

Sam Blond @FundersFund

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Sam: where people over index is domain. if you are hiring your first AE, first big AEs number one and two, they need to have seen an early stage startup environment. there are three things that I look for in terms of measuring the success of a sales hire. for almost all startups, the bottleneck to growing faster is actually around demand gen opportunity creation.

Scarlett 2i2 USB: You all less needs 20 sales with me, Harry Stebbings. Now 20 sales is a monthly show where we sit down with the best sales leaders in the world to discuss how they build and scale. The best sales teams today, joining me in the hot seat is Sam blond, Former Siara Bracks, Where he led the company from zero to \$400 million an hour and a 12 and a half billion dollar valuation before Bracks.

Sam was VP of sales at Zenefits, where he led the company from zero to 70 million an hour in just two years and a four and a half billion [00:01:00] dollar valuation. Sam then most recently joined founder's fund as a partner in 2022, and recently left to focus more on operating.

20Sales: But before we dive in, have you ever wondered why spending company money is so broken? Employees want to follow the process, but they're confused and frustrated. It takes forever to get anything approved. It's so tedious to get anything paid. And folks in procurement, finance, and other stakeholders are just as frustrated too.

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Harry: Sam, listen, I am so excited to have you back on the show. It was a while ago since we last made this happen. Hopefully I've improved as an interviewer. So thank you so much for joining me again today.

Sam: Harry, I'm pumped to be here. Thank you for having me last time we did. This was, I think a month or so after I joined Brex in 2018, the world is quite different six years later as we sit here.

Harry: I mean, six years ago. Fuck me, I'm getting old. But I do have to start.

Sam: Man, what does that make me?

Harry: Dude, you're ancient. I mean, you, you are just, I mean. I want to start with the entry into sales before we dig into specifics. [00:05:00] What was the entry point for you and when did you realize that you loved sales?

Sam: I attribute a couple data points of luck being in sales and in tech sales in the first place. So I graduated from University of Missouri in 2007. And I wasn't considering like, you know, but for my brother being in the Bay Area doing tech sales, as a graduate of the University of Missouri, that's not even on your radar.

And so, I got a job as an SDR at a company called EchoSign. So I sort of lucked into getting into tech sales in the first place because of my brother. And then I lucked into, joining a successful business like EchoSign that allowed me to progress my career. I didn't know what I was looking for at the time, and fortunately I found Jason Lemkin, who's a friend of both of ours that was leading this company, and joined as an SDR when it was effectively being run out of a garage, an actual garage, in Palo Alto.

The question around [00:06:00] when did I sort of figure out that, tech sales was for me, something like that. I would say that pretty quickly I was able to start differentiating myself from peers doing the same thing. the feeling of being successful was addictive.

it was pretty evident to me early on that I had found something that aligned well with my skillset that, that, you know, eventually evolved into a tech sales career.

Harry: Dude, I think momentum and confidence are two of the most important things to have in a team. Because as you said there, success is so addictive. I always think, how do I create that momentum in teams? You've been in sales respectfully then for, Christ, 17 years without aging you. So with that in mind,

what do you know now that you wish you'd known when you started 17 years ago in that garage with EchoSign?

Sam: I didn't, at the time, appreciate how hard building a successful startup can be. And, you know, I took a handful [00:07:00] of interviews when I first joined a company and, you know, EchoSign gave me an offer. Maybe I had offers from other people and I probably looked at like, you know, the comp or something like that.

One of the things was how far is the commute? make my assessment on which firm to join. And you know, the reality is importance of picking the right company just really defines one's career. I attribute so much of my success To joining the right businesses. Now like I was able to perform within those businesses and, you know, for context, we're talking about EchoSign, Zenefits, and then Brecks on the sales side, so much of my success was predicated on the success of those businesses.

And I don't know that I had an appreciation for one, how hard it is. And two the importance of picking correctly.

Harry: so on that note then, for people listening going, I want a rocket ship career, I want great trajectory, Sam, how do you [00:08:00] pick which company to hitch your bandwagon to, so to speak?

Sam: Well, I think it depends on the stage. there are companies that are, a hundred to five hundred employees, let's say. There's a lot of signal around those companies. the trajectory with which they are hiring, the sort of like what I'll describe as heat around fundraising that exists for those businesses, the revenue growth that those companies are experiencing.

And so you can join a 100 person company as the 10th sales rep. You have a lot of sort of historical signal to go off of that. You're picking a company that is a rocket ship to use the cliché. We'll have to come up with a better word. You know, earlier stage, it's much more subjective, right? The things that I mentioned there around fundraising events, employee headcount growth, revenue growth, those are all things that are objective.

Um, The subjective side of things and what I think I was able to get right at Zenefits and Abrex. [00:09:00] So much of the success of a really early stage company is predicated on founder or founders and their ambitions and aptitude to building a big business. And I remember this was further in my career, but when I joined Zenefits, I think I was 29 years old.

And I was fortunate to have Jason uh, again from EchoSign, who had moved on from Adobe. He was introducing me to a number of startups. And I started to sort of pattern match around what I believed an exceptional founder looked like. By the time that I met Parker, Parker from Zenefits.

Jason had signaled, one, that like, you know, Parker is incredible. They're raising a very competitive round at Zenefits. This could be the one, something like that. And I met Parker he was the best way possible, just different from everyone else. And I knew it. And it didn't matter what Parker was building.

It, what he was actually building was [00:10:00] all in one HR. doesn't sound, it is not sexy. I just wanted to join this guy's company because he was going to build a hundred billion dollar business. we didn't realize that outcome with Zenefits. He's going to with Rippling. So, you know, solid intuition there.

Harry: Sam, when you're joining such a rocket ship in sales, are you not just an order taker? I don't mean that disrespectfully, but like, when it's like, being pulled out of your hand, It's quite fun being in sales, isn't it? But when you are fucking slogging your guts out in enterprise sales, in long sales cycles, it's a different game.

Is it not quite easy when you're at a rocket ship?

Sam: I think any sales environment, there is going to be a lot of nuance

That leads to huge discrepancy in performance.

you know, there, there are of course sales environments where selling the product is more challenging. There are sales environments where the sales cycle [00:11:00] is significantly longer. There are sales cycles where the AEs are controlling more of their investment through outbound versus taking leads for marketing and inbound.

But what happens seemingly universally, even at the best companies in the world, like Zenefits in 2014, is there are outlier performers that perform at something like 3x. To the bottom performer. And so you get a team of like 10 people, even when you're in an environment where the product is flying off the shelves, there is still this huge discrepancy of performance.

And I love sales because it's so objective compared to other areas of the business where you have a 10 X. you know, performer and it's, hard to know that or certainly harder than it is in sales. And so that's what comes to mind.

Like, of course you want to be in an environment where the business is doing well.

