# Go-to-Market (GTM)

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# Agenda

- What
  - Product, Value Prop, Pricing
- Who
  - Customer Segments, ICP, Customer Journey
- How
  - Marketing, Sales

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# Shifting the Narrative from Investor to CUSTOMER

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# Go-to-Market Planning

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# What, How and Who

- What – the product or offering you have to sell TODAY
  - Problem to be solved
  - Pain pill vs vitamin
- Who – the market, but more specifically the customer, starting with smallest customer segment and ICP
- How – the channels

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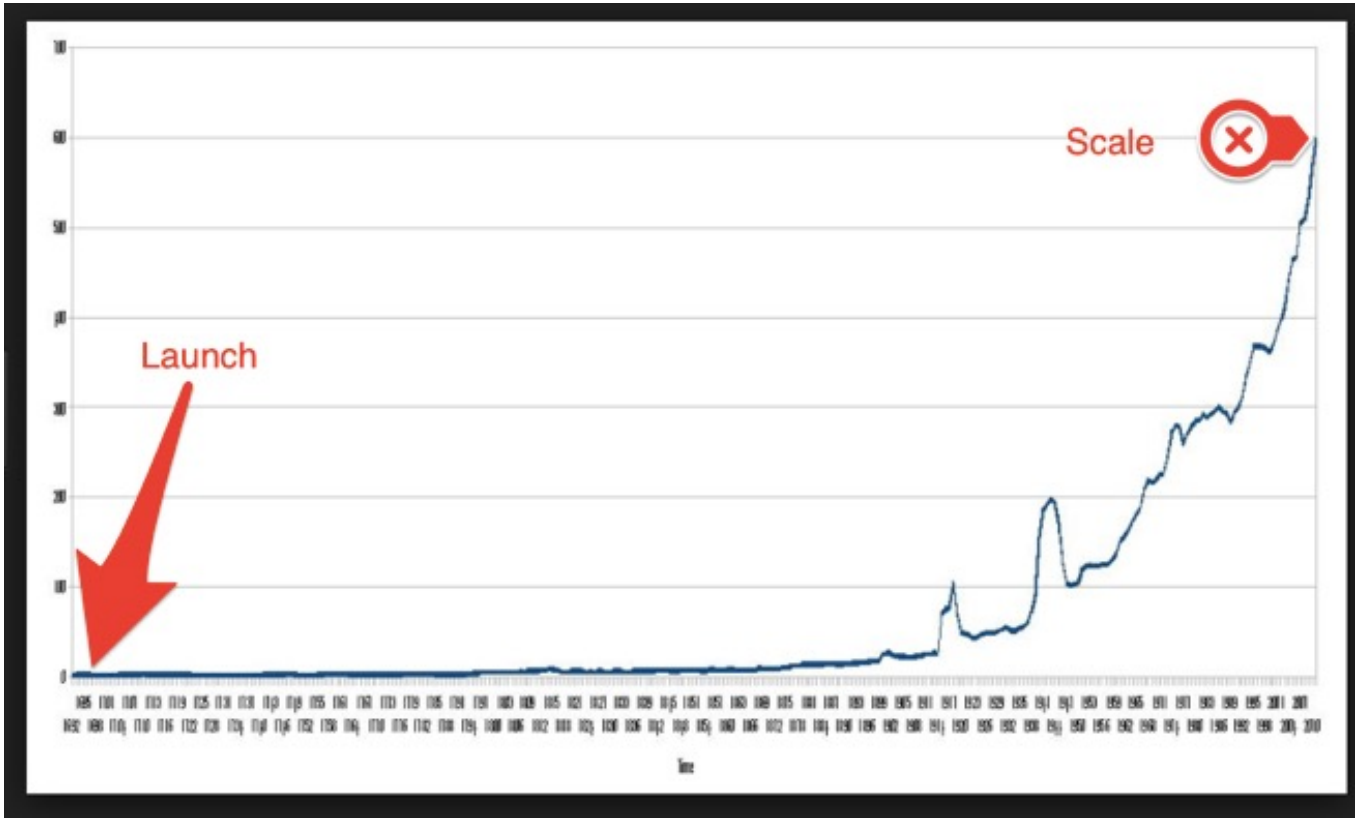
# Launch & Survive

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# Go-to-Market

- Catch-22
  - You need to invest in growth – but before product market fit, you can be bailing water with a leaky bucket!
- Customer Development Interviews
- Customer Segmentation testing
  - Looking for the least friction customer to use the product you have today (not tomorrow)
- Marketing and Sales Effort

