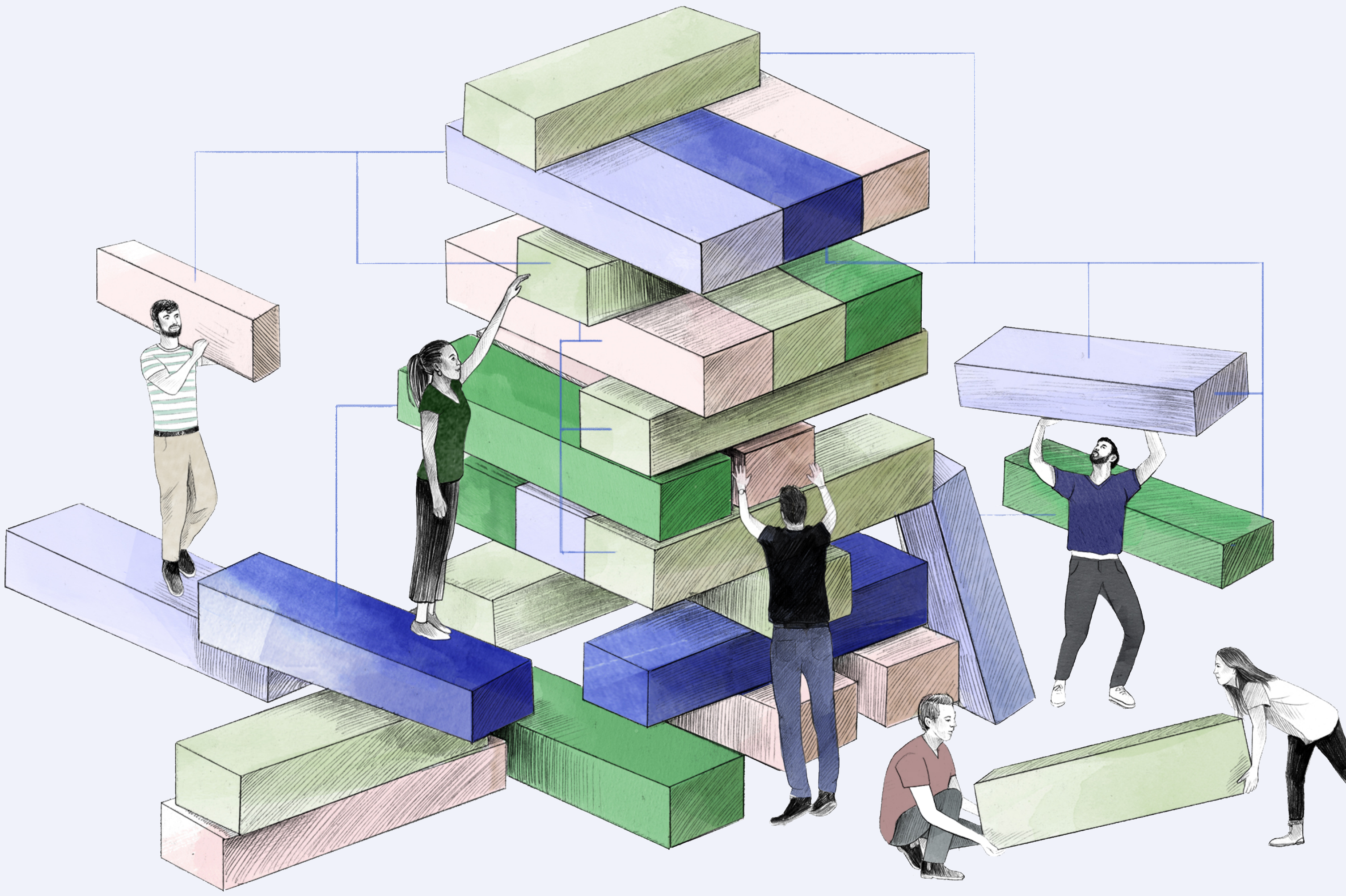
ICONIQ | Growth

Building Go-to-Market Teams

Roles, responsibilities, headcount, and reporting structures

Go-to-Market Series

August 2023



DISCLOSURE

UNLESS OTHERWISE INDICATED, THE VIEWS EXPRESSED IN THIS PRESENTATION ARE THOSE OF ICONIQ GROWTH ("ICONIQ" OR THE "FIRM"), ARE THE RESULT OF PROPRIETARY RESEARCH, MAY BE SUBJECTIVE, AND MAY NOT BE RELIED UPON IN MAKING AN INVESTMENT DECISION. INFORMATION USED IN THIS PRESENTATION WAS OBTAINED FROM NUMEROUS SOURCES. CERTAIN OF THESE COMPANIES ARE PORTFOLIO COMPANIES OF ICONIQ GROWTH. ICONIQ GROWTH DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY OF THE INFORMATION OBTAINED FROM THESE SOURCES.

THIS PRESENTATION IS FOR EDUCATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE INVESTMENT ADVICE OR AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES WHICH WILL ONLY BE MADE PURSUANT TO DEFINITIVE OFFERING DOCUMENTS AND SUBSCRIPTION AGREEMENTS, INCLUDING, WITHOUT LIMITATION, ANY INVESTMENT FUND OR INVESTMENT PRODUCT REFERENCED HEREIN.

ANY REPRODUCTION OR DISTRIBUTION OF THIS PRESENTATION IN WHOLE OR IN PART, OR THE DISCLOSURE OF ANY OF ITS CONTENTS, WITHOUT THEPRIOR CONSENT OF ICONIQ, IS PROHIBITED.

THIS PRESENTATION MAY CONTAIN FORWARD-LOOKING STATEMENTS BASED ON CURRENT PLANS, ESTIMATES AND PROJECTIONS. THE RECIPIENT OF THIS PRESENTATION ("YOU") ARE CAUTIONED THAT A NUMBER OF IMPORTANT FACTORS COULD CAUSE ACTUAL RESULTS OR OUTCOMES TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN, OR IMPLIED BY, THE FORWARD-LOOKING STATEMENTS. THE NUMBERS, FIGURES AND CASE STUDIES INCLUDED IN THIS PRESENTATION HAVE BEEN INCLUDED FOR PURPOSES OF ILLUSTRATION ONLY, AND NO ASSURANCE CAN BE GIVEN THAT THE ACTUAL RESULTS OF ICONIQ OR ANY OF ITS PARTNERS AND AFFILIATES WILL CORRESPOND WITH THE RESULTS CONTEMPLATED IN THE PRESENTATION. NO INFORMATION IS CONTAINED HEREIN WITH RESPECT TO CONFLICTS OF INTEREST, WHICH MAY BE SIGNIFICANT. THE PORTFOLIO COMPANIES AND OTHER PARTIES MENTIONED HEREIN MAY REFLECT A SELECTIVE LIST OF THE PRIOR INVESTMENTS MADE BY ICONIQ.

CERTAIN OF THE ECONOMIC AND MARKET INFORMATION CONTAINED HEREIN MAY HAVE BEEN OBTAINED FROM PUBLISHED SOURCES AND/OR PREPAREDBYOTHER PARTIES. WHILE SUCH SOURCES ARE BELIEVED TO BE RELIABLE, NONE OF ICONIQ OR ANY OF ITS AFFILIATES AND PARTNERS, EMPLOYEES AND REPRESENTATIVES ASSUME ANY RESPONSIBILITY FOR THE ACCURACY OF SUCH INFORMATION.

ALL OF THE INFORMATION IN THE PRESENTATION IS PRESENTED AS OF THE DATE MADE AVAILABLE TO YOU (EXCEPT AS OTHERWISE SPECIFIED),AND IS SUBJECT TO CHANGE WITHOUT NOTICE, AND MAY NOT BE CURRENT OR MAY HAVE CHANGED (POSSIBLY MATERIALLY) BETWEEN THE DATE MADE AVAILABLE TO YOU AND THE DATE ACTUALLYRECEIVED OR REVIEWED BY YOU. ICONIQ ASSUMES NO OBLIGATION TO UPDATE OR OTHERWISE REVISE ANY INFORMATION, PROJECTIONS, FORECASTS OR ESTIMATES CONTAINED IN THE PRESENTATION, INCLUDING ANY REVISIONS TO REFLECT CHANGES IN ECONOMIC OR MARKET CONDITIONS OR OTHER CIRCUMSTANCES ARISING AFTER THE DATE THE ITEMS WERE MADE AVAILABLE TO YOU OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS. NUMBERS OR AMOUNTS HEREIN MAY INCREASE OR DECREASE AS A RESULT OF CURRENCY FLUCTUATIONS.

FOR AVOIDANCE OF DOUBT, ICONIQ IS NOT ACTING AS AN ADVISER OR FIDUCIARY IN ANY RESPECT IN CONNECTION WITH PROVIDING THIS PRESENTATION AND NO RELATIONSHIP SHALL ARISE BETWEEN YOU AND ICONIQ AS A RESULT OF THIS PRESENTATION BEING MADE AVAILABLE TO YOU.

ICONIQ IS A DIVERSIFIED FINANCIAL SERVICES FIRM AND HAS DIRECT CLIENT RELATIONSHIPS WITH PERSONS THAT MAY BECOME LIMITED PARTNERS OF ICONIQ FUNDS. NOTWITHSTANDING THAT A PERSON MAY BE REFERRED TO HEREIN AS A "CLIENT" OF THE FIRM, NO LIMITED PARTNER OF ANY FUND WILL, IN ITS CAPACITY AS SUCH, BE A CLIENT OF ICONIQ. THERE CAN BE NO ASSURANCE THAT THE INVESTMENTS MADE BY ANY ICONIQ FUND WILL BE PROFITABLE OR WILL EQUAL THE PERFORMANCE OF PRIOR INVESTMENTS MADE BY PERSONS DESCRIBED IN THIS PRESENTATION.

THESE MATERIALS ARE PROVIDED FOR GENERAL INFORMATION AND DISCUSSION PURPOSES ONLY AND MAY NOT BE RELIED UPON.

THIS MATERIAL MAY BE DISTRIBUTED TO, OR DIRECTED AT, ONLY THE FOLLOWING PERSONS: (I) PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “FP ORDER”), (II) HIGH-NET-WORTH ENTITIES FALLING WITHIN ARTICLE 49(2) OF THE FP ORDER, AND (III) ANY OTHER PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “FPO RELEVANT PERSONS”). PERSONS WHO ARE NOT FPO RELEVANT PERSONS MUST NOT ACT ON OR RELY ON THIS MATERIAL OR ANY OF ITS CONTENTS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS MATERIAL RELATES IS AVAILABLE ONLY TO FPO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH FPO RELEVANT PERSONS. RECIPIENTS MUST NOT DISTRIBUTE, PUBLISH, REPRODUCE, OR DISCLOSE THIS MATERIAL, IN WHOLE OR IN PART, TO ANY OTHER PERSON.

Table of Contents

Introduction

About the research 4-7
Data sources & methodology 8
Collaborators & industry perspectives 9
Key terms 10-12

Executive Summary & Overview

Executive summary 14-15
Headcount distribution as companies scale 16
Headcount productivity & efficiency 17-18
The make-up of the GTM org as companies scale 19
Roles & responsibilities: summary & key questions 20-22
Variability in reporting lines and sequencing of hires 23-24

Org Structure & Responsibilities

Org structure by stage 26-31
$5-$10M | $10-$25M | $25-$50M | $50-$100M | $100-$250M | $250-$500M
Roles & responsibilities by stage 32-34
$5-$10M | $10-$25M | $25-$50M | $50-$100M | $100-$250M | $250-$500M
Prevalence of customer-facing role archetypes 35

Headcount Allocation

Make-up of a sales organization 37
Headcount distribution 38
Headcount ratios 39-43
Segmentation 44-45
Make-up of a customer success organization 46
Headcount distribution 47
Headcount ratios 48
Segmentation 49
Make-up of a marketing organization 50
Headcount distribution 51
Make-up of a services organization 52
Headcount ratios 53

Planning & Operationalizing

Ramp time 55-56
Attainment 57
Capacity & productivity 58-59
Employee attrition 60
Hiring for success in the GTM org 61
Emerging organizational efficiencies 62
Performance management 63
Outsourcing, partnerships, and offshoring 64-66

About the research

Explore the series

A holistic and well-executed go-to-market strategy is one of the key pillars that drives sustainable, long-term growth for software companies. Regardless of your organization's growth motion, effective go-to-market teams represent the voice of the customer and serve as critical feedback loops for product and engineering.

In this series

we use organizational data and industry perspectives to **provide detailed answers to the key go-to-market questions** we receive from B2B SaaS leaders.

We will examine myriad topics across GTM compensation, incentives, org structure, roles and responsibilities, forecasting, and enablement, in order to share best practices and proprietary benchmarks to help you scale your organization.

This report

explores **how SaaS companies scale their go-to-market teams from founding to post-IPO.** This study includes **detailed headcount benchmarks** for sales, marketing, and customer success teams, and common frameworks across roles, responsibilities, and reporting structures.

About the

Go-to-Market Series

ICONIQ Growth's GTM series provides detailed answers to key questions across the following operating topics utilizing proprietary data and industry perspectives from 230+ B2B SaaS leaders.

Access the full Go-to-Market Series

PUBLISHED | UPCOMING

Compensation & Incentives	Sales Compensation	Marketing Compensation	Customer Success Compensation	Interactive Dashboard *Portfolio Only*
	Blog Post Re-designing sales incentives in 2023	*Blog Post* Account executive compensation 101	*Blog Post* Sales incentive in greenfield territories	
Team, Org Structure, Roles & Responsibilities	Building Go-to-Market Teams	Hiring a Head of Sales	Hiring a Head of Marketing	Interactive Dashboard *Portfolio Only*
Operationalizing Go-to-market	The GTM Reporting Guide	The GTM Tech Stack	*Templates:* GTM Board Slides; ARR Funnel; Pipeline & Leads	
	Blog Post Marketing Budgets	*Blog Post* Segmenting the sales Org		

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."

ElevenLabs

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."

PIGMENT

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."

SIERRA

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."

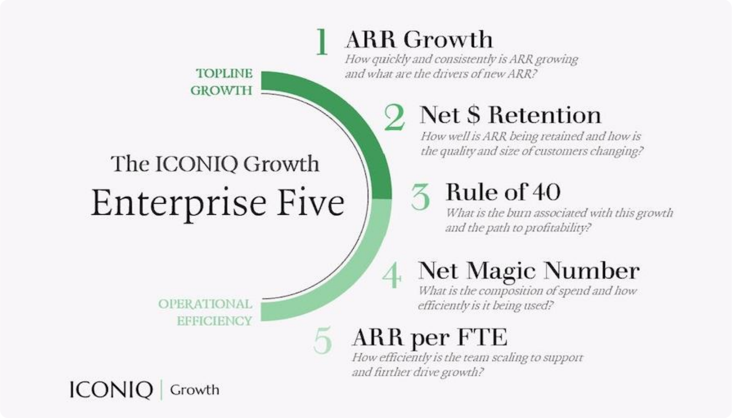
WRITER

May Habib
Co-founder and CEO

This slide contains a statement made by certain founders, executives, employees or owners ("Portfolio Company Personnel") of an ICONIQ portfolio company and may be deemed to be an endorsement or testimonial. Such Portfolio Company Personnel are not ICONIQ personnel but are ICONIQ advisory clients and/or ICONIQ fund investors. An ICONIQ fund's investment in the portfolio company in which Portfolio Company Personnel may be employed by or hold an equity interest in creates a conflict of interest, because it incentivizes Portfolio Company Personnel to present ICONIQ in a favorable light. Portfolio Company Personnel have not been directly or indirectly compensated for making the statements provided. Trademarks are the property of their respective owners.

Follow our research

SUBSCRIBE



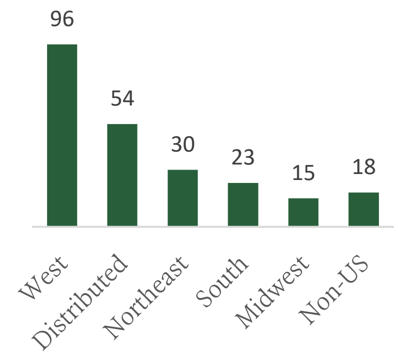
Data Sources
& Methodology

This study summarizes data from a March 2023 survey of **236 GTM executives** at B2B SaaS companies, including heads of sales, marketing, and customer success.

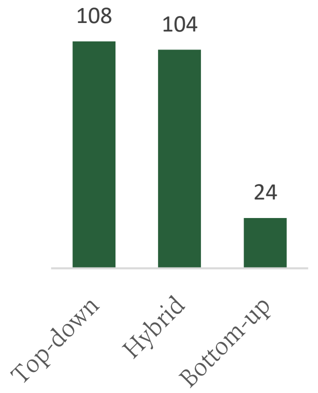
Where relevant, we compare results to a March 2021 survey conducted by ICONIQ Growth to a similar cohort of 200+ GTM executives.[1]

Firmographics

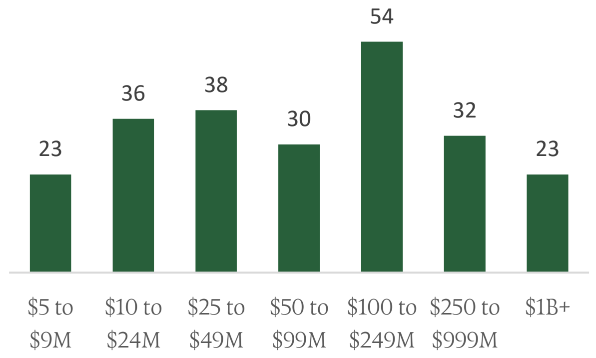
Location
Based on employee majority



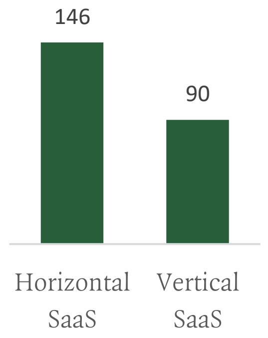
Sales Motion



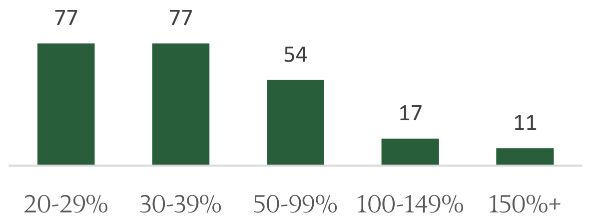
ARR Scale



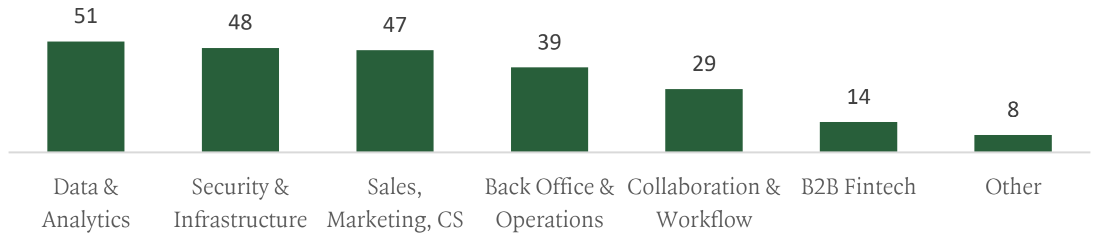
Horizontal vs. Vertical



YoY ARR Growth Rate[2]



Sector

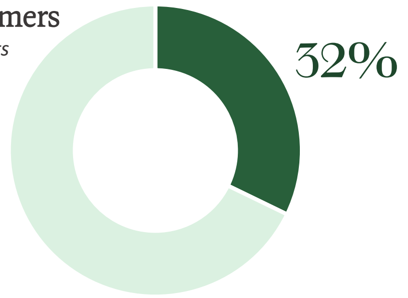


Methodology

In this series, select companies are referred to as "top performers" because they meet the following criteria:

- **Scale**: Annual Recurring Revenue (ARR) > $10M
- **Growth**: 2022 YoY ARR growth >50%
- **Retention**: Annual net dollar retention 120%+
- **Efficiency**: ARR per FTE $150,000+

Top Performers
% of respondents



1 Surveys included responses from some but not all ICONIQ Growth portfolio companies as well as companies not part of ICONIQ Growth's portfolio
2 YoY ARR Growth Rate between 2021 and 2022

Collaborators & Industry Perspectives

Throughout this series, we also weave in **perspectives, insights, and best practices from go-to-market executives** in the ICONIQ Growth B2B SaaS portfolio and network.

Perspectives were gathered via interviews with the following collaborators as well as other generational leaders via ICONIQ Growth communities and events.

All industry perspectives shared in this report have been anonymized to protect company-level information.

1Password
Shannon Hughes
VP, Corporate Marketing

1Password
Johanie Marcoux
Sr Director, Marketing Strategy

DATADOG
Angie Holt
SVP, Customer Success

DRATA
Adam Aarons
Chief Revenue Officer

DRATA
Conor Nolen
Chief Customer Officer

DRATA
Sydney Sloan
Chief Marketing Officer

Everlance
Cindy Chow
Head, B2B Marketing

FloQast
Ken Sims
Chief Revenue Officer

HIGHSPOT
Stephen Hallowell
VP, Strategic Services

netskope
Ben Saitz
Chief Customer Officer

Pigment
Rebeca Tristan
Head of Customer Experience & Operations

people.ai
Sam Yang
President, Field Operations

QGenda
Brad Lochman
Chief Sales Officer

Relativity
Peter Kim
Chief Sales Officer

yapi
Jack Montgomery
CFO, Head of Sales & Marketing

And additional insights from go-to-market leaders at:

asana, box, CLOUDFLARE, databricks, Figma, HubSpot, snowflake, ATLASSIAN, Clari, CROWDSTRIKE, dbt Labs, GitLab, miro, twilio

Key terms

Categorizing Headcount

Services and support employees are typically categorized under cost of goods sold (COGS) rather than "sales & marketing" in terms of cost classification. However, throughout this study we include COGS employees as part of the go-to-market organization

Cost Classifications	GTM Team	Description	Individual Contributors (ICs)	Leadership	Ops & Enablement
Sales & Marketing OpEx	Marketing	Marketing employees are those focused on promoting a company and its products/services to identify, attract, and educate potential and existing customers.	• Demand generation • Product marketing • Content marketing • Communications / PR	• Manager (first-line) • Director (second-line) • Head (VP, SVP) • C-Suite	• Marketing operations
Sales & Marketing OpEx	Sales	Sales employees are those focused on identifying, closing, renewing, and/or upselling customers, and the employees supporting that effort such as sales enablement and operations.	• Account executives (AEs) • Sales development reps (SDRs) • Sales engineers (SEs) • Account managers (AMs)	• *Same as above*	• Sales / revenue operations • Sales enablement • Deal desk
Sales & Marketing OpEx	Customer Success CS	Customer success employees are those focused on customer renewal and/or expansion, either directly (e.g., via quotas) or indirectly.	• Customer success manager (CSM) • Customer success operations • Customer enablement	• *Same as above*	• CS operations
COGS	Services & Support	COGS employees are focused on the delivery of a product and/or service to a customer, including training, product support, and/or implementation.	• Customer support • Professional services • Onboarding & implementation • Managed services	*Not addressed in this research*	*Not addressed in this research*

This is an illustrative categorization of headcount; where companies allocate certain headcount in terms of cost classifications will depend on business model and the specifics of that role. For example, customer success employees that are focused on implementation and customer support may be categorized under COGS.

The Revenue Funnel

There are many ways to design your revenue cycle and many different naming conventions for funnel stages and sub-stages. This is a revenue funnel archetype that we commonly see across sales-led B2B SaaS, but there is no "one-size-fits-all" approach

New Lead	A **potential user or buyer** that has not yet meaningfully engaged with your solution or organization. Marketing and/or sales is trying to move new leads down-funnel by spreading awareness of their solution and/or organization
Marketing Qualified Lead (MQL)	Leads that have the potential to fit your ideal customer profile and have **expressed interest in or engagement with your product** and/or services either implicitly or explicitly. This stage often involves a lead handoff from marketing to sales
Sales Qualified Lead (SQL)	Leads that meet your ideal customer profile and are engaged in the buying cycle (e.g., a **meeting/call with a sales rep is booked** or has been held). This stage typically includes a handoff from SDRs to account executives
Opportunity / Pipeline	**Leads that convert to pipeline dollars.** An SQL becomes an opportunity when certain qualification criteria are met. An opportunity will typically have around 5 sub-stages that align to the buyer's decision-making process (e.g., discovery, demo, negotiation)
Closed Won	When an agreement is signed, and **pipeline converts to new revenue in various forms** (bookings, recurring revenue, services fees, etc.). Depending on your org structure, this stage can involve a handoff between sales and customer success and/or account management
Renewal	**A customer is up for renewal when the subscription end date is reached.** Renewals can be flat wherein the sale price stays the same for the next term, or, more often, renewals can involve a positive or negative price change
Expansion	Customer expansion comes from **increases in a customer's existing sale price**. Customers **upsell** when the scope of an existing product or service expands, while a **cross-sell** refers to when an existing customer is sold a different product or service

This is an illustrative sales funnel framework; not all sales processes will have each step shown here and some may benefit from a different funnel structure than the one shown

Key terms

Customer Role Archetypes

There are generally two archetypes for key customer-facing individual contributors, each with a unique set of responsibilities. Any combination of these archetypes can exist within an organization, and team structures can differ based on a company's primary archetype

Customer Success Manager (CSM)

Relationship

CSMs are primarily focused on being **the strategic advisor for a customer** by managing and nurturing a high-touch relationship. They are ensuring the customer is getting value from the product and acting as the voice of the customer in the product feedback loop.

Commercial

CSMs are primarily focused on **closing renewals and expansion opportunities**. Commercial CSMs have a similar profile to sales account managers or renewals representatives - they are more likely to have variable compensation, quotas towards expansion revenue, and goals against retention metrics.

Professional Services (PS)

Advisory

Professional services employees are focused on **strategic applications of services** across the customer base. This type of work is often packaged as managed services, meaning they are ongoing consulting-type services that a customer pays a recurring fee for.

