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2024 B2B Sales & Marketing Benchmark Report

December 2024

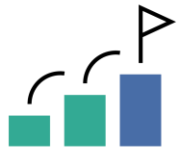


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Background & methodology of survey

Rapidly changing market conditions should be considered when reviewing this benchmarking data. This report is intended to be point of reference and should not be taken as recommendations or legal advice.



Audience

This 2nd annual Sales & Marketing Benchmark survey was fielded during Aug-Sep of 2024 to Norwest's active portfolio companies based in North America and Israel, along with North American based VC- & PE-backed companies sourced through our 3rd party market research firm and partners.



Focus Areas

The survey measures reported benchmarks around marketing and sales budgets, team sizes, team reporting structures, GTM performance and program priorities.



Respondents

80 sales and marketing leaders from Norwest portfolio companies participated in our survey, plus an additional 115 sales and marketing leaders sourced through 3rd parties, representing a cross-section of stages and sizes from firms focused on reaching B2B buyers.

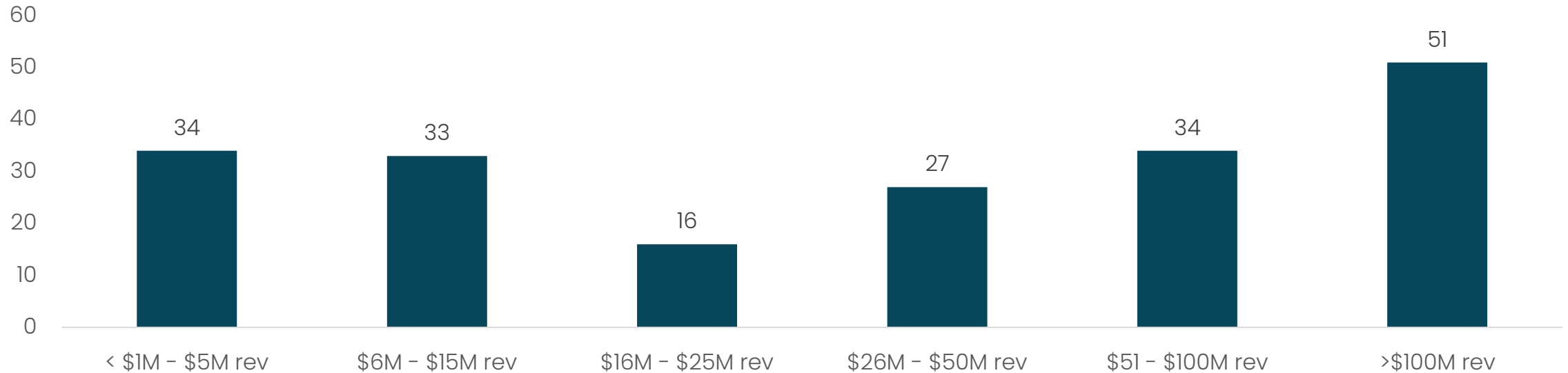


Questions about the survey or the results? Please email rcohen@nvp.com

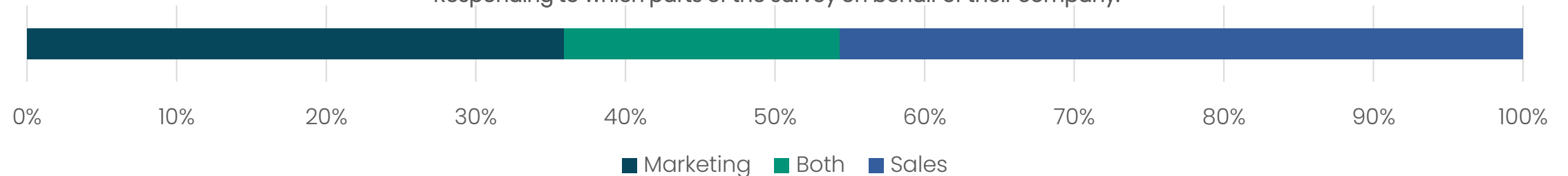
Respondent characteristics summary

Responses

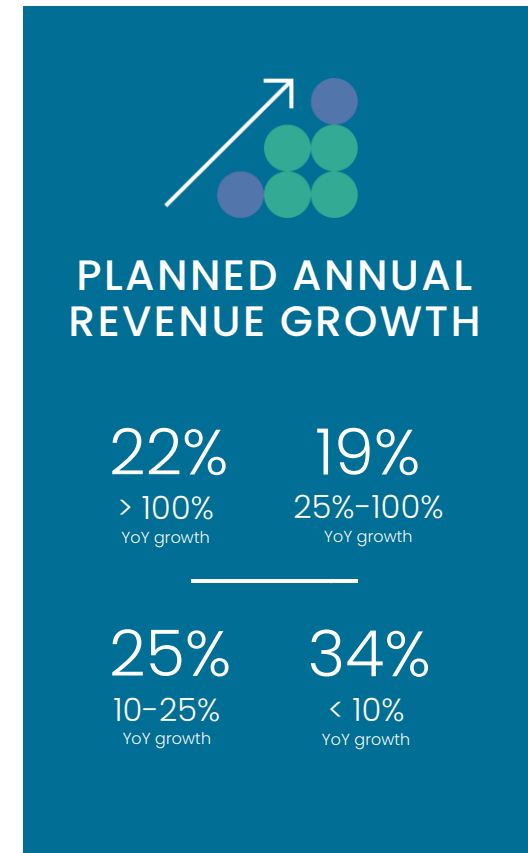
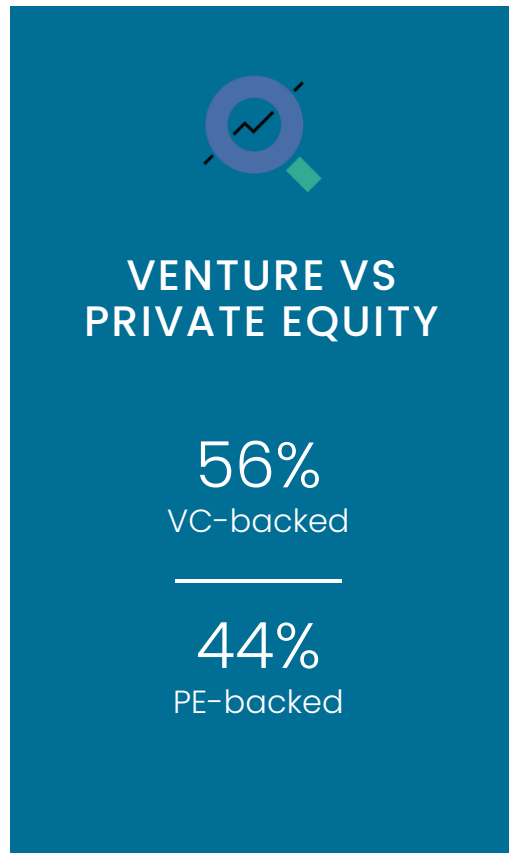
195 Total Sales & Marketing Leaders From VC- and PE-Backed Companies



Responding to which parts of the survey on behalf of their company:



Respondent characteristics



Respondent characteristics detail

What is your title?	%
CRO	16%
VP of Sales	15%
VP of Marketing	14%
Head of Sales	14%
Head of Marketing	12%
CMO	11%
CEO	8%
CFO / Finance Leader	3%
Other	7%

Revenue	%
<\$5 million	17%
\$5 million - \$15 million	17%
>\$15 million - \$25 million	8%
>\$25 million - \$50 million	14%
>\$50 million - \$100 million	17%
>\$100M	26%

Average Sales Cycle	%
Under 3 months	6%
3 months to 6 months	33%
7 months to 12 months	39%
Longer than 12 months	22%

Number of Employees	%
1 to 50	12%
51 to 100	22%
101 to 150	13%
151 to 200	15%
201 to 250	6%
>250	31%

Functions sold to	%
IT / Security	46%
Finance / Operations	39%
Marketing	35%
Sales	31%
Product	29%
Developers	28%
Customer Success / Customer Service	27%
HR / L&D / Talent	26%
DevOps	23%
Legal	10%
Other	11%

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Key Takeaways

2024 B2B Sales & Marketing Benchmark Survey



Doing With Less— Some Marketing Teams Working with Budgets Reduced as Much as 50% YoY

Marketing budgets have come down year-over-year. (Page 33)

Companies between \$25-\$100M in revenue took the largest hit, with 43-51% fewer marketing dollars in their budgets in 2024 compared to amounts reported in 2023. Much of this decrease is in program spend vs headcount.

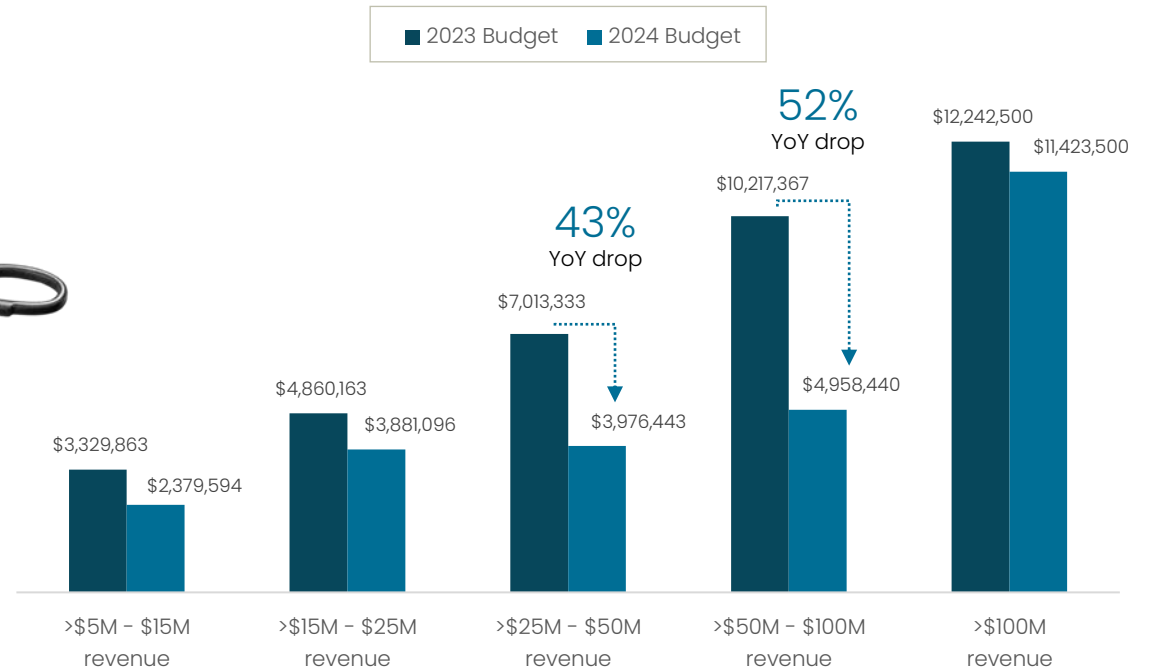
Earlier stage and later stage budgets have come down, as well, but at a more modest 7% reduction in later stage orgs (>\$100M revenue) and 20-29% reduction in earlier stage orgs (\$5-\$25M revenue).



OUR TAKE

The funding and exit environment for start-ups and growth-stage companies has led to a shift away from the “growth at all costs” playbook. We found companies in the \$25-\$100M revenue cohort also reported planning for decreased growth year-over-year. In 2023, 38% of the companies at that revenue range were planning to grow >50% year-over-year. This year only 9% of those companies are planning for that type of growth.

The pullback on spend—combined with slower growth expectations—suggest that companies are focusing on operational efficiency and controlling expenses to achieve profitability, which will maximize their options for raising future capital.



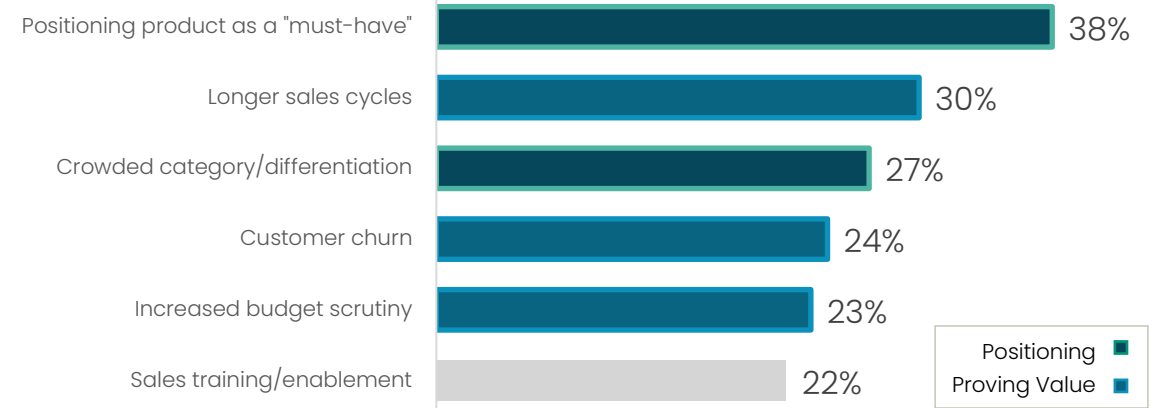
Top Challenges GTM Reported in 2024— *Product Positioning and Proving Value*



We asked sales & marketing leaders to select their top 3 challenges from a list ranging from rising media costs, reduced team sizes, lead quality, sales training, compensation, and more. ([Page 50](#)) Leaders were most concerned with their ability to tell a credible value story, stating their top challenges as positioning product as a “must have” and competitive differentiation, along with increased budget scrutiny and customer churn.

What would you describe as your company’s top three biggest challenges impacting GTM and revenue growth in 2024?

Top 6 Most Reported



OUR TAKE

To capture share of wallet, marketing and sales leaders need to know their buyers intimately and articulate the value drivers that matter for their customers. The pain you’re solving has to be real, and solving it needs to be urgent for the buyer.

In 2025, we expect to see companies invest more in the following:

- Marketing and RevOps teams leading deeper ICP research and analysis
- Product, marketing, and sales leaders spending more time with customers, prioritizing a roadmap that leads to quick time-to-value
- Marketing investing more in messaging as well as creating more social proof with customer stories, user communities, and social content
- Sales training to better uncover pain and tie into strategic initiatives

PE-backed Companies are Increasing Revenue Targets More Than VC-backed Companies

PE-backed companies have been more optimistic about achieving their revenue targets with 60% reporting they've reforecasted an increase, and only 8% decreased their forecasted revenue. [\(Page 64\)](#)

When looking closer at this trend, we found under \$100M revenue, venture-backed companies were much less likely to increase their revenue target compared to PE-backed orgs. VC-backed orgs under \$25M revenue were also significantly more likely to decrease their target.

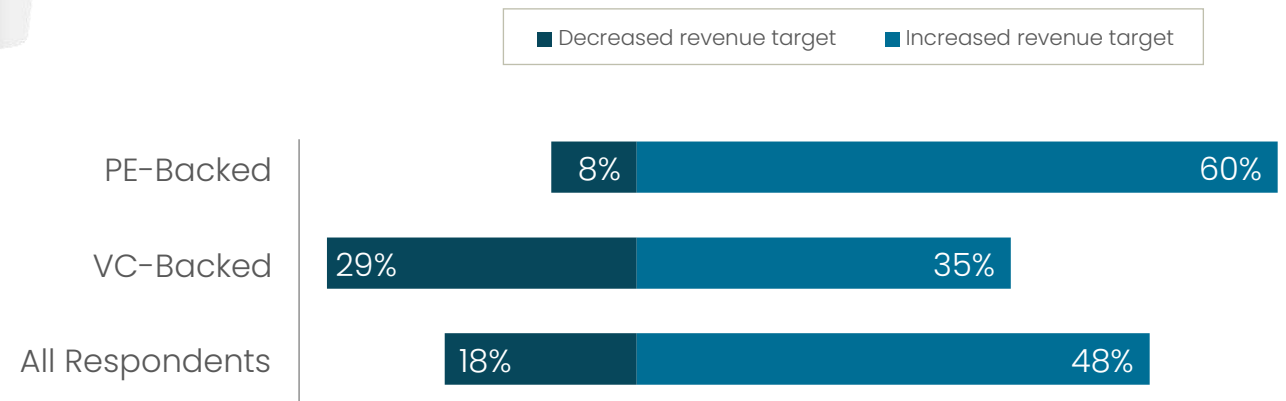


OUR TAKE

When comparing companies >\$100M revenue, there was not much difference between VC- and PE-backed reforecasting trends. Under \$100M, we see much less certainty in VC-backed orgs—compared to PE-backed counterparts—on their ability to hit more aggressive revenue targets.

This may be a reflection of two separate economic trends: Since PE-backed firms and all companies >\$100M are more likely to increase their revenue targets, this may indicate that B2B buyers overall are gaining confidence and opening up their wallets. However, with uncertainty in the VC funding environment, earlier stage VC-backed orgs may have less access to capital for investment in growth, resulting in their adjustments, despite buyer readiness improving.

In the last 12 months, have you made any material reforecasting of your organization's revenue target?

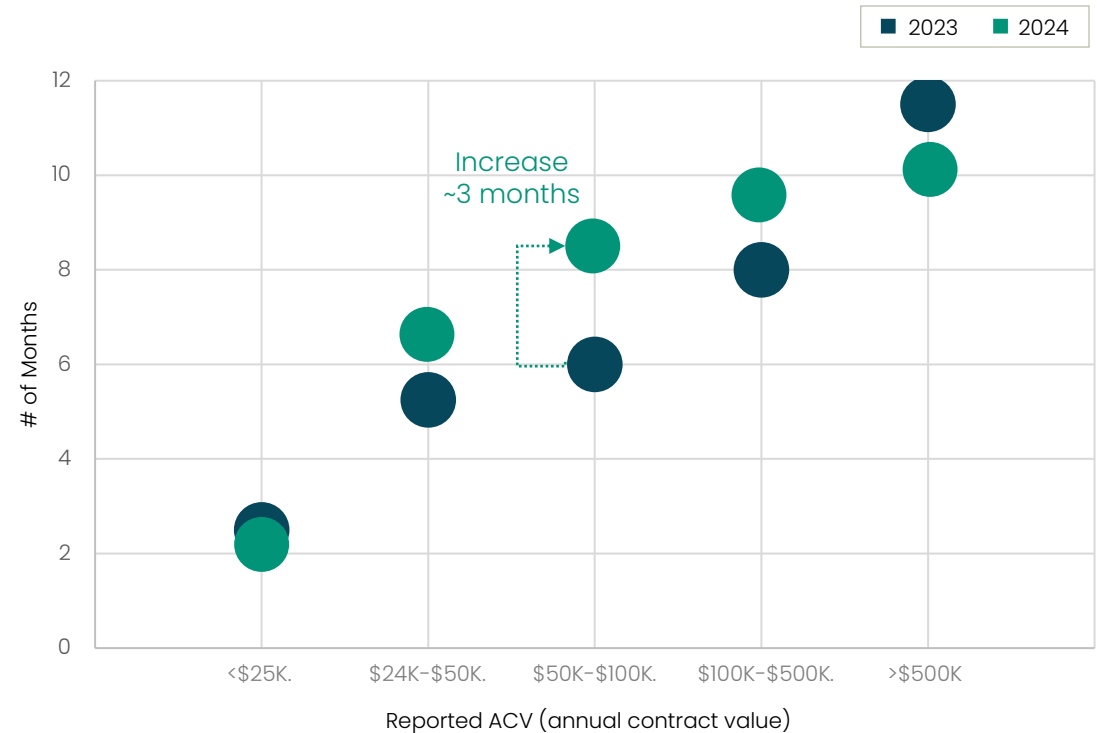


Mid-Market Priced Products \$50-\$100K ACV are Seeing the Greatest Pressure on Deal Velocity



Most segments have seen a continued increase in the length of sales cycles year-over-year, regardless of whether they sell up- or down-market. [\(Page 53\)](#) Companies with reported ACV of \$50-\$100K saw the most pressure on length of sale, reporting in 2024 that it takes nearly 9 months to close a deal, which is 3 more months than was reported in 2023.

What is your company's average sales length?



OUR TAKE

Mid-market sized deals are taking nearly as long to close as Enterprise deals. As CEOs and their GTM teams evaluate moving up or down market, they should expect sluggish confidence with mid-market buyers. Build this 9- to 10-month deal velocity assumption into your forecast model and your resource planning if your ACV is >\$50K.

Improving deal velocity brings us back to positioning and urgency. Sellers must be able to tie the product to a strategic and acute problem that buyers need to solve. And product needs to deliver on the capabilities that will pay that off.

Specialized Renewals Team on the Rise as Companies Prioritize Net Revenue Retention

In 2024, 19% fewer sales leaders reported the customer success org is responsible for renewals. Most of the shift is moving toward a dedicated renewals team. (Page 67) As customer churn was a top challenge for sales and marketing leaders, this shift indicates leaders expect that the specialized focus can improve retention.

A separate question in the survey asked about programs in place to improve customer retention and expansion. (Page 66) Over half report using two or fewer programmatic tactics.

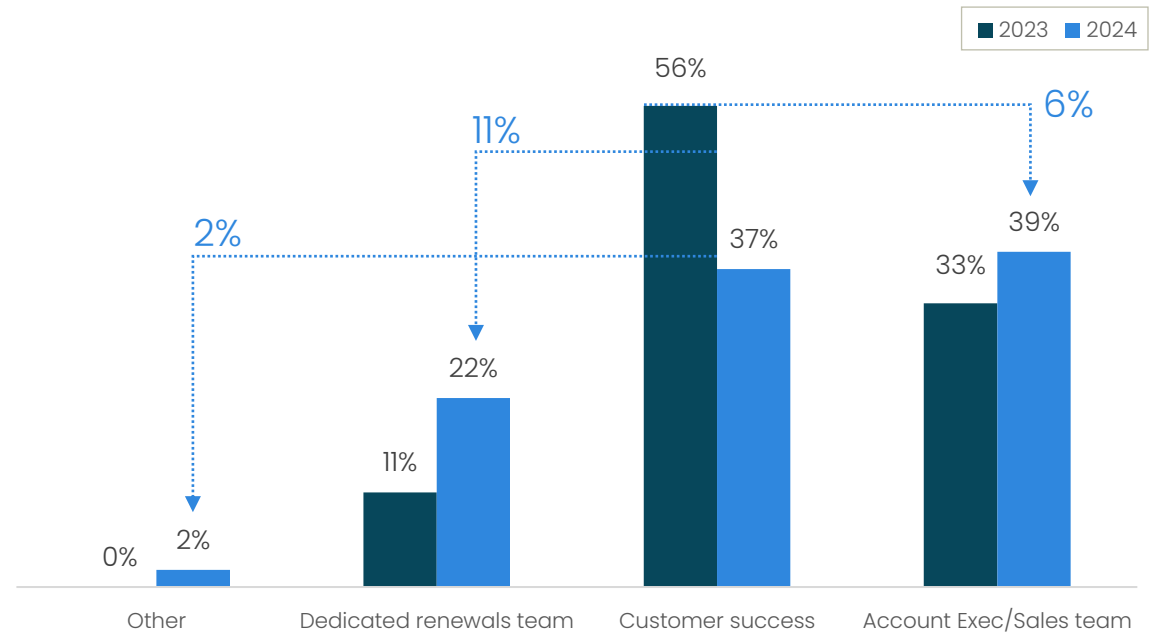


OUR TAKE

With renewal responsibilities shifting to dedicated teams or AEs, the customer success org should prioritize becoming the best internal subject matter experts on your ICP and your product value, working with product, sales, and marketing to improve the value story by amplifying the voice of your customers.

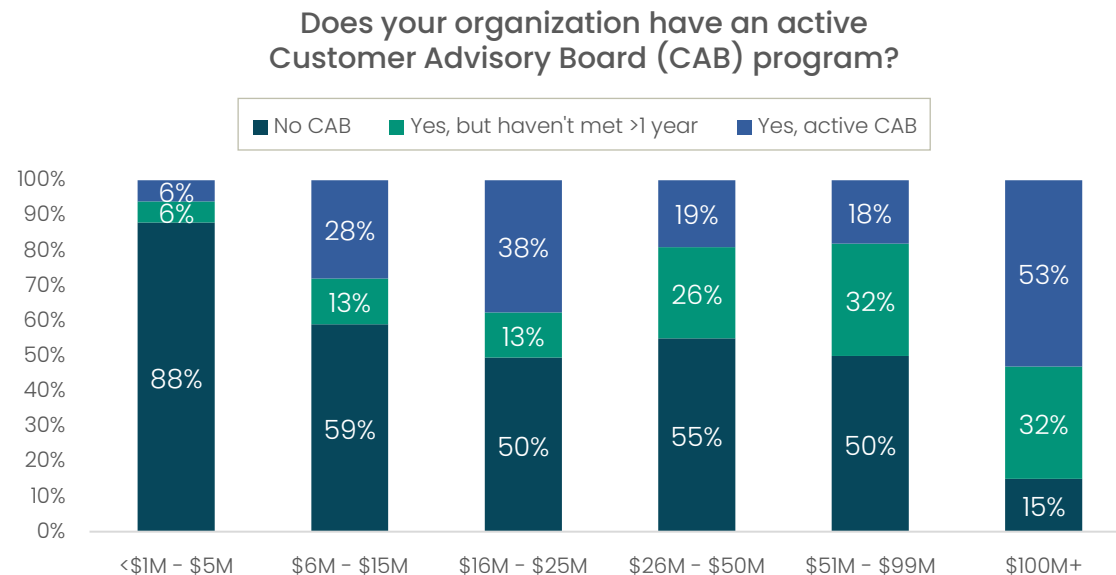
Companies that have an increased focus on improving net revenue retention may also want to look beyond specialization to integrated programs that support retention and expansion goals. CEOs/COOs leading goal setting in 2025 should set a shared NRR goal for the entire revenue function. This will ensure that their leaders prioritize integrated customer retention/expansion programs (user groups, cross-sell campaigns, etc.).

Who is responsible for renewals?



Companies Experiment with a CAB as They Approach \$10M Revenue But Let Program Lapse Between \$25-\$100M

We asked marketing and sales leaders if they have an active customer advisory board (CAB). As companies approach product-market fit, about a third or more launch a CAB program (Page 68). Once companies are greater than \$25M in revenue, the CAB appears to be put on the back burner, possibly to give R&D teams time to deliver on the roadmap; due to lack of a mandate for ownership; and/or as a cost-cutting measure in the cohorts where we've seen the most pull-back on spend.



OUR TAKE

Most companies under \$100M in revenue are operating without any formal customer advisory board. Companies seeking to improve net revenue retention—and improve their value-based messaging—should consider formalizing which customers they meet with and when.

Bringing your most engaged customers together can make the entire GTM function more impactful as you:

- Inform product strategy, adding context to issues that may impact retention and shine a light on opportunities for growth
- Create powerful “social proof” in marketing with customers (speaking engagements, videos, awards, case studies)
- Improve positioning and messaging

Product Marketing is the Top Skill in Demand for Marketing Teams in 2025



Over a third of marketing leaders will be opening headcount for product marketing in the coming year. (Page 31) The skills in lowest demand include marketing ops (20% planning to hire), content (19%), customer marketing (16%), partner marketing (14%), PR/comms (11%), and brand/design (11%).

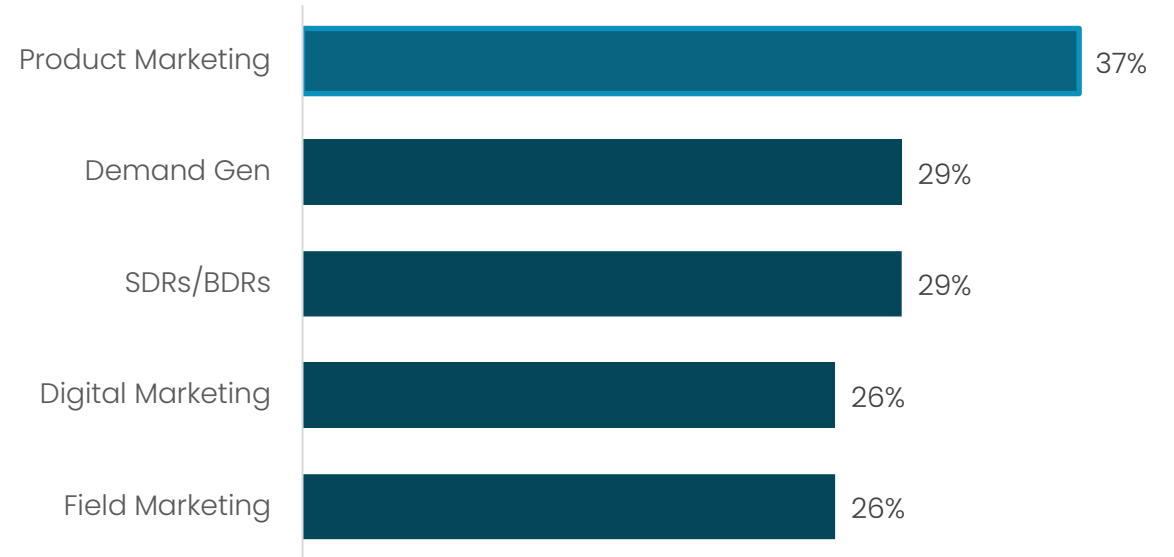
OUR TAKE

Given the top challenges related to positioning, understanding buyer motivations, and crafting a compelling narrative around product value, it's not a surprise to see marketing leaders reporting that product marketing is in highest demand heading into 2025.

As companies have scaled back overall marketing program spend, there's a higher value being placed on nailing the strategy of who you're reaching, getting a more fulsome picture of the ICP, and creating messaging that inspires action.

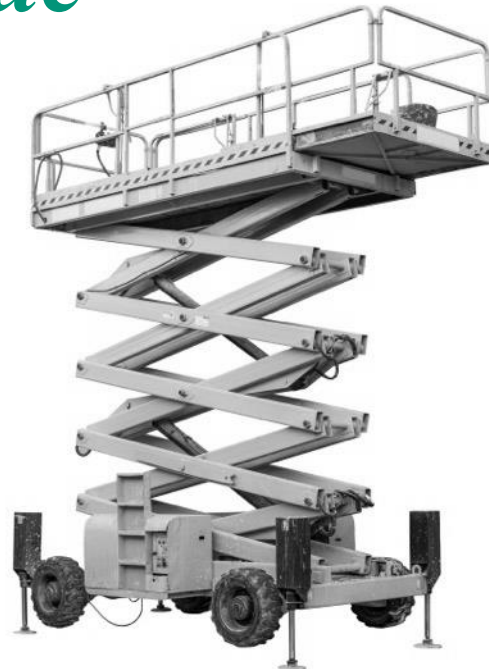
What roles in your marketing team are you planning to hire in the next 12 months?

(Check all that apply.)
Showing top 5 roles.

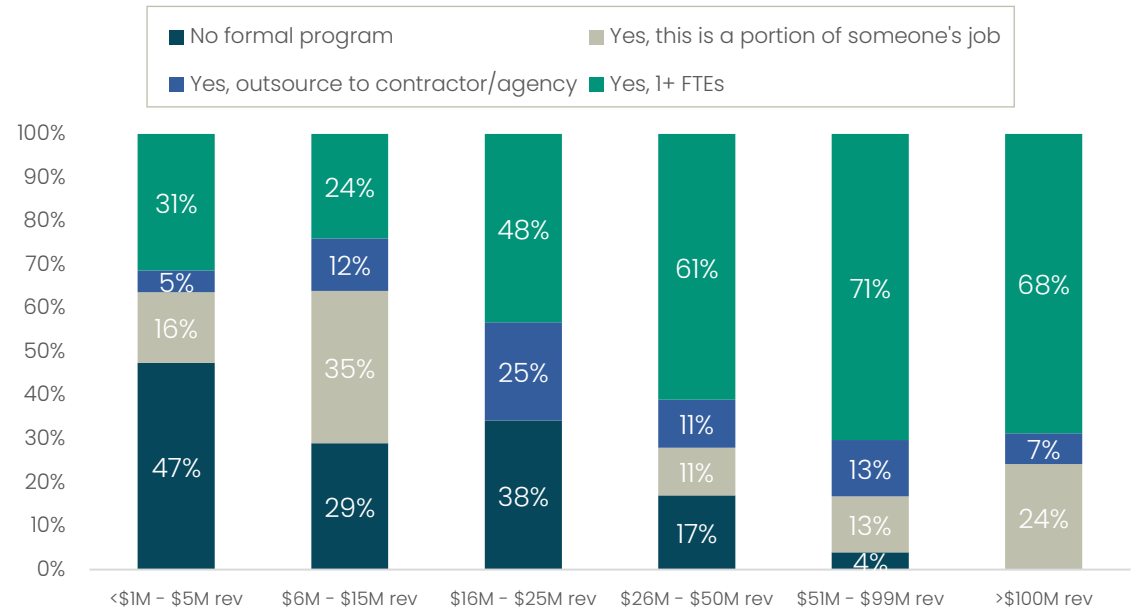


Over 70% of Companies Invest in *Dedicated Sales Enablement* >\$15M Revenue

Whether hiring a dedicated FTE internally or outsourcing to a contractor or agency, over 70% of sales leaders report having a dedicated person or contractor focused on improving their seller performance. (Page 25) After >\$25M in revenue, companies rely less on contractors, with increased staffing to ensure the program has dedicated focus.



