



Product-Led Growth

Product-Led Growth Foundation:

What is PLG?

How does it work?

What does it mean for the organization?



What is Product-Led Growth?



Product-Led Growth (PLG) is a go-to-market strategy that relies on product usage as the primary driver of acquisition, conversion and expansion.

Blake Bartlett, Partner

OPENVIEW



Product-Led Growth (PLG) is a go-to-market strategy that relies on product usage as the primary driver of **acquisition**, conversion and expansion.



How to acquire
new prospects



Product-Led Growth (PLG) is a go-to-market strategy that relies on product usage as the primary driver of acquisition, **conversion** and expansion.



How to get new
prospects to become
paying customers



Product-Led Growth (PLG) is a go-to-market strategy that relies on product usage as the primary driver of acquisition, conversion and **expansion**.



How to get paying customers to upgrade and add more users



Acquisition, conversion and expansion used to happen via marketing and sales teams.

Today, they're happening through the product.

How did we get here?

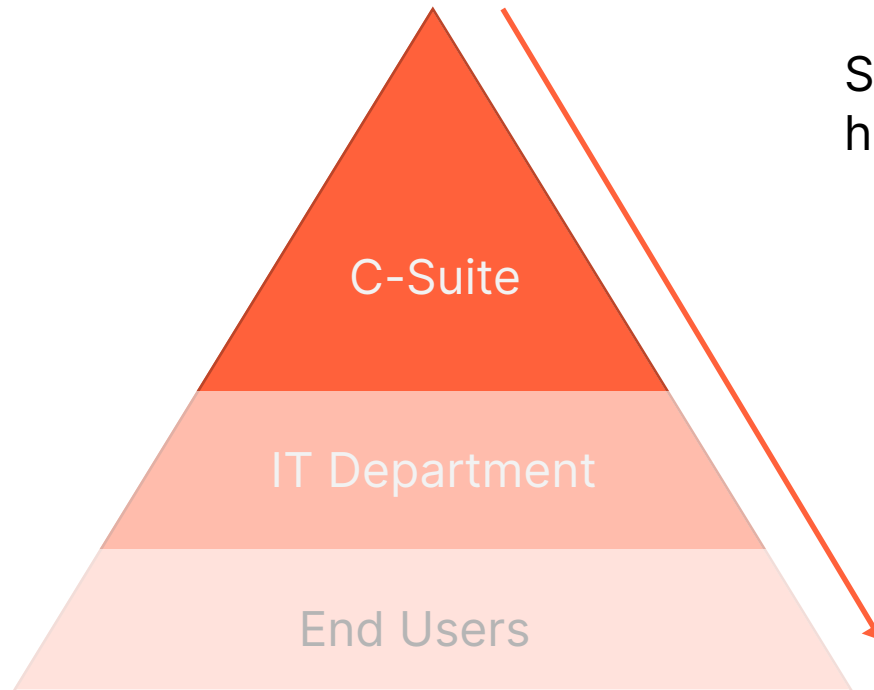
The Old Days

- ❑ Software was the realm of IT
- ❑ Delivery meant on-premise software
- ❑ Big money to build, implement, train, maintain



The Old Days

Acquisition, Conversion, and Expansion all happening at the highest levels



Sales team interacting with
highest level at a company

Expensive, difficult implementation

Static documentation & training

Lengthy upgrade processes



What's happened since?



What's happened since?

Things changed,

which made some things obsolete,

and gave rise to new opportunities.

Rise of cloud computing

SaaS delivery model

Subscription business model

Integrations became commonplace

Elastic infrastructure and
performance capabilities

Spread of the internet into common
communications

Search engines



What's happened since?

Things changed,

which made some things obsolete,

and gave rise to new opportunities.

Rigid internal infrastructure

Software on discs

Long and expensive implementations

Upgrades

“All-in-one” solutions

Lengthy training classes

Extensive static documentation



What's happened since?

Things changed,
which made some things obsolete,
and gave rise to new opportunities.

Flexible cloud architectures

Internet as a delivery mechanism

Flexible subscription packages from
very low to very high usage

Best-of-class solutions

Marketing to all levels of an
organization

Easy access to training, help, how-to's



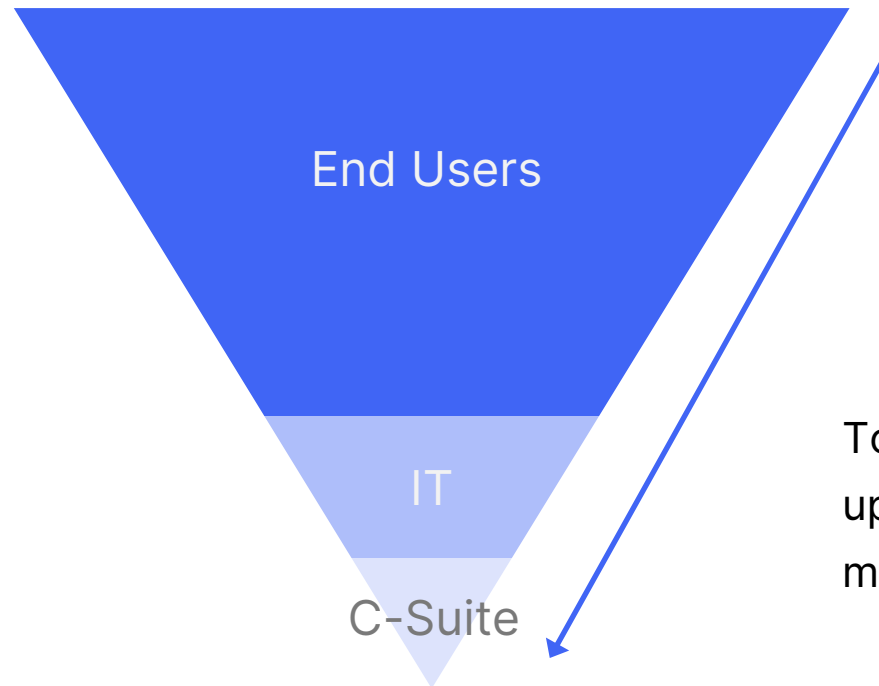
The New Days

- ☐ Everyone uses software for everything.
- ☐ Delivery is instant.
- ☐ Cheaper to build, implement, train, maintain.



The New Days

Acquisition, Conversion, and Expansion is in the hands of end-users



End-users experiencing a problem Google it, find a solution, try it out on their own

If they are convinced there's value, the end user can pay for a low-tier package

To get more value, the end user can invite others, upgrade to unlock more features and allow for more users



What Product-Led Growth Means



Creating growth through features that enable self-service everything.

