

# Sales Analytics: Driving Greater Sales Effectiveness and Increased Results

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# Sales Analytics: Driving Greater Sales Effectiveness and Increased Results

## **EXECUTIVE OVERVIEW**

Critical, up-to-the-minute insight provided to executives, managers, and sales representatives in the field is rapidly becoming the key factor in maximizing the potential of every sales opportunity. In today's challenging business environment, the burden of delivering satisfactory business results falls on the organization's sales force, which must consistently attain its targets in the face of intensified competition, staff reductions, and greater customer expectations.

In an effort to improve sales productivity, many companies have invested in sales force automation (SFA) systems. These systems help sales teams implement defined sales methodologies, coordinate resources, assess opportunities, and develop action plans to close more business. While sales organizations have used SFA to improve sales efficiency, they now look to advanced analytics to resolve another tough challenge: sales effectiveness. By enhancing SFA data with key data from other enterprise systems, advanced analytics can help sales organizations to better understand the key drivers behind sales performance, by delivering the critical, timely insights that can help influence outcomes in the current period and produce better results in the future.

This white paper discusses the current challenges in sales effectiveness and how advanced analytic applications deliver the critical information that all members of the sales organization require to enhance performance. It also shows how Oracle Sales Analytics, part of the Oracle Business Intelligence applications product line, have helped companies across a range of industries improve their sales effectiveness by enabling sales managers and front-line sales representatives to take the necessary actions that lead to better business results.

## **CHALLENGES IN MAXIMIZING SALES AGILITY AND EFFECTIVENESS**

Sales organizations are under increasing pressure as competition becomes more intense and customer expectations increase. SFA systems have greatly improved sales efforts by providing greater process efficiency and more convenient, centralized information about customers and opportunities. Indeed, SFA applications have made critical information available throughout sales organizations as never before.

**The problem with standard sales reporting is that the information it provides comes after the fact and provides little or no insight into what caused the outcomes.**

**Sales professionals need more-comprehensive and timely information to help them understand the factors that affect their business.**

Today's challenges require technologies that help sales professionals identify and understand the complex factors that affect sales outcomes. Through the benefit of greater insight, sales organizations can increase their effectiveness and performance and achieve the following:

- Creating more-accurate forecasts
- Increasing win rates
- Increasing order size
- Improving cross-selling
- Anticipating prospect and customer needs
- Responding to issues quickly, as they arise

To achieve the benefits of greater sales effectiveness, however, organizations must first solve the challenges described in the following sections.

### **Lack of Timely Information**

Sales organizations already receive many different kinds of information. The most common are standard sales reports provided at the end of the quarter or end of the year. Standard sales reports can contain detailed information on performance segmented by product, by territory, and by individual sales representative. The problem with standard sales reporting, however, is that the information it provides comes after the fact and provides little or no insight into what caused these outcomes. In other words, reports provide information on what happened, but they do little to explain why it happened—good or bad. Sales professionals need more-comprehensive and timely information to help them understand the factors that affect their business. More important, they need timely insight into what is currently affecting their business and what actions they can take now to achieve more-favorable outcomes. They require the ability to answer questions such as:

- Are enough leads being generated to build a healthy pipeline?
- Do current opportunities represent enough potential to make quota?
- What actions and resources are necessary to win current opportunities?
- Are we losing deals because of a competitive shift?

If sales teams could readily answer these questions and respond to customer or competitive issues immediately, they could take the necessary steps to close more and larger sales.

### **Lack of a Comprehensive View**

Today's selling environment is complex—customers have many vendors from which to choose and demand that sales professionals understand and anticipate their needs. Greater effectiveness, in the form of higher win rates, larger orders, and increased cross-selling, results from sales professionals having a comprehensive

view of the factors that affect their existing accounts and sales opportunities. However, most organizations are hard-pressed to provide this kind of comprehensive view, as it requires consolidated information on several aspects of the business such as customers, products, sales orders, accounts, revenue, and opportunities. This information often resides in disparate systems across the enterprise, making it particularly challenging to integrate. As a result, sales professionals struggle to obtain critical information on how their organization is performing and spend precious time on gathering information, or skipping the analysis altogether.

