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: Shemeema Navas……………………………

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?	**What?**	**When?**	**Where?**	**How?**
TechnoServe company,SaaS cloud based company.	Pipeline conversion rate for the converting potential customers to client has lower than the expected lead.	Decline has been consistent from last 3 quarter. It has fallen from 35% in the last fiscal to 25% at the end of this fiscal.	Among the B2B small and medium enterprise customers.	Due to cost cutting and reduced budget, direct sales channel was replaced with social media strategies and also not reaching to direct decision makers of the company.

PART I : 2. Understanding the Problem

Sales Pipeline Conversion at a SaaS Startup

Situation	Problem	Implication	Need-Payoff
1.What are the different channels used to connect to business customers ?	1.Are there any particular segment or industries where the leads conversion rate is reducing over the past 3 quarters?	1.How does the problem impact the overall revenue and profitability of the company?	1.If we increase the investment in sales, marketing will it increase the lead conversion rate ?
2.What are the challenges your sales team faces when engaging with potential customers?	2.How do you think the reduced budget for marketing and increased reliance of tele-sales has impacted on lead conversion?	2.What will be the potential long term consequences regards to market share and customer acquisition?	2.Will the updated product and effective marketing campaign contribute to overall increase in lead conversion?
3.How do you measure the effectiveness of the current sales and marketing effort?	3.How do you evaluate the team's the current market study on the product?	3.What extent will be the consequences of not updating the product features affect the lead conversion rate?	3.Will a effective training and development of the sales and marketing team affect the lead conversion rate?
4.How do you evaluate the customer satisfaction rate during each stages during pipeline conversion?	4. Are there any specific marketing initiatives that have been postponed or canceled due to budget constraints?		

PART II : Formulating Hypotheses
Sales Pipeline Conversion at a SaaS Startup

Framework Used

The framework used here are: 5W framework, SPIN framework

Reason for using the selected framework

The 5W framework and SPIN framework are highly effective for analyzing and understanding the pipeline conversion rate issue because they address the complementary aspects of the issue. The 5 W identifies the what?who?where?when?How?,providing a broad understanding of the problem, by breaking into manageable dimensions. SPIN framework helps us to dive deep into the customer mindset and visualize the entire journey from when the problem arises to what could happen when the problem resolved.

How you have used the framework here

The 5W framework answered the foundational questions of Who involved ?What the problem? Where,When does the problem takes place?How does the problem affect the business? .Answering these questions helps us to have overall understanding of the pipeline conversion rate.
The SPIN framework is an effective technique for determining and correcting the underlying causes of low pipeline conversion rates. By asking probing questions, sales professionals can obtain a better grasp of their customers' requirements and issues. By asking these types of questions and sales professionals can uncover the root causes of a low conversion rate and identify areas for growth. This information is then used to create focused initiatives to improve sales performance and increase revenue.

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup
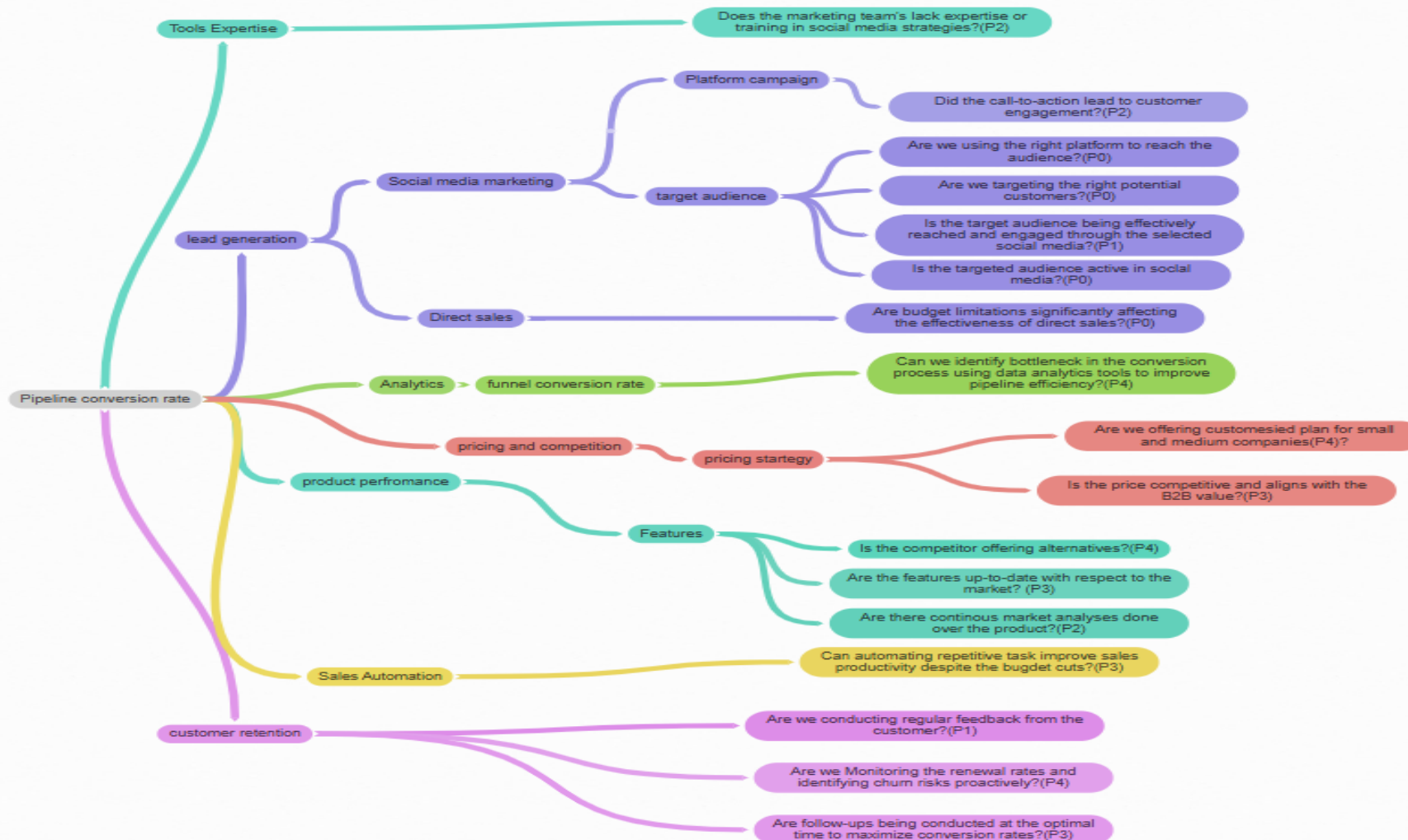
PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 1

