



# 5 Outsourcing Strategies for Inside Sales





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**marketstar**<sup>TM</sup>

## Executive Summary

There was a time when the traveling salesman would move from business to business making sales calls and closing deals. However, changes in what we sell, how people buy, how we communicate, and what we know about potential buyers have permanently changed the sales landscape, and what it takes to achieve success.

As organizations transform their sales process to a more inside-centric model, they run into various operational challenges like scaling resources and broadening reach into new markets and verticals. Expanding too quickly forces you to make large capital expenditures without time to validate and enhance your model. But if you delay, you jeopardize market share. These risks and opportunities have prompted organizations to decide between building their own inside sales organization or aligning with an outsourced partner. While insourcing allows direct control, many organizations gain access to optimized expertise, greater productivity, and improved ROI by outsourcing part or all of their inside sales.



## Introduction

Over the past decade, organizations have increasingly shifted away from field based sales resources to an inside sales model. This trend has been facilitated and accelerated by advancements in technology, including social communities, telepresence, and collaboration tools. In addition, organizations are facing increases in capital required for technology, facilities, and human resources.

➤ **Outsourcing components of the inside sales process offers compelling value for organizations seeking to add new geographies, penetrate new markets, validate sales models, scale to meet variable demand, introduce product categories, and augment established sales processes.**

This paper outlines the range of inside sales services that can be outsourced, and illustrates successful outsourcing strategies. Learn what to look for – and avoid – when selecting an outsourcing partner, and how to use financial and nonfinancial metrics to evaluate your inside sales programs.

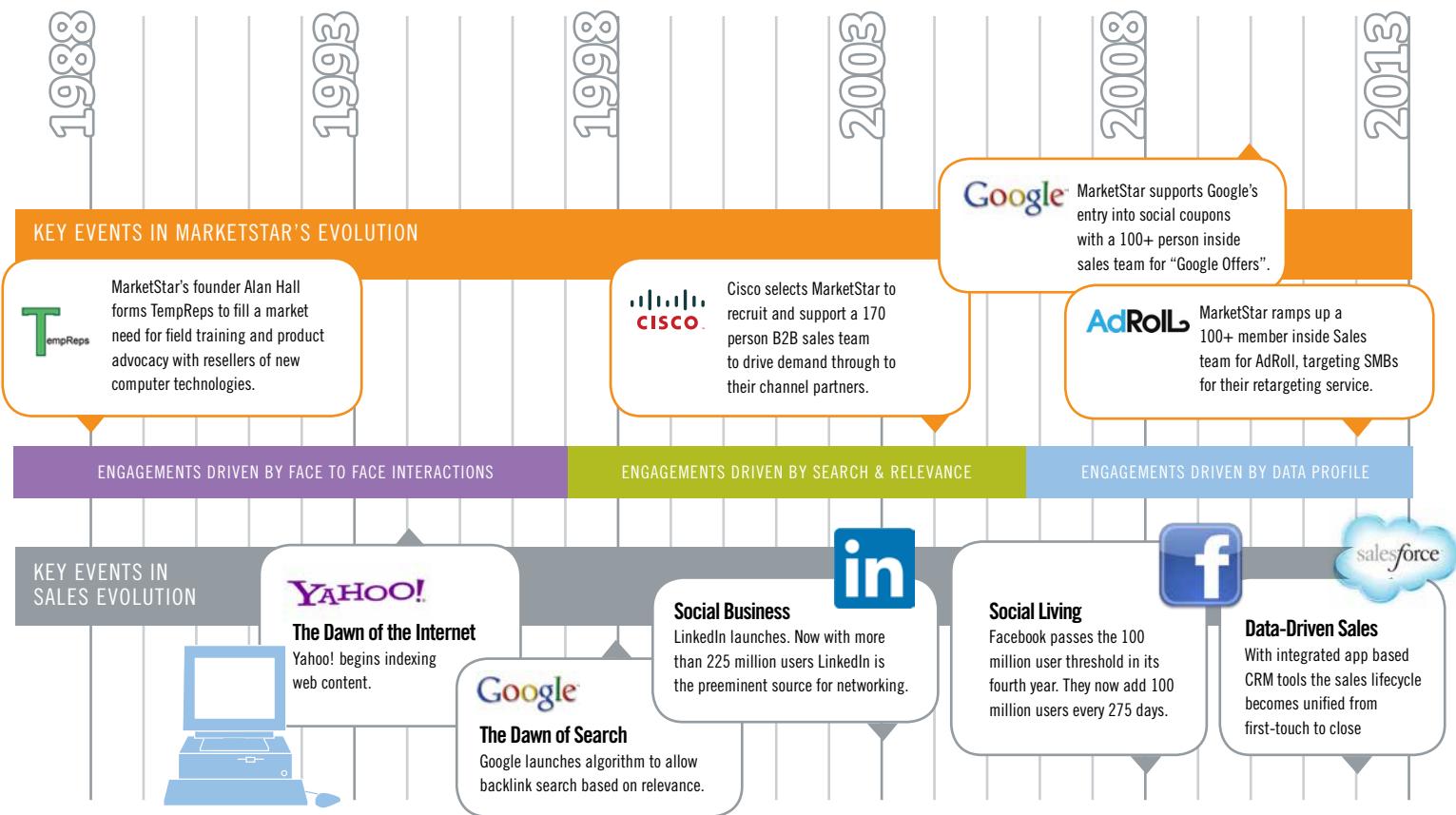
# The MarketStar Story

As a 25-year veteran of the outsourced sales industry, MarketStar experienced the transformation toward inside sales firsthand. MarketStar was founded in 1988 by Alan Hall, an outsourcing pioneer who saw an opportunity to send field-centric “technical representatives” into the market. He knew they could influence brand awareness and sales of emerging computer technology. The majority of client engagements early in our history involved face-to-face sales visits and training with end-users and channel partners. In 2005, our model shifted dramatically when Cisco approached us to manage direct B2B selling to target accounts. This partnership augmented the efforts of their own field sales team by driving demand. Additionally, a channel team was deployed to

drive sales through secondary partner tiers in an effort to “graduate” them into an upper-tier classification. The inside sales component was key to achieving client objectives, as Cisco expanded their addressable market without incurring large capital expenses.

Over the years, we've seen many of our clients make a similar shift in strategy with the objective of maximizing performance while minimizing cost and risk. Changes in sales processes, products, and the business environment have been instrumental in transforming the model for many organizations and MarketStar has continued to evolve, honing our sales expertise as we effectively carry quotas exceeding \$4 billion on behalf of our clients.

## Evolving with the Marketplace





# What's Changing?

While there may be a variety of other components, we hear four common factors from our clients that motivate them toward inside sales.

## ① What we sell is evolving

For high-revenue, complex sales opportunities, a quota-carrying field sales motion may still be the best option. However, businesses have expanded their product and service portfolios to include new offerings, renewals, warranties, and subscriptions, which have opened new revenue streams and sales opportunities.

Often the nature of these offerings is too small and the sales cycle is too short to warrant costs associated with field resources. Segmenting your sales force allows the right level of support based on opportunity, buying cycle, and sales complexity. Each of these trends favors increased involvement by inside sales in business-to-business sales motions.

