Marketing & Sales

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W23

Agenda

1. What is Marketing & Sales?
2. Customer Journey Mapping
3. The Four P's of Marketing
4. Product-Led Growth
5. Pirate Metrics
6. Enterprise Sales
7. Challenger Sales Model
8. What I would do today...

About Me

➜ Serial Entrepreneur from the United Kingdom

➜ Built companies in UK, US, NL, SLO

➜ Entrepreneur of the Year 2012 in Netherlands

➜ Teams from 0 - 100+ employees

➜ Some successful exits, multiple failures

➜ Angel Investor for the last 8 years

➜ Father, Husband, Hiker & Biker

LONDON | LOS ANGELES | AMSTERDAM | LJUBLJANA

Why Me?

→ Head of Growth @ Speedinvest

→ Ex-Head of Growth @ Receipt Bank

→ Co-Founder/CCO of GetSocial (Sold 2019)

→ Launched multiple products in multiple markets from new products to product expansion

What is Marketing and Sales?

What is Marketing & Sales?

MARKETING:

Marketing is the process of promoting and selling products or services to potential customers.

SALES:

Sales is the process of persuading potential customers to purchase a product or service offered by the company.

What is Marketing?

The goal of marketing in a startup is to generate awareness, interest, and demand for its offerings and ultimately drive revenue growth.

Marketing Tasks:

★ Brand Building (Awareness)
★ Product Positioning
★ Market Research
★ Advertising
★ Acquisition
★ Customer Relationship Management

What is Sales?

The goal of sales in a startup is to drive revenue growth by successfully converting leads into paying customers. Sales is a critical aspect of a startup's success, as it is often directly tied to the company's ability to generate revenue and reach its financial goals.

Sales can be an independent team within the business, or just the process of converting customers.

Sales tasks:

★ Contact potential customers
★ Present the product/service
★ Overcome objections
★ Close deals

Marketing & Sales Funnel

Awareness

Interest

Evaluation

Commitment

Purchase

LEAD GENERATION	
LEAD NURTURING	Marketing
SALES	
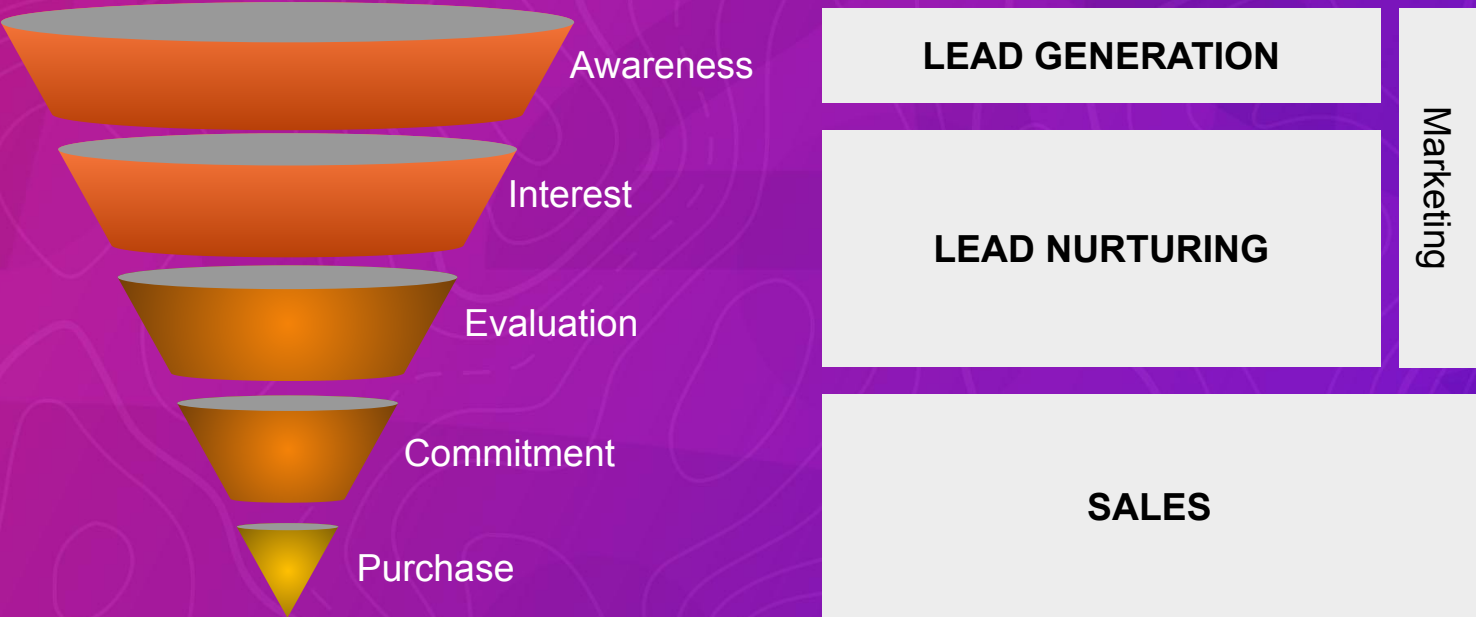
Customer Journey Mapping

Customer Journey Mapping

Customer journey mapping is a visual representation of the steps a customer goes through to interact with a company, from awareness to post-purchase evaluation.

It is important because it helps you understand your customers' experiences, pain points, and needs, allowing them to optimize their processes, communications, and overall customer experience.

By mapping out the customer journey, you can identify opportunities to improve customer satisfaction and loyalty, increase sales, and gain a competitive advantage.

★ **Create a logical way to use your product!**
★ **Optimize Onboarding of Customers**
★ **Benchmark customer expectations vs actual experience**
★ **Understand how different target customers use the product**

Customer Journey Mapping

| Stage	Awareness	Consideration	Decision		Delivery & Use			Loyalty & Advocacy	
Activities	Hear from friends	Compare alternatives	Add items to cart	Make an order	Receive or pick up order	Contact customer service	Enjoy the food	Order again/or order more	Share experience with friends
Goals	No goals	Find the best solution for food	Easily find what food they want	Order effortlessly	Receive order effortlessly	Easily get help if any problems	Have good quality food	Repeat good experience	Share feelings, give feedback
Touchpoints	No goals	Find the best solution for food	Easily find what food they want	Order effortlessly	Receive order effortlessly	Easily get help if any problems	Have good quality food	Repeat good experience	Share feelings, give feedback
Experience 😀 😞	*Interested*	*Needs effort, but exciting*	*Excited*	*"Payment sucks"*	*Needs effort, but happy*	*Frustrated*	*Satisfied*	*"This is easy"*	*"I hate to share"*
Business Goal	Increase Awareness	Increase Website Visitors	Increase cart value & conversion	Increase sales & conversion	Deliver on time a	Increase CSAT, min. waiting	Match products to expectations	Increase retention rate	Customers to advocates
KPIs	# People Reached	New website visitors	Cart value, conversion	Sales & Conversions	On time delivery	CSAT, Waiting Times	Product Reviews	Retention, value, frequency	CSAT
Activities	Marketing Campaigns, PR	Marketing Campaigns	Customer Experience	Funnel optimisation	Picking & Delivery	Customer Service	Product pages & range	Target marketing	Social media, sharing
Responsibility	Marketing & Communication	Marketing & Communication	Developers, Cust. Service	Developers, warehouse, logistics	Warehouse, logistics	Customer Service	Product Dev, purchasing	Marketing, developers	Cus. Support, developers
Stack	CRM, Analytics, Social	CRM, Analytics, CMS, Marketing Automation	CRM, Analytics, CMS, Webshop, PIM	CRM, Analytics, CMS, Webshop, PIM, Inventory	CRM, Analytics, order & delivery, mar. automation	CRM, Analytics, Help Desk, Chat, ticketing	CRM, Analytics, Vendor mgmt, PIM	CRM, Analytics, Mar. Automation Webshop	CRM, Analytics, mar automation, webshop, social

Customer Journey Mapping

Stage	Awareness	Consideration	Decision		Delivery & Use			Loyalty & Advocacy	
Activities									
Goals									
Touchpoints									
😀 **Experience** 🙁									
Business Goal									
KPIs									
Activities									
Responsibility									
Stack									

The Four P's of Marketing

The 4 P's

A simple framework that focuses on Product, Price, Place and Promotion.

In theory, it's a simple solution to increasing higher sales, but implementing isn't so easy.

