Gartner for Sales

The Future of Sales Analytics

A roadmap for sales operations

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Sales analytics functions often struggle to deliver desired commercial impact due to perennial challenges with low data quality and poor stakeholder engagement. To achieve their full potential, sales operations leaders must prioritize data governance, data literacy and advanced analytics technology.

Steve Rietberg
Senior Director, Research

Steve Herz
Senior Director, Research

**Adnan Zijadic**
Senior Principal, Research

Overview

Key Findings

- The need for collaboration among commercial functions is growing as buyer preferences evolve. From an analytics perspective, seller-provided CRM data may no longer provide sufficient intelligence on buyer behavior and intent. Sales analytics functions that don't fully understand the information needs of the larger organization are missing the opportunity to share insights among commercial functions to drive more cohesive decision making.

- Fifty-three percent of surveyed organizations attribute poor sales data quality to inaccurate and incomplete data. Unfortunately, just 51% have established a formalized data governance body. A lack of data governance makes it difficult for sales operations to improve data quality and build trust in their analytical insights.

- The technology delivering sales analytics most commonly consists of reports and dashboards residing in native sales systems. Expectations for unlocking analytical insights through more advanced technology, particularly by improving data integration and deploying artificial intelligence (AI), are on the rise. Sales operations leaders are challenged to identify the technologies most appropriate for their organizations.

53%
of surveyed organizations attribute poor sales data quality to inaccurate and incomplete data

51%
have established a formalized data governance body
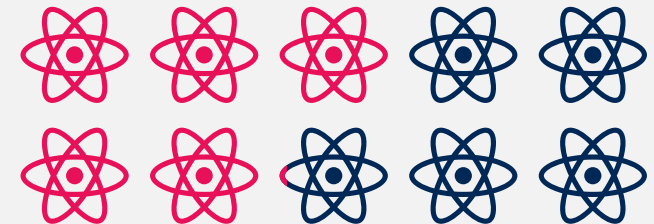
Recommendations

Sales operations leaders responsible for improving sales analytics must:

- Ensure executive support for transforming the sales analytics function by designing a clear and compelling vision for sales analytics that reflects the needs of all commercial functions.

- Establish a formal data governance program to monitor and promote data quality, oversee analytics projects and enable high-quality collaboration among all sales analytics stakeholders.

- Initiate a cross-functional data literacy program to ensure that consumers of sales analytics derive meaningful value and consistent interpretation.

- Develop a multiyear roadmap for sales analytics technology by identifying and prioritizing specific use cases where advanced technologies offer the highest potential commercial impact.

Analysis

Sales operations leaders responsible for sales analytics are faced with a widening gap between their stakeholders' need for data-based insight and today's status quo of data and analytics.

A number of factors are contributing to this growing challenge:

- Suppliers are facing unprecedented disruption and are looking to analytics to help them make sense of changing buyer behavior.

- Buyers are increasingly opting to interact with suppliers through digital channels, making it harder for sales analytics functions that rely on seller-provided pipeline data to glean insights.

- Sales operations leaders cite the complexity of business and its underlying data as a top obstacle for sales analytics, which will be exacerbated as new systems and data sources are added to the technology stack.

- Suppliers intend to invest in AI to take advantage of more predictive and prescriptive analytics, but are unsure where (i.e., with which use cases) to begin that journey.

2021 Strategic Roadmap for Sales Analytics

Sales operations leaders can use our roadmap to set their vision for bridging the gaps between their current and future states.

Future state

- Augmented analytics and the decline of the dashboard

- A host of new data inputs unlocked by X analytics (technology that can detect, evaluate, extract and organize data from written text, spoken words and video recordings)

- A seamless buying experience enabled by continuous intelligence

- Democratization of data science and AI

- Personalization displacing one-size-fits-all analytics

Current state

- Sales analytics primarily targeted to the sales function

- A common challenge posed by data governance

- Prevalence of native sales system reporting

- Data literacy lowest at the seller level

Gap

- Limited participation in analytics selection and design

- Analytics adoption inhibited by low data quality and trust

- Incomplete integration of channel interaction data

- Gaps in data literacy limit ROI on sales analytics

Migration plan

- Align stakeholders on a vision and prioritization of use cases.

- Establish data governance to enable collaboration.

- Elevate levels of data literacy throughout the organization.

- Prioritize technologies for specific sales use cases based on potential business impact.

