Table of Contents

Executive Summary .................................................................................................................................................. 1

Overall Survey Demographics .......................................................................................................................... 2-4

  Role by Type .................................................................................................................................................... 2
  Size of Inside Sales Organization .................................................................................................................. 2
  Geographies Covered ...................................................................................................................................... 3
  Industries ......................................................................................................................................................... 3
  Sales Models .................................................................................................................................................. 4

2013 Inside Sales Top Challenges - Leadership Responses .................................................................................. 6-11

  Leadership Level .............................................................................................................................................. 7
  The Top Five Challenges Facing Inside Sales Leaders ................................................................................... 8
  Individual Votes for First Through Fifth Choices .......................................................................................... 9
  Top Challenges by 1st to 5th Choices ............................................................................................................ 9
  Top 5 Challenges Selected by Leader Level .................................................................................................... 10
  Respondent Comment Examples of Top 5 Challenges .................................................................................. 11

2013 Inside Sales Top Challenges - Representatives Responses .......................................................................... 12-17

  Representative Level ....................................................................................................................................... 13
  The Top Five Challenges Facing Inside Sales Representatives .................................................................. 14
  Individual Votes for First Through Fifth Choices ......................................................................................... 15
  Top Challenges by 1st to 5th Choice ................................................................................................................ 15
  Top 5 Challenges Selected by Representative Level .................................................................................... 16
  Respondent Challenges Selected on Top 5 Challenges ............................................................................... 17

Conclusion .......................................................................................................................................................... 18

About the AA-ISP & InsideSales.com .................................................................................................................. 19
Executive Summary

The American Association of Inside Sales Professionals (AA-ISP) embarked upon a first-of-its kind survey among a large group of Inside Sales leaders in 2011. The purpose of the survey was to capture the top challenges facing Inside Sales leaders. The results were enlightening. Although no survey had been performed to uncover these challenges during the growing and maturing of Inside Sales in the late 1990’s and 2000’s, it was a well-known fact that our profession had not been fully embraced by corporate America. In fact, Inside Sales was viewed in many cases as a 2nd class sales channel. As little as 5 to 10 years ago, common challenges were around model definition, compensation plans, metrics, and most importantly, selling the value of Inside Sales to senior management. Interestingly, as we fast-forward to today, these very challenges were consistently ranked mid to low in both the 2011 and the just-released 2013 AA-ISP survey. Times have changed.

In January of 2013, the AA-ISP, with support from its Corporate Underwriter InsideSales.com, completed a much more extensive industry analysis as compared to the 2011 research. This survey included 831 responses from leaders and frontline selling reps. For the first time in our profession’s history, individual contributors across all types of businesses and selling models were asked to rank their most pressing challenges via a large-scale national survey. The frontline results mirrored some of the very same challenges which surfaced via the leadership side of the survey, both in 2011 and 2013.

Through an analysis of the survey responses, along with the anecdotal comments provided by respondents, we can draw some convincing conclusions:

- The profession of Inside Sales has seen remarkable strides forward as a more respected profession and valued sales channel.

- The skills, competencies, business acumen, and general sales experience required for Inside Sales roles with today’s progressive organizations has risen rapidly.

- Inside Sales representatives are being required to perform at similar levels to a traditional field sales representative. Competencies around solution selling, communications, virtual presentations, negotiating, closing, and the like, are required attributes.

- Due to these new requirements, coupled with a healthy Inside Sales job growth, finding qualified talent has become extremely difficult.

- In addition to current staff who need to adopt new skills, companies must now hire less than optimally qualified candidates, meaning that implementing a new training program has become a top challenge and priority.

- It is no surprise that finding and hiring talent, and training them along with existing staff, leads the 2013 Top Challenges survey results.

We trust The 2013 Top Challenges survey will help you in your own effort to “Raise the Level of Professionalism and Performance” of your own organization.

A special thanks to our AA-ISP Underwriter, InsideSales.com, for their continued support in expanding the reach of this and other research projects.
Overall Survey Demographics

Role by Type

- Leadership: 62%
- Sales Rep: 33%
- Not in Inside Sales: 5%

About twice as many Inside Sales leaders took this survey as compared to individual contributors/sales reps. Those not associated with Inside Sales were disqualified from taking the survey.

Size of Inside Sales Organization

The majority (75%) of respondents have Inside Sales organizations of between 1 and 50. 14% had teams of 100 or more.
Overall Survey Demographics

Unsurprisingly, most sales teams sell to the United States. Combining all responses, about 90% mentioned that the US is within their jurisdiction.

The most common industries of respondents were found in two main areas: High Tech/Software and Manufacturing.
Overall Survey Demographics

Sales Models

To no surprise, Team Sales model was the most common. Both Discrete and Hybrid models seemed to be increasing in popularity over the last several years. This might be due, in part, to the increased responsibility and ownership of a maturing inside selling profession.

