ICONIQ ANALYTICS & INSIGHTS

Go-to-Market Processes and Enablers

July 2021

ICONIQ Capital, LLC

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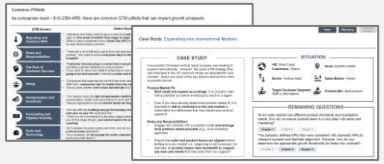
We are excited to dive into different GTM insights and benchmarks to cover these challenges across a series of chapters focused on GTM evolution, operating model, compensation, and processes

ICONIQ GROWTH ANALYTICS: GTM SERIES

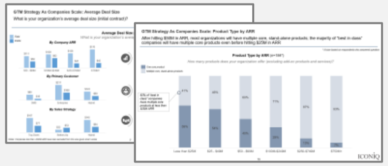
GTM Series Introduction

- Learnings & best practices: What are some of the key hurdles companies face after reaching ~$10-25M ARR?
- Detailed case studies: Case studies from different GTM SMEs across sales, marketing, and customer success walking through key challenges, approaches, and remaining questions



Chapter 1: GTM Strategy & Evolution

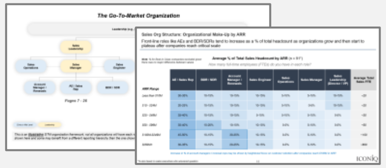
- How does GTM strategy change as organizations scale?
- How do companies evolve lead generation as they scale? How does average deal size change as a result?
- How has COVID-19 impacted GTM strategies?



Chapter 2: GTM Organization Structure

Companion Tool Available for ICONIQ Portfolio Companies

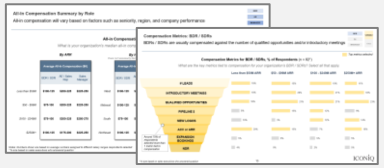
- How does GTM organization structure evolve over time?
- Who is responsible for which decisions?
- What does a "Best in Class" handoff between sales, marketing, and customer success teams look like?



Chapter 3: GTM Compensation & Incentives

Companion Tool Available for ICONIQ Portfolio Companies

- How do you structure compensation and incentives to motivate and retain talent?
- How does compensation and quota attainment vary based on business models?
- What should rep productivity look like?



Chapter 4: GTM Processes & Enablers

- How do you create high fidelity to what opportunities are in the pipeline?
- What are average funnel conversion rates?
- What does an organization’s GTM tech stack look like?

Focus of this study

Executive Summary

1 ***How do opportunities convert across each stage of the sales funnel?***

- Enterprise SaaS companies **on average have around ~30% of their pipeline sourced by marketing**, with the remainder split between BDR/SDRs and AEs
- "Best in Class" companies tend to have a more formalized lead generation strategy through BDR/SDRs and have a **greater proportion of sales pipeline sourced via BDR/SDRs vs. AEs**
- While it is relatively easy to increase the number of leads and MQLs at the top of the funnel, there is usually a **significant drop-off as deals move down the funnel**
    - Across sales motions, on average **22% of new leads convert into MQLs**
    - Across sales motions, on average **25% of MQLs convert into SQLs**
    - Across sales motions, on average **22% of SQOs convert into closed won**
- *See pages 8-12 for an ICONIQ Analytics archetype for the go-to-market funnel and the tech stack tools to consider for enabling your end-to-end GTM strategy*

2 ***What does a strong GTM tech stack look like?***

- On average, enterprise SaaS organizations spend **around $250K on sales and marketing tools each year** and have a tech stack of **~6 tools** (excluding CRM)
- "Best in Class" companies spend on average **~20% more on go-to-market tools**, while hybrid organizations spend on average **~60% more** than companies with either a primary field or inside sales motion
- The GTM tech stack can loosely be broken out into 4 categories of tools[1]:
    - **Marketing Automation:** Leading tools in this category include Marketo and Pardot which enable lead generation and management, cross-channel, and account-based marketing
    - **Contact Engagement**: Leading tools in this category include SalesLoft and Outreach which facilitate prospect engagement at scale
    - **Sales Enablement**: Leading tools in this category include Highspot and ZoomInfo which drive GTM effectiveness across data intelligence, content, training, and lead capture
    - **Revenue Intelligence**: Leading tools in this category include Clari and Gong which leverage advanced analytics to help sales leaders understand and forecast team performance
- *See pages 18-21 for an ICONIQ Analytics guide to identifying a gap in the stack, evaluating and implementing a solution, and successfully integrating a new tool into your workflows and processes*

1 Includes select ICONIQ Growth portfolio companies

Methodology & Data Sources

External Survey

External survey fielded through a panel of software companies, with ~200 respondents

Results based on external survey to ~GTM executives across sales, marketing, and customer success

All respondents are B2B SaaS companies based in the US, with ARR growth greater than 20%

Data as of March 2021

Note that this survey questionnaire was dynamic based on which function respondents oversaw – n-sizes will vary by question and are noted as relevant across slides

ICONIQ Growth Portfolio Survey

Survey and interviews across ICONIQ Growth companies focused on tech stack

Focused on 3 key dimensions – spend, satisfaction & other noteworthy trends

Additionally, gathered context around tool selection, focusing on prior and existing pain points

Data as of 2020

Secondary Research

User reviews and ratings from G2 and Gartner platforms

Comprehensive data based on customer reviews since inception and related reports for common sales and marketing tools

Data as of July 2021

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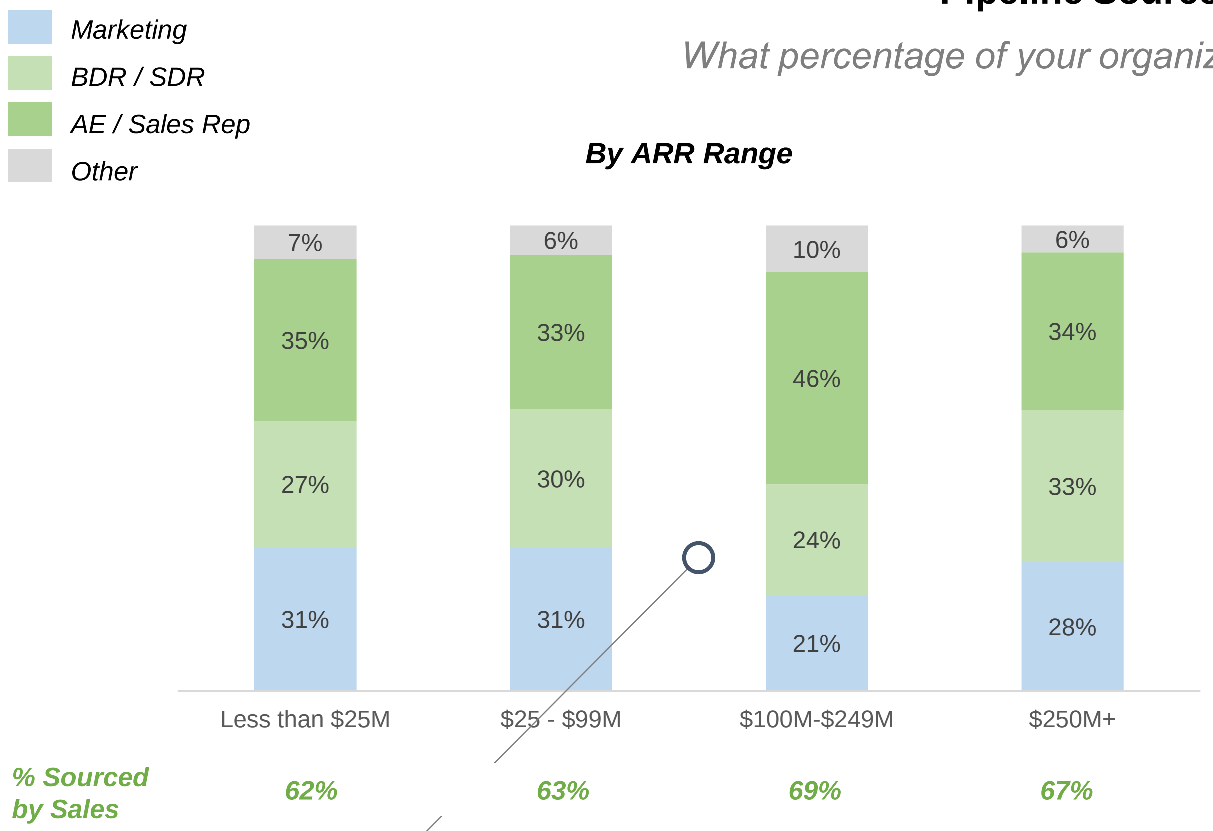
Pipeline Source

