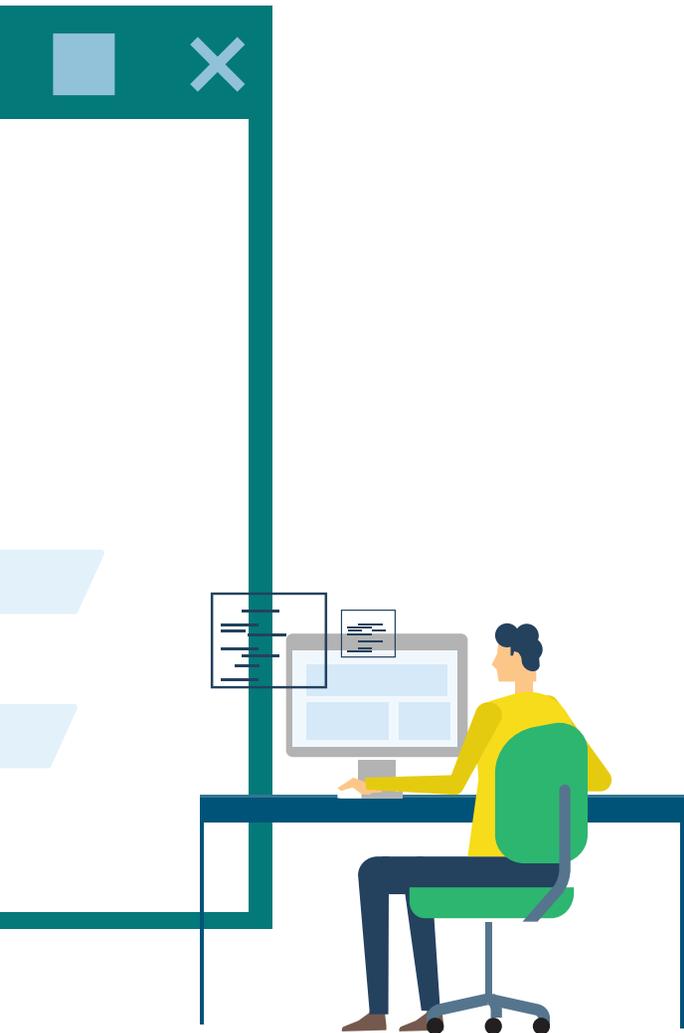


The State of Revenue Ops 2018

A Survey of B2B Sales & Marketing Professionals





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Revenue is the responsibility of sales *and* marketing.



Revenue operations is becoming a hot topic and trend within the B2B community. However, there is not one clear way to define what exactly is revenue operations.

Here's how a few revenue operations leaders, industry analysts define it:

“I view RevOps as a natural evolution where organizations are seeing value in merging various operation teams while leaving the day-to-day structures of marketing, sales and customer success teams intact.”

Dheer Gupta
HappyCo Director of RevOps & Strategy

“The insights-driven decision making required by modern marketing and sales is a threat to organizations with insufficient operations talent and resources. If ops activity stopped moving forward, the go-to-market wheel would stop turning.”

Allison Snow
Senior Analyst, Forrester

“ The main goal of revenue operations is to break down the operations silos. The rev ops team is the central hub of information for the entire organization.

Joe Gelata
VP of Business Operations
Axonify

Conversations on revenue ops continue to reverberate throughout the hallways of TOPO Summit, Marketing Nation, SiriusDecisions Summit and other shows. But how many organizations even have a revenue ops team? How do they define their roles and responsibilities?

Those questions, and more lay at the heart of this year's State of Revenue Ops survey, conducted by LeanData and Sales Hacker. We wanted to gain a better understanding of how businesses see revenue ops, and

the challenges they face in implementing revenue ops strategies. The results were eye-opening.

Over 45 percent of nearly 800 sales and marketing professionals defined revenue ops as a unified alignment of sales, marketing, and customer success—but 24.3 percent say it's four distinct pillars of sales, marketing, ops and customer success. Beyond definitions, we found other critical concerns:

Adoption

56% do not have a revenue ops team within their organization

20.4% have a revenue ops team within their organization

15.2% are building a revenue ops team within their organization

7.6% are not sure

3% identified as revenue ops

Challenges

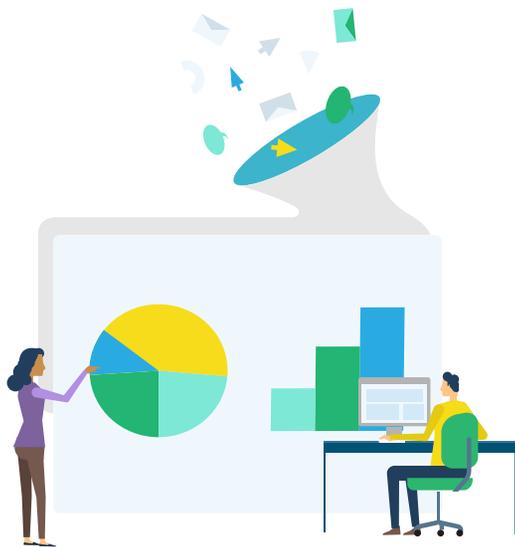
31% say there is a lack of knowledge on how to build a revenue ops team

21% say business leaders are failing to build the right revenue ops team structure to build a revenue ops team

Data is based on answers from 785 respondents.

“ As much as we’ve discussed revenue ops, the consensus just isn’t there yet. Most people know what it is, but it’s possible the value is not well defined. This survey shows that that’s a wide-spread problem. Businesses should be aware that they’re not alone in their difficulties, or successes, with revenue ops.

Maile Johnson
Senior Director of Demand Generation
LeanData



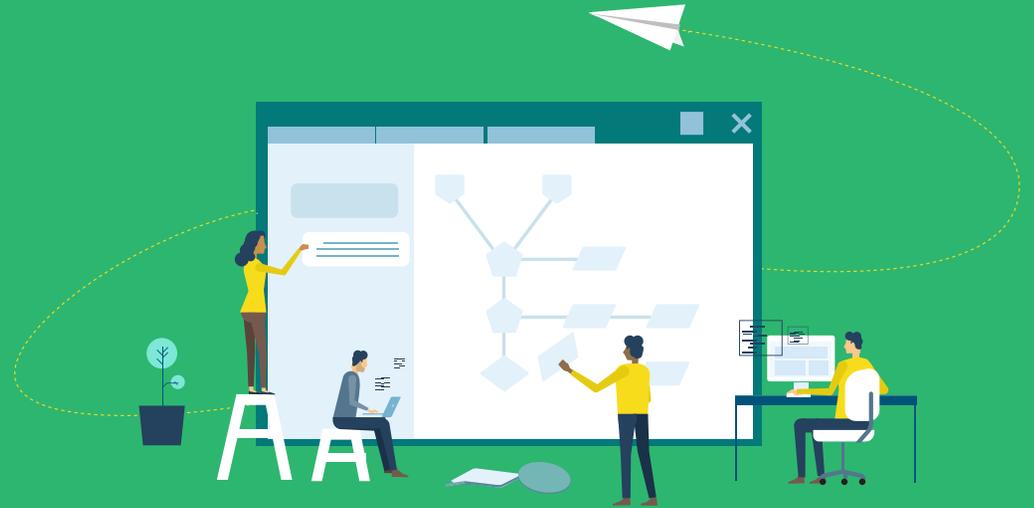
As Matt Plumley, senior growth consultant at LeadCrunch, wrote, business needs to “avoid the pitfall of unorganized growth and shifting revenue demands.”

“The necessity to break down silos is a major catalyst for the emergence of RevOps as a function,” says Gaetano DiNardi, VP of Marketing at Sales Hacker. “The majority of respondents said the RevOps team should own KPIs and metrics that hold sales and marketing accountable, which is a remarkable shift in the way modern organizations are thinking about measurement.”

“Revenue operations roles were created from the need to manage a shared responsibility, driving growth and ROI,” said Brian Skipper, head of sales operations, LeanData. “Revenue Operations is still being defined to help drive corporate accountability and results. This will help bring departments closer together guiding all teams to overall company revenue goals.”

Who are the businesses working on that challenge? Here’s a closer look.

How would you define revenue ops?



“ We think of revenue operations as encompassing the strategy, execution and optimization of all systems, processes, people and tactics related to generating cash for the business.

Essentially, it’s the overall machine that helps improve the performance of sales, marketing and perhaps most importantly for SaaS companies, customer success.”

