BLUE RIDGE PARTNERS®
The Revenue Engine

Cutting Through the Noise

How Artificial Intelligence Is (and Isn't) Transforming Commercial Performance in Software Companies

Executive Summary

Artificial Intelligence (AI) and advanced analytics are rapidly transforming commercial organizations, promising to enhance sales, marketing, and customer success functions. However, many companies struggle to navigate the overwhelming number of AI tools, often adopting solutions that end up as islands of technology or entrenching old suboptimal approaches – leading to questionable ROI, disjointed processes and systems, conflicting "sources of truth," and confusion among commercial teams. Without a clear set of high-impact business priorities, AI can quickly become a source of stress in the organization rather than a strategic advantage.

About The Survey

Blue Ridge Partners recently conducted the **largest known global survey** focused on how Private Equity-backed software companies are using AI to improve commercial performance. We collected input from **150+ commercial leaders** at **mid-sized, PE-backed software firms** to explore how AI is delivering value in sales, marketing, and customer success, and where adoption challenges remain.

Key Findings:

- Adoption is high, but results are mixed
  - 71% see Commercial AI as a necessary investment but feel that proving ROI remains difficult
  - 58% say their Commercial AI-related investments are largely being driven by FOMO (fear of missing out)
- In the aggregate, Commercial AI has not yet materially impacted some of the most important drivers of commercial productivity and economic performance
  - Over 50% of commercial team members spend most of their time on non-revenue-generating activities
  - Over 50% spend most of their selling time on low-value opportunities

- However, the leaders in the top performance tier[1] are effectively using Commercial AI to generate:
  - 16% decrease in time spent on non-revenue-generating activities
  - 15% boost in win rates
  - 15% increase in sales forecast accuracy
  - 13% increase in Gross Revenue Retention (GRR)
  - 8% decrease in Customer Acquisition Cost (CAC)
- What are top performers doing that others aren't? We found that they:
  - Align their efforts to address business priorities
  - Focus on specific sets of commercial activities
  - Selectively redesign core workflows and reinvest the gains from disintermediation
  - Build the right supporting internal capabilities
  - Closely measure adoption

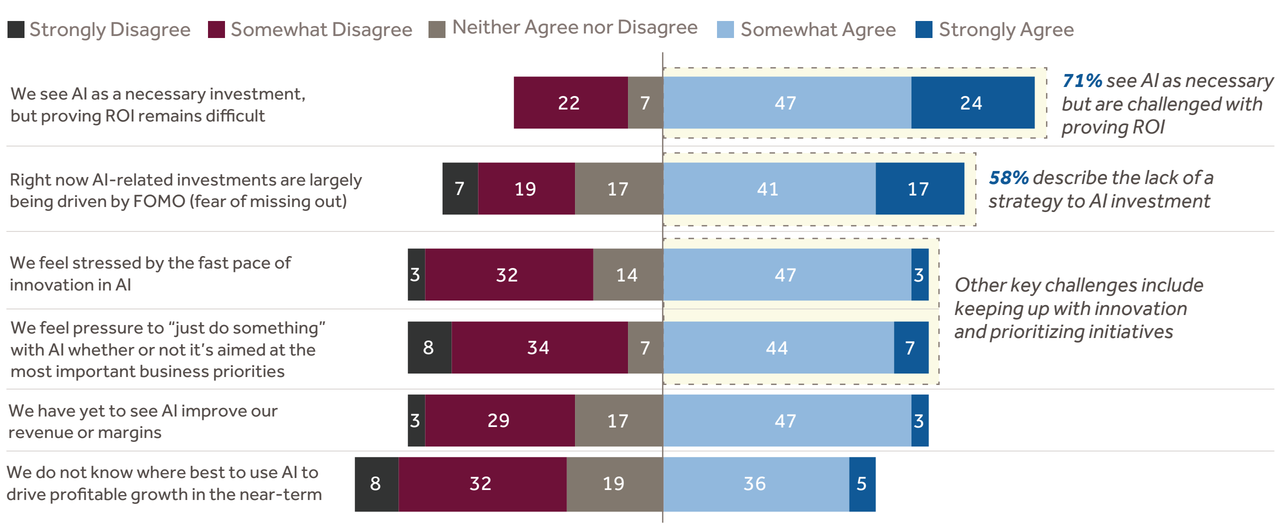
In the sections that follow, we break down how these companies are getting it right – from choosing the highest-impact use cases to building the data, planning, and performance infrastructure needed to make Commercial AI work at scale.

