



The State of Sales 2020

Europe Edition



INTRODUCTION

How buyers and sales organisations are adapting

Sales organisations in Europe are navigating a disrupted landscape, where buying journeys are fragmented and complex, business planning is increasingly difficult and technology can either help or hinder, depending on sales organisations' ability to adapt to and integrate it. They must do so at a time when face-to-face meetings are no longer an option and trusted tactics like events can no longer play the role they once did.

The COVID-19 crisis that has transformed sales at breakneck speed, ushered in a new era of remote selling, and profoundly changed the tone and context of conversations. It's done all of this in a region where sales professionals were already coming to terms with interruptions to trade relationships and fears of economic slowdown.

The upheaval unleashed by the pandemic has affected the state of sales in Europe in two ways. It has enforced rapid shifts in tactics as organisations respond to the immediate challenges. It also puts a new perspective on enduring sales trends and given them a far greater sense of urgency. We can see both types of impact playing out in the region today. And we will analyse both in this report.

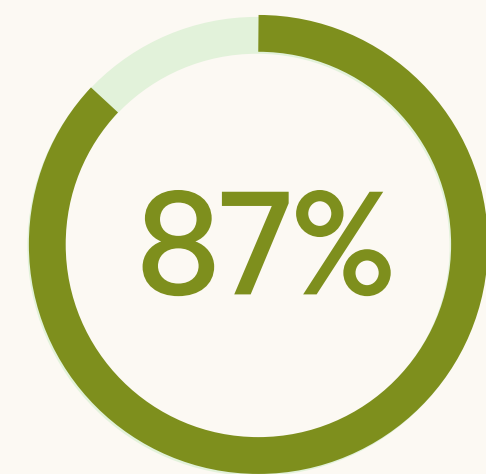
We have compiled data from several different sources to analyse how sales in Europe was evolving before the COVID-19 crisis – and how it has been transformed since. In December 2019 and January 2020, we conducted our annual State of Sales survey, which tracks how sales is evolving to meet changing circumstances and buyer needs. For this, we interviewed 500 sales professionals and 500 B2B buyers in each of France, Germany and the UK. We've supplemented this with two later pieces of LinkedIn research. In mid-March, we asked 200 sales professionals in the US about how the pandemic was impacting on their outlook. In early April, we surveyed a further 500+ US-based sellers about the impact that COVID-19 had on their business so far. Finally, we have analysed LinkedIn data for insights on how sellers are developing their skillsets in response to the crisis.



INTRODUCTION

New Realities and Enduring Trends

The disruption of the last few months has reshaped the landscape for sales and enforced the use of new tactics. Changes that sellers and their organisations might have expected to make over months or years have taken place in days. This has required huge adjustments. However, although the crisis was unforeseen, the pivots that sales professionals are making are not completely new.



Our research shows that digital sales tools and data were already playing a key role in the success of Western Europe’s sales professionals, with **87%** describing sales technology as ‘important’ or ‘very important’. Top-performing sellers are the most likely to use CRM and Sales Intelligence tools, and to rate them as critical to their success.

These tools enable top sellers to focus their time, prioritise activities and build relationships virtually, at scale. Our data shows that more and more sales organisations are now racing to adopt a similar approach. For example, the time that sales professionals in EMEA spent learning about Sales Navigator jumped up **41%** in March (month-on-month) and leapt another **54%** in April. ¹

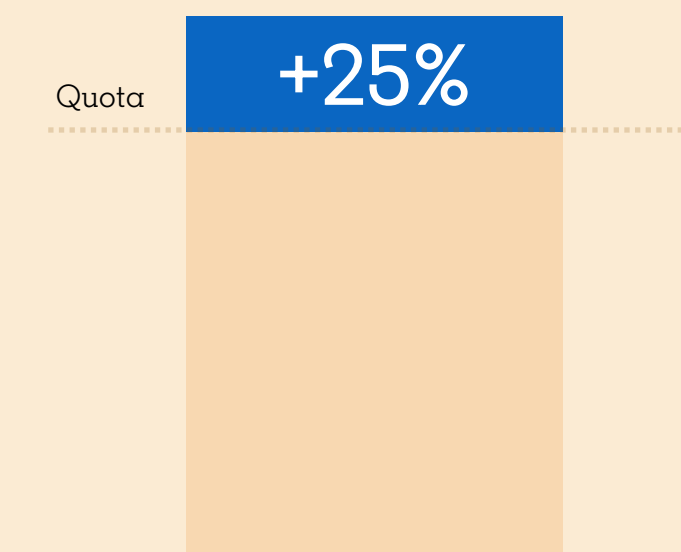
¹ LinkedIn Insights, 2020

As the role of technology expands, other enduring trends will grow in importance. Sales reps want more guidance on how to use new tools and they want more hands-on coaching from their managers. In fact, over a third choose coaching as one of the top two activities they want to spend time on with their managers. Western Europe’s sellers will become increasingly selective about the tools they make time to use. And as we move through different phases of the situation, they will prioritise those that help to grow the time they spend selling.

Sellers face a range of challenges—but they don’t face them alone. Our survey of B2B buyers shows how highly they value their sales contacts, with **87%** describing sales professionals as trusted advisors to their business. The ability to establish a trusted relationship remains the most important factor in closing a deal, and trustworthiness is chosen by buyers in every country as the most important quality a seller can have. Buyers and sellers work together to identify ROI and secure value. Even when trust in institutions declines, trust in individual sellers is increasing.

In difficult times, trust is the most valuable asset that sales professionals have. They’ve worked hard to earn it. Finding innovative and creative ways to continue doing so will be key to navigating the new sales landscape.

Tracking Europe’s top performing sellers



All of the sales professionals in our survey met or exceeded their targets last year. However, we also identified a group of top performing sellers who exceeded quota by more than **25%** in their last year. By comparing the tactics, tools and techniques of this segment to their peers, we’re able to generate intriguing insights about what drives this level of success.

INTRODUCTION

New Realities and Enduring Trends

The New Realities

1. **Sales organisations are adapting to longer sales cycles**, by taking a longer-term view of sales performance.
2. **Strengthening customer relationships is vital**, but sellers must deal with disruption and find new sources of insight.
3. **Remote selling is here for the long-term**, with sellers rushing to learn new skills, and sales organisations seeing it as a sustainable way forward.



The Enduring Trends

4. **Sales coaching is key to navigating change effectively**, with the most successful sellers the most likely to benefit from coaching.
5. **Trust has never mattered more**, with sellers focusing on earning it through Strategic Counsel and Active Listening.
6. **Smarter use of sales tech can help keep sales teams productive**, with longer-term investment in tech skills one of the key reasons why Germany and France spend more time selling.
7. **The divide between top sellers and their peers has been growing**, with the best performers increasingly confident in the value of the tech tools that they use and more than twice as likely to rate them as extremely critical to their success.
8. **Sales intelligence tools and social networking can drive a higher response rate**, when sellers are forced to reach out in new ways.
9. **Data is driving new approaches to planning**, as sales organisations prepare for an uncertain world.

NEW REALITIES

Adjusting to Reduced Budgets and Longer Sales Cycles

During the first quarter of 2020, both the European Union and the UK suffered their fastest economic contractions on record. And that was before stringent lockdowns were enforced across Western Europe.

The European Commission has predicted that GDP for the EU as a whole will decline **7.5%** over the whole of 2020. A median average of the predictions of 70 economists for the UK economy sees it dropping **7.7%**. In early May, a McKinsey survey found that **60%** of B2B buyers in Europe had already cut their budgets. Sales professionals worldwide are already feeling the effects of such a slowdown on their ability to meet quota:

55%

of sellers now expect their pipeline to decrease, **14%** of which predict a significant decrease

44%

of sellers report that it now takes longer to close deals

60%

expect to close fewer deals as a result of the crisis

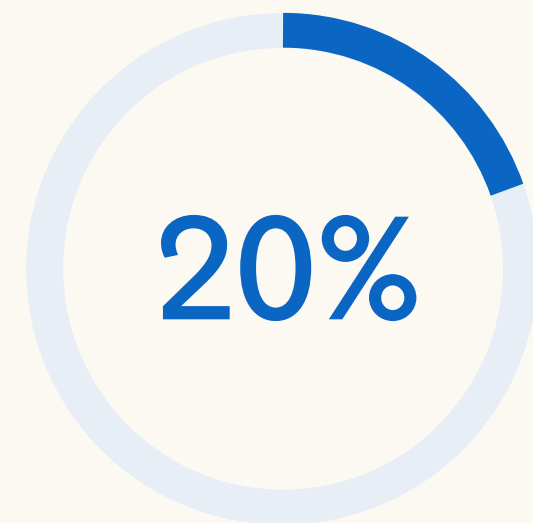
LinkedIn State of Sales, survey among 200 US sales professionals, March 2020



NEW REALITIES

Adjusting to Reduced Budgets and Longer Sales Cycles

When sellers' ability to meet targets is constrained by factors outside their control, sales organisations need to find other ways to measure performance. More and more are focusing on longer-term measures of the value that various sales activities deliver. Their ability to do so is a result of the growing availability and quality of CRM data, and growing use of social media and sales intelligence tools. As sales organisations adjust to a period of reduced activity, they are likely to lean on these data sources even more heavily.



In the UK, the percentage of sales organisations adopting Customer Lifetime Value and Customer Usage as performance metrics has risen by more than **20%** over the last five years.

Customer Satisfaction and Customer Retention are now the most commonly used sales metrics in the country while Individual Quota Met has dropped from second place to fourth. Before the pandemic, more sales organisations in France were already tracking Customer Lifetime Value, and Germany had seen a rise in those measuring Customer Retention.



