Tegus Transcript

Dataminr - Former Sr. Director, Public Sector Marketing at Dataminr

Interview conducted on January 06, 2022

Former Sr. Director, Public Sector Marketing at Dataminr, leaving May 2021. The expert can speak in general terms about the competitive landscape, what I believe distinguishes Dataminr from its competitors, etc. The expert led the public sector marketing team and is most familiar with the offering for government clients.

Sr. Strategy Consultant at Wheels Up Collective. The expert is responsible for helping start-ups get their marketing off the ground.

Prior to Wheels Up Collective, the expert was the Sr. Director, Public Sector Marketing at Dataminr, leaving May 2021. Reporting to the Chief Marketing Officer, the expert is responsible for leading the public sector marketing team, everything from messaging to demand generation, client attraction, customer retention marketing.

Q: (Formers): Can you speak to the competitive dynamics in the space?
A: I can speak in general terms about the competitive landscape, what I believe distinguishes Dataminr from its competitors, etc.

Q: (Formers): What companies are you most familiar with? / Which competitors of Dataminr are you familiar with?
A: Competitors include Factal, Babel Street, Everbridge, ZeroFox, CrowdStrike, those some of these are really good only with cyber threats and not as effective for public safety and physical security.

Q: (Formers): What areas of Dataminr are you most familiar with? / Which area can you most strongly speak on the general outlook?
A: I led our public sector marketing team so am most familiar with our offering for government clients (both at the federal and state/local level, including defense). The platform is the same for Dataminr's private sector offering, but the product has some nuances. I can speak to those with relative ease.

Tegus Client

Thanks for taking the time to speak with me today. I'm tasked with kind of better understanding vendors that kind of provide real-time updates and I'll just say information on real-time events. I want to understand what that space looks like. Particularly, I'm trying to dig into Dataminr and understand their product, the solution they offer.

And understand the competitive landscape, who they compete with? I know you're focused on the public sector space, but I just want to understand all the different industries they serve and who they kind of compete with on a day-to-day basis. And then to help us accomplish this, I've prepared a couple of questions to kind of guide our conversation.

But if you think that I'm missing any key element or themes about the business, please feel free to like kind of nudge me onto the right path. Before we dig into the questions, it'd be kind of helpful to just kind of get a quick background on yourself and what kind of role you played at Dataminr.

Former Sr. Director, Public Sector Marketing at Dataminr

Sure, absolutely. So my background in general is mostly in marketing. Through last year I had, I guess, 20-

plus years of experience in marketing, anything from brand marketing to product marketing, crisis communications, you name it, I've done everything. I was with Dataminr for about two years, and I led their public sector marketing team.

I was part of the marketing leadership team, so still had very much of a purview into the other areas of the business. So while I was focused on marketing to government, I did get involved in marketing to our other segments, which we just classified it as news, so really any news resources that you can think of.

I think we were in like 600-plus newsrooms, anyone you can think of probably uses Dataminr at this point as well as on the enterprise side, so private sector businesses were using Dataminr as well. I worked very closely with our public sector sales team, as I'm sure you can imagine, and that was made up of a few different areas.

Just to give you a quick overview, there was the defense space. So that was both U.S. and international, selling to defense agencies. federal civilian, so most of your governmental agencies that you may be able to think of.

And then state and local government, which for us was focused on law enforcement and emergency management. But starting to get into like some city government agencies, mayors' offices, state agencies, governor's offices, anyone that may have a need for that real time information.

Tegus Client

That's helpful. I mean any party that needs this kind of information, you've had a solution or figure out a way to kind of deliver this product to that?

Former Sr. Director, Public Sector Marketing at Dataminr

Yes, yes. And while it wasn't a huge part of our business, it included some public universities as well. And during my time there, we were also beginning our heavy expansion into international markets, which has really taken off since I left about seven months ago.

Tegus Client

That's helpful. And I would love to kind of cover some of those pieces that you just mentioned. But just starting off, can you like just to talk about an upfront overview of a solution that Dataminr kind of providers. From my understanding, it's like real-time updates, but what does that really mean?

I want to understand the sources where they're kind of generating this information. And then lastly, you focus on the public sector, but is the solution different for the newsroom versus public sector? Or like is the same product, but the end users use it differently?