The AI Adoption Landscape

Commercial teams in software companies are under pressure to deliver faster growth, greater efficiency, and better customer outcomes – and AI has quickly become a top priority. In theory, the promise is clear – intelligent automation, predictive insights, and scalable personalization. In practice, though, the results have been mixed.

Our survey of over 150 leaders at Private Equity-backed software companies reveals a consistent pattern: AI adoption is widespread, but impact is inconsistent. A full 71% of respondents said they view Commercial AI as a necessary investment, yet most admitted that proving its ROI remains a major challenge. Instead of enabling transformation, AI too often reinforces legacy processes or adds layers of complexity that reduce clarity and confidence across commercial teams.

How strongly do you agree or disagree with the following statements about the market for AI-powered solutions?



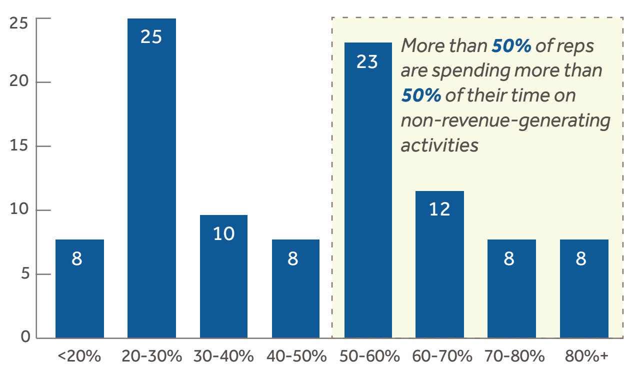
1. % changes are absolute (i.e., 15% increase in win rate represents an increase from 20% to 35%)

BLUE RIDGE PARTNERS®
The Revenue Engine

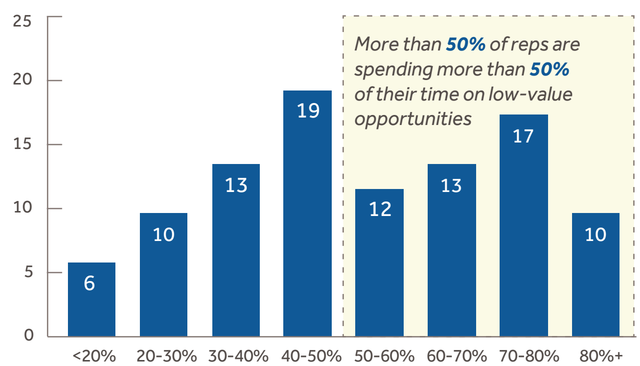
Compounding this issue is the way many companies approach AI investments. Rather than focusing on a defined set of commercial priorities, 58% of respondents acknowledged that their AI decisions are largely being driven by FOMO rather than by strategic planning. This leads to fragmented adoption, siloed tools, and disjointed workflows that confuse users and fail to scale.

The consequences are clear in how teams spend their time. The chart below reveals that more than 50% of commercial team members are spending over half of their time on non-revenue-generating activities – from administrative work to internal coordination and system management. Even when they are focused on selling, the picture doesn't improve much – over 50% of that time is spent pursuing low-value opportunities, rather than targeting the high-potential accounts that drive performance.

How much of your overall time is spent on non-revenue-generating activities?

