

QUARTERLY PERFORMANCE ANALYSIS

Q4 2025 | Internal Document | Confidential

This report summarizes Q4 2025 performance. Data compiled from various sources including sales CRM, financial reports, and team feedback. Some figures may be preliminary and subject to revision. Last updated: Jan 14, 2026 @ 11:47 PM

Executive Summary (DRAFT - NOT FINAL)

Q4 saw significant market challenges, particularly in EMEA region. Revenue growth was 6.2% YoY but only 2.1% QoQ. This is concerning given market conditions. We need to review strategy asap. John mentioned this in last meeting.

Key Metrics:

- Total Revenue: \$5.2M (was expecting \$5.8M - MISSED TARGET)
- Customer churn: 12% (slightly up from 10.5% in Q3)
- New customer acquisition: 87 accounts (down from 112 in Q3)
- Sales team size increased to 24 FTE (was 18 in Q2)
- Avg deal size: \$59.7K (up from \$54.2K)

REGIONAL BREAKDOWN

North America: \$2.3M (+15% YoY) - This is our strength

Sub-regions:

- East Coast: \$1.1M
- West Coast: \$0.9M
- Central: \$0.3M (struggling)

Europe: \$1.8M (-8% YoY) URGENT ISSUE

Germany: \$0.6M (was \$0.7M)

UK: \$0.5M

France: \$0.4M

Other: \$0.3M

[NOTE: Spanish office data missing - still waiting on Maria's report]

APAC: \$1.1M (various issues)

- Australia performing well: \$0.5M
- Japan stagnant: \$0.4M
- Southeast Asia: \$0.2M (new market, high potential)

SALES TEAM PERFORMANCE

Team restructured in Oct - divided into Enterprise, SMB, Startup verticals

Enterprise (VP: Robert):

- 5 sales reps | 3 SDRs
- Closed deals: 12 (avg \$180K)
- Pipeline: \$4.2M (likely to close ~\$2.1M)
- Note: One rep (Mike) underperforming - needs PIP?

SMB (Manager: Sarah):

- 8 reps | 5 SDRs
- Closed deals: 45 (avg \$65K)

- Pipeline: \$2.8M
- Performance uneven - some reps at \$800K/year, others at \$400K

Startup (Manager: Chen): NEW VERTICAL

- 4 reps | 2 SDRs
- Closed deals: 30 (avg \$28K)
- Pipeline: \$1.5M
- High volume, low deal size - sustainable?

POLICY & ORGANIZATIONAL CHANGES

New commission structure effective Oct 1:

- Increased base from \$55K to \$60K
- Commission rate: 8% (was 6%)
- Accelerators for 150%+ of quota
- Clawback clause if customer churns within 12mo

Impact: Payroll increased ~9%, but sales velocity up 14%

Is this sustainable long-term? CFO concerned about margins.

New CRM system (Salesforce) rollout in Nov - 2 weeks late due to migration issues

Data quality issues persist. ~15% of opportunities lack clear close dates

Training: Minimal (1 hr session) - many reps not using it correctly yet

MARKET CONDITIONS & COMPETITION

3 new competitors entered market in Q4:

1. TechStart Solutions (aggressive pricing, \$500K seed funding)
2. CloudPro Analytics (focusing on Enterprise, backed by VC)
3. DataFlow Systems (cheaper alternative, targeting SMB/Startup)

Pricing pressure increasing - had to discount 8 deals (avg 20% off)

Some customers renegotiating contracts. Lost 1 mid-market account to TechStart.

Market size est. \$500M globally (growing ~20% YoY)

Our market share: ~1.04% (was 0.95% in Q3)

RISKS & CONCERNS

1. Churn rate increasing - need root cause analysis
2. Deal velocity slowing in Q4 (holiday season effect?)
3. New team members (6 hires) still ramping - 3mo to full productivity
4. Sales enablement materials outdated
5. Comp structure complex - errors in payroll last month (fix pending)
6. EMEA region needs strategic review ASAP

TODO / ACTION ITEMS:

- [] Review EMEA strategy - assign owner (Robert?)
- [] Root cause analysis on churn - Hannah (customer success)
- [] Update sales enablement deck
- [] CRM training session #2 (Jan 20)
- [] Evaluate pricing strategy vs competitors
- [] PIP discussion with Mike - HR involved
- [] Financial impact analysis of new comp structure

ASSUMPTIONS

- Market growth continues at 20% YoY
- No major economic downturn in 2026
- 2 competitors will be acquired/fail by end of 2026
- New team members reach 70% productivity by April
- Churn stabilizes to 10% by Q2
- EMEA recovers with strategic focus

LIMITATIONS OF THIS REPORT

- EMEA data 2 weeks delayed (still missing Spain/Portugal data)
- CRM data incomplete due to migration issues
- Comp analysis based on Q4 only (seasonal?)
- Customer feedback limited to 12 surveyed (vs 300+ customers)
- Pipeline figures unverified by finance
- Some data pulled manually (error risk)

Next review: Feb 15, 2026

Prepared by: Sales Analytics Team

Reviewed by: VP Sales, Finance Director (pending)