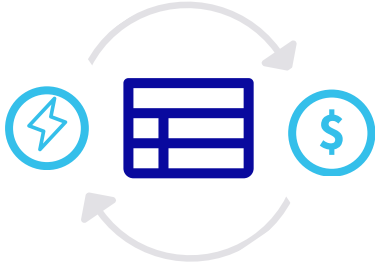


Add Cloud Sales To Your Revenue Plan

How to tie your cloud sales program
to mission-critical business objectives





Update Your Revenue Planning Model for Complete Cloud Sales

The growth planning process typically starts with a top-down revenue target that's met with bottom-up historical data, capacity models, and key assumptions. It's an exercise in creating a bridge between the numbers your business is doing today to the target numbers you've set for next year.

Building a cloud sales engine can be a dramatic inflection point in a company's growth for two reasons. When you get it right, it's a **lower cost** way to deliver growth, and it's a faster way to close deals- it's a **growth accelerant**.

Combining faster, lower cost means to grow can deliver dramatic quarter over quarter results.

This primer walks through three key metrics in your revenue planning model impacted by Cloud Sales and how to think about how big the potential change could be for your organization.

1 Win Rate Improvements

2 Increased Pipeline Creation

3 Faster Deal Cycles

4 Planning & Reporting Impact

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Revenue planning is equal parts art and science. It's complicated.

This primer provides practical guideposts based on real data to facilitate reasoning and conversations on the realistic total impact of investing in your Cloud Sales program.

Transactable Marketplace Listings and **Private Offer Management** allow your team to close deals at a higher rate through the cloud marketplace. Win rates on deals closed through the marketplace can be up to 40%¹ higher than your average due to two marketplace benefits:

1. Pre-Committed Cloud Budgets

Many companies sell into lines of business or functional champions that fund new programs via limited departmental budgets. By offering your solution on the cloud marketplace, buyers can fund your deal with pre-committed cloud spend. Having two paths to close improves win rates.

2. Simplified Procurement

Cloud marketplaces enable buyers and sellers to transact with standardized license terms and validated security and compliance vendor insights. The streamlined negotiations and trusted third party validation of data privacy & residency, and security and access control all improve win rates by reducing the ways a deal can be lost in procurement.

fx Modeling your Win Rate Improvement

Improvement Range

0% - 24%¹

If 24% is the industry benchmark¹ for win rate improvements on marketplace opportunities, treat it as the theoretical limit and work downwards to a **maximum potential impact** based on the percent of deals which could be moved to the marketplace. Then consider the factors that determine **time to maximum impact** to forecast incremental gains in win rate.

Max Potential Impact

Not every vertical or market segment is represented equally among cloud marketplace buyers. Some offerings are better fits for cloud marketplace transactions than others. Security, data, and AI/ML solutions have all done especially well on cloud marketplaces. Broader SaaS business applications and professional services solutions continue to grow. Find comparable reference points in the market to set a goal for the max potential impact on win rates.

Time to Max Impact

Win rate improvements can begin to take effect immediately after listing on the cloud marketplace, however the rate at which you'll see impact is determined by **field enablement and adoption**.

You won't realize the full benefit of your Cloud Sales program until your team:

- Is enabled on completing marketplace transactions
- Learns to navigate buying committees to access pre-committed spend
- Drives Cloud Sales adoption across the entire field organization

Model Considerations

Add the win rate improvement into your revenue model with an assumption that it will increase quarter over quarter and track your program goals.

¹Chris Grusz, AWS - Cloud Marketplaces transform how business software is bought and sold

While cloud marketplace listings may capture additional leads for your offering, the far bigger driver of pipeline is referral opportunities from your cloud partner. A Complete Cloud Sales program leverages **Co-sell Automation** to drive bi-directional opportunity referrals. There are no guarantees in any partnership, but over hundreds of thousands of opportunity referrals, there are two clear trends about how to generate more inbound referrals.²

1. Give More to Get More

You may start by manually referring opportunities to your cloud provider. Co-sell automation can generate referrals from your CRM for all opportunities that match the business logic you define. Sending more opportunities garners more wins & seller attention, which generates more referrals.²

2. Consistency Compounds

Each month you drive a consistent opportunity referral volume in a functional partnership, your likelihood of receiving more referrals increases.

fx Modeling an Increase In Pipeline Creation

Improvement Range

0% - 50%³

Companies that have fully embraced Cloud Sales have scaled to hundreds of millions of dollars in cloud transactions³- there's no theoretical limit to your potential pipeline increase. As a starting point, the average of 90% of WorkSpan's customers achieve a 2:1 referral ratio.

Assuming a 2:1 referral ratio, you can treat a 50% increase in pipeline as a hypothetical limit and work downwards to a realistic **maximum potential impact**. Then consider the factors that determine **time to maximum impact** to forecast incremental pipeline creation from your Cloud Sales program.