Former Sr. Director, Public Sector Marketing at Dataminr

I think I'll start with the platform. So when you think of Dataminr and I don't know how much time you spend on their website, you probably see three different products listed. It's really one platform. There's one AI platform that basically pulls in information. And that information comes from a variety of sources. I think there were like eight different types of data sources that we identified.

And just to give you just like a quick idea of what those may be, I'd say the majority were coming from social media and going back up for a minute. The data that we were collecting or the information about events, if you want to look at it that way, everything was coming from public information sources. So when I mentioned social media, Dataminr isn't able to like dig into people's personal accounts if they're private. It's anything public.

So obviously, if you're on Twitter and I'm probably going to use the Twitter example a lot. If you're on Twitter and you post an update, that's public, I don't think there's a way yet to make that private on Twitter. So that public information could be important to our platform. Other information sources like there's something

called FlightAware that tracks the airline industry and what's going with flights, if there are flight delays or potential crashes, things like that.

Seismology, we're getting public information related to earthquakes and other natural disasters that way. If it's public, there's typically a way for the AI platform to receive that information. And that's through partnering with all of these source providers. It started out with Twitter. For a number of years, which was the only data source. And it since expanded to, I think, there are over 100,000 data sources.

So if you ask me about a specific source, if it's not major, I probably wouldn't be able to give you an answer. I just know that it's a tenant sources, it's growing every day, can include, just to give you an example of something that's like you may not think of police scanners. I know my father used to have a Bearcat scanner because he likes to listen to that information.

But that's information that Dataminr can capture and sometimes even deliver it back to neighboring police agencies before they can share it internally. So that's a little bit about the platform and the information that it's pulling in. You had asked a question about products.

The products themselves do differ among public sector, private sector and news. So there's some history behind here, which I don't know what kind of research you've done on Dataminr so far, but you can probably find some articles dating back to 2015 to 2016 just to give you a little bit of background as to kind of why the public sector product was created.

But it was us working with Twitter to create a product that not only met the needs of the public sector, but also was very much focused on individual privacy concerns. So just to make sure that we were not tracking or doing any kind of surveillance and that the users that use the product are not able to do so as well.

Obviously, in recent years, there's been a ton of media reports on surveillance around protests and things like that. So we just wanted to make it impossible for anyone to perform any of those activities using our product. And we go back to that, it's public information. We're not sharing individual user information or anything like that.

Tegus Client

That's helpful. I guess a question on that part that comes out is that where do the surveillance issue comes into play? From what I understand is that Dataminr just essentially taking publicly available news feeds or tweets or whatever and then just analyzing and providing "output" to the users. So I want to understand how the surveillance here comes into play.

Former Sr. Director, Public Sector Marketing at Dataminr

I think it came up, these dates back to like 2016 and that was before I was with the company. There were some concerns about how some federal civilian like law enforcement agencies were using the product. I don't think anything was ever identified as a problem. But the media puts its own spin on it.

And when they don't have access to the product and they can't see how it actually works, it was just kind of an assumption that people made that because an agency showed up and I'm giving you an example, because an agency showed up to a protest, because they had information from the Dataminr product, then therefore, we must be doing surveillance on protesters.

I think it was really started by the media, and I can tell you that I would not have worked for the company if that were the case. They don't have access to do that. Yes, so digging a little bit deeper into that public sector products, because of this issue around individual privacy and making sure that we're not feeding government agencies information that they really shouldn't have, there are a lot of, I'd say, restrictions put in place.

For instance, and this is how the public sector product differs from private sector. And I know you don't have access to the product and what it looks like. But let's say, you are the Chief of Police for Baltimore City, you may get an alert about some sort of public safety incident.

If you click on that alert, you can't track individual user information from that. So you get the alert, you get

an estimated location of where this occurred. Someone posted on I'm going to say Twitter that there is a fire at Second Avenue in North Avenue.

So it's giving them an approximate location. I think it still includes a map. And then if there's any more information that, that person wants about the event, they're going to have to separately open up Twitter and try to find this information. So there's no direct link back to that original source.

Tegus Client

You can't see like who tweeted that essentially.

Former Sr. Director, Public Sector Marketing at Dataminr

Correct. Yes. Again, just making sure that we're protecting individual privacy, even though they are posting this information publicly. So Dataminr takes a step further just to really ensure that people are protected. As far as the private sector product, and I'm going to throw off in your actually private sector news and public sector.

