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## Growth Hacking in Start-ups (Case Study IranAuto Oy)

Degree Programme in Innovative Business Services 2015



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The purpose of this bachelor's thesis is to make the reader familiar with the growth hacking concepts and the usage of certain hacks in start-ups. VaseForoosh.com at IranAuto Oy Company has been the practical case throughout the studies. VaseForoosh meaning 'For Sale' in Persian, is a website similar to Nettiauto in Finland, mainly with the purpose of trading cars and bikes online in Iran. The website has been up since 2011 but haven't gained enough audience for its services. The aim is to grow the number of users and visitors, while building more traffic using growth hacking experiments.

Growth hacking is a marketing method widely used in start-up companies. The main objective is to gain exposure and expand the audience using the analytical thinking and social metrics. This can be really important for the start-ups that has a low budget and can't afford to use expensive ways of marketing such as TV or Radio. So instead of traditional methods we are trying to use social media and viral marketing. A lot of companies such as Dropbox, Facebook and Airbnb have been using complex methods of growth hacking techniques. Our aim was to study such companies' methods and apply those studies to our research and strategies. We will also get to know how Iranians will get influenced by this growth hacking experiment, since the marketing culture and techniques can be quiet different there at times.

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#### 1 INTRODUCTION

For thousands of years, products and services were physical goods, but as the world is moving rapidly towards the digitalism, the marketing industry needs a whole new approach. Nowadays even the digital entertainment like video games, movies and music are becoming more digitalized. Instead of buying the game/movie/music on a physical disk, people are buying them on PlayStation Network, Netflix and Spotify. Also, people used to book their tickets and hotels through the local travel agent but nowadays they book it online. Back in the days people were trading their vehicles through the local dealer or advertise it on newspapers but now mostly sell or look to buy it online.

Traditional ways of marketing are not the most ideal ways to follow in start-up companies anymore and young entrepreneurs are looking to find a way towards fame and glory, and they are willing to experiment new ways for that. Using data, creativity and curiosity they came up with new methods.

Every day there are new start-ups joining the global and local markets. The question is, how hard is it for them to make any revenue within the first year? The Biggest thing that a start-up needs is lots of growth which can be really costly if they don't use the right channels. Start-ups can't simply use the same marketing strategies as big companies due to the budget factors and other limitations such as limited network. Growth hacking teams have been able to achieve better growth results with the right techniques and a limited budget than the ones with good financial background. It is all about trying and failing until the right channels are found.

"I have not failed 1000 times I have learned how not make a light bulb to in different 1000 ways. Our greatest weakness lies in giving up. The most certain way to succeed is always to try just one more time genius is 1% inspiration and 99% perspiration." (Thomas Alva Edison 1847-1931)

#### 1.1 Methodology

The Research method in this thesis has been a mixture of qualitative and quantitative methods. The primary data have been from the SAMK's Library database, search engines, articles, E-books, Journals, interviews, a public survey, seminars from world's famous growth hackers and personal work experience in IranAuto Oy.

Studying and exploring the successful start-ups was one of the first steps that was taken through the thesis. Tracking their footsteps towards fame and glory, while analyzing their growth and virality factors. The website GrowthHackers.com has been a big help through the data collection and research. It is basically a community for growth hackers doing interviews, post articles daily, study growth, share their ideas and results for the growth hacking community. As a matter of fact, the community is one of the biggest sources of information for the entrepreneurs looking to learn new hacks and apply them in their start-ups. Watching the seminars from the most famous growth hackers for example, Neil Patel have also had an impact throughout the research process and I have tried to apply those learnings in the IranAuto Oy case.

Data analysis has been done with the Google analytics throughout the research. Google analytics has helped the experiment to carry tests and analyzing the hacks in the case, by showing information about the users and website's daily traffic in details.

#### 1.2 Research Questions & Objectives

The research carries on three main questions:

- How can growth hacking help you increase the chance of getting viral in your start-up?
- How could we apply growth hacking tactics in the IranAuto Oy case?
- How would people react to growth hacking in Iran?

The study's purpose is to help understanding how to use growth hacking in a start-up company and achieve growth. In the IranAuto Oy case, we had the mission of increasing our users through our marketing strategy with a limited budget. Of course we had our cultural and legal issues during the Vaseforoosh.com project and I have mentioned the challenges and outcomes in the last chapter.

#### 1.3 Interviews & Public Survey

Two interviews have been held about growth hacking and start-ups. The notes from the interviews have been used throughout the thesis. First interview is with Joonas Villanen, the marketing architect at Advance B2B Oy, and second one is with Ali Jahangiri. He is a serial entrepreneur who happens to be founder of IranAuto Oy as well. He is also a stand up comedian and works with the national Finnish media, YLE. The interviews were held with the purpose of data collection and learning about growth hacking in form of questions and answers. The two entrepreneurs are telling us about the importance of growth hacking and help us to understand its basics. They also refer to their personal experiences in growth hacking and help us to avoid mistakes and save more time during the experiments. The full version of the interviews has been written from the recorded interviews and has added to the thesis as Appendix 1 & 2.

