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Growth Hacking Model for B2B SaaS Startups: Liquid Case

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Abstract

The following project introduces a model of Growth Hacking strategies for business-to-business Software-as-a-Service startups that was developed in collaboration with and applied to a Portuguese startup called Liquid. The work addresses digital marketing channels such as content marketing, email marketing, social marketing and selling. Further, the company's product, pricing strategy, partnerships and website communication are examined. Applying best case practices, competitor benchmarks and interview insights from numerous industry influencers and experts, areas for improvement are deduced and procedures for each of those channels recommended.

Keywords: Liquid Data Intelligence, growth hacking, digital marketing, framework development, mobile marketing automation, startup.

Abbreviations:

SaaS – Software as a Service

B2B – Business to Business

B2C – Business to Consumer

CEO – Chief Executive Officer

CTO – Chief Technology Officer

GH – Growth Hacking

MMA – Mobile Marketing Automation

USP – Unique selling proposition

API – Application Programming Interface

SDK – Software Development Kit

ROI – Return on investment

SEO – Search Engine Optimization

PMF – Product-Market Fit

CMO – Chief Marketing Officer

MAU – Monthly Active User

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1. Introduction

The project paper at hand research work examines a series Growth Hacking strategies and models that enable B2B SaaS startups to build a sustainable growth model in the early stages. The scope of the project includes the analysis of commonly applied methods, best-case practices and expert opinions. In order to obtain a detailed portrayal of proven tactics and methods, numerous growth specialists and company leaders have been approached, and as a result 13 professionals have been interviewed with reference to particular matters (refer to Appendix 1 for the interview summary). Subsequently, a framework that assists startups in the prioritization and evaluation of respective tasks is being introduced, incorporating decisive strategies.

The project has been developed within a Direct Research Internship in collaboration with Liquid Data Intelligence, an innovative mobile marketing automation platform. The work incorporates the analysis of the company's current state and competitive environment. Thus, all presented recommendations are adapted towards its requirements and competences.

The central aim of this study will examine the question on how to establish a sustainable growth strategy for a B2B SaaS startup. The project further divides this into sub-questions on how it should build core product value for users, reduce attrition for them to reach that value and foster certain behavior in them. Correspondingly, all approaches are developed by the means of Liquid.

2. Growth Hacking

2.1 Growth Hacking Definition

In order to enhance the growth of their products, oftentimes companies need to come up with creative ways of finding traction channels to grow their business. Especially early-stage startups usually neither have financial nor human resources allocated for marketing, they need to find cost-effective ways to attract their first customers, establish strategies that constantly drive traction and keep the user engaged. Instead of leveraging traditional sales and marketing channels such as commercials, press relations, cold calling and trying to raise brand awareness, some companies primarily focused on digital means that are measurable, trackable, scalable and extremely cost-efficient (Holiday, 2014).

The term "Growth Hacking" is a relatively recent term that has been coined by Sean Ellis in 2010 and is much rather a part of digital marketing with a slightly different approach. Besides of trying to depress costs of acquisition or retention, a Growth Hacker's job is to run experiments to discover new channels and determine the most effective distribution channels to leverage on (Ellis, 2010).

2.2 Popular Growth Hacking Examples

By doing that, unicorn companies like Uber or Airbnb were able to achieve great ROI on their techniques and eventually gain immense competitive advantage (Holiday, 2014). These are companies that are strongly focused on the B2C market, yet digital marketing tools are used differently in a B2B environment and the length of a B2B sales process is typically longer and more complex, as it often involves multiple decision makers.

Moreover, there is a difference in messaging, as B2C marketing is usually driven by emotions and B2B is more fact-based, focusing on a specific target group instead of addressing a mass market (Miller, 2012).

Two great examples of B2B SaaS companies that successfully established a viable growth model are New Relic and Slack. Though they extremely differ in terms of target market and growth channels they use nowadays, both companies used similar approaches in the beginning.

The software analytics company New Relic centralized their efforts completely on its product excellence, market segment focus and a freemium business model. They spent almost a year in private beta, communicating with their target market, i.e. Ruby on Rails developers. This way they created a great product that developers of this growing market would trust and love. The company chose a business model that reduced any friction and risk of signing up and deploying the product, simple installation and instant performance feedback served as a major part of their acquisition efforts. Today's growth engine is mainly supported by sales and marketing investments and upselling and cross-selling preventing net revenue churn (Brown, 2015a).

Another, more recent success story is Slack, a messaging, archiving and search tool for teams within organizations (Slack, 2015). Similarly to NewRelic, they constantly test and optimize their product with feedback from organizations of different sizes and needs. Slack also chose a freemium business model, which already offers a broad amount of features that suits smaller companies, while larger corporations gain significant value when upgrading (Brown, 2015b).

