

CRM + ESIGNATURE: DIGITIZING THE SALES HANDSHAKE

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In this day and age, it's surprising that any B2B transaction is still executed via handwritten sign-off, but the majority of sales deals have yet to be sealed with electronic signature solutions. Aggressive CRM integration can, and should, change this calculus.

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Rather than *alt+tab*-ing among a wide array of sales technologies, reps perform better when these enablers are CRM-integrated.

Customer expectations in the B2B space are evolving almost as fast as in the consumer market; top sales organizations pay more attention to the details around closing deals.

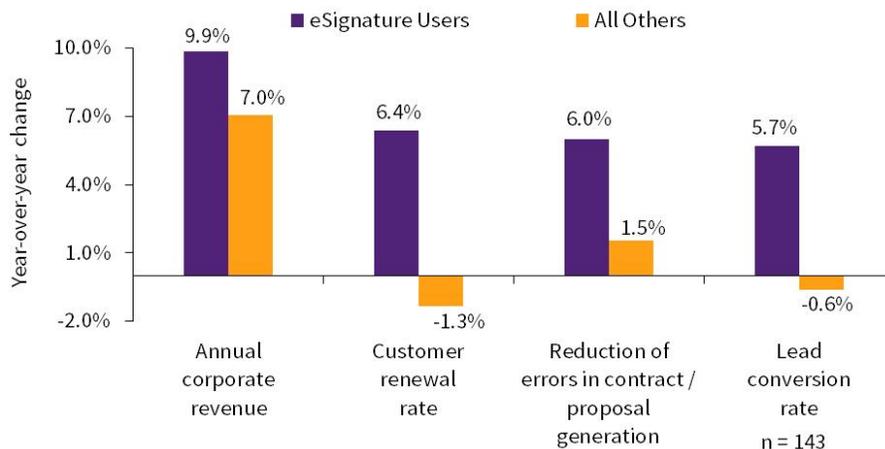
One of the biggest complaints heard from individual business-to-business (B2B) sales contributors regarding the customer relationship management (CRM) platform can be summed up as, *"it doesn't help me close business; in fact it can slow me down when I'm required to enter so much data just to make my manager happy."* This gripe is not without merit: many CRM deployments – especially those that fail to take hold among the front line – are executed from the perspective of what management needs (activity reports, forecasts) to deliver paperwork, rather than what reps require (tools, time, and training) to perform their job more effectively. Aberdeen's [Sales Effectiveness](#) research consistently finds that the most successful companies more aggressively empower their team with enabling technologies integrated into the CRM for easy workflow access. Rather than *alt+tab*-ing among a wide array of sales technologies, reps are

consistently reported as more effective when the foundational CRM platform includes other applications as bolted-on tools of the trade.

eSignature Contributes to Stronger Sales Outcomes

Enter one of the more recently introduced sales enablers, electronic signature (sidebar page 3), which is essentially a relatively straightforward version of the same technology we've all long been using in point-of-sale retail environments (sidebar). In the sales environment, Aberdeen's new research published in [*From Lead to Close: Best-in-Class Sales Acceleration Techniques that Win*](#) (November 2014) showcases eSignature and other end-of-sales-cycle technologies in the context of streamlining overall sales workflow, and reveals in Figure 1 a series of identifiable, annualized sales metric improvement advantages associated with the use of eSignatures:

Figure 1: Annual Sales Performance Improvements Associated with eSignature Utilization



Source: Aberdeen Group, November 2014

This data does not intend to directly imply that a total implementation of an eSignature solution to all sales-related activities – from internal proposal approvals to customer deal

The Lead-to-Win Best-in-Class Defined

In June through July 2014, Aberdeen surveyed 143 end-user organizations to understand their sales best practices. The performance metrics used to define the Best-in-Class (top 20%), Industry Average (middle 50%), and Laggard (bottom 30%) among these sales teams are:

- 84% of sales reps achieving quota, vs. 54% among Industry Average and 18% for Laggard firms
- 17.9% average year-over-year increase in total company revenue, vs. 7.4% for the Industry Average and no change among Laggard respondents
- 6.6% average year-over-year increase in lead conversion rate, vs. 1.4% and 0.3% decreases for Industry Average and Laggard respondents

Electronic Signature Defined

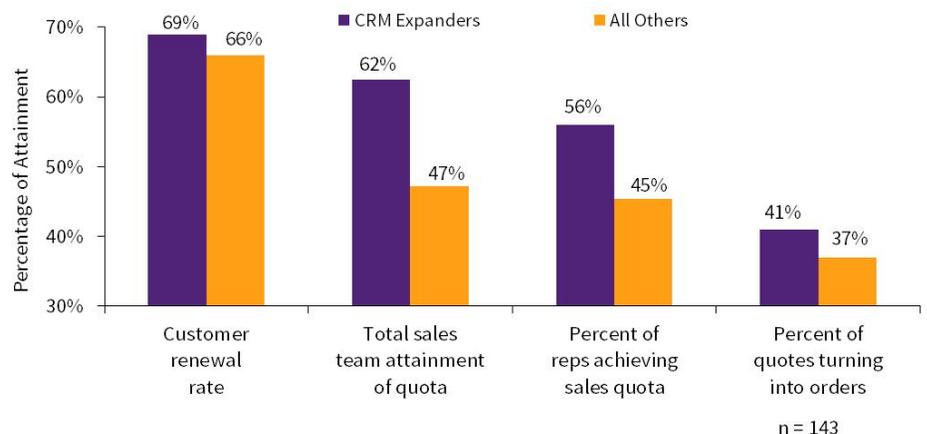
An important distinction should be made between the terms “electronic” and “digital” when referring to paperless signatures. While both solutions refer to the online capture of your virtual signature, electronic signatures are part of a secure and validated process that must include an appropriate audit trail; digital signatures are server certificates on the system, processing the transaction. Both imply authenticity of the agreement through an audit-trail validation of a secure transaction.

