Typology of Growth Hacking Strategies Along the Growth Hacking Funnel

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Abstract
With the increasing significance of startups in recent times, practitioners and academicians have considered the growth hacking strategies by which these firms could obtain competitive performance gains and play an important role in the world economy. So far, studies have mostly focused on the technical dimensions of these companies, while the business promotions they require and the way they should be leveraged strategically have remained neglected. Thus, the current study attempts to present a qualitative study that could help explain the growth hacking strategies. We employed a multiple-case study approach in this paper and investigated the growth strategies of 13 Iranian startups via semi-structured interviews with their founders. The comparative analyses – with above 90% inter-rater reliability of the coders – concluded in the formation of five groups of growth hacking strategies, namely the growth hacking funnel of acquisition, activation, revenue, retention, and referral. This study developed a deeper understanding of the significance of growth hacking strategies and the mechanisms by which they leveraged towards strengthening the business value.

Introduction

Marketing is regarded as an integral constituent of a firm since it is a means for communication with the firm's target audience in the market. Nevertheless, marketing can be a costly task for most new startups. Many startups start with their idea creation. Then, they create the products to launch their product in the market. Marketing is required so that they can spread the news of launching their services and products. However, when these companies encounter limitations on resources and funds, unlike the standard corporate marketing budget, they should think about the new ways of promotion in the market with the maximum impact and the minimum cost (Lee, 2016). Small startups have recently discovered these new promoting solutions, i.e., smart 'hacks' for growth-centered marketing, which lead to the invention of the term "growth hacking" (Rauhala & Sarkkinen, 2015). The main focus of growth hacking is on the growth of the firm through attracting more customers to consume the company's exclusive products and services. This goal is achieved via the continuous use of creativity, social metrics, and consumer-oriented strategies (Holiday, 2013).

Although more and more companies are getting aware of the importance of online marketing strategies, and there are a large number of studies analyzing these strategies (Al-Adwan et al., 2019; Zhu & Gao, 2019), there are a few number of studies on growth hacking strategies (Bohnsack & Liesner, 2019; Patel & Taylor, 2016). Despite the popularity of this

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term in business environments, most executives are still confused about the meaning and operationalization of this concept. Growth hacking is yet in its early stages, and it is limited to case studies (Dalaman, 2017; Gia, 2017; Yo Ho, 2016), best practices (Elezovic, 2017; Mai, 2017), and some seminal books (Ellis & Brown, 2017; Herzberger & Jenny, 2018). Even if companies have the knowledge of growth hacking, they are still confused about the method of its usage and effect, which results in a strategy-execution gap. In order to fill this gap, one of the objectives of this research was to identify the growth hacking strategies. Next, a growth hacking taxonomy was developed that mapped growth hacking strategies along the growth hacking funnel leading to business value. We have more comprehensively presented the strategies that affect the business value creation practices in startups in particular. Researchers have categorized growth hacking strategies including content marketing, relationship marketing, revenue making, referral marketing, and analytical strategies along growth funnel (acquisition, activation, revenue, retention, and referral). Establishing the relationships between these five groups of strategies and business value formed the main focus of this research. Thus, general guidance is provided for achieving the goal, the companies are just required to tune these strategies to their conditions (Bohnsack, 2019).

For this purpose, a multiple-case study approach was built using data from 13 Iranian startup companies, and theoretical framework was developed. The rest of the paper is organized as follows. The growth hacking concept is described in the next section. Then, the research methodology is outlined, the methods employed for data collection and sampling are presented, and the major thematic areas we focus on in this work are defined. In the end, the research findings are presented and discussed, and recommendations are made for future studies.

Growth Hacking

Growth hacking is a digital marketing buzzword first coined by Sean Ellis in 2010. He was a notable marketer with affiliations to major companies such as Dropbox and LogMeIn. He wrote about the concept of achieving efficient growth in startups that are ready to scale. Specifically, he advised startups to hire a person who is analytical, creative, and not afraid of taking risks, and whose true focus is growth (Ellis, 2010). According to Ellis, growth hacking is different from marketing as it involves science, data, and process. Given that exposure attracts more customers, traditional marketing causes product promotion by taking advantage of the channels of mainstream media. Meanwhile, growth hacking resorts to testing different types of strategy to develop the user base and learn about the point that which channels and methods beyond the traditional marketing route optimally suit which products and services offered by the startup (Wilhelm, 2015). While marketing traditionally utilizes advertisement through national media channels, including radio, television and newspaper, growth hacking tends to discover innovative methods to address the target audience given the limited funds and resources inherent in the nature of startup (Biyani, 2013). Conventional marketing focuses on general marketing strategies for the entire company, while growth hacking concentrates on growth. The key to growth is delivering products to right customers, acquiring the user base, and identifying proper channels to communicate with people (Lee, 2016).

