GTM TRENDS IN THE IDENTITY MANAGEMENT SOLUTIONS INDUSTRY

Gradient Works

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EXECUTIVE SUMMARY

The identity management solutions industry is navigating a rapidly evolving go-to-market (GTM) landscape characterized by intense competition, changing buyer behaviors, and a post-ZIRP emphasis on profitable growth. This report will explore how companies in this space are managing these GTM challenges in 2025 and beyond.

Key players such as BeyondTrust, 1Password, Ping Identity, Saviynt, SailPoint, Delinea, CyberArk, LastPass, Keeper Security, AppViewX, Keyfactor, and Teleport have adopted diverse GTM strategies to capture market share across enterprises, mid-market firms, and SMBs.

This report includes discussion of the GTM challenges these companies face, goes into detail about how specific companies are addressing those challenges, addresses different GTM motions and finally, concludes with benchmarks for other companies in this industry.

GTM Challenges

Identity security vendors face crowded markets and longer sales cycles, especially in regulated industries. They must differentiate in a field where trust is paramount (e.g. LastPass's 2022 breach led to a "mass user exodus" to competitors). Post-2022 budget constraints also demand clear ROI and efficient sales motions.

Solutions & Case Outcomes

Leading companies have responded by innovating their GTM approaches. Product-led growth (PLG) has become a critical motion even in security – for example, 1Password leveraged a beloved product and community to expand from consumers into 100,000+ business customers.

Others doubled down on channel partnerships and customer success, as seen with BeyondTrust (new Chief Customer Officer and >95% retention) and Keyfactor (expanded from 50 to 200 partners to reach new markets). These moves yielded strong results, from 40%+ ARR growth to efficient "Rule of 40" profitability.

GTM Motions

Companies employ a mix of sales-led and product-led motions. Enterprise-focused vendors (CyberArk, SailPoint, Ping, etc.) rely on direct sales and system integrator partners to land large deals, while PLG-oriented firms (1Password, LastPass, Teleport) drive bottom-up adoption via free trials or open-source tools.

The trend is toward hybrid GTM: even PLG successes eventually layer in outbound sales to accelerate growth beyond an organic ~30% rate. Many firms segment GTM teams by customer size or vertical, and are unifying product, marketing, and sales efforts to provide a seamless buyer journey.

Market Segments & Benchmarks

Identity management providers typically target enterprise and regulated sectors (financial services, government, healthcare) for high-value deals, while password managers and developer-focused tools also tap SMB and mid-market demand. Pipeline generation varies – inbound marketing and PLG drive a majority of leads for some (up to ~90% inbound in certain cases), whereas traditional enterprise vendors still see ~50% of pipeline from outbound sales development or partners.

Industry benchmarks reflect robust performance: annual recurring revenue (ARR) growth of 30–40% (e.g. SailPoint's 30% YoY ARR growth; Saviynt's 39% in 2023), high gross retention (~95%) and net retention often 110–115%, indicating strong upsells. New customer acquisition contributes significantly to growth – e.g. BeyondTrust added 1,500 new logos in 2023 – while expansion of existing accounts drives the remainder.

GTM CHALLENGES & SOLUTIONS

Identity management firms have encountered several GTM challenges in recent years, driven by market saturation, economic shifts, and heightened customer expectations. Common hurdles include: a crowded competitive landscape (PAM, IGA, and password management markets with overlapping offerings), longer enterprise sales cycles with security stakeholders, the imperative to transition from legacy on-premises to cloud SaaS models, and maintaining customer trust amid high-profile security incidents.

Next we examine key challenges and how leading companies solved them, with case studies illustrating the approach and impact.

CASE STUDY #1
Penetrating a Mature Market and Building Enterprise Trust
1Password

CASE STUDY #2
Transitioning to Subscription & Driving New Growth
BeyondTrust

CASE STUDY #3
Scaling a Niche Offering via Channel & Innovation
Keyfactor

Penetrating a Mature Market and Building Enterprise Trust

1Password

1Password started as a consumer password manager and faced the challenge of breaking into enterprises dominated by incumbent solutions.

✳ Approach

1Password invested in product-led growth and community-driven marketing to generate inbound interest, then bolstered its go-to-market with enterprise sales and channel partners. The company built a strong referral network and content engine, partnering with popular platforms like HaveIBeenPwned to funnel high-intent users to its site.

It remained self-funded for over a decade, proving product-market fit, then raised capital to scale sales and marketing in 2019. Recently, 1Password launched a global partner program to onboard resellers, MSPs, and integrators for wider reach.

✳ Impact

This holistic GTM strategy drove 1Password's ARR above $250 million by 1H 2023, 2/3 of that coming from business customers. The company now serves over 100,000 businesses, has surpassed competitors to become "the most-used enterprise password manager," and continues to grow across SMB and enterprise segments through significant channel-led momentum.

