

February 2022

Revenue Marketing Report 2022

Insights into how modern sales and marketing teams drive revenues amid uncertain times



What you'll find in this report

For the second edition of our Revenue Marketing Report, Outfunnel and Copper surveyed 300 sales and marketing professionals in the US to discover:

- How SMBs are performing in regards to their revenue goals
- The state of sales and marketing alignment among SMBs, along with the main challenges to great alignment
- How sales and marketing teams are using technology, especially in regards to data management
- How companies are shifting to remote work or have adopted a hybrid model, and the result of these changes

The data in this report is from an independent survey conducted in November-December 2021 that generated 300 responses with an even split between sales and marketing professionals.

Respondents include senior-level (Director+ with decision-making authority) sales leaders and B2B marketers from companies with both sales and marketing functions. More than half of the respondents represented the following 6 industries: Construction, Manufacturing, Professional Services, Software / Technology, Travel and Hospitality, Wholesaling and Retailing.

For more on methodology, demographics and firmographics, see page 24.

Table of contents

Executive summary 4

1 Optimism amid uncertain times: 62% of sales & marketing leaders believe they'll exceed revenue goals in 2022 6

2 Despite majority exceeding revenue goals, sales and marketing alignment sees decline 8

3 Aligning your sales & marketing efforts increases odds of exceeding revenue goals 14

4 SMBs are embracing the work-from-anywhere era... but is it working? 17

5 Data is key to alignment, but one-third still move data between tools manually 20

Conclusion 24

Methodology, demographics and firmographics 25

Executive summary

1

Optimism amid uncertain times: 62% of sales & marketing leaders believe they'll exceed revenue goals in 2022. Sales and marketing leaders are optimistic about their companies' revenues for 2022. And with good reason: Nearly 60% of respondents reported that their companies exceeded revenue goals in 2021.

2

Despite the majority exceeding revenue goals, overall sales and marketing alignment sees a decline. Alignment between sales and marketing has deteriorated, compared to last year's survey. Now, nearly 60% of sales and marketing professionals don't feel well-aligned, compared to 46% in 2021. Poor communication and data issues are seen as the biggest challenges to alignment.

3

Aligning your sales & marketing efforts increases odds of exceeding revenue goals. The correlation between sales & marketing alignment and revenue is real. SMBs struggling with disjointed marketing and sales teams are twice as likely to miss their revenue goals, while those with great alignment are more likely to exceed them.

4

SMBs are embracing the work-from-anywhere era... but is it working? 20% of SMBs report their office has become fully remote and 43% are working with a hybrid structure. However, data suggests that those who have gone fully remote struggle more with sales and marketing alignment and are less likely to reach revenue goals.

5

Data is key to alignment, but one-third still move data between tools manually. While both sales and marketing teams are likely to rely on several tools related to customer information, the way they keep data in sync varies. As many as 32% of the respondents say they move some or all of the data manually.



“

Despite a global environment that remains nearly as uncertain as it was two years ago, those responsible for driving business growth at small and medium-size businesses have reported an overwhelmingly strong revenue year for 2021 and maintain a positive outlook into 2022. But sales and marketing teams continue to struggle with alignment, and we've seen that spontaneity can only go so far. The key to sustainable future business growth lies in control and visibility, especially in uncertain times. Predictability comes through better data and information sharing among teams.”

Dennis Fois
CEO of Copper



Optimism amid uncertain times: 62% of sales & marketing leaders believe they'll exceed revenue goals in 2022

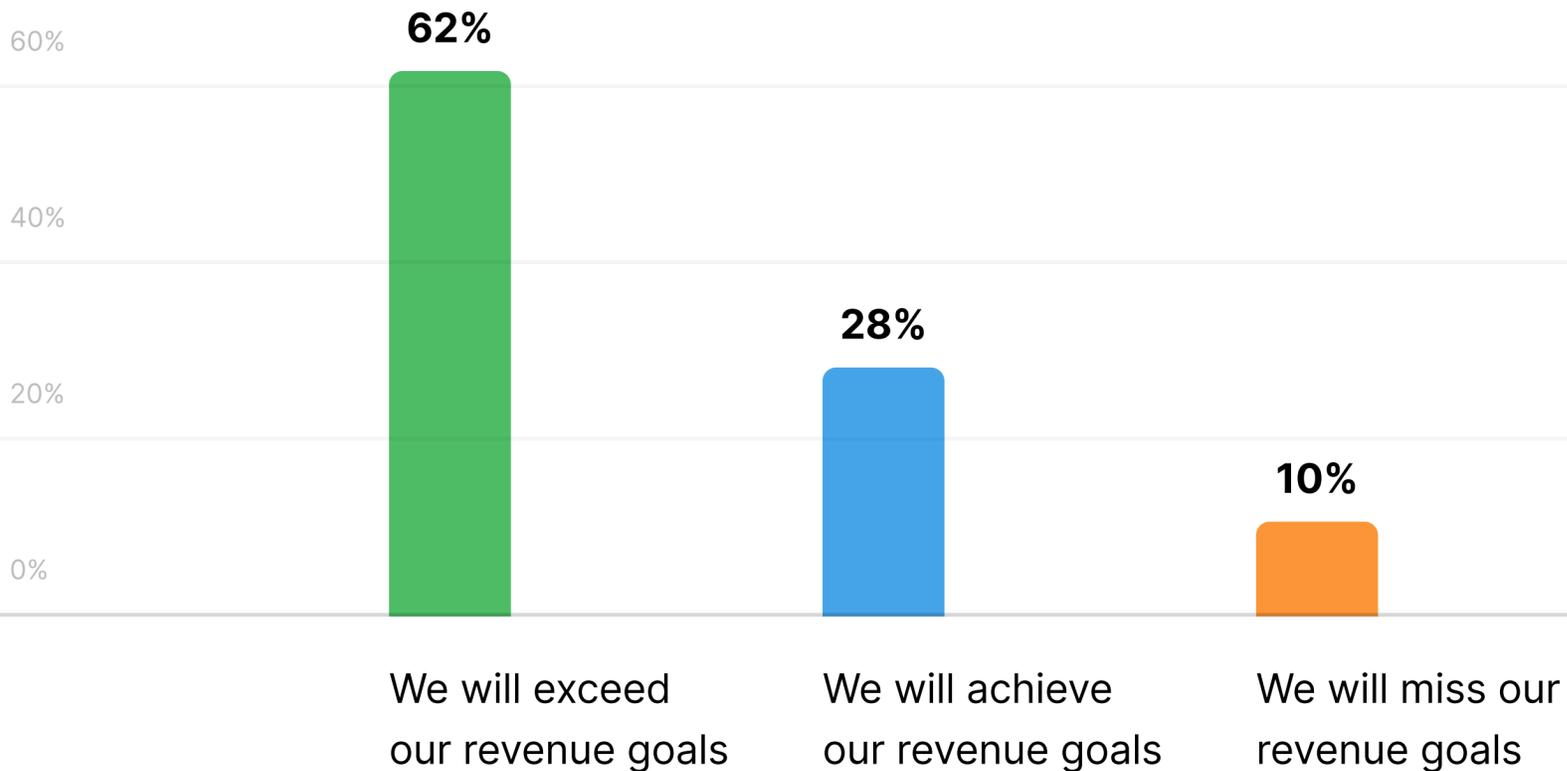
In last year's report, 50% of SMBs reported their revenues decreased in 2020, while only 39% reported revenue growth. This year, the picture looks quite different.

Nearly 60% of sales and marketing leaders report that their companies exceeded revenue goals in 2021.

It's possible that businesses may have set more modest goals for 2021 due to heightened uncertainty and fluctuating revenues, but sales and marketing leaders feel optimistic about their companies' revenue growth for 2022.

As many as 62% of sales and marketing leaders expect to exceed their revenue goals in 2022.

Do you expect your company will achieve its revenue goals in 2022?



However, not all industries were equal in their wins last year. In 2021, respondents in Manufacturing reported the best results: A whopping 72% said they exceeded revenue goals, while only 14% reported falling short of their targets.

Compare those numbers to Professional Services, who performed worst: 46% reported exceeding, 33% achieving, and 21% missing revenue goals in 2021. Still, nearly half of respondents exceeding revenue goals isn't exactly poor performance.