They receive a lot of the same alerts and I'll get into this in a little bit. It's more the information on the product that's different or the way the product functions. And just to give you an example, on the private sector, they have different ways to access the information. So for instance, you can receive your notifications via e-mail.

I think for private sector, SMS text is enabled. That's not enabled for public sector or was not at the time that I was at Dataminr. There are some integrations on the private sector side, so API integrations. They have not done that yet on the public sector side. I think it's more of a challenge for public sector just because they're government agencies.

They are known for taking a long time just to approve anything, so to get them to agree to some sort of software integration, it can be like a year's long issue where some of the enterprises that we works with, especially if they are like medium-sized businesses, it was very easy to set up some sort of API integration for that whatever existing system they were using, they could potentially receive their alerts through there.

Tegus Client

That's helpful. The difference in the product, it seems like private obviously has a lot more, let's just say it's more dynamic or has more bells and whistles versus the public. Is that done purposely?

Former Sr. Director, Public Sector Marketing at Dataminr

It is, yes.

Tegus Client

Okay. Then is the reason because public side, let's just say a lot of cooks in the kitchen, so to speak, to kind of get the product approved.

Former Sr. Director, Public Sector Marketing at Dataminr

Exactly.

Tegus Client

And so you're delivering a simpler product that is kind of can be like sold much more easily than a private product?

Former Sr. Director, Public Sector Marketing at Dataminr

All of that. And on the public sector side, so when Dataminr started its business, Twitter did own, I think, like a 5% share in the business. While they don't any longer, Twitter is still like one of Dataminr's primary data partners. And a lot of the decisions that Dataminr makes around its public sector product are in conjunction with Twitter.

And Twitter is very focused on protecting individual privacy, whether you believe that they're really doing it or not, it is one of the things you'll find on their website that they're dedicated to individual privacy. So because of that, any major change to the public sector product, Dataminr CEO and/or the Board of Directors are going to discuss with Twitter.

So it's just a longer, I guess, product roadmap if you will. So even though this is a technology startup and they're used to making changes overnight sometimes, that's a little bit different on the public sector side. There are many more approvals that need to take place before any major changes.

I'd also say on the public sector side, some of the larger clients that have been with Dataminr for a very long time, are also invested in how the product looks and how the product functions. They've gotten used to just how it works. And any major change we would typically discuss with some of those agencies as well just to make sure it makes sense for their business.

Tegus Client

That's helpful. One thing that kind of jumps off really off the bat is, so obviously, Twitter is like the biggest data provider. Does Twitter still have like a big say in how the business operates? It seems like you're saying, on the public side, they can have a say in how the product is like modified or whatnot?

Former Sr. Director, Public Sector Marketing at Dataminr

I wouldn't say they're involved in the business operations. It's really more specific to the public sector product.

Tegus Client

And is it just that they're worried for like the example you gave earlier about having surveillance on a protest, they are worried about any kind of backlash they would receive from that?

Former Sr. Director, Public Sector Marketing at Dataminr

Yes.

Tegus Client

That's helpful. We touched on this high level, but I kind of want to just dig into it. But like what is like the value prop to the users here. Why are people buying this product?

Former Sr. Director, Public Sector Marketing at Dataminr

Sure. And I would say the primary reason is because they cannot easily get this information quickly themselves, right, if I had to boil it down. Information is coming from so many different sources now that even if you have someone on your team that's dedicated to just reviewing social media every day, do they have access to all these other public information sources, very likely not.

They wouldn't even know where to look. So it's just not something most agencies are capable of doing on their own. And as a result, they're not getting the information or they're not getting it as quickly as they could with the product. A lot of the alerts that Dataminr customers are seeing, even though it's coming in from public information sources, you're not going to hear about it anywhere.

Like it's not going to make it on to social media or your AP news feed. A lot of these may be related to a failed missile attack in a remote area of Afghanistan. I'm just giving you an example. These agencies have no other way of receiving the information. It's kind of like that, you don't want to hit stock.

Tegus Client

So if they didn't have this product, they're essentially either doing it manually or just not getting access to the information.

Former Sr. Director, Public Sector Marketing at Dataminr

Exactly. And a lot of them do you try to do it annually. I know especially like on the state and local government side, we've always said that their only true competitor is the agency itself, and they just don't have the resources or the knowledge to be able to know what they're looking for.

