Shifting From Sales-led Growth to Product-led Growth

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Abstract:
This study explores the transition from sales-led growth (SLG) to product-led growth (PLG) in B2B SaaS companies and addresses a growing need for scalable and customer-centric go-to-market strategies. The study draws on foundational theories of entrepreneurship, business model innovation, and digital transformation, amongst others, and develops a framework for SaaS companies seeking to shift to PLG or hybrid models. The study leverages abductive reasoning, and uses qualitative methods, including interviews and product reviews for validation and complementary evidence. The study identifies key steps, organization restructuring, customer acquisition techniques, and critical success factors essential for implementing PLG approaches. The findings highlight the role of automation, self-service, and in-product experiences in enabling user adoption and conversion through modern customer journeys, which contrast traditional, human-led sales processes. The study also includes insights from customer experience management, multichannel approaches, and word-of-mouth marketing. The study contributes to the limited academic discussion on PLG and offers practical guidance for SaaS companies navigating the evolving dynamics of digital marketplaces.

Keywords: product-led growth, PLG, sales-led growth, SLG, B2B, SaaS, go-to-market strategies, customer acquisition, automation, self-service, customer experience management, digital transformation

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Sammandrag: Denna studie undersöker övergången från sales-led growth (SLG) till product-led growth (PLG) i B2B SaaS-företag och belyser det ökande behovet av skalbara och kundcentrerade go-to-market-strategier. Studien bygger på grundläggande teorier om entreprenörskap, affärsmodellinnovation och digital transformation, bland andra, och utvecklar ett ramverk för SaaS-företag som strävar efter att övergå till PLG eller hybridmodeller. Studien baseras på abduktiv ansats och kvalitativa metoder, inklusive intervjuer och produktgranskningar som validerar resultaten och erbjuder kompletterande bevis. Studien identifierar centrala steg, organisatoriska omstruktureringar, tekniker för kundförvärv samt kritiska framgångsfaktorer som är avgörande för att implementera PLG-strategier. Resultaten lyfter fram hur automatisering, självbetjäning och användarupplevelser inom applikationer kan underlätta användaradoption och konvertering via moderna kundresor, i kontrast till traditionella, manuellt drivna försäljningsprocesser. Studien erbjuder dessutom insikter från områden som Customer Experience Management, multikanalstrategier och word-of-mouth-marknadsföring. Den bidrar till att fylla en lucka i den akademiska diskussionen om PLG och ger praktisk vägledning för SaaS-företag som navigerar i den föränderliga dynamiken på digitala marknadsplatser.

Nyckelord: product-led growth, PLG, sales-led growth, SLG, B2B, SaaS, go-to-market-strategier, kundförvärv, automatisering, självbetjäning, kundupplevelsehantering, digital transformation

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1 INTRODUCTION

1.1 Background

Organizations often find themselves needing to adapt to changing technologies with a revised business model quickly. Organizations can choose to ignore these changes and find themselves facing the risks associated with inflexibility, or they can choose to make the necessary transformative changes. Ones that shift quickly are described as having higher entrepreneurial intensity (Morris et al., 1996). Business reinvention like this is common. New organizations launching at this time can enjoy the benefits of entrepreneurial launch while building new approaches directly into the fabric of their business models.

Two decades ago, when new sales channels such as the Internet became increasingly common, academics (e.g., Wilson & Daniel, 2007) pointed out that companies cannot anymore rely on their extant channel resources such as a strong sales force or a distribution network that they have built for enabling their competitive position. Today, incumbent Software-as-a-Service (SaaS) companies selling their services through a sales force are facing a similar situation – some SaaS companies utilizing innovative go-to-market models are disrupting the competitive landscape and dynamics in the context of SaaS.

SaaS companies have been growing rapidly during the past decade. Early SaaS B2B vendors used traditional sales channels, such as direct personal sales, to sell their SaaS services (Tyrväinen & Selin, 2011). As the role of business users in software evaluations and buying processes has increased significantly, the dynamic in the software buying processes in the B2B context has changed (Raghavan & Nargundkar 2020, 765). Especially new SaaS B2B companies seem to have recently implemented new go-to-market approaches for taking advantage of the changing dynamics. Instead of relying on field sales to sell and enter new markets, some SaaS companies are using their software products to acquire users and convert them to paying customers through automation, self-service, and in-product experiences. This challenges the long-held theories on the role of direct sales and human-led engagement in driving growth in B2B SaaS markets.

Practitioners have called these companies "product-led.” According to practitioners, product-led growth (PLG) implies that the product drives user acquisition, expansion, conversion, and retention instead of a sales force (Bartlett et al., 2017).

PLG has recently attracted attention amongst B2B SaaS vendors and practitioners since it is perceived as a go-to-market (GTM) model capable of facilitating rapid growth. There is a growing number of resources, such as books and blog posts, produced by practitioners. Also, venture capital firms, such as Openview Venture Capital, are specifically funding product-led companies. Other firms, such as ProductLed, provide consulting related to PLG initiatives. Even several B2B SaaS companies provide services and tools for enabling and driving product-led growth initiatives at other B2B SaaS companies. Examples include userpilot.com, variance.com, heap.io, pendo.io, amplitude.com, refiner.io, instruqt.com, walnut.io, and reprise.com.

From my research, there is little research output on this topic. According to Tyrväinen and Selin (2011), the contemporary research literature has neglected the analysis of SaaS provider’s business-critical marketing and sales processes. While related areas such as freemium business models (e.g., Chica & Rand, 2017; Hamari et al., 2017, 2020; Liu et al., 2014; Niculescu & Wu, 2014; Rietveld, 2018; Vineet, 2014; Wagner et al., 2014) and word-of-mouth (WOM) in the digital services and SaaS contexts (e.g., da Costa, 2018; Duarte et al., 2018; Ishii & Kikumori, 2023; Lim et al., 2022; Mai & Liao, 2021; Villanueva et al., 2008; Wangenheim & Bayón, 2007) have been studied by academia, the research output focusing specifically on PLG seems scarce. Roadmapping practices in the PLG context have also been studied (Münch et al., 2019c; Munch et al., 2020; Trieflinger et al., 2022). A self-assessment tool for evaluating how companies' roadmap practices are aligned with PLG methods has been proposed (Münch et al., 2019a) and validated (Münch et al., 2019b). While the concept of PLG has been acknowledged and discussed in the aforementioned studies, the phenomenon itself has not been specifically addressed.

However, Widlund (2021) has specifically studied PLG in their master’s thesis. They have proposed a prototype for a PLG product development framework. The framework provides practical advice for building software products compatible with PLG approaches. Also, in their master’s thesis, Kotaniemi (2022) inspected a related topic: barriers to purchasing SaaS products in a B2B context. PLG was acknowledged and

briefly discussed in the thesis. No other academic research output on PLG was found based on several queries in hanken.finna.fi, scopus.com, and scholar.google.com.

Practitioners have claimed that PLG companies grow faster than SLG companies (Sarkar, 2022). According to the author's experience, such claims and the hype around PLG have caused SLG-driven companies to consider implementing PLG methods. While startups are likely to follow the trend of using PLG, various incumbent B2B SaaS companies are still using SLG models. To contribute to the scarce academic literature on PLG and to provide actionable advice to SLG-driven B2B SaaS companies on channel transformation (Wilson & Daniel, 2007), this study aims to produce foundational theories on how B2B SaaS companies can shift to a hybrid or PLG-driven model.