NEW REALITIES

Shifting Focus to Strengthen Customer Relationships

As budgets come under pressure and opportunity pipelines shrink, sales organisations are switching focus to protecting their most important customer relationships. **However, they are doing so in a landscape that has been profoundly changed, and where disruption at key accounts creates new challenges:**

70%

Worldwide, **70%** of sellers say that they have made customer retention a higher priority since the crisis

44%

Of sellers anticipate a decrease in responsiveness

45%

45% of professionals have indicated that they expect a permanent shift in how they work as a result of COVID-19

LinkedIn State of Sales, survey among 511 sales professionals, April 2020

With buyers switching to working at home, during unpredictable hours, and away from their usual workplace phone numbers, sellers have to find new ways to build relationships virtually. At the same time, job losses and furloughs bring an increased risk of turnover among decision-makers, disrupting traditional lines of communication and leaving sellers seeking new ways to stay on top of developments.

In March 2020, we recorded a **55%** year-on-year increase in conversations between connections on LinkedIn.

55%



NEW REALITIES

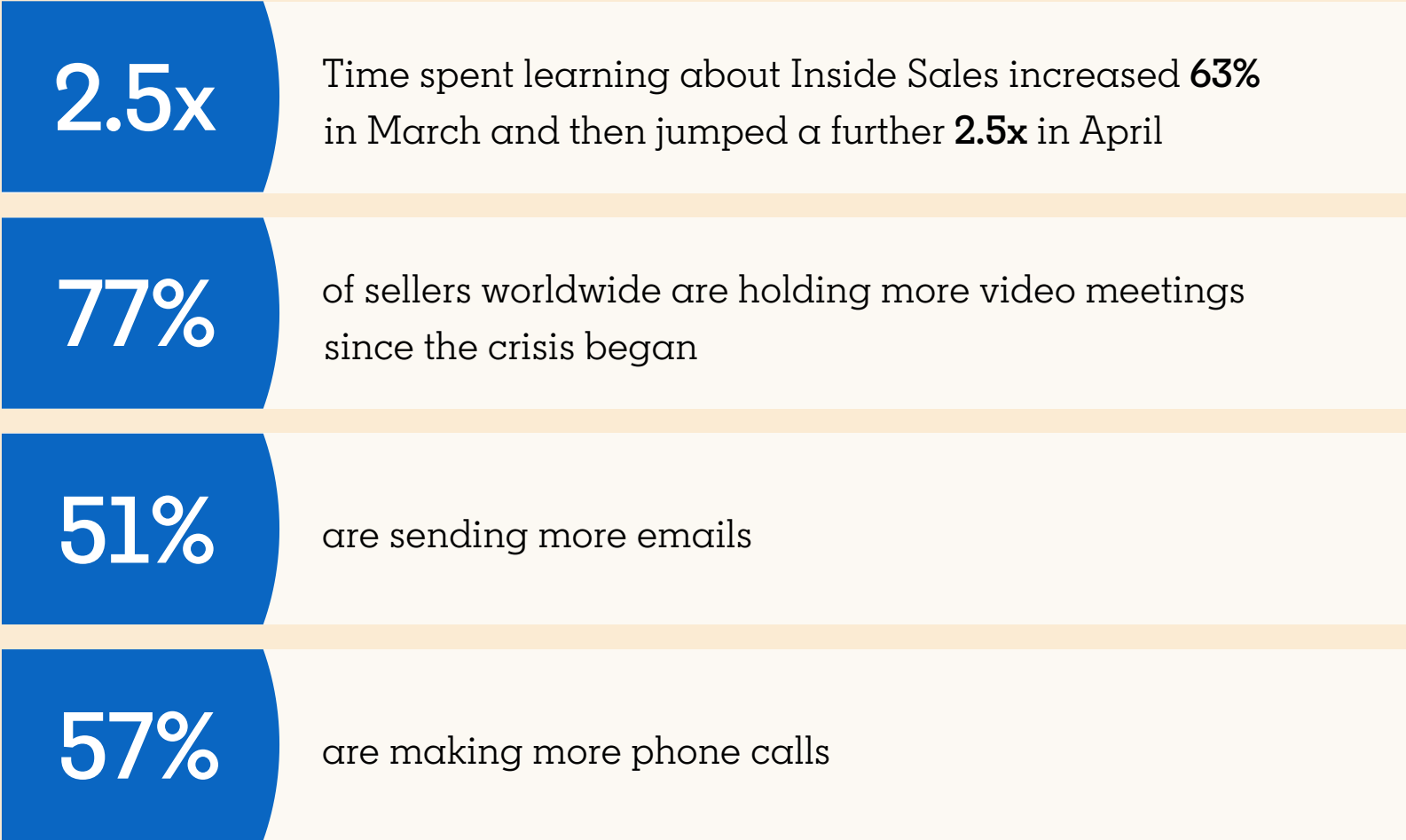
Remote Selling is Becoming the New Normal

The last few months have driven an unprecedented shift to remote selling across Europe, with **97%** of B2B businesses in Europe adjusting their Go-To-Market sales model during the crisis, according to McKinsey.² Although it has taken place with remarkable speed, the data suggests this is no short-term trend. Remote selling is a new reality that both B2B buyers and sales organisations are starting to see as a sustainable way forward.

In the McKinsey survey,² buyers in Europe were **2x** more likely to say they preferred digital sales interactions to traditional conversations. Meanwhile, **60%** of B2B leaders say their new remote-selling model is as or more effective than traditional techniques—and **78%** expect to retain it beyond the next 12 months.

For their part, sales professionals are moving quickly to learn the skills that will support remote selling as a long-term strategy:

LinkedIn Learning data shows that time spent on social selling courses in Europe rose **71%** in March (month-on-month) and a further **93%** in April



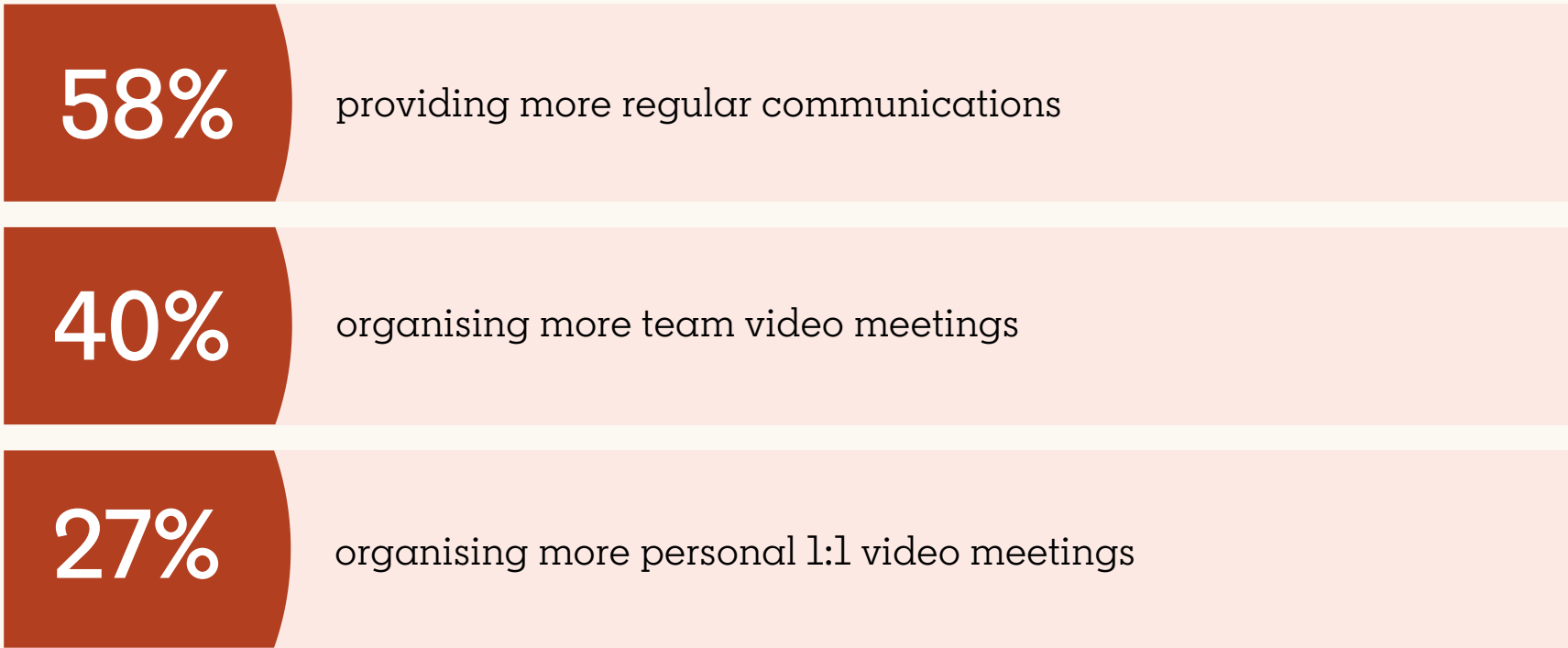
“We are seeing a few trends among sales organisations adjusting to the current climate. First, everything has shifted to virtual selling, using video conferencing, sending emails, creating webinars and info sessions. It is a big adjustment for many direct sellers. The most successful reps will adjust more quickly and learn to build relationships through different digital channels.”

