

# ICONIQ

ICONIQ ANALYTICS & INSIGHTS  
*Go-to-Market Compensation & Incentives*

*June 2021*

# ICONIQ Capital, LLC

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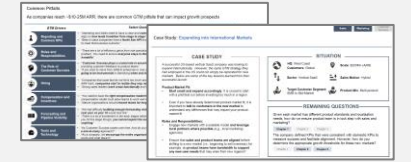
# ICONIQ Analytics & Insights – GTM Series

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

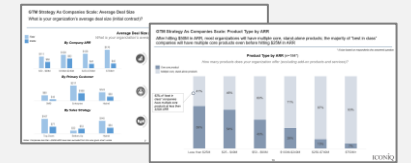
### **GTM Series Introduction**

- 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



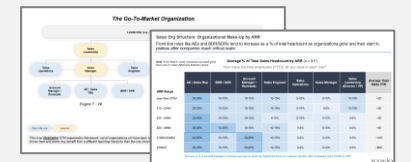
### **Chapter 1: GTM Strategy & Evolution**

- 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**

- 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**

- 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?

**Focus of this study**

### **Chapter 4: GTM Processes & Enablers**

- How do you create high fidelity to what opportunities are in the pipeline?
- What KPIs should you track and report on?
- What does an organization's GTM tech stack look like?

July

# Executive Summary

## 1 Compensation Structure

- The majority of sales organizations have **different compensation structures for dedicated reps across inside, field, SMB, and enterprise segments**
- Most sales organizations offer different types of variable compensation structures, such as **commissions, accelerators, and SPIFFs (sales performance incentive fund) to reward employees**
- Marketing and Customer Success teams tend to have the **majority of compensation (80-85%) tied to a base salary**, with some additional upside for business goals or customer retention

## 2 Pay Variation

- GTM compensation varies **primarily based on role seniority, geography, and company performance**, with most organizations looking at multiple metrics to determine compensation
- On average, companies with **coastal headquarters should expect to see a ~25% premium on AE salaries**
- **"Best in Class"<sup>1</sup> companies typically compensate GTM teams by 20% more** than average companies

## 3 Variable Compensation

- Sales, marketing, and customer success teams are often **compensated on different metrics, which can lead to misaligned incentives**
- Sales reps are most frequently compensated against **ACV and expansion dollars**, whereas marketing is most often compensated on **top-of-funnel metrics like # leads and pipeline \$**
- Customer success teams are the **only GTM teams primarily compensated against retention and customer health metrics**

<sup>1</sup> "Best in Class" definition provided on page 5

# Methodology and Respondent Make-Up

## Firmographics

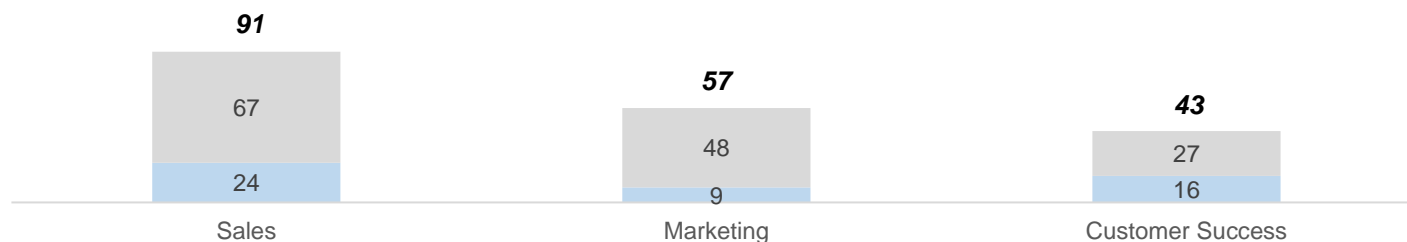
### Methodology

- Results are based on an external survey conducted by ICONIQ 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.

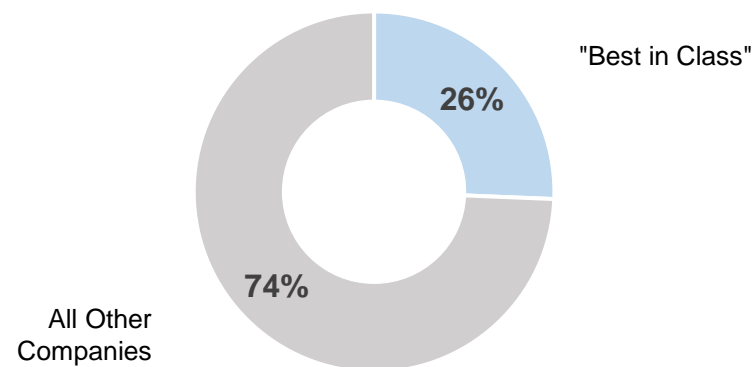
#### FUNCTIONS (n = 194\*)



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

## Glossary

TERM	DEFINITION
<b>On-Target Earnings (OTE)</b>	The expected total pay, which comprises base salary and variable compensation for a salesperson if performance matches expected targets
<b>Quota</b>	A target set by management for sales reps usually in a specific period of time (e.g., quarterly, annually)
<b>Commission</b>	Additional compensation a salesperson receives for meeting or exceeding a minimum sales threshold, usually tied to a % of the sale
<b>Accelerator</b>	An increase in commission payout that usually kicks in when a rep hits a specific amount over quota. For example, a rep may earn a higher commission after hitting 100% of quota
<b>Sales Performance Incentive Fund (SPIFF)</b>	A monetary bonus usually tied to a business goal or sales contest outside of the annual sales compensation plan
<b>Quota Over-Assignment</b>	The practice of padding or allocating a larger quota than needed
<b>Quota Relief</b>	An adjustment to a sales quota that has already been set

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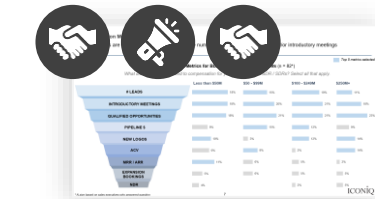


**On-Target Earnings (% Fixed)**  
Pages 12, 16, 25

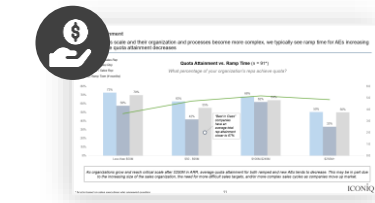


**All-In Compensation (% Fixed)**  
Pages 31, 35

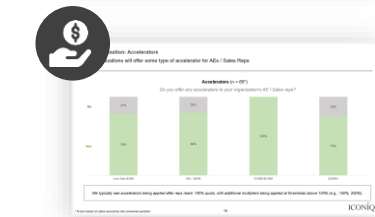
- Sales
- Marketing
- Customer Success



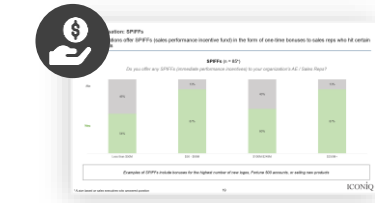
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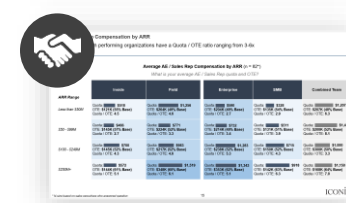
**Accelerators**  
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**SPIFFs**  
Pages 15, 18, 21



**All-In Compensation**  
Pages 8, 27-28, 33



**On-Target Earnings**  
Pages 12, 16, 25

**Sales**



# All-In Compensation Summary by Role

All-in compensation will vary based on factors such as seniority, region, and company performance

- BDR
- AE
- MANAGER

## All-in Compensation by Role (n = 82\*)

What is your organization's median all-in compensation (\$) for each sales role across teams?

### By ARR

	Average All-In Compensation (\$K)		
	BDR / SDR	AE / Sales Rep	Sales Manager
Less than \$50M	\$100-125	\$200-225	\$225-250
\$50 - \$99M	\$75-100	\$200-225	\$225-250
\$100 - \$249M	\$75-100	\$200-225	\$250-275
\$250M+	\$100-125	\$175-200	\$225-250

### By HQ Region

Does not necessarily denote where sales teams are based

	Average All-In Compensation (\$K)		
	BDR / SDR	AE / Sales Rep	Sales Manager
West	\$100-125	\$225-250	\$275-300
Midwest	\$100-125	\$175-200	\$200-225
South	\$75-100	\$175-200	\$225-250
Northeast	\$100-125	\$175-200	\$175-200

### By "Best in Class"

	Average All-In Compensation (\$K)		
	BDR / SDR	AE / Sales Rep	Sales Manager
"Best in Class"	\$75-100	\$225-250	\$275-300
Other	\$75-100	\$175-200	\$225-250

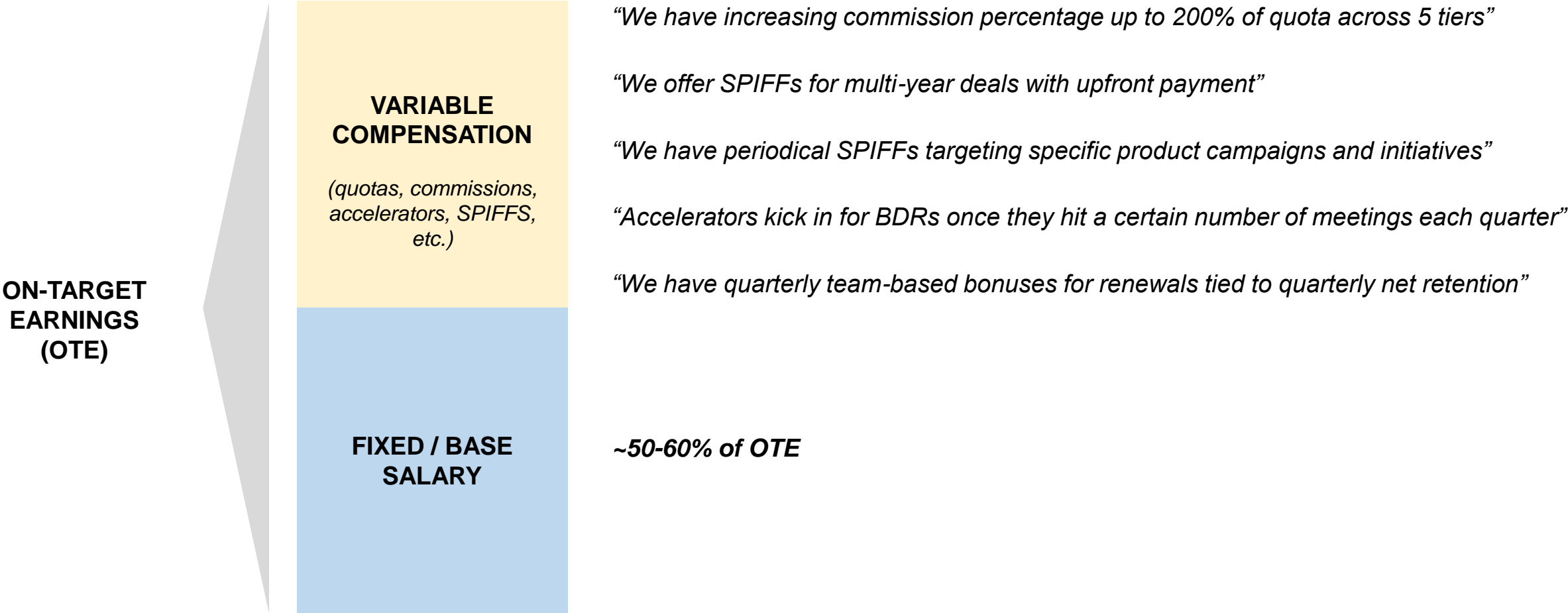
1 "Best in Class" definition provided on page 5

2 N-size based on sales executives who answered question

3 Numbers shown are based on average numbers assigned to different salary ranges respondents selected

# Sales Compensation Structure

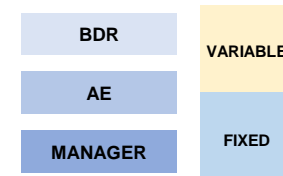
All-in compensation will vary based on factors such as seniority, region, and company performance



