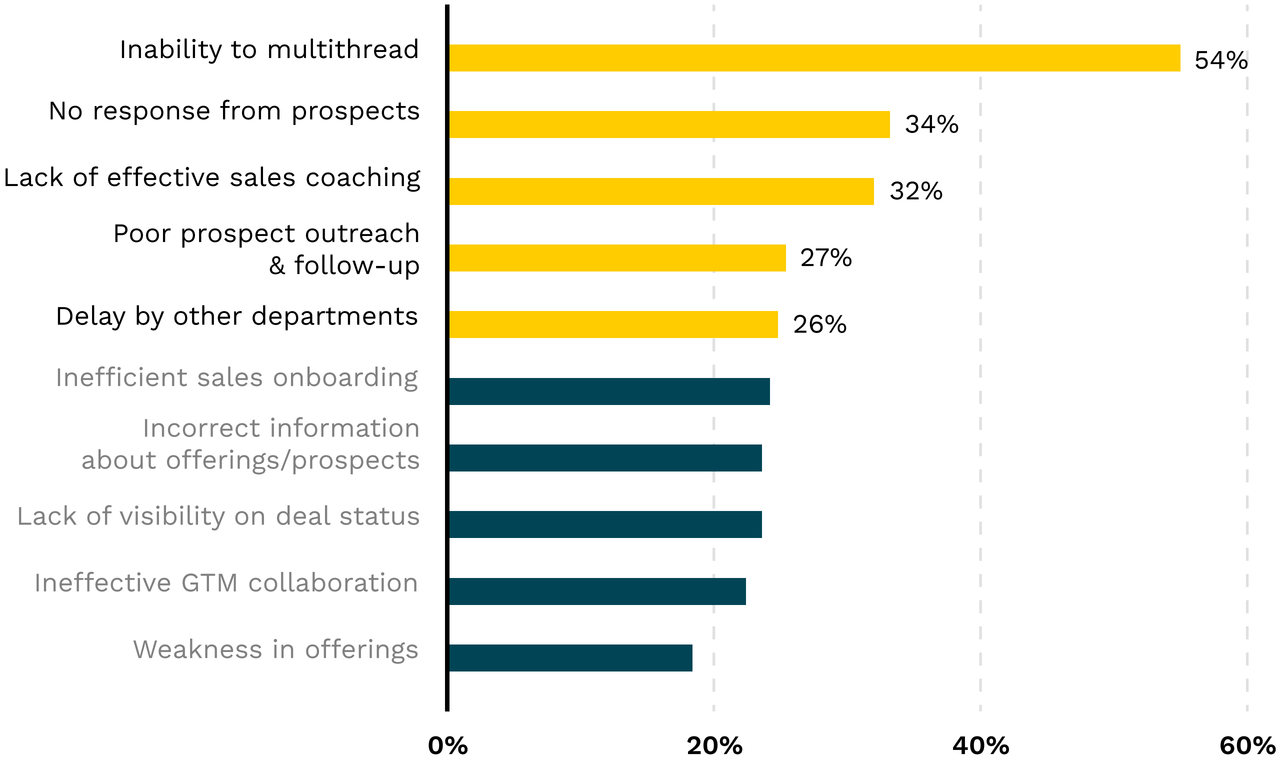
These rapid changes have redefined modern B2B sales and led to many sales teams failing to meet their revenue targets.

How can sales leaders fill these gaps with the right strategies?

Answers to these questions require a re-evaluation of selling in this highly digital and dynamic world.

To get some answers, we surveyed 134 sales professionals across 15 countries to learn the most significant challenges they faced when closing deals.

Overview - Survey Results



Key findings

Low adoption of a multi-threaded sales approach

The buying committee has grown significantly over the last ten years. It involves 7+ stakeholders for mid-market deals and 15 or more stakeholders for enterprise deals.

Many of our survey respondents cited gaps in mapping the needs of the buying committee and their pain points as a challenge for their sales teams.

