



Hello my name is Tom Newton. I'm with Peer2Peer Partners and welcome to the text version of our P2Podcast, recorded December 3rd, 2019.

We're going to have a nice chat on partnering in the MARTECH ECOSYSTEM and I can't think of a better guest to join us today than- Josh Wagner, who's the head of partnerships over at LeadMD.

Josh, how are you today?

Josh Wagner: Hey Tom, dude, doing very well. It's great to hear from you. Great to be on the show. I appreciate it.

Tom Newton: Well, thanks for coming on and spending the time. I really appreciate that. We wanted to get you on the call today and dig into what's happening in the marketing automation ecosystem and particularly in your bailiwick around partnerships.

Josh Wagner: Sure.

Tom Newton: We would love to hear from you and see what's going on, see what's working, what's not working and kind of go on from there. So why don't we dig in.

Josh Wagner: Yeah, absolutely I think the marketing automation space is certainly interesting. I spent the last little over five years selling to and through marketing automation, sales reps for the most part. And I would say that marketing automation was kind of the early impetus for what has become and grown into the MarTech landscape. And we've all seen the super graphic of some 6,500 marketing technologies. Marketing automation sits right in the centre of that as one of the core platforms.

So that, you know, when I think of marketing automation, I think a little bit broader into the entire MarTech landscape. But if we drill into marketing automation specifically, I think it's a bit of a critical juncture for those platform providers. And I think of the big



guys; Marketo, Pardot, HubSpot, Oracle's Eloqua platform, Marketing Cloud, those types of things. It's a little bit of an interesting time for them because they're on a pivot point, right. You saw recently a big article by Jon Miller, right? One of the godfathers of marketing automation, co-founders of Marketo. He's saying that the world that he created of demand generation and filling the pipeline at the top through content marketing and automating those follow-ups and nurturing and MQL and scoring. And that whole concept is really starting to die because of the demands of the buyer.

And the buyer is demanding an experience that's far more personalized and just a lot more demanding on the sellers to understand them, to understand their needs, to understand where they are in their buying cycle. What does their journey look like? Meeting them at the right content at the right place and not just through this almost linear demand funnel. So, lots of iterations of that ABM model, while it had the right idea or maybe has the right idea, I don't think has been fully executed properly. So, obviously Jon's new company Engagio is trying to fill that void and he's doing some great things around trying to talk about account orchestration and things like that.

But the big thing that I'm seeing in the space in general is folks are having a problem with data. And marketers really latched on to marketing automation because it was a tool to aid their job. It created automation, it created workflows, it created the marketing technologist. It created this whole new skillset in the industry, which is great. It created jobs, it created demand, it created all these things. But the rest of the organization didn't necessarily fully embrace marketing automation for the most part, except for some of the very large enterprises.

Marketing automation was bought by the marketer for the marketer almost without IT, right, in the background. Hey, IT Let's not tell them about this. What can we do without getting IT? It's in the cloud. There's a lot of stuff we can do. All we need to do is hook it up to our CRM, right? And its kind of was just a little bit under the radar. But the problem now as I outlined, the current buyer landscape, with buyers wanting you to understand them at a very deep level, they're leaving a data trail and they're leaving it all over the



web. They're leaving it through personal interactions, they're leaving it through email, they're leaving it through digital media, all these different places. They expect that you understand that.

And marketing automation really only touches your web property and how you interact with their emails. And if you do it really well, you can track and measure how you're doing it cross channel. But most companies in my experience don't do it really well. So, you've got this very small view of what your buyers and customers are doing. So, you're starting to see the rise of the customer data platform. There are a number of folks out there that are pivoting their solution into the CDP space. But generally, there's just this rise of a need to aggregate data and create a holistic 360-degree view of the customer. And I think that the marketing platform, I don't want to call it marketing automation per se, but whatever that platform is that makes that easy.

Maybe it's the CDPs, maybe it's the marketing automation vendors make a huge pivot. Maybe it's somebody else that comes out of nowhere. But whoever makes that easy and software companies love to sell on the easy button and it comes straight from again, five, six years of selling through software sales reps and to software sales reps that they sell their platform on easy, they don't want to hear the struggles. And they leave it to their either internal professional services group or partners like us - LeadMD who helps people to implement, optimize and create process around these software and technologies. They don't want to hear that.