Pipeline conversion rate->lead generation->social media marketing
(branch 1)   (branch 1.1)

Branch 2

Social media marketing->platform campaign->did the call –to –action leads to customer engagement?(P2)
(branch1.1)   (sub-branch 1.1)

target audience->Are we targeting the right potential customers?(P0)
(branch 1.2)   Are we using the right platform to reach the audience?(P0)
                Is the target audience being effectively reached and engaged through the selected social media?(P1)
                Is the targeted audience active in social media?(P0)

PART II : Formulating Hypotheses

Sales Pipeline Conversion at a SaaS Startup

Branch 3

Pipeline conversion rate->lead generation->direct sales->Are budget limitation significantly affecting the effectiveness of direct sales?(P0)
                            branch 1   branch 1.2

Branch 4

Pipeline conversion rate->Analytics->Funnel conversion rate->Are we effectively identifying the bottleneck conversion process to improve
                        (branch 2)   (branch 2.1)   the pipeline conversion?

PART II : Formulating Hypotheses
Sales Pipeline Conversion at a SaaS Startup

Branch 5

Pipeline conversion rate->tools Expertise->Does the marketing team's lack expertise or training in social media strategies?(p2)
(branch 3)

Branch 6

Pipeline conversion rate->pricing and competition->pricing strategy->are we offering customaries plan for small and medium companies (P4)?
(branch 4)   (branch 4.1)   ->Is the price competitive and aligns with the B2B value?(P3)

PART II : Formulating Hypotheses
Sales Pipeline Conversion at a SaaS Startup

Branch 7

Pipeline conversion rate->product performance->features->Is the competitor offering alternatives?(P4)
                    (branch 5)   **(branch 5.1)**
                                                    ->Are the features up-to-date with respect to the market?(P3)
                                                    ->Are their continuous market analysis done over the product?((P2)

Branch 8

Pipeline conversion rate->Sales automation->Can automating repetitive task improve sales productivity despite the budget cuts?(P3)
                    (branch 6)

PART II : Formulating Hypotheses
Sales Pipeline Conversion at a SaaS Startup

Branch 9

Pipeline conversion rate->Customer retention->Are we conducting regular feedback from the customer?(P1)
       (branch 7)   ->Are we monitoring the renewal rates and identifying churn risk proactively?(P4)
       ->Is there follow-up being conducted at the optimal time to maximize conversion rate?((P3)

Branch 10

Type your answer here

PART III A : Generating Insights
Sales Pipeline Conversion at a SaaS Startup

Variable	Insights if any	Pattern of Insight
Technology primary	Analytics solution has got higher lead generation (0.26) compared to other service offered.	Analytics dominates in terms of lead generation rates.
B2B sales Medium	Enterprise sellers account for over 50% of the company's lead generation.	Enterprise sellers are a key driver of lead generation.
Client revenue Sizing	Small and medium size clients has got 0.22-0.23 average lead conversion rate.	Higher lead generation rates are seen for smaller revenue clients (up to 500K)
Business from clients	Company got the highest revenue between 0-50000 through the enterprise sellers, tele sales and marketing	Companies with fewer than 1 million employees are more likely to increase their spending.
Opportunity Sizing	Deals with clients(10k or less) is generating highest lead of 0.40.	The lead generation rates of clients in the $10K or less category are consistently strong.
City	Mumbai and Delhi has got more than 50% of average conversion rate compared to other cities.	Mumbai go the high potential customers

PART III A : Generating Insights

Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: **Technology primary**

- The **Analytics** service offered by the company appeared to have highest Lead generation with an average rate of 0.26.This suggest there is a **strong Market demand** for this solution.

- **Chennai** and **Hyderabad** show strong performance in Analytics (0.38 each), while **Delhi** records the lowest across most categories.

- Second best lead conversion technology is **ERP Implementation with average rate (0.23).Best performing cities are Mumbai, Delhi, Hyderabad** and **Chennai.**

- **Both Analytics and ERP implementation leads get through the Enterprise seller medium** with average rate of 0.35.

- **Chennai and Hyderabad** provide high lead conversion rate for **analytics** solution
- **ERP implementation and legacy modernisation** are mostly get leads from **Mumbai.**

- ERP implementation and technical business solutions have similar lead generation rates, indicating a steady demand for these services.

