

One Knight in Product - E172 - Leah Tharin

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SPEAKERS

Jason Knight, Leah Tharin



Jason Knight 00:00

Ah growth, we all want it. Some of us even lucky enough to have it, either by sales or marketing, straight from the product or some weird mixture of all of the above. But when's product-led growth right for you? What do you do if you want to get started? Speaking of getting started, if you're a product manager or product leader looking to get ahead in your career, why not get started with mentoring. Mentoring is a super rewarding super high leverage pursuit with incredible benefits for the mentors and the mentees. So if you want to get started along that path right now, head over to <https://www.mymentorpath.com> and sign up for free as a mentor and mentee, or both. Make sure you check the show notes for more details. You know it makes sense. All right. So back to product-led growth and all of the things we need to do to unlock it and what it means for the poor old sales team. If you want to find out what you need to think about when going up market or look down like it and really get your growth loops looping. Stick with us on One Knight in Product.



Jason Knight 01:07

So my guest tonight is Leah Tharin. Leah's a product leader, content creator, advisor and startup founder who proudly claims to crashed at least two of those startups into a wall in spectacular fashion. Leah's a self described mean cook who's taken a talent for mixing ingredients in just the right proportions, cooking at just the right temperature and coming up with tasty insights which are no frills, actionable operationalizing. And presumably won't stick in your throat layer has been writing a lot about product market fit and put it in and growth as well as a passion for all things machine learning and generative AI as well as also holding down a day job. So I'm looking forward to finding out all about that, as well as how she has time to do it all. Hi Leah, how are you tonight?



Leah Tharin 01:43

I am doing fantastic. What an introduction so much energy. I don't even know what to do with it. This is really good. Boom, boom, boom. 1, 2, 3!



Jason Knight 01:51

There you go. Right. Let's keep the energy going. You are the head of product at I'm hoping I'm pronouncing it quickly Jua.ai.



Leah Tharin 01:59

Correct.



Jason Knight 02:00

You've been a few months now. But, how would you in a nutshell, describe what Jua does for the world.



Leah Tharin 02:05

And it feels like years already. So what are we doing? Well, I'm gonna start off with something revolutionary, everybody claims that they do something revolutionary, but I will prove that we're doing something. So what we are doing is we're trying to predict the weather in a way that has been unprecedented. And what I mean with that is, is that we fully predict the weather based on a machine learning model. Now, if you're not in the industry, that doesn't sound that revolutionary. But so far, we've always tried to simplify the Earth's weather by simplifying physics, and then put a lot of smart scientists on it, what we're trying to do is we're trying to simulate the entire globe and then derive predictions from this. The result is something as crazy as ChatGPT versus what you had before, we can start to predict the unpredictable in an unprecedented quality. And that has huge implications. But it's pretty amazing. Now, that's what we're doing.



Jason Knight 02:58

So that does have huge implications. And I guess, the kind of old fashioned guy in me would sit there and say, Well, that sounds really, really hard as well. So is that something that? I mean, I don't know your background from a sort of machine learning perspective. But like, is that something that you kind of understand specifically how it all works? Or do you have to, as I believe all, PMs in AI should do kind of lean on the expertise of the really super smart data scientists in a team and kind of just concentrate on the user.



Leah Tharin 03:26

So I would call myself a technical person, right? Leah knows how to structure an API, how to call an API, I know how to code but I have absolutely no idea on what's happening in our model. Listening when it comes to machine learning, as a stat, this age old question of should you have two main expertise as a product person? It doesn't matter whether you're a head of

product or an operational pm? I think, no, it's not necessary. I mean, I understand the weather better than I do machine learning. And I understand the weather relatively little right, in that sense. So to your question, Do I understand what's going on? Absolutely not. But I understand the implications. And I think, when it comes to product, this is a really good thing. Because if you cannot explain the value, at least in a simple term, you don't need to know exactly how to create a car or like how the combustion engine works. But you need to be able to explain how you get faster from A to B, in simple terms, and it doesn't matter in which industry you're talking about here. That's the kind of understanding that you need to get because you are going to connect to the business with the entire engineering stack that we have downwards. But it is a very interesting constellation, to say the very least right like, That's complicated. It's complicated.



Jason Knight 04:32

Now, it sounds complicated, but I fundamentally agree. I mean, I've worked in heavily machine learning backed products in the past or natural language processing and such which have all been obviously knocked into the, into the undergrowth, now by ChatGPT. But again, yeah, just concentrating on the user and the value that you bring in rather than yeah, as you said, because I think also there's this temptation if you're too close to technology that you try and start defining the solution for people rather than actually letting them work on it themselves as well, which Yeah, we're not supposed to do that. Right. But what was it that got you into whether in the first place, and like you say, you understand weather more than you understand the machine learning, but weather itself is kind of a niche, right? Like, it's not something that everyone would naturally go and walk towards. So was it just the fact that it was such a groundbreaking thing? Or was there some other reason that you kind of got attracted to job and the mission that they have?



