



The State Of Sales Development

2020 Survey Results

Sponsored By



Curators & Panelists



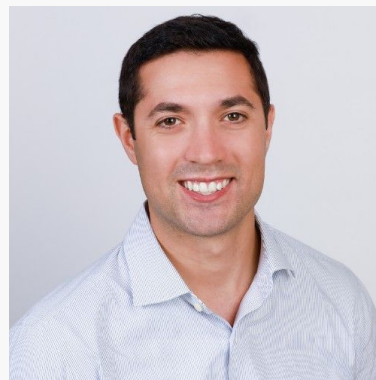
Sam Feldotto

Head Of Sales & Growth



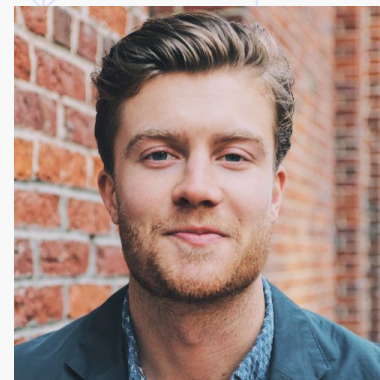
Kyle Coleman

*VP, Revenue Growth &
Enablement*



Josh Roth

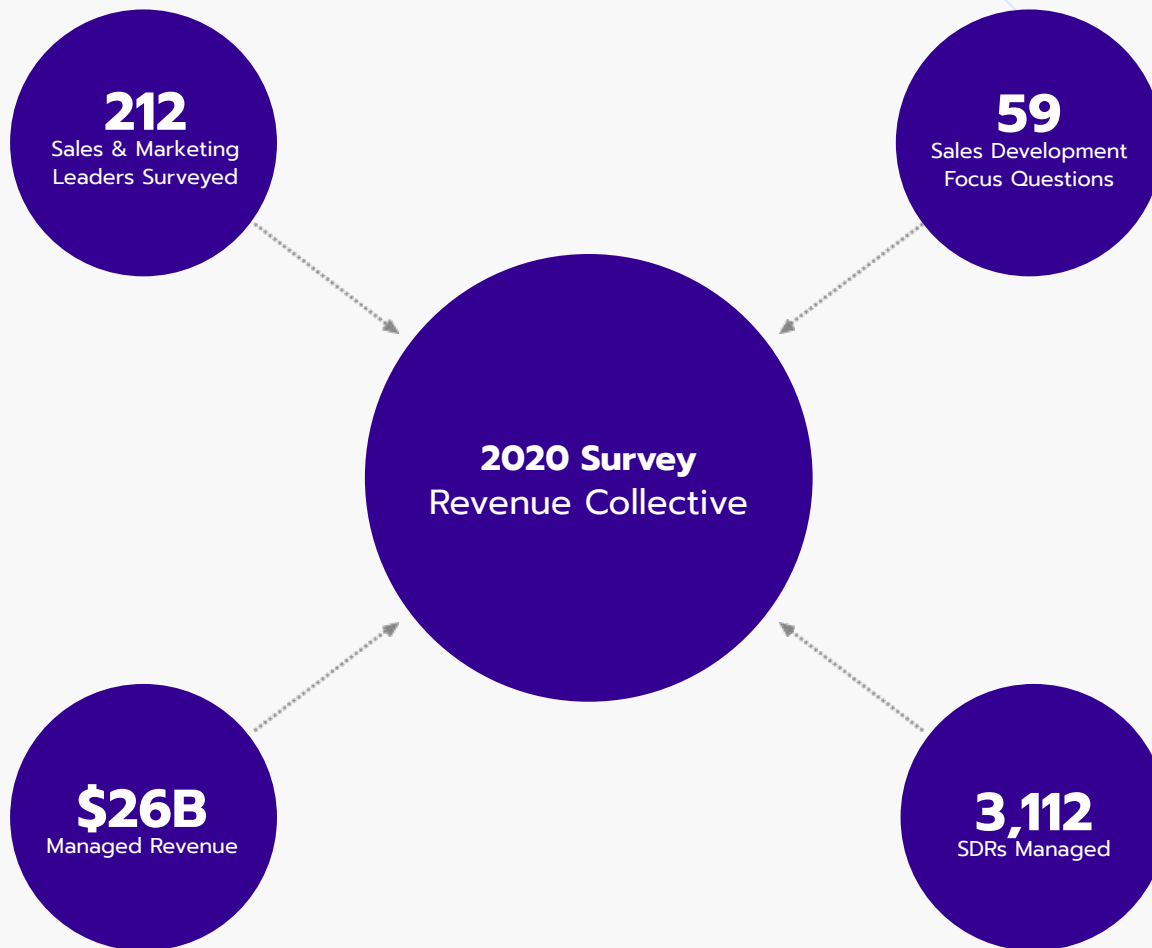
*Sr Business Development
Manager*

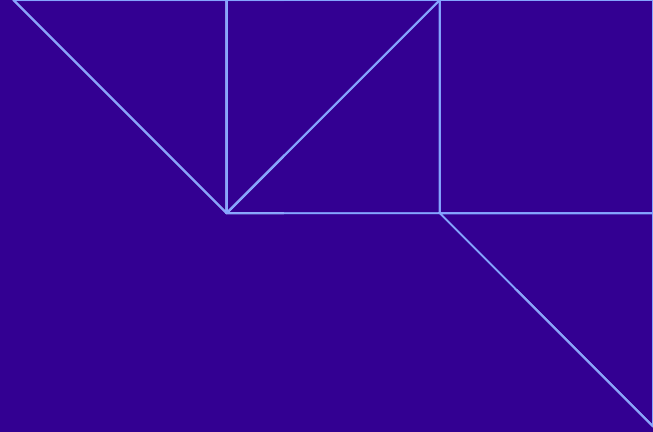


Scott Barker

Head Of Partnerships



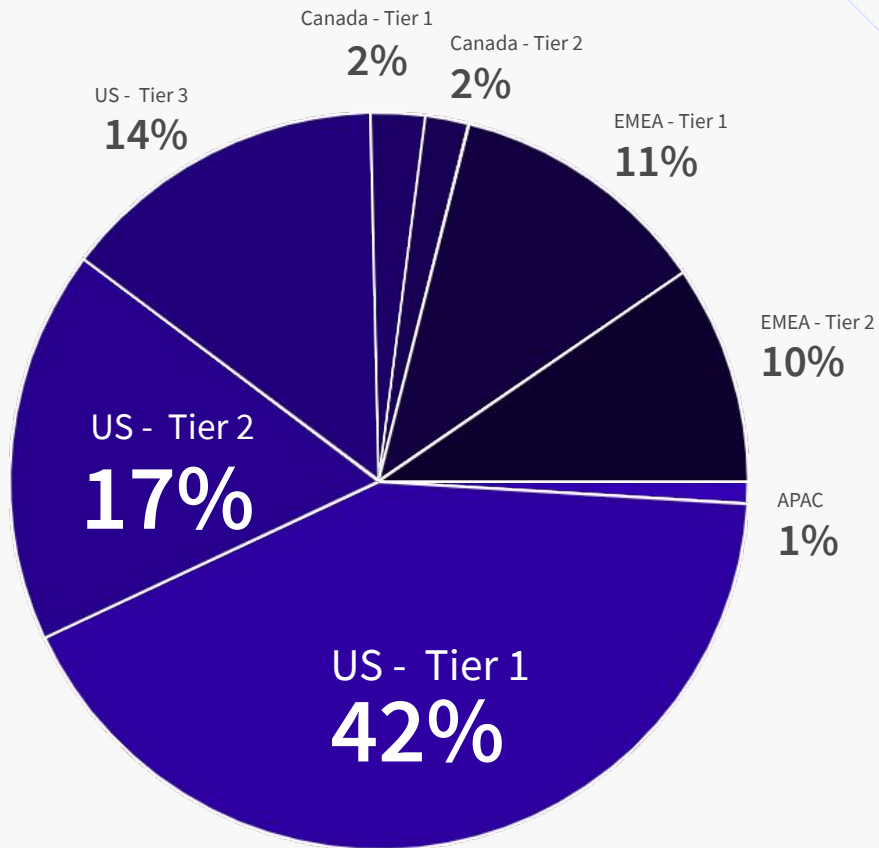




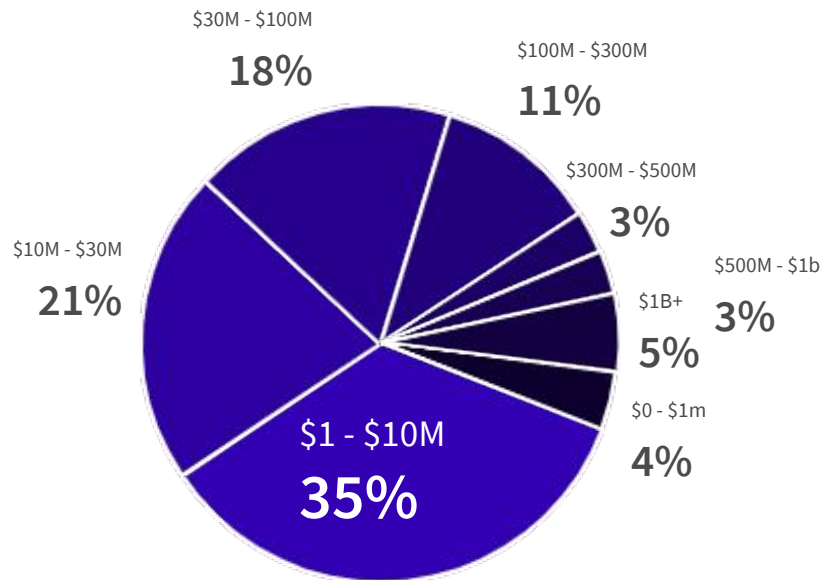
Section 1

Company Structure

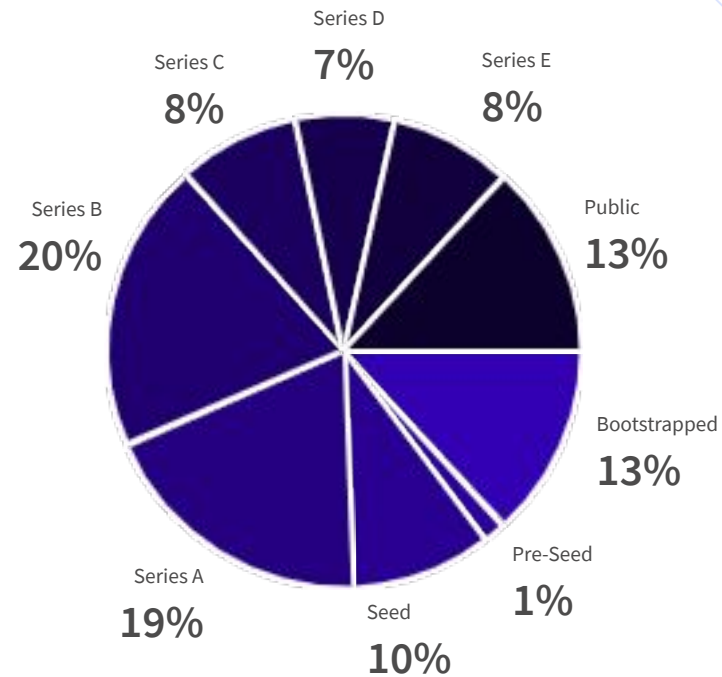
Company HQ



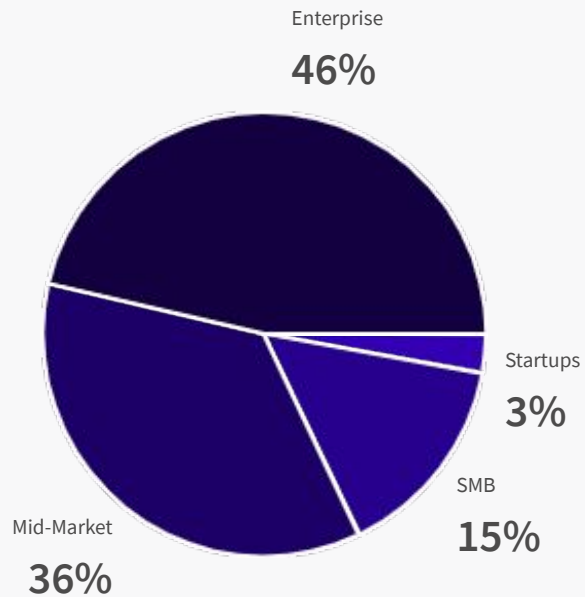
Company Revenue



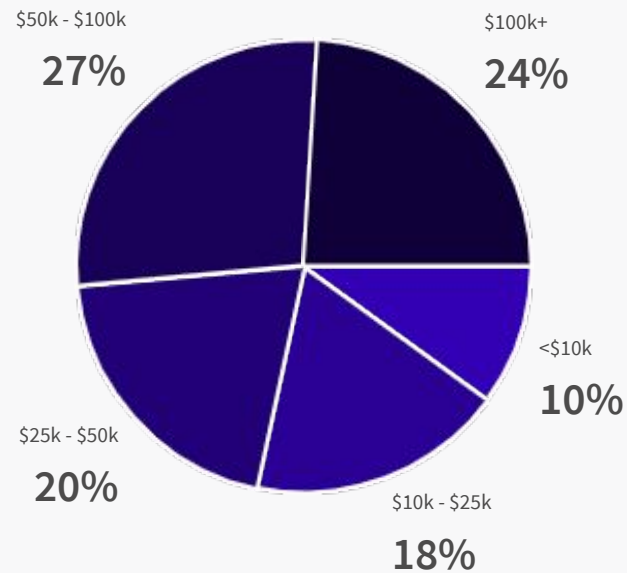
Funding Stage



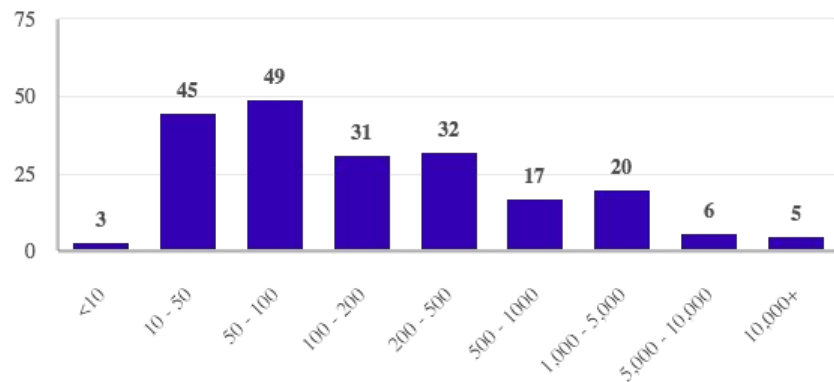
Target Market



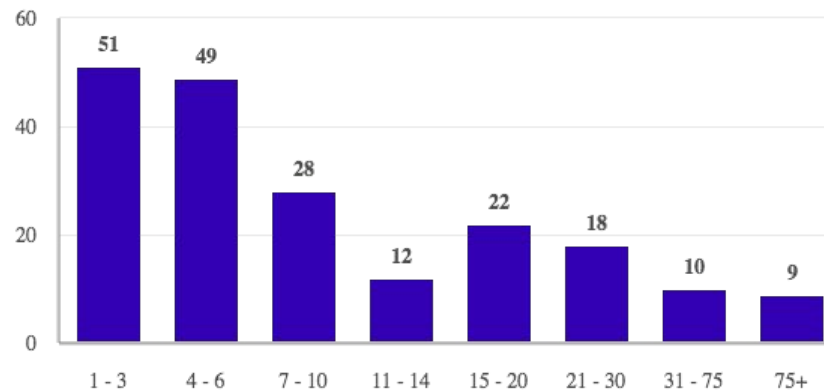
ACV Range



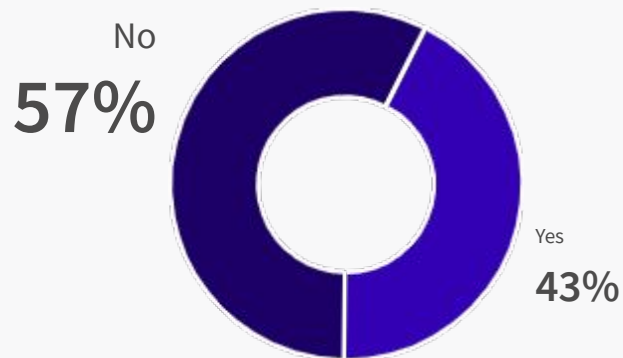
Employee Headcount



