

SaaSafra Revenue Optimization Plan

April 6th, 2024

Summary

Determine which roles the 20 team members should be in over the next 24 months to maximize the cumulative revenue generated over the entire period.

Background

To determine how many team members in each team over the next 24 months, we need to consider a few metrics listed from the [case description](#). These metrics will affect our optimization model on top of revenue and customer satisfaction.

1. New Business Acquisition:
 - SaaSafra acquires 25 customers a month organically.
 - Each team member can acquire 5 new customers monthly.
2. Account Management:
 - Compound rate of 20% month-over-month for accounts they manage up to a cap of 6 months.
 - Each can carry 25 customers.
3. Support:
 - Each support agent increases CSAT by 1% point.
 - Each point of CSAT leads to a 15% relative decrease in churn.

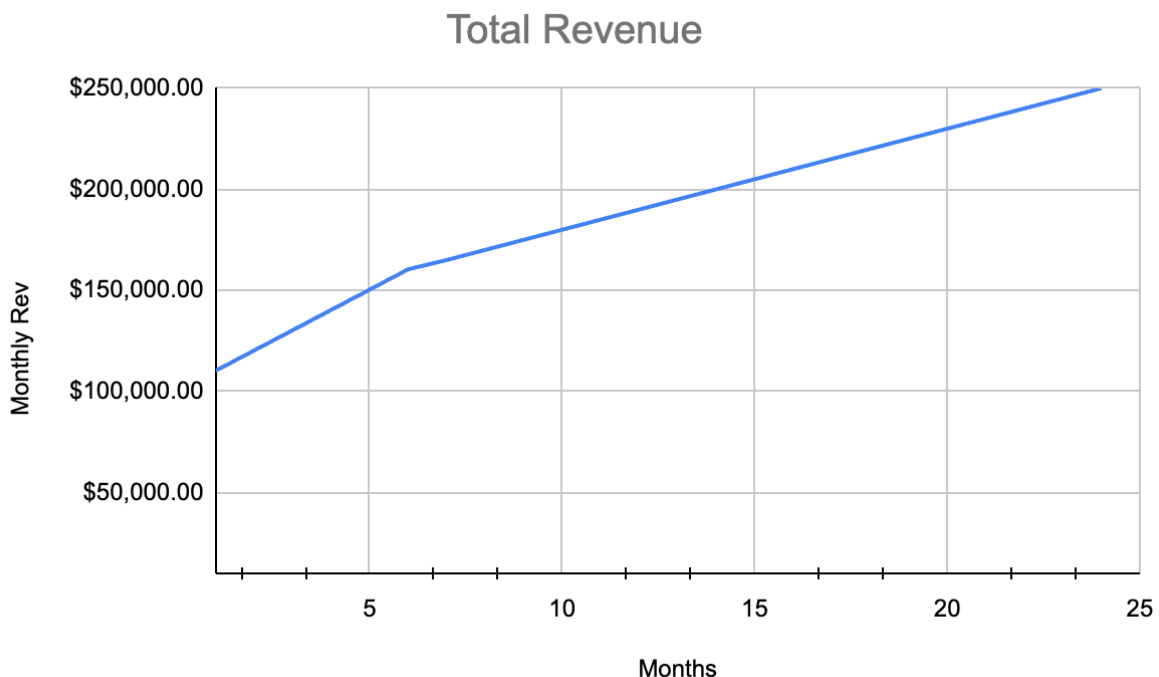
My results

<p>Month 1-6:</p> <ol style="list-style-type: none">1. New Business Acquisition:<ul style="list-style-type: none">• Allocate 15 people.• Expected new customers: $15 * 5 + 25 = 100$2. Account Management:<ul style="list-style-type: none">• Allocate 4 people.3. Support<ul style="list-style-type: none">• Allocate 1 person.	<p>Month 7-24:</p> <ol style="list-style-type: none">4. New Business Acquisition:<ul style="list-style-type: none">• Allocate 5 people.• Expected new customers: $5 * 5 + 25 = 50$5. Account Management:<ul style="list-style-type: none">• Allocate 5 people.6. Support<ul style="list-style-type: none">• Allocate 9 people.
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Reasoning

Initially, I am focusing on new customers to capitalize on the compound rate that the account management team has. Investing early by growing customer base leads to max revenue

growth during the critical 6 month period. After this period transitioning into a new phase of customer satisfaction and retention should be the main point during the next couple of months. I have linked my google spreadsheet for further data analysis.



case study: RevOps

https://docs.google.com/spreadsheets/d/13wzYD0hUW0dvahkTWROoj30_PgD4PtKH1EVOOHBsTss/edit?usp=sharing

Bonus

Improve conversion rates for New Business Acquisition team members

- Training: Train the new business acquisition team on better sales tactics and methods to improve conversion rate.
- Price options: Offer price ranges on services. Some customer segments don't have the budget for a one price for SaaSaFra products.
- Diversifying customer segments: SaaSaFra will continue to grow revenue due to the wider audience.

Conclusion

This plan leverages the compounding rate from account management to maximize revenue during early months of existing customers. With a strong presence from the support team, we are able to reduce churn and increase customer satisfaction. The later portion of this plan allows an increase of new customer efforts to capitalize on newer profitable customer base. This approach will leverage these tactics to maximize SaaSaFra revenue over the span of 24 months.

Further questions

1. What are Saasafra's customer segments and how does that impact revenue/ cost
2. Is there a breakdown of customer acquisition cost or lifetime value for different customer segments?
3. What would be the impact of a hybrid role, where some team members split their time between account management and new business acquisition?