As mentioned above, Widlund (2021), in their master's thesis, has proposed a prototype for a PLG product development framework. The framework provides practical advice for building software products compatible with PLG methods. Also, in their master's thesis, Kotaniemi (2022) inspected a related topic: barriers to purchasing SaaS products in a B2B context. However, these studies, including others found by the time of writing, have not addressed the process of shifting towards PLG.

The recent shift towards PLG go-to-market models, where the product itself is used to drive customer acquisition, conversion, monetization, and retention, represents a clear departure from traditional SLG go-to-market models that have dominated the SaaS industry. This shift challenges the conventional understanding of SaaS sales dynamics. It raises critical questions about how companies can effectively transition from traditional, human-centric approaches to automated, software product-driven models. If companies using PLG are growing faster, the question arises whether other B2B SaaS companies, particularly those using SLG models, can successfully transition toward a hybrid or full PLG model. The objectives and scope of the current study are described below.

1.2 Objectives and scope of the study

This study aims to contribute to the scarce academic literature on PLG by creating a foundational framework for instructing how B2B SaaS companies can shift either partially or fully to a PLG-driven GTM model. While sales in SLG-driven models are based on sales processes, PLG-driven models take another approach to sales. Companies

must presumably rearrange their organizational structure and customer acquisition activities to shift from SLG to PLG or a hybrid model. Therefore, as part of the proposal, the study aims also to provide actionable steps to guide the transition. The scope of the study is limited to creating a proposal for B2B SaaS companies that currently operate with an SLG-driven model.

1.3 Research questions

A set of research questions was defined to guide the research and support the proposal. This study's research questions are presented in Figure 1 below. Each research question has an associated objective, which is presented in Table 1.

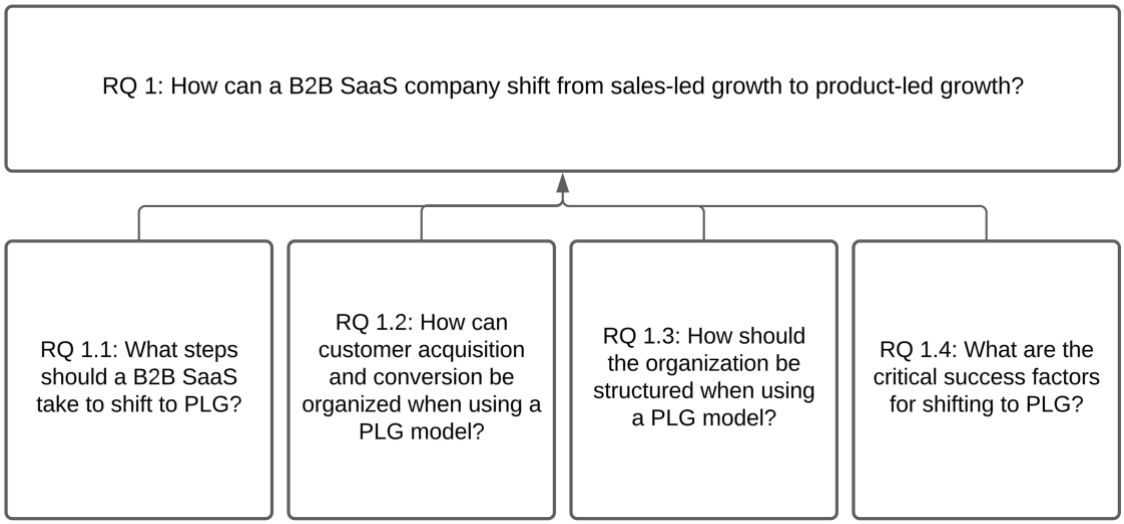

Figure 1. Research questions of the study

The main research question (**RQ 1**) of the study is "*How can a B2B SaaS company shift from sales-led growth to product-led growth?*" The main objective is to create a foundational framework that instructs on how to shift from SLG to PLG or a hybrid model. All research questions and objectives are presented in Table 1 below

Table 1. Research questions and objectives of the study

#	Research question	Objective
RQ 1	How can a B2B SaaS company shift from sales-led growth to product-led growth?	1. To create a foundational framework that instructs on how to shift from SLG to PLG or a hybrid model.
RQ 1.1	What steps should a B2B SaaS company take to shift from SLG to PLG?	2. To define key steps and considerations for transitioning from SLG to PLG or a hybrid model.
RQ 1.2	How can customer acquisition and conversion be organized when using a PLG model?	3. To include considerations related to customer acquisition within the framework.
RQ 1.3	How should the organization be structured when using a PLG model?	4. To include considerations related to the organizational structure and change management.
RQ 1.4	What are the critical success factors for shifting to PLG?	5. To identify critical success factors for the transition from SLG to PLG or a hybrid model.

1.4 Execution of the study

This chapter describes how the study is executed and discusses the methodological choices. The underlying philosophical assumptions and the research questions guided the selection of research methods and strategies. Methodological options can be divided into mono-method and multiple-method studies. Mono-method studies use either a quantitative or qualitative method. (Saunders et al., 2015; Hirsjärvi and Hurme, 2000) Since the study aims to inform emerging theories on PLG, the study will be executed as an abductive, qualitative, and multi-method study, incorporating interviews and product reviews for triangulation and complementary evidence. Chapter 3 describes the methodological choices in detail.

1.5 Definitions

Table 2 below provides definitions to key terms discussed in the study.

Table 2. Definitions of key terms used in the study.

Term	Definition	Source
Product-led growth (PLG)	"PLG strategies refer to B2B companies that rely principally on their own product to engage and acquire customers."	Engel (2022)

Sales-led growth (SLG)	Traditional approach to selling software, where the Sales team is the primary driver of customer acquisition, retention, and expansion.	Bush (2024)
Business-to-Business (B2B)	Business done between one business and another rather than between a business and its ordinary customers	*Definition of SaaS Noun from the Oxford Advanced Learner's Dictionary, n.d.*
Software-as-a-service (SaaS)	The system of accessing software online instead of installing it on individual computers (the abbreviation for 'software as a service')	*Definition of SaaS Noun from the Oxford Advanced Learner's Dictionary, n.d.*

1.6 Structure of the report

The report consists of 6 main chapters. After the introduction, Chapter 2 discusses the literature on relevant topics for defining the interview themes and for building the proposal. Chapter 2 also presents the conceptual framing of the study. Chapter 3 describes the methodological choices. Chapter 4 presents the results, and Chapter 5 analyzes the results and presents the proposed framework. Chapter 6 concludes the paper by discussing the results and by providing directions for further research.

1.7 Conceptual framing of this study

In order to propose a framework for shifting to PLG or a hybrid model, this study integrates foundational theories on disruption, entrepreneurship, business model transformation, and resource allocation alongside domain-specific insights from the SaaS sales and marketing literature. These foundational topics establish the theoretical underpinnings necessary to understand the dynamics of PLG and its implications for B2B SaaS companies. This chapter describes the relations between existing theories and the present study and explains why a framework for shifting to PLG or a hybrid model is needed.