<100k
Business customers

50%
YoY growth in B2B

CHALLENGE 2

Transitioning to Subscription and Driving New Growth

BeyondTrust

BeyondTrust, a longtime player in privileged access management (PAM), needed to unify a portfolio of solutions and pivot from legacy licensing to a cloud-oriented subscription model – all while expanding its customer base in a competitive market.

✳ Approach

BeyondTrust pursued a platform strategy ("Intelligent Identity & Access Security" platform) to cross-sell and upsell within its install base, and aggressively shifted to recurring revenue. The company's leadership added a Chief Customer Officer and Chief Marketing Officer to sharpen customer experience and demand generation.

It also participated in programs like the AWS ISV Workload Migration Program to ease customers' cloud transition. Simultaneously, BeyondTrust focused on efficient growth, aligning with the post-ZIRP mandate for profitability.

✳ Impact

By 2023, over 80% of BeyondTrust's revenue was recurring, with subscription ARR growing ~40% YoY. GTM execution delivered nearly 1,500 new logos in 2023 and expansion sales to ~3,700 existing customers. Critically, customer retention remained above 95% and net retention topped 110%, supporting both growth and trust. The company achieved profitable growth exceeding the "Rule of 40" (combining 40%+ growth with 25% EBITDA), demonstrating a successful balance of aggressive sales expansion and efficiency.

110%
NRR

40%
YoY growth in ARR

Scaling a Niche Offering via Channel and Innovation

Keyfactor

Keyfactor, focused on digital identity and Public Key Infrastructure (PKI) management, faced the challenge of scaling from a niche tech solution into a mainstream identity security player. This meant educating the market on machine identity security and reaching enterprises typically served by larger IAM vendors.

✳ Approach

Keyfactor pursued an aggressive channel-led GTM and product expansion. It grew its channel partner program 4x (from ~50 partners to over 200 in two years), engaging value-added resellers and global integrators like Optiv, WWT, and Accenture to extend its salesforce. The company also executed a strategic merger with PrimeKey (a PKI vendor) to offer an end-to-end solution (certificate issuance + lifecycle management), making its value proposition more compelling.

✳ Impact

Keyfactor's annual recurring revenue surged from $7 million in 2019 to over $100 million in 2023. With Insight Partners' backing, the company achieved a 526% growth rate over four years and unicorn status. Channel contributions grew rapidly – in 2023 about 15% of new logos came via partners, and the goal is 35–40% in 2024 – illustrating how a robust partner ecosystem accelerated Keyfactor's new customer acquisition and global reach.

15%
New logos from partners

526%
ARR growth between 2019 to 2023

Other industry players have addressed similar challenges with tailored strategies.

Saviynt, for example, reinstalled its founder as CEO and forged alliances with Big Four consultancies (Deloitte, EY, KPMG) to compete with SailPoint, yielding 39% recurring revenue growth and "best-in-class" 95% retention in 2023.

Ping Identity, after a major acquisition of ForgeRock, relied on close collaboration with leading integrators to merge product offerings and preserve customer trust, resulting in 30% growth in SaaS revenue and approaching $800M ARR.

Each of these cases underscores a key lesson: **successful GTM in identity security requires adapting to the market's demands** – whether that's leveraging product-led adoption, embracing new sales channels, or transforming business models – while **keeping customer trust and value at the center**.

The measurable impacts (from ARR milestones to retention scores) demonstrate the payoff from tackling GTM challenges with **bold, customer-focused strategies**.

GTM MOTIONS

Clear patterns emerge in the GTM motion identity management companies employ. Most blend multiple sales strategies to address different customer segments and maximize growth. The common GTM motions in the identity management industry include:

1. Product-Led Growth (PLG)
2. Sales-Led (Enterprise Sales) Motion
3. Hybrid and Multi-Channel Motions

1. PRODUCT-LED GROWTH (PLG)

An increasing number of identity security solutions use PLG tactics – delivering easy access to the product (free tiers, trials, open-source editions) to drive bottom-up adoption. Traditionally, cybersecurity favored top-down sales, but this is changing. As of 2022, roughly 18% of security products could be described as product-led, a figure that has likely grown. PLG allows vendors to capture developers, end-users, or small teams as champions.

Password Managers (1Password, LastPass, Keeper): These companies offer free or low-cost plans and rely on viral adoption within organizations. Users self-serve to start, and usage spreads, creating warm leads for upsell. 1Password's CMO notes that while inbound PLG drove early revenue, they eventually layered a "sales-assist" motion on top, meaning sales teams engage once a self-serve customer shows interest in upgrades. This hybrid approach ensures the journey stays frictionless until a prospect is ready for a conversation. LastPass similarly rode a freemium model to widespread SMB

adoption (though recent trust issues impacted its momentum). Keeper Security targets businesses with a trial-to-paid funnel and emphasizes ease of use to compete with larger vendors.