The smaller your company is, the more important is to understand what the Four P's are for you.
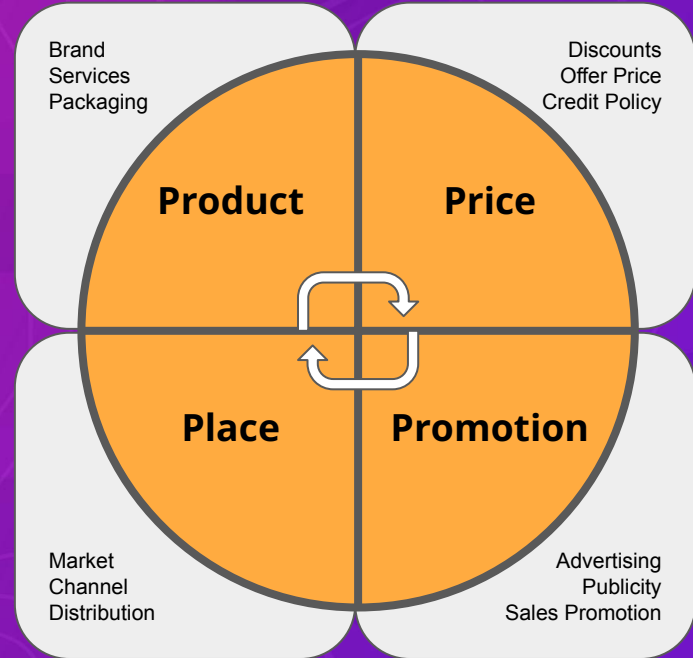
Product

The product is what you're selling...

It could be physical or digital products, services or support. It's anything that's available to the customer.

What makes your product different? And don't focus on features...

- **What's the biggest problem I can help you solve?** This will give you an idea of what your product needs to do.

- **What's your favorite {industry} product and why?** You'll want to replace the word {industry} with whatever industry you are in... this question gives you an idea about who your competition is and what they are doing right.

- **Why did you come here today?** This will tell you why people come to your site and what they are looking for.

- **How can we make our product better?** This is great if you already have a product up as you will get real feedback.

- **What don't you like about {competitor}?** Replace {competitor} with your competition's name... this question tells you where there is an opportunity.

Price

How much you're charging for your product...

It's easy to just add a price to anything, but you also need to consider how you want to be perceived (luxury, value, etc...).

- **What would be the lowest price you are willing to sell your product?**

- **What would be the highest price that consumers would be willing to pay?**

- **How sensitive to price are your customers?**

- **What prices do current leaders in your niche charge?**

- **How does your price compare to the competition?**

Place

Go to where your customers are...

Remember the bullseye framework? THAT!

Pick the right place to host and promote your product.

- **Where is your customer?**

- **Which outlets (online and offline) sell your product?**

- **Which distribution channels are currently working for you?**

- **Do you sell directly to businesses or consumers?**

- **Do you sell directly to your end customer or do you have to go through middlemen?**

- **Where are your competitors?**

Promotion

Once you've optimized the other P's, Promote the heck out of it…

This is marketing, branding, generating revenue. Everything to be the biggest cheerleader of your business.

- **Which channels does your audience use the most to consume information?**

- **What kind of message tends to be more effective when promoting your solutions?**

- **What is the ideal period for promoting your product?**

- **Is there any concern about seasonality?**

- **How do your competitors plan and carry out their promotion?**

The Four P's of Marketing
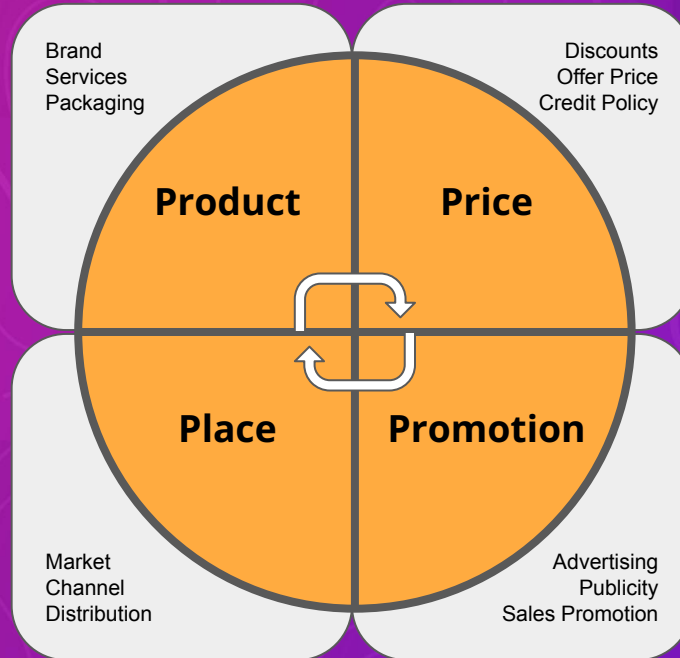
Product-Led Growth

Product-Led Growth

Product-Led Growth (PLG) is a business strategy that focuses on using a company's product as the primary driver of customer acquisition, engagement, and revenue growth. The goal of PLG is to create a self-sustaining cycle where the product drives its own growth through user referrals, word of mouth, and viral adoption.

This approach emphasizes delivering value to users through the product experience, rather than relying on traditional outbound sales and marketing efforts.

PRODUCT-LED
GROWTH

How to Build a Product
That Sells Itself

WES BUSH
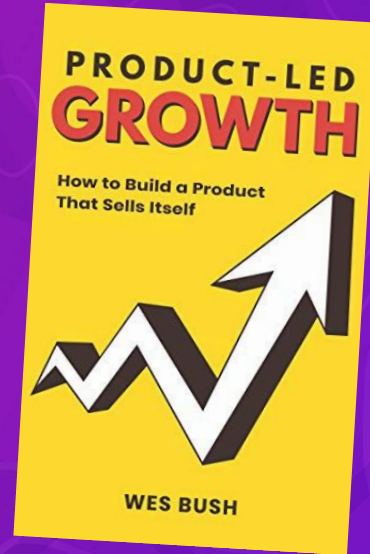
The 6 Product-Led Models

Most people are mislead by PLG and assume it's just a free trial to a product.

Yes, a free experience that suits your product and user base is the foundation of any product-led growth strategy, but it's all about delivering value to the customer during the free trial.

The 6 Product-Led Models

★ **Opt-In Free Trial**
★ **Opt-Out Free Trial**
★ **Usage-Based Free Trial**
★ **Freemium**
★ **New Product**
★ **Sandbox**

The 6 Product-Led Models
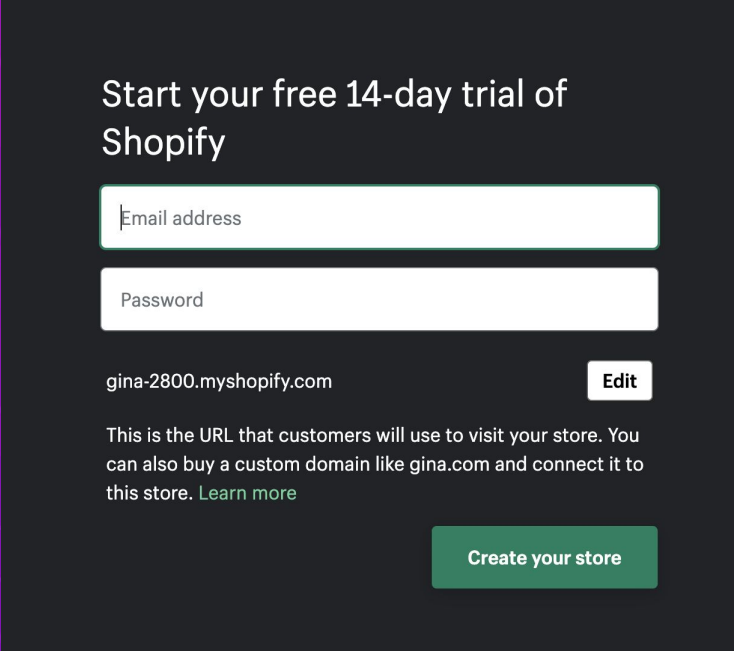
1: Opt-In Free Trial

Opt-In Free Trials are time-based and can be as long or as short as needed for your user to reach their "Aha! Moment."

However:

A 7-day trial is typically used for B2C for products that aren't too complicated. They create time pressure to buy the product.

14 to 30 days are the most common for B2B companies. These are typically for products that have more complex integrations.

Start your free 14-day trial of Shopify

Email address

Password

gina-2800.myshopify.com   Edit

This is the URL that customers will use to visit your store. You can also buy a custom domain like gina.com and connect it to this store. Learn more

Create your store
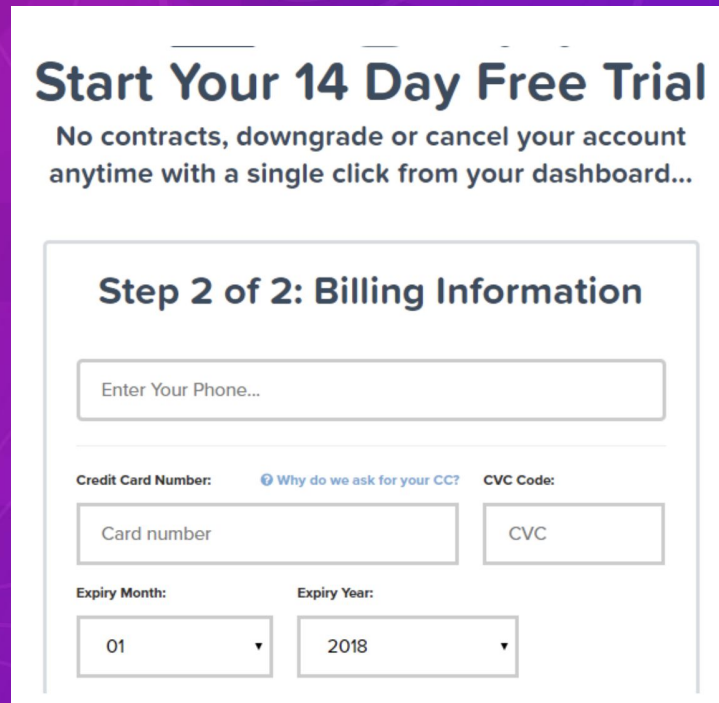
The 6 Product-Led Models

2: Opt-Out Free Trial

In the first model (Opt-In Free Trial), we doted on the power of having super easy, frictionless signups. However, the Opt-Out Free Trial is about embracing just the right amount of friction – or *good friction*.

