The AI-Native GTM Playbook | Sam Blond, Monaco

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SUMMARY

Sam Turner discusses the evolution of sales processes and the impact of AI on go-to-market strategies since his time at Brex. He emphasizes the importance of leveraging AI for efficiency in prospecting and outreach while maintaining a strong human element in customer relationships.

- *AI has transformed sales workflows, particularly in prospecting and account scoring, allowing sales teams to focus on customer-facing activities.*
- *Founders should prioritize building relationships with customers rather than relying solely on AI or hiring salespeople too early.*
- *The bottleneck in customer acquisition often lies in demand generation rather than conversion rates; increasing leads is typically easier than improving conversion percentages.*
- *Monaco employs forward-deployed sales executives to provide expertise and manage AI agents, enhancing customer success and operational efficiency.*
- *Creative marketing strategies, such as unique gifting campaigns and events, can significantly boost brand recognition and customer engagement.*
- *The importance of a strong brand presence is highlighted, as it can lead to higher reply rates and customer trust in outreach efforts.*
- *Founders should continuously experiment with marketing tactics and focus on generating demand before scaling their sales efforts.*

Sam, welcome to the show. >> Turner, thank you for having me. >> Uh, I think it's going to be a lot of fun. So, you I think you're most well known for scaling BS to I think 12 billion was kind of what the headline numbers will say. Um, I thought it'd be fun to do kind of like a deep dive kind of like modern GTM playbook. The world's changed a little bit since you've done that. I know you were just telling me before we started recording, you've thought a lot about it, but you haven't really talked about it much publicly. Uh so it'd be interesting what has changed the most in the sales process over the past couple years.

>> Yeah. Uh well, as I said, thanks for having me. Um and yeah, BS um just for context maybe as we segue into uh how have things changed. I left Brex in um like beginning sort of early 2022. And so if you think about like the evolution of AI, my my entire experience at Brex, which sort of ranged 2018 to 2022, 2022, it was all pre-AI. Uh and so then, you know, I I spent some time with Founders Fund and then um this started a bit of an incubation there and then Monaco became its own independent business. Uh but things are quite different both from 2018 when I joined Rex and then 20 2022 when uh I eventually left. I think that there are specific sales workflows that AI and agents are just better than humans at and and these are the things that are fully online.

And I'll give a few examples of what those things are.

Uh and then I can sort of pattern match to the time at Brex and where people were spending their time. An example would be um building your TAM based off of your ICP. So you're a company, you want to sell to a bunch of companies, you have an idea of like what does this list of companies look like? let's go create a database of all of the companies that we want to sell to. Historically speaking, um that is where it's called prospecting. That is where a lot of salespeople and maybe even founders if it was prehiring sales folks spent their time going on LinkedIn, finding different company types, logging into databases, running lists, filtering the data, exporting the data, um you know, manipulating those lists, adding like you know different employee counts in different locations and different verticals and subverts. So this is trying to like qualify if you need your specific customer needs to meet it's probably like a certain size company certain thing that they do etc. So you're saying that they're manually going through in a spreadsheet possibly maybe there's some tools like there's some that exist that'll like kind of give you like a dump out but you're like filtering this down manually.

>> That's right. So you just want to create a database of companies that you can sell to >> and doing that historically speaking it's an iterative pro process but it it takes a lot of time. >> What percentage of time of like the general sales process was this stuff? H well if you are if you are dedicated to outbound and generating demand so um like an SDR uh some meaningful percentage of your time when I was at Brex and PreI was dedicated to like finding new companies that you can reach out to and then the outreach was actually like maybe the easier part of the process. you just drop someone in a pre-written sequence, but finding the right people at the right time um that took a lot of time and it took a lot of labor resources in this category of sales. So, there's this concept of um like building your TAM. So, finding all the companies that you can sell to scoring your accounts because not every company is created equal. So, if you think about let's say and we'll just leverage Monaco or even Brex because it's similar as an example, you're selling to startups. Well, not all startups are created equal. There are going to be some that have um dynamics about that business that make it a better fit for you to sell to. Are they in San Francisco? You know, for us, we may want to more highly score or high highly prioritize an account that is headquartered in San Francisco. There going to be some that are like the the sweet spot for employee count range.

There going to be some that are like business model. Is it salesled growth? Is it productled growth? Some dynamics of the company that influence the way that you may want to prioritize that company. So historically speaking, this was like a very manual process. So you build your TAM, you score your accounts, you then uh overlay signals. So these are things like visiting the website, are they hiring for a certain role? Again, you can kind of like do this with a human, but agents are just better at this stuff today.

>> Yeah, because you might literally spend 10 minutes scrolling through the career page just to see if they're hiring for a certain role. And that's you could I mean that happens in a second with AI. you you can have an agent that crawls uh every website in your entire database in basically real time. >> Yeah. >> Uh and so um you then get to finding the buyers. So, you know, there's this startup uh we sell to the sales leader.

Who is the sales leader? What is the their email address? Again, that that used to be sort of like a manual process that humans would have to go through. All of this can be done in near zero time. Uh and and it's super high leverage in just in terms of how then can salespeople or founders spend their time when they're thinking about go to market and so then maybe like the right way of thinking about and I just gave a bunch of the workflow examples but maybe the right way of thinking about um how is AI today impacting go to market. It it is not a silver bullet. It is um providing founders and salespeople leverage to spend their time on the things that AI is less good at. And the two like big categories for this, the first is customerf facing and developing relationships. So you should be able to get a bunch of leverage from the agents that are creating meetings from this database of companies, writing the sequences for you, targeting people at the right time, ultimately generating a meeting. you spend more of your time customerf facing. Agents are not good at that. People still want to buy from people. Um and then the second thing is I would describe like more creative either like brand or demand genen campaigns. So these are the types of things that uh just require um some like creativity, ingenuity, but also operational complexity. Uh you want to put up billboards. It's like difficult for AI to come up with that idea as a concept. What is the creative work with the company that uh sells the billboards? It's one example, but we could go through like a whole bunch of uh um you're doing a launch. You you raised a round of funding or um you have a new product launch. Well, AI might be able to like give you some ideas on that, but the orchestration of that, creating the video, coming up with the concept, um you know, distributing that video on social, those are the things that are very high ROI use of labor today, human labor. And we can spend more time on that stuff because AI is giving us leverage in the areas that historically speaking we had to spend a bunch of time. This episode is brought to you by Numel. Numeral is the fastest, easiest way to stay compliant with US sales tax and global VAT. It's easy to set up and they automatically handle all registrations, ongoing filings, and their API provides sales tax rates wherever you need them with all the integrations you need. Their solution combines AIdriven automation with human expertise to manage global sales tax compliance. [music] End to end. Numero supports over 3,000 customers including companies like BS and character AI and they pride themselves on white glove hightouch customer service. Plus they guarantee their work and they'll cover the difference if they mess anything up.

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Like what was the thing in the market that made you decide like this was like a an okay thing to do, like the best, highest opportunity for you to work on? >> Uh, I I I um sort of fell into it. Um I I don't know that it was um part of the plan. I I was at Founders Fund and I was um doing investing and one of the things that Founders Fund has a track record of doing is incubating companies and so many of like you know the the greatest technology companies from Palunteer and Andre and Scott has one called General Matter and um Delian has VA and more um are are founders fund incubations and so um at the time you know maybe it's like 2023 and not a lot of capital is being deployed it's still like a bit of a hangover from 2022 kind of thing um that there's only one type of technology ology company that I'm qualified to be the founder of given that I'm a non-technical founder. Uh and that is a go to market or sales technology company. Um and then thinking about the space broadly I I do think that like we are in maybe not quite the early innings so much anymore um but relatively early trending towards middle innings of the flat of a platform shift through which a new market leader will emerge. And if we think about the category broadly um this is like go to market technology or sales technology. The market leader is Salesforce. Salesforce um benefited from the platform shift of onprim to the cloud. Um I think AI in a lot of ways sort of rhymes with this. Uh and it is sort of like an architecture level decision whether you are AI native or pre-I. And so then um you know there's only one type of technology company that I'm qualified to be the founder of a sales technology company. now is the time to be the founder of a sales technology company or you could probably apply that um across like all enterprise software uh and the the the function is ripe for disruption. So I can go deeper in like what is what is different about our approach. But that's the sort of high level like like um why why this company? Why now? I feel like you actually see it less today, but it's probably a yearish ago, maybe a year and a halfish ago. There's a lot of talk of like whatever the big incumbent is, they have all this distribution. They're just going to, you know, do some AI features and they're going to win. I I don't know if that's necessarily happened yet. like did you did you kind of like go through that and go through like the maze of like you know how's the market gonna evolve like what what should we do?

>> Well I I think I have an opinion on it. Um and I I I think um hard to predict well a couple things are true. Uh the first is like the market leader in this category which today is CRM. Um we are going to invent a new category. We think CRM is like the legacy thing that's a reactive database that people used to work in when I was at Brex and and companies prior. Um I think now there's something more oriented around revenue automation. We are not just disrupting or displacing the like IT budget or the software layer. We're also going after the labor. Uh and so then we are far more outcome oriented um and labor disruptive than I think historically speaking like the reactive database that was the enterprise software layer. Um so we believe that the future market leader is just going to be significantly larger than today's market leader because it's not just the IT budget that the winner of this market is going after. It's also the labor budget. Uh and the labor budget is arguably larger than the IT budget. Uh and then um thinking about like how does the space evolve over time. Um hard to predict like which company or vendor will be the market leader or the winner here. Um it's certainly possible that it is Salesforce, but I do think that um the incumbents uh whether it's Salesforce or HubSpot or others, they're faced with a bit of an innovator's dilemma where they have an existing set of customers in revenue that are on a platform that was architected pre-AI and pre- agents. And so they can either continue to serve those customers and invest in the relationships on the existing platform and improving that existing platform or they can start from scratch and start to disrupt themselves with an entirely new truly AI native platform. And and I think um up until this point the the decision that has been made is sort of like try and overlay AI on top of this pre-AI system architecture. That is better than no AI but less good than sort of like first principles thinking of if we were going to build this from scratch, would we do it differently? Of course you

would. You wouldn't architect a um platform with a UI to be reactive to user input that you actually have an agent do the input pretending to be like a human. Uh yeah. Well, it's kind of too when you think about like how the products are sold, whether it's sold top down or bottoms up, I feel like that depends on how you would implement the AI features where, you know, if it's sold from stake dinners to like an innovation committee, you'll it'll be built a certain way versus if it's like the dude just needs to start using it and needs to work really well and save a bunch of time, make the money, cut cost, like whatever. Like that product decision is a lot and that what that looks like is so much different from the other end of the spectrum. Well, and and um maybe maybe maybe eventually it's sort of all the above. Uh I I I I do think um my version of of that is something like I I think the disruption and evolution of the market it it's a bit Darwinian in that we are like Salesforce in sort of like uh the the prior era. Um we're starting with like a a a sort of narrow almost niche segment of the market which for us is technology startups. Um and we believe and we we're already executing on building a better product for a like very narrow segment of the market that um today if you think about like where is Salesforce's revenue concentrated it is not in like early stage startups um and so right now it's like not that disruptive to this really large business um but we will then start to move up market we will start to move outside of technology startups but it starts with this like narrow segment of the market that we can start to get to as close to a monopoly as possible and then organically expand from there. But again tying it back to like the original thought which is um the the disruption we think is Darwinian the really large enterprises it's very difficult to get off of um the the like platform or system of record or or in this case like Salesforce specifically and so this is a uh many yearsl long journey that starts with like very transactional sales to founders um and over time gets to uh stake dinners with um you know maybe committees that are considering uh the next like fiveyear uh technology implementation.

