

Dataminr - Former Strategy & Operations at Dataminr

Interview conducted on February 28, 2022

Former Manager, Sales Strategy & Operations at Dataminr, leaving Aug 2019.

Co-Founder & CEO at Pocus. The expert is responsible for all aspects of the company, from Sales & Marketing to Finance, Strategy and Accounting.

Prior to Pocus, the expert was the Manager, Strategy & Operations at Dataminr, leaving Aug 2019. Reporting to the President of Commercial Markets, the expert was responsible for multiple areas which include market research, competitor landscape, working with customers, and any strategic initiative that was needed. The expert led the company's first acquisition.

The expert can speak to NC4, Meltwater, Everbridge, and the competitive landscape, as well as the go-to-market strategy.

Tegus Client

I appreciate you taking the time to speak today. I thought maybe before we just jump straight into it, a good place to start is just getting a little bit of your background and your role with Dataminr and just your experience.

Former Strategy & Operations at Dataminr

Of course. So my background with Dataminr, I joined as a sales ops analyst. So I was responsible for kind of structuring and managing the efforts of the sales team with the Head of Sales. My role kind of merged into more of a general chief of staff role for the executive team. So I worked primarily with the President of Commercial Sales, I believe, to kind of Head of Sales. But I also worked with the head of marketing and product and edge based on any company-wide initiative. So everything from go-to-market strategy and pricing and packaging and M&A and kind of anything that was top of mind for them at the moment.

Tegus Client

I appreciate that context. I guess where I'd like to start is, I guess there's two parts here. The government, public market side and the enterprise, where do you have most expertise or can be able to speak to better, was it more so on the commercial side?

Former Strategy & Operations at Dataminr

Yes, definitely more on commercial. I got pulled into a lot of the government stuff, but I definitely didn't own any of it.

Tegus Client

Got it. Okay. So we'll focus on the enterprise or commercial side of the business, which is what I wanted to do regardless. So in that regard, just speaking about the product and Dataminr's position in the market, what was the unique differentiator when they went to market? And I'm sure there's different buckets, obviously, in terms of products. Maybe you can speak a little bit about sort of the use cases, whether it's enterprise safety or critical event management. I know we touched on Everbridge, and I think they focus a lot on that. But I guess, broad stroke to start, how did they kind of go-to-market and where did they focus?

Former Strategy & Operations at Dataminr

Yes. So I can tell you, so I'll flag, I think I left at, what was it 2019 or 2018? So when I was there, there were four different sectors that Dataminr went after. The biggest one was corporate security. So that was selling into the corporate security departments of, they were aiming for Fortune 1,000 companies, but also some smaller enterprises.

So some folks would actually have corporate risk, corporate security functions to keep executive things or if there's any threat in Times Square, in your offices in Times Square, they would activate the company. And so those types of kind of how do you keep the company, executives at the company safe, especially for abroad. For example, if you had five executives traveling abroad, you want to make sure that you're up to date on what's happening there. I forget what the word is, but GSOC, Global Security Operations Center, yes. So that was mostly that. And then I'd say there were two other sectors, which is how Dataminr got started. So they were kind of just like legacy verticals, but still generating some revenue, which is finance and news.

So Dataminr really got started in the finance industry, where you could learn information about stock market and anything from tweets and from whatever people are chatting about and LinkedIn, et cetera, to figure out, should I make this trade based on what I'm hearing, so sold to a ton of banks.

And then newsrooms is an obvious one. They were in almost every major newsroom, so that they figure in real time. And then when I was there, they were trying to get into PR, so the PR groups of, for example, like American Airlines, I actually think we helped with this use case where if you've seen American do things that are not that great. So how can the PR group get on the activity earlier to kind of put the team in place to say, all right, how are we going to handle this situation before it flows out of proportion.

