



2023 SPS Executive Summary

We gathered data and created the Sales Performance Scorecard (SPS) Matrix last year but were restricted from introducing it before its appearance in the Nov-Dec '22 issue of the [Harvard Business Review](#). The SPS Matrix is an update and expansion of the Sales Relationship Process (SRP) Matrix we introduced in 2007. The update included relabeling three of the five levels of relationship to reflect the sea change, some would say “power shift,” that has occurred between buyers and sellers in the B2B marketplace. The expansion was relabeling one and introducing another level of sales process to reflect the impact of artificial intelligence (AI) and machine learning (ML). Given this background, we are pleased and excited to introduce the 2023 SPS Matrix, related performance levels (see below) and analysis of this year’s data.

2023 Sales Performance Scorecard (SPS) Matrix

Trusted Co-creator					
Strategic Collaborator			Level 3 - 32% of Firms		
Solution Consultant					
Preferred Supplier		Level 2 - 37% of Firms			
Transactional Vendor	Level 1 - 31% of Firms				
	Ad Hoc Process	Informal Process	Formal Process	Agile Process	Customized Process

The Most “Anticipated Recession”—Ever.

Looking back at the study data from the 2022 SPS study, the initial hope was that performance would end well for the year. However, the actual results reported for 2022 came in at 53% of reps making quota and 87% revenue target attainment. Asked how 2023 was tracking compared to 2022, only 22% reported an increase in the percentage of salespeople making plan, and 23% said the same regarding the percentage of overall revenue plan attainment. Now in Q4 2023, we present data on the Top 12 Challenges heading into 2024.

The challenges are summarized below with the hope that you will be spurred to request/review the [entire report](#) (45 pages) but recognize the need to “cut to the chase.” You may want to assign digging

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deeper to someone on your team, but we invite you to check out the findings below. Spoiler alert: many of the needles are pointing in the wrong direction. The current economic, political, geopolitical, and environmental uncertainty only suggests the need for a clear-eyed strategy to wrap up this year and kickoff next year.

The SPS study gathers self-reported data, much of which is probably based on best guesses. However, these guesses normalize over several hundred responses. Still, the SPS Matrix is much more definitively based. The metrics that underpin the performance levels are figures every company tracks:

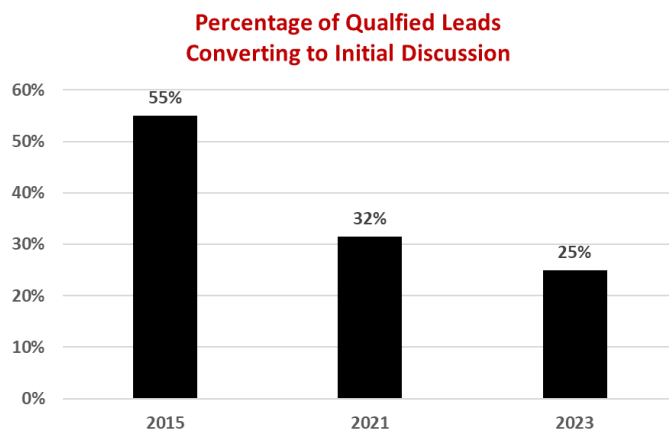
- Percentage of Target attainment;
- Percentage of Reps meeting quota;
- Outcome of Forecast deals;
- Voluntary turnover;
- Involuntary turnover.

Sales Performance KPI Comparison	Level 1: 2023 Results	Level 2: 2023 Results	Level 3: 2023 Results
% Salespeople Making Quota	45%	48%	61%
% Overall Revenue Plan Attainment	76%	85%	94%
% Forecast Deals – Wins	41%	46%	57%
% Forecast Deals – Losses	29%	25%	18%
% Forecast Deals – No Decisions	30%	29%	25%
% Voluntary Turnover	12%	10%	8%
% Involuntary Turnover	17%	13%	10%

The table above and to the right summarizes these figures for the three performance levels and shows significant differences in results.

