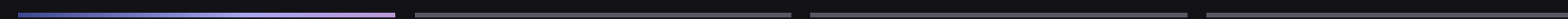


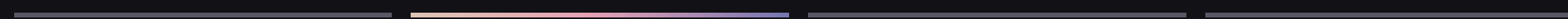
Crossing the Enterprise *Chasm*

Michael Grinich
WorkOS

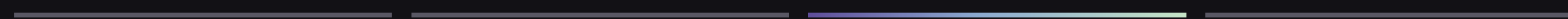
Building a SaaS
product?



Freemium driven
growth plan?



Product market fit?



Have *not* sold an
enterprise deal?

01 *What* is the Enterprise Chasm?

02 *Why* should you cross it?

03 *What* makes this difficult?

04 *How* to get started?

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Early adopter growth



 Dropbox

 slack

 asana

 zendesk

 ATlassian

PagerDuty

zoom

 Airtable

Canva

 unity

 shopify

HubSpot

 INTERCOM

_zapier

 GitHub

 loom

 twilio

 DATADOG

 Notion

 ClickUp

monday.com

 miro

 Calendly

DocuSign

stripe

 Figma

 ChatGPT

 Vercel

 Linear



Enterprise software success formula

- Build an amazing consumer-grade product
- Leverage virality across individual users to grow personal and professional adoption at low cost.
- Harvest individual users for enterprise go-to-market with dedicated product + inside / outbound sales
- Build enterprise-grade platform and ecosystem
- Net = low cost product-driven customer acquisition and strong/sticky business model

*Mary Meeker's Internet Trends
Report (2018)*

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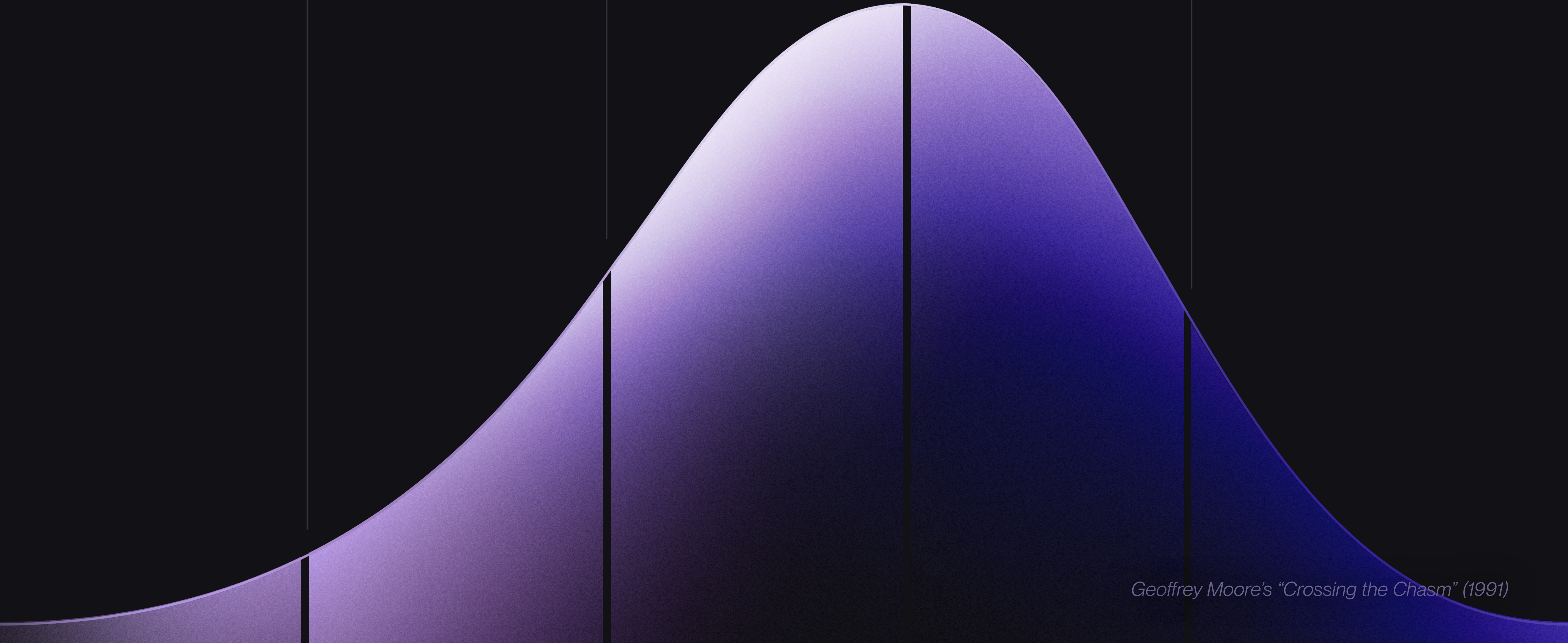
Innovators
“techies”

