SasSconversio.io Thesis

How Growth-Stage SaaS Companies Predictably Add +35% Growth in 12 Months without Major Investments nor Ridiculous Testing Marathons.

There is eye-opening proof. + 57% web-to-demo conversion rate achieved by Caplena.com, +67% achieved by monsterzeugs.de and +121% achieved by Teachinguide.com Tom, Sascha and Maurice are SaaS CEOs and don't know each other, but they shared a pain: Conversion rates.

With this method - Not anymore.

All this is back by a recent study from OpenView researching reasons for grows across 151 SaaS companies. Results couldn't be more clear: Conversion rates are the key to hyper-growth, not customer retention or product-market fits. Growth Stage businesses have fixed this issue already.

CRO can be complicated

If you are a CRO pro, you most probably have many approaches in the past and have had some successes but improvements are likely to stagnate. It left you feeling sometimes fighting windmills.

This is not your fault - the truth is that best-in-class is mostly a matter of luck: It is impossible to manually optimize an unknown formula of that huge complexity.

Most SaaS Marketers well know the available growing tech stack -with AI and all this - is overwhelming – still many are well aware that breaking the odds is **only** possible by leveraging the latest tech. They understood that building the right tech stack is the key to hypergrowth.

One key study though illustrates that there is HUGE room to drive conversions north. Unbounced reviewed over 6.532 SaaS sites and found the median conversion rate at 2.9% . Striking now is that the top quartile (1 out of 4 sites) has a conversion rate median of 24.2%! This are 828% more!

Chances are that you are stuck in mediocracy too!
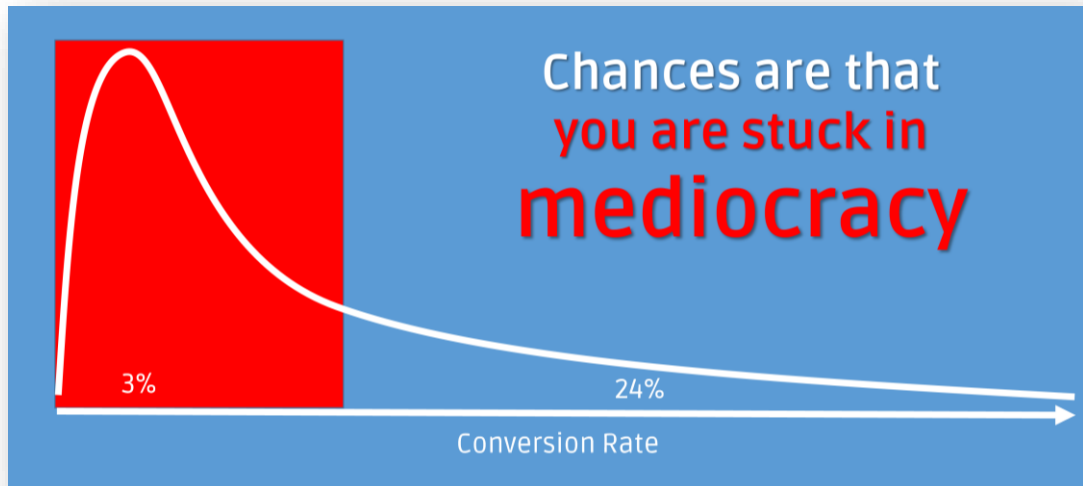
You do not necessarily understand why THEY are successful. Because every business is a bit different.

More important is it to learn what YOU can do to enter the top quartile. Imagine you could find out!

Let's take a closer look at how one can leverage the tech stack of our times to work wonders.

Who is this method for?

This approach is only for SaaS Revenue Growth Leader or Marketer with at least $10M ARR who wants to revive revenue growth to the next level and need to fill pipelines better.

These professionals are constantly challenged by their CEO or sales department to get MORE qualified leads. This makes them feeling frustrated as conversion optimization is extremely tedious with hundreds of options and parameters to play with.

At >10M ARR it's all about conversion as product-market fit has been proven out well. Costs to invest in great tech can be recuperated in days not years if you sustainably level up conversion rates.

The Core Concept: Smart Exploration

Here's the truth: If you achieve best-in-class conversion rates in every stage of the funnel, you can even double revenue growth easily.

However, the **universe of possible options and tactics** in your funnel is INFINITE, making it **nearly impossible** to finding killer tactics in a FINITE time frame.

This approach is targeting to filter out those few tactics out of an infinite universe, that drive the most impact.