A short survey has been conducted through Google Forms from a group of people including Iranians and also different nationalities with diverse backgrounds. The results have been analyzed in the further research. Original Google from is available as Appendix 3

#### 2 GROWTH HACKING

#### 2.1 Definition & Background

The term 'growth hacker' was first used by Sean Ellis in 2010. Growth hacking is a matter of creative thinking using social metrics, analytics and repeat. It is an ongoing process and once it has started, there should not be any stop to it. Facebook started experimenting the growth hacking techniques as a start-up and after achieving more than billion users they are still having a growth team. Most of the people nowadays are having a hard time understanding the term 'Growth Hacker'. Hacking have always been used to describe cyber crimes and such. So if you are talking to someone who hasn't ever heard of growth hacking, that person will most likely have a negative first impression about what you do and that is why some people recommend you to just specify yourself a Digital Marketer, Growth Marketer, Online Marketer and so on, in order to avoid that type of coincidence. Despite all, growth hacking is a really growing trend now and people are paying a lot of money just for a few hours in a growth hacking workshop to learn more about it. Job titles on the other hand are flowing in the market, and everyday more start-ups and companies are opening job positions for a 'growth hacker' or a 'growth team'. Also start-ups needed a replacement for traditional marketing as the most effective way of marketing nowadays is online and start-ups not only needed a different approach but also couldn't handle the cost of traditional marketing due to financial limitations. (Rauhala & Sarkkinen 2015)

#### 2.2 Growth Hacking & Traditional Marketing

Traditional marketers can always be useful but early in a start-up, there might not need for them. Main thing needed in the beginning is growth and virality. Now, a traditional marketer will think about advertisement through push tactics like TV, Radio, Billboards, Facebook and Google ads which can cost a fortune. But a growth hacker thinks deeper like using data to involve the customers more with the product or even involving the users with themselves.

So what makes growth hacking any different than the old fashioned traditional marketing? A growth hacker is deeply dependent on analytics and social metrics to set goals and track their goals through analytics which helps them in optimizing their methods. Traditional marketing on the other hand does not necessarily require that as in traditional communication channels, it is harder to track and measure the exact analytics. A traditional marketer does not usually know how to code but a growth hacker either knows how to do it, or at least has a front or back end programmer who has the knowledge of coding (Patel & Taylor 2013, Chapter 2). Traditional marketers use expensive channels like TV, Radio, Newspapers and YouTube; But growth hackers are constantly working with data, trying to create new channels of communication and distribution like using the product itself as a distribution channel. (Ginn 2012) (Needleman & Safdar 2014)

#### 2.3 Setting Goals

Some people say that a great factor in growth of a start-up is luck. It is all about doing it right at the right time and having a good track of what has been done through the analytics. For instance, Airbnb used the right channels with the right hacks at the right time and it led them to achieve millions of users. Growth Hackers should be goal oriented people in order to increase their success factor.

The most important goal in a start-up is growth. But then there should be more specific look while setting goals in order to achieve big goals such as 'growth'. Let's look at 'growth' as the tip of the iceberg, in a broader aspect. There has to be a goal on content creation, user satisfaction and active members. Without them it will never be a possibility to achieve the bigger goal.

In order to achieve the ultimate final goal, maybe 200 different hacks and experiment should be tried. Do not expect to find the right way after 3 experiments. When the right method is finally found, same ways should be continued to achieve the same good results all over again.

"Focus on a goal and run tests to find what will help achieve that goal, if you want something to happen, ask. And if you want something to happen a lot, automate it." - Ivan Kirigin, former product manager at Dropbox.

#### 2.4 Building audience

There are three ways that visitors will land on the website; either by getting pulled, pushed or by the product/service itself. Having a solid content on the website will pull the users and visitors towards it. Having a good product/service and solid content, reduces the need of much push methods, such as google ads, to attract people to the product/service. Also many people are really uncomfortable with the push methods like when visiting a website, and having to wait for several seconds to watch or see a commercial first or when wanting to watch a short YouTube video.

Posting blog entries on the website or social media accounts, will help to build audience and build more traffic for the website. Trying to have around three to five contents per week is the recommended entry. If it's financially possible, hiring a writer to post blogs and content would be amazing for the publicity (Wainer 2015).

Airbnb is currently one of the largest accommodation chains in the world without owning a single room. They reverse engineered the craigslist APIs and helped users to post their place on craigslist as well, while they posted it on airbnb which gave them a lot of publicity. Later when craigslist found out about it, they changed the API's and airbnb users could not do it anymore but by then airbnb had already grown a lot. That being said airbnb highly appreciates the content creation from its users. That is why they always send E-mails including tips and advises to the users, making sure that they will improve their content creating standards, which helps the website in overall.

Spotify succeeded in building users by integrating the Facebook API's in their apps and website. People did not have to sign up on Spotify anymore and only with two clicks they grant access to one of the biggest music libraries online. Users could also follow each other on Spotify and become even more involved with the service. On

top of everything, when Spotify users are listening to a music or playlist, all of their friends on Facebook can see it which is considered an act of marketing for the service itself. Nowadays Spotify premium subscription can be found in almost every home, at least in the European countries.

#### 2.5 Involving the users

After building up some traffic and getting more users on the website, there is need to keep them active and make them more involved with product/service. Let's understand it better by analyzing what successful start-ups like Dropbox and Facebook have done in this matter. Dropbox was founded in 2007 by two students from MIT. The idea was first for personal usage since one of the founders was repeatedly forgetting his flash disk at school or home. Later in 2008 they released the service for public usage with the purpose of delivering online cloud storage for desktops and mobile phones. The start-up had multiple hacks which were offering them more cloud space in return of more engagement into the service and referring it to others. By current policies of Dropbox, every basic user that joins Dropbox receives 2 GB of cloud storage but the user can earn up to 16 GB (32GB for pro users) more by participating the tasks that Dropbox have determined. It is basically about making the user more involved and active with using Dropbox by asking them to upload some files on their storage and installing the Dropbox application on their computers and phones. Furthermore, the double referral program that is one of the most famous hacks that has been used by Dropbox. The double referral program asks the users to invite their friends and colleagues to Dropbox. With every user that they bring to the website, they will receive 500 MB space and that was how millions of people were invited to use Dropbox. It is a win-win situation for both Dropbox and the users so it will always work perfect not only on Dropbox but also many other services. People started to upload pictures and files on Dropbox and shared it with their friends. For sharing any kind of files, the only option to send it to some is to write their E-mail and they will have permission to view the file. When they open it they realize that they have to have a Dropbox account in order to access to the file.

