KeyBanc Capital Markets | SAPPHIRE VENTURES

2024

# KeyBanc Capital Markets & Sapphire Ventures SaaS Survey

*Continued focus on efficient execution and profitability*

15th Annual

# 15th Annual SaaS Survey – What's Different?

For the past 15 years, KeyBanc Capital Markets has produced a one-of-a-kind survey that examines the performance of private SaaS companies year-over-year. This survey has been an asset for the SaaS community, providing guidance to private growth companies.

This year, and for the second time, KeyBanc Capital Markets and Sapphire Ventures have partnered together to take the survey to new heights, bringing a new lens to the data and its accompanying analysis. Specifically, this year's KeyBanc Capital Markets & Sapphire Ventures SaaS Survey introduces an operator's perspective, drawing actionable insights across various themes and understanding the impact of last year's trends on go-to-market strategies.

KeyBanc Capital Markets

SAPPHIRE VENTURES

**1**
New questions to shed light on GTM metrics and efficiency

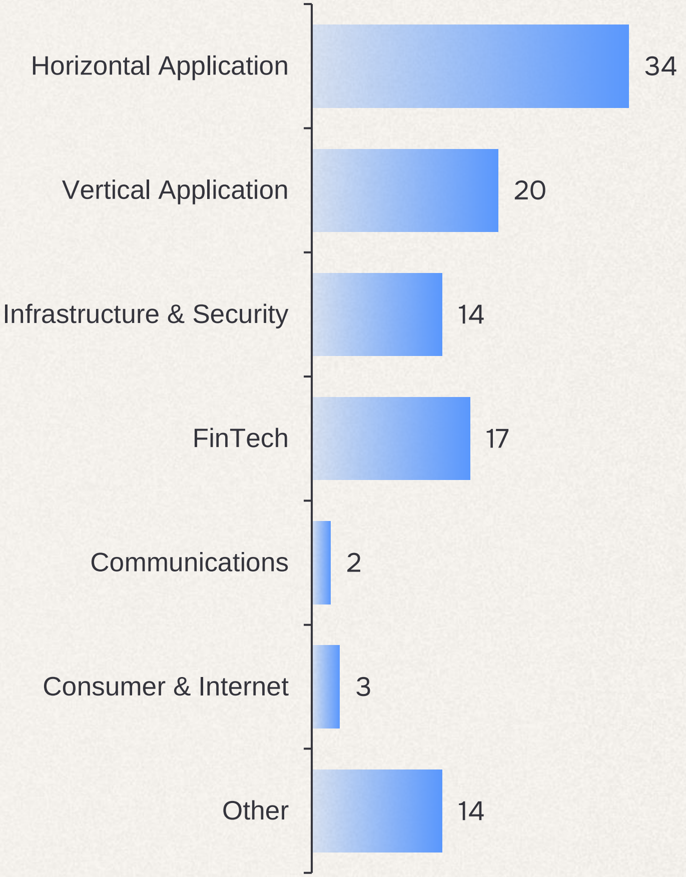
**2**
More historical data points captured to identify key trends

**3**
Operator feedback is included to bring relevance to the data set

**3,800+**
2023 SaaS Survey Downloads

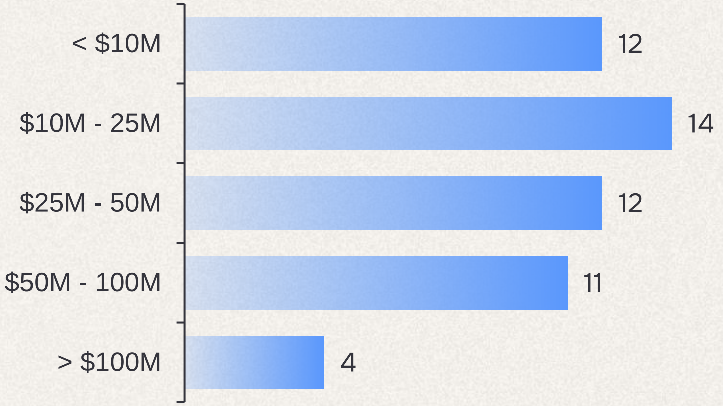
# Participant Demographics

## Participants by Sector



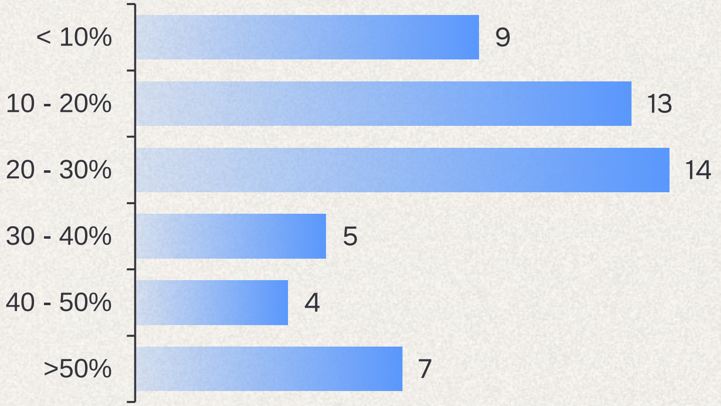

Respondents: 104

## Participants by ARR Segment



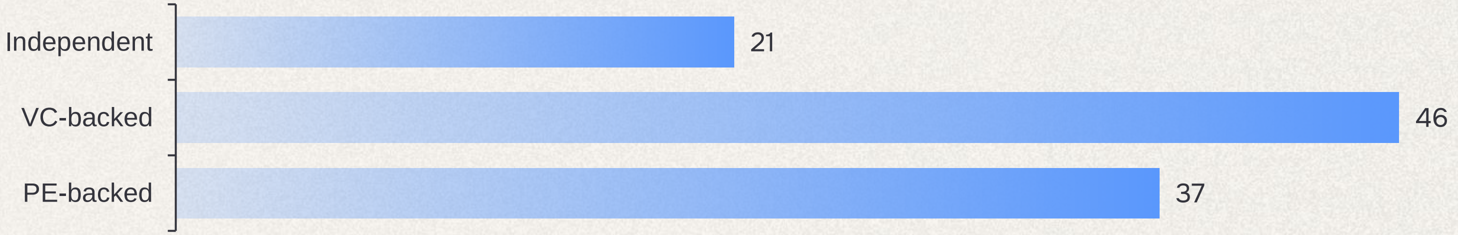

Respondents: 53

## Participants by ARR Growth




Respondents: 52

## Participants by Ownership Type




Respondents: 104

Note: ARR numbers based on 2023 ARR

# Executive Summary

Based on the survey responses received this year, we have identified clear trends of subdued growth expectation and a continued focus on efficient execution and profitability – a resounding theme throughout the report

### ARR Growth & Retention

- ARR growth is expected to slightly decelerate to ~19% in 2024 after companies already experienced growth deceleration in 2023 from ~22% to ~21%
- Both gross retention and net retention have remained and are expected to remain relatively consistent at ~90% and ~101%, respectively

### GTM Execution & Performance

- Sales quota attainment rates remained consistent in 2023 at ~70%, but this is expected to increase in 2024 to ~75% as the macro environment improves
- Sales quotas have also increased from ~$675K in 2022 to ~$750K in 2023 and 2024, indicating that expectations have become greater for sales teams

### Expenses & Profitability

- Most companies are still focused on operating efficiency and improving their EBITDA margins instead of aggressively pursuing top line growth
- We expect to see continued budget cuts and a more conservative approach to expense management, especially for larger-sized companies with >$50M ARR

### Financing & Valuation

- Private market financings and multiples are beginning to show strength, driven by recent AI developments and a more optimistic view of macro conditions
- Public market software valuations are returning to near-normalized levels at ~5-6x NTM revenue, compared to the all-time highs of ~17x in 2021

| Metric (Median) | 2022 | | 2023 | | 2024E |
|---|---|---|---|---|---|
| ARR ($) | $22.5M | ↑ | $26.0M | ↑ | $32.5M |
| ARR Growth | 22% | – | 21% | ↓ | 19% |
| Gross Dollar Retention | 89% | – | 89% | ↑ | 91% |
| Net Dollar Retention | 102% | – | 102% | – | 101% |
| Account Executive Productivity | $300K | ↑ | $333K | – | $328K |
| Quota Attainment | 70% | – | 70% | ↑ | 75% |
| Magic Number | 0.5 | ↑ | 0.7 | – | 0.7 |
| CAC Payback | 25 Months | ↓ | 21 Months | – | 20 Months |
| EBITDA Margin | (26%) | ↑ | (15%) | ↑ | (6%) |
| Rule of 40 | (7%) | ↑ | 4% | ↑ | 15% |
| EV / ARR (most recent transaction) | 10.0x | ↓ | 6.2x | ↑ | 9.1x |

# Key Performance Metrics

While we focus on median and composite numbers throughout the SaaS Survey report, we present the top-quartile benchmarks here so that SaaS executives and investors can use them to benchmark for outperformance vs. peers

**Overall Survey Group**

| Performance Metric | 2022 | 2023 | 2024E |
|---|---|---|---|
| ARR Growth | 22% | 21% | 19% |
| Gross Dollar Retention | 89% | 89% | 91% |
| Net Dollar Retention | 102% | 102% | 101% |
| Account Executive Quota | $675K | $750K | $750K |
| Quota Attainment | 70% | 70% | 75% |
| Magic Number | 0.5 | 0.7 | 0.7 |
| CAC Payback | 25 Months | 21 Months | 20 Months |
| Gross Margin | 67% | 71% | 72% |
| EBITDA Margin | (26%) | (15%) | (6%) |
| Rule of 40 | (7%) | 4% | 15% |
| ARR per Employee | $133K | $154K | $173K |

**Top Quartile Performers**

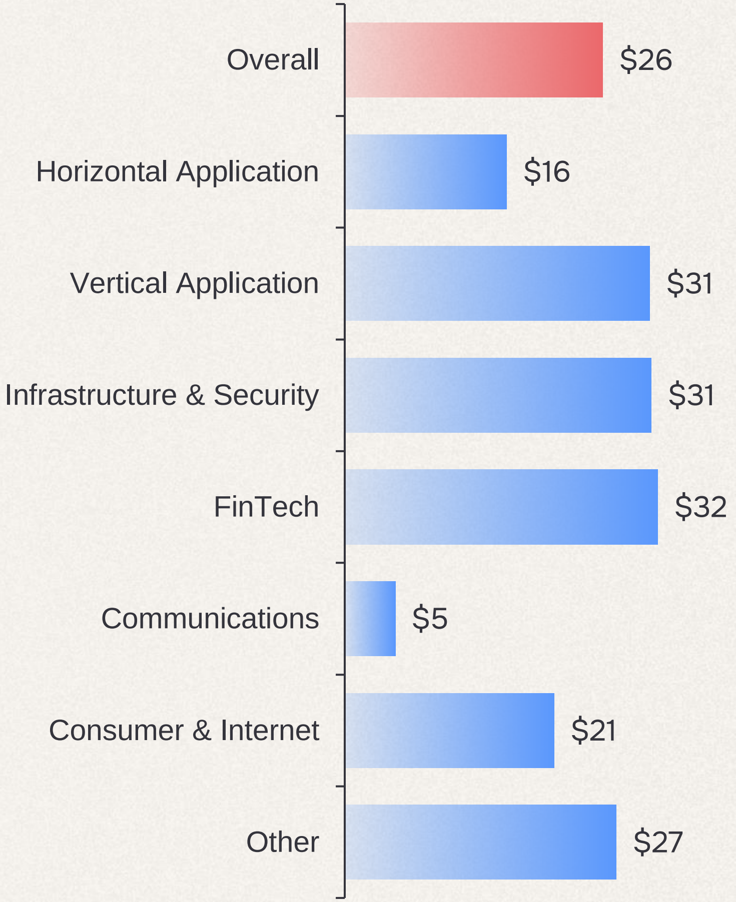
| Performance Metric | 2022 | 2023 | 2024E |
|---|---|---|---|
| ARR Growth | 46% | 32% | 27% |
| Gross Dollar Retention | 94% | 93% | 95% |
| Net Dollar Retention | 110% | 108% | 109% |
| Account Executive Quota | $1,000K | $1,000K | $1,085K |
| Quota Attainment | 80% | 80% | 85% |
| Magic Number | 0.9 | 0.9 | 1.0 |
| CAC Payback | 15 Months | 16 Months | 14 Months |
| Gross Margin | 79% | 81% | 81% |
| EBITDA Margin | (7%) | 1% | 6% |
| Rule of 40 | 20% | 21% | 31% |
| ARR per Employee | $195K | $225K | $235K |

# ARR Overview & Retention Metrics

# ARR Distribution

*$'s in USD millions*

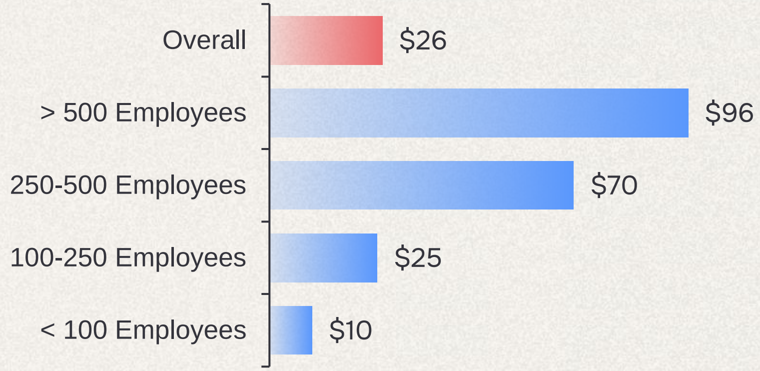
## Median ARR by Sector




| Median ARR Growth | | |
|---|---|---|
| 2022 | 2023 | 2024E |
| 22% | 21% | 19% |
| 25% | 22% | 21% |
| 31% | 25% | 27% |
| 18% | 28% | 30% |
| 22% | 13% | 16% |
| (2%) | 4% | (2%) |
| 14% | (12%) | (27%) |
| 19% | 20% | 10% |

Respondents: 53

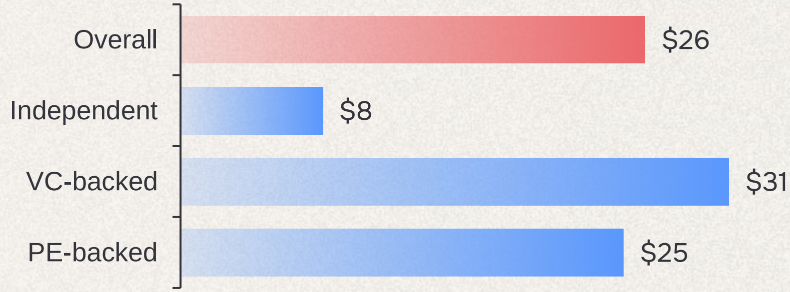
## Median ARR by Employee Size




| Median ARR Growth | | |
|---|---|---|
| 2022 | 2023 | 2024E |
| 22% | 21% | 19% |
| 44% | 26% | 19% |
| 19% | 19% | 16% |
| 21% | 20% | 17% |
| 23% | 25% | 24% |

