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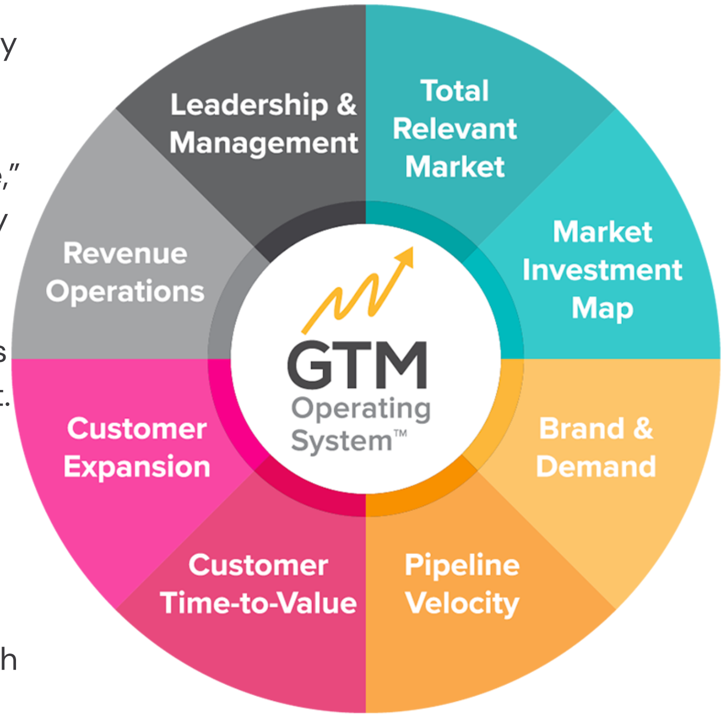
GTM Operating System Pillar 1:
Total Relevant Market

4 Steps to identify & quantify your Total Relevant Market

The Go-to-Market Operating System

We often hear business leaders speak of the desired outcomes as though they are the plan: "We need 3X pipeline," "Increase Net Revenue Retention (NRR) by 10 points," "30% increase in revenue," etc. However, without a systematic way of confirming you have the correct processes and investments to achieve the goal, you might struggle to see risks that could prevent you from reaching it. How do you bridge the gap between your strategic planning and execution?



The GTM Operating System is an 8-pillar framework that we have developed to provide organizations with a blueprint to clarify and align strategic planning and execution processes.

How The GTM Operating System Works

The GTM Operating System is made up of many interconnected parts that will allow your Go-to-Market team to stay aligned on a common goal, both as a team and within specific disciplines such as Sales, Marketing, and Customer Success. It also allows the owner of GTM within your organization to validate your strategy and understand the capacity of the GTM team.

The GTM Operating System provides blueprints for how to run a successful plan to manage the execution of a successful GTM Motion(s) across the entire company. Each pillar builds on the next, allowing you to connect the dots between teams with significantly different roles. These 8 pillars are critical to ensuring that GTM is a company-wide holistic initiative and not just a marketing and sales initiative.

For example, without having the correct positioning and branding support, Sales will struggle to make their numbers, or if your customers can't see value in your solution, having your revenue depend on expansion will become a challenge for your Account teams.

8 Pillars of The Go-to-Market Operating System

GTM PILLAR	ITS PURPOSE	CAPABILITIES
Total Relevant Market	Identify best-performing segments, customer cohorts, future possibilities	TAM, TRM, ICP, Scoring, Account & Contact Data
Market Investment Map	Identify your highest value products, sequencing, GTM types, motions	Distinct GTMs, Revenue Modeling, Pricing & Packaging
Brand & Demand	Brand strategy, point of view, create and harvest demand, budgeting	POV & Brand Awareness, Messaging & Positioning, GTM Activation
Pipeline Velocity	Building repeatable, scalable throughput and efficiencies to meet targets	Sales Capacity Planning, Marketing & Sales Plays, Sales Process
Customer Time-to-Value	Create and manage a mutually beneficial relationship with your customers	Onboarding & Customer Success Plays, Adoption, Usage & Advocacy, Customer ROI
Customer Expansion	Strategies for driving expansion in your current customer base	Customer Cohorts, Account Management Plays, Customer Lifetime Value
Revenue Operations	The analytical information needed to power and hold your teams accountable	Single Source of Truth, Unified Data & Systems, Workflow & Automation
Leadership & Management	The care and coaching required to motivate, educate, and enable your people	Clarity. Alignment. Team. GTM Leadership Rhythm GTM Leadership Dashboard(s)

