



State of the Sales Tech Stack 2023

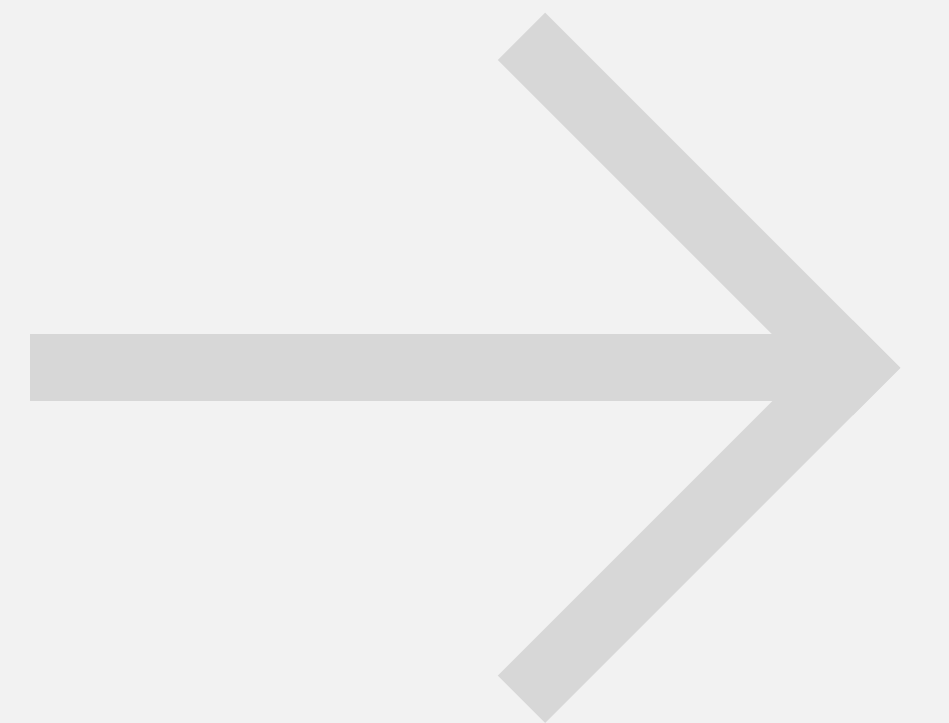


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Introduction:

The technology landscape is ever-evolving. So are buyers.

Advancements in technology, the rise of new generations of digitally native buyers, and the ubiquity of provider selection and comparison information have changed the sales game — rendering sales tech stacks imperative to revenue growth.

Today's sellers must:

- Be hyper-fluent in their prospects' pain points and provide unique, tailored solutions to prospects' problems
- Flexibly manage longer, more complex buying processes
- Sell to savvier, more well-informed buyers — most of whom are already deep in the buying process before booking the first demo
- Own more of the sales cycle, from prospecting through closing

This research, collected from 976 sellers and sales leaders, grants insight into how these pressures have affected the state of sales tech — and how successful revenue teams are using sales tech to reach their full potential and crush their revenue goals.

Get ready to uncover the secrets of successful revenue teams and how their tech stacks are helping them to create and close more pipeline.

To your continued success,

Mary Shea



Mary Shea
VP, Global Innovation Evangelist
Outreach

Here's what we found:

01

Prospecting and deal management tools are the most widely used

Tech stack complexity varies depending on company size, industry and sales cycle length. But across the board, creating pipeline and closing deals are the top two priorities: organizations use Prospecting and Deal Management tools more than any other category.

02

Tech stack consolidation is top of mind, but sales leaders don't want to lose any functionality

Companies look to decrease the number of tools in their toolbox and seek a better solution that can provide an expanded set of capabilities on a fully integrated platform.

03

Efficiency and rep productivity are the driving forces

Leaders recognize the workflow burdens that their current tech stacks place on sellers and are looking to streamline tools for better efficiency and rep productivity.

04

What winning teams use: tech stacks that enable the full sales motion from creating pipeline to closing deals

Teams that enable sellers with a single platform to both create and close pipeline are most likely to exceed sales revenue targets.

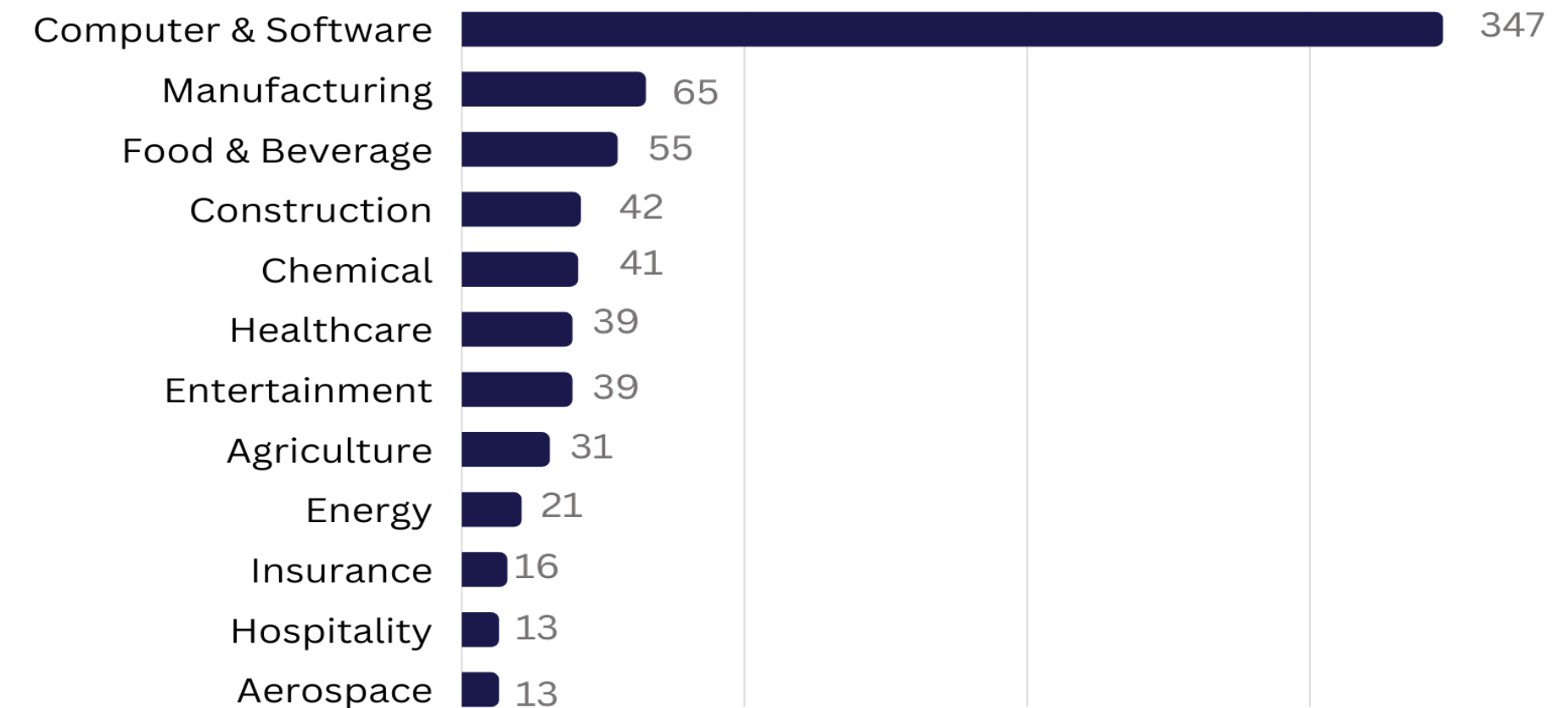
Methodology

In September of 2022, Sales Hacker conducted a global survey of 976 sellers and sales leaders in the Sales Hacker community to investigate their use of sales technology and how it impacts their team's ability to hit their revenue targets.

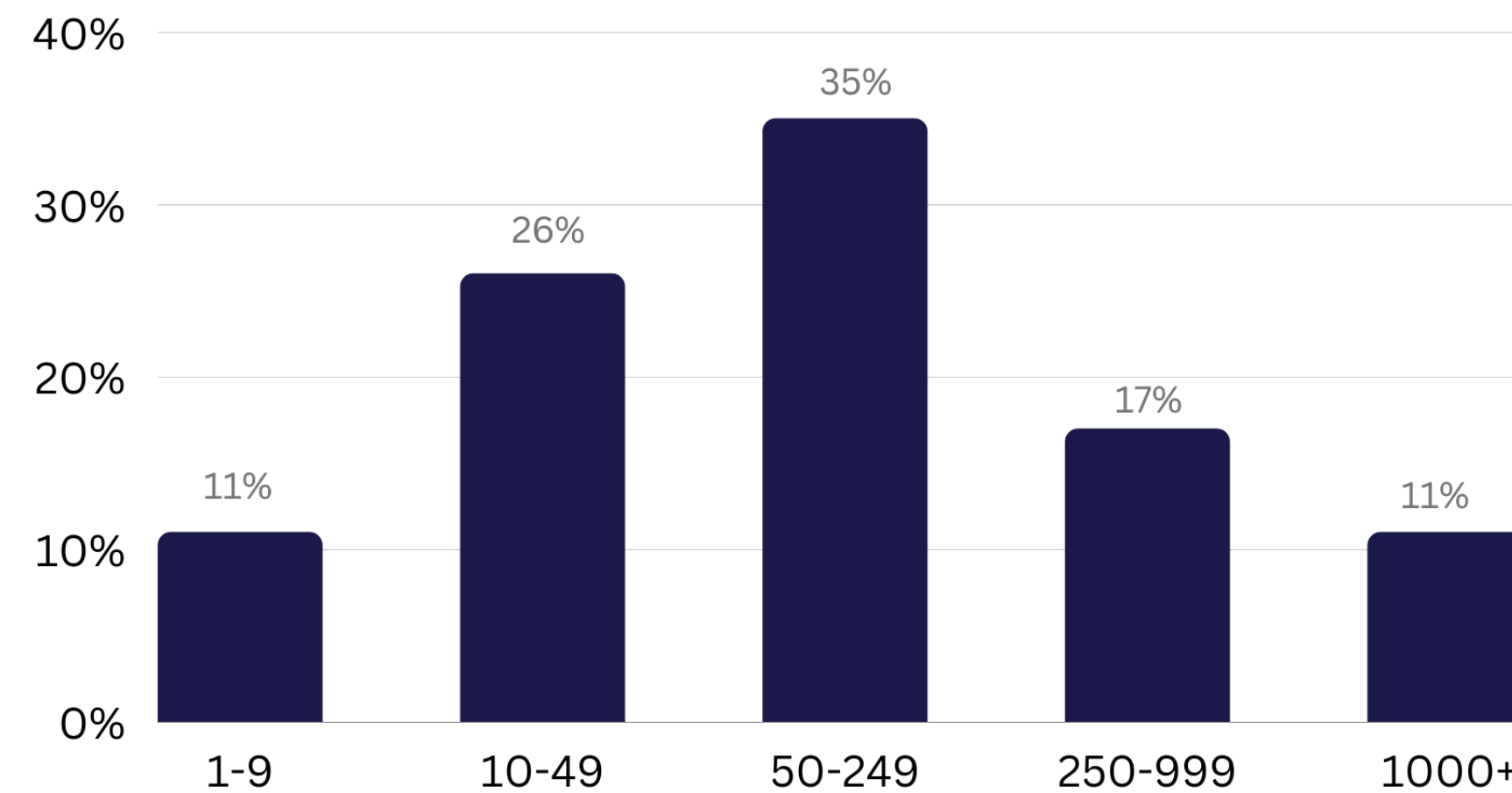
Participants were invited to complete an online survey via organic social media posts, the Sales Hacker newsletter, and email.

The study utilized both quantitative and qualitative research design. The research was conducted using the online survey platform Qualtrics.