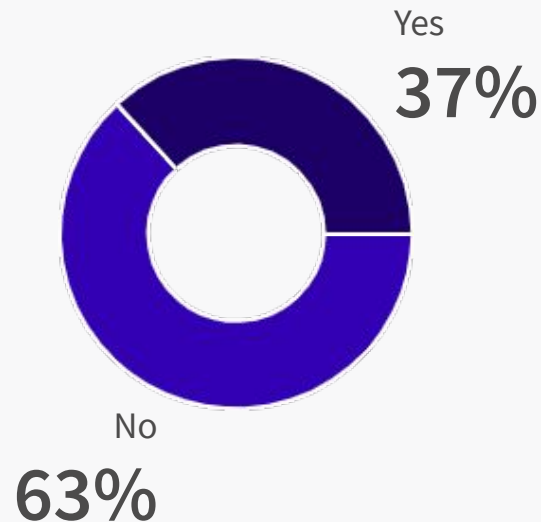
Size Of SDR Team



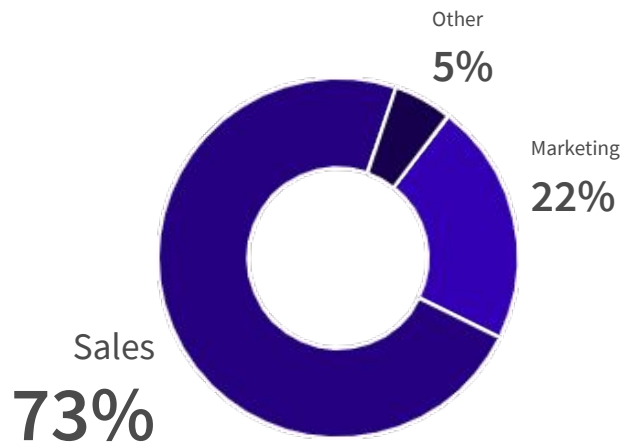
Do You Require SDRs to Have A College Degree?



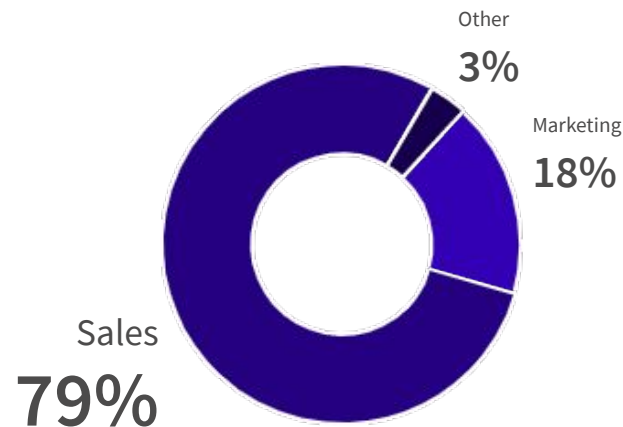
Do You Allow SDRs To Work Remote?



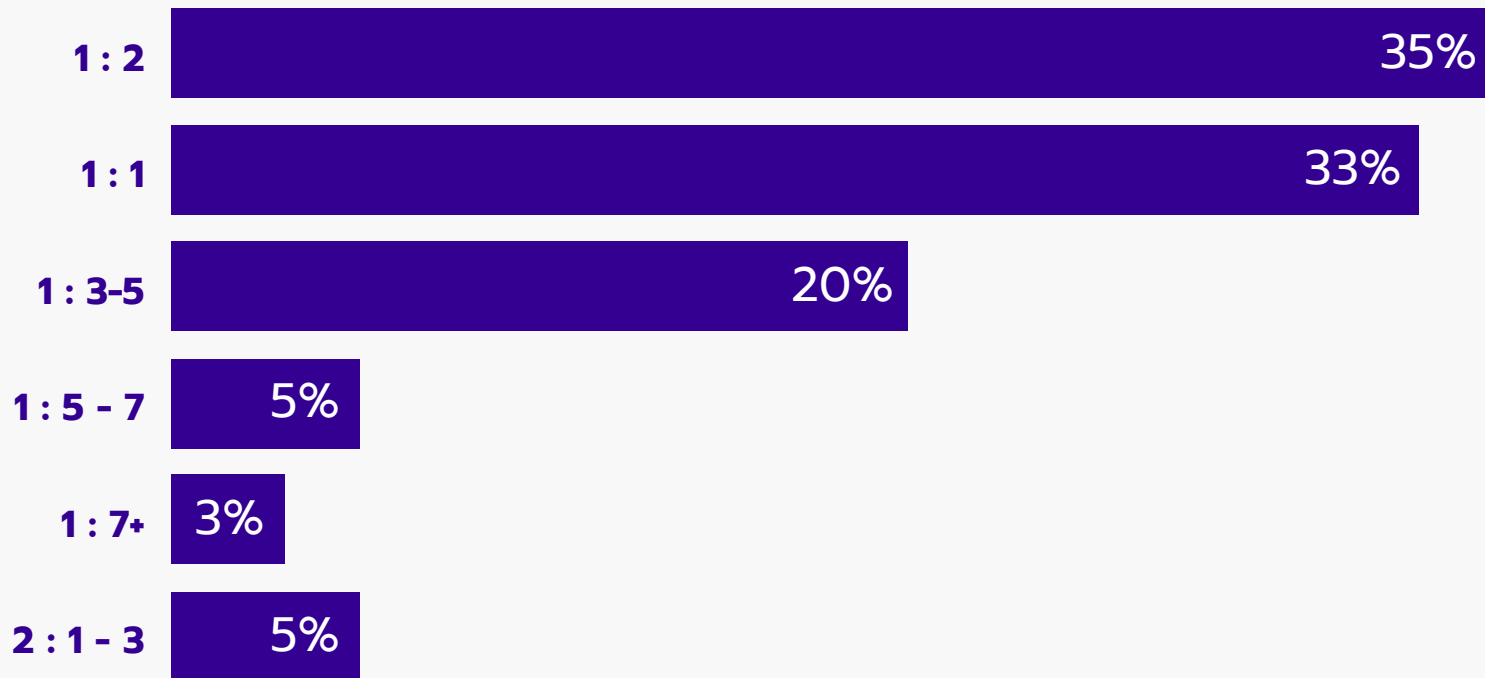
What Department Do SDRs report Into?



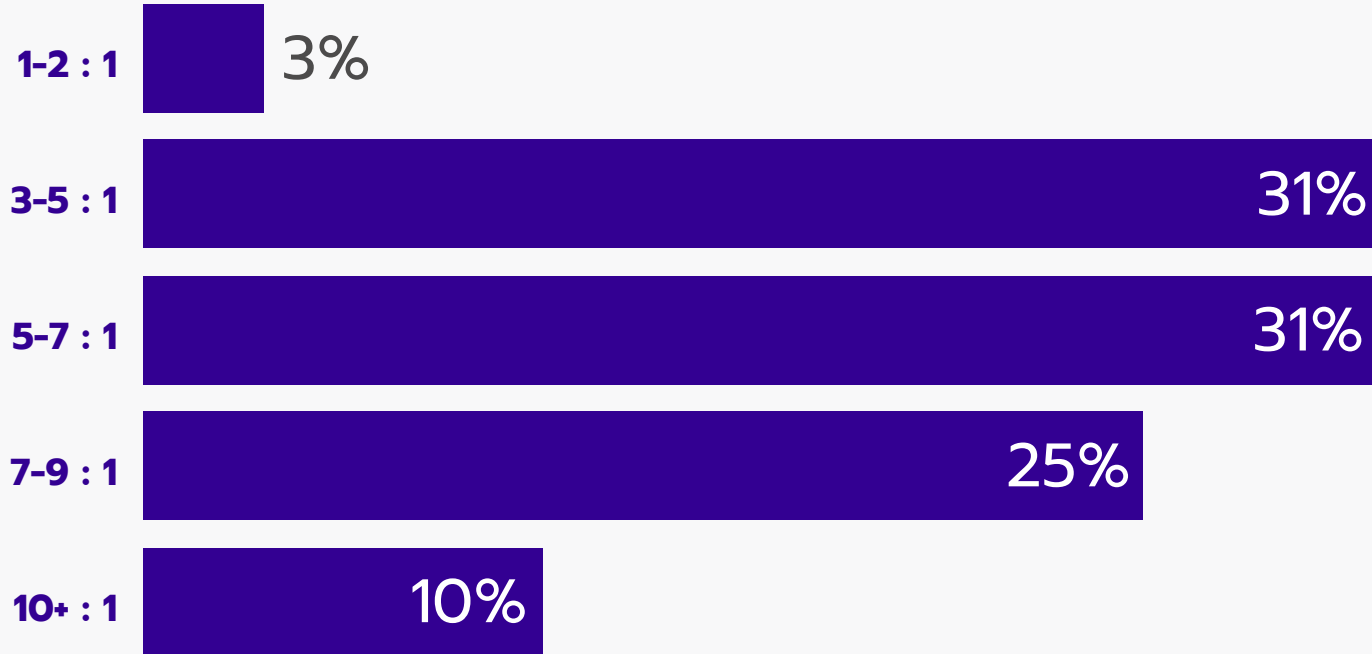
What Department SHOULD SDRs Report Into?



SDR : AE Ratio



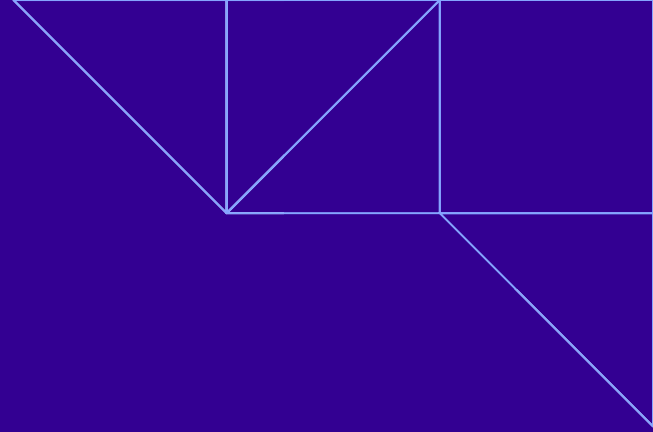
SDR : Manager Ratio



Company Structure

Key Findings

- **73% of SDR teams report to Sales,** with only 22% to Marketing
- **79% of companies** believe SDRs *should* report to sales
- **Only 43% of companies** require a college degree for SDRs
- **63% of companies** do not allow their SDRs to work remote
- **Only 30% of companies** assign more than 2 AEs to each SDR
- **66% of companies** keep a minimum of 5:1 ratio of SDRs to Managers

