

WHITE PAPER

# Plan for profitable growth with an integrated go-to-market engine

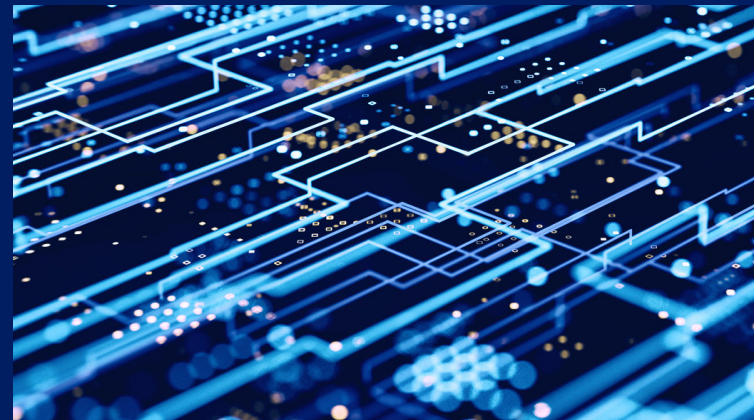
 **Anaplan**



The technology market landscape has shifted dramatically. For example, in 2022, top quartile SaaS companies were growth focused with over 60% revenue growth, but no available cash flow. Fast forward just one year to 2023 and growth has slowed to a more sustainable 39% with top quartile companies now operating with improved available cashflow. For today's RevOps leaders, the implications are significant—you must find ways to deliver top-line outcomes within tightening cost and resource constraints. Efficiency and productivity in the go-to-market (GTM) function are imperative.

In the past, tech companies were able to deliver growth through brute force—by increasing headcount, or marketing spend, for instance. But in today's new economy, investors are no longer satisfied with this 'growth at all costs' approach. They have set expectations for a more balanced and sustainable approach to growth and profitability.

As a result, finding ways to do more with less has become a critical priority. For many technology companies, the fastest—and most obvious—way to achieve this has been to make cuts to their workforce. This not only strips an organization of vital capabilities and destroys employee morale, but also isn't a sustainable practice for profitability. A better long-term strategy to unlock sustainable, profitable growth is to focus on retaining your top sales talent and increasing both efficiency and productivity across the GTM organization.



## An unpredictable market

The pressure from investors to rein in spending has been joined by a host of other challenges. Bookings are slowing down while customer demands are increasing, along with their negotiating power. Renewals can no longer be taken for granted, and retention rates are also dropping as customers scrutinize their spending budgets. These factors are moving corporate goalposts and squeezing GTM budgets at the same time.

Coupled with these problematic trends are the broader socio-economic forces bearing down on companies around the globe, requiring them to adapt quickly to stay competitive—or risk falling by the wayside.



## Failure to launch

For many companies, another obstacle to sustainable, profitable growth is the lack of progress made against their digital transformation initiatives.

Digital transformation investments have not always paid off as expected, and the promised benefits—seamless processes and streamlined operations—have not materialized fast enough. Organizations are left dealing with disconnected business processes and systems, and data that is difficult to access, use, and rely on. For example, data silos in the GTM organization could result in the sales team having access to data that provides a specific view of top customer accounts, but the data the marketing team is using creates a contrasting view of those same accounts. These disconnects mean insights are generated using outdated or incomplete information, leading to flawed analysis, poor decision-making, and ultimately misaligned and duplicative planning.

Within this context, urgent strategic adjustments must be made to traditional GTM planning approaches to seamlessly integrate and connect data sources from across the business to enable real-time visibility and accurate analysis.

## Traditional GTM approaches fall short

GTM planning is typically a disjointed process. These process disconnects are exacerbated in companies implementing purpose-specific systems and platforms not designed to integrate. The core commercial functions—marketing, sales, professional services, and customer success—tend to plan separately, using spreadsheets pulled from these disparate systems. These manual and siloed processes are time-consuming and inefficient, and result in duplication. But that’s probably the least troubling of the drawbacks.

With disconnected GTM planning, critical decision-making is based on fragmented and poor-quality information. This is the case not only within the core functions, but also for the business partners that integrate with them, notably the finance, HR, and product teams. Deficient inputs make for unreliable and error-prone outputs.

Strategic misalignment, due to multiple plans driving different goals, is another significant issue. Weak collaboration between functions and failure to fully share data and insights leads to divergent perspectives and priorities.

Conventional methods of GTM planning are also too rigid, making it impossible to respond quickly and adequately to market shifts. Any changes can take months to implement.

For instance, if territories need to be adjusted, rebalancing the coverage mix may require weeks of additional planning and re-calculations through multiple models or datasets.

