# Step-by-step CRM data analytics for sales teams

How to go beyond metrics and find actionable insights to improve sales performance

# Finding insights is hard—don't make it any harder

Every sales team needs analytics. You're probably already tracking pipeline and performance metrics, and that's a great start. However, if you don't have an analytics solution in place, you lack the ability to go deeper—to gain actionable insights into your business and make the changes you need to improve results all along the sales process.

As a senior vice president from Ogilvy put it in a *Harvard Business Review* article: metrics are easy, insights are hard.[1]  Metrics are the foundation for good analytics, but they're not "the answer." Instead, metrics should be used as a prompt to ask "why" and open the door to data analytics and discovery.

## Metrics mind frame

"Our win rate dropped 5% last quarter."

## Analytics mind frame

"Why did our win rate drop 5% last quarter?"

# What sales metrics to measure

Every business tracks different metrics. However, the purpose of sales metrics tends to be either to motivate salespeople or illustrate the health of the business.

### Metrics that motivate
The key here is to identify which sales metrics have the most meaning for your sales team and if and how those sales metrics can be used to positively influence team members' behavior. In other words, will the metrics you've chosen motivate team members to try and improve those metrics?

### Metrics that illustrate business health
And, of course, there are some basic sales metrics, beyond revenue, that every sales team should be on top of. You're probably measuring some of them already. These may include:

- The number of open/active and closed/lost opportunities in total and by salesperson

- Percent of sales team achieving quota

- Marketing lead qualification rate

- Average deal size

- Win rate or the number of closed opportunities that were won

- Sales cycle length or the average number of days it takes to win a deal

- Activities along the sales process, e.g., number of qualifying calls, prospect meetings, demos, and more

**The purpose of sales metrics** tends to fall into two categories:

1. Metrics that motivate

2. Metrics that illustrate the health of the business

# More metrics considerations

## Don't bother with metrics that don't impact your goals

In other words, if you don't use it, lose it. In addition, determine what level of granularity is valuable—such as which activities along the sales process you want to track. Why are these considerations important? Reporting can be very resource intensive, so don't waste time tracking metrics no one needs. Review current reports and determine if they're still relevant. For example, ask how are you going to use the data? Are you planning to take any actions on the data?

## Measure relevant, timely data

Unlike spreadsheets, robust data analytics tools within your customer relationship management (CRM) solution helps ensure that the data you capture provides a dynamic snapshot of your business. Using real-time data for sales analytics may have seemed unattainable a decade ago, but today's CRM analytics make it not only possible, but affordable.
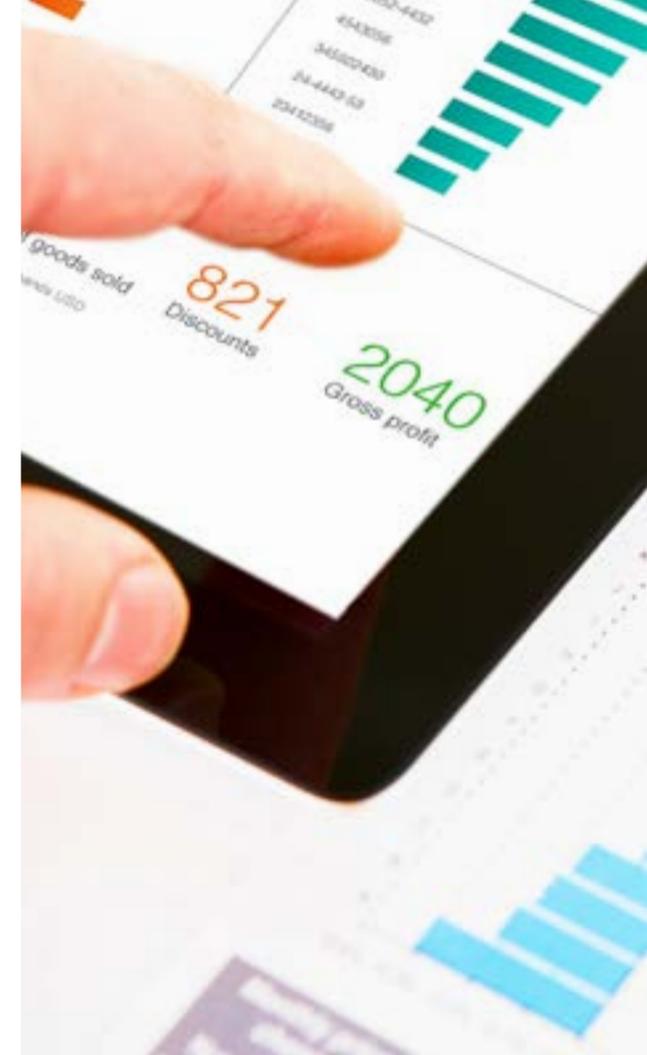
# Now, about insights...

## Going beyond the metrics

Once you've identified which sales metrics to track, the next step is analytics. There's no one right way or a linear path to doing data analytics. It depends on your company's unique business and goals. It's also an iterative process in which you're constantly searching for better or different insights, or ways to predict results more accurately.