As described in the background chapter, B2B SaaS companies leverage their software products to drive customer acquisition, retention, and expansion through automation, self-service, and in-product experiences. Practitioners label such go-to-market strategies as PLG strategies. B2B SaaS companies using such strategies seem to scale faster, which

disrupts traditional sales-driven growth models. This is considered as the conclusion, or surprising fact, used as the basis for this abductive study.

In abductive reasoning, a set of possible propositions are determined. The propositions should be sufficient or nearly sufficient to explain the conclusion. (Saunders et al., 2015) Several possible propositions were determined. The main proposition is that for SLG-driven companies to adopt PLG or hybrid models, they must embrace the core principles underpinning the success of PLG strategies.

There are several propositions behind the success of PLG. First of all, modern buyers prefer to explore and adopt software independently, engaging with sales teams only later in the process, if at all. Second, automation and self-service reduce friction and increase accessibility, potentially speeding up user adoption and conversion. Third, in-product experiences such as personalized onboarding, usage analytics, and product recommendations can guide users more effectively than traditional sales approaches. Fourth, data-driven insights from in-product behaviors allow companies to tailor user experiences, which can lead to more targeted retention and upsell opportunities. Fifth, these approaches reduce the dependency on labor-intensive sales processes, allowing for faster scalability. If these propositions hold, then the framework developed from this research will enable SLG-driven B2B SaaS companies to transition toward PLG or hybrid models. This will potentially drive faster growth in line with the PLG success stories observed.

This study aims to fill a gap in the existing body of knowledge by providing a structured PLG framework rooted in both theoretical insights and empirical findings. While PLG is a common term in the industry, it has limited academic exploration. Therefore, this framework contributes by guiding practitioners and advancing the academic understanding of PLG as a growth strategy. The study is based on abductive reasoning that allows the creation of a plausible and theoretically informed framework that practitioners can adapt to diverse organizational contexts.

To understand and implement PLG strategies, it's important to start with theories addressing the challenges and opportunities presented by disruptive changes and digital transformation. Clayton Christensen's theory of disruptive innovation and its critique (e.g., King & Baatartogtokh, 2015; Kraus et al., 2023) provide a perspective for understanding how incumbents respond to or fail to respond to disruptions.

Complementing this, theories on business model transformation (e.g., Tomičić-Pupek et al., 2023) emphasize the need for companies to adapt and innovate their models in response to evolving technological and market pressures. Resource allocation theories (e.g., Bower, 2017) connect strategy to execution and highlight the organizational shifts required to effectively navigate and leverage disruptive forces. Organizations can apply entrepreneurial approaches and digital entrepreneurship to navigate the changing market through innovation, proactiveness, and willingness to take risks (Lumpkin & Dess, 1996).

Supporting theories, such as customer journey and customer experience (CX) are important for optimizing user engagement through various channels. Lemon and Verhoef describe CX as "a multidimensional construct focusing on a customer's cognitive, emotional, behavioral, sensorial, and social responses to a firm's offerings during the customer's entire purchase journey" (Lemon & Verhoef 2016, p. 71). This definition underscores the complexity of customer interactions and highlights how each touchpoint along the journey influences a customer's overall perception and engagement with a company. Understanding the customer journey is critical for managing the customer experience in a B2B SaaS context. While customer journey mapping has been traditionally more focused on the B2C context, customer journey mapping and customer experience management have gained importance in B2B (Witell et al., 2020), potentially partially because digital natives have brought their purchasing habits to the B2B context (Almquist, 2018). PLG relies on digital customer journeys, which makes CX theories essential for understanding and designing product-driven growth strategies. This study applies these theories to bridge the gap in PLG research, providing insights for B2B SaaS companies aiming to implement effective, digital, product-driven growth strategies.

Understanding customer and user acquisition theories in B2B is important for creating a PLG framework. Online channels have played a key role in customer acquisition for more than a decade (Tyrväinen & Selin, 2011), and more recently, companies have started to leverage social media, AI-based CRM systems, big data, and predictive analytics to drive customer acquisition (Meire et al., 2017; Saura et al., 2021). This study builds on these advancements, integrating modern acquisition techniques into a PLG framework designed to streamline growth by embedding acquisition directly within the product experience.

Word-of-mouth (WOM) plays a key role in B2B marketing. Vendors proactively use WOM to promote their services and products (Ishii & Kikumori, 2023). WOM has been found to impact new customer acquisition positively, and customers acquired through WOM have been found to have a higher customer lifetime value (CLV) (Villanueva et al. 2008; Wangenheim & Bayón, 2007). The use of WOM in the B2B SaaS context indicates a shift from purely sales-driven models toward strategies that align with PLG principles, even though academia has not yet formally categorized these as PLG. This study builds on these findings by considering WOM as one of the elements within a broader PLG framework, supporting organic growth and contributing to user-driven acquisition alongside other strategies.

Organizational buying in the B2B SaaS context often involves multiple stakeholders and complex decision-making processes (Raghavan & Nargundkar, 2020). Organizational buying theory, especially in the context of B2B SaaS, helps to explain these dynamics. The purchasing authority can reside at various levels within an organization, and PLG addresses this by employing a bottom-up approach – acquiring users who are later converted to paying customers. This study applies theories related to organizational buying to create a framework that leverages user acquisition as a strategic entry point for organizational adoption.

Multichannel and digital transformation theories provide essential insights for creating the PLG framework. A long time before PLG, channel choices had become a factor across a variety of industries. As part of the early academic multichannel discussion nearly two decades ago, Wilson & Daniel (2007) stated that companies have to gain additional channel resources and reconfigure their existing channel resources to compete successfully. In the context of PLG, this concept is applied as a digital channel that bypasses traditional offline channels. This study incorporates these insights to design a PLG framework that leverages digital channels to optimize customer acquisition and engagement. The conceptual framing of this study is presented in the figure below.