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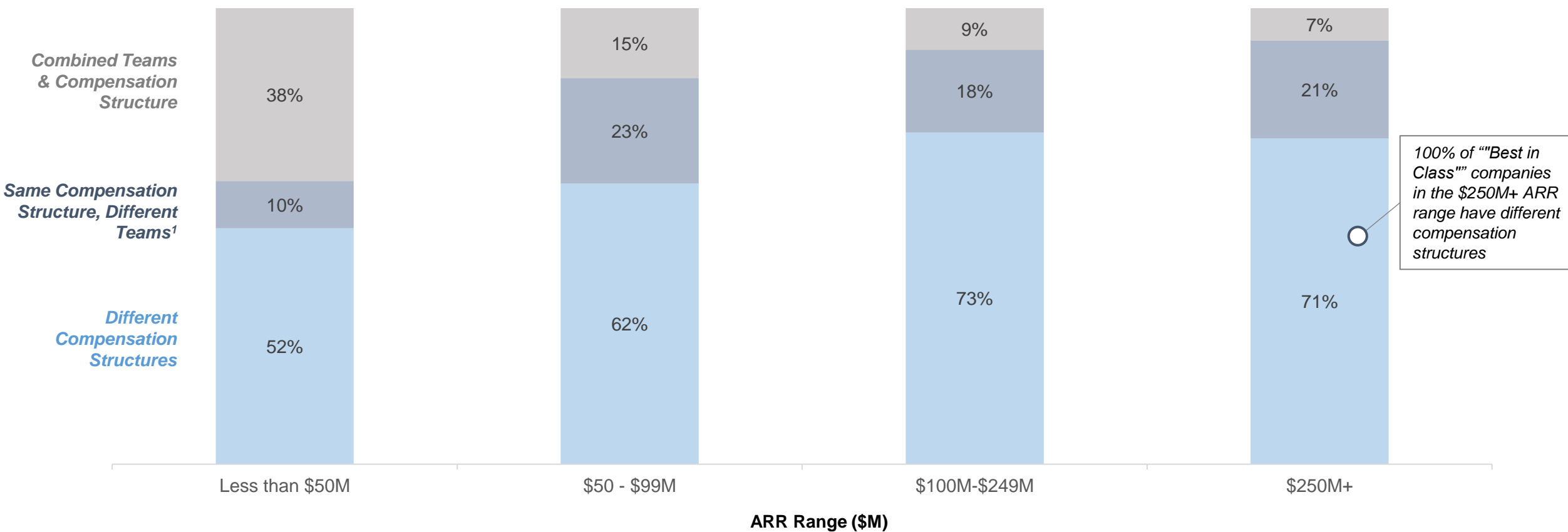
# Compensation Structure for Inside vs. Field Teams

The majority of organizations have different compensation structures for inside and field sales teams



## Compensation Structure for Inside vs. Field Teams (n = 67\*)

Do you have different compensation structures for inside vs. field teams?

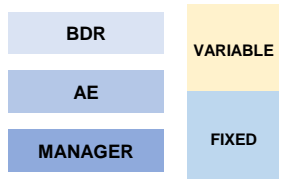


100% of "Best in Class" companies in the \$250M+ ARR range have different compensation structures

Notes: (1) Same compensation structure refers to same split of base vs variable  
 \* N-size based on Sales executives who answered question; respondents with only field or inside sales were excluded in this view

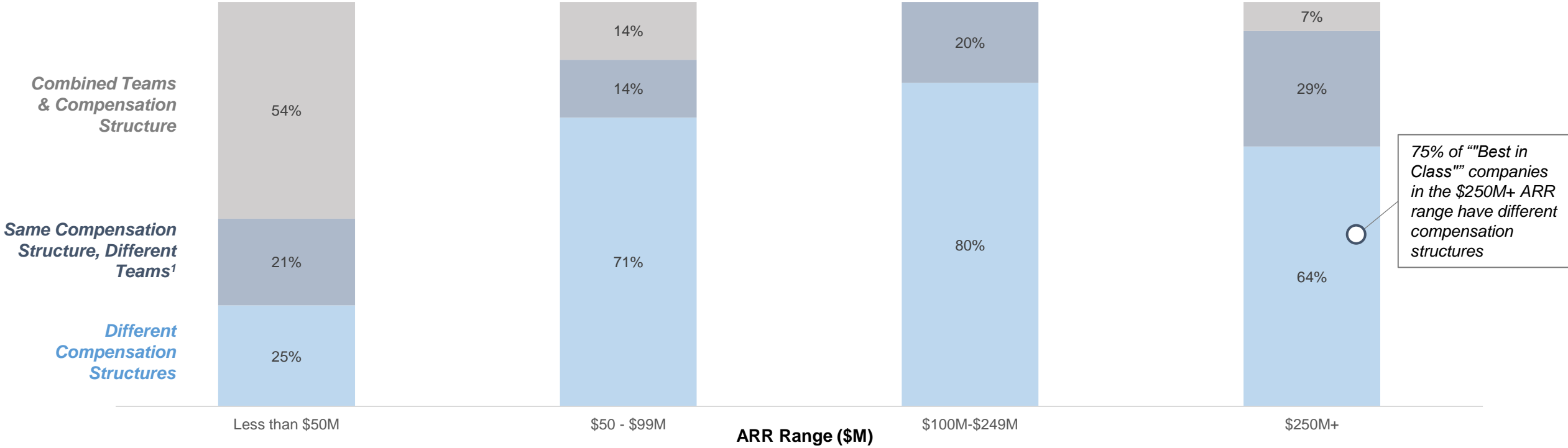
# Compensation Structure for SMB vs. Enterprise Teams

The majority of organizations have different compensation structures for SMB and Enterprise teams after reaching \$50M in ARR



## Compensation Structure for SMB vs. Enterprise Teams (n = 66\*)

Do you have different compensation structures for SMB vs. Enterprise teams?



75% of "Best in Class" companies in the \$250M+ ARR range have different compensation structures

Around 2/3 of respondents with different compensation structures for SMB and Enterprise teams also have different compensation structures for their inside and field teams.

Notes: (1) Same compensation structure refers to same split of base vs variable  
 \* N-size based on Sales executives who answered question; respondents with only field or inside sales were excluded in this view

## BDR / SDR Compensation by ACV

On-target earnings for BDR/SDRs ranges from ~\$80K to \$180K depending on the sales motion or primary customer segment

BDR	VARIABLE
AE	
MANAGER	FIXED

### Average BDR / SDR OTE by ACV (n = 63\*)

What is your average BDR / SDR OTE and % base?

ACV Range	Inside	Field	SMB	Enterprise	Combined Team <sup>1</sup>
Less than \$50K	\$68K (43% Base)	\$73K (43% Base)	\$82K (50% Base)	\$81K (50% Base)	N/A
\$50 - \$99K	\$85K (N/A)	\$158K (53% Base)	\$90K (55% Base)	\$138K (60% Base)	88K (N/A)
\$100 - \$249K	\$92K (61% Base)	\$169K (51% Base)	\$124K (57% Base)	\$144K (57% Base)	86K (58% Base)
\$250K+	N/A	N/A	N/A	N/A	N/A

Notes: (1) Combined team refers to respondents who only provided compensation figures for their total sales team and did not have segmented AEs  
 \* N-size based on sales executives who answered question

# Compensation Metrics: BDR / SDRs

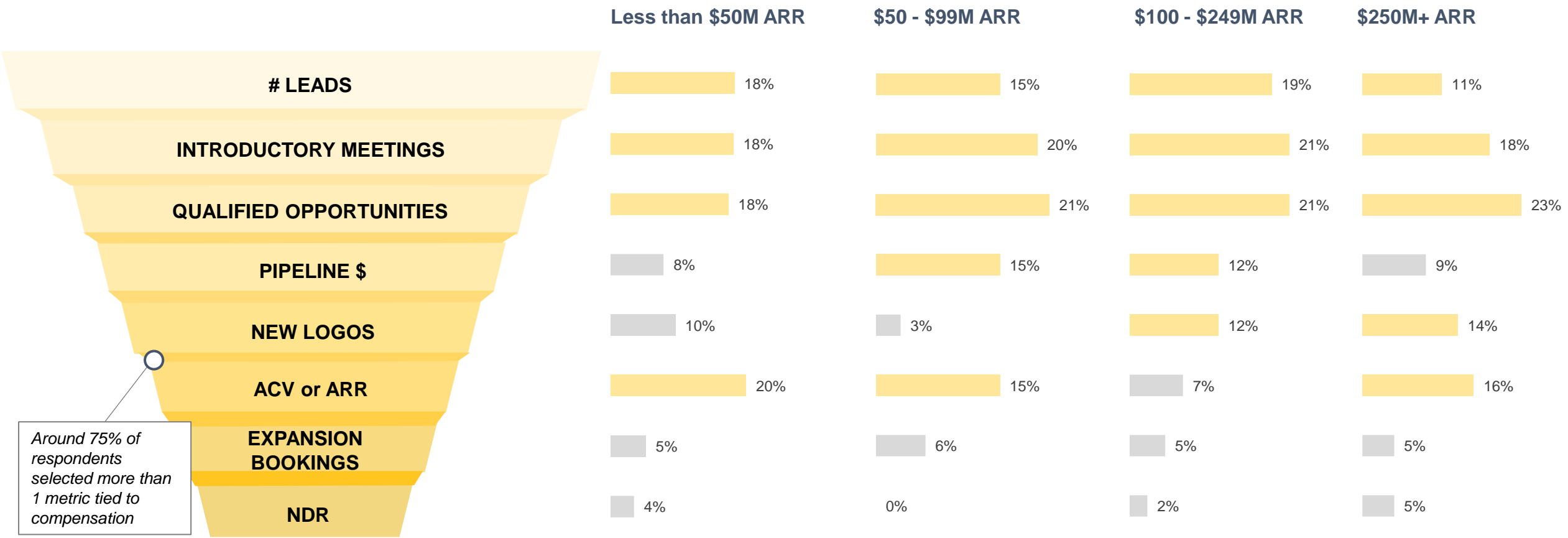
BDRs / SDRs are usually compensated against the number of qualified opportunities and/or introductory meetings

BDR	VARIABLE
AE	
MANAGER	FIXED

Top metrics selected

## Compensation Metrics for BDR / SDRs, % of Respondents (n = 82\*)

What are the key metrics tied to compensation for your organization's BDR / SDRs? Select all that apply.



Around 75% of respondents selected more than 1 metric tied to compensation

\* N-size based on sales executives who answered question

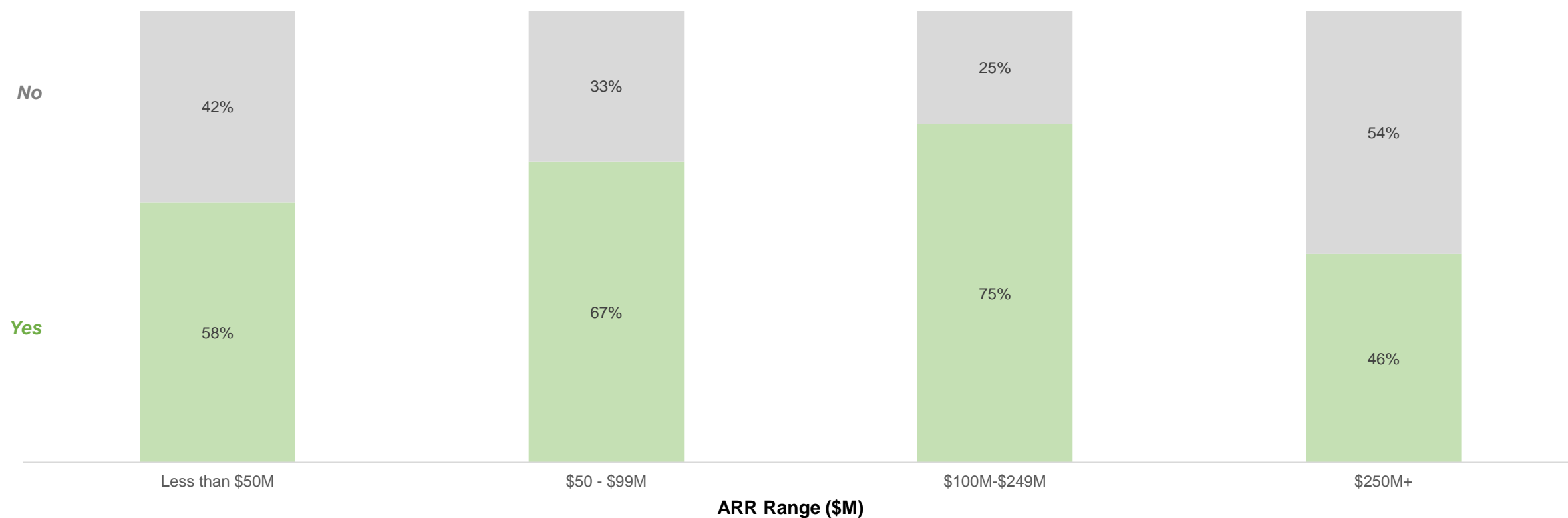
## BDR / SDR Compensation: Accelerators

Around 50-75% of sales organizations offer accelerators to their BDR / SDRs, often tied to a meeting quota

BDR	VARIABLE
AE	
MANAGER	FIXED

### Accelerators (n = 80\*)

Do you offer any accelerators to your organization's BDR / SDRs?