Does your company have a sales enablement function?



OUR TAKE

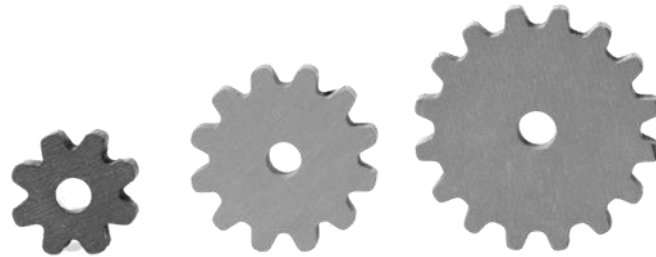
In earlier stage startups, it's business as usual for team members to wear multiple hats. So when sales enablement is a "portion of someone's job," it typically falls to product marketing or the sales leaders themselves.

Once companies start to scale out their sales orgs, a dedicated focus on enablement is critical to creating consistency in approach (improving forecasting accuracy) and elevating individual sellers' performance (improving revenue growth).

For companies under \$25M in revenue reporting that they have no formal program, leaders may want to evaluate the remit of product marketing to build and roll out a formal sales enablement program.

MEDDIC or MEDDPICC are the Winning Sales Methodologies

Followed by Some Companies Using Their Own Process



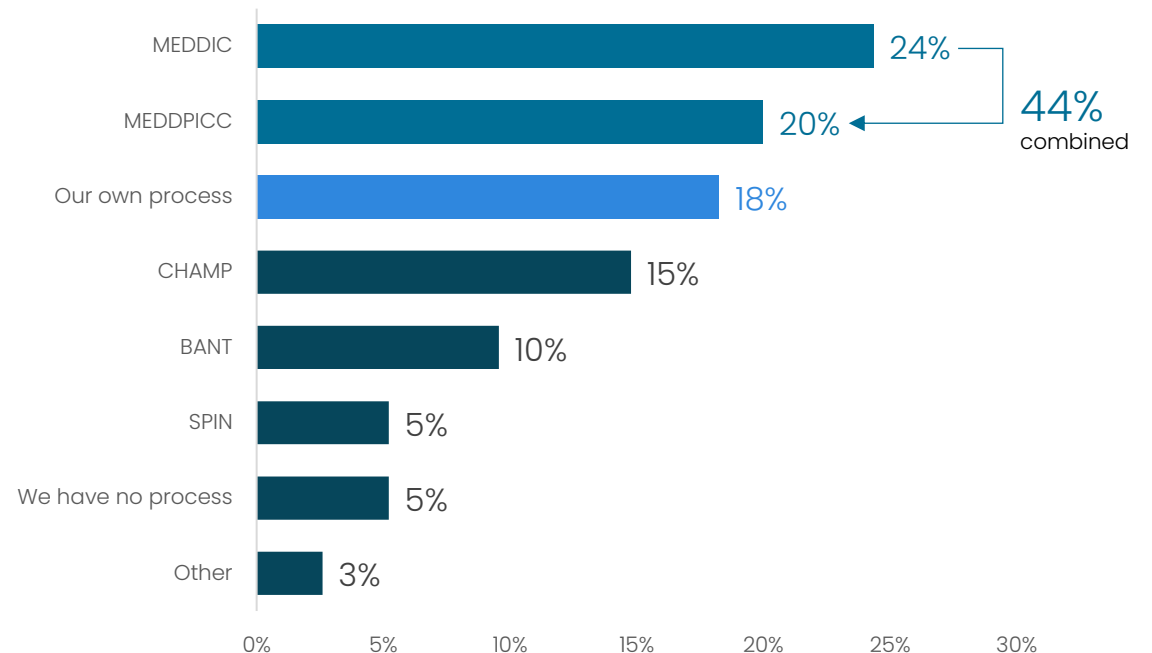
A combined 44% of sales leaders are using either MEDDIC or MEDDPICC as their methodology for deal management and evaluating pipeline health. (Page 59) No other framework comes close, with “own process,” ranking as third most common. Earlier stage companies are more likely to use their own process, with 29% of those \$6–\$15M revenue saying they use their own.

OUR TAKE:

As companies bring more AEs into their org, we often see lumpiness in performance across the sales team. And the reported increase in deal velocity indicates that most organizations would like to see shorten sales cycles. If your org is struggling with this, introducing a leading methodology earlier may create more fidelity in the forecasted pipeline, helping companies avoid surprises with deal slippage.

Screening for MEDDIC/MEDDPICC experience when hiring (or outsourcing) enablement, RevOps—and even AEs—may help earlier stage companies shift to using a more standard process for deal management and improve forecasting.

What sales methodology does your organization use?



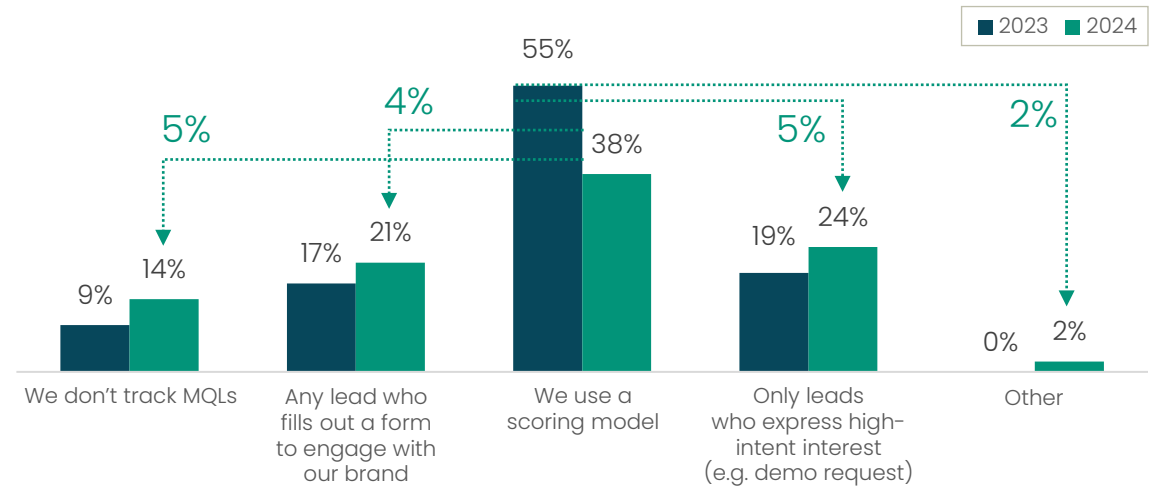
MQL Lead Scoring is Out—But Marketers are Mixed on Role of MQLs in Their Metrics

In 2023, most marketers reported they use a lead score for their MQLs. In 2024, we saw real movement to ditch that approach, with 17% fewer marketers using lead scoring to define MQLs. ([Page 71](#))

Marketers are torn on how to approach this shift. Some have tightened their definition to only include hand-raisers. Others have loosened the definition to include anyone who engages. And others are throwing out the playbook entirely, no longer tracking any MQL definition.



Which statements below best describes how your organization defines a Marketing Qualified Lead (MQL)?

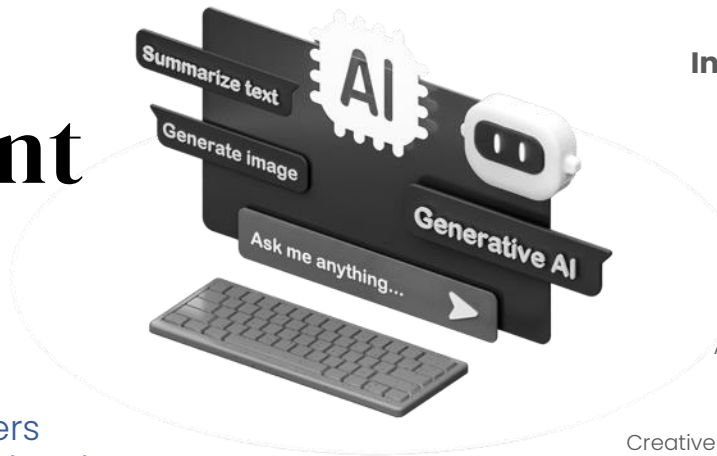


OUR TAKE

MQLs have been the butt of the joke for years. Originally designed as an up-funnel metric to forecast marketing's impact on opportunity creation, "lead scoring" manufactures an arbitrary definition that makes it an unreliable metric as any predictor of revenue. The "scoring models" implemented are so imprecise they often "MQL" any warm body in your ICP who breaths in the same air walking past a tradeshow booth.

As marketers give up lead scoring, revenue and finance teams will need to shift how they create bottoms-up forecasts. Marketing leaders need to communicate how their integrated demand gen and brand awareness plays drive more reliable and predictable leading indicators, like percentage of the ICP that's demonstrated awareness and engagement with the brand and how that's leading to growth in demo requests.

60%+ of Revenue Leaders Report Rapid Adoption of Generative/Agentic AI Within the Next 6 Months—With Use Cases Beyond Content

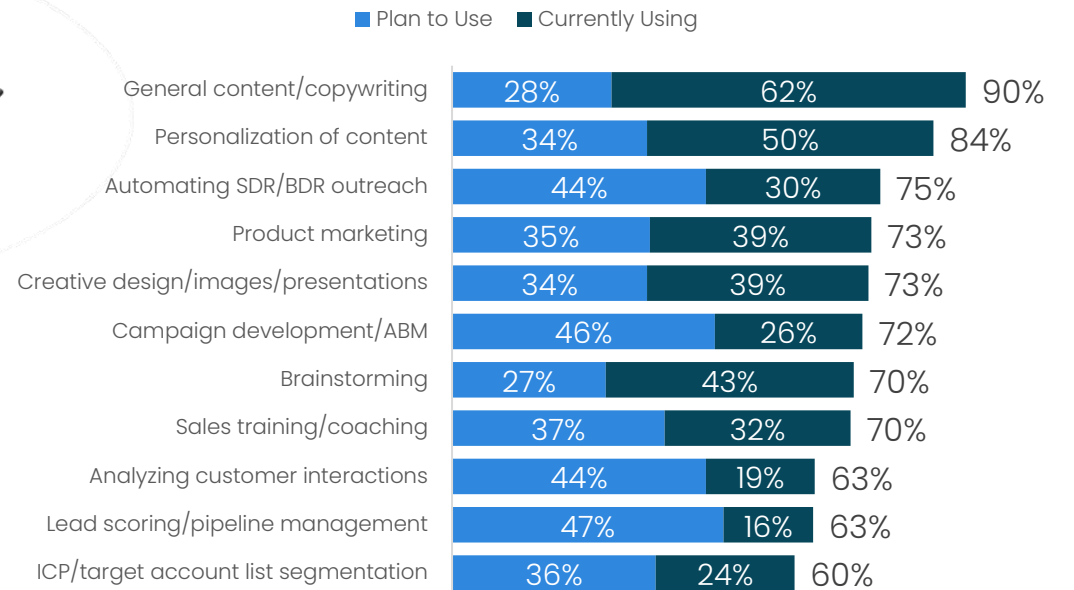


We asked sales and marketing leaders to share which of these 11 use cases they have introduced or plan to introduce for their teams. (Page 51) The most popular applications in current use include copywriting, adapting content to be more personalized, brainstorming, product marketing support, and creative design. Revenue leaders are most eager to apply AI to lead scoring/pipeline management, campaigns/ABM, SDR outreach, and customer behavior analysis.

OUR TAKE:

The tech stack and RevOps workflows will change significantly in the coming 1-2 years. Most leaders report their teams are already using AI for content creation and brainstorming. Now more teams are incorporating AI for analysis of their ICP and the behaviors of their customers and prospects. We will begin to see more precise segmentation with more prescriptive guidance about the content, programs, messages, and channels that convert best for specific segments of buyers. This tailored approach to messaging and personalization will also be adopted internally, with sellers beginning to receive coaching from an AI assistant.

In the next 6 months, are you or your team using Generative AI in any of the following use cases?



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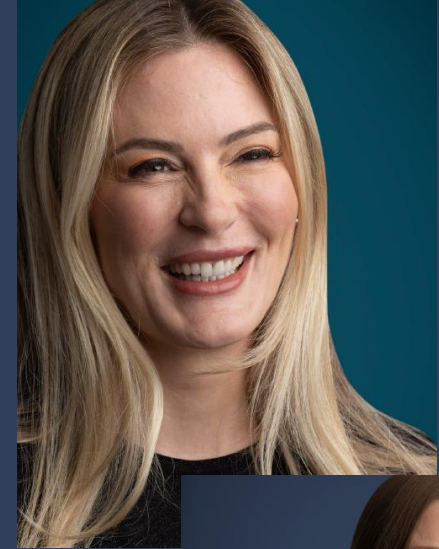
Sales and Marketing Teams & Roles

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Sales teams

Sales and Marketing Teams & Roles



Sales team roles by company revenue

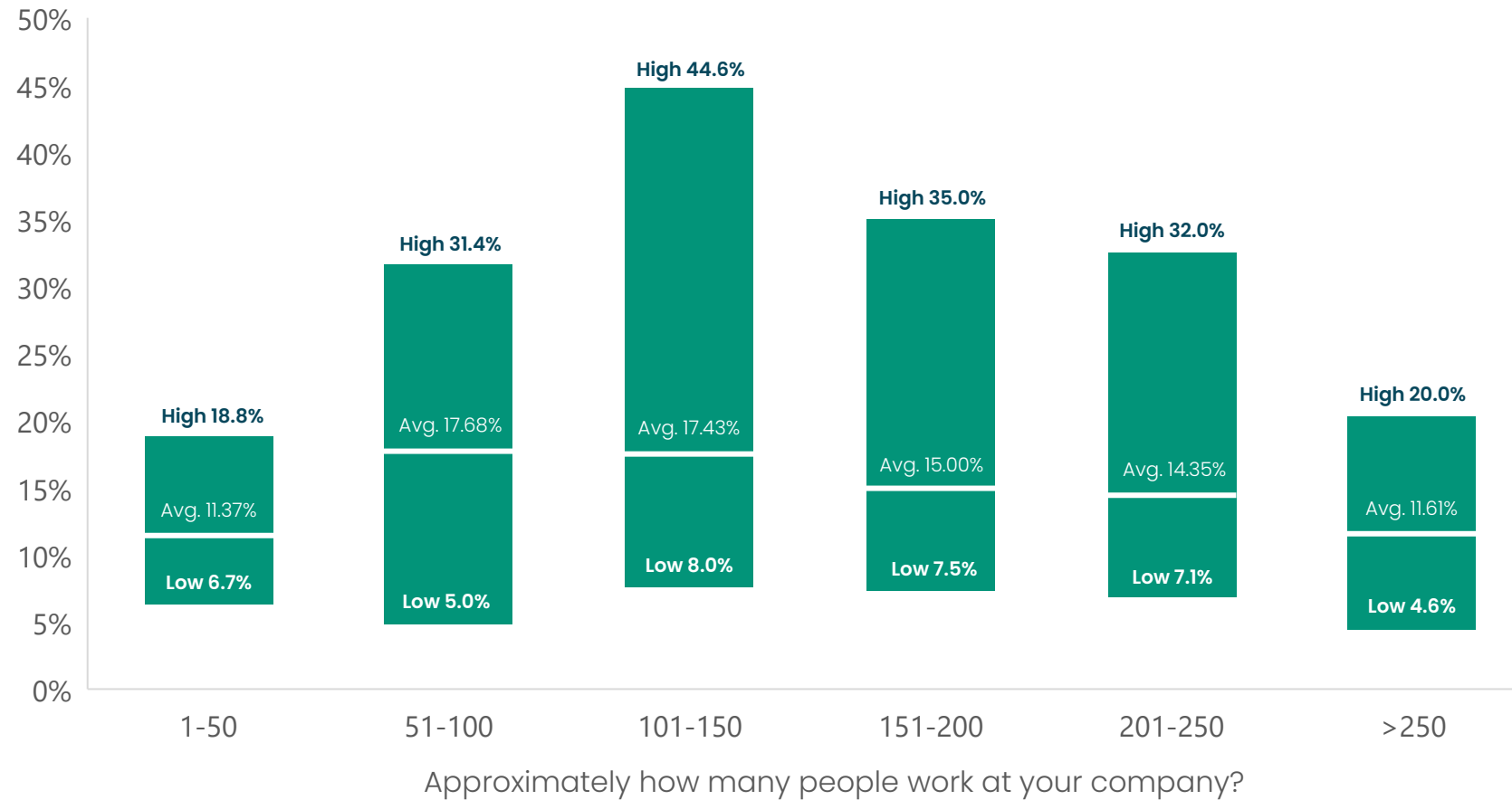
Function	<\$5M rev	\$6M-\$15M	\$16M-\$25M	\$26M-\$50M	\$51M-\$100M	>\$100M rev
CRO/Sales Leader	1	1	1	1	1	1
Account Execs	3	4	6	12	10	16
Sales Engineers	2	2	4	8	5	6
Sales VPs	1	1	1	2	2	3
Sales enablement	0	1	1	2	3	3
Rev. Operations	0	1	1	2	2	2
Deal Desk	0	0	1	1	1	2
SDR/BDR Managers	0	0	1	1	1	2
SDRs/BDRs	1	3	4	4	5	9
Other	0	0	1	2	0	1
TOTAL	8	13	21	35	30	45



Sales teams are getting leaner between \$50-\$100M revenue, consistent with what we're seeing in reduced marketing resourcing in this cohort.

Sales team size as a % of total FTEs

Sales FTEs as a % of total company headcount

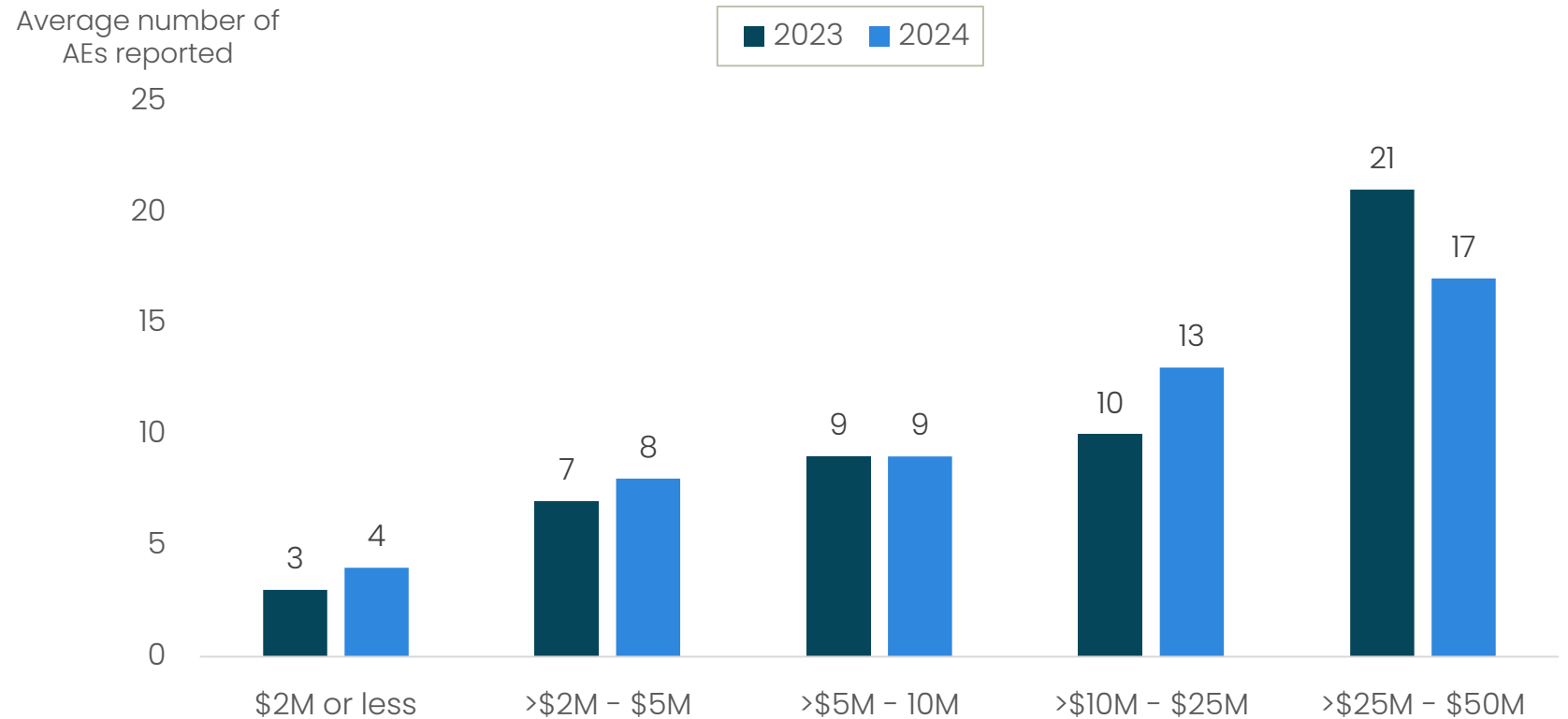


How AEs scale with net new revenue targets

How many full-time employees are in your sales organization by each function?
(Answers provided for # of AEs)



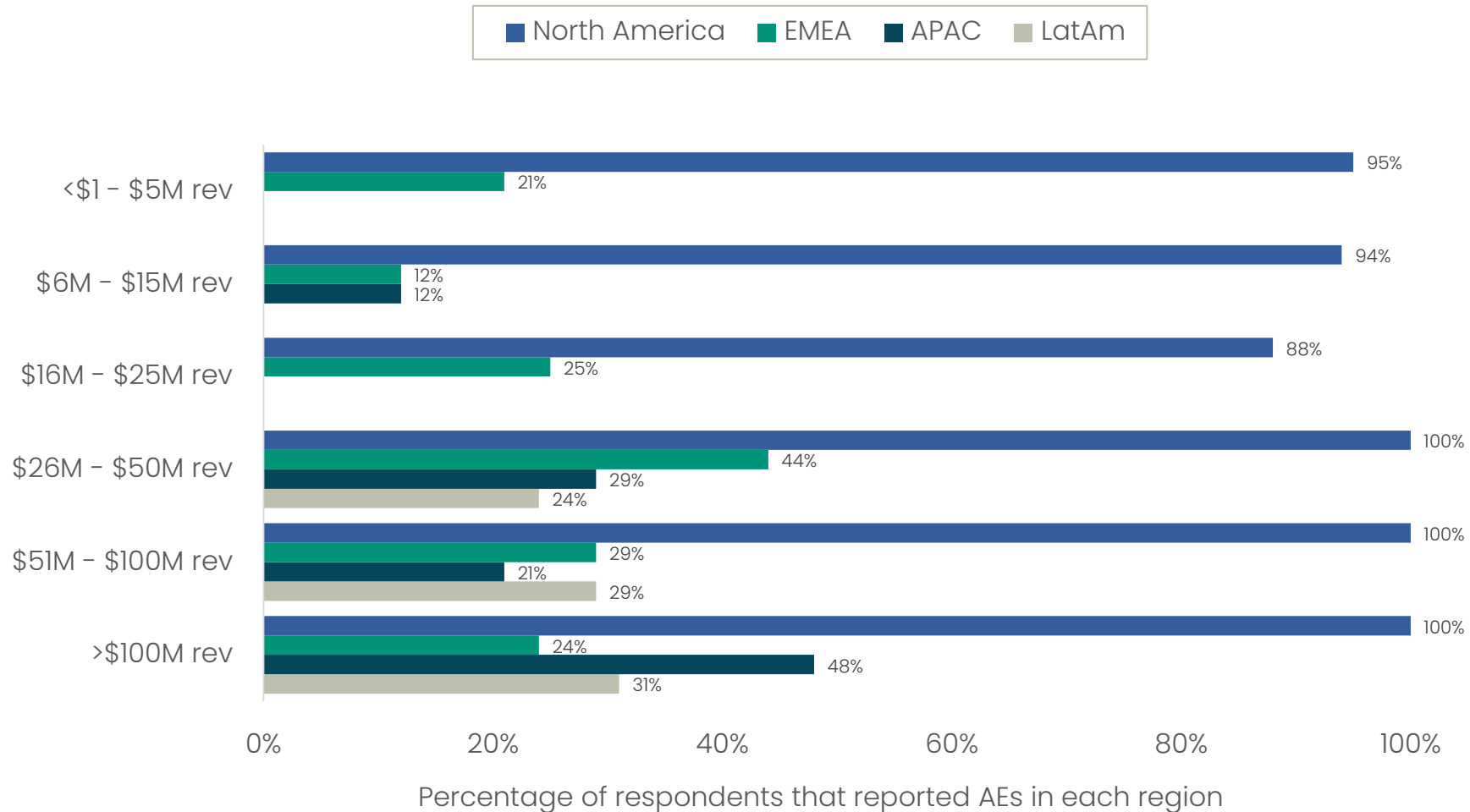
Across the board seeing slightly higher resourcing for number of AEs to achieve revenue targets except for the largest target new ARR range.



What is your NET NEW REVENUE target for your current fiscal year?
(include targets for all incremental new revenue, including expansions, but excluding renewals.)

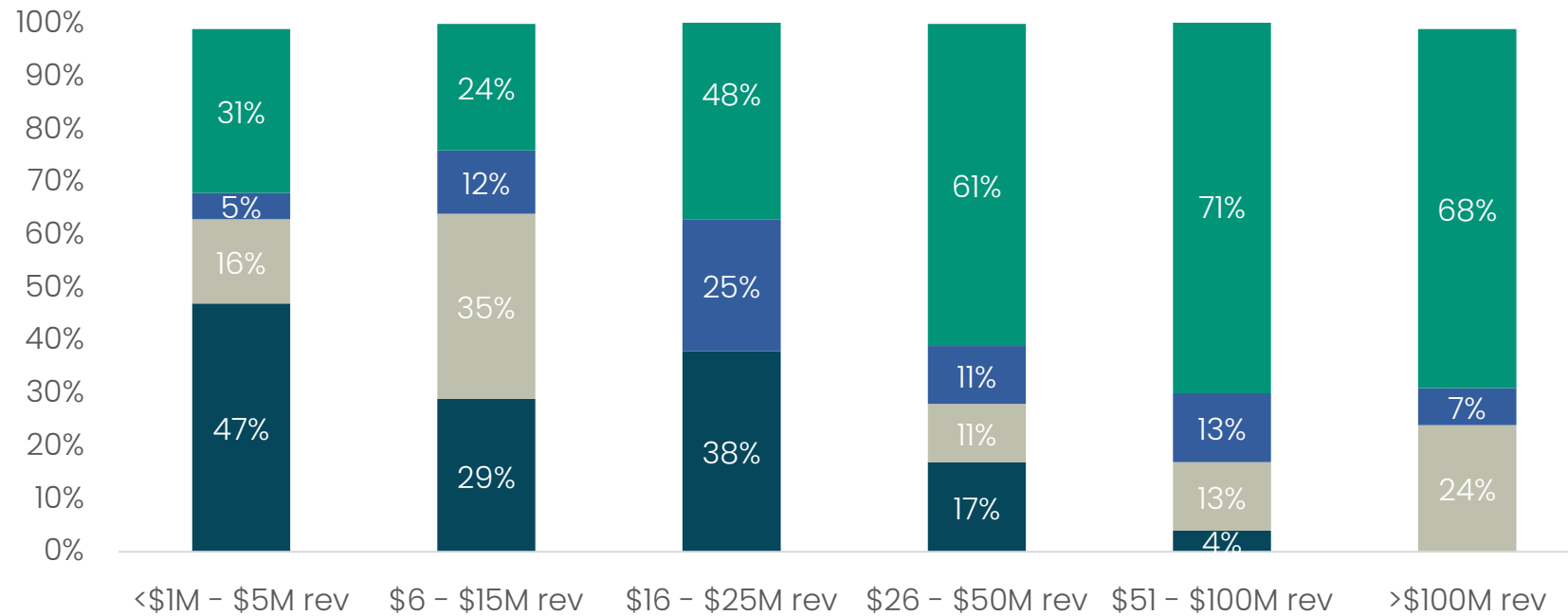
AE geographic theater coverage by company revenue

In what regions do you have Account Executives physically located?



Sales enablement: when and how to resource

Does your company have a sales enablement function?



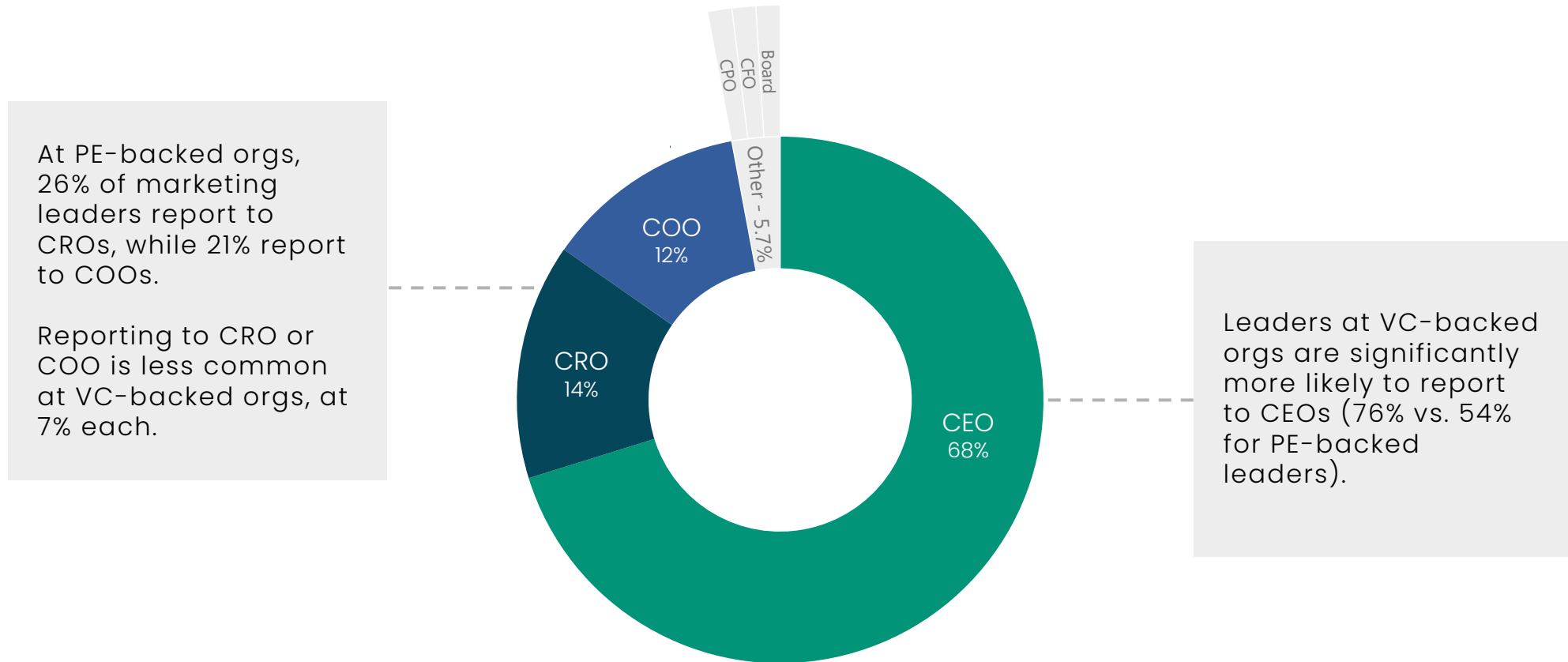
Marketing teams

Sales & Marketing Team Roles



Who marketing leader reports to on avg (VC & PE differ)

[Marketing leader] Who do you report into?



