

SaaS Sales Research

The Impact of a Pandemic on B2B SaaS Sales Organizations

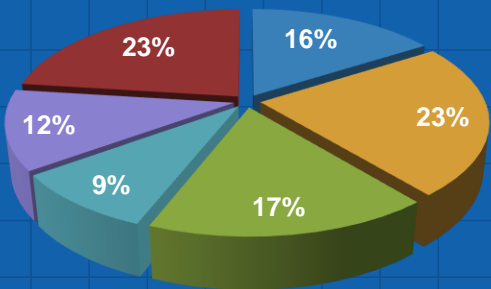
Conducted by:

The Bridge Group
&
RevOps Squared

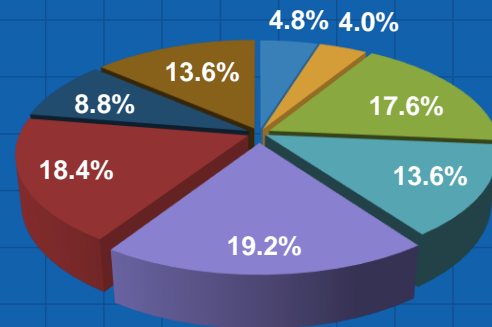
April, 2020

Sales Impact Research - Participant Profile

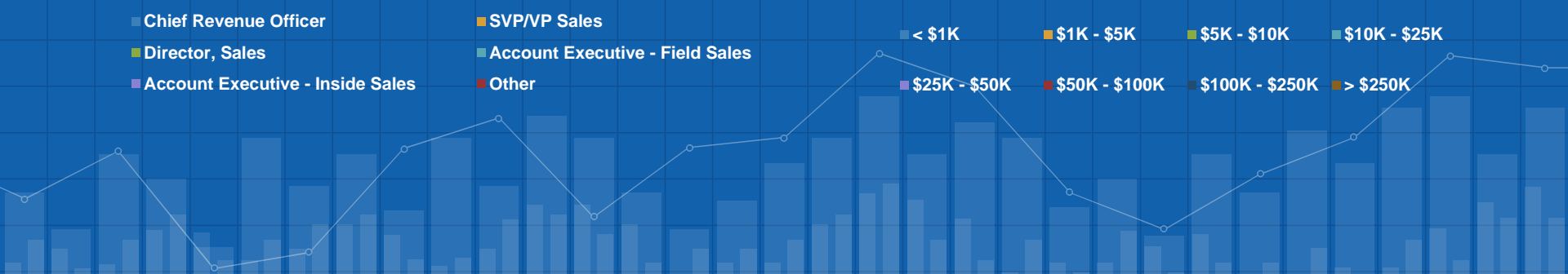
Participant Role



Annual Contract Value



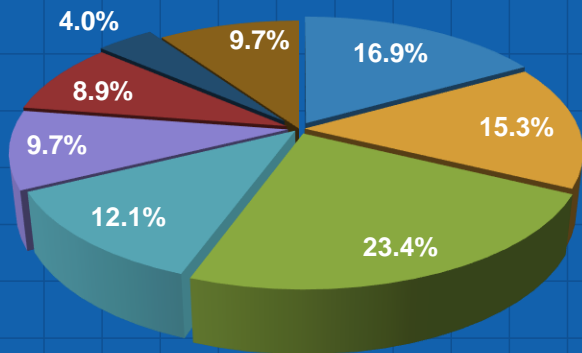
- Chief Revenue Officer
- Director, Sales
- Account Executive - Inside Sales
- SVP/VP Sales
- Account Executive - Field Sales
- Other
- < \$1K
- \$1K - \$5K
- \$5K - \$10K
- \$10K - \$25K
- \$25K - \$50K
- \$50K - \$100K
- \$100K - \$250K
- > \$250K



