Twitter Thread by Preetam Nath



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SaaS Marketing: Getting your first 10 and 1000 paying customers

So you've identified a problem and built a SaaS product. What's next?

Finding customers of course!

Thread ■

■ What is SaaS marketing?

Marketing is the set of activities you perform or strategies you execute that help build awareness of the problem you solve and the solution you provide in the minds of your target audience.

Lol, that's a boring definition.

Marketing is when you tweet, when you post on LinkedIn, when you wear your company's branded t-shirt before going on a podcast or video, when you run Google or Facebook ads, or if you write an article answering the specific pain points and questions faced by your target audience.

In the context of SaaS marketing, what you need to understand deeply are

• Customer acquisition cost (CAC)
• Lifetime value (LTV)

If you are selling a $50/mo SaaS product, should you spend time or money equivalent to $300 to acquire 1 customer?

It depends on LTV:CAC ratio.

If your average customer stays with you for 1 year, then $300 is a perfectly fine CAC.

Marketing experts have figured out that having a 3:1 ratio of your LTV:CAC is perfect, but in the early days you just need to know whether you are spending less than you are earning.

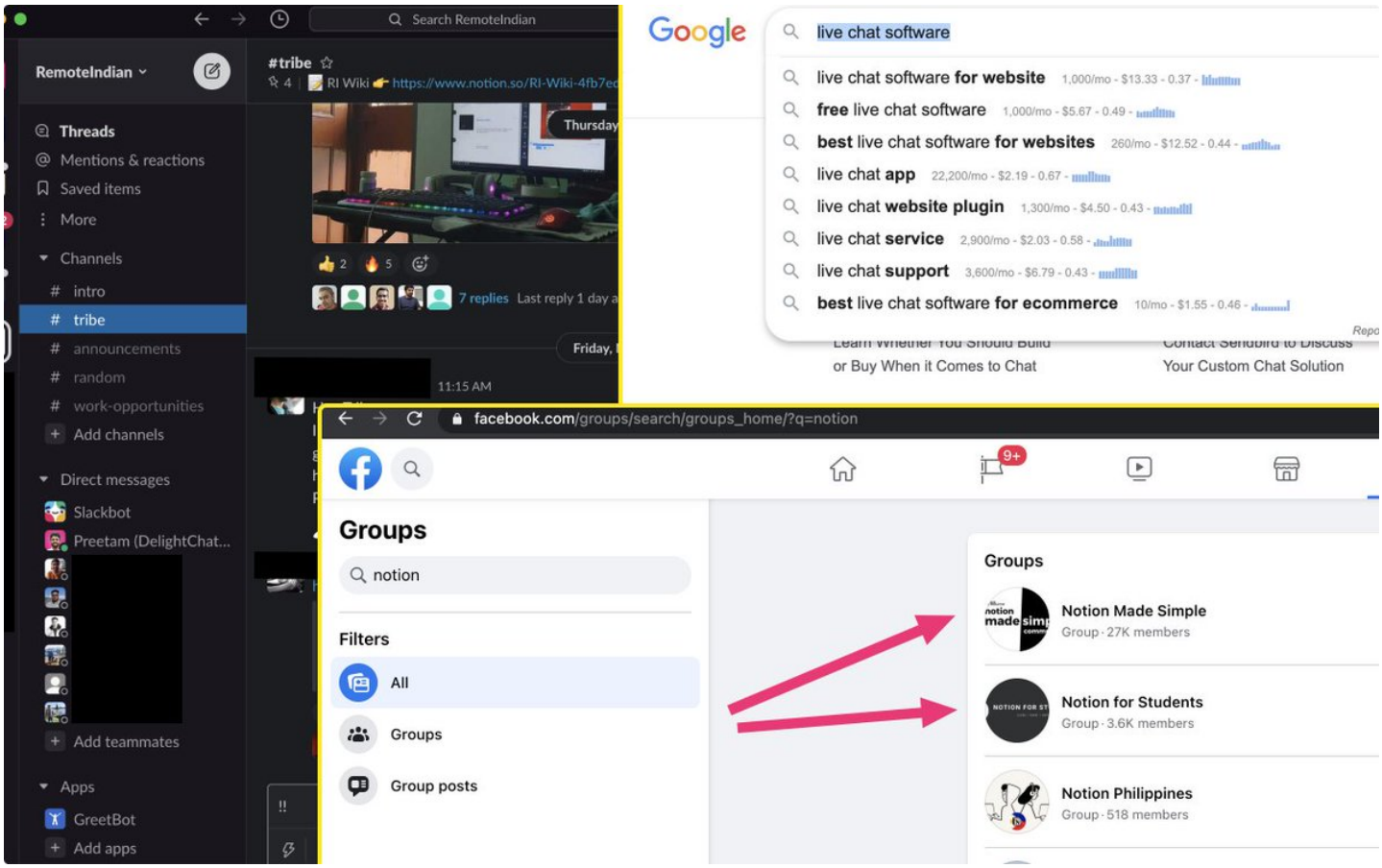
■ Know where your customers hang out

A pre-requisite for any marketing strategy is to know where your customers hang out.

If you've followed my Micro-SaaS guide so far, you would have identified at least 1, if not several, places where your customers hang out.

Here are some common places where you might find your target audience:

• Niche Facebook groups
• Niche Slack communities
• Twitter (tweeting about certain topics, or following certain accounts)
• Reddit (subreddits related to topics)
• LinkedIn (designations or hasttags)



• Instagram (follow certain accounts and hashtags that you can target)
• YouTube (kind of content they watch and channels they follow)
• Google Search (search for specific "keywords" on Google)
• App marketplaces (Shopify, Atlassian, Intercom, Slack, Salesforce, etc.)

• Email outreach (use tools like BuiltWith for finding a targeting list)

All of these avenues are freely accessible.

You only need to be

- genuine
- approach with the mindset of providing value
- craft clear messages that attract the attention of your target customers

■ How to get your first 10 paying customers

Ideally you should have already talked to 10 or more people who are willing to be customers of your MLP.

In case you haven't yet done that, then you should at least have identified where your customers hang out.

Reaching the first 10 customers is a manual and relatively straightforward process.

