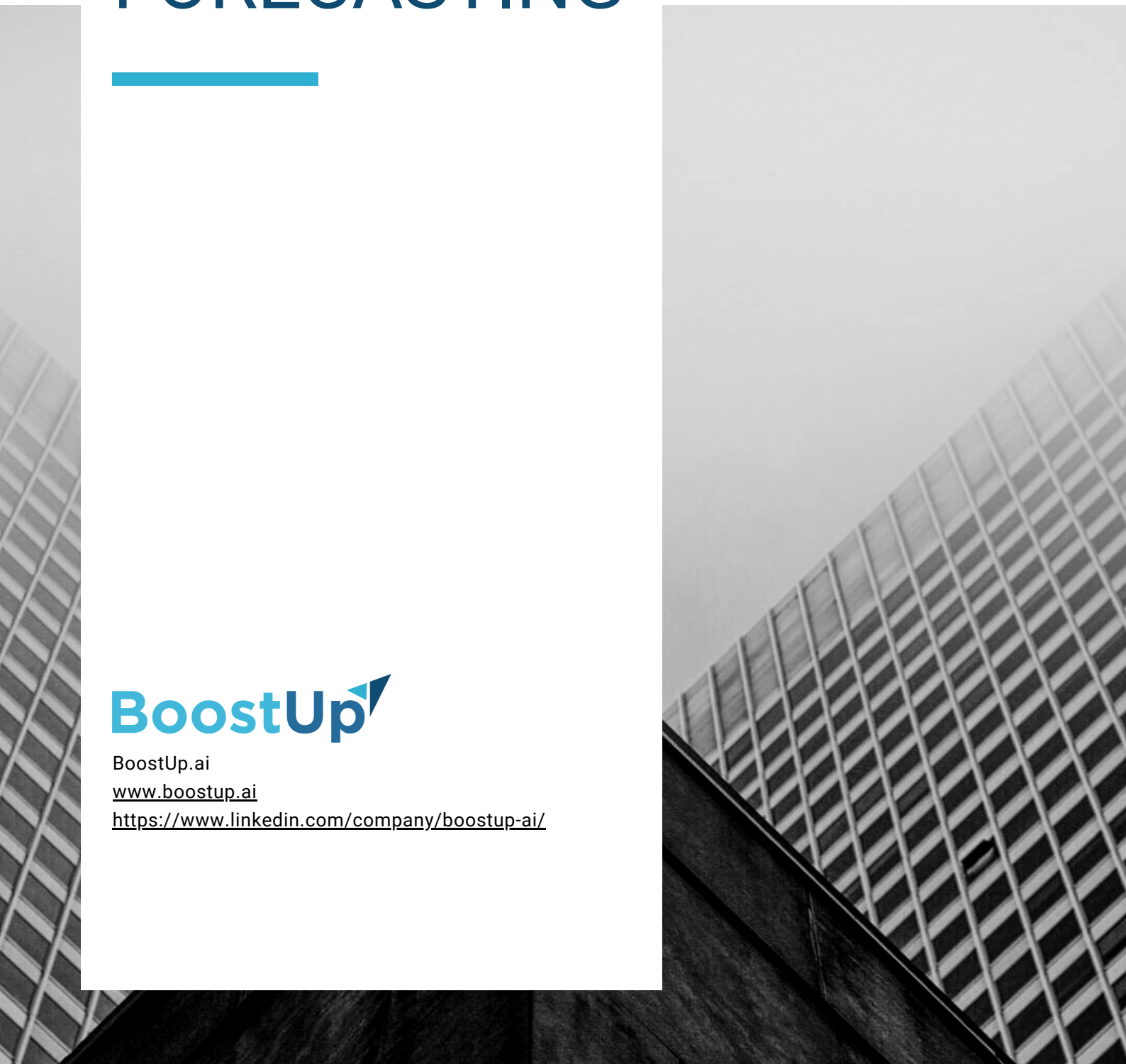
THE DEFINITIVE GUIDE TO ACCURATE FORECASTING



BoostUp.ai
www.boostup.ai
https://www.linkedin.com/company/boostup-ai/

LEARN THE SECRETS OF FORECASTING SCIENCE AND GET WITHIN 5% OF YOUR FORECAST

Forecasting accurately is fundamentally about three things.

