

SaaS Sales Development Research

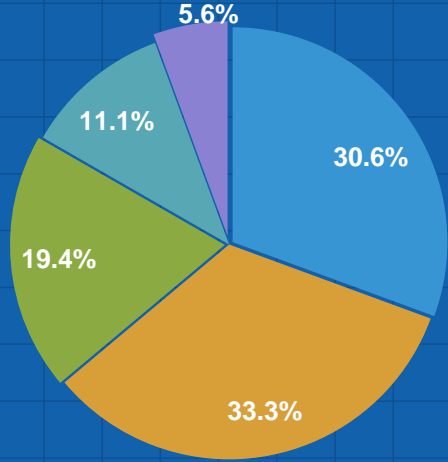
The Impact of a Pandemic on B2B SaaS Sales Development Organizations

Conducted by:

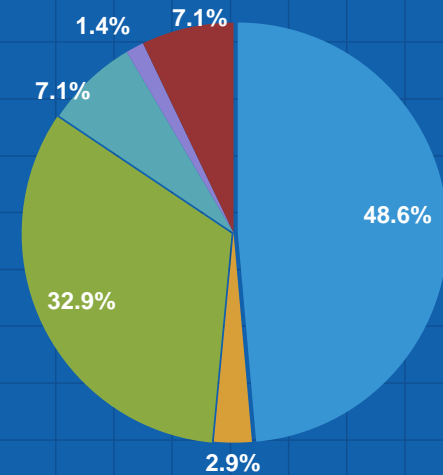
Tenbound
&
RevOps Squared

Sales Development Impact Research - Participant Profile

Participant Role



Participant Department



- SDR
- Executive - SDR Responsibility
- Other - Write In

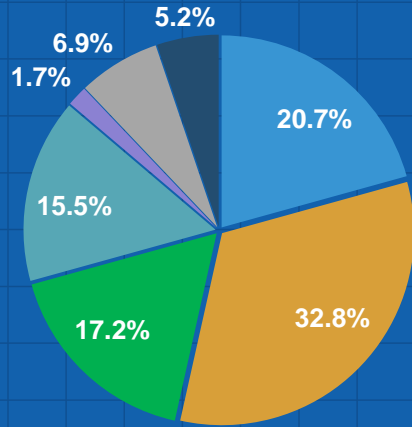
- SDR Manager/Director
- Executive - No SDR Responsibility

- Sales Development
- Sales
- Revenue Operations

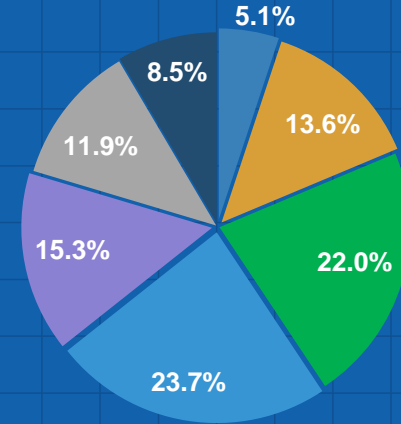
- Sales Operations
- Marketing
- Other - Write In

Sales Development Impact Research - Participant Profile

Company Size (ARR)



Annual Contract Value (ACV)