### **Lack of Facts to Drive Key Decisions**

Because of the difficulty in obtaining a clear picture, decision-making in most sales organizations is typically based on “gut feeling” rather than factual information. Accordingly, near-term tactical decisions are usually unduly influenced by emotional judgments about the reasons behind recent wins and losses. Without solid information on the reasons behind their performance, sales professionals risk making incorrect assumptions and using them to guide their current or future tactics and strategies. As a result, individual salespeople and the organization are hard-pressed to apply lessons learned from experience to improve future actions.

### **BETTER INFORMATION DRIVES BETTER SALES PERFORMANCE**

Without an efficient way to share information and coordinate their activities, sales professionals spend more of their time on administrative activities and less time in front of customers and prospects. In an effort to improve information flow and coordination, many organizations have implemented SFA systems. SFA systems provide centralized customer, contact, and opportunity information and improved communication and coordination through structured sales methods. SFA systems are powerful tools that help organizations increase efficiency and dramatically improve sales performance.

While SFA systems provide sales professionals with better information, they still need the ability to turn that information into insight. They need to understand not just what is happening, but also why things are happening as they are. Further, they must identify the specific actions sales professionals must take to reverse negative outcomes and amplify positive ones. SFA systems need to answer questions such as:

- Why did we not make quota last quarter?
- How are the current quarter bookings proceeding against plan?
- Which products should I cross-sell into this account?
- What actions can I take now to close more business this quarter?
- How much time should I invest on each opportunity?
- Was my forecast accurate?

**SFA systems provide centralized customer, contact, and opportunity information and improved communication and coordination through structured sales methods.**

In addition to providing the answers to questions such as these, organizations need to ensure that these answers are quickly delivered to the people who are best positioned to affect outcomes—the front-line sales representatives. These key insights can then drive actions that lead to higher revenues, greater customer satisfaction, and improved productivity.

Organizations need to ensure they have critical information to drive improvements in business outcomes. Because standard reporting provides only limited information, many organizations have implemented data warehouses and business intelligence systems to improve information delivery to decision-makers. Although these systems provide more-powerful capabilities than standard sales reporting, they are costly and difficult to implement, and they still cannot provide the up-to-the-minute insights needed to drive better sales performance.

Business intelligence systems also require specialized information analysts to gather and format the information. Decision-makers often have to wait days or weeks before the information is finally delivered, which limits their ability to change course, if necessary. Due to the amount of time and resources that this type of reporting requires, it can only be provided to a handful of executives, and it often does not reach the sales professionals who interact with customers. The solution has to be one that can provide timely insight quickly and easily to every member of the sales organization. Top executives, managers, and front-line salespeople need the ability to monitor the health of their business and address the obstacles that stand in the way of sales goals.

**Unlike traditional business intelligence solutions, analytic applications provide the ability to deliver comprehensive and timely information to executives, managers, and front-line sales representatives, when and where they need it—whether they are in the office or out in the field.**

## **SALES ANALYTIC APPLICATIONS: DELIVERING COMPREHENSIVE AND TIMELY INSIGHT**

Timely insight helps sales professionals understand the factors that affect their business now. By quickly identifying emerging issues, the sales team can implement the appropriate response in time to influence outcomes. Analytic applications are advanced solutions that combine all of the technologies required to integrate information from across the enterprise and turn it into powerful insight that drives better sales performance. Unlike traditional business intelligence solutions, analytic applications deliver comprehensive and timely information to executives, managers, and front-line sales representatives, when and where they need it—whether they are in the office or out in the field. They are also engineered to be deployed faster and cheaper, at a fraction of the costs of traditional business intelligence systems.

Sales analytic applications can provide very rich in-context information tailored to each user's role. They also deliver critical information through a variety of means, including Web-based intelligence dashboards, mobile phones, PDAs, and pagers. All users can easily configure the system to deliver the information they need, when and where they need it.