Tom Newton: So that's a terrific segue. So, maybe just for context and for the listeners, why don't you tell us a little bit about what LeadMD does?

Josh Wagner: We're a marketing performance consultancy. And what that means is, we are bridging the gap really between the big traditional consulting where it's very heavy on strategy and very light on actual systematic deployment and operationalization within an organization. And on the other side of the coin, the boutique tech focused shops that implement technology, optimize technology and whatnot. We're bringing



those two together, where we can help deploy your go to market strategy, help develop and harden your go to market strategy, deploy it and create process around it.

We engage it, implement it within your core systems, and then help to track and measure that throughout your systems and bring that outcome back to your executive leadership to show that, listen, we built this strategy.

That strategy has a plan in order to execute it we're deploying all of these tactics and market and we have a way to support all of that through a sound foundation of data technology and people.

Josh Wagner: So, that's really where we fit in the marketplace. And as I mentioned before, we have this table of MarTech partners that we work with, to again, not only implement their technology, but make sure that their customers go to market strategy is leveraging the implementation of that technology. So, they're not just taking some new shiny object plugging it in and hoping for great results. Rather, you've done work, and have tangible deliverables.

There's no company that you're going to go to that says, "Oh yeah, we don't have a go to market strategy." Of course, they do, right? You're in business, you either partnered with someone like a big consulting firm to develop it or you have great leadership internally that developed it. However, it came about you've got some sort of strategy to go into market. And oftentimes that doesn't get trickled down into technology and through the rest of the organization and have a real operational plan and that's where we can step in and help.

Tom Newton: Interesting, thank you. So, you're the head of partnerships so when you say partners, are you talking about vendors that you implement for or does your partner program go beyond that?

Josh Wagner: We have the lion's share of our partnerships are technology companies and software companies. And there are a few outliers where there are other services companies that are complimentary to us, that we do some like partnership with. But for



the most part we are trying to support software companies in one of two ways. One is helping them scale professional services for their own platform. So many times, software companies early on they start with a light customer success team. They have this basic onboarding plan that they give away for free. And then they get to this critical juncture where they realize we need to start offering some more robust services to our customers and they start to figure out how to charge for it. What does that look like?

Many times, we're operating as an outsourced arm of that for software companies where they don't have to build out and scale this massive, massive PS organization. Because a lot of times if they're looking to IPO or get acquired within any period of time, they don't want that services revenue on their books. So, we can help them design a professional services organization, build a light in house team so that they have some baselines there. But then outsource some of that as well so that some of that services-based revenue gets off the books and it looks better to the street in a lot of cases.

Josh Wagner: One piece of partnerships and the other is more of what I outlined before. And it's more direct, right? Strategic consulting, leveraging technology to develop very specific business outcomes. And that's more of our direct model where we're selling through and to software reps, helping them really advanced their deal cycles by building business cases and building onboarding plans and roadmaps and those types of things.

Tom Newton: Right, right and so what do you look at as your keys to growth then? So, is it adding more of the latest bright shiny object? The next tech that's coming down the line that people are going to get all excited about? Or is it going deeper into these partnerships into the accounts?

Josh Wagner: For us, partnerships are always key because you know, it has a two-pronged approach. One, it can help you with acquisition of new customers, which you know, in any business you have to have. It's a little bit different in a consulting services business where you do see a lot of land and expand growth. But frankly the



partnerships help on both fronts. On the technology acquisition side, we can work to help, like I said, implement new technologies, provide that third-party point of view for a lot of different customers out there who are trying to make sense of the entire landscape and ecosystem. And many times, we vetted. A lot of our partners are people that we've vetted through that process and said, listen, I know there are 6,500 companies out there in the MarTech landscape.

But we only work with the best of breed. So, we've fully vetted that process, we've whittled it down to the top two or three that we think are worth your consideration and we can help advise you as to what fits your use case the best. So that's very good for us on the net new acquisition side. On the expansion side, once we have a customer in the door, oftentimes we are doing ongoing strategic advisory or staff augmentation or a number of things and different use cases come up for customers.