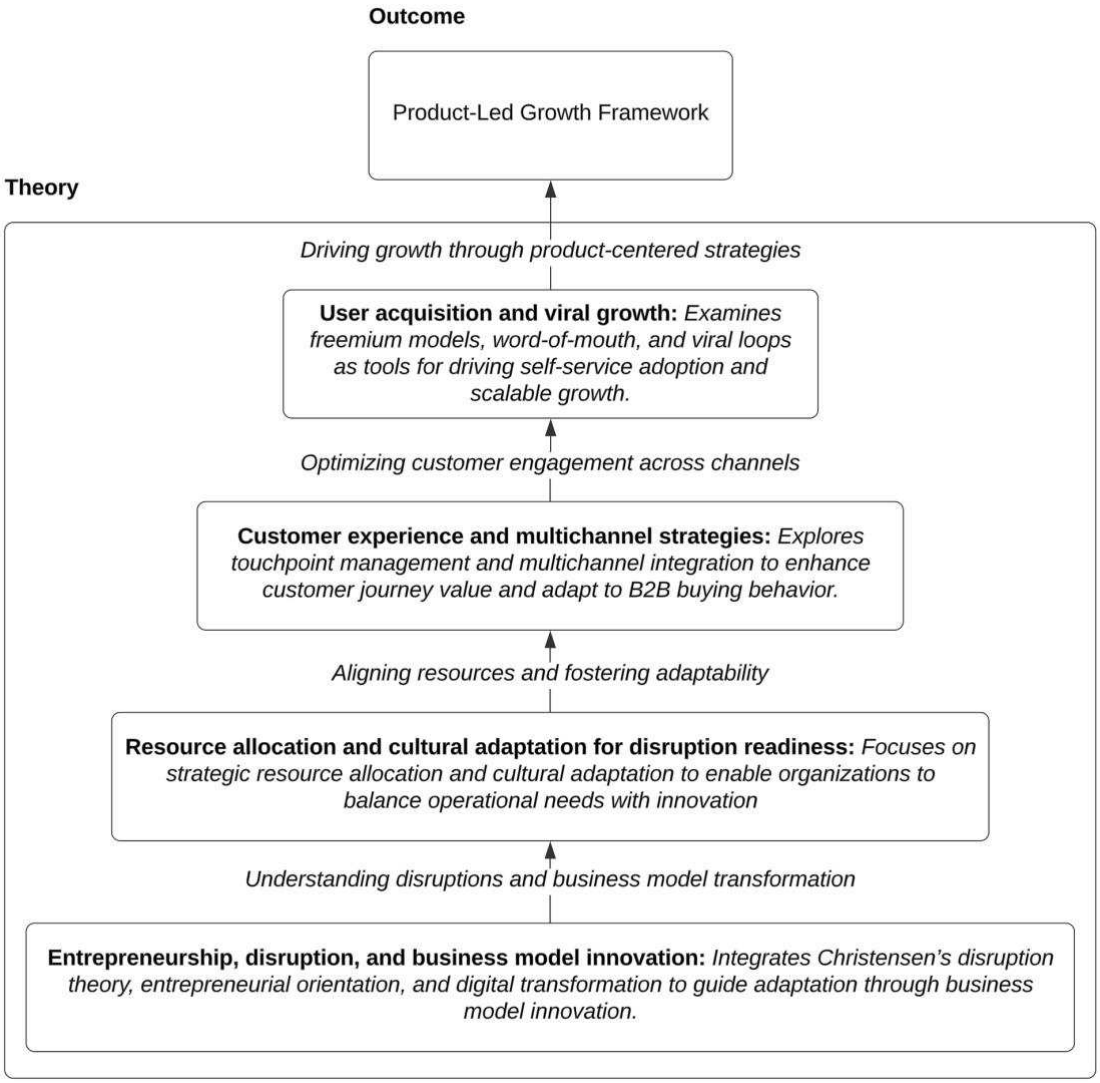

Figure 2. Conceptual framing of this study.

The figure above shows that the conceptual framework integrates foundational and SaaS-specific theories to develop a PLG framework. Entrepreneurship, disruption, and business model innovation set the foundation. Next, resource allocation and cultural adaptation focus on aligning operations with innovation for responding to disruptions and changes in the market landscape. Customer experience and multichannel strategies explore touchpoints and channel integration to enhance customer journeys and adapt to B2B buying behaviors. Finally, user acquisition and viral growth emphasize self-service adoption through freemium models, word-of-mouth, and viral loops.

The next chapters will delve deeper into these theories, apply those theoretical lenses to examine PLG strategies, and ultimately build toward a framework.

2 LITERATURE REVIEW

This chapter aims to set a theoretical foundation for the current research by outlining theories and concepts to inform it and by identifying gaps in the existing knowledge. It also contextualizes the current research within the existing body of knowledge. The theories discussed in this chapter are leveraged in defining interview themes and questions and, overall, in building the proposal.

While the academic literature focusing specifically on PLG is scarce, there is a plethora of research output related to areas such as disruption, digital transformation, resource allocation, B2B sales, organizational buying, customer experience, customer journey, customer acquisition, word of mouth (WOM), marketing and others.

This chapter is organized as follows: First, the role of entrepreneurship and the dynamics of disruption are discussed. Next, the focus shifts to transforming business models in the digital age. An exploration of strategic resource allocation and organizational change for disruption readiness follows this. The chapter then examines customer experience and customer journey, including their application in the B2B context. Multichannel approaches in the B2B context are reviewed, followed by discussions on customer acquisition and user acquisition in the SaaS context. Word-of-mouth marketing and its implications are then analyzed. Sales and organizational buying in the B2B SaaS context are explored next. Finally, the chapter concludes by identifying gaps in the B2B SaaS sales literature.

2.1 Entrepreneurship and dynamics of disruption

Understanding how disruptive technologies and business models originate and displace market leaders is important for understanding how to respond to the shift from SLG to PLG by using entrepreneurial approaches. Clayton Christensen's theory of disruptive innovation has been widely accepted and influential among practitioners even though its validity and generalizability have seldom been tested by academia. However, academics have suggested that organizations should use the theory as a warning and reminder about potential disruptions. (King & Baatartogtokh, 2015; McDowall, 2018)

King & Baatartogtokh have identified four elements of Christensen's theory: 1) incumbents in a market are progressing along a path of sustaining innovation, 2) they

exceed customer needs, 3) have the capability to respond to disruptive threats, and 4) often struggle and falter in response to the disruption (2015). They have examined the best ways to apply the theory, including its core elements and predictability. They found that the theory was not applicable in a large number of cases. Not all cases included sustaining innovation, not all incumbents exceeded customers' needs, many incumbents were incapable of responding to the potential disruption, and approximately one-third of incumbents were not displaced by new technology.

King & Baatartogtokh propose a few ways how managers should react to disruptions: 1) calculate the value of winning, 2) find ways to leverage existing capabilities, and 3) when practical, work collaboratively with other companies. In contrast, Tomičić-Pupek et al. (2023) propose to focus on the organization's readiness and willingness to change when responding to potential disruptions. They have proposed a framework that organizations can use to evaluate and find feasible options for responding to disruptions. It is based on the two aforementioned aspects, and it is applied in four steps: 1) internal and external factors assessment, gap identification & context analysis rules evaluation, readiness and willingness assessment calculation based on a pattern of questions, and finally the change option selection. The assessment questions are based on internal (e.g., strategy orientation and customer centricity), and external aspects (e.g., change of technology, competitive pressure, and ecosystem dynamics).

Entrepreneurial or intrapreneurial approaches could be applied when responding to disruptions. For example, entrepreneurial orientation (EO) and digital entrepreneurship approaches can be used for navigating the changing market. EO refers to the processes, practices, and decision-making activities that lead organizations toward new opportunities through three mechanisms: innovation, proactiveness, and a willingness to take risks. EO describes how a firm operates rather than what it does and highlights the strategic behaviors that drive entrepreneurial success (Lumpkin & Dess, 1996).

Kraus et al. (2023) have shown that EO has a significant positive impact on disruptive innovation, that there is a positive correlation between EO and digitalization strategy, and that digitalization strategy has a significant positive effect on disruptive innovation. Also, they have shown the moderating impact of digitalization: a part of the total effect of EO on disruptive innovation runs through the level of digitalization strategy. Therefore, according to them, "it is worthwhile to be entrepreneurial, i.e., proactive, innovative, and willing to take risks if one aims at real groundbreaking, i.e., disruptive

innovations as a result, which have the potential to turn market conditions upside down" (Kraus et al., 2023). While Kraus et al. focus on the role of EO in driving disruptive innovation, their insights might also be relevant to companies aiming to respond to disruption. This perspective warrants further exploration.