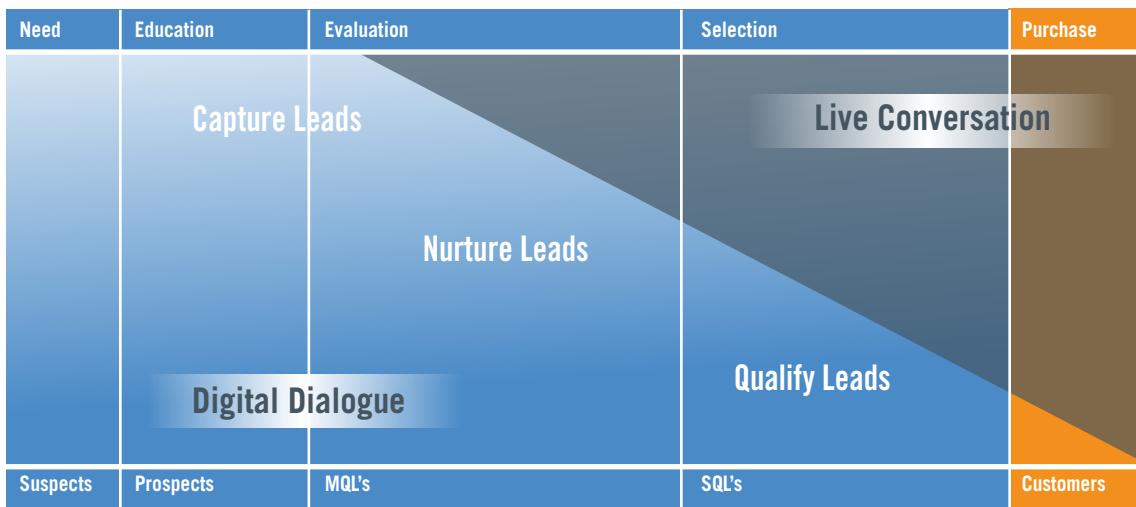
## ② The way people buy has dramatically changed

The buying process used to rely heavily on the sales person to initiate contact, drive conversation, and be the subject matter authority. According to a TechCrunch survey, 70% of a buyer's decision-making process now occurs online.

With an abundance of information and reviews available on demand, buyers research and form their decisions without ever consulting a vendor. For some buyers, the sales person is

a mere transactional irritant, engaged too late to influence or consult. An inside sales team interacts with today's buyers where they are: online, within a community, on-the-go, or on the phone. Inside sales broadens coverage to more customers, with more touches, through a variety of media and communication channels.

Transitioning from “digital dialog” to “live conversation” is key in today’s social and mobile world.



TechTarget, 2013

### ③ The way we communicate has dramatically changed

There are now more mobile devices in the world than people. That stat is both startling and exciting. Mobile opens a whole new landscape of communication to reach customers. Add in telepresence, conferencing, and collaboration technologies, and you can create a personalized, interactive, and engaging environment to conduct business without getting in a car or

setting foot on a plane. Digital engagement technology has passed the novelty stage, and is now the preferred method of communication among most busy business professionals. This shift from live conversations to digital dialog has created a substantive shift in how people expect us to communicate with them.

### ④ What we know about the buyer has dramatically changed

These days, it’s rare to find a person who doesn’t have some sort of online social presence. This activity leaves a digital footprint marketers can use to create a profile of potential buyers, and track buying stages to classify the prospect. You can leverage this data to get smarter about selling by inserting relevant, timely content to nurture prospects and guide behavior. With this kind of power comes great responsibility, but when used wisely,

inside sales teams can have more productive conversations with qualified leads who have been scored, profiled, and tiered early in their decision process.

Savvy companies are also using the social graph to build predictive targeting models, Identify and engage prospects and inject thought leadership into communities and social networks at the most opportune time.



**Jason Jensen**  
jjensen@providence.com  
Providence LLC 

Sr. Director of Sales & Marketing 

Campaign: **Show Follow-Up** 

 10 groups 500+ Connections

 324 followers  6 hours ago

 Prefers text messaging

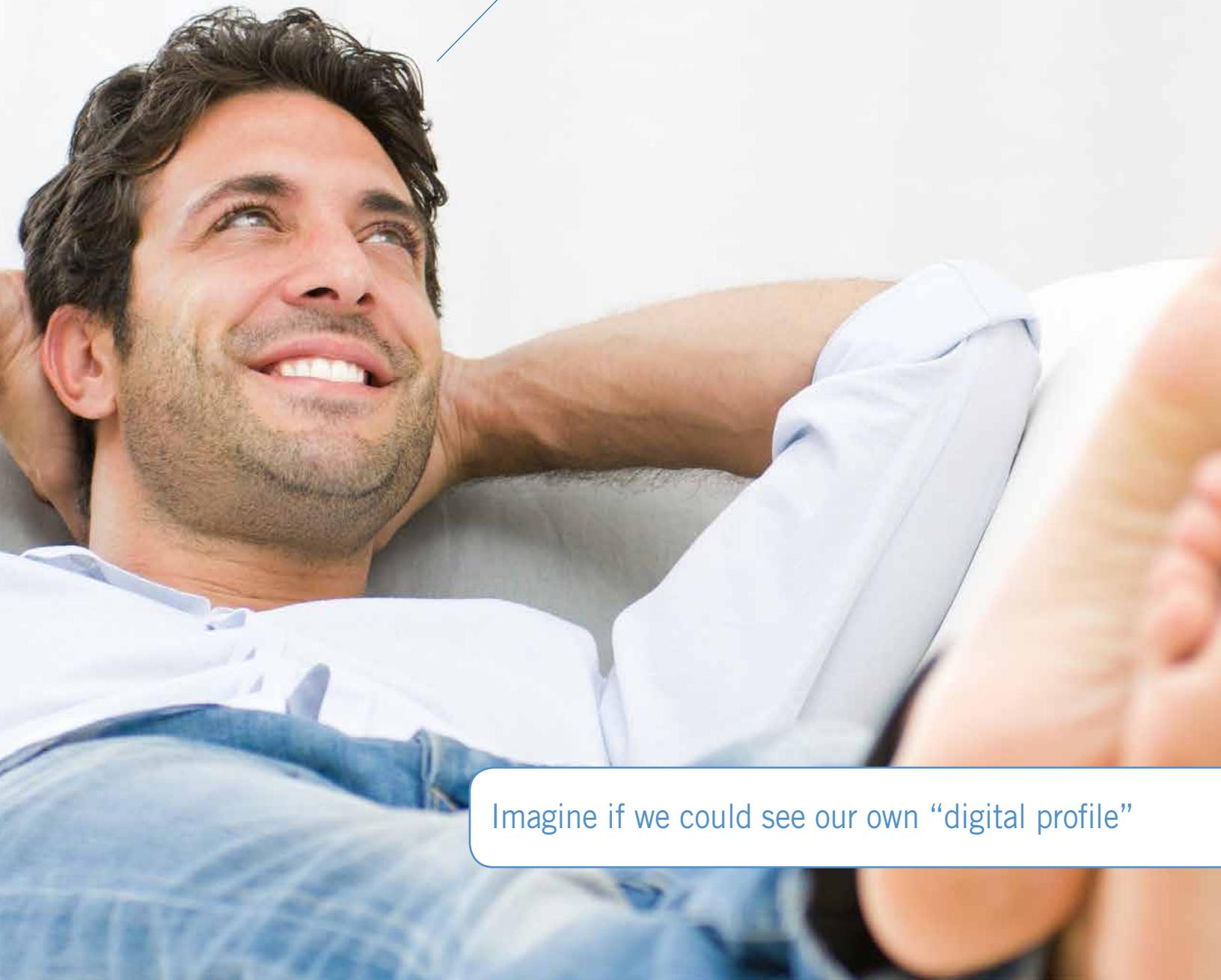
**Downloaded:** Solution White Paper

SCORE

**73**   
73%

GRADE

**A-** 



Imagine if we could see our own “digital profile”