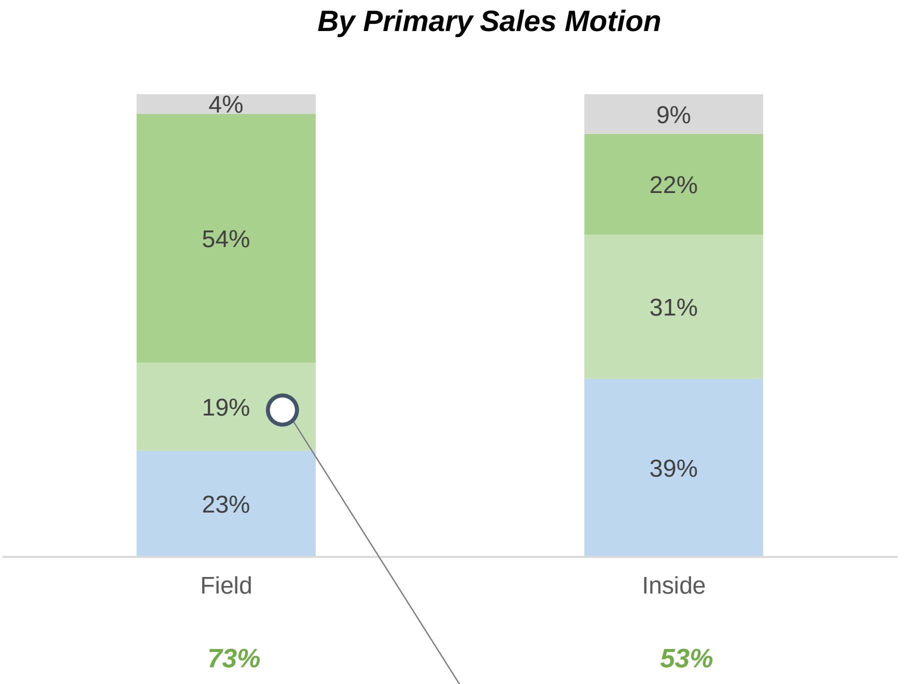
SaaS companies on average have ~30% of their pipeline sourced by marketing and the remainder sourced by sales; "Best in Class" companies tend to have a greater proportion of deals sourced by BDR/SDRs

March 2021 External Survey

Pipeline Source (%, Average) (n=89)

What percentage of your organization's pipeline is sourced by each role?





"Best in Class" companies have a similar ratio of marketing vs. sales sourced pipeline, but tend to have a bigger proportion of their deals sourced by BDR/SDRs vs. AEs*

"Best in Class" companies with a field sales motion have 33% of their pipeline sourced by BDR/SDRs*

** N-size based on respondents who answered question; "Best in Class" definition can be found in the Methodology pages of previous GTM studies*

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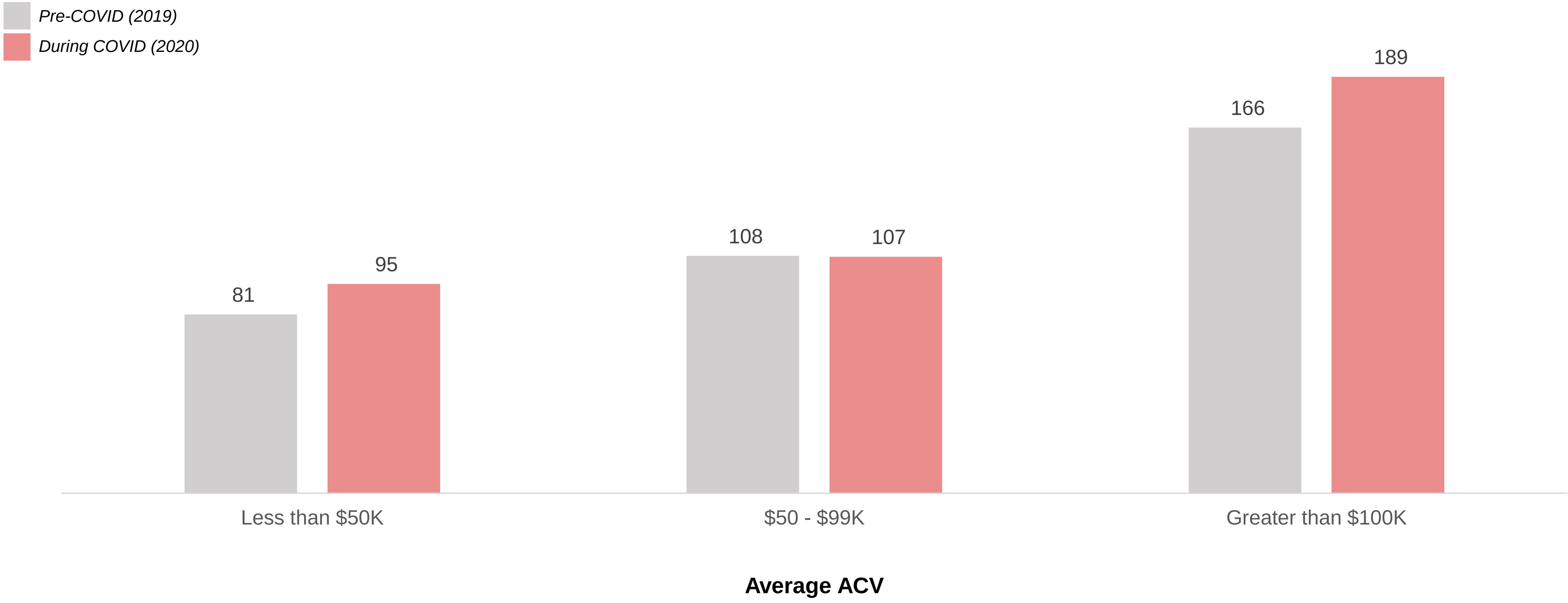
Average Sales Cycle

Average sales cycle naturally increases as a company's average ACV grows, with larger deals taking an average of 6 months

March 2021 External Survey

Average Sales Cycle by ACV, # Days (n=92*)

What is your organization's average sales cycle in a typical year?



* *N-size based on respondents who answered question*

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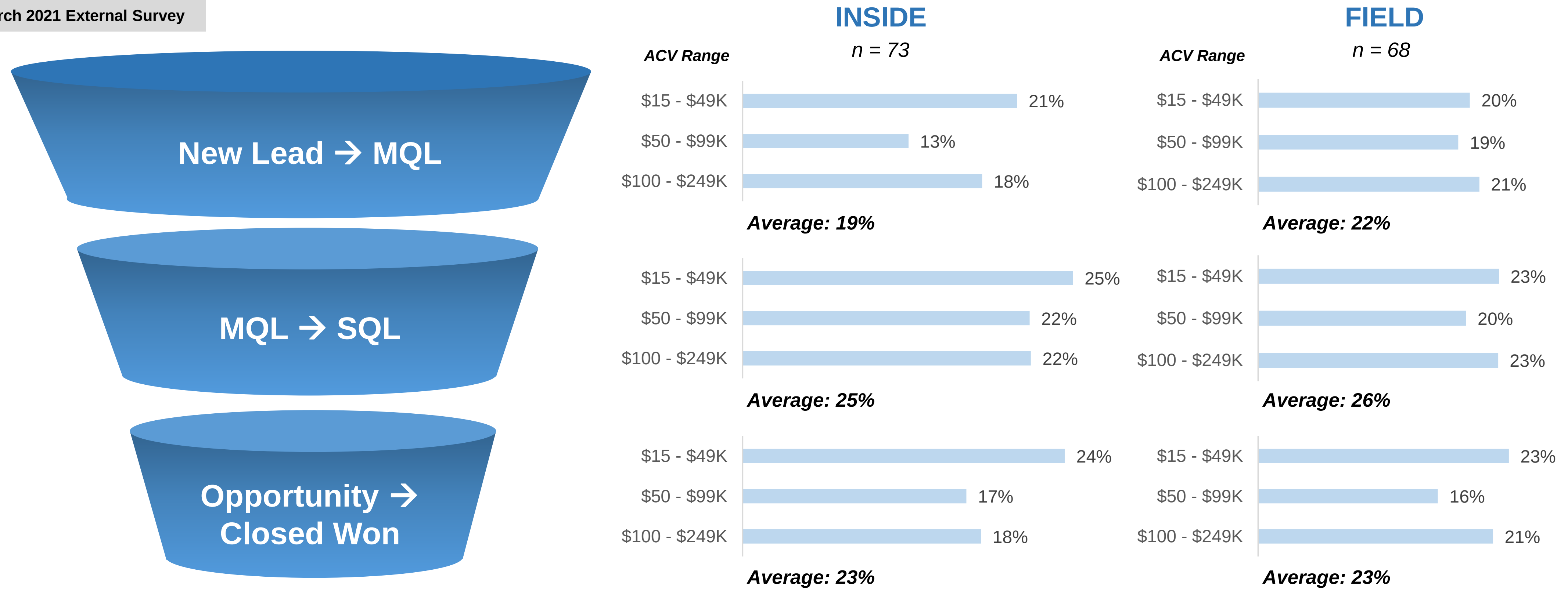
Average Funnel Conversion Rates by ACV Range

Conversion rates at each step of the sales funnel hover on average around 20-25%, with ~4% of closed won opportunities coming from marketing qualified leads

AVERAGE FUNNEL CONVERSION*

March 2021 External Survey



IMPLICATIONS

While it is relatively easy to increase the number of leads and MQLs at the top of the funnel, there is usually a **significant drop-off as deals move down the funnel**, with **~4% of closed won opportunities coming from MQL**. One of the main ways to improve conversion rates is to have a GTM tech stack that allows organizations to get better visibility into pipeline, support team coaching / management, and inform data-driven business decisions

** Conversion rates are an average of inbound and outbound leads. Average conversion rates shown assume midpoints of the average conversion ranges survey respondents selected; full ranges can be found on **page 23 in the Appendix***

