



# Unlocking the Power of Salesforce Data Modeling for B2B SaaS Companies:

## Techniques And Best Practices





# Introduction

**This guide is intended to help SaaS revenue teams unlock the full value of their business data by setting up the Salesforce data model that is right for them.**

When setting up Salesforce (SFDC), the immediate objective is to help the sales team track and win deals. However, the SFDC data model companies utilize (i.e., how their business data is structured and governed) has a huge impact on the type of revenue analytics they will be able to run, as well as its sophistication and results. This is true regardless of whether they run the analysis in Salesforce or use external tools.

**Deploying a data model that supports SaaS analytics is key to fully leveraging your business data. And the sooner, the better.** Ironically enough, SFDC was not designed for a SaaS selling motion, meaning most basic configurations end up falling short of what SaaS companies need and expect. Unless you plan ahead and implement a data model that supports your company's needs when setting up SFDC, you may eventually end up with a large debt of messy or missing data. In this case, you face the repetitive, time-consuming and resource-intensive task of correcting and backfilling data, or the uncomfortable position of having to make do with error-prone, inconsistent and irrelevant reporting.



**The right data model will unlock the SaaS metrics you need to truly understand your revenue flows and drive revenue growth.** SFDC data models that are tailored to SaaS are the foundation for actionable analytics. This makes it simpler to not only accurately calculate and track your critical business metrics, but also to make smart decisions based on what they show you. In the next section we provide a partial list of these important SaaS metrics, including Bookings, ARR and Retention.

**There isn't a one-size-fits-all solution so finding the data model that is right for you will depend on your company and its specific needs.** To choose the right data model, teams need to consider a variety of factors such as the reporting they require, the maturity of their sales operation, their product portfolio, typical deal structure and more. This guide will help you navigate the decision process, outlining the benefits and features, as well as the complexity and overhead costs, of the three basic types of SFDC data models that are tailored to the needs of SaaS companies.



# Only the Right Data Model Can Unlock SaaS Metrics

From guiding high-level strategy to optimizing day-to-day operations, reliable business metrics and analyses offer answers to your most important business questions. However, without modification, the out-of-the-box SFDC model may not support some key metrics. In contrast, the models we describe in this document give you the necessary information to track a wide range of metrics. Here is a partial list of the metrics you can build based on these data models:

## 1 ARR and Accounts

- **Active Accounts:** The number of customer accounts that are currently active
- **ARR (Annual Recurring Revenue):** The annualized value of recurring revenue from active accounts
- **ARPA (Average Revenue per Account):** The average ARR generated from each active account

## 2 Bookings

- **Bookings:** The dollar value of sales closed in a given period
- **Win Rate:** The percentage of closed-won opportunities out of all closed sales opportunities
- **Quota Attainment:** The percentage of quota achieved in a given period (per AR, team, etc.)
- **ASP (Average Sales Price):** The average price of all closed-won opportunities in a given period

### 3 Retention

- **GDR (Gross Dollar Retention):** The percentage of revenue retained from existing customers, not including expansion and upsell
- **NDR (Net Dollar Retention):** The percentage of revenue retained from existing customers, including expansion and upsell
- **Logo Retention:** The percentage of accounts retained, out of those that were active in the previous period (typically the last twelve months - LTM)

### 4 Pipeline

- **Pipeline Creation:** The total amount of new opportunities created in a given period
- **Pipeline Waterfall:** The development and outcomes of pipeline opportunities in each period, including starting, new, pulled-in, slipped, won and lost pipeline
- **Pipeline Conversion Rate:** The share of the pipeline set to be closed in a given period which was successfully closed-won in that period
- **Pipeline Coverage:** The ratio between the pipeline for future periods and the sales targets or quote (what is considered a healthy pipeline depends on historical conversion rates).