>> Yeah. And it's interesting when you when you describe it as like a revenue engine like every company, every dollar of GDP is revenue really. So it's like you you think about building a business that has the the biggest ham. Like the biggest ham possible is generating revenue. Like everything needs to make money. So it's kind of like the the the runway of how big it get is kind of just like the global economy. Not saying that the TAM is a hundred trillion dollars, but like that's what you're playing in. Every business needs to make money.

>> You should you should be my hype man for like uh talking to VCs. [laughter] Um I I think um I I think maybe a couple things come to mind as you articulate that. One is um the outcomes are very objective uh >> with revenue generation >> with revenue. That's right. So so it's like um we we are building the platform to drive towards outcomes. um those outcomes there are some inputs in inputs being things like meetings generated conversion rates ultimately though the outcome of that equation is revenue um customer growth uh and so then like measuring the success of a platform like Monaco when we are oriented around um customer acquisition revenue growth it's like relatively certainly objective um but relatively easy uh and then if you think about where where is and I'm sure there's a market date on this and maybe I should have a more thoughtful answer but if you think about like where where is so much of um the the global workforce um today uh what is like the function that they are in um sales is one of the most common and so then if you can go after just like uh sales um and and in a way disrupt that global workforce it's far larger um than things like I don't know support as an example uh and that you you can apply that to all different functions. Legal is another example or finance is another example. They're just more salespeople than there are each of those different functional positions in the world. I think just in terms of like there's there's definitely all these different software categories. There's all

these like new AI native products that are kind of getting created. You talked about customer support CRM. I feel like there's a bunch of them. What do you think you're uniquely doing in terms of like actually specifically makes Monaco kind of stand out compared to what everyone else is trying?

>> Yeah, I I think there's there's one um intuitive uh application of AI in a in a platform like Monaco um product like Monaco and that is like within the product you are having agents and effectively paying for compute to do the work that historically speaking humans used to do. So it's really like putting labor into the software. >> Yeah. And I think I think that is like that is especially in enterprise software seeming like the premise of AI like like again that that's not that that is the the um intuitive application for AI and Monaco and we're certainly doing that um leveraging agents and and lots of compute and a lot of the workflows that I just described that are all um agent and and AI le I I think the like less intuitive um thing that we were very deliberate about from early on is the impact that uh AI has on our ability to build a product quickly and I think that that manifests in um the like breadth of the product that we have decided to build um and historically speaking you know especially in this category but um I I imagine broadly as well there were lots of um point solution companies there's the conventional wisdom that you sort of like find a problem you build a solution for for it use that as a wedge and then like you know sort of um get really good at that expand from there we took like the exact opposite approach And part of this was um with the belief that um that the almost like cost to building software is trending to zero. So Monaco is a very broad platform. We are not just replacing traditional CRM like the vendors that I um alluded to before.

We're also replacing many in fact as many as we can of the point solutions that historically speaking have integrated over APIs and we will continue to like try and bite off as much as we possibly can. in terms of the breadth of the product because of how much faster we are able to not just Monaco specifically but we um uh technology companies are able to build software and so then the the like more all-in-one the more deeply integrated the more that you can accomplish out of the same platform I think that that is better over time and so we started with that mindset from day one by trying to take on a lot I I think that um there are others in both the category and more broadly that have started with like the narrow approach of we are the AI this like we are just AI CRM or we are like AI for uh doing um outbound something like that >> I've seen like outbound I've seen um just like follow-ups like all the calls and it just automates your follow-ups for you and there's like all these different like smaller categories you can kind of build around >> and and um my and our belief is those should be features of a much broader platform form and not independent products and companies. And like part of why um this this is true today and hasn't been true historically speaking is how quickly you can build something like that. So like part of our moat is the breadth of the platform that um we've started with from day one. So the argument is just it's so easy to build things you should build as you should be building more like this whole argument of you need to build all this stuff to make a full fullyfledged feature suite everything they need like that's not that big of a deal because you can just build it really quick. It it's just don't you want to uh partner with one vendor and have everything that you can get from the same place and then um there are so many um by being sort of end to end with a customer life cycle um you don't have the issue of like data in different silos that you do historically speaking if you have the like hub and then um bunch of spokes uh surrounding that or or bunch of point solutions surrounding that uh and then you can also um you can leverage complex workflows that if you um we talked about like if you were an outbound only um product, you don't have insight into like ACVs, what's converting, how customers are performing over time, who did we just close, how should we leverage that data point back at the top of the funnel. Um and by having one data plane and one sort of suite of function feature functionality all coming from the same product um they're just real tailwinds that you you can do things that uh you can't with the point solution and and sort of hub model.

>> Yeah. I feel like cuz what you could do is you could certain thing certain messaging is converting best certain um I mean I'm assuming you can like plug this stuff back into I mean I don't I think this is a different product at this point you can plug it back into like the customer service piece of it like what kind of feedback are you getting from customers in the analytics like what's what product is being used the most on like the first 30 minutes in the product like what's the heaviest use case like maybe you need to like emphasize that more in outbound or in onboarding or something I'm not sure but I feel like the more you can touch that stuff and incorporate that it'll just improve I think I feel like you've mentioned this before the two pieces of sales is like increasing demand gen and then like conversion it's like anything you do to increase those that's the whole point of all this >> you nailed that it's a math equation right yeah um revenue there they're revenue There are three variables. It is opportunities or or like number of leads times conversion rates times ACV. What is the price? Uh if you want just like customer count, you can remove the price. It's just how many opportunities are we getting? What is our conversion rate? Um so that's the math equation.

And then I think like you know tying it back to this like why go broad from the start concept. There are a couple things the these two things. is this concept of like generating opportunities and increasing conversion rates, they they can play off of one another. >> When you can build anything, Amplitude lets you know how to build the right thing. Use human language to get complex answers about your products. No more manually selecting events or building charts or dashboards. Just ask. Use agents to sense changes in customer behavior. Decide what's causing them and ask you if it's okay to fix [music] it continuously in the background while you work. Get the answers you need while building directly in the tools you are already in like Claude, Cursor, Lovable, and more. And for the first time, understand if your agents actually work.

Measure quality, debug failures, experiment, and measure their ROI with agent analytics. Amplitude [music] with AI analytics. All you have to do is ask. This episode is brought to you by Merge. They just launched their new agent handler product. Here's Merge co-founders Shenzi and Gil to tell you more about it. Your employees want to give AI access to every tool your company runs on. Starting today, they can safely. >> Introducing Agent Handler, one place for your employees to safely connect AI [music] to every tool they need.

>> This is Janelle. Janelle's a new marketing hire here at Merge. She already built her first AI agent to generate [music] blog posts. We'll prompt Janelle's agent to create a blog post about our latest product [music] releases. Right now, her agent is scanning every tool it's connected to. In Slack, [music] it's finding a private leadership thread with unreleased revenue numbers. In Google Drive, it's finding a board deck with company [music] strategy, growth targets, and all our employee salaries. And in Salesforce, it's finding something even more sensitive, our customer records, which [music] show names, payment details, and sometimes even government IDs. Now, let's rebuild Janelle's [music] agent with merge agent hand.

Merge automatically sets Janelle's access permissions. We can also manually adjust them, like letting her agent read Slack messages, but blocking access [music] to Salesforce contracts. Merge gives Janelle one secure access link that she can put [music] into Claude. Now, Janelle, type the same prompt. Right now, her agent is pulling the event recap and approved [music] quotes. It drafts the blog post perfectly. Behind the scenes, Agent Handler blocks seven unauthorized attempts in 30 seconds. It also logs every tool [music] call and access request in real time, creating a complete audit trail of the agents work. It gives Janelle's agent access to everything it needs without anything [music] that could put our company at risk. Right now, every company has two choices. block employees from using AI tools entirely and fall behind or open the floodgates and risk giving employees access to everything.

Merge agent handler creates the third option. Give every employee the full power of AI while keeping sensitive data protected. That's why Merge is already trusted by over 750 teams, including OpenAI, RAMP, and Dropbox. Keep your company safe with merch. I'll give two examples that were like um historically speaking these Rev ops insights that required um really and I always benefited immensely from having incredible RevOps counterparts but like um you didn't get this level of insight until you had this sort of like BCG or McKenzie analyst that came in that was like you know spending a lot of time running reports on data and different cuts of data and then trying to extrapolate Is this do does the data match the anecdotes? And if yes, like how do we apply that back? You this is pretty sophisticated um uh that uh workflows or pretty sophisticated um uh uh outcomes that companies that certainly weren't the customer bases that we were going after would uh not realize until they're let's call it a couple hundred employees historically speaking. Okay. Um >> why like why was it so hard? Like was it just cuz the data was in all these different places and it just wasn't intuitive of like thinking how they all linked together or the way that this starts is you have a founder and they start going after some companies and closing some deals. Then they hire a few salespeople and then they do that same thing and there are some learnings and then you hire a sales leader and that sales leader comes in and they uh start hiring more salespeople and it's not in the DNA of any of the people that I just mentioned to be as thoughtful about things like um cutting data in a bunch of different ways and trying to identify trends. And so I'll give like two very specific examples. one from the days of Zenitz and then one from the days of Rex that we can now learn in near real time and then um it's like one of my favorite parts of our product and and as I said to you earlier certainly don't want to make this like a Monaco commercial but I do think that this is like how can we leverage AI whether it's Monaco or not um in this like brave new world um that there were things that historically speaking required these um really incredible and expensive uh McKenzie analysts to come in and and figure this stuff out. Well, um it at at Zens, uh we were doing health insurance and it was like regulated by the state and you just um you asked a question like why doesn't this exist earlier? Uh nobody really you had a bunch of demos that would come on your calendar and nobody was paying attention to like this demo is in the state of Florida and like what does that mean for the outcome of this demo?