Early Adopters
“visionaries”

Early Majority
“pragmatists”

Late Majority
“conservatives”

Laggards
“skeptics”



Geoffrey Moore's "Crossing the Chasm" (1991)

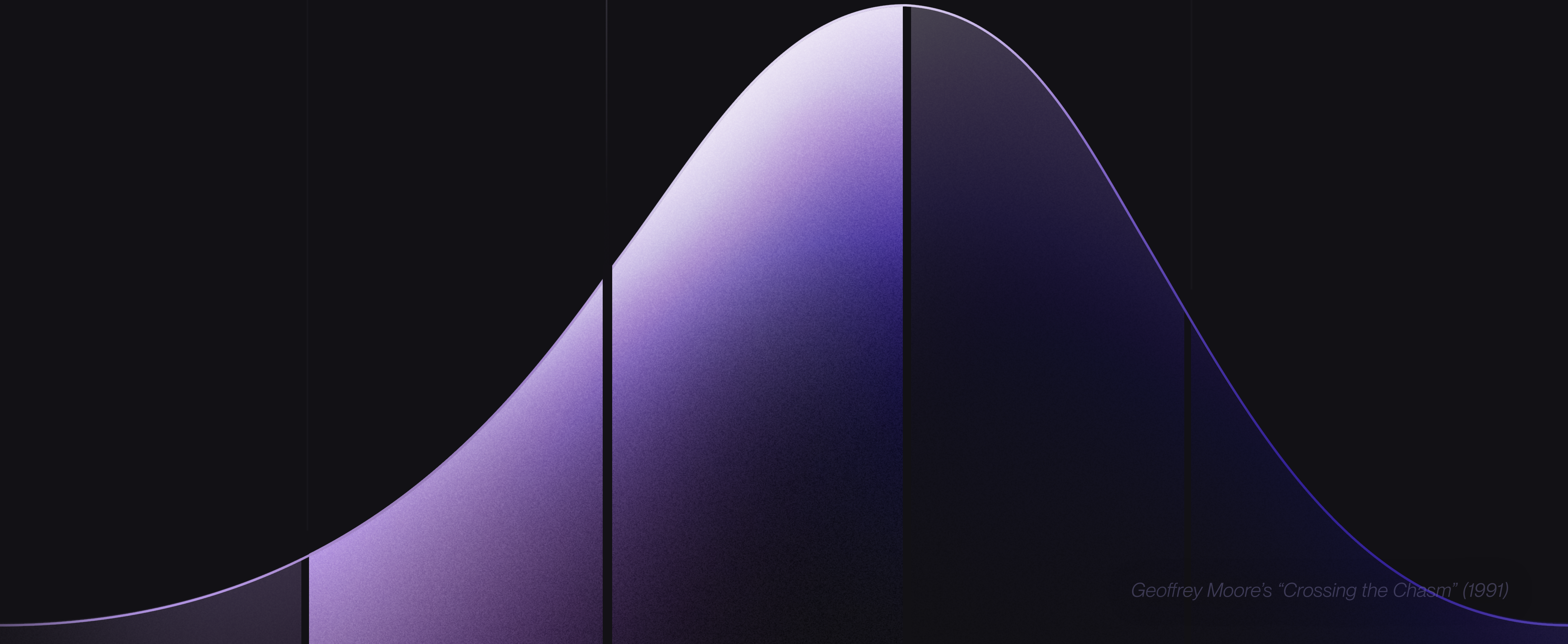
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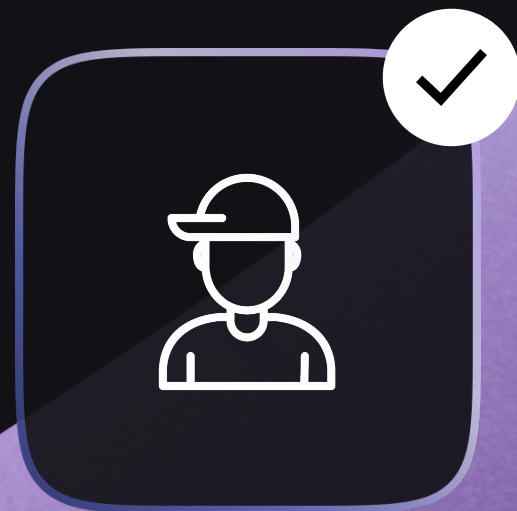