Moreover, they continuously adjusted their onboarding, creating an extremely simple and self-growing process by making new users invite their team members when signing up. Besides, the company integrates numerous external tools like Dropbox or Jira, limiting exit points and making it even easier to share and store information with colleagues. Keeping an analytical approach throughout every step in the customer journey, Slack knows exactly how their users interact with their product. This way they managed to find their "magic number", i.e. 93% of any teams that exchanged more than 2,000 messages, are still using Slack today. Hence, their whole product communication intends to stimulate their users to reach that number (Brown, 2015b).

3. Company Overview

As the presented strategies are applied towards a specific company, the following chapter analyses its current state and competitive environment.

3.1 Company Introduction

Liquid Data Intelligence S.A. is a mobile analytics and personalization company that has been founded within its Venture Capitalist, namely Faber Ventures, on February 2014 with a 750.000€ seed fund**.** Currently it employs 10 people, including the CEO Alexandre Vaz, the CTO João Soares, 2 designers, 5 developers and me being responsible for growth development. At the present time the company has 1,035 users, 115 apps are integrated and it generates revenue since February 2015.

3.2 Business Model and Services

Liquid offers app developers and publishers a solution to analyze user behavior within their app, namely session time, performed events, rate of return and churn of its users. Furthermore, the tool provides detailed information about location, operational system, hardware type and custom data like gender, age, email address and name of each user. By integrating with Liquid, customers can segment users and choose different ways to interact with them.[1] On the one hand it is possible to send push notifications and emails, but also to make use of its unique personalization tool that allows changing functionalities and interface in real-time without any app store approval[2] (Lomas, 2014).

Currently Liquid is altering its product, moving away from being a tool primarily focused on analytics to a system that automatically analyzes each app's performance and suggests actions in the areas with opportunities for improvement. Based on industry benchmarks and a self-learning algorithm, the platform will offer pre-built intelligent action formulas[3] targeting specific objectives that are customized for each app.

The aim is to make the tool more intuitive and tailored towards the needs of app marketers, to speed up and improve engagement with their users.

3.3 Competitive Environment

The market size of the mobile marketing automation (MMA) industry is growing rapidly and presents numerous opportunities for improvement. Only half of the existing apps began

[1] Application developers need to include Liquid's SDK in the code of their app.

[2] Usually in order to change attributes or content within an app, a developer needs to go through an approval process of its respective operating system.

[3] Combination of selected audience, time and actions (e.g. send email to new users after signing up).

implementing MMA in a significant way (Koetsier, 2015). With more than 3,5 million available apps, various competitors are fighting for market share (Statista, 2015).

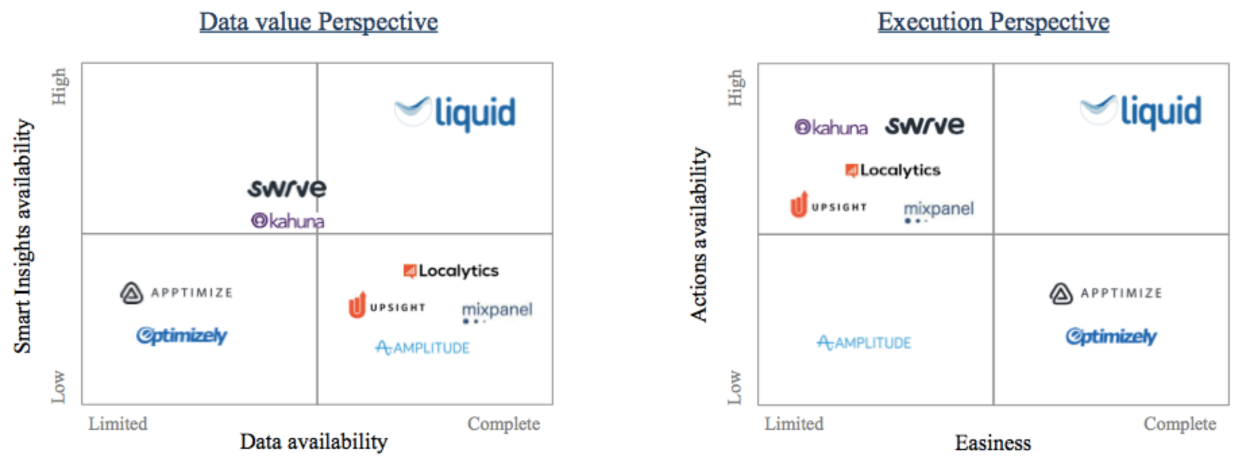

Figure 1: Competitors overview - own illustration based on internal data

Competitor analyses and tests on corresponding system revealed that the competitive environment could be divided into two groups: How much the solutions focus on the complexity of analytical functionalities (data value perspective) and/ or how action-driven[4] (execution perspective) they are. Major players like Localytics, Mixpanel and Swrve offer both, a diversified set of analytics and actions, yet those are already pre-defined. When it comes to optimization and personalization of the app, Optimizely and Apptimize offer a range set of actions, however are limited on data and analytics. As Liquid already offers thorough analytics, its USP will be the recommended and customizable formulas to solve identified issues.

