The 7 Sins of marketing: New vs. old school

Ferdinand Goetzen
Director of Marketing & Growth @ 3D Hubs
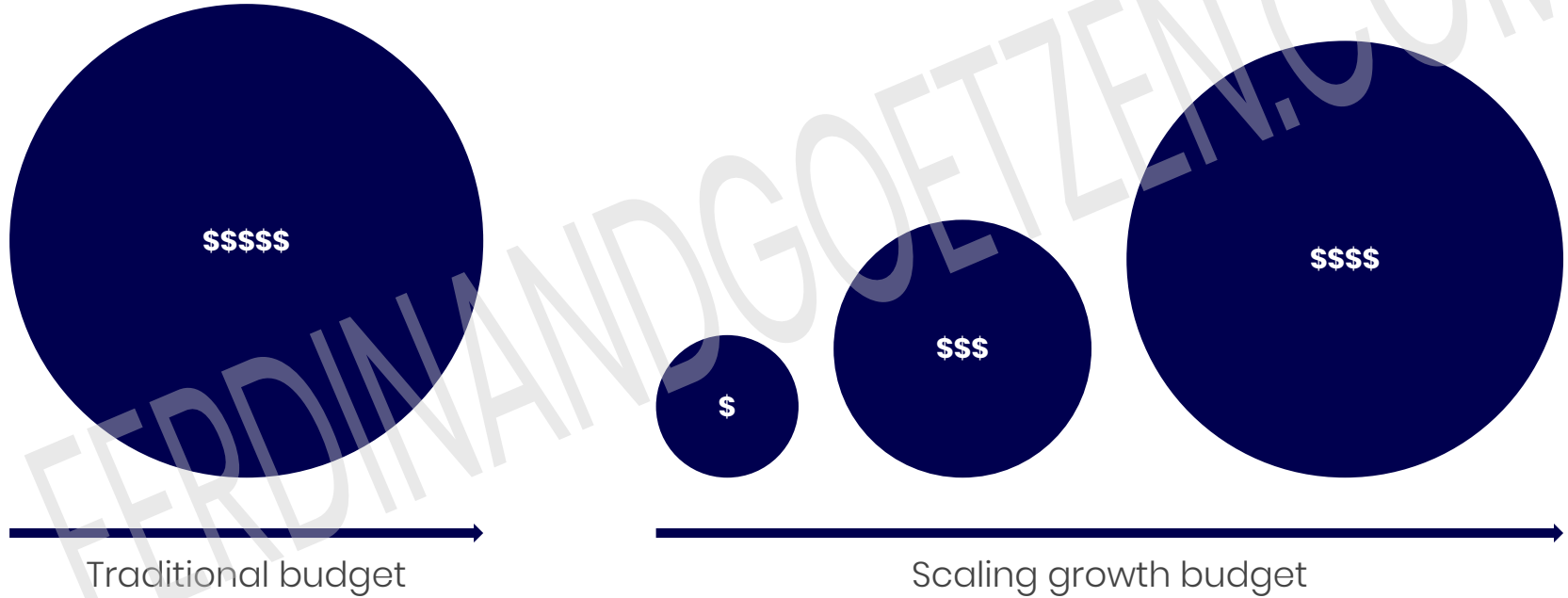➡️ *ferdinandgoetzen.com*

