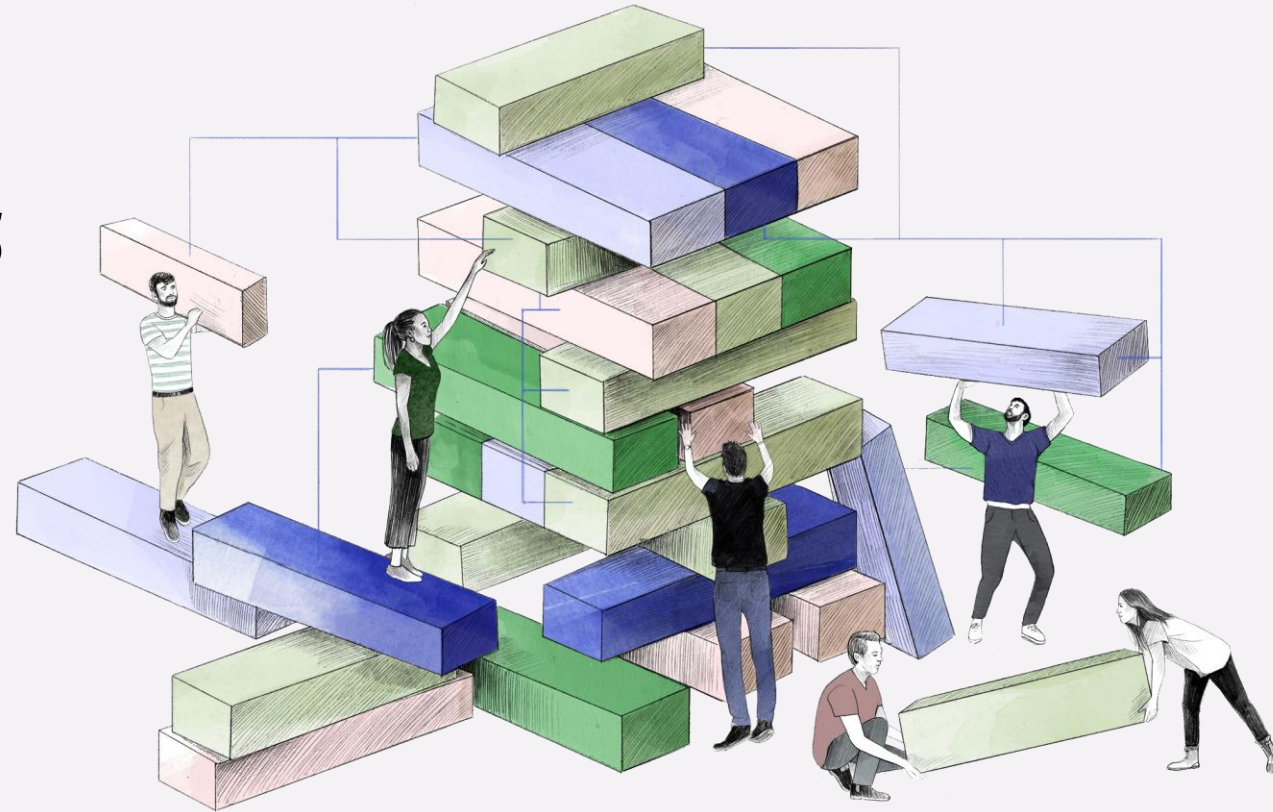# ICONIQ

June 2025

The State of Go-to-Market in 2025

Detailed Insights on:

- *GTM Health*

- *GTM Strategy*

- *Internal AI Implementation in GTM Orgs*

ICONIQ

Supporting founders through pivotal milestones and various stages of growth

Executive Hiring

Talent and Leadership Advisory

Guidance to attract and unlock the power of talent through advisory, connections and research

"ICONIQ delivered the best reference check I've ever seen, overnight."

Mati Staniszewski
Co-founder and CEO

Product and Go-to-Market Strategy

Technical Advisory and Go-to-Market Boards

Strategic advisory from industry leaders with hands-on experience in technology, digital innovation, go-to-market, and more

"It has been so valuable to lean into ICONIQ's expertise, network, and advice. What you do is a total game changer."

Eléonore Crespo
Co-founder and CEO

Revenue Acceleration

Portfolio Operations

Digital and Growth Advisory Boards

Strategic and commercial connections across industries to support global expansion goals

"The customer introductions have been incredibly valuable. ICONIQ's relationships are truly deeper."

Bret Taylor
Co-founder and CEO

Category Leadership + Operational Optimization

Analytics and Insights

Data-driven insights to support decision making across business operations and strategy

"Working with ICONIQ has been a dream partnership, they've gone above and beyond at every step."
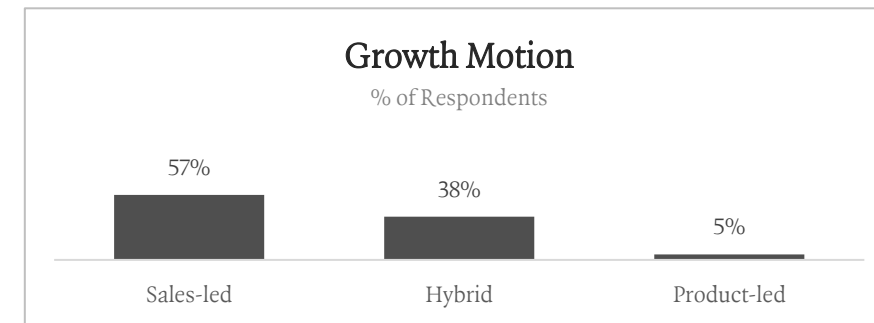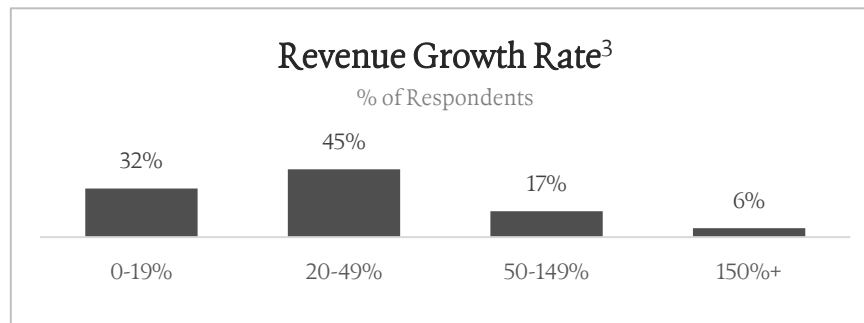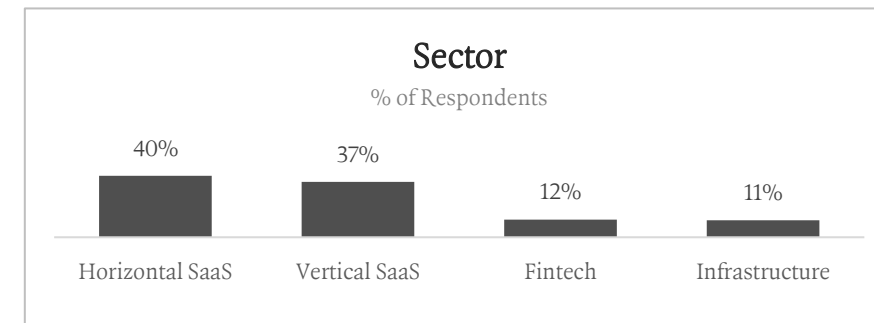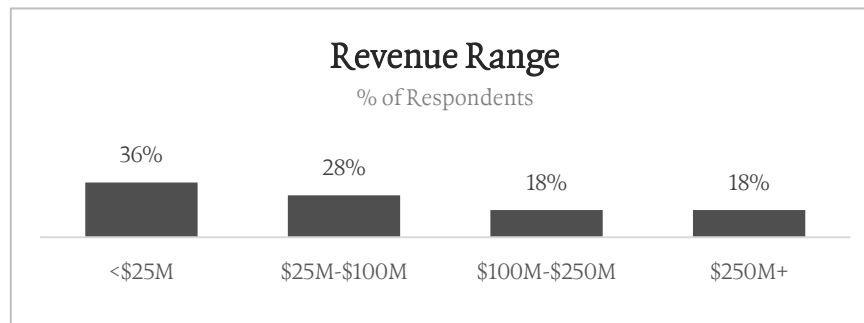
May Habib
Co-founder and CEO

Data Sources
& Methodology

This study summarizes data from an April 2025 survey of **GTM executives at 205 B2B SaaS companies**, including Chief Revenue Officers, Heads of Sales, CEOs, and Heads of Revenue Operations.

Where relevant, we compare results to a 2023 and 2024 survey[1] conducted by ICONIQ.

This report also includes quarterly operating and financial data from certain ICONIQ portfolio companies[2].

1 YoY views exclude companies with revenue <$10M and >$1B
2 All companies included where data is available
3 YoY Revenue Growth Rate between 2023 and 2024
4 <$10M revenue companies excluded

Firmographics

Revenue Range
% of Respondents

<$25M	$25M-$100M	$100M-$250M	$250M+
36%	28%	18%	18%

Sector
% of Respondents

Horizontal SaaS	Vertical SaaS	Fintech	Infrastructure
40%	37%	12%	11%

Revenue Growth Rate[3]
% of Respondents

0-19%	20-49%	50-149%	150%+
32%	45%	17%	6%

Growth Motion
% of Respondents

Sales-led	Hybrid	Product-led
57%	38%	5%

In this report, select companies are referred to as **"High Growth"** companies[4] because they meet the following criteria:

- **Topline Growth:**
  - 100%+ YoY revenue growth if <$25M Revenue
  - 50%+ YoY revenue growth if $25M-100M Revenue
  - 30%+ YoY revenue growth if $100M+ Revenue

High Growth Companies
% of Respondents

21%

Revenue Range

<$25M	$25M-$100M	$100M-$250M	$250M+
11%	42%	22%	25%
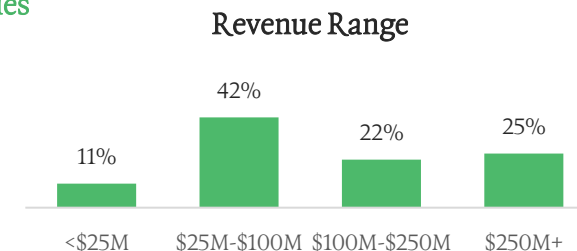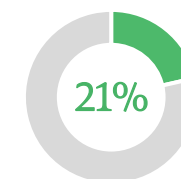
Definitions

- **AI-Native companies:** defined as those whose core product or business model is fundamentally AI-driven
- **Non-AI-Native companies** consist of a mix of AI-Enabled, AI-Infrastructure, and Non-AI SaaS companies:
  - **AI-Enabled:** SaaS companies creating new AI products or adding AI capabilities to existing customer facing products
  - **AI-Infrastructure:** companies that build models, tools, or platforms for AI builders
  - **Non-AI-SaaS:** SaaS companies without AI products or features

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Executive Summary

Executive Summary (1/2)

GTM Health

Growth and Sales Efficiency:

- YoY ARR growth has remained relatively flat over the past 2 years, though mid-stage companies ($25M-$100M ARR) are starting to see a notable uptick (YoY ARR Growth: 93% YTD 2025 vs. 78% 2023 H1)

- This stagnation is **partly due to weaker performance deeper in the GTM funnel – conversion to Closed-Won is down ~5-10 percentage points YoY. AI-Native companies, however, appear to be more successful at converting new opportunities into customers through a free trial or proof-of-concept phase** – particularly among $100M+ ARR companies (56% conversion rate vs. 32% for other companies)

- **Pipeline coverage has also declined slightly YoY (3.6x YTD 2025 vs. 3.9x in 2024); however, the percent of ramped Account Executives that achieved quota has held steady at 58% (on average), indicating that AEs are maintaining consistent performance despite fewer opportunities.** This steadiness is supported by stronger results from Sales- and Channel-sourced opportunities, which continue to yield the highest win rates (35-40% and 25-35%, respectively) vs. Marketing-sourced opportunities (~20%)

- Once opportunities convert into customers, contract length is approximately 2 years on average. However, **there has been a noticeable shift toward 1-year deals since last year which is likely driven by broader market uncertainty and a desire to retain flexibility as AI solutions continue to disrupt traditional tooling**

GTM Strategy

Operating Model

- As AI continues to reshape how companies go to market, **we're seeing a clear divergence in how AI-Native and Non-AI-Native (traditional SaaS) companies structure their GTM teams**

- **High-growth Non-AI-Native companies dedicate a smaller share of GTM headcount to Post-Sales, while AI-Native companies (regardless of growth performance) allocate more headcount to Post-Sales teams.** This is likely due to technical onboarding needs and the urge to drive adoption of 'new age' tools. In response, we're seeing the rise of forward-deployed engineers who play a critical role in driving change management (especially in legacy, slower moving industries)

Pricing Models

- Pricing is another area where AI-Native and Non-AI-Native companies are diverging. **While subscription pricing remains common, about a third of companies have adopted hybrid models – a trend that's more prevalent in AI-Native companies**

- Among companies using hybrid pricing models, there is a 50/50 revenue split across consumption/usage/outcome-based models vs. subscription/seat-based models

Revenue

- Companies are **increasingly blending top-down and bottom-up GTM motions** – up 8 percentage points since last year on average

- Additionally, **channel remains a key growth lever YoY**, with companies averaging ~20% of their revenue from channel sales

Executive Summary (2/2)

Internal AI Implementation in Go-To-Market Orgs

GTM Teams Adopting AI

- Currently, internal AI adoption is most concentrated in Marketing, SDR/BDR, and Account Executive teams

- This aligns with **the most common AI use cases in GTM, which are primarily oriented around top- and mid-funnel activities** such as lead generation (61% of companies using AI for this use case), campaign and content creation (58%), and meeting transcription / analysis (71%)

Impact of AI Implementation in GTM

- While overall GTM performance has slightly declined since last year, **GTM orgs with strong internal AI adoption[1] are outperforming peers across nearly all sales productivity and efficiency metrics**

- **Sale funnel conversion rates are up ~5 percentage points across the board** for companies with high AI adoption in GTM

- In addition to stronger sales performance, **<$25M ARR companies with high AI adoption are starting to see meaningful leverage, as indicated by leaner teams**, while $50M+ ARR companies have yet to see measurable efficiency gains

- **<$25M ARR companies with high AI adoption also have a ~10-percentage point lower allocation of Post-Sales FTEs compared to peers** – suggesting that AI tooling may be automating parts of the customer onboarding process and enablement

GTM AI Implementation and Spend

- Implementing AI across GTM organizations varies by sector, but most companies cite three primary challenges:

  - #1: Cost of AI tools
  - #2: Deploying AI at scale
  - #3: Privacy/security concerns

- Given the ROI and impact companies are already seeing from AI adoption within GTM orgs, **AI spend on internal GTM use cases is expected to increase by over 70-80% on average** – driven primarily by faster-growing companies and those with more AI-Native products

1) Strong internal AI adoption is defined as AI being fully embedded into GTM processes

2025 State of GTM Health: Leading and Lagging Indicators

Lagging Indicators	**ARR Growth** ●	**Net Dollar Retention** ●	**Cost per Opportunity** ▲	**Net Magic Number** ▼	**Quota Attainment** ● **Late Renewals** ▼
	Relatively flat growth YoY, mid-stage companies reaccelerating	*Relatively flat net dollar retention YoY at 100-115%*	*Increased YoY, particularly for companies <$25ARR*	*Slightly decreased over the past 2 years*	*Flat since last year at 58% (% of ramped AEs achieving quota)* *Decreased across most customer segments*
Leading Indicators	**New Lead Conversion** ●	**SQL Conversion** ▼	**Demo Conversion** ▼	**Free Trial/POC Conversion**[1]	**Average Sales Cycle** ▲ **Pipeline Coverage Ratio** ▼
	Relatively flat across revenue scales	*Slightly decreased for <$250M ARR companies*	*Decreased across all revenue scale buckets*	*AI-Native companies have higher conversion rates*	*Increased since last year by 3-4 weeks on average* *Slightly declined since last year from 3.9x to 3.6x*
Actions Taken	**Operating Model**	**Customer Acquisition**	**GTM Motion**	**Pricing Models**	**AI Use in GTM** **AI Spend in GTM**
	Post-Sales teams are experiencing the most evolution in the wake of AI	*Continued shift toward hybrid customer acquisition methods*	*Ongoing reliance on channel and partnership motions as a key revenue driver*	*Hybrid pricing models are common, particularly in later-stage and AI-Native companies*	*High AI adopters are seeing meaningful impact across sales performance* *High-growth companies plan to significantly increase their investment in GTM AI tooling*

GTM Reporting Guide ➤ Explore our GTM Reporting Guide to dig into key metrics, leading and lagging indicators of GTM health, frameworks for GTM organizations to track and leverage, and templates for best-in-class reporting

1) Year-over-year data for Free Trial/POC Conversion is not available, as this is a newer metric we're starting to track

The State of Go-to-Market Health in 2025

GTM Health | Growth ●

YoY ARR growth has remained relatively flat, though $25M-$200M ARR companies are experiencing an uptick

