

# Sierra AI

*\$100M ARR Forensic Analysis*

*Comprehensive Revenue Reconstruction*

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## a) Executive Summary

### 1. What can and cannot be known

- Public sources confirm that Sierra crossed roughly **\$100M in ARR in November 2025**, 21 months / 7 quarters after launch in February 2024.
- A private **Markets** analyst (Sacra) estimates ARR at **\$104M** as of late 2025, up from **~\$26M** in December 2024 and **> \$20M** in annualized revenue in October 2024.
- Multiple reports agree Sierra now serves "**hundreds of customers**", with a mix of internet-native firms (e.g., Deliveroo, Discord, Ramp, Rivian, SoFi, Tubi, Wayfair) and traditional enterprises (e.g., ADT, Bissell, Vans, Cigna, SiriusXM, DIRECTV, Safelite).

#### Critically:

- **No public source discloses contract-by-contract subscription amounts, customer-level ARR, or specific churned logos.**
- All we can do "forensically" is (1) reconstruct the **revenue model** and timeline, and (2) map out **who is in production, doing what, with what performance metrics**. Any per-customer dollar attribution would be pure speculation. I will not do that.

### 2. Revenue model and ARR drivers

- Sierra's revenue comes primarily from **usage- and outcome-based contracts**: customers pay **per conversation or per successful resolution / outcome**, often bundled with implementation and optimization in **multi-year enterprise agreements**.
- The company positions this as "**outcome-based pricing**": they charge when the agent successfully completes a defined job (resolved support conversation, saved cancellation, upsell, cross-sell, etc.); in most cases, unresolved conversations are not billed.
- External analyses describe **per-resolution economics** tied to the avoided cost of a human agent: one essay notes Sierra earning a **set fee per AI-resolved call linked to the \$10–\$20 cost avoided per deflection**, and another Chinese-language analysis uses an illustrative **\$1 per successful resolution to save \$10** example.
- A Verge interview with Bret Taylor clarifies that Sierra's ARR is calculated like a traditional enterprise SaaS company: **12-month+ contracts, often multi-year, billed annually up front with net-30 payment terms**, not month-to-month usage multiplied by 12.
- Sacra confirms that revenue in 2025 is "**primarily from usage- and outcome-based contracts**" layered into multi-year deals, with voice interactions now accounting for the majority of traffic.

### 3. Key customers and use cases (high level)

Across public materials, a consistent cohort of **large, brand-name customers** show up in multiple independent sources (Sierra's own content plus press/analyst/partner posts). Their agents collectively form the most credible basis for the \$100M ARR:

- **Financial services / fintech** – SoFi, Ramp, Brex, Chime, Marshmallow, Rocket Mortgage, Cigna, plus other unnamed banks and insurers. Agents handle card replacement, account servicing, authentication, disputes, policy

changes, cancellations/retention, and mortgage origination.

- **Retail / consumer / CPG** – Wayfair, Tubi, Sonos, OluKai, Chubbies, Wilson, Minted, Casper, Thrive Market, AG1, Pendulum, Sun & Ski Sports. Agents handle order status, exchanges/returns, product recommendations and sizing, subscription changes, and high-volume seasonal spikes (Black Friday, holidays).
- **Media / telecom** – SiriusXM, DIRECTV, AOL, Fox, Tubi (media). Agents manage subscription changes, billing, password resets, and troubleshooting.
- **Security / identity / infrastructure** – ADT, CLEAR, CDW. Agents handle alarm troubleshooting, billing, appointment scheduling, member services, and complex B2B IT support for hundreds of thousands of customers.

## 4. Monetization vs. per-customer amounts

- Public sources **do not disclose** how much SoFi, Wayfair, SiriusXM, etc. each pay. Even investor memos and ARR write-ups speak only in **aggregate** (e.g., ARR, valuations, funding size).
- Where numeric hints exist, they are **economic analogies, not pricing sheets** (e.g., "\$10–\$20 avoided cost per deflected call," "pay \$1 to save \$10"). Those demonstrate the **unit economics** but not contract sizes or logo-level ARR.
- Therefore, from a forensic standpoint, we can say **which customers are in production, what they use Sierra for, and what operational metrics they report**, but **not** "SoFi contributes \$X to ARR" or "Tubi's subscription is \$Y per year." Any such numbers would be invented.

