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# What is Growth Hacking?



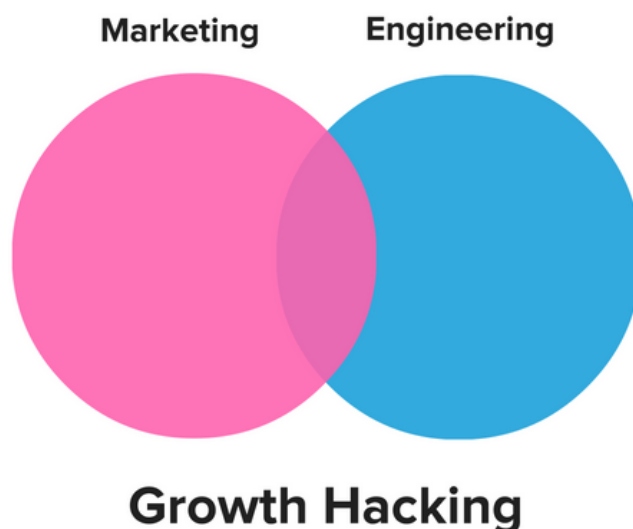
And Why Should You Care About It?

According to [Sean Ellis, who coined the term](#) “Growth Hacking: “A growth hacker is a person whose true north is growth.”

Growth hackers ARE marketers, they are just a different TYPE of marketer. As opposed to focusing on a host of separate goals and KPIs, growth hackers have one obsessive, singular goal: growth.

Moreover, a growth hacker’s primary responsibility is to drive sustainable growth over a short period of time. Successful growth hackers can help companies grow to millions of users in just a few years. They drive and accelerate growth spurts that can be felt across an entire organisation.

These individuals have a specific set of skills – they’re a combination of creative, data scientist, coder, and marketer. They live and breathe analytics and use data to back up any and all hypotheses. They’re also not afraid to think outside the box, typically don’t abide by rules or conventional ways of doing things, and discover new ways to solve problems.



But don't think that these skills should be restricted to the marketing department. Growth is the lifeblood of your organisation and thus should be cross-pollinated and woven into every aspect of your business. From customer support to product development and engineering: growth should be every department's north star. Angry customers churn. Beautiful but useless design won't acquire users.

Growth hacking can be used to achieve a multitude of goals. From launching a new product to raising brand awareness or increasing your leads database. The singular pursuit of growth can be moulded to suit almost any marketing need. And that is precisely why you should care deeply about growth hacking.

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## The Growth Hacking Funnel



So now you understand what growth hacking is and why you should care about it, how do you actually go about building and executing a growth strategy?

Well, first things first. You need to define what growth means for you. Growth spurts require constant execution against measurable targets. This should be the root of all your strategy.

As we keep saying **and cannot emphasise enough**, all good marketers focused on growth should have an obsessive focus on a singular goal.

Growth hackers are as creative as they are analytical and always feel comfortable deep diving into the data. This is why each growth hacker should have their own experimental funnel. A specific optimisation project that aims to move the needle in one key area of impact.

## But which project should you tackle first?

How about SEO? Or maybe blog optimisation? Or a complete overhaul of your email strategy? Or perhaps a re-design of your site home page?

In order to quickly identify the projects that are not only attainable but will help you reach your growth goal quickly, you need a simple, measurable system. This is where the **PIE score** comes in handy.

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# The Pie Framework



Sometimes marketers are going to fail and fail hard. A campaign that was sure to drive huge growth ends up falling flat on its face. The small experiment we barely pay attention to takes us completely by surprise. You're never going to have a crystal ball but you can stack the cards in your favour by validating ideas before they ever go live.

This is where the **PIE framework** can be used to validate and prioritise the projects you should be focusing on to achieve maximum growth spurts.

It's scored on a 10-point scale as follows:

## Potential:

What is the potential this project has to actually achieve your goal? Will it truly make a difference and move the needle? The more likely a specific project is to have a big impact the closer to 10 it will rank.

## Importance:

Is this project a game changer? Could it have a wide-ranging impact or will it affect a very niche part of your business? A good example of this could be looking at page traffic when deciding which assets to optimise. Optimizing your homepage is always going to have a bigger impact than a simple landing page.

