

# Pipeline Cures All

## Why Sales Forecasting Tools Can't Deliver the Growth or Accuracy Enterprises Need

### The forecasting call:

Ask any sales organization where it invests the highest level of operational expense and time, and this weekly ritual will inevitably be at the top of most lists. The forecasting call has been the center of the world for sales leaders and sales operations teams for decades. It is where sales teams keep score, where they succeed, and where they fail. And it is how businesses regulate investments and expenses to help bolster the bottom-line.

On a weekly basis, sales leaders require qualitative and quantitative data points about past performance, present conditions, and future projections. This often requires pulling data from multiple systems, conducting manual analysis, and relying on opinions from multiple teams.

Despite the time and effort, forecast accuracy continues to be underwhelming for many organizations.

The prevailing frustration has triggered a wave of investment in forecast automation and BI tools. Unfortunately, improved visualizations, monitoring data entry changes from sales reps, and automation alone fail to deliver the accuracy today's go-to-market organizations need, nor do they help drive desired growth.

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# 10.5X

High-performing sales teams are 10.5 times more likely than underperformers to experience a major positive impact on forecast accuracy when using intelligent capabilities<sup>1</sup>.

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Why? Because after all the forecast calls, roll-ups, inspections, and analysis, **sales teams still can't forecast their way to growth.**

Most sales leaders who are on the hook for calling a number will agree that pipeline coverage and pipeline quality will improve forecast accuracy far more than any standalone visualization and data entry tool. Yes, streamlining forecasting processes and sharing the results in a more visually appealing manner are nice-to-haves. But **pipeline creation, coverage, and conversion are at the heart of a high-performing business.**

Conversely, the forecast is a lagging indicator of how well teams prepared, planned, and performed. So, if a forecasting tool isn't the answer, how can sales organizations improve forecast accuracy and drive growth?

**It bears repeating: pipeline cures all.**

Through better preparation, data-driven planning, and a more rigorous focus on execution, sales and marketing teams can build a high-performing pipeline engine.

To be clear, this journey isn't without its hurdles, and enterprises will need to fundamentally transform their tactics and approaches. This paper combs through some of these challenges, and outlines some key steps and capabilities that are required to build a healthier pipeline and increase conversion rates.

## Preparing to Build Pipeline

Starting out on the right foot is essential. Gaining adequate pipeline coverage requires accurate, complete CRM data and ensuring go-to-market teams are aligned to the right qualification methodology.

### Challenge: The Average CRM Is a Data Wasteland

CRMs remain a top investment for sales teams. However, there is a sharp contrast between the perceived importance of CRMs, and how well they are maintained. According to LinkedIn, 97% of sellers say their CRM is important or very important. Yet, 48% of these same sellers indicate that their biggest challenge is incomplete data, while 41% say inaccurate CRM data is the top issue. Compounding this problem even further is that manual data entry takes sellers away from their impact zone – actually selling.

## Three Ugly Truths About Poor CRM Hygiene



### 1. Revenue Leaker

**44%**

Of enterprises report losing 10% or more in revenue each year due to poor CRM data<sup>2</sup>



### 2. Productivity Killer

**68%**

Of sellers feel they would be more productive if they didn't manually update their CRM<sup>3</sup>



### 3. Sales Inhibitor

**41%**

Of sales professionals say inaccurate CRM data is their No. 1 challenge<sup>4</sup>

