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# GROWTH
# HACKER
# MARKETING

# RYAN
# HOLIDAY

"Finally, a crystallization and explanation of growth hacking in easy-to-understand terms—and better, real strategies and tactics for application."

———▷ **Alex Korchinski,** growth hacker at Scribd

"Growth hackers are the new VPs of marketing, and this book tells you how to make the transformation." ———▷ **Andrew Chen,** Silicon Valley entrepreneur, essayist, and start-up advisor

"Ryan's strategies and tactics will help every lean entrepreneur trying to grow their business and master the art of marketing and growth."

———▷ **Patrick Vlaskovits,** coauthor of *The Lean Entrepreneur*

A new generation of megabrands like Facebook, Dropbox, Airbnb, and Twitter haven't spent a dime on traditional marketing. No press releases, no TV commercials, no billboards. Instead, they rely on a new strategy—growth hacking—to reach many more people despite modest marketing budgets. Growth hackers have thrown out the old playbook and replaced it with tools that are testable, trackable, and scalable. They believe that products and businesses should be modified repeatedly until they're primed to generate explosive reactions.

Bestselling author Ryan Holiday, the acclaimed marketing guru for American Apparel and many bestselling authors and multiplatinum musicians, explains the new rules and provides valuable examples and case studies for aspiring growth hackers. Whether you work for a tiny start-up or a Fortune 500 giant, if you're responsible for building awareness and buzz for a product or service, this is your road map.

### "A must-read."
———▷ **Derek Halpern,** SocialTriggers.com
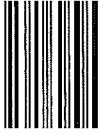
## Praise for *Growth Hacker Marketing*

"Growth hackers are the new VPs of marketing, and this book tells you how to make the transformation."

—Andrew Chen, Silicon Valley
entrepreneur, essayist, and startup advisor

"This book is a wake-up call for every marketing exec in the business. And a tutorial for engineers, IT, founders, and designers. Read it."

—Porter Gale, former VP of Marketing
at Virgin America and author of
*Your Network Is Your Net Worth*

"Finally, a crystallization and explanation of growth hacking in easy-to-understand terms—and better, real strategies and tactics for application."

—Alex Korchinski, director of growth at Soma

"Holiday is part Machiavelli, part Ogilvy, and all results. . . . This whiz kid is the secret weapon you've never heard of."

—Timothy Ferriss, author of *The 4-Hour Workweek*

"Ryan captures the power of the growth hacker mindset and makes it accessible to marketers at companies of all types and sizes. If you don't see a boost in results after reading this book, something is wrong with your product."

—Sean Ellis, former growth hacker at Dropbox
and Eventbrite, founder of Qualaroo,
and inventor of the word "growth hacker"

"Ryan's strategies and tactics will help every lean entrepreneur trying to grow their business and master the art of marketing and growth."

—Patrick Vlaskovits, coauthor of *The Lean Entrepreneur*

"If you're looking to learn more about growth hacking, this new book from Ryan Holiday is a must-read."

—Derek Halpern, SocialTriggers.com

"Ryan has done something difficult and great with this book. He took the complex field of growth hacking and boiled it down to an easy-to-read guide on what you need to know. Growth hackers are redefining marketing, and Ryan's book will put you a step ahead of the competition."

—Aaron Ginn, growth hacker at StumbleUpon

PORTFOLIO / PENGUIN

# GROWTH HACKER MARKETING

Ryan Holiday is a media strategist and prominent writer on strategy and business. After dropping out of college at nineteen to apprentice under Robert Greene, author of *The 48 Laws of Power*, he went on to advise many bestselling authors and multiplatinum musicians. He served as director of marketing at American Apparel for many years, where his campaigns have been used as case studies by Twitter, YouTube, and Google and written about in *AdAge*, the *New York Times*, and *Fast Company*.

His first book, *Trust Me, I'm Lying: Confessions of a Media Manipulator*—which the *Financial Times* called "an astonishing, disturbing book"—was a debut bestseller and is now taught in colleges around the world. He is currently an editor at large for the *New York Observer* and contributes to *Thought Catalog* from his home in Austin, Texas.

