Uncovering Blind Spots on Your GTM Journey

March 23, 2023

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The Rarely Asked Question

Question: Why are there not more great companies?

Not for lack of:

- Executive ambition
- Investor capital
- Breakthrough technologies
- Ideas

Something is missing: Robust Go-To-Market (GTM) solutions

3 components to GTM strategy:

- **Product-Market** Fit
- **Business-Model** Fit
- **Organizational** Fit

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Two Key Tools for Building Robust GTM Strategy

GTM® Road Map

- Shared language

- Clarity

- Focus

GTM Readiness Self-Assessment

- The mindset challenge

- Uncover blind spots

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GTM® Road Map

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The Persuasion Framework: GTM® Road Map

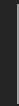| Product-Market Fit	Organizational Fit	Business-Model Fit
Unmet Customer Needs	External Inflection Points	Portfolio Management
Critical Assumptions	Innovator's DNA	Digital Enablement
Value Proposition	Internal Checkpoints	Business Model

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Build great & enduring company

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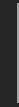
Realize dominant valuations & operating performance

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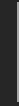
Navigate due diligence scrutiny by investors,
corporate partners, and customers

|

Persuade via robust GTM strategies & performance outcomes:
Product-Market Fit - **Business-Model Fit** - **Organizational Fit**

What is GTM?

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Creating Clarity About GTM

Peter Drucker provides context:

- "There is only one valid purpose of a corporation – to **create a customer**"

Clarifying meaning of GTM:

- GTM is much more than commercialization, which focuses on reaching customers and their purchase decision

- Focusing too soon or too much on customer purchase decisions without first proving value is being provided to customers is misguided

- GTM incorporates both upfront confirmation of customer value creation and only then on capturing tangible value in marketplace transactions

When GTM efforts **start and end** in great companies:

- Start with raw unproven technology and unverified hypothesis about unmet market need

- Never end until kill project or retire product

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Your GTM Strategy Impacts Everything

GTM **preparedness** and **performance** directly **impact** all key **value creation** moments during a company's existence, including the following:

    New products: Properly vetting opportunities before making major investments

    Current products: (i) Dissatisfied with current performance; (ii) uncertain can sustain acceptable performance; or (iii) seeking higher growth rate

    Investor diligence: Initiating new investor review or post-deal replanning

    Strategic transactions: Preparing for corporate partner/M&A diligence

Where Are You on GTM Jobs-To-Be-Done (JTBD) Cascade?

Build a **great & enduring company**

Deliver **dominant valuations and operating performance**

Close **strategic transactions** (financings, partnerships)

Persuade customers to buy

Prepare for investor, partnering, and customer **due diligence scrutiny**

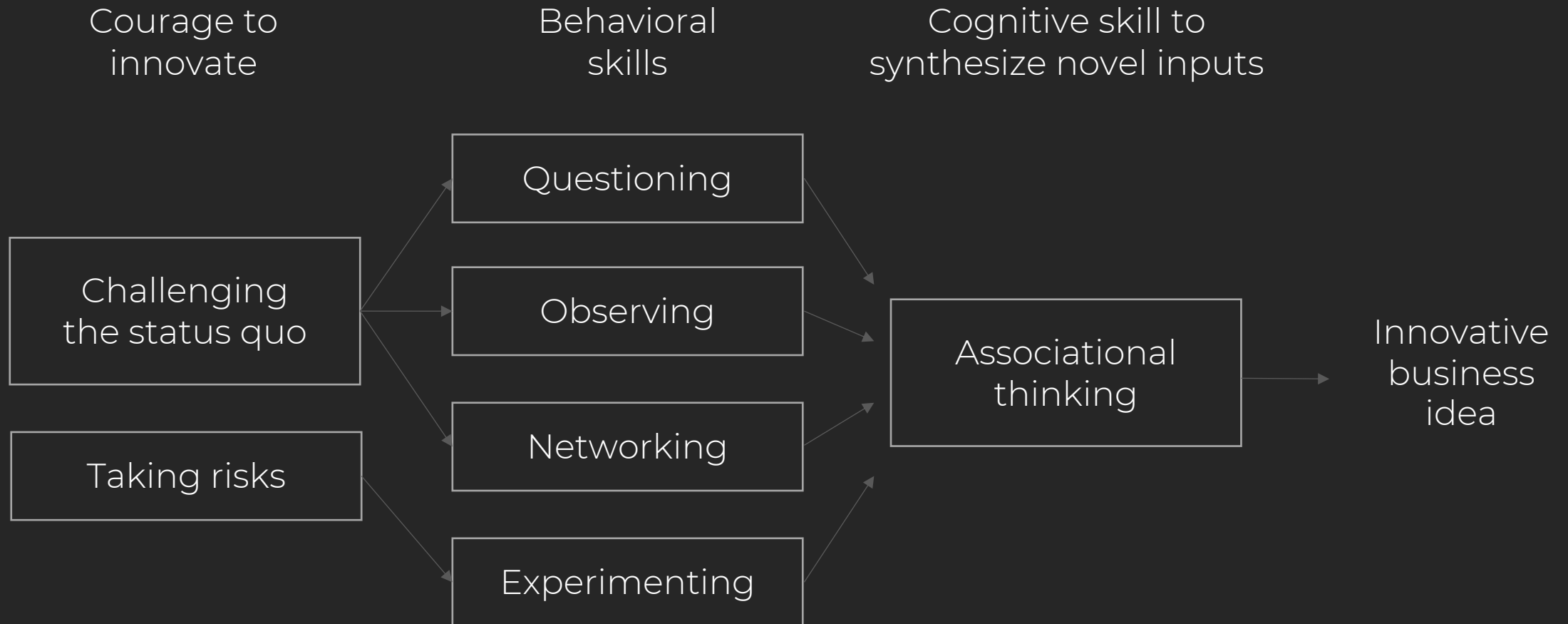Develop product-market fit, business-model fit, and organizational fit components of a **robust GTM strategy**

