



COVID-19

Member Survey:
How is your business coping?

Insights Report

July 24, 2020
Wave 2



METHODOLOGY



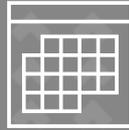
STUDY



With the ongoing coronavirus outbreak, CPSA created a survey to analyze the perceptions of sales leaders and frontline sales staff

The main purpose is to gain insight on how the pandemic has affected day-to-day sales activities and identify how businesses have responded and adapted to the pandemic

This report is the second wave of this series



FIELD DATES



Field Start: Friday June 12, 2020
Field End: Friday June 26, 2020
Days in Field: 14



SAMPLE



We collected responses of Canadian Adults (age 18+) who are members of the Canadian Professional Sales Association

To keep the sample as representative as possible, we controlled the sample output so that it was as reflective of the CPSA membership base demographics as it could be

n=150



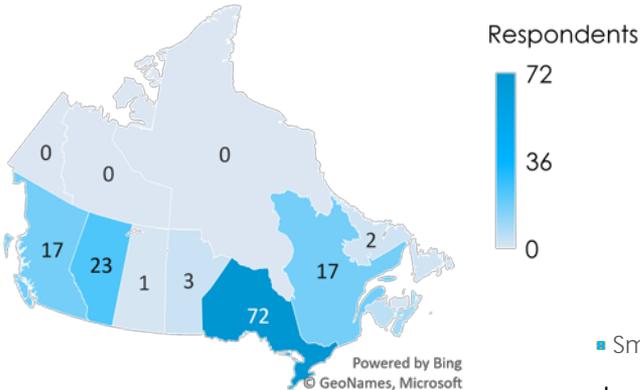
NOTES



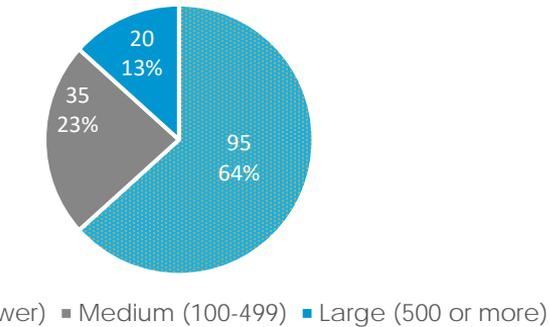
The survey and its associated findings/insights are intended to act as a tool to share how other businesses are responding to the COVID-19 pandemic

DEMOGRAPHICS

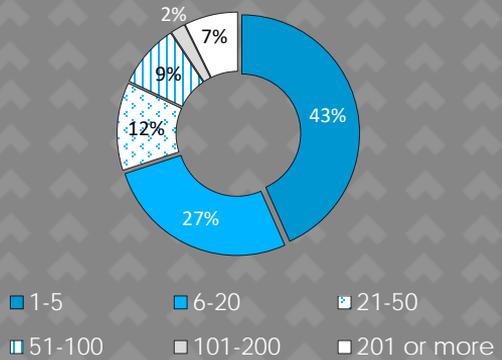
Region



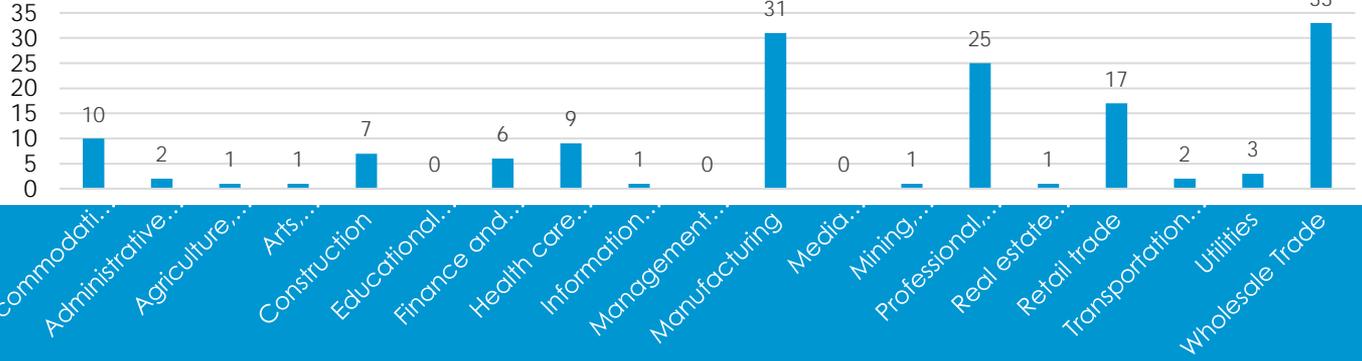
Size of Business (number of employees)



