

## Seven Surefire Reasons to Outsource Sales

*Augmenting sales teams can help sales leaders expand into new markets, boost new product revenue, and strengthen omnichannel customer engagement*

**Just the Facts:** Organizational leaders for many B2B companies are often reluctant to outsource any of their sales capabilities since these disciplines are looked upon as core competencies.

Indeed, relinquishing any degree of control over an aspect of sales can be tough, particularly when sales leaders are on the hook for hitting performance goals. “When you carry a revenue target, you have a hard time giving up any measure of control,” says Judi Hand, president and general manager of growth services at TeleTech.

In other cases, there’s a fear of the unknown. “Part of it is that business leaders can’t understand that another company can represent their brand well,” says Barbara Wingle, executive director of strategic marketing and analytics of growth services at TeleTech. “Leadership feels they need to manage and control the customer experience.”

Yet despite these concerns, there are numerous business and operational advantages to outsourcing sales activities. Companies with large, geographically-dispersed markets can leverage additional salespeople through an outsourcing partnership to take advantage of opportunities in untapped regions.

### Beyond feet on the street

Still, outsourcing different types of sales activities isn’t just a feet on the street play. Many sales organizations struggle with poor conversion rates of qualified leads, and protracted sales cycles, along with a lack of product or vertical industry expertise within the sales organization.

Consider that nearly two out of five (37 percent) sales reps fail to make their quotas, according to CSO Insights. While there are a number of reasons for these shortcomings, including a lack of visibility into sales leads, the findings underscore rich opportunities for using outsourced sales resources to strengthen operational and business results.

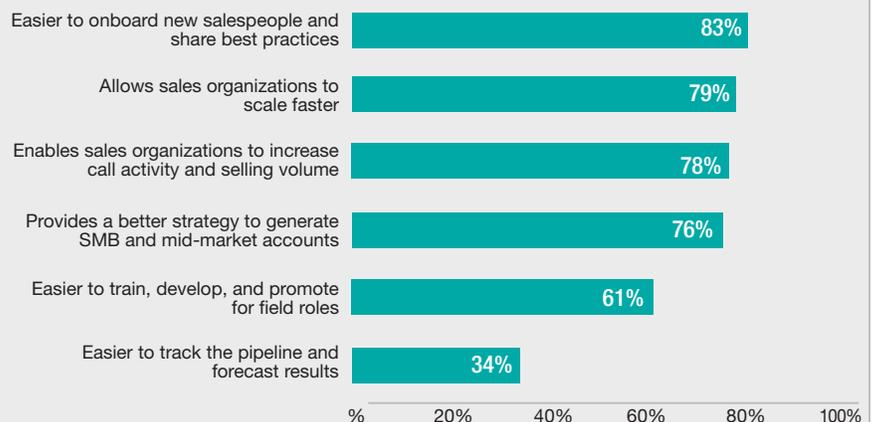
“Many first-time clients are afraid of abdicating their culture by partnering with a third-party organization,” says Patrick Burke, vice president of program sales of growth services at TeleTech. For its part, TeleTech’s growth services division works closely with each of its clients to indoctrinate its salespeople into that company’s culture. This includes the language they’re taught to use with a client’s customers and prospects as well as obtaining a deep understanding of the client’s product positioning and messaging.

“We are an extension of our client’s sales team,” says Hand. “In fact, we have some clients who refer to us as their Tempe (AZ) sales center or their New Zealand sales center,” Hand adds. Savvy sales leaders use all of the tools they have available to them. This includes tapping knowledgeable third-party resources that can offer best practices and other capabilities that have been drawn from years of experience working with sales teams across multiple industries. In the pages that follow, we’ll explore different ways that outsourcing can help sales organizations attain and even surpass their sales quotas, improve their conversion rates, tap into experienced omnichannel sales experts, and much more.

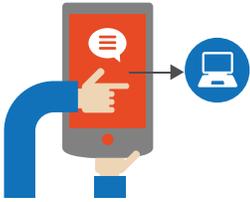
### The Benefit of Using Inside Sales

Sales leaders face numerous execution challenges. These include the ramp up time needed to make new sales reps effective; high turnover rates within sales teams; as well as performance issues that can crop up with individual salespeople. These are just some of the reasons why outsourcing and the use of inside sales teams can strengthen sales performance, as evidenced by a recent study conducted on the topic by University of Southern California Marshall School of Business professor Steve W. Martin for the Harvard Business Review.

Source: “The Trend Changing the Sales Landscape.” Steve W. Martin. Survey of 100+ sales leaders. 2013.