2.2 Corporate entrepreneurship approaches as a practical solution to innovation and renewal activities

While EO describes the general approach toward innovation, proactiveness, and a willingness to take risks (Lumpkin & Dess, 1996), corporate entrepreneurship (CE) or intrapreneurship describes an established organization's discovery and pursuit of new business opportunities through venturing and innovation (Hayton & Kelley, 2006; Zahra et al., 2000). CE involves various activities, such as innovation in products and processes, the development of new business models, the development of internal and external corporate ventures, administrative techniques, technologies for performing organizational functions (such as production, marketing, sales, and distribution), changes in strategy, and dealing with competitors (Antoncic & Hisrich, 2001; Hayton & Kelley, 2006). According to Antoncic & Hisrich (2001, 495), innovation in the context of CE can also include "the pursuit of creative or new solutions to challenges confronting the firm".

CE is an important source of competitive advantage and is viewed as beneficial for organizational renewal, revitalization, and the creation of new business. Also, it has been linked to improved company performance for small and medium-sized companies and corporations. (Antoncic & Hisrich, 2001; Hayton & Kelley, 2006; Zahra et al., 2000)

Weiblen & Chesbrough (2015) describe that large corporations and startups have significant differences since each side offers what the other is missing. Corporations have scale, power, resources, and routines needed to run an established business model efficiently. While the startups lack those, they typically have promising ideas, agility, willingness to take risks, and ambitions of rapid growth. The authors also present an intriguing idea: "Shouldn't great things happen if both sides combined their strengths?" (Weiblen & Chesbrough 2015, 66). However, they point out that it is easier said than done.

According to Antoncic & Hisrich (2001), the concept of CE has four dimensions: 1) the new business venturing dimension, 2) the innovativeness dimensions, 3) the self-renewal dimension that includes strategy reformulation, reorganization, and organizational change, and 4) the proactiveness dimension, that includes initiative and risk-taking, competitive aggressiveness, and boldness.

Corporate entrepreneurship can serve as a method for transforming business models in changing market environments. The next chapter discusses business model transformation in the digital age.

2.3 Transforming business models in the digital age

Disruptive changes in the business environment challenge the status quo, forcing organizations to revise their business models and, through transformation, ensure they provide relevant products and services to their customers (Tomičić-Pupek et al., 2023). Alternatively, organizations can ignore these changes and continue with their existing business models, facing the risks of becoming irrelevant, losing market share, or even going bankrupt. The organizations that shift quickly are described as having higher entrepreneurial intensity (Morris et al., 1996). The ability to transform into new business models is an important source of sustainable competitive advantage (Geissdoerfer et al., 2018). Disruptions and transformations can be examined from two perspectives: the company driving the disruption and the one being disrupted. This discussion focuses on the perspective of companies at risk of being disrupted. It is important to understand how to respond to potential disruptions and identify the opportunities they may bring, particularly in the context of emerging go-to-market models like PLG.

Disruptions can be the driving force of innovation and change (Tomičić-Pupek et al., 2023). History has shown that disruptions requiring business model transformation happen frequently. Well-known examples include Blockbuster vs. digital streaming services, and Kodak vs. digital photography (King & Baatartogtokh, 2015; Lucas & Goh, 2009).

Digital technology has created a new economic era, and the digital economy has become the main economic form (Zhao et al., 2024). Digital technologies have also impacted business models significantly. According to Lucas & Goh (2009), “Information technology has the potential to transform industries through the creation of new digital

products and services. According to King & Baatartogtokh (2015), digital technologies cause the barriers to entry to fall and significantly increase competition. Also, the IT sector has frequently created new disruptive technologies (Bujor & Bichel, 2024).

Digital transformation has impacted value creation, delivery, and capture in most industries, created new business models, and has made many business models obsolete over the last decade (Vaska et al., 2021). Adama & Okeke (2024) have claimed that digital transformation catalyzes business model innovation, allowing companies to create new value propositions, revenue streams, and competitive advantages. Digital transformation is defined as "the integration of digital technologies into business processes" (D. Y. Liu et al., 2011), and as "the outcome of Digital interplay as an underlying process, contingent internally (organization) and externally (cooperation), while embracing profound change and implications" (Bican & Brem 2020, p. 10).

Digital transformation has become increasingly important for incumbents seeking to survive and attain competitive advantages (D. Y. Liu et al., 2011). Both entrepreneurial intensity (Morris et al., 1996) and digital transformation have been shown to link to company performance. Zhao et al. (2024) have shown that digital transformation has a positive impact on firm performance. They have also shown that the more thorough digital transformation is at the company, the better the firm's performance. However, they point out that digital transformation is a long process and that getting positive results on firm performance takes time, according to their findings Zhao et al. (2024).

Transforming business models in the digital age often involves creating or adopting innovations that challenge traditional ways of operating. However, such transformations cannot succeed without strategic resource allocation and effective organizational restructuring. Strategic resource allocation acts as the link between strategic plans and real-world actions or strategy execution. It helps organizations align their resources with the challenges of disruptive changes. The next chapter explores how these resource allocation decisions and organizational changes can prepare companies to respond effectively to disruptions, allowing them to foster long-term adaptability and resilience.

2.4 Strategic resource allocation and organizational change for disruption readiness

The dynamic nature of the IT sector, driven by technological innovation and market pressures, necessitates frequent organizational shifts and resource allocation decisions. Resource allocation plays a key role in business strategy execution. Mintzberg (1978) explained that a company's actual strategy is revealed through how its resources are distributed, turning plans into actions and connecting intentions with outcomes. Bower (2017) reinforces this view by framing resource allocation as the mechanism for realizing strategic plans into operational outcomes. According to Bower (2017, p. 2428), "resource allocation remains the fundamental economic task of corporate management."

Bower links resource allocation to Christensen's concept of disruptive innovations discussed in the previous chapters. Incumbents often prioritize resources and funding projects or products that align with their current successful business model. The existing measures of success, including the existing conventional capital budgeting models, can make it difficult to justify investing in new ideas that do not immediately meet those criteria and guidelines. New innovative products, business ideas, or venturing initiatives in general may have low revenue and profit margins in their early stages. (Bower, 2017; Zahra et al., 2000) The resource allocation process tends to favor sustaining existing products over funding disruptive or experimental ideas. This bias can prevent the company from investing in innovative solutions that may have long-term potential. Bower (2017) Therefore, balancing the short-term and long-term strategic investments in the resource allocation process is necessary to respond to disruptions. As Bower (2017, p. 2428) puts it: "It is hard, but strategic resource allocation requires the willingness to try to 'see around corners.'"

Responding to the threat of potential disruption, including related resource allocation decisions, can necessitate cultural changes and organizational restructuring to align with new strategic directions (Bower, 2017). Overall, effective leadership and organizational change management play an important role in ensuring successful transitions and enabling adaptability within organizations. Organizations facing the risk of disruption must ensure effective resource allocation decisions supported by effective organizational change management. However, not only do resource allocation decisions require organizational change management efforts – it can be useful for managing the overall change required to adapt to the changed market landscape and technologies.

Organizational change management practices can help managers turn challenges into opportunities (Bujor & Bichel, 2024). The threat of being disrupted could be seen as a

major organizational challenge requiring effective leadership and change management. The process of organizational change is characterized by various challenges: resistance to change, communication breakdowns, and the necessity for strategic reallocation of resources. (Bujor & Bichel, 2024) Understanding what constitutes organizational culture is important for successful organizational change management. According to Canato & Ravasi (2015), organizational culture consists of multiple layers: 1) core values that define organizational identity, 2) beliefs and norms, and 3) artifacts and practices. They found that the beliefs, norms, artifacts, and practices were more adaptable than the core values. It is noteworthy that the longitudinal study conducted by Canato & Ravasi (2015) was based on just one organization – this might reduce the generalizability of their results. However, it provides valuable insight into cultural change.