Current State of Sales Analytics

Sales analytics primarily targeted to the sales function.

Sales operations leaders are clearly focused on delivering analytics insight to the sales organization as opposed to the remainder of the commercial organization.

Data governance poses a common challenge.

The importance of data governance for sustainable success is widely recognized, but our research indicates that barely half (51%) of surveyed organizations have established a formalized data governance body.

Native sales system reporting prevails.

Unsurprisingly, a large number of organizations rely on native CRM/sales force automation (SFA) reporting as their primary solution for delivering analytics to sellers and managers.

Data literacy lowest at the seller level.

Today's sales analytics functions are primarily focused on delivering on requests for reports and dashboards, but they neglect the need to improve the data proficiency and self-sufficiency of those making the requests.
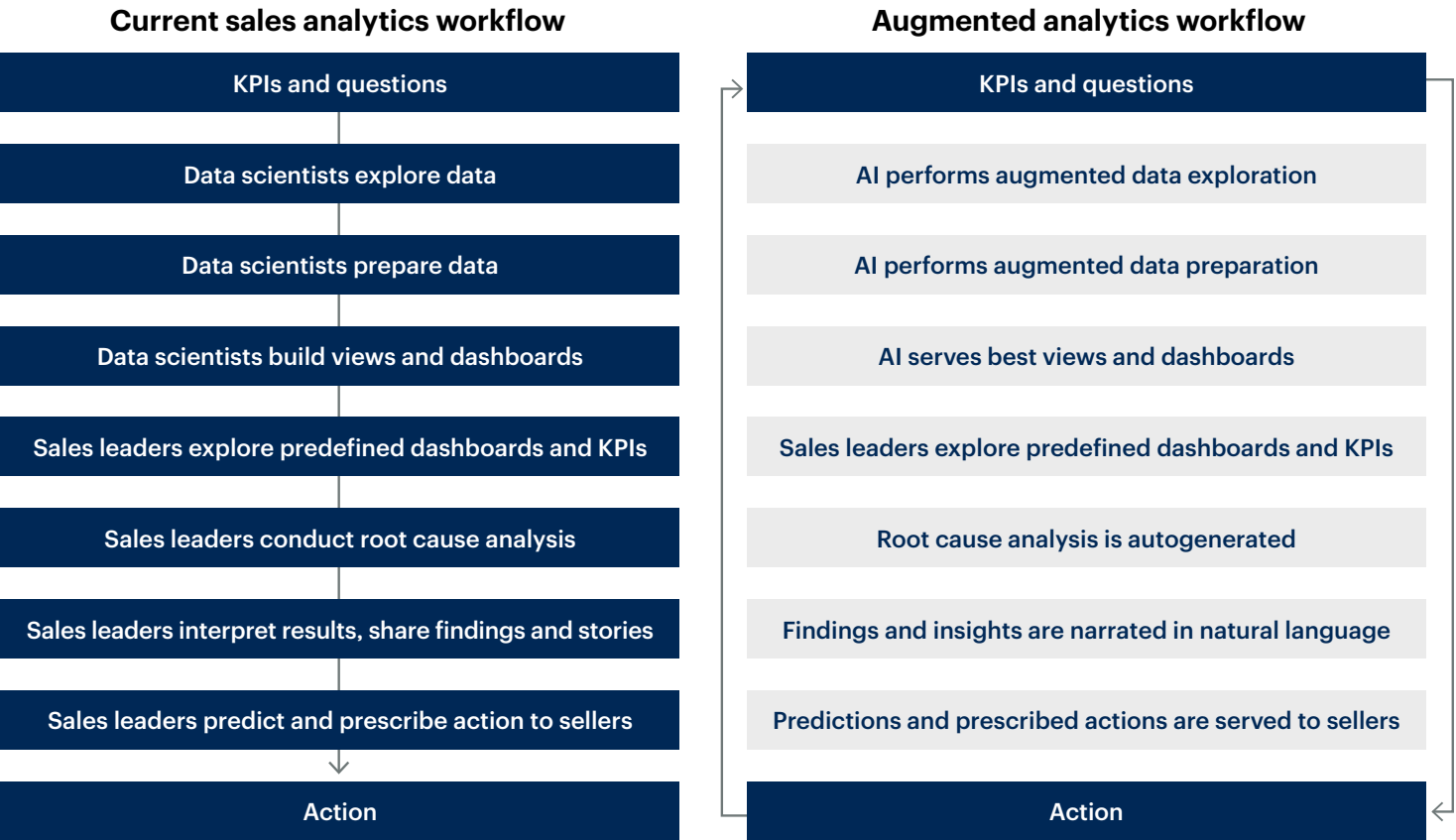
Future State of Sales Analytics

Augmented analytics and the decline of the dashboard

A group of intelligent application capabilities, collectively known as "augmented analytics," has emerged at the meeting point of three important SFA software trends.

