



20 SaaS Benchmarks for Growing Startups

CHARTIO



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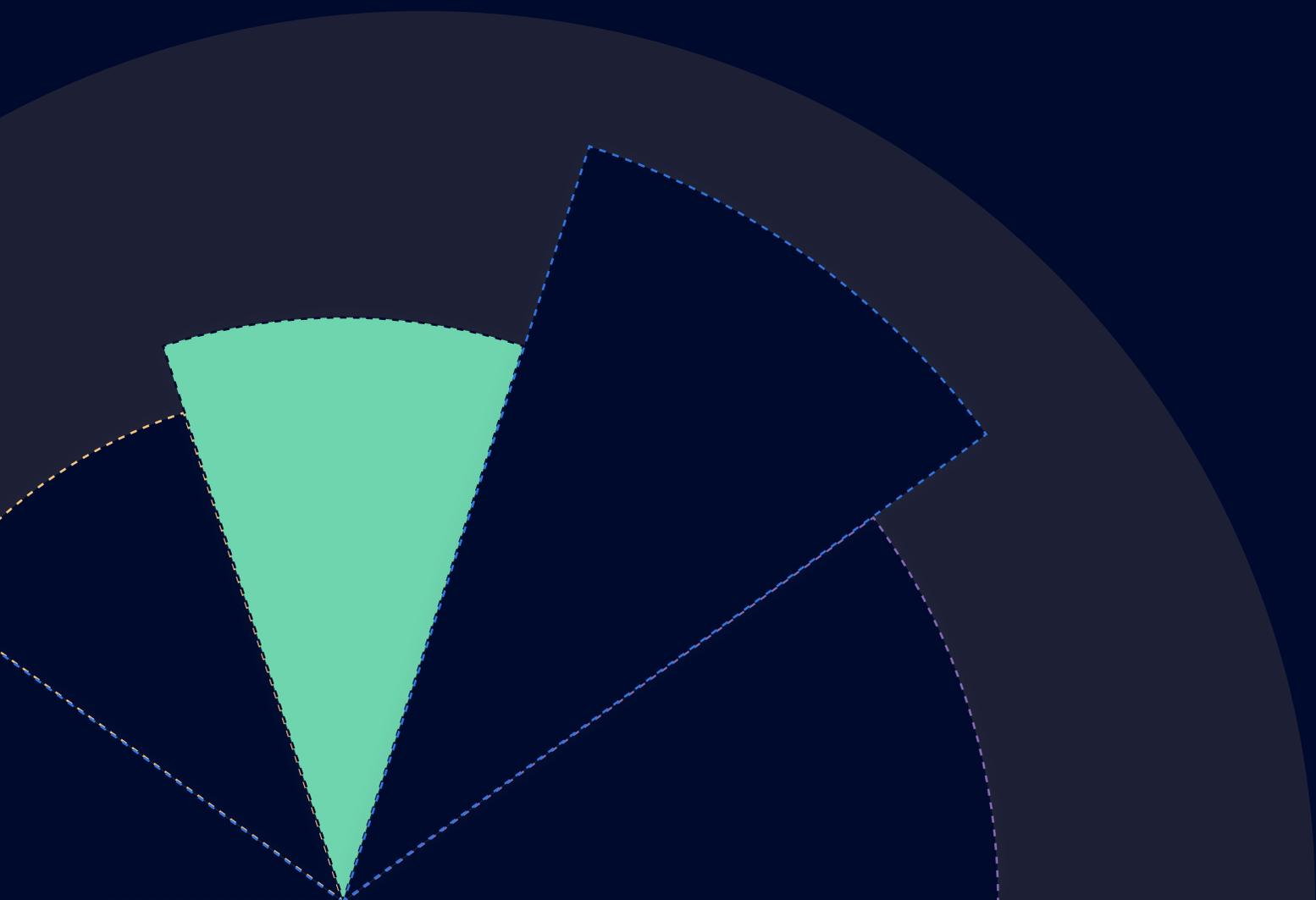
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Pursuing better performance at all costs can actually damage your business.

Say your marketing team has a goal to improve website conversion rates from 6.8% to 8% this quarter. Despite their best efforts, halfway through the quarter, they've only been able to achieve a conversion rate of 7.15%.

Cause for alarm?

Well, not when you take into account the SaaS industry benchmark of 7% for website conversion rates.

