



The New Sales DNA Report

Skills gaps, technology, and
the changing face of
commercial sales.

Findings of a national
survey of 500 commercial
sales professionals.





Introduction from CPSA

Working in Canada today, there are 1.2 million sales professionals who represent 6.6% of Canadian workforce.

Half of these are in commercial sales (B2B and B2C) and the numbers are growing – quickly. And yet, this significant portion of our economy is often forgotten and under-appreciated. This is one important reason why the CPSA felt it necessary to commission a study that mapped-out another piece of the sales-profession puzzle.

The New Sales DNA Report is the first survey of its kind and it is urgently needed to bring new ideas and benchmarks that will help organize and standardize one of Canada's most misunderstood and essential professions.

Why now? Here's one reason: The Government of Canada is targeting 30% growth in goods and services exports by 2025. One key ingredient we know that's needed to meet this goal must be a strong and vibrant sales profession, armed with the fundamentals.

According to the Conference Board of Canada, the sales and marketing professions have been among the top 5 specializations in highest demand over the past 10 years. The future of Canadian sales professionals and the future of the Canadian economy are inextricably linked. From talking to industry leaders, a powerful message emerges: employers want a national standard for sales professionals, they want more from new recruits, more skills, more knowledge, more commitment and more results.

However, our research has revealed that the profession still faces challenges. Perhaps the largest is a looming skills gap. Regardless of company size or commercial sales environments, senior sales and HR managers report that they are having difficulty filling sales positions.

There are a couple reasons for this. A lack of appropriate industry expertise or proven sales skills are identified by respondents as primary gaps in their candidate search. Labour shortages are also an issue brought on by negative perceptions and the fact that other professions are perceived as more respectable, and therefore more attractive to young people choosing their career paths. This despite 88% of commercial sales professionals having post-secondary education, making them significantly more educated than the average Canadian workforce member.

Sales is one of very few professions where there is no specific experience or training required – many people simply fall into sales and it's not commonly offered in college or university as a concentrated area of study like marketing. Finally, our research has uncovered a dilemma; sales managers value sales training greatly but many workplaces don't offer any.

The CPSA is proud to present the first ever sales report touching on these issues, and many others, in Canada. The New DNA Sales Report reaffirms the CPSA's commitment to carrying out critical research on behalf of the sales community – to help us move the profession forward.



Joy Sayers
President & CEO



Methodology

The survey, commissioned by the Canadian Professional Sales Association, was conducted from November 25 to December 6, 2017.

A total of 500 interviews were completed by commercial sales professionals and commercial sales managers in B2B and B2C sales at small, medium, and large firms across Canada. The survey was available in both official languages.

The survey was conducted using a multi-mode design with two sample sources:

- 250 interviews were completed online, recruited from maru/matchbox's panel.
- 250 interviews were completed online with members of the Canadian Professional Sales Association who were invited to participate through email.

The sample was statistically weighted so that the distribution of respondents was representative of the number employees by firm size throughout the industry.

**250 Interviews
Through Maru**

**250 Interviews
Over Email**

Sample Distribution

	Unweighted	Weighted
Atlantic	8%	9%
Quebec	12%	11%
Ontario	49%	48%
Praries	17%	17%
BC	13%	15%

	Unweighted	Weighted
FIRM SIZE (Number of Employees)		
Small (<100)	62%	40%
Medium (100-500)	21%	15%
Large (500+)	17%	45%

Fast Facts

1. As the market becomes more diverse, so too are sales teams.

It wasn't too long ago that when you asked someone to describe a commercial sales professional, the typical image was of a Caucasian, middle-aged man. And while the profession is more male than female, composed of more Caucasians than those racially diverse, and slightly older than the population generally, many sales professionals report things are changing. The DNA of the typical sales team is changing much like the market it serves. As the numbers of women, Millennials, and culturally diverse customers and influencers increase, so too are their proportions on the commercial sales teams that build relationships with them and sell to them.

