



# **NEW** RULES FOR **GROWTH**

In The Revenue-Critical Ecosystem



**A SISO SIG WEBINAR**

# AGENDA

## The New Rules for Growth in the Revenue-Critical Ecosystem

April 19, 2024

11:00 AM- 12:00 PM EST



- 01 — Introduction
- 02 — Why This Matters
- 03 — Revenue-Critical Ecosystem
- 04 — Sample Use Cases
- 05 — Where to Start
- 06 — Additional Resources



# HEATHER HOLST-KNUDSEN

CEO of H2K Labs

## Quick Facts

- 30 plus years as an operator in media, events, technology, data and information services
- 4th generation family member of Thomas Publishing/ThomasNet - recently sold to Xometry
- Deeply skilled in data monetization, revenue growth, multi-sided business models, product innovation, data intelligence and the underlying frameworks and processes required to achieve success

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# Tech-Enabled Value-Creation Specialists



## Advisory



**Growth Acceleration**

**M&A Transaction Services**

## Insightify



Data management and growth intelligence platform for the business information and marketing services sectors

- Data Aggregation
- Modeling
- Analysis
- Data Preparation
- Data Management
- Visualization

## The Revenue Room™



Foundations, frameworks, use cases, playbooks and research to fuel your growth strategy, align teams, and create a common language.

- Content
- Community
- Events



# 60%

of B2B sales organizations will transition from experience and intuition-based selling to data-driven selling by 2025.\*

