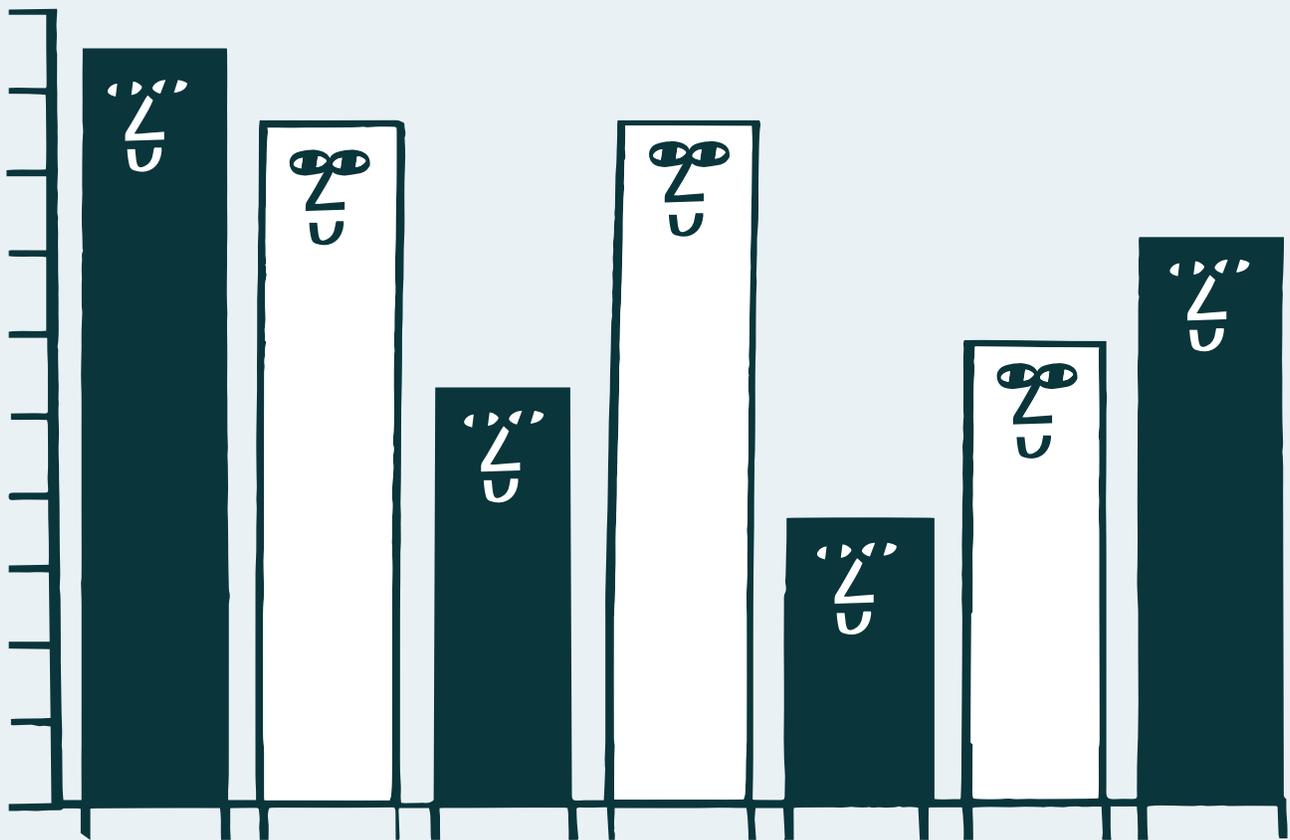# Beyond Predictive Analytics: Why the Future of AI in Sales Is Prescriptive

Since the official birth date of the term "artificial intelligence" on August 31, 1955, we humans have become obsessed with the concept of smart technology.

From the Jetsons, to Space Odyssey to the Matrix, our imaginations have run wild with visions of sentient, superhuman machines that can do everything from make us coffee to travel to Jupiter.