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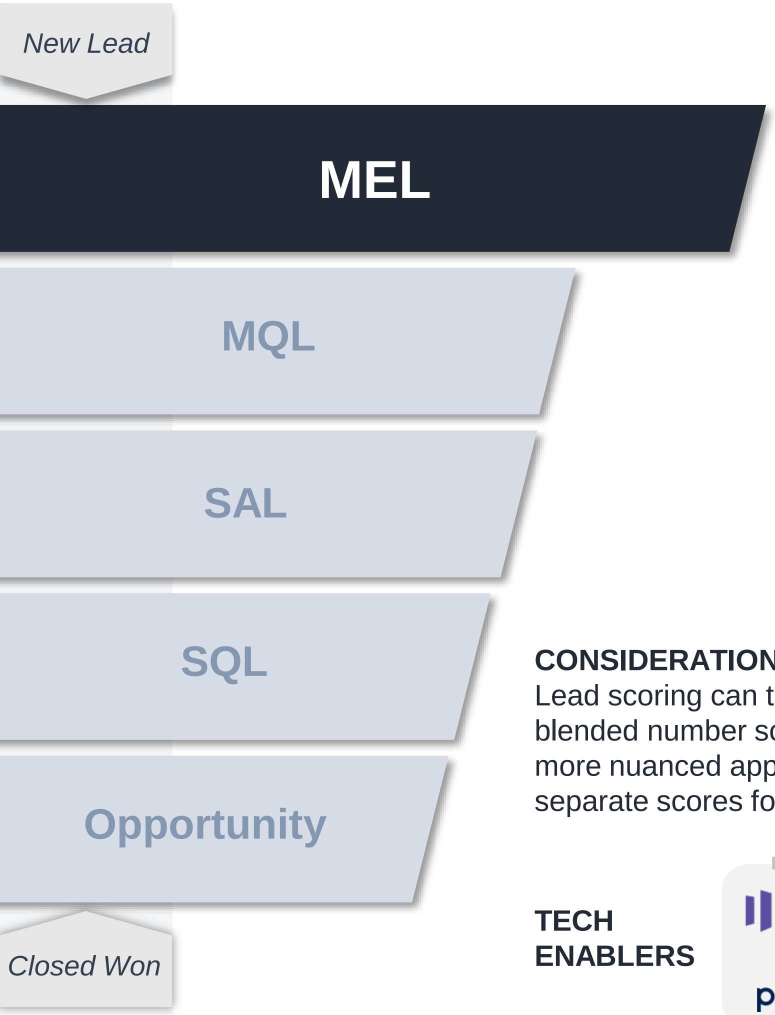
An Overview of the GTM Funnel

Common stages and enablers

There are many ways to design your revenue cycle, or "go-to-market funnel", and many different naming conventions for funnel stages and sub-stages. This is an archetype of the key funnel stages and tech enablers that we commonly see across B2B SaaS.



Marketing Engaged Lead

DEFINITION

Marketing Engaged Leads (MELs) typically make up the very top of the funnel. A New Lead becomes a MEL when the lead displays some level of engagement with your company, typically by interacting with marketing material. These leads are vaguely aware of your product and/or service but have not entered the buying process.

In this stage, lead scoring is used to determine whether the MEL meets your definition of a Marketing Qualified Lead (MQL). The lead will accumulate points based on:

1. **Implicit buying signals** such as marketing email views and clicks, website page views and searches, form submissions and views, and other intent data.
2. **How well the lead, and the associated company, fit your customer profile.** The parameters used here are often lead job title, seniority, and department, as well as company size, industry, and location.

EXIT CRITERIA

- ❑ Lead hits your defined scoring threshold and becomes a MQL; or
- ❑ Lead is moved into a Nurture stage to attract additional engagement; or
- ❑ Lead is disqualified

CONSIDERATIONS

Lead scoring can take many forms and should be catered to your unique needs. Some GTM teams prefer one blended number score that takes both implicit buying signals and customer profile fit into account. Others prefer a more nuanced approach where multiple scores and grades are used to provide additional context (e.g., having separate scores for level of engagement, lead fit, and company fit).

ICONIQ Analytics Tip

It's imperative that Sales and Marketing collaborate closely to define and refine their lead scoring methodology. Scoring criteria should be continuously adjusted based on your business needs and target buyers.

TECH ENABLERS

Lead management & scoring	CRM	ABM & Intent Data	Lead & Company Data Enrichment
Marketo, salesforce pardot, people.ai	salesforce, HubSpot	6sense, DEMANDBASE	zoominfo, Clearbit

1 Includes select ICONIQ Growth portfolio companies
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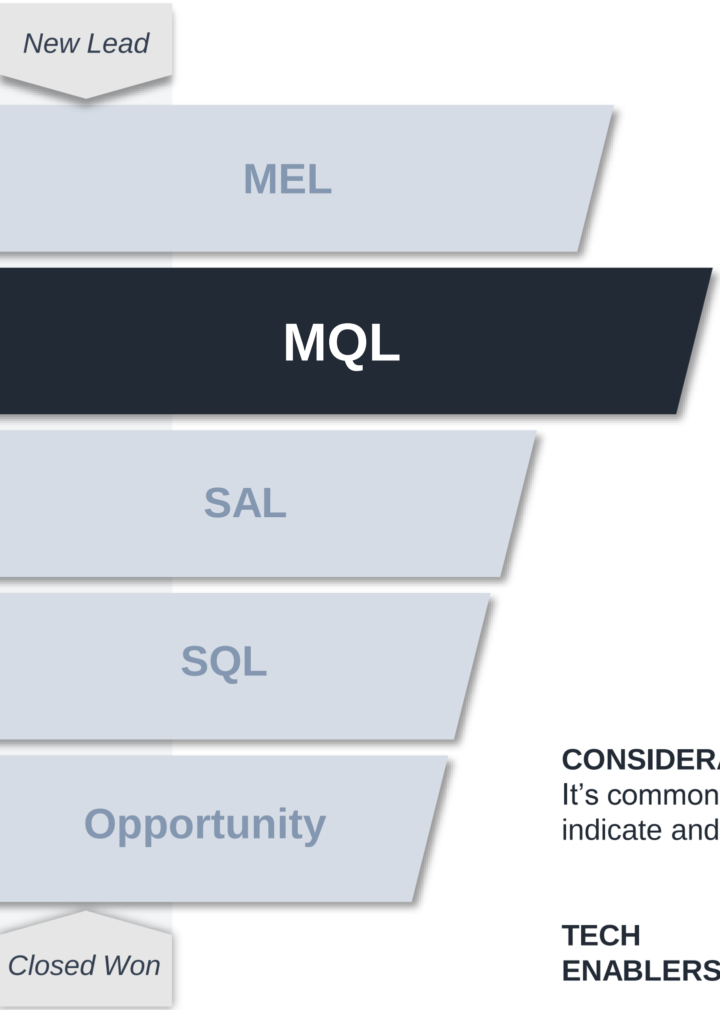
An Overview of the GTM Funnel

Common stages and enablers

There are many ways to design your revenue cycle, or "go-to-market funnel", and many different naming conventions, definitions, and exit criteria for funnel stages and sub-stages. This is an archetype of the key funnel stages and tech enablers that we commonly see across B2B SaaS.



Marketing Qualified Lead

DEFINITION

Marketing Qualified Leads (MQLs) are leads that fit your customer profile and have expressed interest in your product and/or services either implicitly via online engagement, or explicitly via contact form submission, demo requests, etc. MQLs are "sales-ready" leads, so this stage often involves a **lead handoff** from Marketing to Sales. MQLs are delivered to Sales via automation within your CRM.

The lead handoff is critical during this stage. Use your tech stack to ensure:

1. Lead handoff and notification occurs as soon as a Lead MQLs. Often your scoring model will trigger an automatic MQL when the lead has taken a critical action, such as filling out a "Contact Us" form. The faster your sales team follows up to this action, the higher the conversion.
2. MQLs are delivered with context and data. The team receiving the MQL should be equipped with key information such as lead score / follow-up priority (this is where multiple lead scores come in handy), the last action the lead took, validated contact information, etc.

EXIT CRITERIA

The Lead Owner (typically a Sales Development Representative) reviews the MQL and:

- ❑ Moves the MQL to Sales Accepted Lead (SAL) if it matches qualifying criteria and parameters; or
- ❑ Flags or rejects the MQL for incorrect routing or inaccurate / incomplete information; or
- ❑ Moves the MQL to Nurture if it doesn't meet qualifying criteria, but may in the future; or
- ❑ Moves the MQL to Disqualified

CONSIDERATIONS

It's common to introduce internal Service Level Agreements (SLAs) for the employees responsible for turning MQLs into SALs. Your SLAs can indicate and monitor specific timeframes for acting on an MQL, and automatically remind your team members to review MQLs within that timeframe.

