

# The State of Sales and Marketing Alignment in 2021

Asia-Pacific

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# Preface

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We are in 2021 and it seems like most companies are still struggling to align the two most important functions that drive business growth - sales and marketing. It's high time we understood why. 'The State of Sales and Marketing Alignment in 2021' report is our attempt to understand where businesses currently stand in terms of alignment, the impact this misalignment has on revenue growth, and why companies struggle to drive alignment in the first place. We surveyed over 1,200 sales and marketing leaders globally to get a deeper understanding of this hot button topic. It is the largest survey ever of its kind, and the insights are telling.

A total of 72% of leaders believe that a strong alignment between sales and marketing teams positively impacts performance. In fact, sales and marketing teams that were "not highly aligned" in 2020 were 2X more likely to experience a revenue decline (of more than 20%) compared to those that were highly aligned.

Clearly, both teams want greater visibility into each other's work. The #1 demand by salespeople from marketing is more visibility into upper funnel activities. This contextual intelligence enables salespeople to craft the right pitch to the right prospect and close more deals. Similarly, 71% of marketers demand more visibility into

lower-funnel activities. Marketers use these insights to refine their marketing programs to generate higher quality leads and improve ROI of spends. While both sales and marketing leaders articulated the need to understand the customer journey better, they were unhappy with the current level of visibility they were equipped with, suggesting a fundamental disconnect between systems and tools that were meant to provide this insight.

Despite the desire for teams to achieve greater alignment, there are significant challenges to overcome. In most organizations, customer data is fragmented across multiple tools, robbing go-to-market teams of a 360-degree view of the customer journey. This fragmentation also leads to a rapid decay of customer context across different teams, directly impacting customer experience and business growth metrics. While half of all sales and marketing professionals said fragmentation itself is the main roadblock, a further third highlighted the lack of accurate data on their prospects and customers as their biggest problem. All this serves only to widen the misalignment between teams even further.

The findings also unravel a defining trend for sales-marketing relationships from a demographic perspective. Millennials are paving the way for more harmony between sales and marketing. They meet more frequently with their peers, claim more visibility into the customer's experience, and demand more alignment. Millennials now form the largest part of the workforce, so it's our shared obligation to understand their expectations and solve for them.

'The State of Sales and Marketing Alignment in 2021' enables businesses and teams to forge better alignment to drive growth. The importance of having your organization play as a unified team can no longer be underplayed. It's the only way to win customers-for-life.