Because like my next demo is in the state of I think uh you grew up in Michigan um and I grew up in Missouri or California. So you just like might not be able to legally sell in Missouri. So like you cannot even do the demo. >> Well, it was it was less about that. It was more um it was it was more about like um you just never stopped to think like is the location of where this company is influencing whether or not they sign up. Uh and and what we found was the thing that actually influenced conversion rates more than anything is where where's the company headquartered because of like the dynamics of the insurance space and like a bunch of other variables that went into this. Um and so then I'll give another example and then I'll talk about sort of like how can AI do this and what's what's the major takeaway because this really is uh um massive acceleration. We are bring we are able to bring down things that historically speaking um much larger companies were able to uh get the insights into and then take action on to like much much smaller companies today um because AI can look at this stuff far sooner at Brex the equivalent of this was we could sell both to finance and accounting like controllers and kind of the same idea you would show up for a call a finance person would be on the other end of the phone sales rep like wouldn't take note that I'm talking to a CFO or a VP of finance or an FPNA person. Um or it could be like a controller or chief accounting officer, whatever the the um accounting um profiles might be. Um but what we found is like finance people converted at like a 4x uh rate to controllers and like when you when we figured that out and and understood it, it made perfect sense because like the controllers wanted to go really deep on like how do you map to the expenses and have these like almost technical conversations at an accounting level that sales reps weren't equipped to have. The finance people were like what's our rebate [laughter] and so uh or like what's our credit limit? what's our rebate, what's our float, and like those are the types of things that sales people are like quite good at and actually really lean into.

Um, and so then, uh, the point of all of this is that we can find these things out because agents today are like we have an insights agent. Um, and it is trained on just like cut data in every possible way based off of buyer, based off of location, based off of vertical and subvertical, based off of segment and sub-segment. see when you start to get to statistically significant information that we may want to surface to a customer about the way that their business is performing. And if like that learning maps to something that like either no, this seems like sort of arbitrary or like yeah, this actually does seem right, you can then apply that back to the very top of the funnel. And of course, like the next step is very logical here. We oriented all of our sales resources around the states that had the highest conversion rates. We oriented all of our first touches into companies into finance personas. And so then everything else stays consistent.

And you've just influenced conversion rates pretty materially by changing the sort of like top of the funnel action based off of the insight. And again really difficult to to do accomplish this like full workflow if you are just doing the outbound um or if you are just the system of record but you need to go to a third party to orchestrate the outbound and that's an advantage that being very broad has from day one. >> Yeah. Because you might just be I don't know a great outbounder like that's your role in the team. You're doing outbound.

You might be really good at it and there's just so many things that are outside of your influence that you you'll just never be as successful as you could because of like one tweak earlier or later or whatever in the system that you just like don't get to touch and you don't even know is there. There's this um age-old debate that um I think most people are on the other side of than me which is you have a lot of sales resources that are dedicated towards demand gen. Um, historically [clears throat] speaking, SDRs, they they generate demand, they schedule meetings, and there is this sort of like age-old debate. Um, do do you compensate an SDR based off of the meetings that they are booking, which is something that they have full control over, or do you compensate them based off of the revenue that those meetings generate?

Um, and I land on the side of the revenue that those meetings generate. Um, and maybe it's not one sizefits-all, and maybe there's like nuance that like, you know, you can have some mix of the two and those sorts of things.

We certainly spend shouldn't spend too much time on that specific topic here. That said, I I do think that like the the era of AI it allows us to only orient around the outcome that we are driving towards which is revenue. Like like what are the characteristics of the companies that are closing that we should then apply back to the companies that we are targeting and not what are the characteristics of the companies that we can get a meeting with regardless of what happens from there.

>> Yeah. Because then you can at least Yeah. use that downstream data to tailor what goes into the the meeting, right? Like who's actually closing, book meetings that are more likely to close. >> There are really fun things that we can do with this that are like uh and I can think of specific examples where there we had reps that s that just um sold far better to founders than they did like finance people as an example. like you're saying that they were just like maybe they hit it off more, they related better, they knew the problems and could hit on them better, >> you know, maybe um in certain instances like they they they were sort of like networky and like hosted events and knew a bunch of founders and like namerop founders and like they were sort of like in the founder community type thing. Um and so then um the these insights they aren't necessar in addition to insights at the sort of like uh customer um business type level um or the persona level. You can get insights at the rep level which are things like you have reps that are converting certain types of opportunities. A very common one here is the size of the company. Um, and like when you should start segmenting, who should be in which segment? And you can start to get um, like pretty interesting feedback and insights about like did you know that this rep is performing incredibly well here, performing less well here, and then AI can sort of orient who do we assign this meeting to based off of who has the highest probability of closing it.

>> Interesting, huh? So yes, you can just start to like dynamically shift your sales team. It's almost like you know it's like dynamic pricing in like Ubers or airline tickets like dynamic allocation of the staff like of the team. You you can gamify you can gamify everything. It's all oriented around outcomes. How can we close the most customers and how can we close the most revenue? And we do it in a way that is like um totally objective. It's it's not the sales leader like favoring someone and giving them more opportunities like this is all uh uh AI >> interesting. Are there any other things that have changed over the past couple years andor are there any major things that like stayed the same? the the things that have stayed the same and there's interesting there there's something that's there's a little bit there's something that's a little bit dangerous about the um introduction of AI into go to market I think probably more so with founders than there is with sales organizations um we um speak with a lot of folks and have to sort of like um reiterate and remind folks like AI is not the silver bullet for go to market broadly like whether it's Monaco any any tool out there um it is it is not like you are automating away go to market so that you can then spend your time you know most founders are not like me they're either like um product visionary um highly technical that sort of thing so so like um a AI is not this silver bullet and so then there's like you know maybe a risk that you um start to leverage AI too much and and you then remove yourself from the the like incredibly high ROI things that you have to do as a founder. Um and so then tying this back to your original question was like what has stayed the same? Um there is no higher ROI use of my time and and I would maybe argue um founders that are postproduct market fit but pre sort of like scaling a sales organization like that phase of company building I I would argue there's no higher ROI use of my time or founder time more broadly than spending time with customers being customerf facing.

Uh and so then like AI doesn't you know automate away having to spend time meeting with either prospective customers or um uh current customers. You it in fact the inverse is true. Maybe this is like slightly contrarian. AI enables you to spend more time customerf facing. Uh Zoom is great when you have the opportunity meet a customer face to face. um especially if your deal sizes warrant it. You know, we um uh sell to startups in San Francisco. Um and so oftentimes I or we will default when it's convenient to a meeting. We're not getting on a plane to go to meet with a New York founder for a $25,000 uh ACV deal. Um it just like doesn't support it. Um but I if you are a founder selling into mid-market or mid-market plus into the enterprise um you you should um error especially when you're meeting with you know like a marquee account just get on the plane like go meet the customer that has not changed uh and I think like the um ROI in that is is is incredibly high and then um here's the other thing that I touched on earlier we do um a lot of investment in I think what would be categorized as marketing uh like yeah brand marketing even demand genen marketing and I think that there's something uh uh there there's something that like is less intuitive about that spend um and and people try and get too um not cute they try and get too too scientific with measuring the impact of these sorts of things at an early stage and so I'll give some some specific examples but then I'll talk about like um the actual impact that a company like Monaco realizes and this is all through the lens of like what what is true today that uh uh was true historically also and I think that was the original question. Um so these marketing campaigns we have billboards going up we have the launch videos when we do uh the fundra announcements or the uh product launches. Um we do gifting campaigns where we send to people um poker sets that are like these kind of cool poker sets that uh you know I think for us we maybe pay 100 bucks or something like that for them. Um we throw these poker tournaments uh that we call it the Monaco Invitational. Really fun event.

Um founders love poker tournaments. We give away cash to the winners and we throw a party. Um, and like the the sort of like um the obvious outcome of this is something like how many customers did you sign up that attended your poker event and like what did you spend on the poker event? Uh, and like what is the ROI there? And is that a channel that you should continue investing in? How much did you pay for the poker sets that you sent to a bunch of founders? How many of those founders signed up? Uh, and like should you continue doing that stuff? um billboards like it's it's a little harder to do the attribution on the billboard stuff. Uh the the thing that I think is less sort of understood and why we lean into this stuff so much and and I'll revisit maybe like one one important um uh nuance or or qualification here. When we now do outbound to the founders that we're reaching out to, our reply rates today, same company, same product, same message.

>> This is at Monaco. >> This is at Monaco today. They are exponentially higher than they were before we launched into our public beta. And and so like we were a unknown company the way that definitionally all startups are unknown when they first get started. The reason or a a big part of why our reply rates are so high is because of these brand campaigns that we are doing where there is now like name and brand recognition. And so then um there's like two things that are far more difficult to quantify when doing something like a gifting campaign, a billboard campaign, an event. um what is the impact of that both on um the efficacy of outbound reply rates and meeting rates from people who receive your message. Oh, I see your billboards everywhere. Oh, I heard about your event. I'd love to come to the next one.

Be be happy to like take a look. But then also conversion rates because you have um almost like inherent credibility where I if if you have brand recognition, people are talking about you, those sorts of things. um there is um a higher um likelihood that somebody feels comfortable and confident moving forward with someone that has a brand that exists out there >> and it's even just like a hey you it's in like the group chat like hey we just signed up for Monaco or we're thinking about it I got a demo anyone else use it and it's like six other people like oh I've seen their billboards or like I use it or I went to the poker tournament that's like multiple touch points that you didn't you can't measure that really like you don't even know those are happening >> you nailed it and so Then there there's maybe like one takeaway and then one thing that I said I would qualify and revisit at the beginning because like I I think it's important for me to touch on the the the final aspect. Um I get asked the question all the time, how do you measure how do you measure the impact of the Monaco Invitational poker tournament? How do you measure the impact of the billboards? How do you me each of the different things that we're doing? Um the launch videos, the cost money. Um the the the real answer is we don't. Um, you don't you do not. Okay.

Um, and I I think my my perspective on this is something like you will spend more time and effort trying to measure and and the outcome of that measurement won't be accurate because there there's like so much information that you don't have when you're when you're trying to do the measurement of it that your takeaways will actually guide you in the incorrect direction. Um and the anecdotes here are actually more valuable than the data points themselves. Uh and when I say anecdotes, what I mean by that is like um the things that people are regularly bringing up to you that they are seeing.