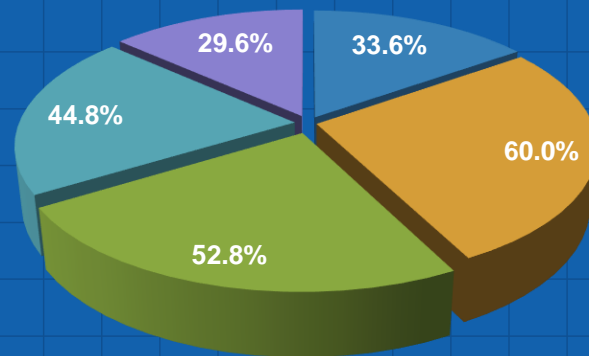
N = 161

Sales Impact Research - Participant Profile

Company Size (ARR)



Target Customer Size

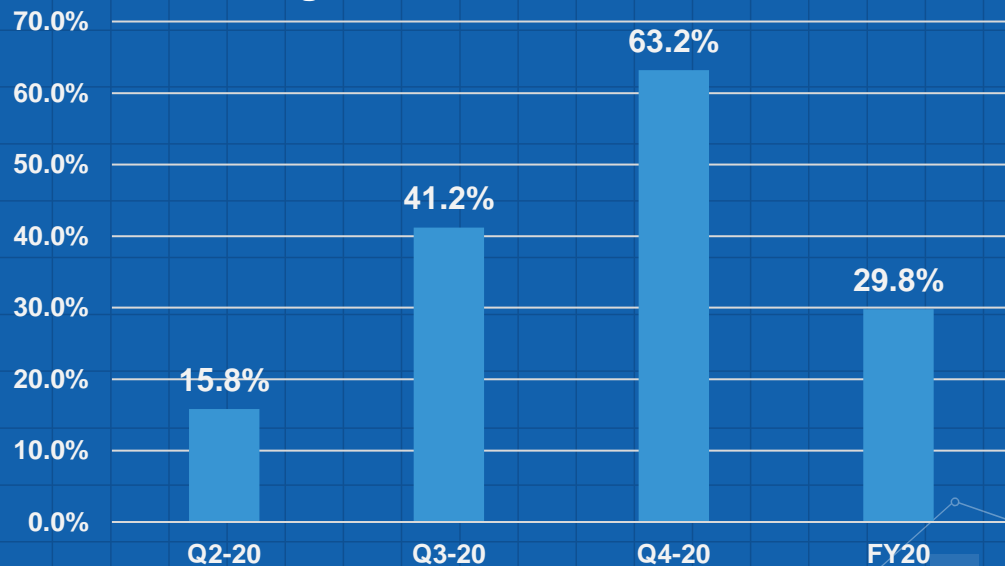


- < \$2.5M
- \$2.5M - \$5M
- \$5M - \$20M
- \$20M - \$50M
- \$50M - \$100M
- \$100M - \$250M
- \$250M - \$500M
- > \$500M

- < \$10M
- \$10M - \$100M
- \$100M - \$1B
- \$1B - \$10B
- > \$10B

Confidence in Hitting Plan: Overall

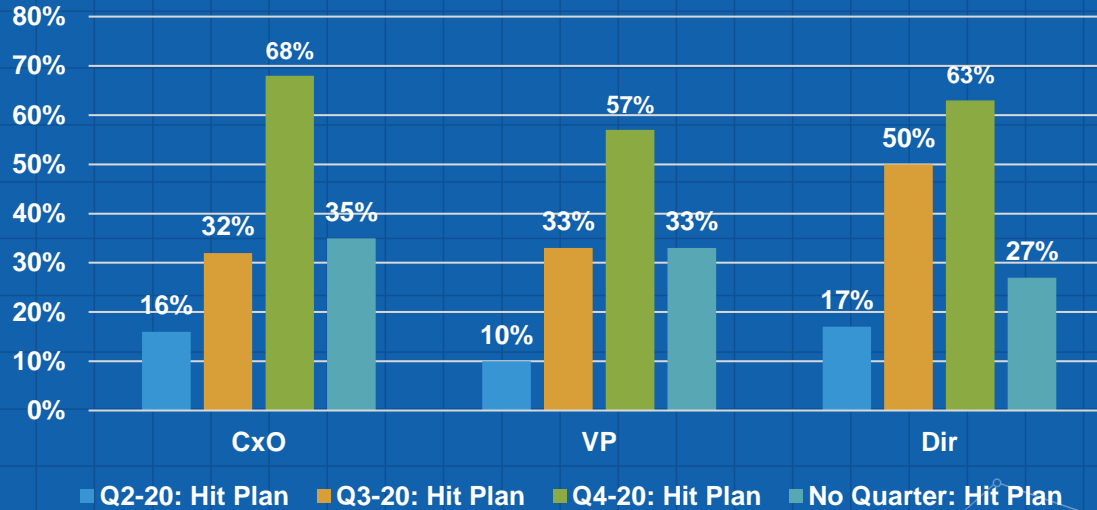
Hit Original 2020 Revenue Plan Confidence