• Make a post on LinkedIn about the product, and then manually reach out to people.
• Tweet about your product, slide into existing tweet threads, DM people who engaged with those threads.

• Make a genuine post in a Facebook group or Slack community. Message people 1:1 who show an interest.
• Make a post in related Subreddits (eg. r/Shopify for Shopify apps) and DM people who engage. Or search for existing posts that match keywords and message people who engaged.

• List on marketplaces - Even with basic optimization such as name, description, screenshots), and if the problem has established demand, then you should get your first 10 customers from there.
• Cold email companies that match your parameters. Use data sources like BuiltWith.

By now, you get the gist. Be methodically manual in reaching your first few paying customers.

The purpose of this exercise is not just to get your first 10 customers, but to also understand well where they hang out, which channels they respond well to and which ones they don't.

■ A marketing strategy to get to 1000 paying customers

You've got your first 10 customers, you probably even got 50 customers by following the manual outreach processes.

That's great! That means you have a repeatable process to continue acquiring customers.

If you are patient and don't have a desire to hit some revenue targets within a defined timeframe, you could continue the manual outreach process for 1 year and easily build a $10,000 MRR business.

Or, if you're lazy like me, you would want to invest in building a system which initially doesn't produce strong results, but over time grows and brings in way more customers than you manually could, while you sleep.

Building a marketing engine is different from the manual outreach process, in that you want to perform activities that draw out customers and bring them to you.

■ Let's take an example SaaS product and come up with a marketing strategy.

Imagine you were building a product for founders of other SaaS products to collect feedback from their users.

There are a few ways to approach marketing such a product.

1. Write extensively about all the problems that are directly related to the exact problem you solve.

Example:
- How to talk to your SaaS users
- How to collect user feedback for your SaaS

If it works, write more posts and gradually expand to more peripheral topics.

2. Create a Slack or Facebook community that will attract people who are building SaaS products.

You can do that by helping community members with their problems:
- customer communication
- understanding user's needs
- collecting feedback
- prioritizing feature requests

3. SaaS founders hang out and are very active on Twitter.

You could become an authority source of building and growing a SaaS business, either via writing tweets or threads, sharing useful posts, or writing your own posts.

