The book cover features a light grey, textured background. On the left and right sides, there are vertical strips of torn, bright pink paper. In the center, four birds are flying from left to right. The first two are grey origami cranes, and the last two are pink birds in flight. The title 'BEYOND PRODUCT' is printed in a large, bold, black serif font, with 'BEYOND' on the top line and 'PRODUCT' on the bottom line.

BEYOND PRODUCT

*How Exceptional Founders
Embrace Marketing to Create and
Capture Value for their Business*

JILL SOLEY
TODD WILMS

BEYOND PRODUCT

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J I L L S O L E Y
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BEYOND PRODUCT

How Exceptional Founders Embrace Marketing to Create and Capture Value for Their Business

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DEDICATION

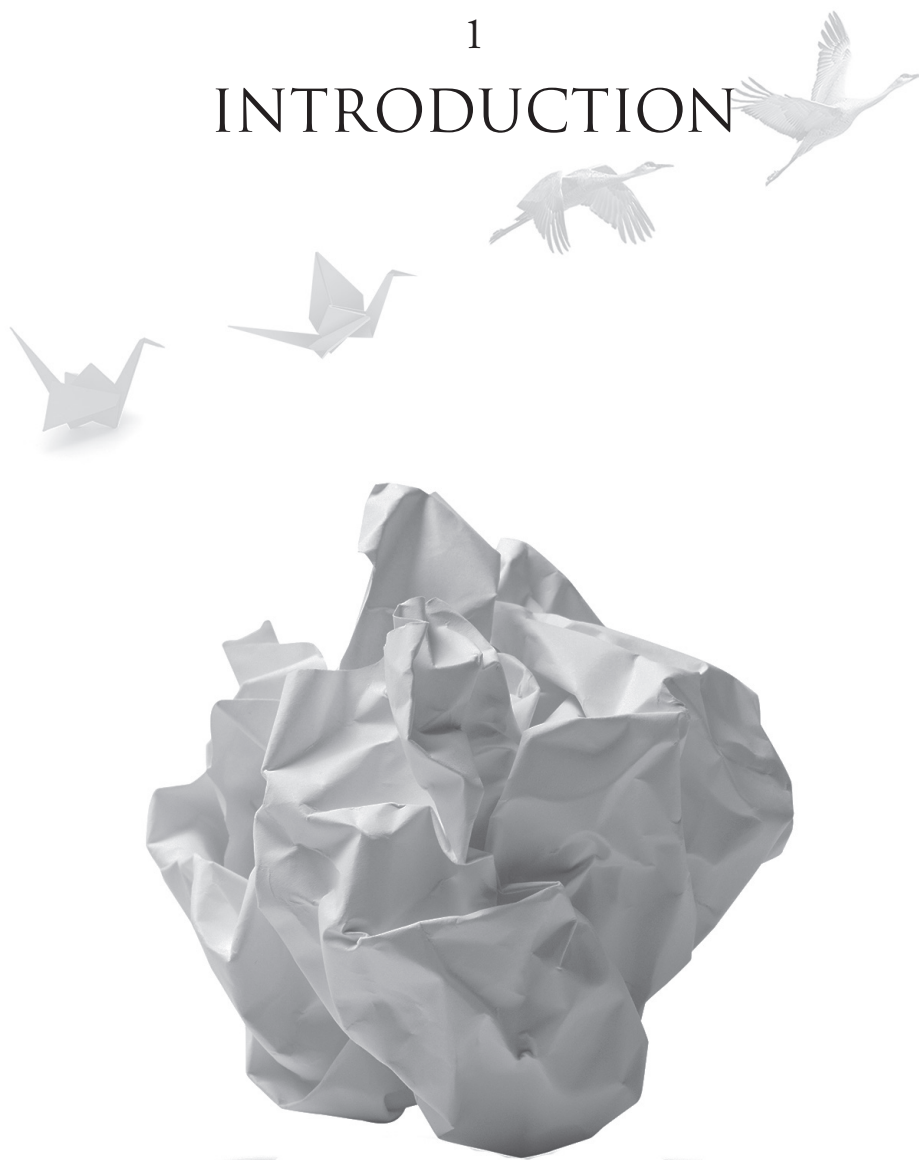
*To Erin
The Boys
Mom and Dad
You made all things possible!*

*To Cam, my love, my partner, and my rock.
My parents, who taught me to look beyond the horizon.
And, of course, my boys. You light up my world!
Believe in yourself. Always.*

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INTRODUCTION



CoTap was a work texting product launched by experienced ex-Yammer product and engineering executives. Their go-to-market strategy was freemium, which had worked for Yammer and seemed like a good idea. But CoTap “didn’t really fly off the shelves.” Eventually the leadership found itself at a crossroads, realizing, “Wow, we really built a pretty cool core messaging app. But we don’t really know the best way to take it to market.”