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# AN INTRODUCTION
# TO GROWTH HACKING

Nearly two years ago now, on what seemed like a normal day, I got in my car to leave my house, assuming it would be no different from any other workday. I had read the morning news, dealt with a few important employee issues over the phone, and confirmed lunch and drinks meetings for later in the day. I headed to the athletic club—a swanky, century-old private gym favored by downtown executives—and swam and ran and then sat in the steam room to think.

As I entered the office around ten, I nodded to my assistant and sat down at a big desk and reviewed all the papers that required my signature. There were ad designs to approve, invoices to process, events to sponsor, proposals to review. A new product was launching, and I had a press release to write. A stack of magazines had arrived—I handed them to an employee to catalog and organize for the press library.

My job: director of marketing at American Apparel. I had a half dozen employees working under me in my office. Right across the hall from us, thousands of sewing machines were humming away, manned by the world's most efficient garment workers. A few doors down was a photo studio where the very ads I would be placing were made.

Excepting the help of a few pieces of technology, like my computer and smartphone, my day had begun and would proceed exactly as it had for every other marketing executive for the last seventy-five years. Buy advertisements, plan events, pitch reporters, design "creatives," approve promotions, and throw around terms like "brand," "CPM," "awareness," "earned media," "top of mind," "added value," and "share of voice." That was the job; that's always been the job.

I'm not saying I'm Don Draper or Edward Bernays or anything, but the three of us could probably have swapped offices and routines with only a few adjustments. And I, along with everyone else in the business, found that to be pretty damn cool.

But that seemingly ordinary day was disrupted by an article. The headline stood out clearly amid the online noise, as though it had been lobbed directly at me: "Growth Hacker Is the New VP [of] Marketing."

*What?*

I was a VP of marketing. I quite liked my job. I was good at it, too. Self-taught, self-made, I was, at twenty-five, helping to lead the efforts of a publicly traded company with 250 stores in twenty countries and more than $600 million in revenue.

But the writer, Andrew Chen, an influential technologist and entrepreneur, didn't care about any of that. According to him, my colleagues and I would soon be out of a job—someone was waiting in the wings to replace us.

> *The new job title of "Growth Hacker" is integrating itself into Silicon Valley's culture, emphasizing that coding and technical chops are now an essential part of being a great marketer. Growth hackers are a hybrid of marketer and coder, one who looks at the traditional question of "How do I get customers for my product?" and answers with A/B tests, landing pages, viral factor, email deliverability, and Open Graph. . . .*
>
> *The entire marketing team is being disrupted. Rather than a VP of Marketing with a bunch of non-technical marketers reporting to them, instead growth hackers are engineers leading teams of engineers.*[1]

What the hell is a growth hacker? I thought. How could an engineer ever do my job?

But then I added up the combined valuation of the few companies Chen mentioned as case studies—companies that had barely existed a few years ago.

- **Dropbox**
- **Zynga**
- **Groupon**
- **Instagram**
- **Pinterest**

Now worth *billions and billions* of dollars.

As Micah Baldwin, founder of Graphicly and a start-up mentor at Techstars and 500 Startups, explains, "In the absence of big budgets, start-ups learned how to hack the system to build their companies."[2] Their hacking—which occurred right on my watch—had rethought marketing from the ground up, with none of the baggage or old assumptions. And now, their shortcuts, innovations, and backdoor solutions fly in the face of everything we've been taught.

We all want to do more with less. For marketers and entrepreneurs, that paradox is practically our job description. Well, in this book, we're going to look at how growth hackers have helped companies like Dropbox, Mailbox, Twitter, Pinterest, Facebook, Snapchat, Evernote, Instagram, Mint.com, AppSumo, and StumbleUpon do so much with essentially nothing.