**One way to think about CRM data analytics is that it involves "data discovery." This is the process of peeling back the onion to get at the real root of what you're trying to find out.**

With a good analytics platform, your metrics become the jumping-off point for a deeper dive. For example, let's take a look at how the data discovery process could work.

## Metrics show:

**Revenue is down**

**The win rate dropped**

**The number of open opportunities decreased**

## To find out why, you may want to drill down into:

- Average productivity of salespeople
- Number of productive salespeople
- Average deal size
- Number of product demos and average conversion rate

- Lead quality
- Deal size
- Sales cycle length
- Activities along sales process

- Lead quality
- Activities along sales process

# Combine and slice data in new ways

A good CRM analytics solution allows you to add and combine different sources of data with your centralized customer data to find new insights. For example, you may want to pull in data from an external data source, as well as order information from your ERP system, to help you target timely upsell opportunities. You also can add data from market research, studies, surveys, reports, and analyst interviews, and manipulate it with your CRM analytics tools to see your data in a new light.

You also should be able to slice and dice sales performance data in many different ways, including by individual, team, region, product, and more, and compare weekly, monthly, and year-over-year numbers. Looking at information from different angles can provide you with insights into trends you may not have seen before. As the authors of Big Data, Analytics, and the Future of Marketing & Sales explain, slicing data in new ways requires a shift in thinking, such as doing a micromarket sales analysis instead of a more typical regional one. One company that did this found that although it had captured 20% of the overall market, it had as little as 10% market share in some micromarkets that were emerging as hot opportunities.[2]
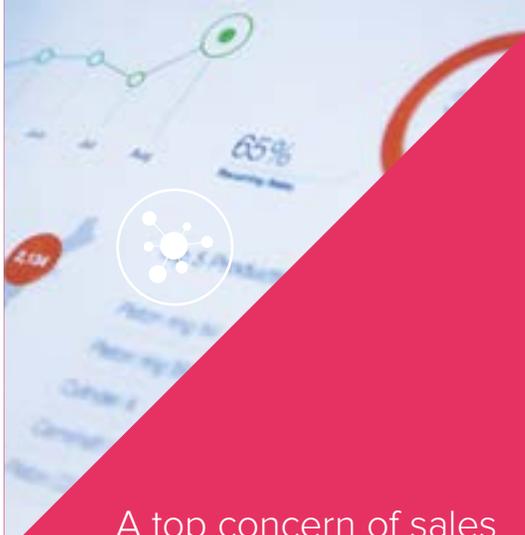
A top concern of sales teams that use analytics is that there's a lack of a single source of truth—instead, data is siloed and users can't access what they need.

—ABERDEEN GROUP

# Pinpoint road bumps in the sales process

You know when you're not hitting your numbers, but do you really know why? With CRM data analytics, you'll have a way to figure it out. To get a good handle on where things are falling short, you need to track and analyze sales team members' activities, like customer calls (e.g., quantity, time to response), emails, meetings, and demos. By understanding at which points in the sales process sales reps are having trouble, sales managers can provide the training needed to help a rep sell more and achieve her quota—before she misses her number. In addition to helping your company sell more, this process has the added benefit of improving the entire customer experience by making customer interactions more consistent across touchpoints.
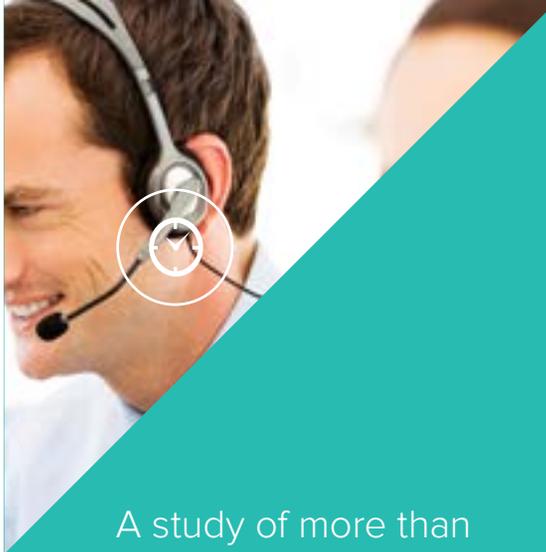
A study of more than 2,000 companies showed that sales reps who contacted prospects within an hour of receiving an online query were nearly 7 times more likely to qualify the lead.

—HARVARD BUSINESS REVIEW

# Increase selling efficiency

Data analytics can also empower sales team members. Sales reps can access data analytics themselves to identify their best prospects and determine where they should spend the most time and resources to get the greatest return. For example, with a good CRM analytics solution, sales teams can develop profiles of their best customers and have the solution automatically flag prospects that fit those same criteria. Also, analytics can help motivate salespeople by showing reports on where opportunities are, which can help them figure out how they can grow their business and increase commissions. And, when analytics and CRM are used company-wide, sales reps can see which prospects and customers responded to marketing promotions or had service issues, and follow up accordingly.