Um and like we have failed at some things that we have tried um and and I won't go um let's see uh here here's an example and and I'm getting a bit rambly, but I'll go back to the I think there's an important qualification. Um, we did a lot of really incredible um, similar sort of like creative marketing campaigns at Brex. Uh, and and a lot of my learnings that I've taken to Monaco with me were things that we tried and were successful at Brex. Um, me and others that that uh, uh, were were trying these different things. Uh, one of the things that we did that wasn't successful was we opened up a restaurant. Um, we called it >> still comes up. People still talk about that. Yeah.

>> We called it South Park Cafe. Uh, and it was like a co-working space and it was a a like a real restaurant that served lunch and dinner and um I don't know exactly how many employees we were at the time, but let's call it like 50. Uh, and like the restaurant had like 20 or 30 employees and and so um like running a restaurant is hard. The lesson isn't necessarily like don't open up the restaurant. Um, but but the lesson is like you should be trying a bunch of stuff. Some of this stuff is not going to work. Uh and that was an example where um we we just like could tell it wasn't driving the impact from a lot of the anecdotes and again Brexit billboards and Brexit a bunch of other things that um we're also leveraging um and you just like you kind of know now over time I if you get into what today is a Brex company or probably even smaller of course you want to start like measuring this stuff but early on like the phase of company growth that we are at um and we're about 50 employees A I I I do think that um you just got to try a bunch of stuff and then you you'll sort of like anecdotally understand what is working well, double and triple down on that stuff. The the things that like don't work super well. Um uh chalk it up as like a win that you were willing to try it and there's like a learning that you can now like cross that one out and move on to another thing that you can try. I feel like my my personally my one of my best marketing stunts that I ever did which I I always forget about this because like I didn't really think about it that much but I did this kind of fake VC pitch competition on Tik Tok. So, there's a feature on Tik Tok where you could stitch a video or like duet a video like you could go side by side.

And I made a video of me with a like filter messing up my face, a filter messing up my voice and making it really annoying. And I pretended to be a VC listening to your pitch. And my questions were like, "What do you do again? Like, who introduce us? Wait, what's your TAM?" I was like arguing with my gardener on the phone, I think. And it was just like a terri It was like the classic terrible experience that a founder gets when they're pitching an investor who just doesn't care. And there was like a hundred people that were like responded making a like a pitch of like pitching me while I was doing that in the video. A bunch of people posted on Twitter and I don't know how many views. I I've never even checked, but it probably got a million views just over all the videos and channels. And I always forget that I did that, but that is probably the video that the most people mention like like, "Oh, yeah. I I know you do that one like VC pitch video." And I was like, "Oh, yeah, I did do that." Um, and like I don't know, I just kind of did it for fun randomly once. It took me like half an hour to do and it like I don't know what the ROI was, but like it it I think it helped.

>> It's hard to measure, right? Um, but it that there's like the objective um because that one's online. There's the objective like how many likes did it get? How many views did it get? But then there's the anecdotes that are what you just described, which is the like um people people mention to me all the time. Like I remember the like, you know, VC pitch video that you did. Uh, and so then like it also sounds like it's lasting. So maybe maybe there's a um what's the like 2.0 version of that that uh you could you could bring back.

>> I could probably do another one. I mean it was so effective. Um the one thing I've been doing is I've been hosting comedy shows where we like hire really good comedians. Um it's pretty hard to do. Uh but people seem to like those. Um >> that's really smart. One of the things that I do um when I hear something like that, I I immediately think like, "Oh, we could totally [laughter] like we could host." >> If you like that idea, we should do one because it's it's kind of expensive. I can't like pay for it myself. I might be able to sponsor it.

>> I'm down. But yeah, but it's interesting because most people, you know, you invite them to an event and it's like a dinner, maybe it's like a panel with some speakers and they're just talking about AI, what whatever. Like it's you just kind of get you're like, "Ah, do I really have to go to this?" So I think like the poker's interesting because people like, "Oh, I love poker. I'd play or comedy shows is like ah I haven't been to a comedy show in a while." And the the comedians are like Netflix special comedians. You're like, "Oh, this will probably be fun. like bring my girlfriend or like bring someone on the team or something or so it's like you actually want to go to it and like you you remember it.

>> What what you just described or version of what you just described um um you have to like do things that are different. Uh you you you said the dinners look at some scale it probably matters to host dinners and you can have like a special guest speaker and those sorts of things. Um, it it's certainly not like that creative. Like lots of companies are having dinners and I think the bar for a dinner like it it's just it has to be like some really cool restaurant like I I don't know why people are going to show up otherwise.

Um, but I I do think that um and that's why I took note of the comedy thing. I was like, "Oh, that's actually a really good idea." Because like people love to laugh and like it is different. you you don't see a lot of uh startups or VCs or or anyone that are hosting the uh like a comedy show. That would be pretty fun. Um could even do like maybe an iteration on this and man, we'd have fun planning something like this. We do like a roast >> um like like a roast of sort of like a um a prominent uh figure that's like up for getting made fun of that I suspect like uh a lot of people might find entertaining. Um, so that's an idea and then uh I'll come up for air and [laughter] you you you can control the show. Um uh there's one thing that I wanted to come back to that sometimes I I sort of like uh forget because I have um I I said to you earlier um I I don't do a lot of like the podcasts anymore, but one-on-one I'll have similar conversations to folks that are are are sort of in line with the one that we're having right now. Um there is something about like yeah but you've raised a bunch of money and everything that you're talking about is really expensive or many of the things that you're talking about are really expensive. Um there's certainly some truth to that.

Um, here is here's maybe like the in a world where you are bootstrapped or you have sort of like um seedstage uh capital available to you that you're not going to be spending um uh six figures on billboard campaigns and and more. Um I think there's like a bit of a process to follow. Uh but also like um certain things can be incredibly effective uh and not that expensive. Uh so the process to follow is like just every single month force yourself to do like what is our creative idea for the month.

Uh like you know you meet with a group, you put stuff up on a whiteboard. Um you maybe vote on like what is the best idea here. Comedy show is a great one. Um and I suspect that like comedy show you could probably do it in an office. You could probably get like a couple um between amateur and professional level comedy folks to come in and do it for like not that much money. >> Yeah. I'm trying to think of what did we pay? I think we used um Merge's office.

I don't know if you know Merge in in New York City. >> Okay. >> Merge.dev is the website. They're actually they may actually be sponsoring this episode of the podcast, but they they're a sponsor. Uh and then we had my friend Alexis Gay. I don't know if you know her. She's kind of like a professional corporate comedian. Yes. She does like B2B comedy. >> I I I see her um I I see her on Twitter, I think, a lot. Funny stuff.

>> She's really funny. >> Impersonations I think a lot. Right. >> Yeah. And so, um, she helped me plan and run it and then helped me get some friends that were kind of amateurish, but pretty good. We had people who worked at some tech companies that were kind of, you know, comedians on the side that kind of like volunteered. I think I think we paid them a little bit, but it wasn't a ton. Um, and so yeah, it just generally the very first one we did, it was in an office. We basically just like paid for food and like a little bit for the comedians, but it was like really really reasonable. like it was like maybe a couple grand total.

>> It's a perfect example of of something that you can do is really fun and maybe we should do a version of it. Um we um we did the uh poker sets. Um and uh I think the trade-off here is like oftent times the there's there's maybe two two things that you should orient around when you don't have um a huge budget on a campaign. The first is like really creative and and sometimes it's operationally complex. Uh because like the things that cost a lot of money um you know like the the third party advertiser type stuff, paid ads, billboards, those sort of things. It's pretty easy pretty easy to like put up billboards, pretty easy to put up paid ads and like pay Google a lot to like surface this to somebody who maybe um googled something that you want.

>> You literally put in your credit card press. >> That's exactly right. and it doesn't >> and and that is why everybody is doing it. So, force yourself to try and come up with these creative things. We did the um we did the poker sets um you know like maybe the retail on them was 180 bucks and we paid a hundred bucks for them. But if you send those to a hundred different founders um you're at like $10,000 of spend uh on and it's like very targeted and you're you're giving something that's like kind of cool to somebody. Um, so it's not free, but like $10,000 to target a hundred of like the best potential customers that you can acquire. Um, gosh, like if you try and do that on LinkedIn or on Google, that money goes by like very very fast. Uh, and this stands out in such a way that like imagine you as the recipient of that poker set. Would you rather have the person that's advertising to you pay Google to like track you and surface their ad or do you want the poker set?

Like you want the poker set. Um, so, uh, uh, do things that stand out. It doesn't have to like totally break the bank. You can set budgets when you come up with these creative ideas. Um, I think like the worst thing to do is nothing at all. Just like try stuff. >> Yeah. And it's interesting too like with, you know, physical thing versus the Google ads. Like I'm sure I have gotten ads. I just don't remember. like I just don't even remember seeing them in my feed necessarily or when I'm searching versus if I literally got a poker set like a big package and I opened it up whether I used it or not I'll just remember that that happened like I may throw it out I may be like I hate poker or whatever but I will always remember that I got shipped this thing I I have people that send me stuff now and like I have my wife joke on me there's this one guy who just keeps sending me stuff and my it's my wife is in on it now my wife knows about it because It's like so memorable and I don't I don't even remember what it could probably be a better thing that the person sends me but like like I talk about it to people. Yeah. You just said something that was really insightful which was the the thing could be better.

Um I I have like maybe a cliche saying um that is like it's not the thought that counts like like w with the gift. Do not send like a t-shirt with your like startup, you know, uh, uh, logo on the t-shirt to somebody that you want to sell to. Um, the gift actually does matter. Like the thing that you're sending to somebody, um, it it in a in a way it could be like negative value if the thing is like some chachki that's like, you know, super like it actually could have the opposite effect that you wanted. So, so actually do be thoughtful about the thing that you are sending to somebody. Um, and I think the bar is actually quite high where it's something like would you think that this is cool and like genuinely cool, not like because you're the one doing it. Um, and you're like inherently biased or something like that. Um, and then uh the only other thing maybe as like a takeaway would be something like try and do a little bit of a thought exercise and you can actually do you can measure this if you think about like all of the dollars that you're attributing to marketing spend. Y >> um try and have like some meaningful percentage could be 50%, could be 30%.

>> That you sort of label as um directly benefiting the target uh customer um versus like a third party advertiser. So this is gifting. This is the like poker tournament that we are hosting. That would definitely be in the category of like beneficial to um prospective people that like they come, they have a great time. like that's way better than the like um we're putting up a bunch of billboards which we also do but again I think just like a bit of a um thought exercise or framework like how many of the dollars that we're spending on marketing directly benefit the people that we are marketing to versus benefiting the third party advertisers that are uh marketing to them.