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# What

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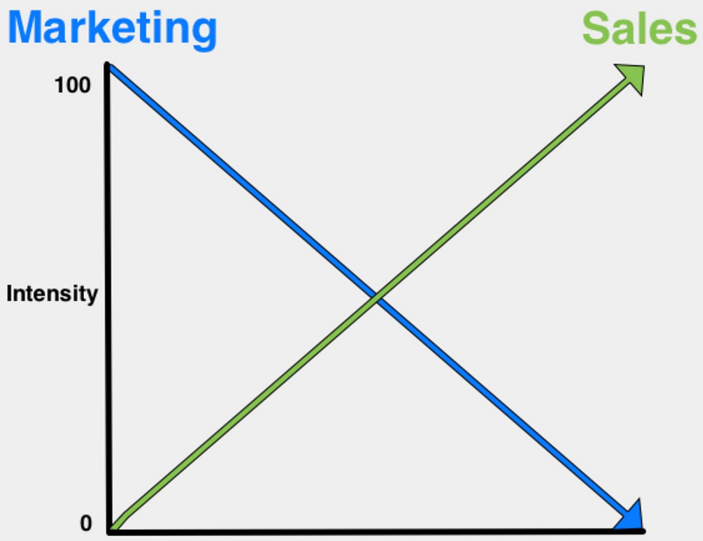

| | | |
|---|---|---|
| Cheap | Price | Expensive |
| Many Customers | Market Size | Few Customers |
| Simple | Complexity | Complex |
| High | Fit | Low |
| B2C | Customer | B2B |
| Single Transaction | Relationship | Long Lifetime |
| Low | Touch | High |

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https://review.firstround.com/

# Value Proposition

- If your value proposition is wrong 100% of your marketing spend will be wasted!
- Value Proposition
  - Make the customer first
  - Key assumptions that underlie the customer problem/solution/need
  - Iterative process – with customer feedback
- What is your latest value proposition

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# Pricing

- What is your test pricing
- What are the tiers
- What are the terms
  - Monthly, annually, multi-year

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# Review Value Propositions & Pricing

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# Who

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# Who do we sell to?

- Geography, language, currency?
- Size of company?
- What do they spend today?
- Target buyer w/in company (B2B)
- Target buyer demographic (B2C)
- What else are they buying

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# Customer Development Interviews

- Mike Fishbein – ultimate customer development questions
- Google form to capture the data
  - Include emails and opt in for future email updates
- Get 5 done to test your questions
- Do 20 a month, capture the data
  - This will take years off your launch
  - It comes before product building

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# Customer Segmentation

- Based on the interviews:
  - Prioritize your target customer segment to a niche to start
  - Test the niche
  - Expand after early traction/or move on if no traction

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# Customer Persona (ICP)

- Who is your ideal customer profile?
- Who receives the most value?
- That can buy your product today – or the earliest option?
- Your ICP will change as the product grows
- First 10
- Next 100
- Scaling to 1,000 customers

