SAAS AE REPORT

MODELS, METRICS, AND COMPENSATION RESEARCH

The Bridge Group

INTRODUCTION

Hello! And welcome to our sixth round of research focused on inside sales and SaaS companies.

Since 2007, we've been tracking the account executive (AE) role with a focus on how metrics and compensation change over time. For this report, we used 384 B2B SaaS companies with closing AE teams participating. We've organized the report into five sections:

1. Group Structure
2. Ramp and Retention
3. Quota and Compensation
4. Activity and Technologies
5. Leadership

We hope this report will provide guidance as you build out your strategy and think about what changes could possibly bring you closer to alignment with industry standards.

If you have any questions, please reach out to us directly. We want to hear from you. Email us at: community@bridgegroupinc.com.

The Bridge Group is a B2B inside sales consulting firm dedicated to understanding the *models*, *metrics*, and *motions* that deliver scalable growth.

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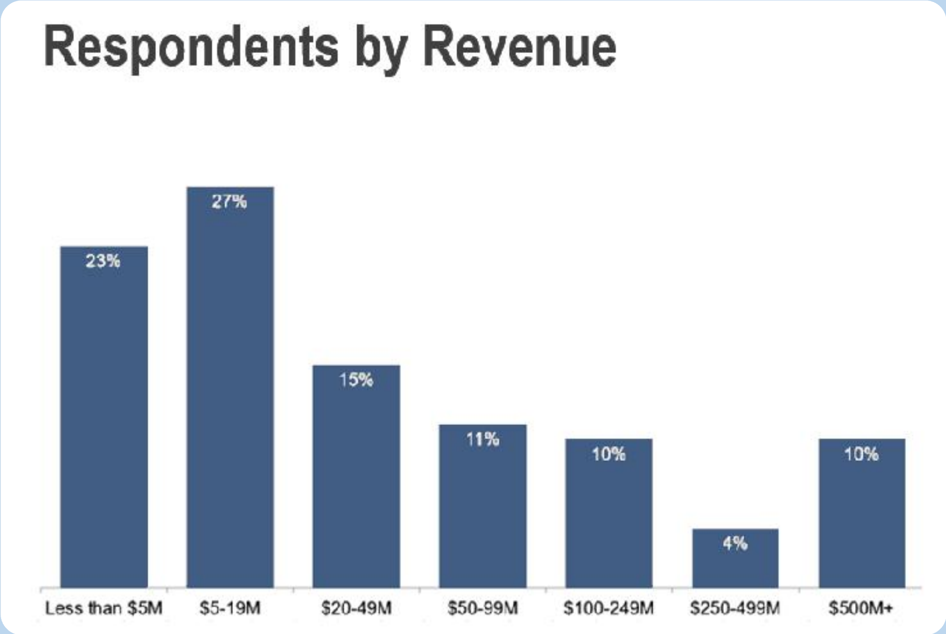
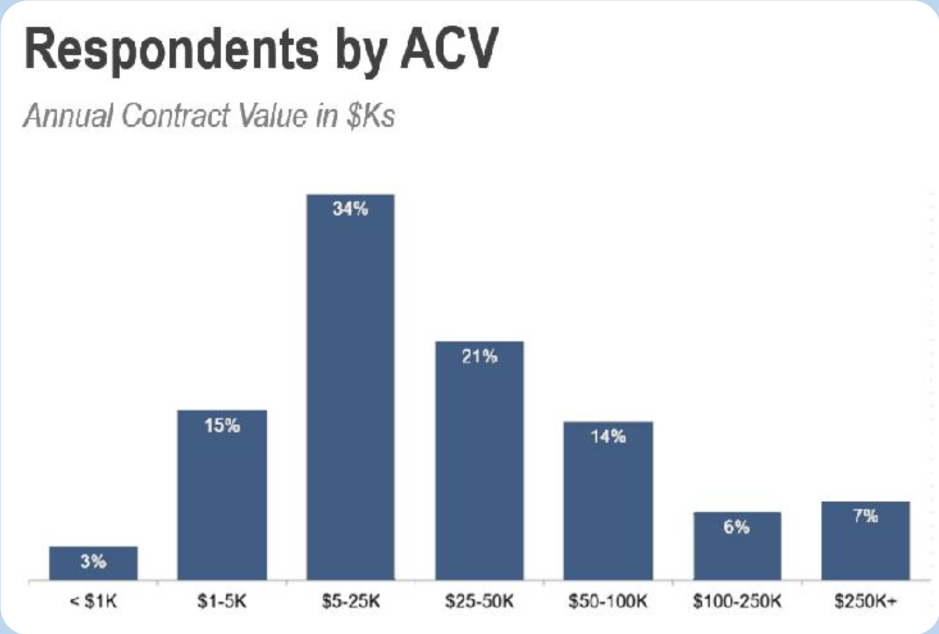
THE COMPANIES THAT PARTICIPATED

STUDY PARTICIPANTS

- 384 executives from a broad diversity of SaaS companies
- 89% with headquarters in North America
- $27M median revenues
- $25K median annual contract value (ACV)
- 60 day median average sales cycle





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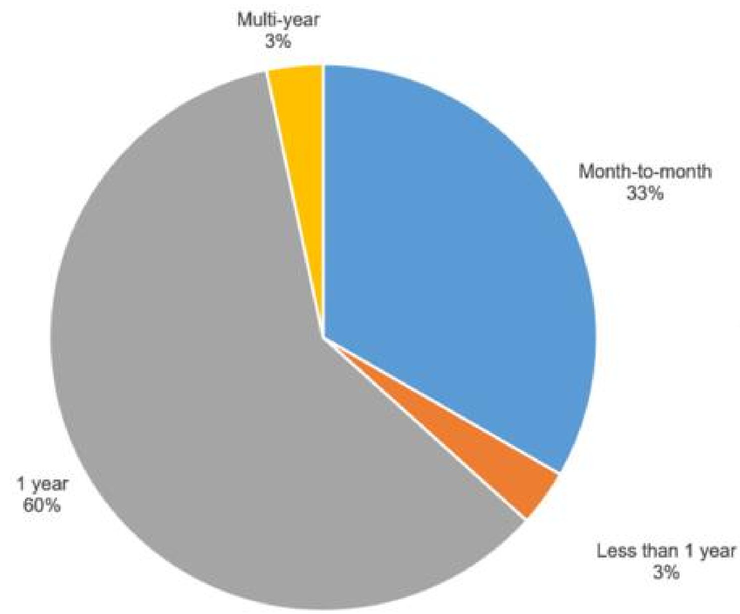
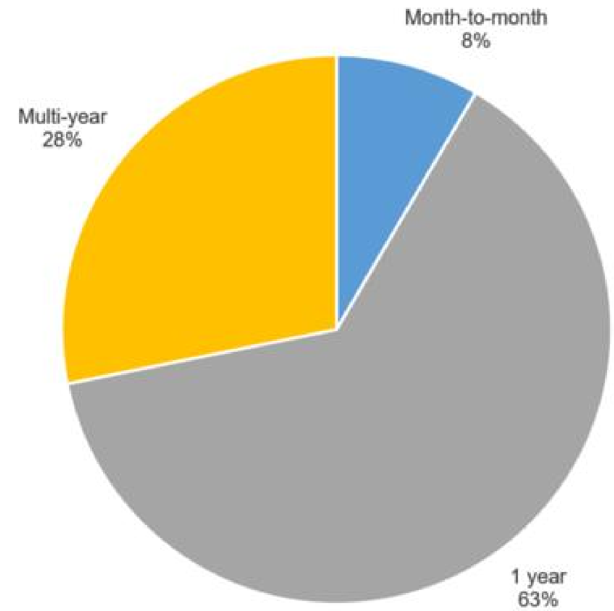
Initial Contract Length

Companies Below $5M in Revenue



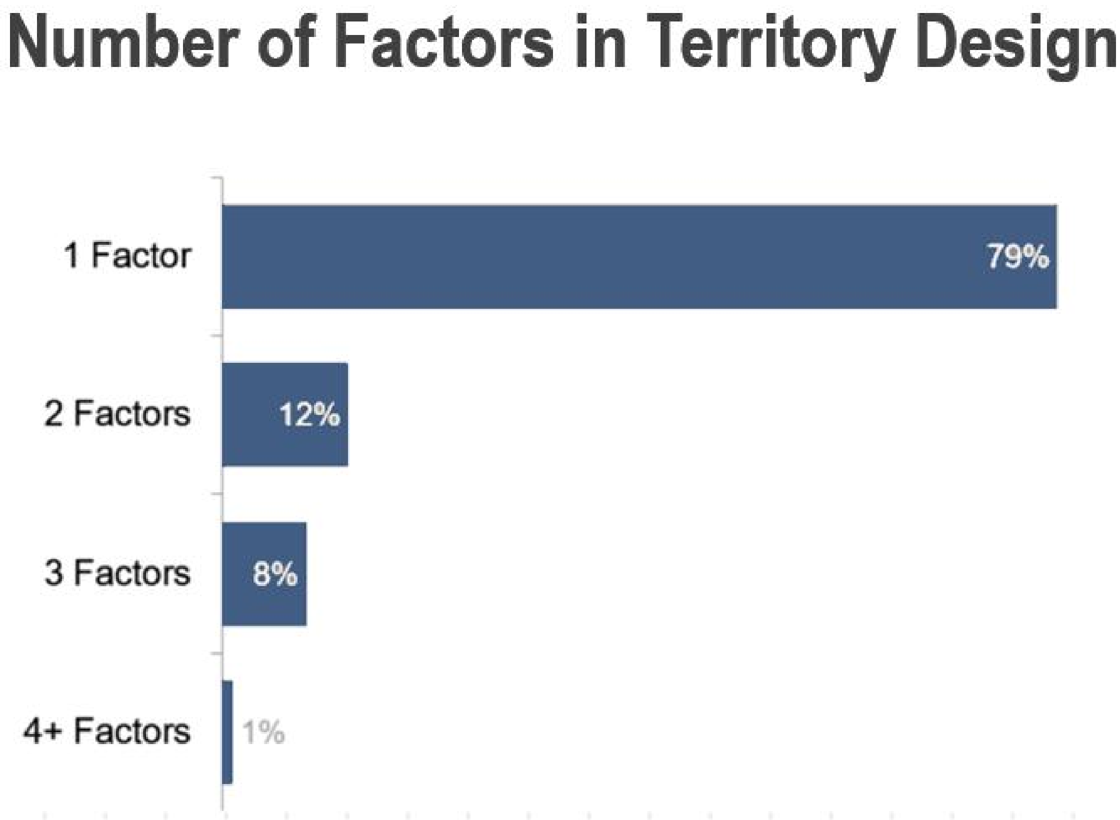
Companies Above $5M in Revenue



PART 1

GROUP STRUCTURE

DESIGNING AE TERRITORIES

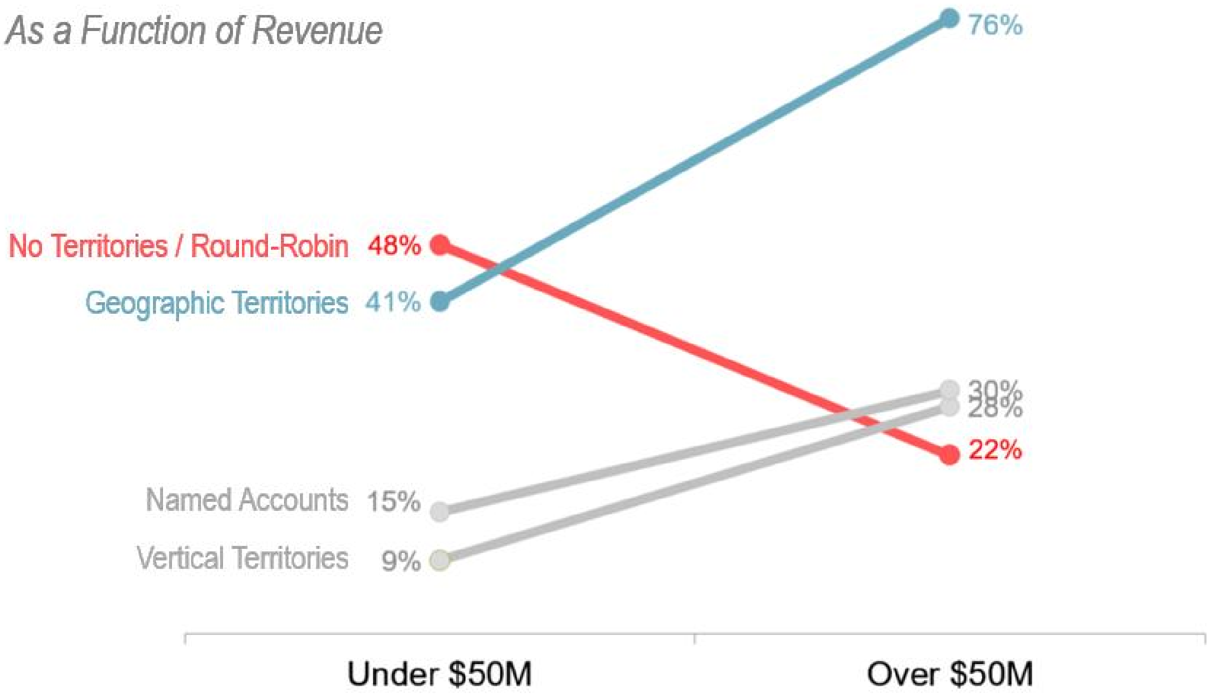


An overwhelming majority of companies use a single factor.

We all know creating equitable territories is as simple as working a Rubik's cube. In this round of research, we identified more than 16 different schemas for structuring territories. That being said, an overwhelming majority of companies do use a single factor when building territories.

How Territories are Built

As a Function of Revenue



Geographic Territories, a perennial favorite, remains the leading approach. This tried-and-true methodology makes lead distribution and routing easy. There's a belief that geographic territories are entirely a hold-over from a bygone era. That's not entirely true. Time zone alignment and local sub-verticals (e.g., startups in San Francisco, Higher Ed in New England, Oil & Gas in gulf coast, etc.) are two pluses to geographic territories.

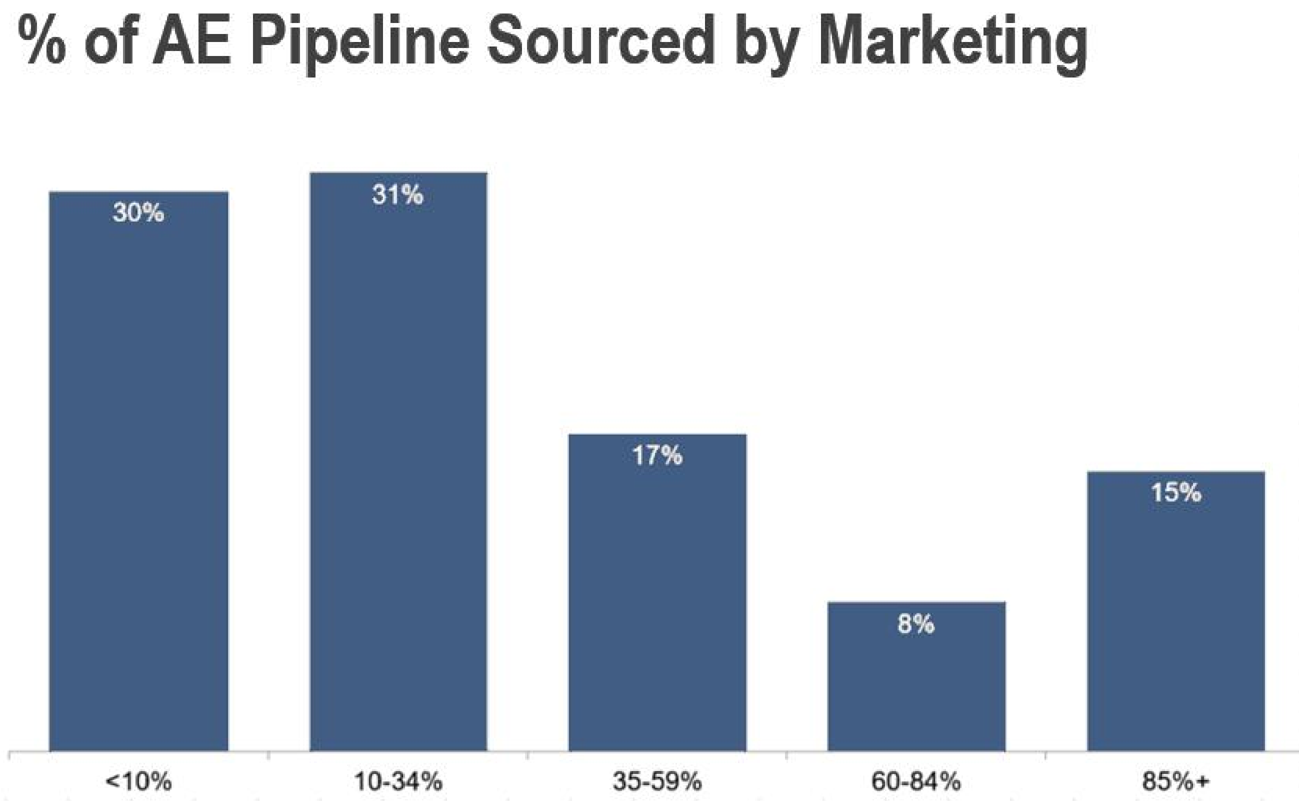
Unfortunately, a big drawback involves the difficulty drawing equitable lines on the map. Prospect accounts stubbornly refuse to line up neatly and proportionally within geographic boundaries.

At roughly $25-50M in revenues, territory design increases in complexity. As you can see from the chart above, the percent of respondents using No Territories and Round-robin falls by half while usage of Vertical Territories and Named Accounts more than double. The approach we've seen deployed most successfully is keep things simple, until you can't.

The no territories approach that served you well up to $10M ARR, might hinder your growth to $100M.

	% using No Territories and/or Round-robin
< $5M	61%
$5-20M	52%
$20-50M	31%
$50-100M	22%
$100-250M	19%
$250M+	10%

MARKETING CONTRIBUTION



36% of an AE group's pipeline is sourced by Marketing.

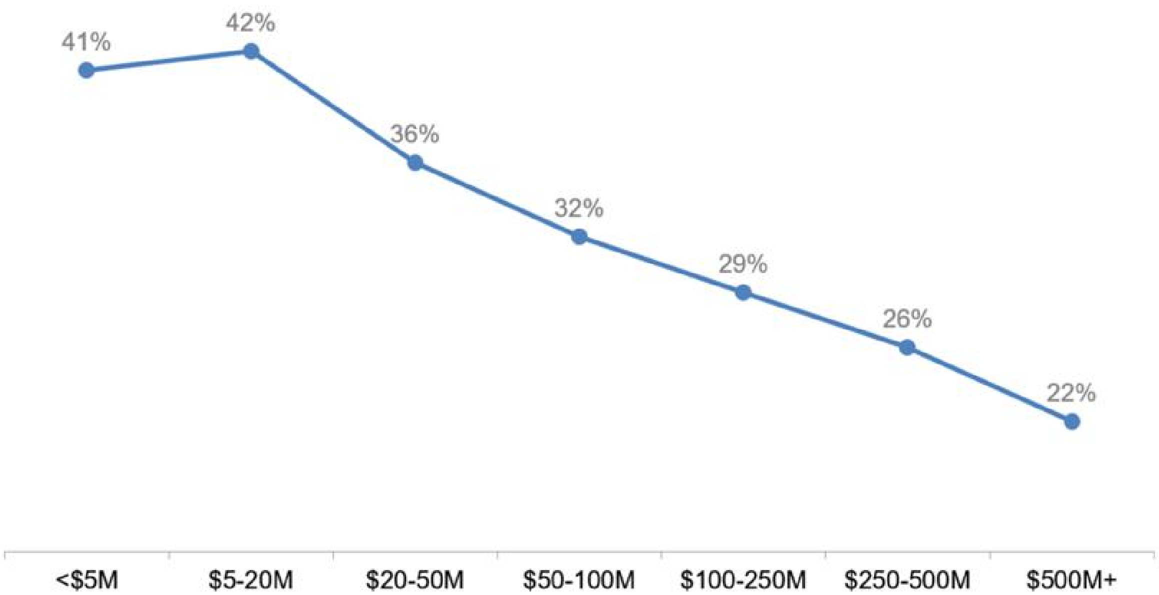
On average, 36% of an AE group's pipeline is sourced by marketing.

This includes inbound SDR support, but excludes outbound sales development efforts (discussed later).

% of AE Pipeline Sourced by Marketing

As a Function of Revenue

As revenues rise, the % of marketing-sourced pipeline falls.

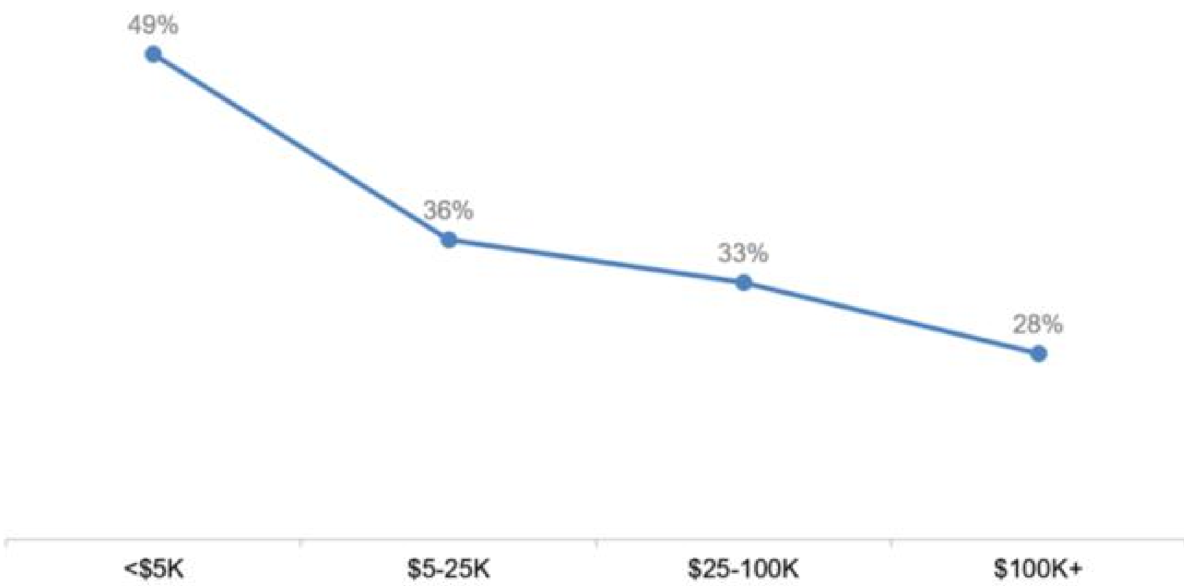


Not surprisingly, as revenues rise, the percentage of marketing-sourced pipeline falls. But not by as much as one might expect. At $28M ARR, marketing is sourcing roughly $10M in pipeline. Compare that to a $100M ARR company, where marketing is sourcing three times as much pipeline (~$30M), although a lower total percentage.