## 5. Churn

- I see **no public disclosures** of specific customers that have churned from Sierra. On the contrary, most evidence is of **expanding relationships** (e.g., WeightWatchers and SiriusXM taking on more channels / data platforms; Brex, Ramp, and Thrive Market expanding use cases; Rocket Mortgage shipping additional journeys; Safelite extending from consumer to insurer programs).
- There are user complaints about AI support generally (and some social posts referencing "Sierra" in a negative tone in the context of Deliveroo riders), but nothing that credibly documents **a named Sierra customer terminating its contract with Sierra and moving away**.
- Without filings or direct statements, any claim that "X customer churned for Y reason" would be conjecture.

In short: we can **forensically reconstruct Sierra's revenue mechanics and customer footprint** around the \$100M ARR mark, but **not** a logo-by-dollar breakdown or a list of churned customers with causes.

## b) Structured breakdown

### 1. ARR and capital timeline

Date (approx)	Metric	Amount / fact	Sources
Oct 2024	Annualized revenue	Crossed about \$20M in annualized revenue	Sacra
Dec 2024	ARR estimate	Sacra estimates ~\$26M ARR	Sacra
Sep 2025	Funding	\$350M round led by Greenoaks at \$10B valuation; Sierra "on track to exceed \$100M enterprise ARR"	Sierra
Nov 5 2025	Product & scale	Agent OS 2.0 announced; voice agents handling hundreds of millions of calls	Sacra
Nov 21 2025	ARR milestone	Sierra blog: \$100M ARR in 7 quarters; Tech / SaaS media confirm	Sierra
Nov 2025	ARR estimate	Sacra: \$104M ARR, up 4x from late 2024	Sacra
Dec 4 2025	Strategic funding	Additional investment from SoftBank Vision Fund 2 for Japan expansion; confirms >\$100M run rate	Axios

### 2. Revenue mechanics

Component	Description	Evidence
Outcome-based pricing	Pay per successful outcome (resolved conversation, cancellation saved, upsell, cross-sell). No charge in most cases for unresolved conversations.	Sierra
Usage-based pricing	For some flows (e.g., greeter / routing), pricing can be volume-based per conversation rather than outcome-linked; blended structures are used in practice.	Sierra
Multi-year, upfront contracts	Contracts are 12+ months, often multi-year, billed annually up front with net-30 payment terms; resembles public SaaS firms' revenue recognition.	The Verge
Unit economics	Analysts describe Sierra earning a fixed fee per resolved call tied to the \$10–\$20 cost avoided for a human-handled ticket; another article uses an example of paying ~\$1 per successful resolution to save ~\$10.	lennysvault.com
Services / implementation	Revenue includes high-touch implementation and ongoing optimization, bundled into enterprise agreements, rather than sold alone.	Sacra
Channel mix	Voice has overtaken text as primary channel by Sept 2025, implying a large share of revenue from AI phone calls handled per minute or per resolution.	Sacra

### 3. Major customers, use cases, and metrics

Below is a **sample of large, repeatedly named customers** that are credibly in production with Sierra. For each, I include at least two independent sources (Sierra + external where available). "\$ Subscription amount" is marked **Not disclosed** whenever no credible figure exists; that is the case for all rows.

#### Financial services & fintech

Customer	Use case summary	Key metrics disclosed	\$ subscription amount	Evidence
SoFi	Consumer fintech / bank – AI agent for member support across account, cards, payments	Named as major Sierra client; cited as one of the "major clients" whose multi-year contracts underpin the \$100M ARR.	Not disclosed	Sierra ARR blog lists SoFi among flagship customers. Third-party coverage lists SoFi as active Sierra client.
Ramp	Corporate card / spend management – AI agent automating support, card replacement, admin workflows	90% case resolution via automation; rolling out voice agent.	Not disclosed	Sierra Ramp case study. Sierra customers page & LinkedIn posts emphasize Ramp as a flagship fintech.
Brex	Fintech – "Change agents: Brex" customer agent for finance ops & customer service	Blog states AI agent has accelerated service by ~90% and saved customers >15,000 hours/year.	Not disclosed	Sierra "Change agents: Brex" blog. Investor write-ups list Brex as one of the flagship fintechs.
Chime	Neobank – AI agents as 24/7 "brand extensions" for member questions	Reported resolution increase from 50% → 70%, with better hallucination resistance than prior tools.	Not disclosed	Sierra "Change agents: Chime" blog. ExecsInTheKnow article confirms Chime partnership and performance gains.
Marshmallow (UK)	Motor insurance – agent "Marsha" handles quotes, renewals, policy updates, multilingual regulated support	CSAT 82% on AI-handled conversations; "significant share" of service volume, 24/7, multilingual.	Not disclosed	Sierra Marshmallow customer page & sector pages. Sierra LinkedIn announcement with performance stats.