Top Quartile YoY ARR Growth
By ARR Scale and Half Year

<$25M ARR[1] 141% 135%

$25M-$100M ARR 78% 93%

$100M-$200M ARR 44% 46%

$200M+ ARR 39% 27%

2023 H1   2023 H2   2024 H1   2024 H2   2025 YTD
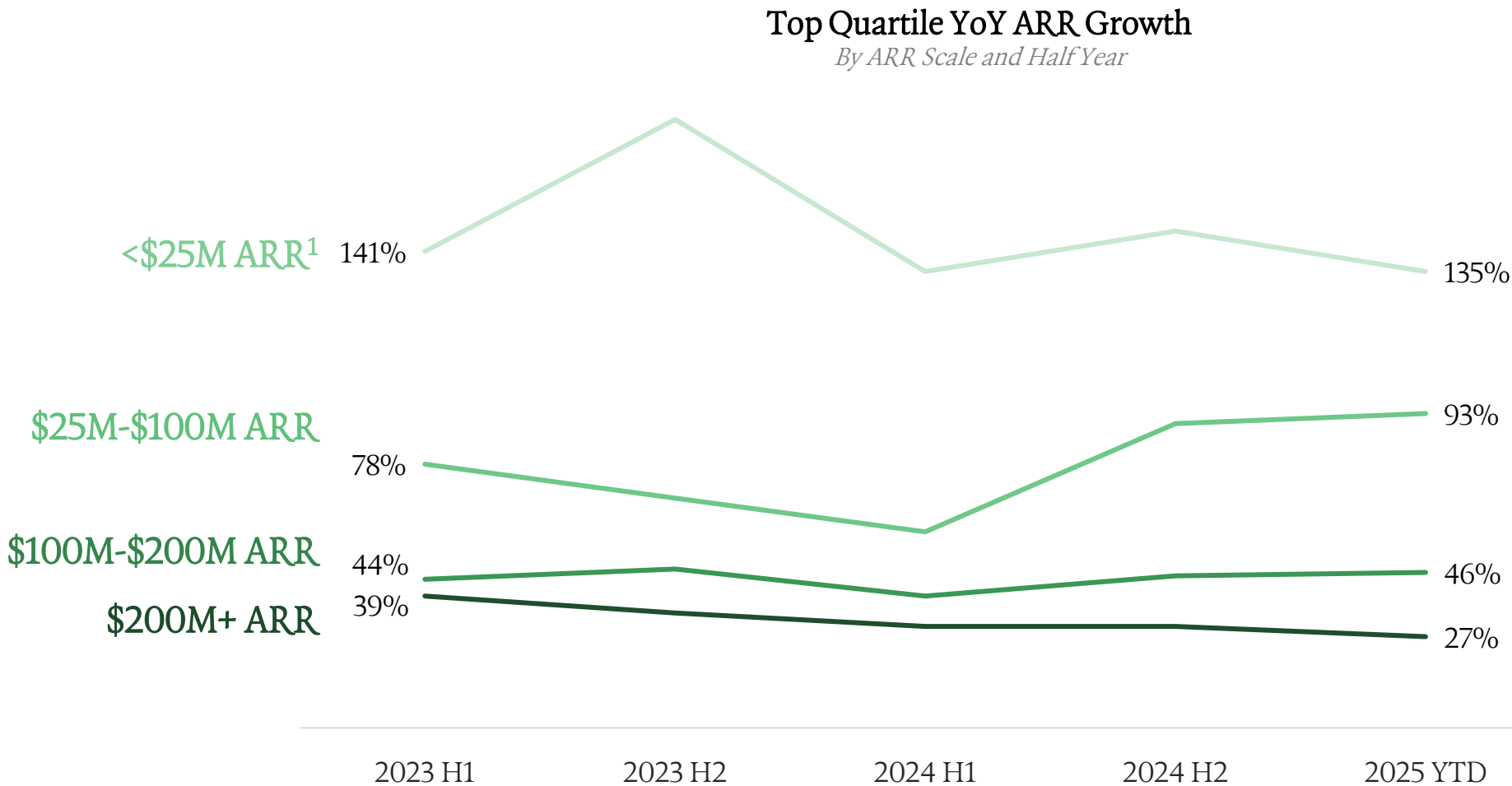
While, on aggregate, growth is generally stagnant, *AI-Native companies are experiencing significantly faster growth than their Non-AI-Native peers[2]*. This acceleration *may be driven by products that enable quicker adoption and usage*, along with the rising relevance of AI-powered solutions across industries.

More to come in our upcoming 2025 Growth & Efficiency report!

1) <$10M ARR companies excluded
2) For definitions please refer to page 3
Source: Financial and operating data from certain ICONIQ Venture and Growth portfolio companies from Q1 2023 - Q1 2025 (as of 6/12/25)

Companies are experiencing flat net dollar retention, on aggregate, however those in the $100M-$200M ARR range are experiencing a slight decline

Top Quartile Net Dollar Retention
By ARR Scale and Half Year

<$25M ARR[1]

121% | 124% | 127% | 111% | 124%

| | | | | |
| 2023 H1 | 2023 H2 | 2024 H1 | 2024 H2 | 2025 YTD |

$25M-$100M ARR

107% | 108% | 109% | 112% | 111%

| | | | | |
| 2023 H1 | 2023 H2 | 2024 H1 | 2024 H2 | 2025 YTD |

$100M-$200M ARR[2]

109% | 112% | 106% | 110% | 101%

| | | | | |
| 2023 H1 | 2023 H2 | 2024 H1 | 2024 H2 | 2025 YTD |

$200M+ ARR

112% | 114% | 110% | 113% | 114%

| | | | | |
| 2023 H1 | 2023 H2 | 2024 H1 | 2024 H2 | 2025 YTD |

| N-Size | 27 | 23 | 15 | 10 | 4 | 33 | 32 | 37 | 40 | 19 | 19 | 22 | 20 | 16 | 6 | 41 | 43 | 40 | 35 | 12 |
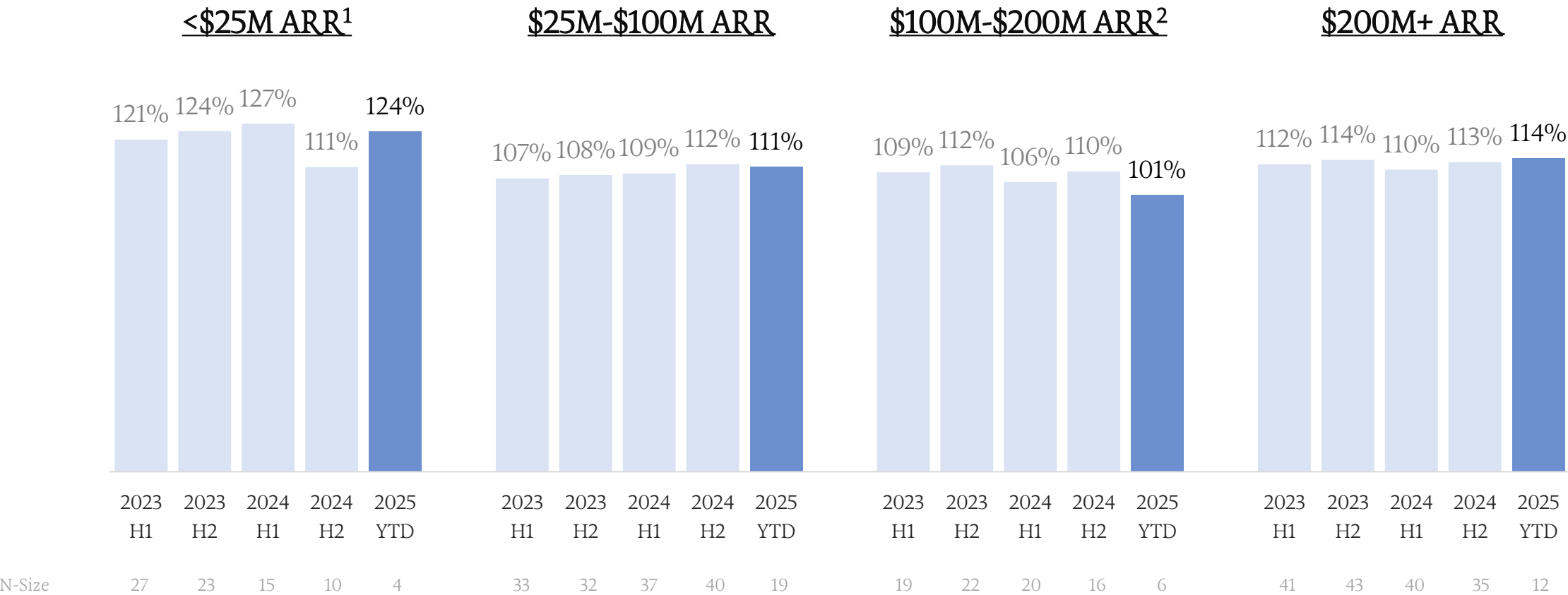
1) <$10M ARR companies excluded
2) The n-size is smaller and includes a slightly different cohort of companies compared to page 9. The $100M-$200M ARR category on page 9 has an n-size of 12
Source: Financial and operating data from certain ICONIQ Venture and Growth portfolio companies from Q1 2023 - Q1 2025 (as of 6/12/25)

One contributing factor to flat performance is weaker execution deeper in the sales funnel. While top-of-funnel conversion remains relatively flat YoY, companies are having a harder time turning late-stage opportunities into Closed-Won deals

What are your organization's average funnel conversion rates?
By ARR Scale and Year

	<$25M ARR			$25M-$100M ARR			$100M-$250M ARR			$250M+ ARR		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
New Lead to MQL	27%	30% ●	29%	23%	27% ●	27%	23%	23% ▼	20%	18%	21% ▲	25%
MQL to SQL	28%	32% ▼	29%	28%	32% ▼	29%	28%	25% ●	24%	29%	21% ▲	24%
SQL to Closed Won	27%	29% ▼	23%	24%	31% ▼	26%	27%	27% ▼	21%	32%	23% ▲	27%
Demo to Closed Won	40%	39% ▼	35%	32%	41% ●	40%	30%	41% ▼	30%	41%	42% ▼	39%

AI-Native companies, however, appear to be more successful at converting new opportunities into customers through a free trial or proof-of-concept phase – particularly among $100M+ ARR companies (56% conversion rate vs 32% for other companies)

AI Spotlight: What are your organization's average funnel conversion rates?

By ARR Scale

	<$100M ARR		$100M+ ARR	
	AI-Native Companies[1]	Non-AI-Native[2]	AI-Native Companies[1]	Non-AI-Native[2]
New Lead to MQL	28%	30%	26%	22%
MQL to SQL	30%	30%	30%	23%
SQL to Closed Won	26%	25%	28%	23%
Demo to Closed Won	35%	39%	44%	33%
Free Trial / Proof of Concept to Paid Version	43%	37%	56%	32%

AI-Native companies generally show higher conversion rates within the sales funnel, suggesting that **the ROI on their products are more immediately clear and valuable to customers**. This allows them to convert interest into revenue more efficiently – an even greater advantage in times of macroeconomic uncertainty.

This growing difficulty in closing deals is extending sales cycles across most sectors – increasing by 3-4 weeks on average since last year

Approximately what is your organization's average sales cycle (in weeks) for new logos?

By Sector and Year

	Vertical SaaS			Horizontal SaaS			Infrastructure			Fintech		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
Value	23	27	23	19	20	23	20	20	22	21	25	33
N-Size	69	35	58	73	43	68	37	25	21	11	15	19
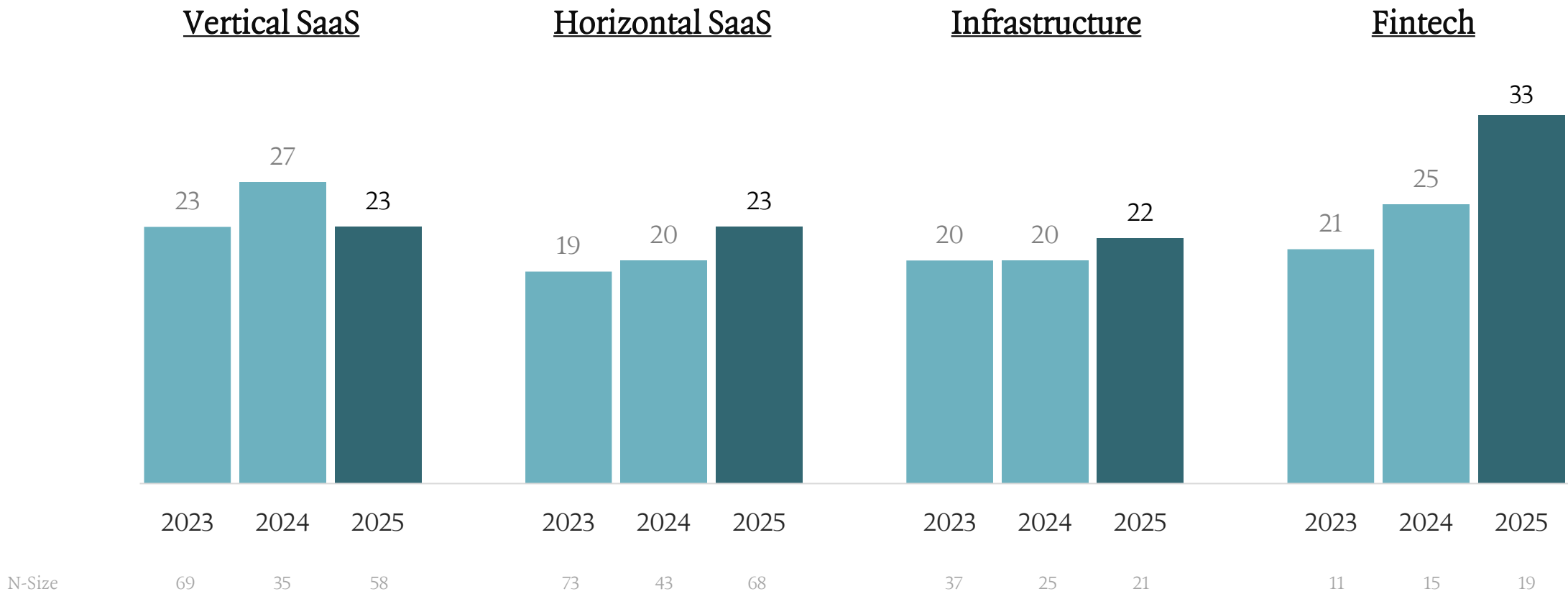
These longer sales cycles have also driven up the cost per opportunity for most companies, with <$25M ARR companies seeing the largest increase since last year

What is your organization's cost per opportunity?

Cost per Opportunity by ARR

	<$25M		$25M-$100M		$100M-$250M		$250M+	
	2024	2025	2024	2025	2024	2025	2024	2025
Value	$5.5K	$10.0K	$7.5K	$8.5K	$8.5K	$10.5K	$12.0K	$8.5K
N-Size	18	36	34	52	22	37	14	32

Cost per Opportunity by Sales Motion

	Inside		Hybrid		Field	
	2024	2025	2024	2025	2024	2025
Value	$6.0K	$8.5K	$7.5K	$9.0K	$11.5K	$10.5K
N-Size	23	74	19	70	46	8

Source: ICONIQ proprietary survey of GTM Executives (2024-2025)

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GTM Health | Net Magic Number ▼

In addition to stagnant growth, net magic number has also trended down over the past 2 years. This potentially reflects how companies are adapting to new operating needs in the wake of AI through increased exploratory spend on tooling and headcount

Top Quartile Net Magic Number[1]
By ARR scale and Half Year

<$25M ARR[2]

	2023 H1	2023 H2	2024 H1	2024 H2	2025 YTD
Value	1.5x	1.3x	0.9x	0.9x	1.0x
N-Size	23	23	14	10	7

$25M-$100M ARR

	2023 H1	2023 H2	2024 H1	2024 H2	2025 YTD
Value	0.7x	0.9x	0.9x	0.6x	0.6x
N-Size	38	41	44	43	20

$100M-$200M ARR

	2023 H1	2023 H2	2024 H1	2024 H2	2025 YTD
Value	0.9x	1.3x	1.1x	1.2x	0.7x
N-Size	17	20	19	20	9

$200M+ ARR

	2023 H1	2023 H2	2024 H1	2024 H2	2025 YTD
Value	0.9x	0.7x	0.7x	0.9x	0.7x
N-Size	49	54	53	52	19
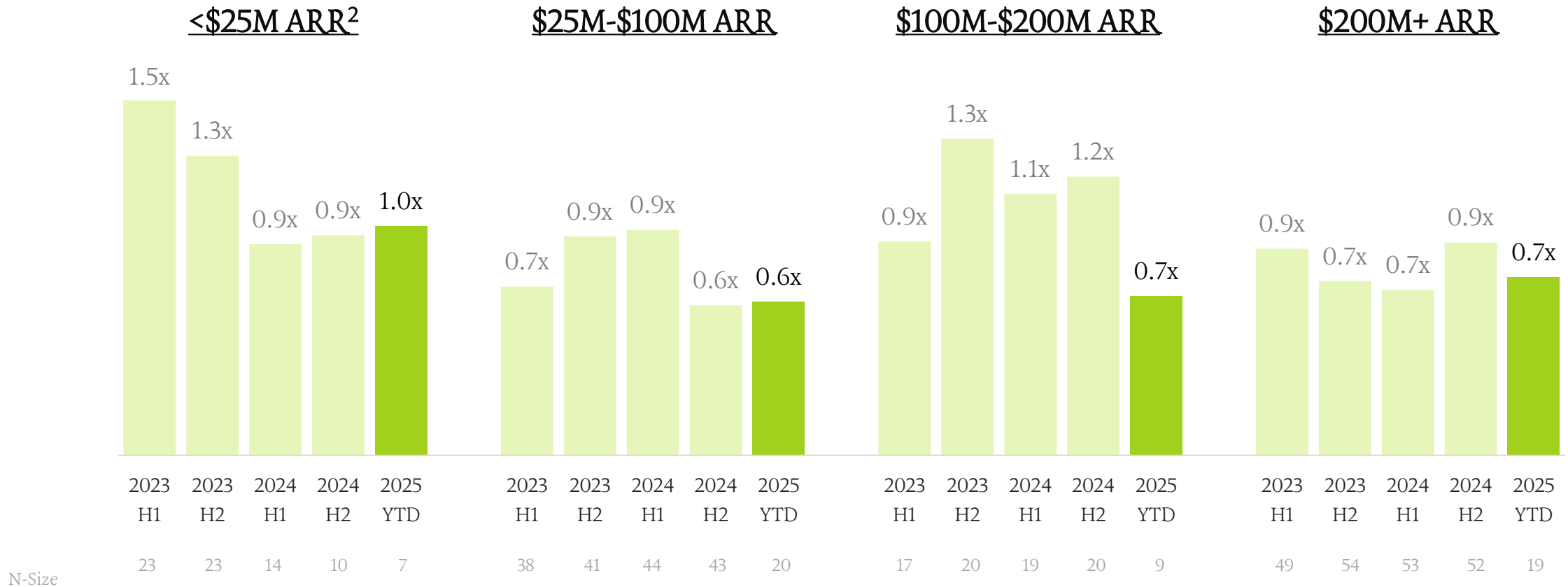
1) Net magic number = current quarter net new ARR / prior quarter S&M OpEx
2) <$10M ARR companies excluded
Source: Financial and operating data from certain ICONIQ Venture and Growth portfolio companies from Q1 2023 - Q1 2025 (as of 6/12/25)