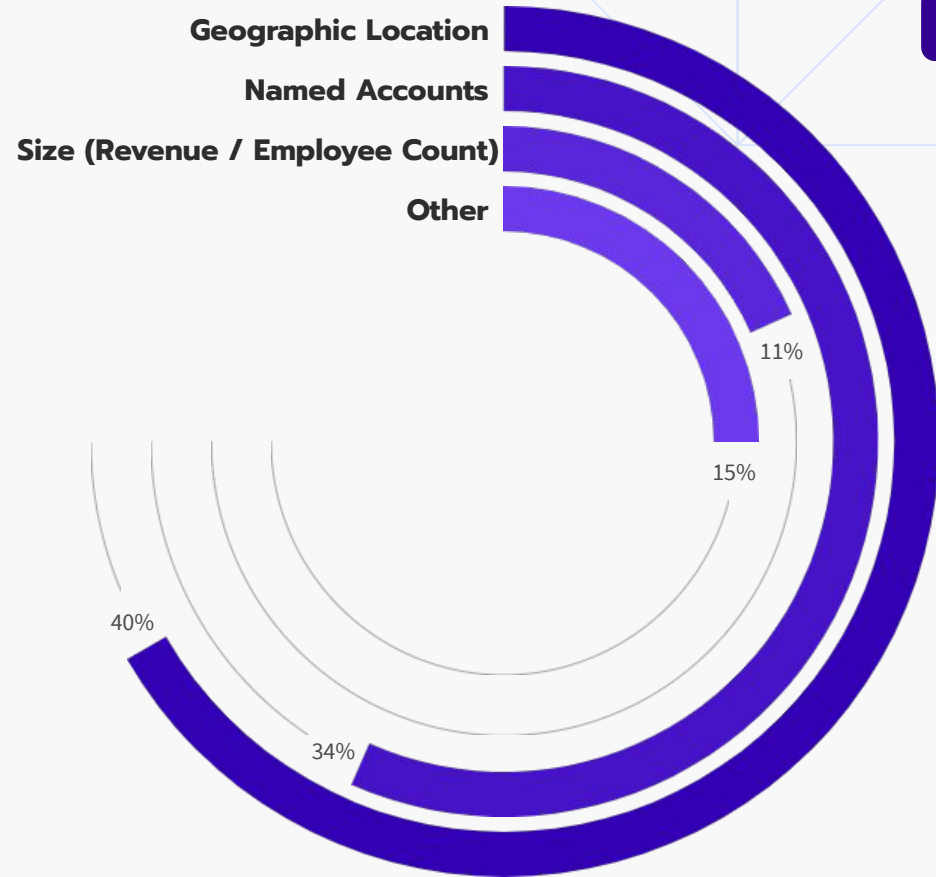


Section 2

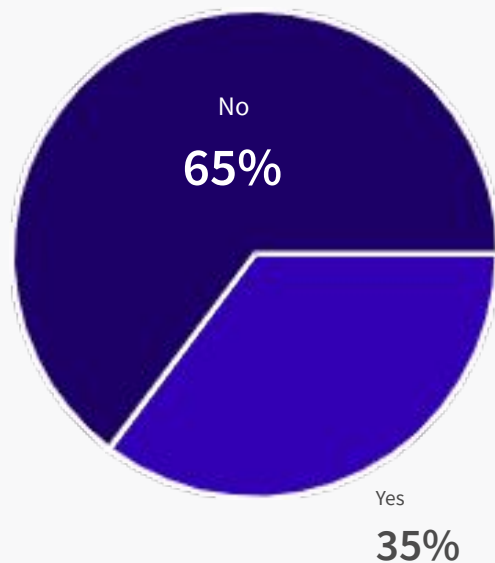
Process



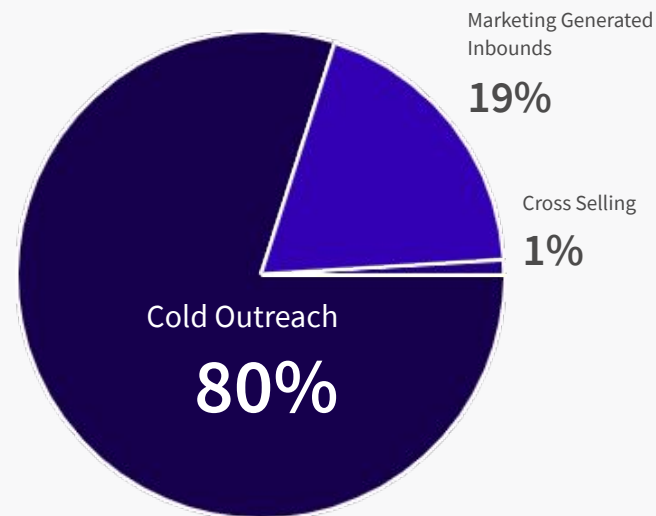
How Are Territories Defined?



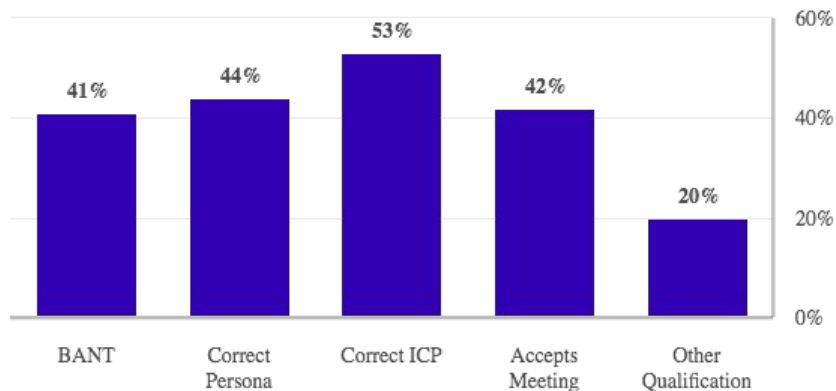
Do you have separate teams for inbound and outbound sales development?



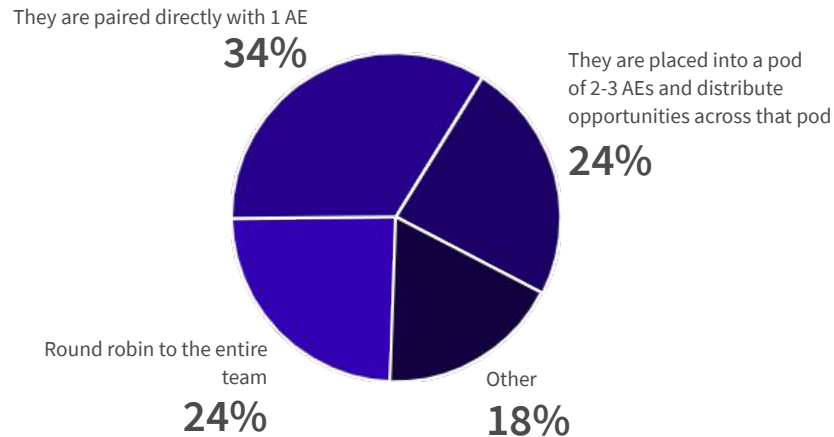
How Do SDRs Primarily Source Opportunities?



How do SDRs qualify opportunities?

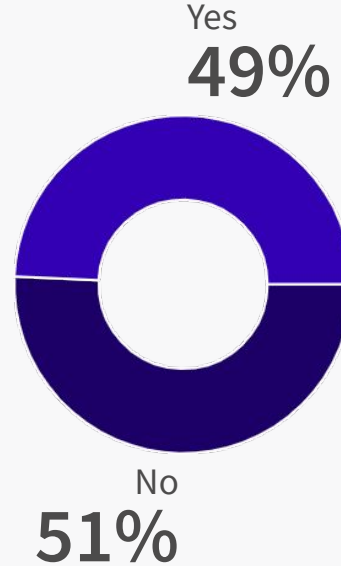


How do SDRs distribute opportunities?

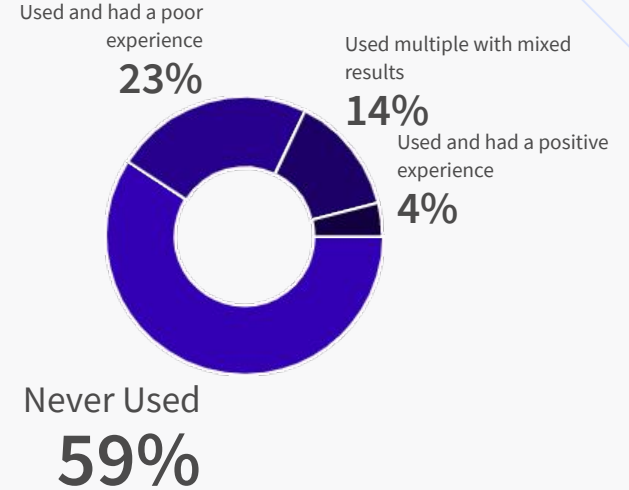


Outsourced Sales Development

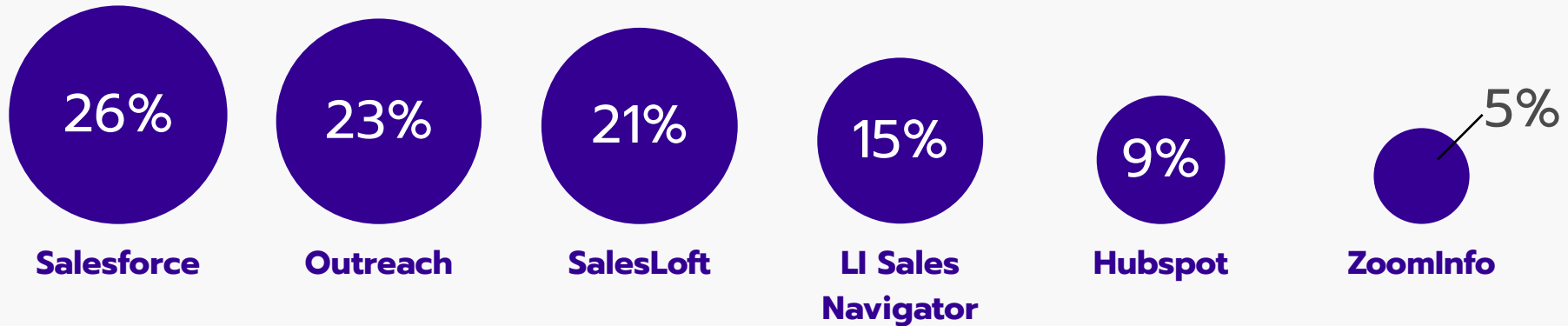
Would you ever consider using an outsourced sales development service?



Has your company ever used an outsourced sales development service? If so what was your experience?



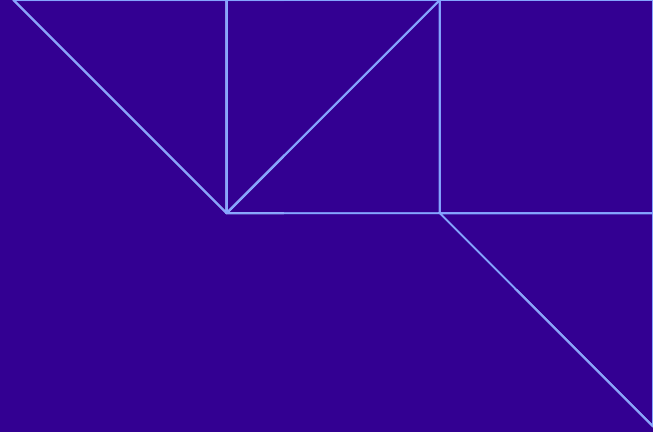
Most Heavily Relied On Technologies



Process

Key Findings

- **83% of SDR teams are not hitting quota.** Leadership should take time to examine how quotas are calculated, and ensure that targets are attainable.
- **Meetings, Opportunities, and Pipeline are all commonly used components for comp plans, and are not mutually exclusive.** Companies are using elements of each to blend incentives between quantity & quality.
- **74% of companies are comfortable hiring SDRs with little to no work experience** — most new hires have less than 12 months experience
- **77% of companies expect their SDRs to become AEs.** Of SDRs that become AEs, only 22% get near or achieve quota
- **73% of companies expect SDRs to ramp within 3 months.** Only 47% of individual SDRs achieve quota in that time frame.

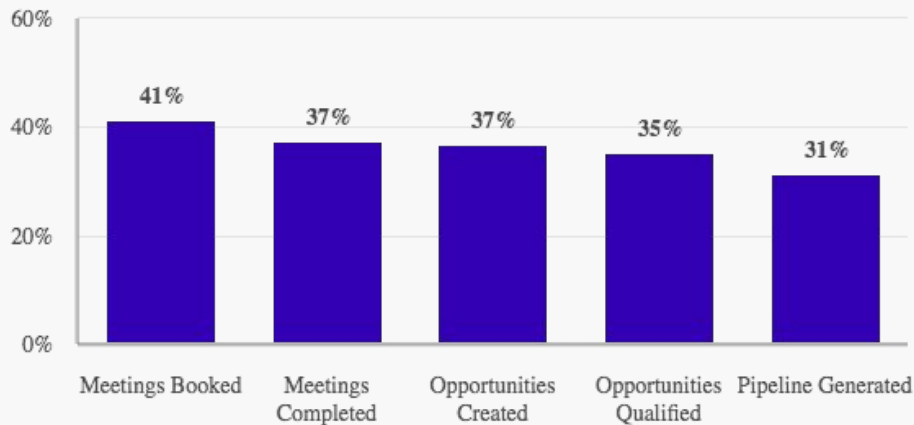


Section 3

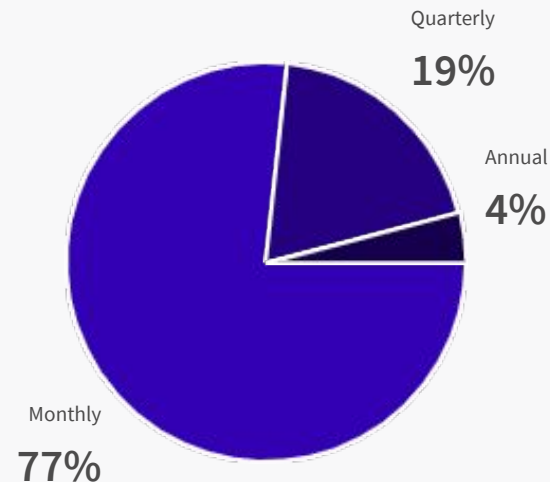
Performance



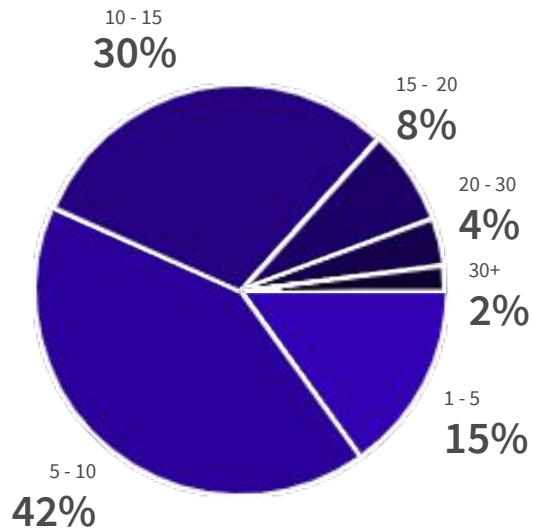
What are the primary Success Metrics of your Outbound SDR team



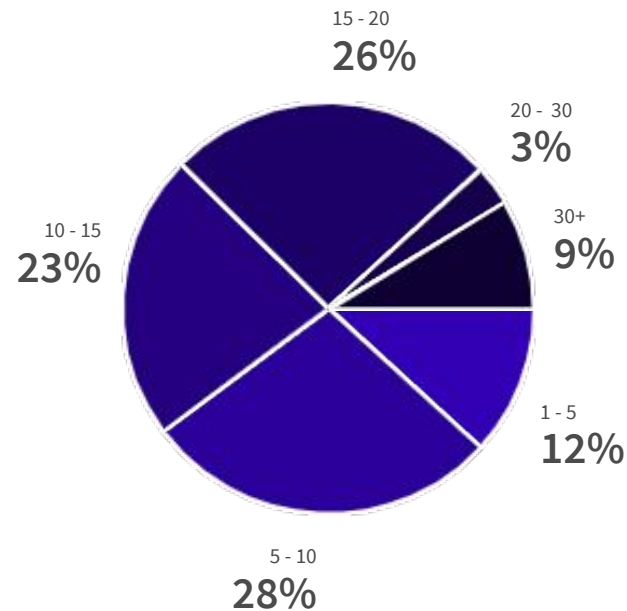
Are targets measured Monthly, Quarterly, or Annual?



