Clari 2020

How to Choose A Revenue Operations Solution For Your CRM

An evaluation guide for adding an AI-based solution to supercharge your revenue stack

Table of Contents

The Revenue Process

Revenue is a process, not just an outcome.

Revenue generation, the most important business process in any B2B company, can be a real mess. It's usually managed with a DIY hodgepodge of spreadsheets, stale reports, and inconsistent manual processes cobbled together on top of your CRM.

And while revenue teams focus on doing "whatever it takes" to make the number, few view revenue as an end-to-end business process that can be managed and optimized for efficiency. For most companies, this business process remains disconnected, inefficient and unpredictable.

In this guide, we'll outline proven strategies and requirements needed to successfully select the right AI-based Revenue Operations Solution to modernize your revenue process and drive sustainable growth.

—TOPO Analysts see a common theme amongst the go-to-market leaders in our High Growth dataset—for them, revenue is more than a mere outcome. It's a fundamental business process that can be streamlined, automated and optimized.

Craig Rosenberg
Chief Analyst @ TOPO

Why CRM Alone Falls Short

CRM was designed over 20 years ago as a system of record to manage account and transaction information. While CRM is essential for business, it wasn't designed for the modern revenue process. Generating revenue has changed dramatically since CRM was introduced:

> **The B2B buyer's journey has become more sophisticated**, and unpredictable, making ongoing engagement and activity insights critical to success.

> **New revenue models based on subscription and consumption** require new key success indicators like recurring revenue, churn, upsell and net dollar retention, that are hard for revenue teams to manage in CRM.

> **The pace of change continues to accelerate,** requiring new analytical frameworks and metrics. CRM was not designed to handle rapidly changing business dynamics.

In this new world, CRM systems alone can't support modern revenue teams.

CRM relies on manual data entry and so is rarely up-to-date or accurate.

60%

of sales reps activities never get logged to CRM.[1]

CRM can't track history, so it is data-starved, without context to "teach" machine learning algorithms.

ONLY 20

fields[3] are snapshotted in CRM, so predictability is not based on data from ALL fields.

CRM doesn't process all activity that live in other systems in your stack to help drive predictability.

51%

of CRM customers cited data synchronization as a major issue.[2]

CRM is hard to configure so it can't easily adapt when you launch a new product or a new initiative.

72%

of CRM customers indicated they would trade functionality for ease of use.[2]

[1]Sirius Decision Report Measuring Sales Productivity Indicators

[2]CSO Insights

[3]Per SFDC entity

Supercharge Your CRM

CRM is simply designed for a different set of problems. A Revenue Operations Solution should work alongside your CRM and use AI and automation to give you greater control over your revenue process.

Use CRM to:

- Track and manage account information
- Maintain and update contacts
- Record transactions
- Inform financial reporting

Use Revenue Operations platform to:

- Know when you're short on pipeline
- Predict outcomes early in the quarter
- See when your deal is a dud
- Spot churn risk before it's too late
- Track sales and buyer activities
- Automate back-office work
- Manage forecast calls, 1:1s and QBRs
- Automate data entry

