

Growth Hacking





Focus your business on growing value for customers

Apply scientific methods to reach and retain customers

Foster a culture of growth in your organization

Anuj Adhiya

Growth executive and mentor

Growth Hacking





Growth Hacking

by Anuj Adhiya



Growth Hacking For Dummies®

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Introduction

elcome to Growth Hacking For Dummies!

First, a little bit of history. The concept of growth hacking became popular toward the middle of the 2010's, and its ideas have been used by some of the world's fastest-growing companies to unlock breakout growth. You might already have heard about growth hacking and how it has contributed to the growth of the fastest-growing start-ups over the past decade. You may even have read about how growth hacking has transformed the marketing field as well as how products are developed. What you may still be unclear about is what this growth hacking concept really is.

Growth hacking has always existed, but before the phrase was coined by Sean Ellis, no one had a well-defined way to describe the process — a process, mind you, that was already being practiced with great success in areas of innovation like Silicon Valley. I was lucky enough to find Sean, and then work directly with him, as the popularity of the concept began to explode and helped cement its status as a concept that start-ups cannot ignore if they are to raise the odds of unlocking breakout growth. Start-ups aiming to replicate the success of bigger companies are looking to understand what these successful companies did differently that helped change the trajectory of their growth.

Over the past five years, having been part of (and leading) growth teams and mentoring start-ups on implementing growth hacking methodologies, I found that there was a need to write a digestible guide that someone like me — who previously had no background with start-ups, growth, marketing, or product development — could understand and use.

Growth hacking has now taken its place among other buzzwords among those familiar with the start-up and tech space. In this book, I clear up some of the biggest misunderstandings on what growth hacking is and, most importantly, what it is not. The information in this book will give you the confidence to be successful using the growth hacking methodology. Even if you're familiar with the core concepts of growth hacking, this book may still introduce you to a different way of looking at growth, marketing, and product concepts and may also provide you with some tips on how best to explain to others exactly what growth hacking is.

About This Book

This is a book about clarifying growth hacking's intent. The entire point of the practice is to grow the value you deliver to your customers. You do that by implementing a cross-functional process of testing and learning that involves key stakeholders companywide. This book is as much about the process as it is about the people you call on to execute it and the kind of culture a company needs if this methodology is to take root and bear fruit. This is also a book about how important it is to align your goals with those of your customers and develop empathy for their needs and motivations if you're going to truly find a path to sustainable growth.

When I can, I include real-world examples from my experiences and conversations with other growth professionals.

Whether you're a founder, an executive, or a marketing/growth/product professional, you'll find something worth reading in *Growth Hacking For Dummies*.

Foolish Assumptions

To get the most from this book, I assume that you

- >> Have worked for, are working for, or want to be working for a company that is moved beyond product-market fit. You shouldn't be growing something that you haven't validated a need for.
- Are willing to let data help you make decisions about how you identify your best growth opportunities.
- Are willing to try something different from what you have done in the past or from what other companies are doing.
- Are comfortable reading about strategy, process, teams, and data.
- Have (or will be able to have) access to data or at least want to collect and analyze data.
- >> Are looking, of course, for an accessible source that keeps it as simple as possible and provides practical advice about how to get started in the real world, as opposed to what you might find in the content deluge you encounter every day.

Icons Used in This Book

Throughout this book, you'll see these little graphical icons to identify useful paragraphs:



The Tip icon marks tips and shortcuts that you can take to make a specific task easier.

TIP



The Remember icon marks the information that's especially important to know. To siphon off the most important information in each chapter, just skim these paragraphs.



The Technical Stuff icon marks information of a highly technical nature that you can safely skip over without harm.





The Warning icon tells you to watch out! It marks important information that may save you headaches. *Warning*: Don't skip over these warnings!

How This Book Is Organized

The book is arranged into four self-contained parts, each composed of several self-contained chapters. By *self-contained*, I mean that I do my best to tell you everything you need to know about a single topic inside each chapter, other than when I have to reference other parts of the book to connect parts that are legitimately linked.

Here's an overview:

Part 1: Getting Started with Growth Hacking

These early chapters serve as a primer on growth hacking. In this part, you learn to walk before you run, but what you find here lays the foundation for all that comes later. You'll see my definition of growth hacking (and what it is not) and find an introduction to its important concepts, applications, and options. You'll also gain an understanding of the most important skills needed to build a growth team and have it succeed.

Part 2: Seeing Where Growth Opportunities Come From

Many people think of growth hacking as something that is complex or different from what they know. In the beginning of Part 2, you get to see how identifying a customer journey helps you identify potential growth opportunities and lets you see what you can hope to learn from interactions at every step of this journey.

If you read all of Part 2, you'll have examined the different opportunities to provide and enhance value to your customers that you can then double-down on with confidence — versus just going with your gut.

Part 3: Applying the Growth Hacking Process

In this part, I dive deep into the growth hacking methodology. The key ideas you'll walk away with are the importance of a North Star Metric (NSM), building a growth model, and using the growth model to set objectives that you can run tests around. You'll read about how to establish and manage a growth process that allows you to learn rapidly where the biggest signal for growth may be coming from. And though implementing a growth process is a great start, getting companywide adoption of the growth mindset is how you truly lay the foundation for unlocking growth, which you'll also learn how to do.