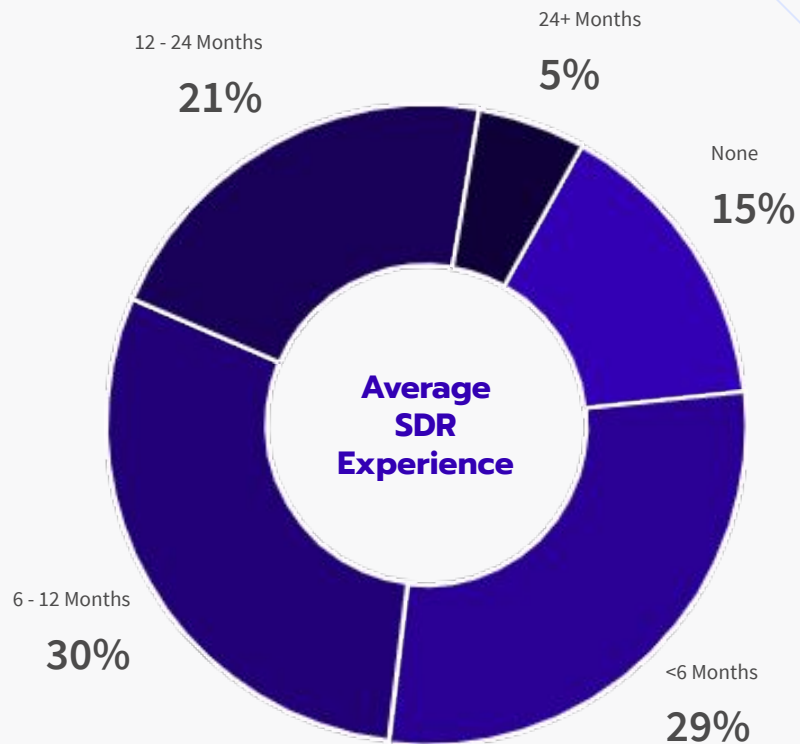
Quota By Monthly Opportunities



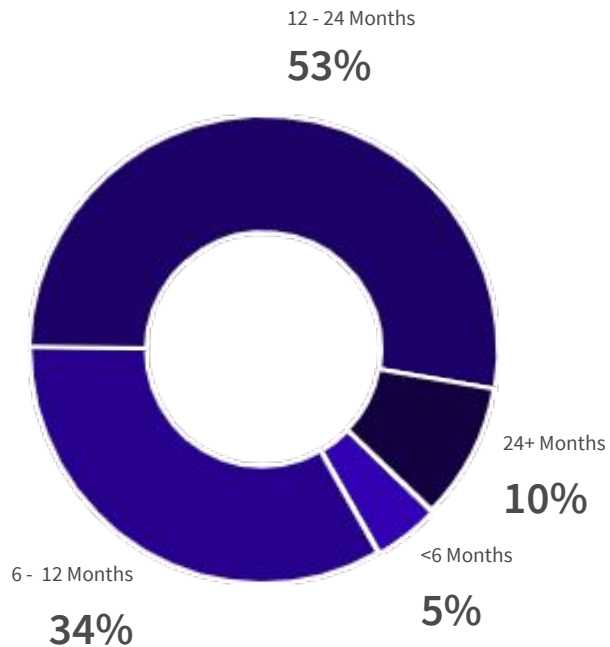
Quota By Monthly Meetings



Experience & Tenure



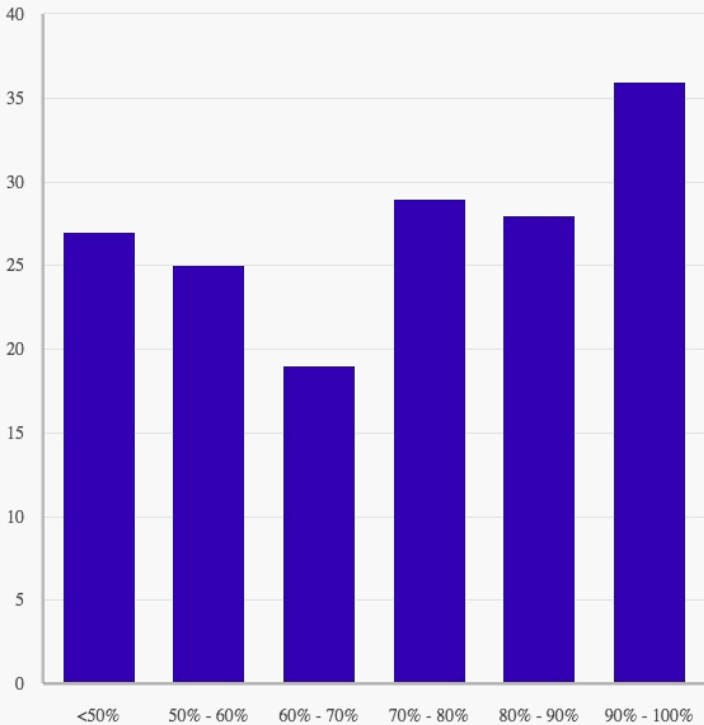
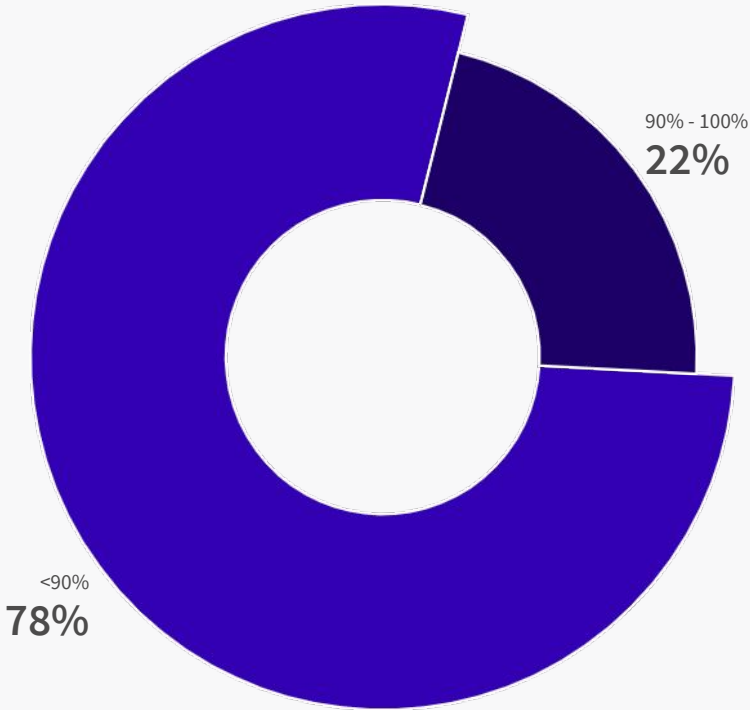
Average SDR Tenure



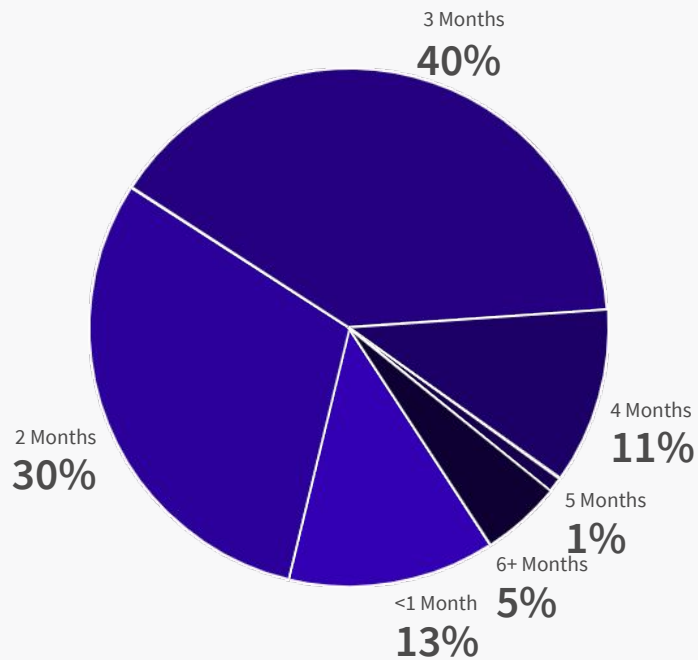
Expected Career Path



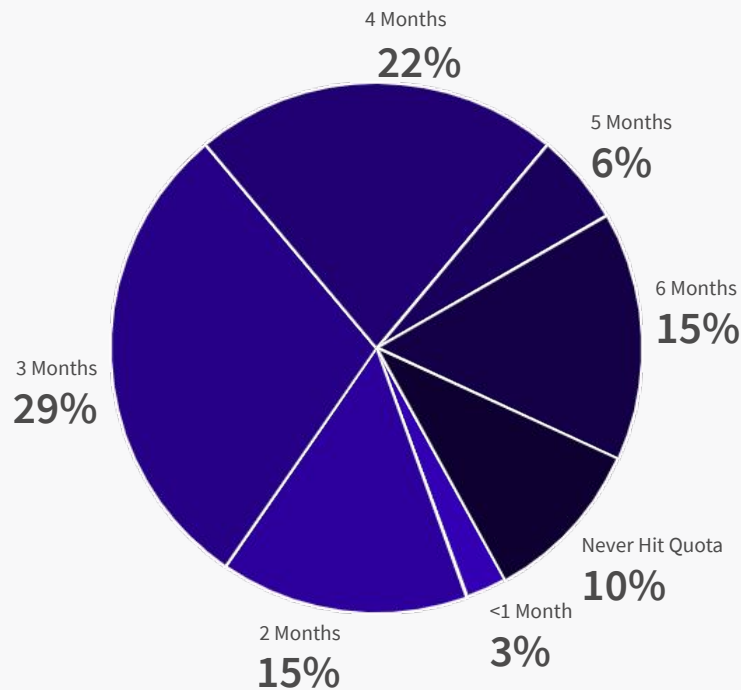
For the ex-SDRs who have moved into AE roles, what percent are hitting quota?



What is your expected ramp period for SDR?



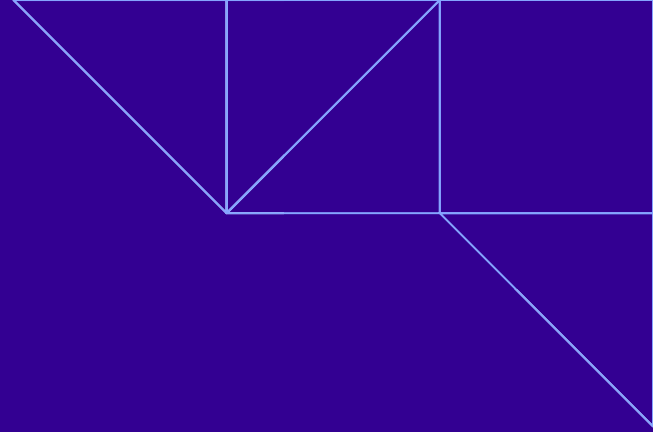
How long it actually takes to hit quota



Performance

Key Findings

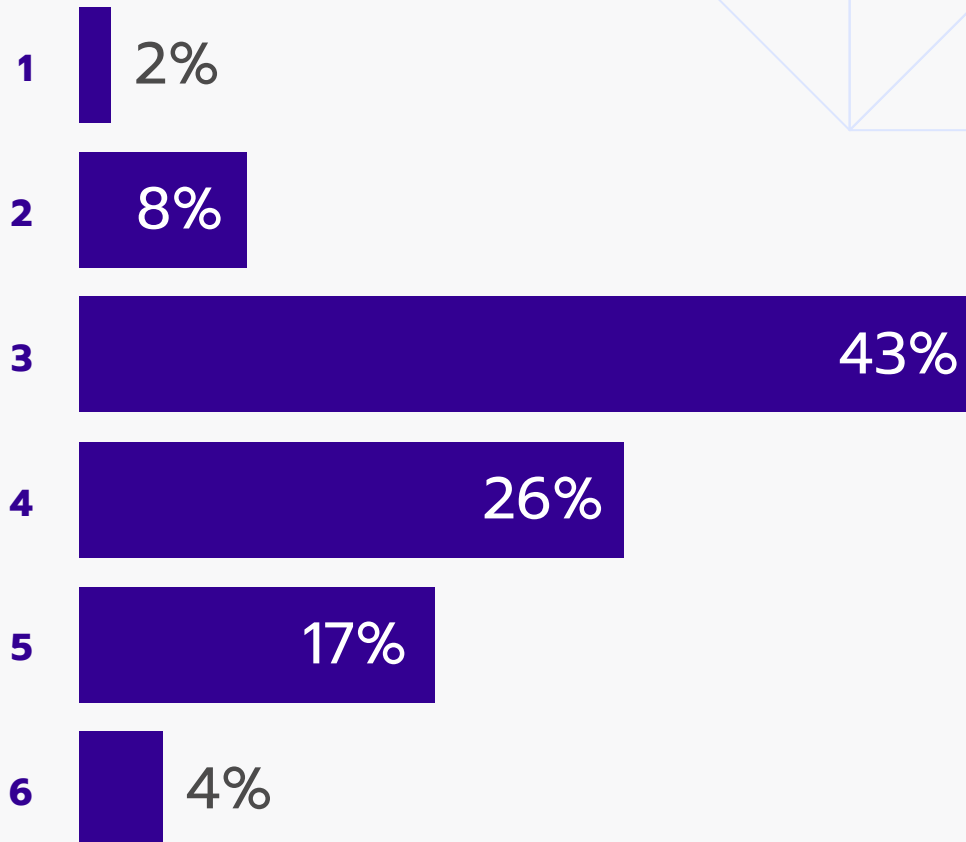
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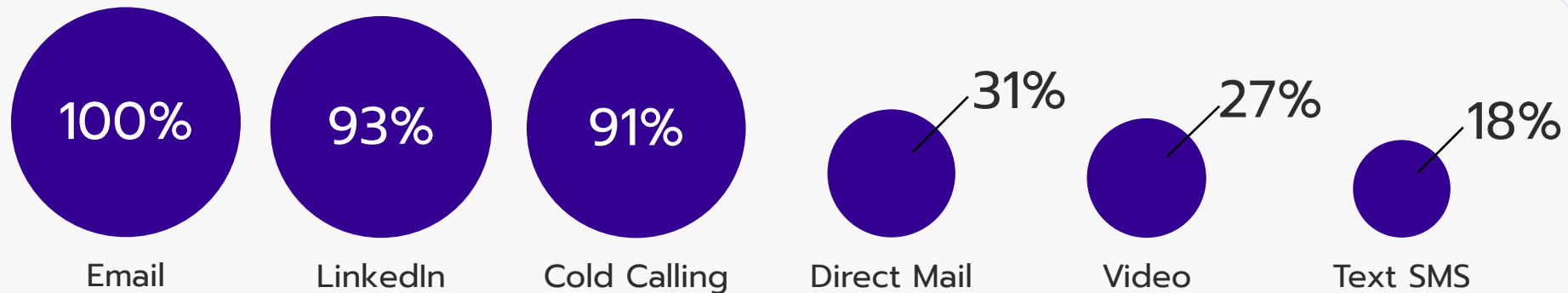
Section 4