[4] Functionalities that allow reaching out to app users (e.g. notifications).

4. The Growth Hacking Framework

The focal point of the following procedures is to lead Liquid towards similar achievements those companies managed to accomplish. After attaining Product-Market Fit (PMF) those companies were consequently able to create a product that holds core value towards its users (Peters, 2014). Netscape founder Marc Andreessen coined this term as "being in a good market with a product that can satisfy that market" (Stagars, 2014, p. 86). Instead of reaching out with a more developed product, a company should first start receiving feedback on its Minimum Viable Product (MVP), i.e. only including core features, and improve it based on customer feedback. This will allow each company to isolate its users and create a product that is actually based on their needs (Holiday, 2014).

Only startups with a product that at least 40% of its users value as essential for their job, are generally able to create a viable growth model around it[5] (Cooper, 2010, p. 37).

To reach the aforementioned core value, reduce attrition towards it and foster a certain user behavior, it will be essential for Liquid to implement and execute on the recommended marketing and product related procedures.

4.1 Generic Growth Hacking Models

In order to select, clarify and prioritize each task, it is helpful to resort to existing models and frameworks. Dave McClure[6] defined a five-step Growth Hacking customer lifecycle called the "Pirate Metrics" (AARRR). It is a straightforward model for any service-oriented business, reflecting the customer journey in 5 steps (Croll and Yoskovitz, 2013):

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[5] Sean Ellis examined over 100 startups measuring the correllation between PMF and traction.
[6] Founding partner of 500Startups and former Director of Marketing at PayPal.

1. **Acquisition**: Users come to site from various channels.
2. **Activation**: Users enjoy their first visit/ experience.
3. **Retention**: Users return and visit multiple times.
4. **Revenue**: Users conduct some monetization behavior.
5. **Referral**: Users like product and refer it to others.

Instead of just being a one-time action, growth hacking is much rather an ongoing process consisting of experiments, main tasks and supporting tasks serving different purposes. Some might serve only one of the above-mentioned steps (e.g. Acquisition), others might support numerous. There are various tools and methods that can be viewed as growth hacking techniques, therefore one should define goals and objectives first, then decide what measures will be crucial to reach them and eventually focus on the GH channels and methods (Croll and Yoskovitz, 2013).

Complementary to that, one of my interview partners, Everette Taylor[7], introduced me to the so-called "ICE Score". The aim of it is to ease a company's decision on which channels and actions to focus on. It assesses each task under the following aspects:

- **Impact**: What is the expected outcome?
- **Confidence**: How confidently can we achieve that outcome?
- **Ease**: How easy is it going to implement the idea(s)?

[7] Taylor is former CMO of Stickermule and a former business partner of Sean Ellis who originally developed this model.

Each question needs to be ranked from 1 to 10, making it is possible to better prioritize which tactics have the fastest time-to-value for the respective product (Ellis, 2015).

4.2 Growth Hacking Model for Liquid

When collecting and brainstorming relevant growth hacking strategies with Liquid, I decided to combine the two aforementioned models and illustrate them in an extended framework. This way it enables any company to define tasks for different stages of a customer journey and also provides the possibility to immediately prioritize and rank the pre-defined strategies.

Within the following figure, the listed tasks have already been ranked and assessed according to Liquid's needs in collaboration with Alexandre Vaz and João Soares:

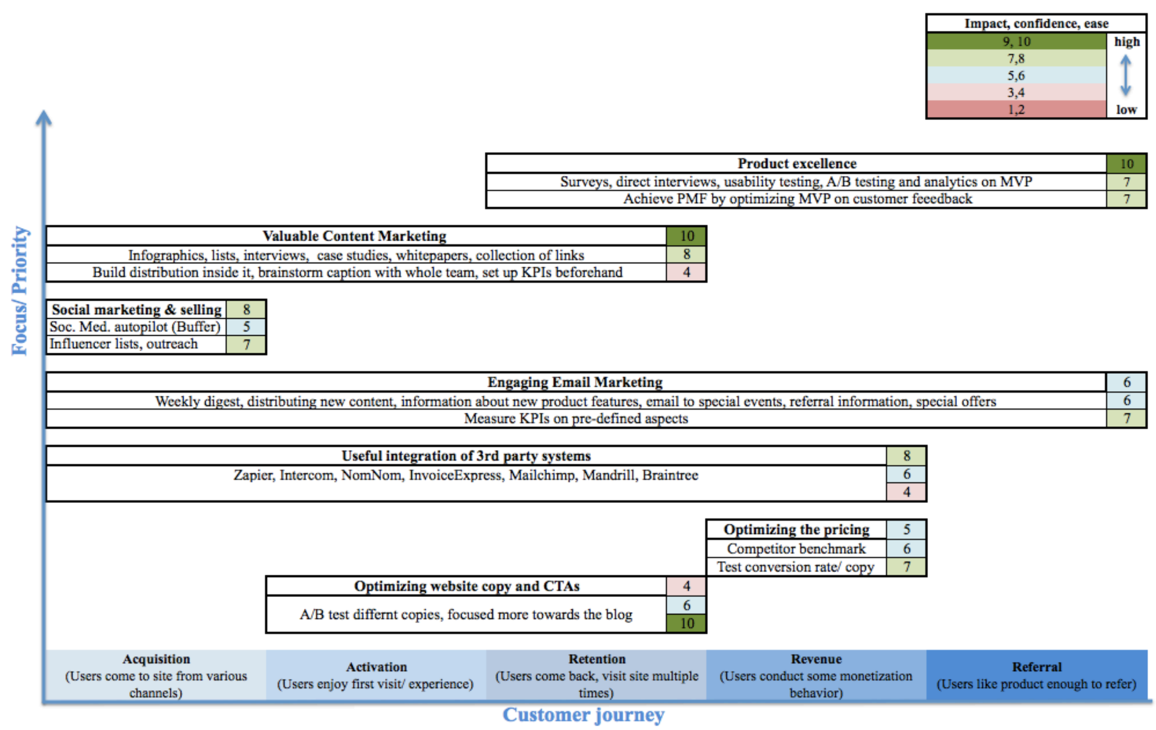

Figure 2: Growth hacking strategies for Liquid (own illustration based on theory and interviews)

In the following part I will describe each aspect of the framework in detail, pointing out the current state and recommending suitable tasks for improvement. Each of them is graded regarding impact, confidence and ease.

4.2.2 Product Excellence

"Strive for a great product first, before approaching any growth hacks", said Mike Bartlett, CEO of Gitter and former director of product management at Skype. He told me that this is exactly what he focuses on first, in order to effectively scale up growth activities.

However, this process did not take place sufficiently before and after Liquid launched its initial product. Hence, as the new product currently is in private beta, it presents a great opportunity to speak to actual and potential customers in order to gain feedback on its MVP, improve it and eventually gain PMF.

To get that, the NFS I-Corps[8] program participants have to conduct 100 interviews in seven weeks. This number is set intentionally high, because participants usually first consult friends and their close network. Hence, a high amount of feedback ensures that important negative answers are included and PMF is found quicker (Szopa, Karkowski, and Barbe, 2015, p. 182). Even if it is time consuming, Liquid should put a lot of focus on constantly receiving feedback about the registration process, the onboarding, usage of the product and churn reasons. This can be obtained with the help of surveys, direct interviews, usability testing, A/B testing and analytics (Olsen, 2015, p. 230).

[8] The NSF Innovation Corps is a program to support entrepreneurship with the help of scientific research that leads to commercialization of technology.

Casey Armstrong (Growth Consultant), João Romão (CEO of GetSocial) and Mike Bartlett have told me that they usually conduct product and customer centered surveys with the help of *Intercom* or *Survey.io*. Concerning the analytical part, I recommend analyzing the user flow inside *Google Analytics*, focusing on the highest drop-off rates.

Additionally, Romão pointed out that in-depth customer feedback would be a great possibility to create case studies and whitepapers – something Liquid is still lacking. GetSocial asks users for reasons right after they churned and this technique turned out to be highly effective in terms of user retention, as users thought certain features were not available, even though they actually were.

Liquid's technology architecture provides a flexible infrastructure that makes it relatively easy to carry out any changes on the product (7). As mentioned in chapter 3.2, excellent products have great impact on users and potential customers (10) and since Liquid already has 21 private beta testers, we are pretty confident (7) to get enough beta testers and users to receive feedback from.

