

Uncovering Your Blind Spots on Your GTM Journey

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The Rarely Asked Question

Question: Why are there not more great companies?

Not for lack of:

- Executive ambition & intelligence
- Investor capital
- Breakthrough technologies
- Ideas

The blind spot: Lack of robust Go-To-Market (GTM) strategies

3 components to GTM strategy that does not follow conventional wisdom:

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

Costs of Following Conventional Wisdom

Wrong Mindset: Poor Management Habits are the Norm

Does your company...

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

Getting GTM Wrong: Planning Is Not Strategy

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**

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“About **75%** of all new products and services...fail to reach viable, profitable scale and are withdrawn.”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.”

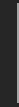
- *CB Insights*

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

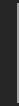
What is GTM?

Right Mindset: Executives are in the Persuasion Business

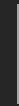
Build great & enduring company



Realize dominant valuations & operating performance



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 Go-To-Market (GTM)?

Peter Drucker provides context

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

GTM is the **unified field theory** of business

- “**Revenue R&D**” – Chris Walker
- “Your GTM process **connects** your company **strategy** to your **customer outcomes**.” – Vajre & Brown

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

- Starts with raw unproven technology and unverified hypothesis about unmet market need
- Never ends until kill project or retire product

Non-Consensus & Right: Robust GTM Strategy Backbone

Insight Development has to precede Customer Development

- **Non-Consensus:** Knowable today
- **Right:** Only knowable in future

Two components of robust GTM strategy:

- **Value Hypothesis:** Upfront confirmation of customer value creation
- **Growth Hypothesis:** Capturing tangible value in marketplace growth transactions

Focusing too much/too soon on **customer purchase decisions** without first proving value is being provided to customers can be deadly

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

Two Key Tools for Building Robust GTM Strategy

GTM® Road Map

- Shared language
- Clarity
- Focus

GTM Readiness Self-Assessment

- Mindset challenge
- Uncover blind spots

The GTM[®] Road Map

The Persuasion Framework: GTM[®] Road Map

Product-Market Fit

Unmet Customer Needs

Critical Assumptions

Compelling Value Proposition

Organizational Fit

External Inflection Points

Innovator's DNA

Internal Checkpoints

Business-Model Fit

Explore & Exploit

Digital Enablement

Viable Business Model

GTM Road Map #1: Product-Market Fit

Product-Market Fit is about developing a **compelling value proposition** that customers are **desperate for** because there are **no good alternatives**

Three components:

(1) Unmet Customer Needs, where the job, not the customer, is the fundamental unit of analysis

(2) Critical Assumptions, where you extract key assumptions, identify which are most critical to your future success, and then test them

(3) Compelling Value Proposition, where you develop unique offerings based on breakthrough insights that are non-consensus now and proven right over time

GTM Road Map #2: Business-Model Fit

Business-Model Fit is about developing a **profitable, scalable business model** that also **entices customers**

Three components:

(1) Explore & Exploit, where you develop ambidextrous skills to explore tomorrow's possibilities while exploiting today's existing businesses

(2) Digital Enablement, where you recognize that digital technologies have two notable value drivers: data in new and expansive roles, and emergent digital ecosystems

(3) Viable Business Models, where you design and implement new ways to create, deliver, and capture value

GTM Road Map #3: Organizational Fit

Organizational Fit is about developing a **purpose-driven culture** that **allows good people to make a difference every day**

Three components:

(1) Innovator's DNA, where you are intellectually honest about state of the company, enabling psychological safety at the personal employee level

(2) External Inflection Points, where you pay attention to marketplace signals in order to act on them soon enough to capture upside opportunity gains and protect against downside risk losses

(3) Internal Checkpoints, where you value learning as you systematically convert assumptions into knowledge over time

GTM Readiness Self-Assessment: Product-Market Fit

Score Yourself: Are You Ready For Prime-Time?

0 – **I Don't Know**

1 – **Strongly Disagree**

2 – **Disagree**

3 – **Working On It**

4 – **Agree**

5 – **Strongly Agree**

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**.

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.

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.

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.

Compelling 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.

Where To Start

Getting GTM Right: The Overarching Questions

Adopt a problems-first view of the market:

- What **problems** are you trying to **solve** for **whom**?
- How do you know you are solving the **right problems**?

Avoid a solutions-first view of the market:

- Has your team **identified unmet needs** in the market by **first rigorously defining the problems** around customer jobs-to-be-done?

Organize for growth by agreeing on the problems:

- Has your team **defined** and **agreed** on the **top 3 customer profiles** and their **top 3 unmet needs**?

Getting GTM Right: 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

Key #1: 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

Key #2: 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

Key #3: 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**

“You don’t implement go-to-market, **you live it.**”

- Long-time industry CEO

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 and remove their GTM blind spots.
- **Experience holding 12 C-suite (CEO-6/COO-2/CFO-4) 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.