Research Method

A multiple-case study approach was used as the research design. This approach was selected as we intended to observe the development of the growth hacking strategies in a real business context. When multiple-case study approach is employed, the researcher is able to recognize

and specify the technical dimensions related to the implementation and the interaction with the business side of the company. In addition, through multiple-case studies, a replication logic is enabled where the cases are viewed as a series of experiments, which negate or approve emerging conceptual insights (Battistella et al., 2017). A deductive multiple-case study analysis was selected in this paper, which is based on interviews with key informants and other documents related to the companies. We selected this approach due to the need for sensitizing concepts and uncovering other aspects that were not regarded so significant in IT-business value studies (Gregor, 2006).

The sample of our study is composed of startups with the experiences of growth hacking strategies, regardless of the fact that they had newly initiated their work or had allocated significant resources in this area. Further, our focus was on an extensive range of startups since we could better understand the strategies through the diversity of the projects they were involved in. Finally, the selected companies worked in highly dynamic and competitive markets; thus, they were bound to adopt growth hacking strategies to stay competitive in the market. Hence, their endeavors for the adaption of robust growth hacking strategies were increased. The chosen companies had a growing position in the market with at least two years of working experience in Iran (Table 1).

Table 1. Characteristics of Participants

Number	Startup name	Organizational post	Experience (year)	Gender	Age
P1	Sabaidea	business developer	2	Male	30
P2	*[1]	Cofounder	10	Male	33
P3	Zarinpal	Founder	15	Male	32
P4	Goldtag	Founder	10	Male	33
P5	Cafekado	Founder	15	Male	33
P6	*[1]	Founder	10	Male	35
P7	Sabketo	Cofounder	10	Female	29
P8	Hamgardi	Founder	10	Male	35
P9	Hamkarjoo	Founder	5	Female	29
P10	Dideo	Founder	5	Male	39
P11	Parscoders	CEO	7	Male	29
P12	Tittas	Founder	2	Male	25
P13	Jajiga	Founder	3	Male	40

However, the problem with this means of data collection is the subjectivity of information as it originates from respondents. Using approaches that limit such bias, this limitation can be alleviated. In the present paper, data were collected from primary and secondary data sources from each company. The primary data source included direct interviews with the founders of startups. We asked about the founders' beliefs, attitudes, and ideas about their experience with growth hacking strategies whose startup had tried. To avoid biased responses, we collected data via semi-structured interviews with the people who were directly involved in the growth hacking initiatives. Face-to-face interviews were conducted in a conversational manner. The interview was initiated with a discussion on the business nature, and then the interview was followed according to the themes of the interview guideline. Questions were made clear by an explanation if necessary, so that more accurate responses could be acquired. We recorded interviews, which were transcribed for analysis. In order to authenticate the statements of the respondents, the information related to the company published on the website and online articles were utilized. Totally, a semi-structured case study protocol was used for the examination of the cases and data collection (Yin, 2013). Three authors completed the independent coding of the transcripts according to the themes given in Table 2. The coders

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1. Due to the company's request, its name was not mentioned

read the transcripts individually to discover the particular strategies required for startups' growth along the growth hacking funnel. We repeated this process until the inter-rater reliability of the three coders (matched in pairs) was above 90% (Boudreau et al., 2001).

MAXQDA Analytics Pro software was used for empirical analysis by an iterative process of reading, coding, and interpreting the transcribed interviews and observation notes of 13 case studies (Myers & Newman, 2007). In the first phase, a large number of concepts were identified and separated based on the theoretical foundations. We used an open coding plan for each case for identifying the features. Thus, we could perform data clustering in a tabular structure and determine the relative notions and concepts that could be applied for each case via the iterative process. Overall, the extracted themes consisted of five categories of growth hacking strategies (Table 2).