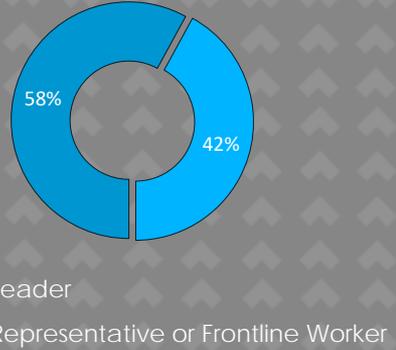
Size of Sales Team



Industry



Leader vs. Frontline



Base: Sales Leaders and Frontline Sales Reps (n=150)

RESULTS

Change in 2020 revenue projections due to COVID-19

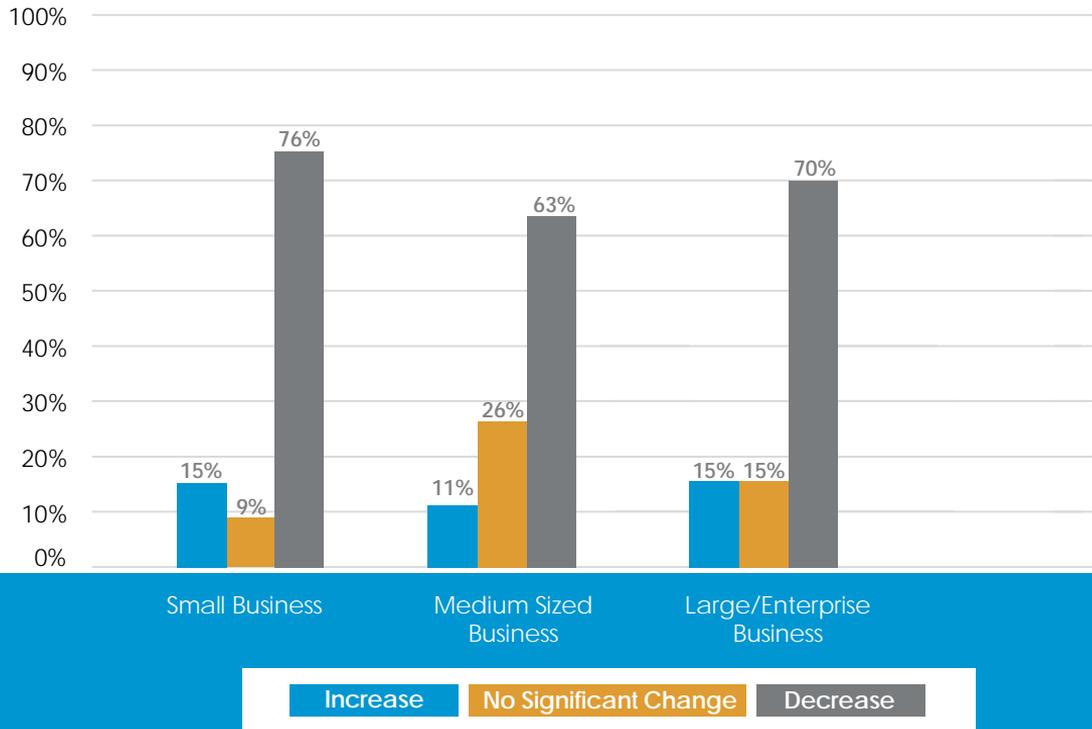
	Accommodation and food services and drinking places	Administrative and support, waste management and remediation services	Agriculture, forestry, fishing and hunting	Arts, entertainment and recreation	Construction	Educational services	Finance and insurance	Health care and social assistance	Information and cultural industries	Management of companies and enterprises	Manufacturing	Mining, quarrying and oil and gas extraction	Professional, scientific and technical services	Real estate and rental and leasing	Retail trade	Transportation and warehousing	Utilities	Wholesale trade
Increase In Revenue	-	-	-	-	14%	-	-	50%	-	-	19%	-	8%	-	24%	-	-	9%
No Significant Change	-	-	-	-	43%	-	75%	13%	-	100%	16%	-	12%	-	12%	-	33%	15%
Decrease In Revenue	100%	100%	100%	100%	43%	-	25%	37%	100%	-	65%	100%	81%	100%	65%	100%	67%	76%

