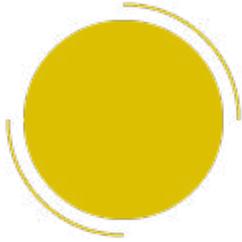


The logo for Madison Taylor Marketing is centered in the upper half of the page. It consists of the words "MADISON TAYLOR" in a bold, white, sans-serif font, with "Marketing" in a smaller, lighter font directly below. The text is enclosed within two concentric white circles. The background of the entire page is a vibrant, multi-colored brick wall with a diagonal split between a purple/blue side and an orange/red side.

**MADISON  
TAYLOR**  
Marketing

MARKETING RESOURCES

# Sales & Marketing Alignment



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# Sales and Marketing Alignment

Lack of sales and marketing alignment — often called “smarketing” — isn’t a new problem. While it should be obvious that both sides are after the same goals, these two departments tend to pull against, not with, one another. The relationship between the two is often contentious, with each misunderstanding and not trusting the other.

Alignment of the sales and marketing teams disrupts the status quo and rewards organizations in a big way. A recent research piece conducted jointly by Marketo and Reachforce found that [businesses are 67% better at closing deals](#) when sales and marketing work together.

Aligning your sales and marketing departments isn’t just about internal cohesion, either. According to Hubspot, when sales and marketing teams work together, [companies see 36% higher customer retention and 38% higher sales win rates](#). And companies with good smarketing practices in place generated more than three times as much revenue from marketing efforts as companies without.

Creating a culture where sales and marketing combine their efforts to accomplish company goals isn’t out of reach. How can your organization achieve it? There are four key points in building a cohesive, aligned sales and marketing strategy that increases productivity and delivers results.

## Chapter 1: Sales and Marketing Alignment Starts with Communication

### *Good Smarketing Starts With Good Leadership*

The leadership of a company drives the attitudes of their teams. If the Sales Director diminishes marketing’s contributions, the salespeople will, too. If the Marketing VP deems sales lazy or unwilling to get behind important lead-building initiatives, the marketing team will tend toward the same opinion.

Uniting the two means the company leaders must change not only the team members' mindsets, but probably their own, too. Pent-up animosity, apathy, and distrust makes this challenging. That's why it's vital for the managers' superiors to involve themselves in creating stronger relationships between the departments.

A successful alignment strategy requires that leaders of both departments find common ground and respect. While the day-to-day initiatives differ, the overall goal is the same – achieve more leads, close more accounts, and increase revenue and profit.

The leaders must find ways to move toward these goals, appreciating each department's role in the success.

### ***Understanding and Communication: Building Trust***

Sales needs to be able to trust the leads that marketing provides through inbound strategies and other channels. Marketing must believe sales works the leads it generates to the best of their ability. But how do they know if they never talk to each other?

Lack of communication is costly to the company both in real and potential dollars. Alice Heiman, Founder and CSO at Alice Heiman, LLC [gives an example where lack of communication wastes money](#). “Sales requests some collateral as a leave behind for clients. Marketing doesn't ask a single question, produces spiral-bound beautifully printed books that cost about \$10 each. Not at all what sales wanted. The collateral sat under their desks for months until finally they were thrown away.”

An online survey conducted by ToutApp revealed [70% of marketing professionals want to meet with the sales team more frequently](#), and of those who met more often, 89% deemed the meetings “effective” at improving marketing outcomes.

Real conversations that consistently produce results are the best way to increase sales and marketing alignment. Attending meetings together,

working on common lingo, and understanding each person's values is the foundation on which a successful alignment strategy is built.

### ***Unify the Vision of Sales and Marketing***

Alignment won't happen without the realization that both teams are working toward the same big-picture goal. Showing return on investment (ROI) for trade shows and advertising campaigns, successfully rolling out new products, developing new markets, closing sales faster, and increasing revenue are all goals that sales and market share.

The responsibility of unifying sales and marketing so they function together rests on everyone involved. Top management down to the new marketing assistant needs to keep the goals at the tops of their minds.

The broad goals of an organization need to be discussed consistently and each person must understand the part they and everyone else plays in making it a reality.

Another key factor in marketing and sales unification is winning together. By sharing in the successes, the two former combatants start building common appreciation of and respect for one another. Once this happens, big things are on the way!