So, if we're able to tap into our partner network and solve problems via our partners, that makes our relationship stickier. It creates stickier relationships with our partner because we're referring them business and it's very incestuous that way and it's a really good ecosystem for us when it's working well. Now there's a lot of challenge built into that. I don't want to say it's all rainbows and unicorns. But when that model is working really well, it's very cyclical and very good for everybody.

Tom Newton: Alright, cool, that's wonderful. So, when you've got an account on the go, you're in sales motion with one of your technology providers are you co-selling together? Do you have one of your reps in there with the technology, with the vendor rep and co-selling together into the account?

Josh Wagner: Yes, that's our bread and butter. And often times you'll find that and you know, you've probably experienced it yourself, Tom, right? You've tried to purchase software and because of the rapid growth environment that's out there, you get a lot of young green reps, right? That don't necessarily know how to sell beyond feature and function. And our value in those conversations in those co-selling cycles is really to



bring the business lens and to help get out of feature and function and into what outcomes are you trying to achieve? What happens if we do this together? What's the business impact? How do we build an ROI model around this holistic solution? And that solution is not just plugging in the software.

That solution is making this software an integral part of your marketing, go to market plan. And if we do these things, here's the business case. Okay, are you bought into this business case? Yes. Okay, great. Now how do we get there? And oftentimes our job then is to bring the, 'how' right? The software is going to be the vehicle to do all of these things, but how does it actually happen? And that's where we come in beyond that business case and turn it into an actionable roadmap and implementation and optimization plan.

Tom Newton: Wonderful, so, do you have a playbook for your salespeople? For example you're going on this call and you're in there with the vendor say with the Marketo Rep and you guys are co-selling together. That's playbook one but then on your next call, you're going direct by yourself into an enterprise account. And that's playbook number two. Because those are two different sales motions. Have you thought about it that way?

Josh Wagner: We do and that is one of the big differentiators we have to make in our own brains of when to pivot, and I would say that there is even another playbook ahead of your first one, which is educating and constantly staying in front of and selling the partner sales rep.

Tom Newton: For sure.

Josh Wagner: You know, their job is not necessarily to bring you in to sell services. Their job is to sell their software. And in many cases, you're viewed as a threat.

Tom Newton: Yup.



Josh Wagner: Right, even though your goal is to help them sell software so that you can sell services. It's kind of this symbiotic relationship. But you're viewed as, okay, maybe I have an internal PS team that's one throat to choke. I don't have to deal with somebody else, there's that. I've heard a million times. There is, "I don't want you slowing down my deal and saying, Oh, this is going to cost \$500,000 in services." That's going to take budget away from me, right.

Tom Newton: That's the biggie. That's the killer.

Josh Wagner: You've got that one so there's ongoing educational selling cycle to the software reps to even get opportunities, right. We're fighting that battle and that needs to be constant. If they don't see you, if they don't have a phone call with you. If they don't have a conversation with you, if you don't remind them of this when, if you don't tell them about how you successfully implemented the customer, you co-sold three months ago. If you don't remind them of that stuff, it never comes back around.

Josh Wagner: So that is playbook one for co-sell is constant education, reminding them of the triggers. If you hear this, do this. If you see this, do this. Like that is the first part of it that's super critical and really has been the lifeblood of LeadMD since day one.

Josh Wagner: Now we pivoted and transitioned our business to lessen the overall need to have all of our revenue coming through the partner channel. So, I would say there was a point in time when partner revenue was 100%, and we are not able to hit our own growth goals without having some of that direct business that is sourced by our own diligence. So, you know, the partner sales motion for us is actually our bread and butter and what we've done forever and understanding how to educate those people and get in front of them. That's, what we're probably the best at the direct sales motion where you're going out and selling consulting, who on earth wants to buy consulting, right?



Josh Wagner: So, creating those entry points so that you actually are creating an environment where you're bringing a customer in that maybe isn't a customer of one of your partners that you can now refer them business to you because you've made a recommendation. Now that brings us up a notch, right? In the eyes of a lot of our partners. So that's another playbook that I think we're good at. But there's probably the most room for improvement because we've sold through our partner network so successfully in the past.

Tom Newton: Right, that's fabulous. It's engagement, engagement, engagement, right? It's like real estate and location. You just can't be engaged enough with those vendor reps, in order to move the business forward.