Part 4: The Part of Tens

If you have ever read another book in the *For Dummies* series, this part of the book is like seeing an old friend again — the friend might be wearing a different outfit, but you will recognize the person right away. The Part of Tens is a collection of interesting growth hacking insights, advice, and warnings broken out into ten easy-to-digest chunks. This part offers ten benefits, ten things to watch for, and the like. These chapters crystalize some concepts you get a chance to read about in the rest of the book, or a way to dig right in to the concepts that matter if you haven't.

Beyond the Book

Although this book broadly covers the growth hacking methodology and process, I can cover only so much in a set number of pages! If you find yourself at the end of this book and thinking, "This was an amazing book — where can I learn more

about growth hacking?" check out Chapter 14 or head over to www.dummies.com for more resources.

Cheat Sheet: If you're looking for the traditional For Dummies Cheat Sheet, visit www.dummies.com and type **Growth Hacking For Dummies Cheat Sheet** in the Search box.

Growth hacking is a vast domain where you're continually challenged to learn something new, given how fast things change. Unfortunately, one book cannot do justice to all these topics, but, fortunately, that's why you can find more than one book in this world (and people to help write them).

Aside from an introduction to a topic you may not have known much about before, what I aim to do in this book is cover that area of knowledge necessary for a successful application of growth hacking not already covered by other books. I provide a unique (if not sometimes strange) point of view about what *really* matters, honed over many years of practical experiences in the field. What I have to say isn't often what people thought they would find, and I stand by what I think is important enough to share in this format. If you're looking to obtain more depth in a specific technical domain, you can turn to plenty of resources in order to go deeper — not the least of which are other *For Dummies* books.

Other For Dummies Books

You can use a number of related books to drill down into topics I could only briefly touch on in this book — for example, Data Driven Marketing For Dummies, by David Semmelroth; Digital Marketing All-in-One For Dummies, by Stephanie Diamond; Marketing For Dummies, 5th Edition, by Jeanette McMurtry; Writing Copy For Dummies, by Jonathan Kranz; Web Analytics For Dummies, by Pedro Sostre and Jennifer LeClaire; SEO For Dummies, 7th Edition, by Peter Kent; Advertising For Dummies, 2nd Edition, by Gary Dahl; AdWords For Dummies, by Howie Jacobson, Affiliate Marketing For Dummies, by Ted Sudol and Paul Mladjenovic; Content Marketing For Dummies, by Susan Gunelius; Customer Experience For Dummies, by Roy Barnes and Bob Kelleher; E-Mail Marketing For Dummies, 2nd Edition, by John Arnold; Facebook Marketing All-in-One For Dummies, 3rd Edition, by Andrea Vahl, John Haydon, and Jan Zimmerman); Social Media Marketing For Dummies, 4th Edition, by Shiv Singh and Stephanie Diamond; Inbound Marketing For Dummies, by Scott Anderson Miller; Lead Generation For Dummies, by Dayna Rothman; Mobile Marketing For Dummies, by Michael Becker and John Arnold; New Product Development For Dummies, by Robin Karol, Beebe Nelson, and Geoffrey Nicholson); Public Relations For Dummies, 2nd Edition, by Eric Yaverbaum, Ilise Benun, Richard Kirshenbaum; and Selling For Dummies, 4th Edition,

by Tom Hopkins — all published by Wiley. Any and all of these books can produce valuable knowledge, skills, and abilities that can be used to become a more effective growth professional and leader.

Where to Go from Here

You don't need to read this book from cover to cover. You can, if that strategy appeals to you, but it's set up as a reference guide, so you can jump in wherever you need to. Looking for something in particular? Take a peek at the table of contents or index, find the section you need, and then flip to the page to resolve your problem.

Getting Started with Growth Hacking

IN THIS PART . . .

Seeing what growth hacking is all about

Developing your growth hacking skills

Building a growth team from the ground up

- » The goals of growth hacking
- » The basic process
- Separating growth hacking from other practices
- » Sorting through controversies, misunderstandings, assumptions, and falsehoods

Chapter $oldsymbol{1}$

Defining Growth Hacking

ooked at one way, this book is years too late, and yet, from lots of other perspectives, this book is right on time. Growth hacking as a concept became highly popular around 2013 and became, for the next few years, the hot new thing everyone was talking about. So, from that perspective, publishing this book in 2020 would appear to be unnecessary because so much discussion on the topic has happened since then and people have already had a chance to learn more about it. The problem I've noticed is that, outside of a relatively small percentage of true practitioners, no one really seemed to articulate the growth hacking concept correctly. Many people applied an interpretation I thought to be unrepresentative of the ethos of the phrase — an ethos I had learned directly from the person who coined *growth hacking* in the first place. And, as with all things that become popular and aren't understood well, people started applying the growth hacking label to things it shouldn't be associated with.