—**Joseph DiMisa**, Sales Effectiveness and Rewards Leader, Korn Ferry

ENDURING TRENDS

Manager-Coaches are the Key to Navigating Change

In times of disruption and change, the value of sales leadership increases. As organisations start to navigate a changed sales landscape, the onus is falling on sales managers to provide teams with a sense of direction. Professionals currently working from home indicate that their leaders can help them feel supported through at least one of the following:



LinkedIn Insights, 2020

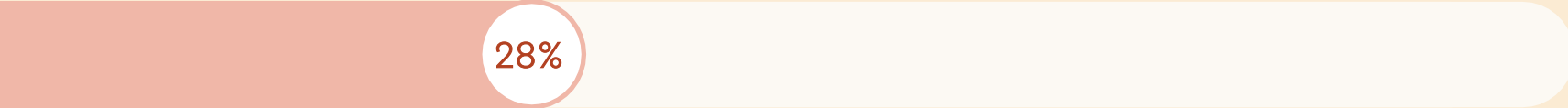
This involves a balancing act. Managers must deal with the impacts of disruption and remote working, implement new tools and evolve their selling approaches. However, their teams are most successful if they also make time for coaching. With sellers sometimes struggling to learn tech skills and apply tools in the most productive way, hands-on training and guidance are vital.

Even before the crisis, an average 67% of sellers across Western Europe said that it’s more important for their manager to respond to change now than it was five years ago—and 28% said it’s much more important.

It is “more important” for their managers to respond to change than five years ago



It is “much more important” for their managers to respond to change than five years ago



Managers have risen to this challenge in a way that has provided some preparation for the upheaval of COVID-19. At the time of our State of Sales survey, over half (52%) of them listed managing overall change within their organisation as one of the three activities they spend most time on.



ENDURING TRENDS

Manager-Coaches are the Key to Navigating Change

How coaching drives sales performance

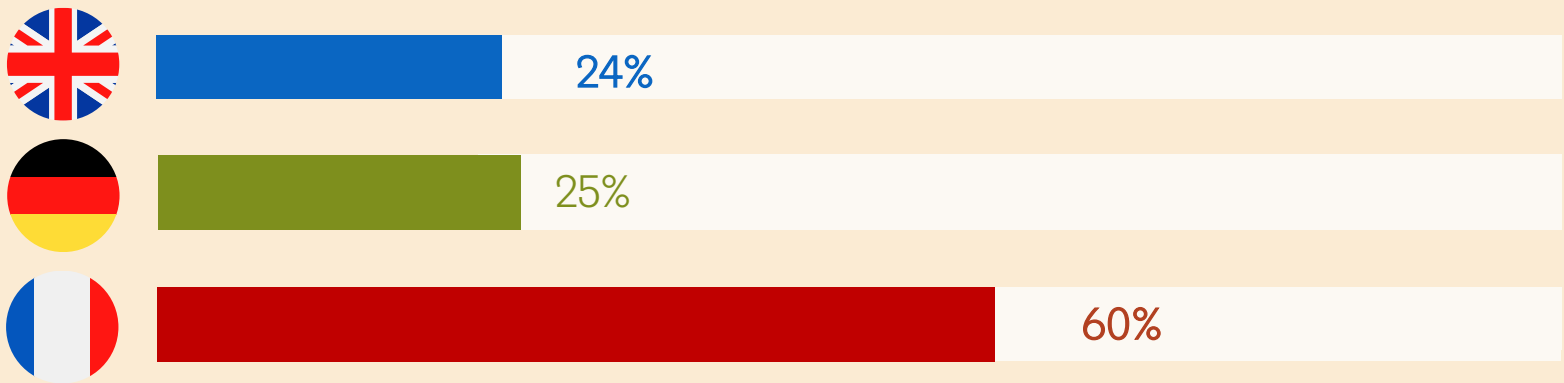
Helping sales teams adjust to a disrupted landscape isn’t just a case of implementing new technology and new sales processes. Four out of five sales reps have reported that they need help staying engaged when working remotely, during the crisis.

Across Western Europe, sellers are crying out for more active coaching from their managers—and their performance improves significantly when they have access to it.

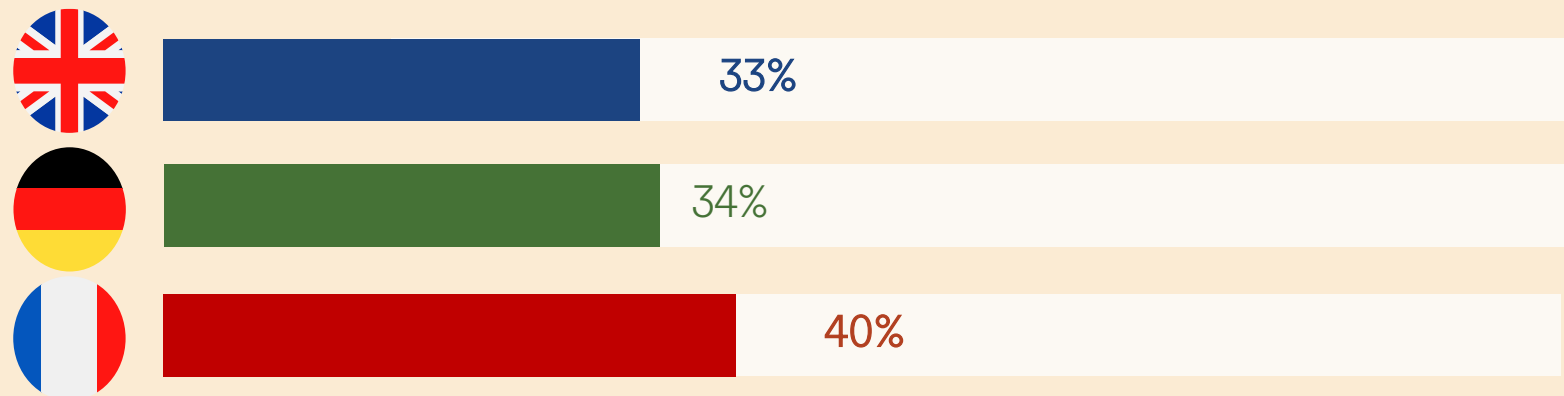
In the UK, for example, only **24%** of sellers say that coaching is one of the top two activities that they get to spend time on with their manager—but **33%** say it’s one of the activities they would prefer to focus on. Top sellers are **48%** more likely to spend significant time being coached in this way.

In Germany, a similar gap exists between sellers’ desire for coaching and the amount of time that managers can make for it, with **25%** of sales professionals listing it as a top two activity and **34%** saying they would want it to be. Only in France does the gap between demand and supply for coaching reduce. Here, managers are more likely to spend time on coaching than anything else, with **60%** listing it among their top three activities.

Sellers who say coaching is one of the top activities they spend time on with their manager



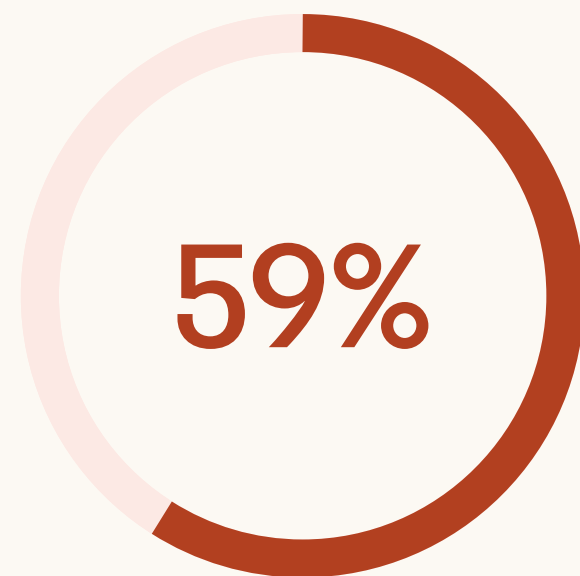
Sellers who say coaching is one of the activities they would prefer to focus on



ENDURING TRENDS

Trust Has Never Mattered More—and Sellers are Prioritising the Skills to Earn it

Trust has never been more highly valued across Europe, with the effectiveness of government responses to the crisis depending on it. This makes it worrying that the 2020 edition of the Edelman Trust Barometer showed growing distrust in governments, media and business across most major European markets. Despite this though, trust continues to be the most prized asset in the relationship between buyers and sellers in Western Europe. Sales as an industry is not always seen as a resource for buyers, with just **23%** citing sellers as one of the top 3 resources they turn to when seeking advice.³ However, we've seen that when a valuable relationship is forged, the trust and influence sales can achieve remains strong.



Across Western Europe, an average **59%** of sellers list a buyer's trust in their relationship as one of the top two factors helping them to close deals. No other factor ranks higher in either France, Germany or the UK. At the same time, the number of buyers in these countries who describe the salespeople they deal with as trustworthy has grown by **6%** year-on-year.

³The Way to Create Value, LinkedIn & Miller Heiman Group, 2020



ENDURING TRENDS

Trust Has Never Mattered More—and Sellers are Prioritising the Skills to Earn it

Beyond trust: the seller characteristics that close most deals

Trust alone doesn't close deals, though. When we look closer at the factors that sellers regard as important, we can see key differences emerging between countries—and between different types of sellers.

In Germany, especially, sales professionals regard the strategic counsel that they can provide to buyers as a vital part of the relationship-building and deal-closing process. It's ranked second in importance by all sellers in the country, with **45%** picking it in their top two. Strategic counsel is also growing in importance in France, where **39%** of sellers rank it as one of the two most important factors, up from **37%** last year.

