The Single Source of Truth Is Dead:

How to Embrace Distributed Truth and Stop Derailing Your GTM Strategy

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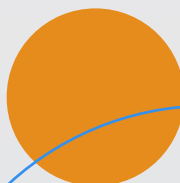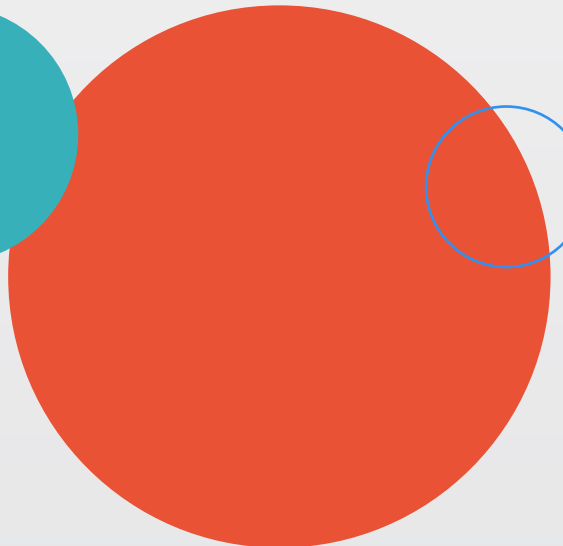
INTRODUCTION

The ability to provide data at the point of decision is arguably one of the most important aspects of the revenue operations function. As RevOps leaders, accurate and aligned data is a crucial tool to overall strategy and achieving predictable growth at scale.

When data is aligned, RevOps can cull product usage data, customer health scores, and upsell/renewal information, all out of a single system. Aligned data provides a full 360° view of customer activity and allows you to anticipate behavior, like which customers are more likely to churn or which accounts might need more seats. It also enables strategic go to market (GTM) functions and allows your team to make accurate sales forecasts. However, without aligned data, people across functions will get stuck arguing over whose data is "correct" and handoffs between departments can break down.

Every organization dreams of having an optimized single source of truth that derisks strategy and can centrally manage customer data. In an ideal world, everyone would be using the same data to make decisions and effectively go to market. But the truth is, most companies will undoubtedly have scattered data sources, operate in silos, and struggle with data integrity as each department works towards its own goals.

So, how can you remove obstacles that stand in the way of GTM alignment? How can you align, analyze, and activate the data that will enhance your strategy? How can you manage disparate data sources while still aligning your business and generating more revenue?

The answer lies in a distributed truth strategy.

Is Your Customer Data Go-to-Market Ready?

Chances are, your high-growth company is now or will soon be preparing for another round of funding. On the road to IPO, your company tasks the team with optimizing, scaling, and streamlining revenue generation. But do you have the data you need to accomplish this? And who is responsible for getting customer data in shape?

Sounds like a job for RevOps. Companies with RevOps teams tend to perform better. According to the Boston Consulting Group, companies with a RevOps function experience up to a 20% increase in sales productivity as well as in internal customer satisfaction. Notably, they also experience a 30% reduction in GTM costs. Forrester agrees, stating "companies that align the people, process, and technology involved in the demand engine will experience 36% more revenue growth and up to 28% more profitability."

The rest, as they say, is history: Sales, CS, and Marketing have aligned on the GTM strategy and agreed to use your CRM as the single source of truth. In theory, having a single source of truth will help you strategize the buyer journey more clearly, segment markets, create accurate forecasts, and achieve predictable growth at scale. However, in practice, though you've assigned a "single" source of truth, each functional team has their preferred apps and tools for their specific tasks. Marketing teams collect different customer data points from customer success and often define data language differently. Ultimately, this creates disjointed systems, functional silos, poor alignment, and bad data.

As most RevOps leaders know, it is incredibly difficult to make strategic, data-driven decisions using misaligned data. Let's assume you were able to successfully align all of your data into a unified record (with a lot of modeling, stitching, merging, and deduping in a data lake or warehouse). Chances are those records aren't tied back to the original source records, and consequently, you have introduced inconsistencies in your tech stack. What's worse, one system may now be overwriting data in another key system, causing a loss of key customer data. This problem will grow exponentially as new

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data emerges. Customer data platforms and master data management systems can't help with this either.