These trends — data management automation, predictive sales analytics and natural language AI — are enabling SFA systems to perform many of the error-prone, inefficient tasks that have stood between raw data and universal access to sales insights in the past.

How augmented analytics changes the sales analytics workflow

Current sales analytics workflow

KPIs and questions

Data scientists explore data

Data scientists prepare data

Data scientists build views and dashboards

Sales leaders explore predefined dashboards and KPIs

Sales leaders conduct root cause analysis

Sales leaders interpret results, share findings and stories

Sales leaders predict and prescribe action to sellers

Action

Augmented analytics workflow

KPIs and questions

AI performs augmented data exploration

AI performs augmented data preparation

AI serves best views and dashboards

Sales leaders explore predefined dashboards and KPIs

Root cause analysis is autogenerated

Findings and insights are narrated in natural language

Predictions and prescribed actions are served to sellers

Action

Future State of Sales Analytics

### "X analytics" unlocks a host of new data inputs

Gartner coined the term "X analytics" for an emerging class of intelligent technology that can capture much of the unstructured business process information that has resisted measurement in the past. (The X is shorthand for the many data input types this model can accommodate, such as "text analytics," "video analytics" or "audio analytics.")

Examples of X analytics in sales can already be seen in conversational engagement analytics solutions, such as those recording and parsing audio and video communication streams to provide deal insights, competitive intelligence and pricing recommendations. Furthermore, SFA vendors are also embedding phone call conversation data to provide input on sales coaching.

Continuous intelligence enables a seamless buyer experience

Continuous intelligence (CI) is the real-time integration of analytical decision support directly into audiences' day-to-day business activities.

Live tracking signals extracted from sales activity data (such as email, natural language processing of phone call content, calendar invitation metadata and even handwritten meeting notes) are combined with current and historical data to derive decision-support insights. These are pushed to users just when they need them.
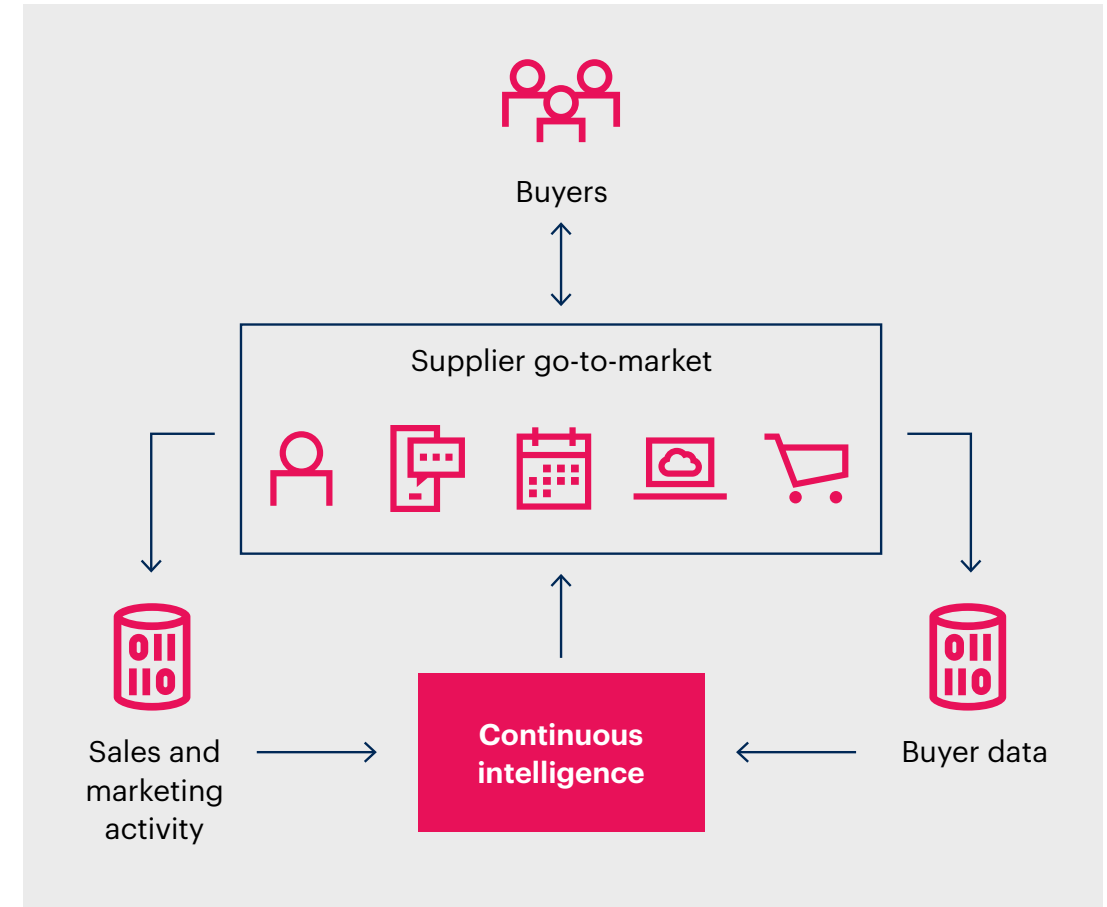
Future State of Sales Analytics