Developer-Focused and Open-Source Tools (Teleport, AppViewX): Teleport exemplifies PLG via open-source. Its core access platform is open-source, attracting thousands of engineers who deploy it for free and become advocates. The company then sells enterprise features (single sign-on integration, role-based access controls, support) to organizations that need advanced capabilities. This motion has led to adoption in tech-forward companies like DoorDash and Snowflake before any formal sales outreach. Teleport's CRO emphasizes the need to "develop an enterprise product that adds value beyond the open-source solution" to convince users to pay. AppViewX, with its certificate lifecycle automation, also offers community editions and targets DevOps teams for grassroots entry.

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2. SALES-LED (ENTERPRISE SALES) MOTION

Virtually all identity management vendors maintain a classic enterprise sales force to some degree. High-touch, sales-led GTM remains crucial for large deals, regulated industries, and complex solution sales. Here are the characteristics of this motion in the identity sector.

Field Sales & Presales Engineering: Companies like Ping Identity, SailPoint, CyberArk, and BeyondTrust deploy field sales representatives paired with sales engineers to engage CIOs, CISOs, and IT directors. Given the mission-critical nature of identity systems, these buyers expect in-depth product demos, architecture workshops, and proof-of-concepts – a process requiring a knowledgeable sales team. Ping Identity, for example, traditionally focused on the Global 2000 enterprises, often in financial and telecom sectors, with direct sales and technical consultants guiding identity federation and IAM deployments (and it has continued this approach post-acquisition, now selling integrated Ping+ForgeRock solutions to large accounts). SailPoint, similarly, built its business via enterprise sales targeting Fortune 1000 firms for identity governance; its S-1 filing highlights large deal sizes and a land-and-expand strategy among global enterprises.

Account-Based & Outbound Motions: Many of these firms use outbound account-based marketing (ABM) and SDR (Sales Development Rep) teams to penetrate target accounts. Outbound prospecting remains a major pipeline source – studies show outbound SDRs contribute roughly half of pipeline in B2B SaaS on average. Identity vendors reflect this: for instance, CyberArk and Delinea (Thycotic/Centrify) concentrate on named accounts in government, finance, and healthcare, with SDRs, field reps, and channel partners working together to win those accounts. The panel of PLG experts at SaaStr reinforced that even for product-led companies, adding "outbound energy" early is key to avoiding a growth plateau. Kim Walsh of Apollo.io advised not to wait too long: "If you have product-market fit...implement outbound [sales] simultaneously". In practice, identity-focused companies often start outbound motions once they hit a few million ARR or see user growth leveling off.

Consultative and Solution Sales: Enterprise GTM in this space often transitions from pure product selling to solution selling. As one sales leader put it, selling identity solutions means "convincing an economic buyer that your product is the solution they're looking for", which requires understanding the customer's broader security program. Vendors like Saviynt and SailPoint have structured their teams to include vertical experts and value engineers who can map identity governance outcomes to compliance or productivity gains for the client. This consultative approach is crucial to overcome internal bureaucracy on the buyer side and to articulate ROI (a growing concern in tighter budget environments).

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3. HYBRID AND MULTI-CHANNEL MOTIONS

The most effective GTM strategies blend product-led and sales-led approaches, while also leveraging partner channels. The identity industry shows a clear trend toward hybrid GTM models to maximize reach:

Combination of Self-Service and Direct Sales: Many companies operate dual funnels. Inbound self-service leads (trials, free sign-ups) are nurtured by marketing and "growth teams" until they reach a certain usage or intent threshold, at which point sales engages. This hybrid motion was key to 1Password's scale – they scaled to millions of users with minimal sales, then built an enterprise sales team to upsell larger clients (e.g. IBM, Slack) once the product had proven value internally. As Raj Sarkar (1Password CMO) noted, having a unified growth team spanning product, marketing, and design is essential to make this work. This ensures that as leads move from clicking a blog post to trying the product to speaking with sales, the experience is cohesive. Other firms like SailPoint have also pivoted to offer both SaaS products for quick starts and enterprise packages, capturing smaller customers via partners or online channels and bigger fish via direct sales.

Channel Partner Integration: A significant motion is selling through or with partners – including resellers, global system integrators (GSIs), consulting firms, and tech alliances. Identity solutions often require integration with broader IT systems, so partners play a key role in recommending and implementing products.