Facebook is also using a partly similar strategy to activate users and make them more involved with the website. According to the statistics that Facebook has shown, the users who make at least around 10 friends during the first weeks of joining Facebook are more likely to stay on Facebook and become an active user. Upon joining social medias such as Facebook, Twitter or Instagram they will try to make users more connected and find friends and family and perhaps follow some celebrities or communities. For instance, they all have the 'people you may know' section which helps users to find more people to connect with. On Facebook that button will not disappear until the user has been with at least 200 people on his/her friend list. Also users mostly are permitting social medias to take information from their contacts and push the users to invite all of their friends as well using E-mail or text message. Not to mention that all of those disturbing invitations from friends to play Candy Crush Saga on Facebook, are also part of a bigger plan and that is to keep users more active so they spend more of their time on Facebook playing games.

#### 2.6 User satisfaction

Customer feedbacks and public surveys are some the power tools to collect data from the users, in order to improve the quality of the product/service. If something is wrong, it should be addressed quickly to show them the care and support with the offered service or product. Remember that without users the start-ups will never grow. So try to think what money can do for them. In old Persian, the word for customer is 'entering boss' which means the boss who is entering your shop. That being said, think of them as the boss, show them the best in order for to have a good image in front of the "boss". Also some treats like products and promotions for the fans and users on the social media websites or through their E-mail once in a while, has been proven to be really positive for the start-up's publicity and customer satisfaction. For example, the website fitnesstukku.fi in Finland is offering a 10€ gift card to its customers near the special gym occasions like summer which has made them quite popular in Finland for their quality products and great customer service.

#### 2.7 Analytics

Analytics is the most important key in Growth Hacking. Without keeping track of what has been done and measuring the results, there will be no chance to grow a start-up. Analytics can also help to predict the future and to take the next step more carefully. Analytics helps to build reports about everything that is going on the website such as the retention reports or A/B test reports. It will enable the possibility to collect all kinds of data and analyze them, such as how the users are landing on the page and where the traffic is coming from. Was it a link on Facebook? Was it from their E-mail? (Which means that the E-mail campaign works, by the way) Was it just from search engines? Or was it a redirect from the ads you have purchased? (Plaza 2010). For example, having a goal to increase the amount of time that users are spending on the page per session. If they leave the website after 3 seconds of opening, it means it was a wrong link and they were on the page by mistake. So that will have to be reduced that by correcting the key terms and such. The most common way of tracking analytics is to use web analytic tools. (Patel & Taylor 2013, Chapter 2,10) (Miller 2015)

#### 2.7.1 Web Analytic Tools

There are many websites offering analytic services to firms and individuals but three major ones are Google Analytics, Mixpanel and Kissmetrics. The first thing is to register and then depending on the start-up's choice and financial budget, buy an analytics plan from on of the web analytic websites. After the purchase, the analytic provider will provide a code, which should be added to every page of the website in order to get started with the analytics.

Google's freemium analytics has the most popular web analytic tool available since it is free and suitable for the start-ups with limited budget. Premium subscription of Google Analytics starts from 150000\$ a year which there will be no need of, until having at least 10 million hits on the website on a monthly basis. Some of the advantages of the Google Analytics are content, mobile and social analytics. Possibility of data import and custom reports.

Mixpanel's pricing is based on points that the start-ups have to buy, but they get up to 25k data points for free. Each time that the start-ups are tracking an event it will cost them specific points. So depending on the usage they can buy different packages that mixpanel is offering such as the start-up plan, business plan or commercial plan. Every plan has different amount of data points. Some of the features of mixpanel are segmentation tool, mobile surveys, retention reports and funnel analysis.

Kissmetrics comes free for the first 14 days with no requirement of a credit card number and after that the prices range from 150\$ to 2000\$ per month depending on the chosen subscription plan. The features may vary depending on the start-ups chosen plan. For example, the starter plan only comes with an E-mail support while the basic, pro and enterprise plans come with an account manager. Some of the key advantages of Kissmetrics are A/B testing, real time tracking of data and the funnel reports.

Some of the honorable mentions are SessionCam and Mouseflow which enables start-ups to watch the exact movements of the users. SessionCam gives the possibility of recording the sessions when the users are on the website so the start-ups can watch them later and understand the users' behavior. Mouseflow has a similar feature which allows start-ups to track mouse movements and clicks on their pages.

#### 2.8 A/B Testing

If going through an experiment in a marketing campaign, the A/B testing reports are absolutely necessary in order to adjust the experiment and enhance them. Therefore, there will be two versions of the experiment. For instance, in an E-mail campaign, for group A of the users, the text is X and for the B group, the text is Y. Start the E-mail campaign and send out E-mails/promotions to these two groups. By using the analytics, tracking the event of how both groups (A and B) react to the campaign will be revealed and then using the final report enhances the Final campaign. Using the A/B reports in different experiments on the users, makes it possible to become more

familiar with their mindset and preferences. Doing these reports in long term will help building a big database. For example, Apple and Google have been doing these A/B tests on their users for years and now they have made an empire because they have always known exactly what the users want. (Christian 2015)

#### 3 IRANAUTO OY STUDY CASE

#### 3.1 Case Background

IranAuto Oy has been established at 2010 by Ali Jahangiri with the purpose of introducing E-commerce in Iran. For additional info about his background and views in marketing and growth hacking the interview can be read through appendix number two which is attached to the thesis. I happened to have the great opportunity to work on a growth hacking project in IranAuto Oy which also enabled me to apply the research that I have done in the company and analyze the results at the end.

