

The Growth Report

How customer data fuels
high-performing growth
organizations

Introduction

Growth is the single most important ingredient for the long-term survival of a business..

It's little wonder then that executives across all industries are asking themselves: What does it take to build a successful team and company that can continuously improve and grow?

Despite growth being the north star for every conceivable business, the discipline of growth is still in its infancy. As a result, credible best practices have been hard to find — until now.

To better understand how best-in-class companies have built out high-performing growth organizations, Twilio Segment, [the #1 customer data platform](#), interviewed leaders from over a dozen high-performing growth teams.

In this report, they share their experiences figuring out how to solve the world's hardest growth problems, so you don't have to.

“The notion of a standalone growth team is still an experiment.”

Morgan Brown
VP, Growth, Shopify

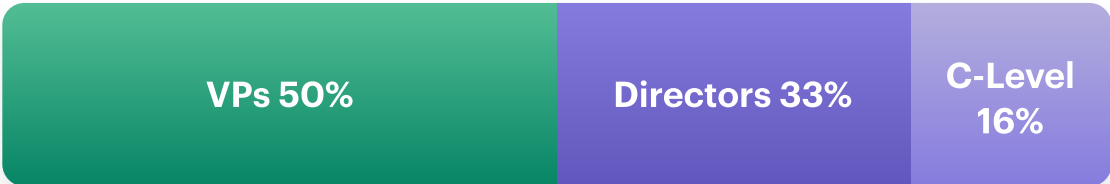


Methodology

Twilio Segment conducted interviews between August and October 2021, then performed a thematic analysis to identify trends in the data.

Participants (n=15) were senior growth leaders at fast-growing companies with an average of \$600 million annual recurring revenue.

Job Titles



Segment's Growth Report partners

New Relic

Showpad

lyft

GitHub

Frame.io

MURAL

KLAVIYO

HubSpot

COURAGE+STONE

contentful

Voiceflow

miro

databricks

zendesk

zuora

Key takeaways

Quality data fuels rapid business growth

To grow faster than the competition, high-performing growth leaders recognize that their teams need near-constant access to accurate, real-time data.

For this reason, growth leaders prioritize implementing quality data infrastructure and governance early in their tenures.

Growth leaders drive organizational innovation

Recognized for their expertise in digital transformation, best-in-class growth leaders are rewarded with the freedom to make key organizational decisions.

With this power, they leverage cutting-edge organizational designs, such as cross-functional growth squads, to maximize their team's performance.

The discipline of growth is maturing

What started out as growth hacking has become a legitimate discipline, at least in the eyes of executives and board members.

Growth practitioners have proven themselves to be methodical yet agile team leaders who consistently deliver results.

“Insights are the lifeblood of growth; they’re what fuels the machine.”

Lauren Schuman
VP, Product Growth,
MURAL



What growth is...

As a relatively new function within an organization, and one that's still emerging, there are often misconceptions as to what "growth" exactly is.

What follows is the consensus among the growth leaders we interviewed about how you should and shouldn't define growth.

Growth is an objective and condition

Regardless of which metric you're trying to grow, from revenue to engagement, it needs to go up and to the right.

"Growth is about the maximization of an area of the business," says Thibault Imbert, VP, Growth at GitHub.

In its simplest form, growth is also a state of being.

"Growth is a stage or condition of increasing, developing, or maturing," says Grace Bacon, VP, Growth Marketing, Showpad.

Growth is an operating principle

Growth teams value efficient operations. For this reason, they focus on driving the biggest gains with the smallest resources.

To quickly move the needle, growth teams leverage methods like data-driven decision making, rapid experimentation, and user research.

Growth is a mindset

"To drive growth, you must have a growth mindset," argues Charudatta Wad, Senior Engineering Manager, Growth, Lyft.

Unlike a fixed mindset, in which people believe their talents are innate, people with a growth mindset believe they can improve their abilities with time and effort.

They're comfortable with failure because they recognize they learn important lessons from it. "The losses are just as important as the wins," says Kieran Flanagan, SVP, Marketing at HubSpot.

Aligned with this mentality, growth leaders feel it's important to take risks. "You have to be willing to put yourself out there," says Lauren Schuman, VP, Product Growth at MURAL.

By balancing big swings with incremental improvements, growth leaders are more likely to see high returns.

What growth isn't...

Now that we've established what growth is, here are a few insights from growth leaders about what it isn't.

Growth isn't a shortcut

The discipline of growth may have evolved out of growth hacking, but it has come a long way since then.

Gone are the days when growth hackers scoured the internet for quick and easy wins. Today's growth leaders skillfully apply frameworks designed to deliver steady, long-term growth.

"People think that growth is a shortcut. But there is a science to growth, and a strategy, a very clear understanding of the outputs and inputs," explains Thibault Imbert, VP, Growth, GitHub.

Growth isn't uniform

The discipline of growth can accommodate many use cases.

"Growth is one of those things that's so deeply personal, so specific to the company, to the industry, to what problem you're solving," explains Emily Lonetto, Head of Growth, Voiceflow.

Each and every leader we spoke with had a unique definition of growth and raised distinct industry misconceptions about growth, suggesting growth is multidimensional.

"There are so many interpretations of what growth could be," agrees Grace Bacon, VP, Growth Marketing, Showpad.

Team structure

Not unlike growth itself, organizational design is meant to maximize the performance of a company.

It's a tool that, when wielded by a thoughtful leader, can result in gains like faster decision-making, improved operating efficiency, and better cross-functional communication, among other benefits.

High-performing growth leaders recognize the power of organizational design. As a result, they are very intentional about how they structure their teams.

“Organizational design follows strategy, not the other way around.”