- Sales executives can receive up-to-the-minute information to accurately assess their organization's progress against goals, evaluate performance across multiple channels, and identify events that could jeopardize quota

achievement. Alerts provide an early warning of potential problems, helping executives take corrective actions such as changing the price list, assigning additional resources, or realigning business expectations.

- Sales managers can benefit from timely information on sales team performance and can diagnose emerging problems, deftly adjusting to changing conditions. Once managers understand the root causes, they can take decisive action such as providing additional competitive coaching, placing limits on discounting, directing representatives to follow up on leads, or setting up an executive-level meeting with a delayed opportunity to help accelerate the buying timeline.
- Sales representatives can benefit from a more-complete picture of each opportunity, including the factors influencing the opportunity and the actions required to win. Representatives can also track their performance on a dashboard that displays key metrics, or receive up-to-the-minute alerts delivered to their mobile phone or PDA. With the power and knowledge of the entire organization at their fingertips, sales representatives can improve win rates, increase cross-selling, and strengthen customer relationships.

### **Real-Time Pipeline Management**

Advanced analytic applications provide powerful insight that can dramatically improve pipeline management. They help sales professionals more-accurately assess the state of the business—identifying whether enough leads are being generated to build a healthy pipeline and whether current opportunities represent enough potential to make quota. Sales analytics also help managers manage their resources better by helping them identify their most promising opportunities in terms of revenue potential, estimated close date, and the likelihood of winning. Analytics also provide the ability to spot potential problems that could impede or prevent the achievement of sales targets.

### **Improved Responsiveness to Customer Needs**

Analytic applications provide complete visibility into all aspects of the account relationship, helping sales professionals identify and meet customer needs. For example, when a customer places an order, analytics can help sales professionals properly set expectations and make accurate delivery promises. With the ability to perform inventory checks, review service requests, and ensure that the customer is current on payments, sales professionals can determine whether the order can be filled on time—before the customer signs the purchase order.

### **Better Sales Performance**

Analytic applications can also help sales professionals understand the factors that led to successful outcomes in the past—such as product combinations, pricing strategies, and using executive contacts at the point of leverage—and turn these factors into processes and strategies that the entire sales force can repeat to

continually improve their performance. This can also accelerate the entire sales organization's learning curve by leveraging the experience of the best salespeople and applying the lessons across the entire sales organization.

## **ORACLE SALES ANALYTICS**

Oracle Sales Analytics, part of the Oracle Business Intelligence applications family, are comprehensive, analytic solutions that provide timely, fact-based insight into the entire sales process. The four products that Oracle Sales Analytics comprises provide new levels of information richness, usability, and reach to sales professionals throughout the enterprise and in the field. All users, from sales executives to front-line sales representatives, can get up-to-the-moment, complete, and in-context sales insight—which is personalized, relevant, and actionable. The benefits are faster and more-informed decisions that help the sales organization compete more effectively, lower sales costs, and achieve better results.

### **Faster, Easier Implementation**

Oracle Sales Analytics applications provide all of the technology necessary to obtain rich, timely insights that drive better sales performance. They are designed for rapid implementation so that teams can enjoy better results quickly. With the ability to integrate quickly with major enterprise applications, organizations can avoid the lengthy time requirements and high costs of deploying traditional business intelligence systems. This promotes faster deployment, with lower risks and better business results.

### **Insight Delivered in Time to Take Action**

Unlike most business intelligence and reporting systems, Oracle Sales Analytics provide up-to-the-minute, comprehensive insight delivered in time to take action. This means that the most accurate picture of any aspect of the business is delivered quickly to the entire organization, increasing employees' ability to respond effectively to emerging issues and achieve better business results.

### **Enterprise-Wide Availability**

The information provided by traditional business intelligence and reporting systems is often limited to the use by a select few, such as a dedicated sales operations team or a handful of senior executives. Oracle Sales Analytics applications drive critical information throughout the organization, not only to executives and sales managers, but also to the sales representatives who are in front of the customer every day. Dashboards and alerts are individually customizable so that each sales professional gets the information needed to achieve increased performance.

