

Revenue *Predictor* Intelligence™

60-day Deal Booster

(Free Start Program)

Boost Revenue, Deal-Readiness and Valuation for Client Companies



Collaborate with client companies with our full support to help them gain insights into new and emerging opportunities from 20 customers in 60 days.

Revenue *Predictor* Intelligence™

You and your clients are invited to our Free Start program to understand Revenue *Predictor* Intelligence™ and its potential to quickly boost deal readiness, valuations and earnings. The program involves us working in collaboration with you and your clients to generate new strategic intelligence from their first 20 customers using our technology platform. Your clients can choose to extend, and pay for, the service beyond 20 customers and 60 days. You will have full access to the intelligence from your dashboard in our platform.

What are the expected results?

1. **Hard evidence** measuring customer intentions to retain client company services.
2. **Early** insight into new strategic revenue opportunities and **unseen** revenue risks specific to each business resulting from the changing and emerging needs of their customers, and the calculated impact of this on their **future revenue** and **growth rate**.
3. **Opportunity** for fresh conversations with customers on new opportunities unique to each company, to give them an unassailable position in their future plans.
4. **New predicted revenue** and **growth rate** from their sample of 20 customers.
5. **Understanding** of Revenue *Predictor* Intelligence™ in M&A decision making.

Why is it needed?

Rapid change is accelerating the obsolescence of products and services and eroding the efficacy of financial projections and business valuations. Many B2B companies are at significantly increased risk because they do not know whether their innovative ability is keeping pace with the changing expectations of their customers...and the **impact of this on their future revenue**. Revenue Predictor provides this new intelligence.

