ASSIGNMENT GUIDELINES

- Make the changes in the PPT as you solve the parts
- This file contains the template for all the parts of the project.
- Check the instructions added in the note section of every slide for clarity.
- Don’t move around any image or text box
- If you require more/lesser elements, be careful when you copy/delete the existing ones.

ASSIGNMENT

Name: Tushar Ramsinghani

Problem Statement

The sales pipeline conversion percentage at TechnoServe (a tech SaaS startup) has dropped from 35% at the end of last fiscal (FY 2017-18) to 25% at present.

Assignment Objective

Understand the problem, come up with a hypothesis for low conversions faced by TechnoServe, and analyse the dataset provided to arrive at possible solutions to increase it.

PART I : 1. Understanding the Problem

Sales Pipeline Conversion at a SaaS Startup

Who?

TechnoServe, a fictitious tech SaaS Company

What?

Sales pipeline conversion percentage has dropped from 35% to 25% since last fiscal year

When?

First Quarter for the Fiscal Year (2018-2019)

Where?

Across all or some stages of the sales funnel – Lead Generation , Sales team etc

How?

The profitability of the company reduces

The market share of the company drops.

Company falls behind the competition.

PART I : 2. Understanding the Problem

Sales Pipeline Conversion at a SaaS Startup

Situation

What are the current Products offered by the company ?

What is the time taken for a lead to convert ?

How competitive is the market ?

Problem

What are the challenges faced in the current products ?

Are the sales team not fully equipped with the skills needed to sell the product ?

Is there an issue with the quality of leads ?

Is the Marketing Strategy ineffective ?

Implication

How does the drop in conversation rate affect the company ?

What will be the cost of equipping the sales with the necessary skill set ?

Where else can we get better quality leads ?

Need-Payoff

Would it solve the problem or help increase the conversation rate if the software is up to date with market requirements ?

Will it help if we add new software's based on the market demand ?

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Framework Used

Issue Tree Framework

Reason for using the selected framework

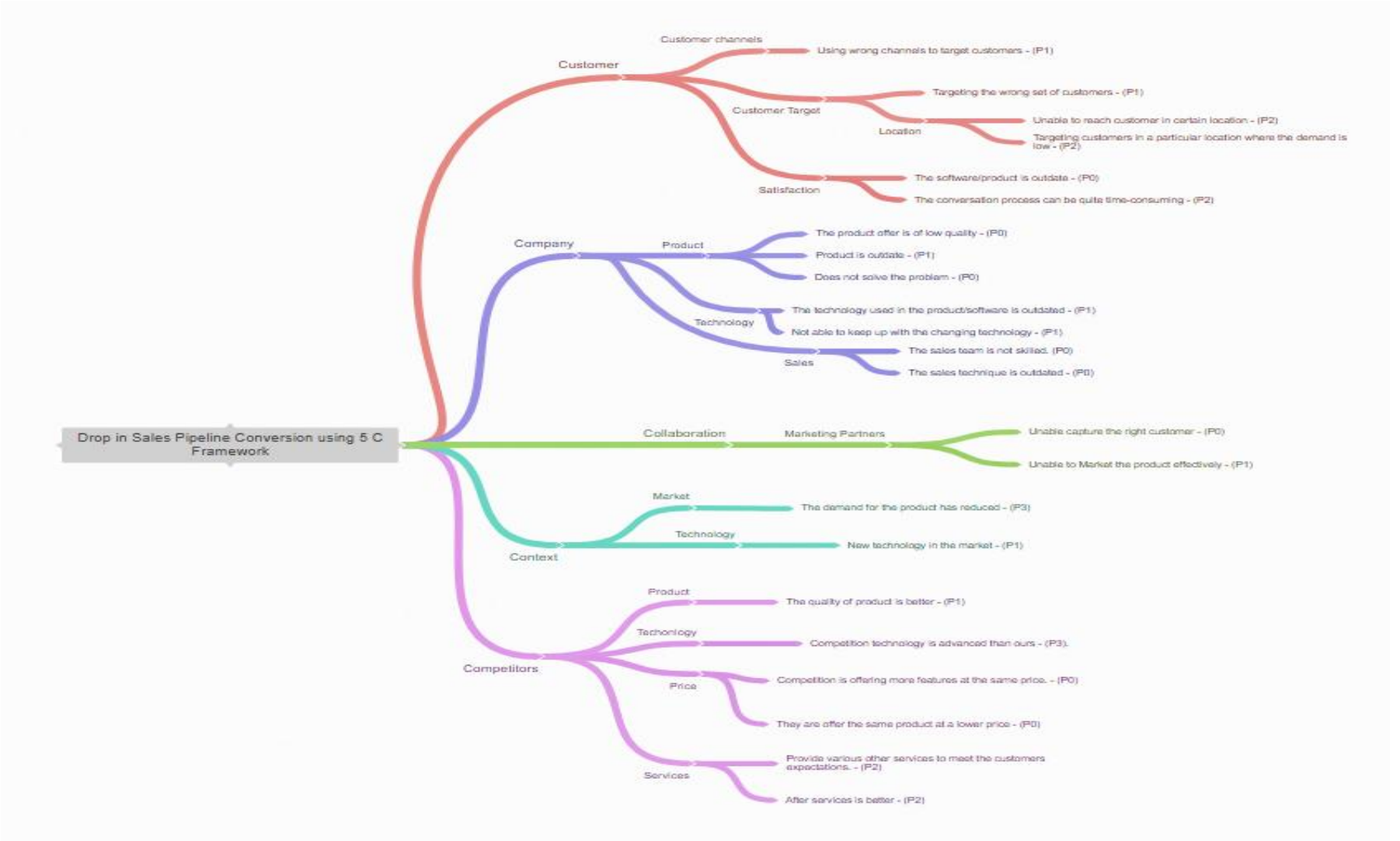
The problem can be broken down into smaller problems /Branches and we can reach the root cause of the problem easily.
It is also very easy to use and understand

How you have used the framework here

I have used the 5C framework in the Issue Tree.

