Xactly®

The Enterprise Leader's Guide to Success in the New Sales Era

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The Dawn of a New Sales Era

The world as we know it has changed dramatically. In a matter of weeks, enterprises across the globe had to transition to fully remote operations with little to no preparation. This was largely something we've never experienced before in the sales industry, and it's led to significant adjustments in the way we run sales organizations.

In reality, we're witnessing the birth of a new sales era, and these changes have created a boom of digital transformation worldwide. *New research from Dell Technologies' Digital Transformation Index shows that "80 percent of organizations globally have fast-tracked some digital transformation programs."*[1]

For many businesses, there was no choice but to rapidly ramp up digital transformation and streamline three-year plans into a few months. In fact, *McKinsey & Co. data estimates that the U.S. e-commerce industry saw ten years' worth of growth in just three months.*[2]

However, through all of the disruptions, one thing has become glaringly clear: sales agility and data accuracy are crucial to survive.

> " **It is not the most intellectual of the species that survives; it is not the strongest that survives, but the species that survives is the one that is able best to adapt and adjust to the changing environment in which it finds itself."**   Charles Darwin

But there's a problem: leaders know they need digital transformation, but they can't do it. *Dell Technologies reports that 89 percent of organizations say the pandemic has uncovered the need for agile, scalable technology.*[1] *Yet, Forrester reports that less than one-third of businesses are equipped to adapt their sales plans and adjust incentives in real-time.*[3] *And for those that have started digital transformation, Dell Technologies also reports more than half of companies fear they're not moving fast enough.*[1]

Unfortunately, that's not the only challenge organizations are facing. They're also hindered by data inaccuracy and have very little confidence in their sales forecasts, which is critical to plan and have the agility to change. *Gartner reports that more than half of companies (55%) don't trust their sales forecasts*[4]*, and Miller Heiman Group data shows that less than 20 percent of companies have forecasting accuracy above 75 percent.*[5]

This leaves companies in a potentially dangerous situation. If you don't have confidence in your sales data and can't make timely, strategic decisions, you are stifled in your ability to anticipate new challenges and recover successfully.

Yet, there is hope. Times of disruption are often viewed as stressful, but really, they offer an opportunity to innovate and reinvent. *According to Gartner, 69 percent of enterprise leaders actively want to accelerate their digital strategies. So naturally, the ideal place to begin is with our revenue drivers, aka our sales organizations.[4]*

Reinventing Sales As We Know It

CONSIDER THIS:
Top-performing athletes have several skills that make them stars on their team. But if a goalkeeper allows the ball to go around or past them, they've failed. The strongest players are strategic and anticipate both opponent and ball movement. The same capability is necessary for sales organizations.

As companies head into the new year, they need the right enablement tools in place now to enable continuous planning, enhance productivity, and engage with prospects and customers in more meaningful ways. *According to Forrester, more than half of businesses are planning to address the shifting selling environment by "acquiring more technology, expanding and diversifying their partners, increasing investment in remote selling models, and restructuring their selling systems."[3]*

So how do they achieve this? Through digital transformation. *Sales Performance Management (SPM) unlocks the advanced insights that fuel continuous sales planning and accelerate digital transformation,* but what is it exactly?

"Sales Performance Management is implemented to improve overall efficiency and effectiveness."   Gartner

XACTLY'S AGILE APPROACH TO
Sales Performance Management

MANAGE

PLAN

INCENT

AI

ANALYZE

FORECAST

Automate and Integrate
Integration across systems and processes

Collaborative
Alignment across stakeholder teams

Data-Informed
Insights to support better decision making

Continuous
Agility to course-correct in real-time

Sales Performance Management is a data-informed approach to plan, manage, and analyze sales performance at scale, drive revenue, and sustain an enterprise's leadership position in its industry. It creates a holistic view of your sales processes and performance. This gives leadership more transparency and a structured look into the health of your selling teams.

Agile Sales Performance Management unites five key practice areas within sales – plan, manage, incent, analyze, and forecast. It's a collaborative and automated approach to managing compensation, quotas, and territories. When enabled by predictive analytics and robust reporting, leadership has access to a single source of truth that seamlessly integrates with their existing sales tech stack to continuously track performance and make data-informed decisions to drive success.

⊚	**PLAN**	Sales Performance Management allows you to continuously assess profitability, alignment, and sales targets to ensure you're driving top performance and make plan adjustments precisely and swiftly.
⚇	**MANAGE**	Use intelligent insights to balance territories, assign credits automatically as business comes in, model scenarios to make sure the quota you have on the street covers company goals.
⊘	**INCENT**	Strategically design and pay commissions and bonuses and streamline accounting processes for quick, accurate payouts.
⊰	**ANALYZE**	Leverage machine learning to gain strategic insights into attrition, rep behavior, sales forecasts, and compare performance against industry benchmarks.
◔	**FORECAST**	Data intelligence enables you to track deal progress closely, uncover trends within your pipeline to forecast more accurately, and improve sales rep effectiveness.

Ultimately, Sales Performance Management enables you to use data insights to achieve a powerful state of sales operations, known as Operational Sales Management (OSM). This allows you to make decisions and design plans confidently by ensuring your processes are:

▸ **Automated** and seamless across all of your systems
▸ **Collaborative** and aligned with every stakeholder team
▸ **Data-informed** with insights for strategic decision making
▸ **Continuous** and allowing for course correction in real-time

❯❯❯ OPERATIONAL SALES MANAGEMENT ENABLES YOU TO STREAMLINE PROCESSES, INCREASING EFFICIENCY AND IMPROVING PRODUCTIVITY

Xactly is committed to providing solutions that meet complex enterprise needs with an integrated ecosystem of technology that simplifies SPM, and helps companies easily and effectively adapt in order to improve revenue growth.

Again, with 69 percent of corporate directors urging the acceleration of enterprise digital strategies to deal with ongoing disruption, transformation is paramount.[4] In sales, where agility has a direct impact on an organization's revenue and growth, there is no turning back.

Achieving Sales Agility and Data Accuracy

The path to informed, continuous planning requires a partnership with a Sales Performance Management provider that offers strategic guidance and AI-enabled solutions necessary to bridge the knowledge gaps in today's business planning.

With Xactly's Operational Sales Management, enterprises now have an end-to-end approach to Sales Performance Management that connects data across the organization and paves the pathways to digital transformation. Predictive analytics and robust reporting enable finance, sales ops, and sales leadership to ensure companies continue on their growth trajectory in any scenario.

What's even more critical, is your ability to trust that your data is accurate and have confidence in your forecasting. With Xactly's Operational Sales Management, enterprises now have the ability to constantly measure through the real-time analytics and AI capabilities. This enforces consistent processes across the sales team that lead to higher win rates and more predictable revenue coming with seamless communication of multi-level sales forecasts from sales rep to CEO.

Achieving Agility | HOW A 230 YEAR-OLD BUSINESS DIGITALLY TRANSFORMED WITH XACTLY'S OPERATIONAL SALES MANAGEMENT

For the first time in history, supply, demand, and the workforce were all impacted at once for the manufacturing industry. And for a global manufacturing and service provider like Flowserve, with more than 17,500 employees operating in 50 countries worldwide, it was the largest instability they had faced since being established 230 years ago.

With real-time visibility into their global markets, Flowserve generally uses actionable data insights to pivot sales plans regularly. When the COVID-19 pandemic hit, the number of changes nearly tripled, yet they were able to arm their teams with the knowledge they needed to carry on their day-to-day activities with minimal interruption.

> **The pace of change was ever-present prior to COVID-19, yet as a result of the pandemic, the modifications we needed to make increased by nearly 100 percent. To maintain the accelerated velocity of this disruption, we had to be able to anticipate and react to situations with both speed and agility. Transformation happens when you can respond to any kind of change, and adapt to the situation by using data to determine which strategic levers to pull. This can only happen when you combine SPM and digital transformation. It's the game changer to achieve real revenue results."**
> - David Lowe, Global Director of Sales Operations, Flowserve

Xactly's performance dashboards provide the Flowserve team with a snapshot of real-time performance, allowing them to dive down into potential problem areas. And ultimately, in times of adversity and accelerated change, Flowserve was able to adapt and maximize operational sales agility when they needed it the most.

In the face of disruption, many organizations are faced with the challenge of adapting goals, shifting quotas, and even reducing workforces. And when the global pandemic hit, HERE Technologies found themselves facing those same challenges.

With scenarios modeling capabilities, HERE Technologies was able to build plans for every scenario. Ultimately, they were able to determine that they did not have to adjust goals and quotas. By changing the way they incentivized sales reps, they were able to actually increase deal sizes and encourage reps to target new, emerging markets they hadn't before.

> **Digital transformation is very important. It gives you visibility, transparency, and the capacity to redirect in real-time. When you link all the systems you operate in, you are able to understand the correlation between profitability and the probability of closing deals in the short and long term. Leveraging Xactly's SPM, we have accelerated our digital strategy, allowing us to predict business outcomes with accuracy, even amidst the pandemic."**
> - Todor Atev, Senior Director, Head of CCO Finance, HERE Technologies.

> **"Furthermore, by rethinking and actually completely deviating from anything we've done in the past and allowing the team to be able to continuously innovate, collaborate and flexibly adapt in real time has resulted as one of the biggest advantages that I experienced working with the Xactly team."**

Using Xactly, HERE Technologies is able to leverage machine learning to forecast deals more accurately, identify and move resources to target new areas of opportunity, and make strategic changes to accelerate business performance even during times of disruption. Using Xactly, HERE Technologies is able to leverage machine learning to forecast deals more accurately, identify and move resources to target new areas of opportunity, and make strategic changes to accelerate business performance even during times of disruption.

It All Starts With a Mindset Shift

Implementing Sales Performance Management and achieving Operational Sales Management isn't a one-step, overnight process. It's a journey that helps you utilize data insights across your entire organization. The first step is accepting that you can no longer rely on old selling tactics. The world is transforming at a rapid pace, and you have to adjust your strategies with it.

Most importantly, this shift has to start at the top. Executive and leadership teams need to take a step back and self-assess. You must rethink, redefine, and reinvent everything you do, starting with how you lead your organization.

Disrupt Yourself and Continuously Innovate

Ask yourself this question: if someone took over your role today, what would they do differently that you're not already doing?

None of us want to imagine another person coming in and doing a better job. Are you maintaining your edge? To succeed in today's new sales world, you have to continuously look for new opportunities and ways to improve. The days of "if it's not broken, don't fix it" are behind us.

It all comes back down to adaptability. Some of the largest organizations in history have suffered the consequences of ignoring innovation knocking at their door because "what we've always done is still working." Others have maintained their dominance or become leaders in industries by taking advantage of times of uncertainty and reinventing themselves.

> **I'm calling CEOs who are friends of mine are in paralysis and who aren't making moves. You've got to get out of paralysis and into participation. Larry Ellison is the master of relevance. This is a move to make him relevant. This is so important."**
> - Marc Benioff, CEO of Salesforce

THE BOOM OF ONLINE GROCERY SHOPPING

Prior to COVID-19, a few retailers had been slowly introducing online ordering systems, yet many were still relying primarily on in-person shopping. When the pandemic hit, non-essential brick and mortar stores were faced with closure and consumers were hesitant to visit stores, many grocers quick to ramp up and optimize their curbside pick up processes.

As a result, the way consumers buy and interact with businesses has completely changed. A survey from grocery consulting firm Brick Meets Click (BMC) estimated 13.1 million U.S. households were using online grocery shopping in August 2019. By May 2020, that number had increased 228 percent to 43 million.[6]

Even as stores began reopening to in-person shopping, online ordering trends have continued to increase. Acosta Insights reports that 31 percent of U.S. online shoppers—including 50% of millennials—reported they are very likely to continue using online grocery pickup or delivery once the pandemic is over.[7]

STREAMING THE WAY TO SUCCESS

Back in the day, Blockbuster was one of the largest video rental companies across the country. When digital rentals and streaming was brought to their attention, they wrote it off as a lousy trend. Netflix pounced on the opportunity and today is one of the most successful streaming companies in the world. Today, the movie industry is faced with another similar dilemma. Without theatres open to show feature films, production companies are taking a huge hit and being forced to push back releases. However, one company is taking the first steps to innovate and change the way movies are being released. In response to a 90% drop in earnings in May, Disney shifted the premiere of their live-action remake of Mulan to their streaming platform, Disney+, where subscribers could pay a one-time $30 fee to stream the film.[8]

According to 7 Park Data, the move was highly successful, increasing Disney+ app downloads 68 percent and grossing more than $200M in the first two weeks following the release.[9] Now, Disney has queued up another streaming premiere with its upcoming release of Pixar's Soul.

In today's world, you have to be willing to explore new technology and trends. Change is difficult, but in order to succeed, you have to take a long hard look in the mirror and examine every part of your organization. If you're struggling to know where to begin, ask yourself these questions:

▸ Do we have the right team to take us where we want to go?
▸ What changes must we make right now to adapt better?
▸ Is our vision powerful enough to inspire our employees and customers to embrace the future?

The Time for Change is Now

The initiative for digital sales transformation isn't a new phenomenon. It was already on the far horizon and emerging. The COVID-19 pandemic merely accelerated it. SPM is your pathway to digital transformation.

> **Sales Performance Management (SPM) is not a recovery tool; it's a growth tool."**
> Mary Shea, Forrester Principal Analyst

To survive in this new selling world, you have to be flexible, agile, and nimble. That's not something you can do manually and without data and technology. And the longer you wait, the further behind you become.

Sales Performance Management is more than just automating processes. It's a holistic solution that empowers strategic planning and operations. It allows you to turn data into insights so you can make the best decisions for your business. Sales Performance Management is designed to help you react quickly to a situation and enable you to proactively analyze, adapt, and pivot in real-time. And with the right partner, you're ready for any situation.

Learn more about Xactly's Sales Performance Management solutions and how you can get started today in a personalized demo.

ABOUT XACTLY

Xactly is leading the way in Sales Performance Management (SPM) delivering planning, execution, and optimization to ambitious and complex sales organizations. We partner with the world's leading enterprises to clear immediate sales roadblocks, enabling them to adapt with optimal sales capacity, territories, compensation plans and payment structures. Harnessing the power of AI, Xactly's scalable, cloud-based platform combines great software with the industry's most comprehensive 15-year data set to give customers the real-world insights they need to improve sales performance across the board by growing revenue, reducing risk, and containing costs.

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SOURCES

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