

Product Management: Mastering Product-Lead growth

⚠ Product-Lead growth

- every team influences the product
- advantages:
 - better growth engine
 - lower CAC

⚠ 3 major changes that product should survive

- rising cost of acquiring customers
- customers prefer to self-educate
- product experience is key part of buying process

⚠ Sales-Lead approach

- relying on sales team to make a sale
- advantages:
 - can close high value customers
 - perfect for hyper-niche solutions
 - ideal for new categories

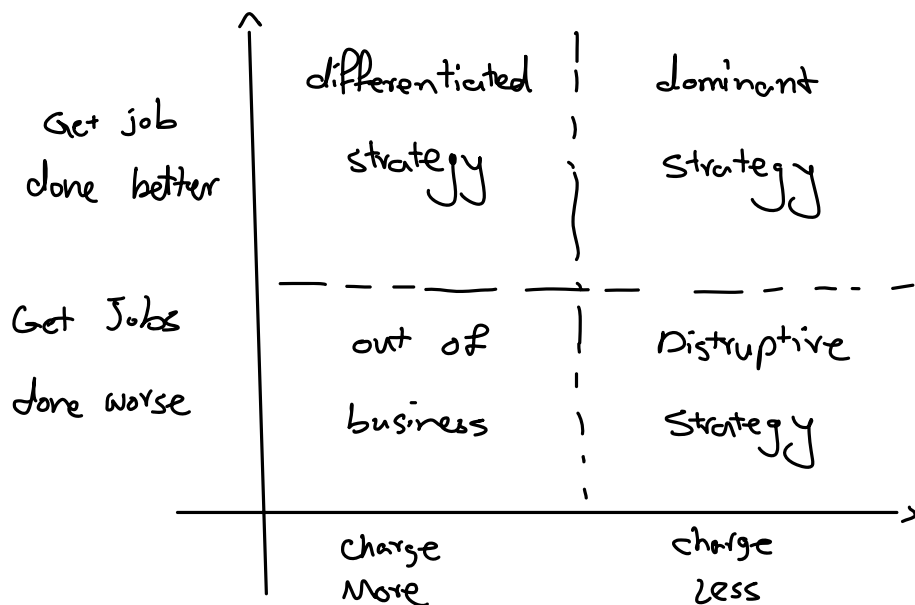
⚠ Free trial vs. Freemium

Free Trial	Freemium
Provides a partial / complete product	Provides access to parts of a product
free of charge	free of charge
limited time	without a time limit

⚠ A framework for picking your strategy

- step 1: consider your growth strategy
- step 2: consider your environment
- step 3: consider your sales strategy
- step 4: consider your time to value

⚠ growth strategy



⚠ Dominant Strategy

- ↳ do much better than the market
- ↳ charge less
- ↳ focus on a large total addressable market size

⚠ Differentiated Strategy

- ↳ used by startups competing with industry giants
- ↳ required to do a better job
- ↳ charge more

