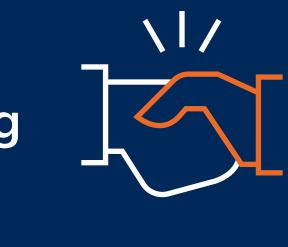
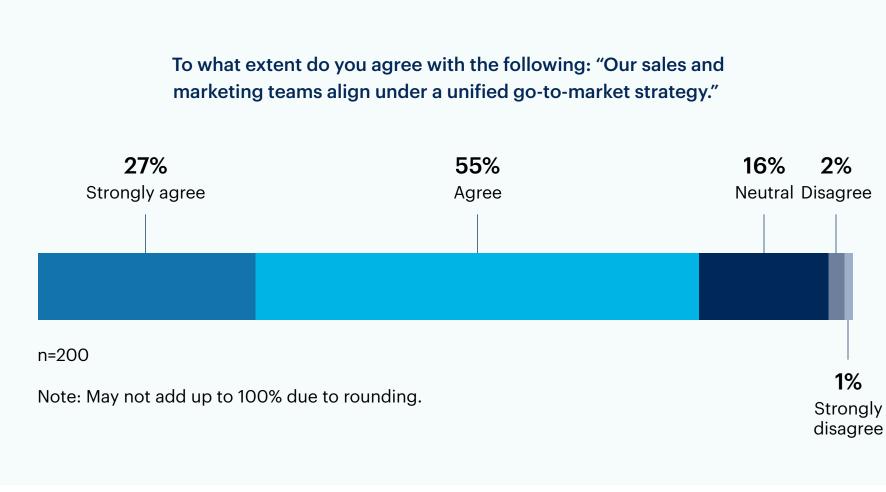
The Sales and Marketing Relationship in 2023



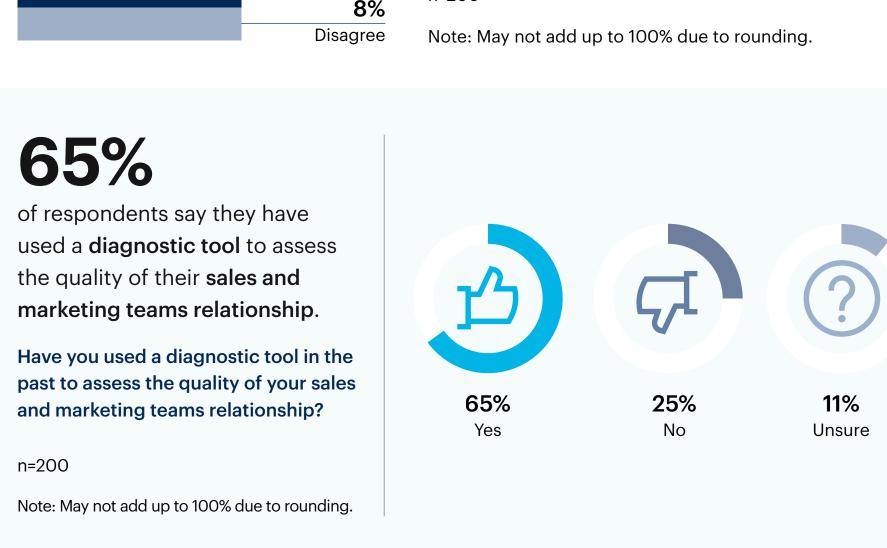
remains a significant challenge for many organizations. Differing goals and priorities, communication breakdowns and lack of shared data and technology hurt teams and limit revenue growth. most effective at integrating sales and marketing teams and growing revenue?

Alignment between sales and marketing teams is crucial for business success, yet it

having separate funnels (47%).



More than three-quarters (76%) agree or strongly agree that their sales and marketing 33% teams utilize a **consistent model** for Strongly agree



Separate funnels are driving misalignment and hurting

Lead generation (44%) is the most commonly cited item negatively impacted by the sales

both lead generation and sales cycle time

30%

Overall

44%

Leads

generated

Sales responses:

40%

Leads

company generated

36%

Average

deal

size

Win rate 23% | Marketing message 20% |

25%

Sales

cycle

time

*Other response: "Inconsistent lead follow up", "No clear understanding on how

Programs - all with a VP leader."

52%

Lack of complete

data on accounts/

prospects

Teams report to different leaders 31%

Budgetary constraints 18%

n = 87

Leadership conflict 24% | Flawed processes 21% |

Note: May not add up to 100% due to rounding.

Lack of personnel resources 6% | Other 0%

Improved

Created a new liaison

Defined clear guidelines for

communication between

sales and marketing

Invited marketers

to join sales calls

campaign planning

and event planning

*Other response: "NA"

Joint conference

Created shared

revenue goals

Note: May not add up to 100% due to rounding.