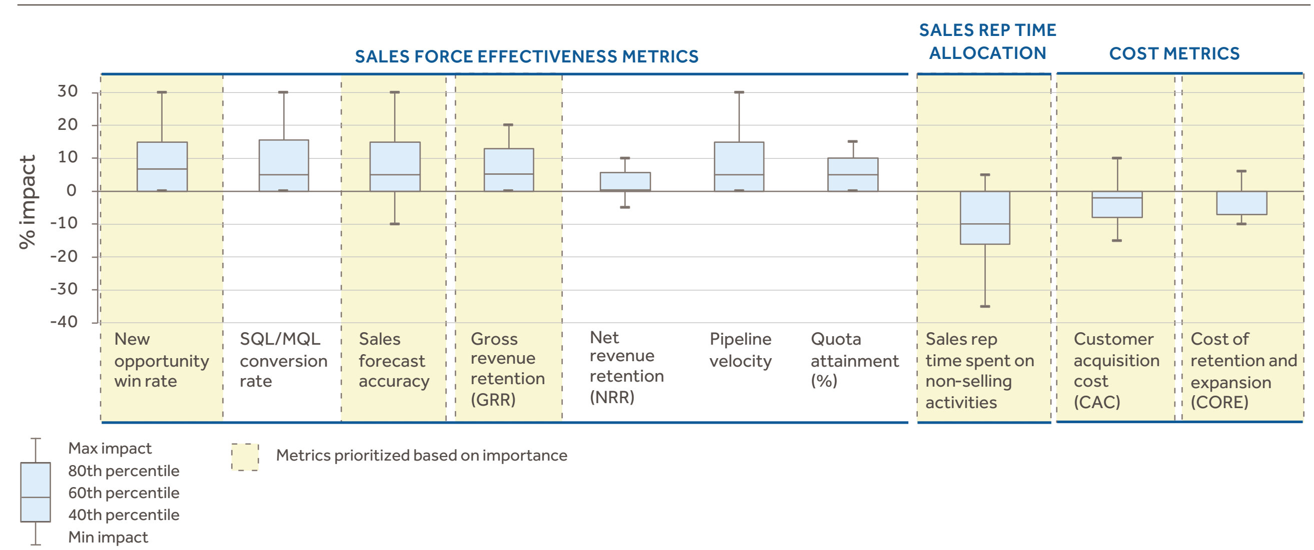


How much of your revenue-generating time is spent on lost and low-value opportunities?



And yet, the gap between leaders and laggards is beginning to show. The chart below highlights a subset of companies – those in the top 20th percentile of commercial performance – that are successfully deploying AI to improve efficiency and effectiveness across key metrics. These leaders report a 16% reduction in time spent on non-revenue-generating tasks, a 15% increase in win rates, a 13% lift in Gross Revenue Retention, and meaningful decreases in both CAC and CORE.

How has the use of AI-powered commercial solutions impacted each metric?