At PE-backed orgs, 26% of marketing leaders report to CROs, while 21% report to COOs.

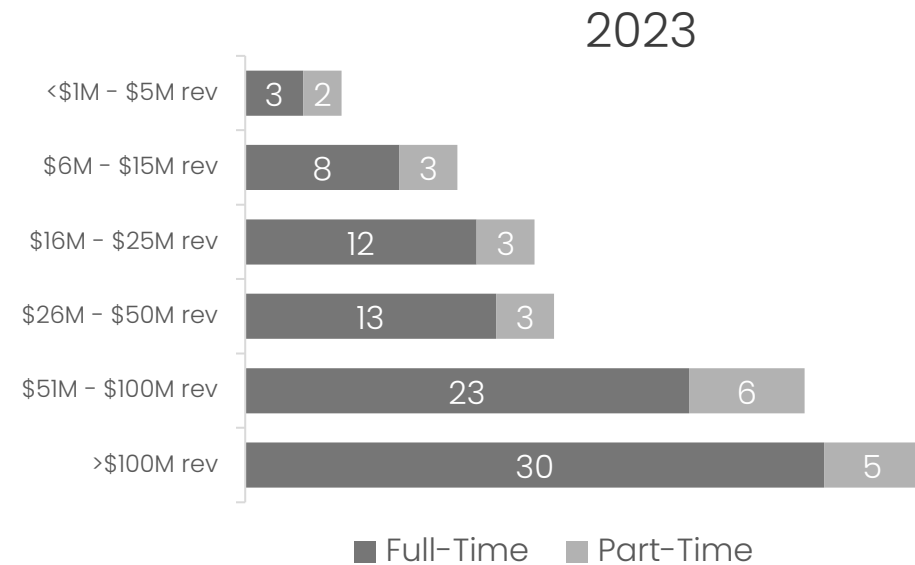
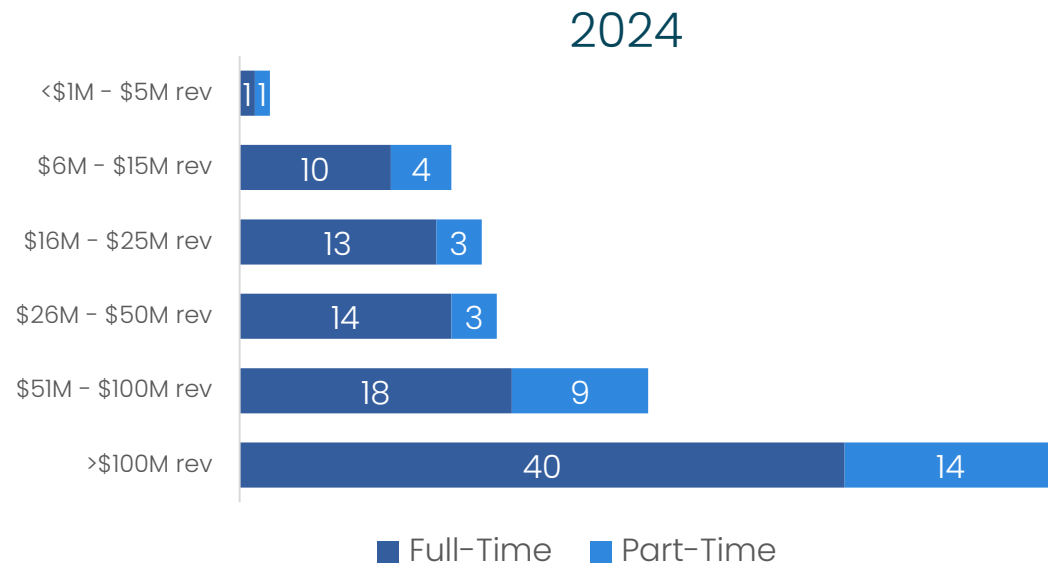
Reporting to CRO or COO is less common at VC-backed orgs, at 7% each.

Leaders at VC-backed orgs are significantly more likely to report to CEOs (76% vs. 54% for PE-backed leaders).

Average marketing team size

How many full-time employees do you have on your marketing team?
How many part-time / contractors do you have in marketing?

(Excludes SDRs/BDRs if reporting to marketing.)



Marketing team roles by company revenue

Function	<\$5M rev	\$6M-\$15M	\$16M-\$25M	\$26M-\$50M	\$51M-\$100M	>\$100M rev
Marketing Leader / CMO	1	1	1	1	1	2
Demand / Field / Digital	0	3	4	4	7	14
Product Mktg / Content	0	3	3	3	2	9
PR / Brand / Design	0	0	2	2	4	4
Customer / Partner	0	2	1	1	2	6
Marketing Ops	0	1	1	1	2	3
Other	0	0	1	2	0	2
TOTAL	1	10	13	14	18	40

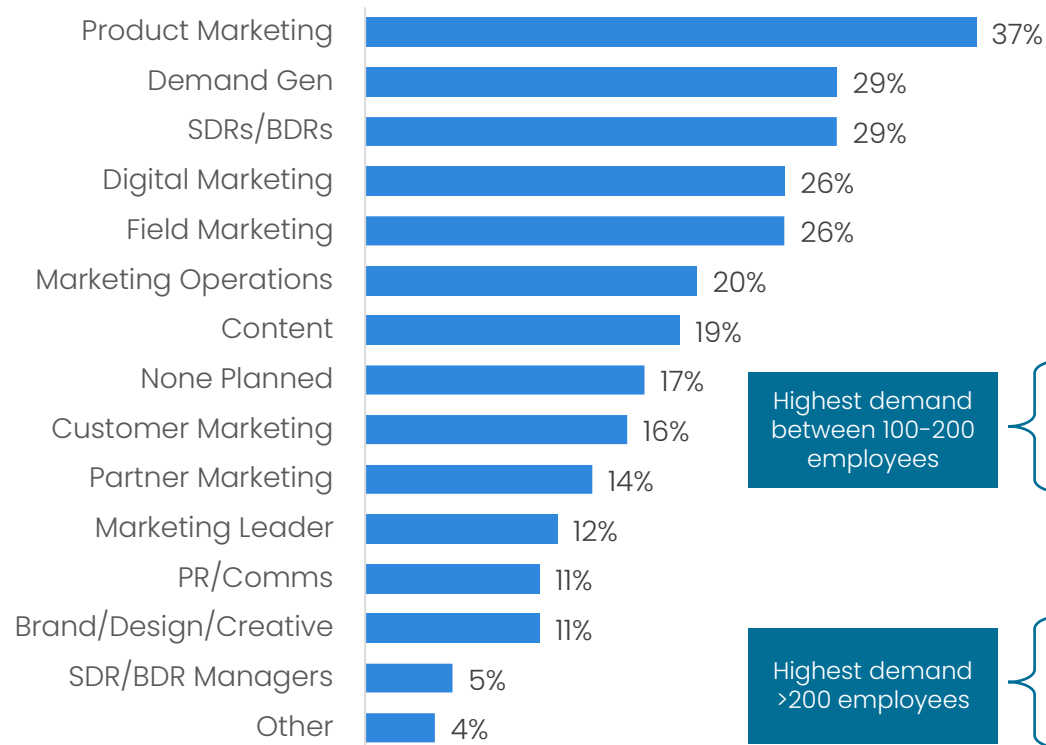
Marketing team size as a % of total FTEs

Marketing FTEs as a % of total company headcount



Marketing roles leaders are hiring for heading into 2025

What roles in your marketing team are you planning to hire in the next 12 months?
(Check all that apply.)



Highest demand between 100-200 employees

Highest demand >200 employees

Significant Differences by Number of Employees
(Shading identifies groups that are significantly higher than at least one other group. Functions that do not differ by company size are not shown)

	1-50	51-100	101-150	151-200	201-250	>250
Product Marketing	31%	32%	75%	55%	25%	30%
Content	19%	12%	50%	27%	0%	17%
Marketing Operations	6%	8%	25%	36%	50%	27%
PR/Comms	13%	4%	13%	27%	0%	10%
Digital Marketing	6%	12%	25%	27%	50%	43%
Customer Marketing	6%	8%	13%	9%	25%	30%

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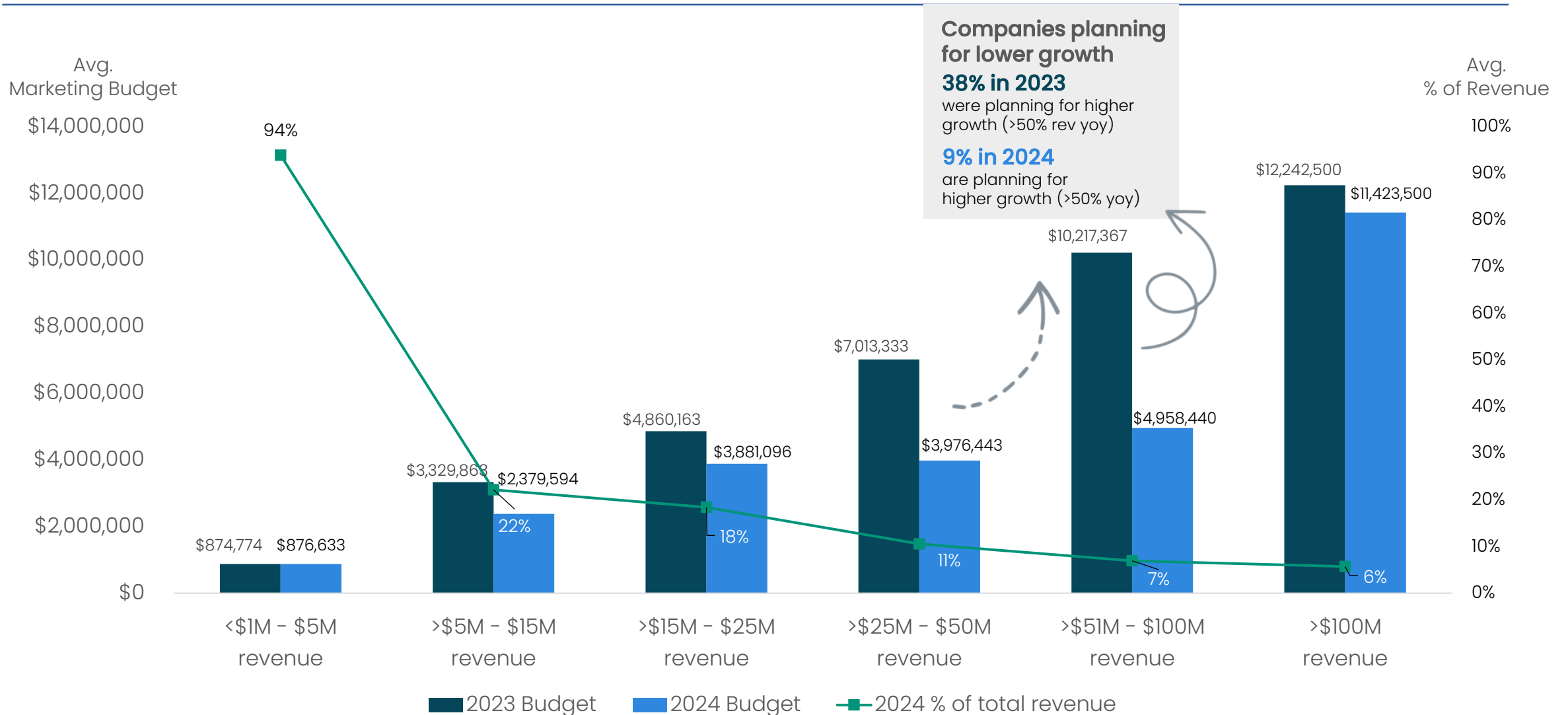


Marketing Budgets

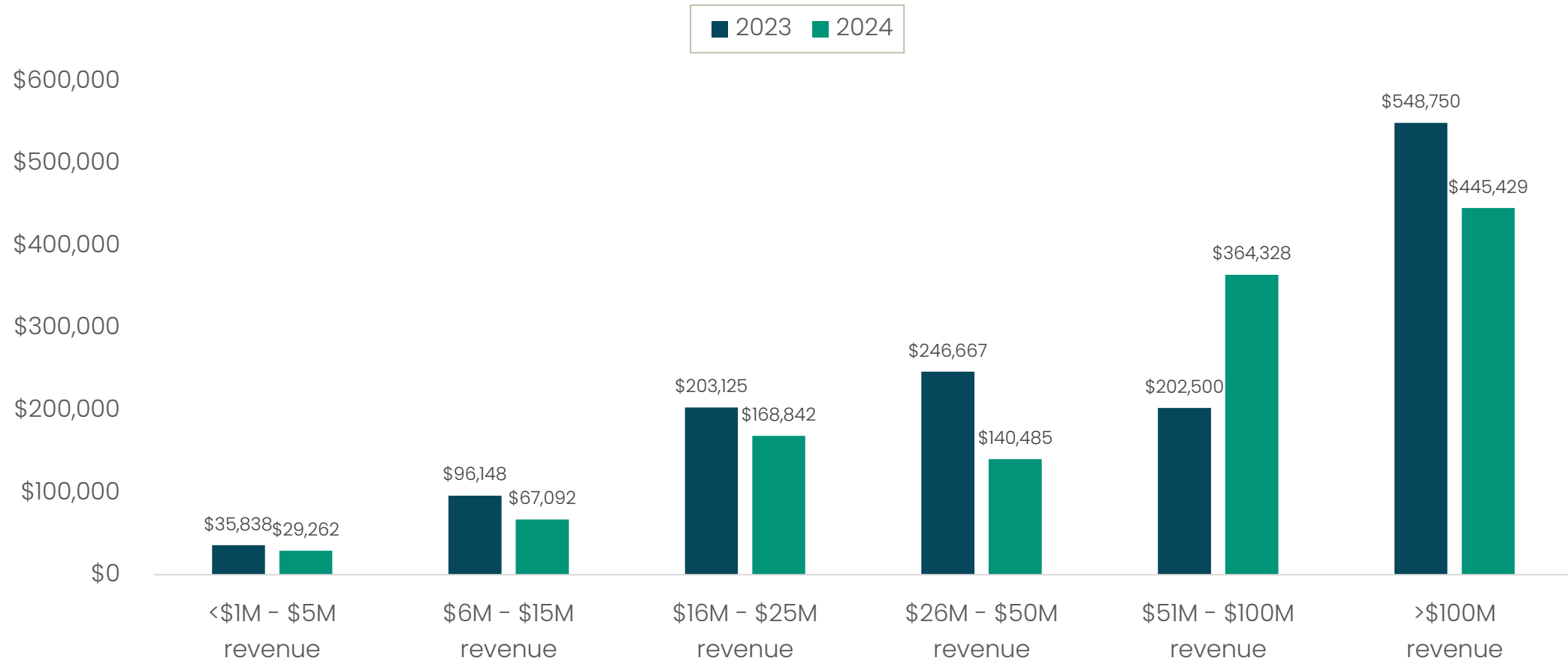
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Marketing budget as a % company revenue

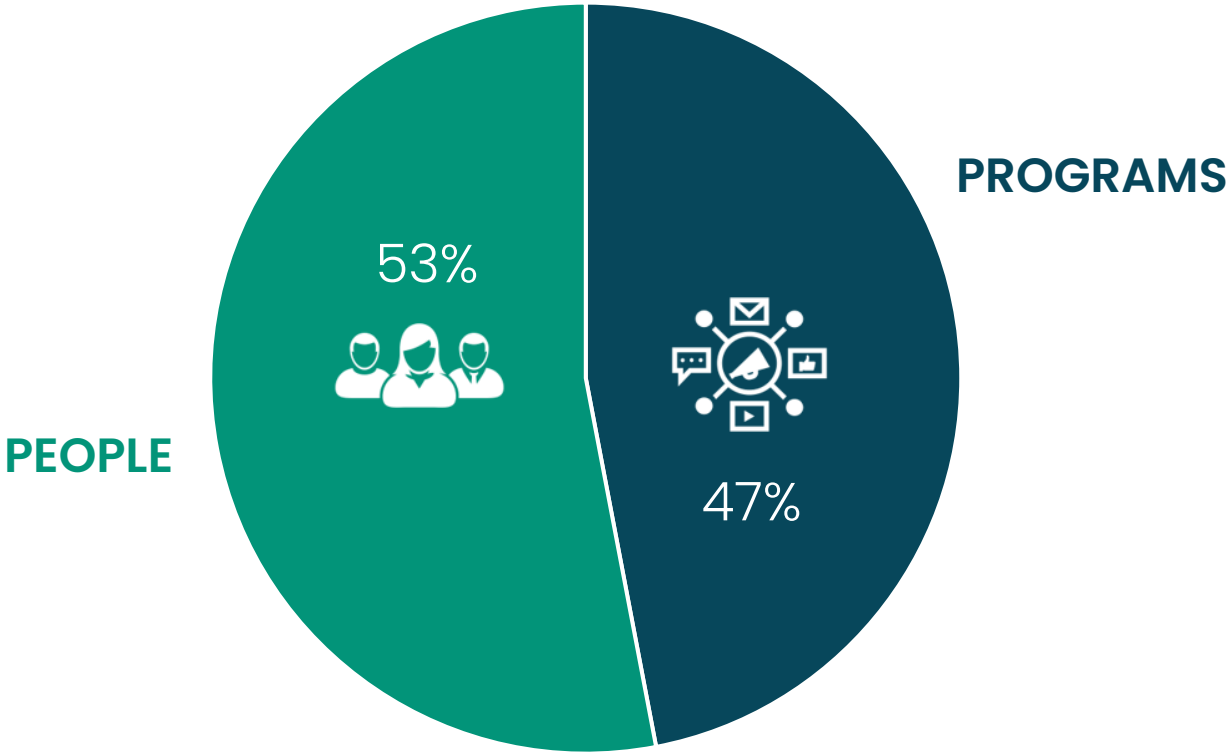


Marketing tech stack budget YoY by company revenue

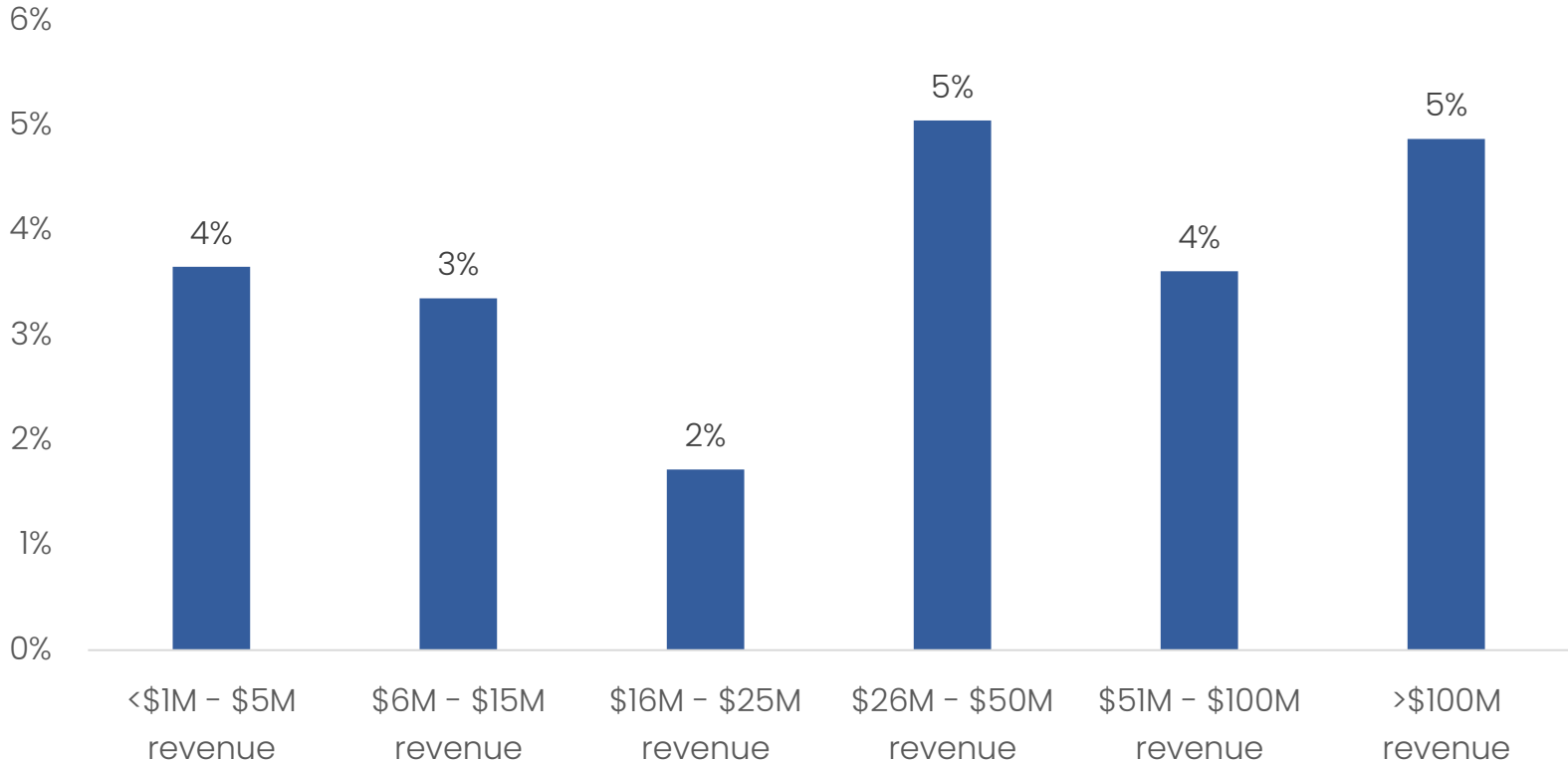


Headcount: Avg % total marketing budget

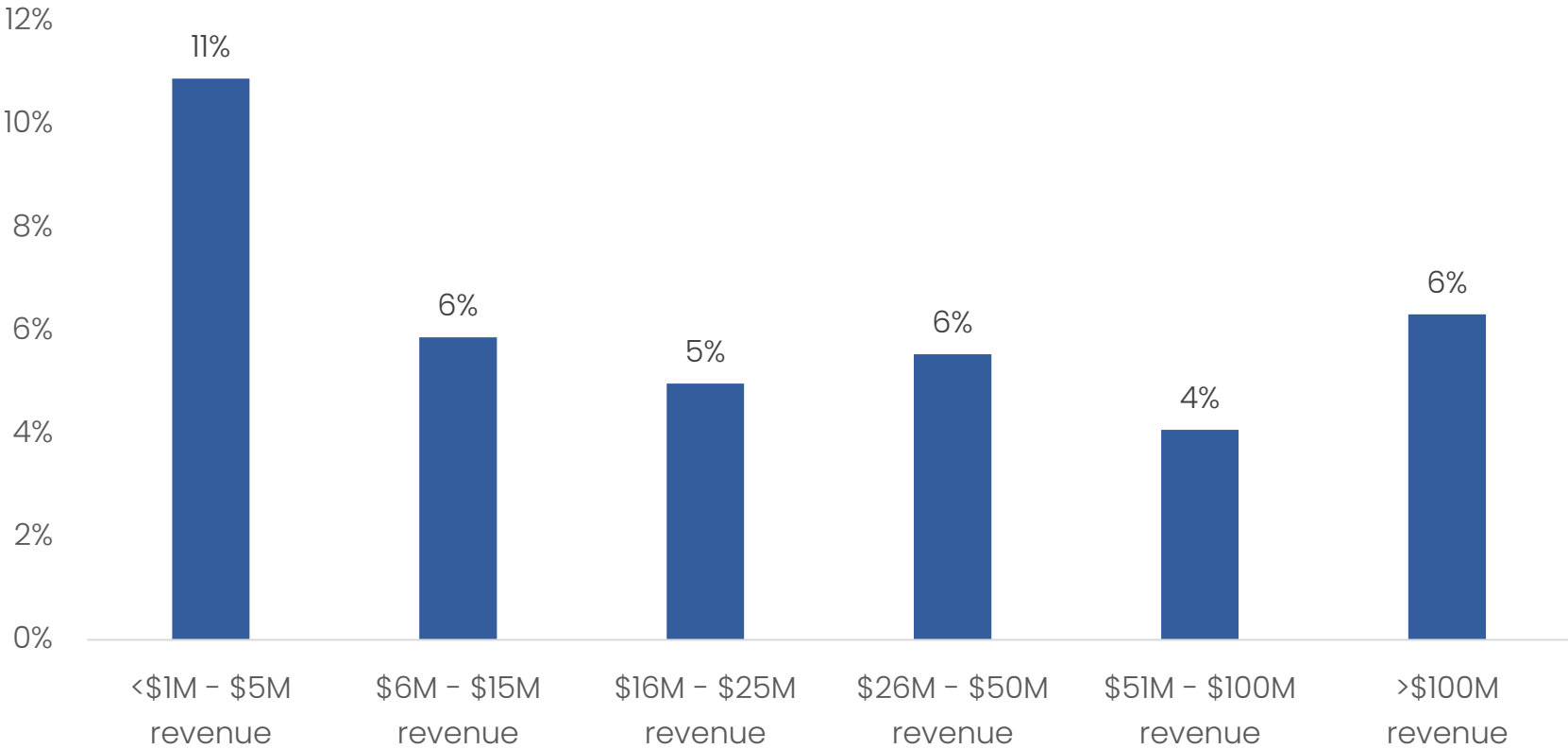
Calculated from two questions:
How much do you have budgeted for marketing Payroll & Headcount Expenses?
Please break out your marketing programs budget.



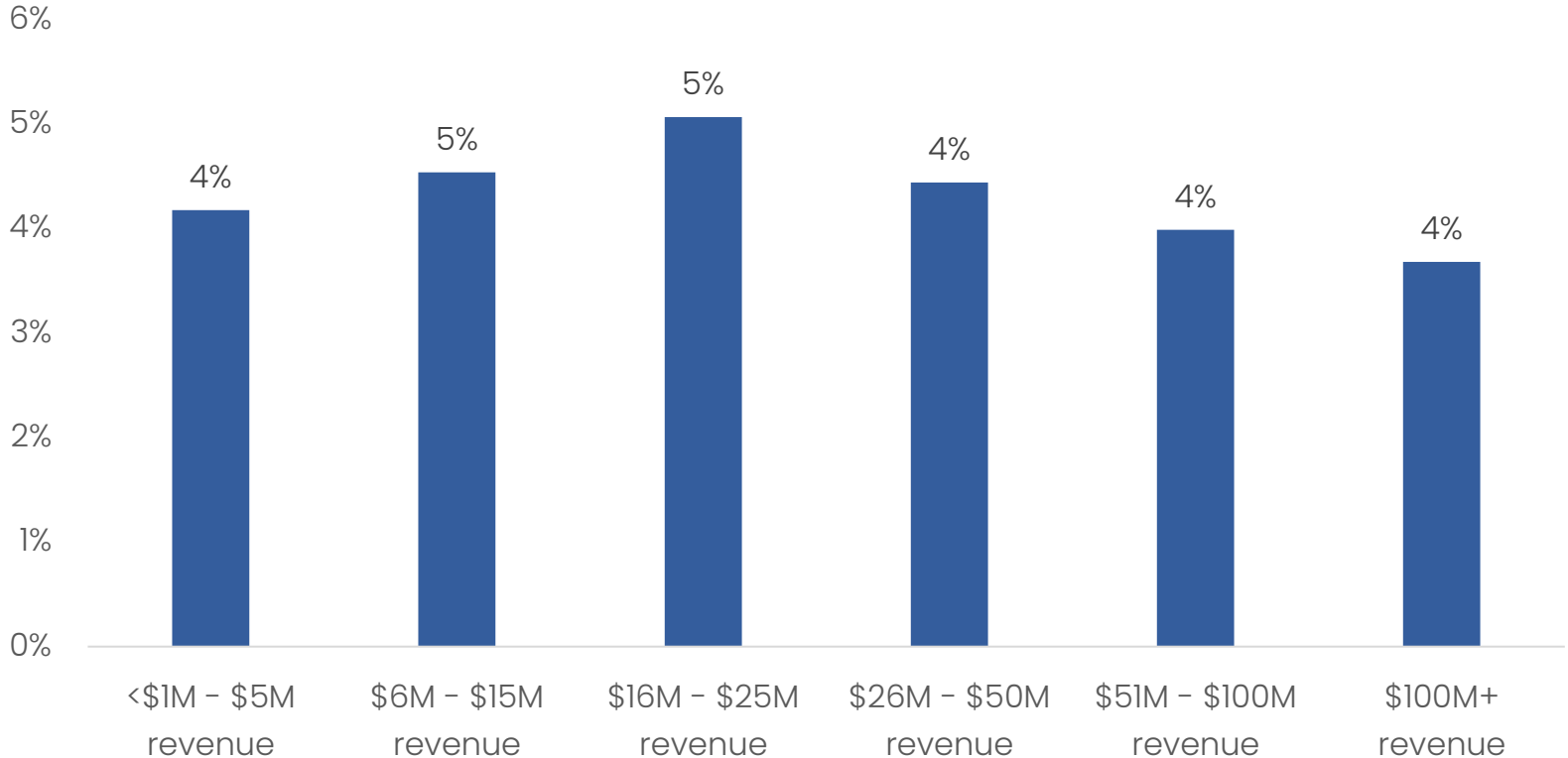
Brand: Avg. % marketing programs budget



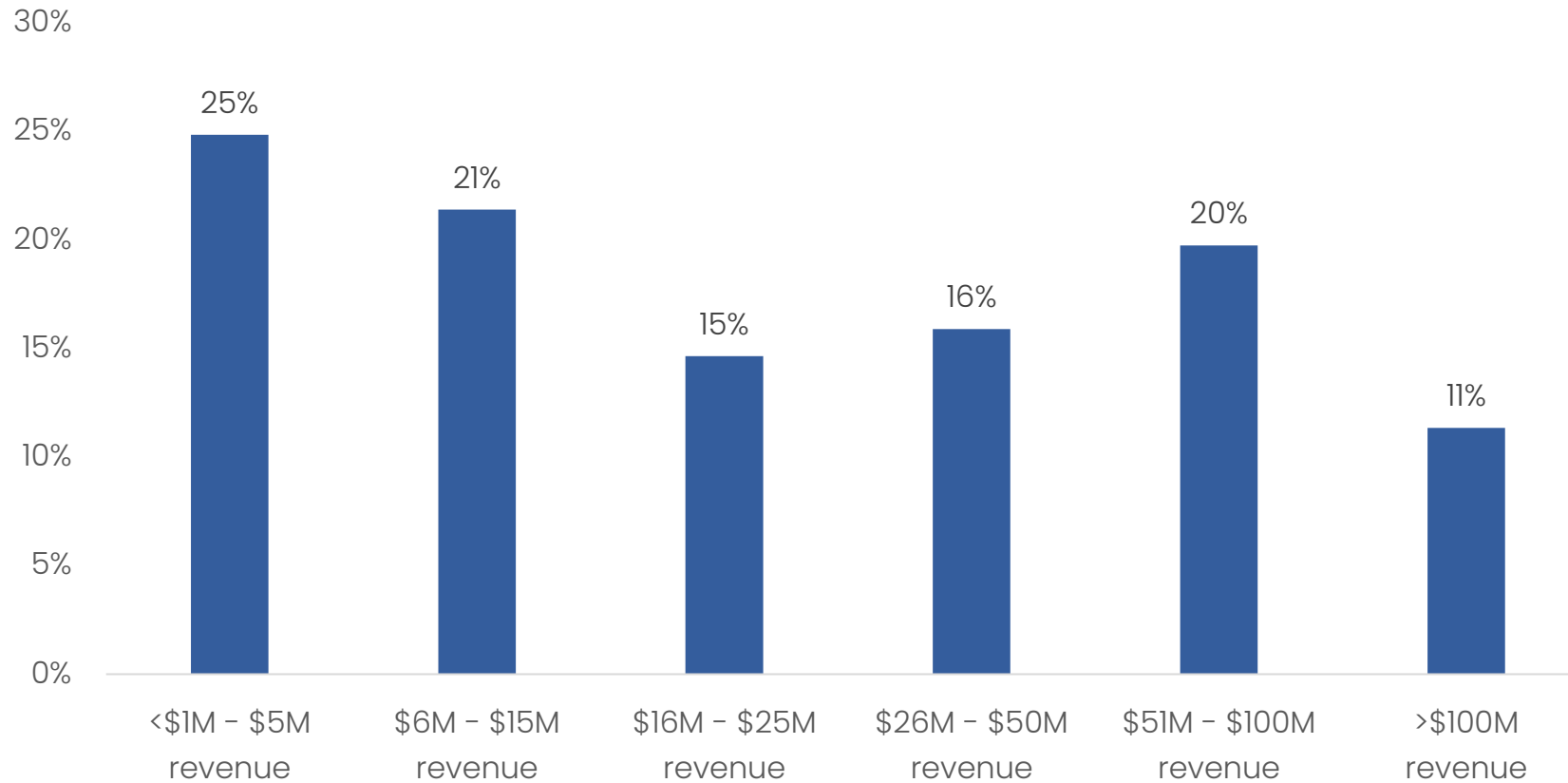
Content: Avg. % marketing programs budget



