

SFM Sales Technology Audit & Virtual Engagement

# Drift

Presented By Team4:

Kun An, Alonzo Bailey, Chen Lin, Nan Zhang



# Executive Summary

Drift is the first conversational marketing platform and is the new way businesses buy from businesses. Drift employed AI as the most noticeable feature. Based on AI, Drift has introduced a series of products. Standing on the frontier of Sales 3.0, both organizations and individuals have changed their vision about sales.

In reaching customers and building a stable relationship with customers, the sales organizations have faced with inefficiencies. Human sales reps spend too much effort in searching for new matched customers, both clients and businesses. Communication inefficiency could not help the sales organizations to convert the volume to revenue.

The customer needs a solution for timeliness and accuracy. Also, accurate information during the conversation would help with making predictions and database cleanse. In the meanwhile, the sales organizations should control the cost.

Drift would become the top choice of sales organizations.

For future development, Drift can use AI to adopt on conversational sales. By bridging conversational marketing and conversational sales, the software can further help a business to integrate data and resources of a customer and save acquisition cost.

# Table of Content

03

## SITUATION ANALYSIS

Inefficiencies and Opportunities

3.1 - The sales organization's efficiency & effectiveness at stake and identified inefficiencies

3.2 - Customers, users needs and expectations

3.3 - Main competitors analysis

3.4 - S.W.O.T. Analysis

04

## SALES TECH

Features and Improvements

4.1 - Digital sales transformation pillars/levels & Vendor Neutral frameworks

4.2 - The importance, difference, and relevance analysis

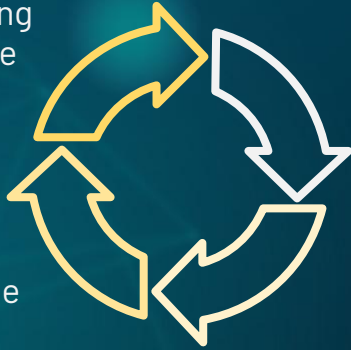
4.3 - Potential improvement

4.4 - potential barriers to entry and switching costs for customers & users

# 3.1 Current sales and inefficiencies

4. Repeat Purchase  
Sales reps keep a long term and sustainable relationship with customers.

3. Purchase  
Customers made the decision



1. Customer Reach  
Sales reps initiative to find customers or customer consulting products

2. Relationship Build  
Sales reps engage with customers and gain trust

Sales organization often runs a **sales cycle** and tries to improve one of the links to promote the sales.

## Inefficiencies

- **Customer reach:**
  - I. Customers often need to fill the form to wait for products consulting. But by the time sales get there, the interest is gone.
  - II. Sales reps spend too much effort and time on searching new matched customers.
- **Relationship build:**
  - I. Sales reps need to use many platforms, so it is easy to miss the opportunity of timely communication with customers.
  - II. Customer hopes to communicate with the qualified sales reps to avoid the process time waste.



## 3.2 Customers Needs and Expectations

### Timeliness

- When a user visits the customer's website, there is no need to wait for the "next available representative."
- Get to the user as soon as possible
- AI Chatbot could help them in the first level of needs, resolving the problem, take the record for the user's needs, etc.

### Prediction

- For sales organizations, time is money too. They should not waste time on low potential leads.
- They need to improve the time-performance efficiency by devoting the time to the leads who have the highest potential to become customers.
- They need to identify and prioritize the most potential customer.

### Accuracy

- The information obtained from users should be accurate and detailed for our customers (sales organization) to take further action.
- The more precise the data is, the more accurate the predictions are.

### Cost Control

- Control or lower the cost while implementing the new technology.
- The ROI should be more than employing human agents.
- Labor costs should be allocated to highly dedicated work.

## 3.3 Main Competitors



### Hubspot Marketing Hub

- Founded in 2006
- #1 in conversational marketing software
- Over 68,800 customers
- Categories in common with Drift:
  - Conversational Marketing



### Intercom





- Founded in 2011
- #2 in conversational marketing software
- Categories in common with Drift:
  - Conversational Customer Engagement
  - Live Chat
  - Chatbots
  - Conversational Marketing



### Freshchat

- Freshwork founded in 2010
- Categories in common with Drift:
  - Conversational Customer Engagement
  - Live Chat
  - Chatbots
  - Conversational Marketing