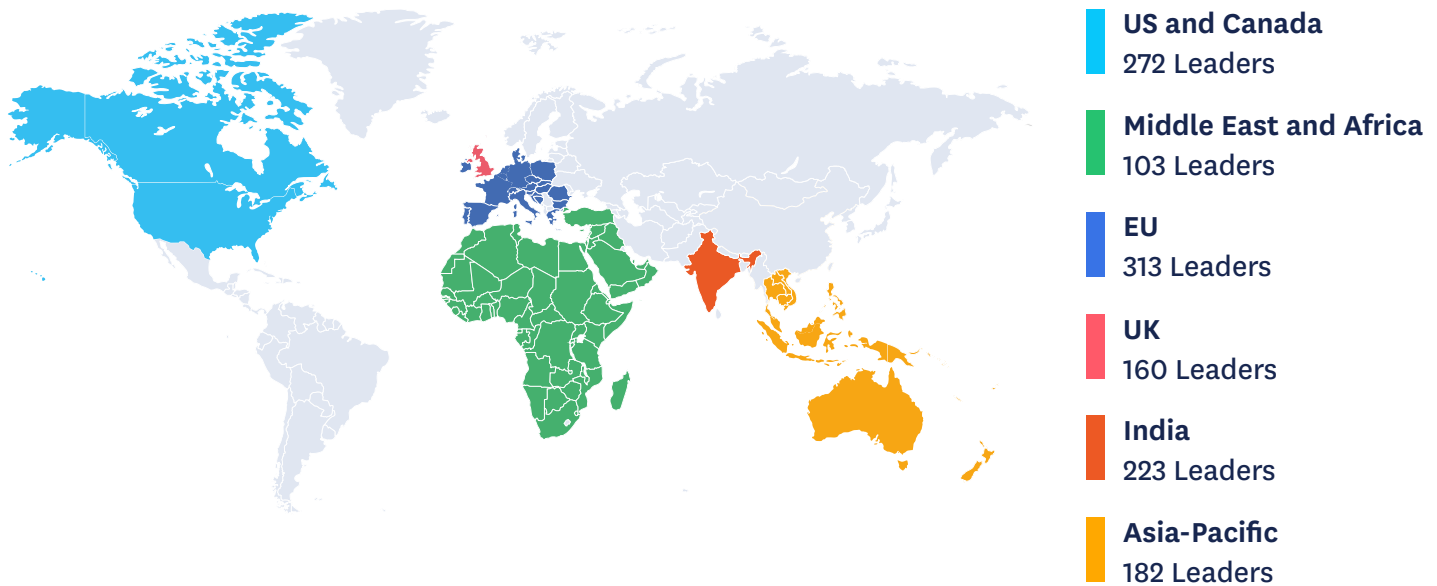


# Methodology

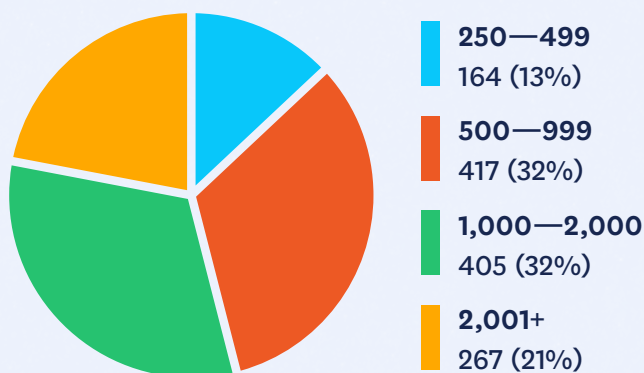
We surveyed over 1200 business leaders across six regions to get detailed insights on the current state of sales and marketing alignment.

## Respondent Breakdown

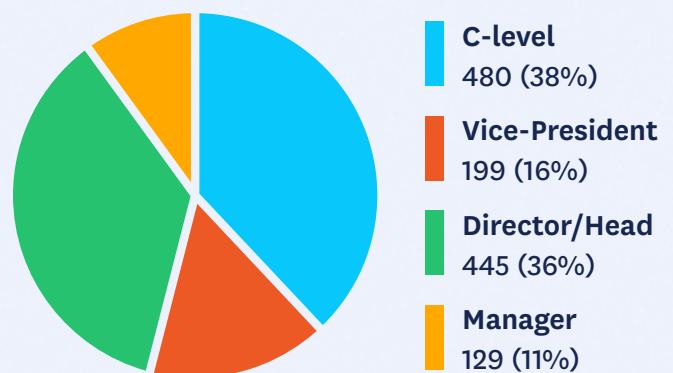
### By Region



### By Number of Employees



### By Job Levels



## Key Findings



In 2020, salespeople who said their company was “highly aligned” with marketing on goals and objectives were able to grow their year-on-year revenue by more than 20%



79% of professionals don’t even have a 360-degree view of the customer’s journey



90% of respondents think sales and marketing goals should be aligned, but only 38% believe their teams are highly aligned



Sales and marketing agree that the biggest impediment to alignment is that information about prospects and customers is fragmented across multiple sales and marketing systems

## Key Findings



Sales' #1 demand of marketing is more visibility into upper-funnel activities



Marketing's #1 demand of sales is more visibility into lower-funnel activities



Sales and marketing alignment challenges are exacerbated in smaller companies



Millennials' perceptions and attitudes toward sales and marketing alignment are increasingly critical to the performance of lead-generation and sales functions



## Systemic problems in the sales-marketing relationship existed well before 2020

Through good times and bad, sales and marketing teams often feel outsized pressure to perform. In times of prosperity, they're seen as the engines driving a company's success and are often pressed to generate even more growth. In leaner times, the pressure is on to find those elusive new customers who will help the business survive.