Thibault Imbert
VP, Growth,
GitHub



Most growth leaders prefer cross-functional tiger teams

Most growth leaders embrace “tiger teams” (otherwise known as pods or squads), which rally cross-functional employees around key missions.

“It’s hard to have real growth unless teams are working in some sort of ‘tiger team’ pod format versus sitting in their own lanes, not collaborating with each other,” explains Kieran Flanagan, SVP, Marketing at HubSpot.

These teams are typically tasked with driving the growth of a key metric, such as one aligned to the customer journey.

The benefit is speed: You no longer have to negotiate for resources across departments, so you’re able to execute and see results much faster.

“I like the concept of tiger teams because you can mobilize fairly quickly,” agrees Lauren Schuman, VP, Product Growth, MURAL. “Growth is a speed game.”

Pod structures also empower teams to be agile and work on solving high-value problems.

“Growth pods facilitate growth teams to bounce between low-hanging fruit opportunities. They aren’t stuck to one corner of the product,” agrees James de Feu, Head of Self-Serve Growth, Klaviyo.



“You can find great growth professionals everywhere. They probably don’t have growth in their current job title.”

James de Feu,
Director, Self-Serve Growth,
Klaviyo

Engineers, data analysts, and designers are indispensable

These team-based organizational structures employ individuals from a variety of functions. Every pod is staffed with a product manager or marketer, who's responsible for driving the strategy and leading the team.

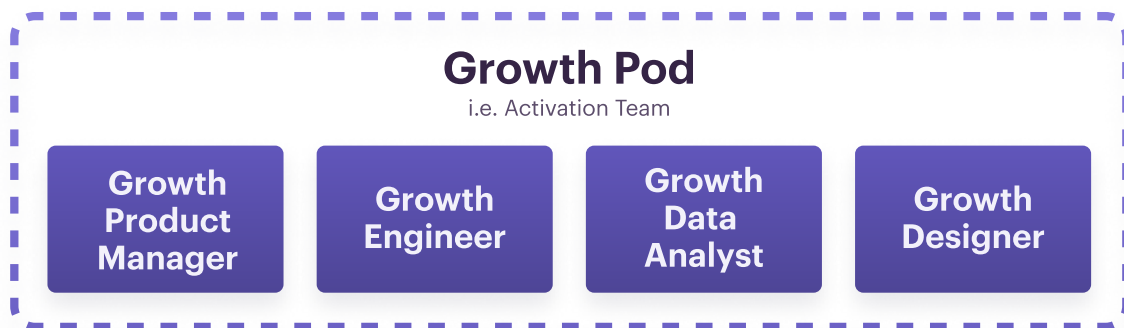
They're joined by at least one engineer, data analyst, and designer—key players who uncover the insights that direct their teams' efforts and subsequently take work across the finish line. Without these individuals, no growth initiatives would be realized.

"I've seen this over and over, where you have all the best intent but you don't have engineers, data people, designers. You're going to have extremely limited impact, because you're going to be so slow, working with shared resources," agrees Thibault Imbert, VP, Growth, GitHub.

"When growth arises out of marketing, the initial reaction is to hire more marketers, when, in fact, usually what marketing needs is engineering support, business analytics, and data science, or revenue ops to stitch together the MarTech stack in a way that makes sense of their data," continues Morgan Brown, VP, Growth at Shopify.

A small minority of growth leaders also hire dedicated resources to run user research, quality assurance, or operations.

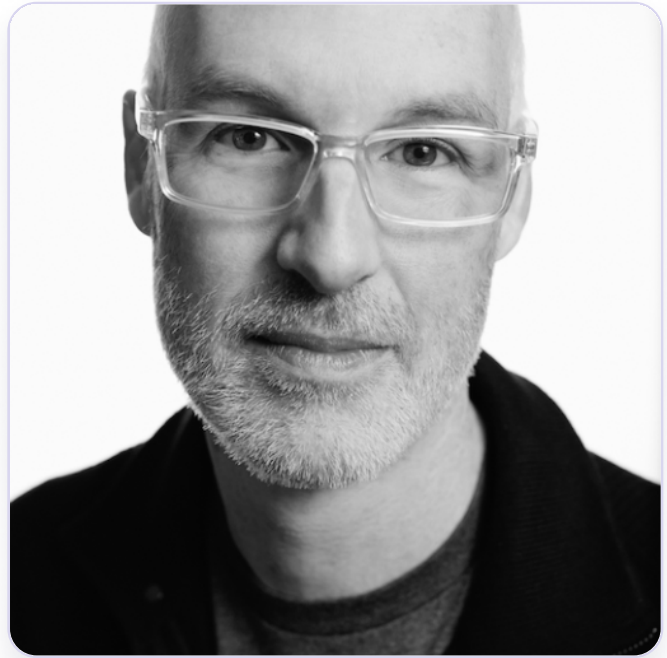
"You find the right people to work on the right problems together, and that becomes the most powerful part of growth," explains Lauren Schuman, VP, Product Growth, MURAL.



Growth teams are embedded in functional hierarchies

In the majority of the companies we interviewed, tiger teams are embedded in functional hierarchies. While the growth leader sees the benefit of cross-functional collaboration, leadership may find it easier to divide the organization into distinct functions.

“MURAL as a company is a functional organizational structure,” says Lauren Schuman, VP, Product Growth, MURAL. “But the way our product organization works, we’re really more organized into [cross-functional tiger] teams.”



“With a shift of our traditional online marketing teams to a growth marketing model, our teams are spread out and embedded directly with the product and engineering teams for the products we’re working on.”

Paul D’Arcy
CMO, Miro

Many companies embrace matrix management

While serving alongside their cross-functional counterparts to solve a problem or achieve a goal, workers often report up to functional leaders. This structure allows growth leaders to empower a cross-functional team to drive results without sacrificing individual employees' career development.