As companies scale, outbound, expansion, channel, former customer, and AE self-generated opportunities increase as sources of pipeline.

% of AE Pipeline Sourced by Marketing

As a Function of ACV



Controlling for company revenues, the percentage of pipeline sourced by marketing decreases as ACV rises. These percentages have remained remarkably consistent for the past eight years. We are interested in watching this finding going forward.

Account-Based marketing is squarely focused on driving high-ACV pipeline from strategic accounts.

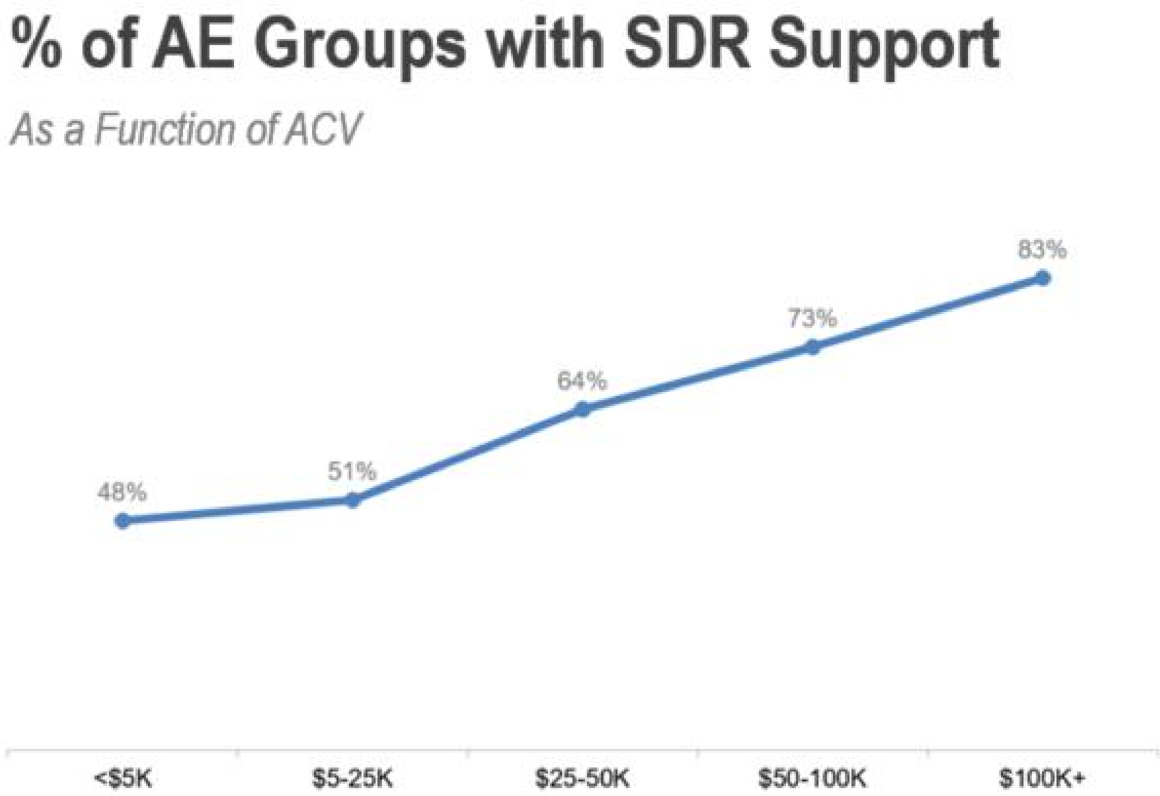
Traditional demand generation strategies are highly-effective at medium-to-low ACV, but decline in effectiveness as ACV, and account stature, rises.

ABM was born, in part, as a way to more effectively engage with larger organizations and their sprawling buying groups. We've shared our take on Account-Based Strategies in two posts:

WHAT ACCOUNT-BASED IS (AND WHAT IT ISN'T)

THE DIFFERENCES BETWEEN ACCOUNT-CENTRIC AND ACCOUNT-BASED SELLING

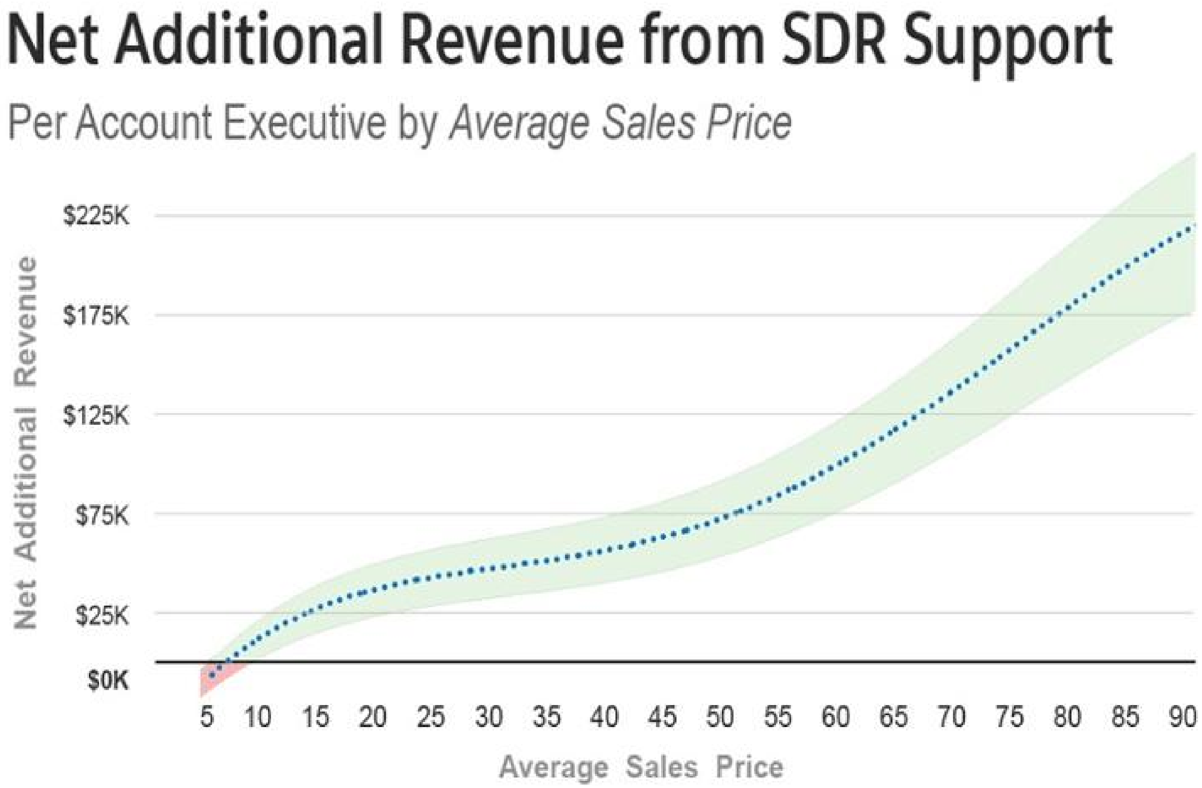
SALES DEVELOPMENT SUPPORT



66% of AE groups are supported by SDR teams.

66% of AE groups are supported by sales development teams. We observed no variation by company revenues; companies under $5M were as likely to use the SDR role as those over $100M.

Based on a separate research project, we calculated the return – in additional revenue – from the average unsupported AE versus an SDR-supported one.



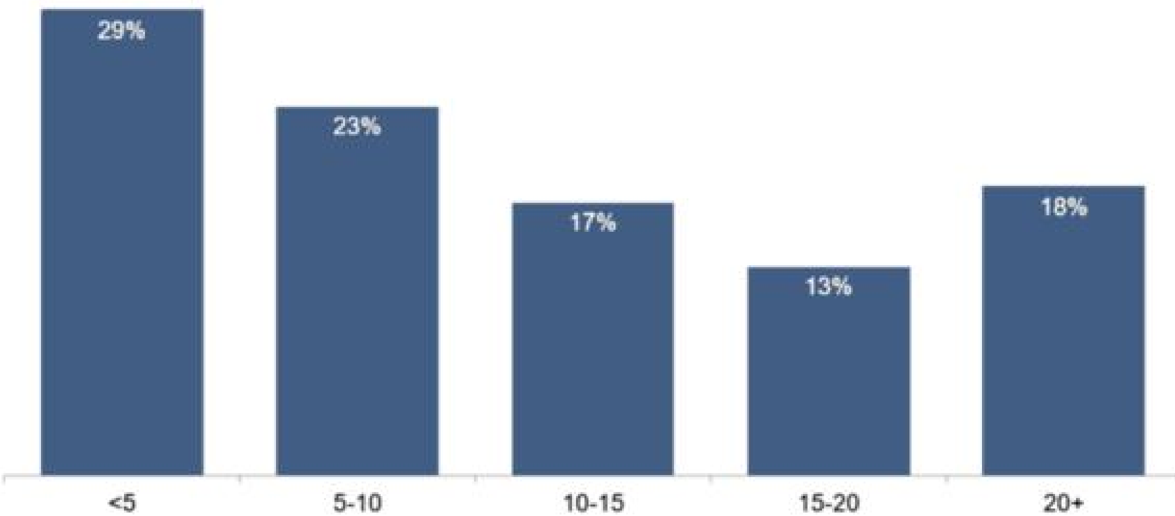
All things being equal, we found that:

- An above average SDR team will have a positive return if ACV is higher than $4K
- An average SDR team will have a positive return if ACV is higher than $8K
- A below average SDR team will have a positive return if ACV is higher than $11K

Full data: http://blog.bridgegroupinc.com/whats-the-minimum-asp-where-sales-development-makes-sense

SDR-Sourced Meetings per AE per Month

AEs receive an average of 9.8 SDR-sourced meetings per month.

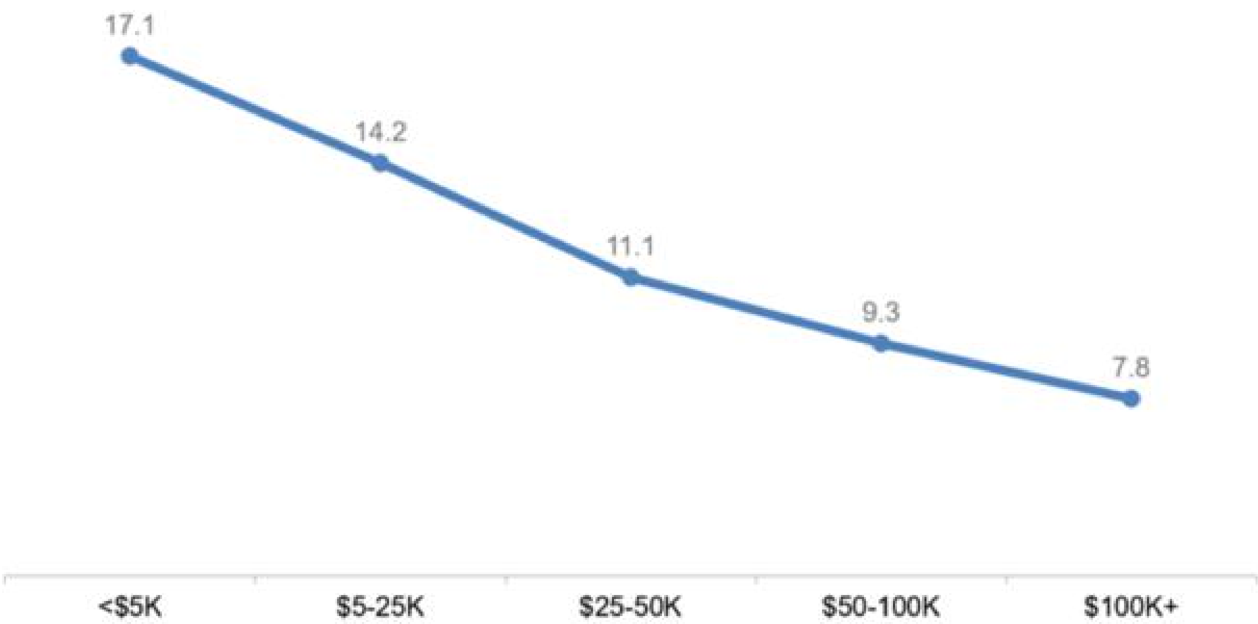


Those AEs supported by a sales development team receive an average of 9.8 meetings per month. As you might expect, there was wide variation in this number with the median response being 8 meetings monthly.

SDR-Sourced Meetings per AE per Month

As a Function of ACV

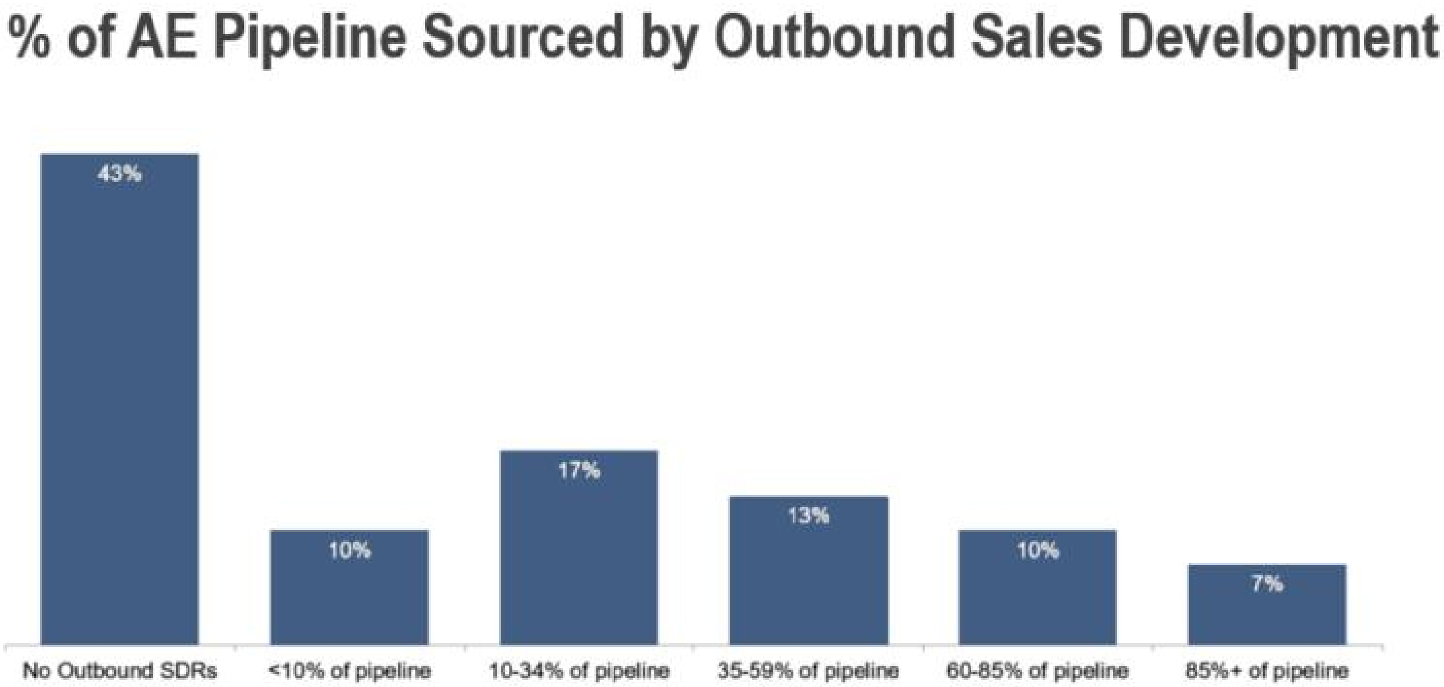
ACV impacts average # of SDR-set meeting significantly.



The number of meetings received per AE falls from double to single digits at roughly $15K ACV.

There are likely two drivers here: supply and demand. On the supply side, higher ACV companies are, in theory, selling upmarket to more senior buyers. There are just fewer of those companies to target and pass. From the demand side, higher ACV deals have longer and more complex sales cycles. These AEs generally require a lower volume of SDR-sourced meetings to maintain a “healthy” pipeline.

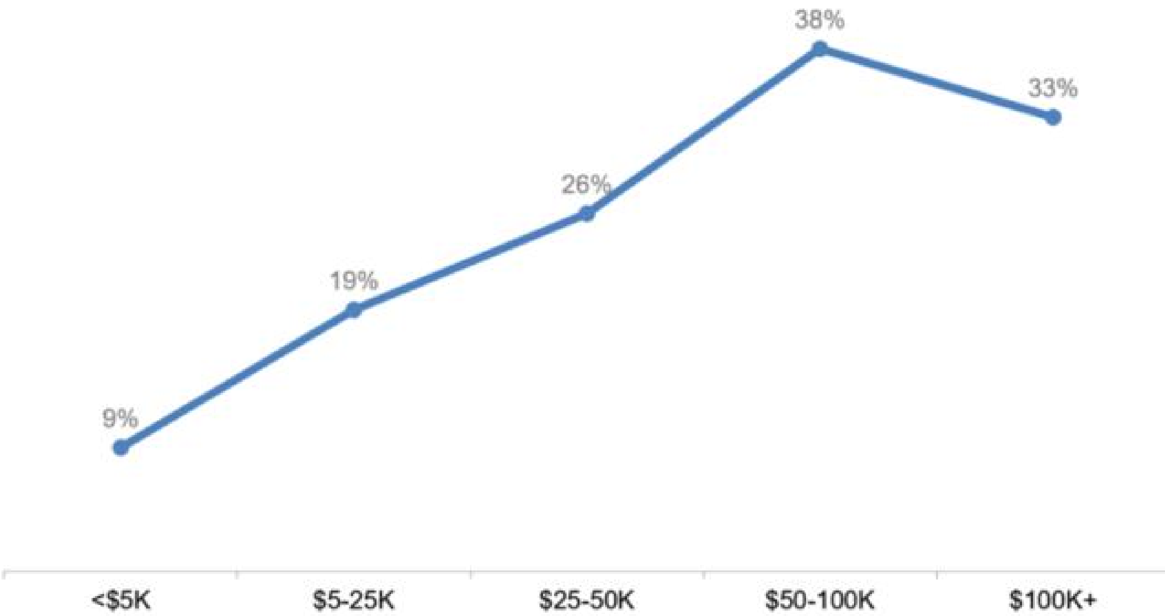
OUTBOUND SALES DEVELOPMENT



To recap, 66% of companies have sales development teams. Across all respondents, outbound sales development generates roughly one-quarter of total AE pipeline.

% of AE Pipeline Sourced by OSDRs

As a Function of ACV



Controlling for company revenues, the percentage of SDR-sourced pipeline increases as ACV rises. That isn't all that surprising. The reality is that outbound prospecting is expensive. And for companies with lower ACVs, the CAC:LTV math can be difficult to balance with an outbound sales development channel.

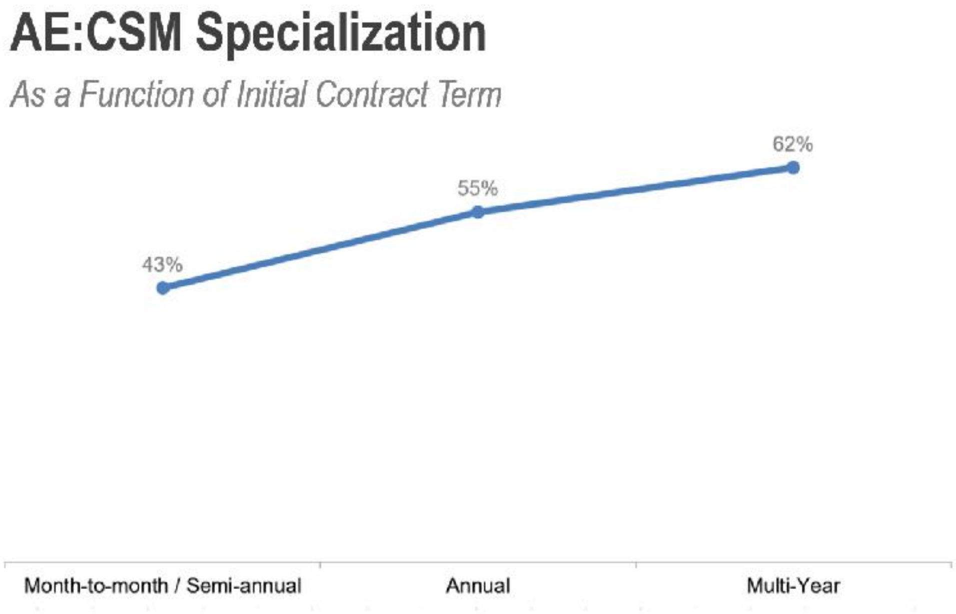
We examined companies with ACVs above $25K and divided them into two groups: those sourcing more than half of pipeline from outbound sales development and those sourcing less. We found that AEs in the "more than half" group have 19% higher quotas on average. That was one of the most significant factors that we were able to isolate.

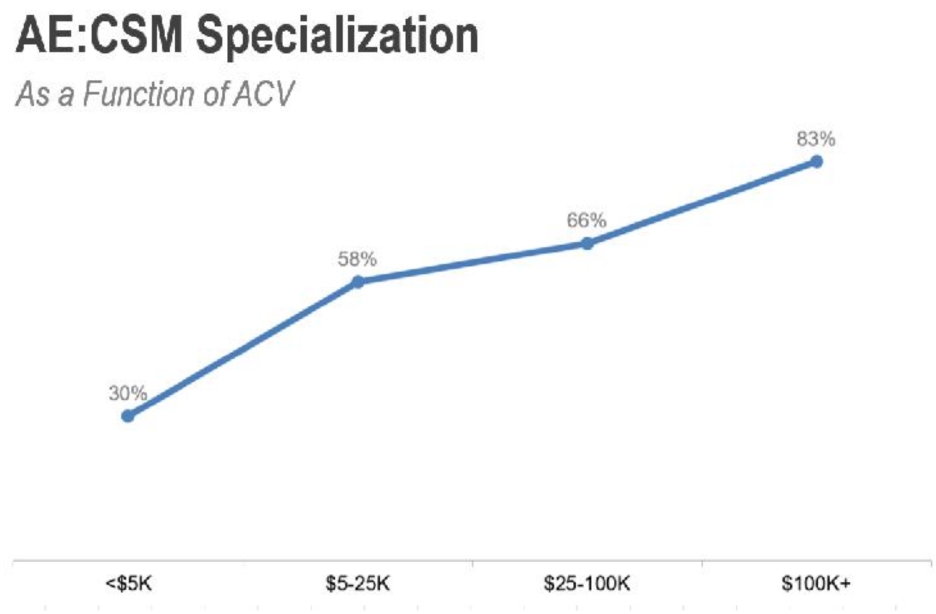
SEGMENTING AEs AND CSMs

	YES	NO
Smaller Companies (Revenue below $5M)	36%	64%
Larger Companies (Revenue above $5M)	58%	42%

51% of respondents reported separating new business reps (AEs) from renewal/expansion reps (CSMs).