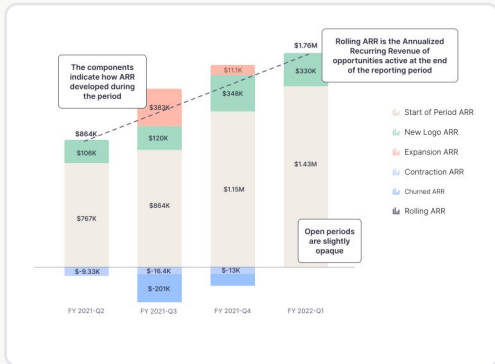
### 5 Sales Funnel

- **Funnel Progression:** The share of opportunities that progressed through each stage of the funnel
- **Average Sales Cycle Length:** The average number of days that opportunities spent in the sales funnel (from creation to closed-won or closed-lost)
- **Duration in Stage:** The average number of days that opportunities spent in each stage of the sales funnel

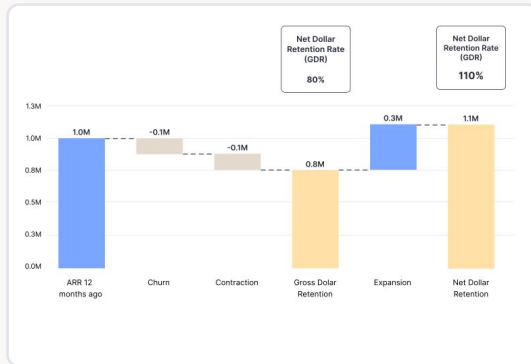


From tracking the volume of new opportunities to analyzing the success of customer retention, these metrics enable companies to optimize the most important functions in a SaaS revenue organization.

### Rolling ARR



### NDR



### Pipeline Waterfall



### Quota Attainment





# The Best SFDC Data Models for B2B SaaS

In this guide, we outline three types of SFDC data models that can support the metrics and analytics that a B2B SaaS company needs. The models differ in terms of the level of reporting sophistication that they enable.

→ 01

The opportunity model

→ 02

The product model

→ 03

The contract model



✓ Easy to implement & maintain

Higher setup & maintenance resources ✗

✗ Limited to high level metrics

Robust reporting and analysis ✓



Each of these models offers different benefits and drawbacks. The table below summarizes the key factors and features that you need to consider before deciding which one to use.

Features	Opportunity	Product	Contract
	Small additions to default SFDC to allow SaaS calculations	Support product breakdowns and complex deal structures	Manage account engagements with contracts to ensure continuity
Core SaaS Metrics	✓	✓	✓
Historical analysis	✓	✓	✓
Active & committed ARR	✓	✓	✓
Revenue by product	✗	✓	✓
Multi-product deals	✗	✓	✓
Ramping deals	✗	✓	✓
Renewal management	✗	✗	✓





# Getting Started with the Opportunity Model

In this guide, we outline three types of SFDC data models that can support the metrics and analytics that a B2B SaaS company needs. The models differ in terms of the level of reporting sophistication that they enable.



## Key Info

Pros	Cons
High-level SaaS metrics	Limited analytics
Easy to set up and maintain	Limited support for multi-product or ramped-up deals
Fast time-to-value	Difficult to maintain continuity across deals (e.g., co-terms, early renewals)



## Description

**The opportunity data model supports the most important SaaS metrics at a lower investment relative to the other models.** It supports in-period and historical analysis of ARR and pipeline, as well as the other metrics listed above. This model is great for teams that need to quickly set up SFDC and want to lay the groundwork for basic reporting and business analytics.

**While it supports the metrics and basic reporting that most SaaS companies need, this model is insufficient for organizations working with multiple products or complex deal structures.** Forward-looking and fast-growing organizations that expect to develop these GTM motions over time, should consider adopting a more advanced model early in order to reduce the overhead associated with the transition at a later stage.