While our technology hasn't quite reached this level of sophistication, it's clear that artificial intelligence is no longer something that is experienced only through our TV screens. AI is now a reality, and most of us see and/or experience its effects every single day.

Take, for example, the phenomenon of self-driving cars. Google's self-driving prototypes have long been seen parading up and down the streets of Silicon Valley. Every Tesla car produced now comes fully equipped with self- driving hardware. And if Elon Musk has his way, your Tesla will soon be able to drive around and make you money while you're at work.

01   AI Defined

So what is AI anyway?

In its most basic form, artificial intelligence (AI) refers to the ability of computers to analyze information, accomplish tasks and make decisions like a person would. Some of the most notable traits of AI, derived from the components of human intelligence, are learning, reasoning, problem-solving, perception and language understanding.

And while AI-powered platforms still lack many of the skills that humans possess, such as common sense and empathy, their ability to house large amounts of information and crunch mounds of data at lightning speed has no doubt improved our professional as well as our everyday lives. Case in point: a recent study found that 80% of executives believe that AI solutions boost worker performance.

Research firm Markets and Markets estimates that the AI market will grow from $420 million in 2014 to $5.05 billion by 2020, thanks to the rising adoption of machine learning and natural language processing technologies in the media, advertising, retail, finance, and healthcare industries.
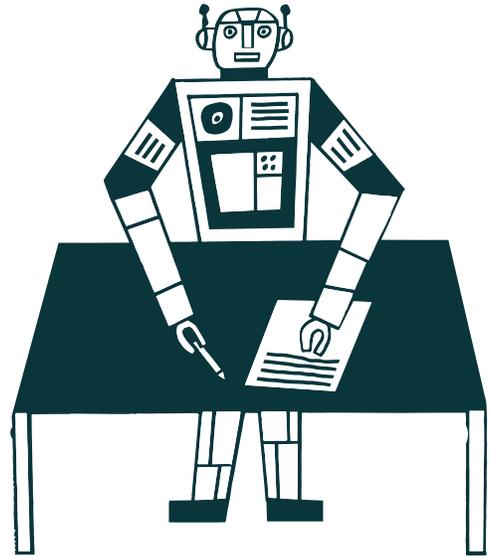
02   AI in Sales
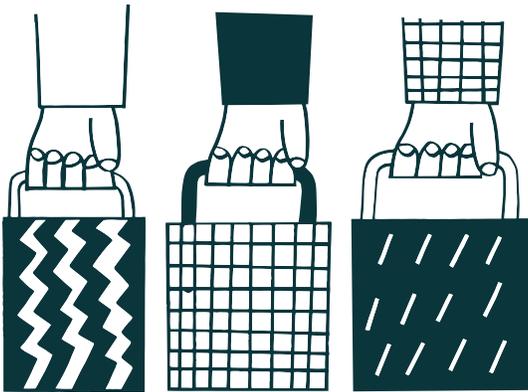
Despite the widespread success of AI in departments like marketing and customer success, there seems to be one business function lagging behind the rest when it comes to using AI to improve efficiencies and fuel smarter decision-making: sales.

Held back by an archaic yet steadfast belief in the "art of sales," the sales industry has only recently begun to experience the power of AI in the form of predictive analytics. Unfortunately, what most sales leaders don't realize is that they are actually missing out on the most recent evolution of sales AI: **prescriptive insights**.

03   Predictive Analytics

As the name implies, predictive analytics anticipate what will happen in the future using historical data and machine learning capabilities. It takes many forms, but let's look at three of the most common.

Email sentiment

Using natural language processing, predictive sales platforms can detect whether or not an email that you've received contains any negative sentiment, signaling that the deal may be in jeopardy. Examples of words or phrases that may trigger negative sentiment alerts include "unhappy," "need to speak right away," "disappointed," etc.