What's more, it's likely that the cost of achieving that remaining increase of .85% — including A/B testing software, copywriting consultants, etc. — will outweigh the benefits of a few more visitors clicking a call-to-action button. Bottom line: your marketing team is doing fine. It's probably time to focus on another goal.

This is where benchmarks, as objective definitions for success, come in handy. Benchmarks can give companies an indication of not only when things are off track but also when things are just fine.

As a leader of a growing SaaS startup, it's your responsibility to maintain this perspective across all teams. And you need a tool that will help you keep track of all the important SaaS benchmarks from one place. A business intelligence tool like Chartio is built for this purpose by making it easy to create your own dashboard to monitor the health of your business.

Here are a few areas we recommend you focus on: your marketing, sales, product, and customer success teams, as well as overall finances. Together, these SaaS benchmarks will help you gauge the health of your startup and steer it toward healthy growth.

Marketing

The [marketing metrics](#) you track should help you understand whether the money you put into driving attention has an impact on the bottom line.

RETURN ON AD SPEND (ROAS)

ROAS measures the impact of your paid advertising efforts by comparing the revenue driven by ads against the cost of running those ads. The benchmark you should aim for with ROAS is \$4 in revenue for each \$1 spent on advertising.

ROAS Benchmark: 4:1

Source: [Disruptive Advertising](#)

ROAS in Your Dashboard

To keep an eye on ROAS, you need two [single value charts](#): revenue driven by ads and money spent on ads.

Unfortunately, getting an exact “Revenue Driven by Ads” number can be difficult because it relies on complex [marketing-attribution modeling](#). Some ad platforms can provide an estimation number based on their own modeling (usually [last-touch attribution](#)), but to get the whole picture, you’ll have to rely on your marketing team to [use multi-touch attribution tools like Dreamdata.io](#). Other tools that can help your marketing team with attribution include [HubSpot](#) and [Google Analytics](#), both of which integrate with Chartio.

Once your marketing gets your “Revenue Driven by Ads” number, you can display it as a single value chart, like this:

Revenue
\$1,527,881

Your “Money Spent on Ads” number will look similar and is much easier to come by because it can be pulled directly from your financials or your ad platforms. With the 4:1 ratio applied to the “Revenue Driven by Ads” value above, you’d want to make sure you’re not spending more than \$381,970.25 in advertising. Here’s how that would look applied to the ratio above:

ROAS:

$$\$1,527,881 : \$381,970.25 = 4:1$$

EMAIL OPEN RATE AND CLICK RATE

Email open rate and email click rate are two metrics that can serve as a gut check on your messaging strategy. Your email lists are captive audiences who have expressed interest in your business. Knowing whether they read and engage with your emails will help you determine whether you’re connecting with them in a meaningful way.

Email Open Rate Benchmark (All Industries): 21.33%

Email Click Rate Benchmark (All Industries): 2.62%

Source: [Mailchimp](#)

If you want to dive deeper, Mailchimp has a comprehensive breakdown of [email benchmarks by industry](#).

Email Open Rate and Click Rate in Your Dashboard

To integrate your email automation tool with Chartio, you need to use an ETL (extract, transform, load) tool, like [Fivetran](#) or [Stitch](#). Once integrated, you just need to query the data and pull it into your dashboard. [Here’s a guide for your marketing team](#) to help them integrate and query your Mailchimp data, complete with SQL code they just need to copy and paste.

Here is what it should look once you pull in your email marketing data:



The charts you see here are [single value indicators](#), which show single values along a percentage change. Here, 0.47 would translate to 47% average open rate, and .09 would be a 9% average click rate.

CONVERSION RATES

Conversion rates measure how effective various marketing efforts are at turning visitors into leads. These rates are direct comparisons between how many visitors you received and how many of those visitors raised their hand to learn more. In other words, conversion rates provide straightforward answers to questions like “Did they click the button?” or “Did they fill out the form?”