# What is Your Strategy for Enabling Inside Sales Activities?

## Build vs. Buy?

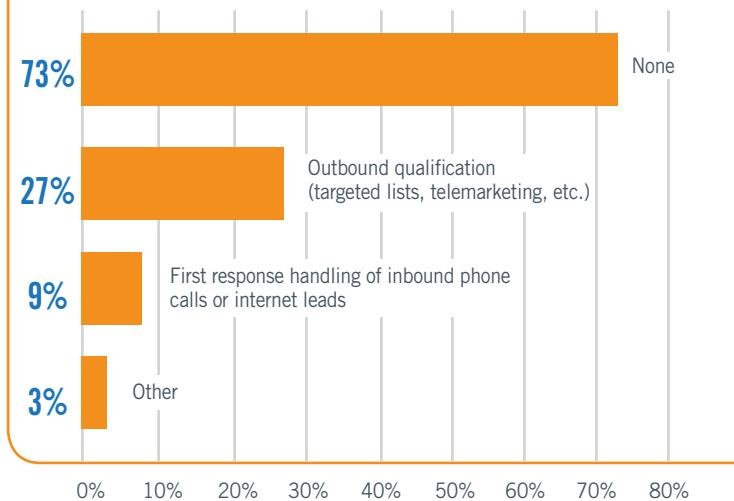
Whether evaluating a solution based on a particular challenge in the sales process, or looking to scale your entire motion, the decision to invest in staffing your own inside sales team or partnering with a solution provider is a big one.

While outsourcing inside sales holistically is not a common practice, companies have been comfortable outsourcing brand marketing, demand generation, and even lead qualification tasks for many years. But outsourcing live interactions between a viable customer and a sales representative speaking on behalf of your brand becomes more difficult for many organizations.

The decision to outsource puts your brand, prospects, and customers in the hands of a third party. How will you train them to ensure proficiency, and how do you infuse your culture and messaging? Getting it wrong damages your reputation and jeopardizes potential revenue.

While pitfalls are associated with outsourcing, many businesses decide the benefits far outweigh the risks. Saving overhead costs is a major factor, but it's not the only reason to outsource. Companies who partner with an established vendor enjoy increased efficiency by avoiding overhead costs and management. Specialists can focus on a specific vertical, growth market, channel, etc. Companies benefit from increased expertise and agility to validate sales motions, test value props and messaging, explore new opportunities, and launch/promotional support on demand.

### What inside sales tasks do you outsource?



SOURCE: "The Truth About The Field Sales to Inside Sales Migration." Velocity White Paper, 2014



# 5 Strategies that Effectively Solve Challenges Specific to Inside Sales

## Strategy 1 Increase Reach & Capacity

According to the National Federation of Independent Businesses (NFIB), “a common problem when expanding a business is the underestimation of costs,” which can lead to the unpleasant discovery of insufficient funding. What are the most difficult costs to project? Resources to support increased activity, such as research and development or additional sales staff.

An outsourced sales provider presents costs up front, so projections for expansion become easier to estimate.

This desire for increased reach and capacity is the most common outsourcing approach for companies with established high-performing sales teams. Every sales organization has regions, markets, or processes where performance remains suboptimal, despite intense management focus and internal initiatives, including:

- Low-density geographies where potential returns don’t justify the cost of direct sales coverage
- Specialty or expansion markets that require specialized recruitment and training
- Alternate distribution channels with management and support processes that differ from direct sales



## Engage the Outliers

Retargeting is a relatively new business frontier which leverages online display ad techniques to drive customer demand. An emerging business leader in this industry was experiencing explosive sales growth through enterprise B2B customers. However, the company's inside sales team was too busy to touch SMB targets, missing the opportunity to capture a viable market segment. In addition to lacking domain expertise specific to the SMB market, adding more headcount meant a huge capital investment in both systems and personnel.

The company chose to outsource the SMB inside sales motion, leveraging a third-party's existing sales infrastructure. This opened the ability to target the right resources, save on costs, and realize operational efficiency. As a result, the client's third-party vendor exceeded quota expectations, validated the SMB sales model, and positioned the client to open an incremental revenue stream while driving a compelling ROI.

### Increase Reach & Capacity

#### » KEY TAKEAWAY

**Inside sales isn't going away. In many cases, inside sales resources fill critical gaps in the sales process by covering selected accounts, regions, markets, and channels; adding capacity and improving efficiencies. The key to optimization is to match investments to expected value – and the outsourcing model extends how a company can do exactly that.**

# Strategy 2

## Scale Quickly

Organizations often need to create or expand their sales capabilities in a hurry to capitalize on a market opportunity. World class organizations have a 35% quicker sales rep ramp rate than average companies (source: Sales benchmark Index).

Even when target markets overlap, creating a new sales force in-house can draw management attention and training resources away from core lines of business, not to mention the capital expenses required. Where are they going to sit? How many CRM licenses do you need?

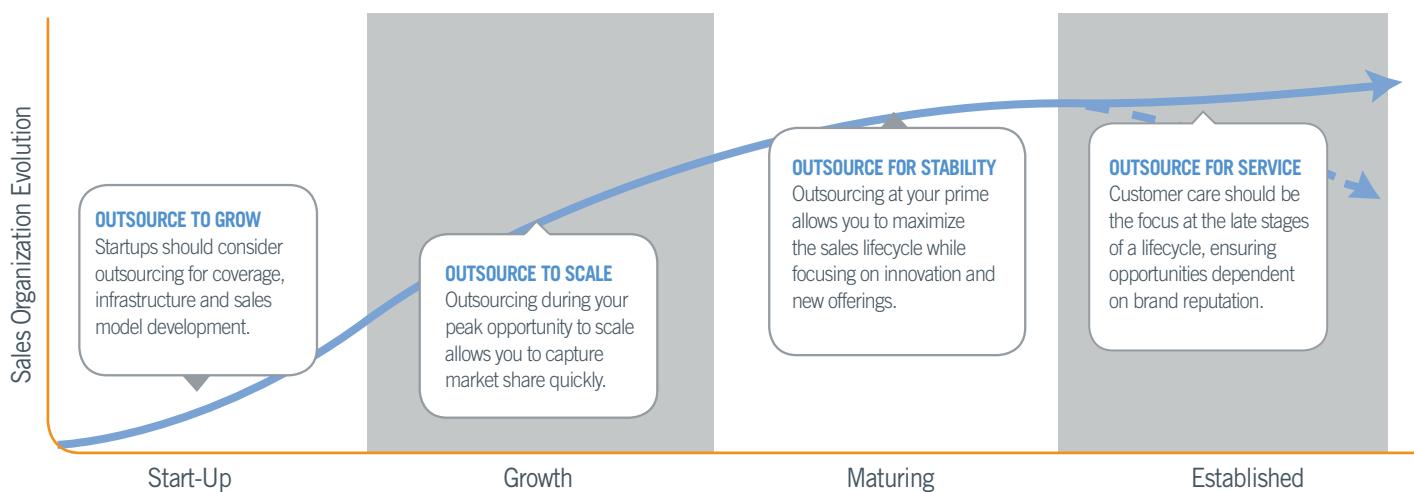
Agile, flexible programs with outsourced specialists can quickly prove or disprove sales concepts with minimal fixed investment, adapt quickly to discoveries and changes, and if needed, integrate seamlessly with in-house