Channels

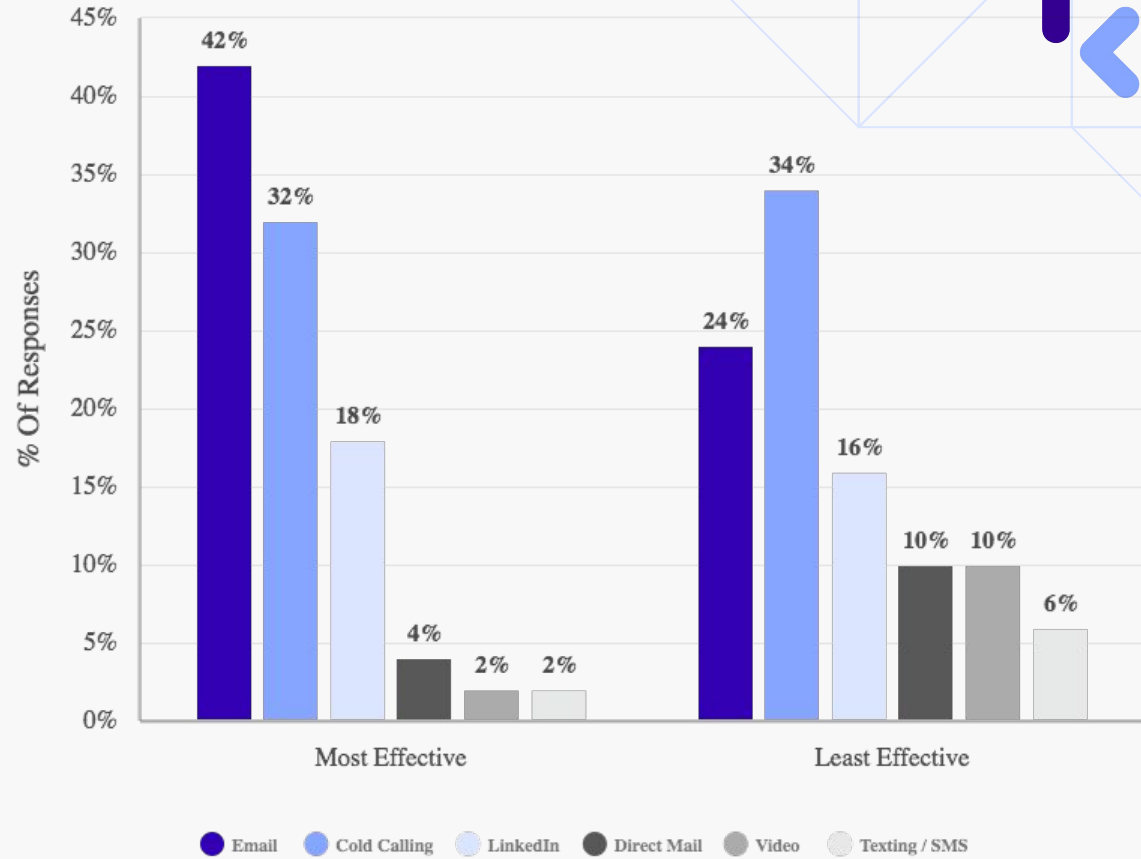
Of Channels Used

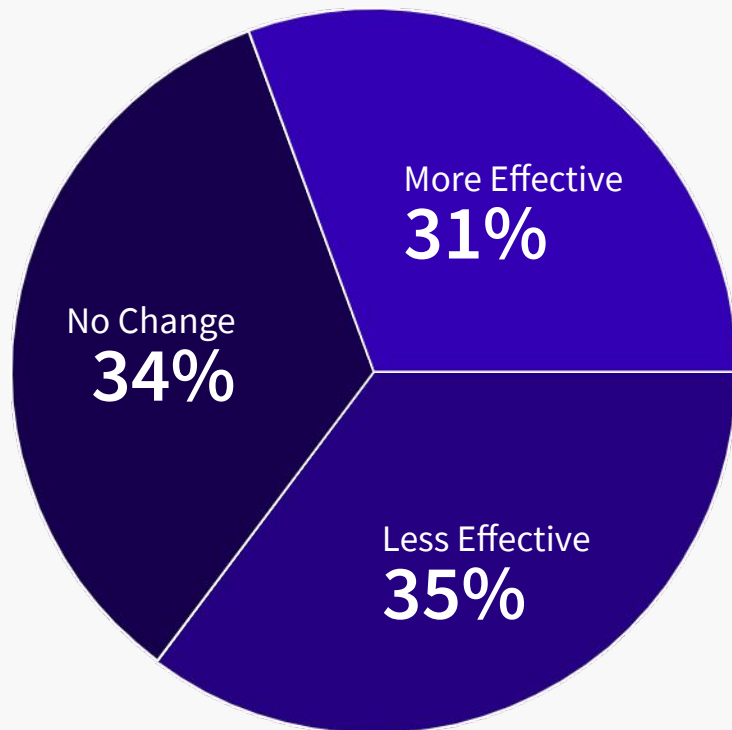


Channels Used



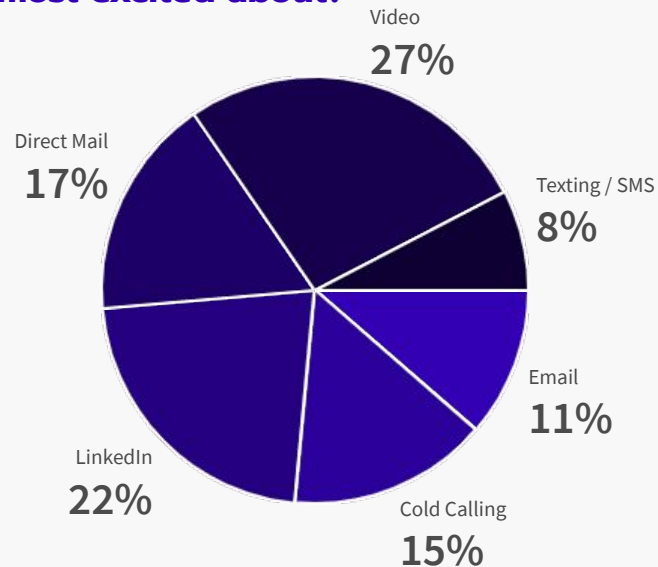
Perceived Channel Effectiveness





Perceived change in the overall effectiveness of general outbound in the past 2 years

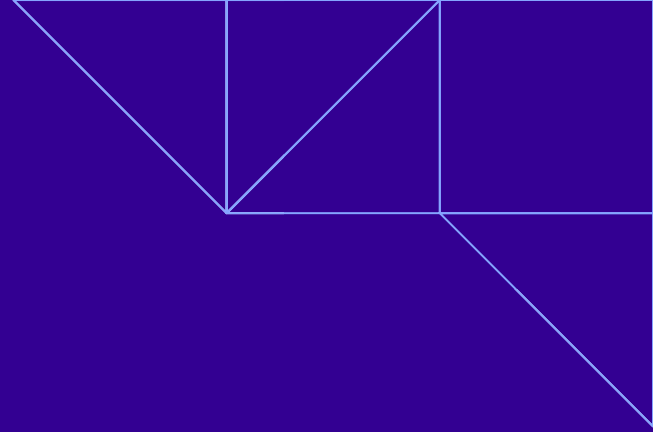
What channel are you most excited about?



Channels

Key Findings

- **90% of SDR teams are using 3+ channels** for outbound prospecting
- **Email, LinkedIn, and Cold Calls are used together by over 90% of teams.** Direct Mail, Video, and SMS are all used by under 31% of teams.
- **Email was perceived to be the most effective channel,** followed closely by Cold Calling, while SMS scored the lowest.
- **The channel most teams are excited about is Video (27%)** followed by LinkedIn (22%)