convertion rate of different technolgy by differnet cities
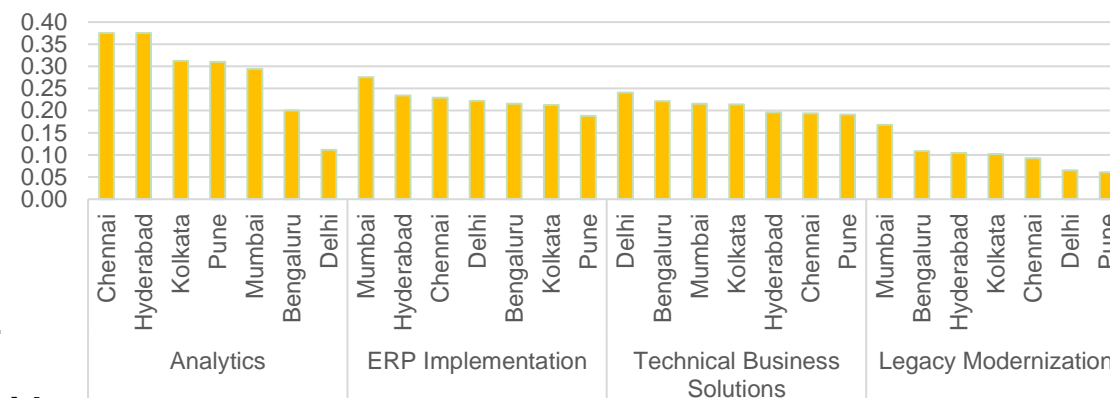
Lead conversion rate by different technology solutions
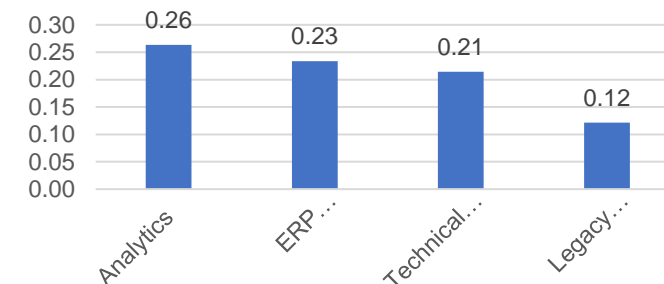
PART III A : Generating Insights
Sales Pipeline Conversion at a SaaS Startup

Variable under consideration:B2B sales medium

- **Enterprise Sellers** has the **highest lead** conversion rate (0.28) indicating the best channel for communicating with B2B customers.
- Enterprise sellers medium are best utilized in all cities showing this channel is best suitable for B2B customers.
- Online medium has moderate opportunity(28937),but the low lead generation rate suggest its inefficiency in converting potential customers. But the surprising event is that, **Chennai** has the **0.50 rate in converting the online leads.**

- Tele sellers-average opportunity size is the (21,629.4), suggesting a focus on smaller deals but still delivering consistent lead generation.

- **Enterprise Sellers and tele-Sales perform** well in generating leads but **targeted small size** opportunity. Whereas, **Marketing and Partners** have less conversion rate but **targeted larger deals**.
- **Tele-sales** more effective in **Mumbai and Hyderabad** whereas less effective in Chennai and Bengaluru. **Partners medium** is effective in **Kolkata and Bengaluru**. This indicates it high time to focus on Pune as all channels face difficulty in generating leads.

Lead converstion rate vs mediums
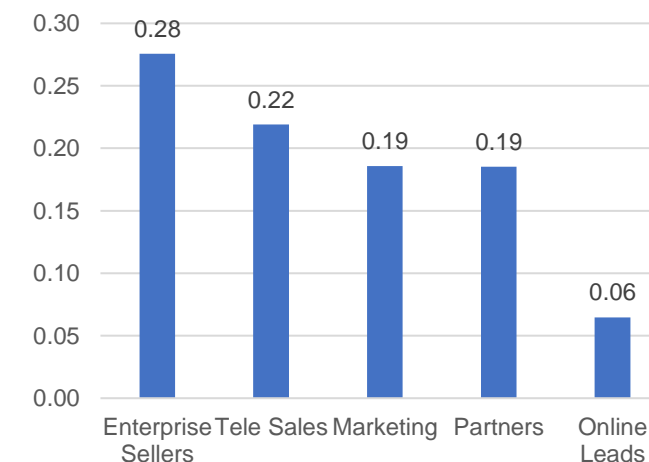
Row Labels	Average of Opportunity Size (USD)	Average of lead generation
Enterprise Sellers	23959.2	0.28
Tele Sales	21629.4	0.22
Marketing	36012.1	0.19
Partners	35065.2	0.19
Online Leads	28937.0	0.06
Grand Total	30085.7	0.2

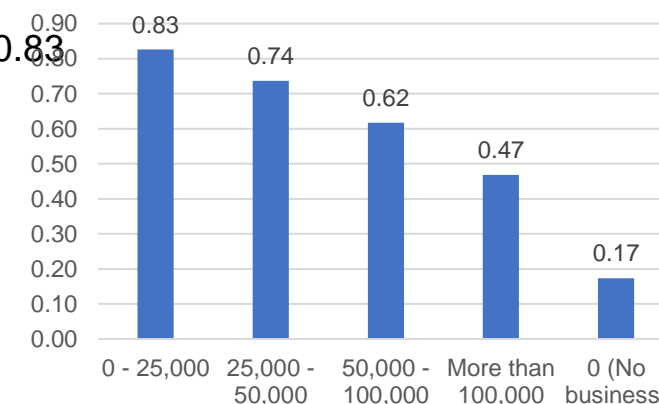# PART III A : Generating Insights
Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: Client revenue Sizing

- **Small and medium sized(less than 500K)**companies are show a **higher potential** for lead generation.

- While lead generation remain constant ,sales velocity increases with client revenue. This suggest that while it easy to **engage small or larger companies**, conversion process become more complex as the size of the company increase because as larger organizations may involve more stakeholders or require a more detailed evaluation process.

- **Small sized client(100k or less),easy to convert leads due to shorted sales cycle**.

- Medium sized clients**(100k -1M) are interested in Analytics** technology whereas legal modernization is the least preferred by all companies, irrespective of small or medium.