And that's a big difference between doing it manually and having an AI engine that really gets to understand what type of information is coming in and gets to know over time who wants to receive what information based on their settings and maybe what action they've taken on an alert.

Tegus Client

Not a problem. So you mentioned like the agencies are like, and when you said the agencies are there the biggest competitor, it's like your kind of fighting the like an in-source versus outsource like, we can do this our own instead of having a vendor. But who will you say are like the primary competitors of Dataminr?

Former Sr. Director, Public Sector Marketing at Dataminr

Sure. Primary right now are Babel Street, CrowdStrike, ZeroFox. I think ZeroFox has primarily been more focused on cybersecurity, but that's becoming a hot topic and has been since I'd say pre-COVID, but COVID really kind of pushed it out there.

When I was with Dataminr, we considered Everbridge not a partner, but a lot of our customers use both Dataminr and Everbridge because Everbridge was more of a mass notification system, geared toward the public. It looks like they are changing their offerings or offering another product that's similar to Dataminr now. I'd probably add that into the category, especially since Everbridge is such a well-known brand at this point.

Tegus Client

That's helpful. So like let's just pick like one or two. Like I've heard of CrowdStrike and Babel Street and like let's say Everbridge. Like if you are a client like evaluating these solutions, like why are you going with Dataminr over the other 3 providers? Like what is Dataminr's competitive differentiation?

Former Sr. Director, Public Sector Marketing at Dataminr

Sure. And I'm going to give you another side of the coin, I would say what a lot of agencies do focus on is the price and I think that varies between agencies. But I think what differentiates Dataminr is really the scope of data sources. It's not just that it's 100,000 data sources and remind me to come back to this. But it's the level of access that Dataminr has to these partners.

And what I mean by that is that, obviously, there's a deep Dataminr page to Twitter and all these other information providers to get access to the data, but there are different levels of access. Dataminr has the highest level of access possible, at least with Twitter, I'm sure with most other data providers as well. So they really do have access to information that other providers don't.

I can also tell you that some of these competitors I know have lost their access to Twitter because of violations to the Twitter terms of service. Dataminr has never lost access. So for 10-plus years, they've had

ongoing access to the data. And that's because we protect the data, and we are careful about what we provide and what we keep private.

Tegus Client

That's helpful. Is there like a product gap that the other players do better than Dataminr?

Former Sr. Director, Public Sector Marketing at Dataminr

I think some other providers are that have more access to cyber data than Dataminr does. I know that was a point of contention with a few public sector agencies while I was there. Dataminr has been working on closing that gap which really means finding additional data partners that source that type of information.

The other thing I would say is I mentioned something about API integration. I think a few of our competitors may be a little bit further along with the API integrations on the public sector side. And that's something that several of our agencies had asked for. But like I said, it's kind of a two-way street, like the agency has to get their IT on board in order for Dataminr to start building whatever integrations are necessary.

Tegus Client

That's helpful. I mean from Dataminr's point of view, do they prefer having like being super integrated into these platforms? Or do they like this kind of solution where like, we're just kind of giving it to them and kind of use it how you want it?

Former Sr. Director, Public Sector Marketing at Dataminr

I think they've been open to it. Again, this kind of goes back to the relationship with Twitter. I think for a long time, Twitter wasn't comfortable with the API integrations on the public sector side because to them, it felt like maybe a loss of control over the data and the information, how it was used, but there were enough conversations over the past few years that Twitter has definitely loosened their position on that.

Tegus Client

That's helpful. Going back to this Twitter thing here, it seems like Dataminr, like obviously Babel Street, whatever may be, like most of these players, they're all looking for real information and the product they deliver, the raw material seems to be like these news feeds.

And Twitter is the biggest provider of that. How are some of the other players kind of even competing in the same level? How are some of these players competing with Dataminr, if they don't have access to Twitter?

Former Sr. Director, Public Sector Marketing at Dataminr

So I would say they do have access to Twitter. They just don't have the same level of data access. So like if you go onto Twitter's website, there's a section about Twitter official partners. I think Dataminr, at least as of recently, was the only one listed as an official data partner in our space. And that means this like super high level of access to Twitter's information.

