EBOOK

The Benefits of Artificial Intelligence for Sales

Using AI to Help Drive More Business

Let's Get Right to the Point.

There is a lot of hype around artificial intelligence (AI) technology, which promises to do everything from automate repetitive tasks to drive business transformation. But, how can AI benefit salespeople? How can it help them do their jobs better and deliver the daunting quotas they struggle to reach every quarter. You can just hear traditional salespeople responding to the idea of AI like this:

"I don't need AI. I need something more practical to help me reach my quarterly goals."

At first glance, AI doesn't seem to directly address the biggest pain points most salespeople face.

Sales teams are focused on fostering relationships, building trust, and closing more and bigger deals in less time. Adding AI to the sales process and potentially deviating from proven sales best practices seems risky.

Compounding the resistance to embrace AI is the complexity that comes from the sheer number of internal systems that salespeople have to manage. Introducing new technology into the sales process isn't easy—and one more thing that takes time away from selling. When salespeople spend more time managing internal administrative tasks and less time in front of customers and prospects, responsiveness is slowed and friction created, both inside and outside of the organization.

To further complicate matters, understanding how to price deals can be another insurmountable hurdle. Internal pricing models are frequently static and don't take into account key factors such as customer segments or market volatility, which can affect the pricing for products. This challenge can lead to one of three actions from the sales team:

1. **Relying on their gut to provide a price to customer,** which can lead to unintentional price and profitability erosion if the price is lower than what the customer is willing to pay.

2. **Spending lots of time researching** what price they should be providing to customers, which can create long delays in responding to customer quote and RFP requests.

3. **Relying on the static pricing model,** which can result in being eliminated in the first round of bids.

How can AI technology address these challenges? How can it empower salespeople to provide personalized offers that lead to increase in customer satisfaction?

We're glad you asked. Let's look at how AI can help with everything from finding leads to closing sales.

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How AI Overcomes Challenges

Let's take a look at some of the ways AI removes barriers to more sales.

Find more hot leads faster

A list of qualified, ready-to-buy leads is like gold to a salesperson. But digging through all the unqualified leads to find them is a universally dreaded task. As a result of this imprecision, salespeople spend only 36.6% of their time actually selling.[1] Their largest time sink? Figuring out which leads are worth chasing.

How AI helps:

This is the kind of task that AI is designed to do. AI can quickly and efficiently find customer specific opportunities for salespeople and also help them prioritize which ones to focus on based on the ROI. These identified opportunities are not only customer specific, but also product specific so sales people know exactly how to tailor the conversation with their customers.

Quick case

A major distributor generated an additional $38 million in revenue from more than 110,000 new opportunities identified using AI technology.[2]

Predicting customer churn

Another issue salespeople deal with every day is figuring out which customers need attention to prevent churn.

How AI helps:

AI tools can help predict churn by providing sales alerts for accounts whose revenue on a specific product has declined over time. The best AI solutions remove false positives which can occur due to seasonal patterns. Sales can now have targeted conversations with clients if they see product or service sales lagging.

Surfacing growth opportunities

It costs five times more to attract a new customer than to sell to an existing one, yet many sales people can get caught in the trap of chasing new logos. The major challenge for salespeople is what opportunities are available in their existing accounts? Opportunities for expansion in the middle of a customer relationship are hard to perceive, and salespeople can miss them just because they're focused on fulfilling the customer's current needs or chasing after new customers.

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How AI helps:

AI can identify expansion opportunities in existing accounts for sales teams. These insights can help sales people quickly find and understand how to easily expand their sales with their existing customers. An AI-based opportunity identification tool can be combined with AI in the CRM to provide suggested actions to the sales person and employ lead scoring capabilities which will provide the probability of winning the deal.

Maximizing profitability of every sale

We're all familiar with buyer's remorse. But what about seller's uncertainty? Salespeople constantly wonder, "Did I price that deal correctly?" This tendency to second-guess happens because even the simplest sales organizations have innumerable pricing schema and products to offer. Complex product pricing can be taxing to put together for salespeople who aren't seasoned pros and many sales people end up relying on gut instinct, which can lead to profitability leakage.

