

— CHAPTER 1 —

Why Launching Fast Matters

In any economy, proving that your business can work before you invest in developing it decreases time to profitability, lowers stress, and lets you focus on what will work instead of what you hope might.

WHY SHOULD YOU LAUNCH TODAY



Why launch today?

Inside every person is an idea for a business that they're convinced could make a million dollars. For almost everyone, that idea remains pure, unblemished, and a wistful possibility that is never threatened with reality.

There are good reasons that most people's business ideas never even approach fruition: the statistics of business success are grim. 90% of all businesses will never make even a million dollars of revenue over their lifetime. The average business lasts about 5 years. And most failed entrepreneurs tried once and left their dream behind after accruing debt and doubt.

So almost everyone avoids trying.

But here's the thing: there's no reason to. It's easy to test ideas so quickly today. You can build & launch a new webpage in a few hours. Sign up for an ad account with Facebook or Twitter and start testing your new business idea out with live traffic in minutes.

You don't need a finished product. You don't need a whole team behind you. You need an idea, a few hours of work, and a few hundred dollars of capital. If you start to see traction, build on it. Make it a side hustle. Grow it.

If it fails? That's a great lesson. Build something new and try again.

Crowdtamers' website & blog is dedicated to helping entrepreneurs go from being a 'wantrepreneur' to someone who has built a thriving SaaS startup. I've launched 13 different companies to \$2MM+ in annual revenue, all based on 1 key idea: you can't know anything about your business idea until you launch it.

Launching requires that you have an MVP, you might think. And to a certain extent, I agree, but I think an MVP is different than you may think.

An Offer

What is your business selling? CrowdTamers specializes in helping SaaS companies sell subscriptions to their software, so you'd want to know what your software solution would solve if it existed.

I have recently been testing different ways to package solving problems in the cold outreach space. Just like CrowdTamers uses performance marketing a bit differently than anyone out there, I think that there's room to use cold email differently as well. There are many different things I'd like to try so I can see which works.

A good first test is to investigate the kind of client I can find. Do people want software they can subscribe to that solves a lot of the grunt work for cold outreach, or would they rather have someone do it all for them for a higher fee?

These are fundamentally the same product— I can either create cold outreach for someone, or I can give them access to the tools & automation I use and they can do it—but they're very different ways to think about it.

So there's the offer.

A Destination

CrowdTamers is a digital marketing company and we focus on digital marketing techniques, so the destination we use is usually going to be a landing page or a website.

In this case, I built a landing page for the two different offers above: do you want a software product that solves problems, or do you want someone to offer a done-for-you service?

The two pages end up looking like this.

The image shows two landing page designs side-by-side. The left page is titled "Automate conversations across LinkedIn and email" and features a "Sign Up" button and logos for HubSpot CRM, Mailchimp, pipedrive, and BASE. The right page is titled "BioLeads" and features a "Get Started Now" button, an illustration of two people high-fiving, and three benefit icons: "Risk-free results", "Close more deals", and "Get meetings faster".

Automate conversations across LinkedIn and email
The fastest, simplest way to connect with your leads across LinkedIn, email, and your website.
Set up in 10 minutes, start converting more leads in 2 - 4 days.
Sign Up

BioLeads
Lead generation for life science companies & biopharma providers
Account-based sales done for you, so you can close more deals faster!
Get Started Now

Risk-free results
No upfront fees and no recurring costs. We're so confident in our ability to

Close more deals
Sales reps spend about half of their time prospecting instead of

Get meetings faster
We fill your calendar with meetings with decision makers and opinion

They're about as simple as a landing page can be, both powered by Super.so. The offer in each is quite focused.

You don't need anything more complex than this. The buttons in these forms lead to calendar booking links, but they could just as easily capture the lead's email address & name. The type of action that you want someone to take will vary based on what your offer is—and what your product will someday be.

An Ask

You need to find people to validate your idea.

One of my favorite ways to launch today is through paid ads, but it's not the only way to launch.

Fundamentally, you want to find a platform with a bigger audience than you have (since you probably have about 0 audiences at the moment) and then use it to boost your message. Some common places to go:

- Communities
- Outreach
- Direct Marketing
- Partnerships

For each of these areas, you'll want to adopt different tactics to promote yourself, but the goal is the same: 99.999% of people don't want whatever you're offering right now. Find that tiny tiny fraction of people who do by selecting your community or partner with your offer's recipient in mind, and then work like heck to attract them to your destination with a specific ask.

What are good asks?