Leah Tharin 05:16

Now, so for me, the path was a little bit different in that I got approached, this is not like I did not apply for a position. And then I was going through the recruitment process. This was just a CEO coming to me and say, Leah, we work together in the past, we have something interesting here. Do you want to have a look at it? And I did. And the thing is, it's not so much I don't look at things in the terms of, you know, like, oh, whether I'm very passionate about this, or like, that sounds amazing. I really do structure this like a business case, you know, like this is completely different than like trying to sell something to someone. This is me really going into the nitty gritty understanding, how likely is this going to pop off? Does this have a big impact in the world? And is this something that I want to put my name behind? The answer to this is yes to everything. And if you critically evaluate the business case, first of all, then you see that the market is huge, the impact of weather is insane. It's not just about climate change, we're talking about insane amounts of money that are being wasted because of how energy is produced, how energy is stored, and how the weather is becoming absolutely unpredictable. Like this can affect things like solar panels completely breaking down, you don't know how much you're going to produce over here and so forth. The entire industry is quite complex. And we've just been told that this is not possible, right? It's not possible. But then I saw the outputs. And I saw what the model can actually do. And we're not just talking about a marginal improvement, like we're talking about being able to predict the weather on a resolution that is so mind blowing, like I can tell you whether the weather is going to be different over there,

whether were this today here, right in a one kilometre grid, or like a sub mile resolution within 15 minutes, out two weeks, with an accuracy that has been absolutely unprecedented. And it does not take a genius to see like how much of an implication that this can have. The only question that you need to answer yourself is Do I have the answers to bring a distribution into this market? Get the first mover's advantage, and then blow the lid off? And I answered all of these questions with Yes, after some evaluation, and that's how I got into it doesn't matter so much for me that it was weather. But it didn't matter to me that it is something that has a positive impact on the world, for sure.



Jason Knight 07:27

Sounds really cool. And I think also, I would have loved to attacked you up before my recent trip where I got marooned on a small island because of the weather. So like, I'll tap you up next time just to make sure that I'm not planning my trips at the wrong time. But aside from that, and as mentioned in the intro, you also all over the web with your own content, got your website, you've got your newsletter, you've got the social media content, that you're pushing out on a regular cadence, got your podcasts doing some advisory work, as LinkedIn tells me. So there's a lot of stuff going on there, aside from the very complicated and presumably quite hectic stuff that you're doing in your day job as well. So I do have to ask, how do you find time to do that?



Leah Tharin 08:04

That's simple, there's three things that you need to do to be able to do something like this. First of all, if you get into a new job like this, it was very important to me that I'm not being in a situation where I have to justify myself that I'm doing a lot of stuff on the side. On the contrary, like this is something benefiting the company as well. Like if I'm writing something about the company, if I'm writing about the stuff that I'm doing, which I'm very passionate about, this is generating inbound leads. So I would never want to be in a situation where I have to justify myself to anyone. So this is being seen as an asset. And I'm saying this because a lot of people who start to do what I do in a job are being looked at. But how do you do this? Right. So like, you know, this takes a lot of time, that's the first thing. So you need to actually get kind of the conditions in place. They understand that when I do something on the outside, that this is benefiting the company as well. Second is don't have friends don't have a social life definitely helps. No, but like I have a problem with this notion that everybody can do this. It's like, it's like saying, Yeah, everybody can run a marathon. And I'm sure everybody can be an astronaut. Also, theoretically, it just masks. This kind of this is a lot of work. A podcast is a lot of work. Yep, the newsletter as a lot of work. putting out content every day is a lot of work, talking to people organising everything is a lot of work. And I do everything at the same time in varying quality. But this is a lot of work. And not everybody can do this. Sure you're physically able to do this, but like driving consistency and doing it every day. So you do more than the average. And then usually you also want to be part of the top one percentile within the percentile that that just grows like crazy, then you need to commit a lot of work to this. So that's, that's the second thing. I do this because I enjoy it. I love it. Right. Like I have a lot of fun with it. And I have a lot of passion and I met a lot of important people in my life around it. But this is difficult, right? So like that's the second part. And the third part is this is not just me. I have a lot of people who helped me I have to Find people as well, like I found a great sound engineer, I have a lawyer, I have a designer, the one thing that I never outsource is my content. I don't do my content with

ChatGPT. I write everything by myself. Maybe at some point, I'm going to use ChatGPT to help me with research or something like you never know, I'm not against AI. Of course, I'm just saying that you need to learn how to make this entire thing efficient. I'm not someone that prepares for podcasts, I just tried and learn how to be quick on my feet, right, like talk about the topics that I do without a lot of preparation. And this is, this is going through everything. This is going through my advisory when I am on an inventory call with the client, if somebody approaches me on that, not on the street, but like on an event or something. All of this makes sense to me. Because everything that I do is feeding back into each other the learnings, the quick thinking, the podcast appearances, something like this, this is helping me this is helping you you know, like, it's all about creating relationships that are a win win for both sides. And that's how I essentially look at it. And yeah, I'm not perfect. So I'm also not a perfectionist. So I'm very happy to do it rough. But a lot.