Getting in the Game

1: Percentage of Qualified Leads Converting to Initial Discussion



The percentage of Qualified Leads converting to initial discussion has fallen by more than half in eight years. It's not surprising that conversion rates soar when the quality of leads improves from Unacceptable to Excellent. What is surprising, only 7% of firms reported Excellent, or better, quality leads from Marketing.

2: Ability to Thoroughly Research Prospect Accounts

Reps attaining quota jumped from 46% to 65% when reps' ability to research prospects improves. There likely are other contributing factors, but truly preparing for each sales call counts.

3: Sellers Continue to be the Main Source of Leads

Thirty-nine percent of leads are generated by BDRs/SDRs/Reps. The two lowest contributing sources? Referrals and Customer Success. What can be done to help these target rich areas contribute to lead flow?

Winning the Game

4: Effectively Identify and Gain Access to all Key Stakeholders

Is "No Decision" becoming your most successful competitor? Step up to this challenge of access and cut no decisions by more than half (32% down to 20%).

5: Consistently Conduct a Comprehensive Needs Analysis

Again, twice as many firms reported needing to improve (43%) versus those excelling (22%) in this category. The impact on sales performance is a full 10 points (25%) higher in close rates.

6: Regularly Optimize the Size of Each Deal

One key to unlocking all this potential is upskilling your sellers on negotiating Win-Win deals. Those excelling at this ability scored *twelve times higher* on maximizing deal size.

Keep Winning

7: Ability to Further Penetrate Existing Accounts

We redefined levels of relationship and it may be time for you to do so as well. Honestly assess your level of relationships today and what your solution requires of your buyers.

8: Determine Your Current SPS Matrix Location

In addition to level of relationship, assess your level of process implementation, understand client outcomes (versus product features) and figure out how to be of service to your customers.

9: Ability to Up-sell/Cross-sell

As a selected supplier you now have reason to continue the conversation. Do not waste this opportunity with lame queries such as, "How's it going?" or "What else can we do for you?"

Sales Management Assessment

10: First Line Sales Manager (FLSM) Development Remains a Low Priority

FLSM continue to be overlooked and overwhelmed. Seventy percent of firms either have no manager coaching program or an informal coaching process. FLSM training runs 6th in priority.

11: Sales Managers Proactively Coach Salespeople Needing Help

While “coaching” is acknowledged as key to improved performance, developing managers’ coaching abilities continues to fall short, be underfunded, and underappreciated.

12: Ability to Adapt to Marketplace Change

Buyers have gotten better at buying faster than sellers have gotten better at selling. Tech-fueled demand gen programs have only caused buyers to further insulate themselves.

Advanced Sales Technology Assessment

This year represents the fifth annual study focused on analyzing the advanced use of technology, including the emergence of AI, to optimize sales performance. In recognition of the challenges sales teams are still facing and reflecting on new case studies we have been gathering on AI usage across many aspects of customer lifecycle management (CLM), we have expanded this section to provide a more detailed update on the role technology can/will play in changing the way companies sell.

Based on the results that AI is already producing, along with the increasingly significant impact it will have on the world of sales over time, it would be foolhardy for sales organizations not to at least educate themselves on the power of AI as a tool for optimizing sales performance. Yes, there are key challenges with AI that need to be dealt with such as data quality/availability, issues with integration to other systems, output accuracy, cost, regulatory compliance, and more. But AI will transform all aspects of business—sales included. This is not a party you will want to be late for.

Sales Training Assessment

You can approach engaging new and existing customers the easy way or the hard way. The following are our suggestions for investing in and conducting training to help your sellers engage buyers in an easier way—the way they *want* to be engaged: 1) Interview Buyers to Understand How They Buy; 2) Shift From ROI Calculators to Business Acumen; and 3) Understand Buyers Needs to See a Difference.

In the full report, detailed discussion and additional resources (videos) are linked to each of these recommendations. You can request the full report [here](#).

About Sales Mastery

Sales Mastery, LLC, has been conducting primary research in the B2B sales arena for nearly 30 years. Our focus is on the emerging area of AI-for-Sales and the timeless subject of Sales as a Profession. Many of the world’s most recognized companies are our research advisory clients.