SAAS NORTH

Lightning Sessions: Master the Art of Measuring Your Biz

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The SaaS Metrics that Matter Most for Startups in 2024

Lauren Thibodeau | November 2023

saascan

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ABOUT ME

Assent Dashq GAMESTRAT iBase-t Klipfolio LYTICA PointClickCare

samdesk SANDBOX ERP talkatoo trellis welbi wicket ZeroTek

COGNOS IBM ptc KINAXIS

THE SAAS METRICS THAT MATTER MOST IN 2024

FOUR QUESTIONS

SHOW OF HANDS

OPEN BOOK

saascan.ca/insights

THE SAAS METRICS THAT MATTER MOST IN 2024

43 investor & lender responses

95% Canadian investors

98% active in past 3 yrs

58% focus on < $1M ARR

28% focus on $1-$5M ARR

saascan.ca/insights

1. What's the ultimate objective for SaaS co's in 2024?

A. Extend Runway

B. Growth & Efficiency Together

C. Growth

D. Efficiency

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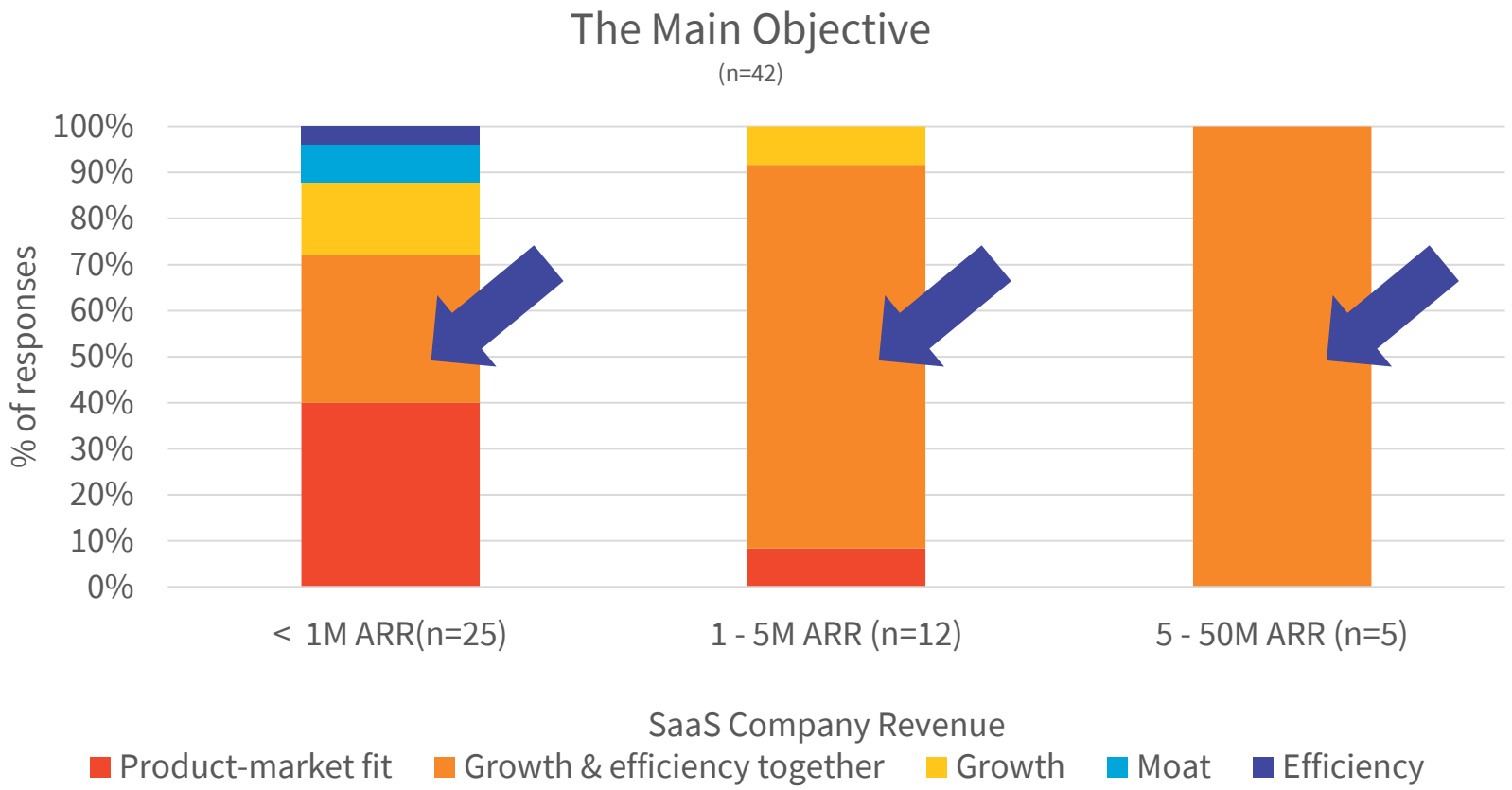
1. What's the ultimate objective for SaaS startups in 2024?

B. Growth & Efficiency Together

#Growficiency



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2. What's a "must measure" efficiency metric for 2024 ?

A. Burn Multiple (Net Burn / Net New ARR)
B. Revenue Growth Rate (YoY, MoM)
C. Active Users (DAU, WAU, MAU)
D. Rule of 40 (Revenue Growth Rate % + EBITDA %)

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For metric definitions, visit MetricHQ.Org

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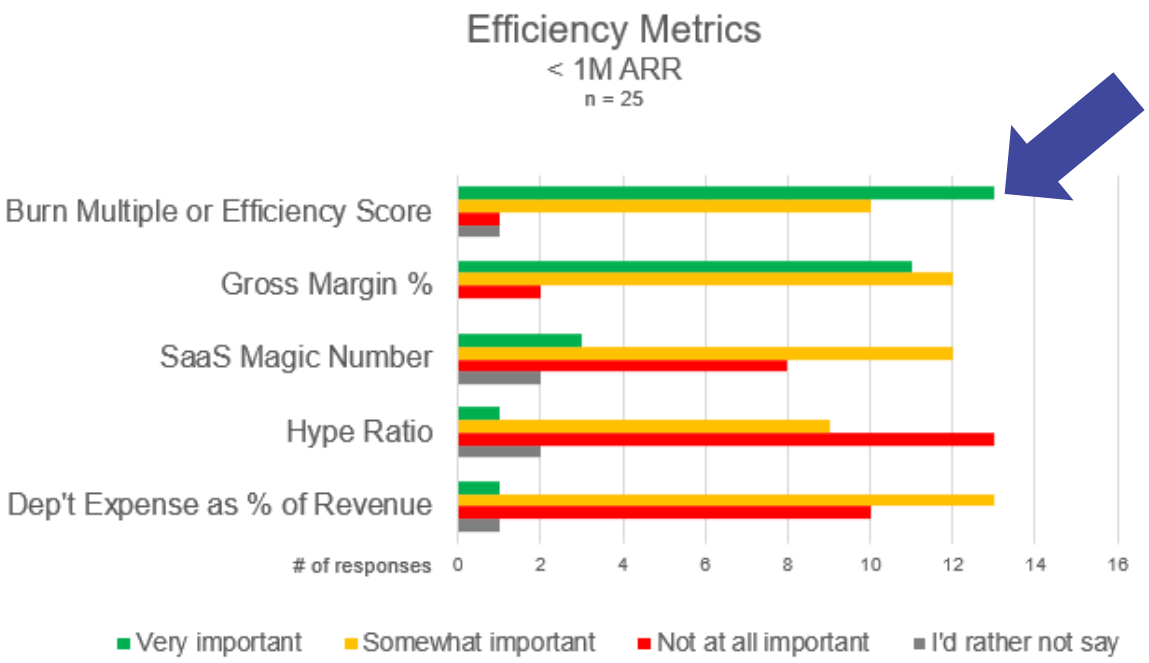
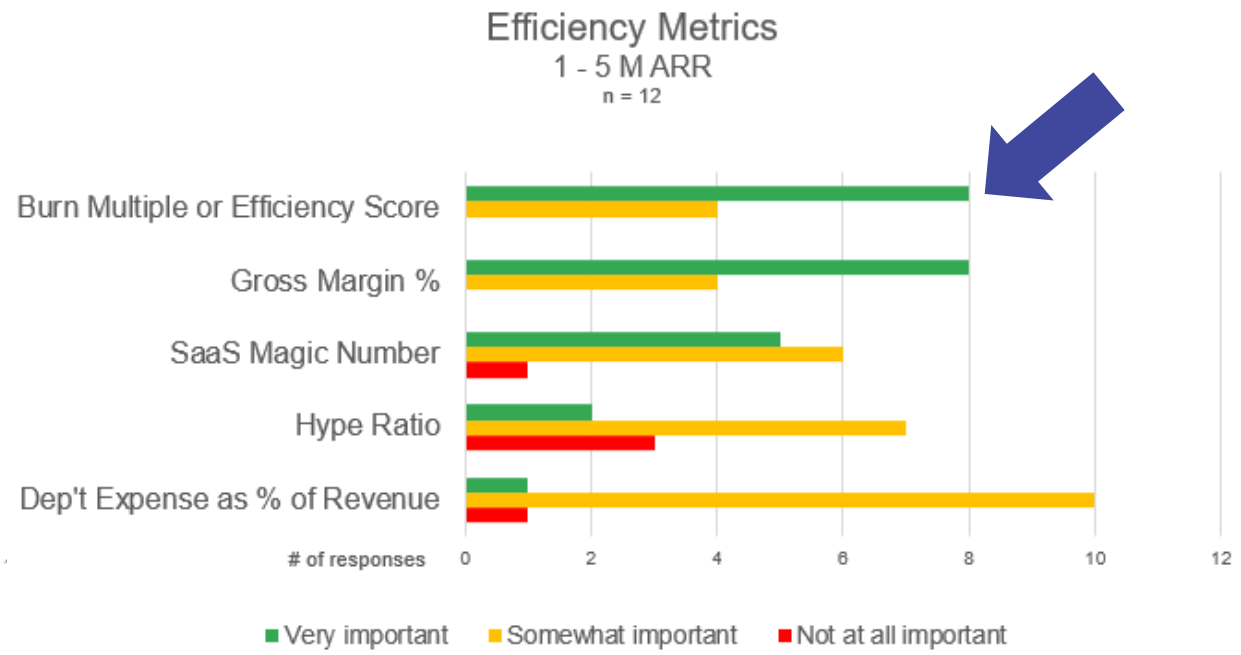
3. What's a "must measure" efficiency metric for 2024 ?