Jason Knight 11:10

Yeah, that makes a lot of sense. And obviously, a lot of that resonates with me as well. And I think one of the things that I found having myself my fingers in a bunch of different pies is radical compartmentalization as well. Or as best as I can. So sitting down and saying, Okay, well when I'm working with you, or when I'm doing this thing, or doing this other thing that's got my time, but no longer than the time that I can allocate to it. And you kind of have to plan that a little bit, for me, at least otherwise, I just become completely chaotic. And yeah, just, again, as you say, just putting yourself into it, and accepting that it's going to come at the detriment of some other part of the way you could be spending your time instead. You know, let's see for that, I'll talk to my kids.



Leah Tharin 11:49

Yeah, and you have to be you have to be intentional, right? like you have, you have to be intentional, and you have to be, you have to accept that you cannot do everything. Yeah. And what I do is I block my time in my calendar for everything. Yep, just what I do. I'm a very, very organized person, but not by nature, because I'm inherently a chaotic person. But I take my time, every morning, one and a half hours to organize my stuff to write my things. And this is blocked, right? Like, that's the thing. I even blocked my, my walking time. Doesn't sound very nice for people. But hey, you know, no pain, no gain.



Jason Knight 12:23

100%. But in true self-promotional style, then let's block out a part of this interview to talk about the stuff that you're putting out there the content that you're putting out there, some of which I think is free sandwiches paid for subscriber content. So if people were to come over to you now and visit your website, or listen to your podcast, or just follow you on social media, what sort of stuff can they find over there? Like what why, I guess, and also, by extension, why should they even go and find it, listen to it, read it, apart from the fact you've put a lot of work into it? That's great. But what's in it for them?



Leah Tharin 12:52

Yeah. So I think from the content side, so what do I offer in some way? What can nobody else offer? First of all, I'm the only layer there is I mean, there's other layers, but the only layer down and as far as I know, that works in product and testers. So first of all, I have 24 years of experience coming from a UX background, and then I went into product and the product leadership, I advise dozens of companies, there's a lot of experience there. But the thing that I'm trying to differentiate myself from is that whatever I write is very operational. I'm not a very big visionary in the sense of like, oh, here, let me explain to you how an ideal state of product is, I'm always bringing it down to the operational level, what I talk about, and what I put out for free on product, lead growth, product market fit, like scaling, and also like, how do you structure growth? How do you pivot a company is by and large, free. I believe in sharing the secrets that we have everything. I'm not just like keeping the best secrets for me, or like I'm trying to be a little bit way. And that includes the operational learnings, the operational failures, of crashed a lot of shit of, of my stuff into the world. And I always ask myself the question, okay, is there a danger of what I'm just about to explain here to be misunderstood to not be able to be operationalized? And what this does is, I spend a lot of time with a small topic becomes a big topic, just to cover all the edge cases. Is this really applicable for b2b? Is this more for b2c and so forth. So what people get is operational advice on how to scale your company, usually geared towards product like growth. And the money that I make is from clients in my inbound that say, like, Hey, Leah, our shoot is burning, can you can you try to fix it? And can you try to advise us on us? Because it seems that you did you know that you know, your stuff around this. And that is the only way to do it. So the platforms in that sense are relatively simple. I'm on LinkedIn, I post once every day. I only try to put out really quality content. I do cohort based learning everything that can scale right. So like I don't do one on one coaching anymore. And I do this on Maven. So I Have a product lead growth cohort there, depending on when you listen to this podcast that might be already the second, whatever. And then there's the newsletter. So the blog itself, the substack, is a very interesting one, because that shows you also how I do it, I put everything out for free, but there is some stuff that is paid. I don't get my content completely. But if you want to have I don't know, instead of just two reasons what we did when we scaled small PDF to 32 million monthly active users, you want to have seven learnings, then you need to kind of subscribe for it. There's a good balance there, but I make most of my money with with the advising for sure, definitely. But that's coming through the inbound afterwards. So like the trust that I generate is through free content. And I think it would be weird if I would gate everything because that would not be very product like growth.



Jason Knight 15:47

So you're kind of living by the sword and dying by the sword in that sense. Now, what I think is really interesting as well, because I mean, I started the content stuff that I do when I had a full time job like two, three years ago. And some people said to me, since I was like that must be really useful, like inbound content marketing for you now, like do getting your face out there getting your name out there, all of that stuff. And I kind of agree that it is but it also wasn't at all intentional. When I started, it's kind of became that other than if it was the same for you, like you started out just doing it for the love of it. But then you started to realise kind of, or did you always have a plan?