Respondents: 53

## Median ARR by Ownership



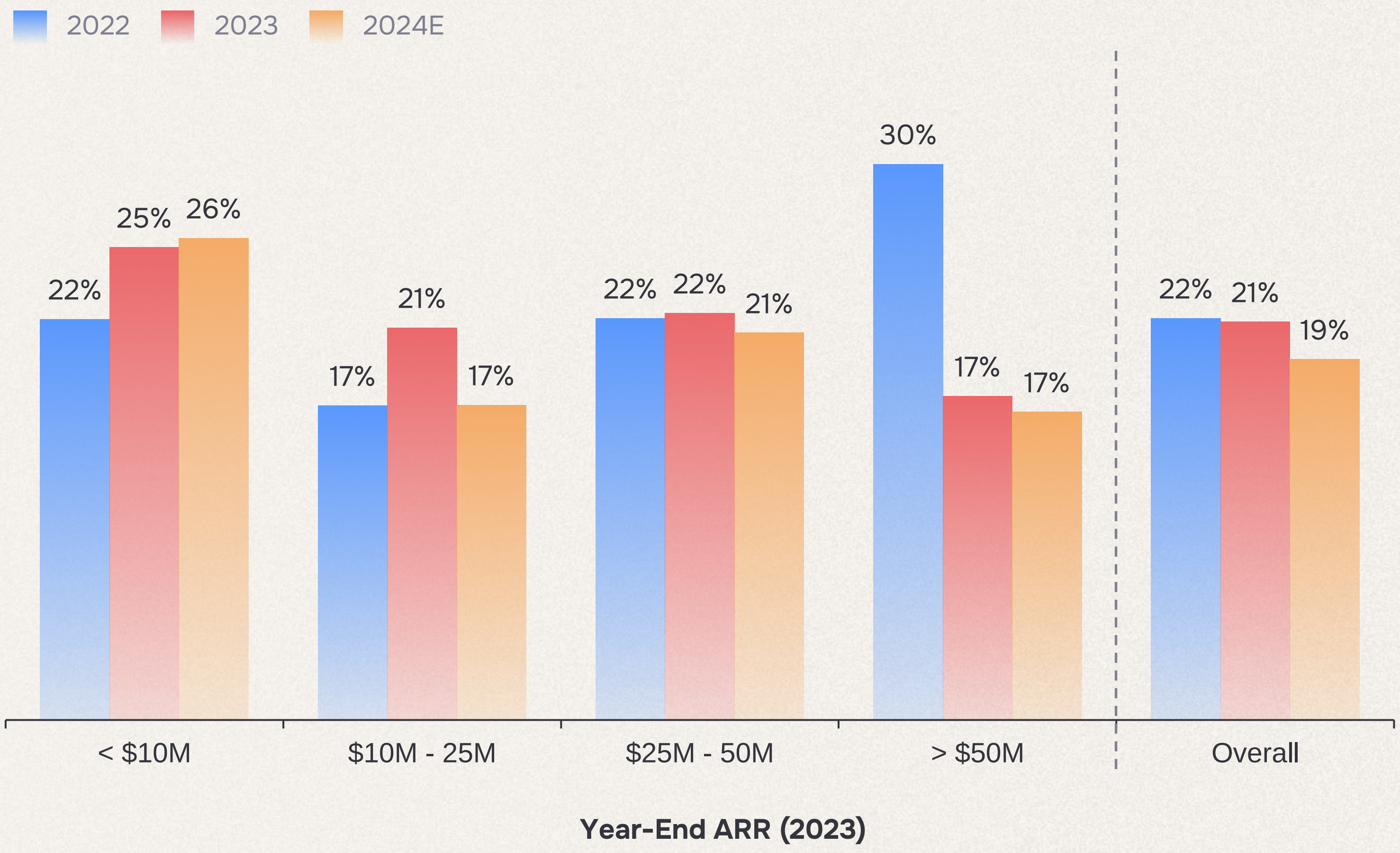

| Median ARR Growth | | |
|---|---|---|
| 2022 | 2023 | 2024E |
| 22% | 21% | 19% |
| 17% | 19% | 15% |
| 31% | 25% | 24% |
| 18% | 21% | 16% |

Respondents: 53

Note: ARR numbers based on 2023 ARR

# ARR Growth

## Median ARR Growth by ARR Segment




Respondents: 53

**Challenging H2 2022 and 2023**

H2 2022 and 2023 experienced a pullback in growth, which disproportionately impacted larger-sized companies primarily due to fewer upsell opportunities and the need for bundling products to prevent customer churn

**Continued growth deceleration in 2024**

In 2024, companies expect to experience slight growth deceleration of ~2-3%, with the exception of smaller-sized companies with <$10M ARR, which expect to experience slight growth acceleration, partly driven by more newly formed AI-first companies

# New ARR Growth Drivers – By ARR Cohort

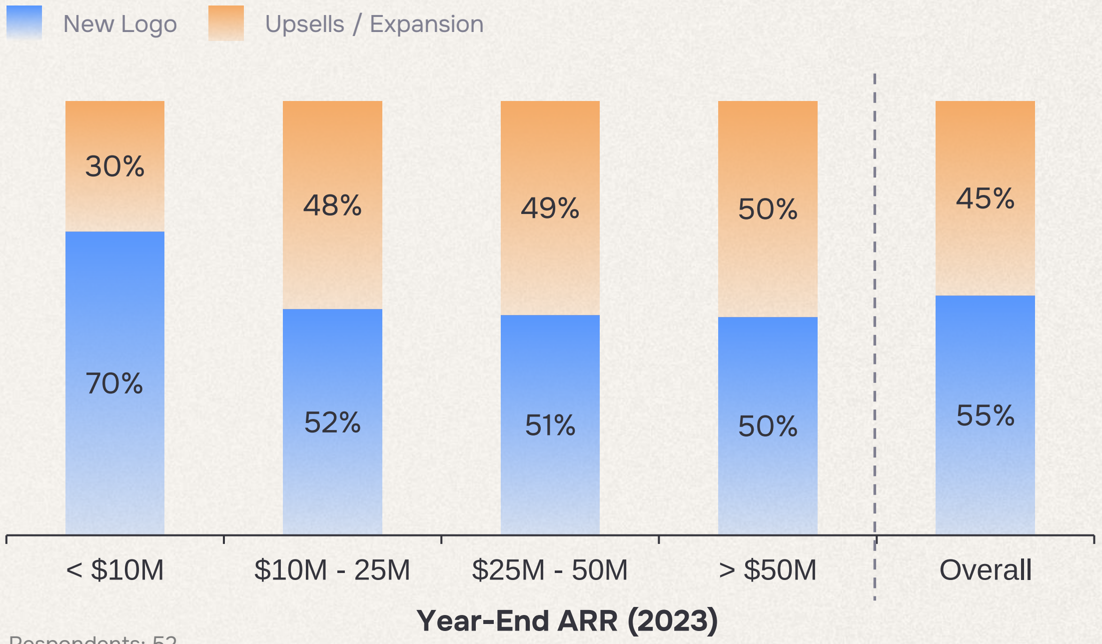
**Growth drivers shift depending on company size**

As companies scale above $10M ARR, we start to see more of a reliance on upsells / expansion to achieve growth targets

**Product expansion is required for continued growth at scale**

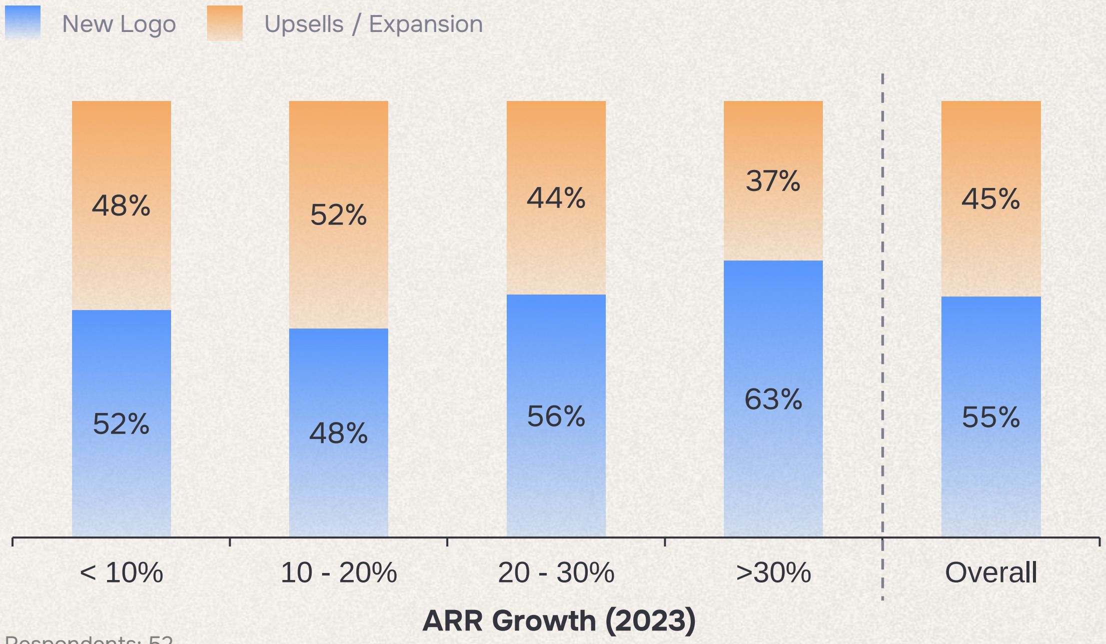
As companies continue to grow, they need to adjust their expansion strategy and can no longer rely on increasing the number of seats; product innovation and/or product expansion needs to take place for them to continue to grow at scale

## New ARR by ARR Segment




Respondents: 52

## New ARR by ARR Growth




Respondents: 52

New ARR = New Logo ARR + Expansion ARR

# ARR Downsell & Churn Drivers – By ARR Cohort

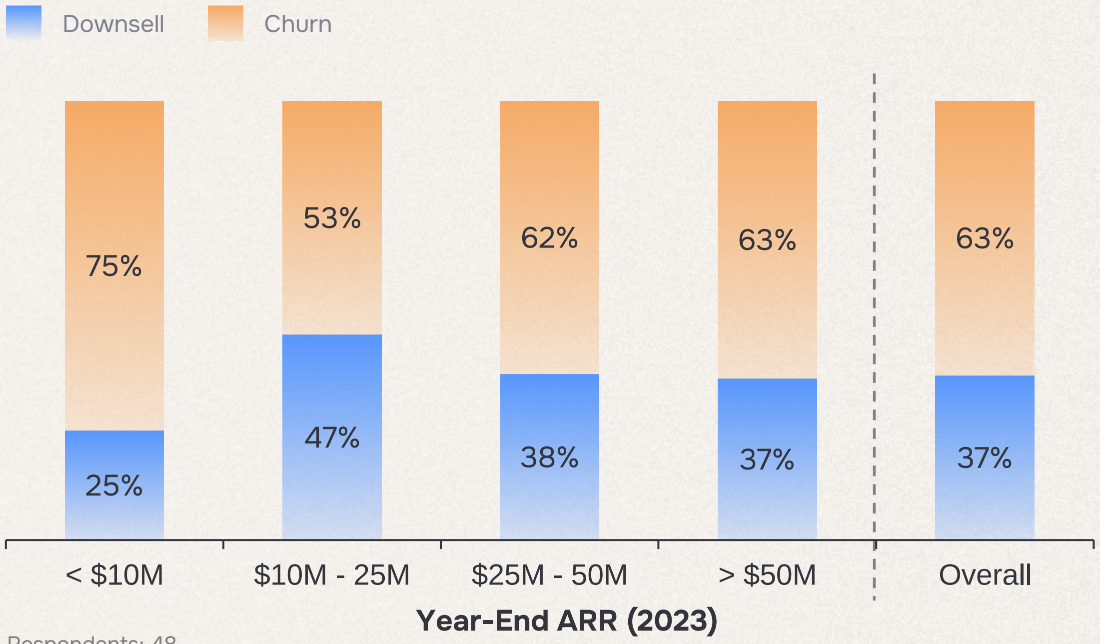
**Mix of downsell and churn changes depending on company size and growth**

Higher growth companies with >10% growth tended to experience more churn than downsell, which is most likely due to them being smaller sized companies and not having multiple products to offer, thus creating a more binary outcome with their customer base

**Downsells creating a hurdle for achieving >10% growth**

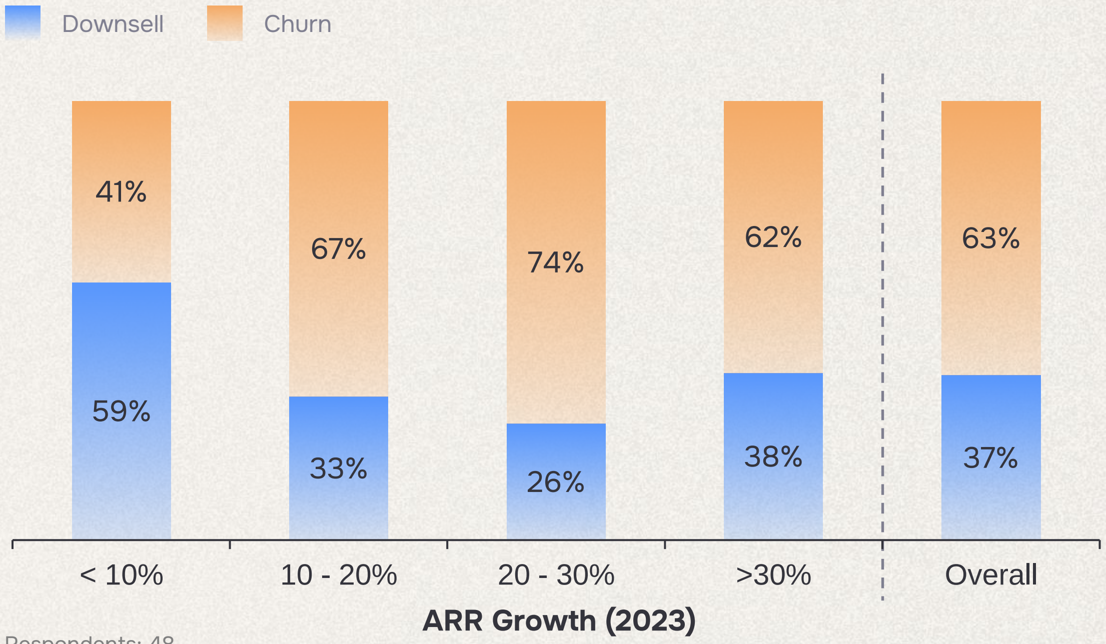
Downsell is over indexed in the lowest growth segment and may be the underlying reason why companies end up in this growth segment

## Downsell & Churn by ARR Segment




Respondents: 48

## Downsell & Churn by ARR Growth




Respondents: 48

# ARR Retention Metrics

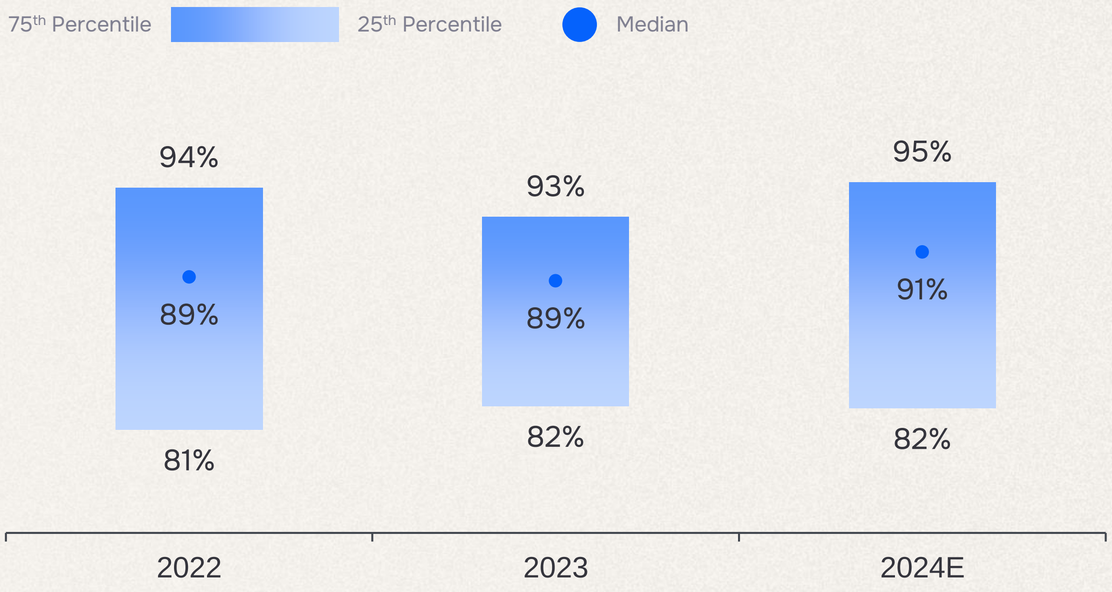
**Slight improvements to gross retention are expected in 2024**

There has not been noticeable volatility in median gross retention rates since 2022, and we expect this trend to continue moving forward

**Net retention is expected to remain relatively consistent in 2024**

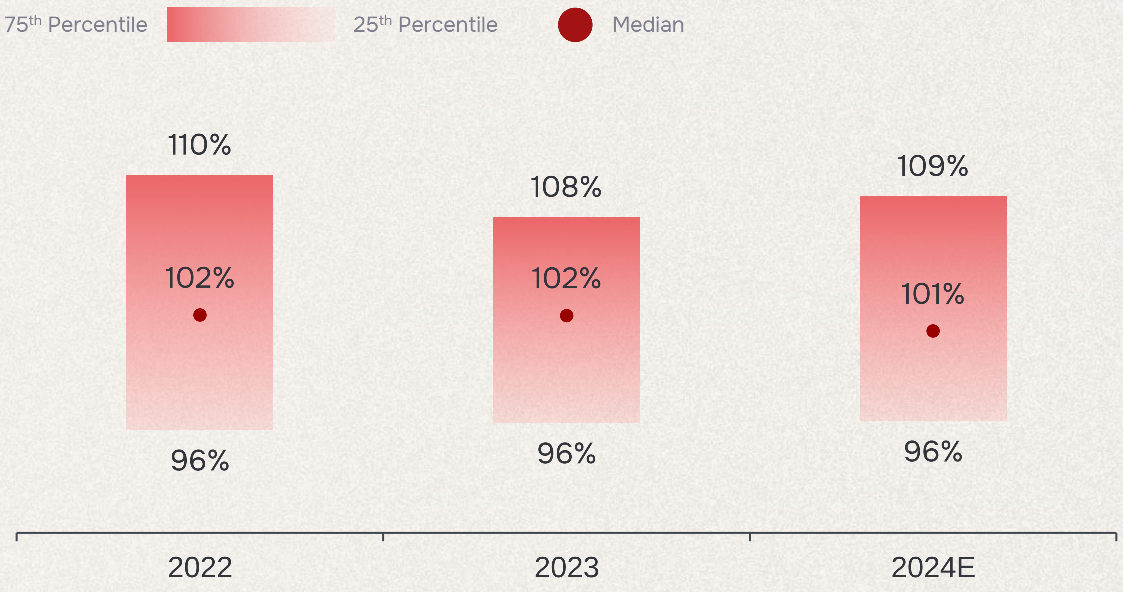
We can see net retention rates have remained relatively constant since 2022 with no major changes expected in 2024

