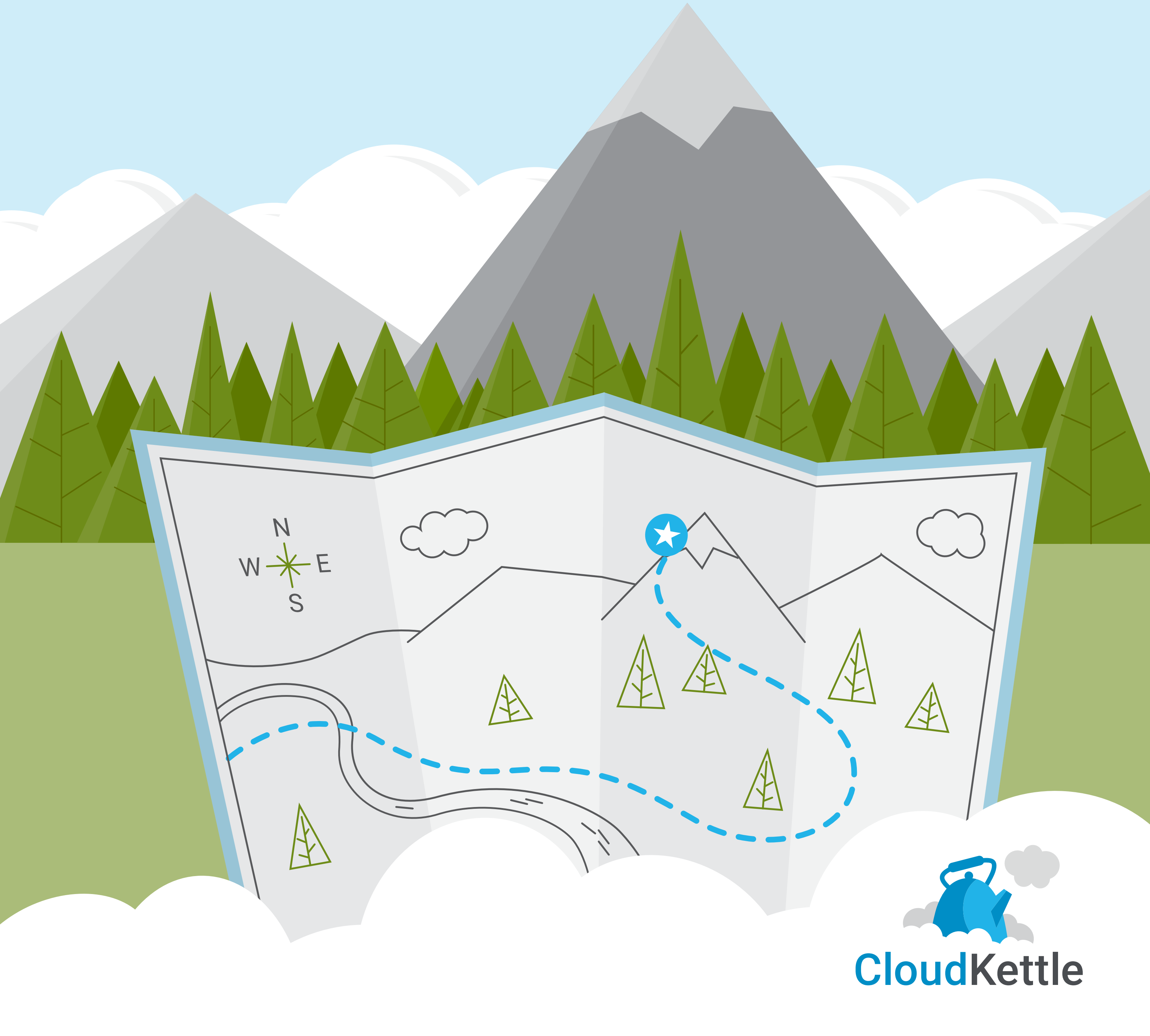
THE ESSENTIAL GUIDE TO

REVENUE GROWTH

How to Improve Go-To-Market Results



CloudKettle

INTRODUCTION

An Essential Guide to Marketing and Sales Operations Growth

From $10 – $100 Million (and beyond)

Congratulations! After a few pivots, some executive turnover, and more than a few intense board meetings; your company has achieved product market fit. Now, you're in hyper-growth mode and the race is on. Whether its investors, or shareholders, there are high expectations of you and the team to meet your next milestone and you don't have much time.

This eBook will outline many of the strategies and requirements needed for success in the hyper-growth phase. These are not growth hacks (we don't believe in growth hacking—if you do, please stop reading now). These are based on B2B SaaS successes and rely on the alignment of Marketing and Sales Operations.

In a previous eBook, we discussed the rise of the Chief Revenue Officer (download here: bit.ly/croebookck) role and how it is helping to align Marketing and Sales operations by improving communication, sharing accountability, and knocking down silos. Revenue Operations, like the Chief Revenue Officer position, was born out of the necessity to approach revenue generation and optimization holistically.