\*Gartner Future of Sales 2025 Report

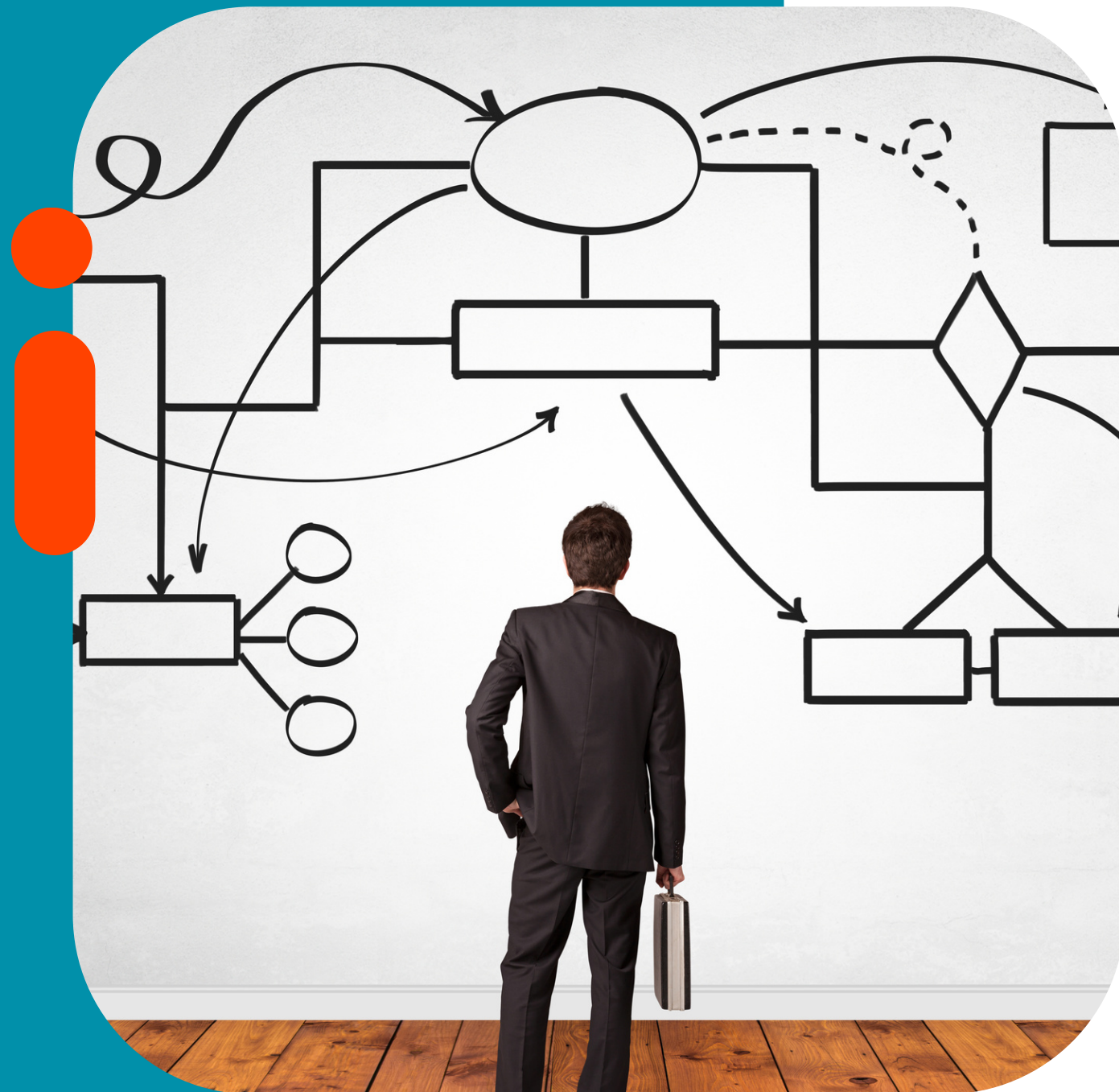




# WHY DOES THIS MATTER?

**Because the time is now and new ways of thinking are required - starting at the top.**

- Leadership Leads With Data
- Data Science Becomes Core Competency
- New Organizational Structures Emerge
- Shared Accountability Goes Mainstream
- New Processes & Platforms Are Adopted
- “Success” is Defined in New Ways
- Different KPIs and Compensation Evolve
- Taking Risks Becomes Less Risky



A silhouette of a person wearing a hooded sweatshirt stands in a dark, narrow hallway. The person is positioned in the center-left of the frame, facing right. A bright light source is located behind them, creating a strong backlight effect and casting a long, dark shadow on the floor. The walls of the hallway are visible on either side, and the overall atmosphere is mysterious and somewhat ominous.

# CHANGE CAN BE SCARY

But, the financial returns are too great to ignore

# DATA-DRIVEN REVENUE ORGANIZATIONS

Have Proven Financial Returns\*

**10-20%**

increase in sales  
productivity

**15-20%**

increase in customer  
satisfaction

**30%**

reduction in GTM  
expenses

**19%**

faster growth

**15%**

more profits

**71%**

improved stock  
performance

\*Data from Boston Consulting Group and Forrester

BEING A DATA-DRIVEN ORGANIZATION MEANS  
CULTURALLY TREATING DATA AS A STRATEGIC ASSET  
AND THEN BUILDING CAPABILITIES TO PUT THAT ASSET  
TO USE NOT JUST FOR BIG DECISIONS BUT ALSO FOR  
**EVERYDAY ACTION ON THE FRONT LINE.**

*Ishit Vachhrajani, AWS Enterprise Strategist*





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# REVENUE-CRITICAL ECOSYSTEM