Forecasting

While sales forecasting used to be a dreadful and time-consuming process that typically ended in more questions than answers, AI-enabled forecasting tools can estimate the close dates of your deals based on previous wins and performance patterns. Using this and other key information, they can then calculate the probability of winning deals to predict expected revenue and help you create more accurate sales forecasts.

Lead scoring

By isolating the key qualities of your best prospects and customers, as well as identifying common traits shared by high-value businesses, predictive lead scoring assigns a numerical value to each of these signals – industry, title, number of employees, etc. The higher the score, the more likely the lead is to eventually convert.

Predictive analytics is effectively changing sales as we know it by generating intense competition that requires companies to become faster and smarter in a way that only data can facilitate. In fact, high-performance sales organizations claim to be 4x more likely to use predictive analytics than underperformers. However, it's important to note that while predictive analytics can tell you what will happen if you continue on a given path, it lacks the ability to tell you how to correct course if you don't like where you're going.

04   Prescriptive Insights

In contrast to predictive analytics, the most recent evolution of AI in sales, prescriptive insights, doesn't just tell you what is happening or what might happen, but can actually reveal why something is occurring. Most significantly, prescriptive insights provide specific recommendations as to the actions that can be taken to achieve particular outcomes.

These insights are generated via scientific, AI-powered platforms that have the power to dynamically codify and analyze millions of data points at once to isolate the key dimensions impacting your sales performance. These dimensions include but are not limited to: lead source, sales rep, company industry, contact title, sales process, stage duration, time-to-first-action and deal size.

According to the recent Forrester Research report, *Prescriptive Advice: The Salesperson's Crystal Ball,* "Whereas sales differentiation began with companies dictating buyer engagement and progressed to automation, it is now shifting to intelligent selling. Sales reps armed with relevant recommendations will more readily meet the needs of today's more demanding B2B buyers."[1]

[1] Bruno, J. (2017, March 7). Prescriptive advice: the salesperson's crystal ball. Retrieved from Forrester database.

The chart below further illustrates the difference between predictive analytics and prescriptive insights.

Predictive analytics	Prescriptive insights
Based on your current performance, you will finish the quarter at 15% under quota.	If each rep on your team can increase her average contract value by $5k, you will end the quarter at $35k over plan.
Due to his current win rate, Rep A is at risk of falling short of his forecast.	To increase Rep A's win rate, give him more leads from media/publishing and fewer leads from technology/ software.
Considering your current lead flow, if your team's average time-to-first-action is 30 minutes, you will be able to follow up with 112 new leads per day.	Reduce your team's time-to-first-action from an average of 33 minutes to 17 minutes to generate $150k more per quarter.
Leads from partners have a 35% chance of converting.	To increase your average deal size by $10k, focus on leads that come from paid search and have at least 500 employees.
The usage of the words "escalating," "nervous" and "unsure" in a recent email indicate that your deal is at-risk of being lost.	Target deals with contact titles of VP of Operations or VP of Finance to reduce loss by 7%.

05   Prescriptive Insights in Action
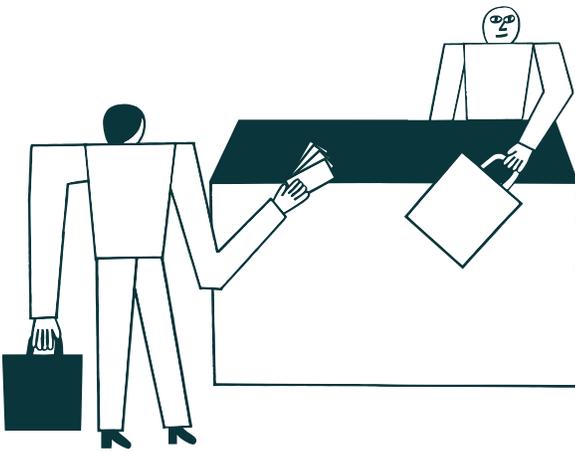
Chicago-based publisher Guerrero Howe was on a mission to understand the value of its referrals to determine how its sales reps could most effectively spend their time. With the power of prescriptive insights, they were able to codify and isolate the key factors impacting their sales performance. "We knew we wanted to show reps a path to working smarter, and that the key was in our data," said Kyle Evangelista, VP of Sales at Guerrero Howe.

