A decorative graphic consisting of a black semi-circle with a light blue dot above it, resembling a stylized smile or a person's head.

Sponsored by Varicent Concert

A solid dark blue circle.

About Varicent Concert

Unlock performance and predictability through the science of comp

1



Give Real-Time Feedback

2



Set Smarter Targets

3



Build Habits for Success

Q1 Upsell ACV
65% [Progress Bar] 33 days remaining
Attainment: 6,500 Target: 10,000
Next Multiplier: Only 1,500 more for a Rate of 15%

Renewal Rate
100% [Progress Bar] 33 days remaining
Attainment: 0.9 Target: 0.9
Next Multiplier: You've made it to the highest tier!

[Quota Attainment](#) | [Download YTD Statement](#) | [Newest Payouts](#)

Target Setting Scenarios

Quotas
Quota Target: \$95,000
Quota Frequency: Quarterly
Metric: ACV
Previous Reg. Quota: \$90,000
Previous Reg. Attainment: 104.00%

Tier	Target	Incremental # of Regs	Incremental ACV
Tier 1	20,000	2	20,000,000
Tier 2	50,000	2	20,000,000
Tier 3	90,000	1	10,000,000
Tier 4	120,000	0	0,000,000

% of Sales Exceeding This Level

ACV Attainment	% of Sales Exceeding This Level
20,000	100%
40,000	75%
60,000	50%
80,000	25%
100,000	10%
120,000	5%
140,000	2%
160,000	1%

Hi Stanley!

Here's the attainment detail for your **Total Bookings** component for **January 2023**

Your Target for January 2023 is **USD 100,000**. You've achieved **79%** (USD 79,000) of that target.

Rate	Tier Starts at	Method
0.00%	USD 0.00	Applies to all bookings
10.00%	USD 14,000.00	Applies to this tier
11.00%	USD 30,000.00	Applies to this tier
12.00%	USD 38,000.00	Applies to this tier
13.00%	USD 50,000.00	Applies to this tier

Here's a closer look at your breakdown:

Book	Opportunity Name	Opportunity Status	Rate	Book Date	Quota Used	Commission Booked (USD)	Target Quota	Actual Payout	Booked Payout	Next Due Date
Book1	Opportunity Name	Closed/Quoted	Clear Rate	2023-01-01	USD 40,000.00	USD 40,000.00	USD 10,000.00	10.00%	USD 4,000.00	
Book2	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	
Book3	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	
Book4	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	
Book5	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	
Book6	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	
Book7	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	
Book8	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	
Book9	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	
Book10	Opportunity Name	Open/Forecast	Clear Rate	2023-01-01	USD 10,000.00	USD 10,000.00	USD 10,000.00	10.00%	USD 1,000.00	

Agenda

- The State of Sales Comp
- SDR / AE / CS Benchmarks
- What you can (and really should) do differently in 2022
- Questions

The State of Sales Comp in 2021



Since April

4M

people have quit their job each month

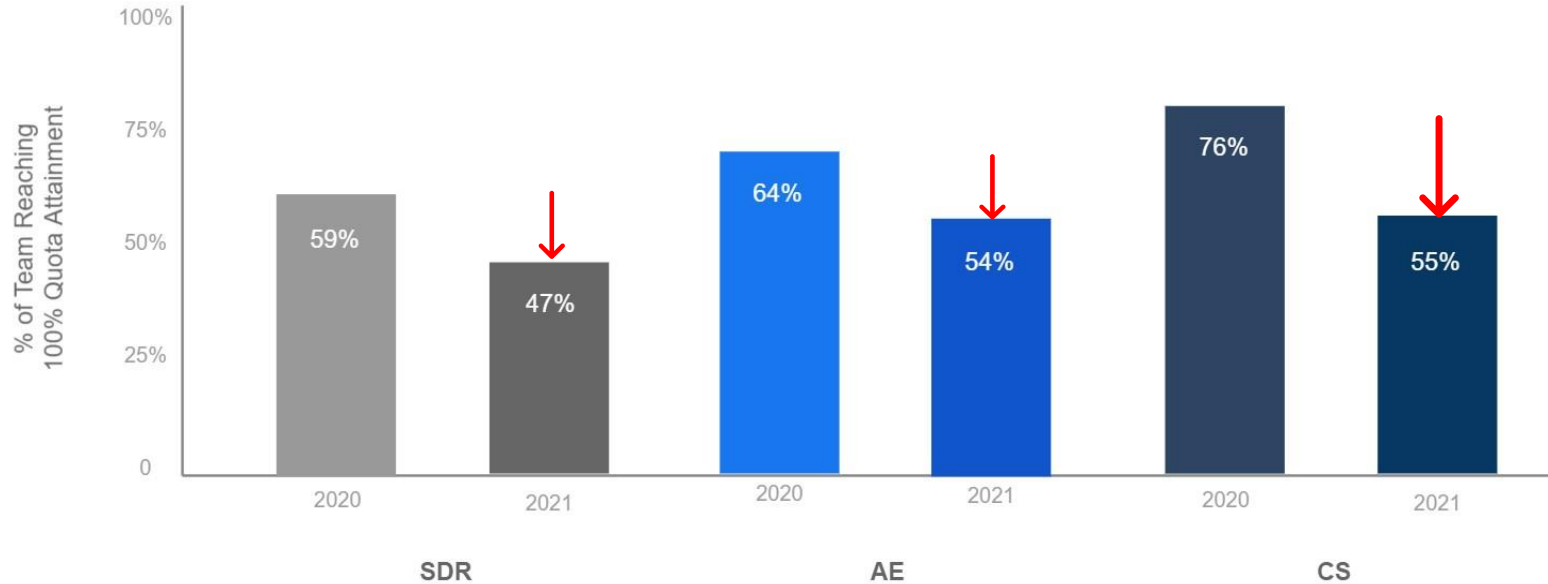
We are burned out.