#### Retail / DTC / CPG

Customer	Use case summary	Key metrics disclosed	\$ subscription amount	Evidence
Tubi	AVOD streaming – subscriber support, account & device issues	Reported ~80% containment and +7 percentage point CSAT improvement after Sierra deployment.	Not disclosed	Sierra Tubi case study and media/industry page. LinkedIn posts quoting containment & CSAT uplift.
Sonos	Consumer electronics – support across channels to reduce "time to music"	Agents support 15M customers; focus on setup/troubleshooting across complex home networks.	Not disclosed	Sierra Sonos case study and holiday blog. External tech/business coverage names Sonos as one of Sierra's early customers.
OluKai	Footwear – "Aloha Experience" support	Sierra handles ~70% of service tickets; used heavily for holiday launches; re-applied patterns to other brands.	Not disclosed	Sierra OluKai case + holiday blog. LinkedIn posts from Sierra and OluKai leadership discussing results.
Wilson	Sporting goods – equipment & custom orders	Agent has resolved tens of thousands of conversations with >77% containment.	Not disclosed	Wilson customer story + Sierra customers page.
Thrive Market	Membership retail – member support, subscriptions, experimentation	Reported >50% improvement in case resolution and ~90% CSAT on AI interactions.	Not disclosed	Sierra Thrive Market case study + LinkedIn posts.

Media, telecom, and identity

Customer	Use case summary	Key metrics	\$ subscription amount	Evidence
SiriusXM	Audio subscription – "Harmony" AI agent, first adopter of Agent Data Platform	Serves 34M subscribers; millions of customer enquiries; now first customer for Sierra's Agent Data Platform.	Not disclosed	Sierra SiriusXM case + ADP announcement. Axios & other coverage cite SiriusXM as a flagship Sierra customer.
DIRECTV	PayTV – subscriber support	Listed as key customer on site; featured in Summit media/telecom content.	Not disclosed	Sierra site and homepage logos. Linear's overview lists DIRECTV among major brands using Sierra agents.
CLEAR	Identity / travel	Member hospitality & retention engine; CSAT 4.7/5 for AI-handled interactions.	Not disclosed	Sierra CLEAR customer story and industry/product pages. External analysis notes CLEAR as a Sierra customer.

Security, infra & B2B

Customer	Use case summary	Key metrics	\$ subscription and	Evidence
ADT	Home security – 24/7 alarm & account support; "every second counts"	2M+ customer inquiries per month; AI agent handles troubleshooting, account changes, and (soon) payments & service orders.	Not disclosed	Sierra ADT case + "What is an AI agent?" examples. Medium and LinkedIn posts confirm ADT deploying Sierra agent.
CDW	B2B IT reseller – complex support for 250k+ customers	Sierra agent used for procurement / IT support; Taylor notes 250K customers served and highlights B2B CX improvements.	Not disclosed	Sierra CDW customer story. Taylor's LinkedIn post corroborates partnership and scale.
Safelite	Auto glass – consumer & insurer claims	"Scarlett" agent handles auto glass claims; Sierra + Safelite also launching AgentMaker program for insurers.	Not disclosed	Sierra "Change agents: Safelite" blog; CEO Renee Cacchillo profile. External posts highlight the Safelite partnership.

4. Churn and risk indicators

Item	What we can see	Forensic assessment
Named customer churn	No public reports of specific named customers (SoFi, Wayfair, WeightWatchers, Sonos, etc.) discontinuing Sierra.	We cannot identify any logo that has clearly churned from Sierra based on public data.
Negative end-user sentiment	Some posts (e.g., Deliveroo driver forums, general AI support complaints) show frustration with AI agents and mention "Sierra" generically in delivering poor support.	Indicates experience risk but not confirmed enterprise churn. These are end-user anecdotes, not corporate termination announcements.
Pricing / complexity critiques	Independent reviews describe Sierra as powerful but with "opaque pricing" and a steep learning curve, positioning it as a fit for teams with strong engineering and CX resources.	Suggests a risk of future churn among smaller or less technical customers; no concrete logo-level churn disclosed.
Retention signals	Numerous case studies and posts show customers expanding use (more channels, voice, new journeys, adoption of Agent Data Platform).	Expansion behavior is consistent with strong net revenue retention, but exact NRR is not disclosed.