## Ease:

The ease score is an important factor here because it looks specifically at how difficult it could be to make changes to a page (or set of pages). This could be due to technical reasons; for example, your CMS doesn't let you edit certain sections of a page that you want to edit. Another reason could be that a lot of stakeholders have to be consulted before changes are made to a certain page (product pages, for example), so it could end up taking a long time to get sign-off.

Each of these three factors should receive a score out of ten, and then you will take an average of the three scores to calculate the final PIE score. Here's an example of a PIE-scored project:

LIFT zone	Potential	Importance	Ease	PIE score
Homepage	10	10	8	<b>9.3</b>
Checkout	8	10	9	<b>9.0</b>
Product page	10	9	7	<b>8.7</b>

Web analytics  
 Heuristic analysis  
 Voice of customer

Cost  
 Traffic volume  
 Return on investment

Technical  
 "Political"

Source: *Widerfunnel*

This stage is vital as every company is unique and just because one growth hacking experiment worked for one company doesn't mean it will work for yours.

So once you've narrowed down the projects you want to focus on, what **metrics** should you be looking at to validate the success of these experiments?

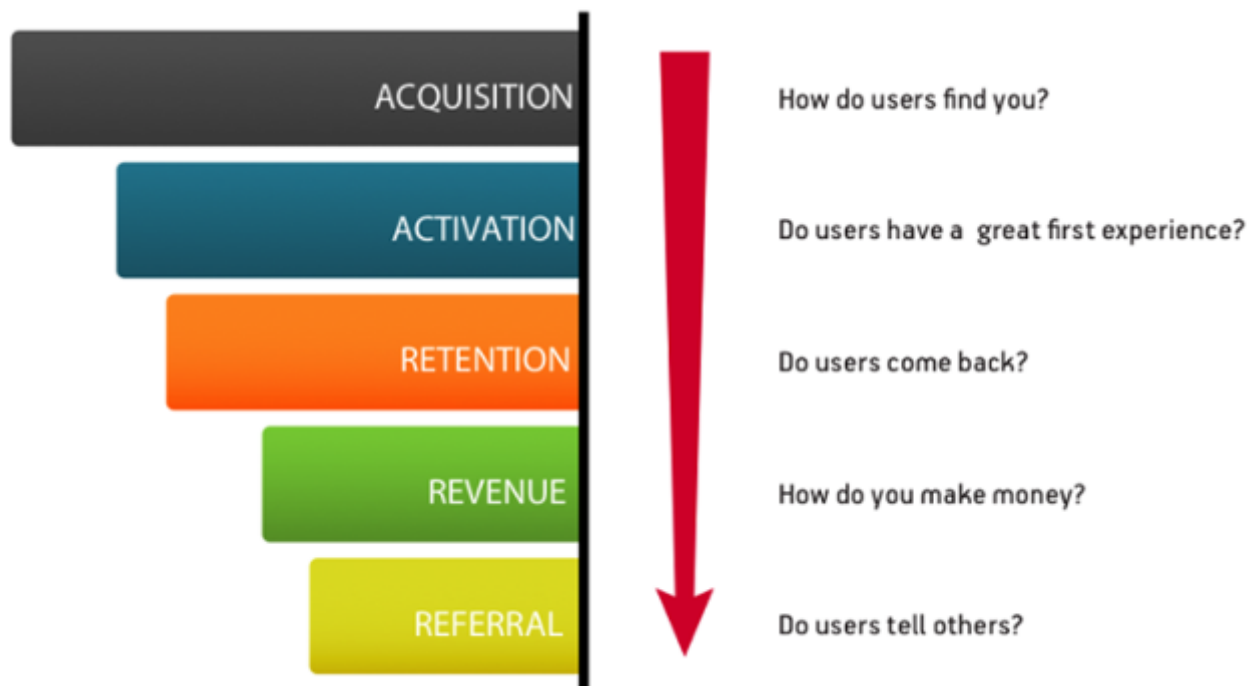
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## 5 Key Metrics



Growth hackers experiment a lot. The best growth hackers are constantly testing and tweaking new growth hacks. During this process, it is easy to lose sight of the big picture. When this happens, growth eventually falls off a cliff. This is why the funnel is so important.