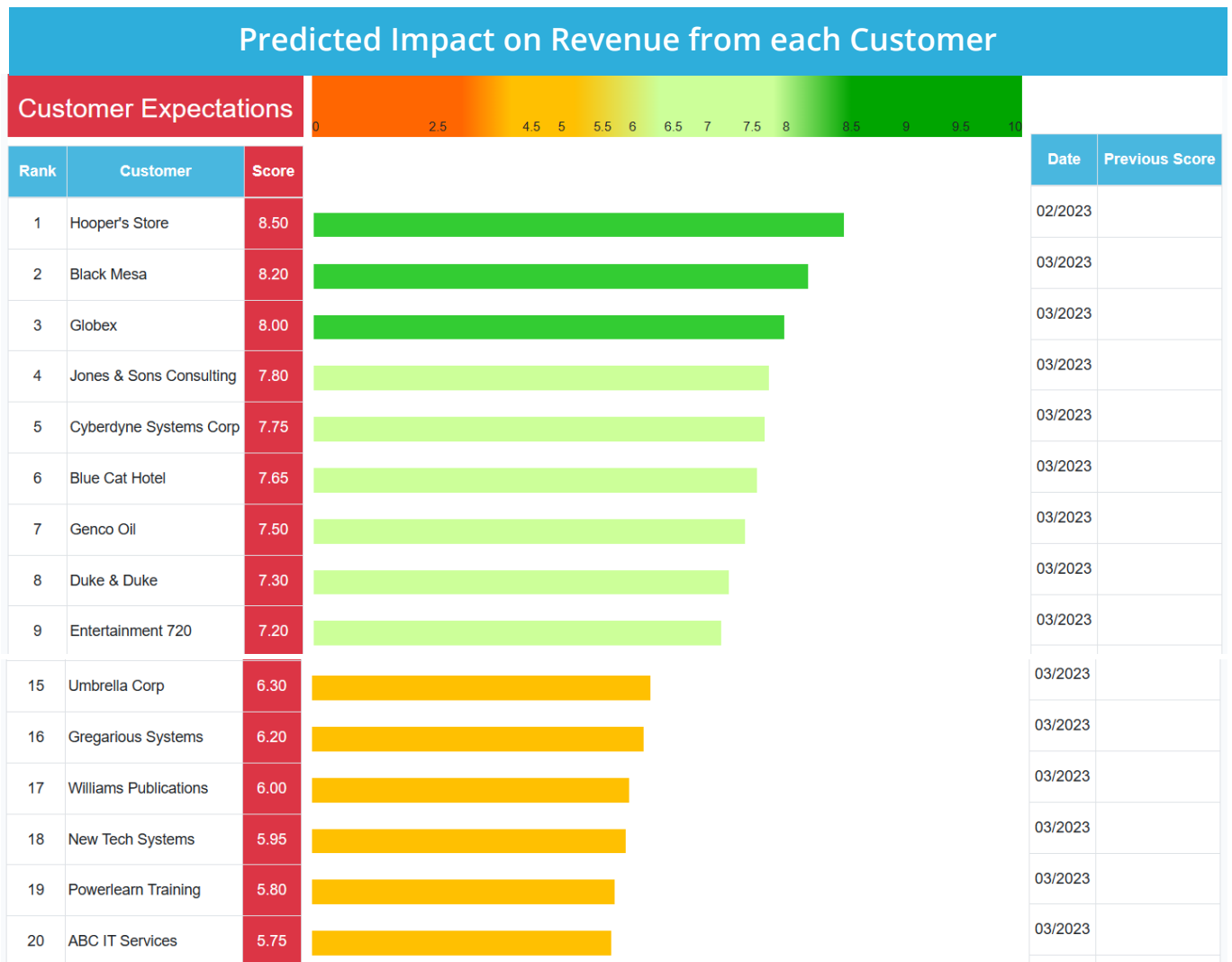
How it works

The momentum behind a company's **Current Revenue** is measured by customers rating their expectations of the company as an innovative problem solver. This measures the value each customer places on the company's product or service solution in the context of the pace of change **they** are experiencing in their business, and the likelihood of them retaining the company as a supplier into the future. It measures whether a company's ability to Adapt, Innovate and Execute value is keeping pace with new and emerging customer needs and expectations. Algorithms apply weightings to customers' scores from their current spend to calculate the business's **Future Revenue** and **Growth Rate**.

The 20 customers participating in the example below represent only 20% of the business's revenue. Full impact of Revenue *Predictor* Intelligence™ is realised when it covers at least 80% of a business's revenue.



Main Features (Example)



Customer expectations of the company as an innovative problem solver and the impact of this on the revenue from each customer is displayed in the table above.

The Score and Range Band colours assess:

- The **continued relevance** of the company's products or services to each customer.
- Each customer's expectation of the company to **keep pace with their changing needs**.
- The likelihood of **retaining each customer into the future**.

Score Analysis

Revenue Impact Summary

Percentage of Customers	
Range Band 1	9.09%
Range Band 2	33.33%
Range Band 3	48.48%
Range Band 4	

Measured within each Range Band:

- Consistency of value perceived by customers
- Predicted demand
- Revenue opportunities
- Revenue risks
- Innovative advantage

Customer Participation

Total Invitations	
Total Responses	100% of Total

Willingness to participate indicates of how well the company features in the growth plans of customers.

The percentage of the company's customers in each range band highlight consistency of its value to its customers, predicted demand for its products, revenue opportunities and risks, and innovative advantage.

- Customers in range bands 1 and 2 are expected to continue applying the company's solutions, and revenue growth from these customers is likely to be achieved over the next 12 months.
- Revenue from customers in range band 3 is at risk, and these customers are vulnerable to competitors unless steps are taken to start new conversations focused on new solutions. The company's response to this is assessed on page 6.
- Revenue from customers in range band 4 can be considered lost unless strong efforts are made to resuscitate customer interest.

Customer Participation

The percentage of total responses indicates customer willingness to participate which is an indicator of how well the company features in the growth plans of its customers.

Linking Customer Scores to Customer Revenue

Customer Expectation Scores

Customer Expectations of Future Value	Average Score for Range Band
Range Band 1 : Scores: ≥ 8	8.23
Range Band 2 : Scores: $\geq 6.5 < 8$	7.19
Range Band 3 : Scores: $\geq 4 < 6.5$	5.11
Range Band 4 : Scores: < 4	3.75
Customer Expectation Score	6.07

Weighted Scores

Customer Expectation scores are weighted to reflect the actual revenue generated in each Range Band to calculate your Revenue Predictor Score.