TECH ENABLERS

Lead management & SLAs: Marketo, salesforce pardot, people.ai

CRM: salesforce, HubSpot

Lead & Company Intelligence: zoominfo, Clearbit, LinkedIn Sales Navigator

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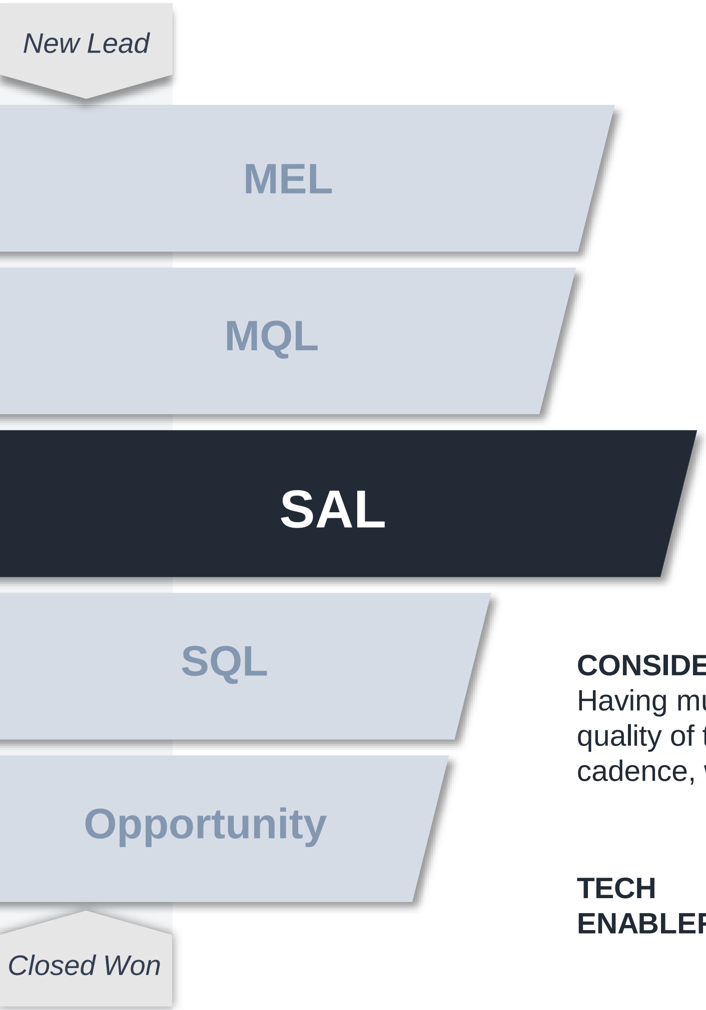

Sales Accepted Lead

DEFINITION

Sales Accepted Leads (SALs) are leads that have been determined to meet a set of criteria but have not yet engaged in a conversation with Sales. Your SAL criteria should be specific to your ideal customer profile – this provides an added layer of qualification to ensure the leads getting worked by Sales are high quality.

This stage should have a clear process or playbook for lead qualification, prioritization, and follow-up. SLAs should be deployed to set timeframes for follow-up within this stage, as well as timeframes for sending the lead back to Marketing (e.g., if the lead does not become an SQL within 20 days, it goes back to Marketing for nurture).

EXIT CRITERIA

Exit criteria will differ for this stage based on your definition of Sales Qualified Lead

- ❑ The lead agrees to have a conversation with Sales and becomes a Sales Qualified Lead (SQL); or
- ❑ The lead is returned to Marketing for Nurture; or
- ❑ The lead is Disqualified

ICONIQ Analytics Tip

Many funnels go straight from MQL to SQL; however, having an SAL step in between allows you to collect critical data on the quality of your MQLs, handoff efficiency, and more.

CONSIDERATIONS

Having multiple lead scores and grades can be helpful here, as we commonly see different follow-up strategies utilized depending on the quality of the lead. For example, a subset of leads with low seniority at lower priority accounts may be loaded into an automated activity cadence, while a high priority lead from a target account may be transferred to an Account Executive for personalized follow-up.

TECH ENABLERS

CRM: salesforce, HubSpot

Lead & Company Intelligence: zoominfo, Clearbit, LinkedIn SALES NAVIGATOR

Sales Activity & Lead Engagement: Outreach, SalesLoft, HubSpot Sales Hub, in

An Overview of the GTM Funnel

Common stages and enablers

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New Lead

MEL

MQL

SAL

SQL

Opportunity

Closed Won

Sales Qualified Lead

DEFINITION

Sales Qualified Leads (SQLs) are leads that meet your ideal customer profile and are engaged with the Sales team, but have not met Opportunity criteria. At this point, the SQL is trying to understand a problem and the available solutions, and the goal of this stage is for the Sales rep to guide the SQL further into the buying process.

Additional education or discovery may be necessary before moving to the Opportunity stage, so there is often a handoff that occurs here between the Sales Development Representative and the Account Executive for this company.

EXIT CRITERIA

- ❑ SQL confirms your product and/or service could provide a viable solution to their problem (the “Need” in BANT) and agrees to further the conversation near-term. The AE creates an Opportunity; or
- ❑ SQL does not confirm your product and/or service could provide a viable solution to their problem and/or does not agree to further the conversation near-term. The AE should move this SQL to Nurture, and set a date to check back in; or
- ❑ SQL is Disqualified

CONSIDERATIONS

The duration of the SQL stage can differ drastically based on the lead, your product, and your market. For some companies, Opportunity criteria will be almost always immediately met based on a clear need and ROI, but for others this may not be the case. For example, companies that are either creating a category or selling in a nascent category may have a long SQL phase, during which they are educating leads on the problem and their unique solution. Sales should work closely with Marketing in this stage to create content that aids the conversion process.

TECH ENABLERS

CRM: salesforce, HubSpot

Sales Activity & Lead Engagement: Outreach, SalesLoft, HubSpot Sales Hub, in

Revenue Intelligence & Sales Enablement: GONG, HIGHSPOT, Clari, people.ai

Scheduling Automation: Calendly, CHILI PIPER

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Common stages and enablers

There are many ways to design your revenue cycle, or "go-to-market funnel", and many different naming conventions, definitions, and exit criteria for funnel stages and sub-stages. This is an archetype of the key funnel stages and tech enablers that we commonly see across B2B SaaS.

New Lead

MEL

MQL

SAL

SQL

Opportunity

Closed Won

Opportunity

DEFINITION

A SQL becomes an Opportunity when the lead confirms your product and/or service could provide a viable solution to their problem and decides to continue the sales process to evaluate in more detail. An Opportunity will typically have around 5 sub-stages that align to the buyer's decision-making process. This often looks like this:

Stage 1

The buyer is **considering**: how does this solution help me fill a gap, is this gap a top priority for my company in the near-term, and is my company a good fit for this product and service?

The seller should **educate** and **discover**. They should elaborate on the Need and identify the Authority.

Stage 2

The buyer is **evaluating** solutions and identifying use cases and value-drivers.

The seller should continue discovery and **demonstrate** use cases and functionality aligned to specific challenges

Stage 3

The buyer is trying to make a **decision.**

The seller should **validate** that their solution solves a compelling need or opportunity and meets the buyer's decision criteria

Stage 4

The buyer is **justifying** the purchase based on the business value of the partnership.

The seller should **scope** the project and deliver pricing and implementation proposals

Stage 5

The buyer is **finalizing the purchase,** managing the internal approval process, and negotiating pricing and terms.

The seller should get **contractual agreement** and, if applicable, execute an effective **handoff** to the Customer team

Each stage will have its own Exit Criteria, but ultimately the Opportunity is either closed as Won, Lost, or No Decision. You've likely added multiple leads to this opportunity as you move through the stages, so if the Opportunity is moved to Lost or No Decision, there should be a clear process to move those leads back to Nurture to keep them warm and engaged.

TECH ENABLERS

CRM: salesforce, HubSpot

Sales Activity & Lead Engagement: Outreach, SalesLoft, HubSpot Sales Hub, LinkedIn