- High lead generation from medium sized companies**(100-500 K)** are mostly from **Chennai and Mumbai** perform consistent in all sized companies expect large one.
- Kolkata and Bengaluru underperform for all sizes of companies except very small size companies(100 k or less).
- **Mumbai and Delhi** has got highest lead from small and medium sized companies(**100 k -1M).**
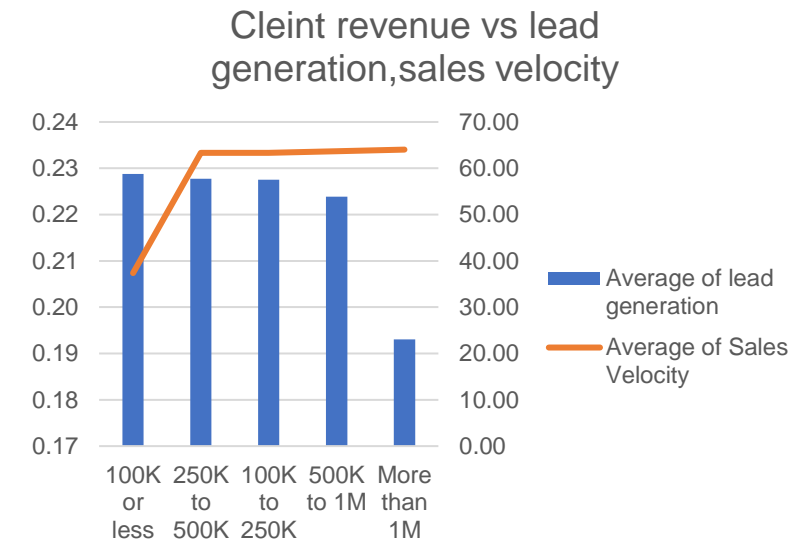
Cleint revenue vs lead generation,sales velocity

Legend:
- Average of lead generation
- Average of Sales Velocity

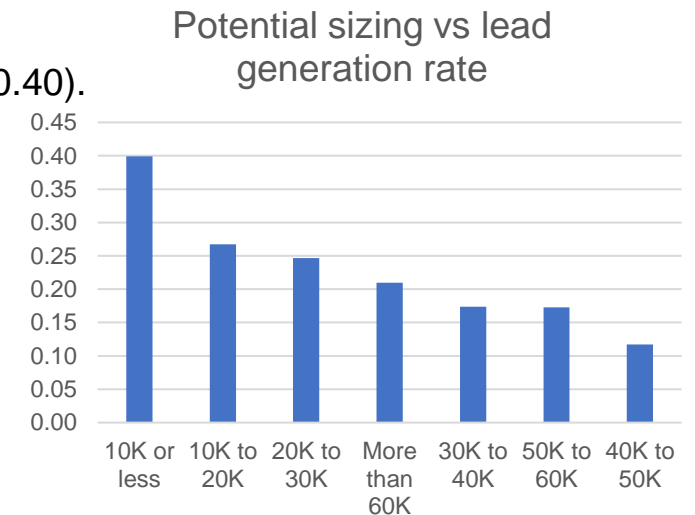X-axis: 100K or less, 250K to 500K, 100K to 250K, 500K to 1M, More than 1M

PART III A : Generating Insights

Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: Business from client last year

- Revenue generated to the company is **between 0-25000,through higher lead** generated rate of 0.83. These clients are more likely to engage in **new opportunities**. They may have greater flexibility to explore partnerships or new solutions.

- The **majority of revenue** is generated from products priced between **0- 50,000**, indicating a strong market demand for cost-effective solutions.

- Companies of all sizes demonstrate interest in products and services priced between 0 -50,000, with an average lead generation rate of 0.76.

- **Enterprise sellers and tele-sales drive higher revenue**, particularly in the **0-100,000 range**. Marketing and partners contribute to sales between 0- 50,000.

- 0-50000 revenue is generated from Mumbai, Delhi ,Hyderabad and Kolkata.

- **1 K** revenue is generated from **Mumbai, Delhi and Hyderabad**.
- Kolkata and Bangalore has opportunity to increase the revenue up to 1K if the lead generation rate increase.

Revenue generated vs Lead generation rate

Category	Value
0 - 25,000	0.83
25,000 - 50,000	0.74
50,000 - 100,000	0.62
More than 100,000	0.47
0 (No business)	0.17

reveneue generated vs company size,lead generated
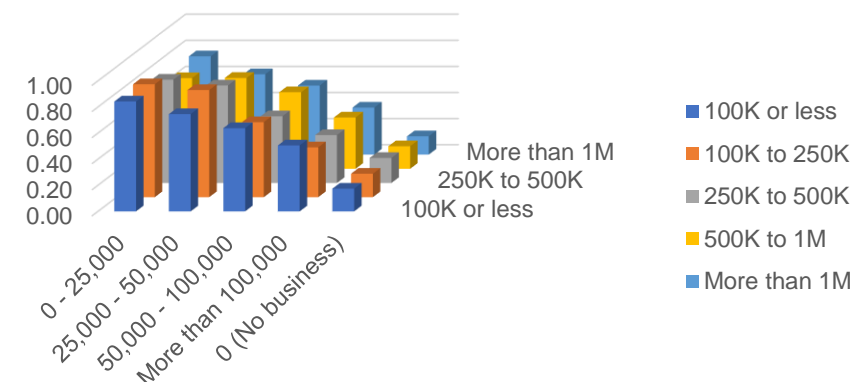
Legend:
- 100K or less
- 100K to 250K
- 250K to 500K
- 500K to 1M
- More than 1M

PART III A : Generating Insights
Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: Opportunity Sizing

- Clients with **smaller potential revenues** 10K or less) exhibit the **highest lead generation rate** (0.40).
  These clients are highly engaged and actively exploring options for growth, because
  they have less complex decision-making processes compared to larger clients.

- Opportunities with a potential revenue of 10,000 or less had the highest engagement rate among
  all sizes. **Kolkata and Chennai** are the best-performing cities in this area.