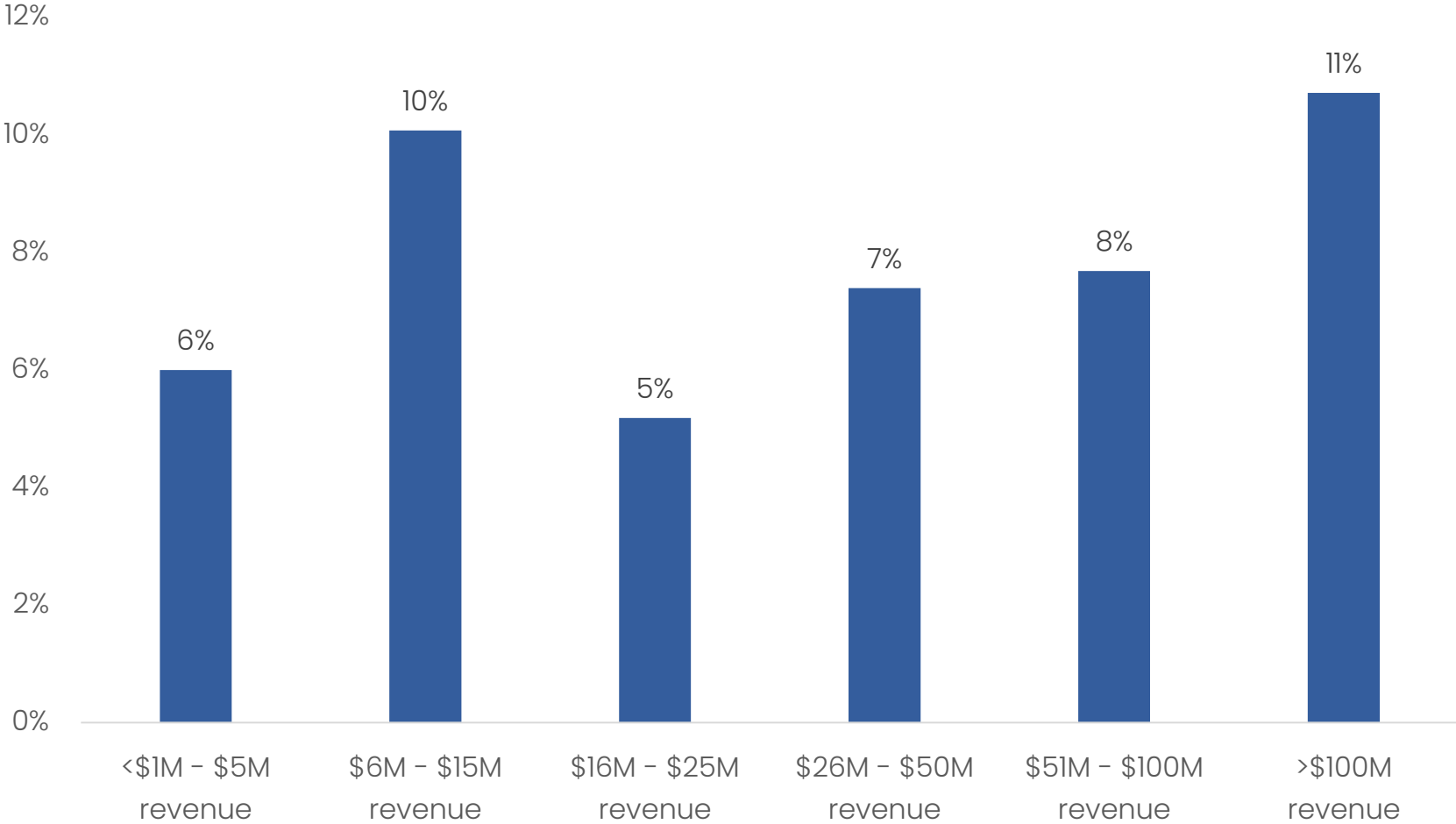
PR: Avg. % marketing programs budget



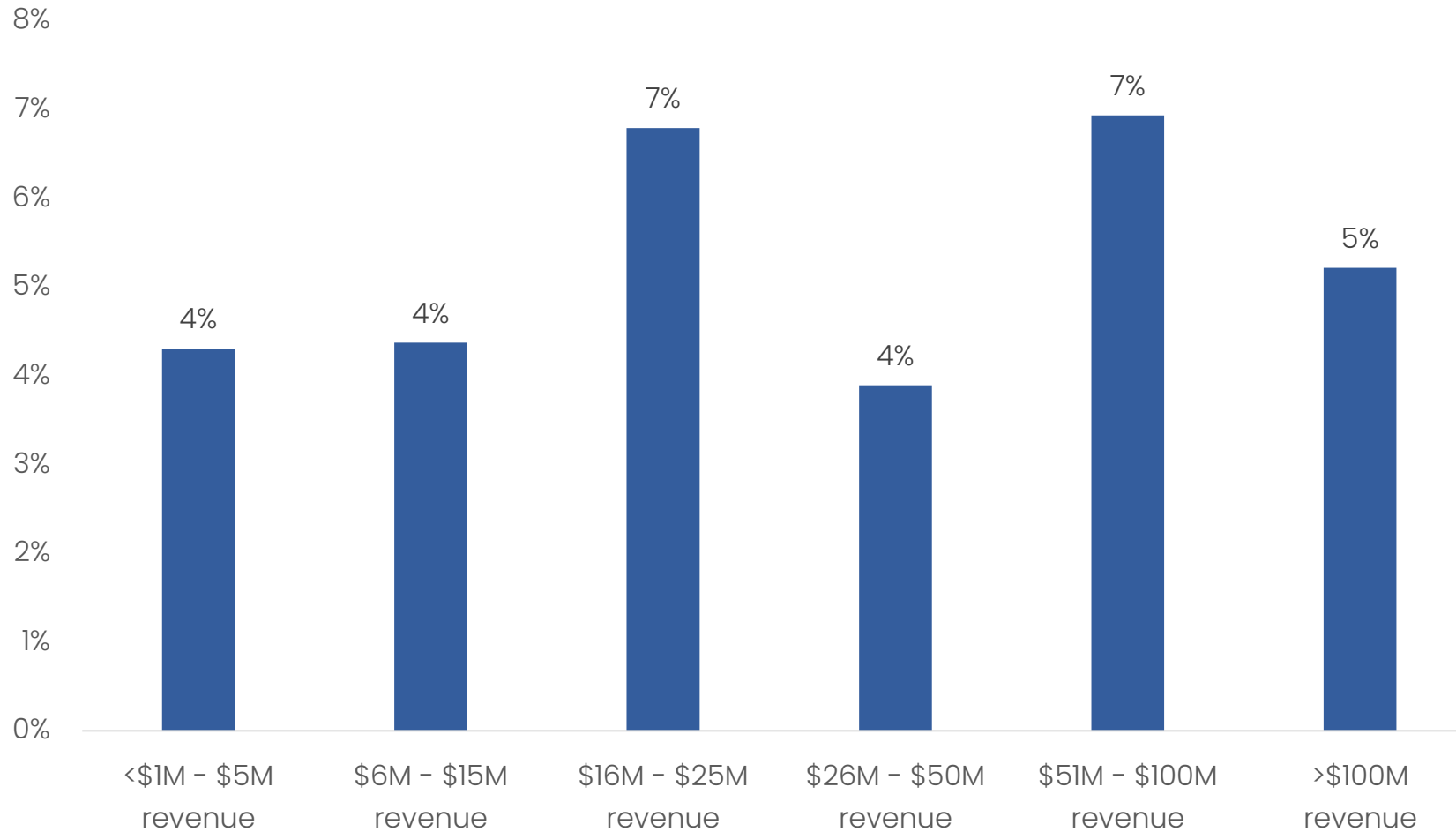
Tradeshows / Events: Avg. % marketing programs budget



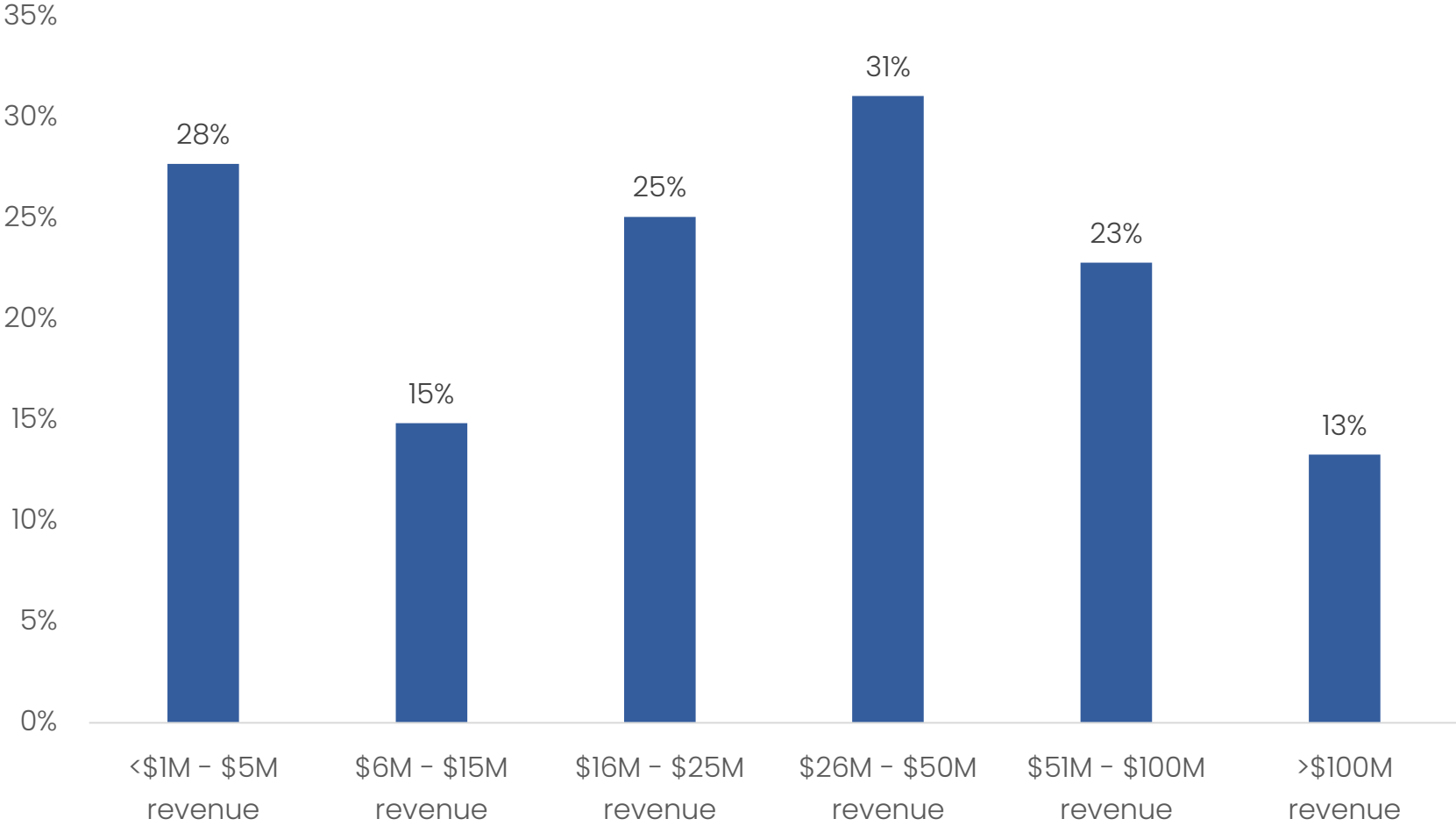
Field Marketing: Avg. % marketing programs budget



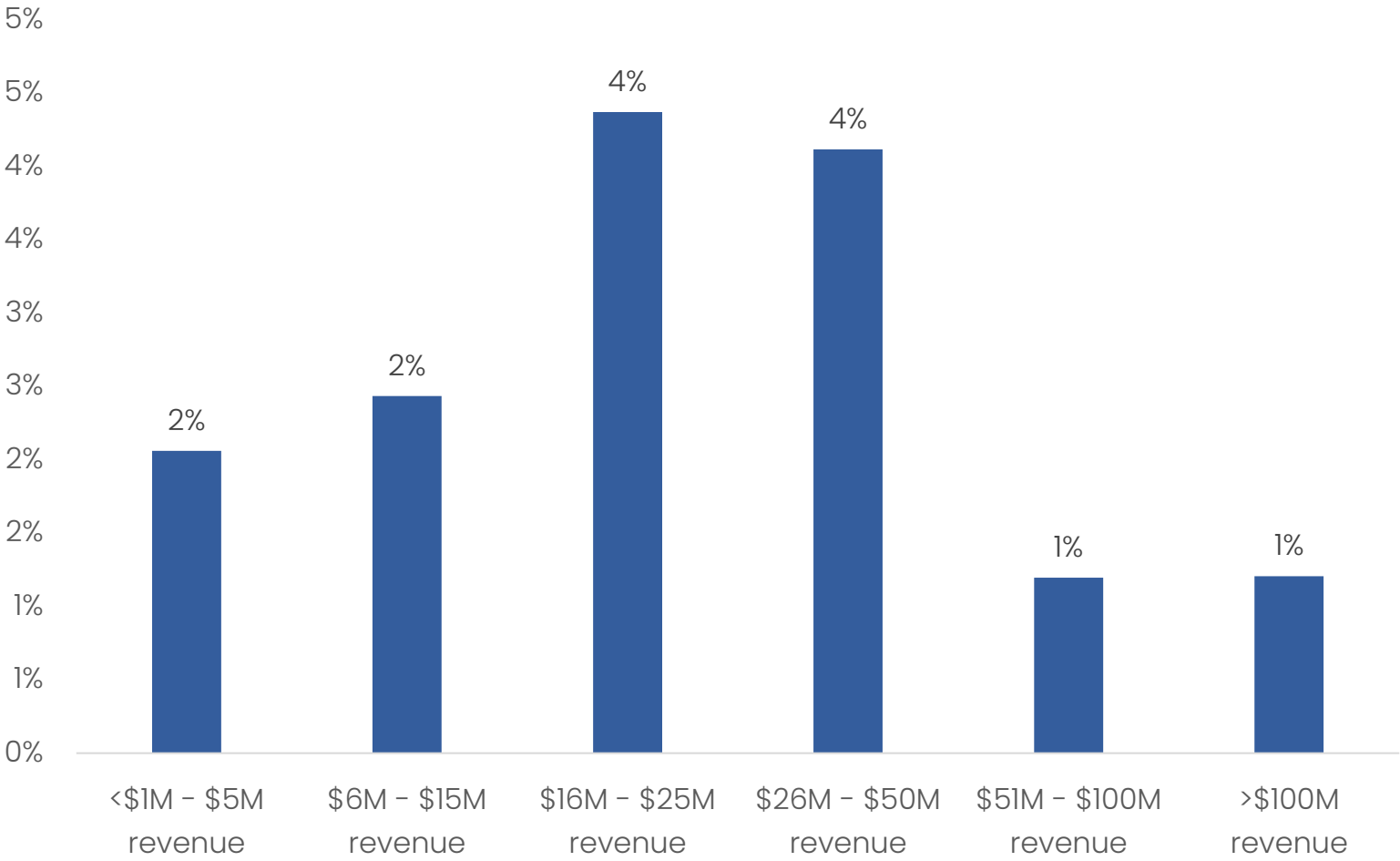
Webinars: Avg. % marketing programs budget



Paid Ads / Digital: Avg. % marketing programs budget



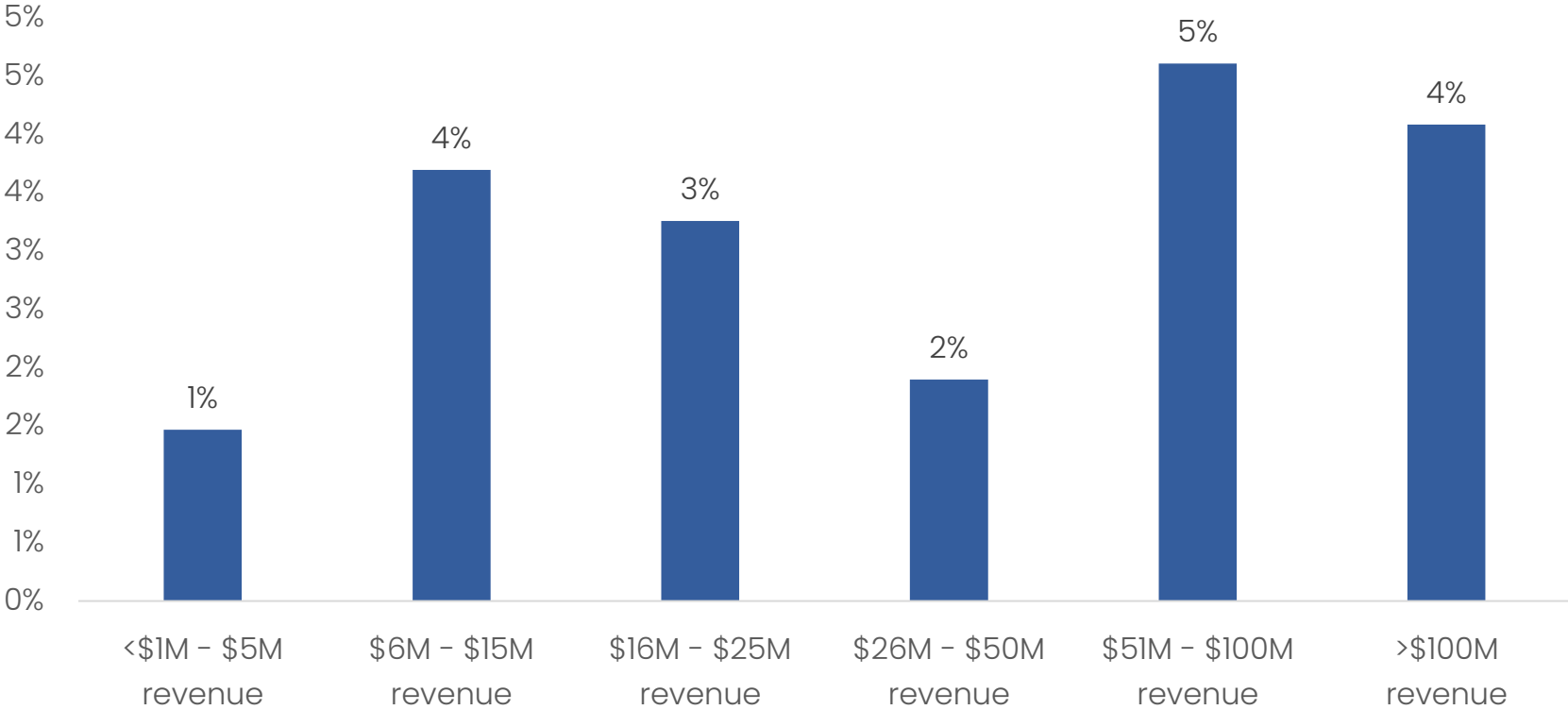
Other Demand Gen: Avg. % marketing programs budget



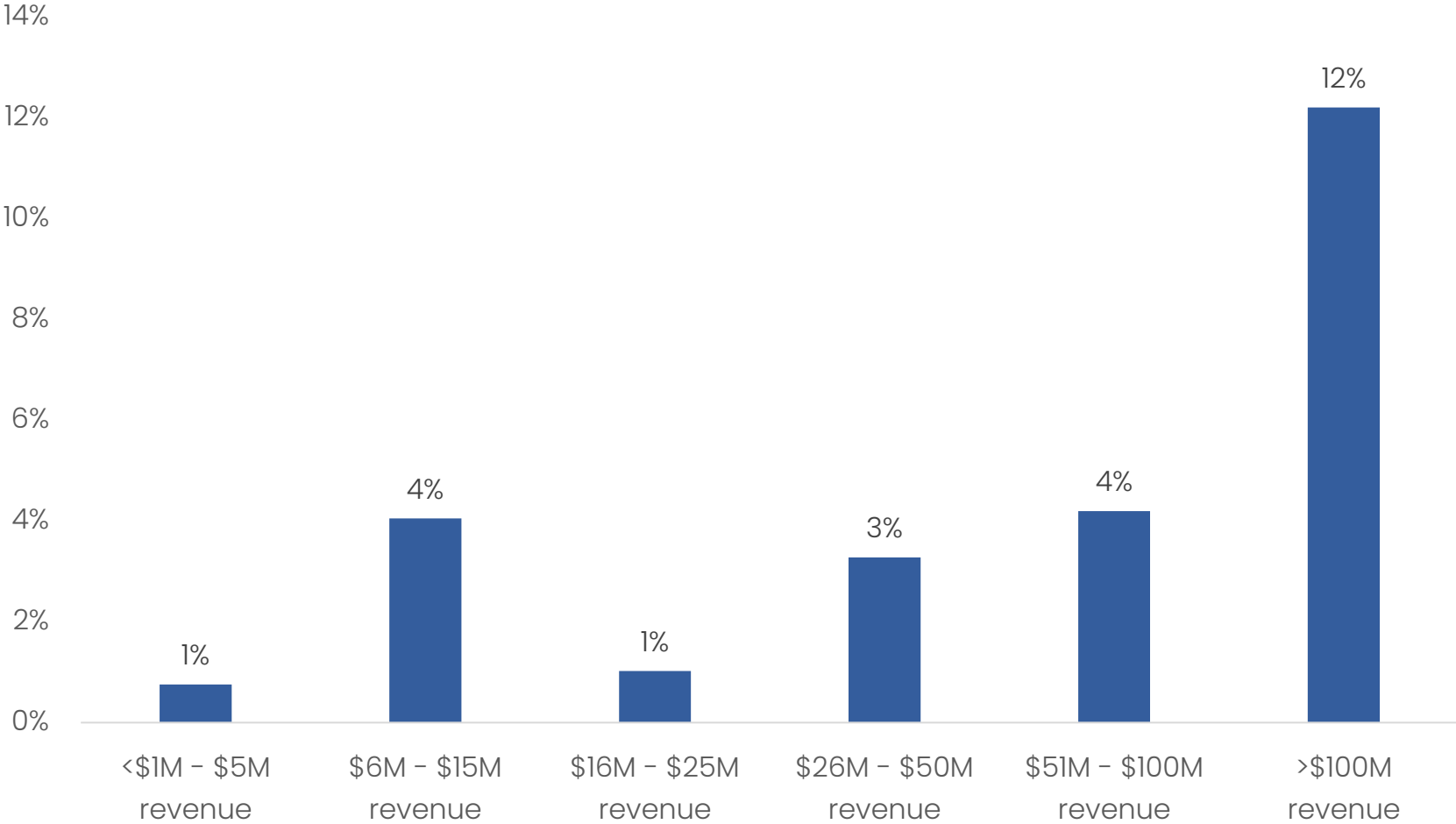
**“OTHER DEMAND-GEN”
DETAILS SHARED IN FREE
TEXT FIELD:**

- Association Memberships
- Contract Support
- Sponsorships
- Partner Marketing
- Referral Programs
- Websites
- Case Studies

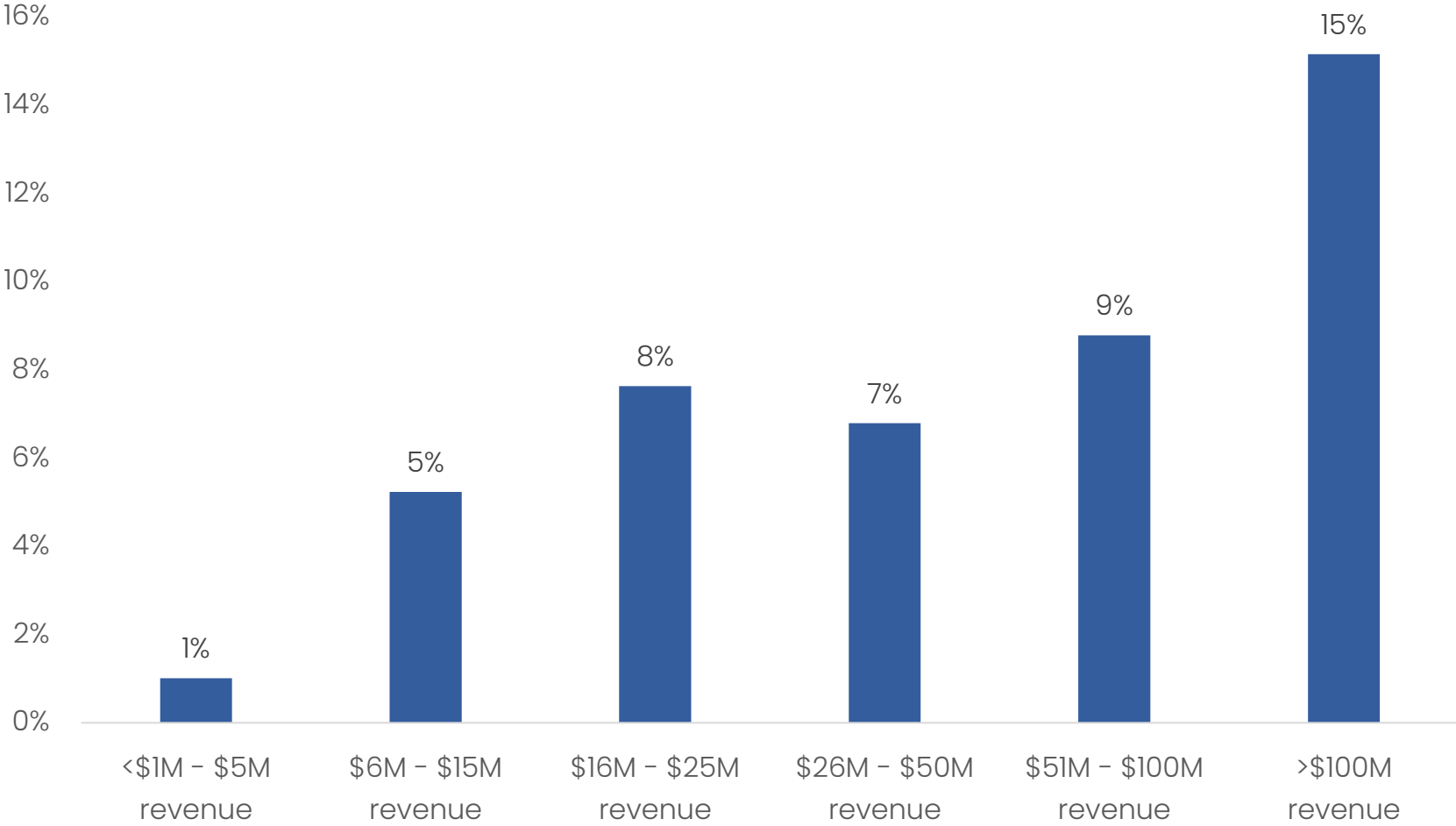
Analyst Subscriptions: Avg. % marketing programs budget



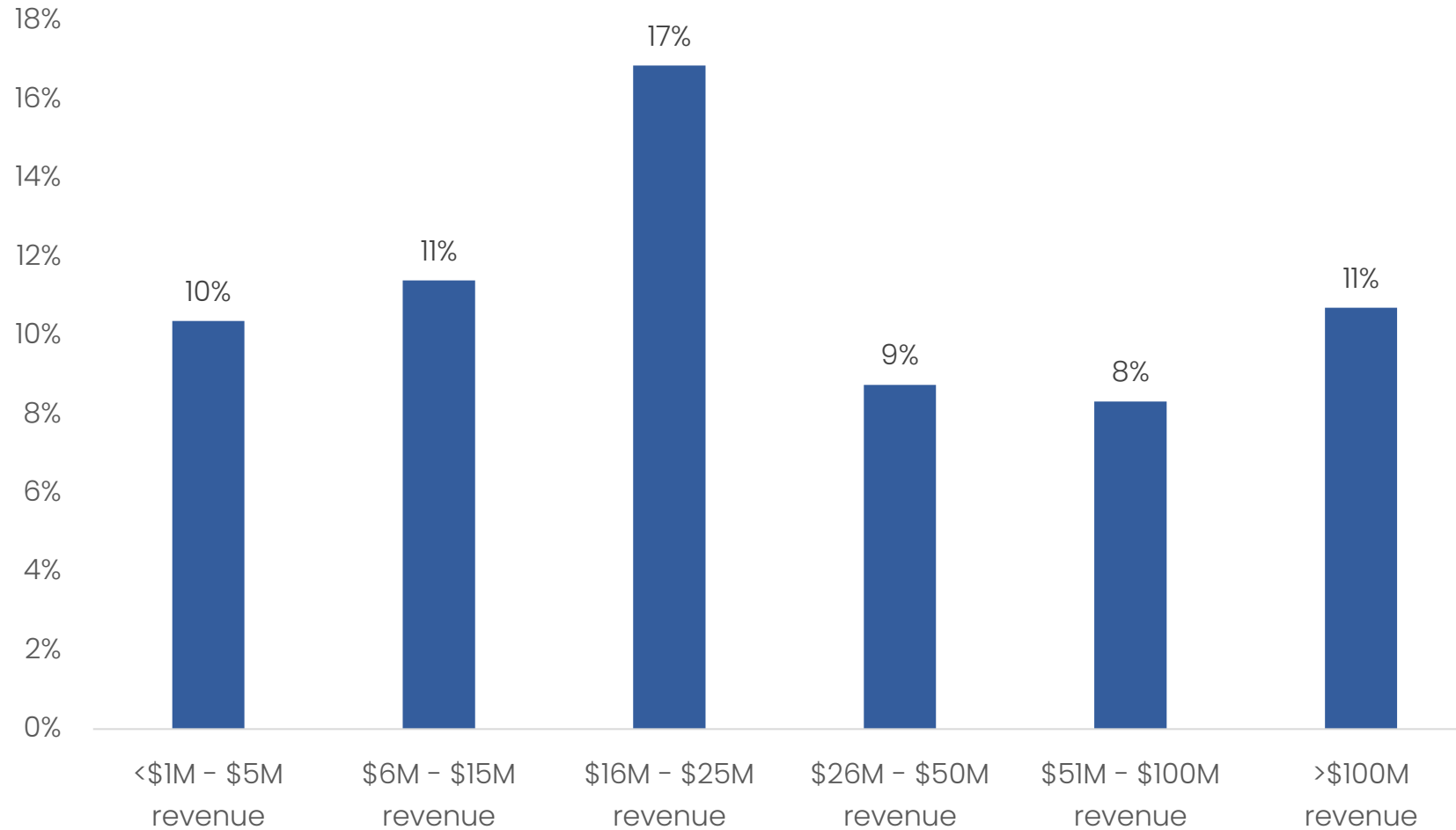
Product Marketing: Avg. % marketing programs budget



Customer Marketing: Avg. % marketing programs budget



Tech Stack: Avg. % marketing programs budget



NORWEST

Sales & Marketing Performance and Trends

2024 B2B Sales & Marketing Benchmark Survey

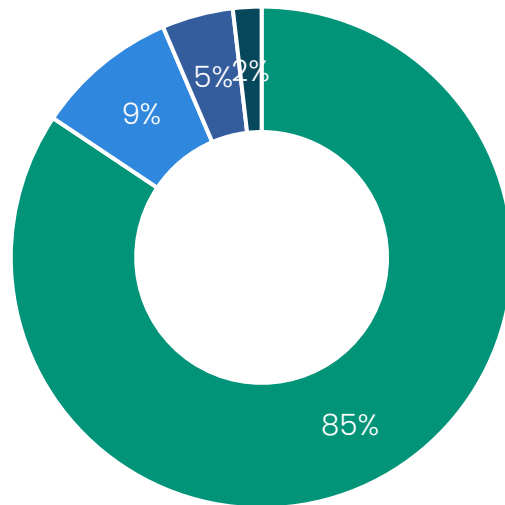


Sales and marketing alignment: meeting frequency

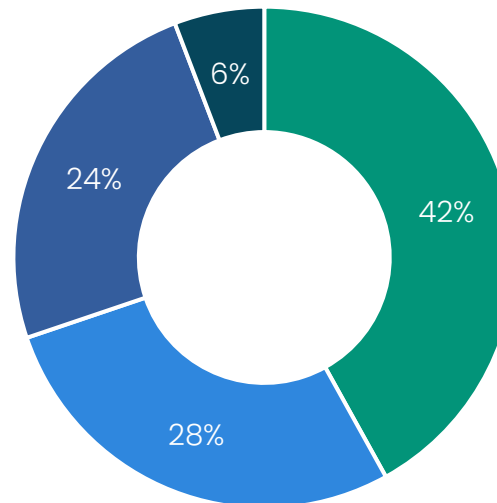
How frequently do your sales and marketing teams meet together to align on marketing and sales strategies?