Table 2. The Coding Scheme

Categories	Units of meaning/ Open Codes
Content Marketing Strategy	Informational Marketing
	Educational Marketing
	Video Marketing
	Search Engine Optimization (SEO)
	Social Media Marketing
	User Generated Content
	Email Marketing
	Event-based Content Marketing
Relationship Marketing Strategy	Persuasion Marketing
	Social responsibility Marketing
	Cause Marketing
Revenue Making Strategy	Cooperative Marketing Strategy
	Conversion Marketing
	Promotional Marketing
Referral Marketing Strategy	Word of Mouth Marketing
	Viral Marketing
	Influencer Marketing
Analytical Strategy	Data-driven, Test-driven and Scientific Marketing
	Conversational Marketing

Findings

After applying the already described approach to the data collected, the outcomes were visualized as a matrix. Table 3 indicates the importance of each of the five groups of strategies for every company and overall rates. The larger circles (●) represent higher importance and greater application of that set of strategies for the startups. These circles demonstrate that the noted strategy was far more significant and practiced in adding the business value to the related startups. Analytical and content marketing strategies were the most cited by participants, respectively. On the other hand, relationship-marketing strategies were the least noticeable group according to the participants.

Table 3. Growth Hacking Strategies Implementation in Participated Startups

Code System	Sabai...	1*	Zarin...	Goldtag	CafeK...	2*	Sabketo	Ham...	Hamk...	Dideo	Parsc...	Tittas	Jajiga	SUM
Growth hacking strategies														0
Content marketing stratgies	●	·	●	·	·	●	●		●	●	●	●	●	61
relationship marketing strategies		·	·			·				●		·	·	13
Revenue making strategies	●		·		·	·			·					27
referral marketing strategy	·	·		·		●		●			●			19
Analytical strategies	●	●	●	●	●	●	·			·		●	●	78
∑ SUM	26	6	18	6	23	21	12	10	7	17	12	20	20	198

Content Marketing Strategy

Content marketing refers to a strategic marketing technique that focuses on developing and distributing valuable, pertinent, and consistent content to attract and maintain a well-defined audience and ultimately to conduct profitable customer behavior (Pulizzi, 2012). The most common content marketing formats and tactics include blog post, e-book, templates, info graphics, video, podcast, guides, kits, tip sheet and checklist, webinars, white papers, case studies, surveys/research report, user-generated content (Sobal, 2017; Kolowich, 2016; McGill, 2017) as well as magazines, printed or online newsletters, in-person roadmaps, roundtables, online interactions, emails, and events (Baltes, 2015). These content formats do not aim to spout the probity of the marketer's own products or services; rather, they tend to inform target and prospective customers about industrial issues, sometimes encompassing the marketer's products (Baltes, 2015). In many cases, respondents indicated that they use different formats of content in order to inform and educate customers via weblogs, emails, etc. as mentioned for instance in firms 5 and 11 respectively:

> In the panels, educational articles are provided for users (artists) about how to price their handicrafts and what they expect from a store [P5].

> Email is often used to introduce new services or send news and announcements about our business to users [P11].

> I try to create, educate, and introduce the freelancing system to the community by writing articles, books, and various methods. Everything I do is to introduce this service to the community [P11].

Content marketing was also introduced as part of digital inbound marketing (Opreana, & Vinerean, 2015) so as to organically achieve, attract, and retain consumers. All content marketing strategies concern another dimension of digital inbound marketing, namely search engine optimization and special techniques that need to be executed to enhance the visibility and accessibility of each content type (Vinrean, 2017). The importance of SEO in promotion, particularly in video marketing, was noted in firm 10:

> Below each video, we add new hash tags based on video subject, which could affect search result and optimize it [P10].

The importance of uniqueness and usefulness of contents was also stated as critical factors in SEO according to the respondent in firm 2:

> Because the content of our site was unique and we used our own keywords, we made great progress [P2].

Further, content marketing is associated with social media marketing, since the developed content requires to be shared, propagated, and syndicated on different social platforms to help a large audience gain access to its increased visibility. As the respondent for firm 1 said:

> Aparat and Filimo services are active on Telegram, Instagram, and Twitter, and new campaigns are introduced every day. If new content is added to Filimo and we want to promote it, we will do it on our social platforms. We try to create and upload special content for each of these social media sites. For example, for Aparat, we try to use the most visited and best videos that people have uploaded on Aparat, and in fact, increase the site traffic [P1].