For sustainable growth we always recommend focusing on five key metrics:



Source: <http://startitup.co/guides/374/aarr-startup-metrics>

# 1. Acquisition

## ***Where do users and customers come from?***

This is the first contact point with a user/customer on your product or website. We don't want just any traffic to our site, we want the right traffic. We want the people who are most likely to become leads, and, ultimately, happy customers.

# 2. Activation

## ***What % have a happy initial experience?***

Once you've attracted website visitors, the next step is activation. This is where you want to convert those visitors into leads by gathering their contact information. At the very least, you'll need their email addresses. Contact information is the most valuable currency there is to the online marketer.

This is the stage when visitors perceive the value of your product and take an action defined by you, whether that be subscribing to your blog, using your free trial or buying your product.

It's important to focus on your Activation performance long before you invest heavily into any further acquisition.

# 3. Retention

## ***Do they come back over time?***

Are people coming back to your product and using it multiple times? Depending on your industry and business model retention can have multiple meanings.

If you're a SaaS start-up, are your customers renewing their contracts? Are there cohorts decreasing or increasing? Are they upgrading?

If you run an e-commerce site, how many repeat customers do you have? Perhaps measuring retention might be as simple as opening your app a second time and playing one song. For Twitter, it meant getting their users to follow 30 people. It's crucial to create metrics that work for your company.

## 4. Referral

### *Do they like your product enough to tell their friends?*

If your customers post on social media and you have a 10% uptick in landing page as a result, that's great. But if only 1 converts in the activation stage, it's pretty much meaningless. Those referrals are coming in from the top of the funnel (acquisition), which means they also have to be activated, retained, etc.

Depending on your business model, pushing customers through to referrals can be incredibly valuable for closing tough sales deals. Having real life case studies, testimonials and even using happy customers for customer referral calls can really move the needle when it comes to growth.

## 5. Revenue

### *Can you monetize the behaviour of your users or customers this behavior?*

Businesses can monetize their product in multiple ways, either directly through subscriptions, paid downloads, yearly contracts, in-app purchases or indirectly through advertising.

Monitoring revenue is the crucial part of avoiding **vanity metrics** in your growth hacking. It's also important that you place the other 4 stages before revenue, as without them you're just wasting your time.

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# Creating Your Experimental Funnel



Now you know how to prioritise and what metrics you should be looking at, let's go through the real life stages of your experimental funnel.

## 1. Lay Out All Your Ideas

Go nuts. I mean really. Growth hackers need to be able to think outside the box and part of your job is to look at a problem in a way no one else would.

Have a brainstorming session (either solo or with your growth team) and lay every crazy idea you can think of on the table. Should you scrap your multi-page site and create one simplified page? Do you need to completely overhaul your SEO strategy? Should you be leveraging a new non-traditional social channel such as WhatsApp or SnapChat?

Once you've tossed around every possible idea you can start to take each one through the PIE score calculation so you can figure out what will really move the needle.

## 2. Gather all your Information for PIE

What's the traffic level of the site page you want to optimize? Whose buy-in do you need to get to update the home page? What are the technical implications?

Here is where you gather the crucial information to start laying out the PIE score.

## 3. Complete the PIE Score for Each Potential project.

You should be looking for the highest score possible based on Potential, Importance, and Ease. As a good rule of thumb, you should aim to prioritise projects that have a score of 7.5 or above.

**Pro Tip:** *The Hubspot growth team actually switched up this model to rank each section out of 5, rather than 10. Why? Our marketers were finding it too hard to differentiate between a project which was a 7 or 8 importance and it was coming out as arbitrary. Forcing your team to score the Potential of a project out of 5 can really make them think hard regarding the impact this could make).*





## 4. Activate your Experiments

Set clear and specific goals, timelines and deadlines for each experiment you run. An experiment is useless unless you use it as a basis to prove or disprove a hypothesis. And to do that you need to know your success metrics.

## 5. Analyse Your Experiments Success or Failure

Always identify a clear way to report on each of your experiments and stay away from vanity numbers. You may have increased social leads by 150% month on month but how many of these users were actually activated lower down the funnel? You're looking to generate fast, sustainable growth for your organisation and you're never going to do that unless you can identify the experiments that really made an impact. Growth Hackers should focus on a singular goal and monitor closely to determine success or failure of experiments.