The question remains: how do you create true alignment? Do you even need a single source of truth?

Data Obstacles to Go-to-Market Alignment

For many RevOps leaders, an ideal state is one of cross-functional data alignment. Justin Fogel, Global Director of RevOps and Programs at Contentsquare, says his ideal state is one in which multiple data systems don't conflict. Further, he says, "Beyond enrichment, my ideal state is that all data exists within a strong data model that implements good governance."

VP of Revenue Strategy at Outreach, Jim Lee, agrees. "Infrastructurally, we want a 'data ecosystem' where the data and information model can easily be translated across processes and be easily extracted for other analytical or forensic purposes."

Taking it one step further, Rosalyn Santa Elena, Chief Revenue Operations Officer at Carabiner Group believes that a huge part of "RevOps nirvana" looks like "finding a way to look at the total picture, to understand all of the company's most important data, to make sure that it's reliable and accurate, and to use that data to build a successful and repeatable revenue engine."

Yet, many teams and leaders can't achieve these ideal states because of bad data quality, integrity, and processes. Here are some obstacles that prevent GTM data alignment:

Obstacle 1: Too many data systems that don't talk to each other

Now more than ever, companies are using cloud-based software to manage various parts of their business. In 2015, the average organization had eight SaaS applications. In 2021,

that number increased to 110. However, as Justin Fogel points out, "integrations can often be a major culprit in data syncing across systems and overwriting when it shouldn't."

You've set up all these systems to capture different types of customer data – Marketo for Marketing, Salesloft for Sales, Zendesk for Customer Success. In addition, you use third-party apps like Clearbit and Zoominfo to fill in the blanks of the firmographic data. And maybe even another tool to try to patch it all together. Unfortunately, the information is frequently conflicting, the systems clash, and you don't know what to believe. This makes an integrated, unified GTM motion even harder.

Obstacle 2: Lack of flexibility in data governance

While rigid data governance allows for strict adherence to the models provided, it also limits the ways the data can be modified and your ability to scale revenue.

Tobias Kelly, VP of Revenue and Product Marketing at Transfix, explains, "I've experienced attempts to create highly centralized, control-oriented approaches to data […] but it handcuffs flexibility and makes it hard to customize data or transform it into information that can be applied strategically."

When too strictly managed, data cannot adapt to the changing needs of buyers. In an ever-changing world, being able to adjust to demand can mean the difference between hoping you meet your revenue goals and predictably scaling revenue. This inflexibility can make your data unusable cross-functionally and hinder an aligned GTM strategy throughout the business.

Obstacle 3: Data (in)accessibility

It's one thing to have clean, accurate, aligned data, but if that data is not accessible to everyone who needs it, then it isn't truly aligned. When only a select few have access to relevant data points (say, in a data warehouse or ERP), it inhibits quick decision-making across the organization and contributes to siloed or isolated work from department to department. For example, when a software buyer is handed off to CS, but CS has none of sales' discovery data available to meet the customer where they are.

Tom Pae, VP of RevOps at Sendoso, says "the biggest challenge is making sure everyone has access to the same data set." Otherwise, team members might miss important signals from customers and fail to take action. This inhibits your ability to provide excellent customer experiences in every interaction.

Obstacle 4: Misaligned business logic

Accessibility doesn't just mean the team's ability to access the data, but to also understand the context around it and be able to glean insights within the data.

Take, for example, how ARR is calculated across the business. How sales leaders calculate ARR in your CRM might be different from how the finance team calculates ARR in your ERP. So, even though they have the same data, their different contexts can encourage different conclusions.

"Context is important," Kelly says. "Raw data is of little value until it's been mixed in with other data. Sales figures put into a market context suddenly have meaning that can guide decision making."

Obstacle 5: Inconsistent data maintenance

For many companies, data upkeep is often both inconsistent and manual. As a result, updating data tends to be time-consuming and seen as a chore when tacked on to a sales person's job. Unfortunately, this is why around 91% of CRM data is thought to be incomplete or outdated.

