

Q3 2025 Quarterly Business Review

Acme SaaS Co. -- Revenue Operations

Reporting period: 2025-07-01 to 2025-09-30.

Executive summary

- ARR ended Q3 at USD 34.8M, +18% year over year. Growth was led by Enterprise expansion (+24% YoY) and a steady contribution from Mid-Market new logo bookings.
- Net dollar retention came in at 117% across the full customer base, up from 113% in Q2. Enterprise NRR was 124%, a record for the segment.
- New logo bookings declined 8% versus Q2. The SMB segment is the main weak point and the priority focus for Q4.
- Gross retention held at 92% overall, with Enterprise gross retention reaching 98% (also a record).

Segment performance

SMB

Net new MRR grew 9% sequentially but customer churn climbed to 4.2% (vs. 3.8% in Q2). Pipeline coverage is the primary concern: SMB needs 2.5x coverage by mid-November to hit the Q4 target. Sales-led motion is being augmented with a self-serve trial flow that launched late in the quarter.

Mid-Market

Expansion-led growth, with NRR of 121%. Three significant cross-sells closed in the quarter, each tied to the new Customer Insights dashboard rollout. New logo motion is steady; current ACV trending at USD 48k.

Enterprise

The standout segment this quarter. NRR of 124% and gross retention of 98% are both segment records. Two seven-figure expansions closed late in the quarter, both driven by the data platform consolidation use case. EMEA pipeline remains thin -- two new AE hires planned for Q4.

Operational highlights

- Migrated the production analytics workload from Tableau Server 2024.3 to Tableau Cloud. Performance improved; total cost of ownership dropped roughly 15%.

- Replaced three brittle ETL pipelines with dbt Cloud running on Snowflake. Mean run time fell from 47 minutes to 12 minutes; SLA breach rate fell from 6% to under 1%.
- Launched the Customer Insights dashboard internally. Weekly active usage among Customer Success Managers reached 60% by end of quarter, up from a pilot baseline of 18%.
- Completed SOC 2 Type II audit with no significant findings.

Q4 priorities

1. **SMB pipeline coverage.** Target 2.5x coverage by mid-November via the new self-serve trial + outbound BDR augmentation.
2. **EMEA Enterprise hiring.** Two AE hires plus a regional SE. Time-to-productive target: under 90 days.
3. **Data platform completion.** Migrate the remaining Mid-Market dashboards from Tableau Server to Tableau Cloud. Decommission the on-prem Server cluster by end of December.
4. **AI assistant rollout.** Pilot the internal Customer Insights AI assistant with the top ten enterprise accounts. Measure CSM time-to-answer reduction.

Risks and watch items

- Macroeconomic softness in SMB segment continues to compress deal sizes (median ACV down 11% YoY).
- Data platform migration carries non-trivial cutover risk for three Mid-Market customers whose Tuesday morning dashboards are business-critical.
- Talent: one Enterprise AE departed at end of Q3; backfill in progress.