Pipeline coverage has dipped slightly since last year, from 3.9x to 3.6x, suggesting that sales teams have less buffer to absorb lost deals or that companies are refining their pipelines to focus on higher-quality opportunities

What is your organization's average pipeline coverage ratio[1] for Account Executives?
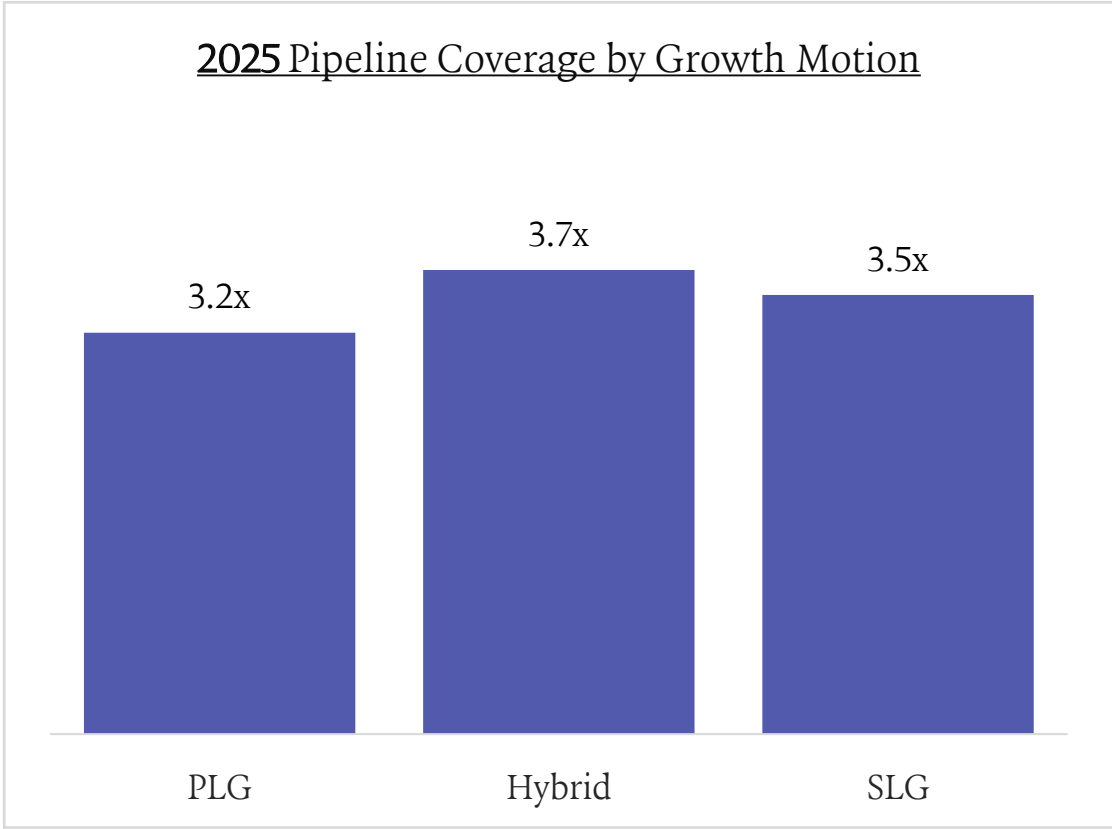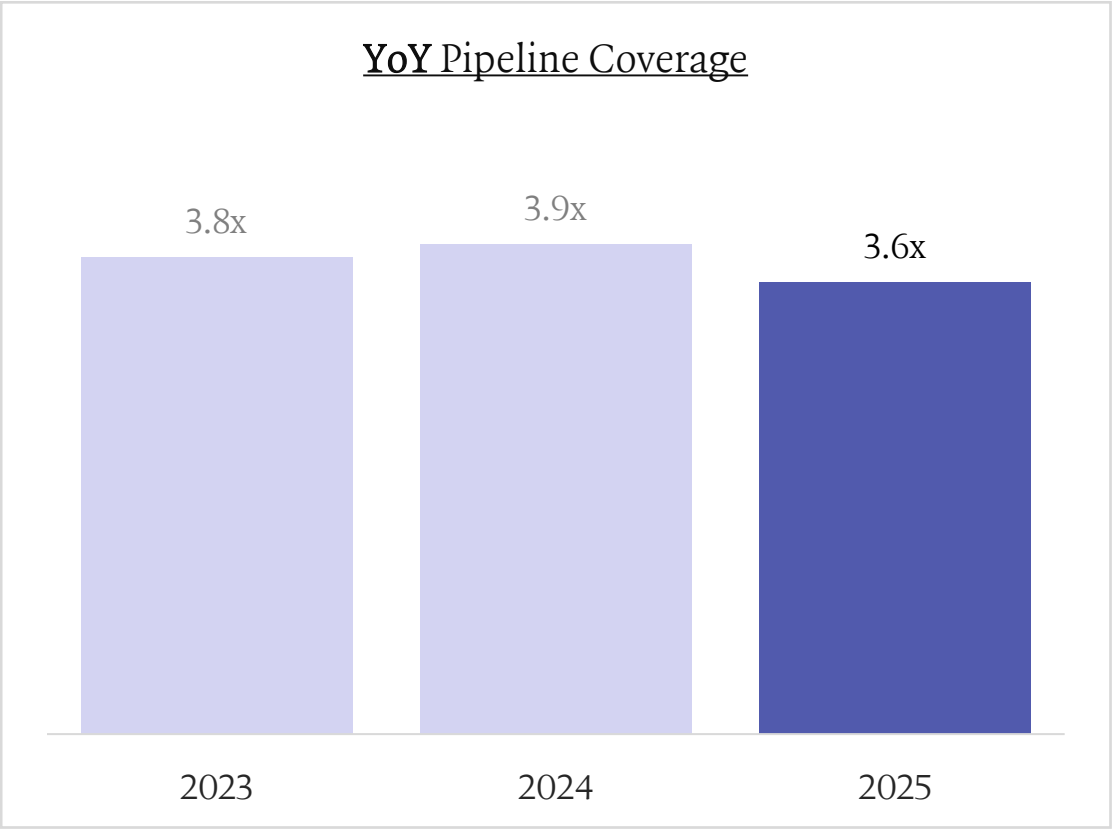
YoY Pipeline Coverage

2023	2024	2025
3.8x	3.9x	3.6x

2025 Pipeline Coverage by Growth Motion

PLG	Hybrid	SLG
3.2x	3.7x	3.5x

N-Size	190	127	168		8	63	97

Despite less pipeline, the % of ramped Account Executives achieving quota has remained relatively flat since last year. Companies with hybrid sales motions are seeing higher quota attainment compared to those relying primarily on field sales

What percent of your organization's ramped account executives achieved quota?

YoY % of ramped AEs that achieved quota

	2023	2024	2025
%	62%	59%	58%
N-Size	190	127	168

2025 % of ramped AEs that achieved quota by Sales Motion

	Inside	Hybrid	Field
%	58%	61%	55%
N-Size	57	60	51
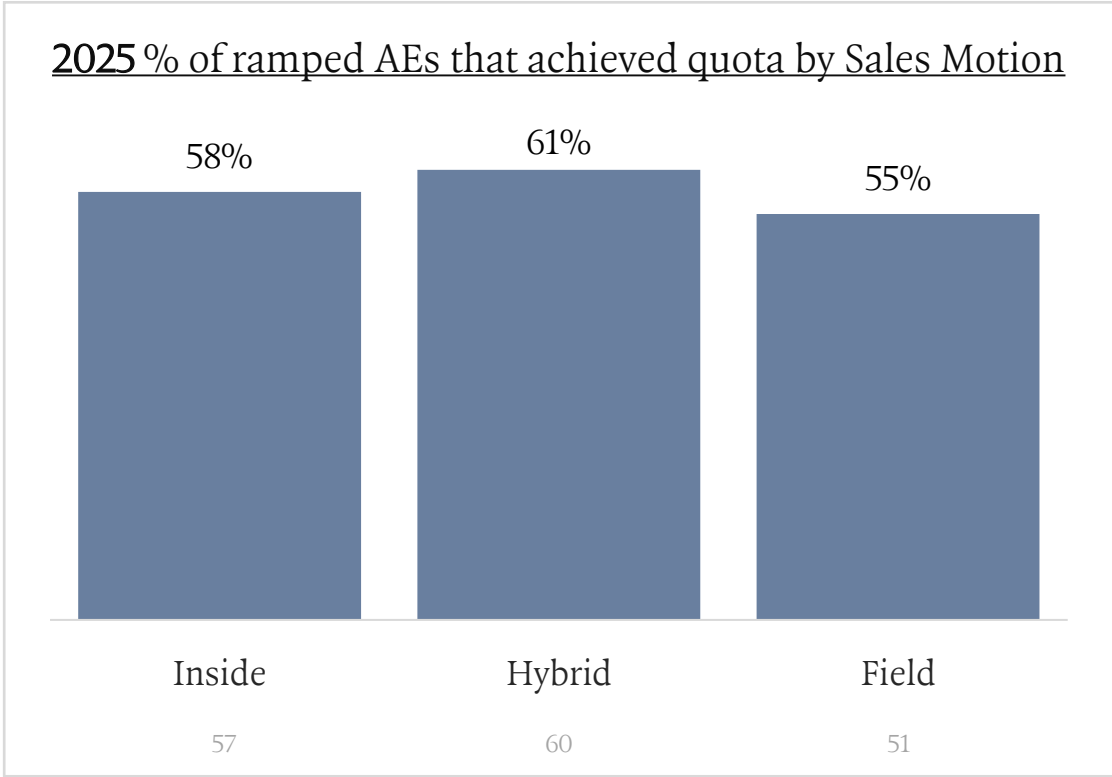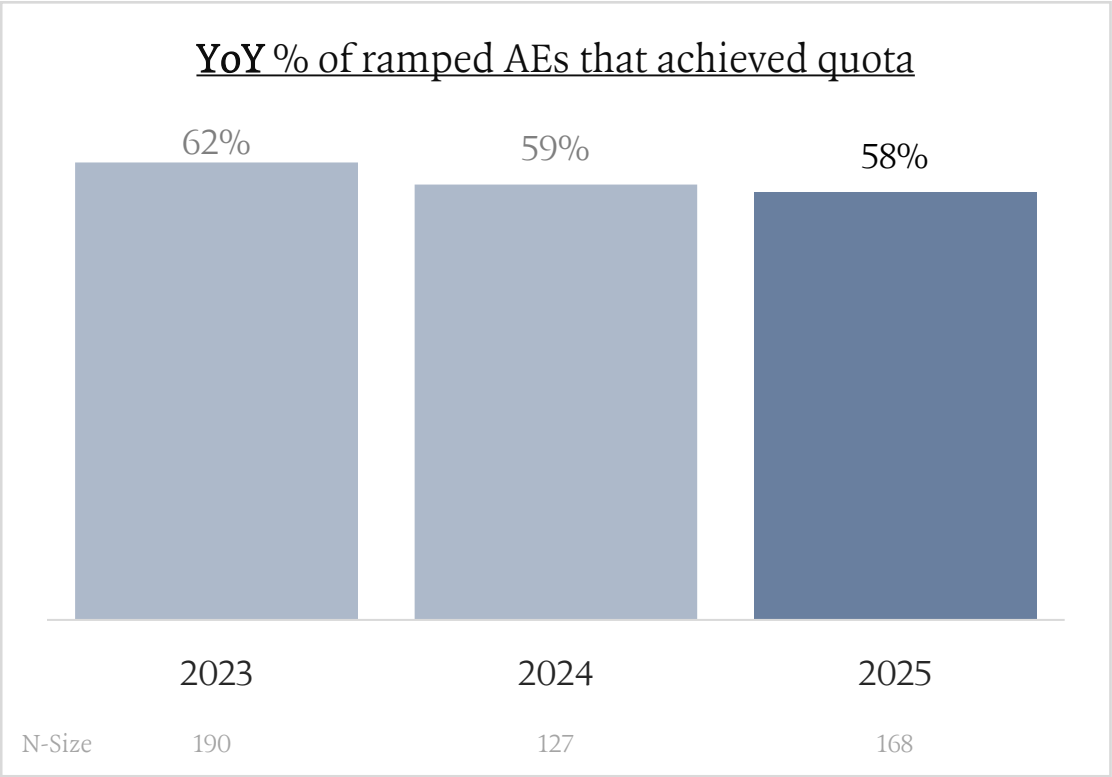
While the overall percentage of ramped AEs hitting quota has remained flat since last year, **$25M-$100M ARR companies are seeing a decline in attainment YoY – potentially reflecting the challenges of the common "Growth Plateau" phase.** Learn more about the "Growth Plateau" in our *Scaling SaaS from $1-$20M* report [here](#).

GTM Health | Win Rates

Sales reps generally see higher win rates on opportunities sourced through Sales and Channel/Partnership motions (35-40% and 25-35%, respectively) vs. Marketing-sourced opportunities (18-22%)

What is your approximate average win rate by opportunity source?

Sales

Channel / Partner

Marketing

N-Size			
	74	57	37	37
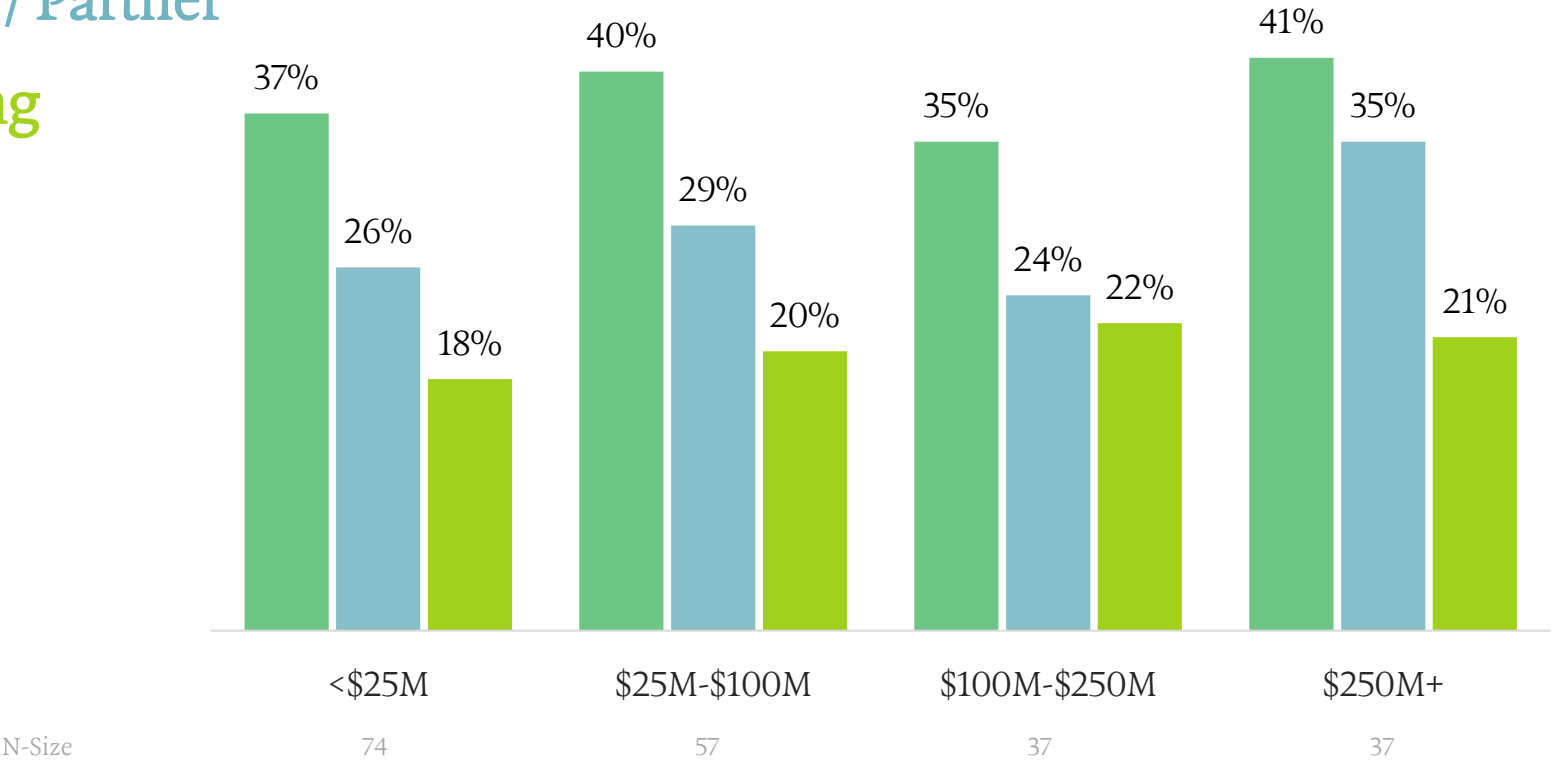
With continued macro uncertainty, companies are facing more complex buying cycles – often requiring higher-touch engagement and stronger lead qualification (which is typically driven by both Sales and Channel teams).