- **Lead generation rates fall as the company's revenue grows.**

- The **majority of leads** come from clients with a revenue of **10,000 or less - 30K and 60,000 more**

Potential sizing vs lead generation rate

PART III A : Generating Insights
Sales Pipeline Conversion at a SaaS Startup

Variable under consideration: City

- **Highest lead of 0.25 is generated from Mumbai** with least lead generated from Pune of 0.19

- Higher sales velocity means higher chance to get the lead. Mumbai has sales velocity of average 45 days with lead generated rate of 0.25.

- Despite consistent lead generation (0.22) across Hyderabad, Chennai, and Bangalore, the sales velocity varies significantly among these cities.

- Data indicates that **Mumbai and Delhi** are the top lead generation cities for medium-sized companies in the 500-1 M .

- **Chennai** emerges as the leading source of leads for medium-sized companies (100K-500K)

- **Pune is getting average lea**d conversion rate from medium sized company(250K-1M)

City vs Lead generation rate
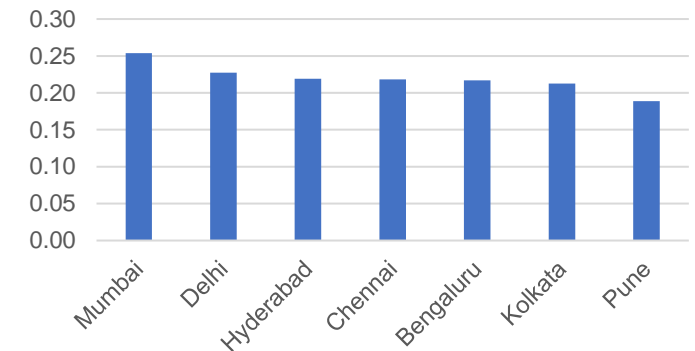
City vs client revenue Sizing,lead rate
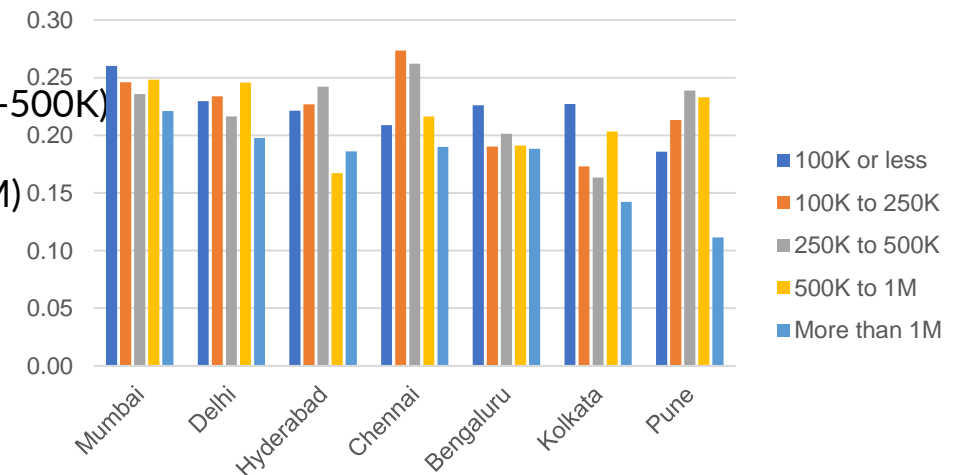
PART III A : Generating Insights
Sales Pipeline Conversion at a SaaS Startup

Recommendations

Leverage high demand

Target smaller clients

Focus on High-Potential Cities

:

Corresponding Insights

.
- Focus marketing and sales resources on services like **Analytics and ERP Implementation**, which have higher lead generation rates.
- Invest in channels such as **Enterprise Sellers and Partner** channels, as they exhibit strong lead generation potential for two technology.
- Invest in regional campaigns targeting **Chennai and Hyderabad** to maximize lead generation effort for **Analytics.**
- Provide **dedicated training and development** to enhance the skills and knowledge of enterprise sellers

- Focus more on **small sized companies (10 K or less)** and clients with **business from last year(<25000)** as they exhibit higher lead generation.
- Develop cost-effective, scalable solutions to cater to this segment.
- Implement lead nurturing programs to build relationships and drive conversions..

- Concentrate efforts in Mumbai, Delhi, Hyderabad, and Chennai, which have greater lead generation and conversion rates.
- Design region-specific marketing campaigns tailored to top-performing cities. Focus on **Mumbai and Delhi** to engage clients across all categories (**100K or less to 1M**),by **leveraging Enterprise Sellers** and **Tele Sales** channels. For **Hyderabad and Chennai**, prioritize clients in the **100K to 500K** range by utilizing **Enterprise Sellers, Tele Sales, and Partners** to maximize lead generation and client engagement.

Sales Pipeline Conversion at a SaaS Startup

Recommendations

:**Address Underperforming Areas**
:

Sales process improvement

Corresponding Insights

.
- Assess **market demand and competition for legacy modernization** options. Evaluate separately for **small and medium-sized clients**.

- Actively market Legacy Modernization, which has **higher demand in Pune.** Implement cross-selling methods to reach existing Analytics clients. The average **sales velocity is 38.40 days**, which is the **lowest among all other services**. So, **focus more on enterprise sellers and partners** to boost the lead through Legacy Modernization.

