# 2021

# Customer Acquisition Benchmarks Report

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# Executive Summary

Revenue.io recently partnered with RevOps Squared to uncover exactly how companies around the globe of all sizes are acquiring new customers.

In our research, we uncovered several key benchmarks that offer deep insight into how active various teams are. We've also uncovered what the average conversion funnel looks like, from activity, to conversation, meeting to opportunity. Perhaps most importantly we've uncovered what standard close rates look like for SMB, mid-market and enterprise companies.
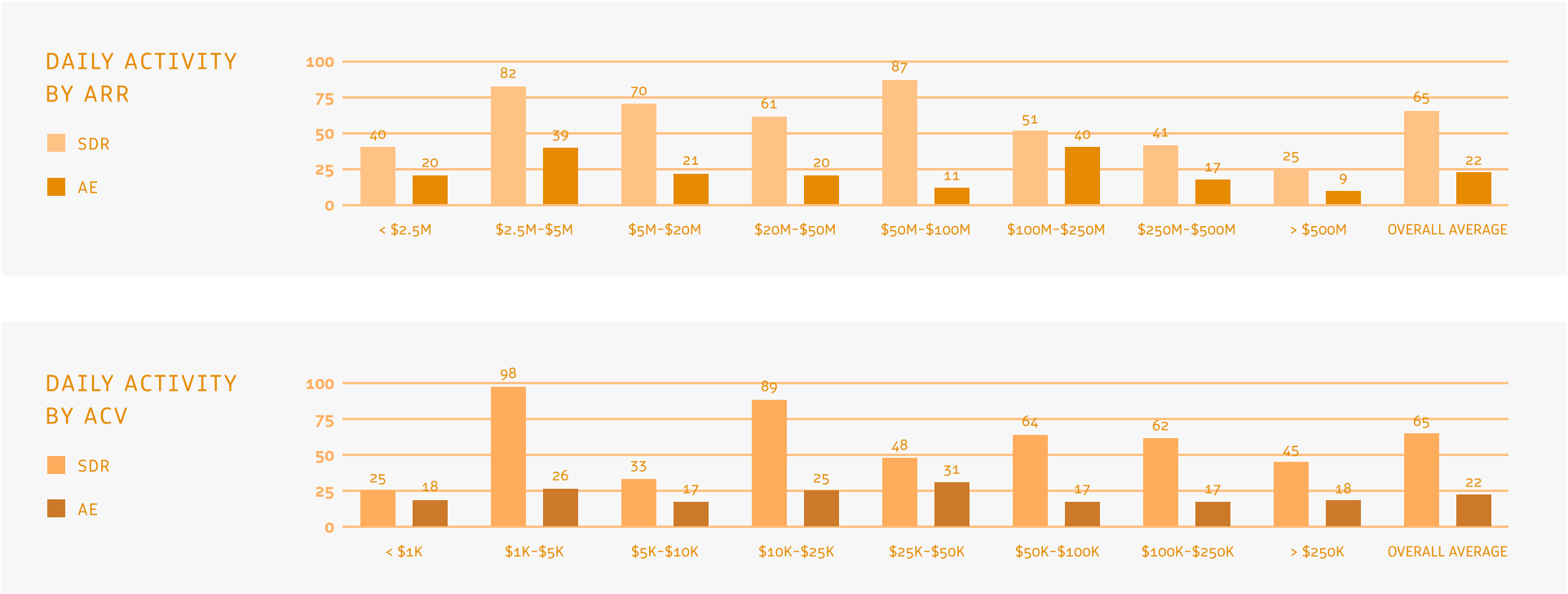
By reading this report, you'll learn what your peers are doing to win new customers and drive revenue.