Impact Can Be Game-Changing

It was already 2013 when a causal AI gave the crucial insight that made T-Mobile raise like a phoenix from a nearly ruined underdog to the superstar of the industry. The result – quadruplets market evaluation in 4 years while AT&T shared declined.

The same AI is now applied to boost conversion rates.

It was 2018 when in preparation for the world's largest insight conference Reed Cundiff read my submission paper. Reed was the Global Head of Customer Insights at Microsoft. While managing a team of over 100 high-skilled researchers, he realized that this technology can be a cornerstone for them. One year later Microsoft is fully leveraging it with huge success. Exact figures are top secret.

How to Achieve Best-In-Class Conversion Rates?

No doubt there are many ways to Rome. Some are foot trails across the alps and other German autobahns. This are the 3 steps that -in conjunction- are you autobahn to hyper-growth.

1. ASK YOUR VISITORS

Sometimes things you believe should work simply don't. There was this SaaS around Weddings and they prominently featured "free 14-day trial" and "No credit card required" as the key information to get visitors to convert.

It turned out to phrase all this in a way that mirrors the emotional value of the produce (like "Create a beautiful personalized website and organize your best day in minutes " with CTA "I want to try it out") increase conversion by 73%.

Long story short. You don't know what you don't know. Our know-how and experience had been collected in a certain context and the relevance of this largely changes in a different context. We need an approach that gets beyond the knowledge we already have.

Website analytics (or A/B testing) will not tell you, what visitors think, feel, want, miss, or find confusing.

TRY THIS:

- Ask open questions to get unbiased feedback (survey pop-ups).
- Ask to rate the website to measure the context of the feedback.
- Ask BEFORE the outcome, not after.
- "Pro"Option: Measure the real outcome after the interview.

"I fear pop-ups disturb visitors and increase dropouts." You may think now. Actually, the effect is marginal and in some cases it even reduces dropouts.

"Most visitors do not write much and what they write is cryptical" I hear people responding. True. If this is an issue, we utilize a probing/chatbot. Note: It is not the intention to understand one visitor but visitors as a whole. Missing data is not a dealbreaker.

"Visitors are not aware of what they do, want, and why they behave this way." a smart client recently responded. I said: This is partly true. Exactly, this is the reason we need steps 2 and 3 for.

This is how this may look like. A simple 2-question survey popup.
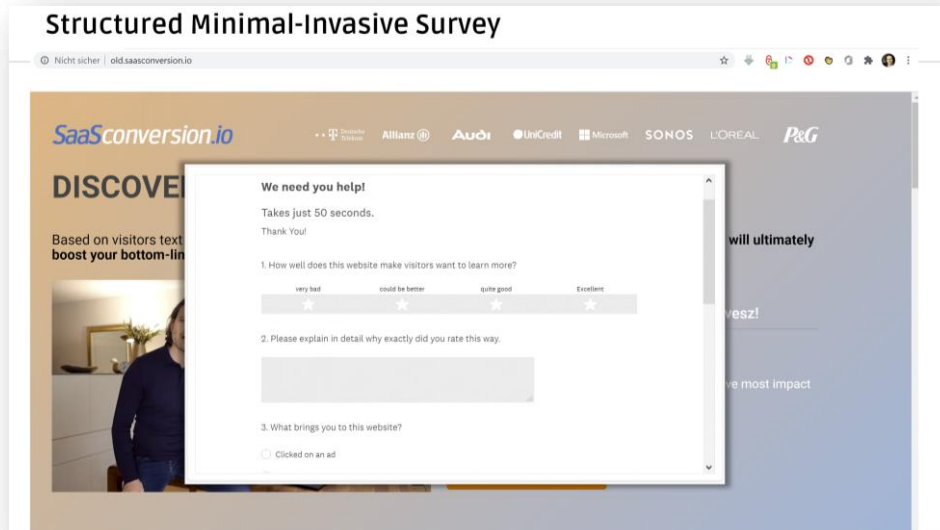
2. ASK MANY, CATEGORIZE ON SCALE WITH AI

Let's go thru examples. When I review the categories (themes mentioned) that we use for Microsoft, there are just 2 or 3 above 10% frequency. More than 95% is even below 5%. Why is this important?

If you would just qualitative, you would interview 30 visitors and count the positive and negative themes mentioned. 5% of 30 is are 1 or 2 people mentioning it. This does not give you a robust quantification of whats on visitors' minds. You reviewing just the tip of an iceberg.