But it doesn't mean that the role becomes easier or, you know, your success [00:12:00] is more guaranteed or anything like that, because you still need to be the best. If you want to get promoted faster than anybody else, if you want to make more money than anybody else, you need to be number one. And it doesn't matter if you are at.

A startup that is less successful or the hottest, fastest growing startup there is, those dynamics still exist.

Harry: I want to discuss the team build out. This is one of the most challenging areas for founders. You mentioned that kind of, you need to be number one. We need to get a team in place first, Sam, in this hypothetical situation where you are advising me, a terrible an inexperienced founder. that hard is not difficult.

But let's start with a very challenging question, which is how do I sequence sales hires?

Sam: The way I start. is hire two individual contributor account executives. Those are sales reps. Always start with two. There are a bunch of reasons why.

We won't go on too much of a tangent here as to the [00:13:00] reasoning. Once you have two successful individual contributors in seat, you probably want to take a parallel path of hiring more individual contributors and hiring your first sales leader. Because once you have two successful folks in place, you're sort of qualified to bring in a great sales leader.

When I joined Zenefits, there were two successful sales reps. When I joined Brex, there were two successful sales reps. the recruiting process of a sales leader is going to take time. You don't want to entirely stall the business. As you are taking the four to six months possibly to find the right sales leader.

And so these parallel paths of continuing to hire uh, individual contributors and hiring your first sales leader are oftentimes what I recommend. Once you have a sales leader in place, you can then start to do some specialization SDR. I don't like hiring SDRs prior to hiring a sales leader because they need a lot of hands on management.

Harry: [00:14:00] I want to go deeper in a chronological order, specifically. We mentioned, we mentioned, just so it follows cohesion, we mentioned that,

you know, hire two at a time, before that point, does the founder need to be the one to create the playbook, and do they always need to be the one to sell? I argue yes, people tell me I'm full of shit.

Sam: Uh, You're not full of shit. absolutely correct. And good point on the, sequencing here. So I, I jumped right into when, when you are ready to hire, but what are the signals that, that you are actually ready to hire? you should have a handful of non friends and family revenue generating customers and a process that you believe is repeatable.

In terms of generating more of these customers. The reason that I say handful is because it's not the same for businesses that differ from one another. If you're in a very transactional business like Rex was, Rex actually had Tens of customers before bringing on their first sales rep. Now, if you're more [00:15:00] of a, an upmarket enterprise, like product, your ACV is six figures.

You may actually only have two or three paying non friends and family. What I'll describe as more enterprise, like customers before you're ready to bring on a salesperson. But look, if you, as the founder, cannot close customers and generate revenue, people that sort of specialize in sales will definitely not be able to.

There is no one better qualified to acquire your first set of customers than you as the founder. Regardless of sort of your professional training. And so do not hire a salesperson before you have customers.

Harry: very, as specific as possible. I now have customers. We mentioned those enterprise customers and revenue paying non friends and family. And now I'm gonna go out and hire my two reps. You said two. I'm gonna make them fight to the death like Hunger Games. Uh, Kidding, obviously that would to suggest such things.

my question to you [00:16:00] is, what's the profile? And where do I find these people? How, how do I hire them?

Sam: Profile, the things that I would solve for, and then one specific thing that I would not. And then we'll get into sourcing. The, the things that I would solve for early stage startup experience, if you are hiring your first AE, first big AEs number one and two, they need to have seen an early stage startup environment.

Do not hire from an extreme example being Salesforce, but gosh, even today, don't hire from a rep who came from Rippling. And joined Rippling when they

were 500 employees. The experience that they're going to have onboarding into that environment is radically different. From what they will experience onboarding into your environment.

And so I would qualify this as something like one of the first ideally 10, AEs at a startup in the earlier, the better. So early stage startup experience is, you know, top of [00:17:00] sort of like profile things that I would solve for next on the list is they have to have a track record of success. Sales is objective.

You want to hire the best possible person that you can, if they're coming out of an environment that had eight sales reps, you really hope that they are one, one or two. And we're going to talk about how to solve for that in the light category of sourcing. So track record of performance, early stage startup experience, you want somebody who has seen similar deal sizes.

Uh, With similar company sizes specifically. So if you are a very transactional sale, selling into companies less than a hundred employees, you do not want to hire somebody who is a field sales rep coming from deals where, you know, they closed a deal every six months and these deals were six figures.

So you sort of want the, the deal size, meaning the ACV. segment that they are selling into to be similar. The last thing that I will [00:18:00] mention that people over index on, where people over index is domain.

And so if we're taking something like, let's just take Echo sign, which is electronic signature product. If Jason had solved for hiring people from either DocuSign, which was like the direct competitor, Or from like, a company that generates documents like, like similar category. uh, So they just like, you know, understood the space a little bit better and could talk the talk that would have been the wrong trade off because it's already so hard to find an exceptional early stage track record of performance sales rep.

If you are sacrificing or making a trade off On somebody who is who has seen your domain you're sort of definitionally trading off somewhere else That is the wrong trade off to make, not to make this about me, but i'll now make it about me electronic signature all in one Hrs innovates was a health insurance broker that had [00:19:00] hr software and brex was credit cards fintech Bank account.

These are radically different types of software And I think that people who are effective just pick this stuff up pretty quickly You Any, any follow ups before we move on to sourcing?

Harry: Yes, I do. I'm the founder. That sounds great. They need to have been early and seen the stage, one of the first few reps, and they need to have an early track of success. Sam, from that description, that sounds like someone of your caliber. You are few and far between, you're very expensive, respectfully, and it was impossible to hire you, I'm just a startup dude, you're not gonna join me again having seen what you've seen and having, are we not living in a bit of a dream world having this early track of success also trying to get them to an early stage startup?

Okay.

Sam: And it, it, surprisingly the in, like, number of these people is quite high. uh, and, and by the way, there's one thing that you don't necessarily need to solve for here. And that [00:20:00] is, you should, you do not need to solve for the logo.

Meaning this person doesn't have needed to be an early sales rep at a company that ultimately realized a multi billion dollar valuation. In fact, logic to the inverse being true where if they were a sales rep at a company that had a product that was harder to sell if your product is easier to sell, they can sort of be freed be more effective at selling.

That said um, if we think about the number of early stage startups that hired up to 10 sales reps over the last five years, that's a large number of startups and that's a large number of people. When I joined Rex, the recruiting ground for me was uh, fertile. there were countless AEs that I could, recruit from my personal network that met this criteria.

And so, you'd be surprised at how, how many folks there are. Now, there are also a lot of folks who are less good. Meaning they weren't at the top [00:21:00] of the leaderboard. But if we just multiply the number of startups that have existed over the last three years times the top two or three sales reps, we're in the thousands.