8%

to join

Defined clear Invited sales

Created a

new liaison guidelines for

7%

Invited

marketers

Appointed a Chief Revenue or Customer Officer 3% |

Invited sales to join product or ad

role that spans both functions

data sharing

cross-department

Defined clear guidelines for

communication between

sales and marketing

45%

Communication

32%

Sales and

marketing

data is siloed

37%

Lack of

processes

32% Misaligned on

internal

definitions

44%

Overall

culture

37%

Sales cycle

time

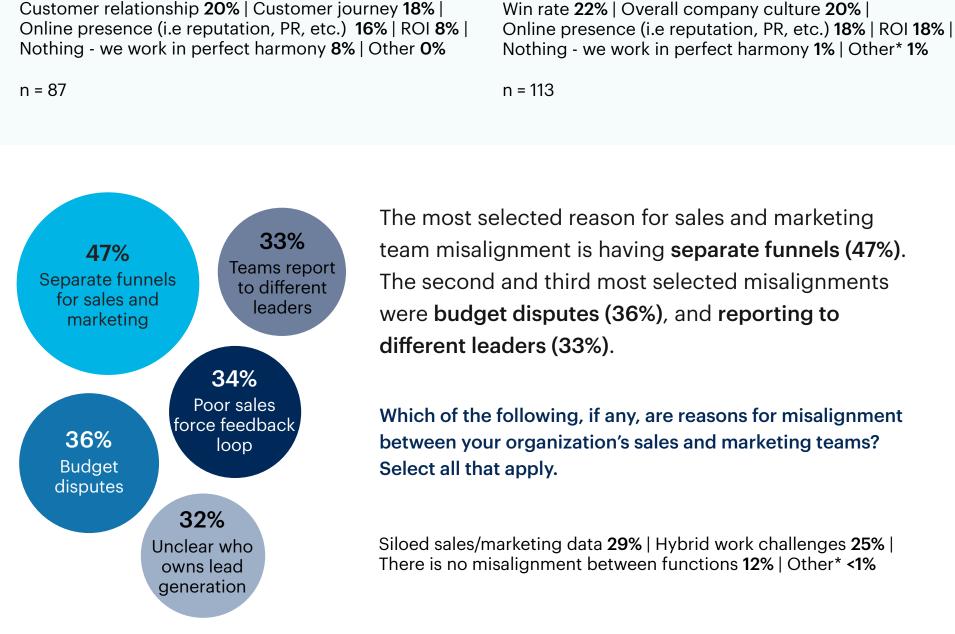
Nothing - we work in perfect harmony 1% | Other* <1% |

negatively impacted.

*Other response: "SQL Qualification Rate" When analyzing sales responses, just 25% of respondents report sales cycle time being negatively impacted by their relationship with marketing. Meanwhile, 45% of marketing respondents see the sales cycle time as negatively impacted, an 80% increase. Are any of the following negatively impacted by the sales and marketing relationship at your organization? Select all that apply.

25%

Customer





The most selected strategy or tactic for aligning sales and marketing teams is improved cross-department data sharing (64%). Nearly half of respondents (48%) selected defined clear guidelines for communication between sales and marketing. What strategies or tactics have you used/are currently using, to

align your sales and marketing teams? Select all that apply.

n = 113



What strategies or tactics have you used/are currently using, to align your sales and marketing teams? Select all that apply.

11%

9%

5%

5%

Built common metrics to assess both teams 3% | Colocate our sales and marketing teams 2% |

Combined the sales and marketing funnels 2% | None of these 4% | Other* <1%

Sales responses: **Marketing responses:** 51% 27% 23%

3%

Built common

metrics to

18%

Defined clear Created a

guidelines for new liaison

14%

Invited

marketers

9%

Invited sales

to join

8%

Joint

conference

The widest gap between sales and marketing respondents was on the tactic of creating a

new liaison role that spans both functions. 51% of sales respondents cited this as the most

effective, while just 18% of marketers selected this. The top marketing-only response (27%)

From the same list, which strategy or tactic has been

most effective in achieving the desired outcome?

was "Defined clear guidelines for communication between sales and marketing."

Question: Do you have any other thoughts or comments about the sales and marketing relationship at your organization? 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.