2

Despite majority exceeding revenue goals, sales & marketing alignment sees decline

While many companies are exceeding their revenue goals, alignment between sales and marketing has declined.

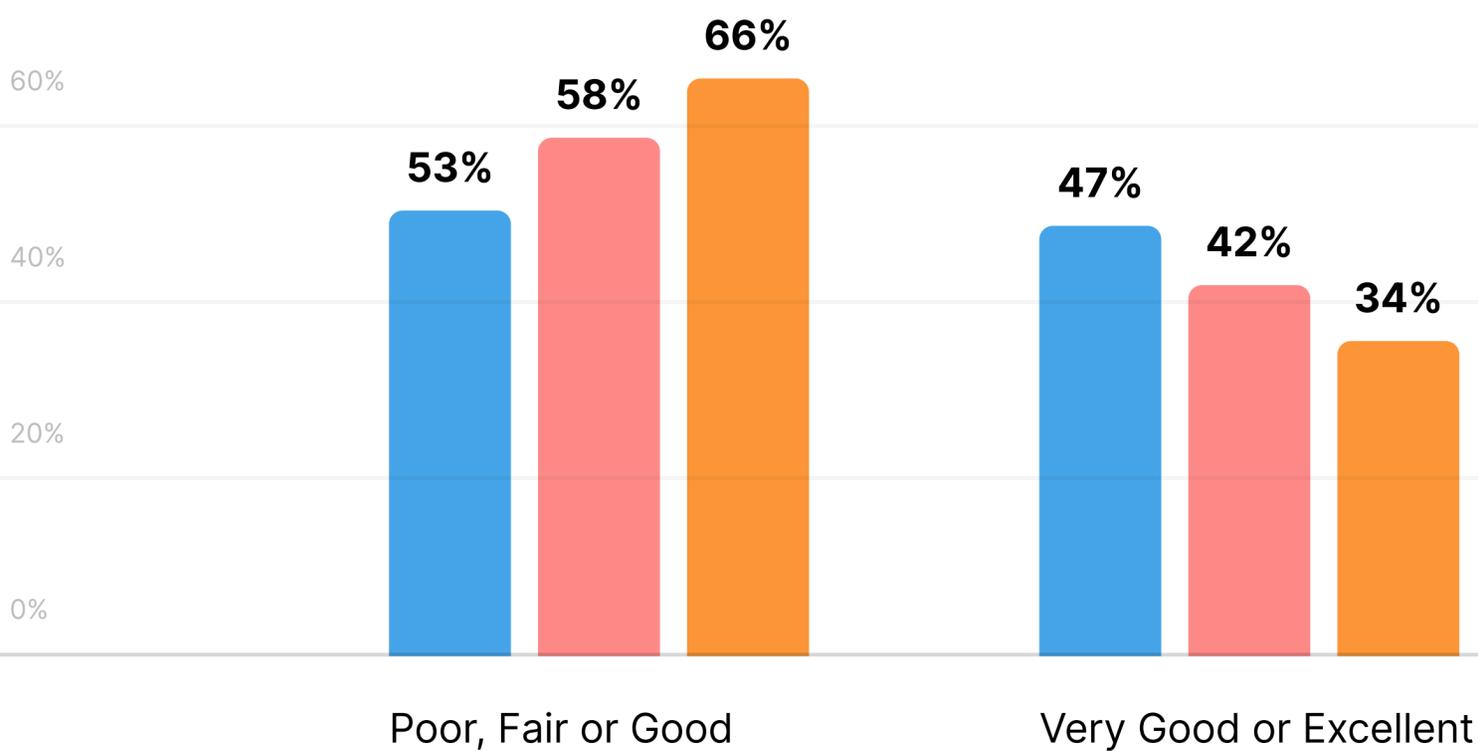
58% of respondents rated their sales and marketing alignment as "Poor," "Fair" or "Good". This is a significant increase compared to the previous year (46%, up 12%).

The rest — 42% of respondents — rated alignment as “Very Good” or “Excellent”.

The decline in alignment reaches across all sizes of SMBs, but the trend is most pronounced among larger companies (101-150 employees). Where less than 40% of respondents from larger companies reported disconnectedness in 2021, this year more than 60% report "Poor," "Fair" or "Good" alignment between the teams.

Overall, how would you rate the alignment between sales and marketing in your company?

● 2-50 employees ● 51-100 employees ● 101-150 employees

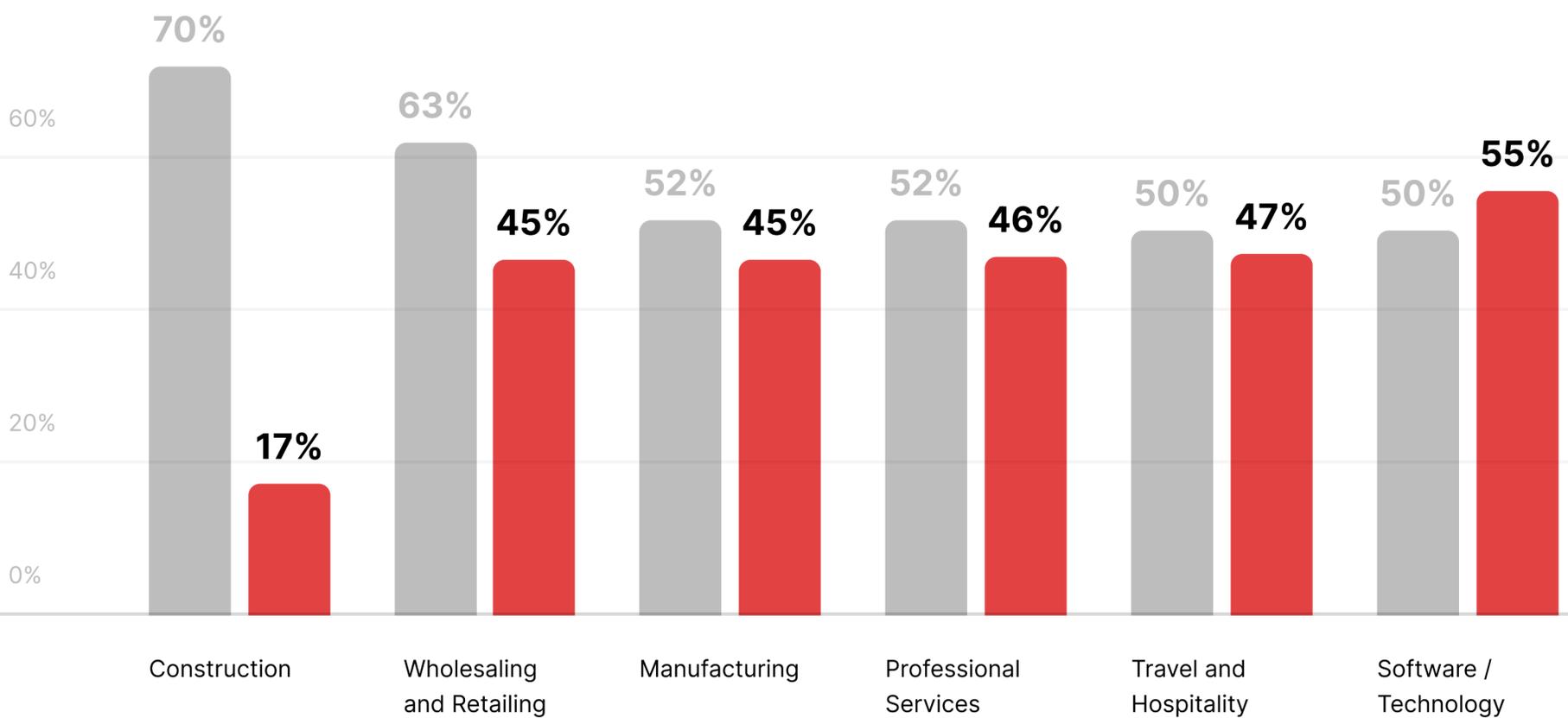


If we look at the breakdown in our 6 main industries (more than half of all survey respondents came from these groups), then sales and marketing alignment in Construction and Wholesaling & Retailing has seen the largest decline.