> \$5M
\$50M - \$100M
> \$500M

\$5M - \$20M
\$100M - \$250M

\$20M - \$50M
\$250M - \$500M

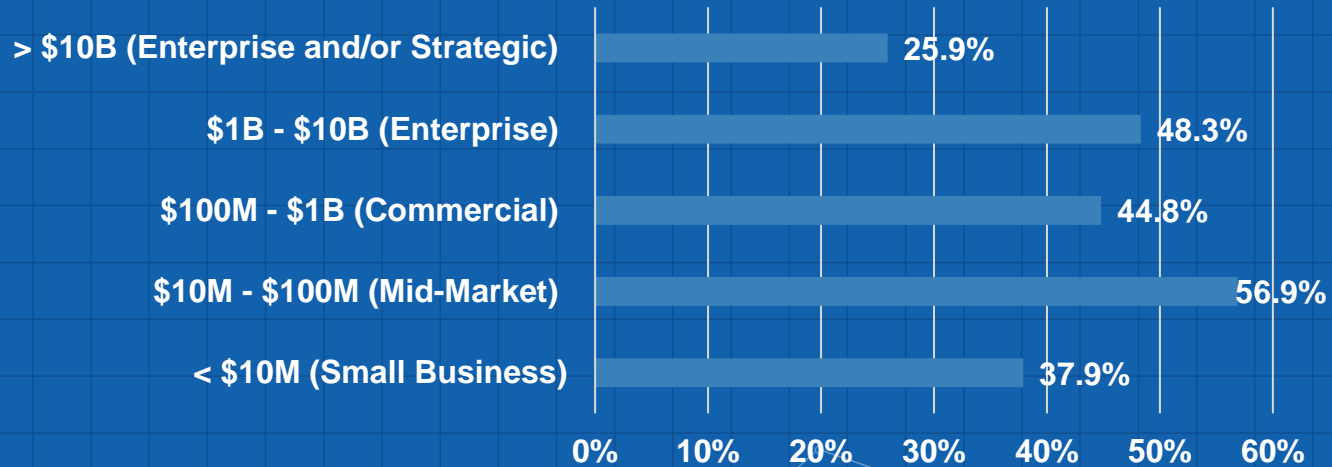
\$1K - \$5K
\$25K - \$50K
> \$250K

\$5K - \$10K
\$50K - \$100K

\$10K - \$25K
\$100K - \$250K

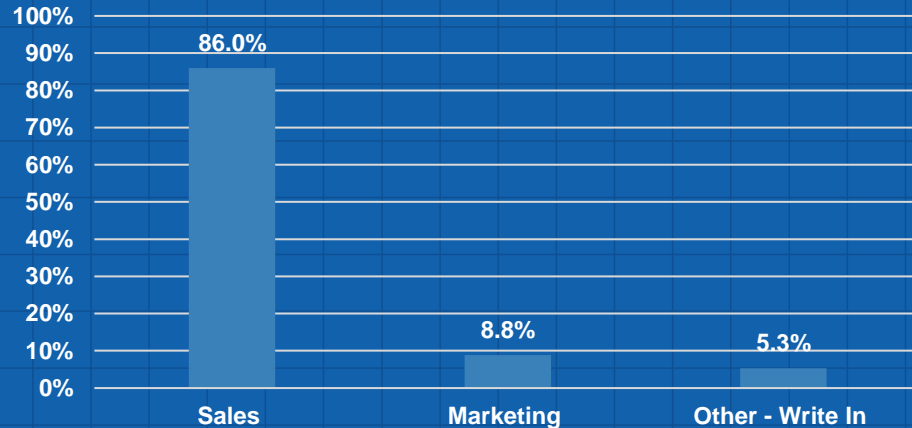
Target Market(s)

Target Markets - By Size



Sales Development Reporting Structure

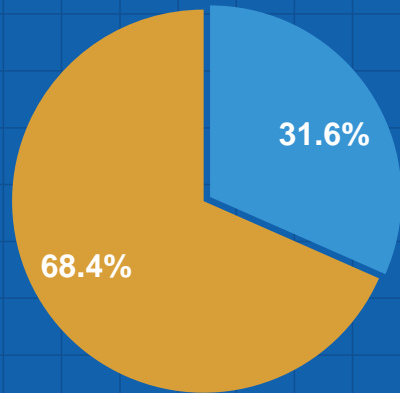
SDR Reports to Department



- SDRs reporting to Marketing was most prevalent in \$5K - \$50K ACV range
- This research shows a higher % SDRs reporting to sales than historical data
- With 92%+ of companies having updated messaging and positioning – Sales Development & Marketing alignment is critical for real time feedback

