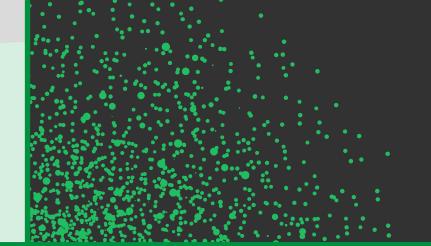


Executive Perspectives





The Future of Sales with AI

**B2B Sales** 

August 2024

## Introduction

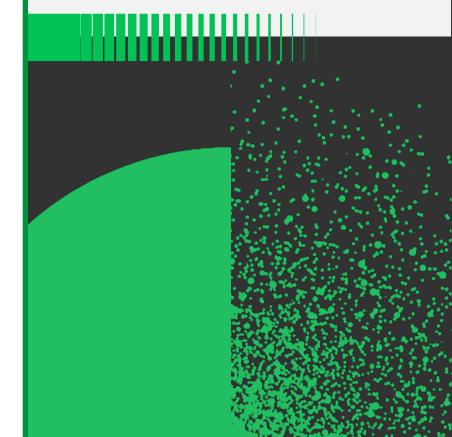
We meet often with CEOs to discuss AI—a topic that is both captivating *and* rapidly changing. After working with over 1,000 clients in the past year, we are **sharing our most recent learnings in a new series designed to help CEOs navigate AI**. With AI at an inflection point, the focus in 2024 is on turning AI's potential into *real* profit.

In this edition, we discuss the future of B2B sales, and the role AI will play in turbocharging growth. We address key questions on the minds of sales leaders:

- What will my sales team look like? Will I need a different team?
- How will the economics of sales change?
- How will the customer experience evolve as a result?
- How do I get started...and how do I get this right?

This document is a guide for CEOs and sales leaders to cut through the hype around AI in B2B sales and understand what creates value now and in the future.

# In this BCG Executive Perspective, we articulate the vision and value of the future of sales with AI



## **Executive summary** | The Future of Sales with AI

The time to act on AI in sales is now

Market conditions and economics of B2B sales are rapidly changing: increased competition, evolving buyer expectations, and economic uncertainty create a burning platform to reshape B2B sales

GenAI is a breakthrough technology that, combined with PredAI, enables a step-change from traditional sales to augmented, assisted, and autonomous selling

There is an opportunity to drive **1.8x margin impact** through revenue growth and increased efficiency

Leading players are starting to scale, so companies need to mobilize to stay competitive

AI will reshape B2B sales teams and customer experience

**Reshape B2B sales teams and roles** with massive seller productivity gains, augmented by AI team members and autonomous agents – with specific roles and scale of impact differing by industry

**Reshape customer experience** by breaking down functional siloes between sales, marketing, and service, and enabling new buying experiences

Executing successfully requires a transformational mindset

To successfully deploy AI in B2B sales and drive **outcomes @ scale**, organizations need to take a **portfolio and transformational mindset**, **combine GenAI and PredAI** within the tech stack to enable AI team members, and **rewire the op model** with a 90% focus on people and process change

**Sales leaders play a critical role**in driving this change, breaking down siloes between teams, and making bold investments in tech and upskilling

**To get started**, define your objectives and North Star, prioritize use cases, and start with proof-of-concepts that demonstrate value, and scale up successive waves of capabilities while enabling the sales team

# Why now | 6 key trends shaping market conditions and economics for B2B sales ...



Increased competition

Commoditization and a surge of new entrants are driving companies to invest in retaining customers via post-sales support, customer success programs, relationship management, and value-added services



Shifts in buyer expectations

B2B buyers expect a consumer-like buying experience with ease of access to information and quick response times, pushing sellers to offer intuitive and user-friendly buying processes



Longer sales cycles

Decision makers are getting more complex (e.g., buying groups) and taking more time to evaluate options, due to increased scrutiny on ROI and cost-effectiveness



More sellers involved in sales process

Sales teams are becoming more specialized, requiring more comprehensive and integrated sales strategies to address complex buyer needs with cross-functional teams