GTM Health | Contract Length ●

While average contract length remains at ~2 years, there's been a noticeable shift toward 1-year contracts since last year. This is likely driven by broader market uncertainty and a desire to retain flexibility as AI solutions continue to disrupt traditional tooling

What is your organization's average contract length for new logo subscriptions?

By Year

	2023	2024	2025
4+ years	5%	6%	6%
3 years	28%	36%	34%
2 years	23%	28%	19%
1 year	41%	26%	40%
Less than 1 year	4%	4%	2%
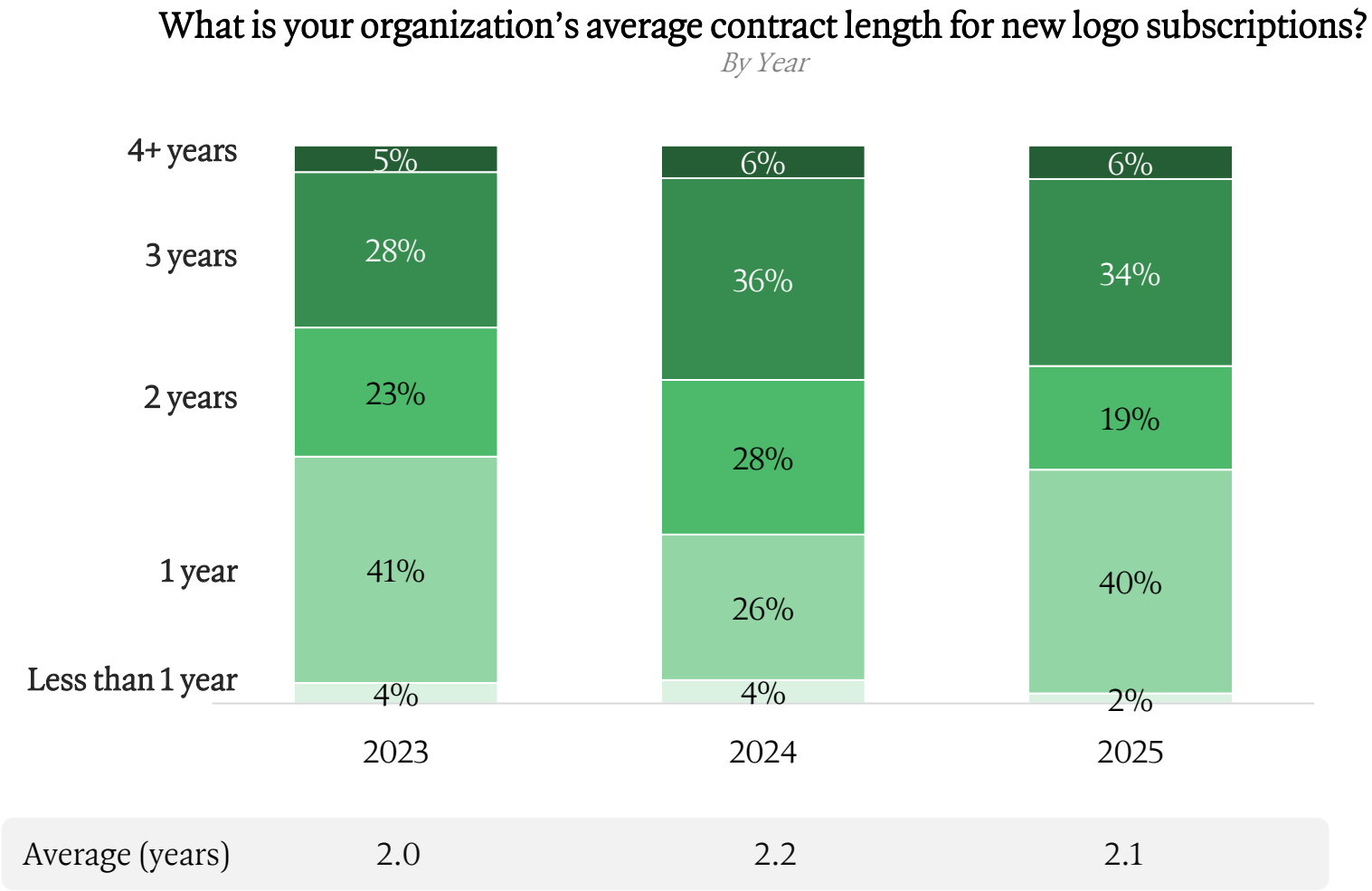
	2023	2024	2025
Average (years)	2.0	2.2	2.1

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Although there is greater prevalence of 1-year deals, more customers are renewing on time than in 2024. The % of late renewals has declined across all ARR bands, with the most notable drop among $250M+ ARR companies (19% in 2025 vs. 33% in 2024)

% of Customers with Late Renewal

% of Customers with Late Renewals by ARR
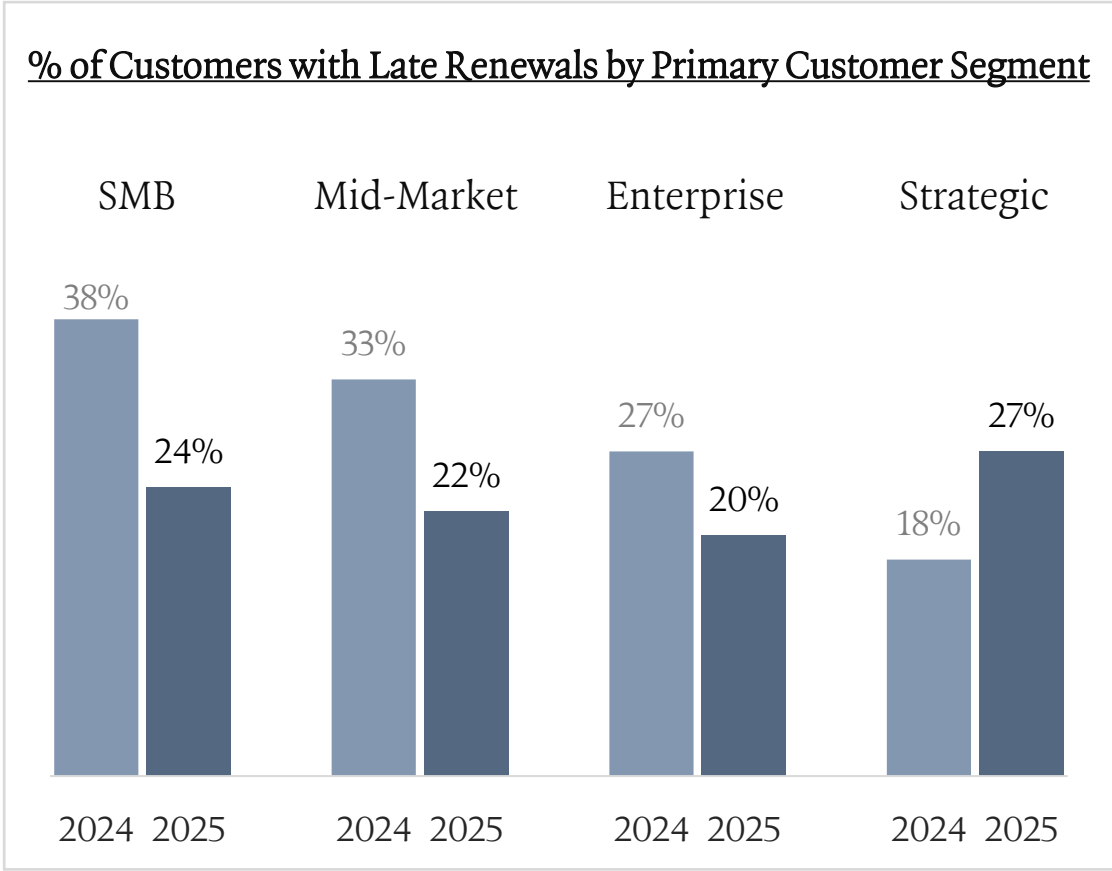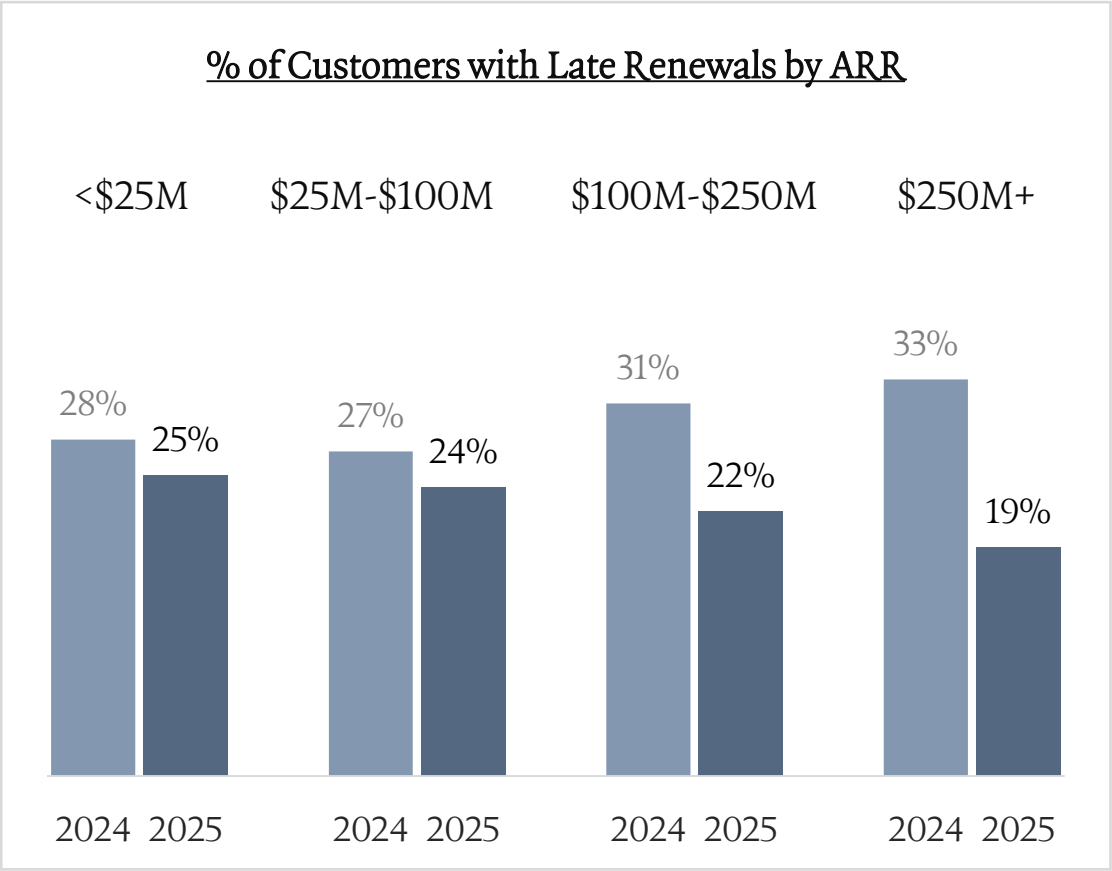
	<$25M		$25M-$100M		$100M-$250M		$250M+	
	2024	2025	2024	2025	2024	2025	2024	2025
%	28%	25%	27%	24%	31%	22%	33%	19%
N-Size	27	37	43	57	33	37	24	37

% of Customers with Late Renewals by Primary Customer Segment

	SMB		Mid-Market		Enterprise		Strategic	
	2024	2025	2024	2025	2024	2025	2024	2025
%	38%	24%	33%	22%	27%	20%	18%	27%
N-Size	31	38	41	37	33	66	22	27

How companies are shifting GTM strategy

Faster-growing Non-AI-Native companies dedicate a smaller share of GTM headcount to Post-Sales, while AI-Native companies (regardless of performance) allocate more – likely due to technical onboarding and the need to drive adoption of 'new age' tools

Distribution of GTM FTEs by Team
By Year
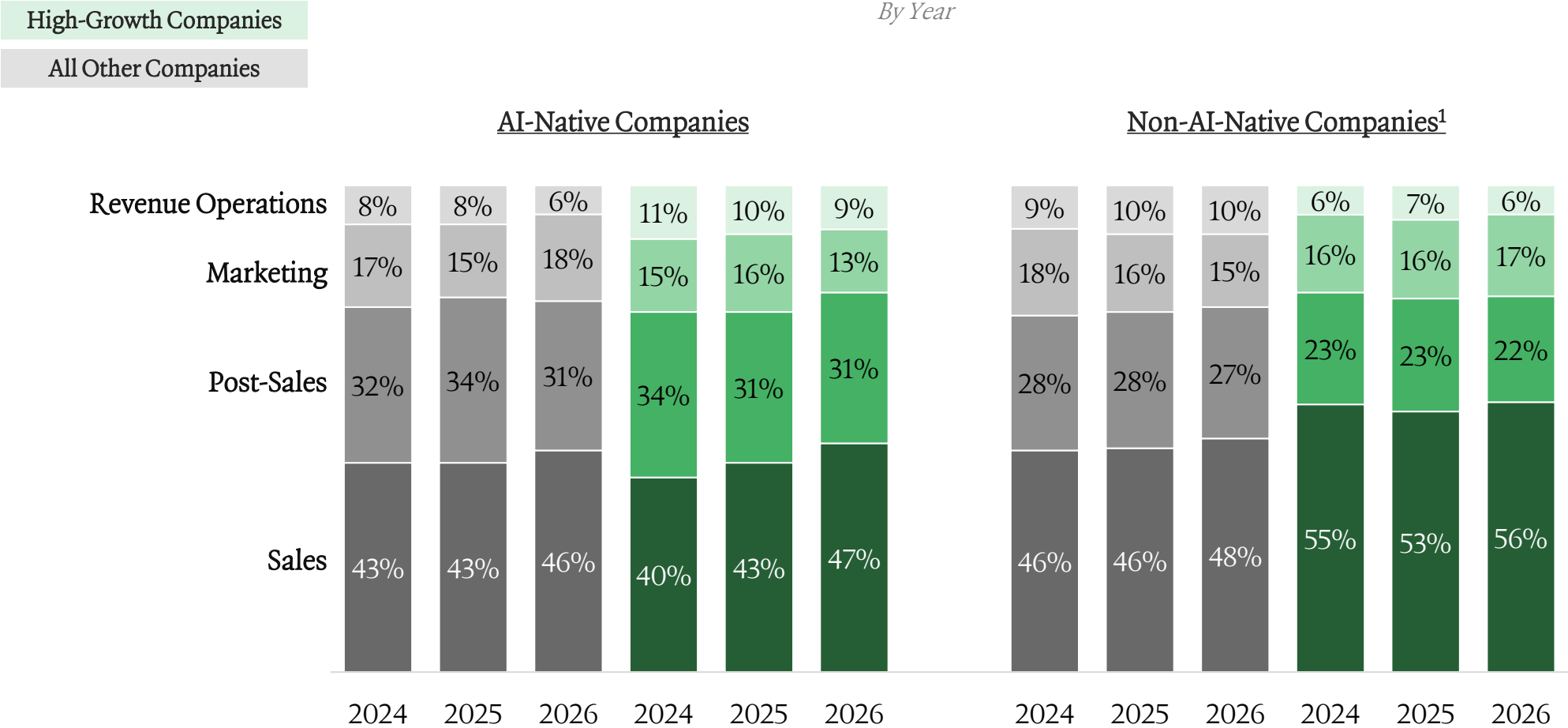
High-Growth Companies

All Other Companies

AI-Native Companies

	2024	2025	2026	2024	2025	2026
Revenue Operations	8%	8%	6%	11%	10%	9%
Marketing	17%	15%	18%	15%	16%	13%
Post-Sales	32%	34%	31%	34%	31%	31%
Sales	43%	43%	46%	40%	43%	47%

Non-AI-Native Companies[1]

	2024	2025	2026	2024	2025	2026
Revenue Operations	9%	10%	10%	6%	7%	6%
Marketing	18%	16%	15%	16%	16%	17%
Post-Sales	28%	28%	27%	23%	23%	22%
Sales	46%	46%	48%	55%	53%	56%

GTM Org Evolution: AI-Native vs. Non-AI-Native

As AI continues to reshape how companies go to market, **we're seeing a clear divergence in how AI-Native and Non-AI-Native (traditional SaaS) companies structure their GTM teams.**

AI-Native companies often require more hands-on support, particularly around technical implementation and helping customers adopt next-generation tools. This is especially true in slower-moving, legacy industries. **In response, we're seeing the rise of forward-deployed engineers** who play a critical role in driving change management with these new AI tools.

Meanwhile, Non-AI-Native companies are increasingly moving away from standalone AM/CSM teams. However, the core responsibilities of Customer Success still need to be embedded across GTM and broader cross-functional teams.