Harrington and Voehl (2015) emphasize that successful change initiatives depend on fostering a broader culture of adaptability – not only on project-specific change management. They distinguish between project change management (PCM), which addresses specific, short-term initiatives and adjustments, and cultural change management (CCM), which impacts the organization's overall culture and long-term transformation. They believe CCM can influence daily operations and employee mindsets (Harrington & Voehl, 2015).

Harrington & Voehl (20215) argue that cultural change requires shifting attitudes and behaviors across all organizational levels. Managers must focus on defining and addressing key business drivers (KBDs) that influence the organization's culture. Examples of KBDs include management support, knowledge sharing, and customer-centric innovation. (Harrington & Voehl, 2015) Additionally, successful CCM depends on creating a management transformation strategy that involves the entire organization, not just leadership, to build psychological readiness for change (Harrington & Voehl, 2015).

Canato & Ravasi (2015) found that long-lasting cultural change occurs when new practices are perceived as providing superior solutions to current challenges. Also, they found that organizational changes fail if they threaten core values central to organizational identity (Canato & Ravasi, 2015). Harrington & Voehl (2015) point out that change initiatives must also be integrated with existing cultural norms.

In addition, Harrington and Voehl (2015) highlight the importance of leadership in promoting a culture of innovation and ongoing improvement, which aligns with the ideas of entrepreneurial orientation. They propose embedding a no-layoff policy tied to organizational change initiatives, as employment security can significantly influence employees' willingness to embrace change (Harrington & Voehl, 2015).

Overall, organizations that foster a learning culture and invest in employee training and development are more resilient to change and have better performance outcomes. (Bujor & Bichel, 2024) To summarize, organizations facing disruptions should recognize which aspects of their culture are adaptable and which are foundational and make the necessary changes, accordingly, leveraging the CCM practices described above.

Organizations must align internal adaptability with a deep understanding of customer experience to navigate disruptions effectively. Both are essential for successfully implementing strategies like PLG. The concepts of customer experience and customer journey are discussed in the next chapter.

2.5 Customer experience and customer journey

Understanding, developing, and implementing novel go-to-market strategies, such as PLG, requires an in-depth understanding of what constitutes customer experience. Sales approaches have an impact on the customer experience since the prepurchase phase is part of the customer journey and the overall customer experience (Lemon & Verhoef, 2016). According to Lemon and Verhoef, who have provided a historical perspective and a comprehensive overview of the existing research output related to customer experience, have defined customer experience as "…a multidimensional construct focusing on a customer's cognitive, emotional, behavioral, sensorial, and social responses to a firm's offerings during the customer's entire purchase journey" (Lemon & Verhoef 2016, p. 71).

The earlier research literature has focused on customer experience (CX) and customer experience management (CEM) more in the B2C context than in the B2B context (Witell et al., 2020). However, some recent research also concentrates specifically on the B2B context. Research output concentrating specifically on CX and CEM in the B2B SaaS context is scarce.

In general, areas such as customer buying behavior process models, customer satisfaction and loyalty, service quality, relationship marketing, customer relationship management, customer centricity and customer focus, and customer engagement have been studied and contributed to the current knowledge about customer experience, especially in the B2C context. According to Lemon & Verhoef, customer experience is created through the purchase journey, and the journey consists of different touch points. Customers interact with companies through various touchpoints in multiple channels, which results in complex customer journeys. (Lemon & Verhoef 2016, 69-74) Companies can enhance their marketing capabilities and value creation by mapping the customer journey. A deep understanding of the customer journey is required to drive outstanding value (Purcărea, 2018). On the other hand, a lack of touchpoint control can lead to mismatches in CX (Witell et al., 2020).

Edelman (2015) and Purcărea (2018) argue that customer journeys are becoming central to a brand's customer experience and are as important as the products themselves in providing a competitive advantage. Others have even gone further and proposed strategic customer experience management frameworks for the B2B context (see e.g., Witell et al., 2020, and Zolkiewski et al., 2017).

Customer experience management and customer journey design have become common in the B2B context. According to Edelman, companies should treat customer journeys as products to ensure investments in customer journey development are determined, prioritized, funded, and measured appropriately (Edelman, 2015). Also, as mentioned above, success can nowadays be attributed to the superiority of the customer journeys companies create, not just the products or services they sell (Edelman, 2015).

While the purchasing behavior differs between consumers and companies, it's important to pay attention to B2B buyers' customer experience. While B2B buyers are buying products and services for their company, they are individuals who navigate through the sellers' customer journey. Witell et al. (2020, p. 421) propose that "…the experiences of business customers are likely to resemble customer experiences in business-to-consumer (B2C) contexts." Since especially digital natives are bringing their purchasing habits to the B2B context (Almquist, 2018), it's critical for companies to pay attention to their B2B customer journeys.

Developing CX requires practitioners to understand what constitutes customer experience. Lemon & Verhoef (2016) have created a three-phase process model describing the customer journey and customer experience. In their model, the current customer experience is based on the prepurchase, purchase, and postpurchase stages. In each stage, previous experiences impact the behaviors, such as need recognition, consideration, search, choice, ordering, payment, consumption, usage, engagement, and service requests. The current experience informs future experience.

Edelman (2015) provides a different perspective and describes the classic customer journey and a new journey. While the classic journey consists of consideration, evaluation, more consideration, and then the buying decision, the new journey eliminates the evaluate stage by going through "consider" to "buy" and further to "enjoy", "advocate", and "bond". They call the new journey "the loyalty loop" since it strives to make customers loyal and engaged with the company while interacting through various touch points. Lemon & Verhoef (2016) have defined four types of touch points: brand-owned, partner-owned, customer-owned, and social/external.

The customer journey stages depend on the product or service type. Barbosa et al. (2022) categorize the steps of a digital customer journey into 1) Awareness, 2) Engagement, 3) Conversion, 4) Loyalty, and 4) Advocacy. Recognizing and managing the steps of the customer journey is important for ensuring that the customer journey contributes to and drives customer experience.

In addition to using new technologies, customer journeys can be optimized and shortened, if necessary, also with conventional methods. While shortening the customer journey might not be an end in itself, it might be useful in some scenarios. In their master's thesis, Opanasenko (2017) found that customer journeys can be shortened by paying attention to the balance between the degree of customization and an easy standard implementation. Also, they found that a standardized customer interaction process and continuous customer education help to shorten the customer journey. While these findings offer valuable insights, it is important to note that master's theses are not peer-reviewed publications and may not meet the standards of studies published in academic journals. Therefore, these results should be interpreted with appropriate caution.

2.6 The customer journey in the B2B context

Even though the customer journey in the B2B context has received less attention than in the B2C context, B2B customer journey management has been identified as a body of research. Rustholllkarhu et al. (2022) have identified and conceptualized four management activities for B2B customer journeys: 1) Analyze, 2) Design, 3) Engage, and 4) Guide. Customer journey management can take place either in the digital or non-digital context. Digitalization has been recognized as an important driver for B2B companies, and B2B customer interactions and customer journeys often take place in digital contexts (Mora Cortez & Johnston, 2017; Rustholllkarhu et al., 2022). New technologies, such as AI, offer B2B companies new opportunities for managing customer interactions in digital environments (Rustholllkarhu et al., 2022).