Respondent Industries



Company Size

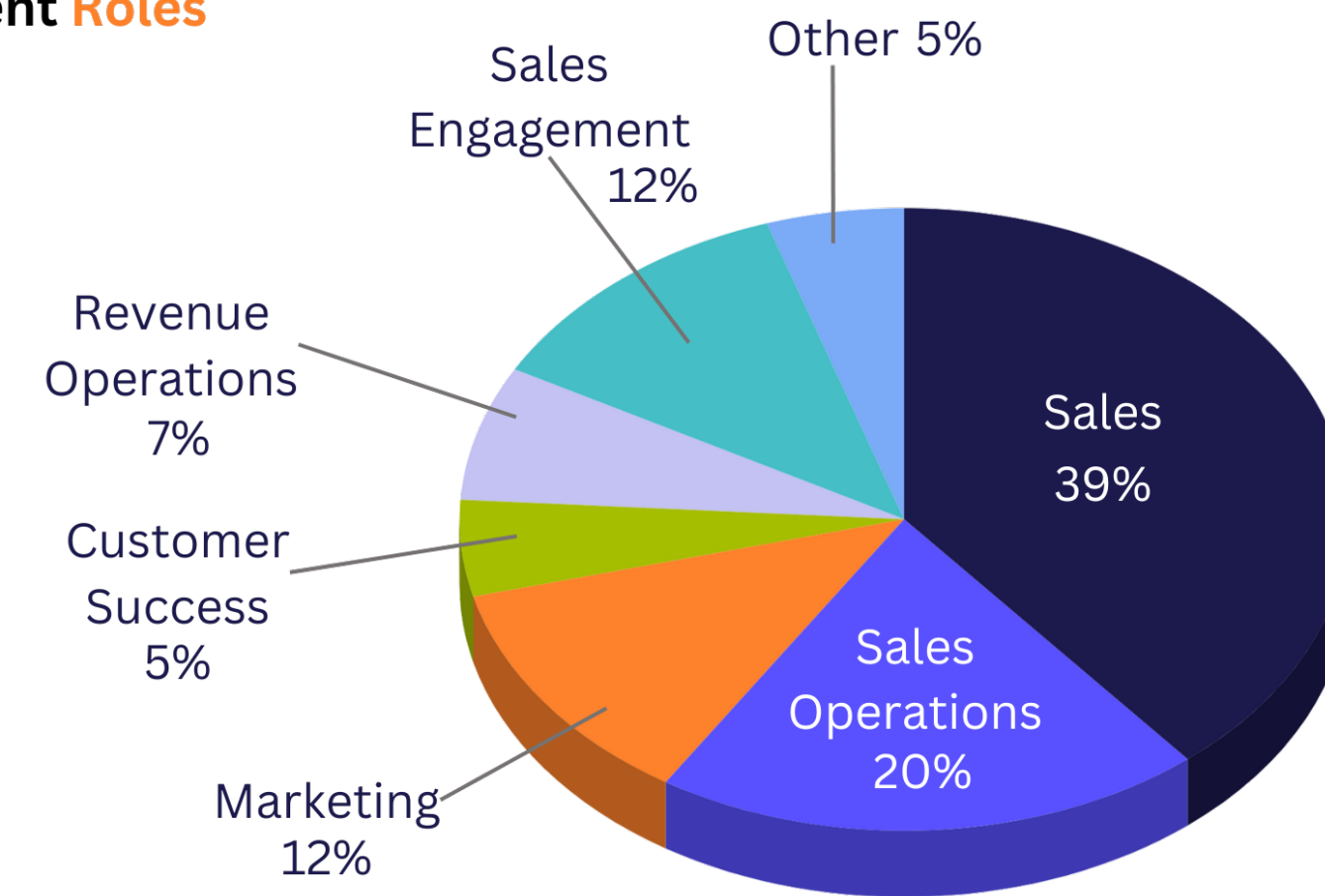


Who we surveyed

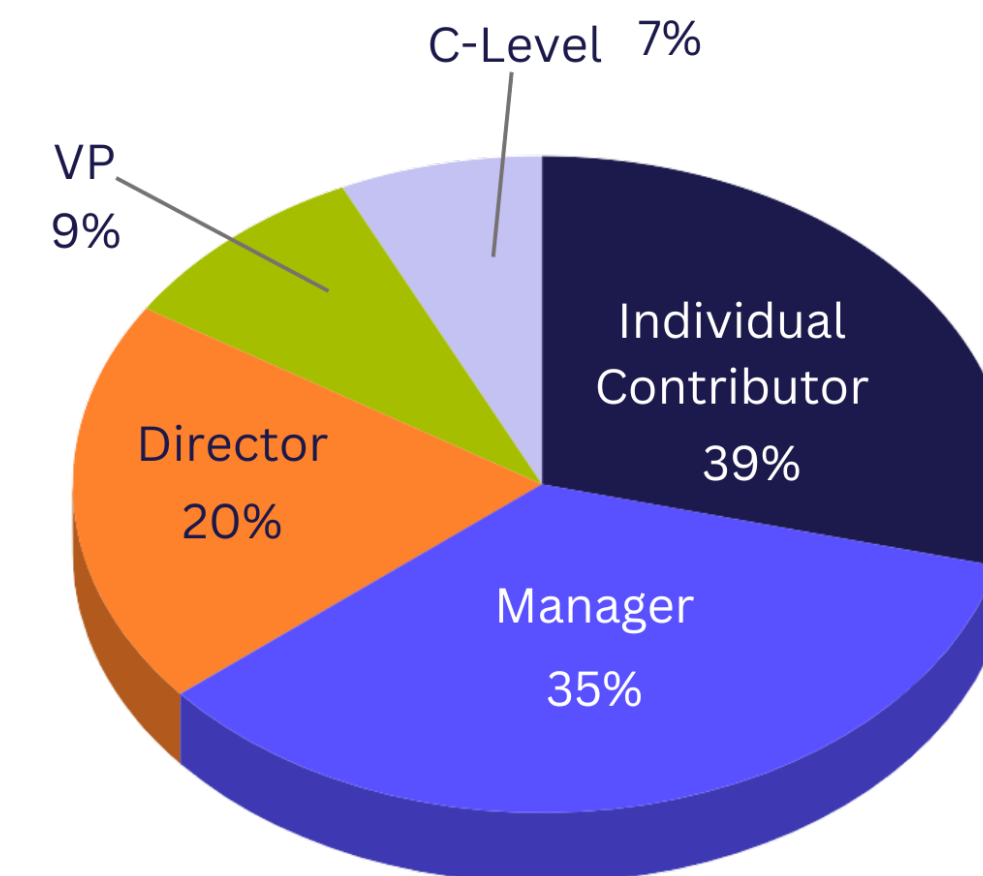
The following data were collected in a survey of 976 members that ranged from individual contributors (29.4%), managers (35.0%), and directors and above (35.6%).

The largest segment of respondents were in the technology (computer and software) industry and based in North America (35.4%)

Respondent Roles



Respondent Seniority



How we categorized sales tech tools

In this research, we sought to understand what solutions sales teams are using at **every stage of the sales cycle.**

Here is how technologies are grouped:

Data Augmentation - Tools sellers and sales teams use to gather and enrich contact and intent data about prospects, customers, and accounts.

Data Storage + Reporting - Tools sellers and sales teams use primarily to store and organize customer and prospect data, and to report on that data.

Prospecting - Tools sellers use to reach out to prospects and create new sales opportunities.

Deal Management - Tools sellers use to move an opportunity through the sales process, close it, and manage pipeline.

Forecasting - Tools sellers and sales teams use to generate sales forecasts and key insights about performance trends and pipeline.

Sales Enablement - Tools that manage and organize sales content and aid sellers in improving skills and knowledge related to their product or service.

Compensation + Performance Management - Tools sales managers and leaders use to forecast compensation, manage compensation plans, motivate employees, and keep performance management records.

These are the technologies included in the survey, by sales tech category and listed alphabetically:
(Only showing provided answer choices, excluding “other” answers.)

Data Augmentation	Data Storage + Reporting	Prospecting	Deal Management	Forecasting	Sales Enablement	Compensation + Performance Management
6Sense	Freshworks	BombBomb	Chorus	Anaplan	Allego	Ambition
Apollo	Hubspot	Close.io	Clari	Aviso	Brainshark	Brainshark
Bombora	Looker	Dialpad	DocuSign	Clari	Guru	CaptivateIQ
Clearbit	Microsoft Dynamics	Groove	Gong	Gong	Highspot	Mindtickle
D&B Hoovers	Netsuite	High Velocity Sales	Groove	InsightSquared	Mindtickle	QuotaPath
Demandbase	Nutshell	Hubspot	Hellosign	Nutshell	Seismic	Revenue Grid
G2	Pipedrive	InsideSales	InsideSales	Outreach	Showpad	Spiff
LeadIQ	Salesforce	LinkedIn Sales Navigator	InsightSquared	Pipeline		Varicent
Lusha	SAP	Outreach	Outreach	Salesforce		
RocketReach	Tableau	Ring.io	Pandadoc	Spotio		
Seamless.ai	Zoho CRM	Salesloft	People.ai	Workday		
Zoominfo		Sendoso	Proposify	Zoho CRM		
		Vidyard	Salesforce			
		Yesware	Salesloft			
			VanillaSoft			
			Wingman			

Grouping criteria: You’ll notice some tools are listed under more than one category — and often in a different category than the one assigned to it by industry analysts or the tool’s creators. This reflects the way our respondents self-reported using these tools as part of their sales process.

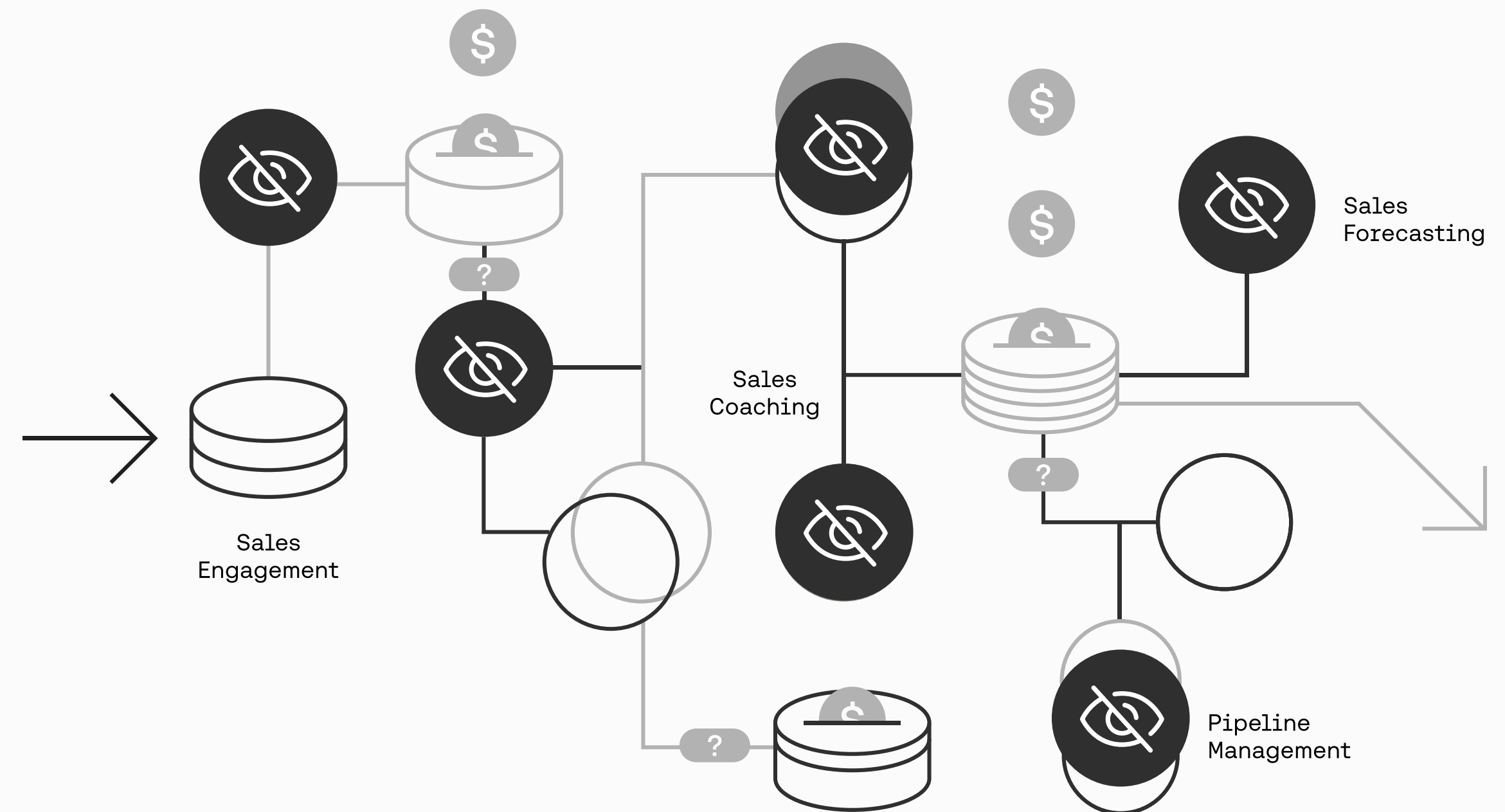
Sales tech landscape

The infamous “growth at all costs” mentality of the past several years drove the rise of sales tech — and for many companies, led to haphazard sales tech stacks of **disconnected point solutions**.

As a result, sales teams today are often swamped with a disparate array of overlapping tools, leading to data inconsistency, loss of productivity, inefficient spending, and stalled growth.

Heading into 2023 and an uncertain economy, we see an abrupt pivot to **efficiency** and a **sustainable growth mindset**. Marketing budgets and sales development rep headcount are shrinking, leaving sales teams to do more with less — and critically examine the resources they already have.

Sales leaders must seek solutions to help their companies grow efficiently, predictably, and profitably. A **lean but fully capable sales tech stack** — once a radical idea — is now becoming a reality as companies look to consolidate vendors while retaining the features and capability of their previous array of point solutions.