> We're seeing the emergence of roles like the "forward-deployed engineer" – particularly as AI-Native companies expand into multi-product offerings more aggressively. This faster pace creates greater demand for technical support – especially when working with larger, enterprise customers.
>
> At many AI-Native companies, it's less about traditional CSMs and more about embedding engineers directly into customer-facing roles. **If you want to be known for driving customer success and real business value, forward-deployed engineers are often the way to go.**
>
> As one leader put it, "history is rhyming" – the titles may change, but the need remains the same.
>
> *Dennis Lyandres, former Chief Revenue Officer*
> *Procore*

> The traditional CSM role no longer made sense for us at Databricks. **The core responsibilities of Customer Success (driving value, adoption, and retention) are now distributed across all teams that engage with the customer,** and we no longer maintain a dedicated CSM function.
>
> At the same time, **consumption-based pricing is reshaping the nature of sales roles**. More broadly, **sales reps are increasingly responsible not just for closing deals, but also for overall long-term health of the customer relationship** (e.g. driving adoption and ongoing enablement). As a result, **sales incentives are evolving as well – shifting toward models that prioritize long-term customer success,** such as linking compensation more closely to net revenue retention.
>
> *Nick Cochran, former VP Customer Success*
> *Databricks*

Pricing is another area where AI-Native and Non-AI-Native companies are diverging. While subscription pricing remains common, about a third of companies have adopted hybrid models – a trend that's more prevalent in AI-Native companies

Primary Pricing Models
% of Respondents

Primary defined as deriving ≥70% of revenue from a pricing model

AI-Native Companies

	All AI-Native Companies	<$25M	$25M-$100M	$100M+
Subscription/platform	35%	32%	42%	33%
Seat-based	14%	11%	8%	25%
Hybrid	37%	42%	33%	33%
Consumption/Usage	5%	5%	17%	8%
Outcome	9%	11%		
N-Size	43	19	12	12

Non-AI-Native Companies[1]

	All Non-AI-Native Companies	<$25M	$25M-$100M	$100M+
Subscription/platform	34%	40%	36%	27%
Seat-based	12%	7%	16%	15%
Hybrid	30%	25%	31%	32%
Consumption/Usage	17%	20%	13%	18%
Outcome	6%	7%	2%	6%
N-Size	162	55	45	62
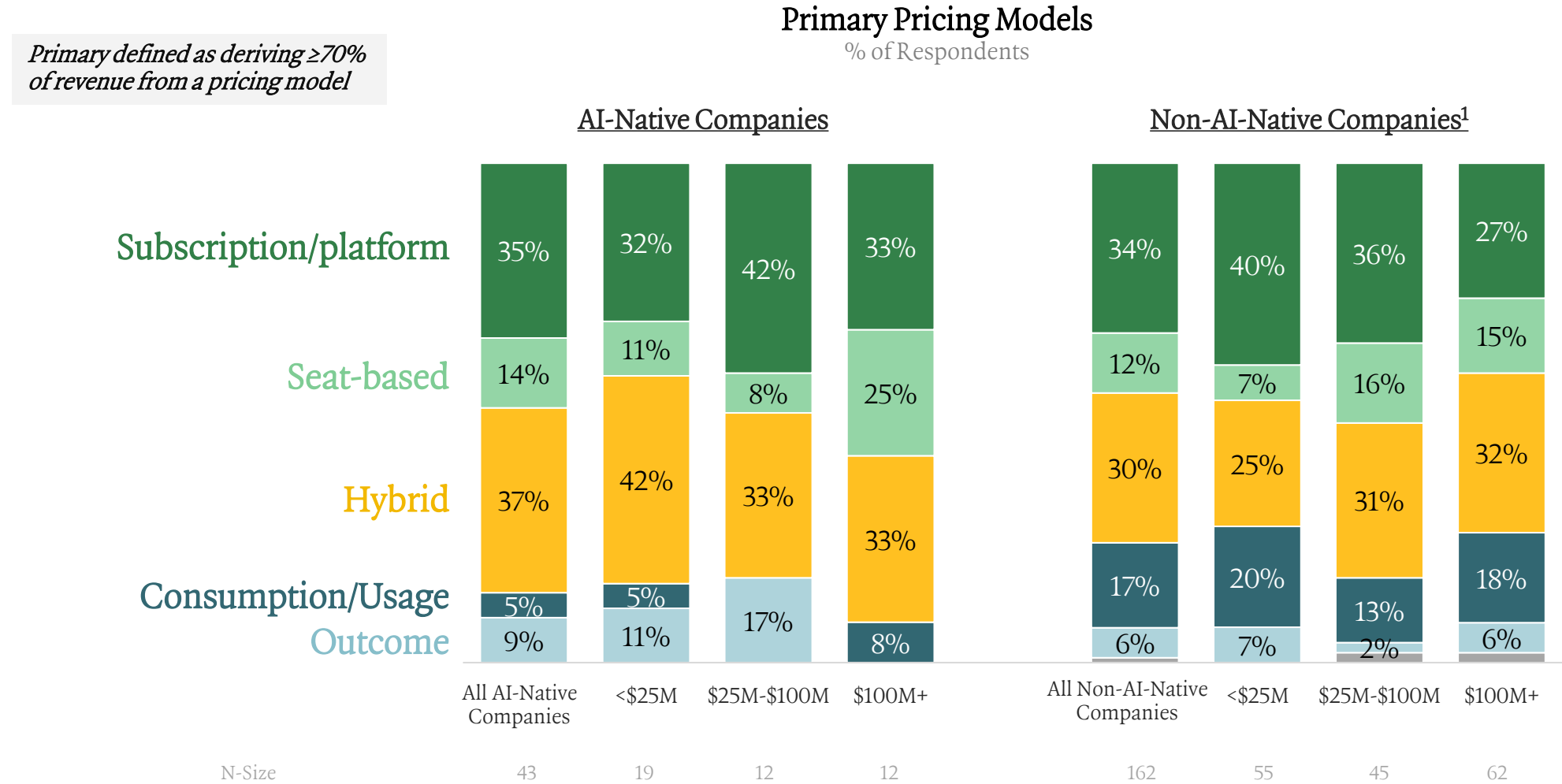
1) Includes AI-Enabled, AI-Infrastructure, and Non-AI SaaS companies, for definitions please refer to page 3
Source: ICONIQ proprietary survey of GTM Executives (2025)

Hybrid Pricing Model

Among companies using hybrid pricing models, there is a 50/50 revenue split across consumption/usage/outcome-based models vs. subscription/seat-based models

Revenue Split in Hybrid Pricing Models

AI-Native Companies

Revenue Split

Subscription/platform	31%
Seat-based	23%
Consumption/Usage	28%
Outcome	18%

Hybrid 37%

All AI-Native Companies

Non-AI-Native Companies[1]

Revenue Split

Subscription/platform	31%
Seat-based	17%
Consumption/Usage	40%
Outcome	12%

30%

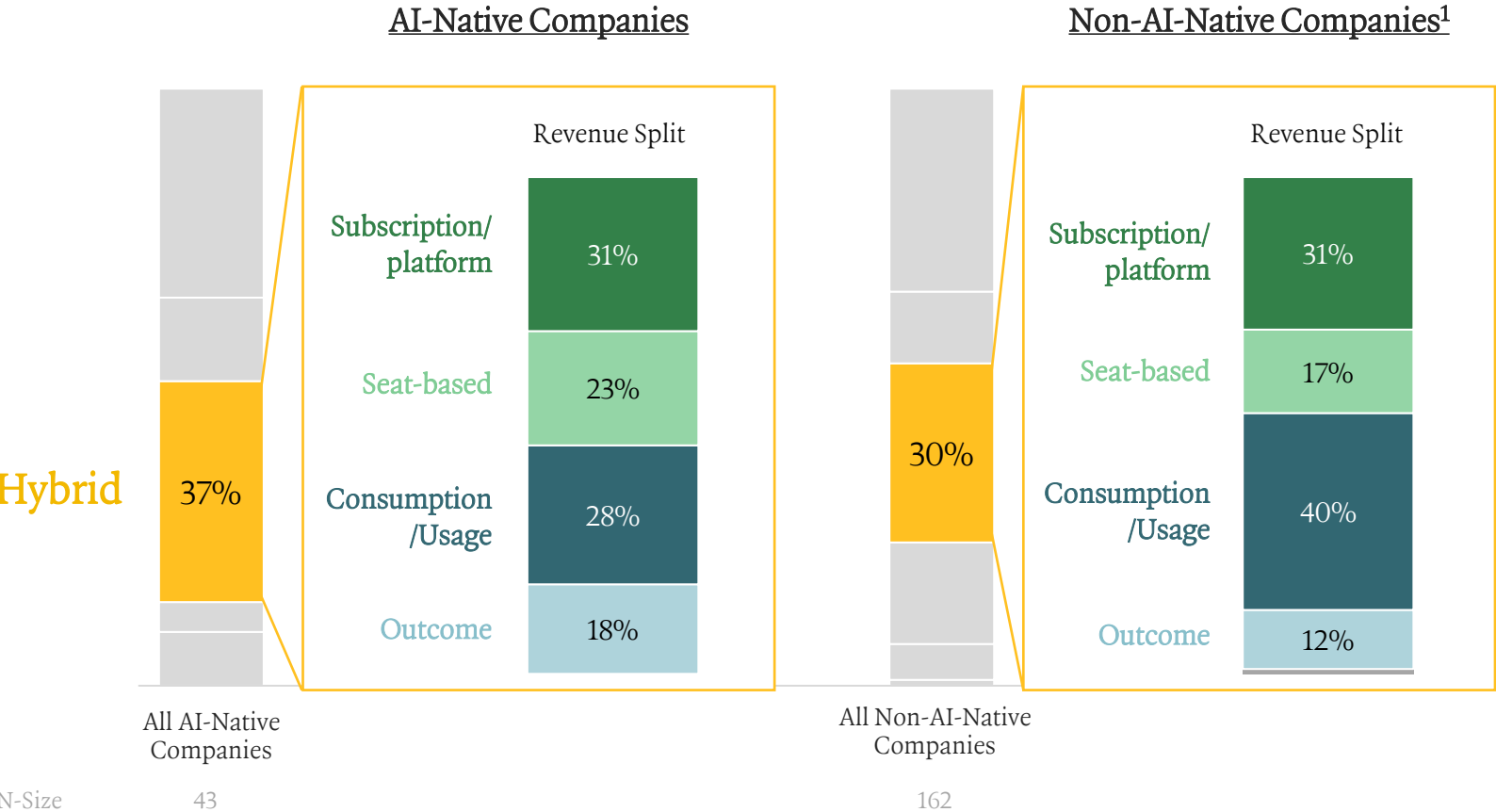All Non-AI-Native Companies

N-Size   43   162

1) Includes AI-Enabled, AI-Infrastructure, and Non-AI SaaS companies, for definitions please refer to page 3
Source: ICONIQ proprietary survey of GTM Executives (2025)

> "In my experience, pure usage-based models work best for high-volume products where standard per-unit pricing naturally leads to the desired deal size. They align well with self-serve GTM strategies. But when those conditions aren't met, these models can leave significant revenue on the table.
>
> Hybrid models can offer a balanced alternative: a platform fee combined with usage-based credits. This setup suits lower-volume products and sales-led motions, while also unlocking NRR upside through consumption. It's especially effective for AI products – where the platform fee can gate access to premium features, and the usage component aligns with natural metering.
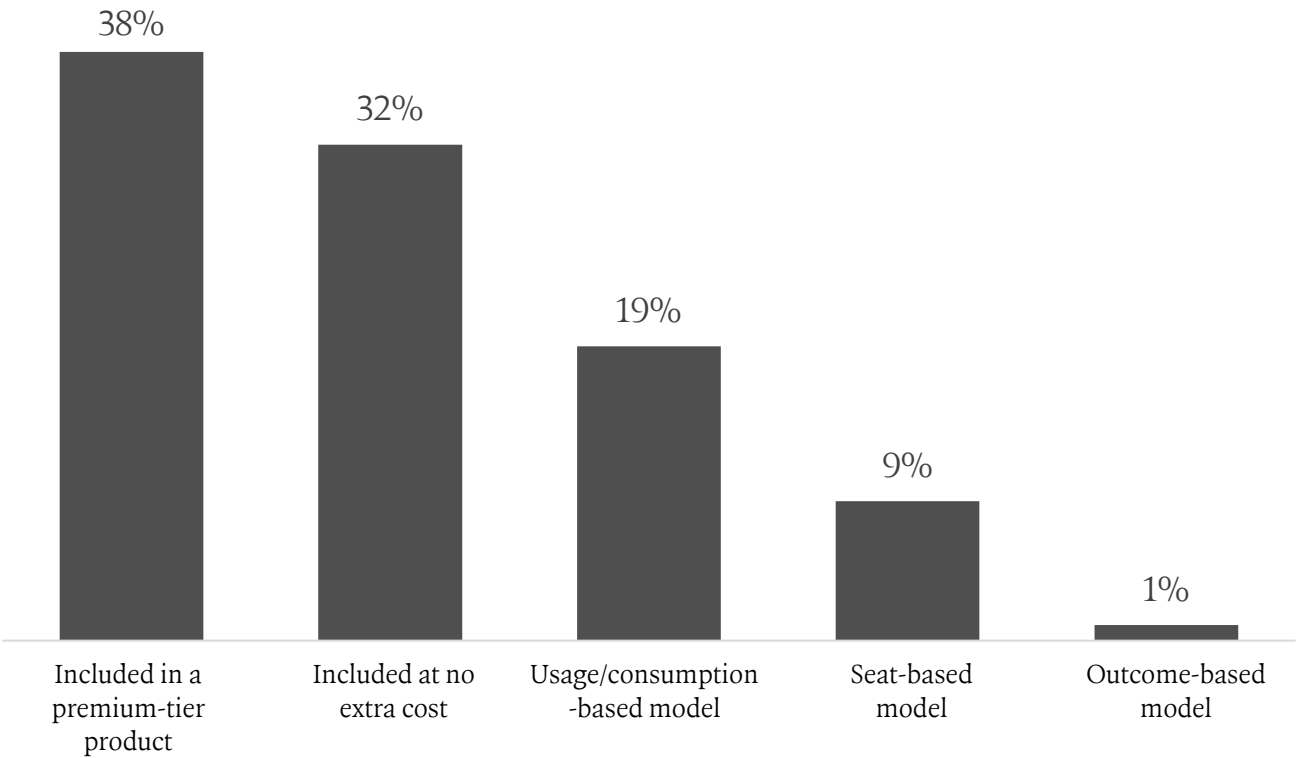>
> A key challenge with both models is the tendency to oversell credits and under-consume product (often driven by sales incentives) which can undermine NRR and negate the intended benefits. I see that as the primary reason many avoid usage or consumption-based pricing altogether."
>
> *Neha Narkhede, Cofounder / CEO at Oscilar and former Cofounder / CPTO at Confluent*

Most companies adding AI products/features into their existing (Non-AI-Native) products are currently bundling them into premium tiers or offering them at no extra cost

Primary Pricing Model for AI Features / Products
AI-Native Companies Excluded, % of Respondents, N-Size = 139

38% Included in a premium-tier product	
32% Included at no extra cost	
19% Usage/consumption-based model	
9% Seat-based model	
1% Outcome-based model	

ICONIQ Cross-Functional Insight

In our 2025 State of AI report, we asked this same question to R&D leaders, and their responses largely aligned with GTM leaders – further reinforcing the consistency of this trend across the market.
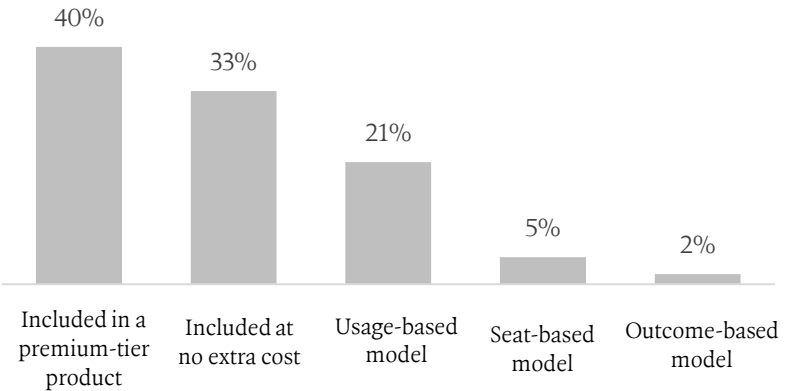
40% Included in a premium-tier product	
33% Included at no extra cost	
21% Usage-based model	
5% Seat-based model	
2% Outcome-based model	

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Companies are also increasingly diversifying their GTM strategies by blending top-down and bottom-up motions – up 8 percentage points since last year on average

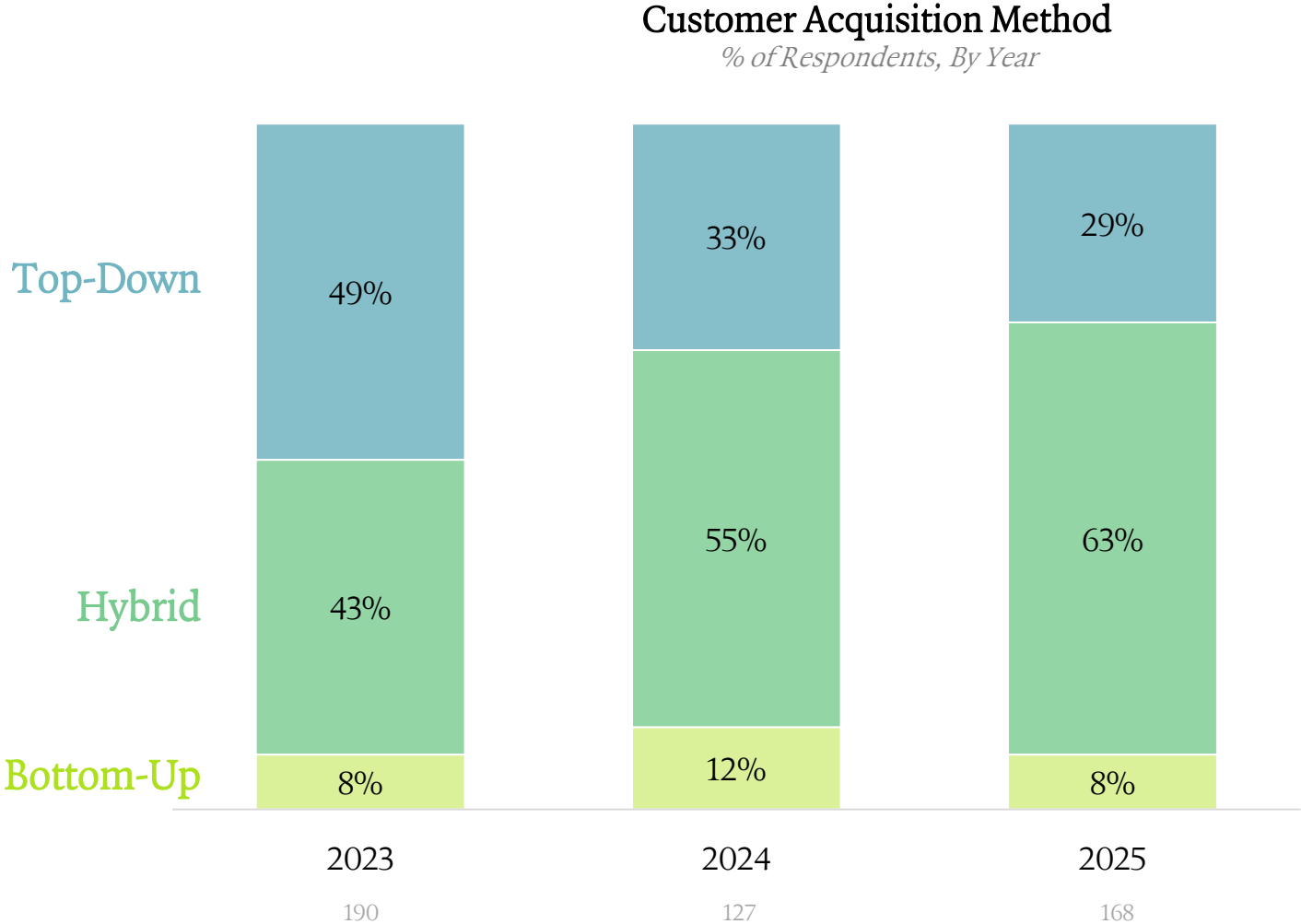## Customer Acquisition Method
% of Respondents, By Year

Hybrid Sales Motions

The **shift toward hybrid GTM models likely reflects the evolving dynamics of modern buying committees** – where executive decision-makers increasingly look for clear signals of value from end users before greenlighting a purchase. **This land-and-expand motion also supports stronger expansion over time and allows companies to engage multiple buyer profiles** (which is especially critical in periods of market volatility).

	2023	2024	2025
Top-Down	49%	33%	29%
Hybrid	43%	55%	63%
Bottom-Up	8%	12%	8%
N-Size	190	127	168

A channel / partnership motion remains a consistent part of GTM strategy, with companies continuing to derive an average of ~20% of their revenue from this motion YoY

Average Revenue Split by GTM Motion
By Year
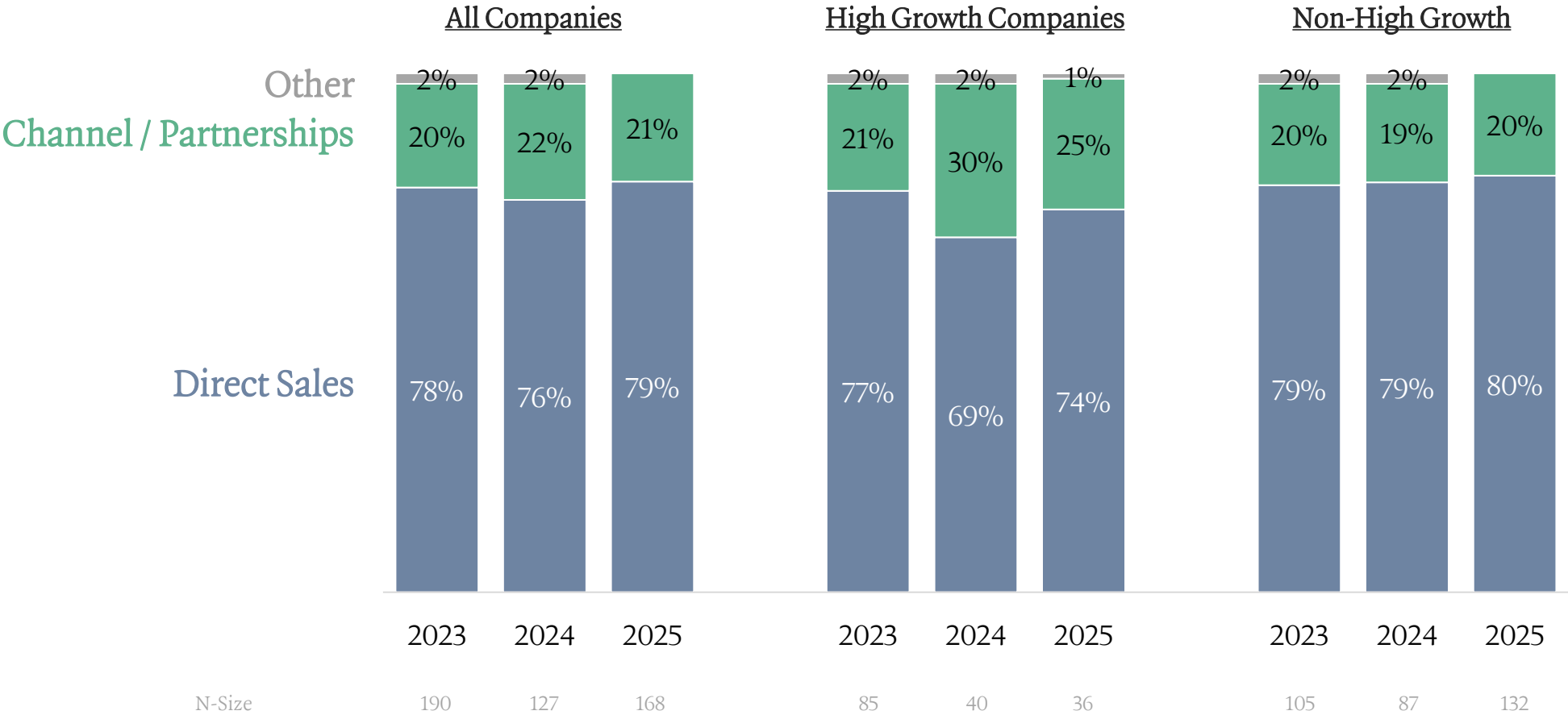
	All Companies			**High Growth Companies**			**Non-High Growth**		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Other	2%	2%	1%	2%	2%	1%	2%	2%	
Channel / Partnerships	20%	22%	21%	21%	30%	25%	20%	19%	20%
Direct Sales	78%	76%	79%	77%	69%	74%	79%	79%	80%
N-Size	190	127	168	85	40	36	105	87	132

This trend is even more pronounced among $250M ARR companies, which derive ~30% of their revenue from channel/partnership motions – underscoring the time required to build a mature, scalable program

2025 Average Revenue Split by GTM Motion
By ARR Scale

	<$25M	$25M-$100M	$100M-$250M	$250M+
Other	1%			1%
Channel / Partnerships	16%	19%	18%	29%
Direct Sales	83%	80%	82%	70%

N-Size: 74 / 57 / 37 / 37

Infrastructure companies often rely even more heavily on channel / partnership motions as a core part of their GTM strategy, typically deriving 30% or more of revenue across different growth stages.
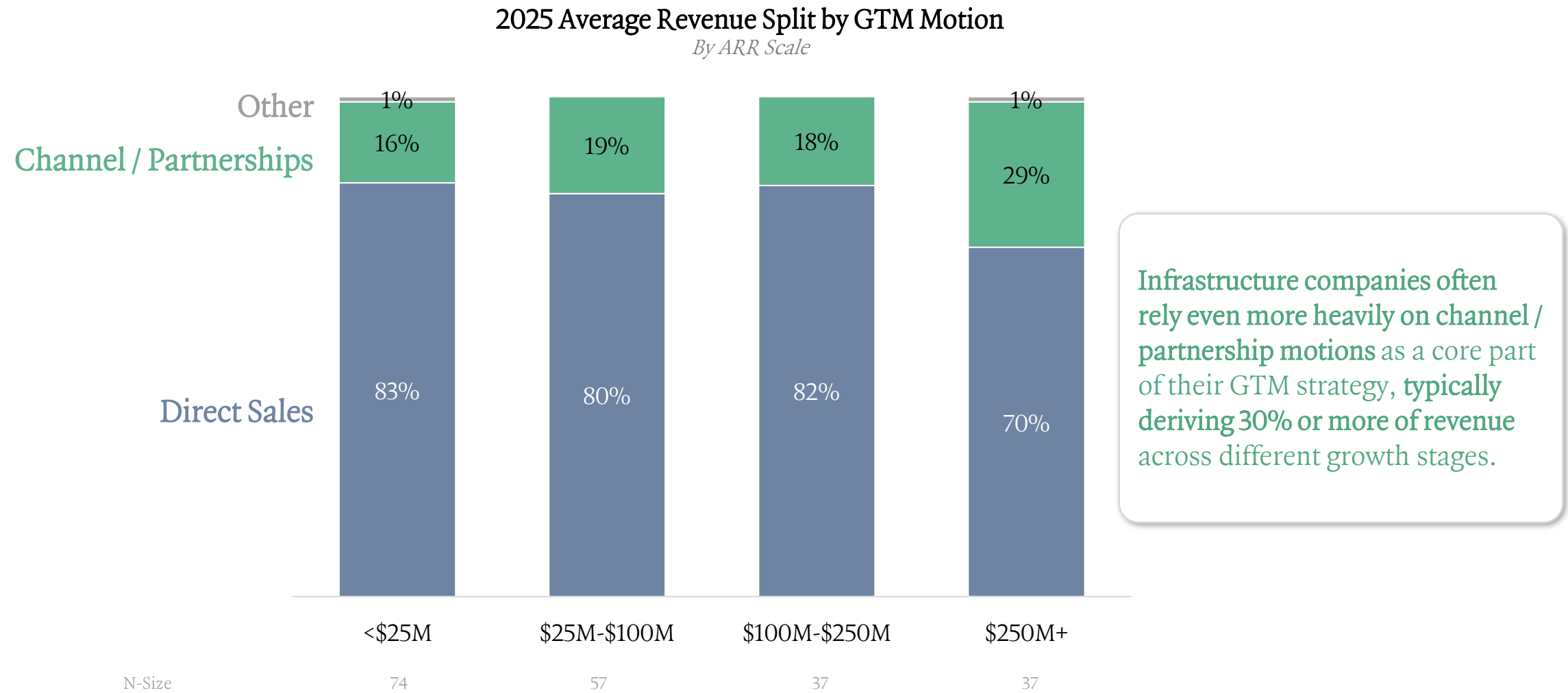
While companies don't see meaningful revenue from channel until >$250M ARR, companies should consider building out this motion before $25M ARR – ~80% of companies beyond that stage generate at least 10% of their revenue from this motion

% of Companies with ≥10% of Revenue from Channel/Partnerships
By ARR Scale

ARR Scale	%
$250M+	84%
$100M-$250M	81%
$25M-$100M	79%
$10M - $25M	62%
<$10M	54%
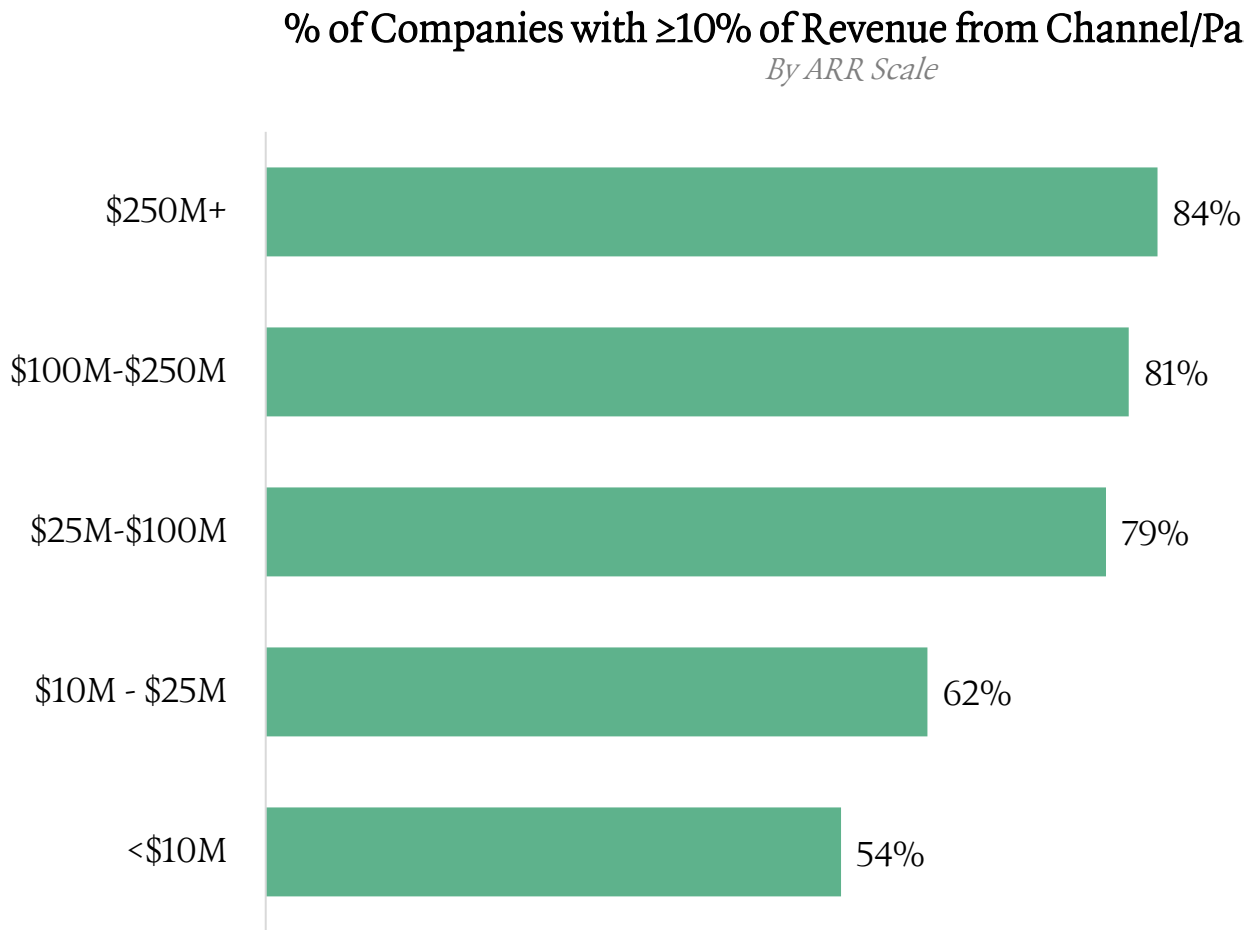
> " Partnerships are an incredibly efficient strategic lever for scalable growth. **The earlier companies lay the foundation (ideally well before $25M ARR) the more likely they are to see channel revenue become a meaningful contributor** down the line.
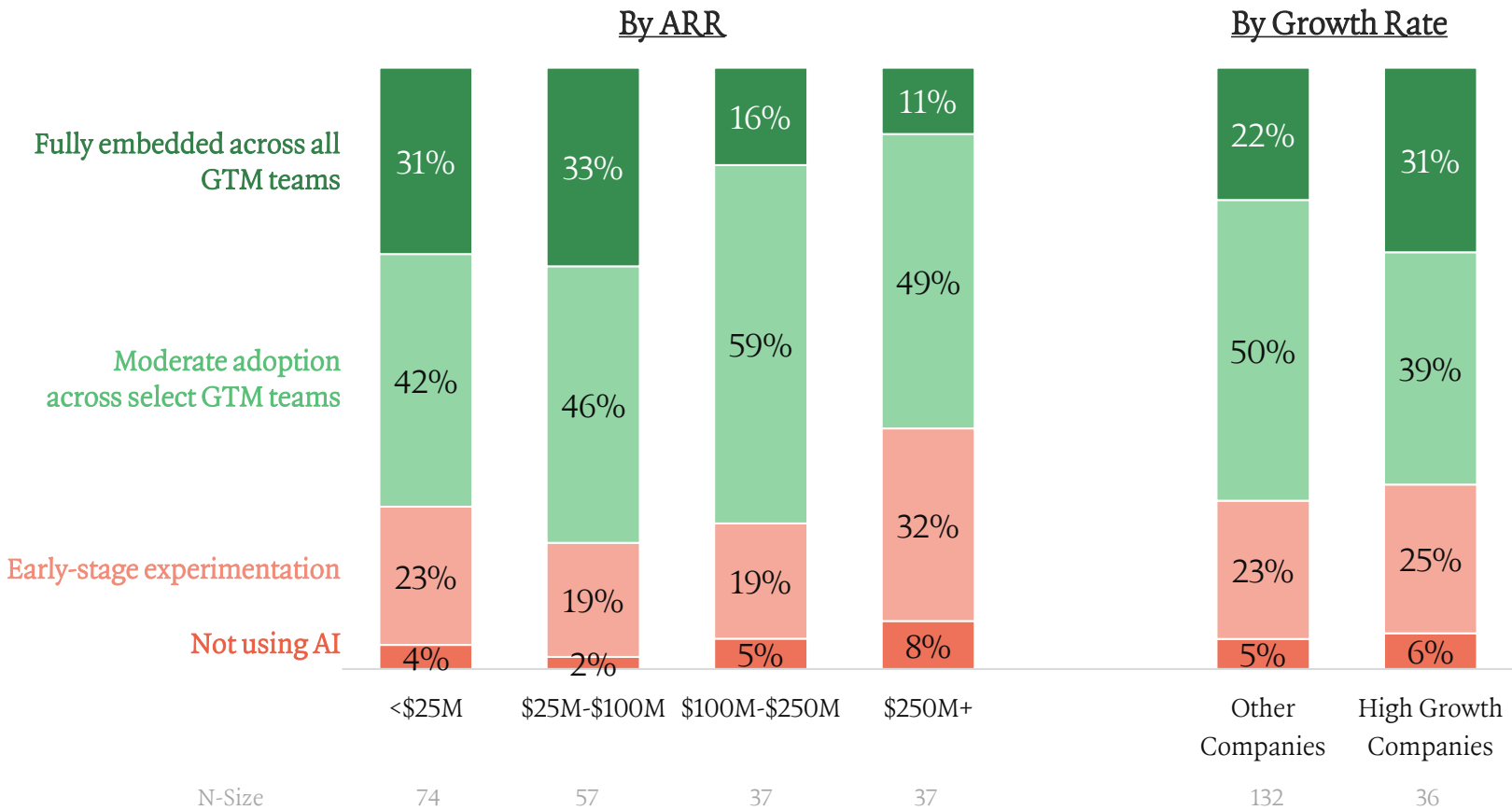>
> *Rob Bernshteyn, former Chief Executive Officer, Coupa*