Sales Model Definitions:

- **Team Selling**: Inside reps work with field sales and have an overlay quota.
- **Discrete**: Inside reps own the quota and are responsible for selling without any field reps involved.
- **Hybrid**: Inside reps work primarily inside but travel as needed, sometimes frequently, for face to face meetings.
- **Channel/Distribution**: Primary role of inside rep is supporting a channel partner, distributor, or reseller.
“The challenge facing inside sales leaders around finding qualified talent is staggering. In essence, today’s inside sales person has to not only have phone, e-mail, and internet competencies, but also the “chops” once seen in the very best field sales people.”

- Paul Macura, Vice President OracleDirect
About 41% of Inside Sales Leaders who took this survey would describe themselves as managers. Directors and Vice Presidents combined to make up over half of the respondents.
The very top challenges facing Inside Sales leaders today appear to be finding and hiring qualified candidates along with training and development. As you will see later in the comments section, leaders expressed a big gap with the skill level of candidates available vs. the skills required for today’s Inside Sales professional. Additionally, with respect to training those Inside Sales reps already on staff at the more senior level, there is still a need to adapt to an ever-increasing demand to be competent in areas such as solution selling, virtual presenting, negotiating and closing. It is clear that today’s Inside Sales person is evolving to the higher skills and competencies which we would associate with a solutions selling field rep.

Of further interest is to note the fact that both Recruiting/Hiring and Training was at or near the top of the 2011 survey as well.

CORRELATION OF CHALLENGES WITH FRONTLINE REPS: With respect to correlation between frontline reps and leaders, the following three challenges were selected to be in The Top 5 BY BOTH GROUPS: Lead Quality & Quantity, Training/Development/Coaching and Rewards & Recognition.

From respondent comments it appears that both Reps and Leaders alike acknowledge a type of skills gap, the need for improved training and motivation, and better quality leads to call.
Survey Results - Leadership
Individual Votes for First Through Fifth Choices

**Place:**
- Most 1st place votes
- Most 2nd place votes
- Most 3rd place votes
- Most 4th place votes
- Most 5th place votes

**Challenges:**
- Recruiting and finding top talent
- Skills development, training, or coaching
- Skills development, training, or coaching
- Skills development, training, or coaching
- Rewards and recognition: motivating reps and teams

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This chart is very revealing; recruiting and finding top talent had more number one challenge votes than any other choice. However, skills development got the most second, third, and fourth place votes. This could be interpreted that while skills development is a very common concern across both new hires and existing reps as indicated by total votes, Finding, recruiting and hiring top talent is the most acute issue facing leaders today.
Survey Results - Leadership
The Top Five Challenges Selected by Leader Level

In general, most of the challenge choices correlated regardless of leader level with the exception of one. The VP level selected “Social Media” as a challenge ahead of “Rewards & Recognition”. This could possibly be due to the fact that the VP level is more concerned with strategic initiatives.
Respondent Comment Examples on the Top 5 Challenges

Training, Development & Coaching

“We are working to improve the caliber of our Inside Sales effort through better sales skills, product knowledge and industry knowledge. The traditional culture is one of tactical sales pitches. We believe Inside Sales can be a driver of strategic solutions through a combined solutions/challenger sales model in addition to the quick closes of tactical selling.”

“Coaching is something I need to do more often. I find I get caught in process mode.”

“With new hires being fresh out of college or just their 2nd job, it’s a challenge to teach them all the aspects of sales including prospecting to closing the deal.”

“My team is mostly green in the field of Inside Sales. I provide them skills training, but feel it doesn’t sink in and become reinforced enough to really be valuable to them.”

Hiring & Recruiting Top Talent

“We’re looking for a particular personality profile, not a particular history. Makes for a very labor-intensive screening and selection process.”

“There are a great number of people available in the market who have telemarketing and/or telesales experience, but few really have been held accountable for a goal and consistently achieved it. I expect that experience to be in the backgrounds of those I hire, yet it seems hard to find.”

“Hard to find good inside reps either with in-house recruiters or outside recruiters.”

Tools & Technologies

“CRM adoption between the inside and the field has been a real struggle. Mostly around outside being at the same level of productivity and adoption compared to Inside Sales.”

“Support team doesn’t fully provide the tools for exceptional sales people. There is a disconnect, or they have concerns that are counter productive.”

Lead Quantity & Quality

“Lots of outbound calling - true cold calling. Insufficient investment available to produce warm leads or even qualified prospects.”

“My marketing team just doesn’t get it. There’s no nurturing programs at all. No email marketing to speak of. No content generation. 7 leads a day being generated. Weak.”