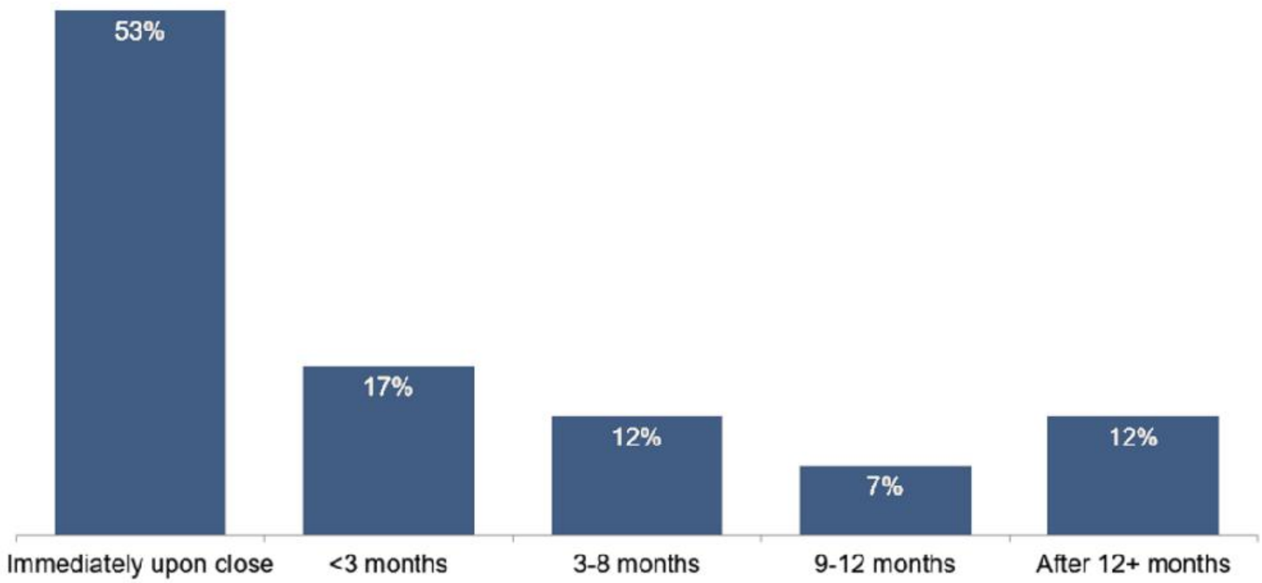
All but the smallest companies use role specialization in this scenario. 58% of companies above $5M in revenues specialize roles, compared to 36% of companies below $5M. These figures are in line with previous years' findings.





In general, companies with month-to-month or semi-annual contract terms are less likely to specialize these roles. Companies are more likely to specialize as ACV rises.

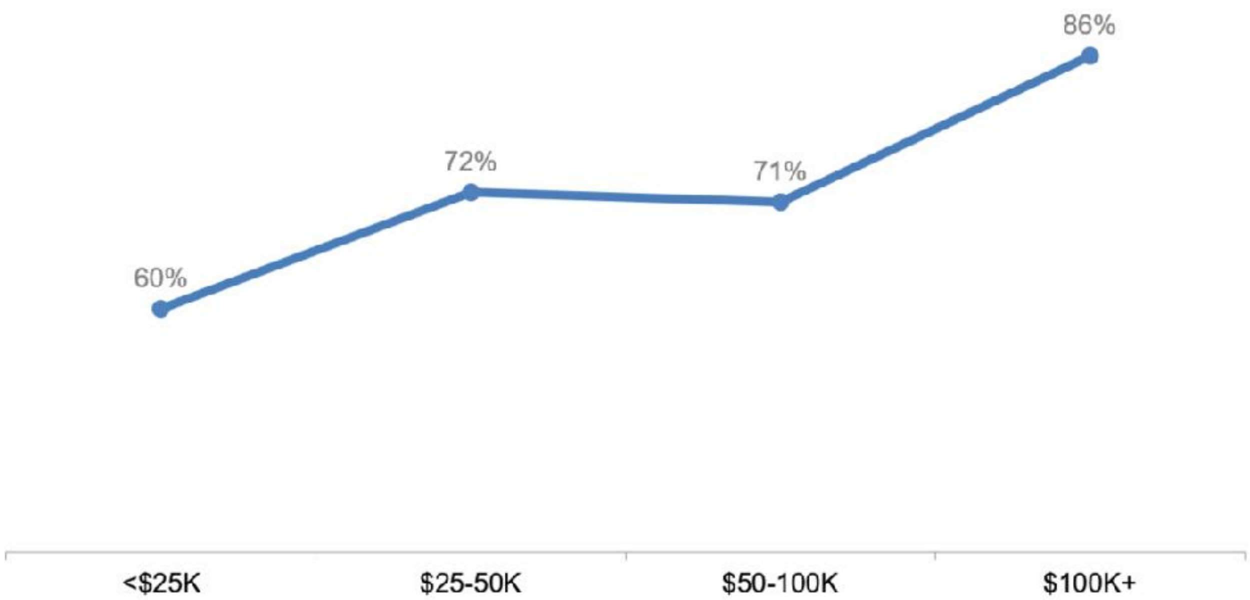
When are Accounts Transferred from AEs to CSMs



On average, accounts are transferred 3.6 months after the initial close. The overwhelming majority, 81% of respondents, transfer new accounts from AEs to CSMs in fewer than three quarters.

% Transferring Immediately from AEs to CSMs

As a Function of ACV

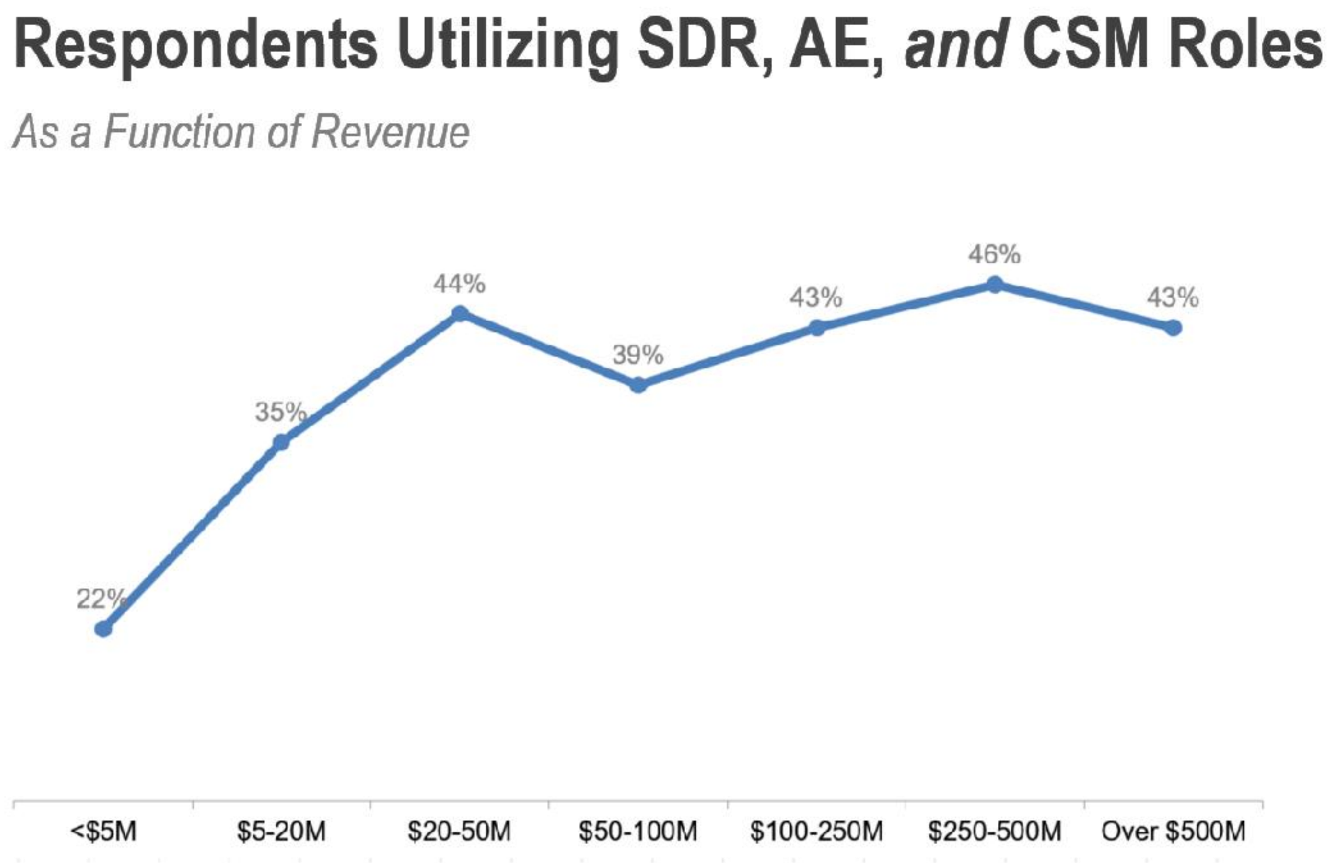


Companies who transfer accounts immediately have 15% higher AE quotas, on average.

As ACV rises, a higher percentage of respondents transfer accounts immediately. Higher ACVs require a longer sales cycle with a larger buying unit. Moving the account to customer success immediately applies the right resources to the right job: getting the customer up, running, successful, and (hopefully) increasing annual spend. It also frees AEs to focus exclusively on new business acquisition.

Controlling for ACV, we found that respondents who transfer accounts immediately have 15% higher AE quotas, on average.

SDRs + AEs + CSMs

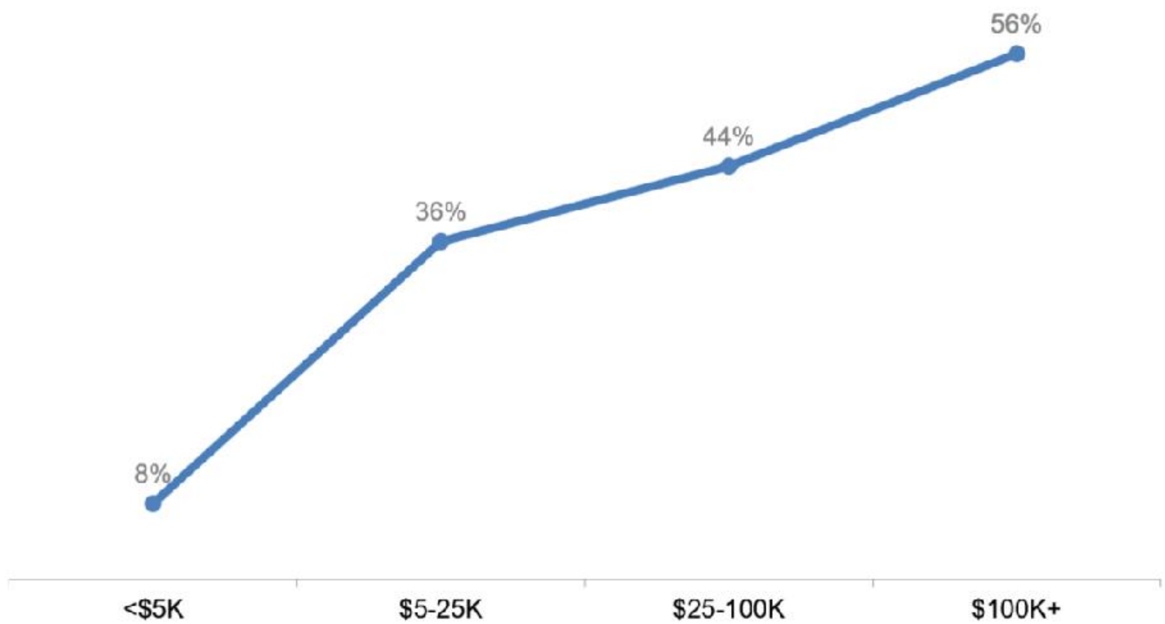


Only 4 out of 10 companies segment into three distinct roles for the customer journey.

34% of companies support the customer lifecycle with three distinct sales roles—SDRs, AEs, and CSMs. When we remove companies under $5M in revenues, that number rises to 40%. Beyond $20M in revenue, it is surprising how little variation there is in deploying this approach.

Respondents Utilizing SDR, AE, *and* CSM Roles

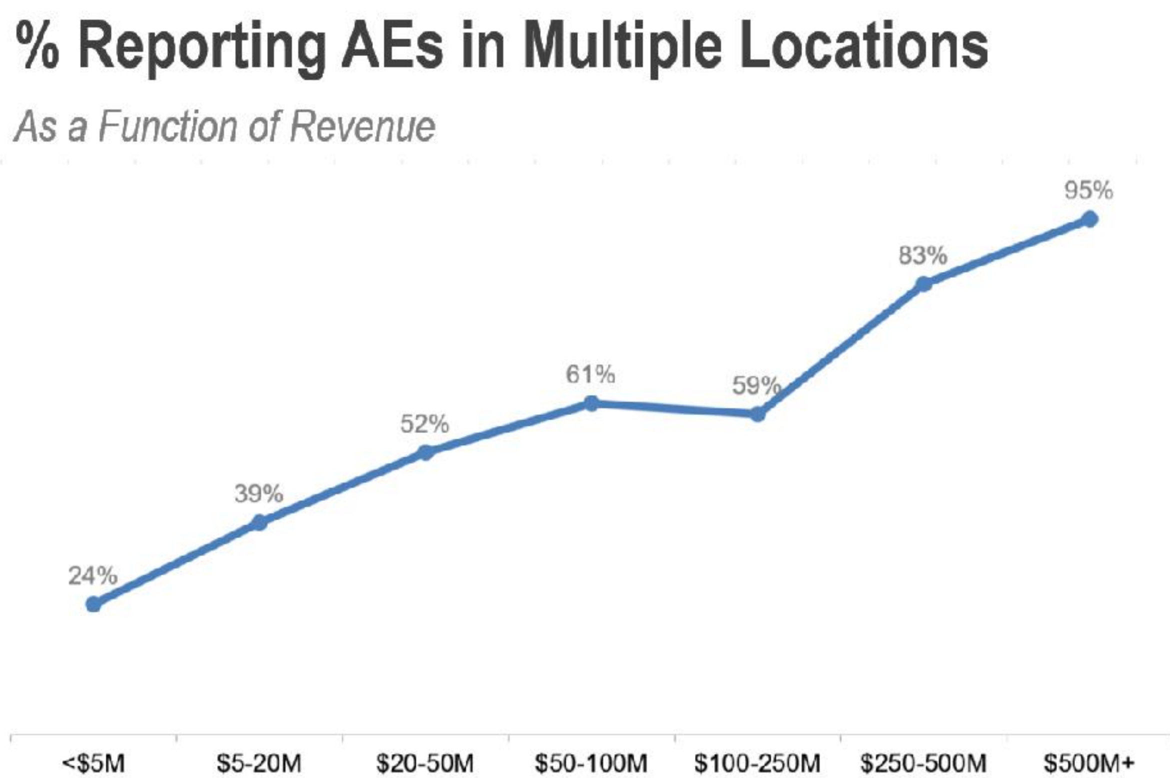
As a Function of ACV



Average contract value, as you might expect, has a pronounced impact on the likelihood of three-role specialization. Even when already controlling for company revenues, this approach grows more likely to be deployed as ACV rises.

It is worth noting that the majority of companies have not adopted this approach. Judging exclusively by what's offered in blog posts and shared from conference stages, one might infer that this strategy is nearly universal. Our data does not bear this out.

REPS IN MULTIPLE LOCATIONS

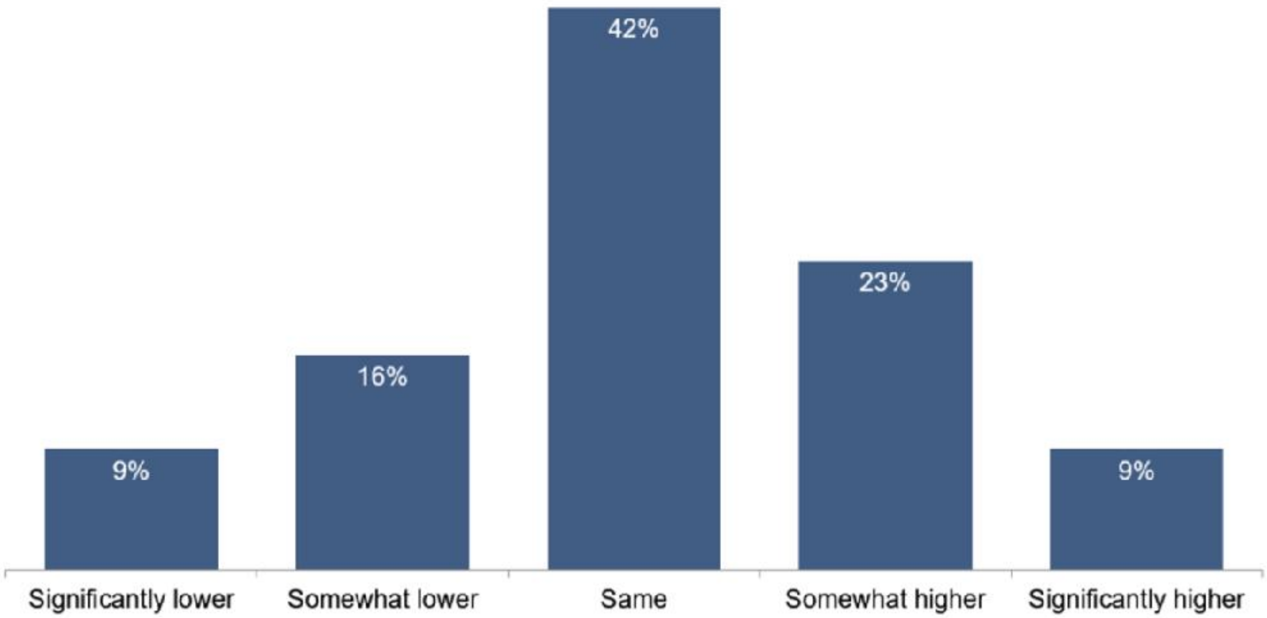


Smart companies are thinking about remote offices as an opportunity and not a burden.

49% of groups have reps in the same role working in different locations.

The drivers are as you might expect. Offices are added via acquisitions. And increasingly, there is difficulty in recruiting and retaining talent at headquarters (two examples being San Francisco-based Slack opening their Toronto, Ontario office and NYC-based DigitalOcean with its Cambridge, MA office).

Compensation at Secondary Compared to Primary Location



IF	THEN
California	NY NC SC
Colorado	CA MI TX
Massachusetts	AZ CA NC
New York	CA UT OR

Unlike previous years' findings, companies investing in secondary sales locations are not finding much cost savings. In fact, on-target earnings at secondary locations were nominally higher than those at primary locations. Clearly, this is more often an access to talent play than a cost-cutting maneuver.

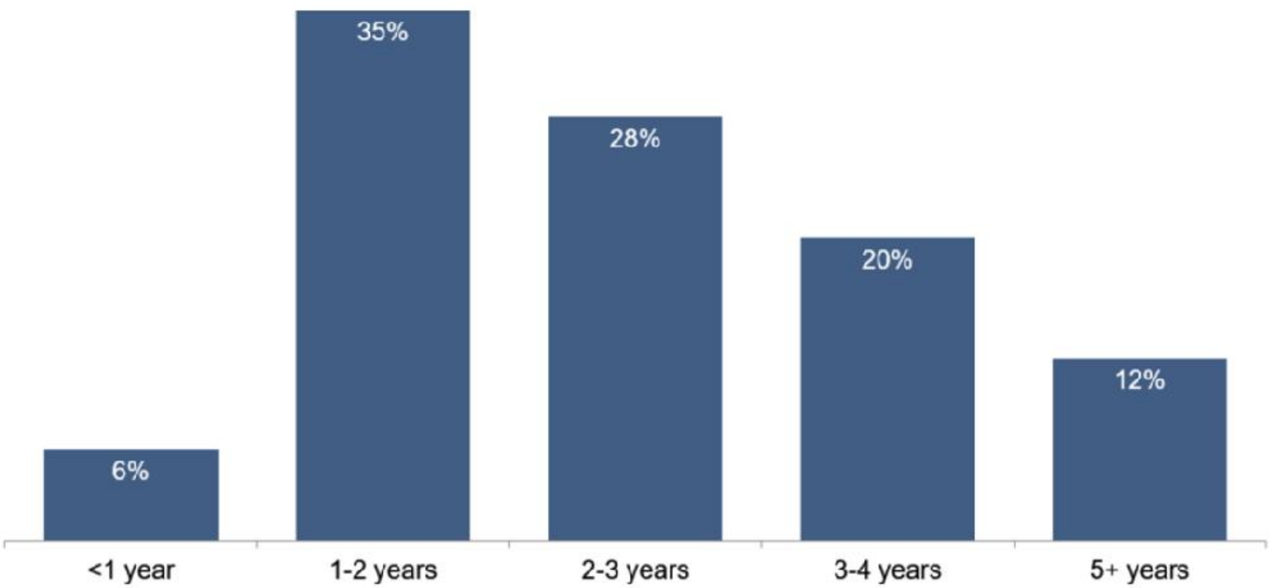
We've included the most common secondary office locations by primary office in the IF THEN table above.