- To capitalize on the success of our Chennai campaign, **refine the online marketing** strategies to attract and convert more leads. By identifying similar demographics and implementing proven tactics, increase the lead generation, especially given the higher potential of these leads compared to enterprise sales

- Train the sales team to use CRM tools and invest more in predictive analytics to identify the high-potential leads.
- Provide **training to sales team** to focusing on faster deals closure ,particularly in **Delhi** and **Mumba**i as they are the highest lead generation cities.
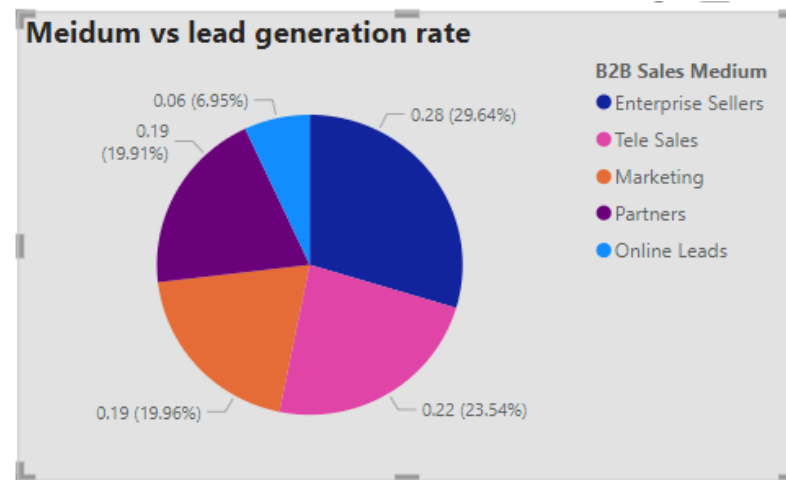
PART III B : Presenting Findings
Sales Pipeline Conversion at a SaaS Startup

Boosting Pipeline Conversion: Strategic Recommendations for Optimized Lead Generation

1. **A Data-Driven Approach with Analytics and ERP utilizing Enterprise sellers and tele sales in Mumbai and Delhi**

- **Analytics and ERP implementation** services have the highest lead generating rates across *all channels*. These services are perfectly suited to market demand and conversion potential, resulting in a high lead generation.

- Prioritize investments in top-performing channels such **as Enterprise Sellers and Tele sellers**, deliver the highest lead generation rates.

- **Mumbai** and **Delhi** demonstrate strong lead generation potential *across all client* segments, with conversion rates of 0.25 and 0.23, respectively.

- **Hyderabad** and **Chennai** boast the highest lead generation rate for **Analytics** solutions, with a lead rate of 0.38.

- **Mumbai** emerges as the preferred location **for ERP implementation** services, achieving lead rate of 0.28.

- Leverage the **Enterprise seller channel in Mumbai** (0.33), **Chennai (0.27), and Delhi (0.27**) to maximize success in these key markets.

- Leverage **Tele-sales** channel in **Mumbai** (0.30) and **Hyderabad(**0.34) to maximize success in these key markets.