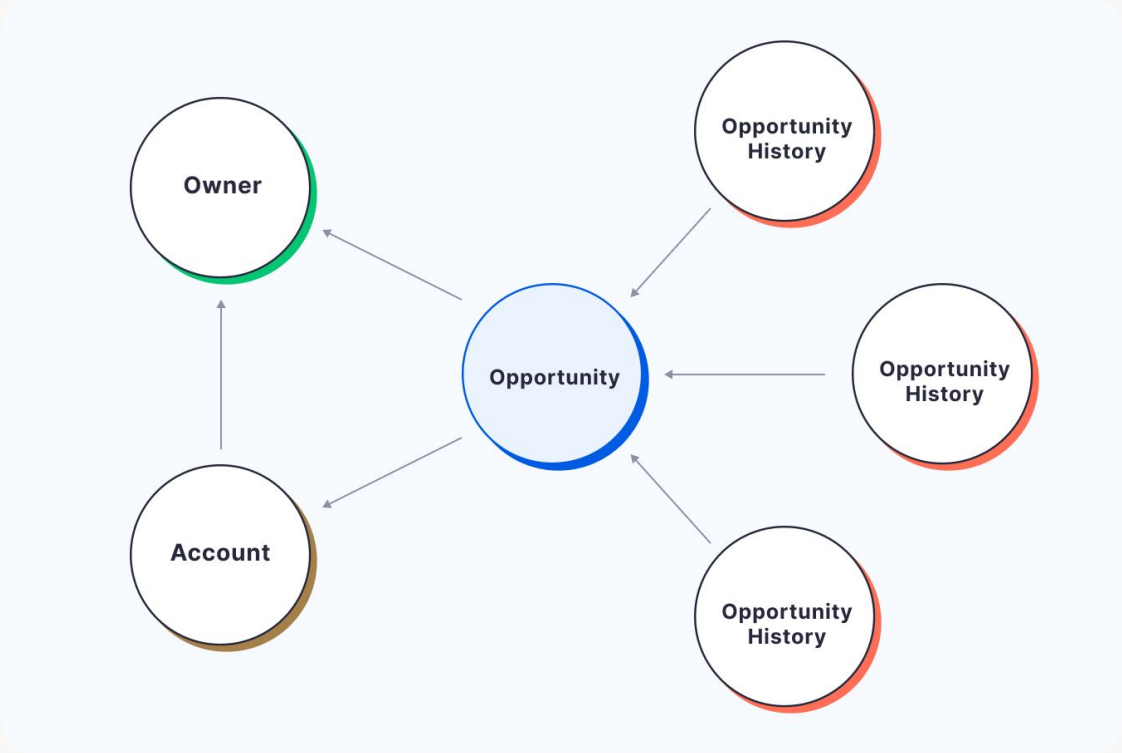
## Setting Up

This model uses the Opportunity object to do most of the “heavy lifting” of capturing SaaS information. These are the key fields on the opportunity object and their data type:

Field	Type	Description
<b>Close Date</b>	Datetime	The date the deal was closed or scheduled to be closed.
<b>Start Date</b>	Datetime	The billing start date of the opportunity. If it is not specified in a different field, this should be equal to the opportunity’s close date.
<b>Contract Length / End Date</b>	Integer / Datetime	Track either the length of the contract or its end date to determine annualized value and manage the ARR recognition period.
<b>Amount Value</b>	Float	The total contract value (TCV) of the opportunity.
<b>Recurring Value</b>	Float	If some of the TCV is one-off (e.g., deployment), use this field to sum the recurring components. Necessary for ARR calculations.
<b>Type</b>	Picklist	Use the Type or another custom field to categorize the opportunity as New Business, Renewal and Up/Cross-sell in order to support analysis of Bookings and Quota Attainment across different teams.
<b>Owner</b>	User id lookup	Link each opportunity to the relevant owner (salesperson) to enable Quota Attainment analysis.



By default, SFDC's Opportunity History tracks changes in the **Close Date**, **Amount**, and **Stage Name** of the opportunity. These are critical to calculate advanced pipeline metrics. If you use custom fields to capture this information instead of the default SFDC ones, make sure to turn on field history tracking for your custom fields.





# Digging Deeper with the Product Model



## Key Info

Pros	Cons
Advanced deal structure support (multiple products, "ramping-up" deals)	Medium-high overhead for setup and maintenance
Product revenue and retention analytics	Sensitive to sales team inputs
Deals can include both recurring and non-recurring amounts	More complex reports can be harder to parse and act on



## Description

**The Product data model provides SaaS companies with powerful analytical capabilities.** This data model offers advanced analytics for any organization, but is essential for those with more sophisticated deal structures, such as multiple products or "ramp-up" pricing over the length of the opportunity (e.g., Y1 price, Y2 price, etc.)