Key findings

Let's take a closer look at each of the findings

01

Prospecting and deal management tools are the most widely used

02

Tech stack consolidation is top of mind, but sales leaders don't want to lose any functionality

03

Efficiency and rep productivity are the driving forces

04

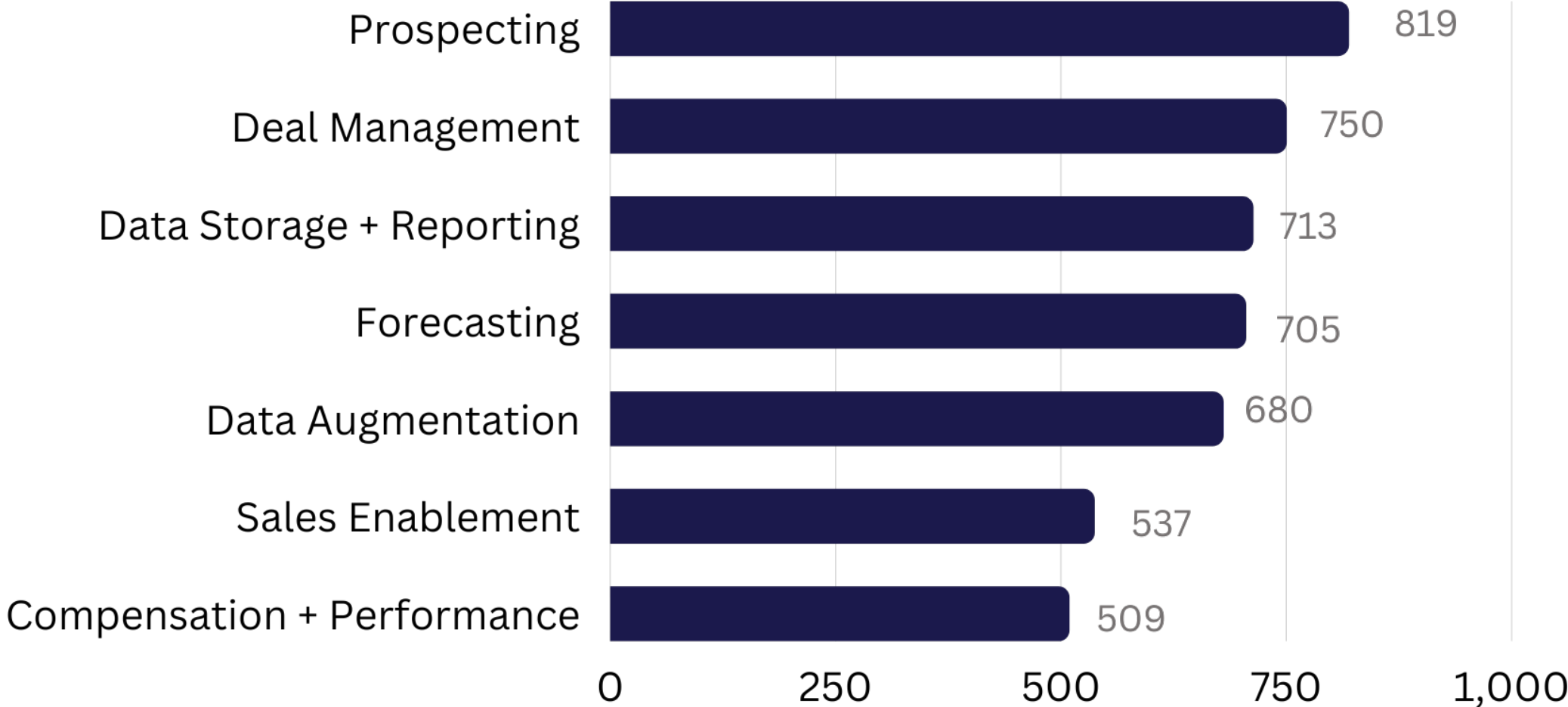
What winning teams use: tech stacks that enable the full sales motion from creating pipeline to closing deals

01. Prospecting and Deal Management tools are the most widely used

Prospecting and Deal Management tools most widely used

There is no one-size-fits-all tech stack. But there are some technologies that are more frequently used than others.

Most Used Technology Categories



Tools that directly help sellers **create and close pipeline** are top priority. **84%** of respondents use a Prospecting solution – the most of any category. Deal Management solutions came in second with **77%** of respondents using a tool in the category.

The most popular tools sales pros use – and how they use them

Prospecting (83.8%)
 LinkedIn Sales Navigator (52.4%)
 HubSpot (33%)
 Outreach (25%)

Forecasting (72.2%)
 Salesforce (45.5%)
 Outreach (18.6%)
 Clari (14.2%)

Compensation + Performance (52.2%)
 Revenue Grid (27.1%)
 QuotaPath (22%)
 CaptivateIQ (18.9%)

Deal Management (76.8%)
 Salesforce (42.4%)
 DocuSign (32%)
 Outreach (19.8%)

Data Augmentation (69.6%)
 ZoomInfo (41%)
 Apollo (21.5%)
 Demandbase (18%)

Data Storage + Reporting (73%)
 Salesforce (45.5%)
 HubSpot (18.6%)
 Microsoft Dynamics (18%)

Sales Enablement (55%)
 Highspot (27.8%)
 Showpad (24.2%)
 Guru (21.6%)

Key:
 % of Respondents Using Tools in the Category (X%)
 Most used tool (% of respondents using it)
 Second most used tool (% of respondents)
 Third most used tool (% of respondents)

The state and size of today's sales tech stack

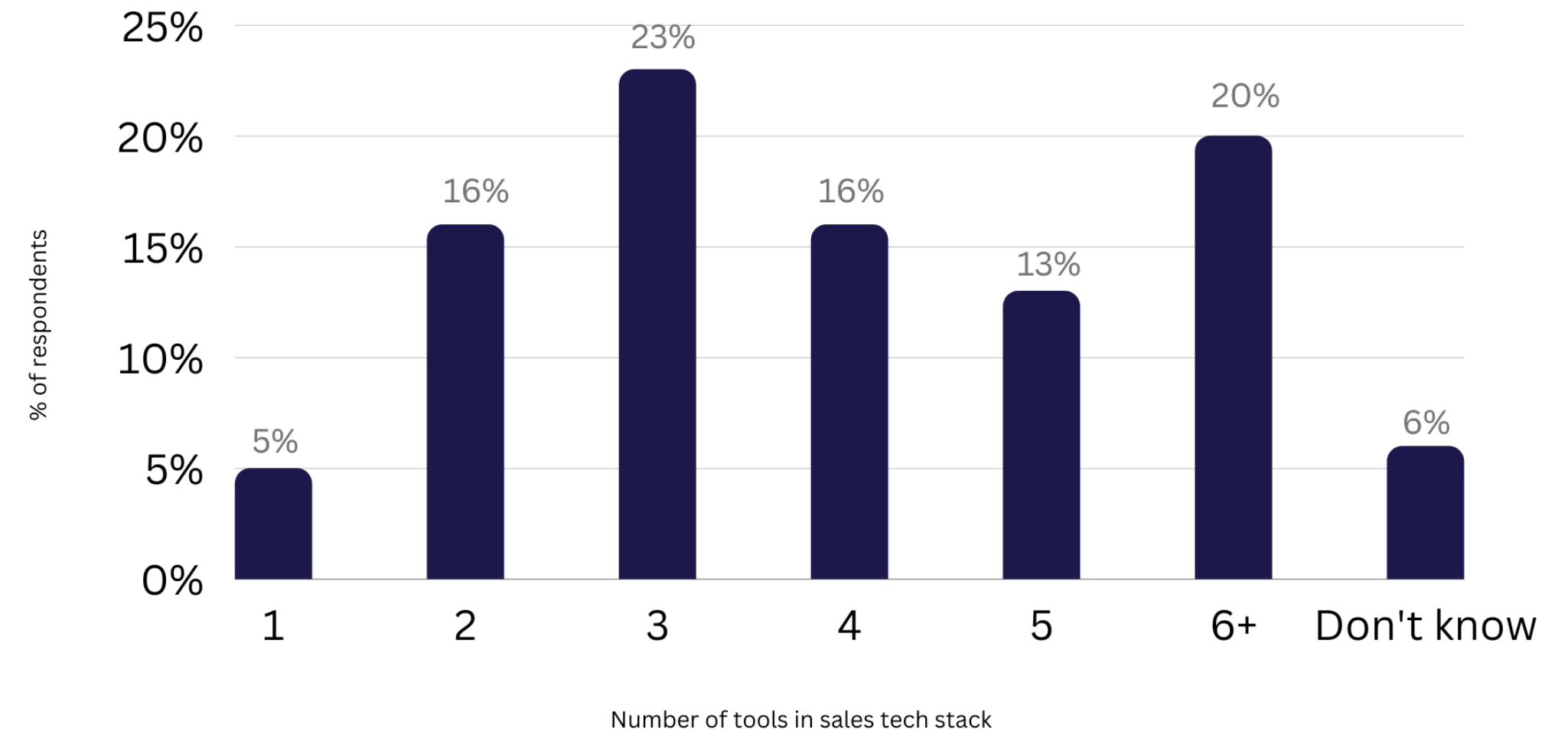
How many tools are in the sales tech stack?

The most commonly reported number of different sales tools included in a tech stack is 3, closely followed by a response of 6+ tools.

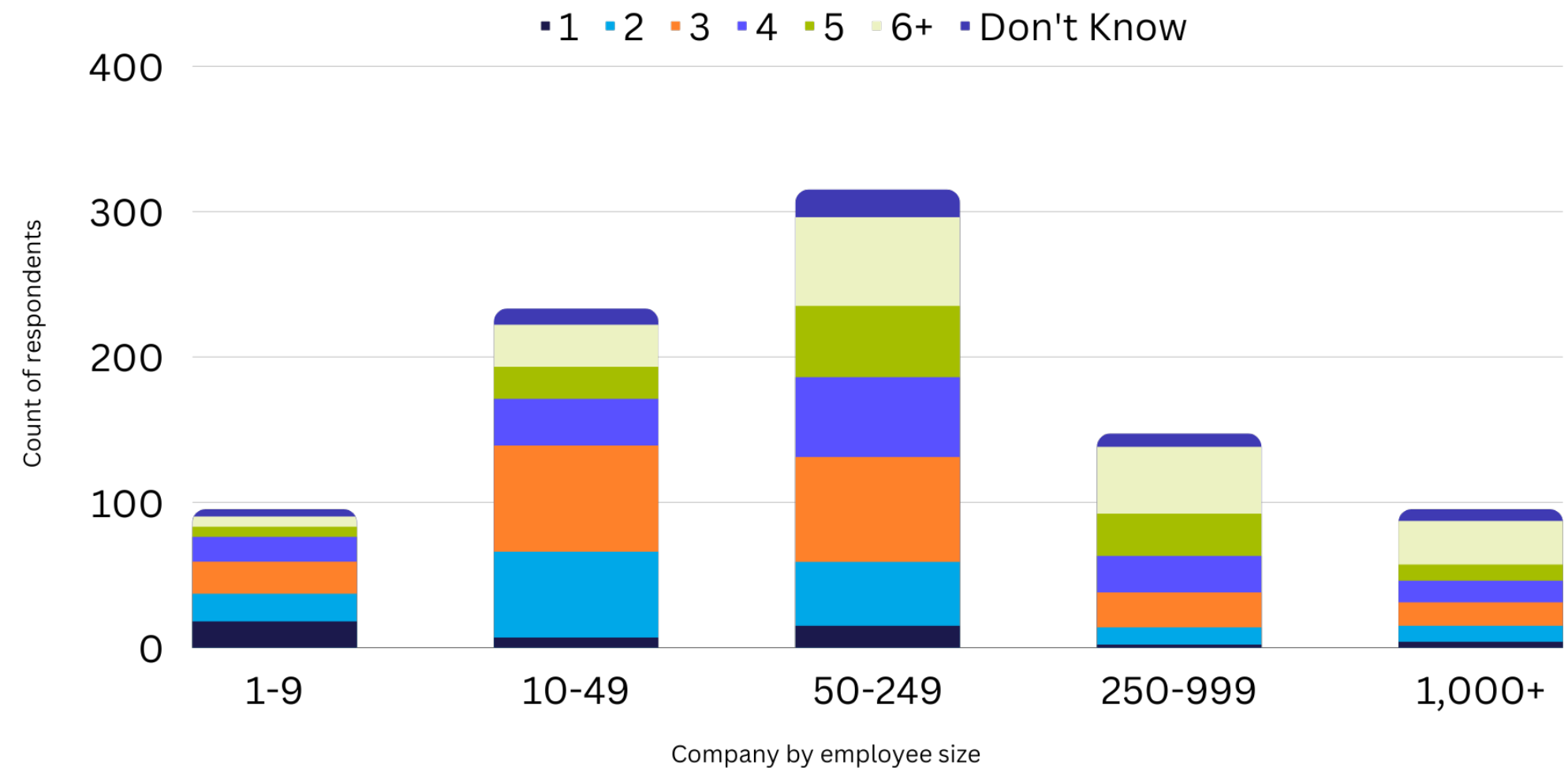
What influences the number of tools?

Company size showed the strongest correlation with the number of tools included in the stack. **Small companies** (<250 employees) tended to use 4 or fewer tools, and **large companies** (250-1,000+) likely had 5+ tools in their tech stacks.

Number of tools in Sales Tech Stack



Larger Companies have more tools in their stack



The state and size of today’s sales tech stack (cont.)

Sales cycle length

The length of a company’s sales cycle is correlated with the average number of tools in the stack — longer sales cycles correlate with more tools, and shorter deal cycles correlate with fewer.

