



These interviews were recorded live at DattoCon2018 in Barcelona. Richard spoke to Matt Richards, Chief Marketing Officer, Pete Jaworski, Product Manager, and Adam Stewart, Senior Vice President of Engineering.

Matt Richards

RT: You're the Chief Marketing Officer of Datto. What does that mean and what do you do on a typical day to day basis?

MR: It's never the same day twice, and I think that's what makes it so much fun. Marketing at Datto is broken out across a bunch of functions, so it's good to think about the functional areas that help us out. Demand Gen is one of the areas that we look at.

At Datto, 50 – 80% of the leads that our sales team handle comes through marketing. Marketing is usually the first touch, and then we might nurture them along the way. That's one whole section – content and demand generation. We have an in-house creative team, and they created the signage for DattoCon.

We also have partner marketing, which is interesting, because as we're a channel company, all of our marketing in a way targets partners. But, we think about our MSPs (managed service providers) and what they would need to be successful in marketing. That's a lot of

what our partner marketing organisation focuses on - helping them with enabling and selling to their customers.

There's also Communications and the Product Marketing team which helps with all the positioning messaging and what I like to call the core product marketing deliverables for positioning, messaging, all the collateral and everything you see and read about what we do. Those are generally the key areas in marketing.

RT: Datto are one of, if not the biggest, managed service provider vendors in the world. You get an insight into tons of MSPs around the world, hundreds and thousands of them.

Marketing, I would say, from my experience, is the number one issue that MSPs struggle with. Would you agree with that statement or not? I know you're smiling about it!

MR: I would. I'd point to some of the research we've done, which is somewhat self-serving, but it shows that's the case, as does research done in the channel in general.

The number one problem folks have in growing a managed service business is sales and marketing or some kind of combination of the two, and it all starts with lead gen: how to find a customer, to how to close, how to nurture the customer and expand the business. It's 100% the first problem everybody has.

RT: So why is it? Why are MSPs rubbish with marketing?

MR: Like everything, there's a bell curve. There are folks that are quite good and then those that aren't. I think the first symptom of the challenge with marketing is when they don't have a full-time marketing person.

Generally, if you're trying to do everything, you're small, and you're trying to run the business it's tough to find the time between trying to close that customer you met last week and solve problems for customer tickets and solve issues. You may be trying to heal a relationship and you've got to work with vendors, so where are you going to find the time to build a blog or inbound marketing content?

Smaller folks tend to have more of a challenge in creating the bandwidth themselves to handle it. As you get larger and MSPs grow, they tend to evolve into having sales people first and then add a marketing person to help them make those salespeople more efficient.

When you say they're rubbish, that's very much a generalisation. Sometimes that's very true, but it's generally just a maturity curve. Where are they in the journey as an MSP and how have they managed to fill their pipe already?

Some folks have filled their pipe with absolutely no marketing, and then one day, for whatever reason, that pipe stops and they realise they're really bad at marketing. That's when I really like to help them.

RT: It's the old phrase: "Marketing is a process, not an event." How do Datto help their MSP partners get better at marketing?

MR: There are a number of different ways. We provide content, so the first and easiest thing to do is to look at their white label content and say, “You know, I need some form of inbound campaign.”

Let’s say you’re an MSP and you need to attract new leads – you need an inbound campaign, so here’s a little kit, with some content that you can put on your website with a landing page and a form. You can send out a social post and folks will link through, fill out the form and get the PDF, and that’s a form of inbound marketing for you.

It’s easy and we have it all there, and I think the biggest challenge there is that our partners don’t necessarily know it’s there. From a systems perspective, we find that most MSPs don’t have marketing automation software, so we provide that for them.

In there go your leads, their addresses, names and contact information. There are pre-created campaigns that you can white label, create trickle campaigns and run them from within the tool. It helps with managing the process of nurturing and creating leads from unknown contacts from events or a Google campaign.

RT: What’s that product called?

MR: It’s called Market Now. We’ve recently integrated it with Datto and Autotask systems and released it as a single platform.

RT: So when you say integrated, you mean they’ve got the automation going on and they can drop into Autotask from there?

MR: When I say ‘integrate’ in this case I mean that the Autotask partner programme and the Datto partner programme merged and we’ve brought the two separate platforms into one. Interestingly enough, we were on the same backend system, we just called it different things, so it was just a matter of migrating data and bringing the systems together.