## 5. Use Your Learnings

The crucial aspect of an experimental funnel that many marketers miss is that it should always be a means to an end. With every experiment you run, you are building better, cleaner data. You are identifying the patterns and triggers that will allow you to create genuine and sustainable growth strategy for years to come.

Growth doesn't have to be astronomical to make an impact and too much growth too quickly can actually have a negative effect.

What would you do with an additional 100k users this month? Can your site handle it? Do you have enough reps and headcount to handle them correctly? Truth is, many startups aren't prepared for growth hockey stick levels of growth. Stick to long lasting strategies built on solid, clean data and you'll have a much better chance at success.

So now you know everything you need to kickstart your growth strategy. Want to get actionable tips and real life examples of growth hacking?

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## Growth Hacking Tips & Tactics



You should now be confident in your understanding and knowledge of Growth Hacking, what it is, and how it works. Now let's think about how you can actually use it.

A defining characteristic of growth hackers is their ability to discover new ways to solve problems, they typically don't abide by rules or conventional ways of doing things. The very essence of growth hacking is constant innovation and experimentation which means there is not a "plug and play" list of tactics that will accelerate your business's growth and always remember every business is different. You need to find the hacks that will work for you.

Saying that, there are many scenarios within which you can use Growth Hacking principles...

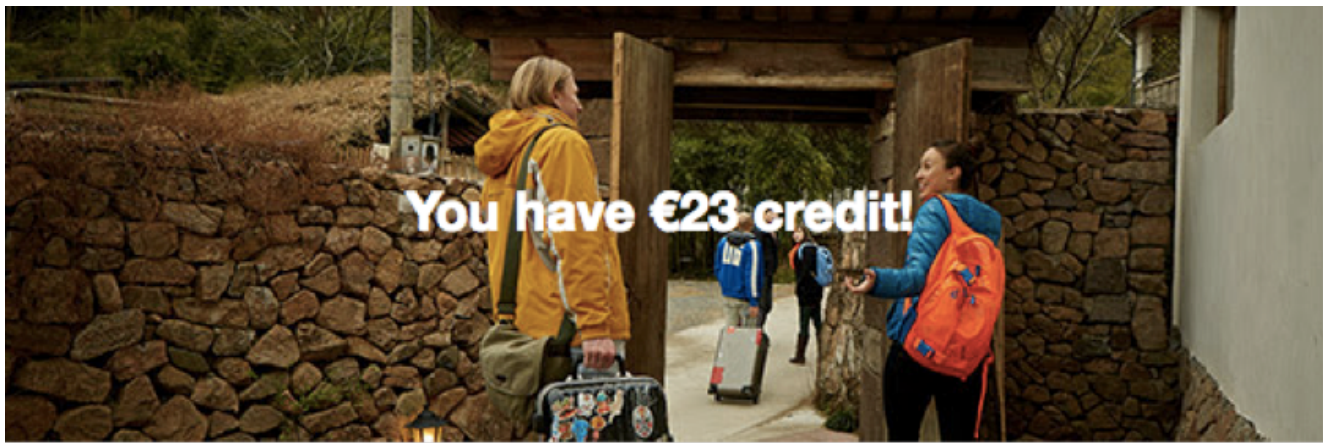
### 1. Run a Referral Programme

**How it works:** An effective method of ramping up your acquisition is by injecting virality into your sign process. Many companies have successfully done this through referral programmes, incentivising users to refer a friend.

One way this can work is to have current customers share a sign-up page via social media. Another is to get them to email friends and colleagues with their unique referral link, and you could even have them share the link on their websites. The success of a referral programme hinges on **how you incentivise** your users to refer their friends and colleagues.

**Best in class example:** the folks at AirBnB are MASTERS in Referral marketing, offering a [two-way incentive program to its users](#).

1. Users invite their friends to Airbnb via email, or by sharing a personalised referral code on Facebook or Twitter.
2. When the user refers a friend, the referred friend receives €23 in Airbnb credit. In addition to this, the referrer also receives €23 credit when they travel and €67 when they host.



**Your friend Mark travelled on Airbnb!**

Since you invited Mark to Airbnb, we've added €23 credit to your account. Nice job!