**Included:**
- Close rates by target market, distribution model, ARR and ACV
- Outbound sales development funnel conversion rate benchmarks
- Outbound activity volume benchmarks
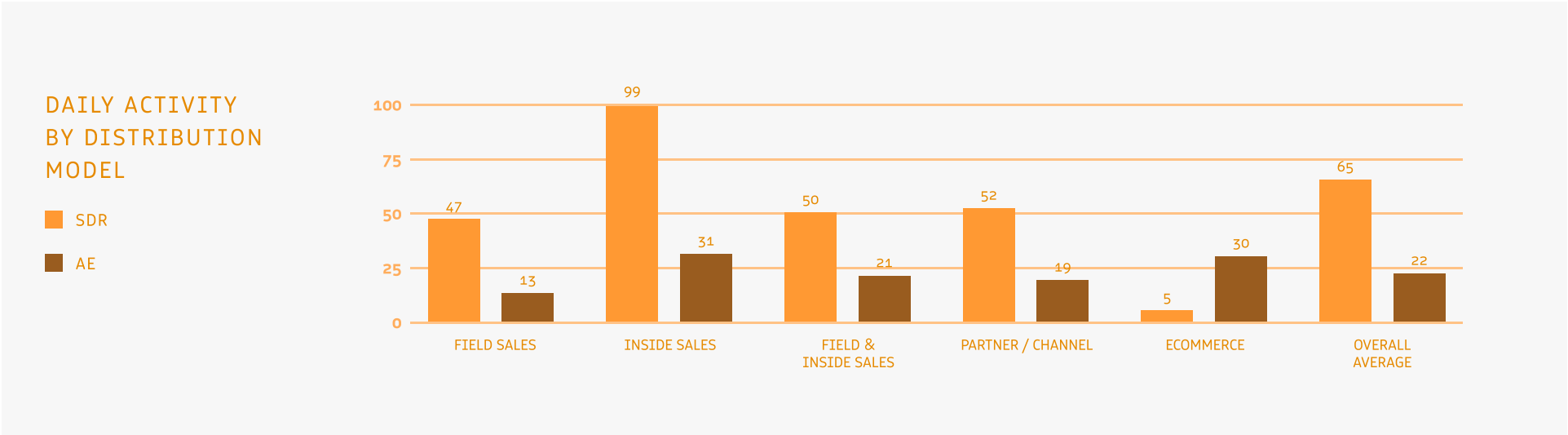  And more key customer acquisition benchmarks

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# Outbound Activity Volume Benchmarks

**DAILY ACTIVITY BY ARR**

SDR
AE



| | < $2.5M | $2.5M-$5M | $5M-$20M | $20M-$50M | $50M-$100M | $100M-$250M | $250M-$500M | > $500M | OVERALL AVERAGE |
|---|---|---|---|---|---|---|---|---|---|
| SDR | 40 | 82 | 70 | 61 | 87 | 51 | 41 | 25 | 65 |
| AE | 20 | 39 | 21 | 20 | 11 | 40 | 17 | 9 | 22 |

**DAILY ACTIVITY BY ACV**

SDR
AE



| | < $1K | $1K-$5K | $5K-$10K | $10K-$25K | $25K-$50K | $50K-$100K | $100K-$250K | > $250K | OVERALL AVERAGE |
|---|---|---|---|---|---|---|---|---|---|
| SDR | 25 | 98 | 33 | 89 | 48 | 64 | 62 | 45 | 65 |
| AE | 18 | 26 | 17 | 25 | 31 | 17 | 17 | 18 | 22 |

The overall average of 65 activities, including calls and emails per day for an SDR is consistent with our research published earlier this year in The Sales Prospecting Performance Report.

That research demonstrated the average amount of activities per day per rep is around 65, yet the best practice is at least 100.

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## DAILY ACTIVITY BY DISTRIBUTION MODEL

- ■ SDR
- ■ AE

| Distribution Model | SDR | AE |
|---|---|---|
| FIELD SALES | 47 | 13 |
| INSIDE SALES | 99 | 31 |
| FIELD & INSIDE SALES | 50 | 21 |
| PARTNER / CHANNEL | 52 | 19 |
| ECOMMERCE | 5 | 30 |
| OVERALL AVERAGE | 65 | 22 |

# 65

Overall daily activity average for SDRs is 65.