Our partner programme is probably the umbrella to think of this in. In the partner programme we have different tiers with different benefits, which is everything from market development funds to NFR devices, sales enablement training to training on the Market Now platform, the actual platform itself and the content you need.

You could go ahead and be pretty effective with the elements we provide you with for building content. Around that is the MSP Easy (‘MSPesy’) series, and sometimes it works locally. The MSPesy series is MSPs talking to others about how they do these things – sales made easy. And connecting the dots from MSPs who’ve done it and explaining it to those who haven’t.

RT: I think I know what the answer is to this, but I’m going to throw this one out there. If I ask you, ‘If you could wave a magic wand and get Datto MSP partners to understand one thing about marketing, what would it be?’

I thought I knew the answer because perhaps it's Market Now and they're not aware of it, because that sounds like a fantastic resource.

MR: It is a great resource, and I think again it's a maturity curve. Some folks have nothing and others are out there with HubSpot and other marketing automation platforms.

I would say, if you could understand one thing about what Datto does, it would be the resources that Datto provides you. The number two question when I was researching what to do in my discussion today (at DattoCon) on Marketing Tips and Tricks for MSPs, was answering their question, 'What resources do you have?'

One, we're growing, and two, we have the Datto and Autotask partner bases coming together, so there's an inconsistent level of knowledge. The magic wand would be, 'Here's the breadth and depth of the marketing elements that you have at your fingertips.'

That includes Market Now but it's greater than that. It's the various programmes, the MDF funds (marketing development funds), the devices, the partner referral programme. It's all these things that are there that folks don't know about.

RT: We're going to need a pretty big magic wand! Let's talk about Datto's own marketing efforts, and specifically a fairly age-old challenge of marketing. How do you balance reaching IT businesses and letting them know about Datto's product and service solutions without overstepping the mark and annoying people?

MR: Everything is a bell curve, so you're going to annoy some people, but hopefully just the outliers. It is a matter of creating content that people are interested in that's not about selling to them.

Do you want me to call you and try to sell you a car? No. But if you were *looking* for a car you want to know where to go to find out about it. It's no different selling to a consumer than selling to anybody.

People don't like being sold to, they like to improving themselves, learning, seeking knowledge, and our role and goal with a lot of what we do for Datto marketing is creating interesting, inbound content that folks want to hear about. Then, it's not an intrusion.

A seminar on the latest ransomware results will get people thinking, 'I wonder how many people were infected by that? That's interesting – let's get that.' That kind of content, outbound or inbound, however you make people aware of it, is not as annoying as a constant, 'Wouldn't you like to buy RMM (remote monitoring and management)? Is your business going to pieces?'

I think marketing done well seeks to educate early. Once you understand the problem and work your way through the buying decisions it gets you to becoming a partner and you need to get more specific. That early stage general awareness is about educating more than anything.

RT: I think too many companies jump straight into the, 'Hey, let's get married! Let's go straight in there' without doing any of the dating, educating or anything else.

MR: Exactly. I got a piece of direct mail the other day and what it said was almost offensive. It was meant to catch my attention, but it was borderline offensive to me as a homeowner. There was no way I'd try to find out more about them, because they tried to get my attention by making me feel dumb.

It caught my eye, but it wasn't going to work. If they'd sent me something on home improvements made easy, as a homeowner I would have been happy to understand more about how to fix the sink, because that's stuff I read. It's also about knowing your target audience.

RT: You're a marketer, but I know you also enjoy tech. What new tech has come along that really excites you? It could be marketing tech or general. What's caught your eye lately?

MR: If I think about it as a client of marketing, and where we are at the moment with the merger between Datto and Autotask, there's data all over the place. Customers want to know if they can access everything in the same place.

I look at all the up and coming, AI and machine-based mechanisms for identifying trends and information helping me understand my customer better, and thus giving them something better targeted, that's exciting to me.

We start to see that in some platforms, whether it's the website being tailored to you or going further by looking at your CRM (customer relationship management) system and helping you understand each customer and their specific needs. That gives me the insights you need to take action programmatically not one on one to help the business move forward and keep your MSPs happy.

That technology is interesting to me. Without a doubt, that's the most applicable. On the flip side, I've started looking at IoT (internet of things), and it's when we stop calling it that is when it'll get interesting! I've no idea what's coming next, and we surveyed our MSPs and they don't either.