For example:

Education

Billing

Trial

Sharing

Sign-up

Upselling

Implementation

Renewal



How does PLG work?



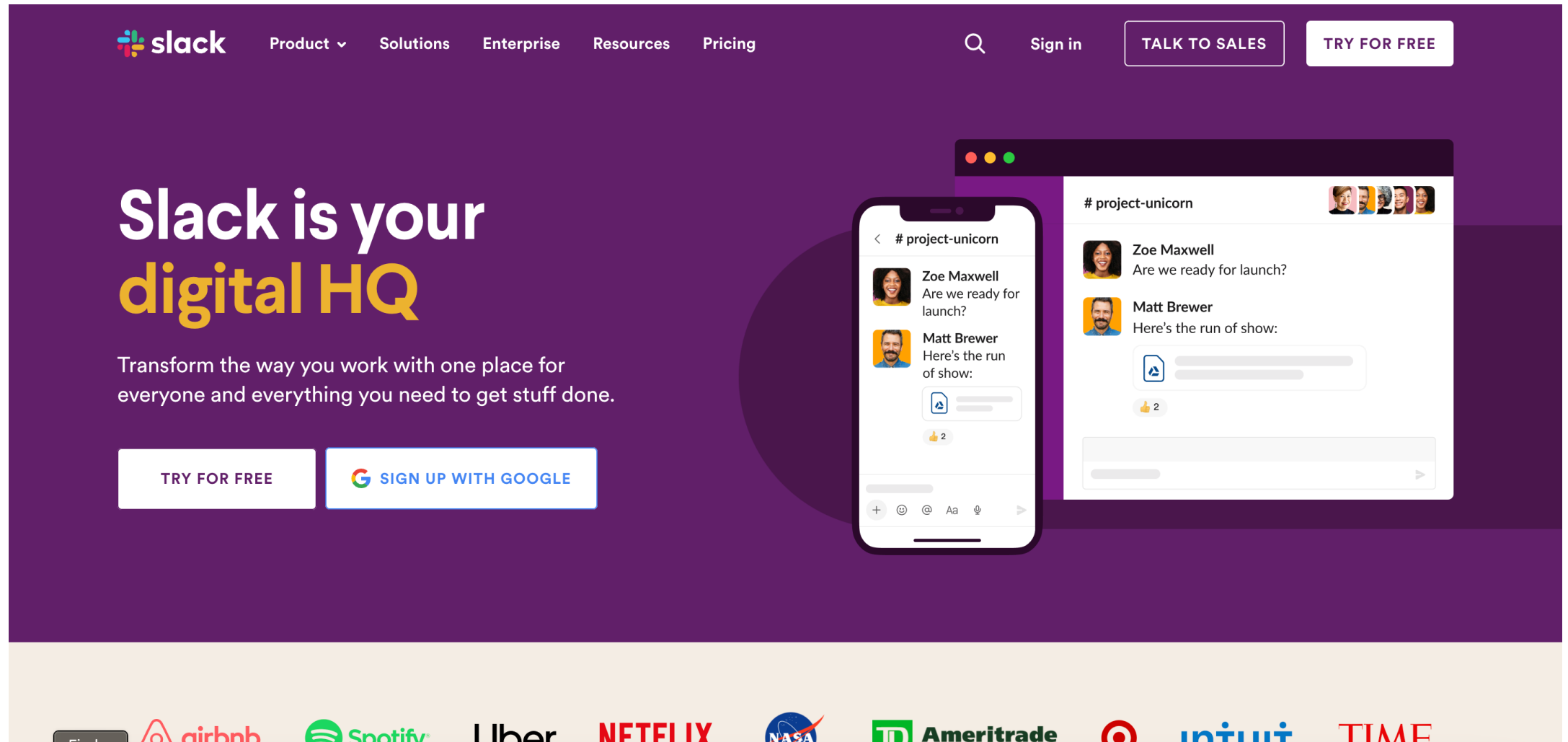
Acquisition → Conversion → Expansion



Acquisition is people being aware of your product,
having a way to experience your product,
and having a reason to come back.