PART 2

RAMP & RETENTION

AE EXPERIENCE

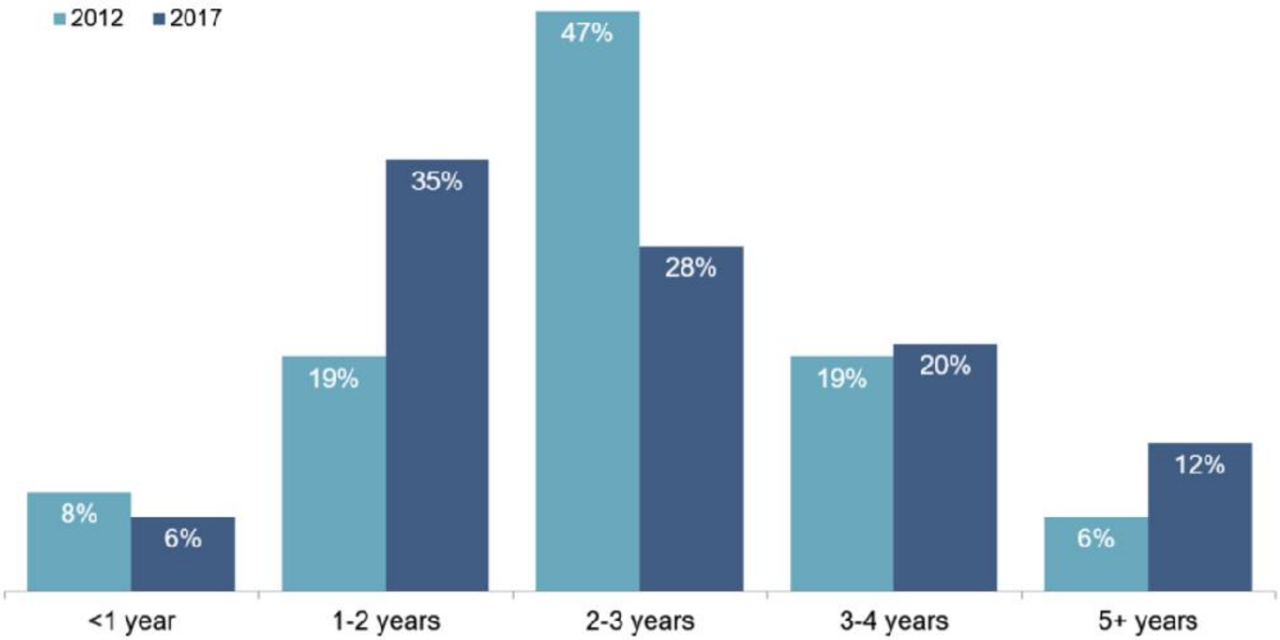
Average Experience Required at Hire



Average experience prior to hire is 2.6 years. This has remained remarkably consistent since our first SaaS research project in 2009.

Average Experience Required at Hire

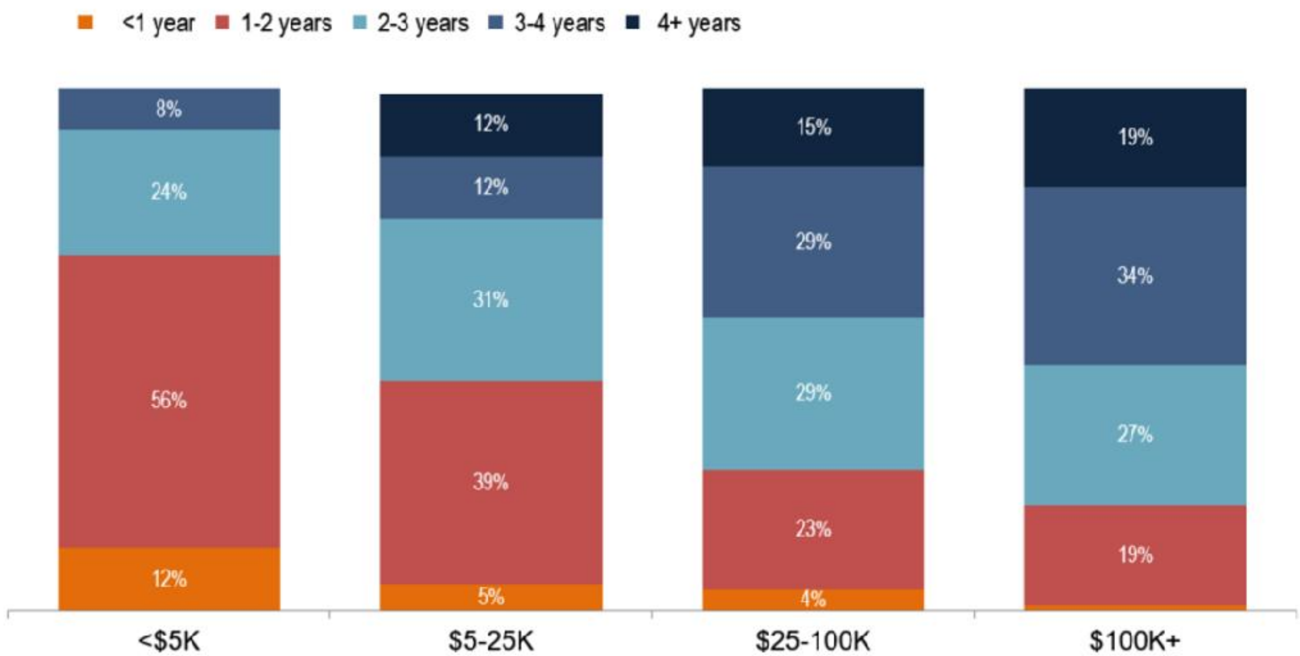
Change Over Time



40% more companies now require <2 years or 5+ years' experience than did in 2012.

Average Experience Required at Hire

As a Factor of ACV

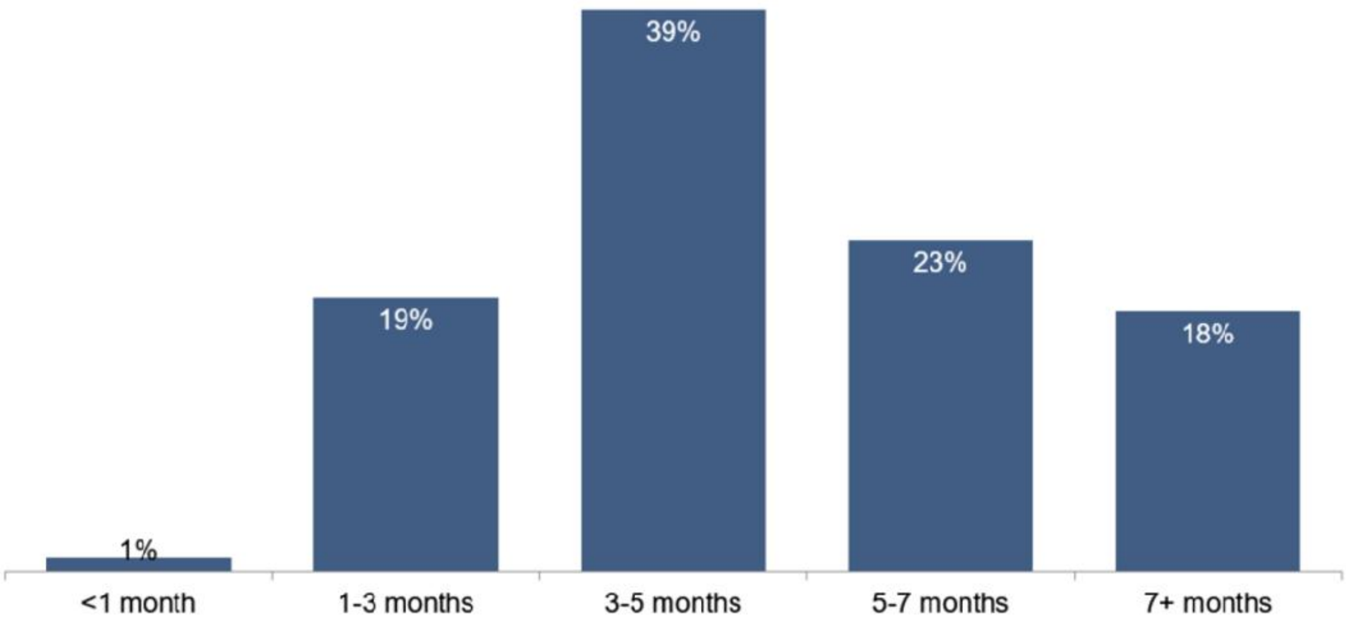


Not surprisingly, as ACV rises, companies require more sales experience from candidates. Respondents with $100K+ ACVs require nearly 70% more experience than those with ACVs below $5K (3.1 years and 1.8 years respectively).

An open question is which way does causality run? It stands to reason that every company would like to hire grizzled, seasoned AEs. But experience like that comes at a price – as you'll see in Part 4. Perhaps, it isn't just that higher ACV companies are the only ones seeking more experience reps. But that lower ACV companies are requiring less experience because they can't compete with compensation expectations for more senior reps.

AE TIME TO RAMP

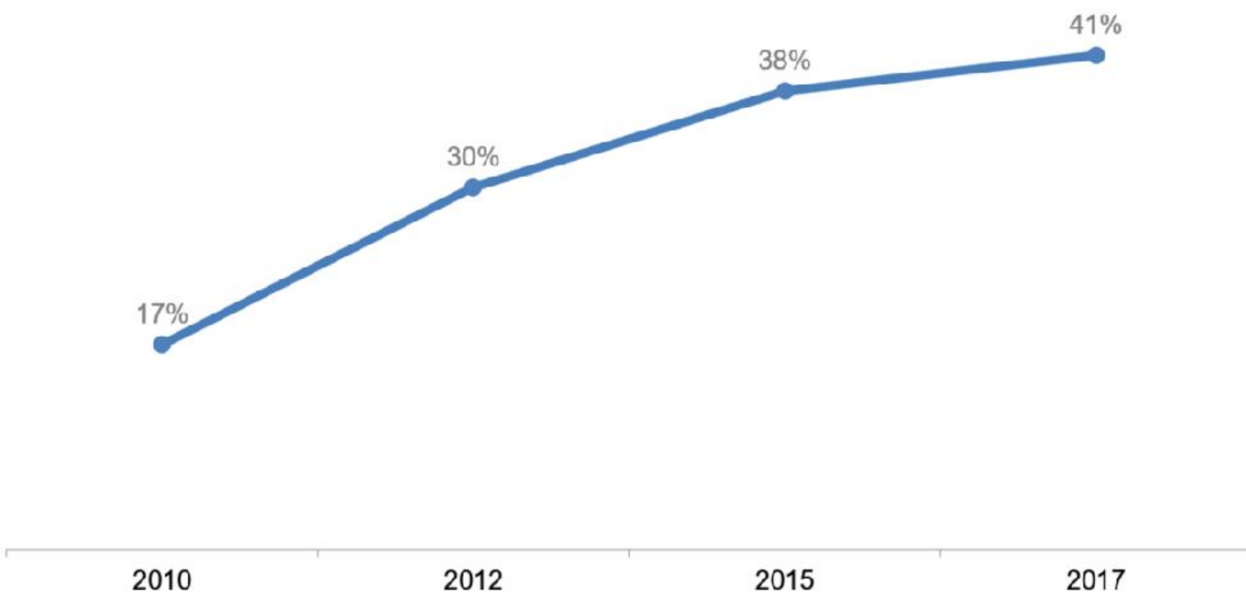
Average Ramp Time



Sales enablement has finally taken a seat at the table. Companies are investing in this role and focusing on more effective onboarding.

Average ramp sits at 4.5 months. This is a ~20% improvement over 2015's finding of 5.3 months.

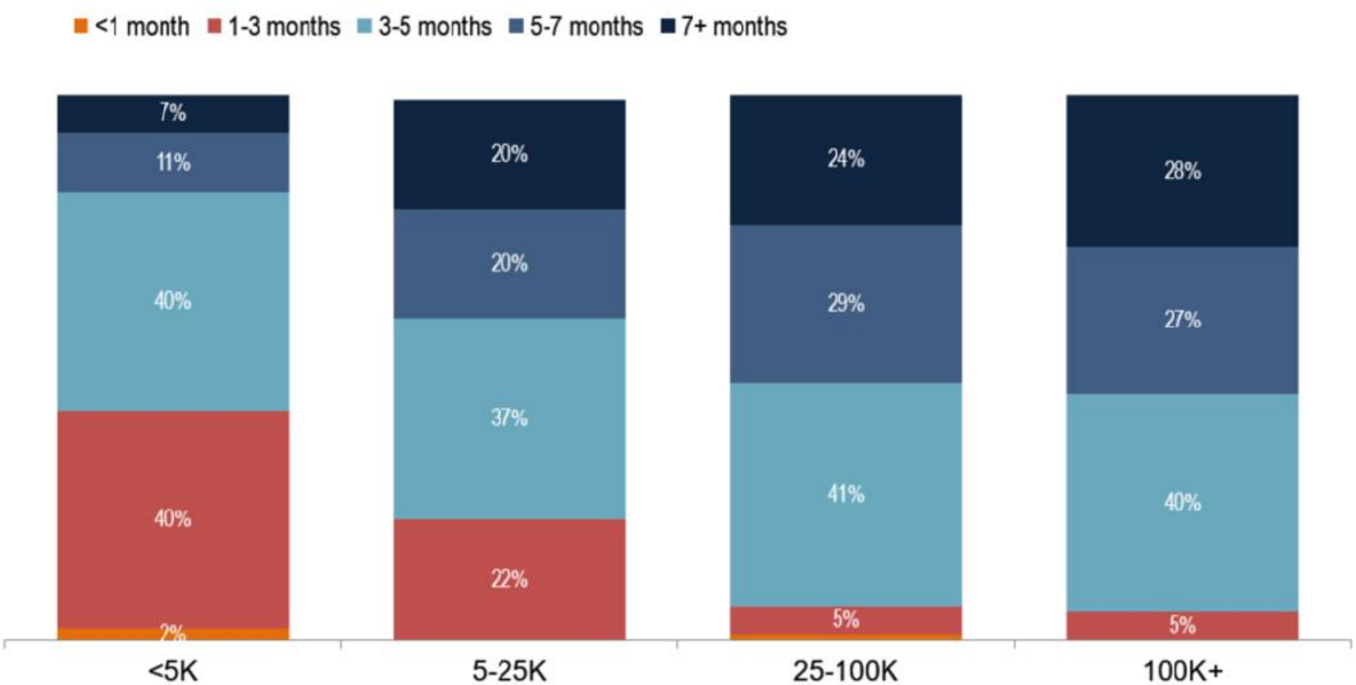
% of Respondents with 5+ Month Average Ramp Time



The long-term trend continues to show a steady rise in the percentage of companies with 5+ months of average ramp. While the average is improving, it isn't evenly distributed.

Average Ramp Time

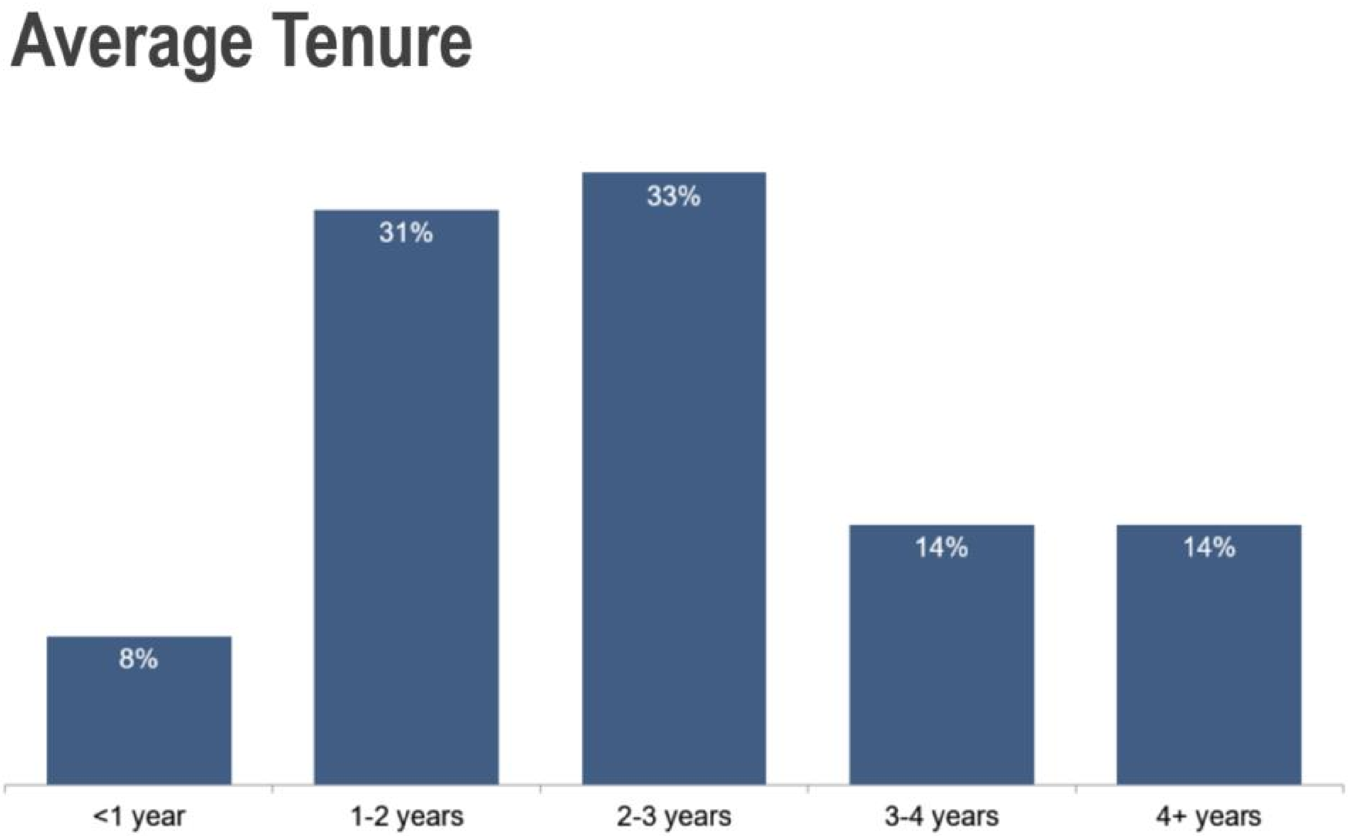
As a Function of ACV



As ACV rises, so does average ramp time. Respondents with average contract values greater than $100K experience 50% longer ramp than those with ACVs below $5K (5.6 months and 3.7 months respectively). That's about as surprising as finding water to be wet.

Even when we isolated just those companies that are hiring the most experienced reps, we still found that higher ACV correlates with longer ramp time. Said another way, while prior sales experience does shorten ramp time to some degree, it is outweighed by the increased complexity of high ACV solutions.

AE TENURE

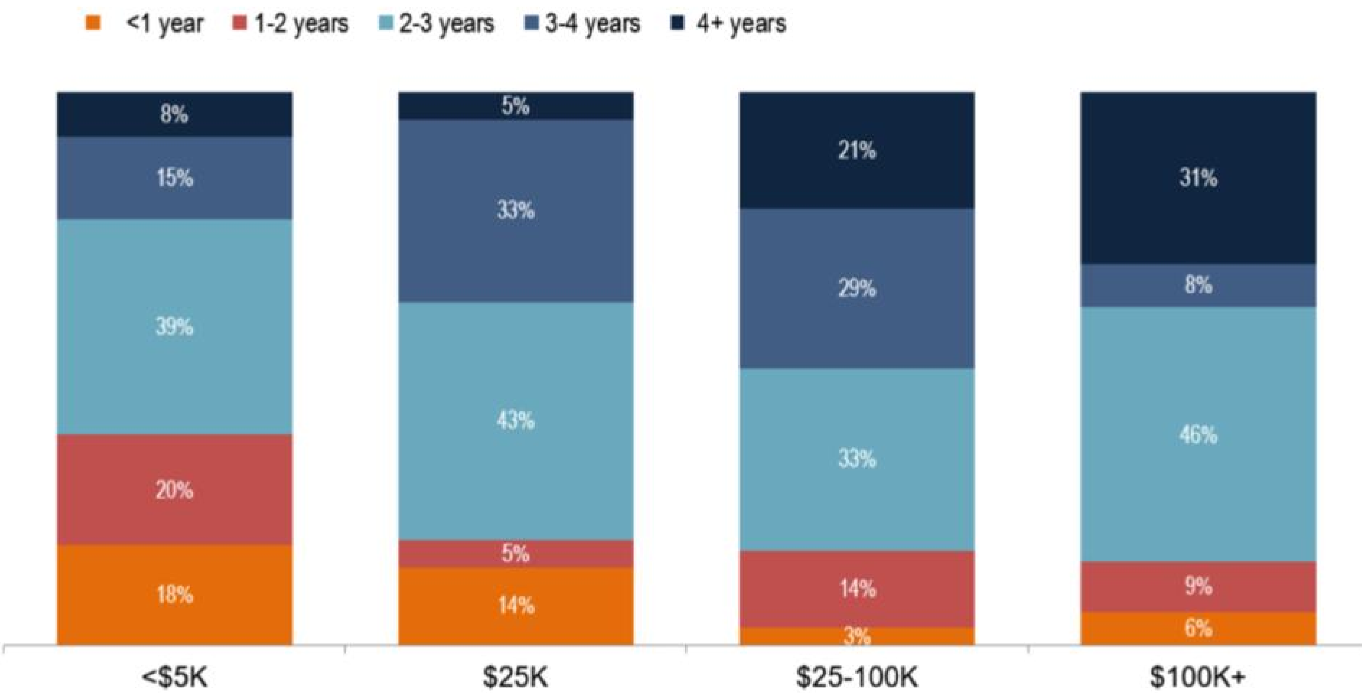


Smart sales managers plan for attrition.

Virtually unchanged since 2010, average rep tenure sits at 2.4 years. This has been remarkably consistent over the life of this research project.

Average Tenure

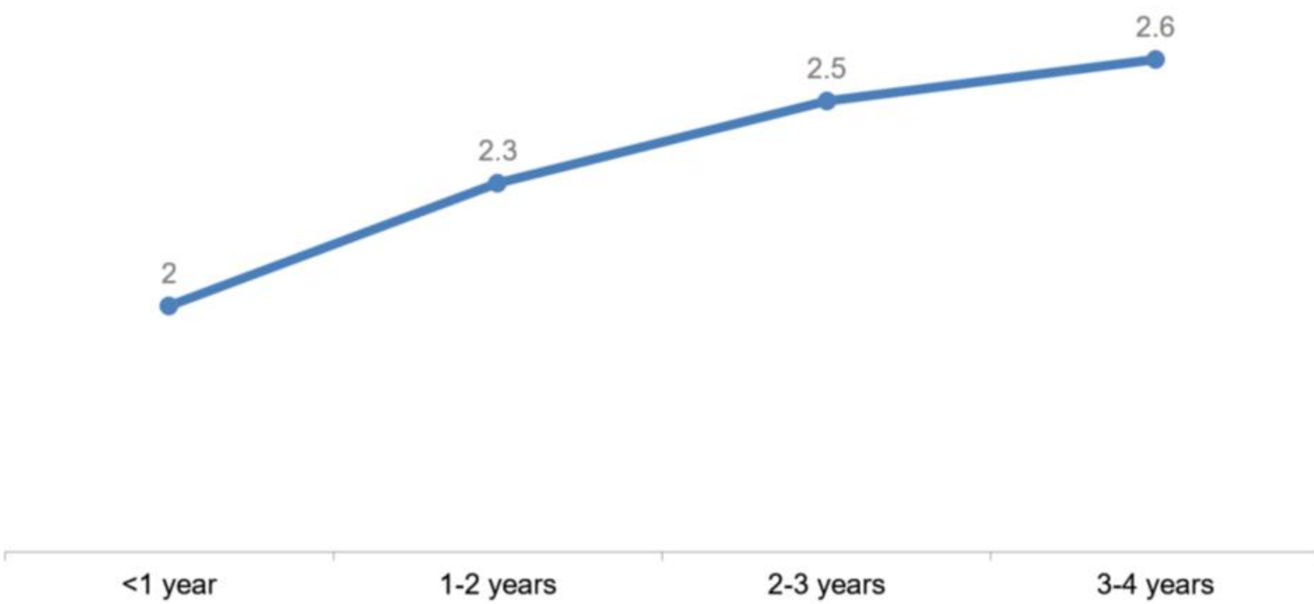
As a Function of ACV



We found that average tenure rises alongside ACV. In theory, these two metrics should be unrelated. But the finding persisted when we controlled for company revenues, on-target earnings, and other factors.