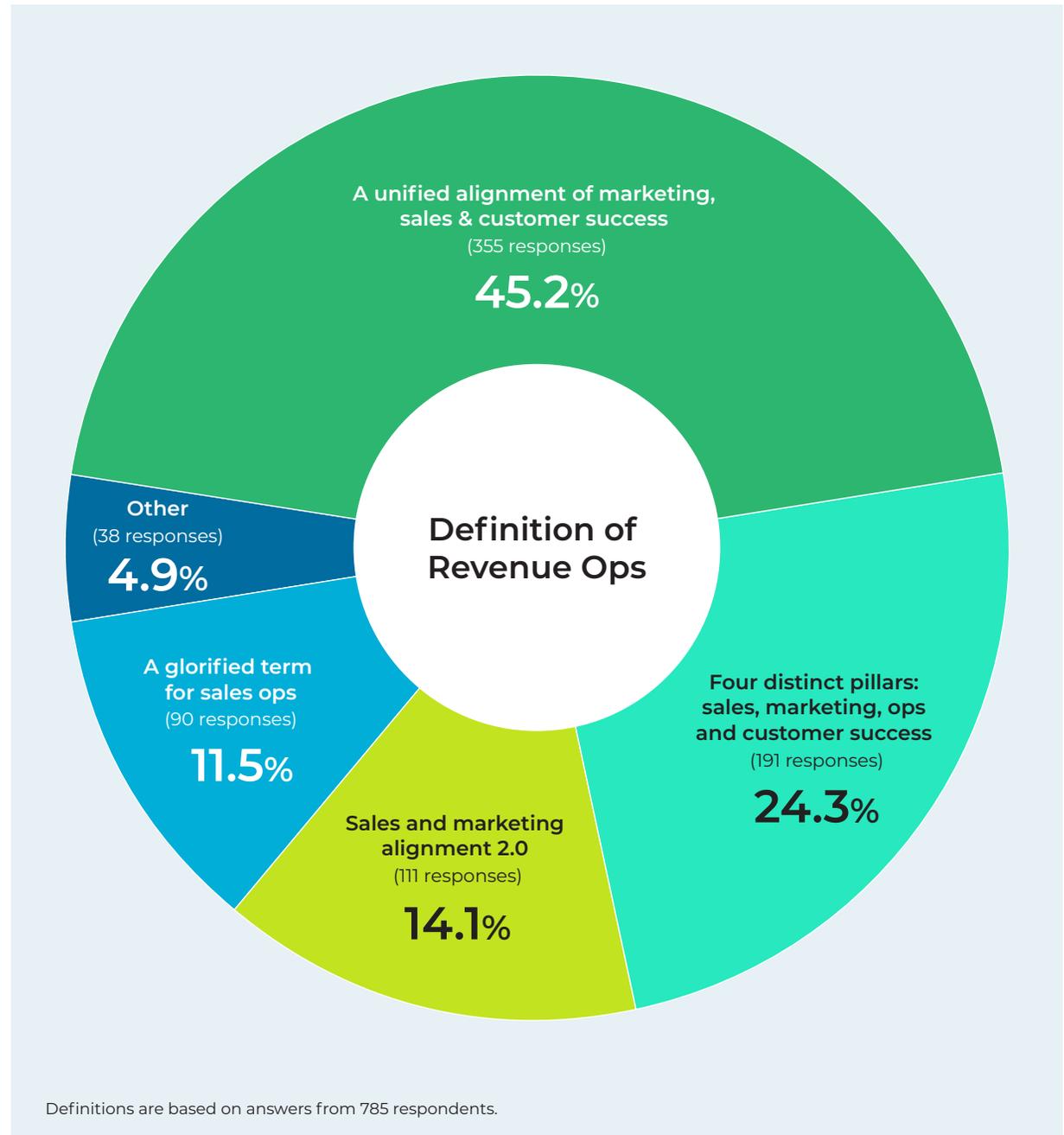
Greg Poirier
President
CloudKettle

Revenue ops encompass different departments in each organization. But in our survey, we found that a whopping **45.2 percent** of respondents consider revenue ops a unified alignment of marketing, sales and customer success, while **24.3 percent** would also add ops into that equation.

“We think of revenue operations as encompassing the strategy, execution and optimization of all systems, processes, people and tactics related to generating cash for the business,” said Greg Poirier, president at CloudKettle. “Essentially, it’s the overall machine that helps improve the performance of sales, marketing and perhaps most importantly for SaaS companies, customer success.”

Thus, while revenue ops may still be in its infancy adoption-wise, the majority of sales and marketing professionals are already familiar with the term and consider it more than just “sales and marketing alignment.”

Other responses indicated going beyond even ops and customer success, noting that data analytics, channel strategy, product and other departments should be wrapped into revenue ops as well.