“We get too many leads & no way to differentiate to help prioritize BEST ones.”

“Quality and Quantity continue to be a challenge depending on territory. As an example its difficult to get the target number of meetings in US and its difficult to maintain a high quality meetings for India.”

Rewards & Recognition

“We implemented an Inside Sales team in July 2012. Most of the Inside Sales people were existing associates. Trying to get them motivated and out of the “old way” of doing business has been a challenge.”

“I feel that my team is not motivated to make the calls and get the sales that are required to them. I need ideas how to do this.”

“I have a rather senior team of salespeople who don’t tend to engage or care much about typical sales motivation programs such as SPIFFs, internal recognition contests, presidents club, etc... as long as they are making near OTE they are happy.”
“A recurring challenge in my 15+ year career, has been to sort through the many leads and types of leads to find those few with the best timing and chance of closing or making it to the funnel. It is also a must to have a positive attitude every day, and to bring value to the table. A good ISR is always looking for ways to add value.”

- Beth Oslund, Sr. Inside Sales Representative
Most frontline reps categorized themselves as Inside Sales Reps. The role of Lead Gen or Business Development seems to be trending upward as far as internal positions vs. outsourcing.
The clear #1 challenges facing sales reps today is lack of leads. Although there has been a recent trend to in-source and grow the “Business Development” role, it appears there is still room for improvement on lead quality and quantity.

We have seen a trend around recent discussions, webinars and even workshops take place among organizations to help address the issue of marketing and sales alignment and lead quality improvement.

A close 2nd and 3rd place challenge is career advancement and company “red tape”. Both of these issues are not new to Inside Sales. However, given the growth of our profession, it is not surprising that these areas continue to stand out.

Of particular interest is how Lead Qty. & Quality, Training & Development, Rewards and Recognition, and even Tools & Technology (a close 6th) correlate with leadership’s selections as well. This is a positive sign that leadership is aligned with actual barriers and needs of Inside Sales reps.

**NOTE TO LEADERS:** Based on these results, coupled with the respondent comments, a clear strategy for career advancement needs to be addressed. Closely related here is making sure you have a solid Rewards & Recognition program. Additionally, a fresh look at “red tape” and other procedures that impede your most valuable resource, the sales rep, should be carefully looked at as well.
Survey Results - Sales Representatives

Individual Votes for First Through Fifth Choice

Place:
Most 1st place votes
Most 2nd place votes
Most 3rd place votes
Most 4th place votes
Most 5th place votes

Challenges:
Quantity of qualified leads to call
Career advancement opportunities
Career advancement opportunities
Rewards and recognition
Rewards and recognition

Top Challenges by 1st to 5th Choice

The top issues facing sales reps seem to be slightly more varied compared to leadership as indicated by a flatter “choice” selection across a wider range of issues. The two main challenges for sales reps are having enough good leads to call and career advancement opportunities.

Lead quantity and quality had more first place votes than any other by a large margin. Career Advancement, similar to Rewards & Recognition, received many responses but they were spread among all the ranks (1st through 5th choice).
Similar to the leader comparison, most of the challenge choices correlated with the exception of a couple. First, a challenge around “Metrics” showed itself in the Business development role. This is not too surprising as that role often requires heavy outbound dialing and associated goals/metrics. Note that Metrics did not appear in the top 5 of Inside Sales. This is a good sign as several years ago Metrics was an often discussed topic and concern from Inside Sales. The maturing of the Inside Sales role as a true professional may be playing into this.

A 2nd observation is that the Business Development role did not select “Red Tape” in its top 5. This is most likely due to the simplicity of the role...that is, get on the phone and call through a list in an effort to further qualify a lead. This role does not necessarily have the other components such as quoting, ordering, contracts, etc., which often accompanies the red tape.
Respondent Comment Examples on Top 5 Challenges

Lead Quantity & Quality

“Making 50 phone calls to non-qualified leads could be spent better calling qualified leads who have the ability to purchase. We are primarily cold-calling.”

“...we get hundreds of unqualified names of non interested, non decision making etc. contacts. that we are required to engage. This wastes valuable time...”

“The Inside Team has little time to prospect and fill our pipeline and our Marketing efforts haven’t seemed to drive the results we need as far as leads are concerned.”

“My number #1 challenge is getting in front of qualified prospects. I primarily focus on "Guaranteed Income For Life" backed by a major insurer carrier. The sale is easy, finding prospects is a challenge.”

Career Advancement

“Disconnected from corporate, so left out a lot and value is not recognized properly despite tremendous success”

“I am the top sales rep at my company - the company relies on my number so they’re hesitant to move me to another position.”

“Advancement is limited if you don’t want to manage direct reports. Advancement is not based within performance of role.”