What stunned me most about those companies was that none of them were built with any of the skills that traditional marketers like myself had always considered special, and most were built without the resources I'd long considered essential. I couldn't name the "marketer"—and definitely not the agency—responsible for their success because there wasn't one. Growth hacking had made "marketing" irrelevant, or at the very least it had completely rewritten its best practices.

Whether you're currently a marketing executive or a college grad about to enter the field—the first growth hackers have pioneered a new way. Some of their strategies are incredibly technical and complex. The strategies also change constantly; in fact, occasionally it might work only one time. This book is short because it sticks with the timeless parts. I also won't weigh you down with heavy concepts like "cohort analysis" and "viral coefficients."* Instead, we will focus on the mindset—it's far and away the most important part.

I start and end with my own experiences in this book, not because I am anyone special but because I think they illustrate a microcosm of the industry itself. The old way—where product development and marketing were two distinct and separate processes—has been replaced.

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* But there is a glossary of important terms and concepts at the back of the book.

We all find ourselves in the same position: needing to do more with less and finding, increasingly, that the old strategies no longer generate results.

So in this book, I am going to take you through a new cycle, a much more fluid and iterative process. A growth hacker doesn't see marketing as something one does but rather as something one builds into the product itself. The product is then kick-started, shared, and optimized (with these steps repeated multiple times) on its way to massive and rapid growth. The chapters of this book follow that structure.

But first, let's make a clean break between the old and the new.

## WHAT IS GROWTH HACKING?

The end goal of every growth hacker is to build a *self-perpetuating marketing machine* that reaches millions by itself.

—AARON GINN

There's no business like show business. Yet, when it comes right down to it, that's the industry every marketing team—no matter what business they're actually in—

pretends to be in when they're launching something new. Deep down, I think anyone marketing or launching fantasizes that they are premiering a blockbuster movie. And this illusion shapes and warps every marketing decision we make.

It feels good, but it's so very wrong.

Our first idea is a grand opening, a big launch, a press release, or major media coverage. We default to thinking we need an advertising budget. We want red carpet and celebrities. Most dangerously we assume we need to get as many customers as possible in a very short window of time—and if it doesn't work right away, we consider the whole thing a failure (which, of course, we cannot afford). Our delusion is that we should be *Transformers* and not *The Blair Witch Project.*

Needless to say, this is preposterous. Yet you and I have been taught, unquestionably, to follow it for years.

What's wrong with it? Well, for starters: *most movies fail.*

Despite the glamour and the history of movie marketing, even after investing millions—often more than the budget of the movie itself—studios regularly write off major releases as complete washes. And when they do succeed, no one has any idea why or which of the ingredients were responsible for it. As screenwriter William Goldman

famously put it, *nobody knows anything*—even the people in charge. It's all a big gamble.

Which is fine, because their system is designed to absorb these losses. The hits pay for the mistakes many times over. But there is a big difference between them and everyone else in the world. You can't really afford for your start-up to fail; your friend has sunk everything into her new business; and I can't allow my book to flop. We don't have ten other projects coming down the pike. This is *it*.

It was only a matter of time before someone smart came along and said, "It doesn't have to be this way. The tools of the Internet and social media have made it possible to track, test, iterate, and improve marketing to the point where these enormous gambles are not only unnecessary, but insanely counterproductive."

That person was the first growth hacker.

## A NEW WAY

If that old system is an outgrowth of one hundred years of marketing precedent—designed to fit the needs of twentieth-century corporations—then the new mindset began at the turn of the millennium. It began and evolved

to meet the new needs of a new type of company—with its own kind of marketer.

Flash back to 1996, before Hotmail had launched as one of the first free web mail services and became an early example of a product to "go viral." As Adam Penenberg describes the meeting in *Viral Loop*, Hotmail's founders, Sabeer Bhatia and Jack Smith, sat across the table from Tim Draper, the famous venture capitalist. He told them that he thought the product—web-based e-mail— was great but wondered how they'd get the word out.