A. Burn Multiple





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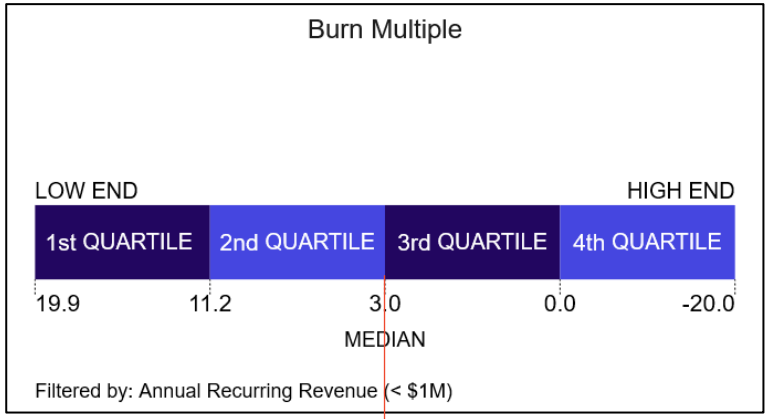
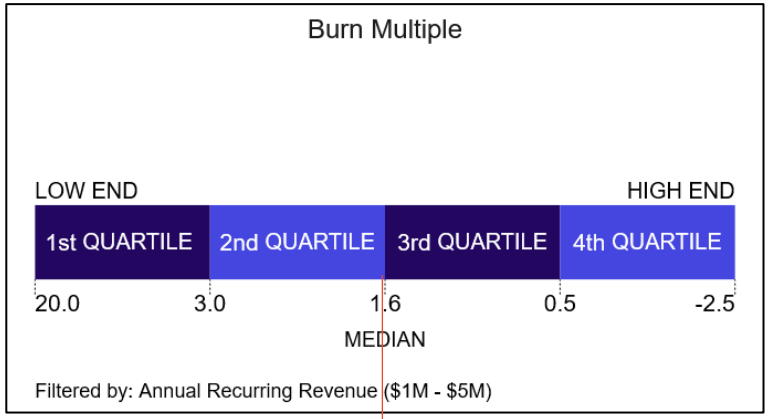
Burn Multiple
by Annual Recurring Revenue (ARR)

ARR < $1 M



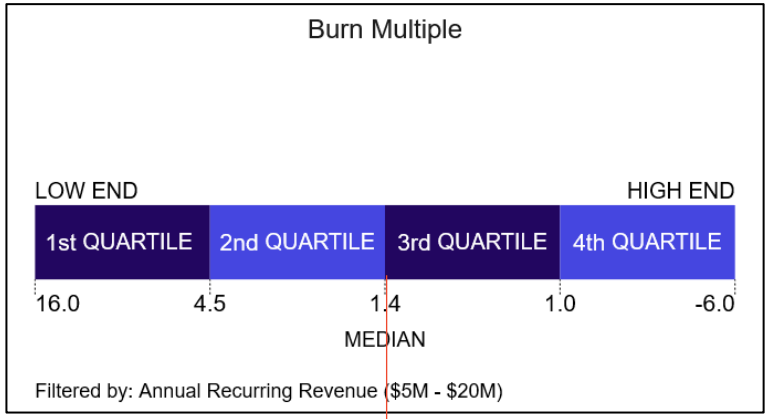
3.0

ARR $1-5 M



1.6

ARR $5-20 M



1.4

Source: B2B SaaS Benchmarks 2023 Report & Interactive Engine. n=280

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3. What is the most common runway guidance for 2024 ?

A. 6 – 12 months
B. 12 – 18 months
C. 18 – 24 months
D. > 24 months

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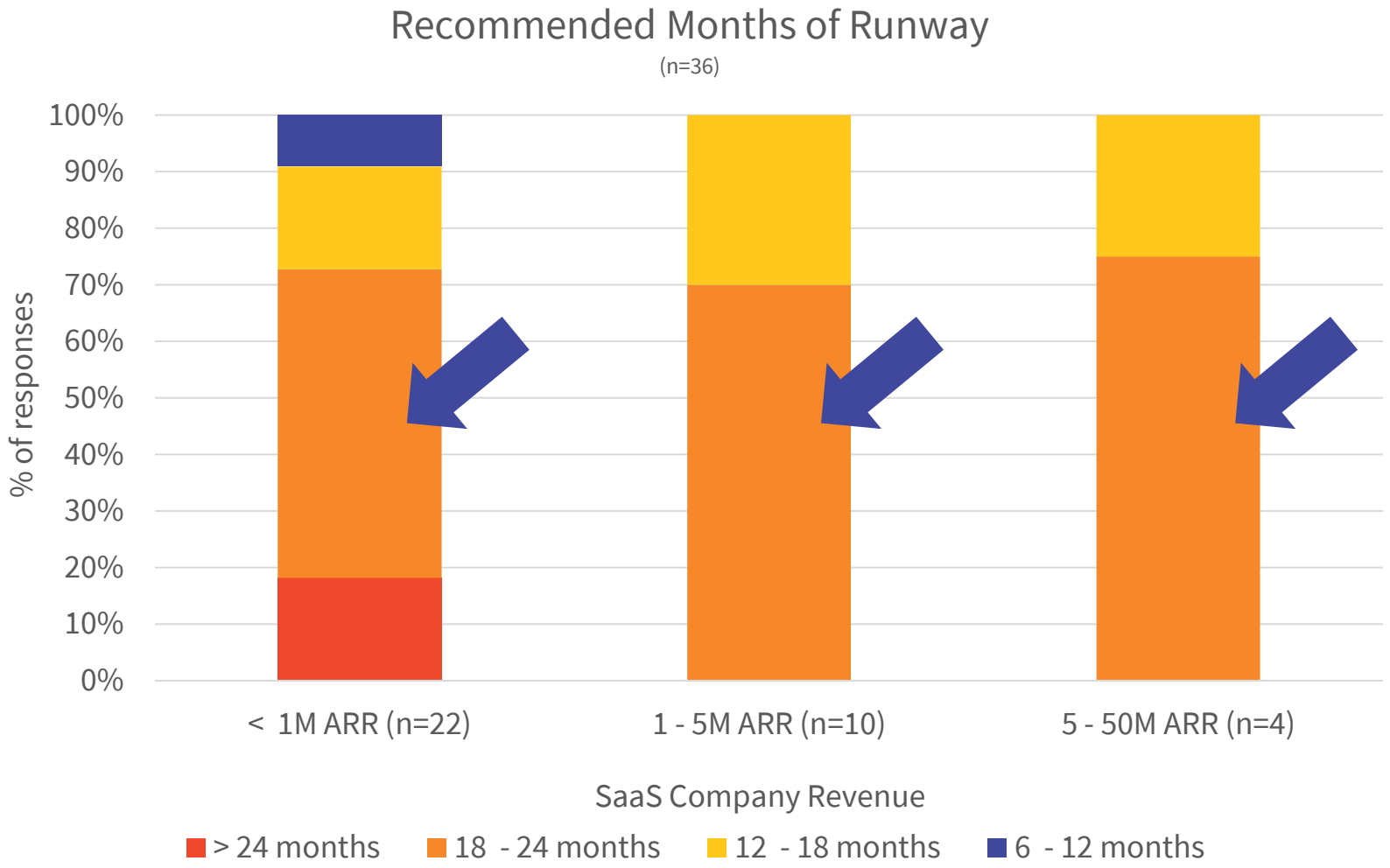
3. What is the most common runway guidance for 2024 ?

C. 18 – 24 months



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4. Which of the following Benchmarks, while excellent, is less relevant for companies < $5 M ARR?

A. OpenView
B. Bessemer 1 – 10M ARR
C. SaaS Capital
D. KeyBanc
E. BenchmarkIT + SaaSCan

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4. Which of the following Benchmarks, while excellent, is less relevant for companies < $5 M ARR?

D. KeyBanc

KeyBanc indicated that its 2022 report targeted larger scale companies.

76 of the 100 companies who participated had over $5M in ARR.

These 4 are highly relevant < $5M ARR:

saascan + benchmarkit

OPENVIEW

saas CAPITAL

Bessemer Venture Partners
$1 – $10M ARR

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WHAT MATTERS MOST IN 2024

#GROWFICIENCY

18 – 24 MOS RUNWAY

BURN MULTIPLE

BEST BENCHMARKS

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Chandrashekar LSP

Managing Director
Zoho Canada

Privately Held

Publicly Responsible

27
Years

15K+
Employees

55+
Apps

150+
Countries

100+
Million Users

700K+
Customers

So, tell me why?

61%
with less strong
analytics cultures...

39%
with the strongest
analytics cultures...

22%
significantly
exceed business goals
in the past 12 months

48%
significantly
exceed business goals
in the past 12 months

Source: Deloitte

So, tell me why?

Competitive Advantage

5 times more likely to make faster decisions than their competitors

Source: Bain & Co

Increased Efficiency and Productivity

Data-driven organizations are 23 times more likely to outperform competitors in terms of new customer acquisition

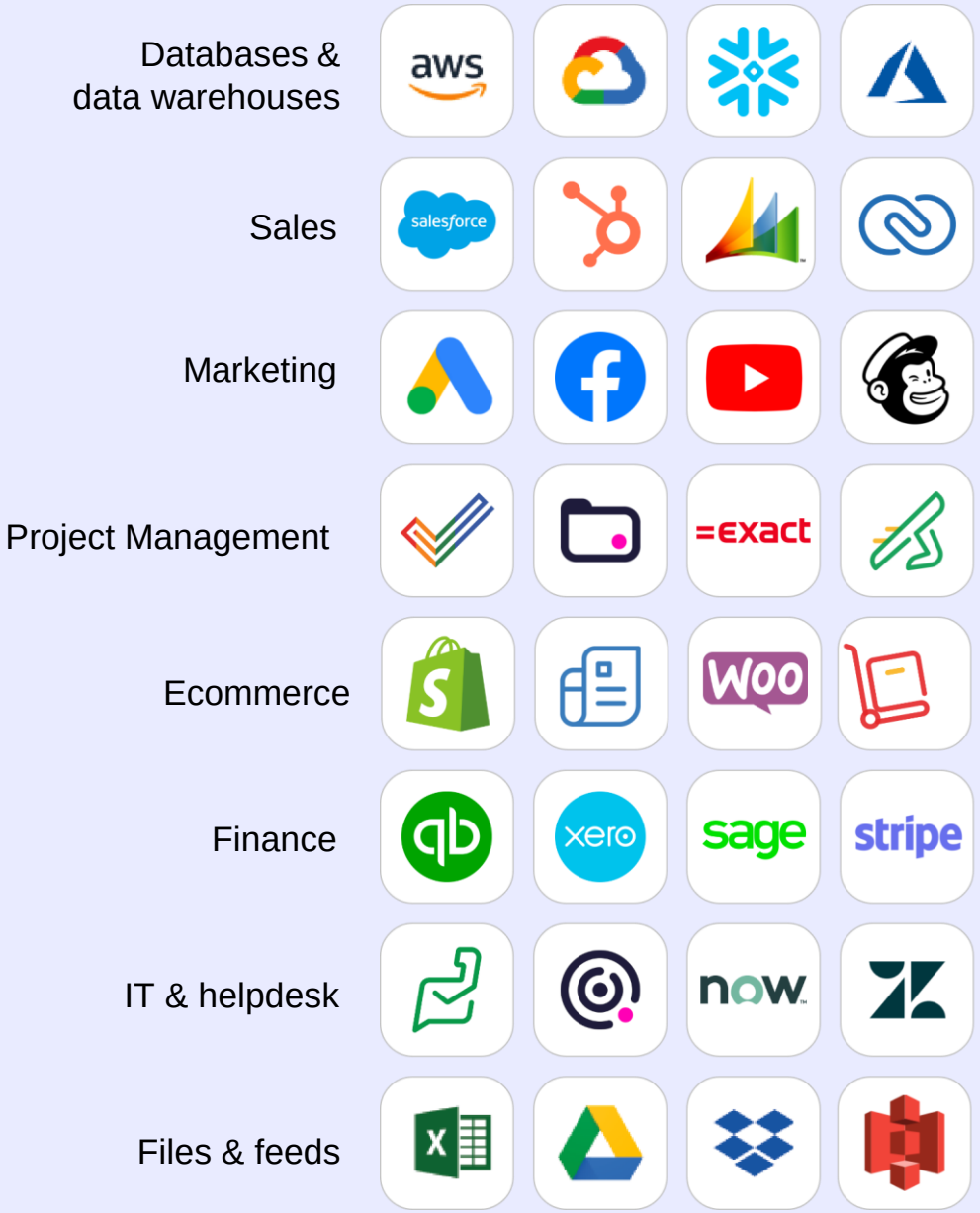
Source: McKinsey Global Institute

Why are they successful?