Primarily, companies utilized social media to share news of their products; meanwhile, social media is currently used as a two-way communication platform (Kilgour et al., 2015) and a content marketing facilitator. In this regard, our study participant number 12 stated:

> We have created the ability to share content on all different social and communication networks. The number of social shares is small, although it is normal. The official statistics are that one out of every 300 visits is great. Nevertheless, our statistics are far higher than that so it is good to rely on it in practice [P12].

Other formats of content marketing such as user-generated content and event-based content marketing were also noted by the respondents in firms 8 and 10. They argued that it is necessary for start-ups to be creative and spend some of their resources acquiring and maintaining users:

> The information of different places of tourism or related businesses is completed by the people. This updated the quality of our information. It helped us a lot to be able to form our own comprehensive database so that users could help generate content, and complete and enrich it. This is a very positive development and can help sites, platforms, and the media [P8].

> We are now in the month of Ramadan. We're designing a campaign for it, and then football and FIFA. Our campaigns depend a lot on the events that take place so that we can plan [P10].

Relationship Marketing Strategy

Indeed, growth hacking refers to a faster creation of the right relationships as the sales and traction foundation. Prospective buyers do not purchase and customers do not return in the absence of strong relationships. Growth hacking refers to spotting methods for efficiently providing value at scale and developing engagement and trust. Growth hackers are constantly finding innovative ideas to create the right relationships faster (Fechter, 2017). The results of this qualitative study showed that growth hackers use three strategies to build the right relationship, including persuasion marketing, social responsibility marketing, and cause marketing.

Persuasion marketing particularly applies to the promotion dimension of the marketing mix, and builds on customers' impulsive behaviors to guide them to follow pre-planned pathways. The persuasion science comprises strategies and approaches for applying user psychology to develop a business. In terms of the internet commerce, persuasion marketing encompasses the design of web pages. Layout, copy, and typography as well as the right promotional messages are elements that incite website visitors to follow pre-planned pathways on the website and take particular actions. Orji et al. (2015) illustrated the persuasiveness of the six persuasive strategies including reciprocity, scarcity, authority, commitment and consistency, consensus, and liking with respect to age and gender. Verlegh et al. (2015) overviewed situations in which persuasion works and does not work in advertising. In this regard, our study participant number 1 stated:

> A few months ago, we changed the user panel. By working on our website, we found out that for example if this key is moved here it can be more user friendly, this color is better and ... so the customer does not get lost in this cycle. It's one of the fascinating issues in our company that we can always provide the best UX, either on the site or in the app so that we have the best feedback [P1].

Social responsibility marketing refers to a marketing philosophy that should be considered by a company (Armstrong & Kotler, 2008), and is based on the idea that market offerings must reinforce social and ethical values for the citizens' benefit rather than being only profit-driven (Ferrell & Hartline, 2011). Many studies have recently been done on the importance of social responsibility marketing in different areas. For example, Mattera and Baena (2018) conducted in-depth research on the marketing strategy of a European football club and brand management strategy, and found social responsibility measures to be an effective marketing technique. The importance of social responsibility and the way it affects startups marketing strategy is reflected from the respondent of firms 10, 12, and 13 respectively:

> A team of 30 deaf people and a number of other friends with social responsibility motivation began to provide subtitling for television programs such as Kolah Ghermezi, completely spontaneous and with the help of our platform [P10].

> The first days I started my business in a 4- or 5-meter space with a very small initial capital. I really wanted to have a successful startup and still looking for creating jobs as a social responsibility [P12].

> There aren't many startups that work on eco-tourism because there is little money in it, but it is our social duty to discuss it [P13].

Cause Marketing refers to a type of corporate social responsibility in which a company's promotional campaign focuses on the dual purpose of improving society while increasing profitability (Organ, 2017). Soni (2016) stated Cause Marketing is an established and successful marketing communication technique aimed at creating a more loyal consumer base and producing a competitive advantage. It is a good source of giving back to the community and making a large social impact. German retail chains have begun to use Cause Marketing as an approach to distinguish their products and to ensure customer loyalty in extremely competitive markets (Hartmann et al., 2015). This is particularly evident in the quotation of respondent from firm 4:

> The charity support system we have put into our site raises user satisfaction. More satisfaction is for someone who buys, assuming that it may be a little help for a person in need [P4].