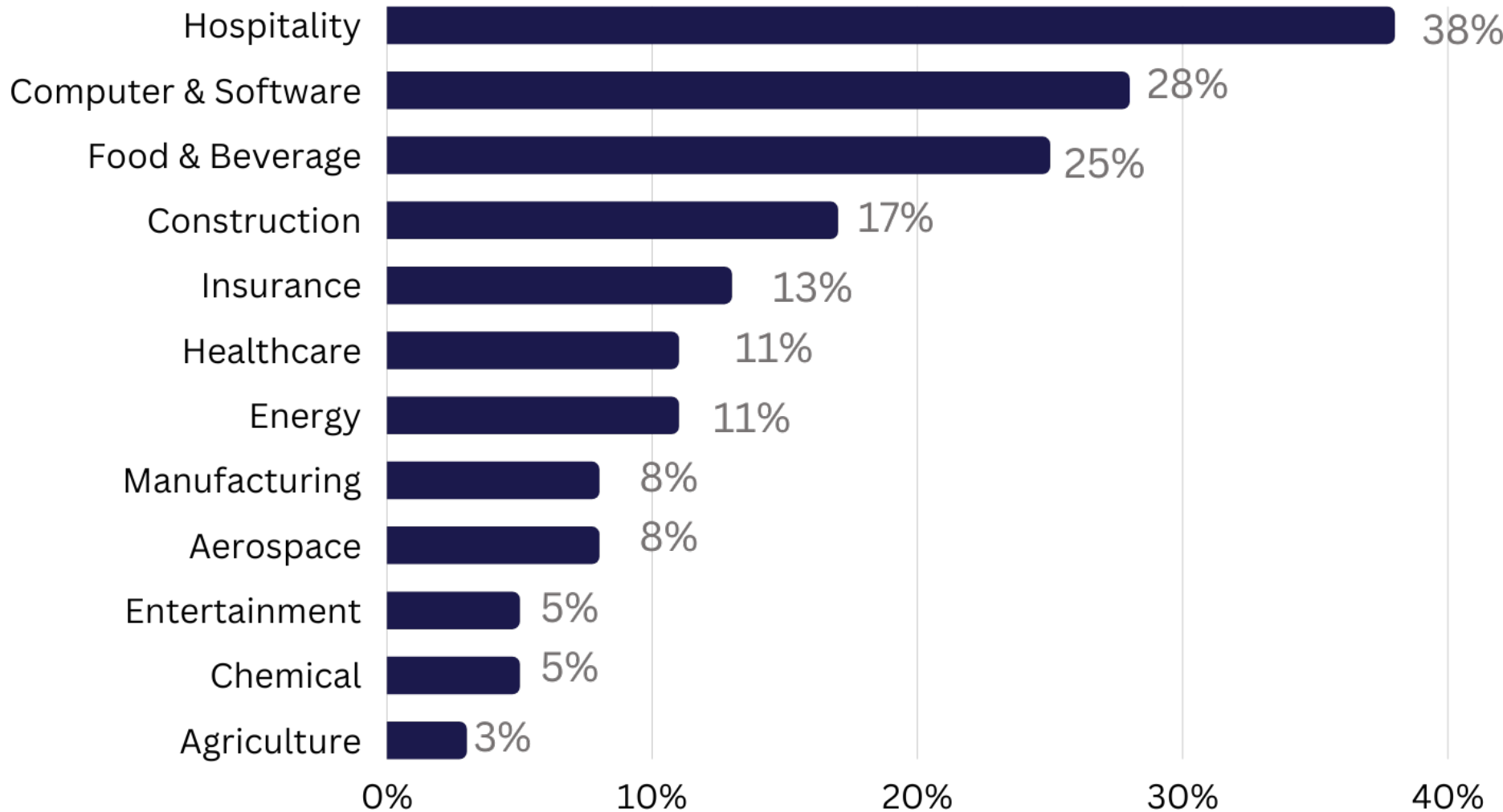
💡 Bucking the trend, companies with **very short sales cycles** – one week or less – were the 2nd most likely to report using 6+ sales tools.

Industry

Sellers in the hospitality, computers & software, and food & beverage industries were the most likely to report using 6+ tools.

Tech stack lightweights (least likely to use 6+ tools) include the entertainment, chemical, and agriculture industries.

Percentage of respondents who use 6 or more tools by industry



02. Tech stack consolidation is top of mind

but sales leaders don't want to lose any functionality

Tech stack consolidation is top of mind, but sales leaders don't want to lose any functionality

Our research shows the majority of revenue teams want to streamline their operations and tech spend without losing feature functionality.

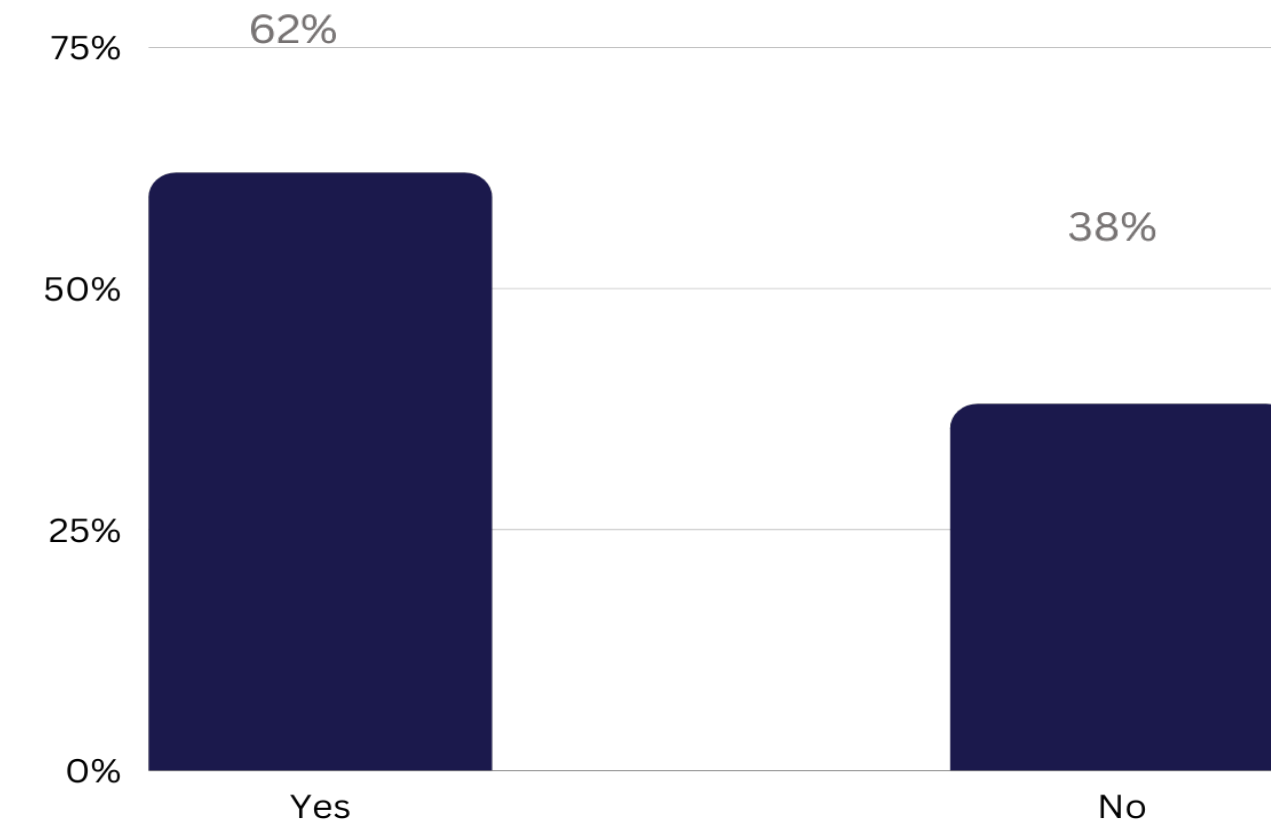
Interestingly, it doesn't matter how many tools they're currently using — across the board, 62% said they're trying to pare down the number of tools they use.

At the same time, 66% of respondents reported no functional redundancies in their sales tech stack.

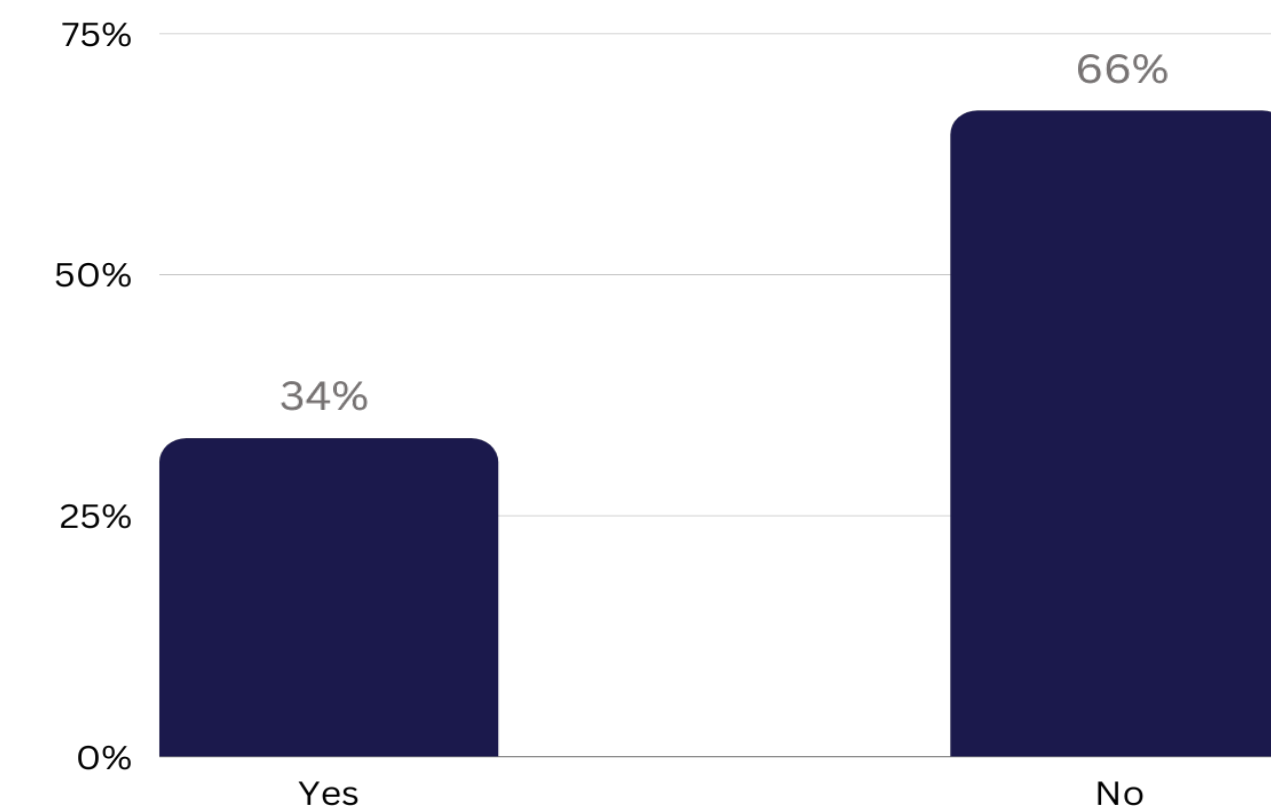
So what's going on? Leaders are seeking to simplify operations without compromising functionality or essential features that support sellers in their work.

They're looking for ways to protect – or even improve – seller workflows, while using fewer point solutions.

Are you consolidating **your tech stack in 2023?**



Do you have redundant tools **in your tech stack?**



03. Efficiency and productivity are the driving forces

of tech stack consolidation

01 Efficiency

Sales reps need to work more efficiently and productively.

02 Insight and integration

Disparate tools don't integrate and share data effectively. Leaders seek a platform that can serve as a single source of truth for their sales pipeline and activity data.

03 Cost

Sprawling tech stacks are not cost efficient, and orgs need to reduce spend.

Why are you consolidating your sales tech stack?



Notably, more than half of respondents (53.5%) referred to making the sales process easier for reps, saving sellers from switching between tools, or helping sellers become more time-efficient. Data integrity and insights, and reducing costs were secondary concerns.

Hot take: Improvements in efficiency for sellers should also benefit buyers. As companies invest in easing the seller’s experience, they should do so with a customer-centric mindset, and ask, “What technologies can I use to make it easier for prospects to buy from us?”

Who's looking to consolidate?

Teams with low rep participation

Teams that missed their revenue targets were most likely to consider consolidation in the coming year.

By the numbers:

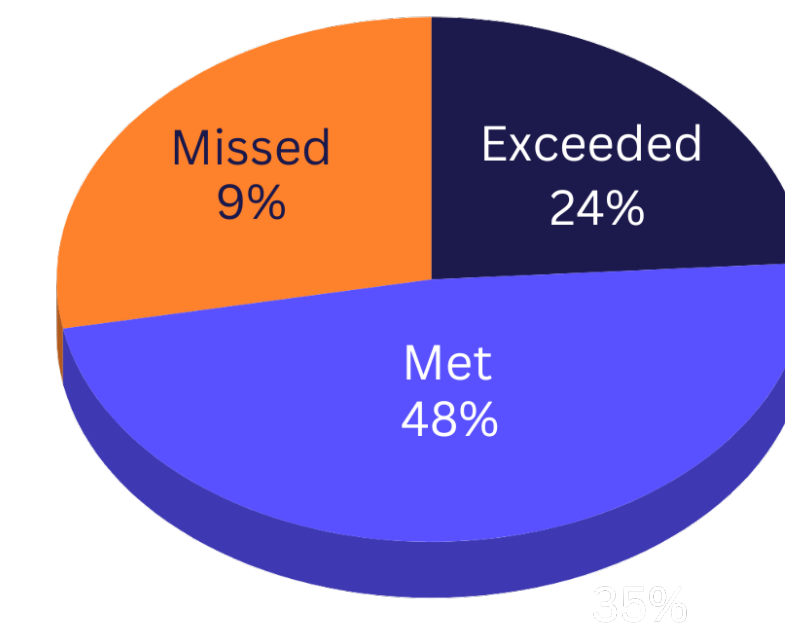
76% of respondents reported meeting or failing to meet their company revenue targets.