Leah Tharin 16:18

I'm an extreme person. So I do extreme I do extreme experimenting, right. So like what I did

I'm an extreme person. So I do extreme I do extreme experimenting, right. So like what I did last April, not April, August, I think it was I sadly, you know, I have 500 followers, I'm gonna put myself in there two times a day. And I'm going to recruit the best product managers in the world. The one thing that I have identified for myself that was a big blocker was that recruiting good product people is extremely difficult, I had a ratio of about 700 CVs to one higher up, right. So I had to go through 700 CVs until I had one specific hire. And this was a very big pain point for me, because I don't particularly like recruiting people. So that was the idea. You know, and I also knew that okay, you know, like maybe there's something else coming from this and, and putting yourself out there as a personal brand, and so forth. And then it just took off, and it went really fast. The other thing is, I also have on top of podcasts where I now we like probably weekly or every two weeks, I just interview also industry leaders like us are doing here. And this is extremely helpful, because first of all of the positioning, of course, but also like you'll learn a lot from people like this. Oh, yeah, and trying to get me into a call for an hour is usually very, very difficult for anyone, except for the inbound leads that I have for the advising because I'm very intentional about my time I don't do a layout, let's go for a coffee a little bit. And let's get to know, you know, this time is over. And it's over. It's just, you know, if there's no business in it, I'm sorry, then it's probably not a good idea. But I'm trying to be very accessible otherwise, right. So like, you need to still strike a balance, very accessible on LinkedIn, and very accessible on Twitter, whatever, right like I am there, but not in person.



Jason Knight 17:58

Makes lot of sense. And I'll hasten to add that the check will be in the post as soon as this call is finished.



Leah Tharin 18:05

Very good.



Jason Knight 18:07

Speaking of being accessible, I'm just going to interrupt myself to remind you to pop over to <https://www.mymentorpath.com>, a free product manager mentoring platform where you can get the support you need to uplevel your career, you can sign up now to be a mentor and mentee or both. Make sure you check the show notes for more details. Right, back to the interview.



Jason Knight 18:26

Speaking about content, you write and talk a lot about growth. And you've touched on it just now product growth, like a big part of the content that you're putting out there. And you put a great article on your website, I guess substack layers product lead growth guide 3.0. Now I'm assuming that means that 1.0 and 2.0, both crashed into wars themselves, but in the 3.0 version, just for the listener book shaker the head there. But in the article, you boil down product lead growth to show don't tell. But if you had to be a bit more specific than that to a curious non product, lead growth type person right now that was listening to this, how would you specifically describe product lead growth?



Leah Tharin 19:06

So there's two problems in the sense that first of all, there are two groups of people or like three groups of people, those who've never heard about it, and then you have those that heard about it, but have a wrong perception of it. And then there's those that know. And I think for the first two groups, it's very important to talk about what it isn't because some people mostly have an idea of oh, this is about trials and premiums. And this is a B2C thing. First of all, what they say is, is overly simplified. As you said, it's about showing and not talking about value. That usually means that you have a self serve motion somewhere where you say, like, Hey, we're going to give you something of our product for free in some form to try so you can realise and experience some success that helps us afterwards to convert you into a paying user if or if not, whatever, right? So but like it's about self serving value. but it does not necessarily always mean trials and premium. Oftentimes it does. But that's what it is. Now, how is that different from before? The reason why we're talking or like why there is a name for product led growth is is that this is an actual B2B concept. It is very helpful in B2C. In B2C, it's just like good product management. But in B2B, what it means is that v buyers are starting to behave much more like B2C clients. And what that means is, in B2B, it used to be not very common that you could just like sign up for a service and then put in your credit card, and then you have it in your company, you know, like you had to go through an entire process that was a separation between the buyer and the user, and so forth. But this is not the case anymore. You need to have a good tool that is easy to onboard. You don't want to talk to salespeople as well. It's not about removing salespeople from the process. But what we do with product like growth is we take sales, and we put them as far back in the process as possible. The idea is, we want you to be able to make an objective assessment of whether our product is good before you have to make a decision. And that is fundamentally different than what we did so far, which was optimising acquisition. So optimising acquisition means marketing is getting better and better and better and faking the message in saying, we have the best tool in the world ChatGPT, we have now as well, it's incredibly simple to create marketing messages to branding, and so forth. So what is the downside of this? The downside is, if everything looks perfect, how do I identify the good thing, and there's only one way to it, and that is trust. And this trust can only be generated by being honest, and honesty can only be generated this time by actually using the product. And that's what product-led growth is.



Jason Knight 21:46

So there are going to be some people listening to this now may be working on slightly legacy products, or enterprise products or products that have just been around a bit, or maybe just products that have always kind of hidden themselves behind salespeople and guided demos and people who can get in past the flaky bits. And they're gonna be sitting there thinking, if I put my crappy old product in front of some prospects straightaway, now, they wouldn't get three minutes into it before they just decided never to come back again. So that's going to be then fairly terrifying for them, I guess. So do you feel that there's a I mean, obviously have a new product, you can just sit there and you can kind of try to engineer some of this stuff in from the start. But when you've got these kind of really old crappy legacy products that just have nowhere near? Do you feel there's any hope for those people to kind of get down that path and start to make steps towards it? Or do you think that they're probably better off? Yeah, I'm trying to either go for some hybrid thing or just not even trying?