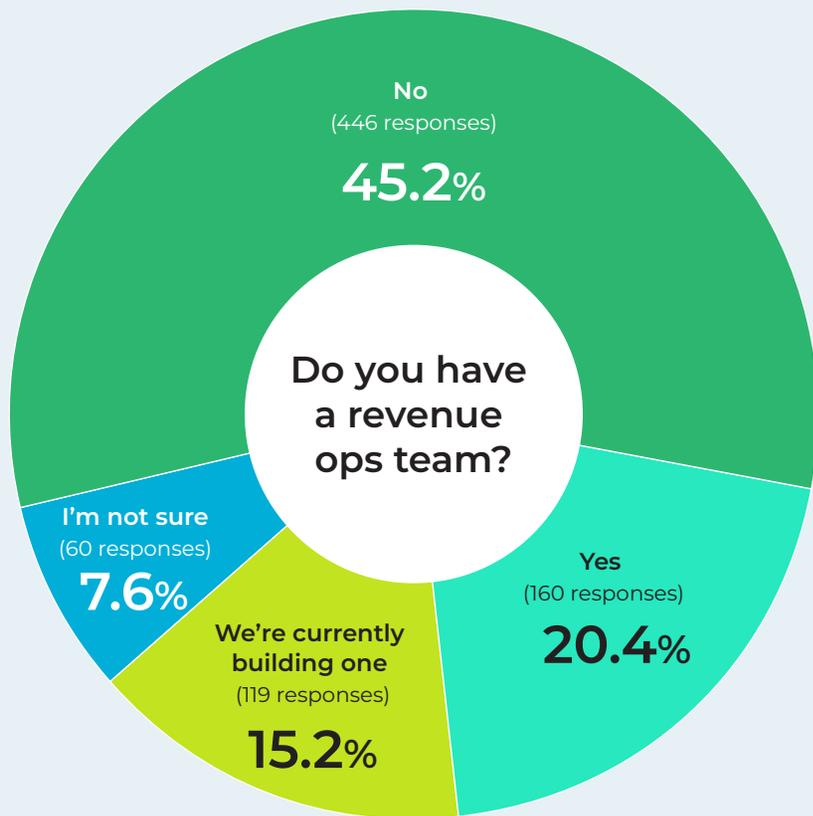
Do you have a revenue ops team? What challenges do you face in building one?



The majority of organizations, at **56.8 percent**, do not have a revenue ops team, whereas only **20.4 percent** have one and **15.2 percent** are currently building one. Which is good news for organizations who are considering a revenue ops team to get ahead of the curve: they're not alone.

That's clear once we look at what prevents businesses from building revenue ops teams. **31.6 percent** of respondents say it comes down to knowledge: business leaders simply don't know how to start building a revenue ops team. **20.7 percent** say they're failing to build the right team structure. One respondent stated that business leaders are "failing to understand the importance of a new model"—adding to the majority of businesses not adopting revenue ops.

Revenue ops is a hot topic, and business leaders are thinking about it in a variety of different ways, even if their organizations aren't currently adopting the model. Speakers, take note: people will be looking for this information at the next big trade show.



Data is based on answers from 785 respondents.

What is the top challenge faced in building revenue operations today?

19.6%

Business leaders don't know how to start building RevOps (248 responses)

20.7%

Business leaders are failing to build the right RevOps team structure (163 responses)

15.1%

Business leaders are struggling to influence organizational change (119 responses)

14.8%

Business leaders are struggling to decide who should be in charge of RevOps (116 responses)

9.7%

Business leaders don't know when to start building RevOps (76 responses)