What burnout looks like

- Low productivity
- Low motivation
- Hard to start tasks
- Lack of focus



Attainment (productivity) has dropped across all roles



42% of survey respondents tried to actively make their quotas more achievable

Preview of Benchmarks

SDR/BDR Benchmarks

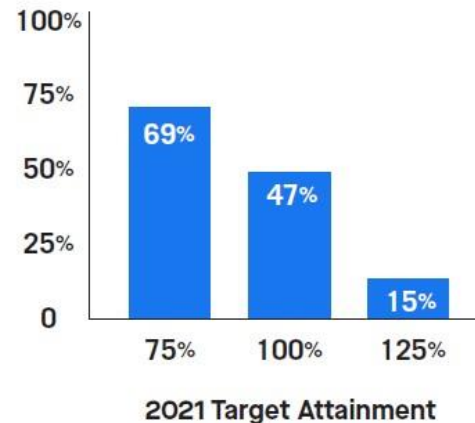
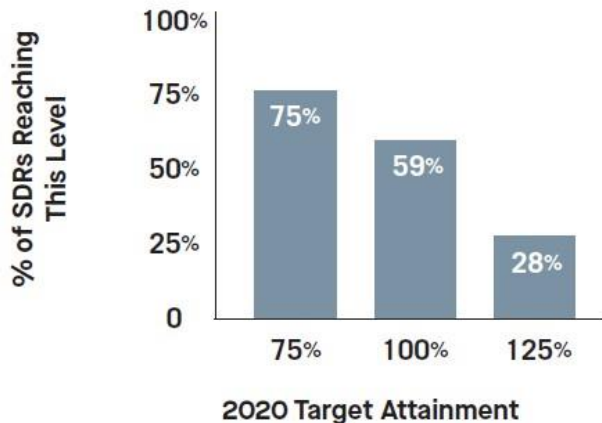
★★★★★ **3.24** AVERAGE PLAN SATISFACTION SCORE