VaseForoosh.com at the moment is the main project for the firm IranAuto Oy. The website has been online approximately since 2011 but has not really been the most popular trading website in the world. Ali was working on the project once in a while alone but after having a trainee/assistant it was more convenient for him to take this project seriously as we were working the office couple of times a week together. The main objective of the idea of VaseForoosh.com was to become a competitive rival between the trade websites like Istgah.com, Iranmashin.com, Bama.ir, etc... and also establish connections with the local Iranian dealers.

The first task in the project was to identify the audience and understand them. For him and as well myself it was a big challenge because we do not live in Iran. Writing in Persian has been also a bigger problem for us because writing Persian is a bit complicated and we have not been writing it for years. We have had a lot of issues with the law as well since internet is really restricted in Iran. We had some restrictions with integrating social media accounts into the website. The purpose was to make the registration process easier and the users would not necessarily have to

sign up for posting their cars. But sadly, more involvement of Facebook with the website would only increase the risk of being effected by the oppressive government's censorship program. IranAuto Oy had a lot of plans for Vaseforoosh.com but there were not enough opportunities for the us to to execute them on the website. Those have been mentioned in the further research and analysis section at the end of this chapter.

#### 3.2 SWOT Analysis

SWOT analysis are meant for evaluating the strengths, weaknesses, opportunities and threats for a start-up project, product or service. This can be a good way to understand the VaseForoosh project better.



#### 3.3 Email Campaigns

The research in IranAuto Oy case was started on March 15<sup>th</sup> and we launched the first campaign on March 21<sup>st</sup>. As seen in the figures below, within 24 hours we almost doubled the views. Every single move that we made, have been later checked with the Google Analytics to keep track on the results.



The major Email campaigns throughout the study in IranAuto Oy have been held on the following dates: 21.03, 17.04, 21.04, 27.04, 04.05, 20.05, 28.05 and 21.06. IranAuto Oy has learned a lot about the users and their behavior, such as their Email checking habits and the Iranain web culture.

The list of E-mails has been gathered from the ads posted on the rival websites. People who are trying to sell their cars normally try to put their car in as many places as they can, so they can sell it faster and with their ideal price. VaseForoosh.com made it easier for the users by sending them a link of the website and tell them that they can post their car on the website free of charge. In this way both the user and

IranAuto Oy will have a win-win situation. VaseForoosh.com needs more traffic and users need to sell/trade their car.

A lot has been learned from the users throughout months of E-mail campaigns. Thanks to Google Analytics, after only a few weeks, IranAuto Oy learned which day of the week and what time of the day that is the peak of our traffic.



People around the world have different cultures and habits. Perhaps we would get different results if we were trying to check the analytics of different countries. Maybe instead of 5 PM the peak of the traffic would be 10 AM in Finland. The impression is that most of the Iranian people are assumed to check their Emails around afternoon of Friday or Saturday more than other times. Interesting point here is that the week in Iran starts from Saturday instead of Monday, which is when the week starts in pretty much everywhere else in the world. So people mostly either try to look for selling or buying a car online at the afternoon of Friday or Saturday.

#### 3.4 Robots

An Internet Bot does not exist physically and it's only in a form of digital. The Bot is made to perform and carry tasks and objectives within the web. A normal human being can not even compete with the speed that these bots can provide while doing the defined tasks. So it was a great option for us to add another hack in order to bring more cars and eventually more traffic. The Main 'hack' that brought a lot of advertisements in the website's list of cars, was the beloved bot which was made by the Indian engineer hired by Ali to help us save time doing repetitive stuff. The tasks were simple, the bot had to go through the rival websites and copy the new ads and post them in VaseForoosh.com, and in case of removal from the original site the ads

would be taken down by the bot. An Example of the rivals would be the Iranmashin.com which helped IranAuto Oy to add hundreds of ads on the website and build traffic as a final result. This robot will most likely to be temporary as the rival websites will find out about it sooner or later and when they do, they will find a way to patch it and unable IranAuto Oy to continue just like what Craigslist did to airbnb. Until then, Vaseforoosh.com will benefit from it and when it is over we will have to find a new hack.

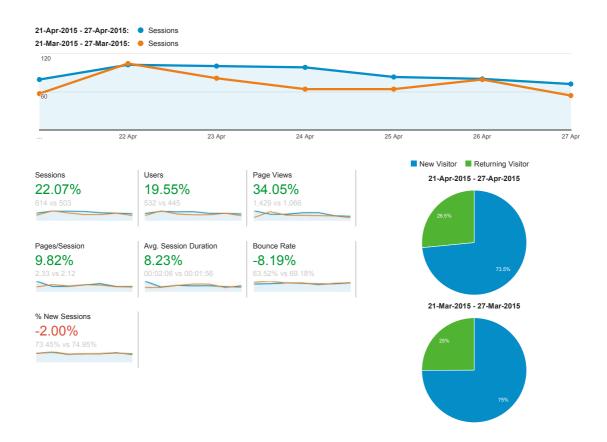
#### 3.5 Viber Ads

Viber & Telegram are one of the most common messaging applications in Iran. The Google analytics also shows that after Windows computers, the most landings on our page have been from Android and iOS devices. According to Niki Aghaei it is estimated that Viber has at least 9.5 million users in Iran alone (Aghaei 2015) and the people who are willing to post their cars online are most likely to use a smart phone rather than the ones only posting the ad in the newspapers like 50 years ago. That being said, adding a new channel of marketing which enabled IranAuto Oy to reach out to users by delivering the ads directly to their smart phones, was a smart move for the campaign.

