

 Pavilion

# COMPENSATION REPORT • 2024

# Let's face it: 2023 was a tough year.

Over 305,000 US workers were laid off. Startup closures spiked by more than 160 percent as venture capital investments plunged to less than half of 2022 levels. The tech industry bore the brunt of the downturn, suffering with a 59 percent climb in layoffs.

The talent pool—particularly in tech—is smaller than it was a year ago. That presents both a challenge and an opportunity to executives in 2024.

The contraction put downward pressure on base compensation. Meanwhile, payouts on bonuses and commissions cratered as businesses missed revenue targets, leading to a 31 percent decline in median annual on target earnings (OTE) for executives.

The negotiation table, which during the boom years of 2020 and 2021 was slanted in candidates' favor, seesawed decidedly back toward companies. The average length of negotiation—often a barometer of a candidate's leverage—decreased for the first time in at least three years. And even as layoffs accelerated, the rate of executives without pre-negotiated severance packages climbed past 70 percent.

But the outlook isn't entirely dire. The shrinking talent pool offers an opportunity to those willing to embrace the spirit of competition and innovation. Those that can drive growth in challenging environments will be more in-demand than ever. And as teams shrink, those remaining will find opportunities to develop new skills and carve out positions that allow for greater impact and fulfillment.

One thing is certain: it's never been more important for executives and associates alike to possess a mastery over compensation structures and a keen eye for assessing company potential. Candidates must evaluate not just the immediate financial aspects of their roles, but also the long-term stability and growth potential of prospective employers.

With market signals suggesting the possibility of meaningful—if not linear—economic growth in 2024, there will be ample opportunity... but only for those willing to put in the work.

## **New for 2024**

Filter benchmarks by seniority, function, location, and more. [View Benchmarks](#)

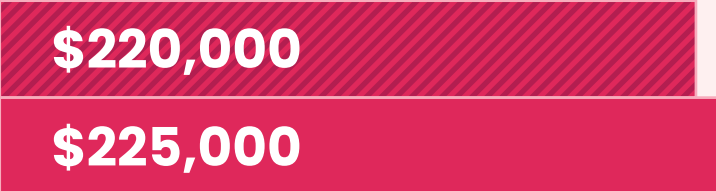
# OTE plummeted for executives as variable pay dried up

The good news for executives is that base pay held relatively steady amid the economic tumult. The bad news is that median variable pay cratered to less than half of what it was in 2023.

That explains why median annual OTE dropped by a staggering 31 percent.

## Executive variable and base pay ▨ 2023 ■ 2024

Median annual base pay



Median annual variable pay



Median annual OTE



*Not all execs receive variable pay, so base + variable will not perfectly equal OTE.*

This unfortunately wasn't a difficult trend to predict. [Pavilion's 2023 Executive Compensation Report](#) led with the headline "Unrealistic revenue targets put executive bonuses at risk." Last year, six out of 10 executives reported that their companies missed revenue targets in 2022 but had not lowered targets for 2023.

*Note: This report defines executives as those having a seniority of Head Of, VP, SVP, EVP and C-level.*

# Companies raised 2023 revenue targets despite missing in 2022

**76%**

Missed 2022 target

**59%**

Both

**80%**

Did not lower 2023 target

These unrealistic 2023 targets, still inflated and unrevised from the VC boom of two years prior, set executives up for failure. Indeed, just seven percent of execs report that all of their company's sales team hit quota in 2023, and 44% said at least half of reps missed quota. This, in tandem with a down economy, had a significant impact on take-home pay.

## Sales reps missed quota in 2023

**44%**

of companies said **50% or less** of their sales reps hit quota.

**56%**

of companies said **over 50%** of their sales reps hit quota.

**22%**

of companies said **over 75%** of their sales reps hit quota.

**7%**

of companies said **100%** of their sales reps hit quota.

# FINDINGS IN ACTION

## Understanding company targets

Too often, executives don't understand a company's revenue targets until they're on the inside. In today's economic climate, it's critical that you ask the right questions during the interview process so you understand the risks you're taking.

Be direct. Ask what the sales targets are and how they were developed. Ask if anyone in the company created a bottoms-up plan to meet those targets from a sales and marketing perspective. Ask how those targets will be reached: what programs, activities and events will be conducted to hit those goals?