The majority of these respondents (>60%) considered consolidation within the last 3 months.

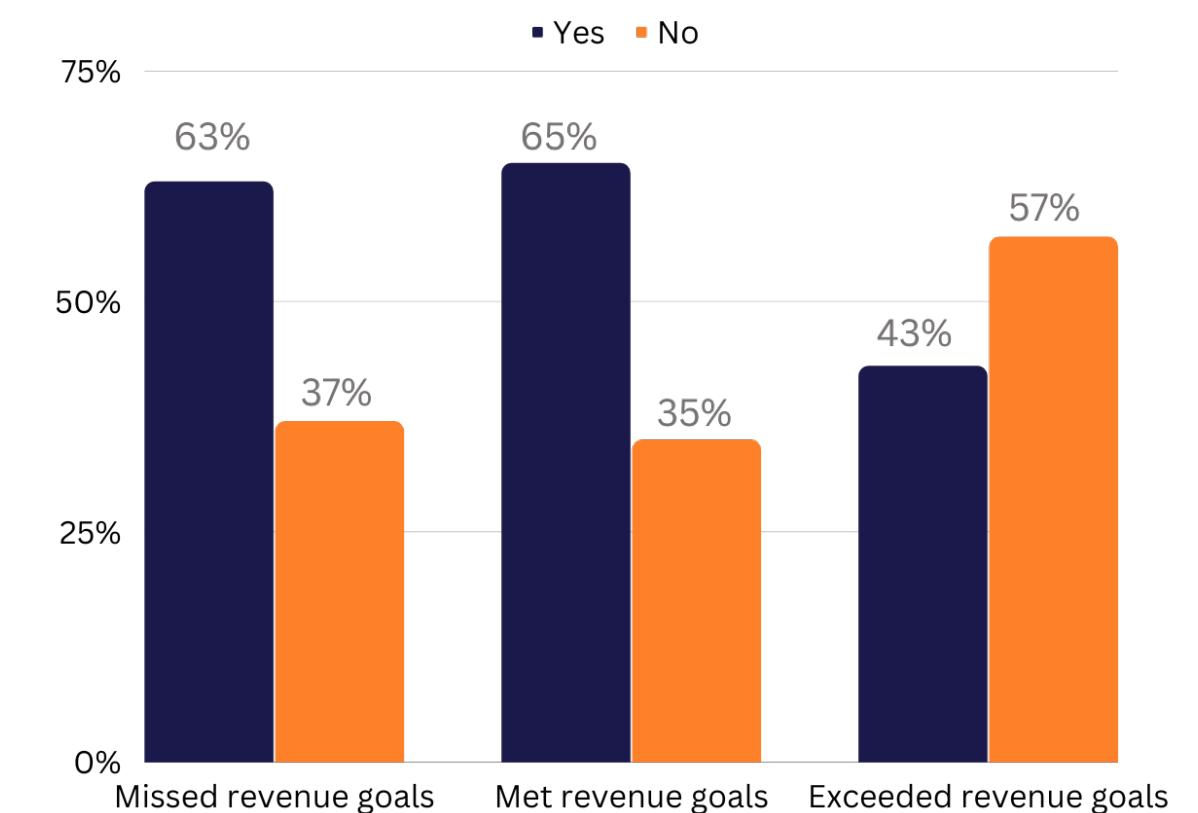
55% of companies with high rep participation (>70%) are also considering consolidation.

Rep participation rate: A measure of the percentage of a sales team that hits quota. A participation rate of 80% means that 8 out of 10 sellers achieved their target.

% of teams that met, missed or exceeded revenue targets



Are you considering consolidating your tech stack in 2023?



Why consolidation is a priority in 2023 (cont.)

The data: A deeper dive

We also took a deep dive into the issue of consolidation as it relates to whether individual reps on sales teams were meeting their quota targets.

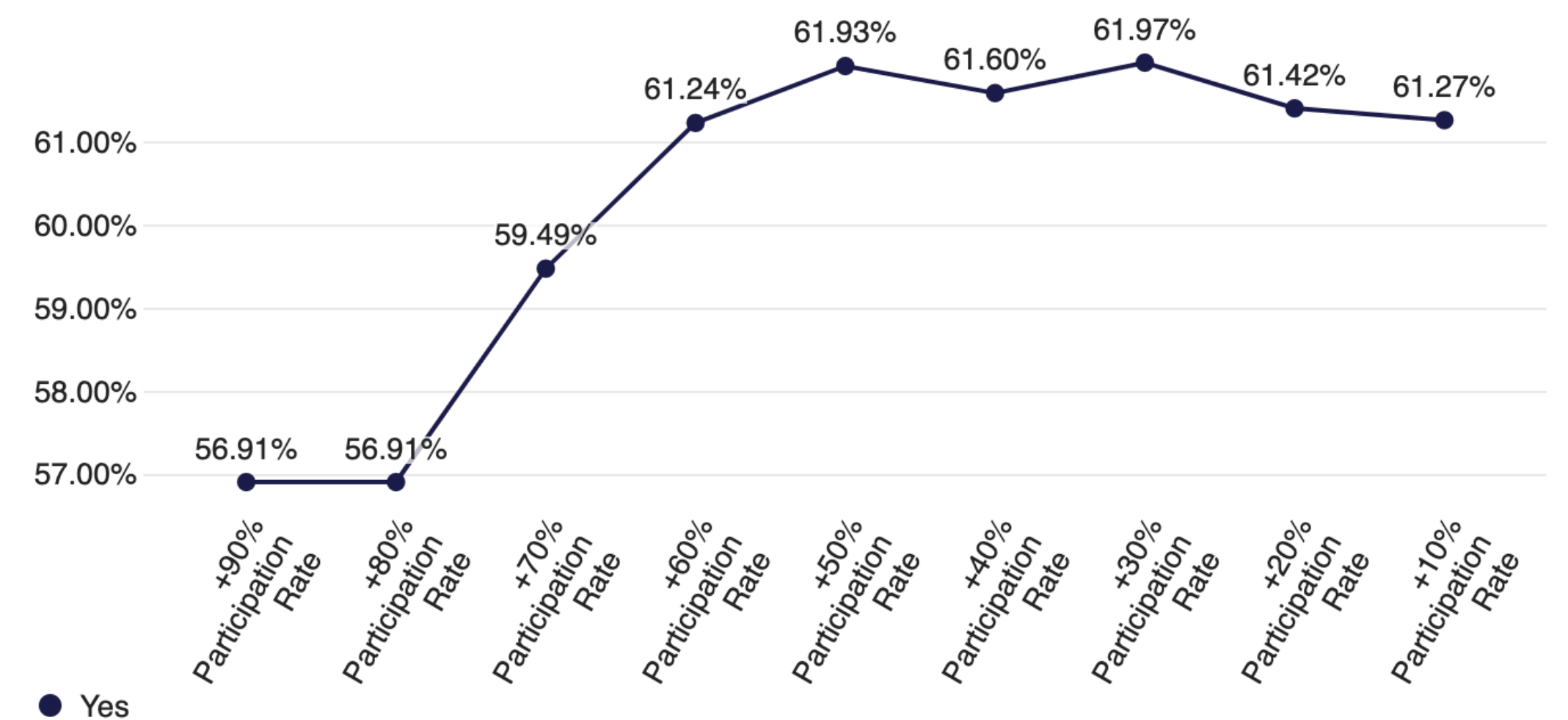
We found that organizations with rep participation rates of 60% or lower were more interested in consolidating their tool stack compared to those with above 60% participation rates.

This makes sense. When things aren't going as planned, it's natural to seek improvements, and perceive less risk in making changes.

Meanwhile, over 55% of companies with participation rates of 70% or higher still see value in investing in fewer, more capable sales tools.

💡 The takeaway: Even when 70% or more of reps on a team are achieving their quotas, their leaders are more likely to see value in making improvements to the tech stack than they see risk in making changes to it.

Are You Consolidating Your Tech Stack? (Grouped by Rep Participation Rate)



Analysis: What's going on?

The drive to pare down on points solutions goes beyond cost savings.

The majority of companies where sales teams are missing (or just hitting) their targets are looking to consolidate their tech stacks, and the majority cite **efficiency** and **insight** as the chief drivers.

Too many toggles: the high cost of software overload

Clearly, larger tech stacks cost more to procure and maintain. But there are also opportunity costs associated with larger, more complex tech stacks in the form of wasted time for sellers.

Meet the toggling tax. Research conducted by the Harvard Business Review found knowledge workers spend roughly **9%** of their time at work **reorienting themselves after switching between applications**. So the drive for a leaner tech stack — less switching — makes a lot of sense.

The average sales rep spends most of his or her day doing things other than selling. As much as **70% of their time** is spent on administrative tasks like updating spreadsheets, adding prospects to the CRM, and augmenting data.

While sellers have always had to use every minute effectively, the need for efficiency is rising. **Sales targets aren't shrinking**, even when market demand decreases and rep headcount is reduced.

With fewer resources and opportunities to attain the same targets, the pressure to both **create and close** business has never been higher.

It's simple math. Each minute reps spend toggling between tools is a minute they're not using to make meaningful progress toward sales targets critical to your business.

04. What winning teams use:

tech stacks that enable the full sales motion from creating pipeline to closing deals

A tech stack that enables reps to focus on creating and closing pipeline is the winning approach

The teams that exceeded their revenue goals favored using one tool to perform these two workflows with excellence. Specifically:

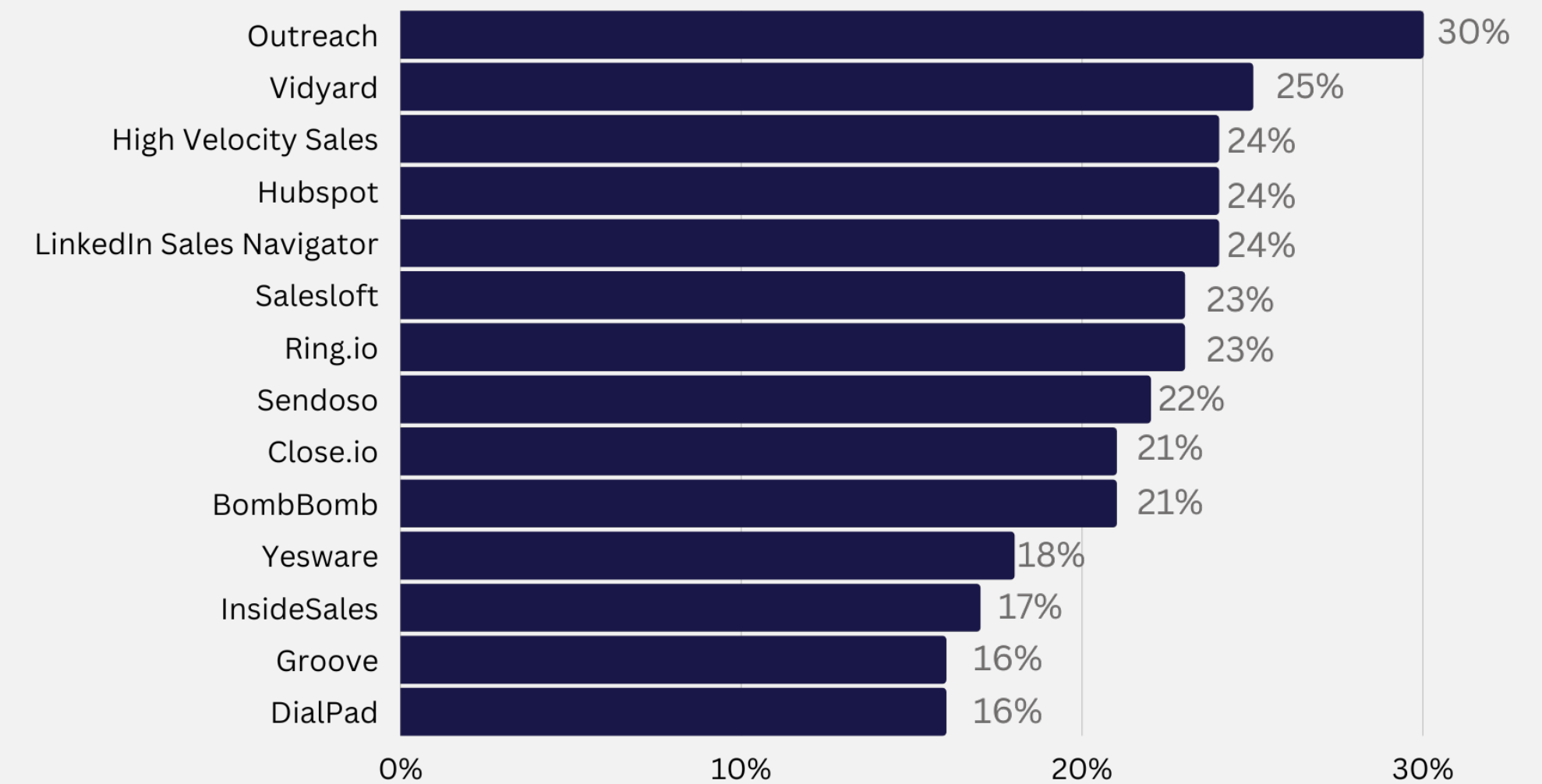
→ **31%** of our respondents exceeded their sales goals when using Outreach for prospecting - more than any other prospecting tool.

→ **31%** of respondents also exceeded revenue goals when using Outreach to manage and close opportunities in the pipeline — more than any other deal management tool.