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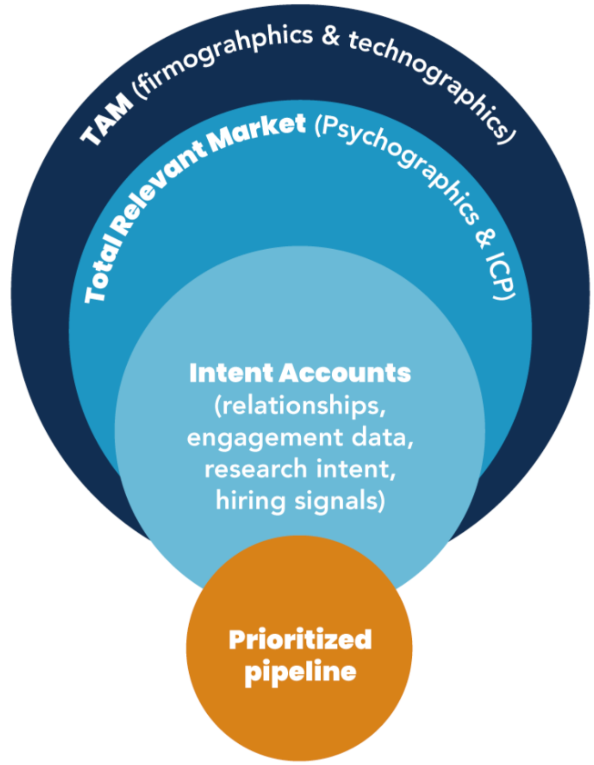
Identify and align on your best-performing segments, customer cohorts, & future possibilities

ACTION	ACTIVITIES
Ideal Customer Profile	• Gather and validate beliefs • Build out the Ideal Customer Profile
Customer Comparison	• Evaluate the degree of change and potential risks / benefits
Intel Provider Requirements	• Determine needed data sources & budget
ICP Model Implementation	• Systematize scoring and dissemination

Total Relevant Market Overview

As described in the MOVE Framework, determining which companies you will market your products to requires you to understand the market potential and then to define who your best-fit customers will be. Best fit customers can be defined by firmographic, behavioral, or technographic characteristics we can observe.



While high-level ICP definitions (e.g. Mid-Market, Salesforce users in the US) can be helpful for communicating your value prop, the GTM Operating System needs us to go a layer deeper and focus on the variables that define your best customers. Following this process will help you come to a data-based conclusion on the potential of a specific market and prepare you for the strategic planning needed to activate your teams.

As you work to identify your Total Relevant Market, know that you may be revisiting the model a few times as a part of your strategic planning process. This means that having an efficient way of executing the 4-steps below will allow you the flexibility you need to test and adjust without creating confusion in your Go-to-Market teams.

Finally, if you are serving multiple distinct markets, you may find that you have multiple ICPs, and multiple GTM types (e.g. Inbound, PLG). Therefore it is critical that you have an efficient way of tracking your GTM activities against each respective market segment.