Friction refers to a step in the user signup process that disrupts the signup flow.

In the Opt-Out Free Trial model, friction is created when a user stops the signup and inputs their credit card information.

The 6 Product-Led Models

3: Usage-Based Free Trial

By giving your users unlimited access, you provide them with the freedom to find more use cases, which leads to long-term success and a higher lifetime value.

Open View Partners has seen a 10x ratio in the number of users in an account for usage-based software companies relative to their seat-based peers.
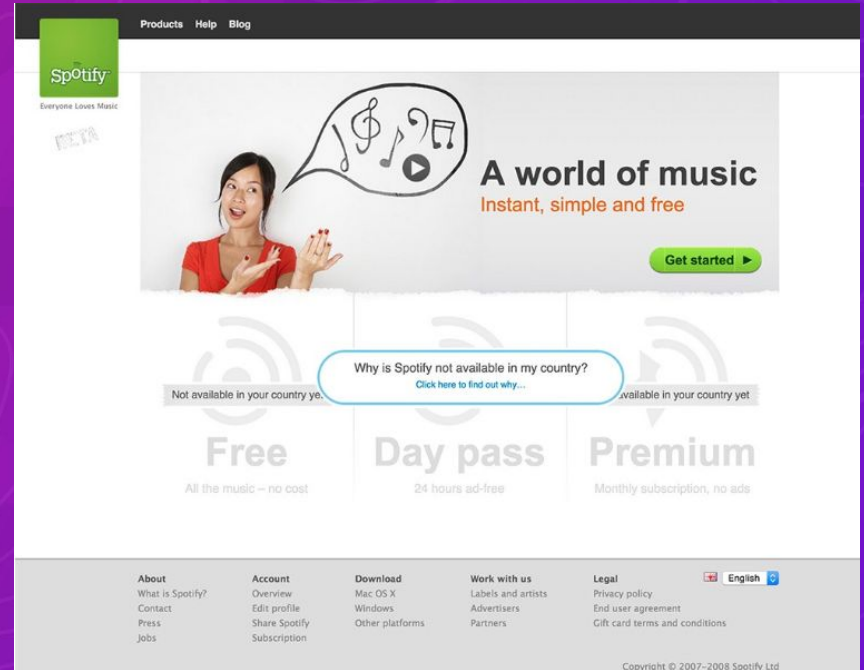
The 6 Product-Led Models

4: Freemium

Like a Usage-Based Free Trial, Freemium is a two-tiered user acquisition model that splits users into paid subscribers or free users. Free users have limited product features, whereas paid users (or premium users) have full access.

However, the main distinction is that with a Freemium product, you can use the most basic version of the product for as long as you want.
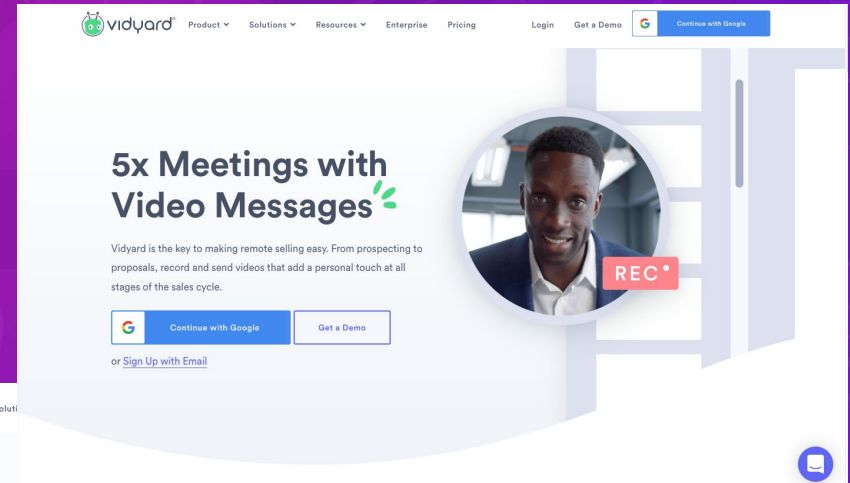
The 6 Product-Led Models

5: New Product

This model leverages all of the other product-led growth models. The main difference is that a New Product solves a different (but complementary) problem than the core product to satisfy the same user base.

The 6 Product-Led Models

6: Sandbox

The value of some products can be hard to explain. Sometimes the most powerful and efficient way to lead a user to their **_"Aha!"_** moment is to play around with a product and see how its features can solve their problems.

While this seems a lot like the Freemium model, the main difference is the system is a self-led demo that allows the user to explore the functionalities and features of a system before investing in the setup and team buy-in.
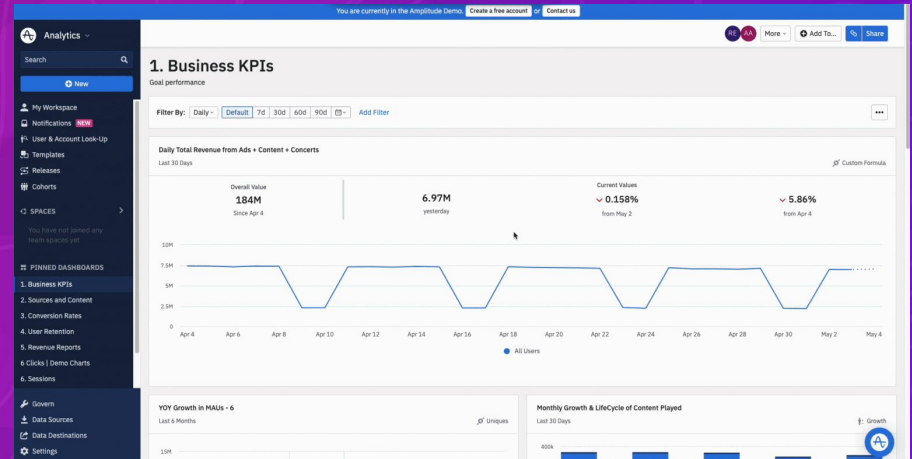
Driving your customers to see the value

Don't send your users on a wild goose chase
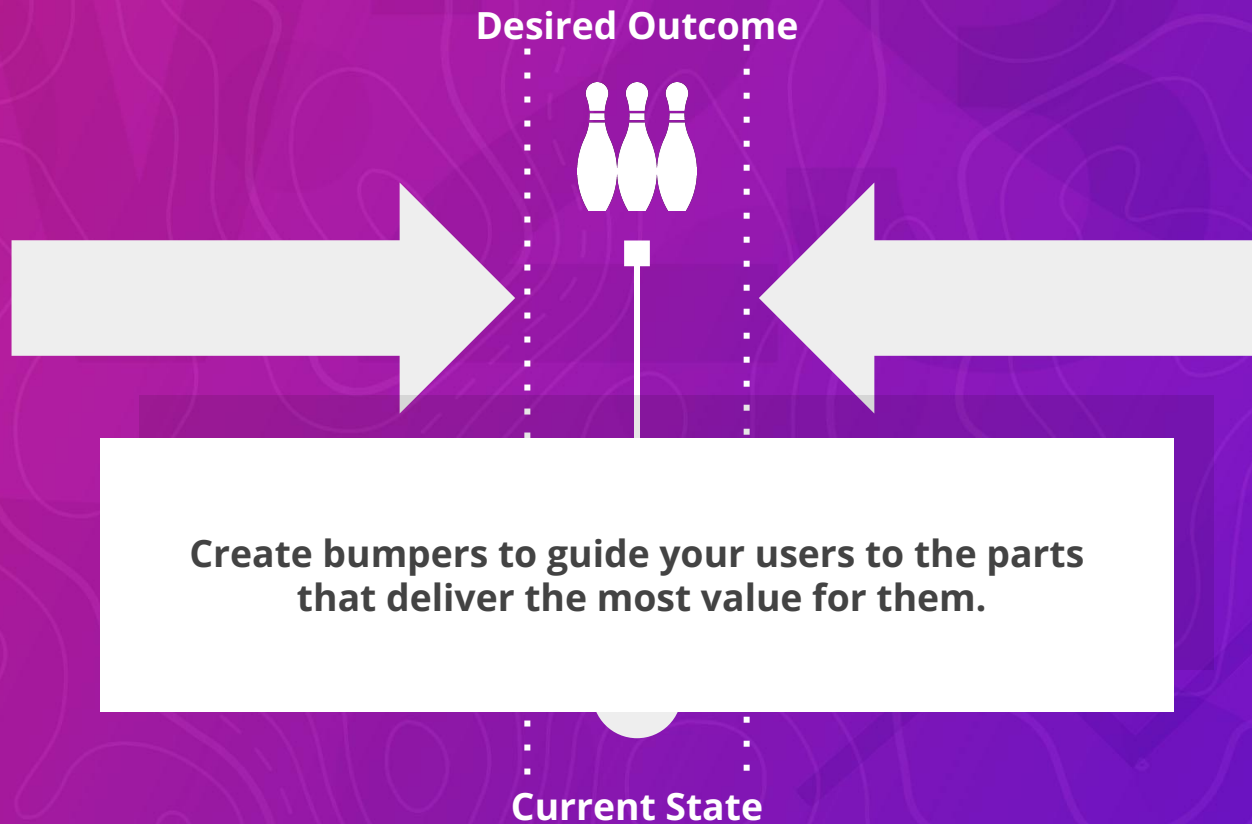in order to see and understand the **value**.