They eventually brought in Stacey Epstein, a successful CMO, as their new CEO because “this was not an engineering problem that needed to be solved, nor a product problem. This was all about go-to-market.”

Stacey narrowed the target market to one where Slack is not, added a bunch of features to the core CoTap texting product, and then rebranded to Zinc, changed freemium to a free trial, and infused new growth into the company.

Each year, 600,000 companies start up in the US. More than three-quarters of those fail. Over half of those failures—250,000 companies—cite lack of market need or poor marketing as the cause.¹

How does that happen? Early on in the life of a startup, founders focus heavily on their product, as they should. The product is critically important and central to the business. But it isn't enough. To be successful, you need to build a business, not just a product. Having the best product won't matter if no one knows about it or why it should matter to them. Understanding marketing and how to go to market successfully will make or break your business.

We know that building and growing a business is hard. If you are like the founders we have worked with and interviewed for this book, you see some unique opportunity or feel compelled to solve some problem in the world.

Even for those who manage to bring their product to life, finding customers and then getting them to buy and use the product can be more challenging than many realize.

We can't solve all of your problems, but we know how to take your product to market. And we've brought in 50 additional business leaders to advise you on how to grow your business from that basic idea up through to your eventual exit.

1 Heather Long, “Where Are All the Startups? US Entrepreneurship Near a 40-Year Low,” CNN.com, September 8, 2016, <https://money.cnn.com/2016/09/08/news/economy/us-startups-near-40-year-low/index.html>; “Entrepreneurship and the US Economy,” US Bureau of Labor Statistics, April 28, 2016, <https://www.bls.gov/bdm/entrepreneurship/entrepreneurship.htm>; Patrick Henry, “Why Some Startups Succeed (and Most Fail),” Entrepreneur.com, February 18, 2017, <https://www.entrepreneur.com/article/288769>; <https://www.cbinsights.com/research/startup-failure-reasons-top>.

Not long ago, Jill had coffee with a founder/CEO. They'd been chatting for a while when he confided, "My company is at a point where I think we need marketing. But, I don't really know what it is or where to start. Can you help?"

Even founders who do have marketing knowledge struggle to determine when and how to properly engage in—and extract the most from—marketing. And even some founders who are marketers by background have claimed to struggle to do it well, simply because they are stretched in so many directions.

Apostrophe co-founder and CEO Cheryl Kellond put it well:

I'm the co-founder that can market. And I'm doing so many other things that on the marketing side, I might as well be a junior-level marketer. I feel like I'm flailing around like a child. I'm just about to bring in a head of marketing, and it's been so refreshing talking to the right candidates because it's reminding me how it's supposed to be done.

Dale Sakai, a successful CEO, strategic planning expert, and co-founder of the startup Obo, put it this way:

If you look back at different industries, the company that has ended up in the top slot with the most market share is generally not the company with the best technology, but the one that had the best marketing.

Marketing is critical to success, yet many founders and leaders are skeptical and hesitant about it. There are several common reasons for this resistance:

- **Prior bad experience:** Some founders have had bad experiences with marketers and are hesitant to waste their time, effort, and energy—as well as their trust—on repeating a similar experience. Just like some founders aren't great founders, some marketers aren't great marketers. Sometimes it is a case of poor marketing. Other times it is the product of misaligned expectations. Either way, bad memories can be hard to overcome.

- **Lack of understanding:** Most people—even most marketers—have a difficult time defining what marketing is and how best to use it. So it is not surprising that many founders struggle with marketing, especially if they think of it in a limited or ineffective way.
- **Communication issues:** ABM, CPL, TOFU, CRO, DM... Marketers tend to use jargon, inside baseball language, and three letter acronyms (or TLAs—with no lack of irony) more than anyone. This makes understanding and communicating with marketing challenging at times.
- **Product mythology:** Many believe that if they build it, the customers will come, that the better mousetrap will lead the world to your door. But many “best in class” products fail. Even if the better product would win, you can get there easier, faster, cheaper with great marketing.
- **It can happen later:** Many believe that marketing is something to do later, a problem to address down the road. As this book will illustrate, marketing is something that starts as the twin of your idea. The two—product and marketing—go hand in hand, and one should not exist without the other.

Marketing will significantly increase your chances of success, and it can act as a multiplier for sales, if you understand what it is and know how to use it.

This book is designed to be a source for better understanding marketing, knowing how and when to use marketing, and how to find the talented employees and partners to help you succeed with your idea. We will walk you through how to best use these insights and, even more importantly, when to use them.

Why This Book

We wrote this book because we worked with many amazing founders and saw firsthand their drive and passion to pursue what they believe in and the desire to change the world. It has been a daily inspiration for us both throughout our careers and in the writing of this book.