4 Steps: Total Relevant Market Definition

1 GATHER ICP INTEL
Collect characteristics of your ideal customers from GTM Teams

2 CUSTOMER COMPARISON
Based on your ICP, who in your customer base is no longer an ideal customer

3 SELECT INTEL PROVIDER
How will you gather the intel you need to systematically assess prospects

4 ICP SCORING MODEL
Develop a model you can use to align the business around your targets

Pillar Roles and Goals

This process will be heavily dependent on the team responsible for the strategic planning of your markets, this could include Revenue Operations, Marketing, Product, or Sales. The project lead will own the collection of data and the final product of your ICP scoring model. However, including your entire Go-to-Market leadership team will be extremely beneficial, as it will not only improve the output but also start the process of creating buy-in for the plan.

It is not uncommon for Go-to-Market teams to treat ICP assessments as a once-per-year exercise, which usually coincides with yearly planning or a large product launch. However, we would advocate that this exercise be performed each time there is a new product or new market you are assessing for entry.

The following process is a quick exercise that can be done in a few meetings and data pulls.

Who should be included in this process:

TEAM	ACTIVITIES	OUTPUTS
RevOps	Generate account list Characteristic data sourcing ICP characteristic quantification	• ICP scoring model • Attributes source definition
Product & CS	Market expectations Original product target	• Market intelligence • Product usage & user feedback • Win-loss & churn analysis
Marketing	ICP Definitions Persona Details Branding to ICP alignment Messaging to ICP alignment	• ICP definitions • Primary persona definition • Branding & messaging • Alignment assessment
Sales	ICP Validation Messaging Review Sales Process (do you have the right people, processes & scale to support the ICP)	• Feedback and accept ICP • Sales process assessment

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Step One: Gather Intelligence

The gathering intelligence stage is focused on bringing the Go-to-Market team together and helping them provide input on the process of defining your Ideal Customer Profile (ICP). Some of the information you collect with be easily quantified. Some of the information may be anecdotal in nature, but will still provide the context or even "art" of developing an ICP your entire GTM team can activate.

There is likely going to be some internal debate regarding your ICP. Product, Sales, Marketing, and Customer Success should all be at the table because they will bring a specific point of view that will inform your final decision. This is why revenue operations is a key leader in this exercise as a neutral participant that can also help turn anecdotal feedback into data-validated truths about your current and future business.

The chart below outlines how Rev Ops can gather information and then use internal metrics to help quantify and validate impacts.

TEAM	ANECDOTAL FEEDBACK	DATA VALIDATION
Product	*"Enterprise requires investment in security technology that we do not have plans to support. Our product is currently better suited to SMB and Mid-Market."*	• Customer interviews • Reasons lost • Market interviews • Partner experiences • Competitive intelligence
Marketing	*"Our current content and events strategy is producing more SMB pipeline. This strategy also works well with our current partner network. We will need a re-work of strategy to enter the mid-market."*	• Pipeline sourcing by segment • Partner channel lead sourcing by segment • CPL by segment
Sales	*"Smaller Businesses have shorter sales cycles, but the buying behavior is less predictable. It is easier to predict Mid-Market deals."*	• Ave days to close by segment • Close from stage by segment • # Calls to closed won by segment
Customer Success	*"SMB customers are not seeing the value in the solution because they need a bigger team to invest in and leverage our offering. We should move away from SMB or we may have an increase in churn."*	• Churn $ & reason by segment • Expansion by segment • NPS by segment • Customer interviews

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Most companies will define their Ideal Customer Profile (ICP) in terms of Firmographic and Technographic characteristics. However, marketing and sales can further identify organizations they have more or less success with, which may allow you to further refine your ICP using Qualifying Characteristics (internal facts) and Readiness to Buy indicators (in market behaviors). By including these characteristics in your ICP model, you will have a clearer understanding of your true Total Relevant Market.

Use the chart below to guide your team to collaborate on your ideal customer profile.