## c) Narrative report (forensic-style)

### 1. Mandate and approach

You asked for an SEC-grade reconstruction of how Sierra reached \$100M in ARR in seven quarters, including:

- Sources of revenue and ARR structure
- Identification of customers, their use cases, and subscription amounts
- Identification of churned customers and reasons

Given Sierra is private, with no public 10-K/10-Q equivalents, I rely on:

- Sierra's own blogs, product/industry pages, and customer case studies
- Third-party analyst and investor research (Sacra, MLQ, etc.)
- Press and commentary (Verge, Axios, Yahoo Finance, TechCrunch, TechBuzz, etc.)
- Public social posts (LinkedIn, X) from Sierra, customers, and investors

### 2. Reconstructing the ARR curve

Sacra's private markets profile provides the most concrete, quantitative revenue trajectory:

- **2024** – Sierra is founded in 2023, launches in early 2024, and by October 2024 has "crossed about \$20M" in annualized revenue. Sacra estimates \$26M ARR by December 2024.
- **2025** – As enterprises scale pilots into production across chat and especially voice, Sacra estimates that ARR has grown >4x to around \$104M by November 2025.

Sierra's own blog then publicly confirms that they have "just hit **\$100M in ARR** — seven quarters after we launched in February 2024," calling themselves one of the fastest-growing enterprise software companies in history.

From this, the most reasonable reconstruction is:

- Late 2024: ARR in the **low tens of millions** (\$20–\$30M range), as pilots go live.
- Mid-2025: ARR passing **\$50–\$70M**, consistent with "on track to exceed \$100M ARR" in Axios's September funding scoop.
- November 2025: ARR at **\$100M+**, with Sacra's \$104M estimate within noise of Sierra's own \$100M claim.

### 3. Revenue model: why ARR looks like classic enterprise SaaS

Although Sierra is marketing itself as a radically new "agentic AI" platform, their **revenue mechanics** are deliberately conservative:

- **Contract structure** – Bret Taylor states that Sierra follows traditional enterprise norms: 12-month minimum terms, often multi-year, billed annually up front, with 30 days for the customer to pay the invoice.
- **Consumption unit** – Instead of seats or tokens, Sierra charges per successful outcome (per resolution, cancellation saved, or transaction). Their own blog on outcome-based pricing defines this clearly.



- **Blended usage/outcome pricing** – For some flows (e.g., greeters and routing), Sierra uses per-conversation usage pricing, blending outcome-based and usage-based fees in the same agreement.

Third-party analyses offer hints about the **unit economics**:

- Lenny's insights vault notes that Sierra collects a set fee per AI-resolved call, economically tied to the \$10–\$20 cost the customer avoids per deflected human call.
- A Chinese language industry piece describes Sierra's outcome-based model as "pay only when the agent delivers a valuable outcome" and uses an example of paying \$1 per successful resolution to save \$10 of manual cost.

Neither source gives precise list pricing, but together they make the economics clear: **Sierra's fee per resolution is set as a fraction of the avoided human cost**, so large enterprises with millions of calls can easily generate **multi-million-dollar annual contracts** without publishing a public per-seat or per-token price.

## 4. Customers and use cases as ARR drivers

The \$100M ARR is, in practice, **the sum of a relatively small number of very large deployments plus a long tail of other enterprises**. The most heavily-publicized customers cluster in a few sectors:

- **Fintech / financial services** – SoFi, Ramp, Brex, Chime, Marshmallow, Rocket Mortgage, Cigna, plus other unnamed banks and insurers in the U.S. and Europe.
- **Retail & DTC** – Wayfair, Tubi, Sonos, OluKai, Chubbies, Wilson, Minted, Casper, Thrive Market, AG1, Pendulum, Sun & Ski, various others.
- **Media & telecom** – SiriusXM, DIRECTV, AOL, FOX-related properties, plus Tubi as both media and DTC.
- **Security / infra / identity** – ADT, CLEAR, CDW, Safelite.

For nearly all of these customers, Sierra and/or the customer publishes **hard performance metrics** (containment rates, CSAT, case-resolution share, conversion lift, cancellation reduction), but **never dollar figures**. Examples:

- Ramp: **90%** of cases fully resolved by the agent.
- WeightWatchers: **~70% containment** with **CSAT > 4.5/5**.
- Tubi: **~80% containment** and **+7 CSAT points** vs. baseline.
- Wilson: **>77% containment** on tens of thousands of conversations.
- Thrive Market: **>50% case-resolution improvement** and **~90% CSAT** for AI-handled interactions.

From a revenue-forensics standpoint, these numbers matter because they show how Sierra can justify **large outcome-based contracts**:

- A customer like **ADT** with **2M+ monthly inquiries** can route a large fraction through Sierra at a per-resolution fee that still undercuts human support costs.
- A customer like **SiriusXM** with **34M subscribers** and millions of enquiries per year can define resolution and retention outcomes that materially move revenue, then pay Sierra only when those outcomes are achieved.

It is entirely plausible that **a few dozen such customers account for the majority of the \$100M ARR**, but because contract values are not disclosed, we cannot decompose that ARR logo-by-logo.

## 5. Subscription amounts: what we can infer—and what we can't

You explicitly asked for each customer's **subscription amount**. Here's what the evidence allows:

- We know the **total** (≈\$100M ARR) and we know many of the **logos** contributing to it.
- We know the **pricing unit** (per successful resolution/outcome or per conversation), typical **economic framing** (save \$10–\$20 of cost per deflected call; pay a fraction of that to Sierra), and **contract structure** (multi-year, annual upfront).
- What we **do not** have: any public figure like "SoFi pays \$X per year" or "SiriusXM contract is \$Y over Z years." Neither Sierra, the customers, nor analysts have published those numbers.

Therefore, the only honest statement is:

*All currently available public information is **insufficient to assign per-customer subscription amounts or logo-level ARR**. We can only describe **how** Sierra monetizes each customer, not **how much** revenue each contributes.*

## 6. Churn analysis

You also asked to "identify the customers that churned and the reasons why."

Based on the corpus examined:

- **No article, blog, or analyst report** claims that a named customer (e.g., WeightWatchers, Sonos, SiriusXM, SoFi, Wayfair, ADT) **has left Sierra**. On the contrary, many stories are framed as **expansion** (additional channels, new products like Agent Data Platform, more complex journeys).
- End-user complaints exist, including Deliveroo riders frustrated with an "AI agent Sierra" not solving issues, but these do not show Deliveroo abandoning Sierra; they show operational friction at the edge.
- Independent reviews criticize **opaque pricing and learning curve**, positioning Sierra as suitable mainly for well-resourced teams; that suggests potential future churn among smaller or mismatched customers, but again, no logos are named.

Given SEC-style evidentiary standards, the correct conclusion is:

- **Known churned customers: none (publicly disclosed).**
- **Likely reasons for eventual churn (inferred, not observed):** pricing opacity, implementation complexity, or dissatisfaction with AI support quality—risks that appear in general commentary but not tied to specific departures.

Any statement like "X churned because Y" would go beyond the evidence and into conjecture.

## 7. Overall forensic conclusion

- Sierra's **\$100M+ ARR** is real and well-corroborated across the company's own disclosures, investor/analyst estimates, and independent media.
- The ARR is driven by a **relatively small set of very large outcome-based and usage-based contracts** with prominent enterprise customers across fintech, retail/DTC, media, telecom, and security/identity. These contracts monetize **per resolution / per conversation**, not per seat.
- Public data is rich in **operational metrics** (containment, CSAT, cancellations saved, conversion lift) but **contains no logo-level dollar amounts or explicit churn events**. That prevents a granular allocation of the \$100M ARR by customer or an evidence-based churn table.

If you want, the next logical step would be to build a **scenario model**: for example, assume a distribution of contract sizes across the identified customers (e.g., a handful of \$5–\$10M ARR "whales," more \$1–3M "elephants," and a long tail), and explore what per■resolution or per■call pricing that would imply. That would necessarily be **hypothetical**, but we can keep it consistent with the published unit■economics constraints.