Multiple survey respondents had accelerators that kick in after BDR / SDRs meet 100% of the quarterly or annual meeting quota. Hybrid and inside sales organizations were more likely to offer accelerators compared to sales organizations with a primary field sales motion.

\* N-size based on sales executives who answered question

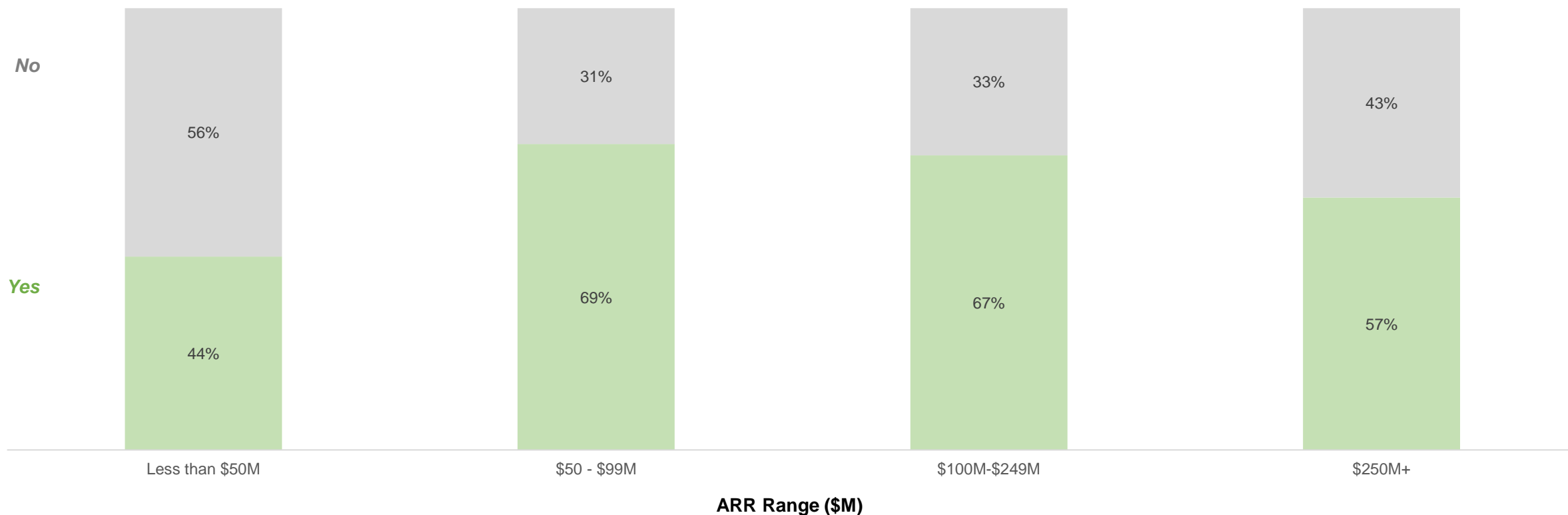
## BDR / SDR Compensation: SPIFFs

Around 50-70% of sales organizations offer SPIFFs to their BDR / SDRs based on incentives separate from the annual compensation plan

BDR	VARIABLE
AE	
MANAGER	FIXED

### SPIFFs (n = 80\*)

Do you offer any SPIFFs (immediate performance incentives) to your organization's AE / Sales Reps?



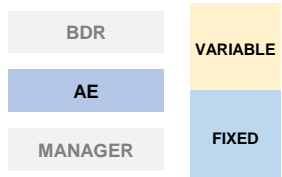
Examples of SPIFFs highlighted included bonuses based on target accounts, call blitzes, or joint pipeline goals. Organizations with a primary inside sales motion were more likely to offer SPIFFs to BDR/SDRs than companies with a field sales motion.

\* N-size based on sales executives who answered question



# AE / Sales Rep Compensation by ACV

On average, “best in class” organizations have a Quota / OTE ratio ranging from 3-6x



## Average AE / Sales Rep Compensation by ACV (n = 82\*)

What is your average AE / Sales Rep quota<sup>2</sup> and OTE?

ACV Range	Inside	Field	SMB	Enterprise	Combined Team <sup>1</sup>
Less than \$50K	Quota: █████ \$408K OTE: \$124K (46% Base) Quota / OTE: 3.1	Quota: █████ \$599K OTE: \$181K (51% Base) Quota / OTE: 4.0	Quota: █████ \$428K OTE: \$109K (50% Base) Quota / OTE: 3.8	Quota: █████ \$591K OTE: \$195K (50% Base) Quota / OTE: 3.5	Quota: N/A OTE: N/A Quota / OTE: N/A
\$50 - \$99K	Quota: █████ \$390K OTE: \$140K (70% Base) Quota / OTE: 3.1	Quota: █████ \$982K OTE: \$215K (60% Base) Quota / OTE: 5.1	Quota: █████ \$590K OTE: \$139K (61% Base) Quota / OTE: 2.9	Quota: █████ \$1,027K OTE: \$203K (61% Base) Quota / OTE: 4.9	Quota: █████ \$900K OTE: 158K (63% Base) Quota / OTE: 6.3
\$100 - \$249K	Quota: █████ \$727K OTE: \$144K (53% Base) Quota / OTE: 4.8	Quota: █████ \$1,388K OTE: \$270K (50% Base) Quota / OTE: 4.9	Quota: █████ \$825K OTE: \$159K (50% Base) Quota / OTE: 4.9	Quota: █████ \$1,422K OTE: \$267K (50% Base) Quota / OTE: 5.1	Quota: █████ \$1,197K OTE: \$222K (48% Base) Quota / OTE: 6.3

Notes: (1) Combined team refers to respondents who only provided compensation figures for their total sales team and did not have segmented AEs; (2) Quota refers to ACV (new and expansion bookings)  
\* N-size based on sales executives who answered question

# Compensation Metrics: AE / Sales Reps

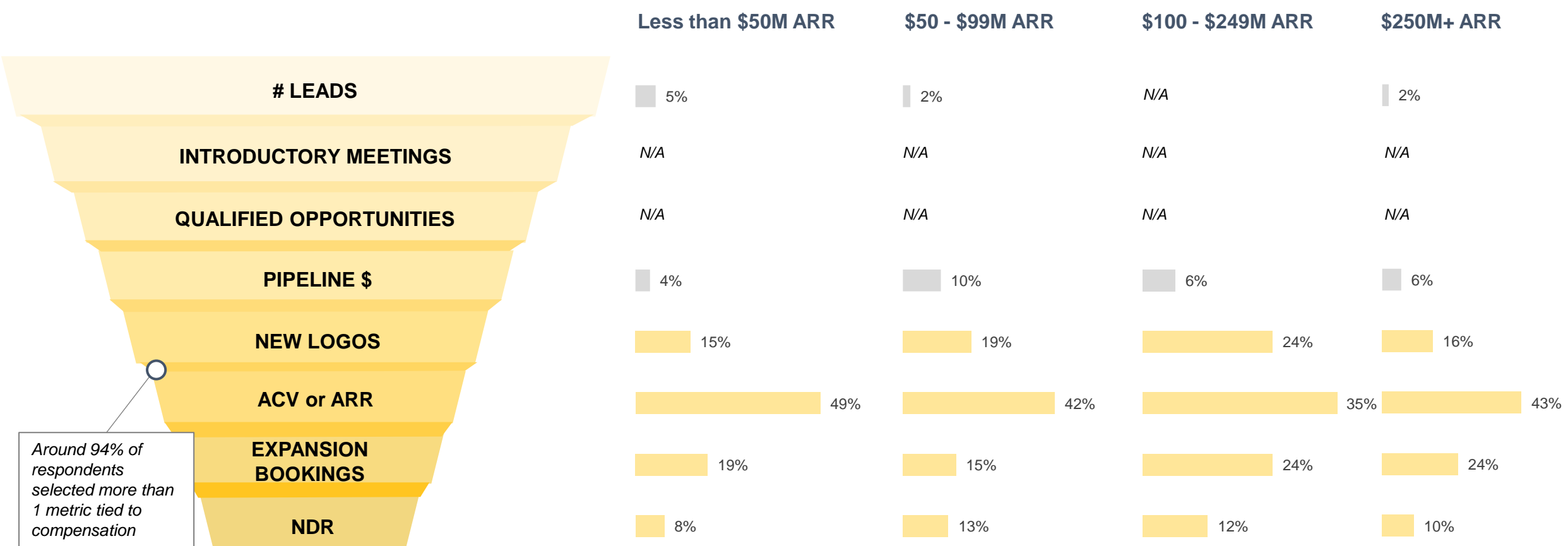
AE / Sales Reps are most frequently compensated against ACV, with expansion bookings and MRR / ARR often being tied to compensation as well

BDR	VARIABLE
AE	
MANAGER	FIXED

Top metrics selected

## Compensation Metrics for AE / Sales Reps, % of Respondents (n = 87\*)

What are the key metrics tied to compensation for your organization's AEs / Sales Reps? Select all that apply.



Around 94% of respondents selected more than 1 metric tied to compensation




\* N-size based on sales executives who answered question

# AE Variable Compensation: Quotes

Compensation structures for variable compensation bonuses like SPIFFs and accelerators for AEs vary greatly

BDR	VARIABLE
AE	
MANAGER	FIXED

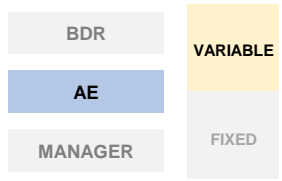
## Types of AE Variable Compensation

	 SPIFFS	 ACCELERATORS	 OTHER
<b>Select Quotes from Survey Respondents</b>	<ul style="list-style-type: none"> <li>• “We offer a SPIFF for the highest number of new logos”</li> <li>• “We will do end of quarter fiscal year SPIFFs”</li> <li>• “We will do a bonus / SPIFF for new or timely products needing a lift”</li> <li>• “Logo wins are paid as a SPIFF on contract signature”</li> <li>• “We have monthly SPIFFs based on self generated opportunities”</li> <li>• “We have SPIFFs for deal size and others to support marketing and product initiatives”</li> <li>• “We have SPIFFs for annual payment, upfront, multi-year deals”</li> </ul>	<ul style="list-style-type: none"> <li>• “Accelerators above 100% of quota for multi-year SaaS contracts”</li> <li>• “Commissions accelerate linearly after 100% to 3x at 200% attainment”</li> <li>• “AEs can earn 200% of variable compensation at 150% performance”</li> <li>• “At 120% of quota, commission percentage doubles”</li> <li>• “We have 2x and 3x base rates on accelerators at 200% and 300% of quota”</li> <li>• “Accelerators at 101-110%, 111-120%, and &gt;120%”</li> <li>• “Above 100%, accelerators are applied. Extra 1% between 100-110%, extra 1.5% from 111-125%, and 2% or higher above 126%”</li> </ul>	<ul style="list-style-type: none"> <li>• “We have a President’s Club for top salespeople”</li> <li>• “We like to do monthly contests and team challenges”</li> <li>• “We have quarterly team-based review bonuses, not tied to individual retention but a reflection of quarterly net retention”</li> </ul>
<b>% of Respondents Who Offer</b>	~78%	~64%	N/A

The statements expressed on this page solely represent the views of the respective speakers and are not necessarily the views of ICONIQ Growth  
 \* N-size based on sales executives who answered question