There are thousands of these people that exist.

Harry: Alright, I can buy that. So then there's thousands of these people, it's bigger than we think. Great, what a relief. Uh, I was getting worried there. So how do we source them? We get a G sheet out and what does that look like?

Sam: Here's what I see most folks doing. What I see most folks doing, so Harry, you are an exceptional founder. You were number one at your class, in your

class at Stanford in computer science. And you maybe were like, you know, the, the CTO at a great startup prior to joining.

Your background is not sales. Your personal network is not sales. It's engineering, Recruiting your first set of engineers became easy for you It was just like your your stanford classmates that uh, you were friends with and it was folks that you worked with it Uh rippling prior to starting your company.

Okay, but now it's [00:22:00] time to hire salespeople aren't close with salespeople. This is not your personal network. What most or many folks do Is they they leverage something like an external recruiter? And, you know, they have a recruiter send them candidates that they look at their resumes and then they interview them and they spend a bunch of time on interviews with potential sales candidates.

And the reality is that these people that you were talking about, Harry, how many of these people do exist, Most of them do not go through a third party recruiter. They want to go somewhere where their reputation precedes them a little bit. And so, sourcing by leveraging your personal network is just of the utmost importance.

Now there are a few flavors that this can take shape. The first is you might have been, you know, successful technical lead at a prior company, like go, go potentially [00:23:00] recruit from the sales team there where you may know some of the sales folks. So that's your personal network. taking Brex as an example, our first couple sales folks before I had joined came from our, our CFO at the time, his name was Michael Tannenbaum.

He recruited him from Zofi. So you can leverage the networks of some of the folks on your team as well that are bringing in your potential early sales reps. You can leverage your investors. So, Harry, you're an investor. You may know some exceptional AEs that you can help place at some of your companies, certainly refer to potential founders.

But leveraging of your personal network, I would not. Stray from that. And to take it one step further at Brex, we did not use recruiters internal or external to source candidates for the sales organization. Ever. I hired the first, let's call it five folks from my personal network after the first two sales reps [00:24:00] came from personal networks of people that were already within the company.

After I hired those five people, they had personal networks. I'll, I'll be specific. I hired a guy, Brandon Boyle, who just crushed it at Brex. He brought in, he

came from gusto. He brought in the number one rep from gusto as soon as he joined. And so you're, you're just constantly leveraging the networks of the existing team of your investors and of the successful folks that you hire.

And the probability of success is just so much higher for a number of reasons.

Harry: Is a good hire today better than a perfect hire in the future? You know, I'm sure, I'm a founder now and, Ah, yeah, I met, Sam. yeah, I think he's good and I like him and the co founder likes him. Yeah, a couple of things off, but should be fine.

Sam: There are always sacrifices. I don't know that there is such thing as the perfect candidate. There are a few things that, with these early hires that I would not sacrifice on. I referenced a few of them. There's [00:25:00] another one that uh, Jason loves to talk about and that's would you buy from this person.

So I think what you need to do as a founder is you need, you need to sort of decide what, what are the areas that I'm open to sacrificing and what are the areas that I'm not. And then solve for the areas that you are not open to sacrificing

Harry: do you do case studies? Do you test it, literally?

Sam: Meaning do you have the candidate do a case study?

Harry: Yeah, Sam, sell me Brax, or sell me your prior company.

Sam: Oh, I think I think the prior company is a really interesting one Because I think what's hard about sell me my company meaning 20bc, right? You're a 20bc expert and i'm not So like, you know how to pitch this product better than anyone in the world.

And they're almost like destined for failure, but they should be exceptional at pitching their existing product. And so if they can pitch you and, know, yes, I would buy your existing product from this person. And that should be an easy exercise for the rep to go through. I like that area.

Harry: Okay, so we're [00:26:00] there. Any advice to me on, I'm loving kind of this chronology. So we've got these two we want to make them an offer. Any advice on sales comp, Sam? I've got no idea. I'm, I'm giving these two reps. It's the first time I've hired them.

What's the right way to approach sales comp for the first two?

Sam: You know, I think for the, for the early ones, I think you probably just have a conversation around just like, what are your comp expectations?

You're probably going in with an idea of what you believe is market rate for the hire that you are making. Let's just say like, you know, at maturity, you think this sales rep is going to be able to close something like a million dollars in ARR. We're a mid market sale. and we can, we can afford to pay somebody in this role.

Let's call it 200 K uh, you know, we're early stage. So we're going to give them a bit more equity. We think ballpark is going to be like 160 K total comp. That's like, you know, where we think it is, Harry, you're the candidate. You know, what are your comp expectations? Well, Sam, today I'm at one 80. My company is a little [00:27:00] bit bigger.

I would you know, I, I would take a little bit of a hit there. And, you know, you go in at one 16, you give them a bit more of the equity on the company, but I think it's not one size fits all. You don't have an idea based off of how much revenue you think a sales rep can generate at maturity. AE range, 100 to 250.

is like the total comp for a sales rep. So wide range there based on a number of factors.

Harry: Sold. We got them. We got these two reps. Okay, so they're joining now. You know, onboarding, it just freaking sucks every way you do it, right? I've never hired reps before in this hypothetical situation. They turn up on day one. What do I do for onboarding, Sam? Like, how do I set them up for success as best I can?

Sam: Yeah. And this is why the startup experience is so important. Hopefully the rep comes in understanding a little bit of what they need to be successful in an environment where there isn't a lot of structure and there is a lot of ambiguity. you know, you as a founder [00:28:00] can be confident. Here's your computer starting day one.

I'm going to teach you as much as I know about what has been effective for selling here. But you know, what, what ideas do you bring to the table for us to generate and to close more revenue? hopefully setting them up for success by giving them access to any information that they uh, need.

And then, you know, the sort of like next iteration of this area is how do we then measure performance and success of this new hire? you know, ultimately it's going to be around generating revenue, their ability to generate revenue. I think during, you know, 30, 60, 90, you probably do want to have agreed upon.

Objective measurements of success going to be different for every company, but you want to be transparent about here are the things that are important over the first 30 days. Here are the sort of like milestones that we would like you to achieve in your first 30 days. Many of them are going to be objective.

Some of them are going to be subjective and just, you know, [00:29:00] you're as a founder watching them uh, sell is this person uh, uh, picking this up quickly or not. It's slightly subjective. Yep. And then as we mature, there are three things that I look for in terms of measuring the success of a sales hire.

This is true for the first hire and this is true for the 10th hire, the 100th hire. The first is performance, super objective sales, you know, it's, it's how much revenue is this person generating? Where do they stack rank on the leaderboard? The next two require no skill and are more subjective. The first is effort.

Is this person working hard, setting the bar for what hard work looks like? And then the third one is attitude. Is this person reflecting positively on their peers? Are they coming into the office, motivated with a smile on their face positive about the environment, you know, how do they uh, handle change, those sorts of things.