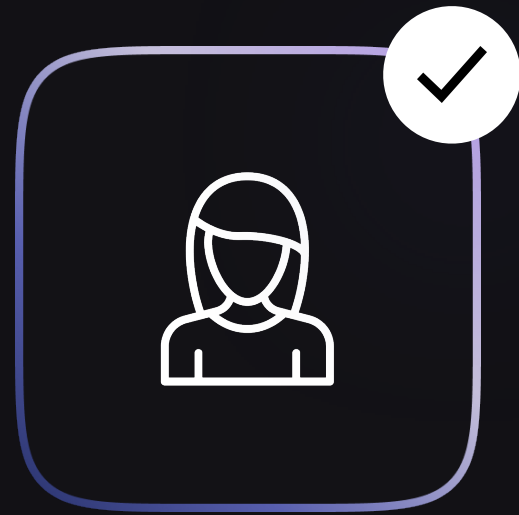
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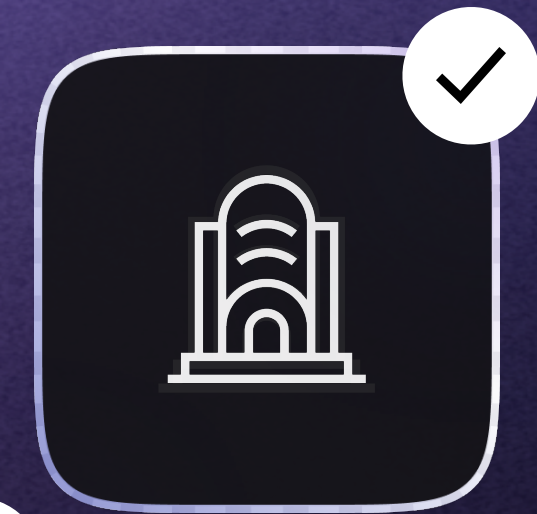
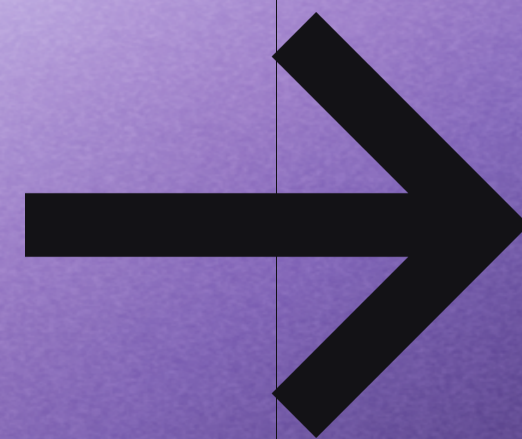
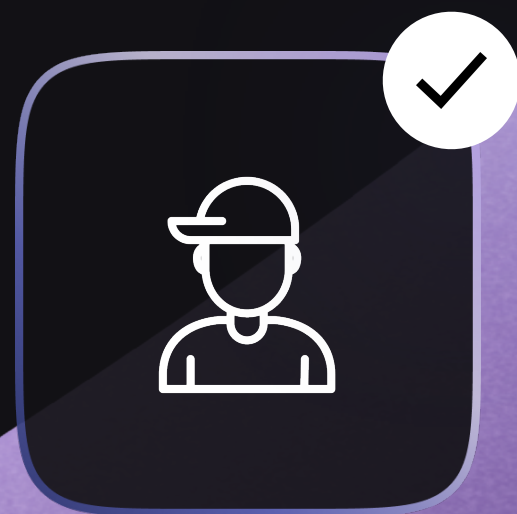
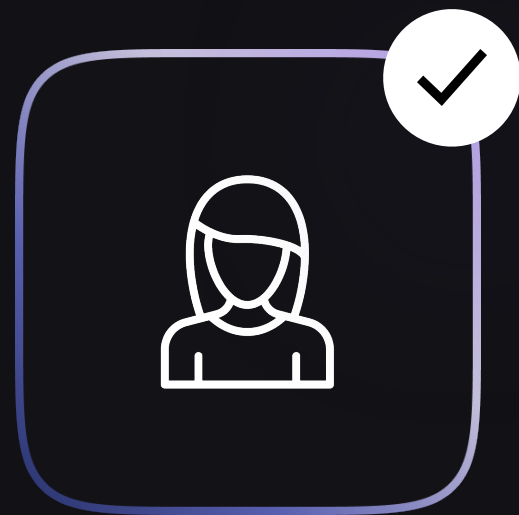
*the
Chasm*