Around 2017, I thought that this would pass because the field was still getting off the ground, but years later I find that there's still a massive lack of clarity when it comes to this topic. This lack of understanding intensifies as you move geographically farther away from centers of innovation like Silicon Valley — and even there, it feels like it isn't understood 100 percent of the time. I have a hypothesis for why that may be the case.

Relatively speaking, the number of people who have actual experience with growth hacking is rather small worldwide. This is simply a function of the high failure rate of start-ups. If you concede that 90 percent of start-ups fail, then simply having the opportunity to grow any start-up is relatively small. This means that the number of people who have had the opportunity to apply the growth hacking methodology successfully is also small.

In my experience, not everyone who's achieved this success ends up wanting to blog about it or talk about it, either at all or with any regularity. I got a sense of this when I worked to recruit growth professionals for the weekly AMA (Ask Me Anything) sessions on GrowthHackers.com. Often, I had on subject matter experts (SMEs) who were not well known or who didn't write and speak as often on the topic.

Unfortunately, such a situation presents an ideal opportunity for those who have not been in environments where growth hacking was practiced as intended to present themselves as "experts" and then offer takes that put forward something that merely approximates growth hacking or, worse, bastardizes the concept to the point where any association with growth hacking starts to have a negative connotation.

This book is my attempt to help people who are just like my former self — in other words, people who have no firsthand experience with growth hacking but finds themselves reading about it all the time. It's also for those who have taken their first steps into the field but don't yet understand it fully because what's out there hasn't been presented in a systematic, easy-to-understand way.

Defining Growth Hacking Goals

In relative terms, growth hacking as a concept is quite new. Sean Ellis coined it in 2010 in his seminal "Find a Growth Hacker for Your Start-up" blog post. (See Figure 1-1.) The concept gained popularity mostly among Silicon Valley practitioners until early 2012, when Andrew Chen wrote his "Growth Hacker is the new VP of Marketing" post (https://andrewchen.co/how-to-be-a-growth-hacker-an-airbnbcraigslist-case-study), when the phrase truly entered mainstream consciousness.

This is not to say that growth hacking was not a thing before Sean coined the phrase. It's just that no one had come up with a way to describe it well.



FIGURE 1-1: The blog post that started it all.

Sean defined a *growth hacker* as "a person whose true north is growth. Everything they do is scrutinized by its potential impact on scalable growth." After your company has found product-market fit (a measure of the degree to which a product satisfies a strong market demand), you need to find a way to grow quickly. (I'll talk about product-market fit more in the next section.) The explicit role of the person who would spearhead these growth efforts would be to, as Sean also talks about in this post, "[find] scalable, repeatable and sustainable ways to grow the business." Some concepts were implicit in the words he used in this last statement that have been clarified in various contexts over time but are worth summarizing here:

- >> Growth had to be sustainable. You cannot build a sustainable business if it's one that doesn't continue to deliver value over time. Unfortunately, we don't live in a world where people give us money for nothing on an ongoing basis. So, we must provide value. And, given that this is a business and all businesses must grow, it follows that the value we deliver must also grow over time.
- >> Sustainability is a function of scalable and repeatable activities. When something is repeatable, it's a process. When an activity or a process is scalable, it means that it can adapt to larger demands whether that's more users or some other business need leading to greater stability and competitiveness, which in turn helps growth be sustainable. This also tells us that it will never be just one thing that does the trick it will always be a combination of many elements working together, each playing its part and leading the way to explosive growth.

>> These scalable and repeatable ways to build a sustainable business would have to be found. By definition, there are no silver bullets. Every business is different. Every context and every audience has its own variables. What works in one instance isn't guaranteed to work in another. You will have to put in the hard work of seeing what works (and doesn't work) for you. The only way to find what works is to just try things out and see what happens. It also follows that, to see what works, those things must be testable and measurable to understand their impact. The more things you try and the faster you try them, the quicker you'll learn about what truly delivers value to your customers.



It's never a situation where you're just trying things randomly. You take advantage of what you already know about your customers to inform hypotheses about what might work across the entire customer journey.

To bring this back down to earth, the goal of growth hacking is to be continually and rapidly testing, across the customer journey, to learn about activities that can be systemized as processes to grow the value that a business provides its customers. It is as simple and as complicated as that. Any definition that doesn't at least cover all these key aspects is talking about something else — not growth hacking.

This book is dedicated to giving you a framework for thinking about how to find these scalable, repeatable, and sustainable ways to grow your business.

Working through the Basics

Before you think about growing anything, you must have a product that is growable. In other words, you must have validated the need for your product first (popularly known as *product-market fit*). You have no business (literally and figuratively) growing something that you have not confirmed, through testing and learning, that it's something people want.



Sean Ellis has created a survey to help you qualitatively ascertain how close to product-market fit you might be. You can find it at https://pmfsurvey.com.

TIP

Even before you get to product-market fit, you must know — or at least have a hypothesis for — the value your product provides. This starting point for all growth hacking activities serves as the first part of the growth hacking process. Figure 1-2 shows the process in graphic form, but it can be summarized as follows: