

Marketing and Sales Alignment:

# Understanding the Gap and How to Bridge It

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# Marketing and Sales Alignment: Understanding the Gap and How to Bridge It

In 2006, the Harvard Business Review<sup>1</sup> ran an article titled, *Ending the War Between Sales and Marketing*. It summed up the split in the following way:

“... sales departments tend to believe that marketers are out of touch with what’s really going on with customers. Marketing believes the sales force is myopic—too focused on individual customer experiences, insufficiently aware of the larger market, and blind to the future. In short, each group often undervalues the other’s contributions.”

Fast-forward fifteen years and many Marketing and Sales professionals would say that the disconnect is only growing—that the two departments have continued to evolve into specialized disciplines. Along the way, the barriers to collaboration have increased, and the mutual respect the two departments have for one another has degraded. Also, the historical mindset of many organizations sees Sales as the sole driver of growth, undervaluing the contribution of Marketing to the bottom line. In short, corporate leaders often see Marketing as merely a cost center, which further increases the tension between Marketing and Sales.

To the uninitiated, a disconnect between Marketing and Sales seems counterintuitive. On paper, the two departments should be seamlessly connected and aligned to meet the same business outcomes. The reality is often different. How could the relationship between two business-critical functions become so dysfunctional? More importantly, what can be done to get the two to work together more effectively? Let’s take a closer look.

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<sup>1</sup>“Ending the War Between Sales and Marketing”, Harvard Business Review

## How did we get here?

To understand the scope of the disconnect between Marketing and Sales, consider the following statistic<sup>2</sup>: An estimated 80% of the content that marketers create goes unused by the Sales team. In other words, the bulk of the materials that Marketing teams create to help Sales teams move prospects through the sales cycle never reaches the customer. The time, effort, and budget spent on developing that content are wasted.

### What are the causes of this disconnect?

#### Different objectives

In most organizations, Marketing and Sales have different missions. Marketing's focus is creating an engaging, relevant experience for customers and prospects while building brand equity and delivering pipeline that Sales can convert into revenue. They want to raise the market's awareness of what the company does, demonstrate to prospects the value of what the company offers, and foster ongoing loyalty among existing customers.

The mission of the Sales team is different. They want to close business—and the quicker, the better. From the Sales team's point of view, Marketing provides "air cover" at best and is mostly a support function. The challenge is that by not treating Marketing as an equal and mission-critical business partner, Sales can miss out on key opportunities and create a disjointed brand experience that drives customers and prospects elsewhere.

#### Different cultures

As a result of their differing objectives and missions, the two departments tend to have different cultures. Marketers tend to be strategic, data-oriented, and creative. They think in terms of the overall impact of the brand and message, as well as the relevance of the experience. They worry about the consistency of messaging and visual identity and the results their efforts generate. In contrast, the Sales team is transactional. If they could, they would tailor messaging, content, and brand deal-by-deal to ensure the best chance of winning the business on the table in front of them.

#### An outdated Marketing/Sales cycle paradigm

The traditional model for the Marketing/Sales cycle is the funnel. Leads go in, get qualified, and come out. But this model is showing its age in an era where customer expectations are quickly changing (more on this later). Both Sales and Marketing are adapting to a new normal in their own distinct ways, but many teams still rely on an outdated funnel model to guide their collaboration. The paradigm forces each team to follow processes that aren't in tune with the way prospects and markets have evolved, which fuels the dysfunctional aspects of the Sales/Marketing relationship and ultimately affects bottom-line results.

**\$146  
Billion**  
Digital  
marketing  
spend by 2023

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<sup>2</sup> LinkedIn and the Content Marketing Institute Survey, 2018



## Why Sales/Marketing alignment matters more than ever

If Marketing and Sales have had a dysfunctional relationship for decades, recent market drivers have intensified that dysfunction. Following is a discussion of the changes that have created a new urgency to evolve the relationship between the two teams.

**75%**  
consumers who chose to shop alternative brands during the pandemic

Increasing retention by as little as **5%**, can boost profits by as much as **95%**

### The rise of the digital engagement paradigm

According to an estimate by Forrester<sup>3</sup>, the spend on digital marketing will reach \$146B by 2023. Digital is now the primary marketing engagement channel, and it can create a level playing field where companies that didn't traditionally compete may find themselves in a battle for the prospect's attention.

### Accelerated work and decision cycles

Contrary to what many expected, the COVID-19 pandemic actually accelerated the pace of business for many organizations. For example, McKinsey<sup>4</sup> highlighted a dramatic shift in speed for digital transformation projects in particular: "Businesses that once mapped digital strategy in one to three-year phases must now scale their initiatives in a matter of days or weeks." This acceleration affects purchasing and procurement cycles, placing increased urgency on Marketing and Sales teams to accommodate faster prospect decision cycles.

### The rise of the empowered customer

Today's customers have access to more choices. It's as easy to do business with a provider across the globe as one across town. They have instant visibility into product availability and pricing. This is another area where the pandemic has increased the pressure on Sales and Marketing teams. According to one estimate<sup>5</sup>, 75% of consumers chose to shop alternative brands during the pandemic. And in today's market, customers have greater power to define their terms for a purchase.

### The growing importance of the customer experience

Customers expect consistency. They expect personalized interaction. They assume that a company will understand their preferences and deliver a rich and relevant experience — even after the purchase decision. Any intracompany discord is irrelevant to them. They interact with a single company, not its Sales, Marketing, and Service teams. And the stakes are high. Brands that excel in the customer experience generate 5.7 times more revenue<sup>6</sup> than competitors that lag in this area.