Delivery

Professional services employees are focused on delivering functionality in the product via **implementation and onboarding**. This could also include ongoing delivery of more tactical services such as data maintenance and integration upkeep.

Customer Support (SUP)

Premier

Assigned / named support resources with dedicated service level agreements. Premier support is more **proactive in nature** by providing real-time issue identification and resolution. Access to support is not limited by service level limitations or business hours.

Basic

Access to support resources and communication with support employees, usually via some form of **helpdesk**. Basic support is primarily **reactive in nature** and can have service level limitations imposed such as slower response times and support access limited to business hours.

This is an illustrative framework based on common roles and responsibilities of customer-facing teams across the ICONIQ Growth B2B SaaS portfolio

Table of Contents

Introduction

About the research 4-7
Data sources & methodology 8
Collaborators & industry perspectives 9
Key terms 10-12

Executive Summary & Overview

Executive summary 14-15
Headcount distribution as companies scale 16
Headcount productivity & efficiency 17-18
The make-up of the GTM org as companies scale 19
Roles & responsibilities: summary & key questions 20-22
Variability in reporting lines and sequencing of hires 23-24

Org Structure & Responsibilities

Org structure by stage 26-31
$5-$10M | $10-$25M | $25-$50M | $50-$100M | $100-$250M | $250-$500M
Roles & responsibilities by stage 32-34
$5-$10M | $10-$25M | $25-$50M | $50-$100M | $100-$250M | $250-$500M
Prevalence of customer-facing role archetypes 35

Headcount Allocation

Make-up of a sales organization 37
Headcount distribution 38
Headcount ratios 39-43
Segmentation 44-45
Make-up of a customer success organization 46
Headcount distribution 47
Headcount ratios 48
Segmentation 49
Make-up of a marketing organization 50
Headcount distribution 51
Make-up of a services organization 52
Headcount ratios 53

Planning & Operationalizing

Ramp time 55-56
Attainment 57
Capacity & productivity 58-59
Employee attrition 60
Hiring for success in the GTM org 61
Emerging organizational efficiencies 62
Performance management 63
Outsourcing, partnerships, and offshoring 64-66

Executive summary

Building go-to-market teams effectively has profound impacts on operating leverage

- Once companies scale past $10M ARR and achieve more product maturity, **go-to-market remains the largest organization** (40-50% of headcount) **and the largest driver of OpEx** (40-55% of OpEx) throughout a company's lifecycle
- While FTE productivity and FTE efficiency should both increase as companies scale, with factors such as ramp times, quota attainment, competitive compensation, attrition, and challenges moving up-market, **GTM organizations don't realize headcount efficiency until ~$200M+ ARR**. Building an efficient and effective GTM organization can have a profound impact on operating leverage and is a key driver for companies looking to achieve profitability

Sequencing of hiring key go-to-market roles

- $5-$9M ARR: most GTM teams only have **dedicated FTEs in account executive, sales engineering, CSM, and customer support** roles
    - Most companies **hire their first VP sales soon after hitting the $10M ARR threshold**, though ~40% of companies have a VP sales before this stage. High growth companies are more likely to have a VP sales before reaching $10M ARR
- $10-$25M ARR: companies start **building out the GTM leadership team**. Most companies at this stage have a c-suite leader such as a CRO, a VP-level sales leader, and managers or directors to lead the marketing and customer success teams
- $25-$50M ARR*:* companies build out additional spans of control across GTM teams by filling **first-, second-, and third-line management roles**. Companies also build out professional service teams and invest more in sales operations & enablement
- $50-$100M ARR*:* most companies **build an account management function** to own renewals. **Marketing teams continue to specialize** and hire roles specifically dedicated to lead generation, content marketing, and events coordination
- $100-$250M ARR: companies continue to enhance their service offerings and hire **services leadership**, which typically own professional services, support, and customer enablement. Marketing teams also add more specialized roles dedicated to **channel marketing, communications, and operations**
- $250-$500M ARR*:* most companies have c-suite executives leading each go-to-market team and reporting into revenue leadership and/or the CEO. Sales teams focus on operationalizing by building out **deal desks**, and marketing teams invest more in **brand marketing** to prepare for IPO

Defining roles & responsibilities to drive accountability

- At the top of the funnel, identifying, converting, and qualifying new leads is a shared responsibility between sales and marketing. Demand generation teams work closely with SDRs to refine campaigns and qualification criteria, then hand-off MQLs to the sales team
- Roles and responsibilities often shift as SaaS companies scale and move up-market. Most organizations have their **customer success teams own renewal and expansion during the early stages, then transfer these responsibilities to sales**

Executive summary

The make-up of a sales organization

- As companies scale, quota-carrying individual contributors become a larger proportion of the sales organization. While **ICs compose 60-65% of an early-stage sales organization**, they make up **70-75%** of a later-stage sales organization
- Early stage companies are mostly made up of AEs (20-25%), SDRs (10-15%), and sales leadership (15-25%); later-stage companies are mostly made up of AEs (25-45%), account managers (10-15%), and sales engineers (15-20%)

	AE:SDR	AE:Account Manager	AE:Sales Engineer	AE:CSM	AE:Manager	AE:Sales Enablement	AE:Sales Ops
<$100M ARR	2-3	1-3	2-3	1-3	4-6	5-6	5-6
$100M+ ARR	3-4	4-6	2-4	1-3	6-9	10-12	8-12

- Teams with channel-driven sales typically have more ICs per manager, as do companies with a bottom-up or product-led sales motion
- Sales organizations segment account executive and sales development teams primarily by **geography and size,** and increase segmentation by **industry and product** as they scale
- On average, **20% of AEs are focused on SMB, 27% are focused on mid-market, 30% are focused on enterprise, and 15% are focused on strategic accounts;** respondents focused on SMB customers had ~50% of their account executives dedicated to SMB, 30% to mid-market, and 20% to enterprise and strategic accounts

The make-up of a CS & services organization

- **CSMs make up 45-60% of the CS organization at early-stage companies**, and **60-80%** of the CS organization at later-stage companies
- Companies increase the number of CSMs per manager as they scale, from **5-7 CSMs per manager in the early stages to 6-9 in the later-stages**
- Cost of revenue teams are mostly comprised of customer support employees, which make up an increasing portion of services headcount as companies scale. **Support employees comprise 50-70%, professional services 25-45%, and customer enablement 5-15% of COR teams**
- Companies typically have **1-2 support employees per CSM**, and **1-2 professional services employees per CSM**. This can differ by CSM archetype, with commercial-led customer success organizations typically having more support and services employees per CSM

The make-up of a marketing organization

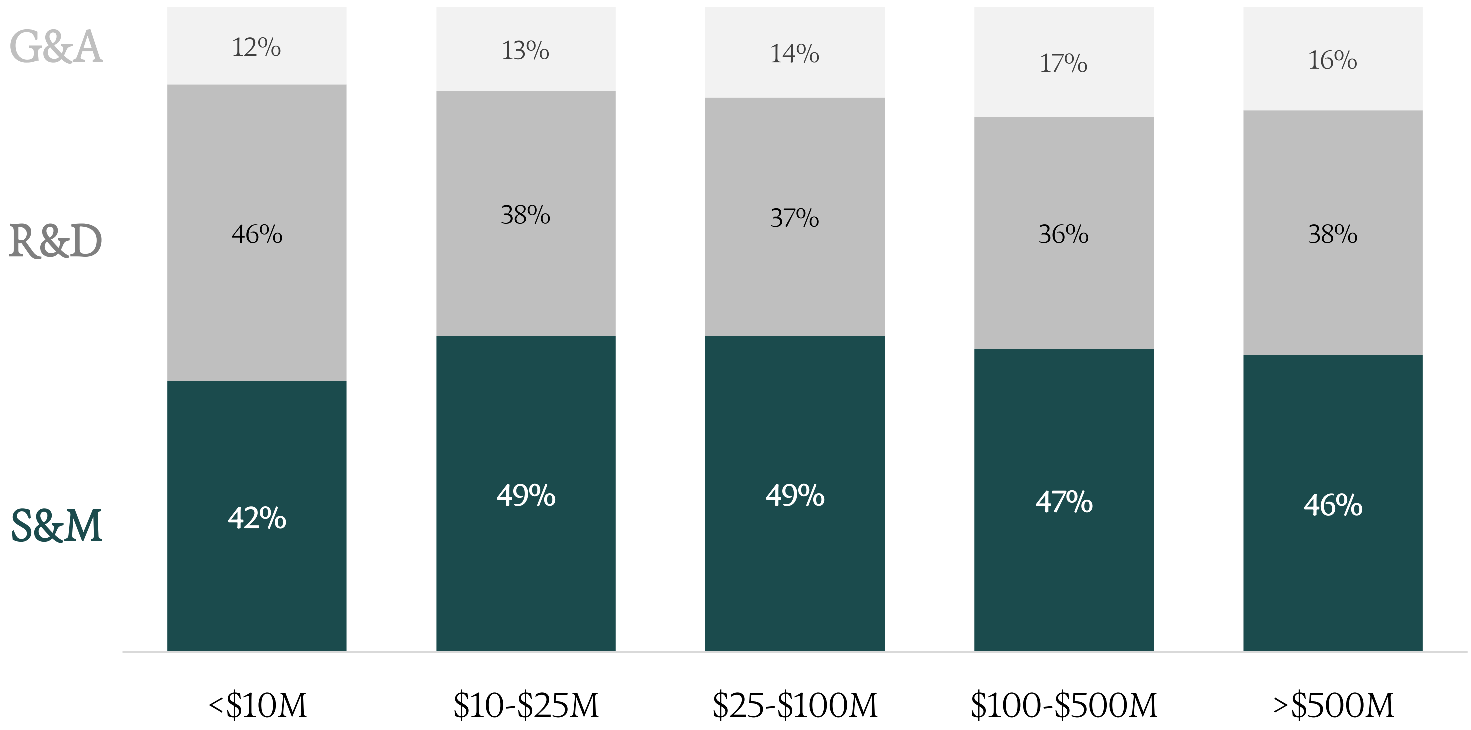
- After reaching $10M ARR, the make-up of a marketing team stays relatively consistent as companies scale, with **individual contributors comprising ~55-65%, leadership comprising 25-35%, and ops and enablement 5-10% of marketing headcount**
- **Demand generation (10-25%), content marketing (5-20%), and product marketing (15-30%)** make up the largest proportion of marketing headcount. As companies scale, marketing teams become more specialized, building out roles dedicated to comms, channel marketing, customer marketing, and more

Go-to-market teams make up 40-50% of a SaaS company's total headcount on average. Once companies scale past $10M ARR and achieve more product maturity, go-to-market remains the largest organization and the largest driver of OpEx throughout a company's lifecycle

Percent of total headcount (full-time employees) by org[1]

Average by ARR Scale

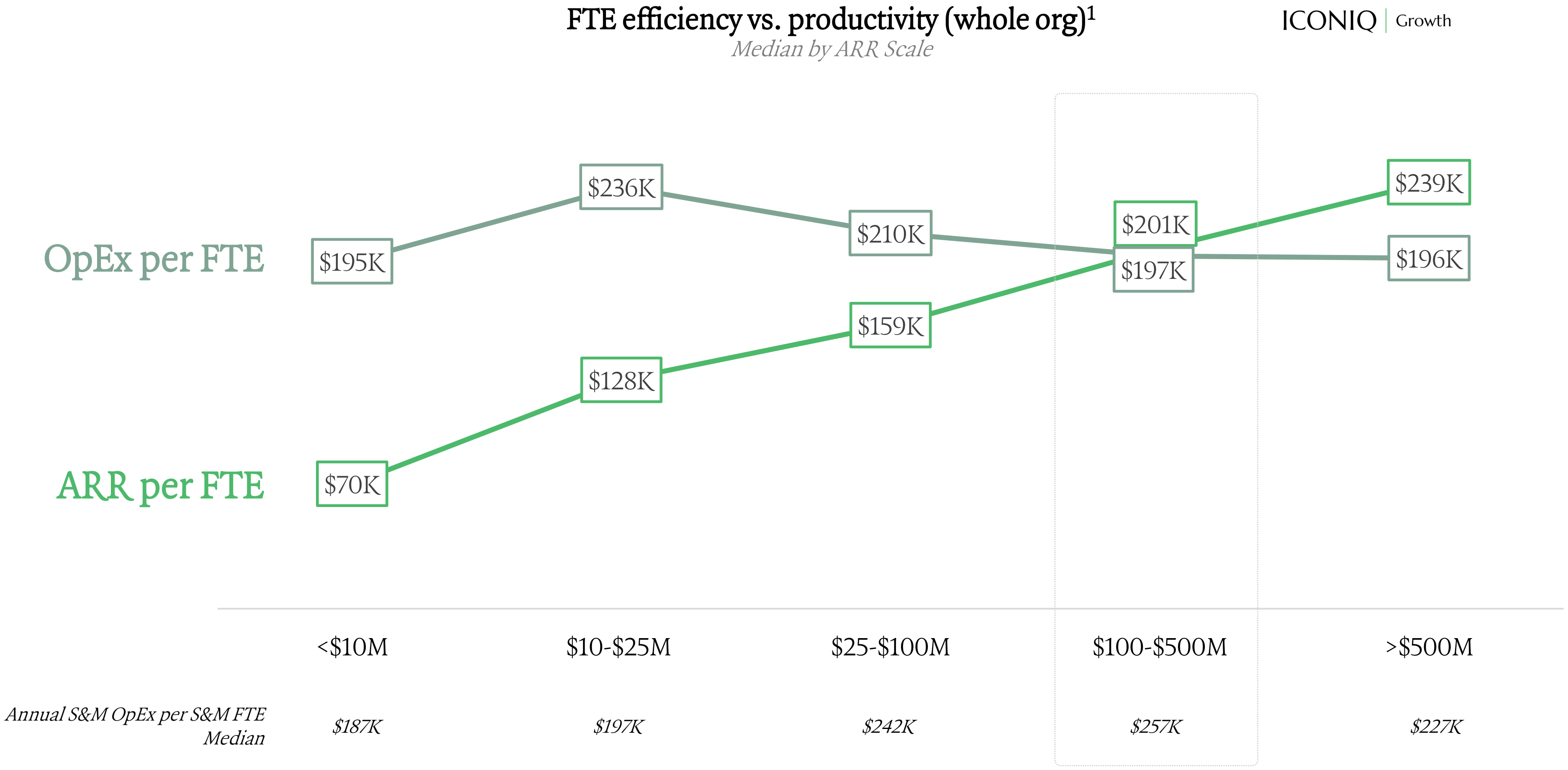
ICONIQ | Growth



	<$10M	$10-$25M	$25-$100M	$100-$500M	>$500M
S&M OpEx as a % of Total OpEx Average	40%	45%	49%	52%	50%

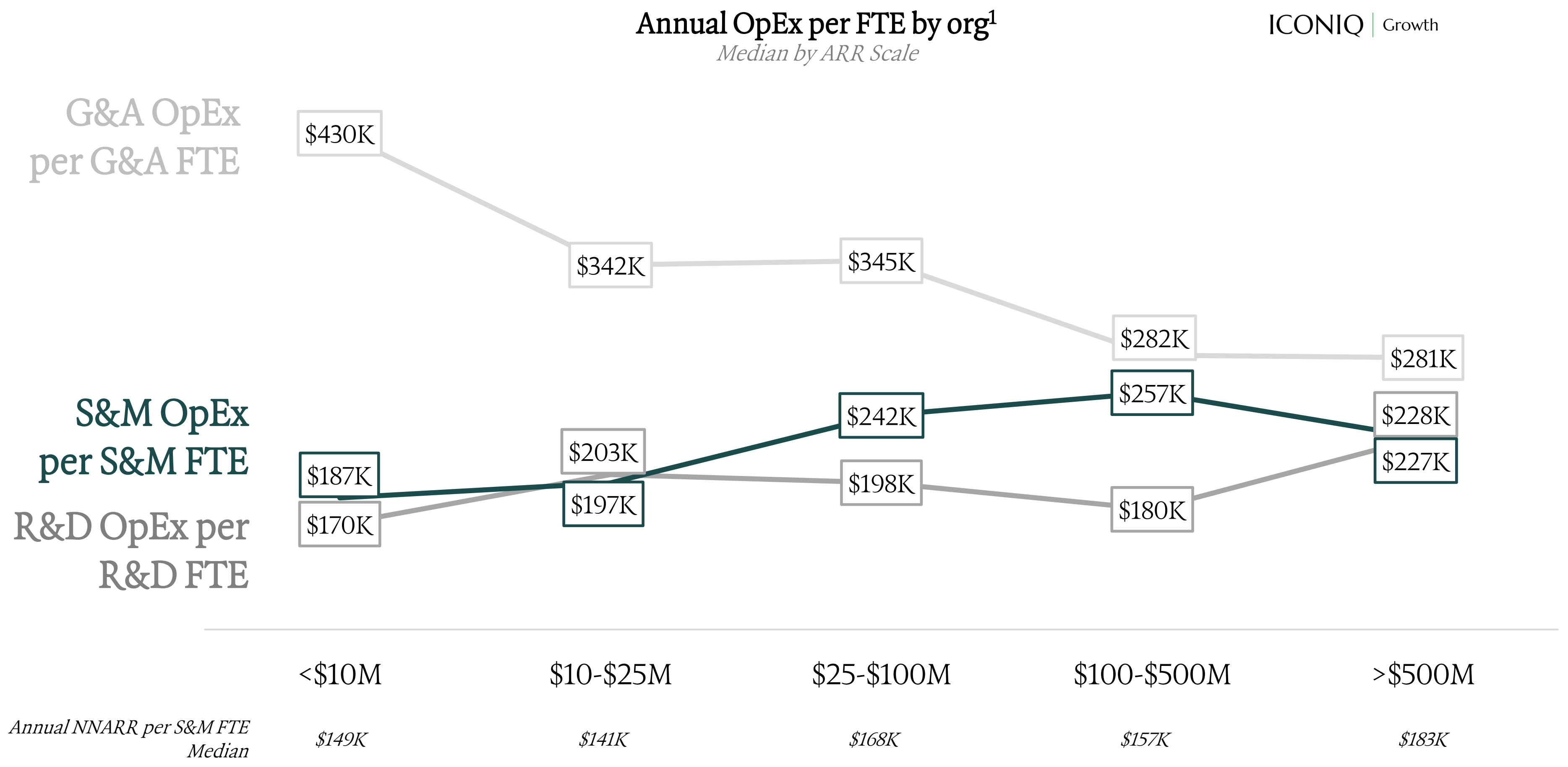
1 Quarterly operating and financial data from all ICONIQ Growth B2B SaaS portfolio companies where data available (n=68). For a complete list of ICONIQ Growth portfolio companies, please see the appendix

While there is variability to how organizations scale and allocate headcount, headcount productivity and efficiency should always be considered. As SaaS companies scale, both FTE productivity and FTE efficiency should increase, and ARR per FTE should surpass OpEx per FTE



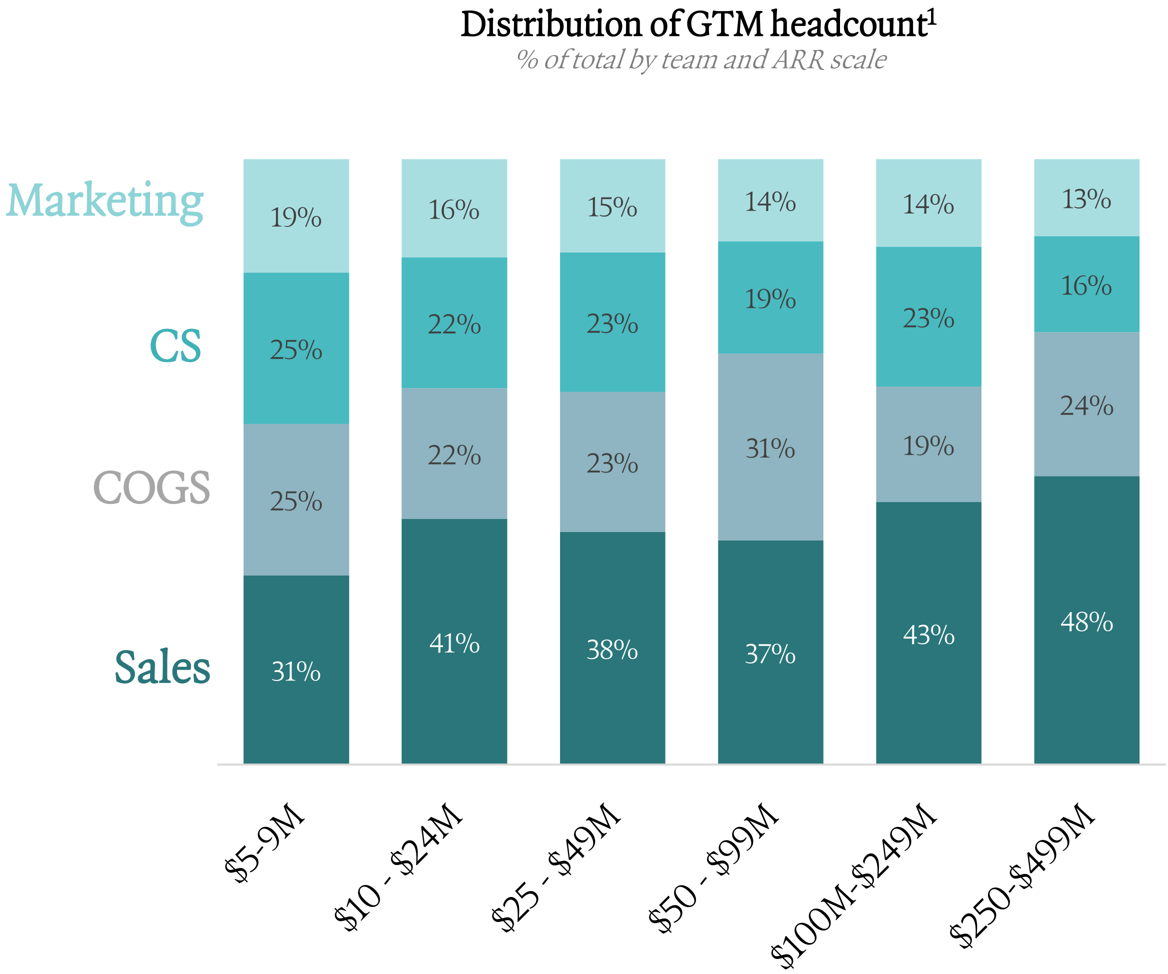
1 Quarterly operating and financial data from all ICONIQ Growth B2B SaaS portfolio companies where data available (n=68). For a complete list of ICONIQ Growth portfolio companies, please see the appendix

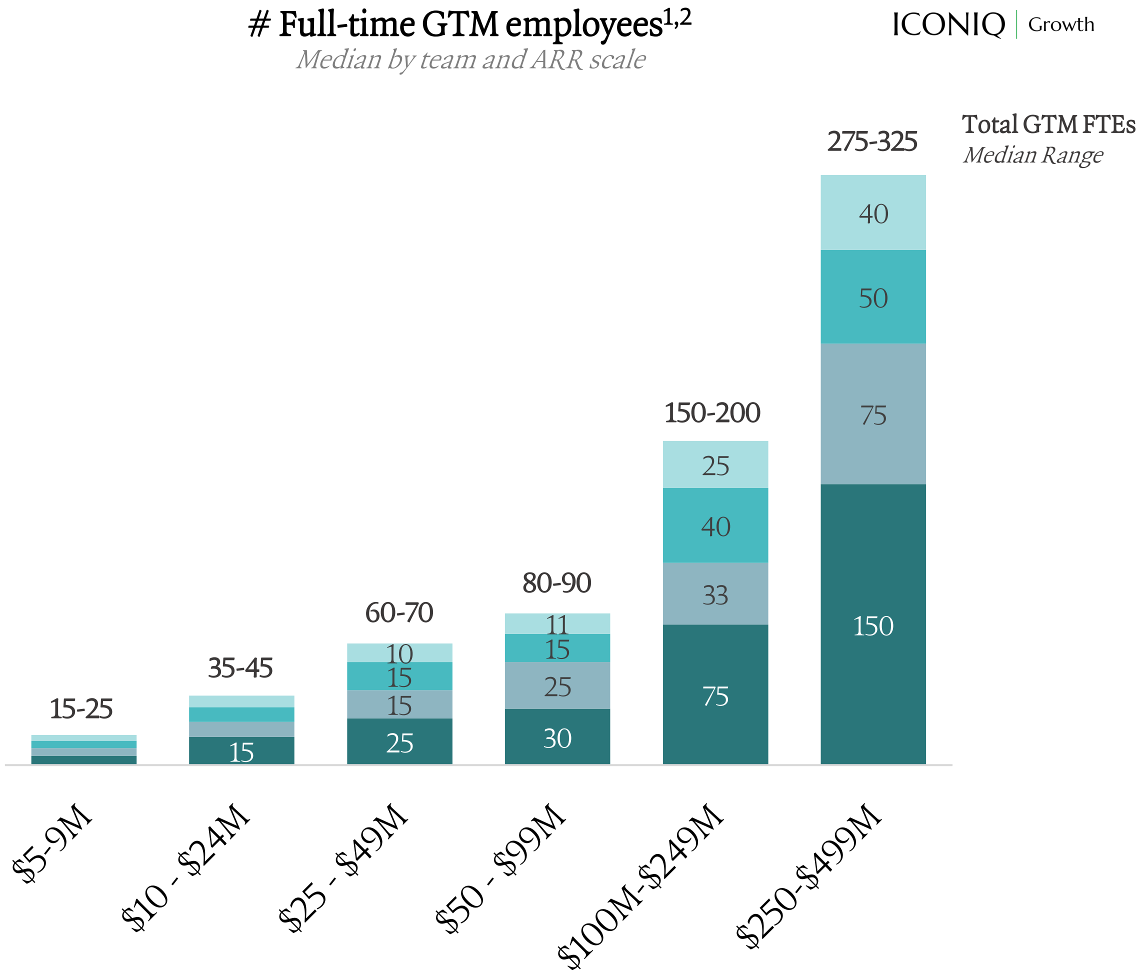
However, with factors such as ramp times, quota attainment, competitive compensation, attrition, and challenges moving up-market, the GTM organization doesn't realize headcount efficiency until companies reach ~$200M+ ARR. Building an efficient and effective GTM organization can have a profound impact on operating leverage and is a key driver for companies looking to achieve profitability