- Q2-20 confidence at 15.8% is measured against original 2020 plan – not against updated financial plans that 70% of SaaS companies have developed
- 30% of SaaS companies think no original quarterly plan/goals are attainable
- Q4-20 is a make or break period for many companies – be prepared for Q1-21 pull backs in hiring and expense budgets

Confidence in Hitting Plan: By Role

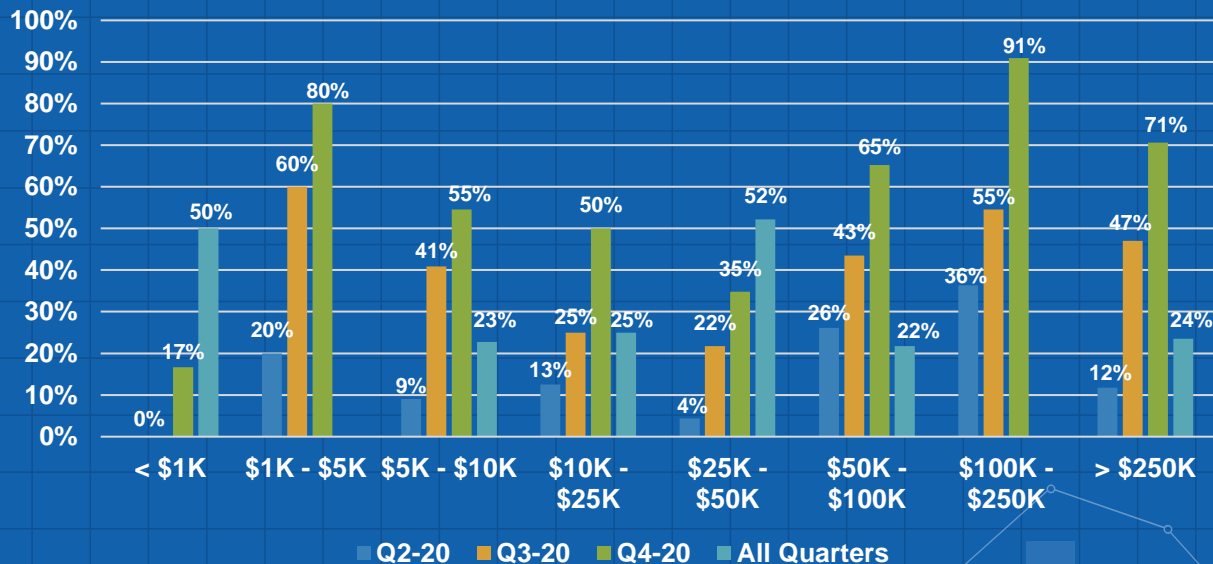
Hit Original 2020 Revenue Plan Confidence



- CxO's and VP's more conservative on plan attainment in Q2-Q3
- Directors more optimistic in Q2-Q3
- CxO's more positive on Q4 comeback
- Concentration around 30% that do not believe any quarter in 2020 will be hit

Confidence in Hitting Plan: By ACV

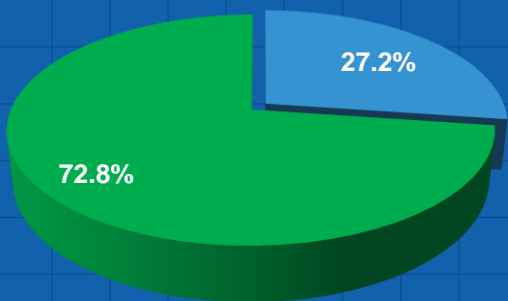
Hit Original 2020 Revenue Plan Confidence