>> One of my favorites on this is it's a company called Grapile. It's like AI code review. Um what he did is he sent Grapile branded energy drinks to engineers. It's like super tangible. Like, hey, you're up all night coding. Just drink some Grapple energy drink and then maybe check out the code review >> and they'll probably use it. Uh, Grapile is great. Doc Doc is the CEO. Um, they're they're Monaco customer. So, >> awesome. Amazing. That's cool.

Hopefully, it's uh they have a good revenue engine that they've got going now on the Monaco platform. >> They seem to be crushing it. Yeah, that's what I Yeah. Um, one thing I wanted to ask you even when we're like thinking about all this branding and just general stuff like that like should you be doing this before you have a product and then even like should you be doing it before you have any customers like what's this order of like should you just like talk to customers first and then this informs all this stuff like what order should you kind of be doing all this >> so this is one where like I will speak to the in of one experience of building Monaco >> yeah maybe that'd be interesting thing is like, yeah, what did you do?

>> What we did and and um let me qualify this with something like um unlike I think a lot of the sales topics, customer acquisition, those sorts of things. Um the uh I have less experience on the like when when do you start to I don't know do some brand spend and and uh like as you're developing your product, are you spending anything? So I'll just tell you what we did um uh with that qualification. So we um we were building for uh maybe about a year. Um we we deliberately built in stealth. Um during that year, the one thing that we were doing that that gave us um like growing confidence in what we were building towards is just um pretty regular customer uh interview like like feedback sessions. Uh and we would just we would schedule like a discovery call. We would pitch a little bit what we were building towards get people's feedback. Could be founder, could be salesperson. Um and just get feedback on like the concept and you know those sorts of things. So um >> this was with existing customers or potential.

>> We didn't have a product to sell. So it it was it was just like um discovery with uh the potential customer base that um it was educational uh uh but at a minimum it it like reinforced and and gave us more confidence that we were building in the right direction. I do think you know I went back to this like we built a very broad sort of compound startup. we're replacing a bunch of different tools.

Um, and that is like one of the downsides of doing that is it takes a little bit longer to build even in the world of AI and codegen tools and those sorts of things. Um, and so we we didn't want to like sort of be building um in the dark for a year. And so as we were building, we were just getting feedback from uh ultimately potential customers just doing through things like discovery calls. We then um we didn't charge. This is like a little bit contrarian but during the uh uh during the design customer phase which was about six months of time where we picked let's call it 15ish design partners. We had a product that they could start using. Um it certainly wasn't like the the quality bar to launch. Um and like the real value for our business during that design phase was improving the product.

It wasn't like the ability to generate revenue. So um we onboarded these 15 design customers. We actually didn't want to charge because it would have been friction in getting the thing that we really wanted which was a bunch of the feedback. We did though um we we had to get people to commit that they actually would make this their platform of record. They wouldn't use this like alongside another tool or something like that. So we we got you know sort of buying and commitment that we were going to build this together during the design customer phase.

>> Okay. So, they weren't on it yet, but you but they like promised you in 3 months when it's ready they would switch over. >> They switched over um they switched over when it was ready for the design phase like [laughter] um so it it was it was rough around the edges. Um but we also uh you know we had services that accompanied it and that sort of thing. But um they they they agreed to partner with us. We didn't charge them. And up until our um public beta launch, which was in February, we were operating in this like stealth mode, partnering with design partners, not charging them for using the product, getting a bunch of feedback, getting the product from like day one of where it was at the design customer phase to uh when we were going to launch. We spent zero dollars on marketing. We were doing outbound to test the product and maybe acquire some of those design customers.

All of the design customers were either through Monaco um or through introductions uh so investors uh employees uh just personal networks that sort of thing. Uh and then we really wanted to do the like coming out of stealth launch. Uh and that is when we we switched from zero investment on anything brand related and in fact invested in not having a brand meaning all of our LinkedIn said you know like company in stealth instead of what the company even was called. Our website said like coming soon. Uh so you went to monaco.com it was just like literally coming soon. Uh, and then, um, we wanted to do the like zero to 100 sort of like shotgun blast style, which was like on the day that we launched, which is February 11, all sorts of stuff happens. It's like you get the delivery of your poker sets and billboards go up and we have the launch video and tons of outbounds going out and so everything sort of um, coming together all at the same time. uh and and going from like totally unknown to hopefully um some level of brand recognition in our target market uh as fast as we possibly could.

That that was the sort of mindset shift. >> Okay. So why do that zero to 100? Like I feel like a lot of people they're you know they'll post publicly of like hey like we're not launched yet looking for design customers. the website will be there, but they haven't really put much demand genen behind it. Uh maybe some investors have it listed on their website, but again, like not a big launch. So why did you go from like literally stealth Yes.

>> to the the to the 100? >> Yeah. Well, I I'll tell you um maybe a reason not to. And then and this is probably the wrong approach for most people in companies, meaning the like zero to 100, stay in stealth for as long as you can and then do like a big bang with your launch. Um I I I think like something that uh enabled us to do that and this was true both at Brex for different reasons and um for us now at Monaco um which was like we didn't we we didn't need to be known to acquire the initial set of customers that we needed to to get the product to the level of sophistication to launch um at Brex.

Brex was a YC company. Brex had like, you know, all of their the reason Brex was Brex is because their batchmates couldn't get uh credit cards. They were a lot of like international folks, younger people that didn't have, you know, a lot of credit history. And so in a lot of ways, Brex like built the initial product for their batch.

Uh and so then like you don't need to be well known for that. And then like you know the the next batches uh kind of the same idea. It was like you know very early to market and those sorts of things. Brex for let's call it six months was able to build in stealth because of the like word of mouth um that enabled them to acquire design customers before this like big public launch for us. Um I I think that like the outbound was working. I I had the ability to offer to be like a bit of a go- go to market advisor to some of the customers that um signed up as design partners. That's something that's like a little bit unique to me and a complimentary skill set to the founders that we're working with that many founders don't have that uh capability. And so I I think like um if if you don't have the ability to acquire a set of design customers through like network effects or some way that is different than actually being known, it's going to be very difficult for you to get to people to agree to use your service if like you don't have a website as an example. And so that was a luxury that um we had at Brax and we have at uh Monaco also. I think the the benefit of doing it is um you know that like maybe this isn't the the perfect analogy but like um that there's like a a frog uh in boiling water that like doesn't totally notice as like the temperature rises just a little bit and then like you know maybe over the course of uh uh in and for context Monaco um launched about 3 months ago. Uh you can imagine if we had sort of like spread this out over the preceding 9 months when we were in like some of the design customer phase to today. Um you lose the sort of like all of a sudden I'm seeing this thing everywhere. Um which again that the the probably imperfect analogy that comes to mind is the like uh frog uh in um potentially boiling water. uh that that like um that there's there's some real benefit to um uh and and I think maybe the the outcome of that is you're able to just um and everything orients around growth right now you're you're able to go from zero to very fast growth versus if you had started in the sort of like design customer phase you have a website um you start like posting on you know social the like clock is ticking a little bit longer longer. It's harder to make a big splash when you come out. People have kind of already heard of you. Uh so I I think like you know for us the real benefit was our growth trajectory went like this instead of like this or something like that.

>> And I think too just speaking from my own personal experience, there's probably quite a few products where like you see them when they first start working on it. They launch it and you're like it's not that great honestly. Like you know you're just like it's kind of cool but whatever. Kind of skip past it and that's the perception you have. and it might be a year later and it's a great product and I just I've never noticed because I just remember it for like that very first thing that like wasn't that good and I just you know and and maybe I wasn't the target customer or whatever but I feel like that's also the other downside to this or the upside of I remember when when you launched I remember seeing it and I remember thinking oh this is like pretty good like that that was my when I saw the product I was like oh this looks like like really robust like to your point of it kind of has a couple different features I've seen people build AI native sales companies products around allin-one and then of course like all the other things that come into the launch but just seeing the product I remember thinking like huh this is pretty good >> well thank you for the compliment um yeah I think um it's so subjective there there's another topic that that is this sort of like how do you know when you're ready to launch >> yeah and how did you know >> there's another one of those where it was like the um marketing example where it's like we don't measure it was like we just thought we were it's it's It's it's it's a sensation. Um what we did and and we think about like um company building in different phases. Uh we did like the design customer phase. Um we felt like we we had sort of like reached a level of quality and impact. Um that that we could go into a public beta. So it was sort of like private beta when we were design customers. We're now in this like phase of public beta. What does public beta mean? It's sort of like we're metering who comes in. there's a wait list for um companies that

that aren't like uh right in the strike zone of who we think we can be really successful partnering with. Um, and then we will GA. Uh, and and so then, um, I I think that this like public beta phase, I it probably bought us some time and goodwill to like start to get brand recognition, but also have the folks that we're working with um, understand that like we're still pretty early like like we are a public beta product. um and GA which um should come in July. Uh I I think that then like um that is what we should really earn our reputation around. We're in the fortunate position that like we have incredible customers that that really love us. And I think actually most of our revenue today comes from referrals, which is maybe the um uh uh data point that suggests that more than anything.

>> Can you kind of walk us through sort of the the launch playbook? I know you you posted about it. We'll throw a link in the in the description if people just want to read it. Um, and maybe they can follow along while you're talking through it. But what was kind of the playbook that you used to launch? >> Yeah. Um, well, I think there's I I think there's one sort of table stakes thing that everyone should do. Um, and and if you don't, like it's just a missed opportunity. Um, and and maybe maybe even before I uh get there, um, you can launch a bunch of times. Um, yeah, that's true. That's actually one of my favorite things when someone's like, "We're launching again." I'm like, "Okay, cool.

>> You don't even have to say again." Um, so like uh we did our public beta launch and um we had like a very product ccentric video and we announced our series A funding that probably helped like amplify that and certainly earned us maybe like uh some of the media. I think Techrunch did the A. We did like the um series B announcement which almost came off like a launch. It wasn't. It was just like a series B announcement. Um, >> this was a couple weeks ago, right?

>> Yeah, there was a few weeks ago. Um, uh, and we are going to do like our GA launch. This is all within a span of we're talking about like February 11 to mid July. Um, and so this is in a span of like five months and we're like three launches in in a way. Uh and so then like maybe that's like the the first qualification is um launch do like a product launch do like a fund raise launch like just just keep taking advantage of these sort of like point in time opportunities that that you can um get you know sort of attention and and and the amplification around uh the the company and what's happening. Um and then uh so the the like table stakes thing is especially with a product launch I like the video.