Unsurprisingly, those in the Software / Technology sector have forged the strongest sense of collaboration, having most likely integrated the right communication tools and best practices for a work-from-anywhere era.

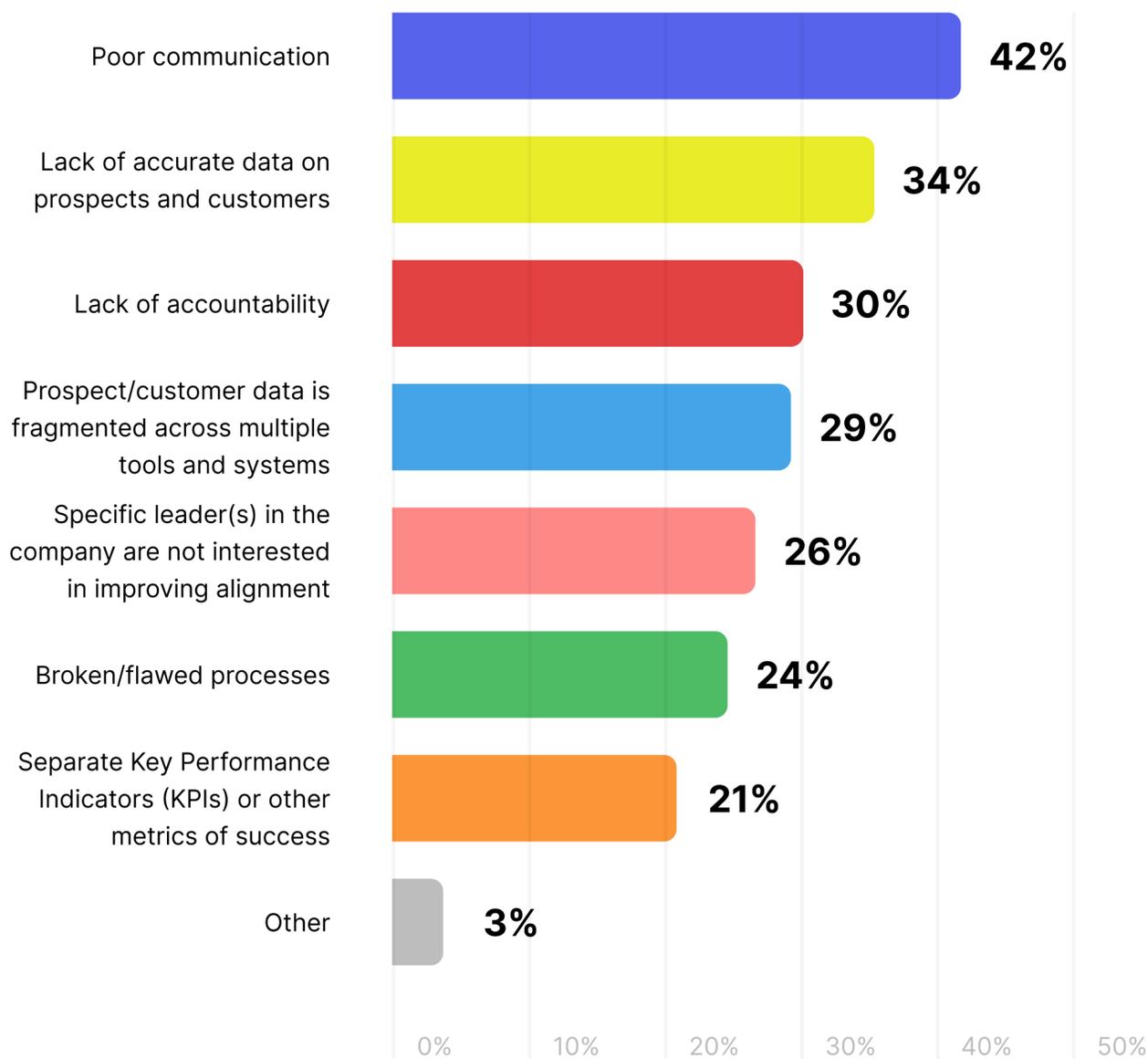
Percentages of respondents that report alignment between sales and marketing as Very Good or Excellent:

● 2021 ● 2022



Poor communication emerged as the biggest culprit behind misalignment.

What are the biggest challenges to aligning sales and marketing at your company? Choose up to three.



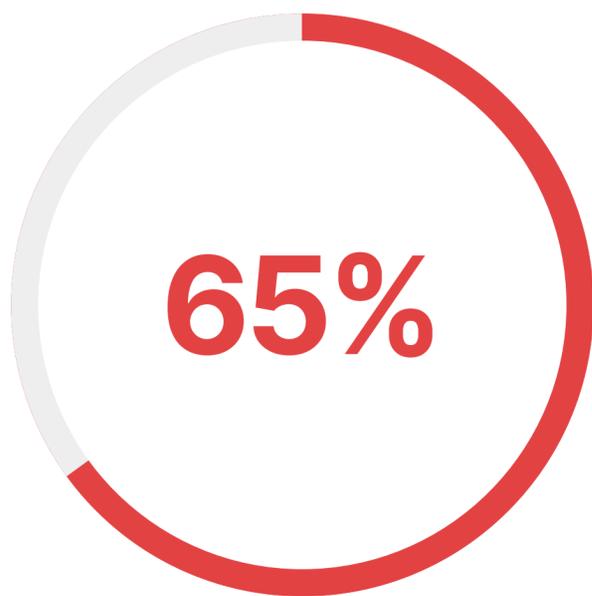
36% of respondents found that poor communication was one of the biggest challenges to unifying sales and marketing teams.

Notably, more than half (51%) of those in larger SMBs cited poor communication as a challenge.

Communication wasn't the only speed bump, though. Larger SMBs struggled with a lack of accountability, which may indicate a need to establish clear roles and responsibilities.

For smaller businesses, a lack of accurate data on prospects and customers was more likely to pose a challenge. After all, how can you effectively market or sell to somebody when you don't have accurate data on which to base informed decisions? If either team doesn't have full access to that customer data then they'll end up operating in the dark, leading to inconsistent and ineffective action.

With such clear evidence of communication breakdowns and discord, it shouldn't come as a surprise that both marketing and sales lack clarity on the other team's activities and whether or not they're actually generating revenue. The disconnect can negatively impact both teams, leading to unnecessary friction and overlapping responsibilities.



**of marketers agree with the statement:
“Sales spends too much time on
administrative tasks.”**



of salespeople think marketing spends most of their resources on branding and awareness, compared to 17% that think marketing spends most of their resources on generating pipeline.

Of course, sometimes the hunch may be rooted in solid foundations. But in many cases, such beliefs can be whittled to incorrect assumptions, arising from a lack of communication. If both teams operate in their own silo, it's easy for each one to assume they're the only ones doing the hard work.

When both sales and marketing are aware of the work that the other side is putting in—and how that contributes to the bottom line—efforts to achieve common company goals become more harmonious and streamlined. Alignment requires regular and clear communication between both teams, though. And in turn, as understanding and respect between the two grow, they're more likely to achieve better results.