Revenue Intelligence & Sales Enablement: GONG, HIGHSPOT, Clari, people.ai

Demos: REPRISE

Scheduling Automation: Calendly, CHILI PIPER

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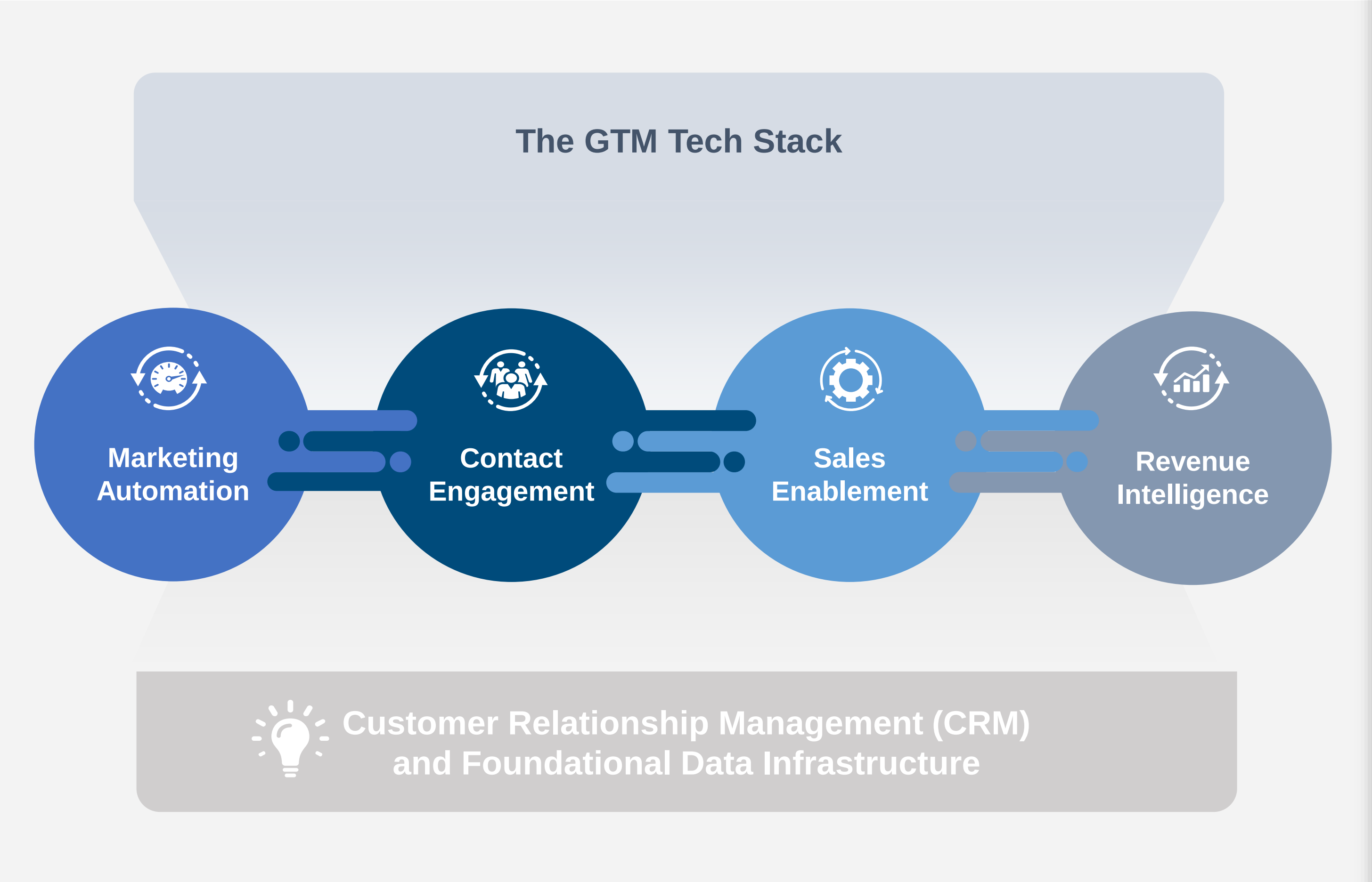
The Go-To-Market Tech Stack: Overview

The go-to-market tech stack can loosely be divided into 4 categories: marketing automation, contact engagement, sales enablement, and revenue intelligence



Marketing Automation: Enabling lead management, cross-channel engagement, and account-based marketing

Examples: Marketo, Pardot, 6sense

Contact Engagement: Facilitating pre-sales prospect engagement

Examples: SalesLoft, Outreach

Sales Enablement: Driving GTM effectiveness through content, training, and lead generation

Examples: Highspot, ZoomInfo, HubSpot

Revenue Intelligence: Helping sales leaders and managers understand what's happening at every level using data/analytics and AI

Examples: Gong, Clari

1 Includes select ICONIQ Growth portfolio companies

Average GTM Tech Stack Spend

"Best in Class" companies spend on average ~20% more on GTM tools, while hybrid organizations spend on average ~60% more than companies with a primary field or inside sales motion

March 2021 External Survey

Average Annual Spend on GTM Tools ($K) (n=195*)

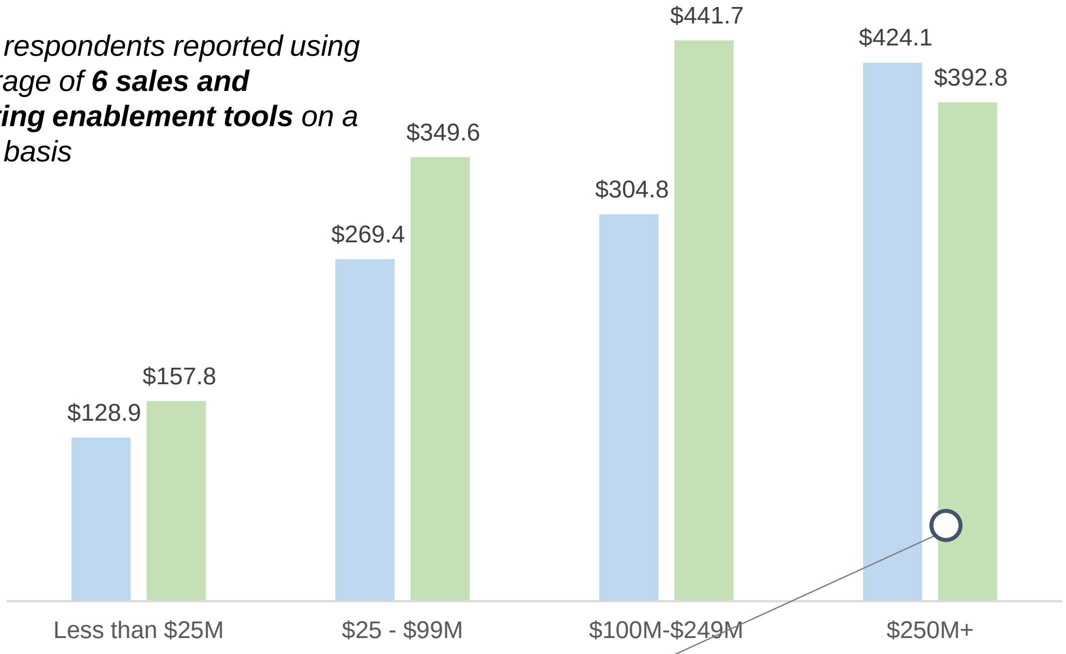
What is your organization's average annual spend on Sales and Marketing specific tools and technology?

All Companies

*"Best in Class"**

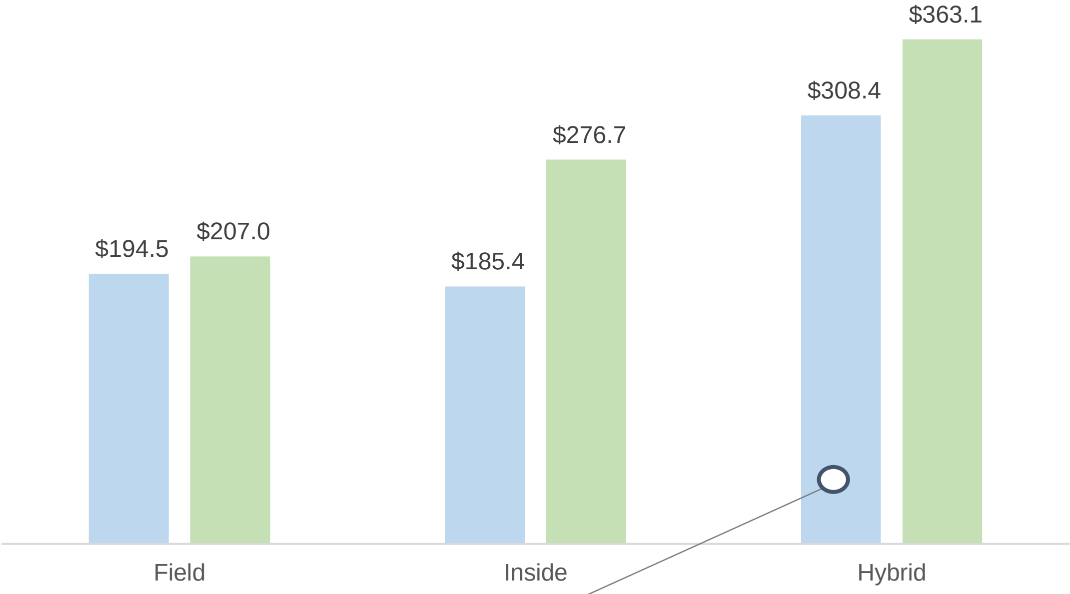
By ARR Range

*Survey respondents reported using an average of **6 sales and marketing enablement tools** on a regular basis*



"Best in Class" companies spend on average ~20% more on GTM tools until they reach critical scale ($250M+ ARR) where some may begin to transition to building more custom, in-house tools*

By Primary Sales Motion



Higher average spend in hybrid organizations is likely due to complexity and potential need for more robust tools across dedicated teams. We typically also see Field organizations in particular investing in more robust demo tooling.

** N-size based on respondents who answered question; "Best in Class" definition can be found in the Methodology pages of previous GTM studies*

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Commonly Used GTM Tools

March 2021 External Survey

March 2021 External Survey | Portfolio Survey

Marketing Automation — Contact Engagement — Sales Enablement — Revenue Intelligence

Top 10 Most Commonly Used Sales & Marketing Enablement Tools	Description	% of Users Selected (n-size = 191)	
HubSpot 1	**CRM platform across sales, marketing, and customer success** with engagement tools and analytics	28%	*Avg annual spend around $50K across ICONIQ Growth portfolio company users*
Marketo 2	**Marketing automation software** that provides inbound marketing, social marketing, CRM and other related services	21%	*Avg annual spend around $75K across ICONIQ Growth portfolio company users*
ZoomInfo 3	**Lead intelligence database** combined with sales intelligence, engagement software, and workflow tools	20%	*Avg annual spend around $70K across ICONIQ Growth portfolio company users*
Outreach 4	Provides **email tracking, cadence, and sales automation** features for sales teams	15%	*Avg satisfaction score was 9/10 across ICONIQ Growth portfolio company users*
SalesLoft 5	**Sales engagement platform** that helps teams execute communications with real-time email tracking, an integrated sales dialer, and social	6%	*Avg annual spend around $50K across ICONIQ Growth portfolio company users*
Highspot 6	Sales enablement platform focused on **content organization and dynamic guided selling experiences**	5%	*Avg satisfaction score was 7/10 across ICONIQ Growth portfolio company users*
Gong 7	**Revenue intelligence platform** that delivers deal, people, and market intelligence	5%	
Pardot 8	**B2B marketing automation platform** for lead generation, email marketing, and reporting	5%	
Clari 9	**Connected revenue operations platform** that uses automation and AI to capture and analyze pipeline data	3%	*Avg annual spend around $75K across ICONIQ Growth portfolio company users*
6sense 10	**Account engagement platform** that discovers buying behavior and helps teams prioritize target accounts	3%	

