Notes for and Analysis of Customer Discovery Interview with Tim Bertrand

A Part of the Premium Packages for *The Entrepreneur’s Guide to Finding Your First Customers*

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Notes from the interview:

* A benefit/advantage that Tim and the sales team have at Acquia is that they sell to a captive audience
  + This means they either:
    - Sell to people who already use Drupal and are interested in Acquia’s products
    - Or they are selling Drupal to companies who might benefit from changing from another platform to Drupal and then be a good customer for Acquia
* A thing you never want to hear in sales from a potential prospect/customer is:
  + **“We wish we had found your company sooner.”**
* One of the biggest challenges Acquia faces is awareness generation of Drupal in large enterprises who use other platforms, might be ripe for a re-platform, and fit into one of Acquia’s target verticals.
* Being successful at Acquia depends on a whole host of factors.
  + One of the biggest things Acquia looks for is culture fit.
  + They hire both people right out of college for SDRs (**sales development roles**) and people who have been in sales for 10 – 20 years for field enterprise sales.
  + Tim believes too many companies look at whether or not employees are hitting their target metrics and numbers. There are too many factors to judge whether or not someone is successful based on just how much revenue that person brings in.
* Metrics Tim and his sales team measures:
  + Are sales reps targeting the right kinds of companies
  + Are sales reps making connects with companies
  + Are sales reps generating pipeline and what kind of pipeline are they generating
    - Is the pipeline making it to different stages of qualification in the sales process.
  + If someone is on the field sales team, how is he or she doing in terms of working with the field marketing team and generating awareness.
  + SDRs are measured on sales qualified opportunity, which can be directly influenced by the sales quota representatives themselves (the people who have to go out and get people to buy the software)
    - SDRs qualify a lead, then passes it onto the sales rep. who works the opportunity to a certain point, after which the opportunity enters pipeline.
    - SDRs are evaluated on both the raw pipeline the generate and the sales qualified opportunity pipeline they generate.
* Tim can think of a bunch of scenarios where 2 quarters into working at Acquia someone isn’t hitting his or her revenue numbers, but he or she is building all of the right momentum in other metrics to eventually hit revenue numbers. Some of those people eventually became some of Acquia’s top salespeople.
* SDRs at Acquia primarily call other organizations and create outbound pipeline for sales reps.
* At Acquia they have 3 stages in their pipeline:
  + Commit
  + Likely
  + Upside
* The sales reps are trained to make sure they do a good job qualifying an opportunity and the SDRs are trained to as many qualified leads as possible.
* Acquia measures the pipeline they create on a monthly, weekly, and daily basis. They also measure the pipeline they create by territory and by vertical. By vertical means entertainment vertical, financial services vertical, life sciences vertical, etc.
* Acquia also measures a whole host of marketing metrics like:
  + marketing qualified leads
  + sales qualified leads
  + raw leads
  + website leads
  + event leads
* **The sales and marketing teams at organizations should work very closely with each other. Also, the head of sales and head of marketing should work closely and communicate frequently as well.**
  + They should have weekly check ins with the two teams
  + They should understand the campaigns that each other are running
  + They should measure the contributions of the 2 teams very similarly
* Tim and Acquia already use software/tools to maintain communication between the sales and marketing teams (no opportunity for software product here)
  + Salesforce.com is system of record for prospects and customers and managing those relationships.
  + Marketo is system for marketing automation.
    - e.g. mass quantity email blasts/campaigns
  + Individual salespeople use Yesware when sending individual emails or batches of emails to prospects.
  + Use SalesLoft for prospecting on LinkedIn.
    - Allows you to pull lists from LinkedIn and do advanced search and data mashing with LinkedIn to find leads and prospects.
  + Use another tool call InsideView to also help with prospecting.
  + Also use some internal tools for prospecting.
* SDRs do 100% outbound prospecting.
* ISRs (inside sales representatives) handle all of Acquia’s inbound leads.
  + **Acquia generates about 15,000 inbound leads per quarter.**
  + They do the same type of job as SDRs where they qualify leads and then put them through a certain amount of rigor, and then they pass those qualified leads to either:
    - the mid-market team (handles accounts $500,000,000 and under in revenue)
    - the enterprise team (handles accounts over $500,000,000 in revenue)
  + With both teams, Acquia breaks leads out by territories and verticals
* Difference between inbound and outbound leads:
  + Most inbound leads are companies/organizations that have already found Drupal and/or Acquia
  + Outbound reps are focused on finding organizations who use Drupal, but aren’t using Acquia products and they’re also focused on finding organizations that aren’t using Drupal at all, but look like ripe opportunities to use Drupal and then use Acquia
* Training process, system and organization for new salespeople (built the process over quite some time):
  + Individuals come in and do a 1 week onboarding experience where they are onboarded into the company
  + In sales people go through a rigorous series of exercises that Acquia has automated into a learning management system.
    - For these exercises, sales employees go through recordings and slides related to the sales process at Acquia, and then they are tested and certified in those processes.
  + After certification, sales employees come back to corporate and go through one-on-one training sessions to ensure that they have been certified and have passed through the learning management system successfully.
  + Acquia bought a learning management system and created the content in-house. A lot of the content was repurposed from existing marketing materials.
* Tools and services Tim and Acquia use to get sales leads:
  + DemandBase
  + SalesLoft
  + Buying email lists and running them through Marketo
  + Content syndication for webinars
  + Lists for trade shows and events Acquia goes to
  + Co-marketing with partners
  + People who visit the podcast and register on the website
* Tim says that someone in his role always wants more leads, but what really matters is the quality of the leads that are generated. e.g. There was a time at Acquia where they were getting plenty of leads, but they weren’t generating nearly enough pipeline from those leads because the leads had a low quality.
* Acquia uses software (Marketo) to score leads and determine the quality of a lead before a person ever touches it.
* Factors that influence lead quality:
  + industry a lead came from
  + how much information a lead filled out
  + if a lead gave Acquia a phone number
  + how many assets a lead has downloaded
  + how many times a lead has visited the website
* Leads work their way up the qualification chart before a person ever makes contact with it.
* Leads that make it through qualification have to go through a discovery exercise, which is a set of questions that an SDR or ISR asks the lead to determine whether or not the lead is qualified to be passed to a sales rep.
* Building a sales organization at scale like at Acquia is all about validation, which means you need to have multiple validation points.
  + More specifically, this means you get a raw lead and pass it to Marketo and score it (1st validation point), then you have an ISR call the lead and go through a discovery exercise (the next validation point), then you have a sales rep talk with a lead to determine whether or not the lead is a sales qualified lead (another validation point), and lastly once it enters the pipeline a lead goes through a pursuit drill, meaning the rep needs to answer the top 15 things that need to be known about the deal.
* Acquia uses Marketo for both inbound and outbound email marketing automation. Acquia also uses Yesware for some smaller-scale email marketing automation.