## Median Gross Retention




Respondents: 55

## Median Net Retention




Respondents: 55

Gross Dollar Retention = (Beginning ARR – Churned ARR – Downsell ARR) / Beginning ARR
Net Dollar Retention = (Beginning ARR + Expansion ARR – Churned ARR – Downsell ARR) / Beginning ARR

# Additional ARR Churn Metrics

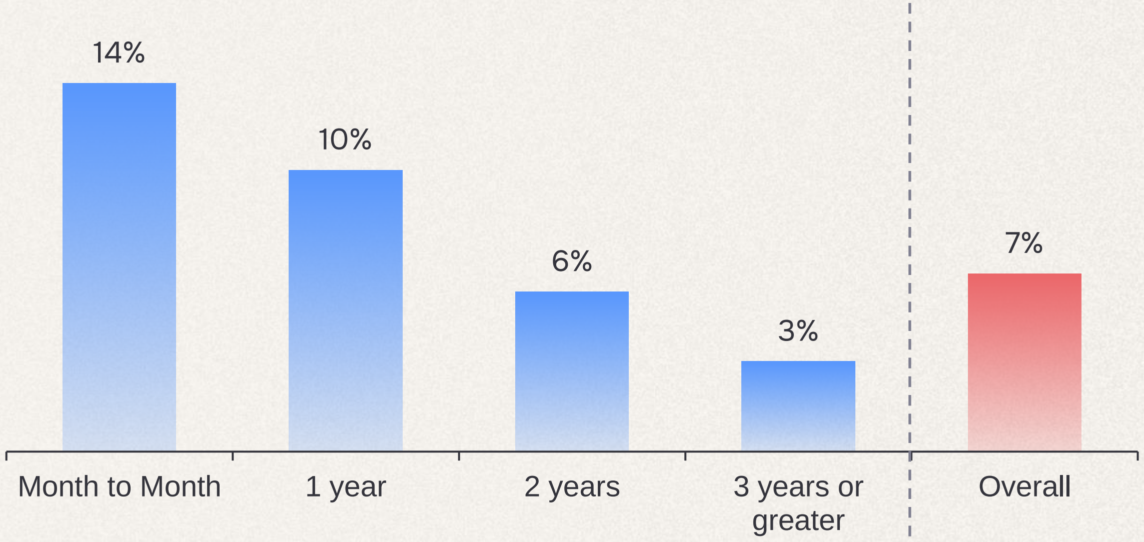
**Increased contract lengths significantly reduce churn**

We see a clear trend pointing towards the benefits of increased contract lengths and their positive impact on churn rates

**Increased professional services spend shows positive impacts to retention up to a certain point**

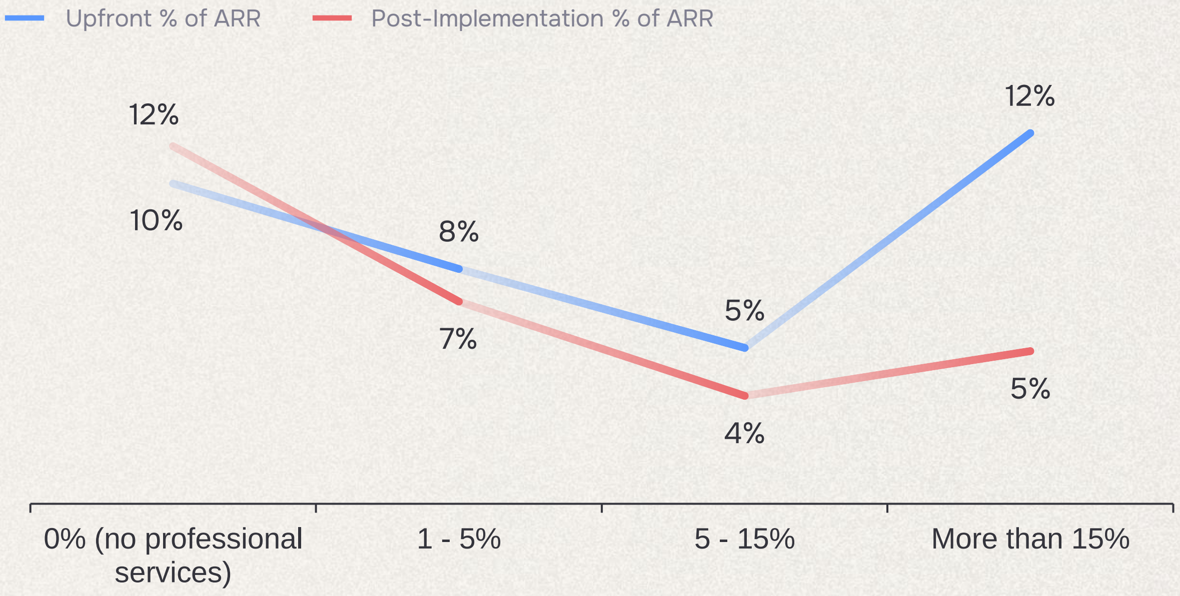
When companies provide more high-touch professional services work, there's a positive correlation with reduced churn; however, we start to see a reversal in this trend with >15% professional services spend as a % of ARR

## Churn Rate by Contract Length




Respondents: 52

## Churn Rate by Professional Services as % of ARR




Respondents: 52

Note: ARR numbers based on 2023 ARR

# GTM Execution & Performance

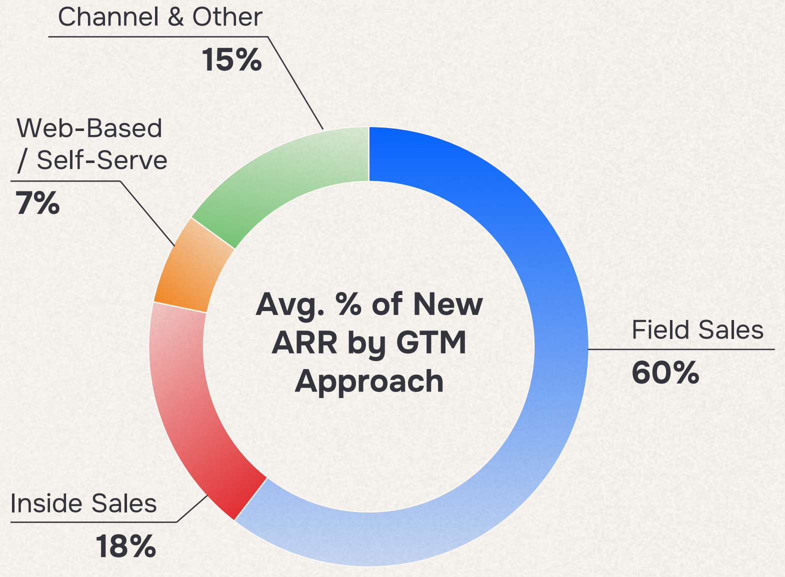
# Primary GTM Approach

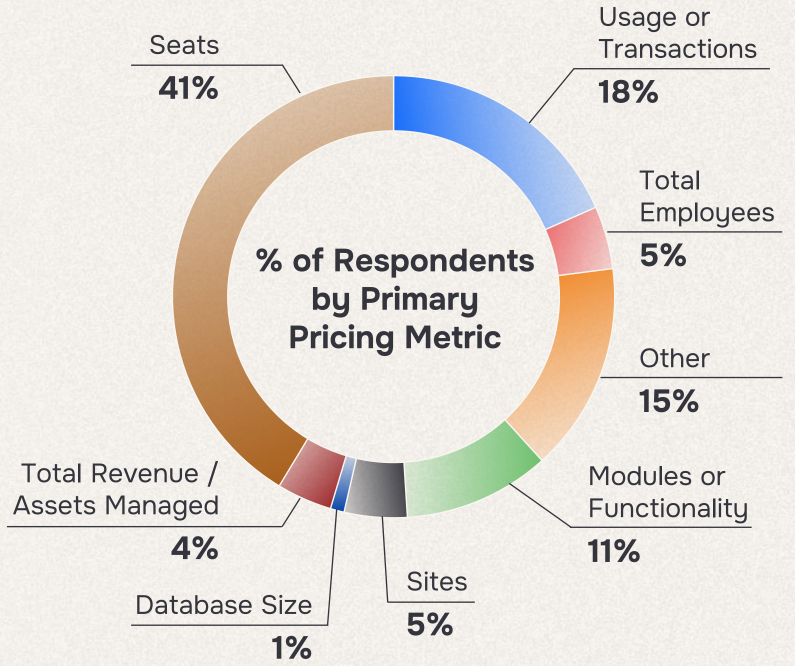
**Majority of companies seem to be pursuing the traditional B2B enterprise sales strategy**

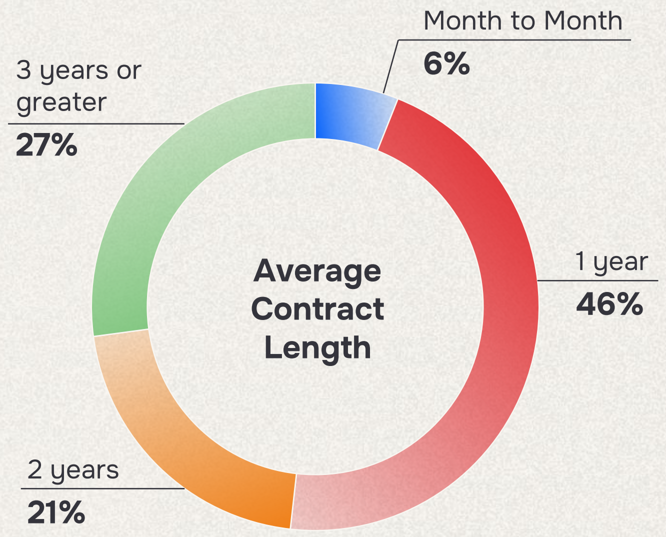
Companies are seemingly preferring to focus on field sales, seat-based pricing, and yearly or multi-year contracts as their GTM strategies; Respondents to the survey did not indicate any major shifts to their GTM strategy moving forward

**"Although self-serve and PLG models have gotten a lot of attention in the past, it is still rare to find successful companies who are purely self-serve / PLG, except perhaps for companies focused on SMB."**

**Mahau Ma**
Operating Partner, Sapphire Ventures




Respondents: 66

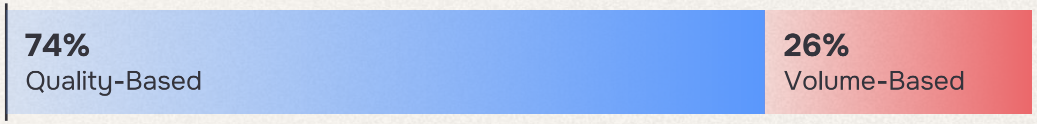
# Marketing & Indirect Sales Strategies

**Paid digital and organic are the most often used marketing strategies**

Companies are focused on generating quality-based leads and have historically achieved this through paid digital and organic; we expect this trend to continue as companies aim to generate high ROIs on marketing dollars spent

**Primary Lead Sourcing Strategy**

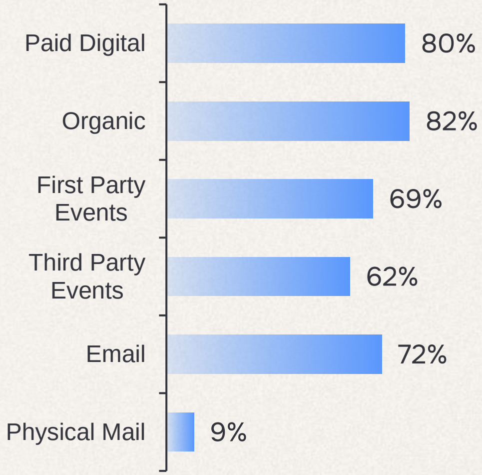
Respondents: 65




**"Technology partnerships and loose affiliations without resell or referral mechanisms continue to increase in significance, as SaaS startups look to position themselves as part of the 'opinionated, modern stack' for enterprises adopting cloud technologies."**