Finally, it's critical to measure and examine the results.

### ***Sales & Marketing SLA: Agree to Agree***

Another important piece of a marketing strategy is a service-level agreement, or SLA, between sales and marketing. A SLA is simply an agreement that codifies the commitment to each other and respective roles of the marketing and sales teams.

In the SLA, the marketing makes a commitment to deliver a certain number — and quality — of leads to the sales team in order to help them hit their quotas. The sales team, in turn, promises to follow up on those leads, making

a specific effort and number of contacts before giving up, to generate a solid ROI for the marketing team's efforts.

To create a SLA, you need to think about a few questions. How many leads does your sales team need? Is marketing responsible for all of them? Some sales teams do their own lead generation, so the marketing team might not be on the hook for every lead that's brought in.

If the marketing team isn't bringing in the leads, are they nurturing them? Even if the leads come from somewhere else, they might need some work before they're ready for the sales team to take over.

Once you've answered these questions, you can start to craft an SLA based on what percentage of the leads the marketing team needs to be directly involved in. To make it even more compelling, put it in terms that sales people know well — dollars.

### ***Putting Your SLA In Terms Of Real Dollars***

First, establish how much of your sales quota comes from leads that the marketing department is responsible for providing. Once you know what's on the marketing department's plate, calculate the value of each marketing-qualified lead (MQL).

Make a list of every marketing initiative that's generated a lead. This could be social campaigns, demos, trade shows, or anything else that has sent potential customers your way. Make a list of recent customers and match them up with the campaign that brought them to you in the first place. Work out the average revenue brought in from each customer. At this point, you can even segment your customers into small, mid-sized, and large customers.

Find out what percentage of leads from each campaign are actually closed. This is your close rate. Multiplying the close rate by your average revenue per customer will give you the average value of each MQL for each marketing channel.

Let's say you have an offer on your site for a free ebook. Leads from the download of that ebook convert at a rate of 2%, and the average revenue from those customers is \$50,000. The average value of each MQL in that case is 2% times \$50,000, or an even \$1000. Feel free to segment your leads, campaigns, and customers as much as you want, as long as you're getting useful MQL values out of it.

### *Keep Your Costs In Mind*

Pursuing leads isn't free — it costs your sales team time, and time is money. You need to figure out how many times it's worth pursuing a lead before giving up on them. Start with old leads that have been around a few months, and check your CRM to see how many times those leads were contacted.

Compare the cost of your sales reps' time — based on how long a contact attempt takes, how many attempts they can make in an hour, and what they're being paid — with the average revenue from a customer.

Because calling more than once costs you more money without generating extra revenue, you'll find that there's a point where it's no longer profitable, on average, to make another attempt to contact leads. Incorporate that into your SLA.

## **Chapter 2: Boost Sales and Marketing Alignment by Tracking and Measuring Quantifiable Results**

We can't talk about sales and marketing alignment — and how much it can help your business — without talking about data and analytics.

Ellie Mirman wrote a [recent Hubspot blog](#) that explains it this way: “Using data is a great way to bring sales and marketing together to align towards key business goals and keep both teams accountable and successfully working together.”

First, measurable results must be put in place. What qualifies a warm lead?

How many times does sales need to follow up? What are the measures of success or failure? Key performance indicators (KPI) need to be set and both teams should have a clear picture of what's expected from each.

After the KPIs are in place, it's imperative to close the loop. Consistently measure and track initiatives and report on their success. What's working? Dissect those strategies out and use more of them. Which ones fail? Either ditch them or tweak them to make them perform better.

Both sales and marketing need to be involved with and privy to the results. Seeing hard evidence of their efforts fosters excitement and camaraderie, which tightens up the relationship between the teams and helps them improve.

### *Sharing the Same Data*

In order to measure the success of your smarketing efforts, you'll need software that can monitor your progress, analyze lead quality, and measure ROI. You'll need marketing software, like HubSpot, that helps you create and manage leads, and you'll need a customer relationship management (CRM) tool that lets you track and manage sales.

More importantly, those two software systems will have to talk to each other, just as the sales and marketing teams need to be in communication. If the two sets of data can't communicate, you won't be able to generate meaningful reports on close rates and new customers from your marketing efforts.