Some MSPs are doing IoT work, but it's more around sensors, thermostats and lights, and it's not yet clear what's going to happen. It's one of those spaces where someone's going to come up with that use case and everyone snaps their fingers and says, 'Yes, finally!' and they're going to stop calling it IoT and we see the adoption.

RT: The point you made about the website being tailored to the visitor is something we see with Autotask now. If you're an HR person you don't want to know about the service desk, and if you're service desk you don't want to know about finance. It's just around the corner for websites to be more tailored.

MR: And all of this is in the context of GDPR and recognising that the customer data and privacy rules are paramount. But if we met you at a show and you gave us a business card, we put that in the system because you wanted to know more.

Then, I can see that we talked about RMM, you visited the website and looked at BCDR (business continuity and disaster recovery) and a few webinars, we see you at DattoCon and I can see how you move through the process. Instead of annoying you, I can pop some information over just for you when you visit the website next.

That's a pull – you came to my website and I showed you something you wanted. That's not being sold to, that's helping you find what you want, and that's what I think is the opportunity.

RT: What about on a personal level? What's a gadget or something you've picked up recently that you've really enjoyed?

MR: I've been working with my daughter to build an Arduino robot, and it's been a lot of fun. For me, it's not that different, it's just another language, but for her it's an exploration. Maybe she's an up and coming engineer! When you're exposed to something and you learn to enjoy it, it doesn't matter the subject, it's the joy of exploring and figuring out the problem.

Pete Jaworski

RT: There was a big announcement this morning (during DattoCon) to do with the REST API (application programming interface), so I tweeted it out and said: "I think this is a good thing for the industry." I had a split response: 50% of people said it was exciting news, and the other 50% said, 'What's a REST API?!' For the uninitiated, what is the REST API and why is it a big deal?

PJ: The REST API is a new method of integration that we have with Datto. We used to have what's called an XML feed, which is raw data which gets exposed to partners and vendors. We say, 'Good luck building an integration with Datto.'

Most of that information is device information, back-up status, information and alerts, and we got to a point where that's not scalable or reliable. We decided to build the new REST API which has specific endpoints that make it granular. People can get information about a specific device and type of agent, and we expose that to partners and vendors.

What's unique about this, and Austin McChord, our CEO mentioned this several times, is that we want to create an open ecosystem, and open access community where developers, partners and vendors can all interact with our Datto devices and build their own platforms.

We have many tools on our side, and some of it's good and some of it's bad. It's inevitable that these partners are purchasing third-party applications like Brightgauge and ITGlue. They're using those platforms, so we need to align ourselves with that usage and provide them with the data.

RT: What does it look like in practical terms? I can see the benefits of it, but how does it actually work?

PJ: You have to be tech-savvy and understand how to build an integration using an API. You have to understand coding, and some of the partners do have that technical background. They can incorporate those endpoints into code and build unique dashboards.

The whole premise of their business is to build an integration with many different devices for many different companies. They do use these endpoints already to make those device calls.

RT: I was chatting to Adam a little earlier, and of course he's been with Autotask prior to Datto for more than 13 years. He was saying that the suite has grown, so there must be a ton of APIs and other stuff there. Is this part of a bigger programme to try to streamline things and make them simpler?

PJ: I think so. I think learning from the release today and with APIs and integrations in general, we're moving to a path where we want to make this a better user experience for partners and vendors.

We have several different APIs to allow people to do this. Autotask and Datto Legacy both have several, and I think the vision is about making this a better user experience and incorporating all the APIs into one. We can say, 'Hey, we have this Datto API, and any vendor partner can feel free to integrate with us.'

We give these partners the choice, because they can choose any type of platform and use this method to integrate. We want to make that more streamlined and as efficient as possible, and I think there's a long-term path to do that.

RT: That makes sense. A lot of listeners to this podcast are going to be technical in nature, as I am too. As a technician, what are you most excited about?

PJ: It opens so many doors, because there's a ton of opportunities. I've had a lot of feedback from partners and vendors about what we should do, and I think it leads to so much opportunity, which gets me excited.

This is only our first version, and there's so much we can do. The good thing about Datto is we release very frequently, so you'll start to see more changes coming soon. For now, we just exposed 'get calls' so you can see the data that's available from that specific device.

Eventually, we may go to configuring certain things from the REST API. We move and shift towards other third-party platforms becoming that source of truth. People are spending time on things like Autotask PSA (professional services automation) and ConnectWise, so that becomes the source of truth. We want to give users that capability. We'll start to iterate and improve on the REST API and it's going to go in the third-party direction.