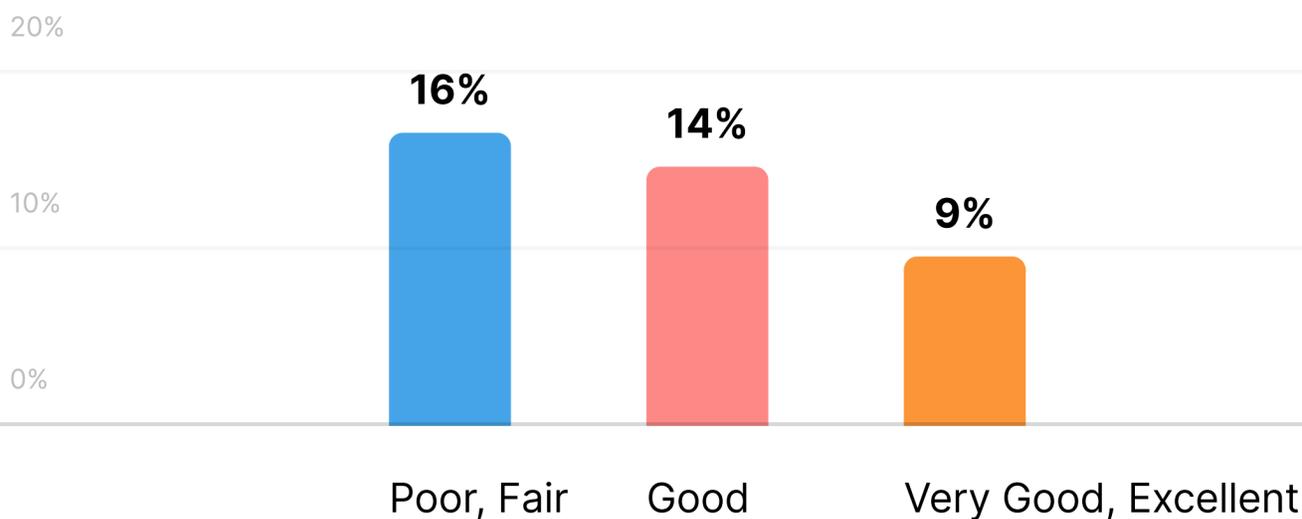
3

Aligning your sales & marketing efforts increases odds of exceeding revenue goals

In our 2021 report, we saw a correlation between revenue growth and sales and marketing cooperation. This year, we saw a similar correlation between revenue goals and alignment as in last year's survey results.

Companies struggling with sales and marketing alignment are twice as likely to miss revenue goals.

Of companies that missed 2021 revenue goals, how they rated alignment between sales and marketing

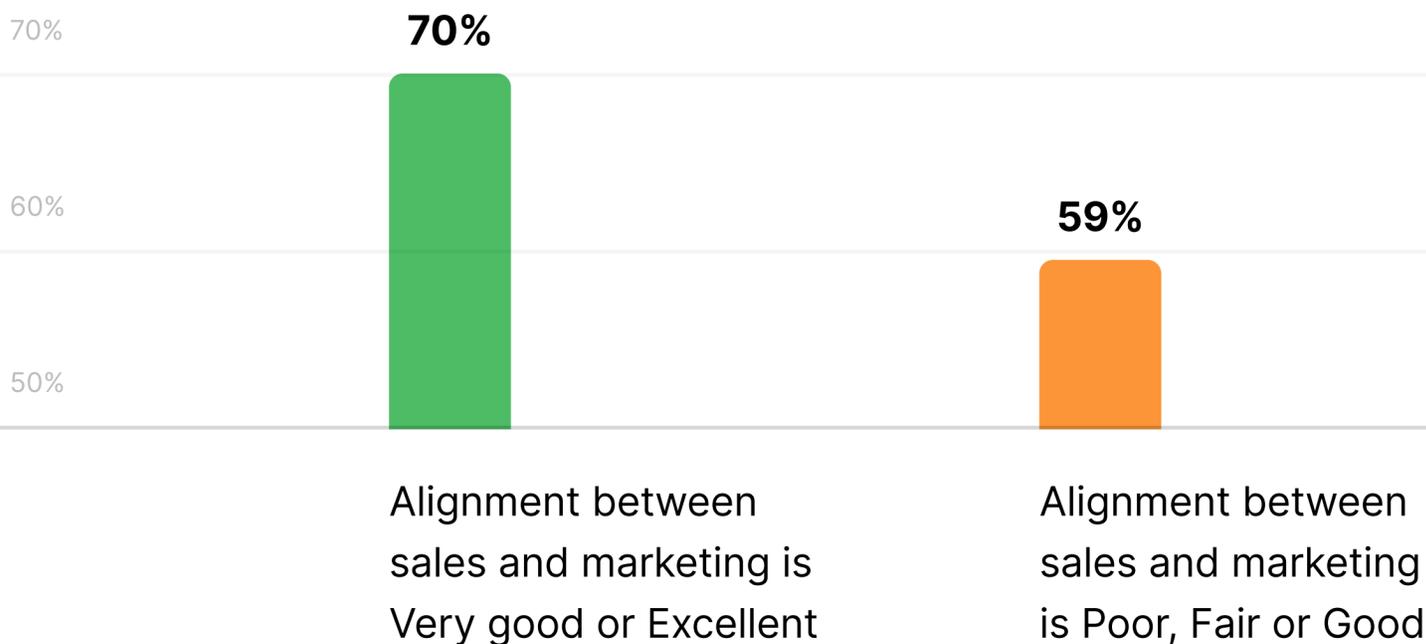


Among those that report their sales and marketing alignment as poor or fair, 16.3% said they would miss revenue goals in 2021. Compare that to companies that report very good or excellent sales and marketing alignment, out of whom only 8.7% reported they would miss revenue goals.

Companies that report great sales and marketing alignment are more likely to exceed revenue goals.

Among companies who rate their sales and marketing alignment as "Very good" or "Excellent," more than 70% reported they would exceed their revenue targets in 2021. Compare that to those who rated alignment as "Poor," "Fair" or "Good" among whom 59% reported that they would exceed revenue targets.

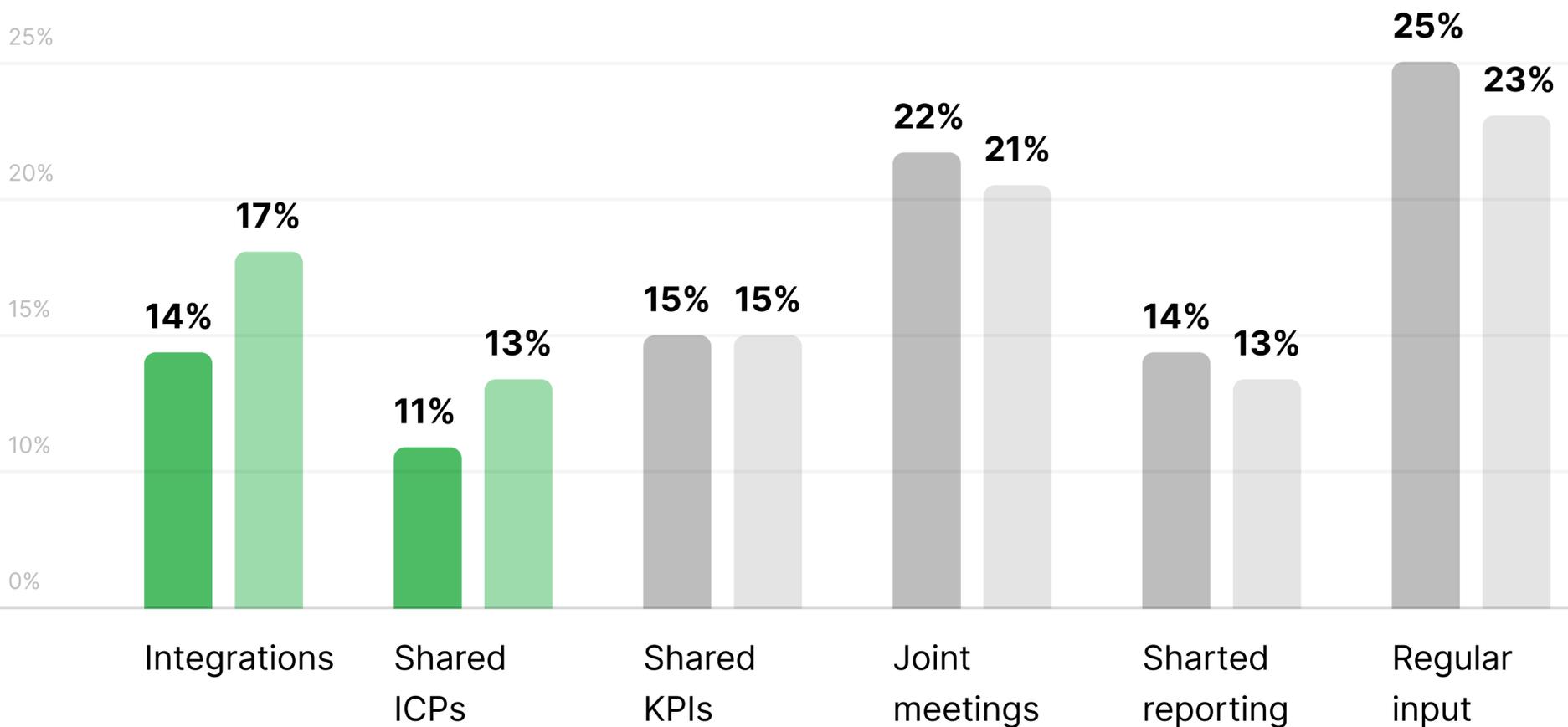
Of companies that exceeded 2021 revenue goals, how they rated alignment between sales and marketing



So, what are the well-aligned sales and marketing teams doing differently? They're more likely to use integrations between their tools to share real-time intent data on leads. Additionally, they're more likely to have identified shared ideal customer persona (ICP) profiles.