Base: Sales Leaders and Frontline Sales Reps (n=150)

*Percentages represent the proportion of respondents within each industry; based on change in self-reported revenue change



Change in revenue projections due to COVID-19



Proportion of Industries
Overall Increase
Projected Revenue

14%



Proportion of Industries
No Significant Change
Projected Revenue

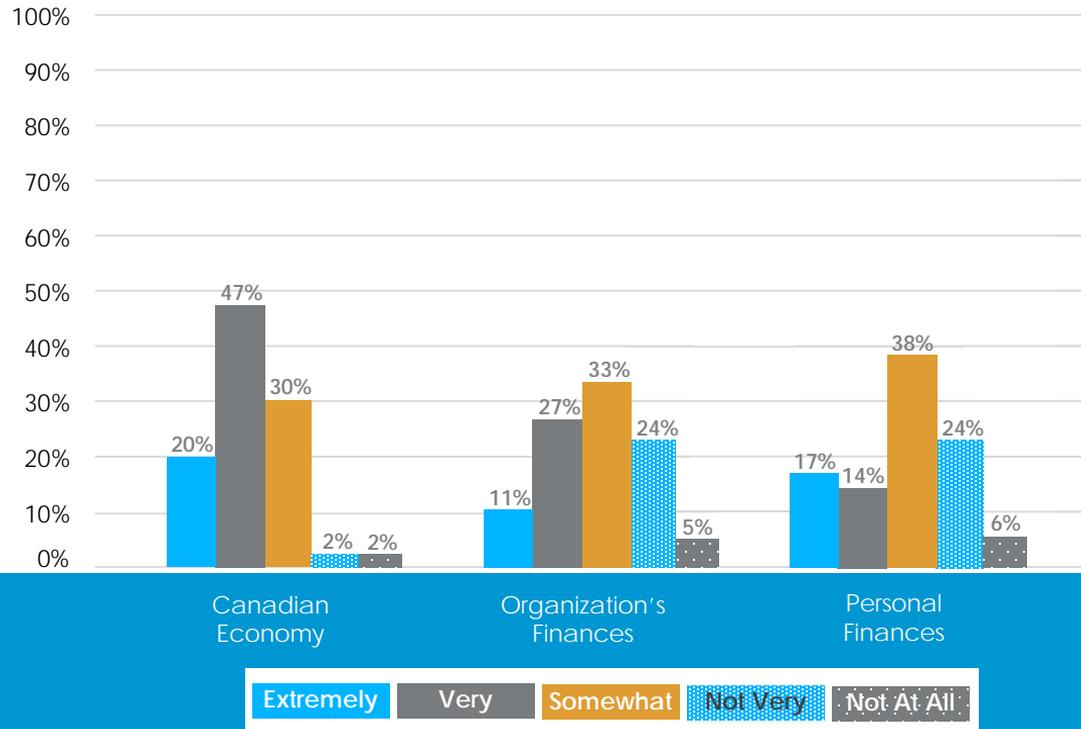
14%



Proportion of Industries
Overall Decrease
Projected Revenue

72%

Level of concern among frontline workers - finances



Level of Concern Among Sales Leaders



Primary Reasons for Concern

45%
Economic impact due to disruptions to the normal course of business

33%
Cash flow or revenue concerns - downturn in sales

The top 3 reasons for both struggling and flourishing businesses

Negatively Affected – Largest Proportion

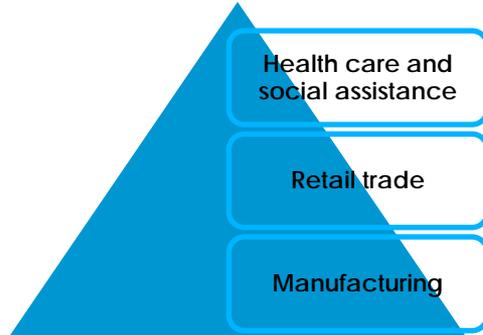


Revenue or sales volume

Access to customers in Canada

Cash flow

Positively Affected – Largest Proportion



Supply chain

Access to customers in Canada

Revenue or sales volume

What Are Some Specific Reasons For The Downturn?

