Building for Growth Requires Getting GTM Right

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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

Answer: Too many companies adopt flawed GTM practices, creating strategic blind spots

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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 if acceptable performance can be sustained; (iii) seeking higher growth rate

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

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

High Costs of Following Flawed GTM Practices

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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%**

Source: November 2020 Webinar Poll

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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**

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

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Appalling Outcomes From Flawed GTM Practices

"**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"About **75%** of all new products and services…fail to reach viable, profitable scale and are withdrawn."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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What is GTM?

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GTM Ensures Customer Outcomes Drive Company Strategy

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

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Three Ingredients Required for Designing a Robust GTM Strategy

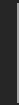**Curiosity Hypothesis**: Continuous pursuit of actionable knowledge

Value Hypothesis: Seeking upfront confirmation of customer value creation

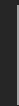**Growth Hypothesis**: Capturing tangible value in marketplace growth transactions

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Where To Start

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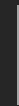# Right Mindset: Executives are in the Persuasion Business

Goal: Build great & enduring company

Metrics: Realize dominant valuations & operating performance

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

Persuade: Via robust GTM strategies & performance outcomes

Getting GTM Right: The Three Secrets

Adopt a problems-first view of the market

Avoid a solutions-first view of the market

Organize for growth by agreeing on the problems

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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**?

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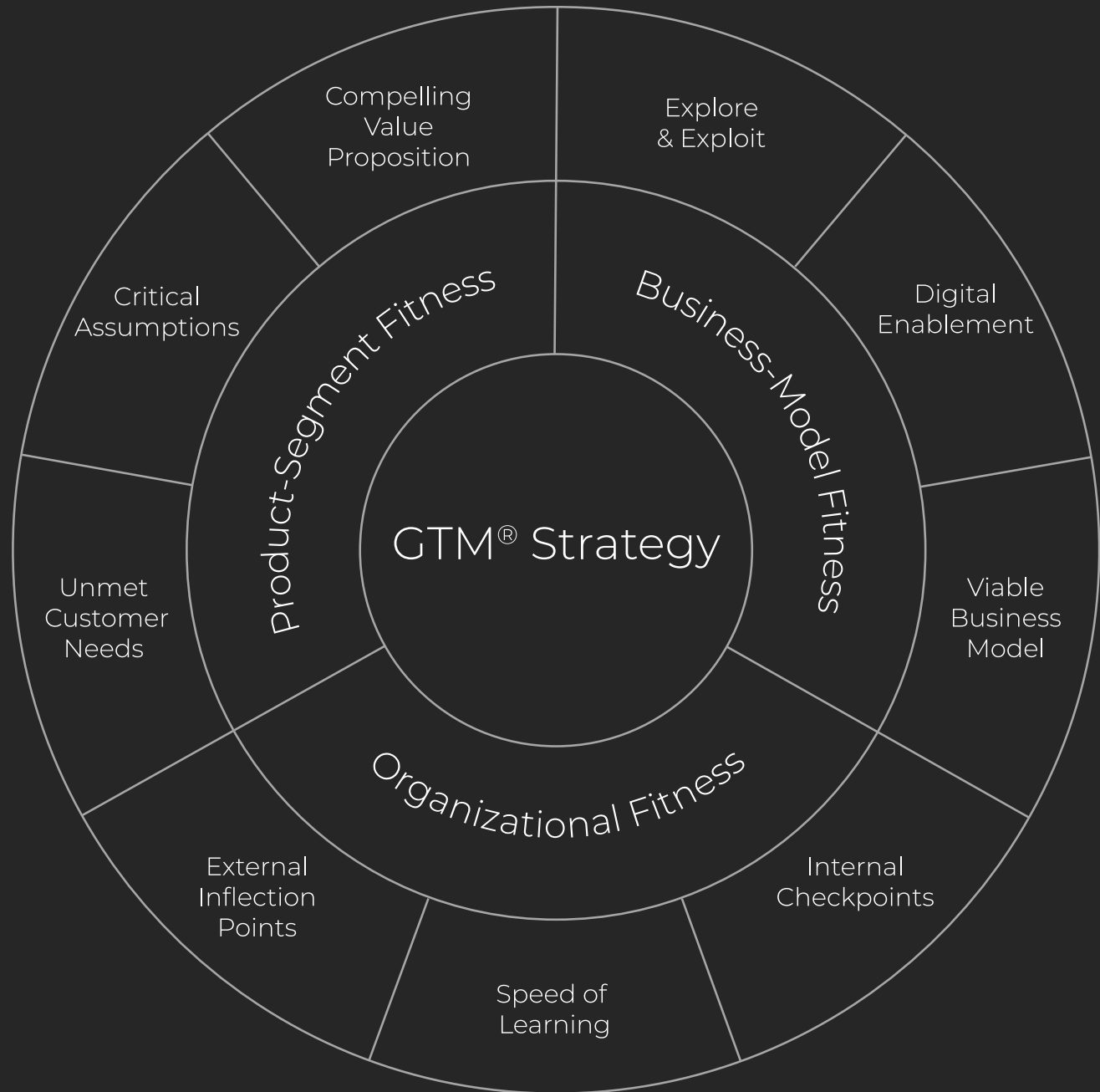# Getting GTM Right: Three Keys to Go-to-Market Success

