Reducing Capacity & Lead Auditing Guide

For Partner Use Only

The purpose of this guide is to help partners understand the future of shared selling as well as assist partners in de-registering existing domains in their partner portal due to the upcoming capacity reductions in February 2022. Learn more about the new capacities here.

The Future of Shared Selling

Why HubSpot is Reducing Capacities [And more importantly, when]

We know that historically there have been many rejections, a lot of conflict, and a lack of alignment between partners and HubSpot reps when it comes to sales collaboration. Part of this has been a system issue and having a capacity system causes conflict. The current system governs how you sell with us and with high capacities comes low acceptance rates. By beginning to reduce capacities, we've been able to reverse the trend of low acceptance rates, however, while trending in the right direction, we need to make more progress. Reducing capacities is a short term fix to alleviate conflict while we continue to solve for the long term goal - a new deal registration model.

Additionally, capacities no longer align with what we value. While domain registration incentivized partners to refer new leads, the new deal registration model incentivizes partners to source leads, expand customers onto new hubs, and close customers. This new model aligns with HubSpot's vision of scaling with our partners.

Key Capacity Reduction Deadlines

February 1: New capacity changes go into effect | **April 1:** Deadline to avoid commissions withheld

The table below outlines the new limits by tier, and these new capacities will go into effect February 1, 2022. Partners who are over the new capacity limits on February 1 won't be able to register new domains or extend the registration on existing ones until they get under capacity. Partners will need to be at the new capacity limit by April 1, 2022.

	Capacity Limits Before February 1, 2022	February 1, 2022 Domain Capacity Limits
Elite	900	175
Diamond	325	75
Platinum	115	25
Gold	65	15
Untiered	25	10
Provider	25	10

A Frictionless Future: Deal Registration & Shared Selling

The new shared selling tools launched in September 2021, and after capacity reductions in 2022, we'll start piloting an approach to sunset domain registration entirely. It's critical to start de-registering domains and adopt the shared selling tool as soon as possible.

Why Deal Registration?

Clearer Path Forward

Deal registration gives you a path forward on deals, even if you're not the domain owner. If you attempt to register a deal on a lead that's already been claimed, a shared deal with the HubSpot lead owner will be created in your CRM automatically and you can collaborate on the deal together.

More Details on Deals

Shared deals centralize all the essential deal details into one place in your CRM, including who you're leading the collaborative deal with, the deal quote, and all communications, as well as your tier credit and commissions eligibility for the deal.

Process Transparency

When your deal team (the team working on the shared deal) is aligned, your prospect can feel it. Shared deals sync between CRMs to provide the latest insights into the deal status, which helps you create one unified sales experience for your prospect.

More Resources

Visit the Deal Registration webpage | Take the Academy Lesson | Learn More About Selling with HubSpot

With a mutual understanding for a vision of a frictionless future, the rest of this guide will provide both high level best practices and tactical tips to help you and your team get under capacity and avoid any commissions being withheld.

Your Ultimate Checklist for Reducing Registered Domains

Best Practices for reducing domains:

- De-register existing customers
- Remove any companies you no longer intend to sell HubSpot to
- De-register companies in regions you don't do business in
- Consider companies that don't fall in your Ideal Customer Profile (ICP)
- Use Lead Scoring to determine your best companies to target
- Implement an ABM Strategy to only focus on your Target Accounts
- Schedule time with your CAM to review and discuss the above

Tactical tips for reducing domains:

- Review your Default Partner Lists to determine registered leads with invalid data and remove them. Work with your CAM on this if you have questions.

- Use SEO Minion Chrome plug-in to find companies with broken URLs and remove those from your list.
    1. Install the plug-in
    2. Navigate to your Capacity Manager and click on the plug-in
    3. Review domains that are redirects or 404 errors
    4. Remove any domains with 404 errors. Double check the redirect links and update the domain(s) accordingly with the correct URL or de-register it.

Check out this Knowledge Base article on how to manually deregister your leads (including screenshots).

Who You Should Keep Registered

1. Companies in your Target Accounts or ICP
2. Companies that are actively communicating with you. Consider things like:
    - Have you had a discovery call?
    - Have you opened a Deal?
    - Are there any warm MQLs or SQLs associated with the domain?

   If you answered 'yes' to any of the above, then you should keep those domains registered.

Ready to dial in and target your ideal customer? Check out page four for tips on how to start defining your Ideal Customer Profile and how to implement an Account-Based Marketing strategy!

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Defining Your Ideal Customer Profile (ICP)

It's important to note that your Ideal Customer Profile is defined at the company level, not the individual level. This description should be the company that is the perfect fit for your solutions.

Characteristics could include things like:

- Industry/vertical
- Company size
- Geographic location
- Annual revenue
- Budget
- Tech stack
- Size of their customer base
- Organizational maturity

Not sure where to start? Determine who you're already successful with.

In your HubSpot account, create a few reports of Deals Won and break them down by different company characteristics. Here are a few example reports to get you started so you can see where you are having the most success. These reports will allow you to see the number of deals or amount of revenue won and will easily allow you to see if there are certain areas where you are winning more.

- Number of Deals Won by Industry
- Deal Amount by Industry
- Number of Deals Won by Company Size
- Deal Amount by Company Size

A few other important metrics to look at include shortest sales cycle, lowest customer acquisition cost, highest customer satisfaction rating, largest number of renewals, most up-sells and most referrals.

Learn more:

[How to Create an ICP] | [ICP and Buyer Personas: How are they different?] | [8 Easy Steps to Creating a Customer Profile]

Taking ICP to the Next Step with Account-Based Marketing (ABM)

Now that you've defined your ICP, you can take that a step further by defining your Target Accounts by implementing an ABM strategy. ABM is a focused growth strategy in which Marketing and Sales collaborate to acquire and delight high-value accounts.

How do you identify and pick your ideal set of target accounts?

Use the data that you gathered when defining your ICP, plus:

- Create a workflow that filters incoming qualified leads based on specific criteria (e.g. company size, industry, etc.) and tags them as an ideal customer type in your CRM.
- Ask, "If we could replicate one deal from last year, what would it be?" Then, use the characteristics of that deal (e.g. industry, company size, value) to help you identify other good-fit customers.
- Review major companies and leads who are using and engaging with your inbound content but don't have a deal attached (yet!).
- Identify the lighthouse accounts you could use for reference.
- Stick to no more than 10 accounts per sales rep.

Get started with the resources below:

[Getting Started with Account-Based Marketing (ABM)] | [Guide to Account-Based Marketing (ABM)]