When I was there, one of my jobs is saying, "Okay, how do we go from these four different verticals to being more enterprise-wide adoption across the industry?" So finding use cases within every department that needed an all driven alerting based on what's happening in the world. I believe now they've just went back and stayed through to that corporate security sector.

Tegus Client

That's really helpful. And so the strategic initiatives, there's some legacy verticals they were in. And so going forward, do you have kind of a view of what those top strategic initiatives look like in the market? Is it largely within corporate security? Or is there sort of a specific view of how they're going to pull together a product to sell or already have?

Former Strategy & Operations at Dataminr

Yes. So what I think they have now is they call it enterprise corporate risk, whereas how do you help the corporate risk function of every major company. And that product existed. Like the product there, it works, it's great. What I'd say, though, I'll go through kind of priorities and then I can say about the product. So they had other enterprise sectors that were more strategic exploratory.

So can we go into the transportation and logistics industry and say, we're going to alert on potential delays, so that trucking industry knows about it so they can detour or major things that could be happening that could throw off their plan or oil and gas or retail and consumer goods, how does that production line look?

So they were exploring with some other enterprise use cases. I'd say the product, the best like the vertical that when I was there, that was doing the best and it was kind of known was the government. And so it was the government product was always kind of their bread and butter. So it was kind of how do you adopt the government products to then work for corporate risk, which works really well. I think it's like very similar use cases. But when you try to then say, "Okay, how do we use this for other use cases like PR and news and transportation?" When I was there, we were starting to think through that product strategy, but I don't know where it landed.

Tegus Client

Got it. Okay. That's helpful. And so if you have to kind of articulate what the key differentiator of Dataminr

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versus some of these other players are, specifically, let's say, on the commercial side, what would be the key points?

Former Strategy & Operations at Dataminr

Yes. So there's something that they kind of trained the salespeople on is that there weren't that many exact competitors. So there are social listening tools, but that's not necessarily like mining, Twitter and all these other resources in real time. And then one of the biggest differentiators was we're the only company with access to Twitter's Firehose. So what that meant was they worked out some deal in the very early days where Dataminr is the only company to get access to like exact real-time data from Twitter versus just like listening and scraping the Internet, like it's actually funneled through.

And then there were some like differentiators in the predictive machine learning space, so that we can jump on events before anyone else. But in the commercial side, we go against NC4, I want to say like Meltwater, there are a couple of others, but like everything depended on, like the corporate risk would go against NC4. But I think you wouldn't really lose against that. And then on the media side, there were different competitors per vertical, but it didn't feel like we ever really lost to competitors. I feel like we lost to budget and time.

Tegus Client

Got it. Okay. And on the Twitter, the Firehose for Twitter, how much do they pay for that a year? Is it \$10 million a year they pay for and it's not something that anyone else has?

Former Strategy & Operations at Dataminr

I did not have access to that information.

Tegus Client

Okay. But it's not something that other competitors would have. Would you know that no one else has full Firehose assets?

Former Strategy & Operations at Dataminr

Yes. So I don't know the exact details on how it works, that was not told to us, and the Twitter relationship is I mean very, I guess, fragile and specific and the CEO kind of worked at. And so what we kind of were clipped with for sales meetings was yes, that we were the only ones with the full access to Twitter data. And I kind of remember we have people who own the Twitter relationships to also give them access to data from Dataminr. I want to say it was probably a percentage of revenue they got versus a fee, but I could be making that up.

Tegus Client

Okay. From a go-to-market standpoint in terms of actually winning new business, what is that process? Like what's the structure of that to go out to market? My understanding it's largely direct. It's not like the government piece. And if you can just kind of talk through that.

Former Strategy & Operations at Dataminr

Okay. Very top-down sales heavy driven. So there was like huge sales teams to a bunch of SDRs to do all the outbounding, call outreach, it was divided by SMB, mid-market, enterprise and then also industry. So there would be an SDR focused on mid-market and finance. And it was very just top-down blasting out cold e-mails and then AEs owned new business. It could be pretty long sales cycles. Like I think it could be anywhere from two to six months, where it was getting the right stakeholders in the room, pitching the product, navigating

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all of the security and procurement.