Josh Wagner: It's so true. There's a lot of transitio

Josh Wagner: Say you have five great relationships; those five great relationships could be gone tomorrow.

Tom Newton: Yeah, Bob and Sue just left for another company. Oops there goes that plan. There goes my quarter.

Josh Wagner: Yeah, you're right. You're a hundred percent right.

Tom Newton: Yup. So, In that vein do you use ABM strategies and account mapping and those kinds of tools to kind of help you along?

Josh Wagner: For sure, you know, we have to drink our own Kool-Aid to a certain extent, right. The things that we consult our customers around, it's important that we're doing those things internally. And oftentimes when we're in a sales motion, our best-case study is ourselves, right. And we can directly point to how we implemented it at our organization. What the impact was and what are some of the pitfalls and that you can



foresee. Now we have a stable of customers, we can do the same thing for, right? I mean LeadMD has a small consulting firm. So, it's not always a one-to-one. But when you have that direct, hey listen, I'm a user of this every single day and this is how I got to you, or this is how this happened.

Josh Wagner: It's actually a fairly compelling story. And you know, I think there's a lot of companies out there that use their own, drink their own Kool-Aid and use their own software. I know I have some really good friends over at Engagio and they're great sales people and they use their platform day in and day out and they use it very effectively, right? So that model can work really well when you can use yourself as your own case study and show people, hey listen, we did these things here and this is how I got to you and this is how we can make you successful the same way.

So certainly, have those things from a partner standpoint, you know, I think that space is growing. There's, you know, the traditional in partners of the world, right? That had been around for probably a long time you've kind of got your Salesforce PRM and community, types of things that have been around for a long time. And then you've got some players that are on the up and coming like a PartnerTap or maybe, Allound and stuff like that.

Or they're trying to find their way in the space and figure out who are they going to be? What's their bread and butter going to be? How are they going to help the relationship, the BizDev, the partner people really grow into a role that has increased a lot as tech companies are now not just partnering with services companies. But they're partnering with other tech companies and they're building these joint solutions. And there's a lot more complexity than there ever was. So, I think there's opportunity there for that space.

Tom Newton: Yeah, for sure. I have viewed it over the last couple of years that there's been a shift away from PRM and kind of this monolithic kind of an app. like another Salesforce that you're going to have to get their IT people to run and you're going to have to fight for engagement within their own team. And it's a struggle versus something like you said, like PartnerTap, which is great for partnering with your partners or a



PartnerStack. These applications that are actually sales acceleration type applications that actually help everyone make more money at the end of the day. And if you can get a sales person who believes in the technology that they're using, that they know it's going to make them more money, then you're going to get the engagement and people are going to start to use it on mass.

Josh Wagner: Yeah, I agree. I think that like with any software; adoption is always the number one challenge. And you have to get that champion in our organization.

Because, no, there's a couple of things. As a partner person and a sales person, there's a couple of things. One is sending me your list just drives me crazy. If I get another freaking spreadsheet, what am I going to do with it? Right? Like what is the action item that comes out of, oh great, we have these customers in common, we're targeting these customers. What's the action that actually comes out of that? It's literally nothing. So that's one problem that I know you mentioned PartnerTap they're trying to solve and they're doing a decent job of it. But the next level of what does it actually mean is the sales rep engagement.

Josh Wagner: And getting them to now Log into another place. And I think that's probably one of the problems, right? So, you know, I think one of the big areas of growth that we're seeing is in sales enablement in general.

Tom Newton: Yes.

Josh Wagner: And there's a few players that are separating themselves in the pack. I think of Seismic, think of Showpad and I think of HighSpot as the three main players in that. And they all have their differentiation in the space. But a lot of outside of the really big companies that have had that function for a long time, sales enablement is tough to define. Is it training and coaching? Is it content that you're serving up throughout the sales process for the rep? Is it a content report? You know, there's all these different things that are defining what it is. And frankly, as we're sitting here talking about this, the



piece that we just said about, oh, I have a partner, it's over here and they may be able to give me some intelligence that's kind of sales enablement as well, right?

Tom Newton: Yeah, it's partner sales enablement.

