Growth Hacking 101:
The Tactics Any Small Business Can Implement

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Growth hacking. You've seen this word thrown around a lot, but what does it really mean? Is it something your small business can even utilize? In this guide, you'll learn what growth hacking means for your business and the simple tactics you can implement right now. Get ready to watch your business grow substantially and become a success before your very eyes.

Growth Hacking 101
What is Growth Hacking?

Growth hacking is a term coined in 2010 by Sean Ellis, an online entrepreneur and internet marketer who accomplished incredible success by launching a variety of online companies, some with IPOs (Initial Public Offerings) on the stock market. His track record included building numerous companies from scratch and transforming them into tremendous startup success stories. He applied this same growth formula to his own business, developing strategies, mindsets, tactics and systems that would continue to make his business grow. His model involved finding people who could not only market his business, but who could grow it quickly and exponentially. Growth hackers use a wide variety of tools to grow a business through strategy. This includes data, coding, customer engagement and many other factors.

Who Can Benefit from Growth Hacking?
Startup businesses. Startups need to create a monumental first impression in order to 2

inspire customers and clients to trust their brand. Only then will they invest in the product or service. Growth hacking helps create the ultimate first impression.

Business to business marketers. Most B2B companies haven't yet identified their funnel. Growth hacking will streamline the entire process for you, so you can close bigger deals through a funnel that centers around an unprecedented customer experience.

Business to consumer marketers. Growth hacking will aid B2C companies in defining their ideal customer, so reaching and converting them into purchasing customers becomes much easier.

Content marketers. These are people who rely on articles, blog posts, reports, ebooks, white papers, videos, infographics and any other online   content-driven marketing. Growth hacking will help these folks increase flow of potential business.

Social media. If you're using social media to convert social media leads into customers, growth hacking will help out with exactly that.

Success Stories

Hotmail—In 1996, the email service provider launched with only a small group of users. By the end of 1997, the company had 12 million users in what is now known as one of the first documented growth hacks. Looking at initial numbers, the company realized that approximately 80 percent of new users came by referral from current users. Hotmail created a method to make the most of referrals with the quintessential email postscript, "P.S. I love you. Get your free email at Hotmail." This single addition was added to the end of every email sent through Hotmail, creating a ripple effect that compelled millions of new users to sign up for the email service.

Treehouse—Launched in 2011 by Ryan Carson, Treehouse is an online interactive educational platform that teaches web design and development and offers business education classes for people wanting to learn how to start their own business. The same year as its launch, Carson said in an interview that Treehouse was making $1.7 million in revenue with 49,000 users.

The growth hacking strategy Carson used first was to create a blog as a source of valuable content. Later Treehouse ads were placed on the blog in addition to free videos for users to learn even more. Treehouse also leveraged Twitter as a source of validation for his ideas, in which Carson reached out and encouraged web designers and developers to provide feedback on his layouts for the website's homepage. Treehouse also capitalized on a fortunate opportunity to decrease its churn rate (the percentage of subscribers that discontinue their subscription in a given time period) through implementing a clever badge motivation system. Users must keep learning to unlock badges. The first week of implementation saw 23,000 unlocked badges. Talk about an ex-"tree"-ordinary growth hacking success story.

Growth Hacking vs Marketing
What's the Difference?

Well, growth hackers are essentially a hybrid of marketer and coder. They look to get more customers for their product, while utilizing A/B tests, landing pages, virality, email deliverability, etc. It's the art of mixing product characteristics with critical data and flexible marketing to create fast growth.

Unlike traditional and online marketers, a growth hacker's concern revolves specifically around growing a business. They use outside-the-box ideas to attract more customers, more subscribers, more visibility and more money. While you have one marketer focusing on pay-per-click advertising or email marketing, growth hackers will use various tools to acquire momentum backed by strategy. Traditional marketing uses mass media and messages to interrupt consumers, which works for already established brands with deep pockets. But for startups and small businesses, time and budget constraints often prevent traditional marketing from being effective. That's where growth

hacking comes in.

Where are the Paying Customers at?

Growth hacking is the result of a major problem for new products and services, that were failing due to not attracting enough paying customers. The difficult part is getting people engaged in your product. You need to combine marketing, customer development and data to solve these problems. Todd Wyder, serial entrepreneur and CEO of Pathfinder software, describes the solution in these steps:

1. Customer acquisition: Get prospects to your website.
2. Activation: Get them to sample your product.
3. Retention: Get them engaged.
4. Referral: Get happy customers to refer new prospects.

Forever Testing

Growth hackers are always testing. Testing to determine exactly what people want, what they like, the effective ways to engage them and how to make them become a long-term user or customer. Once they become a long-term user, the chances of them leaving are a lot lower.

It's also important to note that growth hackers do not perform "Beta testing." When product developers go into Beta phase, they end up adding features to save them rather than listening to the features people actually want to see. Use analytics to see the points at which customers are returning to your site, whether they're logging in, where they're getting confused, and so forth.

Get Down with the Stickiness

Growth hackers have to configure activities that create the most stickiness. What are the singular events that drive the most stickiness? Find meaningful metrics that result in long-term customer retention. Don't throw more prospects into the top of the sales funnel without nurturing the people already in it. They won't become engaged and they won't stay without some meaningful interaction and engagement.

Don't Be Shy

The best way to find out what potential customers like and don't like about your product is to ask them. Ask them why they don't stick around. Just talk to them through email, live chat, or call them up on the phone. They'll feel like they're part of

your brand and your product, which makes them more willing to talk and respond with valuable feedback.