For many organizations in Asia-Pacific, 2020 was a lean year, and sales and marketing teams felt a heavy burden to pull their companies out of the economic challenges brought on by the global pandemic. This was no small feat. In the end, 67% of sales teams surveyed for this report say they failed to improve their 2019 revenues, while only 41% beat their sales forecasts. Marketing teams, for their part, found lead-generation particularly difficult: 71% failed to improve their lead-gen rates over the previous year.

Working under lockdown and facing an impending economic downturn, business development teams struggled to coordinate their efforts and collaborate on strategy. Very few companies performed the way they had expected going into the year. But can the pandemic be blamed for all business woes in 2020?

**Alignment at all levels is seen as critical to a company's success.**

On average, respondents said 41% of their revenue change had nothing to do with the COVID-19 pandemic.

Better alignment has long been seen as both a challenge and opportunity for sales and marketing teams. According to the research conducted for this report, professionals of both disciplines think that their teams should be aligned on issues such as goals and objectives, strategy and planning, performance metrics, and processes. Alignment at all levels is seen as critical to a company's success. Yet the sales and marketing function is not operating as one team as often as it should be.

Overall, the report indicates that for many companies, systemic problems between sales and marketing were suddenly brought to a head in 2020. Strategic and tactical misalignments were exacerbated by the difficulties posed by the pandemic but it was not the cause of these misalignments.

Yet even in the midst of a crippling pandemic, 41% of companies beat their revenue goals, and 29% beat lead-generation targets. So why did some teams succeed where others failed? This report explores this question by examining aspects of the sales- marketing relationship that have been growing more prominent for a long time.

The following research is the largest study ever conducted of its kind on sales-marketing alignment, with over 1,200 professionals surveyed, of which 182 were located in the Asia-Pacific.



**ONE** CUSTOMER  
TRUTH  
TEAM

# What sales and marketing teams want from each other

Sales and marketing are often seen as two sides of the same coin. Essentially, both teams share the same goals: acquire customers and generate revenue. But the way each team works toward these broad goals can be worlds apart, and at times may appear at odds with each other.

Marketing's role is to inform and educate prospects about the company's value proposition. They spark interest about a product or service. Sales, meanwhile, interacts directly with prospects to convert them into customers.

Given these separate yet symbiotic activities, what salespeople want from marketers—and vice versa—are strongly related yet materially quite different.

## **Sales' #1 demand: more insight into the funnel**

Because they are responsible for business development and directly growing the bottom line, it's hardly surprising that what salespeople want most from marketing is better leads and improved information about those leads. When asked what they need most from marketing, a third (34%) of salespeople ranked "more visibility into prospects' upper-funnel activities" as the most important or second-most important thing their marketing peers could do for them. Almost as important was "better quality leads." The third most common preference as the Number One (or two) requirement from marketing was competitive information and intelligence on their leads.

Yet sales professionals also want marketing to contribute in other tangible ways. Items appearing high in the Top Five list of needs include varied messaging for different customer roles and content that is more closely gauged to specific stages in the customer's journey.

What salespeople don't necessarily want from their marketing colleagues is:

- Accurate messaging (just 2% ranked this as their Number One need)
- Better knowledge around targets (1%)
- Lead scoring to help prioritize efforts (1%)

In fact, "lead scoring" and "more events" were extremely unpopular choices: 87% and 94% of survey respondents, respectively, didn't even rank them in their top five.

## *Salespeople want upper-funnel visibility.*

All told, the biggest thing salespeople want from their marketing colleagues is more visibility into upper-funnel prospect activities. Not only do a majority of salespeople (54%) place "upper-funnel visibility" somewhere in their top five wishes, but it was also most commonly placed as the number one desire.

The marketing-sales funnel represents how leads become customers. At the top of the funnel, the entry point is wide. This is where marketers try to drive awareness of their company's offerings. Upper-funnel prospect activities like prospects signing up for more information are the first stage of lead-generation.

In an ideal world, sales and marketing teams both have a 360-degree view of prospects and customers, allowing them to see data on prospect conversations and customer engagement. This would enable sales and marketing teams to see one truth.