Average Tenure in Years

As a Function of Experience Required at Hire



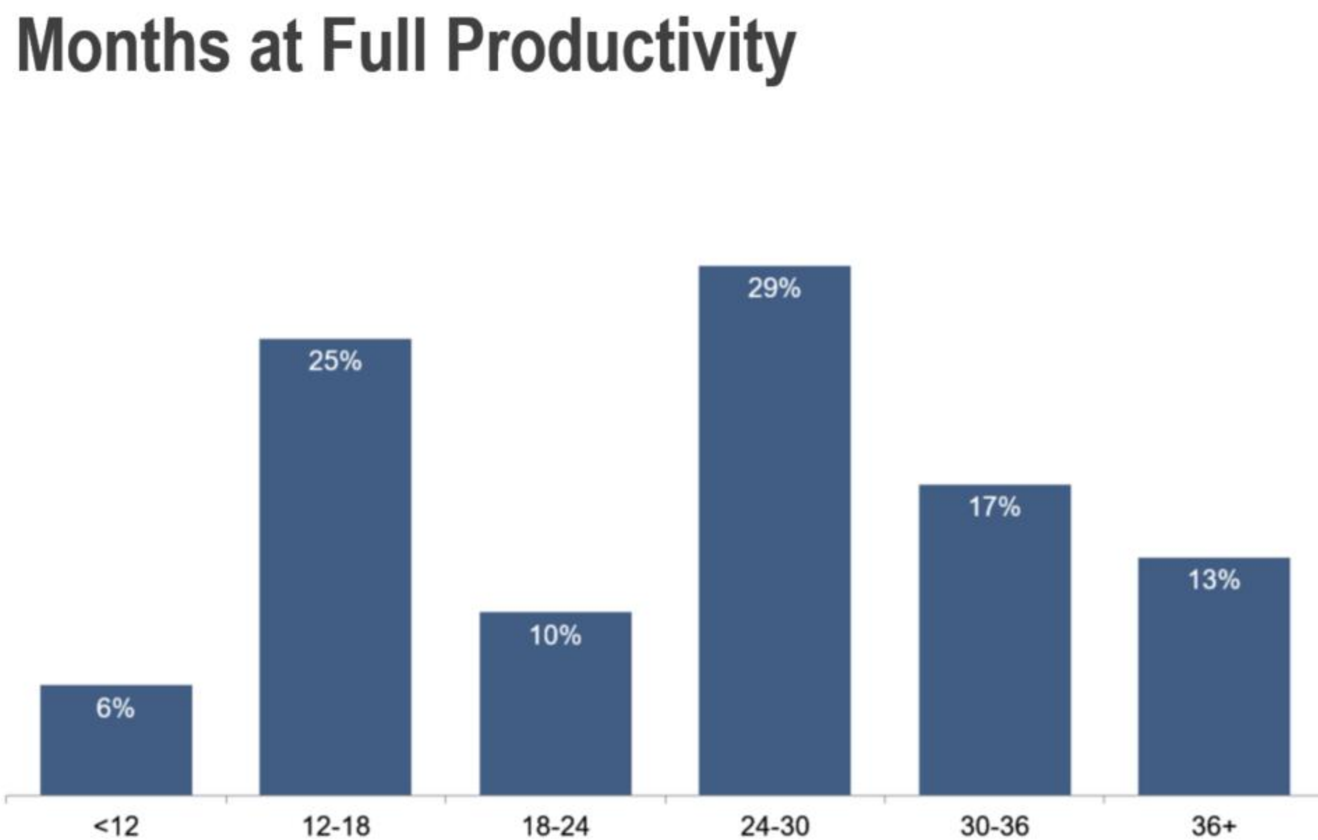
Are you surprised that companies hiring less experienced reps report shorter average tenure?

We suspect not.

The more experienced a rep is at hire, the longer the average tenure. As you'll see in Part 4, for each additional year of sales experience, base pay and on-target earnings increase. As you saw earlier, the more experienced a rep, the more attractive they are to companies with higher ACVs. Given these facts, and the tight labor market, it is surprising average tenures exceed two years.

Every sales leader wants a stable and predictable team. As you build out future plans, take average tenure into account. Always be actively recruiting. Open territories will kill your ability to make your number.

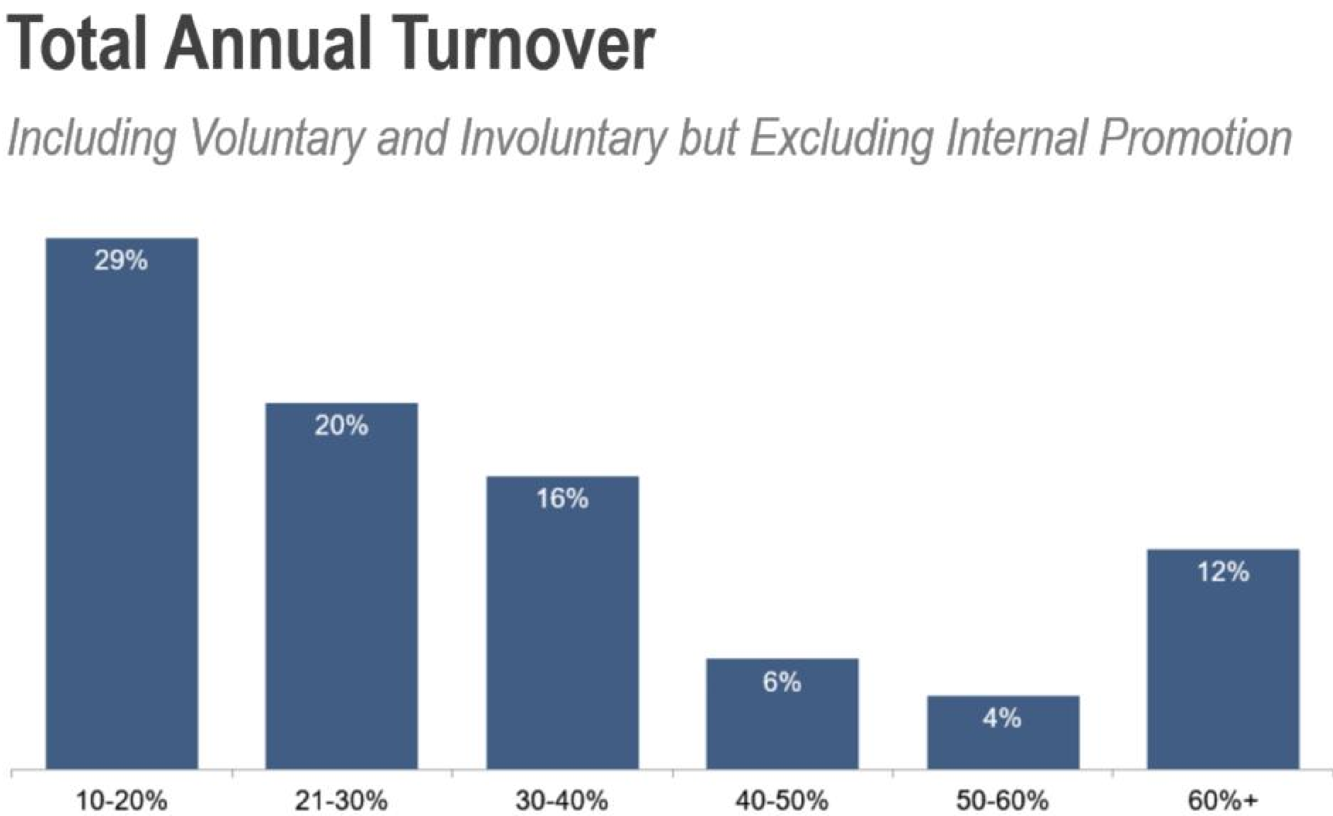
PRODUCTIVITY = TENURE - RAMP



We calculated months at productivity by subtracting ramp time from tenure.

Doing so, we found an average of 25 months at productivity. Even controlling for experience at hire, months at full productivity rises as ACV increases. Companies with ACVs below $5K reported 15% fewer months than those with $100K+ ACV. This is particularly impressive considering the longer ramp time (+30%) associated with higher ACVs.

ATTRITION



Total turnover fell slightly from 2015 and now averages 30%, with involuntary attrition making up slightly more than half of that. For our purposes, we defined involuntary turnover as attrition resulting from termination and voluntary turnover being attrition initiated by the rep (e.g., resignation). We asked respondents to exclude promotion and/or internal transfers from these calculations.

PART 3

COMPENSATION & QUOTA

CSM COMPENSATION

	CSMs
Base Salary	$61K
OTE	$100K
Mix	60%-40%

Base and OTE are down slightly from 2015. As a general rule, customer success reps earn lower on-target earnings with a higher percentage of total compensation delivered as base (roughly 60:40).

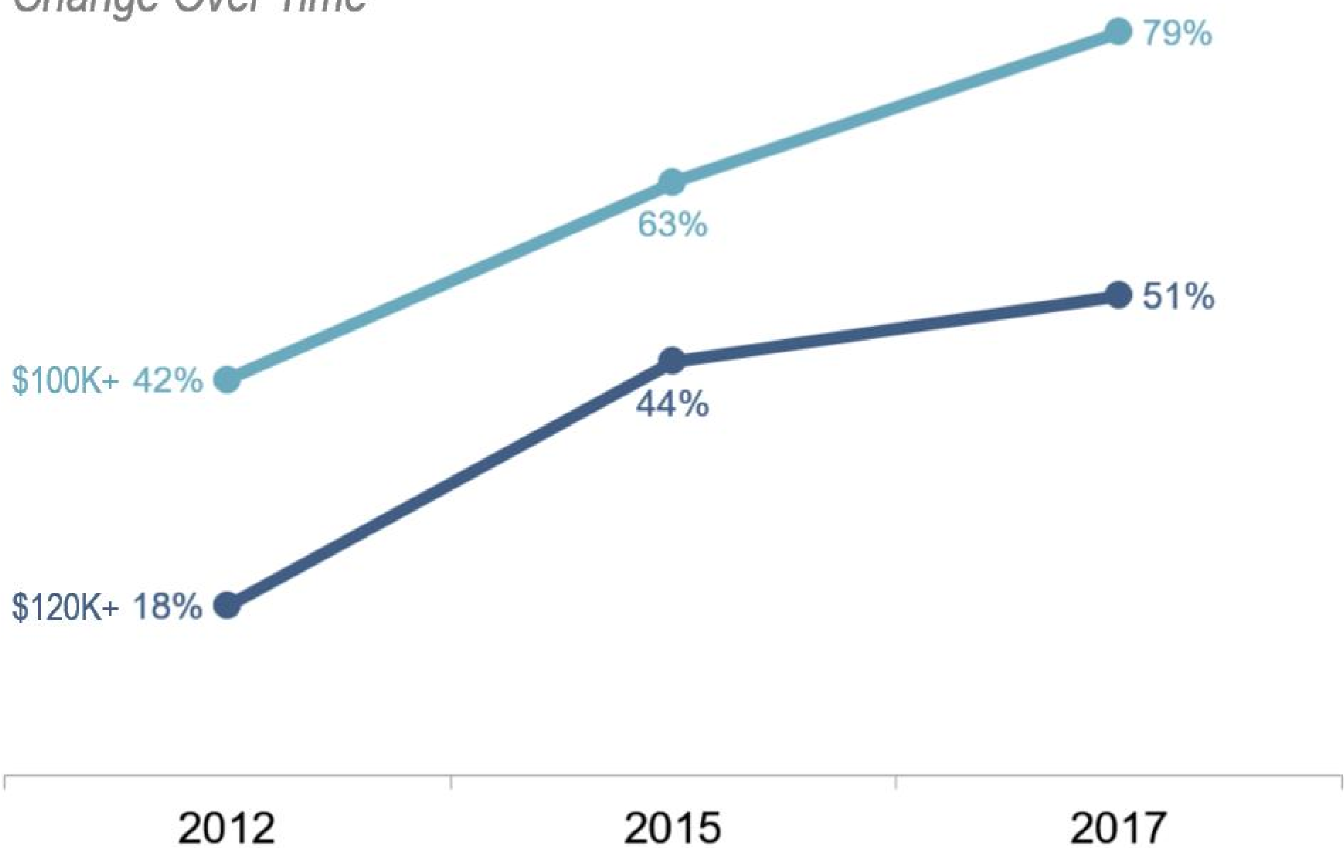
AE COMPENSATION

	AEs
Base Salary	$62K
OTE	$126K
Mix	50%-50%

Continuing a seven-year trend, total compensation rose to record highs in 2017. We found an average base salary of $62K and on-target earnings of $126K. This reveals the typical 50% : 50% (base : variable) split.

On-Target Earnings above $100K

Change Over Time

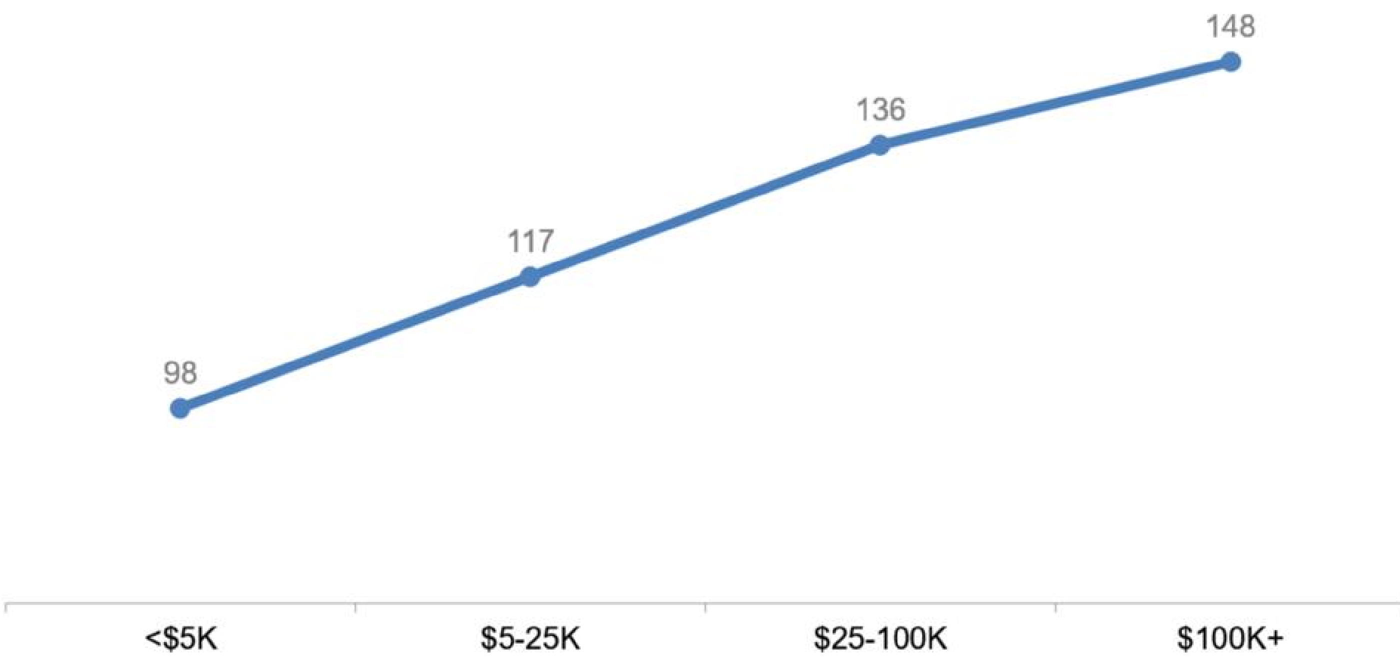


Median OTE now exceeds $110K.

The percentage of reps with six-figure OTEs has been steadily rising. We noted for the first time, median on-target earnings exceed $110K.

On-Target Earnings

As a Factor of ACV



Note to AEs:
If you want to earn more money, sell at a higher ACV.

As alluded to earlier, as ACV rises, so do on-target earnings. This is true even when controlling for required experience and other factors.

So what does this tell us? It suggests that to find increased OTE, reps should seek out companies with higher ACVs. For every jump in tier (e.g., from $5-25K to $25-100K), reps can expect earnings to increase by ~15%.

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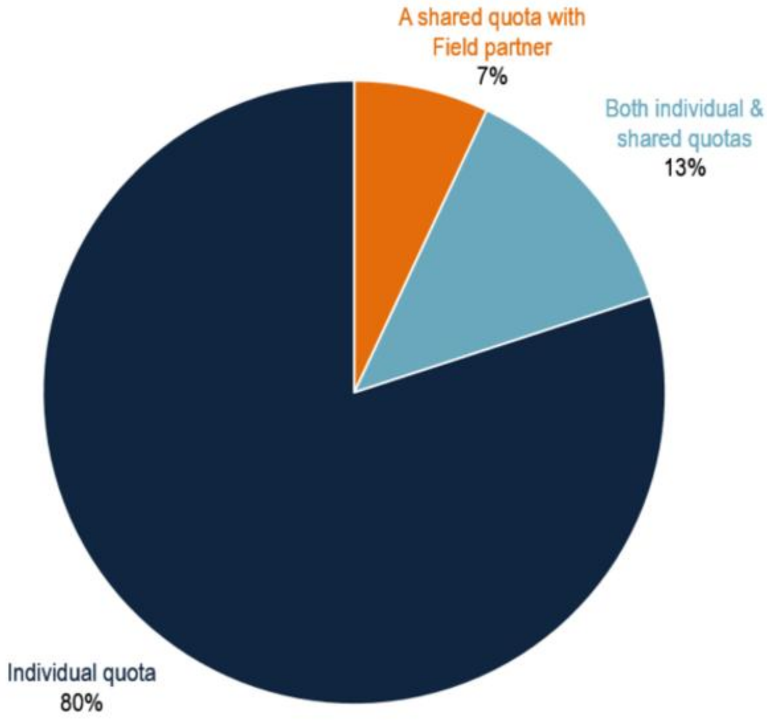
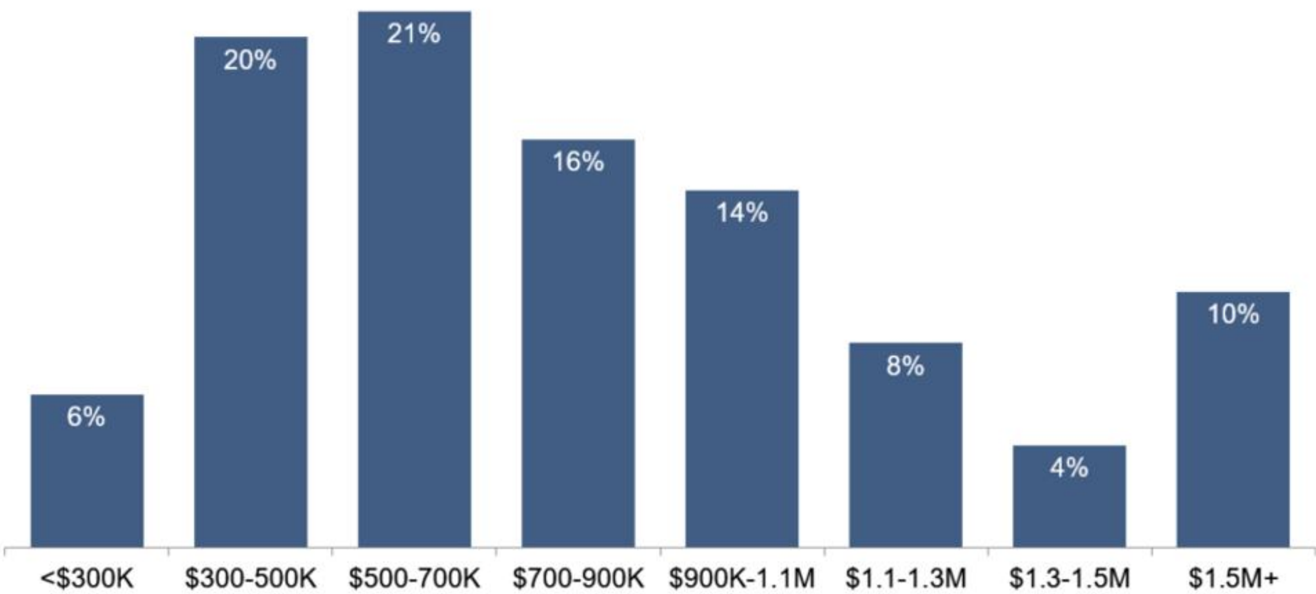
Individual or Shared Quotas



As in previous years, SaaS AEs overwhelmingly own an individual revenue quota. Those companies using shared quotes are much more likely to be high ACV sales. Companies assigning a shared quota reported average ACVs nearly triple those with individual quotas ($132K and $47K respectively). That being said, 67% of companies with ACVs above $100K assign individual quotas.

AE QUOTAS

Individual Quotas (in $Ks)

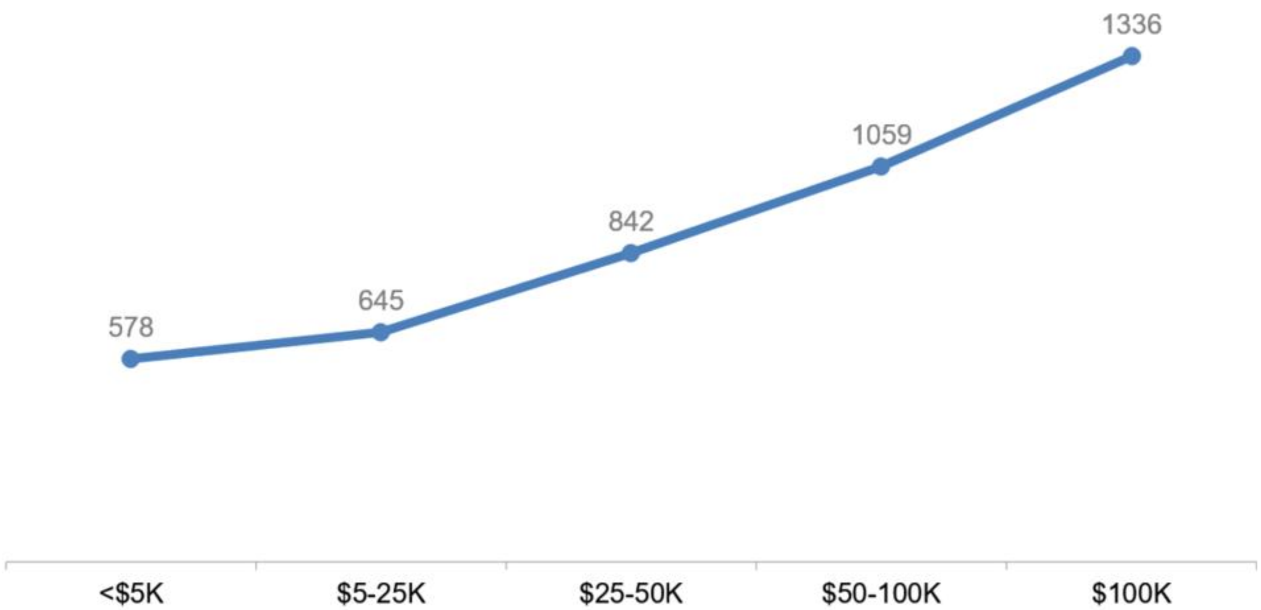


We found average annual quota to be $770K in ACV. The median response came in slightly lower at $690K.