Confidence in Hitting Plan: By ACV

Outbound vs In-Bound SDR Teams

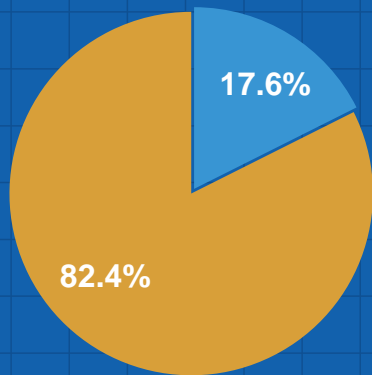


■ Yes ■ No

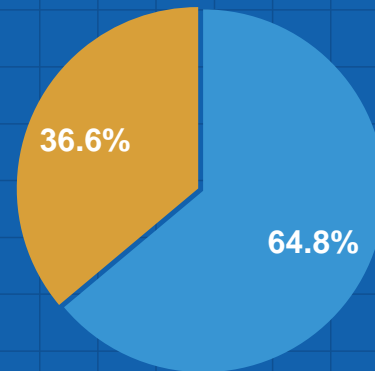
- There was no correlation of company size or ACV to having dedicated inbound and outbound SDR teams
- In related research it reported that 23.8% of companies had re-allocated inbound leads to AE's in April, 20'
- Mapping inbound and outbound lead qualification/development process to customer buying journey is best practice

Sales Development Reps – On-Target-Earnings (OTE)

OTE Reduction



Base Salary vs VC Split (%)

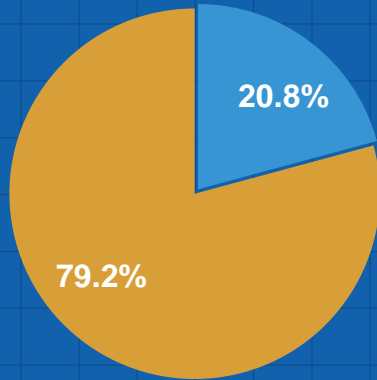


■ Yes ■ No

■ Base Salary (%) ■ Variable Comp (%)

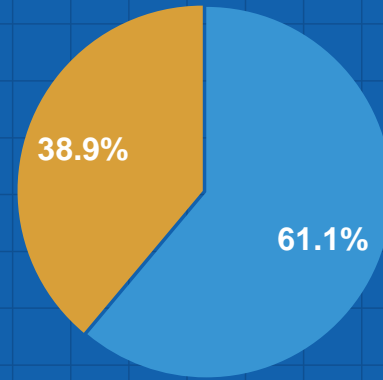
Sales Impact Research – SDR Reductions

Companies with SDR Layoffs



■ Yes ■ No

Concern about Future SDR Layoffs

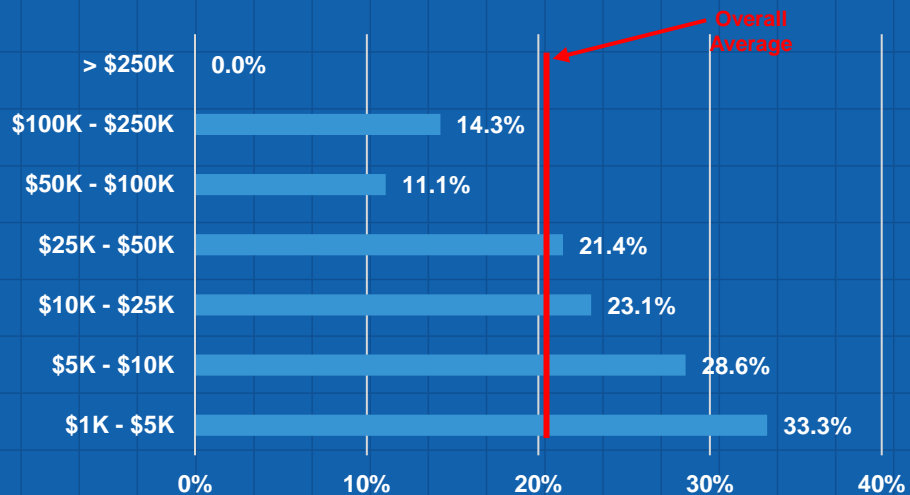


■ Yes ■ No

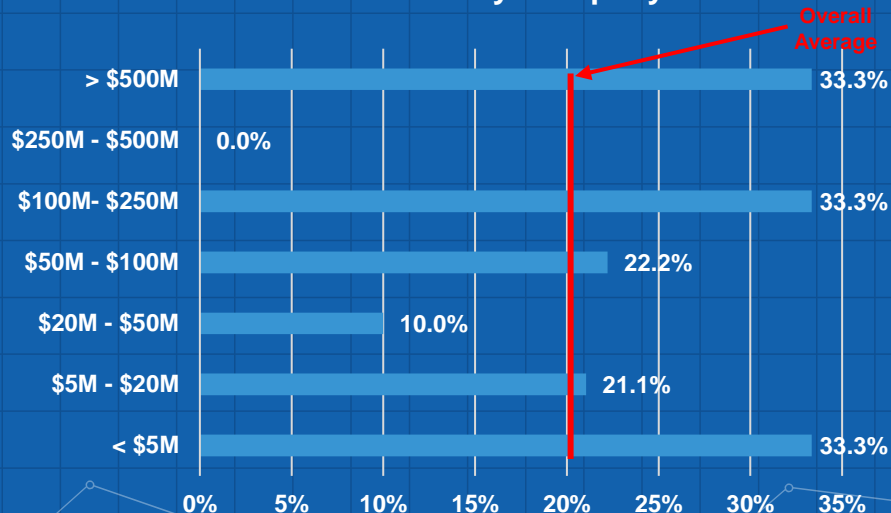
SDR Leadership will need to communicate often and consistently with SDRs to alleviate concerns regarding potential future layoffs

SDR Reductions – By Cohort

SDR Reductions - By ACV



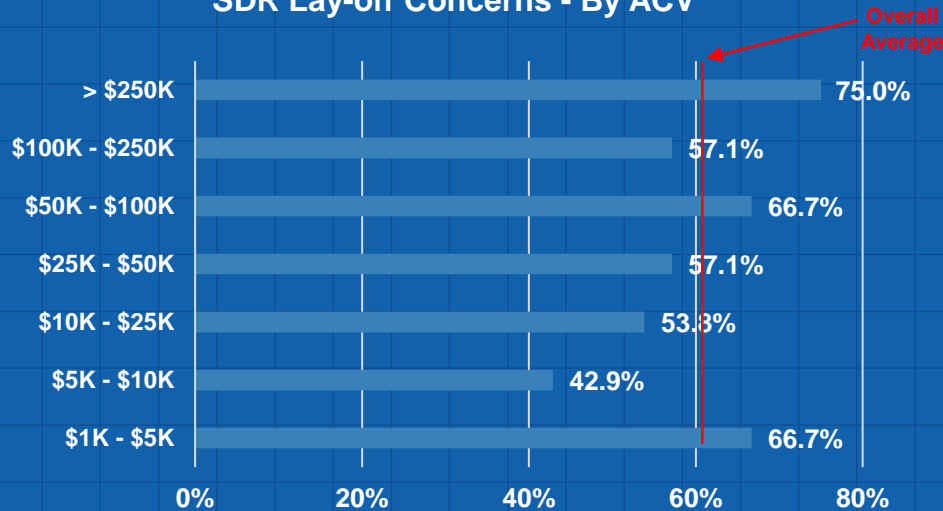
SDR Reductions - By Company Size



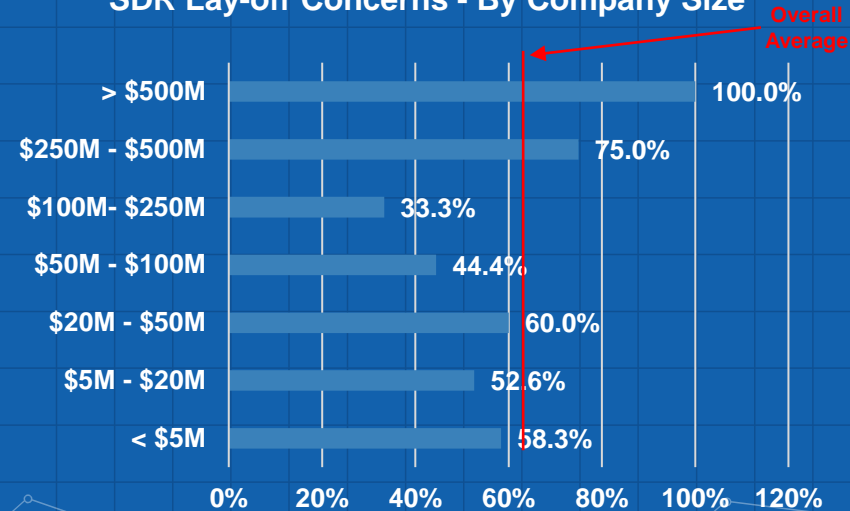
Lower ACV companies will need to quickly determine the measurable ROI of maintaining dedicated SDR versus Inside Sales organizations

SDR Concern Level Future Reductions – By Cohort

SDR Lay-off Concerns - By ACV



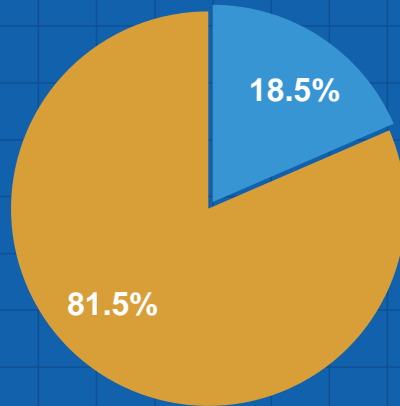
SDR Lay-off Concerns - By Company Size



Interesting data that SDR's are more concerned regarding future layoffs in larger companies and companies with > \$250K ACV

SDR Quota Reductions

Has SDR Quota Been Reduced



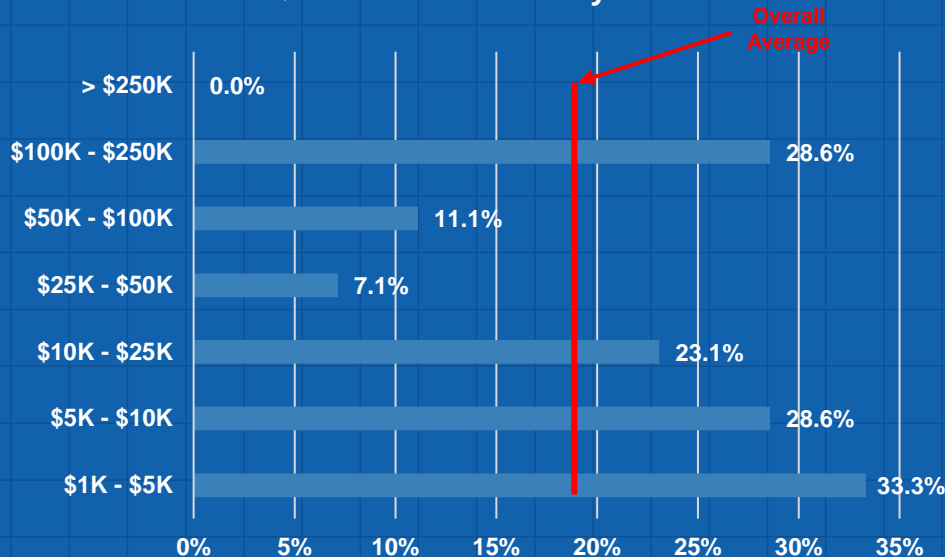
■ Yes ■ No

- Over 70% of SaaS companies are reporting having already reduced 2020 Revenue Plan but only 18.5% have reduced SDR quota
- Data shows 24.8% have reduced SDR activity goals
- Sales Development organizations should calculate \$ Expense/ \$ ARR delivered to highlight SDR ROI to the company

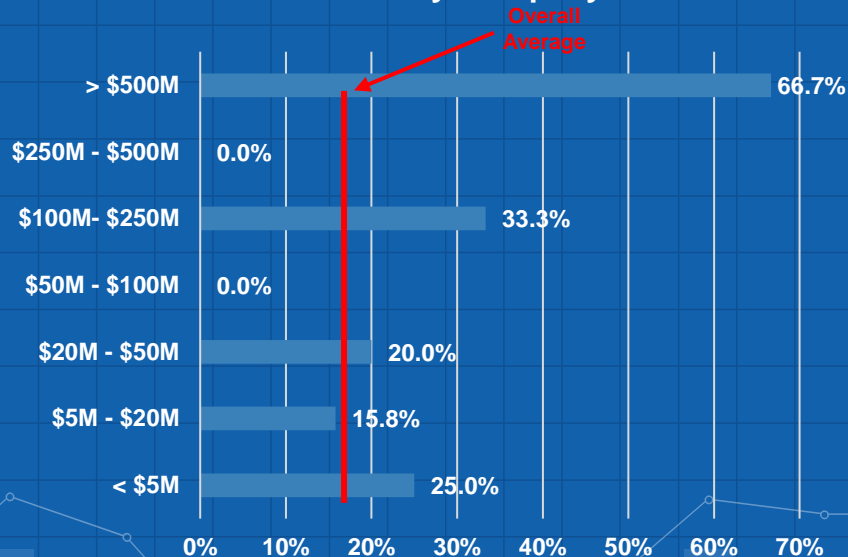
• SDR measurements need to go beyond meetings and SQL's and move to pipeline created (\$) and Closed-Won ARR

SDR Quota Reductions – By Cohort

Quota Reductions - By ACV

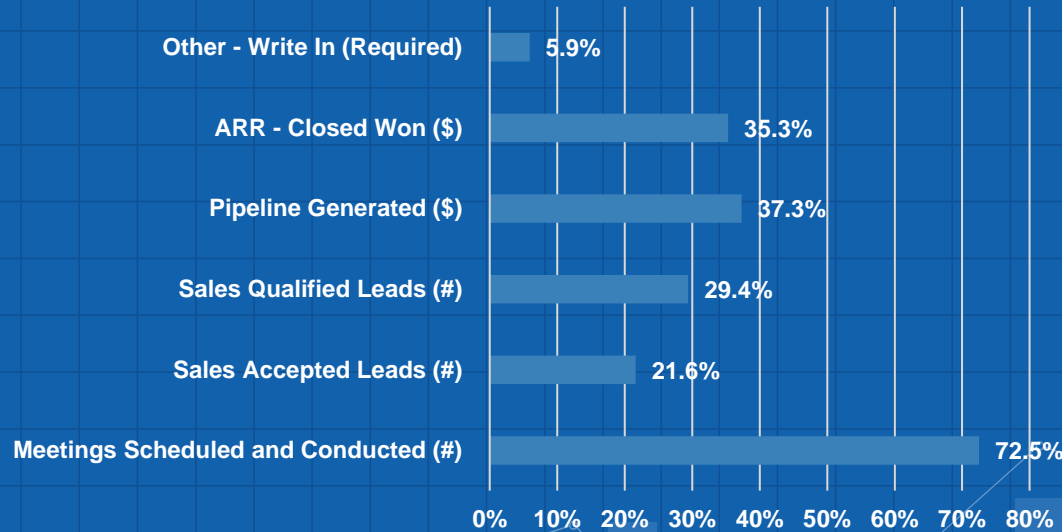


Quota Reductions - By Company Size



SDR Quota Components

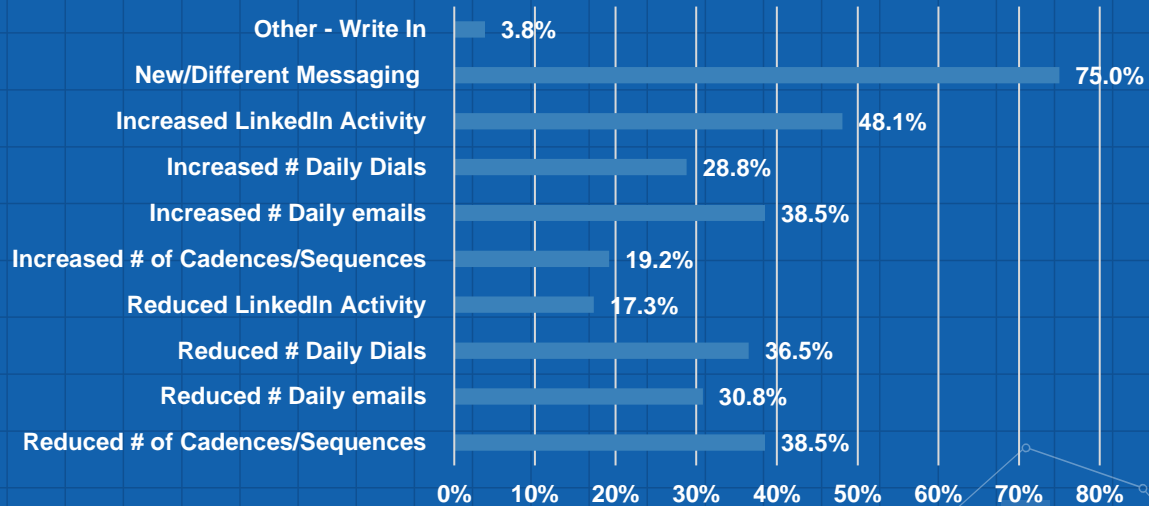
SDR Quota Elements



- Linking SDR quota to pipeline generated (\$) and Closed-Won (\$) is prudent during expense sensitive situations
- Meetings Scheduled and Conducted KPI's calculated before April are irrelevant
- Meetings conducted and demos conducted may be false positives as new customer buyer journeys are in play – CFO is much more important today

SDR Activity Impact and Changes

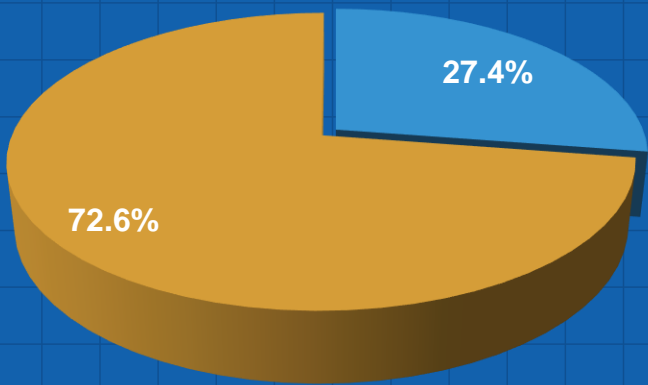
Change in Activity Types & Levels



- Updated messaging is reported in 92% of companies – are SDR's fully enabled to communicate updated messaging and value proposition
- Reducing daily dials and emails may lead to a self-fulfilling prophecy of lower SDR performance/KPI's
- Increased LinkedIn activity must also include higher value and relevancy of message

Have you Changed how Inbound Leads are Managed – Moved from SDR's to AE's

Lead Handling Changes



■ Yes ■ No

- Inbound Leads being redirected to AE's may impact performance measurements of SDR's
- Need to measure inbound lead to opportunity conversion rate and close rate post lead handling changes
- Account Executives will need to execute a cadence-based follow-up process
- Account Executives will need to follow up quickly for high intent buyers
- Evaluate how this change could impact marketing metrics, VC and ROI calculations

COVID-19 SALES DEVELOPMENT IMPACT RESEARCH

B2B SaaS Organizations

Any Questions?

Ray Rike: rayrike@revopssquared.com

David Dulany: David@tenbound.com