Your account followers would be your future customers.

4. You could host a podcast which interviews SaaS product founders, talk about their pain points, challenges, how they overcame them (give value to listeners) and also talk about the customer feedback loop.

Experiment with various channels until you find one that works for you.

Any of the avenues in the list of places people hang out can be turned into a repeatable channel.

The keyword here is "repeatable".

The example SaaS product I've been using so far actually exists. It's called @upvoty and its founder Mike has been following a marketing strategy very similar to what I've outlined above.

Upvoty also recently crossed $100k in ARR, so give @mikedotsaas a thumbs up on Twitter.

■ On Product Hunt, Show HN, IndieHackers, and other "one-time" launches

I see a lot of bootstrappers, indiehackers, makers and micro-SaaS builders focus too much on a Show HN, or Product Hunt

launch.

It's not a bad thing.

It can certainly work out for people whose product's audience overlaps with the audience of HackerNews or PH.

However, I think equal if not more thought should go into

"how do I acquire customers everyday, for the next 1 year".

So if you're someone who makes a huge splash on PH or HN and then goes back to product building until the next big launch, I urge you to reconsider your approach.

Do your launch, but then continue working on marketing your product everyday.

■ Split engineering and marketing 50-50%

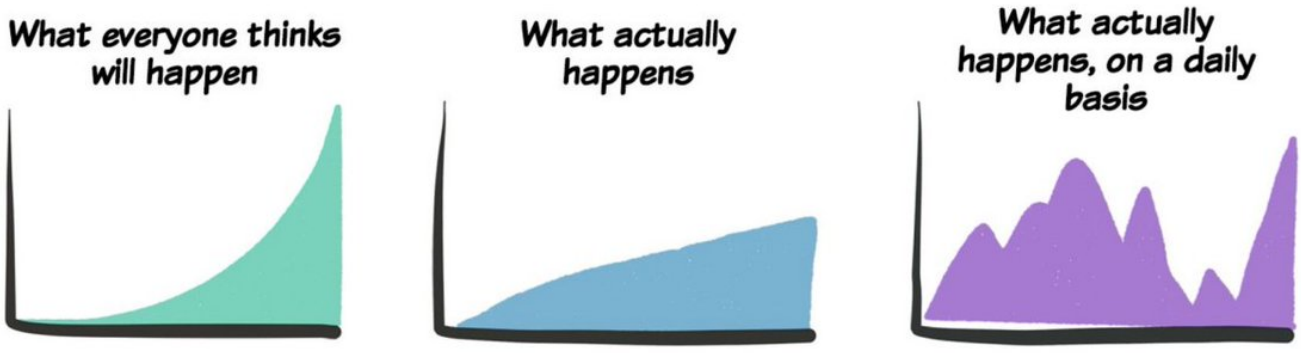
If you spend 1 week building features, take the next week in writing a blog post, or creating a series of Tweets, or value-adding posts that you can share in a related Facebook or Slack community.

■ The long and slow SaaS ramp of success

People call it the long, slow SaaS ramp of death. I think the title above is more apt.

You're not going to get rich in one day, or month, or even a year. In reality, the journey is going to look like this ■

(credit: @Shpigford)



But if you stick to your guns, namely

• solving a real, validated problem

• talking to your users, understanding them better
• improving your product every day
• spending part or half your time in marketing

You are bound to succeed. It's almost impossible that you don't.

SaaS is very formulaic unlike B2C consumer apps. It's why I like SaaS so much.

Sure, the magnitude of success would be different, and timelines might vary.

Some might get to $1mn ARR in 12 months, and some might get to $100k ARR in 24 months.

But the outcome is inevitable.

So commit yourself to building in the long run, stay focused on your users and the problems you solve for them, compare your outcomes only to yourself and not others, and push through the days that feel like a grind.

And if some days feel like too much or you're confused on what to do, drop me an email or DM me on Twitter (details below). I'll try my best to help :)

You can find the full post on my blog below.

This is also final entry to my Micro-SaaS guide. It's been a pleasure writing my first Ebook of sorts.

Think I should cover more topics for the guide? Let me know!

https://t.co/Y7Ui5jgdCz