The Viber Ad is an Iranian made application designed for advertisement through text messages within the Iranian Viber community. All that is needed to start using the Viber ad application is 50\$ in order to get the single user license. This enabled IranAuto Oy to send text messages to the Viber numbers in large quantities. The main advantage was that we could see if the users have gotten the message or if it has been 'seen' by them. On top of that, it is free of charge to send that many text messages since Viber os using the internet and not the cellular network which can be really costly for a new start-up.

Numbers have been collected from the ads on different websites where people were posting their cars. The content of the texts that IranAuto Oy was sending to the potential users was changed quite a few times in order to be more appealing to the users based on the analytics and the user's reactions. Example: "Hey! We are from

the new auto trade website Vaseforoosh.com. You can post your vehicle on our website for free! Click on the link for registration!"



According to the Google Analytics, there is definitely an increase in April's campaign compared to March since the Viber ads also have been added on the table. We always gave it a week before checking the analytics. On 21<sup>st</sup> of March the first Email campaign was launched and on 21<sup>st</sup> of April the viber ads campaign started. So for the week of 21<sup>st</sup>-27<sup>th</sup> of April, with the Viber ads added to our hacks, there was an 19,55% increase of users and 34,05% more page views, compared to the week of 21<sup>st</sup>-27<sup>th</sup> of March. There is an 22,07% increase of sessions on the website VaseForoosh.com, but a slight decrease of 2,00% of new sessions. This means that the existing users are more involve with the website than before. This can also be seen in the slight increase of returning users, from 25% in March to 26,5% in April.

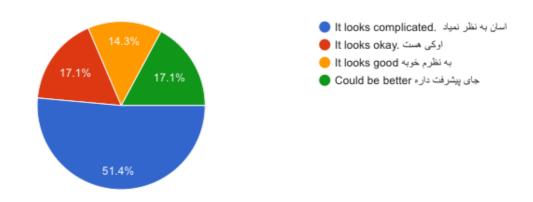
#### 3.6 Further Research & Analysis

In Further Research the study shows how we could improve our user experience and increase the number of users by adding more hacks and building more communication channels, using the data that IranAuto Oy has been collecting through analytics and surveys. There has been a lot of limitations but a lot more could be done improved and added. All of our data has been analyzed through Google Analytics. It provided us more information about our traffic and helped us to understand what VaseForoosh.com users want and what would the potential customers prefer.

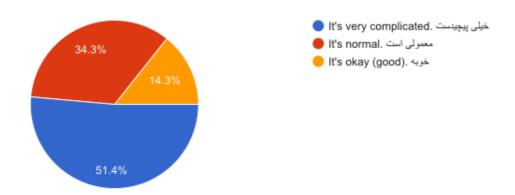
#### 3.6.1 Design & Layout

The public survey was posted on a number of both Iranian and international groups. 38 responses in total have been recieved (3 blank and 35 answers) and results are as below:

(responses 35) ?What is your impression on Vaseforoosh's page design



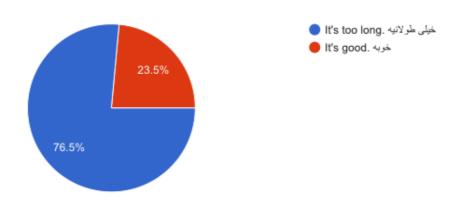




As it is shown in the pie figures above, the overall conclusion of this survey showed us that the website is the too complicated for the users as well as the sign up forms being too long. More than 50% in the first question answered that the page design is too complicated and not really appealing rather than it being normal or good. In fact, the Website could have been designed a lot better and less complicated. IranAuto Oy should note that a lot of the users can be old and not really good with computers especially in Iran as it is not as far in digitalism as in the EU. Therefore, it should not be much of a challenge for a middle aged or elderly person to post a car on Vaseforoosh. It has been proven in the studies that a better website design has direct improvement in the overall user experience. Usually, simple buttons and pictures are making the design less complicated, more attractive and looks more user friendly to the users. A perfect example would be Airbnb because their service is similar to Vaseforoosh. Removing the unnecessary parts like, the Facebook feed on the main page is absolutely important. First of all, it can increase the risk of being censored by the Islamic police and secondly a normal user in Iran will not see the feed anyways because anything that is somehow connected to Facebook is blocked in Iran (Jafari 2015). Also a lot of language errors, particularly in the Persian version, have not been fixed on VaseForoosh.com yet. Bigger texts with simple fonts and colors, bigger thumbnails for the car pictures can also make the website more appealing to the users.

#### 3.6.2 Registration Forms





It was not a possibility for VaseForoosh.com to integrate Facebook APIs in website. This means that people have to sign up on the page and can not simply just login with a couple of clicks through Facebook, like they do on Spotify and Instagram. Registering through a long sign up form can be really annoying for customers sometimes. In the survey above, we found that 76,5% of the participants thought that the sign up form was too long. The only things that we need in the sign up form is the E-mail and password, since in general, people who are trying to post their cars to a website, will add their location and more details like phone number and area of residence, so people can contact them in order to buy their cars. We do not have to scare them away at the beginning with a long sign up form.

#### 3.6.3 Android & iOS App

Mobile version for VaseForoosh.com does not exist and according to Google Analytics, our second and third most number of users per session, have landed on our page through Android and iOS devices.

Sessions %	Sessions
9,924	57.00%
5,259	30.21%
1,250	7.18%
513	2.95%
166   0	).95%
153   0	).88%
57   0	).33%
36   0	).21%
24   0	).14%
7   0	0.04%
	9,924 5,259 1,250 513   3 166   0 153   0 57   0 36   0 24   0

There are no apps in Iran at the moment with the purpose of Auto-Trade so developing an app for smart phones which can enable users to deal cars could potentially be a great way of increasing the users and gaining more publicity. Even if IranAuto Oy can not afford to develop an app for smart phones, an alternative solution could be to create a mobile version for the page so the users can have better and easier experiences. It would also be a great growth factor for Vaseforoosh.