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#1 Budget wasting

Scaling your budget

$$$$$

$$$$

$$$

$

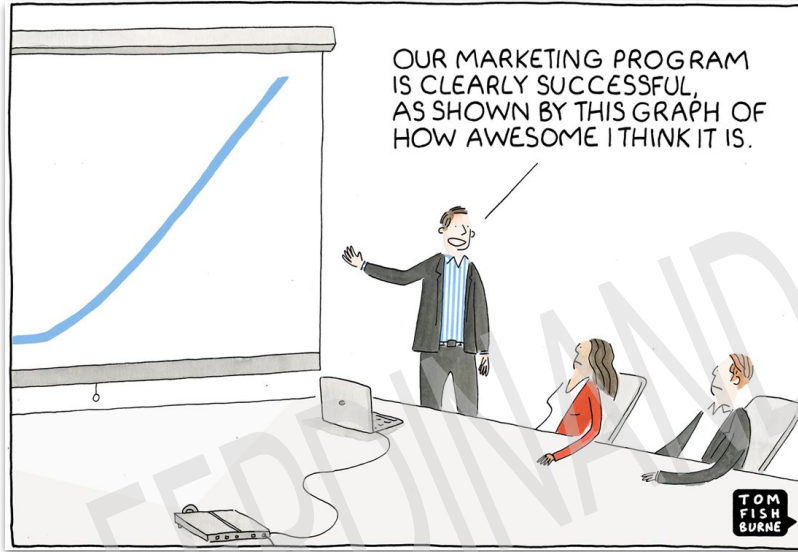Traditional budget

Scaling growth budget
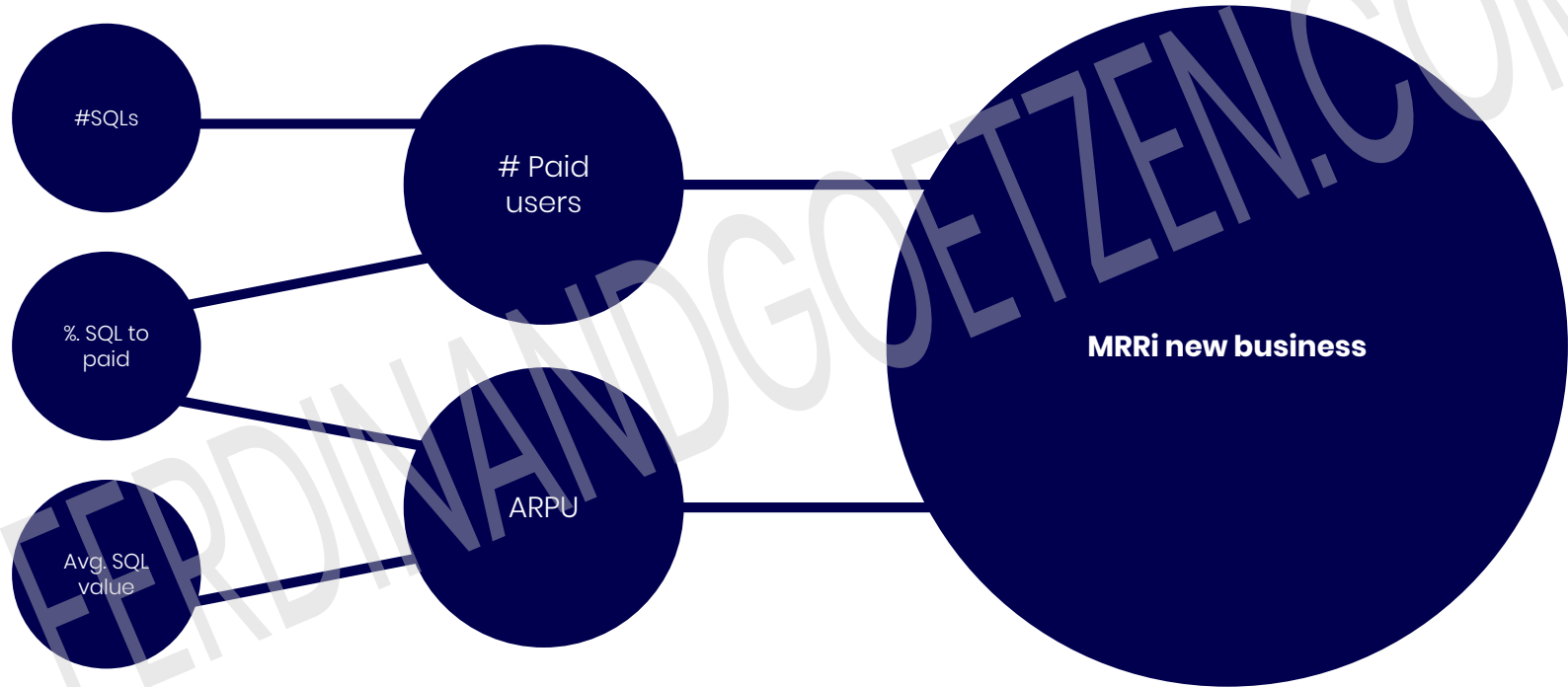
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Test, learn and spend wisely