Josh Wagner: Right but again, that additional login, that additional place to go, people don't like going in Salesforce as it is, right?

But you have to show do we make this more accessible?

Tom Newton: Right.

Josh Wagner: I think that's another thing that maybe some of the big companies will figure out is accessibility and just part of your daily workflow. That could be a win for sure.

Tom Newton: Yup, that's wonderful, that's great. Well, you know, we've been at this for about 25 minutes or so which is, an ideal target. how about more on a personal note, like what events do you find useful as a partner manager in this whole ecosystem? Where do you like to go and hang out?

Josh Wagner: Sure, well, we will make our presence felt at Adobe summit coming up here in the spring. You know, Marketo summit has been one of our bread and butters for the last decade and now that they're a part of the Adobe ecosystem. We are diligently trying to find our way as a moving from a big fish in a relatively small pond to a very small fish in a very big. So that's got its own set of challenges but we will be there with bells on. And one of my absolute favourites, and this is just a shout out to Craig and Scott at Topo, their summit every year is very good. It started as sales professionals and has expanded to demand generation and ABM and I can't tell you a group that brings together more qualified, better group of speakers and attendees and those two, they do a really good job.



Tom Newton: Interesting, where do they usually hold that one?

Josh Wagner: Typically, in San Francisco and they were one of the first to use Pier 37 right there where the boats come in. They rented it. really cool, right on the water and it's a great event. And we'll be there again this year and expect it to be nothing short of spectacular.

Tom Newton: Sweet, awesome do you have any sort of sales anecdotes or examples of big wins that you've had in your career. Or big losses or things that are heart-breaking or things that just put you over the top or any sort of personal anecdotes for our friends listening? Anything maybe pertaining to the partner world?

Josh Wagner: Yeah, I think, well partner sales and sales are similar but relative things. I think in the partner world you have to realize that it really takes time to build the level of trust with a partner sales rep that they won't throw you under the bus.

Tom Newton: Right.

Josh Wagner: It's going to happen. It's happened to me several times where you're going down the cycle with a deal. It gets down to the end and things get tense and they'll hang you out to dry because if it means them getting their deal.

Tom Newton: Right.

Josh Wagner: So, beware, focus on the relationship, focus on producing good results for them. And that'll help a lot in the partner sales world. I think with anything in you know, direct selling, one of the things that I see software reps do really poorly is qualification. And really wrapping their arms around what's a legitimate deal and what's not. And I know that big companies hound you about forecasting and forecasting and forecasting. But you know, I work with a lot of these folks in their pipeline is just so bloated for the sake of showing a number.



I think that we're doing a bad job as an industry of teaching young reps how to really qualify what's a deal and what's not. And we're bloating our systems and it's burned me. It's burned millions of different reps out there where you get happy years and you hear something. But that person on the other end isn't really willing to go through a sales cycle with you. And I think we can talk about bands and we can talk about this and we could talk about that, all these different methodologies. But have you found an individual who's willing to go through what could be a painful sales process with you at some level of qualification you can actually hang your hat on?

Tom Newton: Great, right that's awesome that was terrific. Thank you.

For those that have the podcast with video on it, we've had a couple of slides up. Right now, we're showing, contact information for Josh Wagner. If you don't have that, if you're just listening to the audio side, the best way is just to go to leadmd.com. Or you can reach out to Josh with an email at Josh@leadmd.com as well. And yeah, that was just a terrific, 20, 27 minutes or so that you shared with us Josh. We really, really do appreciate that. And, yeah, we had talked about maybe getting out there and hitting the ball, killing a few weeds and hopefully we can do that in the near future.

Josh Wagner: Let's do it.

Tom Newton: Yeah, that sounds like a blast. I've got one last page on here. A plug for ourselves here at Peer2Peer Partners. We're in the business of accelerating cloud ISV revenues from partner ecosystem and partner Cosell enablement. And both through technology and coaching as well as partner ecosystem strategy and some done for you partner programs.

So, we're here to help as well. Feel free to reach out to us. We can be reached at peer2peerpartners.com. My name is Tom Newton, Tom@peer2peerpartners.com. So, hopefully it was enjoyable for everyone and we hope to here hear from all of you. And once again, Josh, thanks for your time today.