



180

BUSINESS CASE FOR TEMPLATE

FOCUS. ACTION. RESULTS

ABOUT THIS DOCUMENT

Business Case calculation is founded on well known sales practices about quantity, direction and quality. The focus is on making visible how we can help salespeople succeed and meet their quotas.

Collaborative effort

The actual calculation is done in collaboration with the company's sales director. The creation of Business Case is a learning journey for all participants

From document to operations

In H2 2024 this approach creating a business case will also be available in the 180ops UI as Sales Performance monitoring tool. This tool will allow overall monitoring as well as segment, offering or sales person level analysis tool



CUSTOMER CASE – Example STARTING POINT

160 000 000 USD	GOAL
158 000 000 USD	Team revenue/year
8	# sales people
20 %	% of time, sales people use to sales discussions and meetings with customers
18	# of new offers/month
8 000 000 USD	total value of new pipeline/month
4	Number of sales meetings or discussions (live or teams)/week/rep
11	# of closed WON offers/month
3 240 000 USD	Total WON sales USD/month
20 %	Profit margin (EBIT)

- Most sales directors can easily find these figures at least at annual level, which can then be easily divided by months or weeks
- Profit margin is easily found from the latest annual report.
- Note! In case the revenue level grows, it is likely to improve profit margin too > the profit starting point can be improved with volume
- Note 2! This calculation doesn't take into consideration the improvement in retention, which has a significant impact on both topline and bottomline performance



PRODUCTIVITY IN NEW CUSTOMER ACQUISITION

STARTING POINT

32 h/rep/month used in sales

16 avg sales discussions/rep/month

2 offers/rep/month

14 % Meeting to offer conversion

61 % Offer to agreement conversion

1,38 deals/rep/month

294 545 USD /average closed deal

405 000 USD Average new sales/rep/month

- This view gives an outlook on combined performance and comparison to global average in terms of time allocated to actual selling (SF State of sales research)
- The conversion rates and success levels are often a surprise even for a CSO

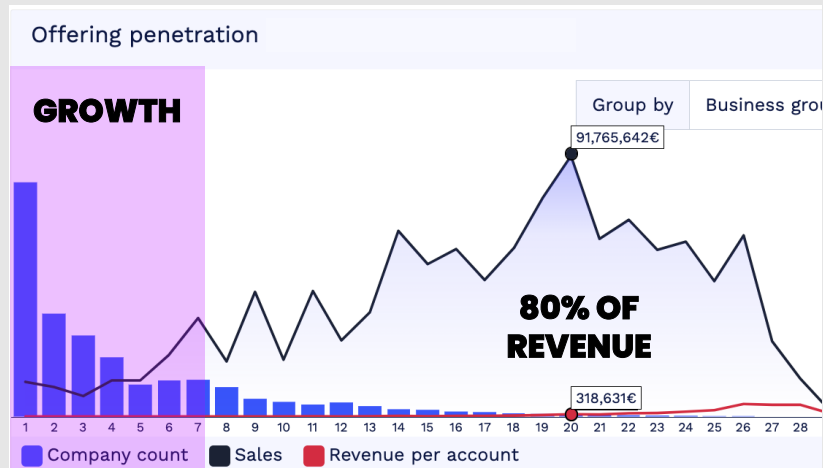


PRODUCTIVITY & RETENTION WITH CROSS-SELLING

MAXIMIZING LIFETIME VALUE

Typically customers are only buying from 1-2 offerings and represent large share of customers, but lower share of turnover. On the other hand small number of customers buying from multiple offerings represent majority of turnover.

In cross-selling there is less friction for selling and it also has a retention impact. The combination impact has strong influence on productivity.



	CURRENT CUSTOMER	NEW CUSTOMER
EXISTING OFFERING	1-3x	7-8x
NEW INNOVATION	4-6x	9-16x



180ops SALES PEOPLE'S SUPPORT INTELLIGENCE

WITH DATA AND ADVANCED ANALYTICS WE ANSWER QUESTIONS: WHAT TO SELL, TO WHOM, WHEN AND WHY

POTENTIAL: Up- and cross-selling potential at offering level in individual businessIDs

PROJECTION: Billing forecast for the next 12 months

RISK: Predictive churn analysis > capability improve retention

READINESS: Readiness to buy, willingness to consider. Improve timing of sales activities



BUSINESS CASE – WHAT ARE WE INFLUENCING?