1 Quarterly operating and financial data from all ICONIQ Growth B2B SaaS portfolio companies where data available (n=52). For a complete list of ICONIQ Growth portfolio companies, please see the appendix

Within the go-to-market organization, sales is the largest team, comprising 30-40% of total GTM headcount in the early stages and 40-60% in the later stages. COGS and customer success each comprise 15-25%, and marketing comprises the remaining 10-20% of the organization





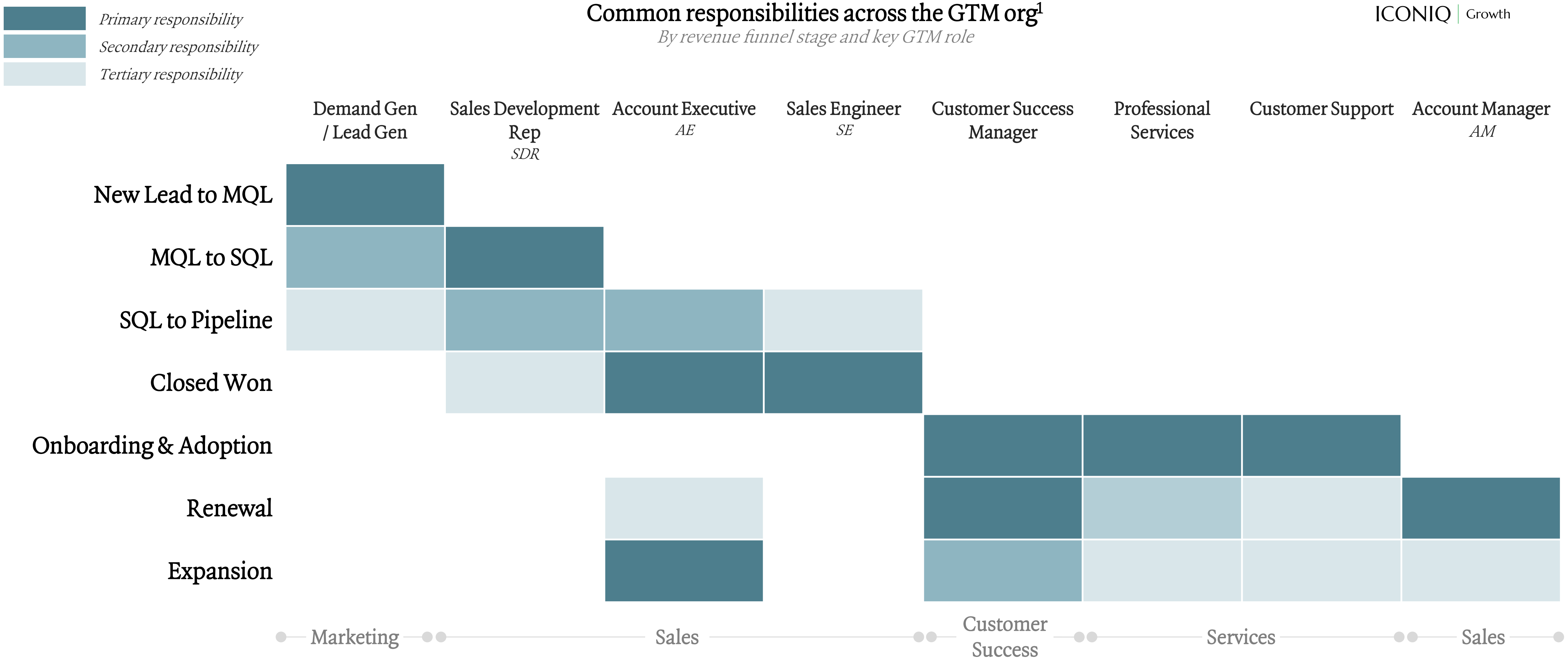
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Ranges provided due to wide range of absolute headcount numbers

Like org structure, roles and responsibilities for GTM teams can also differ across companies. However, most GTM organizations have roles dedicated to each stage of the revenue funnel, with marketing at the top-, sales in the middle-, and CS and services at the bottom-of-funnel

Common responsibilities across the GTM org[1]

By revenue funnel stage and key GTM role

ICONIQ | Growth



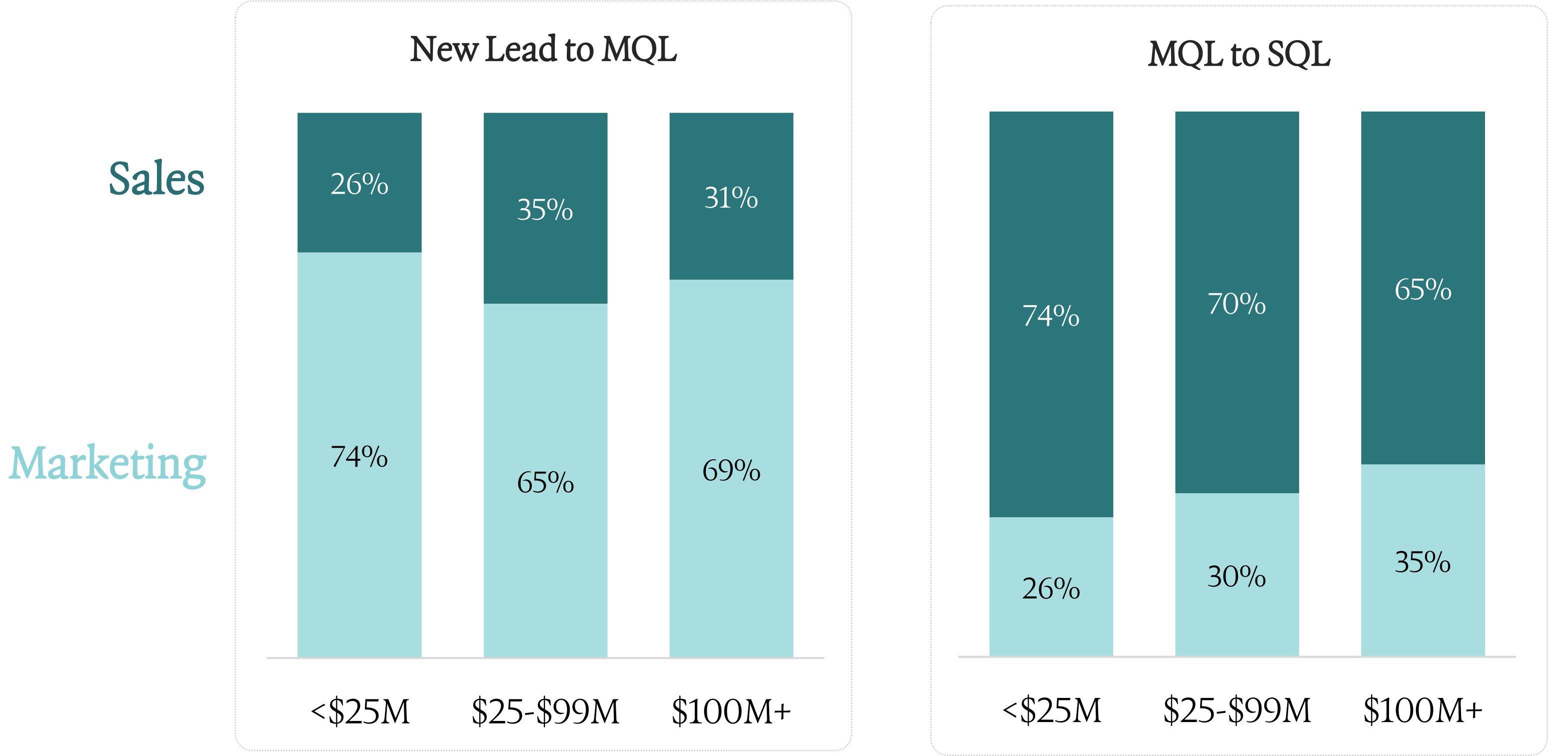
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Responsibilities can often be shared across these stages. At the top of the funnel, identifying, converting, and qualifying new leads is a shared responsibility between sales and marketing. Demand generation teams work closely with SDRs to refine campaigns and qualification criteria, then hand-off MQLs to the sales team

Which team & employee is primarily responsible for the following steps of the sales process?[1]

% of respondents

ICONIQ | Growth



	<$25M	$25-$99M	$100M+	<$25M	$25-$99M	$100M+
Primarily responsible	*Demand Gen*	*Demand Gen*	*Demand Gen*	*SDR*	*SDR*	*SDR*
Supporting	*SDR*	*SDR*	*SDR*	*AE*	*AE*	*SDR Manager*

> **Everyone should be prospecting.** We used to be relying too much on marketing and the sales development team, so we instituted prospecting goals for our account executives and we're building that muscle. It's all about revenue, so this should be a shared responsibility.[2]
>
> *Chief Revenue Officer*
> *B2B SaaS Company*
> *Early-Stage (<$50M ARR)*

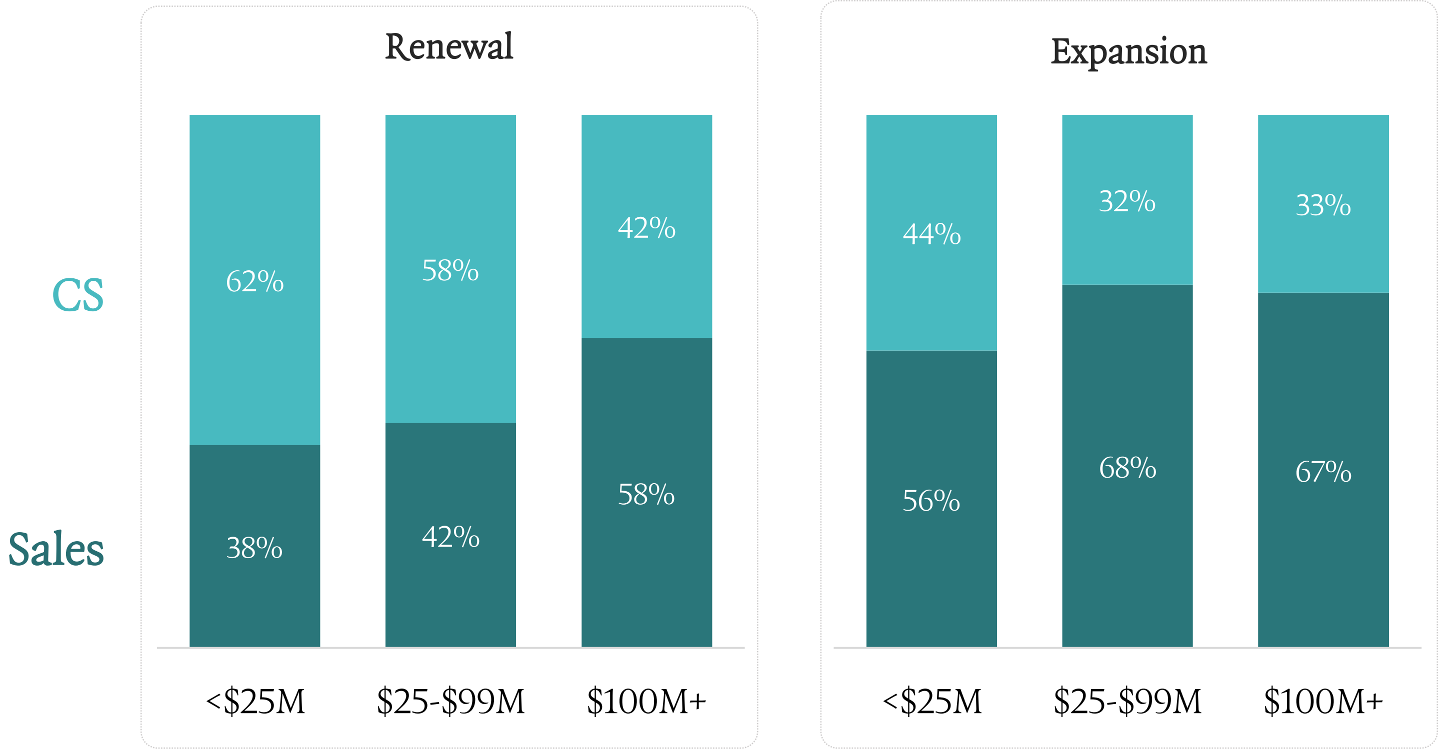
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Perspectives from the ICONIQ Growth network

Additionally, roles and responsibilities often shift as SaaS companies scale and move up-market. Most organizations have their customer success teams own renewal and expansion during the early stages, then transfer these responsibilities to sales as customer expansion drives larger portions of ARR

Which team & employee is primarily responsible for the following steps of the sales process?[1]

% of respondents

ICONIQ | Growth



	Renewal <$25M	Renewal $25-$99M	Renewal $100M+	Expansion <$25M	Expansion $25-$99M	Expansion $100M+
Primarily responsible	*CSM*	*CSM*	*AM*	*AE*	*AE*	*AE*
Supporting	*AE*	*AM*	*CSM*	*CSM*	*CSM*	*CSM*

> **If you have a land and expand motion or you're struggling with customer retention, sales should probably own renewal and expansion.** It's all about what makes sense for your product and your sales motion, but ideally there is one person that owns the renewal and expansion of each customer, rather than splitting these responsibilities between teams.[2]
>
> *Chief Customer Officer*
> *B2B SaaS Company*
> *Early-Stage (<$50M ARR)*

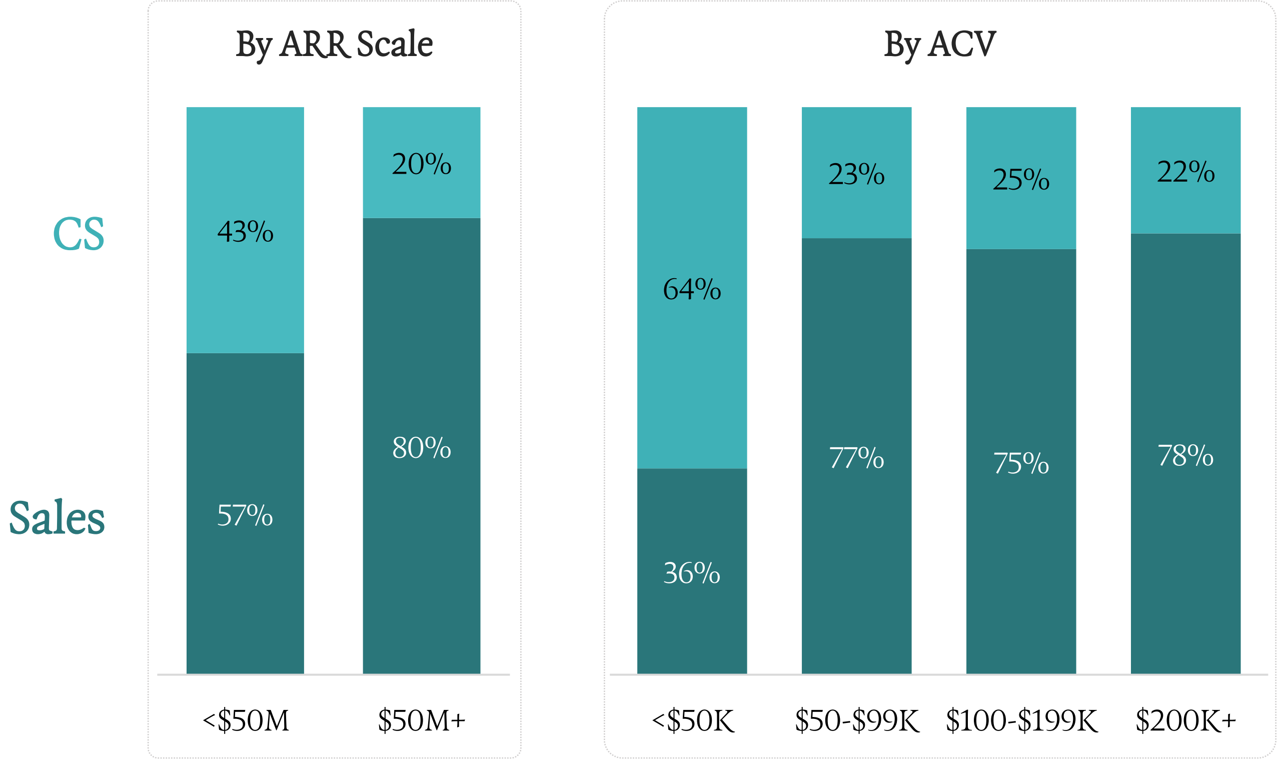
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Perspectives from the ICONIQ Growth network

Org structure and reporting lines within each of these teams can differ across companies. Throughout this report, we default to the most common org and reporting structures we see – for example, account management under sales rather than CS - but acknowledge myriad models work depending on your GTM motion and leadership team

Where in your organization does the account management role sit?[1]

% of respondents by team

ICONIQ | Growth



> **Org structure should partly depend on the strengths of your leadership team.** Reporting structures will fluctuate as you scale, but all these models can work if you have the right leaders in place. We just hired a marketing leader with experience owning the SDR function, so we moved the team under them and have seen great results.[2]
>
> *Revenue Leader*
> *B2B SaaS Company*
> *Growth-Stage ($50-$100M ARR)*

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Perspectives from the ICONIQ Growth network

Similarly, while the next section summarizes at what stage most companies hire their first dedicated FTEs for key GTM roles, companies have different approaches depending on their go-to-market motion and business needs

The first stage at which >50% of companies have dedicated FTEs in a GTM role[1]

Summary of the following pages

ICONIQ | Growth

$5-$9M	$10-$25M	$25-$50M	$50-$100M	$100-$250M	$250-$500M
Leadership *ICs report to CEO / founder during this stage*	**Leadership** VP Sales* Marketing Manager CS Director	**Leadership** CRO Sales Manager Sales Director CMO VP Marketing Marketing Director VP CS	**Leadership**	**Leadership** VP Services	**Leadership** Chief Sales Officer Chief Customer Officer
Individual Contributors Account Executive Sales Engineer CSM Customer Support	**Individual Contributors** SDR* Demand Generation	**Individual Contributors** Product Marketing* Events Coordinator Professional Services	**Individual Contributors** Account Manager Lead Generation Content Marketing*	**Individual Contributors** Partner Marketing Comms / PR Customer Enablement	**Individual Contributors** Brand Marketing
Ops & Enablement	**Ops & Enablement** Sales Operations	**Ops & Enablement**	**Ops & Enablement** Sales Enablement	**Ops & Enablement** Marketing Operations	**Ops & Enablement** Deal Desk CS Operations

VP Sales* Most companies hire their first VP sales soon after hitting the $10M ARR threshold, though ~40% of companies have a VP sales before this stage

SDR* Most $5-$9M ARR companies share the SDR responsibility between account executives and marketing generalists

Product Marketing & Content Marketing* Product-led growth companies hire FTEs dedicated to these roles earlier in their lifecycle than sales-led growth companies. Content and product marketing are critical for initial launch-to-market for companies with a bottom-up sales motion

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Table of Contents

Introduction

About the research	4-7
Data sources & methodology	8
Collaborators & industry perspectives	9
Key terms	10-12

Executive Summary & Overview

Executive summary	14-15
Headcount distribution as companies scale	16
Headcount productivity & efficiency	17-18
The make-up of the GTM org as companies scale	19
Roles & responsibilities: summary & key questions	20-22
Variability in reporting lines and sequencing of hires	23-24

Org Structure & Responsibilities

Org structure by stage	26-31
\$5-\$10M | \$10-\$25M | \$25-\$50M | \$50-\$100M | \$100-\$250M | \$250-\$500M	
Roles & responsibilities by stage	32-34
\$5-\$10M | \$10-\$25M | \$25-\$50M | \$50-\$100M | \$100-\$250M | \$250-\$500M	
Prevalence of customer-facing role archetypes	35

Headcount Allocation

Make-up of a sales organization	37
Headcount distribution	38
Headcount ratios	39-43
Segmentation	44-45
Make-up of a customer success organization	46
Headcount distribution	47
Headcount ratios	48
Segmentation	49
Make-up of a marketing organization	50
Headcount distribution	51
Make-up of a services organization	52
Headcount ratios	53

Planning & Operationalizing

Ramp time	55-56
Attainment	57
Capacity & productivity	58-59
Employee attrition	60
Hiring for success in the GTM org	61
Emerging organizational efficiencies	62
Performance management	63
Outsourcing, partnerships, and offshoring	64-66

Org Structure by Stage | Early stage: <$10M

Before reaching $10M ARR, most GTM teams only have dedicated FTEs in account executive, sales engineering, CSM, and customer support roles. Often, these early individual contributors report directly to a CEO or founder

Percent of companies with **dedicated FTEs** in role

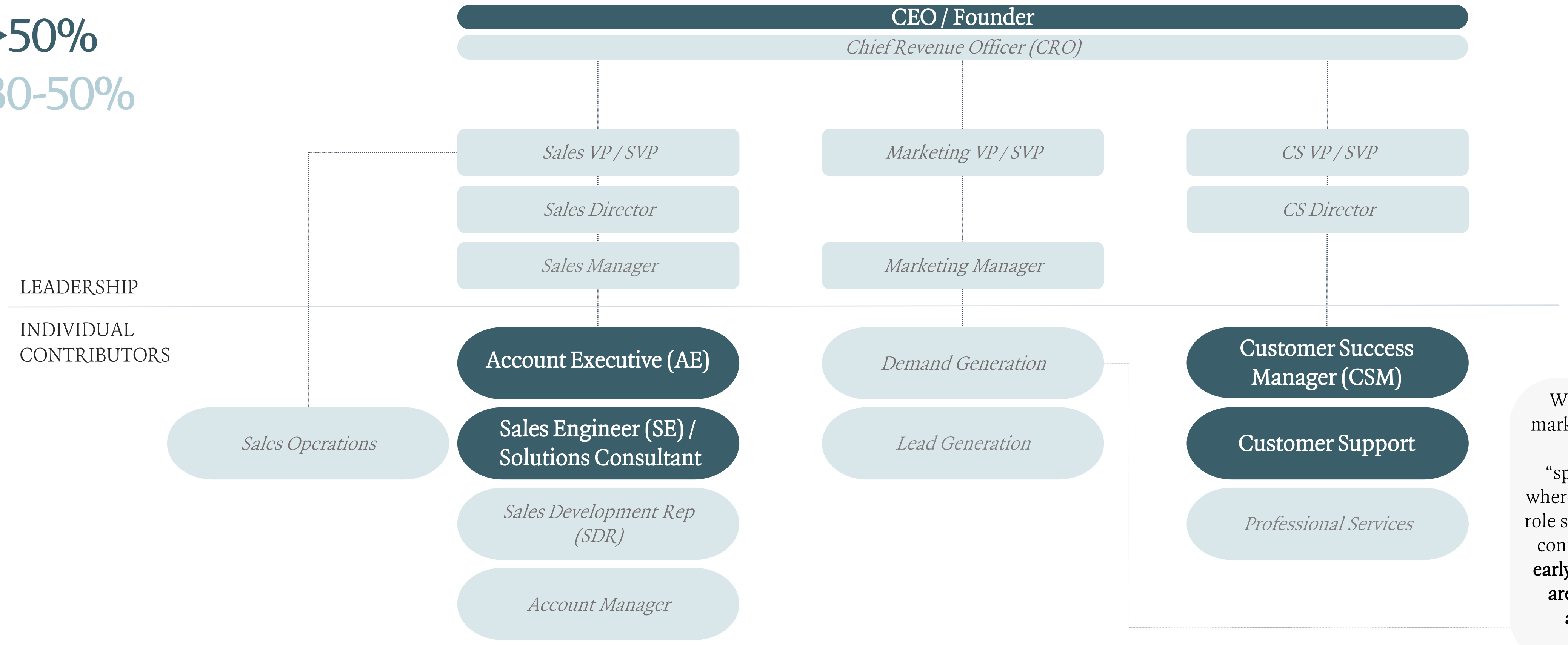
>50%

30-50%

Roles with dedicated FTEs at companies with $5-$9M ARR[1]

By percent of respondents with dedicated FTEs in role

ICONIQ | Growth



While most companies have marketing employees during this stage, it is rare to have “specialized” marketing roles where one FTE is dedicated to one role such as demand generation or content marketing. More often, **early-stage marketing employees are generalists, splitting time across myriad marketing responsibilities.**

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Org Structure by Stage | Early stage: $10-$25M