Guide them too it straight away.

The Bowling Alley Framework

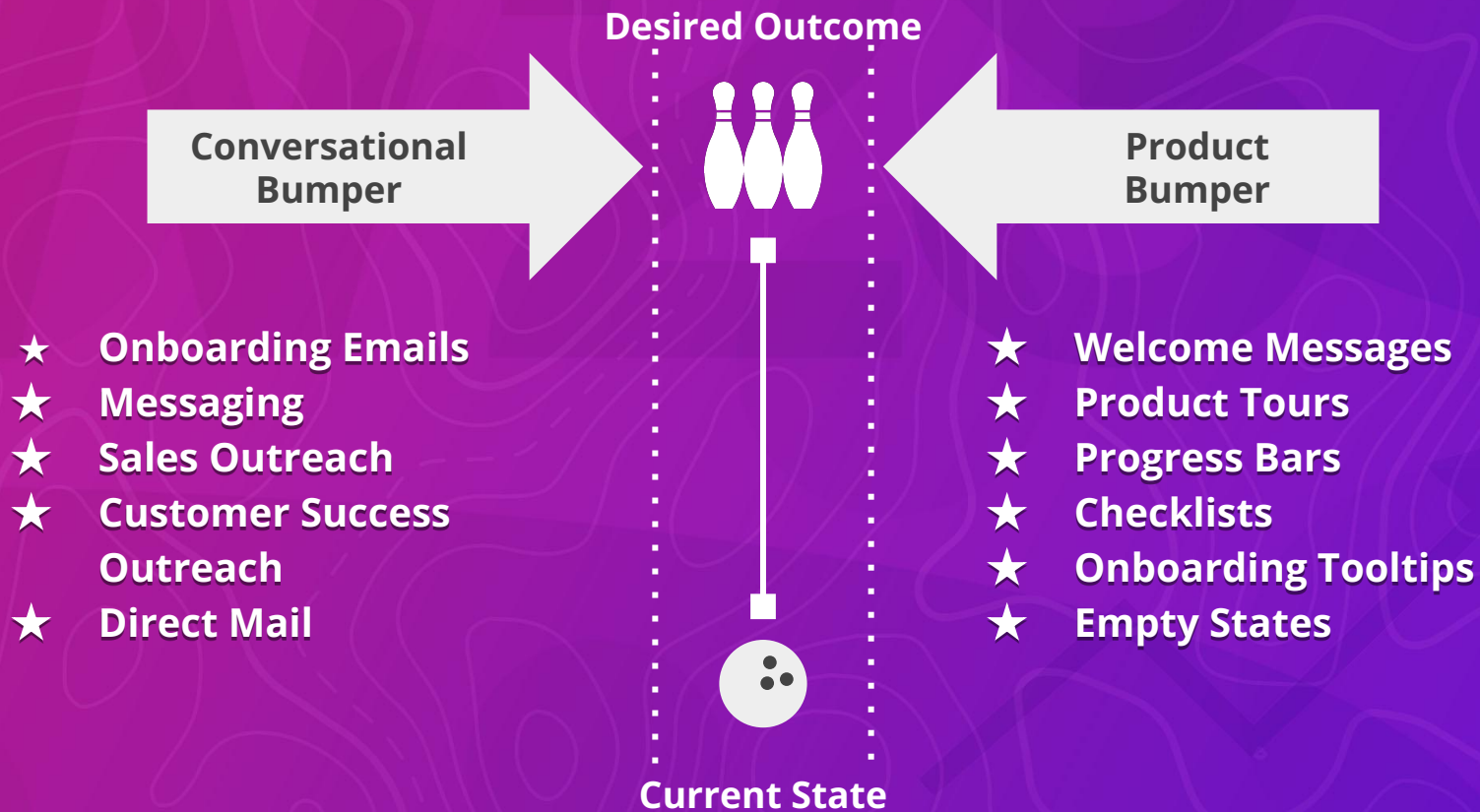A powerful onboarding strategy that can be used to deliver **value** to your users **immediately**.

The Bowling Alley Framework

Desired Outcome

Create bumpers to guide your users to the parts that deliver the most value for them.

Current State

The Bowling Alley Framework

Desired Outcome

Conversational Bumper

Product Bumper

Current State
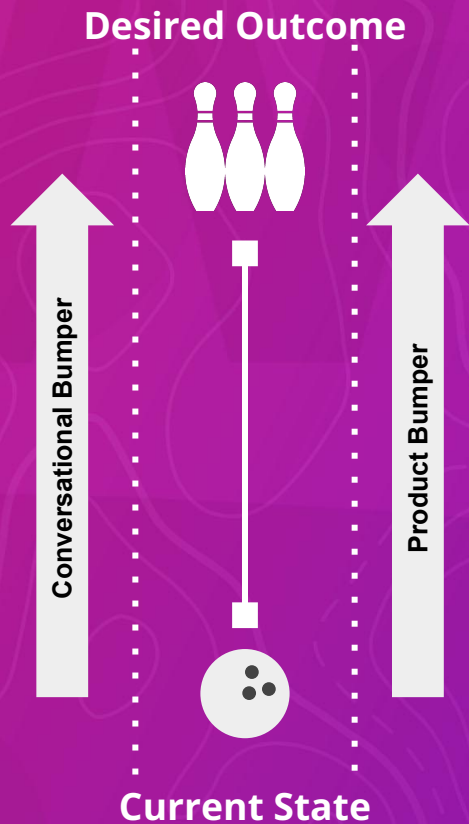
1. Develop your Straight Line

2. Create a Product Bumper

3. Build a Conversational Bumper

"As you remove pain and friction from your user's experience of attaining their valued objective, your total addressable market grows."

Richard Kipp, CPO @ Grow

The Bowling Alley Framework

Desired Outcome

Conversational Bumper

Product Bumper

Current State
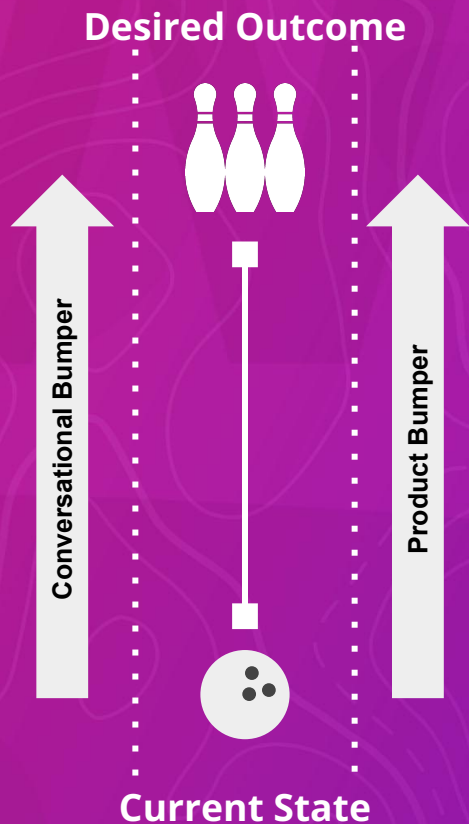
Developing your Straight Line

Know your customers problem, and let them solve it straight away to cut the time-to-value

1. Map out the path for the user

2. Label every checkpoint *(Is it critical?)*

3. Remove the shit and create your straight line

The Bowling Alley Framework

Desired Outcome

Conversational Bumper

Product Bumper

Current State
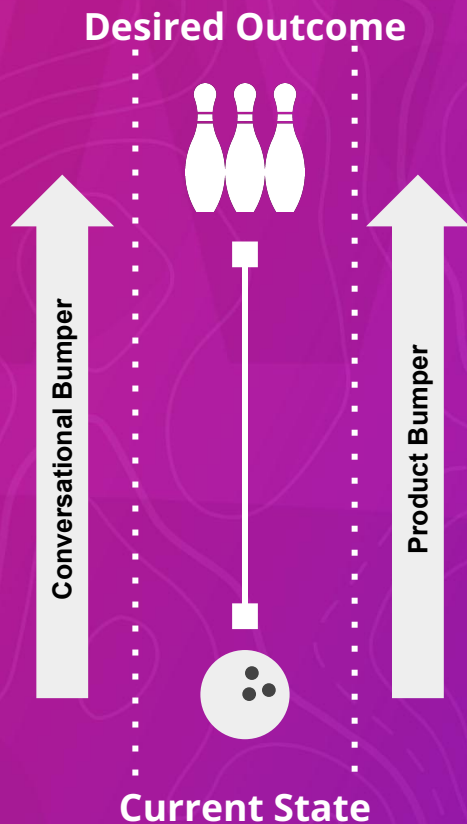
Create a Product Bumper

Product Bumpers are Mission critical. They help your users understand the product within the service/product itself.