First, a well-run process to obtain and audit the forecasts on time.

Second, excellent data discipline to generate both accurate and complete data for the creation and verification of forecasts.

Finally, the use of proper forecast KPIs to verify forecast accuracy and understand the forecasting behaviors of reps and managers.

In this guide, we will answer the following questions:

- **What scientific forecast KPIs should I use to create and verify my forecasts?**
- **How can I use AI to predict sales outcomes more accurately?**
- **What is the best forecasting process that yields the most accurate data collection, process adoption, and results?**



WHAT SCIENTIFIC KPIS SHOULD I HAVE IN PLACE TO VERIFY MY FORECASTS?

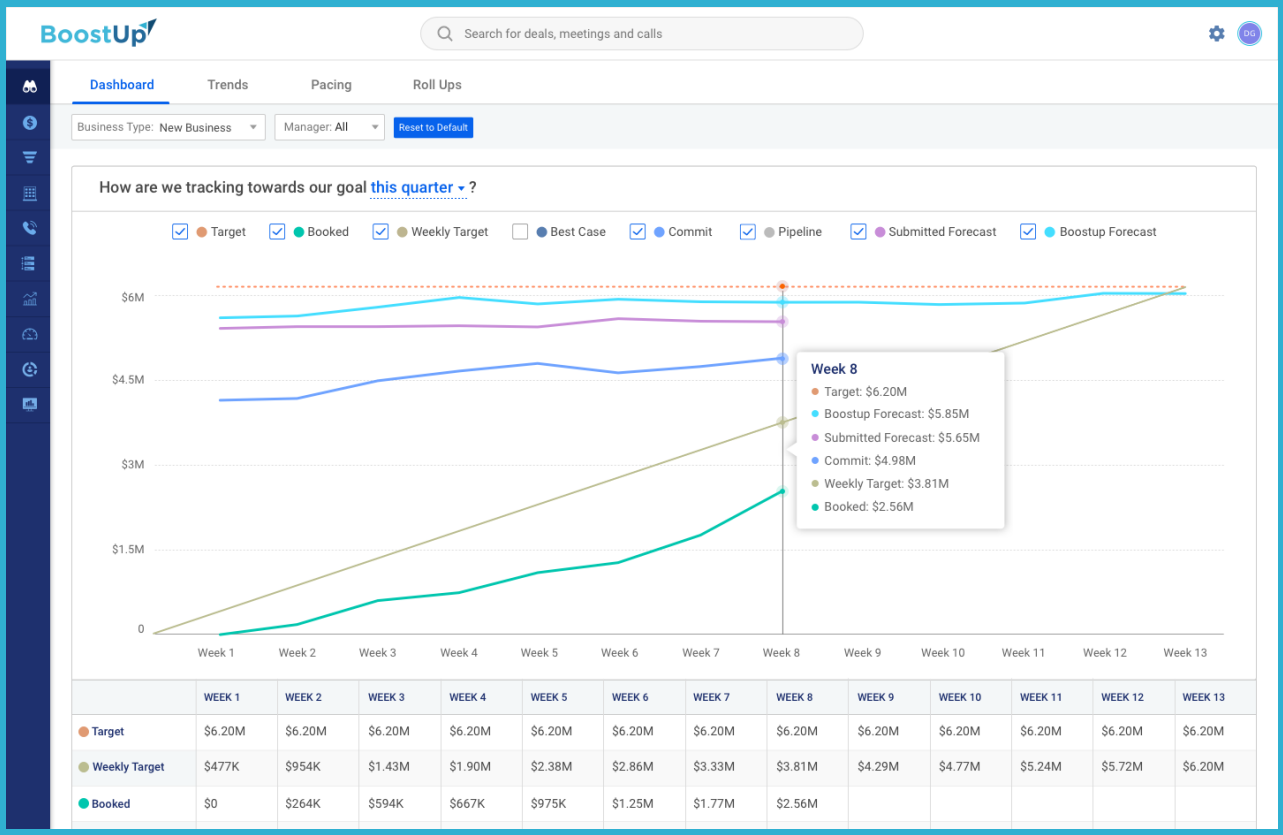
The five KPIs you can start tracking now to build confidence, trust, and alignment in your forecasts are:

1. Current quarter pacing against weighted targets
2. Historical accuracy on committed pipeline and forecasts
3. Pipeline coverage gap for the current & next quarter
4. Pipeline creation pace and contribution from in-quarter pipeline
5. Deal-by-deal risk assessment and risk-weighted pipeline

We will go into each of these in more detail on the next pages.

CURRENT QUARTER FORECAST PACING (MONTHLY/WEEKLY) ON WEIGHTED TARGETS

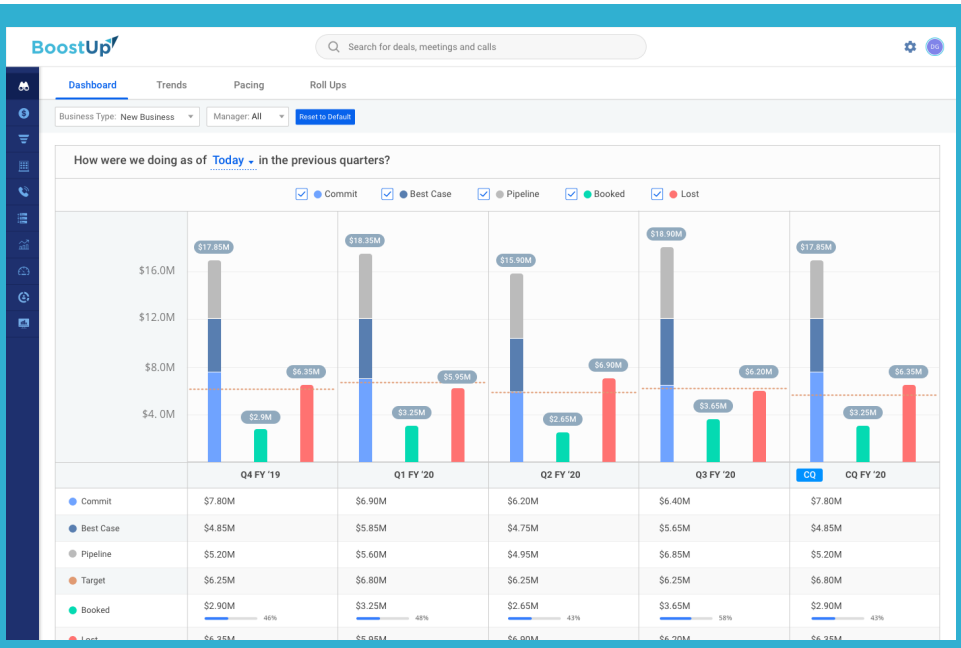
To build this KPI, build each salesperson's weighted or linear target on a monthly or weekly basis. Then, track their attainment against those goals. This provides a view of who is pacing ahead of their goal, who is pacing behind, and by how much. This KPI enables you to spot reps who will miss quota before it happens, effectively allowing you to step in and coach them to success before revenue is lost.