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Leah Tharin 22:42

I hope so. Because otherwise I would not have any advising clients because that is exactly the kind of group that I'm advising to. So there's, we need to take a step back first, and I try not to overcomplicate things here. Yep. But let's take two things. The first one is product like growth does not replace sales-led growth in any way. Let's just get this out of there. Okay. It just addresses a different segment of the market in a better way than sales lead. Probably can, which is the B2C market and the lower B2B market. However, now here's where it gets a little bit dicey. So let's say you found a new company and you're doing a product lead growth, you know, you have a trial, you put it out there, this is a very common thing for tech and SaaS, and so forth, and you need to move up market. So your average client has spent maybe \$500 on your product, before they churn, right. So like per year, you make \$500. And now but you have an idea and say like, Hey, you know what, we want to expand our base a little bit and create a product that can bring 5000 per customer, you know, like a small CRM to a bigger CRM. So now we're going to expand the product. This is done through product lead sales, and what we call this. So what product lead sales is, is that we take all the quantitative learnings that we have from our down segment, right, the b2c market or direct to customer market. And we use these learnings, attractions and analytics to help sales which occasionally comes in to close the contracts. And how do we do this, we have occasionally someone in our inbound that says like, hey, you know, I want to use this for school, I have 50 clients or like I fit or like 50 users attached to this. And then we surface this data to sales, and then help them identify the leads that make the most sense. So in this mid market segment that I'm talking about right now, it's about finding the good leads, and then approach them with sales if necessary, after they have reached a lot of success with our product, right? So like, for instance, this could mean like, hey, if this works for three students, then it probably also works for 50 students. Another conversation is a completely different one. Now, let's say you nail this down. Now you want to get to the really big accounts. So you want to close to 200,000 to 200,000 accounts. Now we're in an enterprise segment. Now it's getting completely difficult in a different way because now you don't have to date anymore. You don't have to quantity anymore. You have maybe two to three clients that you can close per salesperson a year. So what do you do with this? It's still easier in the end to start from the bottoms up and then go all the way to the top because you still know how the product performs in your mid segment, right? Like it's easier to go from the mid to the high segment. You may not have to date anymore, but it's still the same product, like it's still people using and clicking around in your product. So everything that I just described is a very classical journey of plg going upwards. Yep, here's where it becomes really complicated. If you are starting off the other way. Now you try to go from the top to the bottom. This is where the difficulty comes. And this is why I'm being paid so much money. Why is this difficult? Because you cannot move or only with a great difficulty into the mid segment. Why is that the case, because it's easier to create a self serve kind of product, if you can have what you have for your enterprise clients that works for B2C customers, and teams. So like a very, very small version, to just get qualitative data in and quantitative data on how this is actually being operated. And this is usually the first time that a sales lead company has ever done something like this. So they don't have the data in place. They don't know what to do product development with, you know, the users telling you that everything is shed. Because one thing in a sales lead process is that the customer feedback is very obscure. You have a couple few clients, we have to rely on what sales tells you what they think about and this is not a substitute for quantitative data. So now you're trying to attack a segment at the very, very bottom, and this lead from enterprise to B2C clients. Well, not that not necessarily B2C, but like lower B2B is a very difficult step. And you need help with this. And the last point on this is, after you've nailed this, then you can go and cover the mid segment. And this is What's so weird

about this, right? Like you can only do product lead sales after you've done product lead growth. And that's kind of the problem of the entire story. But yes, to answer your question, it's definitely possible.



Jason Knight 27:03

There you go. Hopefully, some people will come and pay you lots of money to get them to do that, as well. But you recently posted an article or a segment of an article which asked the question is product lead growth for us as being the readers of the article? And in some cases, I guess, some of the people that you just described in the segment just now. But you also said that you commonly have to answer no to that question. So I guess I do have to ask like product led growth, obviously very popular, very on trend these days. Lots of people want to give it a try. Who is it for?