# Technology Features Relevance

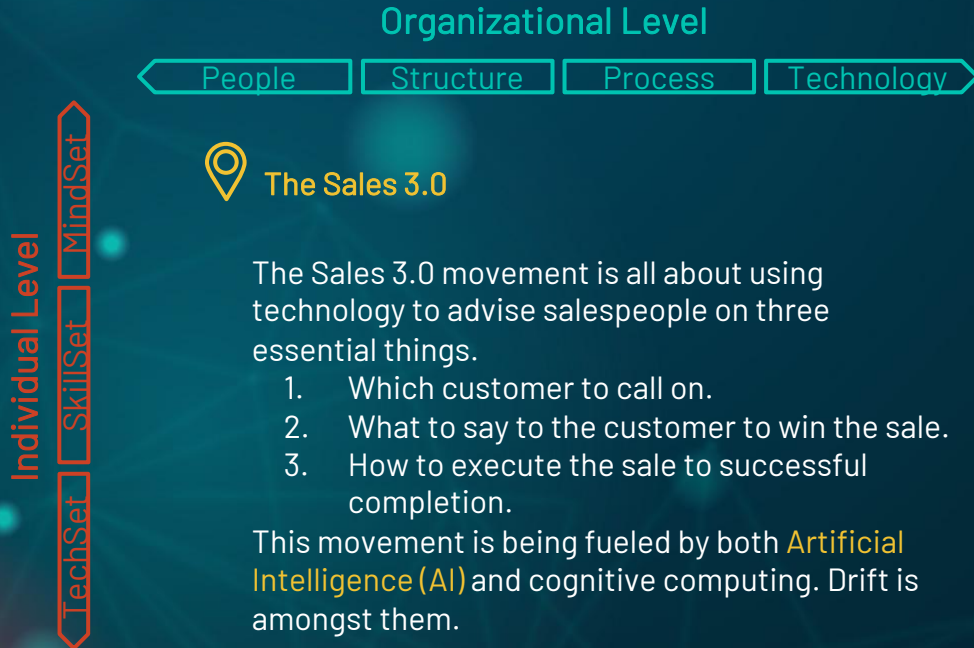
	 Drift	 Freshchat	 HubSpot	 Intercom
Sequencing	8.7	8.5	8.2	8.8
AI Sales Assistant	8.1	9.1	7.7	8.0
Live Chat	9.2	9.2	8.0	9.3
Customization Interface	8.6	9.4	7.8	7.7
Targeting Customers	8.8	8.8	8.4	8.8
Customer Analytics	8.0	8.0	8.4	7.9
Lead Gathering	8.8	8.5	8.5	8.3
Sales conversion	8.5	8.9	8.3	8.1
Channel Friendly	8.9	8.7	8.0	8.4
Entry Level Price	Free Trial	Free Trial	Free Trial	Free Trial

## 3.4 SWOT of Drift

<b>Strengths</b> <ul style="list-style-type: none"><li>• 3<sup>rd</sup> on G2 Satisfaction Score in Conversation Marketing Software (83)</li><li>• Highest in 'Quality of Support' in Conversation Marketing Software according to G2</li><li>• Highest in 'Ease of Doing Business With' in Conversation Marketing Software according to G2</li><li>• Named #1 in Conversational Marketing in G2 Crowd's Grid Report for Spring 2019 based on real customer reviews</li><li>• Strong social media presence on LinkedIn, with live podcast team and community managers</li><li>• Raised \$60 million in Series C financing led by Sequoia Capital, bringing its total funding to \$107 million.</li><li>• Great company culture. Drift named to Inc. Magazine's Best Workplaces List</li></ul>	<b>Opportunities</b> <ul style="list-style-type: none"><li>• The conversation intelligence software market continues to grow. The market size is expected to reach \$1458.6 million by 2025 from \$415.9 million in 2019.</li><li>• Overall conversation AI market is also growing</li><li>• COVID-19 has created a need for more online interaction with customers and buyers</li><li>• Advancement of open source deep learning and machine learning frameworks</li><li>• Buyers are becoming more comfortable having one-to-one conversations with chatbots.</li></ul>
<b>Weaknesses</b> <ul style="list-style-type: none"><li>• Relatively new start-up, only has been on the market for 2 years</li><li>• Not full CRM system, like Hubspot</li><li>• Lack of PODs among the competition, (ex. AI is below the average on G2 ratings)</li></ul>	<b>Threats</b> <ul style="list-style-type: none"><li>• Hubspot, the established leader in conversation marketing CRM/sales software, continues to expand its general CRM/sales capabilities.</li><li>• Chatbots have a perception problem, buyers are still 2X more likely to say that chatting with a live human (e.g. via online chat) provides a better customer experience. (Drift, 2019)</li></ul>



# 4.1 Transformation Pillars and Levels



On the organizational level, the sales organizations are more and more focus on sales reps. Sales reps can boost their performance to achieve a higher level of satisfaction, which motivates them to do better for the next time. In transformations of digital sales, **people** are empowered by the new and right technology. People are no longer regarded to do repetitive work like dialing thousands of cold calls everyday; they are given more creative jobs.