Even worse, qualitative research is biased by subjective interpretation. That's where most values and information get lost. The first five interviews will largely determine what you are going to understand in interview 6 to 30.

The dangerous thing is. We are left with a deceptive feeling of understanding.

 TRY THIS:

- Ask more visitors. Not 30, but at least 1,000 or more.

- Let a text analytics AI, group the text feedback into categories or themes.

- Make sure the AI is as consistent, like a group of human experts.
 The AI will be less subjective and more consistent than a human.

The AI will group (=understand) text feedback in seconds, not weeks.

How can an AI ever understand the content of text feedback better than a human? This is only possible when a group of humans is sitting down and teach a supervised deep-learning algorithm. Just recently, machines became intelligent enough to beat humans – ONLY if they are trained by domain experts.

This means. Good AI does not get tired and is more consistent at scale. Also, AI can better categorize sentiment than human

But can AI understand sarcasm or domain language? The answer is: Absolutely. If a human can get it, he can train the AI to get it too.

Actually, we tested out many different NLP and text analytics software approaches.
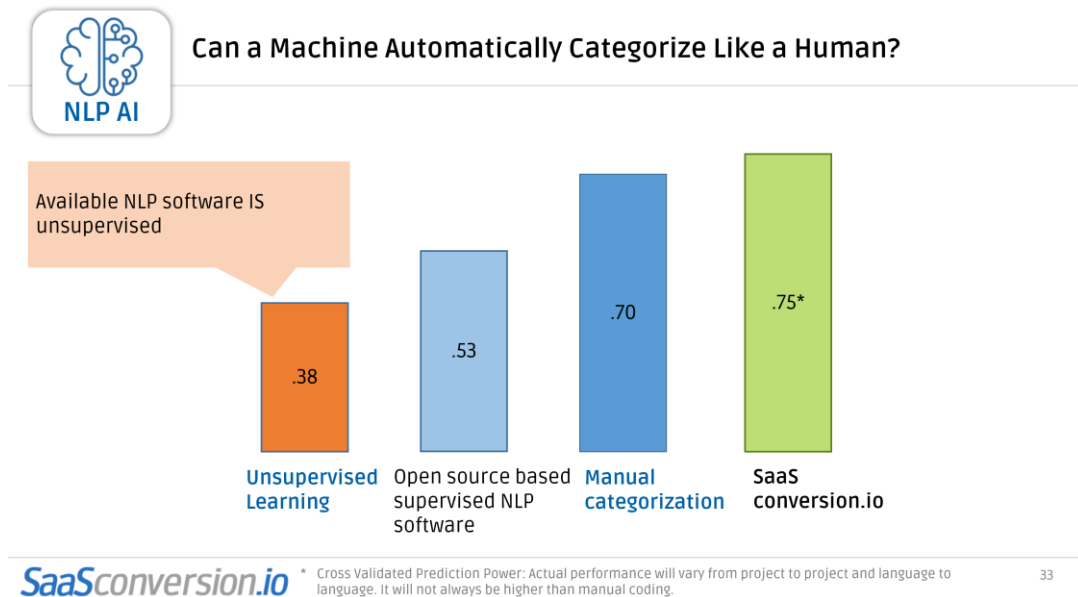
3. FIND OUT WHAT MATTERS MOST WITH AI

Here now comes the most important step.

We apply the methodology to SONOS users and the by far most frequent topic mentioned when explaining their satisfaction level was "great sound". With analytics we explain below we found that getting more users to praise the sound will not increase much satisfaction and consequently cross- and upselling.

There are certain topics where SONOS had room for improvement that turns out to be much more impactful.

Human answers with top-of-mind topics. They don't care that this ruins the frequency statistics. Humans are mostly not stating how important

something is. Humans are even mostly not aware of what drives their behavior.

TRY THIS:

- Start with a multivariate regression (Key Driver Analysis) with categories as drivers and the rating (and optionally real behavior) as an outcome.

- Add up to 50% validity by integrating indirect effects (Path Driver Analysis).

- Add 50 to 70% validity by using AI/machine learning instead of conventional statistics.

"Why so complicated?" you may think. Can't I simply correlate categories with outcomes or compare which topics pop up more with high raters? "Correlation is not causation" is taught in 101 statistics – and is the first forgetting when entering business life. People mention several things at a time. Only the use of multivariate statistics will sort out, which categories are driving outcomes.

"But why indirect effects?" you may thing. With SONOS, the theme "great sound" had no DIRECT effect (driver analysis is just measuring DIRECT effects). But it Sound is still important because it is purely emotional. This information is covered (indirectly) by the sentiment variable that the text analytics AI produces. A path model approach captures different interrelations between categories and sentiment.

Finally, some ask "Why AI-powered Driver Analysis?". The answer is simple: Because it increases the predictive power which is your measure of TRUTH. Why? Because assumptions based on conventional key driver analysis do not meet reality, assumption that there are nonlinearities and interactions between drivers.

Imagine this analogy of the following picture. If you are ill and you need to meet a specialist who would you choose? Dr. A with conventional measurement tools and diagnosis skills or Dr. B who does 2X better measure the reality (= our Text AI) and who is 2X better capable to draw the right conclusion (= our Causal AI).

As a result, you get Dr. B who will be in 80% of the cases right and Dr. A in 80% of the cases wrong.

So what's the use of this elaborate tech? It works better, it will boost better conversion and will re-energize your growth again.

Image there are two doctors ... which doctor would you choose?

A

Measure

Diagnose

80% of
prescriptions
**WRONG**

2X

2X

80% of
prescriptions
RIGHT

B

NLP AI

CAUSAL AI

SaaSconversion.io

The Method in a Nutshell

We run simple two-question surveys on visitors on thoughtfully selected touchpoints. Based on visitors' text feedback, text analytics AI understands the meaning on-scale, then a causal AI discovers **which 1 or 2 next actions will ultimately boost conversion and ultimately revenue.**
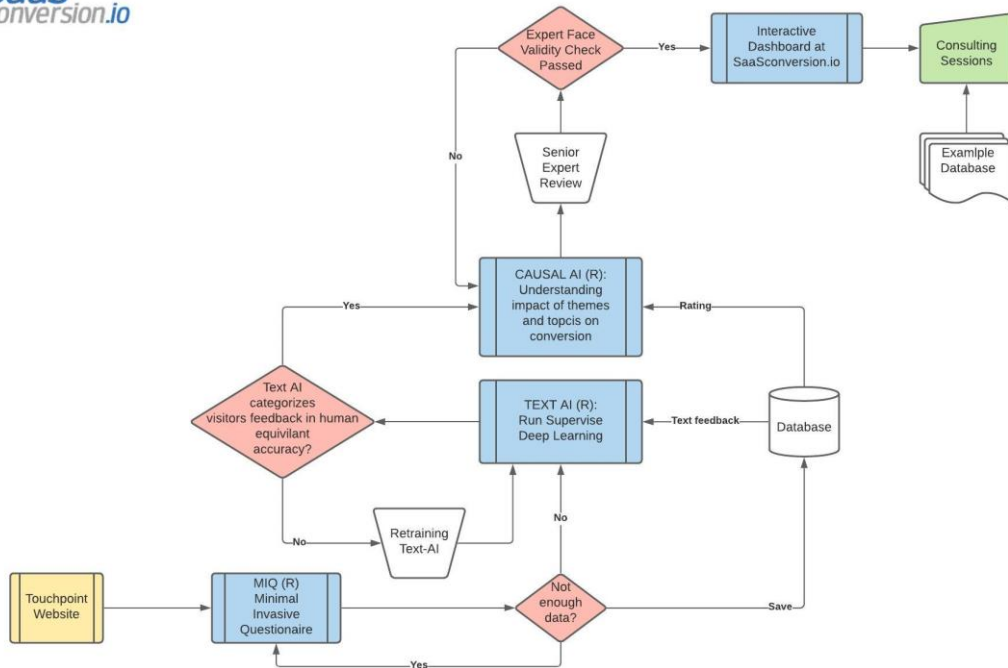
The Two Ways to Make It Work

There is option 1 "Do it Yourself". Set up a survey, buy text analytics systems, teach the AI, buy Key Driver Analysis software, set up a dashboarding tool, calibrate, iterate, improve.

Our comparison published studies (ESOMAR 2018) show that this approach achieves just 25% of possible validity. The reason behind this is that state-of-the-art text analytics has double accuracy as DIY tools. Second, the causal AI described achieves roughly double of validity compared to regression-based approaches: 2 X 2 = 4X or the conventional is at 25% (= 1 / 4)

The DIY approach is not for free either: Thousands in software costs, manpower, and opportunity costs are the price. Six months of development time should be expected.