Geoffrey Moore's "Crossing the Chasm" (1991)

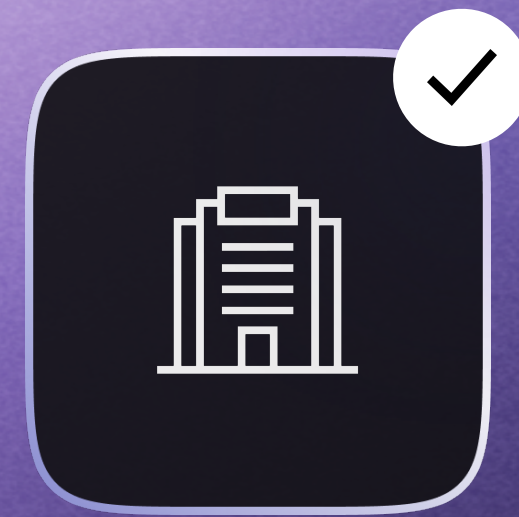
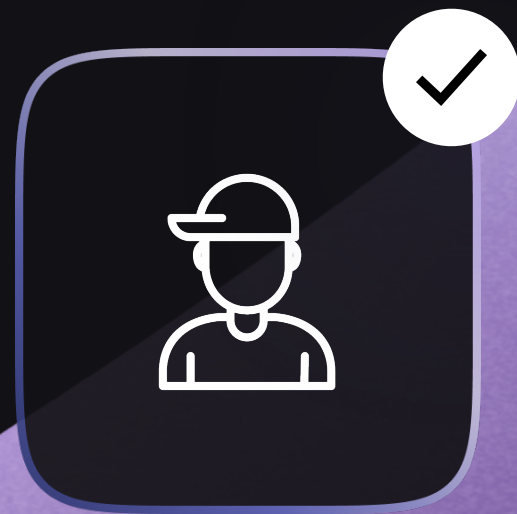
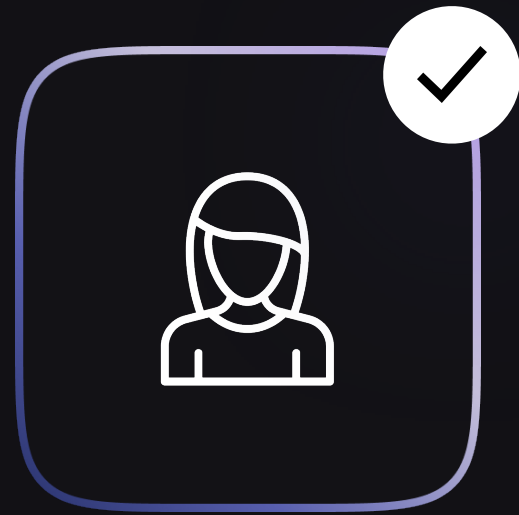
The Enterprise *Chasm*