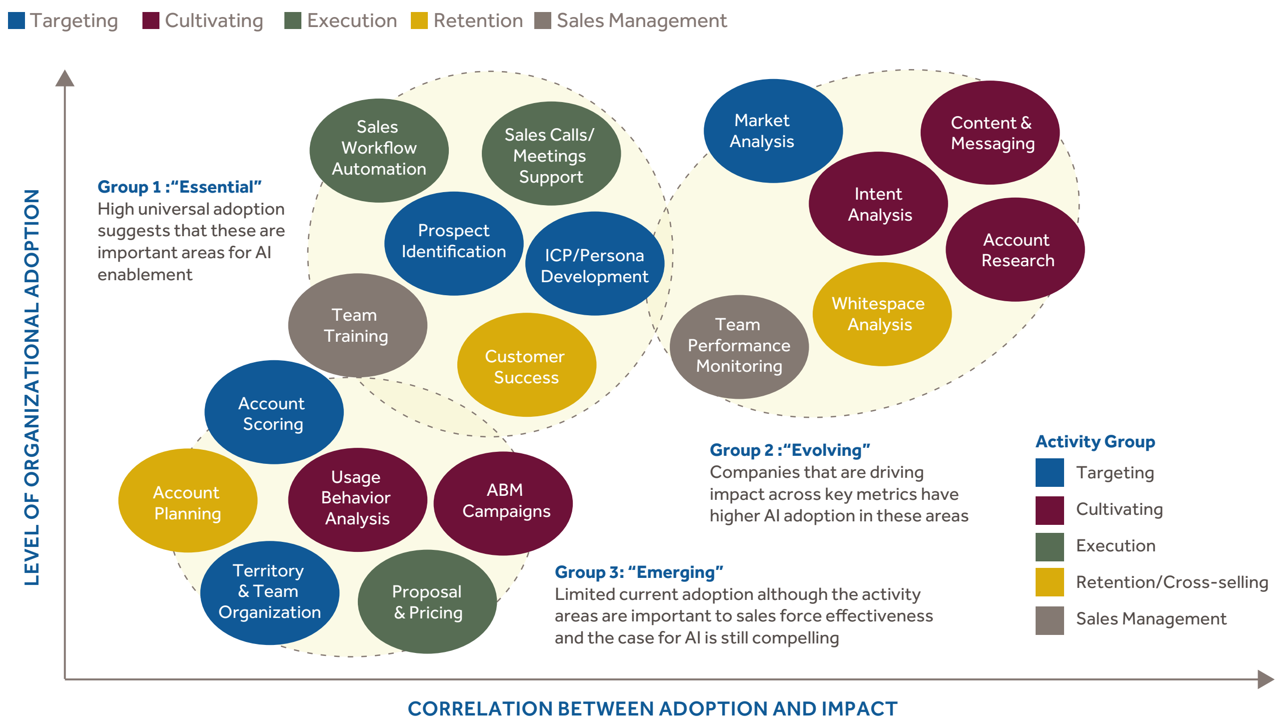
BLUE RIDGE PARTNERS®
The Revenue Engine

What distinguishes these leaders is not just their tech stack – it's their strategic intent. They are not chasing tools. They are aligning AI initiatives with specific commercial objectives, designing roadmaps that plan for interconnections and layering across use cases, disintermediating business processes and reinvesting the gains, integrating AI tools directly into core commercial workflows, and building the right supporting capabilities to make the gains stick. In short, they are treating AI not as a silver bullet, but as a disciplined lever to improve business performance.

How Leading Software Companies Are Using AI to Win

Not all AI applications deliver the same level of impact – and in fact, some of the most popular tools are not the ones driving the strongest performance. Through the survey, we identified three different types of activity clusters with AI-enablement based on levels of adoption, and the impact realized across key metrics.

Activity Clusters with AI-Enablement based on Adoption and Impact



Note: Bubbles refer to AI-enablement within the activity area, not the adoption/impact of the activity area itself (i.e., 'Account Planning' refers to AI-enabled account planning, not the overall adoption and impact of account planning)

These categories provide a roadmap for commercial leaders looking to make smarter decisions about where to invest. Rather than attempting to implement AI everywhere at once, high-performing companies are focusing their efforts on the activities that best align with their commercial goals, organizational maturity, and capacity for interconnection.

BLUE RIDGE PARTNERS®
The Revenue Engine

Group 1: "Essential"

These are the most widely adopted applications – including sales workflow automation, meeting support, prospecting, ICP/persona development, team training, and customer success tools. Adoption rates range from 40% to 60%, reflecting their relative ease of deployment and broad applicability across organizations.

"Essential" solutions tend to be lower friction: they're relatively simple to implement and often operate as point solutions that don't require deep integration with other parts of the commercial tech stack. While they provide incremental value, their impact tends to be limited unless paired with broader commercial changes.

Group 2: "Evolving"

This group represents a more strategic layer of AI adoption – tools that might be less commonly implemented but are strongly correlated with performance improvements. These include content and messaging tools, intent and market analysis, account research, whitespace analysis, and team performance monitoring.