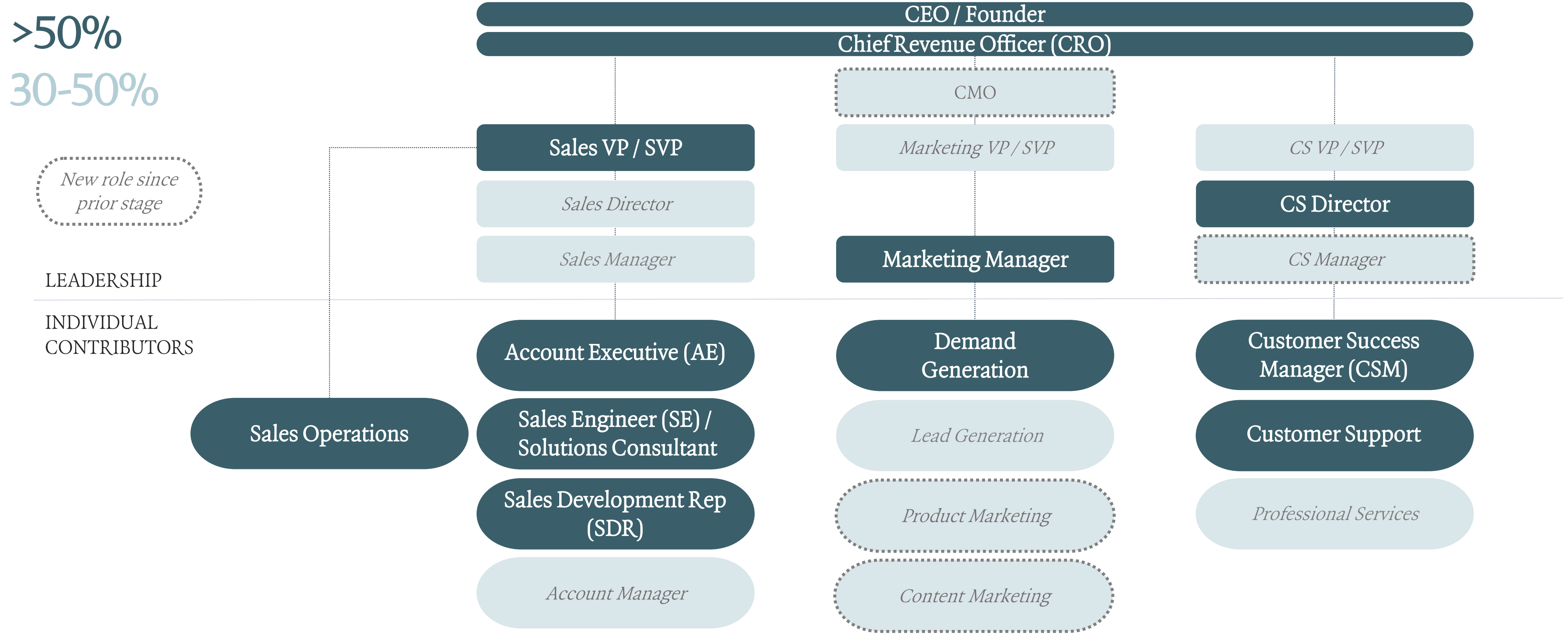
From $10 to $25M ARR, companies start building out the GTM leadership team. Most companies at this stage have a c-suite leader such as a CRO, a VP-level sales leader, and managers or directors to lead the marketing and customer success teams

Percent of companies with **dedicated FTEs** in role

Roles with dedicated FTEs at companies with $10-$25M ARR[1]

By percent of respondents with dedicated FTEs in role

ICONIQ | Growth



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
CMOs also commonly report directly into a CEO / Founder during the early stages, with consolidation under a CRO happening later in the company lifecycle

Org Structure by Stage | Growth stage: $25-$50M

From $25-$50M ARR, companies build out additional spans of control across GTM teams by filling first-, second-, and third-line leadership roles. Companies also begin to build out professional service offerings and invest more in sales operations & enablement

Percent of companies with **dedicated FTEs** in role

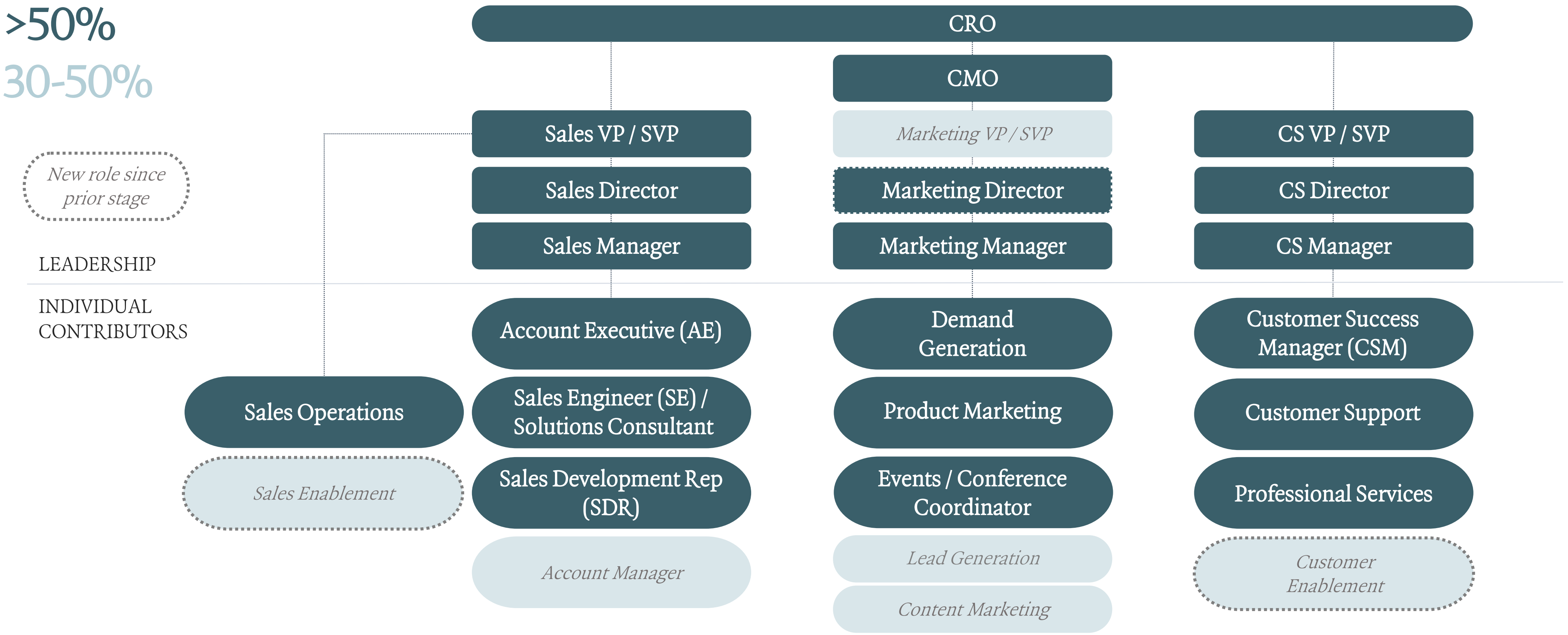
>50%

30-50%

Roles with <u>dedicated</u> FTEs at companies with $25-$50M ARR[1]

By percent of respondents with dedicated FTEs in role

ICONIQ | Growth



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
CEO / founder role not shown here, but many companies have their GTM C-suite report directly to the CEO as well

Org Structure by Stage | Growth stage: $50-$100M

Between $50-$100M ARR is when most companies build an account management function to own renewals. Marketing teams begin to specialize more by hiring roles specifically dedicated to lead generation, content marketing, and events coordination

Roles with dedicated FTEs at companies with $50-$100M ARR[1]

By percent of respondents with dedicated FTEs in role

ICONIQ | Growth

Percent of companies with **dedicated FTEs** in role

>50%

30-50%

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
CEO / founder role not shown here, but many companies have their GTM C-suite report directly to the CEO as well

$5-$10M | $10-$25M | $25-$50M | $50-$100M | **$100-$250M** | $250-$500M

Org Structure by Stage | Later-stage: $100-$250M

At the $100M scale, companies continue to enhance their service offerings and hire services leadership, which typically own professional services, support, and customer enablement. Marketing teams also add roles dedicated to channel marketing, communications, and operations

Percent of companies with **dedicated FTEs** in role

>50%

30-50%

New role since prior stage

Roles with dedicated FTEs at companies with $100-$250M ARR[1]

By percent of respondents with dedicated FTEs in role

ICONIQ | Growth

CRO

LEADERSHIP

- *Chief Sales Officer*
- Sales VP / SVP
- Sales Director
- Sales Manager
- CMO
- Marketing VP / SVP
- Marketing Director
- Marketing Manager
- *Chief Customer Officer*
- CS VP / SVP
- CS Director
- CS Manager
- Services VP / SVP

INDIVIDUAL CONTRIBUTORS

- Sales Operations
- Sales Enablement
- Account Executive (AE)
- Sales Engineer (SE) / Solutions Consultant
- Sales Development Rep (SDR)
- Account Manager
- *Deal Desk*
- Demand Gen
- Product Marketing
- Events
- Lead Gen
- Content Marketing
- Partner / Channel
- Comms / PR
- Marketing Operations
- *Brand Marketing*
- *SEO*
- Customer Success Manager (CSM)
- Customer Support
- Professional Services
- Customer Enablement
- *Customer Success Operations*

> "If it takes some work for your customers to be truly successful with your product, then you should have a services team.[2]
>
> *Services Leader*
> *B2B SaaS Company*
> *Growth Stage ($50-$250M ARR)*

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Perspectives from the ICONIQ Growth network
CEO / founder role not shown here, but many companies have their GTM C-suite report directly to the CEO as well

Org Structure by Stage | Later-stage: $250-$500M

Most companies with $250M+ ARR have C-suite executives leading each go-to-market team and reporting into revenue leadership or a CEO. Sales teams focus on operationalizing by building out deal desks, and marketing teams invest more in brand marketing

Percent of companies with **dedicated FTEs** in role

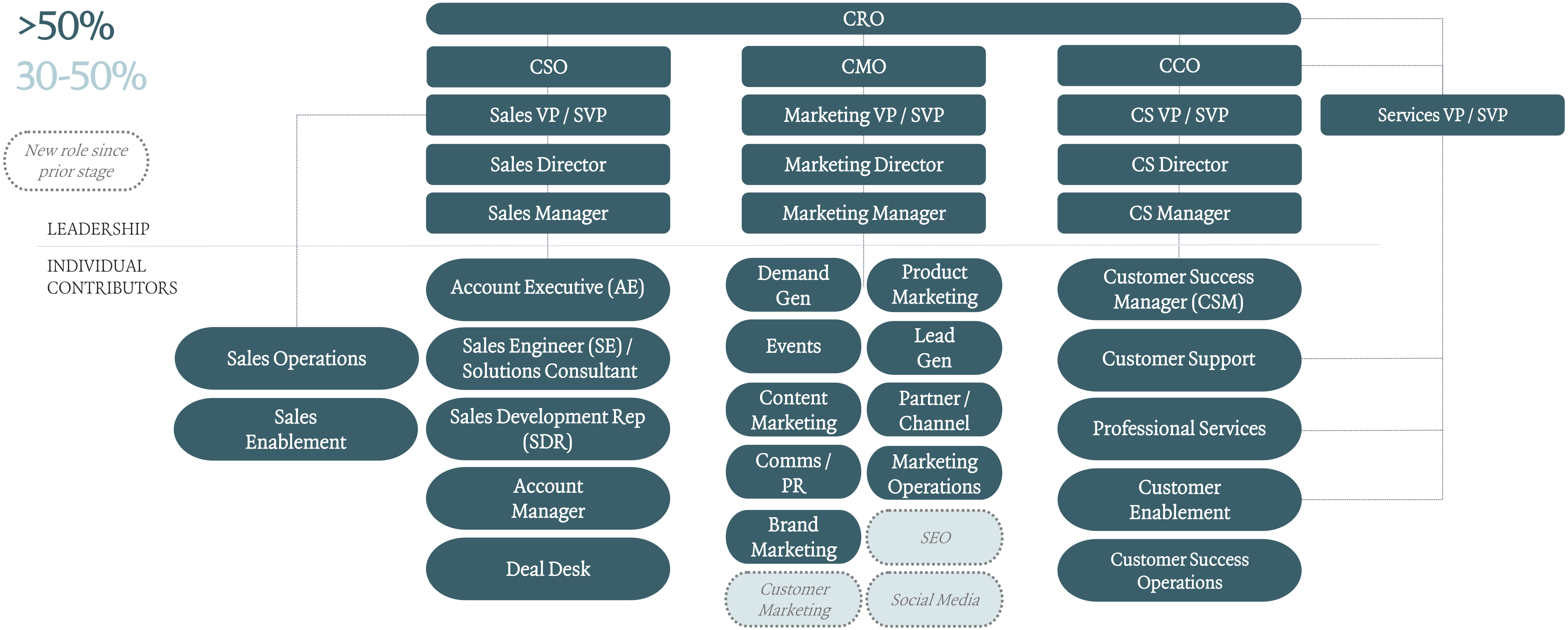
>50%

30-50%

ICONIQ | Growth

Roles with dedicated FTEs at companies with $250-$500M ARR[1]

By percent of respondents with dedicated FTEs in role



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
CEO / founder role not shown here, but many companies have their GTM C-suite report directly to the CEO as well

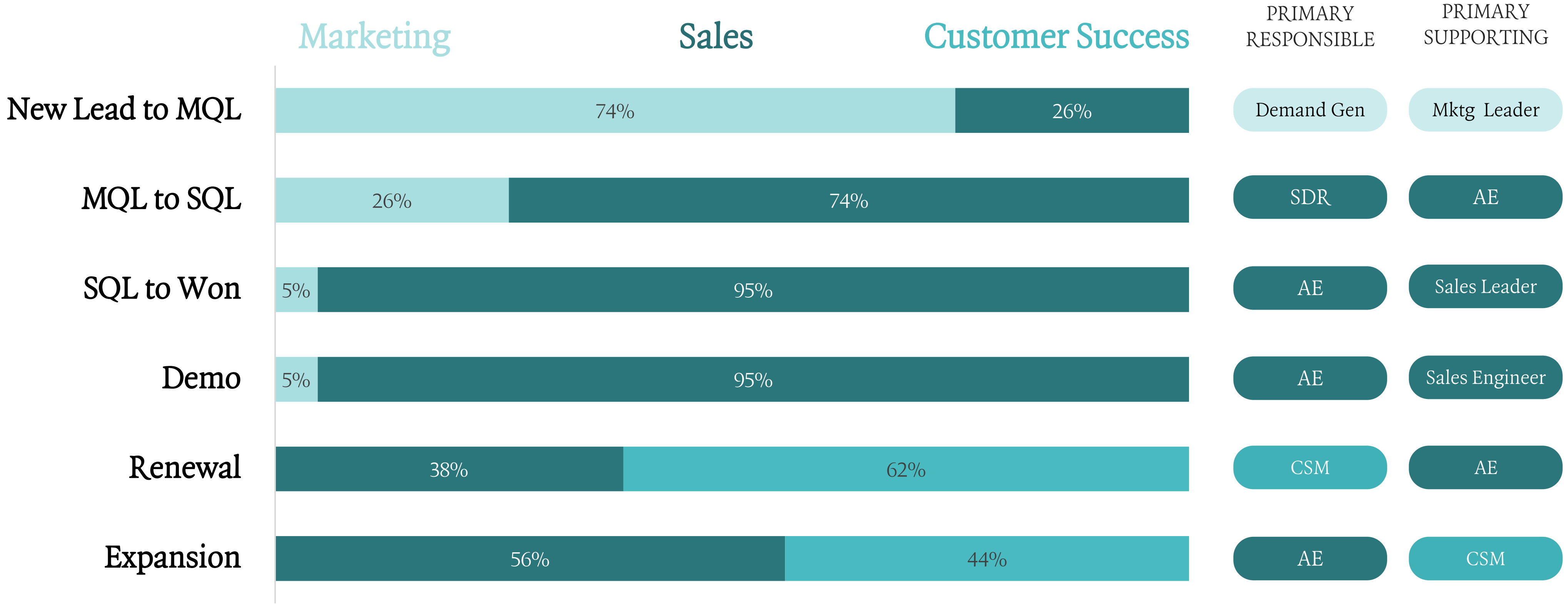
Roles & Responsibilities by Stage | Early stage: <$25M

Reporting structure and sequencing of hiring depend heavily on roles and responsibilities. Early-stage companies tend to not have account management teams, so renewal and expansion responsibilities are shared between CSMs and account executives

Which team & employee is primarily responsible for the following steps of the sales process?[1]

ICONIQ | Growth

% of respondents



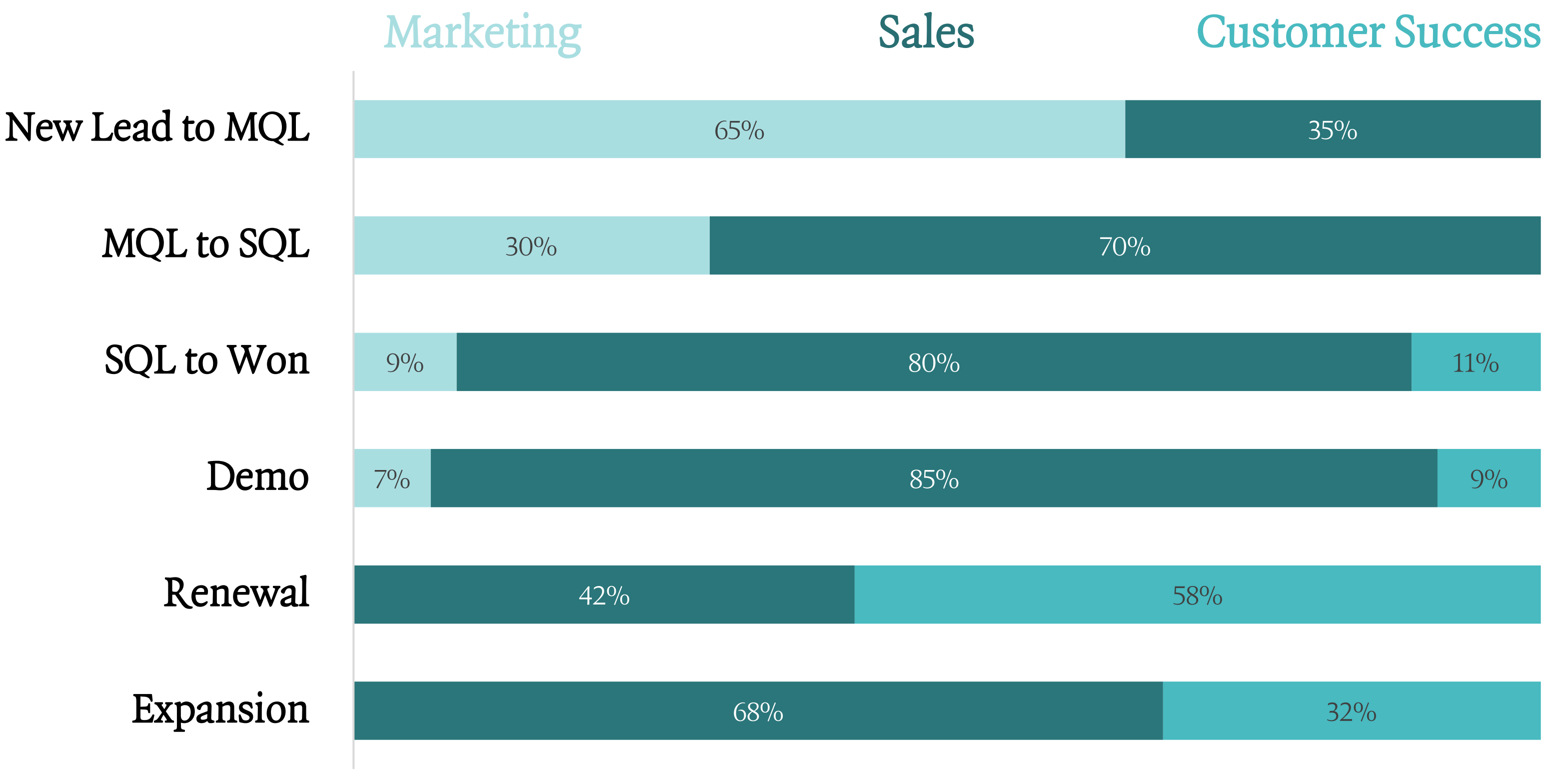
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Roles & Responsibilities by Stage | Growth stage: $25-$100M

As companies scale and the customer base grows, sales development begins to have more top-of-funnel responsibilities, and account executives begin to have more renewal and expansion responsibilities

Which team & employee is primarily responsible for the following steps of the sales process?[1] ICONIQ | Growth

% of respondents



	PRIMARY RESPONSIBLE	PRIMARY SUPPORTING
New Lead to MQL	Demand Gen	SDR
MQL to SQL	SDR	AE
SQL to Won	AE	Sales Leader
Demo	AE	Sales Engineer
Renewal	CSM	AE
Expansion	AE	CSM

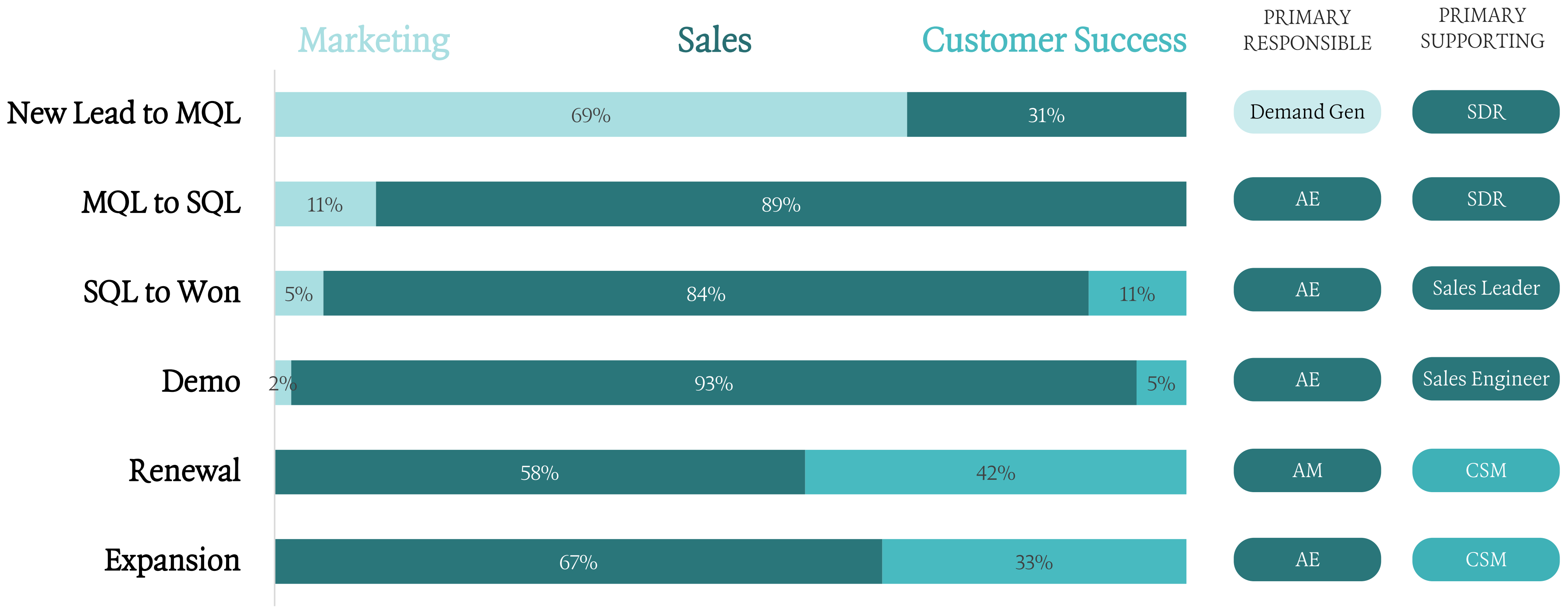
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Roles & Responsibilities by Stage | Late stage: $100-$500M

By $100M ARR, most companies have both renewal and expansion responsibilities under the purview of sales. Account management teams are built out to own renewals, and AEs are split into "hunters" looking for new logos and "farmers" looking to expand existing customers

Which team & employee is primarily responsible for the following steps of the sales process?[1] ICONIQ | Growth

% of respondents



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Customer Organization Archetypes | CSM models

Customer success, services, and customer support roles can also look different across companies, impacting org structure and headcount allocation. We see two primary archetypes for each of these roles, with relatively equal prevalence in the B2B SaaS landscape

Primary customer success and services archetype[1]

% of respondents

Customer Success Manager

Commercial — 47%

CSMs are primarily focused on **closing renewals and expansion opportunities**. Commercial CSMs have a similar incentives profile to sales account managers or renewals representative

Relationship — 53%

CSMs are primarily focused on being **the strategic advisor for a customer** by managing and nurturing a high-touch relationship.

Professional Services

Delivery — 50%

Professional services employees are focused on delivering functionality in the product via **implementation and onboarding**.

Advisory — 50%

Professional services employees are focused on **strategic applications of services** across the customer base (e.g., managed services, consulting)

Customer Support

Premier — 37%

Assigned / named support resources with dedicated service level agreements. Premier support is more **proactive in nature**.