2. There's a skills gap and it's all about those soft skills.

It's not who you are, but how you communicate and relate to customers that matters when commercial sales teams are looking for new members. When asked what criteria are important when recruiting new sales professionals, almost half cited soft and interpersonal communication skills as most important, followed by experience, previous sales training, and education background. Far less important was one's ethnicity, age, or gender.

3. Despite this gap, over 40% of sales professionals have received no formal training in the past 12 months.

With change comes the need for training. While some core principles of sales remain the same, technology and shifting buyer/seller demographics are changing, requiring continuous skill growth and learning. Most firms in Canada provide formal training to their teams, but this report shows that over 38% don't sponsor any formal training, despite the rapid changes occurring in the market. However, it's not for a lack of recognition of the importance of training: 32% of commercial sales managers would devote extra time, if they had it, to training their sales teams. As the sales profession grapples with a skills gap and works to recruit new people into the profession, it's crucial that a baseline standard of competencies and skills to fulfill a role in sales be provided to the profession.

4. Sales strategies and tactics are evolving, but nothing beats building solid relationships

It's not surprising that most commercial sales teams in Canada are using social media and CRM systems to support their efforts. The most popular social media platforms are LinkedIn, Facebook, and Twitter. However, what is maybe more surprising is what isn't changing: Many teams are not only still using, but report increasing their use of networking events, trade shows and referrals to build relationships and sell.

5. Disruption is coming but commercial sales professionals are optimistic about the future of their profession.

The buzz about artificial intelligence is also affecting the commercial sales profession. There's a recognition that automated systems and AI will impact sales. Even within the next 12 months, 30% of commercial sales professionals feel that there is a moderate or high risk of the sales functions being replaced by some form of AI. Despite this concern, most are optimistic about the future of the profession.

6. Sales professionals love the work they do.

Positivity abounds within the commercial sales profession. If there was any doubt that a career in sales is rewarding, motivating, and provides opportunities to be financially successful, survey results unequivocally ended the debate. 90% believe that being a commercial sales professional is a good job and 70% would recommend a job in commercial sales to a family member or friend. Most have positive impressions of their managers and feel good about the future of the profession.

Do you agree or disagree?

Almost 9 in 10 decision makers agree that the development and public awareness of a clear set of measurable standards for sales professionals would improve our ability to effectively hire and retain employees in our sales department.



Background

CPSA's 2016 sales recruitment survey found that a majority (73%) of Canadian sales teams, including responses from business owners, senior sales and HR managers across a variety of firm sizes and sales environments, said they had a difficult time finding qualified candidates to fill open positions.

Moreover, a lack of appropriate industry experience or proven sales skills were identified as the primary gaps in the candidates many sales teams were recruiting. Despite these gaps, demand for qualified sales professionals is high, increasing competition among firms, and the corresponding skills gap within the profession.

One way to help sales teams hire and retain effective sales people may be new training standards. 87% of sales and HR decision makers agreed that the development and public awareness of a clear set of measurable standards for sales professionals would improve their ability to effectively hire and retain employees in their sales department. Because of

these findings, the CPSA conducted a competency framework project in 2016 to research which specific skills professionals need in order to be successful in sales. The CPSA has now published a comprehensive sales professionals skills profile which includes both soft skills and technical skill areas required for success.

With this on-going sales skills gap existing in the market and to better understand the state of the sales profession in Canada, the Canadian Professional Sales Association commissioned the first New Sales DNA report.

Using data collected from a survey of 500 sales professionals, the report explores where the profession finds itself at the end of 2017 by examining the demographic make up of the profession, changes in sales strategies and tactics, and the future of the profession through the eyes of those currently active in it.

What Makes a Good Salesperson?

Commercial sales professionals prioritize soft skills over gender, age and culture.