Democratization of data science and AI

In the near term, the sales analytics team needs specialists in data science to envision, develop and harness the potential of augmented analytics, CI and similar innovations linked to AI.

Very quickly, however, many of the specialized skills these experts provide will be replaced by automated analytics ecosystems that vendors are currently developing. Combined with advances in human interface capability, the native intelligence within technology itself will make sales analytics audiences more autonomous on a day-to-day basis.

Frontline and commercial leadership will enjoy seamless access to the insights they need to succeed. Meanwhile, the pressure on data experts to help deliver ad hoc support for stakeholders' everyday challenges will ease (as will the risk of bottlenecks).

As barriers to end-user access recede, a democratizing wave of audience empowerment will ripple outward from the sales analytics program. Consumers of sales analytics, inside the sales organization and beyond, will depend less on sales analytics experts to understand, model and answer many ad hoc questions.

Personalization displaces one-size-fits-all analytics

The expansion of AI technology will bring the differences in the analytic needs of different audiences into sharper focus. For strategic, centrally focused users of sales analytics (CSOs, C-suite peers and EVPs of major divisions, for example), AI will enhance decision making by flagging patterns and forecasting broad outcomes better than humans are capable of doing.

Technology advances will make district and region leaders better strategists and coaches by synthesizing customer needs at the district, territory, account and opportunity levels simultaneously. Manager-facing analytics is an especially attractive use case for AI because of the advantages that an expanded dataset provides over the current limited line of sight.

For sellers, augmented analytics functionality will improve short- and long-term decision making. Except for the most standardized, transactional settings (e.g., a high-volume call center), the value that sellers receive will come in the form of data-led decision support at the portfolio, account and opportunity levels.

Migration Plan

To overcome gaps between the current and future state of sales analytics and to realize the benefits of that future state, sales operations leaders must focus on achieving a set of strategic objectives:

Align stakeholders on a vision and prioritization of use cases for sales analytics.

Establish data governance to enable high-quality collaboration.

Elevate levels of data literacy throughout the organization.

Prioritize analytics technologies for specific use cases based on potential business impact.

These objectives may take years to fully achieve, as the effort could involve and impact all members of the commercial organization.

Strategic Roadmap Timeline for Sales Analytics

To be achievable, the overall roadmap must be scaled down into more tangible and attainable milestones.
The timeline shown here is illustrative. The reality will depend on the organization's capabilities and appetite
for change, and for some, activities may take quarters, not years.

2021

- Set vision for sales analytics with enterprisewide reach and relevance
- Define strategies for data governance, data literacy and technology
- Identify data dialects
- Triage data standardization activities

Drivers
- Cross-functional alignment
- Executive support

2022

- Prioritize analytics use cases
- Assess current technology capabilities and identify gaps
- Create dictionary of metrics
- Execute data literacy learning curriculum

Drivers
- Formal data and analytics governance
- Common language of data

2023

- Sustain data quality standards
- Prioritize analytics technologies

Drivers
- Enterprise data literacy
- Technology implementation

2024

Source: Gartner

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The State of Sales Analytics infographic

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