Find answers to **specific GTM issues**, which lead to a complete GTM strategy:

- Unmet customer needs
- Critical assumptions
- Value proposition

- Portfolio management
- Digital enablement
- Business model

- External inflection points
- Innovator's mental model
- Internal checkpoints

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GTM Readiness
Self-Assessment:
The Mindset Challenge

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The Innovator's DNA Model for Generating Innovative Ideas

Courage to innovate

Behavioral skills

Cognitive skill to synthesize novel inputs

Challenging the status quo

Taking risks

Questioning

Observing

Networking

Experimenting

Associational thinking

Innovative business idea

Source: The Innovator's DNA by Dyer, Gregersen, Christensen

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GTM Readiness
Self-Assessment:
Are You Ready for Prime Time?

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Score Yourself on Product-Market Fit Statements

0 – **I Don't Know**

1 – **Strongly Disagree**

2 – **Disagree**

3 – **Working On It**

4 – **Agree**

5 – **Strongly Agree**

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Strategy - Four Statements

1. Our company's chosen strategy has well-defined **where-to-play** metrics, including: geography, product/service type, customer segment, distribution channel, and vertical stage of production.

2. Our company's **how-to-win** competitive advantage is based on low cost or differentiation.

3. Our management team has defined **what-would-have-to-be-true** for our strategy to be successful.

4. Our company's chosen strategy compels the **desired customer actions**.

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Product-Market Fit - Four Statements

1. Our company's culture is obsessed with **understanding our customers**.

2. Our company has developed a **breakthrough insight** that is singularly different.

3. Our company offers a **unique** solution that people **desperately** want because there are **no good alternatives**.

4. We have identified our **Early Adopters**, i.e., people who have a problem we solve, know they have the problem, are actively seeking solutions, and have budget monies.

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Unmet Customer Needs - Four Statements

1. Our company's conversations focus on **customer problems** in getting their jobs done instead of features/benefits of our **company's solutions**.

   Our management team has a shared understanding of:

2. Our company's **market opportunities**.

3. **All customer needs** in those market opportunities.

4. Which of those needs are **most important** and **least satisfied** today.

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Critical Assumptions - Four Statements

1. Our team has **written down** all assumptions implicit in our business model.

2. Our team has identified which key assumptions are **critically important** to the future success of your company.

3. Our team has strong experimental **evidence validating** those key assumptions.

4. Our company has established **organizational habits** for the ongoing testing of key assumptions.

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Value Proposition - Four Statements

1. Our company's value propositions is based on a deep understanding of our **customers' jobs**.

2. Our company's value propositions address **essential gains** desired by customers and **extreme pains** experienced by customers in getting their jobs done.

3. Our company's value propositions align with how our **customers define success**.

4. Our company's value propositions ensure we are **outperforming the competition** in a significant way.

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Where To Start

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Planning is the act of laying out **projects with timelines, deliverables, budgets, and responsibilities**

Planning is a **laudable list** of internal management **activities under company's control**

What typically poses as strategy is in fact a list of initiatives...there is **no overall theory of advantage**

Strategy is an **integrated set of choices** that positions an organization on the **chosen field of play** in a way that **lets them win**

Strategy describes **choices** for how company will **compel desired actions** by external groups **not under company's control**

Source: Various Roger Martin Medium articles, plus his HBR video

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Three Keys to Go-to-Market Success

Maintain strategic mindset, as GTM issues are dynamic and involve issues over which you have no direct control, requiring an ongoing, long-game perspective

Develop disciplined daily GTM habits, as it is easy to be distracted by daily busy-ness

Keep your key stakeholders aligned, making them your GTM thought partners on the journey so all of you can learn and adapt quickly