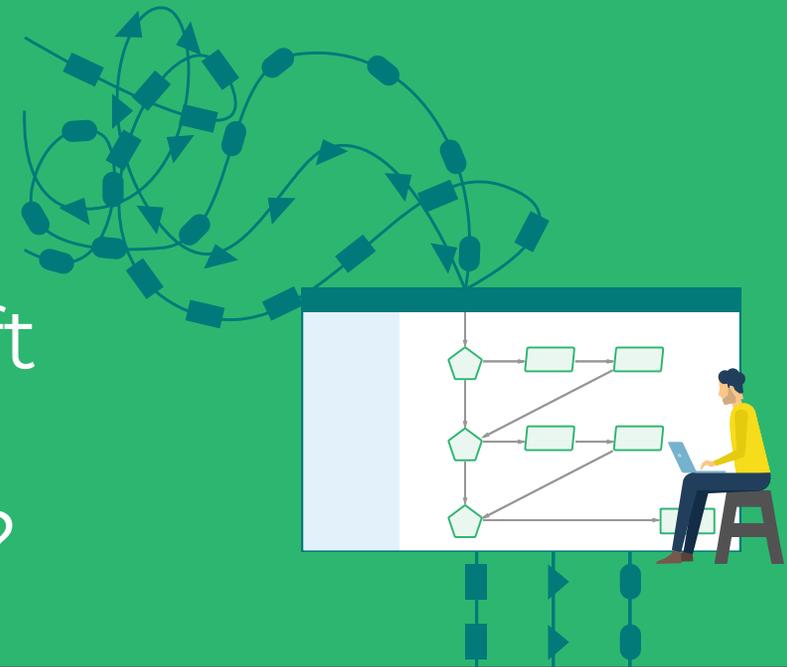
0.4%

All of the above (3 responses)

7.6%

Other (59 responses)

Do you believe there is a specific catalyst for the shift from MQL to SQL to the revenue operations model?



The responses to this question should give revenue ops proponents hope—respondents clearly see that there are specific reasons businesses are shifting to the revenue ops model, and in fact, **51.2 percent** believe there are many specific reasons.

19.6 percent believe it's because of the complexity of data and technology—which makes sense, considering the increased complexity of many companies' tech stacks, and more systems of record.

The key takeaway? The need for better data, and the segmentation of the sales function sends revenue generation beyond sales and into the rest of the organization. Revenue ops' work is cut out for it.

“ The advent of ABM (which involves marketing and sales working closely together) and the increasing importance of net retention (which requires close coordination between sales, marketing and customer success) has made a true revenue ops function critical to success.

Andrew Mowat
Vice President, Growth Operations
Culture Amp.

Do you believe there is a specific catalyst for the shift from MQL to SQL to the revenue operations model?

19.6%

The complexity of data and technology triggering an increased need for ops (154 responses)

15.4%

The rising importance of customer success as a viable revenue channel (121 responses)

8.7%

MQL to SQL model alone created siloed, short-sighted strategies (68 responses)

51.2%

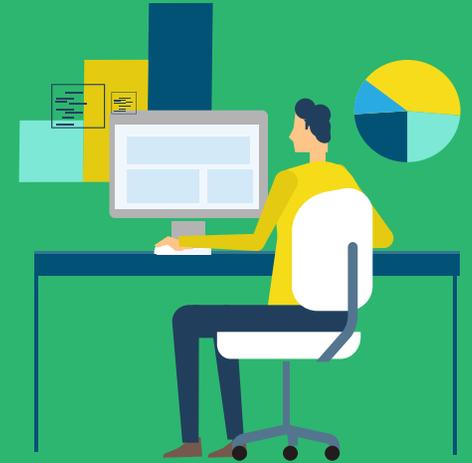
All of the above
(401 responses)

5.8%

Other
(41 responses)

Data is based on answers from 785 respondents.

What is the single biggest potential pitfall to avoid as your organization shifts to a revenue operations model?



“ The biggest pitfalls for organization that shift to a revenue operations model is to mistake correlation with causation. Sales historically has been filled with leaders who contributed growth based on correlation.

And as a result, many have scaled the business prematurely or too late.”

Jacco vanderKooij
Founder
Winning By Design

As this survey has shown, sales and marketing professionals peg the top two greatest challenges in building revenue ops teams as knowing how to do it and building a team structure. Those challenges are reflected in the responses to this question, which largely focused structure and alignment.

But as we know how most respondents define revenue ops, revenue ops is not just sales and marketing alignment. Several respondents discussed how business leaders need to incorporate both business development and customer success into the model. Others mentioned the dangers of taking data at face value, without context.

“The biggest pitfalls for organization that shift to a revenue operations model is to mistake correlation with causation,” said Jacco vanderKooij, founder at Winning By Design. “Sales historically has been filled with leaders who contributed growth based on correlation. And as a result, many have scaled the business prematurely or too late.”

Finally, more than one respondent mentioned that all teams need to agree on the same revenue ops KPIs—something that teams already find difficult in areas such as marketing attribution, where sales and marketing may not trust each other’s numbers.

One thing’s for sure: alignment between any number of departments isn’t the only pitfall to avoid. Business leaders are skeptical about revenue ops, and that could affect its adoption.



Who should own revenue ops metrics and KPIs?