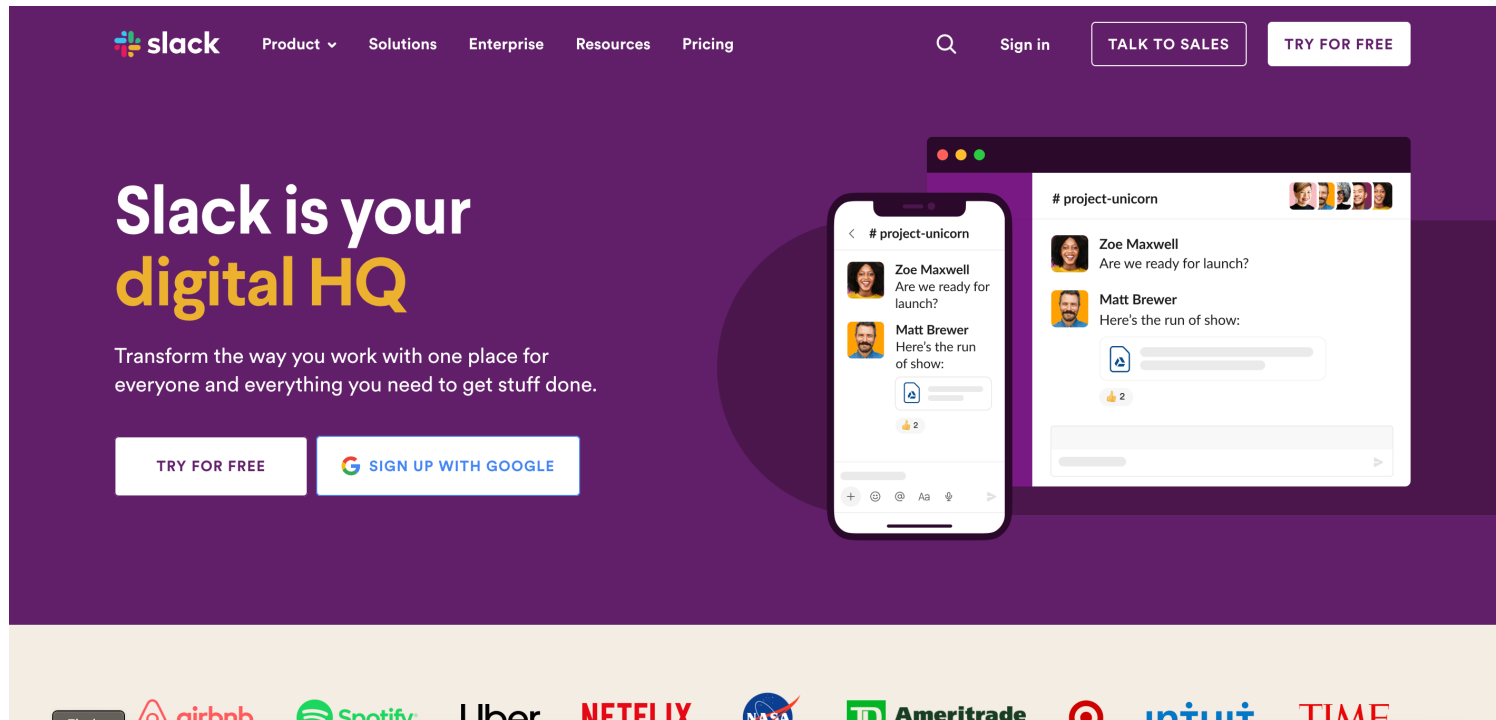
Acquisition → Conversion → Expansion

A screenshot of the Slack homepage. The background is a solid purple color. At the top, there is a navigation bar with the Slack logo on the left, followed by links for 'Product', 'Solutions', 'Enterprise', 'Resources', and 'Pricing'. On the right side of the navigation bar are a search icon, a 'Sign in' link, and two buttons: 'TALK TO SALES' and 'TRY FOR FREE'. The main content area features a large white text headline on the left that reads 'Slack is your digital HQ'. Below this headline is a sub-headline in smaller white text: 'Transform the way you work with one place for everyone and everything you need to get stuff done.' Underneath the sub-headline are two buttons: 'TRY FOR FREE' and 'SIGN UP WITH GOOGLE'. To the right of the text, there is a visual representation of the Slack interface. It includes a smartphone screen showing a chat conversation in the '# project-unicorn' channel, with messages from Zoe Maxwell and Matt Brewer. Next to the phone is a desktop window showing the same chat conversation. At the bottom of the page, there is a horizontal bar with logos of various companies that use Slack, including Airbnb, Spotify, Uber, Netflix, NASA, Ameritrade, Intuit, and TIME.

People being aware of your product = Brand + Marketing



Acquisition → Conversion → Expansion



Is your product approachable?

Does it have a recognizable identity and voice?

Does the experience feel right for your target audience?



Acquisition → Conversion → Expansion

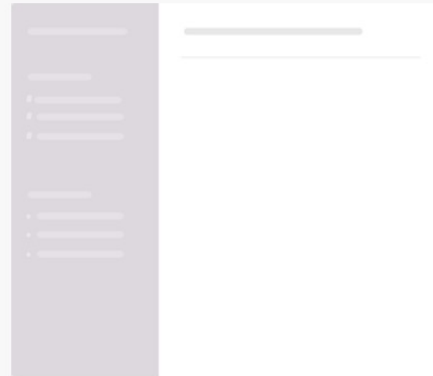
1

What's the name of your company or team?

Ex. Acme or Acme Marketing

Next

By continuing, you're agreeing to our [Customer Terms of Service](#), [Privacy Policy](#), and [Cookie Policy](#).

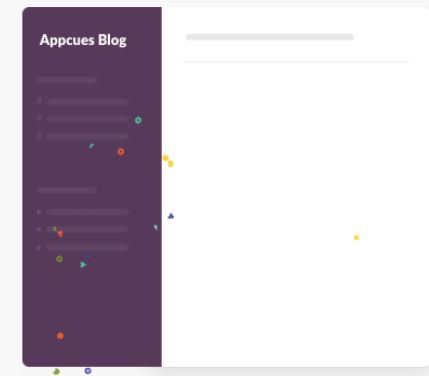


2

What's a project your team is working on?

Ex. Q4 Budget, Website Update...

Next



3

Who else is working on this project?

name@example.com

name@example.com

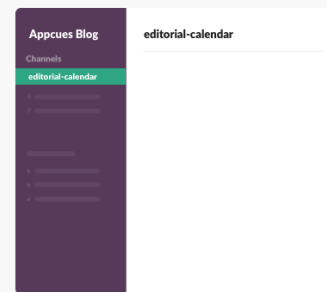
name@example.com

[Add another](#)

Add Teammates

[Get an invite link to share](#)

Or, skip for now

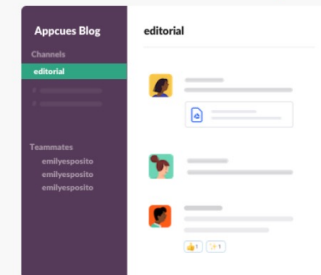


4

Tada! Meet your team's first channel: #editorial

A channel brings together every part of your project – the people, conversations, ideas, updates, and files – so your team can move forward and get more done.