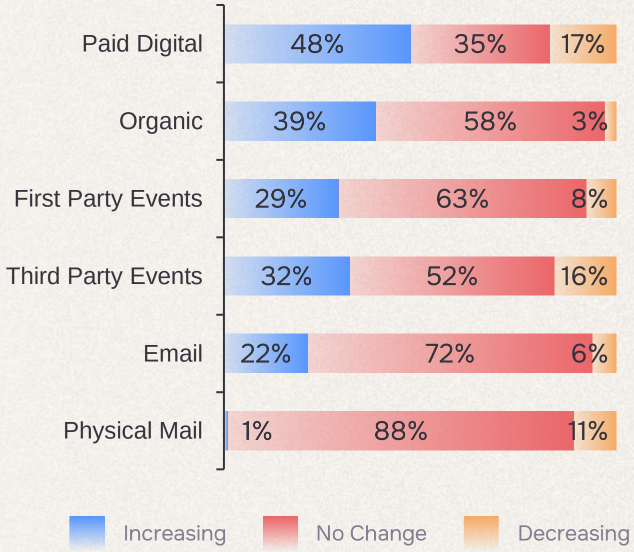

**Dave Wilner**
Operating Partner,
Sapphire Ventures

## Marketing Strategies

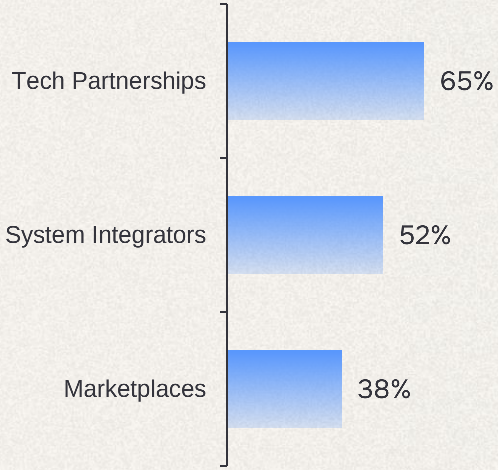



Respondents: 65

## Shift in Priorities

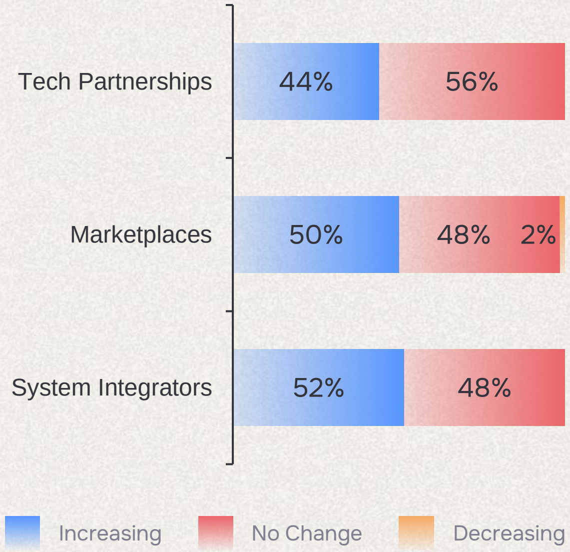



## Indirect Sales Strategies




Respondents: 66

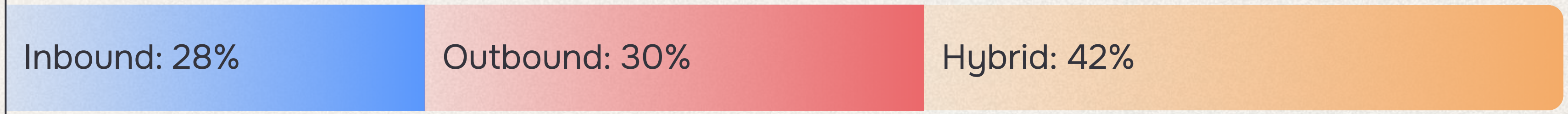
## Shift in Priorities



# GTM Organizational Breakdown

S&M Spend Breakdown*
Respondents: 53


Sales Development Rep*
Respondents: 65



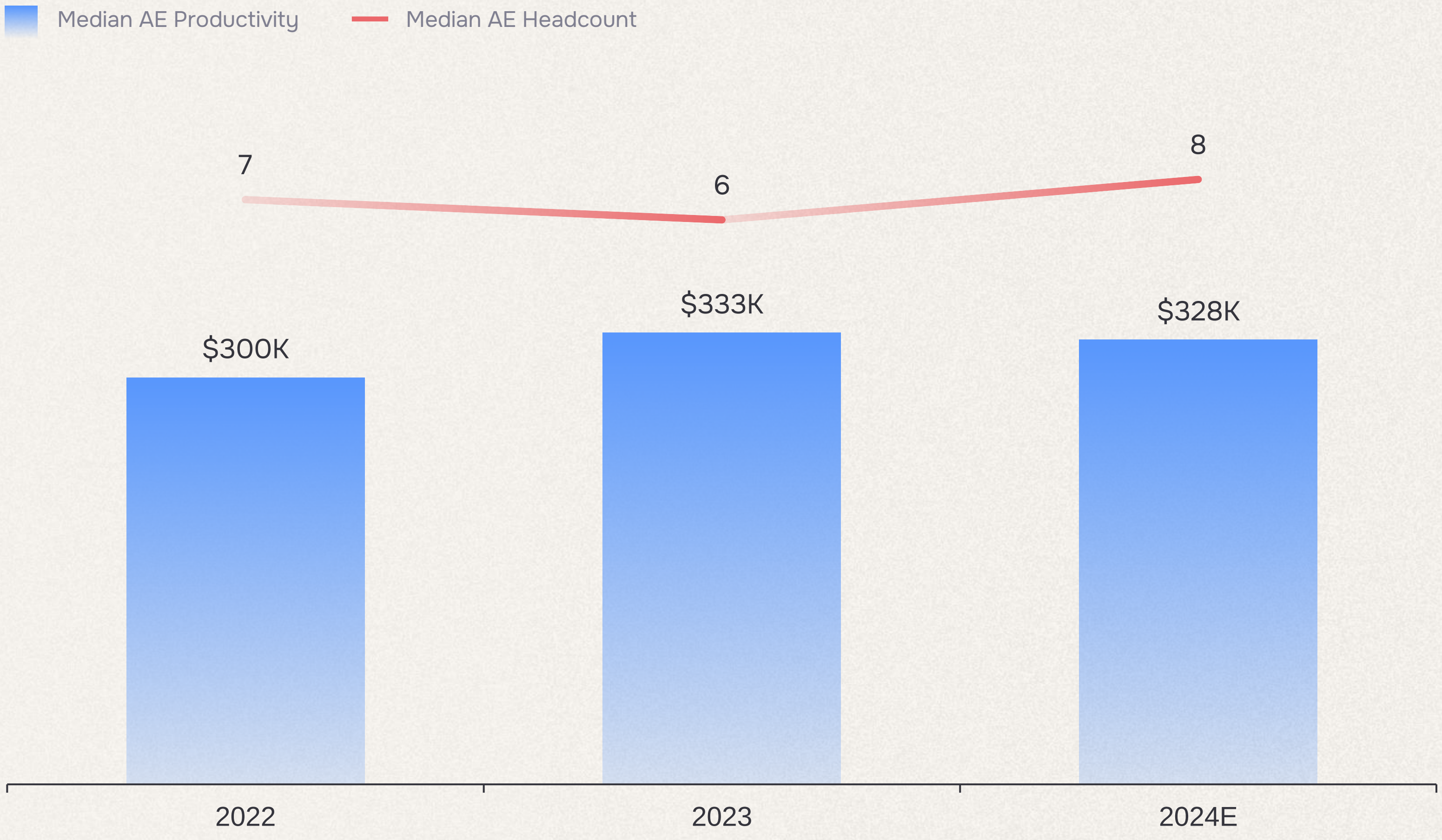

| | | SMB | Mid-Market | Enterprise | Overall |
|---|---|---|---|---|---|
| Account Executive** | Headcount | **8.4** | **3.8** | **3.8** | **6.0** |
| Business Development** | AE:BDR Ratio | **1.9** | **3.5** | **1.8** | **2.5** |
| Sales Engineer** | AE:SE Ratio | **2.9** | **2.9** | **1.8** | **2.5** |
| Customer Success Manager** | Book of Business | **$1.0M** | **$1.4M** | **$2.5M** | **$2.1M** |
| | # of Accounts | **100** | **25** | **13** | **22** |

Respondents: 63

• = Averages; ** = Medians
Note: All numbers are based on 2023 results

# Account Executive Productivity

## Median New ARR per Full-Time Account Executive




Respondents: 63

**Account Executives are expected to perform equally well in 2024 compared to 2023**

Companies are expecting continued, elevated performance from their salesforce to achieve their growth targets for 2024

The heightened pressure to perform is a result of companies looking to achieve more with less after conducting mass layoffs with their GTM departments last year

**Headcount additions indicate some optimism moving forward**

Many companies are expecting to increase their sales headcount this year in anticipation of a rebound in H2 2024 or 2025; however, they will still be monitoring AE productivity

**"Nominal improvements in sales productivity stem from reduced team sizes from 2022-23 downsizing, but going forward we expect AI to be a driver of additional efficiencies."**

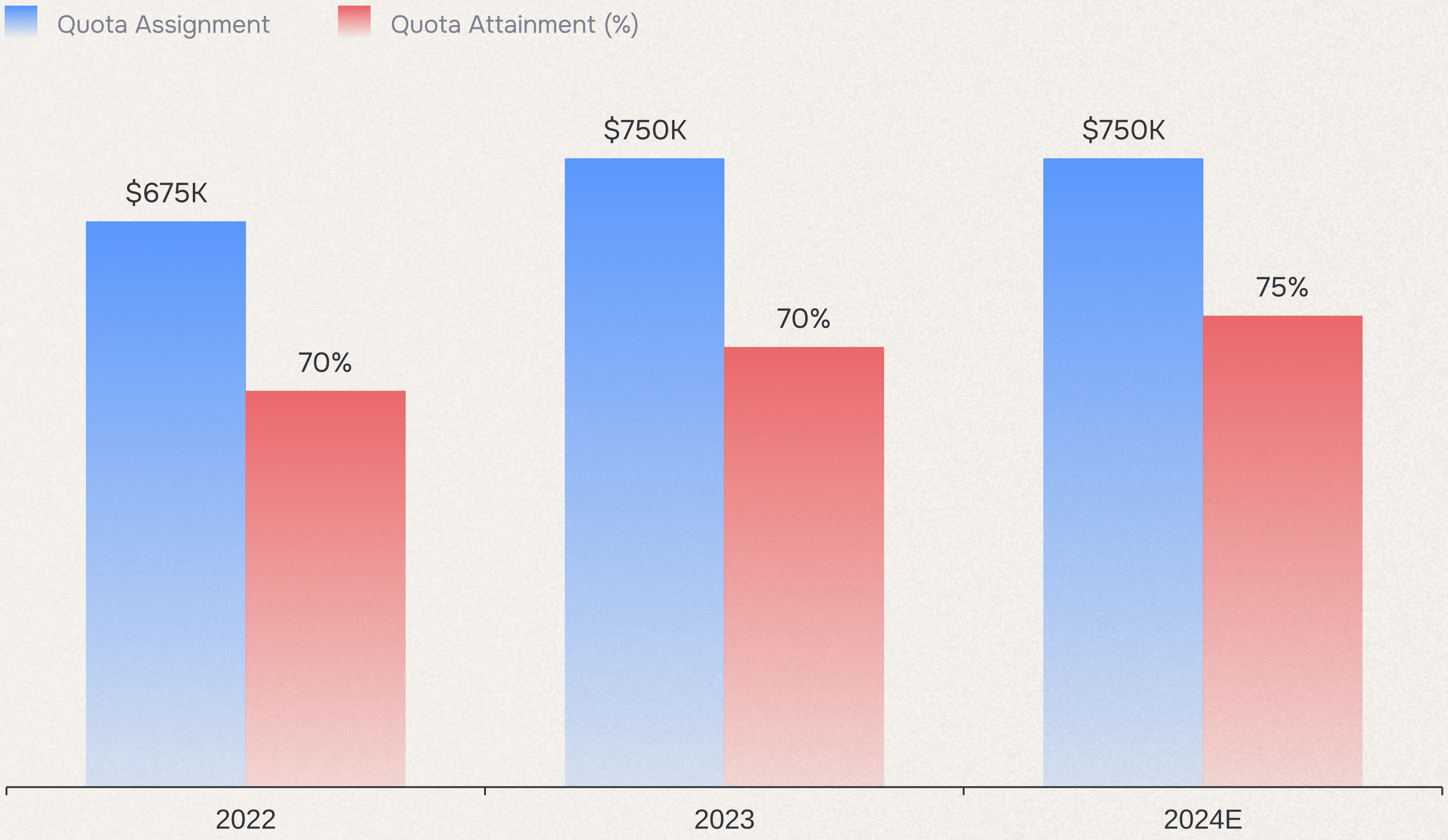
**Dave Wilner**

Operating Partner,
Sapphire Ventures

AE Productivity = (New Logo ARR + Expansion ARR) / # of Quota-Carrying AEs

# Sales Quota Assignments & Achievements

## Sales Quota Attainment Rates




Respondents: 55

**Significantly higher sales quotas with higher attainment rate expectations**

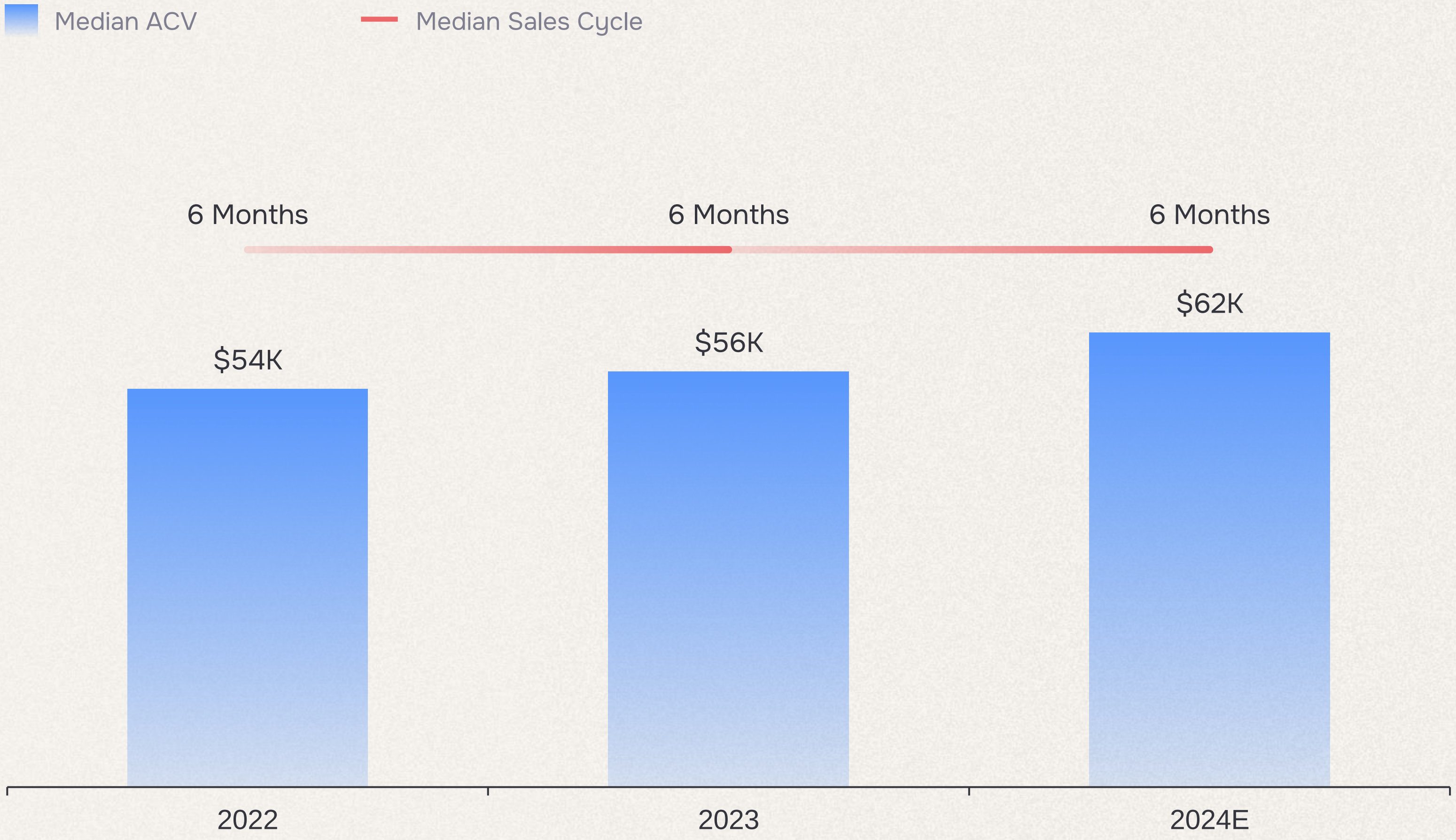
Companies have kept high quota expectations for AEs this year after setting a high bar in 2023; however, they have also increased quota attainment expectations for 2024

We believe this is most likely the result of companies needing to show increased efficiency with AEs and the expectation of a better macroeconomic environment in 2024

Note: Sales quota attainment figures based on fully-ramped, quota-carrying AEs

# Annual Contract Value & Sales Cycle Length

## Trending ACV & Sales Cycle Length




Respondents: 62

**Sales cycles continue to remain constant**

We are not seeing any noticeable trends with median sales cycle lengths remaining constant at ~6 months

**Consistent improvements with ACV**

Companies are seeing their median ACV increase YoY as they start to move upmarket and capture larger-sized customers

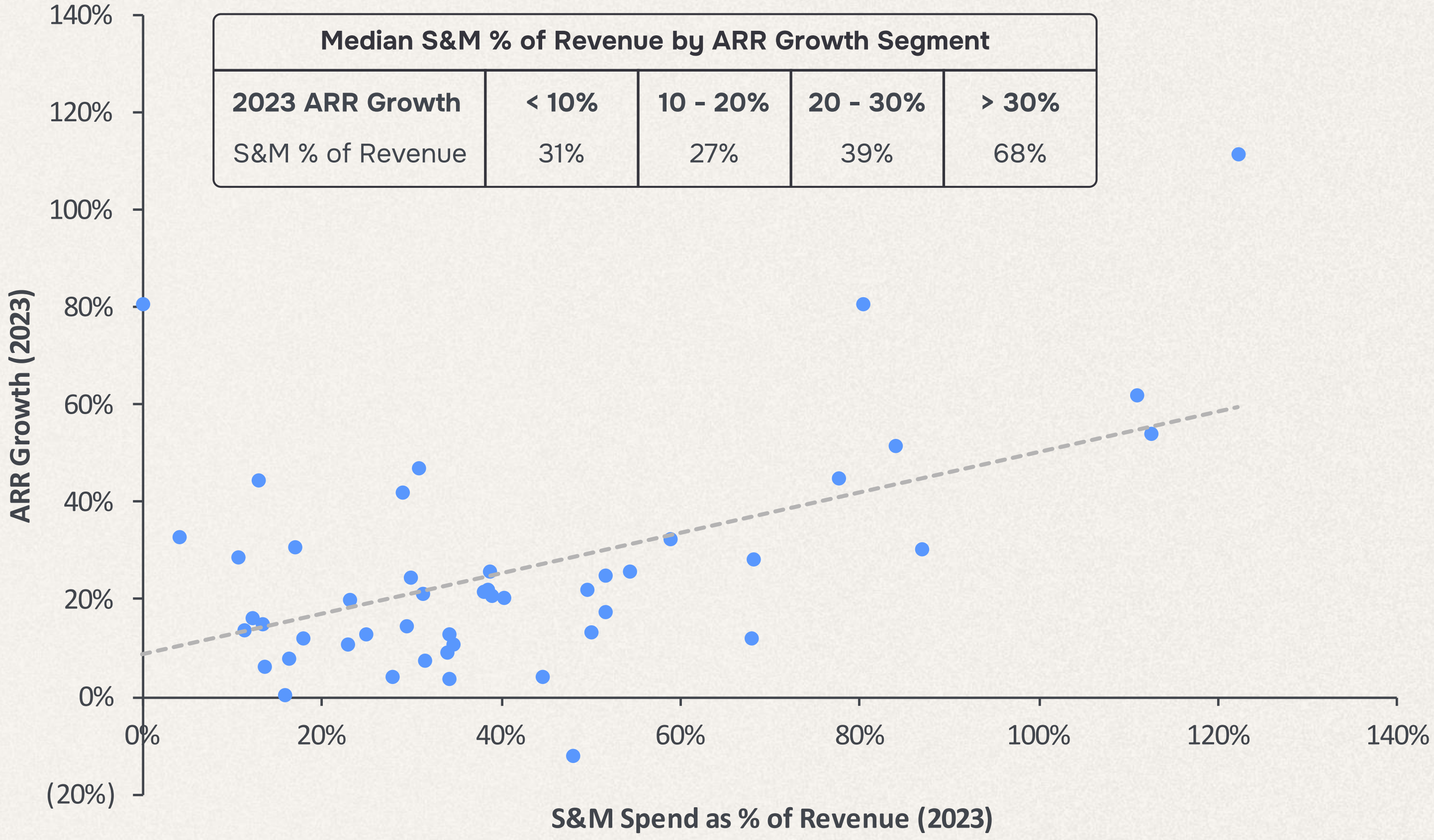
ACV = ARR / Total # of Customers

# Sales & Marketing Spend & ARR Growth

## S&M Spend vs. ARR Growth

**Median S&M % of Revenue by ARR Growth Segment**

| 2023 ARR Growth | < 10% | 10 - 20% | 20 - 30% | > 30% |
|---|---|---|---|---|
| S&M % of Revenue | 31% | 27% | 39% | 68% |