Startup founders have a tremendous weight upon their shoulders. You are the first “everything” for your idea—first evangelist and salesperson, first customer service person, first finance person, first operations person, and yes,

first marketer. Everyone you bring on board looks to you for answers, even when the answers aren't there.

Everyone needs a little help, so this book was crafted to give founders insights, guidance, strategies, and practical advice to help them answer some of those tough questions, make even smarter decisions, and know where and how to get the help needed as they evolve their idea.

We define marketing in the next chapter and describe how the focus of marketing will shift over time. Many of the core marketing challenges you are likely to face are related to product/market fit. *A great product that doesn't know where it fits in the marketplace, who the buyer is, why they buy, how to reach them, where to reach them, when to reach them, or how often to reach them is destined to fail.*

That is all marketing.

Who We Are

We, Todd and Jill, have many years of career experience between us, including a wealth of both startup and brand name experiences. We've faced all manner of successes and failures, and learned from amazing mentors and colleagues at companies like Freshworks, Adobe, Siebel, SAP, and PayPal, many others you've never heard of, and some that no longer exist.

Over our careers, we've been advisors on seed rounds, helped organizations climb through multiple rounds of funding, launched new products and sunset old ones, transformed stagnant mature businesses into new growth engines, expanded businesses into new markets around the globe, and endured both long-lasting as well as challenging relationships with founders.

We interviewed more than 50 business leaders and subject matter experts in the making of this book. These are successful entrepreneurs, investors, marketers, and advisors who all know their craft really well. Many are not household names or the storied Silicon Valley unicorns we hear about. But they are people who live and breathe their craft and have lived through what you are likely experiencing right now. We have gained insights from each and every one of these conversations and have synthesized these stories into a simple framework to guide your marketing journey.

Who This Book Is For

This book is intended for entrepreneurs, particularly tech startup founders. We address you and talk directly to you. You may be bootstrapping a new venture or launching a skunkworks project within a large enterprise or part of a more formal incubator program. Some of you are doing this for the very first time, while others may have five other businesses under your belts. Some are still in the early conceiving phases, and some are much further along.

We therefore cover both basic and advanced ideas. We assume a basic understanding of how to grow a business, but we explain a few things that the veteran will have learned along their journey. We don't want to talk down to anyone, but we aspire to leave no one behind. This book also includes information that will be useful no matter what kind of startup, but you'll find that the majority of our examples come from business-to-business tech startups.

Investors, advisors, team members, and other stakeholders, including marketing, will benefit from this book. While the initial business idea may not be yours, you are playing a key role—financial or otherwise. It is your job to partner with your founders and CEOs and help them on the journey to build an amazing business. We hope this book serves as a conversation starter and can help your collaboration. You are part of the story.

How to Read This Book

Every entrepreneur is different. You are in a unique place in your journey to create a successful business. Even your definition of “successful” will be unique to you. This book has been structured to help you find what you need when you need it.

The book has been designed to be able to be read in one sitting. Most leaders don't have time for a Tolstoyan epic or a textbook. Our goal is to give you the relevant information in a relatively short period of time. This is a book that will evolve with your business—as your idea grows and your business comes up against new challenges, specific chapters will take on new meaning as you look for ways to leverage marketing.

This book will provide a primer on “What is marketing?” and walk you through the five phases of an organization's growth. These phases are not organized by funding or revenue, but rather by the phases of startup growth:

1. Prove the **Idea**
2. Prove the **Product**
3. Prove the **Business**
4. **Grow** the Business
5. **Exit** the Business

Each chapter follows a similar pattern to help you navigate where you are at any given time and the key challenges to focus on next. You may find you fit perfectly in a certain phase, or you may see that you are a little bit of a blend of two phases. Of course real life doesn't happen so neatly, and these stages will overlap. But this framework will provide a structure to think about your startup's growth and how to approach marketing at each phase.

Because each phase is meant to be a standalone chapter, some ideas are repeated across multiple chapters, especially when they are particularly relevant to that topic. We want founders to be able to read it in full, and then revisit each chapter as needed without having to start from scratch again.

Even if you aren't starting a new venture today, we found from our conversations that most founders would have benefitted from having these insights when they first started crafting the plans for their organization. Don't think you need to have accomplished specific milestones to start thinking about how you are going to promote your idea. Making smart decisions from the very beginning will save you time, energy, and money.

This project has been crafted for the entire life of your business. From that first idea and all the way through your exit, we offer perspectives and resources to help you through those stages. None of this is perfectly black and white, but each chapter covers a set of challenges typical to that stage of growth and provides a path to address them.

We wish you every success on your journey and hope these insights help you in some way as you take your big idea and turn it into a big success.

 AND 