For those respondents with individual and shared quotas, averages were $450K and $1.9M respectively. For those respondents with a single, shared number with the Field, average quota was $3.6M.

Individual Quotas (in $Ks)

As a Factor of ACV

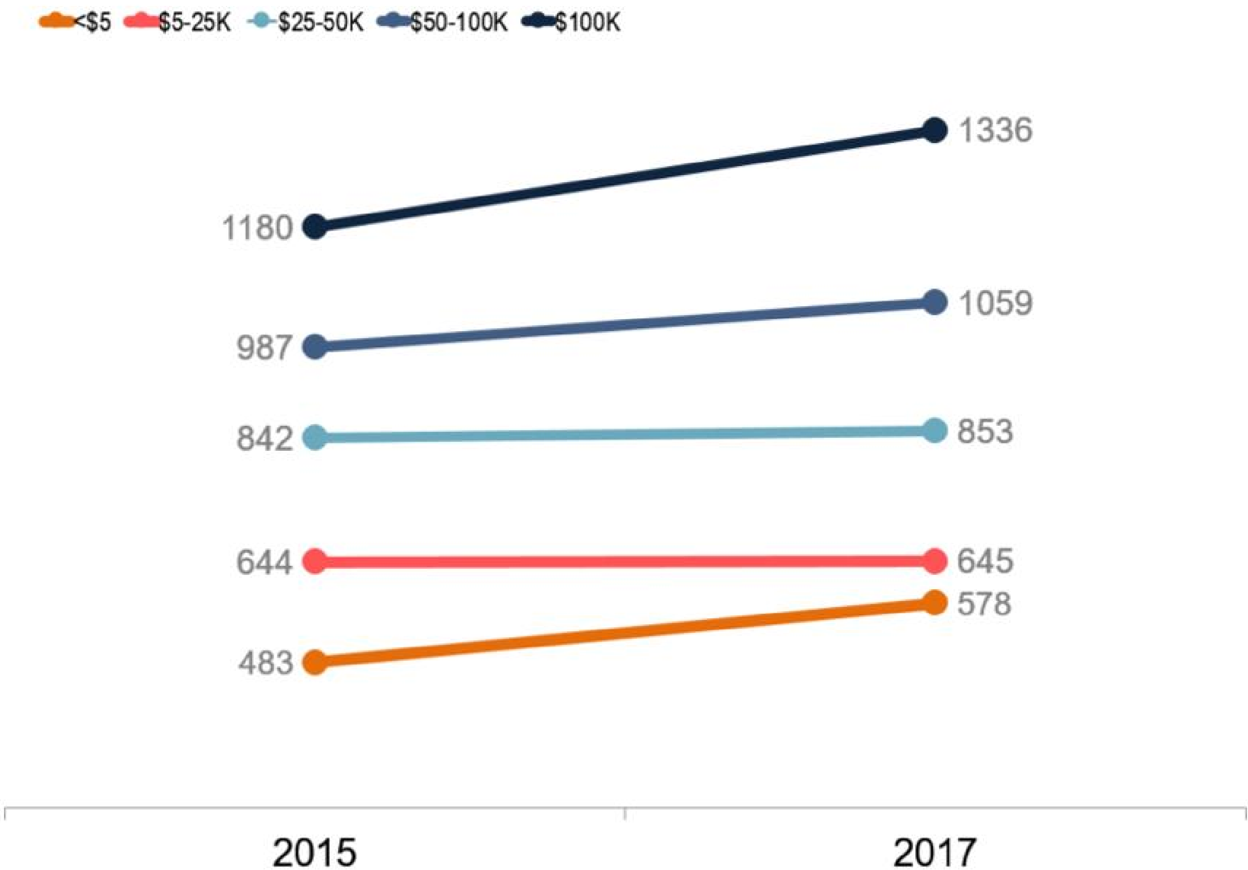


As ACVs rise, so do quotas.

As ACVs rise, so do quotas. It is worth mentioning that quotas in each ACV band increased from 2015 to 2017. The average increase being roughly 8%.

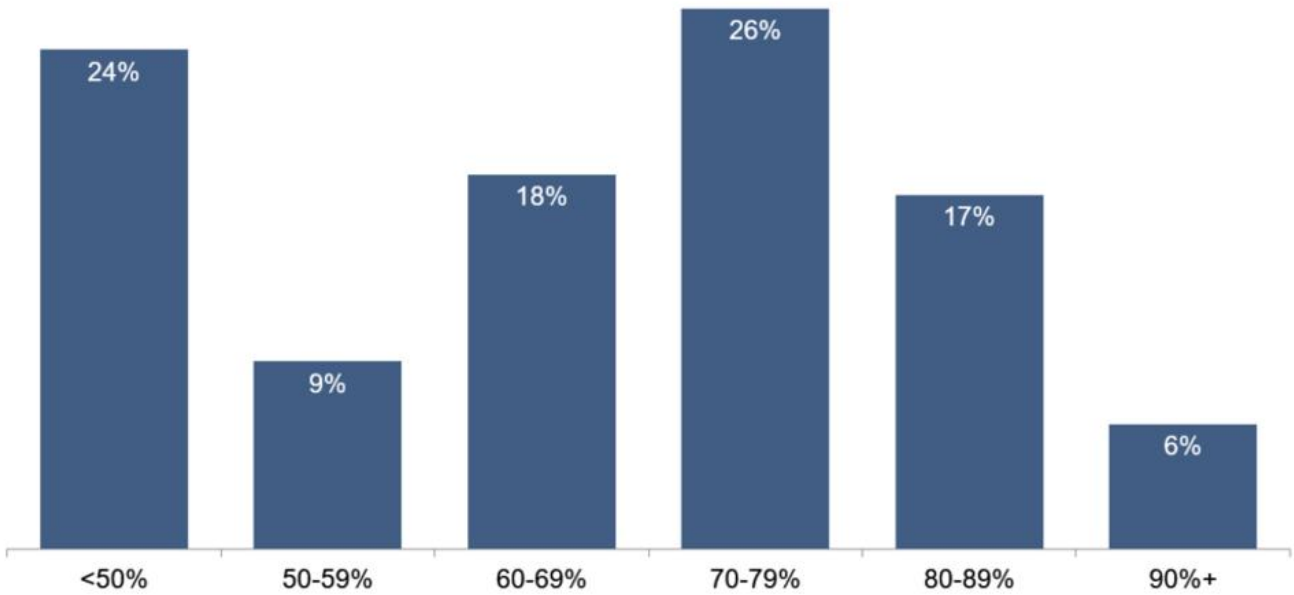
Quotas over Time (in $Ks)

As a Factor of ACV



The Bridge Group

% of AEs at Quota

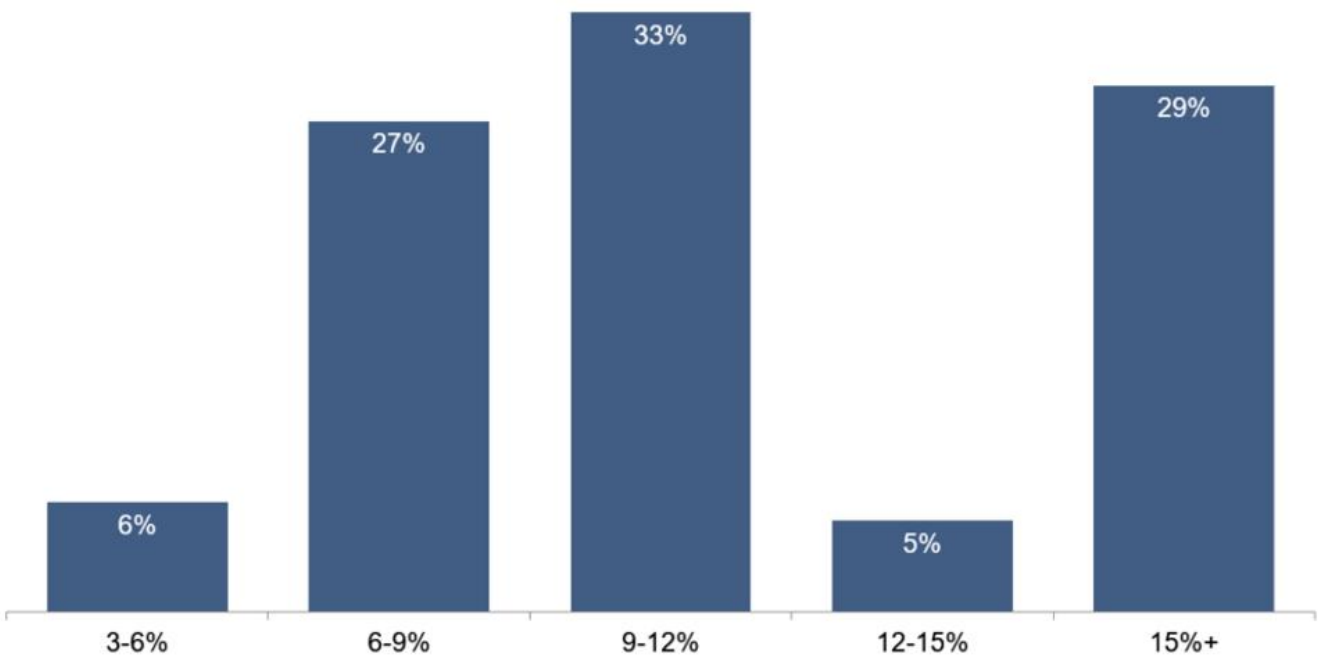


67% of reps achieve quota in a given group.

On average, 67% of reps achieve quota in a given group. There has remarkable consistently around this metric over the years. Two-thirds of reps achieving quota seems to be the natural equilibrium.

COMMISSIONS

Commission Rate at 100% of Quota



At 100% of quota, the average commission rate is 10% of ACV.

COMMISSION ON RENEWALS	
Commission isn't paid	34%
Paid at lower rate than new logo	50%
Paid at same rate as new logo	16%
Paid at higher rate than new logo	0%

COMMISSION ON EXPANSION	
Commission isn't paid	13%
Paid at lower rate than new logo	23%
Paid at same rate as new logo	59%
Paid at higher rate than new logo	1%

We found that commission on renewals are either non-existent (34% of respondents) or lower (50%) than the new logo rate.

Expansion commissions, on the other hand, are much more likely to be paid at the same rate (59% of respondents) as new logo business.

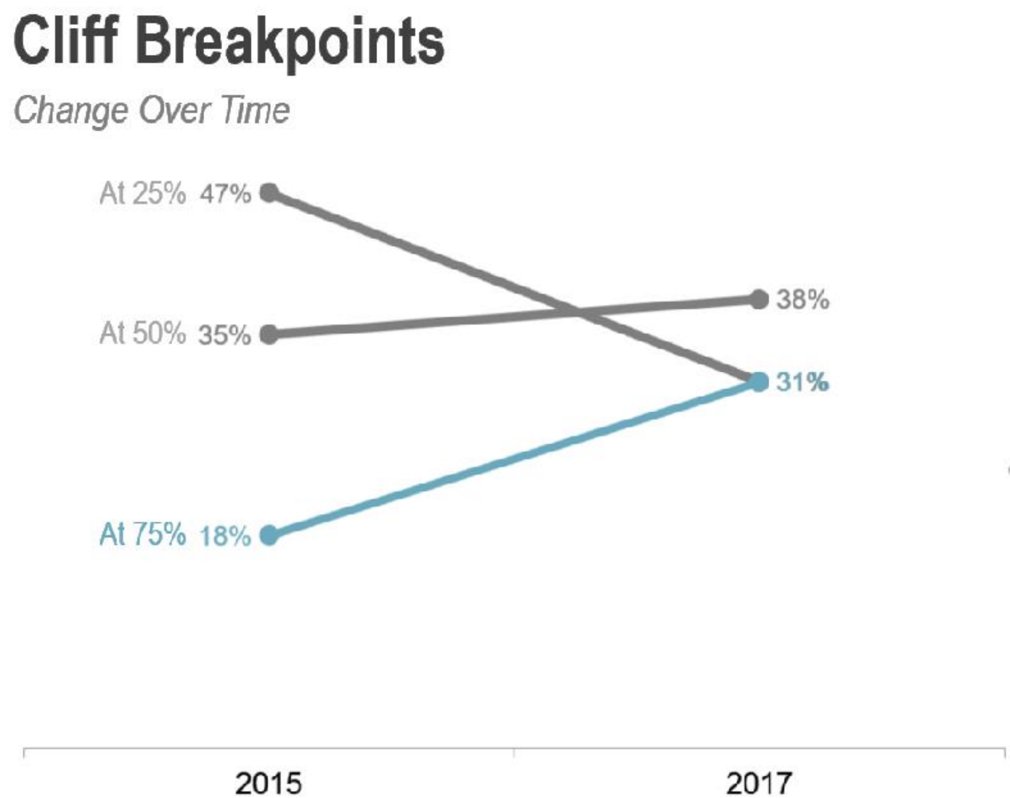
ACCELERATORS & DECELERATORS	
Using neither	27%
Decelerators only	4%
Accelerators only	22%
Using both	47%

47% of plans use both accelerators and decelerators.

73% of respondents use accelerators and/or decelerators in their compensation plans. In case you are unfamiliar, accelerators adjust commission rates up to incent over-achievement while decelerators push them down for under-achievement (e.g., 80% of the base rate for achievement below 100% of plan).

As you can see above, accelerator-only plans are much more common than decelerator-only ones. Plans utilizing both are the most common of all.

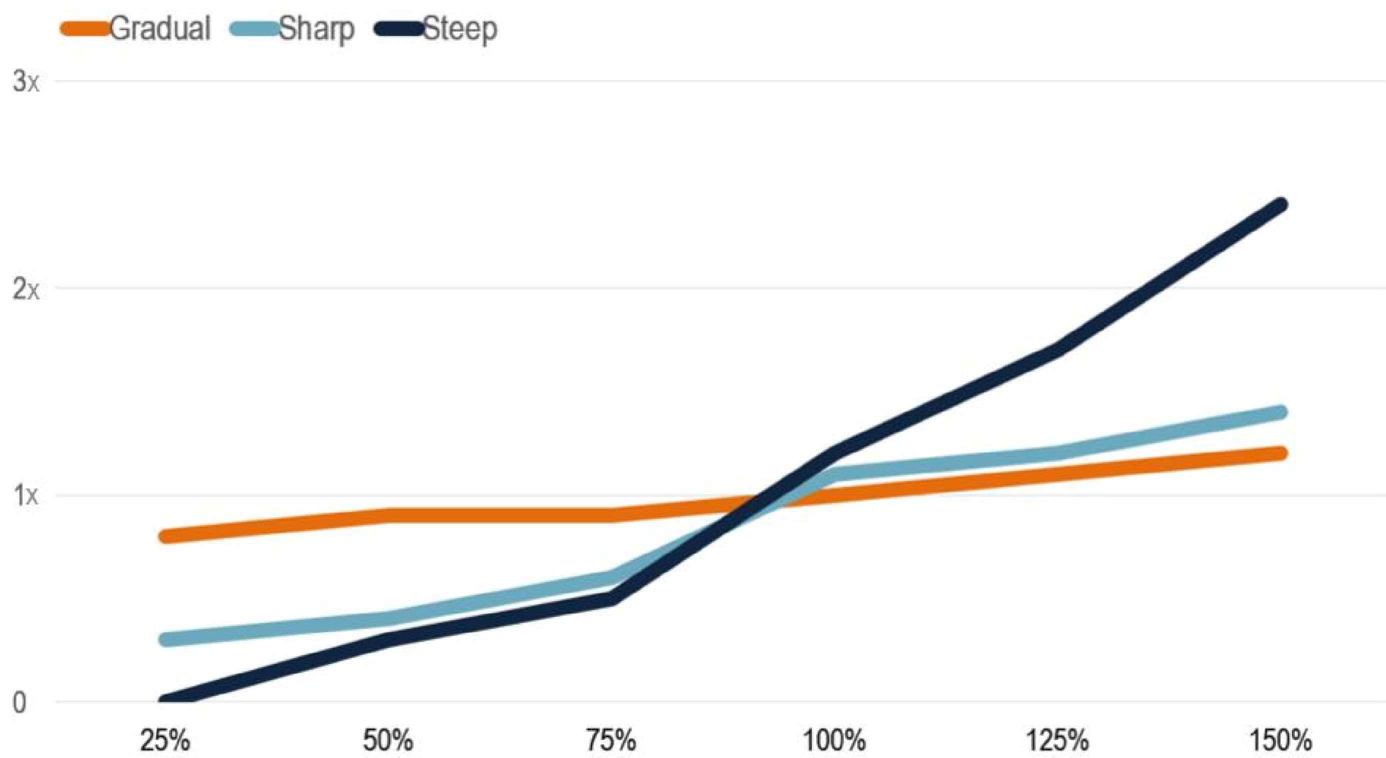
CLIFF BREAKPOINTS	
At 25% of quota	31%
At 50% of quota	38%
At 75% of quota	31%



One-fifth of companies use a cliff – a percentage of quota below which reps earn no commission. Nearly seven out of ten of those companies set their cliffs at 50% or 75% of quota (i.e., reps don't earn incentive compensation until they achieve 50%+ in a given time period).

Compensation plans using cliffs have become more and more common since 2012. One factor worth calling out is that cliffs have gotten a whole lot taller. The percentage of companies setting their cliffs at 75% of quota has nearly doubled since 2015.

Shapes of Variable Compensation



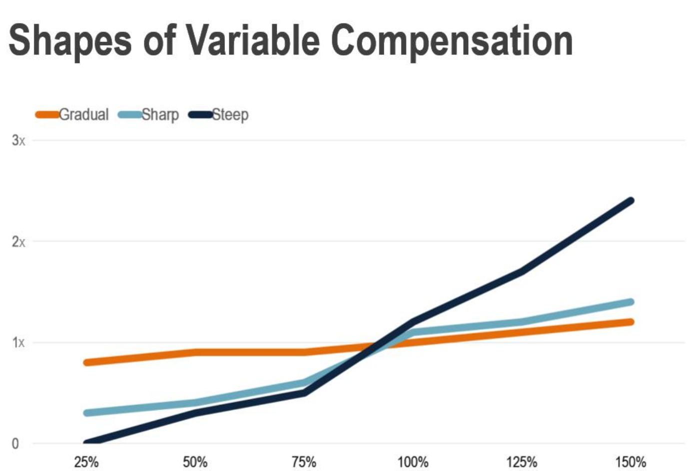
Taking a closer look at the various compensation plans, we found four flavors: flat, gradual, sharp, and steep.

- Flat plans are just that – flat. They pay 1X linearly across attainment. Hit 80% of quota, earn 1X the base rate. Seventy-three percent of plans are flat.

- Gradual plans often use accelerators and sometimes decelerators. Their most prominent characteristic is accelerating gradually. Hit 80% of quota, earn .9X the base rate. Hit 130%, earn 1.25X. Ten percent of plans are gradual.

- Sharp plans nearly always use accelerators and decelerators. Their most prominent characteristic is acceleration for overachievement. Hit 80% of quota, earn .6X the base rate. Hit 130%, earn 1.4X. Twelve percent of plans are sharp.

- Steep plans always accelerators and decelerators and almost always have cliffs. Their most prominent characteristic is significant acceleration for overachievement. Hit 80% of quota, earn .4X the base rate. Hit 130%, earn 1.8X. Five percent of plans are steep.

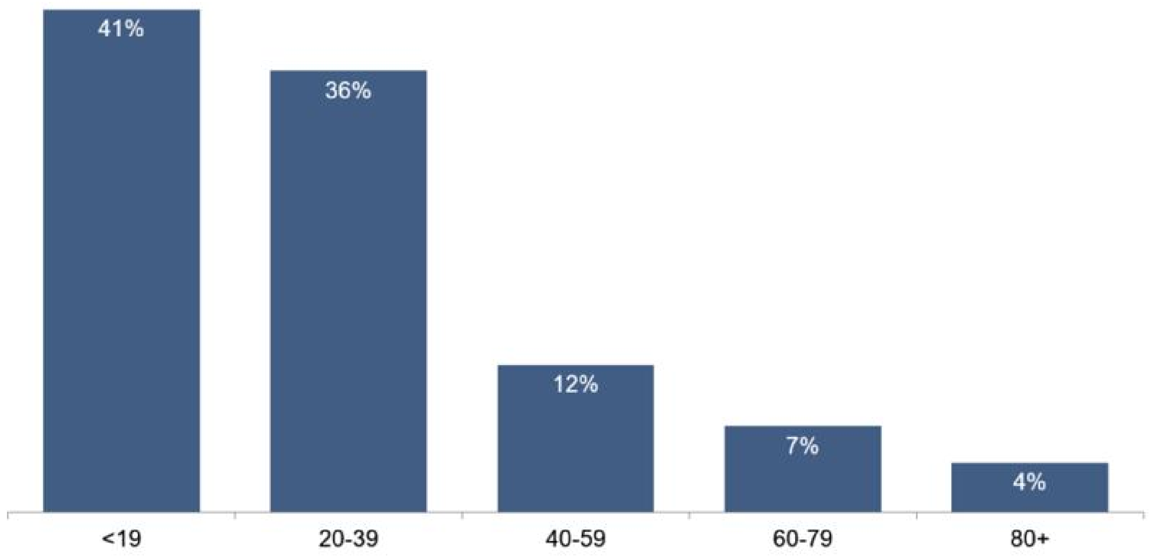


PART 4

ACTIVITY & TECHNOLOGY

ACTIVITY LEVELS

Dials per Day

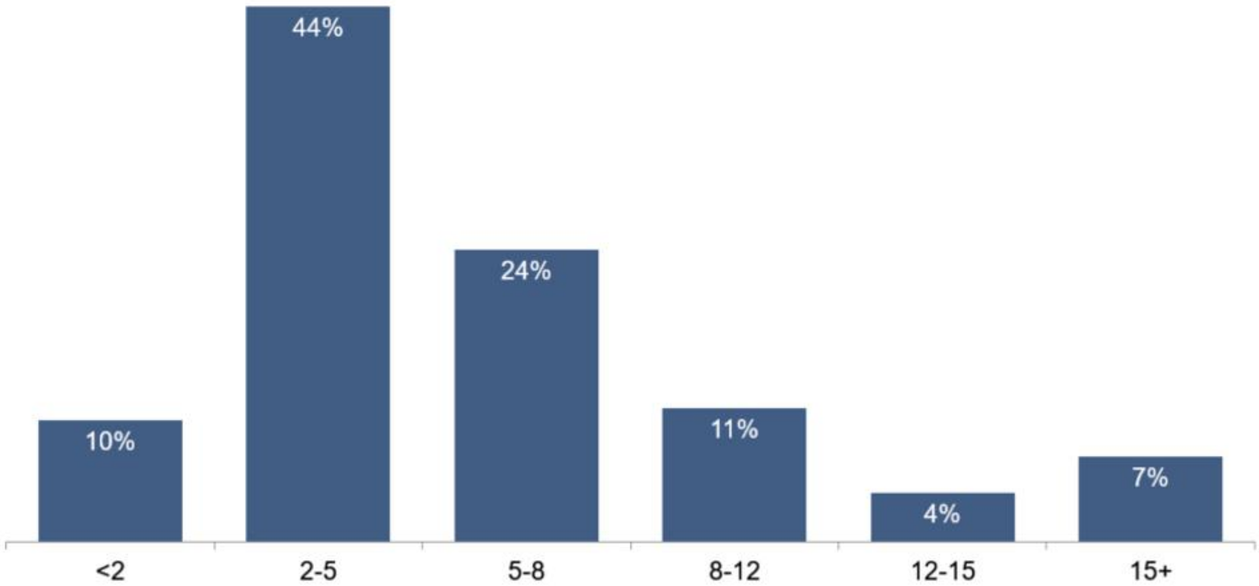


AEs average 33 dials + 33 emails per day.