Adoption levels vary significantly, from 20% to 70%, but the companies achieving outsized gains in metrics like win rate, sales efficiency, and cost of retention and expansion are much more likely to have adopted these solutions. For example, companies with a 10% reduction in cost of retention and expansion (CORE) reported significantly higher adoption of whitespace analysis (71% vs. 41%) and intent analysis tools (71% vs. 41%).

These applications typically require more thoughtful integration with a company's systems and workflows, and they often need to be customized to business-specific needs. But when executed well, they serve as powerful levers to dramatically improve productivity and effectiveness.

Group 3: "Emerging"

These are the more advanced – and often more complex – AI applications, such as account scoring, ABM/nurture campaigns, usage behavior analysis, account planning, proposal/pricing optimization, and territory/team design.

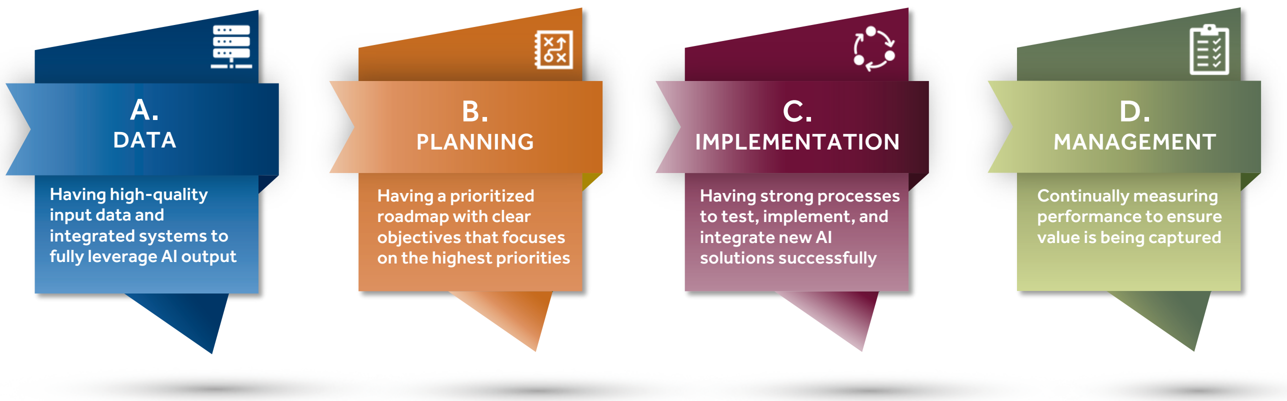
Current adoption remains relatively low (20%–40%), in part because these solutions depend heavily on high-quality historical data, robust infrastructure, and cross-functional organization alignment. They often require deep integration with existing systems and a greater degree of change management to execute effectively. Still, the business case for these tools is growing rapidly, especially among companies with a strong data foundation and appetite for transformation.

As the cost of AI tools continues to fall and capabilities improve, we expect more companies to shift toward these emerging applications, particularly as buyer behavior becomes more complex and automation becomes more trusted in decision-making.

Building The Right Set of Organizational Capabilities

In addition to focusing on the right set of use cases, companies that are driving impact from AI in the near-term are building organizational capabilities in four areas: data, planning, implementation, and management.

Overview of Enabler Categories



A. Data: Enabling Quality Inputs and Integration

AI is only as effective as the data it's trained on and the systems to which it connects. One of the most significant differentiators of leading companies is how seriously they take the quality and integration of their commercial data. Most companies recognize that their data need improvement, particularly to power Machine Learning-enabled AI (vs. GenAI) solutions, but high performers are already taking action. For example, companies that are seeing real gains in both commercial productivity and effectiveness reported significantly higher usage of human involvement with improving data quality and governance (61% vs. 36%) and incorporating data validation rules and pre-processing (78% vs. 57%).