"Get a free trial", "Save \$X a month", "Solve PROBLEM today"—these are all asks that can get people to come and visit your destination to consider your offer.

"Take a survey", "Answer some questions", "Please share with friends" are all weak asks and won't get you the validation you need. Launching means treating your offer as if it's real. When people book or sign up, you can tell them you're in closed alpha then and they'll need to wait before they can get into the product themselves.

So why go through this?

There are 2 immediate benefits to this.

You have been forced to wrestle with the idea that you've been nurturing for weeks or months or years. You've made it tangible, and you've bounded and enclosed it. It can start to be a real business.



Posted by u/whenwilliwin 2 days ago

25

Forever stuck in “Product Development” Phase?



Feedback Please



40 Comments



Award



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Hide



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ChiefMustacheOfficer · 2d

I think a lot of product-based businesses make the mistake of building the product first. That's a very hard way to build a business.

[Launch first.](#)

Once you've launched--well before you've had any need to build product, figure out logistics, etc. etc. etc., you can validate market demand and see if it's *worth* building. If you can't build a waitlist of people who want what you have to sell, you're not going to be able to sell your product once you're ready and finished with the product development.

Launch first. Launch fast. Discard bad ideas. Launch again.



3



Reply

Share

Save

Edit

...



garyk1968 · 21h

^ that.

Market first Product second

Nowadays you don't need to build anything to gauge demand. Mock it up.



2



Reply

Give Award

Share

Report

Save

You are now testing the idea. You can share it around on Reddit or at a networking event or anywhere else you can find an audience to share your ask with.

With those 2 benefits, you can quickly validate or—just as importantly—invalidate your idea.

You'll never regret what you learn from launching today as much as you will regret never learning if it could have been.

MONEY/TIME



The Wolf and the Rat: Trading money for time in new startups

The moment you launch a startup, there is a wolf at your door.

This wolf demands money: salary, server costs, legal fees, and subscriptions. It claws outside the door, snuffling, huffing and puffing.

Every successful startup, in the early days, is very very wary of that wolf.

A successful startup needs to balance their only two resources—time and money—and the wolf eats money with a gleeful howl. So startups try their hardest to get the most out of every penny they feed that wolf.

The other resource—time—is consumed quietly by a thousand small rats in the basement. There's nothing loud and showy about how this vanishes, nibbled away in meetings and false starts, in projects half completed and deals left unfinished.

I work a lot with very early stage startups in the <\$10k MRR range. The rat kills more of them than the wolf, because by the time that they realize that the rats and the wolf actually are eating the same thing, it's too late for them. The saying is that time is money, and they spend too much time to save money.

The highest impact thing that an early stage startup can do is spend money to speed up learning.

I have seen dozens of startups get into accelerators and spend months struggling to get market fit with an idea because they are only getting 2 – 3 data points a week on what language and what message might be interesting to their audience.

These startups, regardless of the quality of their product, won't get funded.

What worth do you attach to 4 weeks of your life. 4 months? What can do you do to shorten the time to learn? Spending a few hundred or thousand dollars can take you from 2 – 3 data points a week to 2,000 – 3,000 data points a week. The quality of the data may not be as high per individual data point, but the insights derived from so many new sources of data more than makes up for the lack of deep information.

Quantity can have a quality of its own. Two examples from recent clients can help explain:

Client A – Finding the core message

A first campaign for a client where we had no idea what their key messaging should be vs. one 6 weeks later:

<input type="checkbox"/> Messaging tests 2 Website clicks Credit/debit card	Feb 26, 2021 11:59 PM	\$3,000.00	49,946	\$773.18	3,494 Link clicks	7.00% Link click rate	\$0.22 Cost per link click
<input type="checkbox"/> Messaging tests 1 Website clicks Credit/debit card	Dec 28, 2020 11:59 PM	\$1,000.00	34,622	\$1,000.00	80 Link clicks	0.23% Link click rate	\$12.50 Cost per link click

Their first experiments 0.23% conversion rate on the click; a rule of thumb I use is that anything less than 1.5% is bad for “top of funnel” messaging. 0.23% showed that their whole core value proposition as they had constructed was attracting no one’s interest at all.

The second set of experiments, after a complete revision of product vision, how they communicated value, and their actual target user, performed at a 7.00% click rate—30x better! Their cost per click plummeted as well, changing their entire economic model.

Total spend was around \$3,500 to learn:

1. Who their audience was.
2. What messaging worked.
3. What visuals resonated.

Where they had spent the previous 18 months debating the above questions. Quantitative data has guided faster action for future product decisions and helped turn around key commercials.