Traditional GTM planning leaves a lot on the table. The ability to stay competitive through shifts in market dynamics requires responsive shifts in your own strategy—from siloed, static approaches to an integrated GTM engine that connects all functions, datasets, and processes in the planning cycle.

### Inflexible, disjointed GTM planning results in:

- ✗ Targeting the wrong accounts
- ✗ Low return on investments
- ✗ Poor alignment and execution
- ✗ Missed revenue opportunities
- ✗ The inability to be proactive
- ✗ Loss of key talent

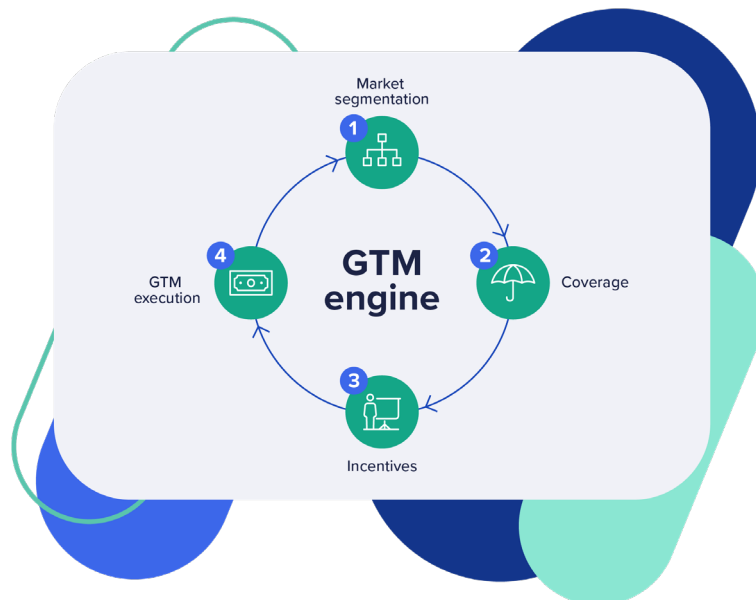


## The single source of truth

To drive efficient and profitable growth, all GTM stakeholders need to be able to view accurate, up-to-date data through the same lens. GTM tools and planning systems should bring you the capabilities to break down silos, pulling data and workflows together into a single consistent, and cohesive view that provides the same visibility across the entire enterprise.

This integrated approach will unite your key functions and business partners within the GTM organization, ensuring they consistently work in concert to align and focus on the best opportunities for growth, and optimize plans to achieve the company's broader strategic goals.

These “four powerful outcomes” are referring to what we have written on the next page, not the image below ...



## **OUTCOME 1:**

### **Faster, focused growth with targeted spending and headcount**

Integrated GTM planning will provide your organization with the intelligence needed to target the right opportunities, improving revenue and sales performance.

Market segmentation must become more mature, moving from what has typically been a simple model based on historical data—such as growth or revenue—to a multi-dimensional segmentation that takes a range of inputs into account, including propensity to buy and the accounts delivering the highest ROI. This will give you the insights you need to understand sources of growth, size your sales addressable markets, and prioritize investments and resources to serve the most promising accounts.

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**Anaplan platform users experience an average of 15% larger deal size for new logos and a 5% improvement in net retention.**

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Enhancing segmentation models with third-party analytics delivers predictive insights that both accelerate and increase the accuracy of revenue and billings forecasts and targets. This capability also supports rapid recalibration of the GTM plan, enabling you to quickly adapt (e.g., redeploy the sales force) to market changes.

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**Predictive analytics can help you increase revenue by 3x in newly identified segments.**

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## **OUTCOME 2:**

### **Efficient use of resources: assigning the optimal market coverage mix**

Integrated GTM planning allows organizations to model and design balanced, equitable sales territories that maximize returns by capitalizing on the best opportunities. Setting the optimal coverage mix across territories, geographies, products, and seller capabilities boosts productivity and ROI.

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**Flexible, connected GTM plans can reduce planning cycle times by 50%.**

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Migrating away from the traditional manual approach to workforce planning in your go-to-market team will empower you to improve territory management. This shift will enable you to identify where to focus top sellers and teams to ensure optimal coverage across all sales channels, including field, hybrid, and digital.

### **OUTCOME 3: Motivate and retain key talent, and optimize incentives based on ROI**

Proper management of incentive programs is essential for holding on to your top performers—their capabilities and expertise. Delayed sales reporting can cause payment estimates to be off by 10-15%, with long waiting periods before data can be analyzed.

Integrated GTM planning gives near real-time visibility of compensation data, speeds up sales reporting, and improves the accuracy of incentive calculations, with a margin of error of less than 1%. Because compensation and incentive plans can be tied directly to GTM goals (e.g., quota attainment rates and growth targets), rewarding your sellers quickly with appropriate compensation is critical to your success.