Revenue Making Strategy

Revenue is the fourth stage of growth hacking funnel, referring to acquiring revenue from retained customers through developing specific values such as transiting personalized promotion (Yo Ho, 2016). The question is how difficult it is to make revenues from retained customers. The most important issue is that startups require a lot of growth, which can be extremely costly if they do not use the right channels. Startups cannot simply apply the same marketing strategies used by large companies owing to budget restrictions and other limitations (e.g., the ones associated with network). Growth hacking teams have to use the right methods to achieve better growth outcomes with a limited budget compared to those with proper financial background. All that matters are associated with trial and error until the right channels are identified (Salemisohi, 2015). The results of our study have showed startups and growth hackers can use three efficient growth strategies to earn more revenue and reach better ROI, including cooperative, conversion, and different kinds of promotional marketing strategies.

Cooperative marketing is any agreement to combine marketing efforts (advertising, promoting, or branding efforts), and thus it can appear in many forms. Resource sharing and

economies of scale are the significant reasons to cooperative marketing, especially for startups with limited resources. Researchers have studied different kinds of cooperation in different firms. For instance, Yavuz and Haseki (2010) studied cooperative marketing for a Health tourism destination in Turkey. Godfred (2018) illustrated a cooperative marketing approach and a market-driven development strategy in Sub-Saharan Africa. Abdullah and Hossain (2013) explained a new cooperative marketing strategy for agricultural products in Bangladesh, and Palmer (2011) investigated the causes of the effectiveness of cooperative marketing associations. Chom (2017) presented the cooperative model for startups. He stated that it is a great choice for new emerging businesses to consider. Due to startups' limitations, some respondents noted that they apply this strategy to improve their offers. For instance, the respondent for firm 4 states:

> We are currently planning for cooperation as cost marketing with another startup. We want to improve our delivery system by tracking the merchandise on the map and decreasing the shipping time [P4].

In addition, the results of analyses conducted by Cho et al. (2017) revealed that cooperation with competitors enhances the innovation performance such as process innovation, compared to other types of cooperation. It is also found that such cooperation provides an opportunity for sustainable growth through field-based innovations. As put by respondents in firm 7:

> Our micro books are sold on different platforms. That is, it is not just on our website, and users can find us on various platforms specialized for the book [P7].

Growth hackers must focus on optimizing the conversion rate in the last step of growth hacking (Holiday, 2013). Conversion marketing involves strategies that stimulate customers to take specific actions by "converting" individuals who are browsing a website into purchasers of products or services. Concerning online marketing, this involves not only the sales pitch but also the website design and layout as well as special actions. Conversion rate optimization refers to the process of improving the conversion rate. The higher the conversion rates are, the more the sales, the fewer the lost customers, and the greater the return on advertising investment will be. By converting potential customers who have already expressed at least some degree of interest, growth hackers would no longer need to attract as many new customers to produce the same volume of sale. It is believed that proactively improving products based on the insights obtained from interaction with the existing customers can initiate higher ROI than acquiring new users (Yo Ho, 2016). The respondent of company 11 mentions the following for this strategy:

> Having the support widget on the front page of the site is a must. It is required for a two-way interaction. You may need guidance as a user, and other methods do not work as efficiently [P11].

Promotional marketing refers to using any special offers for raising customers' interest and influencing a purchase, and to helping a particular product or company stand out among its competitors. Different types of online promotional marketing affect consumers' online shopping behavior, including display advertisements, paid searches, emails, coupons, and discounts (Lio & Ji, 2018). Jiang et al. (2015) redesigned promotion strategy for e-commerce competitiveness through pricing and recommendation. In their paper, they indicated that through online price promotion (discount) and product recommendations, e-retailers could motivate customers to purchase the product. Chong et al. (2015) stated that variables from promotional marketing strategies are important predictors of product demands. Lio and Ji (2018) review found that, as a primary marketing instrument, promotional marketing could

influence consumer purchase decisions. Liu et al. (2013) estimated the sensitivity of different types of online purchasers to various mainstream promotion strategies, namely discount, advertising, and word-of-mouth, and found economical purchasers to be the most sensitive to discount promotion, direct purchasers to be the most sensitive to advertising promotion, and active-star purchasers to be the most sensitive to the word-of-mouth promotion. Promotional marketing was credited as being one of the most important strategies for all firms participating in this study. As put by respondents in firm 1 and 9 respectively:

> Filimo is the first VOD service to be launched in Iran. Through campaigns and advertisements on sister websites such as Aparat and Sabavision, street billboards and 50% discount campaigns, or competitions and lotteries that were held, it was able to attract users [P1].

> One of the reasons we were able to attract the audience was our free service for employers. Although a year has passed since the start of our activity, employers can still advertise on our website once a week freely [P9].

Referral Marketing Strategy

Referral marketing strategy, also known as ambassador, Tell-A-Friend, or Refer-A-Friend program, refers to a powerful growth hacking approach in the growth hacking funnel. The philosophy behind it is to provide existing customers with methods to produce leads by themselves and to attract more customers through word of mouth using their social area, in turn enhancing customer acquisition. Referral programs are mostly administered by offering incentives to both existing customers (referrers) and latent customers (referees) in the form of credit, cash, or discount (Patel & Taylor, 2016).

Referral program is among the most sustainable and cost-effective ways to grow a business. This program has been very successful in gaining a rapid growth for startups, like Dropbox and Airbnb. According to the founder of Dropbox, Houston, the referrals drove 60% increase in the signups (Veerasamy, 2015). Houston (2011) stated the referral program worked by encouraging customers to try something new, which they initially thought was not needed, and then surprising them with a great product performance that turn them into happy customers who tend to share their experiences and feelings with their own friends. This forms a viral loop or cycle that leads to exponential growth. Some respondents cited that a significant portion of their customers is driven by the referred system. For instance, the respondent for firm 3 states:

> 20 to 50% of our commission is paid to referrers. At first, we encourage the users to refer our platform to someone else, but after they receive the significant amount of commission, they are likely to want to introduce it to others so they can reap the benefits [P3].

Online word of mouth appears to be strongly effective, especially in social media platforms (Veerasamy, 2015). The referral traffic of the websites can be increased and developers can be helped acquire a better understanding of the technical issues they face in specific projects using influencers and other initiatives to engage in social media groups (Geru et al., 2014). Influencers boost the validity of the content by making it more authentic, which is apparent from the respondent in firm 11:

> Twitter is a social network whose audience consists of the elites of the community, politicians, scientists, etc. Specialists who would re-tweet a text or anything direct

thousands of people to our website. They introduce us to a large crowd of professionals who can be our main target community [P11].

Analytical Strategy

The business world is evidently being transformed as a result of using data and analytics to help with making decisions given their successful application on process optimization, strategy, and competitive advantage (Gopalkrishnan et al., 2012). Growth hacking constitutes an interfacing method between marketing strategies and product development, as inspired by analytics and data as well as consistent testing, measuring, and refining (Carfi & Hermann, 2013). According to Bussgang and Benbarak (2016), analytics can be considered the engine of growth as data constitutes the fuel of growth. In order to explain the technical dimension of growth hacking, Herttua et al. (2016) utilized phrases such as "analytics-driven," "metrics-driven," "tech-driven," and "data-informed." Growth hackers are deeply dependent on analytics to set goals and track their goals through analytics, which helps them in optimizing their methods. Without keeping track of what has been done and measuring the results, there will be no chance to grow a startup (Piatek, 2016). They know exactly how their users interact with their product by keeping an analytical approach throughout every step in the customer journey (Salemisohi, 2015). Growth hackers are required to delve deeply into the analytics available to them and persistently refine until they acquire maximum outcomes (Chong et al., 2015).

Analytics can also help predict the future and take the next step more carefully (Salemisohi, 2015). In case the available pieces of data are carefully analyzed, a better knowledge of the growth hacking techniques is obtained for further applications (Geru et al., 2014). Rauhala and Sarkkinen's (2015) study dealt with the relationship between growth hacking and data, and the potential of growth hacking when implemented correctly. Startups and growth hackers use data-driven, test-driven, and scientific methods to accomplish this important task. For instance, the respondents for firms 8 and 6 stated respectively:

> We use Google Analytics and other Google Analytics tools such as Google Webmaster on our website. There are a number of other tools such as Moz that we use for SEO and its analysis [P8].