More complex channels

The ecosystem of partners and marketplaces has grown in scale and complexity yet remains a critical channel to drive scale and efficient cost to sell



**Uncertainty and budget constraints** 

Rising cost of goods, economic fluctuations, and uncertainty are leading to tighter budgets and higher scrutiny on spending from buyers while increasing cost pressure on own P&Ls



# ... fueling the burning platform to transform

## Al can shape companies' response to these dynamics...

- Personalize offers and experiences
- Predict churn and trigger actions
- Automate routine tasks and services

## ...while unlocking more growth with higher returns

- Drive more effective acquisition
- Unlock better cross-sell/up-sell
- Reduce cost to serve

Leading players are starting to scale, so companies need to mobilize to stay competitive

## The future of sales | Turbocharging scalable growth with Al at its core

Current AI horizon

Next (Gen)AI horizons

## Age-old selling

> Augmented selling

+ Assisted selling

+ Autonomous selling

Entirely seller-driven

Insight and productivity

Real-time assisted selling

Digital sales avatar



Subjective sales motion reliant on seller initiative



Sellers armed with AI-powered next-best action, talk tracks, and basic workflow automation



Real-time support and assistance to sellers during customer engagements, reshaping workflows and teams



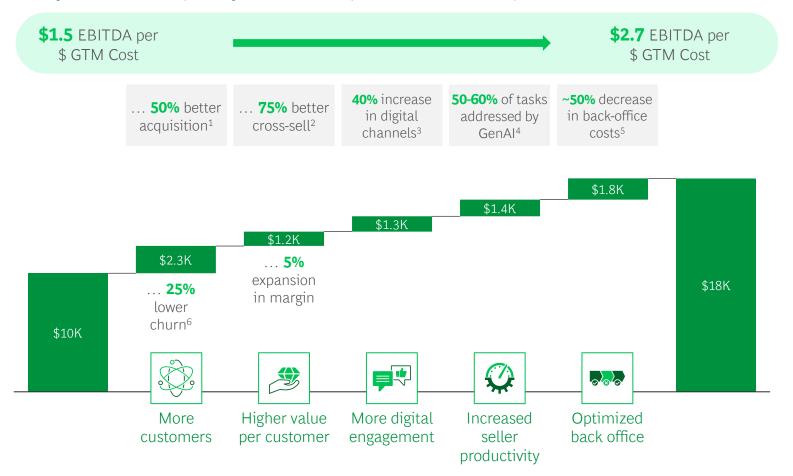
Agents enabling auto-prospect, nurture demand, 24x7 engagement, involving humans as needed

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The Future of Sales	Imagine a world where	
Autonomous sales agents	autonomous sales agents own sales motions from acquisition through support, for B2C and long-tail B2B customers, enabling personalized selling at scale	
GenAI-powered virtual team members	sales teams are augmented by GenAI team members, like intelligent sales assistants, providing personalized scripts and customer insights or virtual solution engineers, navigating complex portfolios and customizations	
Divergence of strategic vs. transactional sales	virtual sales assistants take over more transactional tasks, reducing the need for human intervention in standard transactions and freeing up time to focus on strategic and relationship selling	
"Smart selling" through real-time analytics and coaching	predictive selling becomes the norm, with automated, real-time analytics and coaching fully integrated into sales tools, enabling agents to sell to the right customer, in the right moment with the right offer, price, and message	
AI-powered hyper-personalization	personalized offers, promos, sales pitches, and sellin materials based on real-time buyer behavior and data analytics are produced at 10x the speed, breaking down traditional silos between marketing, sales, and pricing	
Highly autonomous sales operations	fully automated AI systems manage much of sales operations, including targeting, lead scoring and nurturing, and forecasting, reducing errors and increasing efficiency	
Revolutionized sales enablement	Al-powered coaching and scenario-based learning based on real-world insights from everyday sales interactions unlock step-changes in seller performance, reduced ramp-up time, and dissemination of best practices into everyday action	