#### 3.6.4 Double Referral Program

This hack is one of my top five favorite growth hacks. The same thing that Dropbox, Eventbrite and Airbnb have also done, which is offering the users some kind of reward if they perform certain task(s) for the website such as a referring the service or product to their friends and family through E-mail. VaseForoosh.com can, in return for the tasks that their users have done, reward them with more visibility of their vehicle(s) on the website or even adding it to our main page. For example, we could set some points for them that for every 50 friends that they bring to VaseForoosh.com, their advertisement(s) will get certain amount of exposure. Other examples could be that users can pay a fee for more visibility of their ad or they can instead work for it and earn the exposure without paying.

#### 3.6.5 Content Marketing

Instagram is one of the few things in Iran that is not censored. VaseForoosh.com already has an account but it has never been updated, since I was not working on the project full time. We could add blog entries through Instagram posts and try to build audience. Posting and talking about cars through social media such as Instagram, has always been a passion for a lot of men and women. Once in a while we do get some exotic cars on the website so when we do, we can take advantage of that and post it on Instagram and refer to the original ad on our website. Then people can see more pictures from the car and as a fact, that would bring us more virality and traffic at the same time.

The Telegram application can also be a great and free communication channel for the IranAuto Oy, with over 20 million users in Iran. Telegram is similar to What's app but with the difference of having channels on it. The channels in Telegram works in the same way as the What's app groups but only the channel admin has the right to post content. This could be a useful channel for business and individuals who are dealing cars with posting content on it as new cars are being added to the website.

#### 4 CONCLUSION

Growth hacking have indeed changed our ways of marketing as our world is moving towards digitalism. During the studies we found out how small start-ups with very simple but also smart ideas have hacked their way through success. We understood the concepts of growth hacking better and perhaps number of useful growth hacks. In the end, it helped us to so find solutions for real life problems such as the Vaseforoosh.com project in IranAuto Oy. We also found out the importance of Analytics and how useful the web analytic tools can be. Studying analytics and measuring the experiments in the VaseForoosh.com case while saving us time and money.

Dealing with the cross cultural issues like the laws, regulation and the web culture in Iran was a great challenge for us. But generally speaking we found out that Iranians are not really different than any other target group in the world in terms of their reaction towards growth hacks. Our estimation was that people would react differently but the only difference between Iranians and people in other nations, was the oppressive Islamic Government which disabled us to have more experiments in our case. VaseForoosh.com could not execute many of the experiments and left them in further research due to the unusual internet policy and the restrictions of the Islamic republic, such as limiting people's access to the social media websites like Facebook, Twitter and even YouTube.

Growth hacking is an ongoing process that never stops. Once the growth hacking process starts and the growth hacker gets to know it, there will be a development of passion and obsession with the growth of the start-up. IranAuto Oy was the first case that I did in the field of growth hacking. It was certainly a great experience but it will not the last one. I will never stop and hopefully in the next company and next case I am not going to see many limitations as I did in IranAuto Oy.

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Interview with Joonas Villanen About Growth Hacking (27.09.2015)

Behdad: Can you give me a brief of your job history? Of course I know your education background is Innovative Business Services degree program in SAMK and then please explain how, when and where have you been using the elements of growth hacking?

Joonas: Okay so I work in marketing and digital side is really strong with that and currently on B2B marketing and we work with automation processes so obviously the strong point is to optimize every conversion point on the website. We are constantly testing and analyzing any sort of result that we may get. Also we try to come up with different ways to get audiences and grow awareness and interests of them towards our products. We use giveaways not only to get their attention but also to get them involved enough to leave their Emails and contact information which we utilize further in kind of in the background processes like having automated Email sequence that would get them to sign up for a meeting or perhaps getting further information about their situation where they get their marketing. It's kind of like a smart content. If I have to sum up we are always testing our content, always measuring results, always optimizing whatever we do and that is kind of like getting to maximum conversion out of every application that we do. Personally, I do exactly the same with my website. I started to grow my audience in January and I have tried different medias and outlets and I have tried optimizing my posting schedule and A/B test my email campaigns like all the time basically so that is kind of like the growth hacking I am doing.

## Behdad: Imagine that you have a start-up with a very limited budget on marketing what would your focus be in the first six months?

Joonas: If I had a start-up with a limited budget...Well I would concentrate on understanding my customers. Basically I wouldn't do anything before I know my customer like knowing that who am I selling to sort of like making these personas and then I would spend some time in to like what kind of stuff are they interested in and what are they paying for and what channels are they using and whom are they listening to then based on that I would create a content plan to get their interest and awareness and I would use this sort of big rock content that I would give away for

free against their contact information so I would get their information in hand and start targeting on social media or just basically start approaching them by phone calls and Emails. Possibly a social selling approach like by a Twitter conversation or LinkedIn message or whatever.

Behdad: Ok, so how much money do you think a start-up company should spend on marketing at the beginning of the road? Do you think it should be used on high quality content like blog posts or like more strategically in order to attract users to the website?

Joonas: It's kind of hard to say exactly how much is enough. It really depends on the customer base and the channels they are using and what goals have been set. I would definitely advice to spend time on understanding the customer and start creating a strategy or a plan that would solve their problems that means that you should pay attention how to use the media and create quality content that will help them not you, but them. It's very customer centered like forget about what the money can for do for you. Instead think about what this money can do for your customer and that establishes engagement and obviously if you optimize the buyer's journey, you can pin-point the conversion points that you will get their information to your table and then you can start applying sales method and automated process and whatnot.