For example, Keyfactor and Saviynt heavily expanded their channel programs; Keyfactor's CEO reports growing from 0% to 15% of new deals coming via partners in one year and targeting ~40% soon. 1Password's new partner program similarly focuses on resellers and MSPs to push into SMB and new regions. Ping Identity's partner of the year awards highlight integrators that drive Ping deployments, illustrating how critical channel is to their GTM. Delinea (born from merger of two PAM vendors) likewise relies on a network of VARs and regional partners to reach mid-market IT buyers. The comparative insight here is that enterprise-heavy vendors (Ping, CyberArk, SailPoint, BeyondTrust, Keyfactor) lean on channels and alliances to scale globally, whereas PLG-heavy vendors (1Password, Teleport, Keeper) initially rely more on direct digital channels, only later layering in channel partners for new segments.

Team Structure for Hybrid GTM: Organizations are structuring GTM teams to support these motions. Many have created specialized roles and teams: e.g., a Growth team that owns the self-service funnel (product analytics, in-app onboarding, PQLs – product-qualified leads), a Field sales team for enterprises, an Inside sales/SMB team for smaller deals, and a Channel/Alliances team to manage partners. Notably, the first hires in PLG companies often include product marketing and growth marketing to focus on messaging and funnel

conversion, whereas traditional firms might first scale direct sales. However, the lines are blurring – even established companies are hiring for PLG skills, and PLG companies are hiring enterprise reps. Teleport's recent appointment of a CRO and CMO explicitly to reach "$100M ARR and beyond" underscores how even an open-source-led company invests in seasoned sales leadership for the next stage. Across at least five companies reviewed, a commonality is the emphasis on cross-functional alignment – every department (product, marketing, sales, customer success) is being aligned around shared goals such as net retention or pipeline targets, breaking silos to execute the GTM motion smoothly.

Adoption trends

In summary, the identity management sector is seeing wider adoption of hybrid GTM motions. Pure sales-led models are augmented by PLG elements to capture tech-savvy users earlier, and pure PLG models are reinforced by strategic sales to win larger contracts.

This hybridization is a response to software adoption trends: buyers now expect to try before they buy, but they also expect vendors to understand their complex needs. The fastest-growing companies – like those surpassing 30% YoY growth – are those that manage to "let the product sell itself" at first, then add human touchpoints at the right moments to accelerate and expand deals.

The next section examines how these motions play out across market segments and what benchmarks these companies achieve.

The fastest-growing companies... "let the product sell itself" at first, then add human touchpoints at the right moments to accelerate and expand deals.

INDUSTRY SEGMENTATION & BENCHMARKS

The identity management market is diverse, with vendors tailoring their GTM approaches to specific industry verticals, customer size segments, and regions. In this section, we break down how companies focus their efforts (SMB vs enterprise, financial services vs tech, etc.), how inbound vs outbound pipelines contribute to sales, and benchmark performance metrics like revenue growth and retention. We also assess GTM headcount trends in the wake of recent market shifts.

1. MARKET SEGMENTS & VERTICAL FOCUS

Identity solutions often find strong footholds in certain industries due to compliance and security needs:

Enterprise & Regulated Industries: Nearly all the profiled companies target large enterprises in regulated sectors – financial services, government, healthcare, energy, and telecom – as prime customers. These industries value robust security and have complex identity requirements (e.g., compliance with SOX, HIPAA, or government standards). Ping Identity and ForgeRock (now combined) historically thrived in finance and public sector IAM deployments, and Ping recently attained an Australian government security certification to further penetrate that segment. SailPoint and Saviynt focus on Fortune 1000 corporations, often highlighting use cases in banking (for insider access controls) or healthcare (protecting patient data). BeyondTrust, CyberArk, and Delinea (PAM vendors) similarly emphasize their success in highly regulated industries that demand privileged access controls – for example, BeyondTrust cites customers in government and defense, and CyberArk frequently notes its dominance in global banks. These vendors align their sales teams by vertical; for instance, they may have dedicated federal sales teams or solutions tailored to industry frameworks.

Mid-Market & SMB: A number of identity management providers also address mid-market companies (generally those below 2000 employees) and even SMBs. Password management and MFA solutions (1Password, LastPass, Keeper) naturally extend to small businesses because every organization needs basic credential security. 1Password's partner program explicitly aims to expand deeper into SMB segments via MSPs and resellers. Delinea's heritage (Thycotic) was serving mid-market IT with easier-to-deploy PAM, which continues under the merged brand. Keyfactor notes it serves customers "across mid-market and enterprise", indicating a two-tier sales strategy (a volume approach for mid-size accounts and high-touch for large accounts). Similarly, Teleport's cloud-based

access plane initially found adoption in tech startups and mid-size tech companies who embraced its modern approach, even as it now courts larger enterprise deals. In general, mid-market sales tend to be higher velocity and may rely more on inside sales or partners, whereas enterprise deals are longer and led by field sales – most companies maintain separate teams for these segments.