Which of the following do the sales and marketing teams at your company engage in together? Select all that apply.

Poor, Fair or Good alignment
 Very good or Excellent alignment



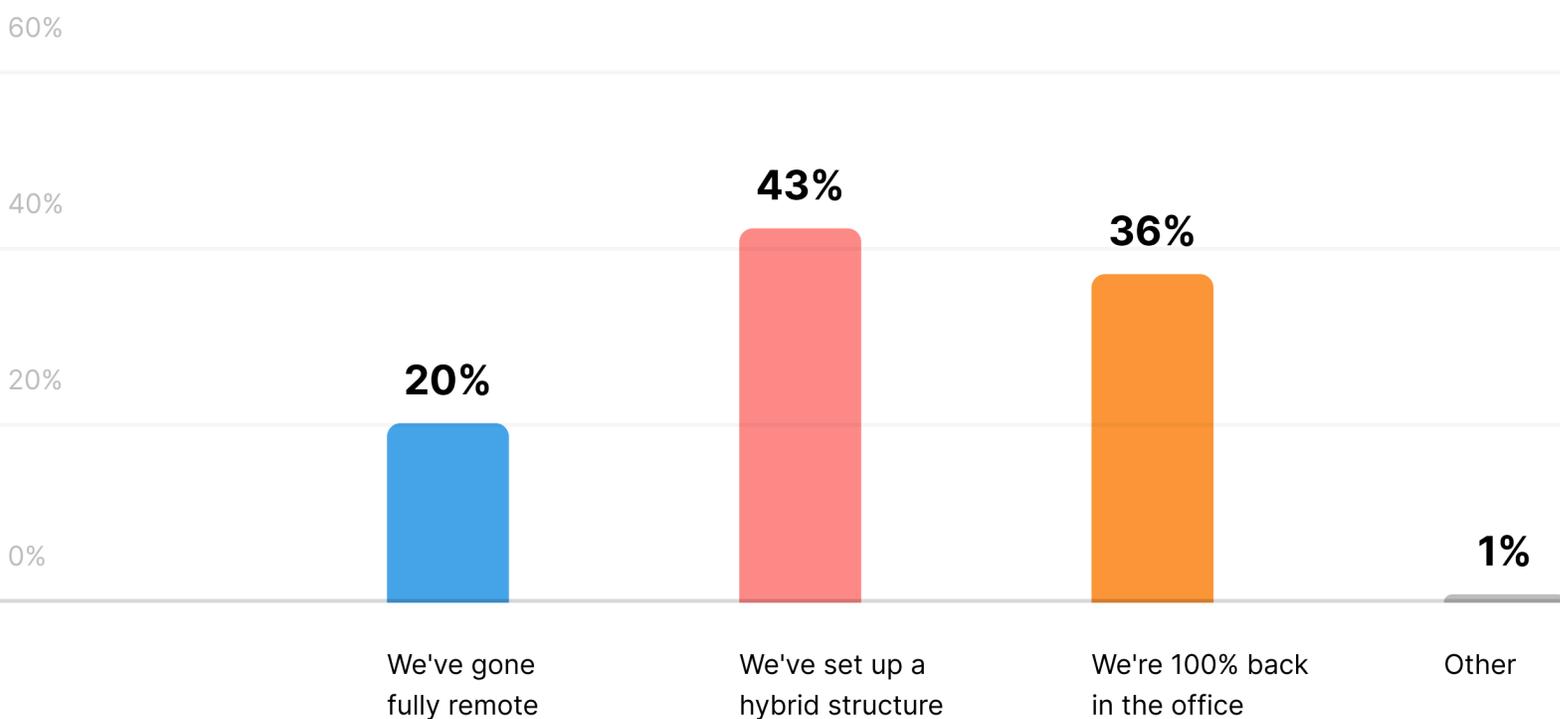
4

SMBs are embracing the work-from-anywhere era... but is it working?

In 2021, businesses had the opportunity to look back at the procedures and policies they'd put in place for remote work, assess the results, and decide how they would move forward.

43% of SMBs have set up a hybrid structure, while 20% have gone fully remote. Slightly more than one-third are 100% back in the office.

How has your office structure changed since 2019?

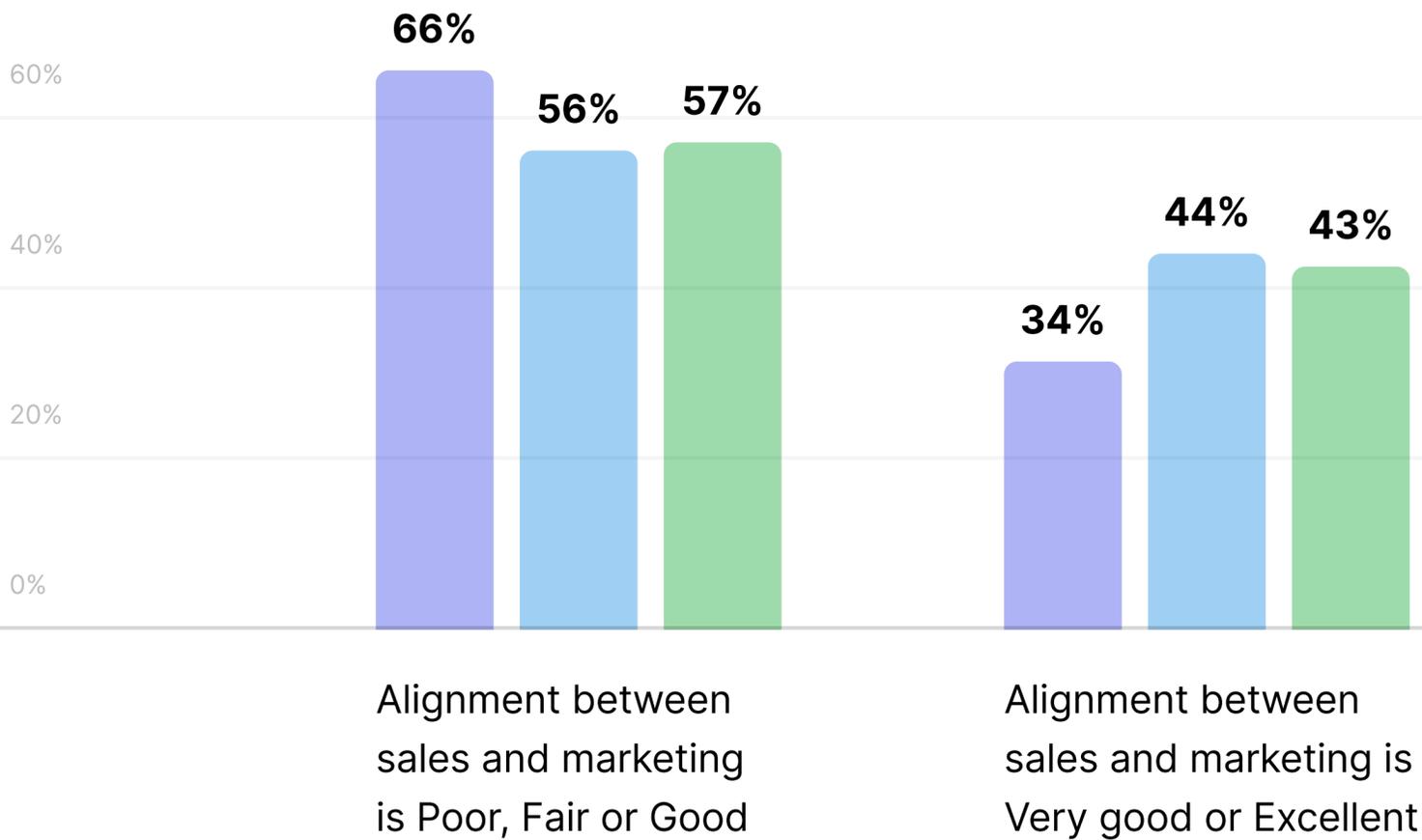


Notably, larger SMBs are more likely to be back in the office—in fact, about 50% report they are completely back in the office—while smaller companies are more likely to have gone completely remote.