Leah Tharin 27:36

There's a very simple checklist that you can do that, in general is quite accurate. So the question is product lead growth for us should be expanded by the word now. Is it for us? Now, there, let's say you would be hypothetically in a market that is super innovative, and you have the best idea in the world. And it is so radically new. If we say that product lead growth is about users acquiring other users, so word of mouth, like Hey, Jason says like Leah is amazing. And then I'm going to recommend that to someone else, if you cannot easily understand what I'm offering to you. So like the value proposition is so specialised and it is so difficult to comprehend, that you cannot tell your mom what it is about, then this kind of this entire distribution channel is close to you. So what does that mean? Let's say you take Tesla or any electric car manufacturer today, definitely product like growth products, because they don't need to do any marketing. Right. Like they don't have to advertise on walls and this and that, because like everybody knows what Tesla is right? You know, this driving around, you also know what I like to call cars are. But if you rewind 10-15 years, the concept of an electric car is not that easy to explain. It's not about understanding, it's just like a hat. Dude, this doesn't make any sense, I don't see the problem, why should I do this there is no electrical infrastructure and so forth. So, what you have to do is you have to generate interest through sales in a small sub segment of the market to actually drive the demand in the future. And the way that they did this was through the Model S you know, like the the very expensive roadster and so forth. And this is a very good example where you have to start with sales lead. And then at some point, you kind of transform it into a product lead growth approach. And this is not a cheap product, right? Like it's a car but but and this is the important thing. Now the acquisition works through recommendations mainly like this brand is very strong. So if you have a non existing brand, if you have a product that is so revolutionary, that it's not easy to explain like a new category. Or if you have absolutely no chance of just letting your product sit somewhere and then people can do something with it then maybe you should have a salesperson explain it. This is not about convincing people this is about telling people who might not know that they have a specific need. That there is something because if people do not act We search for you. Product-led growth is probably not a good solution for you.



Jason Knight 30:04

A humbling takeaway there to think about before we go on to the product growth rollercoaster.

But the thing that you just said about salespeople again, I think if we go back to the sales team is really interesting, because if we're starting with sales lead growth, for example, if we're starting with more of a traditional sales motion, and then we're going to move on to product lead growth, at some point after that, maybe once we started to prove some of those things out, it may well be that we've hired a very specific type of person to come in and type a type of seller to come in and do that selling and build an entire team. And a lot of muscles around that whole sales motion that then is very difficult to unpick, and maybe you're gonna say that you've got loads of experience, and picking up with the companies that you're advising. But how do you get past that? Like, do you need to just retrain the sales team around this new way of working? Or do you need different types of salespeople? Or is it kind of just a real mixed bag,

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Leah Tharin 30:57

it is extremely important that people understand that despite the name product, in product-led growth, that this is not a product initiative, this is a company shift. That's the first thing. So the second thing is product doesn't own this in any way. But usually, the growth teams are attached to the product silo. So now what does that mean? Well, it means practically, so what I do is we have an inventory, we try to understand the company and let's say, okay, like, we're going to do this contract the sign, let's start, the first thing that we do is usually sit together and understand from a very top down perspective, what is specifically customer success for our customers, and it has nothing to do whether it's through a salesperson through the product, or whatever. What is the problem that we're addressing here? And usually declines usually know this quite well, right? So when you're sitting together, we're trying to define these different stages in the new usually try to break it down into four consecutive steps. What does it take to get to know us? What does it take to get started to us like the first aha moment? Did you have a eureka moment, habit, blah, blah, blah, all this kinds of stuff, you can do this completely, irregardless of whether you have a software or whether it's explained through your sales. And the second thing is, if sales is in part in the boat with this sales is usually also incentivize through incentivization structures that are very, very classical and very, very old. You needed to think about it at some point that what you are incentivized on, is not just the amount of signatures and the amount of contract value that you're getting in but also whether your client is successful. So what does that mean? It could be that instead of getting 20%, on the ACV, closing of the yearly contract, that you might get a specific bonus if the customers still happy with us after six months, and you actually might get more money if they close low first, instead of high. Now this is very counterintuitive. Why would I do that? Because every revenue is good revenue actually isn't. It's not true. You what you want to get with any function in your company is good revenue. And good revenue is revenue that is lasting and is renewing all the time. And one of the problems that you have in classical Sales Lead enterprise contract, is historically, they last for two to three years, maybe five years before they are being dropped off. That is longer than the average sales tenure. So why should sales even care whether this client is renewing or not? Like, you know, it's just a reality of the business. So usually companies have a very bad overview of what happens in a contract during the time of that duration, unless it's a huge contract, because then what they do is they hire account executives that babysit one client. But there is a very big segment of clients, where this is not affordable. So you cannot have someone sitting next there. And they're like, yes, please, can we do this, please, and so forth. So we need to have quantitative data, that surfaces whether they're using the product, how they use the product, and whether there are signals from us

that we know, oh, they're being unhappy, we need to do something about it. You should always know before the customer, that something is bad. And that's one thing that we can do through product like growth and product lead sales. So that's that's the idea there.



Jason Knight 34:07

Yeah, absolutely. Well, let's talk about those analytics and the metrics a little bit then because I mean, obviously, if we assume that there are some people that product lead growth is for me, I think we're pretty comfortable assuming that and that companies are going to get started, they're gonna go down that path, they're gonna start seeing some success, or maybe even bump into some challenges down the way. What are some things that product teams and company leaders and the teams around the business need to watch out for once they've started, like, ways that they know that they're winning ways that they know they're on track and ways that they know that they don't need to adjust it in some way?



Leah Tharin 34:40

So this is a finicky one? Because the answer here is it depends. So a very good one



Jason Knight 34:44

Classic Product Management!