> "Great CROs must be able to break down silos so that sales, marketing, and CRM are aligned and working together to create the best possible (customer) experience."
>
> ELIOT BURDETT, CEO, PEAK SALES RECRUITING

Contents

For B2B SaaS organizations, it could be argued that every department contributes to revenue. Starting with how the product is built and experienced, and how that user experience translates into churn. However, most of the time when we think of what departments contribute to revenue we think of Marketing, Partner/Channel, Sales and Customer Success.

> Every department that touches revenue needs to be aligned and supported by a heavily integrated technology system.

Departmental silos that hinder alignment, communication, and collaboration are common in many organizations. However, at fast-growing companies this problem is especially challenging and accelerated by:

1. Employee churn:

Demand for domain experts is high, which means senior resources (leaders, managers, and doers) are difficult to recruit and harder to retain.

2. Not my job, anymore:

Rapid growth means personnel and responsibilities shift quickly. This leads to poor-handoffs, lack of accountability, and a loss of institutional memory.

3. Prioritization:

In hyper-growth mode, many departments have a difficult time prioritizing what will be painful in the short term, but benefit them in the long run.

4. Legacy technology systems:

Technologies and/or systems are often implemented and then abandoned before the benefits are fully realized.

You're Not Alone

Most companies that reach the hyper-growth stage are (or will be) facing significant challenges on the way to meeting or exceeding their milestones. This eBook was written for CMOs, CROs, VP Marketing, and VP Sales to help them navigate their way. In the next six chapters we cover:

- Everything you need to know about the Revenue Stack as an executive
- How to avoid creating technology and team silos
- How to breakdown existing silos
- How a Revenue Stack Audit can drive your roadmap
- Pitfalls of Growth Hacking and Marketing's role in growth
- Why implement a Data Warehouse and how to ensure a successful implementation
- How to empower employees with data

Greg Poirier
PRESIDENT, CLOUDKETTLE

CHAPTER 1

Silos—The Nemesis of Hyper-Growth Companies

Why Silos Stunt Growth

Silos are a challenge for all growing businesses; however, they seem to be especially challenging for high-growth SaaS organizations. Often the focus is on developing the product(s) rather than ensuring all of the Go-To-Market organization is in alignment.

> Organizational silos typically do not share the same priorities, goals or even the same tools, so departments operate as individual business units or entities within the enterprise.
> bit.ly/orgsilos

Another reason organizational silos are a more prominent problem amongst high-growth companies is new leaders tend to implement their preferred solution/product irrespective of existing solutions or processes. As a result, there's often legacy systems and/or patchwork integrations that make understanding cross channel performance difficult.

Leading edge companies invest in Marketing and Sales Operations to develop processes and a technology system (aka a Revenue Stack) to break down internal silos.

Optimizing the Revenue Stack to Prevent Silos

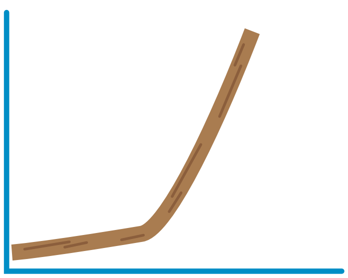
Silos are the enemy of any B2B SaaS company and a well-built Revenue Stack is part of the solution. Companies that experience the most success have heavily customized and integrated Marketing, Sales, and Support technologies: The Revenue Stack.

As an industry, we've made the connection between revenue generation and having a holistic view of the customer. We understand that looking at the actions of a customer or user on a department basis (i.e. from *just* a Marketing lens or *just* a Sales lens) does not give us that full picture of the buyer's journey.

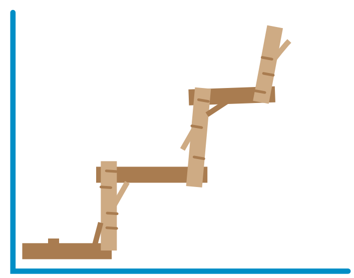
Real Business Growth Doesn't Look Like a Hockey Stick

We've all seen the charts, up and to the right. They look amazing, but in reality, high-growth companies go through stages that look more like steps: fast growth, followed by a plateau, the introduction of change (usually to the product or leadership), followed by another period of fast growth. These steps repeat themselves, predictably, as the company moves through the high-growth phase.

Hockey stick growth chart



High-growth companies go through stages



During the initial growth phase, many organizations rely on random acts of marketing and renegade sales people to deliver results. This may work to get companies jumpstarted in the early stages, but organizations that are looking for sustained, long-term growth need to invest in Marketing, Sales, Customer Success strategy and execution. The operations of the two (or three) groups need to be aligned, the goals need to be clear, and the technology (sometimes referred to at the Revenue Stack) deliberate, repeatable, and measurable.

If you're reading this eBook, we likely don't need to convince you of the value of Marketing and Sales operations. The next five chapters will help you prepare for the high-growth phase and provide you a few key areas to focus on. They won't guarantee success, but (we hope) they will help you learn from our experiences and give you a greater chance to succeed.

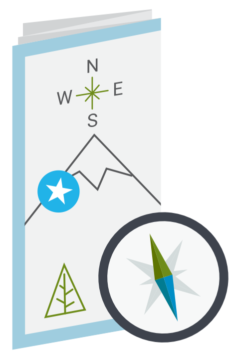
CHAPTER 2

Revenue Stack Audit

Revenue Stack: the Next Level

Fast-growing companies have a patchwork of mismatched technologies or point solutions that were bought and implemented irrespective of other solutions or processes. Now is the best time for a comprehensive overview of all software and processes. This audit should provide an assessment of:

- What is happening?
- Is there a delta between what is happening and expected outcomes?
- What should be happening?
- Are systems integrated and syncing correctly?



An audit provides a baseline. Once you have stock of what the status quo is, it's easier to design desired outcomes and create a roadmap to get there.

What is the Benefit of a Revenue Stack Audit?

Growing quickly means priorities change rapidly and employee hand offs happen fast. Regardless of how well-funded or successful you are, if you're growing at a double or triple digit rate, chances are you have gaps and problems you're unaware of. You can't design where you're headed without knowing where you are. There are two ways to do this: you can conduct an internal check, or you can hire a consultancy to provide an outside audit.

A Revenue Stack Audit provides an in-depth view into: technology, team members, media, campaigns, and partner agencies. A good time to conduct a Revenue Stack Audit is when your organization is in the process of leveling-up. For example, have you recently raised a Series B or C? Are you adopting a new sales process? Or have you hired a Fortune 500 C-suite executive in the last two quarters? If the answer is yes to any of these questions, now is a good time to conduct an audit to establish a baseline.

Is it a good time for a Revenue Stack Audit?

Have you recently:

- raised a Series B or C
- started a new sales process
- hired a Fortune 500 C-suite executive

Depending on the size, stage and/or maturity of your organization, exactly what the audit covers will change; however, at a minimum it should address the following:

Assess Marketing's contribution to sales pipeline

- **Evaluation of all paid advertising and digital marketing channel.** Including: programmatic, retargeting, video and paid social media.
- **Review Analytics: accuracy, integrations, how data is used to optimize funnel performance.** Including: effectiveness of activities in relation to the assets and landing pages.
- **In-depth Analysis of all marketing automation activity and performance.** Including: lead scoring, content by funnel stage, campaign conversion.

Documentation of the Sales process and the health/utilization of the pipeline/CRM

- **Review the CRM.** Verify security, usage, and accuracy of data.
- **Validate all integrations and the data being passed between products**. Test and measure all data integrations from entry to end point.
- **Outline the process of how/when a lead is converted (MQL) to Sales Accepted (SAL).** Measure conversion rates, Oppty to close ratios.
- **Interview members of the Sales organization to determine KPIs and current processes.** Examine individual performance vs aggregate and industry norms.

Examine Customer Success's contribution to revenue growth

- **Confirm their role in adoption, and onboarding.** How is it being measured, what are the results?
- **Customer Satisfaction.** Measure client engagement, Cases resolutions, etc.
- **Review renewals, cross-sells, and upsells.** What is the churn rate? Is it going up/down? What commonalities do churned customers have? What about expansion clients?

The Result = Audit Report

At the end of this exercise you should have a document that contains a detailed assessment of the team members and/or agency partners, as well as issues related to CRM integrations, marketing automation, data quality, and security. It should also provide feedback related to how the lead generation, nurturing, qualification, sales process, and other funnel activities can be improved. All recommendations should reference next steps relative to the platforms and team you have in place.

Internal vs External Auditors

When deciding on whether to hire outside help or task an internal team to complete a Revenue Stack Audit, here are some considerations to guide your decision:

1. If you choose to hire a vendor to conduct the Revenue Stack Audit, look for an organization that specializes in the technology you're currently using (most importantly your: CRM, analytics, and marketing automation platforms). Also, look for an organization that specializes in your vertical—this will help ensure they understand the inherent challenges of your space.

2. If you chose an internal team to conduct the audit, we recommend mitigating any bias that could take place during the process. Teams shouldn't be tasked with auditing themselves, which means their co-workers will be performing the audit. How the auditors feel about their co-workers often influences the results of the audit. Additionally, the people responsible for poor performance can't be expected to self identify where problems are because they are often (unknowingly) the root cause of the problem.

Once complete, Audit findings should be used as a benchmark to help design the roadmap for the Go-To-Market strategy and tactics for the organization.

CHAPTER 3

Growth Hacking: the Good, the Bad, and the Potential Security Risks

A marketing trend that has become synonymous with hyper-growth is growth hacking. In our experience, often the scarcest resource at fast-growing organizations is employee time. When evaluating if allocating employees to experimenting with growth hacks, ensure you understand the opportunity cost.

This chapter looks at the top four pitfalls of growth hacking and the role Marketing should play in a high-growth organization.

Revenue Operations is about creating predictable growth through scalable, repeatable processes using integrated technologies.