Economic uncertainty in the wake of COVID-19 means that price and the ability to make a strong case for ROI will remain hugely important factors in closing deals. Both retain their place in the top three deal-closing factors in France and the UK, while in Germany, their significance is growing fast. The proportion of sellers listing ROI as a top factor grew from **35%** to **40%** in Germany, while price grew from **29%** to **34%**.

While it's clear that developing trust is important, sellers should remember the importance of ROI and price as highly ranking factors that contribute to the overall buyer relationship, and ultimately, closing deals.



ENDURING TRENDS

Trust Has Never Mattered More—and Sellers are Prioritising the Skills to Earn it

Top sellers win by demonstrating value

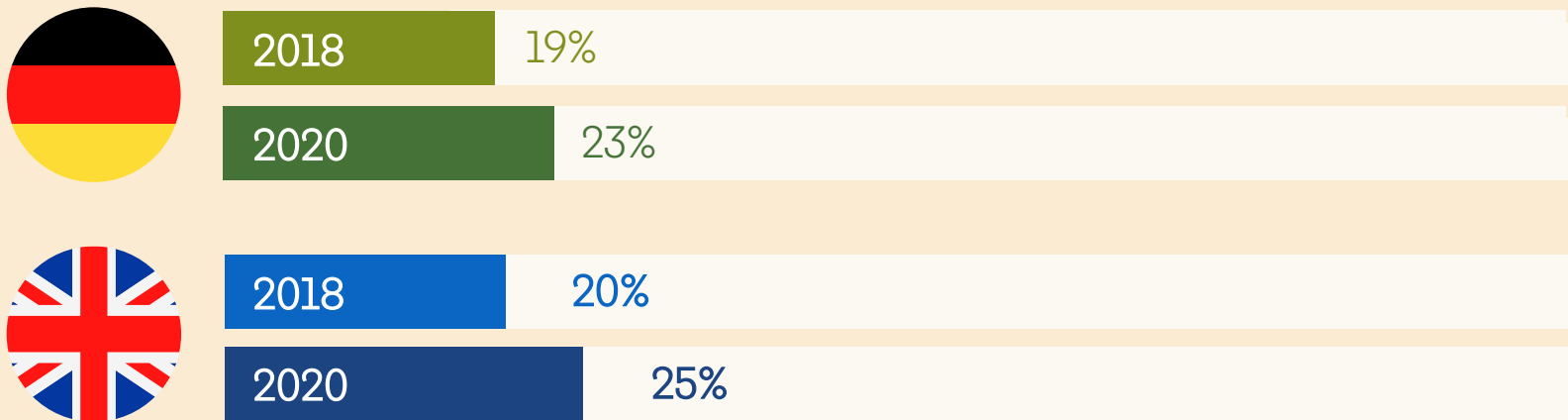
Even more striking differences emerge when we compare the results of top performing sellers to the rest. Those exceeding quota by **25%** or more were significantly more likely to list price as a top-two factor in securing deals—but even more likely to list ROI. In Germany and France, ROI knocks trust off top spot as the most important factor in closing deals while in the UK, it closes the gap considerably. In any market, top sellers are less likely to regard the transaction as a verdict on their own personal qualities and integrity—and significantly more likely to focus on quantifying value for the buyer they are dealing with.

Our survey of buyers in the three countries shows why top sellers are right to focus on customer value. Well over a third of buyers in our survey list being informed about business needs and offering favourable pricing as factors influencing their choice of vendor—and in France and the UK these are the top two factors by a considerable margin.

Active Listening is becoming selling’s most sought-after skill

The twin importance of trust and ROI is making Active Listening, the ability to concentrate, comprehend and respond in a relevant and constructive way, the most sought-after skill in modern selling. This is the case both for sales organisations hiring and developing talent, and for buyers deciding whether a seller is really trustworthy and understands their business. Active Listening features in the top three characteristics that buyers value in sellers, in each of France, Germany and the UK. And across Western Europe as a whole, it’s surging in importance when it comes to sales hiring. It’s been the number one skill that sales organisations in France prioritise for the last five years. In Germany, the number of companies seeking Active Listening as a skill has risen from **19%** to **23%** over the same period. In the UK, it’s gone from **20%** to **25%**.

Companies seeking Active Listening as a Skill



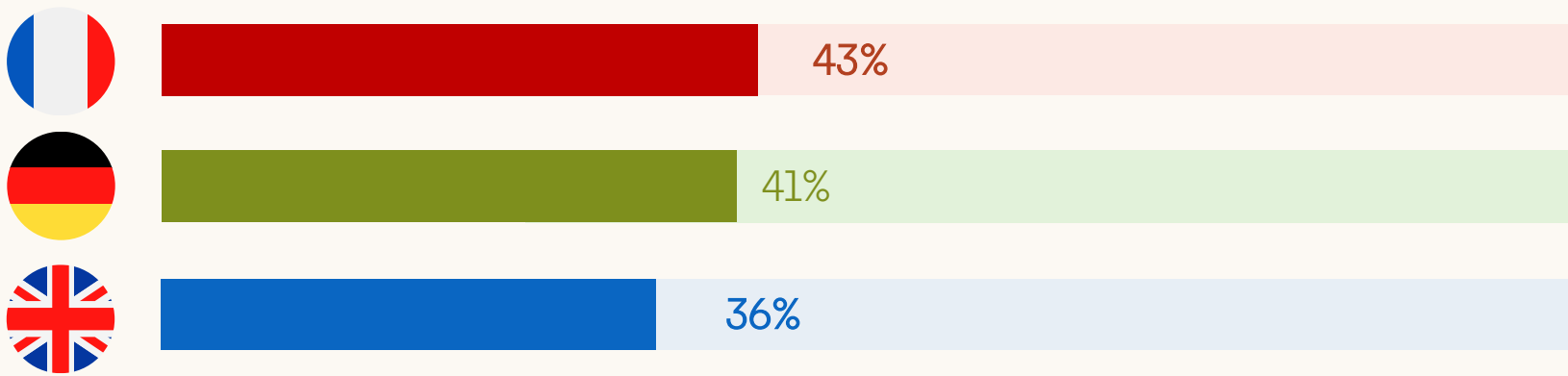
ENDURING TRENDS

Smarter Use of Sales Tech is the Solution to the Productivity Puzzle

The rapid transition to remote working puts a new perspective on one of the longest-running challenges for sales professionals: how to spend more time selling. On the one hand, they are able to take back the time travelling to and from physical meetings. On the other, they must schedule time to catch-up over video calls rather than simply updating team members when they run into each other in the corridor. Productivity is likely to intensify as an issue as remote selling settles into standard operating procedure. The way that teams use technology has a key role to play.

Of the sales professionals that we surveyed in Europe in December, those in the UK get to spend the least amount of time actually selling—only just over a third of their time, in fact. In a typical working week, the average sales professional in France and Germany will spend around two hours more on sales calls and meetings than those in the UK . Whereas they get to spend **43%** and **41%** of their days selling, peers in the UK get to spend only **36%** of their hours doing so.

Sellers’ time spent on sales calls and meetings



On one level, this gap in time spent selling isn’t surprising. The UK economy has suffered from a productivity gap since the 2008 global financial crisis, with output per worker trailing that of France by **22.8%** and that of Germany by **26.2%**. Sales teams’ struggles to make time to sell seem to fit into that pattern. However, they might also reflect the way that sales organisations have integrated technology over the last five years.