acceptances – will automatically speed up total corporate revenue growth, but all of the key performance indicators (KPIs) represented in Figure 1 share a common theme: more efficient sales workflow that creates a win-win for buyers, sellers, reps, and managers alike. At the most basic level, eSignature users save time and build clarity into their customer acquisition and management activities by digitizing – and generally cloud-storing – the recording of approvals and business deals in a 21st century, digital-native fashion.

How Should I Use the Technology?

As indicated above, the research data supports integrating most sales effectiveness applications with the core CRM platform, and when we identify a second set of survey respondents – “CRM Expanders” who indicate plans to grow their use and reach of the platform over the next year – we see in Figure 2 that better current sales metric performance is directly associated with organizations that are re-focusing attention on the platform.

Figure 2: Expanding the CRM Footprint = Growing Sales KPIs

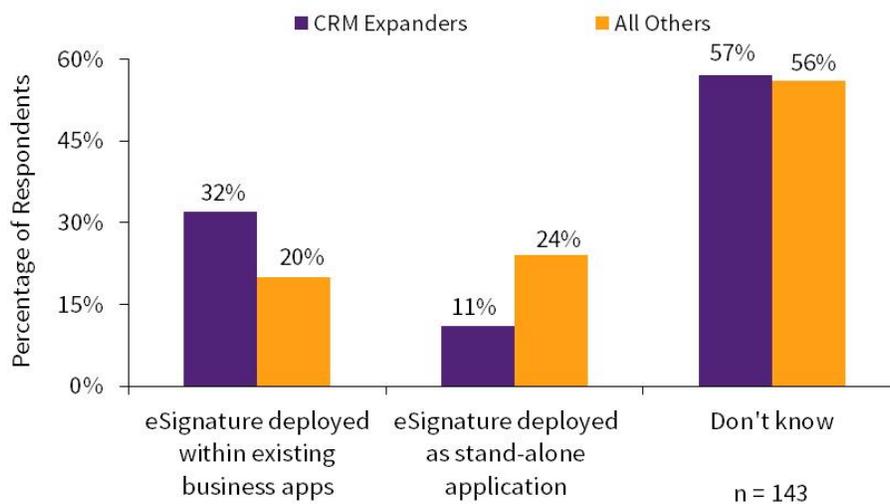


Source: Aberdeen Group, November 2014

One key lesson to be learned here is that... CRM **can** work. As discussed above, companies that have learned how to create a rep-centric CRM experience, and integrate relevant business

applications into the platform, stand a far better chance of adoption by the front-line team. CRM adoption should not be misinterpreted as a corporate goal; it does, however, represent a leading indicator of sales operational systems that are high-functioning. Figure 2 validates this point by isolating both buyer- and seller-centric metrics that improve among companies that double-down on the technology stack.

Figure 3: Good and Bad News About CRM-Integrated eSignature



Source: Aberdeen Group, November 2014

Finally, when we combine the main thrusts of Figures 1 and 2 with this concept of integrating eSignature into the sales workflow stream, an interesting set of results is showcased in Figure 3. Here, survey respondents using eSignature were queried as to whether they used the solution as a baked-in element of a general sales platform, CRM in other words, or as a stand-alone application. The latter is not necessarily a bad approach, but does fly in the face of the “alt-tab” scenario above, and naturally can create many minor points of drag on the sales process. The data bears this out, with Best-in-Class companies (see sidebar) reporting 21% more likelihood than

6.4%

annual improvement in customer retention among eSignature users, compared with a 1.3% decrease among non-adopters.

**Best-in-Class
companies are 21%
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such as the CRM.**

under-performers (34% vs. 28%) to incorporate eSignature into other sales workflow applications such as CRM. While both of these numbers initially seem low, this is because a surprisingly high number of companies – including CRM Expanders in Figure 3 – simply **don't know** if their signing and selling applications are integrated.

Why is this so? Perhaps because only 46% of eSignature users report that “*increased awareness of legal acceptance of electronic signatures*” is a motivator for their deployment, there are still significant gaps in general business understanding of the legal and security ramifications around the practice. There are two takeaways here: first, aggressive CRM users perform better and more often integrate eSignature, which satisfies the hypotheses of this Knowledge Brief. Also, clearly a great deal of market and corporate education around eSignature is still required. As Aberdeen will continue to research and publish on the subject, solution providers also need to step up their communications efforts around the same.

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