[See popular places to stay](#)

**Pro Tip:** Use [Rafflecopter](#), [Gleam.io](#), [InviteBox](#) or [ReferralCandy](#) to set up your own referral programme. If you're a HubSpot customer, you can learn how to set up a customer referral programme [right here](#).

## 2. The Free Coupon Hack

**How it works:** For those bargain hunters among us (let's face it, we all enjoy a good bargain!), you'll be familiar with the desperate search for coupon or discount codes before making a purchase. Coupons or codes are a great way of generating growth and buzz around your business:

- Use a coupon widget to generate coupons and share them to influencers to embed on their site.
- Add a timer, or imply scarcity by limiting the number of redeemable coupons.
- Remarket to past website visitors via social media, offering a discount code.
- Send an automated email a couple of days after purchase asking for a review in exchange for a competition entry to win a voucher.
- Offer a coupon exclusively for your SnapChat followers. The beauty of SnapChat is that creating coupons is super easy: you can either take a picture of a current physical coupon you have, or create a coupon specifically for your Snapchat followers.

**Best in Class example:** US-based restaurant takeout company, GrubHub have been running [regular discount/coupon](#) promotions since before SnapChat became so popular.



Source: [Adespresso](#)

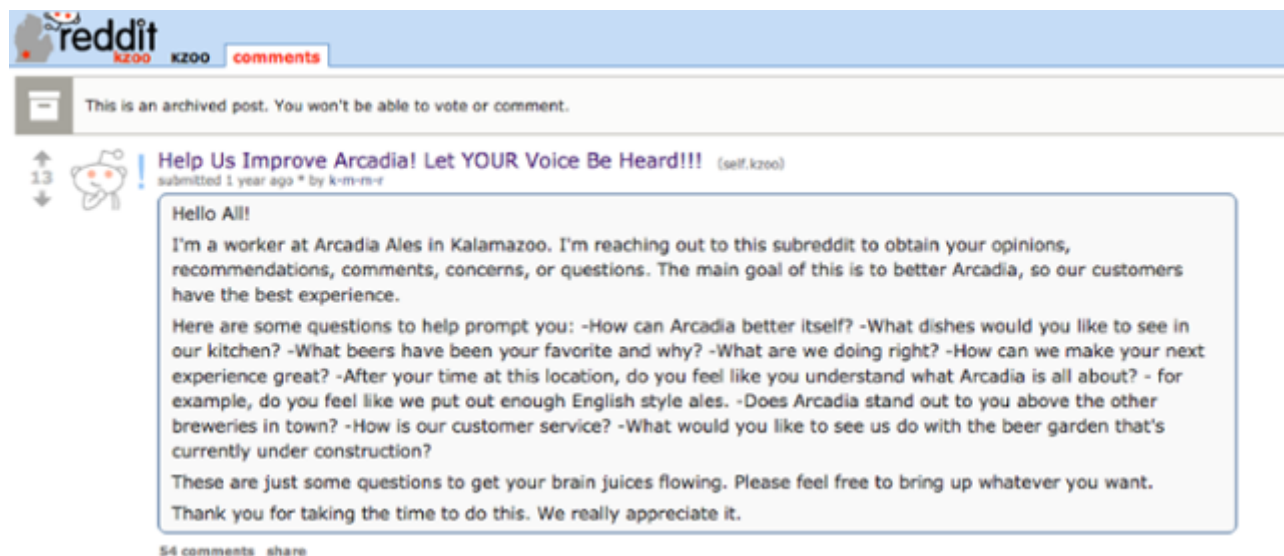
### 3. Hack Market Research Using Reddit

**How it works:** Reddit is a really great platform for soliciting feedback and ideas on improving your product. You'll find that Redditors by their nature are very open to providing their thoughts, both positive and negative.

1. Find a [relevant subreddit for your product](#).

2. Post in your chosen subreddit with an overview of your product idea & ask for feedback.
3. Engage within the comments and compile all of the feedback.
4. Direct anyone that seems interested to leave their details with you for future updates on the product's progress.
5. Reach out to the interested individuals and explain the changes you made (if any) based on their feedback. As a thank you, you could consider giving them early access for free, and ask them to share with their network.