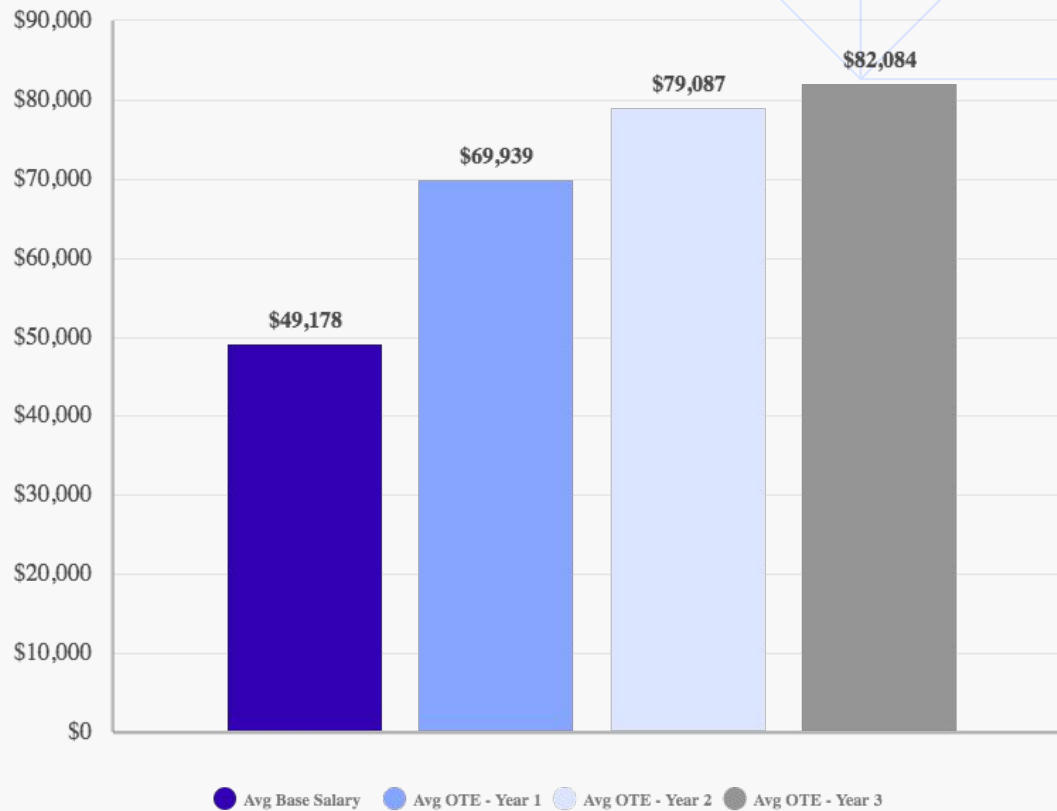


Section 5

Compensation



Average SDR Compensation



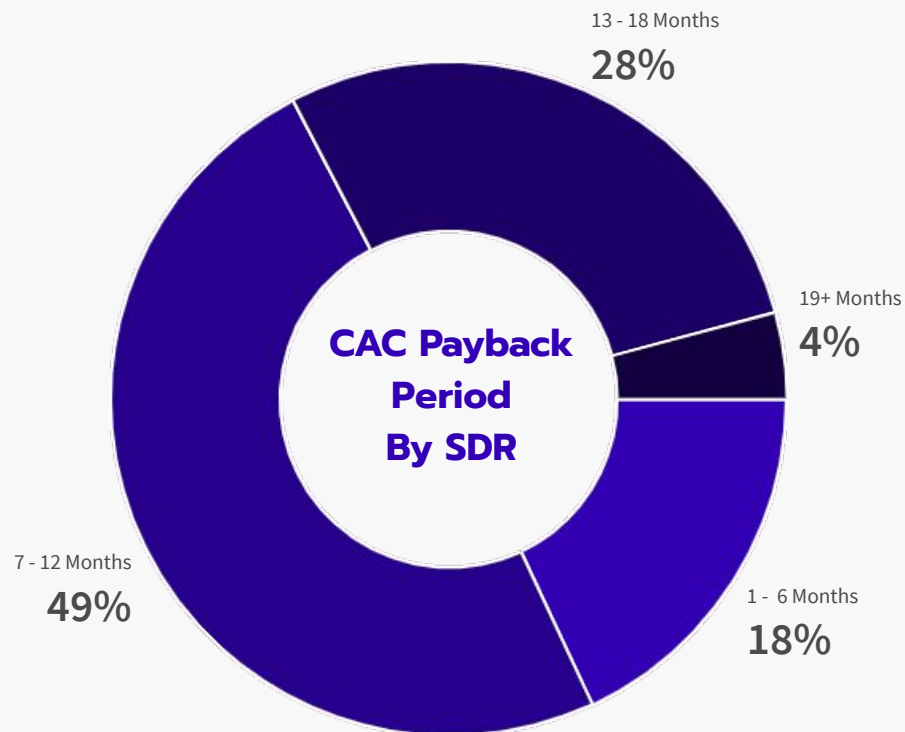
Cost Per Meeting

\$551

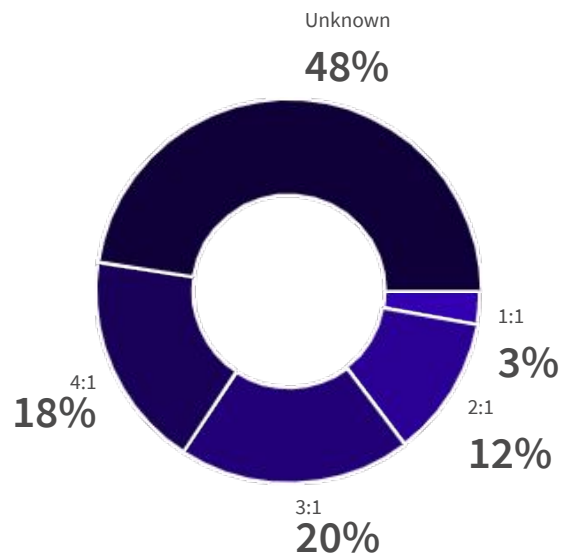
Average Target **CPM**

\$897

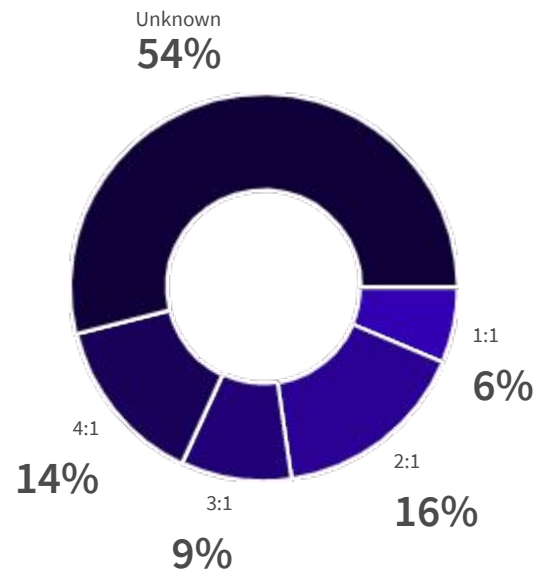
Average Real **CPM**



Target **LTV:CAC** Breakdown by SDR



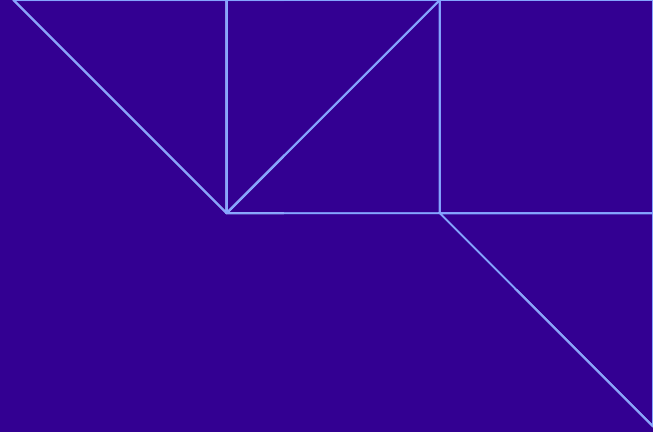
Actual **LTV:CAC** Breakdown by SDR



Compensation

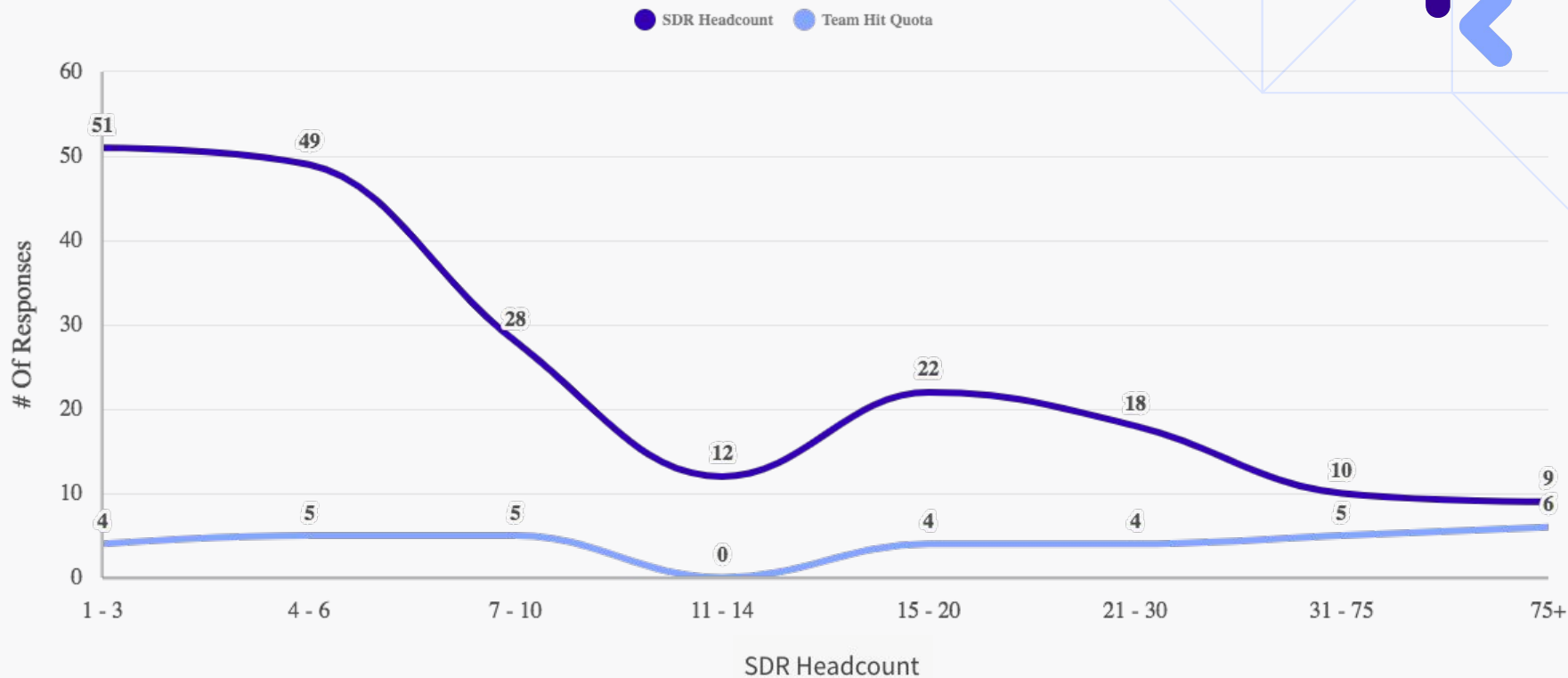
Key Findings

- **96% of companies** have a base + variable compensation structure.
- **Average base salary** is just shy of \$50k
- **Average OTE** is just shy of \$70k.
- **Average cost per meeting (CPM) is \$897**, significantly higher than the target CPM of \$551
- **96% of companies** have a CAC payback period of less than 18 months for SDRs



Section 6

Key Takeaways



Larger SDR teams (15+) tend to perform better compared to smaller SDR teams

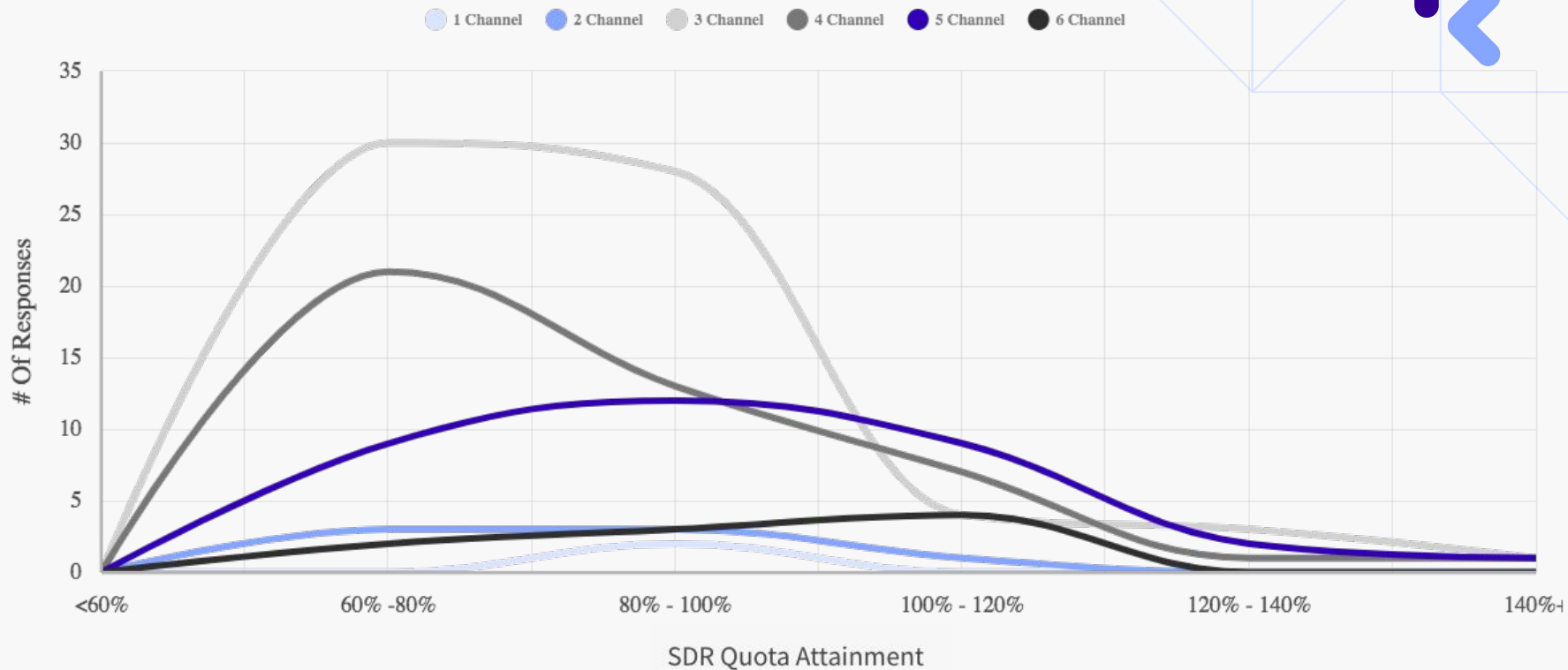
97%



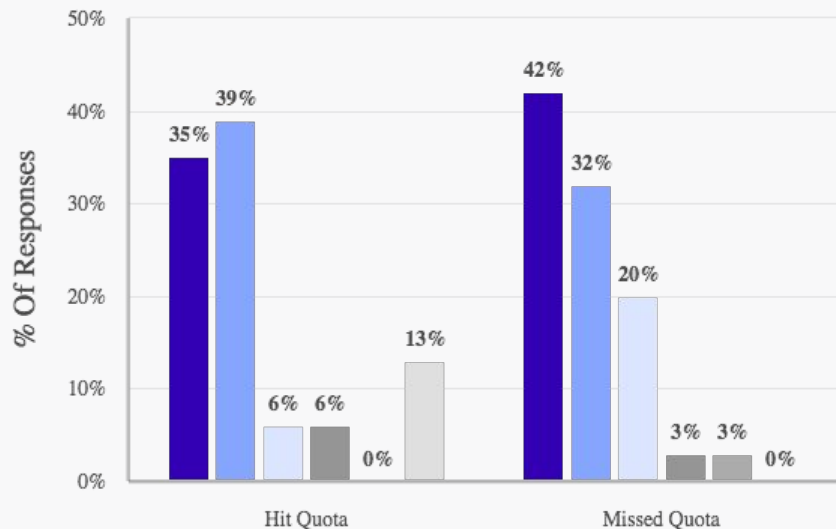
Of SDR Teams That Hit Quota Used 3+ Channels

Multichannel is king.

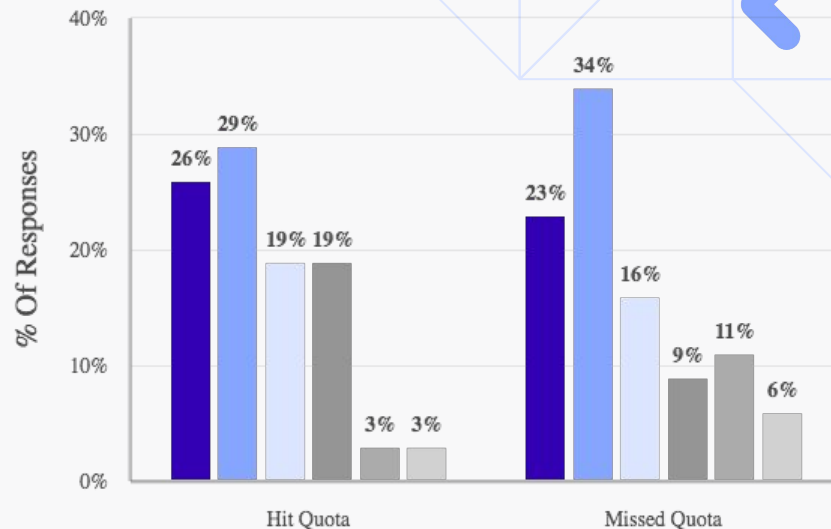
Of every company that hit quota, only 3% used 2 or less outbound channels.