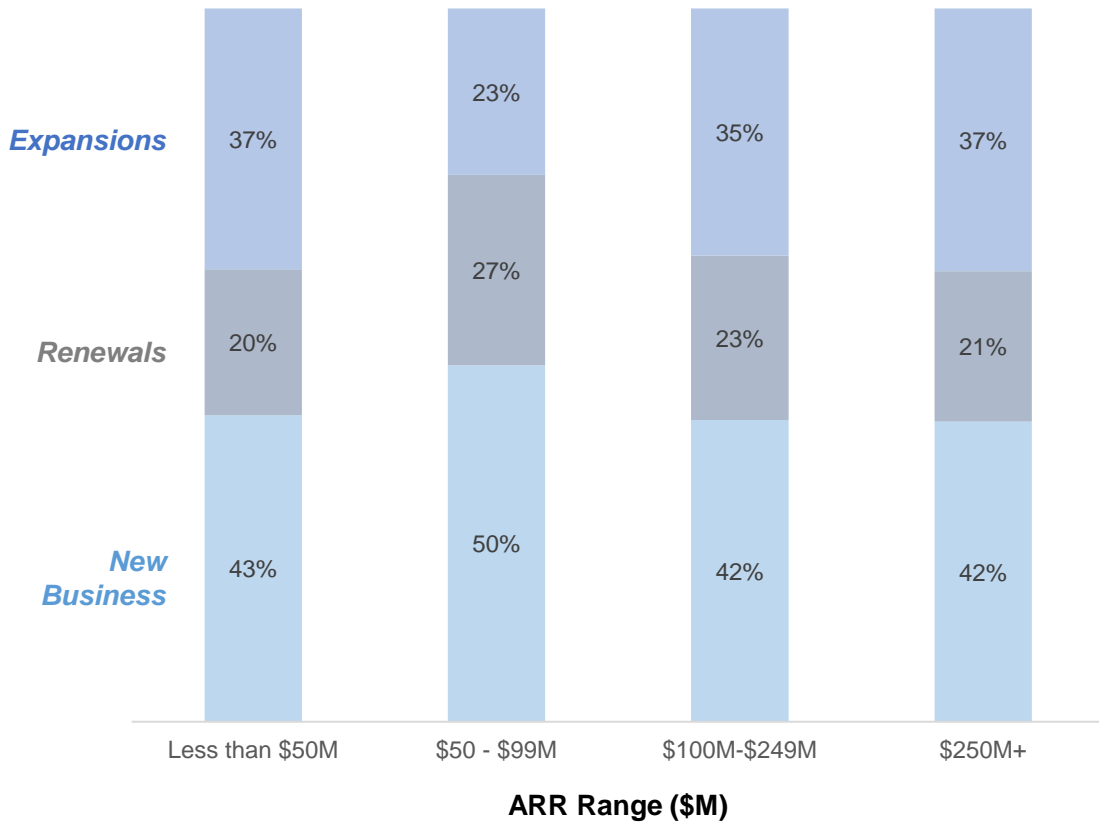
# AE / Sales Rep Compensation: Commissions

Most organizations offer commissions for expansions and new logos to AEs, with the commission rate on average being around ~10% of ACV



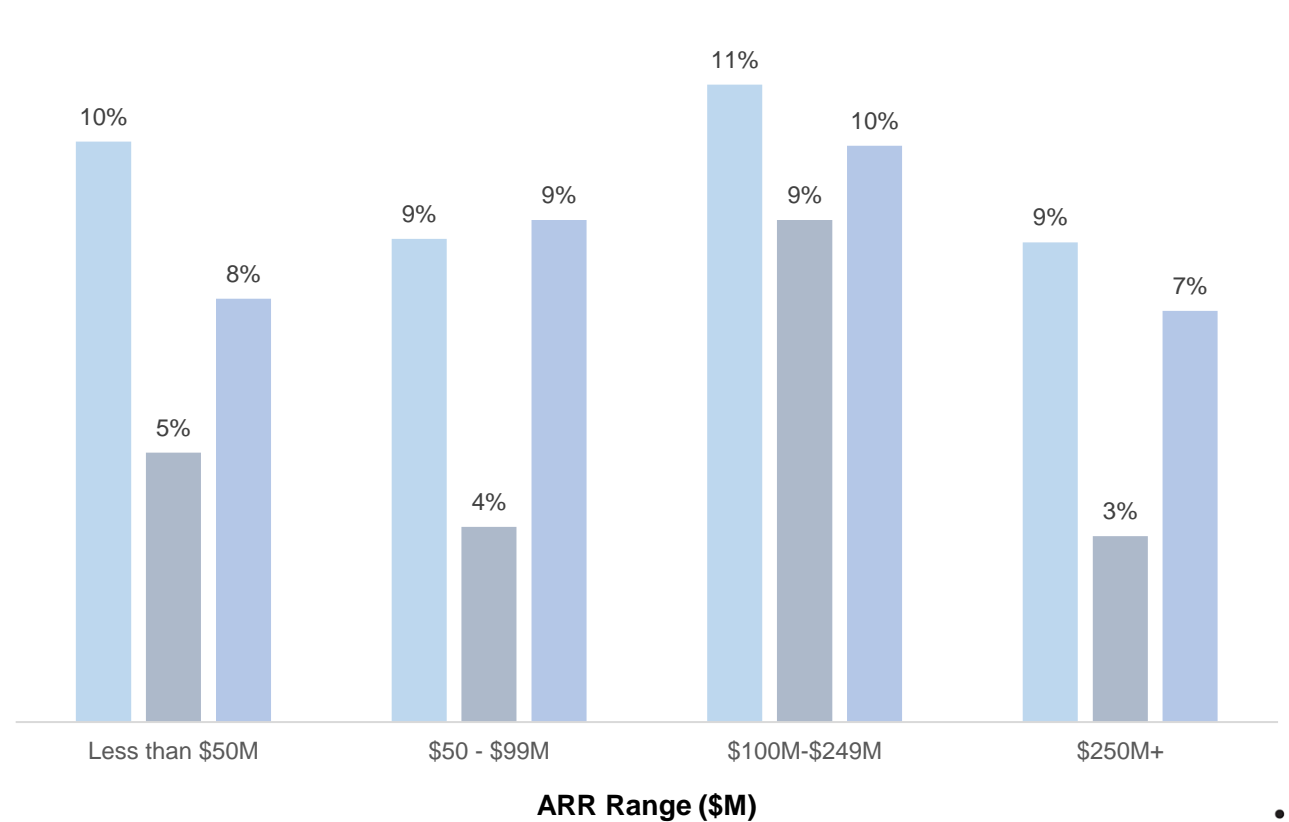
**Commissions, % of Respondents (n = 86\*)**

*Do you offer commissions to AE / Sales Reps and if yes, what type?*



**Commissions, as % of ACV (n = 86\*)**

*What percentage of Annual Contract Value (ACV) is your organization's commission rate for AE / Sales Reps?*



\* N-size based on sales executives who answered question

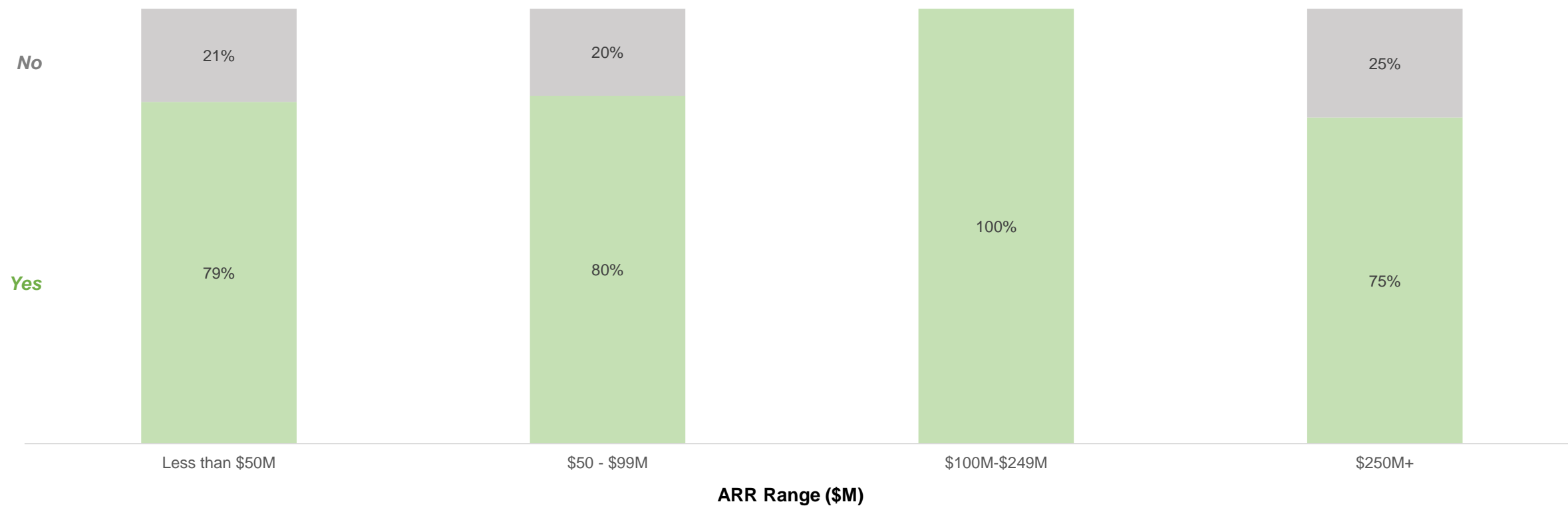
# AE Compensation: Accelerators

Most organizations will offer some type of accelerator for AEs / Sales Reps

BDR	VARIABLE
AE	
MANAGER	FIXED

## Accelerators (n = 85\*)

Do you offer any accelerators to your organization's AE / Sales reps?



We typically see accelerators being applied after reps reach 100% quota, with additional multipliers being applied at thresholds above 100% (e.g., 150%, 200%).

\* N-size based on sales executives who answered question

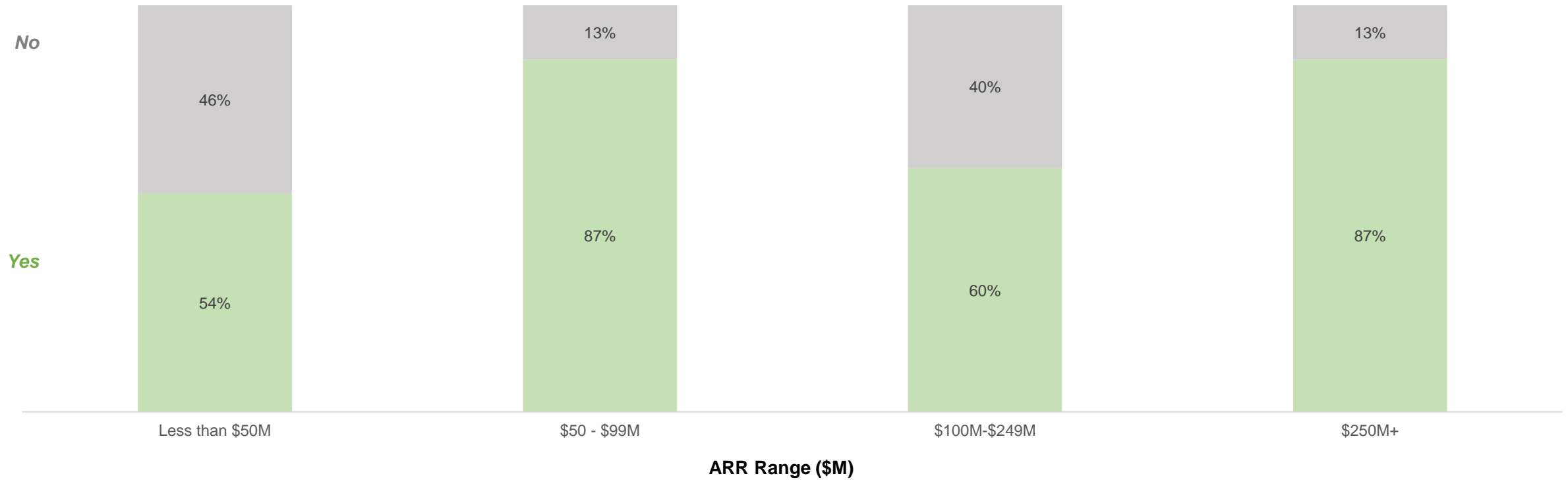
# AE Compensation: SPIFFs

Most organizations offer SPIFFs (sales performance incentive fund) in the form of one-time bonuses to sales reps who hit certain business goals

BDR	VARIABLE
AE	
MANAGER	FIXED

## SPIFFs (n = 85\*)

Do you offer any SPIFFs (immediate performance incentives) to your organization's AE / Sales Reps?

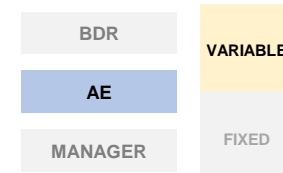


Examples of SPIFFs include bonuses for the highest number of new logos, multi-year deals, Fortune 500 accounts, or selling new products.