Key Enablers for Data:

- Regularly clean and deduplicate CRM data using both technology and manual review (rather than automated tools alone)
- Implement data validation rules before AI processing

This balanced, pragmatic approach helps ensure that AI tools are learning from the right signals – and delivering recommendations teams can trust.

B. Planning: Prioritizing and Sequencing the Right Initiatives

One of the most common pitfalls in AI adoption is mistaking movement for progress. The most effective companies take a deliberate approach to planning, using business priorities to guide AI and sequence investments rather than chasing trends or over-indexing on a specific vendor's capabilities. In fact, as shown in the chart on page 3, if AI tools are implemented without the right level of up-front planning and configuration, it can sometimes have the opposite of the intended impact (e.g., CAC increases because an AI tool is driving sellers to the wrong types of opportunities). In other cases, companies that haven't thought through a

Key Enablers for Planning:

- Design core commercial workflows to directly embed Commercial AI coordinated and interconnected roadmap may implement tools that send conflicting and confusing signals (e.g., using demand intent to trigger a new selling motion whereas a retention play would have been more effective and resulted in a higher likelihood of a retained customer).

Effective companies treat their AI roadmap as an extension of their broader commercial strategy. These companies are approaching AI as a strategic lever – one that only works if aligned to the outcomes that matter most and is "hard-wired" into their core workflows, or replaces or disintermediates a workflow altogether. For example, companies that are seeing real gains in both commercial productivity and effectiveness reported that they have re-designed their core commercial workflows to embed Commercial AI (59% vs. 46%).

Without this level of focus, even the best tools can get lost in the noise – or fail to deliver value that matters.

C. Implementation: Launching Strategically

The gap between AI promise and performance often lies in execution. While many companies rush to deploy new tools, leaders in our survey are far more deliberate – building internal playbooks, piloting in test environments, and focusing heavily on integration into day-to-day workflows.

Key Enablers for Implementation:

- Build a roadmap and enablement plan for testing, piloting, and launching AI solutions

71% of high-performing companies pointed to having a playbook for testing, piloting, and launching AI solutions as their most important implementation success factor. They also reported greater success when AI was embedded directly into commercial workflows, rather than layered on top as a separate system – a practice cited by 59% of leaders, versus just 46% of other respondents.

These process-oriented organizations ensure AI isn't just implemented – it's adopted, integrated, and used consistently where it matters.

D. Management: Measuring and Adapting Over Time

Top-performing companies don't just "set and forget" their AI initiatives. Instead, they embed them into a dynamic performance management process that evolves with the business. AI recommendations are reviewed regularly, adjusted based on outcomes, and benchmarked across peers and accounts to track real impact.

Key Enablers for Management:

- Regularly review and adapt AI-generated recommendations
- Compare AI-generated account scores to actual conversion rates
- Benchmark against AI usage and impact trends

In our survey, 71% of leaders cited regularly reviewing and adapting AI-generated recommendations as a core practice. These same companies were also more likely to compare AI-generated account scores to actual conversion outcomes (64% vs. 57%) and to leverage peer benchmarking to keep performance in perspective (64% vs. 50%).

This ongoing measurement helps build trust in AI's value while giving leaders the visibility to continually improve both the tools and the teams using them.

BLUE RIDGE PARTNERS®
The Revenue Engine

Looking Ahead: Turning AI Potential into Performance

As companies define their near-term Commercial AI priorities and roadmap, it's important to not lose sight of the need to plan and design for the future as well. The most successful organizations are already exploring what comes next: How can teams avoid overload and focus on what truly drives value? How should Commercial AI and human capabilities evolve together over time? And what lessons can be drawn from companies already getting it right?

We'll explore these questions in upcoming articles – including how to stay focused in an era of AI overload, what it takes to build a truly AI-enabled commercial organization, and real-world examples of companies achieving measurable success.