### The recognition of the value of ongoing engagement

It's been more than a decade since Bain & Company posited that increasing retention by as little as 5%, can boost profits by as much as 95%<sup>7</sup>. Companies have embraced the theory wholeheartedly, as the investment in high-quality, consistent customer experiences has grown. For Sales and Marketing teams, this means shifting a significant portion of their time, resources, and budget to nurturing the customer relationship long after the initial purchase—and working together to ensure the customer gets the white-glove treatment they now expect.

<sup>3</sup> "Digital Marketing Spend To Reach \$146B By 2023", Forrester, February 2019

<sup>4</sup> "Digital strategy in a time of crisis", McKinsey Digital, April 2020

<sup>5</sup> "What COVID-19 did to customer loyalty", Retail Dive, August 2020

<sup>6</sup> "Why personalization is key for retail customer experiences", Retail Customer Experiences, October 2017

<sup>7</sup> "Retaining customers is the real challenge", Bain & Company, January 2006

## Best practices for bridging the gap

The misalignment of Sales and Marketing is potentially harmful—but it isn't irreparable. Here are our suggestions for best practices that can bring the two teams in sync and create a whole that's greater than the sum of its parts.

### Ditch the funnel for the loop

The traditional model for the Marketing/Sales cycle is the funnel. Leads go in, get qualified, and customers come out. Despite the widespread reliance on this model, it simply isn't up to the challenges of this new era of commerce. For one, not all prospects are ready to buy at the same time. Discarding a prospect because they don't exhibit a predefined level of interest is shortsighted. Also, the funnel model ignores the importance of an ongoing relationship with customers and potential future customers over time. When upselling or cross-selling customers, many companies will put them through the same funnel-based sales cycle as net new leads—which sends an unmistakable message that a company doesn't value its existing customers, or worse, doesn't even know they are customers.

In reality, the Marketing/Sales cycle is more like a loop, with multiple entry points and seamless interconnection across the revenue creation cycle (which comprises Marketing and Sales, as well as Customer Success). The right paradigm will recognize that no two prospects are alike. Their level of interest and engagement fluctuates. As a result, the cycle should be highly flexible and personalized—and it should be re-architected to maintain relevant engagement long after the first transaction as the customer's needs evolve.

### Establish a shared language

The principle of "Garbage in, Garbage out" is as relevant to lead qualification as it is to data science. If a sufficient number of marketing-qualified leads don't become sales-qualified leads, it points to a fundamental disagreement on the criteria that constitute a solid lead. The two teams should work together to agree on qualification criteria so that both waste as little time as possible pursuing the wrong prospects.

### Change the culture

Well-performing Marketing and Sales teams are essential to any successful business, but many businesses don't treat them with equal respect. In Sales-driven cultures, Marketing's contributions can be undervalued. In Marketing-driven organizations, some Sales teams are seen simply as order takers. A culture of equal value, aligned partnership, and collaboration can help heal a breach and ensure that each team gets the respect they deserve.

### Test and iterate

Marketing and Sales teams should treat their deliverables and tactics with a Darwinian ruthlessness. Only the fittest should survive. This requires continual refining as responses emerge. Both teams need the data and analytical tools to understand past buying behaviors and content preferences to ensure that the right message reaches the right prospect at the ideal time.

**5.7x**  
more revenue  
is generated  
by brands  
that excel in  
the customer  
experience

**95%**  
**profit boost**  
can result  
from 5%  
increase in  
retention

### **Build shared incentive structures**

It's a simple equation: Marketing is only successful when Sales is successful, and vice versa. By definition, neither team can have a good year when the other has struggled. The incentive structures for both teams should reflect this.

### **Recognize that the entire "customer journey" is a revenue generator**

The concept of the customer journey isn't fluff. But it does require the Marketing team to engage in the big-picture, long-game activities that don't always have a clear connection to the current quarter's results. Brand building, thought leadership, market awareness—they're all critical elements in converting prospects into customers. Without them, Sales teams have to work a lot harder to make the prospect's shortlist. Investing in these activities pays dividends, but it may take time and patience to see the results.

### **Make both teams advocate for the customer experience**

The customer experience is a hot topic for a reason. Companies now recognize that they can't compete effectively without delivering a consistently compelling and highly personalized experience across every touchpoint and channel. As with lead qualification, Marketing and Sales must work together to ensure that they enforce the needed consistency from the initial engagement, to the transaction, to the service and support cycles, and beyond. They need to ensure that every department and function that interacts with customers has access to data from across the business.

Great customer experiences build loyalty. They drive down the cost of sales and increase the lifetime value of customers. Marketing and Sales have a vested interest in ensuring that the entire enterprise is involved in making the customer experience as rich and rewarding as it can be.

## The bottom line: Alignment matters

It's no exaggeration to say that a disconnect between Marketing and Sales can have a dramatic effect on the bottom line. In today's crowded and competitive markets, businesses can't afford any discord between the two teams. Misalignment drives up the cost of customer acquisition and leaves too many opportunities on the table. But for the organizations that can unite the two teams, the payoff is impressive. According to one estimate<sup>8</sup>, companies that tightly align Sales and Marketing achieve 67% higher conversion rates, and their leads generate over 209% more revenue.



For more suggestions on how to synchronize your Marketing and Sales teams to drive better results, [contact your Televerde representative today.](#)

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<sup>8</sup>"How Sales-Marketing Alignment Results in Better Lead Nurturing", Adobe/Marketo



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