Leah Tharin 34:45

No, but like this is so like, it depends, but we also know what doesn't work. So for instance, what does not work is product sense, right? So like we cannot yeah, like I think this makes sense. No, it doesn't, right? Like you need to kind of you need to find signals that are measurable in some way. And Even if you have absolutely nothing to measure, which is a very typical thing in API businesses, for instance, because you cannot determine by the usage, whether someone is happy with the product, yep, it can also be that the less you use the product, the more successful you are with it. That's also very typical. So engagement is not a binary thing. Like all they're clicking More around or less. That's not what I mean. What I mean is, would you recommend a product to someone else? Would you invite other people to collaborate with you in the product, just generally speaking, if you are unhappy with it, probably not. So this is a very good signal, for instance, to say, like, Hey, this is a proof that we see in the product that something is happening. Now, the higher up that you go with your ICA is, you know, like the bigger that the clients are, the less data you have for this. But this is why I said, we can learn from what happens in the lower B2B segment in the teams. And this is another quite important point, because you should measure engagement and success in teams rather than individual users, the more we can actually have conclusions that are also applying to the very big enterprise product. So what you have to look out for if you really try to cover a bigger segment of the market is that your product should be measured in terms of success, not only on an individual users basis, but on the teams because if you do it right for a team, the chances are that you're also doing it right for a bigger team. And then the side effect of this is, if you're looking at it, and you say like, Hey, I'm going to onboard a lower segment like this

right, with lower I mean, B2C, you know, like, not that much worth, at some point. Some of these clients are starting to mature into big clients, with you. So what you also need to measure is, How good can my product scale from being a small thing, to a big thing. And that is expansion revenue, when we're talking about this, this is not just about, oh, I want to upgrade my plan. This is about how does your product look different for a small team versus a team was 25 versus 2500. People. If you can bridge this, and you have one product, good for you. What's quite difficult to do. Sometimes you need to have different products to do this. But then the migration between associate has to be easy. But this is the entire business case of HubSpot, they get you in while you're small, some of you will grow up, right. So like it's almost like seed investing. And the ones that do grow up with the accounts are making it definitely worth that you talked to a salesperson in the first place. So expansion revenue is extremely important. And a last point in terms of reporting and getting the data right is also on the financial side, you need to start to differentiate what your revenue is. Because at some point, it's not just anymore, oh, we have that much arr. It's probably how much of this is self serve. And how much of this was attributed to product lead growth, right? And then over time over after a year or two, how many of those that actually then because of us also mature into bigger businesses. And that's what you want to look out for in a very, very, very rough nutshell. But unfortunately, it depends, and it's very individual.



Jason Knight 37:59

Absolutely. But it's a good starting point anyway. But actually, I just want to touch on the measurement slightly more the recommendation measurement, because I seem to remember you put something up recently complaining about MPs not being a particularly good metric, which is obviously the classic go to metric that people use when they talk about recommendation. So what would you use instead?



Leah Tharin 38:18

So what's the problem with NPS? It's not so much about the NPS, I just liked the topic because it really drives a lot of visibility, because everybody feels like I stepped on their toes. So the problem of the NPS, so how likely would you recommend this product to someone else? is first of all, it's a hypothetical question. That's a very bad thing for any metric. That's the very first thing. Yep. Why? Because people are inherently bad in estimating how good they are at something if you ask. And this is not just like, I think normally this gets recounted as this is applying to men, but this is for everyone. How good are you as like a driving cars in average? 90% think that they're above the average, which is great, that's good. But the thing is, we're really, we're really, really bad at this. There's a lot of research on out there quantifiable, verified research, where you can actually check how bad we are in estimating things like our own abilities. So why is this important? Because if we're bad at it, if we don't know what we're actually suggesting, then we need to also get the measurements into character actually kind of keep us in check on it. So what is a good thing? It is about asking about past behaviour. It turns out that you can predict future behaviour much better based on past behaviour measurements, that this person already have a car that had already had, like the data, how did they make their buying decisions and so forth, instead of going with what people think that they're going to do in the future? That's the first thing. The other thing is, how do you make this actionable? Highly depends on whether you can compare it to something else. The NPS is traditionally usually measured over your entire product. which is a problem because you have only one product

usually. And even if you have multiple products, and they're really hard to compare, because you're usually serving different things, so the only actual thing that you can actually compare this to is to other companies measurements. And that's not very helpful, because that's the third problem. Depending on when you measure how you measure, and what you measure to score is wildly different. Whether you have an NPS of 50, or whether you have an NPS of 10, does not mean anything, you cannot do anything with it. So a very good metric instead is CSAT. Because you're asking, like what has happened, right, right now, how happy are you with this particular feature of the CES as well, where you really drill down on individual features. So like in a car again, as an example, if you use the wind wipers? How good was this right now? Because it turns out, it is possible that your customers love your product, but they hate individual features. And you want to address this before becomes a big thing. So you also need to be able to quantify this, because industry benchmarks are a nice thing. But one of the most common questions that I have, in most of my advisory calls is we have this in this conversion metric in our product, is this good or not? And then I say, I don't know, I really don't know, I see a bad metric. I recognise them if they're really, really bad. But I cannot tell you whether you have reached right now a good metric, because I don't know what the potential is. It's always very, very individual.