So I I like the the format of a video. Um and then you want to have like a a deliberate social media strategy around like doing the launch video and then how are we getting the distribution. So first is on the content content side like what is the post, what is the video that matters. Um what matters equally as much is the distribution. So, um, the way that we do this is you get a spreadsheet. You have a few different tabs on the spreadsheet. You have employees, investors, like friends of the firm and customers. Those might be your four tabs. Um, and then when you do your launch, you sort of like track um, and certainly have outreach to both the day before and then day of each of the different people in these uh, categories. Um and and so then you know one thing with employees is you probably want to ask people like who are the three to five most influential people that you have in your network or that you used to work with or that have the largest followings and like add those to the like you know friends of the firm tab. Um but you you do want to be deliberate about this like distribution on top of just like what is the launch thing. They're they're sort of equally important. Um that I think is like the table stakes thing to do. Um and everyone should be doing that. I do like the launch campaigns. So, um, we did a few we did I've talked about a few times like poker sets that we delivered. We had trucks that were driving around San Francisco that uh had like the LED sides and the LED backs to the trucks.

>> Yeah. What's Can you tell the story there real quick? I think it was like hangover from the Super Bowl kind of a thing. It was yeah that the story was um I was out for a a run or probably more realistically a walk uh uh on like the Saturday before the Super Bowl and there was just like as far as the eye could see these LED box trucks that I'd never seen in San Francisco before. Maybe they like exist for conferences or something, but I'd really never seen this.

>> This is like a truck that has like a screen an LED screen that like >> both sides and the back. Yeah. And it was all gambling stuff. It was all like, you know, whatever draft game, like I I don't know the uh uh specific advertisers, but it makes sense. Like it's the Super Bowl. And so then it was all these like um gaming companies that were advertising on these trucks. And we were launching, we launched on February 11, so I think that was the Wednesday following the Super Bowl. And I went over like across the street and just like met one of the truck drivers or whatever. And and asked him like, "Are you guys, you know, here this week or whatever?" And he was like, "Here's like the card for the company." So anyway, I I started calling around to some of these companies and we took advantage of uh this like excess inventory that was already in San Francisco. And so I don't know what like the regular price of this stuff would have been, but um maybe it was just like um literally the the Saturday before launch, we sort of fell into like even doing this campaign because I was walking around and and like I saw a bunch of these trucks and then we we sort of benefited from uh I think financially from the uh inventory that was already here around the Super Bowl. unused like it would have been used anyway.

>> Well, I think I think like um when um and maybe we'll do this again, but when when you do it sort of organically like had we done this without the trucks being here for the Super Bowl, they've got to like drive in from Vegas or LA or wherever like it's probably more common to have the trucks driving around. There's like expense associated with that. Uh it makes sense. They have direct costs to for the drivers and everything to get up here. So, um, you know, we got like crazy discount rate to have folks that were in the trucks that, uh, stayed here. Um, outside of that, the the process, and I I I mentioned this, and I've done this with a few of our customers, um, but, uh, I mentioned this in like a different format, but when you get ready for the launch, like 45 days before the launch, get the company together. Your company might be five people. Um, or just get like the five people in the company where this makes the most sense. Have that be the launch committee. Um, let's see. Maybe you meet on a Friday afternoon for lunch or happy hour or whatever and then like the weekend assignment is all right everybody come up with like two to three ideas for our launch. Um and like in a lot of ways the crazier the better like nothing is off limits. You may want to establish some budget constraints like you may be like look we can't like we can't spend more than x amount of dollars on each individual campaign. But then you got five people. Each person comes in. They like sort of whiteboard what the thing is that the like creative idea to amplify the launch. And then you're all sitting around and you leave the room with maybe like three or four that you think are the best ideas that you can then uh do.

>> And these are usually offline or these are like non related to the specific launch post or >> Yeah, generally generally separate from the launch post. Um, we there's there's this customer of ours who uh we love and they're in some of our videos and mutual customer. We're also use their product um called Judgement Labs and and Judgment Labs had their launch and and um they receive all of the credit, but we did a couple workshops where I came into their office and uh they did like an ice cream truck that they um like wrapped with like Judgment Labs, you know, branding or whatever. They named ice cream flavors after some of their customers. Um, and it was like, you know, they they had different locations and then they gave out free ice cream and they told a bunch and they had a bunch of posts about it. That was like one of their ideas. I'll say one other thing that they did. And hopefully this is helpful to just like um maybe pattern match to, you know, like I'm not suggesting you should that an ice cream truck is like the thing that all customers should do. You want to do things that are like new, creative, stand out, like take some risk. Uh, another thing that they did that I thought was really clever, which was an iteration off of the um or a version of our poker sets which were on brand for Monaco, literally branded Monaco because Monaco has a casino and so we ordered sort of like prefab Monaco poker sets.

um they did this really cool thing where they sent um 3D picture frames with Legos that were built um of the company like it was Monaco's logo in the like 3D picture frame built out of Legos >> and like we're hanging that in the front entrance to the uh office like you see it every single day and I don't know exactly what they would have spent on it. My guess is not like totally different from the hundred bucks that we spent on the poker sets. And so, you know, you do that, maybe do 50, maybe do 100. I don't know the exact number, but like I it's it's a reasonable marketing spend. Um just like try stuff like that.

Um those are the types of ideas that you may come away with. >> Yeah, that's what um there's a a venture fund. It's called Shrug Capital. If you ever come across Neve, Neve Troer. >> Yeah. >> So, they do I wouldn't they almost do like stunt marketing. They almost did like meme marketing, but they did a lot of like physical products. And one of the things Ne told me that I've always kind of hung with is you want to you want to gift something that they will stick somewhere and look at. So he would do like a keyboard mat that went under your keyboard. They did a calendar. So they did this really big thing was called like the shrug calendar. And I think every day it was like one of those like little flip desk calendars every day. I think there was like a tweet from someone that was it was either like something funny that happened on that day or like an like a stat of some kind.

I can't even remember exactly what he did, but the thing was you just like set it on your desk and like every day you see this calendar. Um, so I feel like that's that's one thing I've always thought about is just like the physical you put it up somewhere and you always look at it. I have like mugs that I use and I'll just always remember like who gave me the mug. >> It it's cool and it's smart. um that um it is Judgement Labs did a better version and some of the examples that you just gave are probably better versions of what we did. [snorts] Our idea was like, you know, startups have poker nights and so they're going to like break this out and every time they break it out. It's going to be like the Monaco chips and there's going to be like, oh, Monaco, you know, the company gave us this thing. The the Judgment Labs things. It's like you see it every day when you walk in. Similar what you just described is like that, you know, the keyboard mat like that. It it's a good theme. I think the other theme, the the the thing that we did at Brex that was really effective in the same vein was um we we sent bottles of Vuv Cleico champagne, which is like $50 a bottle.

So um >> but it's like kind of fancy champagne, right? >> Certainly perceived as like, you know, very high-end champagne that like it's going to even, you know, there's there's a lot of people that um are drinking less and those sorts of things. you still know somebody who's going to drink this bottle of champagne. Like it it will get used. Um and so, uh there's like two reasons why it was super effective, and this is one that like you can kind of copy it like like I think it can be reused. The reasons that I think it was effective, one, we oriented it around um congratulations on a fund raise. Uh and so then there's like a reason it's like celebratory champagne.

uh and it was like on brand for like um this thing that like you know within the last months they had six months they had raised funding and so it's like congratulations like a heartfelt you know thing and then the other thing is like it it's um it is social so I think in the card um that was from um Enrique probably who is co-founder and CEO at uh Brex was probably like hope you're able to en enjoy some nice champagne with the team as like to celebrate or something like that. So then like you bring the team around, it's like you know Bre sent us this champagne so it's social and you're like telling other people about it. Uh so that'll get consumed which is different in one time use but uh something else that um was effective.

>> So was there like a relation between poker and Monaco and maybe like why poker? Why' you call it Monaco? Like was there any thinking around this or did you just like the word? Do you like poker? >> Um the the poker was maybe secondary. Uh, Monaco, man, naming a company is um hard and it's also like not a um social activity. What I mean by that is like don't get like four people in a room and and try and come up with a name. It's so subjective. It's I know you have children. It's like naming kids like like um you you and your partner should come up with the uh best name for your children. Probably not like socialize that with a bunch of different people because they're going to have different opinions. And I think names, company names, >> there's literally apps where you can it's almost like Tinder but for baby names. Like you and your partner both get it and you like swipe yes or no.

Like people go so intense on this stuff. >> Um and it and it and it's hard and it's subjective. And so um we were or I was I guess like I sort of took ownership of naming the company. Okay. Um I I I was thinking through sort of like things that people words that people associated with some combination of like luxury success like like these um these different categories and then eventually got into maybe like geographic locations. Um thought of Monaco. Um I like the word Monaco. So just like it's a it's a nice sounding word. Um and then um one of the big things was the.com was available. uh it was available like like someone had for sale.

>> It it was unused. So like we and and after like very little diligence, we understood that there would be an opportunity eventually to acquire monaco.com. Uh and so then that was like a a big part of the calculation, but the framework was sort of like um success uh the things that we wanted to be associated with as a brand. It was like success, wealth, uh those sorts of things. And I think Monaco ties nicely into that. Now, Monaco that there's a lot of things that we can do as sort of like French Riviera that are on brand with uh Monaco. Um and then I think that there's also uh uh you know there's like the casino that it's well known for that sort of thing that we can do the poker tournament. So there's a lot of things that we can do with the the brand itself.

>> That's fair. I had a similar I guess uh naming ideulating the naming maze with Banana Capital. Like it was I

mean you try to come up with a company name every good idea you have it's taken like there's literally no options out there specifically with investment firms like not just venture but like real estate hedge funds every good name is taken like everything. So um my wife was like it was probably after about a good eight hours literally all in of just coming up with names looking them up and be like man this is taken. My wife was like well Apple's the most valuable company in the world. what if you name it after a fruit? And I was like, man, that's so smart because with like the geographic location, you're like, nobody's naming things after geographic locations or fruits. So then it was like, okay, well, banana. I kind of think it's kind of just a cool word.

Banana capital. I don't know. It's kind of like, you know, it it can be it can be very bold like benchmark, sequoia, banana. I don't know if I'm quite in that level yet, but it's like it's a word, but I'm also it's like kind of funny, too. like just banana capital. Like is this is this real? So it kind of is it like hit kind of everything I was going for. >> Uh I I um am not just say I wouldn't say this if it weren't true. Um I I I would let's see if I didn't like the name. I just wouldn't say anything. Um I really like the name. Um and and um you actually uh took the words out of my mouth. It's a cool word. Like just saying banana is kind of uh like rolls off the tongue and like the a's. Anyway, I I think it's um uh and and it it definitely um stands out to your point.