FIRMOGRAPHICS	
Company Revenue	Consider contract size, service level, solution need
Industry	Consider internal knowledge expectations, size & velocity
Employee Count	Consider need, expansion potential and maturity
Location	Geographic limitations that may impact sell through
TECHNOGRAPHICS	
Complementary	Solutions that you work well with, improve or a partner
Blocking	Solutions that impede success (duplicative, no integration)
Sophistication	Buyer tech stack indicates readiness to take on solution
Intelligence	Usage, spend, departments and contract timing
QUALIFYING CHARACTERISTICS	
# Potential Users	Change management/cost per seat risks/benefits
# Team Members	Need a critical mass of resources to support
Typical Roles	A specific position or role that can champion you
Budget Line Item	Solution is included/excluded from budgets
Pricing Inhibitors	Solution is priced above or below specific buyers
Accelerators	There is a motivating trigger that can accelerate buys
READINESS TO BUY	
Hiring	The hiring of a role indicates readiness to buy
Funding Round	Solution supports scaling or efficiency
Buying Signals	Intent signals that show in market interest exists
Growth Investments	Physical assets, new partnerships, acquisitions
Marketing Updates	Updated positioning, branding refresh

Step Two: Customer Comparison

Once the characteristics that drive future growth are determined, it can be extremely informative to analyze your current customer base and compare your new ICP to the accounts that you would not have marketed to. This can provide insight into a few key questions:

- Is this a significant departure from where you have been successful in the past?
- If there is a significant amount of change, have you provided your Go-to-Market teams with the resources (time, budget, headcount) needed to perform the activities expected by the new market?
- How long does that typically take your business to adopt a change, and how would you measure incremental success?
- Will this change in focus negatively impact your current customers and is this the right move for you today?

The example below highlights how an organization can assess its future ICP against the current customer base and use this information to better understand where to focus and what is at stake should the company decide to move forward with the changes.

Current Customer Profile

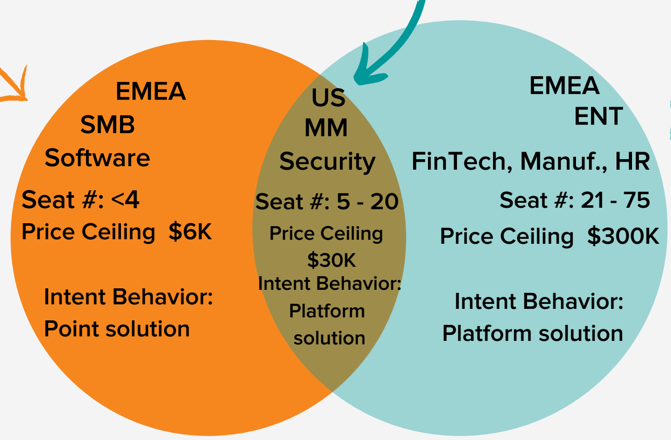
Their current customers include Small Businesses and Mid-Market companies in Software & Security verticals. They have not traditionally focused on the number of seats and have several customers with a lower Customer Lifetime Value ($6k per year). These buyers tend to be looking for a point solution focused on a single product and are regionally located in EMEA.

Retention & Expansion Profile

With the change in ICP, they will be changing their future customers and even potentially alienating existing customers. Customer teams are planning to focus their efforts on existing customers in the U.S. market who are in the Security sector. By focusing on this customer profile they can tailor messaging and customer teams on the customers most likely to grow.

Future Customer Profiles

Their future customer profile is focused on much larger organizations in EMEA and Financial Technology and Manufacturing firms. By determining that these profiles will derive the most value from their products and services, they have made the strategic decision to focus their acquisition activities in order to build a stronger business for the future.