“Closed operations”

“Adopting technology and making changes to delivery approach”

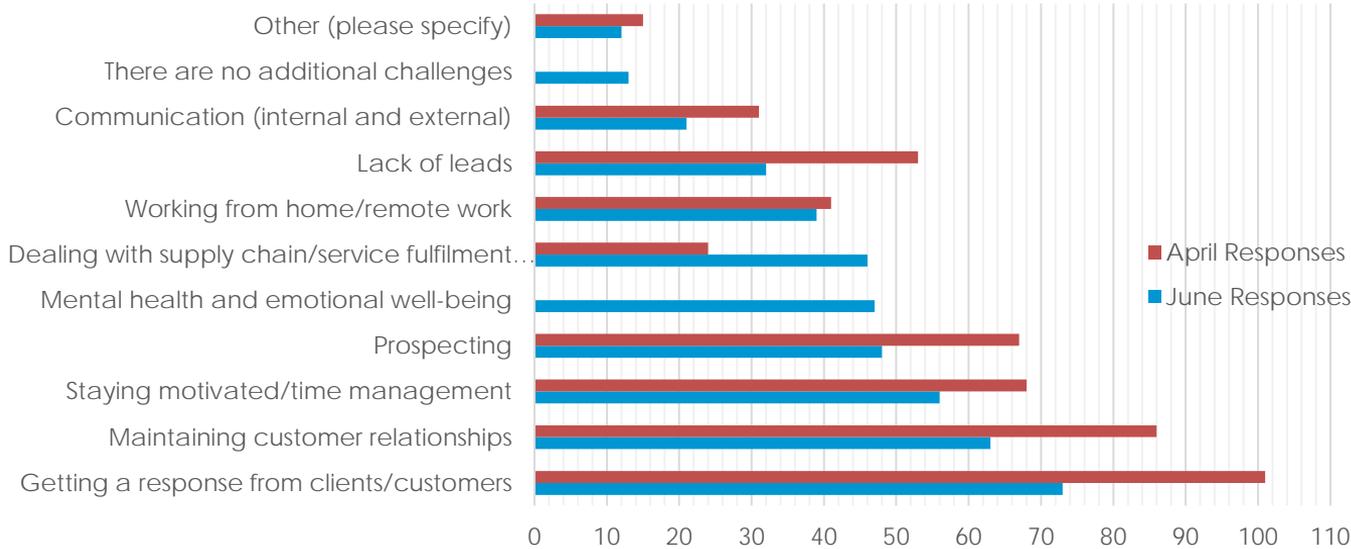
“While sales have been strong - They have only been strong with Pandemic-related purchases. We need to get back to selling our A and B commodities.”

“Delayed decision making by clients or limited contracts going up for renewal and being extended with incumbents”

“inability to conduct onsite workshops”

“Additional costs incurred”

Hurdles to overcome



Dominant Themes - Other (please specify)

Too many meetings and additional responsibilities with work and home schooling

Many open opportunities stalled indefinitely or slowed due to economic instabilities

Cancelled events mean no sales until large in-person gatherings can resume

Understanding how the customer's buying process will change

Current state of business continuity and what others are doing

Actions being taken by those with a preparedness plan

68% of Sales Leaders are **communicating – promptly, clearly, and transparently**

67% of Sales Leaders are **keeping expenses in check and having backups for budget deficits**