As a consultant, I know that not many companies actually conduct that exercise.



**Amanda McGuckin Hager**

B2B Marketing Professional,  
Consultant and Pavilion Executive Member

# Compensation benchmarks

For further segmentation and to explore the data yourself, [view interactive benchmarks](#).

## 2024 executive pay by seniority

Seniority	Median annual base	Median annual OTE
C-level	\$250,000	\$367,000
EVP or SVP	\$230,000	\$350,000
VP	\$205,000	\$315,000
Head of	\$175,000	\$222,875

## 2024 executive pay by function

Function	Median annual base	Median annual OTE
Customer success	\$210,500	\$260,000
Marketing	\$220,000	\$275,000
Operations	\$230,000	\$282,500
Partnerships	\$207,500	\$312,500
Revenue operations	\$200,000	\$260,000
Sales	\$210,000	\$375,000

## 2024 executive pay by company funding stage

Funding stage	Median annual base	Median annual OTE
Bootstrapped	\$175,000	\$255,000
Pre-seed	\$130,000	\$160,000
Seed	\$183,750	\$300,000
PE-backed	\$220,000	\$315,000
Series A	\$200,000	\$295,000
Series B	\$220,000	\$327,500
Series C	\$230,000	\$325,000
Series D	\$242,500	\$415,000
Series E or later	\$237,000	\$350,000
Public company	\$227,500	\$340,000

# NEGOTIATING COMPENSATION

## Executives lost leverage at the negotiation table

Base pay may have held steady in 2023, but trends in other key deal terms indicate that the negotiation table tilted away from candidates as the number of available positions contracted amid layoffs and shutdowns.

The length of negotiation—measured from the date a candidate received an offer to the date they accepted—is an imprecise but helpful barometer of leverage. The shorter the negotiation, the closer we can assume the final deal terms were to the company's original offer.

Indeed, we saw a decrease in the number of execs who negotiated for at least one week.