4.2.2 Valuable Content Marketing

In order to underline the value of the product after achieving PMF, the company needs to build marketing and product related pillars around it. According to the interviewed experts, it is apparent that Content Marketing is essential nowadays in the B2B online business environment. Besides, in consultation with the CEO and CTO of Liquid, we also chose this channel as the main traction driver.

Therefore, we expect to gain maximum impact (10), while being very confident to get there (8), yet knowing that it is going to take a lot of effort to do so (4).

Even though the company has managed to more or less create content in recurring intervals, there was no calendar or clear guidelines on everything around it. Hence, it will be extremely important to optimize the setting before creating and publishing content. First and foremost, Liquid should create an editorial calendar in order stay consistent and keep the whole team in the loop (e.g. using *Google Calendar*) (Patel and Wormley, 2014). As everyone is supposed to be involved in content creation, I recommend starting to distribute content once a week, but aim for two pieces a week once everyone gets used to it.

Based on what Sofia Quintero, CEO of NomNom[9] and an influential growth hacker, did during her tenure as Head of Growth at Geckoboard[10], it is also recommended for Liquid to initially segment their customers by behavior, context and testimonials and create user personas using data from *Intercom*, *Google Analytics* and *MailChimp*. This will help identifying target audiences and better understand how to connect with their customers (Leibtag, 2013).

Following that, the company needs to create content that comes from two sources: Base and peripheral. The former is what the company's niche is all about, while the latter deals with what the audience cares about, reaching a broader spectrum of readers. When it comes to finding content ideas, it is crucial to relegate the ideas to what the readers are interested in. Apart from general announcements and stories, there are several types of content that can provide a lot of material out of one idea and work in different marketing scenarios: Lists, interviews, surveys, case studies, whitepapers, collection of links, infographics, guides, research, worksheets, webinars, videos and podcasts (Patel and Wormley, 2014).

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[9] A platform that gathers customer feedback across multiple channels.

[10] A data communication tool that aggregates data from all company data sources and visualizes the most important KPIs in one dashboard.

For Liquid I created two infographics and collected various useful external content about mobile app optimization and marketing. As there now is a lot of content available, I recommend creating lists and a collection of links as the next step. Following that, case studies and whitepapers would be valuable, because those would help promoting the new product and update customer testimonials on the website. Interviews, surveys and webinars could be approached at a later stage, as they take more time to prepare.

In order to find what those audiences are currently interested in, Ryan Robinson, a content marketing expert and consultant, suggested to use *BuzzSumo* and on top of that validate trending topics via *Google Trends*. Furthermore, in order to discover SEO-ready and suggested ideas, Liquid should measure keywords and phrases with the help of *Google Keyword Planner*.

When it comes to headlines of articles, Everette Taylor always involves the whole team in the brainstorming process - something Liquid should also put into practice. Neil Patel even suggests using the following formula to create a headline (Patel, 2014):

Number/ trigger word + Adjective + Keyword + Promise

Within each piece of content Violeta Nedkova, a self-employed content marketer, always embeds links to other's content and provides proper attribution by using their name. For Liquid this not only would create reference, but also provide an opportunity to reach out to other authors to network with and perhaps even gain shares from them.

Moreover, what is essential for the company to do is to pre-promote its content while working on it, i.e. generating buzz before the launch and alerting pre-defined influencers and promotion partners (e.g. with the help of *ContentMarketer.io*).

Apart from only publishing it on its own blog and social media channels, Liquid should also syndicate their content to free industry newsletters or websites, such as *Medium, LinkedIn, Business2Community, Quora, SocialMediaToday* and *Inbound.org*. Another important channel that has not been utilized yet is using emails from its database in order to send out new content updates to their own audience. All interviewees mentioned emails as the most powerful way to gain initial traction for their new content.

Those who are heavily involved with content marketing stressed that the most important part is its publication and measurement. Even though Liquid already makes use of *Google Analytics*, there is a lot of room for improvement. The team should optimize its Google Analytics dashboard by setting up concrete goals (i.e. visitor activity), filters (i.e. excluding own activity) and a site search.