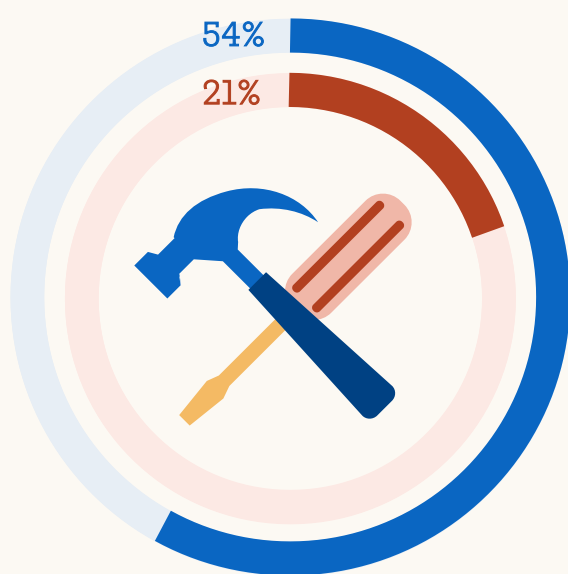
ENDURING TRENDS

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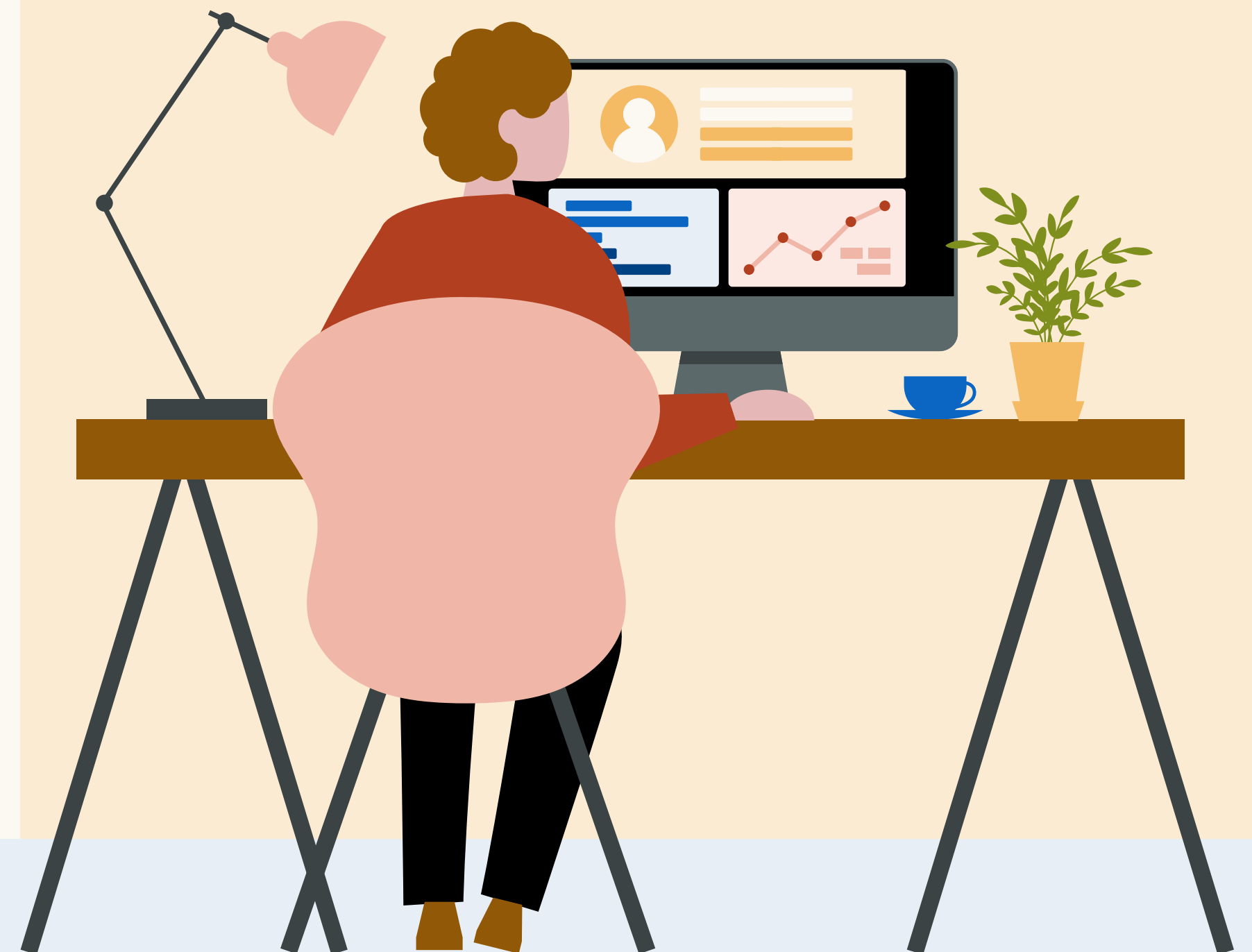
Tech skills are the foundation for greater productivity

LinkedIn data shows Western Europe as a whole trailing the US in terms of digital literacy, with millennial sales reps around **10%** less likely to have key tech skills. However, State of Sales data suggests that organisations in France and Germany have prioritised tech skills for slightly longer than those in the UK. Hiring for technology skills has been a priority in both of these countries for the past five years. Although proficiency with sales tech is rapidly climbing the UK hiring agenda today, there may still be ground to make up. UK sellers currently spend more time on training than those in both France and Germany. This will deliver rewards in the future but cuts into time spent selling now.

UK sellers need guidance on which tools to use



Translating technology into productivity isn't just about upgrading tech skills, though. Sales professionals in the UK say they also need guidance on which tools to use. Over half (**54%**) ranked there being too many tools to choose from as one of their top three pain points around the use of sales technology, and **21%** described this as the most significant challenge of all. Too many tech tools can leave sellers feeling overloaded. Guiding their choices on which to make time for, and aligning them with sales strategy, will be a key element of managers' coaching role over the coming months.

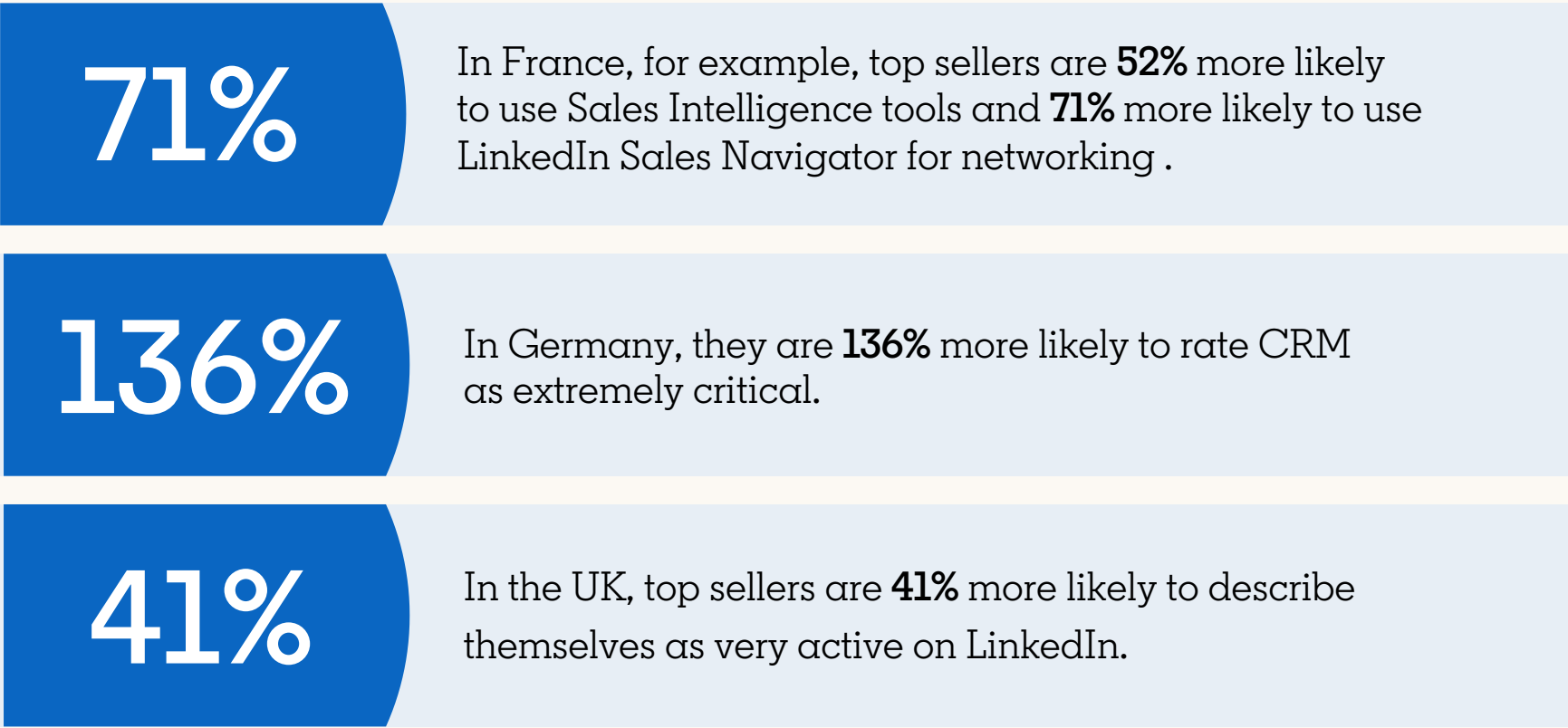


ENDURING TRENDS

Top Sellers are Tech Savvy Sellers—and the Divide is Growing

Adoption of sales technology isn’t advancing at the same, uniform rate across Europe. Different markets are at different points in the adoption curve—but in every country, we see evidence of a growing gap between top sellers and the rest. Sales professionals who exceed their quota by **25%** or more tend to be those who are making greatest use of technology, and are more certain and confident about which tech tools have value to add. The advantage they gain from this will grow in significance as remote selling continues to become the norm.

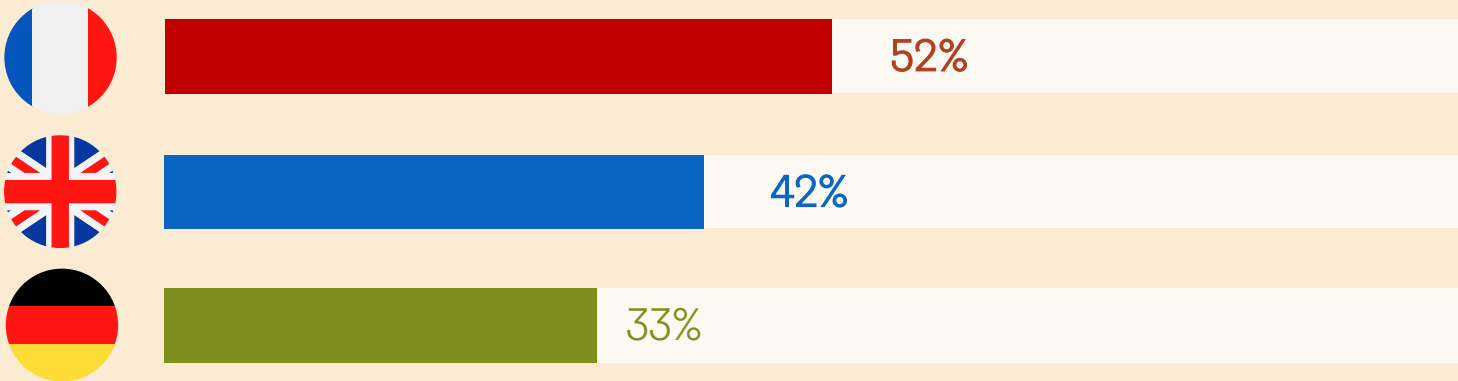
Across all markets, top sellers were significantly more likely to use most sales tech, in particular Sales Intelligence tools. They were also more likely to use LinkedIn as their networking platform for sales, and more likely to rate CRM and Sales Intelligence as critical to their success.