Four Pitfalls to Consider Before You Try to Take a Shortcut

Growth hacking is the process of rapid experimentation across marketing channels and product development to identify the most effective, efficient ways to grow a business. With growth hacking (like every marketing trend) there's the good, and then there's the bull$hit. There is a lot of noise around growth hacking, so let's start by separating the good from the bad.

There are growth hacking teams all over the world doing incredible work testing scalable marketing tactics. Unfortunately, for every legitimate growth hacker, there are three people masquerading as experts. However, at this stage you are not looking for people who can give quick wins, without consequences. You need resources that build consistently over time and are meant to scale, with purpose.

Growth hacking promises a cheat code for scaling, but once the code expires, your company still sucks at the game. If you're a startup, the promise of quick wins and immediate results seems amazing. SaaS startups, in particular, are under a lot of pressure and find shortcuts very appealing. Having worked at multiple SaaS startups I can vouch for this, but ultimately, shortcuts don't pay off in the long run.

The Top 4 Pitfalls of Growth Hacking

#1. Growth hackers are individual contributors, not team players.

Growth hacking often attracts people who enjoy being individual contributors and aren't team players. Instead, they learn skills they can execute on their own. This translates into pioneering projects with little regard for other business units within the organization. For example, *"We're going to launch this program. It's going to generate 10,000 new followers."* That's great! Have you talked to Marketing about how they are going to capitalize on 10,000 new followers? Growth hackers often prefer flashy tactics, and that's not how great teams are built.

Growth hackers are **not** team players

#2. Growth hacking tactics measure outputs not outcomes.

Beware of articles claiming:

Measures outputs, **not** outcomes

Many growth hacking tactics measure outputs instead of outcomes. Say you run a campaign to gain free trial signups for your SaaS product. What are you going to do with 100 new free trial signups? How many of those

100 trials become paying customers? How do those free signups drive revenue? You shouldn't be able to 100X something; the company will crumble under the added weight. You want smart growth that aligns with your growth and hiring strategies.

Marketing goals should always align with revenue goals. Growth hacks may not consider outputs in terms of generating revenue for your company in the long term.

#3. Growth hacking tends to require gray-area tools.

Growth hacks often rely on gray area tools that are potential security and privacy risks. Be wary of free tools that only require your username or authorization with your Twitter token. If you're not paying for the product, then *you* are the product, and the cost of using the "free" tool is your data.

Furthermore, **Facebook and Google are smarter than you**. Since many growth hacks are essentially exploits, it's only a matter of time before the platform you're exploiting cuts you off. Whatever vulnerability the tool uncovers through Twitter, Facebook, or Google will be fixed in a matter of minutes or days. Fortune 100 companies have teams of engineers dedicated to fixing these problems.

Relies on gray area tools

#4. Growth hacking promises quick wins.

Growth hacks are appealing to founders because they don't require long-term planning. Of course, it's tempting to put off creating a marketing plan and budget and instead upload your Twitter followers into a sketchy tool to generate 100 leads. However, this is intellectually lazy and doesn't set your company up for sustainable growth.

Lacks long-term planning

Wrap Up: Marketing's Role in Growth

Marketing should either be generating high-quality leads or helping Sales close deals faster. If your Marketing goals aren't tied to Sales goals, you're doing it wrong. Every effort in your organization should somehow contribute to generating true growth and value. As a high-growth company, one of your most finite resource is employee time. Every individual growth hack takes time, headspace, and attention. That's a huge cost for any fast-growing organization.

Often, people forget to factor in employee time when they calculate the overall cost of a growth hacking tactic. If you decide the tactic you've chosen will take 10 hours, consider what else you could achieve in ten hours. What would be the comparative value if you phoned potential clients for 10 hours? It's likely more worthwhile than a bunch of web views or Twitter followers.

CHAPTER 4

How to Audit your Lead Management Efforts

Many Sales organizations worry or complain they don't have enough leads. In our experience, that's rarely the case. Once a fast-growing organization has hit its stride, the problem isn't the quantity of leads, but rather the processes to deal with those leads efficiently and effectively.

The problem is the majority of new leads are not good enough to be considered qualified. Then, once they are qualified, most organizations don't have a good process for routing those leads appropriately.

It may seem counterintuitive, but growing organizations see higher ROI by focusing on Sales process instead of generating more leads.

Organizations see higher ROI by focusing on Sales process instead of generating more leads.

How does Lead Routing Affect Revenue?