It's like, you know, a lot of times like last names, those sorts of things are uh the uh uh I don't know, investor names and so then it's memorable. >> Yeah. I feel like maybe A16Z did a good job with like the last names. Like they kind of made it a little sexier. A6Z, you search that, it shows up. Banana. I don't know if I'm ever going to win the the SEO for banana, but Monaco. I think we were just talking about you guys have the first or second result now when you search Monaco, which is pretty crazy.

You're being a country. >> Uh the com is probably helpful. Yeah. >> Um I I I think that was not a consideration. Um as you and I were saying before, like maybe it should have been. Yeah. Um, but I I I do think that like if people want to find us, they can regardless of where we sort of stack rank with the Monaco. Um, but in you know, we're sitting here uh less than four months after, you know, I talked about this phase of of the company where we were like stealth um to like public launch and we're already like, you know, sort of up there. So, um I think maybe >> also like does it really matter like if I'm if I vaguely am familiar with Monaco. I like I knew it's like software for sales and I'm googling it like a [__] I clicked the Wikipedia page for the country like you know you're not going to get tricked and like find the wrong thing. It's like one of them is like a country. It's like customs thing literally the sales software and then it's like another thing related to the country. Like you're going to find it if you're searching for it, >> especially if you add in another word.

But but I have heard um zero times um we we had trouble finding you online. Um and and I do think that um uh we we have a bunch of campaigns up right now where like you don't know what Monaco or Monaco.com is. And so it just directs people to the website. Um and so then just like the traffic that we are getting right now is pretty uh uh crazy for a a 3 month fourmonth old startup from public launch.

>> Interesting. And and so we we we've talked quite a bit about outbound actually maybe not enough. We talked about a lot of like pre-launch outbound like so how does outbound change after you launch? Have you guys made any You said that like a lot of things became more effective after you'd kind of been out there publicly. So,

how do you think about Outbound now? >> Well, um this is one where like the opinions that I will express here are sort of ingrained into the platform itself. Uh but when you get started, um there is there are a few things that matter. Um who is sending the outbound is actually like something that's very important. And so at startups, even at startups that have early salespeople, you do want the or you want the um origination of the outbound to come from the founder. Um because founders are going to get higher reply rates than early salespeople because the recipients of that, they know they're going to get sold to if it's a salesperson.

>> Um there here are a couple other things that matter and then I'll talk about maybe where it starts to evolve a little bit. Um the other things that matter are um timing a and also like the uh mediums that you're reaching out to people. You want to be multi-channel. Um you want to be at least LinkedIn and email, not just like spray the universe with uh cold outbound email through like you know domains that aren't actually your real domain and and that sort of thing. um you're going to have far better efficacy if you are multi-channel at the same time as part of the same sequence. Um and then the message and sequence structure really matter. So like how many touch points are there? How is the message structured itself? Um those sorts of things are things that like again um nothing that we are doing is necessarily earthshattering but it is sort of like just already set up for you. Um and then over time what starts to happen is you can expand outside of the founders that are sending the outbound. uh you you do want to be I think um you potentially want to be targeted and certainly thoughtful about like prioritizing companies that meet certain characteristics. So for us we are primarily orienting around like San Francisco based founders as an example and that plays into a lot of the campaigns that we have around San Francisco right now. Um how does it evolve? I I think um >> well so so why was having the founder send the message so important? I >> it's because uh well if you think about you're multi-channel so if you're starting over LinkedIn or something like that you can like click and see who is originating the message. Yeah that's exactly it um it it gives credibility to the person that's reaching out and uh I think that's that's probably the um biggest thing. So it's it's so the biggest reason the founder should do it is that they know that it's like the highest um most trusted person at that company. It's maybe like a founder to founder type thing. Not a not necessarily I'm selling you something even though it really is but like maybe >> it's more of a trusted sale or something like that or >> you know maybe you'll learn something by talking to this other founder like they'll kind of get you more.

>> You you can you can also be more creative with messaging. Um, let's see. I, um, one of our customers is is called, uh, Parley. Um, they're a YC company that, um, does, uh, uh, AI for immigration law. And so they're selling into like immigration law firms. And so, um, Phil, who's the CEO, the message structure says something like, um, I started Harley after watching my father for years. You know, it could say something like, um, and I don't know if this is literal, but like missing a family event because he was like, you know, in docs. uh that that um now like any you can sort of see where I'm going with this without >> more relatable versus it being like a salesperson could probably not say that >> that is exactly right. So so you you can orient the message coming from a founder about like the origination story of the company. So there's like this this layer of credibility but there's also the like what do you put in the message itself that like only a founder can kind of uh do and articulate that will lead to significantly higher reply rates. And I think like a lot of people listening to this, they're probably we probably can all sympathize with like the AI email inbound slop that that is out there. Uh how how should I be navigating that if I'm the one that's like sending the AI generated emails? Yeah.

>> Like how how do you get around just people immediately just not even opening your email and just deleting it? >> For sure. Um here's here's how I think about this as maybe like a um evolutionary um thing uh there's there's you know like sort of old movie I don't know probably 80s Glengary Glenn Ross and and they um were using like a yellow pages to uh cold call and there was like you know the the quality leads that like they always wanted to get to but they couldn't get to and so so anyway I'm maybe going too deep in the movie itself but uh um from like you know many many decades ago this concept of like identifying a um potential buyer based off of their company or um who they are like the individual and then like trying to target them uh to get them to buy your thing. Um it has existed for you know many many decades certainly uh and and it has evolved from the like yellow pages of Glengary Glenn Ross where people might make phone calls. Gosh prior to that I'm sure it was like you know doornocking that sort of thing. Um um and uh I won't go too far back. Uh and and then you've got like the innovation around email. So like email comes on market. When I joined um Echosine, it was pre uh and I'll get to the point by the way. Um it it was pre um sort of like SDR outreach type tools, you know, outreach uh and sales loft and and and some of those style tools that allowed um SDRs to almost do like marketing automation the way that maybe like a Marquetto enabled prior to that.

So every email you got was literally handwritten by someone most likely. >> Most likely hands sent certainly the ones that I was doing in like 2007208. It was like copy paste. It was like um the body maybe stays the same and then I'll like just plug in high turner or something like that at the top and like copy it. I'll paste it and then I'll like do it again and over and over again. And then there there were those the sort of like um outreach I think was early or the first to do the the the sort of like marketing automation from an SDR. And so then gosh I was able to send like 200 a day just by like throwing you know new contacts into sequence and I didn't have to do this like copypaste one-off send thing. Um and so the point of all of this is something like uh I think this like concept of outbound and there was this like meme for a little while outbound is dead. Um cold email might be dead. those sorts of things. I it is not dead. Um I I I think that you know it it is evolving and I do think that if you just drop um thousands of email addresses in a uh like outbound email thing with the same templated copy and that's like your outbound strategy and you have no brand like you don't know who the person you're reaching out to doesn't know you personally. They've never heard of your company. Your website kind of sucks.

like they're not going to reply to that email. Your reply rates are going to be like 0.0 whatever percent. Um and so there is there is an approach that is today um effective. Um let's see I I don't want to like talk my own book too much just in terms of mon like the reply rates that we are seeing are higher than I ever saw with a sort of like outreach style uh outbound and and it is leveraging AI. It is leveraging intent signals on why you reach out to somebody what you say. it's a custom message, those sorts of things. Um, it will be different in 2030. Uh, there'll be like something, so you just have to kind of like stay up with the, uh, times.

>> Yeah. I feel like the thing that I see that I see a lot is I see like the quick question is the subject and then like I don't really read them all anymore, but like that used to get me all the time. Lowercase in the subject just generally seems to like work pretty well. R E reply. >> Oh yeah, reply. >> Yeah, those ones have kind of do well. Um, anything where it doesn't seem like it's an AI generated email and I open them like, "Fuck, they got me again."

Like, >> but uh yeah, I I think the multi-channel thing really matters. Um, >> so multi- channelannel is like you message them on LinkedIn and you email them. Yes. Or Okay. >> And and maybe depending on the industry, you also either yourself call them or you can have a a service or whatever also call them. So that there can be a third channel. Um gifting could be a fourth channel. You know, we've talked about like a lot of the um the key keyboard pads and those sorts of things.

Um and so the multi- channelannel really matters. I and certainly like I think the table stakes ones are linked in an email. It's not one plus one equals two. Uh it's, you know, one plus one equals four, whatever you um want to plug in there. But but it it it's like um you can say something like following up from my message on LinkedIn and then they're kind of like oh like I did see this person's message on LinkedIn. So you sort of like try and tie it all back together.

>> Yeah. I feel like one of the big mistakes too is you know you just keep following up like on email and you're just like hey just following up. Did you see this? Hey just following up. wondered if you wanted to chat. Like I feel like like that I it could work, but I feel like the better one is like, "Hey, we just launched a new feature. Check it out." Like you just don't even acknowledge that you're just following up. Like it's you're just continuing to I guess like add value in in some way, whatever way you've chosen to do it.

>> Any thoughts? >> Is that a bad one or a good one? >> Oh, I I was I was um piggybacking off what you said, which is like not a good one. >> Oh, yeah. Um it's like uh and now like sometimes that will work but I think at this stage of the game reaching diminishing returns like um it everyone knows that that is automated. You don't feel the sort of like psychological impact of like oh this person keeps reaching out to me. I should let them know like I'm not it like you know it's it's it's not real.

>> Yeah. I feel like usually I will respond to those if it's someone that I know in person and know I will probably talk to again in person in some way and I'm just like you know not interested but otherwise I'm never going to respond to you cuz like you could be fake you and like a lot of times you'll see like someone will make up like a fake I've seen this actually people be like bragging about this like they're they're their lead genen strategy is like on LinkedIn attractive woman you're messaging founders and the reply rate is a lot higher. Like I just know it's like a fake person. It's like they don't even exist.

>> All of a srs look the way they do for a a specific reason. >> Yeah. Um [laughter] uh there there are things though that that really do work and and and interestingly um there's probably like some I don't know moral or some lesson in this, but uh they work because like they're they're actually relevant. What what I mean by that is um let's see uh here are a couple examples of intent signals that you might pick up on that actually benefit the recipient of the email. You know there's a lot of like um I see you have a job posting for this uh role. Um we actually automate what that role does here could be like an executive assistant like somebody may have a job posting for an executive assistant. That would be a reasonable time for like an AI executive assistant company to reach out and be like, "Hey, saw this posting with maybe like a link hyperlink to the job posting. Um, >> do you want to try us for one week for free? Uh, and and if we don't work like you you just like keep your job search going that actually is like >> that will convert. It won't convert 100% of the time, but it'll certainly convert more

than um just randomly blasting everybody to see if they want your AIA.