Jason Knight 41:22

But I guess the good thing is, at least if they're measuring something, because there are a lot of companies out there that aren't measuring anything, or not measuring anything particularly important. So as long as I'm measuring something, then you can start to track it and look at trends, I guess, what I'm pretty sure that we're blocked out for five minutes more, and then you probably got another thing that you got to go and block into. So let's do a lightning round. I know that you love AI. Now you're working with it day to day, but also you specifically called out generative AI as well as a particular passion point at the moment. So just have to ask how you'll be you've already said you're not using it for your content. But how has chat GPT changed your day to day life? So far?



Leah Tharin 41:59

I think ChatGPT specifically, is an incredibly strong research tool. And it's not so much in like what the content or produces. So for me, what I do is I validate a lot of business cases, I tried to get an idea. It's basically just like having a conversation on demand with someone that knows a little bit but not very well. So what is interesting for me is, is that if I find a study that I've never that did not hear about or like the size of a specific market, or whatever, you need to verify everything, and that's fine. But that's how I use it. Right? Okay, so I use it a lot for initial research lectures to like structure specific business cases, and then I dive deeper. And then I need to do it also, again, like very, very individually. So that's how I use it mostly, I think it's terrific in also QA. So for instance, what I did is I ran our entire API documentation through chat GPT, which is a public document, don't run your secret code in there. And then I just asked it, okay, now behave like a customer and try to query the data for whether in this particular location in the next two weeks, and then it spit out a script. And then if the script doesn't work, then you know, something is wrong in the API documentation. So it's an incredibly versatile tool. And the limit is, is where your fantasy obviously ends as well. But I would say chat GPT, in that sense, is extremely strong, because it also shows you, you know, like, it's some glimpse into the future where you have very, very little time to get some feedback back. However, it is

important to note, this is also from coming from someone that works in AI and machine learning. Because I know a little bit more on the behinds of this. It's garbage in garbage out, which means this is an interpretation of what is fed to it, and not necessarily an interpretation of facts. So church EPD cannot evaluate whether something is objectively true. And that is quite important to realise, because that is a big limitation that the model has right now. And we don't know whether this is ever going to change. But this is the current state of what we have. And yeah. So, but yeah, it has changed my life dramatically. And I think I haven't seen such a leap in technology in the last 10-15 years, for sure. So it's gonna get wild.



Jason Knight 44:04

No, yeah, it's only just the beginning as well. So it'd be interesting to see what comes next. But just to clarify, what we're not saying is that we can just go in there, say, do put your company's headline in, say, product lead growth me, and it's going to automatically come up with a winning strategy to get your product growth strategy up and running. We're not saying that at the moment, are we?



Leah Tharin 44:22

No, not really. I mean, it's got to come up with some suggestions. I mean, at some point, you can also train it probably unless content and then you can pretend to talk to me. You know, I don't know where it's going. But I think what it definitely does is it makes product management and the creation of products itself easier than ever. So it's easy to build something. So what's going to change again, is that this is also why product led growth will take off more and more and more now also because of AI because acquisition and the advertising of things have been never easier than it is today. So I think that's what it fundamentally changes so the only way to do it make money in a market like that. This is to show your product. And that's just not the way that it used to be 10-20 years ago.



Jason Knight 45:06

Yeah, I think maybe some tool that can tell us all the glaring problems in our legacy, SaaS apps would be a good start as well, maybe I can start to point us at the worst problems that we can solve. But in either case, a really interesting future ahead of us, as you say. So that that we're here for it. But where can people find you after this? If they want to chat about well, generative AI or positive growth or tapped me up for weather forecast?



Leah Tharin 45:30

Well, yeah, so either my website so <https://www.leatharin.com>, that's where the Substack is or LinkedIn, I'm very accessible. You can message me there, you can engage with my content. I cannot promise you that I answer, but I'm very happy to to be as accessible as I can.



Jason Knight 45:47

Well, I'll make sure to link that into the show notes. And hopefully, you'll have a few people

well, I'll make sure to link that into the show notes. And hopefully, you'll have a few people throwing questions into the void and occasionally getting something bounce back to them. If it's interesting enough, I guess. Well, that's been a fantastic chat. So obviously really grateful for some of your valuable time. I hate to add even more things to the to do list. Obviously, we'll stay in touch but yes, for now. Thanks for taking the time.



Leah Tharin 46:06

Thank you so much, Jason, for having me and gladly again.



Jason Knight 46:11

As always, thanks for listening. I hope you found the episode inspiring and insightful. If you did again, I can only encourage you to hop over to <https://www.oneknightinproduct.com>. Check out some of my other fantastic guests sign up to the mailing list, subscribe on your favourite podcast app and make sure you share your friends so you and they can never miss another episode again. I'll be back soon with another inspiring guest but as for now, thanks and good night.