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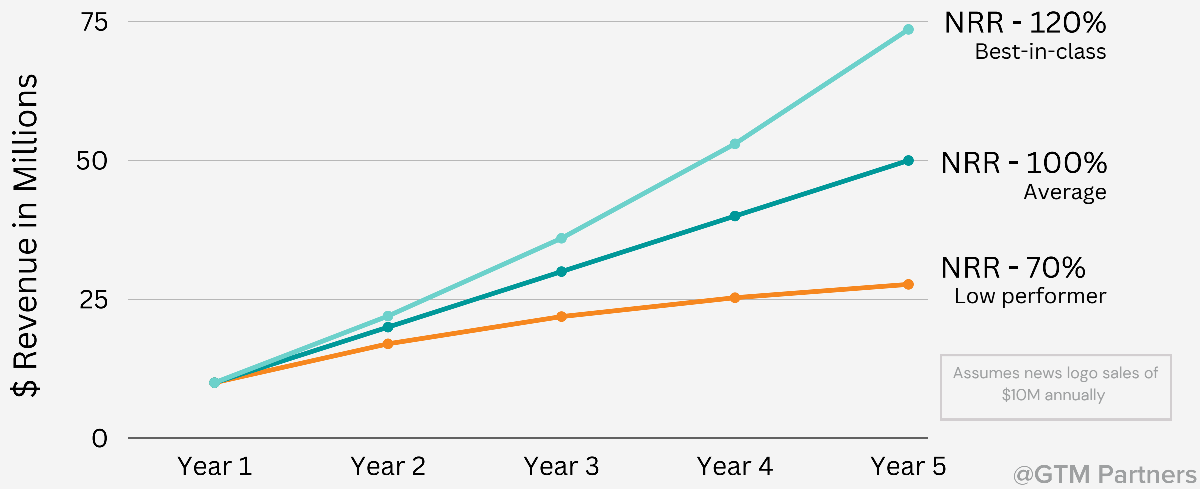
By focusing on customers more likely to be retained and grow with you, you can completely change the trajectory of your business.



WHY STARTING WITH THE RIGHT CUSTOMERS MATTER

While companies can grow with, or without having ideal customers identified, the sustainability of growth will decrease as you scale your business.

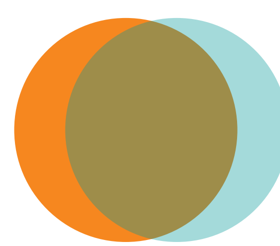
By Identifying and focusing on your Total Relevant Market you will be able to:

- Retain more customers
- Acquire business through expansion, which typically has a cost of acquisition (CAC) that is 50% of new business
- Create focus for your Go-to-Market organization and avoid inefficient use of resources

A Quick Note on Opportunistic Selling: Focusing on your ideal customer does not mean you need to walk away from any new business that does not fit your model. As long as your teams can provide value without over-taxing your customer teams...take that revenue.

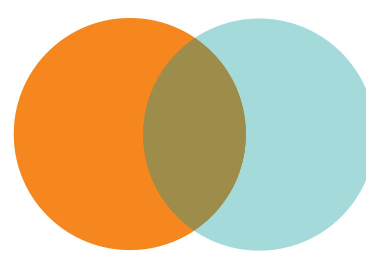
UNDERSTANDING THE AMOUNT OF CHANGE

ICP Adjustment



Making small adjustments to your ICP that are dominantly inclusive of your current customer base means less change for your GTM motions and change management for your GTM Teams. You can assume expansion paths and acquisition costs will remain constant.

ICP Pivot



Making large adjustments to your ICP that move away from your current customer base means you will need to spend more time analyzing changes to your GTM motions and change management for your GTM teams. You will also need to consider what this will do to your expansion potential. You will likely need to focus revenue generation on new customer acquisition vs. expansion.

Step Three: Securing the Data

Next, determine what data sources you will use to populate those variables and if you need a solution to help you automate and operationalize that information.

Your Revenue Operations team in partnership with sales and marketing leaders should take on the role of determining which data sources will allow for an unbiased understanding of your total relevant market, however, this data should be centralized and used by the entire GTM Team for product improvement direction, marketing activities, sales territory planning and customer support and expansion decisions.

The table below outlines the different types of technology that are often used in this space based on the Go-to-Market Type (e.g. Outbound, Inbound, Product-Led). Typically technology is used to track and to scale account and contact detail.

