



Choosing your Sales Model

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About Emmanuelle Skala

Endeca - \$0-\$100M. Sold to Oracle. 8years. Mostly Field Sales

Dir. Sales Ops, Dir. Inside Sales, Dir. Business Ops

Vertica \$0-\$20M. Sold to HP. 2years. Mostly Field Sales

Dir. Sales

Sophos \$250-\$500M. IPO. 5years. 100% channel supported by Inside reps

VP Sales/Channel Operations, Chief Channel Officer

Influitive. \$0-\$10M Still Private. 3 years. Mixed Inside/Outside

DigitalOcean - ~\$100M. Still Private. 1 year. Self-Service (Inside Sales is new)

DigitalOcean, the cloud for developers, is simplifying cloud computing for every developer



2011

founded in New York City



280+

employees



750K+

registered customers



196

Countries

\$250M+

capital raised (equity + debt)



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Data Centers

Different Sales Models

Inside: All sales done from 1+ centralized location by phone, email, web

Field/Outside: All reps are in region close to the customers and will also sell FTF

Channel: All reps create and manage relationships with 3rd parties who sell the product

Online: Sales are done via e-commerce/self-service

Options for Assigning Ownership

	Inside	Outside/Field	Channel	Online
Geo Territory	Yes	Yes	Yes	
Industry	Yes	Yes	Depends...	
Size/Named	Yes	Yes	Yes	
Product	Yes	Yes	Depends...	
Round Robin	Yes	No	Not Advised	
Shark Tank	Yes	No	Not Advised	

How to decide? What criteria

Total Available Market – TAM

Deal Size - \$\$

Deal Complexity

Subject matter expertise (SME) required

Complimentary solutions (ie sells better when packaged)

Category Maturity (new vs. established)

Ease of implementation

Buyer Type

Company Size

Some guidelines

	Inside	Outside/Field	Channel	Online
TAM	Large TAM	Small TAM	Large TAM	Large TAM
Deal Size	Small - Mid	Mid- Large	Small - Mid	Small
Deal Complexity	Simple - Med	Med - Complex	Simple	Simple
SME	Possible but hard	Best Bet	Hard unless specialized exists	Very Hard
Ease of Implem	Fairly simple	More complex	Simple	Very Simple
Complimentary	Prob won't work	Can work	Best Bet	Depends
Category Maturity	Medium	Easier	Very Hard	Very Hard
Buyer Type	Easy to reach / Not C-Level	C-Level / values relationships	IT	Developers / Lower level

Other Consideration – Lead Generation

How you are going to generate your leads can help you chose your sales model

Free Trial	How will you convert free trials to paid?
Freemium	How will you upgrade freemium to paid?
Self-Serve	Do you even want or need sales? Are you capturing the right audience self-service?
Inbound	Who will qualify the leads?
Outbound	Who's best suited to "hunt" and "cold call"?
Deal Reg	Who will approve deal registrations?

	Pros	Cons
Inside	<ul style="list-style-type: none"> Low (ish) CAC Ease of Training Ease of Experimenting High degree of control 	<ul style="list-style-type: none"> High turnover Hard to profile
Outside	<ul style="list-style-type: none"> High CAC Build great customer rapport Can navigate complex deals Can drive large deals 	<ul style="list-style-type: none"> Expensive Lack visibility Lack controls
Channel	<ul style="list-style-type: none"> Leverage Can bundle your solution Low-ish CAC 	<ul style="list-style-type: none"> Lack visibility Lack controls Required huge investment in training
Online	<ul style="list-style-type: none"> Low CAC Best Reach Very scalable – lots of leverage 	<ul style="list-style-type: none"> Very hard to forecast Limited customer rapport Requires huge investment in marketing

THERE IS NO RIGHT OR WRONG ANSWER

....but know the trade-offs

Thank You
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