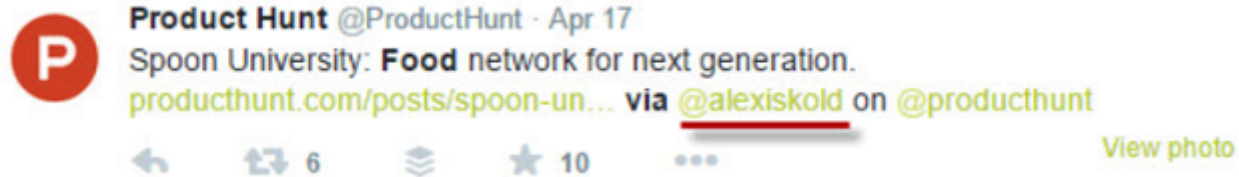
**Best in Class Example:** Michigan-based brewing company, [Arcadia Ales](#) received high-quality feedback from their market by posting to their local subreddit. The post was ~88% upvoted and received 15 direct responses to the feedback.



## 4. Get Featured on Product Hunt

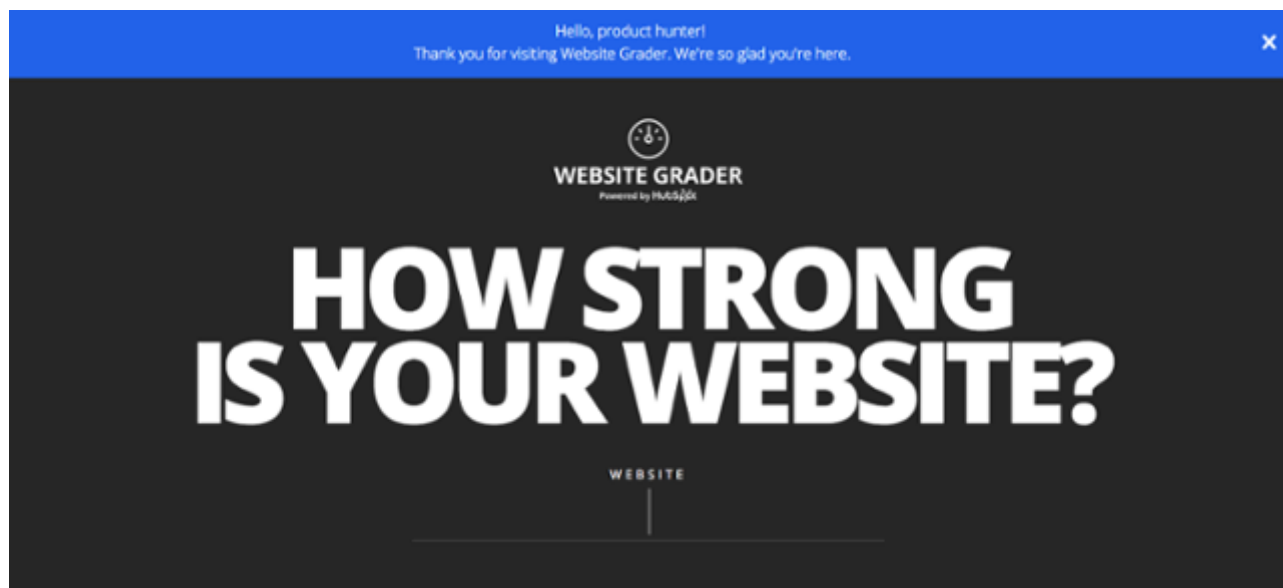
**How it works:** [Product Hunt](#) is a website that lets users share and discover new [products](#). It has fast-become the go-to platform for product launches due to the potential it has to drive massive amounts of website traffic and new user sign-ups.

- 1) Identify someone with influence within the Product Hunt community who would be willing to submit your product.
- 2) Try searching Twitter for **via "on @producthunt" from:producthunt**, this will display tweets from the @ProductHunt Twitter. All you need to do is search for a similar product to yours and then find the person who submitted it.



- 3) Make sure you ask them to test your product first, before asking them to submit for you.
- 4) Set up a landing page that includes a specific discount or offer for Product Hunt members.
- 5) Ask the submitter to mark you as the Maker of the product.
- 6) Gather upvotes by sharing the Product Hunt listing on social media and email your subscribers asking them to comment and upvote. Don't forget to add a call-to-action on your website to visit the Product Hunt page.