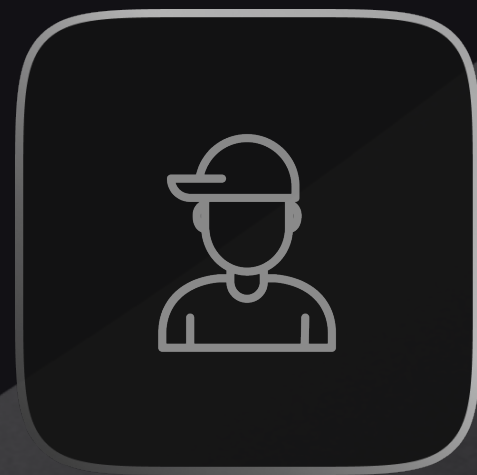
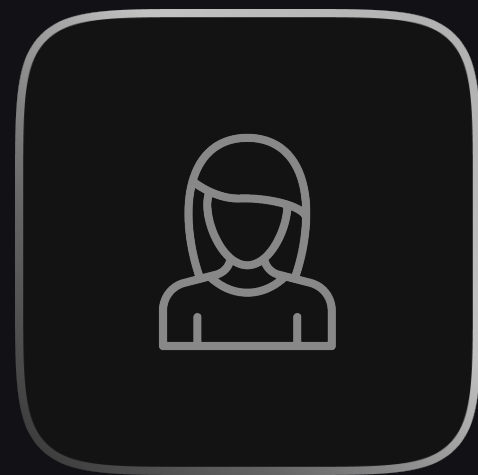
The Enterprise *Chasm*



The Enterprise *Chasm*



The Enterprise *Chasm*



01 *What* is the Enterprise Chasm?

02 *Why* should you cross it?

03 *What* makes this difficult?

04 *How* to get started?

1 Increase product defensibility

A new moat for your product.

2 Decrease customer churn

Enterprise has significantly better revenue retention with a predictable sales motion.

3 Expand market size (TAM)

Eventually you run out of SMBs.

4 Accelerate revenue growth

Moving upmarket unlocks more customers.
Cash flow = control your own destiny!

Waiting is a big risk





Dropbox

vs.

box



slack

vs.



01 *What* is the Enterprise Chasm?

02 *Why* should you cross it?

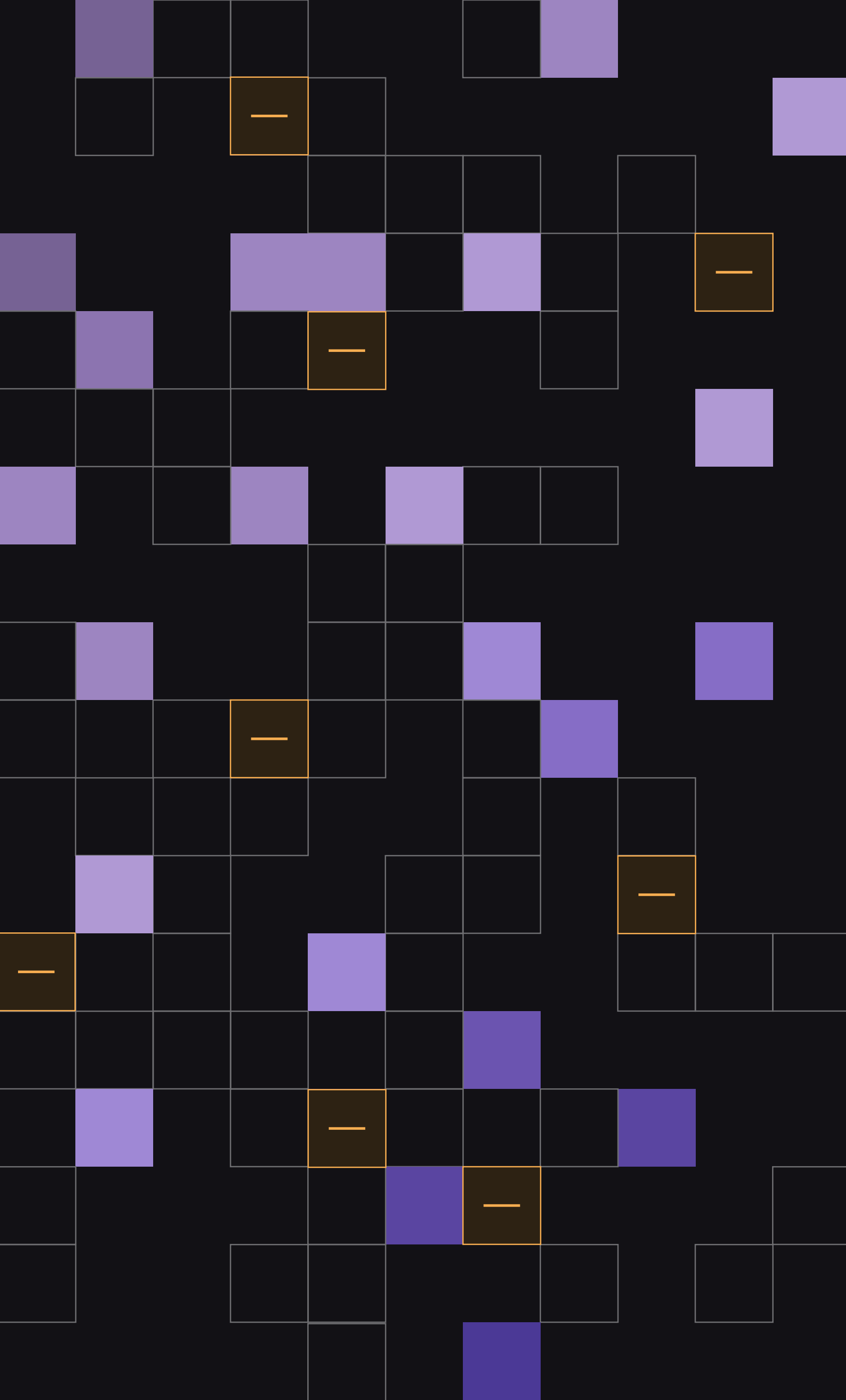
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Precision engineering