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Maintain Strategic Mindset

Insight development & customer development model, not just product development model

Compelling value proposition your customers are desperate for

Profitable and scalable business model that captures value for your company

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Develop Disciplined Daily Go-To-Market Habits

Recognize **full timeline** of go-to-market activities

Adopt **beginner's mindset** & constantly ask **hard questions**

Map out, test, and continuously validate customer need, product, and business model assumptions

Adopt a **diligence-scrutiny mindset** that will persuade investors, partners and customers

Develop rigorous **product-market fit, organizational fit, and business-model fit** solutions

Use GTM® Road Map to organize and guide your efforts

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Keep Key Stakeholders Aligned

It is easy, but costly, to **put off dealing** with dynamic GTM issues

Achieving alignment between management and the Board is always a challenge

At the outset, set the right tone by using GTM® Road Map and self-assessment diagnostic to align Board and management team with **clarity** and **shared understanding** about GTM issues

Turn **timely candor** about important GTM issues into a primary company ongoing habit, allowing **problem-solving** as issues arise

Ensure rapid readiness for external party **due diligence scrutiny**

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"You don't implement go-to-market, **you live it.**"

- Long-time industry CEO

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Donald B. Hawthorne

Don Hawthorne is a go-to-market (GTM) strategy consultant who helps executives uncover GTM blind spots and develop robust GTM solutions that will successfully navigate due diligence scrutiny in the marketplace (by customers) and in strategic transactions (by investors and corporate partners) – enabling the dominant valuation and operating performance outcomes necessary to build great, enduring companies.

He ensures companies take the right offerings to market with greater speed and capital efficiency by delivering value through a unique combination of:

- **Novel GTM® Road Map** – bringing clarity and a shared language to the mental model and deliverables required for GTM success.

- **GTM Readiness Self-Assessment Diagnostic** – allowing teams to uncover their GTM blind spots.

- **Experience holding 11 C-suite (CEO-6/COO-2/CFO-3) roles** – working alongside executives as a trusted peer-level partner to jointly develop customized GTM solutions.

Don delivers results via workshop, coaching, project advisory, and interim executive roles. His GTM consulting work has an 86% success rate.

Don earned his MBA from the Stanford Graduate School of Business and his BS in mathematics from Harvey Mudd College.

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Appendix

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Costs of Conventional Wisdom

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Wrong Mindset: Poor Management Habits are the Norm

Does your company...

Have a common understanding of its customers' needs	**46%**
Map out, test & validate key product assumptions	**46%**
Map out, test & validate key business model assumptions	**46%**
Communicate frankly, including asking hard questions	**38%**

Source: November 2020 Webinar Poll

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Conventional Wisdom's Appalling Outcomes

"**72%** of all new products are a flop..." *- Simon-Kucher & Partners*

"About **75%** of all new products and services...fail to reach viable, profitable scale and are withdrawn." - *Christensen, Anthony, Berstell & Nitterhouse*

"Of the more than **20,000** new products evaluated...only **92** had sales of more than $50 million in year one and sustained sales in year two."
- *Christensen, Hall, Dillon & Duncan*

"Tackling problems that are interesting to solve rather than those that serve a market need was cited as the No. 1 reason for failure, noted in **42%** of cases."
- CB Insights

"Only **9.9%** of US venture capital investments generate more than 1-5X return."

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More on GTM® Road Map

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Road Map #1 to GTM Success

Product-Market Fit

Unmet Customer Needs

"The job, not the customer, is the fundamental unit of analysis."

- Clayton Christensen

Critical Assumptions

"[Test] your beliefs that are critical for success and yet have the least amount of evidence to support them."

- David Bland

Value Proposition

"What do you uniquely offer that people desperately want?"

- Andy Rachleff

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Road Map #2 to GTM Success

"Invincible Companies strategically guide, diversify, measure, and act upon their portfolio of existing and potential new businesses simultaneously."

- Alexander Osterwalder

"Recognize that modern digital technologies have two notable value drivers: data in its new expansive role, and emergent digital ecosystems."

- Mohan Subramaniam

"Business management at its best is so much more than executing already-existing business models – it is the art and science of exploring and discovering disruptive new ones that ensure a future of sustained growth and longevity."

- Mark Johnson

Business-Model Fit

Portfolio Management

Digital Enablement

Business Model

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Road Map #3 to GTM Success

Organizational Fit

"The single biggest predictor of executive success is how you deal with ambiguity."

- Sam Yagan

External Inflection Points

Does your organization encourage challenging the status quo? Does it reward discovery-centric behaviors of questioning, observing, networking, and experimenting? Does your team then work together to connect the unconnected in new ways?

Innovator's DNA

"When the assumption-to-knowledge ratio is high...one should prioritize learning fast, at the lowest possible cost."

- Rita McGrath & Ian MacMillan

Internal Checkpoints

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