And then there's actually account managers and CSMs to take over once the contract was closed. They were responsible for onboarding and expansion and retention and upselling. And so the pretty traditional sales process. The bigger deals felt like it was usually the more senior people driving. And then the more junior people were just going after SMBs and mid-market.

But it was a very traditional sales structure. I'd say our marketing was not great. So there weren't that many leads from the marketing business. Oh, and then one other thing, which I was actually in charge of cutting off, and I don't even know where they are on it, but we had third-party service providers. So for example, Everbridge, like we could partner with them and others to feed them our data, but then it ended up cannibalizing some of our business. So I don't know where they landed with that.

Tegus Client

Got it. Okay. And was the SMB market a relatively sizable piece of the commercial business? Or was it really small?

Former Strategy & Operations at Dataminr

It was small. That wasn't really for corporate risk. That was for small news companies or traders in the finance world. So the corporate risk was you had to have a big enough company to add someone in that role. Yes.

Tegus Client

Yes. Okay. You've got to have a stock in larger organizations.

Former Strategy & Operations at Dataminr

Yes. Or like someone, it could be a VIP person with the bodyguard. It had to be big enough that some people are traveling, people are in "risky environment." But yes, most were I'd say, I think that enterprise had corporate risk had what we called strategic accounts, which our target account list and then they had the Fortune 1,000 and then everything below that.

Tegus Client

Got it. So that's helpful. From a market sizing perspective, did you ever have a view of like what Dataminr share of that corporate market looked like within the verticals they focus or in corporate security? Or did you ever go through an exercise like that where you kind of tried to figure out what's the TAM, what are we going today? Do you remember how you went about doing that exercise? Was it just a simple in the commercial space, in kind of corporate risk, our average price is \$10,000, and this is kind of the space we have, the number of seats we have?

Former Strategy & Operations at Dataminr

It's very back-of-the-envelope, we were looking at also, okay, let's take the Fortune 1,000 companies, where are we versus where we know competitors are and extrapolating. It wasn't very scientific.

Tegus Client

Got it. And from a pricing model perspective, is it a per user subscription? Or was it more like an enterprise fee with unlimited access kind of thing? How did that work? Or how did it evolve?

Former Strategy & Operations at Dataminr

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Yes. It was both. It was kind of a mess to be honest. It was per seat, so there were different tiers, you could be on I forget what we called it, but basically the equivalent of SMB, the mid-market, and the enterprise tiers. And for each of those, it was based on per seat, but then there was also this shared license deal where essentially they would allow one team to have all members use one account. So then you couldn't price based on seats.

It's basically we had a rate card, but it felt like it kind of ended up being just arbitrarily enterprise license. So we were never charging in our system it was basically just we noted ACV and sometimes you have a \$30,000 deal with 20 users and sometimes you have \$30,000 deal with two users. So it seems just how well the sales rep can negotiate.

Tegus Client

Okay. So there's no real set kind of go-to-market pricing strategy, it was a good mix?

Former Strategy & Operations at Dataminr

I mean there was a disconnect between the sales reps and executives, I'll say, for what they thought was possible. And so it was the problem that happened really was in the early days, they priced way too low. And so people were kind of anchored towards that price by customers. So you couldn't tell like CNN, this is an actual number. But like if they got a sweet hard deal for \$3,000 a year, but it's probably worth \$300,000 now, it's just hard to navigate that upsell.

Tegus Client

Without actually providing any kind of change in product or offering, I guess, not upsell anything differently.

Former Strategy & Operations at Dataminr

Right. And there was very little focus on news and finance in terms of the entire product strategy was dedicated towards government and corporate risk.