Venture Capital Backed



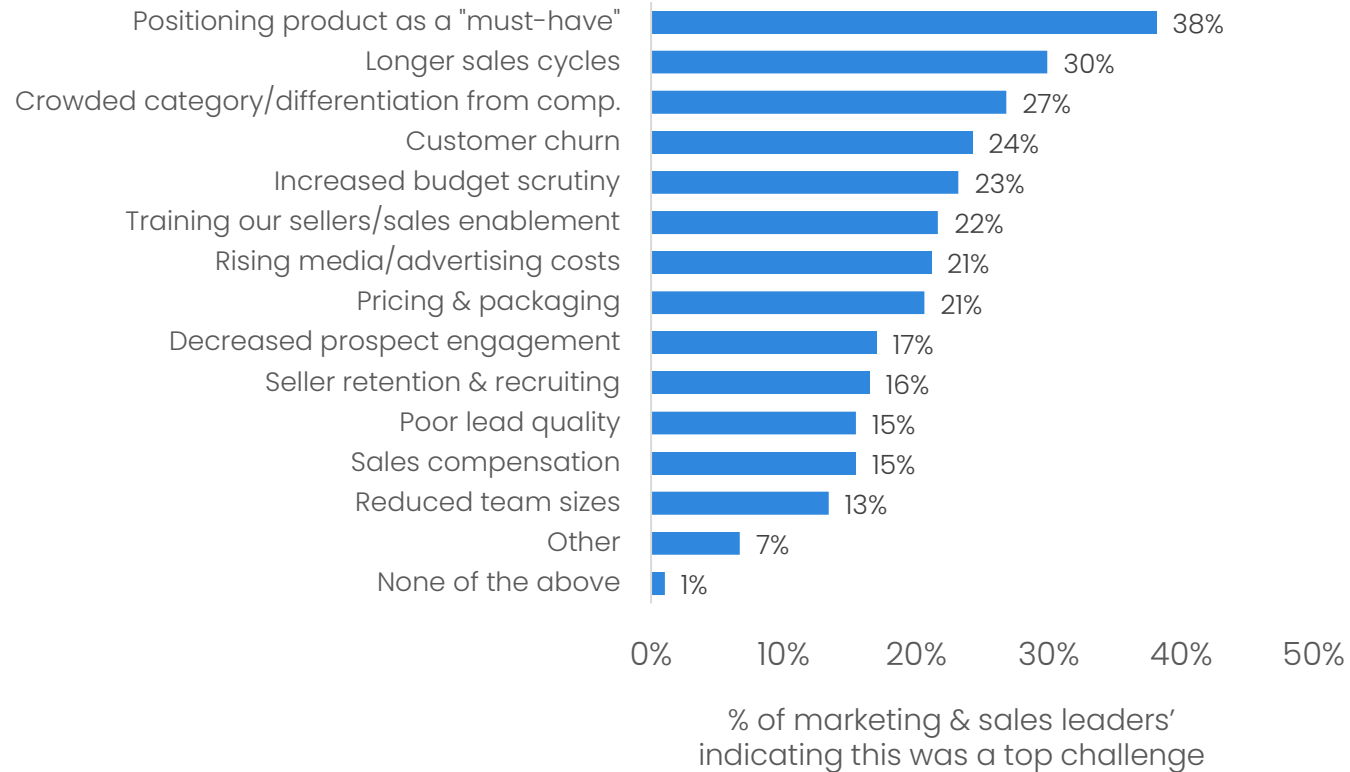
Private Equity Backed



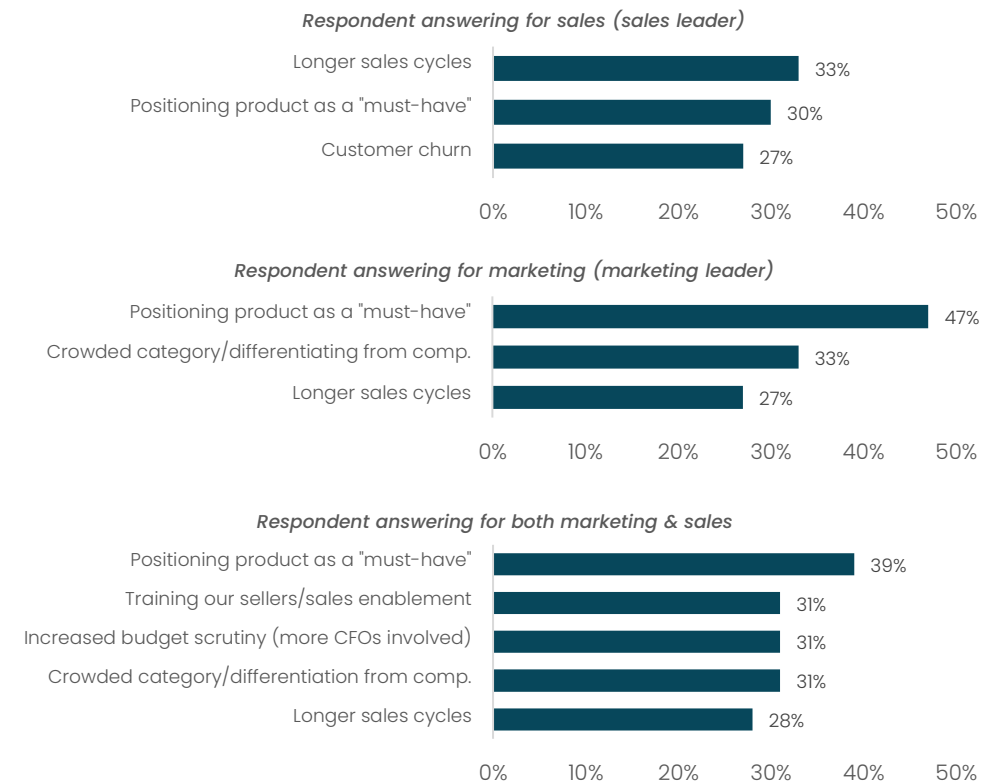
Sales & Marketing teams meet frequently at VC-backed firms—about two thirds meet at least bi-weekly. In contrast, only 18% of PE-backed firms meet this often.

GTM & revenue growth top 3 challenges

What would you describe as your company's top three biggest challenges impacting GTM and revenue growth in 2024?

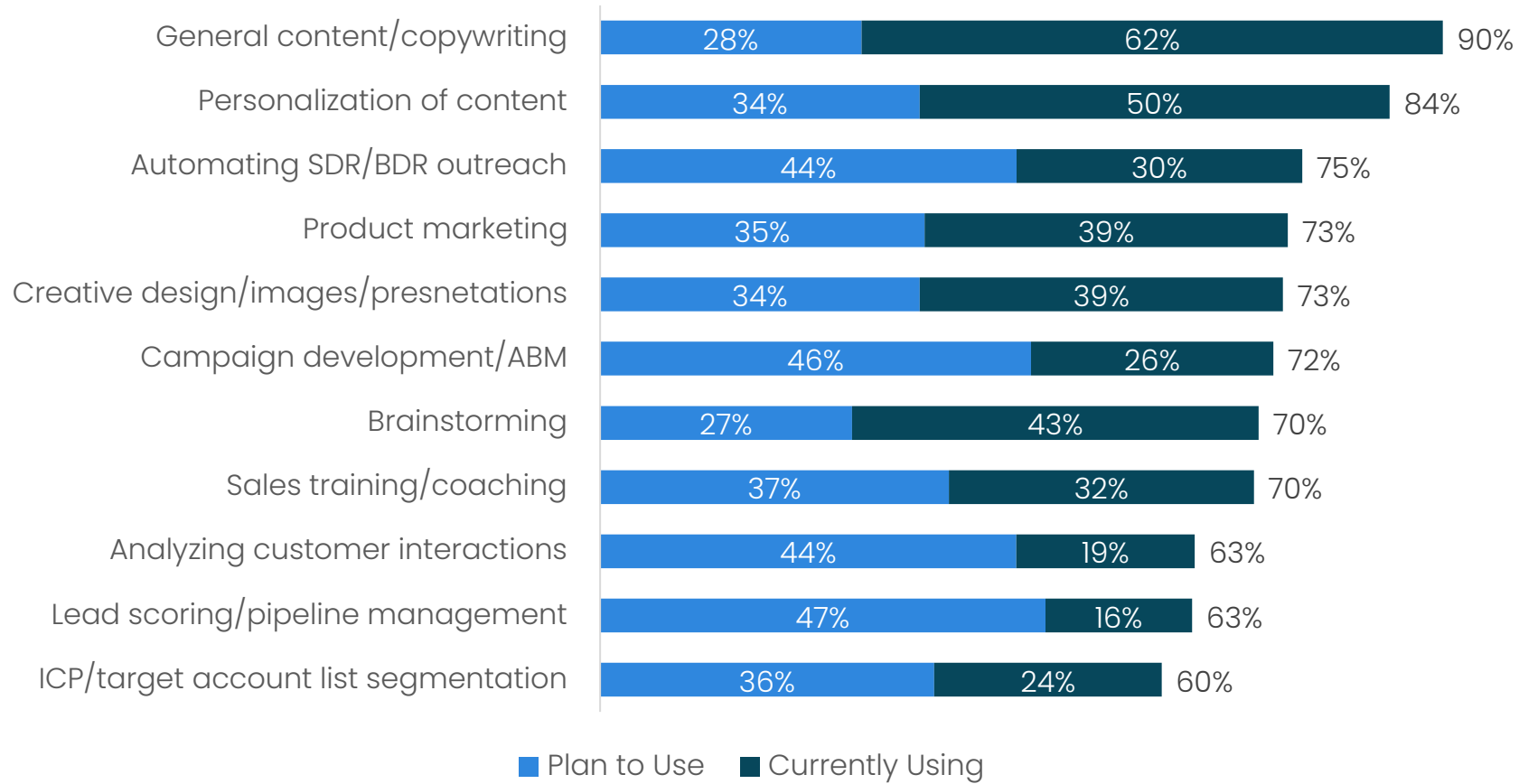


How top 3 challenges shift by functional leader:



Use of AI now and in the future

In the next 6 months, are you or your team using Generative AI in any of the following use cases?



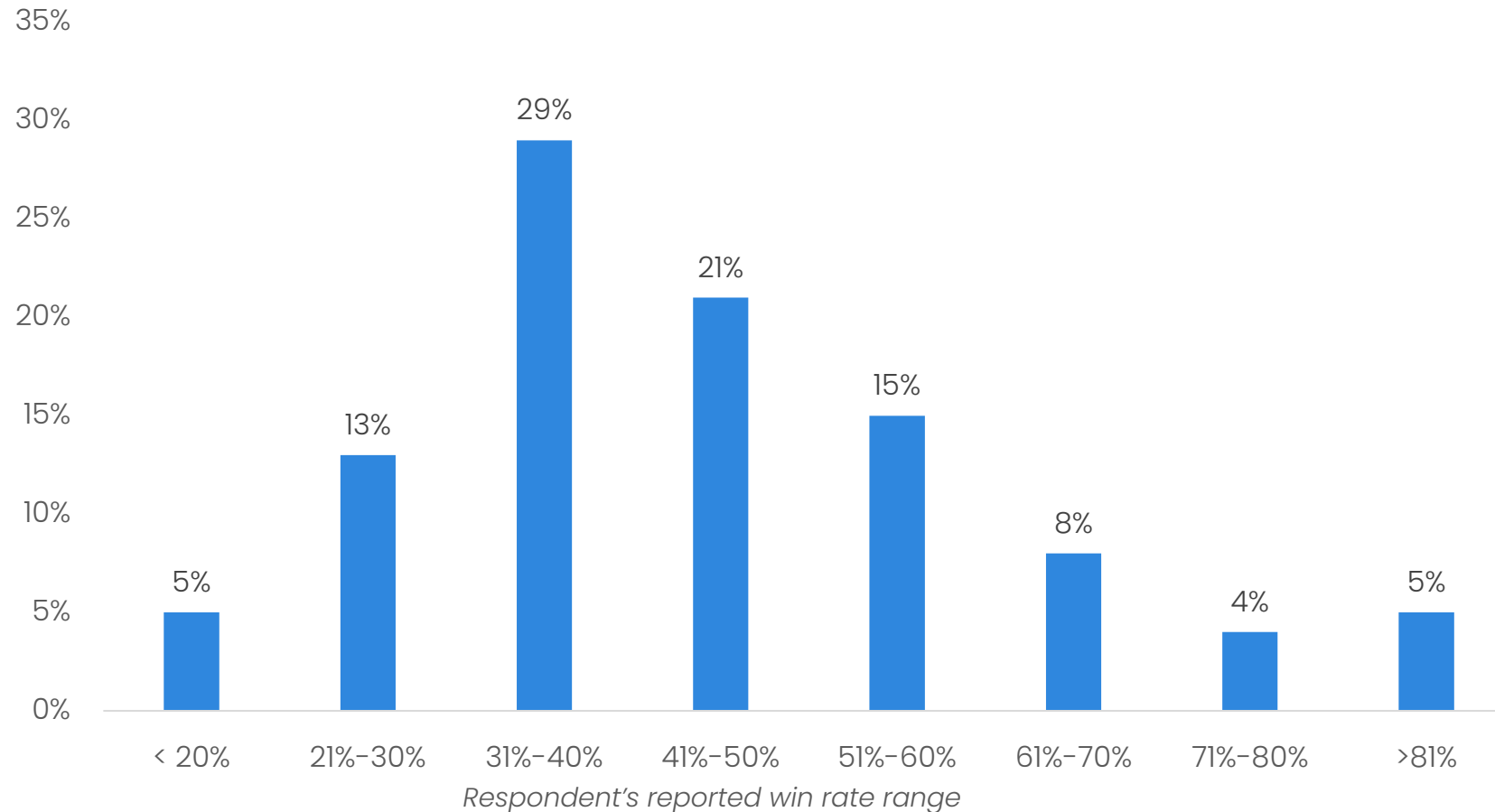
At least 60% of companies are at least considering usage in all cases listed. AI usage is rapidly becoming a critical competency for revenue operations

We expect to see many more companies using agentic and generative AI for ICP analysis and outbound campaigns in the near future.

Reported win rates by annual contract value

What is your organization's average opportunity win rate after the proposal stage?

% of respondents



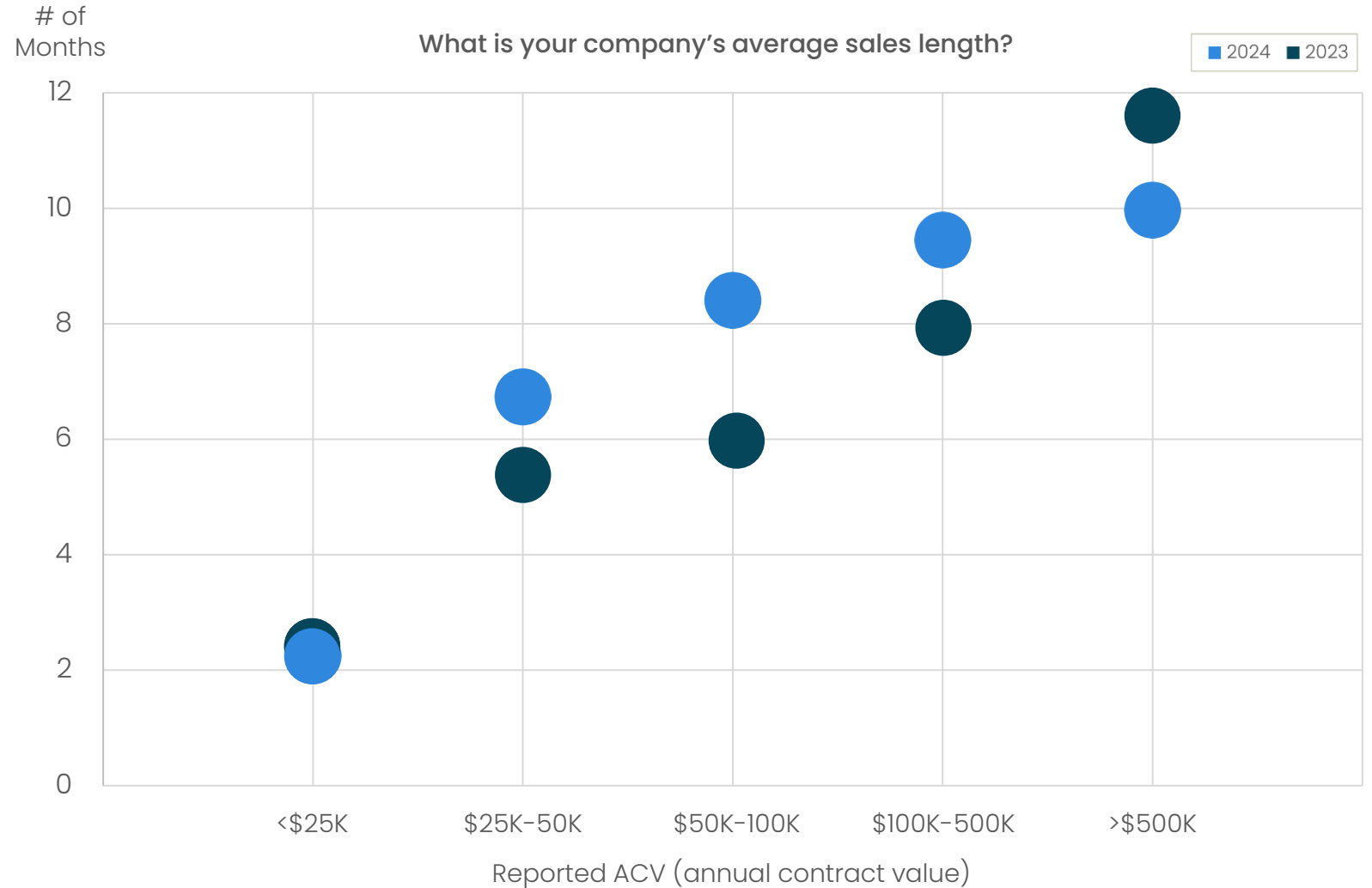
There was no significant difference in win rates reported by company ACV or by annual revenue.

50% of all respondents reported that their win rates are in the range of 31%-50% after proposal stage.

Average sales cycle length by deal size



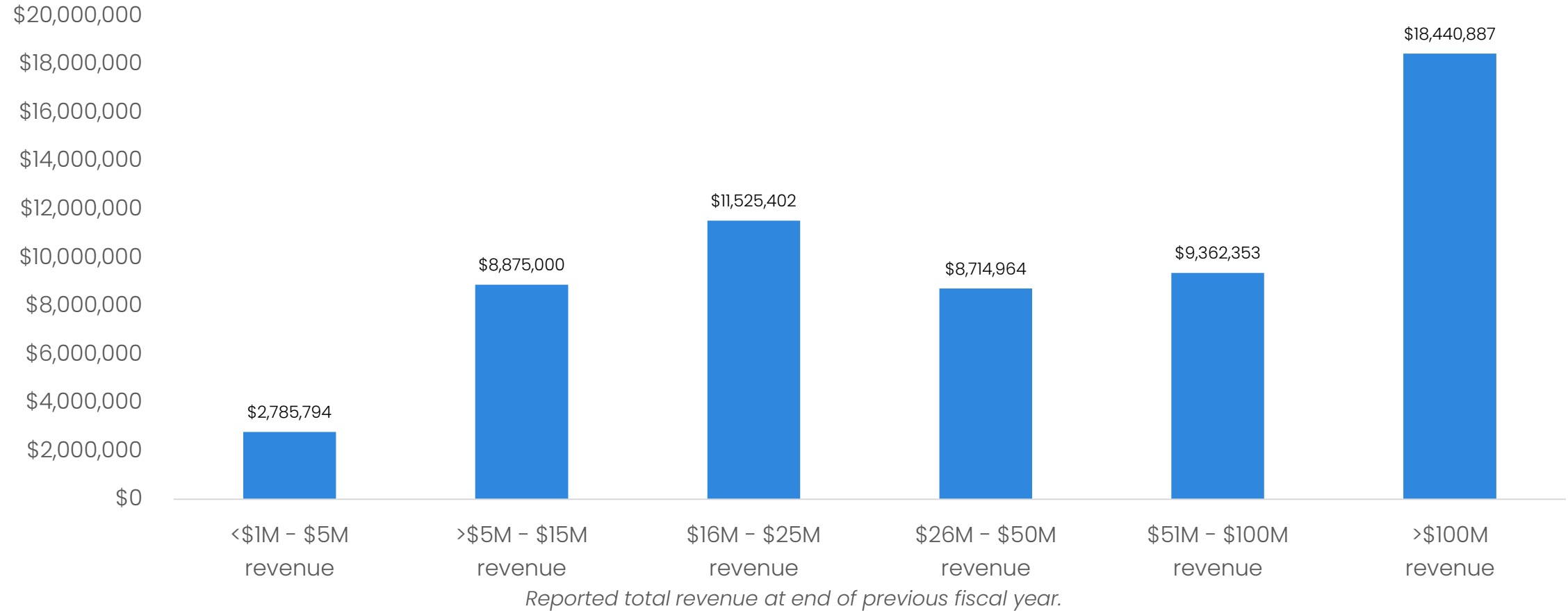
Other than the highest or lowest ACVs, most companies are seeing even longer sales cycles in 2024 than they saw in 2023.



Net new revenue target by company revenue size

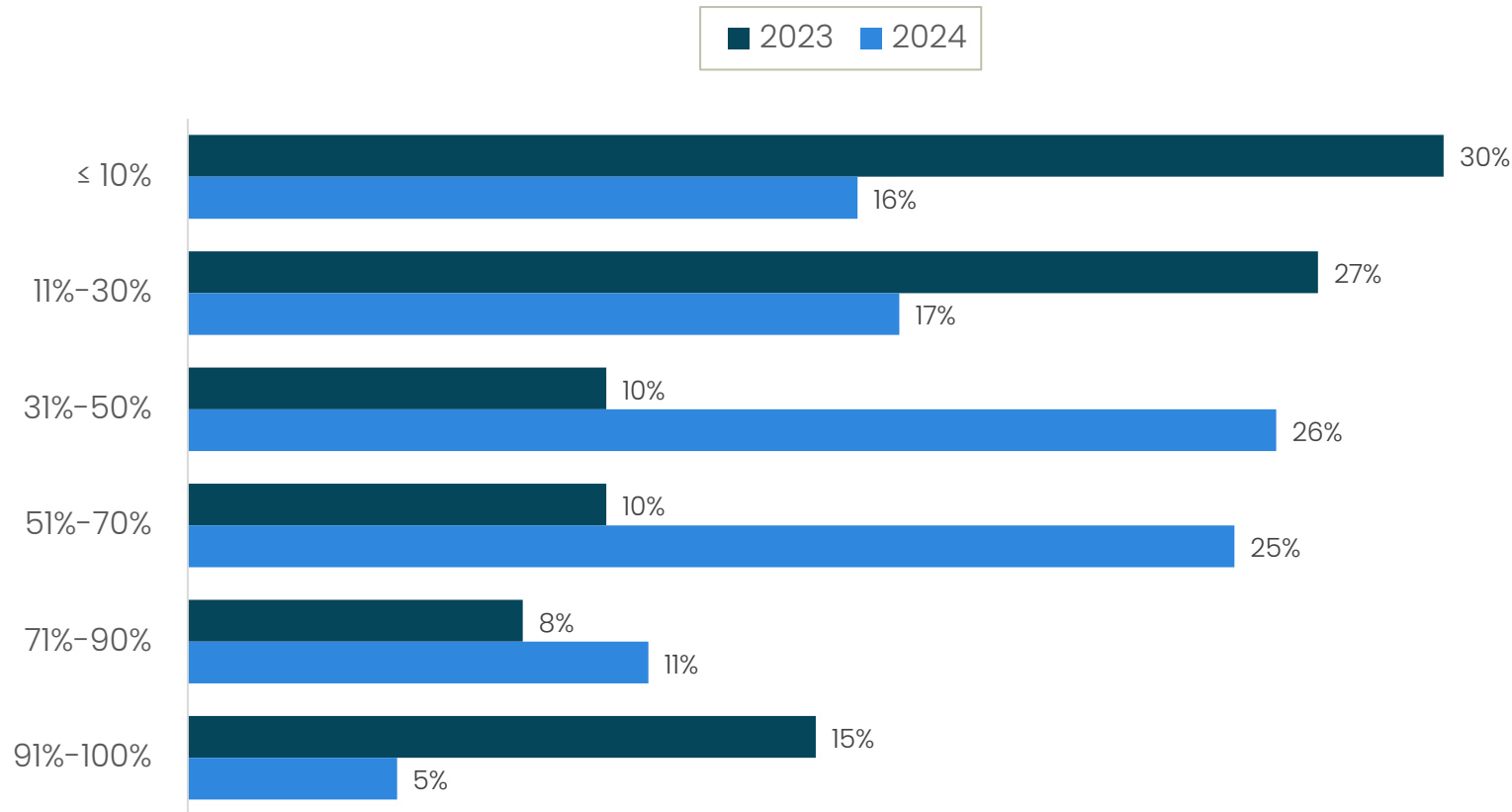
Avg.
Net New Revenue
Target

What is your NET NEW REVENUE target for your current fiscal year?
(Include targets for all incremental new revenue, including expansions, but excluding renewals.)



% of multiyear deals YoY trends

What percentage of your deals are multi-year?



More companies are closing a higher percentage of multi-year deals.

But share of companies closing multi-year deals nearly all the time has dropped.

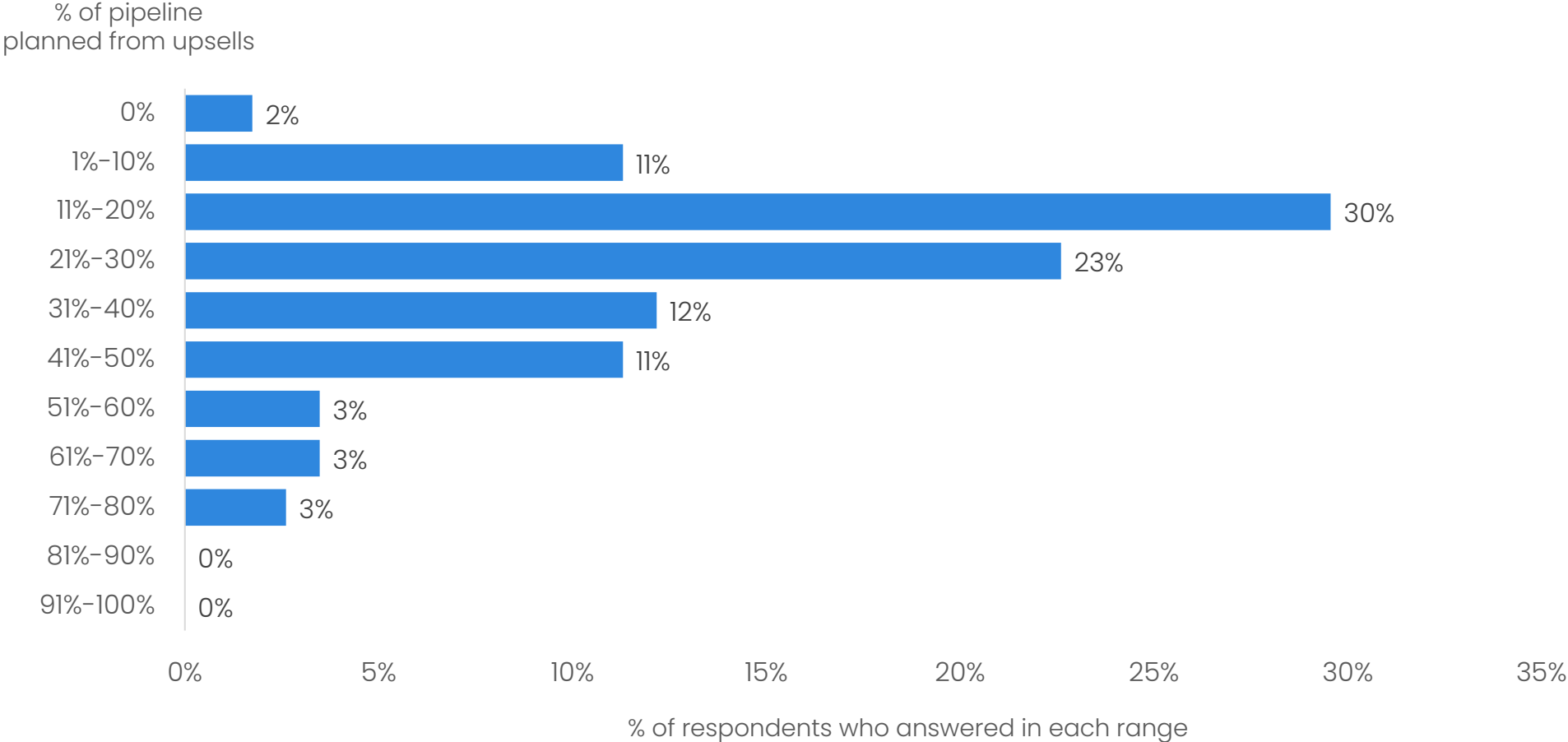
The contrast of these trends indicates there's room to push harder for multi-year commitments, but negotiations are putting pressure in both directions.

Typical sales contract length by annual contract value



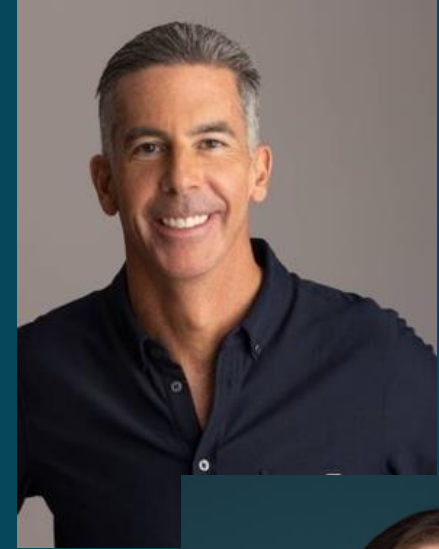
Upsell revenue planned as % of pipeline contribution

What percentage of your total new revenue target is expected to come from upselling existing customers?