> We have a data collection and data mining system from users inside the site and other related media, and based on this information we decide how to design development approaches [P6].

Growth hacking exactly achieves the targets through the continuous involvement of customers in the process of product development. Growth hackers study who and where the customers are in a more scientific, cost-conscious and measurable method (Holiday, 2013). Customer feedbacks and public surveys are some powerful tools to collect data from the users, in order to improve the quality of the products. If something is wrong, it should be addressed quickly to show them the care and support with the products offered (Salemisohi, 2015). Growth hackers use conversational marketing, a feedback-oriented approach based on the common-sense idea of listening to the customer and focusing on potential customer needs to gather the customer feedback and make better decisions. As the respondent for firm 3 said:

> Based on customer feedback, we think of any idea. Most of our services come from interacting with different people. They announced that they needed it, and we saw that this need is growing day by day, and if we do not think about it, we will lose the market.

In fact, we meet the needs based on the knowledge we gain from the market, based on the feedback we receive, and the interaction we identify [P3].

In the next stage, the obtained outcomes were visualized as a matrix based on the co-occurrence of codes. Table 4 indicates the application of each strategy along the growth hacking funnel. Black circles (●) in each row denote that the noted strategy has been significant and has performed in the equivalent step. In contrast, a blank circle (○) denotes the non-implementation of the strategy until the time of the interview.

Table 4. Growth Hacking Strategies on Growth Hacking Funnel

Strategies	acquisition	activation	revenue	retention	referral
Content Marketing Strategy					
Informational Marketing	○	●	○	●	○
Educational Marketing	●	●	●	●	○
Video Marketing	●	○	○	●	○
SEO	●	●	●	●	●
Social Media Marketing	●	○	○	●	●
User Generated Content	○	○	○	○	●
Email Marketing	○	●	○	●	○
Event-based Marketing	●	●	○	●	○
Relationship Marketing Strategy					
Persuasion Marketing	●	○	○	●	●
Social responsibility Marketing	●	●	○	●	●
Cause Marketing	○	○	○	○	●
Revenue Making Strategy					
Cooperative Marketing	●	○	●	○	○
Conversion Marketing	○	○	●	○	○
Promotional Marketing	●	○	●	●	○
Referral Marketing Strategy					
Word of Mouth Marketing	○	○	○	○	●
Viral Marketing	○	○	○	●	●
Influencer Marketing	○	○	○	○	●
Analytical Strategy					
Data-driven, Test-driven and Scientific Marketing	●	●	●	●	●
Conversational Marketing	●	●	●	●	●

In terms of content marketing strategies, the co-occurrence of codes indicated the importance of the various forms of content in all five steps of the funnel. In addition, the general consensus was that analytical strategies are fundamental for initiating a growth hacking project. Respondents noted that they were placing considerable effort in technologies and techniques to collect data and being able to analyze them captured in real-time.

The application of relationship making strategies was also mentioned by interviewees on par with referral marketing strategies. This finding is particularly important as the past literature in the domain of business strategies mentioned the need to establish a relationship with customers to complement the referral process beyond the purchase.

Due to the fast rate of changes and fierce competition, the revenue-making strategies were used to support acquiring users and making profits; one of the most cited factors in being successful – according to respondents – was the capacity to continuously sell offers. Firms use multiple ways to constantly encourage potential customers to try and buy their products, such as coupons, free samples, and competitions.

Discussion and Conclusion

This study investigated the core strategies required by startups leading to growth. In addition, we sought to examine the role of each strategy along the growth hacking funnel. We add to the existing literature in three main areas. Firstly, we presented a theoretically guided framework to examine core strategies associated with growth hacking and their potential growth or business value. Secondly, we provided a deeper understanding of the issues associated with the implementation of these strategies that growth hackers face when handling and developing startups. Finally, the different forms of realization of business value from growth hacking strategies were examined by clarifying their effects on the five steps of growth hacking funnel.