\* N-size based on sales executives who answered question

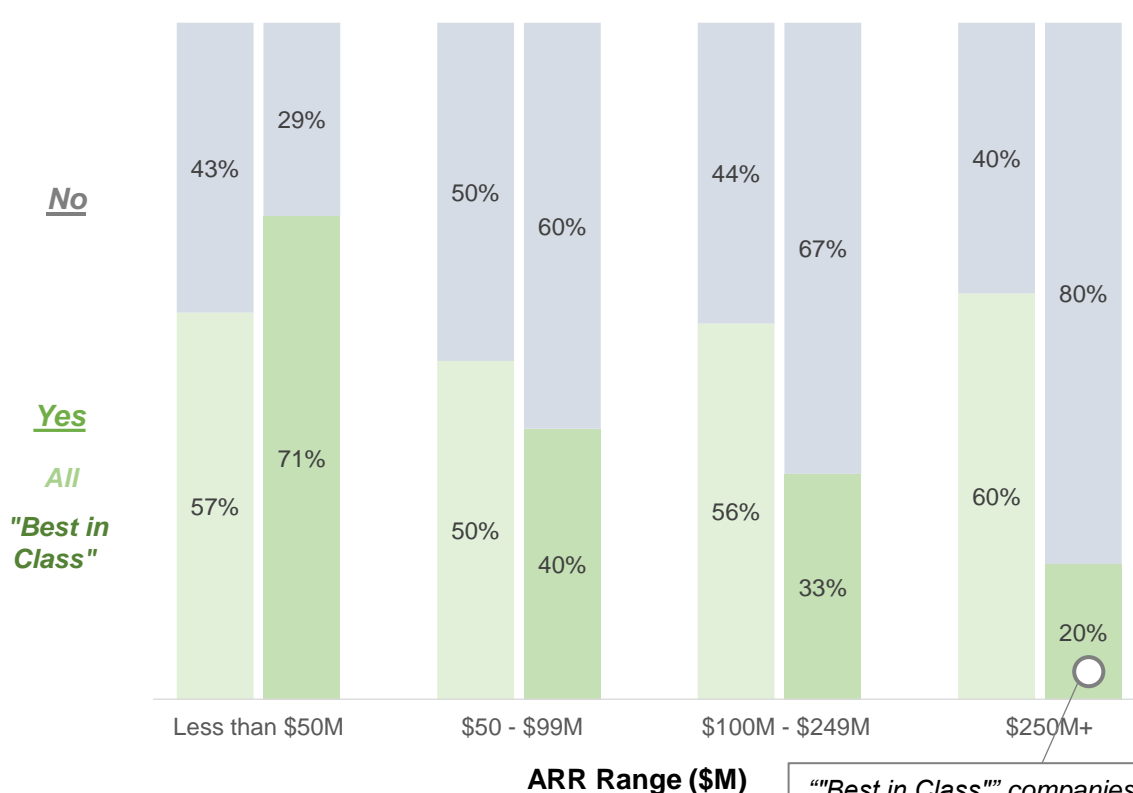
# Quota Over-Assignment

Around 50% of sales organizations over-assign quotas, typically by 10-30% depending on the sales role and size of company; fewer "Best in Class" organizations over-assign quotas as they scale



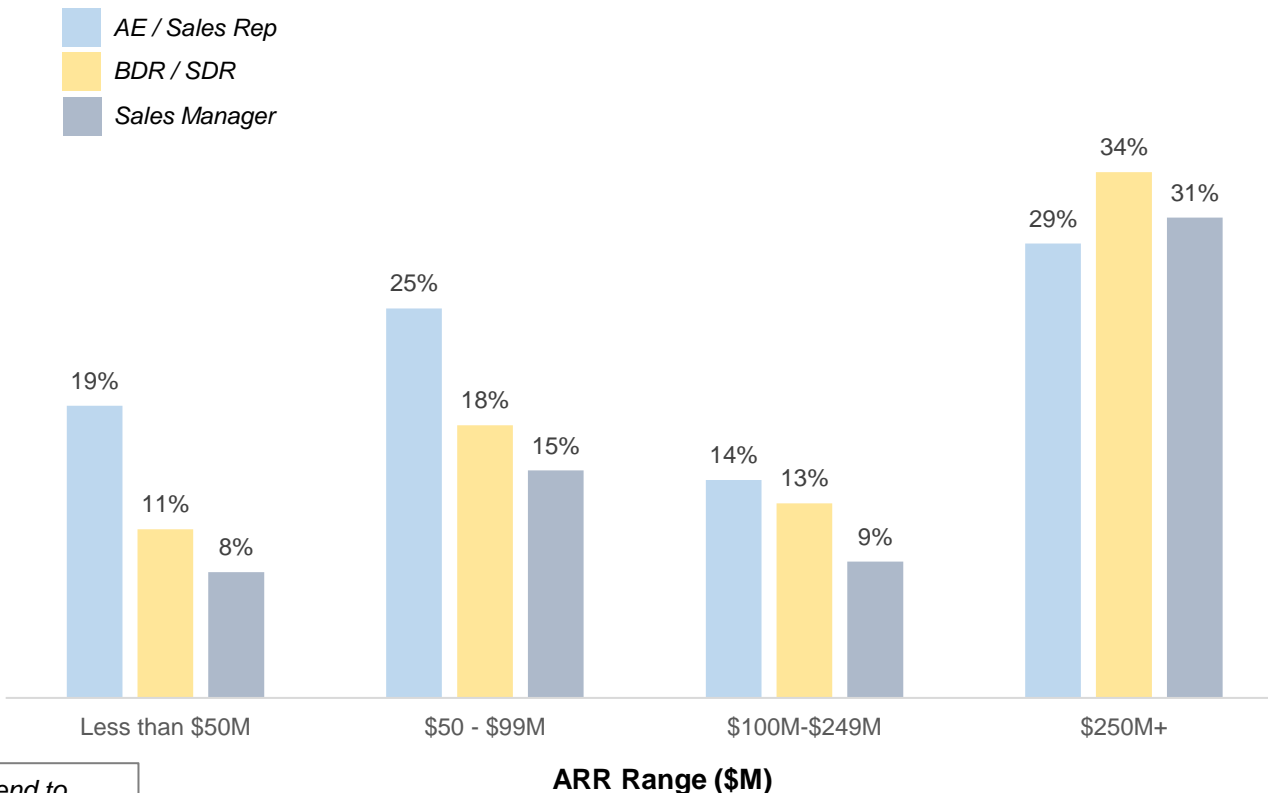
### Quota Over-Assignment (n = 91\*)

Does your organization over-assign quotas?



### Quota Over-Assignment (n = 38\*)

What is your organization quota over-assignment?



"Best in Class" companies tend to less frequently over-assign quotas, perhaps due to better forecasting rigor

1 "Best in Class" definition provided on page 5  
2 N-size based on sales executives who answered question

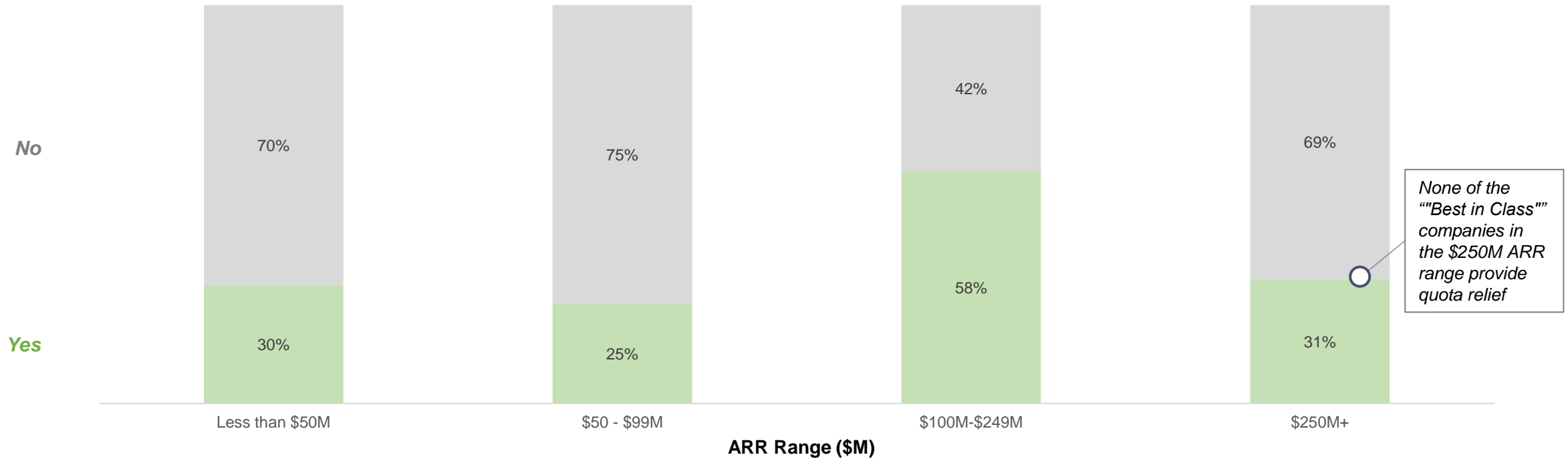
# Quota Relief

Around a third of sales organizations provide some type of quota relief to sales teams

BDR	VARIABLE
AE	
MANAGER	FIXED

## Quota Relief (n = 91\*)

Does your organization provide any type of quota relief?



During COVID-19, many organizations impacted by the pandemic adjusted their sales quota based on new sales expectations; for example, one company created a baseline quota that was ~50% lower than the normal base quota in Q1 2020. In general, companies with hybrid sales models were more likely to provide quota relief than companies with a dedicated inside or field sales motion.

1 "Best in Class" definition provided on page 5  
2 N-size based on sales executives who answered question



# Quota Attainment

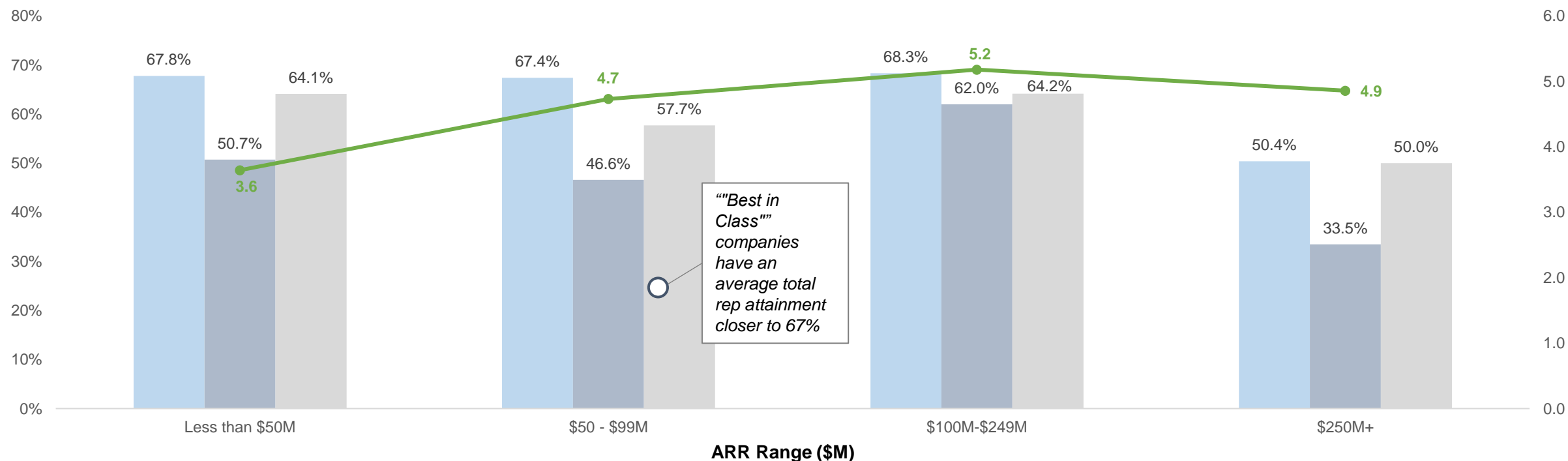
As companies scale and their organization and processes become more complex, we typically see ramp time for AEs increasing while average quota attainment decreases

BDR	VARIABLE
AE	
MANAGER	FIXED

- Ramped AE / Sales Rep
- New AE / Sales Rep
- Total AE / Sales Rep
- AE Ramp Time (# months)

## Quota Attainment vs. Ramp Time (n = 91\*)

What percentage of your organization's reps achieve quota?



As organizations grow and reach critical scale after \$250M in ARR, average quota attainment for both ramped and new AEs tends to decrease. This may be in part due to the increasing size of the sales organization, the need for more difficult sales targets, and/or more complex sales cycles as companies move up market.

# Sales Manager Compensation by ACV

On-target earnings for sales managers increase from ~\$130K to \$200K+ as ACV increases

BDR	VARIABLE
AE	
MANAGER	FIXED

## Average Sales Manager OTE by ACV (n = 66\*)

What is your average Sales Manager OTE and % base?

ACV Range	Inside	Field	SMB	Enterprise	Combined Team <sup>1</sup>
Less than \$50K	\$135K (N/A)	\$138K (N/A)	\$169K (56% Base)	\$182K (57% Base)	N/A
\$50 - \$99K	\$200K (45% Base)	\$333K (49% Base)	\$225K (45% Base)	\$350K (50% Base)	N/A
\$100 - \$249K	\$220K (57% Base)	\$323K (53% Base)	\$203K (53% Base)	\$280K (52% Base)	\$263K (50% Base)

Notes: (1) Combined team refers to respondents who only provided compensation figures for their total sales team and did not have segmented AEs; (2) Quota refers to ACV (new and expansion bookings)  
 \* N-size based on sales executives who answered question

# Marketing

## Marketing: All-In Compensation Summary by Role

All-in compensation varies across different marketing functions, with Product Marketing being the highest paid non-leadership role on average

### All-in Compensation by Role (n = 51\*)

*What is your organization's median all-in compensation (\$) for each marketing role across teams?*

#### By ARR

	Average All-In Compensation (\$K)						
	Demand Generation	Events / Conference Coordination	Product Marketing	Communications / PR	Content Marketing	Marketing Operations	Marketing Leadership
Less than \$50M	\$100-125	\$75-100	\$125-150	\$100-125	\$75-100	\$100-125	\$175-200
\$50 - \$99M	\$125-150	\$75-100	\$125-150	\$100-125	\$100-125	\$100-125	\$175-200
\$100 - \$249M	\$125-150	\$100-125	\$125-150	\$100-125	\$100-125	\$100-125	\$175-200
\$250M+	\$125-150	\$100-125	\$150-175	\$100-125	\$125-150	\$125-150	\$200-225

Notes: Numbers shown are based on average numbers assigned to different salary ranges respondents selected  
 \* N-size based on marketing executives who answered question

## Marketing: All-In Compensation Summary by Role

All-in compensation varies across different marketing functions, with Product Marketing being the highest paid non-leadership role on average

### All-in Compensation by Role (n = 51\*)

*What is your organization's median all-in compensation (\$) for each marketing role across teams?*

#### By HQ Region

*Does not necessarily denote where sales teams are based*

		Average All-In Compensation (\$K)						
		Demand Generation	Events / Conference Coordination	Product Marketing	Communications / PR	Content Marketing	Marketing Operations	Marketing Leadership
West		\$125-150	\$100-125	\$150-175	\$100-125	\$100-125	\$100-125	\$175-200
Midwest		\$125-150	\$75-100	\$125-150	\$75-100	\$75-100	\$75-100	\$175-200
South		\$100-125	\$75-100	\$125-150	\$75-100	\$75-100	N/A	\$175-200
Northeast		\$100-125	\$100-125	\$125-150	\$100-125	\$100-125	\$75-100	\$175-200

Notes: Numbers shown are based on average numbers assigned to different salary ranges respondents selected  
 \* N-size based on marketing executives who answered question

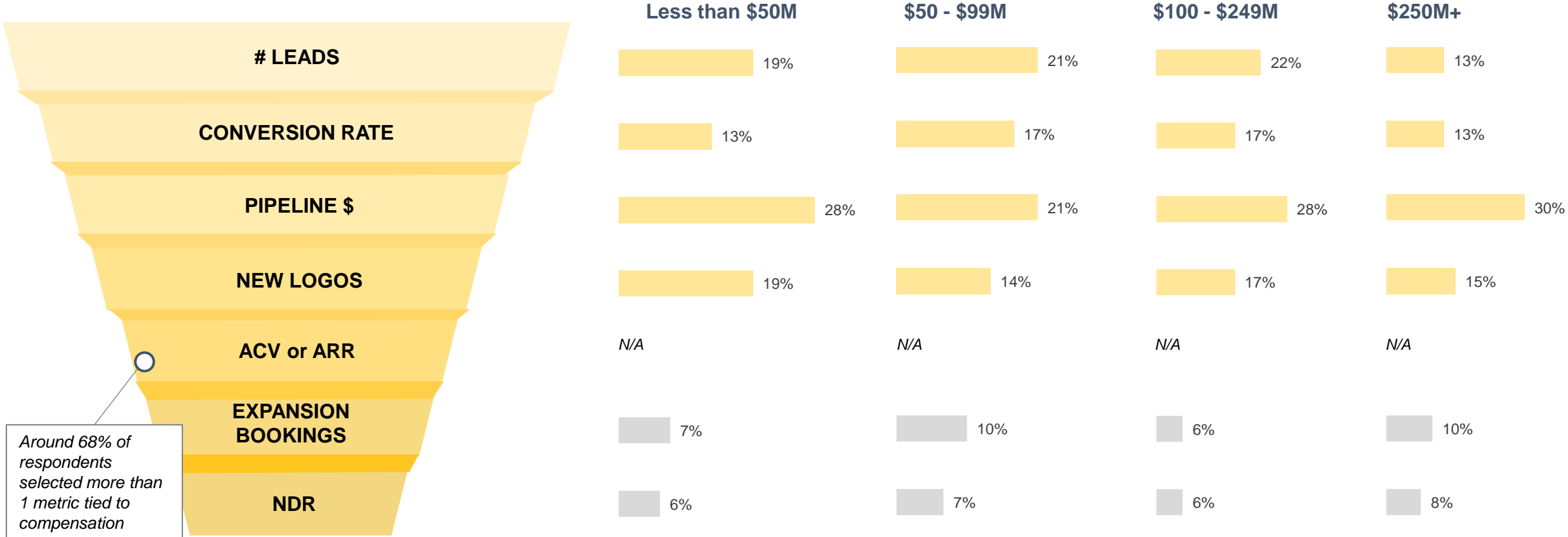
# Compensation Metrics: Marketing

Marketing is usually compensated against metrics and results tied to the top of the funnel vs. outcomes from closed deals

Compensation Metrics for Marketing, % of Respondents (n = 60\*)

What are the key metrics tied to compensation for your marketing team? Select all that apply.

Top metrics selected

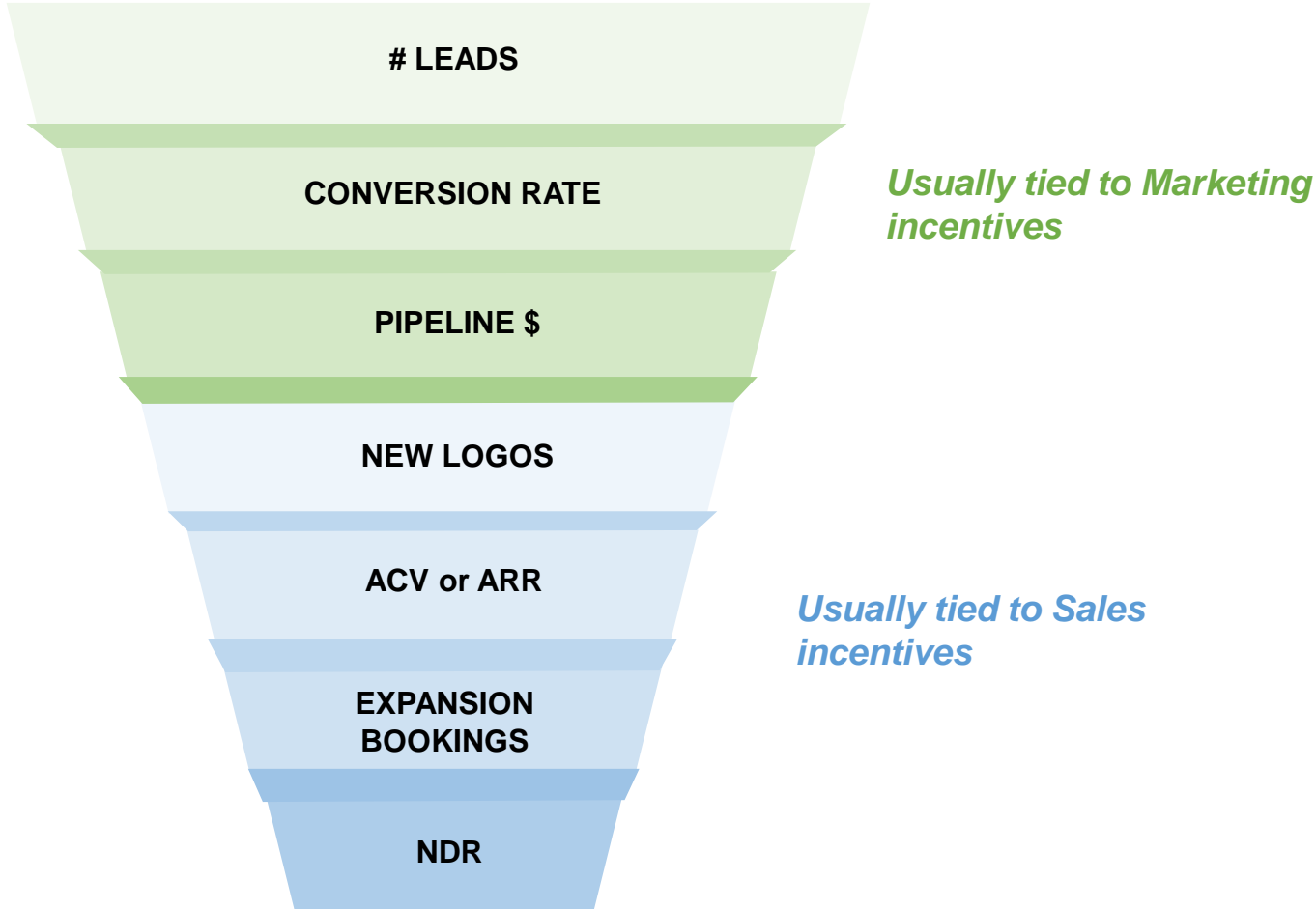


Around 68% of respondents selected more than 1 metric tied to compensation

\* N-size based on Marketing executives who answered question

## Compensation Metrics: Sales vs Marketing

The different metrics sales and marketing teams are compensated against can sometimes lead to friction and misaligned incentives without appropriate governance



### Compensation Metrics for Sales vs Marketing

- In general, marketing teams tend to be compensated and incentivized against **top-of-funnel metrics like # of leads**, whereas sales teams are **compensated against actual dollars closed**
- This can sometimes lead to **misaligned incentives** and/or friction across teams given **the low conversion rates across each step of the funnel**; increasing the # of leads at the top of funnel does not necessarily translate to a proportional increase in closed deals
- Based on our conversations with GTM leaders, high-functioning GTM teams will often leverage the below tactics to ensure **smooth handoffs and collaboration across marketing and sales teams**:
  - Ensure incentives are aligned across teams by having **common business outcomes or a “North Star” metric**
  - Institute **clear definitions for pipeline metrics like a “qualified lead”**

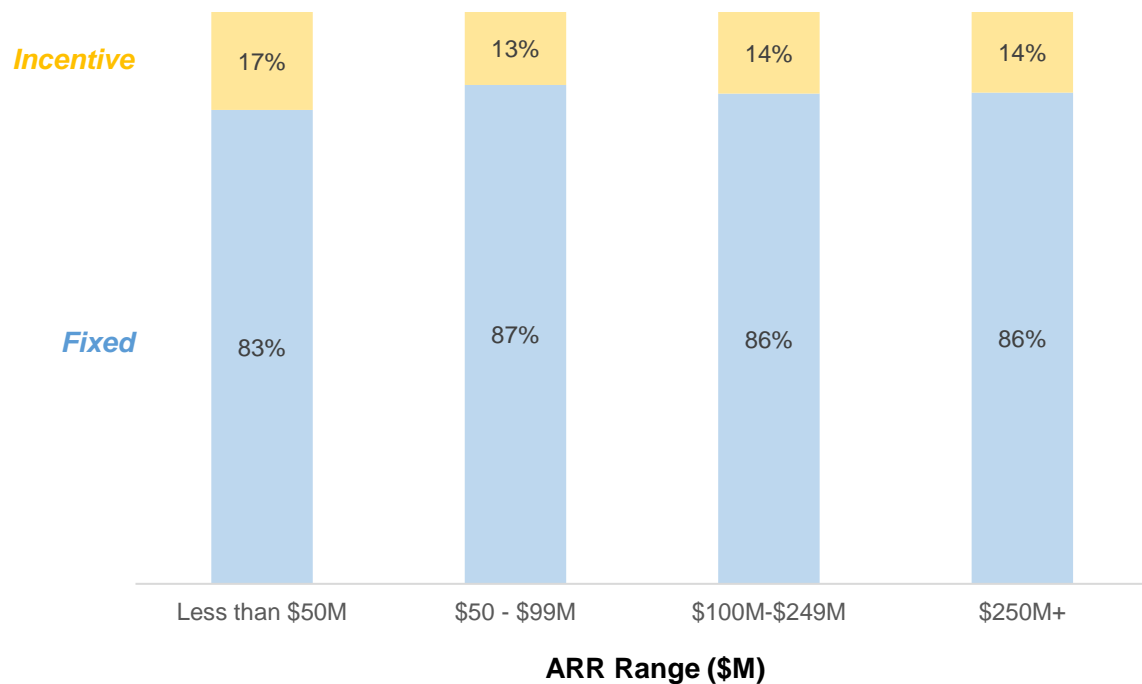
## Marketing Compensation: Fixed vs. Incentive