Bhatia's first instinct was that industrial marketing approach we've been talking about: "We'll put it up on billboards," he said. Draper nixed such an expensive approach for what would be a *free* product. So they kicked around more ideas. Radio ads? Same problem. What about sending an e-mail to everyone on the Internet? Draper suggested. That was an equally old mindset— spam doesn't work.

Then Draper happened accidentally on growth hacking. "Could you," he asked, "put a message at the bottom of everybody's screen?"

"Oh, come on, we don't want to do that!"

"But can you technically do it? . . . It can persist, right? You can put it on one message, and if he sends an e-mail to somebody else you can put it on that one, too, right?"

# IT BEGINS WITH PRODUCT MARKET FIT

**Make something people want.**

—PAUL GRAHAM

You know what the single worst marketing decision you can make is? Starting with a product nobody wants or nobody needs.

Yet for years, this was a scenario that marketers tolerated and accepted as part of the job. We all told ourselves that "you go to market with the product you have, not the one you want." And then we wondered why our strategies failed—and why those failures were so expensive.

What attracted me to growth hacking from the very start was that it rejects this obviously flawed approach outright. Growth hackers believe that products—even whole businesses and business models—can and should be changed until they are primed to generate explosive reactions from the first people who see them. In other

# FINDING YOUR GROWTH HACK

To be successful and grow your business and revenues, you must match the way you market your products with the way your prospects learn about and shop for your products.

—BRIAN HALLIGAN, FOUNDER OF HUBSPOT

With growth hacking, we begin by testing until we can be confident we have a product worth marketing. Only then do we chase the big bang that kick-starts our growth engine. Without this jump, even the best-designed products and greatest ideas go nowhere.

For instance, many people don't know that the late Aaron Swartz, the genius hacker responsible for reddit, also invented two other services. In 1999, he started a collaborative encyclopedia before *Wikipedia*. He started another site called Watchdog.net, which was very similar to the wildly popular Change.org. Both were clearly fantastic ideas, predating the actual services we all use today.

# TURN 1 INTO 2 AND
# 2 INTO 4—GOING VIRAL

**Virality isn't luck. It's not magic. And it's not random. There's a science behind why people talk and share. A recipe. A formula, even.**

—JONAH BERGER

You've heard it in a million meetings. And clients are so flip about it: "We want to go viral. Make people share this online."

Everyone wants it. As though massive viral sharing is as simple as asking for it. All I know is that I cringe each time I hear a client make that assumption.

The growth hacker has a response: Well, why should customers do that? Have you actually made it easy for them to spread your product? Is the product even worth talking about?

It's stunning how rarely people venture to answer this

# CLOSE THE LOOP: RETENTION AND OPTIMIZATION

> You need the kind of objectivity that makes you forget everything you've heard, clear the table, and do a factual study like a scientist would.
>
> —STEVE WOZNIAK

If the growth hacking process begins with something I would have previously considered to be outside the marketer's domain (product development), then I suppose it is only natural that it conclude with another.

The traditional marketer's job, as I learned in my time in fashion and publishing, is to get the leads—to bring in potential customers. It's someone else's job to figure out what to do with them.

But does that really make sense anymore?

First off, in a small company, there *is* no one else. Your job is not just to bring in potential customers but to

# MY CONVERSION: PUTTING THE LESSONS INTO PRACTICE

> We might not have marketing budgets, or a massive fan base. . . . [But] we can build books for sharing. We can sample at scale. We can give readers a stake in distribution. We can open up exchange between artist and fan, beyond the sales transaction. And we can do this in a way that drives creative profitability.
>
> —MATT MASON, CHIEF CONTENT OFFICER,
> BITTORRENT

My fascination with growth hacking began with a wake-up call. I read Andrew Chen's article, and it pierced the bubble I was living in. My job—in fact, the job of all VPs of marketing—was under siege. It made it clear to me that the industry was changing, that a group of thinkers

# SPECIAL BONUS

If you would like the raw transcripts of the interviews I did with the world's best growth hackers for this book, along with the research and materials I gathered, I'd like to send them to you.