For every piece of content that gets created, Taylor and Robinson set up KPIs they want to measure. In order to do so, I created a spreadsheet that is based on a similar one from the Content Marketing Institute. It includes measurements around brand awareness, engagement, lead generation and customer retention (McPhillips, 2014):

Liquid													
Monthly KPI tracker													
Goals	**Metric**	**January**	**February**	**March**	**April**	**May**	**June**	**July**	**August**	**September**	**October**	**November**	**December**
Brand awareness													
Person responsible for collecting													
	Website traffic												
	Page views												
	Document downloads												
	Social chatter												
Engagement													
Person responsible for collecting													
	Blog comments												
	Likes												
	Shares												
	Inbound links												
Lead generation													
Person responsible for collecting													
	Form completions												
	Email subscriptions												
	Blog subscriptions												
	Conversion rate												
Customer retention													
Person responsible for collecting													
	Percentatage of												
	content consumed by												
	existing customers												
	Renewal rates												

Table 1: Monthly KPI tracker for content marketing – own illustration based on the a similar model by the Content Marketing Institute

4.2.3 Social Marketing and Selling

Karol Pokojowczyk[11] believes that "Content Marketing is a very good solution, but would like to highlight that in the beginning, when you are just starting to grow your business, you should focus more on sales - Email Marketing and Social Selling!"

Hence, as the target group for the new product will shift more towards app marketers, it becomes more important than ever for Liquid to have a well-maintained Social Media appearance. Even if we are not as confident (5) as with content marketing that we can achieve a high expected impact (8), we believe that it will be easier (7) to carry out, as many processes will become automated after a while.

In terms of social media, Liquid is currently present on Twitter, Facebook, LinkedIn, Google+, GitHub and YouTube. Besides, some team members have set up profiles on

[11] CEO and Founder of Colibri.io, an Growth Hacking and Inbound Marketing tool.

Quora, Reddit, HackerNews and Medium. However, with no regularity, it immediately becomes apparent that none of the Social Media channels has been properly managed and maintained. The company's Twitter account is by far the most active one with 1,420 followers, followed by LinkedIn with 468 followers and more engagement than Facebook with its 642 likes (as at January 7th).

As Google+ and YouTube are relevant channels supporting the SEO and GitHub is a good source of getting in touch with developers, I suggest keeping all channels for now. However, it is crucial to maintain them properly and set up a strategy for each one of them.

Violeta Nedkova, who has an almost 34,000 followers on Twitter, revealed her strategy that keeps this social media channel working for her: Apart from interacting with everyone manually and carefully picking people to follow, she also creates lists for various topics and people and schedules valuable tweets hourly using *Buffer*. I recommend using this tool for outreach and subsequent measurement as well. Concerning Tweets per se, Liquid should bear in mind that those including images receive 18% more clicks, 89% more favorites and 150% more re-tweets (Mawhinney, 2015).

With the help of the aforementioned social media outreach tool, I suggest using 30 minutes in the morning to schedule relevant content until early afternoon (hourly for Twitter and less frequent for Facebook and LinkedIn). The same procedure should be repeated after lunch in order to publish actual content for the afternoon and evening. Using *Hashtags.org* will help Liquid to discover trending hashtags in order to gain more visibility.

Citing Nedkova, for now it would serve the need to use free tools such as *BuzzSumo* to identify and connect with industry influencers via social media channels (i.e. social selling). This goes in hand with social selling, i.e. developing relationships as part of the sales process (Becher, 2014). At a later stage Liquid should consider upgrading to a more powerful tool (e.g. *Colibri.io*), in order to combine monitoring, outreach and analytics in one platform.

As Fridays are usually lower on social media interaction, I recommend using those 30 minutes to create relevant lists of respective industry influencers **(**Gillett, 2014).

Sofia Quintero and Violeta Nedkova both highlighted that before contacting any influencer, they gather as much actual information in order to personalize any kind of message or interaction. Apart following them on various social media channels, commenting on their blog posts, including them in curated lists and reposting their content, they do the same with people from the influencer's close network to gain even more visibility. When reaching out, Quintero puts a lot of effort in her email pitches, making sure they are targeted towards their interests and always offer relevant insights in exchange.

Liquid should focus on influencers who speak to the same general audience (e.g. SaaS startups) and could use the same approach to connect with important people. This not only could expand the reach of future content, but also raise credibility and eventually lead to powerful testimonials, as Liquid already managed to do with Intercom in the past.

Again, all undertakings should be monitored and updated; hence it would help Liquid to do so using the engagement spreadsheet created by CEO of Groove Alex Turnbull (2013a):

					Promo							
Name	Twitter Handl	Email	Blog	Following Me	Twitter Follow	Twitter List	Twitter Engage	Blog Commen	Blog Comment	Direct Email	Replied Back	Gav
Alex Turnbull	https://twitter.c	alex@groovehq	http://groovehq.com/blc		x	Growth Hackers		Paste link to the	Paste in the link to the			

Table 2: Engagement Plan by Alex Turnbull (2013a)

4.2.4 Engaging Email Marketing

As mentioned in the part about Content Marketing, Email Marketing still represents one of the most effective and inexpensive marketing channels and can be used at all stages of the customer lifecycle. However, what eventually matters is an email list full of active users, therefore every company needs to determine what makes an user active for its respective product, as it differs from product to product (Weinberg and Mares, 2014).