59% of Sales Leaders are **putting employee well-being above all else**

Open-ended responses

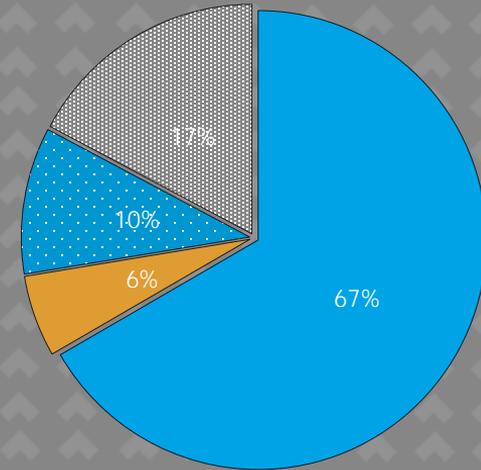
Customer stimulus plan

Dropping prices to remain competitive

Stronger focus on research & development

Did You Have A Business Continuity or Emergency Preparedness Plan?

- Yes, we have begun implementing the plan
- Yes, but we have not yet implemented the plan
- No, but we are in the process of developing a plan
- No



Change in day-to-day sales activities

Doing Less – Frontline Sales

43%
Cold calling

41%
Prospecting

35%
Negotiation

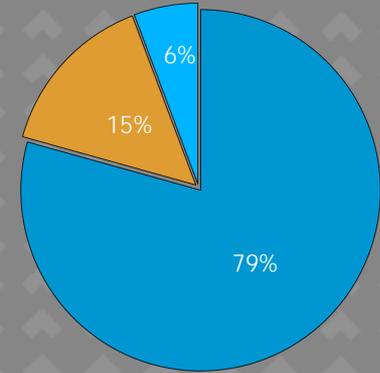
Doing More – Frontline Sales

54%
Free professional development & training

52%
Cleaning up your CRM/maintaining client records

40%
Cleaning up your sales funnel

Sales Leaders



- Have staff working from home or at a safe location
- Have halted operations in some form
- None of the above

Frontline Sales Reps

▼ **83%**

are currently working from home, down from **94%** previously reported

▲ **73%**

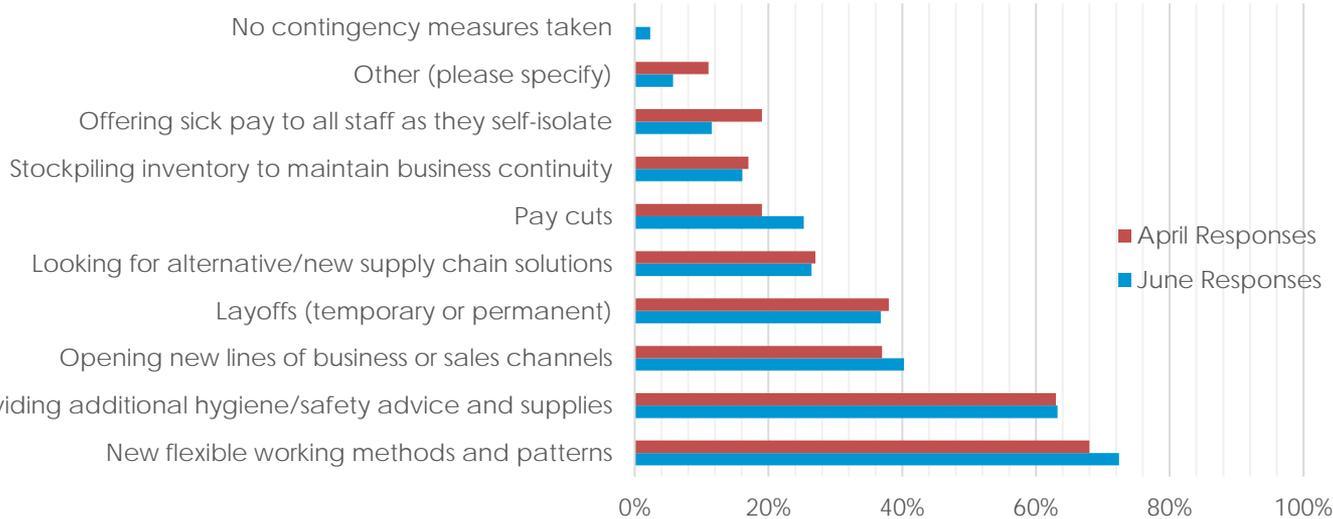
have reported seeing an increase in communications and hygiene information from their Sales Leaders, up from **62%** previously reported