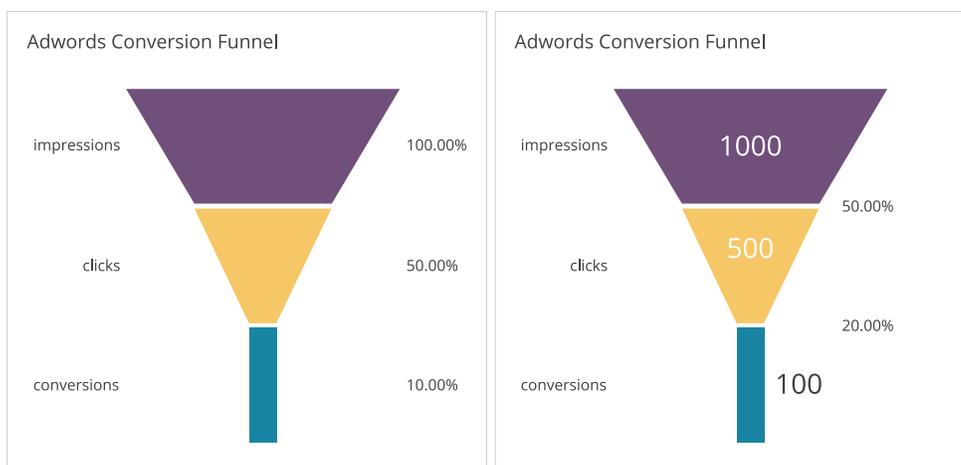
Conversion Rate Benchmark for Google Ads (Paid Search):	Conversion Rate for Benchmark for average landing-page conversion rate:	Conversion Rate for Benchmark for Software/SaaS website conversion rate:
2.35% average 5.31% good	4.02%	7%
Source: Wordstream	Source: Unbounce	Source: Marketing Sherpa

These three conversion rates will give you an idea of the proportion of people who choose to click your ad and visit your website (Google Ads benchmark) and then the proportion of *those* people that tend to go on the request more information (landing-page and website benchmark).

Conversion Rates in Your Dashboard

There are a ton of ways to measure conversion rates across your various touchpoints. Generally, you’ll want to directly integrate an analytics tool like [Google Analytics](#) into Chartio. The data from these analytics tools can be queried and displayed as funnel charts.

Here’s an example from a Google Ads (formerly Adwords) campaign:



A [funnel chart](#) like this will help you visualize how effective a certain touchpoint is at turning impressions into revenue. And, as you can tell, this campaign is doing quite well.

Sales

Your [sales metrics](#) should tell a clear story about whether current opportunities are closing and whether you're equipped to close upcoming opportunities.

WIN RATE

Your win rate is the rate at which your sales team converts [qualified leads](#) to paying customers. It will tell you how effective your sales team is at getting new customers on board. The basic formula for win rate is: $(\text{Total Opportunities Won} / \text{Sales Qualified Leads}) \times 100$.

Win Rate Benchmark: 47%

Source: [Rain Group](#)

For some, win rate is too high-level and doesn't paint a detailed-enough picture of sales performance. If you're one of these people, you can instead look at the rates at which your sales team turns *leads to opportunities* and *opportunities to deals*.

Lead to Opportunity Benchmark: 13%

Opportunity to Deal Benchmark: 6%

Source: [Salesforce](#)

These two metrics tell the same story as win rate, but they can give you a clearer idea of where the sales team is excelling and where they need improvement.

Win Rate in your dashboard

You'll want to [connect your customer relationship management \(CRM\) platform](#) to Chartio and query the data you have on total opportunities, total sales qualified leads, and total won deals. This is another metric that works well as a [single value indicator](#), showing the value and the percentage change.

OPEN OPPORTUNITY PER SALES REP

Open opportunity per sales rep will help you make staffing decisions and ensure that your sales team has the resources they need.

Open Opportunities per Sales Rep Benchmark: 29

Source: [OpenView Venture Partners](#)

Open Opportunity per Sales Rep in Your Dashboard

Integrate your CRM into Chartio, and pull in data on the total number of opportunities per sales rep. This number can live as a simple [single value chart](#). You can also [set up alerts](#) in Chartio for when this number goes over 29.

PIPELINE COVERAGE

Pipeline coverage compares how much is in your pipeline (i.e., total opportunities) versus the sales quota for a certain period. This will help you look ahead and take corrective action if you're off target.

For instance, if you want to make \$1 million in new business next quarter, you need to have more than that in your pipeline because you will not win all of those opportunities. Pipeline coverage helps you make sure you can weather those lost sales.

Pipeline Coverage Benchmark: 309% (or 3x)

Source: [Open View Venture Partners](#)

Pipeline Coverage in Your Dashboard

In Chartio, pull in your data from your CRM on the total amount of revenue you have a chance of winning. You can do some simple math for what your target would be and then create a [bullet chart](#). For instance, if you need \$1 million in revenue next quarter, you can create a goal of \$3 million. Then, you can compare to your goal the amount of revenue you have a chance of winning.