Respondent Breakdown Region North America 42%

Job Level **Company Size** 10,001+ employees Manager 5,001 - 10,000 11% employees 53% 13% 56% 1,001 - 5,000 Individual employees Director Contributor 22%

<1,001 employees 17% 17% VΡ C-Suite 6% Note: May not add up to 100% due to rounding. **Gartner**

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Source: Gartner Peer Community, The Sales and Marketing Relationship in 2023 survey

Where is this misalignment impacting revenue teams the most, and what strategies are **One-Minute Insights:** 91% of respondents agree or strongly agree that their sales and marketing teams' priorities are aligned. The most selected reason for sales and marketing team misalignment is

Lead generation (44%) is the most commonly cited item that is negatively impacted by the sales and marketing relationship. 32% say the most effective tactic to align sales and marketing teams is to create a liaison role that spans both functions. 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: November 17th, 2022 - April 20th, 2023 Respondents: 200 sales and marketing professionals Strong alignment between sales and marketing teams is built upon consistent lead allocation and a unified go-to-market strategy of respondents agree, or strongly agree, that their sales and marketing teams' priorities are aligned. To what extent do you agree with the following: "Our sales and marketing teams' priorities are aligned." 44% Agree 44% Strongly agree 6% Neutral 4% Disagree 1% n=200 Strongly disagree Note: May not add up to 100% due to rounding. Just 3% disagree or strongly disagree that their sales and marketing teams align under a unified go-to-market strategy.

determining which team a lead goes to. To what extent do you agree with the following: "Our 43% sales and marketing teams utilize a consistent model Agree for determining which team a lead goes to." Strongly disagree 0% **17%** Neutral n=200 8%

and marketing relationship, followed by sales cycle time (37%). Only 14% say that ROI is Are any of the following negatively impacted by the sales and marketing relationship at your organization? Select all that apply. 30% 28% 26% 26% Customer Average Customer Marketing journey deal size retention company message Win rate 22% | Customer relationship 22% | Online presence (i.e reputation, PR, etc.) 17% | ROI 14% |

n=200

retention generated cycle journey message retention time Customer relationship 25% | Average deal size 22% | Win rate 22% | Overall company culture 20% |

Marketing responses:

45%

Sales

40%

30%

Customer Marketing Customer

27%

n = 200

46%

Leads

marketing and sales should work in correlation. Marketing works under sales hence only direct revenue focused", "No problem", "The absence of marketing thus far", "Unclear understanding of harmony of both roles" "Too many types of marketing: Product, Field, Partner, Strategic - Sales Director, Telecommunications industry, North America, 1,001 - 5,000 employees

36%

Lack of

complete data

on accounts/

prospects

33%

Flawed

processes

28%

Sales and

marketing data

is siloed

Budgetary constraints 21% | Leadership conflict 17% |

64%

32%

n = 200

25%

48%

Misaligned on internal definitions 27%

Teams report to different leaders 25% |

Lack of personnel resources 15% | Other 2%

Note: May not add up to 100% due to rounding.

44%

Communication

37%

Lack of processes

45% 43% 37% Communication Lack of complete Lack of 30% data on accounts/ processes prospects Sales and marketing data is siloed 29% Misaligned on internal definitions Flawed processes 28% | Teams report to different leaders 28% | n = 200Leadership conflict 20% | Lack of personnel resources 11% | Budgetary constraints 2% | Other* 1% Other responses: "Lack of key documentation and team education", "Nothing" As opposed to sales (21%), 57% more marketers (33%) cited flawed processes as a challenge to aligning sales and marketing teams. Sales responses: **Marketing responses:**

Created a new 39% liaison role that spans both functions Invited marketers 37% to join sales calls Invited sales to join product or ad 29% campaign planning Built common metrics 20% to assess both teams Combined the sales and marketing funnels 19% | Created shared revenue goals 16% | n = 200Joint conference and event planning 15% | Colocated our sales and marketing teams 8% | None of these 4% | Appointed a Chief Revenue/Customer Officer <1% | Other* 1% | *Other responses: "Have product marketing align & communicate product messaging and positioning - collaborating with all departments including Sales in its formulation", "Joint initiatives"

role that communication communication role that product to join assess both to join product and event spans both between sales between sales spans both planning or ad sales calls sales calls or ad teams functions and marketing campaign campaign and marketing functions planning planning None of these 3% | Appointed a Chief Revenue Created shared revenue goals 8% | or Customer Officer 2% | Built common metrics to assess both teams 4% Colocate our sales and marketing teams 2% | None of these 4% | Joint conference and event planning 1% | Appointed a Chief Revenue or Customer Officer 3% Created shared revenue goals 1% | Combined the sales and marketing funnels 3% | Combined the sales and marketing funnels 1% Colocate our sales and marketing teams 2% | Other 0% Other 1% n = 113n = 87Note: May not add up to 100% due to rounding. "In my previous companies sales and marketing behaved as rivals." We managed to eschew that by bringing sales and marketing lead gen under one leader and unified lead gen strategy for co-managed efforts and alignment." - Marketing C Suite, Software industry, North America, 51 - 200 employees.

APAC 65% EMEA 14%