Steering priorities with evidence based advanced analytics help salespeople to pinpoint opportunities and discover how they meet their goals

POTENTIAL: The time and attention of sales steered to customers and offerings with most revenue opportunities (DIRECTION)

RELEASING TIME: Target recognition, reporting, monitoring prior to contacting is automated. More time for actual selling (VOLUME)

TIMING: Improved timing when customers are more open to propositions (QUALITY)

SUPPORT & COLLABORATION: Marketing impact improvement, timing and understanding of customer situation to support sales (QUALITY)

	Potential			
	< 100 k€	100-500 k€	500k-1 M€	> 1 M€
Current value > 1 M€	5	13	19	91
500k-1 M€	8	23	19	54
100-500 k€	71	179	94	171
< 100 k€	1078	1884	686	848
hunting	1826	1359	490	379

At Macro economic level sales resource prioritisation and responsibilities can be steered with current & potential value matrices. The matrix enable the definitions and monitoring of effective caremodels at individual customer level (Strategic customer management)

MOTIVATION: Salespeople are rather alone with their quotas and goals. On top of quata, they also get advice how to meet it, which has strong impact on their motivation (VOLUME)



WHAT KIND OF IMPACTS WE LOOK FOR 1/2?

CHANGE EVALUATION

Released time	8 h/sales rep/month	64 h/team/month
Time impact index	1,25 released time for sales meetings	
New sales discussions	4,00 rep avg/month	32 /team/month
increased accuracy	0 % Improved meeting to offer %	
Meeting to offer	14 % conversion	
Number of more offers	0,56 rep avg/month	5 /team/month
Growth in agreements	0,34	3 /team/month
Time saving & Accuracy impact	101 250 USD rep/month	810 000 USD /team/month

- Releaving salespeople's time to actual saleswork improves the number of customer meetings
- Improved accuracy and timing has an impact on meeting to offer conversion level
- Even small incremental improvements stack up to meaningful outcomes



WHAT KIND OF IMPACTS WE LOOK FOR 2/2?

SALES STRATEGY AND PROCESS IMPROVEMENT IMPACTS		
Offer to agreement conversion improvement	0 % Improved offer to deal 0,0 More Deals	3 /team/month
Growth in average proposal value	0 % Proposal value % 0 USD More Deal value	0 USD /team/month
Conversion and Deal size improvement	0 USD rep/month	0 USD /team/month
TOTAL SALES IMPACT	101 250 USD rep/month	810 000 USD /team/month

- When we learn more about how to communicate the value and support sales with marketing, it will also have an impact on offer to agreement conversion. Often the business case is already lucrative enough, so we don't set a goal for hitrate, but start monitoring it once we begin collaboration
- When saleswork focuses on customers with stronger buying power (potential), the average deal size will likely grow too. Again, often not set as a goal, but monitored in the collaboration



BUSINESS CASE IMPACTS (example)

BUSINESS CASE 12 MONTHS

9 720 000 USD GROWTH IN SALES

1 944 000 USD GROWTH IN PROFIT

180 OPS costs

Internal costs for set-up and training

1 944 000 USD TOTAL PROFITABILITY IMPACT

ANNUAL NEW SALES IMPROVEMENT

38 880 000 USD ORIGINAL NEW SALES

48 600 000 USD TOTAL NEW SALES

25 % UPLIFT

COMPANY OVERALL IMPACT

167 720 000 USD TOTAL TURNOVER

6 % REVENUE GROWTH %

33 544 000 USD EBIT

12 % EBIT GROWTH

- Once we are in full operation, the expected impacts for 12 months full year uplift are 9,7M in sales and 1,9M in profits
- Profit level was calculated with current margin

- The uplift for new sales improvement is 25%

- At overall group level the revenue growth stands at 6% and ebit at 12% growth calculated with last years profit margin



BENEFITS FOR KEY STAKEHOLDERS – WHAT'S IN IT FOR ME?

CEO

Effective goal setting, KPI's, and management based on unified understanding

Ease and speed adapt and react in market changes & to recognize risk and opportunities

More time and better tools for strategy execution

CSO

1. Improved goal setting
2. Accurate resource planning
3. Better customer retention
4. Improved opportunity recognition
5. Better hit rate
6. Time released for customers

CMO

1. Better leads generated
2. Better visibility on market changes and customers
3. Improved marketing ROI
4. Time released for content creation and ideation

CPO

1. Improved portfolio planning
2. Better visibility on market and customers' needs
3. Improved marketing and sales cooperation
4. Time released for customer success

CFO

1. More accurate predictions, budgeting & reporting
2. Improved cash management
3. Better visibility on market changes and customer risks
4. Time released for strategic planning



LET'S GROW TOGETHER

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