63% of Sales Leaders have their team putting a **stronger focus on account management** – an increase of 7%
55% of Sales Leaders are encouraging their teams to **engage in professional development/training** - an increase of 16% → 13% of leaders are encouraging paid professional development vs. 42% free professional development
49% of Sales Leaders have their team **assisting operations, marketing, or other departments** – a decrease of 3%

Base: Sales Leaders (n=87); Frontline Sales Reps (n=63)

*The top 3 responses for changes in day-to-day activities among Frontline Sales Reps are reported as proportion of sample who selected the response

What companies are doing to mitigate the impact of COVID-19



Dominant Themes - Other
(please specify)

Offer alternative methods of meeting clients or prospects

Reduce expenditures and overhead where possible

Increased customer service to existing customers

Reduce Operations

Focus upon return

Sales Leaders – Dominant Themes

Greater focus on virtual communications, product offerings, and newly established lines of business

Customer engagement and support programs/discounts

Greater investment in digital marketing – reaching the right audience

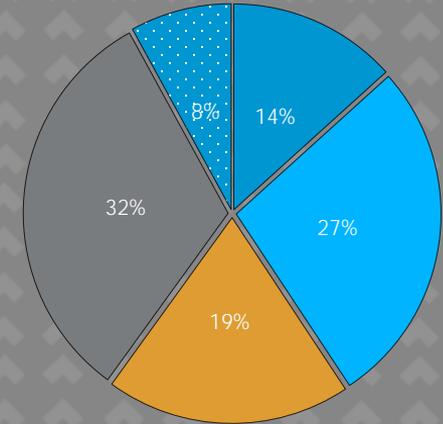
Frontline Sales – Will Do More

86%
Virtual calls with colleagues (e.g. Skype, Microsoft Teams, Slack)

73%
Virtual sales meetings with clients/customers

55%
Work from home

When will monthly sales/revenue to return to pre-COVID-19 levels?



- Before September 2020
- Between October and December 2020
- Between January and March 2021
- After March 2021
- I do not expect sales/revenue to return to pre-COVID-19 levels without my business undergoing transformation

62% of Frontline Sales Reps will be holding fewer in-person meetings upon return compared with 74% previously reported

CONCLUSION



HURDLES

As the pandemic continues to affect business operations, there continue to be hurdles that organizations are facing across the board:

Maintaining communication and getting a response from clients

Managing relationships with clients/customers

Staying motivated, monitoring mental health and emotional well-being

Prospecting and reaching the right customer



INSIGHTS & RECOMMENDATIONS

Adapt. If you haven't already started the process, now is the time to start looking into current product/service offerings and making decisions on how these can be adapted to meet the changing landscape of the marketplace – i.e. shifting to online vs. in-person offerings

Research and development is an emerging theme among businesses. A stronger focus on understanding your customer, prospecting the right audience, and developing products/services that are more suited to the marketplace can help you work smarter, not harder

Start thinking about how to **shift the lens of the customer** to be more value-focused instead of cost-focused. Once we return to pre-COVID levels of operation, there will undoubtedly be increased costs associated with sanitation/health, and it will be up to you on how to justify and frame these costs to the customer/client



FINAL THOUGHTS

The pandemic has created a major trigger event that has affected every industry

It's up to the sales community to react accordingly and shift the sales paradigm to focus significantly more on the value of the product or service, instead of simply the cost ramifications.

Finally, by conducting practical research, you can effectively plan for the development or launch of new products/services, as well as maximize the likelihood of reaching your ideal customer/client

For any questions about
these findings please contact:

Nicholas Kilmartin

Manager, Professional Development

nkilmartin@cpsa.com

416-408-2685 x8262