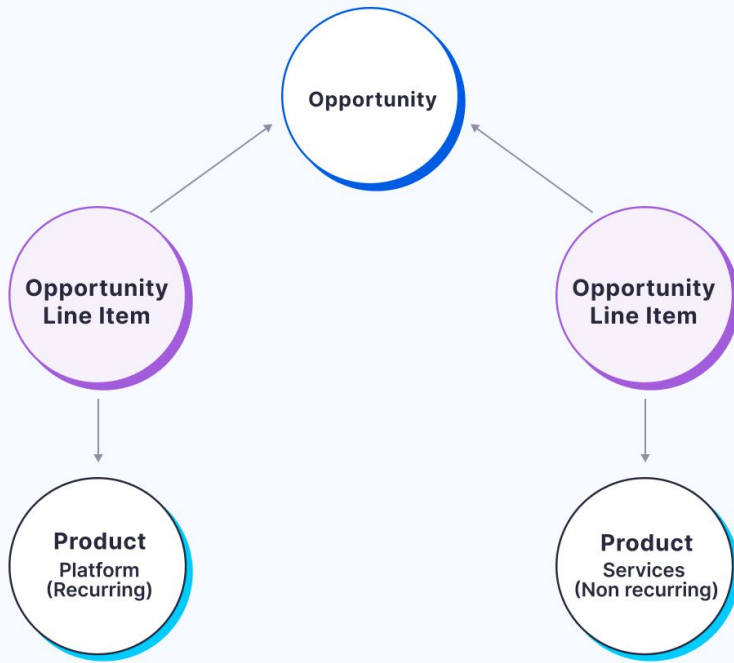
**This increased functionality means that you will encounter a more complex setup process as well as maintenance costs.** For this model to produce reliable reports, you need to accurately capture deal information on Opportunity Line Items and connect them with the relevant Products.



## Setting Up

**The Product model is mainly based on Opportunity Line Items and their Product relationships.** The key objects, fields and data types required to deploy this model are listed below.

	Field	Type	Description
<b>Opportunity</b>	The fields included in the Opportunity data model were detailed in the previous section. Many of these can now be roll-up fields based on the line items.		
<b>Opportunity LineItem</b>	Start Date	Datetime	Should be equal to the billing date of the line item to enable accurate ARR analysis in multi-product and ramping deals.
	Contract Length / End Date	Integer; months / Datetime	Track either the length of the contract or its end date to determine the annualized value and manage the ARR recognition period in ramping deals.
	Total Price	Float	Represents the amount of the line item. This field is typically based on the Unit Price, Quantity and Discount fields.
	Product	Product Id lookup	Link each line item to the relevant product.
<b>Product</b>	Recurring	Bool	Necessary in order to recognize the recurring line that should be included in the ARR.
	Family / Use-case	Picklist	Use this or similar custom field to create more organized product revenue reports and charts, especially if your organization offers more than a single-digit number of products.





# Ensuring Reporting Continuity with the Contract Model



## Key Info

### Pros

Supports business continuity by tracking accounts up for renewal and streamlining workflow across departments

Enforces reporting continuity by linking renewals (mitigating overlaps and gaps)

### Cons

Complex deployment, often requires additional software (CPQ) and SI

Can create overhead in the day-to-day

Prone to data hygiene issues



## Description

**The Contract data model provides advanced organizations a high level of visibility and control of account subscriptions to support business and reporting continuity.** The contracts are used to capture and track the active terms of each account, supporting co-terming opportunities and automating contract update or renewal alerts.

**The high costs of implementing and maintaining this model are typically justified in organizations with complex or rapidly evolving accounts.** To get the best value from this model, teams must ensure that they accurately create and maintain contract fields and their relationships to accounts and opportunities. The costs and complexity make this model mostly suitable for mature organizations with advanced SalesOps capabilities.