► BASE:VARIABLE MIX



 **88%** OF PLANS QUOTA ON PIPELINE

 **38%** OF PLANS QUOTA ON CLOSED WON



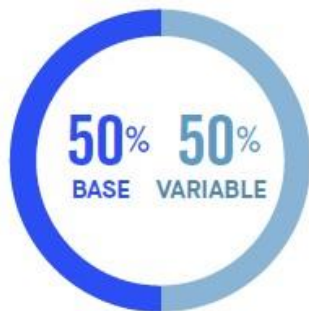
Account Executive Benchmarks

★★★★★ **3.43** AVERAGE PLAN SATISFACTION SCORE


 **94%** OF PLANS QUOTA ON CLOSED WON

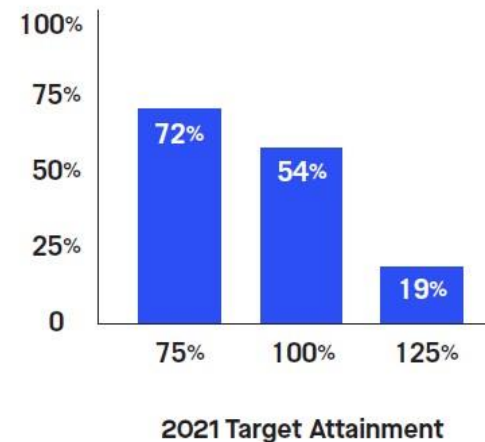
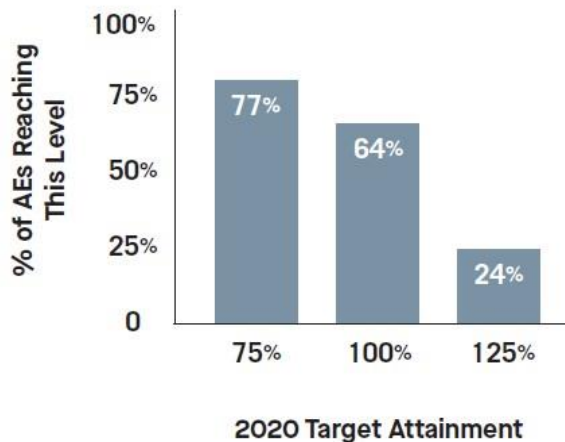
 **10%** OF PLANS QUOTA ON PIPELINE/PROCESS

► BASE:VARIABLE MIX



In addition to receiving credit for new business, many AEs receive quota credit for cross-sells (56%) and growth (52%) from existing accounts.

 Those that comp on pipeline/process have a higher satisfaction score.



Client Service Benchmarks

★★★★★ **2.70** AVERAGE PLAN SATISFACTION SCORE

74% RETENTION RATE

\$s retained

55% RENEWAL RATE

Logos retained

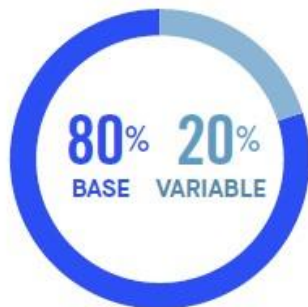
48% GROWTH RATE

Increase in usage/
volume

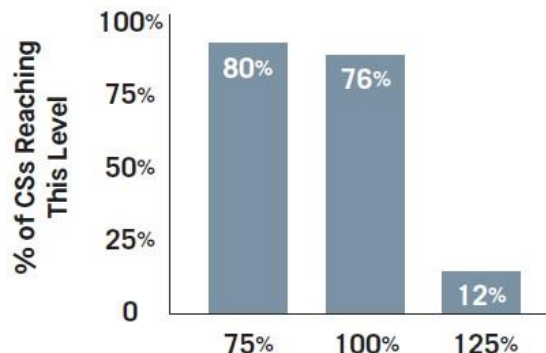
38% CROSS-SELL

Additional products

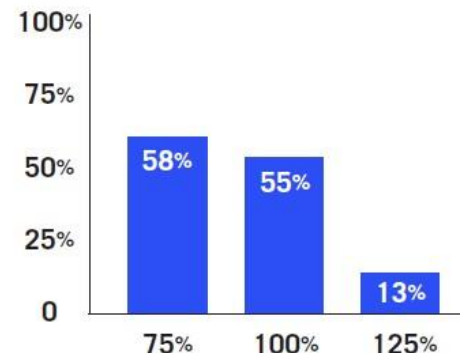
► BASE:VARIABLE MIX



28% of CS respondents have no variable compensation



2020 Target Attainment



2021 Target Attainment

Strategies for 2022 Comp



Comp can reduce the impact of burnout in 2 ways

Cognitive Engagement

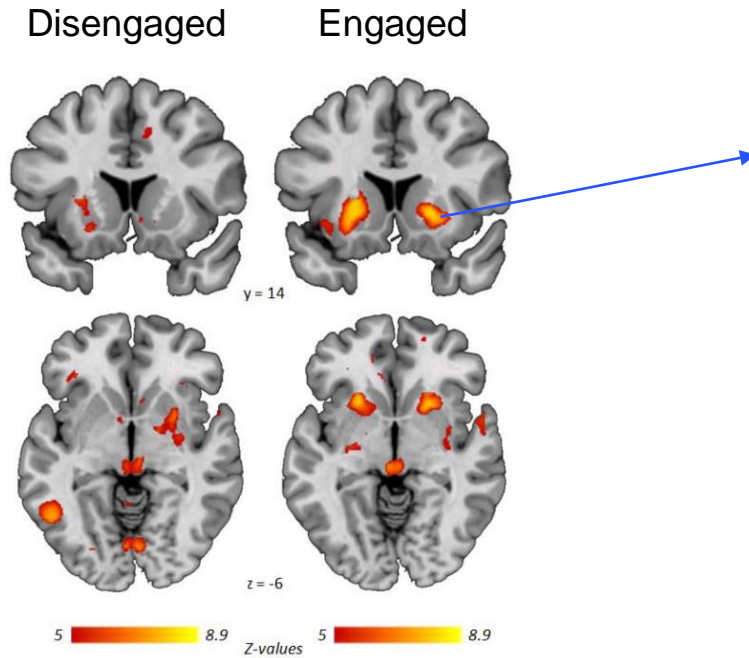


Remove Ambiguity



Smarter Quota Setting

The Power of Reward Anticipation



Achievable targets cause us to release some dopamine before we even win!