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— *Barbara Wingle,  
Executive Director of  
Strategic Marketing and  
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Outsourcing can be an extremely attractive option for many sales organizations. In addition to helping companies expand quickly into underserved or highly fragmented business markets, outsourcing can also enable organizations to get new sales programs up and running quickly with highly-skilled resources. We explore seven surefire reasons to outsource sales:

### 1. Targeting new or underserved markets.

Small, midmarket, and even enterprise companies are often stretched when it comes to having the right number of salespeople to cover different territories and vertical industries. In addition, B2B companies often have hundreds of thousands of small-to-medium business (SMB) leads available to them that they’re unable to pursue due to resource constraints, says Burke.

Outsourced sales resources can focus specifically on developing vertical or geographic markets that require greater attention. Meanwhile, companies can also use an outsourced sales team to test new approaches to sales and product positioning. From there, the results can be analyzed and fine-tuned before being extended to a larger base of customers and prospects.

### 2. Leapfrogging existing technology constraints.

Companies can achieve time-to-market benefits by outsourcing to a company that has built and maintained state-of-the-art data and CRM environments. Rather than having to wait for approval from corporate IT and availability in the project pipeline to deploy sales automation, sales organizations can leverage advanced technologies honed by outsourcing partners. “This allows sales leaders and their teams to focus on results instead of having to manage the hairball of orchestrating marketing automation,” says Hand. For instance, one automotive company that outsourced its CRM activities to TeleTech’s growth services division was able to free up resources to other areas of its business.

Meanwhile, companies can also benefit from the use of an outsourced partner’s analytics tools. Analytics can help salespeople determine the best time to call a customer or to extend an offer, notes Burke. In addition, analytics can help sales leaders gain a deeper understanding behind performance issues for individual salespeople and take corrective actions that can strengthen operational and business results.

**3. Supporting new product rollouts.** One of the greatest advantages to outsourcing is that it can allow a company to use an outsourcing partner as a sandbox environment to test out new campaigns

and promotions. One technology company regularly relies on TeleTech’s growth services division to call customers and prospects about new products it’s testing. The tech company then analyzes the results and determines whether or not to launch the product into the market or make revisions based on feedback it has received. In some cases, TeleTech’s growth services division helps to assess how a product is being received in the market, determine an effective price point, and evaluate what the sales cycle is going to look like for that product.

“That’s much more actionable than doing a market research study,” says Hand.

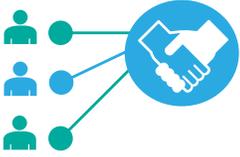
### 4. Fostering omnichannel customer engagement.

Organizations that tap into the expertise of sales reps with proven performance in digital channels such as web, chat, and social will strengthen their omnichannel results. One technology company decided that it wanted to educate consumers about its product offerings via social media. “We helped them determine the social media channels that are most relevant to the company’s target audience,” says Wingle.

Meanwhile, many sales leaders are just beginning to recognize the engagement opportunities that chat can create with customers and prospects. Companies that lean on outsourced partners with proven digital engagement skills among their sales reps can achieve dramatic results in improving unit volume and Net Promoter Score (NPS) by connecting with customers who prefer to use chat.

**5. Gaining expertise.** Leveraging a sales outsourcing boutique can enable a company to draw on best practices and lessons learned from a partner’s vast experience with other clients across multiple industries. This is extremely useful for picking up new ideas for sales techniques, especially for companies in industries that are rather insular. It’s also a great way for sales leaders to add bench strength with reps who have demonstrated experience in specific vertical industries (healthcare, financial services, technology).

**6. Lowering the cost of sales.** Outsourcers are flat out less expensive than onboarding and staffing field sales staff. Industry estimates reveal that each customer contact with an inside salesperson might cost a company \$25 to \$30 compared with \$300 to \$500 for a field salesperson, including travel expenses and company benefits. Outsourcing enables sales leaders to slash overhead costs while expanding sales coverage.



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**7. Increasing profits and revenues.** Companies can maximize all sales opportunities and increase revenue by augmenting their sales resources. This includes tapping an outsourcer that has the technological wherewithal to capitalize on customer data. Customer data and analytics can help create statistical models that can be used to identify the best customers and

prospects along with developing an effective touch cadence throughout the customer lifecycle.

One enterprise logistics company TeleTech's growth services division worked with was able to generate a 28 percent improvement in the efficiency of its sales team in the first 60 days of its engagement while its sales trajectory jumped 121 percent.

