

UNDERSTANDING THE IMPORTANCE OF E-SIGNATURE FOR SALES PERFORMANCE

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Aberdeen Group research shows that, while only 26% of all sales organizations use e-signature technology, Best-in-Class organizations are 47% more likely to do so. Generally, e-signature seems like a “nice-to-have” solution. Top performers see it differently. For competitive sales performance, e-signature is a must-have solution. In this Knowledge Brief, Aberdeen research will explain why.

→ **Andrew Moravick**, Research Analyst
Marketing & Sales Effectiveness



Best-in-Class sales organizations are 47% more likely to have e-signature technology in place.

E-signature is Everywhere – Don’t Let It Be the Missing Piece in Your Sales Tech Stack

Consider this: I signed off on the purchase of my home using an e-signature application. As consumers, we’ve all signed off on something – whether a major purchase or a small order – with some form of digital endorsement (if not an outright e-signature tool). In fact, it’s safe to say that most people expect e-signature to be part of modern transactions.

Aberdeen Group research shows that Best-in-Class sales organizations are 47% more likely to have e-signature technology in place. Of all organizations surveyed by Aberdeen in the past year, however, only 26% presently incorporate e-signature in their sales process. If most of us expect e-signature to be used by the organizations with whom we do business, and yet the technology is absent at the critical time of signing, we’re natural to be apprehensive. A lot can go wrong in the sales process. Aberdeen research shows that, even sales leaders report that 24% of all “sure-thing,” forecasted-to-close deals, fall through to another sales cycle or don’t close at all. While the absence of e-signature has not been

causally linked to this situation, its absence can contribute to buyer hesitation. While this possible link may not drive the remaining 74% of sales leaders to adopt e-signature solutions, there are factors that should drive leaders to take action.

E-signature as a catalyst for increasing CRM value

As the most common system of record for sales leaders, the CRM is intended to be a foundation for making well-informed decisions and driving repeatable and consistent sales performance. The problem? The CRM's valuable data and utility depends entirely upon sales reps actively using its workflows and fields to document their sales process. Often though, reps will cut corners or only fill out the bare minimum in CRM to earn a commission. There's little reward for the rep in rigorous CRM usage otherwise, so why bother?

E-signature helps to change this. By prepopulating fields, filling in details recorded in CRM, and streamlining the closing process, e-signature makes CRM use more worthwhile to reps. Instead of having to thumb through the right contracts, isolate the best offers, secure approvals, and so on, a CRM system integrated with e-signature can pull in all such data and details for the rep in seconds, allowing the rep to close with a significantly lower amount of effort. In short, when reps benefit from documenting their efforts in CRM thanks to e-signature, sales leaders better realize the valuable insights aggregated in CRM.

E-signature completes multi-channel marketing and sales processes

Buyers are researching, engaging, and interacting with organizations anywhere and everywhere. Concluding the sales process with a contract that must either be faxed or scanned is disruptive to the buying experience. This is why, of the 143 e-signature users surveyed by Aberdeen in 2014, the user cohort outperformed the non-user cohort significantly. Particularly, e-signature users enjoyed 10.5 times greater year-over-year improvement in lead conversion rates, compared to non-users (5.7% vs. -0.6%). When sales organizations

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E-signature users average 5.8 times greater year-over-year improvement in customer renewal rates.

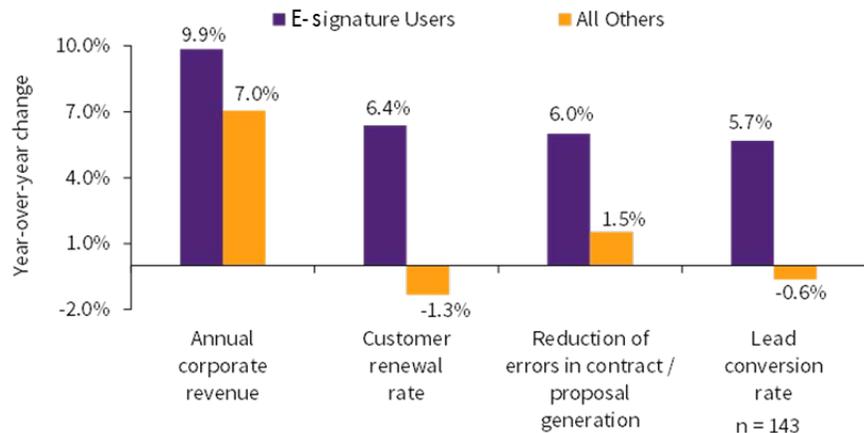
→ Related Research:

E-signature & Integrated Sales Technologies: Streamlining Success for Businesses & Buyers

E-signature users grow revenue at a 41% greater rate year-over-year.

see this kind of improvement in lead conversion, it denotes that leads generated by marketing, or fitting defined lead criteria, are more consistently closing or converting to revenue.

Figure 1: E-signature in Action – A Consistent Source for Competitive Advantage



Source: Aberdeen Group, August 2014

E-signature is a connector for consistent year-over-year revenue growth

A company's revenue growth is usually driven not by one single tactic or strategy, but by a convergence of diverse efforts coming together as desired. While companies deploying e-signature selling solutions close 17% more deals (34% vs. 29%) than non-adopters, in Aberdeen's research, there's more at work here. E-signature users grow revenue at a 41% greater rate year-over-year, in part due to e-signature's ability to streamline other critical sales functions. For example, reducing the number of errors when generating proposals means that deals don't stall out because of unproductive revision cycles. The resulting positive customer experience should keep customer renewal rates high.

The most compelling aspect for sales leaders to consider e-signature, however, is this: It improves the bottom line. With 58% of sales leaders now managing with an eye to profitability, there is a valid financial case for e-signature. E-signature solutions increase efficiency by streamlining the sales process, particularly at its critical

endpoint. These efficiencies bring down the cost of sales, a step that is key to increasing profitability.

Further benefits of e-signature solutions are detailed in Aberdeen's report, *[E-signature & Integrated Sales Technologies: Streamlining Success for Businesses & Buyers](#)* (August 2016), but suffice it to say, without e-signature, your sales organization is operating without a clear performance advantage.

About Aberdeen Group

Since 1988, Aberdeen Group has published research that helps businesses worldwide improve their performance. Our analysts derive fact-based, vendor-agnostic insights from a proprietary analytical framework, which identifies Best-in-Class organizations from primary research conducted with industry practitioners. The resulting research content is used by hundreds of thousands of business professionals to drive smarter decision-making and improve business strategy. Aberdeen Group is headquartered in Waltham, MA.

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