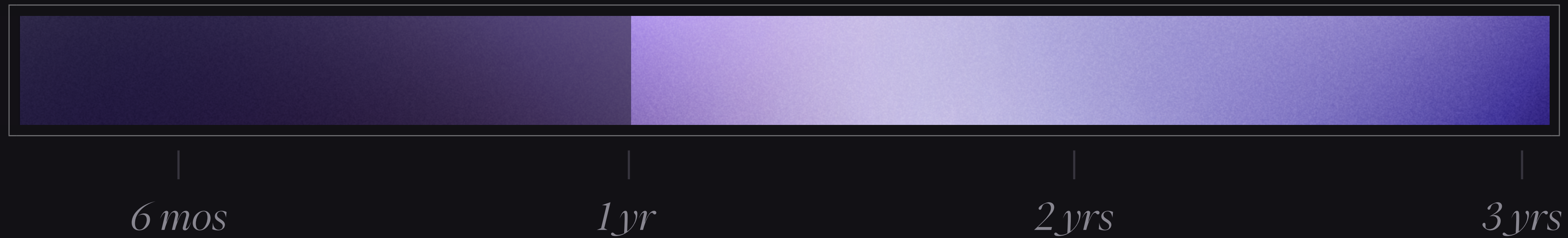
*The cost of
enterprise SaaS*





Lots of small details
with large surface
area for *bugs*.

Building this requires
years of runway.



“I would guess we’ve spent \$30M
building enterprise features...
and we’re probably only
halfway done.”



Product Manager
2018

Engineers *don't* like
building enterprise features.

- 1 Not fun to code**
Debugging legacy systems & old protocols
- 2 Not visible to users**
Backend integrations only for IT admins
- 3 Not set up for glory/promotions**
Leadership cares more about shiny features
- 4 Hard to motivate teams**
Engineers want to build core product instead
- 5 Not a single sprint**
Requires ongoing work and improvement

Feature prioritization
is *hard*.

- 1 What is a "one-off" (bad) vs. shared future customer need (good)?
- 2 Requires deep customer research with enterprise admins to gather requirements.
- 3 Need to prioritize based on future potential customers, not just early enterprise adopters.
- 4 *Your user is no longer the buyer.*
IT is now the buyer.

Splitting focus is
necessary.

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There's a lot to do.