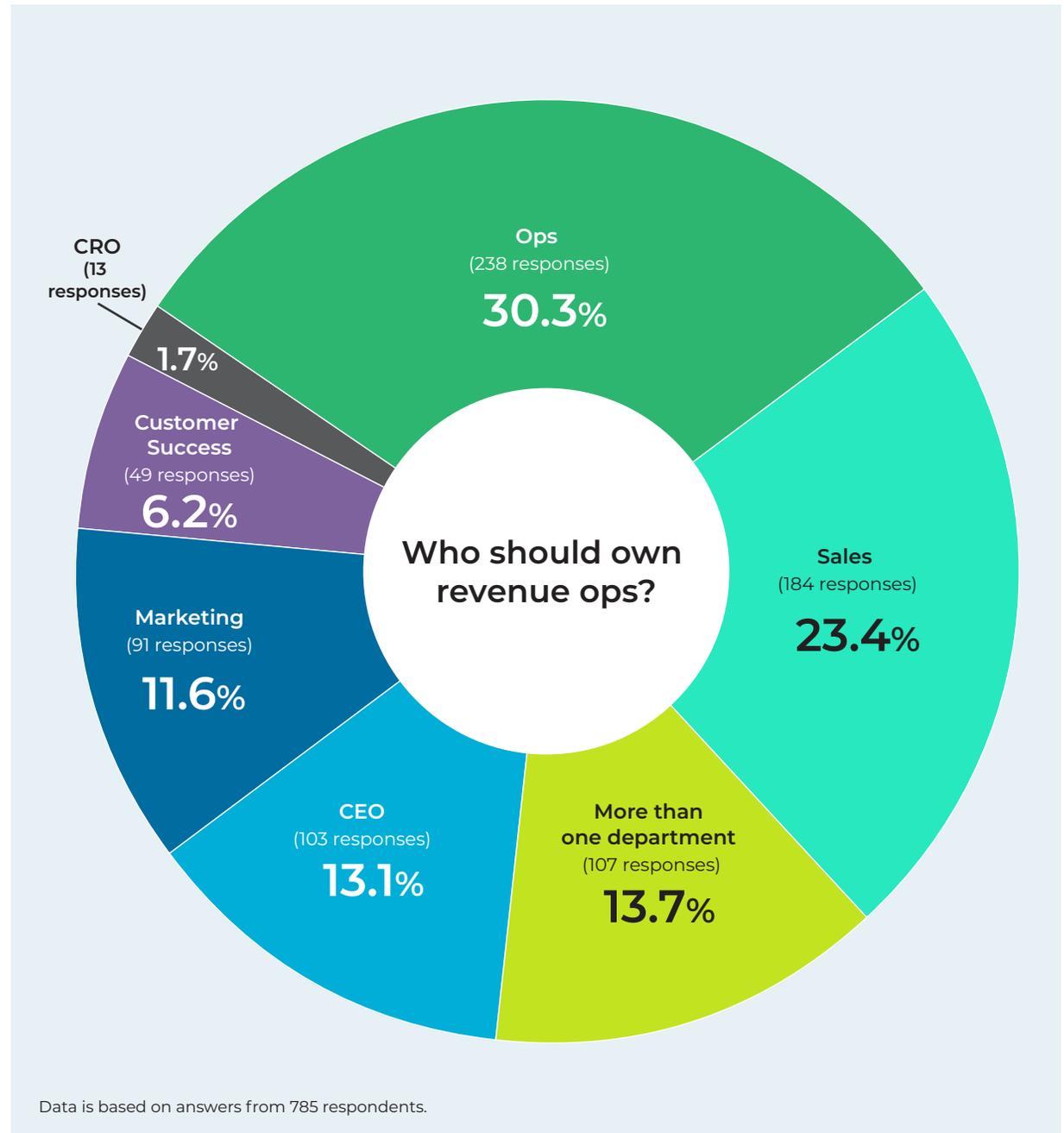


Finally, we wanted to understand where most sales and marketing professionals consider revenue ops KPIs to live. After all, we know **45.2 percent** consider revenue ops a mix between sales, marketing, and customer success. But we see here that **30.3 percent** of respondents think Ops should own revenue ops KPIs, well over sales (**23.4 percent**), who is still often considered the revenue driver. **13.1 percent** believed the CEO should own revenue ops KPIs, and only **11.6 percent** thought marketing should own it.