★ Welcome Messages
★ Product Tours
★ Progress Bars
★ Checklists
★ Onboarding Tooltips
★ Empty States

The Bowling Alley Framework

Desired Outcome

Conversational Bumper

Product Bumper

Current State
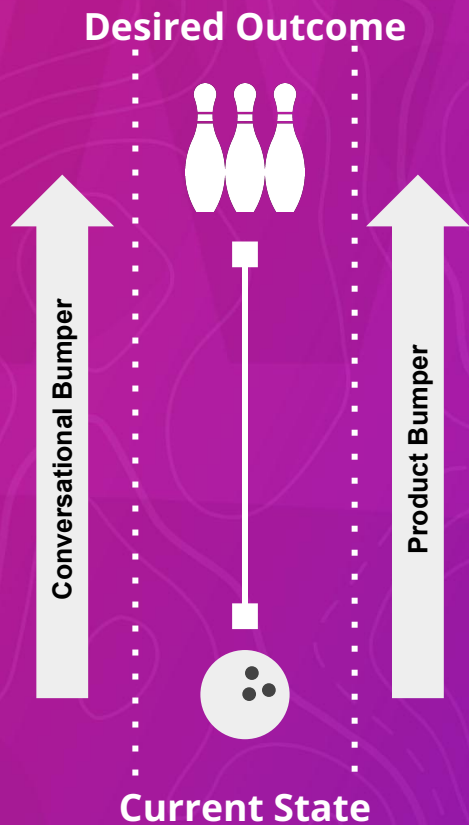
Build a Conversational Bumper

Conversational Bumpers work to educate the users and bring them back, driving them towards seeing the value first-hand.

★ Onboarding Emails
★ In-App Messaging
★ Sales Outreach
★ Customer Success Outreach
★ Direct Mail

The Bowling Alley Framework

Get home

Conversational Bumper

Product Bumper

★ Receive updates when Uber is here
★ Receive receipt when completed

★ Add Address
★ Search for nearby Uber
★ See the estimated cost
★ Book the Uber

Download Uber while drunk
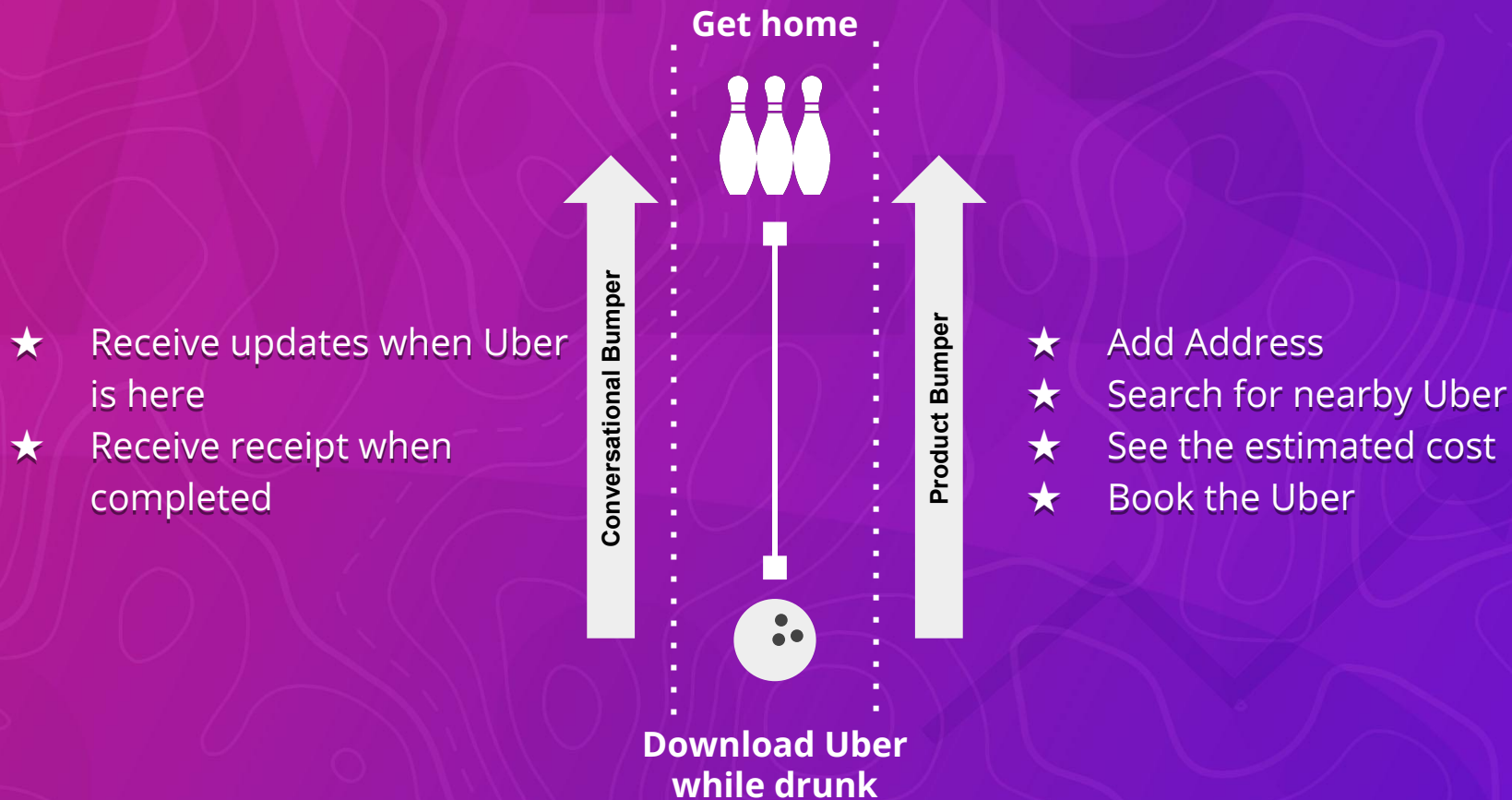
10 MINUTE BREAK

Pirate Metrics

Pirate Metrics

|	PIRATE METRICS	MEANING IN OUR BUSINESS	POSSIBLE GROWTH DRIVERS	OUR SUCCESS MEASURES	RESULTS	CONVERSIONS
	The 6 steps of the Pirate Funnel form the typical journey of a customer. Of course, the funnel will look different for every business, so adjust it as needed by adding/changing/reordering the steps!	What do the metrics mean to us?	How can success be measured?	With which metrics do we measure success? (Our key measure is highlighted in bold)	How many users are we currently getting?	What is our current conversion rate between the steps?
A	**Awareness** How many people do we reach with our marketing? How do we get people to visit us? Which channels are they using?	How many people have our JTBD and how efficient are we in reaching those people?	SEO and SEM, social media, blog, e-mail, PR, affiliates, BizDev, apps and widgets, TV	› **Unique visitors of our website(s)** › Social media reach › Ad impressions & reception › New blog readers	100,000	20%
A	**Acquisition** How do we define an acquired user? Do they have to sign-up & leave personal info?	Users need to go through our channels to become a customer. We are currently lacking partner channels	Ratings & reviews, paid advertising, digital/traditional marketing, channels, cohort behavior, keyword ranking, CACs	› **% signing up** › Downloads & installs › Customer Acquisition Costs (CAC)	20,000	25%
A	**Activation** What is our WOW Moment (i.e., the first great user experience)? What do we consider an active user?	People will only buy if they have a great first-time experience with us that is superior to their current alternative	One-step registration with email or FB, customer on-boarding, newsletter sign-up, brochure download, meeting requests	› **Number of times a customer reads key blog posts** › Session length › Screens per session › Time between engagements	5,000	10%
R	**Revenue** How many people actually become customers and how much do they spend? What are we doing to sell, upsell and cross-sell?	We need to get to $5 million in revenue by end of year	Sales & promotions, downloadable content, personalization, frequent updates, ads, lead generation, BizDev, subscription	› **Number of new customers** › Average Revenue Per User (ARPU) › Cust. Lifetime Value (CLV) › % subscriptions & upgrading	500	This is your main bottleneck!
R	**Retention** How many customers are sticking with us? What are we doing to ensure that users come back?	Customers are only becoming net positive after 14 months – so retention is key in our business	Proactive communication, push notifications, re-engagements ads, e-mails & alerts, time-based features, blogs, content	› **Monthly active users (MAU)** › N-day retention › Session frequency	200	40%
R	**Referral** How many customers promote us? What are we doing to encourage virality?	Recommendations are key in our business. We get close to 50% of our business from there	Campaigns, contests, emails, widgets, recommendations	› **Net promoter score > 8.5** › Peer recommendations sent	50	25%