The publisher quickly identified profiles of prospects who were providing high quantities of referrals; however, these referred deals represented only a small percentage of total revenue.

While these referrals generated significant revenue per deal, they were not being closed. After further analysis, Guerrero Howe discovered that the reason for this was rep-related, with some reps closing these specific deals at a much higher rate than others.

At the end of the day, Guerrero Howe was able to walk away with prescriptive insights around the profiles of its best referrals, as well as key areas for sales coaching. "The sales insights we've gained allow us to help reps focus their time and efforts toward the most effective channels, as well as pinpoint opportunities to coach reps in areas where they might need additional training and resources," said Kyle.

06   AI Runs on Data

What is machine learning?

According to [TechTarget](#), machine learning enables computers to learn without being explicitly programmed. It works by searching through large volumes of data to identify patterns and then applying what has been learned to new data.

While many sales teams are anxious to start receiving prescriptive insights, the reality of leveraging AI effectively actually requires most to take a step back before they can dive in. For the machine learning that drives AI to have access to enough data to conduct effective analyses and reach accurate conclusions, you need data - and lots of it.

The number one place where sales data should be collected and stored is in a company's SFA. But as sales teams are beginning to contemplate the usage of AI to improve their performance, they are being forced to come to terms with the dirty secret of the SFA industry: [74% of sales teams](#) using SFA have poor adoption. What's more, [88% of SFA users](#) admit to entering incomplete customer information, and 63% have duplicates in their SFA. Garbage in, garbage out. As Forrester Research puts it:

"In order to take full advantage of this new class of data-driven tools, your data will need to be three things: clean, relevant and plentiful. For many sales organizations, achieving data governance and effective adoption of customer relationship management (SFA) tools has been difficult. Without meeting these criteria, the recommendations being delivered will be flawed or misaligned with the activities that actually help your sellers win. "[1]

[1]   Bruno, J. (2017, March 7). Prescriptive advice: the salesperson's crystal ball. Retrieved from Forrester database.

In order to even contemplate reaping the benefits of AI, companies need to first ensure that all of sales is consistently using their SFA. Then, they must optimize their processes and protocols to make sure as much data is captured as accurately and completely as possible. Here are a few ways to achieve these goals and set your sales team on the path to uncovering prescriptive insights:

- Choose a SFA with an intuitive, consumer-grade user interface that reps actually want to use. Make sure this solution functions properly across all devices.

- Consider choosing an all-in-one sales platform. These solutions minimize the number of additional point solutions needed to do sales, like power dialers and email trackers, by providing all these tools in a single user interface.

- Wherever possible, automate data collection, especially for repetitive and mundane tasks like call logging. This has two benefits: it will ensure that this information is always captured, and it will also help you avoid data entry errors.

- Integrate your sales platform with other key systems across your business to capture as much relevant prospect and customer information as possible.

- Put a standardized sales process in place that requires reps to follow a certain set of steps and capture particular pieces of information before moving a deal from one pipeline stage to another.

- Conduct a review of all of your existing custom and mandatory SFA fields, and remove any that are duplicative, outdated or unnecessary. From there, you can create new custom fields that make it faster and easier to capture and organize information in your SFA than anywhere else.

- Keep your data as standardized as possible. Drop-downs and systematic nomenclature are great ways to make sure that you get the data you need in a correct and consistent format.

44% of companies have seen sales data quality and accuracy improve by more than 60% since using Zendesk Sell.

Living in the Future of Sales

Gone are the days when artificial intelligence was something you could only dream about or watch on the Jetsons. While AI has already begun to impact sales in huge and transformational ways through predictive analytics, the future is prescriptive. Is your business prepared?

Interested in going beyond predictive analytics?

Visit zendesk.com/sell or call us at (855) 964-1010.

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