Around ~85% of compensation for marketing employees is fixed, with marketing leadership having more of their compensation tied to incentives

### Fixed vs. Incentive Compensation

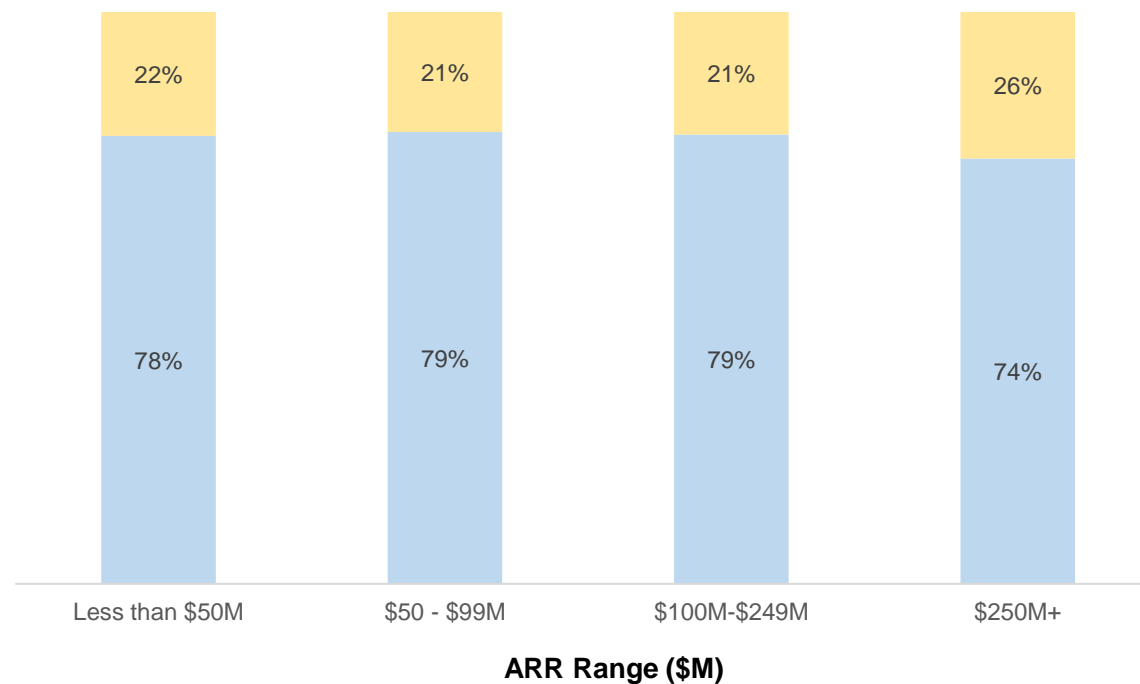
#### Employees (n = 59\*)

What percentage of a typical marketing employee's (excluding leadership) all-in compensation is fixed vs incentive based?



#### Leadership (n = 59\*)

What percentage of marketing leadership's all-in compensation is fixed vs incentive based?



There was no clear consensus based on survey results around a common or "best practice" variable compensation structure for marketing teams. Different structures included OKR / MBO based goals, targets based on a % of revenue or ARR, or performance bonuses tied to pipeline.



# Customer Success

## Customer Success: All-In Compensation Summary by Role

All-in compensation for Customer Success Managers falls in the \$100-150K range, with ""Best in Class"" companies paying a premium

### All-in Compensation by Role (n = 39\*)

What is your organization's median all-in compensation (\$) for each role across teams?

#### By ARR

	Average All-In Compensation (\$K)			
	Customer Success Manager	Customer Support	Onboarding Rep	Lead / VP
Less than \$50M	\$100-125	\$75-100	\$75-100	\$150-175
\$50 - \$99M	\$125-150	\$75-100	N/A	\$175-200
\$100 - \$249M	\$120-125	\$75-100	N/A	\$175-200
\$250M+	\$125-150	\$125-150	\$100-125	\$175-200

#### By Company Performance

	Average All-In Compensation (\$K)			
	Customer Success Manager	Customer Support	Onboarding Rep	Lead / VP
"Best in Class"	\$125-150	\$75-100	\$100-125	\$175-200
Other	\$100-125	\$75-100	\$75-100	\$150-175

Customer Success compensation by geography excluded as ranges were similar across regions

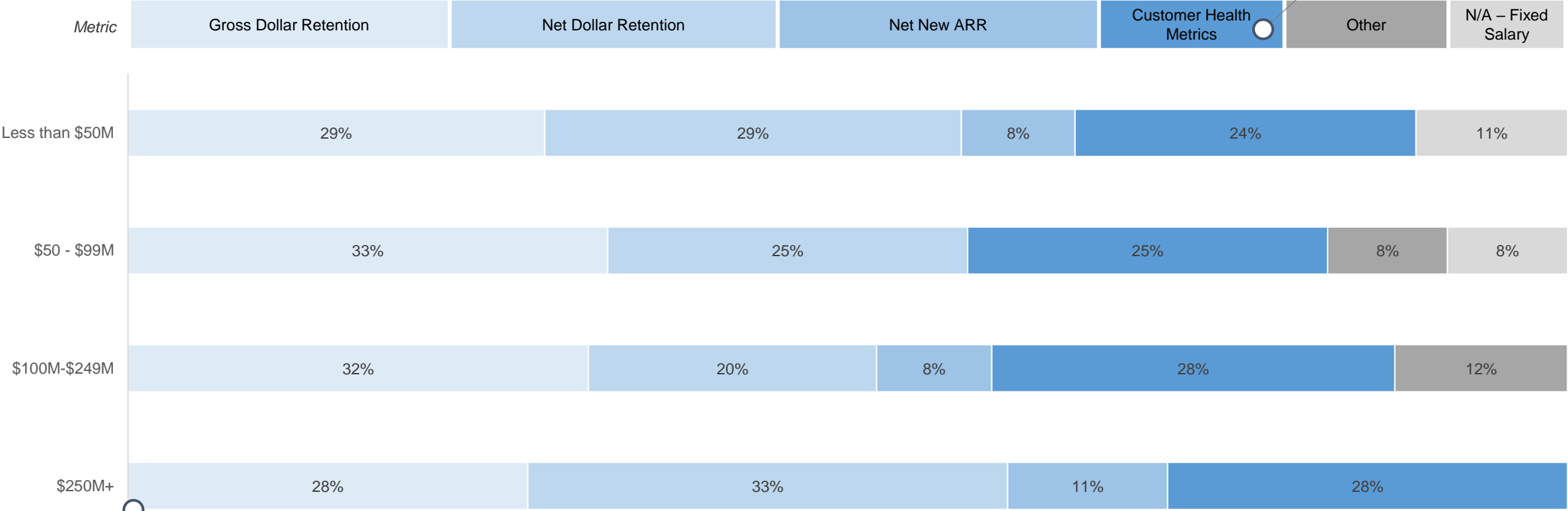
# Compensation Metrics: Customer Success

Customer Success Managers are most often compensated against retention and customer health metrics

## Compensation Metrics for Customer Success (n = 44\*)

What are the key metrics tied to compensation for your organization's CSMs? Select all that apply.

Ex: NPS scores, customer satisfaction, product adoption



Around 33% of respondents selected more than 1 metric tied to compensation

\* N-size based on Customer Success executives who answered question

## Customer Success Compensation: Fixed vs. Incentive

Customer Success teams tend to have a greater proportion of compensation based on a fixed salary, with some additional upside for customer retention

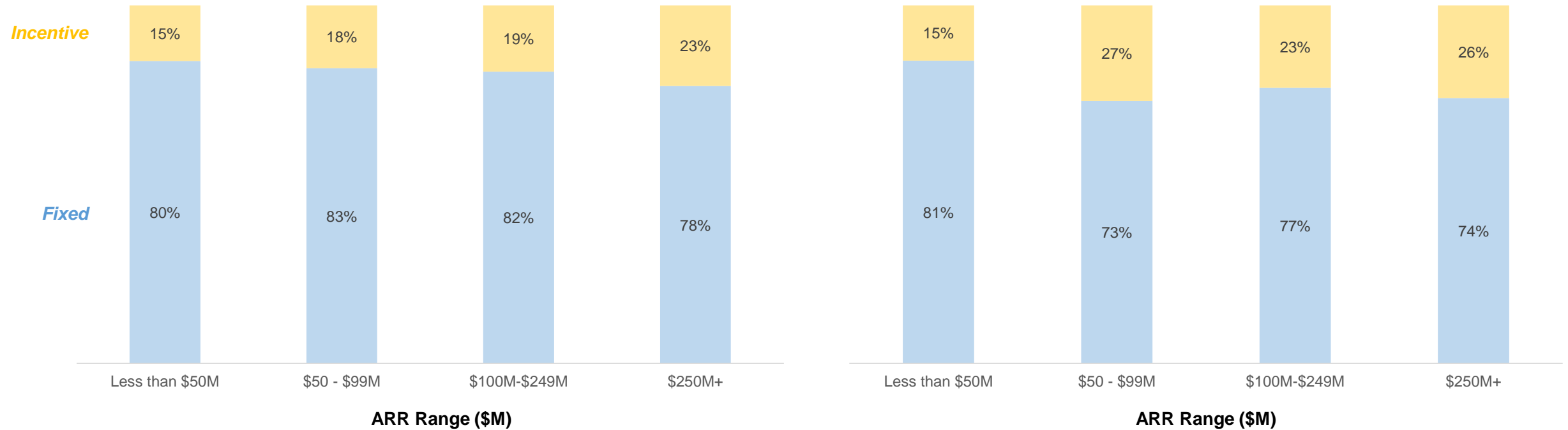
### Fixed vs. Incentive Compensation

#### Employees (n = 44\*)

#### Leadership (n = 44\*)

What percentage of a typical customer success employee's (excluding leadership) all-in compensation is fixed vs incentive based?

What percentage of customer success leadership's all-in compensation is fixed vs incentive based?



The majority of survey respondents had variable compensation tied to either a net retention goal or a set of goals related to customer health (e.g., product adoption, referrals, etc.)

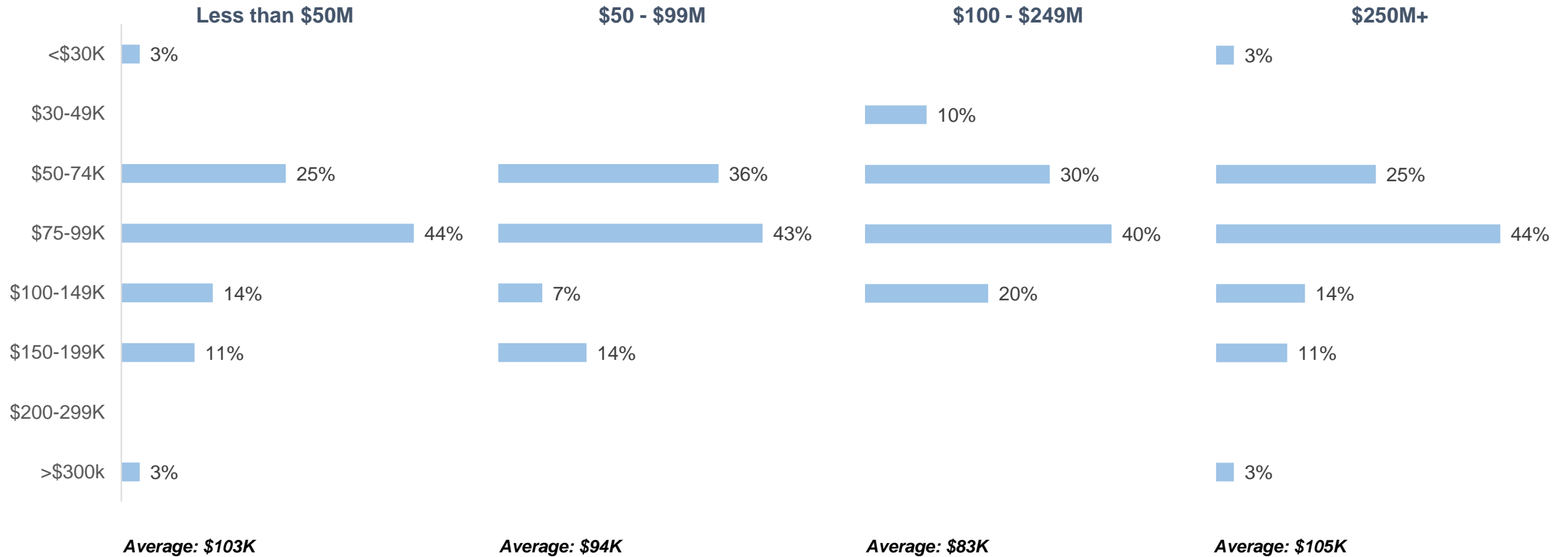
\* N-size based on Customer Success executives who answered question

# Appendix

## All-In Compensation: BDR / SDR

### BDR / SDR All-in Compensation, by ARR and % of Respondents (n = 75\*)

What is your organization's median all-in compensation (\$) for each sales role across teams?