Narrow Segments

Successful growth hacking involves narrowing your audience and segmenting prospects. Alter product descriptions and interactions to appeal to your best segment cases. Be flexible and alter software to follow your customers' needs. The way they use your product may be substantially different from the way you originally intended.

Viral Power

Leverage the power of another platform to make your product go rapidly viral. Take the Hotmail signature for example. They had more than 12 million users at a time when the entire World Wide Web only had around 70 million total.

Growth Hacking Tactics for Your Small Business

Growth hacking might be starting to sound a little intimidating to you. However, there are many strategic tactics you can begin implementing right now to growth hack your small business. Choose from the various data-driven growth hacks that will work best for your business and start scaling.

1. Webinars

Finding the right potential customers is more important than reaching a massive number of potential customers. Webinars are an acquisition strategy you can use if your business can offer your customers additional resources on specific topics or if they need an informational session before they use your product or service. Webinars offer an urgent incentive (Reserve your spot now!), which prospects will find interesting. Pick a topic or reach out to a guest speaker, create the webinar using one of the many platforms available and optimize your landing page for people to

join. Then perform a practice run, host the event and follow up with effective email marketing strategies.

2. Giveaways

Targeted giveaways are incredibly effective in driving people to your social media pages, websites and ultimately your product. Remember the happy customer referral stage? With giveaways, you can offer the unique opportunity for lucky winners to try your product for free. If they like it, they'll be sure to recommend it to other prospects. Giveaways are also a great way to grow your email list. Find a specific product only your customers would like because broad and popular products only attract generic leads. Create your giveaway using one of the many platforms available, promote it using Facebook ads and your email list, and send a drip campaign (automated email marketing with predetermined messages) to convert leads to customers. You can promote people to share the campaign on their own social media profiles to increase virality and promote further attention to the giveaway.

3. Two-Sided Incentives

A two-sided, or double-loop, referral campaign will give current users a reason to share your product/service with others, and give others a reason to join. Dropbox famously utilized this tactic with their "Invite your friends, get free storage" campaign. This only works for products or services that are worth sharing. The incentive also has to be something current customers will find valuable (free credit) and something that will entice new customers (free trials). Then you need to promote the referral campaign to all your current users through emails.

4. Retargeting

Using IP addresses, retargeting ads only show specifically to people who have shown an interest in your product or service. This may have been people who signed up for a free trial, but never ended up paying for the service at the end. This could also be someone who put items in their shopping cart on your eCommerce site, but never made it to the checkout page. Setting up your own retargeting campaign can be pretty easy despite all the technical aspects of IP addresses. Join a retargeting service, add the code snippet to your website and select the audience you want to retarget. Then create an advertisement image and start your campaign! Remember to utilize testing, so you know which campaigns are working.

5. Invite-Only

This growth hack works especially for software that's in the Beta stage. You can open early registration for Beta users to try your software free for a specified amount of time. Then you can even take advantage of the referral campaign tactic as an incentive for users to get more time using the software. Create a simple program and a form where you can capture email signups and set up an email drip campaign to encourage referrals.

6. Help a Reporter Out

HARO is a free service where the press comes to you, rather than you reaching out to a bunch of different reporters with your press or news release. It's a twice daily email service that sends a list of topics editors are writing about with requests for expert quotes or opinions on their article topics. Use it to get free coverage for yourself or your product in your industry, and you simultaneously get to help a reporter out.

7. Live Surveys

Each customer has different experiences, different problems, different questions and different interests. Not everyone comes to your product or service for the same reason. Use a live survey tool to diversify the questionnaire experience. Create two to four customer profiles depending on the people who visit your site, filter these people with one or two questions, design a captivating offer each group will appreciate, and put it all together in a survey on your website. Giving them a customized survey experience will make them feel like you're paying attention to them while you get the answers you need to improve your product.

8. Long-Tail Search Queries in FAQs

Use your FAQ to target long-tail search queries, especially those leading to a buying decision. Long-tail searches indicate that the lead is further along in the buying

process. Keyword research that targets the questions they're having at this stage will help you get to the top of search results when they're looking for these answers.

There are five things that every growth hacking tactic has in common: exclusivity, user control, narrow audience segmentation, simplicity and memorability. Keep these things in mind when you implement them into your growth strategy. Growth hacking is like an art. It requires admiration for data, creative outside-the-box thinking and advanced coding skills. All of these notions, along with conversing with your customers and adapting to meet their demands, will reward your business with rapid growth and long-term success.

Preparing for Growth

Now that you have these growth hacking strategies in your back pocket, prepare your business for the growth that's to come. Maximize the benefits of all the new business you've earned by getting access to reduced cost credit card processing. Keep more of those hard-earned profits by finding a merchant services provider who doesn't add markups and huge percentage fees to all your new transactions. With Fattmerchant's direct cost payment structure, you can have your cake and eat it, too. Visit our website to learn more about how we can save your business big on credit card processing.

About Fattmerchant

After years of working in the merchant services industry, we realized something was seriously wrong. Merchant service providers were cheating business owners out of their hard-earned profits by tacking on huge markups and hidden fees.

Our goal at **Fattmerchant** is to save businesses from greedy payment processors by eliminating these costly markups and hidden fees. We give businesses access to the true, direct cost of payment processing. Our flat-rate, month-to-month, no strings attached, completely transparent system is just the change this industry needed.

Fairness, savings, and the best damn processing. That's what we're about.