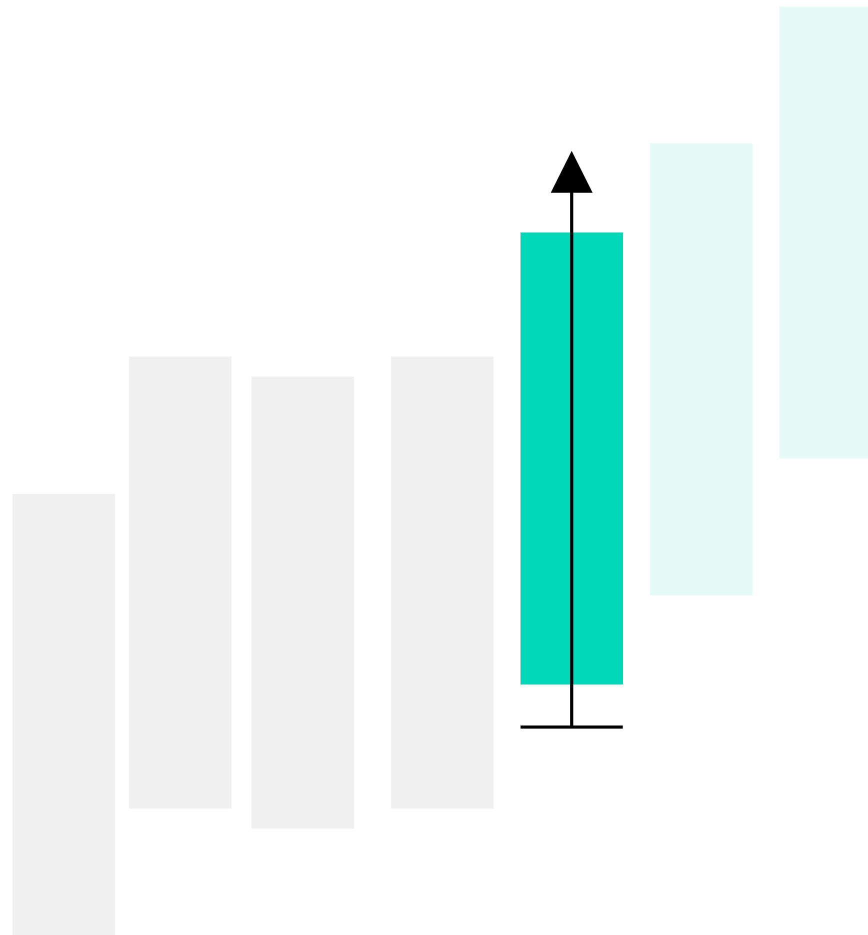
Start by asking yourself:
What are you trying to achieve?

Drive predictable revenue and forecast your business with no surprises

Manage your revenue creation, growth and retention motions

Improve efficiency and reduce time waste across the revenue org

Align sales, marketing and customer success around the same revenue goals



Critical Capabilities and Requirements

Critical capabilities and requirements for an AI-based revenue operations solution

There’s a new category of systems emerging to help companies control their revenue process. This new way to generate revenue brings the same level of transparency and rigor to revenue that companies expect from any other mission-critical business process (ERP, supply chain, etc...).

Here's what you need to make your revenue process more connected, efficient and predictable:

Trustworthy data & automation

Automated data capture and history snapshotting across your rep and buyer activity signals so information is always complete and up-to-date.

Deeper revenue insights

AI-powered visibility into all engagement and activity data to help you spot revenue risk and opportunity for better resource allocation.

Predictable forecasting

Ability to accurately predict revenue results for any segment of your business, including net new logo, pipeline, upsell, cross-sell, renewals and churn.

Consistent execution

AI-driven automations and user experiences that your revenue team more productive and efficient, from sales to marketing to customer success.

Trustworthy data and automation

Deal data that is always up-to-date automatically captured and snapshotted across all rep and buying activity signals including **CRM, Gmail, Office365, Exchange, Marketo, Pardot, Outreach, Gong, Drift, Highspot, Docusign** and all the other go-to-market business systems that support your buyer's journey.

Why is this important?

Automatically captured data reduces the time waste for everyone on your revenue team: front office sales rep manual data entry, back office operational spreadsheets, and custom ad-hoc report building.

Rich data exhaust, including history tracking for every field in your CRM, "teaches" AI and machine learning models for better predictions about your business.

High data quality gives you visibility and activity insights, allowing you to spot risk and take action on it to drive predictable results.

How to evaluate?

Understand if there are any manual tagging or opt-in steps required for getting the data.

Ask how much history is kept for each field in your CRM and what is required to configure that in order to get the complete history of your data.

Make sure your vendor supports integrations with other business systems outside CRM. Equally important is for those integrations to be out-of-the-box without additional set up.

Key features to look for:

Real-time connection to CRM	Ability to sync all updates with CRM in real-time
Direct integration with email and calendar	Ability to automatically capture sales-related email and calendar data from Microsoft Exchange, Office 365 or Gmail
Out-of-the-box integrations	Ability to roll out integrations with no manual set-up required by the end user
Integration with go-to-market systems	Ability to integrate with business systems including VOIP, sales acceleration, marketing automation, conversational intelligence and sales enablement platforms.
Time series data snapshotting	Ability to automatically track history of every field in CRM
Automated activity logging	Ability to automatically create activity records in CRM for customer engagements captured directly from email/calendar
Capture new contacts from sales activity	Ability to automatically extract contacts from emails and meetings invites and sync them to CRM if a matching contact does not already exist
Automated opportunity contact role association	Ability to automatically associate new and existing contacts with deals as opportunity contact roles
Contact enrichment	Ability to integrate with existing contact enrichment tools to fill in additional details
Lead conversion	Ability to detect engagement with someone that matches an existing lead record and automatically convert it to a contact
Scale support	Ability to support large and complex datasets

Deeper revenue insights

Real-time, actionable analytics and AI-driven insights that provide complete visibility into the health of your deals and pipeline including where you have upside opportunities, pipeline coverage gaps, deals at risk of slippage, accounts at risk of churning, and upsell potential.

Why is this important?

Predictive deal scoring and trending lets you quickly identify deals that need more attention or can potentially be pulled forward, removing the guesswork and saving precious time on 1:1s and forecast calls.

Pipeline visibility helps the entire revenue team understand changes in the pipeline all the way to the individual rep level and where more coverage is needed to hit your number for the quarter.

A single source of truth reduces interrogations and creates transparency and accountability across sales, marketing and customer success.

How to evaluate?

Verify that insights and analytical views are easily available and do not require a massive development effort to configure and build out.

Look for how reps, managers, sales leaders, marketers and other stakeholders can use the data in their daily workflows to ensure you have high adoption across your revenue organization.

Key features to look for:

AI opportunity scoring	Ability to provide an opportunity score based on behavioral patterns
AI opportunity score tuning	Ability to tune the scoring algorithm based on certain characteristics
Activity scoring	Ability to score opportunity based on the level of sales activity
Opportunity insights	Ability to view all activities associated with opportunities
Opportunity risk assessment	Ability to inspect deal risk based on CRM activity as well as rep email and calendar activity
Pipeline progress inspection	Ability to view how the pipeline is evolving throughout the quarter
Tracking global, historical pipeline changes between any two points in time	Ability to view pipeline changes by forecast category or stage, including deals that slipped, closed won/lost, changed forecast categories or were added to the quarter
Real-time update indicators	Ability to show historical changes to opportunity fields in real time and highlight deals with no recent updates
Suggested pipeline coverage for future quarters	Ability to generate an AI pipeline coverage suggestion for future quarters
Quarter-over-quarter status	Ability to compare the status of the current quarter to the same time in previous quarters
Rep activity insights	Ability to view activity at the rep level and rank reps by activity metrics
Account engagement insights	Ability to see customer engagements across all accounts

Consistent execution

Your Revenue Operations solution should replace all the spreadsheets, reports, and manual efforts used for managing the critical moments in your revenue process. This includes 1:1s, forecast calls, pipeline reviews, churn management and more, so you are able to efficiently execute on delivering revenue.

Why is this important?

Spend less time reporting the news and more time executing current quarter and building pipeline for net new, upsell and cross-sell opportunities.

Executives can review current quarter revenue trajectory against targets and readjust strategy so there are no surprises.

Managers are able to coach reps, accelerate ramp time and drive better adoption of the sales process.

Sales, marketing and customer success have a shared view of the business so they can make data-driven decisions in a transparent and repeatable way.

How to evaluate?

Look for purpose-built workflows and user experiences that can streamline execution across the revenue process. Ask for day-in-a-life demos to understand each use case across reps, managers, ops, sales executives, customer success and marketing.

Check for intuitive dashboards, alerts and mobile experiences that will drive higher adoption across the team.

Key features to look for:

Customizable and flexible dashboards and reporting	Ability to create dashboards (for QBRs, 1:1s, etc...) and share them with specific users or user groups
Mobile and web platform support	Ability to support use cases, such as deal update and forecast submission in web and mobile
Mobile opportunity hygiene alerts	Ability for reps to be reminded of important deals to update
Current and next quarter overview	Ability to view current and next quarter against targets by business segment/team/rep
Issue top deal and overdue alerts	Ability to generate alerts with top deals at risk, stale deals and deals that can be pulled in
Manage 1:1 calls	Ability for managers to inspect pipeline across reps while collaborating on the same data
Manage real time forecast calls	Ability for teams to review forecast, drill down into deals and update forecast in real-time
Manage pipeline review calls	Ability to review pipeline and drill down into deals in real-time
Manage QBRs	Ability to review past quarter performance, inspect current quarter deals and evaluate next quarter pipeline

Predictable forecasting

Revenue predictions for your current quarter and out-quarters are accurate and can be quickly produced early in the quarter and at any given point throughout the quarter for any team, geo or business segment.

Why is this important?

The ability to predict revenue sets the pulse for the entire company and allows you to properly align the operating budget with the operating plan so you can invest back in the business.