Then there's what KPIs to look at in the first place. "Revenue operations is about treating sales as a science," said Dominique Levin, managing partner at Winning By Design. "Sales strategists instrument the sales process and sales team, use benchmark data, dig deep for the root cause of any gaps, and then work cross-functionally to implement processes, coaching, organizational design, compensation plans, and sales technologies to drive growth.

"The best sales strategists focus on just one key performance indicator each quarter, for example, sales cycle, win rate, or deal size."

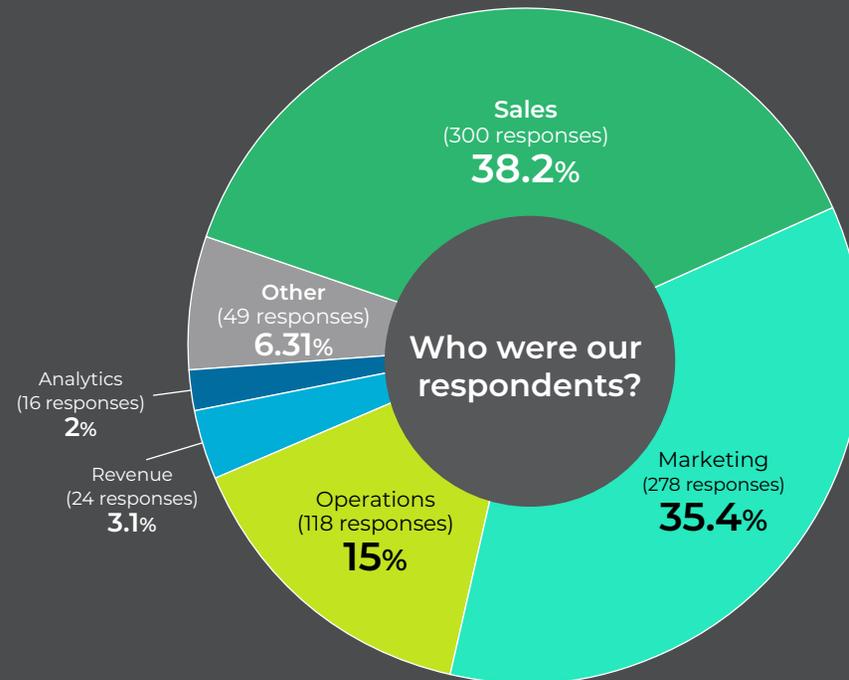
Moral of the story: while one-third of professionals believe revenue ops sits squarely alone, sales are still considered the revenue owner for many organizations, well over marketing and customer success. Still, considering the many potential pitfalls our respondents described, and the **13.7 percent** who voted for multiple departments, many sales and marketing professionals believe that revenue KPIs can be siloed no longer: the entire organization should be able to interpret them.