We found an average of 33 dials per day. This is consistent with last year's findings. There is much debate over the usefulness of this metric. It remains, however, one of the few levers that AE are able to pull. Dials are 100% under your reps' control - conversations, demos, and meetings are not.

Preston Clark, President of EdTech SaaS company, EverFi, wrote on LinkedIn about The Rise of the Silent Sales Floor. It is well worth a read.

Quality Conversations per Day



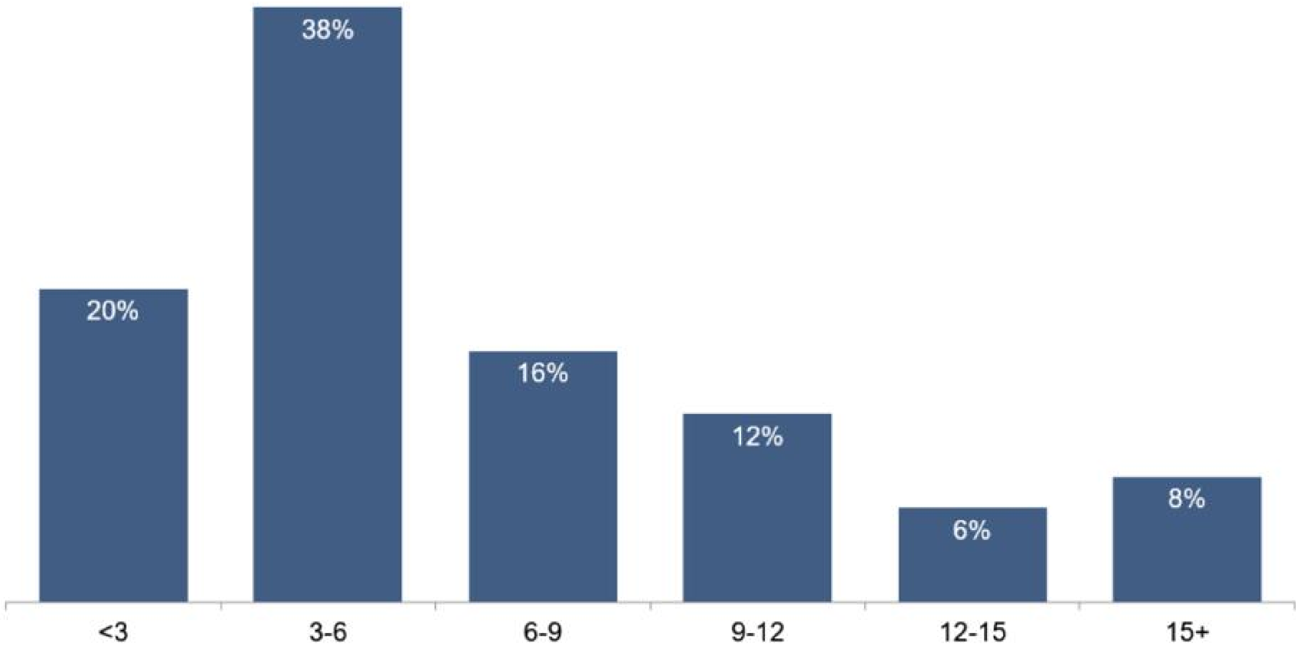
AEs average 6.3 quality conversations per day.

Another useful metric is the number of quality conversations. Respondents reported an average of 6.3 per day.

This is down from 2015, but we should note that we better defined our terms this year. Specifically, respondents were asked to include “connects or responses where at least one piece of qualifying/disqualifying information is learned.”

Demos per Week

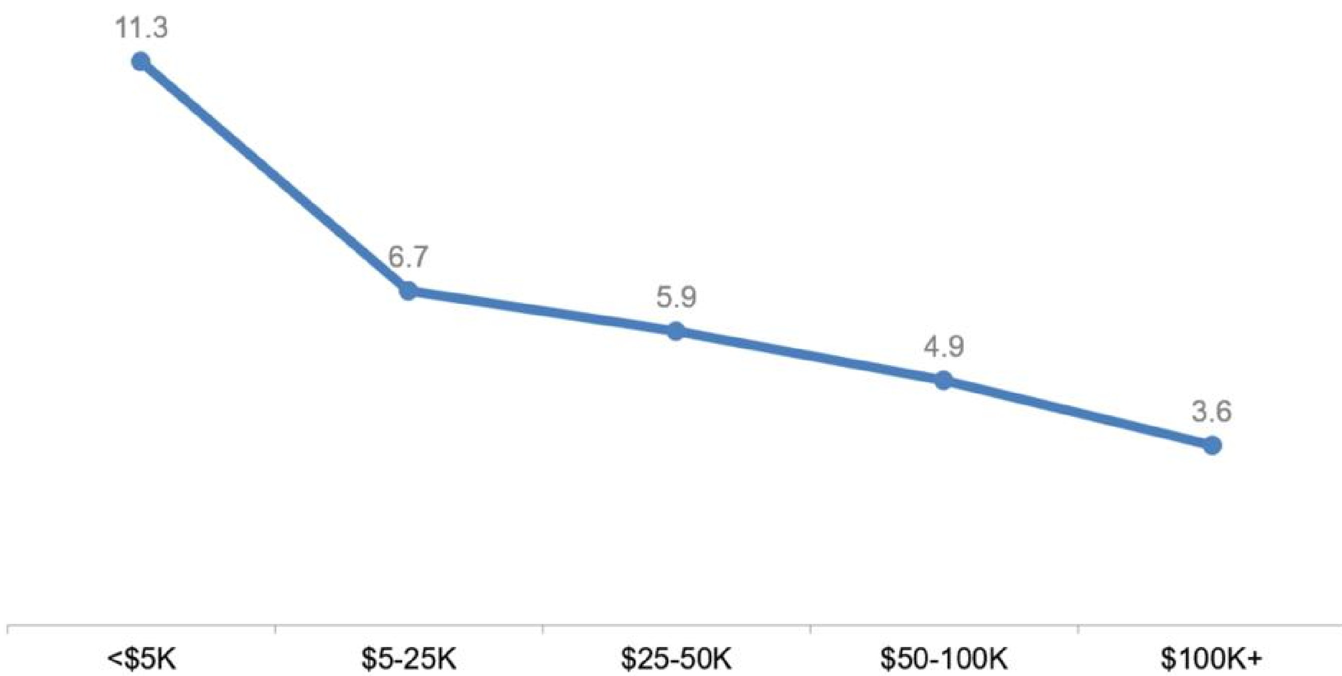
AEs average 6.8 demos per week.



On average, respondents reported 6.8 demos per AE per week. The median response was 5, with two-thirds of responses between 3 and 9 demos per week.

Demos per Week

As a Factor of ACV

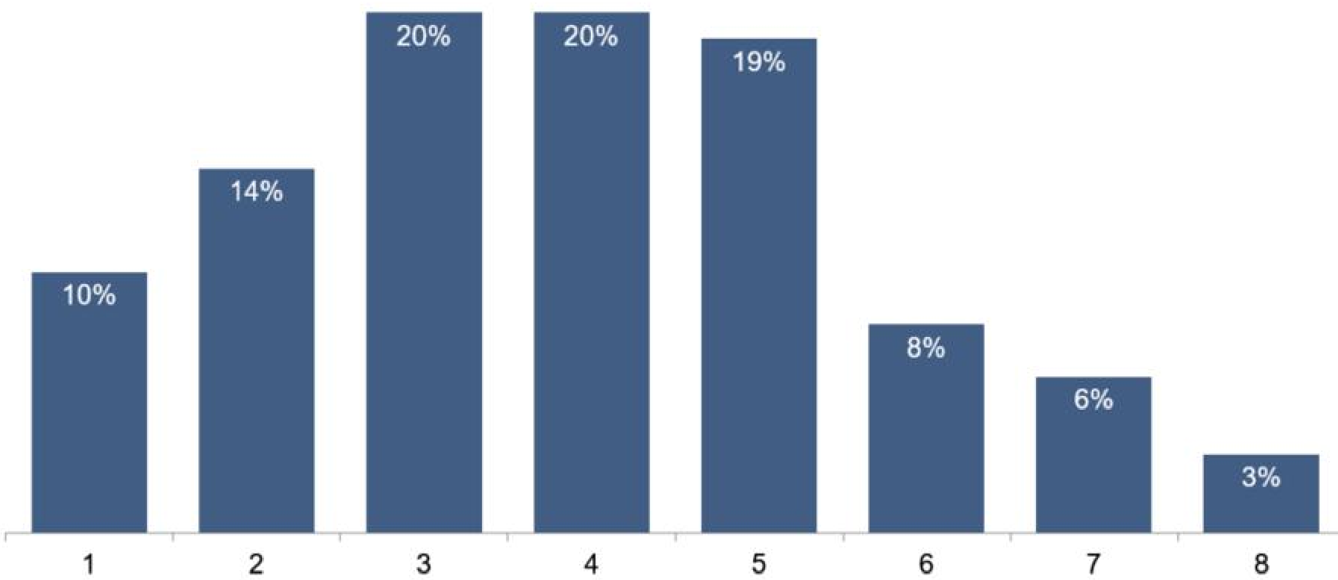


As you might expect, the higher the ACV, the fewer demos per AE per week.

When we controlled for ACV, we were able to compare those groups supported by SDRs to those without SDR support. We expected to find a large uplift for the latter, but in fact, we did not. SDR-supported AEs reported only .8 more demos per week on average.

ACCELERATION TECHNOLOGIES

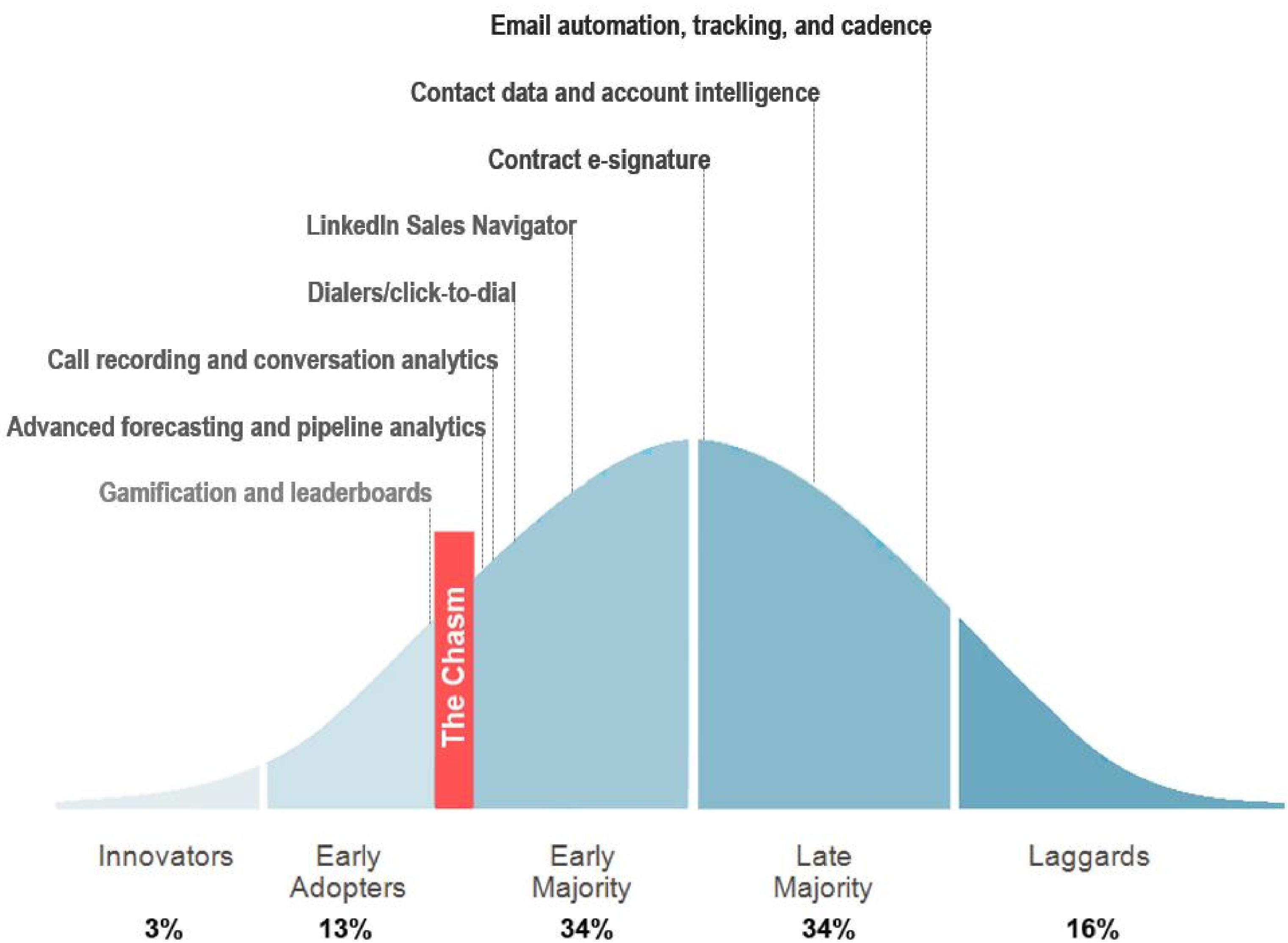
of Acceleration Technologies in Use



We found an average of 4 tools per team.

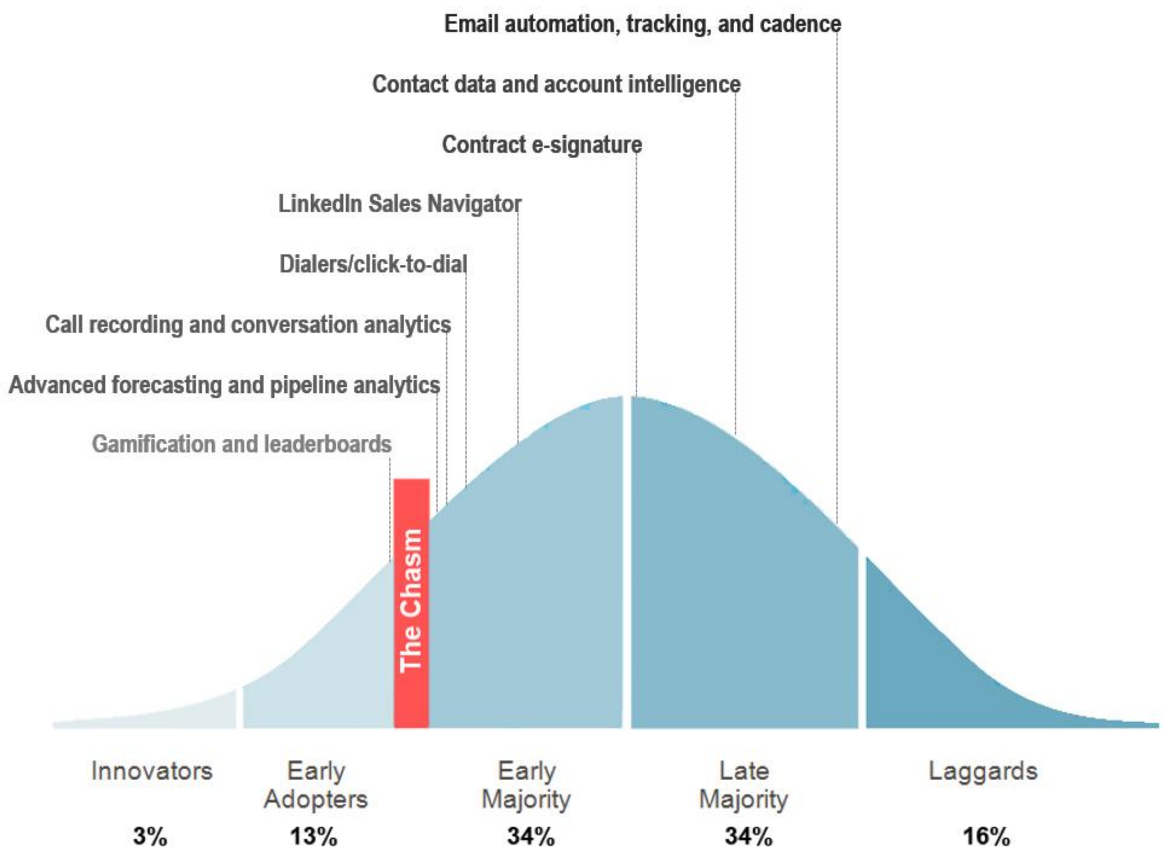
We noted no significant variation in number of tools by ACV, company revenues, and other factors. That's surprising! The median response for a $500M+ company was four tools. And for a $5M company? Still four.

TECHNOLOGY ADOPTION LIFECYCLE

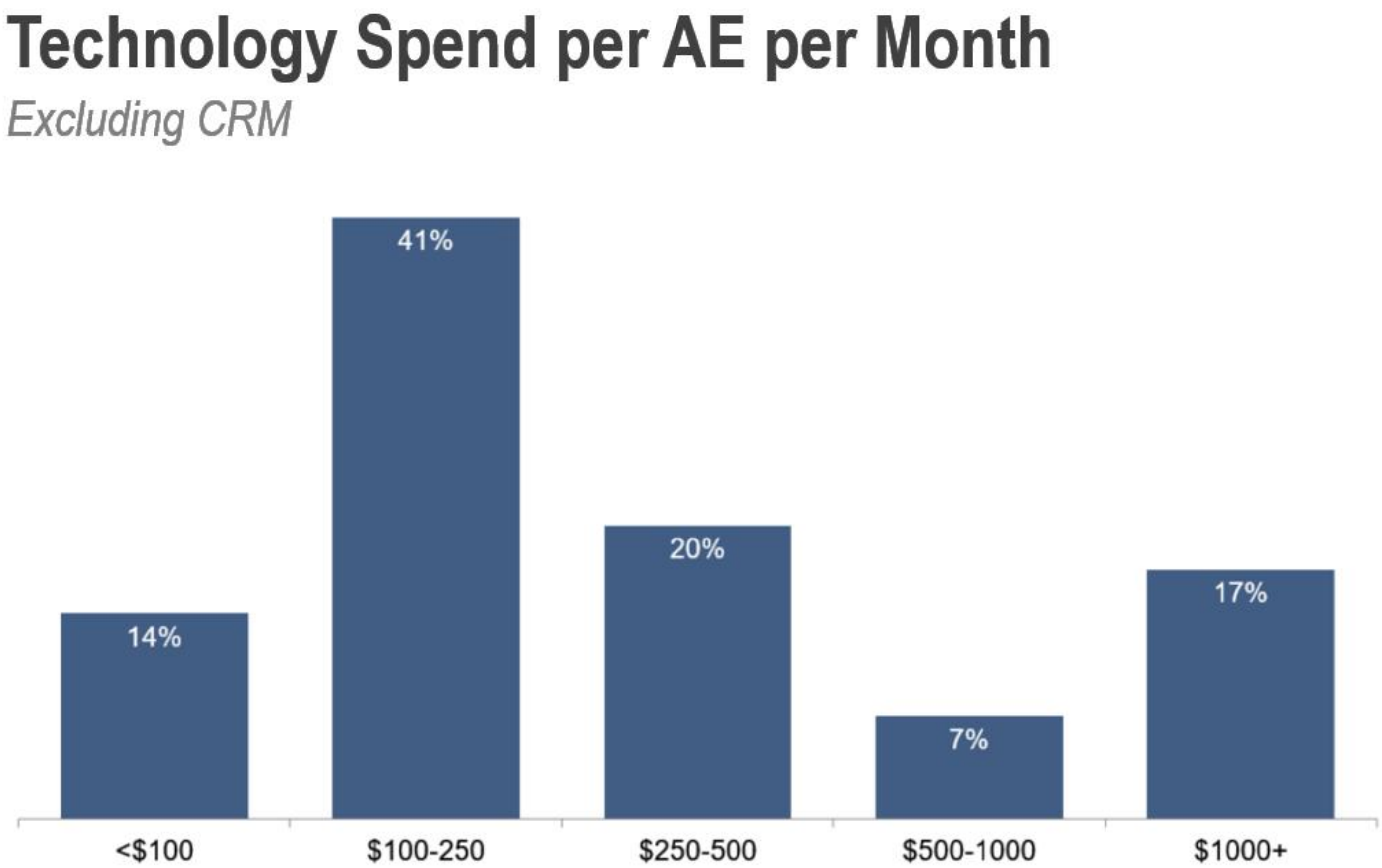


Email automation and tracking, contact data and account intelligence, and contract e-signature tools are the furthest along on the adoption lifecycle. These classes of technologies are the only three to have crossed into the late majority stage.

All of the remaining technologies (but one) have “crossed the chasm” into the early majority phase of adoption. Gamification and leaderboards sit right on the cusp, but today remain in the early adopter stage.