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup



PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 1 - Customer - Customer channels

Using wrong channels to target customers - (P1)

Branch 2 - Customer - Customer Target

Targeting the wrong set of customers - (P1)

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 3 - Customer - Customer Target - Location

Unable to reach customer in certain location - (P2)

Targeting customers in a particular location where the demand is low - (P2)

Branch 4 - Customer - Satisfaction -

The software / Product is outdate - (P0)

The conversation process can be quite time-consuming - (P2)

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 5 – Company - Product

The product offer is of low quality - (P0)

Product is outdate - (P1)

Does not solve the problem - (P0)

Branch 6 – Company - Technology

The technology used in the product/software is outdated - (P1)

Not able to keep up with the changing technology - (P1)

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 7 – Company - Sales

The sales team is not skilled. (P0)

The sales technique is outdated - (P0)

Branch 8 - Collaboration - Marketing Partners

Unable capture the right customer - (P0)

Unable to Market the product effectively - (P1)

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 9 – Context - Market

The demand for the product has reduced - (P3)

Branch 10 – Context – Technology

New technology in the market - (P1)

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 11 – Competitors - Product

The quality of product is better - (P1)

Branch 12 – Competitors – Technology

Competition technology is advanced than ours - (P3).

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 13 – Competitors - Price

Competition is offering more features at the same price. - (P0)

They are offer the same product at a lower price - (P0)

Branch 14 – Competitors – Services

Provide various other services to meet the customers expectations. - (P2)

After services is better - (P2)

PART III A : Generating Insights

Sales Pipeline Conversion at a SaaS Startup

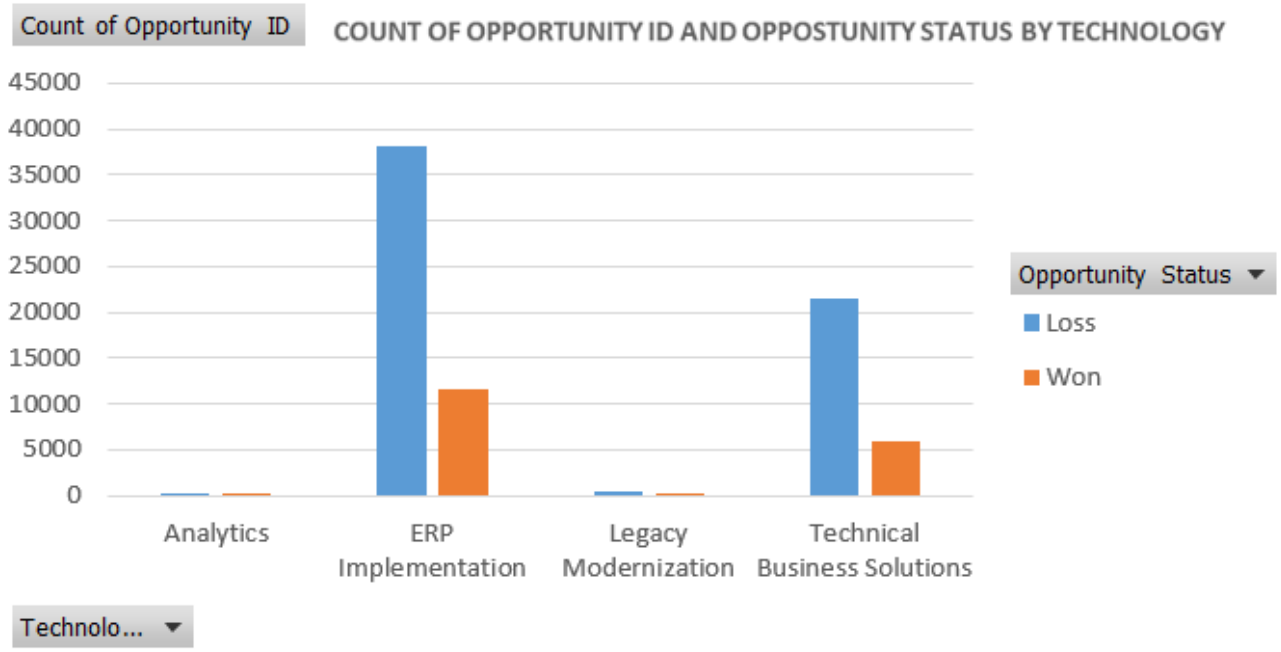
Variable	Insights if any	Pattern of Insight
Technology	ERP Implementations has the highest leads and conversation rate	Significant Outliers
B2B Sales Medium	Even though the total no. of leads for Enterprise Sellers are less the conversion rate over here is more	Significant Outliers
Business from Client Last Year	The conversation rate is high with existing customer but more business is coming in from New customers	Significant Outliers
Sales Stage Iteration	The highest win rates are observed when opportunities go through 2 to 4 sales stage iterations, indicating that deals are most likely to close within this range.	Significant Outliers
Opportunity Sizing	The chart shows that although the number of lost opportunities increases with opportunity size, the proportion of wins is noticeably better in the smaller revenue brackets—especially in the "10K or less" category.	Significant Outliers