Adam Stewart

RT: Adam, your job title is Senior Vice President of Engineering. What does a typical day look like?

AS: In my role, my area of responsibility is product, engineering and infrastructure for all of the Autotask legacy products. A typical day for me is first and foremost ensuring availability for our customers' uptime, so that the software that we work so hard to produce is accessible by them.

Then, it's working on the roadmap, managing projects that are in flight and all the other administrative things to deal with – HR, policy, process and things like that, as well as working with the rest of the executive team on long-term strategy and short-term tactical stuff.

RT: I want to immediately touch on something you mentioned there, and that's the aspect of hosting. Now, I know you were with Autotask for 13 years, so you know a little bit about SaaS (Software as a Service) and hosted products.

Datto serves MSPs in multiple countries and timezones, customers who have a high expectation of really high uptime and no downtime. Plus, they store all their data in the secure environment.

You've got a lot of responsibilities there, so how the heck do you provide all of those things in the background?

AS: I take those responsibilities very seriously, and I educate our salesforce about how important it is. We're not just mission-critical, we're real-time mission-critical. Invoicing falls into this category, because if you can't invoice you can't get paid, and that's bad for business. However, if you can't invoice for four hours, you won't even notice.

But if your PSA (professional services automation) system or RMM system is down for four hours then you're not getting alerts and you don't know what your technicians are doing, so your business is literally grinding to a halt. We take that responsibility very personally at Autotask, and some of the things we do is to make sure that first within all of our data centres every layer is redundant.

It starts with power, so any main component has two power supplies, and each of those is fed by separate circuits which go to separate breakers on the board, which is backed up with a UPS (uninterruptible power supply), which is itself backed up with a diesel generator.

The diesel generator has at least a week's worth of fuel stored on site and it's tested once a week, and that's just power. We do that with every tier of our data centre, and then we do offsite backups. We make sure that every contingency is there to prevent any sort of failure.

We're really smart engineers, and we know that even NASA doesn't get it right from time to time. The other thing we do is ensure that we have really good protocols in place for when something goes wrong. We have exceptional redundant alerting in place on every layer of our system, and when something goes wrong, we snap into action.

We have communication protocols, so we set up an IM (instant messaging) channel if it's in the middle of the night, or we gather in one place in the office if it's in the middle of the day. If we're communicating back and forth, we use air traffic control protocols, where you repeat what you say and before you make a change somebody has to OK it.

We have ITIL (Information Technology Infrastructure Library) change management in place, we do all the things that you would expect to ensure that things don't go wrong, and when they do, we minimise the duration of any interruption.

RT: Do you get out to the data centres yourself?

AS: I've visited each of them to sniff them around. The first thing I look at is the cabling, because if it's straight I know that the rest of the data centre is straight. If the cabling is just a rat's nest I know something's gone horribly wrong here and we've got to sort it out. For our data centre, everything is straight, labelled and redundant. It's beautiful, like a textbook picture of what it should look like.

RT: I'm glad you said that. There's a few of us in the community and we talk about what a beautiful comms rack or data centre looks like. We've started to refer to it as 'data centre porn'!

It's true though, because you can look at things and say, 'If they don't look after their comms cabinet or data centre, where else are they not doing things as well as they should do?'

AS: I had an early mentor, Jim McCarthy, who was the first Product Manager for the first version of Visual C++. He lives in a beautiful home and he's an old friend and a great mentor. One of the things he said is: "A product is the perfect reflection of the dynamics of the team that built it."

If you have a team that's broken, with egos and different agendas, then your product is going to reflect that – it'll be inconsistent and horrible. But if your team is highly aligned, your product will be too. If I see a data centre that looks perfect, then I know that the team that built it is working well together and firing on all cylinders.

RT: You also look after the development of new product features. We've talked about the complexity of the products, but there's also a desire for cutting edge technology to move things along as quickly as possible. How do you balance getting new features out of the door as quickly as you can without compromising the quality of those releases?

AS: We've just started addressing that struggle more now. With the merger I met with Austin and we both came to the immediate conclusion that we wanted to do quicker, smaller releases. We'd been releasing at a cadence of one to two releases per year.

Big software projects like that run into problems. They tend to be a bit unpredictable, because you can't hold it all in your head. When they're unpredictable they're late, and then the scope can creep because the market changes. We wanted to do smaller releases because we'd have better quality and predictability.