Enterprise Sales

Enterprise Marketing & Sales Funnel
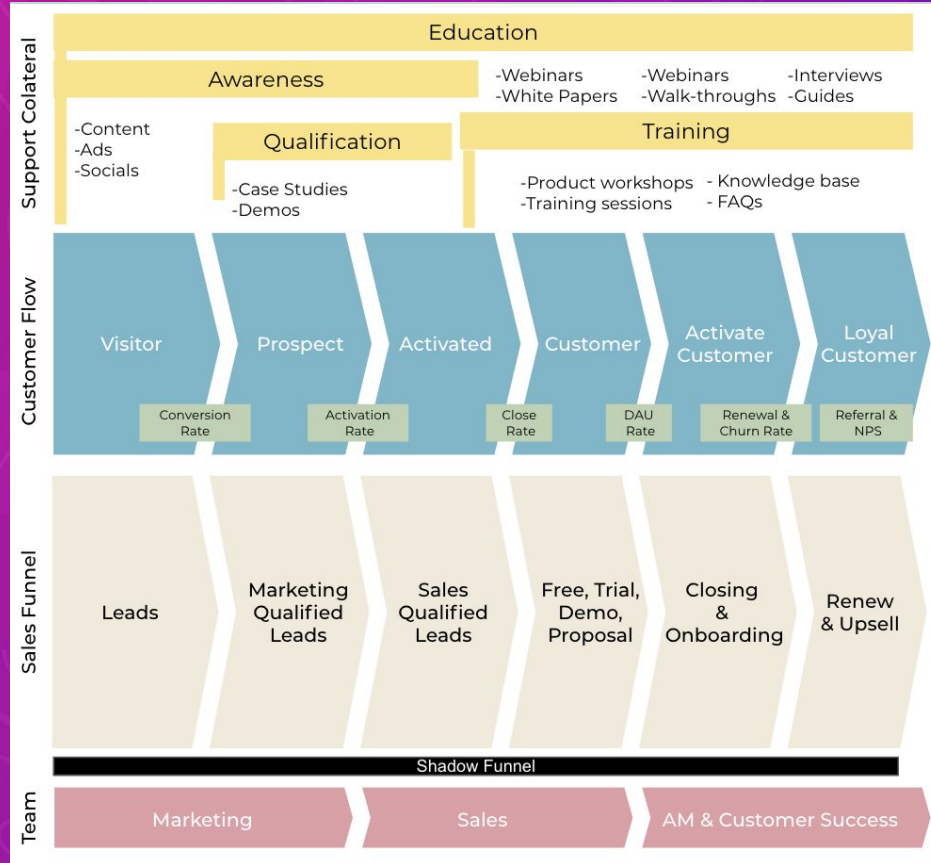
General Criteria for Sales Funnel

Sales Funnel	Owner	Important Labels	Progression Criteria	Tags
Leads	Marketing	-Life cycle stage: Subscriber / Lead / Unqualified -Lead Status: New -Source:	-Target market	-Company -Location
Marketing Qualified Leads	Marketing	-Life cycle stage: MQL -Lead Status: Open	-FTE > -Industry	-Industry -FTE -Contact details
Sales Qualified Leads	Sales Development Rep	-Life cycle stage: SQL -Lead Status: in progress	- Willingness to pay - Timely - Scope outlined for full contract - Champion + Decision Maker	-Decision maker -Key employees
Free, Trial, Demo, Proposal	Account Manager	-Life cycle stage: Opportunity -Lead Status: Open Deal	- Willingness (Confirmed) - Timely (Confirmed) - Scope (Confirmed) -Deal created	-$$$ amount - Contract Length
Closing & Onboarding	Account manager	-Life cycle stage: Opportunity -Lead Status: Closing	-Signed contract - Onboarding complete	-$$$ amount - Contract Length
Renew & Upsell	Account Manager Customer success	-Life cycle stage: Customer -Lead Status: Customer	-Product KPIs -Expansion potential id'd - New products uptake	-Last communication -Product upgrades

Leads

First, you need a customer or prospective customer.

Identifying potential leads is the first stage in any sales cycle and requires a solid understanding of the service or product you're selling!

- **What does your product do that no one else's does?**

- **What problems does your product solve (Jobs to be done)?**

- **Who are the target customers you want? (Innovators, early adopters)**

Define your target market and generate leads!

Contact Potential Customers

Once you've got a list of potential customers, reach out to them, call them, message them, let them know you're here and try to generate interest.

- **Create a website with landing pages**

- **Create a sales deck with collateral**

- **Focus the messaging on what you can do for them to help their jobs to be done!**

**Find ways to connect and speak to your potential customers**
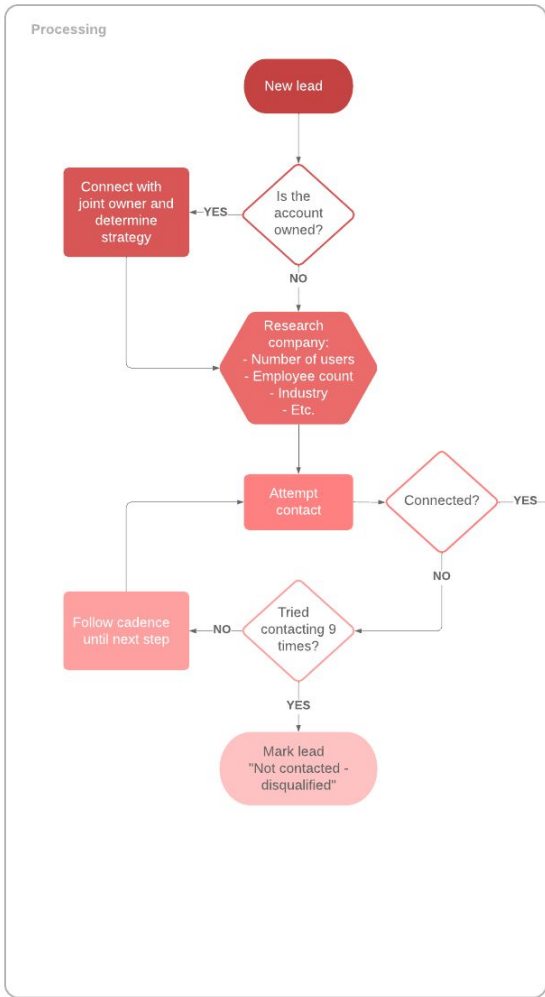
Qualify the customers

Make sure that your marketing qualified leads, are sales qualified leads.

MQL - SQL

- **Once the marketing channels have attracted potential customers, ask questions and look at behaviour to see if they are likely to become a paying customer.**

- **This is the process of turning an MQL to an SQL**

Quickly understand if they are a potential customer or not
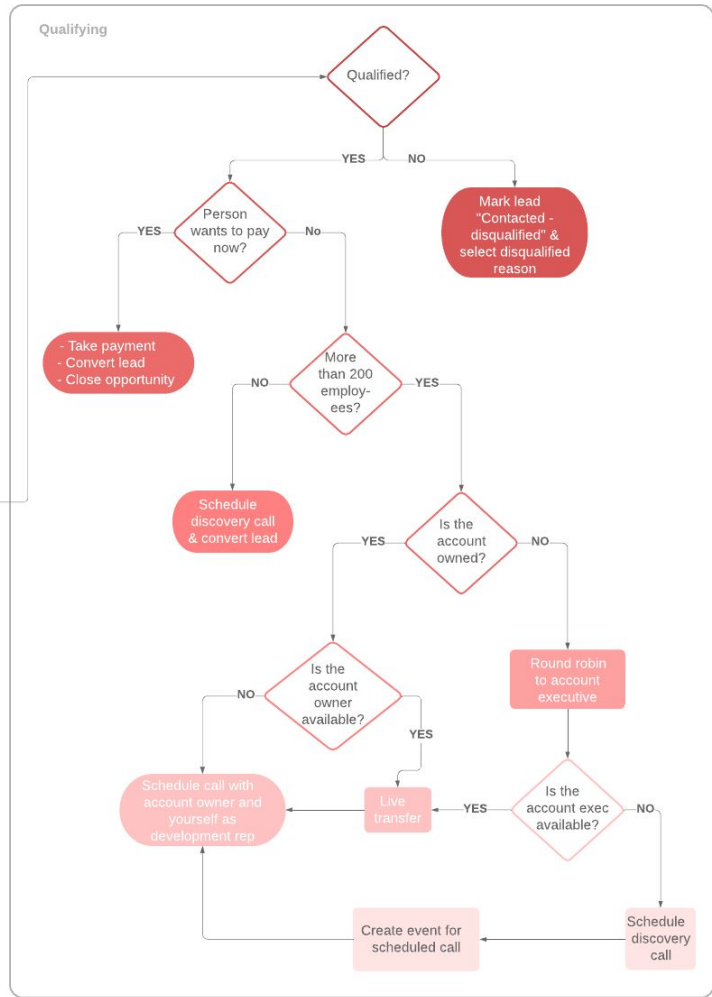
Present your Product

Now that you've qualified the lead for sales, present them you're product and engage with them!