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

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The GTM® Persuasion Framework

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The GTM® Persuasion Framework

- GTM® Strategy
- Product-Segment Fitness
  - Compelling Value Proposition
  - Critical Assumptions
  - Unmet Customer Needs
- Business-Model Fitness
  - Explore & Exploit
  - Digital Enablement
  - Viable Business Model
- Organizational Fitness
  - External Inflection Points
  - Speed of Learning
  - Internal Checkpoints

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The GTM® Persuasion Framework

Architect Organizational Fitness

1. Enable a learning culture for the organization that values forthrightness
2. Identify inflection points on market horizons that impact growth
3. Validate assumptions that can accelerate growth

Compelling Value Proposition

Explore & Exploit

Critical Assumptions

Digital Enablement

Product-Segment Fitness

Business-Model Fitness

GTM® Strategy

Unmet Customer Needs

Viable Business Model

Organizational Fitness

External Inflection Points

Internal Checkpoints

Speed of Learning
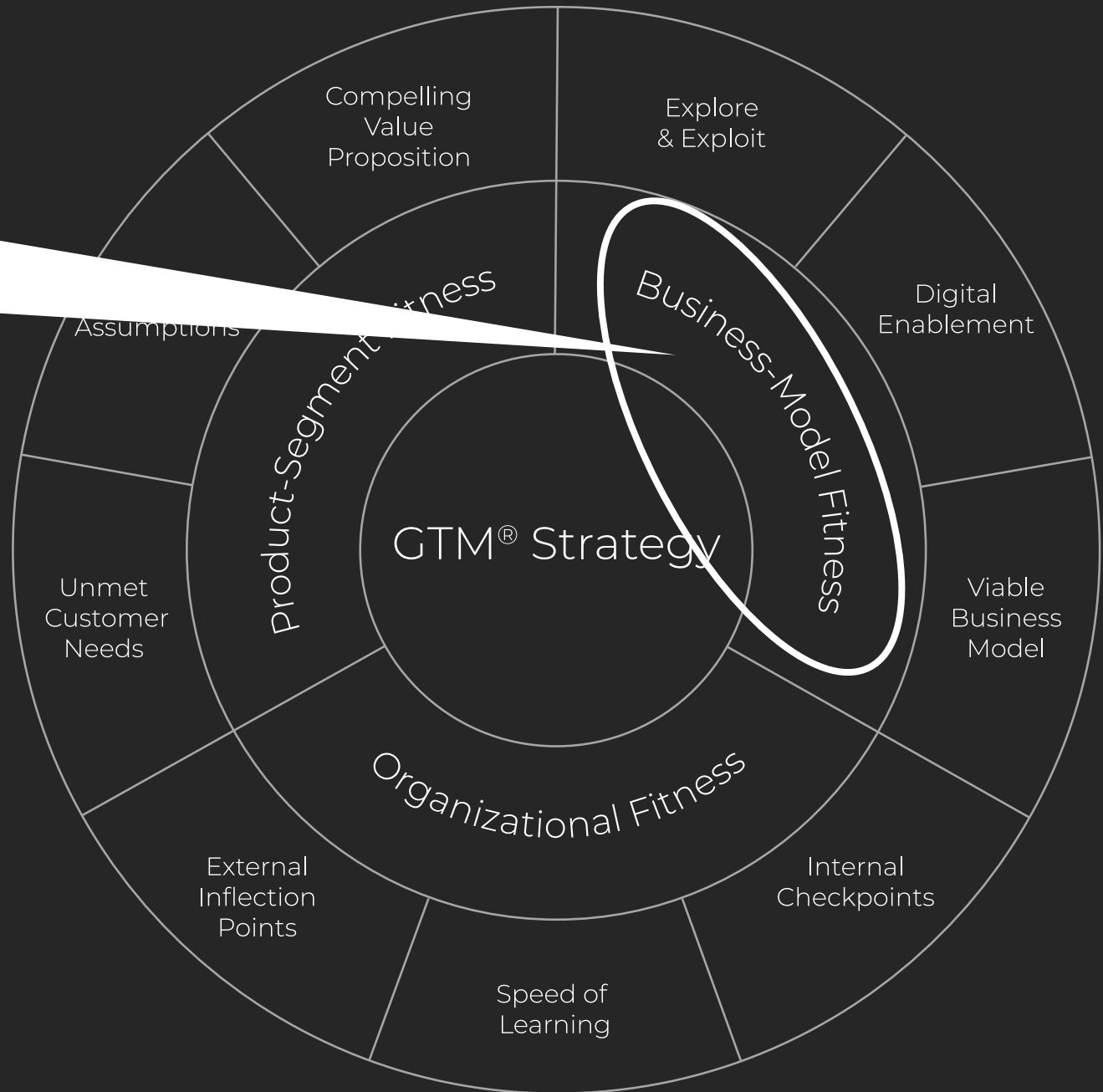
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7. Allocate resources to build capabilities for growth over time
8. Use interactive data to find new markets to pursue
9. Sustain growth through business model innovations