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#2 Vanity Metrics

Vanity metrics

- Trial users
- Social media followers
- Page views
- Impressions
- Experiments
- Spend

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Input vs. output metrics

#SQLs

% SQL to paid

Avg. SQL value

Paid users

ARPU

MRRi new business

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> *Vanity metrics: good for feeling awesome, bad for action.*

Tim Ferriss, author & investor

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Growth goals

Customer Acquisition

- Number of Leads
- Convertibility of Leads
- Value of Leads

Branding

- Brand Reach
- Brand Recognition
- Brand Favorability

Product Growth

- User Experience
- User Loyalty
- User Growth
- User Retention

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Growth metrics

Customer Acquisition

- MQLs (#)
- Leads → MQL (%)
- MQL → SQL (%)
- MQL → opportunity (%)
- CAC / CPMQL / CLTV

Branding

- Leads (#)
- Website traffic D/O (#)
- Reach/impressions (#)
- Backlinks (#)
- Social mentions (#)
- Press & PR
- Survey responses

Product Growth

- Lead → customer (%)
- Active users
- Activation & churn (%)
- Renewal & upgrade (%)
- Positive reviews (#)
- Product adoption (%)
- Referrals (#, %)

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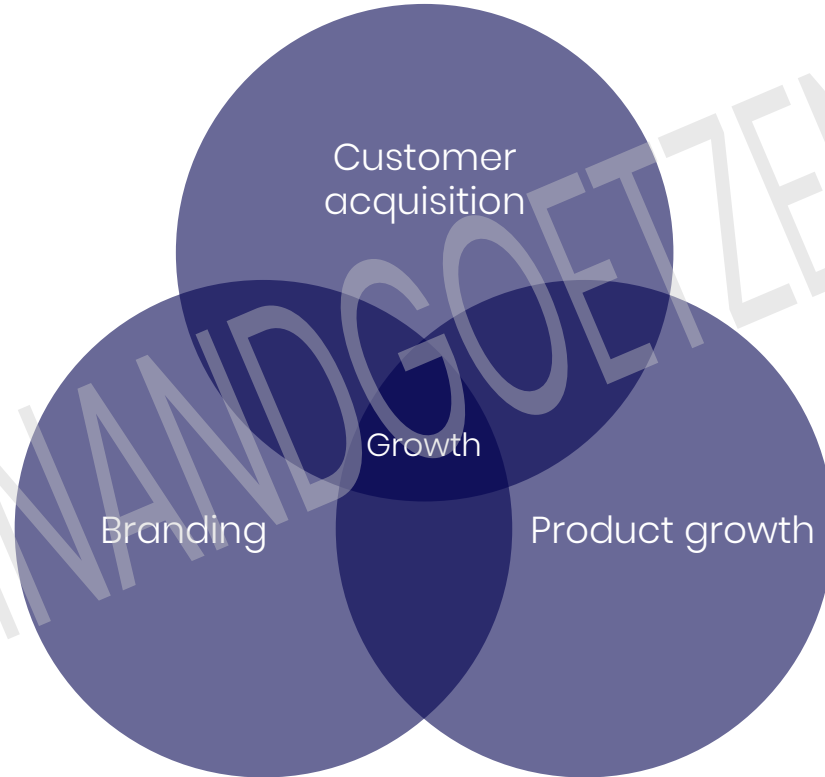# #3 Top of the funnel focus