Here's what a bullet chart looks like when it's tracking goal progress to overall revenue:

Revenue



Product

[Product metrics](#) should help you understand the impact your product has on the daily life of your average user. You can use these insights to improve your product and understand what your users want from it.

DAILY ACTIVE USERS(DAU)/MONTHLY ACTIVE USERS (MAU)

DAU/MAU is how you gauge the “stickiness” of your product. It tells you how many of your monthly users engage with your product in one day. This gives you an idea of how ingrained your product is in the daily life of your average user.

DAU/MAU Benchmark: > 20%

Source: [Andrew Chen](#)

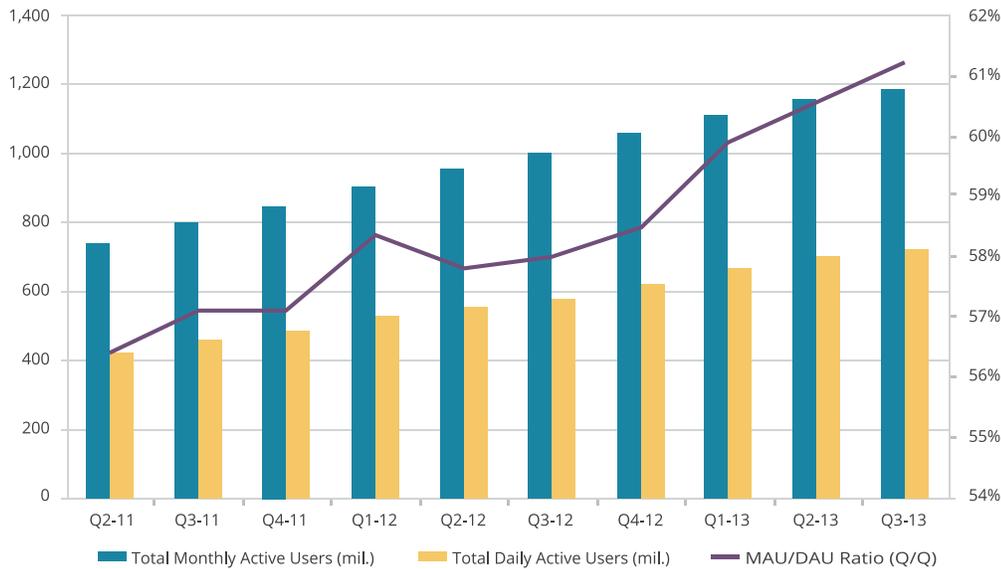
DAU/MAU in Your Dashboard

Before you compare DAU to MAU, you need to define [what an “active user” means](#). Your team will set the criteria, which are usually along the lines of “to be considered active, the user needs to perform one action in the app.” In a product analytics tool [like Mixpanel](#), you can create custom events to track the specified action, and then make cohorts out of users who do or do not take that specified action.

To visualize all of this your benchmark dashboard, you need to integrate your product analytics tool with Chartio. Then, you can query this data and compare DAU and MAU. A good way to visualize this data is with a [bar line graph](#), where the bars show MAU and DAU, while the line shows the change in the ratio. Here’s an example from [Digital Quarterly](#), showing Facebook’s DAU/MAU ratio:

Facebook — Monthly vs. Daily Active Users

Q2-2011 to Q3-2013, Ratio (Best 100%)



Digital Quarterly

KEY EVENTS TAKEN

A key event is an action taken by your users that is integral to your product (e.g., Amazon users clicking “Check Out”). The more key actions taken, the more users see the value of your product.

Key Events Taken Benchmark:

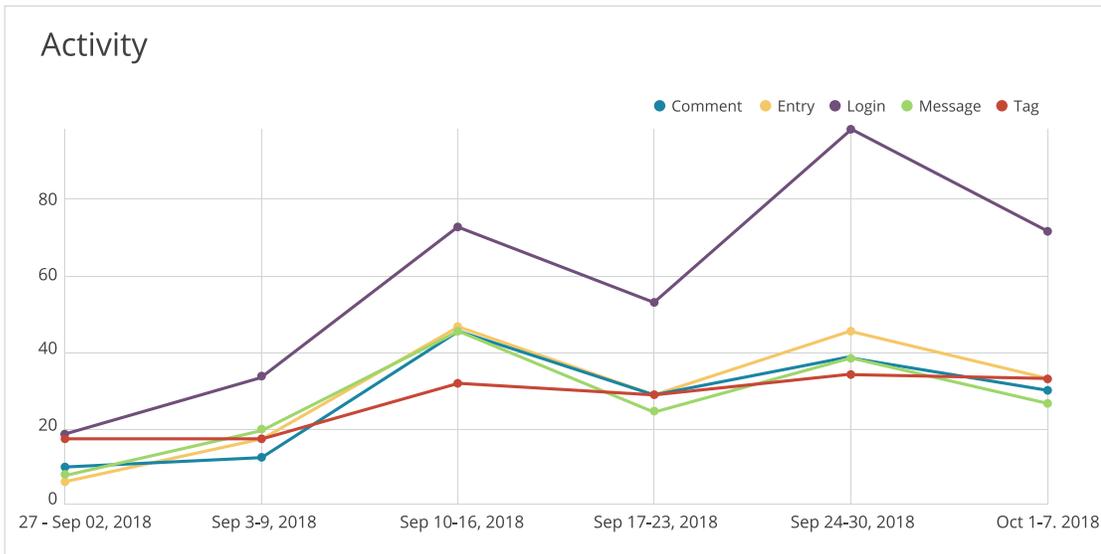
12 key events taken by a user per week

Source: [Mixpanel](#)

Key Events Taken in Your Dashboard

Similar to DAU/MAU, you need to define your “key event” and then track it in your product analytics tools using custom events. Then, integrate your product analytics platform with Chartio, and query your custom event data to pull in your key events.

Key events are best visualized with a [line graph](#), where the X-axis is a given length of time, and the Y-axis is the number of events that occur. Here’s an example of what that might look like:



NET PROMOTER SCORE (NPS)

NPS is a method for quantifying how enthusiastic your users are about your product. You survey your users and ask to rate your product on a scale from 1 to 10. Promoters are those who rate your product 9 or 10, passive users are those who rate your product 7 or 8, and everyone else counts as a detractor.

To find your NPS score, you need to subtract the percentage of detractors from the percentage of promoters.

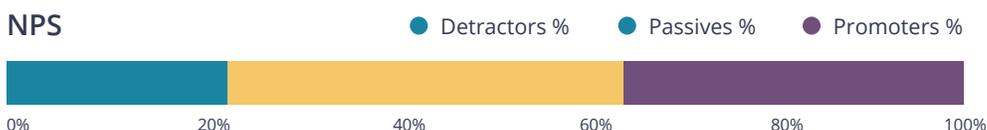
NPS Score Benchmark:

0-30 is decent for SaaS businesses, and if you're below 0, you have a problem

Source: [Retently](#)

NPS in Your Dashboard

Integrate your survey software into Chartio, and use [stacked bar charts](#) to visualize the share of each category of response. Here's an example of what that might look like:



Customer Success

Customer success metrics should help you understand at a high level whether your customers are happy and what you can do for them if they're not.

CUSTOMER SATISFACTION (CSAT)

CSAT asks your customers to rate how satisfied they were with a specific interaction, usually on a scale of 1 to 5. This might sound similar to NPS, but there is a significant difference: NPS measures overall loyalty and enthusiasm regarding your product; CSAT measures satisfaction with a specific interaction or product.

To calculate CSAT, divide the number of positive scores by the total number of people interviewed. Then, multiply that by 100 to get your percentage.

CSAT Benchmark for Software: 78%

Source: [American Customer Satisfaction Index](#)

CSAT in Your Dashboard

Similar to NPS, you can integrate your survey software with Chartio and use stacked bar charts to visualize the percentage of share each score receives. You could also use [pie charts](#) or bar graphs, where the X-axis is the score, and the Y-axis is the number of people who gave that score.

FIRST CONTACT RESOLUTION RATE (FCR)

First contact resolution rate measures the ability for your customer success (CS) team to successfully resolve issues the first time your customer brings it up. This will give you an idea of how effective your CS team is at resolving problems.

FCR Benchmark for Software: 51%

Source: [ServiceXRG](#)

FCR in Your Dashboard

You can get your FCR number through your CRM, like [HubSpot](#). You will probably want to track FCR over time to ensure a steady upward trend. A line graph is a great option for this, where the X-axis is the time span, while the Y-axis is the FCR.