Other competitors, obviously, when they're going out to a prospect, they're not sharing like, we have this level of access and Dataminr has a higher level. I think what they typically run with is we've got x number of data sources and here's where I'm going to come back to. I know I mentioned this before. Our competitors tend to overstate the number of data sources that they have.

Dataminr does over 100,000. I don't know if that number has been updated recently, but at last calendar, was over 100,000. And a data source to Dataminr is like Facebook is one data source. FlightAware is a data source and so forth. Vessel Tracker, which obviously, you can figure out what that is, is a data source.

Some of our competitors, and I know Babel Street is one, will say that a text tweet as one data source, a

video on Twitter is a second data source and so forth. So it artificially inflates their number of data sources. So if you're presenting that to a prospect, it would make sense why you might see that number and think, oh, will they have access to more information.

Tegus Client

The other piece I want to dig into here is that like I see Dataminr looks like they have over 800 people or domain experts across the globe. How valuable is this like a human capital workforce? Like it seems like data is one piece of the puzzle and the other, like who solves this puzzle is the domain experts. So do other people have this? Or how valuable is this like workforce?

Former Sr. Director, Public Sector Marketing at Dataminr

I would say, it's highly valuable. A computer and AI engine is only as good as its built. And it's constantly taking in new information and trying to learn from that. The humans on board that are part of that loop, if you will, are really making sense of the information that's coming in, often piecing together different events or I should say, the same event on different platforms. I'm sorry, use social media as an example, it's just easy because people understand it.

Let's say, a reporter on Twitter post there's a backup on I-95. And then someone on Facebook, which could be a regular user that's got their profile set to public posts a video, I'm stuck in traffic on I-95, there's a big snowstorm, someone else does the same thing on another platform, Instagram, let's say, a domain expert is like they're getting feeds on it.

I mean, if you walk into a room where the domain expert sits, it looks like a stock trading room. They're getting various feeds on their screens and often piecing together information basically to verify it, in some cases, while the AI engine can write headlines, often a domain expert is going back in and making sure that it's truly accurate.

And they're almost like the eyes on the ground, like as if in a newsroom, it's the same as. This may seem important, but I know that it's not or vice versa. I think a computer isn't always able to do that. It takes years of learning. I also think that another competitive advantage of Dataminr is that their AI has been learning for over 10 years.

So when Everbridge comes in and introduces a new product that's very similar to Dataminr's, their AI engine doesn't have this backlog of data to be able to go back and say, I've learned from the past 10 years, I've learned who wants to receive this information, I've learned how this headline should be written and so forth. I think that's a big advantage that Dataminr has is just the years of experience on how AI works and how AI learns over time.

Tegus Client

That's helpful. Second question on this particular like labor force. Are these like let me say, like well paid, well compensated like individuals? Or is this kind of like you think of outsourcing out manpower to Asia?

Former Sr. Director, Public Sector Marketing at Dataminr

Sure. I mean they are all full-time staff employees. So they're not outsourced, which I think is an important distinction. I would say it ranges, there's everything from entry level to much more seasoned. There are Director-level folks that are still on the domain expert team. So it really ranges. That may be the place where someone starts their career at Dataminr and then they move on. But again, like being a stockbroker, I think it's a tough job to sustain for more than a couple of years.

Tegus Client

That's helpful. What I was trying to understand is that like, let's just say if individual X leaves to go to a competitor, do you kind of lose your competitive edge in like Y sector?

Former Sr. Director, Public Sector Marketing at Dataminr

I don't believe so. I mean the domain experts, everyone that comes in is like assigned to a main area, but they're still going to have other areas that they oversee as well. So based on your background, you may be focused on Southeast Asia because that's what you studied and you worked there for five years, who knows.

But you're still going to cover other topics as well. So I think there's backup across the board. So I wouldn't say that we lose like deep expertise if one person leaves. If you have a whole team that leaves, sure yes.

Tegus Client

Shifting gears a little bit here, but can you talk about how the product is sold to the client? Like whom are you talking to there? And who is that kind of making this decision to whether to buy or not this product?

Former Sr. Director, Public Sector Marketing at Dataminr

Yes. And that really depends on whether it is private or public sector. So private sector is a little bit easier. It used to be only IT and risk compliance folks and senior, either C-suite or high enough up there that they had some influence. That's expanded a little bit.