AI Implementation in Go-To-Market Orgs

Most companies have at least moderately embedded AI into their GTM workflows, with full adoption even more prevalent among high-growth and earlier stage companies

What best describes internal adoption of AI tools among your GTM teams?
% of Respondents

By ARR

Adoption Level	<$25M	$25M-$100M	$100M-$250M	$250M+
Fully embedded across all GTM teams	31%	33%	16%	11%
Moderate adoption across select GTM teams	42%	46%	59%	49%
Early-stage experimentation	23%	19%	19%	32%
Not using AI	4%	2%	5%	8%
N-Size	74	57	37	37

By Growth Rate

Adoption Level	Other Companies	High Growth Companies
Fully embedded across all GTM teams	22%	31%
Moderate adoption across select GTM teams	50%	39%
Early-stage experimentation	23%	25%
Not using AI	5%	6%
N-Size	132	36

> We have an A/B testing process for rolling out new tools, where AI tools go through a "tiger phase" – a trial period where we test them with a small group and compare results against peers who aren't using the tool yet.
>
> *Nick Slater, Chief Revenue Officer Dialpad*

Currently, internal AI adoption is most concentrated in Marketing, SDR/BDR, and Account Executive teams

Approximately what percentage of individuals on each of these GTM teams regularly uses AI-powered tools in their workflows?

% of Respondents, , N-Size = 194

% of FTEs using AI

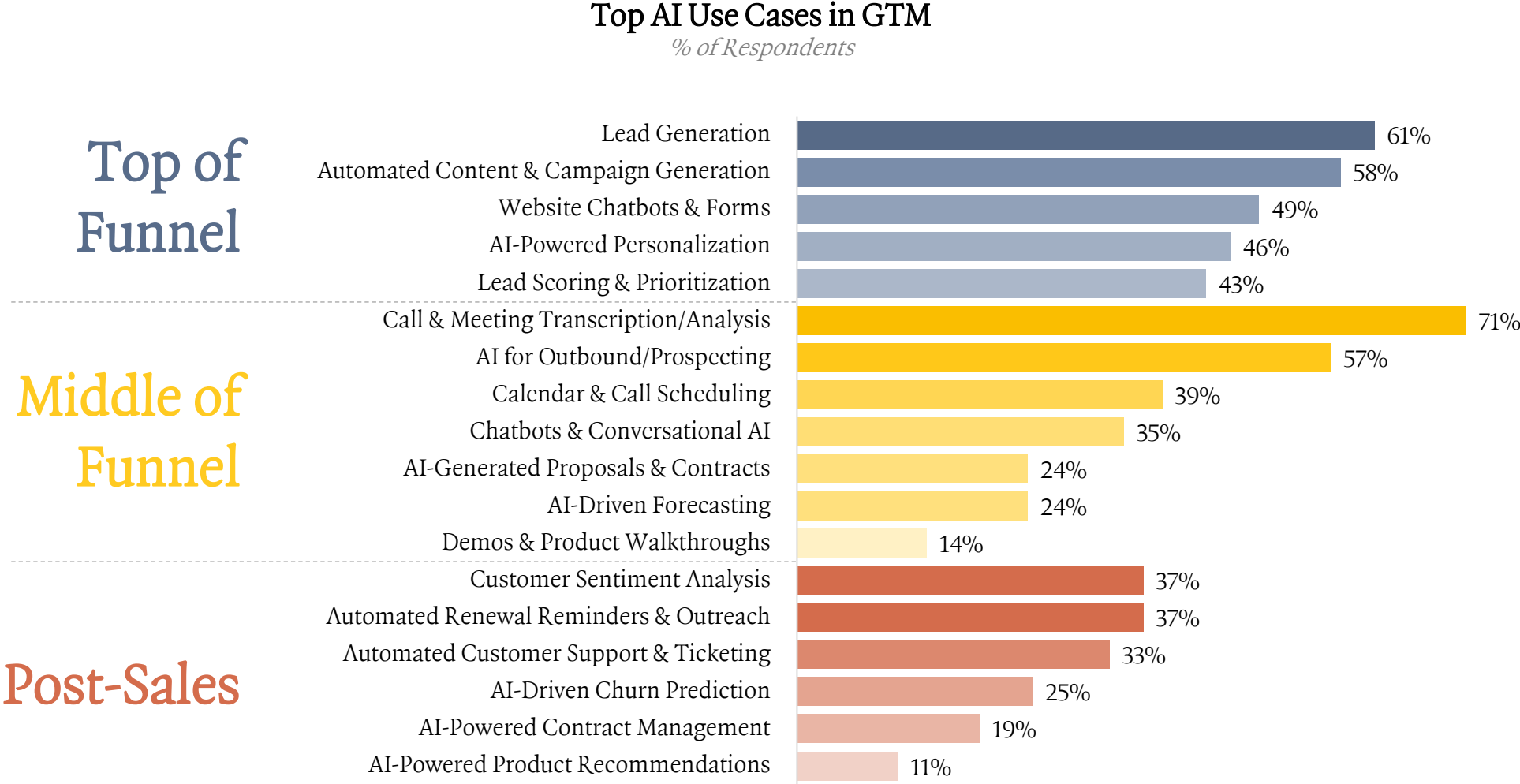|	Marketing	SDRs/BDRs	Account Executives	Account Management	Customer Success	Revenue Operations
More than 75%	29%	42%	31%	21%	18%	22%
50-74%	22%	16%	18%	15%	15%	11%
25-49%	20%	21%	23%	21%	23%	24%
1-24%	27%	16%	22%	34%	34%	24%
0%	3%	5%	6%	10%	10%	18%
Average % of GTM FTEs using AI	50%	57%	50%	39%	38%	39%

We initially expected Revenue Operations teams to be further along the AI adoption curve, however, given their role in evaluation, rollout, and ongoing measurement, they're currently less likely to be direct end users of AI tools.

This aligns with the most common AI use cases in GTM, which are primarily oriented around top- and mid-funnel activities such as lead generation, campaign and content creation, and meeting transcription / analysis
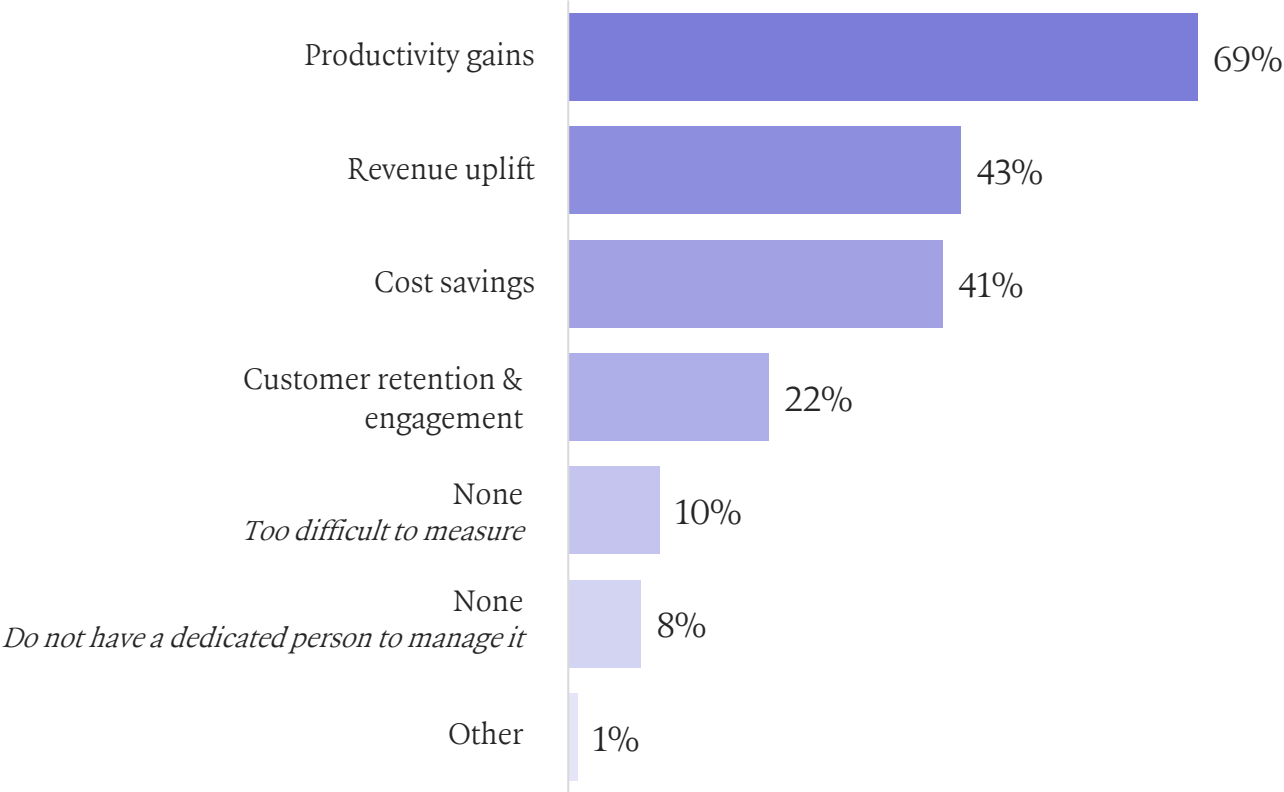
Top AI Use Cases in GTM

% of Respondents

Top of Funnel

Lead Generation	61%
Automated Content & Campaign Generation	58%
Website Chatbots & Forms	49%
AI-Powered Personalization	46%
Lead Scoring & Prioritization	43%

Middle of Funnel

Call & Meeting Transcription/Analysis	71%
AI for Outbound/Prospecting	57%
Calendar & Call Scheduling	39%
Chatbots & Conversational AI	35%
AI-Generated Proposals & Contracts	24%
AI-Driven Forecasting	24%
Demos & Product Walkthroughs	14%

Post-Sales

Customer Sentiment Analysis	37%
Automated Renewal Reminders & Outreach	37%
Automated Customer Support & Ticketing	33%
AI-Driven Churn Prediction	25%
AI-Powered Contract Management	19%
AI-Powered Product Recommendations	11%

Among companies that have rolled out AI across their GTM teams, the most common metric for evaluating ROI is productivity gains

## How are you measuring the impact of AI within the GTM organization?
% of Respondents

Metric	%
Productivity gains	69%
Revenue uplift	43%
Cost savings	41%
Customer retention & engagement	22%
None — *Too difficult to measure*	10%
None — *Do not have a dedicated person to manage it*	8%
Other	1%

ICONIQ Cross-Functional Insight

In our 2025 State of AI report, we posed this same question to R&D leaders, and their responses largely aligned with those of GTM leaders.

While both groups primarily measure ROI through productivity gains, R&D leaders place slightly more emphasis on cost savings, whereas Sales leaders focus more on revenue uplift as another key indicator of ROI.

Metric	%
Productivity gains	75%
Cost savings	51%
Revenue uplift	20%
Customer retention & engagement	20%
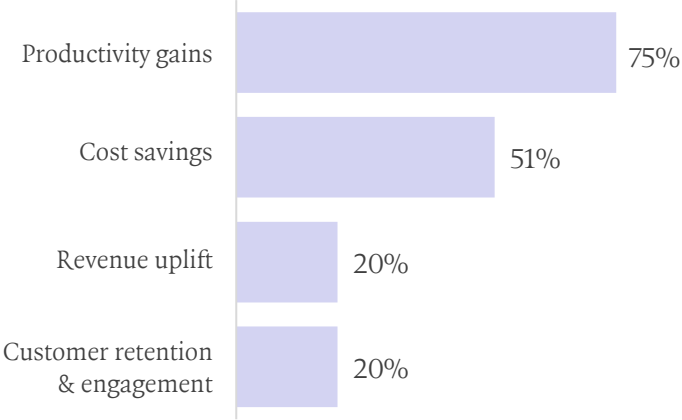
While overall sales performance has slightly declined since last year, GTM orgs with stronger internal AI adoption are outperforming peers across nearly all sales productivity and efficiency metrics

Sales Productivity Scorecard by Internal AI Adoption Level
Averages

High AI Adopters
AI fully embedded into GTM processes

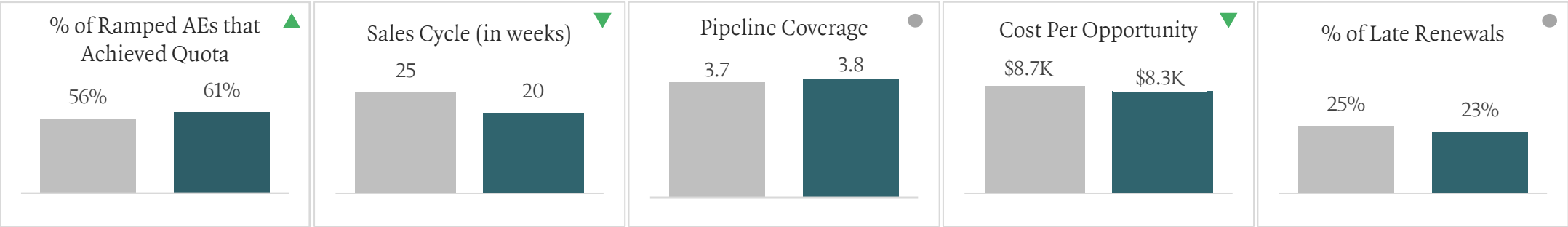**Medium/Low AI Adopters**
AI not fully embedded into GTM processes

Funnel Conversion Rates

New Lead to MQL ▲	MQL to SQL ▲	SQL to Closed-Won ●	Demo to Closed-Won ▲	Free Trial to Closed-Won ▲
26% / 31%	27% / 32%	25% / 25%	36% / 39%	36% / 41%

Sales Efficiency

% of Ramped AEs that Achieved Quota ▲	Sales Cycle (in weeks) ▼	Pipeline Coverage ●	Cost Per Opportunity ▼	% of Late Renewals ●
56% / 61%	25 / 20	3.7 / 3.8	$8.7K / $8.3K	25% / 23%