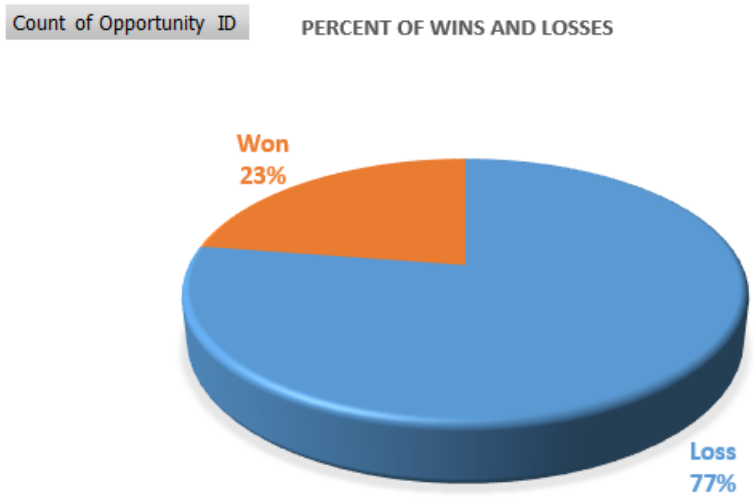
PART III A : Generating Insights

Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: Technology

ERP Implementations has the highest leads and conversation rate



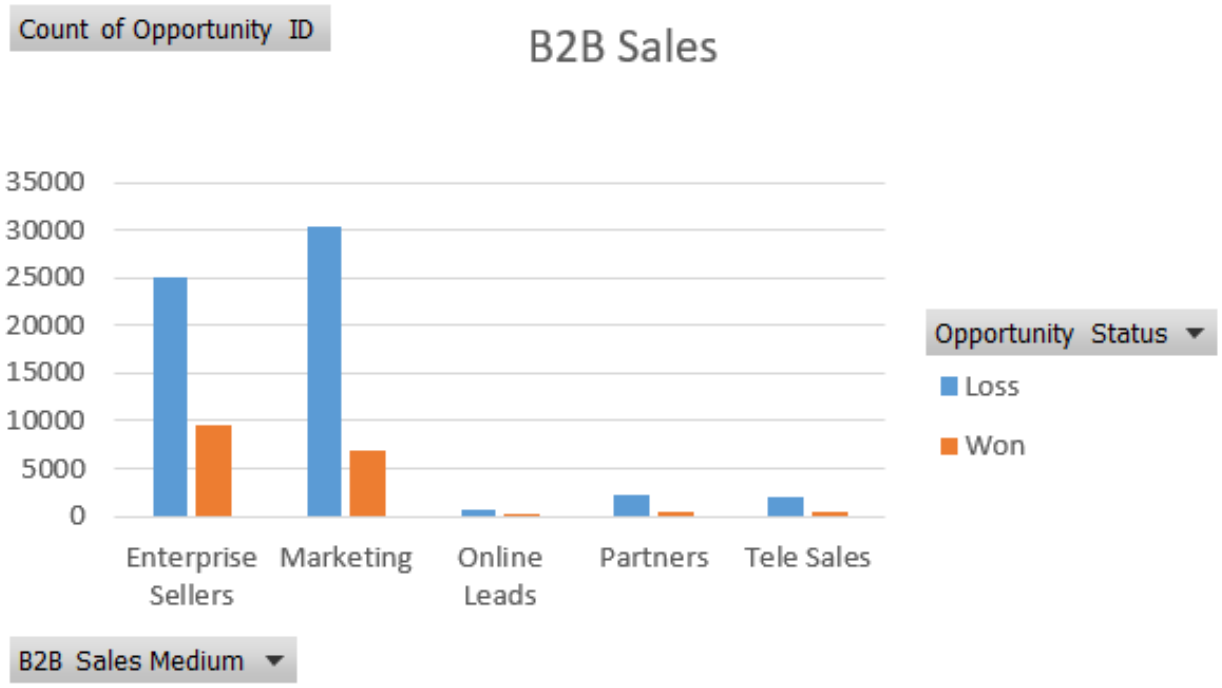


PART III A : Generating Insights

Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: B2B Sales Medium

Even though the total no. of leads for Enterprise Sellers are less the conversion rate over here is more