### Fast Facts

- Quota attainment improves by 50% when a new sales person beats the average. (This is called Making the Number.)
- Compensation OTE is achieved 23% sooner.
- Sales management overall quota attainment exceeds 78%.
- New hire turnover (measured as "Ramp Failure Rate") is reduced over 23%.
- The average cost of mis-hire is more than \$500K.

SOURCE: Sales Benchmark Index, 2011

### Company or Product Lifecycle and Where Outsourcing Makes an Impact



## Capture Market Share

Seeking to enter an emerging vertical, a large software company made an aggressive bid to purchase the market share leader, only to have their bid rejected. The company decided to develop their own offering, but lacked the infrastructure and sales expertise required to displace the competitor and capture revenue. Outsourcing made it possible to go to market quickly and monitor reactions to this alternative offering. Once validated, the outsourced agency scaled rapidly, on-boarding and training new inside sales reps in mere weeks.

Scale Quickly

### » KEY TAKEAWAY

Most sales organizations have had experience with new products that don't fit their established sales models, including:

- **New services offered by a product-focused organization**
- **Pricing too high or low for the sales organization's experience and skill set**
- **Incompatible pricing models such as leasing or subscription vs. purchase**
- **A new technology or product category**

When these products don't directly complement established offerings, they require an incremental amount of training and coaching in addition to the adoption of sales behaviors that may feel incompatible with your primary revenue goals. If it feels "hard to sell" to an existing sales team it won't be a priority.

Using an outsourced sales provider to plan and execute a sales approach appropriate to the new offering gives the new product a fair chance in the market without compromising your sales team's attention to established offerings.

# Strategy 3

## Improve Lead Management

**Most organizations have one of three problems:**

- ① They don't have enough leads**
- ② They have too many leads and struggle to prioritize and manage engagement**
- ③ They generate leads ineffectively relative to ROI**

Outsourcing can provide seamless solutions to these problems in the following ways:

### Fast Facts

- 80% of prospects deemed “bad leads” by sales teams go on to buy within 24 months.
- Organizations that nurture their leads experience a 45% lift in lead generation ROI
- Companies with mature lead generation practices have a 9.3% higher sales quota achievement rate.

SOURCE: Online Marketing Institute, 2013

## Outsource to Drive Demand

The timing of the engagement is more critical than ever. Engage too soon and be cast off as an over-zealous, wanna-be. Wait too long and you may lose the opportunity to compete. Having the ability and technology to measure and score engagement to reach out at the right time is more critical than ever.

Data is the new dial for outsourced sales specialists whose investments in digital content and tools augment, and sometimes replace, traditional call center operations. Organizations can leverage these investments to accelerate their own move to digital interactions, and take advantage of an outsourced provider’s domain expertise. Many organizations are falling short in enabling their team to engage the hand-raisers.

## Outsourcing to Manage Lead

The rising cost and complexity of business-to-business sales highlights a growing problem. Expensive sales resources, wrapped up in managing customer decision-makers toward a close, have progressively less time to spend earlier in the sales cycle, as tasks like lead management become more complex. The result is a gap between marketing and sales, where valuable opportunities are lost to follow-up and surrendered to competitors.



Using an outside specialist to manage the early pipeline reserves expensive sales resources for sales closer to the decision point, where their skills and experience add the most value.

## Outsourcing for Better Results

Some businesses generate more leads than they can manage, so they implement marketing automation solutions to increase efficiency and responsiveness. However, many organizations struggle with the platforms, CRM integration, functionality, and resources required to optimize these tools and verify lead quality. Only 36% of automation platform users are able to design a multi-step lead nurturing process (Source: Aberdeen). Compounding the problem, too many leads go directly to sales without a lead specialist to qualify the opportunity. As a result, 61% of B2B marketers send all leads directly to sales, but only 27% of those leads will be qualified (Source: MarketingSherpa). Without a dedicated resource to disposition the lead, all you have is a name and a score.

## Improve the Handoff

With only 5% of North American market share for its flagship machinery, an agricultural manufacturer was seeking to make up ground on the competition. An audit of the existing lead management process revealed a gap in the handoff from marketing to channel sales, which grew wider when passing on leads to dealer entities. In some cases, leads went weeks without contact. Dealer frustration with the quality of leads prompted indifference among some partners, and a lack of compliance with follow-up policies.

In addition to growing market share, the client was seeking to improve lead generation and management efficiency so no lead would go untouched. They partnered with an outsourced firm to manage all inbound leads as they were received. The cold database of legacy leads was nurtured through digital marketing campaigns designed to uncover interested prospects who were ready for a sales conversation. Finally, an end-to-end process for transitioning leads from the top of the marketing funnel to dealer handoff dramatically improved partner win rates.

## Improved Lead Management

### » KEY TAKEAWAY

Specialization of resources allows you to direct the right support to each activity involved in lead management. While ambitious marketing departments will try to tackle content management, technology implementation, sales process development, campaign support, and analytics, they frequently find themselves understaffed. Outsourcing allows you to leverage the expertise of a specialist organization so you can realize the full benefits of marketing automation: shorter sales cycles, lower cost per lead, and increased customer retention.

# Strategy 4

## Test and Validate

Business-to-business products and sales processes changed slowly in the decades before the digital revolution disrupted both. Companies now have more options for bringing new or disruptive offerings to market, but face more uncertainty in choosing the best of them. Rapid experimental prototyping, testing, and iteration of new sales processes are the correct approaches, but few organizations change established processes quickly enough for effective experimentation. And fewer still are prepared to accept the many small failures that often precede success.

Partnering with the right vendor can bring specific technology or market specializations to plan, test, document, and iterate sales prospects, content, scripts, and schedules – every component of the sales mix. The process hones in quickly on a proven, optimized sales process ready to insource, scale, or extend to new products, markets, or geographies.