We released our last big one, which was 2018.1, in June. Then we released 2018.2 in September and 2018.3 will start deploying to English-speaking customers in December and will finish in January.

RT: So, you're roughly at a three-month cadence?

AS: Yes. Our goal is three to four major releases per year. I said quality is our biggest priority, but predictability is second. What that means is that if we catch something and it's not performing well or if there are bugs, we'll hold it up. We won't ship it 'til it's right.

RT: As a former MSP myself, one of the biggest issues that we have with vendors, and I'm not pointing any fingers, is that we definitely need this new feature so why doesn't the product have it already?

From your perspective, how do you balance that desire to constantly be moving forward, because everyone's feature request is the top priority with them. How do you balance that with making sure that it comes out the door without being bug-riddled?

AS: There are two things that we do there. The issue isn't deciding what feature you're going to do, it's deciding on the thousand other good features that you're not going to do yet. It's about picking which is the top one and where you're going to invest next?

That's a challenge, and the way we make those decisions is based on customer input. We have a really good feature request system, and we almost always work on the top-requested feature.

In 2018.2 the top requested feature at the time was a simple thing – adding a start and stop time to time off requests. People would request a day off and that was fine, but they'd request four hours and we didn't track *which* four hours they're not at work.

It was something we hadn't thought about but it surfaced really quickly from MSPs. We realised we should do it, and it wasn't a lot of work, so we got it done and it made sense.

One of the benefits that we're getting from this faster release cadence is that we're introducing less change more frequently. MSPs don't want to come to work in the morning dreaming that they'll have to face a steep learning curve for the tools that they use. What they want to do is just get their work done.

If we have a whole year of feature requests, we're introducing a bunch of change for them. By cutting that down it's much more manageable for them, and besides that we can incrementally improve something, get their feedback and know if we're moving in the right direction or not. That's better than giving them a whole new house to live in, so to speak, and they have to find the loo!

RT: That makes sense. It's not quite the same thing, but I'm a Google Apps user, and Google rolled out a new UI (user interface) the other week for it, and I immediately freaked out. I just wanted to get on with my work. I can totally see what you mean about the incremental changes and about easing it in rather than a whole big thing.

We talked earlier on about the fact that you were with Autotask for 13 years. Obviously, you've gone through the acquisition and merger with Datto – how are you finding life with Datto and how does it compare to life at Autotask previously?

AS: It's been great at Datto. They're a really great company, and they're the market leader by any means. I've really been enjoying working with the market leader. We have a much larger breadth of products.

We've already done a really strong and powerful integration with the backup product line and Autotask PSA, both with PSA and in the RMM group as well. The customers of ours who choose to use multiple Datto products will have a really good, very efficient experience.

At the same time, we're also staying open with the whole industry, because we don't want to force an MSP to use a solution that may not be exactly right for them. It would be arrogant for me to think that I'm going to create *the* perfect solution for everyone.

There're going to be outlying use cases, so we have to be open if we want to provide the best solution for the MSP. It's up to them what that is, and we want to win on our merits, not by forcing them to use something that may not be right.

RT: I've heard other people refer to it as, 'You want to be so dominant in the quality of the product that it becomes a no-brainer for them to use it, as opposed to you forcing them to use it.'

I know there are a lot of things that you and your team do really well. We talked about uptime and you're security-first. I think a lot of this is taken for granted by MSPs, and I don't mean that in a negative way, you just do it very well.

What would you say is the one thing you wish MSPs knew about the work that you and your team do behind the scenes at Datto that might perhaps change their perspective of the products that they use?

AS: I will get many people walking up to me with good ideas for feature requests, and they are all good ideas. But the challenge is that I can't move their cheese too far. I need to invest in the thing that will help the most of our customers.

I can see that some suggestions are the most important thing for 10% of our customers, but if I look a couple of notches down, I see something that's less important for those guys; however, it's really important for 80% of our customers, so that's what I have to do.

And, while I'm implementing that change, I need to make sure that I'm dealing with new customers that we haven't even signed yet, to make sure that their onboarding experience easier. And for all the legacy customers, who've learned how to do something one way and don't want to change that much.

It's a big balancing act for us to identify which thing we're going to work on next, and then implement it in a way that provides the greatest benefit and the least amount of harm to different users.

We take that very personally and it's a big responsibility for us because people are relying on us to provide the tools to run their business. We can't take it lightly.