All you need to do is send an e-mail here: growthhackermarketing@gmail.com.

I will also send you a chapter from my first book, *Trust Me, I'm Lying: Confessions of a Media Manipulator*, which shows you how to get free publicity and press. As a bonus I'll give you a redemption code for one month of free membership to Growth Hacker TV (a $29 value), which has hundreds of video interviews from the people who built everything from Facebook to the *Huffington Post* to Etsy.

# AFTERWORD

I am in the lucky position of being able to update this book for its expanded paperback edition. Instead of using that opportunity to simply retread old ground, I thought I would add a few additional lessons I learned growth hacking the book you just read.

After all, my advice and recommendations wouldn't be worth much if I hadn't followed them myself. Can you imagine if I had promoted this book about growth hacking using anything but the tactics in this book? Though I learned some lessons from the Tim Ferriss launch, this book was an opportunity for me to apply the science from day one with complete control.

## STEP 1

This book didn't start as a book. It started as a minimum viable product—a short, one-thousand-word article for

# A GROWTH HACKING GLOSSARY

As a tech- and data-driven mindset, growth hacking can be intimidating to beginners. That growth hacking helped build Dropbox and Airbnb and Facebook is clear and obvious to even the most novice observer. But when you start to dig into the specifics—the how and the why—your eyes are likely to glaze over. What is "cohort analysis"? What's a "viral coefficient"? While researching for this book over the past year, I've tried to come up with some definitions for the core concepts of growth hacking—if only for my own use and reference.

Adding these words to your vocabulary will not only make the concepts and principles of growth hacking clearer but they should also hopefully help you parse through the excellent and high-level advice of the growth hackers who blog and share their secrets.

Here you go.

**A/B testing** *(v.)*—A/B testing is just what it sounds like. You create two versions of a website or product, show them to people, and see which does better—A or B? From Google to Qualaroo to Optimizely to KISSmetrics, there are great services that allow you to see what your users are actually doing and responding to on your site. This *objective* insight will get you closer to a fit than gut instincts ever will.

**bootstrapping** *(v.)*—Bootstrapping is a method of funding a business, usually a tech start-up, that doesn't take in any outside funding and therefore runs on an extremely tight budget. In today's tech culture of celebrating huge fund-raising from venture capitalists, bootstrapping should be a badge of honor. When you are bootstrapping, you pay for your own marketing, or, your marketing pays for itself. This means using growth hacker tactics to acquire your users to find ways to increase each dollar your customer spends with you. GitHub, 37signals, and AppSumo are all examples of extremely successful companies that bootstrapped and never took venture capital along the way.

**bounce rate** *(n.)*—Bounce rate is the objective measure of your stickiness. (You can get it from Google Analytics or KISSmetrics or any such service.) When a user goes to your site, what percentage of them immediately leave? If that percentage is high—and it is often much, much too

high—you've got one of two problems. A) Your website or service sucks. (See: Product Market Fit.) B) You're chasing the wrong kind of users, probably using expensive traditional marketing techniques. To improve your bounce rate, you need to either adjust the service—iteratively, using A/B testing—or adjust who you are trying to attract to your service. If people are coming to your site and only a small percentage "stay," the answer is never, I repeat, never, to try to get high volumes of traffic. (Don't try to get featured on *TechCrunch again* just because it was only mildly lucrative the first time.) It is far easier and more effective to improve your bounce rate.

**cohort analysis** *(n.)*—A cohort analysis uses data from a web application and separates it into related groups of people, rather than just looking at all customers as a whole. Cohort analysis allows you to look at the entire life cycle of specific groups of customers, which allows businesses to make different offerings to specific people.

Growth hackers use cohort analyses to track specific users from first contact through the sales funnel to give segments of users what they are looking for.

**conversion rate** *(n.)*—In simple terms, this is the number of people who see your product or site divided by the number of people who perform your desired action (signing

up, buying, entering their e-mail address, etc.). Growth hackers obsess about conversion rate.