# THE TELL-TALE SIGNS

Missed forecasts

01

05

Blame game & fingerpointing

High % of sales people not hitting quota and low % exceeding it

02

06

Category 5 hurricanes

High churn and net revenue loss

03

07

High CAC/Low LTV

Quota as the indicator of success

04

08

No Single View of the Customer

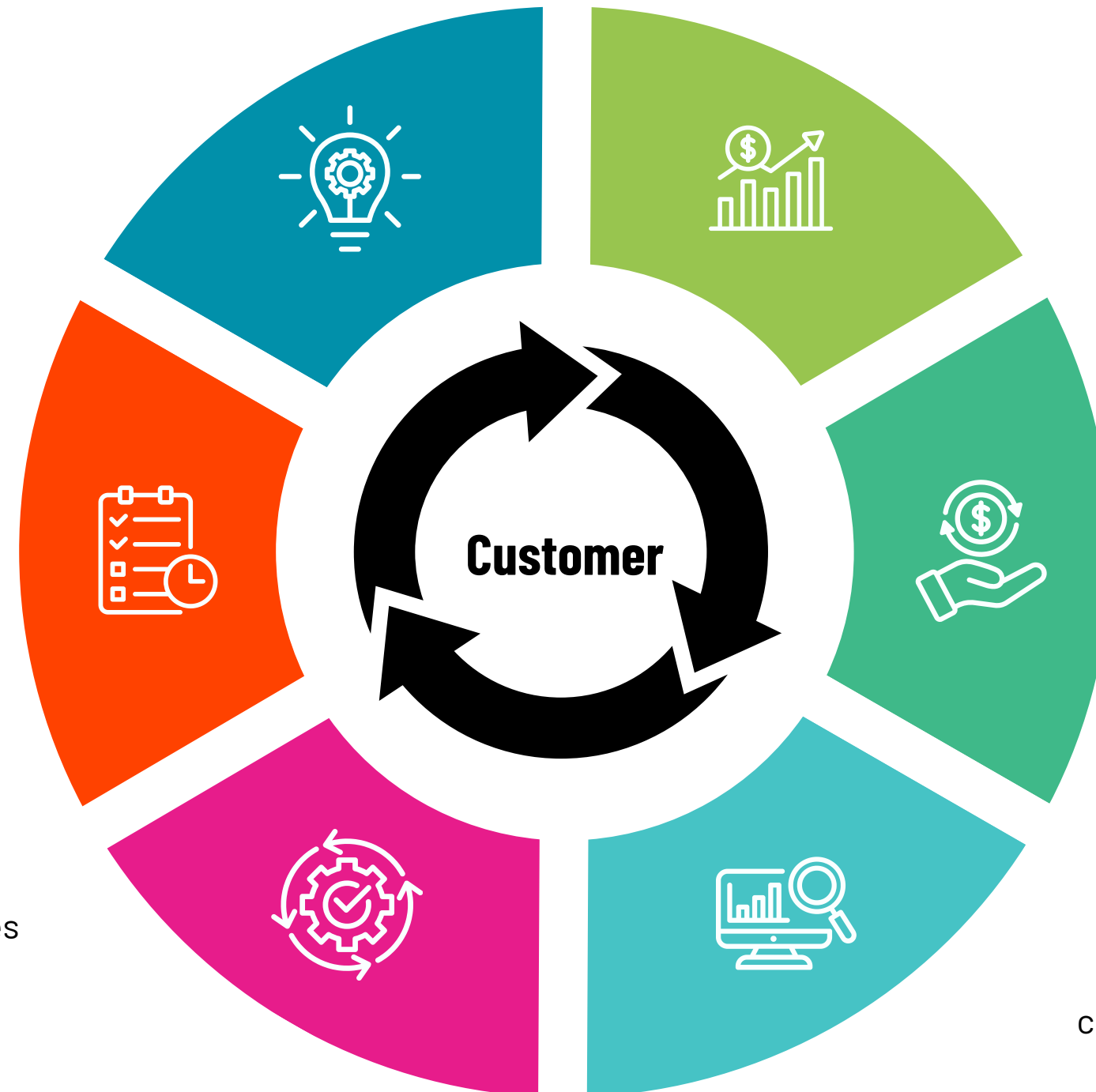


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# What the Heck is a Revenue-Critical Ecosystem?

- Cross-functional alignment across all revenue-critical functions
- Revenue-critical roles
- Processes
- Platforms
- Partners
- Data model
- Data governance
- KPIs and metrics

# REVENUE-CRITICAL FRAMEWORK



## Platforms

What platforms are you using to empower revenue-critical teams to be efficient, make data-driven decisions every day, and share information and collaborate?

## Data Model

Do you have a single source of revenue truth? Does that revenue truth include critical factors that sit in and outside the CRM? How is this data being democratized and actioned?

## Metrics, KPIs & Incentives

Are revenue-critical KPIs, metrics, and incentives aligned across marketing, sales, customer success, revenue ops, and product teams? Are these transparent?

## Strategy

Do you have a strategy that is sponsored from the top of the organization to experiment, invest and transform? Is the strategy shared across the organization?