More visibility into upper-funnel activities is one of the salesperson's main wishes from marketing because without it, they're less able to track the journey of potential customers, anticipate their needs, or find the right path to convert them into customers.

### **What sales wants from marketing — items ranked as the #1 wish by popularity**

<b>1</b>	More visibility into prospects' upper-funnel activities
<b>2</b>	Better quality leads
<b>3</b>	Competitive information/intelligence
<b>4</b>	More brand awareness among new prospects
<b>5</b>	Better quality content to share with prospects

## What sales wants from marketing — items ranked in respondents' top 5



## Marketing's #1 demand: more insight into the funnel

Ask marketers the same question, and the most popular answer is more visibility into lower-funnel outcomes; not only is it commonly the Number One wish but 67% of people place it in their Top Five.

The second- and third-most common Number One wish from marketers is for their selling counterparts to enter data cleanly in their Customer Relationship Management system, and to use the CRM more consistently. CRMs are vitally important tools for ensuring sales and marketing alignment. They provide an organization with one truth and faster response times, yet they are consistently underutilized. Both sides can benefit from more consistent use of the CRM, including following processes, entering information accurately, and consistently delivering on-brand messaging to prospects and customers. Consistent use of the CRM provides one truth from which the two teams can operate.

### *Top desire for Marketers: Lower-funnel visibility.*

Three quarters (75%) also place “better prospecting from sales” in their Top Five needs. They want salespeople to ask open-ended questions and provide recordings or reporting of prospect responses so that this data can be mined and analyzed for improvements.

More visibility into lower-funnel prospect activities (e.g. sales calls, product demos) is the marketer's Number One desire from sales because it gives them insight into what is happening with their leads—insights that they can learn from and use to refine their campaigns to generate higher-quality leads.



## What marketing wants from sales — items ranked as #1 wish, by popularity

1	More visibility into lower-funnel outcomes
2	Excellent data hygiene in CRM
3	Consistent use of CRM
4	Faster follow-up on leads
5	Better prospecting

Salespeople are in agreement about what's important to receive from their marketing peers—they primarily want just four things: more visibility into upper-funnel activities, better-quality content to share with prospects and content more closely gauged to customer journey. In stark contrast, marketing professionals seem to expect a much wider range of support and information from their sales counterparts.

## What marketing wants from sales — items ranked in respondents' top 5



# Misaligned means missed opportunities

Sales and marketing teams work better when they work together. When the two teams focus their efforts on the same prospects and deliver complementary messages based on a shared set of information, they're more likely to increase acquisition rates and generate more revenue. And when you ask professionals in the field, there seems to be no question that sales and marketing need to be aligned, especially when it comes to the following.

Here are the percentages of respondents who said a function needed to be aligned or highly aligned:

- Goals and objectives: 90%
- Processes and systems: 87%
- Performance metrics: 86%
- Strategy and planning: 85%

Alignment in these four key areas is critical to a company's success. In 2020, only salespeople who said their company was "highly aligned" with marketing on goals and objectives were able to grow their year-on-year revenue by more than 20%. Just 6% of firms in the survey were able to achieve such growth, and none of the firms which admitted medium or low alignment in goals and objectives were able to perform at such a high level. Similarly, only companies which were highly aligned in goals and objectives, performance metrics, and processes and systems, were able to improve their lead-generation rates by more than 20% over the previous year. No organization with medium or low alignment could raise their lead-generation rates by more than 19%.

**Alignment reality consistently falls short of expectations.**

In addition to believing in the benefits of overall objectives and strategic alignment, over three quarters of sales and marketing professionals (78%) think their teams need to be aligned on daily tactical activities, helping the two functions operate as one team.

While belief in the advantages of alignment may be high, putting it into action is another matter altogether. When pressed about alignment with their counterparts, the reality consistently falls short of their aspirations. It seems sales and marketing teams simply aren't as aligned as they'd like to be.

For instance, while the vast majority of respondents (90%) said teams should be aligned on goals and objectives, far fewer (38%) actually believe their departments are highly aligned and operating as one team. Similarly, while 85% expressed a belief that teams should have alignment on planning and strategy, only 38% say high alignment exists in their organization. Alignment realities are consistently lower than sales and marketing professionals would like them to be.