At the end of the day, growth hackers don't care about "awareness" or "attention" or "mind share." They care about *acquiring users.* That means they care about conversion rate above basically everything else. This shift is crucial. After all, what's the point of driving a bunch of new visitors to your website if they don't perform the action you drove them there to perform?

**growth hacker** (*n.*)—A growth hacker is an employee with a simple job: growing the business by any means possible. This role, according to Andrew Chen and many Silicon Valley pioneers, has come to supplant the typical VP of Marketing. Growth hackers' main task is to build great marketing ideas into the product during the development process. Growth hackers often have a programming background, but it's not required. Growth hackers are pros at hypothesizing, testing, and iterating different versions of their products to create hockey stick growth for their companies. Examples include Noah Kagan, who was a growth hacker at Facebook and Mint.com before he started AppSumo, which he grew from a sixty-dollar investment to a seven-figure business; or Sean Ellis, who developed the referral program for Dropbox (which drove millions of new users) and is now the CEO at Qualaroo and an advisor to other start-ups.

**growth hacking** *(v.)*—Growth hacking is business strategy that throws out the playbook of traditional marketing and replaces it with customer acquisition techniques that are testable, trackable, and scalable. Its tools are e-mails, pay-per-click ads, blogs, and platform APIs instead of commercials, publicity, and money. While traditional marketing chases vague notions like "branding" and "mind share," growth hackers relentlessly pursue users and growth—and when they do it right, those users beget more users, who beget more users. They are the inventors, operators, and mechanics of their own self-sustaining and self-propagating growth machine that can take a start-up from nothing to *something*.

**minimum viable product** *(n.)*—A minimum viable product is an early, bare-bones version of a product that allows founders to collect meaningful data about their (potential) customers quickly and with little effort. Eric Ries, author of *The Lean Startup*, explains that the best way to get to Product Market Fit is by starting with an "MVP" and improving it based on feedback—as opposed to what many traditional marketers do, which is to try to launch with what we think is our final product. Isolating who your customers are, figuring out their needs, designing a product that will blow their minds—these are marketing decisions, not just development and design choices. At

Amazon, for instance, product managers must submit press releases to their supervisors before the development team even starts working on it. That exercise forces the team to focus on the market for the new product and what's special about it.

**pivot** *(v.)*—Eric Ries defines a pivot as a "structured course correction designed to test a new fundamental hypothesis about the product, strategy, and engine of growth." In other words, tweaking or changing your product because customers aren't responding like you thought. Instagram started as a geo-location start-up called Burbn but changed to become Instagram as we know it—a mobile app for posting photos with filters—after tailoring its app to focus on the features that users responded to. The result? One hundred thousand users within a week of relaunching. Within eighteen months, the founders sold Instagram for $1 billion. That's a pivot.

**Product Market Fit** *(n.)*—Product Market Fit is the achievement of a state in which a product and its customers are in perfect sync with one another. This is the holy grail for every growth hacker. Growth hackers believe that products—even whole businesses and business models—can and should be changed until they are primed to generate explosive reactions from the first people who see

them. In other words, the best marketing decision you can make is to have a product or business that fulfills a real and compelling need for a real and defined group of people— no matter how much tweaking and refining this takes. They treat their products and services as something malleable and are able to change and improve them until they find the best iterations.

**(publicity) stunt** *(n.)*—A stunt is a way to get people talking about—or trying—a new product. Sometimes "stunts" are a great way to get users—they are growth hacks that kick-start the whole process. Publicity stunts are often about exploiting systems or platforms that others have not yet fully appreciated. Uber has used publicity stunts to create viral attention and disrupt the entire taxi industry. For example, the Uber team provided roses free of charge on Valentine's Day to users looking to impress their dates. They even partnered with ice cream trucks to bring users treats via their app and signed a deal to give cheap rides to NFL players who kept getting DUIs.

