HubSpot

INBOUND MARKETING & WEB 2.0

Case Study

By: BRADFORD D. SMITH

DIGITAL MARKETING

HubSpot

OUTLINE

- FACTS

- PRODUCTS

- THE PROBLEM

- ALTERNATIVES / RECOMMENDATION

- RESULTS

FACTSHEET

HubSpot

OVERVIEW

HubSpot, Inc. is on a mission to replace the world's annoying, interruptive marketing with marketing that people love. HubSpot offers an all-in-one marketing software platform that helps businesses of all sizes generate leads and convert them into customers. HubSpot has everything a modern marketer needs to do marketing right—all in one easy-to-use product. HubSpot software includes SEO, blogging, social media, website, email and lead intelligence tools to help marketers get the job done.

KEY FACTS

- 8,000+ customers in 56 countries
- 400+ employees
- HQ in Cambridge, Massachusetts, USA
- Founded in 2006
- $100 Million in VC funding

THE NUMBERS

Average HubSpot customer increases website traffic & leads by 13-32% every month.

HubSpot's revenue has grown 27,746% since 2006.

NOTABLE PARTNERS/INVESTORS

Sequioa Capital
Google Ventures
Salesforce
Matrix Partners
Scale Venture Partners
General Catalyst Partners

RECENT AWARDS & ACCOLADES

- Inc500 #2 fastest growing software company & #33 fastest growing company overall

- Deloitte Fast500™ #8 fastest growing tech company

- #1 Best Place to Work in Boston, 2010 & 2011

- 2010 & 2011 Ernst & Young Entrepreneur of the Year, CEO and Co-founder Brian Halligan

- 2011 Boston Globe Top Technology Innovator, CTO and Co-founder Dharmesh Shah

AROUND THE WEB

HubSpot.com
blog.HubSpot.com
Twitter.com/HubSpot
Facebook.com/HubSpot
Pinterest.com/HubSpot
Flickr.com/HubSpot
YouTube.com/HubSpot

None of the old rules of marketing are true anymore. The Web has transformed the rules, and you must transform your marketing to make the most of the Web-enabled marketplace of ideas.

David Meerman Scott, author of *The New Rules of Marketing and PR*

FACTS

- Founders met at MIT

- Halligan: Groove Networks & Parametric Technology

- Shah: Pyramid Digital Solutions (Aquired by SunGuard)

- Venture Capital Firm – Longworth Venture Partners

- Founded 2006 / 2008 Raised $12 Mil

PRODUCTS

Lead Tracking Intelligence

Exposure Optimization

Content Design
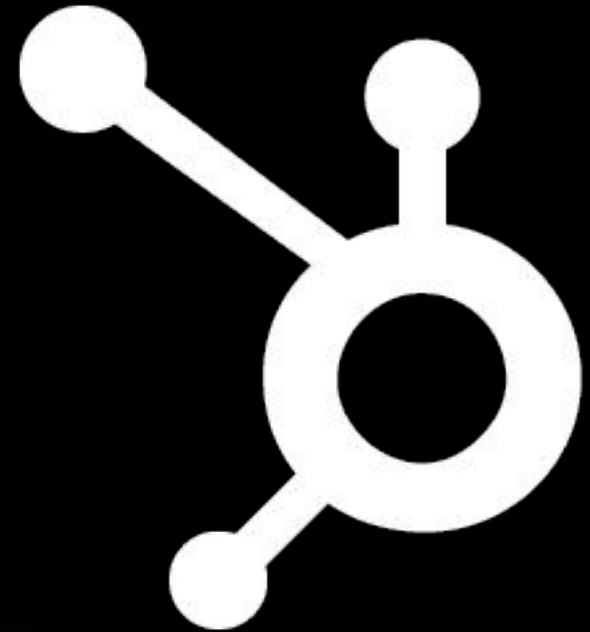
B2B: Software for Inbound Marketing Offering: Web 2.0 Tools, Blogging, SEO, Social Media, CMS

FOUNDERS

HubSpot

Dharmesh Shah, CTO   Brian Halligan, CEO

WHAT IS WEB 2.0?

The second stage of development of the World Wide Web, characterized especially by the change from static web pages to dynamic or user-generated content and the growth of social media.

THE PROBLEM

- Increase Customer Base

- Scale Up

- Freeware: Website Grader, Twitter Grader, Facebook Grader

- Customer Portfolio - B2B B2C

  - Owner Ollies 73% of Business

  - Marketer Mary 27%

- B2B Customers had developed sites

- Pricing (SaaS)

	Average Churn Rate (cancellations per month)
Owner Ollies	4.3%
Marketer Marys	3.2
Total B2B	3.3
Total B2C	6.0
CMS	2.1
Non-CMS	5.5
Total	4.1%

Source: Company reports.
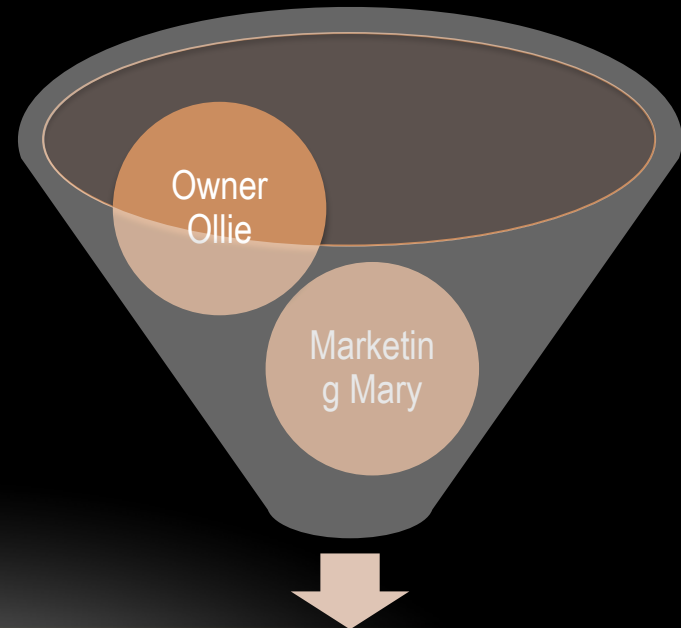
Customer Funnel

THE PROBLEM

Market Potential

Table C   Market Potential: Small and Medium-Size Businesses[a]

Category	Number of Employees	Number of Businesses
Large	100 to 499	86,538
Medium	20 to 99	526,355
Small	10 to 19	632,682
Very small	5 to 9	1,043,448
Total	—	**2,289,023**

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ALTERNATIVE/RECOMMENDATIONS

- Drop B2B

- Offer a Shorter Term Software Trials

- Restrict Features based on trials

- Focus on more CMS

- Expand into Social Media Management Tools

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#2 fastest growing software company

Inc. 500

#33 fastest growing company overall