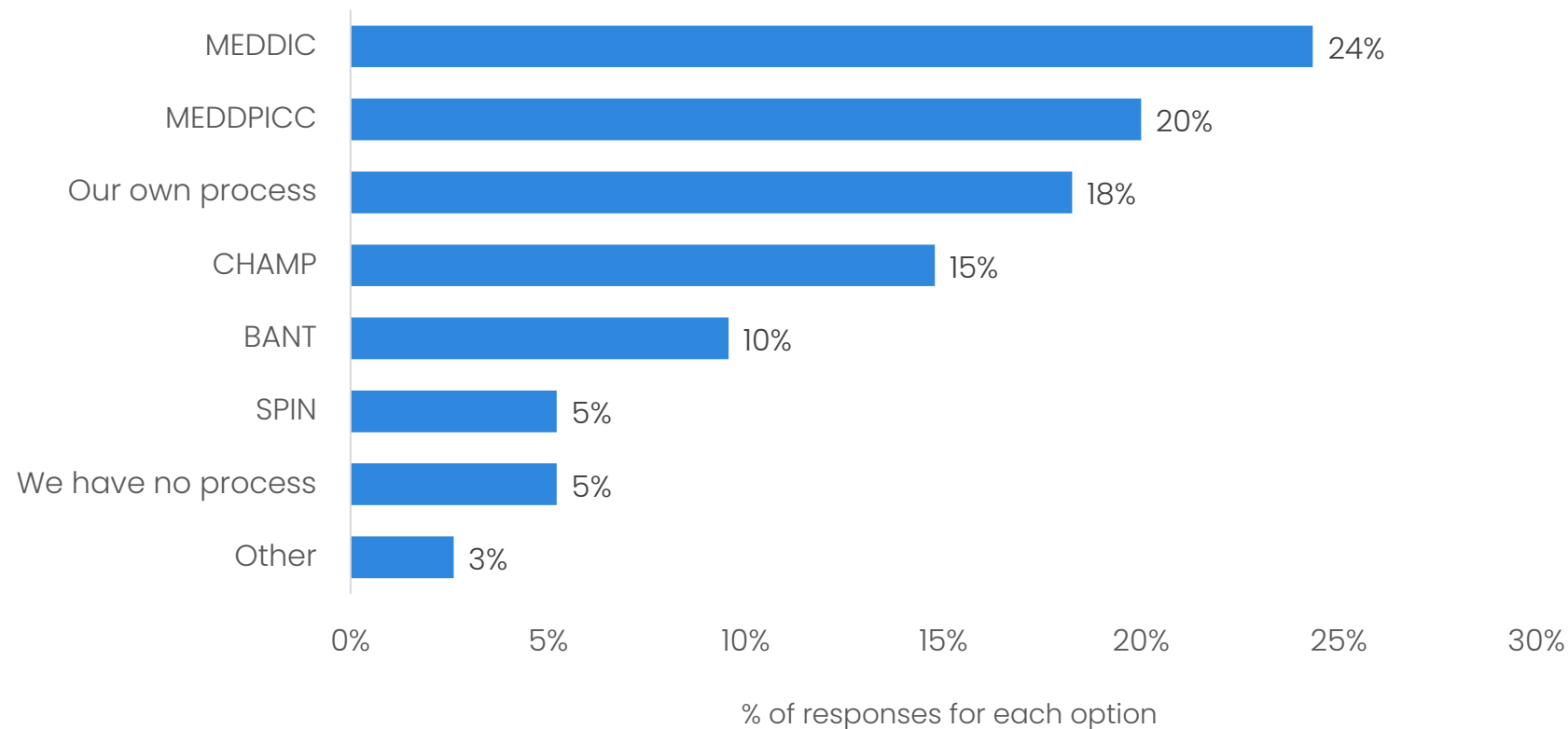
Sales Trends

Sales & Marketing Performance and Trends



Sales methodologies used by sales leaders

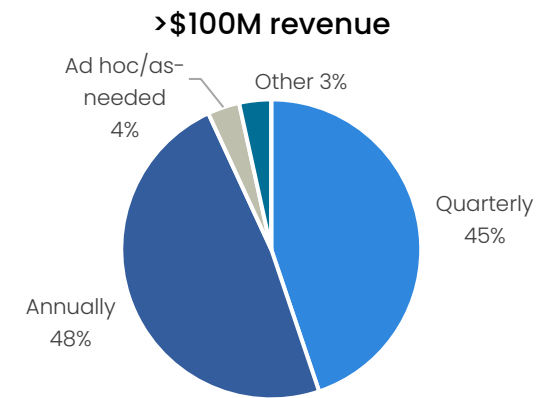
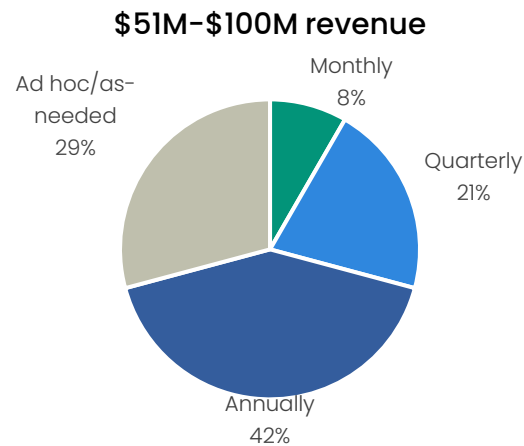
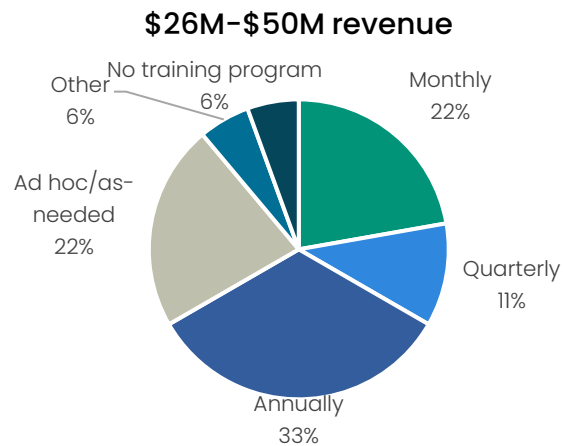
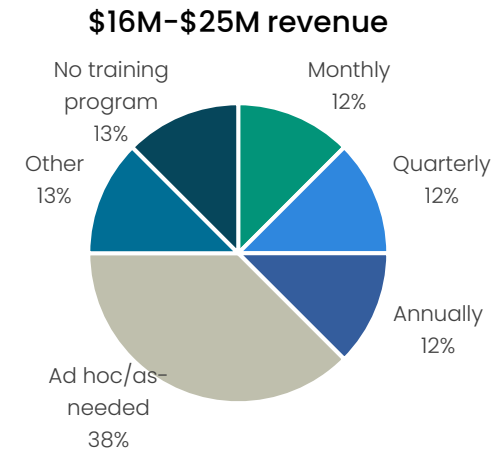
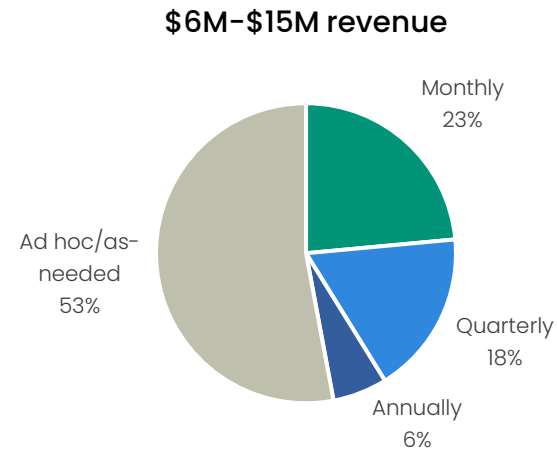
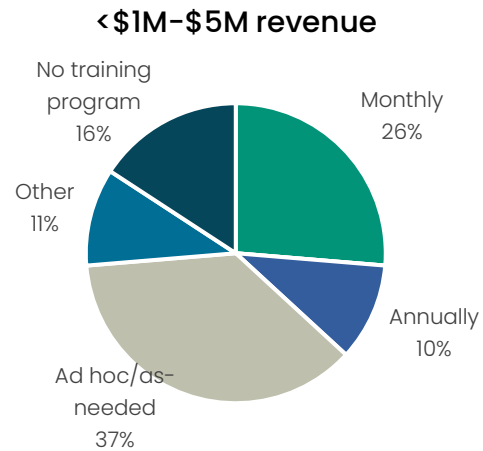
What sales methodology does your organization use?



Earlier stage companies are more likely to use their own custom process, with 47% of those <\$5M revenue selecting they have their own and 29% of those \$6-\$15M revenue using their own.

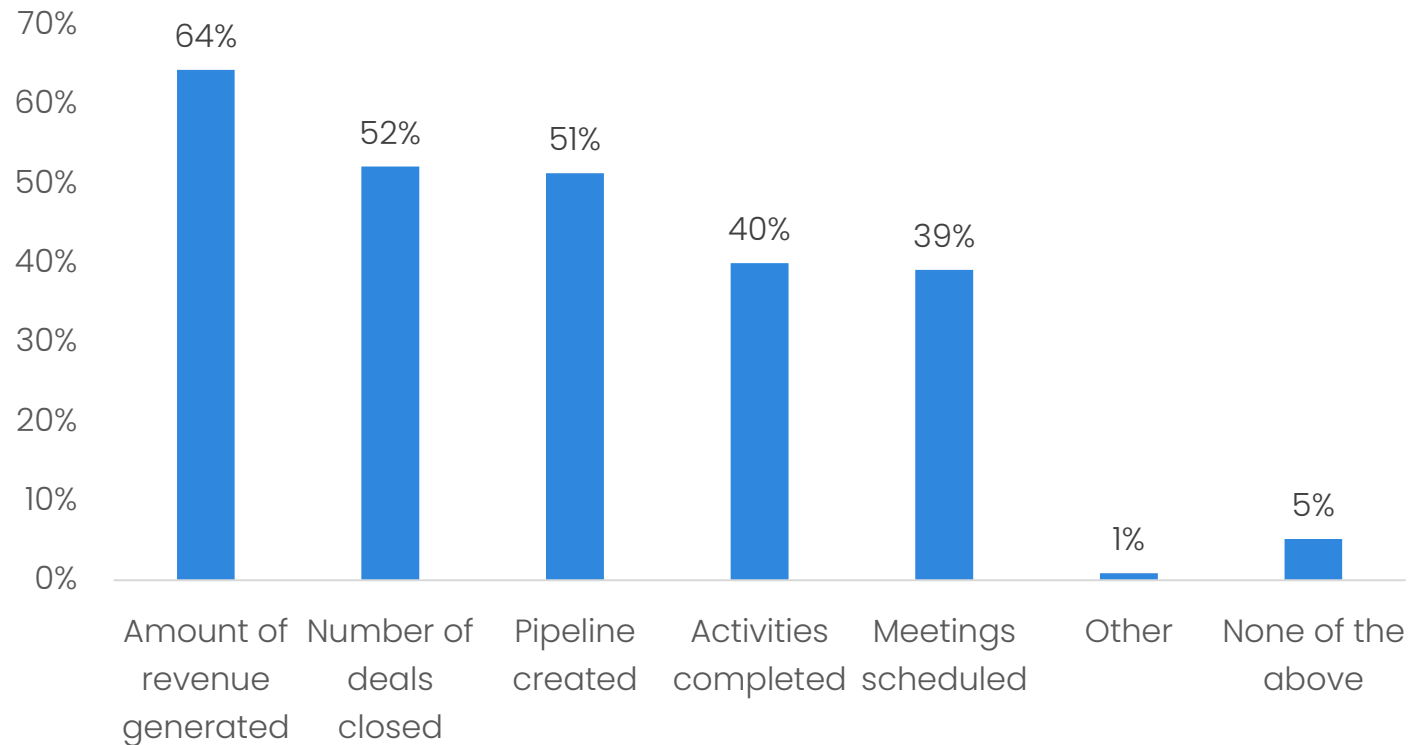
Frequency of sales training by annual revenue

How often do you conduct sales training with your team?

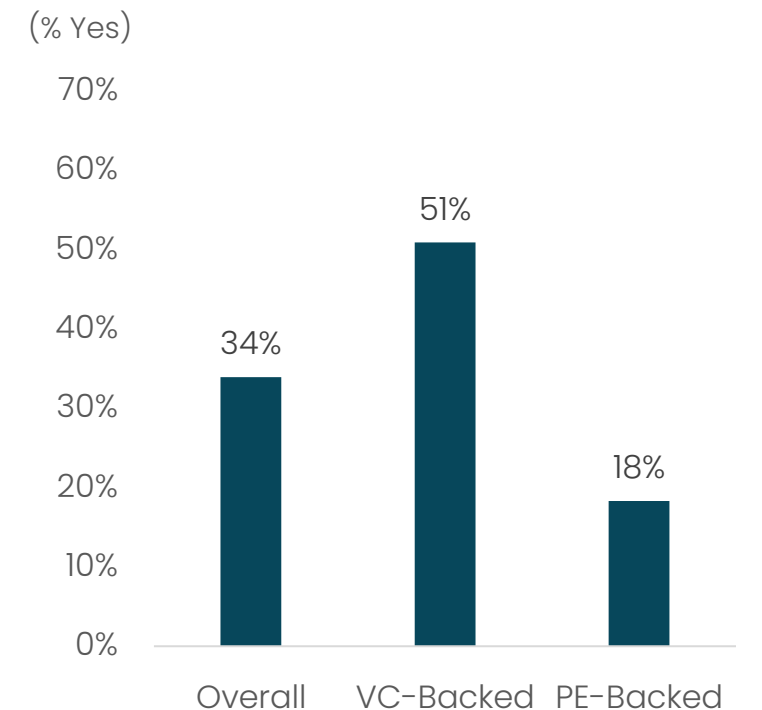


How seller productivity is measured

How do you measure your sellers' productivity?
(Select all that apply.)



Do you have a goal or target for improving average seller productivity?



Average pipeline coverage by reported ACV

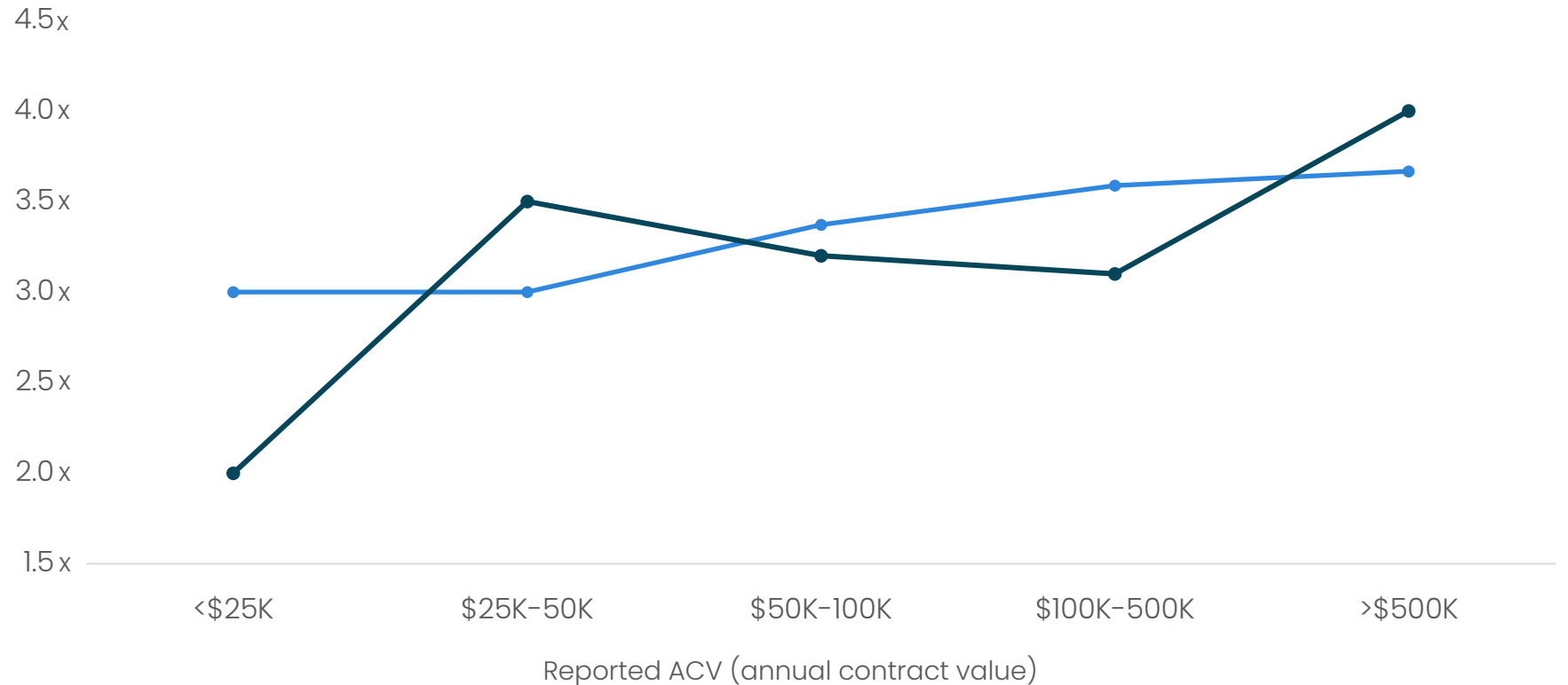
How much qualified pipeline coverage do you plan for to achieve revenue targets?



Pipeline coverage is evening out and slightly increasing for most cohorts, showing more discipline in sales forecasting as companies adjust to changing buyer behavior.

Pipeline coverage

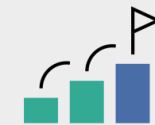
—●— 2024 —●— 2023



Average quota attainment as companies grow in revenue

What was your average quota attainment for your AEs/field sales reps last year?

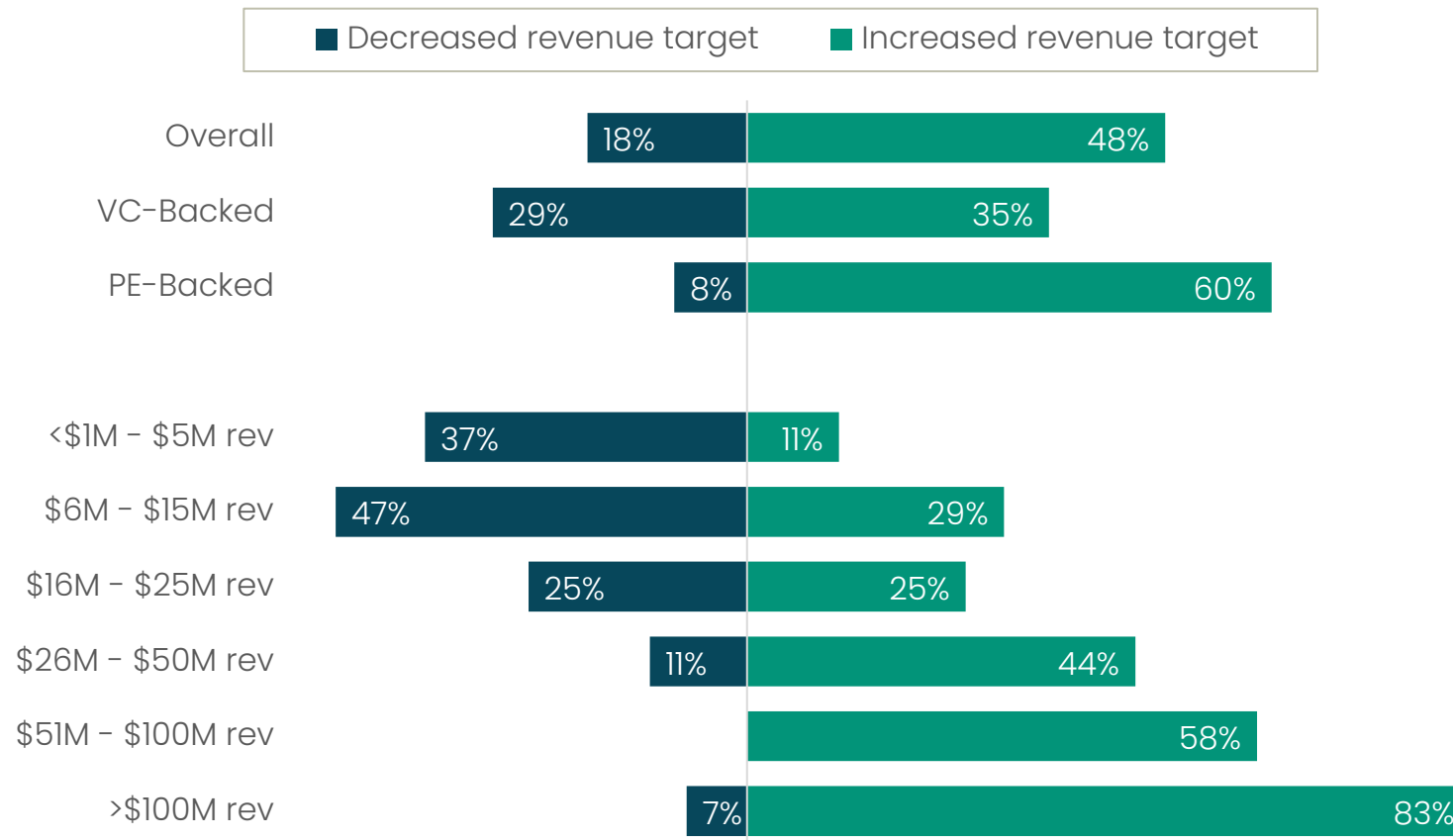
Quota attained	< \$5M rev	\$6M - \$15M rev	\$16M - \$25M rev	\$26M - \$50M rev	\$51M - \$100M rev	> \$100M rev
91% - 100%	25%	12%	13%	6%	23%	14%
81% - 90%	8%	18%	38%	17%	55%	39%
71% - 80%	8%	41%		44%	23%	39%
61% - 70%	25%	12%	25%	6%		7%
51% - 60%	17%	12%		6%		
LESS THAN 50%	17%	6%	25%	22%		



As they mature and grow in revenue, companies get better at setting and meeting quota.

Revenue target reforecasting in the last 12 months

In the last 12 months, have you made any material reforecasting of your organization's revenue target?

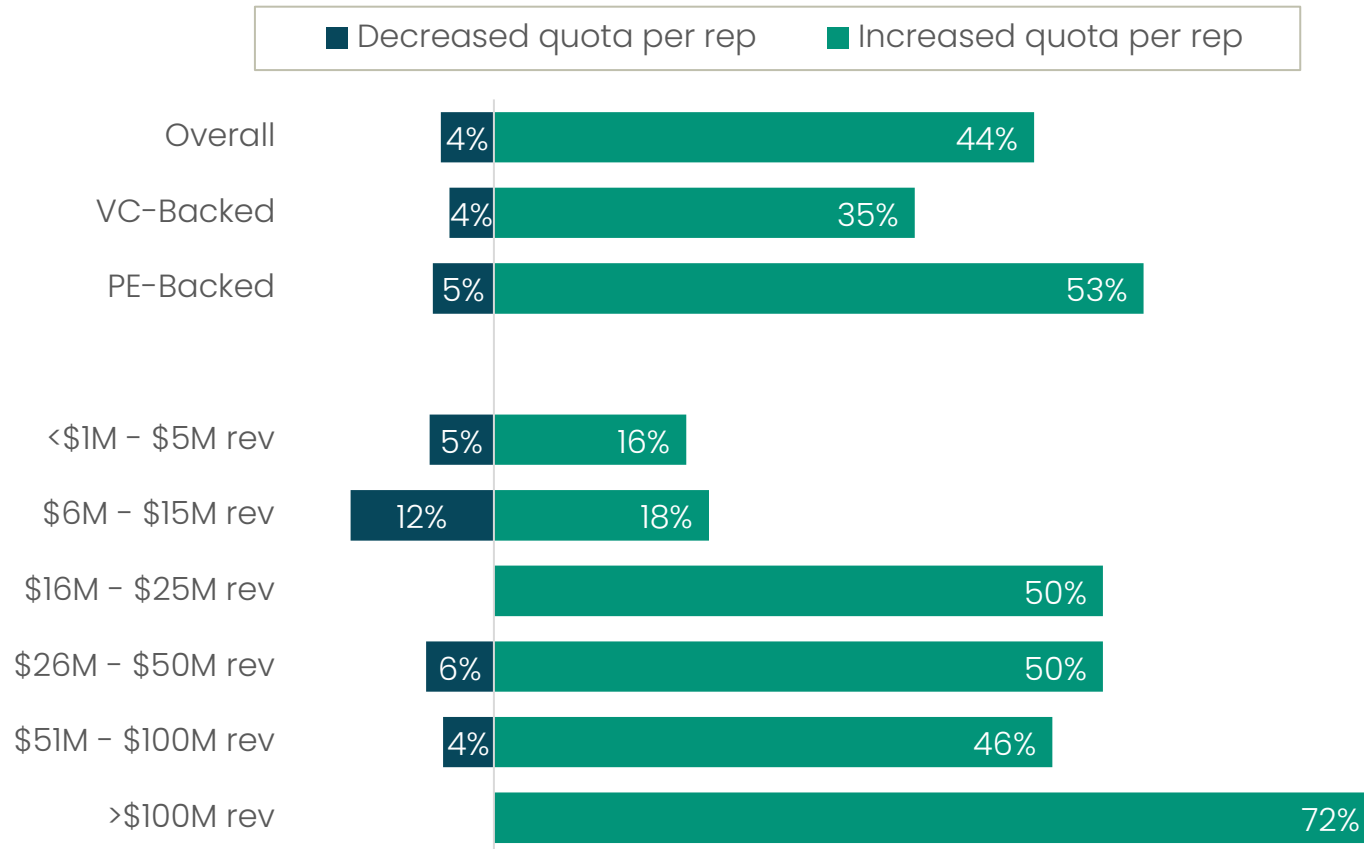


In the last 12 months, PE-backed firms have made more optimistic adjustments to revenue targets than VC-backed firms.

Positive reforecasts increase as revenue stage increases.

Sales quota target reforecasting over the last 12 months

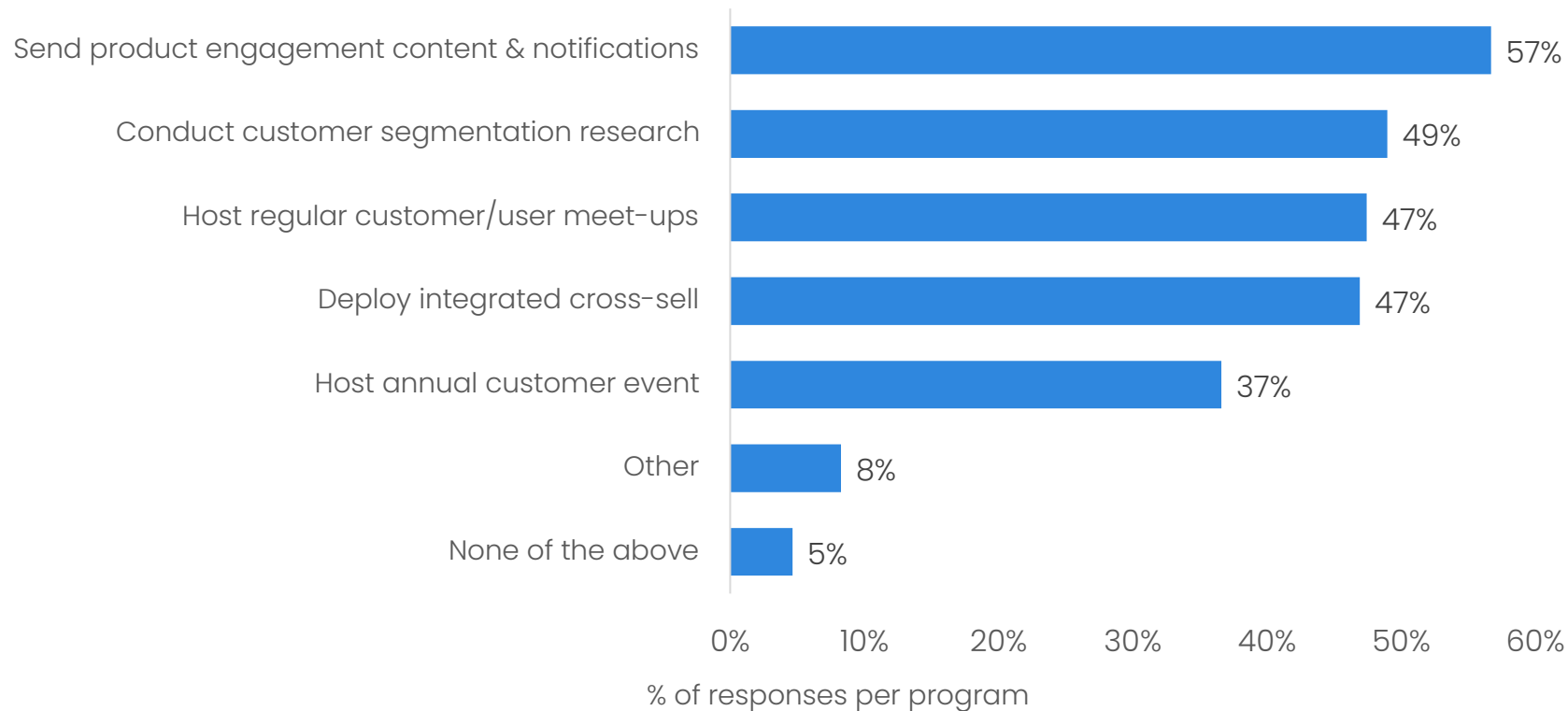
In the last 12 months, have you made any material reforecasting to AE/field sales rep quotas?



Reforecasting of sales quotas over the past year have generally increased regardless of financial backing or revenue levels.

Retention, renewal, & expansion of existing customers

What programs are in place to support retention, renewals, and expansion at existing customers?
(Select all that apply.)

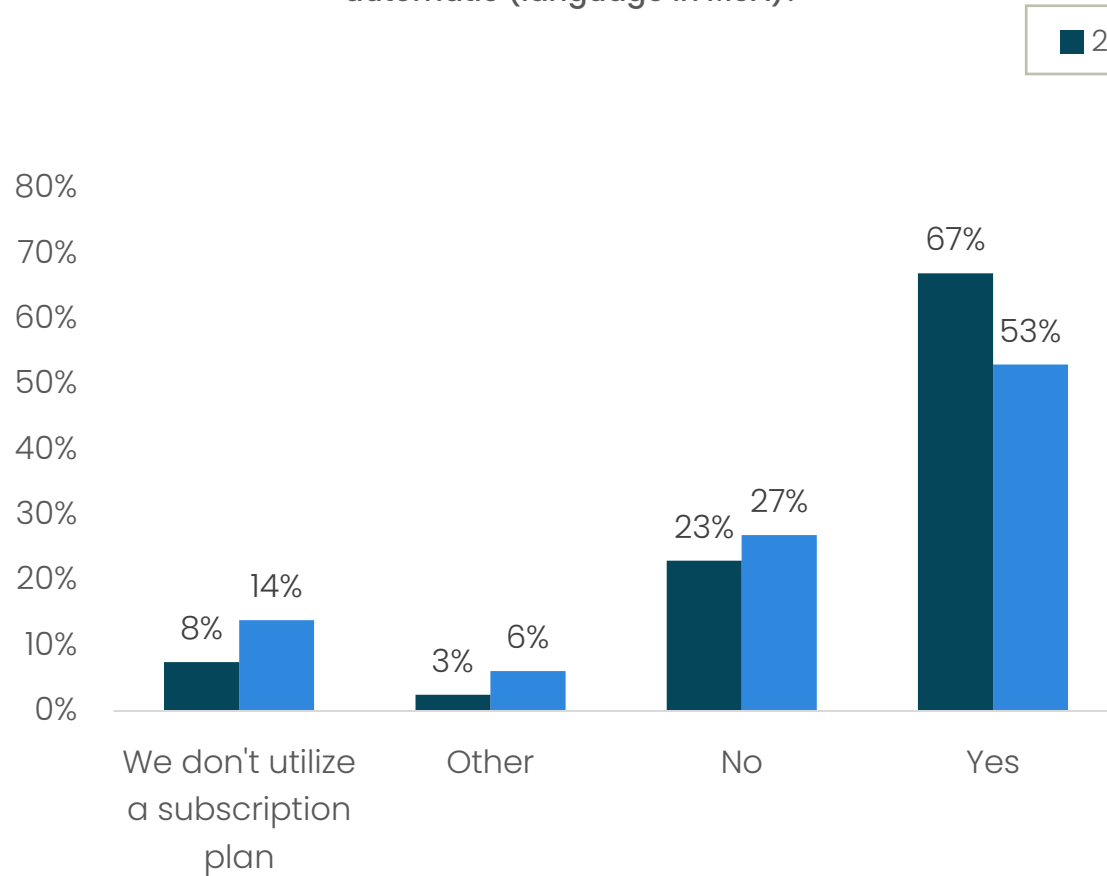


Over half of respondents (51%) are running two or fewer of these tactics to retain customers and drive expansion opportunities.