"The product manager reports into the head of product, the designers into the design team, the engineers into the engineering team," explains Kyle Gesuelli, VP, Growth & Data, Frame.io. "But they come together every single day and they have a unified feeling of a team."

"They're all working towards the same thing, yet they report up into different teams."

Kyle Gesuelli
VP, Growth & Data, Frame.io



Organizational structure isn't one-size-fits-all

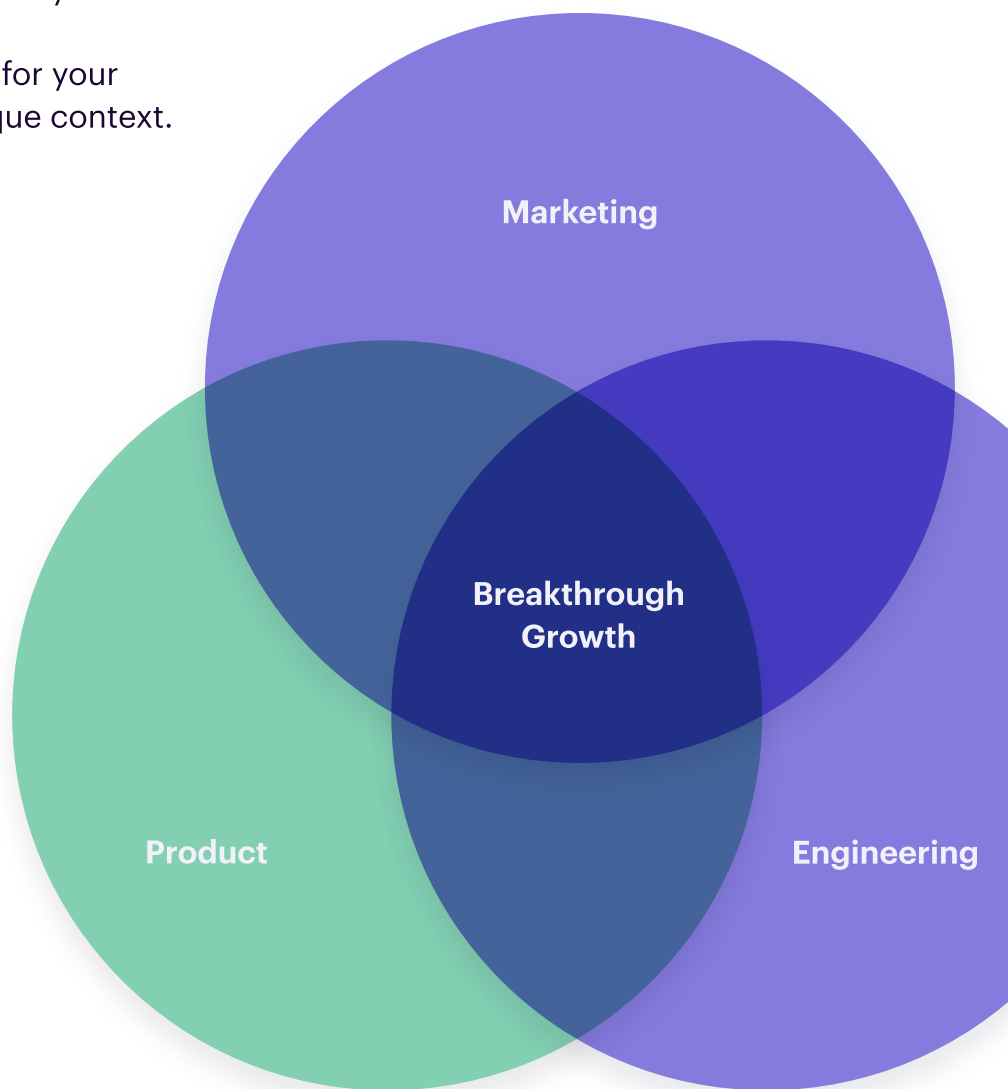
While our research revealed clear trends, it's important to remember that there's no right answer when it comes to organizational structure. Growth teams are tasked with solving a wide variety of problems for companies with a diverse range of attributes. For this reason, every growth team is structured differently.

To determine the best structure for your organization, consider your unique context.



“There is no definitive structure because each company has nuances.”

Kieran Flanagan
SVP, Marketing, HubSpot



Kieran Flanagan's structure for setting up your growth team for success.
Source: [Setting up your Growth Team for Success](#)

Deep-dive: Frame.io's team structure

The growth team at Frame.io is centralized under one leader: Kyle Gesuelli. It consists of a growth marketing team, product growth team, and data science team.

The growth marketing team resembles a functional hierarchy, with growth marketers reporting into growth marketing leadership.

The product growth team, on the other hand, is cross-functional and matrixed. It consists of two teams: one focused on engagement and one focused on monetization.

Both teams have a product manager, product designer, backend engineer, and two frontend engineers, along with shared QA. These workers, including the group product manager, report up to their distinct functions despite coming together as a team to work toward a unified goal.

The data science team is separate but informs everything the growth team does.

Frame.io's Team Structure



Core processes

Repeatable processes are a key feature of any high-performing team. And they're especially important for fast-growing companies looking to scale their operations. When designed well and continually optimized, they can be a competitive advantage, allowing a business to outrun its rivals.

High-performing growth leaders recognize that, to achieve sustainable business growth, they must be methodical and design repeatable processes their teams can follow to fortune.

In this report, we investigated three distinct processes: how teams defined their growth strategy, how they approached experimentation, and the steps they followed to engage their customers.

Developing your growth strategy

High-performing growth leaders we interviewed follow five high-level steps to develop their growth strategies.

1. Speak to executives and collect data from peers

Growth leaders start the process by speaking to executive leadership.