**Sales teams using data analytics averaged a 3% improvement in average sales cycle** year-over-year, using data to identify the best prospects and moving them through the sales process more quickly.

—ABERDEEN GROUP

9

# Take advantage of predictive modeling

Predictive modeling is becoming an essential "crystal ball" for sales and marketing. Like forecasting taken down to the individual level, predictive modeling is the process of using your existing data to predict behavior of customers and prospects, so you can optimize each interaction. For instance, predictive modeling allows you to identify your best prospects based on characteristics of your best customers. It also can help determine which will be the most relevant products and services to sell or cross-sell. And, it's effective at identifying the trends that help you forecast potential market opportunities to grow your business or in detecting possible problems before they occur.

Companies that use analytics and forecasting reported an 8.6% year-over-year increase in total revenue, compared to a 4.6% increase for companies not doing forecasting.

—THE ABERDEEN GROUP

# Steps to data discovery

Here are the steps you can take to get started using CRM analytics to improve your sales performance.

## Ask the right questions

Your questions aren't helpful if they're too broad, like "Why have sales decreased?" Be as specific as you need to be to get at a meaningful answer. A better question would be: "What are our best performing lead sources?"

## Drill into details

Drill down into underlying data points to understand what's happening and why. Manipulate the live data in real time (by using filters, plotters, graphs, etc.) to create visualizations that answer your questions.

## Change with the data

Once you get the data back from your query, review it. Did it give you what you need? Now begins the iterative process of refinement, when you evaluate and optimize triggers, analyses, and forecasts. Dynamic visualizations save time, too. If the executive team has more questions, manipulate the data to show the answers, instead of starting over from scratch.

CRM analytics isn't as complex or resource-intensive as traditional business intelligence (BI). It's a way to democratize data and allow multiple end users to quickly access and share data visually via an intuitive user interface.

# How to share your data: dashboards vs. visualizations

People love sales dashboards. And there's a good reason: They're a great way to display complex data so that it's easy to understand. The drawback of sales dashboards is that they represent a static overview of the metrics you've tracked in your spreadsheets. However, dashboards do have their time and place—such as for providing a quick, high-level snapshot of data for a status update. A good analytics solution will have some out-of-the-box dashboards that can get you up and running quickly.

In contrast, dynamic visualization tools allow sales teams to perform data discovery on near real-time data. Teams can drill down into the underlying data, and reorganize data to create visual representations of business insights.

When an entire sales team uses interactive visualizations, it can bring data sharing to a new level. For example, sales reps can create their own sales forecasts and track to them. Then, the sales manager can combine all reps' forecasts into a master forecast and share it with management or the executive team—which can drill down into the details they need—saving managers a lot of administrative time.

## Dynamic tools include:

- Interactive controls

- Configurable visual elements

- Ability to view underlying data

- Intuitive filters to limit dashboard data

- A variety of sophisticated visual data tools

# Best practices for dynamic visualizations

When implementing dynamic analytics visualizations, consider these best practices:

- Present only the most relevant information at the top level and guide users to drill down into details as needed.

- Enable interactive controls that sales team members can use to define dashboard parameters, metrics, methods of calculation, data to display, and more.

- Allow configuration of dashboards using different visualizations and change the way summary data is displayed through pivoting.

- Enable a view of the list of individual records that contribute to the values in a dashboard.

- Use hierarchy, range, and list filters to limit dashboard data based on a date range, opportunity value, individual salesperson, and more.

- Map data with graphically rich charts and visual tools including bar, pie, and line charts, combination charts, tree maps, heat maps, scatter plots, and bubble charts.

Dynamic visualizations allow sales teams to get more out of their data. Data is no longer static, but actionable and empowering.

# Why Infor CRM?

Technology has changed the game when it comes to sales analytics. But you need to be sure to find the right analytics solution for your needs. With Infor® CRM, you get:

- An advanced analytics solution within your CRM system

- A cloud-based solution (SaaS) that lets you get up and running quickly and prove ROI

- Real-time data discovery, with the ability to drill down into underlying data

- An intuitive, user-friendly interface that helps reduce training time and encourage adoption

- Pre-built and customizable dashboards, reports, and visualizations, that allow users to create views that work for them

- Rich functionality on smartphones and tablets

- Unparalleled flexibility and control in how you deploy, use, and pay for a powerful CRM solution

"
We took a report that was being created in Excel® that was stagnant and had data entry errors and now we're providing a ton more data to the company at the click of a button."

KAREN DEDIER,
Noble Courtaulds UK Ltd.

**For more information about how Infor CRM is helping sales teams in today's ever-changing world,** please call 800-260-2640 or visit the Infor CRM website.

## About Infor

Infor is the world's third-largest supplier of enterprise applications and services, helping more than 73,000 large and mid-size companies improve operations and drive growth across numerous industry sectors. To learn more about Infor, please visit www.infor.com.

References
1 Metrics Are Easy; Insight Is Hard, Harvard Business Review, Sept. 24, 2012.
2 Big Data, Analytics And The Future Of Marketing And Sales, Forbes, Jul. 22, 2013.

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