Consolidating around the most valuable tech tools

Outside of top sellers, tech adoption continues to advance: **52%** of sellers in France, **42%** in the UK and **33%** in Germany expect to spend more time using tech tools over the coming year. However, this adoption is becoming more selective. Sellers attach greatest value to the tools that can produce actionable insights about the next action they should take.

The percentage of respondents that anticipated spending more time using sales technology in the coming year

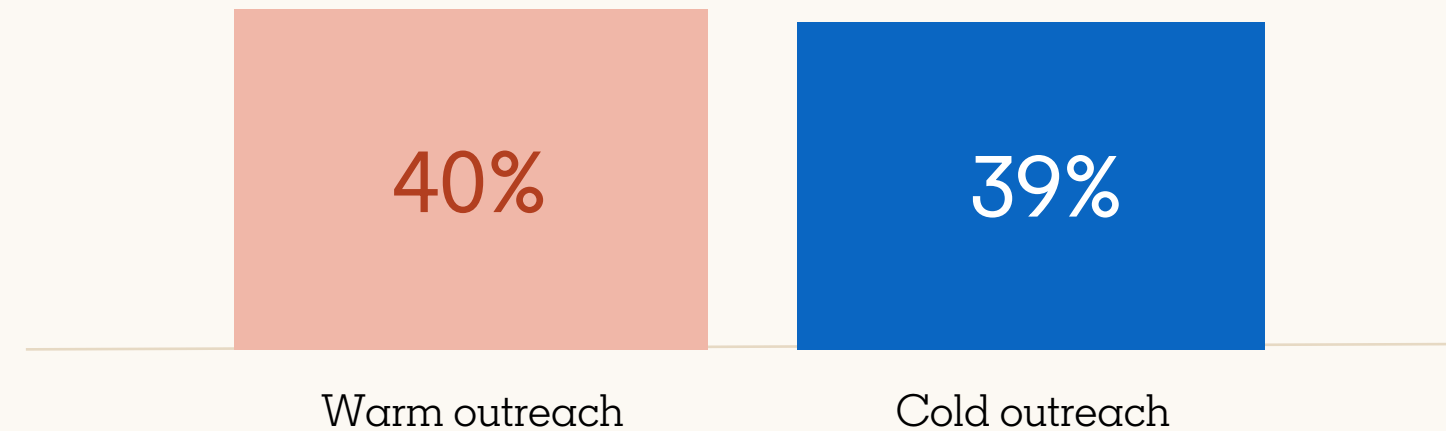


In this context, it’s striking that the use of LinkedIn for both networking and sales intelligence is growing particularly rapidly across Western Europe. In Germany, the responses to our survey showed the proportion of sales professionals using LinkedIn Sales Navigator for sales intelligence is up **61%** year-on-year. It’s part of a trend that sees sellers focusing more of their time and attention on CRM and Sales Intelligence tools. In France, users of these tools are more likely to rate them as critical than they were a year ago. In Germany, Sales Intelligence tools are now ranked as the most important of all sales tech.

ENDURING TRENDS

Sales Intelligence and Social Networks Enable New Ways to Reach Out

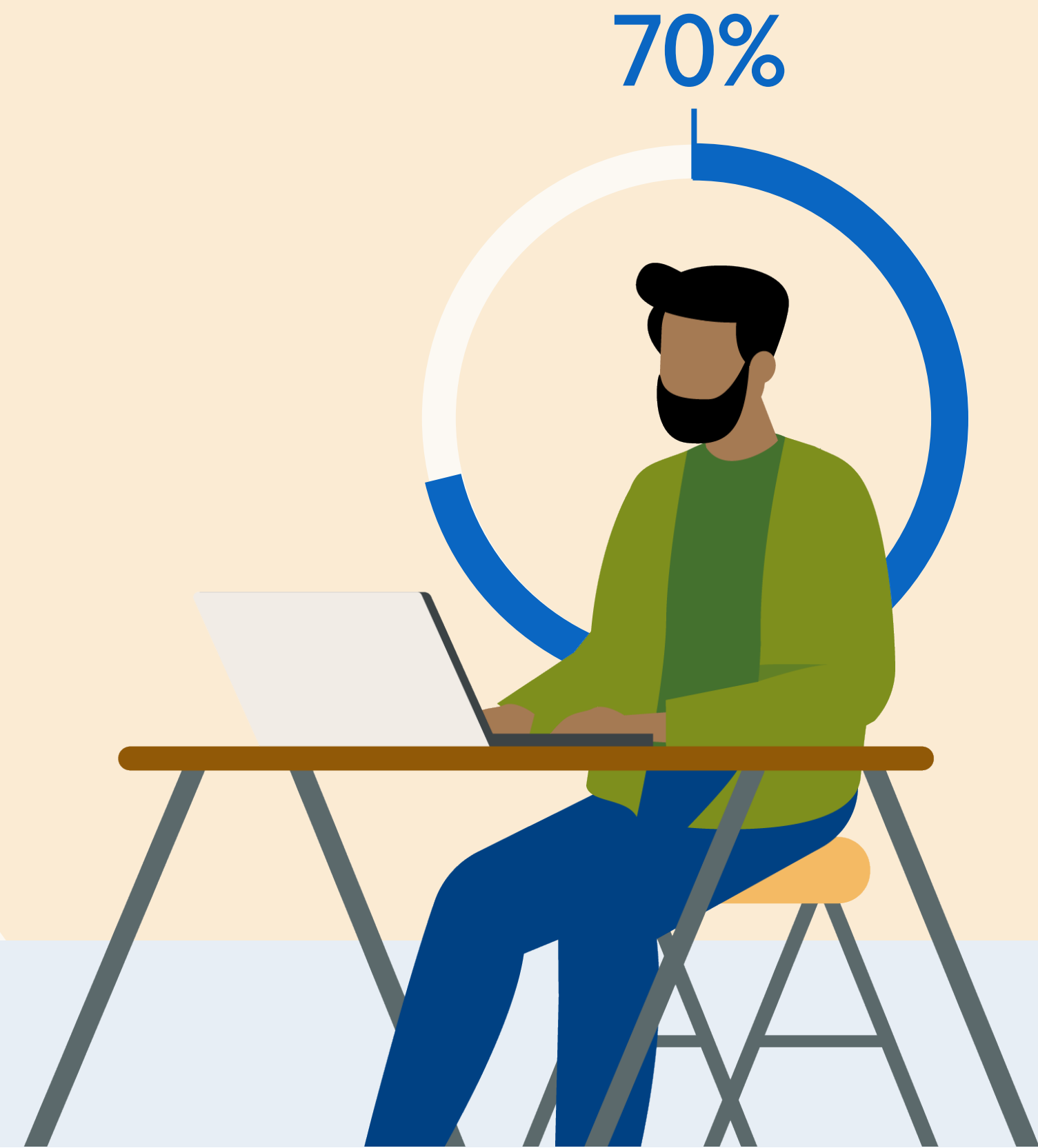
Since the COVID-19 crisis, sales professionals worldwide are seeking to ‘warm up’ their approaches to prospects. Over this period, the increase in warm outreach has reached **40%**, narrowly overtaking the increase seen in cold outreach.



Our State of Sales survey shows how one of the major advantages that top performing salespeople gain from technology is their ability to generate such warm outreach opportunities. At least a quarter of B2B buyers in every market agree with the statement that,

“I find that sales technology and data have made cold calling ‘warmer’ and more on-target these days.”

With **70%** of all sellers in Europe now routinely conducting research with their professional network before reaching out to a new prospect, sales outreach is undergoing a transformation—and those making greatest use of social networks and sales intelligence tools reap the greatest benefits.

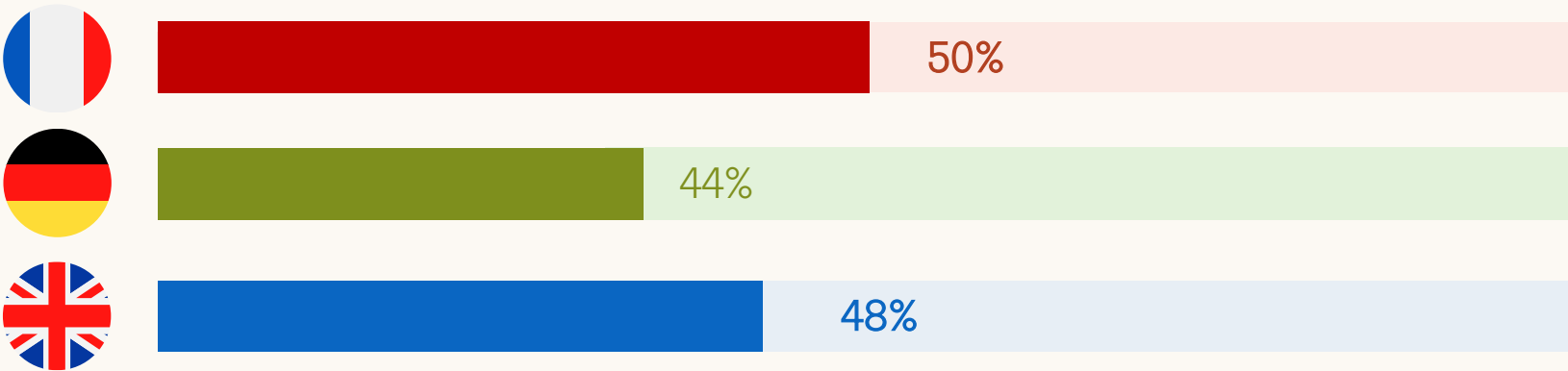


ENDURING TRENDS

Sales Intelligence and Social Networks Enable New Ways to Reach Out

Across all three markets, the platform that sellers are most likely to use for gathering intelligence prior to outreach is LinkedIn. In France, **50%** of sellers use either LinkedIn or LinkedIn Sales Navigator for sales intelligence—more than any other platform. In Germany, **44%** of sellers use LinkedIn, which is **29%** more than use any other source of sales intelligence. In the UK, the **48%** using LinkedIn makes it second only to Google Analytics on **49%**.