Inability to communicate and create value

The sales process is becoming more buyer-driven than seller-driven. An excellent buyer experience becomes key in helping drive more wins and revenue.

But sellers are finding it challenging to meet the buyers at their wavelength. They don’t have access to superior insights around buyers’ current state, processes, and issues to demonstrate near-term solutions and long-term value.

Less quality time spent in coaching sales reps

With increasing complexities in the B2B buying world, effective 1:1 coaching is more critical than ever to make sales teams crush their quotas.

However, most coaching sessions turn out to be inspection and interrogation meetings around deals and pipeline, and less about collaboration and next steps.

Incorrect frequency of following up with prospects

Poor follow-up techniques and the lack of follow-ups has come up as a key reason for losing deals.

Our survey respondents agree that following the best practices in playbooks can provide consistency to the sales process. However, most organizations fail to closely track playbook compliance within their sales teams.

Inefficient cross-team collaboration

A lot of time gets wasted in coordinating across teams, making selling harder than it already is.

Getting a single, consolidated view of customer data from multiple GTM and communication tools like CRM, email, calendar, marketing automation, and video conferencing systems is a concern among sales teams.

“When sales reps think they know what is needed or is most important to the prospect, but fail to meet those needs is a significant reason why deals fail. Access to key decision-makers is also challenging at times.”

HEAD OF GLOBAL SALES
AT A RETAIL TECH COMPANY

Top Reasons Why Sales Teams Lose Deals

1 Sellers Aren't Targeting the Full Buying Committee

B2B buyers are changing roles quite often. The turnover among a majority of B2B buyers increased by 31% in 2021.

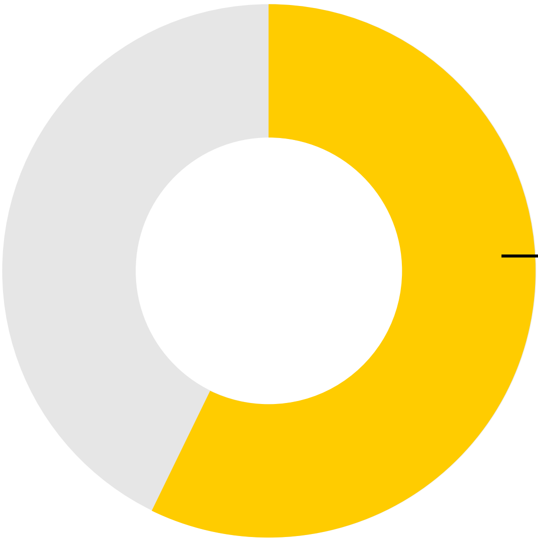
When a key stakeholder quits an organization, they take away all the conversations they've had with your sales reps with them.

If your sales reps build a relationship with only one such key stakeholder within an account, they will lose out massively when this person quits their job.

Sales reps need to establish strong relationships with multiple stakeholders within an account or multithread.

With an average of 6.8 decision makers involved in each B2B purchase, your sales reps need to engage with all these stakeholders, solve their unique pain points and stay in touch to be better prepared when someone quits.

When your reps multithread, they can increase their chances of closing a deal by 16%.



54%

of survey respondents highlighted **inability to multithread deals** as a major reason for losing deals

However, our survey found that 54% of sales professionals could not multithread deals on time and get the decision-makers and other important stakeholders engaged in the purchase journey.

This challenge to establish strong relationships with key stakeholders was cited as a major reason for losing deals.

What can you do?

Your sales team needs tools that can help them know who these stakeholders are and what stage they are at in the buying journey. Sales teams must engage with this buying committee and address their needs and pain points.

The more information sales professionals have on these stakeholders, the more efficiently they will be able to engage them and reduce risks related to single-threading.