And if number one doesn't exist, [00:30:00] meaning if the performance isn't there, you sort of default to, okay, what is the effort and the attitude? And if either are lacking, this is either like a zero time or one time conversation with the person around performance.

Harry: sometimes it takes quite a lot of time to ramp, especially in an enterprise sale. The numbers won't be there early on. it's a little bit hard to tell. And if you're a founder and CEO, you've got other shit to do rather than just monitor Sarah's effort levels, which are pretty subjective other than just kind of looking across the room.

So my question to you is, how do you measure success when the sales cycles are super long? And is effort really that easy to tell?

Sam: I grew up in a world where uh, people were in the office five days a week. And, yes, it was easy to tell who was working hard and who wasn't. you know,

especially in sales Um, one, there's the like, when are they getting in and when are they leaving? And then there's also the, gosh, this person, I hear them on the phone all the [00:31:00] time.

And you can just sort of like see and hear the activity levels, especially in sales. You know, some folks today are remote and that is a new challenge. I think Harry though, if you make the right hires. There are metrics that you should start seeing improve almost immediately, regardless of how long the sales cycles are.

Some of those metrics will be things like the number of opportunities that we are working. Harry started two weeks ago. Harry, he immediately started pounding the phones. He came up with this like really creative outbound campaign. And we're like, I'm joining calls with Harry. With, square we've got a demo with square today, the CFO that Harry broke into the account.

And now I'm the founder CEO. This is an important call that I'm joining like high five to Harry for breaking into this account. Squares now in the pipeline, this was a real call. And so even if your, your cycle times are [00:32:00] long. There are sort of obvious metrics that should be improving .

A sort of easy one is around opportunities and pipeline that you are tracking.

Harry: How long does it take to know if you've got someone's shit?

Like, I think it's like a week. I think people are way too nice. I know in a week if someone's good or not.

Sam: it's funny. The number that was coming to mind for me, it almost doesn't matter how long the cycle is. With these early hires in particular, I think 30 days. Um, And, and, and Harry, you're, you're probably closer to right with your week. know, many folks say a quarter. Many folks say 90 days.

That, that seems way too long for me.

Harry: if you hired me, I'd show up on day one with like segmented customer lists, the buyers in each, I would be ready on day one to email them, ready to go with my fucking email, I would have already done Canva marketing collateral that I'd done in prep for the day ones, you know on day one that that's good.

Sam: You only get one chance to make a first impression. it generally doesn't get [00:33:00] better. Which I think sort of piggybacks off of your comment,

Harry. And if you're having performance expectation conversations really early on, I think that is a bit of a red flag

Harry: Sam, what's your biggest hiring mistake? Everyone makes mistakes. My mother always tells me I was one.

Sam: Your brother has very high expectations because you're crushing it here. Um,

I think my biggest hiring mistakes were pretending that concerns that I had in the interview and hiring process didn't really exist.

In sales in particular, you know, it is performance based. But it's also like the team dynamic is so important. Like this concept of building a winning culture and having people that are positive influences on their peers. You cannot have folks that sort of sit around and [00:34:00] complain about the product or complain about marketing or whatever the like complaint of the day is uh, because it rubs off on their peers.

And before you know it, you have just like an unhappy sales floor where one person is negatively impacting the broader team. And I have probably rehired or hired people where, you know, this concern had been flagged where it's like, you know, they hit quota. But, there, there is some serious baggage that comes along with this person.

It's like, oh, they hit quota. We need to hire 10 people. Come on, like join. And, and so, you know, that's one example, but I think it's, it's pretending. Things that were concerns in the interview process didn't really exist because like either they were coming from this place or, being sort of blinded and then those things oftentimes come to manifest and bite me.

Harry: we've got our sales team. they're doing okay. But wait, they're not actually doing [00:35:00] okay. There's something that's not working. How do most founders diagnose bottlenecks in growth? And how do you advise the right way to diagnose bottlenecks in growth? Now we have the team in place.

Sam: You know, I did some consulting between Zenefits and Brex. And I talk with founders part of my prior role at Founders Fund regularly. And the conversation almost universally goes something like this, Harry, we're sitting here in late March, let's just pretend the quarter ended.

And, we missed our revenue target. And when I ask, why did we miss our revenue target? Almost universally, the answer is something like we had a couple big deals that had those big deals just closed. We would have hit our plan and, you know, unfortunately they pushed. And we missed, but like, you know, I'm sort of diagnosing our problem with, we, we didn't close company A and company B that were in the pipeline.

And the reality [00:36:00] is that I would say for four out of five startups, maybe more what they are effectively diagnosing the problem or the bottleneck to growing faster as is conversion rates. And for almost all startups, the bottleneck to growing faster is actually around demand gen opportunity creation.

And if you think about just sort of a simple version of this, if everything else remains constant and you are able to 2x the number of opportunities that you are creating, you have effectively just doubled your sales. And doing the same thing on conversion rates is much more difficult to do. Meaning, you know, two Xing conversion rates is far more difficult than focusing on generating more demand or focusing on opportunity creation.

Harry: why? I'm pushing back in a respectful way.

You can carve out a [00:37:00] much more structured sales process. Be more involved as a founder in that sales process. I think actually if you want high quality, great leads, they're hard to come by.

Like 2x'ing that, I don't know if that's easier than increasing conversion. And I'd rather increase conversion because then we're not gonna, once a lead is not converted, even harder to get them back a second time. So I'd rather increase conversion than just burn more leads. I

Sam: the environment that exists for most tech startups is what I would describe as a lead poor environment where you look at the calendars of the salespeople. Harry, you just hired two salespeople. You know, we're, we're at this phase of the company where it's now you and two other salespeople.

And I pull up the calendars of your two salespeople and they are spending an average of one hour a day customer facing. This is whether it be, you know, new demos that they are taking [00:38:00] or existing pipeline where they're following up with a customer and they are clinging on to. Any possible opportunity that exists in the pipeline and they're salespeople.

So they're sort of waiting for more opportunities to come in. Because you know, their focus is on closing the deals and we don't have anybody in marketing and I'm a founder, I've got all this other stuff going on you know, if I'm spending one hour a day customer facing as a sales person, I'm clinging on to the limited number of deals that I do have.

That creates an environment where I am incentivized almost hairy to tell you as the founder You know, this deal actually has a good chance of closing even though it doesn't Because i've got to tell you I have some form of pipeline. I can't tell you we're going to close nothing this month But if I had more opportunities if my calendar was more full of demos We would be closing more revenue and I just believe that demand masks a lot [00:39:00] of other potential problems almost all startups, the bottleneck to growing faster is demand.