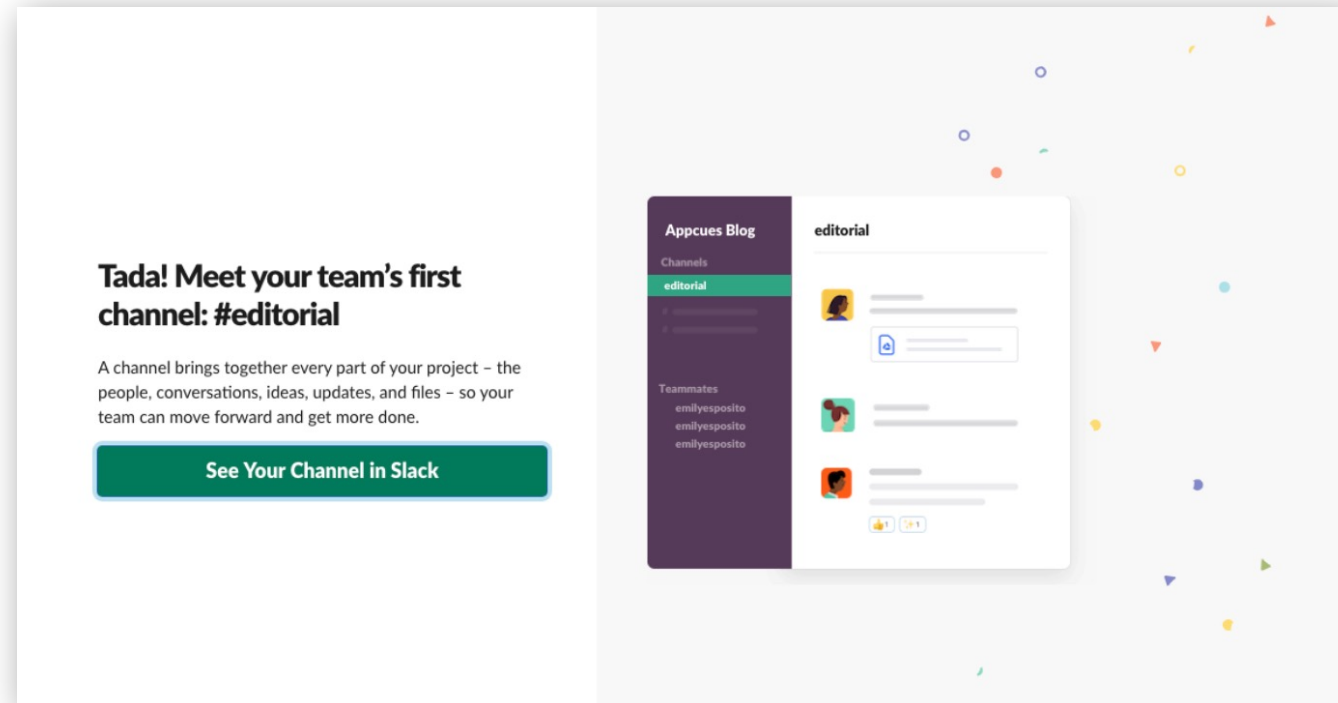
See Your Channel in Slack



Having a way to experience your product = First-time UX



Acquisition → Conversion → Expansion

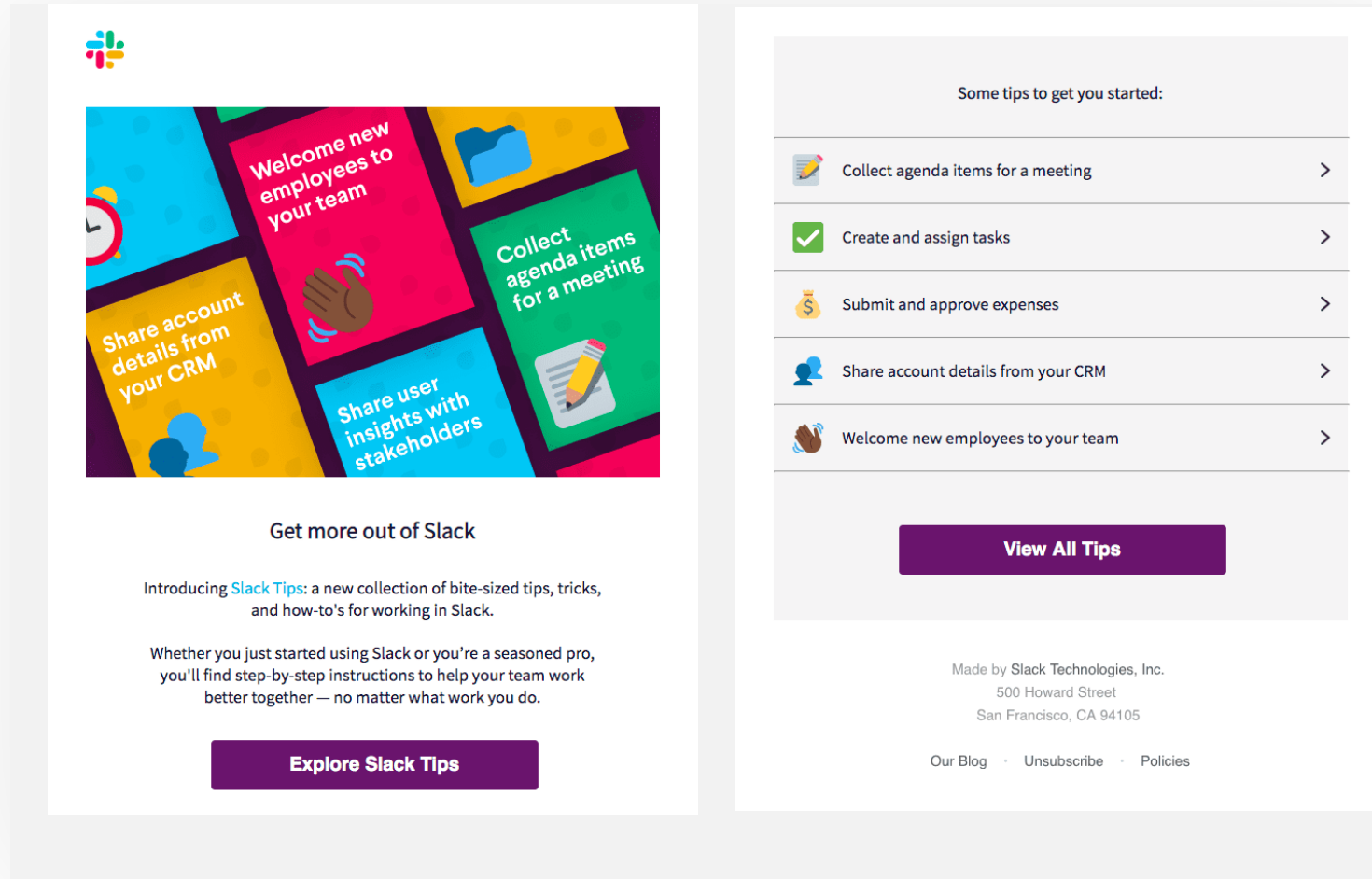


Does your target audience have a way to give your product a chance?

Do they have a way to experience the key value prop?



Acquisition → Conversion → Expansion



The image shows a Slack Tips email newsletter. The left panel features a colorful graphic with five tiles: 'Share account details from your CRM' (yellow), 'Welcome new employees to your team' (pink), 'Collect agenda items for a meeting' (green), 'Share user insights with stakeholders' (blue), and 'Share account details from your CRM' (yellow). Below the graphic is the text 'Get more out of Slack' and 'Introducing Slack Tips: a new collection of bite-sized tips, tricks, and how-to's for working in Slack.' A purple button labeled 'Explore Slack Tips' is at the bottom. The right panel has a header 'Some tips to get you started:' followed by a list of five tips with icons and right-pointing arrows. A purple button labeled 'View All Tips' is below the list. At the bottom, it says 'Made by Slack Technologies, Inc. 500 Howard Street San Francisco, CA 94105' and 'Our Blog · Unsubscribe · Policies'.

Slack

Get more out of Slack

Introducing **Slack Tips**: a new collection of bite-sized tips, tricks, and how-to's for working in Slack.

Whether you just started using Slack or you're a seasoned pro, you'll find step-by-step instructions to help your team work better together — no matter what work you do.

[Explore Slack Tips](#)

Some tips to get you started:

- [Collect agenda items for a meeting](#)
- [Create and assign tasks](#)
- [Submit and approve expenses](#)
- [Share account details from your CRM](#)
- [Welcome new employees to your team](#)

[View All Tips](#)

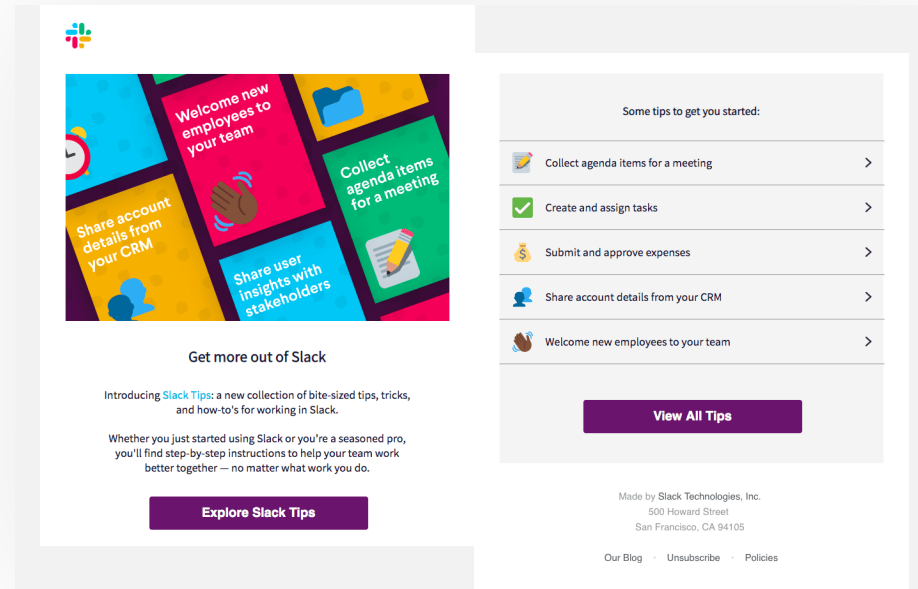
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Having a reason to come back = Value + UX + Marketing



Acquisition → Conversion → Expansion



Do people have a reason to come back?

Are you solving a specific problem or providing new value?

Are people in the marketing drip?



Acquisition → Conversion → Expansion



Conversion is turning a prospective user into a user, and a user into a paying user. Providing the **right value proposition**, the **ability to inform themselves**, and a **way to start paying**.



Acquisition → Conversion → Expansion

Start with delivering value...

Freemium

Free Trial

Build A Fan Base



Acquisition → Conversion → Expansion

Start with delivering value...

Freemium

Free Trial

Build A Fan Base

The screenshot displays the Zoom website's pricing section. At the top, a green banner offers a 30% discount on the Pro plan for new users. Below this, navigation tabs include Zoom Meetings, Zoom Phone, Zoom Events & Webinar, Zoom Rooms, Zoom United, and Zoom Contact Center. The main content area features three pricing plans: Basic (Free), Pro (\$149.90/year/license), and Business (\$199.90/year/license). Each plan lists its features and includes a 'Sign Up' or 'Buy Now' button. The Pro and Business plans also highlight savings compared to their previous prices.

Plan	Price	Key Features
BASIC (Personal meetings)	Free	Host up to 100 participants, Unlimited group meetings for up to 40 minutes, Unlimited one-to-one meetings with a 30 hour time limit per meeting, Private & Group Chat
PRO (Great for small teams)	\$149.90 /year/license	Host up to 100 participants, Increase participants up to 1,000 with Large Meetings add-on, Group meetings for up to 30 hours, Social media streaming, 1 GB cloud recording (per license)
BUSINESS (Small businesses)	\$199.90 /year/license	Host up to 300 participants, Increase participants up to 1,000 with Large Meetings add-on, Single sign-on, Recording transcripts, Managed domains

Acquisition → Conversion → Expansion

Start with delivering value...

Freemium

Free Trial

Build A Fan Base

The screenshot displays the Zoom Rooms pricing page. At the top, there are three tabs: 'Zoom Rooms' (selected), 'Zoom United', and 'Zoom Contact Center'. Above the 'Zoom Rooms' tab is a 'SAVE 15%' badge, and above the 'Zoom Contact Center' tab is a 'NEW' badge. The 'Zoom Rooms' section features a 'FREE 30-DAY TRIAL' offer with a 'Free' price point and a 'Sign Up' button. Below this is the 'ZOOM ROOMS LICENSES' section, which includes a '\$89 SAVINGS' badge, a price of '\$499/year/room', and a 'Buy Now' button. The 'ZOOM ROOMS ENTERPRISE' section also features a '\$89 SAVINGS' badge, a price of '\$499/year/room', and a 'Contact Sales' button.

Zoom Rooms SAVE 15% NEW

Zoom United Zoom Contact Center

FREE 30-DAY TRIAL

Free

- Start a free 30-day Zoom Rooms trial today

Sign Up

ZOOM ROOMS LICENSES \$89 SAVINGS

\$499/year/room

- Purchase up to 49 Zoom Rooms licenses online

Buy Now

ZOOM ROOMS ENTERPRISE \$89 SAVINGS

\$499/year/room

- Do you need help with a large-scale deployment or more than 49 rooms licenses?

Contact Sales



Acquisition → Conversion → Expansion

Start with delivering value...

Freemium

Free Trial

Build A Fan Base



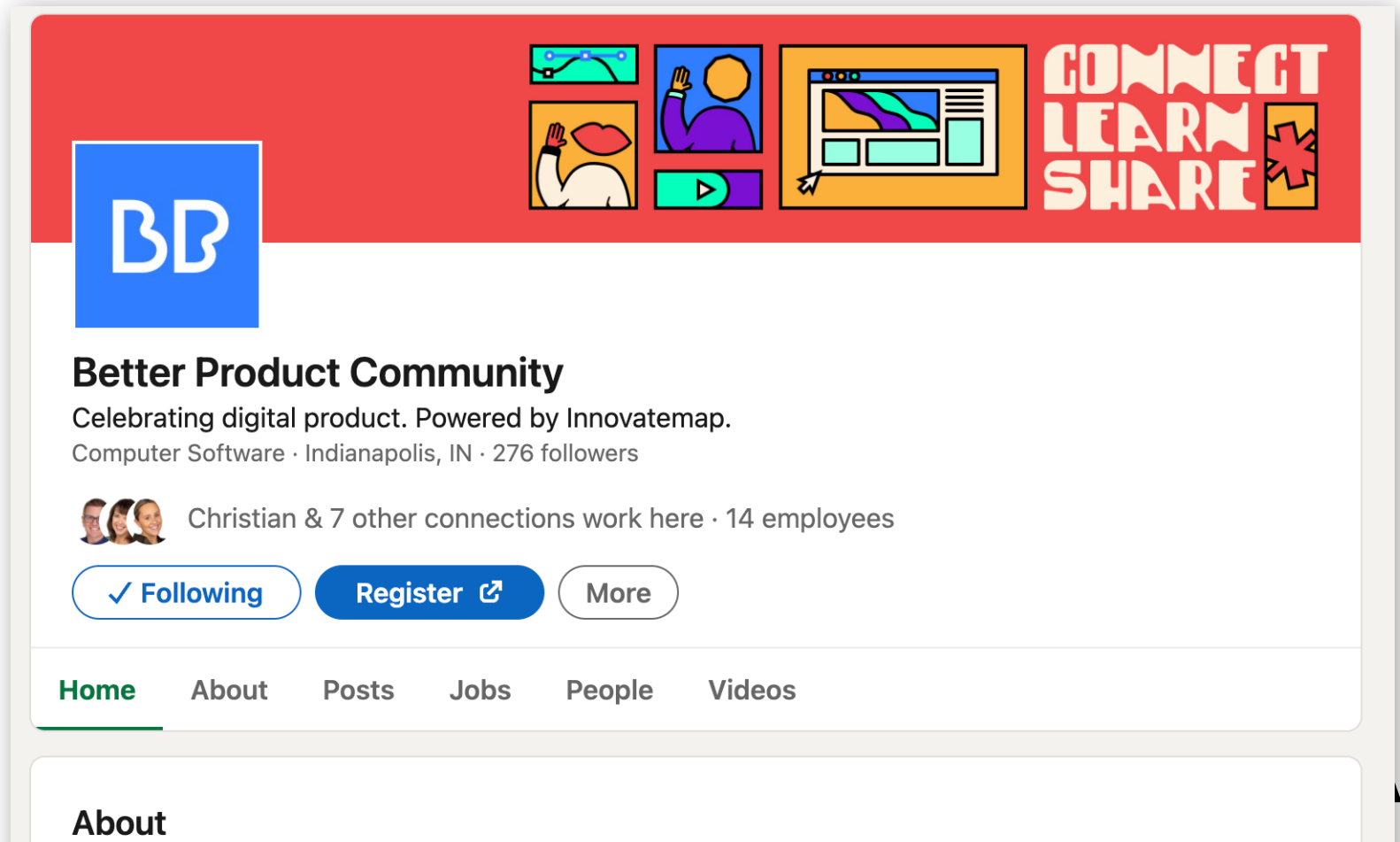
Acquisition → Conversion → Expansion

Start with delivering value...

Freemium

Free Trial

Build A Fan Base



Acquisition → Conversion → Expansion



Acquisition → Conversion → Expansion

Expansion is turning your users into a marketing channel, while growing your user base, and upselling within that user base.



