

In watchmaking like sales forecasting, it's all about the methodology

In 2016, The Fondation de la Haute Horlogerie wrote a white paper to define what exactly is fine watchmaking with a documented methodology. Much like Sales forecasting, fine watchmaking had remained a vague idea for too long. When it comes to the sales forecasting process, similar requirements apply: talent, art and deep granularity.

As Gabriel Gourovitch mentioned in his [March 24th article](#) 'Investors want to know how exactly you are going to reach the goals that you have written on your business plan.' The accuracy of the numbers is essential to the prosperity of any company: it is what gains the investors' trust, allows the startup to spend wisely and master a scaling plan at the right pace.

During forecast calls, sales leaders sometimes refer to these consolidated numbers as the worst case, the best case and the "gut feel". But... forecast accuracy does not live in your gut, only probiotics do! And indeed, when one relies on instincts only, things can go wild. The pressure of quarter ends can seriously alter the natural (unlearned) behaviours and their reliability, such as: making your sales believe a deal will close when all signals are red.

This is why any company should consider the process of forecast accuracy as a

science, just like fine watchmaking, there are a number of criteria you can measure against in order to accurately determine the timing, the size of the deal and its likelihood to 'close'.

PIPELINE: *often covers the following categories in your sales cycle: 1-discovery and 2-deep dive (attaching a potential demo to the discovery meeting, digging into use cases)*

The first mistake when calling a number is believing there is an opportunity when really, there is not.

To differentiate an opportunity from a simple warm lead, basics apply: Have you had a conversation with someone of influence (champion) who opens up about technical or functional issues? Do these difficulties (pains) ideally have a business impact? Are the people you talk to engaging in the next step to solving the existing problems?

With pain, a champion and a defined series of next steps commonly agreed upon with your prospect, you can create an opportunity.

BEST CASE: *often covers the following categories in your sales cycle: 3- technical validation and 4- ROI validation and proposal*

The best-case phase is critical, you have paved the way to differentiate yourself from the first interactions, now it is time to prove how you do it and how you do it better than anyone else.

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Your value proposition is not a mystery box challenge

Be ruthless

You would be surprised where your emails and random slide deck may end up and your interlocutors might not be the ultimate decision-makers. Document your value proposition: why do something, why do it with you rather than the others, why do it now. If you don't know this, neither does your prospect.

Make sure it is understandable and digestible by anyone in the company, whether they know your solution or not.

Another key information in forecast accuracy is to be able to call the 'when' and yet, you do not define the timeline, your prospect does. And let's face it, quarter-end and discounts are no longer a reason to move mountains. So, how can you influence it?

If your customer has a problem with a measurable business impact, this should define a compelling event. Attach yourself to the business impact and its timeline. Sometimes, you may realise you cannot bring it within the quarter, it sucks, but at least, you know it and you can hunt for some more short term deals.

Be Measurable

Document all your proposals, emails and slide deck with metrics that are relevant, not storytelling ones but actual metrics you have collected with your prospects. You may not have information such as a reliable ROI (if you do, of course, put it there) but simple data such as 'here is how long it takes you...', 'how many errors...', 'the cost of...', 'how we will measure progress...', these elements will show a deep understanding of the situation in a non-generic way building trust in your attention to their success.

COMMIT: often covers the following categories in your sales cycle: 5-negotiation and 6-signature and close

This is not the simple part, the negotiation can involve a lot more than just the pricing, for example, the legal, security, processes and more.

Be present

If you are not taking care of your prospect, someone else is. Be there, bring value at all levels. Be friendly and useful. Don't harass the legal or procurement department for information. Instead, suggest workshops and carefully chosen resources to assist. This will increase your knowledge of their internal process and the potential risk on the timeline.

Be a partner

The key is to constantly measure yourself against your own progress with your prospects while always remaining in a win-win relationship. If you do not ask uncomfortable (for you) questions such as 'do you really think we have a chance of doing this by October?' 'in the actual context are we still a priority' 'what do you think could prevent us from moving forward' (and a lot more like these) you will never know where you stand and how to forecast accurately.

By being reliable, you gain reliability, by listening, you gain credibility, by being honest, you gain honesty.

Caroline is the founder of Uppercut First. Experienced in working for large companies such as Oracle, Computer Associates, and BMC, Caroline also lived in Silicon Valley for four years before moving to startups (Sprinklr, Datadog, Confluent) where she witnessed on the ground the benefits of a well-thought sales strategy. These are the foundations of UF: a structure that accompanies the European startups in their sales strategy by giving them an undeniable advantage in their go-to-market.

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