Getting out of spreadsheets and ad-hoc reporting makes your forecast roll-up process more automated and efficient, saving time for all key stakeholders.

Forecasting across all revenue dimensions provides the most accurate view of your business.

How to evaluate?

Understand if the system is flexible enough to fit your sales process and forecasting approach—and how easily it can be adapted to future changes in your business.

See if it can be configured to forecast not just net new opportunities, but also churn and upsell opportunities and other revenue dimensions.

Key features to look for:

Real-time connection to CRM	Ability to present real-time CRM data in forecasting views
Forecast history tracking	Ability to track individual changes to forecast updates
Flexible forecast architecture	Ability to roll up forecasts against product line items, revenue schedules, quantities, splits, and custom objects
Forecast time period customization	Ability to set quarterly, monthly, and weekly fields for submission
Support for multiple forecasts	Ability to create multiple forecasts for different business segments
Support for forecast aggregation	Ability to aggregate forecasts across multiple parallel forecasts
Aggregation of monthly forecasts to quarterly forecasts	Ability to combine forecast values from months into a quarter
Forecast KPI's	Ability to display forecast KPIs such as coverage ratio, pipeline generation, gap to quota, gap to closed, etc...
Forecast submission	Ability for reps/managers/execs to enter forecast updates, overrides and notes
Integration with deal-level insights	Ability to see AI-generated opportunity score and all activity associated with the opportunity
Opportunity-level overrides	Ability for managers to override individual opportunities in/out of the forecast
Mobile forecasting	Ability for reps/managers/execs to submit updates to their forecast via mobile device
Update cadence configurability	Ability to set compliance with forecast submission periods
Current quarter/month projection	Ability to provide an AI-generated projection for the current quarter/month based on past quarter history
Historical, side by side comparison of the AI projection, pipeline and forecast call	Ability to display the historical trends of an AI projection next to the pipeline and manually inputted forecast
Next quarter projection	Ability to provide an AI-generated projection for next quarter based on past performance and current next quarter pipeline
Suggested pipeline coverage for future quarters	Ability to generate an AI-generated pipeline coverage suggestion for future quarters

How to Execute:
Buy vs. Build

Now that you have the requirements needed to streamline, automate and optimize your revenue process, there are a few things you want to consider when implementing your solution across your revenue teams.

If CRM isn’t supporting your needs you may naturally be inclined to build your own customized revenue operations system. While that is doable, be sure you take into consideration the following:

Adoption rate	Ensure intuitive user experience and workflows that the entire revenue team can find useful. A disjointed experience can result in low adoption.
Time to implementation	Weigh the pros and cons of a long process of defining, scoping and deploying a home-grown system versus an out-of-the box solution.
Cost to build	Account for the cost of implementation consultants, data warehousing experts and long hours of coding queries to stand up a solution.
Use cases by persona	Your entire revenue team should benefit from your solution to achieve the highest ROI. Ensure all critical capabilities work for everyone on the revenue team.
Accuracy of prediction	Predictive capabilities and machine learning algorithms should be scientifically sound, backed by experts and incorporate all data points and fields.

—Without Salesforce, our business never takes flight. Without Clari, we never reach Mach speed.

Steve Fitz
CRO @ Sumo Logic

Key Takeaways

Modernizing your revenue process by adding an AI-based Revenue Operations solution to your CRM will drastically transform the way you drive revenue growth and retention for your business.

If you're trying to drive predictable revenue, better manage your revenue motions, and improve efficiency and productivity across the revenue organization, CRM is not enough. Your system should be purpose-built for revenue teams and compliment your CRM with:

> Deeper purpose-built revenue insights
>
> Visibility throughout critical moments for consistent execution
>
> Accurate predictions to improve forecasting
>
> More automated data capture and snapshotting

Use these proven strategies and requirements to select the right AI-based solution for your business.

Clari

Clari's Revenue Operations Platform improves efficiency, predictability, and growth across the entire revenue process. Clari gives revenue teams total visibility into their business, to drive process rigor, spot risk and opportunity in the pipeline, increase forecast accuracy, and drive overall efficiency. Thousands of sales, marketing, and customer success teams at leading companies, including Okta, Adobe, Workday, Zoom, and Finastra, use Clari's execution insights to make their revenue process more connected, efficient, and predictable. Visit us at clari.com and follow us @clari on LinkedIn.

—I need CRM to run my business. I need Clari to accelerate my revenue.

Todd McKinnon
CEO & Co-Founder @ Okta