



Target Operating Model

Thank you for participating in the Target Operating Model program. The information you provide will help us to put a framework around what factors reflect a strong VAR business model. It will also help to develop community benchmarks.

To help you prepare the information, below are the specific data points we are seeking to compile. **As a reminder – No personally identifiable information will be maintained or related to any results. All published information will only be shown in aggregate.**

To simplify the collection of the information, we are using an online survey tool, Survey Monkey. If you would prefer to provide the information over the phone, let us know and we will set up a time to talk with you.

If you have any questions, about a specific data point or the model in general, or to set up a call, please do not hesitate to contact Marie Perry at mperry@gorspa.org.

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1. What is your market size?
 - a. Small (<2,000 addressable sites)
 - b. Medium (2,000-5,000 addressable sites)
 - c. Large (>5,000 addressable sites)
2. What vertical markets do you serve?
 - a. Specialty Retail
 - b. Grocery
 - c. Hospitality
 - d. Other (please specify)
3. What managed services tools do you currently use? (This could include RMM (Remote Monitoring Management) or PSA (Professional Services Automation) tools.)
4. Have you implemented any of these customer loyalty / satisfaction programs?
 - a. NPS
 - b. Sales Satisfaction
 - c. Service Satisfaction
 - d. Support Call Satisfaction
 - e. Customer Satisfaction
 - f. Other (please specify)
 - g. None
5. How do you deploy your sales team?
 - a. Addressable Site List
 - b. Geography
 - c. Without Borders
 - d. Other (please specify)
6. What percent of your business is Traditional vs SaaS?
7. What is the average per site value (\$) for the following? (Traditional System sales)
 - a. Revenue for a new site (SW & HW)
 - b. Gross Profit for a new site
 - c. PDT (programming, delivery, training) for a new site
 - d. Payment processing (annually)



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8. What is the average annual per site value (\$) for the following? (SaaS System sales)
 - a. Revenue for a new site (SW & HW)
 - b. SW & HW Revenue (years 2-5)
 - c. Gross Profit for a new site
 - d. PDT (programming, delivery, training) for a new site
 - e. Payment processing
9. What is your total annual revenue?
10. What is your total annual recurring revenue? (Answer as total \$ or as a % of total revenue.)
11. What % of your total recurring revenue is payment processing?
12. What % of your total recurring revenue is non-traditional? (NOT help desk, service contracts, POS, payments)
13. What is your total annual professional services revenue? (Do not include new site installations. Answer as total \$ or as a % of total revenue.)
14. What is your professional services absorption? (This is calculated as a percentage based on the total number of professional services hours you have billed against the total number you have available to bill in a year. Example: Billed 1,475 hours in a year, had 1,888 hours that were potentially billable (number of days in the year, less weekends, holidays, PTO, etc. times the number of hours in a workday) = $1,475/1,888 = 78\%$)
15. What are your total annual expenses? (Do not include COGS. Answer as total \$ or as a % of total revenue.)
16. What is your annual operating income? (Answer as total \$ or as a % of total revenue.)
17. What is your free cash flow? (Defined as operating cash flow minus capital outlays and investments required to maintain and expand business, investment examples include service vehicles and infrastructure tools / business automation. Answer as total \$ or as a % of total revenue.)
18. What is your average total Accounts Receivable?
19. What is your current total inventory value?
20. What is your current total sales backlog? (Bookings to be delivered.)
21. What are your employee counts?
 - a. Sales
 - b. Implementation
 - c. Support
 - d. General & Administrative
 - e. Other
22. What is your total employee retention? (Enter as a % based on the number of employees that you had at SOY that remained at EOY - do not include new hires. Example: 10 employees at SOY, 8 of those individuals remained at EOY = $8/10=80\%$)
23. What is your total sales staff retention? (Enter as a % based on the number of sales staff that you had at SOY that remained at EOY - do not include new hires. Example: 3 sales staff at SOY, 2 of those individuals remained at EOY = $2/3=67\%$)
24. What is your profit per employee?
25. How many new systems did you sell in the prior year?
 - a. Traditional
 - b. SaaS
26. How many new systems are you forecasting to sell this year?
 - a. Traditional



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- b. SaaS
- 27. How many new customers did you capture last year for only managed services (not a POS customer)?
- 28. How many new customers are you forecasting to capture this year for only managed services (not a POS customer)?