



# AI Can Unlock Significant Benefits, but Are Your Sales and Marketing Functions Ready?

In the value creation playbook, sales, marketing, and customer success functions are critical levers. Yet, their conventional pre-artificial intelligence (AI) models are increasingly hitting a ceiling of human capacity and data complexity. To stay competitive, leading-edge sales, marketing, and customer success teams have already shifted from analog processes to digital-first, data-driven operations. Their next leap—from digital to AI—demands a new approach.


Forward-looking private equity (PE) firms are now looking to AI to overcome these inherent limitations, drive scalability, and build a defensible competitive advantage within their portfolios. AI specifically addresses the constraints of conventional models by delivering:

- **Automation and efficiency** – AI shifts the balance from task work to value-driven execution
- **Personalization and customer experience** – AI enables human-like personalization at machine scale, improving engagement, conversion, and retention
- **Intelligence and insights at scale** – AI examines multiple data sources in real time for decision-ready intelligence

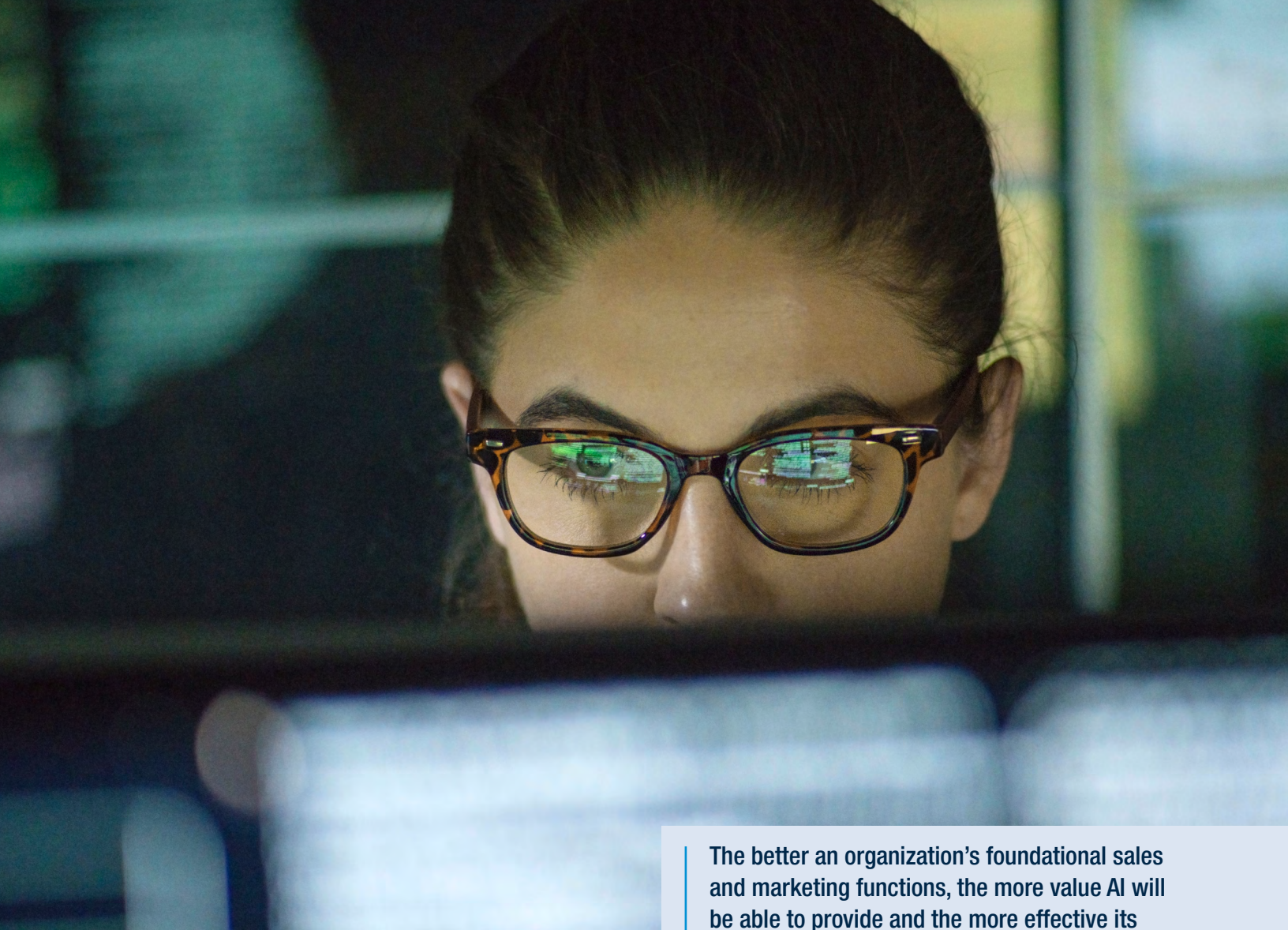
However, AI is a big investment and isn't a cure for underperforming sales and marketing functions.