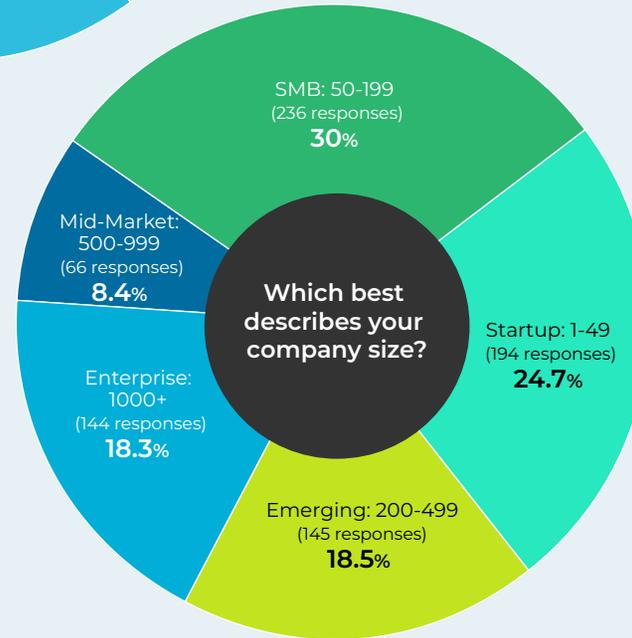
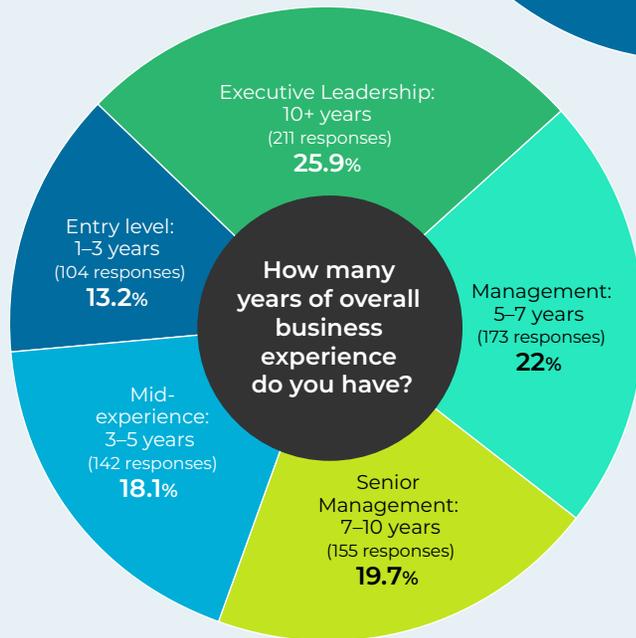
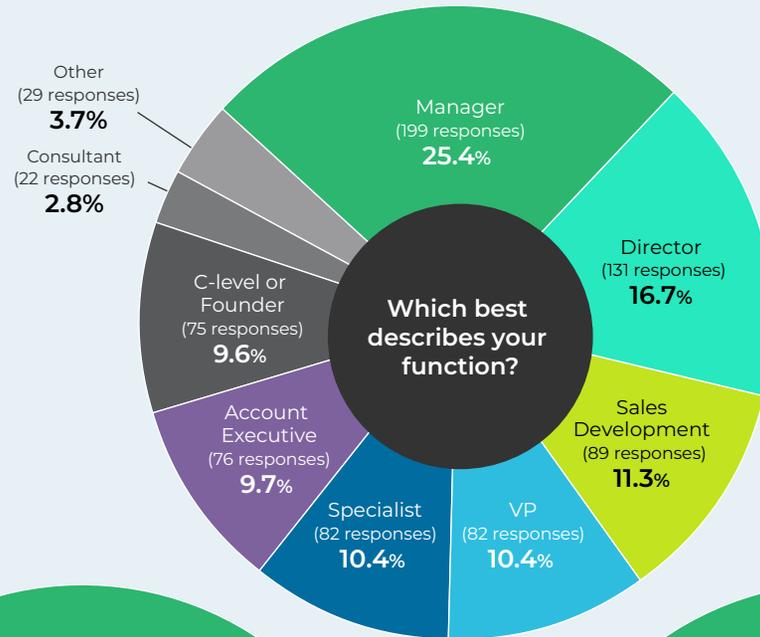
Who were our respondents?



Our survey offers opinions from across the sales and marketing landscape, thanks to a healthy mix of roles, functions, and experience in our nearly 800 respondents, offering a solid data foundation, and rich results from which to draw conclusions.



Data is based on answers from 785 respondents.



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Final Thoughts



This survey revealed that revenue ops may be in a growing phase, but it's certainly a topic of concern.

Max Altschuler, CEO of Sales Hacker, said from an executive viewpoint, the most interesting finding is that nearly **60%** of organizations still do not have a RevOps team.

“Revenue operations is more than a trend, it is a movement of B2B organizations eliminating the silos between sales, marketing, and operations teams to drive growth,” said Altschuler.

“Although the trend is still in its infancy, we see high-growth companies experiment, even implement a revenue operations model and are starting to experience the benefits. Over the next several years, we can expect to see revenue operations become a critical business strategy for B2B enterprises.”

Business leaders invest heavily in their ops teams, and it's evident that they're looking into revenue ops to supplement not just their sales and marketing teams, but their customer success and business development teams as well.

“To drive revenue more efficiently, and to optimize internal processes, businesses are seeking dedicated revenue ops teams that own their own revenue ops KPIs. It's not just a siloed sales or marketing exercise anymore. Driving revenue is a hybrid responsibility.”

Karen Steele
Chief Marketing Officer, LeanData



About LeanData

LeanData is the leader in Lead-to-Account Matching, Routing, and Marketing Attribution solutions. We stand at the center of your CRM, connecting data to the right people. By aligning marketing and sales with accurate matching, routing, and trustworthy attribution, sales reps only get the leads, contacts, accounts, and opportunities they need to work on, so they can close more deals and drive more revenue, faster.

LeanData is helping over 350 customers, including Marketo, Adobe, and Glassdoor, reduce complexity and frustration while accelerating revenue.

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