## Rejuvenate Sales with Fresh Ideas

With any sales organization, sales leaders and their teams can become so laser-focused on meeting their targets that the group can easily miss opportunities to introduce new ideas and approaches that can kick-start performance. This is another way that an outsourcing partner can help your organization by bringing fresh ideas and new perspectives to the table.

In addition, sales organizations that need to make substantive changes, such as an overhaul to its field sales strategy or the implementation of a digital marketing plan, can also gain from working with a third-party provider that can offer innovative suggestions based on practical experience with other clients.

“It's often more difficult to do that type of transformation internally,” says Wingle. “If you outsource it, you can start with fresh ideas and benefit from using best practices for processes from multiple programs that have succeeded.”

New concepts can include innovative approaches to compensation and incentive plans for salespeople. “We can drive better results by aligning compensation and incentive plans with the activities that need to be accomplished,” says Burke.

## Sell Smarter, Not Harder

A key advantage to working with an outsourcing partner with technological expertise is the ability to use customer and prospect data to identify the most effective ways to contact and engage with omnichannel customers.

For its part, TeleTech's growth services division manages hundreds of thousands of business customers for several clients, including a large wireless carrier. We are able to draw on behavioral and CRM data to determine the best channels, timing, and messaging to use for each customer outreach.

“It's a much smarter way to go about this and a lot of the heavy lifting is done through electronic means to send customers highly contextualized emails or texts from their reps,” says Burke.

## Wealth Manager Acts Quickly to Stem Churn

### CHALLENGE

A wealth management company was losing customers (and assets) to rival firms and lacked an effective communications plan and infrastructure to interact with its clients to help strengthen retention. A technology infrastructure that was identified as a means to communicate with customers would have taken 12-to-24 months to implement internally.

### STRATEGY

Using analytics, We helped the company build out and execute a marketing touch strategy with 250,000+ unique accounts across 63 channel combinations.

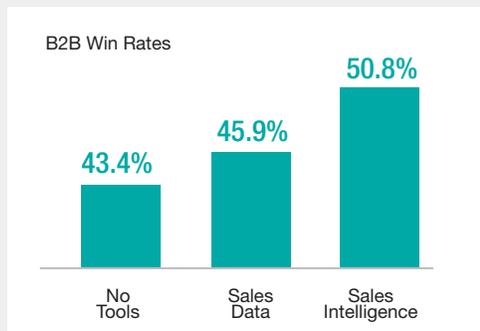
### RESULT

Company leaders gained new insights into customer behaviors and attitudes. For instance, some older investors didn't realize they had options for shifting their investments. Data-driven analyses enabled wealth managers to identify the right customers to contact at the right time with the right messaging. These efforts helped to increase engagement by 60 percent and the retention of thousands of customers. One campaign resulted in more than 1,200 webinar attendees and \$69 million in asset growth.

### By the Numbers:

#### Sales Intelligence Drives Results

The more informed that sales teams are about customers and prospects, including their purchase histories, current needs, sales cycle status, etc., the greater their chances for engaging with them and strengthening conversion rates. A study by CSO Insights bears this out, revealing how B2B sales win rates are higher when sales teams use sales intelligence.



Source: CSO Insights

## Getting Started

Outsourcing offers sales leaders multiple opportunities to strengthen performance. This includes gaining access to advanced technologies, industry best practices, and tapping into sales reps with deep product, channel, and/or vertical industry expertise.

A good starting point for exploring these opportunities is by having a prospective outsourcing partner conduct an assessment to help determine gaps in a company's sales performance and opportunities for improvement.

Sales leaders can also benefit by identifying and selecting a geography or customer segment that is underserved and start there. "Try a different approach and see what types of results it generates," says Hand.

When evaluating potential outsourcing partners, make sure that the philosophy of the partner that's ultimately selected is closely aligned with your organization's culture. This will help ensure that your brand is well represented and that your customers are treated the way that your company would treat them.

If you pilot with an outsourcing company, make sure the partner does its homework to ensure that it understands your company's positioning in the market. "If you don't take the time to understand the market that the client works in, or the product or brand challenges they face, then you won't be successful," says Wingle.

Naturally, the first attribute that sales leaders should look for in an outsourcing partner is a company whose core competency is in sales. "During the request-for-proposal (RFP) and procurement processes, many companies often mistakenly focus on cost," says Burke. "The key with sales is to look at an outsourcer's core competencies and the anticipated ROI that can be generated."

Ultimately, sales leaders should have a vision for what they're aiming to accomplish. "Do your homework to understand how the customer experience can be improved," says Wingle. "It's not just about selling to a customer today but enriching the customer relationship and extending customer lifetime value."

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