Unified

Unify data, models, insights, and actions

Unify Data


Databases &
data warehouses
Sales
Marketing
Project Management
Ecommerce
Finance
IT & helpdesk
Files & feeds
aws
salesforce
=exact
woo
xero
sage
stripe
now

Data management and governance

End-to-end data pipelines

Automatic data quality management

AI-driven cleansing and transformation

Smart modelling

Govern and catalog data with lineage

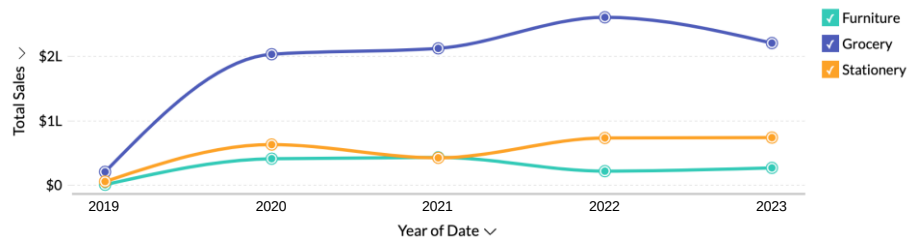
Self-service data preparation

Unified insights across all BI platforms

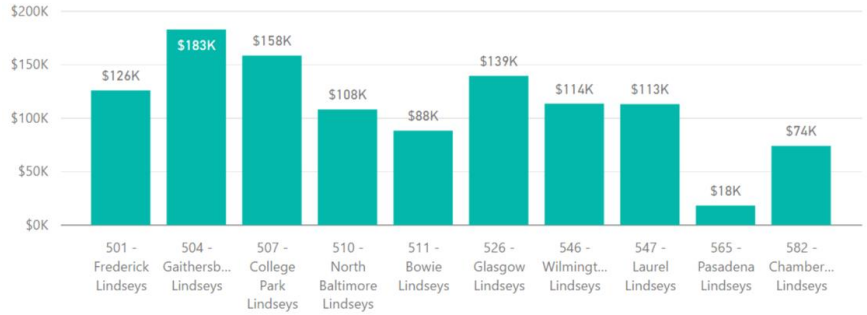
Sales Overview

Total Sales in Aug	Sales Growth in Aug	Average of Sales	Region with Max Sales (East)
$ 3.19K	**9.69%**	**$ 1.72K**	**$ 5.99K**