Client B – Finding a new target market

Another company had taken an expensive hardware item to market and was struggling to sell it at a profit margin that was sustainable. Working with them on a new business model they’d devised, in 6 weeks they’d 2x’ed their CTR for ads targeting a more focused persona with a very specialized need, and were testing prices 4x higher than previously

The original pricing & messaging tests

Price A/B Test - Round 2	105,636	1,526 Link Clicks	2.32%	Using ad set budget	79,424	\$1.05 Per Link Click
Price A/B Test	30,372	530 Link Clicks	2.98%	Using ad set budget	26,064	\$0.75 Per Link Click

The new pricing & messaging test

Launch Tests	177,704	4,969 Link Clicks	5.04%	Using ad set budget	105,865	\$0.23 Per Link Click
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Original pricing saw a conversion rate of about 2.7% on their ads, and was testing either a single flat fee purchase or a low monthly subscription cost. That's not a terrible conversion rate, but it was definitely expensive and the conversion rates were poor to actual sales as well.

The new pricing and messaging test, on a new audience with a new value proposition performed at a 5.04% click through, and even though the conversion funnel isn't currently designed to allow for sales, one determined user actually converted to a sale from the click (instead of just providing an email), delivering a positive ROI to what was supposed to be a purely educational test.

Again, the total ad spend here was <\$5k, and they were able to validate:

- New product strategy
- Preliminary CTA
- New GTM strategy
- Key features & benefits for their new product launch

All in a bit over a month.

These startups saved scores of thousands of dollars in overhead, salary, and other costs at the expense of a few thousand dollars in ad spend. They haven't forgotten the rats in the basement while going to market.

Your takeaway

Startups need to fail fast, and one of the best ways to fail is to understand what works and what doesn't. The brutal honesty of disinterested strangers is worth 100 friend and family reviews of your new product.

Spend a few hundred (or, yes, thousand) dollars on testing and launching now and you may find that feeding the wolf now so you don't have to feed the rats later is the best money your startup ever spent.



GTM for technical founders

When you push that first code commit live on a production server, it feels like you've made the leap from "dreamer" to "doer".

Congrats!

One problem: 24 hours go by and no one has signed up.

Crap.

You have to market this new idea. After spending a weekend reading blog posts and watching YouTube videos, you have a nauseating feeling that there are 200 ways to try to launch your new project and you have no idea which one might work.

I've launched 13 different startups from \$0 to \$2MM or more in ARR, usually as the first non-technical member of the company. And the good news is this - while there are many ways to launch to market, I've become a master in building a marketing engine in a particular way that seems to make sense to a lot of technical founders.

Your marketing engine will consist of 3 distinct phases: Build your prototype, push to production, and loadbalance & scale.

Build your prototype marketing engine

The fundamentals of "building an advertising campaign" are pretty basic, and whether you want to create a Facebook video campaign, a Twitter promoted post campaign, or even a LinkedIn Event promotion, the mechanics of building a campaign and launching it aren't that complex.

Most founders run a few ads on Facebook, spend a few hundred dollars, and conclude that ads just don't do the job.

That's like assuming that if you can't get your first \$ print("Hello World") to work, programming just "doesn't do the job."

There are two things a good prototype does:

1. Create a test environment to explore new ideas
2. Give you clear answers if an idea is a success or a failure

I like to build my prototype marketing engine before I even start on the product, so let's start with our test environment.

Creating your test environment

You're going to need a landing page that looks decently reputable and that you can iterate on quickly. I've written about using WordPress for that or a simpler tool like Super.so. In either case, you'll want to build a landing page with a simple structure:

1. Hero section – 1 short sentence about the value your user will get from your product
2. Features overview with screenshots / mock screenshots
3. Deep dive on the user's problem and how you can help (See the classic Problem, Agitate, Solution framework for a good structure for this)
4. Social Proof – either get users / your friends to give you some reviews or (if you're launching this before you have a product) go find examples of people discussing that they have the problem you solve.

You can use tools like Jasper.ai or Wordhero.co to help you create content if you're struggling to write copy.

You want to find several different ways to talk about your product, focusing on the value that you provide rather than the feature that you built.

It's better to say, "Save 4 hours a week building invoices with PRODUCT" than it is to say "The smartest people use PRODUCT". One feels quantified and shows that you address a specific problem your prospects have. The other is your standard marketing blah-blah. 😊

Find your audience

One of my favorite ways to find users fast is to run performance ads & test your messaging there. Let's start by talking about Facebook ads as top of funnel (that is, the beginning of a sales funnel to acquire your users).