How AI helps:

AI-based pricing optimization can help pinpoint the right sell price with great precision and speed, freeing the salesperson to make the sale. Armed with these price recommendations that the customer is willing to pay and that are profitable for the business, salespeople can have more confidence in the deals they close.

Getting help while maintaining control

The typical salesperson may object to the product and pricing recommendations produced by AI because they might feel they know the right product and price and will want control over how they are developed.

How AI helps:

AI doesn't have to be a complete black box. Modern AI tools provide transparency in their recommendations, allowing for humans to understand the rationale behind the offer recommendations. This leads to greater adoption of offer recommendations by sales and higher revenue and profitability.

Speeding up escalation and review

Once pricing is established, it must be reviewed and approved—a process that can eat into the precious time-to-close factor that bedevils every salesperson. Inefficient manual quoting and approval processes can reduce both productivity and margin. No one has time to wait for someone to figure out the quote, get it approved, and pass it along.

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How AI helps:

AI-based pricing optimization can again help automate the approval process and give each sales person the authority to approve quotes, which are within approved business guidelines. For deals, which require escalation, AI-based pricing optimization can help approvers to quickly analyze pricing requests and provide pricing guidance for the deal. This accelerates the approval process while preserving profitability.

Bringing new salespeople into the mysteries of products and pricing

Sales culture revolves around expertise and trust. It takes time for new employees to learn everything about what they're selling and establish that critical level of trust that enables high performance and great client relationships. Until new sales staff are up to speed, they can be a drag on your numbers.

How AI helps:

AI provides a reliable crutch for new team members. The difficult handoff of deep and mysterious institutional knowledge from the battle-tested seller to the greenhorn can be reduced by offering leads, showing them where in their existing accounts they can hunt, and product and pricing recommendations. Newbies can also get integrated prescriptive analytics that give them real-time insights into cross-sell options so they maximize the value of every deal.

With all this assistance, AI enables sales training to focus on the deeper mysteries of product selling.

How does it all add up?

AI is proven to drive sales numbers

- In 2021, artificial intelligence augmentation will generate $2.9 trillion in business value and recover 6.2 billion hours of worker productivity[3]

- Artificial intelligence and machine-learning features have the potential for shortening the sales cycle by 15% or more and improving win rates[4]

$2.9 trillion in business value

6.2 billion hours of worker productivity recovered

15% shortened sales cycle and improved win rates

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The 5 Key AI Capabilities

Here are five of the key capabilities to look for in an artificial intelligence sales tool.

1. Handles repetitive grunt work

Every AI solution should have the capability to reduce time-intensive processes to either on-demand functions or automated tasks that don't take much time at all. Whether it's identifying buying signals, running through leads for a particular need, or determining when a customer requires attention either to upsell, cross-sell, or prevent churn, all these things, which currently take sellers away from selling, should be taken care of by a good AI solution.

2. Gives you solid ideas for more sales

An AI sales tool should deliver useful and net-new opportunity recommendations for sales expansion with existing customers to your sales teams. And, the tool should offer the ability to sort these opportunities by region, ROI, and product.

3. Recommends personalized offers to advance opportunities

Make sure any AI solution you consider has the capability to find and recommend the right products from all your complex resources, and then help match the selling message to a prospect's actual location on their buying journey.

4. Predicts customer needs

An AI solution leverages machine learning to help fill your customer pipelines by identifying like customers and their purchase trends, to both surface white space within accounts and automatically create opportunities. Not only can this strengthen relationships with valuable insights, but it can also dramatically increase deal sizes by enabling upselling and cross-selling on top of current sales.