The only time AE activity outstrips SDR activity is in the ecommerce distribution model.

# 22

Overall daily activity average for AEs is 22.

Several of the cohorts in this research clearly are close to this best practice, with 99 activities per day for inside sales SDRs and over 85 activities per day for reps targeting the midmarket and SMB spaces.

Inside sales naturally has the highest daily activity levels with 99 for SDRs and 31 for AEs.

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# Outbound Sales Development Funnel Conversion Rate Benchmarks

This data presents us with the benchmark metrics to build the basic outbound sales development funnel. For every ten activities a rep undertakes, whether that be a cold call, email or other outreach activity, one of them will yield a conversation. Every twenty conversations yields a booked meeting, of which roughly seven out of ten booked meetings will actually occur. Of any ten meetings that occur, just over four of them will turn into actual business opportunities.

ACTIVITY CONVERSION RATES

ACTIVITY TO CONVERSATION
10%

CONVERSATION TO SCHEDULED MEETING
5%

SCHEDULED TO CONDUCTED MEETING
68%

FIRST MEETING TO OPPORTUNITY
43%

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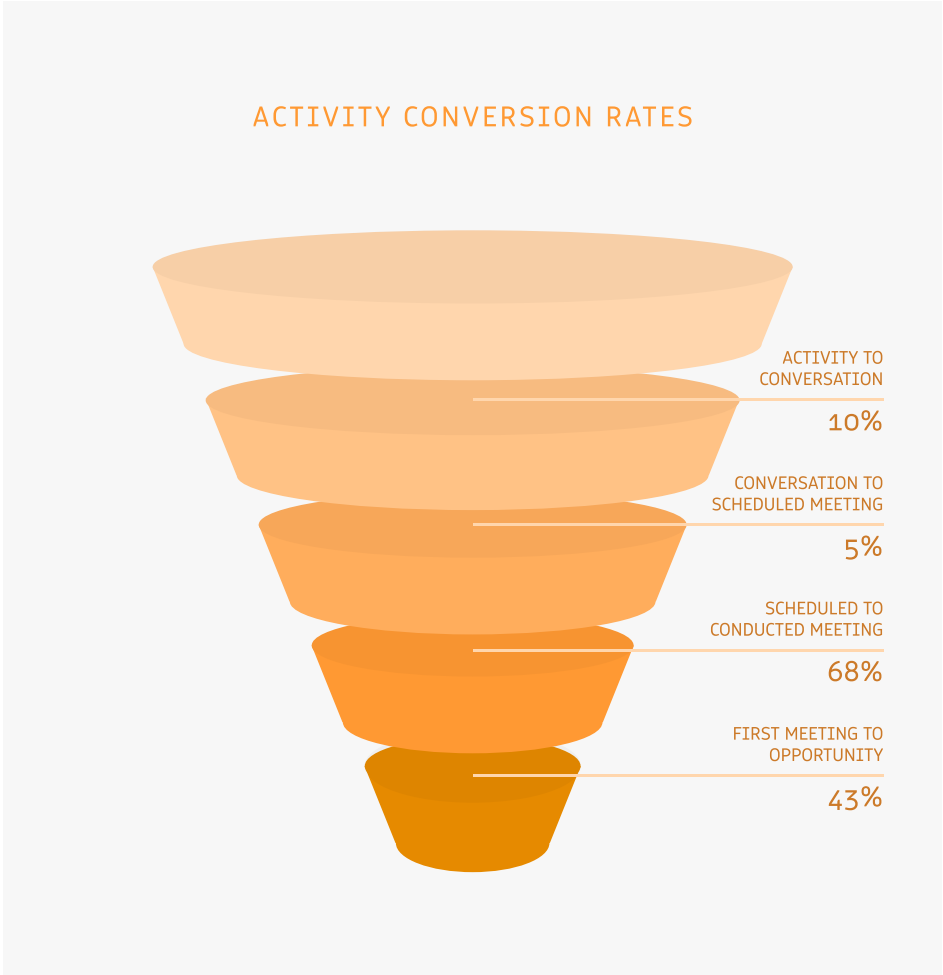
Whether the initial activity is cold, meaning a first attempt at reaching a prospect, or warm, meaning a follow up to a previous interaction has a drastic impact on conversion rates. Previous RevOps Squared research found that cold outreach as denoted in this chart saw a 5-6%

conversation to meeting scheduled conversion rate, while warm outreach saw a 10-12% conversation to meeting schedule conversion rate.

In the following pages we will uncover the percentages of these opportunities that actually become revenue.

# 68%

of meetings booked actually happen.
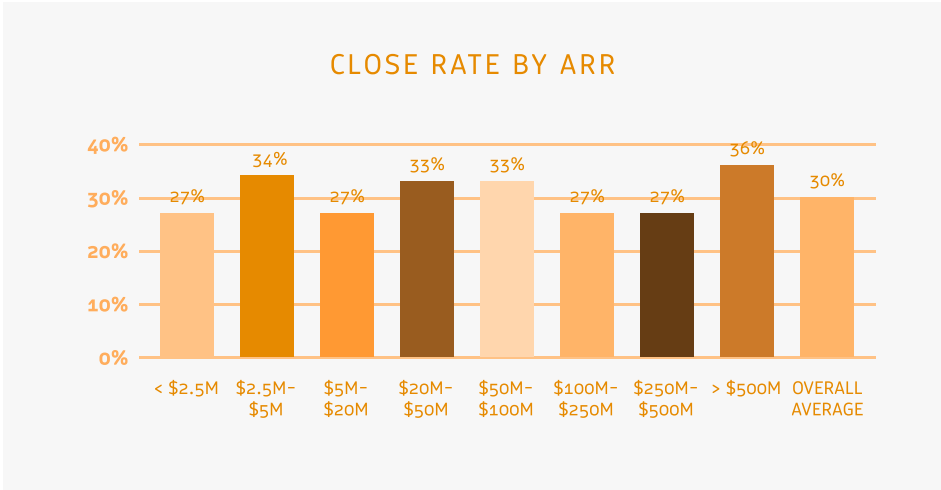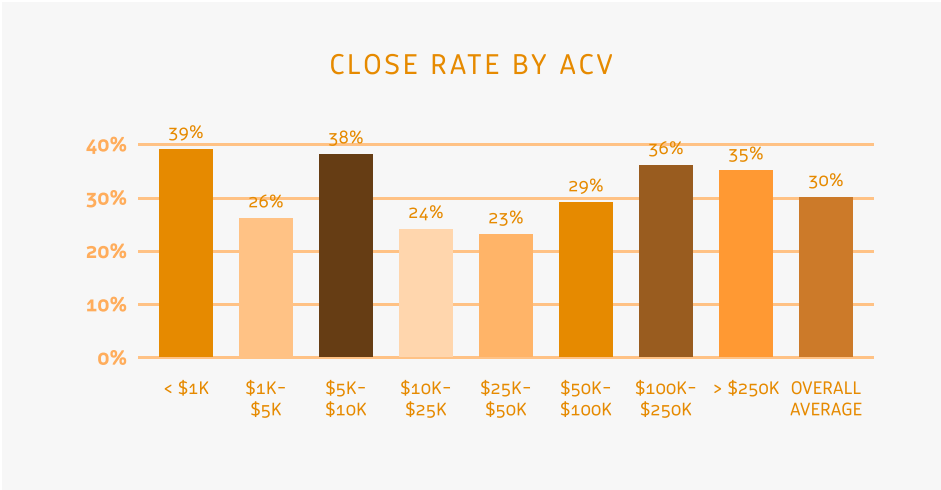
# 43%

of meetings held turned into an opportunity.

# 10%

of activities, including calls, texts and emails turned into a conversation.

# 5%

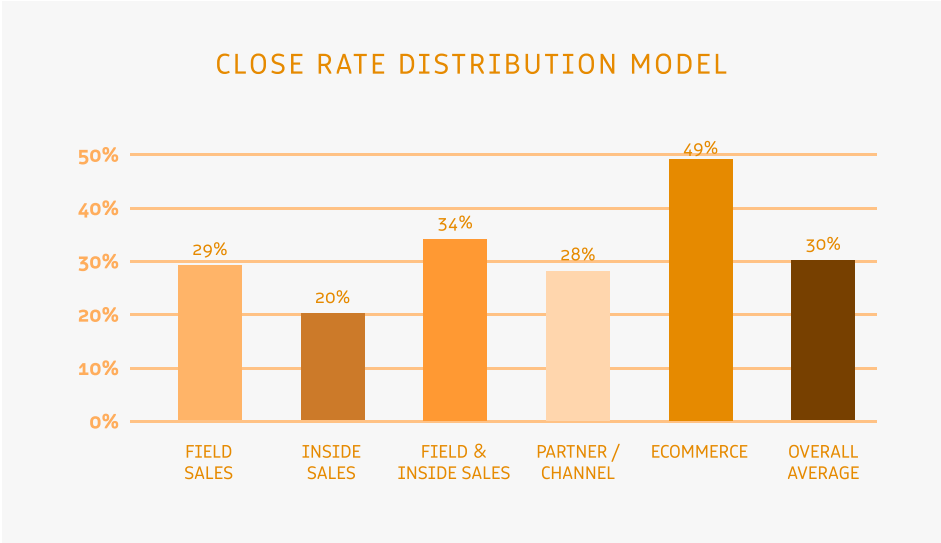of all conversations lead to booked meetings.

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# Sales Close Rate Benchmarks

### CLOSE RATE BY ACV



| < $1K | $1K–$5K | $5K–$10K | $10K–$25K | $25K–$50K | $50K–$100K | $100K–$250K | > $250K | OVERALL AVERAGE |
|---|---|---|---|---|---|---|---|---|
| 39% | 26% | 38% | 24% | 23% | 29% | 36% | 35% | 30% |

### CLOSE RATE BY ARR



| < $2.5M | $2.5M–$5M | $5M–$20M | $20M–$50M | $50M–$100M | $100M–$250M | $250M–$500M | > $500M | OVERALL AVERAGE |
|---|---|---|---|---|---|---|---|---|
| 27% | 34% | 27% | 33% | 33% | 27% | 27% | 36% | 30% |

At 34%, the combination of inside sales & field sales has the highest B2B distribution model close rate, outpaced only by eCommerce. The combination of the two is more powerful than either model alone.

**26%** Unsurprisingly, the strategic accounts target market has the lowest close rate of 26%.

**20%** At 20%, inside sales alone has the lowest close rate.

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## CLOSE RATE DISTRIBUTION MODEL

Close rate distribution model (bar chart):
- FIELD SALES: 29%
- INSIDE SALES: 20%
- FIELD & INSIDE SALES: 34%
- PARTNER / CHANNEL: 28%
- ECOMMERCE: 49%
- OVERALL AVERAGE: 30%

## CLOSE RATE BY TARGET MARKET

Close rate by target market (bar chart):
- SMB – STRATEGIC: 30%
- SMB: 38%
- SMB – COMMERCIAL: 30%
- MID-MARKET – COMMERCIAL: 27%
- MID-MARKET – ENTERPRISE: 30%
- ENTERPRISE & STRATEGIC: 26%
- OVERALL: 30%

