An Introduction to
Growth Marketing

This whitepaper is for:

Marketing leaders like *Chief Marketing Officers*, *Vice Presidents* and *Directors*, who need to compete in today's fast-paced world and want to better understand how to align their teams to accomplish their growth goals.

Marketing individual contributors (ICs) like *Marketing Managers*, *Email Marketers* and *Mobile Marketers*, who want to become more effective at their job and impress their bosses by accomplishing their growth goals.

People that work with marketers like *Account Executives*, *Product Managers* and *Recruiters*, who want to understand how marketing teams are changing and how to work with them to achieve their goals.

Key things you will learn

1) A framework for understanding Growth Marketing

2) A guide to what you need to put in place for Growth Marketing

3) What a Growth Marketing Platform means

Apply it to your team!

Keep these questions in mind as you read this whitepaper:

1) How does this compare to what I or my teams are, doing now?

2) What would we need to change to make the transition to Growth Marketing?

3) Who would we need to convince of this strategy?

4) What tools would we need to acquire?

NOTES

While this whitepaper leans towards business-to-consumer (B2C) marketing, the concepts we explore are also applicable to B2B marketing (and any other discipline for that matter).

Throughout the paper, we use the term "user" as a general term for whom you are targeting. Depending on your business, you can replace "user" with "reader" (in the media business) or with "customer" (in a retail setting).

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Let's Get Started

We know Growth Marketing sounds like something buzzing around Silicon Valley. But allow us to peel back the layers, and we think you'll agree that it's actually the future of marketing and something forward-thinking companies are now doing across all industries and sizes.

Whether you're at a Fortune 100 in Midtown or a 9-person startup in SoMa, Growth Marketing is going to play a big role in how you do things if you want to best your competitors.

What Growth Marketing Is *Not*

Sometimes it's easier to understand something by starting with what it is not.
Growth Marketing is not:

1) **A new discipline.**
   It's still marketing, but evolved for modern consumers,t ools and markets.

2) **A "silver bullet."**
   Unfortunately, embracing Growth Marketing doesn't mean you will automatically reach your goals.

3) **A passing fad.**
   Growth Marketing isn't going anywhere and its practices are gaining momentum at all types of companies, not just startups.

4) **A technical pursuit.**
   You may think we're talking about "growth hacking". But engineers coding experimental "hacks" in order to "go viral" is not Growth Marketing. Growth Marketing is a new perspective on marketing, no engineering degree required.

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So what is Growth Marketing?

It's a modern approach to marketing and it all starts with the right mindset.

The Growth Mindset

In her 2006 bestseller, Mindset, Stanford University professor Carol Dweck writes about her extensive research into what she calls a "fixed mindset" and a "growth mindset". People that have a fixed mindset believe that their characteristics (e.g., intelligence, personality) are carved in stone and cannot be improved or extended. This leads them to try to prove themselves over and over, which in turn results in being less open to new experiences and opportunities because of a fear of not "measuring up". On the other hand, people with a growth mindset assume that they can grow and change their characteristics through their own efforts. This mindset encourages hard work, can foster a passion for learning and can make people more open to new opportunities and experiences. Needless to say, the resulting impact of different mindsets can be wide-ranging and lead to very different life outcomes.

In Chapter 5 of the book, Dweck applies the same analysis to businesses. Companies and business leaders with a fixed mindset are more likely to foster bad habits, like groupthink and a hostile workplace. Over time those habits will inevitably lead to bad company performance and reduced employee satisfaction. Companies and leaders with a growth mindset are more likely to foster a culture that encourages employees to grow and learn new skills, and they are more likely to recognize and successfully adapt to changes in the market.

We believe Dweck's general framework is also applicable to the marketing discipline. There is a fixed mindset or a growth mindset when it comes to how one does marketing. More specifically, a fixed marketing mindset assumes that users have known and fixed characteristics (e.g., preferences, lifetime value), competitors are fixed in their capabilities or ambitions, and the way "things are done" is fixed.

It's not hard to see how, in today's fast-paced business world, these assumptions could lead a marketer to ruin. A marketer with a growth mindset, on the other hand, would understand that customer characteristics (and their understanding thereof) are not set in stone, competitors are evolving (and new ones are surfacing every day) and that there are always ways of improving what you do and how you do it.

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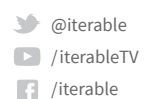
This brings us to the definition of the Growth Marketing mindset. It is the act of promoting a product or service with the understanding that:

- You can always better understand your users.
- The competitive landscape is constantly evolving.
- You need a spirit of constant self-improvement around your tools and tactics.