Basic — 63%

Access to support resources and communication with support employees, usually via some form of **helpdesk**. Basic support is primarily **reactive in nature.**

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Table of Contents

Introduction

About the research 4-7
Data sources & methodology 8
Collaborators & industry perspectives 9
Key terms 10-12

Executive Summary & Overview

Executive summary 14-15
Headcount distribution as companies scale 16
Headcount productivity & efficiency 17-18
The make-up of the GTM org as companies scale 19
Roles & responsibilities: summary & key questions 20-22
Variability in reporting lines and sequencing of hires 23-24

Org Structure & Responsibilities

Org structure by stage 26-31
$5-$10M | $10-$25M | $25-$50M | $50-$100M | $100-$250M | $250-$500M
Roles & responsibilities by stage 32-34
$5-$10M | $10-$25M | $25-$50M | $50-$100M | $100-$250M | $250-$500M
Prevalence of customer-facing role archetypes 35

Headcount Allocation

Make-up of a sales organization 37
Headcount distribution 38
Headcount ratios 39-43
Segmentation 44-45
Make-up of a customer success organization 46
Headcount distribution 47
Headcount ratios 48
Segmentation 49
Make-up of a marketing organization 50
Headcount distribution 51
Make-up of a services organization 52
Headcount ratios 53

Planning & Operationalizing

Ramp time 55-56
Attainment 57
Capacity & productivity 58-59
Employee attrition 60
Hiring for success in the GTM org 61
Emerging organizational efficiencies 62
Performance management 63
Outsourcing, partnerships, and offshoring 64-66

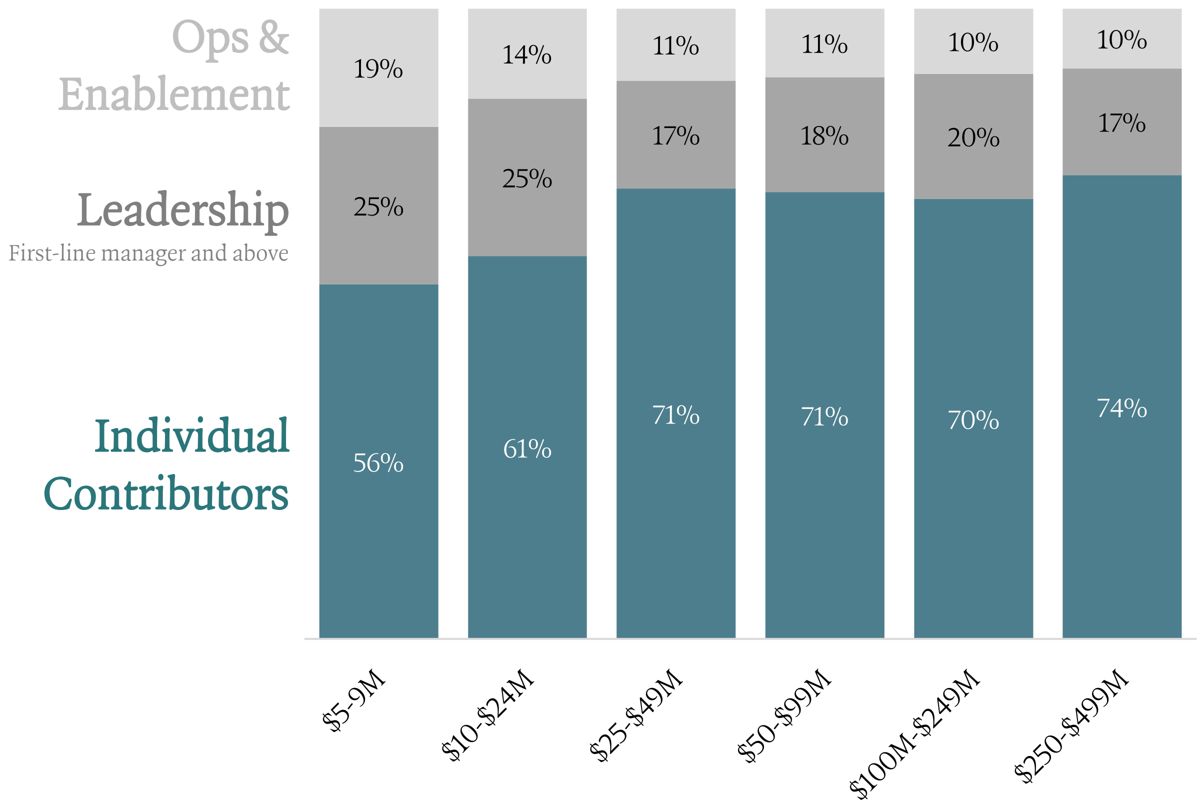
ICONIQ | Growth

Headcount Allocation | Make-up of a sales team

As companies scale, quota-carrying individual contributors become a larger proportion of the sales organization. While ICs compose 60-65% of an early-stage sales organization, they make up 70-75% of a later-stage sales organization

Distribution of sales FTEs[1]

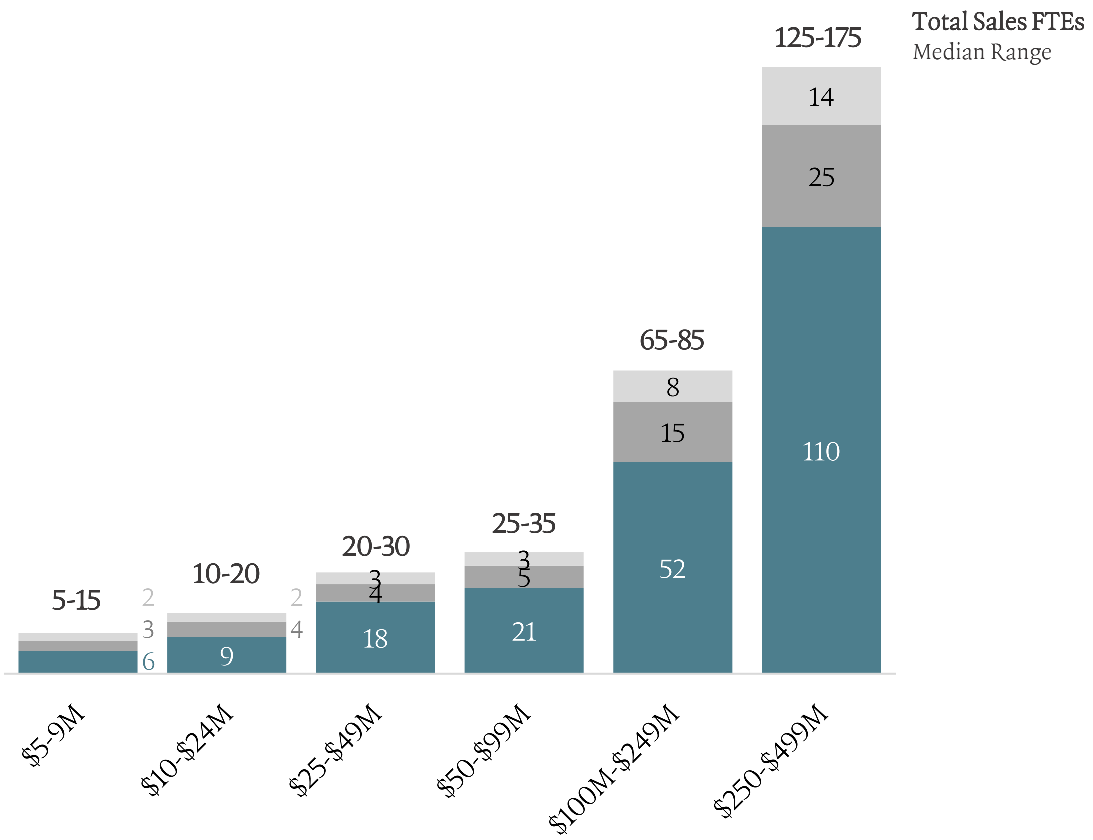
Median% of FTEs by type



Number of sales FTEs[1,2]

Median by type

ICONIQ | Growth



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Median ranges provided due to variability in absolute headcount numbers

Headcount Allocation | Detailed distribution of sales headcount

Sales teams are composed mostly of AEs, SDRs, and leadership in the early-stages. As sales teams scale, the proportion of account managers and sales engineering headcount increases, and the proportion of ops & enablement headcount decreases as efficiencies are achieved

Distribution of sales headcount[1]

Median % of total sales headcount by role

ICONIQ | Growth

	Account Executive	SDR / BDR	Account Managers	Sales Engineers	Sales Director+ *Director and above*[2]	Sales Manager	Sales Enablement	Sales Operations	Deal Desk
<$25M	20-25%	10-15%	5-10%	5-10%	10-15%	5-10%	3-5%	3-5%	3-5%
$25-$99M	20-25%	15-20%	10-15%	10-15%	5-10%	5-10%	3-5%	1-3%	1-3%
$100-$499M	25-30%	10-15%	10-15%	5-10%	5-10%	5-10%	3-5%	3-5%	3-5%
$500M+	40-45%	5-10%	10-15%	15-20%	1-5%	5-10%	1-3%	1-3%	1-3%
	Individual Contributors				Leadership		Ops & Enablement		

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Director and above includes sales directors, heads of sales (VP, SVP), and c-suite sales leaders

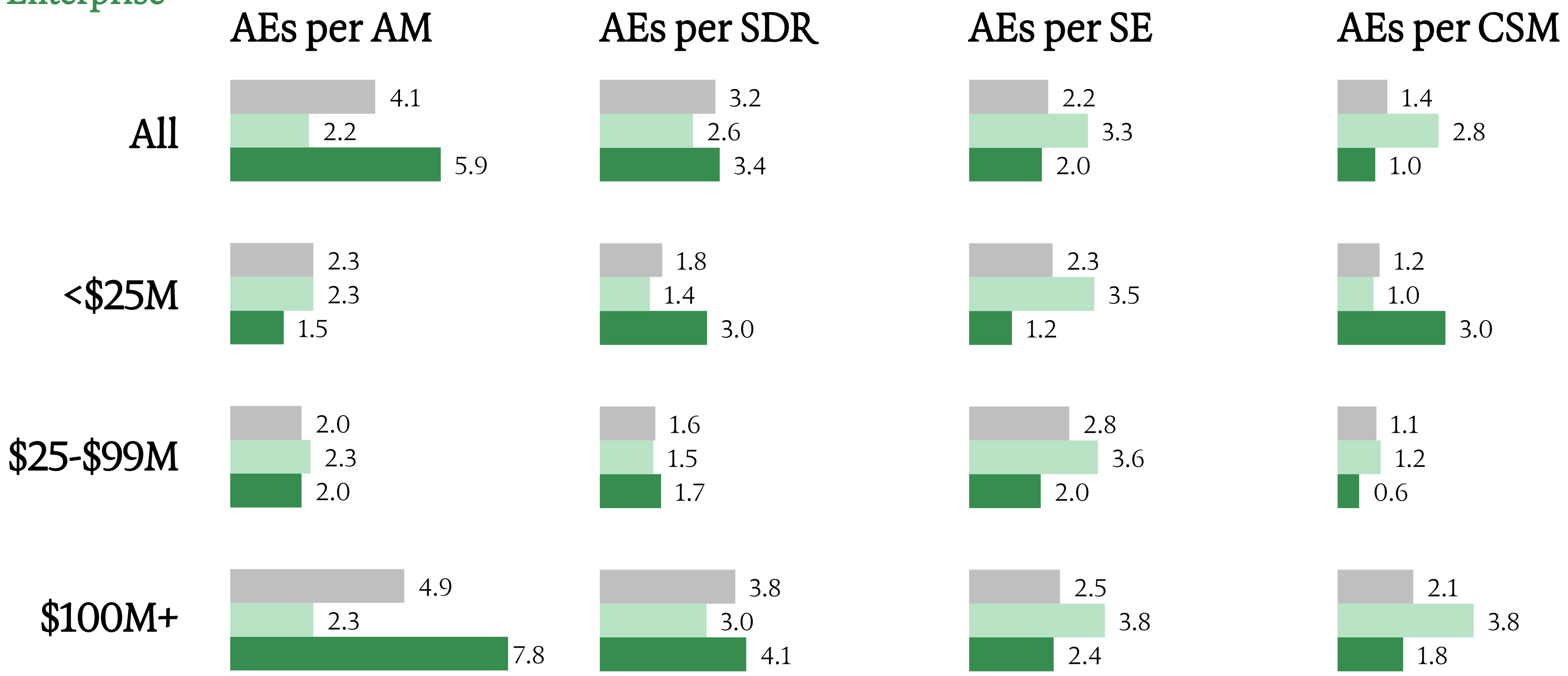
Headcount Allocation | Ratio of AEs to other key IC roles

As account executives make up the largest portion of most sales organizations, GTM headcount planning is often based on ratios between AEs and other key roles. On average, companies have ~4 AEs per account manager, ~3 per SDR, ~2 per sales engineer, and 1-2 per CSM

Segment
All companies
SMB to Mid-market
Mid-market to Enterprise

Headcount ratios: AEs to key GTM ICs[1]
Average by segment

ICONIQ | Growth

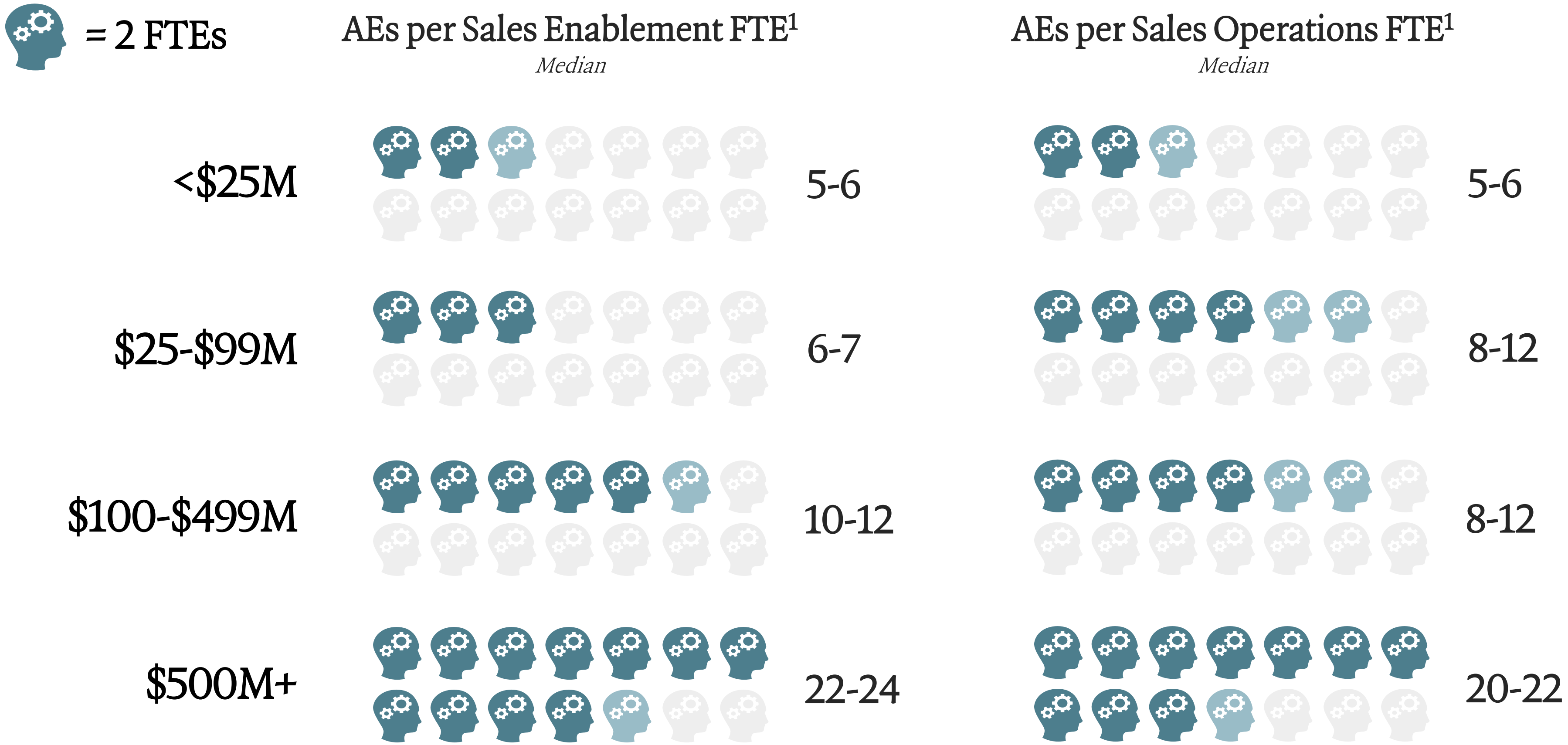


Account executives make up an increasingly larger portion of the go-to-market organization as companies scale past $100M ARR, with AEs per AM increasing from 2 to 5, AEs per SDR from 2 to 4, and AEs per CSM from 1 to 2.

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Headcount Allocation | Ratio of AEs to sales ops & enablement FTEs

As with other ICs, the number of AEs per sales ops and enablement FTEs increases as companies scale. Early-stage companies have 5-7 AEs per sales enablement FTE, and start gaining significant leverage with sales ops and enablement employees after reaching $500M ARR



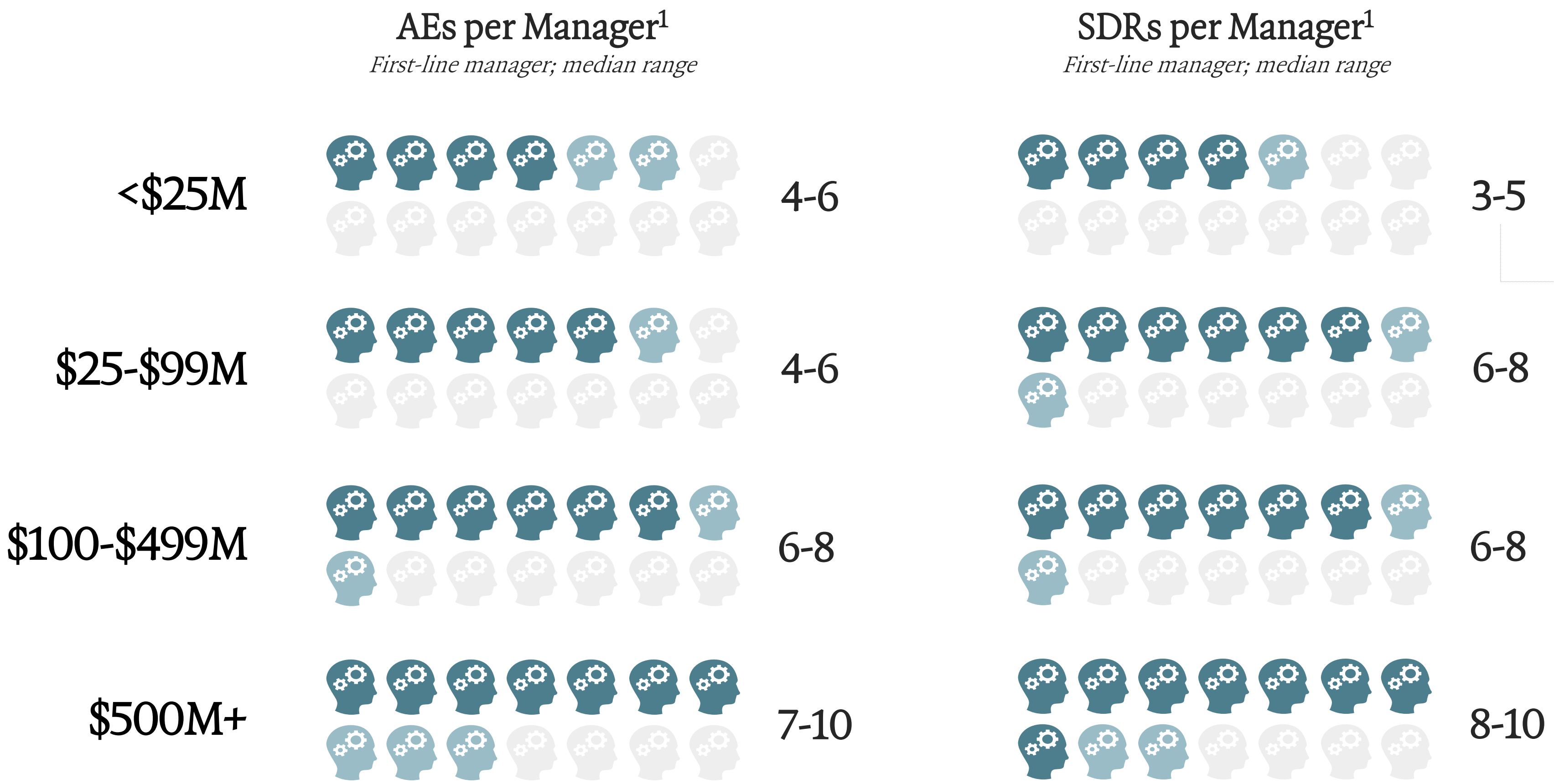
ICONIQ | Growth

Increasing leverage across sales operations and enablement teams comes partially from **enablement tools and technology,** a critical component of the go-to-market tech stack.

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Headcount Allocation | Ratio of AEs and SDRs to first-line managers

In terms of ICs per manager, companies increase the number of account executives per manager from ~5 to ~8, and the number of SDRs per manager from ~4 to ~9 as they scale. Most companies limit the number of direct reports to managers to a maximum of 10



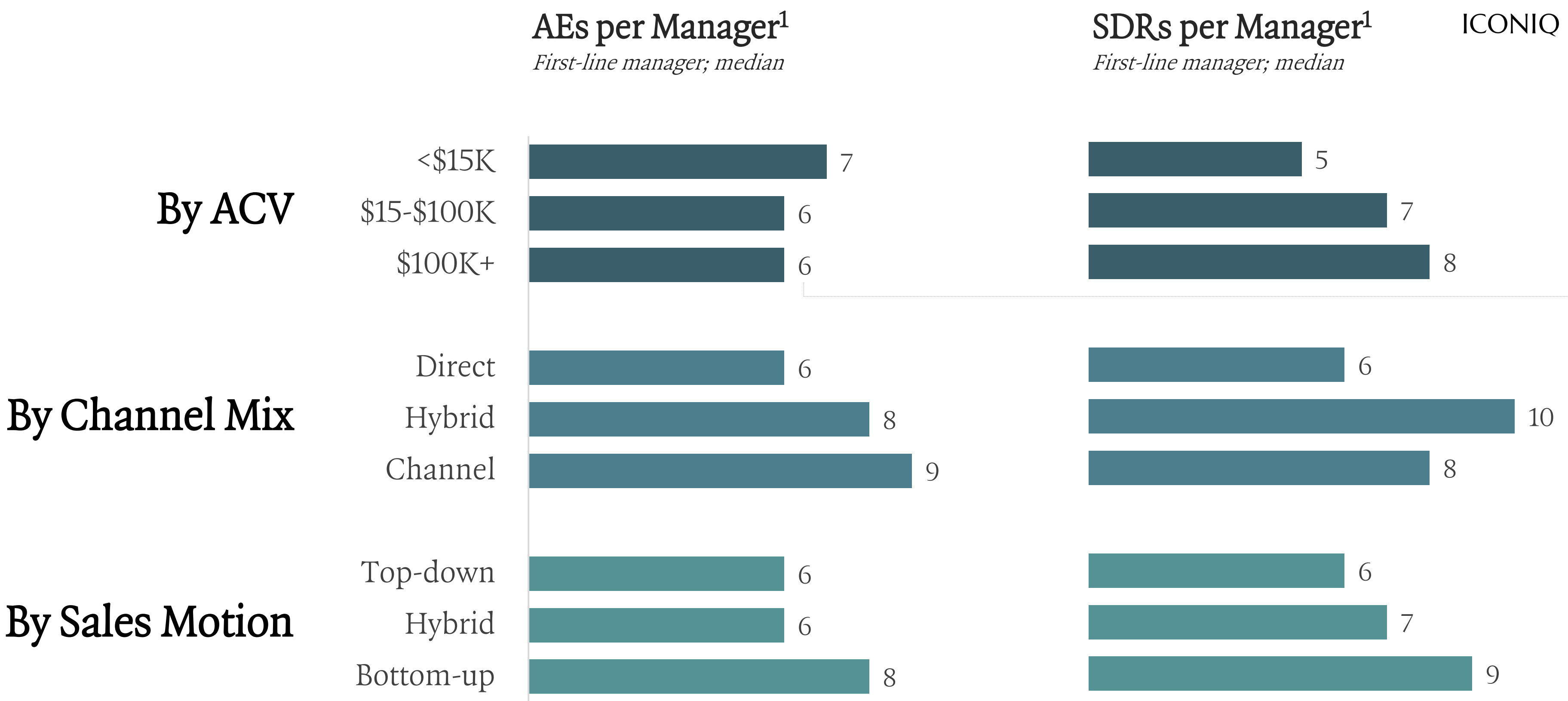
ICONIQ | Growth

During the early-stages, SDRs and account executives often report to the same first-line managers, rather than managers specifically dedicated to SDR or AE teams.

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Headcount Allocation | Ratio of AEs and SDRs to first-line managers

While scale is the primary driver of IC to manager ratios, go-to-market motion is another important factor. Teams with channel-driven sales typically have more ICs per manager, as do companies with a bottom-up or product-led sales motion



AE to manager ratios are similar across enterprise, mid-market, and SMB teams. **Enterprise sales reps tend to be more experienced**, which allows enterprise sales managers to carry a similar number of ICs as other segments

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Headcount Allocation | Sales leadership headcount ratios

The ratio between sales managers and sales directors stays relatively constant between 2-4 as companies scale. However, the average number of sales managers per head of sales (VP or SVP) increases from ~3 to ~7 as companies scale

ICONIQ Growth	Sales Manager per Director[1] *Median range*	Sales Manager per VP/SVP Sales[1] *Median range*
<$25M	1-3	2-4
$25-$99M	1-3	3-5
$100-$499M	2-4	4-6
$500M+	2-4	6-8

Headcount Allocation | Sales rep segmentation

Sales organizations segment account executive and sales development teams primarily by geography and size. As companies scale, sales teams are increasingly organized by industry and product

Top 3

Top 5

How are your sales teams segmented?[1]

% of respondents by ARR scale; select all that apply

ICONIQ | Growth

	Account Executives		SDRs / BDRs	
	<$50M ARR	$50M+ ARR	<$50M ARR	$50M+ ARR
Geography	63%	72%	55%	60%
Size	53%	71%	48%	51%
Named Accounts	35%	42%	20%	19%
Industry	19%	43%	27%	26%
Round-Robin	11%	12%	11%	9%
Lead Source	11%	9%	11%	15%
Product	8%	18%	2%	8%
Buyer Persona	5%	6%	2%	6%

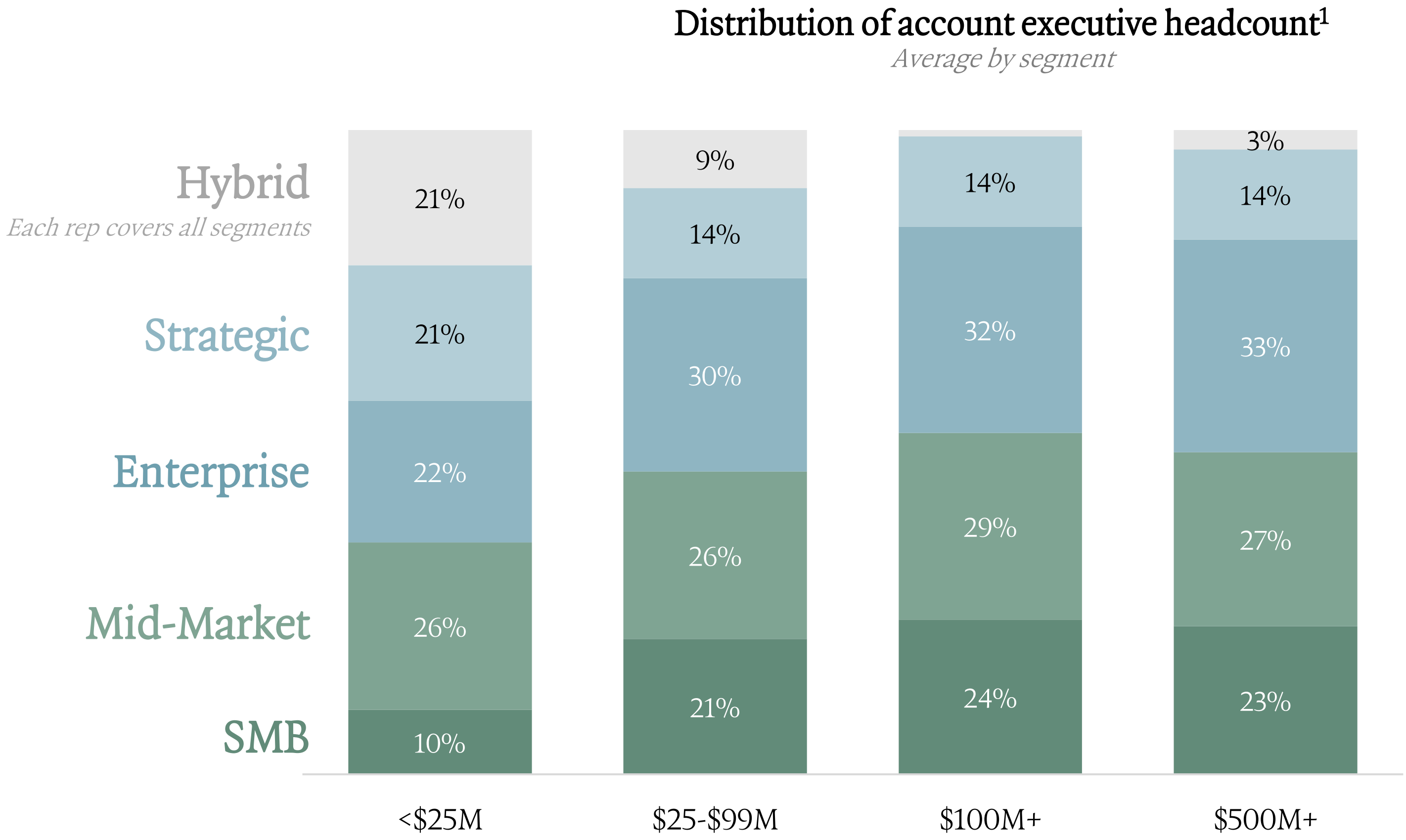
Most companies use **at least two segmentation methods** for their account executives and SDRs, and the number of **segmentation methods used increases as companies scale.**

AEs and SDRs are usually aligned across geography, size, and industry. However, there can be differences in segmentations between the two roles. SDRs are commonly segmented by lead source, as top-of-funnel processes can differ between inbound and outbound sources. Similarly, AEs are often segmented by product, as buying cycles can differ by use case and buyer persona.

