



# **Improving Sales and Marketing Alignment**

Organizational Assessment and Action

## **EXECUTIVE SUMMARY**

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## The crucial importance of Sales and Marketing alignment

**Sales and Marketing functions in mid-size to larger companies are often disconnected and dysfunctional.** In smaller businesses, Marketing and Sales are usually conjoined. As companies grow, they distinguish Sales and Marketing in order to leverage more focused professional expertise. While that distinction is good and necessary, it creates alignment challenges. We address those challenges in this UWEBC Best Practice Report.

We address the importance of Sales and Marketing alignment and identify some of the causes of *dis*-alignment. We include a helpful scale, published in the *Harvard Business Review*, that you can use to assess your organization's alignment "score". And we include some leading practices experts recommend for improvement.

**Today's complex, competitive, customer-centric business environment demands maximum operational efficiency.** Waste—whether in effort or money—is simply unacceptable in a marketplace where competitors have nearly limitless access to markets and customers are in charge like never before. When Sales and Marketing teams operate independently of each other, sales cycles lengthen, costs increase, resources are wasted, and opportunities are missed. In his book *Escaping the Black Hole: Minimizing the Damage from Marketing-Sales Disconnect*, Robert J. Schmonsees researches the relationship between Sales and Marketing teams and reports the following symptoms of dis-alignment:

- 25% of all Marketing and Sales resources are routinely wasted.
- 70–80% of leads generated by Marketing are never followed up.
- Only 29% of a salesperson's time is actually spent selling.
- 80% of sales-support experts are regularly used inappropriately.
- 80–90% of Marketing collateral is considered useless by Sales.
- Salespeople spend typically 30–50 hours per month searching for information and recreating customer-facing content.
- 80–90% of the customer-facing content created by salespeople is inaccurate and dilutes the brand.
- Two out of three new products fail to meet revenue expectations.
- 50% of salespeople are not achieving their sales quota.
- 70% of new product launches fail to meet initial expectations.
- 90% of sales opportunities don't close as forecasted.

**Sales and Marketing alignment has a positive impact on revenues, costs, competitive advantage.** In the remainder of the full Best Practice Report, we address the causes of Sales and Marketing disconnect and how to align these critical functional areas.

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