We are, we are constrained by the number of opportunities that we are creating. We are misdiagnosing this as a conversion rate problem and our resources and our focus are being mapped to where we are misdiagnosing the bottleneck, which is the middle of the funnel. We have more salespeople than we do people focused on opportunity creation.

Our focus is on the deals that are in the middle of the funnel when all of this resourcing and attention should be on generating new demand. Because we will, that is the bottleneck to growing faster.

Harry: You know, you've sold quite horizontal products in the past in terms of to a broad customer base of industries, not just I don't know, the auto industry or the, whatever industry you want to focus on. I think it's like, packaging is one of the biggest problems.

Getting it to resonate with customers. Verticalized sales playbooks. I find so often people try and be everything to everyone, and then it doesn't hit with [00:40:00] anyone. That's one of the biggest problems I find.

Sam: It's interesting, the thing that really differentiated Brex in the early days was the underwriting model. Where we used the cash balance to issue credit versus a personal guarantee from a founder based off of their personal credit, which is the way that all of the credit card companies did before Brex.

We actually weren't the first to do that. Divi, who was a competitor at Brex um, they started before Brex and they used the same underwriting model. But Divi sort of approached the market as we're going to be a corporate card for any type of business. And Brex launched as the first corporate card for startups.

So we were really explicit in our branding around what we were. We were a corporate card and who we were for. We were the first corporate card for startups. And because of that, we gained really meaningful market share in this vertical of technology, [00:41:00] the segment of startups. Because of the branding association and the focus that we had, we took the innovators dilemma approach, which was we went after a small segment of the market, very differentiated product, gained huge market share and expanded from there.

And so, you know, at least in that example, it was really effective.

Harry: so I, I totally agree and I remember that so well, it was like wildfire when it was bluntly so proliferated among the startup class, especially in YC as well. It had this unique channel acquisition as well, which I think is so important. And with more specialization, you get higher conversion rates in channels because you're more targeted messaging wise.

So like, I think that's really important. You mentioned about kind of generation. Yeah. Reps expect things to be handed to them. Marketing are not geniuses. Not in a disrespectful way, but they're not magic. Who is responsible for lead generation? And how do you think about that?

Sam: Well, certainly in the early days, and I [00:42:00] would argue as companies progress as well. I, you know, if you only have two AEs, those AEs have to be responsible for generating some of their own demand. That often takes form of outbound, but they can come up with clever ways to generate demand outside of the outbound.

But, salespeople should absolutely be responsible for controlling their own destiny in a way, generating their own demand that often manifests through outbound. I think this is true on day one. This should be true on day one thousand. I'll tell you a quick story about Brex where I think, you know, it really illustrates the importance of this point.

When we were a relatively mature startup uh, so let's call it 50 to 100 million dollars of annualized revenue, one of the things that we noticed was that the AEs, Were sourcing far more of their own revenue than their sdr counterparts even though they were full cycle, they were also closing this revenue So you have an sdr who is spending [00:43:00] a hundred percent of their time on outbound and an ae who is spending Let's call it 50 of their time on the on outbound And the ae is sourcing more closed revenue.

It shouldn't be that way Harry, right? But it was. And the reason behind that is because AEs had their opportunities converted at higher rates. And the opportunities that they were generating generated more revenue. And it's because AEs had this intuition around what a quality opportunity looked like, which companies would spend more on their card.

And so they were sourcing higher quality, higher revenue generating opportunities than their SDR counterparts were. Now, of course, we took this information and we made a bunch of changes. We sort of took away the ability of SDRs to decide which accounts to go after. We said these are the accounts that you should go after.

These are the people you should reach out to in these accounts because we know conversion rates by persona. We [00:44:00] also changed the model by which SDRs were compensated. They were originally compensated on opportunity creation. We moved it to revenue. Eventually SDRs began sourcing more revenue than their AE counterparts.

Now the AE counterparts, they didn't change. They were still sourcing the same amount of revenue, but SDRs caught up and we get none of these insights. We drive none of these changes. If we don't have AEs sourcing their own revenue um, such as one example of why I think it's important, but ultimately I think that, you know, it's a missed opportunity to not have a easy, like, if we think about ROI on AE time, number one is closing revenue.

There's no higher ROI than an AE spending their time closing deals. Number two. Sourcing additional revenue. And so if they aren't spending 100 percent of their time, let's call it 45 hours a week, closing deals, whatever that excess time is [00:45:00] going towards, it is less ROI positive than sourcing their own deals.

So I think they should be doing so

Harry: Are we entering a world where SDRs are like, It's a bit old school, really, isn't it? Bit of cold outbound. That sounds nice. In a world of content, short form video, creating audiences, creating community. You know, really, people are sold before they even enter sales processes now. I think there's a Gartner thing that says like, 88 percent know that they're gonna buy when they enter a sales process.

I'm butchering the number, but it's It's, it's a high number. Like the old SDR, Sam, I liked your post about, you know, HR integrations. We're a great provider. Is that not gone and we're moved to a world of content now?

Sam: it's the right question. love outbound, I love sales what, what you're describing Harry is a form of outbound that I think is not effective let's approach it like this, what I see most sale, early sales [00:46:00] reps, SDR teams, startups, what I see most folks doing.

Is they purchase, you know, CRM, they purchase zoom info to get contact information. They purchase outreach to have email sequencing, and then they write like a you know, version of the copy that pitches their product a little bit, and then they drop the universe. Into seven email sequence, outbound cold email and Harry, these are going like we're, we're, we're a 10 person startup.

Nobody knows who we are. Harry, you are 22 year old SDR that just started at our 10 person startup. Nobody knows who you are. So you're sending an email to, let's use your example, the, the VP of HR at Brex, 22 year old SDR, 10 person startup. It's the 12th email that they have received today, trying to pitch them on a payroll or whatever product they're [00:47:00] pitching them on.

And it goes right into the trash. Most startups are doing outbound wrong. I think the way that startups should be approaching this first is on who you are targeting and then how you target them. So who you are targeting, think about the universe in terms of concentric circles.

you want to start with the sort of like closest concentric circle to your business. So Harry, we're still this 10 person startup. Okay. You, Harry, in your, you're the founder, you have a personal network that is a bunch of other founders. So we're going to start going after companies that are in your personal network.

We've also raised a seed round from a number of different investors. We're going to leverage the networks of our investors. We've got 10 employees, our engineer. They, they were at three companies before they joined uh, our company. They've got a bunch of connections that they can [00:48:00] reach out to at other early stage startups.

Let's let's rev leverage their Personal networks. Okay. Now we're starting to acquire some customers. Some of these customers are really happy How can we leverage these customers? To generate additional customers. Hey, Harry, you're VP of HR at this company. Do you know anybody else who could leverage our product to realize some of the same value that you are realizing?