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Headcount Allocation | Account executive headcount by segment

As organizations scale, sales teams become increasingly distributed across each segment. On average, 20% of AEs are focused on SMB, 27% are focused on mid-market, 30% are focused on enterprise, and 15% are focused on strategic accounts



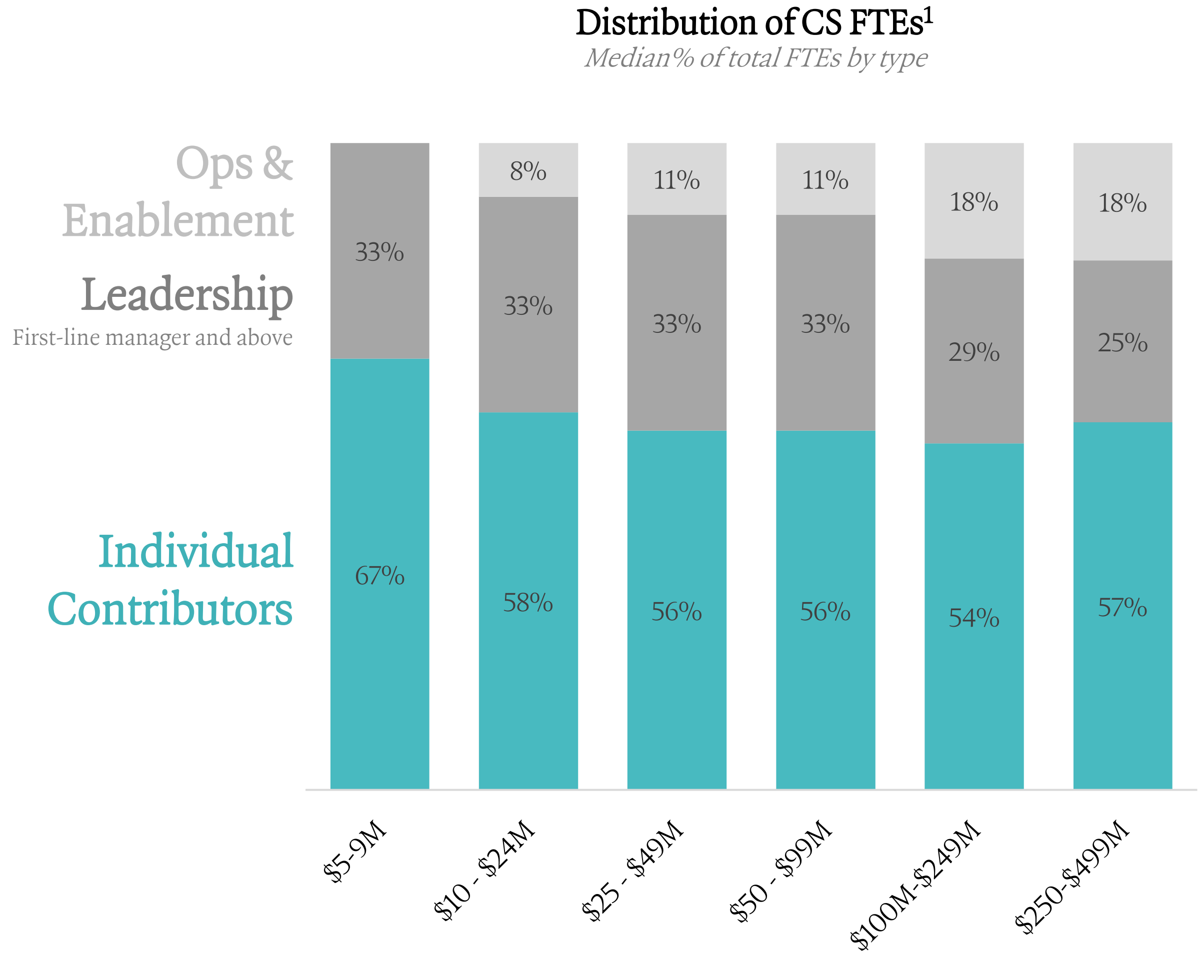
This dataset skews towards SaaS companies selling into mid-market and enterprise customers. **Respondents focused on SMB customers** had ~50% of their account executives dedicated to SMB, 30% to mid-market, and 20% to enterprise and strategic accounts

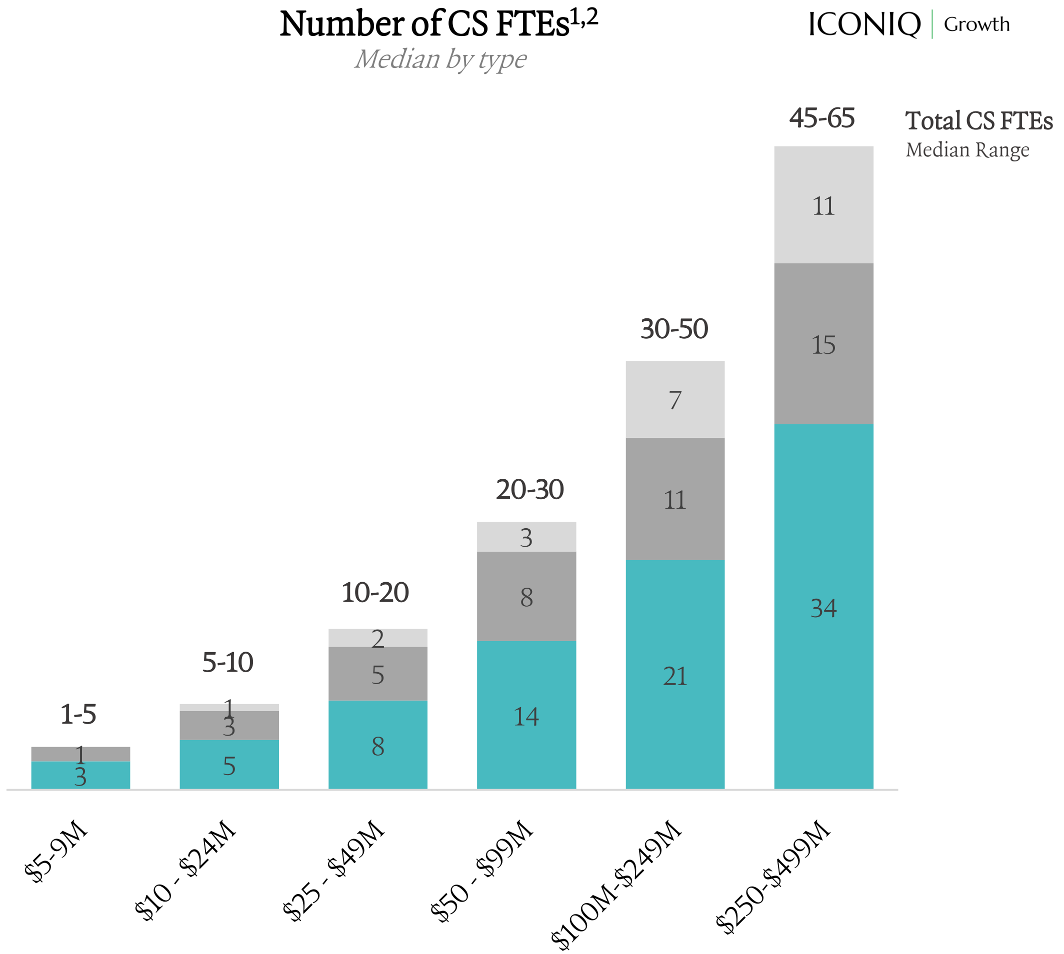
> **As sales reps move up-market, they need to build more of an account ownership muscle.** The expectation for SMB reps is to make a sale and move on. Enterprise reps have to think long-term and become the relationship manager. They should be working closely with customer success and be involved in every customer conversation.[2]
>
> *Sales Leader*
> *Vertical SaaS*
> *Growth Stage ($50-$250MARR)*

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Perspectives from the ICONIQ Growth network

Headcount Allocation | Make-up of a customer success team

Unlike sales teams, the make-up of a customer success team shifts away from individual contributors and towards CS ops and enablement as companies scale. Leadership also makes up a larger portion of CS teams compared to sales teams, as CS leaders are often meaningfully involved in customer experience management





1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Median ranges provided due to variability in absolute headcount numbers

Headcount Allocation | Detailed distribution of customer success headcount

CSMs make up a larger portion of customer success team headcount at companies with a relationship CSM model, while companies with commercial-led CSM models have a larger portion of headcount dedicated to first-line managers

See how we define these CSM archetypes

Distribution of CS Headcount[1]

Median % of total marketing ICs by role

ICONIQ | Growth

Commercial CSM Model

	CSM	CS Manager	CS Director+[2]	CS Ops
<$25M	45-55%	25-35%	20-25%	0-5%
$25-$99M	50-60%	10-15%	20-25%	10-15%
$100-$499M	60-70%	15-20%	10-15%	5-10%
$500M+	65-75%	5-10%	1-5%	15-20%

Relationship CSM Model

	CSM	CS Manager	CS Director+[2]	CS Ops
<$25M	50-60%	5-10%	20-30%	5-10%
$25-$99M	50-60%	5-10%	20-30%	5-10%
$100-$499M	60-70%	10-15%	10-15%	10-15%
$500M+	70-80%	10-15%	1-5%	10-15%

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Director and above includes directors, heads VP, SVP, and c-suite leaders

Headcount Allocation | CSMs per manager by archetype

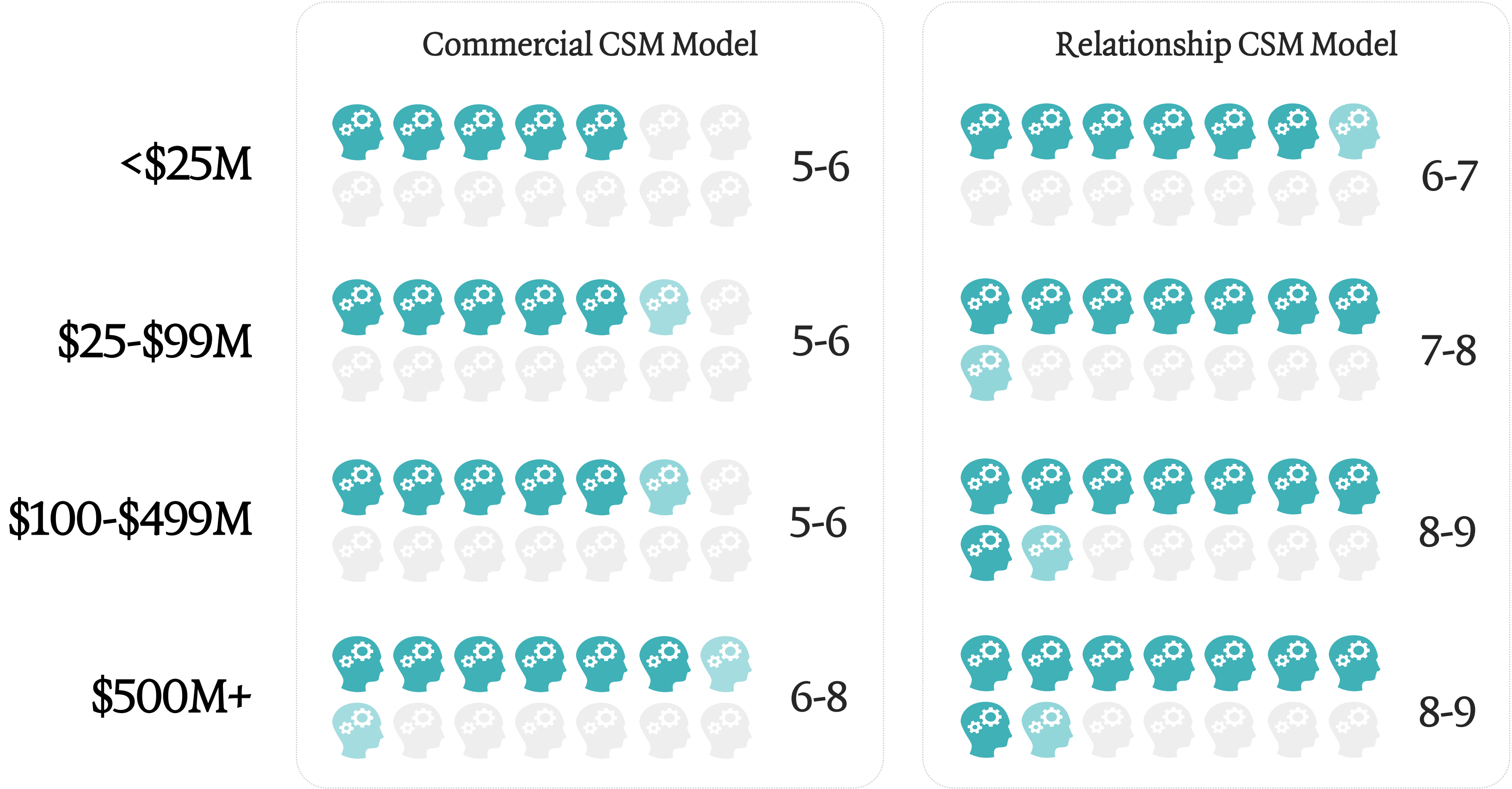
Like account executives, companies with a commercial CSM model scale the number of commercial CSMs per manager from 5 to 8 as they scale. Companies with a relationship CSM model have more CSMs per manager, scaling from 6 to 9 CSMs per manager

See how we define these CSM archetypes

CSMs per CS Manager by CSM Archetype[1]

First-line manager; average range

ICONIQ | Growth



"Our product is very complicated and purpose-built for our vertical, so our CSMs need to be product and relationship focused. They are technical product experts and adoption-obsessed. When you have a simpler product with easy implementation and immediate time to value, you can have generalist CSMs with more of a commercial mindset.[2]

Sales Leader
Vertical SaaS
Late-Stage ($250M+ARR)

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Perspectives from the ICONIQ Growth network

Headcount Allocation | Customer-facing role segmentation

Like sales reps, account managers and CSMs are primarily segmented by geography, size, and customer vertical. However, named account segmentation is more common for customer-facing teams, as new customers are often assigned based on team capacity

Top 2

Top 4

How are your customer-facing roles segmented?[1]

% of respondents by ARR scale; select all that apply

ICONIQ | Growth

	Account Managers		CSMs	
	<$50M ARR	$50M+ ARR	<$50M ARR	$50M+ ARR
Geography	50%	78%	60%	75%
Size	60%	68%	60%	50%
Named Accounts	33%	28%	13%	34%
Industry	27%	30%	27%	56%
Product	7%	15%	13%	16%
Round-Robin	7%	3%	20%	3%
Buyer Persona	0%	5%	0%	9%

Commercial CSMs are more aligned with Account Managers in that they are usually segmented by customer location and size. However, **relationship-focused CSMs are more often segmented by customer industry/vertical and product/use cases**, as they tend to be more involved in the customer's product adoption.

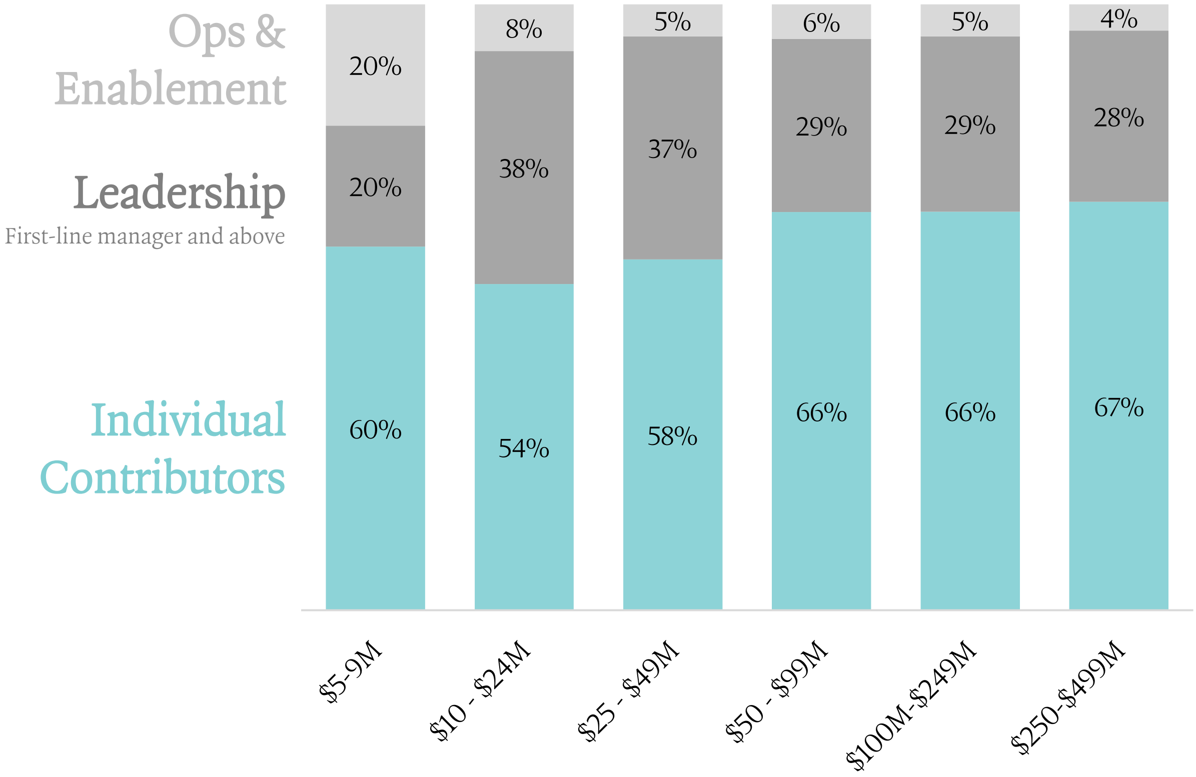
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Headcount Allocation | Make-up of a marketing team

After reaching $10M ARR, the make-up of a marketing team stays relatively consistent as companies scale, with individual contributors comprising ~55-65%, leadership comprising 25-35%, and ops and enablement 5-10% of headcount

Distribution of marketing FTEs[1]

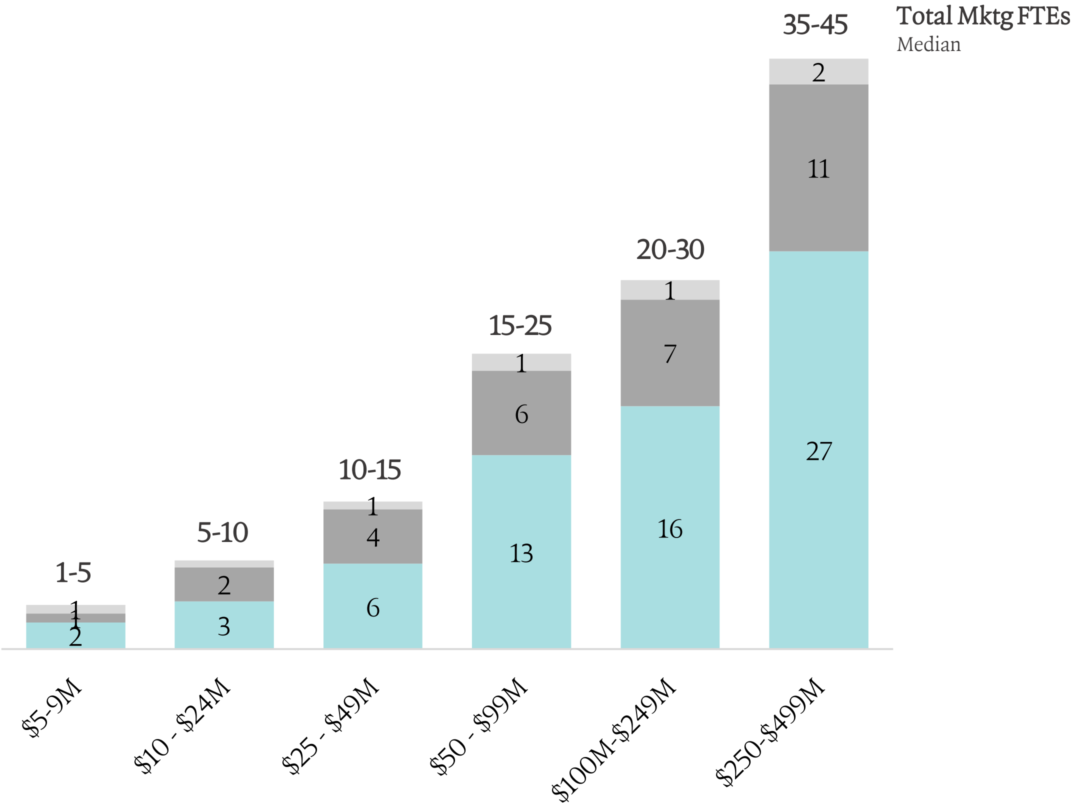
Median % of total FTEs by type



Number of marketing FTEs[1,2]

Median by type

ICONIQ | Growth



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Median ranges provided due to variability in absolute headcount numbers

Headcount Allocation | Distribution of marketing individual contributors

In terms of individual contributors, content, demand generation, and product marketing makeup the largest proportion of the marketing organization. As companies mature, marketing teams become more specialized, building out roles dedicated to comms, channel marketing, customer marketing, and more

Distribution of Marketing ICs[1]

Average % of total marketing ICs by role

ICONIQ | Growth

	Content	Demand Gen	Product Mktg	Lead Gen	Brand	Social Media	Comms	Customer Mktg	Events	Partner Mktg	SEO
<$25M	15-20%	10-15%	5-10%	5-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%	0%
$25-$99M	5-10%	10-15%	15-20%	15-20%	15-20%	10-15%	1-5%	1-5%	1-5%	1-5%	1-5%
$100-$499M	10-15%	15-20%	15-20%	5-10%	5-10%	1-5%	5-10%	10-15%	5-10%	1-5%	1-5%
$500M+	5-10%	20-25%	25-30%	1-5%	1-5%	1-5%	5-10%	5-10%	1-5%	5-10%	1-5%