⚠ Disruptive Strategy

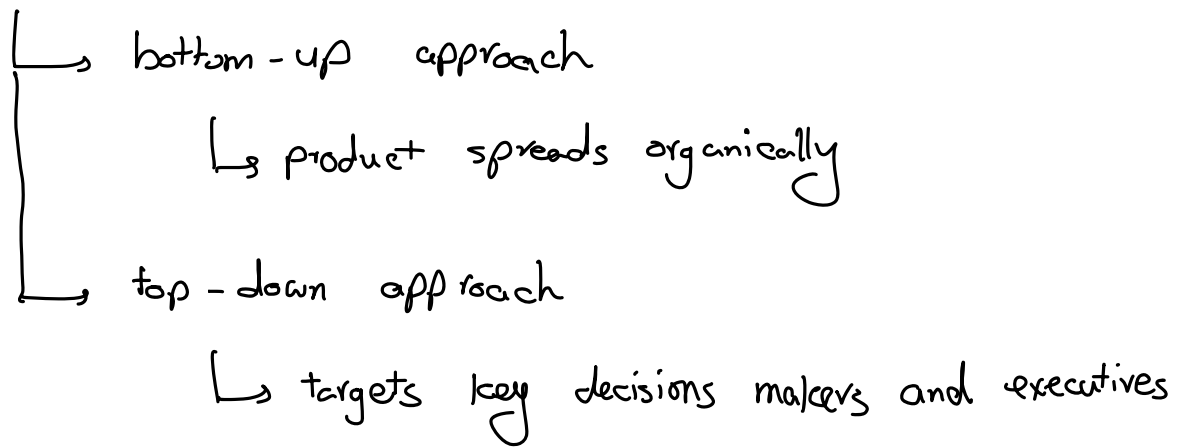
- ↳ required to charge less

⚠ Red Ocean ~ companies try to outperform rivals

Blue Ocean ~ operating in untapped market spaces

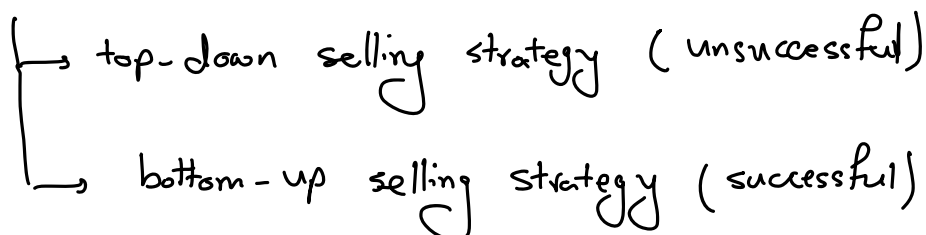
Red Ocean Strategy	Blue Ocean Strategy
Harvest Demand	Create Demand
Focus on competing in existing market	creating a new market space
Beat the competition	Make the competition irrelevant

⚠ Sales strategies



Top-down approach	bottom-up approach
<ul style="list-style-type: none">* Benefits<ul style="list-style-type: none">- higher ACV- can sell additional services- lower churn* Disadvantages<ul style="list-style-type: none">- poor revenue distribution- high CAC- long sales cycle	<ul style="list-style-type: none">* Benefits<ul style="list-style-type: none">- wider top of the funnel- lower CAC- predictable sales- revenue diversity- faster sales cycle* Disadvantages<ul style="list-style-type: none">- contract size is smaller- non-paying customers- shortage of expertise

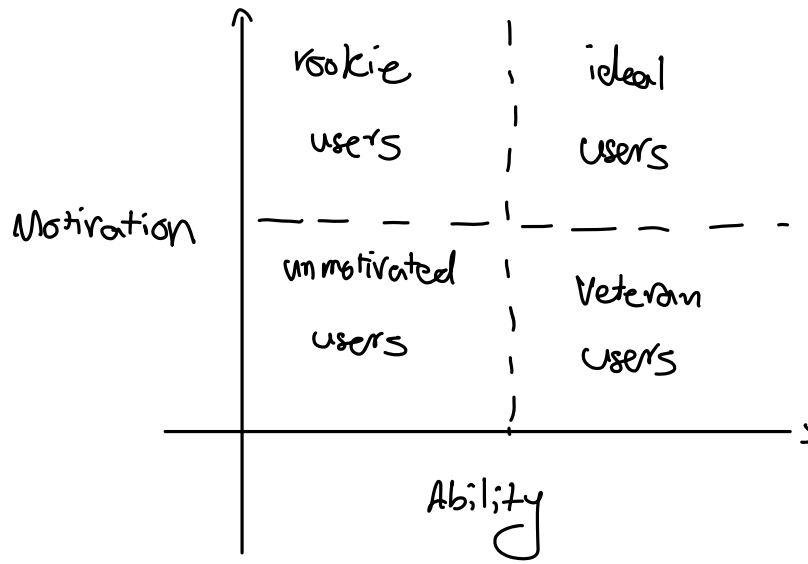
⚠ Freemium growth model



⚠ Free trial model

- ↳ top-down selling strategy (mixed results)
- ↳ bottom-up selling strategy (much more success)

⚠ type of users



⚠ 3 key onboarding milestones

- ↳ moment of value perception (MVP)
- ↳ moment of value realization (MVR)
- ↳ moment of value adaption (MVA)

⚠ How to pick value moment metrics

- ↳ find important actions
- ↳ see if retention changes as usage changes
- ↳ find ideal frequency of actions
- ↳ determine causation

⚠ How to determine your product price

- Best judgement
- cost plus pricing (cost + margin)
- competitor based pricing
- value based pricing

⚠ Best practices in presenting your pricing

- don't complicate your pricing page
- don't create a free plan with no incentive to upgrade
- don't create an incentive for paying customers to downgrade

⚠ Right outputs to track

- # of sign-ups
- # of upgrades
- average revenue per user (ARPU)
- customer churn
- Annual recurring revenue (ARR)
- Monthly recurring revenue (MRR)

⚠ How to design your onboarding journey

- understand users
- define metrics
- design onboarding journey
- engage users

⚠ 3 steps to optimize onboarding

- map-out onboarding path
 - documenting
 - streamlining
 - sequencing

⚠ How to increase user motivation

- amplify solution to users pain points
- show the user the progress
- welcome new users
- celebrate user wins

⚠ Good onboarding prompts

- omnichannel
 - ↳ should work across multiple channels
- Personalized & timely
- reinforce the value of the product

⚠ How to use prompts in onboarding process

- identify key milestones in your optimized onboarding process
- add behavior-based prompts
- create personalized onboarding journey

⚠ How to prioritize ideas - impact vs. effort