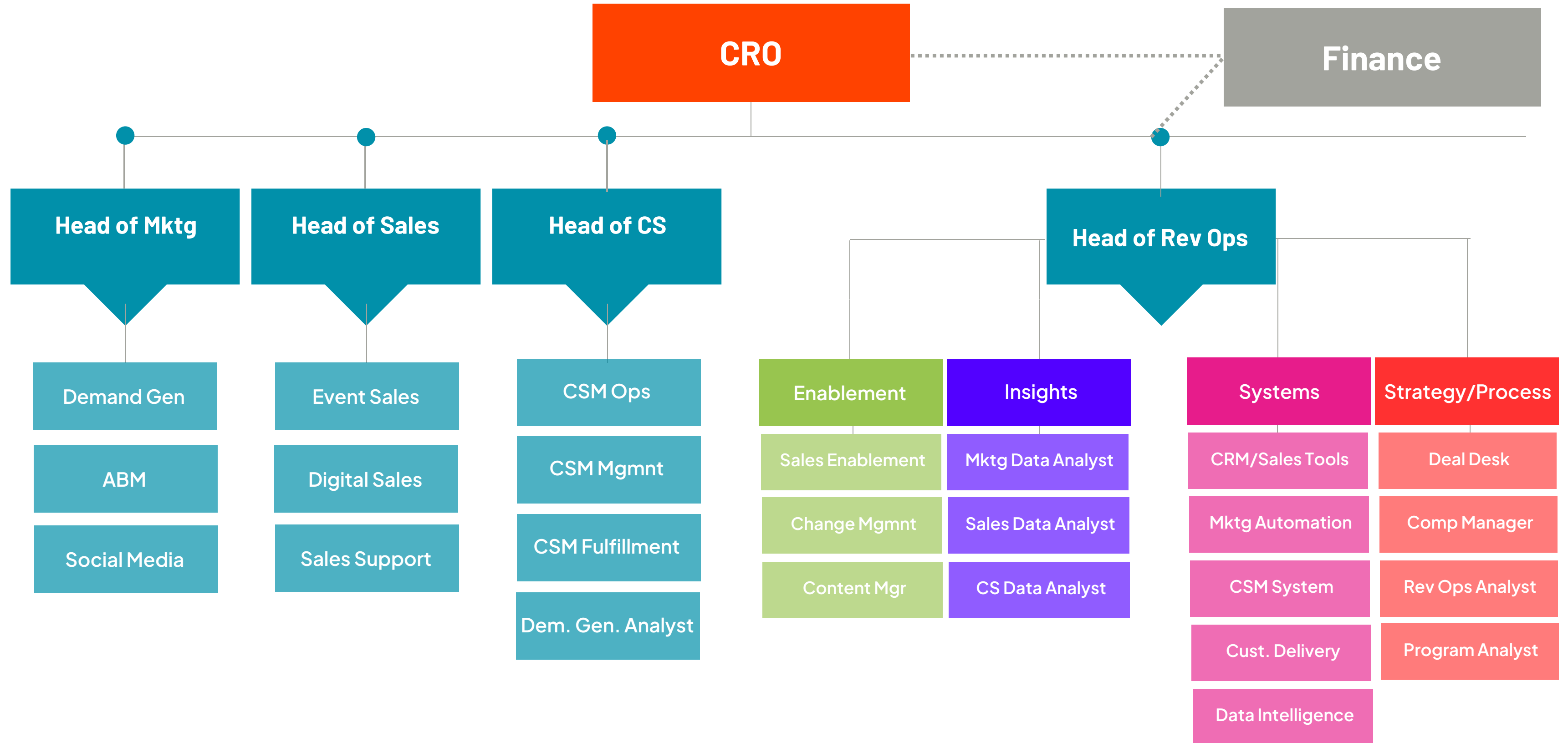
## Organization & People

Is your organization currently aligned to drive a data-centric strategy that puts the customer at the center of everything? Is the structure set up to build capabilities organically and inorganically?

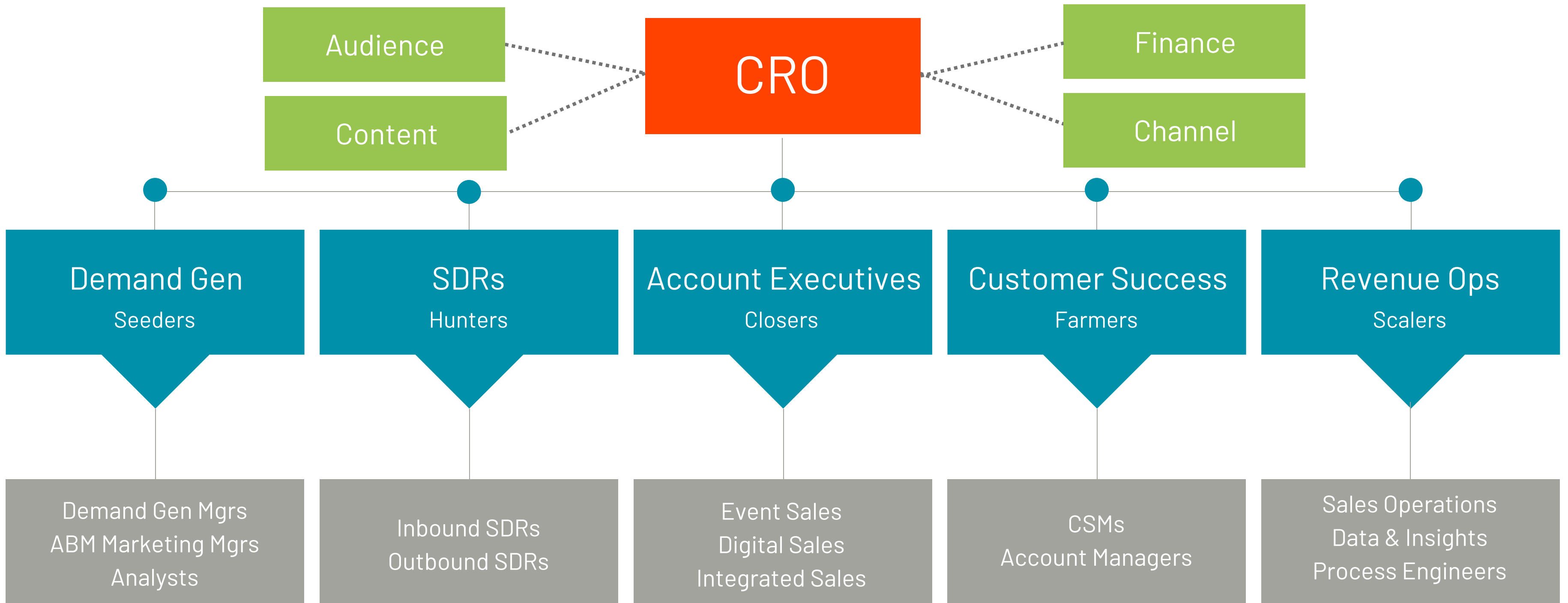
## Processes & Policies

Are policies in place to ensure 100% compliance with data governance, CRM, process alignment, collaboration and feedback loops? How transparent is reporting, KPI achievements, and goal setting?