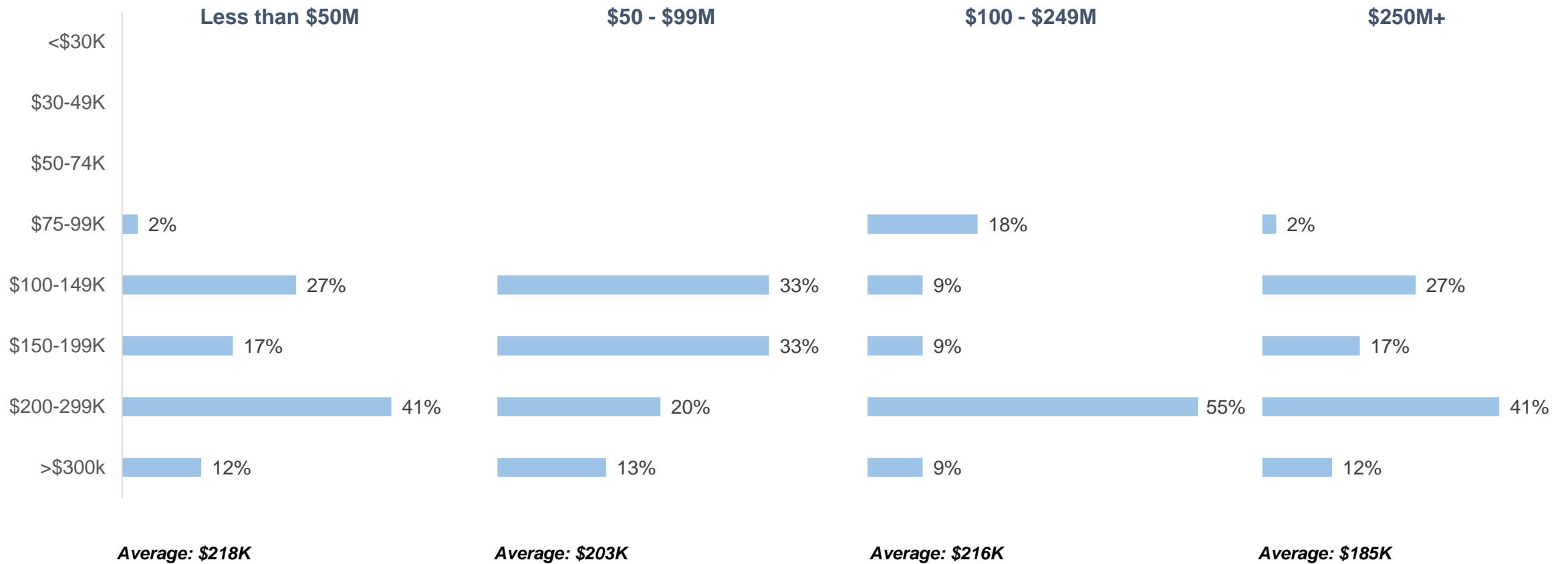


\* N-size based on sales executives who answered question

# All-In Compensation: AE / Sales Rep

## AE All-in Compensation, by ARR and % of Respondents (n = 82\*)

What is your organization's median all-in compensation (\$) for each sales role across teams?

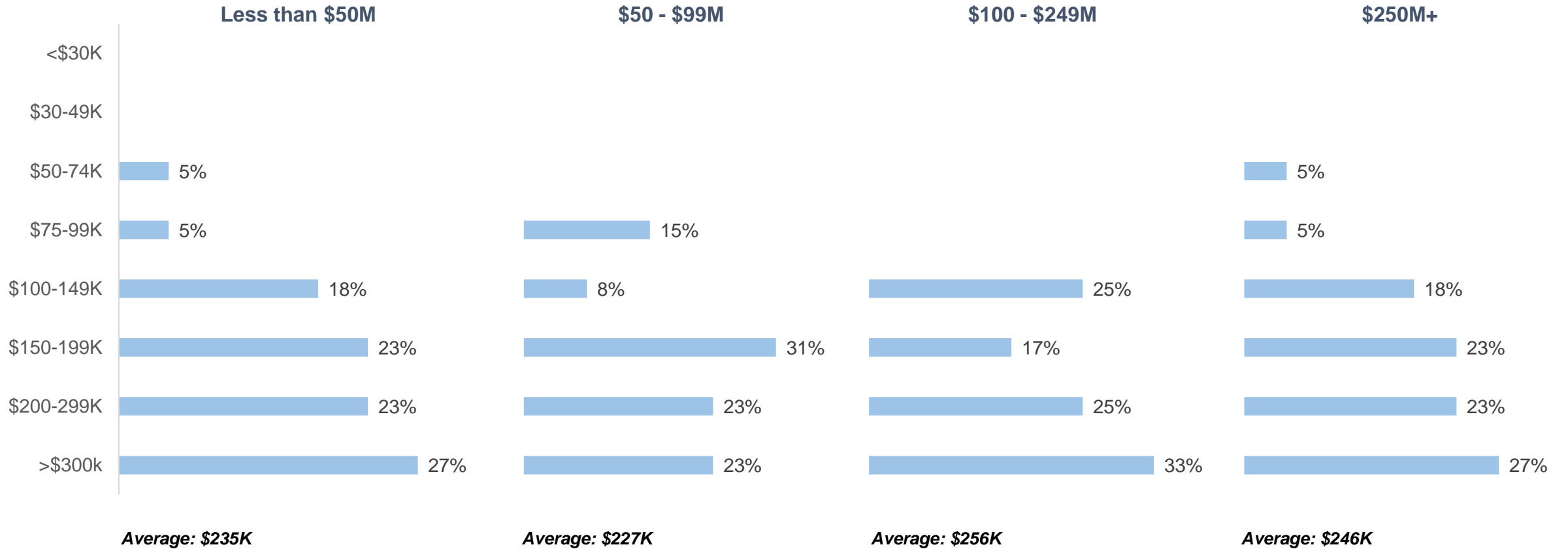


\* N-size based on sales executives who answered question

# All-In Compensation: Sales Manager

## Sales Manager All-in Compensation, by ARR and % of Respondents (n = 60\*)

What is your organization's median all-in compensation (\$) for each sales role across teams?



\* N-size based on sales executives who answered question



## AE / Sales Rep Compensation by ARR

On average, high performing organizations have a Quota / OTE ratio ranging from 3-6x

### Average AE / Sales Rep Compensation by ARR (n = 82\*)

*What is your average AE / Sales Rep quota and OTE?*

ARR Range	Inside	Field	Enterprise	SMB	Combined Team <sup>1</sup>
Less than \$50M	Quota: █████ \$518K OTE: \$121K (55% Base) Quota / OTE: 4.5	Quota: █████ \$1,256K OTE: \$264K (49% Base) Quota / OTE: 4.6	Quota: █████ \$590K OTE: \$204K (49% Base) Quota / OTE: 2.7	Quota: █████ \$328K OTE: \$135K (54% Base) Quota / OTE: 2.9	Quota: █████ \$1,207K OTE: \$207K (48% Base) Quota / OTE: 6.3
\$50 - \$99M	Quota: █████ \$466K OTE: \$145K (57% Base) Quota / OTE: 2.7	Quota: █████ \$771K OTE: \$224K (52% Base) Quota / OTE: 3.3	Quota: █████ \$732K OTE: \$214K (49% Base) Quota / OTE: 3.4	Quota: █████ \$511K OTE: \$131K (51% Base) Quota / OTE: 3.9	Quota: █████ \$1,465K OTE: \$200K (52% Base) Quota / OTE: 8.1
\$100 - \$249M	Quota: █████ \$700K OTE: \$145K (52% Base) Quota / OTE: 4.3	Quota: █████ \$983K OTE: \$217K (52% Base) Quota / OTE: 4.6	Quota: █████ \$1,283K OTE: \$238K (52% Base) Quota / OTE: 5.3	Quota: █████ \$715K OTE: \$150K (52% Base) Quota / OTE: 4.3	Quota: █████ \$1,000K OTE: \$300K (50% Base) Quota / OTE: 3.3
\$250M+	Quota: █████ \$572K OTE: \$144K (61% Base) Quota / OTE: 5.1	Quota: █████ \$1,519K OTE: \$236K (60% Base) Quota / OTE: 6.9	Quota: █████ \$1,343K OTE: \$224K (62% Base) Quota / OTE: 6.1	Quota: █████ \$918K OTE: \$142K (63% Base) Quota / OTE: 6.3	Quota: █████ \$1,150K OTE: \$168K (64% Base) Quota / OTE: 7.0

Notes: Combined team refers to respondents who only provided compensation figures for their total sales team and did not have segmented AEs  
\* N-size based on sales executives who answered question

## BDR / SDR Compensation by ARR

On-target earnings for BDR/SDRs ranges from ~\$80K to \$180K depending on the sales motion or primary customer segment

### Average BDR / SDR OTE by ARR (n = 63\*)

*What is your average BDR / SDR OTE and % base?*

<b>ARR Range</b>	<b>Inside</b>	<b>Field</b>	<b>Enterprise</b>	<b>SMB</b>	<b>Combined Team</b>
<i>Less than \$50M</i>	<b>\$78K</b> (58% Base)	<b>\$140K</b> (52% Base)	<b>\$103K</b> (54% Base)	<b>\$78K</b> (54% Base)	<b>\$103K</b> (56% Base)
<i>\$50 - \$99M</i>	<b>\$95K</b> (N/A)	<b>\$150K</b> (47% Base)	<b>\$92K</b> (52% Base)	<b>\$98K</b> (52% Base)	N/A
<i>\$100 - \$249M</i>	<b>\$102K</b> (50% Base)	<b>\$180K</b> (50% Base)	<b>\$160K</b> (50% Base)	<b>\$136K</b> (50% Base)	N/A
<i>\$250M+</i>	<b>\$85K</b> (N/A)	N/A	N/A	N/A	<b>\$93K</b> (N/A)

\* N-size based on sales executives who answered question

## Sales Manager Compensation by ARR

On-target earnings for sales managers range from ~\$100K to \$300K+ based on company scale

### Average Sales Manager OTE by ARR (n = 66\*)

*What is your average Sales Manager OTE and % base?*

<b>ARR Range</b>	<b>Inside</b>	<b>Field</b>	<b>Enterprise</b>	<b>SMB</b>	<b>All Reps</b>
<i>Less than \$50M</i>	<b>\$105K</b> (N/A)	<b>\$313K</b> (54% Base)	<b>N/A</b>	<b>\$130K</b> (N/A)	<b>\$220K</b> (58% Base)
<i>\$50 - \$99M</i>	<b>\$225K</b> (45% Base)	<b>\$350K</b> (50% Base)	<b>\$274K</b> (52% Base)	<b>\$201K</b> (51% Base)	<b>N/A</b>
<i>\$100 - \$249M</i>	<b>\$196K</b> (58% Base)	<b>\$216K</b> (58% Base)	<b>\$221K</b> (58% Base)	<b>\$191K</b> (58% Base)	<b>N/A</b>
<i>\$250M+</i>	<b>\$275K</b> (50% Base)	<b>\$293K</b> (49% Base)	<b>\$270K</b> (50% Base)	<b>N/A</b>	<b>\$207K</b> (67% Base)

\* N-size based on sales executives who answered question