This is the most crucial stage!!

Sell yourself, sell your products.

- **Present your product in a customer facing way**

- **Be ready to demonstrate the problem fix**

- **Show your unique selling point (USP)**

- **Know your product, numbers and industry!**

Show the potential customer what you can do and why…

Overcome customer objections

Everyone has hesitations. They may even have researched you and competitors before speaking to them.

Be prepared, and be in control.

- **The price is too high**
- **The contract is too long**
- **The terms suck**

- **Don't be afraid, as questions about their objections**

- **Where do their hesitations come from?**

- **Listen, be patient.**

Focus on educating and building trust

Close the Sale

Understand when it's time to close the sale. Listen to the customer, understand their needs.

Don't be afraid to take control when the time is right, especially when they are on the fence.

- **Established a good, engaging connection? Be more direct "Let me send over a contract…"**

- **Less enthusiastic? Circle back to main points from early in the sales cycle and remind them why they are at this point so you can close.**

- **Sales don't always close after the first meeting, maybe the internal process on their side is more complicated. If so, understand what that process looks like and how you can help.**

Turn the potential customer into a customer!

Value Matrix

	Initiator	User	Influencer	Decision Maker	Buyer	Approver	Gatekeeper
Definition	Starts the buying process or shows initial interest	Uses your product regularly	Convinces others the product is needed	Gives final approval for the purchase	Owns the budget	Final approver who pushes the initiative on a larger scale	Blocker in getting a product implemented or approved
Person/Role							
Pain Point							
Product Value							
Message							

Generate Referrals

Always ask for referrals.

If a customer is engaged and loves your product, turn them into advocates.
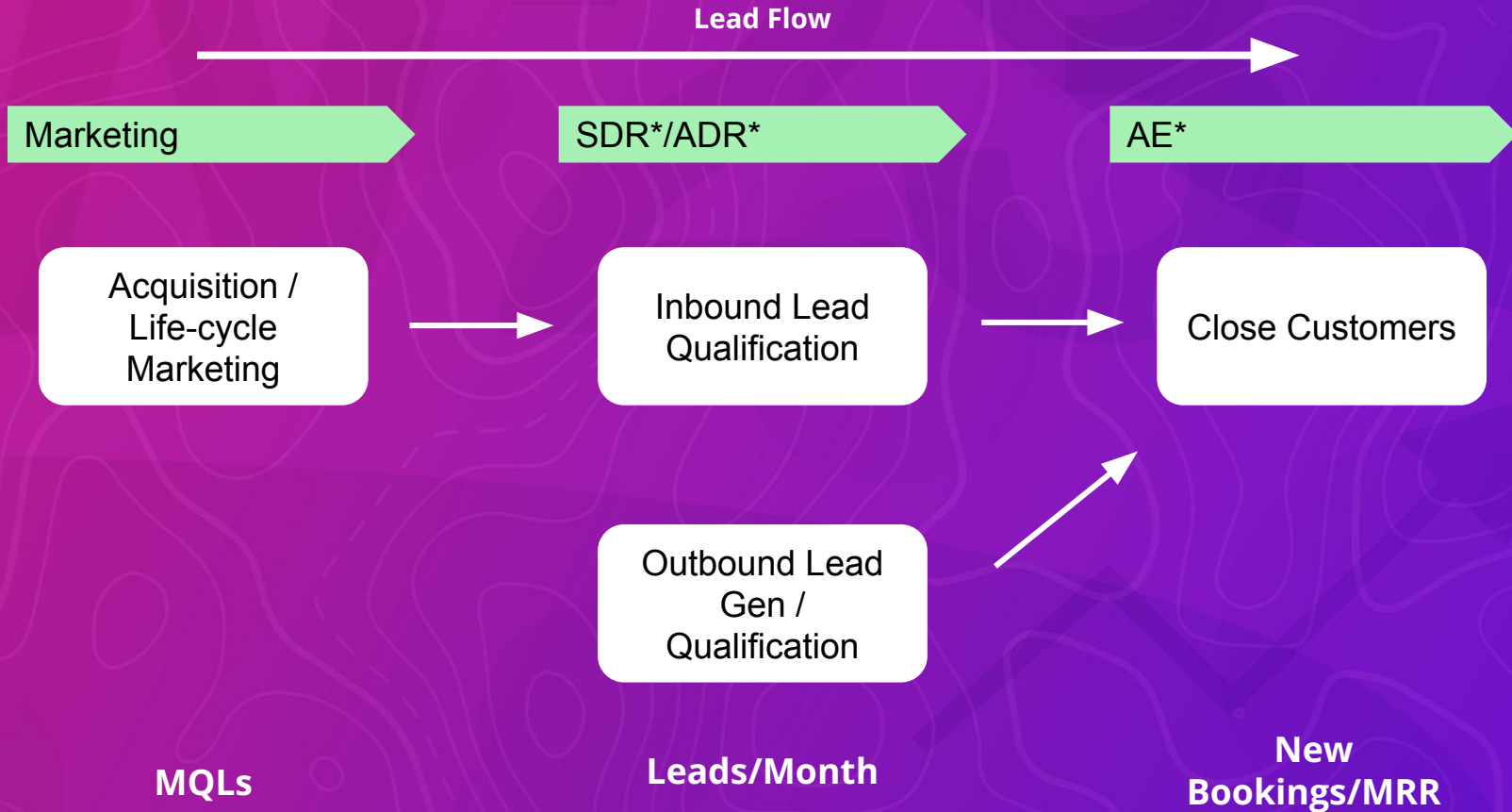
This saves you lots of time and energy, and starts the process further along.

- **Can you create a referral programme?**

- **Can they recommend a friend/partner?**

- **Find out more with an NPS (Net Promoter Score) Survey**

Can they introduce you to any other leads?

Challenger Sales Model

Challenger Sales Model

The "*Challenger Sales Model*" is a sales approach that aims to educate and challenge a prospect's current thinking and buying habits. The model is based on the idea that salespeople can add value to the buying process by bringing new insights, perspectives, and ideas to the table.

The Challenger Sales Model emphasizes the importance of building a relationship with the customer to use insights and thought leadership to drive revenue growth.

- **Challengers intentionally dispute their customer's way of thinking and force them to contemplate a new perspective.**

- **Deliver insights about an unknown problem and how you can solve it**

- **It's all about teaching.**

Challenger Sales Model

The Hard Worker. Goes the extra mile, doesn't give up easily, is self-motivated and likes feedback and development.

The Relationship Builder. Builds strong customer advocates, generates customer loyalty, is generous with giving their time to help others and gets along with everyone.

The Lone Wolf. Follows their own instincts, is self-assured and independent.

The Problem Solver. Is reliable, ensures all of their customer's problems are solved and is detail-oriented.

The Challenger. Has a different view of the world, understands the customer's business, loves to debate, pushes the customer to get out of their comfort zone.

Challenger Sales Model

Percentage of High-Performing Sales Professionals

	Transactional Selling	Complex Selling
The Relationship Builder	11%	7%
The Problem Solver	18%	10%
The Hard Worker	26%	25%
The Lone Wolf	25%	**54%**
The Challenger	20%	

11.5% average

Source: Challenger Perfomance Optimization, Inc.

Challenger Sales Model

- **40% of top sales performers primarily used a Challenger sales selling style**

- **Top performers were more than two times likely to use a Challenger approach than any other approach**

- **Over 50% of all-star performers fit the Challenger profile in complex sales**

- **Only 7% of high sales performers took a Relationship Building approach (the worst-performing profile)**

