# The Growth Hacker Wake Up Call

How Growth Hacking Rewrote Marketing's Best Practices

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There's no business like show business. Yet, when it comes right down to it, that's the industry every marketing team—no matter what business they're actually in—pretends to be in when they're launching something new.

Deep down, I think anyone marketing or launching fantasizes that they are premiering a blockbuster movie. And this illusion shapes and warps every marketing decision we make.

It feels good, but it's so very wrong.

Our first idea is a grand opening, a big launch, a press release, or major media coverage. We default to thinking we need an advertising budget. We want red carpet and celebrities. Most dangerously we assume we need to get as many customers as possible in a very short window of time—and if it doesn't work right away, we consider the whole thing a failure (which, of course, we cannot afford). Our delusion is that we should be *Transformers* and not *The Blair Witch Project*.

Needless to say, this is preposterous. Yet you and I have been taught, unquestionably, to follow it when we think about how to launch or grow our business.

What's wrong with that?

Well, for starters: most movies fail.

66 Deep down, I think anyone marketing or launching fantasizes that they are premiering a blockbuster movie. And this illusion shapes and warps every marketing decision we make. Despite the glamour and the history of movie marketing, even after investing millions often more than the budget of the movie itself—studios regularly write off major releases as complete washes. And when they do succeed, no one has any idea why or which of the ingredients were responsible for it. As screenwriter William Goldman famously put it, nobody knows anything—even the people in charge. It's all a big gamble.

Which is fine, because their system is designed to absorb these losses. The hits pay for the mistakes many times over. But there is a big difference between them and everyone else in the world. You can't really afford for your start-up to fail; your friend has sunk everything into her new business; and I can't allow my book to flop.

For most of us-this is it. It's all on the line.

It was only a matter of time before someone smart came along and said, "It doesn't have to be this way. The tools of the Internet and social media have made it possible to track, test, iterate, and improve marketing to the point where these enormous gambles are not only unnecessary, but insanely counterproductive."

That person was the first growth hacker.

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The term "growth hacker" has many different meanings for different people, here's my definition:

A growth hacker is someone who has thrown out the playbook of traditional marketing and replaced it with only what is testable, trackable, and scalable. Their tools are emails, pay-per-click ads, blogs, and platform APIs instead of commercials, publicity, and money. While their marketing brethren chase vague notions like "branding" and "mind share," growth hackers relentlessly pursue users and growth—and when they do it right, those users beget more users, who beget more users. They are the inventors, operators, and mechanics of their own self-sustaining and self-propagating growth machine that can take a startup from nothing to something. Today's companies know that they must grow or die. We're all trying to grow our business, launch our website, sell tickets for our event, or fund our Kickstarter project.

So no wonder almost overnight, growth hackers have become the new rock stars of the Silicon Valley. You see them on the pages of TechCrunch, Fast Company, Mashable, Inc., Entrepreneur, and countless other publications. LinkedIn and Hacker News abound with job postings at places like Google, Dropbox, Airbnb, Twitter and every other hot new company: Growth Hacker Needed.

These growth hackers have cracked the code—and now it's available to the rest of us.

It's actually a fairly simple process. Just four phases, in fact:

It begins with Product Market Fit...

...and leads to Hacking Growth...

...then Viral Strategies take it further...

... until Retention & Optimization begins.

And then the loop starts again-speeding up each time.

In action, it's inspiring and creative:

- When Burbn pivoted and became Instagram—that was a billion dollar branding decision.
- When Dropbox rolled out its referral program, paying you in free storage to bring your friends on board—that was viral marketing genius.
- When Twitter created its Suggest Users list it improved customer acquisition like crazy it was product development that made marketing work better.

It's a loop—one that runs over and over again inside tiny startups hoping to be the next Google, to big companies like Amazon, Facebook and Zappos.

66 No wonder almost overnight, growth hackers have become the new rock stars of the Silicon Valley. These growth hackers have cracked the code—and now it's available to the rest of us. It should be a wake up call that these billion dollar companies became what they are by using a new playbook—one that most of us aren't familiar with yet.

Deep down, traditional marketers have always considered themselves artists. That's fine it's an image I aspired to myself. It's a sentiment responsible for spectacular and moving work. But this sentiment is also responsible for some appalling ignorance and waste. One Harvard Business Review study found that 80 percent of marketers are unhappy with their ability to measure marketing return on investment (ROI). Not because the tools aren't good enough, but because they're too good, and marketers are seeing for the first time that their strategies are "often flawed and their spending is inefficient."

Are those the people you want to learn from?

Thankfully, growth hacking isn't some proprietary technical process shrouded in secrecy. In fact, it has grown and developed in the course of very public conversations. There are no trade secrets to guard. Aaron Ginn, the growth hacker tasked with rapidly updating the technology behind Mitt Romney's presidential campaign and now director of growth at StumbleUpon, put it best: *growth hacking is more of a mindset than a tool kit.*  The good news: it's as simple as changing your mindset. (Or if you're just starting out in marketing, it means you've been spared the baggage of the old guard.) Growth hacking is not a 1-2-3 sequence but instead a fluid process.

Growth hacking at its core means putting aside the notion that marketing is a self-contained act that begins toward the end of a company's or a product's development life cycle. It is, instead, a way of thinking and looking at your business.

The tools will vary from job to job—it's the mindset that will be the killer advantage. And that can start right now.

#### The Growth Hacker Wakeup call has arrived. Will you answer? 🛙

### Info



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**ABOUT THE AUTHOR** | Ryan Holiday is a media strategist for notorious clients like Tucker Max and Dov Charney. After dropping out of college at 19 to apprentice under the strategist Robert Greene, he went on to advise many bestselling authors and multi-platinum musicians. He is the Director of Marketing at American Apparel, where his work in advertising was internationally known. His strategies are used as case studies by Twitter, YouTube and Google and have been written about in *AdAge, The New York Times, Gawker*, and *Fast Company*. His first book, *Trust Me I'm Lying* was a Wall Street Journal bestseller.

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