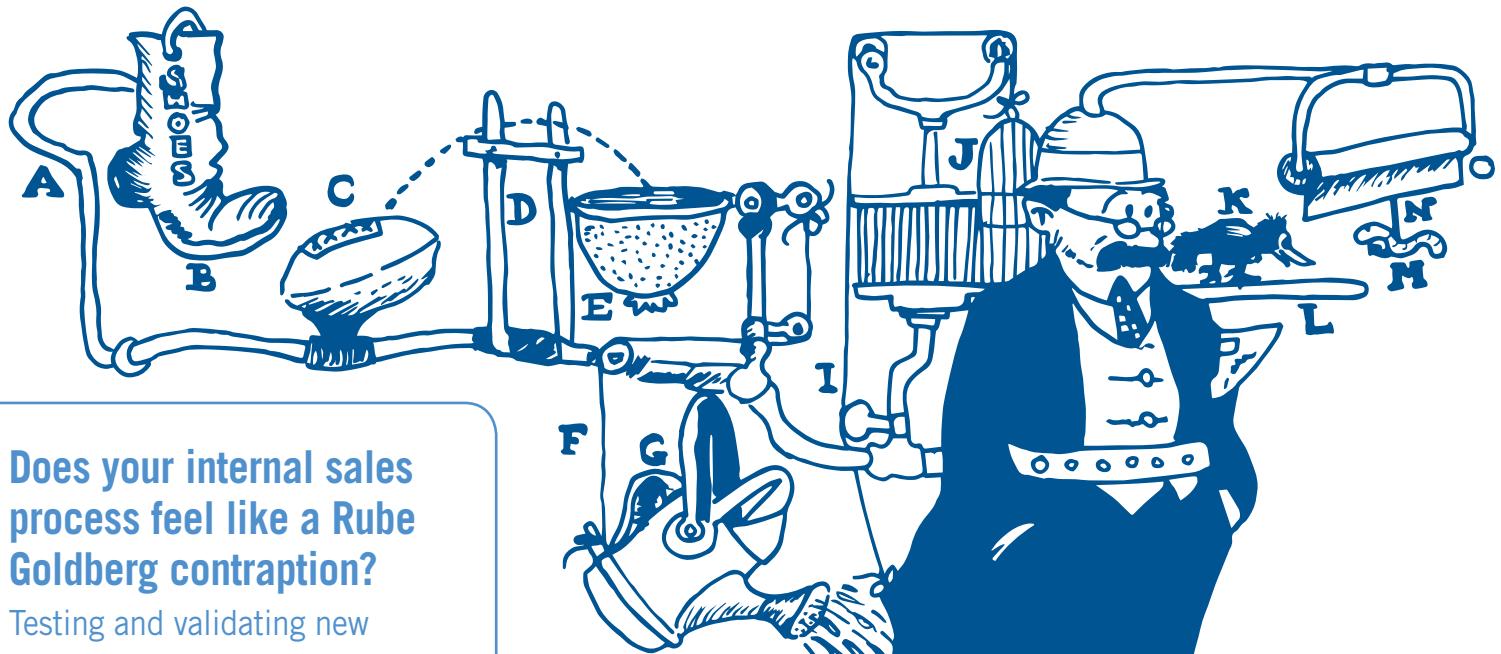


Illustration inspired by American Cartoonist Rube Goldberg (1883–1970)

## Outsource for Focus

A large hardware manufacturer with an aggressive launch timetable for new, personal computing products wanted to gain traction among SMB targets. They had an existing cold database of uncovered accounts but insufficient information to intelligently segment and target these businesses. Hiring internal marketing and sales resources presented significant risk and costs as the model and audience needed further vetting to uncover true potential.

An outsourced agency was engaged to drive sales of the new product line, and uncover market intelligence to enable segmentation and profiling of database accounts and contacts. Email nurturing was used to progressively profile and guide prospects through the funnel to qualify opportunities. As leads were profiled and scored, an inside team was able to identify decision-makers, purchase interest, timeframe, purchase preferences, and a variety of other intelligence to transform the lifeless database into a potential gold mine of opportunities. The integrated approach of digital marketing tools and inside sales resources produced a healthy ROI while validating the sales model.

## Test & Validate

### » KEY TAKEAWAY

**A partner brings a holistic point of view relative to best practices and market innovation that can bring evolutionary thinking to your own process paradigm.**

# Strategy 5

## Optimize Execution

Most sales teams are consumed with the requirements and demand of their specific market. It's not uncommon for mature sales organizations to fall behind the rapid pace of development in sales operations and management areas of process, technologies, and insights.

Digital content management, data-driven prospecting, automation, and social networking are just a few of the areas that have changed substantially in a very short time. Without a systematic effort to keep up, organizations can experience process disconnects, "dropped balls," and inadequate metrics as markets outpace their sales processes.

Other issues in sales operations are the cost and time requirements of managing the human quotient. This constantly ranks as one of the biggest drivers of sales management frustration. A recent study showed it costs \$6,000 to hire and train a new inside sales agent (Source: CSO Insights). This doesn't take into account indirect cost impacts associated with:

- Lost productivity during training and ramp time
- Costs associated with oversight and errors during ramp
- Cost of reduced performance when motivation becomes an issue
- Costs associated with reduced quality in performance (missed upsell opportunities)



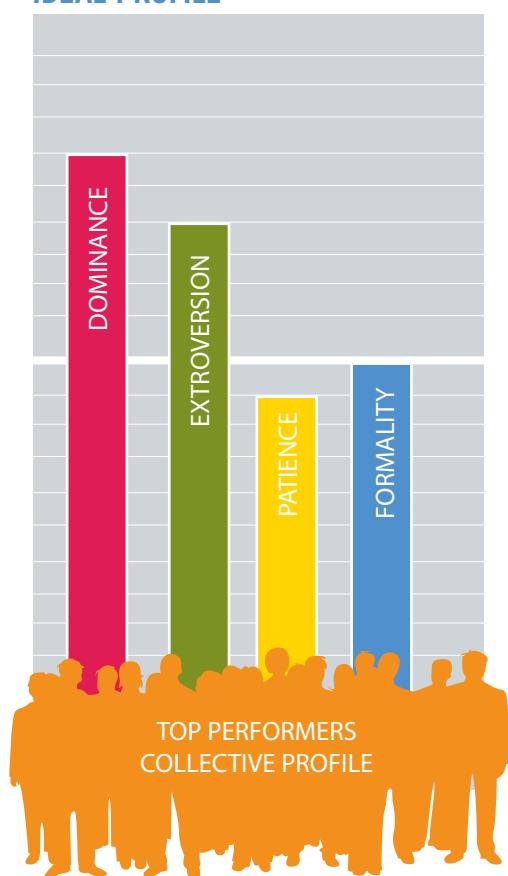
Without exception, your success usually comes down to individual performance. Regardless of your desire to staff internally or outsource, there are four discerning factors in managing the human quotient to inside sales:

## ① RIGHT PERSON

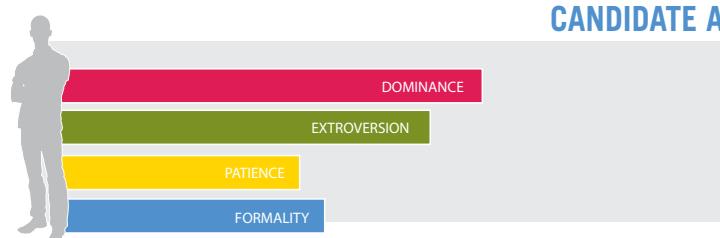
What constitutes talent in a field-sales representative does not explicitly translate over to a profile of an inside-sales rock star. Inside sales professionals tend to be young, aspiring individuals who require a certain level of business rigor. Their day is typically driven by tactical metrics, and as such, the role requires a certain level of patience, dedication, and focus. Having the ability to replicate the success of top performers requires the ability to profile and measure key performance indicators and develop an ideal profile to recruit more adept individuals.