## What should be aligned versus what is currently highly aligned

■ Should be aligned

■ Are highly aligned

Goals and objectives



Clear standard processes/process intersections



Performance metrics



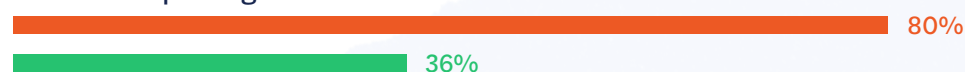
Strategy and planning



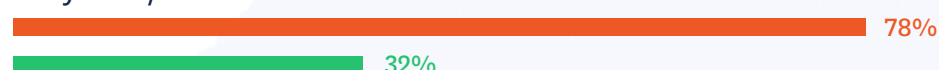
Common information systems for prospects/customers



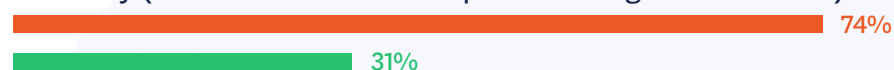
Common reporting lines



Daily work/tactics



Proximity (office co-location or frequent meetings collaboration)

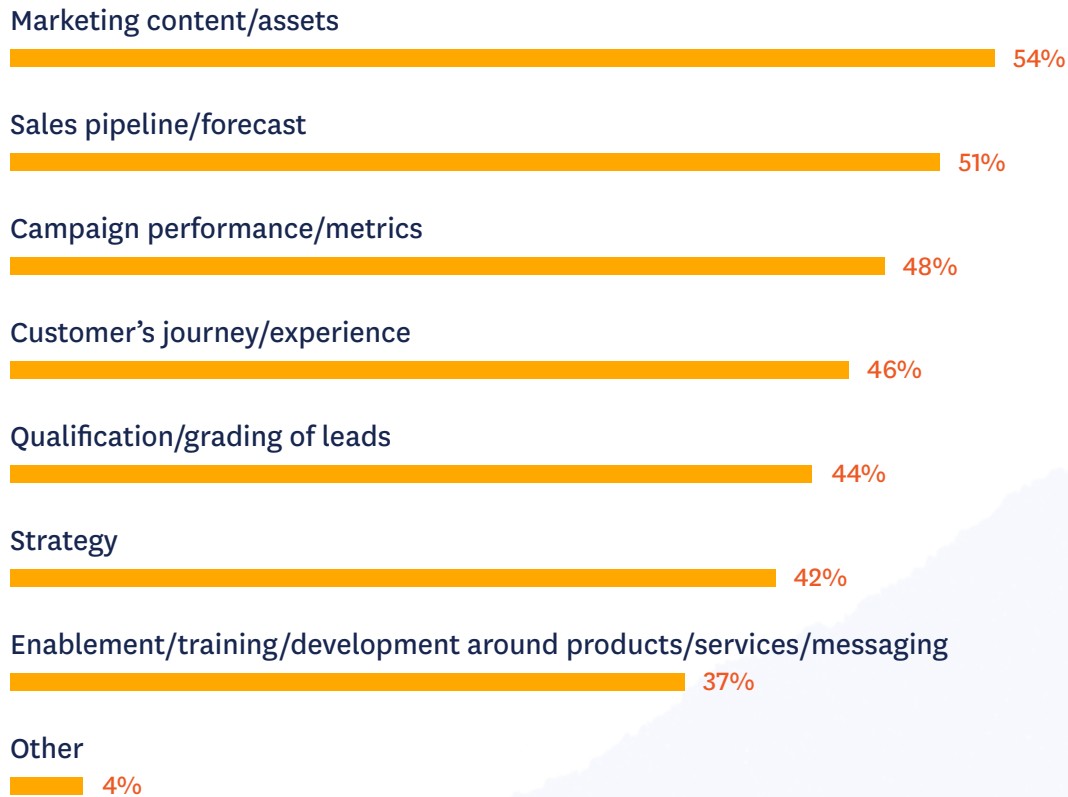


The good news is that even if they are not properly aligned, sales and marketing teams nonetheless seem to interact on a regular basis. Two thirds of teams interact at least weekly: 23% daily, and 44% weekly. A further 7% interact every two weeks, while 20% communicate at least monthly.