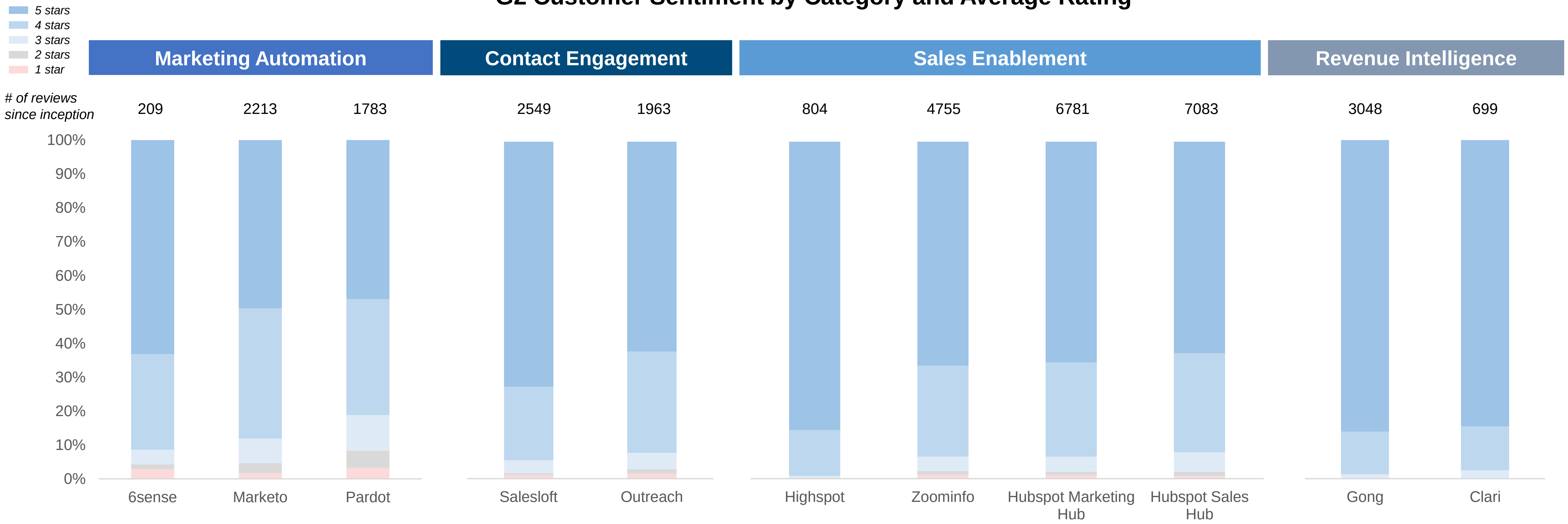
The responses expressed on this page solely represent the views of the respective respondents and are not necessarily the views of ICONIQ Growth

Commonly Used GTM Tools

G2 Customer Sentiment

Source: G2 Reviews

G2 Customer Sentiment by Category and Average Rating



Category	Tool	# of reviews since inception	Avg Rating	% Share of 4 and 5 Stars
Marketing Automation	6sense	209	***4.31***	91%
Marketing Automation	Marketo	2213	***4.16***	88%
Marketing Automation	Pardot	1783	***4.47***	81%
Contact Engagement	Salesloft	2549	***4.65***	95%
Contact Engagement	Outreach	1963	***4.5***	92%
Sales Enablement	Highspot	804	***4.84***	99%
Sales Enablement	Zoominfo	4755	***4.56***	93%
Sales Enablement	Hubspot Marketing Hub	6781	***4.56***	93%
Sales Enablement	Hubspot Sales Hub	7083	***4.52***	92%
Revenue Intelligence	Gong	3048	***4.85***	99%
Revenue Intelligence	Clari	699	***4.82***	98%

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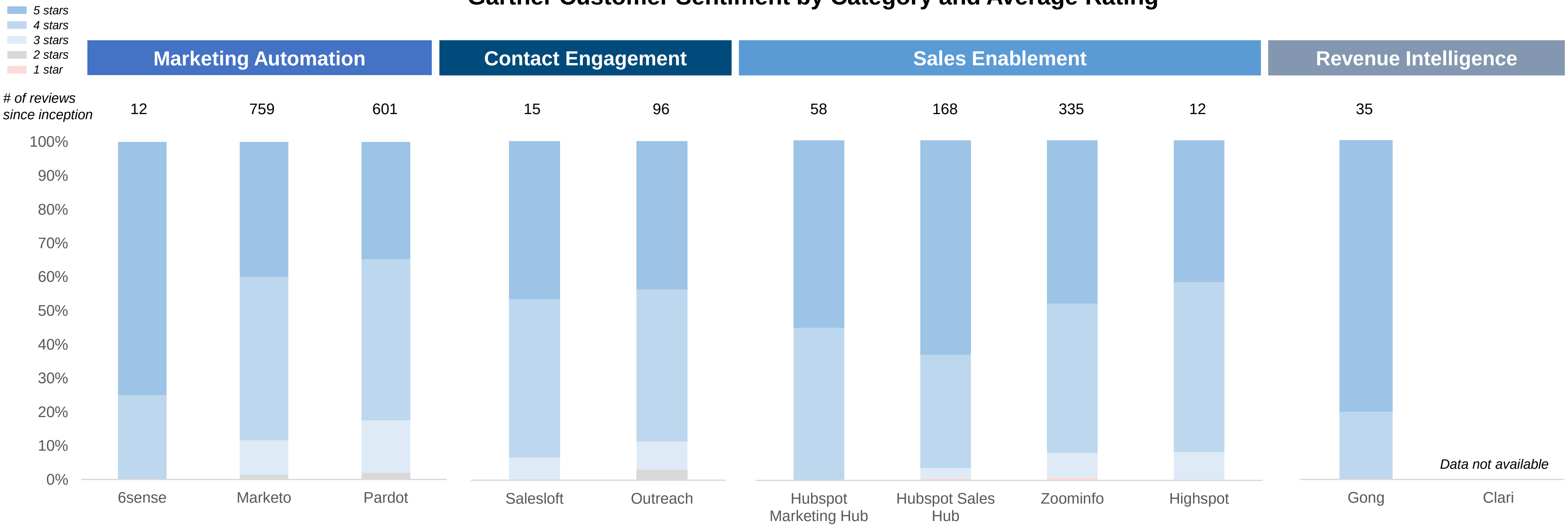
Commonly Used GTM Tools

Gartner Customer Sentiment

Source: Gartner Reviews

Gartner Customer Sentiment by Category and Average Rating



	6sense	Marketo	Pardot	Salesloft	Outreach	Hubspot Marketing Hub	Hubspot Sales Hub	Zoominfo	Highspot	Gong	Clari
# of reviews since inception	12	759	601	15	96	58	168	335	12	35	
Avg Rating	***4.75***	***4.27***	***4.15***	***4.40***	***4.29***	***4.55***	***4.59***	***4.39***	***4.33***	***4.80***	
% Share of 4 and 5 Stars	100%	88%	83%	93%	89%	100%	96%	92%	92%	100%	

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A Guide to Building Out Your GTM Tech Stack

Key considerations for adding a new tool to your stack

Discover

Evaluate

Implement

Monitor

Discovery is a crucial step to take before evaluating a new tool for your GTM tech stack. This step can look different depending on your company's unique needs and processes, but the following considerations should apply in most cases:

Identify your GTM strategy and goals What are your business objectives and how would this potential solution help attain those goals? A tech stack for a GTM team with a primarily inbound motion will look very different than it would for a primarily outbound strategy.

Identify pain points. What are you trying to solve for and why? What makes this difficult today? Do some discovery with the end-users of your future tool – have them walk you through their current workflow and talk you through their challenges.

Identify the buying team & align stakeholders. This should be, at minimum, the decision maker, an end-user, and the project manager responsible for these four steps. The project manager will often be a Revenue, Sales or Marketing operations employee. At larger organizations, this can include IT, Procurement, Finance, Compliance or others.

List out the requirements. Having a list of specific requirements (both tactical and goal-oriented) is so useful throughout this process. What would you need to be able to do with the tool? When would you need to have it fully implemented? What budget have you allocated for it? What are the "must-haves" vs. the "nice-to-haves"?

Identify and align on success metrics or OKRs. What would success look like if the solution fulfilled your needs? Can you quantify it? If not, what are the qualitative impacts this could have on your team, processes, etc.?

ICONIQ Analytics Tip

Before diving into Discovery, it's important to understand your broader tech stack landscape. Where would this new tool fit in?

ICONIQ Analytics Tip

Consider having one team, such as Revenue Ops, own all your GTM tools across Sales, Marketing, and Customer teams.