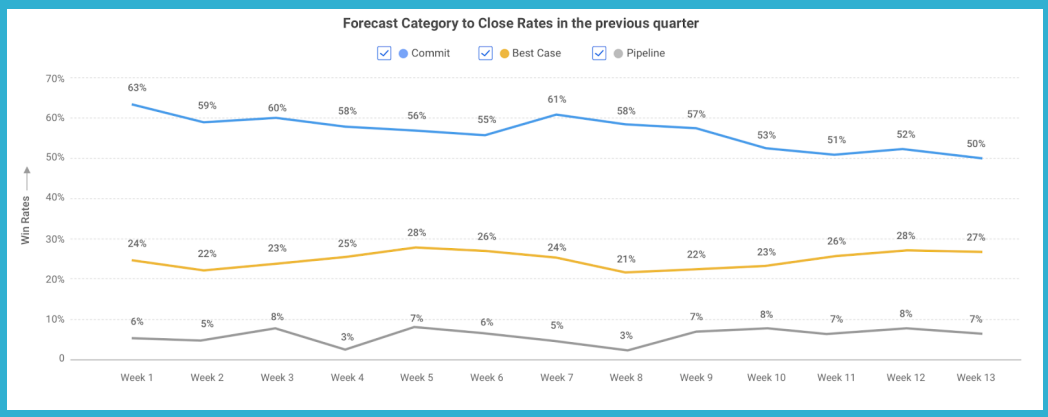


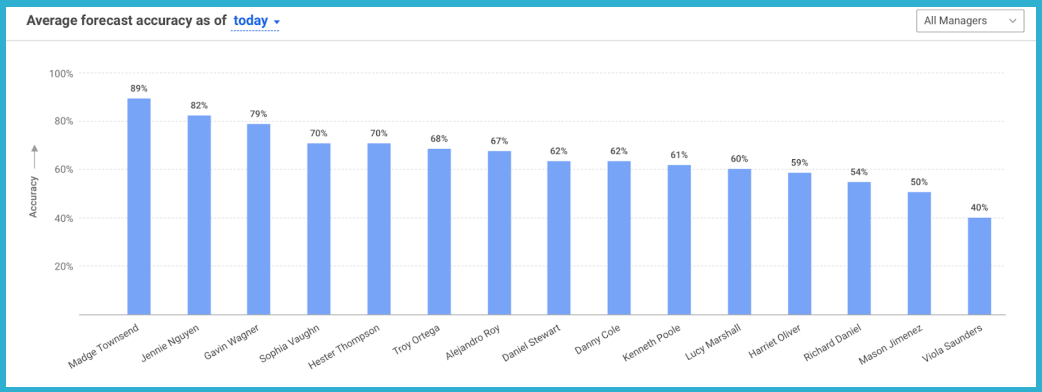
TRACK HISTORICAL CONVERSION RATES ON COMMIT, BEST CASE & FORECASTED PIPELINE

Historical conversion rates allow you to understand the percentage of committed, best case, and forecasted pipeline that actually turns into booked deals within each quarter.

To create this, activate the historical tracking option in Salesforce. Snapshot total pipeline, committed pipeline, and best case values over a given period of time. Then, average the gap between committed and booked for each week in the quarter. This provides a bottom-up view of the accuracy of your committed and best-case pipeline to help assess the health of your forecast.







CURRENT QUARTER AND NEXT QUARTER PIPELINE COVERAGE FOR EACH REP

This metric allows you to diagnose pipeline coverage for the current and next quarter. First, create an average of the desired pipeline coverage for several previous quarters. Then, average the total pipeline booked for the same quarters. The ratio of pipeline coverage need to total booked allows you to see the true coverage each has generated historically.

Apply his percentage to each rep in your current quarter to determine if they are ahead, behind, or at pace.

REPS	CURRENT PIPELINE / TARGET	DESIRED PIPELINE COVERAGE	BOOKED PACE
Addie Copeland	1.2X ($1,220,000)	2.1x ($2,100,000)	Behind by 42%
Kevin Flowers	1.4X ($1,400,000)	2.1x ($2,100,000)	Behind by 33%
Elva Neal	1.3X ($1,310,000)	2.1x ($2,100,000)	Behind by 38%
Martin Jones	2.2X ($2,210,000)	2.1x ($2,100,000)	Ahead by 5%
Daisy McGee	1.8X ($1,800,000)	2.1x ($2,100,000)	Behind by 14%
Matthew Christensen	2.3X ($2,305,000)	2.1x ($2,100,000)	Ahead by 9%
Eunice Luna	1.7X ($1,720,000)	2.1x ($2,100,000)	Behind by 18%
Matthew Tate	1.5X ($1,504,000)	2.1x ($2,100,000)	Behind by 28%
Roxie Sherman	2.1X ($2,110,000)	2.1x ($2,100,000)	At pace

"We can cut through pipeline BS and learn deal risks while saving 3-4 hours of my back-and-forth time every week. Risk factors are immediately actionable, so my AEs can quickly prioritize at-risk deals. This all helps us more accurately predict our forecast number!"