The GTM® Persuasion Framework

Create Business-Model Fitness

Compelling Value Proposition

Explore & Exploit

Digital Enablement

Assumptions

Business-Model Fitness

Product-Segment Fitness

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Viable Business Model

Unmet Customer Needs

Organizational Fitness

Internal Checkpoints
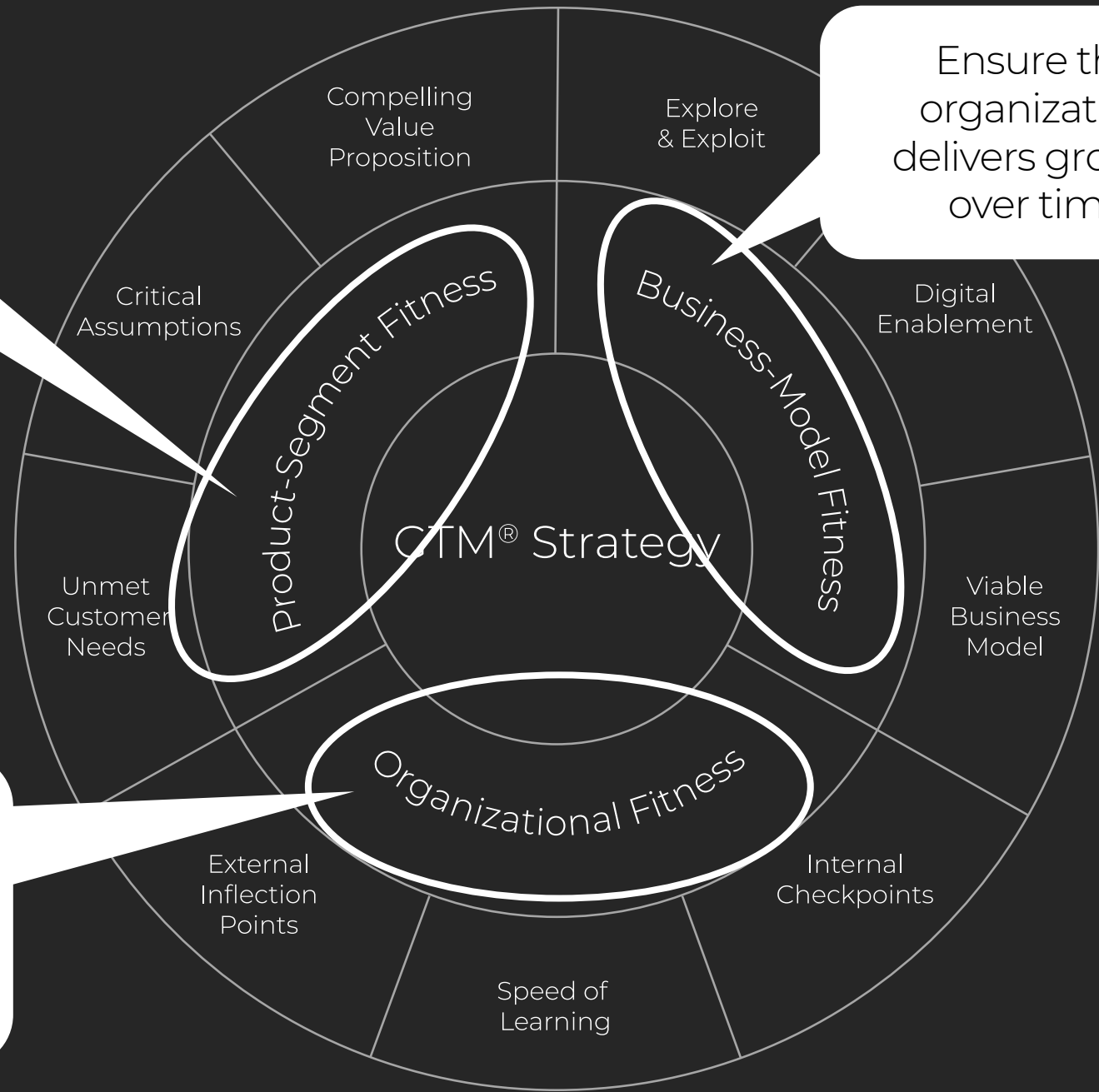
External Inflection Points

Speed of Learning

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The GTM® Persuasion Framework

Create offerings that deliver value in targeted market segments

Ensure the organization delivers growth over time

Develop organizational habits to build knowledge that will inform actions for growth

Compelling Value Proposition

Explore & Exploit

Critical Assumptions

Digital Enablement

Product-Segment Fitness

Business-Model Fitness

GTM® Strategy

Unmet Customer Needs

Viable Business Model

Organizational Fitness

External Inflection Points

Internal Checkpoints

Speed of Learning

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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 serves as a peer-level partner with CEOs and other C-suite members as well as their investors and Board members to Get GTM® Right so their company can persuade investors, corporate partners, and customers to care enough to invest or partner with their company, and buy its offerings. He helps companies take the right offerings to market with greater speed and capital efficiency by delivering value through a unique combination of:

- **Novel GTM® Persuasion Framework** – 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 his PowerLab® workshop, coaching, project advisory, and interim executive roles. His consulting work has an 86% success rate: Strategy. Performance. Results.®

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

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