This example profile was created by synthesizing the profiles of 50 of MarketStar's top-performers. Based on the Ideal profile, which of these candidates would you hire?

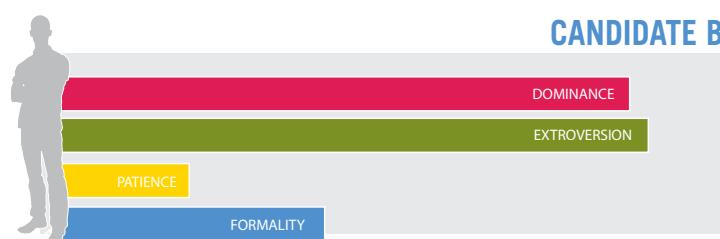
IDEAL PROFILE



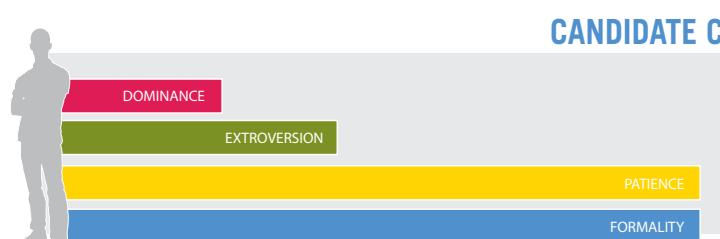
CANDIDATE A



CANDIDATE B



CANDIDATE C



Answer: Candidate A

## ② RIGHT TRAINING

Despite the reality that the average tenure for an inside sales professional is 2.9 years and high-performing organizations still deal with 25-30% turnover, best-in-class inside sales teams foster a culture of professional development when it comes to onboarding and enabling new sales resources. Training should be more than just classroom style experience. Classroom style training is most effective when done in combination with formal mentoring programs, side-by-side coaching, regular performance evaluations, and ongoing soft-skill development. Fostering a culture where the individual is as important as the outcome helps minimize the critical “time-to-ramp” investment and the indirect financial impact caused by early termination and poor performance.

## ③ RIGHT MOTIVATIONS

In the inside sales world, financial incentives are important but not everything. Because of the high pressure and redundant nature of most roles, best-in-class providers stratify their motivational techniques to ensure that both intrinsic and extrinsic strategies, as well as balance team motivation, with individual recognition.

### The Millennial Effect

Millennials are flooding the workplace. The average millennial has spent more than 10,000 hours playing video games by the time they are 21. This amount of time is equal to the amount of time spent in secondary education classrooms. When strategically leveraged, this gamified life can be leveraged to increase the collective performance of an inside sales team.

Concepts that resonate on successful inside sales teams:



### Level-Up!

74% of Millennials feel that “winning” is performing above average. Ensure your motivational efforts reward the second tier of performers who you need to keep engaged in becoming your next top performer.



### You Win!

Millennials expect instant gratification for their contribution. Leverage this to your advantage with daily and weekly ad-hoc campaigns. Millennials respond better to authentic and improvised programs than they do formal incentives that feel “mandated” from a position of authority.

### Get Ranked!

Millennials like to know where they stand and how their performance compares to others. Fostering a healthy spirit of competition by publishing and promoting leaderboards can bring a relatable energy to the sales floor.

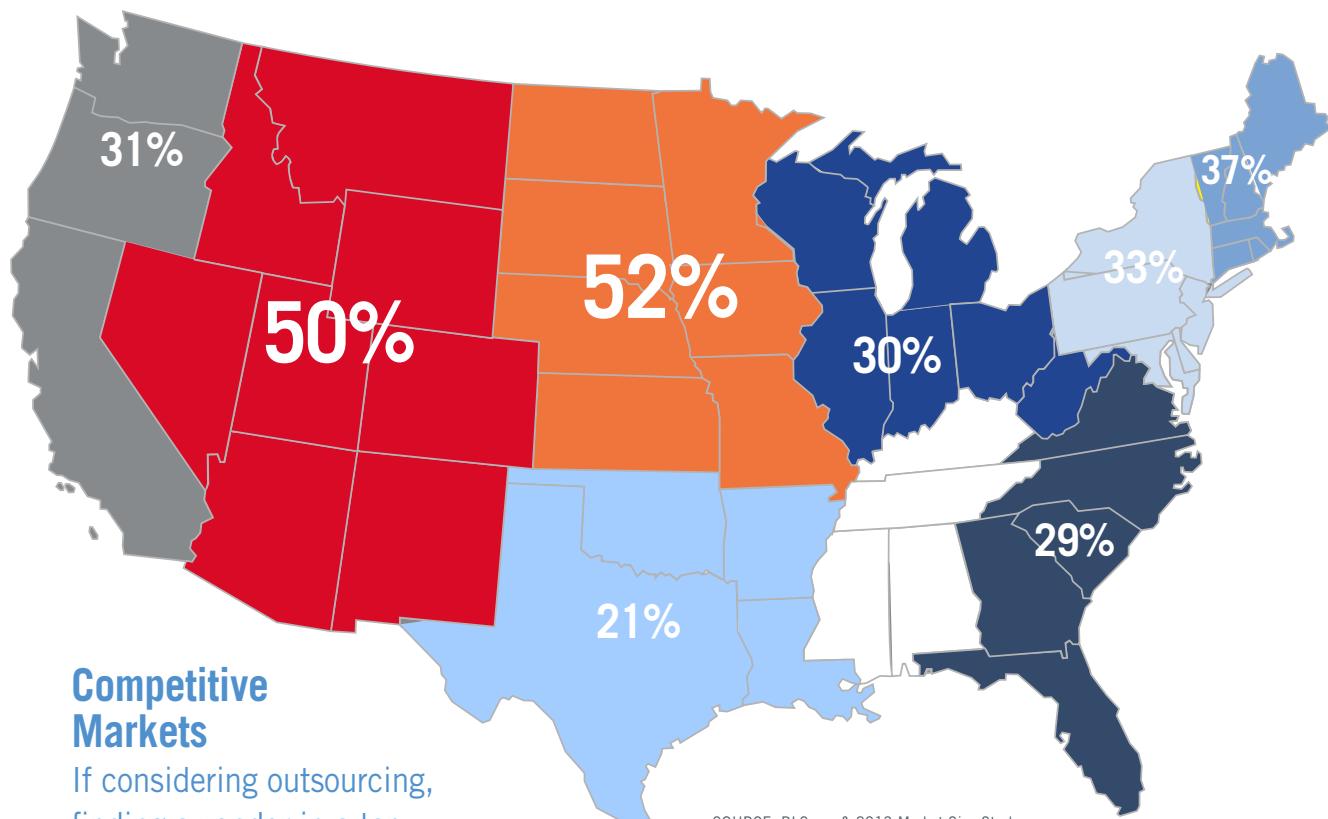


## ④ RIGHT COST

Cost of living plays a huge factor in being able to maintain a sizable inside sales presence.