Companies using 4-5 channels are hitting quota most consistently



Perceived Most Effective Channel



Perceived Least Effective Channel

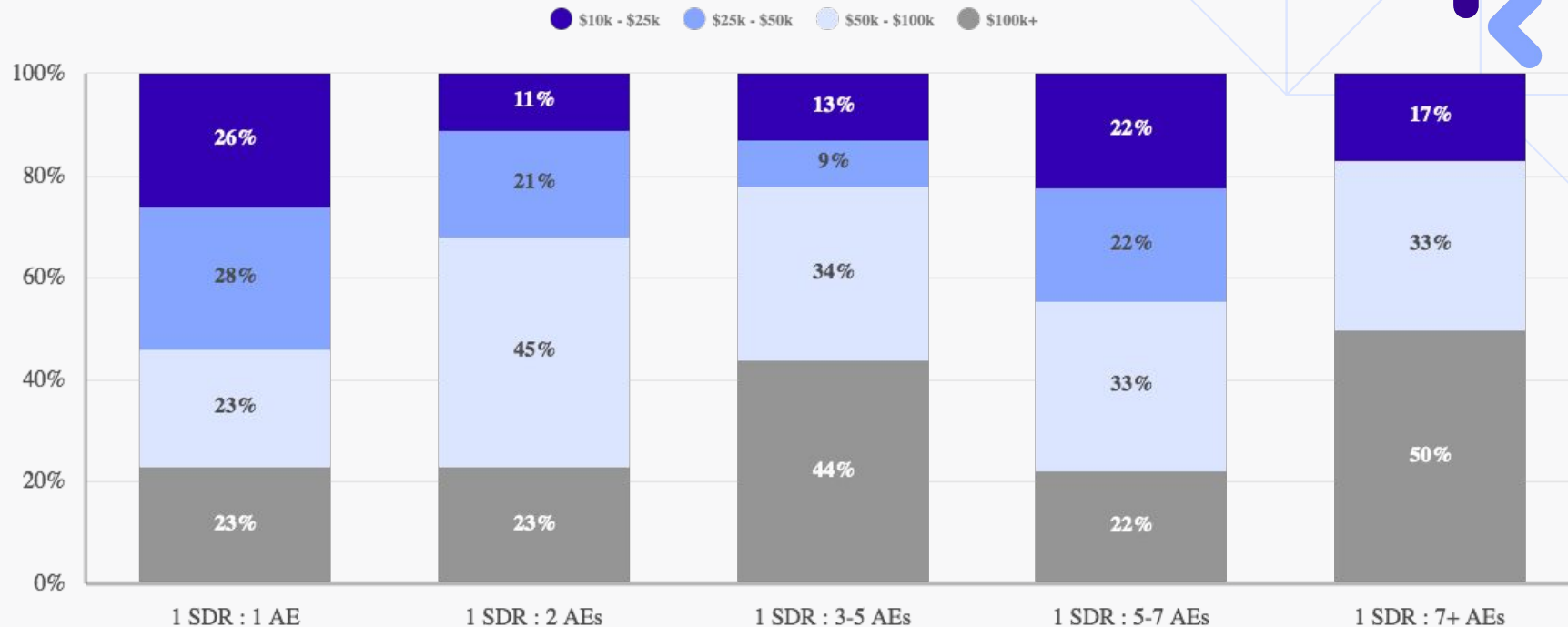
● Email
 ● Cold Calling
 ● LinkedIn
 ● Direct Mail
 ● Video
 ● Texting / SMS

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 ● Cold Calling
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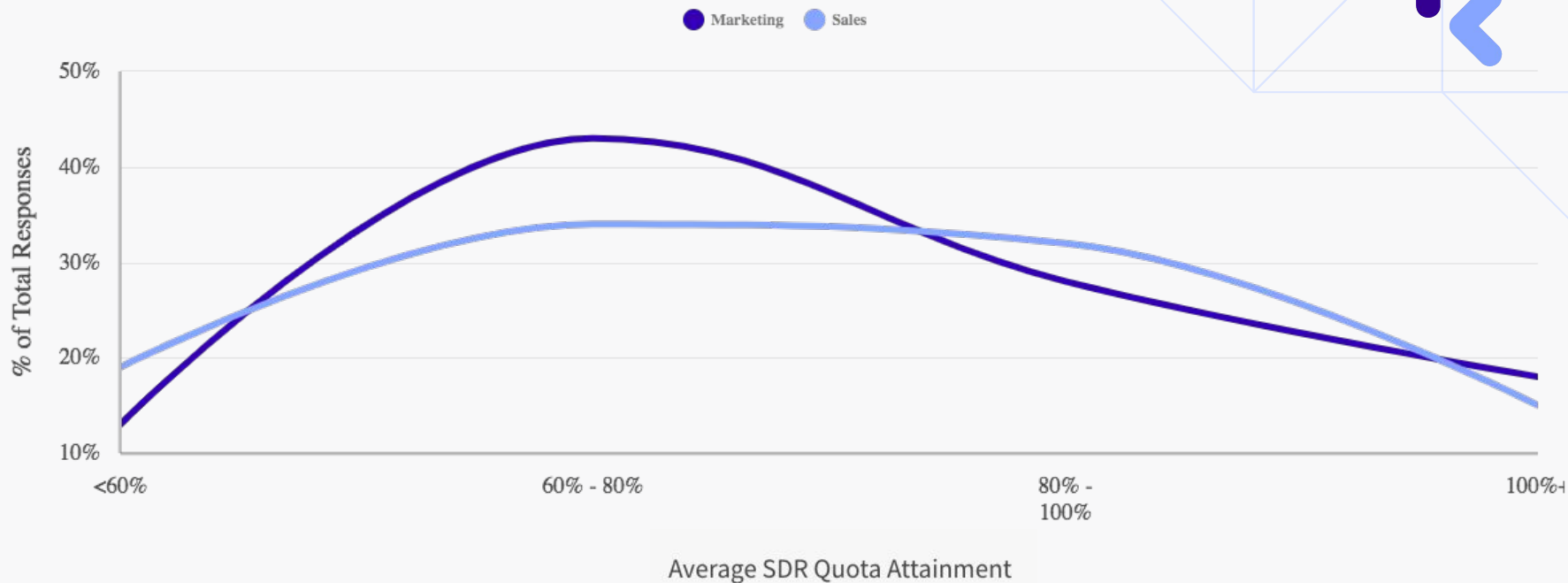
High performing teams view channel effectiveness differently than low performers.

SDR teams that rely on cold calling are hitting quota more often.

Companies that are relying on email are missing quota more often.



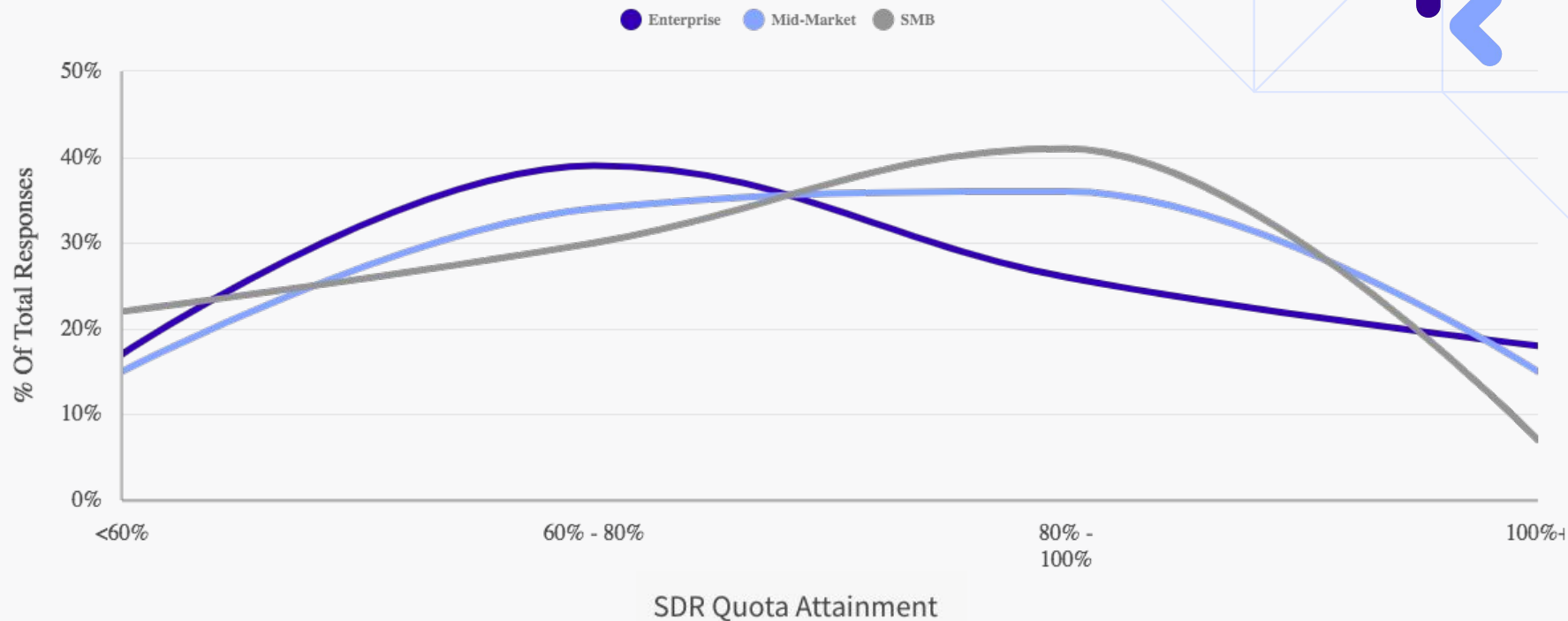
Tighter ratios at companies with smaller ACVs require more volume from SDRs to keep AE funnels filled



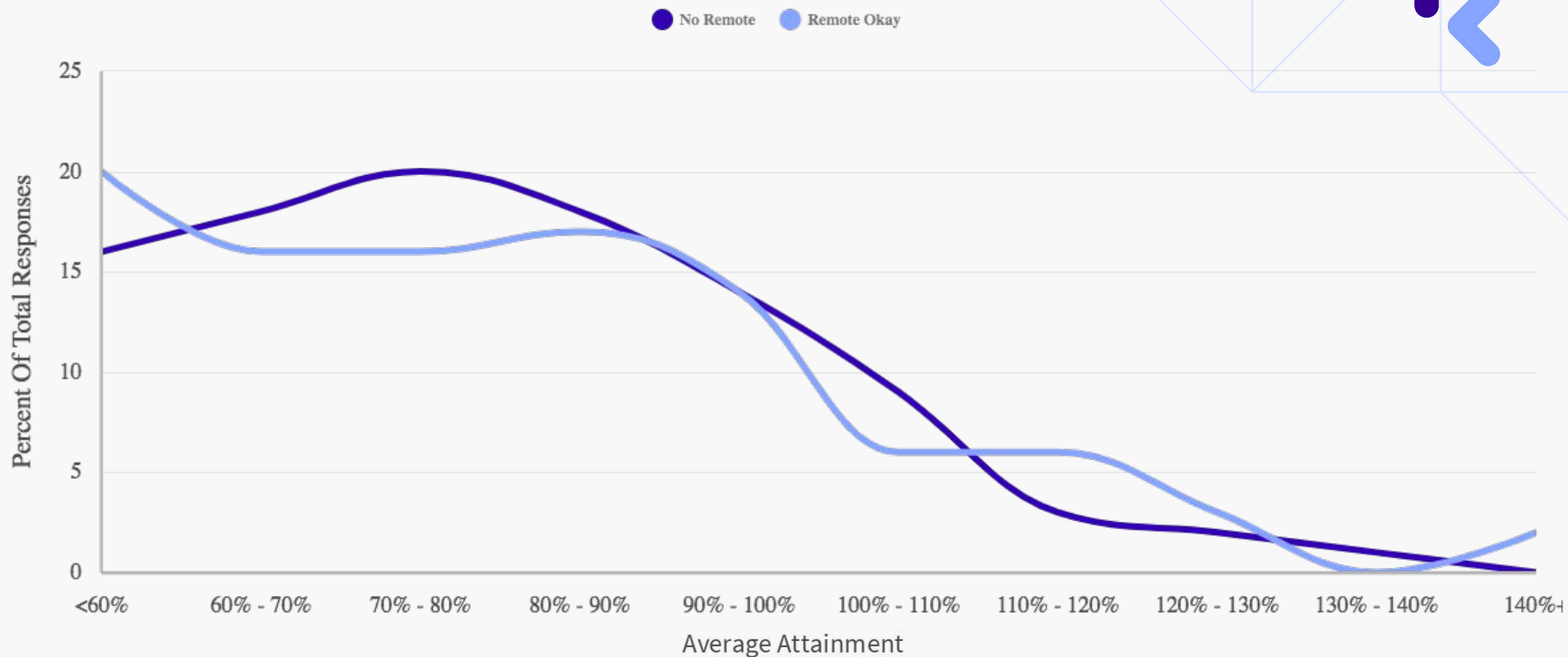
Reporting structure does not have a significant impact on quota attainment.

SDR teams reporting to Sales with >80% Quota Attainment: 47%

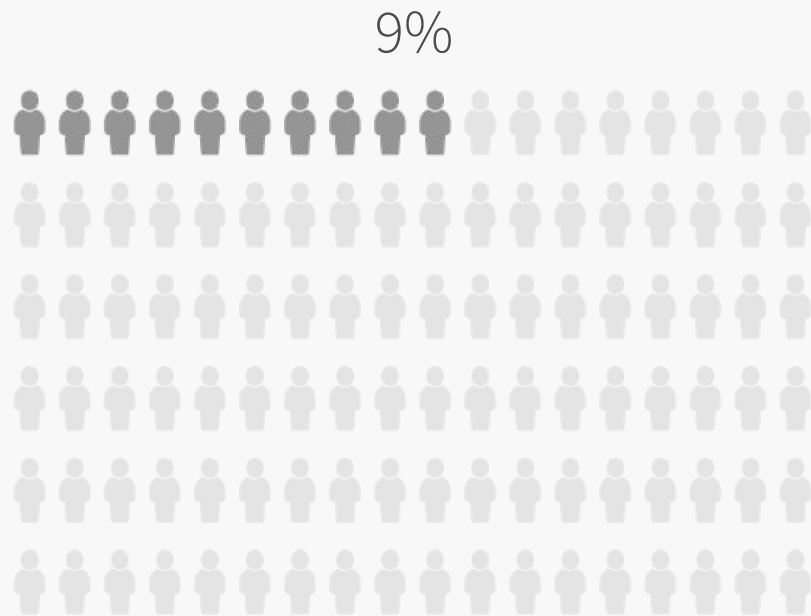
SDR teams reporting to Marketing with >80% Quota Attainment: 45%



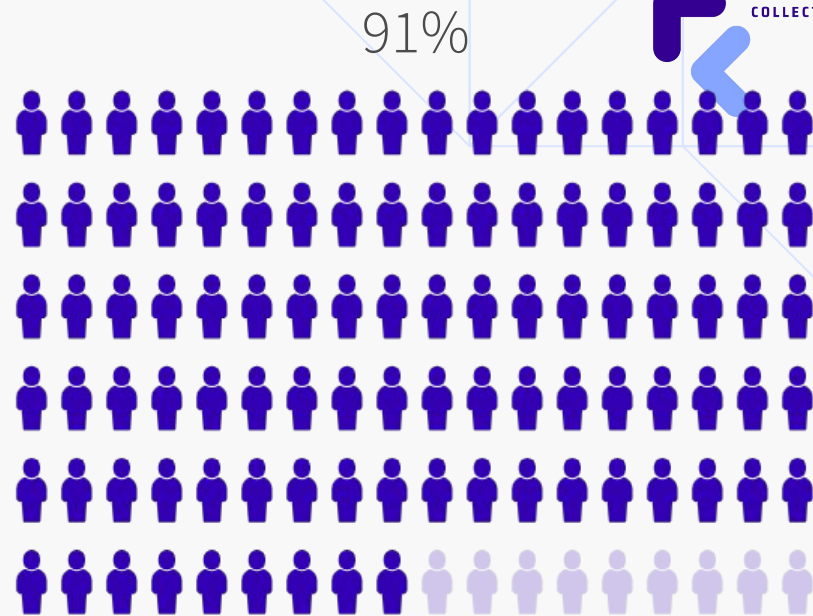
Companies targeting the SMB segment see better quota attainment for SDRs; Enterprise is at the rear



