Sales Development Representatives and Pipeline Generation



The frontline of outreach to potential new customers, Sales development representatives (SDRs) take on the pivotal role of helping turn leads into consistent revenue. How do sales professionals rate the effectiveness of the SDRs on their sales team? Where did the best ones come from, and what criteria determines their best leads? **One-Minute Insights:**

Overall, organizational pipeline generation efforts are rated very or somewhat effective.



similar SDR job at another company.

Sales managers report that the best SDRs at their organization came from a

The vast majority of SDRs report to sales, followed by marketing.

LinkedIn messages account for just 17% of net-new leads.

Market competition is the most commonly cited challenge to generating

One-Minute Insights on timely topics are available to **Gartner Peer Community** members. Sign up for access to over 100 more, and new insights each week.

Data collection: July 18th - August 1st, 2023 Respondents: 100 sales managers, directors, VPs and C level executives

92% of respondents rate the effectiveness of their sales pipeline generation efforts as

Most managers rate their organizational pipeline generation and SDR prospecting as effective

very or somewhat effective.

to within 3 months."

sales team?

3%

Somewhat

9+

7-8

- Director, Retail, North America, 10,000+ employees

new pipeline.

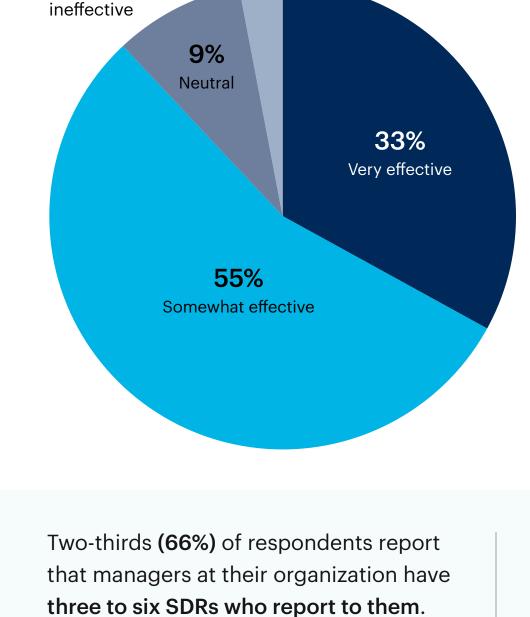
How do you personally rate the overall effectiveness of your organization's sales teams' current pipeline generation efforts?

56% Somewhat effective

36% Very effective 3% Neutral 4% Somewhat ineffective Not sure 0% 1% Very ineffective n = 100"Motivation is most powerful when the benefits are received in the

short term. Try to keep the time between activity and compensation

Question: Is there anything else you would like to share about the SDR lead generation process on your



| Very ineffective **0**% | Not sure **0**% | n = 100

The most commonly cited team that

SDRs report to is sales (92%), followed

Similarly, 88% rate their organization's

SDR teams' prospecting activities as

effectiveness of your organization's SDR teams' prospecting activities to generate

very or somewhat effective.

How do you personally rate the

new pipelines?

by marketing (72%).

Marketing

72%

92%

n = 100

1-2

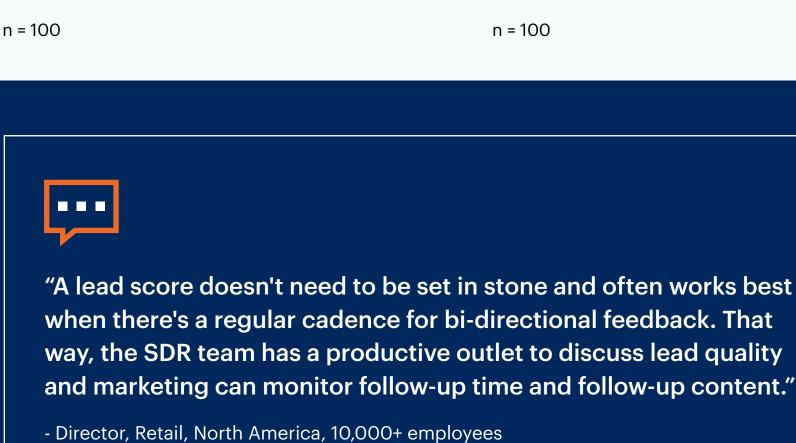
Which team(s) do your organization's SDRs report to? Select all that apply. Sales

30% 36% 5-6 3-4 Not sure **0**% | None **0**% |

14%

On average, how many SDRs report to each manager at your organization?

16%



RevOps Other Not sure 17% 2% 1% Other responses: "Dev Rel", "Management"

2%

Other job - Other job - Not sure

external

n = 100

39%

n = 100

internal

61%

55%

Email is still generating the most new leads, but phone

Other 0%

Other

Conferences

Networking events

6%

15%

prospect pain point)

(i.e. during prospect budget planning)

authority (i.e. role level of target customer)

Prospect confirms

Correct timing

Decision making

Budget availability

Prospect shares

Prospect's current

solution/approach

58%

of respondents report that market

new leads. 50% cite inadequate

Navigator or prospecting tools).