“When it comes to the recipe for building your growth strategy, you want to hear from the CEO or whoever owns that strategy,” argues Thibault Imbert, VP, Growth, GitHub.

The goal here is to develop an understanding of your company’s vision for growth.

“You need to understand what the company’s external goal is,” continues Kyle Gesuelli, VP, Growth & Data, Frame.io. “What are they trying to achieve?”

Team members, especially those who are long-standing at your company, are also a valuable resource. They can help identify roadblocks or hurdles to success.

“You’ve got to engage with all corners of the business to successfully understand what it is that you’re trying to resolve,” says James de Feu, Director, Self-Serve Growth, Klaviyo.

“So, talk to people in the business, gauge the opportunities and blockers that they’re facing.”



“You must be able to take a step back and see your business from that ten-thousand-foot view, and at the same time, deep dive into the details of what the data and trends tell you. To drive growth and be a good leader, you need to balance the two.”

Mona Nasiri
Director, Product Growth and
Monetization, Zendesk

2. Determine your growth loops

Growth leaders next evaluate their levers of growth, or the inputs that are going to drive the outputs.

“There are usually a core set of inputs that drive the underlying engine of what drives growth at a company,” explains Morgan Brown, VP, Growth, Shopify.

Say your goal is to grow annual recurring revenue.

Kyle Gesuelli, VP, Growth & Data, Frame.io recommends asking yourself, “What’s working within my organization? Where is that growth going to come from?”

Core Processes



A prototypical growth loop at Shopify.
Source: [Shopify Earnings Presentation](#)

Core processes

3. Measure your baseline

Growth leaders measure how they're performing today before moving forward in the process. This allows them to have a baseline to compare with in the future. It also validates their understanding of their company's growth loops.

"The quantitative part allows you to gut check [the qualitative part]," says Lauren Schuman, VP, Product Growth, MURAL. "It's hard to know whether one lever is going to be the main driver versus another lever unless you put some type of quantification to it."

To rely on their baseline data, these leaders must have quality data infrastructure and governance in place. By enforcing their company's data standards, a CDP can improve the quality and trustworthiness of their customer data.



"Data is both your measuring stick and your dousing rod. It helps you determine where you are and your progression toward where you want to be, but it's also the raw material that helps you understand where to focus your efforts to grow faster."

Brian Kotlyar
SVP, Demand Generation, New Relic

Core processes

4. Identify Performance Gaps

Growth leaders next review these data to diagnose issues and identify chances to improve.

“At the end of the day, just follow the data—the data will tell you where the opportunities are, where the problems are,” says James de Feu, Director, Self-Serve Growth, Klaviyo.

Some growth leaders instead opt to do customer research at this stage.

“The first step is identifying those gaps either through community or by asking questions and reaching out to customers proactively,” shares Emily Lonetto, Head of Growth, Voiceflow.

More often, it’s a combination of the two.

5. Test your hypothesis

Growth leaders then make an educated guess about how to solve their performance problems.

Lauren Schuman, VP, Product Growth, MURAL recommends asking yourself, “What hypotheses and assumptions do we have about this part of our business?”

Finally, they validate their ideas with some combination of A/B testing and user research before scaling their efforts.



“The majority of the work goes into data integrity and the quality of the data—making sure it’s sound, because bad [data] in is bad [data] out, quality in is quality out. Even if that’s directional because you’re learning how to measure something in a new way, it’s incredibly important that you’ve built that infrastructure.”

Marissa Aydlett
Chief Growth Officer, Showpad

Conducting Experiments

High-performing growth leaders we interviewed follow nine steps to conduct experiments.

1. Identify a gap or opportunity

The first step growth leaders tackle is identifying a problem to solve. This starts with exploring historical customer data via a CDP, comparing their performance to external benchmarks or internal targets, and then identifying gaps and opportunities for growth.

“We get lost in data for a while — in a good way — because we're storytellers, so we always want to find the thread and the narrative in the data,” says Grace Bacon, VP, Growth Marketing, Showpad.

2. Ideate ways to solve the problem

Growth leaders next meet with their teams and try to brainstorm ways to solve the problem at hand.

“We might run a ‘how might we’ session,” explains Lauren Schuman, VP, Product Growth, MURAL.

Often, the best ideas are intuitive.

“You need to have gut feel,” agrees Thibault Imbert, VP, Growth, GitHub. “The danger is when you have a gut feel and then you’re not testing it.”



Core processes

3. State your hypothesis

Hypotheses invite you to document the problem, propose a solution, and anticipate results.

“You cannot just start asking, ‘Oh, why is this happening or what is happening?’ You need to have a hypothesis,” says Mona Nasiri, Director, Product Growth and Monetization, Zendesk.

Emily Lonetto, Head of Growth, Voiceflow recommends asking questions like, “What’s the problem that we’re solving? Why is this important? How do we measure success?”

After selecting a test to run, growth leaders design their experiment.

“At Klaviyo, we aim to be the most experimental team at the company,” says James de Feu, Director, Self-Serve Growth, Klaviyo. “Having a robust experimental methodology is crucial to making that ambition a reality.”

4. Be ruthless about prioritization

Growth leaders pointed out the need to select your tests carefully.

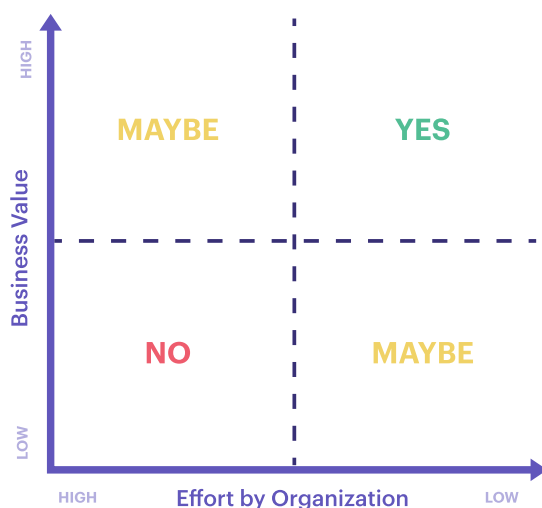
“It’s tempting, when you’re a growth practitioner, to look at all the opportunities and start a lot of conversations about all the things you can fix. You end up getting a lot of people excited, but you lose momentum because you don’t have a ton of resources,” says Thibault Imbert, VP, Growth, GitHub. “Focus is so, so important.”