Sales Across Year by Product Category



This Year Sales by Store Name



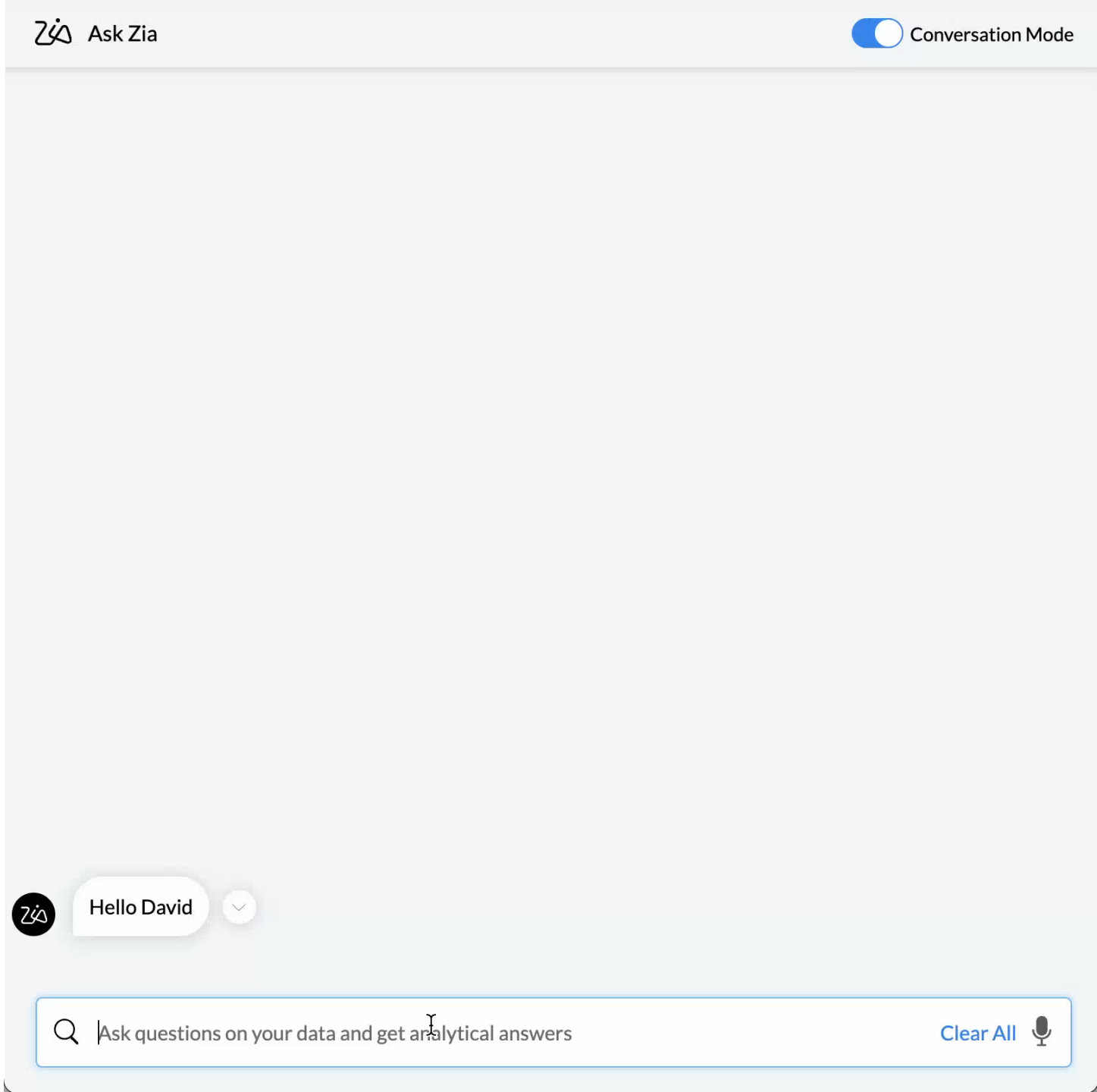
Avg. Profit Distribution by Region

Revenue vs Unit Sold

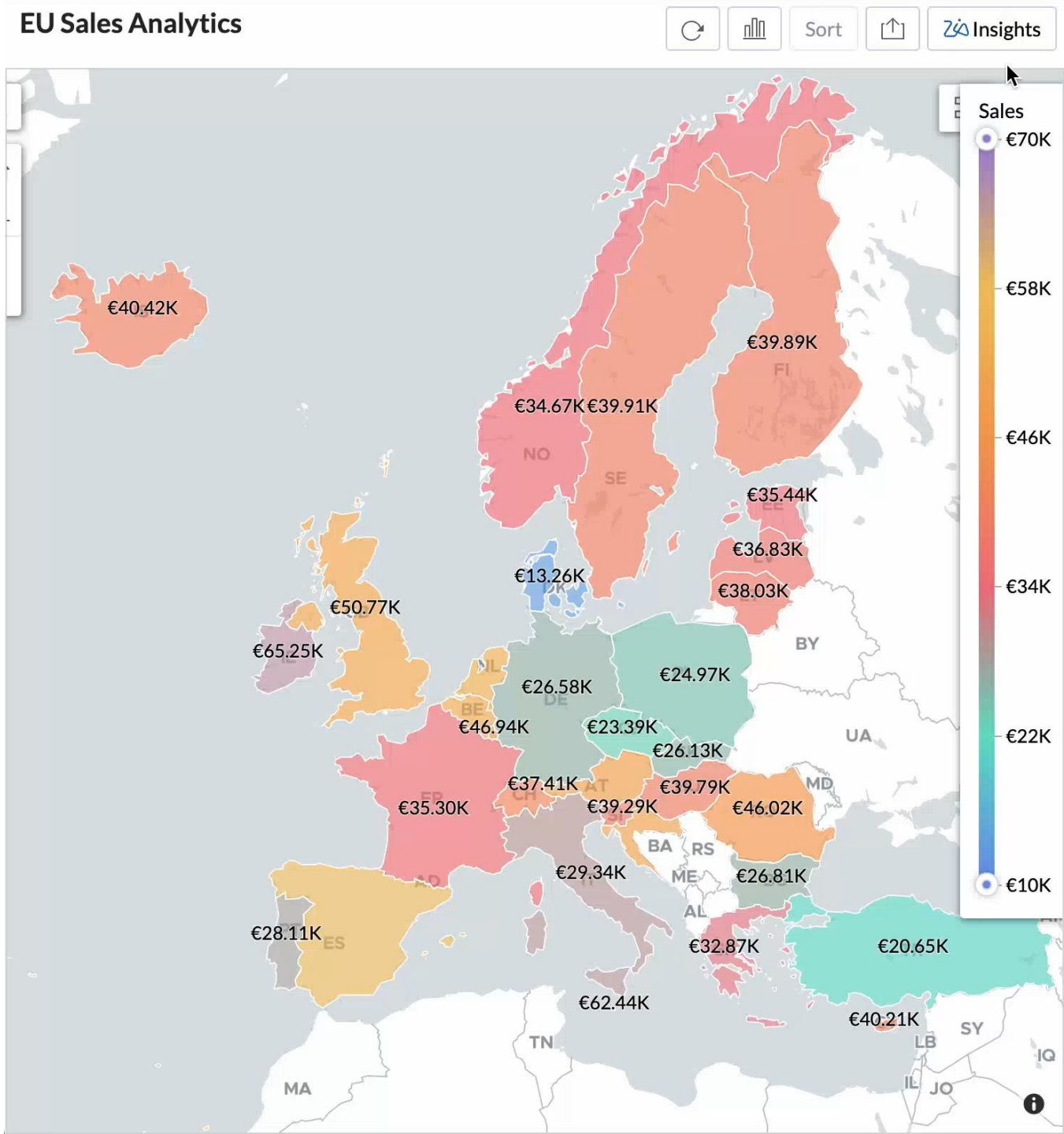
Democratize Insights & Actions

Bridge the gap between analysis, insights, and actions

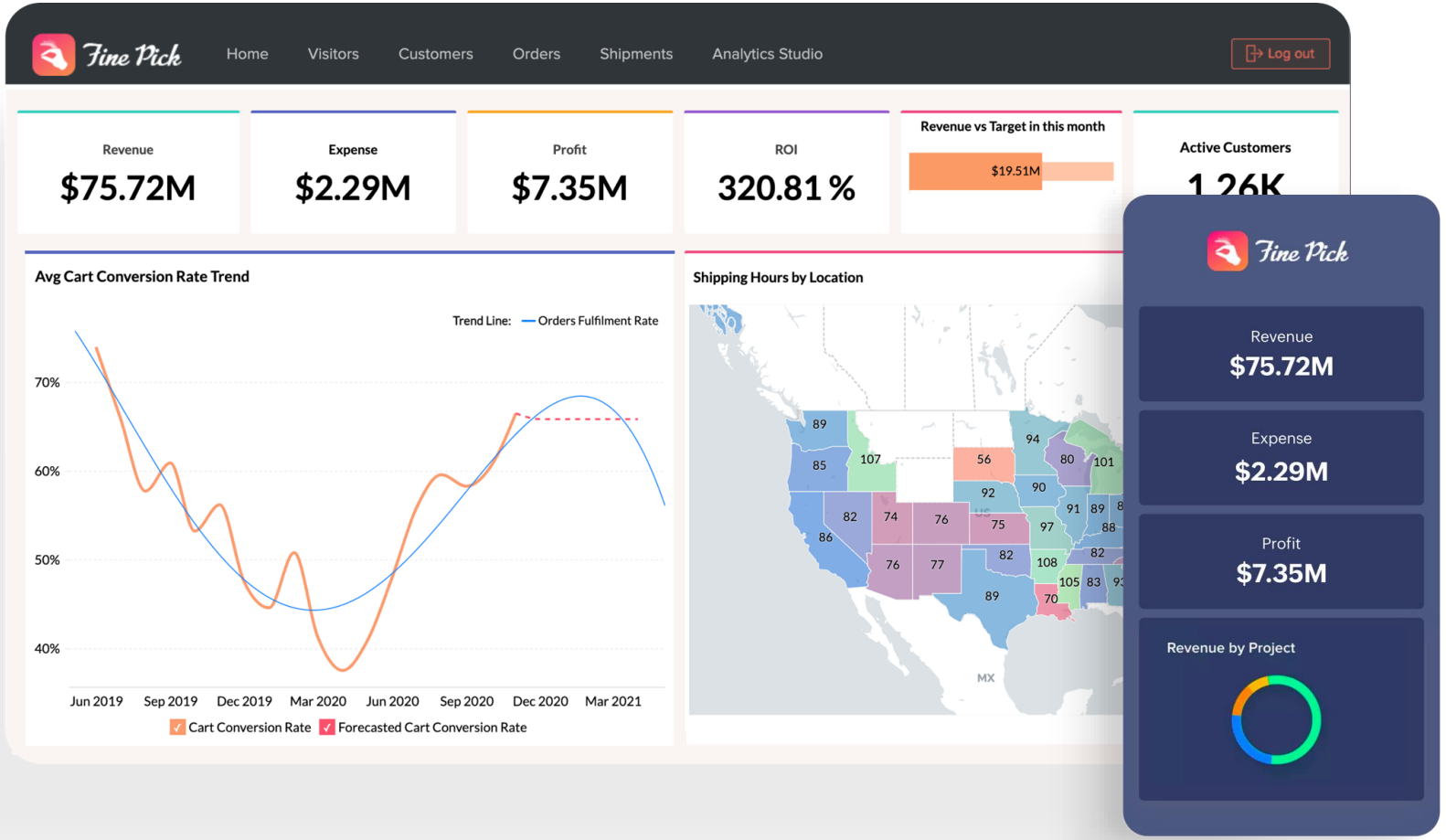
Natural Language Querying



Natural Language Generation



Contextual Embedding

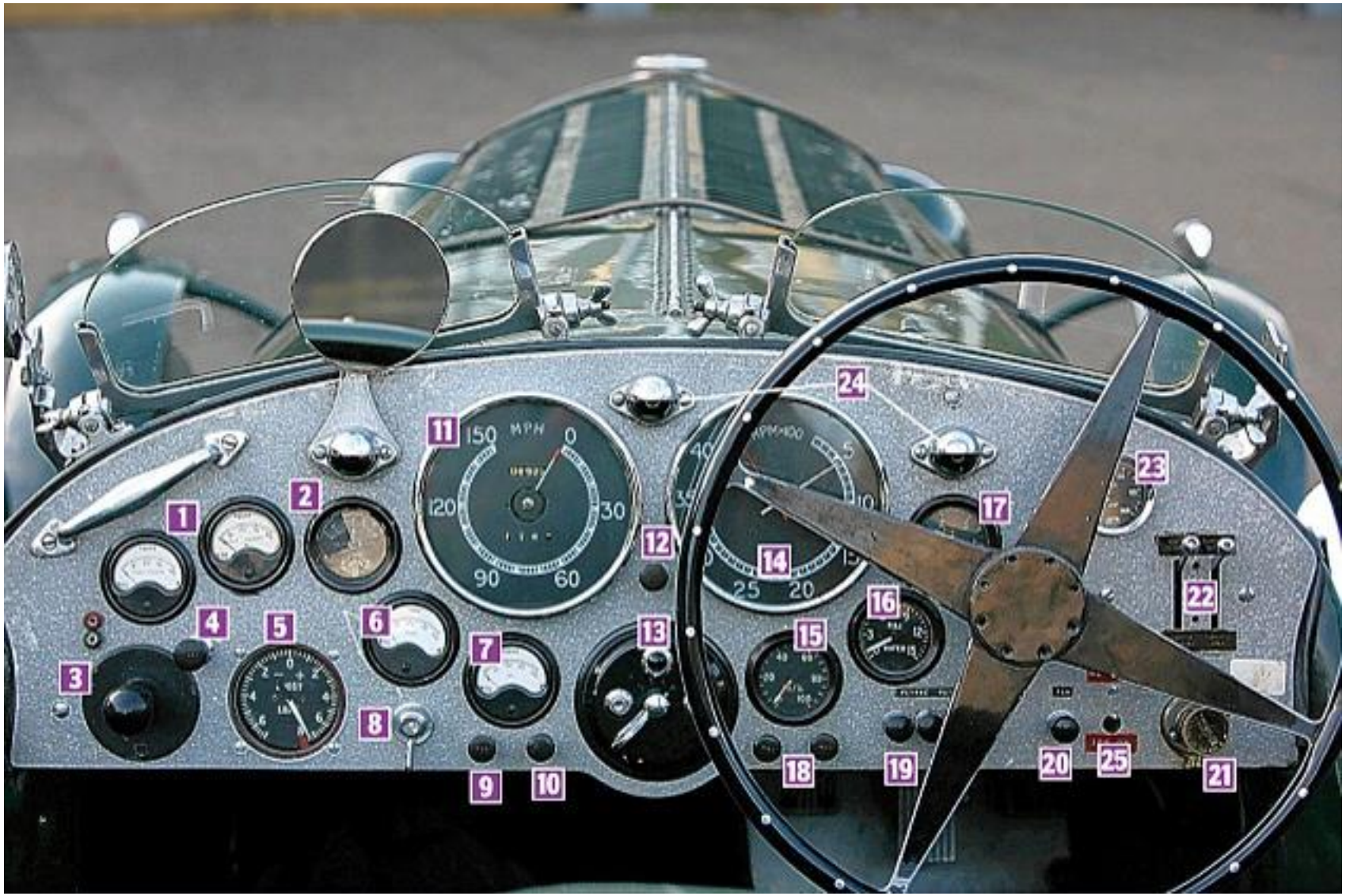


Adaptive

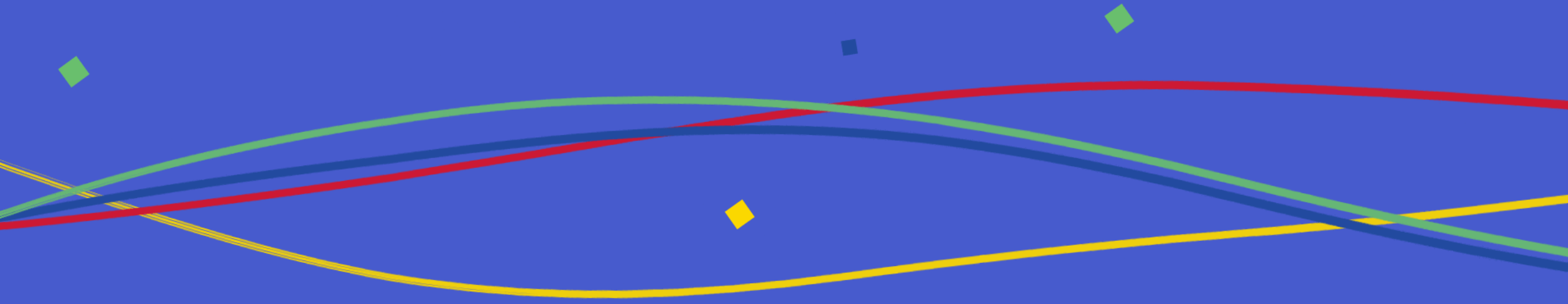
Flexible and extensible BI platforms

- Cloud
- On-premise
- Hybrid
- Container based
- Full stack
- Micro-services
- Elastic scale
- Security and privacy

Analysis Paralysis



Thank you!