In the absence of effectively automating the lead routing process, sales people spend significant time and energy manually re-assigning and routing leads. This costs your business in two ways:

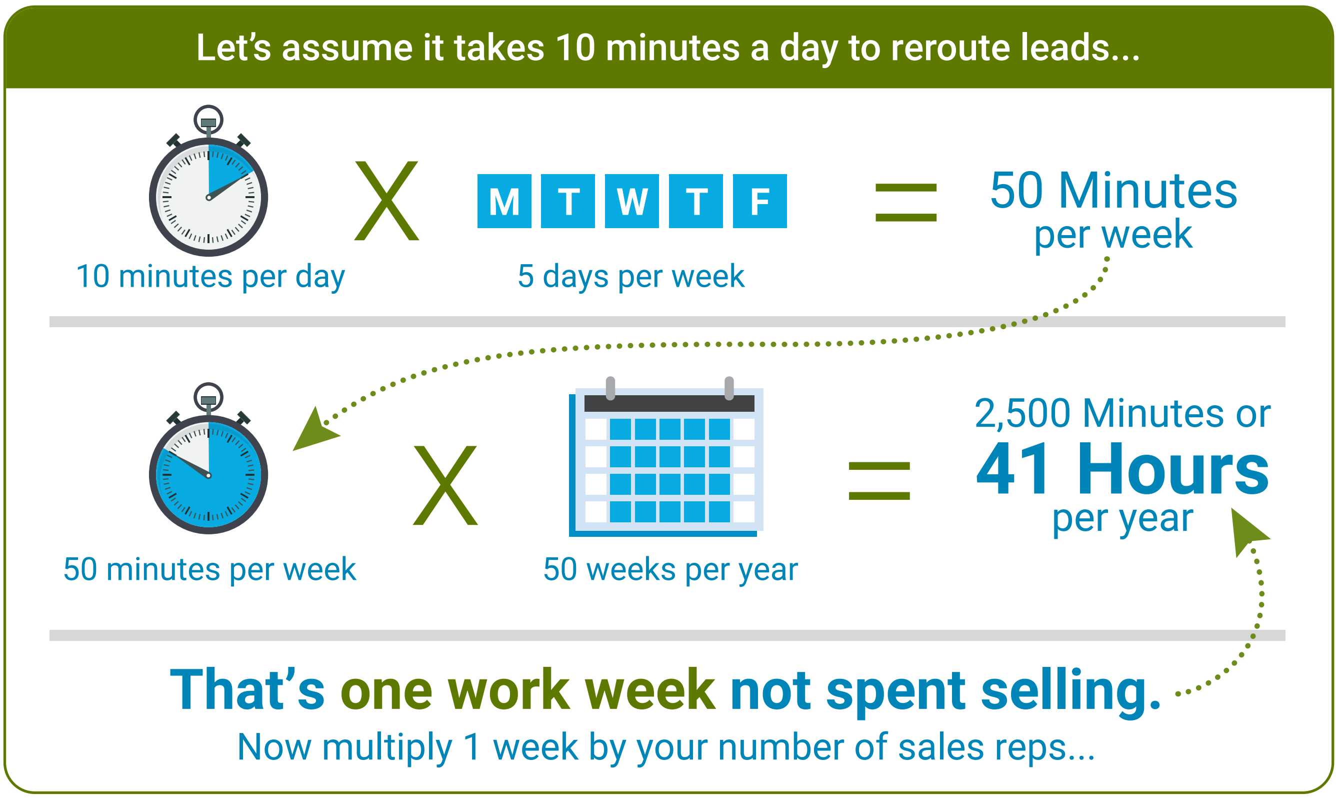
1. It speeds up your lead to response time

> A recent study showed that 35–50% of sales go to the vendor that responds first.
> bit.ly/leadresponse

The quality of a lead diminishes quickly overtime. Adopting an effective automated lead routing process to handle inbound leads will save time, ensure the right people are working the leads, and significantly improve the speed to contact, which we know will improve Sales.

2. Increases sales productivity

Manually routing/assigning leads and removing duplicates are low value activities. For example: finding duplicate leads, trying to match them up to the right accounts and re-route them to the proper sales people. Every hour a salesperson uses to complete these low value tasks is an hour they aren't closing sales.



Whether you use Salesforce's native lead routing tool or another solution depends on how complex your lead routing scenarios are. Companies like LeanData help enable sophisticated lead routing for B2B SaaS organizations.

> The quality of a lead degrades over time... a good lead today can become a bad lead in three days.
> bit.ly/leadquality18

How to Audit your Lead Routing Efforts

To determine if your organization's automated lead routing process is effective, start by auditing your lead management efforts. Below are questions your organization can use to gauge effectiveness, create a baseline, and identify gaps.

Are you routing leads effectively?

Do sales reps spend more than an hour re-assigning or rerouting leads on a weekly basis?

Organizations underestimate how much they spend on tasks like this. Start by having a report created in Salesforce that shows how many leads have changed owner in the last week. Talk to your sales reps to identify the two - three most common reasons leads are being reassigned. Modify your lead routing accordingly.

Do you route leads to inside sales reps for outbound qualification?

Sales Qualified Leads (SQLs) should be ready for a Sales rep to work. Sometimes this means getting a little more intelligence on the lead before passing it off to a sales rep. A SDR can reach out and qualify if they should be marked SQL and move through the funnel.

Marketing operations also affects leads management. Below are questions your organization can use to determine where Marketing Operations improvements can be made.

Do Marketing and Sales work together?

Have you established agreed upon definitions for Marketing Qualified (MQL), and Sales Qualified (SQL)?

Start by defining each lead stage. Sales and Marketing should work together to create these definitions and agree on the final product.

Does Marketing sit in on sales calls?

The Aberdeen research group conducted a study on Sales and Marketing Alignment and found that "two-thirds of top performing sales organizations have a formal process which brings marketing staff into active prospect selling situations. This participation is influential in helping marketing understand what customers want and how they can better assist their sales colleagues." (bit.ly/aberdeenreport)

Do Marketing and Sales review wins and losses?

The same report by Aberdeen Group states that high performing companies are "29% more likely for sales and marketing to jointly perform win/loss reviews." These joint meetings are critical for Marketing and Sales to understand how they can support each other better, what messaging resonates, what are common objections, etc.

Do you have SLAs in place?

Do you have a Service Level Agreement (SLA) between Marketing and Sales?

Tension between Marketing and Sales is a common obstacle for many fast-growing organizations. Setting expectations and establishing common language by jointly creating an SLA helps to decrease tension and achieve alignment. For example, a SLA between Marketing and Sales to establish the number of MQLs Marketing will provide Sales a week will decrease disputes.

Top performing companies are **50% more likely** to have a dedicated person for lead management.

Do you have a SLA in place that outlines how quickly SDRs and salespeople have to follow up with leads?

This type of SLA, documents items like:

- How long sales reps will take to accept leads before they are put back in a pool (24 hours is standard but depends on your organization).
- Twenty minute lead touch SLA
- Ninety percent of MQLs will be accepted by Sales
- Marketing will generate 25% of all enterprise leads

Who owns lead management?

Top performing companies are fifty percent more likely to have a dedicated person for lead management. “This person is designated to communicate between sales and marketing for concerns regarding pipeline and lead data.” (bit.ly/aberdeenreport)

Wrap Up

Often, B2B SaaS organizations equate more revenue with more leads and focus on sexy lead generating activities. The reality is, most organizations are lead rich and process poor. Developing a lead routing process isn’t the innovative project that every employee wants to work on, but it will move the needle.

Focus on the process. Start with an audit and allocate a dedicated resource (a person or team) to own the lead management effort. Identify areas of weakness and focus on improving your processes with an emphasis on Sales and Marketing working together.

Saadat Qadri
ANALYTICS
PRACTICE LEAD

CHAPTER 5

The Top Five Misconceptions of Data Warehousing Projects

This chapter was contributed by Saadat Qadri, Analytics Practice Lead at Outshine focused on helping companies collect, analyze, and apply their data to business decisions. This chapter discusses how and why data warehousing is part of the remedy to a siloed marketing stack, and what the most common misconceptions are that B2B SaaS companies have relative to data warehousing.

Behind every B2B SaaS organization is their technology stack. However, each department has their own source of truth which makes reporting on cross functional performance difficult. This is where data warehousing comes in—a helpful tool in dealing with a siloed stack. At a certain point, a data warehouse is an inevitable investment for high-growth B2B SaaS companies. While building a data warehouse is a very important step, it is also complex, painstaking, and often organizations don't have the internal expertise to execute on a successful implementation.

In this chapter we discuss common misconceptions that executives have around data warehousing projects and offer solutions.

Data Warehousing for Revenue Intelligence

The type of data warehouse we refer to in this chapter is one that is built to inform marketing and sales decisions to drive revenue (which is very different from the type of data warehouse you build to store product data). Both are important investments, depending on your organization, but are vastly different in the purpose they serve, and how and who you need to build them. Before we dive into some of the pitfalls to avoid and best practices for success, let's look at how to determine if it's time to build a data warehouse.

Leading indicators that your organization needs a data warehouse

How do you know you're ready to invest in a data warehouse? Here are the two most common signs your organization is ready to invest:

1. As a senior marketer or a senior executive of the company, you're asking a lot of questions about the performance of cross-channel marketing and you can't get answers fast enough. This is the number one sign. **It should take your analysts hours to answer performance questions—not days or weeks.**

2. Your **analysts struggle to understand and identify basic trends in marketing and sales performance**. This is very important for companies in a growth phase. Most companies rely on a superficial understanding of business performance. In order to be able to diagnose problems and/or opportunities, you have to be able to go deeper.

   For example, you understand your cost per lead by lead source, but need to report on which leads close (won) fastest and for the most money in Salesforce. Answering this question involves connecting marketing data (most likely Google Analytics) to data from your CRM. A data warehouse aggregates data across these channels (and others) to provide answers on cross-channel performance.

It should take your analysts hours to answer performance questions—not days or weeks.

A data warehouse, like a sophisticated CRM, isn't a justifiable investment for most early stage companies, however, at a certain point, the opportunity cost of lost revenue is greater than the cost of a data warehouse. That's when it's time to invest.

Top Five Misconceptions

#1. A Data Scientist will solve all my data problems

There has been a lot of hype around data science and machine learning lately, however, we believe that a data scientist is not the best hire to build or maintain a data warehouse. Rather, a more effective first hire to address your data problems is a Data Engineer; specifically, someone who:

- has experience cleaning and structuring data for reporting and analysis.
- understands scripting, SQL, distributed systems, and knows how to build for scale.
- understands the context and purpose of data at your organization.
- has experience implementing data warehousing technologies such as Amazon Redshift or Google BigQuery.

A good Data Engineer will provide clean data schemas that can be reused for reporting and leveraged to help push business objectives forward.

Too often, organizations think a Data Scientist will solve both these problems. It's untrue and unfair to expect those skills from one person. In fact, what we observe time and time again is, data scientists that do not have access to clean, structured data cannot provide actionable insights. Building a data warehouse and using the information produced by a data warehouse are two very different tasks that require two different dedicated resources.

MISCONCEPTION 1

"I should hire a Data Scientist first!"

REALITY

Hire a Data Engineer first

To manage expectations, depending on the size or complexity of your data—it takes at least six months to a year for a Data Engineer to lay the proper foundations and get your data in the right shape. Once your data is in good shape, then you may want to hire a Data Scientist to build predictive modeling, forecasting, and other data driven projections.

#2. The engineering team can build a data warehouse as a side project

Don't make the mistake of tasking your product or engineering team with building a data warehouse as a side project. These teams have a lot of responsibilities already and can't execute on this in addition to their regular responsibilities. Even if someone(s) on the engineering team is able to build it, consider if they'll also be able to maintain and upgrade the data warehouse over time. For most organizations, a successful data warehouse implementation is largely dependent on having a dedicated resource.

MISCONCEPTION 2

"Our product team can build it"

REALITY

Hire a dedicated specialist

Also, it is worth noting that engineering teams don't typically use or derive benefit from a data warehouse, nor are they familiar with the business case(s) for a data warehouse. Marketing and Sales departments most often directly benefit from a data warehouse and best understand its purpose; therefore, they should play a role in its creation. Given that your sales/marketing organizations typically lack the technical ability to execute on the development of a data warehouse, the best practice is to find a dedicated engineering resource within your company to help build and maintain the data warehouse.

#3. Something is better than nothing

A mistake we often see fast-growing organizations make is they only partially invest in building a data warehouse. In some cases, it gets deprioritized or the resources get reallocated to save time or money and they justify it by saying, "something is good enough." In reality, the opposite is true. Incomplete or inaccurate data leads to making poor decisions and restarting or rework will cost the organization more in the long run.

MISCONCEPTION 3

"Something is better than nothing"

REALITY

Incomplete data = poor decisions

#4. Data warehousing is a sexy project

Building a data warehouse may sound interesting but it isn't what the bulk of technical hires will be passionate about. Most people are passionate about building a product that will be put out into the world. It can be difficult to find team members who think building a data warehouse is interesting and want to work on it. In most organizations, it's a responsibility that's cast upon someone rather than volunteered for.

Another prevalent misconception is that the person in charge of building a data warehouse should be technical. As mentioned, the person you're looking for is a Data Engineer; ideally someone that has both technical skills and enough business acumen to understand the use cases of deploying a data warehouse. This is very important—the most effective data warehouses allow people to self-serve. In some cases, when an overly technical hire builds a data warehouse, it's built in a way that only answers a rigid set of questions.

MISCONCEPTION 4

"This will be a hot project!"

REALITY

No one wants to work on it

> You want somebody who lives in both worlds, who understands the business use case and can execute on the technical requirements.

#5. It's fast and easy

Another common mistake is underestimating how long building a data warehouse will take. The process, done correctly, can be difficult. Especially if the company has a lot of technical debt, like legacy code or faulty work-arounds, which most companies do. In our experience, it takes at least six months to a year to build a strong, reliable foundation and many months of tweaking the reporting requirements for key stakeholders in the organization.

MISCONCEPTION 5
"It won't take long"

REALITY
It takes 6+ months

Wrap Up

Reporting tells us what's happened in the past. Predictive modeling focuses on forecasting an answer to: where do we want to go? This is a question every organization should be aiming to answer. That can't happen in the absence of having a solid foundation. Predictive modeling and machine learning can't be leveraged without the output of a data warehouse. Building a data warehouse sets your organization up for success in the long term.

If you're a CMO or CRO, your first priority should be to get the foundation right. Once you recognize the signals don't shy away from making an investment; it's a slow, painstaking process but it will benefit your organization.

Your second priority should be to assess whether or not you have the resources in-house to successfully implement a data warehouse. If not, a good Data Engineer costs upwards of $200K (in San Francisco—this varies by region). In many cases, it's more cost effective to hire a third party to execute on the implementation. At a minimum, you should have an outside party conduct an unbiased assessment of your organization's technical debt before you decide which route is best for your organization.

CHAPTER 6

How to Transform Curiosity into B2B Marketing Results

Feeding Curiosity Feeds the Bottom Line

Marketing Operations and Sales Operations breakthroughs are driven by curiosity. Transformational ideas come from curious employees' ah-ha moments. It's crucial that employees can answer questions related to performance with very little friction, especially those who are not directly in an analytics role.

In chapter five we discussed the technical investment (building a data warehouse) necessary to help employees satisfy their curiosity. However, becoming a company that champions curiosity takes other infrastructure and cultural efforts.

In this chapter we look at how reporting, data visualization, and recruitment are necessary to enable curiosity at your fast growing organization.

Reporting and Dashboards Connect to Curiosity

For every organization, there's a necessary set of reports and dashboards that Sales and Marketing need access to in order to function. The KPIs of B2B SaaS are fairly standard now. If you're a well-funded organization with proper tools in place and mature Sales Operations and Marketing Operations functions, chances are you already have many in place. However, there's also significant value in empowering employees to exercise curiosity.

Companies experience the most success when their reporting and dashboard configuration are centered around allowing employees to self-serve and satisfy their curiosities with little friction.

How to Reduce Friction and Get to Ah-Ha

Step 1: Implement a data warehouse

We talk about why and how to implement a data warehouse in Chapter five. No other technology, process, or cultural investments can be made to enable curiosity until this is complete.

Step 2: Layer data visualization on top of your data warehouse

Once, your data warehouse is set up, data visualization is a powerful tool that makes information accessible to all employees, not just those who are analytics-focused. Right now, we're seeing many companies deploy an instance of Redshift or BigQuery with Tableau (the incumbent) or Google Data Studio (we believe to be the primary challenger) sitting on top. Tools like Looker and Periscope are also challenging Tableau in this space and may be more suited for fast growing B2B SaaS companies. Choosing the right tool amongst these four is one essential decision.

Adding a data visualization layer on top should mean any employee, not just the person who knows how to write SQL queries, can obtain the answers they need. This translates into empowering employees to find answers quickly.

Beyond the infrastructure portion, it's crucial to have a well-configured instance of Google Analytics, Bizible and Salesforce where a lot of these questions can be answered with reports and dashboards.

Somebody who has an intense level of curiosity can also come across as annoying because they ask a lot of questions.

Cultivate a Culture of Curiosity

Step 1: Hire curious people

The hardest part of cultivating a culture of curiosity is hiring people who are both curious and analytics-focused. Every company says they are interested in hiring people who are curious. However, sometimes curious candidates are bounced out of the hiring process.

Somebody who has an intense level of curiosity can also come across as annoying. For example, they ask a lot of probing questions in the interview that may, in the interviewer's mind, not be directly related to what they're being interviewed for. Or, they're constantly asking their manager why things happen a certain way. This can be frustrating for the manager in the short-term, but is often longitudinally valuable for the company.

Step 2: Onboarding and training

When you onboard a new director, are you screening for an understanding of how to run reports in Salesforce? Or, are you teaching them how to do that once they start as part of their onboarding process? Are you asking which reports and dashboards they would like when they join? When you're hiring team members for analytics roles, are you hiring people who display the traits of wanting to help others? Or, are they likely to talk down to people who are less sophisticated in their understanding of numbers?

Curiosity can go away very quickly if you don't provide an outlet for people to satisfy it.

Establishing a culture of curiosity means you have to be willing to train people to be self-sufficient and provide friendly help for them along the way. Often, the friction of having to ask someone else for information means the question will go unanswered. Curiosity can go away very quickly if you don't provide an outlet for people to satisfy it. If you make it too difficult to get answers, people just stop asking questions and begin to operate purely on gut.

Wrap Up: How to Get Started

To enable employees to exercise curiosity, it takes a significant infrastructure and cultural investment. If you're not sure how to get started, work backwards and determine what tactics is your organization currently doing well. Which are you doing poorly?

Understanding where you need to apply resources and effort is the first step in fixing the problem. Depending on the size of your organization, hiring an outside party can be valuable. A consultancy can share best practices, aid with change management, and provide an unbiased opinion.

CONCLUSION

There Are No New Problems in B2B SaaS

Grow fast or die slow—McKinsey recently published an article stating; if a software company grows at 20 percent annually, "it has a 92 percent chance of ceasing to exist within a few years." (bit.ly/growfastdieslow)

There's evidence to support that high rates of growth are a predictor of long-term success. However, being a high-growth company comes with a relatively standard set of obstacles that all organizations face. Employee churn, shifting responsibilities, and legacy systems create gaps in all high-growth companies. We've talked in this eBook about a few ways to address these gaps. From a high-level perspective, here are the three overarching themes we'd like you to leave with:

1. **Slow down before you speed up**
   Don't build a roadmap based on assumptions. Audit your Go-to-Market organization to understand and benchmark where you are to plan for long-term success.
2. **Invest in process first**
   There will always be new a technology. Once you have a solid Revenue Stack, focus on building scalable processes.
3. **Enable your employees to be curious**
   Curiosity is where breakthroughs come from. If your employees can't satisfy their curiosity with little to no friction, your organization needs to make an investment in reporting/dashboards.

We hope you enjoyed this eBook and if you have any questions, reach out today. (bit.ly/reachck)

Interested in knowing more about how B2B SaaS companies are using the Revenue Stack to fuel growth?

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