Marissa Aydlett, Chief Growth Officer, Showpad agrees: “You are wearing a million different hats and the same applies for growth. You need to be able to take a hat off, so you can have the focus on the next thing you need to be doing.”

For this reason, growth leaders must prioritize solving the problems with the greatest potential impact for the least effort.

“We focus on opportunity sizing the experiments we want to run and prioritize the ones that we think are going to have the greatest impact,” agrees Morgan Brown, VP, Growth, Shopify.

Prioritization matrix to inform growth decisions



Core processes

5. Build out your test plan

Once growth leaders have landed on an experiment to run, they establish their variations, prepare to run the experiment, and record their baseline data so they can measure any improvements following the test.

“The key thing is to figure out which of those two things are you doing: Are you doing the pre-post or are you doing an A/B type of methodology,” says Brian Kotlyar, SVP, Demand Generation, New Relic. “Once you understand that, you can then schedule your experiments and plan them appropriately.”

6. Validate your idea

Before launching an experiment, growth leaders first validate their hypotheses.

Thibault Imbert, VP, Growth, GitHub asks his team: “Have you done research on the fact that this experiment is likely to be successful? Have you tested this before putting it in front of a million customers and burning these users potentially with an experience that’s completely broken or terrible?”

To do so, they typically turn to user research.

“It’s about regularly building beta lists, building relationships with people who can help to validate things, on a smaller scale before we launch,” confirms Emily Lonetto, Head of Growth, Voiceflow.

7. Launch your test

Once they’ve validated their hypotheses, growth leaders release their experiments out into the wild. The faster they do so, the faster they learn.

“We try to launch [experiments] as quick as possible to get learnings on our specific hypotheses,” shares Lauren Schuman, VP, Product Growth, MURAL.

“We deploy [experiments] in the order that allows us to learn and maximize our impact in the shortest time period possible,” agrees Morgan Brown, VP, Growth at Shopify.

Core processes

8. Evaluate the results

Once the test has run its course, growth leaders next crunch the numbers. Do they reach statistical significance? Are the results in favor of or against the change?

It's important to first develop a clear understanding of what actually took place.

"This is where your crisp hypotheses come into play," argues Charudatta Wad, Senior Engineering Manager, Growth, Lyft. "If your initial hypotheses and experiment match, that's great. But a lot of times you see unintended consequences."

Informed by the outcome, growth leaders can determine appropriate next steps.

"Compare the outcomes and journeys of those groups over time, then understand which is the better treatment, and then deploy that treatment to the whole audience," says Brian Kotlyar, SVP, Demand Generation, New Relic.



9. Share your learnings

Finally, growth leaders share their insights with the broader team, including leadership.

"The learnings that you get from the data can be immediately utilized as you think about tweaking or shifting or enhancing your strategy," says Mona Nasiri, Director, Product Growth and Monetization, Zendesk.

Sharing the learnings also ensures multiple team members don't duplicate their efforts.

"If you want to be a successful growth team, don't waste your time doing experiments someone else has done," says James de Feu, Director, Self-Serve Growth, Klaviyo. "Do everyone a favor and share whatever you have and everyone wins."

"Speed in this game is a universal good. If you can figure out something a little bit faster than your competitors, it feels groundbreaking."

James Kim
Chief Growth Officer, Courage+Stone

Engaging Customers

High-performing growth leaders we interviewed follow five steps to engage experiments.

1. Collect customer data

Before growth leaders can personalize the user experience, they must collect first-party data from their customers.

“We make sure that we have a critical understanding of a couple of key variables about every user,” says Kyle Gesuelli, VP, Growth & Data, Frame.io.

To get this data, growth leaders most commonly use a customer data platform to track behavior-based data (like `User Logged In`, `Application Opened`, or `Order Completed`) and track key actions happening across all stages of the funnel.



“It’s always a balance of ask versus infer when building data. Because the first step of personalization is getting that data in the first place.”

Emily Lonetto
Head of Growth, Voiceflow

Acquisition steps tracked via a CDP

```
1 analytics.track('usr_123', 'User Signup', {
2   type: 'organic'
3 })
4
5 analytics.track('usr_123', 'Video Played', {
6   video_id: 'vid_123',
7   video_category: 'Sports'
8 })
9
10 analytics.track('usr_123', 'Subscription Upgraded', {
11   pre_plan_id: 'free',
12   new_plan_id: 'pro_30',
13   new_plan_name: 'Professional',
14   new_plan_mrr: 30.00,
15 })
```

User Signup

Video Played

Subscription Upgraded

Core processes

2. Create customer profiles

Growth leaders next leverage automation to aggregate user data into a 360-degree view of each customer. This is where a customer data platform comes in handy.

A CDP allows growth leaders to not only map their customer journey, but also personalize and track every interaction they have with every individual in their database.

3. Enrich profiles with third-party data

Many but not all growth leaders strive to limit the first-party data they collect to make the customer experience as frictionless as possible. Instead, they choose to supplement their first-party data with data from third parties.

“We seek to be personalized wherever can be, whether that's [with] data we've collected or data we've enriched,” says Brian Kotlyar, SVP, Demand Generation, New Relic.