CATEGORY	WHEN SHOULD YOU INVEST	EXAMPLE SOLUTIONS
Buyer Intent	In this context, buyer intent behaviors are signals that can can be aggregated at either an account or individual level and is usually generated by buyers during a research cycle. This type of solution can be especially helpful for companies running Inbound and Outbound motions on a large TRM.	*HG Insights, Bombora, Demandbase, G2, 6Sense, Terminus, SalesIntel, ZoomInfo, Priority Engine, Leadfeeder, Lead Forensics, Qualified, Rollworks, Foundry...*
Engagement Data	Engagement data typically means activity tracking on your own assets (content, attending webinars, opening sales emails, submitting a lead, signing up for a free trial). Engagement data is important to track for most GTM types and is critical for longer buying cycles that require multiple touch points to complete.	*Salesloft, Hubspot, Apollo.io, Outreach, Salesforce, Groove, Uberflip, Pathfactory, Vidyard, Hushly, Airmeet, Terminus, Goldcast, Demandbase, Marketo...*
Business/ Market Intelligence	Business intelligence data can include things as simple as company industry, size, headquarter locations and funding sources or more complex or niche data. Your Business Intelligence solution will take in that information, synthesize it and provide that information back to you. BI Solutions are needed when you have a complex ICP, large market, complex triggers, or have a significant number of or complex products.	*HG Insights, SalesIntel, Bombora, Clearbit, D&B, Uplead, Cognism, Lead Forensics, Crunchbase, Owler, ZoomInfo, Openprise...*
Account Data Management	While CRMs are typically at the center of storing account data, Outbound & Inbound GTM Types may need to elevate their technology to include a tool that makes uncovering characteristics of accounts and the people you sell to more efficiently.	*ZoomInfo, SalesIntel, Clearbit, Demandbase, Terminus, 6Sense, Cognism, Lead Forensics, Insider, Segment, Planthat, Totango, Tealium, Blueshift, Uplead...*
Lead to Account Scoring & Routing	Lead to account scoring and routing enables businesses to get a more comprehensive picture of leads and engagement, as well as follow up with qualified leads faster. While most CRMs provide the basic functionality needed, these solutions help with more complex workflows that can't be maintained in a CRM or marketing automation solutions. GTM Types who will find this useful include Outbound, Inbound & Product Led growth.	*Openprise, Lean Data, Marketo, Eloqua, Hubspot, Salesforce...*

Step Four: Scoring & Scaling

There are several software solutions that support scaling your method of scoring accounts and sizing your total relevant market.

That said, before you invest in technology, you should first think through the ideal customer profile characteristics that will allow you to size your market and configure/train the software.

Using an ICP Scoring Model worksheet like the one to the right, you can identify and score the company characteristics (either positive or negative) for multiple business segments.

This simple approach can typically be executed in a single meeting with your Go-to-Market team and is a great first step in driving clarity for your business.

ICP Scoring Model

Characteristics	Variable	Mid-Market Weight	ENT Weight	Highest Pt
Technographic #1	Software 1	1	2	
	Software 2	2	0	
	Software 3	0	1	2
Technographic #2	Software 1	1	1	
	Software 2	1	1	
	Software 3	0.25	0.25	1
Technographic #3	Software 1	1	1	
	Software 2	1	1	
	Software 3	0.5	0.5	
	Software 4	0.5	0.5	2
Tecnhnographic #4	Software 1	1	1	
	Software 2	1	1	
	Software 3	0.5	0.5	
	Software 4	0.5	0.5	2
Industry	Software	1	1	
	Manufacturing	0.75	0.75	
	Finance	0.5	0.5	
	Healthcare	0.5	0.5	
	Business / Pro Services	0.75	0.75	
	Energy	0.5	0.5	
	Government/NonProfit	-0.5	-0.5	1
Company Size	SMB	0.5	0.5	
	MM	1	0.5	
	ENT	1	1	1
Recent Funding	0-5 M	0	0	
	5-25M	0.5	0	
	25-50	1	0	
	50M+	1.5	1	1.5
Intent Trigger #1	Keyword 1	0.5	0.5	
	Keyword 2	1	0.5	
	Keyword 3	1	1	1
Intent Trigger #2	Keyword 1	0.5	0.5	
	Keyword 2	1	0.5	
	Keyword 3	1	1	1
Intent Trigger #3	Keyword 1	0.5	0.5	
	Keyword 2	1	0.5	
	Keyword 3	1	1	1