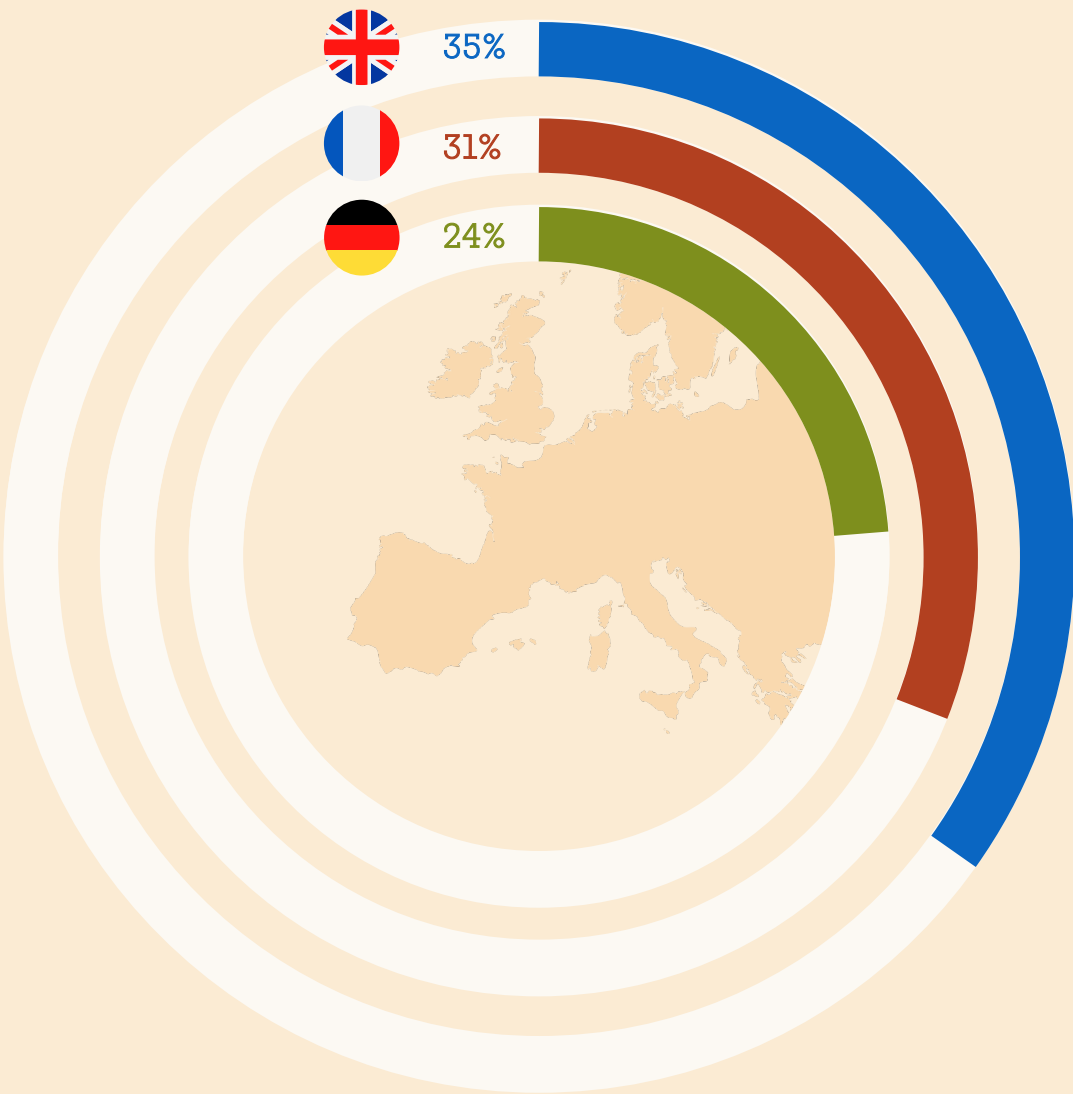
The percentage of salespeople using LinkedIn for sales intelligence



The growing value of recommendations

Sales intelligence platforms enable warmer outreach by helping sellers reach out with relevant insights. However, there’s an even more powerful way that research on LinkedIn increases their success rate. Our survey of B2B buyers in Europe confirms that outreach is even more likely to succeed when sellers are able to secure a relevant recommendation. **Over a third** of buyers in the UK say that they are more likely to select a vendor when a seller is recommended by someone in their network, with **31%** of buyers in France and **24%** of those in Germany agreeing.

30% of buyers say they are more likely to select a company when its sales rep is recommended by someone in their network.



ENDURING TRENDS

Data Drives New Approaches to Measurement and Planning

Sales technology doesn't just provide sellers with new sources of sales intelligence and new forms of outreach. The growing availability of high-quality data is changing the way that organisations think about how sales contributes—and plan to grow that contribution. With organisations accepting the need to plan more iteratively over the coming months and years, the availability of trusted real-time data will be particularly valuable. CRM tools are already the technology that sellers across Europe are the most likely to use—and the most likely to rate as critically important.

France, Germany and the UK each strike a slightly different balance when it comes to applying data to sales strategy. In the UK, selecting accounts to target is the most common use of data, followed by evaluating patterns from closed/won business and assessing sales performance. Germany puts the emphasis on measurement and analysis, while France plugs data directly into targeting, as a means of selecting industries and accounts.

“Data is becoming more and more important for the sales organisation. The key to this data will be how it is used during the selling process and the customer journey. The most effective organisations will be able to aggregate, govern and leverage this data to give insights to both past sales efforts and to future forecasts. They will be able to match their process and organisational strengths to that of the customer buying process and specific needs. Having access to timely and relevant data will be key to success. Sales organisations with a clear data strategy for their go-to-market efforts reported that **11% more** of their sellers achieved their goal and they won forecasted deals **8% more of the time.**”