**At 49% and 38%, close rates for smaller, more transactional sales such as the SMB market or ecommerce distribution models outpace those in other spaces.**
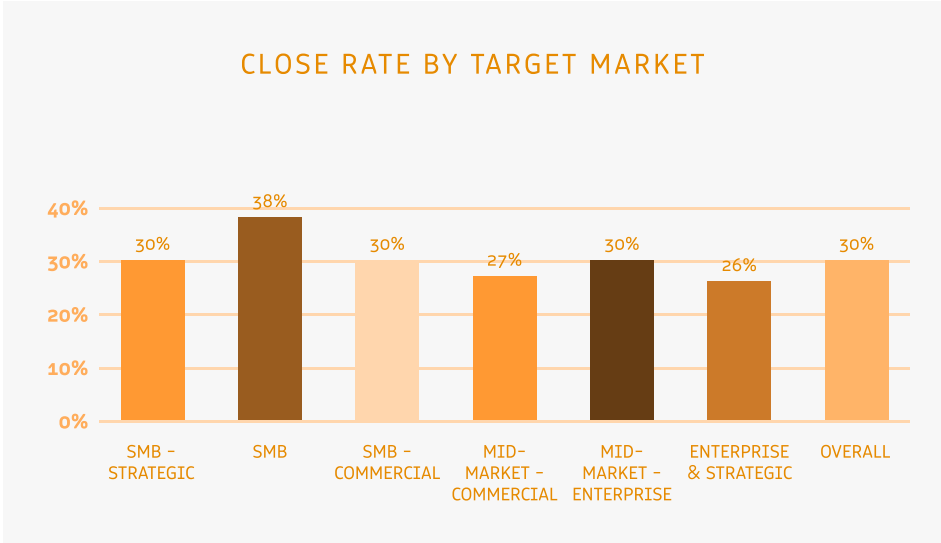
Close rate is one of the most fundamental and critical tasks for B2B revenue teams. Andy Paul, host of the Sales Enablement Podcast and renowned sales expert explains succinctly: "Increasing your close is really key to increasing your sales productivity… it's less expensive to increase your close rate than to spend money on generating more lead flow." Benchmarking your own close rate is a great start for understanding the health of your sales process, but the goal should always be to bring the close rate far beyond the benchmark.

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**Timeframe & Research Sample**

During the period of September 14, 2020 through October 16, 2020, RevOps Squared and Revenue.io conducted research with hundreds of revenue leaders to better understand customer acquisition benchmark performance metrics, the rise of revenue operations, technology adoption and the organization structure and tactics that revenue teams are adopting to gain alignment across the customer acquisition process. In total, more than 240 revenue leaders participated in this research effort.

**Methodology**

Research was conducted primarily via online survey to an email sample of thousands of revenue leaders from sales, operations, marketing and revops. Participants were offered a small gift card as an incentive to complete the survey. Statistical analysis was conducted once the research was concluded and only statistically significant results were included in this report.

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# Thank you
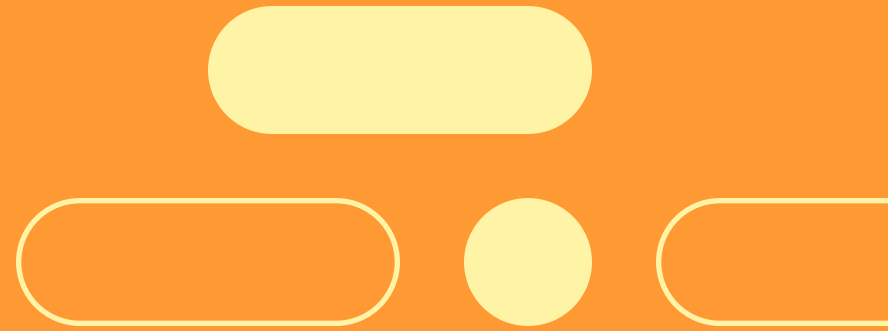
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Check out more free resources at revenue.io/sales-strategy

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