

# Growth Hacking for Startups

*You'll Be AMAZED What Happens Next..*



# Hi, I'm Andy!

@andyy



stripe



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So what is this about  
"Growth" anyways?

# What do we mean by Growth?

- Typically growing your customer/user base
- *Not necessarily* growing revenue \$\$\$
- Growing whatever's most strategically important to you right now

# What do we mean by Growth?

Growing whatever's most strategically important to you right now:

## → We NEED to grow fast?

- ◆ We won't succeed unless we reach a certain size - e.g. consumer app:
  - Need to get as many users as possible, since one or more of:
  - Product utility increases with the size of the network (network effects)?
  - We can only ramp up advertising once we reach a certain size?
- We believe reaching a user acquisition milestone is a **harder thing to achieve** than monetising.



# What do we mean by Growth?

*Growing whatever's most strategically important to you right now:*

→ We WANT to grow faster?

- ◆ We're investing in growth as a choice of business strategy?
  - (high-risk, binary-outcome, investment-backed, vs. lower-risk, more tempered outcome, more easily self-sustaining or lifestyle business)
- ◆ Land-grab scenario?
  - We feel the pressure of competition; if we don't sign people up for our product then someone else will get there first.



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# What do we mean by Growth?

Growing whatever's most strategically important to you right now:

## → B2B SaaS example

- ◆ During growth stage we want to onboard customers and increase MRr
- ◆ BUT focus on new customers, rather than maximising revenues by upselling to existing customers

## → **MYTH: Growth hacking is all about B2C!**

# So WTF is this Growth Hacking thing?

..sounds like some kinda bullshit to me..





Let's talk about something REAL

facebook



Linked **in**



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# Growth Hacking..? Technical Marketing..?

Call it what you want, teams at high-growth companies are scaling to millions of users without major use of any traditional mass advertising/marketing approaches.



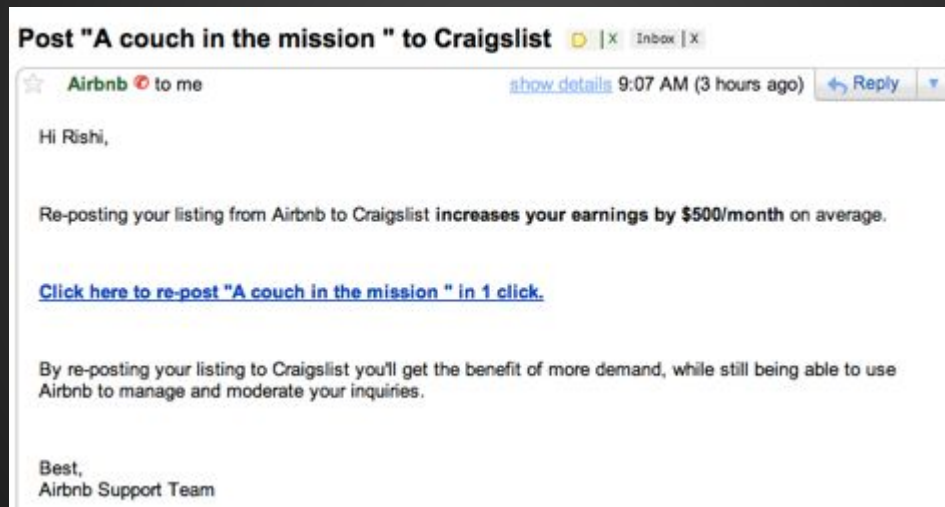
# The Growth Hacker's Toolbox

- SEO
- Content Marketing
- Performance Marketing (Paid search & display, retargeting)
- Conversion Optimisation (CRO) & A/B Testing
- User testing & UX
- Viral Loops
- Strategic Pricing
- ...

Some examples..

# Technical Hacks

## AirBnB built on top of Craigslist



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# Viral Hacks

Hotmail put

*“P.s. I love you. Get your free email at Hotmail.”*

in the footer of every email.



# Partnership Hacks

Uber partnered with Telcos to get their App promoted/installed on phones



# What Hacks are NOT





# What Hacks are NOT

There are loads of great tips and hacks out there

*Subscribe to 500's "[DISTROSNAACK](#)" newsletter!*

But following all these cool tips will not itself  
bring success.