SPEND ON TECHNOLOGIES



On average, companies reported spending $477 per AE per month on acceleration technologies. Below we've analyzed the most common bundles.

For under $100 in monthly spend, the most common double-play includes:

- Email automation, tracking, and cadence
- Contact data and account intelligence

For under $250 monthly, the most common triple-play includes:

- Email automation, tracking, and cadence
- Contact data and account intelligence
- Contract e-signature

For under $500 monthly, the most common four technologies include:

- Email automation, tracking, and cadence
- Contact data and account intelligence
- Contract e-signature
- LinkedIn Sales Navigator

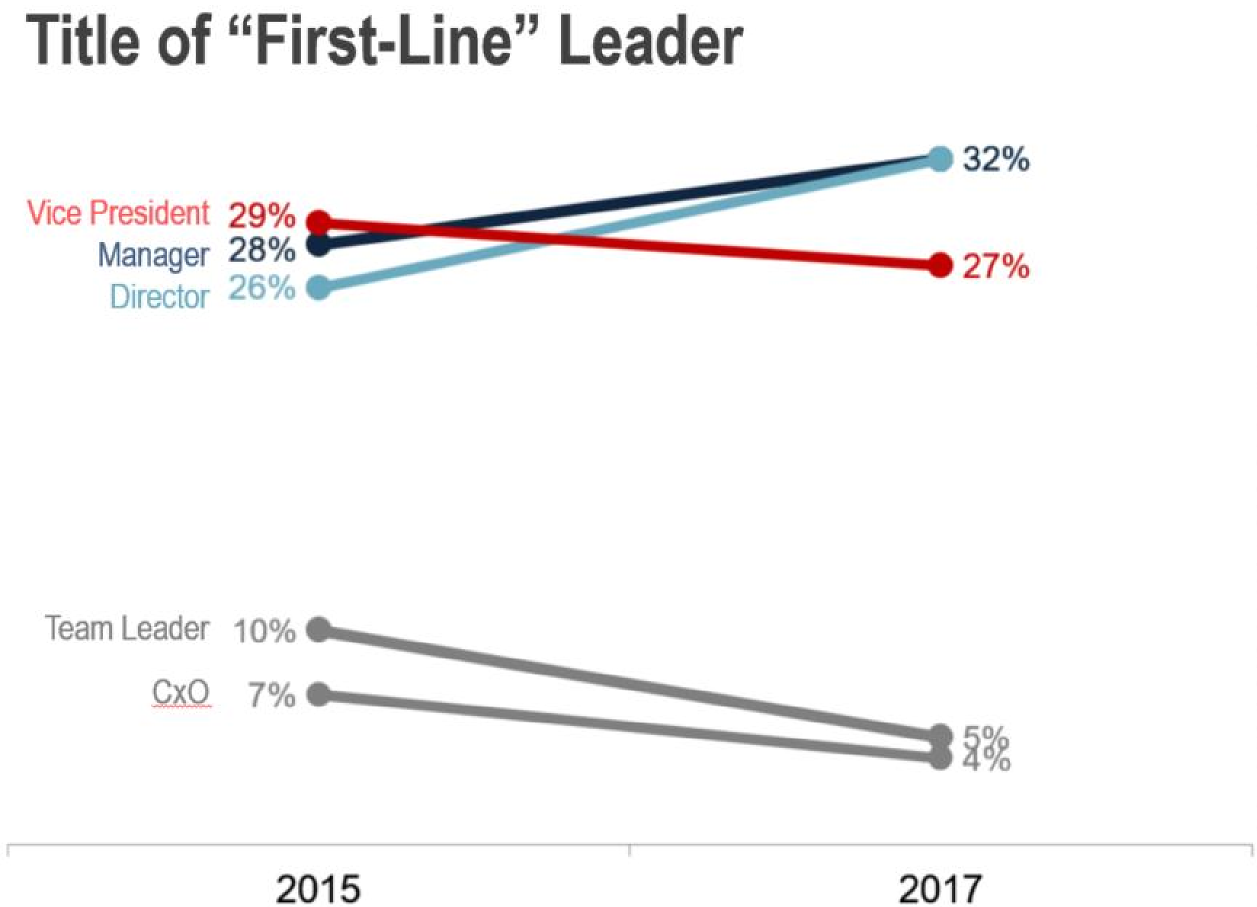
For under $1000 monthly, the most common bundle includes:

- Email automation, tracking, and cadence
- Dialers / Click-to-Dial
- Contact data and account intelligence
- LinkedIn Sales Navigator
- Call recording and conversation analytics

PART 5

SALES LEADERSHIP

FIRST-LINE LEADERSHIP



In 2015, first-line leaders most often had Vice President titles. Today, they are more likely to be "Managers" or "Directors." One item worth nothing is that the percentage of respondents reporting leadership falling to Team Leaders decreased by half. Woot! We haven't been shy about our dislike of the Team Leader role. Hiring an individual contributor with one foot in management and one foot as a rep can be a recipe for failure.

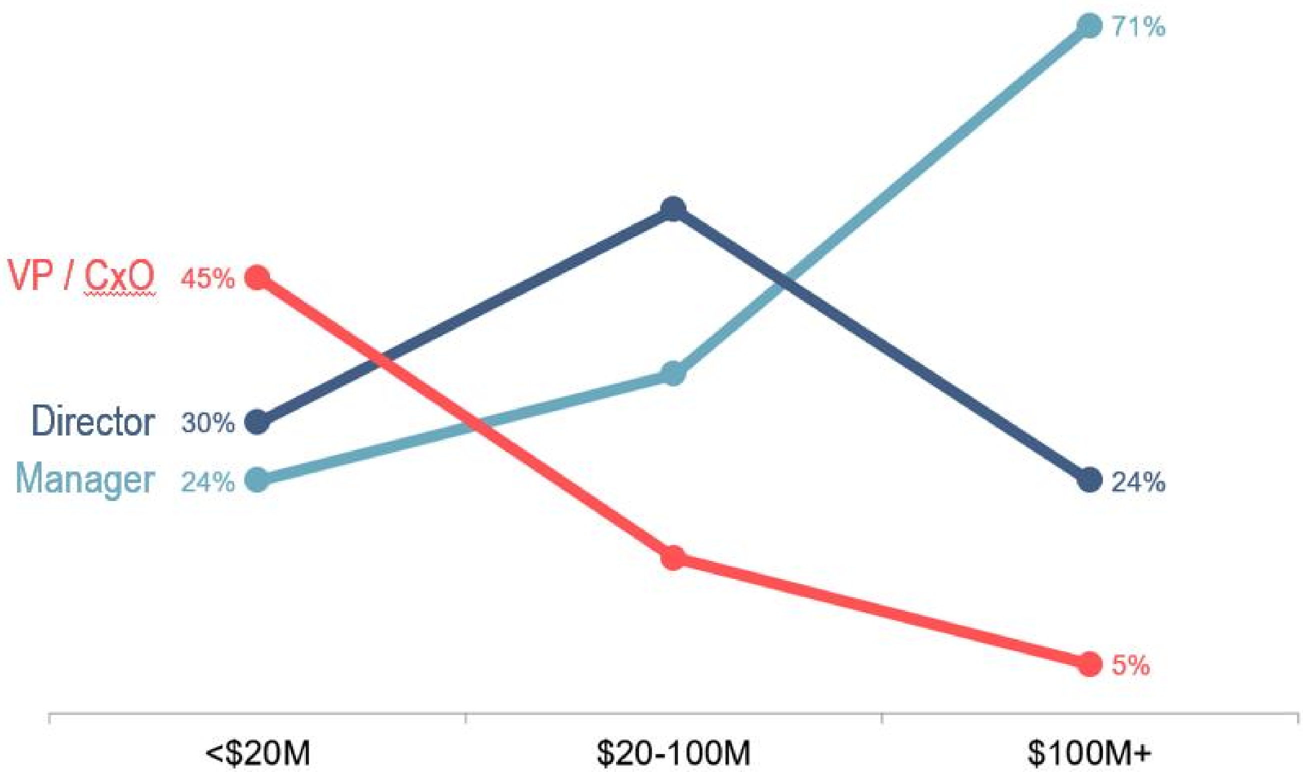
If you’ve identified someone with the potential to be a fabulous leader, promote him or her. Asking someone to have one foot in the AE world and one in the management realm is unfair and counterproductive. If you do opt to head down the team lead path, here’s one piece of parting advice. Assign a fair quota.

Let’s say you expect your team leads to manage three reps at about 30% of their time. How much quota relief should that give them? A rule of thumb is to take the estimate for “time spent managing,” add 20 percentage points, and reduce their quota by that amount. If you suspect 30% of their time will be spent on management, you should budget for a 50% reduction in quota.

If you aren’t willing to allow for that much quota relief, we strongly suggest you reconsider the role.

Title of "First-Line" Leader

As a Factor of Revenue



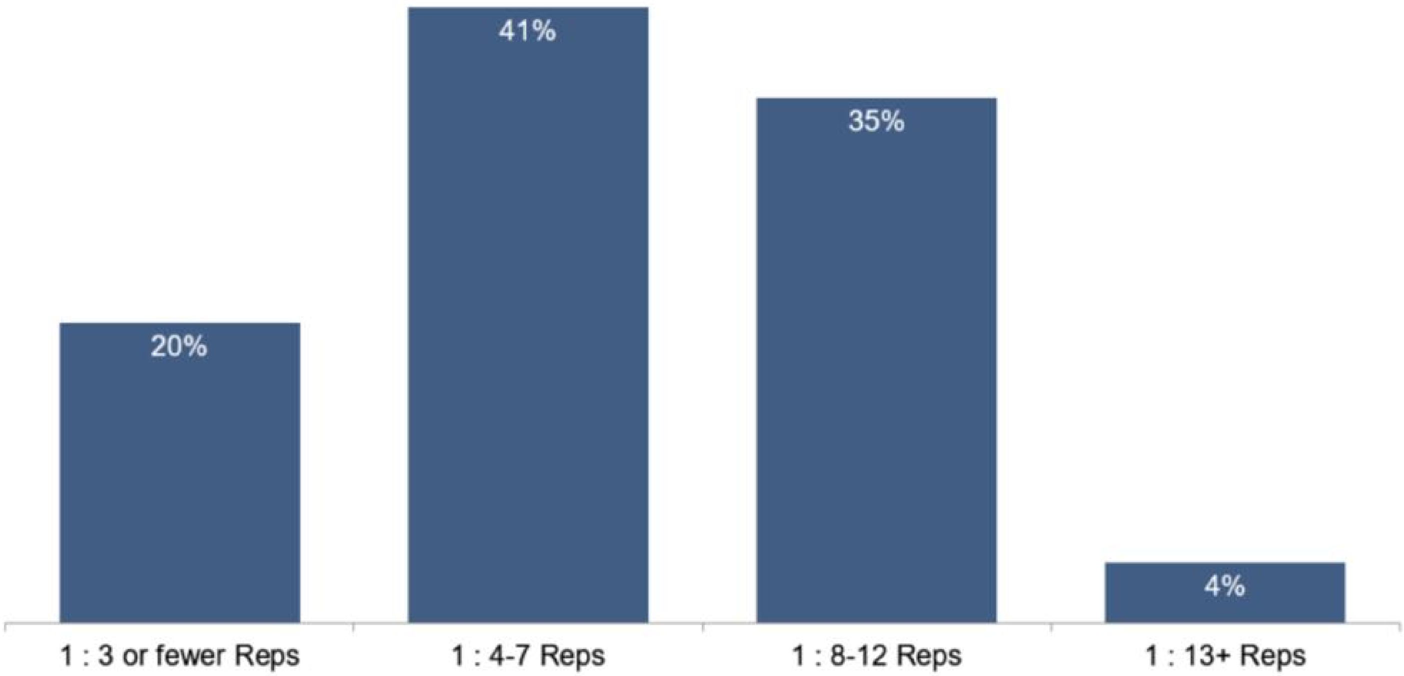
As a rule, AEs at companies below $5M in revenue are much more likely to report directly to VP or C-level leaders (53% of respondents versus 8% at companies above $50M.)

Think about just how rare it is to find someone who combines vision, business acumen, and the ability to inspire others. But that is exactly what a sales leader needs to possess. To set the stage, here's our take on the levels of sales leadership.

DIRECTOR	MANAGER	TEAM LEAD
THE VISIONARY AND GENERAL	THE COACH, WARDEN, AND THERAPIST	THE PLAYER COACH
Designs strategy	Optimizes execution	Executes process
Builds the ideal rep profile	Hires the ideal rep profile	Is the ideal rep profile
Seat at the executive table	Fantastic people motivator	Management-track potential
Great Strategist	**Great Coach**	**Great Role Model**

MANAGER TO REP RATIO

Ratio of Manager to Reps

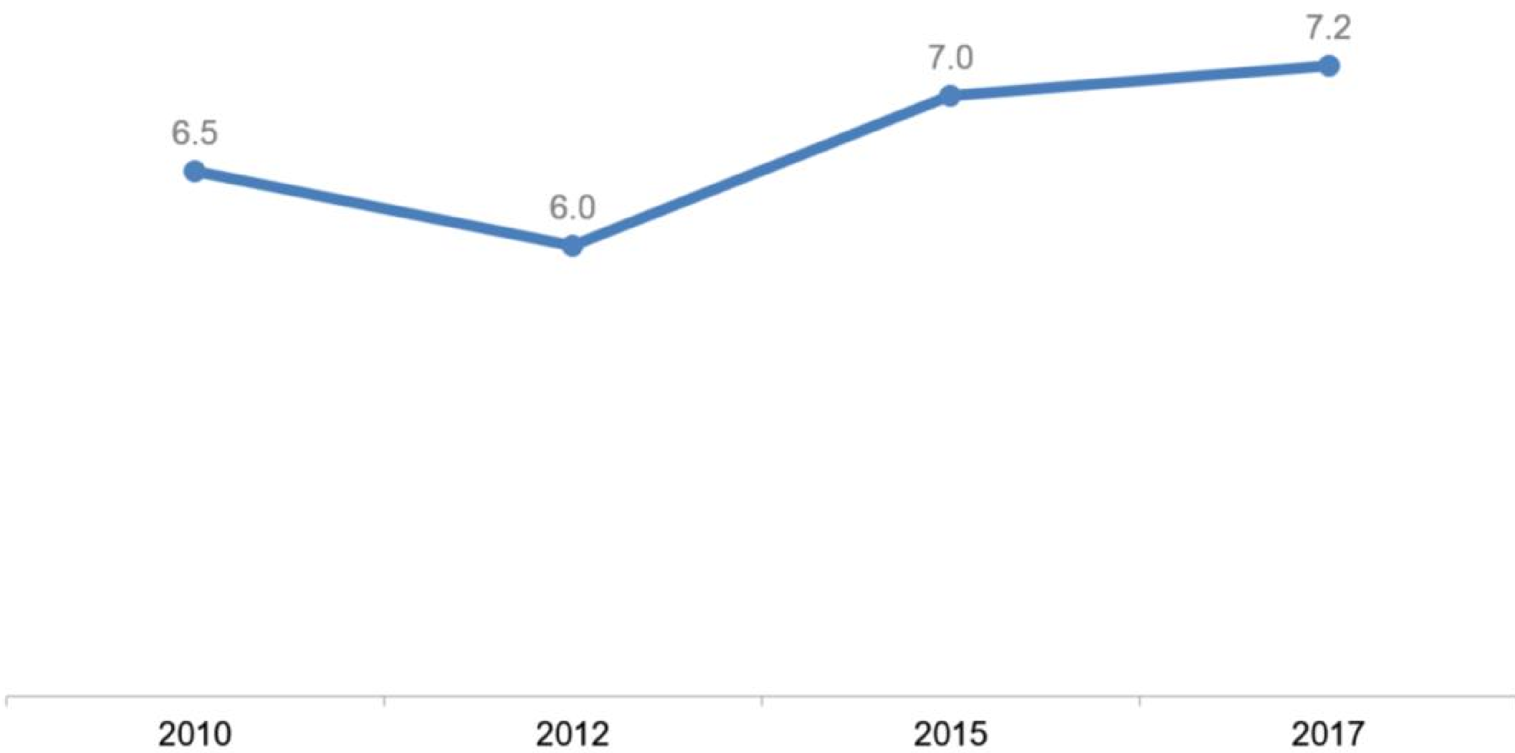


On average, 7.2 AEs report to a single leader. This is up from 2015 and a continuation of a long-term rise.

As a general rule, the higher the company revenues, the more AEs a single leader supports. Logically, this is sound. As companies find product market fit and grow, there are more moving pieces and evolving processes. AEs need a lot more individual attention. Once a company has moved from identifying repeatable and scalable to growing and expanding, leaders tend to become less hands-on, at least in theory.

Ratio of Manager to Reps

Change Over Time



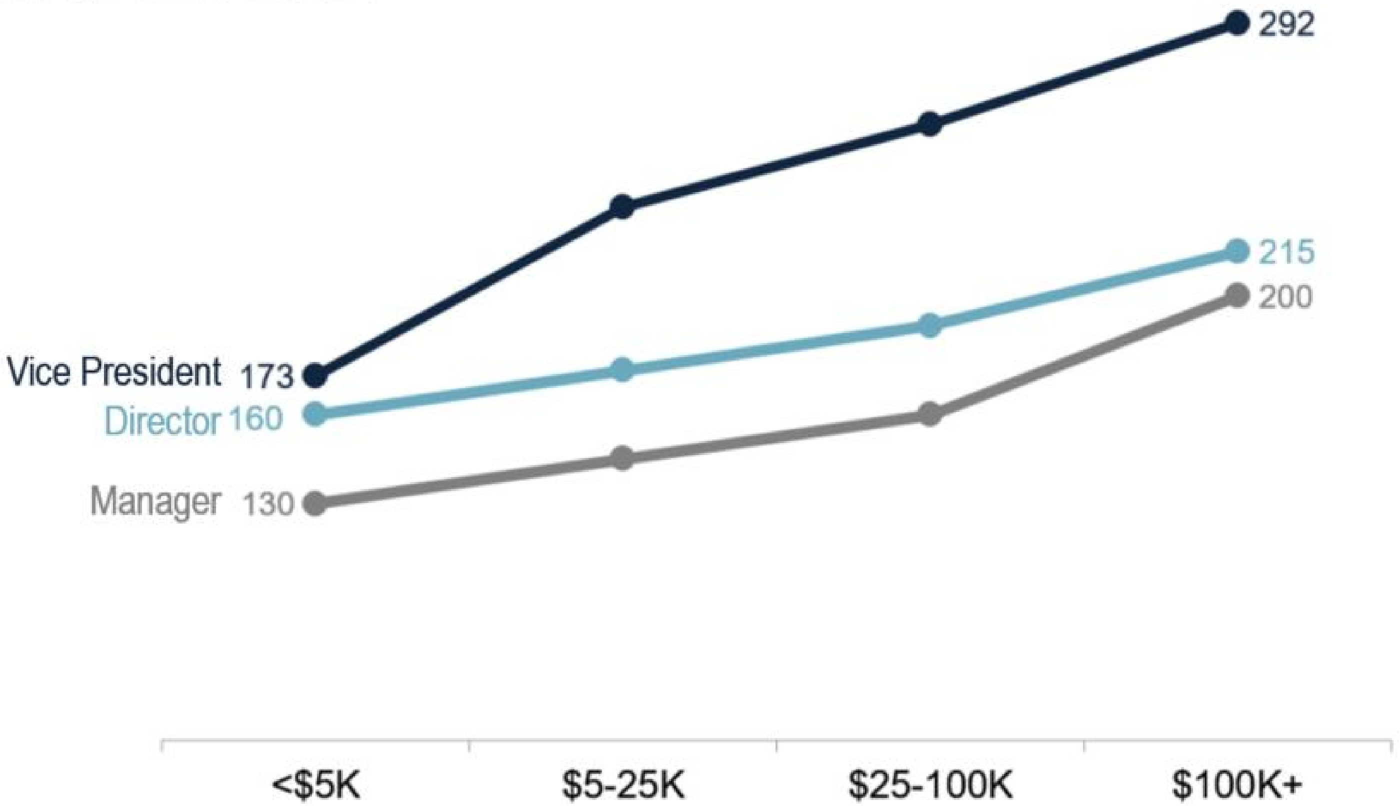
LEADERSHIP COMPENSATION

	2015	2017
Manager	$140K	$138K
Director	$173K	$176K
Vice President	$209K	$243K

Manager and Director total compensation has remained flat (in real terms) since roughly 2012. Compensation for Vice Presidents, however, has jumped appreciably in recent years.

Leadership Compensation (in $Ks)

As a Factor of ACV



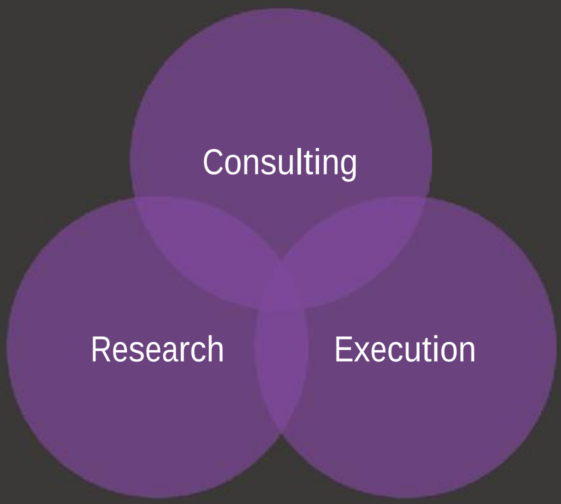
Controlling for company revenues and other factors, leadership on-target earnings rise as ACV increases.

TOP CHALLENGES

We asked respondents to identify their top two challenges in managing AE groups. Below are the results and how they've changed since 2012. Notice the remarkable consistency of the top four challenges.

	2012	2015	2017
Productivity/performance	44%	46%	49%
Recruiting & hiring	22%	29%	30%
Ramping new hires	20%	22%	26%
Forecast accuracy	24%	21%	19%
On-going training	6%	13%	17%
Metrics & reporting	18%	15%	15%
Motivation	12%	11%	15%
Compensation	12%	9%	13%
Professional development	10%	16%	13%
Technology & enablement tools	12%	9%	13%
Retention	6%	5%	7%
Other	3%	6%	4%

Inside Sales Consulting & Execution



SCALABLE GROWTH, DELIVERED.

For over two decades, we've been focused on "more" for our clients - more conversations, more pipeline, more growth. Over 405+ companies have relied on our thinking to make their numbers.

PRACTITIONERS FIRST, CONSULTANTS SECOND.

Behind our ideas are our people. Rooted in sales leadership, our team members have built groups, led teams, and carried quotas. We don't just research sales strategies, we live them.

HOLISTIC APPROACH, TARGETED SOLUTIONS.

No two companies are the same, especially when it comes to sales. Our team identifies the key variables that will make your go-to-market motion unique. We're here to help take the guesswork out of growth.

THANK YOU!