Geographic Segments: Post-2022, many identity companies also adjusted regional GTM investment. The end of easy growth capital prompted a focus on core geographies (North America, Western Europe) for efficiency, though some like 1Password and Saviynt continued to expand in EMEA and APAC by leveraging partners. Regional nuances exist – for example, Europe has strong demand for identity governance (GDPR drove this), which SailPoint and Saviynt have addressed via EU-based teams and data centers. APAC is often handled through distributors or regional SIs (Saviynt's 2024 global tour includes Singapore to build APAC presence). The key benchmark is that leading vendors derive the bulk of revenue from North America (~50-70%) but are seeing faster growth internationally, so GTM headcount in EMEA/APAC has been gradually rising (often via channel-focused roles to limit cost).

2. INBOUND VS OUTBOUND PIPELINE CONTRIBUTION

The balance of inbound (marketing/organically generated) pipeline versus outbound (sales/SDR generated) pipeline in this industry varies by company model, but several benchmarks and examples illustrate typical structures:

Product-Led & Inbound-Heavy Models: Companies with strong PLG or brand presence see a majority of their pipeline come from inbound sources. For instance, an analysis of web traffic for top password managers shows 1Password, Bitwarden, and LastPass all rely heavily on direct and organic traffic (≈80-90% of traffic), reflecting their successful inbound marketing and word-of-mouth. In practical terms, this means many of their deals start with the customer coming to them – e.g. a team lead downloads 1Password after reading a review on Wirecutter (NYTimes) naming it "best overall". 1Password's content and community investments result in high intent leads that convert well. According to industry benchmarks, inbound leads in B2B security often have a win rate ~5 percentage points higher than pure outbound leads (25% vs 20% median win rate) because these buyers are actively searching for a solution. As a result, a PLG-first firm might see, say, 70% of new opportunities originating from inbound web demos, content downloads, or user referrals. Indeed, some SaaS companies report up to 90% of won deals originating inbound, though that is on the high end for security.

Sales-Led & Outbound-Driven Models: Enterprise-focused identity vendors often generate a large portion of pipeline through outbound prospecting and partner referrals. Industry benchmarks (TOPO, etc.) show SDRs typically generate ~46–73% of pipeline in enterprise SaaS. In the identity segment, outbound efforts are critical to reach key decision makers who may not actively seek new solutions due to legacy incumbency. For example, CyberArk's sales team targets a finite list of the world's biggest organizations for PAM – outbound outreach, executive networking, and account-based campaigns are needed to engage those target accounts. Similarly, Keyfactor's shift to channel implies that partners (a form of outbound) now deliver a growing share of pipeline: 0% in 2022 to ~15% of new logos in 2023, aiming for 35–40% in 2024.

This indicates a heavy pivot toward externally driven opportunities. Ping Identity historically balanced inbound from its marketing (events, webinars on identity trends) with outbound by sales reps into large enterprises; after being taken private, Ping has likely leaned more on its installed base and outbound to drive expansions (e.g., cross-selling ForgeRock products into Ping customers).

A useful benchmark here is that many enterprise-focused firms aim for roughly a 50/50 split between marketing-sourced vs sales-sourced pipeline – enough inbound to keep cost of acquisition in check, but enough outbound to reach strategic accounts. In practice, this split

can swing year to year; for instance, if marketing budgets were cut in 2023, some firms saw outbound (BDR/AE sourced) pipeline share rise above 60%.

Conversion and Efficiency: Whether inbound or outbound, pipeline quality matters. It's noted that outbound-sourced deals can have higher ACVs but often lower win rates than inbound. However, a recent study found outbound leads can convert to sales at a 34% higher rate than inbound in some contexts – likely when targeting ideal customer profiles with tailored outreach. Many identity vendors track "marketing-influenced" pipeline to ensure collaboration: for example, even in outbound deals, marketing may nurture contacts via webinars or analyst reports. A HockeyStack analysis indicated that in one scenario 36% of pipeline (inbound) generated 53% of revenue – implying inbound deals were smaller but more numerous, while outbound deals (fewer in number) delivered 47% of revenue on 64% of pipeline.

The takeaway for identity solution providers is to optimize this mix: use inbound/PLG to fill the top of funnel efficiently, and use outbound/channels to strategically pursue high-value accounts. This dual engine is evident in the companies studied – e.g., BeyondTrust drives thought leadership content (Inbound) but also has dedicated account execs for Global 500 accounts (Outbound), and both motions contributed to its 1,500 new customer wins.

