


Benchmarks to KBCM survey	KBCM survey \$5M-\$10M*	2022	2023	Key Questions	Score
GROWTH & PRODUCTIVITY					
ARR growth rate (Example scores shown)	2x	2.2x	2.5x	How fast should / do we need the business to grow? Examples: T2D3 Rule of Thumb, Rule of Forty, Growth Efficiency or Growth Efficiency Index	
ARR / FTE	\$112,000			What is the right staffing level?	
New ARR / Sales FTE	\$561,000			How many sales resources should I hire?	
CAC ratio / new ARR	\$1.67			How much should I spend to acquire customers?	
(Fully-loaded S&M spend to acquire \$1 of new ARR from a new customer)					
P&L					
Total Gross Margin	75%			What should I charge for my product? How much should I spend for product delivery and customer support?	
Sales & Marketing	33%			How much should I spend on sales & marketing?	
Research & Development	27%			What is the stage of the product? Do I have technical debt? How much do I need to spend to be able to sell to different channels?	
General & Administrative	22%			What is the appropriate overhead? Do we use the most efficient tools and services?	
EBITDA Margin	-7%			Is it acceptable to create losses while I grow and win market share? When should I be break even? Is growth or profitability more important?	
CAPITAL EFFICIENCY					
Capital required to reach \$5M ARR	\$6.5M			What is the right amount of capital to reach my ARR goals?	
New ARR / Burn	0.49x			How much burn is acceptable to win new business?	
Years req'd to reach \$5M ARR	4.4			How fast should I reach my growth goals?	
Capital consumption ratio	1.8x			Do I use my capital efficiently?	



Beating the Benchmark!



Meeting the Benchmark



Not Quite at the Benchmark



Missing the Benchmark