Chris Pham, Head of Sales, Dealpath

TRACK PIPELINE CREATION PACE AND CONTRIBUTION FROM IN-QUARTER PIPELINE

With this metric, you can see how each rep has contributed to the current pipeline, and at what pace. Learn what opportunities were created within the quarter. Use the percentage of pipeline that was generated to create a specific target for in-quarter deals and track progress against that goal.

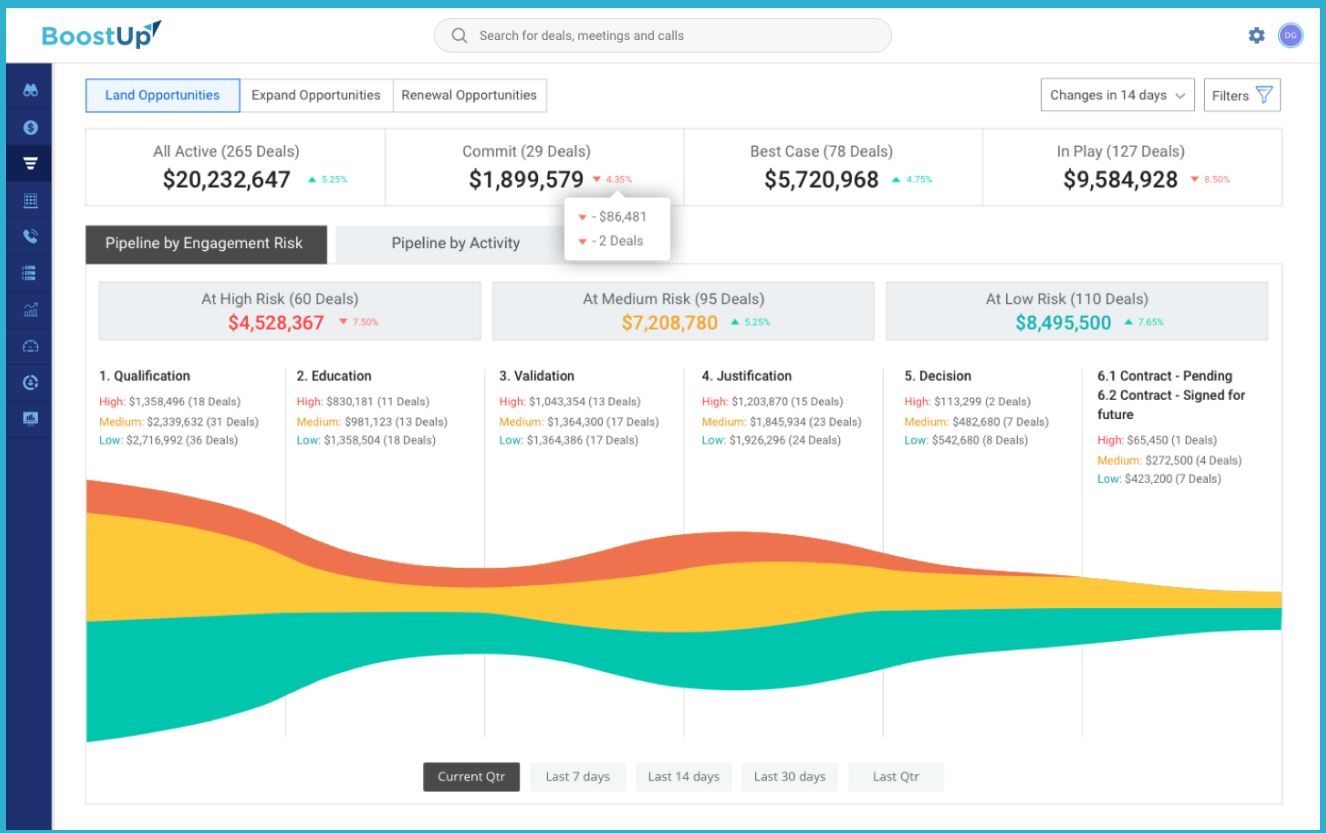
REPS	AVG. PIPELINE CREATED WITHIN QUARTER	AVG. CONTRIBUTION TO TARGET	EXPECTED PIPELINE CREATION	PIPELINE CREATED SO FAR	PIPELINE CREATION PACE GAP
Addie Copeland	$1,620,000	77%	$2,100,000	$1,220,000	Ahead by 11%
Kevin Flowers	$1,750,000	80%	$2,200,000	$1,050,000	Behind by 13%
Elva Neal	$1,810,000	88%	$2,050,000	$1,100,000	Behind by 14%
Martin Jones	$1,700,000	77%	$2,210,000	$920,000	Behind by 34%
Daisy McGee	$1,550,000	79%	$1,950,000	$1,020,000	Behind by 9%
Matthew Christensen	$1,605,000	76%	$2,150,000	$1,350,000	Ahead by 13%
Eunice Luna	$1,720,000	87%	$1,980,000	$980,000	Behind by 4%
Matthew Tate	$1,500,000	73%	$2,050,000	$1,010,000	Behind by 8%
Roxie Sherman	$1,680,000	80%	$2,100,000	$1,200,000	Ahead by 8%

