



Checklist

HOW REVENUE LEADERS CAN SUCCEED IN ECONOMIC DOWNTURNS

INTRO

Sales leaders are facing tough decisions as the economic headwinds blow into downturn territory. But those decisions don't have to be so challenging if you're asking — and able to answer — the right questions.

Here are 9 questions you should be asking to keep your margins in the green and sales teams humming along as you navigate through an economic downturn.

I. ARE YOUR PARTICIPATION RATES **STABLE?**

Winning locker rooms, well, win.

They also endure.

Understand that the quota you set in the past may not be right in today's conditions.

This doesn't mean you should swing wildly (that's worse), but keep a strong pulse on where your forecasted participation rates are going. The last thing you want is a losing locker room, and even worse, a team that no longer wants to be there.

PRO TIP:

If your team quota participation starts dropping significantly, don't just stand by and wait it out. Swiftly determine if you need to make an immediate change, assess the best path forward, then make that change confidently.



2. SHOULD YOU **PRIORITIZE** EXISTING CUSTOMERS OVER NEW BUSINESS?

When spending slows, you'll typically feel it the most on your new logo acquisition.

It hurts, but it doesn't have to crush your margins.

Consider shifting your focus to increase upsell and cross-sell strategies.

Or, at the very least take a look at how you're balancing new business compared to upsell *right now*, and plan what the right balance should be if adverse conditions were to at some point impact new logo acquisitions.

PRO TIP:

Get creative on terms. There's *much* more scrutiny on new deals — especially from finance and procurement — during a downturn so it's a good idea to get creative on terms with existing customers to support their cash flow challenges. Do that while keeping ARR and leaning into value engineering to make the ROI case as clear as possible.

The value proposition you emphasized **prior** to the downturn might be different from what you need to emphasize **today**.

3. HOW ARE YOU **ADJUSTING** YOUR MESSAGING?

What worked before may not work as well now, or might need tweaking if the economy isn't as bullish as it used to be.

Reassess the market-facing messaging of your product or service to adjust how what your customers and prospects need right now. The value proposition you emphasized prior to the downturn might be different from what you need to emphasize *today*.

PRO TIP:

Iterate, test, and be nimble with your messaging. You understand what's worked well in the past, but you won't nail your messaging during a downturn if you're not ready to iterate, test and be flexible to the changing winds of sentiment.

Speaking of sentiment...

4. IS YOUR BRAND TONE EMPATHETIC OR INSPIRING?

Messaging and tone are *not* the same thing. **Messaging** is the act of communicating with your clients or customers. **Tone** is what that messaging sounds like, or how it comes across.

Keeping an empathetic tone that recognizes where people are **actually** at, not where **you want them** to be, is key.

When considering the tone of your messaging during tougher economic times, it is imperative to recognize that people in general are likely stressed out or worried.

In other words, they're not winning as much.

Keeping an empathetic tone that recognizes where people are *actually* at, not where you want *them* to be, is key.

PRO TIP:

Want to celebrate something? Don't overdo it, be mindful that not everybody wants to receive a message of celebration when they might not have much to celebrate themselves.

5. IS YOUR TEAM UPSKILLING?

During a downturn, your managers will be hiring less, if at all. That means you're working with what you've got, and this is actually a perfect time to focus on upskilling the talent you *already* have.

Where some leaders have taken a wrong turn though, is making the mistake of focusing their upskilling efforts on their *lowest* performers. It's a natural reaction. Those are the people who draw your attention on the dashboard or the people on a performance plan.

But the most return on upskilling investment will come from *unlocking the potential in your B players* (and they're often the majority group) and turning them into all-stars.

PRO TIP:

Review the game tape. Think of your sales team as a professional sports team. Schedule a weekly call dedicated to reviewing successful prospect and customer conversations. This is how you spread tribal knowledge and clone winning behaviors.

Analyze and surface the common traits of successful interactions and empower the entire organization to emulate them. The game tape never lies.

6. ARE YOU MAXIMIZING YOUR EXISTING PIPELINE?

In the same way you'd upskill your current talent because of an inability to hire new talent, you're going to need to focus on progressing deals in your pipeline.

This is especially important in tough macroeconomic times because prospecting becomes even harder.

When times are tough, people are less likely to pick up the phone, have a conversation, or start a new opportunity.

So it's essential to detect and address the deal risks in your existing pipeline as quickly as possible.

PRO TIP:

Identify where you're single threaded, not at power, or not aligned with the buying process. Figure those out and maximize every deal.

7. ARE YOU COMPLETELY ON TOP OF SHIFTING INDUSTRY DYNAMICS?

In major market shifts some industries take a bigger hit than others. You absolutely need to be up to speed on industry dynamics on a weekly, and even daily basis.

And when you identify those industries you were targeting or hoping to target have taken a hit?

It can be difficult to take a step back from new industry segment acquisition plans when you may have already put in the work to go after that segment. But it happens.

Better to consider scrapping plans for those affected industries which are severely or completely stopping new investments. You don't want to stubbornly push ahead and continuously bang your collective GTM team's heads into a wall

PRO TIP:

Focus your GTM team on the industries still securing investments or those industries which may be reaping benefits from the market changes.

You absolutely need to be up to speed on industry dynamics on a weekly, and even daily basis.

8. ARE YOU FOCUSING ON WHAT YOU CAN CONTROL?

You can't control economic headwinds, but you can control activity. A team might try to shift the narrative and pin in-activity on economic headwinds.

Don't let that happen.

Keep an eye on effort metrics — like outbound emails and calls, volume of customer meetings, etc — that measure activity so you're up to speed on the full picture.

9. ARE YOU LEAVING ROOM TO IDENTIFY NEW OPPORTUNITIES?

If you're tracking industry dynamics, effectively balancing new business with upselling, upskilling your current team, putting your GTM folks in a position to identify the right target industries, and focusing on what you can control — then you're putting yourself and your business in a great position to uncover new opportunities.

Consider the pandemic. New and previously less relevant markets emerged to fill new demand as the pandemic took hold on the daily life of billions. The companies that were able to recognize how their products or services could appeal to these new demands actually saw a boost (think web conferencing solutions).

When the economy is down, it is no different. People look for different ways to spend their money and time, and trends emerge.

Be open to those identified trends even if they might seem outside of the box at first.



Immediately identify market trends early, adapt swiftly, confidently, and effectively with [Economic Pulse Insights in Gong](#). It'll equip you to hit revenue targets despite economic headwinds.