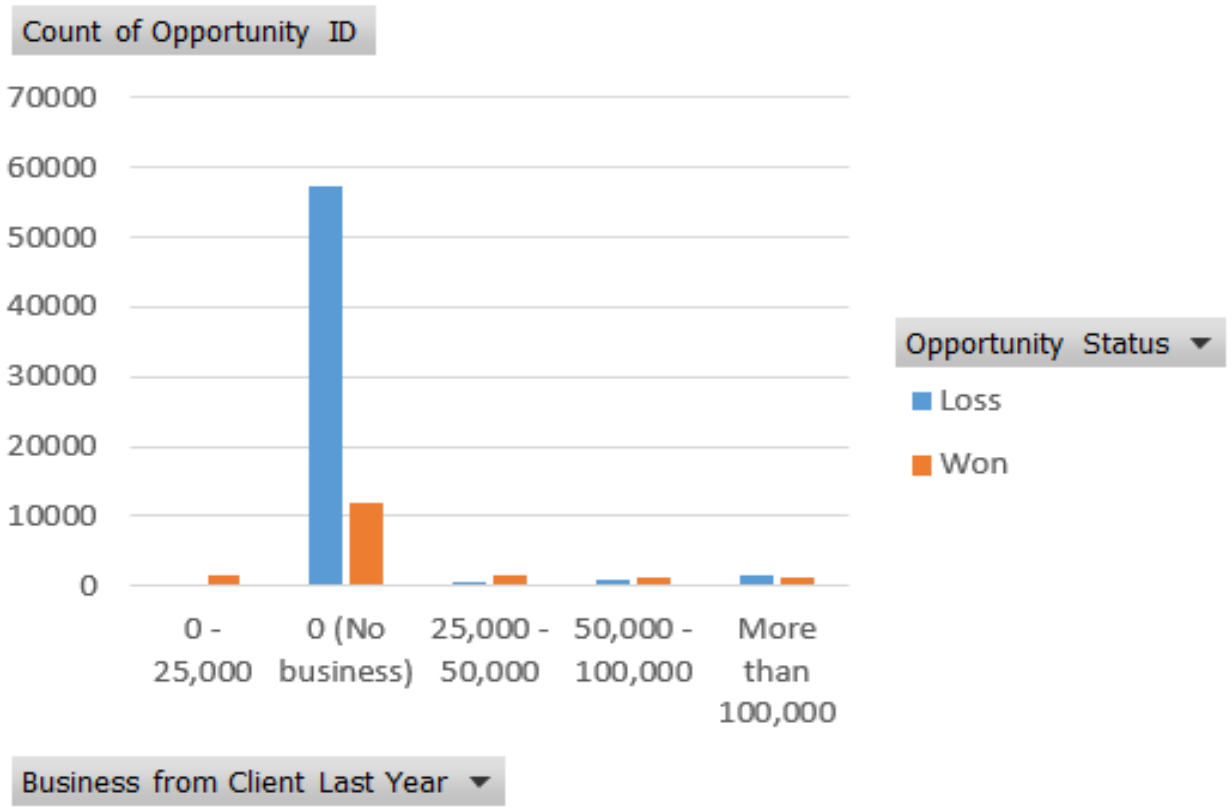


PART III A : Generating Insights

Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: Business from Client Last Year

The conversation rate is high with existing customer but more business is coming in from New customers

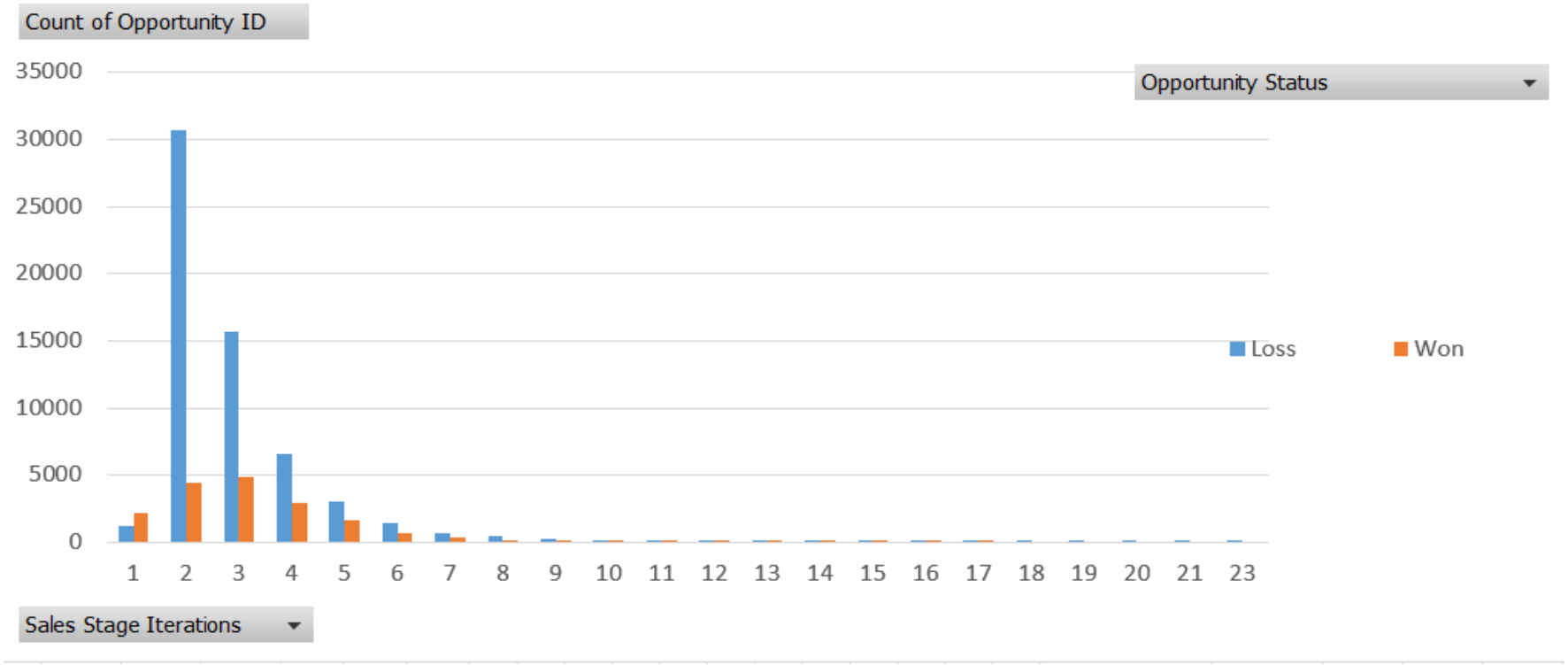


PART III A : Generating Insights

Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: Sales Stage Iteration

The highest win rates are observed when opportunities go through 2 to 4 sales stage iterations, indicating that deals are most likely to close within this range.