## → Setting Up

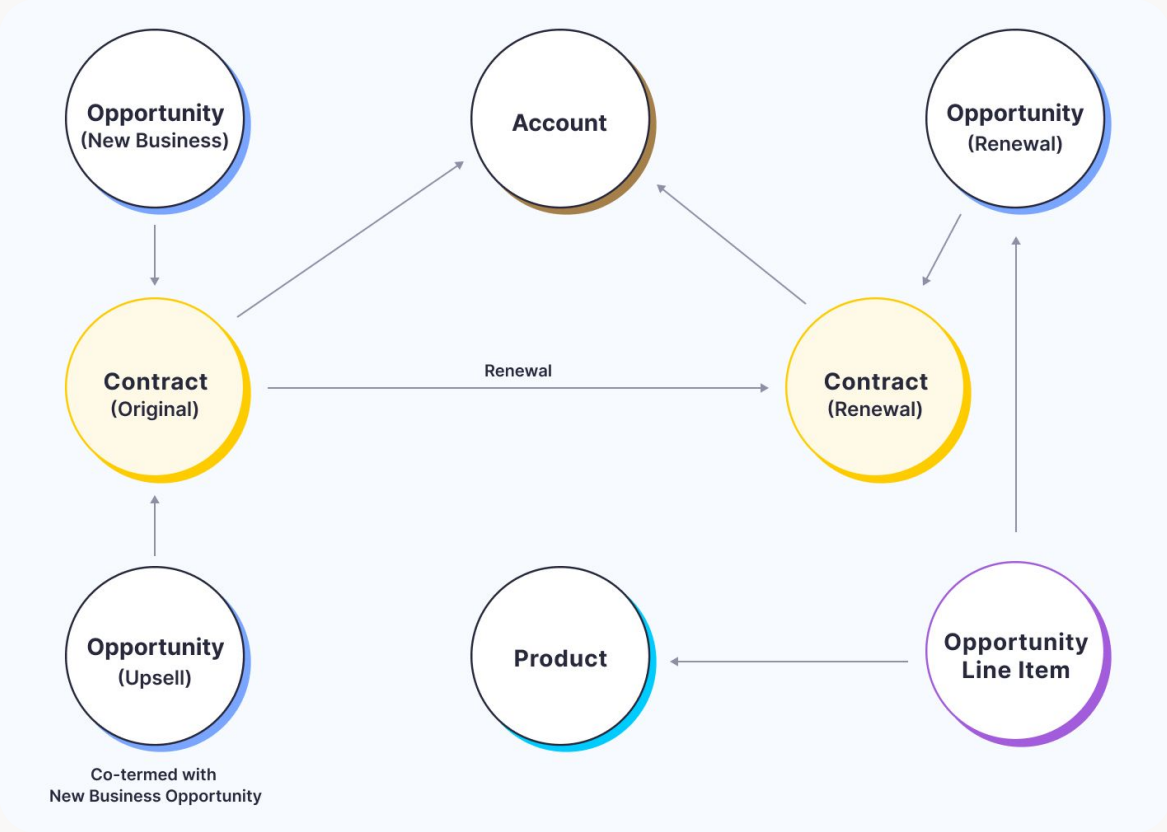
Use contracts (and often CPQ software) to manage the engagement with the client, co-term opportunities, and link renewals. The key objects, fields and data types required to deploy this model are listed below.

	Field	Type	Description
<b>Product</b>	The fields included in the Product data model were detailed in the previous section.		
<b>Contract</b>	Start date	Datetime	The date that the contract becomes effective. If renewed, this should be equal to the previous contract renewal date. The contract field can often be pulled up from or down to the opportunity object.
	End date	Datetime	The date that the contract ends. If renewed, this should be equal to the day before the renewal date.
	Contract length	Number	The length of the contract calculated based on the start and end dates.
	Account	Account Id lookup	The account to which the contract relates.
	Next contract	Contract Id lookup	The contract associated with the renewal.
	Owner	User Id lookup	The salesperson responsible for the contract.
	Renewal date	Datetime	The date the contract was or is about to be renewed. This date is effectively the contract start date of renewal opportunities related to the next contract.
	Owner Expiration Notice	Picklist	The number of days ahead of contract end the contract owner should be alerted.
	Days Since Last Activity	Calculated	The number of days since the last activity date on the contract.





	Field	Type	Description
<b>Opportunity</b>	Contract	Contract Id lookup	The contract to which this opportunity or opportunities relate (each opportunity can only relate to one contract).
<b>Account</b>	Latest contract start date	Calculated, datetime	The most recent contract start date
	Next contract renewal date	Calculated, datetime	The upcoming contract renewal date





# What to Keep in Mind When Setting Up Your Data Model

Having chosen the data model that best fits your needs and objectives, the next step is to implement it and make sure that the data accurately reflects your business. In this section, we will outline a few key principles that you should keep in mind, together with tips and best practices that will help guide you to success.

