



Transitioning from Founder-Led to Scalable Sales in Cybersecurity

with Dave Palmer

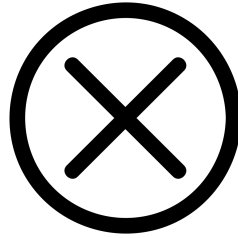


HM Government

What are the unique aspects of founder-led selling in early deals?



Founder sales can feel like an equal relationship, working together with customer champion to solve a problem

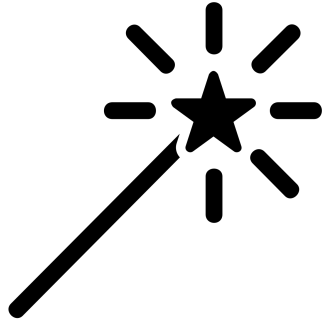


Early founder-led sales likely target many of the 'wrong' customers.
Unexpected opportunities

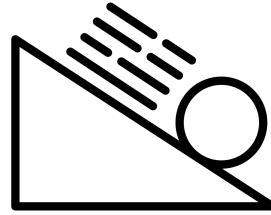


The story undergoes major change with repetition

What are the most helpful things to improve?



**Orient around your
magic moment**

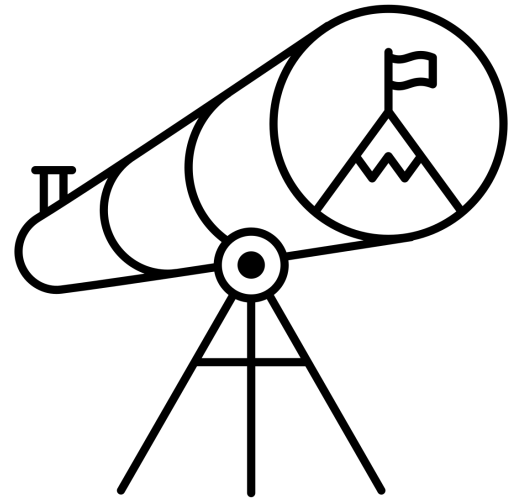


**Ruthlessly remove
friction**

What are the common scenarios of scaling too early?

1. Not clear what the magic moment is

- When the customer **sees the possibilities** of the solution for their organization (and themselves)
- The magic moment in the buyer's journey might be in the **elevator pitch, demo, or pilot**
- If pre-revenue, talk with **investors, angels, advisors, and industry experts** to help you understand your magic moment.



What are the common scenarios of scaling too early?

2. Scaling before simplification

- It is reasonably likely that both the founders and the buyers are experts (w/ shared empathy)
- It is unlikely that your sales team are experts. They need simple:
 - **Common sense, low-jargon, messaging**
 - **Ways of handling most objections**
 - Some sort of support e.g. demos, sales materials
 - Access to experts at the right time
 - A repeatable process that whole business understands.
 - **Limited and defined, not arbitrary, flexibility**
- Mishandling this leads to burning leads, churning sales employees, burning credibility



How can you avoid watering down empathy and customer understanding when transitioning from founder-led sales?

DO

Early hires get to see the Founder selling in action frequently



"Sit on the same side of the table" as the customer during the sale



Echo customer experiences in sales messaging



Focus on getting to the "wow"



DON'T

Just have one video of the perfect sales meeting



Have your most valuable talent in every single meeting



Use your own jargon



Button-ology / painful training



How can you remove friction for customers?

DO

Consider making a lot of legal a part of Terms and Conditions on login. ✓

If the magic moment is early, then close the deal quickly. ✓

Change the product to remove friction (especially legal and onboarding) ✓

DON'T

Gate interested customers. Unless desperate supply-constraints ✗

Have NDAs, POVs, rounds of golf just because other companies do ✗

Find a bunch of common sales stages and codify them into your CRM. ✗

Consider proposals: if the deal gets signed when you aren't in the room

Make sure it's a stand alone document

If the proposal is going to a CFO/board who hasn't been in any meetings, they should be able to read and understand the reason they're signing the proposal.