2 Sellers are Unable to Communicate or Create Product Value

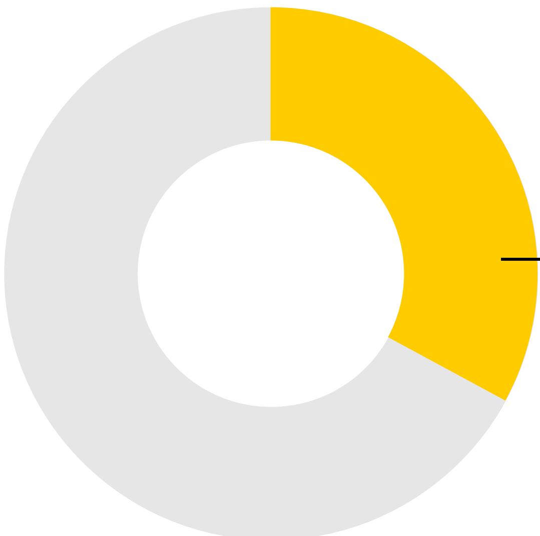
With access to real-time information, B2B buyers know what they want to buy even before they speak with a sales rep.

Buyers spend about 17% of the total purchase journey in interacting with sales reps. The rest of their time goes in doing their own independent research.

B2B buyers are knowledgeable, intelligent and armed with information. They do not want to be bombarded with more details about products or services.

Instead, they expect companies to be easy to do business with and reps that provide quick turnarounds and real-time answers.

Understanding this new era of the empowered buyer, and helping them navigate the complexities of their doubts is what can create a differentiated buyer experience.



34%

of survey respondents highlighted **inability to communicate and create value for buyers** as a major reason for losing deals

However, 34% of salespeople in our survey attributed an inability to communicate and create value for buyers as a key reason for losing deals.

Our survey results suggest that most reps do not utilize the time they get with buyers in focusing on their pains, and often end up hard-selling the product over the solution.

What can you do?

Help your sales reps become trusted advisors who can help self-learning customers to make more confident decisions. Reps should be proactive in their approach and know what value to add to the buyer at what stage of the sales process.

In short, sellers have to adopt a “consultative” approach to offer in-person support to help the buyers make sense of all their research.

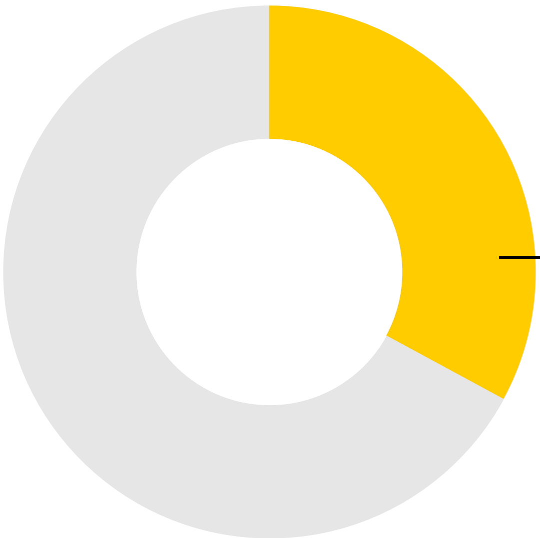
> Most customers are not willing to share much unless strong relationships are already built, or executive support is established. This makes it difficult for sellers to align with business goals appropriately.

SALES DIRECTOR
IN THE FINANCIAL SERVICES INDUSTRY

3 There's a Lack of Visible Triggers for Effective Sales Coaching

Sales coaching is a tried and tested approach to ensure reps aren't missing out on deals. Companies that provide quality coaching can reach 7 percent greater annual revenue growth.

In our survey, 33% of the respondents cited the lack of regular and efficient coaching as the reason for losing out on deals.



33%

of survey respondents highlighted **lack of regular and efficient coaching** as a major reason for losing deals

A major reason for managers failing to effectively coach and manage their reps is the lack of any kind of real-time visibility into the status of each deal.

Lack of visibility into the leading indicators of deal risks, activities, and buyer engagement can turn a 1:1 conversation into more of an interrogation than a coaching moment.

The lack of quality interactions between managers and reps results in poor development of rep's performance. This affects sales productivity, resulting in missed quotas, inconsistent messaging, and delayed sales ramp-up time.