Execs who negotiated for at least 1 week

2023 2024

39%

34%

C-level execs who negotiated for at least 1 week

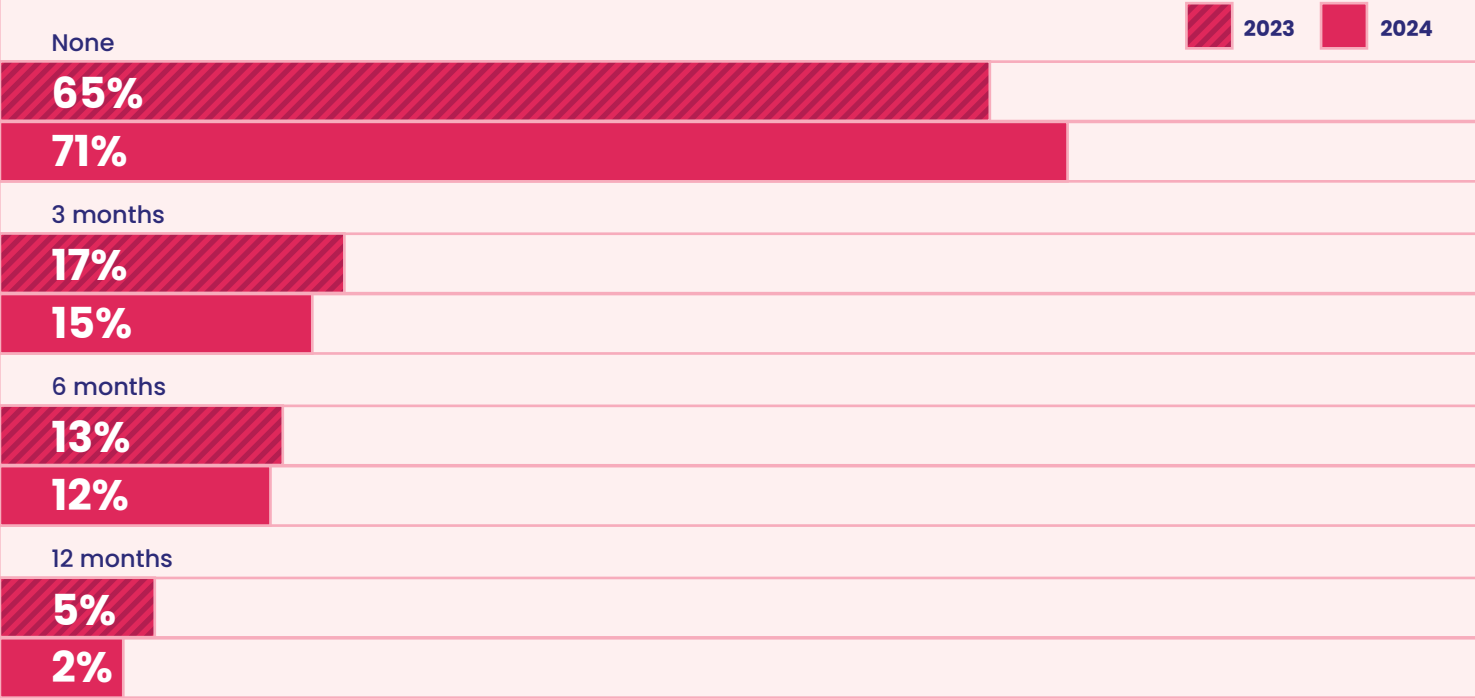
47%

38%

But the shift in leverage really comes into focus when we zoom in on C-level executives, who typically negotiate more complex deal terms. The rate of these senior leaders who extended negotiations beyond a week dropped by 11 points.

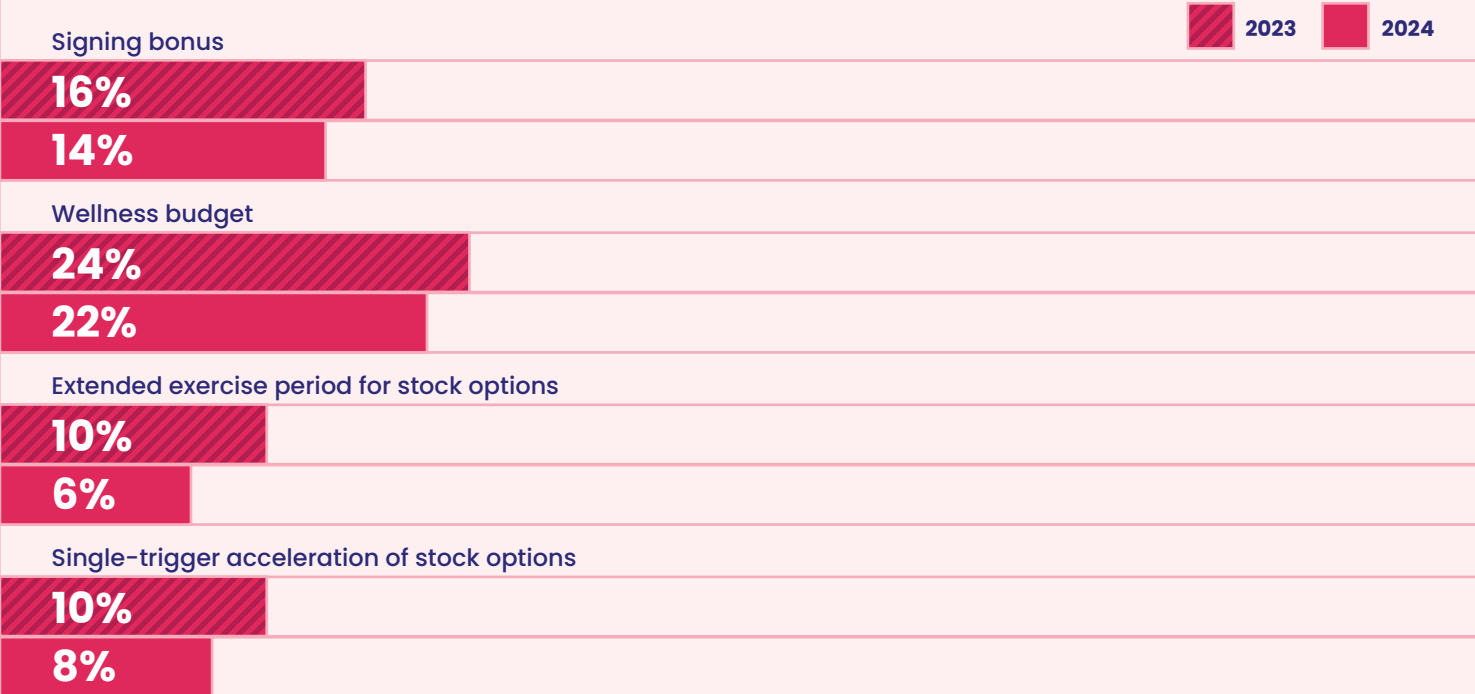
# Length of pre-negotiated severance

The pre-negotiated length of severance period is another indicator of leverage. These rates held steady in 2023—but that’s not as promising as it may seem considering that US layoffs spiked by 98 percent last year. As the tech sector was hammered by high-profile layoffs—from Amazon to Google to Facebook—we would expect execs to prioritize the stability of longer severance periods. Instead, the rate of executives with any pre-negotiated severance whatsoever actually decreased.



# Other deal terms decreased

We saw similar declines in a range of other deal terms.





# FINDINGS IN ACTION

## Gaining leverage in severance negotiations

Severance gives you protection to find a comparable job in the market. The most important word in that statement is market. The best way to gain leverage in severance negotiations is to be specific about the state of the market and its impact on the type of role for which you're applying.

Look into fundraising trends, labor market trends and the general macro setup to figure out the right ask and have the relevant insights to back it up.

Use third-party data to cite and build a narrative around it. Say you're a CRO in FinTech applying for New York-based companies in the series B or C stage. You'll find data around the decline of venture funding, drop in valuations and executive turnover to back up your ask.

This grounds your negotiations in context and shows you've done your homework.



**Asad Zaman**

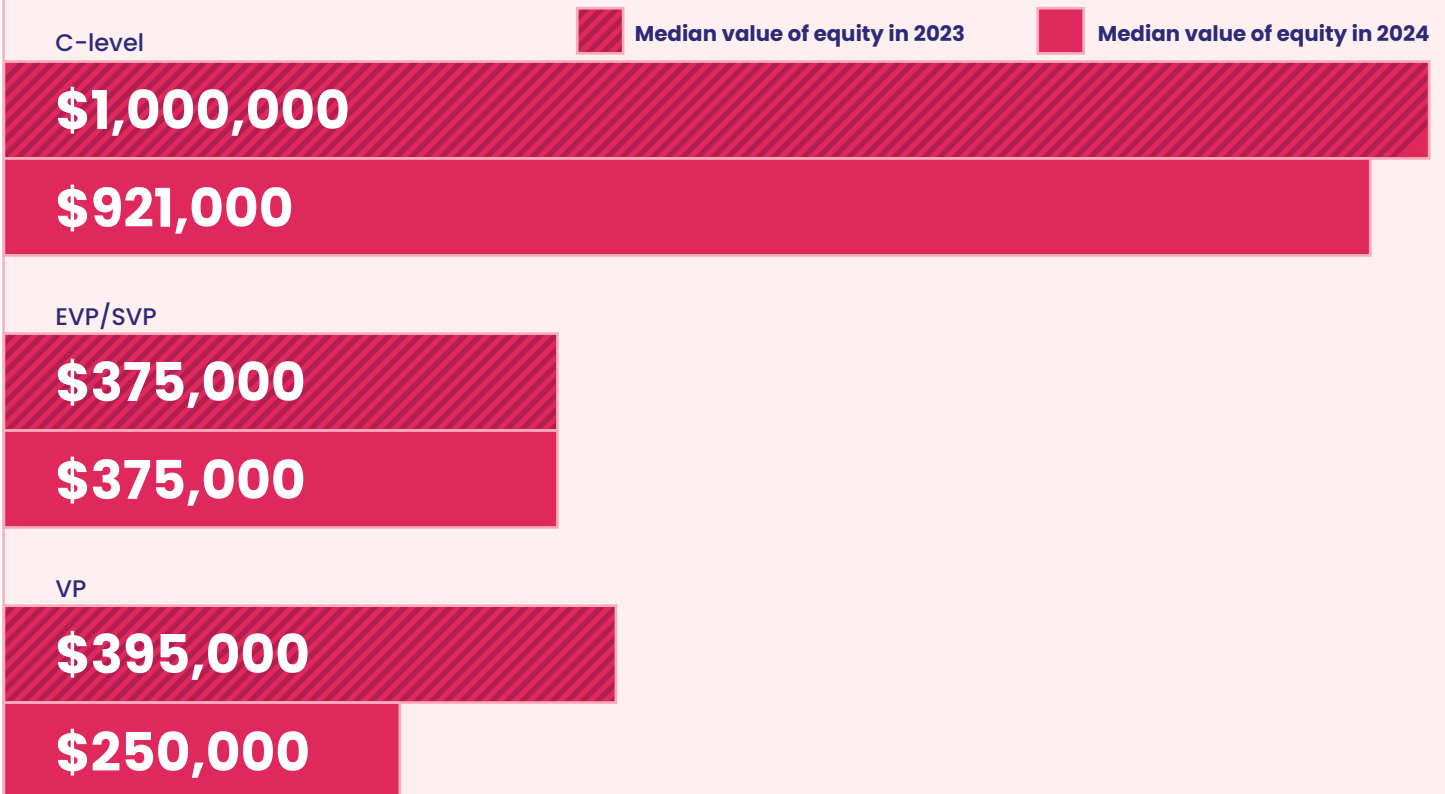
CEO of Sales Talent Agency  
Pavilion Ambassador