According to a 2013 AA-ISP report, the markets seeing the most growth in the inside sales industry are markets with both a large volume of viable candidates and a reasonable cost of living. If your company is located in an expensive market relative to cost of living, partnering with an outsourced provider in a more favorable market is a great cost-management solution.

### Inside Sales Growth by Region



## Right Skills, Right Place, Right Timing

Seeking a new market for a complementary service offering, a software vendor needed to put together a sales motion—fast. As a new entrant to the industry, their hiring and training, lead management, messaging and value prop, and reporting and analysis for this program needed to be developed from scratch. Time to market was essential to carving out market share in this frontier industry.

Rather than muddling through the time and resource-intensive process of creating a brand new sales program, the vendor outsourced to a firm which already had the staffing, technology, and intelligence resources in place to reduce ramp time and optimize results. The firm proactively deployed a team to test new sales solution, and leveraged sophisticated reporting and analysis to uncover the best time to reach decision makers by market and vertical to optimize contact and close rates.

## Improve Operational Excellence

### » KEY TAKEAWAY

As specialists in a competitive industry, outsourced sales organizations succeed by keeping their people, technologies, and insights aligned to current market realities. Clients can use outsourcing partners' best-in-class infrastructure and experience in managing, training, and motivating reps as an alternative to building their own teams, to stay ahead of the curve at reasonable levels of investment. You should expect an outsourced partner to bring cutting-edge tools and technology to the table to support your needs.



# Outsourcing vs. Insourcing

## Key Considerations

## Flexibility is the Key

Decisions about whether to outsource a function or build capabilities in-house depend on multiple factors. Media discussions of outsourcing usually focus on cost, but sales professionals know in the majority of cases, flexibility drives the outsourcing decision.

For clients of outsourced sales services, flexibility means how well – and how quickly – providers can adapt to their requirements. Key considerations should include:

### **Resources, processes, and infrastructure**

Does the provider have all the components in place to support the quick launch of a new program?

### **Scalability**

Can the provider prove their ability to scale up to meet new demand, out to cover new geographies and markets, or down to weather business cycles?

### **Agility and adaptability**

Can the provider change their sales tactics and service mix as they learn or adapt to the dynamics of their clients' markets?

### **Billing models**

Does the provider offer a pricing model, including the fixed and variable components that match the value they promise?

# Comparing Costs

In comparing costs between insourced and outsourced alternatives, it's important to consider all the budget impacts. Simple comparisons of salaries, bonuses, and commissions overlook factors like these:

- **Capital expenses, facilities, and equipment**, especially for expansion programs requiring building or leasing new space
- **Recruitment and training**, including the cost of downtime as new resources are brought on-board and up-to-speed
- **Vacations and other benefits**, particularly health care
- **Management overhead**, including opportunities lost while managers and sales teams coach inside sales staff to improve effectiveness

Frequently overlooked is the fact that outsourced sales costs are variable over the long run, compared to the high fixed costs of hiring and laying off employees. Organizations should consider program risk and the value of risk management when comparing insource and outsource costs.

A narrow or exclusive focus on costs can be misleading. Outsourced providers should offer genuine economies of scale, not just cut-rate or narrow services that underperform and defeat their clients' purposes. And organizations should never forget the real benefits show up on the value side of the ledger.

## COST COMPARISON WORKSHEET

INTERNAL	RECRUITMENT COSTS	INCLUDED IN REP RATE
	SALARY OR REP RATE	
	BENEFITS LOAD (17%)	INCLUDED IN REP RATE
	COMMISSION (100% attainment)	
	TRAINING & CERTIFICATION COSTS	
	FACILITIES COSTS (rent, furniture etc.)	INCLUDED IN REP RATE
	REQUIRED HARDWARE (computer, phone etc.)	INCLUDED IN REP RATE
	SOFTWARE LICENSING (CRM, etc.)	INCLUDED IN REP RATE
<b>TOTAL COST PER SALES REP</b>		

# Innovation. Quality. Focus.

Outsourced providers should be able to demonstrate compelling value and lower cost of sales than insourced solutions, but other factors matter, too. For example, the larger scale of outsourced firms' sales operations allows them to invest in and create innovative technologies and processes – and the expertise they acquire with one client helps them improve all of their programs.

Outsourced firms place the highest priority on maintaining service quality and customer satisfaction, since no factor is a better predictor of client retention. Clients should expect to see a comprehensive set of quality metrics, and a track record of satisfied long-term clients.

A final advantage of an outsourced sales provider is the intensity of focus they bring to sales issues. Since they work exclusively in sales, their personnel are freed from the distractions and conflicts that affect less-specialized businesses.

## SLA COMPARISONS WORKSHEET

Below is a sample list of service level questions to help you compare quality

YOU      THEM

What is your lead attempt-to-contact ratio?

How long does it take to disposition an inbound lead?

How long does it take to follow up with an active qualified lead?

How long does it take to identify and contact the decision-maker?

What is your lead-to-opportunity ratio?

What percentage of revenue comes from marketing-generated leads?

What is your landing page conversion rate?

How long is your sales cycle from initial interest to deal closure?

What is your average cost of sale?

What is your success rate on upsell/crossell opportunities?



# Selecting an Outsourced Sales Partner

## Integration and Strategic Fit

Once an organization has selected a strategy and decided to outsource, it's time to find the appropriate partner. While each organization's requirements are different, these general guidelines should help increase the speed and comfort level of the selection process.

Resources are an essential part of outsourced sales, but potential clients should keep in mind they're purchasing services, not just the resources on which those services are built. Integration is what distinguishes outsourced sales specialists from recruiters, software providers, and consultants. Select a partner that can combine and coordinate people, technologies, and insights into value-added services.

It's also important a partner's capabilities are a strategic fit to their client organization's requirements. Some outsourced firms are marketing-centric, with a strong focus on demand generation and lead management; others have a singular focus on sales. Generalists can build and adapt full end-to-end marketing and sales ecosystems, as well as provide component services. Potential clients should look for partners with capabilities that meet current needs, and have the flexibility to adapt when those needs change.

Select a partner that can combine and coordinate people, technologies, and insights into value-added services.



# ① PEOPLE

Since the people working for an outsourced sales specialist will represent an organization's brand, personnel quality is the first and foremost resource consideration when selecting a partner. Processes for hiring, motivation, and retention are key to maintaining personnel quality.

- **Quality of the labor pool** – outsourced firms can locate or hire in regions where living costs are low compared to the skill, education, and motivation of the candidate population. Expect potential partners to make a strong case for their labor pool.
- **Retention** – for outsourced, as well as insourced representatives, internal sales is a “stepping stone” job. Look for low turnover, but also rapid, customer-sensitive replacement processes.
- **Onboarding speed and quality** – a partner’s hiring and training processes determine the agility and flexibility of the services they offer their clients. Look for data and documentation from past launches and scale-ups.
- **Motivation** – this is an intangible, but partners should treat inside sales teams as sales professionals not call-center representatives.