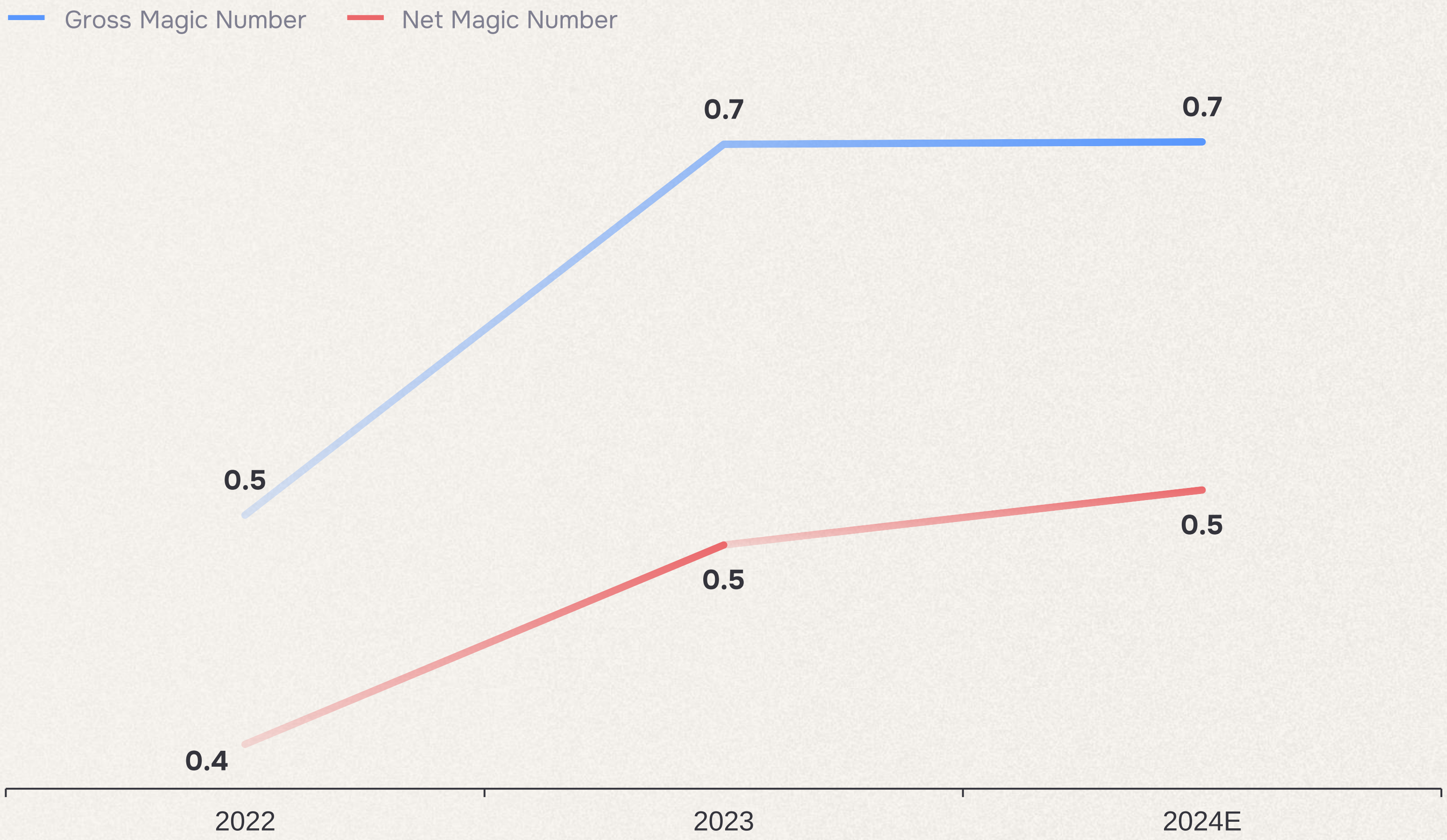

Respondents: 48

**More S&M spend as a % of revenue tends to translate into higher growth**

We can see a clear correlation between increased S&M spend (as a % of revenue) and improved growth rates once S&M spend exceeds 30%; however, there's mixed results once S&M spend drops below 30%

# Magic Numbers

## Median Magic Numbers




Respondents: 54

**Both gross and net magic numbers have remained relatively consistent in 2024**

We saw some major improvements to the magic numbers in 2023 and that is expected to remain in 2024

We believe this is primarily a result of companies focusing more on S&M efficiency, and we predict that there will be additional improvements once we start seeing a recovery with the broader macro environment

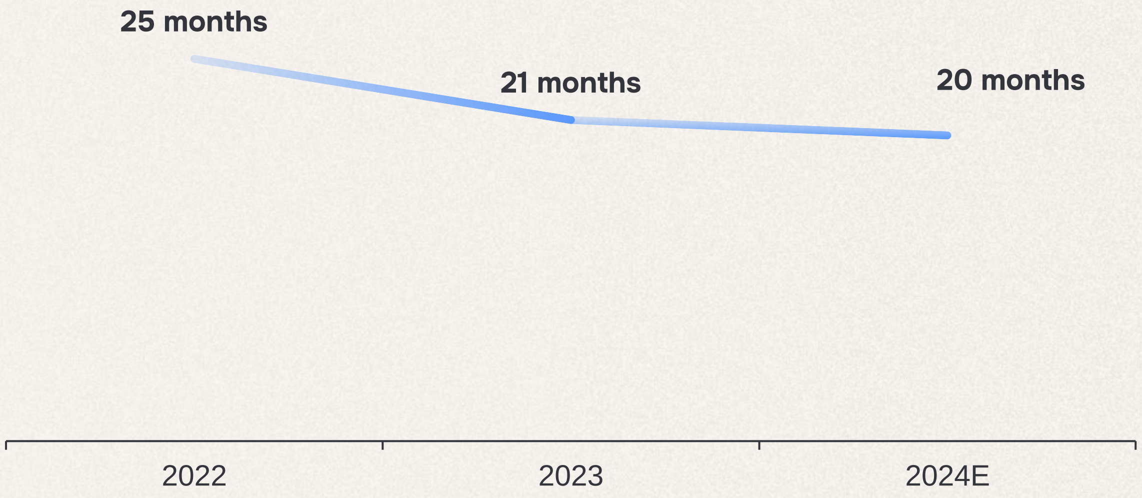
Gross Magic Number = (New Logo ARR + Expansion ARR) / Fully-Loaded S&M Spend
Net Magic Number = (New Logo ARR + Expansion ARR – Churned ARR) / Fully-Loaded S&M Spend

# Customer Acquisition Cost (CAC) & Payback Period

**Continued improvements with both fully-loaded and new-only payback periods**

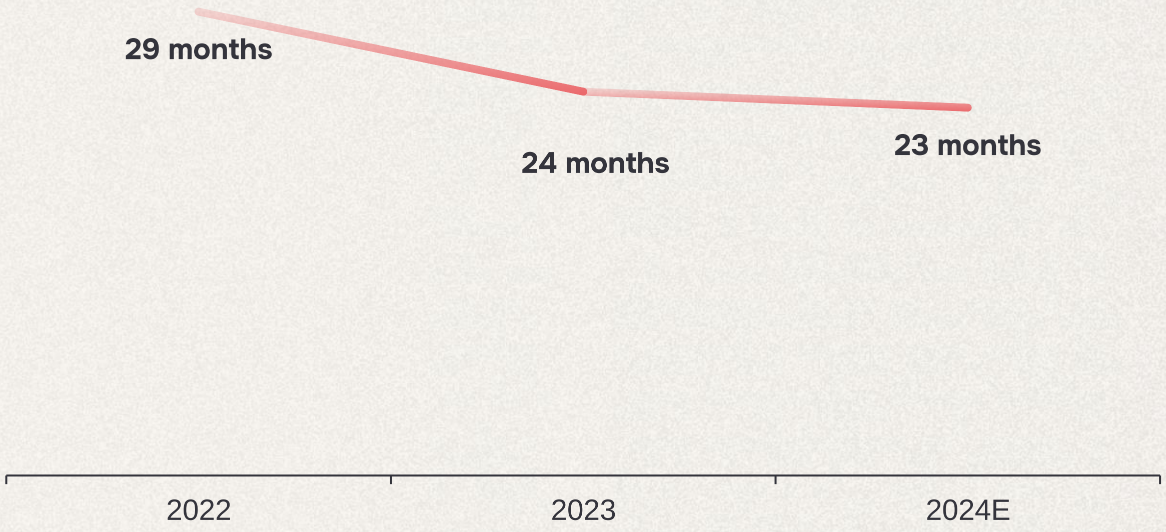
This broader trend is telling us that it has become less expensive to acquire net new customers and expand into the existing customer base in recent years, likely due to the shift in company priorities from growth at all costs in 2021 and 2022 to a more measured approach to customer acquisition in 2023 and 2024

## Fully-Loaded CAC Payback Period




Respondents: 47

## New-Only CAC Payback Period



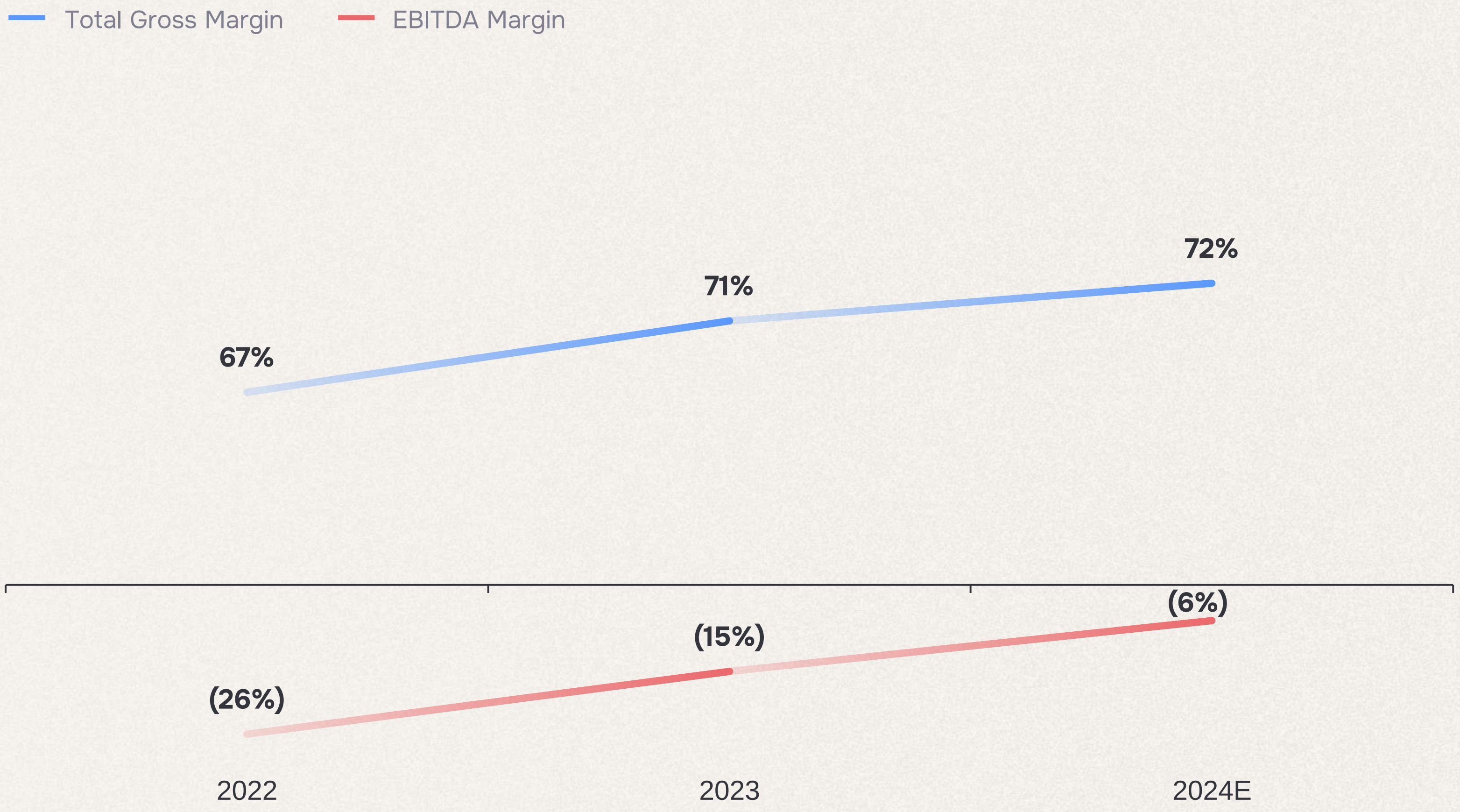

Respondents: 47

Fully-Loaded CAC = S&M Spend / (New Logo ARR + Expansion ARR) * Gross Margin / 12
New-Only CAC = New Customer S&M Spend / (New Logo ARR) * Gross Margin / 12

# Expenses & Profitability

# Profitability Metrics

## Median Gross Margins and EBITDA Margins (% of Revenue)




Respondents: 52

**Improvements across profitability metrics signal a shift in priorities**

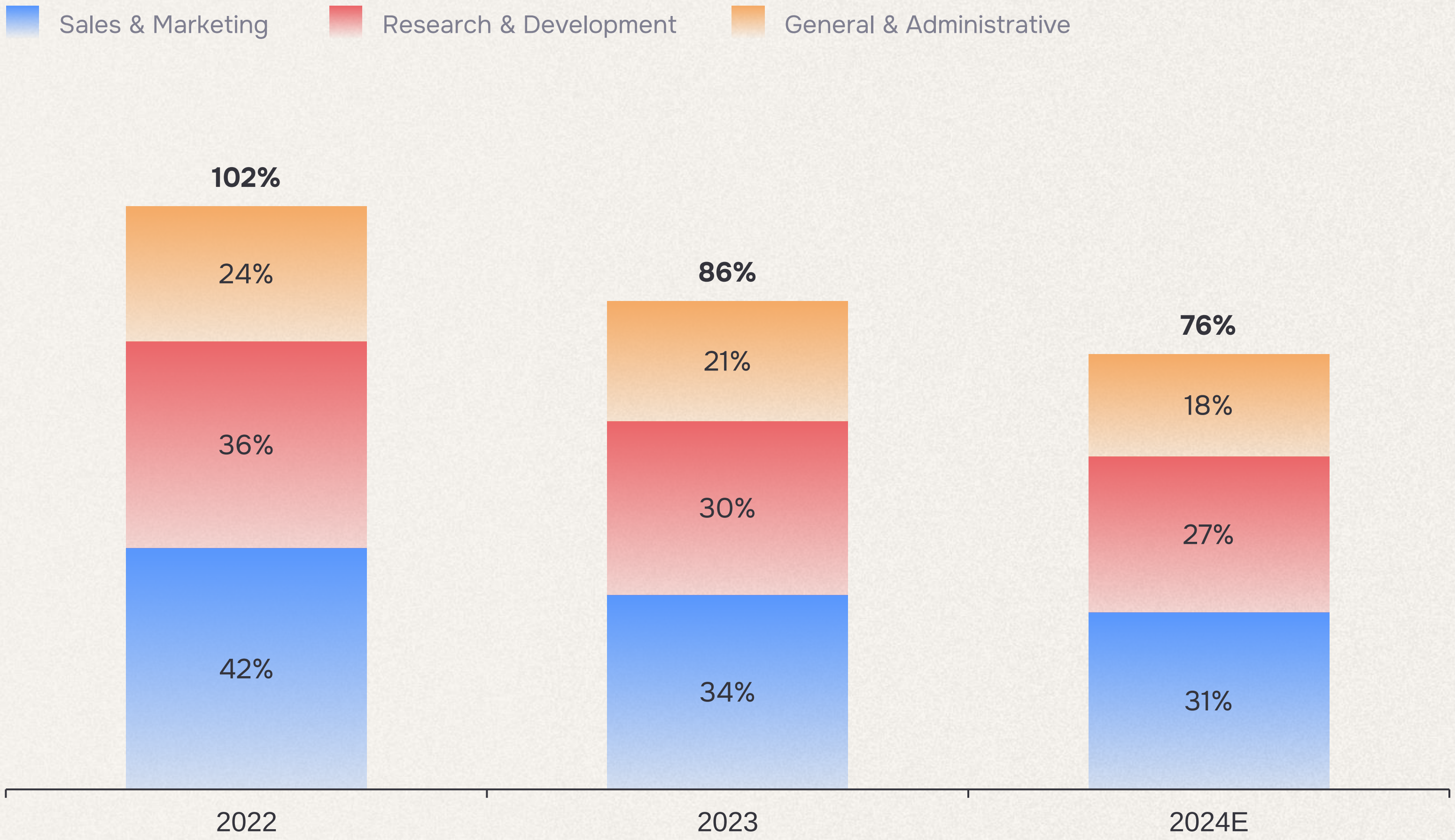
Profitability metrics saw a significant improvement in 2023, with an equally impressive improvement expected in 2024, as companies continue to shift their priorities from a growth-at-all-costs strategy to efficiency and profitability