technology (e.g. no LinkedIn Sales

competition is the biggest challenge SDRs

at their organization face when generating

no objections

Other 0% | Not sure 0%

interest

calls aren't dead

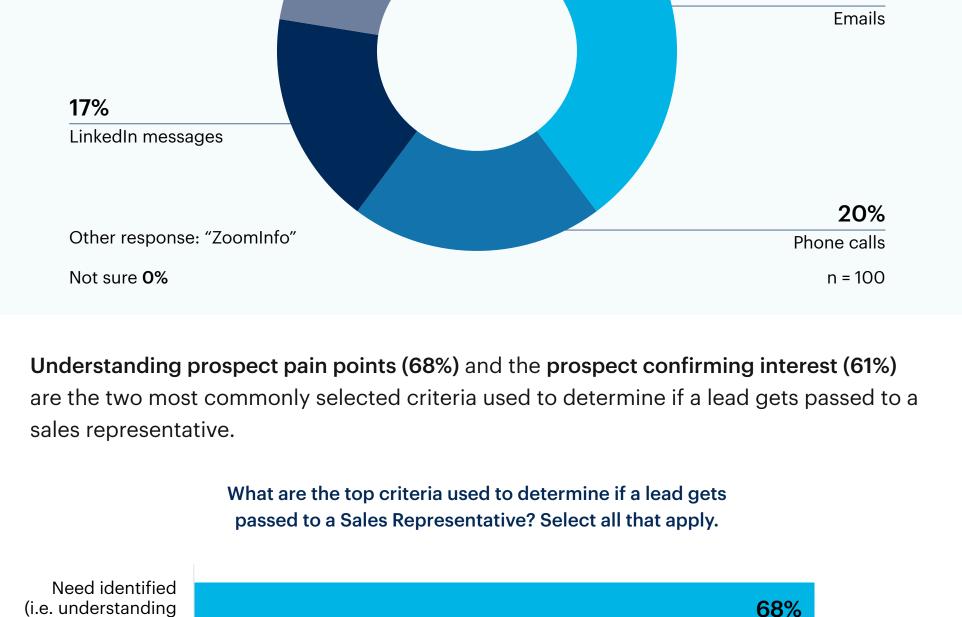
SDR job at other company

For more than half (56%) of respondents the best SDRs at their organization came from an SDR job at another company. 23% came directly from college/university. Before their current role, what were the best SDRs on your organization's sales teams doing? 23% 56% **12%** 7%

In college/university

Question: What is the best way to respond to, and coach up, an SDR after receiving a low-quality lead?

SDRs use emails (39%) and phone calls At your organization, where do SDRs generate the MOST net-new leads? (20%) to generate the most net new leads. 1%



"SDRs need to have a clear understanding of the target audience they should be focusing on. Defining specific customer profiles helps them qualify leads effectively."

40%

22%

21%

- Director, Finance, Banking & Insurance, North America, 10,000+ employees Question: Is there anything else you would like to share about the SDR lead generation process on your sales team?

"Asking more specific questions to customers and actively listening

Question: What is the best way to respond to, and coach up, an SDR after receiving a low-quality lead?

38%

Misalignment with

marketing

campaigns

38%

Poorly defined

customer personas

58%

Market competition

50%

to their needs and clarifying expectations will help identify those

high-quality leads and avoid those unlikely to convert."

- Manager, Professional Services, North America, 10,000+ employees

31% What are the biggest challenges your Inadequate technology Lack of activity organization's SDRs face when generating (e.g. no LinkedIn Sales (i.e. not enough emails/calls) Navigator new leads? Select all that apply. or prospecting tools) 35% Inadequate Poorly managed CRM 28% | Lack of manager support 8% | process Other 2% | Not sure 0% Other responses: "In a complex sale, it is hard to meet that n = 100buyer at the moment they will be looking for a big investment.", "Getting a response from a prospect."

North America 64% **APAC 27% EMEA 9%**

10,001+

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Respondent Breakdown

Region

to actually do their own hunting." - Director, Telecommunications, North America, 1,001-5,000 employees Question: Is there anything else you would like to share about the SDR lead generation process on your sales team? Want more insights like this from leaders like yourself? **Click here** to explore the revamped, retooled and reimagined Gartner Peer Community. You'll get access to synthesized insights and engaging discussions from a community of your peers.

"[The] SDR world is tough with complicated and highly technical

sales. Customers will not talk to an SDR if they aren't consultative.

Yet their role is to set up appointments for reps. It is a no win most

of the time. This is why we will get tools for the Territory managers



Manager

52%

Job Level

C-Suite

5%

C level executives

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VP

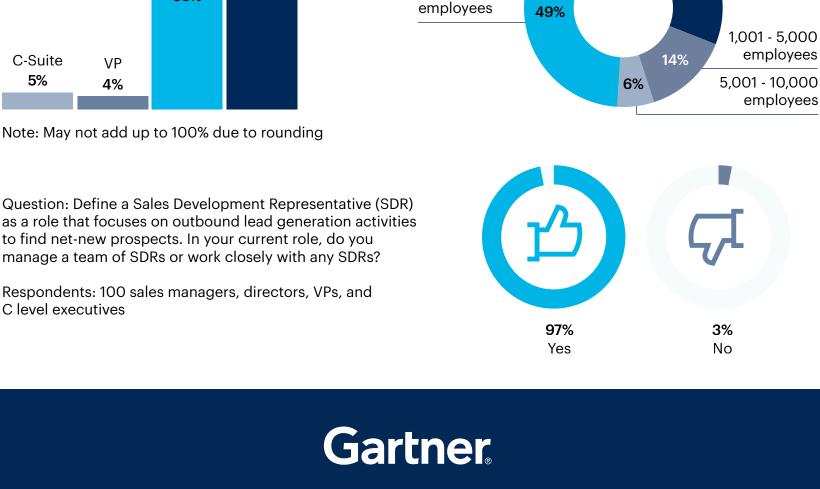
4%

Director

38%

neither endorses it nor makes any warranties about its accuracy or completeness.

Source: Gartner Peer Community, Sales Development Representatives and Pipeline Generation survey



Company Size

31%

<1.001

employees