## Look for indicators like these:

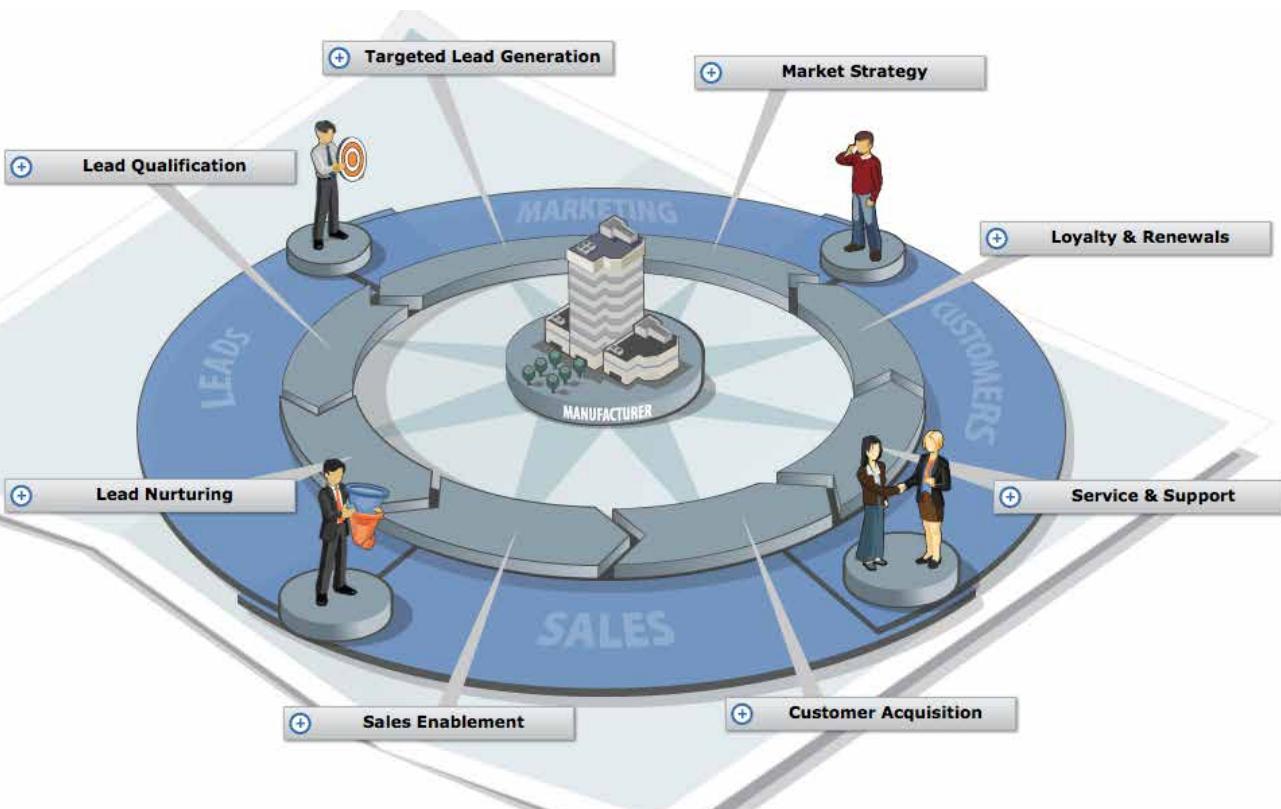
- Sales reps have their own territory and quota
- Clear goals are backed by direction and coaching, but with the autonomy to work independently to meet objectives
- Salaries, facilities, benefits, vacations, and perks indicate professional treatment
- Advancement opportunities, both into specialist positions (e.g., analyst) and team leader or manager, offer room for growth

## ② PROCESSES

An outsourced provider's sales processes should show the same discipline and rigor as their recruitment and onboarding processes. Specifically, look for capabilities like:

- **Forecasting and pipeline management** so your partner and your sales team always have a plan to work and measure against.
- **Tactics for hitting targets and quotas**, such as pulling in additional resources, redeploying or adapting marketing materials, and refining calling schedules and scripts as needed.
- **Metrics and analytics**, ideally managed by analysts who work closely with, but not on, the sales teams themselves.

As always, look for process flexibility and adaptability so your partner can adapt to the unique requirements of each product and market, and to the insights and changes they'll encounter once they get started.



The ideal closed-loop sales scenario encompasses all of the above.

# ③

## INSIGHTS AND TECHNOLOGIES

Sales and marketing technologies are advancing rapidly, and can be a distraction and resource sink if deployed indiscriminately. Ask your provider how technologies like these fit into their planning, deployment, and measurement processes:

- **Digital demand generation expertise**, including content management, nurturing and marketing automation to create a pipeline of demand and optimize lead management resources.
- **Social media savvy**, including client representation on LinkedIn, coordination under a social media management platform, and integration of appropriate metrics.
- **CRM expertise**, especially Salesforce.com integration for zero-gap sales and marketing integration.
- **Analytics capabilities**, including a technology platform, standard reports, and an experienced staff to deliver and interpret metrics relevant to your business goals.

Awareness	Consideration	Purchase	Grow	Retain
List Acquisition				
Content Development				
Digital Demand Generation				
Marketing Automation and Lead Nurturing				
Social Media Engagement				
CRM and Analytics Capabilities				

A successful vendor will demonstrate the ability to leverage insights and technologies throughout the entire customer lifecycle. Expect proof in the form of success stories and recommendations from comparable clients with similar go-to-market strategies.



# Conclusion: Making it Work

## Keys to a Successful Partnership

Selecting a partner isn't the last step in making an outsourced sales arrangement work – continued client involvement is the key to a successful long-term relationship.

An important first step is to set up a compensation arrangement that balances financial risks between client and provider, and reflects the value you expect from the relationship. This should include variable compensation to share the risks and rewards of performance, as well as fixed compensation so the partner has a stake in the relationship and motivation to stay within the boundaries set.

Another front-loaded investment is training. Initial knowledge transfer is the client's responsibility, with co-training over the first few recruitment cycles, and the provider taking over as the program matures. Plan on staying involved, especially as your product, marketing materials, and sales tactics adapt to the market.

Finally, stay in close communication with your provider, to demonstrate commitment and minimize conflict. Periodic reviews help keep both inside and outside components of your strategy optimized. A willingness to pick up the phone and resolve issues quickly is also important to a successful relationship.





# ABOUT MARKETSTAR

Since 1988, MarketStar has established its authority in strategic sales and marketing outsourcing, go-to-market systems and business intelligence – producing predictable and profitable results.

Serving as an integrated extension of our client's sales and marketing teams, we shorten sales cycles and close deals across multiple verticals and untapped markets. Our expertise permits our clients to identify their most profitable relationships and cultivate deeper business partnerships. Our robust international network of partners and extensive direct sales service offerings position MarketStar as an optimal solution for companies demanding strategic value with performance-based compensation.

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