## Value | 1.8x margin impact through CLV growth and GTM efficiency

Seller Joe, with a sales quota of \$10K EBITDA per week (\$4K loaded per week + 40% indirect sales costs )



#### 1. Assuming 30% new vs. recurring business; 2. Assuming 10% cross-sell of full deal value; 3. Assuming 20% digital value;

## Realization of these types of impacts requires investment



Al capabilities at scale, embedded in the flow of work



Upskilling and new ways of working for existing sellers



New talent and agile operating model to continually innovate



User engagement throughout the journey to enhance adoption

<sup>4. 30 – 40%</sup> conversion of time to revenue; 5. Assuming 50% reduction in contract management, issue resolution, and data management; 6. Assuming 10% churn rate. Source: BCG experience

## Value | We are moving clients toward the future state and unlocking value through cutting-edge AI solutions across the sales life cycle

Cross-industry, not exhaustive

**Discover** Learn Try Use Buy

### Sales Avatar (Sophia)



Replace human touchpoint with an avatar (video+voice)

- 54% uplift in sales
- **26%** conversion uptake

#### **Product-Need Identifier**



GenAl to identify product needs based on websites, PDFs, 3rd-party databases

- 10% seller productivity boost
- **33pp** improved offer accuracy

#### **Content Generator**





### **Sales Buddy**



and call-flow guidance

• 5% revenue uplift

#### **Real-Time Negotiation Support**



Provide agents with real time transcripts, summaries, and recommendation on next-best topic during customer calls

• 2x cross-sell and up-sell lift

#### **Autonomous Chatbot**



Suggest next-best answer to agent (based on customer profile and product catalogue)

- **54%** uplift in sales
- **26%** conversion uptake
- 2x increase in breadth of products sold

#### **Virtual Assistant**



Reinvent the customer experience with product reco and trial

- 2x higher ROI
- New customer experience

#### Sales Info Assistant

RAG: from PDFs and websites)



- 30-40 new cross-sell leads per rep
- 3-5% EBITDA increase in pilot regions

### **Post-Call Email Generator**

**Relationship Co-Pilot** 



Generate emails based on conversation content and outcome

Support account and relationship managers to prepare for customer-centric conversations

#### **Customer Service Chatbot**



Customer-facing GenAlpowered chatbot to handle queries, basic transactions

• 20% reduction in customer service cost

#### **RFP** Responder



- **50%** faster creation
- **35%** quicker comparison

#### **Engineer Co-Pilot**



Support solution engineers by taking in customer and technical needs from various input sources and develop specifications meeting market requirements

### **Sales Coaching**



• **15%** improved seller performance



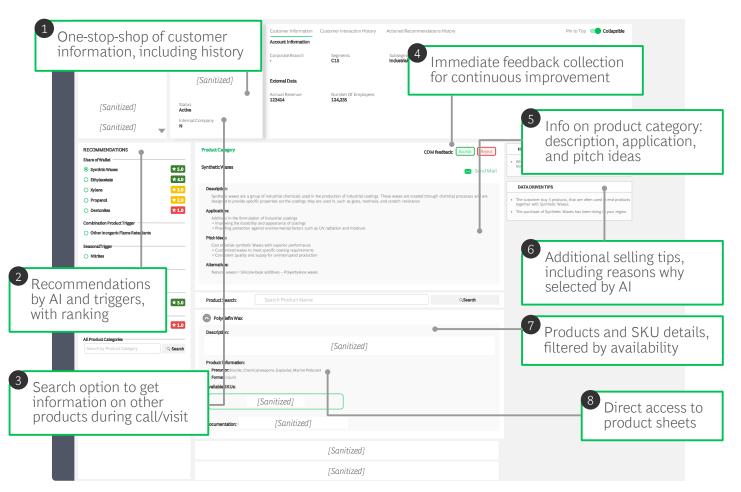








## **Example use case** Sales assistant provides next-best action, improves quality of customer conversations, and increases efficiency



- 1. Based on initial indicators during project/pilot
- 2. 98% of responses of sales-= rep are tool/logic "meets" or "exceeds" expectation in a fully anonymous survey Source: BCG