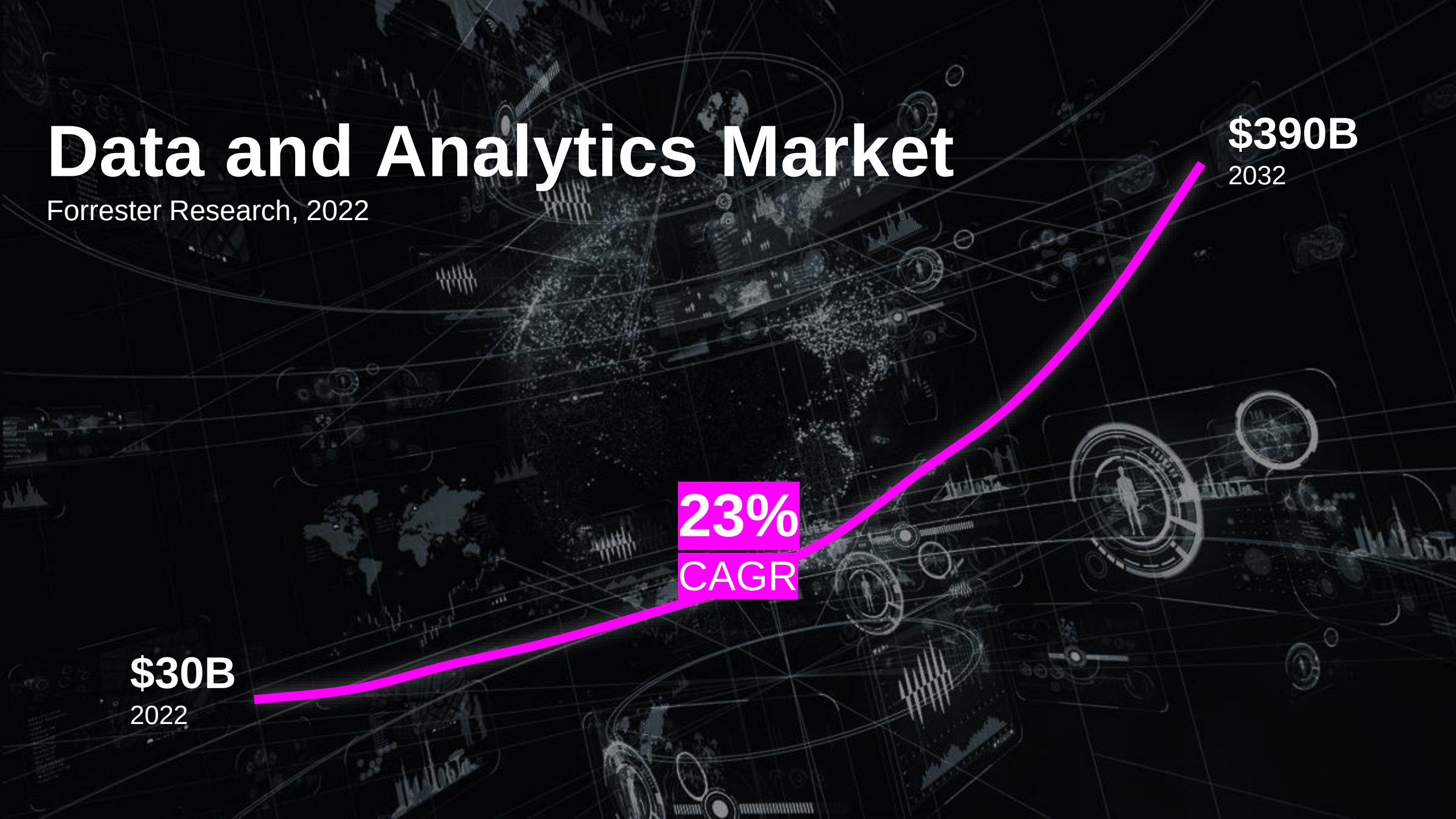
The Analytic Truth

3 reasons BI has failed business users

CEO at Klipfolio
Have “pushed” dashboards and BI out to thousands of users !?#&

Data and Analytics Market

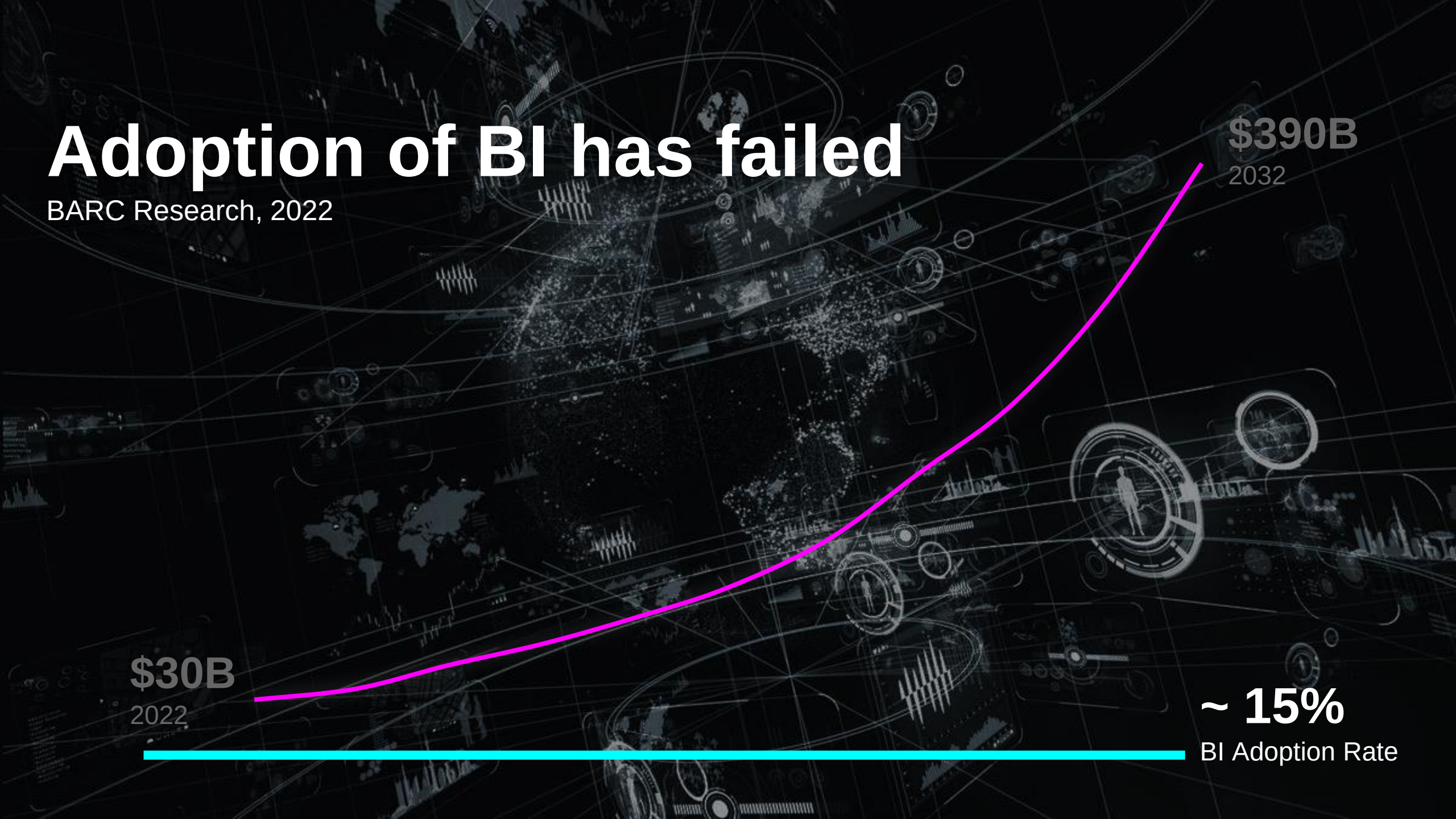
Forrester Research, 2022

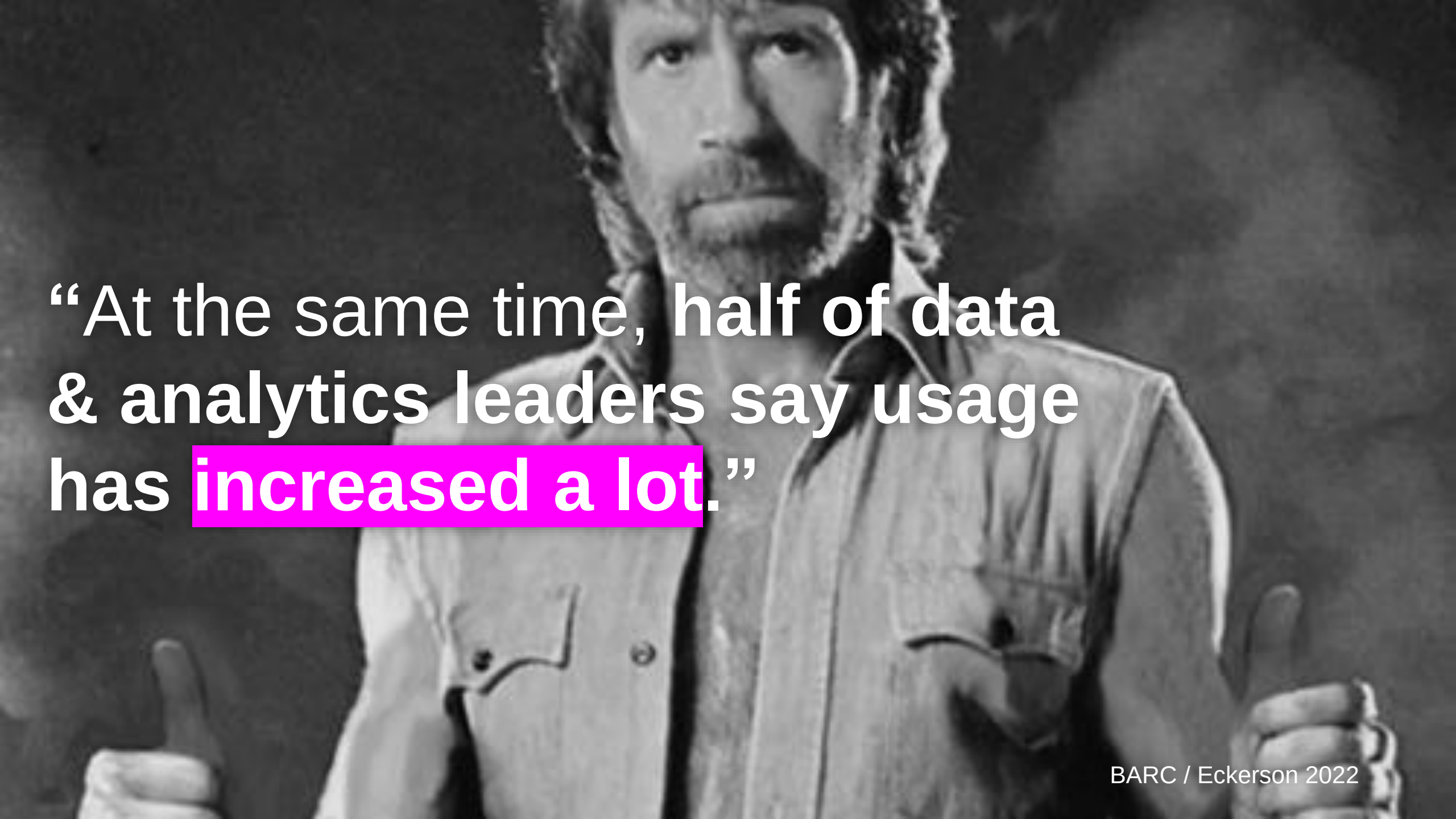


“I’m puzzled by the persistently low adoption rates of BI/analytics tools.”
Wayne Eckerson
Founder & Principal Consultant
Eckerson Group