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**Users of the Anaplan platform report a 5% decrease in attrition across their sales teams.**

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Workforce planning can also directly link to integrated GTM planning, making it easier to allocate reps based on strategic priorities, assess and address talent gaps, plan for voluntary turnover, and reduce regrettable attrition.

### **OUTCOME 4: Better execution—with the ability to flex as needed**

Providing sellers with their quotas and territories earlier in the fiscal year will improve sales momentum and productivity, alongside GTM efficiency.

When sales quotas still aren't locked 90 days into the new year, it's difficult to make-up the lost time. Integrated GTM planning allows you to confidently release quotas within one month of the new fiscal year, model 'what-if' scenarios using AI, and quickly make necessary adjustments to suit local conditions.

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**Improve sales productivity by 20% with 3x faster quota assignments using the Anaplan platform.**

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## Proven results

Global technology companies have seen quantified improvements in GTM performance since implementing Anaplan.

### Focused GTM investment pays off for Adobe

Digital experience and design giant Adobe used predictive insights to capitalize on the opportunity to pursue growth in the crowded mid-market space by identifying high-propensity accounts.

Using the Anaplan platform to overlay intent signals with internal and third-party data sources, Adobe gained a better understanding of its ideal customer profile, ensuring it focused on the right targets. From there, it was able to align territory planning and resource management with the best opportunities to maximize ROI.

Adobe built a predictive model that used AI to score and segment its accounts, enabling it to surface the best account opportunities to pursue every quarter.

Win rates have shot up by 81%, along with a rise in conversions among top-ranked accounts, with a healthy 15% bump in average deal size.

### LinkedIn optimizes GTM planning

After years of hypergrowth, LinkedIn's GTM operations teams found the time-consuming task of building and maintaining sales territory models in spreadsheets burdensome. According to Rachel Krall, Senior Director of GTM Operations: "Our tools just weren't cutting it for the number of people using them and the amount of data we had."

Anaplan's speed and agility helped LinkedIn move from annual to semiannual sales planning. Today, its data-powered sales headcount and territory planning feed forecast and performance tracking in an end-to-end GTM enterprise solution.

"Anaplan has greatly reduced the frustration and anxiety that used to come with our planning processes," Krall explains. She estimates that, with Anaplan, 7,500 GTM ops hours were saved in FY23, and notes that territory planning time was cut by more than 75%, from 34 days to eight days.



## **AWS achieves consistent, flexible sales planning**

Amazon Web Services (AWS) sellers are organized into autonomous groups, each handling its own planning. AWS implemented Anaplan to consolidate sales planning for thousands of sellers, ensuring data governance and consistency while enabling flexibility and agility.

Anaplan's ability to handle multiple planning tasks within sales, as well as non-sales planning needs in finance and marketing, made it an ideal, flexible planning platform for the company.

Sellers receive their territories and quotas in the first month of the fiscal year. Initial forecasts, territory and quota definitions, customer groupings, and headcount assignments are generated using AWS machine learning. This saves time for sales leaders and lets them tailor recommendations to local conditions and needs of the business unit.

In two years of use at AWS, Anaplan adoption doubled to 80% and is expected to increase to 100% soon.

## **Tech company uses smart sales modeling to improve agility**

A multinational software company struggled to plan effectively due to changes in its GTM approach and a need to account for multiple product offerings. The company used Anaplan's enterprise modeling tool to optimize its GTM planning process worldwide while generating deals that are attractive to customers.

The company created 30 multi-dimensional models that its teams use to set sales quotas, establish pricing terms, forecast revenue, build portfolios, rebalance territories, evaluate deals, and more.

The initiative has significantly improved productivity, with 80% faster revenue forecast roll-ups, and enables rapid recalibration of plans and forecasts to address new business problems and opportunities. The company has seen a more than 103% growth in revenue since becoming an Anaplan customer.

## The impact

When your GTM organization is integrated and aligned on strategy, efficiency and productivity rise. Integrated GTM planning allows you to target the right opportunities with the right people in an agile and flexible way.

Using a collaborative platform that brings together data, functions, and workflows will simplify and advance your development of a unified, successful GTM plan. You can make decisions with confidence, knowing that they're based on accurate and timely intelligence. And you can empower your organization with the agility required to adapt quickly in response to shifting market dynamics.

As investor calls for tech companies to 'do more with less' continue, only an integrated GTM planning engine that aligns cross-functional resources on the best opportunities will enable your organization to adapt to market changes and achieve sustainable, profitable growth.

**Find out how Anaplan can support GTM planning in your organization.**