“Proper implementation of a CDP is really, really critical. It empowers you to create a unified profile and set of traits for your end-user or customer.”

Kyle Gesuelli
VP, Growth & Data, Frame.io

Core processes

4. Integrate with communications tools

Once growth leaders have aggregated their customer data, they plug it into customer communication platforms like Autopilot, Intercom, and Appcues.

“We’re using Segment Personas to pass this unified set of traits into all of the tools that touch end customers,” confirms Kyle Gesuelli, VP, Growth & Data, Frame.io.

Some companies instead choose to build customer engagement tools themselves. Technology partners like Twilio, which offers APIs for voice, SMS, and video, help these builders make customized tools that serve their business needs.

5. Send personalized messages

Finally, growth leaders send personalized messages to key segments of customers.

Why is personalization important? “One of the big drivers of growth is relevance,” says Morgan Brown, VP, Growth, Shopify.

“Personalization is table stakes,” agrees Thibault Imbert, VP, Growth, GitHub. “Every single time we talk to customers, we strive to create an experience that’s going to be empathetic and personalized.”



Core processes

Data is the thread that ties it all together

Data is leveraged across all three core growth processes. From validating hypotheses about what will drive sustainable growth long-term to conducting rapid experiments that drive incremental improvements across the customer journey, data empowers teams to make impactful, time-sensitive business decisions.

When asked about the role of data in growth, every growth leader agreed that it's instrumental.

"Data is the most important part," says Charudatta Wad, Senior Engineering Manager, Growth, Lyft. "You

"Data is everything to a growth team," agrees James de Feu, Director, Self-Serve Growth, Klaviyo. "The first thing I do with any growth team is, we come in, we spend the first four weeks just head in the data warehouse, trying to understand."

These champions leverage data to track their growth, uncover performance gaps, and measure the impact of experiments. They also recycle it to curate an unparalleled customer experience.

But data is not without its challenges.

"Data is this ephemeral passing beam that, if you do not have something to capture it with, you will not have it," says Emily Lonetto, Head of Growth, Voiceflow.

For that reason, implementing a customer data platform is imperative.

"Your infrastructure is important in making sure that your data is clean, it's reliable, and that, when you do have that great idea—let's say six months from now—you have a foundation to stand on."

Measurement practices

Measurement practices have a significant impact on a company's ability to grow. Whereas sound measurement practices empower leaders to make informed decisions on the fly, questionable measurement practices can cause leaders to fumble, mistakenly leading their teams awry.

High-performing growth leaders recognize that, to guide their teams in the right direction, they must be able to track their company's key metrics via real-time customer data.

Data democratization leads to faster decision-making

Growth leaders are very passionate about making company data accessible to every team, as it empowers individuals to quickly make informed decisions.

“The value of having that real-time data available to anyone is that anyone, anywhere can make better decisions faster, which is a superpower for any growth team,” shares Morgan Brown, VP, Growth, Shopify.

Dashboards rally cross-functional teams around key metrics

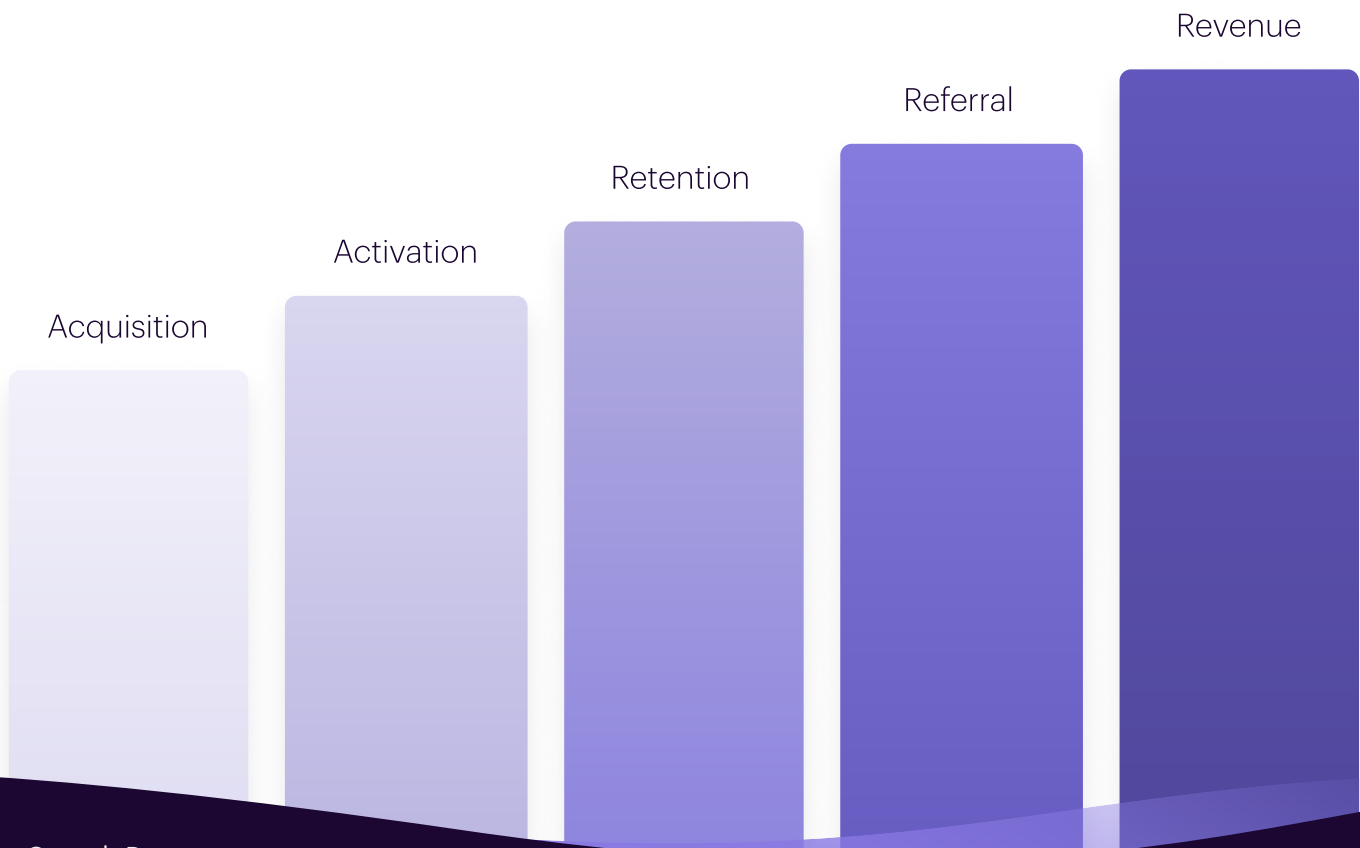
Growth leaders value analytics dashboards for their ability to keep everyone on the same page, working toward the same goals.