How have these changes impacted sales and marketing alignment? Those who have gone fully remote report the worst congruence between sales and marketing.

Overall, how would you rate the alignment between sales and marketing in your company?

● Remote ● Hybrid ● Office

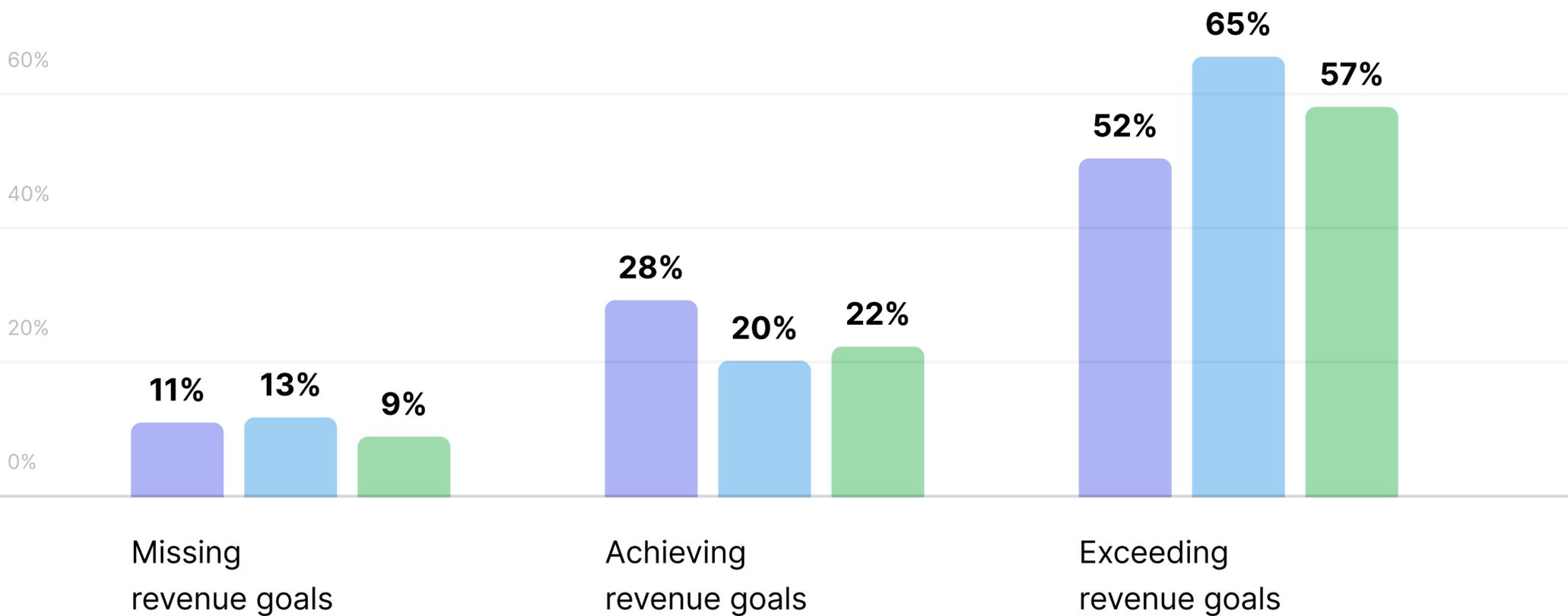


Only about one-third of those who have gone fully remote report great alignment, compared to 43-44% of those who are back in the office or who have set up a hybrid model.

What's more, those that have gone fully remote report the worst results when it comes to exceeding revenue goals.

To what extent is your company achieving its revenue goals in 2021?

● Remote ● Hybrid ● Office



“

As all companies question and change their workplace models, they need to find what works best for them rather than following the pack. On top of that, leaders need to ensure that marketing and sales teams communicate well and have access to the right software tools to get aligned, work better together, and provide a better experience to their customers.”

Andrus Purde

Co-founder and CEO of Outfunnel

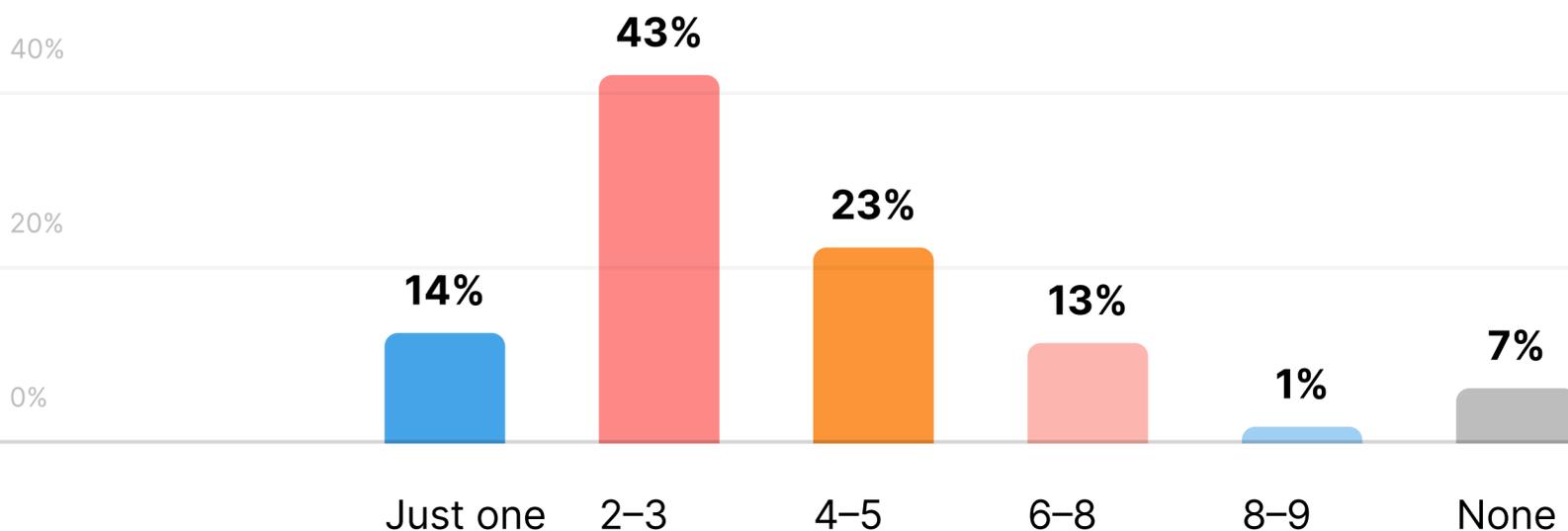
5

Data is key to alignment, but one-third still move data between tools manually

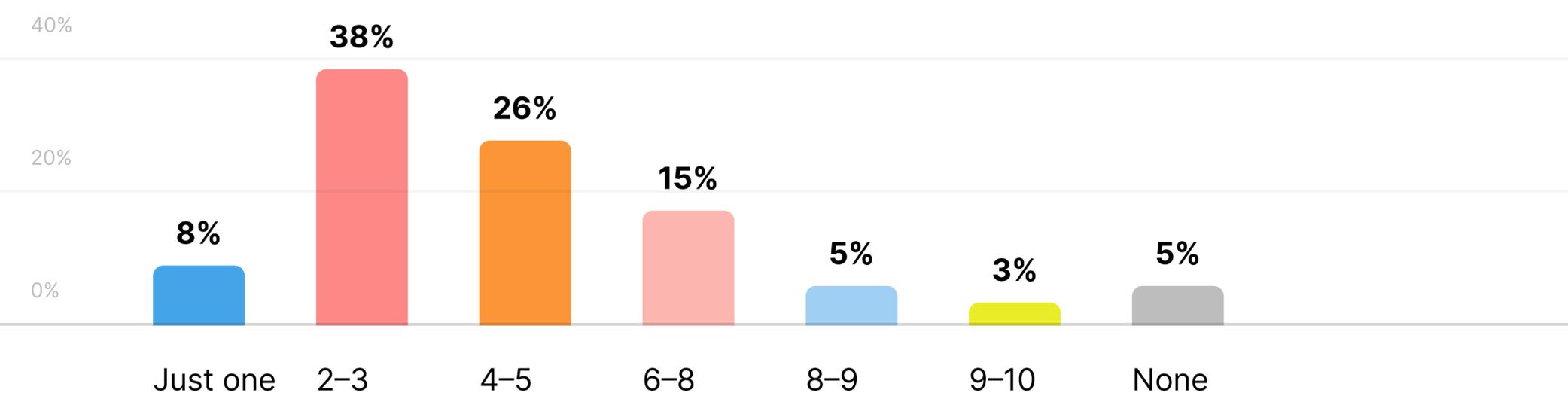
Whether you're a marketer working from home or a salesperson who's back in the office, using the right tools is key to maintaining and strengthening alignment.