# Things that WILL make a difference

Things with big impact:

- ★ *Top of funnel*

- How to reach HUGE new audiences in a cost-effective way

- ★ *Middle of funnel*

- Attracting and drawing people deeper into engaging with you

- ★ *Bottom of funnel*

- Close to the \$\$\$ - convert higher % and simply make more money



# Growth Hacking Truths

Growth Hacking is finding growth that is:

- Measurable
- Repeatable
- Scalable

*Sean Ellis: “Growth Hacking is experiment-driven marketing”*

**It's a mindset.**

# Growth Hacking the whole Funnel

## ★ Acquisition

- Awareness
- Interest
- Understanding of Value

## ★ Activation - “Wow moment”

- Onboarding / first-time user experience
- Trial
- First transaction / real value obtained

## ★ Retention

- Avoiding churn



# Stages of Growth

- **Pre-launch:** test proposition with customers; learn what you should build.
- **Beta:** fix your shitty product until people like it and stick around/give you €€€
- **Growth:** time to scale. So you got here by doing Things That Didn't Scale - awesome, now it's time to operationalise all that stuff while you explore and build out new acquisition channels.
- **Scale:** optimise, optimise, optimise; keep on top of changing channel effectiveness and emerging opportunities; start to compliment your growth hacking efforts with above-the-line marketing.



# Growth Mindset

- The world is constantly **changing** - channel efficiency/effectiveness etc
- Experimentation & **learnings**
- Build a **machine**
- Naturally **curious**
- Motivated by helping the **customer** achieve their goals

# Pillars of Growth

*What we focus on at the 500 Startups Distro Team..!*

- Understanding your customer need
- Communicating your key value proposition - *copy, messaging..*
- Reaching new customers where they are, building trust
- Growth engine - how are you going to grow? Eric Ries
- Understand your KPIs, metrics, levers and drivers - *Nail down LTV and optimise CAC, payback period and retention*
- Select and experiment with appropriate channels
- Focus on optimising the funnel, one area at a time

# Actionable Advice for early-stage Startups



# Everyone sucks at their first startup

"I have this great idea of a product that should exist, so I'm building it until I think it's good enough.

when it's ready, I'm going to start creating some buzz about it, and from there I guess.. we'll just add this marketing thing I've heard about? Buy some Google Ads and stuff.."



# DANGER!

Do not fall into these traps

# Figure Your Sh\*\* Out

- Figure out why you're doing this, who for, and why they will care.
  - ◆ How do you know you're on to something?
  - ◆ Do you have any idea at all how you're gonna get more customers?
  - ◆ 10,000 ft view - write it down, just a few sentences.
    - *If you're using too many words, it's a sure-fire guarantee you still need to figure things out.*
- **Test!**
  - ◆ Pre-launch: Smoke tests
  - ◆ Pre-launch does not mean No Users



# Takeaways

# Takeaways

- Product/market fit
- Metrics
  - ◆ Understand your key driver, avoid vanity metrics
  - ◆ At any given time, focus on your one metric you want to grow this week/month
- Prioritise your backlog; work on the stuff that matters!
- Execute on your experiments, ensure you're learning via A/B tests and gradual rollouts.

# Takeaways

- Build a great team
- Build a clear mutual vision
- Have fun together

Do all the above, and you'll succeed!

- Your goal is either to **prove that it works by succeeding**, or **prove it's not going to work as you hoped**, at which point start over or pivot.
- Achieve one of these outcomes before you run out of money!

## Takeaways #2

### → It's a process and a discipline

◆ *You need to get really good at this sh\*\**

### → Your most precious resource is time

◆ *Your biggest mistake would be not spending your time on stuff that has the best chance to make the biggest difference.*

## Takeaways #3

→ **Talk to your customers!**



# Further References..

## Further references..

- [Startup 10,000ft view worksheet](#)
- Bryan Balfour: [The Scientific Method: How to Design & Track Viral Growth Experiments](#)
- Dave McClure's [Startup Metrics for Pirates](#)
- Eric Ries's [Three Engines of Growth](#)
- My deck on [Analytics for Startups](#)
- 500 Startups Accelerator Marketing Hell Week [videos, templates & goodness](#)
- [DISTROSNAK: daily growth hacks](#)



Good luck!