And when they do interact, the majority of professionals talk about marketing content, and sales pipelines and forecasts. Other common points of collaboration and communication include campaign performance metrics and the customer's journey/experience.

It is curious to note that the customer's journey is a popular topic for sales and marketing interaction, yet greater visibility over funnel activities is the most important desire of both teams. That marketing and sales professionals talk about the customer's journey yet are unhappy with funnel visibility may suggest a disconnect of systems and communication.

## What do you interact with your sales/marketing colleagues about?





# Alignment is better for job performance

When companies do align their sales and marketing functions, team members say they're better at their job. Depending on the category of alignment, when alignment is high, 88% to 95% of people say it has a positive impact on their job.

In particular, it seems that alignment in two specific areas — goals and objectives, strategy and planning — are most crucial to improving job performance: 95% of respondents say that better alignment improved their job performance in these areas. More than 90% of respondents also felt that when the two departments are operating as one team in areas such as daily work and tactics, information systems for prospects, and strategy and planning - it helps them to do their job to the best of their abilities.

## How high alignment impacts job performance

High alignment affects my  
performance positively

Goals and objectives



Strategy and planning



Clear standard processes/process intersections



Common information systems for prospects/customers



Performance metrics



Common reporting lines



Proximity (office co-location or frequent meetings collaboration)



Daily work/tactics



The opposite also seems to be true: Sales and marketing team members believe that a lack of alignment impacts their job performance negatively. Whenever respondents said their sales and marketing teams weren't aligned, on average (as can be seen by the average score in the table below—which is consistently negative) the group expressed significant negative feelings about their job performance.

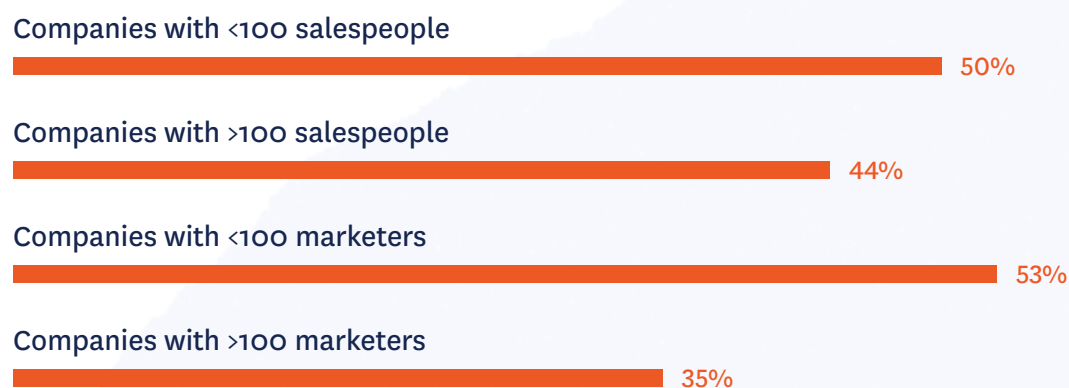
## Respondents who believe low alignment impacts their job negatively



The impact of low alignment on job performance is even more heightened in smaller organizations. For instance, in companies with less than 100 salespeople, 50% of respondents said low alignment of strategy and planning negatively affected job performance compared to 44% of respondents in organizations with sales teams of 100 or more members. Similarly, 53% of people in companies with fewer than 100 marketers said low strategy and planning alignment negatively impacted them, compared to just 35% of respondents at companies with more than 100 marketers.

## Impact of goals alignment on job performance by company size

Low alignment of goals and objectives impacts my job performance negatively



# Roadblocks to achieving alignment

For sales and marketing to work as one team, there are a number of challenges to be overcome. Chief among these challenges is technology. Sixty percent of all sales and marketing professionals say the greatest obstacle to achieving their vision of optimal sales-marketing alignment is that information about prospects and customers is fragmented across multiple sales and marketing systems.