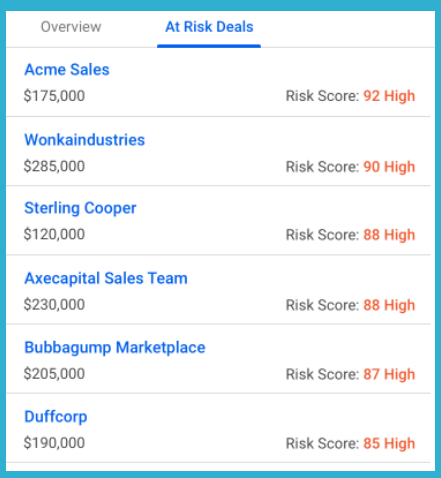


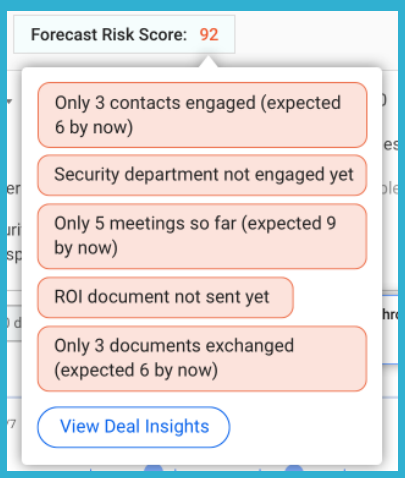
DEAL BY DEAL RISK ASSESSMENT AND RISK WEIGHTED PIPELINE

With a combination of evidence-based deal qualification methods like MEDDICC and/or forecast risk analysis tools like BoostUp, you can create a forecast that reflects the current quality of the deals in your pipeline.

To do this, score each deal on risk spectrum from one to 100, with 100 being the riskiest. Then, an aggregate value of pipeline risk is calculated based on the deal within it. For ease of use and auditing standpoint, each deal is placed into a high, medium, or low-risk category.







THE ROLE OF AI IN SALES FORECASTING

You can both make and verify your sales forecast as long as you have had strong data discipline, snapshotting, and several quarters' worth of historical data.