GROWTH MARKETING MINDSET

| Better Customer Understanding | Evolving Competitive Landscape | Awareness and Self-Improvement |

But having a Growth Marketing mindset is just the beginning. A true Growth Marketer needs the underlying mindset, but then needs to apply it across their **goals**, **data**, **environment** and **tactics**. Aligning those 4 elements will give you the perfect playground to grow your business. We'll look at each of these in more detail next.

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Goals

Having marketing goals is nothing new. Goal-setting with a Growth Marketing mindset however, should be done with the following guidelines:

- Align with what growth means for the company at that point in time
- Plan for them to be accomplished (or re-structured) in a relatively short time frame
- Make everything measurable

As users and the market evolve, having goals that are relevant, fluid and measurable are much more likely to drive real value for the company.

Setting the right goals does require some work. Most importantly, you and your team first need to figure out your key growth metrics. Here are some possible examples:

- Early stage startup: the percentage of users that complete a specific action (e.g., share with friends).
- Media company: the number of users that read 2+ articles a week.
- Growth-stage e-commerce company: the percentage of repeat customers.
- Large retailer: the percentage of customers that purchase across channels (e.g., in store, on the web and via mobile app).

Once you have defined what metrics you want to grow and how you will measure them, you can set specific goals around them.

KEY TAKEAWAY

Leaders: Give your team guidance on what the key metrics are for your business and how those map to your growth. Empower the to set realistic and measurable goals.

ICs: Make sure you understand the drivers of your business and what is top of mind for your management as you work towards setting goals.

Data

Traditionally, B2C marketing has been executed with limited data. Non-digital channels are especially notorious for a lack of granular, measurable information on users. But even within digital channels, many marketers run campaigns that rely on broad demographic profiles or customer personas that have very limited predictive power at the individual level.

But having the right type and amount of data is at the center of being a Growth Marketer, and today this is within reach of all marketing departments. In addition to broad demographic targeting, you might already have very granular behavioral data on each of your users. This data can come from how users interact with a website, mobile app, messages sent to them, or even from third parties.

Of course, the fact that data is "out there" doesn't mean that it's easy to compile, analyze and act on it. Making sure data is available in the right way is a key aspect of setting up a Growth Marketing practice. The optimal scenario for your team would be to have 360° profiles in your Customer Relationship Management System (CRM), giving you a full view of each user, including demographic and behavioral data. Profiles should be flexible, in that they are able to accept new data (and new data types) in real-time, and then make the data available for any type of segmentation.

Having a flexible user profile opens up powerful new scenarios for you. For example, you could test and run campaigns that target:

- Users of both the website and mobile app, that have made 3 or more purchases in the past, but have not shown any activity in 3 months.
- Users who browse the website 2 or more times within 3 days of registration but do not make a purchase.
- Users who have made purchases in the past and have already used the new feature the product team pushed out yesterday.

Isolating and targeting segments like these helps you understand your customers better than ever before, and find and trigger the activities that will get you closer to achieving your growth goals.

While having the right data, and the platform to store and act on it, is a foundational aspect of Growth Marketing, it's not essential for every marketing department to immediately embark on a big data warehousing/CRM project. What is essential is that you at least:

- Identify your current data sources and new potential data sources
- Understand how they inform your user profiles
- Figure out ways to start extracting, connecting and using some of the data

As you start using the data in new and interesting ways you'll form a better understanding of what works, what data is valuable and what additional data you need - elements that will inform any larger scale projects down the road.

Environment

Marketers sometimes find themselves in environments that aren't conducive to Growth Marketing. There are two key reasons for this: organizational silos and technological silos.

An example of an organizational silo is having separate teams managing what users see on the website and the mobile app. Or different teams in charge of email marketing and social media.

An example of a technological silo is having a tool for email marketing and another for mobile marketing. Or having e-commerce purchase data in a different repository than customer profile data.

While the company may have once had good reasons for such silos, it's far from optimal in today's marketing world. A user expects to have a consistent experience across all company touchpoints. Furthermore, a Growth Marketer will want to test and iterate on hypotheses that reach across different channels and throughout the user lifecycle. Silos make it much harder to execute Growth Marketing.

Your Growth Marketing team should strive to tear down silos where possible, be they organizational or technological. For the former, it may be enough to give groups the right incentives to collaborate. For the latter, finding tools that integrate well or that bring together complementary functions often makes logical and financial sense.

Tactics

This is the key area where the growth mindset's spirit of self-improvement comes into play. Being a Growth Marketer is all about testing, measuring and iterating. You can't assume you're already running the optimal campaigns if your customers and market, or your understanding of them, are evolving.

