

# What is a Good Sales Win Rate?

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The question 'What is a good sales win rate?' is common among salespeople.

After all, sales is a metrics-driven sport, the most successful sales reps use KPIs and data to guide their strategies, close more deals, and earn more revenue. While there are various valuable metrics you can monitor in the sales process, few are more valuable than 'win rate'.

Your win rate is one of the most basic measures of your sales success. It can help you benchmark your performance against others, determine which sales tactics work best, and even examine which products or services generate the most sales.

So, how do you calculate win rate, and how do you know if your win rate is up to par?

## What is a Sales Win Rate?

Before we explain how to begin your win rate calculations, it's worth quickly defining what 'win rate' actually means. Sales win rates, otherwise known as win percentages, represent the number of opportunities that are closed or 'won' by a salesperson.

They offer man insight into a rep's performance (wins and losses) in a specific period. There are two types of 'win rates' used by sales professionals. The first looks at the number of deals won out of the total number of 'opportunities' available. This helps companies to determine whether their marketing and sales efforts are targeting the correct potential customers.

The second type of win rate looks at the number of wins achieved with 'qualified' leads only. Using this ratio or win rate formula helps companies and individuals to see how well they're converting qualified leads using specific sales tactics.??

## Win Rate vs Close Rate

Notably, a sales win rate isn't exactly the same as a 'close rate'. While the sales win rate compares the number of deals you win against the number of lost deals, close rates look at the number of won deals against the number of opportunities closed.

## What is a Good Sales Win Rate?

Here's where things get tricky. Calculating winning rates for sales teams can give companies an opportunity to see how well their reps are performing according to the 'industry standard'. However, it's not always easy

to get a clear view of what a 'good win rate' should be.

According to the [RAIN Group Center](#), the average win rate across all respondents is usually around 47%. However, the report found there were some variations in the average 'winning percentage' in different sectors and industries. Additionally, it's worth noting that while most sales professionals win around 40% of their deals, sales leaders can accomplish much more.??

The RAIN study found that 'elite performers' had an average win rate closer to 75%.

## How to Calculate Your Win Rate

So, how do you determine if your win rate is above or below average?

Calculating the win rate is relatively straightforward, although the formula can vary depending on whether you're looking at all opportunities or just qualified leads. In general, to find your win rate, you divide the number the closed-won deals by all of the prospects or 'opportunities' encountered.??

### The formula looks like this:

*Win Rate = Closed Deals / All opportunities (or qualified opportunities) x 100*

For instance, if you won 20 clients in a given quarter, but interacted with 50 potential prospects, your win rate would be 40%. You can use tools like a [Sales Win Rate](#) calculator to help you if you get stuck. To improve your chances of getting an accurate number, follow these tips:

### 1. Choose a Specific Period

Sales management teams and sales reps alike generally calculate win rate for specific time periods. This helps to determine whether a professional's performance is improving or declining over time. It can also offer a clearer insight into which sales techniques are driving the best results.

Before you begin your calculation, determine exactly what period you're going to be looking at. You might focus on the win rate of an entire quarter, or just a month. Alternatively, you might look at win rates for different sales cycles.

### 2. Define Win-Loss Criteria

Before you can accurately calculate win rate, you need to define what it means to 'win' a deal. Some companies count any purchase made by a customer as a 'win', meaning only prospects that don't agree to a purchase would be counted as losses.

However, some companies classify other things as 'wins' or 'losses'. For instance, if a customer chooses to stay with your business after considering a competitor, this could be seen as a 'win'. The key factor here is to make sure you're consistent with which accounts are included in your win-rate calculations, so you can

preserve accuracy.

### **3. Use Tech to Help You**

While you can always define your win rate based on the formula above, it can often be easier to simplify the process with a win rate calculator. Calculators will be able to automate the process for you, to reduce the risk of miscalculations. You can also set up win rate tracking systems that regularly calculate the win rate of different team members automatically.

Make sure you record all of your calculations, so you can monitor the progress of your teams over time. It's also worth adding notes to win rate calculations, to help remind you of what might be affecting the score, such as a new sales process or territory.

## **How to Improve Your Sales Win Rate**

If you're not seeing the results, you'd hoped for from your win rate, this isn't necessarily a sign that you're becoming a worse salesperson. Numerous factors can affect the total number of deals you win, from marketplace changes, to economic conditions.

However, there are steps you can take to potentially start boosting your win rate again, such as:

### **1. Minimize roadblocks**

If you're calculating win rate by looking at the number of qualified leads that become buyers, and you notice your percentage is low, this is a sign that something is going wrong at the end of the sales process. You might discover that the contact you're interacting with is interested in your product, but they're not the final decision-maker in their company.

You may find that your customer has objections or concerns that you haven't addressed. Examining your sales process for any potential roadblocks will help to streamline the deal process, and reduce your chances of deals being lost.

### **2. Analyze Wins and Losses**

Calculating your win rate isn't just a way to see how you compare to the average salesperson in your industry. It can also be a good way for sales teams to discover which processes and techniques drive the best results. Compare the sales process for a 'won deal' to the process that lead to a lost deal.

Look at the differences between the two scenarios, and ask yourself what might have contributed to the issue. For instance, you might discover that you win more deals when you provide a demo at a certain point in the sales cycle. Alternatively, you might find you lose more deals when sales teams fail to follow up with a prospect directly after an initial discovery call.

### **3. Do More Research**

Often, the biggest reason salespeople end up missing out on 'won deals' is that they don't know what their prospects actually want. You're more likely to win a deal if you immediately present your prospect with a solution to a problem they're already having. That's why it's so important to research your buyer's pain points and goals before you begin pitching solutions.

Gather as much information as you can about each prospect before you create your pitch. Find out what motivates your prospect, how your service or product solves their problems, and how your solution will positively impact their company.

### **Upgrade Your Win Rate**

Your win rate is one of the most important metrics you can monitor as a sales rep. It's also one of the most valuable performance indicators for any sales manager. Analyzing win rates regularly can help professionals to improve their sales processes, and increase company revenue over time.

The more experience you gain in the sales landscape, and the more skills you develop, the more impressive your win rate should become.

Invest in a better win rate for yourself and your team today, by joining the [Hard Skill Exchange](#). Gather insights from industry-leading sales professionals, and discover how you can take your win rate to the next level.

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HSE Team