Growth funnel

Awareness

Acquisition

Activation

Retention

Revenue

Referrals`

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Defining growth

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Customer acquisition

Customer acquisition

- Lead generation
- Content & Inbound
- SEO & SEM
- PR & Social
- Marketing-sales alignment
- Product marketing
- CRO & A/B testing
- Competitor research
- Sales & CRM
- Market expansion
- Business development
- Lead nurture
- Marketing automation
- Lead scoring
- Analytics
- Community building
- Lead magnets
- SEA
- Events

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Branding

Branding

- Design system
- Brand vision
- Product roadmap
- PR
- Events
- Web design
- Communication strategy
- Community building
- Video content
- Social listening
- Product marketing
- Content
- Content guidelines
- Employer branding
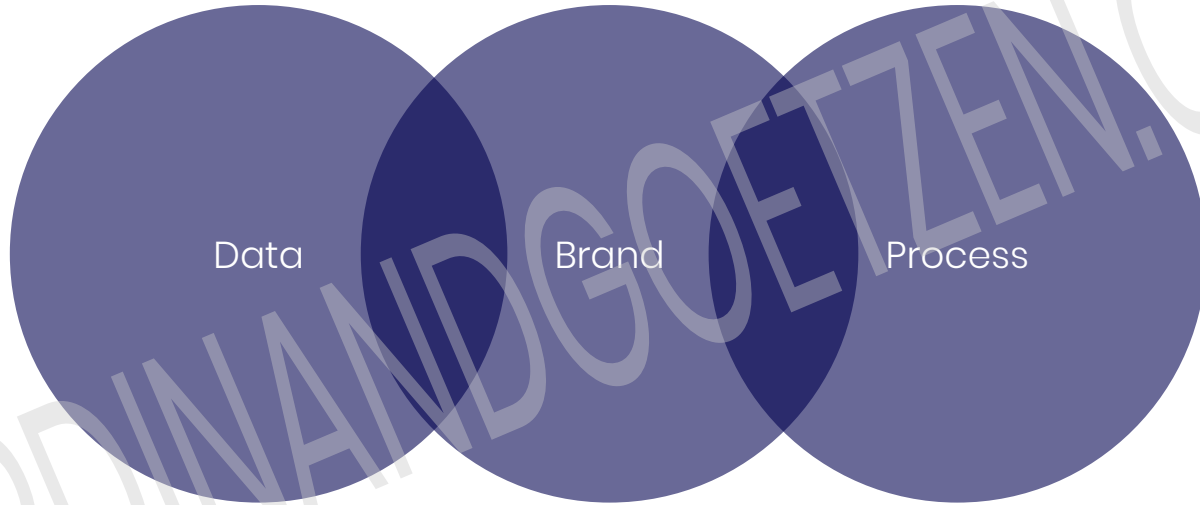
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Product growth

Product growth

- Feature discovery
- Feature prioritization
- In-app referrals
- User analytics
- Localization
- User onboarding
- Product experiments
- Product marketing
- UX research
- User testing
- User activation
- UX/UI design
- Feature adoption
- Product feedback
- Beta testing

#4 Excessive outsourcing

You want to own

Data

Brand

Process

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Skill #5: Tech savvy

2011 ~150

2012 ~350

2014 ~1,000

2015 ~2,000

2016 ~3,500

2017 ~5,000

2018 ~7,000

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chiefmartec.com Marketing Technology Landscape ("Martech 5000")

April 2019

Advertising & Promotion
- Mobile Marketing
- Display & Programmatic Advertising
- Search & Social Advertising
- Native/Content Advertising
- Video Advertising
- PR
- Print

Content & Experience
- Mobile Apps
- Video Marketing
- Email Marketing
- Content Marketing
- Optimization, Personalization & Testing
- DAM & MRM
- SEO
- Marketing Automation & Campaign/Lead Management
- CMS & Web Experience Management
- Interactive Content