Step 1: Calculate the percentage of total company revenue generated by the respondents in each Range Band.

Step 2: Adjust the percentages in column 1 below..

Step 3: Save and see adjusted score below

Adjust percentage of total company revenue	Weighting	Weighted Score for Range Band
20%		
<input type="text" value="3"/> %	0.60	4.94
<input type="text" value="6"/> %	1.20	8.63
<input type="text" value="11"/> %	2.20	11.24
<input type="text" value="0"/> %	0.00	0.00
Revenue Predictor Score		6.20

Based on the company providing the actual revenue generated in each range band, algorithms apply weightings to customers' scores from their current spend to calculate the business's **Revenue Predictor Score**. Note the change in scores from 6.07 to 6.22 based on actual revenue in each range band.

This analysis provides deep insight into:

- Predicted revenue sustainability
- Predicted risks
- Unrealised opportunities

Achieving Revenue gains by Lifting Customer Expectations

Step 1: Set Target Average Scores

Adjust the scores below to set target averages for each Range Band

Customer Expectations of Future Value	Set target average scores for each Range Band below
Range Band 1	<input type="text" value="8.5"/>
Range Band 2	<input type="text" value="7.5"/>
Range Band 3	<input type="text" value="6.4"/>
Range Band 4	<input type="text" value="0"/>

Step 2: Set Target Weighted Scores

Adjust the percentages you want to achieve in each Range Band
(Save and view your Revenue Predictor Target Score in the main graphic)

Set target percentage of total company revenue for each Range Band	Weighting	Set new target Weighted Score for each Range Band
20%		
<input type="text" value="6"/> %	1.20	10.20
<input type="text" value="8"/> %	1.60	12.00
<input type="text" value="6"/> %	1.20	7.68
<input type="text" value="0"/> %	0.00	0.00
Revenue Predictor Target Score		7.47