If sales and marketing teams can't access details about clients and prospects—and if those details aren't accurate—then they'll have a tough task converting prospects into customers. They will not be working from one truth, but many. If marketers don't know which leads ultimately convert, they won't know how to optimize their lead-gen efforts. And if Sales doesn't have the right context or insight from marketing, they will find it difficult to seamlessly continue the company's conversation with the prospect.

## *Biggest impediment to alignment: Fragmented customer information.*

The majority (50%) of salespeople in smaller sales organizations (11-50 staff) felt one of the biggest impediments to working as one team was a lack of accurate data on prospects and customers, whereas members of the biggest teams (500+ salespeople) think the greatest roadblock is fragmented prospects/customers information.

## Greatest challenges to achieving optimal sales-marketing alignment

Prospect/customer info is fragmented across multiple sales and marketing systems



Broken/flawed processes



Lack of relevant training/skills/capabilities among sales/marketing personnel



Lack of accountability



Organizational structure/hierarchy undermines alignment



Lack of accurate data on prospects and customers



Lack of shared Key Performance Indicators and metrics



Lack of commitment/will within executive management



Poor communication



Reporting challenges



While technology is the great enabler of alignment, subpar systems present plenty of hurdles to implementing good sales and marketing processes and practices.

More than half (54%) of sales and marketing professionals say that the biggest technology roadblock is fragmented customer information, while more than a third (39%) think they have many different or overlapping work systems and platforms, or that they are simply lacking state-of-the-art sales-effectiveness tools. As a result of separate, overlapping, multiple or subpar platforms, the biggest impediment to centralization is the fragmentation and inaccessibility of customer information. Sales and marketing people believe that because critical customer data isn't centrally located, they are not seeing one truth, and would be challenged to implement a holistic system.

Since customer information is fragmented between multiple systems and tools, it is difficult—if not impossible—for salespeople and marketers to have a complete view of the customer. This fragmentation leads to less engagement, lower win rates and, ultimately, lower revenue numbers.



# The biggest sales and marketing technology challenges

Customer information is fragmented



Too many different and/or overlapping work systems and platforms



Lacking state-of-the-art sales effectiveness tools



Lack of integration/automated flow of data from one tool/system/solution to the next



Sales and marketing use separate systems to view and understand prospects and customers



Complicated or difficult for most personnel to learn and use



Overemphasis on productivity/efficiency versus effectiveness



Weak capabilities for generating performance metrics for marketing



Weak capabilities for generating performance metrics for marketing



Difficult/poor reporting capabilities



# The Millennial movement

Plenty of research shows that Millennials approach work differently from previous generations. A prominent Gallup study on Millennials found that this diverse group pushes for change in the workplace to a much greater degree than previous generations. Millennials—the oldest of whom are now 40—do not accept “That’s the way it’s always been done” as an answer to workplace or process questions

Instead, the generation that grew up in a period of heightened social, technological and economic change wishes to be free of old workplace policies and performance management standards. And that means they expect workplace leaders, managers and colleagues to adapt accordingly.

## *Millennials are more convinced of the benefits of alignment.*

This remains true in sales and marketing, with Millennial survey respondents reporting different behaviour and expectations than older generations. For example, Millennials interact slightly more often with their sales and marketing counterparts than do Gen Xers or Boomers, while previous generations are more likely than Millennials to only meet with their counterparts quarterly or annually.

Those millennials who claim to have higher levels of visibility over clients and prospects believe such visibility helps them with their job performance. When asked if a 360-degree visibility of the journey taken by each prospect helps them with their job performance, 88% of Millennials said yes compared with 73% of Boomers and Gen Xers as a collective group—and just 65% of peers aged 40-50 years on their own. Conversely, just 13% said such visibility doesn’t help them, compared to almost 27% of older colleagues generally and 35% of Gen Xers in particular.