“No advancement within Inside Sales.”

“Red Tape” - Procedures

“I am blocked from much of the internet and it impedes my research of potential clients.”

“Process eats up all my time. filling out forms, fighting with legal, attending meetings”

“The amount of computer work and reporting is seriously keeping me from face time with the customers. There aren't enough hours for all they want.”

Training, Development & Coaching

“Training, because technology is changing so fast”

“there is absolutely no training or development opportunities...we have to learn everything on our own”

“Being someone that was a relationship manager first, the transition into sales was hard basically lacking on the knowhow of basic sales and prospecting. PPT presentation and webinars are simply not enough. I believe that shadowing top sales folks in the field bring the results - practice makes perfect”

“I need to gain better product knowledge and coaching from management. I'm tired of the obsessive, "in your face" type of management I've experienced in the past.”

Rewards & Recognition

“Worked as Independent Contractor for other company owned by same owners for 3 yrs at a decent rate. Company suffered downturn in 2010. Laid off & rehired to work payroll (still from home office) but at a 40% salary cut.”

“We don’t need all the little spiffs, rather an opportunity to hit our quota which is always going up.”

“Senior management seems caught up in their own issues and lacks knowledge of how much Inside Sales is doing...”

“It would be nice to have similar recognition as the field”

“Would like to see incentives on some of the small accomplishments that our team does...”
Conclusion

As indicated by the survey results, some of the top challenges facing both leaders and frontline Inside Sales reps is a result of a maturing profession. Several years ago, Inside Sales was still finding its way. Much of the effort was placed on trying different models, different comp plans, and searching for the right activity. Although Inside Sales has not completely arrived, and continues to struggle for acceptance in some companies, it has come a long way. The fact that some of the tactical building block Challenges such as Comp Plans, Working with the Field, Selling the Value, and Employee Retention were rated lower in this survey, is a clear indicator that we have matured as a more respected and even required component of most companies. Make no mistake though, we still have plenty of work to do.

A summary of the key take-away points from this survey are summed up as follows:

- Inside Sales, in general, is beginning to move past some of the tactical challenges around what model to deploy, compensation to pay, metrics to measure, and profile to hire against.
- Because of its success, Inside Sales has enjoyed positive corporate adoption and growth. As such, there is a big challenge around finding and hiring quality candidates.
- More responsibility is being placed on Inside Sales to possess excellent skills and competencies for the full sales cycle, virtual presentations, negotiating, and solution selling in general.
- This skill and competency requirement, coupled with a shortage of highly skilled candidates, has placed a huge need and challenge around training and development.
- Some of the top challenges indicated by frontline reps and leadership was around the need for higher quality leads. Comments indicate that low quality leads waste a rep’s valuable resource time, and have a big impact of keeping a rep from filling the funnel with real opportunities.
- Finally, frontline reps continue to have a need for meaningful recognition. They also need operational support in limiting the red tape and procedures that take away form their selling time. Although these challenges have been around a long time, they have been clearly articulated in this survey as preventing reps from hitting ever-increasing quotas.

So what’s next?

The first step is accepting the challenges uncovered in the survey as real and having a potentially negative affect on our profession and resulting performance.

Step two is to see them as opportunities. Opportunities that, like the many challenges we faced years ago, can be overcome with positive outcomes for our profession.

The AA-ISP is thrilled to see that our profession has matured and come a long way in the past few years. Our job is to help continue to lead an effort of positive change for our great industry. We trust you will join us through active Chapter participation, webinars, conferences, and the many other networking and sharing opportunities to achieve yet new heights of success for Inside Sales.

Together we are “Raising the Level of Professionalism and Performance” of Inside Sales!

The American Association of Inside Sales Professionals
About the AA-ISP

AA-ISP is an international association dedicated exclusively to advancing the profession of Inside Sales. The association engages in annual surveys, research studies, and organizational benchmarking to better understand and analyze the trends, challenges, and key components of the growth and development of the Inside Sales industry. Our mission is to help Inside Sales leaders and representatives leverage our information and resources through published content, local community chapters, national conferences, career development, and an Inside Sales training and accreditation program.

For more information on the AA-ISP please visit: www.aa-isp.org

About InsideSales.com

As a 2013 AA-ISP Underwriter, InsideSales.com is dedicated to advancing the profession of Inside Sales. Through industry-specific research they have helped identify statistics and trends related to optimizing sales and lead generation performance. Their community involvement and support includes local chapter development and leadership, educational webinars, and participation on the AA-ISP advisory board. InsideSales.com provides software, training, and consulting solutions for organizations who want to transform the productivity and professionalism of their sales teams.

For more information about InsideSales.com please visit: www.insidesales.com