

The SDR Efficiency Model

Key Assumptions for Total Cost per Purchased Contact In an SDR Outreach Model

Total # of contacts sourced (a) @ total invoice cost of (x) \$

Total # of contacts consumed per SDR per month (b)

Total # of contacts consumed per SDR per quarter (c)

I will need (d) = a / b # of SDRs to consume all my sourced contacts within a quarter

Considering the cost of a fully loaded SDR per quarter is \$, my total SDR cost/quarter (y) = d * \$

i.e.

for every (a) contacts sourced, my additional incurred cost to consume them is = \$ y

My total actual cost for (a) contacts = \$ x + \$ y

The SDR Efficiency Model

Applying The SDR Efficiency Model

For every SDR I reduce in the system, I can save \$ /quarter

Also, I will consume fewer contacts per quarter

NOTE

You introduce efficiency in the system by improving your rate of Sales Qualified Lead (SQL) generation with a more relevant contact database.

Working backwards from the # of SQLs you need per quarter, you improve the **Lead Qualification Rate** with high quality and better qualified contacts:

- ✔ Purchase fewer, better qualified, TAM based contacts. You'll need fewer SDRs to consume them and produce the same # of SQLs
- ✔ Your cost-per-record may increase due to higher quality, more useful, data. However, your Total Actual Cost (Total Invoice Cost+Total SDR Cost) to work those records will be reduced.

Optimize your lead qualification process, reduce sourced contacts, subtract SDRs as necessary.