Analysis about the interview:

This was my first customer discovery and development interview with the head of a sales organization. In this interview, I learned a ton of information that I hadn’t already learned from my own research and reading about how large sales organizations work and function. For example, I learned what SDRs and ISRs are, I learned about how inbound leads are generated and how the marketing and sales teams have to work together in order to capitalize on inbound leads as greatly as possible, and I learned about the concept of pipeline and how before any leads make it into the pipeline they have to be qualified and determined to be a good potential fit as customers for Acquia.

I went into this interview thinking that there might be a need for a software product that automates outbound email generation, but I learned from Tim that Marketo does this at a very advanced and nuanced level. That being said, Acquia is a big company and has a fairly large sales organization. Something I should look into in future interviews is whether or not smaller sales organizations could benefit from a simpler tool than Marketo with fewer features. I’ll have to see.

Something Tim mentioned early in our conversation that I thought was very interesting and important is how a big problem for sales organizations is not getting to companies in time that could benefit from the products sales teams are selling. This makes sense. If a company would be a great fit for your product, but you don’t contact it at the right time and the company chooses to buy another product instead, then that’s a big wasted opportunity. This is something I want to ask about in future interviews. There could be an opportunity to connect companies with potential customers who need their products at the right time. I’m not sure how a product or service would do that, but it’s something I can give some thought to.

Before going into this interview, something I hypothesized was that sales organizations, particularly large sales organizations, would always want more leads. From my conversation with Tim, I learned I was partially right. Though it’s good to have more leads, what’s much more important is having higher quality leads. If you have lots of leads, but all of the leads are poor-quality, then it doesn’t matter as your sales process will be very inefficient. Several months ago I found a service called LeadGenius, which acts as a high-quality lead generation service for sales teams. LeadGenius is interesting, but the thing about it is that it’s not automated. The leads are found using people, which means the leads have a high-quality, but it costs more to find each lead. It seems there could be a need and an opportunity for a lead-generation service if it could be done more efficiently and automatically than LeadGenius’s service while still maintaining a high lead quality. But, I think this would be very difficult and costly to develop. Still, I’m going to continue asking companies about leads and how they get them in future interviews.