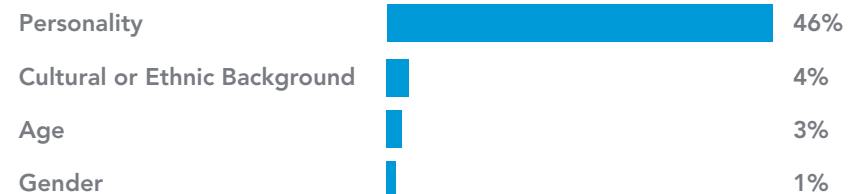
Soft skills are in high demand in the commercial sales industry. What matters most to sales professionals are the interpersonal skills that a candidate filling a position can bring to the team. Empathy, good communication skills and agility are at the foundational attributes commercial sales professionals feel matter. Although it may seem that some of these soft skills could be inherent person to person, educating a team on the importance of a consultative approach to sales and the misuse of a transactional sales process can systemically change this professional landscape.

Moreover, when it comes to gender, age and culture, "who you are" matters less than what you can do. Commercial sales professionals are much less likely to consider attributes like gender, age, and cultural background as important in determining the potential of a sales professional than how someone's behaviours, experience in sales, or previous training.

What criteria are important to you when recruiting new sales professionals at your business?



What criteria are important to you when recruiting new sales professionals at your business?



The Sales Training Dilemma

Commercial sales managers value training but many workplaces don't offer any.

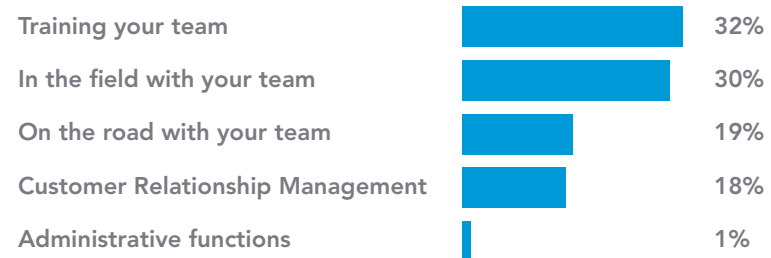
Most sales managers prioritize personality and experience when recruiting new commercial sales professionals, but over half also consider sales training to be a very important factor in their recruitment criteria. In fact, 32% of sales managers say that if they had more time at work, they would invest that time in training their sales teams.

Despite the perceived importance of training, 41% of sales professionals have not completed any formal sales training in the past 12 months and a surprising 38% report that their workplace has not sponsored any form of continuing education or training. Smaller firms were less likely to sponsor training than larger firms and those working for them were less likely to have completed training in the previous year.

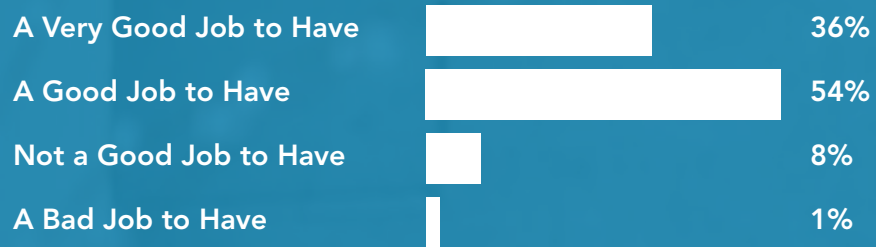
Our findings indicated that younger sales managers under 34 years of age are almost twice as likely to say they would spend extra time on training their teams as sales managers 45 years of age and over, indicating a shift in the view of the importance of sales training for the millennial generation.

The need for continuous training among commercial sales professionals despite age, proves as vital for sales success, but also an asset that most companies cannot invest the time and resources in themselves but can be sought out with an accredited, competency-based professional development program.

As a sales manager, if you had more time at work where would you invest it?



Which Best Describes Your View of a Sales Job?



Thinking of your personal finances, would you describe yourself as...?