- \$100K- \$250K ACV companies more confident across all quarters
- > \$250K ACV – Large Enterprise deal companies are less confident in Q2
- < \$50K ACV are more concerned about no quarters being attainable
- < \$1K is least confident – due to their focus on Very Small Businesses

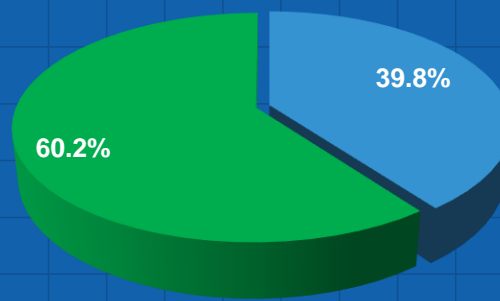
Sales Impact Research – Account Executive Reductions

Have you reduced # AEs?



■ Yes ■ No

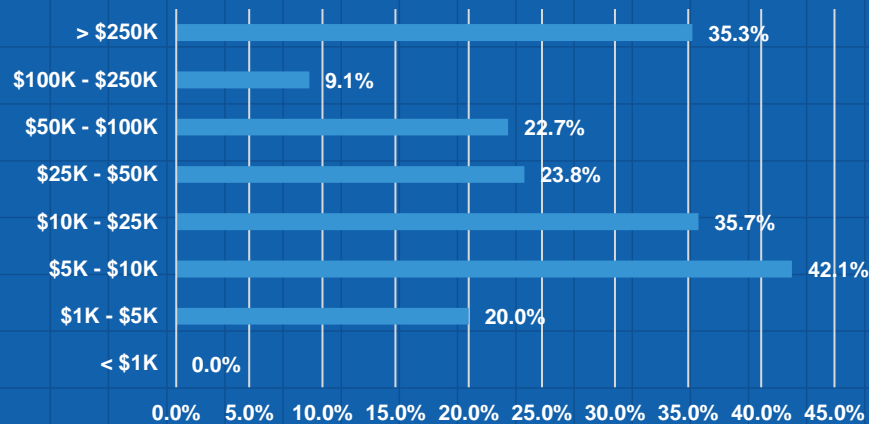
Concern AEs will be Reduced in Future?