And I think this is because of COVID. Dataminr has gotten in some more HR offices or at least started with an HR office where that was never the case before. And it's really because they're monitoring things related to employee safety. And then I would say, depending on the size of the organization, you may see other C-suite executives involved. But that main point of contact, I'd say 80% of the time is still within that IT risk compliance world.

Tegus Client

That's helpful. And then like assuming everything is going right, how long does this kind of take to sell this product? Is the sales cycle like a month or two months? Or is this like a six-month to a yearlong process?

Former Sr. Director, Public Sector Marketing at Dataminr

Private sector, I think it usually depends on the size of the organization and their budget. It can be as quick as three months, I think typically more around six is average. But then on the public sector side, you're selling to very different folks, and that can take over a year from the initial conversation.

I would say often, on the public sector side, we tend to put agencies or put a few key individuals on a trial account and it's a trial for 60 days to 90 days to get a feel for the product. And those are typically paid trials. So it's not just putting it out there free.

And then based on that, whoever was in that initial meeting, whoever is using the product on that trial is taking that information back to whoever needs to approve it. And I don't know if you're interested on the public sector side, but it really varies depending on what type of agencies it is. And what I mean by that is like state and local government.

If you've got a small police force, you couldn't be talking to the Chief of Police. You met him at an industry event, and he's interested. And you may start a tryout with him and a couple of his sheriffs or deputies and then quickly expand to their entire police force, which may only be 30 people.

When you get into some larger agencies, you're really looking at, one, a longer process and more individuals that need to be involved in terms of procurement and approvals. And I would also say you're typically not starting with someone in an IT role when you come to the public sector.

Tegus Client

That's helpful. I guess the decision-makers are much higher level.

Former Sr. Director, Public Sector Marketing at Dataminr

Yes, they're higher level, and they are people that their overall job is focused physical security, so public safety, think about something like an agency like the State Department and all the individual workers they have around the globe at embassies and so forth as well as the Americans that they're protecting both in the U.S. and abroad.

So they have much different roles whereas you get in front of someone in IT, they're only going to be looking at this from like a cybersecurity perspective. I don't think we would make as many sales if we were going into an IT department.

Tegus Client

That's helpful. I guess the last question on this point is understanding the pricing structure and the average spend. How is the product priced? Is it liking an annual subscription? Or is it liking a typical software where you got to pay by seats? I want to just understand that.

Former Sr. Director, Public Sector Marketing at Dataminr

Yes. On the private sector side, it's an annual subscription, and that subscription is typically based on the number of seats. So you're going to see an increase there based on do you want up to four seats, up to 10 seats or do you want this for your entire enterprise. On the public sector side, what I can tell you for Dataminr, I'm not saying this is like this is what I would recommend.

I think the pricing really varies. Public sector agencies have such varying budgets that it really depends. For some agencies, I'd say some of the smaller agencies, and again, by that, I mean, like state and local government, maybe small emergency management agency, you're probably going to be charging a per user fee. And then once they hit a threshold, whether it's 20 seats or 50 seats, you'll probably see a price break.

On the defense side, the goal has always been this land and expand model. So we tend to just come up with a price that is going to be for up to a certain number of users, so annual subscription. There are very few agencies I've seen that were able to build for more than a year at a time. I think we have a three-year contract with one agency, but all the others are 12 months.

Tegus Client

That's helpful. In terms of like average spend, how much are like private sector spending on this product?

Former Sr. Director, Public Sector Marketing at Dataminr

Private sector, I'm just trying to think of what those packages were. I think the minimum spend is about $100,000. For $100,000, that's like the lowest package. Public sector, and I've seen this where we've got an agency where they only need licenses for two people, but the product is critical for them.

They're only spending $20,000. And I'm not saying that the product is always $20,000 per seat. It is not. But we've got other agencies, especially once you get to that higher level, so federal civilian defense where you're seeing like a minimum of $1 million contract. And that is public information. You can find that through your own sources. But you'll see contracts out there that are $3 million, $6 million and more.

Tegus Client

That's helpful. Just two other questions on this. As we discussed, like the public sector product has lesser bells and whistles than the private sector product. So my guess is, on average, the product is less expensive than a private sector product. Is that the right assumption?

Former Sr. Director, Public Sector Marketing at Dataminr

Yes, I don't know that's why it's less expensive though, to be honest.

Tegus Client

I don't know if it's less expensive. I'm just making an assumption.