In addition to stronger sales efficiency, <$25M ARR companies with high AI adoption are starting to see meaningful leverage, indicated by leaner teams, while $50M+ ARR companies have yet to see measurable efficiency gains in headcount
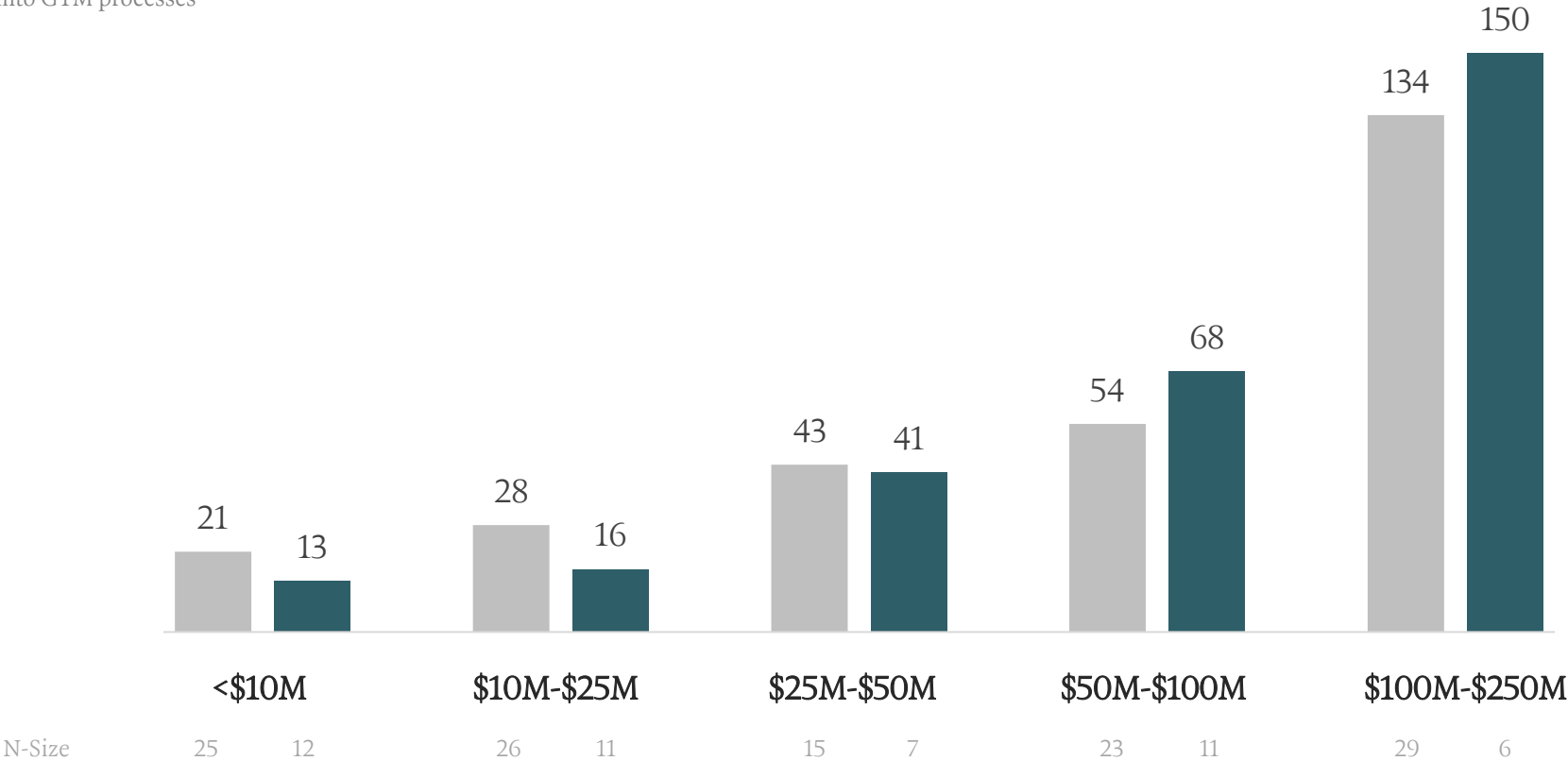
2025: Average GTM FTEs[1] by Internal AI Adoption Level

High AI Adopters
AI fully embedded into GTM processes

Medium/Low AI Adopters
AI not fully embedded into GTM processes

	<$10M	$10M-$25M	$25M-$50M	$50M-$100M	$100M-$250M
Medium/Low	21	28	43	54	134
High	13	16	41	68	150
N-Size (Medium/Low)	25	26	15	23	29
N-Size (High)	12	11	7	11	6

1) GTM teams include Sales, Post-Sales, Marketing, and Revenue Operations; Services and Support teams are excluded
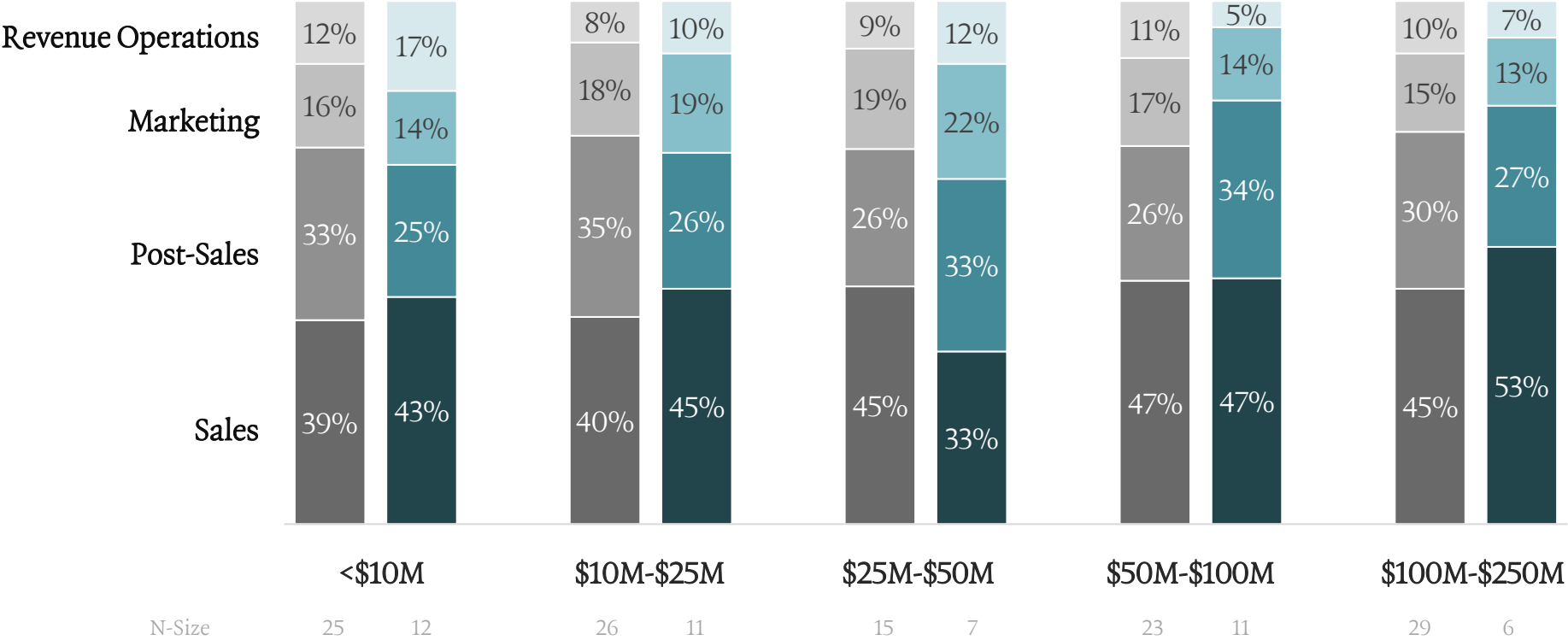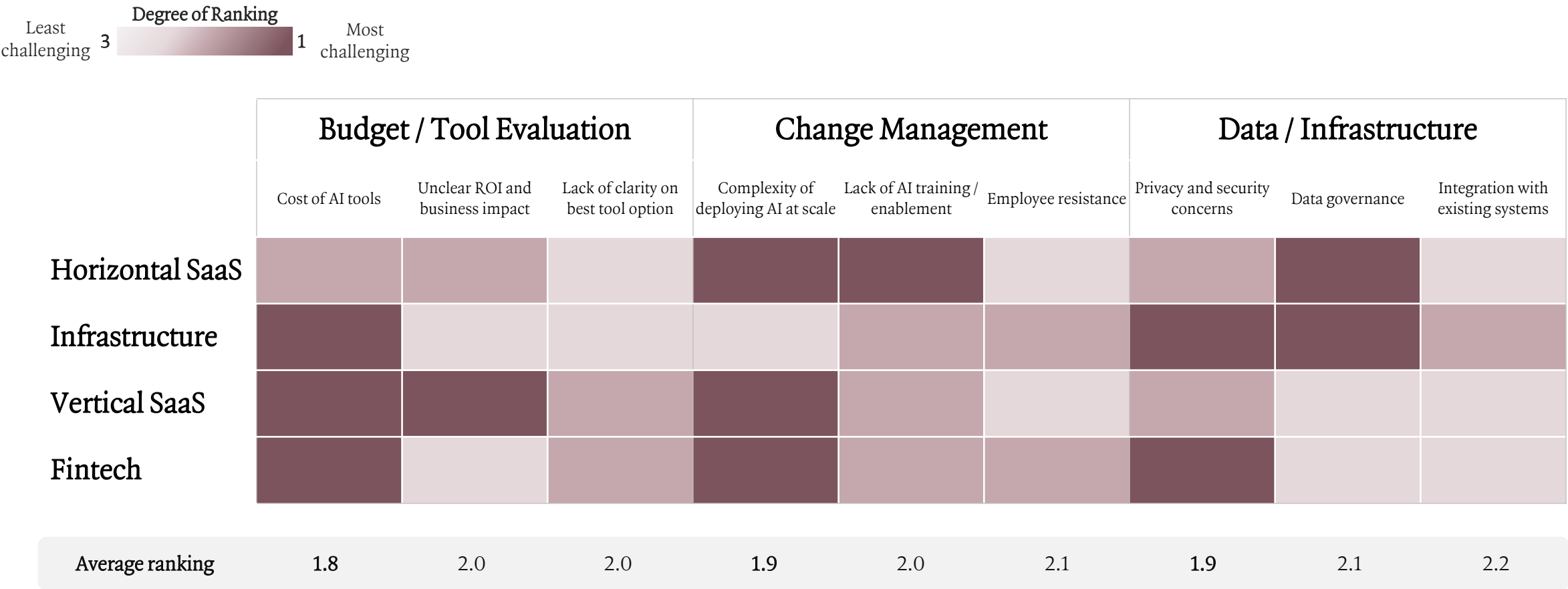Source: ICONIQ proprietary survey of GTM Executives (2025)

AI Impact to GTM Headcount

<$25M ARR companies with high AI adoption also have a ~10-percentage point lower allocation of Post-Sales FTEs compared to peers – suggesting that AI tooling may be starting to automate parts of the customer onboarding process and enablement

2025: Distribution of GTM FTEs[1] by Internal AI Adoption Level

High AI Adopters
AI fully embedded into GTM processes

Medium/Low AI Adopters
AI not fully embedded into GTM processes

	<$10M		$10M-$25M		$25M-$50M		$50M-$100M		$100M-$250M	
Revenue Operations	12%	17%	8%	10%	9%	12%	11%	5%	10%	7%
Marketing	16%	14%	18%	19%	19%	22%	17%	14%	15%	13%
Post-Sales	33%	25%	35%	26%	26%	33%	26%	34%	30%	27%
Sales	39%	43%	40%	45%	45%	33%	47%	47%	45%	53%
N-Size	25	12	26	11	15	7	23	11	29	6

1) GTM teams include Sales, Post-Sales, Marketing, and Revenue Operations; Services and Support teams are excluded
Source: ICONIQ proprietary survey of GTM Executives (2025)

Implementing AI across GTM organizations varies by sector, but most companies cite three primary challenges: cost of AI tools, deploying AI at scale, and privacy/security concerns
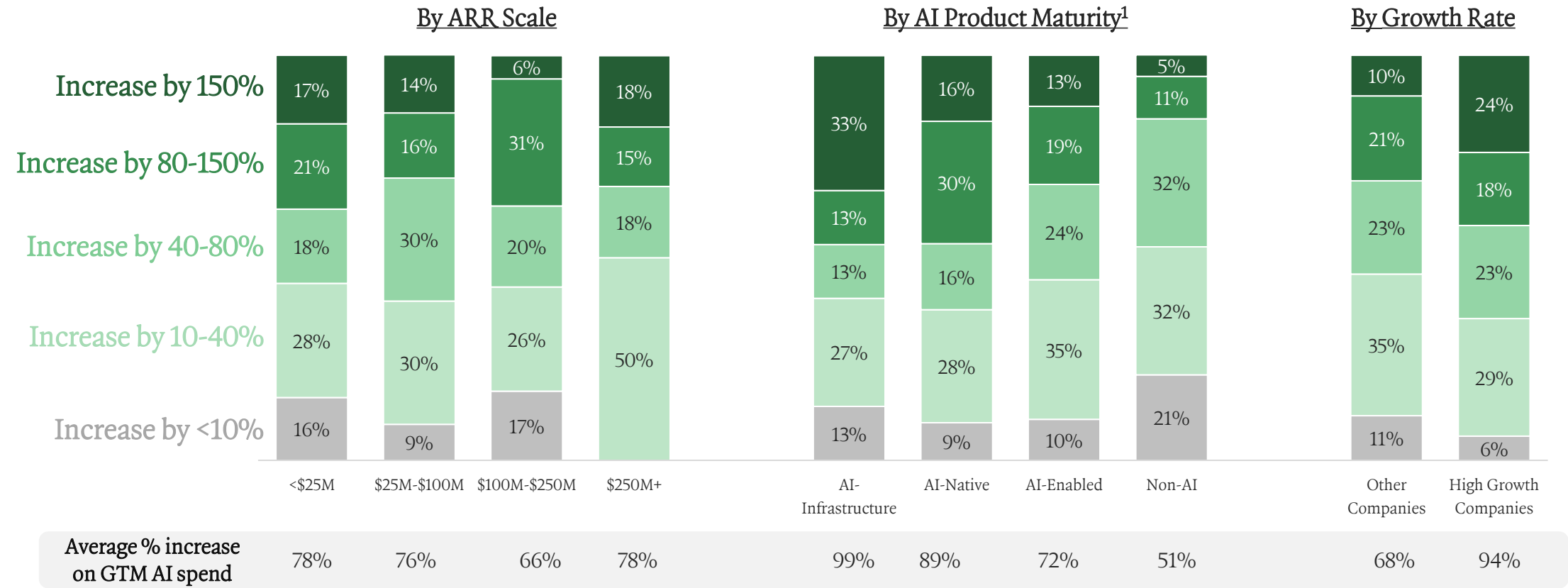
Top AI Implementation Challenges by Sector

Degree of Ranking

Least challenging 3 ▬▬▬▬▬ 1 Most challenging

	Budget / Tool Evaluation			Change Management			Data / Infrastructure		
	Cost of AI tools	Unclear ROI and business impact	Lack of clarity on best tool option	Complexity of deploying AI at scale	Lack of AI training / enablement	Employee resistance	Privacy and security concerns	Data governance	Integration with existing systems
Horizontal SaaS									
Infrastructure									
Vertical SaaS									
Fintech									
Average ranking	1.8	2.0	2.0	1.9	2.0	2.1	1.9	2.1	2.2

Regardless of ARR scale, companies plan to increase their AI spend on internal GTM use cases by over 70-80% on average – driven especially by faster-growing companies and those with more AI-forward products

By approximately what percentage do you plan to change your AI spend for internal GTM use cases in the next 12 months?
% of Respondents

	By ARR Scale					By AI Product Maturity[1]					By Growth Rate	
	<$25M	$25M-$100M	$100M-$250M	$250M+		AI-Infrastructure	AI-Native	AI-Enabled	Non-AI		Other Companies	High Growth Companies
Increase by 150%	17%	14%	6%	18%		33%	16%	13%	5%		10%	24%
Increase by 80-150%	21%	16%	31%	15%		13%	30%	19%	11%		21%	18%
Increase by 40-80%	18%	30%	20%	18%		13%	16%	24%	32%		23%	23%
Increase by 10-40%	28%	30%	26%	50%		27%	28%	35%	32%		35%	29%
Increase by <10%	16%	9%	17%			13%	9%	10%	21%		11%	6%
Average % increase on GTM AI spend	78%	76%	66%	78%		99%	89%	72%	51%		68%	94%

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Growth & Efficiency
Our annual exploration of the data behind building a B2B SaaS business and early indicators of long-term success, answering key questions on how these companies scale quickly and efficiently within the context of today's macroenvironment

Go-to-Market
An ongoing exploration of the state of go-to-market, spanning topics across building go-to-market teams, compensation, and reporting best practices
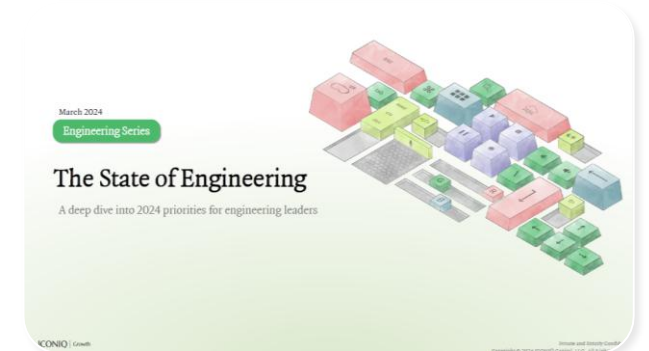

Engineering
A series of detailed reports in collaboration with the ICONIQ Venture and Growth Technical Advisory Board unpacking the data behind high-functioning engineering organizations

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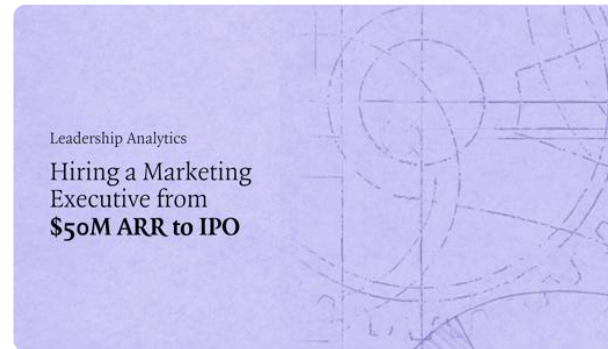
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A suite of analyses of leadership hires between founding and IPO at high-caliber SaaS companies to create first-of-their-kind playbooks to help support hiring decision-making across the entire company lifecycle

Quarterly Recaps – Portfolio Only*
Real-time insights into performance and attainment across top- and bottom-line forecasts, how key performance metrics have been impacted by the current market environment, and how companies are adjusting plan and strategy in response

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