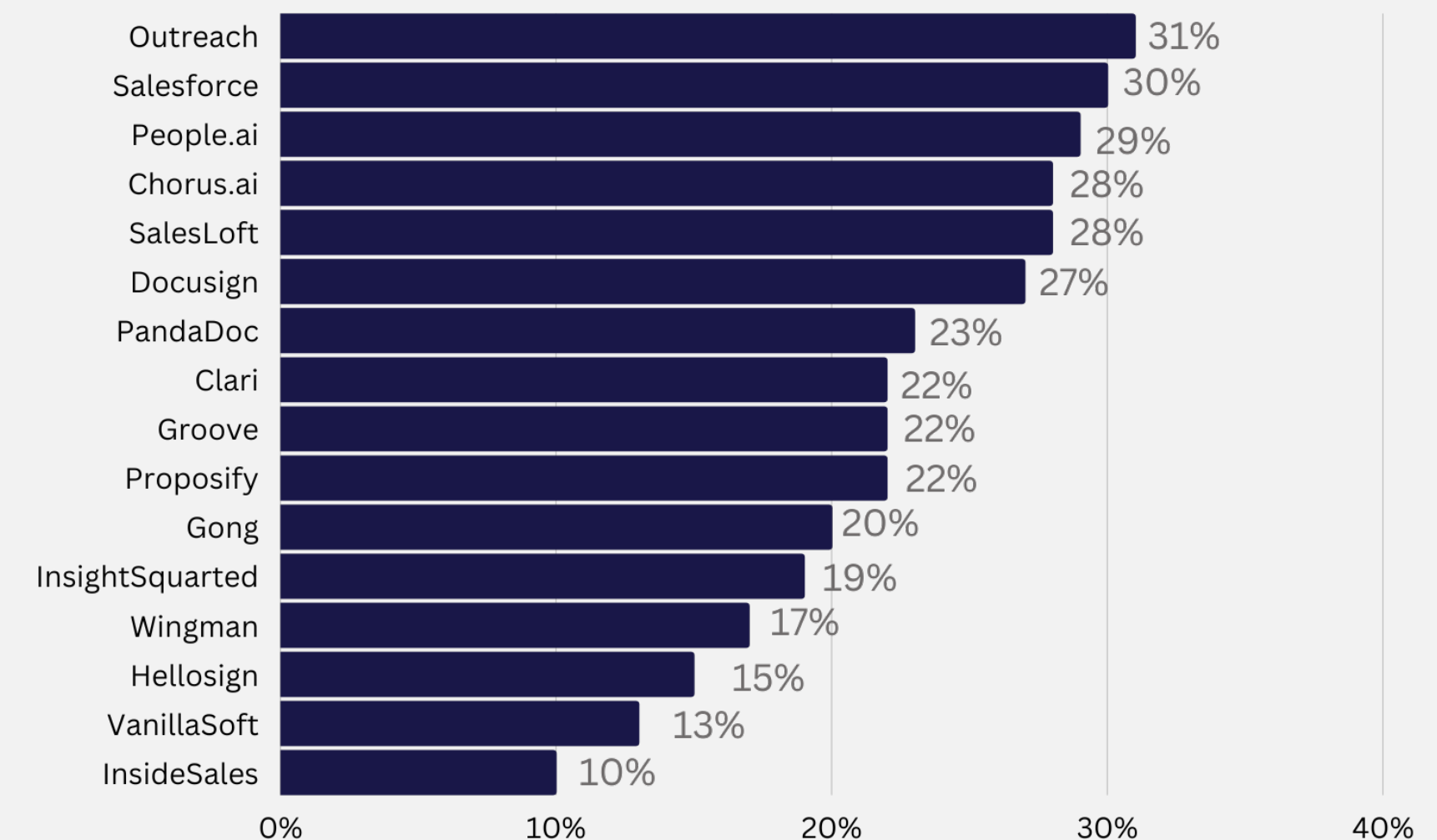
💡 Notably, companies that use Outreach either to open opportunities or manage deals were **highly likely** to surpass their revenue targets.

But sales teams that used Outreach for **both** of those purposes were **even more likely** to surpass their targets.

Percent who exceeded revenue goal: **Prospecting stack choice**



Percent who exceeded revenue goal: **Deal Management stack choice**



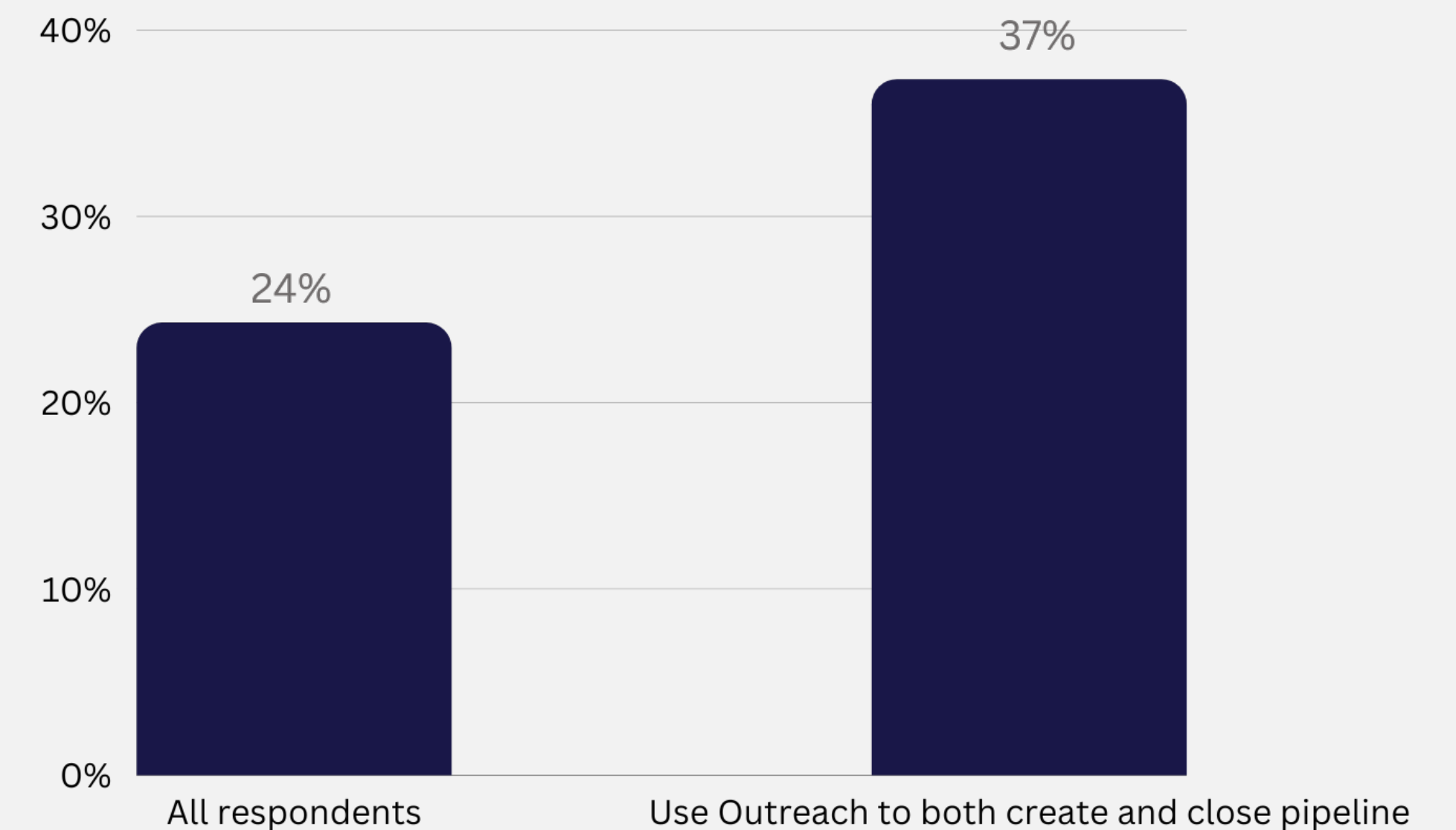
A tech stack that enables reps to focus on creating and closing pipeline is the winning approach (cont.)

The current macroeconomic environment has led to necessary innovations in how teams optimize their sales technology stacks to maximize the impact from every minute spent selling.

Teams that are most likely to exceed revenue targets use a single platform to execute workflows across the entire sales cycle, from **create to close**. These teams benefit from the simplicity of navigation, reduction of tool-switching costs, and centralized activity and insights.

Which is why teams that use Outreach to execute **the complete sales process** – from creating opportunities to closing deals – were **60.8%** more likely to exceed quota than the average respondent.

Percentage who exceeded **revenue goals in 2022**



Conclusion

Building a consolidated sales tech stack can help sales teams create and close more pipeline

The data gives us a glimpse into how sales leaders juggle priorities in the current climate. They're faced with the challenge of bringing their sales tech stacks together, keeping the features their various point solutions offer, boosting seller efficiency, integrating systems for a unified source of truth, and cutting down on tech costs.

The research revealed sales teams already rely mainly on Prospecting and Deal Management tools to achieve their goals. And as teams strive to become more efficient and effective, they have opportunities to consolidate these tools without sacrificing any key features that help sellers **create and close** pipeline.

In fact, it's that very consolidation that may help them improve seller efficiency.

High-performing teams use one tool to nail the entire **create and close** workflow, a testament to the power of a streamlined tech stack. As we've seen, the less time and effort you have to spend switching between different tools and wrangling data, the more energy you can dedicate to the tasks that matter.



Appendix

Appendix

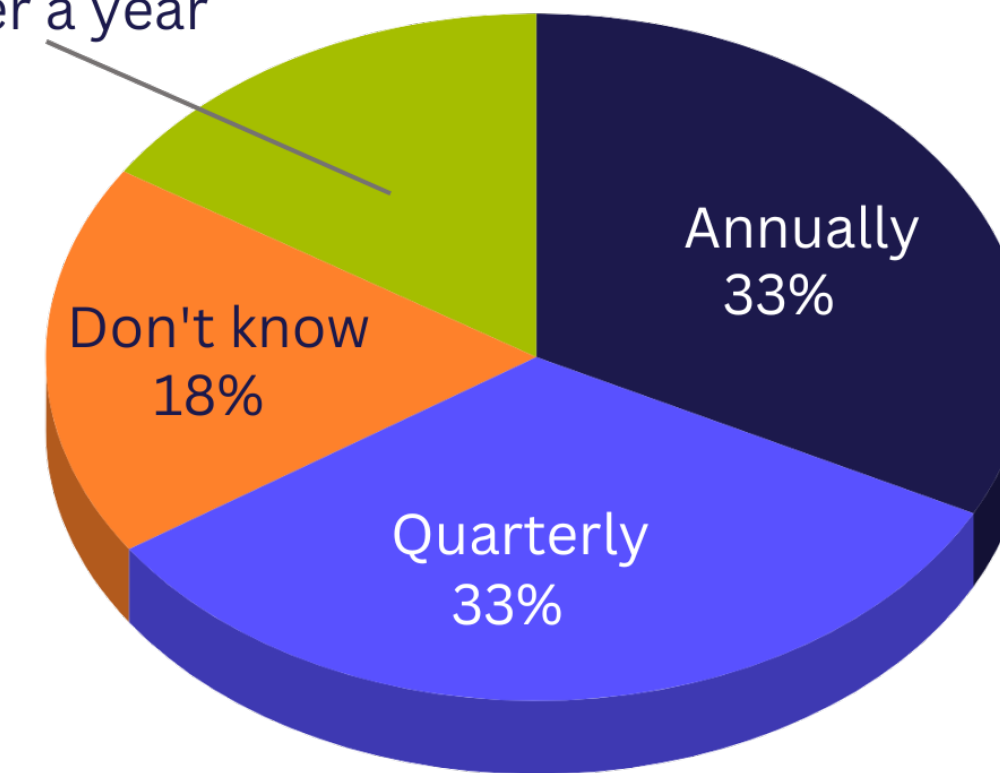
Frequency of tool stack audits

Many – but not all – decision-makers are scrutinizing software selection and renewal.

The majority of companies audit their tech stack on at least an annual or quarterly basis. At least a third of companies either are not auditing their tech stack yearly or are unsure of when and if audits are happening at all.

How frequently do you **audit your tech stack**?