Remote work does not seem to have a major impact on quota attainment

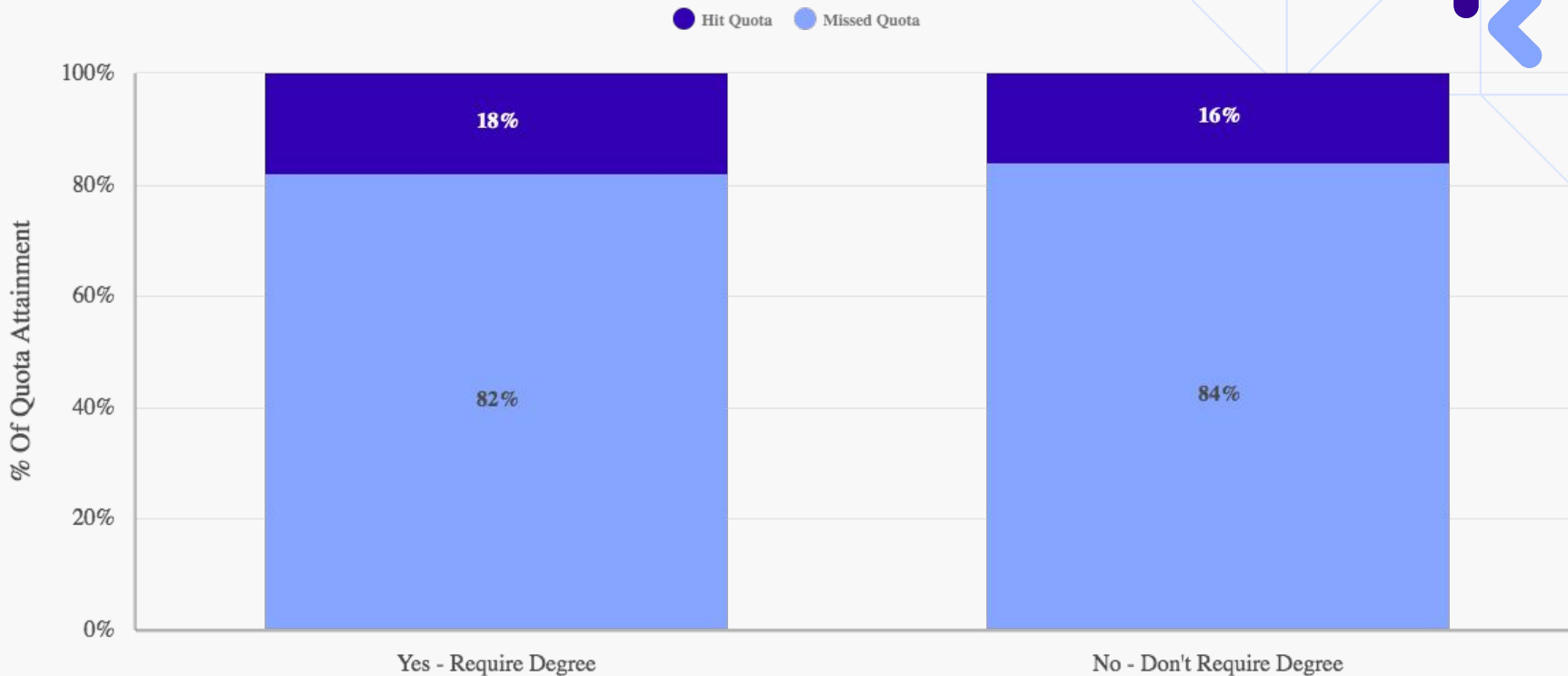


Require No Experience



Require *Some* Experience

Experience does appear to play a role in SDR success.
Of every company that hit quota, 91% required at least some relative work experience.
Only 9% that hit quota didn't require any previous experience.

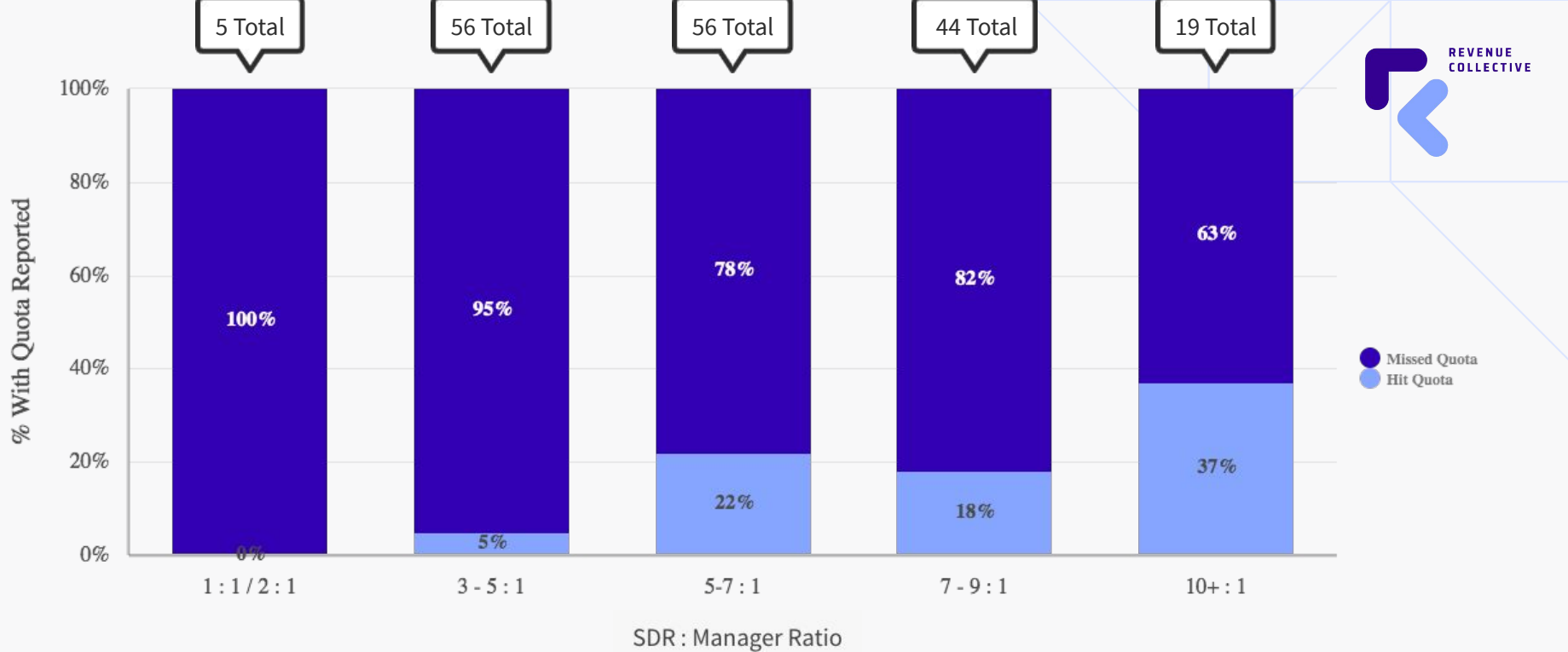


Requiring a college degree doesn't have a significant impact on SDR performance

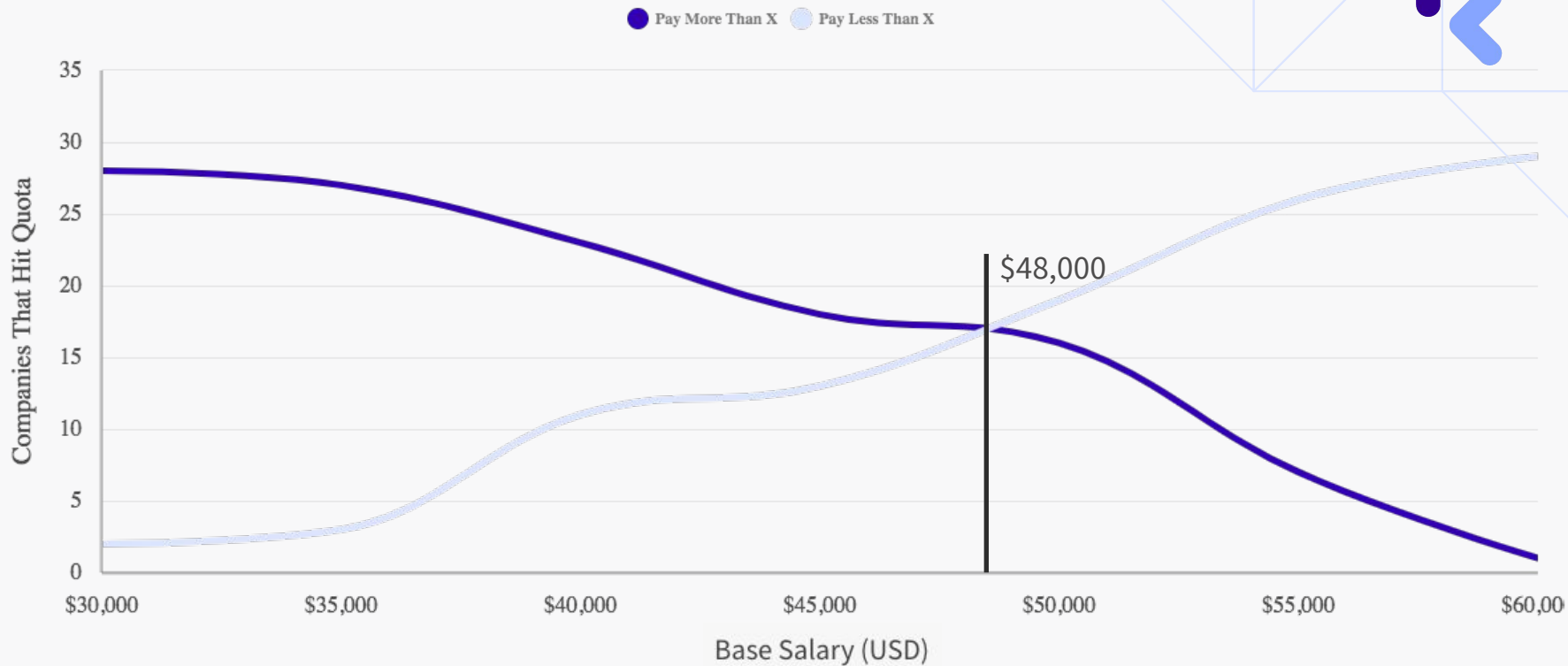


Location didn't have a major impact on quota attainment.

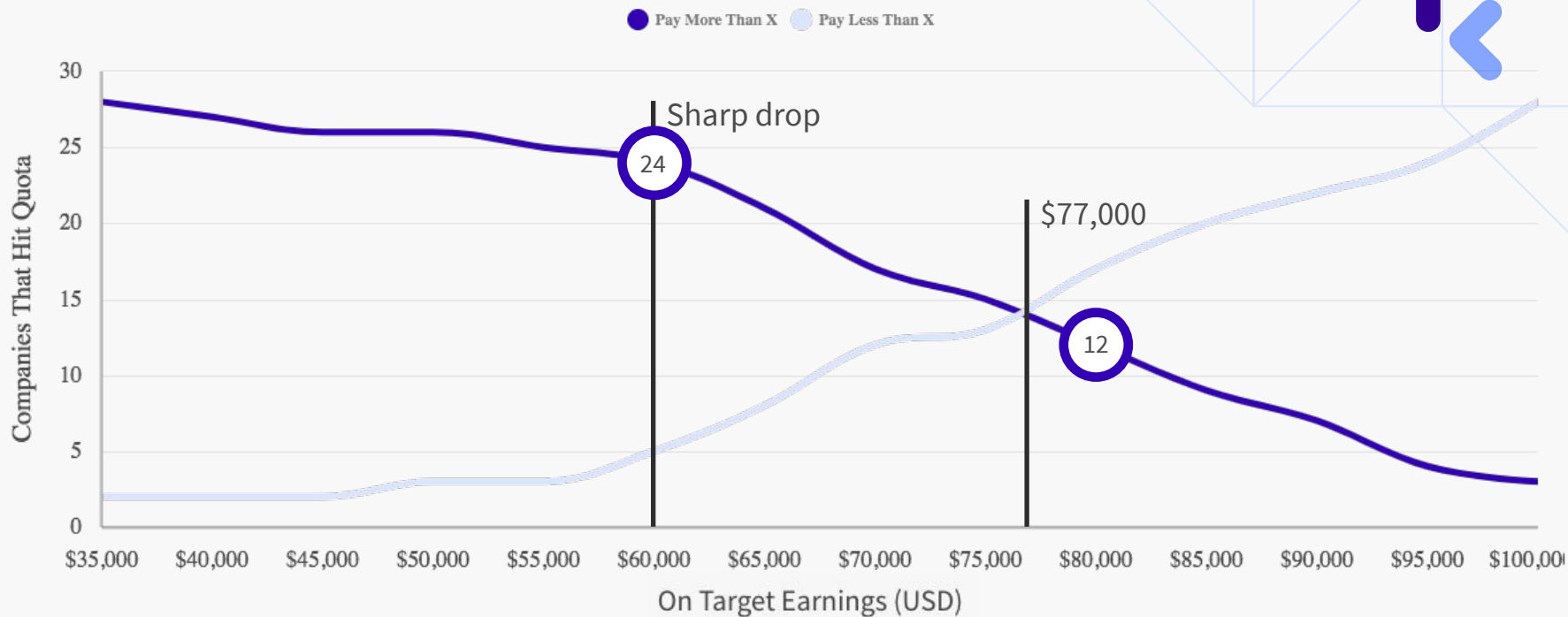
Companies in EMEA - Tier 1 had the lowest performance by sample size.



Teams with a 5:1 or higher SDR:Manager ratio consistently performed above average. With the same sample size, teams with a 5-7:1 ratio outperformed 3-5:1 ratio teams by 4x



A \$48,000 base salary seems to be the sweet spot for SDR performance.



Between \$60,000 and \$77,000 OTE seems to be the sweet spot for SDR performance.

2x as many companies hit quota at \$60,000 OTE than at \$80,000 OTE



Thank You