**Subscription gross margins are better than total gross margins**

Median subscription gross margin was ~78%, while median total gross margin was ~71%, indicating an ~7% spread by revenue type

# Operating Expenses

## Median Expenses as % of Revenue




Respondents: 55

**Budget cuts expected to persist in 2024, although AI trends necessitate additional spend going forward**

We expect to see all major departments somewhat equally impacted this year after significant cuts were experienced by S&M and R&D teams in 2023

We will continue to see a focus on efficiency in 2024, but for both AI-first companies and traditional SaaS companies adding AI co-pilot technology, we expect to see increased spending on the margin in pursuit of growth and leadership positioning

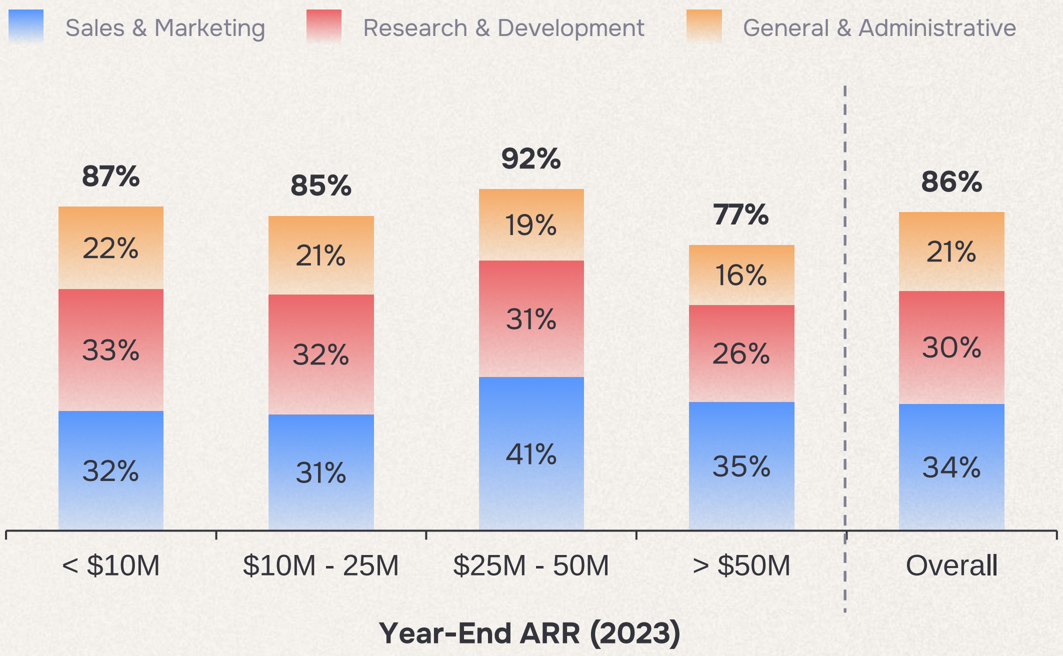
# Operating Expenses (cont'd)

**Larger companies remain more focused on profitability vs. smaller, higher-growth companies**

We can see that smaller companies with <$50M ARR still have an appetite for growth to achieve the benefits of scale and are less focused on profitability, which is demonstrated by their openness to incurring higher operating expenses as a % of revenue

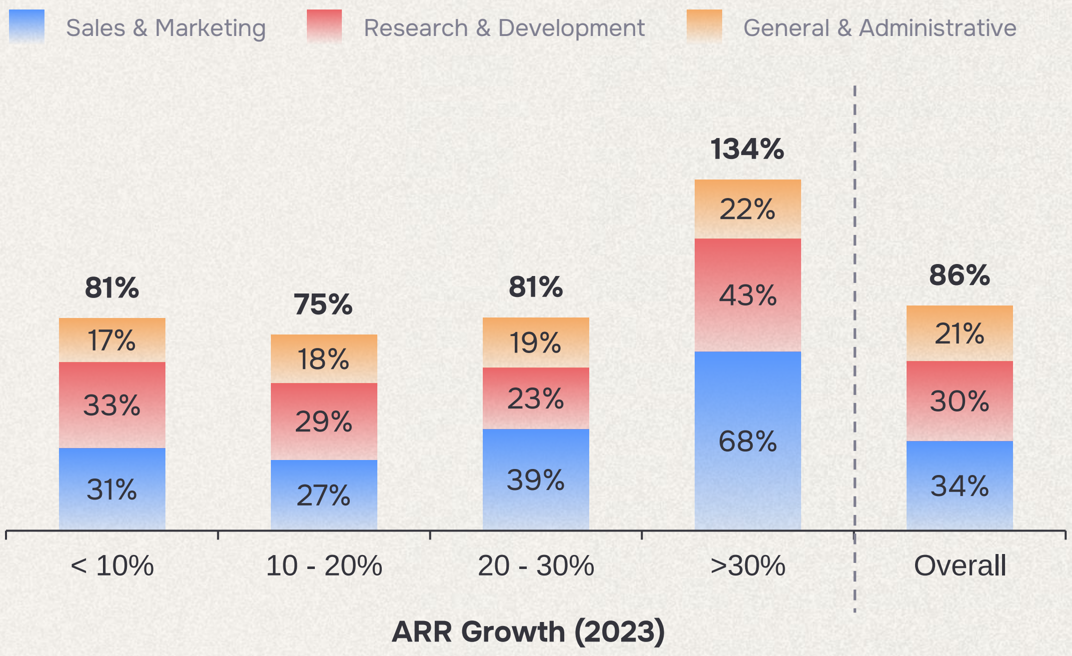
Larger-sized companies with >$50M ARR seem to be taking a different approach and are willing to sacrifice growth for higher profitability

## Median Expenses as % of Revenue by ARR Segment




Respondents: 55

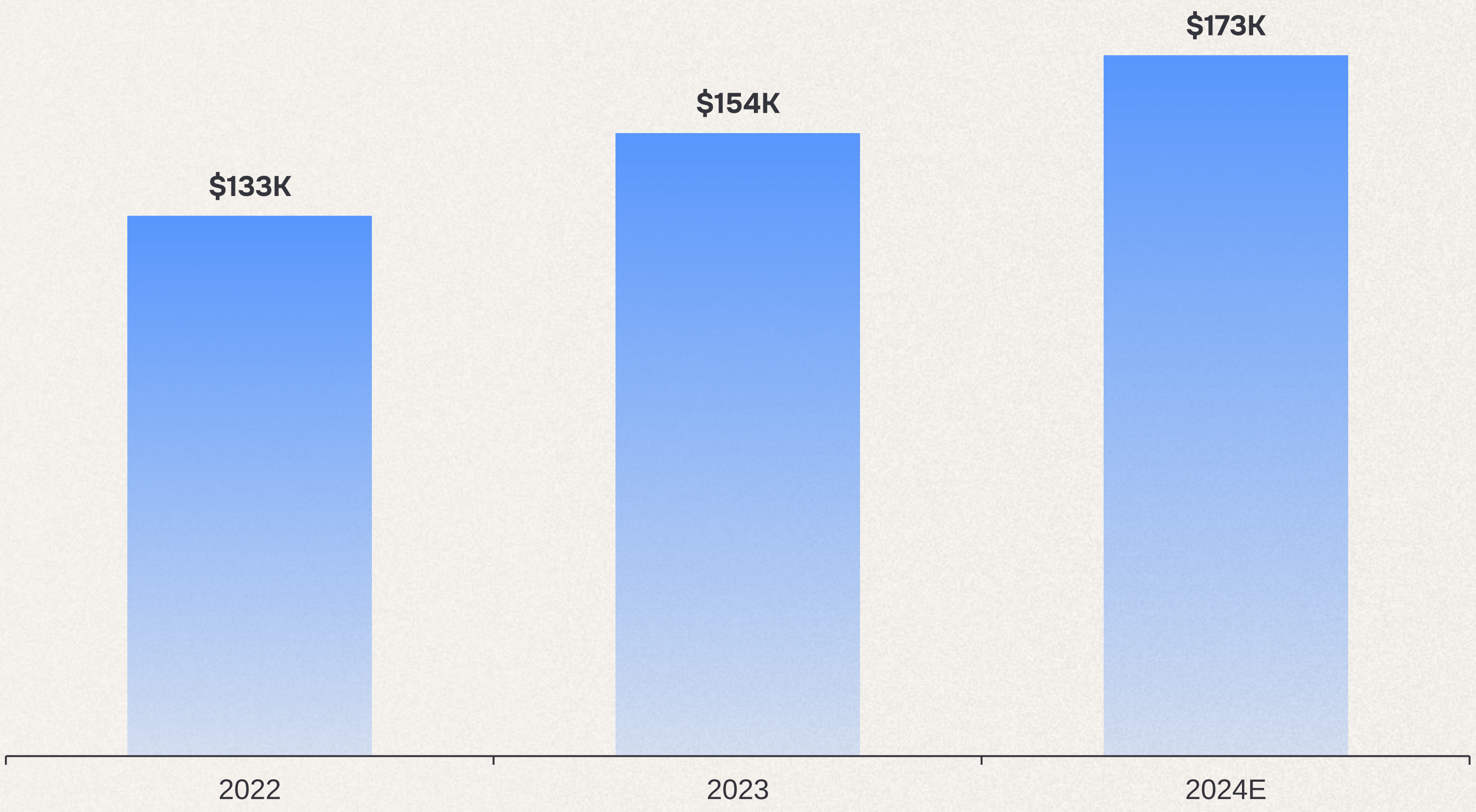
## Median Expenses as % of Revenue by ARR Growth




Respondents: 55

# Human Capital Efficiency

## Median ARR per Full-Time Employee




Respondents: 53

**Human capital efficiency is becoming an increasingly important metric**

Boards are guiding management teams to achieve certain benchmarks by optimizing headcount and moving functions, such as engineering and customer success to lower-cost geographies (ex. India)

**Steady increases in the ARR / FTE metric in most recent years**

We expect this trend to continue in 2024 as companies continue to focus on getting more output with fewer resources

Both 2023 and 2024 show notable improvements to the ARR/FTE metric, which is a direct result of the recent headcount restructurings and reductions

# Human Capital Efficiency (cont'd)

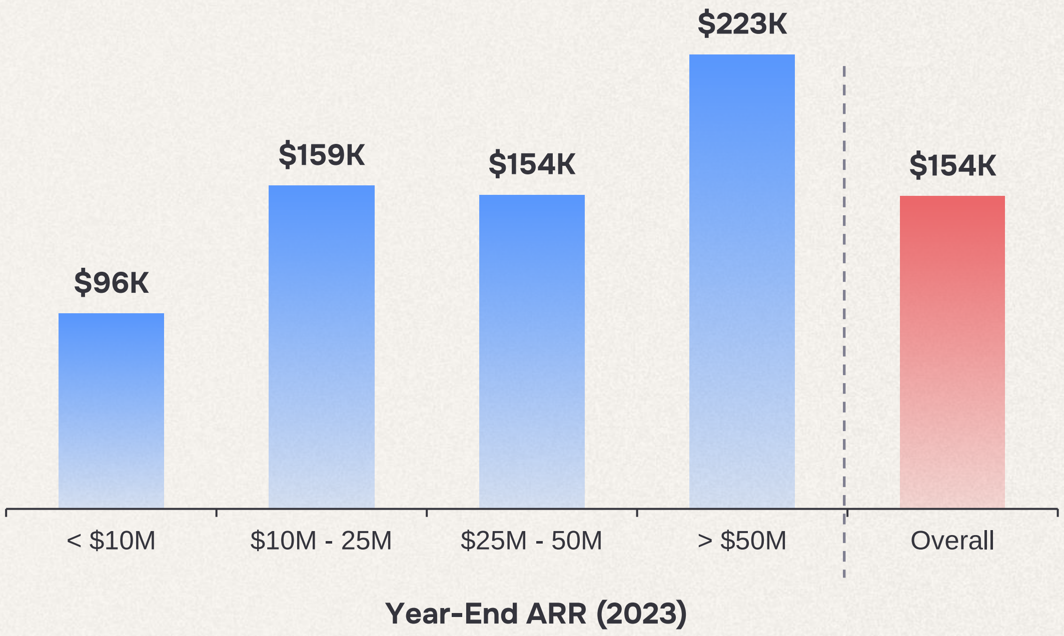
**Companies tend to become more efficient as they scale**

Improvements to human capital efficiency seems to occur once companies surpass $10M ARR and $50M ARR thresholds

**Major ARR / FTE variations exist across ARR growth segments**

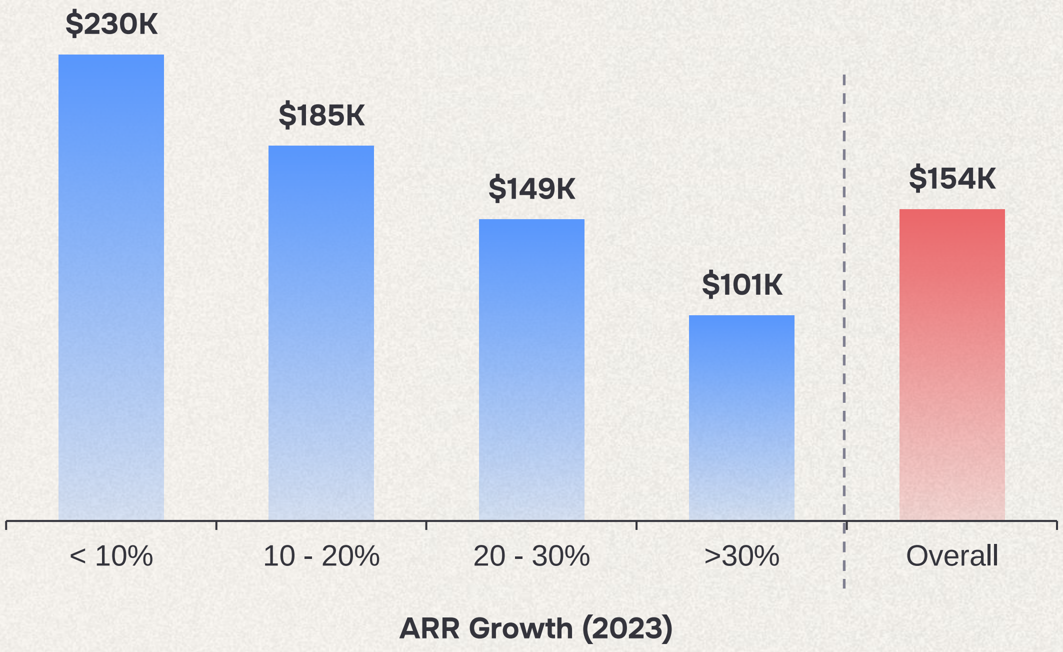
As companies pursue growth, they seem to be much less human capital efficient compared to lower growth businesses by a wide margin