3. REVENUE GROWTH AND RETENTION BENCHMARKS

Since 2022, the identity management sector has remained a high-growth area of cybersecurity, though companies are moderating growth targets to focus on retention and efficiency. Benchmarks and recent public data points include:

Year-over-Year (YoY) Revenue/ARR Growth: Many leading identity-focused firms achieved 20–40% YoY ARR growth in the past two years, outpacing general IT spending growth. For example, SailPoint (identity governance leader) grew ARR ~30% YoY to $813 M by late 2024. BeyondTrust reported ~40% YoY growth in subscription ARR in 2023. Saviynt, a smaller player, grew recurring revenue 39% in 2023. Ping Identity's SaaS ARR rose ~31% YoY as of late 2024, nearing $800 M. Even the mature PAM market shows strong growth – CyberArk's total ARR was up ~38% YoY in Q3 2023 (driven by 68% growth in subscription ARR as they convert customers to SaaS).

An industry benchmark from Gartner suggests the broader Identity-as-a-Service (IDaaS) market is growing ~24% CAGR, so top vendors often exceed that. However, the end of ZIRP brought a slight tempering: growth that was 50%+ in 2021 has come down into the 30%s as companies prioritize sustainable sales expansion over blitzscaling.

New Business vs Expansion (New Logos as % of Revenue): A healthy mix of new customer acquisition and expansion of existing accounts is a hallmark of this industry.

Many identity security companies derive a significant portion of annual bookings from existing customers (expanding use cases, adding modules), which is evidenced by high net retention rates (more below). For context, SailPoint disclosed a 114% net retention rate, meaning the existing customer base grew by 14% through upsells – roughly half of its ~30% total growth came from expansions, half from new logos. Similarly, BeyondTrust's addition of 1,500 new logos in 2023 was complemented by thousands of expansion transactions, implying a balanced growth.

In terms of revenue composition, a rule of thumb in mature SaaS companies is ~70-80% of revenue comes from existing customers (renewals + upsells) and 20-30% from new customers in a given year. The companies in this sector appear to align with that: e.g., if gross retention is ~95%, then roughly 5% of revenue must be replaced by new sales to stay flat, and any growth beyond that is split between expansions and net new. Saviynt's metrics (95% gross retention and 39% growth) suggest that it expanded existing accounts significantly (perhaps ~15-20% growth from upsell) and acquired new customers for the rest (~20%+ growth from new logos). Keyfactor's case – growing ARR from $7M to $100M in 4 years – was heavily new-logo driven as a younger company (adding many customers), but now even they project a greater role for expansion as

their installed base grows (hence hiring customer success and focusing on upsell of their full platform).

In short, benchmarks for new vs expansion: new logo ARR might comprise roughly 20-40% of new ARR bookings at scale for these companies, whereas expansions contribute 60-80% of new ARR (which yields NRR >100%). High-growth periods or companies entering new markets will skew higher on new logo contribution (e.g., 1Password's massive user growth phase), whereas a company in a mature phase will see more growth from existing clientele.

Gross and Net Retention Rates:
Retention is extremely strong in this industry due to the sticky nature of identity solutions (once embedded, replacement is costly) and the subscription model shift. Gross Revenue Retention (GRR) for top vendors sits in the mid-90s percentage. BeyondTrust highlights a >95% gross retention, Saviynt "best in class" 95%, and Ping/ForgeRock likely similar given their entrenched customer bases. This means churn is under 5% annually, a solid benchmark indicating customers rarely fully cancel – a critical factor for long-term growth. Net Revenue Retention (NRR/Net Dollar Retention), which includes upsells, typically exceeds 110% for leaders. SailPoint's 114% and BeyondTrust's >110% exemplify this. In practical terms, an NRR of ~110-115% implies customers expand usage (via more licenses, modules, or upgrades) at a healthy clip, offsetting any downsells.

This range (110-120%) is on par with top-tier SaaS companies and indicates

a lucrative "land-and-expand" dynamic in identity management. For sales leaders, these retention metrics set an expectation: a well-run identity GTM should aim for GRR ~90-95%+ and NRR above 105-110% as a baseline. Falling below would signal customer satisfaction or adoption issues, while exceeding could indicate strong upsell execution.

Notably, the shift to subscription has temporarily suppressed some revenue metrics (because license revenue is now recognized over time), but as seen with CyberArk now crossing $1B ARR, those who managed the transition are now reaping high recurring retention economics.

Rule of 40 and Profitability Focus:
Since the end of ZIRP (zero interest rate policy) and investors' increased scrutiny on profitability, many companies in this sector have aimed to satisfy the "Rule of 40" (growth % + profit % ≥ 40). We see this with BeyondTrust touting 25% EBITDA plus ~40% growth, and CyberArk improving operating margins while still growing ~30%. Publicly, Ping Identity and SailPoint, now under private equity, have likely shifted to focus on profitable growth as well (exact figures undisclosed, but cost discipline is a theme).