# DATA-DRIVEN REVENUE ORGANIZATIONAL STRUCTURE



# ALIGNING REVENUE-CRITICAL ROLES





# BENEFITS



**1 Sales Effectiveness**  
Faster sales cycles reduced pipeline waste, higher levels of accountability, aligned sales processes, deeper customer engagement

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**2 Healthier Revenue**  
Greater wallet share, improved customer retention, better cross-sell, upsell and expansion

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**3 Customer-Centric Product Innovation**  
Data insights and alignment across the teams allows for greater insights and actioning on those insights about immediate and future customer demands.

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**4 Pricing Power & Other Revenue Gains**  
Product performance and audience insights provide opportunities to improve pricing power as well as eliminate unprofitable or downward trending products.

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**5 Better Performing Products and Contracts**  
Real time insights and functional roles focused on analyzing program, product, and contract performance allows for continuous realtime improvements.

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**6 Happier, Data Skilled Employees**  
Aligning teams to collaborate to win, celebrating all roles when wins happen and eliminating finger pointing creates a great place to work. Embedding data insights and actioning as part of the daily flow of work builds skills organically.



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SAMPLE USE CASES ...

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# USE CASE



## REVENUE EXPANSION

B2B media company with diverse revenue streams in media, lead generation and events.



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### OBJECTIVE

Identify ways we can gain more wallet share by cross-selling exhibitors and event sponsors digital advertising programs

### STAKEHOLDER TEAM

Sales, Customer Success, Event Operations, Digital Operations

### DATA SETS & BLENDING

Historical order data, program performance data, pipeline data including point in time, unstructured data (website behavior)

### INSIGHTS

Which customer segments are more likely to purchase cross-channel digital programs and what similarities are there across sales process, timing, and BP/ICP characteristics

### WORKFLOW

Generate a look-a-like ABX list of target accounts, develop a packaged program, train sales team, conduct highly personalized ABX campaign, track progress, analyze results

### ROI METRICS

Time to first revenue, average contract size, time to renewal, upsell percent, customer satisfaction, program performance



# USE CASE



## NEW BUSINESS ACQUISITION

B2B event organizer relies heavily on renewals but in order to grow the show portfolio, their new business acquisition target has grown by 40%.



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### OBJECTIVE

Identify ways we can gain identify new business opportunities outside outbounding a competitive target list

### STAKEHOLDER TEAM

Sales, Rev Ops, Audience Marketing

### DATA SETS & BLENDING

1st-party data (CDP), Top 100 Target Prospects (CRM), High Interest Prospect Opportunity Pages & Actions (CMS/Website), Automated Workflows (CDP>CRM)

### INSIGHTS

What high value prospects are researching event and media opportunities on our website? Which pages and actions indicate purchase intent? Do these targets subscribe to our content? If so, what happens when actions are taken with newsletters, email etc?

### WORKFLOW

Using a purchase intent algorithm (target account + look-alike equation + engagement on HIPO pages), assign alerts, tasks and leads to sales

### ROI METRICS

Growth of new business lead pipeline, new business conversion rates, which sellers are improving new business acquisition better than others, new business acquisition benchmarks across portfolios and brands

## USE CASE



## PRCING POWER

Media company in a niche market and with extensive 1st-party data needs to grow revenue using pricing power.

### OBJECTIVE

Identify ways to improve pricing power for digital advertising and demand generation campaigns

### STAKEHOLDER TEAM

Sales, Rev Ops, Marketing, Digital Ad Operations, Audience, Data and Finance

### DATA SETS & BLENDING

Advertiser ICP/BP mapping, structured and unstructured audience data mapping, lead scoring based on advertiser cohort and pricing mechanism

### INSIGHTS

Which audience segments are most coveted by specific advertiser segments; which audience behaviors lead to high-value advertiser engagement, and what content and decision-support tools create the highest value experience for audience members

### WORKFLOW

Assess and place value on high-value target accounts and roles mapped to advertiser segments. Assess and place value on audience behaviors. Create dynamic pricing based on changes in audience segment size and behaviors mapped to advertiser segments

### ROI METRICS

Revenue per audience member and/or audience segment, program performance, renewal rates, time to renewal, average contract size



## USE CASE



### CUSTOMER CHURN RISK

Events company with digital offering serving diverse customer segments across multiple brands in different countries. Customers purchase across brands and channels.