Having the right mindset, goals, data and environment will go a long way toward helping you test and measure your tactics, but you'll also need the right methodology and tools to do so.

What can be tested and measured? Pretty much everything. But it's also easy to get overwhelmed with tests or data. Identify the main ways you interact with your users and the key levers for those touchpoints. To start, set up a simple methodology around what you will test and for how long. Then measure and iterate until you find what works. Repeat, again and again. Never settle for "good enough."

Unfortunately, there are no easy shortcuts. It takes time, but one thing that will make your life much easier is having your main execution tools (e.g., email marketing platform, mobile marketing platform) give you the ability to quickly set up campaigns, A/B test different aspects of your campaigns and report on results. The closer those tools get to real-time and enable you to do all this without the support of engineers, the better.
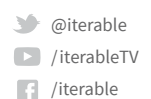
KEY TAKEAWAY

Leaders: Encourage a culture of testing and measurement in your teams. Give them the tools they need to execute on it.

ICs: Get in the habit of testing and iterating. Walk before you run and make sure your day-to-day tools help you rather than hinder you.

Bringing It All Together

We've shared what Growth Marketing is, what it isn't, and what you need to think about to start doing it.

It all starts with a growth mindset. And more specifically, a Growth Marketing mindset. This is the understanding that:

- Your users are evolving and you can always understand them better.
- Your market and competitors are evolving and getting better.
- You need to constantly improve.

The Growth Marketing mindset sets up a good foundation for the practice of Growth Marketing, which then requires the right goals, data, environment and tactics in order to execute effectively:

Goals
Requires understanding your business and its key drivers.

Data
Requires identifying your sources of data, finding ways to bring them together to form a true flexible 360° user profile.

Environment
Requires tearing down organizational and technological silos so that you can give users a seamless experience.

Tactics
Requires a methodology, and tools to test, measure and iterate.

We could dedicate a whitepaper (or more) to each of these areas, but hopefully we've given you a sense for what is required to start executing like a true Growth Marketer.

Stay tuned for more related content in the near future.

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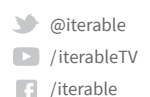
The Growth Marketing Platform

At Iterable, we see the practice of Growth Marketing growing by leaps and bounds every day. What started as something done only at fast-growing startups is becoming the standard across all industries and company sizes.

From the beginning, our goal has been to empower marketers and give them the ability to send their users the right message, to the right device, at the right time. Our founders built many of the early messaging systems at Twitter, scaling to hundreds of millions of users, and have now made these tools and ideas available to you.

Iterable empowers Growth Marketers to create world-class user engagement campaigns throughout the full lifecycle, and across all channels. Marketers segment users, build workflows, automate touchpoints, and test strategies at scale without engineering support. We call it a Growth Marketing Platform. These are some of its characteristics:

Marketer Friendly
Iterable has a modern and intuitive UI. Marketers use Iterable to build and run sophisticated campaigns without IT or engineering help.

Seamlessly Multi-channel
Iterable gives marketers access to all channels from a single platform. Marketers don't have to work with separate tools or products put together through acquisitions.

User Profile Flexibility
Iterable can take in any user data point or event. Marketers use Iterable as a flexible, rich CRM that integrates with their key back-end systems.

Scalable
Iterable can handle hundreds of millions of users and billions of messages. Marketers at Internet-scale companies rely on us for user engagement.
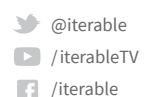
Real-time
Iterable works in real-time. Marketers don't wait for segmentations to complete, campaigns to run, data to process or reports to compile.

Easy to Optimize
Iterable enables optimization of all campaign variables. Marketers don't need to be data scientists to get the most out of their efforts.

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About Iterable

Iterable empowers Growth Marketers to create world-class user engagement campaigns throughout the full lifecycle, and across all channels. Marketers segment users, build workflows, automate touchpoints, and test strategies at scale without engineering support.

Using Iterable, marketers quickly build high performance campaigns. Examples include welcome series that engage new users, abandoned shopping cart campaigns that convert customers, or win-back series that reactivate lapsed users. Campaigns can seamlessly include transactional, triggered, and blast emails, as well as mobile push notifications and SMS text messages. Iterable provides marketers with a 360° view of their users via a flexible data model that accepts any data point and can segment users and trigger workflows based on any behavior, event or criteria.

Iterable scales to hundreds of millions of users and was built by the engineers who designed the systems that powered Twitter's massive initial growth. Flexible and easy to use, Iterable is the platform for marketers who understand the fast pace of modern consumer marketing and want to maximize growth.

Request a demo:

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