—**Joseph DiMisa**, Sales Effectiveness and Rewards Leader, Korn Ferry



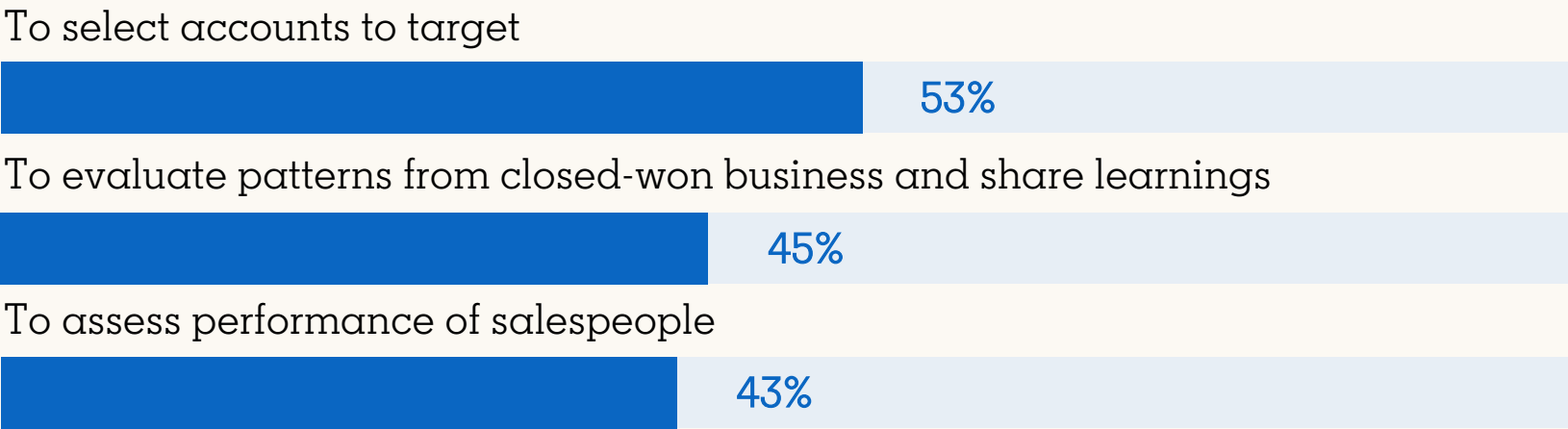
ENDURING TRENDS

Data Drives New Approaches to Measurement and Planning

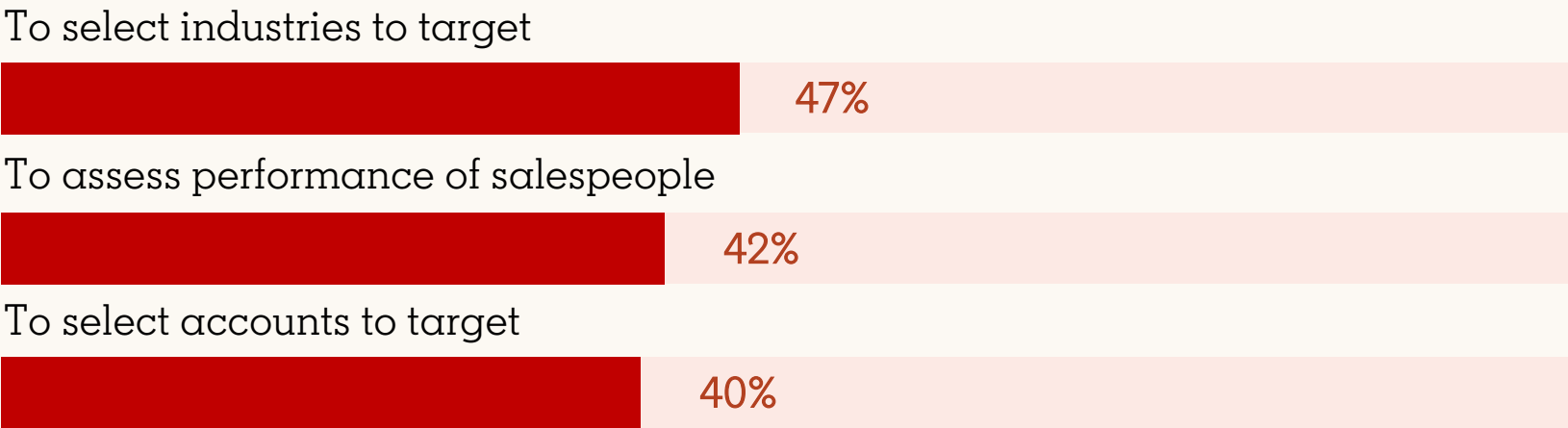
How does your sales organisation use data? (top three responses):



UK



France



Germany

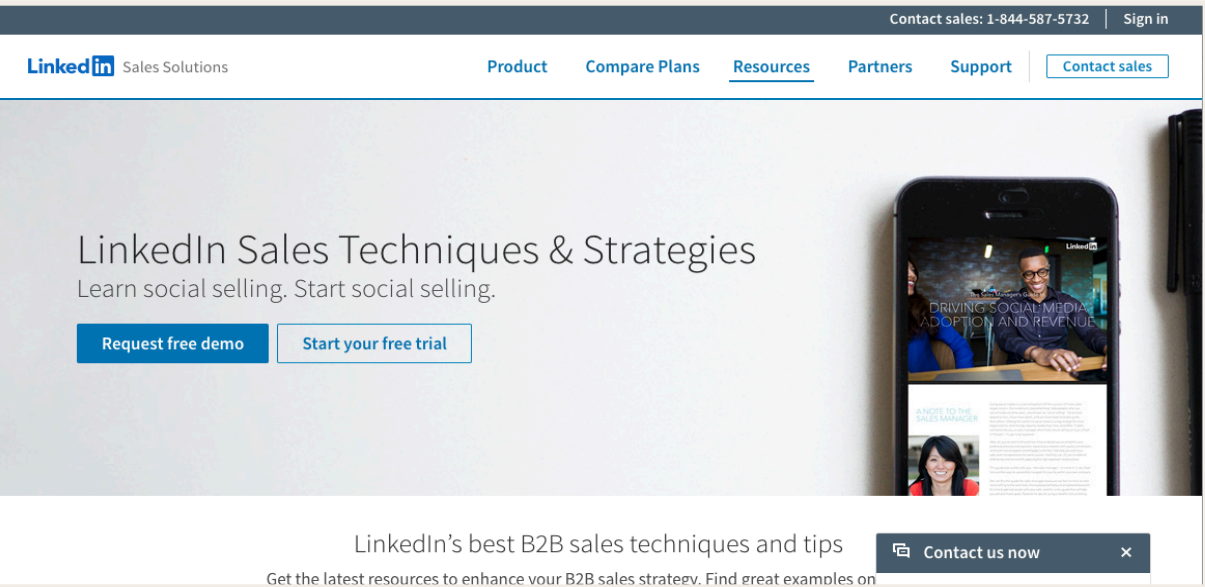


Empowered by technology—but on their own terms

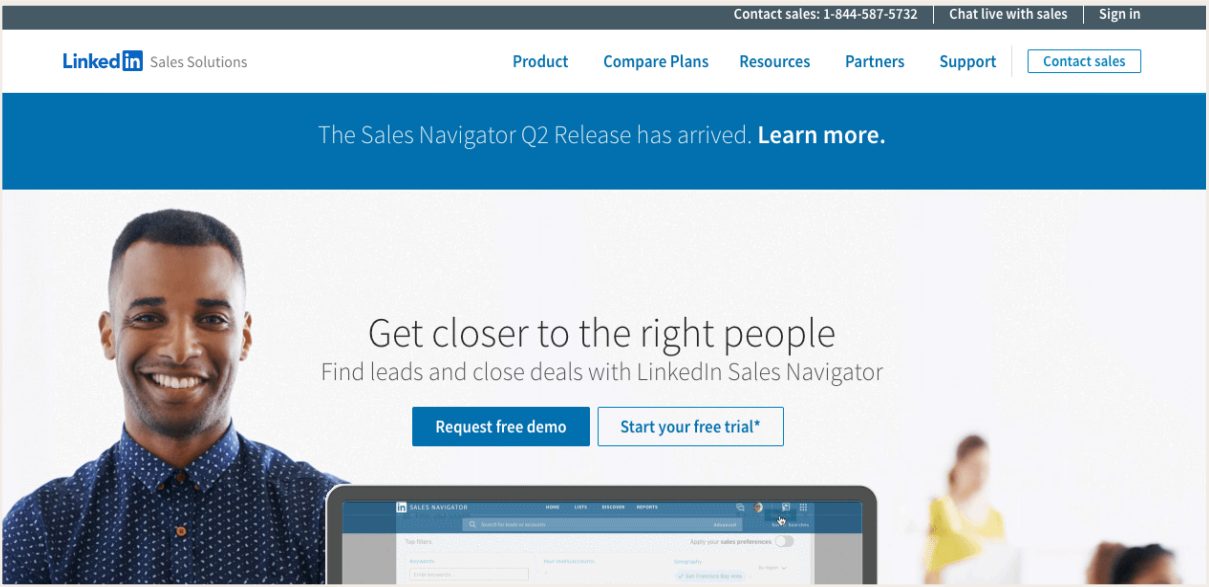
The state of sales has been rewritten the world over—and remote selling is here for the long-term. In Western Europe, as in other regions, technology will be integral to how sales organisations adapt. However, success will equally depend on fundamental human skills. The qualities that make great salespeople haven’t declined in importance now that face-to-face meetings are off the agenda. If anything, they’ve become more valuable. Active listening is seen as the most important selling capability by both buyers and sellers alike. And while tech savviness is highly prized, that savviness increasingly involves being selective about which new tools will add value—and which won’t. In Western Europe, the role of technology is to support professional consultants who excel at finding ROI for their buyers and providing valued strategic counsel, even in challenging times. This will continue to be the case as we navigate a new sales landscape.

To learn more about LinkedIn’s sales resources,
Check out the following resources:

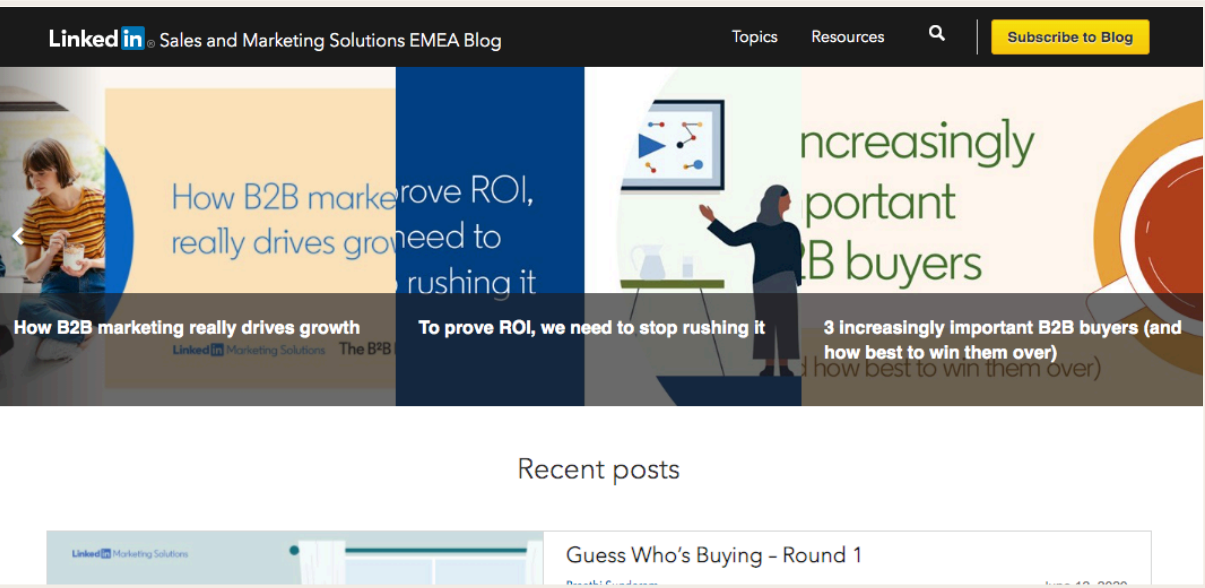
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