Sales Love Versus Sales Stigma

Despite a very high job satisfaction rate, the sales profession is not getting its full due.

Commercial sales professionals really like their industry: 90% say that sales is a good or very good job to have and 70% would recommend a job in sales to a family member or friend considering a new career. Furthermore, commercial sales professionals really like their managers: 82% of commercial salespeople have a very positive or positive impression of their sales manager.

As a whole, commercial sales professionals are twice as likely to say they are getting ahead in their personal finances than falling behind and 79% are optimistic about the future of the profession.

Unfortunately, these sentiments do not seem to be reaching the ears of those outside the profession. A lack of interest in the sales profession was recognized as a challenge facing the sector. 63% of respondents agreed that fewer people want to be sales people these days because the profession isn't viewed as respectable.

However, as common sales skills and practices are being taught in post-secondary education, and the value of pride and job satisfaction in sales is celebrated, the stigma that the profession faces is due to subside.

The DNA Of A Sales Team

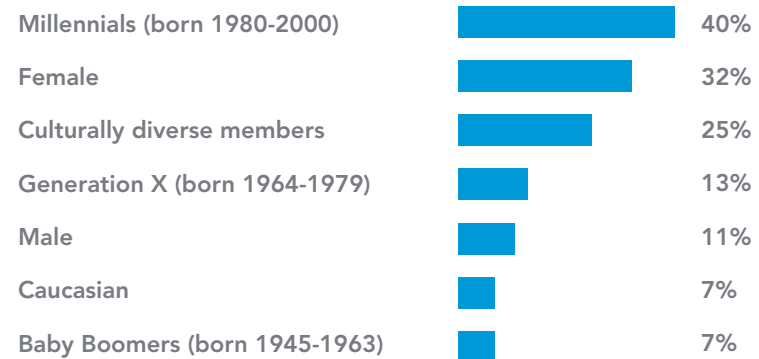
Commercial sales professionals: not just middle-aged Caucasian men?

When asked to describe the make-up of their sales teams, commercial sales professionals paint a familiar picture: they feel their teams are more male than female, most members are approaching 40 years of age or past it, and only an average of 23% are racially diverse. These numbers are even more lopsided when respondents were asked to describe their sales managers.

However, as the market changes, so too is the sales profession. Respondents report that over the past five years, increasing numbers of women, cultural diversity, and Millennials (born between 1980 and 2000) sales professionals are joining their teams. Increasingly diverse (younger, more female, and less Caucasian) sales teams are more likely to appear in larger firms, those in the telecommunications, IT, online markets and real estate sectors.

Slower to change are commercial sales teams in smaller firms, and those in farm product sales, media and advertising, and building/garden equipment sales. But, as many organizations view diversity as essential, professionals are beginning to see increased racial diversity, females and Millennials in the ranks for management positions, allowing for smooth transitions for the future.

Sales team demographic proportion increase in the past 5 years.





What % of Your Sales Team is...



Is Your Sales Manager?



Do you have the impression that the most effective sales people tend to be...



Do you have the impression that the most effective sales people tend to be...



Perceptions of Sales Savviness

Generational divide? Gen Xers are seen as the go-getters while Millennials still have a lot to prove.

Over a third of respondents felt that Gen Xers are the most effective sales people, the largest portion for any generation.

Younger commercial sales professionals are seen in a less positive light. Only 12% consider Millennials to be the most effective sales people and 32% think Millennials are worse at sales than previous generations, although this is primarily a generational perception: few Millennials feel this way. This perceived generational gap in sales effectiveness might be based on the sheer difference in skillsets that the two encompass and a varying observation of their value. Although Gen Xers may be seen as the most effective, not to be dismissed are the more technology based sales-skills that Millennials inherently have, allowing for training opportunities on both sides.

Women are not perceived to be less effective sales professionals than men. Almost three quarters say both sexes perform equally well in sales, the remainder are split on which sex is more effective. As well, female managers are seen in an equally positive light by their employees as their male counterparts.