What can you do?

To make coaching more effective, give your managers access to data that tells them where the friction exists in their reps' sales cycles. Based on the real-time data that they see, managers can identify leading indicators that might be blocking the sales pipeline.

If sales managers have an overview of the follow-up score of their reps, they can immediately highlight it to the concerned person and understand why the lag exists.

Depending on the responses, sales managers can offer one-on-one coaching to their reps.

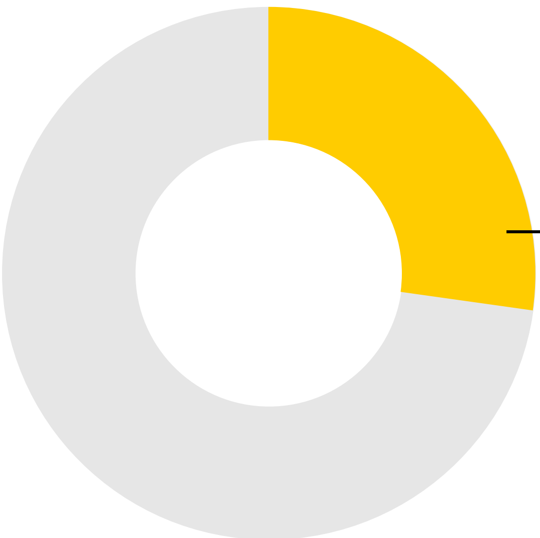
> "We do not have enough visibility or triggers at the right time to involve more people from our end in the conversation. With the number of deals increasing, the only way to increase focus on all reps is to reduce the manager span of control."

DIRECTOR OF GLOBAL SALES
AT A LEADING SAAS COMPANY

4 Sellers are Unable to Adhere to Sales Playbooks

Only 13% of respondents in our survey said that they follow their playbook strictly, while 34% think that adhering to a playbook can help them close more deals.

While organizations understand the value that a structured sales process like a playbook can add to deals, very few have a playbook in place. Even if some do have a playbook, they have failed to update or operationalize it for the entire company.



28%

of survey respondents highlighted **lack of cadence of reaching out and following up with prosoects** as a major reason for losing deals

28% of our survey respondents cited the lack of cadence of reaching out and following up with prospects as the key reason for lost deals. Lack of a structured sales process like a playbook makes communication uneven and can even harm a brand’s reputation.

When everyone follows the specific guidelines outlined in a playbook, any deviation from the stated principles will potentially be highlighted as a red flag. Playbooks ensure that there is consistency in communication and selling.

However, the biggest challenge arises when companies scale and the playbook needs to be operationalized. Some platforms help configure winning playbooks to drive more revenue and adopt best practices across the sales team.

For example, 44% of sales reps give up after one follow-up attempt. This can be attributed to a lack of proper training (around follow-up techniques and timings) and a lack of accountability of sales reps.

What can you do?

Create your own playbook to empower your sales team to engage customers at every step of the buying journey. It can help identify best buying behaviors that lead to more deals, which can then be replicated by everyone else in the team.

Organizations that implement sales playbooks to guide reps on best practices can close deals faster. Besides adding rigor and consistency to the sales process, a playbook-based system provides a much richer environment for coaching and learning.

5 Sellers are Unable to Collaborate Cross-Functionally

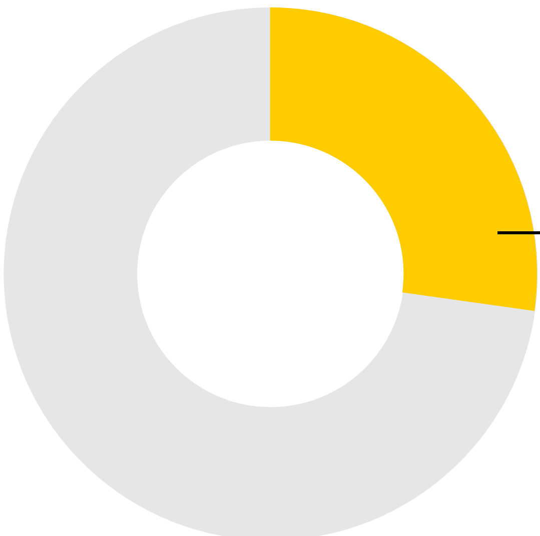
Teams waste an awful lot of time coordinating with each other. This makes selling harder than it already is.