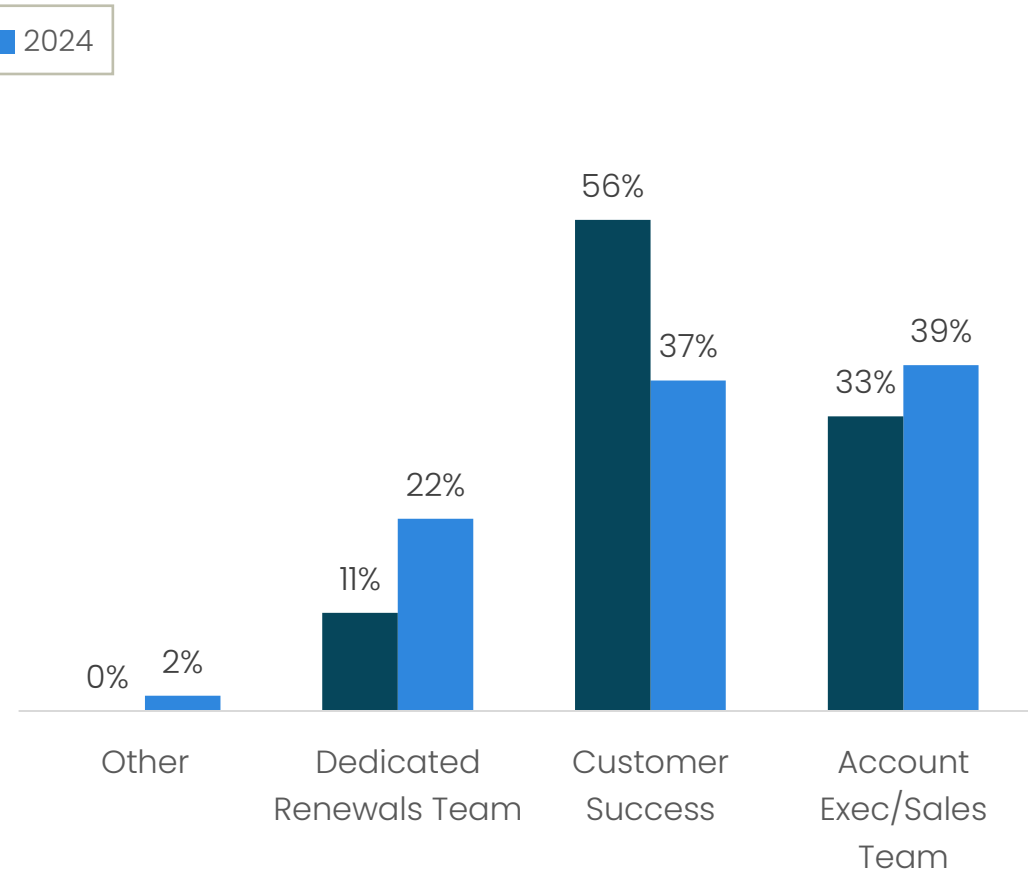
For companies under-performing on NRR, evaluate your programmatic approach to maximize value with your install base.

Subscription/maintenance renewals YoY trends

Are subscription/maintenance renewals automatic (language in MSA)?



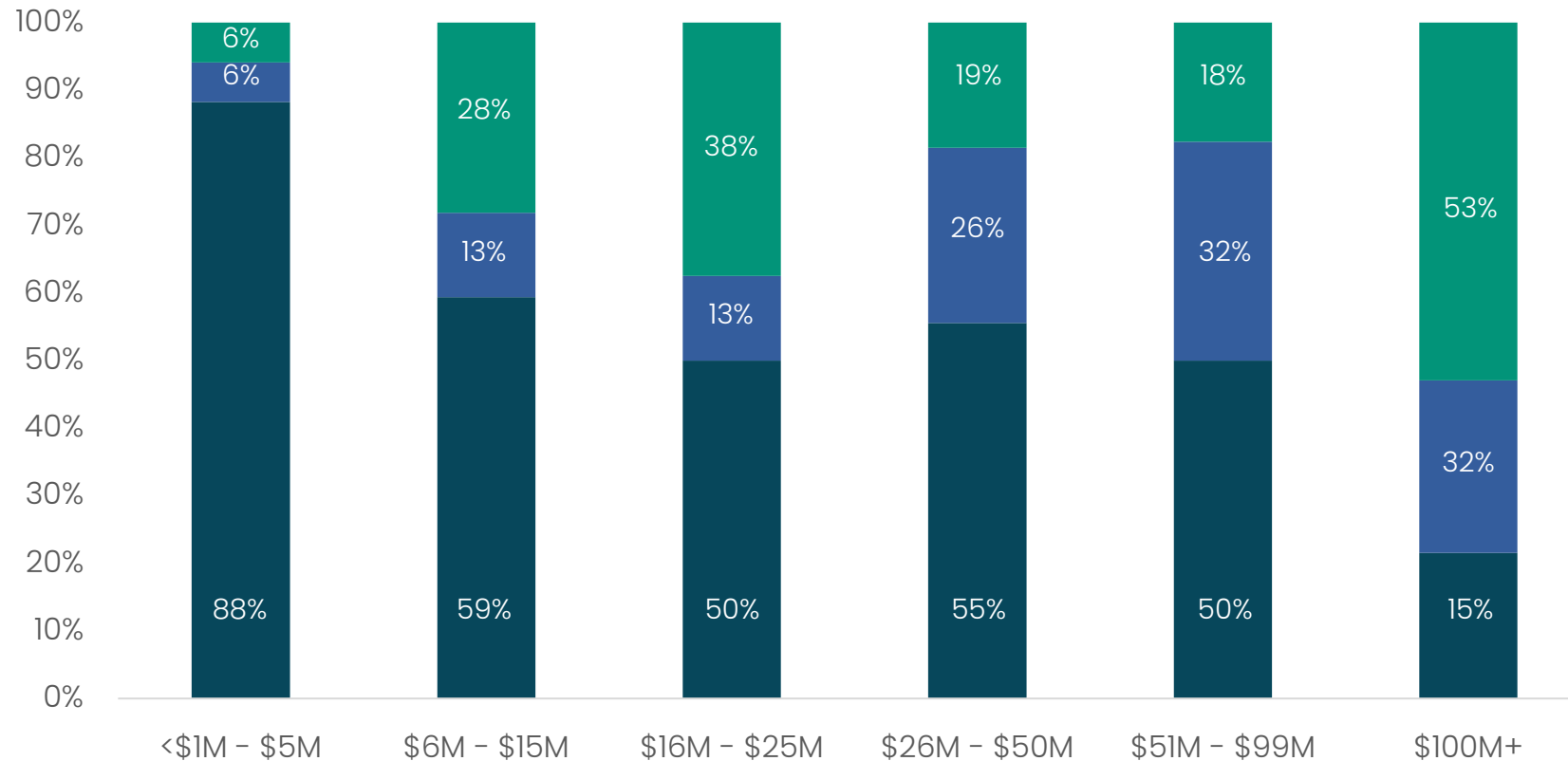
Who is responsible for renewals?



Customer advisory board by company revenue

Does your organization have an active Customer Advisory Board (CAB) program?

■ No CAB ■ Yes, but haven't met > 1 year ■ Yes, active CAB



Companies become more likely to start a CAB between \$6-\$25M revenue.

After \$25M, the program wanes until >\$100M revenue.

Companies may find it's worthwhile to keep this program active to maximize retention, inform roadmap for growth, and nurture relationships that create raving fans.

2024 Sales & Marketing Benchmark Survey

Marketing Trends

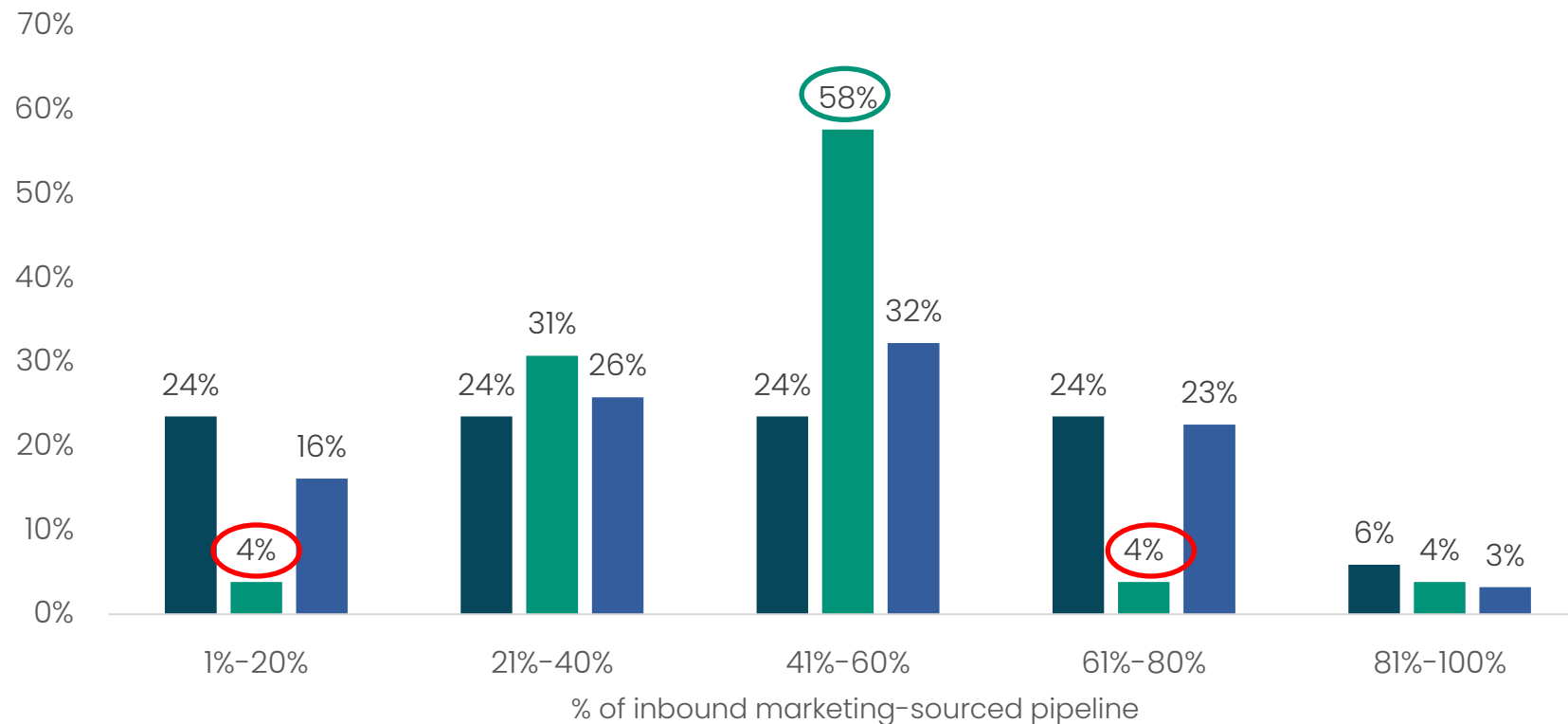
Sales & Marketing Performance and Trends



% of opportunities sourced from inbound marketing

What percentage of your opportunities are inbound sourced from Marketing?

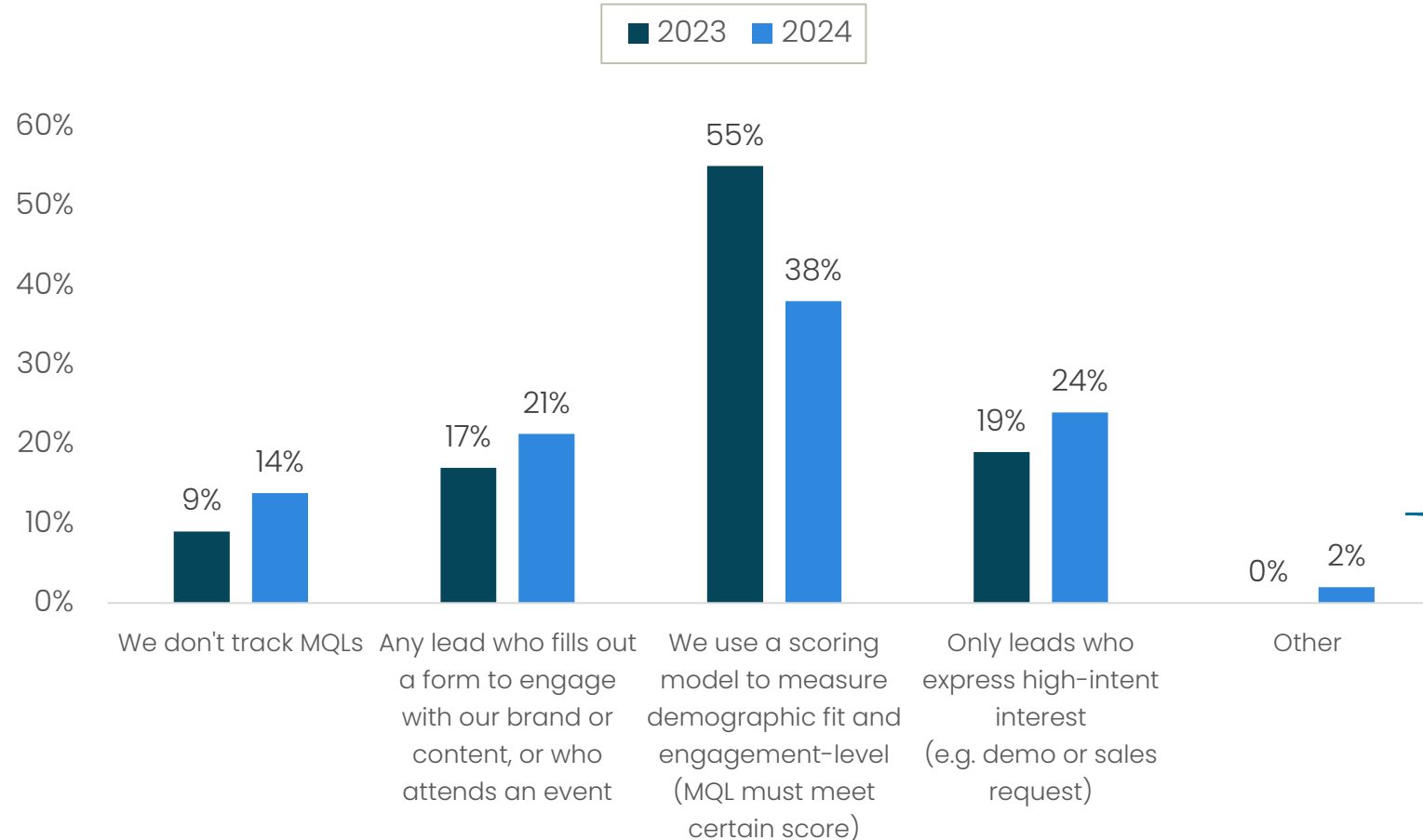
■ < \$50K ACV ■ \$51K-100K ACV ■ > \$100K ACV
What is your company's ACV (annual contract value)?



The middle ACV segment is significantly more likely than others to source around half their opportunities from marketing. They are less likely to fall on the extremes.

MQL definitions as reported by marketing leaders

Which statement below best describes how your organization defines a Marketing Qualified Lead (MQL)?
(Select the one that best applies.)

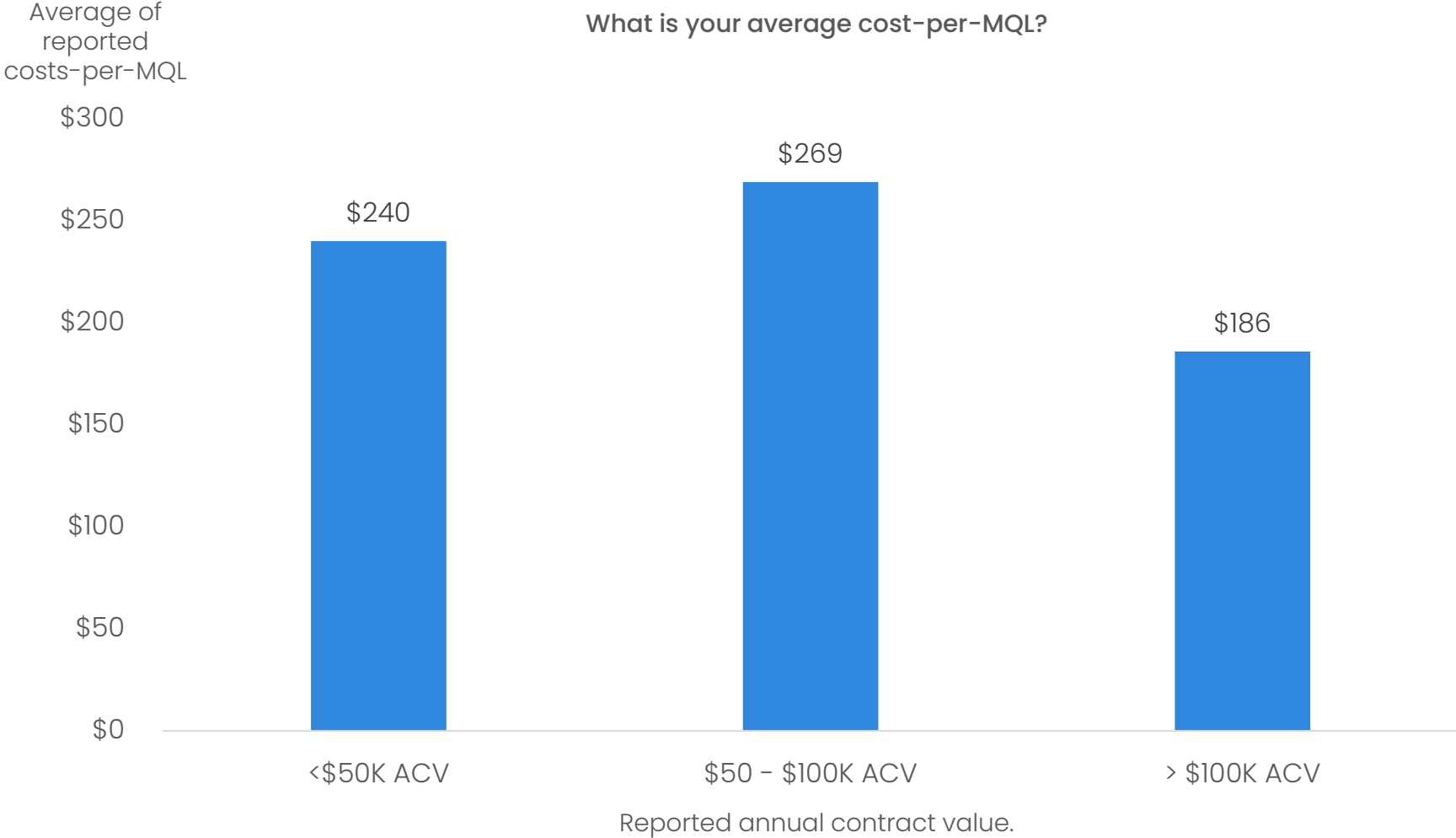


"Other" open-ended follow-up responses

"After assessing the department in the first 30 days, I don't believe the team has a well defined MQL definition. However, my definition and where I intend to take the team is defining an MQL a scoring model measured on engagement but also one that has expressed high interest, so it's really a hybrid between 3 and 4 on this set of answers"

"Defined as scheduled discovery calls"

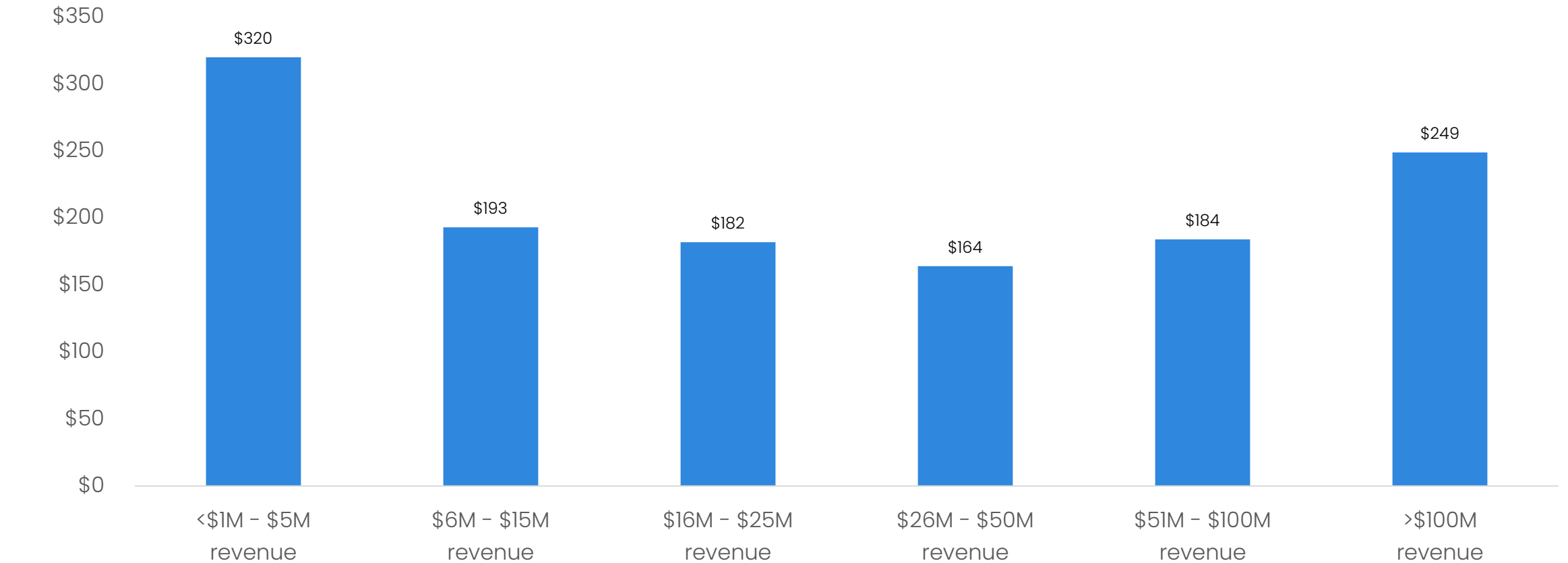
Avg. cost-per-MQL by annual contract value



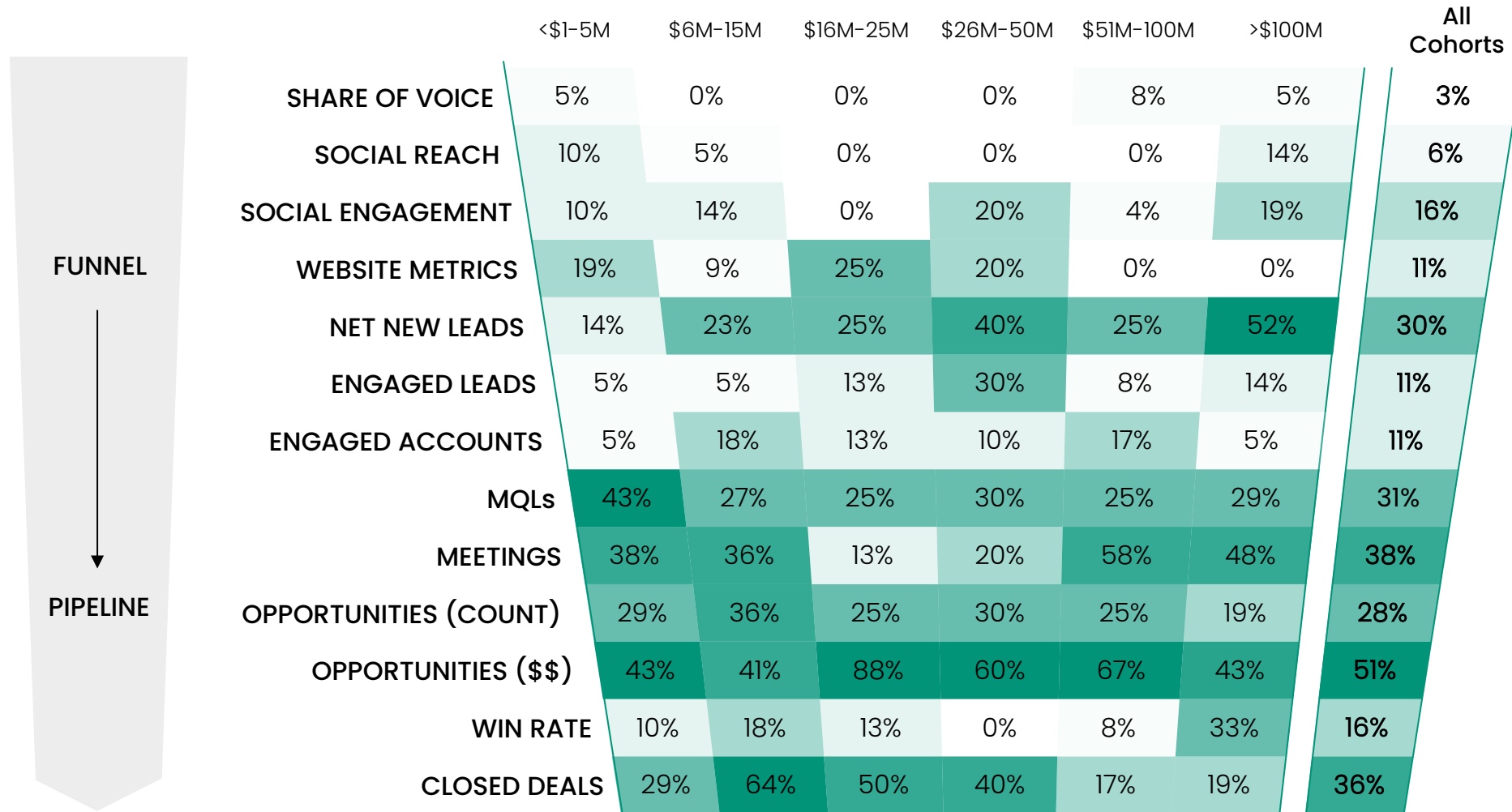
Avg. cost-per-MQL by company revenue size

Average of reported costs-per-MQL

What is your average cost-per-MQL?



What top 3 KPIs does your marketing org manage to?



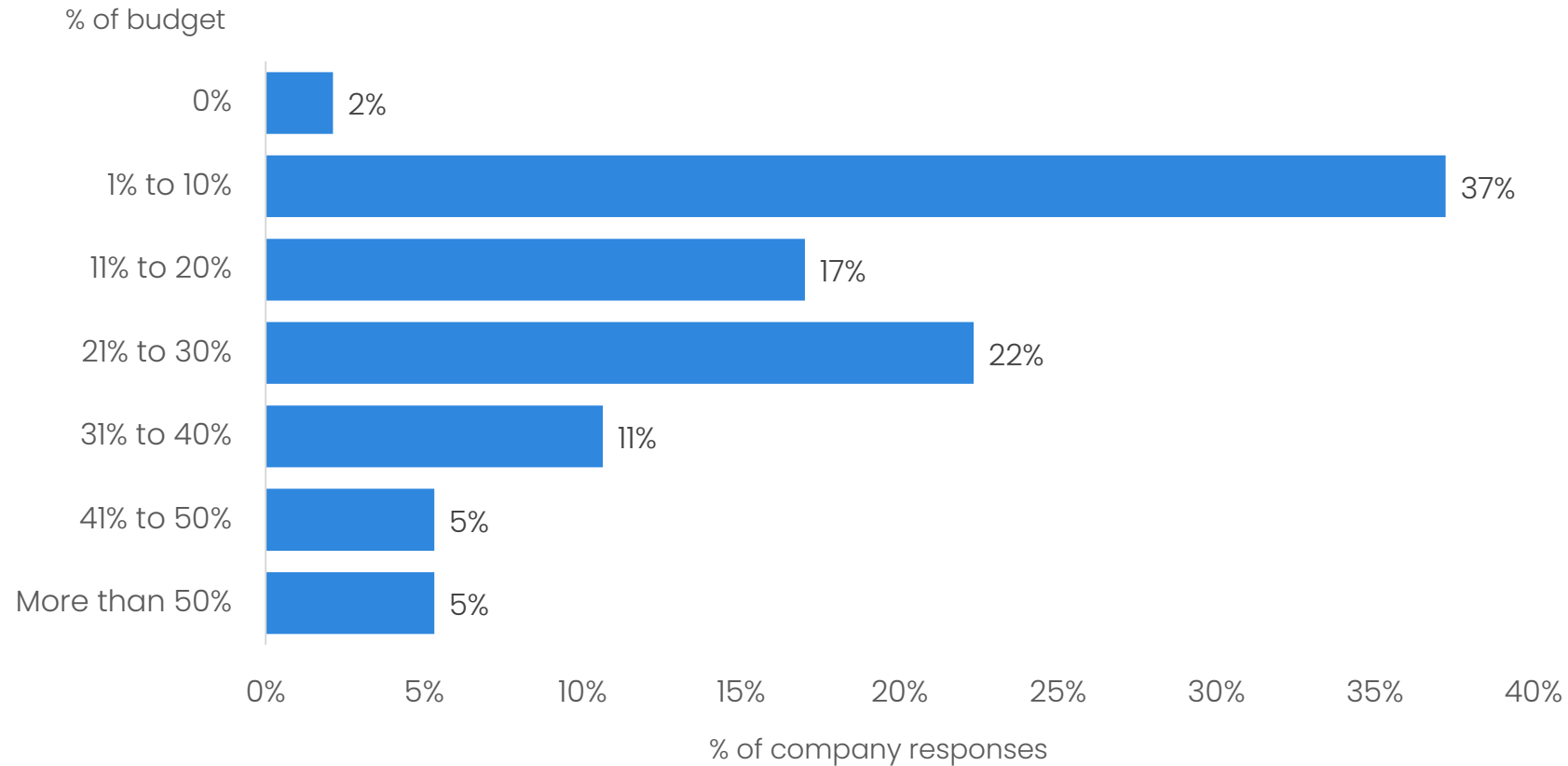
Brand awareness KPIs become slightly more important at the earliest and latest stage companies.

Growth stage companies show increased emphasis on demand creation, proven out by engagement.

While pipeline / revenue will always be king of the KPIs, meetings are growing in importance as a leading indicator.

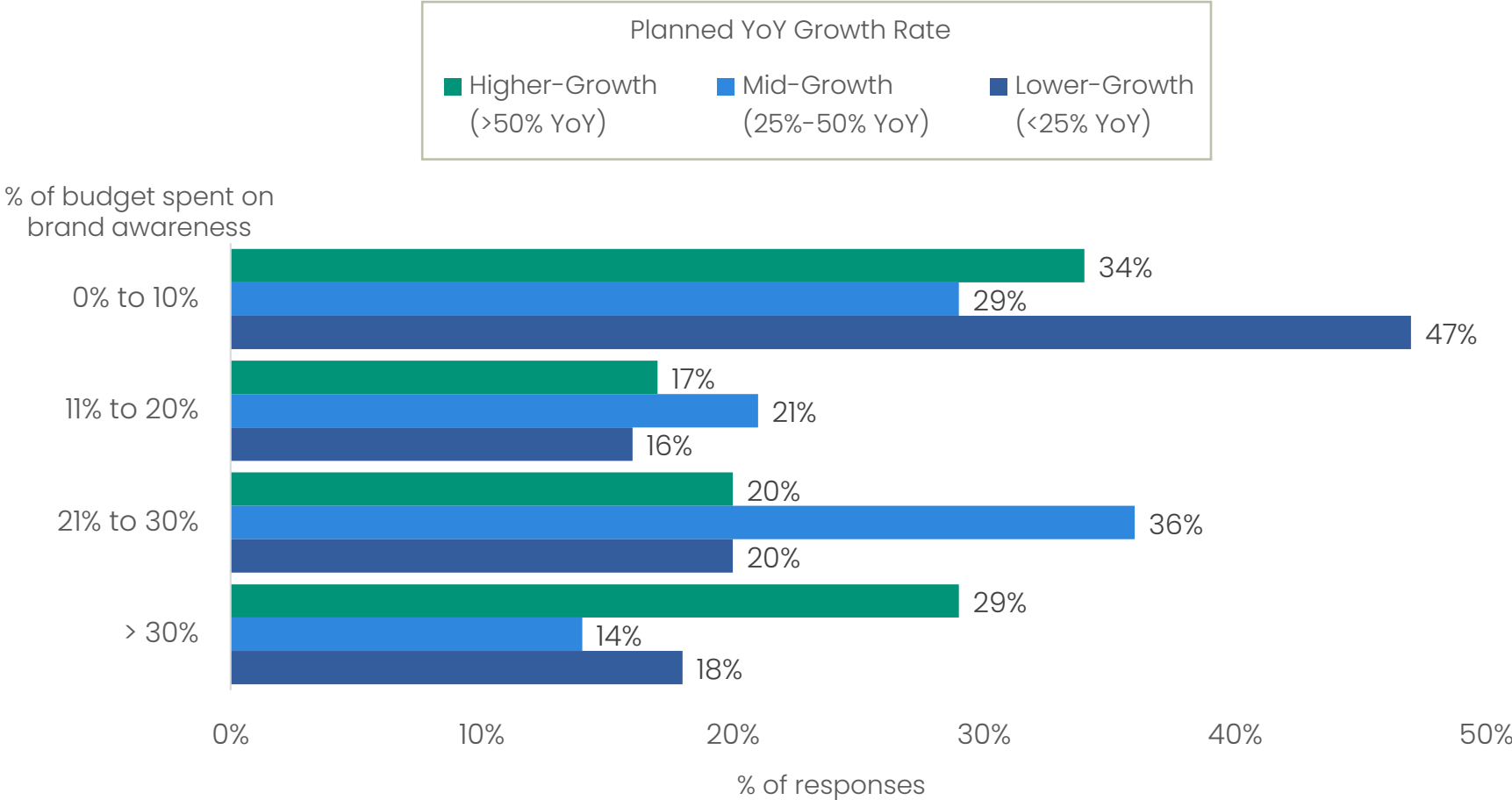
Brand awareness investment % of budget

What percentage of your marketing budget would you estimate is allocated to brand awareness activities?