Social & Relationships
- Call Analytics & Management
- Events, Meetings & Webinars
- Social Media Marketing & Monitoring
- Advocacy, Loyalty & Referrals
- Community & Reviews
- Customer Experience, Service & Success
- CRM
- ABM
- Influencers
- Conversational Marketing & Chat

Commerce & Sales
- Retail, Proximity & IoT Marketing
- Channel, Partner & Local Marketing
- Sales Automation, Enablement & Intelligence
- Affiliate Marketing & Management
- Ecommerce Marketing
- Ecommerce Platforms & Carts

Data
- Audience/Marketing Data & Data Enhancement
- Marketing Analytics, Performance & Attribution
- Mobile & Web Analytics
- Dashboards & Data Visualization
- Business/Customer Intelligence & Data Science
- iPaaS, Cloud/Data Integration, RPA & Tag Mgmt
- DMP
- Gov, Compliance & Privacy
- Customer Data Platform

Management
- Talent Mgmt
- Product Mgmt
- Budgeting & Finance
- Collaboration
- Projects & Workflow
- Agile & Lean Mgmt
- Vendor Analysis

Produced by Scott Brinker (@chiefmartec) and Blue Green Brands (@bluegreenbrands).   blue green

#5 Not knowing the user

"

Our jobs as marketers are to understand how the customer wants to buy and help them to do so.

Bryan Eisenberg, CX pioneer

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Skill #4: Understanding people

Engagement
User becomes aware of the brand

Education
User becomes aware of the problem

Research
User investigates possible solution

Evaluation
User assesses if solution satisfies needs

Justification
User justifies value for internal buy-in

Purchase
User makes the transaction

Adoption
User is onboarded and starts implementing

Retention
User is satisfied and successful

Expansion
User upgrades or expands

Advocacy
User is loyal evangelist and refers others

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Example: best pizza amsterdam

1. Trigger
2. Explore
3. Shortlist
4. Compare
5. Decide

#6 Not creating value

> **"**
>
> *If you don't have a great product there's no point in executing well on growing it because it won't grow.*
>
> **Alex Schultz, VP Growth @ Facebook**

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Start with a great product

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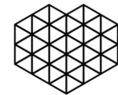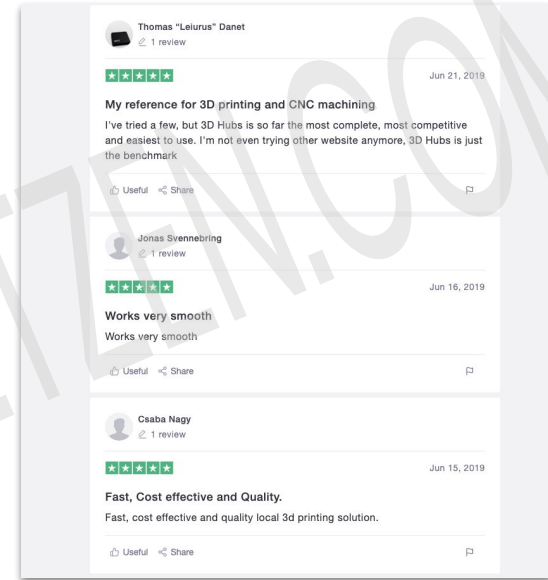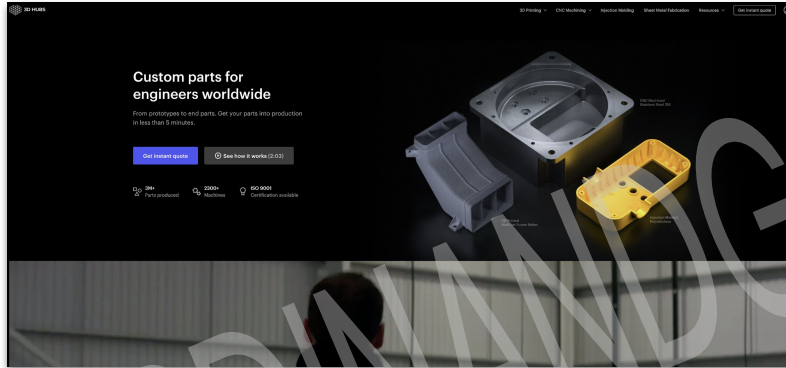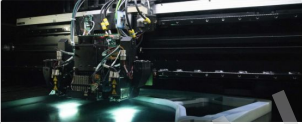
Marketing *is* creating value