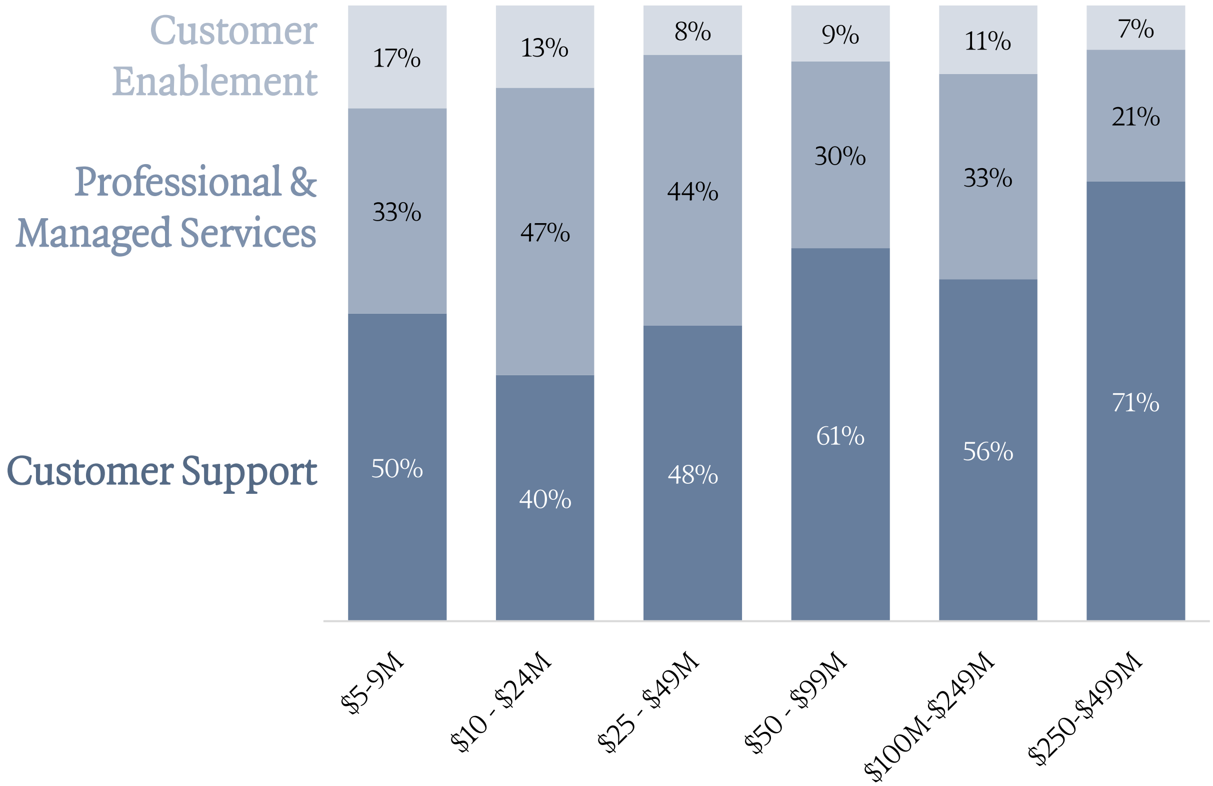
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Headcount Allocation | Make-up of a services team

Cost of revenue teams are mostly comprised of customer support employees, which make up an increasing portion of services headcount as companies scale. Support employees comprise 50-70%, professional services 25-45%, and customer enablement 5-15% of COR teams

Distribution of Services FTEs[1]

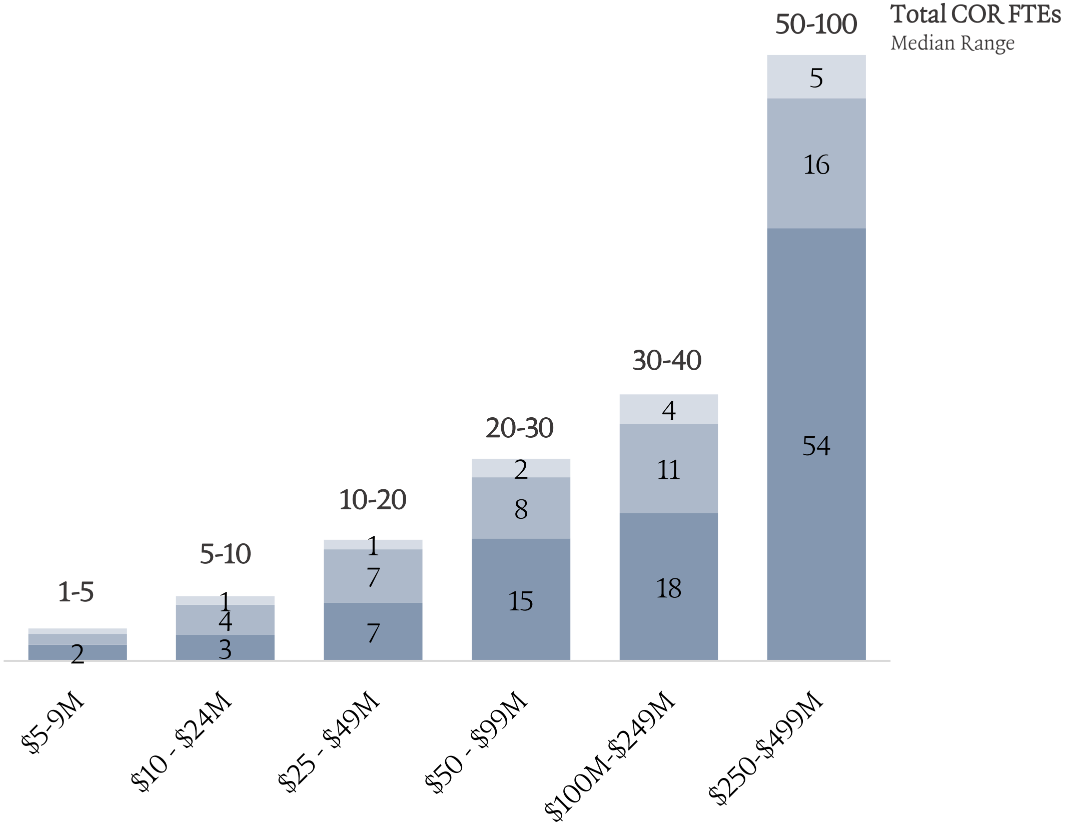
Median% of total FTEs by type



Number of Services FTEs[1,2]

Median by type

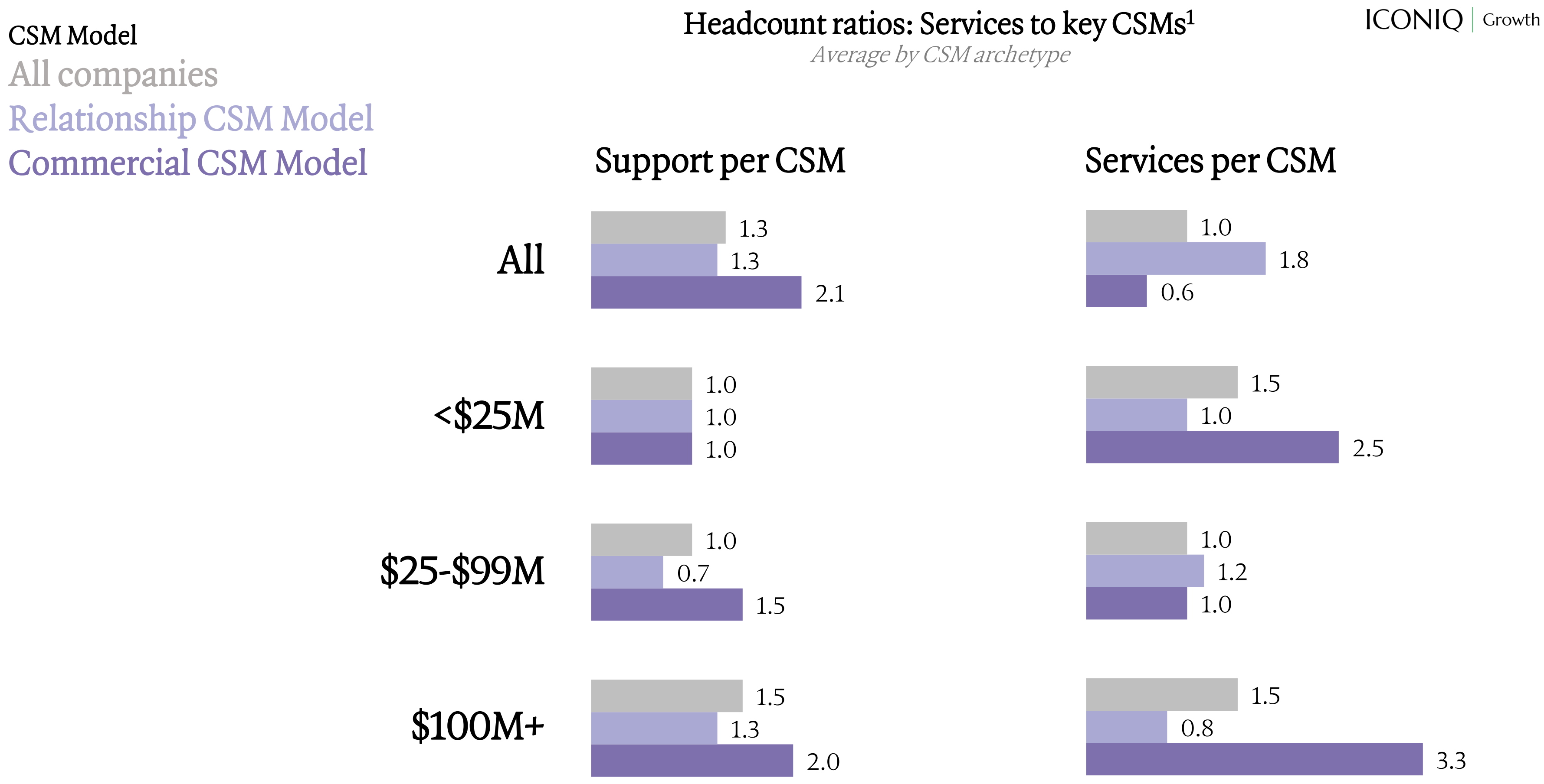
ICONIQ | Growth



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Median ranges provided due to variability in absolute headcount numbers

Headcount Allocation | Ratio of CSMs to other key ICs

Companies typically have 1-2 support employees per CSM, and 1-2 professional services employees per CSM. This can differ by CSM archetype, with commercial-led customer success organizations typically having more support and services employees per CSM



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Table of Contents

Introduction

About the research 4-7
Data sources & methodology 8
Collaborators & industry perspectives 9
Key terms 10-12

Executive Summary & Overview

Executive summary 14-15
Headcount distribution as companies scale 16
Headcount productivity & efficiency 17-18
The make-up of the GTM org as companies scale 19
Roles & responsibilities: summary & key questions 20-22
Variability in reporting lines and sequencing of hires 23-24

Org Structure & Responsibilities

Org structure by stage 26-31
$5-$10M | $10-$25M | $25-$50M | $50-$100M | $100-$250M | $250-$500M
Roles & responsibilities by stage 32-34
$5-$10M | $10-$25M | $25-$50M | $50-$100M | $100-$250M | $250-$500M
Prevalence of customer-facing role archetypes 35

Headcount Allocation

Make-up of a sales organization 37
Headcount distribution 38
Headcount ratios 39-43
Segmentation 44-45
Make-up of a customer success organization 46
Headcount distribution 47
Headcount ratios 48
Segmentation 49
Make-up of a marketing organization 50
Headcount distribution 51
Make-up of a services organization 52
Headcount ratios 53

Planning & Operationalizing

Ramp time 55-56
Attainment 57
Capacity & productivity 58-59
Employee attrition 60
Hiring for success in the GTM org 61
Emerging organizational efficiencies 62
Performance management 63
Outsourcing, partnerships, and offshoring 64-66

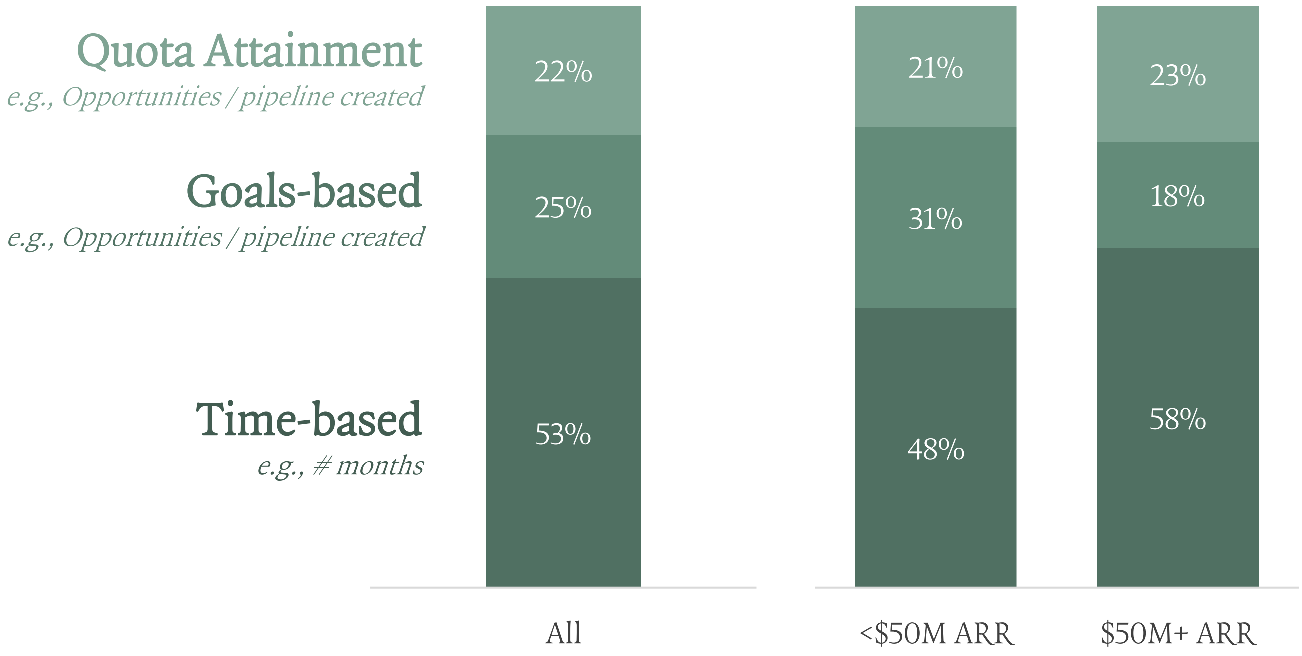
Headcount Planning & Strategy | Ramp time

Ramp times introduce a challenging variable to headcount planning for go-to-market teams. While most companies use time-based ramp definitions, usually the number of months after a new hire starts, some companies consider ramp as progress towards goals or attainment

How does your organization determine when a sales rep is "ramped"?[1]

% of respondents by method

ICONIQ | Growth



> **Our new sales hires are expected to create an opportunity in their first 3 days.** We don't throw new hires into a grueling onboarding process with hours of content and training, because they won't retain that information. Instead, we have a meeting on the first day about messaging and outreach tactics, then they are immediately tasked with sending emails, writing LinkedIn messages, and conducting cold calls. We try to get new hires out of their comfort zones and create a competitive but spirited culture around results.[2]
>
> *Revenue Leader*
> *Data & Analytics*
> *Late-Stage ($250M+ ARR)*

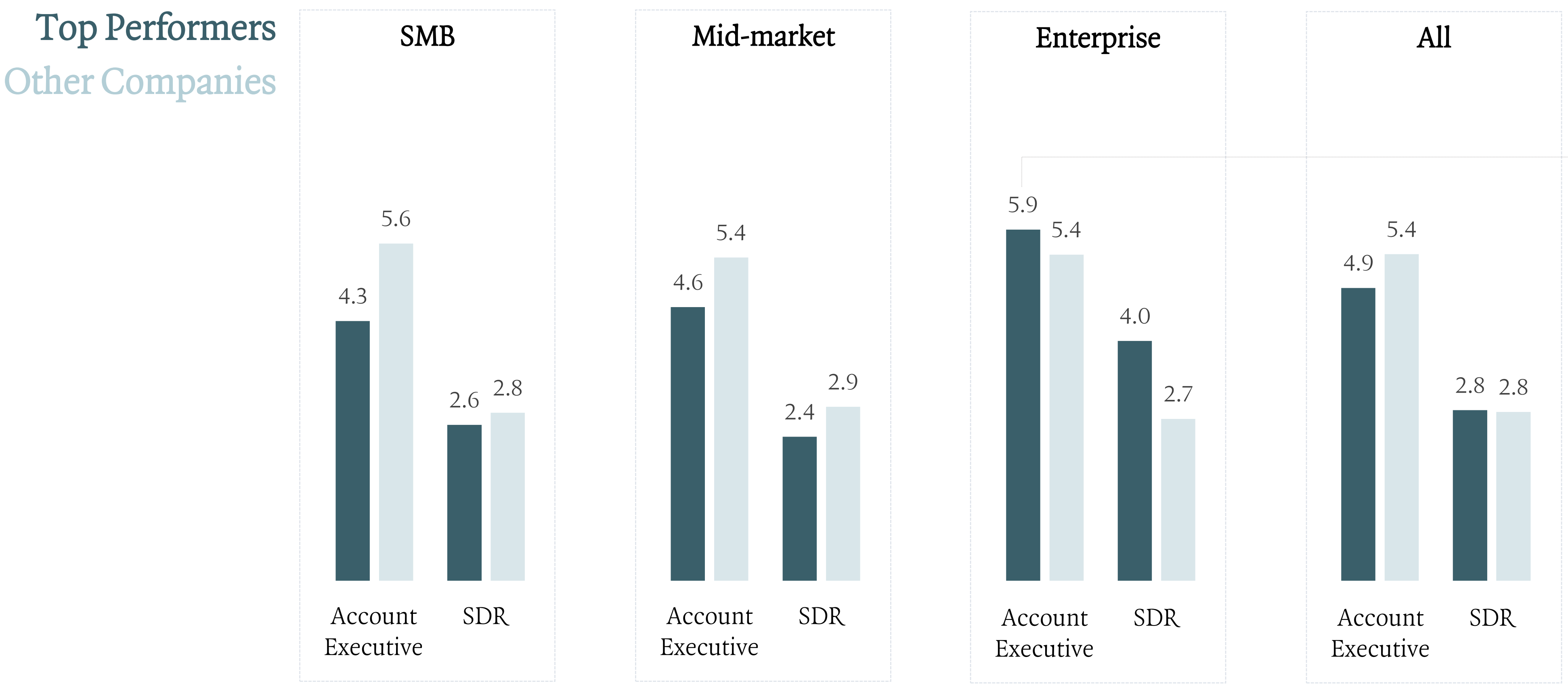
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 Perspectives from the ICONIQ Growth network

Headcount Planning & Strategy | Ramp time for sales reps

Regardless, most sales reps will have to be hired 3-6 months before they can be expected to contribute meaningfully to revenue goals. SDRs take 2-4 months and AEs take 4-6 months to ramp, with longer ramp times for reps focused on enterprise and strategic segments

What is your organization's average ramp time (months) for sales reps?[1]

Median by company segment and type



Top performing companies selling into enterprise segments reported longer ramp times for AEs and SDRs, perhaps due to **more extensive onboarding and enablement programs**

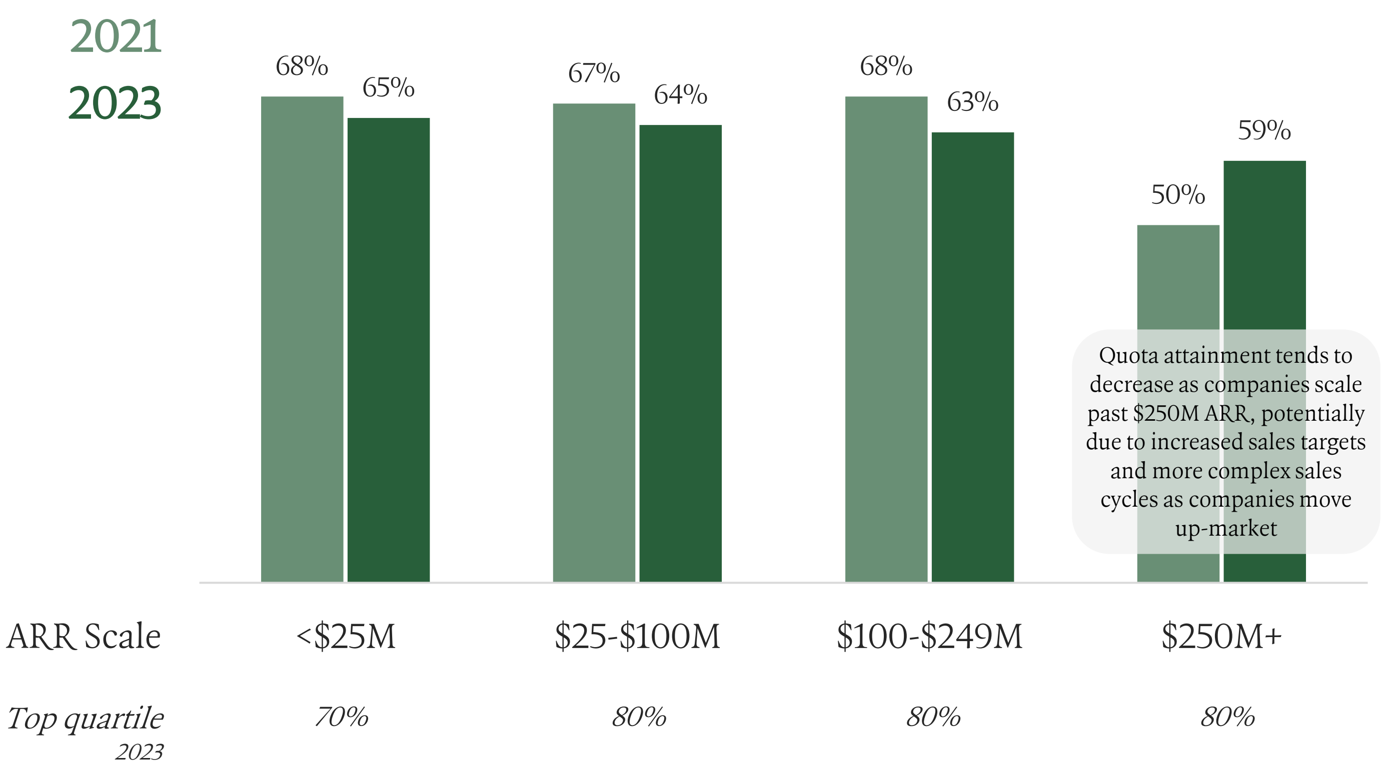
1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Headcount Planning & Strategy | Ramp time for sales reps

Once fully ramped, between 60-70% of an organization's sales reps will achieve quota on average, with top quartile attainment between 70-80%. Compared to 2021, average quota attainment is down ~5 points for early- and growth-stage companies

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

2021[2] vs 2023[1] average by ARR scale



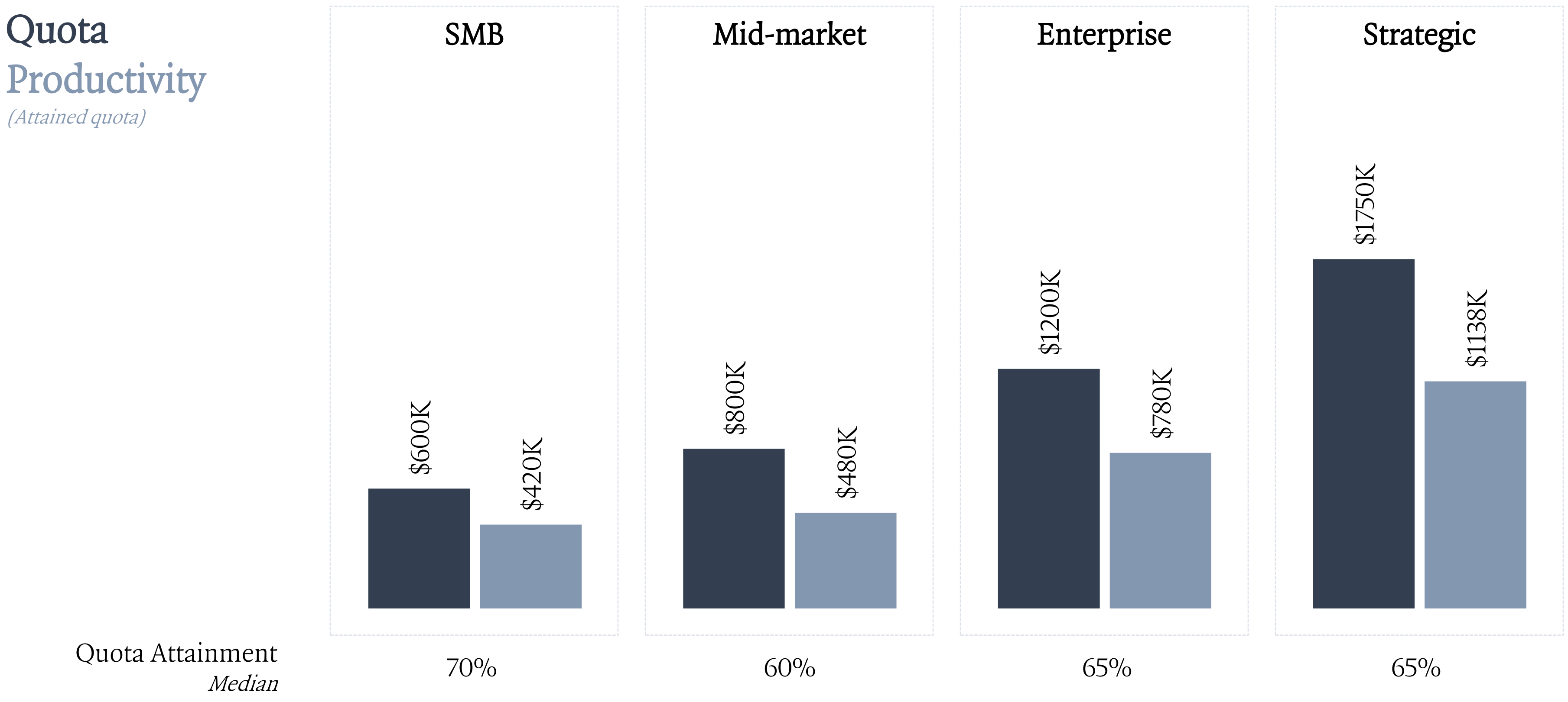
> **During extended periods of softened attainment, it's important to make your reps whole.** One approach is simply lowering quotas, but this can be tricky as it may involve adjusting company-level plans. You can also shorten quota cycles from annual to half-year or quarterly, which can give you more flexibility to adjust to the market as needed. Finally, some reps may be in a territory where there's not much opportunity. These individuals should be taken care of – maybe a commitment-based plan makes more sense for that segment.[3]
>
> *Sales Leader*
> *Go-to-Market & Operations*
> *Early-stage (<$50M ARR)*

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)
2 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2021)
3 Perspectives from the ICONIQ Growth network

To account for 60-70% quota attainment, companies typically over-assign quotas by ~30% to reach team-wide productivity goals. Over-assignment can differ by segment, as mid-market to enterprise teams have lower attainment on average than SMB teams

Quota and productivity for account executives[1]

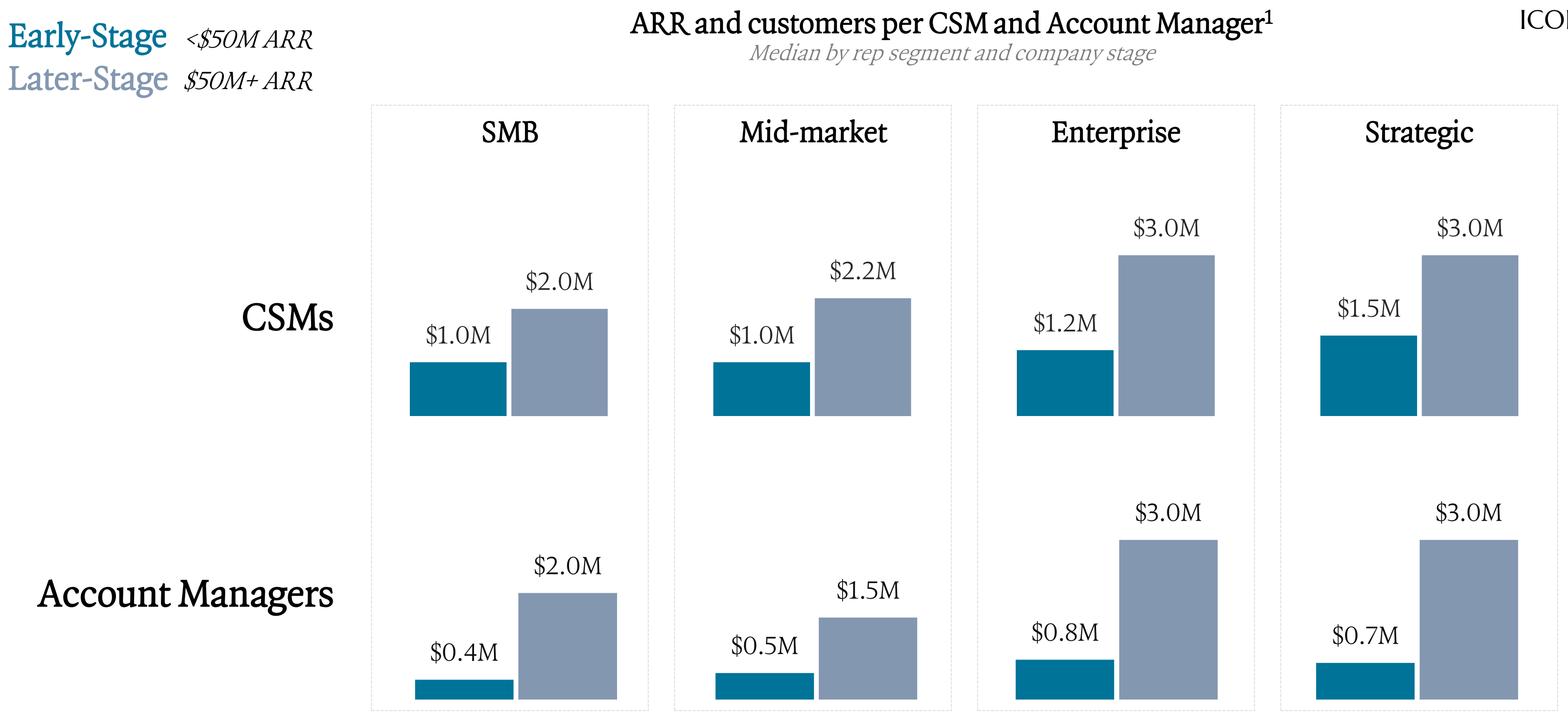
Median by segment



Read more about how companies prorate quotas and compensate reps during ramp periods in our Definitive Guide to Sales Compensation.