#### OBJECTIVE

Improve customer retention by identifying “red flag” alerts in time to action and fix

#### STAKEHOLDER TEAM

Sales, Customer Success, Operations, Finance

#### DATA MAPPING

CRM, CSM, Operations, Program Performance, Order Management, Finance

#### INSIGHTS

Poor program performance, low customer satisfaction, changes in customer behaviors, salesperson traction, pipeline traction

#### WORKFLOW

Develop processes and customer journey inflection points mapped to red flag alerts. Engage in multithreading, deal-storming, and offensive program success outcomes

#### ROI METRICS

Churn rate, net retained revenue, customer satisfaction, and expansion after red flag alert mitigated

# OTHER USE CASE SCENARIOS

**Single View of the Customer**

**Unit-Level Economics**

**Sales Attrition Risk**

**Sales Skills Optimization**

**Territory Optimization**

**Marketing Campaign Arbitrage**

**Content to Revenue Optimization**

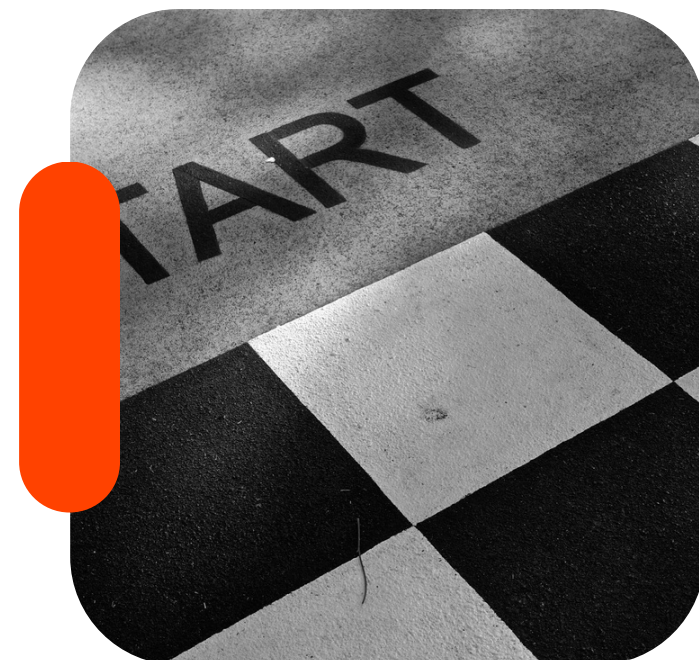
**Contract Performance Optimization**

**Program Performance Optimization**





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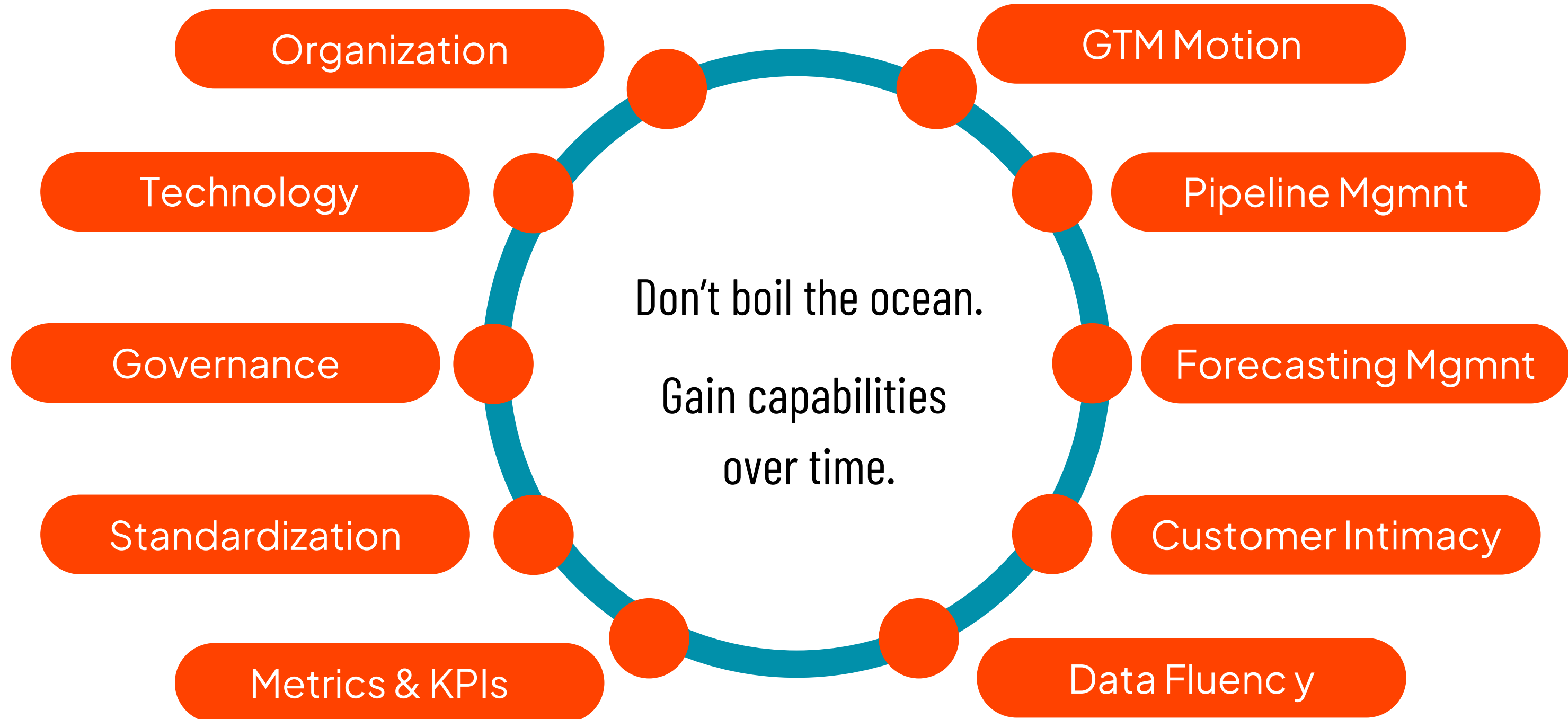


# HOW TO START

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# THE REVENUE ROOM™ CAPABILITIES WHEEL

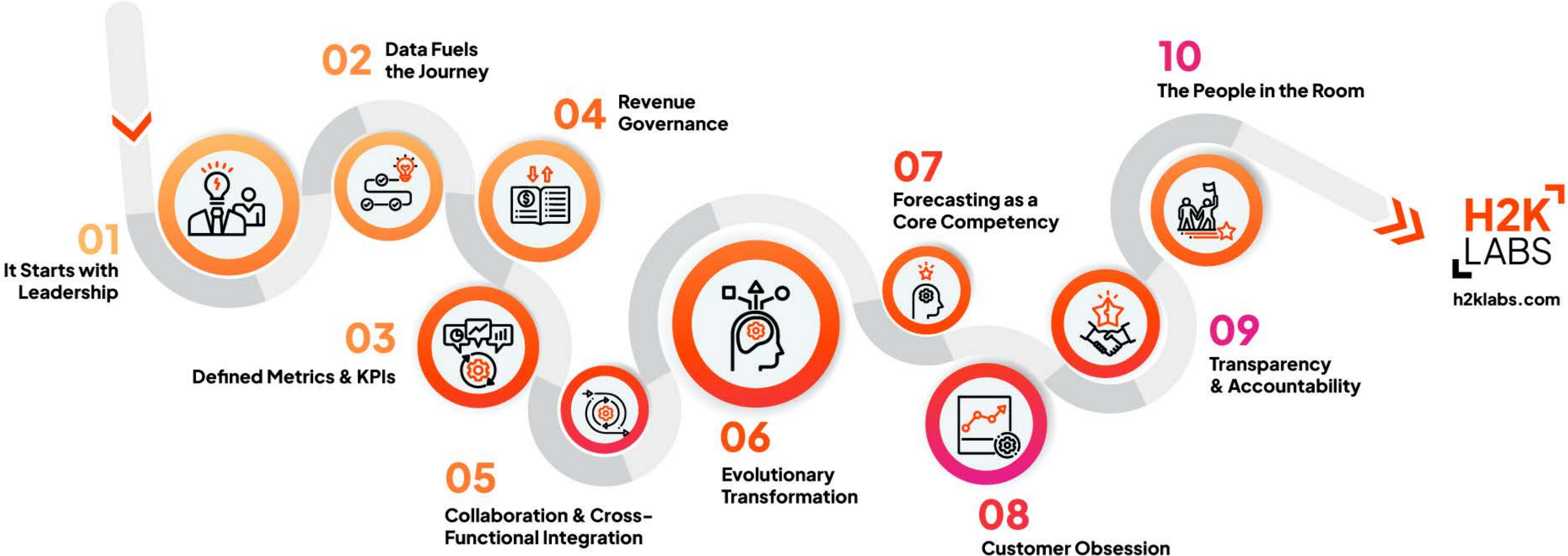




# The Revenue Room™ Operating Principles



Revitalizing outdated, siloed sales practices and principles into a modern, data-driven center of revenue excellence entails instituting enterprise-wide methods, expertise, tools, competencies, resources, culture, and mindset.





# The Revenue Room™ Framework

What are the components of Revenue as a Business Process?