Sales, marketing and customer success teams have largely been operating as separate functions with their own tech stacks, plans and resources.

Every team derives insights from their own data sets and goes about following separate department-led growth strategies.

Getting a single consolidated view of customers and deal data is difficult due to scattered tech-stacks and siloed communication channels. Half the data doesn't even make its way into the CRM.

Because of disparate data sets across different teams, it gets difficult for sellers to work cross-functionally.



26%

of survey respondents highlighted **delays in getting things done from other functions** as a major reason for losing deals

26% of survey respondents highlighted delays in getting things done from other functions such as legal, marketing, pre-sales, product, etc., as one of the main reasons that delays their sales cycles.

What can you do?

Use technology that helps connect disparate data points and informs reps about recommendations and decisive next best actions, while also assisting them in recognizing customer needs better and taking the next steps to close won faster.

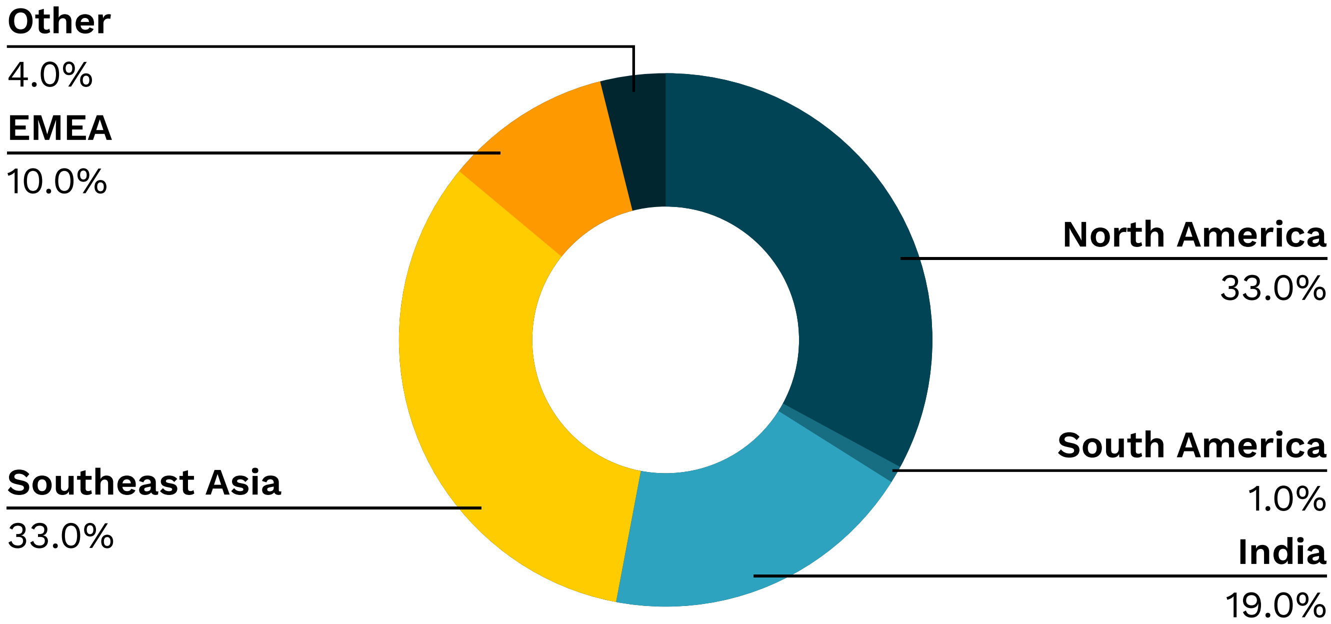
Merging cross-functional capabilities and providing a single source of truth for sales teams will help your organization embrace a more seamless GTM model with far more intelligent and harmonized touchpoints.