**Best in Class Example:** Here at HubSpot, we listed Website Grader on Product Hunt. We were lucky, as one of our founders, Dharmesh Shah, was already an active and influential member of the Product Hunt community.



The results were astonishing - not only were we trending #1 on the Product Hunt Homepage, traffic went through the roof. Average views for January increased by 100K!

## 5. Optimise the Past

**How it works:** Historical optimisation means optimising your "old" content so it's fresh, up-to-date, and has the ability to generate even more traffic and conversions than it already does. Of course, this doesn't mean you should stop creating new content, but you should learn how to maximise results from content that already exists. Here is a process for optimising "old" blog posts and landing pages:

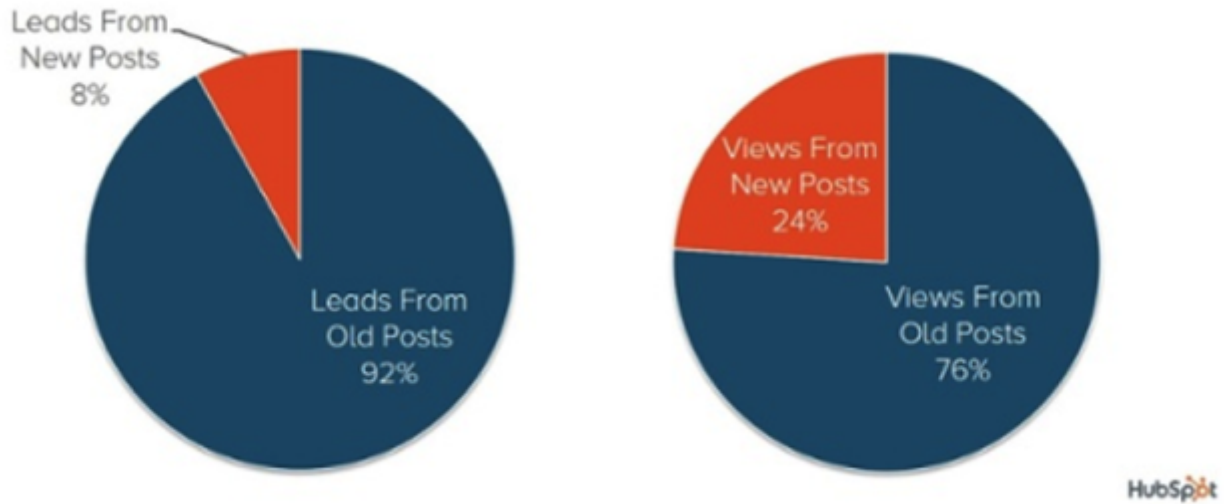
Traffic	Conversion to Lead	Action
High	Low	Optimise for Conversion
Low	High	Optimise for Search

- **High Traffic | Low Conversion > CRO:** Use traffic data to determine what landing pages or blog posts are generating a lot of traffic, couple this with attribution reporting (HubSpot customers can use [HubSpot's attribution reports](#)) to identify the pages that are converting at a low rate and optimise for conversion.
- **2) Low Traffic | High Conversion > SEO:** On the flip side, you can determine pages that are converting well but aren't receiving a lot of traffic. By search engine optimise these high-converting posts, you could potentially get them to rank better and generate more traffic and conversions.

Get more detail on how to run a large-scale historical optimisation process [here](#).

**Best in Class Example:** Here at HubSpot we discovered was 76% of our monthly blog views came from "old" posts and 92% of our monthly blog leads also came from "old" posts. This made a historical optimisation project a no brainer.