MONTHLY CHURN

Churn is when a customer stops using your product. A good CS team will do everything they can to keep that number to a minimum by making sure your customers are happy.

Monthly Churn Benchmark: 3-7% for SMB

Source: [Tomasz Tunguz](#)

Monthly Churn in Your Dashboard

Your number of churned customers can be pulled from your CRM or from your CS team. With that data, you can set up a series of single value charts that provide a larger picture, including its impact on monthly recurring revenue (MRR) and annual recurring revenue (ARR). In Chartio, you can include [variables and filters](#), like date ranges, so you can narrow these values to one month, year to date, and more.

Churn	27 # Churn	-19.93% MRR Change	\$61,201.67 Churn MRR \$	\$734,492.04 Churn ARR \$
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Revenue

Leadership always [needs a pulse on the financials](#) to maintain long-term viability of the business. These three metrics, more than any we've gone through up to this point, tell the story of how healthy your company is.

CUSTOMER ACQUISITION COST (CAC) PAYBACK

[Customer acquisition cost](#) is how much you spend to gain a new customer. The basic formula is the amount you spent to acquire the new customer divided by the number of new customers you gain.

$$\text{CAC} = \frac{\text{Amount spent on acquiring new customers}}{\text{Number of new customers gained}}$$

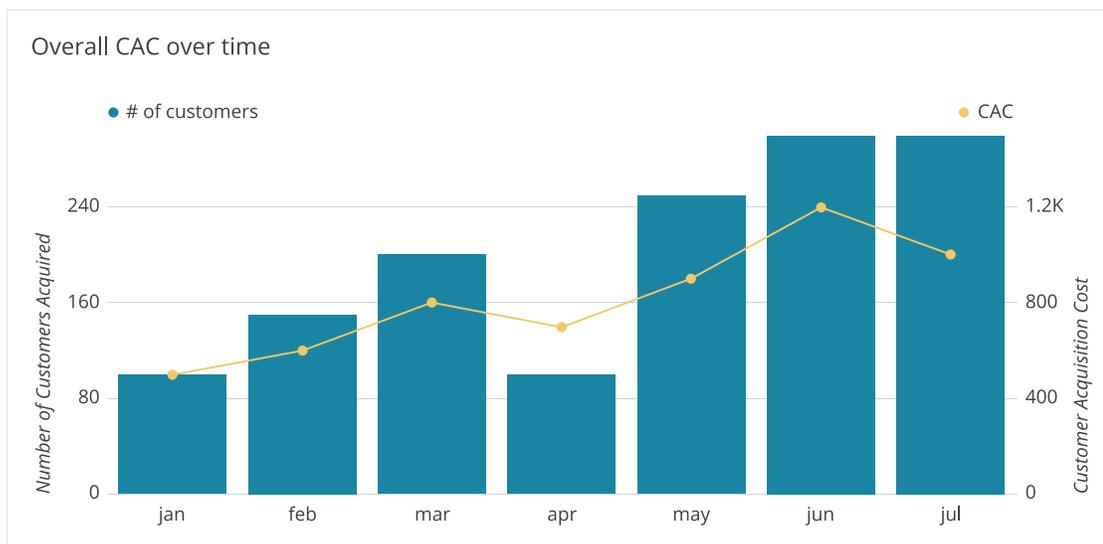
This number is [dependent on far too many other factors](#) to provide a solid benchmark. But one rule of thumb has stuck around: CAC payback period, which is how long it takes to recoup the cost of gaining a new customer, should take no longer than 12 months.

CAC Payback Period Benchmark: 12 Months Maximum

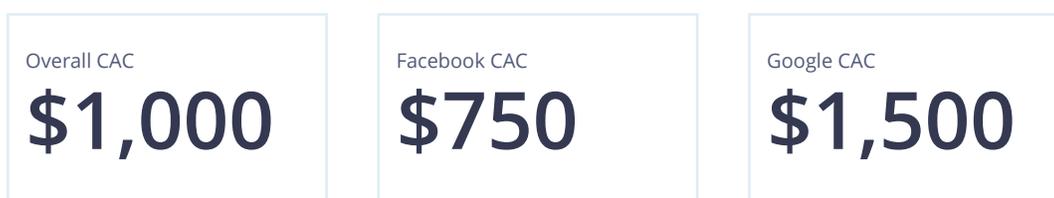
Source: [ProfitWell](#)

CAC and CAC Payback in Your Dashboard

Once you get your financials integrated into your BI tool, you can visualize your CAC with a [bar line graph](#). Here's what that would look like:



You can also do single value charts if you just want the number. Here is an example of CAC laid out by platform as well as overall.