For GTM leaders, this has meant more efficient headcount deployment – e.g., slower hiring of sales reps than in the free-money era, more focus on productivity per rep, and leveraging partners and digital channels to extend reach without linear cost.

4. GTM HEADCOUNT AND ORGANIZATIONAL TRENDS

During the 2020-2021 boom, many identity security firms rapidly expanded sales and marketing teams (often growing GTM headcount by 50%+ in a year). Post-2022, the trend is toward streamlining and strategic hiring.

Selective Growth and Leadership Hires: Rather than sheer volume of hires, companies are bringing in key leaders to refine GTM. We saw Teleport hire a new CRO and CMO in 2023 to spearhead its next phase of growth. Saviynt brought back its founder as CEO and appointed a President in 2023 to accelerate go-to-market.

These moves signal a focus on GTM effectiveness. While exact sales headcount numbers are often confidential, one indicator is territory coverage: many firms have continued to add account executives in high-growth regions (e.g., Middle East, Asia) and solution specialists for new product lines (like cloud PAM specialists at CyberArk). However, large-scale hiring sprees have tapered; some firms have rebalanced – for example, LastPass reportedly had to reallocate resources to security engineering after the breach, potentially slowing sales team growth. On the other hand, 1Password ramped up its go-to-market team significantly after its $620M Series C in 2022, using that capital to hire sales reps, solutions engineers, and partner managers (this was necessary to go from a primarily self-serve model to engaging large enterprises).

Channel & Customer Success Roles: A notable GTM trend is growth in channel management and customer success headcount. Keyfactor's team for instance expanded partner managers as they onboarded 150+ new partners in a short span. Many companies have created Customer Success Manager (CSM) teams to ensure deployment and drive upsells, which directly supports the high NRR benchmarks. BeyondTrust appointing a Chief Customer Officer reflects investment in post-sales GTM roles. Likewise, SailPoint and Ping have sizable professional services and customer success teams (some of which are partner-augmented) to reduce time-to-value for clients – a crucial factor for retention and references.

Right-Sizing after 2022: It's worth noting that the broader tech correction saw some rightsizing. While specific layoff data for these private companies is not public, the ethos has been "do more with the team you have" rather than hypergrowth in headcount. Sales leaders have focused on optimizing territories, refining sales processes (using MEDDIC, value selling methodologies), and enabling their teams with better tools (for instance, more use of sales intelligence and analytics to prioritize the best leads). In effect, GTM headcount growth in 2023-2024 might be modest (single-digit percentage increases) for mature firms, whereas growth-stage companies like Keyfactor or Teleport still grew their teams at a faster clip to reach scale.

In summary, the identity management industry's segmentation and benchmarks reveal a dynamic but maturing market. Companies are aligning their GTM focus to the most lucrative segments (often doubling down on enterprise and upper mid-market, and leveraging partners for SMB), and key performance metrics like ARR growth and retention are robust despite economic headwinds.

The ability to sustain high growth with high retention is a distinguishing feature of this sector, made possible by strategic GTM motions and disciplined team execution. Next, we conclude with recommendations synthesizing these insights for sales leaders.

CONCLUSION & RECOMMENDATIONS

The evolution of GTM strategies in the Identity Management Solutions industry provides several clear takeaways for sales leaders looking to excel in this space. As demonstrated by companies from BeyondTrust to 1Password, success comes from a balanced, resilient approach to the market.

Our main conclusions and recommendations are:

1. Embrace a hybrid GTM model
2. Prioritize customer success and expansion
3. Leverage channel partners for scale
4. Target high-value verticals with tailored solutions
5. Data-driven pipeline management
6. Maintain trust as a GTM asset
7. Focus on efficient growth metrics

1. EMBRACE A HYBRID GTM MODEL

Relying on a single motion is no longer sufficient. Leading vendors blend product-led growth with traditional sales – meet customers on their terms. Allow easy self-service trials for those who prefer to evaluate quietly, but also deploy targeted outbound for executive buyers who require a consultative touch.

> **Recommendation**
> Build a "PLG assist" function in your sales team to monitor sign-ups and usage, and trigger outreach when a prospect hits a usage milestone or indicates intent. Conversely, equip your outbound reps with free trial offers or demo environments they can give prospects to lower the barrier to engagement. This dual approach captures both bottoms-up and top-down opportunities.

2. PRIORITIZE CUSTOMER SUCCESS AND EXPANSION

The high net retention rates in this industry (110%+ NRR) show that existing customers are your growth engine. Satisfied customers will expand their deployments and buy new modules.