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

For customer-facing teams, headcount planning should consider ARR and logo coverage capacity. ARR coverage capacity significantly increases as companies scale, with ARR per CSM increasing from $1-$1.5M to $2-$3M, and ARR per AM increasing from $0.5-$1M to $1.5-$3M



	SMB Early	SMB Later	Mid-market Early	Mid-market Later	Enterprise Early	Enterprise Later	Strategic Early	Strategic Later
Customers per CSM	~80	~100	~40	~50	~15	~15	~8	~5
Customers per AM	~30	~100	~20	~35	~10	~15	~3	~5

While SaaS companies scale, their customer base is also moving up-market. **Increasing ACVs in the enterprise and strategic segments lead to higher ARR productivity** while logo productivity stays constant or declines.

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Attrition is another important input to headcount planning as go-to-market teams, especially sales, tend to see higher attrition than other teams (both voluntary and involuntary). Most sales organizations see 10-20% annual attrition, with a median of 15%

What is your organization's annual employee attrition rate for sales reps?[1]

Median by ARR scale; # employee departures / average number of employees

ICONIQ | Growth

	All	<$25M	$25-$99M	$100-$499M	$500M+
75th percentile	20%	20%	20%	20%	20%
25th percentile	10%	10%	7%	10%	11%

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

Considering ramp times, attainment, and attrition in a go-to-market organization, hiring for success is all-the-more important. GTM leaders emphasize the importance of finding the right people for your company's stage and growth needs:

Nail your interview process

During your interview process, have sales reps present a live demo of your product. Have they done their research? Do they understand the technology? Have they invested the time to prepare?[1]

Revenue Leader
Collaboration & Workflow
Late-Stage ($250M+ ARR)

Enable & coach effectively

The ideology of hiring only "top performers" doesn't scale, and you can't assume that your best sellers would make good managers. Identify the core attributes of your successful sellers, then **create an onboarding, enablement, coaching, and career path infrastructure that optimizes for productivity of all rather than the top 20%.**[1]

Enablement Leader
GTM & Operations
Growth-Stage ($50-$250M ARR)

Hiring the right profiles

The customer success role changes as companies scale, so your hiring process should change. **In the early stages, CS is the band-aid that fills your product gaps.** You need generalists that will help your customers find value and help you find product market fit. **As you scale, CS should evolve to more of an advisory role**, enabling customers on how to best leverage the product for their business and needs. This is a great time to build more specialized role into your CS org.[1]

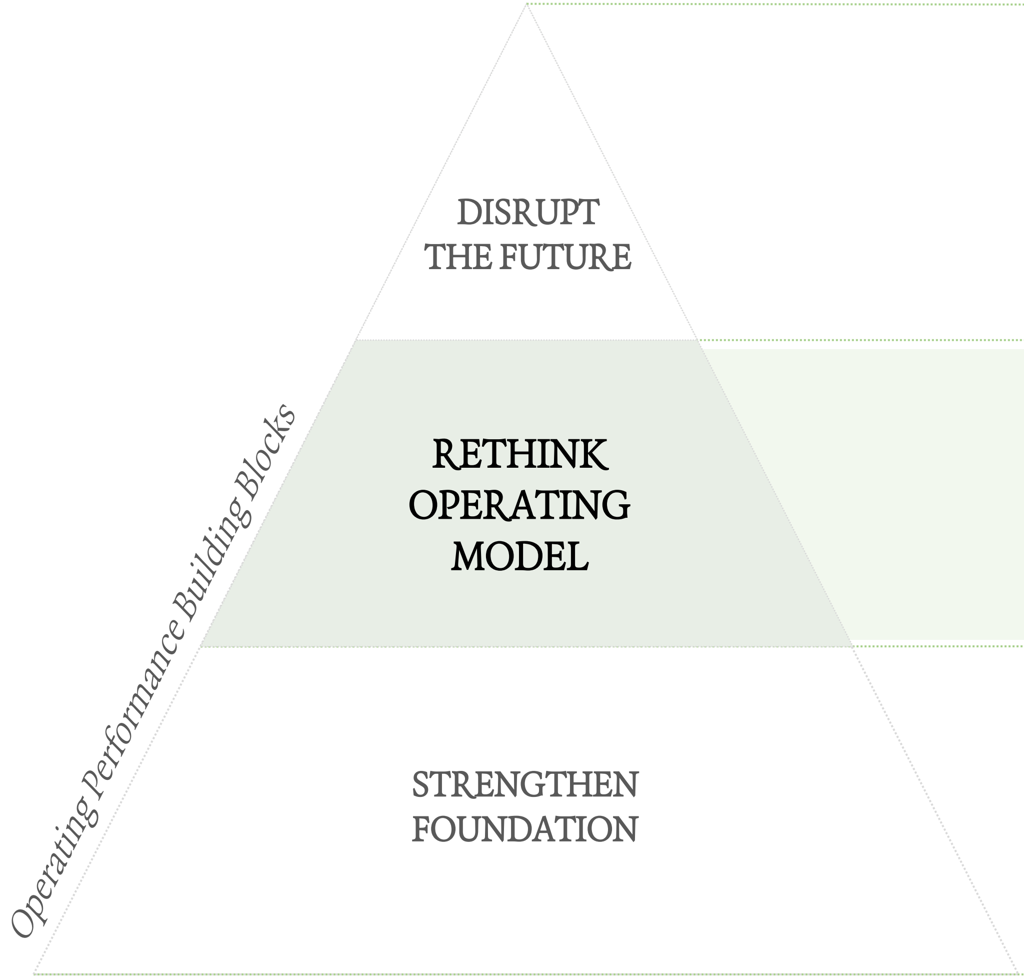
Customer Success Leader
Data & Analytics
Late-Stage ($250M+ ARR)

With sales hiring, **we look for sales reps with high potential and a competitive nature rather than prioritizing experience.** We've found some of our best reps have no prior software sales experience, but they have a winning mentality and tremendous motivation. There are some exceptions – for example, it's helpful to have experience when selling into major enterprise or strategic accounts.[1]

Revenue Leader
Infrastructure & Security
Late-Stage ($250M+ ARR)

1 Perspectives from the ICONIQ Growth network

Renewed focus on efficiency in 2023 has also motivated companies to develop leaner organizational muscles. Within the GTM organization, many leaders have implemented new performance management frameworks and identified labor efficiency opportunities via outsourcing and offshoring



Actions Taken

6 **Embedding AI to Drive Efficiency**
Whether via buying or building in-house AI-enabled capabilities, companies have started to see the impact of AI on driving internal efficiency across various use cases such as software development, project management, and lead generation

5 **Pricing Changes**
Companies have experimented with various changes to price (e.g. customer concessions, increases in price) as well as new pricing models to improve customer retention

4 **Identify Labor Efficiency Opportunities**
A significant number of companies analyzed are increasingly seeking efficient labor alternatives, such as talent across multiple geographies

3 **Organizational Rightsizing and Building a Performance Management Discipline**
In addition to executing reductions in force (RIFs), companies have also institutionalized results-focused performance reviews to let go of underperformers

2 **Tool Rationalization**
Companies have rationalized the tools and technology being used across teams to reduce technology sprawl and drive savings from tool consolidation

1 **Hiring Slowdowns / Freezes**
Institutionalize key operating enablers including results-focused Business Reviews, dashboards and aligned impactful incentives

To manage performance and improve productivity, companies are re-designing their performance improvement plans, conducting performance reviews more frequently, and investing in effective onboarding, enablement, and coaching programs

"**We have two different types of performance improvement plans (PIPs)**. One is focused on enablement and education for a rep that is close to being successful in their role. For reps that aren't close to achieving their goals, we have another PIP that is more prescriptive about what exactly the rep should be doing. We have to have a higher bar in this environment, and it's forcing us to become more productive.[1]

Revenue Leader
Infrastructure & Security
Early-Stage (<$50M ARR)

"If you want to scale, you have to be able to take an average sales rep and get them to thrive and perform in your environment. **Sales productivity is about scaling consistent performance, so we're focused on effective onboarding, enablement, and coaching programs.**[1]

Enablement Leader
GTM & Operations
Growth-Stage ($50-$250M ARR)

"A bottom-up or product-led growth motion can mask poor sales performance. Sometimes you may have to part with "top performers" because their performance was more related to market conditions. **As a PLG company in hyper-growth, we've implemented more regular performance reviews.**[1]

Revenue Leader
Collaboration & Workflow
Late-Stage (>$250M ARR)

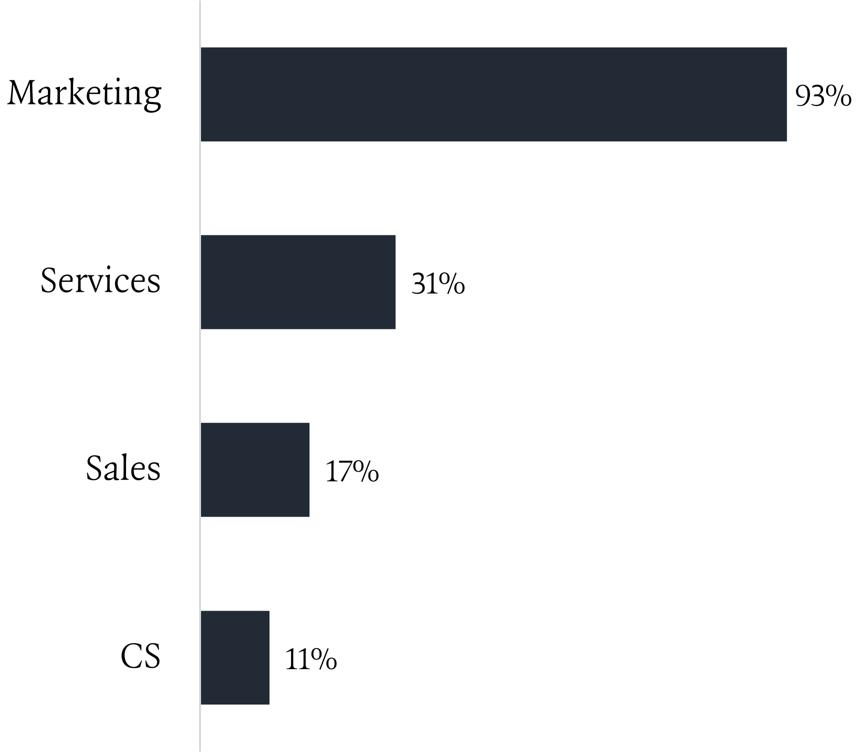
1 Perspectives from the ICONIQ Growth network

GTM organizations are also increasingly seeking efficient labor alternatives by leveraging third party contractors for outsourcing and partnerships work. Utilizing third parties for marketing work is the most common, followed by services and reseller partnerships

Do you outsource across the following teams?[1]

% of respondents outsourcing

ICONIQ | Growth



> **We look at outsourcing as a way to help us scale.** Growth marketing is all about economies of scale, and utilizing third parties helps improve knowledge transfer and ensure you have the latest expertise. For corporate marketing, you get constant feedback from the market, so bringing in PR and creative agencies can be very effective.[1]
>
> *Marketing Leader* | *Infrastructure & Security* | Later-Stage *(>$250M ARR)*

> **Start by building your services motion internally, then you can transition to a partner-led services model** so you can effectively scale the motion. But it's important to find the right services partner so you're not duplicating work.[1]
>
> *Services Leader* | *GTM & Operations* | *Growth Stage ($50-$250M ARR)*

> We have a two-tier channel model so we work with distributors and resellers on the sales side. We also **outsource some sales / business development work to support our outbound efforts.**[1]
>
> *Sales Leader* | *Healthcare IT* | *Growth Stage ($50-$250M ARR)*

1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

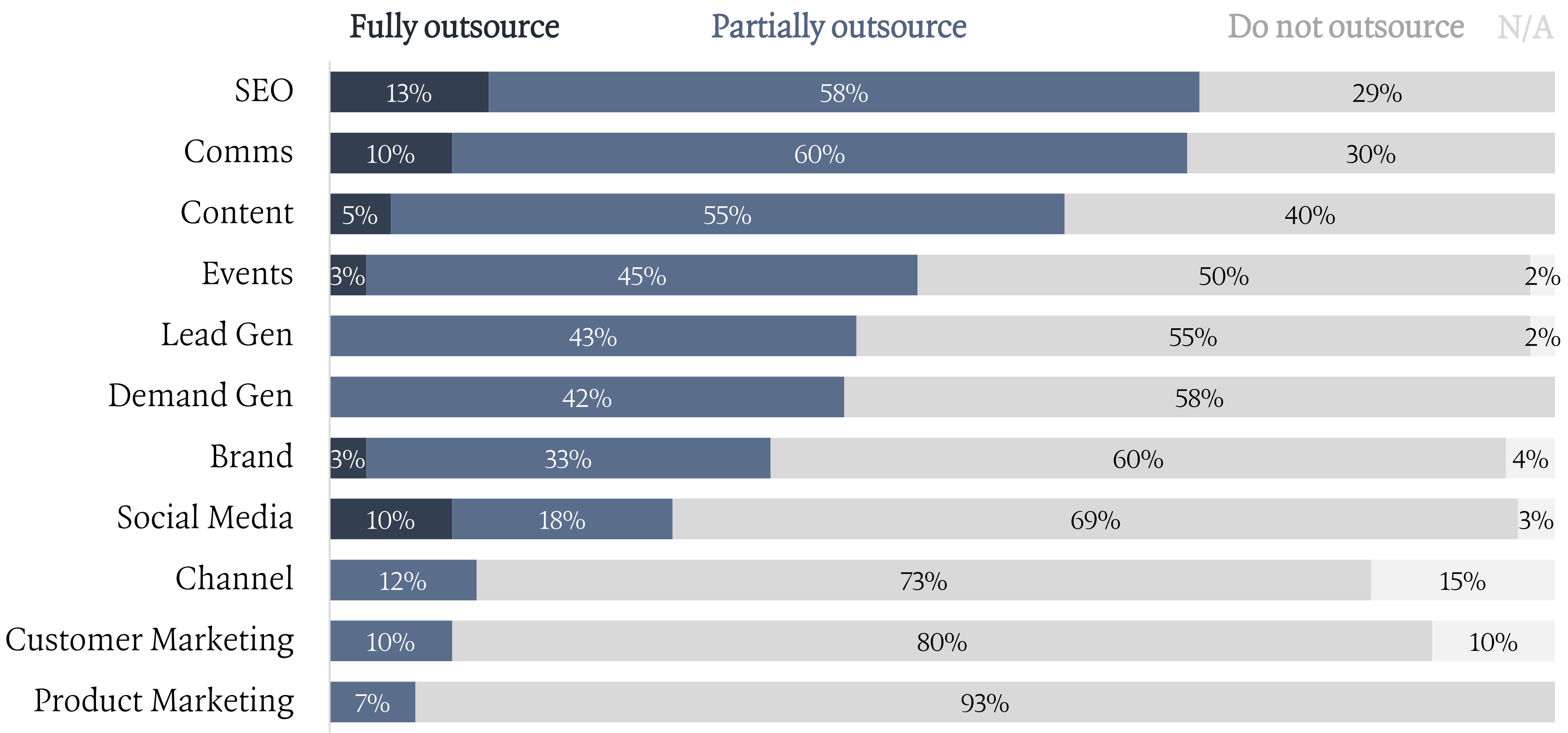
Headcount Planning & Strategy | Outsourcing marketing

Most marketing organizations leverage third parties to support work across SEO optimization, communications / PR, and content creation. However, product, customer, and channel marketing responsibilities are kept mostly in-house

What are the key marketing roles or responsibilities that your organization outsources?[1]

% of respondents

ICONIQ | Growth



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

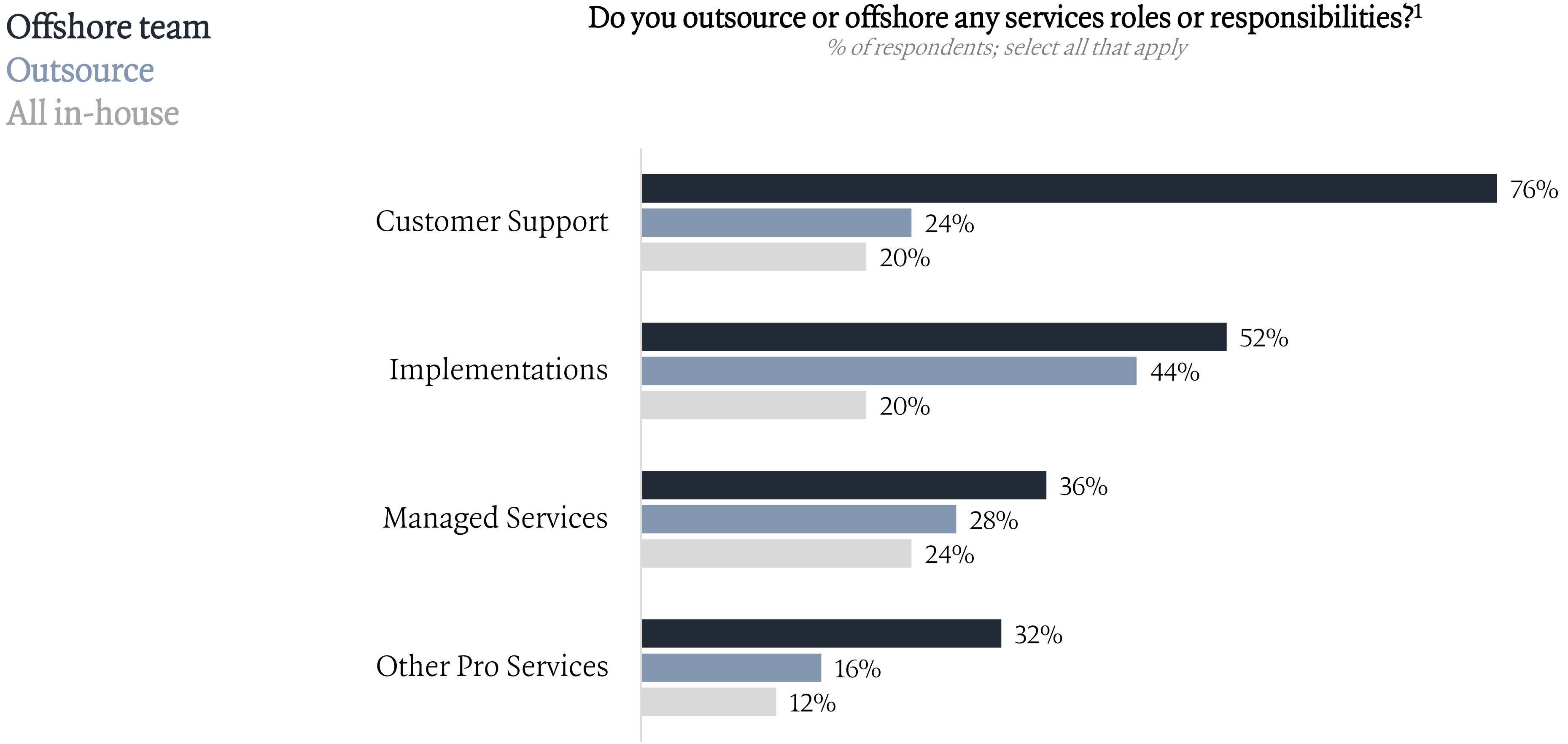
Headcount Planning & Strategy | Service partners

Both outsourcing and offshoring are common in services organizations. Customer support and implementation services are the most common roles to offshore, and many companies also utilize third-party service partners to scale implementations

Do you outsource or offshore any services roles or responsibilities?[1]

% of respondents; select all that apply

ICONIQ | Growth



1 ICONIQ Growth Proprietary Survey of GTM Leaders (Mar 2023)

ICONIQ | Growth

Entrepreneurs Backing Entrepreneurs

We partner with visionaries defining the future of their industries to transform the world.

A global portfolio of category-defining businesses

1Password	acuity MD	adyen	Age of Learning	airbnb	Airtable	ajaib	Alibaba.com	alteryx	Altruist
APPRENTICE	APTTUS	articulate	aurora	AUTOMATTIC	AXONIUS	bambooHR	Benchling	BetterUp	bill
BLACKLINE	braze	Calendly	Campaign Monitor	Canva	CaptivateIQ	causaly	chime	CLARA	Collibra
conexiom	coupa	CROWDSTRIKE	cyberGRX	DATADOG	dataiku	dbt Labs	DeepL	DevotedHealth	dexcare
dialpad ai	DocuSign	DRATA	enfusion	EPIC GAMES	EvolutionIQ	ezcater	fastly	fetch REWARDS	Figma
Fireblocks	Fivetran	Flipkart	FloQast	FREEWILL	FTX	Gem	GitLab	glean	gofundme
GoodRx	GreenSky A Goldman Sachs Company	Groww	Guild	HashiCorp	headspin	HEPTAGON	highradius	HIGHSPOT	hightouch
hippo	HONEST	houzz	iex	INTERCOM	invision	komodo HEALTH	loom	Lucid	MARQETA
miro	MC MONTE CARLO	motorway	Moveworks	Nayya	netskope	ninjaOne	notable	Notion	orca security
panther	people.ai	Pepper	Pigment	Pinecone	PLURALSIGHT	Pontera	Primer	PROCORE	QGenda
ramp	recharge	RED|VENTURES	Reify HEALTH	Relativity	Reprise	Restaurant365	Robinhood	SANITY	sendbird
ServiceTitan	shopmonkey	side	skuid	SMARTLING	snowflake	SPOTNANA	sprinklr	SQUIRE	TENCENT MUSIC ENTERTAINMENT
TRUCKSTOP	turbonomic	twin	Twistlock	Uber	Unit21	UNITE US	VIC.AI	virtru	WARBY PARKER
wayfair	Wealthsimple	Wolt	WRITER	zinier	zoom				

These companies represent the full list of companies that ICONIQ Growth has invested in since inception through ICONIQ Strategic Partners funds as of the date these materials were published (except those subject to confidentiality obligations). Trademarks are the property of their respective owners. None of the companies illustrated have endorsed or recommended the services of ICONIQ.

Technology matters. Strategy matters.
People matter most.

Meet the ICONIQ Growth team.

69

ICONIQ | Growth

San Francisco | Palo Alto | New York | London

Join our community 2022 YIR