Until now, Liquid did not properly utilize its own email database. Currently every client receives an almost automated weekly digest with the most important data concerning their app performance, however product or content updates are not included. As highlighted in Figure 2, this adjustment is expected to be easy to implement with an above average expected impact. Therefore, reaching out to customers, partners, influencers and potential customers in the industry is a strategy that yet needs to be properly integrated, providing a great opportunity to gain more traction.

Before starting any campaign, it is important to establish goals in order to know what to expect from it: Firstly, as the product will be tested in beta, the aim should be to get more testers and increase the amount of email subscribers to keep them updated about the development progress. As Liquid still has press releases left from a package they once purchased at a PR agency, it could use those and targeted blog articles to generate email addresses for the testing period.

After releasing the product, Liquid needs to discover the aforementioned moment of activation by analyzing the customer journey and funnel after the sign-up. Some widely known examples, such as Twitter, realized that its users became active after they tweeted or followed 5 people. Facebook users were classified as active after they had invited 10 friends in 14 days and Dropbox has been used actively only after a user installed the application and uploaded at least one file (Weinberg and Mares, 2014).

As formulas will be the core feature of the new product, I assume that users, who will actively use them and even create own ones, will be the most active ones. Therefore, I recommend initially focusing the analysis and perhaps eventually the email campaigns around this factor to keep users engaged.

To measure success of an email campaign, it will help using a monthly scorecard that allows monitoring email KPIs within the context of Liquid's goals and industry benchmarks. Depending on the stage and goals of the company, it is recommended to constantly revise and evaluate the scorecard, focusing on key ROI data for the respective goal (Jenkins, 2008):

Overall Goal	Success Metric	Industry Average	Company current state	Company desired state
Example: Generating beta testers	Sign-ups			
	Click-through rate			
	Open rate			
	Deliverability			
Example: Retention on formulas	Created formulas			
	Login			
	Click-through rate			
	Open rate			
Example: Sales	Revenue			
	ROI			
	Conversion Rates			
	Value of email subscribers (#subscribers/ revenue)			
	Total email subscribers			

Table 3: Email Scoreboard - own illustration based on Appendix 2

Sofia Pessenha, Co-Founder of Beta-i and Unbabel, frequently makes use of *Docsend.com* in order to send attachments as a trackable link. This allows her to see all views, forwardings and even the time spent on the document and could give Liquid additional data as well.

Concerning the email itself, it is important to test different variables of it as well, but not all at once. Liquid should experiment sending emails at different times, send it from different addresses (male, female, CEO), try different types and lengths of subjects lines and even change call to actions (CTAs) inside it (Zuh, 2015).

We are relatively confident (6) that the usage of Email Marketing on several steps of the customer journey will provide a good impact (6) that is relatively easy to implement (7).

4.2.5 Useful integration of 3rd party systems

As mentioned before, Slack was able to further bind their users through clever integrations of third party tools and easy connection with external APIs - limiting numerous exit points of their product (Brown, 2015b).

With the new product positioning, 3rd party integrations fit very well, because it allows customers to expand the power of formulas and not be limited by Liquid's functionalities anymore. As Liquid has not done that before and it takes time to properly implement external systems, the easiness is expected to be low (4), yet we are quite confident (6) that it will eventually yield high impact (8).

A valuable approach that could work well for Liquid, now that it starts integrating with various 3rd party systems, is to also publish guest posts on blogs of integration partners -

insights Cristina Fonseca (Co-Founder of Talkdesk) gave me.

It is still not decided which ones we will be integrated next, as Liquid wants to base that on customer requests, partnerships opportunities and other formulas it may come up with. For now, it supports Slack, making it possible for Liquid's customers to receive notifications in a Slack channel about any actions their app users made within their application. Besides that, systems such as Zapier (trigger automatization), Intercom (client support), NomNom (user feedback), InvoiceExpress (invoice management), Mailchimp (newsletters), Mandrill (transactional emails) and Briantree (payments) are currently in production. It becomes apparent that all of the aforementioned competitors actually integrate external systems, yet only Optimizely makes detailed information available and built content around it (Optimizely, 2015.) Therefore, by doing so Liquid could enhance its visibility in terms of search and profit of the partner's media exposure when being mentioned in return.

4.2.6 Optimizing the pricing model

Liquid currently uses a pricing method based on data points[12] and push messages. There is s free tier that includes 100,000 data points and 10,000 push messages, followed by 5 more plans – ranging from $100 to $1,500 per month (refer to Appendix 2 for a detailed overview).