Example: Industrial Goods

## **High impact during 1st experiments**

**30-40** 

New leads on cross-sell per sales rep every month

3-5%

EBITDA increase in pilot regions expected in 2024<sup>1</sup>

98%

Sales rep satisfaction and high adoption rates across<sup>2</sup>

## Five key elements for AI buddy solution

1	Centr
	custo

alized mer info

Customer info, including interactions, in single, unified interface







Ranked product recommendations based on customer data and triggers





Comprehensive product information

Descriptions, applications, and pitch ideas, to support sales efforts





Real-time feedback and selling tips

Collection of feedback for continuous improvement and selling tips







Products and SKUs filtered by availability, direct access to detailed product sheets provided for customer presentations

## **How to get it right** Our perspective on winning with AI in sales



# Reshaping to drive outcomes

Reshaping B2B sales teams and the customer experience with AI

- Leading with a bold vision for the future of sales
- Restructuring B2B sales teams to change the composition and introduce AI team members to augment sellers
- Redesigning the customer experience by breaking functional siloes between marketing, sales, and service



# Unlocking data and tech

Combining PredAI with GenAI to maximize value creation

- Unlocking value with GenAI as the "next layer" to activate PredAI decisions and precision
- Accelerating scalable solutions by helping engineer the target state architecture, leveraging the right ecosystem of partnerships



# Rewiring the op model

Transforming people and operating model for competitive advantage

- Shaping the future sales roles and op model, and scoping the skills and change needed
- Building an AI experiment and scale muscle through build-operatetransfer

# Reshaping B2B sales teams | Investment in AI will enable a change in team composition

Illustrative – roles and impacts will vary by industry **Key changes Today Future** 70% **Brand Marketing**  Marketing Ops – automated targeting and fast redeployed for Marketing Ops journey tailoring, higher focus on brand marketing brand marketing Marketing Ops • KAM – more accounts per team as non-clientfacing work dramatically reduced Field Acct Field Acct 40% ISR ISR • **ISR** – shift of interactions to remote settings; Sales Mgrs Mgrs Sales redeployed for many efficiencies from tech augmentation growth • FSR – many interactions moved to remote and eCommerce Specialists Distributor Mgmt AR-enabled (including demos, order taking) • **Customer Success** – differentiator, requires 30% **Customer Success Customer Success** human intervention for complex solutions customer service re-• Customer Service – heavy automation through deployed toward **Customer Service Customer Service** self-serve and autonomous agents customer success • Sales Training and Enablement – Al to automate training, but critical change mgmt. 80% Sales Re-skilling Sales Training **Training** and re-skilling task will be differentiator sales ops

Data and Tech CoE

Note: Illustrative – only selected sales roles shown for directional impact

Sales Operations

Sales

Ops

redeployed to

data and tech CoE

• Data and Tech – many tasks automated, but

prompt engineering, product owner

new data/tech roles required for model training,

<sup>1.</sup> Original function expected to reduce headcount, and other function (e.g., brand marketing, sales re-skilling, data and tech CoE) expected to increase headcount

# Reshaping B2B sales teams | Value levers will differ across sales models and industries



High

Deep technical and product information

Product diversity

Automated customer journeys

Low

Precision matching of product and customer (e.g., personalized product

(e.g., personalized product recommendations, product configuration)

**Customer retention and direct digital engagement** 

(e.g., churn prediction, virtual autonomous seller, automated call guidance and talking points)

Deep customer insights for complex relationships

(e.g., deal and commercial coaching, solution optimization and SOW generation)

Higher service level and hyper-personalization

(e.g., offer/pitch personalization, pricing optimization and approval)

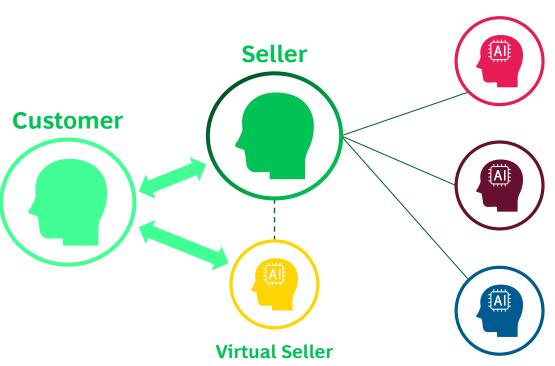
Personalized, value-driven messaging

Low

**Customer concentration** 

Relationship development and account plan

# Reshaping B2B sales teams | New AI team members will amplify the impact of sales teams



Engages directly with customers from customer identification through closure in an entirely AI-powered channel

## Al sales team supporting the seller

## **Intelligent Sales Assistant**

Owns administrative tasks and helps sellers engage the right customers with the right offers, qualify, convert, and close deals

## **Solution Engineer**

Develops proposals and solution configurations, provides technical input as a part of the sales cycle

#### **Sales Coach**

Provides sellers with real-time recommendations, enables effective practice, guides managers on where to spend time



## **Sales Planning and Operations**

Executes sophisticated planning to optimize coverage, territory design, and goal setting. Advanced automation for deal desk, approvals, performance management functions

# Reshaping customer experience | AI will break functional siloes between marketing, sales, and service to better orient around the customer



## **Discover**



Learn



Try



Buy



Use

Develop the content, campaigns, and journeys to enable sellers to tailor for individual customer journeys

In the time to typically do customer research, quickly tailor automated journeys and content that align to buyer needs and leverage seller insights



With the help of the sales assistant, sales teams can tailor campaigns, engage and nurture customers

Time re-deployed to support retention

Sellers are more effective and efficient in their core sales activities: relationship, pipeline, and deal management

Time re-deployed to build upper funnel

With the help of the sales assistant, sales teams can stay tuned into adoption and usage and plan the right expansion plays



Set up relevant notifications around key issues and adoption, tailor adoption journeys aligned to buyer's value proposition Consolidate product, service insights; create standard adoption plans and QBR templates

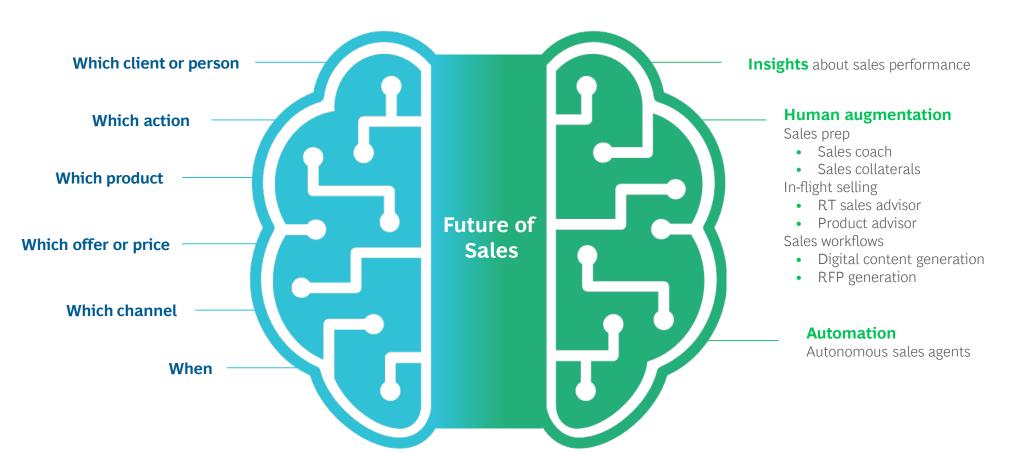
# Unlocking data and tech | Combining PredAI + GenAI to maximize value creation

# (Traditional) Predictive AI/ML for decision making

Precision – eliminating the guess work

# **GenAl** for augmentation and automation

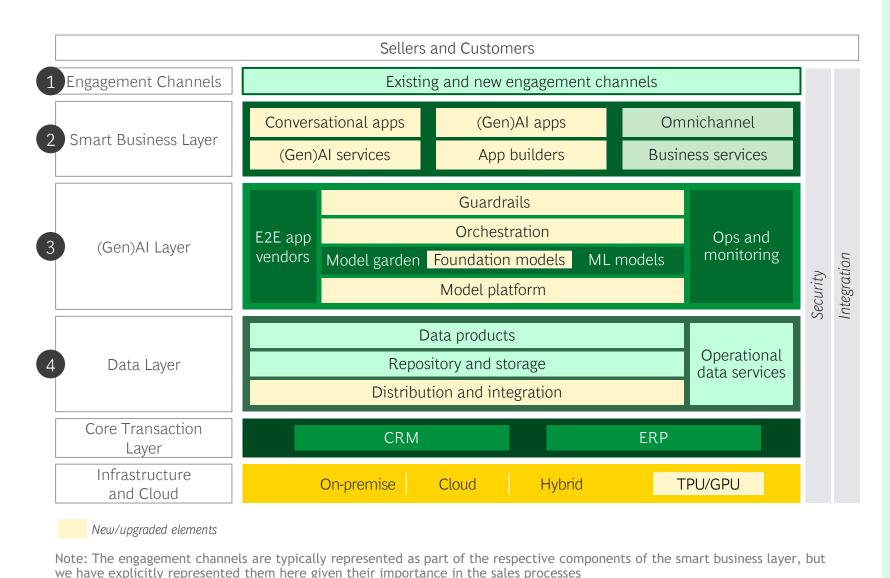
Productivity and performance improvement



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# Unlocking data and tech | New reference architecture as tech stack evolves to support integrated delivery of PredAI and GenAI at scale

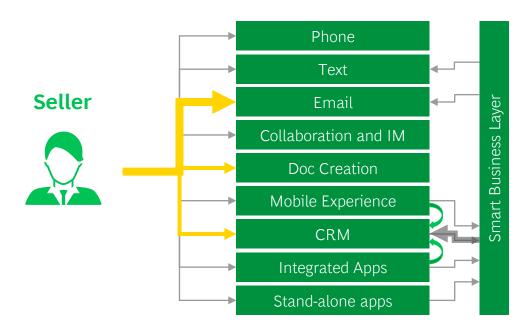


Key evolutions

- 1 Engagement Channels become tightly integrated through the smart business layer, enabling sellers and customers to interact with each other and GenAI team members, seamlessly flowing between channels of choice
- 2 Smart Business Layer adds (Gen)Al applications and supporting development tools powered by GenAl, also enabling the integrated delivery of PredAl and GenAl. Hosts the GenAl team members
- 3 New (Gen)Al Layer supports secure access to and use of both internally and externally hosted foundation models, together with any existing ML models
- 4 **Data Layer** includes new data sources (typically unstructured and of new modalities) and the means to ingest and use them in (Gen)AI applications

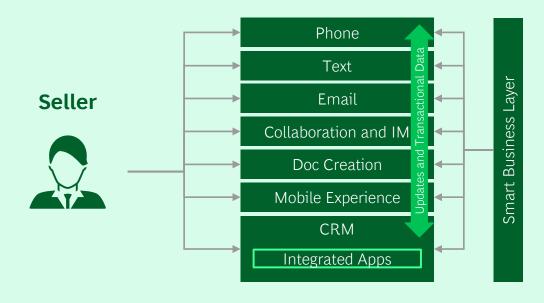
# Unlocking data and tech | Integration across all communications modes made possible through smart business layer and GenAl

**Current State:** Proliferation of mostly separate tools and channels, large effort to coordinate across them



- Attempts to create "SuperApp" as singular channel providing all capabilities have largely failed
- Integration between channels is largely point-to-point
- Manual work is expected to translate and capture interactions apart from those in text (e.g., submitting call reports from visits)

**Future State:** Integration across all channels, with seamless seller interactions flowing between them



- GenAI enables **integration of all channels, across all modes** (text, voice, image, video, etc.) via a **smart business layer** allowing for easy addition of new channels
- Conversations with customers and GenAl team members seamlessly transition between channels of choice and need

## Rewiring the op model | Sales AI transformation is 90% change management

Focus on people and process rewiring while building tech, data, and AI capabilities



Data and technology

Compared with typical data-driven transformation, the success of sales Al relies even more on change management across a sales organization





- Leadership activation: drive enthusiasm and clear sales vision
- Sales team engagement: co-create and iterate with sales reps
- Executional excellence: redefine sales processes and roles
- Culture and effectiveness: adapt sales strategies and KPIs
- Training and enablement: upskill teams and build capabilities





**10%** 

## Focus on technology, data, and Al

- Deploy sales technology to the frontline
- Utilize sales-specific ML models, traditional AI, and GenAl
- Integrate sales systems and automate E2E

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# Rewiring the op model | Five pillars of sales change management to ensure sustainable impact from AI transformations



## Leadership Activation

- Activate leadership to create role models for upcoming change management
- Equip leaders with tailored messaging and tools to effectively communicate the change vision and benefits
- Create excitement in leaders and end users by integrating comms approach into existing sales, global, and geo forums across channels



## People Engagement

- Iteratively co-create tooling and tech with the frontline to ensure robust technology from the get-go
- Continuously refine based on recurrent and frequent feedback sessions
- Share progress with frontline to foster trust in the transformation and outcomes of every sprint



## **Executional Excellence**

- Refine sales organizations and roles
- Ensure responsibility for global sales tool strategy and roadmap
- Adapt **key processes** (e.g., shorter, more dynamic, cross-functional)
- Review omnichannel collaboration including capacity of team members and priority shifts
- Reflect required
  governance changes
  (e.g., decision input, tech
  participants)



## **Culture and Effectiveness**

- Implement new communication and collaboration tools
- Introduce gamification features to drive peer competition/recognition
- Refine KPIs to reflect productivity gains
- Ensure (short-term)
  incentives drive
  adoption and crossfunctional/team/regional
  collaboration
- Implement user-level monitoring



## **Enablement and Training**

- Implement rapid tool training
- Develop **training plan** (e.g., new role-play training leveraging KPIs/alerts)
- Build up (Gen) AI champions (black belt logic) to act as multipliers and drive change organically
- Activate leaders and champions in sales teams (e.g., via train-the-trainer initiatives)

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# **How to get started** | Our perspective on the road to unlock the value of AI in sales



Define **business objective and value levers** for your **AI transformation** (e.g., productivity gains, cost reduction, revenue growth), including upfront success metrics to measure impact

2 Define North Star

Define how you will **leverage AI to reshape your sales approach** and **map required rewiring of op model** (people, process, ways of working, etc.)

Assess tech stack

Identify **maturity of tech stack**, create roadmap to required target, and invest in foundational capabilities to sustain transformation

Prioritize use cases

Select **use cases**, starting with highest-value ones to fund the journey and defining detailed action plans to seize them; **start small but build to scale** 

**Build proof** of concept

Develop proof of concept to **validate value, test, and capture implications** considering principles of responsible AI

6 Enable your team

Create **excitement**, **enable team participation**, **and protect learning capacity** for quick upskilling and early adoption through personalized change management plans

Develop a workforce plan

Rapidly develop a **comprehensive workforce plan to identify and close talent gaps**, ensuring the necessary skills and support are in place for the broader transformation

## Our AI offer | Helping clients reshape the future of sales









- Co-creation from 1st day of project
- Enablement to advance the AI/GenAI journey
- Integrated approach, including change management and skills development

## **BCG Experts Key Contacts** for the Future of Sales with AI

## **NAMR**



Phillip Andersen

Matt

Kalmus



Bryan Gauch

Justin

McBride



Japjit Ghai



Audrey Hawks



John Merchant



Marina Nekrasova



Ben Quirt



Tan



Matt Ward

## **EMESA**



Alfonso Abella



Lena David



Roberto De Angelis



David Galley



Ignacio Hafner Roda



Juan Martin Maglione



Patrick Müller





Jatin Srivastava



Guillaume Triclot

Basir Mustaghni