Because you know, the HR community is, is sort of tight knit. So I just think the way that we are doing outbound or who we are targeting is wrong. Think about the world in terms of concentric circles and closeness to the business. At Brex, we started with personal networks, we moved to investor networks, we moved to YC companies, we moved to former YC companies, we then put billboards up all over San Francisco, and we targeted companies that were headquartered in downtown San Francisco that would walk past our billboards.

These concentric circles just [00:49:00] keep getting further and further out until you get to the point where you have such a brand that you can email the VP of HR. You are no longer a nobody company. You are rippling and vps of hr at 250 person tech companies They know rippling and the probability of getting a response to that email is just significantly higher But you don't get there on day one

it's a process. So that's on who you are targeting now. The way that you target them, I think, you know, you really want to have contrarian, you know, really demand gen efforts, but specifically, Contrary and outbound efforts, I've talked about a champagne campaign that I did at Brex where we sent founders a bottle of champagne early on and, you know, congratulated them on a recent fundraiser that's differentiated it received a ton of responses.

you just want to come up with something that is different from what everybody else is doing that stands [00:50:00] out and oftentimes can come in the form of, some physical delivery, a handwritten note. Uh, You just want to be different.

Harry: You know what worries me a lot of the time that I see now? a lot of companies I'm in, they'll have this like, quite intense SDR, AE sales function, they'll have CS functions, and the ACVs are 10k. And it's like, ah. And they're like, ah, but it'll scale!

It'll scale, Sam! It rarely scales. And so we're layering on this enterprise cost base for this very SMB, PLG revenue base, which has really been born out of the PLG motion. And I'm just seeing a generation of companies have shit economics because of this. Do you see it too, or am I just getting jaded and old, Sam?

Sam: I think the approach to, acquiring customers and how much you can spend on that. it needs to be influenced by your ACVs. And to your point, Harry template

Harry: LTVs, like if you are Brax, the LTV is much longer [00:51:00] than I would imagine a people management solution, or maybe not, but other solutions which are just generally shorter.

Sam: Well, I, I think there's, you know, within different businesses you, you have different segments of customers. And you can approach acquiring one customer very differently than a significantly larger customer that generates more revenue. But what you can't do is scale that down. And so I used this, this example of, we sent bottles of champagne, it was 40 bucks a bottle.

You know, it's expensive. Like after delivery, maybe we're, we're upwards of 60 bucks. you can't spend that you know, on customers that generate a hundred dollars a month in revenue for your business. And so if you think about the world or your company in terms of multiple businesses, based off of the segments you just target customers differently, depending on how much revenue they're going to be able to generate.

It's certainly not one size fits all.

Harry: One thing I worry about with outbound though, Sam, is you mentioned like, oh, people get 10 emails a day, and blah [00:52:00] blah I think they're about to get a hundred emails a day. And I think they're about to get 100 text messages a day, and 50 whatsapps. I see so many whatsapp sales tools now as well.

AI is gonna massively increase the amount of outbound sent. Will we see the commoditization of outbound with the rise of AI?

Sam: what I'm seeing is the tools today are making the category of outbound or the function of SDR or AE More effective they're streamlining a lot of manual process the same way that something like, you know, outreach did a number of years ago, Harry, when I joined Echo sign is an SDR.

existed, but I was manually sending. All of these emails one at a time. I like copy and paste it. And then I'd like put in somebody's name and then I'd hit send. But it was a very manual process and along comes outreach and I'm able to send like a hundred [00:53:00] at a time. that allowed me to, you know, be far more efficient as an SDR, but it didn't get rid of the function of SDR.

In fact, like, maybe there are more SDRs in a world where outreach exists than there were before. And, you know, I think we're continuing down this path of automated, you know, now we can personalize emails. the AI is going to write

me an email that knows things about Harry that I wouldn't even be able to find out if I spent a bunch of time researching it.

So, you know, the AI is going to write me copy as well. I think what at least today, AI does not accomplish that humans still do is this, this aspect of being creative. You know, the, the AI isn't going to tell you, here is your contrarian. Or unconventional outbound sales campaign that is different from what everybody else is doing.

And that's generally going to come from a human. Um, And you know, there is a process that I go through to determine these things if it's helpful.

Harry: Yeah, I'd love to hear it. [00:54:00] How

Sam: for each different channel, I love to do um, just a whiteboard session. you know, outbound is one example. So let's take the outbound example, but this applies to so much more.

And then I'll give specific examples of outputs this process has produced. So with outbound, we want to be different. At a 10 person startup, Harry, you're the founder. You're going to be in this meeting. The two sales reps are going to be in this meeting. And then maybe we have like somebody in growth.

That person's going to be in this meeting. So we've got four people in this meeting. We are going to do it's an eight o'clock on Monday evening meeting. It's the end of the day. We're going to do a whiteboard session. This meeting can go until midnight. There's no end in sight because it's the last meeting of the day.

Okay, everybody come in with your top three ideas on what you, you suggest we do that is different from what everybody else is doing in outbound. Okay. We go around the room. Sam, who are, what are your top three ideas? Okay. Harry, what are your top three [00:55:00] ideas? We go to each person. Everybody comes with three like contrarian or different ideas on how to do outbound.

We discuss them all. We select the ones that we think are the best and we go out and we try them. You do this with outbound, you do this with events. I remember the first time we sponsored uh, SASTR at RECS. We have late night whiteboard session. We get everybody that, uh, we think is, you know, contributing to this meeting in a room.

Everybody come up with three ideas. What are the things you want to do differently? we don't just show up to Sastr with a 100, 000 booth and some pins to give away to people. We show up, we had TaskRabbits outside of the event in Brex t shirts handing out Brexfist burritos to every single person that walked in the venue.

So the first experience that they have at Sastr is they get a Brex burrito when they walk in. Four bucks a person. not expensive. They walk in, you know, our booth, we have a magician that is using like, [00:56:00] you know, Brex cards to do tricks. We're giving away 25 gift cards. He's incorporating the Brex pitch into his magic tricks.

Everybody is around our booth for these 25 gift cards. We had all the billboards that were around the Saster conference. We bought them and paid for them all. So on the walk from the hotel to the conference, you're seeing Brex billboards. When you check into your hotel, your key is Is a brex credit card when the hotel gives you your key, it's a break, you use your key like four times a day to go in and out of your room and you're using a brex credit card.

You

Harry: with the Four Seasons? Like, That's, that's,

Sam: brought this idea to Zaster and Zaster was like, that's free money for us. And we didn't even have this sponsorship before. Yes. We, we, we have these room blocks. We can tell the hotel, like use these key cards. We ordered the key cards.

Harry: that's smart. I like that. The key cards is really good.