# FEWER EXECUTIVES RECEIVED EQUITY

## Executives perceive their equity to be less valuable

Through 2020 and 2021, as the tech sector boomed and valuations soared, executives grabbed up as much equity as they could. But three years later, as the industry was buffeted by high interest rates amidst a challenging economic climate, many execs changed their view of the value of equity.

When asked about the value of the equity they hold, executives on average perceived it to be lower in 2024 than in the year previous.



# Fewer execs received stock options or equity

Employees, burned by deflating valuations, prioritized cash compensation. Meanwhile, companies opted to give out fewer equity shares: Carta data shows that the amount of equity distributed by startups decreased by 25 percent during 2023. As a result, the percent of executives receiving either stock options or equity shares as part of their compensation packages declined last year.

Received options or equity

2023 2024

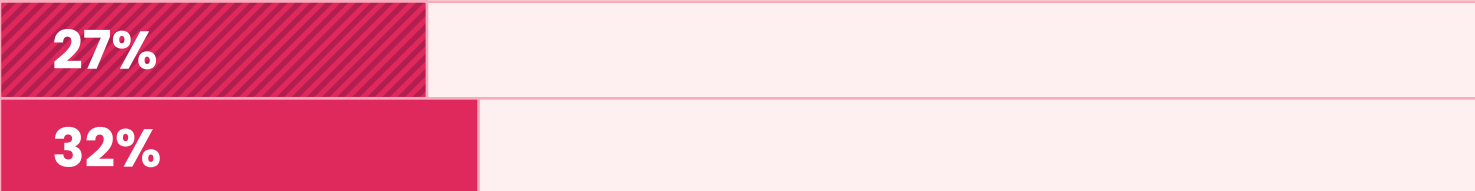


# Execs are securing longer exercise windows

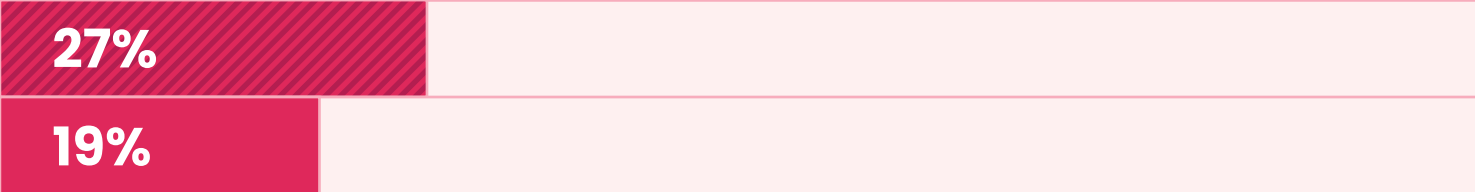
When it comes to exercise windows—the period during which a person can buy shares at the strike price—we saw a shift toward the poles. The rate of execs with windows of six months or less grew... but so did those with a window of two years or more, an indication that Member execs are negotiating with increased aptitude despite the shift in leverage.