We have not audited our tech stack in over a year
16%



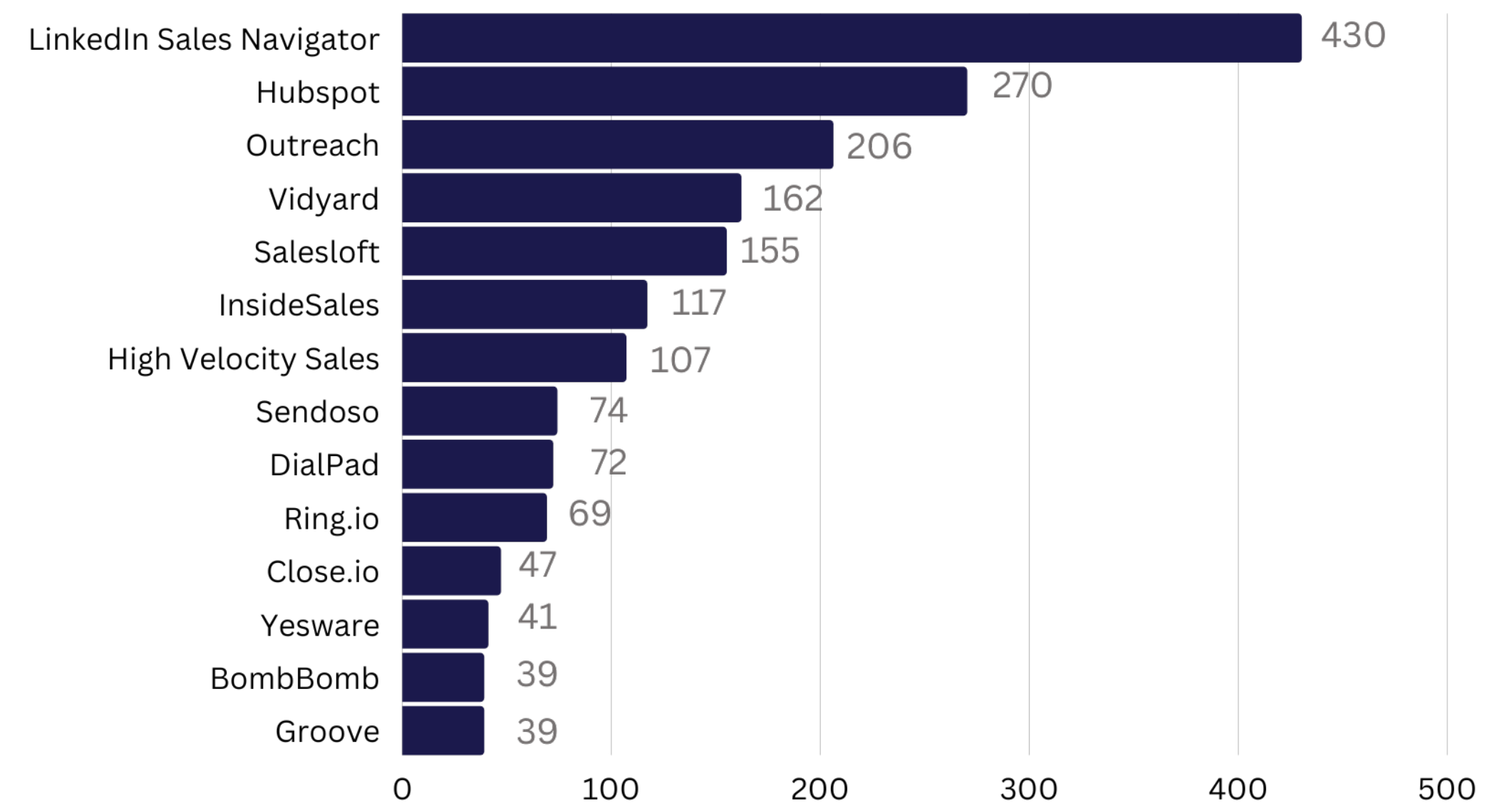
Appendix

Reported usage of tools by respondents

These charts show how frequently our 976 respondents reported using each tool in each category.

While we aren't drawing any conclusions directly from these data, and sales tool effectiveness is not a popularity contest, we provide this data to give context to our findings. Respondents were able to select more than one tool in each category.