Admin Features

Positioning

Pricing

Packaging

Sales

Security

Compliance

Stakeholders

Partnerships

Enterprise
customers
require:



Control



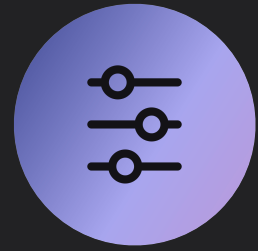
Visibility



Compliance



Automation

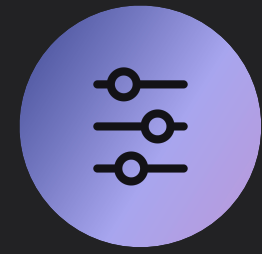


Control

Enterprise Managed
Identity (SAML & SCIM)

- Enterprise Identity Provider (IdP)
- Single sign-on (SAML)
- User provisioning (SCIM)
- Custom roles & permissions (RBAC)
- Org modeling (domain capture)

Enterprise customers require:



Control

Enterprise Managed Identity (SAML & SCIM)



Visibility

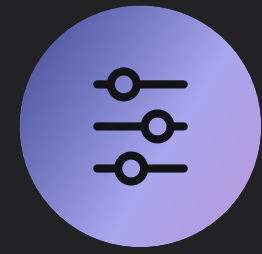


Compliance



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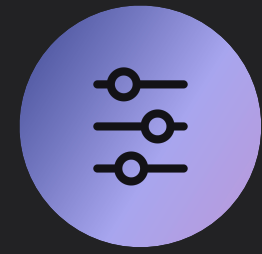


Visibility

Audit logs
(SIEM)

- Audit logs & reports
- Log streams (SIEM)
- Data retention (Legal hold / eDiscovery)
- Data breach detection (DLP)
- Security Policy Enforcement (CASB)

Enterprise customers require:



Control

Enterprise Managed Identity (SAML & SCIM)



Visibility

Audit logs (SIEM)

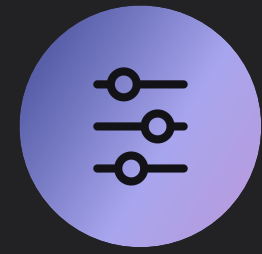


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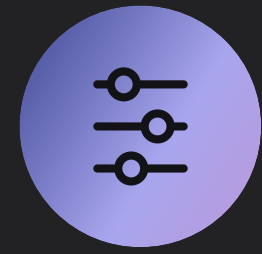


Compliance

Data Governance
(EKM)

- Data compliance (GDPR, HIPAA, SOC2, ISO, CCPA)
- Geographic data residency
- Encryption (BYOK / EKM)
- Advanced threat protection (ATP)
- Private Cloud (VPC)

Enterprise customers require:



Control

Enterprise Managed Identity (SAML & SCIM)



Visibility

Audit logs (SIEM)



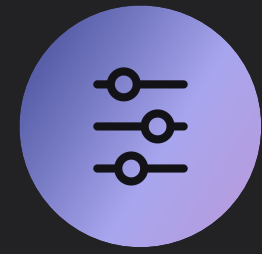
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Data Governance (EKM)



Automation

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Visibility

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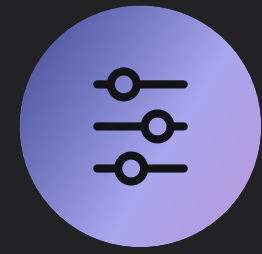


Automation

Integrations
(API)

- Enterprise customers need to integrate with other workflows
- API (with granular scopes)
- Webhooks (activity events)
- iPaaS (Zapier, Workato, Boomi, etc.)
- Secure gateway (Apigee, Kong, etc.)

Enterprise customers require:



Control

Enterprise Managed Identity (SAML & SCIM)



Visibility

Audit logs (SIEM)



Compliance

Data Governance (EKM)



Automation

Integrations (API)

Crossing the
It's never too
Enterprise Chasm
late to start
can take a while.

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 asana

 zendesk

 ATlassian

PagerDuty

zoom

 Airtable

Canva

 unity

 shopify

HubSpot

 INTERCOM

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 GitHub

 loom

 twilio

 DATADOG

 Notion

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monday.com

 miro

 Calendly

DocuSign

stripe

 Figma

 ChatGPT

 Vercel

 Linear

You

You can do it.

We can help.



Your app, Enterprise Ready.

 @grinich

 mg@workos.com