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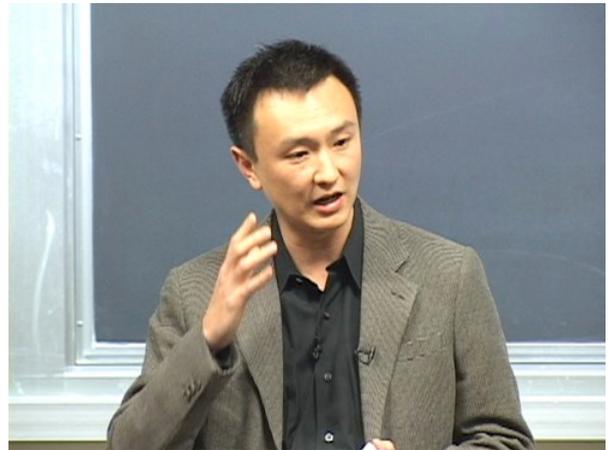
Free Trial Product Model

Tien Tzuo, *Salesforce.com*

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Video URL: <http://ecorner.stanford.edu/videos/1665/Free-Trial-Product-Model>

With increasingly demanding 21st century customers, Tzuo believes that it is important to provide them with a free trial of the product. This implies that one has to serve the customers even before they have committed, despite resistance from the sales representatives.



Transcript

One of the biggest sources of information that they can get is your product itself. One of the things that we went through is a trial. And so we talk about a little bit about awareness. We talk a little bit about evaluation. I want to talk about a free trial. And this is the big debate that we have. It was a short debate but it is a big debate. Now, in the 90's your company out there, you want to buy enterprise software, you want to try the product and I wanted to try Oracle, I want to try Siebel, I want to try PeopleSoft, I want to see how it works and you can't. You call a sales rep up and the sales rep won't give it to you. Alright, because in this world of restricted information access, companies really try to control how you perceive the products.

And so what they do what we've all done and what I'd see in the workout, we would train the sales reps to say if the company wants to try out your product we will use that as a point of resources bordering. If you wanted look at the product well let me set it up for you. Let me understand your requirements. Let me understand who do your decision makers are. Let me understand what kind of budget you have and then I'll bring my sales engineer here. We will create a scripted version of what the demonstration looks like and you have a good experience. That is actually what our sales rep wanted, we wanted to put a free trial on the website where people can kind of signed up, play with the product just like you can play with Yahoo. You do not have to sign, you do not have to call Amazon, and you just try shopping. We wanted to do that with our product and the sales reps usually resisted, the sales reps resisted because they were thinking if the customer really has access to the product why would they have to call me back and we kind of over rule them. We put it on the website and that's how we launch.

That was really the best thing we ever did. Alright because the guy people comfortable, it was an actual behavior. You knocking to buy a car state unseen, you going to hope test drive it get comfortable with it and that's really what we did. Even today, we deal with lot of other start ups under my companies. I really create these software applications put them on the Web and so on so forth and it is a struggle talking to them about having a free trial. We go there and say look you should really offer a free trial on your website and we heard the same amount of resistance that we went through about eight years ago. But we found it the single best thing that we did was to invert the relationship put the information out there including free and further access to our products so the people get it comfortable with it and try the product. That is the big, big change that we did as well.