Um I I'll give another example and they're like a bunch of these and maybe the takeaway is like you should be leveraging these if you're a founder of company. We have um we have a a customer called nowadays that does AI event planning. Um, and one of the intent signals is something like, um, agent, crawl the internet and see if you can find a blog post about like a company kickoff or a recent offsite that they had. Um, and then it's like, hey, saw your blog post like, uh, we we can help you plan the next plan the next one. So, not only are you reaching out to like the right person at the company that planned the thing, um, but you're also it it's like top of mind. They have a blog post. So, uh, it, uh, people read it. So, those those dramatically increase the likelihood of somebody replying relative to I'm going to send 10,000 emails to everyone in my TAM with the same uh, message type.

>> Yeah. Yeah. >> One thing that always it always gets me and I I know that a lot of it just like that that tactic is, you know, people say that they like really like, "Oh, I listened to your podcast episode with Sam. It was really good." I like the conversation about like intent signals and like timing of when to reach out to people. Really like that part. Then they jump in their thing and like, you know, they suck up to you. They like compliment you. You're like, "Oh man, I got to respond to this at least or at least acknowledge it." the the um I I I receive those um some also. I I think um maybe better than a template um like depending on depending on the thing when it works is when the the like personalization is relevant. So in other words like uh you know I talked about like hey I see your job posting for an EA.

>> Yeah. >> We are literally an AI EA. >> Yeah. We're literally solving the problem for >> That's right. the the alternative would be something like um hey saw that and we've talked about where we're from a few times in the conversation saw you're from like Kansas City go Chiefs are you thinking about finance workflow automation like like that that one I actually am like more averse to than the like just tell me about the finance thing that you uh build. Yeah, like the random like, "Hey, I also have a brother who went to Alabama University." Like, you know, I love I love watching Nick Sabin interviews, whatever. Like, and then you jump in. It's like, what's the relevance?

>> Totally random thing. Yeah, exactly. >> Um, >> uh, so in terms of when you're kind of conver you're kind of going from founder sales to like a system, right? Like you have other people on the team. I don't know if we're going to get a chance to really and I don't know how relevant is to talk about actually hiring other people right now specifically. Maybe this is the answer to the question, but where do you see founders most mess up like the systematizing their just initial duct taping it all together? They're using Monaco, maybe they're not. They have they start to have a team like it starts to go from like, you know, it's like startup to this is a company, we're building this machine. Uh where's the biggest mistake you see people do? Let's do um maybe in uh uh this logical or sequential order which is like we have zero customers. Um I I I have seen um a handful of times founders struggling to acquire customer number one or like very early customer and assign attribution of that to I don't know how to sell like I'm not a salesperson so I'm going to go hire a salesperson. uh that that is the wrong diagnosis and that is the wrong solution. Uh and so um uh that there's no one better in the world at acquiring the first small handful of customers than the founder themselves.

So, if you're not acquiring customers, um maybe you like want to um shift things a little bit in how you present the product or or something like that. Um but but it it it is likely like a product market fit thing. Um and uh if you can't do it, then like uh a you know sort of random third party salesperson isn't going to come in and and be able to uh change that for you. So I think that is um the the earliest maybe mistake that uh someone might make. This is maybe true beyond the like next phase that I would just describe. But um seemingly I think the bottleneck for acquiring customers in um let's call it four out of five to nine out of 10 companies is demand genen. It it's opportunity creation. Um and my intuition is something like four out of five to nine out of 10 either founders or um early sales folks, sales leaders actually misdiagnose the bottleneck to um effectively being conversion rates. A and I think a way to understand or like a symptom of this is something like uh when you talk to a founder and we're early in um a month.

So last month, if you didn't quite get to the number of customers that you wanted or if you didn't quite get to the amount of revenue that you wanted, two sides of the same co coin. Um if if you sort of attribute that to there was this deal that like the the week the the week um the the last week of the month I thought it was going to close and it pushed uh like they decided not to use us. They went with a competitor, it pushed to this month, whatever it is. if we just could have converted that, we would have hit our numbers.

>> That's right. >> Okay. >> Um or like there were just a couple deals that like they they they didn't convert. And so like what we're really going to do is we're going to try and like we we think we know why those deals didn't convert. And so we're going to like start changing stuff based off of that. What you're effectively doing I whether it's intentional or not, you're effectively diagnosing the like problem or the bottleneck to acquiring customers and growing revenue as a conversion rate like like you didn't convert that customer. And um you know back to like my diagnosis for we'll just say N10 to keep it consistent. Nine out of 10 startups is like the bottleneck is actually demand. Uh and the problem isn't that you didn't convert that one customer. The problem is that you didn't have like five customers that you were talking to that last month and if one of them had converted you would have hit your number and if two of them had converted you would have uh beat your number. And so I think that there's like a a disproportionate amount of emphasis placed on um conversion rates relative to generating demand. And um I I I think that like influencing conversion rates is far more difficult to do than influencing demand genen. A and just like you know sort of thought exercise on this is something like if you convert um uh 10% of demos that you have one out of 10 demo I get it's going to convert.

moving that to 15%. Uh you might think of like you're increasing your conversion rates by 5%. You're actually increasing your conversion rates by 50%. Um and that especially at scale that's like a hard thing to do. Um there's like a lot that goes into it. Um, if you think about like last month, uh, we had 10 demos. Going to 20 demos, which is like effectively doubling the number of demos that you have in a month.

It's not one size fits all, but like I I suspect it is far easier to accomplish than that like 50% increase in conversion rates. >> You might need to build a new feature or you might need to like cut the price, change the price. You might need to go after a different target customer. >> This is on conversion rates. >> Yeah, on conversion rates. Yeah, >> you you might need to to like really learn how to sell um like do discovery quite well and like peel back the onion.

Like I I there there's a lot that goes into it or you can just spend some more of your focus and attention on the demand genen side of things and you don't even have to improve conversion rates. uh like they can just remain consistent. And if you're able to double the amount of leads that you're generating, you've just doubled sales effectively. >> You could in theory, I don't think you would agree with this, but you could just like pay more for Google ads and just fill up the the the email signup list and get more demos.

>> Well, here's here's something that I wouldn't disagree with, which is which is a version of this. If you have a channel that is working for you in demand genen, just like double and triple down on that until you get to the point that um this could be you as a founder or your team. um until you can't take more demos like until you're at the point where like I now have too many opportunities that I am actively working um until then uh uh focus and allocate resources towards demand genen until you sort of accomplish what I would describe and we're in the fortunate position of having this today. I I would just like define this as like a demand-rich environment. uh a and until you have that really focus on generating demand.

>> And I want I wanted to ask you this because I think it's kind of unique. Um I don't know of anyone who does this specifically. So there's a concept of a forward deployed engineer. You guys do the forward deployed sales executive. So so what is that in Monaco? >> Um so FDE is the like you know maybe famous acronym at this point and like we're FDA. Um so account executive. Uh so I I think um there and FTDE is um more often than not that the the application that I've seen for like true FTEEs is sort of like relatively technical product and potentially a large enterprise. Uh and so this is like the extent of the world and now you have open and and anthropic that are probably investing in or building in their own sort of like almost um FTE arms of the businesses. Uh if you think about Monaco's customer which is a startup uh Monaco itself the the agents are technical um but it isn't like a highly technical application in ways that like the most technical products are um and um these aren't enterprises so they don't need the like BCG historically speaking Accenture could come in like map everything out and do all this stuff for us. Um so what our FDA does is twofold. Uh the first is they provide a complimentary skill set to many of the customers that we have that are just that are in founderled sales right now.

Um and so then they can leverage this resource as like an extension of their team that is helping them with messaging. You and I talked about like the uh multi-channel and like what should the message say. Um that that is somebody that all of our sales reps have a lot of experience doing AB testing this stuff. um and they're like, you know, in the trenches with the founders doing this stuff. Um alongside, of course, the AI, which is maybe um natural segue to um our FDA also have like a deep understanding of how Monaco and Monaco agents operate. And so then that um if you try and deploy an agent um a demand genen agent, let's just say um and uh uh you are maybe a founder or a sales leader, um you have to manage that agent. it's work to to manage the agent to like set it up, to program it, to like make sure that the mess like all that stuff. We just do that for you. And so then um both the complimentary skill set, but also the like making the platform effective through managing the agents in ways that are just definitely definitionally not possible for a founder or a sales leader or a salesperson. They they just can't understand how Monaco works the way that a full-time Monaco employee does. And so through that it's like far more effective and efficient.

>> So one thing you mentioned is like you you guys kind of manage and run the agents for the customers. Is that does anyone else do that? >> I I'm not aware of anyone else that does that. Uh it it doesn't mean that anyone else um is not doing it. It makes a lot of sense. I I also do think that you know look there there are um there are AISDRs and I suspect that like if you're an AISDR company and you have some really large enterprise customer that you are you you should be providing some FTE style um uh service to to a company that like that that that's super logical.

>> Yes. >> I do [snorts] think that in the category that we're selling into one of the competitive advantages that we have is our ability to build out like a startup go to market organization. And if you think about most of the players in the space, they don't their backgrounds are like more technical or product oriented. That of course is like an advantage for us in in terms of like understanding the customer and knowing what to build, understanding the outcomes, those sorts of things. But we also like we have an incredible go to market organization in the same way that like one of the best engineering leaders or or or a very experienced engineering leader turned founder could build out a really great engineering organization. And so then our goto market function like the sales or at Monaco is a competitive advantage that we like really want to lean into um because of of the dynamics that I just mentioned. It's probably just like letting your customers leverage that too. Like if you think it's best, let your customers tap into it.

>> You you nailed it. It's like um uh and then this is one of the things that um interestingly during the a uh the biggest objection was like how does this scale? Um it was like the margins and the that sort of thing. Um then like the FTE thing, unbeknownst to us, we were already calling it an FDA. it it started to like really take off and and in the B it was like we hear this is like the the big competitive advantage that you have or something like that. Uh and so it was a little bit coincidental uh in a short amount of time. Um but yes, like we want to lean into um this thing that is a pretty big competitive advantage for us today and I think hard for um players in the space right now to either replicate or compete with. Yeah, it almost sounds like the Ford deployed employee, like the Ford deployed specialist, the Ford deployed expert is maybe maybe in 18 months I'll be talking about it after Monaco makes it a huge thing.

>> Yeah. Um, that that would be great. >> Yeah. Well, that's been a lot of fun. Thanks for taking the time to do it. >> Thank you so much for having me. So much fun. Uh, and uh, just had a blast. >> And I hope you had a blast. Thanks again to this episode sponsors. Flex upgrade your business banking and credit with the link in the description. Numeral. Put your sales tax on autopilot at numeral.com. Amplitude for AI analytics.

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