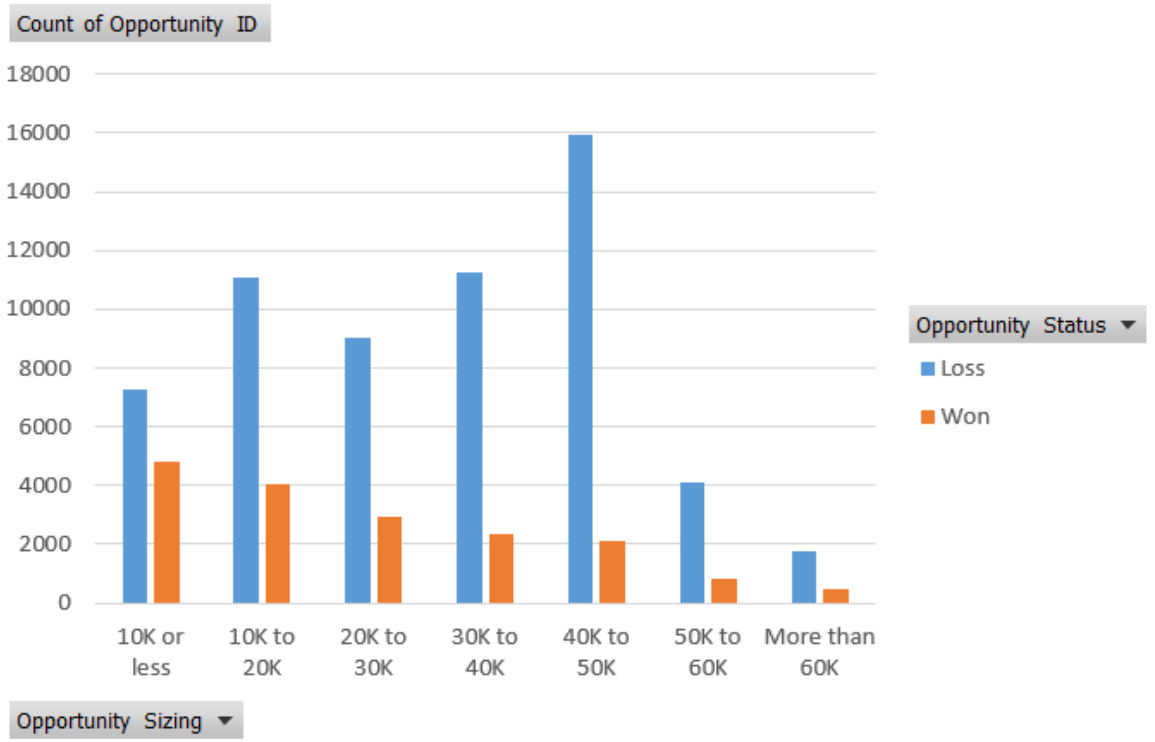


PART III A : Generating Insights

Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: Opportunity Sizing

The chart shows that although the number of lost opportunities increases with opportunity size, the proportion of wins is noticeably better in the smaller revenue brackets—especially in the "10K or less" category.



PART III A : Generating Insights

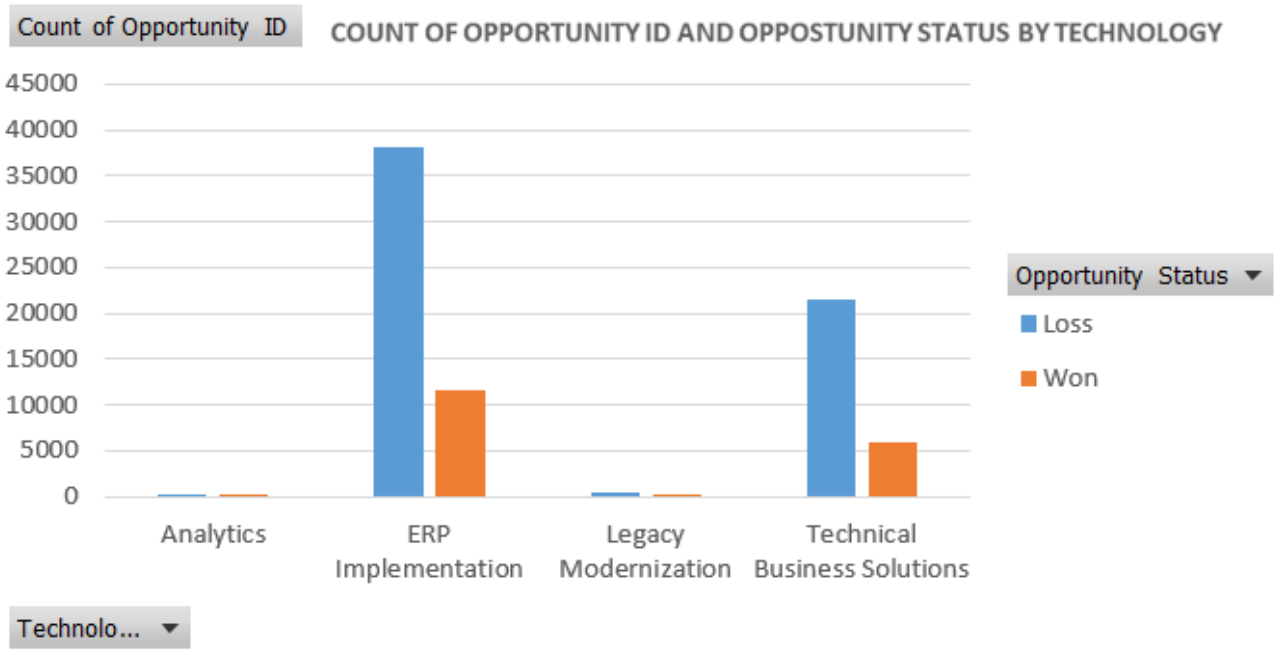
Sales Pipeline Conversion at a SaaS Startup