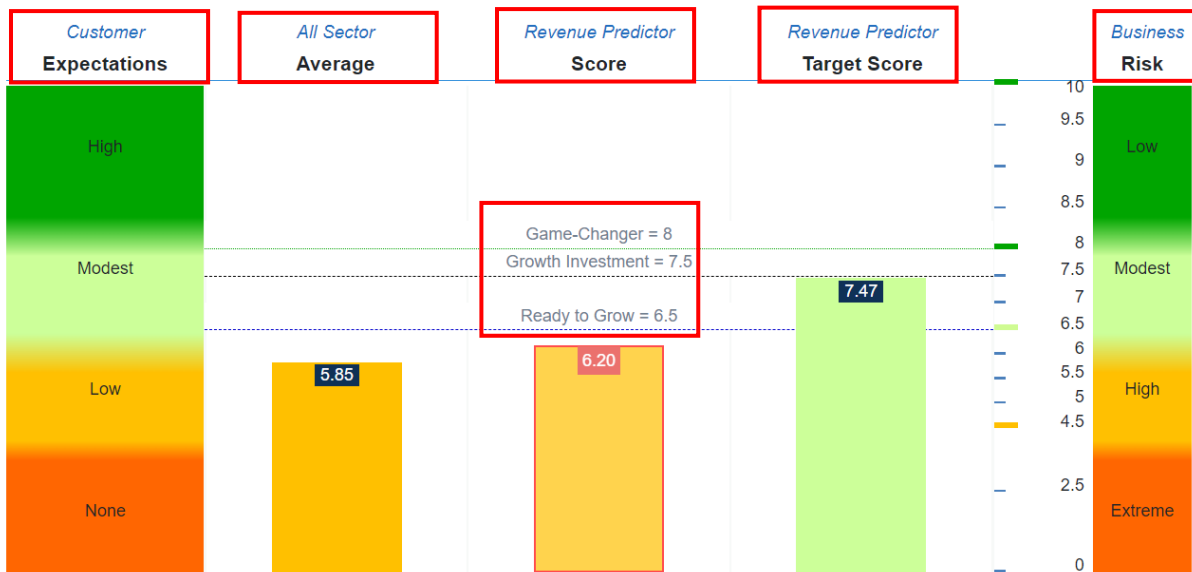
Revenue Predictor Target Score

The **Target Score** of 7.47 has been set by the company for the next 12 months and reflects their response to the risks and opportunities revealed in their Revenue *Predictor* Intelligence™.

The target score is derived by:

1. Setting a target average score for each range band (see table on left below).
2. Then setting revenue targets for each range band to create the company's **Revenue Predictor Target Score**. This brings strategic focus on identifying new opportunities with customers.

Predicted Impact on Company Revenue



Comments refer to highlighted graph columns from left to right

Customer Expectations of the company to meet their changing needs, although in the 'low' category (from score in column 3), are near the threshold of range band 2 which represents modest growth. This is a typical score for a first measure.

All Sector Average is a running average of Customer Expectations for all companies that undergo this measure and shows the company's competitive position as slightly above this average.

Revenue Predictor Score is derived after applying weighed customer expectation scores to measure actual revenue generated in each score Range Band. This translates customer expectation scores into predicted revenue.

Deal-Readiness is indicated by thresholds reached in column 3

- . **Ready to Grow** or with a solid growth foundation (6.5 out of 10)
- . **Growth Investment** (7.5 out of 10)
- . **Game-Changer** (8 out of 10)

Revenue Predictor Target Score of 7.90 shows an ambitious target to lift predicted revenue and company valuation. Actions to lift revenue are recorded in the client's platform and examples of this is shown on the next page. The company's target score and accompanying actions are strong indicators that revenue will improve.

Business Risk is on the threshold of 'modest', and should reach this new categorisation as a result of the company's response to the opportunities and risks highlighted in this report.

Achieving Revenue Gains by Creating an Innovative Advantage

New Opportunities from Brilliant Foods

Customer reasons for Score (This feedback from the customer is the key to your innovative advantage)

BF's low score is because they are disappointed with our customer service team who have not been proactive. This account is at risk.

Opportunities to Pursue

BF have merged with a company to support its growth plans and need to assess their CRM system. There is an opportunity for an extension or our new upgrade.

Problems needing a New Solution

Urgent need to understand the parent company's growth plans and the CRM system suitability.

Actions to Take

Assessment by month end

Person Responsible (and date)

Jane Hargreaves

25/5/2023

Priority (1-5)

1

Save

New Opportunities from Spyke Technology

Customer reasons for Score (This feedback from the customer is the key to your innovative advantage)

We have not demonstrated to Spyke our commitment to understand their business. Our product offering is not keeping pace with their needs.

Opportunities to Pursue

Spyke are seeking for a supplier for a major upgrade to their CRM system.

Problems needing a New Solution

Spyke need predictive analytics which our system currently does not yet offer, but is in the works.

Actions to Take

We need to accelerate our product development to meet this need within 3 months.

Person Responsible (and date)

Tom Stanley

17/5/2023

Priority (1-5)

1

Save

The company has engaged with customers to get feedback on their score, and to document missed, new, and emerging opportunities stimulated by this strategic exercise. 12 new opportunities have been identified, of which 2 are shown in this example report.

This demonstrates their efforts to:

- Identify missed opportunities
- Improve current revenue
- Avert risk
- Maximise company valuation.

Predicted Revenue and Growth Rate

Company Data			
		Current	Target
Revenue Predictor Score		6.20	7.47
Current Revenue	(added by client)	£36,000,000	
Market Growth or Decline	(added by client)	1.0%	
Predicted Performance			
	Impact of Score on Revenue	Future Revenue	Growth Rate
Current Score	-5.5%	£34,4M	-4.46%
Target Score	17.9%	£42.8M	18.9%