The customer journey in B2B is social in nature (Grewal & Sridhar, 2021). As mentioned in the previous chapter, customer journeys also include customer-to-customer interactions. In the B2B context, according to Mora Cortez & Johnston (2017), this implies various social encounters, such as industry chambers, technical conferences, and trade shows.

An optimal customer journey should improve customer acquisition and retention. The next chapter discusses relevant literature on multichannel approaches to entering the market and managing the customer journey across various channels.

2.7 Multichannel approaches in the B2B context

The multichannel research literature is related to the customer experience domain, and it can provide insights into various aspects of customer journey management (Lemon & Verhoef (2016). Channel choices have already a long time ago become a factor in the competition across a variety of industries (Wilson & Daniel, 2007). As part of the early academic multichannel discussion almost two decades ago, Wilson & Daniel (2007) pointed out that, in order to compete successfully within the dynamic channel competition in the B2B context of that time, companies had to gain additional channel resources and reconfigure their existing channel resources.

Insights about customer behavior related to channel choices (e.g. online or offline sales through a sales force) are relevant when inspecting go-to-market strategies in the SaaS context. SLG strategies are typically based on offline channels, while PLG strategies are based on online channels or combine online and offline channels. While PLG and the

discussion on sales and marketing channels in the context of SaaS is rather new (see e.g., Tyrväinen & Selin, 2011 and Li et al., 2018), some learnings can be drawn from the extant multichannel literature related to other contexts. The remainder of this section discusses such findings.

According to the findings of Lemon and Verhoef, which are mainly related to the B2C context, some channels are more useful than others for specific stages in the purchase funnel because channels differ in benefits and costs. However, they also point out that the differences are becoming less significant due to the diffusion of new channels and technological development. They have also found that the usage of channels and the customers' preferences vary across the purchase phases. Also, channel choices are affected by cross-channel synergies, lock-in effects, and channel inertia. It is also noteworthy that, in the B2C context, hybrid models, such as "search online, buy in store," are being used. (Lemon & Verhoef 2016, p. 80).

While the perspective of Lemon & Verhoef (2016) is related to the B2C context, various aspects can also be applicable to the B2B context. For example, Lawrence et al. (2019) have found that offline channels (salesperson channels) complement online channels in B2B relationships and, as a result, improve profits. In their research context, they inspected customer data and found that customers who predominantly bought through online channels and who had frequent contact with their salespersons generated twice as much net profit than the customers with minimal interaction with a salesperson. Based on post hoc experiments, they also show that this is due to the complementary nature of communication in the salesperson and online channels; the combination of the channels helps the sellers fulfill the customer needs and decrease the perceived risks. (Lawrence et al., 2019).

Lawrence et al. (2019) also highlight the importance of designing online channels so that they allow customers to contact salespersons easily when needed, e.g., through online chat. Also, they point out that it is important for companies to gather and analyze information created by customers interacting with the online channels because this might help companies find new opportunities to meet unserved customer needs, improve the targeting of customer-specific discounts, and expand customer relationships.

As mentioned at the beginning of this chapter, according to Wilson & Daniel (2007), companies must reconfigure their channel resources and gain new channel resources to

compete successfully. Such channel transformation requires dynamic capabilities. Wilson & Daniel (2007) have identified seven dynamic capabilities that support channel transformation: 1) Active review of the route to market in a cycle of strategy development and implementation, 2) The alignment of route to market with different segment and product characteristics, 3) The creation of innovative channel combinations, 4) Iterative development of customer value proposition melding planned and experiential approaches, 5) Integration of processes and IT to support multi-channel customer relationships, 6) An organizational structure which balances the need for innovation and integration, 7) Metrics and rewards which reflect multi-channel customer behavior.

In addition to proposing these seven dynamic capabilities for channel transformation, Wilson & Daniel (2007) made several points useful from a managerial perspective. First of all, they argue that innovation in the context of channels can be a source of competitive advantage, similar to innovation in the context of product or service offerings. Second, they point out that the optimal route to market varies by segment and product. Third, they propose that combining channels can open up further innovation possibilities. Fourth, they suggest that experimentation and piloting might be necessary for complementing a structured and planned approach to a multi-channel strategy. Fifth, they recommend managing all the customer relationships across multiple channels within a CRM system, which can also be made accessible to indirect channel partners as well as direct sales personnel. Sixth, they point out that the organization structure must support a multi-channel approach. An organizational structure based on channel silos might not be optimal if customer relationships are sustained through multiple channels. Finally, they emphasize the importance of aligning metrics and incentives with the multichannel strategy. (Wilson & Daniel, 2007)

These findings and recommendations also seem relevant when considering the SaaS context, especially the SLG (offline) and PLG (online) channels. Now that multichannel management has been discussed, the focus will shift to customer acquisition in the next section.

2.8 Customer acquisition

Digital marketing, especially online channels, has become indispensable for customer acquisition in the B2B SaaS context. Tyrväinen & Selin (2011) pointed out that companies have extensively used company web pages, email campaigns, and search marketing for

customer acquisition purposes. Notably, this observation was made 14 years ago at the time of writing.

Companies use different approaches for customer acquisition based on market conditions and firm size. Vieira et al. (2019) have found that in new or less saturated markets, owned media, and inbound channels, such as blogs, whitepapers, and webinars, tend to be highly effective, while organic reach and social media play supporting roles in customer acquisition. Also, according to them, the company size affects the strategy. Smaller firms often leverage highly cost-effective, relationship-driven channels, while larger companies have a broader mix of resources to diversify customer touchpoints.

Recently, companies have started to leverage AI-powered customer relationship management (CRM) systems to accelerate customer acquisition. According to Saura et al. (2021), AI-based CRMs allow B2B SaaS companies to use big data and predictive analytics to understand user behavior, identify customer segments, and provide personalized content. Also, such systems allow automated lead scoring and qualification, which is useful for identifying and targeting high-value leads. According to them, these have the potential to improve conversion rates.

Social media can be used as a data source for AI-based CRMs. Meire et al. (2017) suggest that incorporating social media data into B2B customer acquisition systems can result in financial gains. The authors point out that using social media data in customer acquisition could reduce resource expenditure on lower-quality leads while improving the quality of sales teams' interactions.

While customer acquisition targets to gain paying customers, user acquisition targets to acquire end-users, who may or may not be direct purchasers. The next chapter discusses user acquisition in the SaaS context.

2.9 User acquisition in the SaaS context

Software vendors are using different tactics for user acquisition. According to Cheng & Tang (2010), offering free trials is common in the software industry. According to them, this implies that vendors are providing free trials for users. There are at least three types of trials: 1) limited versions with reduced functionalities, 2) fully functional versions with a limited trial time, and 3) hybrids of the two aforementioned variants. The first trial

type, which implies that a vendor offers a limited version for free, is called "freemium." Freemium implies that potential customers can use the product before making the purchase decision. Some software vendors have applied such models since the 1980s, and freemium is still actively used by software vendors (Liu et al., 2014; Wagner et al., 2014) and is even considered a de facto business model for online services (Hamari et al., 2020). Liu et al. (2014) have also shown that using a freemium strategy is associated with increased sales of paid software services. It is also worth noting that the network effect affects the performance of freemium strategies. In their study, Cheng et al. (2015) found that the network effect's degree moderates free trials' impacts. A positive network effect implies that the value users experience increases along with the number of users of the application or service. According to their results, the free limited version strategy ("freemium") is most suitable in case of a strong network effect because the free limited version has the potential to grow the user base. On the contrary, the time-locked free trial strategy works best in the context of a weak network effect.