When comparing to the competition, Mixpanel actually uses a very similar approach of basing their pricing on data points or monthly active users (MAUs), offering 6 different plans from $150 to $2,000 (Mixpanel, 2015). Localytics and Apptimize also base their

[12] Every time a session starts or a pre-defined event is generated, a data point is counted.

pricing on MAUs, the former however divides its plans in features that ranges from $200 to $1,200, the latter provides one plan for $300 that is limited to 100,000 MAUs, everything above it needs to be customized (Localytics 2015), (Apptimize, 2015). Optimizely, Kahuna and Swrve offer an overview of features, but do not disclose any pricing (Optimizely, 2015).

It becomes apparent that the majority of the companies in the market base their pricing tiers on MAUs. Even though Liquid's pricing has never been changed before, the company is currently in a brainstorming process about a new pricing structure. It is certain already that it will include fewer tiers and will be based on MAUs as well, however the team is not sure yet if they divide it into features as well.

Kiruba Eswaran, Co-Founder of Zaask, told me that changing their pricing structure changed their whole business: Instead of letting service providers pay for leads (i.e. job order), professionals now buy credit packs, making it easier to bid on many different jobs and reducing the risk for the company that professionals actually buy the lead for good.

Hence, it is a great opportunity for Liquid to measure respective conversion rates by testing different pricing models with its new product. With user feedback and internal brainstorming Groove was able to simplify its pricing and steadily increase their conversion rate by 350% compared to the previous model (Turnbull, 2013b). Changes in the pricing strategy requires board approval at Liquid, yet all board members are located in Lisbon, making it relatively easy (7) to implement it. On the long run, the pricing will not be a channel that drives traction, but might make registration more attractive; hence we expect a mediocre impact (5) and confidence that it will work (6).

4.2.7 Optimizing Website Copy and CTAs

The introduction of Liquid's new product provides a great opportunity to improve its website and optimize the copy of it. As mentioned in paragraph 3.2, B2B websites are rather fact-based and staid, compared to those in B2C markets that are typically emotional driven and at times accompanied by discount offers (Michael Miller, 2012). In B2B there is usually more than one buyer to persuade and they increasingly rely on blogs, forums, social networks and social proof before buying decisions (Veloso, 2013). Hence, in order to emphasize the blog, improve shares of Liquid content on other channels and eventually increase sign-ups, it will be essential to build a website communication that leads a visitor in that direction. Currently there is a blog tab in the menu and on the bottom of the page, yet it should be brought more in front and include recent or most popular articles. The split in categories and sharing buttons have already been included in the new blog page layout, the company should now add a newsletter subscription field or pop-up to generate emails. Concerning the sign-up, at the present time the visitor gets re-directed to an additional tab with the registration form that actually looks like an external page (refer to Appendix 3 for graphic depiction). All competitors however, either offer an easy email-only registration or a short sign-up form that keeps the visitor on the same page and shows actual customers. This not only makes the registration easier, but also adds social proof that lets the potential customer feel like he is in good hands. Optimizing the website copy and CTAs might not be the most innovative growth hack, yet testing different options and constantly measuring it with the aforementioned KPIs will definitely increase conversion rates (Veloso, 2013).

5. Conclusion and limitations

For a company that currently develops its product and stands at an early stage as Liquid does, it is initially vital to focus on receiving customer feedback on its Minimum Viable Product and optimize it based on that. By achieving the necessary Product-Market Fit, the recommended growth strategies will serve as a foundation to reduce user attrition towards the product-related core value and serve as triggers on user behavior at respective stages of a customer journey. It is mandatory to constantly assess and evaluate objectives related to each task in order to substantiate every hypothesis and assumption.

Applying the developed framework on each procedure simplifies the decision-making process and serves as a priority roadmap for Liquid. By executing the underlying strategies, the company has high chances of achieving the desired PMF and to stimulate traction on every step of the stated customer journey. The corresponding measures will enable them to track progress and make adjustments when needed.

However, Liquid's limited manpower and the dynamically changing environment will certainly impede the implementation. Hence, it is essential to constantly evaluate and readapt those procedures to discover or follow new trends and, more importantly, make sure that the company and stakeholders share the same expectations.

It becomes apparent though that Growth Hacking is neither a new way of thinking in terms of business growth, nor is there a blueprint formula that will work for every single company likewise. Depending on the stage and objective of a company it is crucial to focus on the type of methods and KPIs that are focal for the current goals at a given point of time. Furthermore, it needs to be stated that theory and expert opinion is generally based on past experiences and may not hold likewise for this company at all instances.

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