What is your word on Analytics? Do you personally use like Google analytics or Kissmetrics or for example mix panel? Do you have any experiences with those? Joonas: Google is very good, I use Google and I think everybody should use google analytics. Obviously it's a matrix of information so I would just see what goals are important for you at this point. Basically make them specific goals. Not saying that I want more visitors but really think about how many visitors do you need to get certain amount of Email subscribers then can start to see what I got to do to increase the visitor amounts and to get my Email list growing then you can start thinking about the journey and the conversion point and start A/B testing. Like if I get plenty of traffic but they are not converting to Email subscribers, what am I doing wrong? Am I targeting the wrong people who land on my page and the content is not interesting for them or if my value proposal is clear enough to make them sign up with their Email or is is about the pop up? Is it annoying? Should I do something else? Having analytics behind there is good but having specific goals is also

important. Like what are you following? Because there is so much you can follow... You have to dedicate yourself on certain numbers and then you can pass forward to your achievement. So basically I use google and it is good as it is tracking every info like since you land on my page and saying how long have you consumed, what have you ordered and social media accounts info so I will know so much about the user and when it comes the time that I have to sell, I know what and to whom I'm selling so it's a very interesting point of view.

## Behdad: So let's say we are looking to structure our growth team at IranAuto Oy, do you have any advice on how we should exactly do it? For instance, one person for analytics, one person for branding and so on?

Joonas: As a start-up I think that you should have somebody who knows the numbers but ultimately you can not silo in the beginning. I think everybody should know like Brant Cooper said it well: Instead of having specific roles, work as a team like have kind of areas of expertise but don't let them just do one thing. You should have a problem team and a solution team. A problem team tries to analyze the buyers journey in such a way that they would find problems and then the solution team will start solving those problems based on the analytics or the figures that you have picked on the way or interviews and questions from your customers. If you are a start-up the last thing that you want to do is to silo your roles. Everybody needs to know everything.

## Behdad: What if it was a one man company what he or she could do to enter the market and make the fist steps?

A whole a lot, personally I'm a person that creates the media, analyses, I follow the hacking methods and ultimately I try to figure out all the skills. I feel like a growth hacker is the combined role of coder, marketer and business leader in a way. You have to know where your company is going. You have to know how to market and analyse the results. So one person can not be limited to just do the marketing. Also I quote this from Brant Cooper, he said like if you have a start up that is innovative and you hire some old guy that he does the way of marketing that they have been doing always he might not actually suit the method or culture and you are shooting yourself in the foot by applying the yesterday's marketing method by some very old

strategy. You rather start small, repeat and then optimize. It's always better to do a little thing and achieve something than do a big thing and achieve nothing.

#### Behdad: How do you personally plan your marketing campaign?

Joonas: I kind of set a goal at the beginning like where do I want my company to be by for example 2020 and then start reverse engineering the steps and after that setting my goals in place and start implementing certain strategies.

Behdad: What do you think that is the major misconception that people have about growth hacking?

Joonas: biggest misconception?

Behdad: Yeah like when people are hearing the term 'growth hacking' they thinking it's hacking so you are doing something wrong or illegal. Do you know what I mean?

Joonas: Yeah, I would say that the growth hacking in Finnish market is very misunderstood like you said. We are not even in the basics of digitalism. There is so much for us to learn until we can call our selves growth hacker because people don't understand what it is so they kind of just brush it off like it's just a trendy word.

Behdad: Yeah I think in many places in the world right now when you say you are a growth hacker they are not taking you seriously.

Joonas: True, the term growth hacker is like the new entrepreneur and it is very misunderstood. They don't know what it is so they make assumptions and their loss ultimately. For me I wouldn't refer to my self as a growth hacker but I am applying the ideology of growth hacking and I think a lot of people will use without understanding it because it's a trendy word so it will continue to be misunderstood but as long as you do the right thing it doesn't matter what do you call your self.

Behdad: What are the major errors and mistakes that people are committing in growth hacking nowadays?

Joonas: Misunderstanding metrics! They pull over a wrong metrics. A lot of companies are misunderstanding the analytics and always some people follow the wrong things and land into wrong paths in achieving goals and they won't get the growth because they misunderstand the metrics.

## Behdad: Where do you think growth hacking is going in let's say next three years?

Joonas: Obviously it is going to grow. There is going to be a lot of new titles coming into the companies. I don't think that it is going to find it's way to Finland any soon. There will be companies that they will hire growth hackers but Finland is still not ready to accept it as a whole and I am using growth hacking and have done couple of blogs and interviews about it but yet I don't want to call my sell a growth hacker even though that I am using the growth hacking tactics. I rather call myself something that has a future and I am not 100% sure if this term is going to stick around.

Interview with Ali Jahangiri About Growth Hacking (01.10.2015)

Behdad: Can you give me a brief of your work and education then please explain how, when and where have you been using the elements of growth hacking?

Ali: I have a master's degree in Business Administration from Aalto University and I'm a serial entrepreneur. Right now I have four companies that I own. Growth hacking is essential for the company IranAuto Oy which is like a Craigslist or Nettiauto for Iran basically.

## Behdad: Imagine that you have a start-up with a very limited budget on marketing what would your focus be in the first six months?

Ali: Actually I think you should first find out how are you competing against and right now our competitors in Iran are websites like Istgah.com or Bama.ir. Istgah.com is like the most dominant competitor that we have since it is kind of the oldest website that you can buy and sell almost anything there like cars and property so that's already been there for years and our budget for marketing now is close to zero so we are just trying to find the correct blogs to promote our service. When for example I started the website at the beginning I used to go on blogs and see if someone was talking about a BMW I would comment a link and refer to the same BMW on my website and say hey check this out so that was pretty much what I was doing which was really slow and not worth it. Then we tried with Facebook but that is really restricted in Iran so they kind of blocked that way. The Internet in Iran is really restricted and makes it difficult for us and every time that our traffic was getting high the so called internet police would shut down the website to figure out what the contents are! And we still have this problem even today as we speak. At least once a month our site get shut down. I mean we don't see it from here but in Iran you can't open it without proxies. We just get a message here that we should go there and clarify our website. But yeah the first 6 months was just through different blogs and then we built some robots to take car ads from the rival websites and post it to ours. Then we would send Email to all those people and notify them that their car has been posted on our website and they can check it out but it was really hard and slow because I don't know how the E-Commerce works in Iran.

