

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

Your GTM Strategy Impacts Every Value Inflection Point

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

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**

Marketplace Does Not Care About Your Company, Technology or Products

Potentially Fatal Mistakes

Living in company solution space, not customer needs space

Bad mental habits

Marketplace Does Not Care About Your Company, Technology or Products

Potentially Fatal Mistakes

Living in company solution space, not customer needs space

- **Evangelizing** company solutions instead of understanding customer needs
- Seduced by the **fake certainty** of plans
- **Failure** to rigorously define customer needs

Bad mental habits

- Lack of **curiosity**
- Not solving the **knowledge problem**
- Lack of **intellectual honesty**

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.”

What is GTM?

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, properly understood, 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

Three Ingredients Required for Designing a Robust GTM Strategy

Curiosity Hypothesis: Enabling a continuous pursuit of actionable knowledge

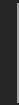
Value Hypothesis: Seeking upfront confirmation of customer value creation

Growth Hypothesis: Capturing tangible value in marketplace growth transactions

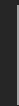
Where To Start

Right Mindset: Executives are in the Persuasion Business

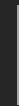
Goal: Build great & enduring company



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 needs-first view of the market

Avoid a solutions-first view of the market

Organize for growth by agreeing on the needs

Getting GTM Right: The Overarching Questions

Adopt a needs-first view of the market

- What **needs** are you trying to **satisfy** for **which customers**?
- How do you know you are satisfying the **right needs**?

Avoid a solutions-first view of the market

- Has your team **identified unmet needs** in the market by **first rigorously defining the needs** around the customer(s) job-to-be-done?

Organize for growth by agreeing on the needs

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

Getting GTM Right: Three Go-to-Market Success Habits

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

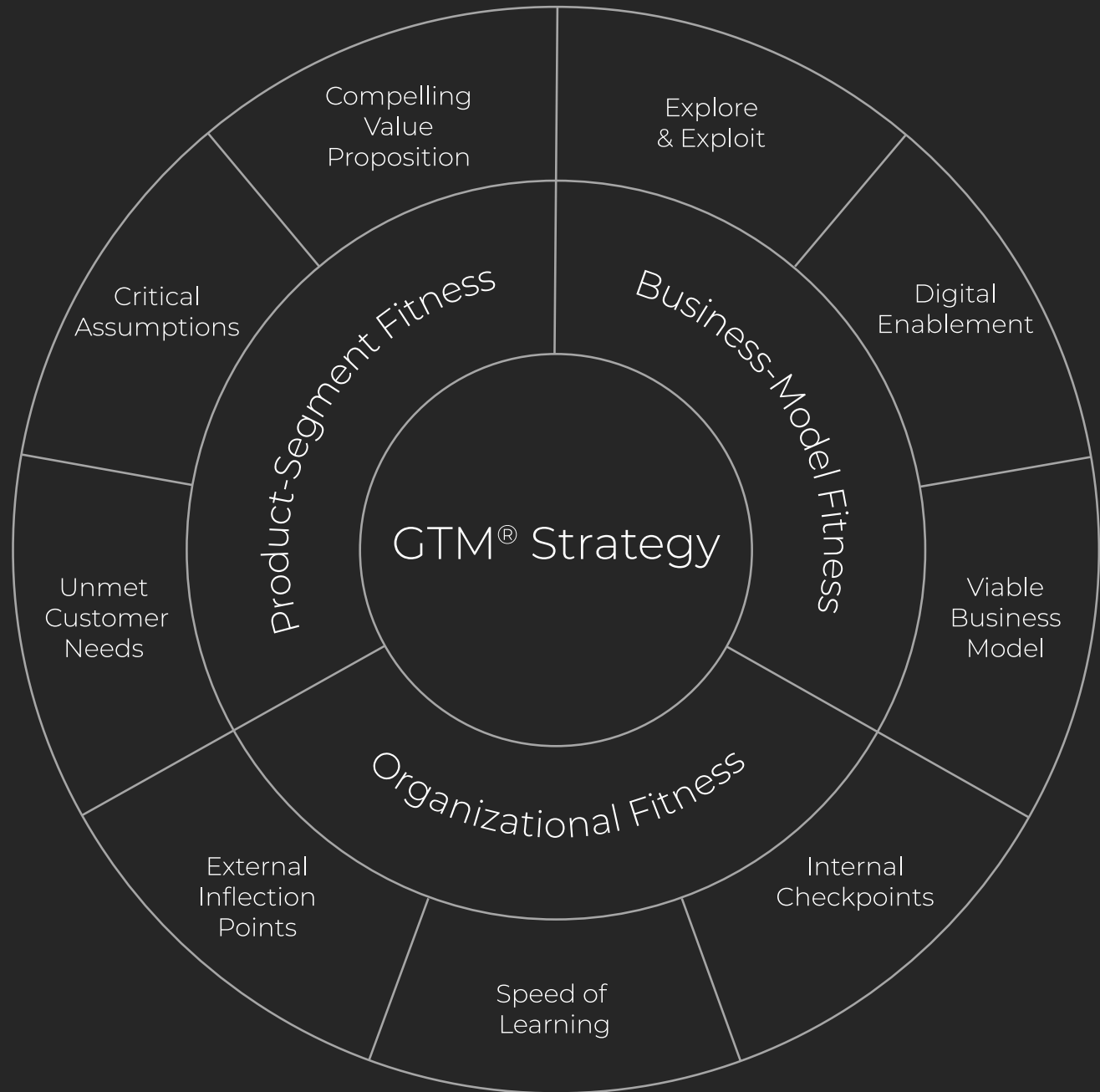
Keep your key stakeholders aligned, making them your GTM thought partners on the journey so all of you can learn and adapt quickly

The GTM[®] Persuasion Framework

The GTM[®] Persuasion Framework



The GTM[®] Persuasion Framework



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

The GTM[®] Persuasion Framework

Architect Organizational Fitness



4. Uncover customer needs that drive growth
5. Clarify assumptions that impact growth
6. Develop value propositions that compel customers to act

The GTM[®] Persuasion Framework

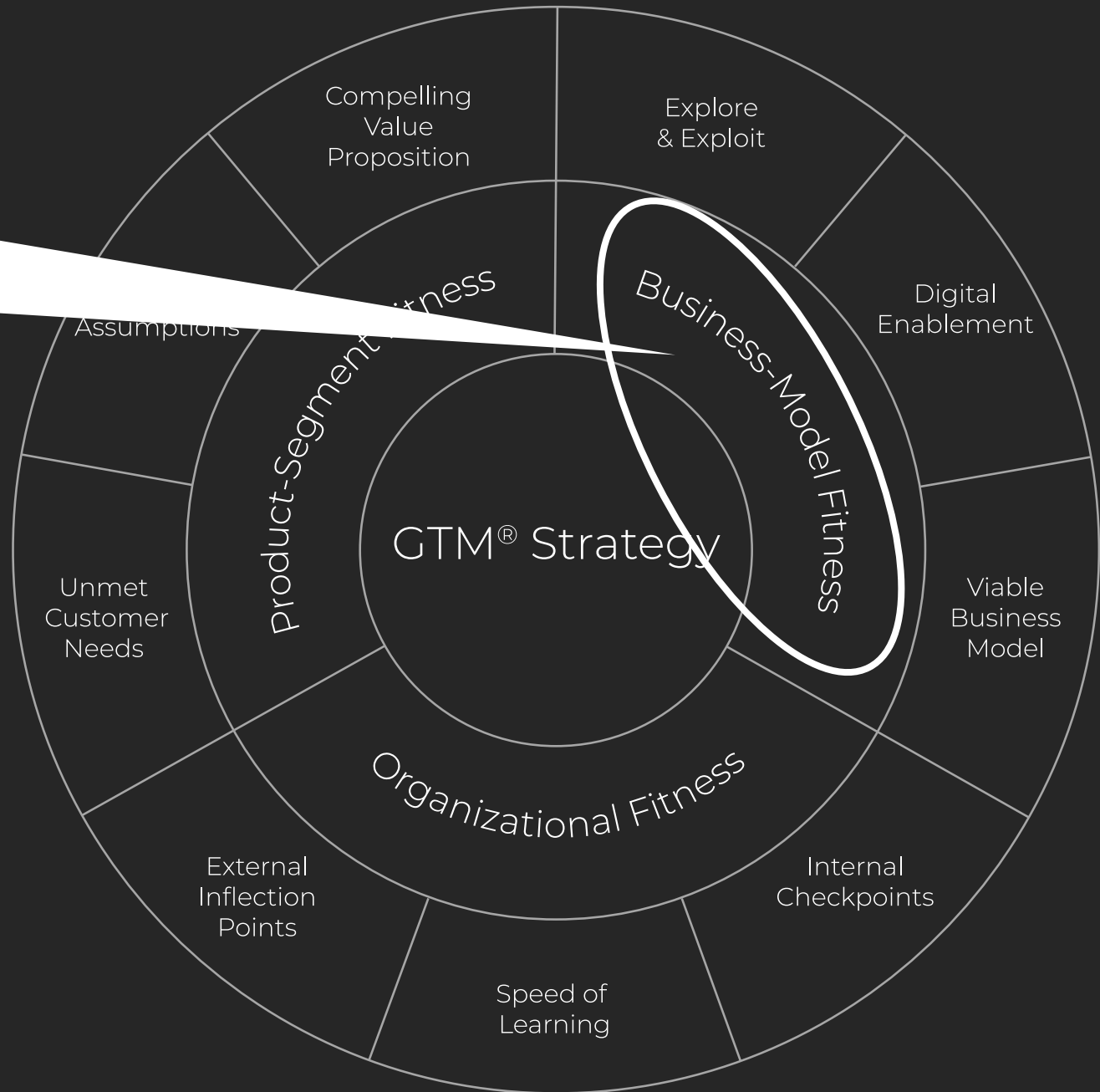
Establish Product-Segment Fitness



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

The GTM® Persuasion Framework

Create Business-Model Fitness

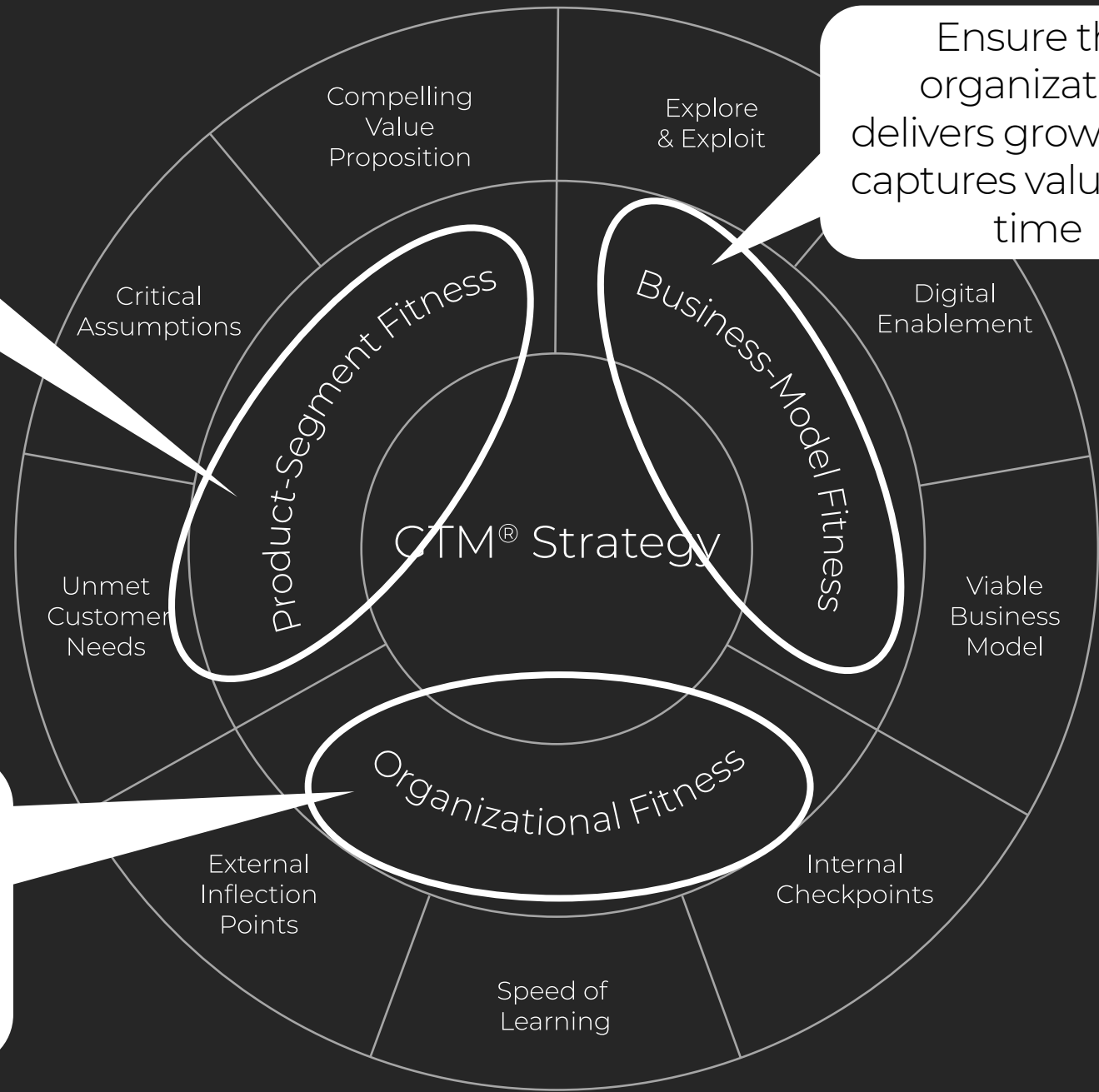


The GTM[®] Persuasion Framework

Create offerings that deliver value to customers in targeted market segments

Ensure the organization delivers growth and captures value over time

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



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

- Long-time industry CEO

Donald B. Hawthorne



Don Hawthorne serves as a peer-level partner with CEOs and other C-suite team members as well as their investors and Board members to Get GTM[®] Right the first time so they can build their companies for growth.

He helps executive teams design the right offerings with greater speed and capital efficiency by delivering value through the unique combination of:

- **Novel GTM[®] Persuasion Framework** – bringing clarity and a shared language to the team’s mental model and deliverables required for GTM success.
- **GTM Readiness Self-Assessment** – ensuring teams uncover and remove their GTM blind spots before they become expensive GTM black holes.
- **Experience holding 12 C-suite (CEO-6/COO-2/CFO-4) roles** – working alongside teams as a trusted advisor and thought partner while their companies design customized GTM solutions.

He delivers results via (1) GTM surveys, (2) PowerLab[®] workshops customized around each team’s survey results, (3) advisory work, and (4) executive coaching. 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.