Conclusion

AI is essential in today's commercial landscape, but success requires intentional planning over hype-driven implementation. In the near term, companies should begin or continue executing against a thoughtfully designed roadmap, with a careful consideration of enablers and success factors. While they optimize for today, companies must also prepare to make more fundamental changes to meet changing buyer and customer behaviors and take advantage of reductions in costs of data and technology. As they take these actions, business leaders should keep reassessing their AI strategies by following key advancements, piloting new tools, and fostering learning across the organization.

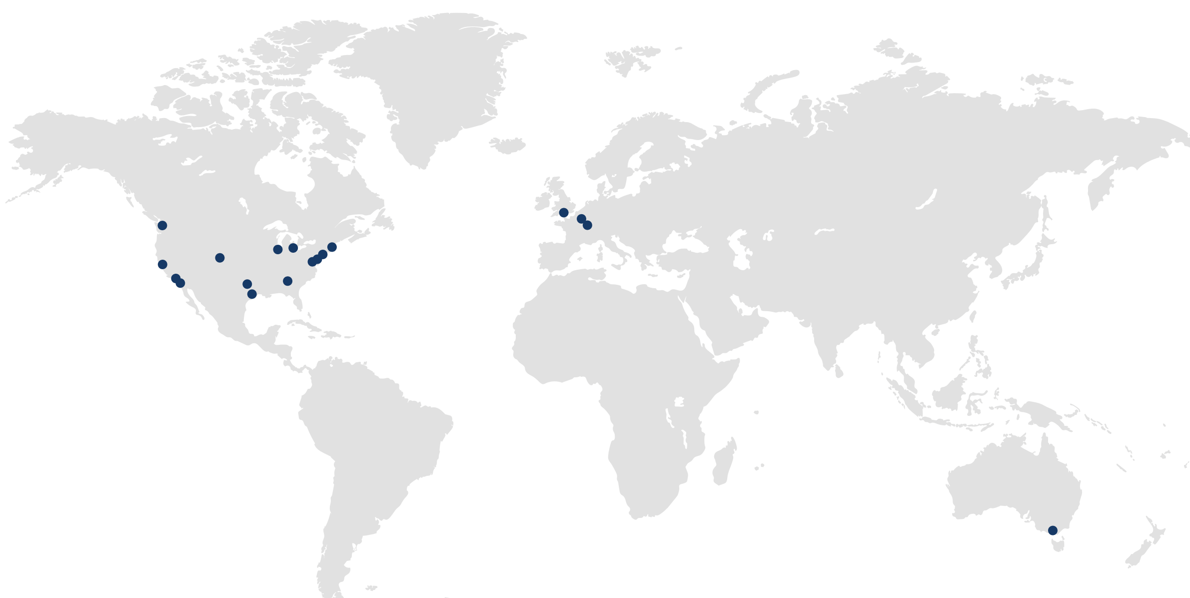
AI is not a magic bullet, but when strategically implemented, it acts as a powerful force-multiplier for human capabilities. By leveraging AI and data-driven insights, commercial teams can make smarter decisions and achieve remarkable effectiveness. The future of sales belongs to those who embrace technology and use it wisely to enhance both productivity and effectiveness.

Why Blue Ridge Partners?

Blue Ridge Partners is recognized as the most experienced, impactful and respected firm that is exclusively focused on helping companies accelerate profitable revenue growth. We have worked with over 1,300 companies worldwide on commercial model transitions, strategic pricing engagements and due diligence assignments. We are known for rolling up our sleeves, being pragmatic in our analyses and delivering tangible results that focus on the "how" of execution. Based on our significant experience we have amassed extensive knowledge of the issues that affect revenue performance.

For further information please contact us at **info@blueridgepartners.com** or visit us at **www.blueridgepartners.com**.

Our Locations



Atlanta | Boston | Chicago | Dallas | Denver | Detroit | Frankfurt | Houston | London | Los Angeles
Melbourne | Munich | New York | Philadelphia | San Diego | San Francisco | Seattle | Washington DC

BLUE RIDGE PARTNERS®
The Revenue Engine