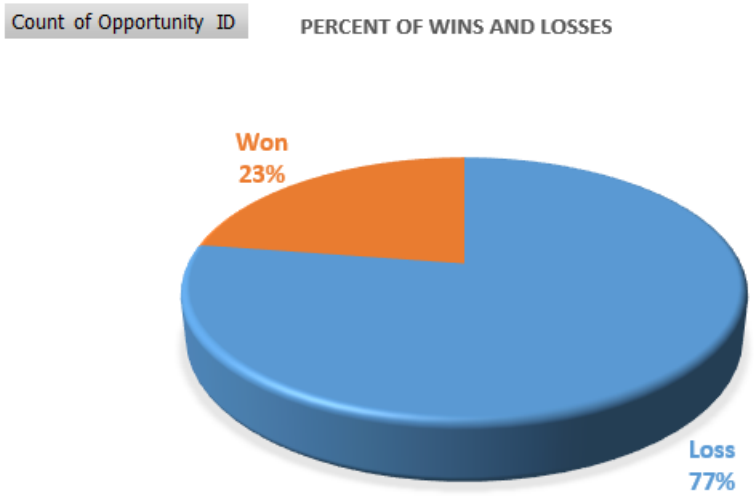
Recommendations	Corresponding Insights
Need to focus more on ERP Implementations	ERP Implementations has the highest leads and conversation rate
Market and try getting more leads from Enterprises Seller section as the conversion rate is high	Even though the total no. of leads for Enterprise Sellers are less the conversion rate over here is more
Focus on existing customers as well as new customers	The conversation rate is high with existing customer but more business is coming in from New customers
Try to keep the sales iterations between 2 to 4	The conversion rates are the highest when the Sales Stage iterations are between 2 to 4
Focus on the	The conversion rate is much higher for those clients who have less than 50k revenue size. The highest conversion rate is for clients who have less than 10k revenue size

PART III B : Presenting Findings

Sales Pipeline Conversion at a SaaS Startup

ERP Implementation has the highest number of opportunities and the best conversion rate among all technologies. Despite a general win rate of only 23%, ERP Implementation shows a significantly stronger performance in converting leads compared to others.