Sam: and none of this stuff, and again, you do this with every channel, I'm actually, I'll [00:57:00] give you one more example, because I think, you know, Harry, you seem to like the outputs of some of this stuff, but the way you get there is late night whiteboard session. We're sponsoring sastr. Everybody come with your top three ideas of things that we can do to stand out at the conference.

We're doing outbound. Everybody come with your top three ideas of things that we can do differently than everybody else for Outbound. I'll give you one more. Paid advertising. Actually, there's two out of it. Everybody just pays LinkedIn and Google and Twitter and they pay them a bunch of money to like surface some ads.

Okay. Rex, we went offline. So everybody's doing online advertising. We put billboards all over San Francisco. We did offline, very contrarian. We had a concentrated target market geographically. My favorite one though, that was super effective. What Rippling has done, they have a campaign right now where instead of paying LinkedIn money to surface ads on LinkedIn, when new employees onboard to their customers.

They onboard through Rippling. And at the end of their [00:58:00] I9, payroll, all that stuff. Benefits. At the end of the onboarding process, they do an NPS survey. How would you rate your experience with Rippling? The folks that say 9 or they send them an email, and it says if you post on LinkedIn about your onboarding experience with Rippling, We will give you, 25 or 50 Visa gift card.

Just hashtag rippling, hashtag sponsored, something like that. And so you have thousands of posts on LinkedIn. That are sort of organic, where a new hire at a company is saying just joined company X onboarded through Rippling, awesome onboarding experience you know, hashtag Rippling, hashtag sponsored.

In all of these posts, they get tons of engagement because you see when somebody joins a new, a new company, everybody likes it. It's like, you know, I joined this new company. It's an announcement. Everybody likes it. Congratulations on joining the new company. And they're paying 50 bucks Each [00:59:00] time somebody does one of these with hundreds of likes in some instances because they join a new company How much more effective is that 50?

Than paying linkedin 50 to surface an ad that says rippling all in one hr

Harry: we both know brand building that I'm moving is one of the most high engagement, valuable posts you will ever do that. I'm moving new fund. Big round is are the ones that get it. Everything in between is nice, but it's activity. Those are your needle movers.

And so you're getting it for 50 bucks. So I totally agree with you there. I've got to ask, what was the most successful paid campaign you did? And what was the oh my god, we just fucked up on that one.

Sam: okay, so the most successful campaign, and I'll be Brex specific, the most successful campaign we did at Brex was the billboards. I think it's the type of thing where, our mindshare, within our target buyer, [01:00:00] Went from

zero. when Brex launched in 2018, when I joined Brex, we didn't have a website.

I went to the website and it said coming soon. We had no PR. We didn't announce any of our funding rounds. We were in stealth. so, so it was almost impossible for our target market to know who Brex was. So, you know, market mind share of Brex was like near zero. And when we launched, we did a bunch of things, including announcing the fundraising that we had done historically.

Of course, we launched a marketing site, but the very day that we launched and GA the product, we put billboards up all over San Francisco. I think the campaign costs something like 300, 000 over three months, we were everywhere. That just made everything easier for us. You know, we talked about outbounding.

I can't tell you the number of responses to our outbound emails that were, I see your billboards [01:01:00] everywhere. And they probably don't respond to the email in the first place if they don't see our billboards everywhere. So one customer acquisition became so much easier because of the brand awareness from that campaign.

But Harry, it was bigger than that. Like, in fundraising became easier because of that came, we, we sort of became famous because of. This billboard campaign where we were all over San Francisco. And so for, you know, 300, 000, it was really effective.

so we have that as the best. What was the oh my god, I can't believe we did that.

Ooh. Okay. Rex is a corporate card, a credit card. And if you think about, you know, American Express was our biggest competitor. When we first launched, we were mostly taking market share from American Express. Folks had used their business or corporate card and American Express is really famous for airport lounges.

You know, they've got these like centurion lounges, [01:02:00] at a bunch of airports. And around the same time, Capital One was launching these like Capital One cafes. And we decided at a very early stage, we were less than a hundred employees. We decided that we were going to open a restaurant and lounge. And so we opened in South Park in San Francisco.

We opened a Brex Lounge on top of uh, South Park Cafe, which was a restaurant. And Harry, running a restaurant is hard. it's also expensive. it is

distracting. And, you know, in hindsight, that was a big mistake. We should have focused on, building a credit card company using our dollars to acquire things like customers and not, you know, remodeling a hundred year old uh, restaurant that was in dire need of a remodel.

Harry: [01:03:00] How much did it cost?

Sam: There's two costs. There's the hard costs, hundreds of thousands, if not low millions of dollars, you know, when all was said and done, in terms of, remodeling the restaurant, the rent, the, it, just everything that goes into it.

But, Harry, it's, it's the opportunity cost. It was so much higher. It is hard to run a restaurant. It takes resources from whoever we put in charge of running the restaurant. They have to hire people. They have to manage those people. that was the biggest mistake that we made at Brex.

Harry: Yeah, that was a shit idea.

Sam: Ha ha ha!

Harry: that was a world class shit idea.

Sam: If you were in, if you were in some of the exec meetings where we discussed it, you might have been like, this is going to be great. But it wasn't.

Harry: No, no, no, no, because it's not it's like, it's just in South Park. Like, it's just in South Park. Like, it's not like Amex lounges around the world with a network effect and a brand effect. this feels like, if I was the founder, I'd do it just to have a good place to have lunch. Heh,

Sam: know, here's, [01:04:00] here's maybe the glasses half full way of thinking about this is something like not 100 percent of your really creative or crazy ideas are going to land. And I think it's better to have tried than not tried at all, something like that. you know, so maybe even like celebrate the failures in a way.

Harry: If you think about the contrarian winnings, I totally agree with you, and I would way rather fucking try and have some out there stuff that fails than doesn't. I think you just want to cap losses, hopefully in the not millions. I want to move into a quickfire, Sam, so I'm going to pepper you with questions.

60 seconds per one. Does that sound okay?

Sam: I love it.

Harry: Okay, discounting. Do we ever do it? Do we not do it? What's the advice?

Sam: Yes, with qualifications. you know, early stage startup, if I can describe the environment that I prefer to be in, it's something like We are perceived as the premium product, both because of the quality of our product, but also the price point with which we sell the [01:05:00] better product. And I have the ability to discount that product, to accelerate deal cycles.

So much of sales is psychology. And if you're a buyer, the feeling of getting a good deal. Drives behavior. You know, there's a saying, Harry time kills all deals, especially in the early days, if providing a discount does things like accelerates deal cycles, prevents people from looking at competitors and allows you to move on to another opportunity.

I do like leveraging it in certain instances, I think where people make mistakes and salespeople in particular, make mistakes. Is like just defaulting to discounting this is something that happens very late in a deal And it happens with a very clear trade off, which is driving urgency to close

Harry: What sales tactic has died a death? What's no more?