These obstacles prevent you from achieving alignment and predictable growth at scale. In order to future-proof your GTM strategy, these problems must be addressed – and a narrow focus on implementing a single source of truth will not break down these barriers as much as you think.

Ensuring Data Quality, Integrity, and Alignment with Distributed Truth

Data alignment is a team sport. Rather than depending on a single source of truth, distributed truth can align your departments and optimize your GTM motions. A distributed source of truth is a solution that tracks and aggregates data from multiple systems across the business and maintains data quality and accuracy within each connected system. Here are some ways you can approach distributed truth:

Standardize language and align on core business metrics and data definitions

Having standard definitions across the company can help ensure every corner of the business is speaking the same language at all times. For example, the word "contact" might mean something different to sales vs customer success. It's important for everyone to view the business using the same core metrics – e.g. Customer Acquisition Cost (CAC), Customer Lifetime Value (CLV), and Annual Contract Value (ACV) – as well as align on what they mean.

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In fact, when asked what it would look like if all customer data were aligned and accurate, Lee responded that "it would imply that we actually had created a lingua franca of how we want to view the business, and [have] an agreed upon sense of business levers, prior to any system."

Standardizing language and definitions is the beginning of alignment on core business metrics. It facilitates a unified view of the business, as it allows your team to start speaking the same language, even if they collect data through different systems.

Integrate data from all your sources and automate the feedback loop

Once you have aligned on your standard language, you have what you need to create a unified data model for your business. This can be used to align, normalize, and enrich data from different sources.

The next step is to distribute this aligned data and any customer insights or revenue signals back to the systems and people that need it. A positive feedback loop emerges when you keep all these systems in sync as better data emerges.

Dedicate a team to focus on data management and upkeep

Appoint a cross-functional team to work across various systems and inputs to unify data across the company.

"Given that changes are always happening, talent development is critical," says Lee. "The

quality of data and insights are only as good as the user itself. In my organization, we are specifically creating training for all resources to have a minimum understanding of data, systems, and analyses, regardless of the position."

At a high-growth company, aligned and trusted data is foundational to making accurate forecasts and systematizing revenue generation. Whether you bring together a coalition of the willing or build out a dedicated data team to ensure your data is current, clean, and accurate, the problem won't go away until it's prioritized and resourced by a person or team with the autonomy and authority to do something about it.

Establish data governance guidelines

Data governance is important to proper data management. Getting everyone on the same page regarding data standards, usage, and upkeep is mission critical to your GTM strategy. But the guidelines should allow for some flexibility, allowing your team to uncover unique insights within the data and act accordingly.

Justin Fogel uses "flow charts to symbolize the journey data can go through." Likewise, Tobias Kelly "devised a set of basic and essential parameters to formulate a game plan for our data collection."

To solve for human error in data governance, Steven Newman, Senior Director of Revenue Operations at Logikcull "created an automated process to collect most, if not all, of our required data points to limit our data entry and reliance on a human."

CONCLUSION

A single source of truth sounds like a RevOps dream: one centralized location where all up-to-date, clean customer data lives, informing strategic revenue decisions. Sadly, this isn't always feasible (or even ideal in practice) because different departments use different systems, have different measurements, and sometimes operate off different data sets. And that's ok.

A more feasible approach than a single source of truth lies in a distributed truth approach. This approach allows each function to use their preferred systems and data, ideally employing a data automation platform to align, analyze, and activate trusted customer data across the enterprise.

"At this stage, we are probably more interested in "single sources of consistency" and are constantly trying to implement this, whether by policy, understanding, or literal data, data process, or analytical infrastructure," Lee says. "A single source of truth is more a concept and desire – it may be true, but only true locally to one set of stakeholders and inappropriate for others."

With a distributed truth approach, everyone has access to the data they need and the data maintains its integrity across systems. This will empower your team to make impactful, data-driven decisions more quickly — and bring in more revenue.

For more information on how you can stop doubting your data and align around distributed truth, request a demo with Syncari.