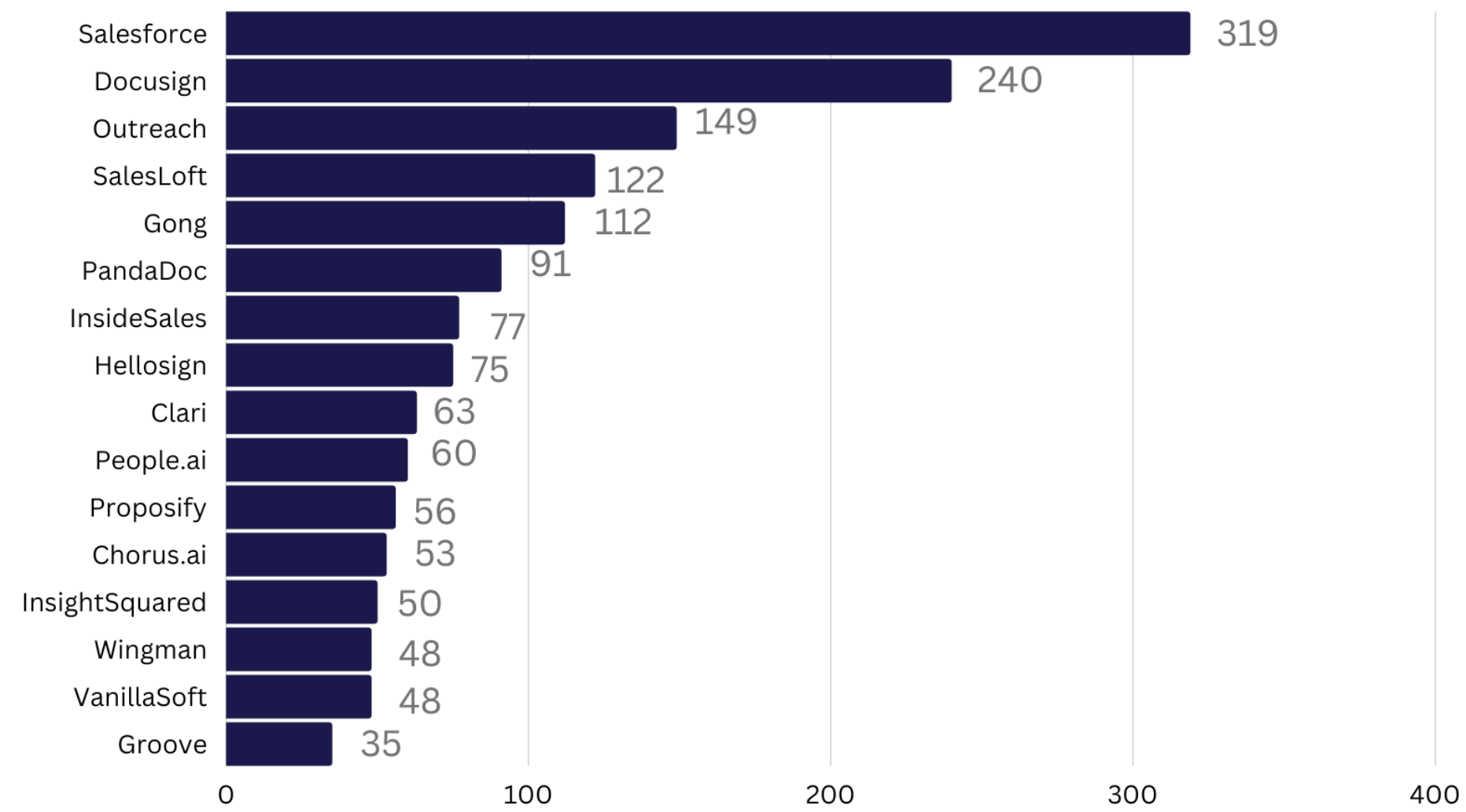
Prospecting Tools



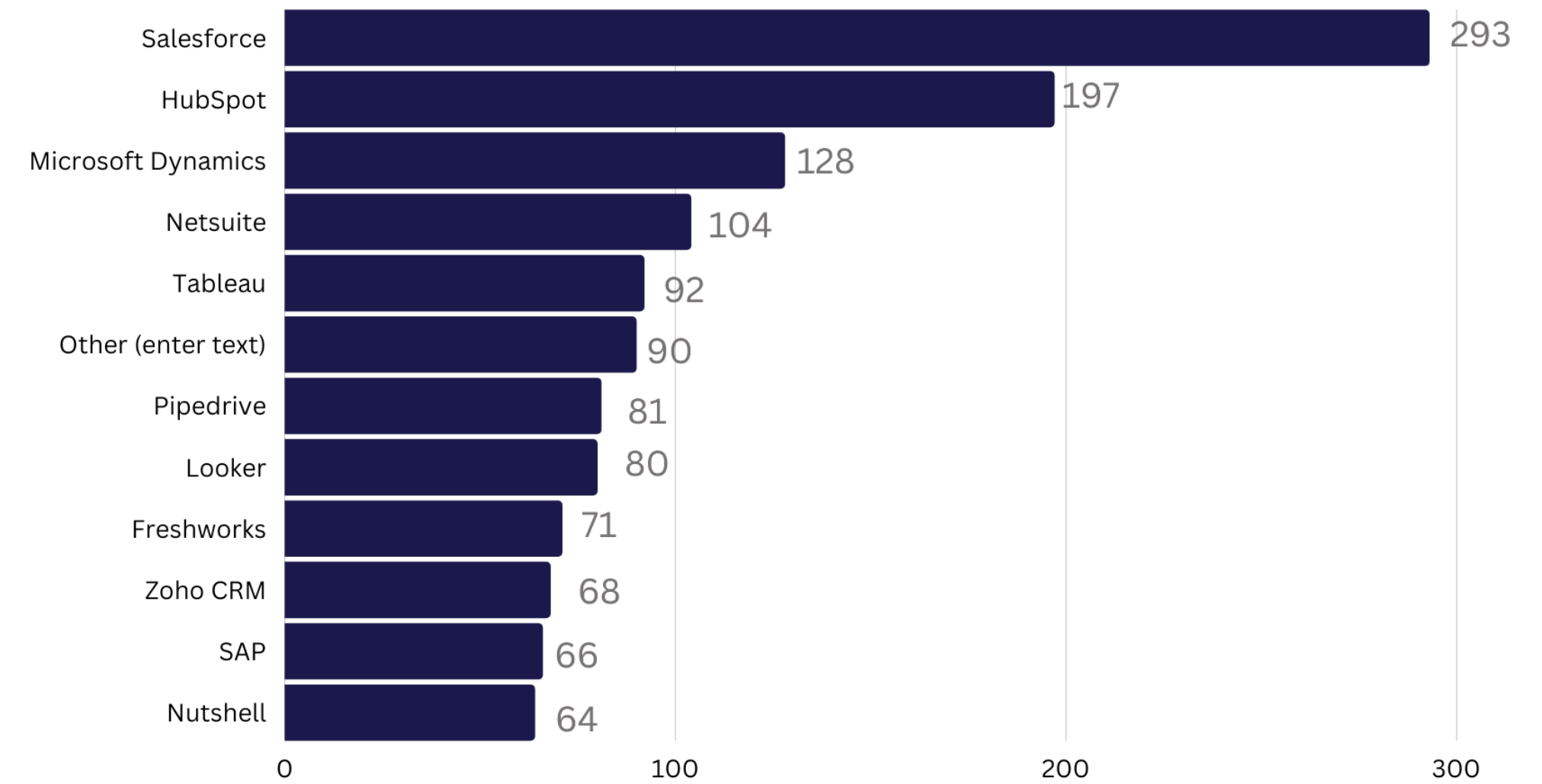
Appendix

Reported usage of tools by respondents

Deal Management Tools



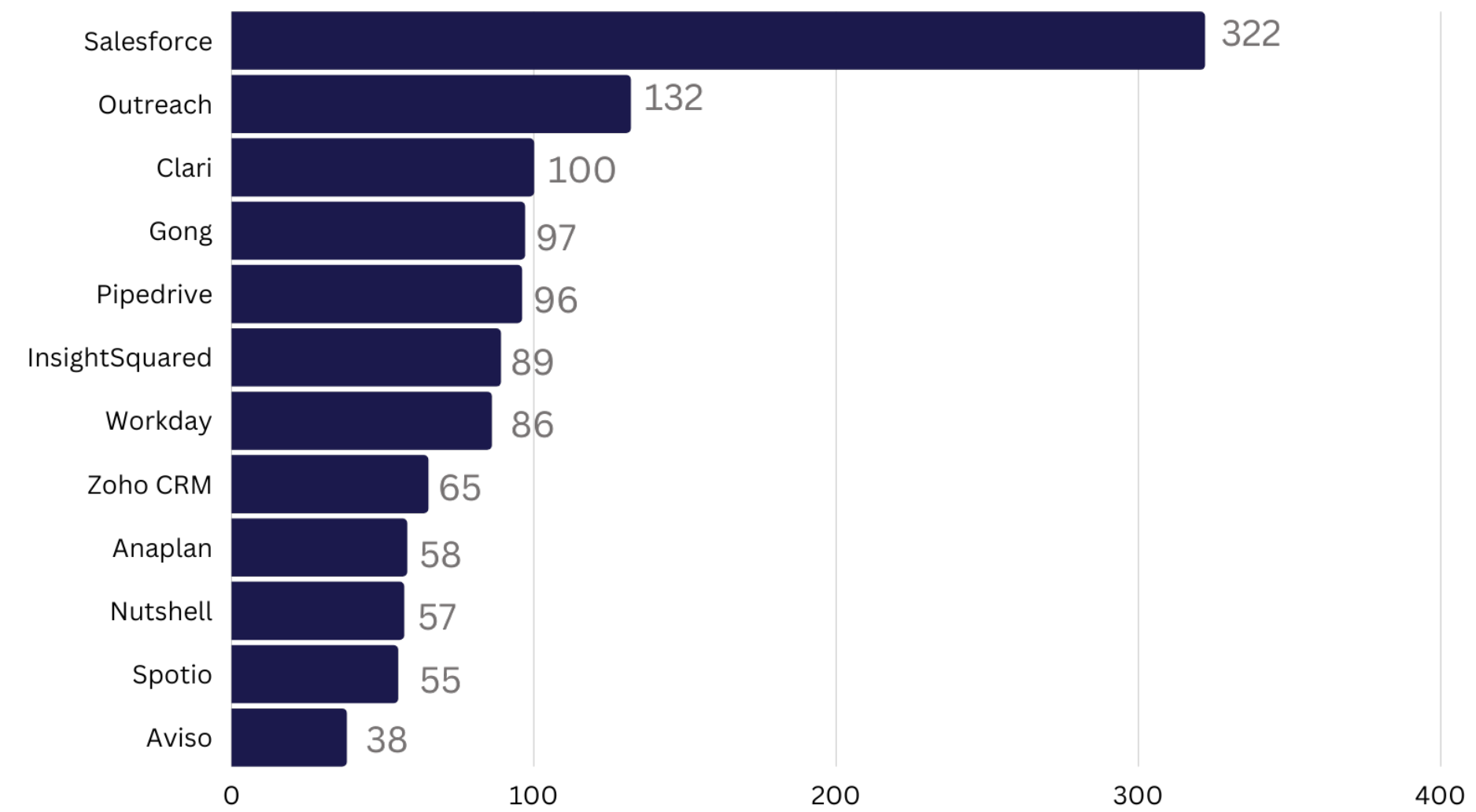
Data Storage + Reporting Tools



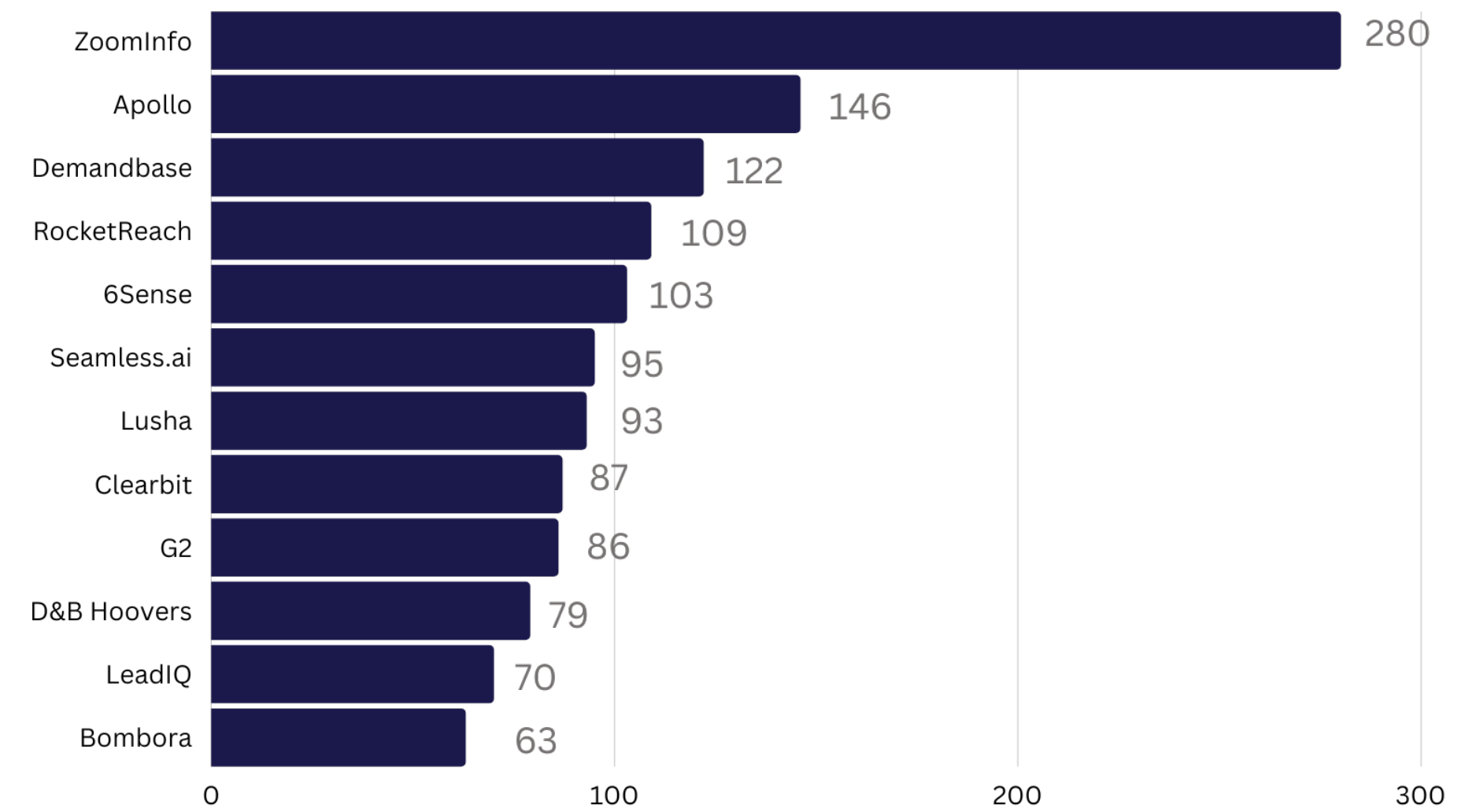
Appendix

Reported usage of tools by respondents

Forecasting Tools



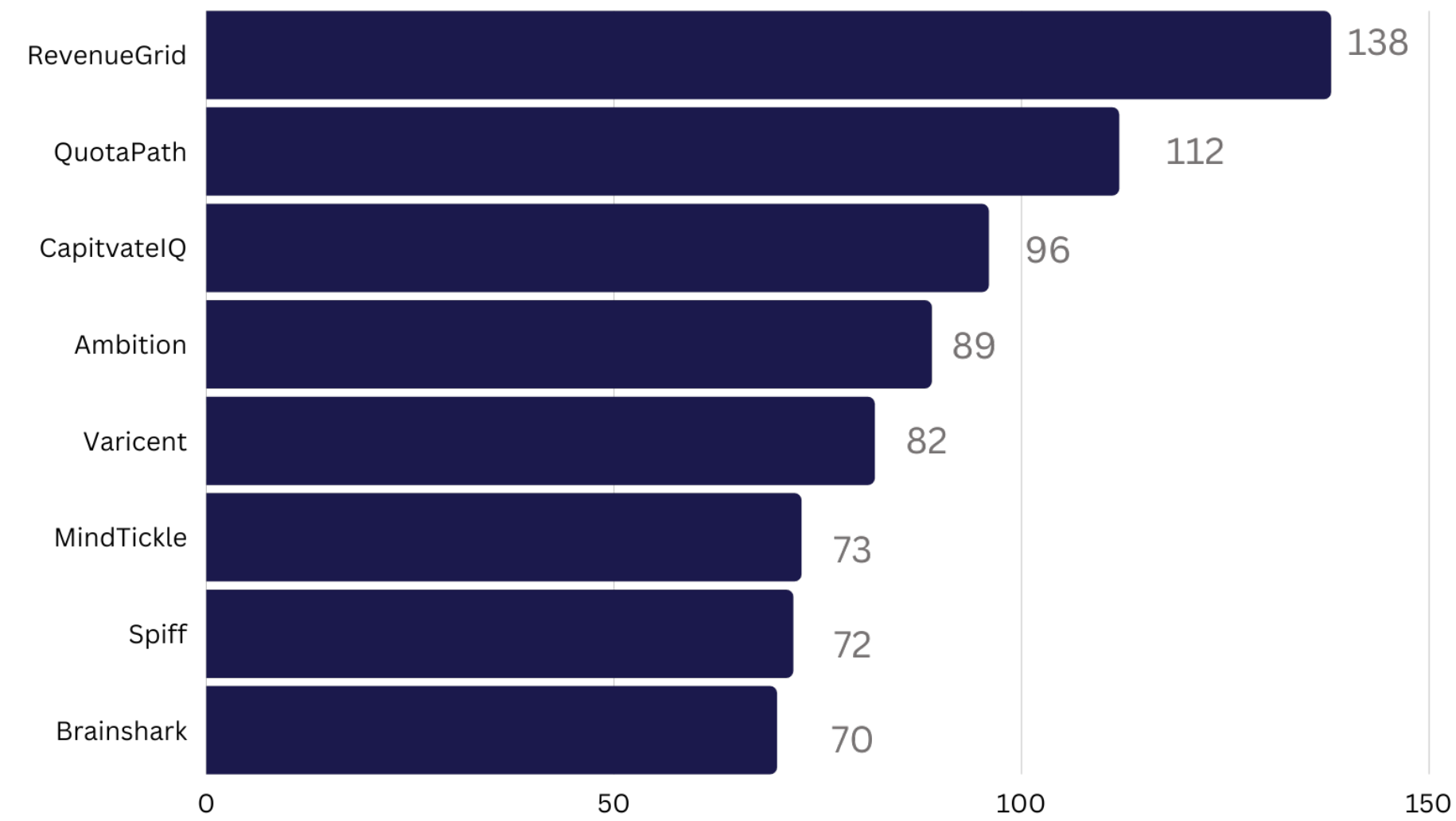
Data Augmentation Tools



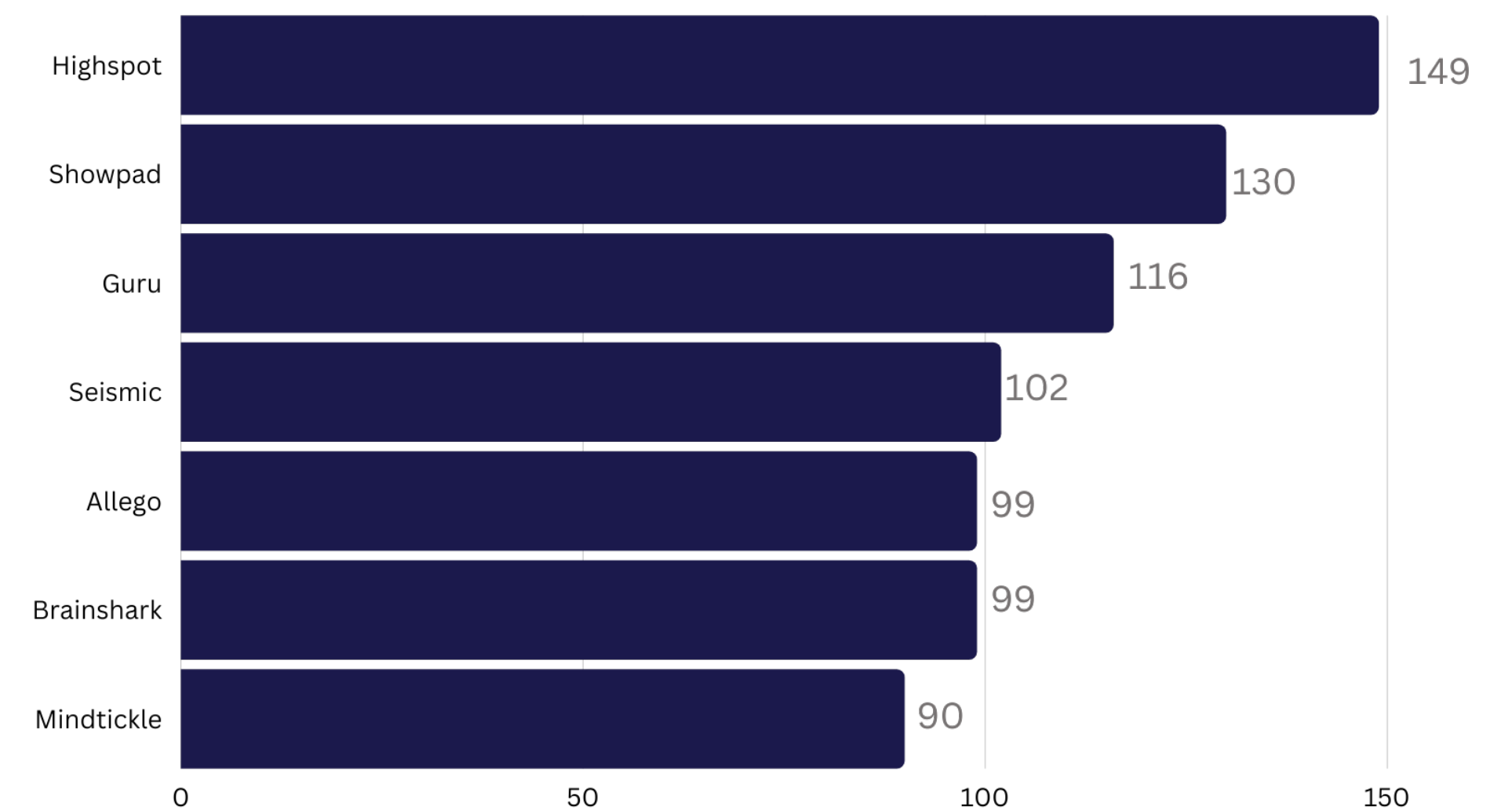
Appendix

Reported usage of tools by respondents

Compensation + Performance Mgt Tools



Sales Enablement Tools



About



Sales Hacker is the community for B2B salespeople where members are 40% more likely to achieve quota than their peers. We work together with our members to create podcasts, weekly webinars, blog articles, a newsletter, and an open forum for deep discussions.

Join the smartest community of B2B sales professionals at Saleshacker.com



Allego delivers a complete sales enablement platform with patented technology to help sellers win buyers. Our sales enablement, learning, content management, and conversation intelligence products accelerate performance for sales and other teams.

Learn more about sales enablement that wins sellers and buyers at Allego.com.



Outreach is the leading sales execution platform that helps market-facing teams efficiently create and predictably close more pipeline. From prospecting to deal management to forecasting, our platform leverages automation and artificial intelligence to help revenue leaders increase the efficiency and effectiveness of all go-to-market activities and personnel across the full sales cycle.



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