Most SMBs use 4-6 sales and marketing tools that contain information about leads and customers.

How many sales software tools that contain information about leads and customers does your sales team use? E.g. CRM, sales intelligence, sales automation, etc.



How many marketing software tools that contain information about leads and customers does your marketing team use? E.g. marketing automation, web forms, advertising platforms, etc.



Both salespeople and marketers are most likely to use 2-3 software tools in their department.

Despite a large number of categories of sales and marketing tools, most businesses aren't taking full advantage of what's available. However, the number of tools isn't as important as how they use the data they generate.

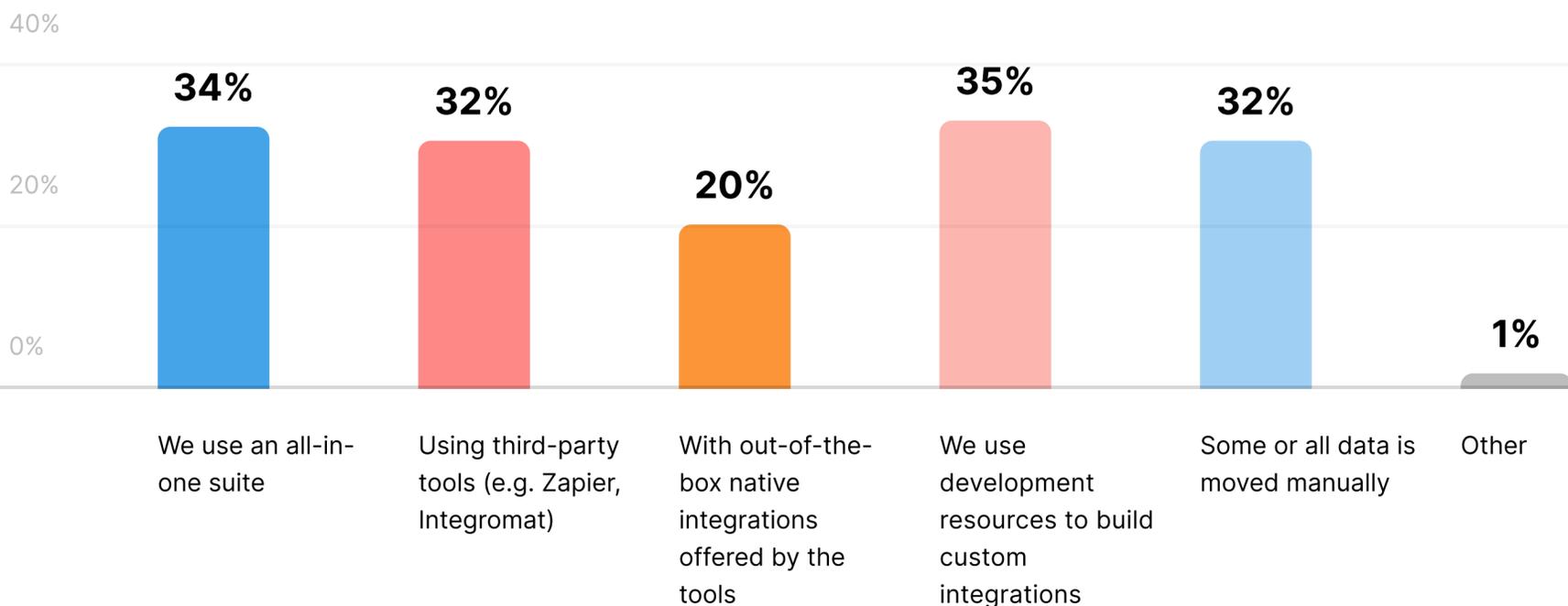
Lack of accurate data on prospects and customers poses the second-biggest challenge to joint sales-and-marketing success.

29% of respondents selected unreliable data as one of the three main challenges, second only to poor communication (see more on page 11).

25% agree that fragmented prospect/customer data across multiple tools and systems is one of the three main challenges to sales and marketing alignment.

And yet, a whopping one-third of the respondents still move data across sales and marketing tools manually.

How are sales and marketing tools and data integrated at your company?



Manually moving data between platforms can lead to inaccurate or out-of-date information — a real consistency killer. Salespeople and marketers who are willing to embrace the use of technology can contribute to more effective, aligned decision-making built on accurate data.

We also saw a difference between how marketers and people approach the use of tools.

Marketers are more likely to use third-party tools—39% of marketers report using third-party tools to integrate sales and marketing tools, compared to just 15% of salespeople.

Salespeople are more likely to use development resources—39% of salespeople report using development resources to build custom integrations between sales and marketing tools—compared to 31% of marketers.

Conclusion

While the principles of sales and marketing may stay the same, the world in which we operate continues to transform. Over the last few years, many of us have seen more rapid change than ever before in our careers, and the fluctuation has affected the way we work.

Despite many teams crushing their revenue goals in 2021 and feeling widespread optimism for the year ahead, sales and marketing alignment continues to litter the road to success. The biggest obstacle to alignment is poor communication; after all, how can teams work together when they're not able to communicate effectively? Other challenges include a lack of accurate lead data and a lack of accountability, both of which would certainly be exacerbated by insufficient communication.

Some of the breakdown in communication can be linked to the rise of remote work; those who have switched to a fully remote structure report the biggest disconnect. At the same time, those in a hybrid structure report similar sales and marketing alignment as those who are 100% back in the office.

Given that misalignment is linked with poor revenue performance, and that finding harmony between sales and marketing will likely continue to challenge teams for years to come, the report's findings suggest areas where businesses can focus their efforts.

Above all, putting clear and structured communication practices in place has become essential. This should include opportunities for both teams to get to know each other and understand how their counterparts' work contributes to overall revenue generation. But it should also involve integrating the right tools and data so that both teams can work together toward shared goals and provide a great buyer experience for their customers.