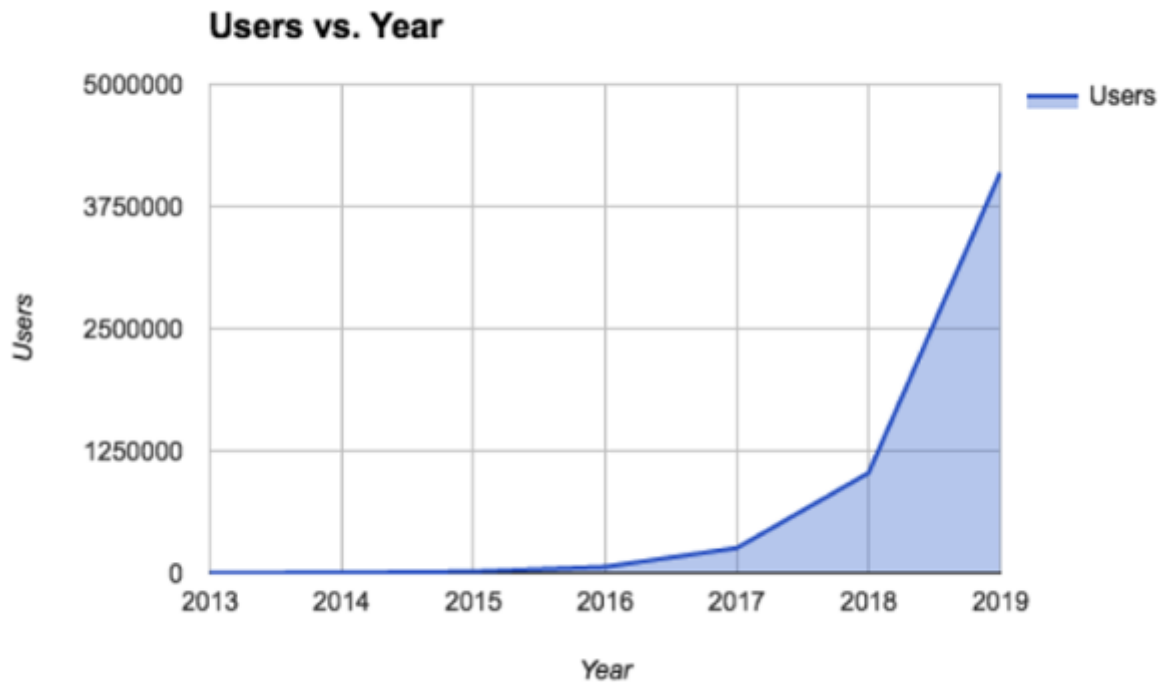


The results we've seen from employing this tactic are amazing - we've more than **doubled** the number of monthly leads generated by the old posts we've optimised AND we've increased the number of monthly organic search views of old posts we've optimised by an average of **106%**.

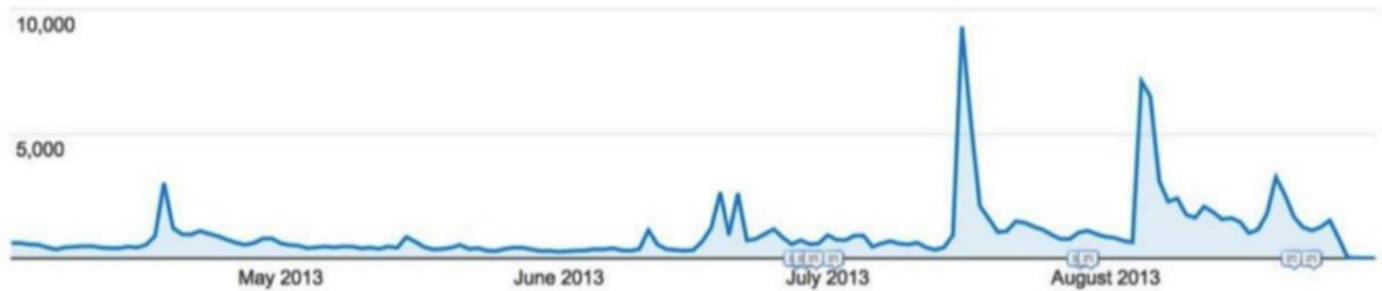


Growth hacking is tough but worthwhile. It's using data to prove your ideas, thinking outside the box and finding new ways to solve your problems. It can be easy to give up quickly if you're not seeing astronomical numbers in the first few months, but remember the faster you fail the quicker you can try again and learn what actually works.

Many people want to see growth like this:



But in reality it looks like this:



It's easy to assume that there will be one thing, at one point in time that will skyrocket your growth. But actually, it's about the small things you do every step of the way, the processes you have in place that will allow you to handle and sustain that growth. So what are you waiting for? Get started.