“For us to be able to understand what joint success looks like and then orient our projects and OKRs around that is critical,” says Kyle Gesuelli, VP, Growth & Data, Frame.io.

Without dashboards filled with key metrics, growth leaders would largely be shooting in the dark.

“Data drives all of our understanding of where we are, where we’re going is driven by it, and all of our decision making is informed by it,” says Brian Kotlyar, SVP, Demand Generation, New Relic.

“So, having dashboards which represent that data is non-negotiable. It must exist or else we cannot function.”



Real-time data powers customer communications

Leveraging real-time customer data to power timely customer communications is key to growing your business. For growth leaders to deliver messages at the most opportune time, they and their tools must have access to real-time customer data.

“The ability to not only monitor and understand what’s happening in real-time but also to action off of that is critical in creating that seamless experience,” argues Lauren Schuman, VP, Product Growth, MURAL. “If you can’t communicate with somebody until 48 hours after they’ve done an important action in your product, you’ve probably lost them.”

Key metrics

For modern growth teams, metrics offer two things: 1) They help you identify how your business is doing, and 2) They tell you what to focus on.

While the specific metrics being tracked differs from business to business, across the growth leaders we interviewed three key metrics stood out:

1. Monthly Active Users (MAU) or Weekly Active Users (WAU)

As the most basic way of measuring user engagement, it should come as no surprise that growth leaders are actively measuring active users, though company context dictates whether activity took place on a weekly or monthly basis.

“We want to make sure that people stay healthy and engaged,” says Thibault Imbert, VP, Growth, GitHub.

2. Conversion Rate (CR)

One of the first places growth leaders start when it comes to measurement is analyzing the conversion funnel.

From the first time a new visitor lands on your site, to when they eventually purchase your product, it’s vital they can systematically measure and eliminate the biggest points of friction.



“Growth works better when you’re learning faster.”

Kieran Flanagan
SVP, Marketing, HubSpot

Measurement practices

Most growth leaders measure and optimize their conversion rates across the customer journey.

“We track conversion from one part to another, so from traffic to trial, trial to shopping cart, shopping cart to purchase, from trial to purchase,” says Mona Nasiri, Director, Product Growth and Monetization, Zendesk. “We call it win rate.”

3. Annual Recurring Revenue (ARR)

While it’s easy to get wrapped up in the minutiae of clicks and impressions, it’s equally important for growth leaders to take a step back and look at what’s most important—revenue.

Most growth leaders list annual recurring revenue as their north star metric.

“Our core metric is annual recurring revenue (ARR),” agrees Kyle Gesuelli, VP, Growth & Data, Frame.io. “We’re a SaaS business, so that’s what really drives us.”



“The speed at which you can process data is very, very relevant. If you’re making a real-time messaging decision, and the data is delayed, your decisions are going to be off.”

Charudatta Wad
Senior Engineering Manager, Growth, Lyft

Tools and technology

A leader's choice of technology can make or break their business. Unless managed carefully, tech stack sprawl can be incredibly debilitating to an organization, leaving you with inefficient spending, siloed data, and substandard customer experiences.

High-performing growth leaders understand that, to rapidly grow their businesses, they require a seamlessly integrated tool stack capable of powering their team's key operations.

It should come as no surprise, then, that CDPs like Segment were highlighted as the centerpiece of a modern growth stack.

If engineering is too busy to help them swap out tools, or if they discover new tech that will help them increase conversions by 50%, a CDP helps growth leaders get up and running with new tools in minutes.

Growth teams prefer best-of-breed tools

Most growth leaders have specialized tools for everything from experimentation and user research to feature adoption and marketing automation. In fact, the majority of the leaders we interviewed choose best-of-breed software over all-in-one suites. These tools offer greater flexibility and customization that often leads to improved performance.

Customer data platforms sit at the center of the stack

Three in five growth leaders we interviewed use Segment, the industry's #1 customer data platform, to tie these best-of-breed tools together. By integrating their growth stack, they create one source of truth for all of their customer data. They also trigger automatic enforcement of their company's data standards, which keeps their data clean and reliable. Finally, they aggregate real-time customer data into unique profiles that empower the team to deliver personalized communications.

Growth teams are seeking the next game-changing tool

Most interviewed growth leaders recognize that adopting cutting-edge tools before they're on their rivals' radar can be a competitive advantage in and of itself. Indeed, the right tool can streamline your processes and supercharge your growth.

"We're always evaluating new tools," says James de Feu, Head of Self-Serve Growth, Klaviyo. "We use plenty at the moment, but we're always on the lookout to see what's new, what can make our lives a bit easier."