Adoption of BI has failed

BARC Research, 2022

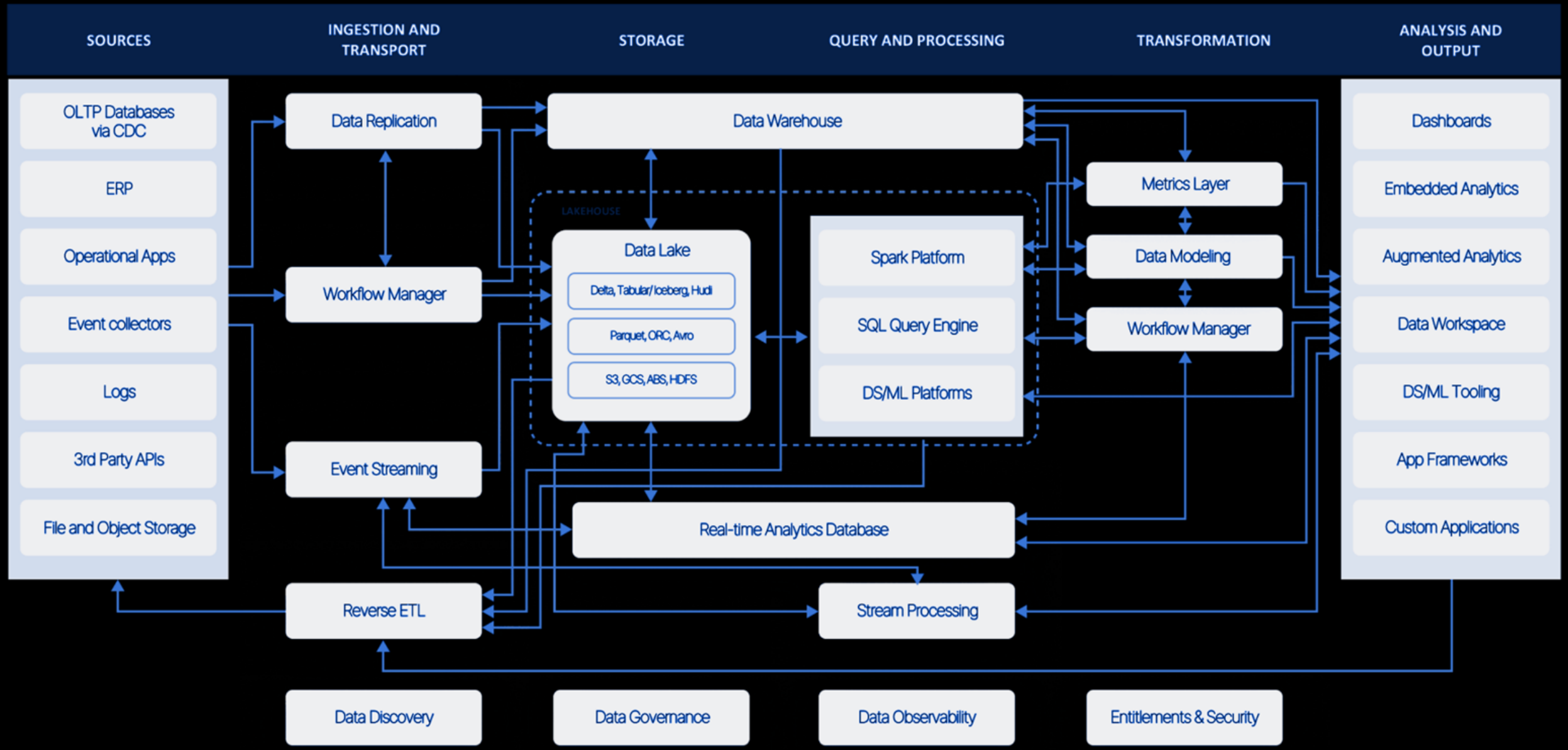



“At the same time, **half of data & analytics leaders say usage has increased a lot.**”
BARC / Eckerson 2022

1.

Data is hard.
This image is fake!

All the data in Snowflake
The data you actually need


SOURCES
INGESTION AND TRANSPORT
STORAGE
QUERY AND PROCESSING
TRANSFORMATION
ANALYSIS AND OUTPUT
OLTP Databases via CDC
ERP
Operational Apps
Event collectors
Logs
3rd Party APIs
File and Object Storage
Data Replication
Workflow Manager
Event Streaming
Reverse ETL
Data Warehouse
LAKEHOUSE
Data Lake
Delta, Tabular/Iceberg, Hudi
Parquet, ORC, Avro
S3, GCS, ABS, HDFS
Spark Platform
SQL Query Engine
DS/ML Platforms
Real-time Analytics Database
Stream Processing
Metrics Layer
Data Modeling
Workflow Manager
Dashboards
Embedded Analytics
Augmented Analytics
Data Workspace
DS/ML Tooling
App Frameworks
Custom Applications
Data Discovery
Data Governance
Data Observability
Entitlements & Security

Data Failed to Load

⚠ RecordCountByTags

Load was cancelled by an error in loading a previous table.

⚠ SpeakingLog

Load was cancelled by an error in loading a previous table.

⚠ EventLogos

Column 'EventName' in Table 'EventLogos' contains a duplicate value 'Microsoft Reactor' and this is not allowed for columns on the one side of a many-to-one relationship or for columns that are used as the primary key of a table.

Close

MD/DQ management 7.0
Data discovery/visualization 6.8
Self-service analytics 6.5
Data governance 6.5
Establishing a data-driven culture 6.4
Data preparation by business users 6.2
Data warehouse modernization 5.7
Agile BI development 5.6
Adv. analytics/machine learning/AI 5.5
Real-time analytics 5.4
Mobile BI 5.2
Integr. platforms PM & analytics 5.0
Embedded BI 5.0
Analytics teams/data labs 4.7
Cloud for data & analytics 4.3
2019

I'll just ask the analyst.
And then use Excel

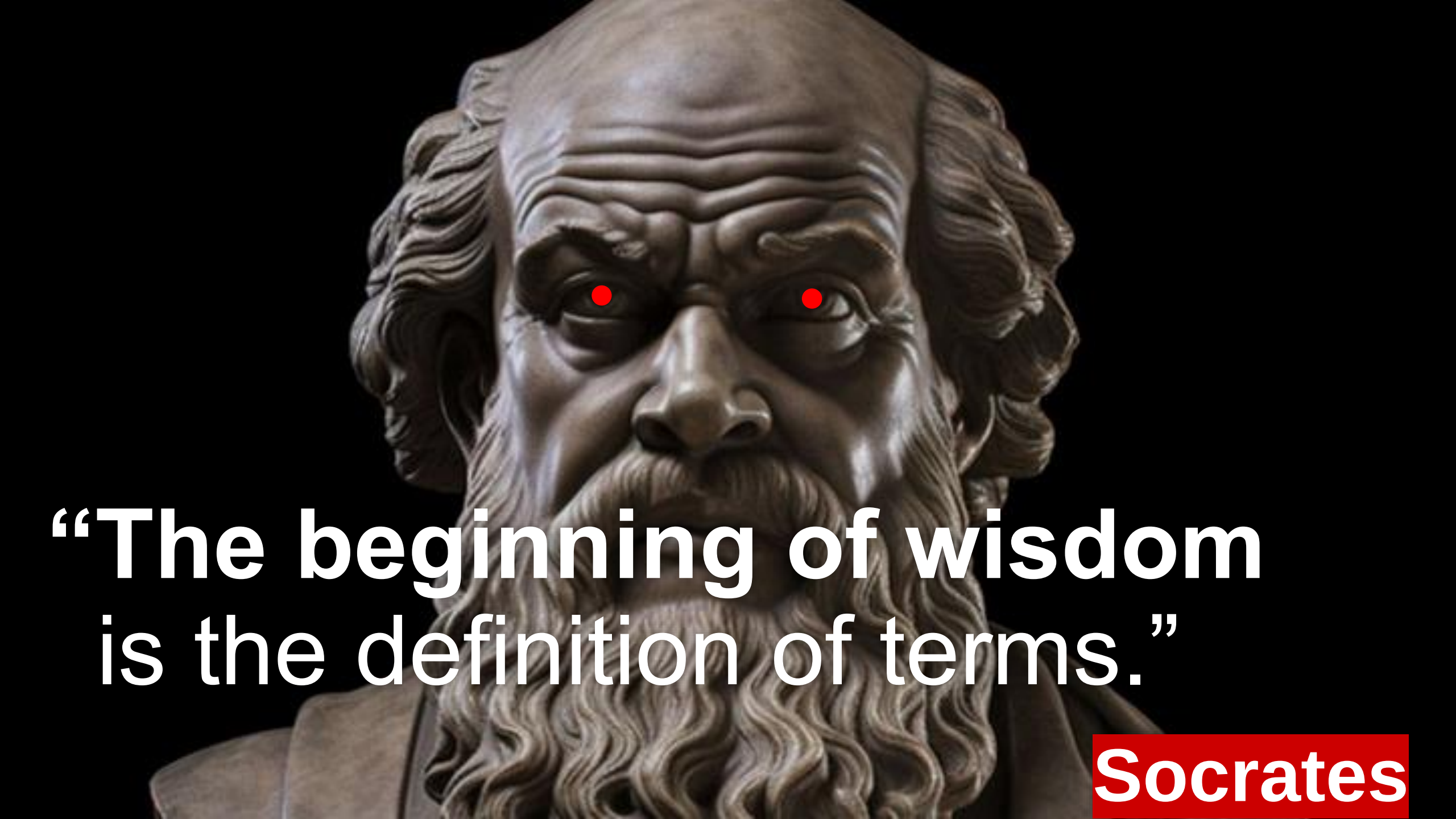
2.

Metrics

Nouns, verbs, expressions

“Oh, we have plenty of data. But what does it mean?”

Semantics


“The beginning of wisdom
is the definition of terms.”
Socrates

Name	Renewal Rate
Description	Renewal rate tracks churn and retention down to the month of invoicing.
Type	Ratio
Aggregation	Mean
Format	Percentage
Expression	Count of Customers Renewed / Total Customers Up for Renewal
Dimensions	Product, Country, Cohort…

Semantic Models

```yaml
- name: orders
  defaults:
    agg_time_dimension: ordered_at
  description: |
    Order fact table. This table is at the order grain with one row per order.
  model: ref('orders')
  entities:
    - name: order_id
      type: primary
    - name: location
      type: foreign
      expr: location_id
        ...
  dimensions:
    - name: is_food_order
      type: categorical
    - name: is_
      type: cat
      ...
  measures:
    - name: ord
      descripti
      agg: sum
    - name: ord
      expr: 1
      agg: sum
    ...
```

Metric

```yaml
  - name: order_total
    description: Sum of total order amonunt. Includes tax + revenue.
    type: simple
    label: Order Total
    type_params:
      measure: order_total
  - name: large_order
    description: "Count of orders with order total over 20."
    type: simple
    label: "Large Orders"
    type_params:
      measure: order_count
    filter: |
      {{ Dimension('order_id__order_total_dim') }} >= 20
  - name: orders
    description: Count of orders.
    label: Orders
    type: simple
    type_params:
      measure: order_count
```

How many employees do you have?
86
employees
73
FT and PT employees
84
FTEs, incl. LT contractors

I'll just ask the analyst.
And then use Excel

3.