Sam: There are two we [01:06:00] talked about one this spraying and praying of emails, especially at an early stage I think, is uh, something of the past.

the second thing that comes to mind is People are going to start meeting their customers in person again.

You know, pre 2020. A lot of customer interactions happened in person and in 2020 hit people went remote. And I think, you know, we have not returned to an environment where we're meeting our customers in person. We're meeting our prospects in person. And I think that today, if you're doing that, it's a real competitive advantage.

But I think forward looking this idea that we never are going to meet our customers in person, we're just going to return to the norm here. We measured conversion rates at Brex. When we met a customer in person, we had three X the likelihood of closing that deal than if we didn't. And so, like, the days of, Working from home, doing zooms only to meet with customers, not meeting [01:07:00] customers and developing personal relationships.

Those days I think are going to be a thing of the past, if not already. I

Harry: teams?

Sam: if you are a mature business and you've gone remote, that's tough to put that back in the bottle. The genie's out. I think if you are starting a business today, I am very biased towards building in person both the, you know, the entire company, but also the, the sales organization.

Harry: I totally agree with you. I, I fund in person companies.

Sam: Let's finish with, what would you most like to change about the world of sales moving forwards?

My experience with many salespeople today, and, you know, we've talked a little bit about this remote environment that I think has had influence, but I think today's salespeople have gotten a little bit lazy and I think they and we, cause I consider myself, you know, part of this community, a couple of things have happened.

One, we have become overly [01:08:00] dependent on marketing, SDR, anybody to source our own leads. We are, we are consumers of demand, and if we're not well fed, then you can't expect us to close revenue. So that's, I think one like trend that I believe needs to change. And the second one, it is around effort, and especially with remote companies.

And I think that this is true with sales and it's likely true beyond sales where, you know, Harry, when I joined Brex in 2018, and we did this podcast, startups were really fucking hard. And my first day at Brex, I had a meeting that was at 8 a. m. And I had a meeting that was our executive, our weekly exec team meeting, and it started at 8 PM and didn't end until midnight.

And I walked home from the office after midnight and I was in [01:09:00] meetings from 8 a. m. Until midnight, same thing was true at Zenefits. and look I was an executive employee there, but all of the people at the company were working that hard and it required it and I think today Many salespeople in a remote environment are waiting for leads to be placed on their calendar and working something like A 30 hour work week, and it just doesn't really work, especially for early stage startups.

Like if, if you want to separate and be successful, it just requires a lot of hard work and, and no entitlement around, you know, getting leads placed to warm spoon fed leads on our calendar.

Harry: but that's, that's the greatest opportunity of all to me, for young people, because I, I sound so old saying young, but like, yeah, I've been doing this ten years, and a lot of people coming out of university ask me, what do you advise? I always say, it's so easy to be different, because everyone else is so mediocre.[01:10:00]

If I actually just do those little things to you, Sam, I write that thank you email to you post the first day, highlighting the couple of things that I thought were interesting from that first day, that maybe we could do better. You're like, Harry's good. Good start. Perceptive. Little things that don't take much.

Really don't take much. But it's so easy to be great because everyone's quite mediocre, I think.

Sam: I, I think it's um, really insightful and smart and there are so many of these things, it just apply beyond what we're, what we're describing on here, but like the little things can go a long way.

Harry: Sam, I've loved this. Thank you so much for putting up with my sometimes impassioned rants and opinions. You've been fantastic and I hope we don't have to wait another six years to do this again.

Sam: Harry, I appreciate the invite so much. I've had a blast as I always do. And let's hang out in person. I'll be in London early June and I expect to see you and spend some time together then.

Scarlett 2i2 USB-2: What an incredible show that was with Sam. I want to say Hugh science to him for joining me stay. And if you want to watch the full episode in video, you can check it out [01:11:00] on YouTube by searching for 20 VC. We always love to see you that, but before we leave you today,

20Sales: have you ever wondered why spending company money is so broken? Employees want to follow the process, but they're confused and frustrated. It takes forever to get anything approved. It's so tedious to get anything paid. And folks in procurement, finance, and other stakeholders are just as frustrated too.

Duplicate spend, unauthorized contracts, surprise vendors, late invoices, missing receipts and documentation. It just doesn't end. Altogether, it makes the spending feel out of control, wastes time and money, and increases risk. It shouldn't be this hard. It doesn't have to be. AirBase makes it easy. AirBase is the only procure to pay software that beautifully combines enterprise with employee friendly ease of use.

It orchestrates upstream intake requests all the way through to the downstream processing of invoices, expense reports, credit card transactions, and reconcile that seamlessly in your ERP. Replace a complex maze of tools, [01:12:00] forms, emails, and spreadsheets, and you're done. with an interconnected collaborative platform.

Stop uncontrolled spend. Make it easy for employees to follow the process. Put stakeholders in the loop. Close your books faster. Keep suppliers happy. All this and more is possible with Airbase. To learn more, head over to airbase.com slash 20 VC Airbase. Procure. Pay. Close. is expense management a painful chore?

Sounds like you use Concur, it's time to switch to Brex. Brex automates and accelerates spend management with easy to use corporate cards, travel, expense management, and bill pay, all on one AI powered platform. Brex makes it easy to boost efficiency and compliance enterprise wide, and free up your managers, employees, and accounting team for higher impact work.

Don't let concur slow you down. Top companies from startups to enterprises are using Brex to manage spend with greater efficiency, accuracy, and speed. We're talking DoorDash, [01:13:00] Robinhood, Airtable, and countless other industry leaders. Ready to join them? Switch to AI powered spend management at brex.com.

Clay: Clay helps the best GTM teams uplevel their data enrichment and outreach workflows. It consolidates 75 plus data enrichment tools into one credit based marketplace, letting you search multiple tools at once for contact info, company details, and more. They've tripled data coverage and quality for large Silicon Valley companies, versus using one or a few tools, like ZoomInfo, at a tiny fraction of the cost.

Clay even lets you use AI to do unstructured research. Ask it to visit a list of websites and summarize pricing, decide if a company is B2B, if it's SOC 2

approved, or anything you can think of. Finally, based on that research, you can use Clay to auto generate personalized email lines for each lead on your list.

Everything syncs to your CRMs, like Salesforce, your email sender, like Outreach, and even your [01:14:00] database, like Snowflake. Clay helps GTM teams across Ramp, Vakada, Intercom, Sendoso, and many others go from campaign idea to execution in seconds. They have dozens of free templates and GTM resources. Visit clay.com.

clay.com slash harry today and get started with Clay.

Scarlett 2i2 USB-1: As always, I so appreciate all your support and stay tuned for an incredible episode. This coming Monday with the one and only SAML Altman at open AI.