This re-engages and motivates a person to move forward again.

We Perceive Difficulty of Targets through 4 Dimensions

Social



Other Groups vs
My Group

Experiential



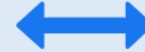
Theory vs Practice

Temporal



Future vs Present

Spatial



Far vs Close

This is called **Psychological Distance**

Social Distance

- When reps know that 70%+ of their team is hitting quota, **targets have more meaning.**
- **They seem achievable!**



Experiential Distance

- **Move targets closer and offer a progression!**
- Once people reach that first milestone, they don't want to fall backward; they're looking for that next step

On average, people have

3 TIERS

and 1 of those tiers are under quota.

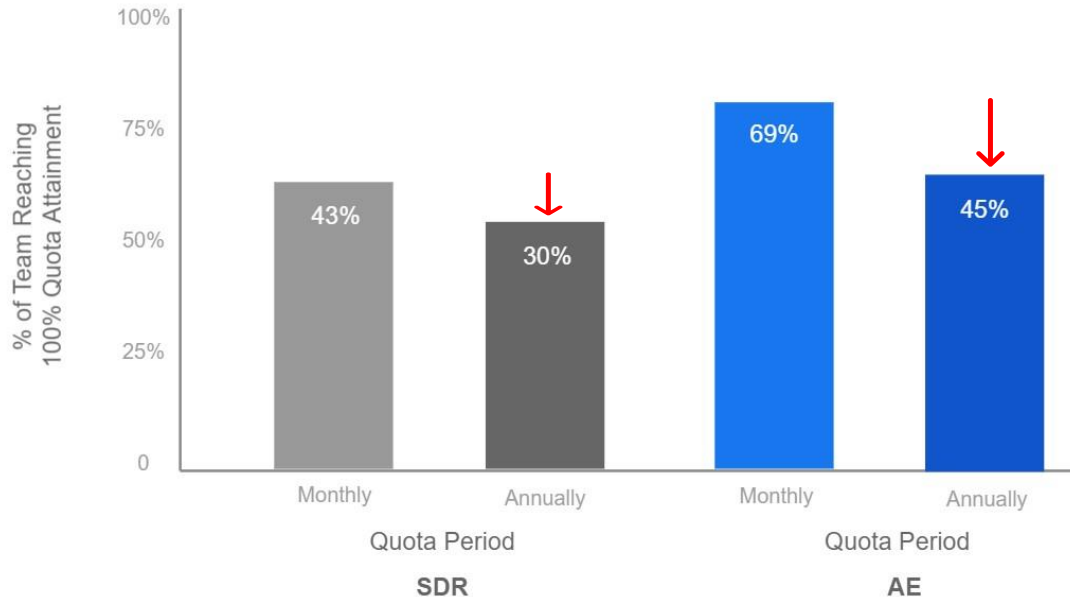


These tiers give your high performers more targets to reach after attainment

Varicent Concert has seen teams with more tiers below quota have a higher % of quota achievement

Temporal Distance

- **Changing tactics by setting shorter time periods** will ultimately help reps convert abstract goals into action.



Spatial Distance

- Lower targets do not necessarily mean lower performance.

+\$1MM ARR by making the targets more achievable



Pay on Activities

This is the Blueprint to Quota

This removes any ambiguity of what needs to be done, when to hit quota

Your Blueprint to Quota			Varicent CONCERT
During this time period	You need this many deals	At this stage or later	With a total pipeline value of
March 21 - April 15	59	MQL	\$1,233,833.00
April 15 - April 25	25	SQL	\$530,548.00
April 25 - May 12	14	SQO	\$297,107.00
May 12 - June 16	10	Demo	\$216,888.00
June 16 - June 30	7	<u>Proposal</u>	<u>\$164,835.00</u>
	6	Closed Won	\$150,000.00