You
Literacy, behaviours, and ego.

We all have biases
We’re not data experts
Tableau, PowerBI, or Klipfolio is not where we spend our day

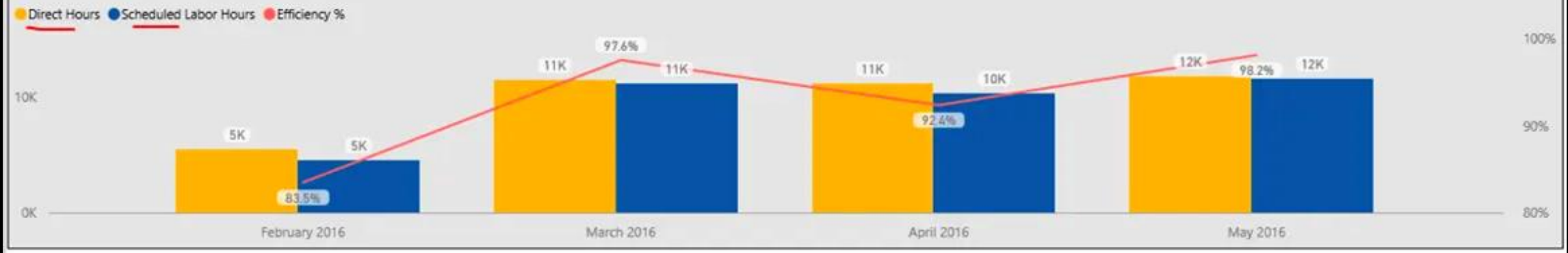
Are BI tools today actually helping us make better decisions?

Department

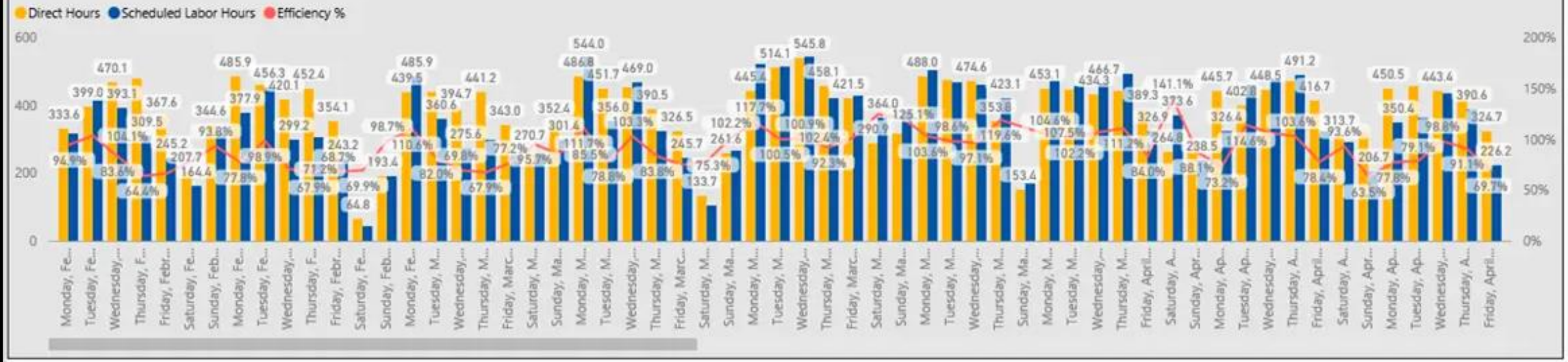
100	300	400	500	700	800

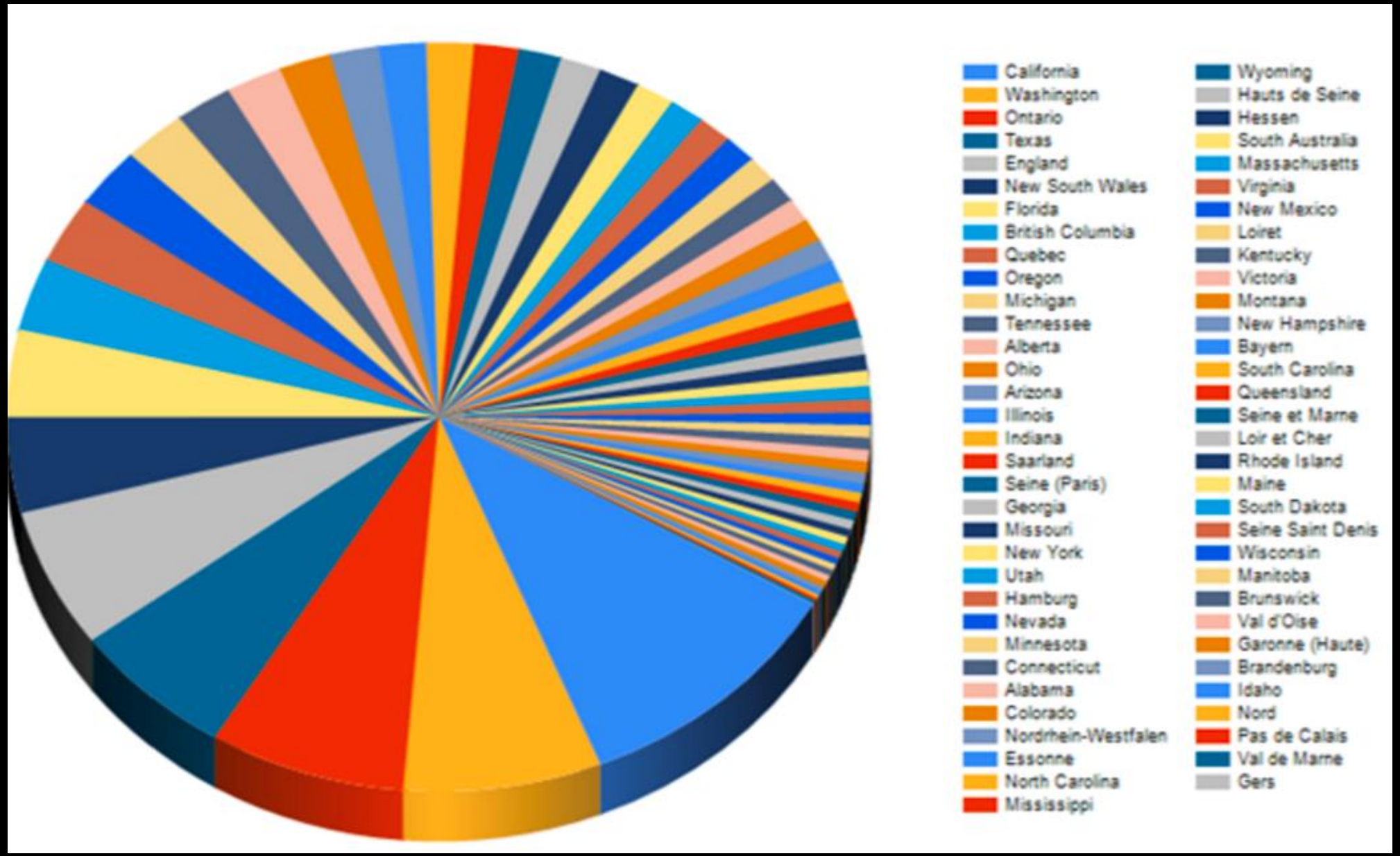
Powered by Vizion360

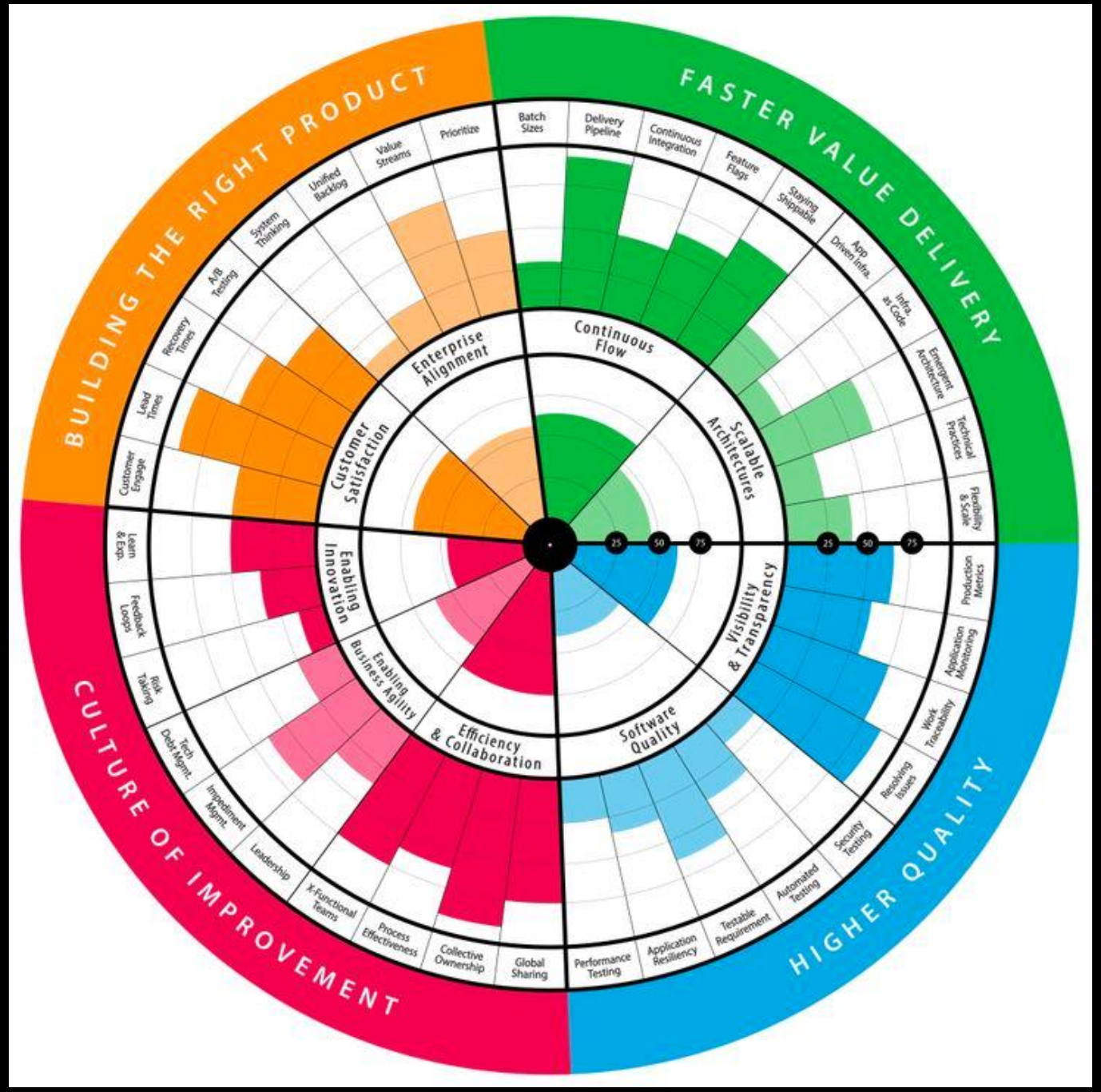
Direct Hours, Scheduled Labor Hours and Efficiency % by Month