Tegus Client

Okay. In the corporate risk side of the business, did the product evolve or functionality or use case evolve at all? And what I'm trying to hone in is just in terms of the structure of the organization, like the type of people you need, the money that's required to kind of do that, the cycle to get that sort of product to market if it did change as the strategy changed. Can you speak to that a little bit?

Former Strategy & Operations at Dataminr

Yes. So when I was there, I'd say there was much more evolving on the go-to-market side and the product development side. So product development, there were very few product managers and almost all were focused on government. And so like a big project that when I was there, we launched a new product for the government called First Alert. I think it was for like state and local government. I forgot exactly what it was. But there were features we could take from that and then adopted the corporate security product, like that are geospatial mapping and they were like smaller kind of feature upgrades.

But there was never a product refresh. So the advancement always happened on the go-to-market side, both in terms of let's try this different strategy in terms of pricing or how we sell our value prop or how we go-to-market, should we try for an enterprise-wide deal or should we just narrow into the corporate risk group and then also just piling in on sales heads. Like when I was there over two-ish years, the sales team probably doubled or tripled.

Tegus Client

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Got it. And it was just kind of throw everything you can at it to just try and make a sale.

Former Strategy & Operations at Dataminr

Yes.

Tegus Client

Okay. So I was going to ask from a business model perspective or strategy of the company over time how that's evolved. But it sounds like really the focus was how do we go-to-market, where do we focus our efforts, maybe we have some small product feature updates that we've taken from the government side of the business. But generally, let's build a really strong sales force to try and just sell our products across the board?

Former Strategy & Operations at Dataminr

Yes. I'll say when I was there, there was kind of an evolution. So when I was there, the big focus was like enterprise, enterprise, meaning to do enterprise, which meant like how do we go to the CIO of American Airlines and get him to purchase the PR product, the finance product, the news product and the corporate product, and that was like how do we do that?

They hired for that. That was most of my time, they called it a strategic account team. And then my boss, who was the President of Commercial Market or whatever, essentially head of sales, he left. They brought in a new dude, his name was Jason. He was originally CRO switched to COO. And I think he was hired for that strategy. My sense is that strategy wasn't sticking and so they went back to more of the corporate risk structure and our doubling down and then opportunistically having the enterprise sales. But then we went from also like Series C to Series E, so it was very much immature sales org to processes in place. So that was kind of the shift.

Tegus Client

Okay. That's really helpful. And from a competitive standpoint, and we touched on this a little bit in terms of who you'd run up against, but were you guys really sort of just the lone wolf able to penetrate the market? Or were there others that maybe products were kind of complementary or competitive that you ran up against? And I guess what would maybe be helpful is to understand where you saw competitors moving or how they were positioning versus Dataminr and how you guys contributed?

I guess maybe I know Everbridge, I mean, they're public and they've got a bunch of information out. It seems like they're doing pretty nicely with the critical event management space. I'm not sure if you would consider that price corporate risk, maybe not. But was that kind of where they focused and Dataminr focused on the corporate risk, which is a little bit different? Or were they kind of cross paths? And anyone else maybe as that?

Former Strategy & Operations at Dataminr

So what's interesting is I think we partnered with Everbridge. So we would provide the data, like we would say, "There is an explosion in Times Square." And then Everbridge is like, "Okay, activate," tell all the people, send the alerts to everyone on the sales floor, hear all the security precautions. Like we were kind of the data, and they took all the actions on the data.

So I saw that we set our data into Everbridge, and they were more of the service provider that I was mentioning in terms of like we partnered with them, but we didn't necessarily lose a deal to them, and I think most companies could have both. I don't know if this is how I was trained or if this is what I heard from others, it felt like, yes, there's competition. But we often just lost to people not understanding the value or not having budget or wanting to circle back in a bit.

It wasn't like there were a bunch of smaller players like I'm trying to remember our sales force field of like

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who we lost to, and there was tons of small guys. But I don't remember being like worrisome, like ever a topic of, "Oh no, we need to think about our competitive differentiators." It was more like should we buy.