Survey Demographics

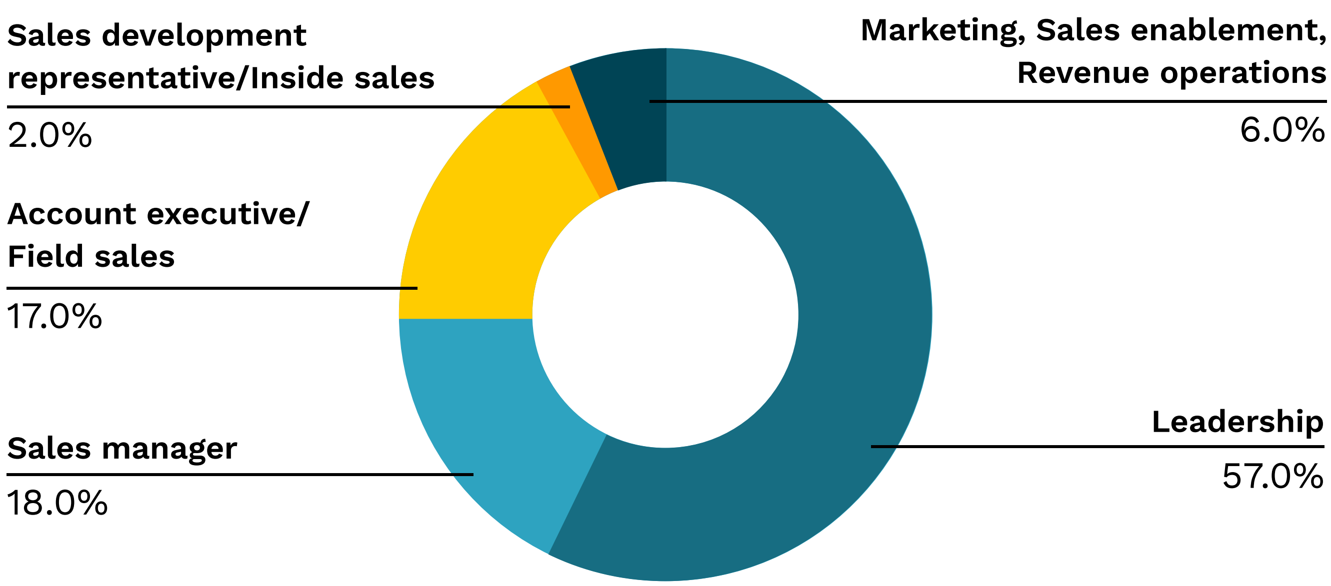
Regions Represented

- North America
- India
- Southeast Asia
- Europe, Middle East and Africa
- South America