You should also look for software that automatically syncs between marketing and CRM software, eliminates duplicate records by matching with email addresses, and sends data both directions — it's often helpful to segment marketing leads by info that the sales team has added to the CRM.

Once you have the software set up, you can start sharing data back and forth.

The marketing team should be sharing the history of each lead's engagement — with your site, social media campaigns, downloads, and whatever other channel they've interacted with. You should also have alerts set up if a lead comes back to the site, requests a call with a salesperson, or takes another step toward purchase.

From the sales department, marketing needs to know how the sales process is going. Records of calls and emails to leads, updates on their status, and data on whether leads have been closed — and how much revenue they've generated — helps the marketing team calculate the ROI of their efforts.

Remember, you're on the same team! Sharing data can only help you — both departments will have more actionable information on what's working, what's not, and what to change.

### ***Identify Winning Marketing Channels***

Using your marketing software, lay out the lead history of every customer. You've been making contact with these people at several points along their buying journey, and now's the time to use all that data.

Look into how many customers visited specific pages on your site before they finalized their purchase, or who downloaded a particular webinar or ebook, to figure out which content in your marketing funnel is the most effective at driving conversions.

You can also review specific campaigns to see which ones are generating the most leads and customers or compare your various landing pages to see which ones have the highest conversion rates. From that data, you can tweak your content strategy or promote more influential pages.

### ***Identify Winning Sales Initiatives***

The same goes for your sales initiatives. Using the various software tools at your disposal, you should be able to determine exactly which sales initiatives are creating the most leads and customers.

Once you know, you can optimize your conversions by repeating similar initiatives. You can also weed out unsuccessful sales strategies in future, and stop wasting precious sales time on efforts that aren't working.

## **Chapter 3: Define Your Funnel/Flywheel Stages for Sales and Marketing Alignment**

The sales funnel and the marketing funnel look very different, but they're both describing the same process by which visitors become customers. The sales and marketing teams probably disagree on the number of stages that visitors pass through on the way through, and they assign different names to the stages themselves.

If you want your sales and marketing departments to get along, they'll need to agree on what the funnel is and how visitors progress through it. Most importantly, you'll need to focus on what constitutes a marketing-qualified lead (MQL). An MQL is the point at which a lead is handed off from marketing to sales, so it's crucial that your two departments agree on the terminology.

### ***Lead Qualification***

First, is the lead a good fit? Your company might target companies with revenue under a certain mark, or companies with a small number of employees. As tempting as other accounts might be, it's not worth your time to court accounts that you can't handle or that will make too many demands on you.

The type of lead will make a difference too. On your landing pages, you probably have a form for visitors to fill out. The way they fill out that form determines if they're going to be a good lead or not. One thing that people often leave off that form? Job title.

Make sure to ask potential leads what their job title is, their role in their company, and where they fall in the decision-making process. Is this person

using your product or buying it for someone else? Are they in a position to influence other people's buying decisions?

## ***Defining Marketing-Qualified Leads***

A marketing-qualified lead (MQL) is what it sounds like — a lead who you've determined is more likely to turn into a customer. They're not fully-fledged opportunities yet, but they show promise. Ideally, an MQL will be someone who's undertaken a specific, bottom-of-the-funnel action, like requesting a demo or browsing a buying guide.

If you don't have a lead scoring system, you need one. The importance of each metric will vary depending on your business and your marketing efforts, but essentially it means assigning a score to any characteristic or behavior, from page views to downloads to social media accounts to age or location, to come up with a final number that tells you how viable a lead is. Software like HubSpot can do the work automatically, but in a pinch, a spreadsheet will do.

Set up a conversation between your sales and marketing people to look over existing customers and determine what criteria make for a good lead. Take into account demographics, activities, and online behavior to settle on a scoring system that makes sense for both departments.

## ***Defining Sales-Qualified Leads***

After becoming MQLs, some leads will progress further into becoming sales-qualified leads (also called service-qualified leads), or SQLs. SQLs are leads that the sales department has decided are worthy of a direct follow-up with a sales pitch.

In some companies, MQLs are decided by the marketing team, then handed off to the sales team for them to decide who the SQLs are. In the smarketing system, though, these two departments are in constant communication, so the line between MQL and SQL is blurred.