## Median ARR per FTE by ARR Segment




Respondents: 53

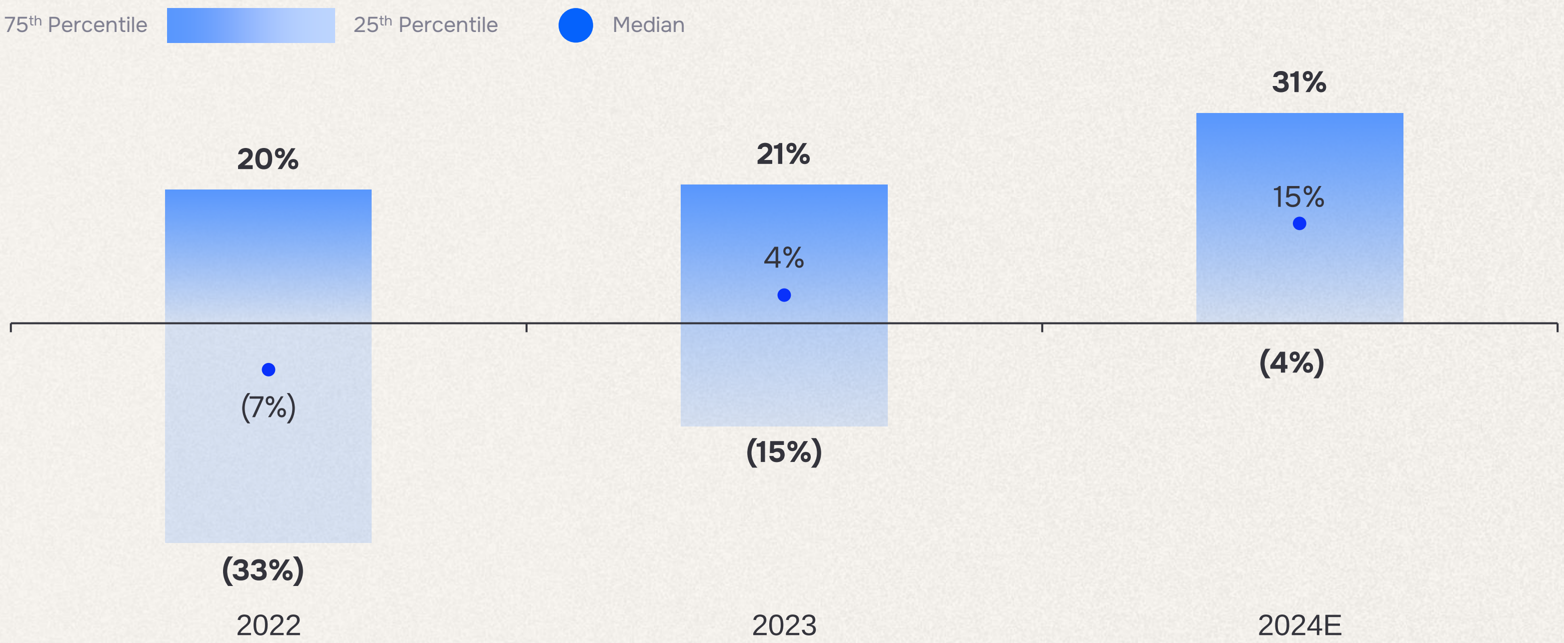
## Median ARR per FTE by ARR Growth




Respondents: 53

# Rule of 40 Performance

## Median Rule of 40 Results




| | 2022 | 2023 | 2024E |
|---|---|---|---|
| **Median ARR Growth** | 22% | 21% | 19% |
| **Median EBITDA Margin** | (26%) | (15%) | (6%) |
| **% Met or Exceeded Rule of 40** | 13% | 13% | 11% |

Respondents: 46

**Rule of 40 benchmarking is showing some signs of improvement**

While few companies in the data set are expected to achieve or exceed the Rule of 40 this year, many of them have improved their financial profiles

Compared to prior years, when many companies were below the Rule of 40, now they're getting closer to it, primarily due to EBITDA margin improvements

# Financing & Valuation

# Cash Runway & Capital Raise Requirements

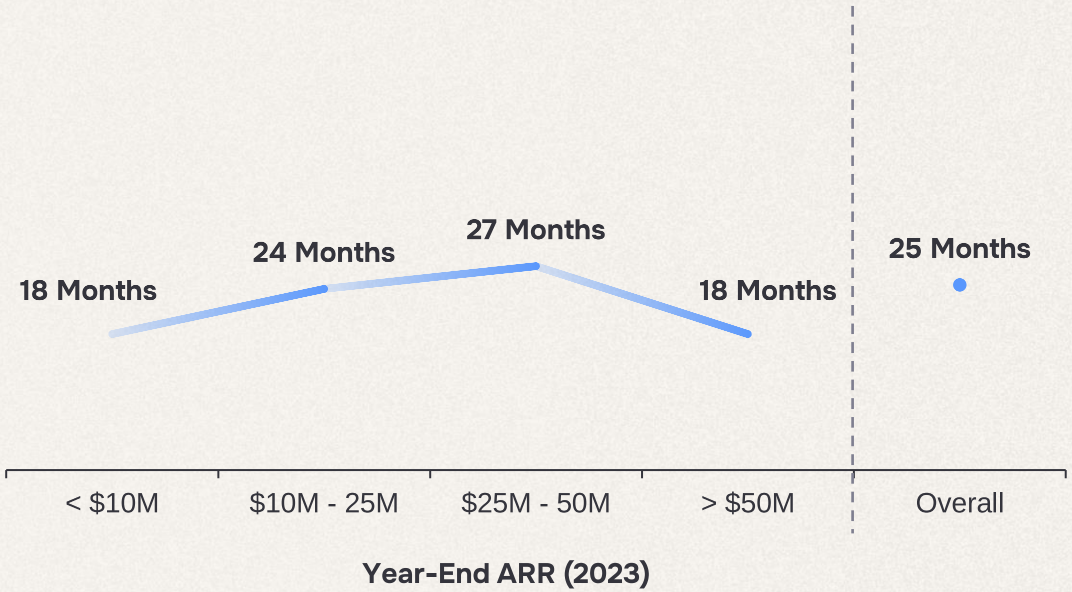
**Both smaller-sized and larger-sized companies in the <$10M ARR or >$50M ARR segments are at a crossroads**

These segments of the market have the lowest level of cash runway and will soon need to decide if they need to come to market for additional capital or pursue M&A, unless they can create a profitable, self-sustainable business model to further extend their runway

**No discernable trends are seen based on companies ARR growth profile**

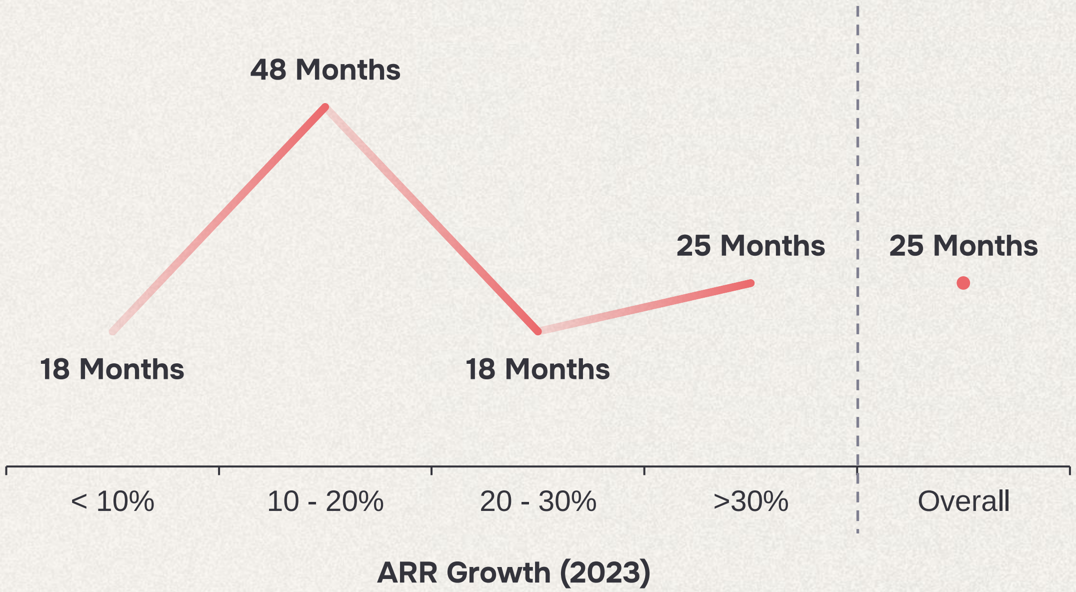
Growth does not seem to be an indicator of cash runway, with the 10-20% growth bucket having the most flexibility at ~48 months

## Cash Runway by ARR Segment




Respondents: 30

## Cash Runway by ARR Growth



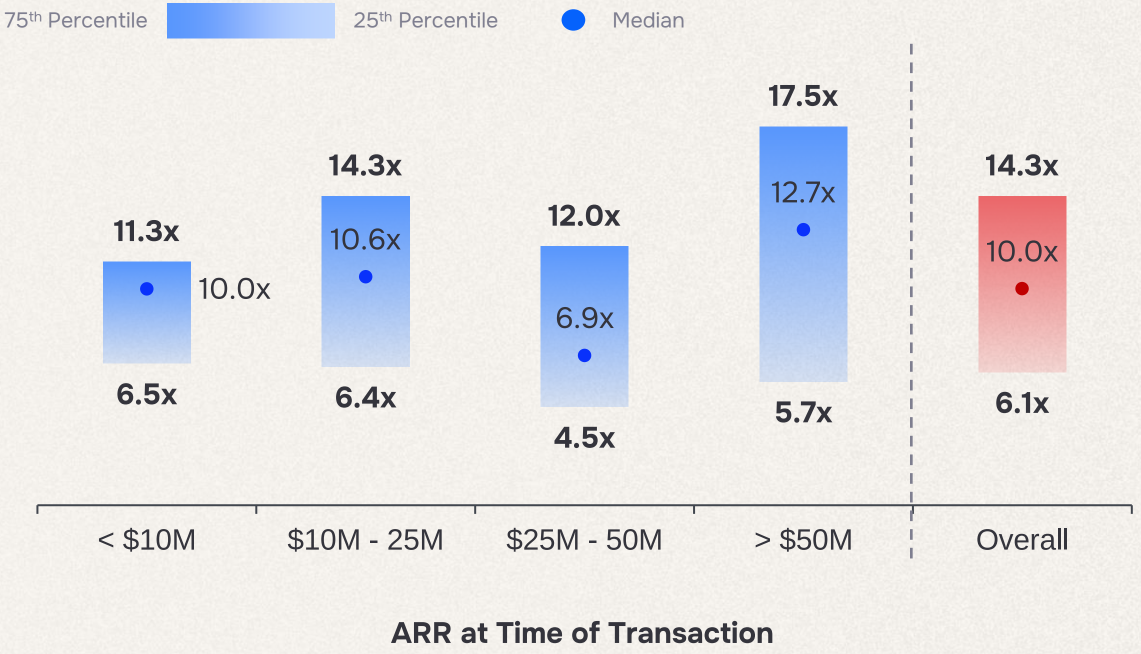

Respondents: 30

# Valuation by ARR and ARR Growth at Time of Last Transaction

**Private market financing activity and multiples continue to show strength with ~50% of all VC capital being invested into AI and AI-related technology**

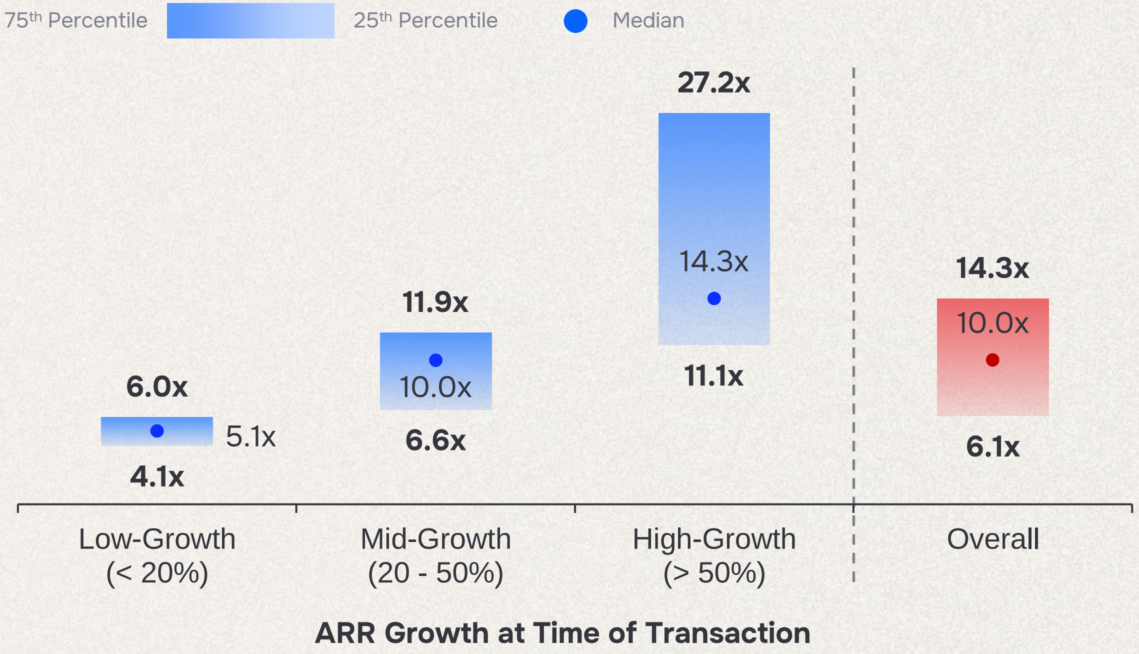
**Lower growers (<20%) have seen private market multiples compress towards normalized public market multiples,** while higher growers (>50%) have been more resilient, still commanding super-premium multiples of ~15x ARR