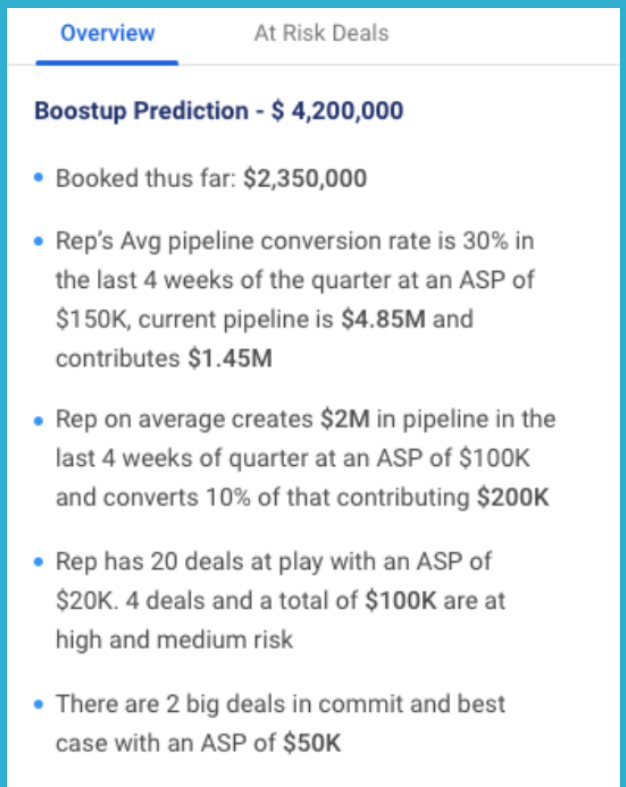
The above analysis can either be performed by an in-house data team, or a forecasting science platform like BoostUp.ai that uses artificial intelligence to collect, analyze, and report on your forecasts.

When it comes to forecast analysis, AI-driven platforms have several advantages.

AI manages all of the scientific forecast KPIs such as rep pacing, historical conversion rates, rep-by-rep pipeline coverage, and rep-by-rep in-quarter pipeline creation rates. It is not necessary for your team to collect the data, perform an analysis, and track these metrics individually.

AI systems with business intelligence also automatically snapshot the data on a regular basis, further reliving your team from doing the manual work. AI is also customizable and can spot cohorts like business type or deal size, allowing you to control and organize the grouping to what fits your organization.

One of the biggest benefits of AI is that it is self-learning. Modern AI solutions like BoostUp uses models that are constantly optimized each and every quarter to constantly experiment with new predictive features and gain even more accuracy. They also provide visualizations and reports to help you easily understand what the data says.



"With BoostUp, we are easily 25% more accurate in our forecast prediction, and we have greater visibility into our deal health. Before BoostUp, we used spreadsheets and other systems, making this process very difficult and inaccurate. With BoostUp, we have a new level of clarity, and we're never going back!"



Dan Brayton
Head of Sales Operations, Iterable

These platforms also provide deeper insights, allowing managers to dive into deals and inspect each prospect interaction to understand exactly how sales interactions are impacting overall performance.



WHAT IS THE BEST FORECASTING PROCESS THAT YIELDS ACCURATE INPUTS, ADOPTION AND RESULTS?

The optimal forecasting process that yields the best forecasts begins with regular data submissions. The ideal time to collect forecasts is once each month on the monthly forecasting call, as well as each quarter on the quarterly forecasting calls.

Not collecting forecasts (such as once a quarter) enough results in periods of time with no deals closing, then everything closing at once at the end of a quarter.

With a monthly call that is evaluated against monthly targets, both the reps and managers are able to identify problems early and remediate them before it is too late. It also creates more evenly distributed quarters. However, these monthly forecasts should not be labor-intensive for reps, as they will take away from crucial selling time. The standard review of committed and best-case deals is enough. While more data is always better, the additional administrative overhead can actually result in lower quality of forecasts.

The process looks like this:

1. **Regular forecast submission and targets (monthly and quarterly)**
2. **Effective forecast review meetings with each rep, in which forecast and plans are discussed**
    a. **Reps and managers examine what has changed and why, fixes are determined if necessary**
3. **Forecast creation and analysis process is streamlined by forecast platform**