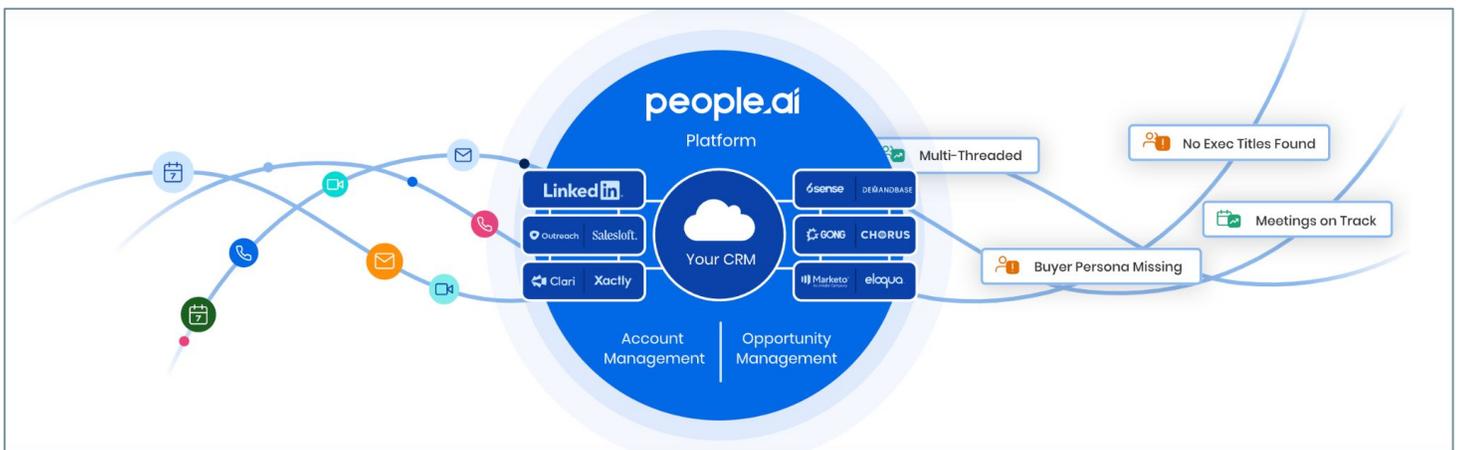
2. eWeek, Study Looks at CRM Data, from Accuracy to Business Impact, May 3, 2022  
3. Futurum Research, Reimagining the Sales Process – Are You Ready?, June 17, 2022  
4. LinkedIn, Global State of Sales Report 2022, US and Canada Edition

## Solution: Fuel CRMs with Automated Activity Capture and Better Data

Best-in-class GTM organizations don't force reps to manually enter CRM data. Instead, these forward-looking organizations enable sellers to provide valuable context and direction about every account with little more effort than a few simple points and clicks.

Automated activity capture can take on the heavy-lifting by syncing the contents of a rep's email inbox, calendar, Zoom meetings, and more directly to the CRM.

Of course, it's not enough to simply have more data – it's about having the right data. Solutions that accurately map every activity to the right CRM record – account, opportunity, and contact – while filtering out non-business-relevant activities such as personal emails is another must-have capability. That way, when it's time to do the next forecast, teams are working off *accurate, complete* and *relevant* data – in short, information they can trust.



Modern GTM organizations automatically capture sales and marketing data from across the tech stack.

## Challenge: Sales Methodologies Are Poorly Operationalized

MEDDIC. MEDDPIC. BANT. No matter what sales methodology an organization selects, one thing is for certain: time, effort, and money went into rolling it out and providing sales teams the proper training and enablement.

Unfortunately, many organizations won't reap the benefits of these efforts without properly preparing CRMs with the right levels of account and contact data.

For instance, sales leaders, frontline managers, and sales operations can't easily track the adoption, compliance, and impact of the sales methodology. Nor can they correlate it to improvements in win rates, deal sizes, and the lengths of sales cycles. It can also be cumbersome for reps to process methodology steps when qualification data is scattered in emails, spreadsheets, or elsewhere.

## **Solution: Process Sales Methodologies Directly Inside the CRM**

Account owners and supporting sales resources need a lightweight, low-touch way to operationalize their selected methodology within the CRM. Look for software that integrates natively with Salesforce and other leading CRM platforms. Such solutions make it far easier for reps to qualify, update, and assess opportunities, and they don't have to learn a new interface or toggle back and forth between multiple screens when making updates.

Capabilities such as relationship maps provide rich intelligence by giving a full view of the buying team in each account, including how much influence each contact has when making a purchasing decision. Surfacing insights into how engaged these key stakeholders are helps account teams ensure they are connecting with the right people at the right stage of the buying cycle, as defined by the selected methodology.

Configurable scorecards and checklists that align to the selected methodology and are embedded in the CRM can also help enforce qualification standards and improve compliance. Scorecards and the associated reporting can help sales leaders, operations, and enablement teams assess how well each rep is following the methodology – ideally, on a per-opportunity basis, with drill-downs by sales stage. Checklists should clearly outline the required steps and exit criteria for each stage, ensuring opportunities are properly qualified.

Through these built-in, native CRM capabilities, account teams will be able to execute against their organization's sales methodology in a more frictionless manner, resulting in a number of promising outcomes. To name a few: increased adoption and compliance, consistent qualification methods, and tighter correlations between sales activity and pipeline conversion.

In other words – increased confidence in the methodology, and increased confidence that upcoming forecasts will be accurate.

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# 30%

Improvement in forecasting accuracy that organizations can achieve by using AI-driven sales technology<sup>5</sup>

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## **What Is the Plan?**

Once CRMs and sales methodologies are fueled by the proper levels of account and buyer insights, sales organizations can facilitate stronger planning activities.

And indeed – delivering a healthier pipeline requires effective planning, regardless of whether it's forming the annual operating plan, making in-quarter adjustments, or forming an account-specific plan of attack.

So what currently holds sales teams back from developing more effective plans, and how can they address those obstacles?

5. InsideSales, Oct. 2019

## Challenge: Sales Territories Aren't Properly Balanced

Sales leaders and operations teams spend tireless hours designing territories. Unfortunately, those efforts can go to waste if they can't validate that reps are engaging top-priority accounts as intended. Moreover, poor territory design can result in up to 30% lower sales performance<sup>6</sup>.

## Solution: Improve Territory Planning Using Account Engagement Data

Using engagement data can surface dormant accounts that represent target-rich opportunities for building more pipeline. These same insights help sales leaders identify how many average accounts a team or individual rep can successfully work, helping reallocate resources and increase sales capacity with the same headcount.

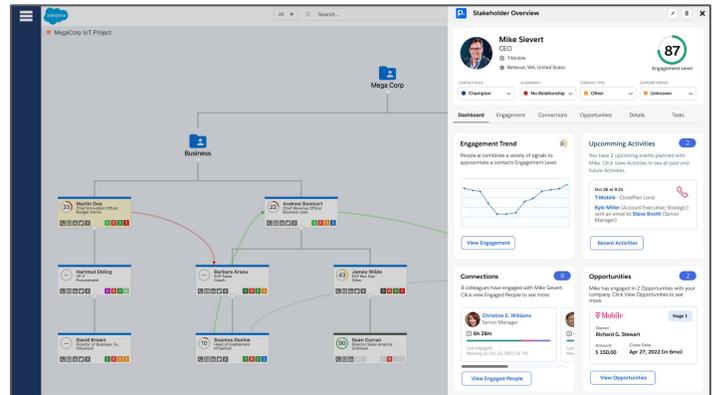
## Challenge: It's Not Easy to Track the Execution of Account Plans

Strategic account plans capture valuable intellectual property, and are essential to understanding key customer initiatives, buying groups, and potential solutions. Teams with effective account plans increase their likelihood of growing that account by 48% and the chances of renewing or retaining the same spend by 94%<sup>7</sup>.

Unfortunately, validating that reps are executing account plans as designed isn't easy – particularly if they aren't entering data into the CRM consistently.

While account planning software exists, many solutions are unwieldy, as they are disjointed from the CRM and force reps to navigate multiple UIs to enter data.

Account Name	Owner	Engagement Level	Activities	\$ Sales Interest Score	Account ARR	Health
Stick	Sonya Ross	87	6	90	\$1,025,000	3
ACME Inc.	James Smith	92	13	80	\$120,000	3
DogData	Molly Warren	12	0	20	\$1,300,000	3
Eastern Analytics	Thady Kark	88	10	91	\$720,000	3
Fast Future	Sara Liu	5	1	82	\$420,000	3
Blue Stone	Tray Lee	92	9	30	\$870,000	3
PJP Financial	Adam Pagar	48	8	54	\$850,000	3
VR Ware	Darby Burman	90	7	62	\$1,200,000	3
HGH Medical	Kent Kozalobko	3	3	49	\$1,100,000	3
Leaf Pharma	Lee Robertson	56	8	56	\$90,000	3
Stragon	Lisa Wolskiel	77	3	78	\$400,000	3
Brand Shipping	Jim Hays	85	14	78	\$400,000	3
Spiral Logistics	L. Shevchenko	6	5	65	\$170,000	3



## Solution: Build and Execute Account Plans Natively in CRMs

Leveraging account planning software that is native to Salesforce and other CRMs can go a long way. Look for capabilities such as scorecards that make it easy to assess account health and ensure all related sales activities are tracked in a single location.

Account maps can remove buying group blind spots by visualizing all engaged personas and pinpointing each contact's purchasing power.

Lastly, whitespace maps help track which business units have already purchased certain products and services – while also highlighting the presence of competitor offerings – so reps can easily spot expansion opportunities.

6. Xactly, "Sales Territory Planning Best Practices," Aug. 15, 2022

7. Gartner, "B2B Sales: Why Your Account Growth Strategy Needs an Update," Aug. 13, 2018

## How Is Performance Measured?

The best go-to-market teams collaborate on converting pipeline by leveraging engagement data to validate plans are being executed on schedule and in compliance with a (hopefully) now fully operationalized sales methodology.

But even with proper preparation and planning, there are downstream executional pitfalls to be mindful of.

## Challenge: Today's Buying Groups Are Larger and More Complex

The average B2B sales cycle includes 11 different buyers. Focusing on only one or two key contacts can be perilous, as deals will stall or phase out completely if key buying contacts move on to another company.

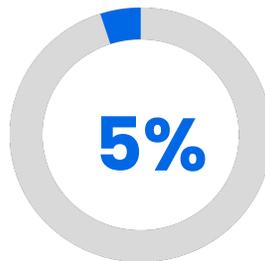
Not only do sellers have more contacts to convince before a purchase is made, but they have less time to do it.

## The New Reality: More Buyers to Convince, Less Time to Do It

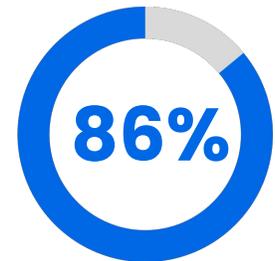


11

Average number of buyers in B2B sales cycles today<sup>8</sup>



Of the sales cycle is all reps have to engage with prospects<sup>9</sup>



Of teams had a deal stall in the last 12 months because a decision maker left the company<sup>10</sup>

## Solution: Improve deal coverage with cross-functional multi-threading

Encourage sellers to sell high and wide into accounts and understand key relationships between potential users of your products or solutions. This is where relationship maps, persona labels, and account and stakeholder engagement insights are key to ensuring reps are connecting with the right people, at the right time to keep deals progressing on schedule.

Of course, it's not just enough for the account owner to multi-thread. Prospective buying groups are made up of several contacts working in tandem, so it stands to reason that high-performing sales teams need this same level of orchestration. Cross-functional multi-threading keeps deals on track – even if a key buying contact leaves – and can also help surface other use cases or cross-selling opportunities when the extended selling team has access to the same buyer insights.

8. LinkedIn, Global State of Sales Report 2022, US and Canada Edition

9. Gartner, "Future of Sales 2025: Deliver the Digital Options B2B Buyers Demand," March 21, 2021

10. LinkedIn, Global State of Sales Report 2022, US and Canada Edition

## Challenge: Relying on Lagging Indicators to Predict Future Success

Sales and marketing leaders should not have to wait for a QBR and other forms of retroactive analysis to know if reps are engaging target accounts and converting opportunities to revenue. Unfortunately, this is the reality for many GTM organizations, as they are over-reliant on lagging indicators such as average deal size and number of deals closed when trying to predict future performance.

Nearly 65% of sales organizations are still only using these lagging indicators<sup>11</sup>. For this majority, they're merely "reading the news." Yes, it helps them stay informed. But by the time the results are in, it's too late to enact change. The same can be said of sales coaches working with their reps to rescue dormant opportunities or at-risk revenue.

## Solution: Lean into Leading Indicators

Leading indicators such as meetings booked per month or the percent of opportunities where the economic buyers are engaged and providing their buy-in can help GTM leaders correlate sales activity to pipeline coverage and health. Leading indicators can also help create benchmarks of previous selling behaviors that generate the most success, which empowers managers to work more effectively with their teams. Other benefits of leading indicators include:

- Validating proper levels of engagement in real time to redirect resources as needed.
- Ensuring sales teams follow through when marketing drives demand into the top of the funnel through intent and lead flow in target accounts.
- Coaching resources on time management when inspecting engagement levels according to target account plans.

## Prioritize Your Pipeline, and Forecast Accuracy Will Follow

Accurate forecasts are crucial for making smart investments in the business. But remember: you can't forecast your way to growth.

**Pipeline does indeed cure all.** It is crucial that GTM leaders maximize investments and focus on pipeline preparation, planning, and performance, paving the way to more accurate forecasts and more predictable growth.

**Ready to take the next steps?** Sign up for a demo of People.ai's industry-leading enterprise revenue intelligence platform: <https://people.ai/get-demo/>

11. CSO Insights

## About People.ai

People.ai is the leader in guiding enterprise sales teams on the proven path to pipeline and revenue generation. The People.ai enterprise revenue intelligence platform ensures organizations speed up complex sales cycles by engaging the right people in the right accounts. Through our patented AI technology, People.ai enables sales teams to clearly see whom to engage within each of their accounts and exactly what to do to deliver the highest yielding deals. Enterprises such as AppDynamics, DataRobot, Okta, and Zoom know that people buy from people, that's why people buy from People.ai.

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