Growth teams practice what they preach

Many SaaS growth leaders actively use their own software, either to collaborate with their colleagues, onboard new employees, or present content to their audience. GitHub, Klaviyo, MURAL, Shopify, and Showpad are but a few examples.

“Everything happens on GitHub, and that allows everyone in the company to keep using the product,” says Thibault Imbert, VP, Growth, GitHub.

This opportunity to leverage your own product is priceless for growth practitioners, who must bridge the gap between product value and customer needs.

“When you join Showpad, you get right into it because so much of our software is great for the ability to share content but also to learn,” says Grace Bacon, VP, Growth Marketing, Showpad. “I know Showpad really well because I’ve been living and breathing it.”



“Hypothesis-driven, generative digital leaders need to be risk tolerant. Not everything is going to work out. This sounds like failure. However, the key to the builder ethos is to fail small and fast and understand that failure provides a critical data stream for future success. A risk-averse approach limits experimentation and, in turn, limits customer-generated information digital teams can use to refine and improve.”

Steve Sloan
CEO, Contentful

Tools and technology

Growth teams leverage custom-built tools

With engineering resources on hand, many growth leaders choose to build their own solutions.

Lyft built a custom CDP and messaging platform for engaging their customers across the lifecycle.

“We want decisions to be made as fast as possible, and the best way to do that is to build a lot of these tools internally,” says Charudatta Wad, Senior Engineering Manager, Growth, Lyft.

Frame.io leverages a custom-built tool for experimentation. “We across the business adopted feature flags, constructed on the backend, where we put a certain percentage of the population,” explains Kyle Gesuelli, VP, Growth & Data, Frame.io. “It’s a home-grown system that we can deploy within our admin tool.”



“In building products in highly dynamic environments, there are always tensions such as growth vs stability or exploring new approaches vs exploiting existing ones.

Navigating these uncertainties is ultimately one of the most challenging things about building a startup or managing any new product, but also one of the most rewarding.”

Nadim Hossain
VP, Product, Databricks

Tips, not tricks

There's a misconception that growth strategies are a series of quick wins, or a way to hack your market share at lightning speed. But that's not the case.

The growth leaders we interviewed told us time and again that shortcuts won't lead to long-term, sustainable growth. Instead, they advised focusing on internal buy-in, and cultivating a deep understanding of both your product and customers. Here's an overview of their top tips (not tricks) for success.

Know thy customer

To effectively grow a business, you must have a profound sense of empathy for your customers. This ability to tune into your customers' needs complements your data analysis, user research, and experimentation efforts.

"You need to understand your customer and what they're trying to achieve," Kyle Gesuelli, VP, Growth & Data, Frame.io.
"What's their business need?"

Use your product

To appeal to your customers, you must first understand the product you're trying to promote. Otherwise, you can't effectively articulate how your product solves your customers' problems.

"You'll have limited impact if you don't truly understand what the product does," explains Thibault Imbert, VP, Growth, GitHub. "So you need to use the product. You have to eat your own dog food."

Partner cross-functionally

Cross-functional collaboration is key to the success of growth teams, whether people are brought together in pods or divided by function.

Often, growth teams play an active role in breaking down silos in their organizations.

"We thought of [growth] as an opportunity for us to be able to have a meaningful impact on the company's growth in a way that felt cross-functional," says Grace Bacon, VP, Growth Marketing, Showpad.



"Growth is about taking on initiatives, getting them up to speed, and then getting everybody on the same page enough that you can have impact in a really quick way, or in a long and sustainable way."

Grace Bacon

VP, Growth Marketing, Showpad

Tips, not tricks

Create lasting value

To retain your customers, it's important to facilitate undeniable impact and do so quickly. Only by delivering lasting value to your customers can you grow your business.

"To drive product-led growth, we must get users to the value of our product immediately—and in the most seamless way possible," says Lauren Schuman, VP, Product Growth, MURAL.

Spread awareness

Because growth is such a young discipline, growth leaders need to educate others about what they can expect from the growth function.

The growth team at Shopify, for example, educates their counterparts about their goals and philosophies. "On the best growth teams, everyone has a shared worldview. You ask anyone on that growth team, and they'll tell you what the inputs are," says Morgan Brown, VP, Growth, Shopify.

Similarly, the growth team at Klaviyo educates others about how they can work together to drive business growth. "The one aspect of growth education which takes up most of our time is demystifying how people can work with a growth team," says James de Feu, Director, Self-Serve Growth, Klaviyo.

"And that growth isn't done just by people in the growth team. It's those two big things."



"To drive growth, you need to start with a compelling underlying story. Without that, no amount of landing page optimization or keyword spending strategy is going to work. The content and the message are really what drives things."

Kyle Christensen
CMO, Zuora

Good data is inseparable from growth

Renowned growth leaders see data as inseparable from the practice of growth. Without access to accurate, real-time data, their teams would be unable to drive sustainable business growth. As a result, data analysts are frequently embedded in cross-functional growth teams. These professionals enable growth teams to make time-sensitive, data-informed decisions in part by creating custom dashboards.

High-performing growth teams share a commitment to quality data infrastructure that empowers teams to execute core growth processes, such as validating their hypotheses, conducting rapid experiments, delivering personalized communications, and defining strategies that result in sustainable business growth. Across industries, Segment is considered the essential tool to have in your growth stack.

“Having great telemetry is a necessary condition for being a great growth team. You cannot be great at growth if you do not have rock-solid data infrastructure”

Morgan Brown
VP, Growth, Shopify



Lay the foundation rapid business growth requires

Twilio Segment's 2021 Growth Report makes it clear that investing in quality data infrastructure and governance is an essential task for any leader looking to drive sustainable business growth.

Join the 20,000+ companies who feel empowered to measure and manage their performance with accurate, real-time data.

Learn how to supercharge growth with Twilio Segment.

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