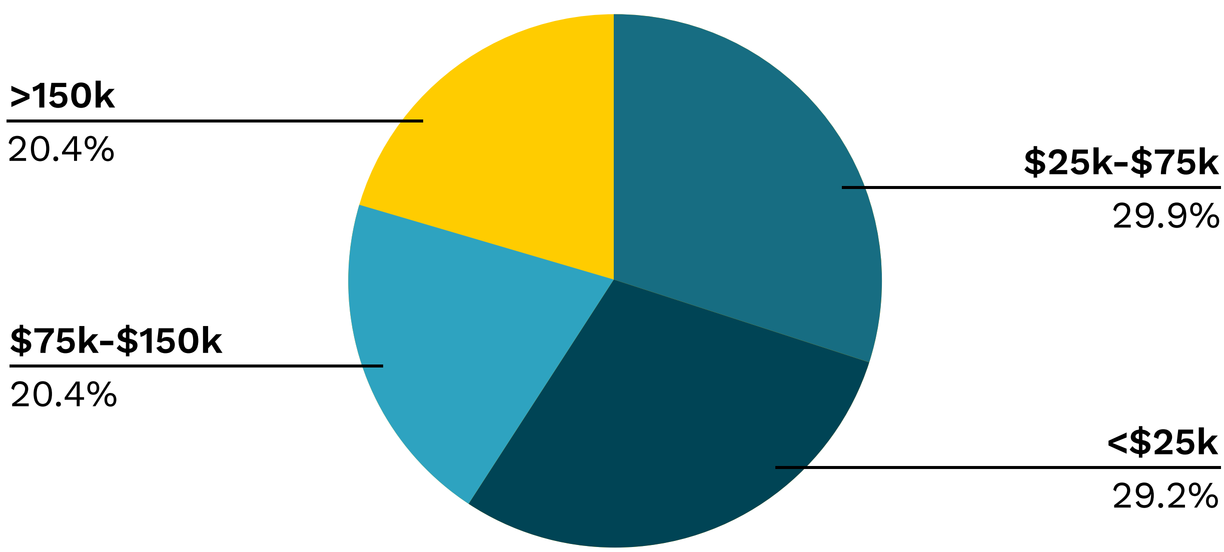
Geography



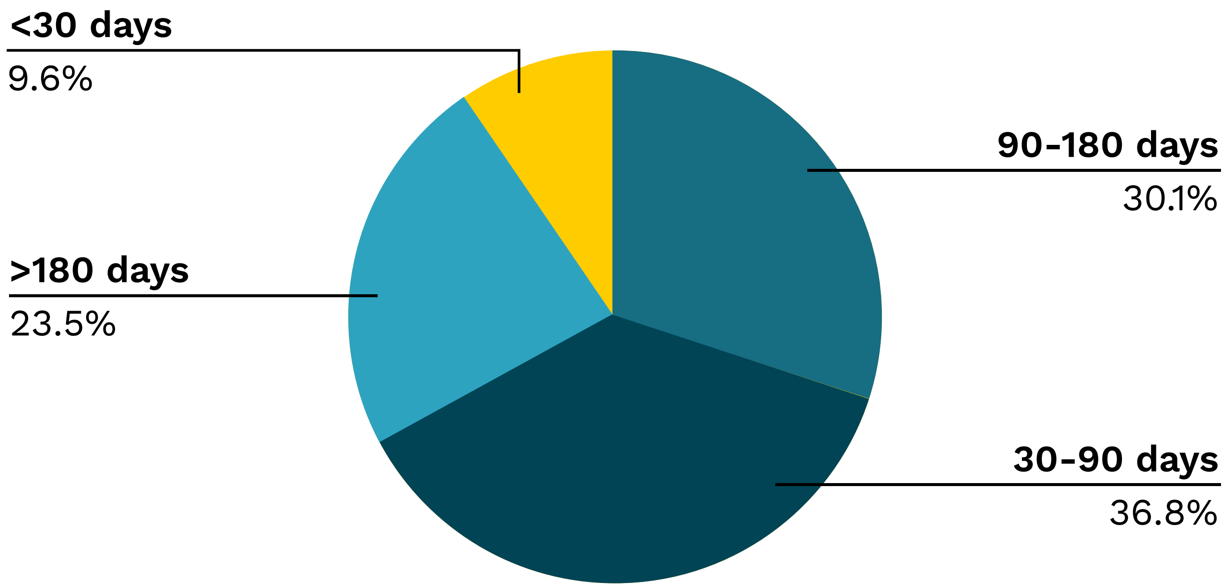
Role



Average Deal Size



Average Deal Cycle



Appendix

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Credits

This report was an exhaustive effort from many revenue professionals who care about their work in the world. We want to thank them for their contribution.

This is our attempt at creating a report that captured the difficulty of 2021 and outlining a way forward for sales teams. We hope it helps you in some capacity.

Nektar's platform grants sales and revenue leaders a true view of buyer coverage and pipeline progression so that they can close revenue faster.

Supercharge your Revenue Engine With Nektar

Schedule a Demo