**sales funnel** *(n.)*—A sales funnel is a series of steps to find leads and direct them through the sales process, with the end goal of converting as many of those leads into paying customers. For example, Mint.com baked lead generation directly into their application. At the top of their

sales funnel are all the free users, who gladly signed up for Mint.com's amazing and fast personal finance application. Mint.com then partnered with financial services companies to act as an affiliate by allowing them to offer good deals to the users of Mint.com's free services.

Other growth hackers like Noah Kagan at AppSumo give their customers huge discounts on related products after they make a purchase, thus engineering more up-sells and drawing users deeper into the funnel.

**stickiness** *(adj.)*—The stickiness of a service or product can be thought of as how likely someone is to buy your product repeatedly or recommend it to others. According to Chip and Dan Heath's *Made to Stick*, sticky ideas and products tend to be simple, unexpected, and credible, with concrete details, an emotional undertow, and a memorable story line. Growth hacking extends this definition to services and platforms. When someone signs up, do they become active users? Or do they immediately quit and leave? When someone checks out your app, are they drawn into it, or is the reaction more of a "meh"? When Twitter rolled out its Suggested Users list feature, it helped new members stick to the service because now they had interesting friends to follow. The services that suck you in and keep you there—they are sticky.

**vanity metrics** *(n.)*—Vanity metrics are the metrics that *feel* important but are ultimately superficial or, worse, deceptive. For instance, monitoring traffic to your website (congratulating yourself that it is increasing) while ignoring conversion rate, bounce rate, time on site, and so forth, would be falling prey to a vanity metric.

"Vanity metrics are the numbers you want to publish on *TechCrunch* to make your competitors feel bad," says Eric Ries. But their usefulness ends there.

Vanity metrics are measurements that paint a rosy picture for a start-up but aren't actionable. Measuring your company using vanity metrics may allow you to boast about how many users you have on your blog, but the cost of acquiring those users may lead you to ruin if you're not careful. Techniques like A/B testing can provide you with actionable metrics because you will be able to *replicate* the results.

**viral loop** *(n.)*—A viral loop is the process by which a person goes from seeing your product or service to using it and sharing it with others. For example, let's say your friend gets an e-mail from his favorite product asking him to join a contest. He joins and shares it on Twitter because the product offers him another entry if he does. You see your friend's tweet and click on it, entering the contest as

well and sharing it with even more people. This is how viral loops become self-contained, self-fueling mechanisms of growth. Facebook newsfeeds and embeddable YouTube videos are all great examples of viral loops.

**virality (and viral coefficient)** *(n.)*—Virality is the person-to-person spread of a product or an idea. Because growth hacking is about scalability—ideally you want your marketing efforts to bring in users, which then bring in more users—it often depends on viral techniques for growth. Virality at its core is asking someone to spend their social capital recommending or linking or posting about you for *free*. But virality is not an accident. It is *engineered*. And it goes without saying why viral spread is critical to the growth hacker approach.

Ideally, growth hackers look for a viral coefficient (or "K factor") greater than one. The term "K factor" is typically used, in medicine to describe the contagion of disease. In the start-up world, the viral coefficient measures the number of new users that each existing user is able to convert. If each new user is bringing in, on average, more than one user, then the K factor is greater than one and your start-up is going viral.

A product or business or piece of content will go viral only if it provokes a desire in people to spread it. On

top of that, a growth hacker must facilitate and encourage its spread by adding tools and campaigns that enable virality. All of which is to say a simple truth that we try to deny too often: if you want to go viral, virality must be baked into your product.

# FAQS

The following are answers to the more frequently asked questions that I received since publication of the book, via e-mail and Twitter, as well as during an "Ask Me Anything" (AMA) I did on reddit. I'm happy to answer them because many of the questions mirror exactly my initial queries to the growth hackers during my interviews and research for the book itself.

1. **If you were launching a start-up or new product, what questions would you ask yourself before launching?**

   I'd ask myself:

   - Who are my ideal early adopters?
   - How can I make my platform particularly enticing to them right now?