

# Sales Analytics for Sales Productivity

*Driving Sales in a Down Economy*



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**AUDIENCE:** vice presidents, directors and managers of sales, sales operations, and marketing

# Introduction



Revenues are down. Profitability has suffered. New customer acquisitions may have slowed to a trickle, and customer retention is in a downward spiral. But not everything is down in a so-called down economy.

Pressure is up on sales managers to buck the trend and increase sales productivity. At the same time, sales departments are experiencing increases in the volume and complexity of sales information that resides in multiple sales force automation (SFA) and customer relationship management (CRM) applications. Sales and customer relationship data has grown over the past few years to become one of your most valuable productivity assets—if only you could turn it into actionable customer intelligence.

Analytic applications to optimize sales are emerging as potent weapons that can provide the competitive edge a company needs to survive and prosper. These targeted software packages pull together information from your multiple sales sources to give sales teams consolidated visibility into how to:

- ▶ Improve sales effectiveness, productivity, and cycle times
- ▶ Interpret key sales drivers, trends, and issues
- ▶ Provide sales with a single view of the customer
- ▶ Optimize marketing-to-sales lead management

These web-enabled analytic applications represent a next step in the evolution of data-driven sales processes. They add intelligence to operational SFA and CRM systems and enable managers to rapidly assess sales performance, improve forecasting accuracy, and address bottlenecks—whether they be issues with products, customers, sales representatives, or territories.

Equally important, analytic sales applications are part of a broader, integrated analytic infrastructure that can better align the sales function with its counterparts in marketing, customer service, product management, finance, and other areas. These analytic applications help the sales manager define and execute both strategies and tactics to meet time-sensitive objectives and achieve sales success.

# From Data to Dollars: **Leveraging Your Information** to Boost Sales Performance



Organizations have all the information they need to improve sales. What most of them lack is insight into that information.

During the boom economy of the '90s, many organizations enjoyed robust sales and record-breaking quarterly results. They deployed SFA applications to boost the efficiency of the sales force, and prodigious quantities of information were generated. Amid the bounty, there was little incentive for managers to understand the variables that accounted for sales success or failure.

Needless to say, that has changed. SFA applications serve well to automate processes and manage data, but they provide little facility to truly understand what that data means. With sales down, sales managers need a clear picture of what works—and what doesn't. Moreover, they need that information today in order to make intelligent, proactive decisions—not two weeks after the quarter ends.

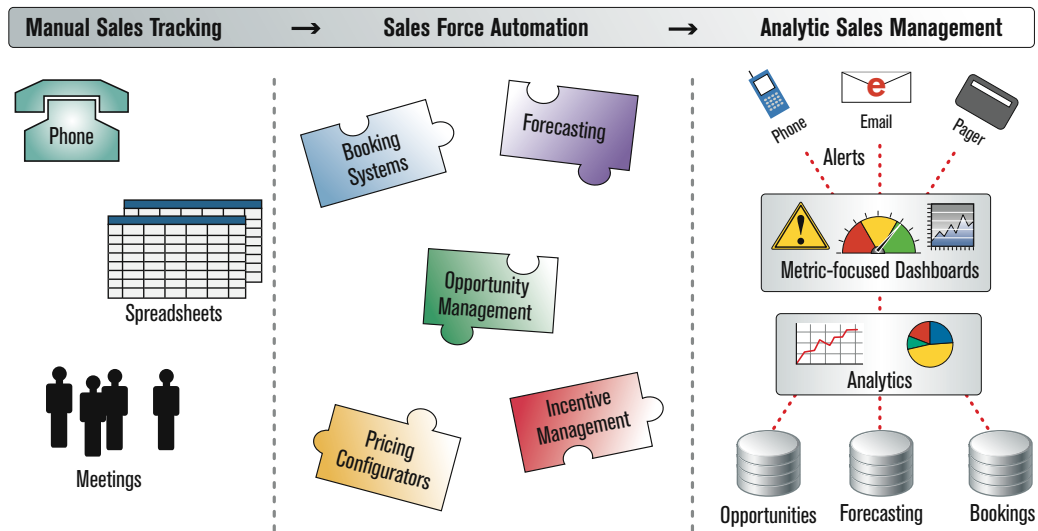
Yet many managers are challenged to determine such basic data points as sales by channel, customer, and territory, or projections of revenue by product and sales rep before the end of the quarter. How these interdependent dynamics influence each other—and how they can be tweaked to boost sales performance—is often mere guesswork.

# Driving Intelligent Sales Cycles



In a recent study on sales effectiveness conducted by Accenture, out of 178 senior executives polled, the most-often cited sales performance issues were related to leads. According to Accenture, “Along with problems with qualifying and managing leads effectively, the lack of performance metrics, inadequate customer data, and lack of capabilities for analyzing customer data rounded out the list of top performance challenges.” The study reported that a total of 55% of respondents found it difficult to assess which leads were qualified.<sup>1</sup>

## The Evolution of Sales Insight



That’s where analytic applications come in. Sales analytics can play a key role in driving greater productivity and efficiency, especially during periods of slow sales. Many organizations have realized they need to go beyond simply automating current sales operations. These companies are enhancing their sales operations and promoting shorter sales cycles by providing the field with an intelligent, 360-degree view of their customers.