Recommendation
Invest in a strong Customer Success team and processes that ensure customers realize value quickly. For example, define a 90-day success plan for new deployments and closely track health metrics. BeyondTrust's 95%+ gross retention was achieved by focusing on customer outcomes – your organization should similarly treat retention as a core sales KPI. A happy customer base also generates referrals and case studies that feed the top of funnel (inbound leads).

3. LEVERAGE CHANNEL PARTNERS FOR SCALE

One recurring theme is the multiplier effect of a robust partner ecosystem. Resellers, integrators, and technology partners can extend your reach into new markets and verticals at lower marginal cost. Keyfactor's jump from 50 to 200 partners and aim for 40% of new logos via partners is telling.

Recommendation
Develop a tiered partner program with proper incentives (margin, market development funds, training). Ensure your internal sales teams collaborate, not compete, with partners – as 1Password did by offering full compensation to reps on partner deals to avoid channel conflict. By enabling partners (through training, co-marketing, and clear rules of engagement), you can attack SMB and global markets that your direct team can't cover, without heavy fixed cost.

4. TARGET HIGH-VALUE VERTICALS WITH TAILORED SOLUTIONS

Given that industries like finance, healthcare, and government are key identity security consumers, tailor your GTM messaging to these verticals.

Recommendation
Create industry-specific value propositions and collateral (for example, highlight how your product helps banks meet FFIEC guidelines, or how it enables Zero Trust for federal agencies). Align some of your sales reps or SEs to be vertical experts. This approach has helped vendors like Ping and SailPoint become synonymous with specific industries' identity needs. It shortens the sales cycle when the customer sees you truly understand their industry's challenges.

5. DATA-DRIVEN PIPELINE MANAGEMENT

You should continually measure and optimize your split of inbound vs outbound pipeline generation. Use data to identify where to invest resources. If inbound web conversions are high but lead quality is mixed, refine your content strategy to attract the right personas. If outbound efforts by SDRs are yielding lower win rates, adjust your Ideal Customer Profile or outreach sequences.

Recommendation
Benchmark your team's performance against industry metrics – e.g., Is your inbound lead-to-win rate close to 25%? Is each SDR generating the ~$3M pipeline per year that best-in-class teams do? Such comparisons can highlight areas to improve (perhaps through training or tooling). An analytically managed funnel will ensure neither inbound nor outbound opportunities are being neglected and that your team focuses on the highest ROI activities.

6. MAINTAIN TRUST AS A GTM ASSET

In identity security, the product is the promise of security. A lapse can directly hurt sales (as seen when LastPass's breach drove customers away). Sales leaders must coordinate with product and security teams to ensure the company's security posture is strong and transparently communicated.

Recommendation
Arm your sales and marketing with security validation – for example, publish white papers on your zero-knowledge architecture, obtain certifications (SOC2, ISO 27001 – like BeyondTrust did) and let your field teams leverage these in customer conversations. By proactively addressing trust and compliance questions, you remove an obstacle that could stall deals. Moreover, a strong security brand can become a differentiator that your GTM can exploit in competitive situations.

7. FOCUS ON EFFICIENT GROWTH METRICS

Finally, in the post-ZIRP era, sales leaders should internalize the mandate of efficient growth. This means balancing aggressive customer acquisition with cost management. Keep an eye on the Rule of 40 – if your growth is slowing, you may need to improve margins; if you're investing for growth, ensure it's leading to commensurate sales results.

Recommendation
Work closely with finance on sales capacity planning. For example, track ramp-up time and quota attainment of reps to make sure hiring translates to revenue. Use FY2023 as a benchmark year in this industry, where many companies achieved strong growth and positive EBITDA. Aim to replicate strategies that worked – such as focusing resources on your best-performing channels (if a particular vertical or partner type is yielding better CAC:LTV, double down there rather than spread thin). In practical terms, this could mean concentrating your marketing budget on 2-3 highest-yield pipeline sources (e.g., one major identity trade show and a developer community sponsorship that give the best leads, rather than 10 small experiments).

IN CLOSING

The identity management solutions industry rewards those GTM teams that are strategic, adaptive, and customer-centric. By combining the power of product-led growth with the precision of enterprise sales, leveraging partners, and keeping a firm grip on execution metrics, sales leaders can drive sustained success.

The case studies and benchmarks discussed in this report serve as a blueprint: invest in what drives customer value and scale (whether that's a frictionless product or a strong partner), and temper every growth initiative with a focus on retention and efficiency. Sales leaders who follow these principles will be well positioned to navigate the competitive and ever-important identity security market in the years ahead.

Gradient Works

Learn more about the Gradient Works pipeline platform to improve your outbound pipeline generation

www.gradient.works

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