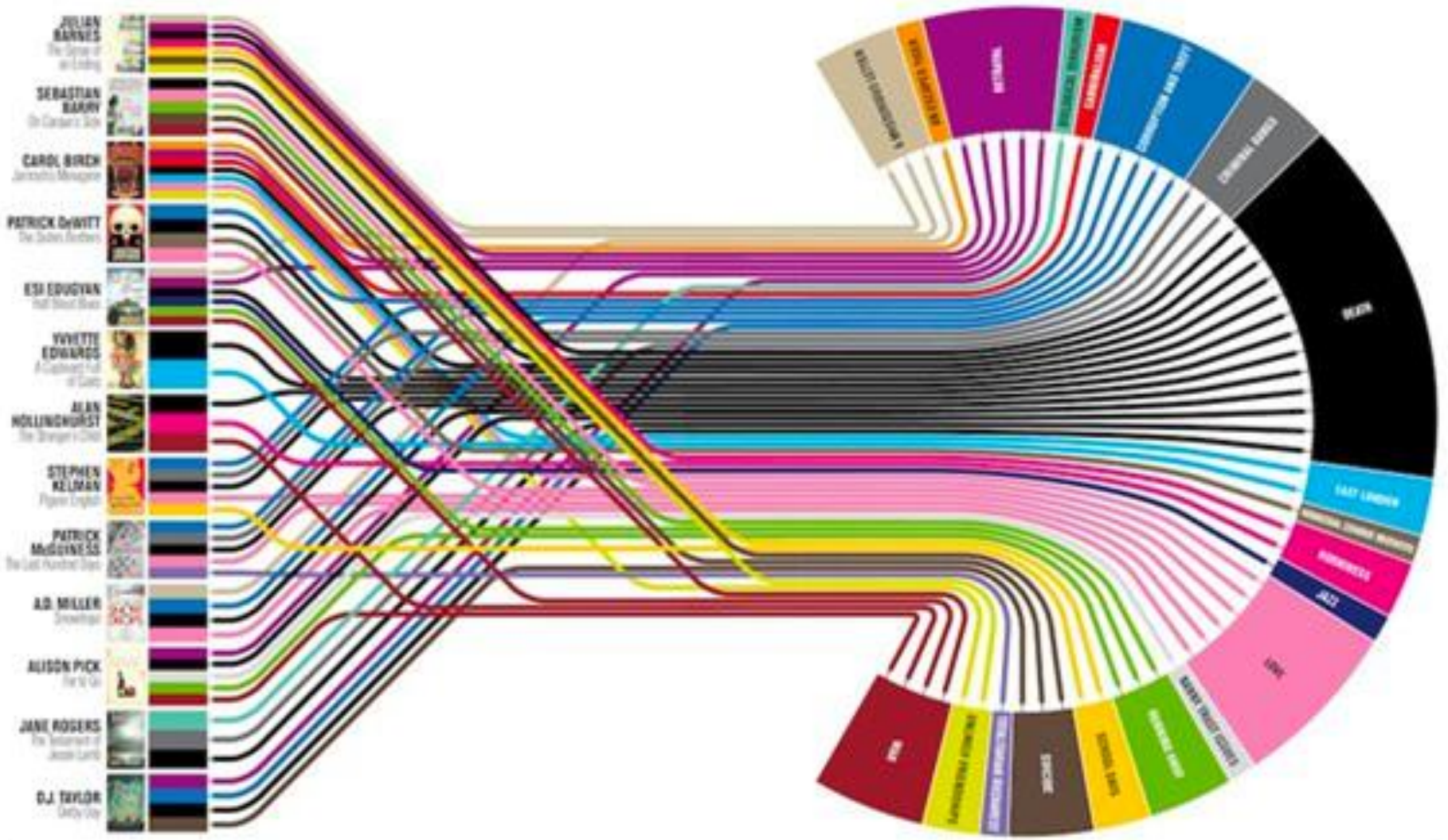


Direct Hours, Scheduled Labor Hours and Efficiency % by Day




California
Washington
Ontario
Texas
England
New South Wales
Florida
British Columbia
Quebec
Oregon
Michigan
Tennessee
Alberta
Ohio
Arizona
Illinois
Indiana
Saarland
Seine (Paris)
Georgia
Missouri
New York
Utah
Hamburg
Nevada
Minnesota
Connecticut
Alabama
Colorado
Nordrhein-Westfalen
Essonne
North Carolina
Mississippi
Wyoming
Hauts de Seine
Hessen
South Australia
Massachusetts
Virginia
New Mexico
Loiret
Kentucky
Victoria
Montana
New Hampshire
Bayern
South Carolina
Queensland
Seine et Marne
Loir et Cher
Rhode Island
Maine
South Dakota
Seine Saint Denis
Wisconsin
Manitoba
Brunswick
Val d'Oise
Garonne (Haute)
Brandenburg
Idaho
Nord
Pas de Calais
Val de Marne
Gers


BUILDING THE RIGHT PRODUCT
FASTER VALUE DELIVERY
CULTURE OF IMPROVEMENT
HIGHER QUALITY
Prioritize
Value Streams
Unified Backlog
System Thinking
A/B Testing
Recovery Times
Lead Times
Customer Engage.
Batch Sizes
Delivery Pipeline
Continuous Integration
Feature Flags
Staying Shippable
App Driven Infra.
Infra. as Code
Emergent Architecture
Technical Practices
Flexibility & Scale
Learn & Exp.
Feedback Loops
Risk Taking
Tech Debt Mgmt.
Impediment Mgmt.
Leadership
X-Functional Teams
Process Effectiveness
Collective Ownership
Global Sharing
Performance Testing
Application Resiliency
Testable Requirement
Automated Testing
Security Testing
Resolving Issues
Work Traceability
Application Monitoring
Production Metrics
Enterprise Alignment
Customer Satisfaction
Enabling Innovation
Enabling Business Agility
Efficiency & Collaboration
Continuous Flow
Scalable Architectures
Visibility & Transparency
Software Quality
25
50
75
25
50
75



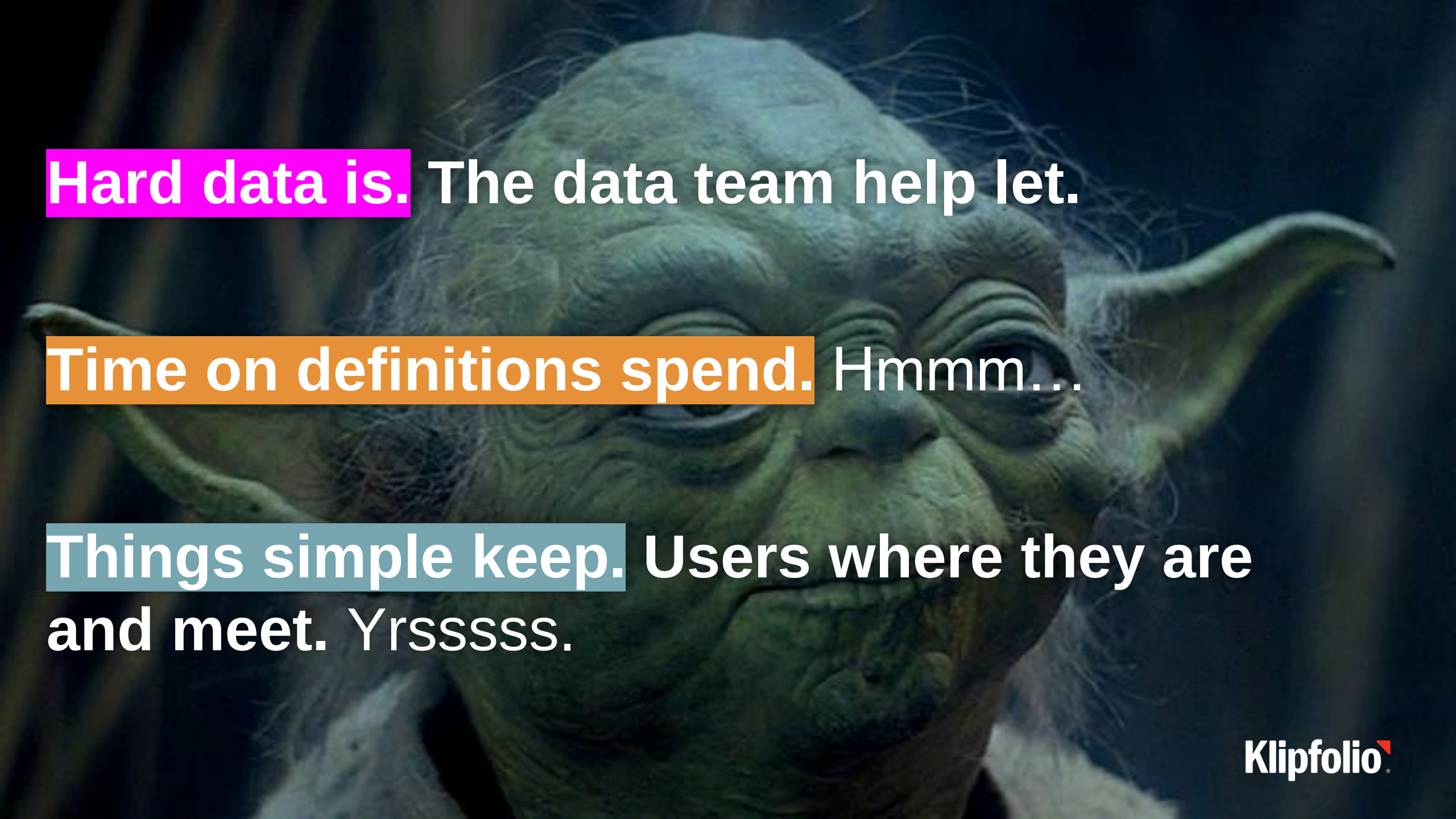
Plot lines

What makes a prize-winning novel? As Julian Barnes wins the Booker Prize, Delayed Gratification's Johanna Kamradt charts the themes of this year's longlisters.

Illustration: Christian Tate

I'll just ask the analyst.
And then use Excel

It’s not your fault!


Hard data is. The data team help let.
Time on definitions spend. Hmmm…
Things simple keep. Users where they are and meet. Yrsssss.
Klipfolio