It's okay to standardize

Each proposal doesn't have to be particularly bespoke. For most companies, proposals can be very similar for most customers.

No "surprise pricing"

What is Splunk famous for?

When do you time a real commercial offer?

Usually: Founders meet most customers until 10M ARR.
Crowdstrike and Amazon CEOs still sell to customers

Founder type	0-10 Reps	10-20+ Reps
Founder with a Sales Background	A founder with a sales background can often handle sales admin and coaching up to ten sellers	When things start to break (often around 8-12 reps) And you are still planning to grow the team this year, then hire a VP sales leader on top of team leader(s).
Founders with a Non-Sales Background	Hire a sales team leader. You may also benefit from Sales Ops to handle day-to-day admin like forecasting and data mgmt.	Complex/bespoke sales will need more seniors earlier.

How do you train your sellers?

Onboarding Tips

- Focus on Magic Moment, getting to Milestones, objection handling.
- Consistency is important (pitch, process, style)
- Accredit sales reps in a 1:1 meeting with someone other than their line manager
- **No Telephone Game**

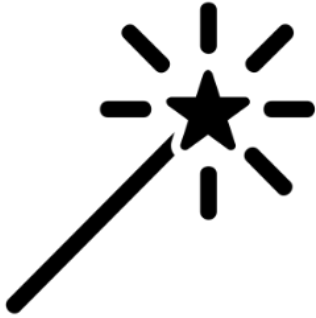
Accreditation Pointers

- Rehearse early interactions and objection handling (weekly).
- Train across different formats: zoom meeting, in-person meeting, dinner, on stage
- Reaccredit every six months (because product and messages and process will change fast)

Sales Enablement Tools

- Use a minimum of tools/steps it takes to make the magic moment come to life.
- Tracking on whiteboard / spreadsheet may be more helpful than weeks spent fiddling with Salesforce
- Measure (and perhaps comp) activity as well as outcome

TLDR:



Focus on your magic moment



Prepare to handle objections efficiently



Ruthlessly remove friction

Discussion

What can go wrong in the transition from founder-led to dedicated early sales hires?

You can lose customer empathy

Downstream from the founder, organizations often develop a more transactional marketing and sales process that loses the empathetic and nuanced feel.

You can burn relationships

The most danger comes when you've hired a salesperson who is not fully communicating the vision, passion, and process of your business, and then they hire others and start training them.

You delegate a broken sales process

It's essential to refine until you have solid sales messaging and processes, before delegating out-of-sight. A paint-by-numbers sales process may not work, so be careful of "I've done it before".

What should your first sales meeting with a prospect look like? How can you get from a first meeting to a demo?

1

Demonstrate you've earned the right to speak in the first few minutes
(Non-founders can point to their company/founder's credibility)

2

Link your experience to your empathy for the problem
(Non-founders should show that they spend time with customers like them)

3

Rather than focusing on discovery, light a fire of curiosity

4

Try and roll to the trial

What are the elements of a great cyber demo vs. a dull product tour? How do you transition from a demo to a proposal?

Create magic

If you're doing training in your first demo meeting, then you probably don't know where your magic moment is

Purpose oriented

Ground the demo in a larger purpose (and ideally conduct it in your first meeting).

Build momentum

Example: *"We'd love to get your fingers on the keyboards of the tool in your business. What's the best way of making that happen? There's no charge, no gatekeeping, and we're ready to go and can install on Thursday."*

Be concise

Founders often get demos the most wrong because they're so proud of every button

Where should you look to hire AEs and BDRs? What makes for good sellers of cybersecurity solutions?

If your product is complex and your customer is an expert

If your category is simple and the value is self-explanatory

Engineering background



Technical sales experience

Strong sales skills



Tip: Experiment with sellers of different experience levels