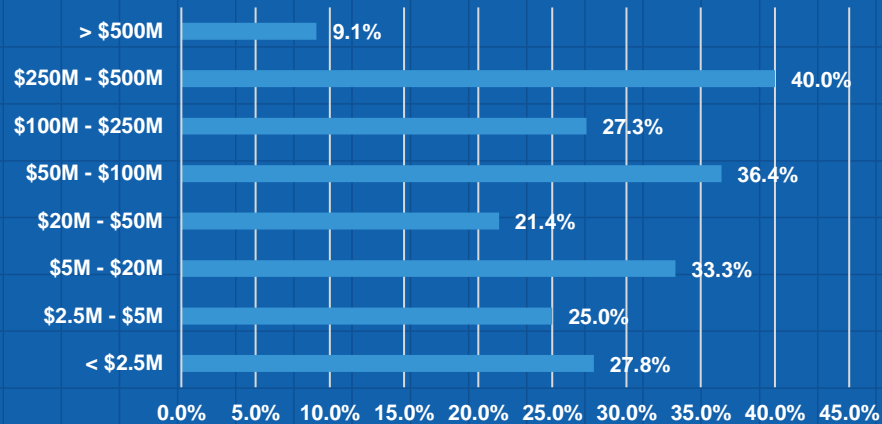
■ Yes ■ No

Account Executive Reductions – By Cohort

Companies with AE Impact - By ACV



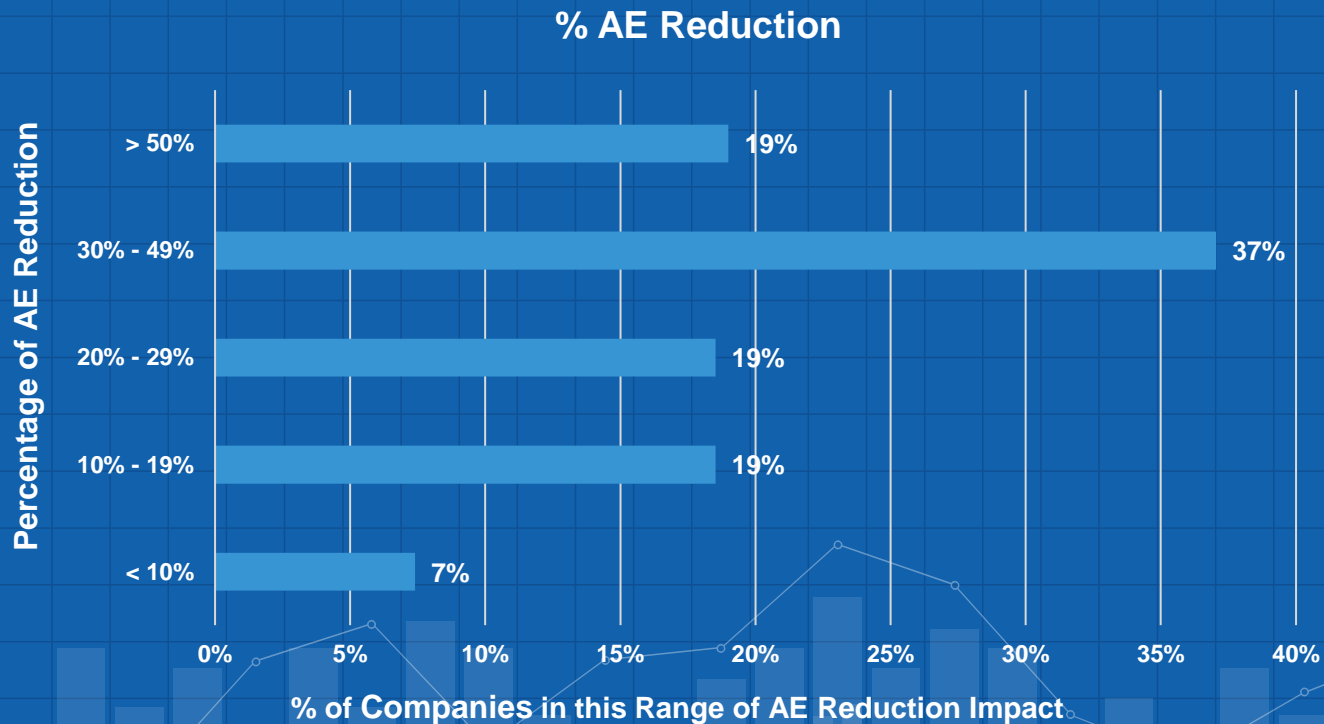
Companies with AE Impact - By Company Size



- % of Companies that have had AE Reductions
- AE Impact has high correlation to ACV Size
 - Except at top and bottom of the ranges

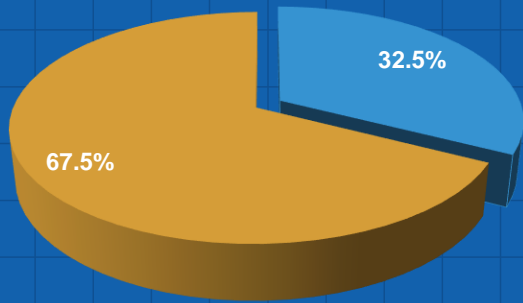
- % of Companies that have had AE Reductions
- AE Impact has little correlation to Company Size