## Pre-Money Valuation by ARR Segment



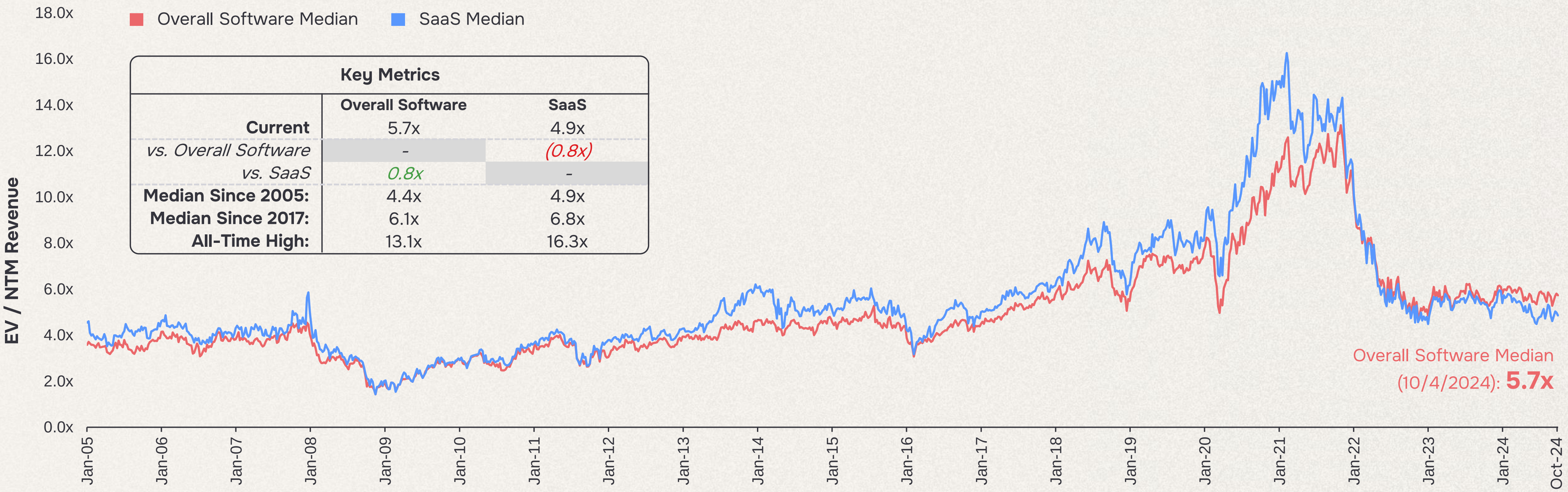

Respondents: 49

## Pre-Money Valuation by ARR Growth




Respondents: 47

# Median Public Software EV / NTM Revenue Multiples since 2005

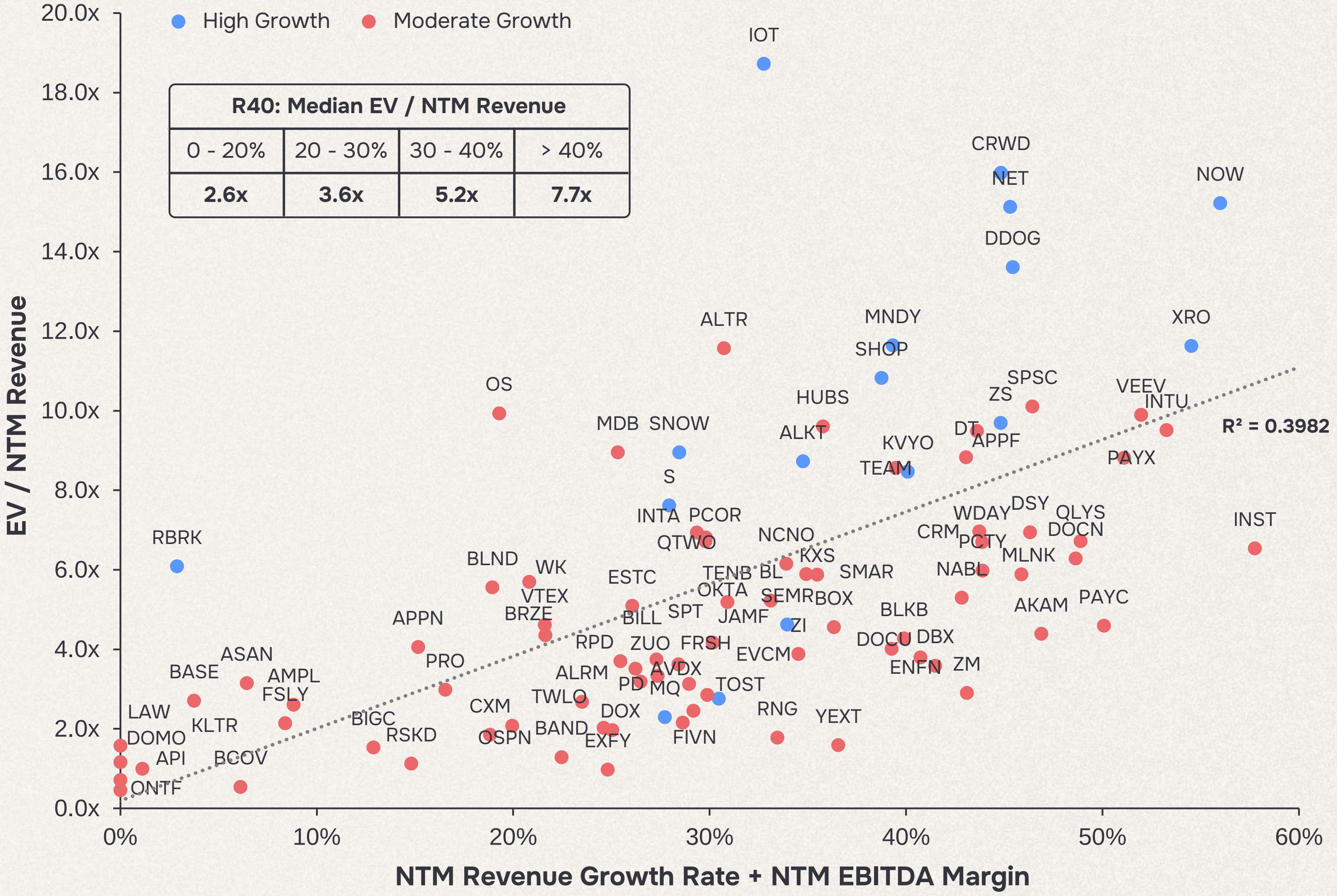



**Key Metrics**

| | Overall Software | SaaS |
|---|---|---|
| **Current** | 5.7x | 4.9x |
| *vs. Overall Software* | - | *(0.8x)* |
| *vs. SaaS* | *0.8x* | - |
| **Median Since 2005:** | 4.4x | 4.9x |
| **Median Since 2017:** | 6.1x | 6.8x |
| **All-Time High:** | 13.1x | 16.3x |

Source: Capital IQ as of market close on 10/4/2024; represents median NTM consensus estimates
Note: Software universe is equally-weighted and includes the following (when each was publicly traded):ADBE, ADSK, AI, AKAM, ALKT, ALRM, ALTR, AMBR, AMPL, ANET, ANSS, API, APPF, APPN, APTI, ASAN, ATHN, AVDX, AYX, BAND, BASE, BCOV, BIGC, BILL, BL, BLKB, BLND, BNFT, BOX, BRZE, BSY, BV, CALD, CARB, CBLK, CDNS, CFLT, CHKP, CISN, CLDR, CNQR, CNVO, COVS, CRM, CRWD, CSLT, CSOD, CTCT, CVLT, CVT, CXM, CYBR, DBX, DDOG, DMAN, DOCN, DOCU, DOMO, DOX, DSY, DT, DWRE, ELLI, ELOQ, ENFN, ESTC, ET, ETWO, EVBG, EVCM, EXFY, FICO, FIVN, FLTX, FORG, FROG, FRSH, FSLY, FTNT, GEN, GTLB, GWRE, HCP, HGN, HUBS, INST, INTA, INTU, IOT, JAMF, JIVE, KLTR, KNXA, KVYO, KXS, LAW, LOGM, MANH, MB, MCFE, MDB, MIME, MKTG, MKTO, MLNK, MNDY, MODN, MQ, MSFT, MSTR, MULE, N, NABL, NCNO, NET, NEWR, NOW, OKTA, OMTR, ONTF, OPWR, ORCL, OS, OSPN, OTEX, PANW, PATH, PAYC, PAYX, PCOR, PCTY, PD, PEGA, PFPT, PFWD, PLAN, PLTR, PRGS, PRO, PS, PSTG, PTC, PVTL, PWSC, PYCR, QLYS, QTWO, RALY, RBRK, RNG, RNOW, RP, RPD, RSKD, S, SAP, SCWX, SEMR, SEND, SFSF, SHOP, SLRY, SMAR, SNOW, SNPS, SOW, SPSC, SPT, SQI, SUMO, SWI, TDC, TEAM, TENB, TLEO, TOST, TWLO, TWOU, TXTR, ULTI, VEEV, VMW, VOCS, VRNS, VRSN, VTEX, WDAY, WK, WKME, WORK, WTC, XM, XRO, XTLY, YDLE, YEXT, ZI, ZM, ZS, ZUO

# Rule of 40 – Public Companies




| R40: Median EV / NTM Revenue | | | |
|---|---|---|---|
| 0 - 20% | 20 - 30% | 30 - 40% | > 40% |
| **2.6x** | **3.6x** | **5.2x** | **7.7x** |

**Public companies fared better when it came to Rule of 40**

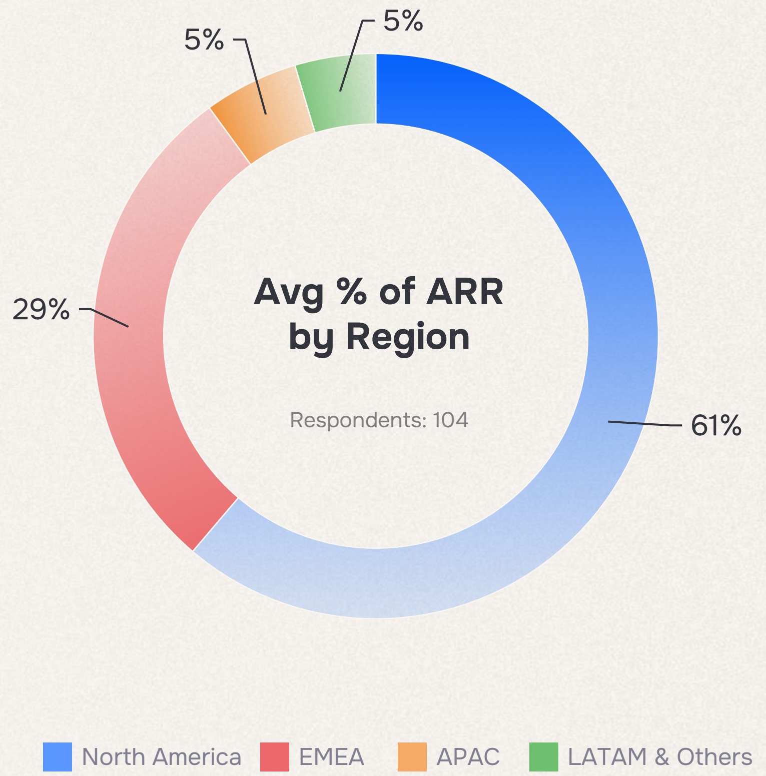
In addition to greater economies of scale, these companies are constantly being held under public scrutiny by investors relative to private companies

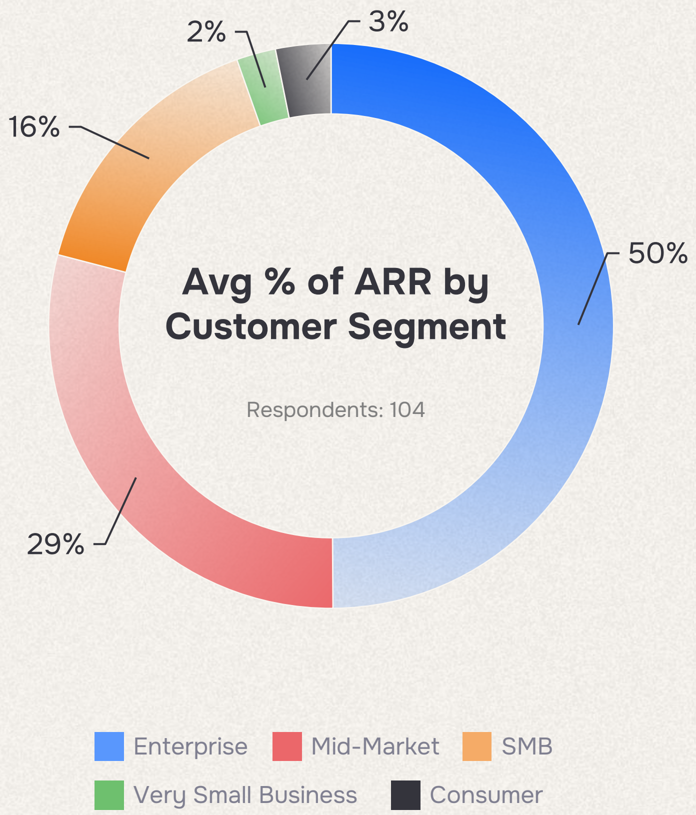
This has forced public companies to take a prudent approach to managing growth and profitability with ~30% of public companies meeting or exceeding the Rule of 40

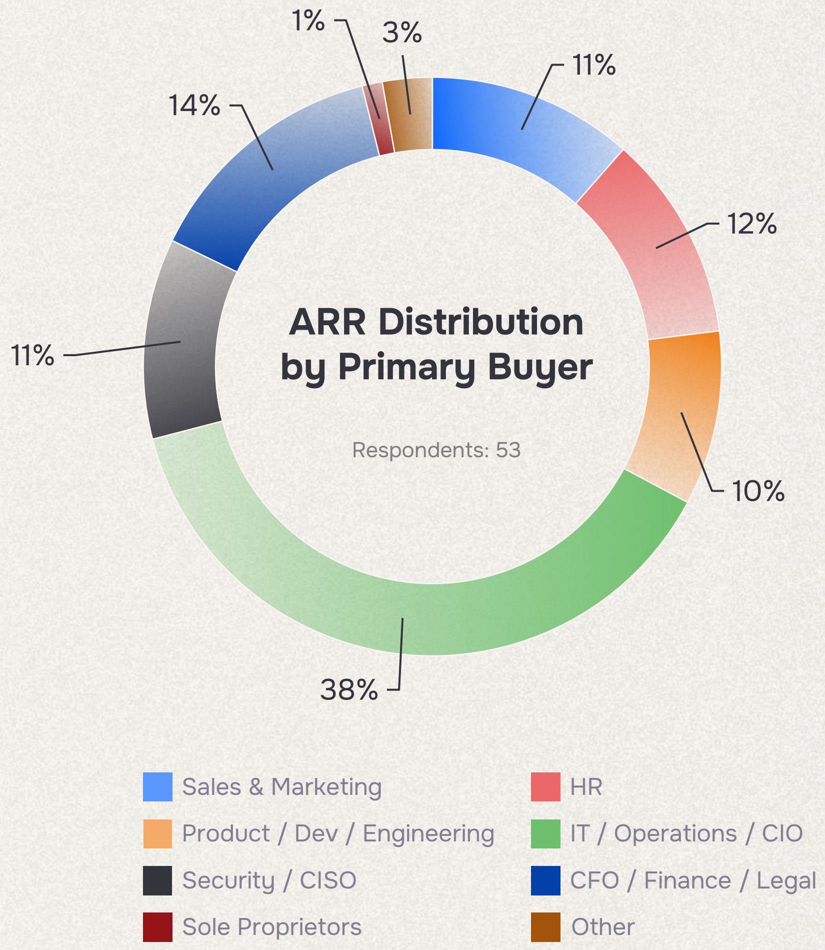
Source: Capital IQ as of market close on 10/4/2024; represents median NTM consensus estimates
Note: "High Growth" defined as companies with NTM Revenue Growth Rate >20%

# Additional Performance Metrics

# ARR Distribution by End Market



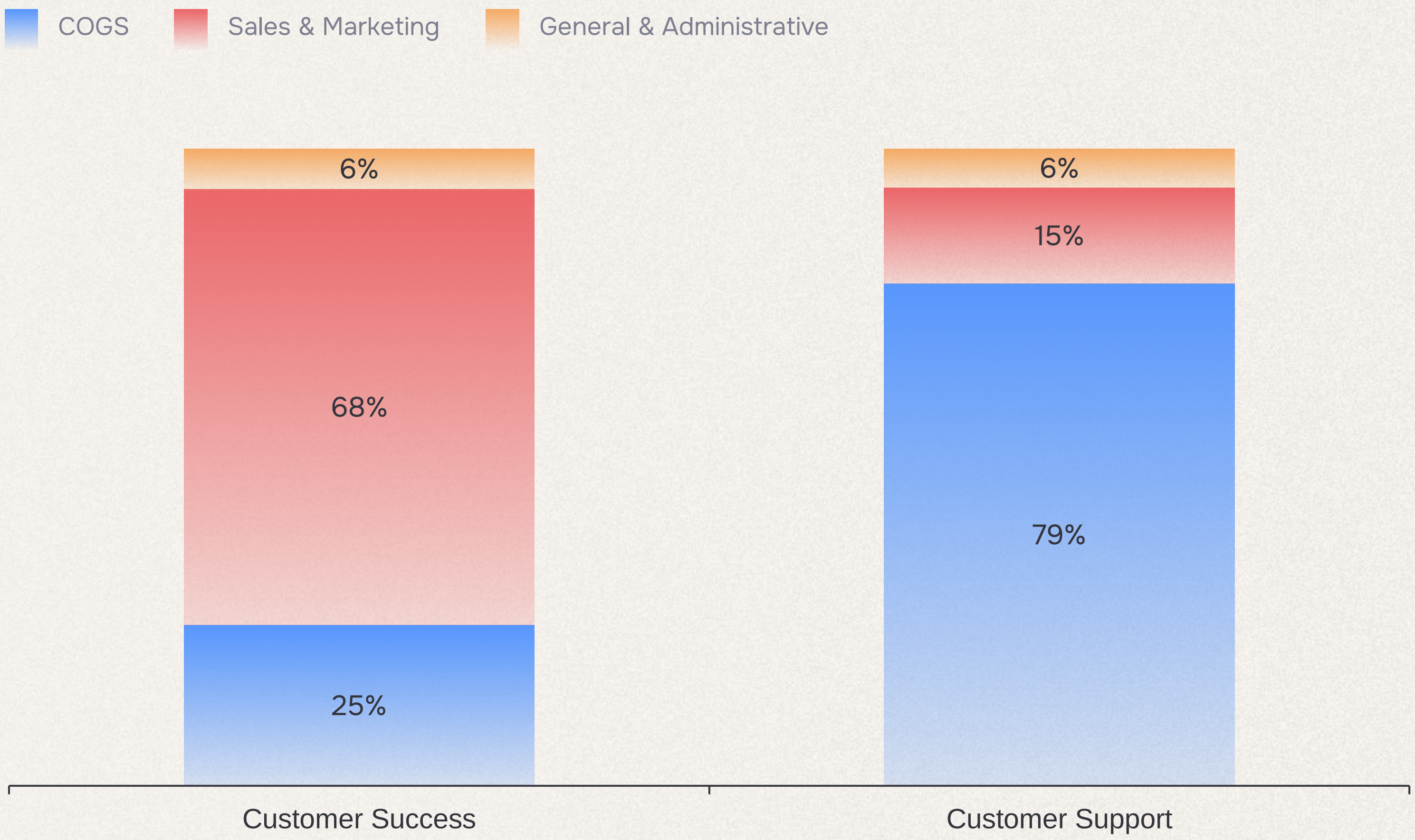




Note: ARR numbers based on 2023 ARR

# Customer Success & Support Expenses

## Customer Success & Support Expense Distribution by Cost Center




Respondents: 53

**Customer support is directly attributable to COGS** with ~80% of this expense going to the COGS cost center

**There's approximately a 2:1 to 3:1 ratio of cost distribution** between S&M and COGS for customer success departments

Note: "Customer Success" represents expenses related to renewals and upsells; "Customer Support" represents expenses related to customer service and product assistance

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