Max Potential Impact

There are many reasons to refer a co-sell opportunity to a cloud provider- complementary offerings involved, cloud migration required, or the partner's industry expertise, scale, or existing relationship is advantageous to the deal- but not every opportunity will be mutually beneficial to share with your cloud provider. Review a sample of your opportunities to estimate the percent of opportunities it makes sense to refer, and then reduce by 50% to assume a 2:1 referral ratio as your **maximum potential pipeline impact**.

Time to Max Impact

The time to maximum impact is determined by building a **successful track record** with your cloud partner, earning the **attention of cloud sellers**, and driving **scale in your co-sell program**.

Model Considerations

Add your pipeline creation targets to the revenue model with a quarter over quarter ramp and then track your Cloud Sales program goals.

² WorkSpan - Low-Cost, High-Converting Cloud Pipeline

³ CrowdStrike Exceeds \$1B In AWS Marketplace Sales

Cloud marketplaces accelerate deal cycles by reducing the friction of security and compliance reviews, streamlining procurement and accelerating deployment. It's easy to see the time that a marketplace transaction saves on a single deal, but incredibly difficult to track the aggregate impact across a sales motion.

fx Assess The Impact of Shorter Deal Cycles

Improvement Range

0-40%³

The ability to transact via a pre-existing procurement system and leverage up-front data, compliance, and penetration testing reviews from the cloud provider can accelerate cloud marketplace transactions up to 40% compared to traditional sales processes.⁴

Max Potential Impact

Take the combined expected number of marketplace transactions from section 1 and add the incremental referral opportunity volume from section 2 to estimate the total deals benefitting from ~40% faster deal cycles. The faster cycles may be spread evenly across sales teams or have greater a impact on a specific selling motion.

Modeling the impact shorter deal cycles has on a revenue plan is harder than making adjustments to win rate or pipeline creation assumptions. Partner with the owners of the revenue model to translate the impact of shorter cycles into updated assumptions for the revenue model and the broader business plan.

Revenue Dynamics

1. **Greater Rep Productivity:** With shorter cycles, sales teams can close more deals within the same timeframe, potentially increasing the overall volume of sales and revenue.
2. **Greater Customer Satisfaction & Faster Time to Value:** A faster sales process often improves customer satisfaction as clients receive solutions quicker. Satisfied customers are more likely to make repeat purchases, refer others, and renew. Faster time to deliver shortens the window before accounts are ready for add-ons and upsells.

Broader Impact

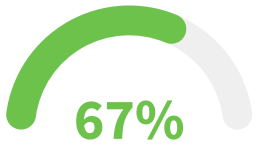
1. **Improved Forecast Accuracy:** Shorter cycles make revenue predictions more reliable and accurate. Better decisions in budgeting, planning, and resource allocation are critical in a capital-tight market.
2. **Competitive Advantage:** Being able to close deals faster provides a competitive advantage, especially in new or rapidly growing markets where capturing market share is critical.
3. **Increased Cash Flow:** Faster deal closures lead to quicker revenue realization, enhancing cash flow. This liquidity can be crucial for funding operations and investing in growth opportunities.

⁴Chris Grusz, AWS - Cloud Marketplaces transform how business software is bought and sold

Signing up to drive critical impact for the business can be daunting. By modeling win rate and pipeline impact coming online quarter over quarter, you can set realistic targets to build your Cloud Sales program. It's critical to track and report on your progress towards goal.

Cloud Sales Program Dashboard

Revenue



Pipeline



Accepted Offers



Customers



If you sign up to drive Cloud Sales impact, you need to ruthlessly protect your time. Manual data entry and reporting tasks can quickly accumulate and create a drag chute on your partnership. If you're planning a partnership that can scale, identify repetitive tasks and invest in automation, or more and more of your time will go to maintenance instead of building the partnership or generating revenue.

Solutions like **WorkSpan's Hyperscaler Edition** are designed to provide everything you need to not only launch your Cloud Sales program, but to integrate it into your revenue plan from day 1.



WorkSpan Hyperscaler Edition

WorkSpan Hyperscaler Edition helps companies scale their AWS, Google and Microsoft Cloud Sales programs. Marketplace listings, private offer management, and co-sell automation are all tightly integrated parts of an effective cloud sales plan.

Native CRM workflows, fully-automated referrals, and baked-in best practices all work together to maximize and accelerate the revenue impact of your Cloud Sales program.





Complete Cloud Sales

In case you missed them, here are three additional **Cloud Sales Ready Primers** to guide you and your organization down the path to Cloud Sales Readiness.



[Unlock deals with pre-committed cloud spend](#) ↗



[Generate High Converting Cloud Referral Pipeline](#) ↗



[Plan your partnership with your cloud provider](#) ↗

When you're ready, WorkSpan can help you plan, deliver, and measure your cloud sales growth. Add Complete Cloud Sales to this year's revenue plan.



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