Account Executive – Staff Reduction



Quota Reductions – Account Executive

Account Executive Quota Reductions

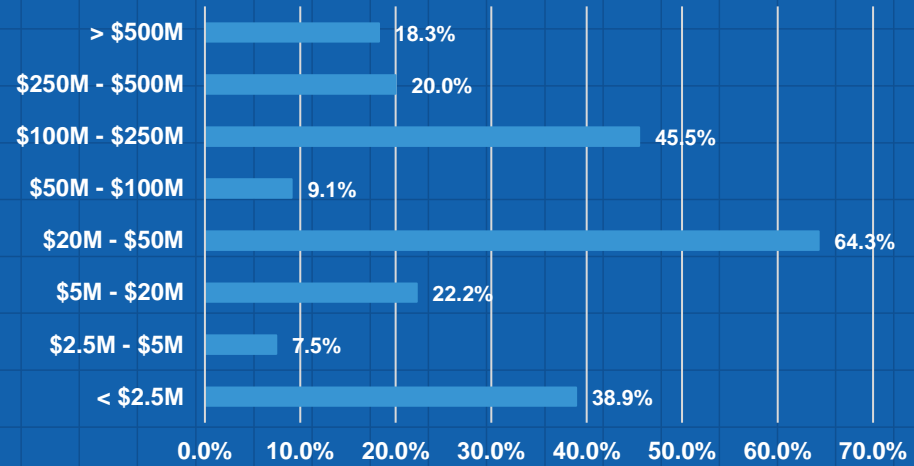


■ Yes ■ No

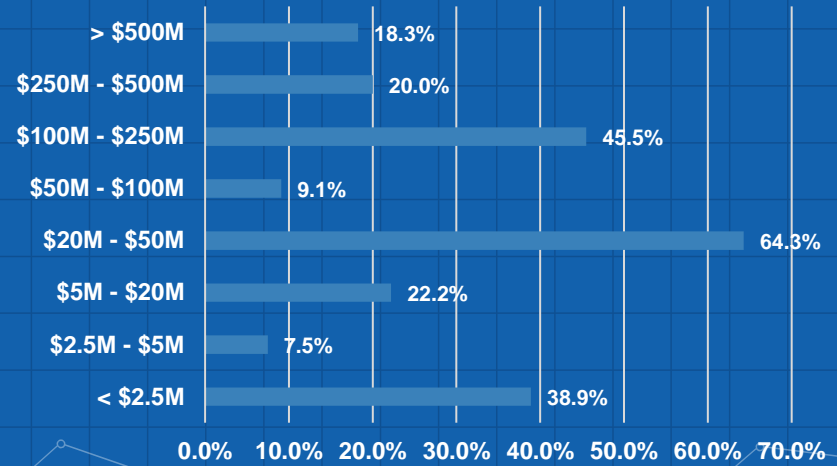
- Company size and ACV have no significant correlation to Quota reduction
- Quota reduction for Account Executives is 10% higher than for SDR's
- Quota reduction by quarter was not captured – but would be interesting
- Interesting that 67.5% of companies have not reduced quota when 70% of SaaS companies forecast missing original FY20 New ARR Plan

Quota Impact by Cohort

AE Quota Adjusted – By Company Size

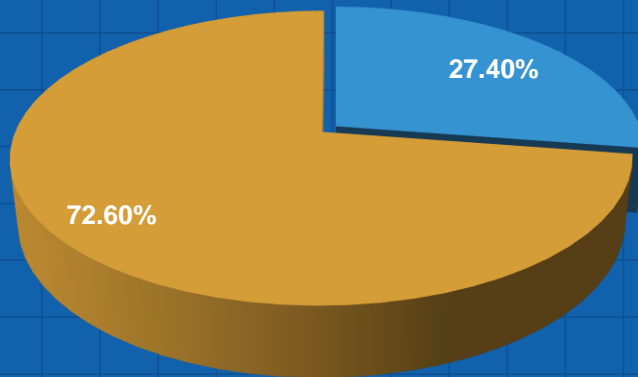


AE Quota Adjusted – By ACV



Changed how Inbound Leads are Routed – SDR to AE

Lead Handling Changes



■ Yes ■ No

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

COVID-19 SALES IMPACT RESEARCH

B2B SaaS Organizations

Any Questions?

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