Analytic applications for sales represent a new breed of business software that provides sales-specific analytics atop the generic query and reporting capabilities of conventional business intelligence (BI) tools. They help managers realize crucial insights into sales dynamics, with proactive information delivery and a rich analytic arsenal, including:

**Prebuilt and customizable metrics:** Prominently displayed in a personalized dashboard, these best-practice metrics take the pulse of key sales drivers and benchmarks to enable you to assess performance and trends at a glance

<sup>1</sup>“Selling in Turbulent Times,” *Accenture*, 2003.



**Instantaneous alerting:** Trigger-driven alerts to your desktop, email, phone, or PDA ensure that key business developments get your attention now, when they need it most—not at next Monday’s staff meeting

**Robust analytic drill-through:** Explore the trends, correlations, and root causes behind sales performance with predefined and ad hoc query and reporting against data aggregated from multiple sources, including SFA, CRM, marketing, customer service, accounts receivable, and others

These characteristics unique to analytic applications—metrics, alerts, analysis, and personalized dashboards—provide an easy-to-use, interactive means of achieving your objectives. Let’s take a look at some of the key areas and questions they address.

# Improve Sales Effectiveness, Productivity, and Cycle Time



A first challenge that sales managers face is simply to understand high-level dynamics behind sales performance. As fundamental as it is, sales managers at many organizations find it difficult to access reliable, timely information on key sales performance metrics. This is largely because of the complexity of multiple order entry, SFA and customer service systems.

In such an environment, it's not easy to understand which issues are most important and how to determine priorities. Analytic applications start with a high-level approach through their distinctive, personalized dashboards that give managers at-a-glance readings on key performance indicators (KPIs).

Tracking sales performance by key metrics is a crucial first step towards improving sales effectiveness and productivity. The metrics available in an analytic application (as well as trigger-driven alerts on problems or anomalies) enable managers to work proactively and respond to issues as they develop—a big step towards shortening sales cycles. They monitor such points as:

- ▶ Key changes in forecasts and their projected impact on quarterly results
- ▶ Pipeline analysis by sales stage
- ▶ Sales trends and revenue fluctuations
- ▶ Sales performance gains and losses by sales reps, products, and key customers
- ▶ Actual sales productivity vs. goals

# Analyze Key Sales Drivers, Trends, and Root Causes



Metrics are only the tip of the iceberg. Beneath them is a wealth of data that when analyzed will invariably yield insights managers can use to fine tune sales performance, and greatly improve their ability to develop accurate forecasts. A deep understanding of revenue drivers and cost considerations is essential to evolve sales performance to a higher level.

Analytic applications excel at delivering those insights through dozens of prebuilt, sales-specific reports and queries to commonly asked questions. They provide a capability called guided analysis that helps streamline cause-and-effect analysis to determine the root cause of issues. And they enable managers to explore data on their own, with ad hoc query that can unearth correlations not discernable in an SFA application or a spreadsheet.

This deep analysis is valuable to any organization, but particularly so for large organizations with multiple data sources. Analytic applications work from a common set of data aggregated from SFA, CRM, financial, and other sales information sources to ensure that managers work from a single version of the truth to examine:

- ▶ Sales by multiple dimensions (e.g., product, customer, sales rep, channel)
- ▶ Under-performing sales reps, products, channels, customers
- ▶ Effect of discounts, special offers, sales incentives on revenue
- ▶ Rankings of high, medium, and low value leads
- ▶ Deal abandonment by time, sales rep, customer, channel

# Provide Sales with a **Single View** of the Customer



It sounds like a nice problem to have: Lots of customers, client contacts, customer business units, sales channels, and sales reps. But it can handicap your performance in a big way. Sales managers at large organizations often struggle to understand the multiple points of interaction between their businesses and their larger customers. Meanwhile, your credibility suffers if customers perceive that your company doesn't know what business it does with theirs.

With limited visibility into the web of relationships, it's difficult to understand even high-level sales trends—much less drill into information to determine how your company can improve efficiency, eliminate redundancy, capitalize on cross-sell and up-sell, and present a cohesive front to the customer.

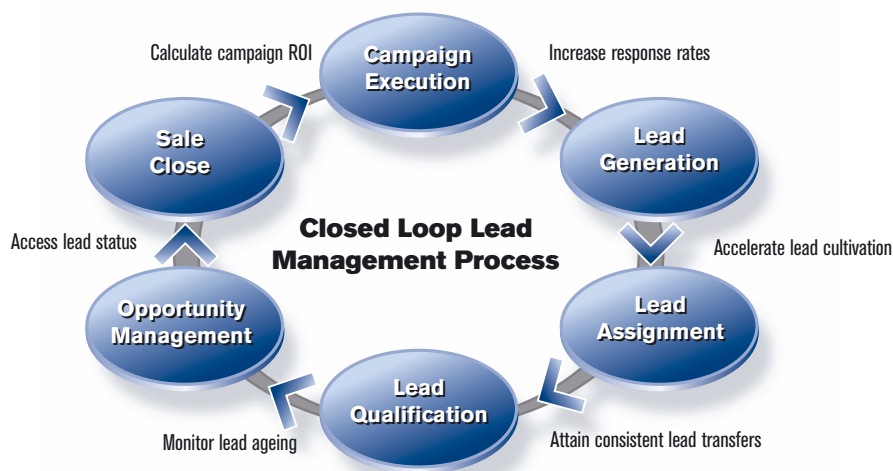
By working from data consolidated from disparate sources, analytic applications provide a single view of the customer. Managers can to better monitor performance, devise tactics and strategies, and allocate resources. The applications track:

- ▶ Revenue and profitability by customer contact and business unit
- ▶ Optimal cross-sell and up-sell opportunities
- ▶ Assigned reps by customer, business unit, territories
- ▶ Pipeline volume and value by customer profile

# Optimize Marketing-to-Sales Lead Management



Closed-loop lead management—tracking leads from point of generation to sales conclusion—is a vision for many organizations. But in reality, most organizations lack the complete systems and committed practices to implement closed loop lead management today. To make closed-loop lead management a reality, and achieve the benefits of tracking leads from their point of generation through to their ultimate sales conclusion, analytic applications must be a critical ingredient in the formula. An analytic infrastructure common to both marketing and sales allows these two separate but related business units to track, understand, and manage lead management.



That said, many organizations recognize the immense promise of closed-loop lead management, and they realize that analytic applications provide a critical ingredient in the formula.

By coupling analytic applications for marketing and sales, organizations can derive insights into what works and what doesn't. Those insights may be applied to refine lead management; for instance, by improving lead quality or more appropriately targeting which customers should be included in a revenue-generating cross-sell campaign. The applications analyze:

- ▶ Lead assignment, status, sales calls, response
- ▶ Lead cultivation, tracking, delivery to sales, follow up
- ▶ Sales effectiveness based on customer profile characteristics
- ▶ Lead and customer segmentation by purchase patterns, revenue, profitability
- ▶ Frequency, retention, reactivation, cross-sell and up-sell rates

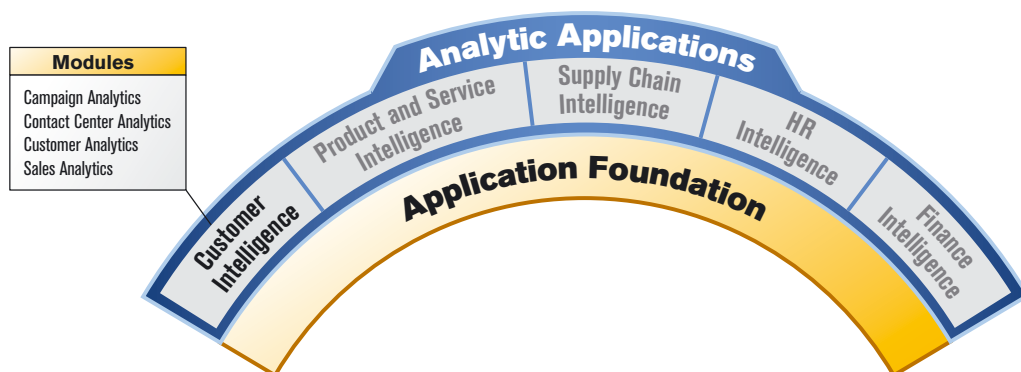
# BusinessObjects Sales Analytics: Delivering Insights to Excel in a Down Economy



BusinessObjects™ Sales Analytics is an analytic application that enables sales managers to track, understand, and manage sales processes to improve productivity and effectiveness. It provides more than 60 analytic components that answer all of the questions addressed in this paper, as well as key metrics, a personalized dashboard, and alert capabilities.

It is a module of BusinessObjects Customer Intelligence, which also includes Customer Analytics, Campaign Analytics, and Contact Center Analytics. Together, BusinessObjects Customer Intelligence modules comprise an integrated suite that enables organizations to build long-lasting, profitable customer relationships through improved sales, marketing, and customer management and interaction. In turn, Customer Intelligence is one application in the broader BusinessObjects Analytics family, covering supply chain, products and service, finance, and human resources.

With BusinessObjects Application Foundation, which enables businesses to quickly develop customized analytic functionality, BusinessObjects Analytics provides a comprehensive solution to improve performance across the enterprise.



Business Objects has helped thousands of organizations turn enterprise data into meaningful information for their sales, service, and marketing departments. For more information on how Business Objects can help your organization improve sales productivity and strengthen customer relationships, visit [www.businessobjects.com](http://www.businessobjects.com), or call +1 800 877 2340.





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