5. Turns B2B complexity into simple navigation

A good AI solution will help your salespeople become a welcome voice to the right contacts by providing customers with intelligent recommendations as they navigate through your portfolio of products and services, whether in-person or through eCommerce.
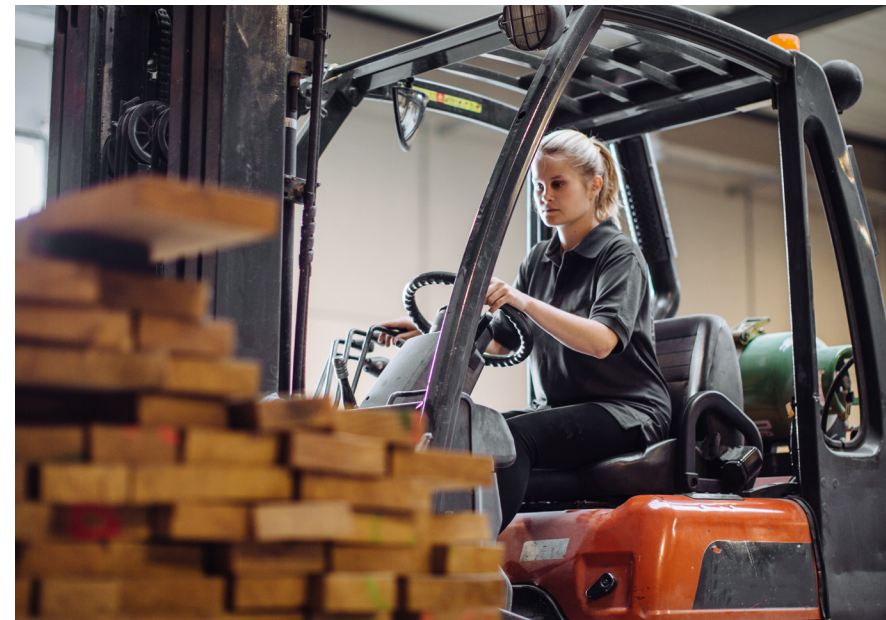
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CASE STUDY

Manitou: Giving Sales an AI Lift

Manitou builds world-leading rough-terrain forklift trucks. This global company has 17 subsidiaries doing business in more than 140 countries. With their worldwide scope and massive catalog of products, their sales process is anything but simple.

Challenge

Manitou wanted to optimize its sales processes to overcome these challenges:

- **Lack of visibility** into dealers' order pipelines

- **High error rates** in quotes and orders

- **Frequent back and forth** between sales and engineering to validate offers

- **Difficulty and delay** with communicating product changes to the field

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Solution

Manitou launched PROS Smart CPQ for its field sales, dealers, and order administration, all of whom now use PROS Smart CPQ to better manage the sales process. Manitou's sales reps use the solution to interact with their indirect dealer network and capture accurate opportunity and order statistics coming from the channel.

Rather than relying on the old paper catalog, dealers now have online access to the entire Manitou catalog to research and download technical product information, configure products, obtain dealer-negotiated purchase prices, and place orders that are 100% accurate. PROS Smart CPQ is integrated with other Manitou information systems to provide dealers with self-service access to order status and account balances.

Manitou's sales teams across the globe use PROS Smart CPQ to take orders for configurable products. Seamless integration with Manitou's enterprise resource planning system eliminates errors and reduces order-to-production cycle times, as PROS Smart CPQ takes each customized order and automatically generates accurate bills-of-materials, routings, and technical data sheets.

Results

- **Less catalog grunt work:** By replacing the bulky and time-consuming paper catalog with an always-current online catalog, salespeople can now take orders without technical assistance.

- **Automated sales recommendations:** With automatic upselling and cross-selling options delivered to dealer sales reps, the average revenue of each order has increased.

- **Faster review and order processing:** Average time to configure and place an order has decreased from 30 days to 1 day.

- **Automated dealer order system:** More than 70% of dealer orders are now entered through the online dealer portal embedded with PROS Smart CPQ.

- **Lower cost-per-sale:** Sales costs have been significantly reduced and company revenue increased by all but eliminating manual order processing.

[1] InsideSales.com Research: *Time Management for Sales*
[2] These additional opportunities were discovered using PROS Opportunity Detection
[3] Gartner report: *Maverick* Research: What is the opposite of artificial intelligence?*, Svetlana Sicular, Gareth Herschel, October 2018
[4] Gartner Report: *Tech Go-to-Market: 3 Ways to Reimagine sales enablement strategies to win more deals and shorten sales cycles*, Todd Berkowitz, Tad Travis, Michele Buckley, April 2018

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Boost Your Sales to the Cloud

AI is where technology literally pays off. PROS and Microsoft Azure partner to bring the advantages of cloud computing, AI, and sales best practices in an environment of agility, stability, and security to deliver real, measurable results for your sales force and your bottom line.

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About PROS

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