To answer these questions, portcos must assess both their existing sales and marketing functions and the overall needs of the business. Without a strong, best-in-class marketing function as a base, AI will lack the fundamental structures and processes needed to make an impact. Additionally, not all businesses are the same, and some will find more benefits in certain categories than others.

Knowing when and where to implement AI is challenging but important for success. Working through a set of questions when reviewing the sales and marketing functions can help target where to invest in AI to realize the most benefit.



Before implementing AI, portfolio companies (portcos) need to determine two things: whether they're ready for it and where it can provide the most benefit.



**The better an organization’s foundational sales and marketing functions, the more value AI will be able to provide and the more effective its implementation will be.**

## Pre-AI Sales and Marketing Models

A best-in-class foundation of core processes—effective CRM hygiene, rigorous ROI measurement, strategic content generation, and disciplined pipeline management—is the essential starting point.

Initial focus should be put on building existing sales and marketing functions to be best in class as a pre-requisite to AI strategies and implementation. Critically, AI is a force multiplier for effective teams. However, it cannot function optimally without a solid operational backbone. As such, effective processes and systems should be established before businesses consider implementing AI. The better an organization’s foundational sales and marketing functions, the more value AI will be able to provide and the more effective its implementation will be.

However, pre-AI methods have their limitations, and can only do so much, even when performing at their best. Typical methods combine manual processes with technology, but functions can only grow so large before struggling with human capacity needs and limits to the amount of data that can be tracked, stored, and analyzed. As a result, conventional methods provide reactive, rather than proactive, strategies.

Scaling by simply hiring more people is a linear—and often unsustainable—solution. Once a portco achieves best-in-class fundamentals, AI is the key to exponential improvement by breaking through these constraints.



## The AI Approach

AI serves as a powerful tool that integrates with existing processes, utilizing data to automate tasks, generate deeper insights, and ultimately improve decision making.

When implemented correctly, AI can provide a number of benefits in different areas of sales and marketing. By combining automation with better customer segmentation, AI tools allow for more personalized content and messaging. Automation also allows portcos to more efficiently utilize human capital, allowing employees to focus on higher-value activities and breaking down silos to increase collaboration between sales and marketing.

At the same time, AI enables improved data collection and analysis that would otherwise be limited by human capacity, creating more accurate forecasts that can be used to make more informed decisions.

AI drives marketing impact in several key areas:

- **Utilizing unstructured data** – Sales and marketing teams collect massive amounts of data that can range from text and images to video and audio. While this information contains valuable insights into customers, ROI, and sales pipelines, conventional and manual processes can only analyze a portion of it. AI's ability to use unstructured data allows teams to benefit from more of the data they collect.
- **Modeling scenarios** – By generating data-driven forecasts that can be updated in real time, AI allows sales and marketing teams to identify patterns and quickly adjust strategies.

- **Enhancing customer segmentation** – AI can combine both the structured and unstructured data being gathered by marketing teams to better predict customer segmentation and automatically retrain, improve, and act on segmentation insights. This provides richer segments that portcos can then use for targeting and lead generation.
- **Identifying churn and real-time updates** – AI models can predict potential customer churn by analyzing engagement patterns, enabling marketing and customer success teams to intervene proactively with personalized retention campaigns.

While these AI capabilities offer broad potential, their application must be strategic. Every portco is different, and each industry has its own unique needs. Some businesses will find certain techniques and benefits more useful than others, so it is important to identify the areas that will provide the most benefit to focus investment.

## Determining Whether the Sales Function is AI Ready

There are many questions PE firms and their portfolio companies need to ask themselves before deciding when and where to implement AI in the sales and marketing functions. A few key starting questions can initiate discussions on whether these functions are AI ready. Answering them can position a portco to most effectively leverage AI within its sales and marketing function and tailor AI investment for its unique needs.



