A PROJECT ON PRODUCT SALES ANALYSIS

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WHAT IS SALES ANALYSIS?

It's pretty simple: sales analysis is what happens when sales professionals monitor sales data, in order to evaluate sales team performance. Doing so can uncover insights about:

Top-performing products/services

Underperforming products/services

Customer behavior and retention

New sales and market opportunities

The future outlook of your sales team

When done right, sales analysis can help you run a more efficient and effective sales department now and in the future.

WHAT IS INCLUDED IN SALES ANALYSIS?

Better said: what isn't included in a sales analysis?

In the end, what you decide to include in your sales analysis report will depend on your goals. Here are some ideas:

Sales activity volume

Ratio of new leads to qualified leads

Information about your pricing structure

Data on your social media campaigns

Current sales trends

Revenue and costs for a specific period

Along with these things, a clear sales data analytics report will show you want to do with the information. Specific action steps are a key piece of sales analysis, meaning you can do more with the information you've gathered.

HOW TO PERFORM SALES ANALYSIS?

- Step 1: Choose the Right Sales Analysis Method

- Different sales analysis methods will allow you to generate different kinds of reports. So, before you do anything else, choose a method that aligns with your sales goals.

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- Here are seven specific sales analysis reports you need to know about:

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- Sales trend analysis: This type of sales analysis looks for patterns in sales data. Use it to track your team's progress towards its sales goals, while simultaneously understanding sales patterns in specific products, customers, and/or geographies.

- Sales performance analysis: Sales performance analysis is crucial for effective sales performance management. This type of analysis will help you gauge your sales team's performance and evaluate the overall effectiveness of your sales strategy. Utilize it to compare actual results to expected outcomes, and then make necessary adjustments. Implementing these changes can lead to faster closing times, increased win rates, and a significant boost in revenue growth.(Dive into the world of CRM and its pivotal role in driving revenue growth.)

- Predictive sales analysis: This type of sales analysis is designed to help you predict future risks and opportunities. Use it to create accurate sales forecasts.

- Sales pipeline analysis: This type of sales analysis will help you discover common sales activities prospects go through before they convert. As such, it will give your sales team the context it needs to shorten sales cycles and close more deals.

- How to Perform Sales Analysis – Choose the Right Sales Analysis Method

- Product sales analysis: This type of sales analysis is perfect for large companies and/or companies with extensive product offerings. Why? Because it helps them determine which products actually affect their bottom lines. Use it to better understand your company's demographics, pinpoint popular products, and the like.

- Prescriptive analysis: This type of sales analysis will empower your sales reps with knowledge, helping them determine which opportunities to pursue and which to dump like radioactive waste. Use it to increase rep success and team-wide win rates.

- Market research: This type of sales analysis may seem old-fashioned, but it's never gone out of style. To use this technique, simply survey your customers, research your competitors through web scraping using curl proxy for greater efficiency and reliability, and read general sales statistics. Once you do, you'll have a much better understanding of your customer's needs, thereby improving your sales effectiveness.

- Step 2: Identify the Specific Information You Need

- You've chosen the perfect sales analysis method. It just seems to get you and the sales goals you want to achieve. Congratulations! But your work is far from over…

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- Now you need to identify the specific bits of information that you need. For example, you might want to measure the impact of your sales training efforts. Or find the top-selling product from a recent marketing campaign. Or determine similarities between repeat customers.

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- When you know what information you need, you can choose metrics and KPIs that will help you acquire, track, and measure it. We'll talk about this a bit more in the next section.

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- Before we get there, though, we need to talk about timing—as in, what time frames should you collect data for? The answer to that question will depend on the metrics you're tracking, but weekly, monthly, quarterly, and yearly time periods are pretty common.

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- Just remember, consistency is essential, regardless of which metrics you decide to monitor. With that in mind, plan to conduct analysis more frequently during special promotions