Whatever you call them, the idea is to come up with a system for identifying which leads have been effectively marketed to and are ready to be handed off from marketing to sales. The marketing team can easily keep track of how many leads they need to generate, and the sales team will know how many leads they need to receive in order to hit sales targets.

## **Chapter 4: Smarketing In Practice**

### *Dashboards And Reporting*

If you're not keeping an eye on your goals on a monthly (even daily) basis, you run the risk of being blindsided when the end of the year comes around and you haven't met them. You're also less likely to notice areas of concern or inefficiency until they snowball into much bigger problems.

Daily dashboards turn all the data from your reporting systems into a snapshot of your progress toward your goals. Everyone in the smarketing team — sales and marketing alike — should have access to this data, either through your marketing software, CRM software, or even daily emails.

Not only are dashboards a useful tool for tracking progress, they're accountability boosters as well. If everyone can see everyone else's daily progress, individuals are more motivated to keep their numbers up.

Your marketing dashboard should be pretty simple: just a graph of the leads you've generated to date plotted against the target rate of lead generation for that time period. That way, you can easily see whether you're on pace, ahead of schedule, or falling behind.

If you're falling behind, you know your marketing team needs to step it up. That might mean more content, increased spending on PPC or social media, or launching new initiatives like an influencer program. If you're ahead of schedule, on the other hand, you might be able to breathe easy. Save some big content pieces for next month, or start working on longer-term or lower-priority goals.

On the sales side of things, dashboards usually measure the progress the sales team has made from receiving a lead to closing a sale. Useful metrics include number of contact attempts, time between attempts, and close rates. If you really want to dig into the data, you can break those metrics down by lead type and lead scoring to generate more granular reports of what works and what doesn't.

In order to make sure the sales team is holding up their end of the SLA, make sure to keep track of how many leads are being called within the agreed-upon number of hours, as well as how many leads are being contacted the agreed-upon number of times. Your exact parameters will vary, but whatever they are, they need to be watched.

### ***How to Run a Smarketing Meeting***

If you want your sales team to work with your marketing team as one big happy smarketing family, they're going to need to interact in person. That's where your meetings come in. Not only does face-to-face time foster interpersonal relationships that make for better unit cohesion, but it's often easier to hash out problems in person than on an endless string of reply-all emails. You should be having two types of meetings – a weekly all-hands meeting and a monthly management meeting.

The main goal of your weekly meeting is to talk about recent results and what's coming up for both departments. You should have your daily dashboards handy as reference.

In big companies, you can avoid getting bogged down by formatting this meeting as a high-level overview by team leaders to keep everyone up to speed. In smaller companies, the weekly meeting can be more interactive – take questions and comments from team members on how your systems might improve.

The monthly meeting has similar goals, but on a larger scale. You can use reporting software to take a longer, harder look at the past month's results and what, if anything, needs to be addressed. Talk about upcoming plans,

strategy concerns, and potential problems.

Have an in-depth discussion of your closed-loop reporting data to make sure everyone is meeting their requirements as spelled out in the SLA. If it seems like one team is struggling, consider re-negotiating the SLA, but try to avoid that except as a last resort.

### ***Continual Communication Ideas***

Even though you have an SLA, dashboards, and meetings, it's a good idea for the two departments to interact more in order to show each other the value of their respective roles. Marketers should be thinking in terms of marketing themselves – showing the sales team how valuable they are.

One simple approach is to physically mingle the two teams in your office. Have them sit near each other, not separated in separate areas or rooms. Marketers will get to witness firsthand how salespeople do their jobs, which might even prompt further ideas about how to help them.

Sales reps will benefit, in turn, by having a nearby resource to ask about particular leads or marketing campaigns. The more communication there is, the happier and more efficient the whole smarketing team will be.

### ***Conclusion and Actionable Steps***

Company leaders must take an honest look at the sales and marketing alignment. If it's lacking, identify issues that erode the relationship. Set a plan to begin forging a bridge between the two sides. Get managers onboard so they can encourage alignment from the top down, and open communication channels more frequently.

Building a well-aligned sales and marketing team takes patience and persistence, but the results of its success are well-worth the time and effort. Good luck!