Former Sr. Director, Public Sector Marketing at Dataminr

I don't even know that plays into it, to be honest. Like when working with public sector agencies, I don't think there's a discussion about, I've seen that your product for private sector, the user interface is better and this and that, that really doesn't come up.

Tegus Client

No, that's helpful. I guess last point on this is that whatever the average spend at a private sector is like $100,000. Do you know if the company targets a certain amount of margin on each contract when they're trying to negotiate pricing?

Former Sr. Director, Public Sector Marketing at Dataminr

They are. I don't think I can comment on what that margin is, but yes.

Tegus Client

Completely okay. Last couple of questions for you here. Completely shifting gears from the product and the business itself but want to understand the company's culture. I would love to get your take on it. How was it? The reason I'm asking is I've seen a good amount of turnover on the CFO side. I want to understand if there's a particular reason or is that just happening.

Former Sr. Director, Public Sector Marketing at Dataminr

Yes. I'll be honest, Dataminr was the first tech start-up that I worked for in my career. So my background before this had been with much larger organizations that have been in business for a much longer time. So entering the start-up world, as you know, things are much faster pace.

I think that can be difficult for people depending on their background. I think that at least for me coming into an organization that didn't already have a lot of processes and structures in place and it meant that when you arrive there, like that's part of your job.

I think just based on what I know, some people thrive in that type of entrepreneurial environment, some people don't. So yes, I wouldn't say that turnover is very specific to Dataminr, I think you see that in a lot of IT startups, a lot of turnovers, a lot of young folks starting their careers there that kind of grow through the ranks.

And eventually organizations like this, like once they start to get closer to that potential IPO, when they start making changes and bringing in more seasoned folks. So I think you're seeing a little bit of that as well.

Tegus Client

That's helpful. Last question for you. Like obviously, Dataminr has been in business for a good amount of time. And they obviously became someone could say like one of the best-in-class players. How do you see the company growing over the next three to five years? From my understanding, like I know newsroom is like a big product for them, but it seems like they're in every newsroom already. Where do you see their growth coming from?

Former Sr. Director, Public Sector Marketing at Dataminr

Yes. So I would say, equally on the private and public sector side. Private sector, I think that's a big potential area for growth, and it's important in order for the organization to go public, right, to have a stake in both private and public sector.

But where I'm seeing the most growth right now, just based on keeping in touch with folks there, is really on the public sector side internationally. Dataminr is really starting to expand into international markets.

We had hardly tapped in when I had joined. I think the reasons for that had a lot to do with the structure of the sales team. I would say, at that point, most of the folks that were in sales were more on the account management or customer success side, great at relationship building and partnering with existing clients, but not true salespeople.

Over the past year or so, I really saw the company invest in sales leadership, bringing in new folks and hiring additional account executives. I think that's where their focus is right now is really just growing the business outside of the U.S.

I don't know what progress they've made over the past seven months. But when I was on board, the product only existed in English. The AI engine can receive information from various languages, like over 100 different languages and translate it into English.

But the product itself and the interface was only in English. And I think through this international expansion, we were already starting to see requests for additional language variations. So I think that once they launch that, that's really going to open the door.

Tegus Client

That is good context. Well, this is the questions kind of I had prepared for our conversation. Is there anything that we left out that you think it's important to highlight regarding the business?

Former Sr. Director, Public Sector Marketing at Dataminr

Yes. I would say, since I just touched on the sales team and the sales structure, I think another differentiator with Dataminr and I'm surprised I didn't bring this up earlier, I was so focused on the product, is really the customer success team. I know every business says that they put them with their clients and so forth. But Dataminr really does, like they take it to an extreme.

There were so many times during my time there, where I was seeing a customer success rep contact someone at their agency to let them know what they were seeing in case that person was getting an award or two. But still, I think internally, we can see the story sometimes before the end user.

Often, we're helping agencies prepare for big events, UN General Assembly, Super Bowl, things like that, that really involve a lot of preplanning around security. So there were times where our customer success team was asked to be on site with the client, almost like in a watch room to be part of that team to help them prepare for events. I don't think you could find that in many organizations.

Tegus Client

Well, thanks for bringing that up. I'll definitely take a note of that and kind of dig in as I go further. But again, thanks for your time today. This is an extremely helpful call.

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