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If you don't already have a specific tool in mind for a targeted use case, you'll likely spend most of your time in the Evaluate phase. Here are some tips for evaluating vendors and their solutions:

Research potential options. We recommend G2, Capterra, and Gartner as starting places to identify both existing market leaders and emerging players in the category. Additionally, websites for the vendors you're evaluating will often have product guides or demos you can watch to get a sense of functionality fit.

> ***ICONIQ Analytics Tip***
>
> *Emerging players can often be faster to innovate, with more attractive pricing models and product roadmaps that scale with you.*

Contact vendors and conduct initial meetings. This is a great opportunity to share your list of requirements – you can save a lot of time by being forthcoming about your needs. During this step, keep your requirements list updated as you learn about new functionality and learn more about the solutions out there. It's hard to find a tool that satisfies all your requirements perfectly, and you can always come back to a vendor once you've done an initial pass.

Assess the partnership. This is especially important for high-touch tools that your team will be using daily or weekly. Is the vendor ready to support your usage? How do they respond to questions about their tech? How often do they release product updates? Do they have a dedicated product development team? Does the pricing structure scale with you?

> ***ICONIQ Analytics Tip***
>
> *If Customer Support is an added service fee (note: this is different from an implementation fee), this is often a signal that you may not receive adequate support from your vendor. If you see this, we recommend digging in deeper!*

Deep-dive on the tech and functionality. Here you're testing specific use cases in the product. Does the software meet your requirements? What's the ease of use? Could you see your team adopting this product? Does it provide native integrations to the rest of your tech stack? What would implementation look like? The vendor will often offer a brief trial at this stage; however, we find it's difficult to really assess your unique use cases during a trial.

Ask for customer references. Customer reference calls can be a great way to finalize and validate your decision, especially for a large tech investment. The vendor will set you up to chat with one of their existing customers so you can ask about their experience with the tool and the vendor. Make sure to bring up any outstanding questions or concerns!

A Guide to Building Out Your GTM Tech Stack

Key considerations for adding a new tool to your stack

For low-touch tools with a turnkey implementation, this phase can be as fast as pressing a button. However, some tools will require a lot of work to fully and smoothly implement. Here are some key considerations for a successful high-touch implementation:

Create a project plan. Most “"Best in Class"” vendors will create an implementation plan, or a mutual success plan, as part of their onboarding process. If not, we recommend working with them to create one or creating one internally to plan for the steps of implementation. Keep in mind goals, timelines, and key inputs needed from others.

Assess configuration needs. It’s not uncommon to outsource configuration for core tools such as a CRM or customer support system. These tools have opportunity cost if not initially configured to fit your unique needs and use cases. Additionally, you may need to bring in your IT or Engineering team to set something up.

Integrate with the rest of your stack. This is an incredibly important step that can sometimes be overlooked or pushed out as lower priority. We recommend working with your data and systems teams (this often falls under IT, Operations, or Data) to ensure thorough integration. This will often require building custom or non-native integrations to your data warehouse.

ICONIQ Analytics Tip

A well-designed data warehouse is key to building out a scalable data and stack infrastructure. If a data warehouse isn’t part of your existing stack, we recommend starting there!

Enable users and their managers. We recommend enablement for both end-users *and* leadership teams on the new tool and any new workflows. The management team is critical to ensuring process and best practice adherence for your new tool! Additionally, be sure to document any key “how-tos” and FAQs in your knowledge hub.

Prepare for ongoing implementation. Be ready to iterate quickly once you’ve rolled out a new tool! You may go through a testing or beta phase, collecting feedback and watching users execute on key workflows. Incremental improvements are key in this phase, as users can lose faith in a tool very quickly if it’s not meeting their needs

A Guide to Building Out Your GTM Tech Stack

Key considerations for adding a new tool to your stack

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Evaluate

Implement

Monitor

Congratulations, you've successfully implemented and launched a new tool in your stack! But the work isn't over yet – here are some things you can do to keep on track and get the most out of your new tool:

Monitor success metrics or OKRs. How are you doing against the OKRs you identified in the Discovery phase? Something to pay close attention to here is usage and adoption – vendors will often share this information within the tool, but feel free to ask for it if not.

Continue to evaluate the tool and the partnership. Is the vendor supporting your needs? Are they meeting SLAs? Does the tech do what you need it to do? Try to keep an open dialogue with your vendor partner to discuss any challenges or additional needs.

Best practice enforcement & adherence. Ensure users are using the tool as intended and following any best practices. Team managers are critical here - they should be enabled to enforce the right workflows and processes, and they should be alerted when usage does not meet expectations. Some teams are so stack- and data-oriented that they'll build tool usage and process adherence into incentive plans! You can learn more about structuring compensation plans in our ***GTM Series: Compensation & Incentives*** study.

More, and regular, enablement. Keep educating and enabling your team to get the most out of your stack, especially as new folks join the team and/or workflows change.

Stay nimble and continuously discover. The stack should be constantly adapting to your needs and business objectives, both at the individual tool level and the full stack level. Keep identifying pain points and opportunities to develop and use your stack to the fullest!

ICONIQ Analytics Tip

Invest in data cleanliness and reliability! The best GTM stack in the world is still susceptible to "Garbage in, garbage out".

Appendix

Methodology and Respondent Make-Up

Firmographics

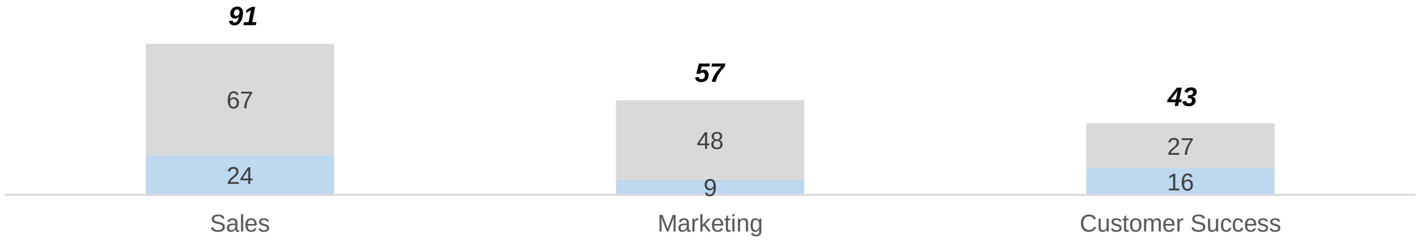
Methodology

- Results are based on an external survey conducted by ICONIQ Growth to 200+ GTM leaders across sales, marketing, and customer success
- All respondents are B2B SaaS companies based in the US, with ARR growth greater than 20%
- Certain values such as ARR were provided by respondents as ranges; for the purpose of this study, we have assigned numerical values
- All data is as of March 2021, unless indicated otherwise
- All n-sizes shown on subsequent pages are based on number of respondents who answered a question
- Function-specific questions were answered by individual executives in the specified function

Survey Respondent Make-Up

See GTM Chapter 1 (pages 4, 18-19) for the full survey respondent firmographics by customer type, sales motion, etc.

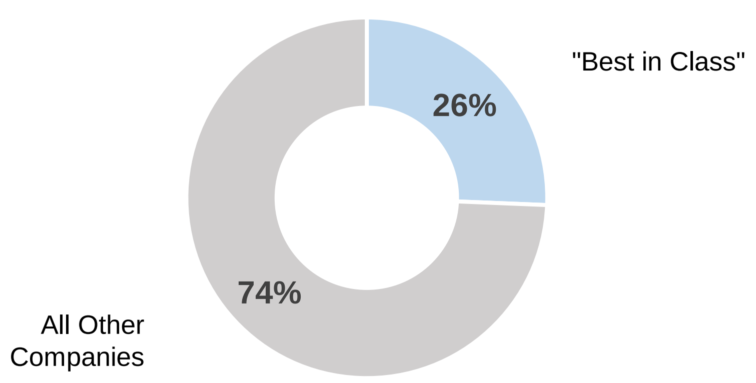
FUNCTIONS *(n = 194*)*



Companies defined as “"Best in Class"” companies in this dataset meet the following criteria:

- 2020 ending ARR > $10M
- 2020 YoY ARR growth > 30%
- 2020 annual net dollar retention > 110%
- 2020 annual gross dollar retention > 80%
- Full-time sales employees > 10 FTEs
- AE / Sales Rep quota attainment > 50%
- AE / Sales Rep attrition rate < 30%