- Leverage a targeted **Partner** program(0.32) to forge strategic alliances with companies in **Kolkata.**
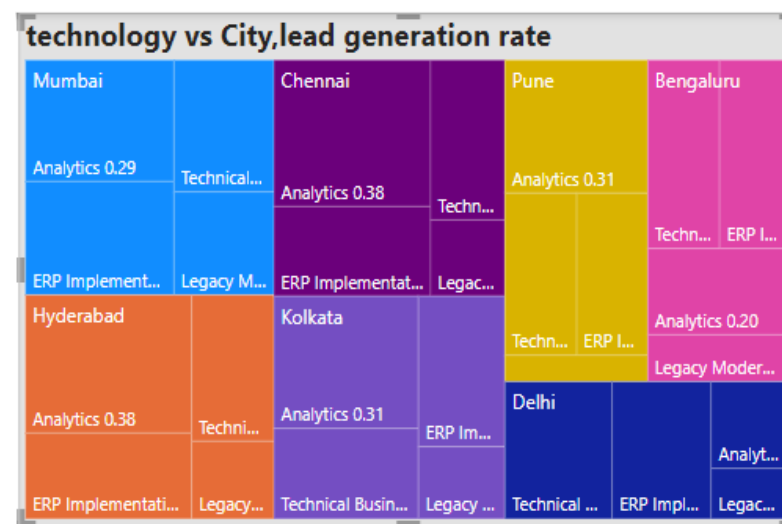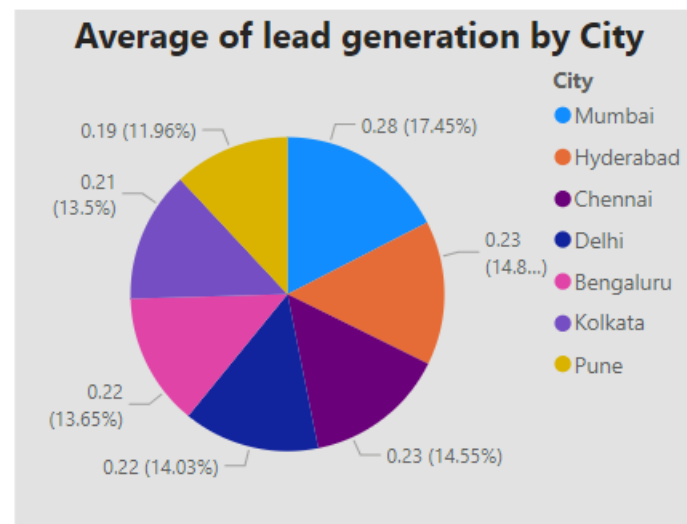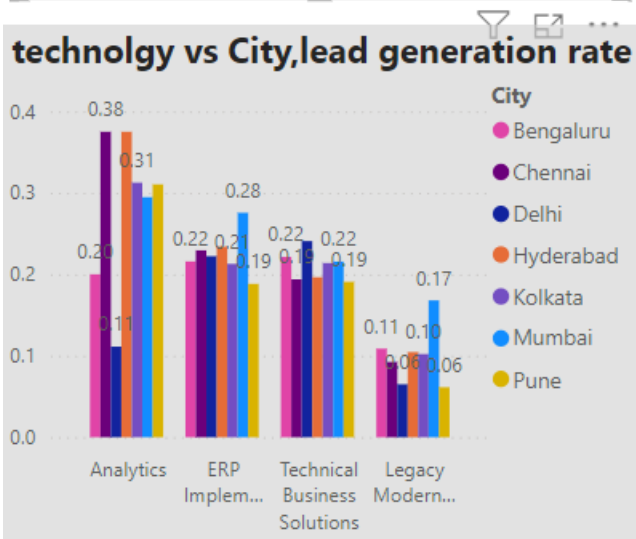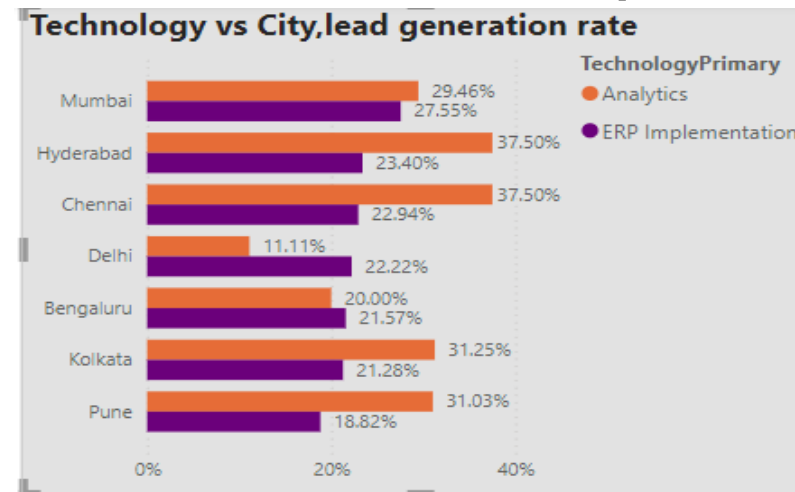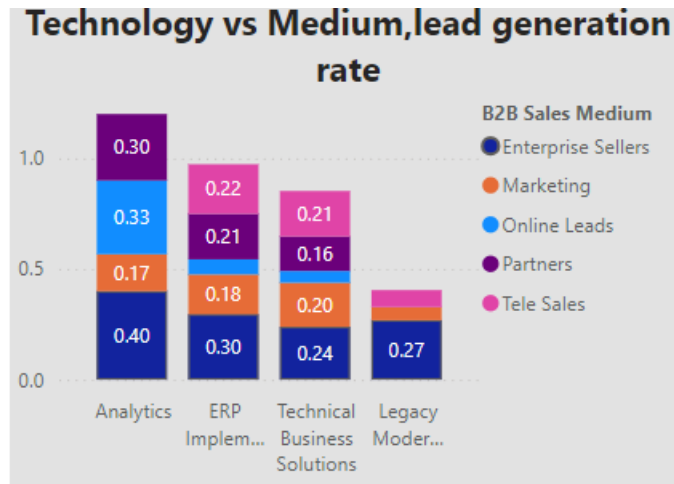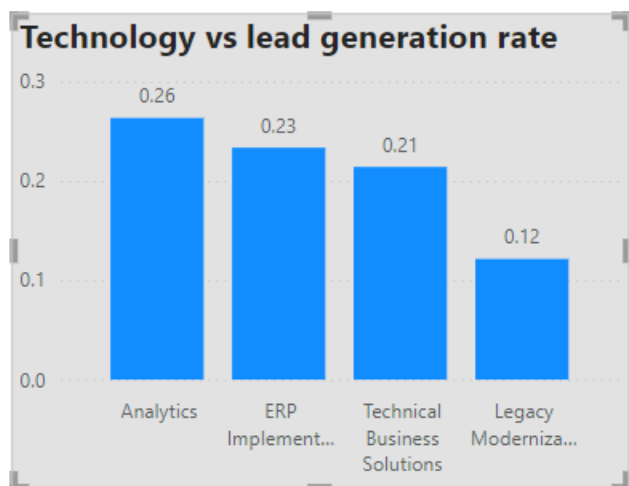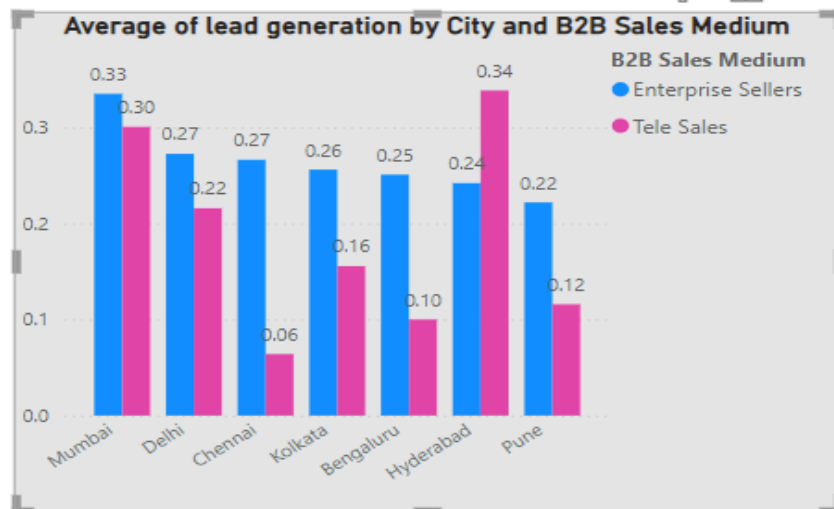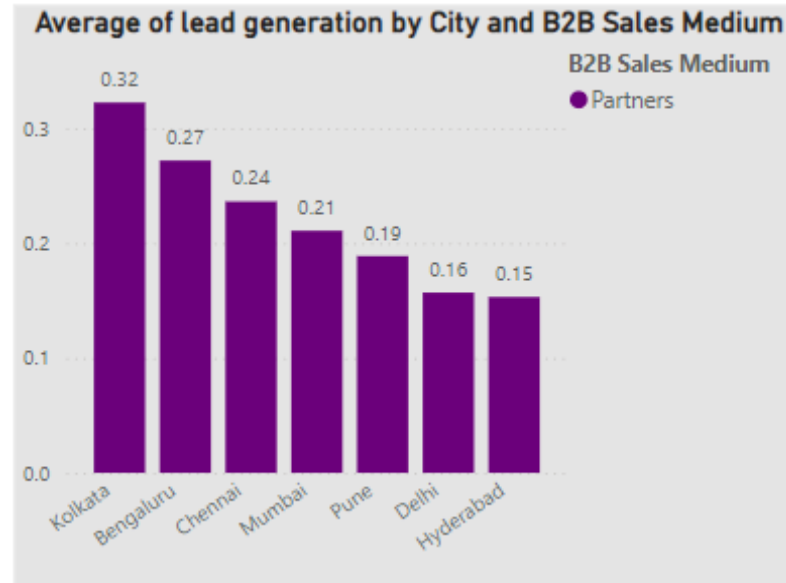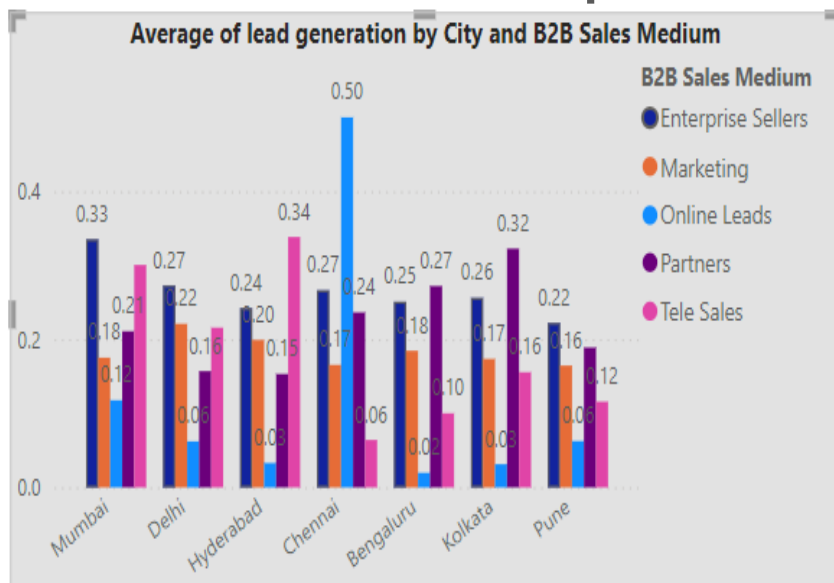
PART III B : Presenting Findings
Sales Pipeline Conversion at a SaaS Startup