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#7 Shortcuts & blackhat hacks

Traction vs. Growth

Traction

Growth

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Channels that scale

There's only a few ways to scale user growth, and here's the list

1. **Paid acquisition**. If your users give you money, then you can buy users directly through ads. Usually companies try to maintain a 3:1 CLV:CAC ratio to keep their margins reasonable after other costs. (eBay, Match, Fab, etc.)

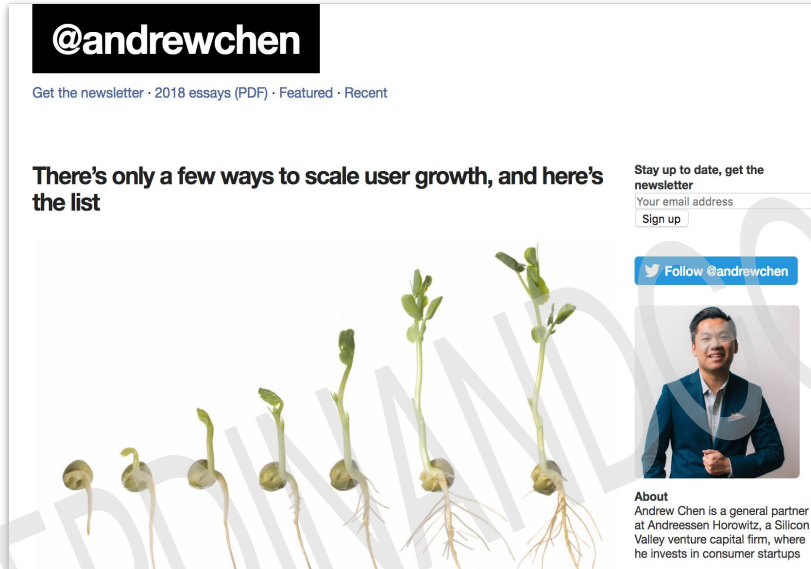2. **Virality**. If your users love your product, then you can get major "word of mouth" virality driven by a high Net Promoter Score. If you can get your product to spread as a result of users engaging with the product, you can further optimize the viral loops using A/B tests to generate even more virality. People often measure "viral factor" to see how effectively existing users attract new users, and of course, you want your viral factor to exceed 1.0. (Facebook, Instagram, Twitter)

3. **SEO**. If your product creates a ton of unique content, in the form of Q&A, articles, long-form reviews, etc., you might end up with millions of unique pages that can in turn attract hundreds of millions of new users who are searching for content via search engines. (Yelp, Rap Genius, Stack Overflow, etc.)

4. **Sales**. For startups targeting SMBs or the enterprise, you'll end up fielding a large sales org to handle both inbound and outbound. This is especially true for companies targeting local SMBs, where telesales becomes the only option. Of course, to make this work, you'll need to generate a multiple in revenue of what you pay them.

5. **Other**. There's the odd partnership, like Yahoo/Google, that can help make or break a startup – but these are rare and situational. But sometimes it happens!

Beware of shortcuts

Facebook Blocks Path's "Find Friends" Access Following Spam Controversy

Josh Constine, Mike Butcher / 12:04 am CEST • May 5, 2013

Comment

Mobile social network Path, once a challenger to Facebook, is closing down

Jon Russell @jonrussell / 9:52 am CEST • September 17, 2018

Comment

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What are you trying to build?

Thank you!

Add me on LinkedIn: Ferdinand Goetzen
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