Tegus Client

Was there a big acquisition or a tuck-in strategy as a way to grow?

Former Strategy & Operations at Dataminr

Well, they just acquired another company, but I don't know what that company does.

Tegus Client

Okay. And on the data feed stuff with Twitter, specifically, I guess, is there a heavy compliance or strategy or is there a restriction on how they use the data or compliance around what they're using the data for that inhibits sort of the use case at all for the commercial side of the business and corporate risk?

Former Strategy & Operations at Dataminr

I think, so the data that you got was an e-mail alert, an alert on your phone with some information in terms of kind of where the alert happened, who posted it, other related threads, other related things in the world. I don't remember that ever being a problem.

Tegus Client

Understood. And it's sort of just a big amount of volume of information unless your criteria was of what you're filtering for, what you're looking for was very specific or generally sort of passed a lot of things for customers.

Former Strategy & Operations at Dataminr

Meaning how often you were pinged?

Tegus Client

Yes. Is that something that the company either partnered with another service provider to have the analysis piece? Or was that done within Dataminr's product?

Former Strategy & Operations at Dataminr

Oh, got it. Yes, all done through Dataminr. So there was a whole system in place so from a product side, you can configure alerts to say, I only want to be alerted by this region and this high priority of alert on these topics essentially, and that's what would come through. And then in terms of like data validation, there was a huge team of domain experts honestly, might be the biggest group at Dataminr that were in charge of kind of manually checking all the alerts before they blasted them out. And they sat on the product team or the end team, that side of the world.

Tegus Client

Okay. Is there anything from a sort of more of a market trends perspective or areas of focus more broadly that maybe I haven't asked here that's going on just generally in the market or with Dataminr specifically that's happening, just sort of large headwinds or tailwinds in the market or corporate risk or commercial in general?

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Former Strategy & Operations at Dataminr

Yes. I mean, the upsetting part, which I remember is the moment we were doing best was when there was blood and tears is what we'd say. And it's kind of like messed up, but I can imagine now, I've seen a lot of them posting about how they've helped with Ukraine and COVID, and I think like the headwinds are honestly like how messed up the world is. And I honestly could see them benefiting from what's about to unfold.

Tegus Client

Got it. So it's just generally macro-driven is where things start to pick up.

Former Strategy & Operations at Dataminr

Right. And I'm sure every single company is now going to double down on their security measures, especially those in big cities. And the people, if you think about it, like, all right, all these big companies that have employees in Ukraine, how do we keep them safe because it's our duty.

And then the neighboring countries and yes, I can see between that and then COVID, they got a lot of wins from given they had the first alert in Wuhan in December before 2020. And so that's kind of stuff they're good at.

Tegus Client

Got it. Would that fall under the government side of the business or more commercial?

Former Strategy & Operations at Dataminr

So it will be both. So with the Ukraine and people are concerned that there's World War III, obviously, it's huge for government. But every single company, a major company, big companies have said, "Okay, what is our plan to, a, get people out of Ukraine, to protect people in the bordering countries, to protect our own." I'm sure every single Fortune 1,000 company in New York City has thought of some sort of plan and they want to be updated on every little thing.

And so like the value prop is, in New York, there was some sort of explosion nearby Times Square, and Dataminr got the alert maybe 30 minutes before any news stations tweeted it or pushed it out. So anyone who got that, what happened was you would be able to text friends and family, and then all of these other companies are able to text all their employees like if you're in Times Square stay indoors or follow these security procedures. So everyone is going to be more security focused, I would imagine.

Tegus Client

Yes. And that's probably not going anywhere.

Former Strategy & Operations at Dataminr

No. I think it's, if anything, that would be good for Dataminr.

Tegus Client

Okay. I think that's really good. That was very helpful. I appreciate your time and have a nice rest of your day.

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