Option 2 is SaaSconversion.io. They deliver full service and a fully equipped dashboard & simulator. As a result, you get 100% of possible validity, Payback of costs in days**,** not months or years, and 1-2 weeks ramp-up time after surveying.

Case SaaSconversion.io

What seems more reasonable to you?

Tom, Sascha, and Maurice decided to take the easy way:

Tom Seidel, CEO of Teachinguide improved "web-to-paid conversion" from 0.9 to 2.2% in 4 months *"This process gives you the confidence to try stuff you never would dare to do. I was not expecting that it works, but it did. Amazing"*

Sascha Langner from Monsterzeug improved "web-to-paid conversion" from 3.9 to 5.7% in 12 months "We are shooting with big rockets to catch a swarm of fish. This approach is so elegant as simple fishing. Must have for every serious SaaS business"

Maurice Gonzenbacher from CAPLENA improved "web-to-demo conversion" from 4.6 to 7.1% in 6 months "We do text analytics and I am always impressed by what this is good for. We took SaaSconversion.io a try and step by step, more demos flooded in."

AGAIN, this is for **SaaS Revenue Growth Leader** or **Marketer** with at least $10M ARR, who wants to **boost revenue growth, recuperate ad investments,** and **flood the pipeline** with quality leads.

THE BENEFITS ARE CLEAR

You will be able to add a +35% growth in 12 months. Assuming $20M ARR and 50% actual growth, this is +$3.5M revenue as an impact.

You can even expect something around +10% growth after a 2-month time.

You **can finally get rid of sales colleagues bugging you why the pipeline is so empty.**

You can forget about your qualitative research or User Testing exercises.

You will better recuperate sunk advertisement investments.

You will feel like a superhuman again because your colleagues as well as leadership will wonder "how the heck is he doing this?" ;-)

HOW IT WORKS

Before, when you wanted to **improve conversion**, you would have to do web analytics and qualitative research. But now, you run very simple surveys on visitors to get the key actions with the biggest impact without the lengthy, cumbersome, and often misleading analysis work.

Before, when you wanted to **invest in major changes**, you would have to build a business case but you failed due to lack of evidence. But now, you can use this simulator to predict the financial impact of actions without the questionable guesswork.

Before, when you wanted to **understand the results of analysis tools**, you would have to read manuals, tutorials, and take tickets in support lines. But with us, you use SaaSconversion.io's one-on-one conversion coaching without having the risk of misinterpreting results.

Now, if you wanted to get this job done before **DIY your solution**, it would cost you at least tens of thousands of investment, 6 months growth lost, and 100k grey hairs. With SaaSconversion.io, you have the payback in days and your wonderful hair stays as nice as it is ;-)

Here's what you get:

- SaaSconversion.io process will allow you to identify the key areas that will **boost your conversion**.
- An interactive dashboard with a predictor will allow you to size the opportunity and to **justify investments.**
- Guidance of SaaSconversion.io conversion experts will **coach you to success.**

All you need to do is to book a demo.

SaaSconversion.io can only ramp up 4 customers per month right now. This is to make sure that the service will deliver massive growth. Be quick to not waste months or even quarters.

Of course, we back everything up with a guarantee. Meaning, if we don't deliver on our promises, you don't pay a dime.

SaaSconversion.io process will allow you to identify the key areas that will **boost your conversion**. An interactive dashboard with a predictor will allow you to size the opportunity and to **justify investments.** Guidance of our conversion experts will **coach you to success.**

Book a call with the amazing Claire Quito. She will answer all questions you might still have.

Do you still have questions before our call? Sometimes I hear this question:

Why wouldn't you just do qualitative in-depth interviews? They are biased by the interviewer, they surface only frequent but not necessarily important issues and include no validation of truth.

Or this: Are the available text and driver analysis platform that bad? Can't believe Google or IBM Watson can't make it. They are not bad. They are not customized to your website & context and not optimized for causal insights.

Or this: What are the exact terms of the guarantee? If the actions you take from the first analysis do not result in a payback of investment, we refund what you invest.

Or this: Will this be suitable for me if I'm in a "non-English" speaking country? Definitely. We support 100+ languages.

Or this: How do I know you guys are legit? We provide direct contact with references. CALL THEM!

Or this: How do I justify the cost to my boss? There are no costs. This is a no-brainer! If it doesn't pay itself, you get money back – so no cost for you!

More questions?

Talk with an export and book a call with Claire Quito

https://saasconversion.youcanbook.me/