## 01 Revenue Operating Plan

- **Build:** Ensuring current and future product is aligned with and meeting customer need and demand.
- **Engage:** Generating awareness and demand within target segments and target accounts.
- **Execute:** Managing existing pipeline to close in a predictable and optimized manner.
- **Deliver:** Delivering on customer investments to inspire, delight and deliver sustainable, consistent and dependable value.
- **Expand:** Retaining and growing your footprint within your installed base.
- **Rinse, Lather, Repeat:** Using data to improve, refine, repeat and scale.



# The Revenue Room™ Framework

What are the components of Revenue as a Business Process?



## 02 Aligning Revenue-Critical Roles

- **Phase 1:** Sales + Customer Success + Finance
- **Phase 2:** Marketing + Sales + Customer Success + Finance
- **Phase 3:** Marketing + Sales + Customer Success + Operations + Finance
- **Phase 4:** Marketing + Sales + Customer Success + Operations + Product + Finance



# The Revenue Room™ Framework

What are the components of Revenue as a Business Process?



## 03 Aligning KPIs and Outcomes

### ● Sales

- New Business Acquisition
- Logo Retention and Growth
- Net Revenue Retention
- Average Annual Contract Size
- Win Rate
- Quota Attainment

### ● Marketing

- Low Impact Revenue Opportunity (LIRO) Conversion to High Impact Revenue Opportunity (HIRO)
- HIRO Conversion Mapped to Pipeline Stages
- HIRO Win Rate
- HIRO Win Rate Cycle
- CAC

### ● Customer Success

- Customer Satisfaction/NPS
- Logo Retention and Growth
- CSM Generated HIROs (or CSMSQLs)
- Net Revenue Retention
- Expansion Win Rate
- Expansion Win Rate Cycle
- CLV

### ● Operations

- Customer Satisfaction
- Program Performance
- Contract Performance
- Logo Retention and Growth

### ● Finance

- Sales Growth Rate
- Profit Margins
- Pricing Optimization
- Revenue Concentration
- Accounts Receivable Turnover

### ● Product

- Customer Engagement
- Customer Feedback
- Customer Satisfaction
- PLG Metrics

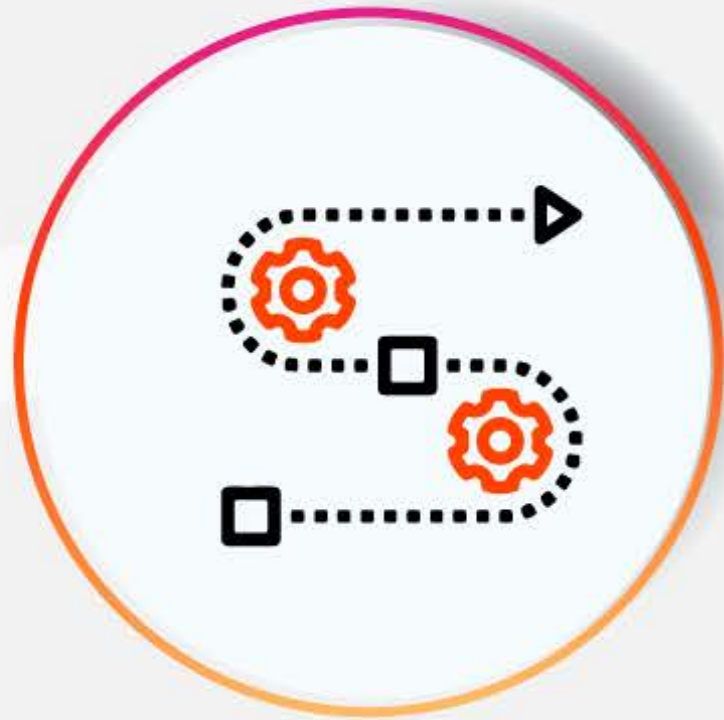


# The Revenue Room™ Framework

What are the components of Revenue as a Business Process?



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# 04

## Standardization

- Data
- Revenue Governance
- Pipeline Management
- KPIs and Measurements
- Reporting and Forecasting
- Product Offerings and Presentation
- User Experience Design
- Pricing Structures
- GTM Strategies
- Customer Journey
- Hiring
- Upskilling & Training



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# ADDITIONAL RESOURCES & TOOLS



## Playbooks & Research



## Council & Events



### The Revenue Room™ Council

A new professional C-Level network empowering revenue-critical leaders to modernize and transform legacy commercial operations into high-performing, scalable, and profitable growth machines.



### The Revenue Room™ Summit

*September 23-25, 2024 | Sarasota, FL*

A two-day conference designed for CXOs operating in complex data environments and responsible for modernizing revenue acquisition, retention and growth using data-driven strategies.

You're the first to know! Email me for more information.

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**THANK YOU!**

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