6 months or less

2023 2024



1 year



2 years or more



# FINDINGS IN ACTION

## Trusting equity

Equity was never the golden ticket a lot of people viewed it as a few years ago. But that doesn't mean equity is worthless. The reality is that very few people are going to get rich off their salary—equity is one of the only ways to generate a substantial amount of wealth in a short time.

This isn't a question of trusting equity or not. It's about you as a candidate conducting your due diligence on a company. It's never been more important to have an educated and honest conversation with the CEO about the health of the business.

If you believe that the business is fundamentally healthy and you can live on your base salary, double down on equity. Well-run companies will see an outcome eventually.



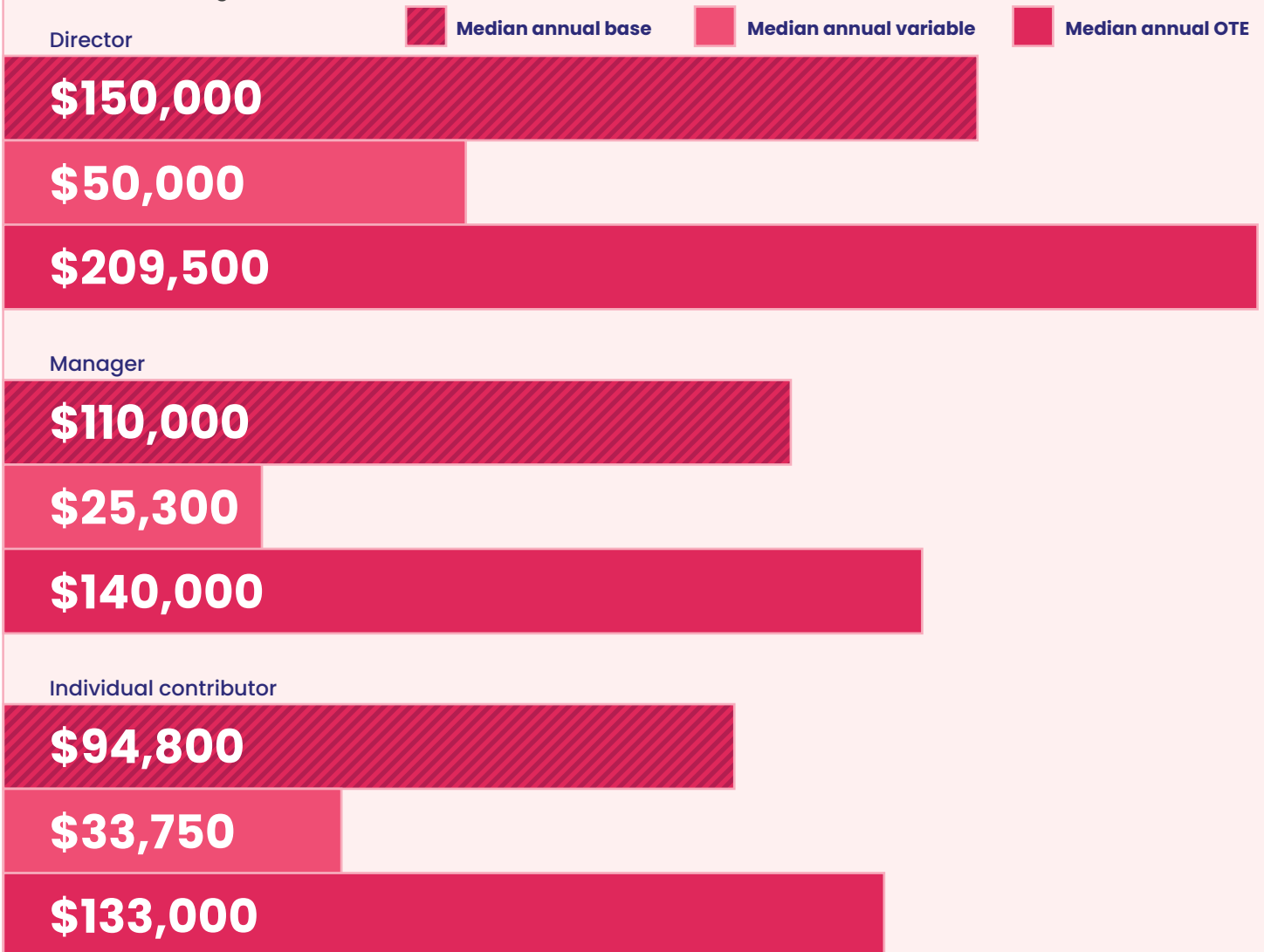
**Sam Jacobs**

CEO of Pavilion

# COMPETITION BRINGS OPPORTUNITIES FOR ASSOCIATES

## 2024 associate pay by seniority

The tumultuous economic climate has created a unique set of challenges and opportunities for associates aiming to advance their careers in 2024. As job opportunities contract and competition rises, the market will favor those willing to put in the work to develop their skills and adapt to change. In that same vein, executives looking to attract top associate talent should emphasize opportunities for professional development and network building.



*This report defines associates as director-level and below. This is our first year reporting on the associate level and therefore we are not making comparisons to historical data.*

## 2024 associate pay by function

Function	Median annual base	Median annual OTE
Customer success	\$110,000	\$120,000
Marketing	\$135,000	\$130,000
Operations	\$124,500	\$134,500
Partnerships	\$140,000	\$150,000
Revenue operations	\$132,500	\$200,000
Sales	\$113,750	\$200,000

## 2024 associate pay by company funding stage

Funding stage	Median annual base	Median annual OTE
Bootstrapped	\$115,000	\$160,000
Pre-seed	\$75,000	\$97,000
Seed	\$101,250	\$114,625
PE-backed	\$112,500	\$150,000
Series A	\$100,000	\$150,000
Series B	\$110,000	\$150,000
Series C	\$120,000	\$150,000
Series D	\$140,000	\$250,000
Series E or later	\$128,750	\$200,000
Public company	\$160,000	\$231,000

## 2024 associate equity

**32%**

Did not receive options or equity

**68%**

Received options or equity

## 2024 associate pre-negotiated severance

**4%**

Pre-negotiated severance

**96%**

Did not pre-negotiate severance

## 2024 associate negotiation length

**81%**

Less than 1 week

**19%**

1 week or more

# FINDINGS IN ACTION

## Getting ahead at startups

I strongly recommend that anybody starting out their career get into startups because you very quickly learn what you like and what you don't. You get to develop lots of unique skills and work cross-functionally with a lot of different people.

Yes, startups had a rough year, but I actually feel safer working on a smaller team because I know that I'm providing value to the company. I'm able to close my laptop at the end of the day knowing that I contributed to the growth of the company. That's not something you can necessarily say at a larger organization.

That's also why I have an equity stake. I'm not just building something for the founders and executive team, I'm building something for myself.



**Matt Minor**

Director of Demand Gen  
Directus

# Methodology

Pavilion surveyed more than 1,100 of its Members across both executive (VP-level and above) and associate levels (Director-level and below). Members represent all go-to-market functions, including sales, marketing, customer success, operations, revenue operations and partnerships. Additional information was gathered through one-on-one interviews with select Pavilion Members and industry leaders.

# About Pavilion

Join more than 10,000 of your peers in the world's largest private community for B2B go-to-market leaders and their teams.

Achieving success as a GTM executive has never been more challenging. Pavilion provides its members with the skills, tools and resources needed to advance in their careers, along with a global community built on the values of kindness and reciprocity. With thousands of members across 450+ cities around the world, you'll never have to go it alone.

Join Pavilion to gain access to our private Slack community, local chapters and events, 50+ Pavilion University courses and schools, Knowledge Hub, jobs board, conferences and Summits, 1:1 matchmaking and more. Wherever you are in your career, Pavilion has the tools to support your path. We'll partner with you from the beginning and ensure you get what you need to make an impact at every stage of your journey. Pavilion is where transformation happens—personally and professionally.

For more information about Pavilion or to become a member, please visit [joinpavilion.com](https://joinpavilion.com)