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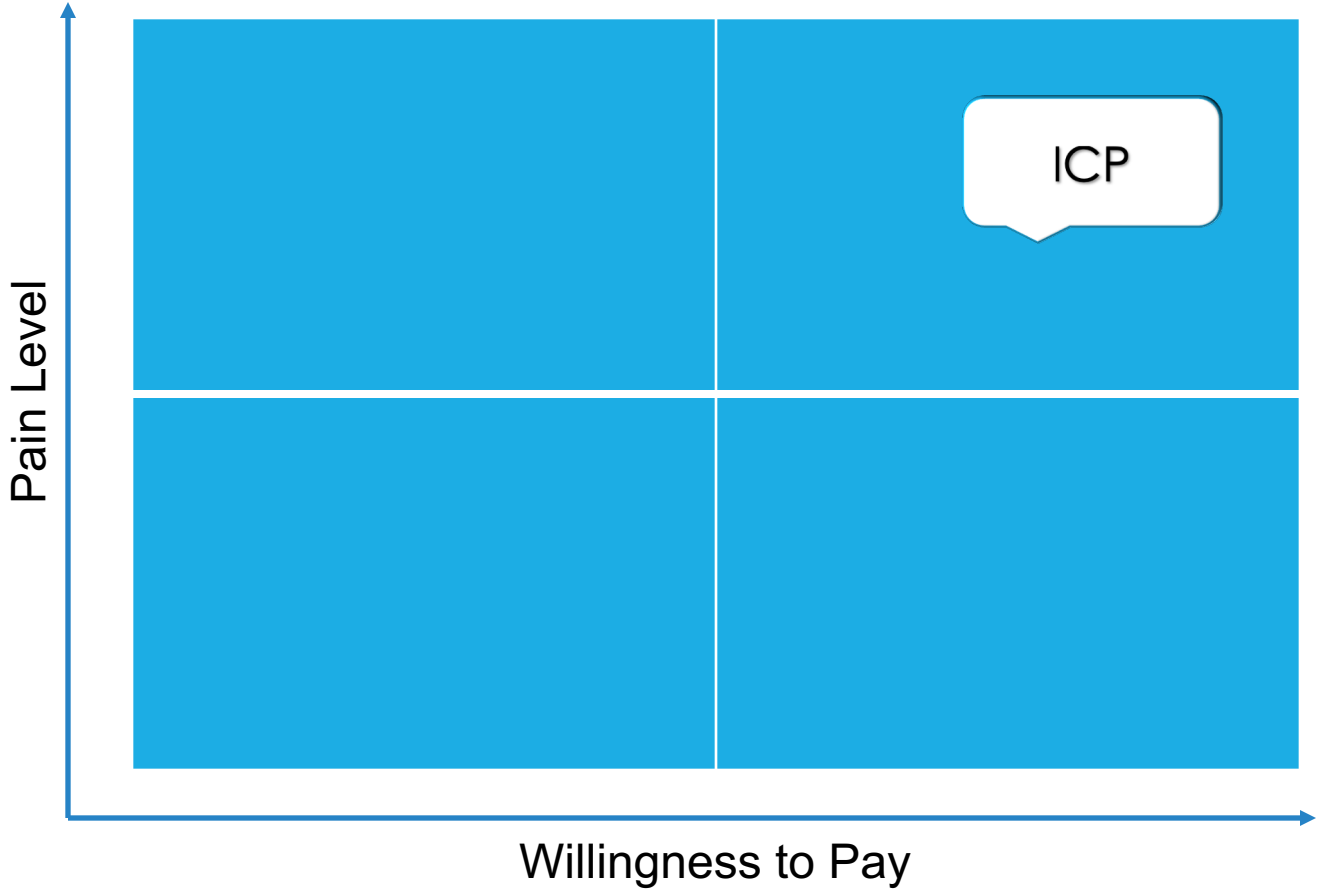
# Positioning Priority

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# Customer Journey

- What is your customer using to complete this job today
- What tools and tech have the likely purchased
- Where does your product fit into their current workflow
  - What happens before they use your product
  - What happens after they use your product
  - What are they replacing with your product
- Mapping from simple to complex

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# B2B Customer Journey Mapping

| | Discovery | Research | Purchase | Delivery | Post Sales |
|---|---|---|---|---|---|
| Task or Questions | | | | | |
| Touchpoints | | | | | |
| Emotions | | | | | |
| Influences | | | | | |
| Weaknesses | | | | | |

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# Y Axis Customer Journey

- Tasks/Questions
  - Key phrases in Google search bar. Pull from competitive research spreadsheet
- Touchpoints
  - Ads, content, Emails, calls,
- Emotions
  - Need they are addressing
- Influences
  - Social proof to purchase your product
- Weaknesses
  - You need to know it better than your customer.

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# X Axis Customer Journey

- Discovery
  - Key phrases, competitor brands
- Research
  - White papers, customer references, comparisons
- Purchase
  - Price, terms, proposal, regulatory approval
- Delivery
  - Implementation requirements, training, team engagement
- Post Sales
  - Customer engagement, frequency, recency, feedback loops

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# Review Customer Segments

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# Break

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# How – Marketing & Sales

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# Infrastructure

- Website with tracking and tools
- Apple/Google App store
- Call to Action (CTA)
  - Clear, compelling from customer perspective
  - Every page
  - Pricing to take action – you can change it
  - Webforms
  - Email alias – routed to multiple people
  - Chats

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# Tools

- Google Analytics, Google Tag Manager, Data Studio
  - All designed to separate you from your $$
- Hubspot CRM + webforms, calendar invites, email marketing. A lot of chances to upgrade to other features
  - Free first, then 90% off with Flat6
- URL tracking – Bit.ly or Rebrandly
- A/B testing – LaunchRock and CrazyEgg

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# Channels

Outline all customer acquisition channels for your product:

## Scalable

- Virality/Network Effects/ Word of Mouth
- SEO/Content Marketing
- Paid Advertising
- Sales/List Acquisition
- BD/Partnerships

## Not Scalable

- Community Marketing
- Email Marketing
- Social
- Engineering (calculators, plug-ins)
- PR/Media (podcasts)
- Tradeshows

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# Scalable Channels

- Virality/Network Effects/ Word of Mouth – how will your track referrals?
- SEO/Content Marketing – these are long tail activities that will build overtime, but you should start working on them
- Paid Advertising – Google, Instagram, others. Headlines, value propositions and landing pages to track conversion
- Sales/List Acquisition – where can you buy lists of potential customers or screen scrape them
- BD/Partnerships – who has the customer you want today. What's in it for them to partner with you?

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# Non-Scalable

- Community Marketing – frequency is hard to scale, but could be early beta users
- Email Marketing – blind lists won't perform and could get you blacklisted.
- Social – you need to keep growing a quality audience
- Engineering (calculators, plug-ins)- conflicts with product build time
- PR/Media (podcasts) – worthwhile but episodic
- Tradeshows – expensive and time consuming

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# What Channel is Best for You?

- Come with a hypothesis
  - Spending $1000 in this channel should get me 50 qualified leads or CPL of $20.
- NEVER test w/o a thesis (Google always wins)
- Focus on scalability
- Test, test, test
- Strong opinion, lightly held, informed by data

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# Budget to Invest

- Prioritize the channels
- Create a monthly budget – say $1,000/month
  - A/B test the channel spend
  - Never >80% in one channel, always be testing
- Not all lead are created equal, so will be more expensive but may close faster

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# Doubling Down

- You now have traffic and leads – but not likely customers
- Who's following up on the leads
- What's your time to close hypothesis (it will be wrong)
- Keep building momentum! Don't let up on the gas

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# Unit Economics to Track

- Web traffic
- Cost per lead (CPL)
- Customer acquisition cost (CAC)
- Time to close
- Conversion metrics between lead types (MQL, SQL)
- Lifetime Value = 12 months until you have real data
- LTV:CAC ratio

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# Do the Math

- Trade show example:
  - Booth cost
  - Travel cost
  - Giveaways, marketing materials
  - Time for team (including you!*)
- $ spent $5,000
- Total leads at event 10
- Cost per lead (CPL) of $500
- Closing ratio 2 of 10
- CAC ,$2,500

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# *Why tracking your time matters

- If you weren't at the event you'd have to hire a person to be there. You need to plan on that budget as an expense. Your time isn't free!
- Take the percentage of your time spent in GTM efforts

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# Sales

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# Sales is Activity Driven

- Responding to inbound leads
- List purchases
- Outbound outreach
  - Emails
  - Calls
- Track total sales leads per month and source

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# Sales Motion

- You're sales person #1
- Master the sales script the can be replicated
- Build a sales process and cadence, e.g.
  - Sales call, demo, white paper, proposal
  - Designed to get to next step
- Close with "Recommend", you're the expert, ask for the order
- Don't stand in the way of scalable sales – you're not required to close every deal

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# First Sales Hires

- Hire doers – that have been trained
- Don't hire before the product is ready to sell
  - They will move into "strategy mode" and not want to go sell
- Transactional sales process or educational sales process?
  - Price/availability
  - Educational – takes time to mature – see customer journey map
- Salespeople are good at selling themselves, and occasionally good at selling your product

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# Sales Compensation

- General compensation philosophy
  - "below market with upside in commission/bonus"
- Incentivize activities early only, results as you know product/market fit
- Comp plan should have goals/quota that can be adjusted as the product is easier to sell
  - Quota is always "wrong" but is easier to change than the comp plan
- 6 Rules for Startup Sales Comp blog post

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# Tools

- Hubspot Free for CRM
- Track contacts, documents, white papers, proposals
- Set reminders, tasks and calendar invites

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# Workshop

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# Write out your sales script

- Hi, I'm Name, from Company Name, our company provide a product helps companies like Name/Yours value proposition (make money/save money, get to market faster, increase recruiting). Most of our clients see the biggest benefit from _____ to _____. What do you use today for that function?
- End with a question, start engagement

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# Summary

- What
  - Product description, Value Prop tests, Pricing to post on the site.
- Who
  - Customer Segments, ICP, Customer Journey draft completed
- How
  - Marketing channels to test before doubling down. Sales script, sales process outlined

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