From Start-up to Industry Leader—The Need to Embrace Sales Analytics to Drive Growth

This leading provider of behavioral analytics for mobile and web applications’ mission is to help the world learn from its data in order to build products and user experiences that people love.

Even though the company was a purveyor of data analytics and on an enviable growth track, its sales organization was being managed via Excel sheets with limited access to data. The company was maturing from its status of “start-up” and recognized that the entire company needed to embrace the value of analytics since it was part of their ethos and necessary for their next stage of growth.

Relying on Excel formulas and fractured data being sourced from siloed teams, the company could automate their sales operations processes to a small extent, but it was primarily a manual endeavor. With their plan to triple their sales headcount within two years and then double it every six to nine months going forward, the company’s manual processes would prove to be a roadblock to enhancing sales morale and hitting their aggressive growth goals.

This behavioral analytics leader first engaged with Xactly at a time where they employed over 200 people and had raised $77 million, including a $65 million Series B round from Andreessen Horowitz in December 2014 that valued the company at $865 million. Even with a positive valuation and an impressive client list the company had recently gone through a small round of layoffs, primarily in sales, that had the potential of derailing their sales team morale. The layoffs were not a sign of trouble but rather an issue of over hiring at the wrong time.

This setback served as a reminder for the company that data-driven planning and incentivizing were essential to meet their growth objectives and this hinged on their ability to effectively engage and inspire their sales teams. The company wasn’t just looking for a technology solution to automate incentive compensation, they were seeking an expert in the space of Sales Performance Management (SPM) that would partner with them as they looked to enhance their market share in North America in addition to pursuing international growth.

This company appreciated the need for a tiered approach to embracing a new way of managing their sales performance. Automation was the first key initiative. They implemented Xactly Incent to reduce their processing time of commissions and easily introduce more complex compensation plans while maintaining accuracy. With increased access to data and a better understanding of what type of compensation plans led to the greatest growth, they then focused on plan enhancements that would encourage specific rep behavior to drive the company’s continued positive growth.
Automating their sales planning process was the next step. Their Sales Operations team started modeling growth scenarios using Xactly Sales Planning. Connected to their ERP system, the team could quickly model different hiring scenarios, modify productivity and ramp times, assign quota, and build out territories all in one tool. Every change led to a real-time update on the built-in dashboard within Xactly Sales Planning that showed if their plans would help them reach their targets. Xactly Sales Planning also connected directly with Salesforce, allowing their Sales Operations team to not only plan more effectively but also continuously monitor their actual sales performance throughout the year.

Adopting a data-driven approach to SPM has accelerated this company’s growth and increased Sales Operation’s productivity. Europe and Asia now make up 40% of its revenue growth and continues to expand. The firm now employs a sales team of 100+ reps in both capacity and non-capacity bearing roles and this number is projected to grow. Modeling new sales plans used to take weeks and now it’s completed within hours, an ~80% reduction in time to produce plans. This is especially important as the company looks to continue its expansion in North America, Europe, and Asia.

In addition, implementing Xactly Incent and Xactly Sales Planning has enabled this company to:

**Enhance sales team morale by providing** a single system to manage compensation, ensuring accuracy and providing the flexibility to build multiple compensation plans with the local context in mind.

**Provide a single source of truth for** all sales leaders, including the CEO. The goal going forward is to use Xactly Sales Planning to disperse performance information throughout the year to sales leaders.

**Increase team collaboration between** Finance and Sales Operation team. Now the FP&A and Sales Ops teams focus on strategies to grow the business instead of the process of building a plan.

**Results**

- 80% reduction in time to create sales plans
- Decrease in manual processing time from weeks to hours.
- Higher quota attainment due to increased visibility.
- Increased reporting capabilities, including a change from static excel statements, to live dashboards being sent to reps.
- Increased data analytics and proactive sales planning.
- Proactive management of rep attrition, productivity, and ramp.

**Products Driving Success**

- Incent
- Sales Planning

**Sources:**

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