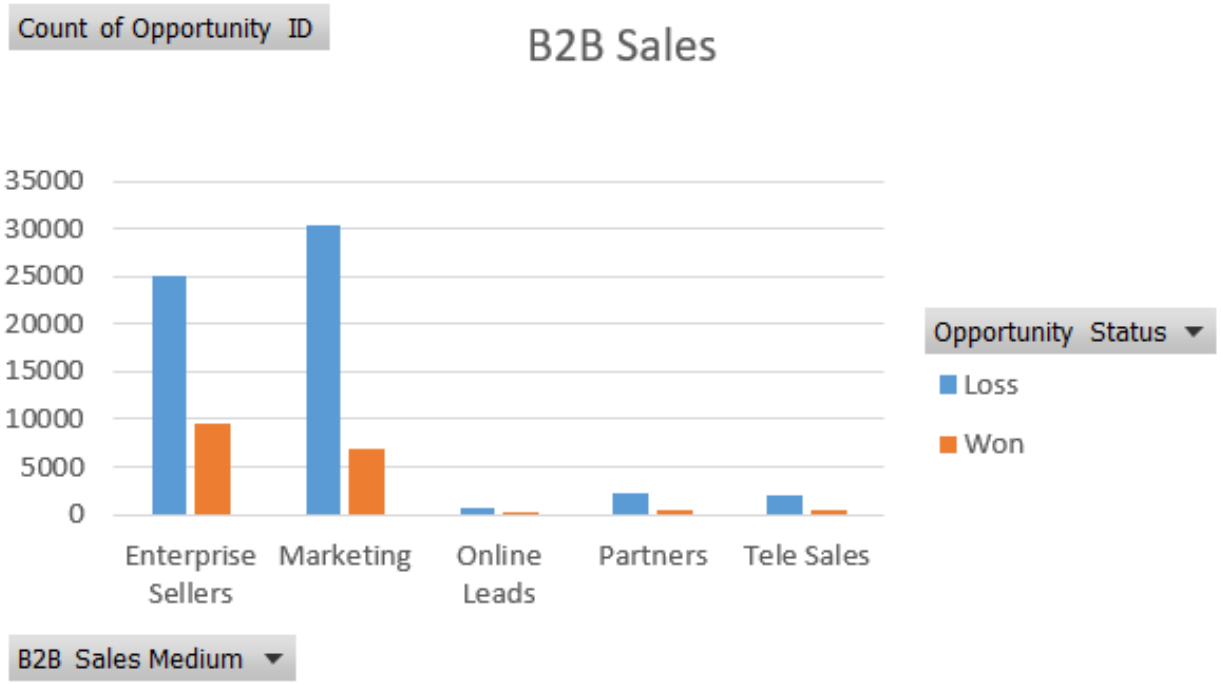




PART III B : Presenting Findings

Sales Pipeline Conversion at a SaaS Startup

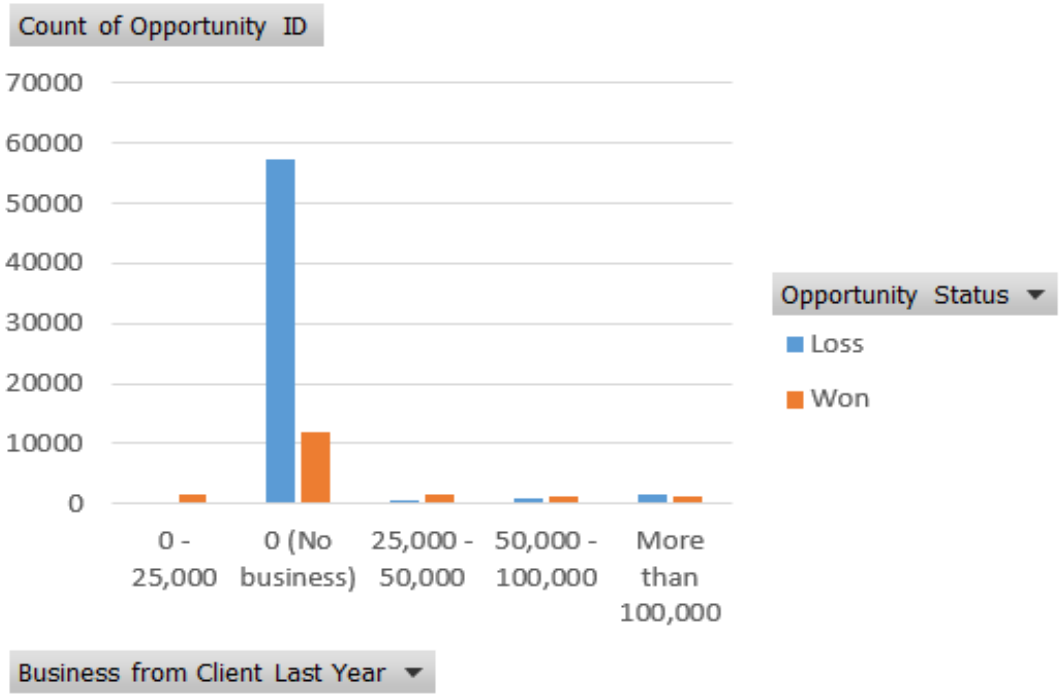
Although Enterprise Sellers have fewer overall leads than Marketing, they exhibit a significantly higher conversion rate. This suggests better lead quality or more effective sales engagement in the Enterprise Sellers channel.



PART III B : Presenting Findings

Sales Pipeline Conversion at a SaaS Startup

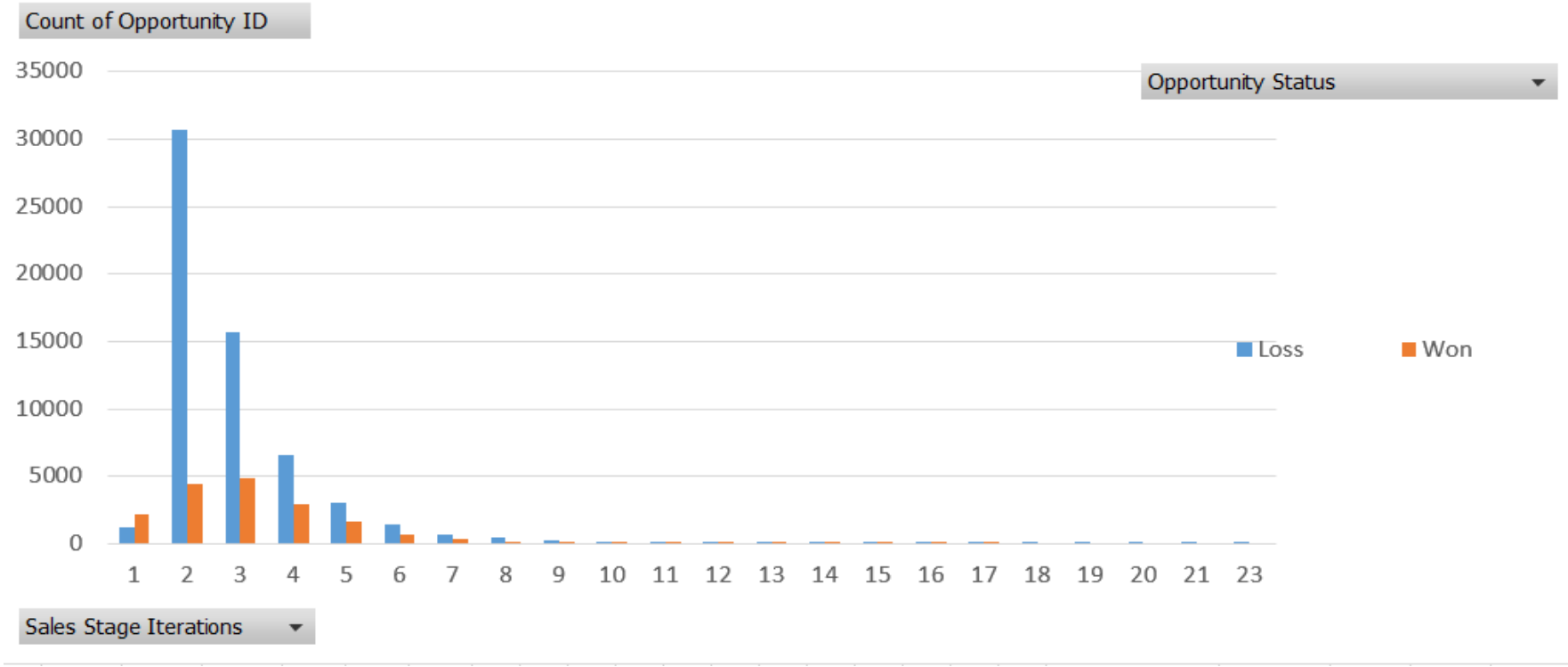
The data indicates that while a large number of new customers (with no prior business history) are contributing to the bulk of the opportunity volume, the conversion rate is significantly higher among existing clients. This suggests stronger trust and better closure probability with returning customers. However, the scale of new business acquisition highlights a growing outreach and expanding market presence. Focusing on nurturing both segments could yield even greater returns.