## Does 360-degree view help job performance?

	Millennials	40-50 yos	Gen X & Boomers
Improves performance	88%	65%	73%
Doesn't improve performance	13%	35%	27%

## Millennials demand alignment

Younger salespeople and marketers are also far more convinced of the importance of alignment between their teams. Ninety-three percent of Millennials agree that sales and marketing teams should be aligned on goals and strategy versus 86% of their older colleagues. In fact only 80% of people over 50 years old believe in such alignment. And beyond alignment of goals and strategy, Millennials consistently exhibit a belief in the need for alignment significantly higher than that of older generations

While 82% of Boomers and Gen Xers profess that performance metrics should be aligned, 7% more Millennials feel this way. Millennials also have a more positive attitude towards the alignment of daily work/tactical plays, information systems, and clear standards and processes.

## What functions should be aligned between sales and marketing?

	Millennials	40-50 yo	>50 yo	Gen X and Boomers
Goals and objectives	93%	88%	80%	86%
Performance metrics	89%	82%	80%	82%
Common information on systems	83%	78%	80%	78%
Strategy and planning	88%	79%	87%	81%
Daily work/tactics	82%	73%	80%	74%
Common reporting lines	80%	81%	73%	80%
Clear standard processes	90%	84%	87%	84%
Proximity meetings/ collaboration	72%	73%	87%	75%

Whether or not their teams actually are aligned, Millennials also exhibit a lower degree of skepticism than their older colleagues. When asked if they felt their teams were aligned on goals and objectives, 85% of Millennials said they were aligned, whereas only 77% of Gen Xers and Boomers agreed with this statement

Perception of alignment widened even further between the generations on factors such as common information systems, and clear standard processes. Even over diverse issues such as tactical and proximal alignment, and daily work tactics, Millennials consistently reported their companies were more aligned than what their older counterparts believed.

## Our teams are currently aligned

	Millennials	40-50 yo	>50 yo	Gen X and Boomers
Goals and objectives	85%	75%	87%	77%
Performance metrics	79%	73%	80%	74%
Common information on systems	83%	64%	80%	67%
Strategy and planning	82%	75%	73%	75%
Daily work/tactics	79%	79%	60%	76%
Common reporting lines	78%	75%	53%	72%
Clear standard processes	80%	68%	73%	69%
Proximity meetings/ collaboration	74%	67%	80%	69%

Aged between 25 and 40 years old, Millennials are now by far the largest group of employees in the workforce. They are also increasingly in positions of influence and decision-making as they rise through the corporate ranks to managerial positions, deepening their experiences and applying their own brand of solutions to the perceived problems they encounter along the way.


As such, the Millennial view is likely to become the dominant view in many organizations. And the importance they place on functional alignment between sales and marketing is certain to shape company policy and processes in years to come.

# Creating unity between sales and marketing

As much as sales and marketing teams say they want to work together, there has always been a clear lack of alignment between the two functions.

Too often, sales and marketing teams lack the insight they need to make better, more, informed decisions about prospects and customers. This insight can only come from better alignment on strategy, process, and goals, as well as a shared platform that gives an up-to-date, 360-degree view of the customer profile.

When sales and marketing work in unison—towards coordinated goals and strategies, using the same customer insights and decision making processes—organizations enjoy much higher conversion rates. Yet there are considerable impediments to functional alignment and collaboration.



*Fragmented data is one of the biggest challenges.*

One of the biggest challenges is that information about prospects and customers is often fragmented across multiple sales and marketing systems. Sales and marketing professionals find it difficult to perform their job successfully if they cannot adequately share details about clients and prospects. Accuracy of data is also a major obstacle to team alignment.

Finally, the Millennial experience cannot be overlooked. Generation Y is becoming increasingly influential. They are now the largest generation in the workforce and are steadily moving into more senior positions within sales and marketing teams. For Millennials, greater functional alignment is critical to improving their job performance. Without it, Millennials do not believe that sales and marketing teams are performing as best they can. And they may well be right.

## About Freshworks

Freshworks provides intelligent customer engagement software for businesses of all sizes, making it easy for teams to win customers for life. Freshworks SaaS products are ready to go, easy to use and offer quick return on investment. Headquartered in San Mateo, California, Freshworks has a dedicated team operating from 13 global locations to serve customers throughout the world.

For more information visit [freshworks.com](https://freshworks.com)