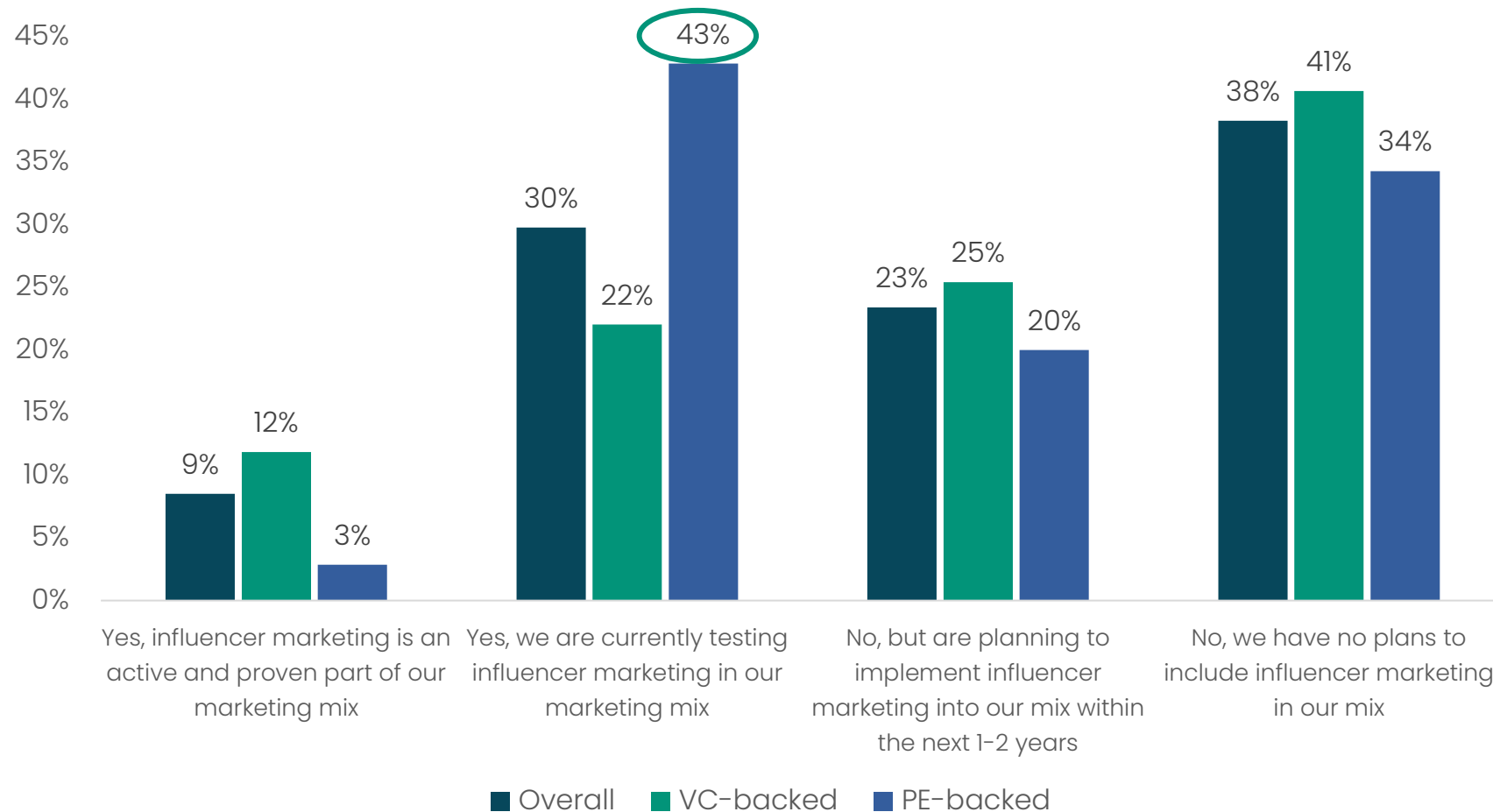
Brand awareness investment % of budget by growth rate

What percentage of your marketing budget would you estimate is allocated to brand awareness activities?



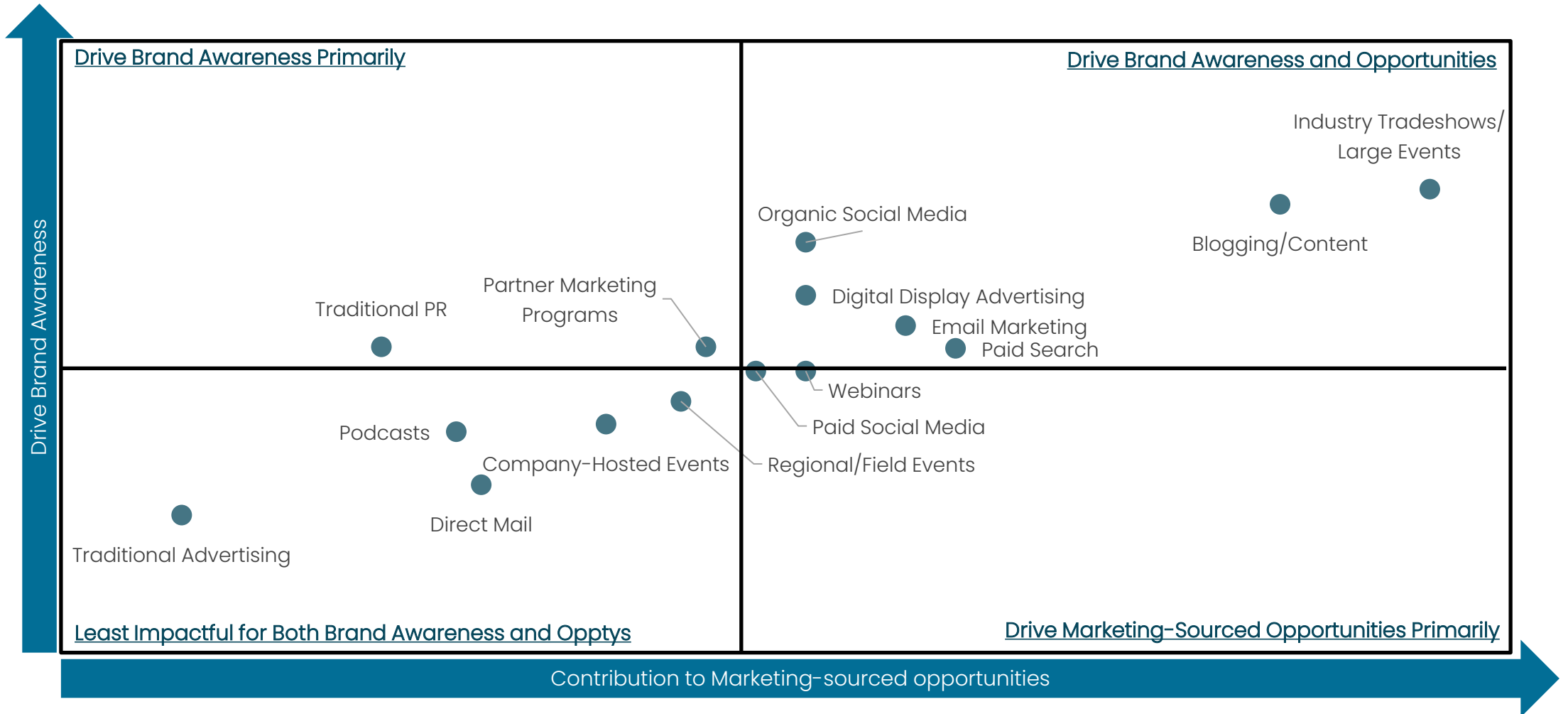
Influencers' role in B2B marketing mix

Does influencer marketing play a roll in your marketing mix?



PE-backed companies are more likely to be testing influencer marketing than VC-backed firms. This may be due to the highly verticalized nature of many PE-backed companies (easier to reach targets with an industry-specific influencer).

Which marketing programs contribute to/drive marketing-sourced & brand awareness opportunities?



NORWEST

The Best From the Rest

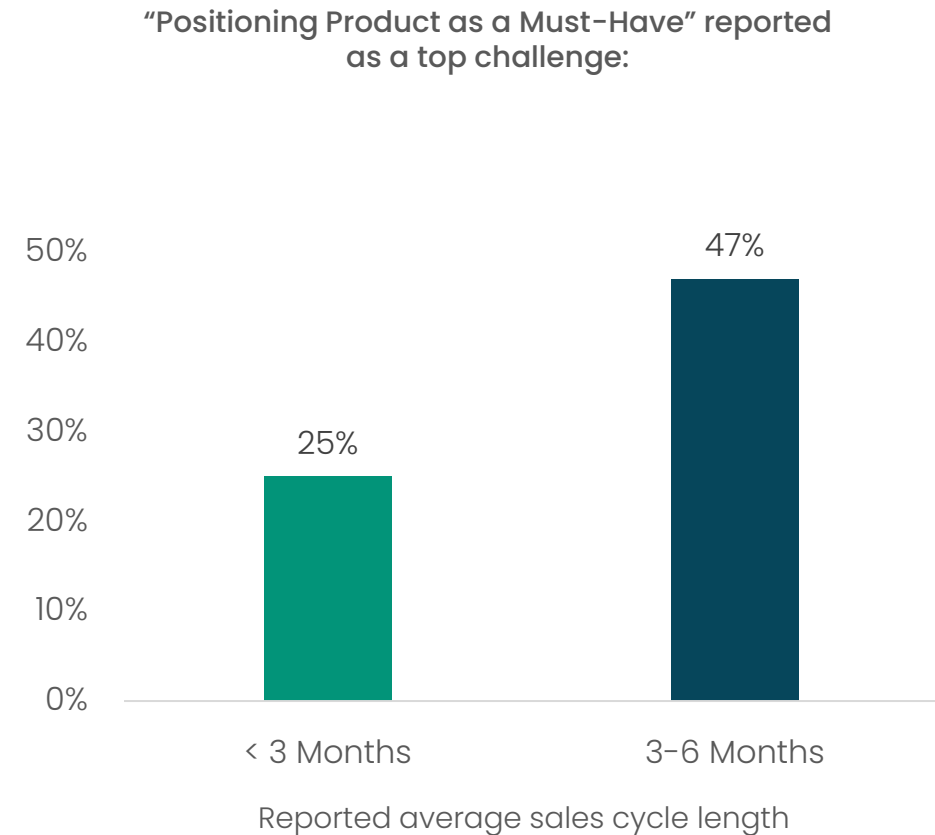
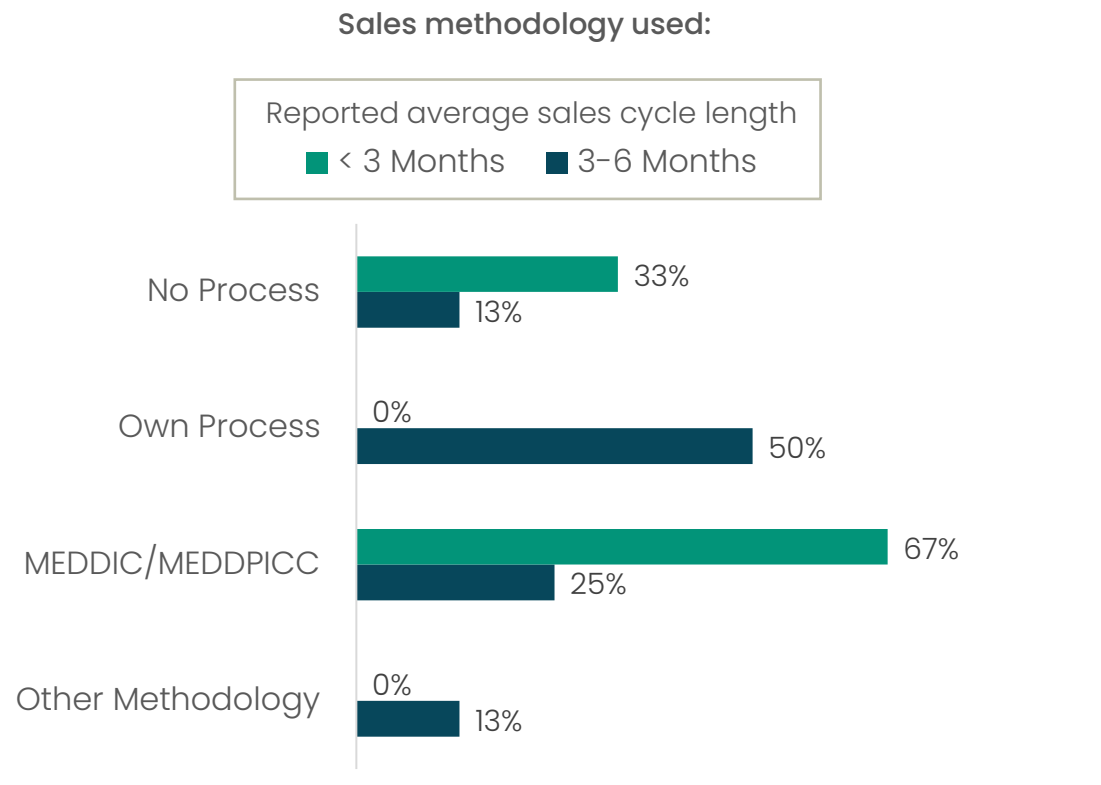
2024 B2B Sales & Marketing Benchmark Survey

Selected trends comparing top performing companies by deal velocity and win rate.



≤\$50K ACV reporting shorter sales cycles

Companies with ≤\$50K ACVs who report the shortest sales cycles were **2.7x more likely to use MEDDIC or MEDDPICC** and **1.8x less likely to report product positioning as a challenge**.



≤\$50K ACV reporting higher win rates

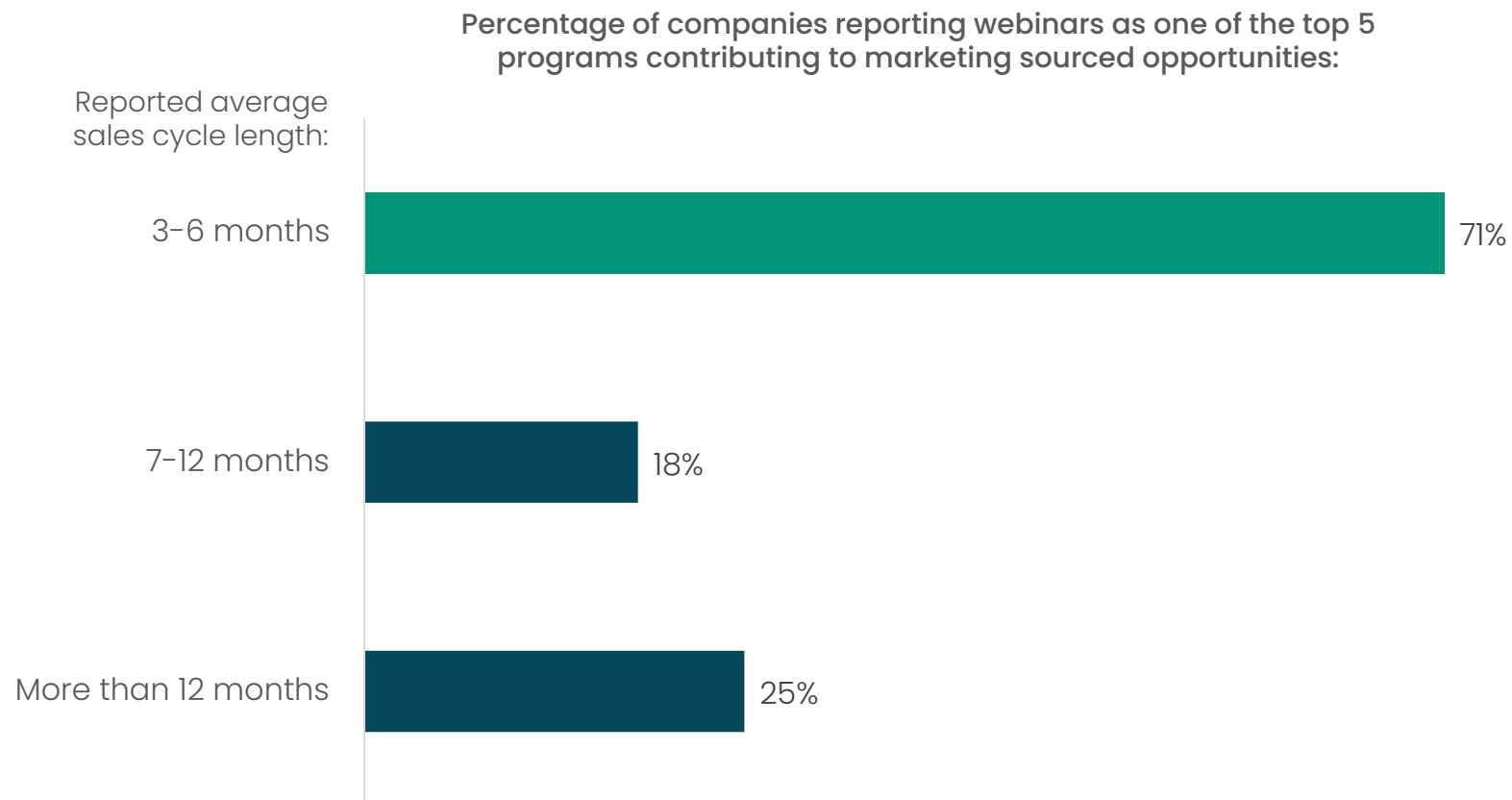
Not a single company with >40% win rate reported lead quality, seller retention, or sales compensation were top challenges. Meanwhile, about ~20-25% of companies with lower win rates reported the following:

Percentage of companies with ≤\$50K ACV and ≤40% win rate who reported these as one of their top 3 challenges:



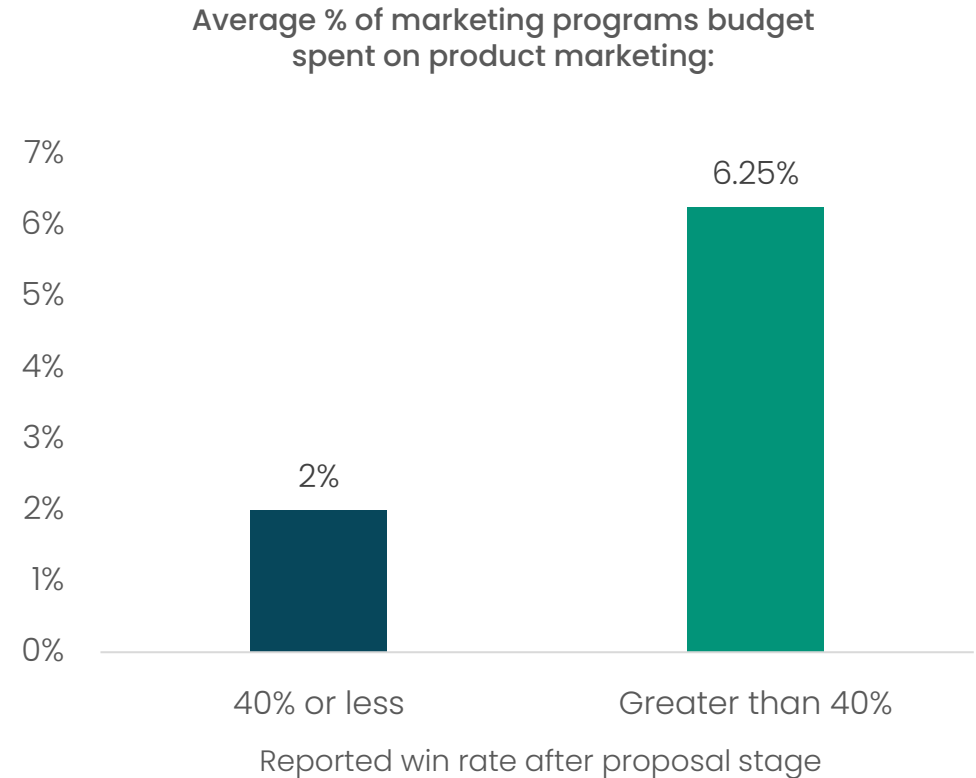
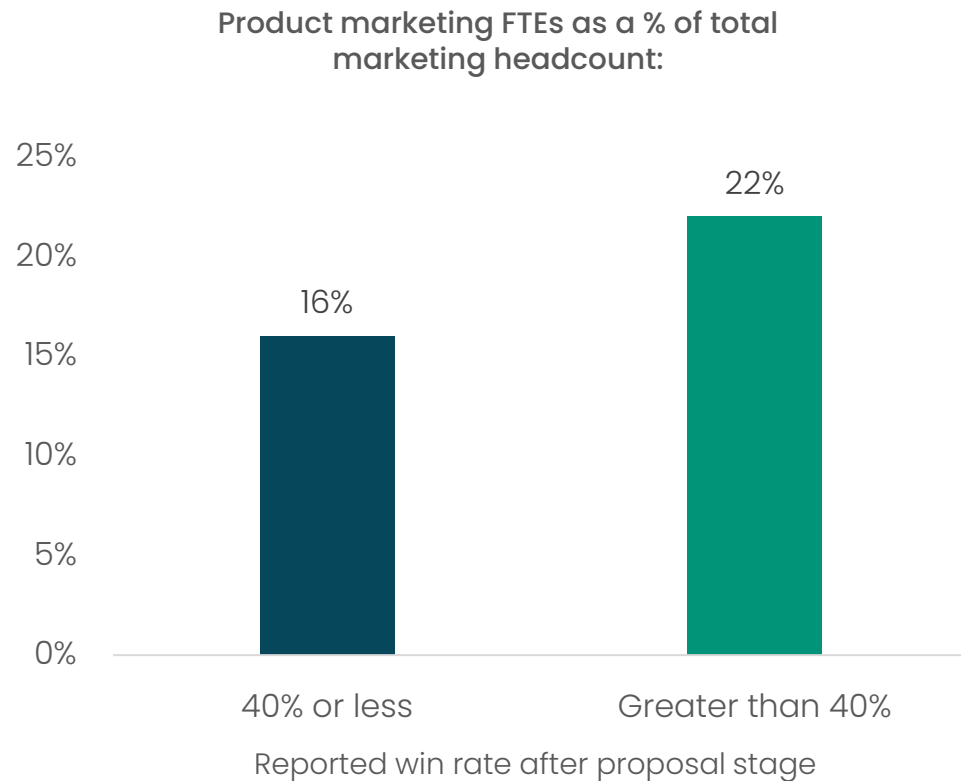
>\$50-\$100K ACV reporting shorter sales cycles

Companies with >\$50K to \$100K ACVs who report the shortest sales cycles are significantly more likely to report that webinars are one of their top programs that contribute to marketing-sourced opportunities:



>\$50-\$100K ACV reporting higher win rates

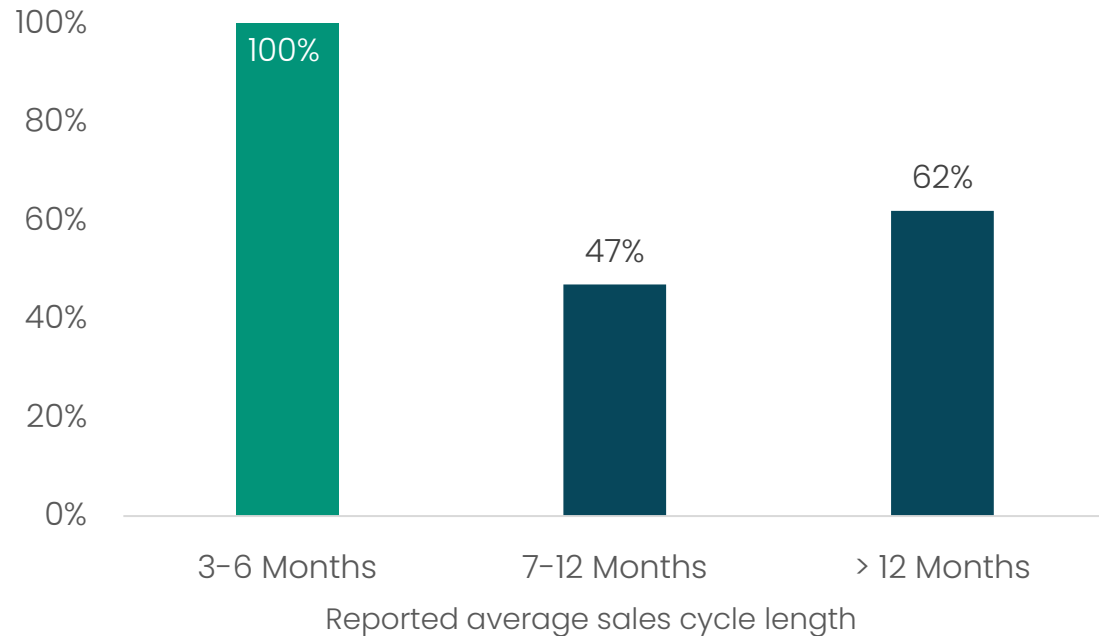
Companies with >\$50K to \$100K ACVs with the highest win rates are **investing more in product marketing** than those with win rates 40% or less after the proposal stage:



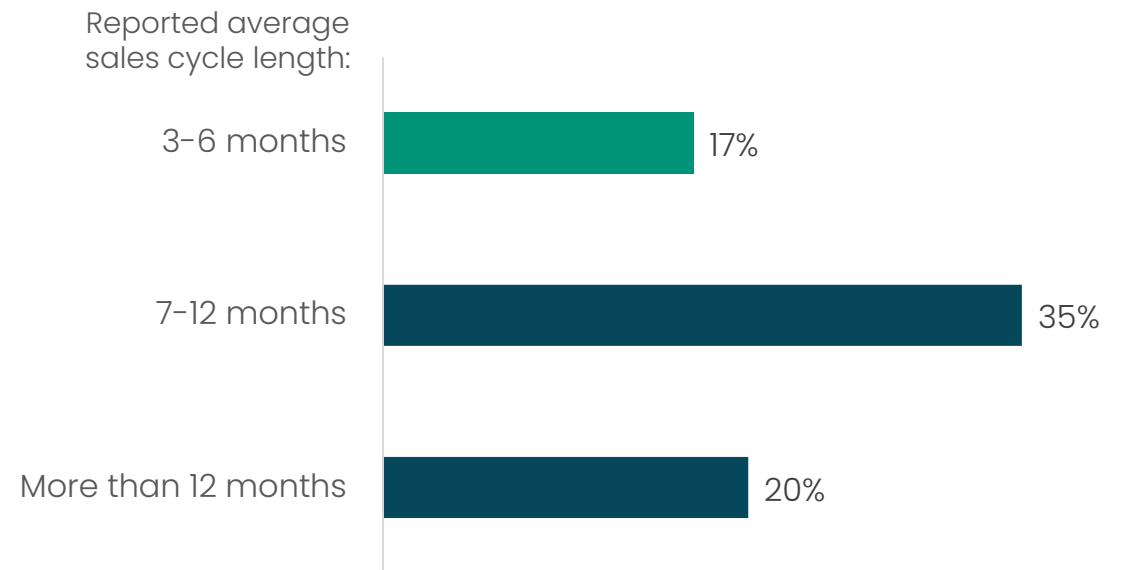
>\$100K ACV reporting shorter sales cycles

Companies with >\$100K ACVs who report the shortest sales cycles are significantly more likely to be investing in brand awareness, and also more likely to report sales enablement as a top challenge, compared to those with longer sales cycles.

Percentage of companies with >\$100K ACV reporting spending more than 10% of budget on brand awareness:



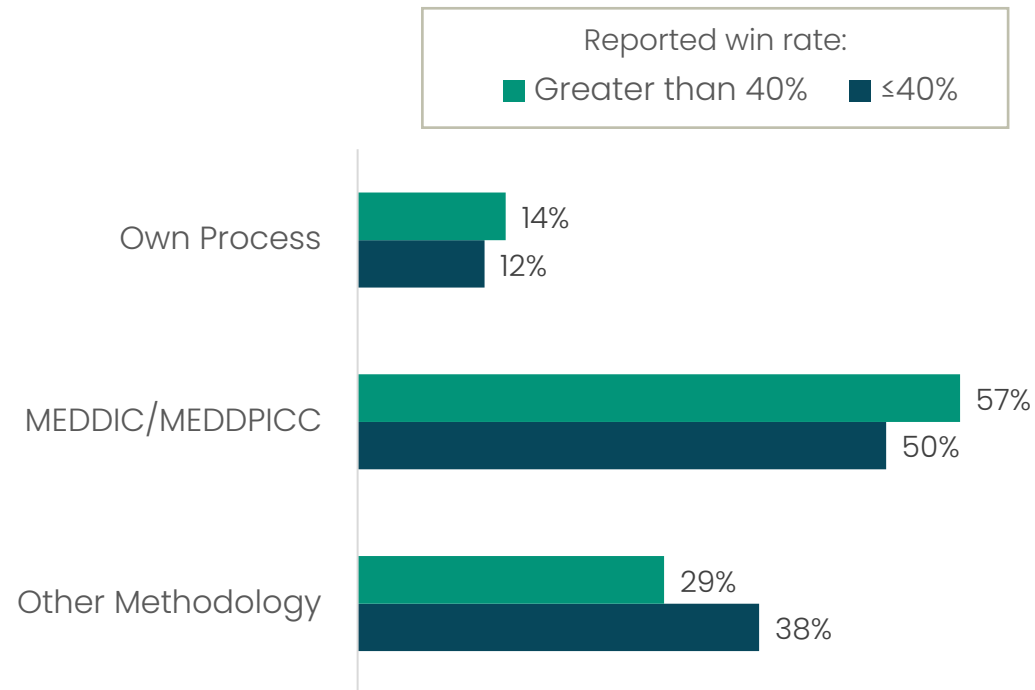
Sales enablement reported as a top challenge:



>\$100K ACV reporting higher win rates

Companies with >\$100K ACV with >40% win rates after the proposal stage are more likely to be using MEDDIC/MEDDPICC (including every company with a greater than 50% win rate), instead of other sales methodologies:

Sales methodologies used by companies >\$100K ACV:



Disclosures

- The data in this report was collected from 80 Norwest portfolio company revenue leaders and an additional 115 revenue leaders from VC- and PE-backed B2B companies between August 22 to September 20, 2024. The survey was conducted by Savanta, a third-party full-service market research company. The data collected represents a total of 195 responses from sales and marketing leaders through these combined sources.
- Rapidly changing market conditions should be considered when reviewing this benchmarking data. This report is intended to be point of reference and should not be taken as a recommended course of action or legal advice.
- References to “companies” refers to the companies represented by the revenue leaders who were surveyed through the 2024 Norwest Sales & Marketing Benchmark Survey.
- Throughout this report, there may be references to statistically significant differences. This means that an observed difference has been mathematically determined to be an actual difference that did not occur due to random fluctuations in the data. Statistical testing was done at a 90% confidence level which means that there is at least a 90% probability that the difference did not occur due to chance.

Thank You

Questions about the survey or the results?
Please email Renée Cohen | rcohen@nvp.com