This sequence works quite well to deliver knowledge about what works for your audience.

You'll notice it's a very mechanical process; perform experiment X, looking for result Y. That's on purpose. If you were in a dark room trying to decide what other objects are in the room with you, one of the most thorough ways to do it would be to send out thousands of probes and measure how far across the room they go before they touch something solid. Walk a little bit around the room and repeat, and you're basically re-inventing photogrammetry.

The same ideas apply to discover how to go to market. Gather enough data that looks at enough different views of the problem and you'll eventually have gathered all of the data you need to assemble a complete picture of your audience and how to go to market.

As a rule of thumb, as you're running your top-of-funnel tests, you want to see something around a 2% click rate on the ads to show that your messaging is resonating with your audience. Less than that, you either have a bad audience or a bad message.

You'll notice a problem here, though. When you're only testing the top of your funnel—finding users—you're not going to be solving how to get them to sign up.

Loadbalance & scale: Converting audience into leads

90% of all tech founders that I've talked to have already run ads on some platform. And they've concluded that they suck.

So they stop.

But when your funnel is failing you, it's usually not the ads that don't work. Your funnel is broken and you need to fix it.

The main point of failure for a funnel usually resides in:

1. Bringing the right audience to
2. the right landing page offer

So at the start of your GTM tests, your focus is on getting people to your landing page reliably.

Then you want to worry about improving the landing page conversion.

Key in this is making sure that you have good insight into what traffic is doing when they come to your website.

You wouldn't run a Kubernetes cluster with no event logging to help debug when something goes wrong. So don't run your website without setting up Google Analytics correctly. Measure events on your button click—and make sure you're measuring all the way into your app itself so that you can track trials and trial conversions as well as click on the signup button.

First, 10

As Seth Godin points out, getting those first few users is what you need to prove that you've got a go-to-market campaign that matches the product you've built. Once you've got your first 10 users, you can start to take advantage of social proof. You can publish case studies. You can understand what your users really value instead of what you want to build.

All of that depends on gathering those first few users and then using them to drive an engine of social recommendation, content, and proof that you're not a crazy hacker with a dream: you're a successful startup founder.

The above steps will expose your startup to tens of thousands of people in a few weeks, and jump-start the user acquisition cycle. It can find you dozens or hundreds of prospects if you have a product that solves an immediate pain and you explain it well.

But sometimes, 0

Sometimes your idea doesn't work.

You get no users, or you do get users and they churn in 30 days.

There are two courses of action to take after that.

1. Change your positioning & try again
2. Pivot to a new idea

Either can work. When you're a technical founder, there's usually no shortage of ideas you could tackle, so either can appeal.

My recommendations are straightforward here: Try 3 different approaches to positioning for an idea before you give up on it, and pay attention to where your funnel fails.

If you can't get a 2% CTR on your ads, you need to solve audience / messaging issues. Give that 3 tries before you go back to the drawing board with a completely new audience or value proposition.

If you can't get a reasonable number of people to sign up on your landing page, you need to match the audience to the offer. Keep your ads the same and give 3 tries and make new landing pages and see if you can't move the needle on acquisition.

If you're consistently bringing good traffic but you can't get it to sign up, then it could be that you don't have the knack to build good landing pages. Go look at examples from your competition and see how closely you can copy their ideas without actual plagiarism.

If you get signups but no one converts to paid, book onboarding calls with leads, improve your docs, find out where the gap is between acquisition and performance that makes all your leads churn.

And at each stage, if you give it 3 tries and you can't progress further, it's time to take stock and see if you can't bring a whole new approach to the problem.

You can either pivot your existing product or you can pivot to a new product altogether. Depending on how invested you are in your current project, either can be appropriate. Regardless, if you're struggling with fundamental user acquisition and can't progress, the project as a whole will continue to be very hard to monetize and grow.

It's your own judgment call on this; I tend to launch products and build waiting lists before I write a line of code for them. If I can't crack GTM in 2 months of effort, I've lost nothing by giving up on the project and finding another.

If you're struggling with Go-To-Market for a product you've spent a year developing already, you probably want to try some more approaches before throwing in the towel.

GTM strategy doesn't have to be scary

When you don't have a marketing background, creating the strategy for a go-to-market campaign up and running can be daunting. The above steps I've laid out have worked to launch 13 different companies to \$2MM+ in ARR, and they've launched nearly a hundred others out of the gate with their first few thousand in MRR over the last 2 years.