## 1 Track key field changes

A big part of understanding your sales funnel and pipeline development depends on tracking changes made to the opportunity. By default, SFDC's Opportunity History tracks changes in the Close Date, Amount, and Stage Name of the opportunity. These are critical to calculate advanced pipeline metrics. If you use custom fields to capture this information instead of the default SFDC ones, make sure to turn on field history tracking for your custom fields.

## 2 Set up for segmentation

Utilizing default and custom fields will help you segment your revenue data, especially when it comes to accounts and opportunities. Create and populate fields that are unique to your business and important default fields, such as Region, Industry, Company Size and Parent Account. These fields will help you create more impactful segmentations, improve your ability to slice and dice your data, and enable more advanced segment analysis.



### 3 Minimize migration pains

Like any move, migrating data to a new CRM can be a long, tedious process that is time- and resource-intensive. By planning ahead and executing the move with care, you can make your data migration process smoother and more successful, avoiding data loss and the need for post-migration backfilling, correction and validation. Define your critical metrics and the fields required to calculate them, then accurately map these fields in the new system. For example, you need to transfer the original opportunity creation dates to ensure that you will be able to accurately analyze pre-migration periods.

### 4 Plan ahead

Your business and analytics needs will continuously evolve, and your data model will evolve with them. This is inevitable. Still, take the time to outline your needs for the foreseeable future and lay strong infrastructure. This document outlines some of the most important considerations, from data model, to segmentation data, to field tracking. Think about the long term.

# Your Data Model is Just the First Step!

**Your ability to leverage data for business intelligence ultimately depends on how you capture and structure that data.** A well-designed data model enables you to monitor and analyze key aspects of your revenue operations and performance, such as the creation of pipeline, the success rate of deals, and the performance of sales teams. However, while the data model makes SaaS analysis possible, only an effective analytics engine makes analysis fast, efficient and actionable.

**By properly implementing a SaaS data model, you will take the first step towards building an effective and actionable data analytics engine for your company.** Although a robust data model is essential for answering critical business questions and driving revenue growth, you also need to build an effective analytics engine by adding processing, visualization and automation layers that can bridge the gap between raw data and actionable insights.

**Many SaaS companies struggle to create an analytics engine that directly contributes to their ability to achieve their business goals.**

Salesforce reporting is often not flexible or advanced enough to address a company's specific needs, while BI projects are typically very expensive, take a long time to implement, and are slow to deliver relevant results. Companies seeking an alternative solution that is fast, effective and efficient are increasingly turning to external automated analytics solutions.



**An automated analytics solution that fully aligns with your business model and goals can truly be a game changer for companies.** This is especially true for platforms that were designed for SaaS customers and incorporate the relevant industry standards and best practices. This type of solution will also integrate seamlessly with all your data models and sources, eliminating the need for manual, error-prone, time-consuming work which cannot scale alongside the company.

**While the automated solution that is right for you depends on your company's specific needs, at the minimum it should enable every business user to:**

- Analyze revenue data and metrics in real-time
- Create the dashboards and reports they need
- Know exactly what is working in their GTM plans
- Identify all growth opportunities and bottlenecks

Provide proactive insights for immediate action

**This is the path forward towards real data-driven decision-making, which enables revenue leaders to quickly optimize their go-to-market plans in order to drive efficient revenue growth from leads to renewals.**

# About Sightfull.



Sightfull is the first fully automated revenue analysis and optimization solution for SaaS companies. The platform is trusted by some of the fastest growing SaaS companies including Wiz, OPSWAT, Vast Data and Armis.

Built from the ground up for business users, it provides everything revenue leaders and RevOps teams need to create an optimal GTM plan from leads to renewals.

The analysis module saves RevOps teams time and cost by minimizing the need for manually calculating metrics, juggling spreadsheets, cleaning data and aligning sources.

The optimization module helps revenue leaders easily uncover growth opportunities and revenue bottlenecks by identifying exactly what is working in their GTM motions.

In just a few days, it models and aligns all your revenue data, creates actionable data hygiene alerts, and provides 100s of pre-calculated metrics and pre-built dashboards.

It then monitors the data in real-time, continuously sending actionable insights and real-time alerts so you always know what is going on across the entire revenue stream.

For more information  
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