Pay earlier to give small wins sooner in the process

Varient
CONCERT

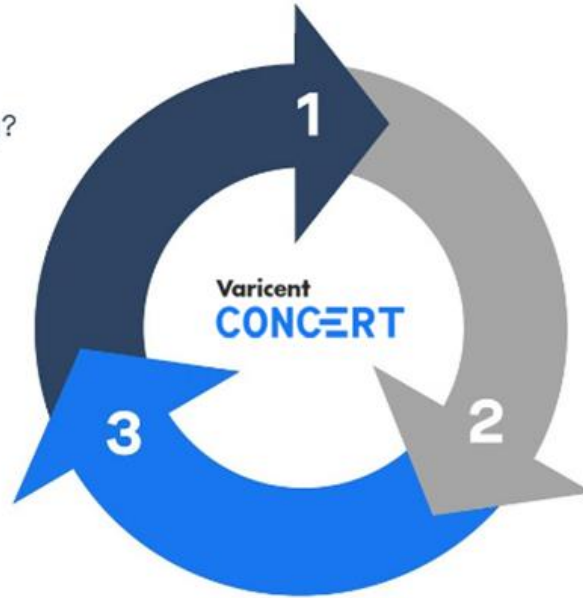
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Reward Based Learning



The Quota:
Where am I going?



The Sales Playbook:
How do I get there?



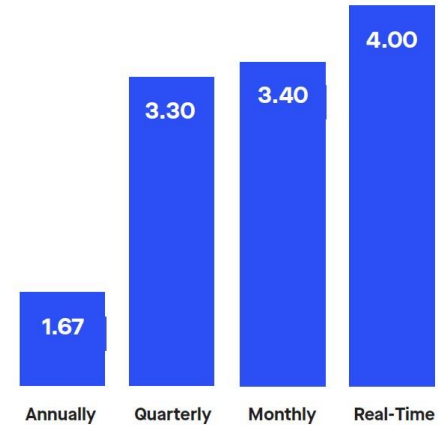
The Commission:
Based on where I am,
what do I do next?

Focused Reporting

Give Real-Time Reporting to Reps

- Reporting frequency significantly reduces ambiguity and improves focus
- The number of companies providing real-time reporting has doubled this year, so it is becoming an expectation

AE AVERAGE SATISFACTION SCORE



Stop the leaderboards!!!

- **72%** of survey respondents have leaderboards for their SDRs
- **66%** have their AEs on a leaderboard, too
- When burned out, competition is especially harmful to engagement and collaboration



- UPenn 3 year study: **employee performance increased by 11% without sales leaderboards**

2022 Comp Planning Takeaways



Reward Anticipation: Targets your team can meaningfully engage in



Small Wins: Pay on activities to give a chemical jolt



Habit Formation: Remove ambiguity over what to do next



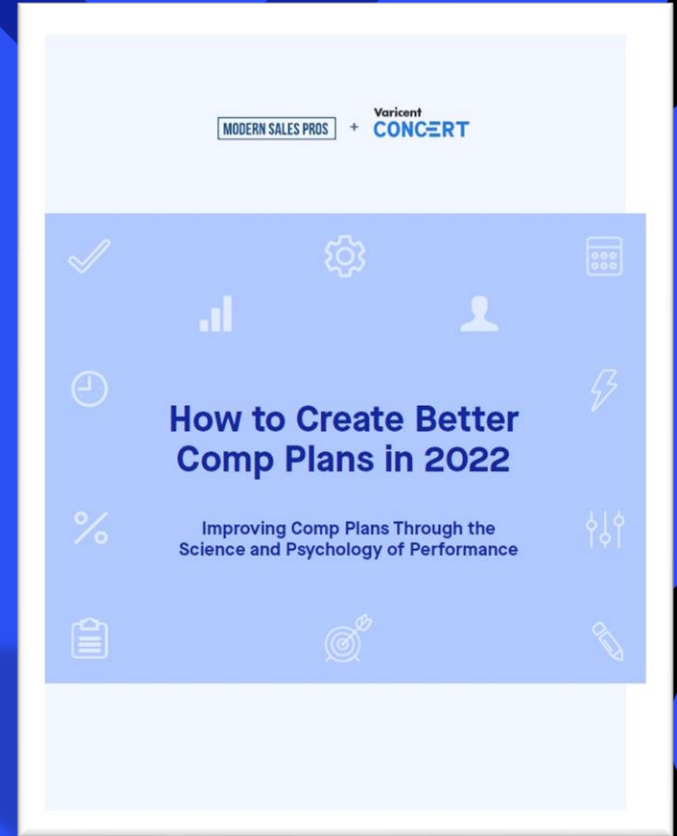
Clear Reporting: Don't have your reps guess about their next paycheck



Stop the Leaderboards (please!): Remove external, competitive stress

3rd Annual Commission Plan Benchmarks Report

Coming out next week!



Questions?

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