Next Steps

Validate and refine the model by running it against current customers and open pipeline. Finally, determine the software and level of automation needed to identify and prioritizing within your Total Relevant Market.

Communicating this to your GTM teams will allow them to become more efficient in every aspect of Go-to-Market including what features the product decides to build, what channels marketing will activate to speak to your audience, whom sales will prioritize, and how to staff your Customer Success department.

Final Thoughts

Following the 4 Steps of Identifying your Total Relevant Market will provide many benefits to your organization, but the most important of those is that it is setting the strategic tone for the most fundamental parts of your business: **whom can you serve well and how many of those companies are out there and ready to buy.**

About GTM Partners

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GTM Partners, a data-driven Go-To-Market Analyst firm helps organizations and GTM vendors to achieve efficient growth by transforming their GTM strategy. We work with high-growth companies to help them unify their GTM teams and to provide them with lasting strategies and frameworks. GTM Partners with a mission to make Go-To-Market simple aims to be the voice of the industry for all things GTM.

We do this by offering:

1. Data and benchmarks collected from data providers, including G2 and Bombora, as well as our community of the world's fastest-growing companies.
2. Research, best practices, and design frameworks to provide guidance on the best-in-class approaches to strategizing, executing, and tooling your Go-to-Market approach.
3. Personalized advice and support from experienced leaders and practitioners that help you address business challenges in a manner that is authentic and specific to you. Our consulting work focuses on areas such as Go-to-Market strategy, creating a Point of View, and Go-to-Market project execution strategy across the 8 pillars of GTM.
4. Events and networking with industry leaders looking to define the category of Go-to-Market and revolutionize the way we create value for our organizations.

About the analysts

Bryan Brown, Chief Analyst

Bryan is a SaaS pioneer and thought leader in the marketing and sales tech industry. He has both created and brought to market innovative software products and ideas while helping thousands of companies in their effort to grow revenue more efficiently. Bryan is a co-founder with multiple exits (Vtrenz) has led strategy teams in Fortune 100 Companies (IBM) and has helped multiple organizations scale their products & Go-to-Market approaches from point solutions to platforms via organic product development and through mergers & acquisitions (Silverpop, Terminus). His work over the years has been instrumental in forming new categories and securing top placements for his companies in both the Forrester WAVE and Gartner Magic Quadrant reports.

Lindsay Cordell, Senior Go-To-Market Analyst

Lindsay is a practitioner turned analyst who studies best practices and trends in Go-to-Market and develops actionable models and blueprints for our clients. She has held both practitioner and leadership roles in almost every aspect of Go-to-Market, including Product, Marketing, Sales, Revenue Operations, and Enablement for several Fortune 500 companies, including AT&T, Hearst, and Cox. She most recently ran the GTM Center of Excellence for the Account-Based Marketing Platform Solution Terminus.

Sangram Vajre, Co-founder and CEO

Sangram is a three-time best-selling author and co-founder of several organizations, including Terminus, The Peak Community, and most recently, GTM Partners. Sangram has been at the forefront of B2B marketing trends, the Flip-my-Funnel movement, and defining the Account-Based Marketing category, ushering in a new generation of marketers. He has previously held CMO roles at Pardot, a Salesforce company, and Terminus.

To find out how GTM Partners can help you with efficient growth and revenue, contact us at:
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