Challenger Sales Model Journey
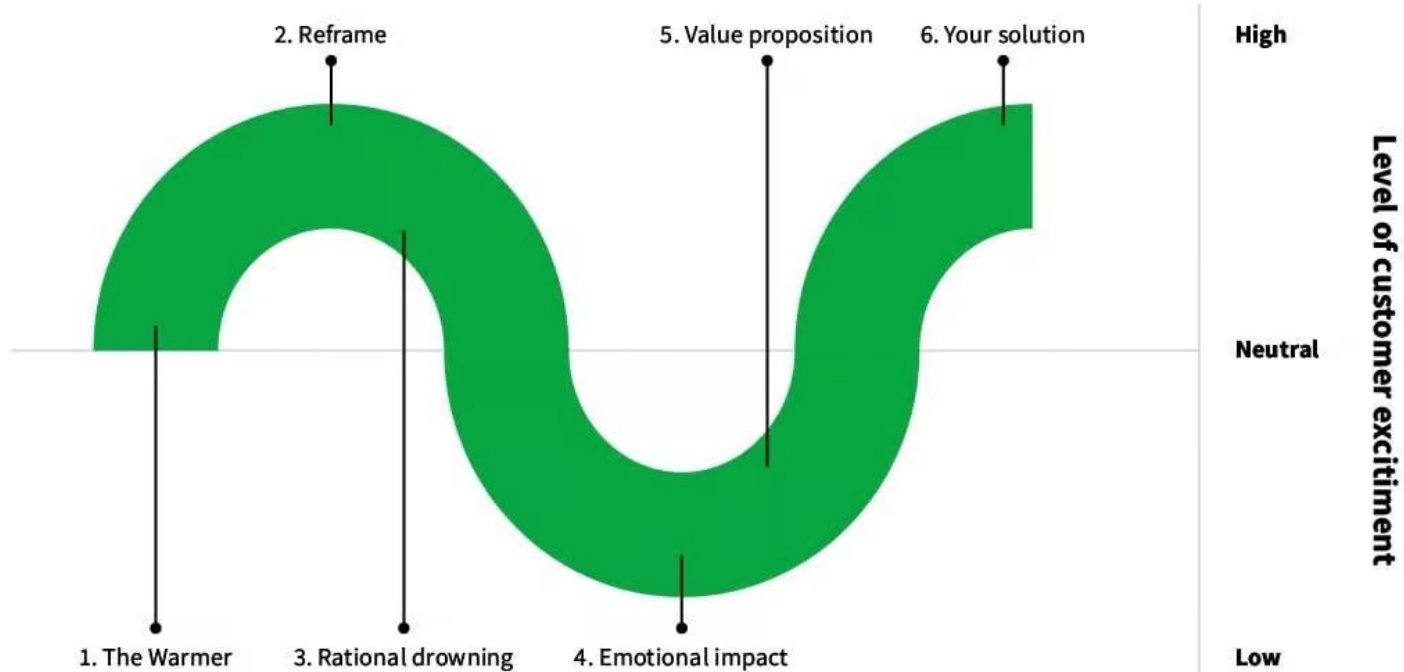
Step 1: The Warm-up

The first step of the Challenger sales process is to build credibility with prospects using intelligent communication skills. It's crucial that your sales reps show their prospects that they understand the challenges they're facing. To do this, your reps need to thoroughly research and investigate the prospect's pain points, challenges and needs.

- **Show prospect's why they're contacting them:** Talk about typical issues the prospect might be dealing with to show that they understand and can empathize.

- **Prove they're an expert:** Demonstrate that they have the necessary experience to understand their prospect's problems and what they're dealing with.

- **Get them feeling curious:** Introduce any facts or research about the problem that might pique interest.

- **Get interactive:** Use visuals and interactive content to get the prospect involved in the discussion and uncover crucial pain points they are facing.

Step 2: The Re-frame

During the warm-up, the prospect might've said that their biggest problem is landing customers. Or, that their marketing costs are too high. This next step focuses on finding the root of the prospect's problems and reframing them as growth opportunities.

Once the sales rep digs a little deeper, they can begin to break down any misconceptions the prospect has about how they will solve the prospect's problems. By forcing a new perspective into the conversation, the prospect should slowly begin to shift their mindset away from what they perceived to be the answer to their problems.

- **Staying on topic.** Address the concerns the prospect talked about in step 1 and reiterate understanding, knowledge and expertise.

- **Surprising the prospect about their misconceptions.** Challenge them to shift their focus away from how they thought they could solve their problem to the new more effective methods they could use.

- **Addressing the problem with confidence.** Turning the conversation around like this requires a certain level of fearlessness and assurance, an essential character trait in the best sales professional. The more confident and relatable the rep can be, the more the prospect will trust them to present alternative solutions.

Step 3: Use Emotions

The more that a prospect can personally relate to a product, the more likely they are to buy it.

A great way to get prospects to see personal value is by presenting them with relatable customer stories. By telling stories of customers that have similar problems, the prospect can begin to see themselves as the main character and feel more connected to your product. And by showing the prospect how these other customers benefited from a new solution, you're forcing them to picture how they could benefit, too.

Up to 95% of our decision-making is subconscious and usually driven by our emotional reaction, according to professor Gerald Zaltman.

- **Telling a story.** The emotional impact will come from storytelling. Reps should tell a story that paints a picture of what will happen if their prospect continues down their familiar path. They should make the story relatable by addressing their prospect's pain points, challenges and failing solutions.

- **Using customer stories.** Then, replace this fictional unhappy ending with real-life success stories. The stories should be backed by case studies of people who have solved their problems using these alternative solutions. Sales reps should use visuals when telling the stories, as pictures stick in people's minds more than words during a sales pitch or sales presentation – or even when shared over email.

- **Doing research.** Now is the time to provide invaluable insight in a way that resonates with the prospect's concerns and aspirations. As soon as the prospect begins to picture themselves using a new solution, reps should back up their argument with data to rationalize their statements.

Step 4: Value Proposition

It's now time to show the prospect and any stakeholders the possibilities of a better future if they choose the new path laid out in front of them.

Similar to other sales approaches, reps should still not introduce your product as the solution early on. Instead, they should focus on showing the prospect that their problem can be easily solved.

- **Painting a picture of a positive future.** In the last step, reps told a story with a bad ending. Now, they should flip this story to show their prospect what the future will look like if they decide to take action.

- **Focusing on solutions.** And nothing else. The prospect needs to start connecting the dots themselves.

- **Running a marathon, not a sprint.** Reps should take their time to explain anything the prospect is unsure about. They can help the prospect connect the dots, if absolutely necessary.

Step 4: The Product (Finally!)

The hard work is done. Reps have taken the prospect's problem, reframed it, gained their trust and offered up a solution to solve it. The only thing left for reps to do is fill in the blank and show their prospect that they have that exact solution.

If reps follow all the steps in the process correctly, this final step should be painless and quick, because with challenger sales, the sales rep is already leading the conversation from the beginning. How they introduce your product will depend on what you're selling. If your company is a SaaS product, reps might offer their prospects a demo. If you are a web development agency, reps may provide a detailed walkthrough of what working with your company would look like.

Challenger Sales Model Journey

Source: www.precept.uk.com
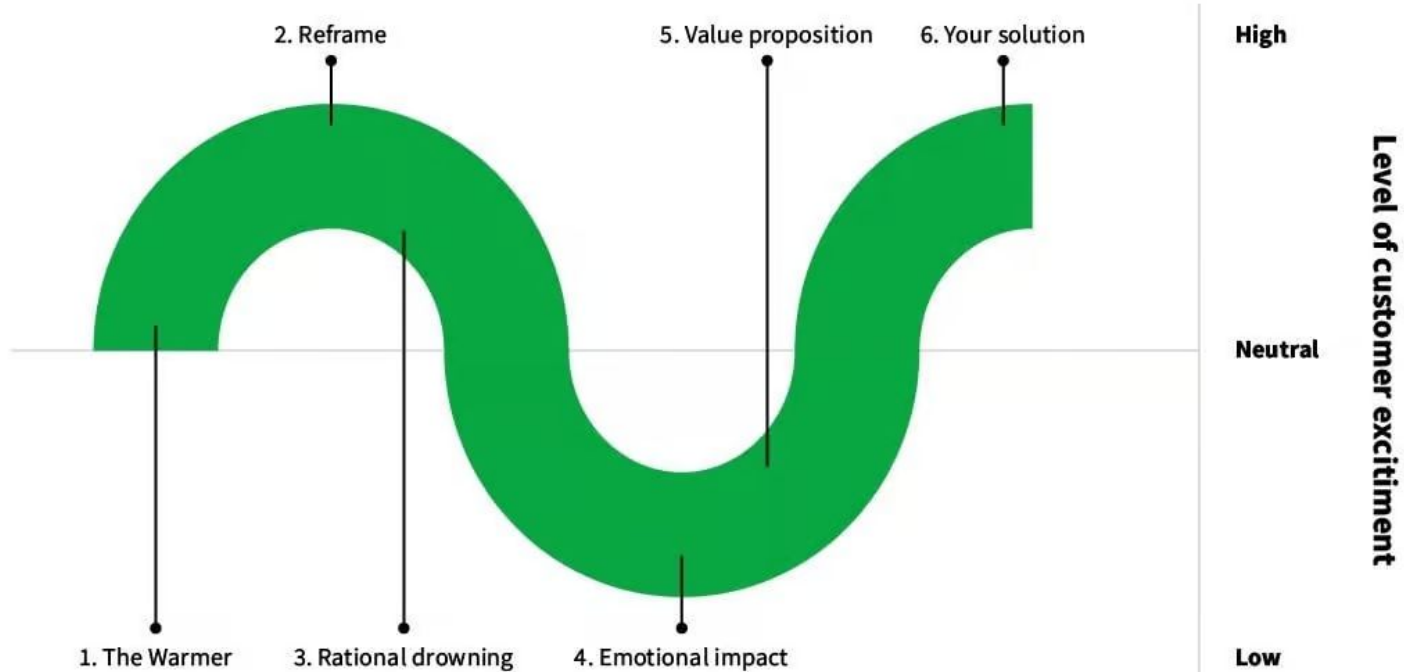
10 MINUTE BREAK

What I would do today...

Discussion