You can then keep an eye on these graphs throughout the year, watching for any spikes that may throw off your CAC payback period.

LIFETIME VALUE (LTV)

Lifetime value is how much a customer is worth to your business during their time as your customer. Comparing LTV with CAC is one of the most common ways of gauging the health of a business because together they tell you how much you pay to get a customer and how much you get back. Here's how LTV is calculated:

$$\begin{aligned}
 \text{LTV} = & \text{(avg. spend per purchase)} \\
 & \times \text{(avg. purchases per year per customer)} \\
 & \times \text{(avg. customer lifetime in years)}
 \end{aligned}$$

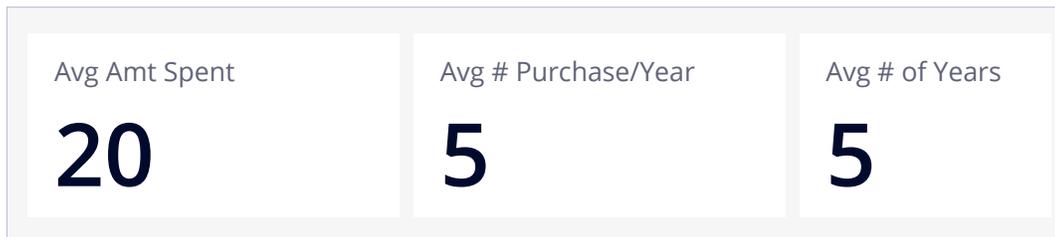
Similar to CAV, LTV is dependent on way too many unique factors to provide a solid numerical benchmark. Instead, your LTV should be compared only to your CAC.

LTV Benchmark: 3x CAC

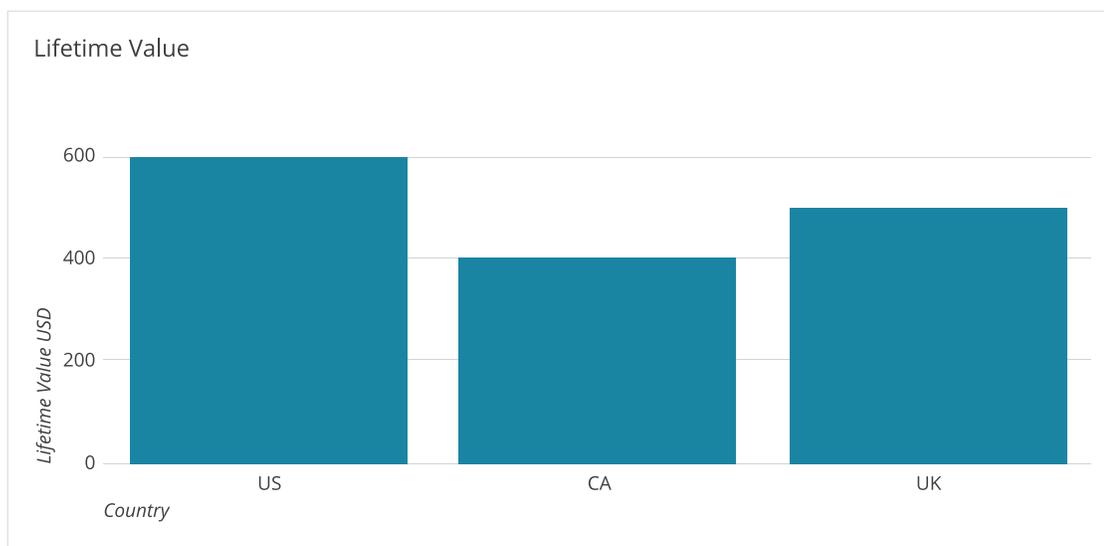
Source: [OpenView Venture Partners](#)

LTV in Your Dashboard

Similar to CAC, if you're looking for just the value itself, visualizing LTV with single value charts is a good option. Here's what that might look like:



Otherwise, if you want to measure change in LTV by different types of customers, you can use a bar chart such as this:



Either way, group your CAC and LTV charts together so you can always keep an eye on their relationship.