“"Best in Class"” Companies



** Certain outliers with ARR > $250M and total FTEs > 1000 have been excluded from this chapter*

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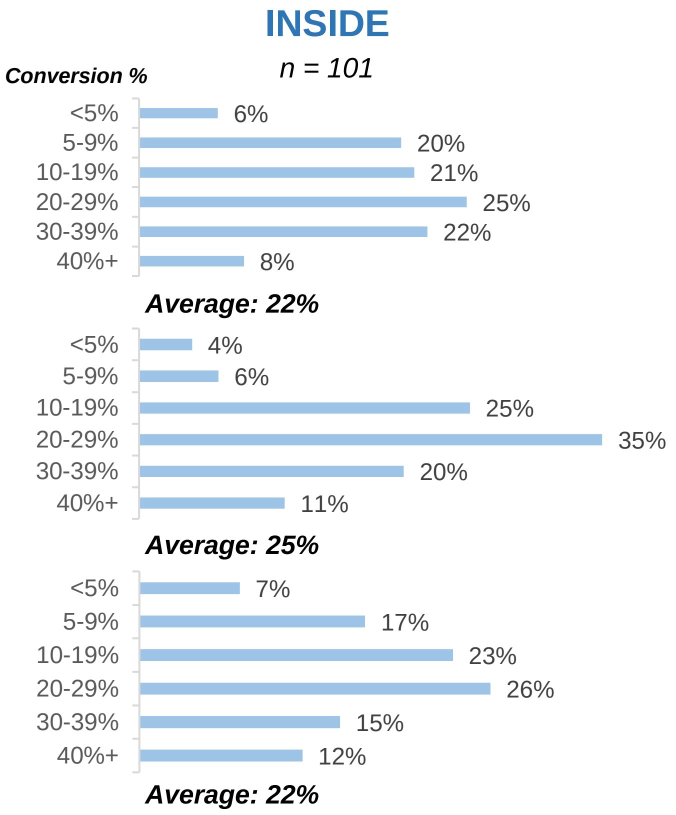
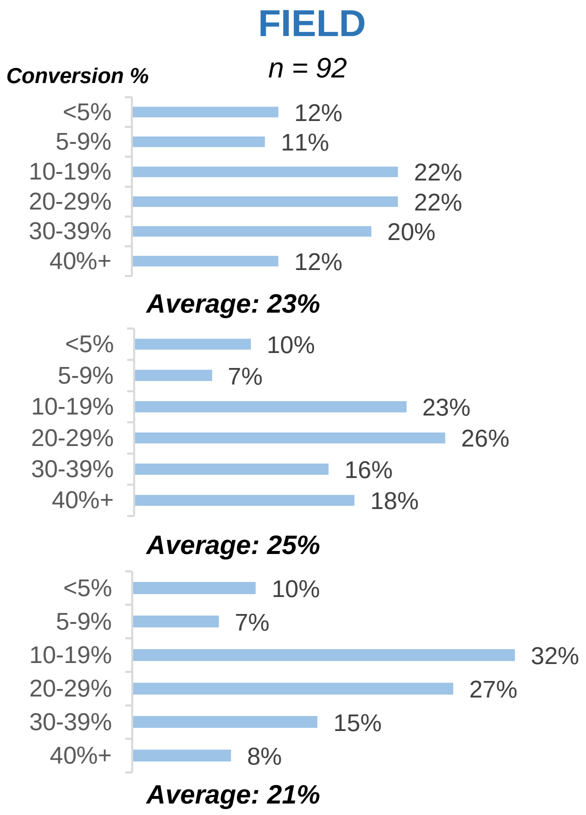
Funnel Conversion Rates by Selected Range

Conversion rates at each step of the sales funnel hover on average around 20-25%, with ~4% of closed won opportunities coming from marketing qualified leads

AVERAGE FUNNEL CONVERSION*

March 2021 External Survey





IMPLICATIONS

While it is relatively easy to increase the number of leads and MQLs at the top of the funnel, there is usually a **significant drop-off as deals move down the funnel**, with **~4% of closed won opportunities coming from MQL**. One of the main ways to improve conversion rates is to have a GTM tech stack that allows organizations to get better visibility into pipeline, support team coaching / management, and inform data-driven business decisions

** Conversion rates are an average of inbound and outbound leads*

Commonly Used GTM Tools

Selected Reviews: Marketing Automation

REVIEWS | SELECTED VERBATIMS

Tool (G2 Rating)	Review
6sense *4.47*	"The 6Sense platform has shown unbelievable ROI - with our teams spending hundreds of dollars to influence millions in pipeline." "Helps establish an accountable, data-driven ABM approach. Efficiently delivers an optimized, clean ABM marketing automation / CRM instance, build out your ABM database, using AI to prioritize your accounts and contacts" "Great sales prospecting. Great intent data exposed to reps in the form of reports and the SFDC plugin." "The accuracy of the information and the ability for me to roadmap my prospecting efforts strategically in order to generate quality leads that turn into revenue FAST." "We customized our intent stages and use that to inform our strategy and prioritize the most likely to convert accounts."
Marketo *4.31*	"Incredibly mature architecture that is by design incredibly scalable and efficient." "Marketo's platform has many advantages, including intuitive social tools and beautiful landing page templates. The social components are the highlight of Marketo's platform." "The best thing about this tool is the large user community. They are always available to help you if you have any problems." "Both the customer service and creative teams also have something to like about it. They are interested in our other goals as well as in increasing sales, and not just profits." "I like the flexibility I have in managing my campaigns and the number of campaigns as well as my instances. It's relatively hassle free and works well for our marketing campaigns."
Pardot *4.16*	"The reporting is also clear in terms of emails delivered, sent, opens, clicks, etc. I like the engagement studio as well. Quite a time-saver." "Ease of access and versatile layout, functionality like prospect generation, email marketing, Salesforce integration and campaign management." " It is extremely helpful to design emails and to try emails and later schedule emails for a particular community." "It is easy to use, has a good UX and is easy to learn." "Like the ease of use when building automated email nurture programs. The flexibility allows us to customize to the degree that we'd like."

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Source: G2 Customer Reviews

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Commonly Used GTM Tools

Selected Reviews: Contact Engagement

REVIEWS | SELECTED VERBATIMS

Tool (G2 Rating)	Review
Outreach *4.5*	"They have speedy and effective customer service; a huge plus is that it's within the platform." "Outreach allows me to create a multi-pronged approach to prospecting and follow up that is personalized and scalable." "The user interface is easy to understand, so it enables a streamlined onboarding process." "The major benefit to Outreach is the highly granular reporting and analytics behind the scenes that helps our team to optimize for the best messaging, time of the day to call, and CTAs to boost reply rates through A/B testing."
Salesloft *4.65*	"This is a great solution for team email cadences and resources for BDR campaigns. As a manager, I like to listen to my team's calls and use it as a coaching tool." "The price point is more competitive than other platforms for what you get." "It allows me to establish communication on more than one occurrence in a large volume." "Ease of use as it pertains to execution for cadence and deals follow-up. We've had to use separate tools for SDRs and AEs because of how our sales process works. With Salesloft, we can use one platform to execute!" "Salesloft does everything for me and is my online diary or journal to keep track of my cold prospects. Super cool user interface."

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Source: G2 Customer Reviews

Commonly Used GTM Tools

Selected Reviews: Sales Enablement

REVIEWS | **SELECTED VERBATIMS**

Tool (G2 Rating)	Review
HubSpot Sales Hub *4.52*	"There are multiple reasons I really like HubSpot: ease of use, Intuitive, has the features I need and even the free version is quite good." "The automation capabilities and ability to customize HubSpot to fit your specific sales needs has been a true game-changer for us. Being able to track outgoing calls via cellphones and the app is loved by our entire sales team." "Easy to link to your Gmail and track e-mail outgoing and incoming. Meeting scheduling is easy to use with my gmail calendar." "Their client service team is very quick to reply (not always fixing the problem - but quick to try and address it." "I like how easy it is to customize the pipeline to fit our business. If we need to adjust the pipeline, it is easy to change without any downtime. "
HubSpot Marketing Hub *4.56*	"I really love the simplicity of HubSpot, just about anyone could pick it up and leverage 75% of the platform right away." "I love the fact that Marketing campaigns can easily be created, managed, promoted, and reported on from one tool." "With HubSpot you can integrate with 3rd party applications to get contact details, notify the team of tasks needed to complete the sales cycle, create statements of work (SOWs) and create sales orders and associated tasks to begin the project for the client." "Immediate WYSIWYG editor is user-friendly and fast which encourages to edit things on site" "Another thing I like about HubSpot Marketing Hub is HubSpot Academy. This free feature allows its users to gain industry-acclaimed certificates free of cost."
ZoomInfo *4.56*	"It has allowed us to increase our target account volume and exponentially grown our business development efficiency." "Easily integrates into our CRM. No lag. No leaks. I also like the fact that the information is constantly being updated." "The best part of ZoomInfo is the accuracy and completeness of the data, especially for North America. Many other features are helpful, for, e.g., integration with HubSpot, the intent topics, etc. I also like the user management and admin dashboard." "ZoomInfo's customer service is quick and appreciated." "The level of data and breadth of reports that you are able to run better allow you to create ways to segment your audience thereby increasing the likelihood of reaching the right person and the right time with the right message."

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Source: G2 Customer Reviews

ICONIQ

Commonly Used GTM Tools

Selected Reviews: Revenue Intelligence

REVIEWS | **SELECTED VERBATIMS**

Tool (G2 Rating)	Review
Clari *4.82*	"The friendly User Interface both in the computer and the mobile version. In the desktop more for management and in the mobile for forecast submit." "It's very fast so it doesn't impact at all the management performance." "It is highly customizable and so much easier, more efficient to use as a single pane of glass for managing my SalesForce pipeline." "The predictive capabilities of the platform, which give you a range at which it believes a salesperson will finish a fiscal period (quarter, for example), is very helpful as well." "What I like about Clari is how easy it is to use and the ability to use the Mobile version for quick updates"
Gong *4.85*	"As an SDR training up to become an AE, the ability to pull up Gong call recordings to learn about our demo process or use the recordings to pass along helpful call notes to our Sales Lead is invaluable." "Also, their customer support and resources are amazing!!" "It also helps me to develop my follow-up emails quickly and efficiently. Finally it gives me insight into my own speaking patterns." "Gong's accuracy in recordings and pure usability." "The best part about Gong would have to be the interactive feedback feature."

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Source: G2 Customer Reviews

ICONIQ