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How to Reset Growth Expectations By Realizing Revenue Yield

An Executive Primer on a New Data Silo-busting Method to Maximize Growth Potential

FROM EBITDA TO
GROWTH

2024

Expectation of interest rate cuts

Stock Market ↑

Corporate Growth ↑

Revenue Forecasting ↑

2023

Prediction of a global recession

2020

COVID-19 hit and shut down the world

For boards and executive teams, the past few years have featured a rollercoaster of dramatic twists and turns.

Entering the decade, many enterprise businesses embraced an aggressive growth mentality. Capital infusion flowed, with an invest-to-grow mode overshadowing EBITDA and profitability. Entire divisions were built based on ideas. Companies willingly over-hired. Growth was king — until it wasn't.

COVID-19 halted daily life. Global supply chains were severely impacted as national lockdowns slowed or stopped the flow of raw materials and finished goods. Conversely, there was a substantial surge in online activity as people adjusted to living life at home — from remote work and online shopping to virtual courses and streamed entertainment. Businesses across all industries scrambled to support this new way of life.

Then in 2023, inflationary concerns sparked the prediction of a global recession. Still reeling from COVID-19's impact, business leaders reacted with a laser focus on margin optimization and EBITDA. The growth-at-all-costs mentality ceded to profitability as the

top priority, evidenced by swift cutbacks and rampant layoffs.

But the recession never came. At least not in the way it had in the past after years of higher inflation. In 2024 the economy is getting back on track. Financial markets are bullish on interest rate cuts. Businesses are yearning to grow again. The underlying question? How will those businesses tackle growth this time around — apply the same hit-or-miss go-to-market approach or seek new data-collaborative ways that uncover previously hidden opportunities to maximize revenue?

Advances in cross-functional enterprise data management reset C-suite expectations on what's possible, and early adopters — from CEOs and CROs to CIOs and data teams alike — are challenging the existing balance of power in their industries.

New Methods For Accelerating Revenue Growth And Sales Efficiency

Picture this. You're tasked with revitalizing and accelerating growth for a large global enterprise. No more value stock. The board wants you to be a growth stock again. Your goal is to increase annual recurring revenue (ARR) by 10% year-over-year (YoY) while raising profitability by a couple of percentage points over the previous year.

The go-to-market team is up for the challenge and deploys all the traditional tactics — renewed vigor from product development, aggressive marketing campaigns to accelerate awareness and lead generation, updated pricing and promotions, upsells and cross-sells to existing clients, and gross and net retention programs. The leadership team is eager to streamline business operations and accelerate innovation via strategic AI acquisitions.

By year-end, you're on track to meet your goal. But what if you could do better? The 10% goal is arbitrarily based on an ideal growth trajectory envisioned by the board instead of correlated data across various teams and systems that adds up to an actual figure. The age-old gap of actual revenue and ideal revenue still exists, undermining the growth goal's legitimacy. If you hit 10%, is that truly victory? Is that the maximum output?

What if you can improve revenue generation so surgically that ARR increases 12% YoY? Or 15%? Or 20%? How does exceeding revenue goals influence quarterly earnings calls, stock prices, and stock ratings? The pursuit of **revenue yield** — the maximum revenue that can be generated beyond actual revenue over a particular period

— is the north star for enhancing revenue operations. Historically, realizing this upside is theoretical, a delta between what could've been versus what is. However, advances in data collaboration technology introduce a new reality that closes this gap and materially changes corporate trajectories.

As a result, the status quo of modeling revenue goals — much of which is built on loosely defined pipeline weightings, hope, and optimistic if-then scenarios — is no longer acceptable. That approach is acquiescing to new ways of breaking down data silos across disparate teams and systems to capture a full "360" on pipeline, revenue, customers, and accounts. It's a growing trend as executives search every nook and cranny of their enterprise to optimize revenue operations and remove unknowns.

Maximizing revenue yield requires removing the complexity of data silos to reveal a complete picture of your business — from operations to customer 360s. Connect the dots between core systems like CRM, ERP, and other Lead-to-Cash systems but without costly, unwieldy system integration. Avoid Frankenstein IT projects of spaghetti integrations across AI, SaaS applications, spreadsheets, and legacy systems that create data silos and blind spots. Those days are over for modern enterprises and executive teams.

Instead, think of the data floating around your organization — lead flow data from the marketing team, prospect data from the sales team, client data from the customer success

Revenue Impact

Deal Sizes Increase ⬆

Faster Sales Cycles ➡

NRR Increases ⬆

team, issue logs from the support team, and roadmap updates from the product team. Imagine these data sets collaborating and producing a comprehensive view of insights and actions that optimize revenue acquisition in one correlated view.

Suddenly, lead conversion can be tightened and accelerated. Pipeline quality can improve. Win-loss rates climb higher. Upsell and cross-sell timing becomes strategic. Renewals rate and NRR increase, and churn risk is avoided. Sales, Revenue Operations, and Customer Success teams win.

How can the data inform sales strategies to help bring in more revenue?

How much time can get shaved off of a sales cycle? Are renewals at risk? Suddenly, you're improving pitches to prospective customers and increasing retention rates for existing ones. What does that do for your sales linearity and quarterly forecast?

Bringing cross-functional data collaboration into the revenue operation without legacy integration and data silos enables the appropriate teams and systems to partner in uncovering hidden sales opportunities, minimizing customer churn, and influencing deal volume and size. In short, a bona fide Prospect 360 for Sales and Customer 360 for Customer Success. Ultimately, Revenue 360 for the business.

Accelerate Business Faster Than Ever Before

Stop leaving money on the table. New methods and solutions exist to help accelerate business faster than ever before. It's time to incorporate them into the regular management of your business.

While you can't pinpoint the moment of change for mercurial market forces, you can materially affect your business by removing data silos to enable faster, smarter growth. Liberated data provides critical information at the point of decision so you can confidently take actions that open the door for revenue opportunities you never knew existed.

Maximize your revenue yield, not just revenue, and close the gap between actual earnings and what's truly possible. Make the ideal real. Even a percentage point of additional revenue growth can have a significant material impact on corporate earnings.

To learn how data collaboration can enhance your top-line revenue growth, visit **www.cinchy.com/revenue-generation.**

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