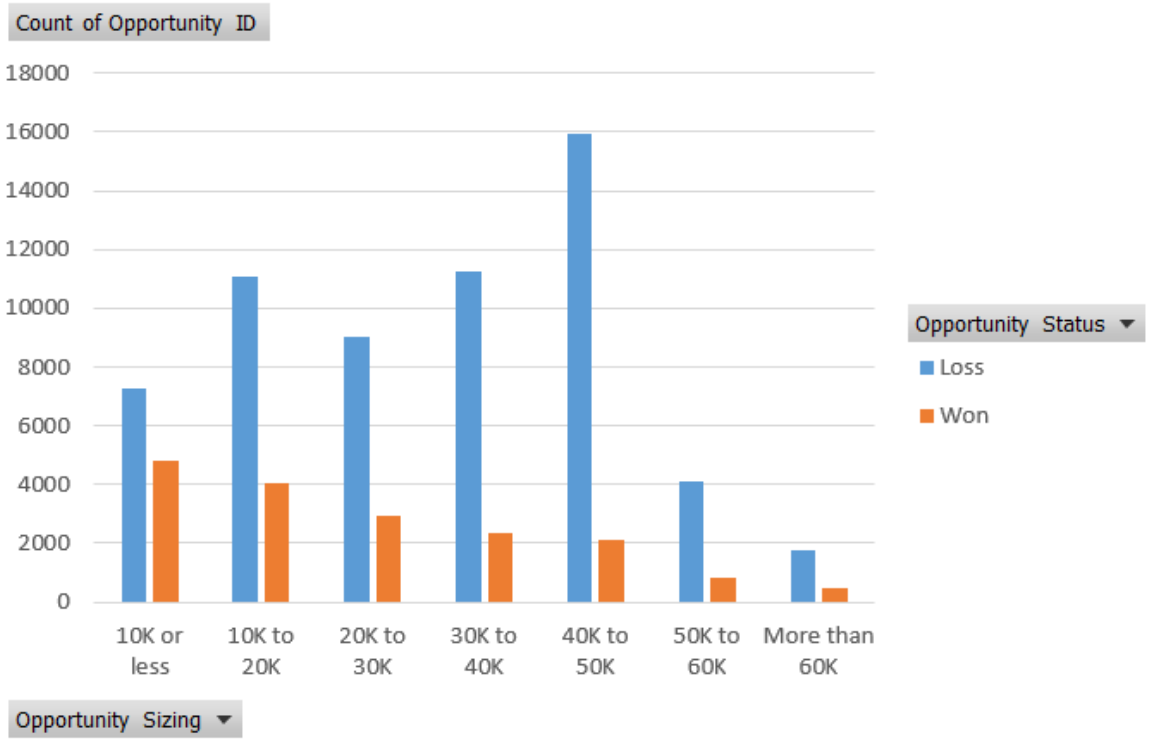
PART III B : Presenting Findings

Sales Pipeline Conversion at a SaaS Startup

Conversion rates peak when sales stage iterations fall between 2 to 4, indicating this is the most effective window for closing deals. Beyond 4 iterations, the likelihood of winning opportunities drops significantly, suggesting diminishing returns with prolonged cycles.



PART III B : Presenting Findings

Sales Pipeline Conversion at a SaaS Startup

The data reveals that opportunities with a revenue size below ₹50K have notably higher conversion rates, with the best performance in the under ₹10K segment. This suggests that smaller-sized deals are easier to close and may have shorter decision cycles. As deal size increases beyond ₹50K, the number of lost opportunities rises sharply, indicating a drop in success rate. Focusing on optimizing processes for small to mid-sized deals could yield better overall conversion efficiency.