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- Step 3: Share Your Results with Relevant Stakeholders
- Last but not least, you need to present your sales data analysis to key stakeholders.
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- Unless you're asked to share the process by which you arrived at your results, only show the main findings. You can use graphs and visuals to help your audience interpret the data.
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- For example: If you lead a sales team and want to share information regarding sales team performance with your CEO, you might want to include charts around your sales goals, your best-selling products, and the revenue and expenses of your team.
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- Overall, your sales analysis presentations should share actionable insights and be easy to understand. End with recommendations to help accomplish this goal.
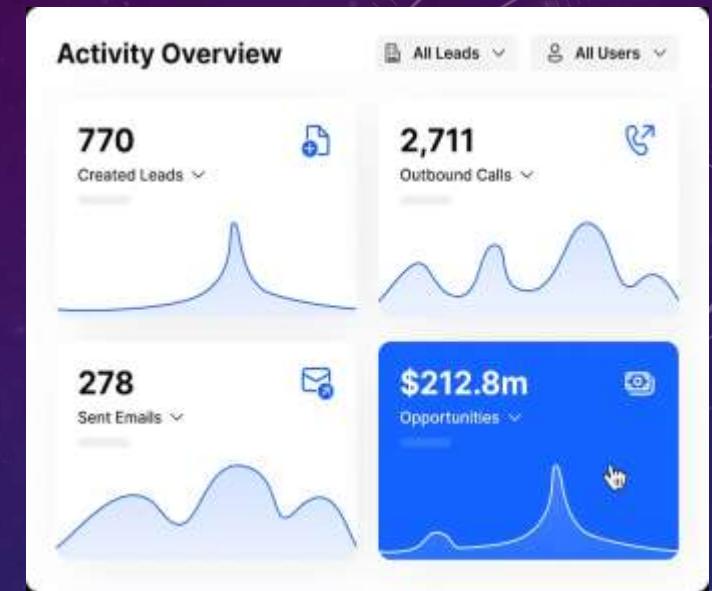
CHOOSING THE SALES ANALYSIS METRICS AND KPIS THAT MATTER

- 1. Monthly Sales Growth

- This metric will give you the juicy deets on your overall sales revenue. Is it going up, going down, or holding steady? When you know, you can better optimize your sales processes.

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- How to calculate it: (Current month's performance – Previous month's performance) / 100

- 2. Sales Opportunities

- This KPI will tell you about the opportunities your sales reps create. It can be used to determine good and bad-fit prospects, which makes it useful for sales prospecting.

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- How to calculate it: Count the total number of opportunities your sales team creates within a specified period, such as one month, one quarter, or one year.

- 3. Lead Conversion Rate

- This metric will help you understand why and how leads are converted. This information can then be used to design a foolproof customer acquisition plan for your company.

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- How to calculate it: (Number of leads that converted into opportunity in a given period) / (Number of leads created in this period)

- 4. Average Conversion Time

- This KPI is all about productivity. Track it to determine how long it takes for leads to convert into paying customers. You can also combine it with other metrics, like lead conversion rate and total sales opportunities, for a handy bird's eye view of your company's sales pipeline.

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- How to calculate it: (The sum of all lead conversion times within a specified period) / (Number of lead conversion times included in that period)

- 5. Monthly Onboarding and Demo Calls Booked

- This metric will help you understand the health of your sales funnel. Why? Because prospects that make it to the demo and/or onboarding stages of your funnel are likely to convert.

- How to calculate it: Count the number of onboarding and demo calls booked in a time period

- 6. Pipeline Value

- This KPI will tell you the amount of revenue you can expect to generate from the sales opportunities in your department's pipeline, within a specific time frame.

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- How to calculate it: (Value of projected sale) x (Percentage of confidence they will close.)

- 7. Sales Targets

- This metric will share historical data regarding team performance. Want to know the amount of revenue generated or the number of product subscriptions sold? This metric will help.

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- 8. Customer Lifetime Value (LTV)

- This is an extremely popular KPI—with good reason. Track it to learn how much revenue the average customer generates for your company during their lifetime, based on the average deal size and how long your customers stay with you. Then use it to predict future revenue, make informed decisions about customer acquisition, etc..

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- How to calculate it: (Average revenue per user) x (Average customer lifetime)

- 9. Calls and Emails Per Rep

- This metric will tell you how many calls and emails your sales team makes every day, week, and month. It can be used to evaluate productivity and to identify broken sales funnels.

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- How to calculate it: Tally up the total number of calls/emails your sales team makes within a specified period of time.

- Want to amplify your sales results? Dive into our comprehensive guide on the best sales productivity tools available.

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- 10. New and Expansion Monthly Recurring Revenue (MRR)

- These are important metrics for SaaS companies because they tell them how much revenue they generated this month, compared to last month. Brands can then use this information to determine the effectiveness of their sales and marketing teams, and help minimize churn.

- UNDER THE GUIDANCE OF:

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