Changing How We Sell

Old is new again, but new is also new.

Technology is changing the way sales is done, but old tactics are seeing a resurgence as well. 60% of commercial sales teams are using social media channels to research their sales targets and social media used in conjunction with Customer Relationship Management data is the most popular approach at sales research, with almost half of sales professionals using this combined technique. Surprisingly, a quarter of sales teams are data-free: they are using neither social media nor CRM data. The most popular social media platforms being used by sales professionals to research sales targets are LinkedIn, Facebook, and Twitter.

New sales techniques such as mobile apps are seeing the greatest increase in use, along with traditional, tried-and-true tactics such as tradeshows, networking events and referrals. The trend seems to be for commercial sales professionals to leverage relationship

maintenance while impersonal techniques such as cold calling and direct mail are on the decline: relationships seem to matter now more than ever.

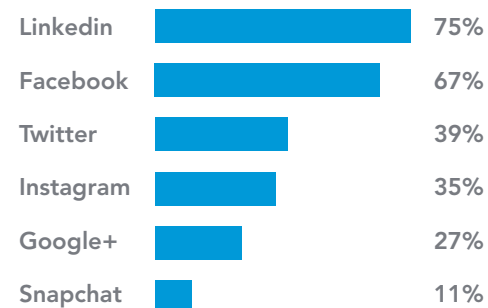
Interestingly, there isn't much difference in tactics used by sales professionals across age groups. Older sales professionals are almost as likely to say they are using social media as younger sales professionals. However, younger sales professionals are more likely to use Instagram than older ones, while older ones are more likely to use LinkedIn.


Although we are seeing that varying generations are using social media for sales in conjunction with more traditional practices, it may well be that with the emergence of technology came a new extension to face-to-face interaction and what used to be a business card exchange at a tradeshow in the past, may now be a LinkedIn connection request.

Shifting markets = shifting strategies?

Large numbers of sales professionals report that over the past two years, the number of influencers and decision makers from the Millennial generation and Generation X have increased. We also find that many are reporting increasing numbers of female and racially diverse customers.

What kind of social media do you use to research a sales target?





Do you believe there is a moderate or high risk of the sales function being replaced by automated systems or some type of artificial intelligence in the next...?



The Future Of The Sales Profession: Disruption, Anxieties and AI.

As stated earlier, most commercial sales professionals are satisfied with their jobs, would recommend a career in sales to others and are optimistic about the future of their profession.

But that optimism isn't necessarily translated into currently seeing growth in the profession. 31% of commercial sales professionals feel there are less jobs in sales than there were a year ago. 37% feel there is less pay and benefits. These numbers cannot help but make some sales professionals anxious.

There is also some concern about the impact of automated systems and AI. Even in a 12 month time horizon, 31% feel there high or moderate risk of the sales function being replaced by AI. However, 23% of sales professionals seem to think that humans will never be fully replaced in sales functions.

How realistic these concerns are is difficult to predict. Many experts in these technologies claim that AI and automation create as many jobs as they replace, and perhaps fears of job replacement should be tempered by the possibility of job augmentation: where these new techs make a sales professional's life easier and their processes more effective.

Commercial Sales
Professionals in Canada
(New Sales DNA Survey)

Working Canadians 18+
(Based on 2011 Census)

Gender	Male:	66%	Male:	52%
	Female:	34%	Female:	48%
Age	Under 40:	36%	Under 40:	46%
	40 to 54:	38%	40 to 54:	38%
	55+:	26%	55+:	17%
Diversity	Culturally diverse members:	14%	Culturally diverse members:	15%
Education	High school or less:	12%	High school or less:	43%
	College or some university:	44%	College or some university:	32%
	University or post-graduate:	44%	University or post-graduate:	25%
Compensation	Salary plus commission:	48%	N/A	
	Straight salary:	26%		
	Commission only:	26%		

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