Acquisition → Conversion → Expansion

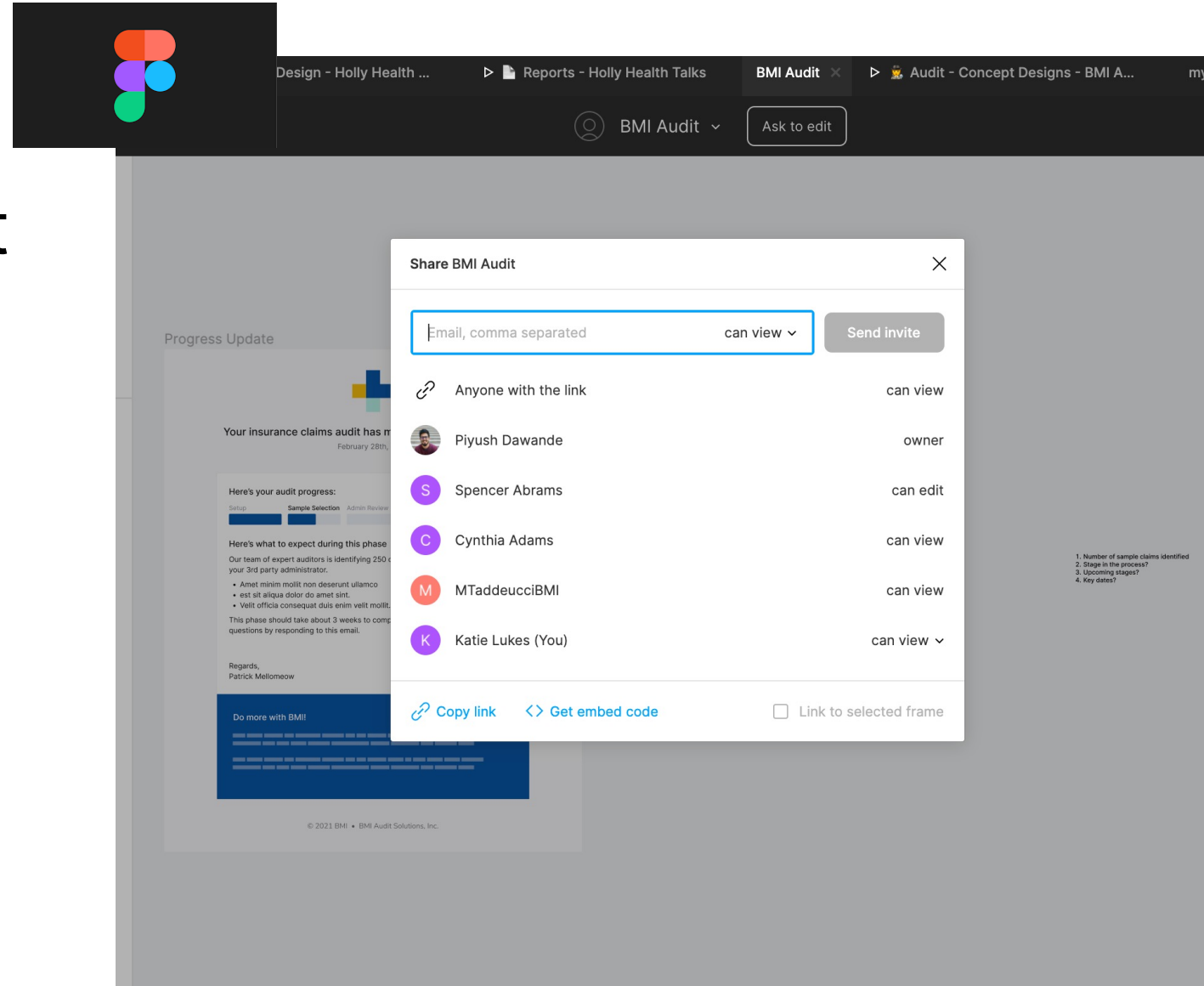
Build it Into the Product

Easy to Share

Just-In-Time Upgrading

Incentivize Invites

Branded Experiences



Acquisition → Conversion → Expansion

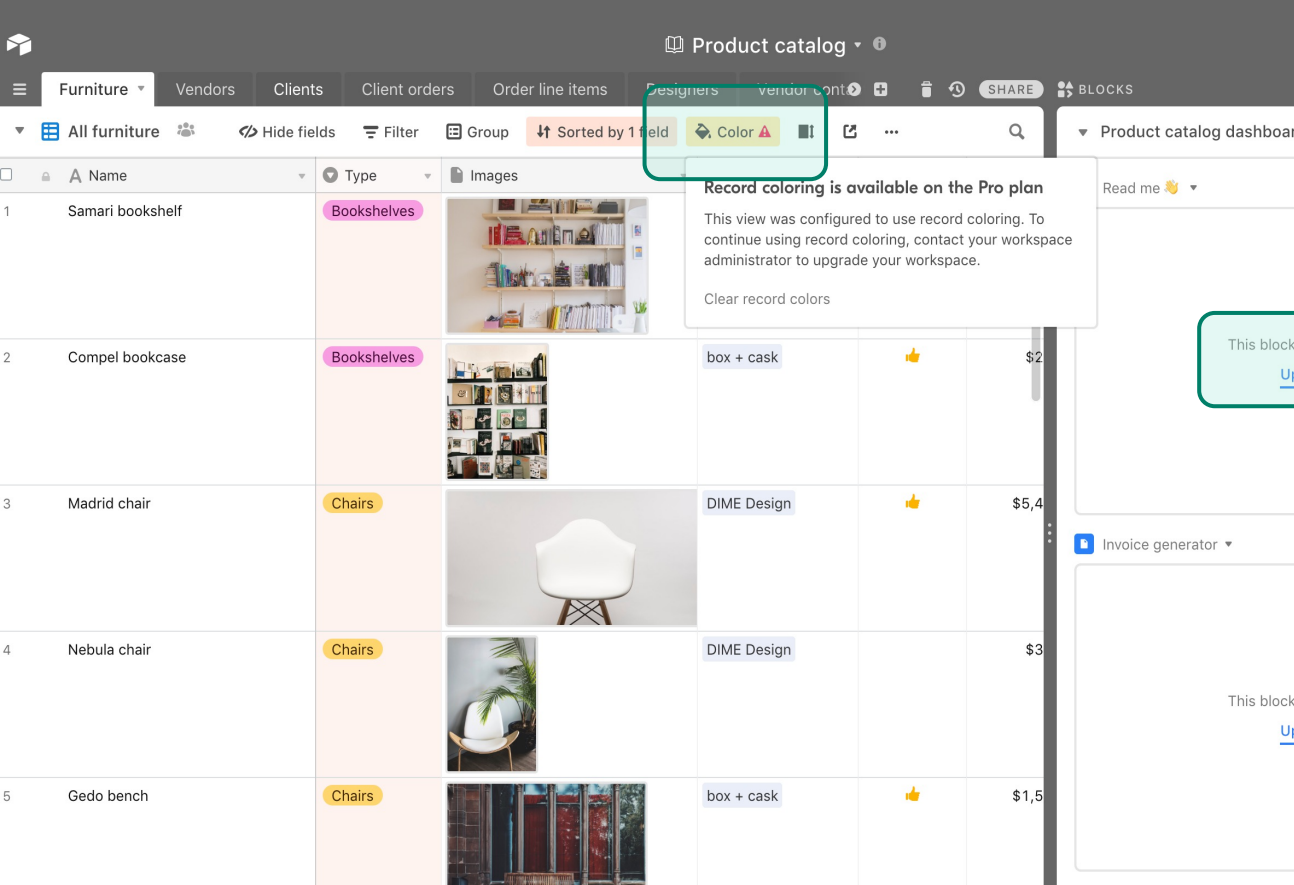
Build it Into the Product

Easy to Share









Just-In-Time Upgrading

Incentivize Invites

Branded Experiences



The screenshot shows a 'Product catalog' interface. At the top, there's a navigation bar with tabs: Furniture, Vendors, Clients, Client orders, Order line items, Designers, and Vendor contacts. Below this is a toolbar with options like 'All furniture', 'Hide fields', 'Filter', 'Group', 'Sorted by 1 field', and a 'Color' button (highlighted with a green box). The main table lists furniture items with columns for Name, Type, Images, and a details column. A tooltip for the 'Color' button states: 'Record coloring is available on the Pro plan. This view was configured to use record coloring. To continue using record coloring, contact your workspace administrator to upgrade your workspace. Clear record colors'.

	Name	Type	Images	Details
1	Samari bookshelf	Bookshelves		
2	Compel bookcase	Bookshelves		box + cask  \$2
3	Madrid chair	Chairs		DIME Design  \$5,4
4	Nebula chair	Chairs		DIME Design \$3
5	Gedo bench	Chairs		box + cask  \$1,5