Methodology, demographics and firmographics

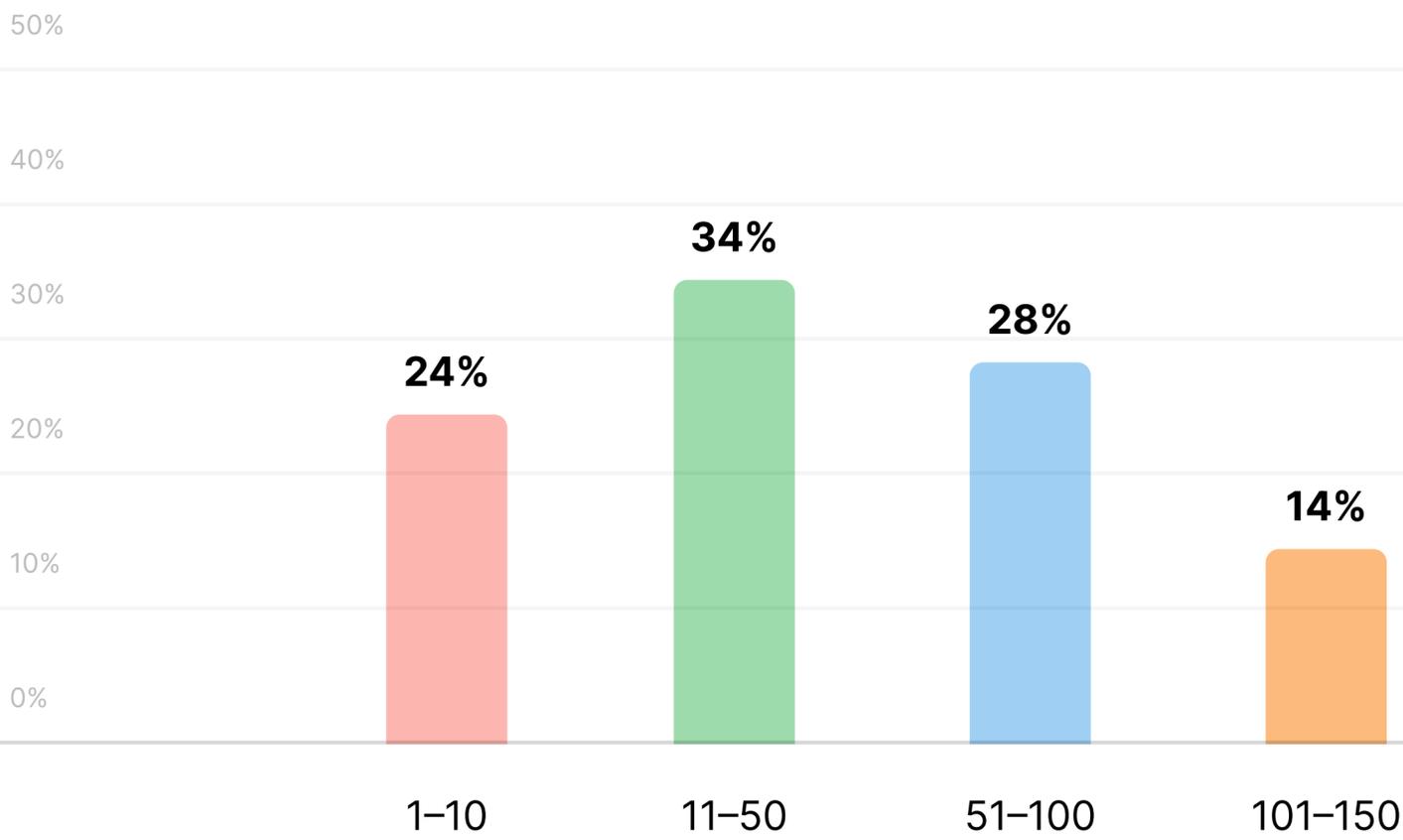
To help us better understand the state of sales and marketing alignment in 2022, Outfunnel and Copper conducted a survey in November-December 2021. It was an independent survey of senior-level (Director+ with decision-making authority) B2B sales and marketing leaders from companies with both sales and marketing functions. The respondents were from a range of industries and company sizes.

Of the 300 respondents, 150 were in Sales roles and 150 in Marketing. About one-quarter of the respondents (24%) worked at companies with 1-10 employees, one-third (34%) at companies with 11-50 employees, 28% at companies with 51-100 employees and a minority (14%) at companies with 101-150 employees.

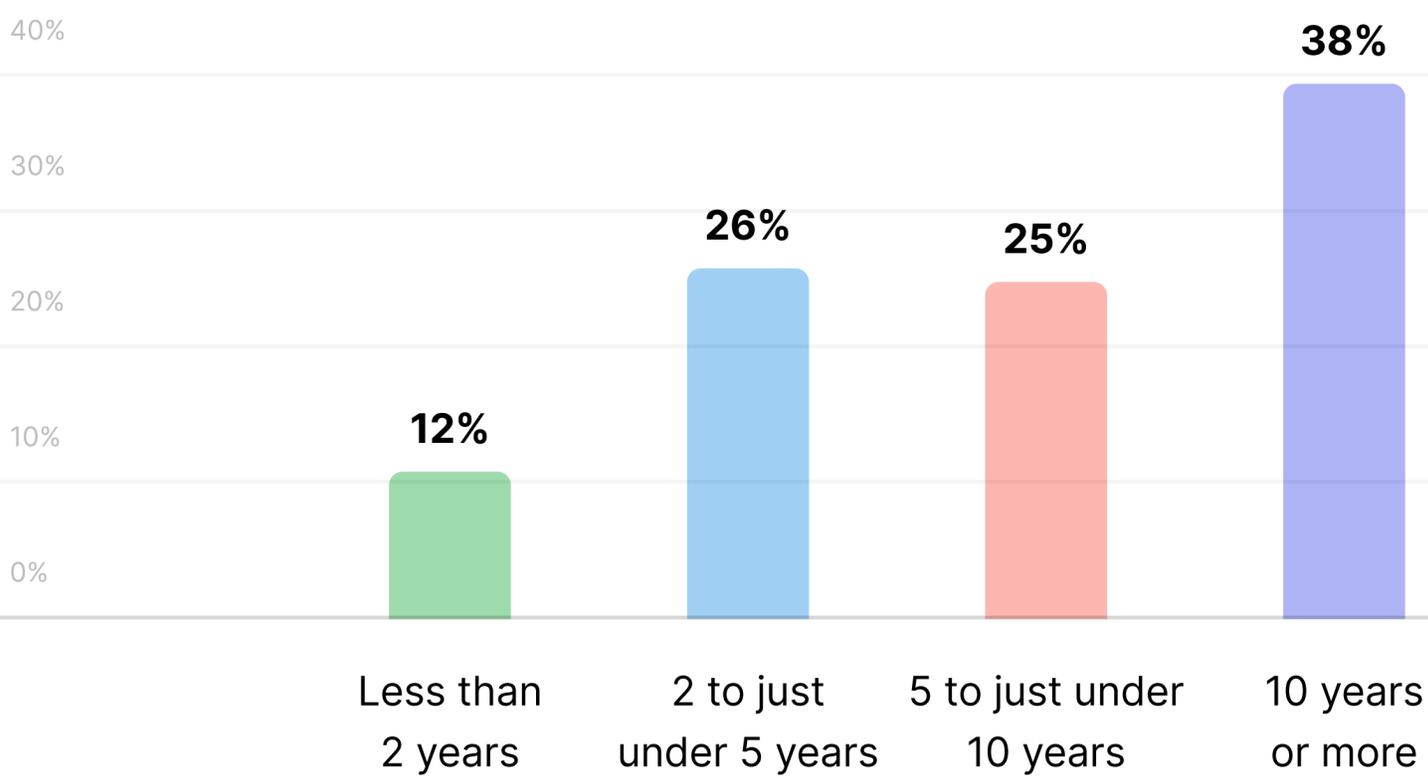
Industries Represented

| | |
|----------------------------------|---------------------------|
| Agriculture/Food | Professional Services |
| Construction | Real Estate |
| Ecommerce | Software / Technology |
| Education | Telecommunications |
| Energy/Utilities | Textiles |
| Financial Services and Insurance | Transportation |
| Healthcare | Travel and Hospitality |
| Manufacturing | Wholesaling and Retailing |
| Media | Other |
| Pharmaceuticals | |

Company size (# of employees)



Company maturity





About Outfunnel

Outfunnel makes it incredibly easy to connect sales and marketing tools. It offers integrations between CRMs like Copper, Pipedrive, Salesforce, and a number of sales and marketing tools like Mailchimp, ActiveCampaign, Calendly, to help sales and marketing work together and drive revenue. Outfunnel is serving more than 1000 paying customers worldwide and has a team of 12 based out of Tallinn, Estonia and Porto, Portugal. Outfunnel is backed by Paua Ventures, byFounders, and a group of angel investors.

For more information or to sign up for a free trial, visit www.outfunnel.com



About Copper

Copper is a Google-recommended CRM for Workspace users, loved by 30,000+ businesses globally. Designed for businesses that drive lasting revenue through strong relationships, Copper functions seamlessly in the background while you spend time on what matters: people. Headquartered in San Francisco, the company has raised \$102M in venture capital financing to date.

To get a demonstration or sign up for a free trial, visit www.copper.com