Humans are different from machines. Humans will think independently and have emotions. People can fall into situations of self-doubt or excessive stress at any time. This is the case in the Sales3.0 era. People need to update their **mindset**, understand what abilities they have and understand themselves better.

## 4.1 Vendor Neutral Frameworks

Based on the features, Drift is in the **Black Belt** level of "How to Sell to and Why" on Database Cleanse and Append and "When and How to Engage" on AI Email Outreach in the Vendor Neutral Framework. Addressing the marketing and sales conversation by AI, Drift would provide a more efficient way for the sales organization to engage with potential customers. When and How to Engage with leads are resolved by an application called Drift desktop. Drift desktop, using AI, could track leads and tell the sales to take action.

	White	Blue	Purple	Brown	Black
Sell More & Again		Mature			
How to Close	Mature				
Why Buy & From You	Mature				
When & How to Engage		Mature			DRIFT
Who to Sell to & Why		Mature			DRIFT

## 4.2 Importance, Difference and Relevance Analysis

Features	Importance/7	x	Difference/7	=	Relevance
AI support	5		7		35
User-friendly	6		5		30
Mobile Capability	6		6		36
Time-saving	6		4		24
Integration	7		6		42
Cost	6		4		24

## 4.2 Importance, Difference and Relevance Analysis

### Difference

- Drift is the **only one** that uses AI robot for CRM;
- The AI robot can interact with customers timely and the robot can make the dialogue customized with personalities;
- Drift has integrated all the platforms data and can turn to different platforms directly;
- Drift can provide online customer reminders on mobile ends;
- The robot can search for new customers and classify customers in advance according to their needs

### Importance

- Improve the efficiency and gain more revenue-reducing labor cost;
- Provide better engagement to build a relationship with customers.





## 4.3 Potential Improvement

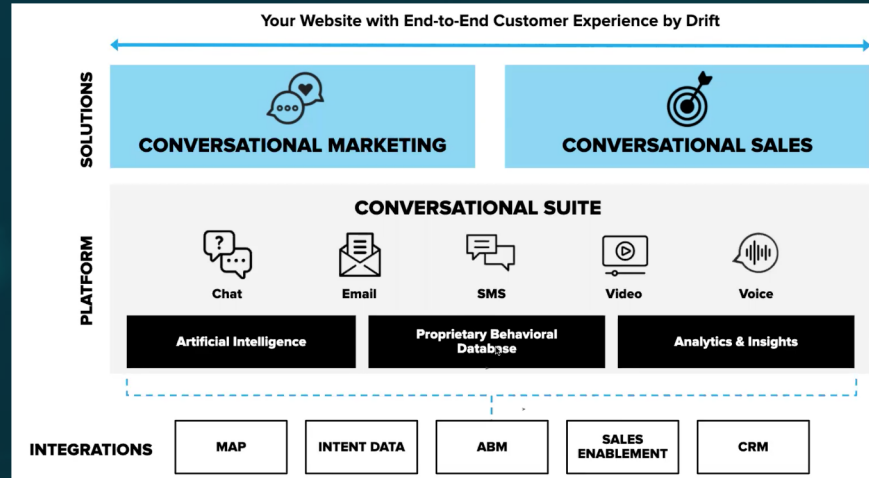
**New accelerated Marketing cycle:** Marketing system smarter; Bridge sales and marketing together; Optimised acquisition cost; Focus on lifetime value; Integration

**Initially:**



Conversational Marketing

**Future:**



## 4.4 Barriers to Entry

### Companies

- Prices for Drift are \$50 per month for the standard version or \$500 per month for the pro version, which may be considered too pricey for some companies
- Conversational Marketing is a relatively new channel, which has not been widely adopted yet

### Users

- Mistrust of AI – Most people don't see chatbots as a multi-purpose tool that can help with a variety of tasks, they typically don't trust them to handle important tasks, like scheduling meetings or making reservations at restaurants or hotels ([Source](#))
- Perception problem – People tend to view communicating with a live human (e.g. via telephone, online chat, video call, or video messaging) as a friendlier and more approachable experience than communicating with a chatbot.





**THANKS!**