Acquisition → Conversion → Expansion

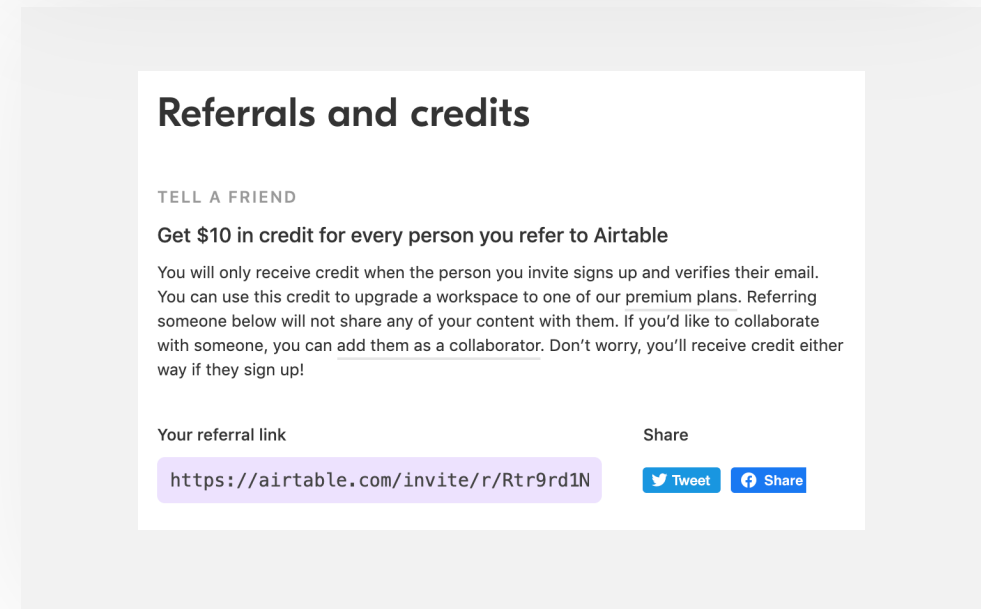
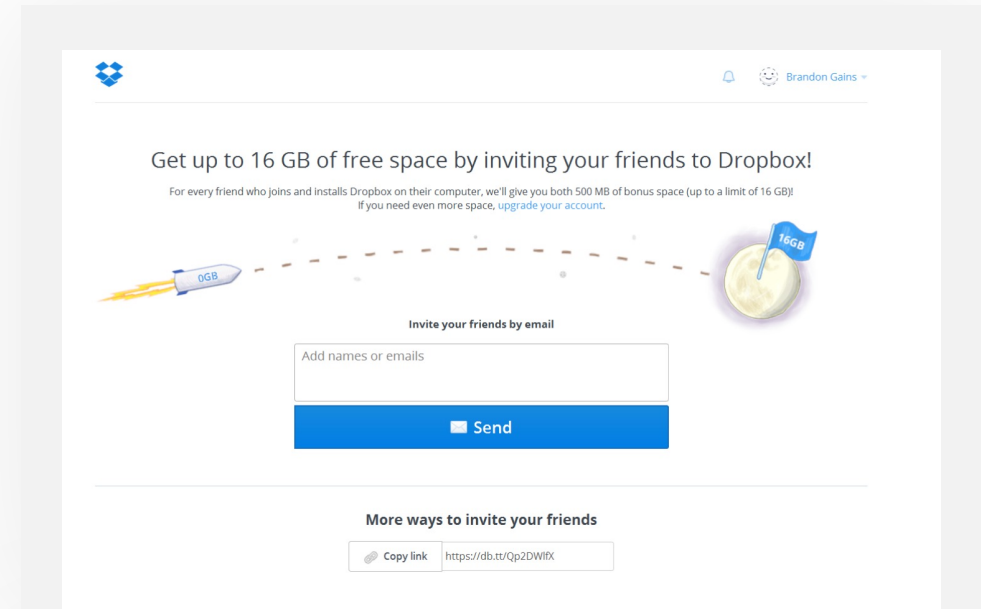
Build it Into the Product

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Acquisition → Conversion → Expansion

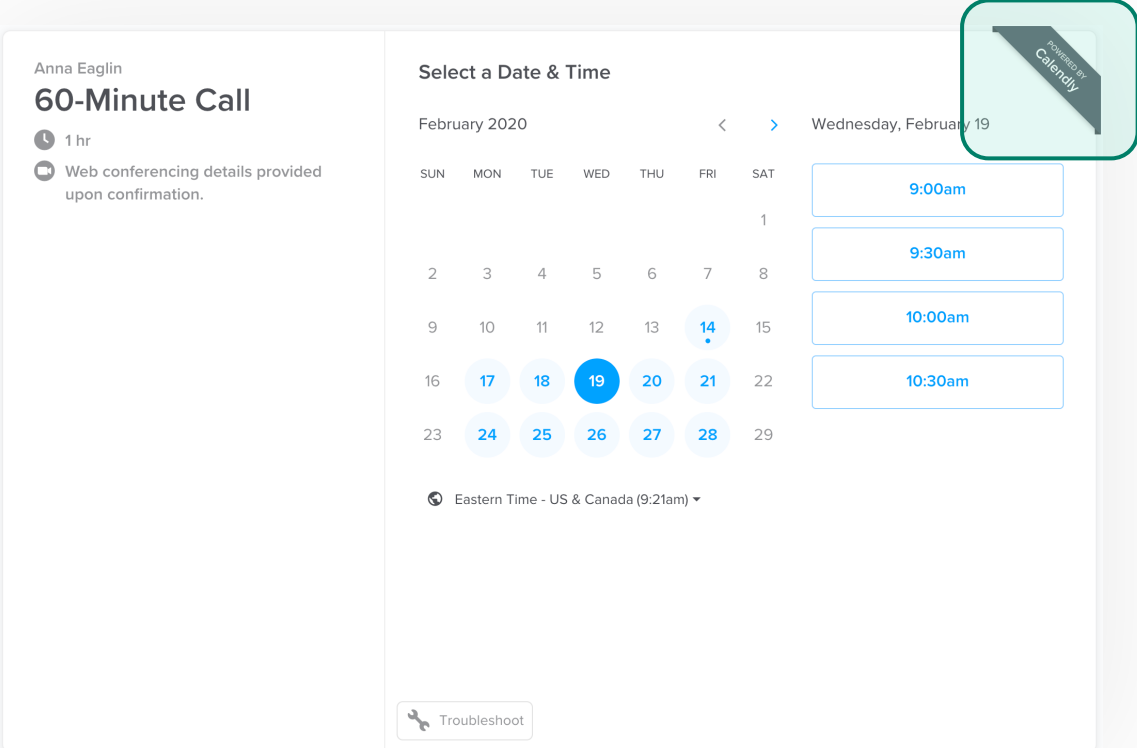
Build it Into the Product

Easy to Share

Just-In-Time Upgrading

Incentivize Invites

Branded Experiences



Anna Eaglin
60-Minute Call
🕒 1 hr
🗣️ Web conferencing details provided upon confirmation.

Select a Date & Time

February 2020 < > Wednesday, February 19

SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

9:00am
9:30am
10:00am
10:30am

🌐 Eastern Time - US & Canada (9:21am) ▼

🔧 Troubleshoot

Powered by
Calendly



What does it mean for an organization?



The Old Days

Acquisition

Prospects

Conversion

Users

Expansion

Account Owners

— Marketing & Sales —

———— Customer Success —————>

———— Product —————



The New Days

Acquisition

Conversion

Expansion

Users

Marketing & Sales

Customer Success

Product



When the lines become blurred...

- Who “owns” the prospect when the prospect is also a user?
- How do you split up communication across marketing, sales, product, and customer success so you’re not overwhelming the user?
- What part does Customer Success play in moving customers from acquisition to conversion?



And of course, PLG isn't right for everyone.

TABLE STAKES

- Users can realize value quickly and easily
- Target users can search and try solutions on their own (typically SMBs)
- Your target problems are "decentralized," meaning a company could have multiple solutions for the same problem

SHOULD HAVE

- The product has a viral network effect