PART III B : Presenting Findings
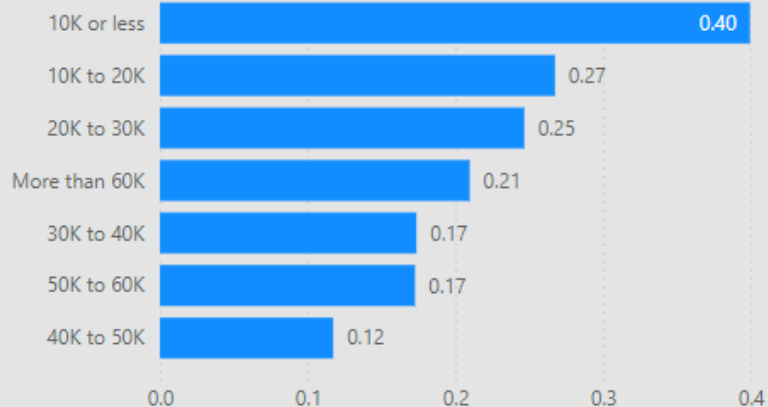
Sales Pipeline Conversion at a SaaS Startup

2. **Target Clients with Revenue Size of 100K or Less**

- Target **small-sized** clients (*100K and less*) across *all cities*, leveraging **Enterprise Sellers, Tele-sales, and Marketing** channels.

- *Allocate more resources* to **Marketing and Partners**, as they show strong potential in generating leads for clients with revenues between 10K and 30K.

- *Increase investment* in **Enterprise Sellers**, who achieve a 0.36 lead rate for *clients with revenue over 60K*.Ensure these efforts are concentrated in Mumbai and Delhi, as these regions offer higher conversion opportunities for these clients.

- ***Prioritize small-sized clients with revenue under 100K, aiming for deal sizes between 10K and 30K***.

- Direct strategic efforts towards **medium-sized clients** with *revenue exceeding 500K*, focusing on securing **deals worth 60K or** more through **Enterprise Sellers and Partners**.

- For Medium-Sized Companies (**100K–500K Revenue**),focus on **Chennai** and harness the high-performing **Online Channel**, which boasts an impressive lead rate of 0.50. This makes it the most effective strategy for driving enga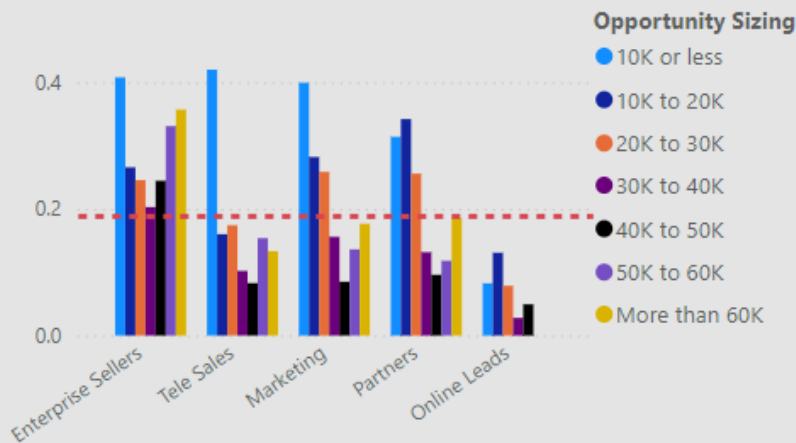gement and lead generation in the region.