

Top 9 Metrics for a HEALTHY SALES PIPELINE

Your sales pipeline is the heart of your revenue generation machine. If it is healthy the prospects for your business are good. If it is unhealthy your future may be in jeopardy. Here are the Top 9 Metrics for monitoring and improving your sales pipeline health.

1. Lead Source Quality

Effective lead generation is the fuel for your pipeline. Identifying which lead generation sources are most effective for creating high quality pipeline opportunities will ensure best performers get top priority.

2. Pipeline by Stage

The ability to effectively prioritize your sales activities starts with the status of each opportunity in the pipeline. You must understand every opportunity, where it is, and which ones warrant extra attention.

3. Pipeline Aging

Sales velocity is vital for driving more revenue through your sales pipeline. Dislodging high-priority stuck opportunities, prioritizing the fast progressing opportunities, and ending wasted effort on dead opportunities will right-size sales efforts and improve your sales performance results.

4. Pipeline Leakage

Another sign of poor health is a leaky pipeline! Analyzing stage to stage conversion rates and identifying where the leaks are occurring ensures that you can plug them *before* they get out of control.

5. Contact rate

The entry point to sales success is live contact with a prospect. No contact, no deal. Contact rate metrics can also help focus on which lead generation sources are most effective in driving highest contact rates.

6. Sales Yield

A healthy pipeline maintains or improves its yield over time. Yield is the ratio of closed sales to number of prospects being tracked in your sales pipeline. Declining yield indicates weakening close rates or too many poor quality prospects (for example, from poor or deteriorating lead generation programs).

7. Win / Loss

History is a good predictor of future success. Assessing your won and lost sales by any of several attributes such as customer type, industry, product, revenue size, or profitability can yield powerful insights about priorities, performance, or sales forecasts when compared against your existing sales pipeline.

8. Revenue Concentration

Identify relationships that correlate to highest revenue generation. Sort your opportunities by attributes such as product type, customer type, or marketing channel. Use this to further refine your sales priorities.

9. Average Selling Price

Maintaining or increasing the value of what you are selling is directly related to your growth potential. Tracking selling prices over time tells you if your customers' perception of your value is going up or down.