## Sales – Example Key Questions

### **Pipeline Health Management – How do you track where and why deals are stalling in the pipeline today?**

Once the right signals have been identified, sales teams can use AI tools to gain visibility into buyer hesitation earlier. This alerts them to opportunities that may be at risk, positioning them to rethink their approach and better manage the deal pipeline.

### **Buyer Engagement and Personalization – How effectively are your representatives engaging with clients?**

Generative AI streamlines pre-call preparation by drafting customized intelligent communications and enabling sales teams to truly personalize interactions with their customers. Not only does this increase the likelihood of making a sale, but it also keeps engagement relevant across long sales cycles.

### **Maximizing Selling Time – How much time do sales representatives spend on administrative tasks versus actual selling?**

Once the administrative requirements that sales representatives spend the most time on have been identified, AI can be used to automate some or all of the processes. This automation can reclaim 15-20% of a sales representative's time, directly freeing them to focus on high-value selling activities.<sup>1</sup>

### **Revenue Forecasting – How accurate are your sales forecasts month over month?**

Pre-AI representative-driven forecasting is often prone to optimism or sandbagging bias, where businesses underestimate performance. AI delivers an unbiased, data-driven baseline forecast that sales teams can then build upon and refine through further planning and decision making.

### **Sales and Marketing Alignment – How are you ensuring that sales and marketing are aligned in their efforts across the whole sales funnel?**

As customer needs evolve, collaboration between the sales and marketing functions is more important than ever. When implemented correctly, AI can provide both teams with the same data sources for CRM, attribution models and analytics. AI can also equip them with the right content, from case studies and decks to one pagers, to support conversations with current and potential clients.

1. AI-powered success—with more than 1,000 stories of customer transformation and innovation | The Microsoft Cloud Blog



## Marketing – Example Key Questions

### **Customer Segmentation – When was the last time you updated your customer segments?**

AI's ability to track more data than manual processes can give marketing teams the information needed to identify the most profitable segments or micro-segments. It also helps them reach out to these segments at the right time, increasing efficiency and improving outcomes.

### **Content Generation – How do you generate outbound content today?**

Some portcos generate outbound content internally, whereas others rely on third-party agencies. While creating content internally can reduce costs, marketing organizations may face capacity constraints that prevent portcos from scaling their content engine. In this case, AI can support marketing teams in developing content to reach all of the portco's target segments.

### **Lead Prioritization and Conversion – How are you ensuring the prioritization of the highest quality leads before passing to sales to maximize conversion?**

Marketing functions that have hit the limits of conventional marketing methods may find that marketing-qualified lead to sales-qualified lead conversion is challenged. AI can support marketing teams to nurture leads and prevent lead decay.

### **Campaign Attribution and ROI – How are you measuring the success of your campaigns today to understand where to best allocation resources?**

AI tackles the toughest challenges in marketing attribution by connecting unstructured data sources to provide a clear, holistic view of what drives pipelines and revenue. This way, AI implementation can be focused on key aspects of the attribution model—including offline events, dark social media, and partner referrals—and where it breaks down.

### **Customer Retention – How are you focused on minimizing customer retention today?**

Marketing teams need to track early warning signals of when a customer is at risk. AI can allow them to use context from dark data—information gathered by companies that remains unused and can include data from support calls, social engagements, or community activities—by tracking sentiment from transcripts and notes.



## Bolster Sales and Marketing with AI

As technology evolves, customer behavior shifts and the market changes, portco sales and marketing teams need to adapt. Conventional models are still a crucial part of sales and marketing functions, but they face limitations. When layered onto a mature foundation, AI doesn't just enhance functions; it transforms them, enabling a level of scalability, personalization, and predictive power that pre-AI models cannot match.

Not all portcos are AI ready, though. Determining where and when AI should be implemented is key to successfully moving forward.

## How Can A&M Help?

A&M's Technology Industry Group within Private Equity Performance Improvement practice supports PE portfolio companies in aligning sales and marketing functions for sustainable growth. As your partner, we specialize in guiding clients through this critical integration to unlock value and maximize revenue potential.

A&M provides clients with the firm's collective global diligence knowledge while leveraging AI-enhanced workflows and enriched analysis to drive efficiency across the private equity lifecycle.

With the help of our seasoned professionals, clients can navigate the complexities of integrating AI into sales and marketing, driving value creation and long-term growth.

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