With Oracle Sales Analytics, sales professionals receive comprehensive business insight by unlocking the information value hidden in systems across the enterprise.

## **ORACLE BUSINESS INTELLIGENCE APPLICATIONS IN ACTION**

The following examples illustrate the value our customers have realized using Oracle Business Intelligence applications.

### **Leading Aerospace Manufacturer Achieves Better Account Management**

After several mergers, a multibillion-dollar aerospace manufacturer found it increasingly difficult to keep track of customer needs, opportunities, and sales activities. With more than 40 independent product lines in 16 different divisions, it was not uncommon for several salespeople to contact the same customer during the same week, or even the same day, with no knowledge of the other contact. Customer data was scattered across nearly 160 different systems, which made it impossible to know which products customers had purchased or to identify upcoming sales opportunities. Customers also complained that the company was too difficult a business partner. In response, the company deployed several Oracle Business Intelligence applications to gain deeper insight into its customer-facing processes across the entire company. All account, contact, activity, and opportunity information was combined into a single repository, allowing the company salespeople to have a single view of each customer and better visibility into upcoming sales opportunities. As a result, the company's customer satisfaction ratings improved dramatically, the sales opportunity win rate improved, and annual after-market spare parts revenue doubled.

### **Global Electronics Manufacturer Uses Improved Sales Forecasting to Drive Superior Business Results**

A multibillion-dollar global electronics manufacturer uses Oracle Business Intelligence applications to produce more-accurate sales forecasts. For more than a decade, the company enjoyed rapidly increasing sales and a rising stock price. Suddenly, the company experienced an unanticipated 30 percent plunge in sales. Reporting its first-ever quarterly loss, the stock price suffered a steep downturn. Vowing to prevent such an unexpected loss from happening again, the CEO challenged the organization to deploy improved sales forecasting that would provide the company with an early warning of problems that could affect business results. The company turned to Oracle Business Intelligence applications. Within months, more than 500 key managers and executives were receiving highly accurate sales forecasts. Updated every 15 minutes, these forecasts allowed managers to make more-accurate production decisions, identify issues early, and take corrective action before these issues affected the company's financial statements.

### **Global Healthcare Information Provider Realizes Full Sales Cycle Visibility—from Lead to Cash**

A global healthcare information provider deployed Oracle Business Intelligence applications to increase annual revenues, expand margins, and increase client satisfaction levels. Deploying Oracle Business Intelligence applications, the company created a single view of client information and empowered employees

with the analytical tools to allow them to spot trends, identify areas for improvement, and make necessary course-corrections. Achieving this single view required combining data from multiple commercial systems such as PeopleSoft (human resources and financials), GEAC, Microsoft, Siebel Service, Siebel Marketing, and custom-built applications. With Oracle Sales Analytics, the company could combine these disparate sources of information to achieve complete visibility into the entire sales cycle, from lead generation to cash collections. The benefit of pervasive analytic insight—delivered to executives, managers, and front-line employees—helped increase the company’s sales performance and improved its ongoing account management and cash flow.

**Armed with comprehensive insight, sales organizations can ensure that all members of the team have the information they need to win more deals, cross-sell and up-sell more effectively, and maximize the potential of existing accounts.**

## **CONCLUSION**

Today’s sales organizations require powerful, timely information to help them achieve higher performance. Critical, up-to-the-minute insight provided to executives, managers, and sales representatives in the field is rapidly becoming the key factor in maximizing the potential of every sales opportunity. Armed with comprehensive insight, sales organizations can ensure that all members of the team have the information they need to win more deals, cross-sell and up-sell more effectively, and maximize the potential of existing accounts.

Oracle Sales Analytics are prebuilt analytic applications that provide organizations with everything they need to deliver powerful insight to their entire sales team—enabling them to take informed actions that lead to better business results. The robust analytic platform proactively monitors and delivers timely insight to the person who can best effect change and provide it to them on any device, including e-mail, pager, PDA, laptop, or mobile phone. Actionable information drives greater customer satisfaction, lower sales costs, and increased revenue.



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