## Behdad: Ok, so how much money do you think a start-up company should spend on marketing at the beginning of the road?

Ali: Well we had 2000€ in the beginning when we started and we spent them really badly. Nowadays I would say you don't really need to spend that much money if you just have the right people who can help you with content marketing and you know, it's all about the content. If you have relevant content to what you actually have you don't need much money for it. For example my own website since I'm a comedian as well and that is my main thing I started by writing only blogs about different political issues and even now when I write a blog I get like between 30 to 70 thousand readers during the first couple of days and I don't pay anything for that at all. The problem with content marketing is that people don't really click on anything that looks like a ad and if you are trying to sell a pair of jeans and you write a blog about how ethical your jeans are, people might open it but let's say the person is on your website now how do you want to sell the product to him or her? That is where the content marketing and growth hacking become a burden because you have a lot of traffic on your website but they are not buying anything. They say that if your ratio between the traffic and buyers is one percent, you are doing alright. Like if you want to sell 1000 jeans you should get around 100,000 visitors. New companies should pay attention to growth hacking and content marketing because there are a lot of things that you don't really have to pay for so focus on those but then get somebody who knows how to increase your traffic and buy the final product and they can increase that ratio. I would say rather pay them than for Facebook ads because it is not as good enough.

# What is your word on Analytics? I know that you have been using Google Analytics but what about KISSmetrics or for example Mixpanel? Do you have any experiences with those?

Ali: We use a lot of different analytic tools but I think Google Analytics is the easiest one. It does help us a lot when we have like advert campaigns or YouTube campaigns and such. The information that I am really keen on in IranAuto Oy is that where is our traffic coming from. Because right now a lot the traffics that we receive are within Iran and then from the United States which is kind of funny because 30 percent of our traffic are coming from the U.S. but we get the information about them like what kind of browsers or device they use and we develop our data by those

measures. We started by having a English site but then later we added Persian because our main target and traffic is from Iran. Then it also shows us that what they do after coming to our website like how long are they staying and such like are they browsing the adverts that our customers have posted there or not.

# Behdad: So let's say we are looking to structure our growth team at IranAuto Oy, do you have any advice on how we should exactly do it? For instance, one person for analytics, one person for branding and so on?

Ali: I would focus a lot on branding and marketing because if we don't have traffic we don't have nothing. Your product should be good enough but if your marketing is not good people are not going to pay attention to your website. I always think of internet as a big city that each website is a window and if your windows is not bright enough people are not going to see it and you can be from the outskirts of the city but you make it to the centrum just like the Facebook or Twitter has done it.

## Behdad: What if it was a one man company what he or she could do to enter the market and make the fist steps?

Ali: They all started as one or a few people like Airbnb for example and now they kind of have the biggest hotel chain in the world!

#### Behdad: Yeah without even owning a single room...

Ali: Yeah exactly. Not a single property. So right now our generation has the possibility to change business as it was never been before we have the technology, social network ability and understanding of social network like you are in you early 20s and when you tell me that you are using Snapchat and then I'm like what the hell is that? You see you are already way ahead of me because I'm stuck in a different world. Still stuck in Facebook and Instagram and when I hear about Snapchat I'm like nah I don't need that so to whom ever that wants to start his company I would say don't hang out with the people around your age always hang around with people so much younger than you so they give you these crazy ideas of social media. For example if I didn't have friends at your age I wouldn't have any idea what Snapchat is. The thing is you guys on it and all of a sudden it becomes a huge thing. So my advice is to build your social media strong and if you can become successful on one platform you can just open an account on some other platform and I will get a lot of followers. Let's say you have a million followers on Facebook and you decide to

open an Instagram. You will definitely get 100,000 followers on there as well. You just have to link it and say hey guys join my other accounts too.

### Behdad: How do you personally plan your marketing campaign? Like writing one for example?

Ali: No, I never write anything to be honest not that I don't know how to do it. I just think about what should be done and then for example hire a graphic designer and marketing team and such.

### Behdad: What do you think that is the major misconception that people have about growth hacking?

Ali: I think the biggest misunderstanding about growth hacking is that people do it and after some time thing it is done but they don't realize that it is a process that never finishes. It has to be done all the time and you have to have a system to maintain it. Because there is a lot of websites on the internet that even if you are on top of Google if you don't maintain it you will easily fall after two months.

### Behdad: What separates the successful growth teams and the unsuccessful ones?

Ali: It's a lot of luck and knowing how to do it. The successful growth teams are the ones who are keeping the track of whatever that they are done so they can do it again or avoid doing the mistakes. Lacking ones don't really have a pattern and they just do random things and don't keep good track of it.

#### Behdad: Have you ever read any books about growth hacking?

Ali: No, I haven't really. I just have consulted with many people who have done it and through articles and YouTube tutorials. The thing about growth hacking books is if you want to wait for a book it will take like a year or so to come out and as the technology and methods are growing more and more the information would not be as valid anymore. Like years ago people were talking about Facebook and if you want to become successful you should be big on Facebook but today we have Twitter, Instagram and Snapchat for example making their space. That is the main reason I don't really read books about it because if it is not about today then it is out of date.

#### **APPENDIX 3**

#### IranAuto Oy's Survey about Vaseforoosh.com (23.11.2015)



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