MONTHLY RECURRING REVENUE (MRR) GROWTH RATE

MRR growth rate will give you an idea of whether your revenue is outpacing your expenses. It's one of the surest indicators that you're on a strong trajectory for growth.

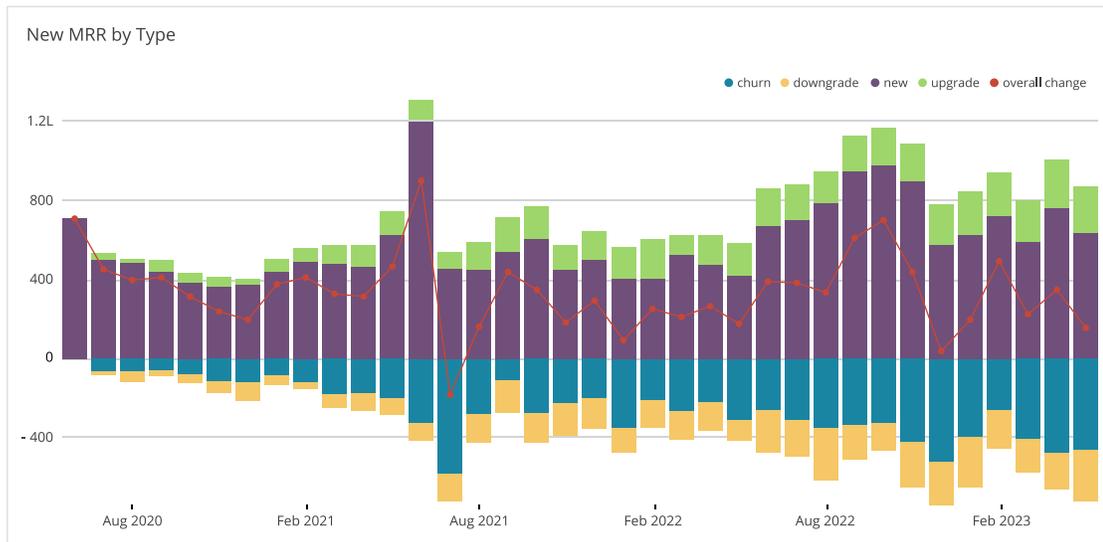
MRR Growth Rate Benchmark: 15-20%

Source: [Tomasz Tunguz](#)

We have a [deep guide](#) on how to calculate MRR as well as annual recurring revenue (ARR) if you want to get into the nuts and bolts of all this.

MRR Growth Rate in Your Dashboard

Similar to CAC and LTV, if you want eyes on the number itself, a [single value chart](#) or a [single value indicator chart](#) may be all you need. If you want to track MRR growth rate over time or by cohort, consider a bar chart or a line chart. Here's an example of MRR measured by what's impacting it:



Where to Go from Here

As your startup grows, you need a central command center for measuring performance against all these SaaS benchmarks. Clear definitions of what success means across every team will help you decide what needs attention right now and what doesn't.

Now, it's great if you have this ability, but what if every one of your employees had this ability to prioritize based on real-time data? This is what we call data democratization, and it'll unlock the next stage in growth for your company.

What's more, you can [get started right now with Chartio](#).

SaaS Benchmarks for Growing Startups

Marketing

METRIC	BENCHMARK
Return on Ad Spend (ROAS)	4:1
Email Open Rate	21.33%
Email Click Rate	2.62%
Google Ads Conversion Rate	2.35%
Landing Page Conversion Rate	4.02%
SaaS Website Conversion Rate	7%

Sales

METRIC	BENCHMARK
Win Rate	47%
Lead to Opportunity Rate	13%
Opportunity to Deal Rate	6%
Open Opportunities per Sales Rep	29
Pipeline Coverage	309% (3x)

Product

METRIC	BENCHMARK
DAU/MAU	> 20%
Key Events Per Week	12
Net Promoter Score (NPS)	0-30

Customer Success

METRIC	BENCHMARK
Customer Satisfaction (CSAT) Score	78%
First Contact Resolution (FCR) Rate	51%
Monthly Churn Rate for SMBs	3-7%

Revenue

METRIC	BENCHMARK
Customer Acquisition Cost (CAC) Payback Period	12 Months
Lifetime Value	3x CAC
Monthly Recurring Revenue (MRR) Growth Rate	15-20%

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