From a theoretical perspective, the present work has a contribution to the literature on acquisition of the business value of growth hacking implementation (Elezovic, 2017; Gia, 2017; Grin, 2016; Mai, 2017; Roschier, 2018; Siurblyte, 2018; Troisi et al., 2019; Yo Ho, 2016). While early literature focused on the technical aspect of growth hacking as a buzzword with limited capabilities, our findings demonstrated that marketing aspects are important as well. In addition, our findings uncovered practices that are hardly documented in the literature, such as using user-generated content to enrich content marketing or the tendency of startups to form alliances and partnerships for gaining much-needed skills, resource sharing, and economies of scale. Overall, our study contributes to a broader understanding of the growth hacking strategies (content, relationship, revenue making, referral, and analytical) along the growth hacking funnel which can result in creating business value and progressive growth, and therefore can be valuable to the existing operation of startups while also contributing to new directions.

According to Holiday (2013), the second stage in growth hacking after producing something that a multitude of people want to buy (MPF[1]) is "Finding Growth Hack," which underlies the importance of growth hacking strategies to attract early adapters and create loyal and passionate users. This stage is in line with the three AAR (Acquisition, attraction and retention) steps of growth hacking funnel. Growth hackers begin by testing different content and relationship strategies (Geru et al., 2014; Siurblyte, 2018; Piatek, 2016) until they can ensure they possess a marketing-worthy product. This is the only time when they adopt strategies that help start their growth engine. Even the best-designed products and greatest ideas are doomed to failure in the absence of this jump (Holiday, 2013). In addition, they never get satisfied with the results upon achieving fast growth; rather, they realize that the user retention sustenance and experiencing optimization are the keys to surviving in the current competitive environment (Yo Ho, 2016).

The referral step of growth hacking funnel is in line with the third stage of Holiday growth hacking process "Going Viral." i.e. the organic growth produced by the existing user's social networks. Growth hacking strategies are all administered to virally develop users at minimum costs; for instance, Dropbox makes file sharing as easy as copying a link. The other customers without a Dropbox account will be therefore simply attracted to activating the product upon receiving the link from their friends. It is crucial that the product be inherently worth sharing. In addition, growth hackers must facilitate and support the spreading they would like to observe by adding virality-enabling tools and campaigns (Holiday, 2013).

Revenue making strategies are applied to close the Holiday loop and optimize the funnel. This strategy refers to an efficient revenue tactic in place that encompasses an aligned collection of objectives with target audience in mind to improve sales. Smoteck (2018)

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1. Market Product Fit

presents some revenue growth hacks such as re-investing in R&D (constantly working on upgrades), cross-selling, creating partnerships as a product extension, and improving A/B testing.

In addition, the fact that analyses are necessary on par with the deployment of other business strategies is a critical component in driving successful growth hacking initiatives. All specialists believed that an effective growth hacker should be disciplined, good at prioritizing the tasks, testing multiple different ideas, and always be analytical in the decisions regarding the growth drivers that should be kept or cut out of a specific strategy (Grin, 2016). Analytics and testing inform growth hackers of what is working. Also, the means they utilize to receive permission for even engaging in communications with prospective customers have changed (Carfi & Hermann, 2013). Analytics clarify if new users from marketing initiatives actually stick. Growth hackers understand what has worked and what has not, as they scrutinize the analytics. They identify the blog posts that could work and drive traffic. These data will be the key to subsequent launches and will be certainly crucial for their other clients (Holiday, 2013).

Regarding practical implications, this paper reveals the process and strategies that the founders of startups must focus on when planning to initiate a growth hacking project (Coll & Micó, 2019). It provides insight not only on the main issues they must take into account, but also on the possible options they have or the decisions they can make to overcome potential hurdles. In addition, the strategies performed by the sample of the 13 firms can guide future ventures in formulating governance policies and deployment schemes to overcome potential obstacles.

While this study presented some novel contributions, it had certain limitations that can be addressed by future research. The causal relationships between the growth hacking strategies along the funnel and business value of startups would be best suited to be examined through a large-scale quantitative study. While uncovering them through multiple-case studies is a starting point, it can by no means be confirmed through a qualitative analysis of such a small sample. Additionally, a large-scale quantitative study can offer more granularity towards the conditions under which these strategies add value to startup firms, and provide insight into important contextual factors, mainly when a complexity theory approach is employed (Bohnsack & Liesner, 2019).

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