Freemium often implies that the user can start using the software product without interacting with sales personnel. Thus, using a freemium model requires certain product capabilities. For example, the vendor must be able to deploy instances of the digital services to the customers in an automated manner, and the solution should be set up without the vendor's support. On the other hand, freemium is seen as a prerequisite for PLG, according to PLG-solution vendors (Connie, 2023; Garafola, 2022). As these are claims from commercial vendors, they should be treated cautiously. Recently, some vendors (e.g., Reprise, Walnut, and Instruqt) have started to provide solutions for creating software demos of any software. This has allowed software products without in-built freemium capabilities to take advantage of PLG strategies. A recent increase in SaaS demo tool vendors might indicate a growing demand for SaaS demo capabilities.

In addition to free trials that are used for improving customer acquisition, there are at least two other interesting aspects to consider in the area of customer acquisition in the SaaS context: WOM and customer satisfaction. The next chapter discusses WOM and its implications.

2.10 Word-of-mouth marketing

According to Ishii & Kikumori (2023), word-of-mouth (WOM) plays an important role in the B2B marketing context, and B2B buyers have formed online communities and use

WOM from others in the community. Vendors also proactively use WOM to promote their services and products (Ishii & Kikumori, 2023) Also, according to them, WOM and reference marketing in the B2B context have been inspected by several studies during the past 20 years. Wangenheim & Bayón (2007) found that customer satisfaction positively affects WOM referral-making inB2B and B2C contexts. They also found that WOM, in turn, affects new customer acquisition positively. This is in line with findings from Bapna & Umyarov (2015). They have estimated that peer influence is a significant factor affecting buying decisions causing a more than 60% increase in the odds of buying a service.

Interestingly, Villanueva et al. (2008) found that the customer lifetime value (CLV) depends on how the customer was acquired. Customers acquired through WOM had significantly higher CLV than those acquired through marketing activities. Also, they found that customers acquired through WOM generated more future positive WOM when compared to customers acquired through marketing activities. This might imply that when acquiring users without conventional marketing and sales activities, vendors could experience positive spirals of customer satisfaction, which leads to positive WOM, which leads to improved customer acquisition, which in turn, leads to higher CLVs.

Overall, while there are several research gaps related to WOM in the B2B context (Ishii & Kikumori, 2023), the area has been studied by the academia to some extent: there is even an agent-based decision support system for creating WOM programs (Chica & Rand, 2017). The usage of WOM in the B2B SaaS context implies that the marketing and sales approach is shifting away from pure sales-driven approaches.

2.11 Sales and organizational buying in the B2B SaaS context

Boillat & Legner (2013) found evidence of using online channels to manage customer relationships in the context of SaaS in 2013. The evidence was based on a case study, which inspected products such as Salesforce, SAP Business ByDesign, SAP ERP, Oracle CRM, NetSuite ERP, and Oracle CRM. The academic literature on Business-to-Business (B2B) software sales has recently focused on the digitalization of B2B sales, but from a perspective of digitalizing traditional sales activities – not particularly from a product perspective. Even though evidence of the usage of online channels for customer relationship management was found more than a decade ago, the sales channels in the B2B software context are still mostly based on human interactions and offline channels,

at least according to academic sources (Leijala & Kauppila, 2021; Novelli & Wenzel, 2013). However, this contrasts with what can often be observed in practice, where subjective experiences suggest a growing reliance on online channels for certain aspects of customer interactions in the B2B software context.

The findings by Rodríguez et al. (2020) might explain this contradiction or parts of it: they found that complex B2B sales processes are not easy to digitalize. Cyplik & Farfał (2018) have also pointed out that sales cycles in the B2B context tend to be more prolonged and more extensive than the sales processes in the B2C context, which might make it harder to digitalize the sales processes. Also, due to non-disclosure agreements and trade secrets, studying B2B sales processes can be harder.

The challenges with digitalizing sales processes might cause further challenges for some SaaS companies since the buying behavior of B2B customers is gradually getting closer to the behavior of consumers. The consumerization of IT has been a driver for reversing the relationship between end-users and IT departments – end users expect to be able to select what tools they use for doing their work (Moore, 2011). This is likely the reason for the relevance of omnichannel approaches, including online channels in the B2B software sales context (Cyplik & Farfał, 2018; Novelli & Wenzel, 2013). Even though SaaS vendors have relied on online channels for certain customer relationship management aspects, and even though vendors are transforming towards online and omnichannel approaches, based on academic sources, the go-to-market strategies of some vendors seem to be based on conventional sales and marketing activities. Here, activities such as field sales done by a sales force and advertising are referred to as 'conventional.'

The organizational buying perspective is worth noticing while discussing sales in the SaaS context. Raghavan & Nargundkar (2020) have found that organizational buying of software has changed substantially with SaaS, compared to what it was in the on-proposition context, at least when inspecting personal productivity and unit-specific tools. For buying personal productivity and unit-specific SaaS software, little or even no formal evaluation processes are used. According to Raghavan & Nargundkar, this is due to 1) the changing role of CIOs in software evaluations, 2) the changing role of business users, 3) the prevalence of SaaS software and "shadow IT." As SaaS has made enterprise software more accessible and lowered costs, business users are not dependent on the CIO or sales representatives. This has made it possible for business users to participate actively in the evaluation process and allows vendors to sell directly to business users

(Raghavan & Nargundkar, 2020). However, the software evaluation processes for enterprise-wide systems and organization productivity tools are still a very long and "multiphase, multi-person, multi-departmental and multi-objective process" (Raghavan & Nargundkar 2020, p. 765).

Mimetic, coercive, and normative forces can also affect the buying decisions and SaaS adoption. Mimetic forces cause organizations to copy other organizations' activities, systems or structures. Coercive pressures are either formal or informal pressures caused by other companies that a company depends on. Normative pressures arise from professional standards or professional communities. (Kung et al., 2015) Kung et al. (2015) found that mimetic and normative pressures affect companies' intentions to adopt SaaS. However, coercive pressure did not affect this intention. Different pressures might affect B2B customers' buying decisions, which is essential to observe when inspecting PLG. If PLG approaches are common in a particular industry, customers of PLG vendors might expect other vendors to provide similar standards regarding product quality and service.

From a vendor perspective, various forces might drive SaaS vendors to adopt PLG approaches. For example, competing vendors observing the success of a PLG vendor might drive the competing vendors through mimetic forces to adopt similar GTM approaches.

Merit's study of millennial buyers found that 73% of millennials are involved in B2B purchasing decisions at their companies. (Vasquez & Wadlinger, 2016) Also, nearly half of the B2B purchasing researchers are millennials, according to a Google/Millward Brown digital survey (Snyder & Hilal, 2015). According to Almquist (2018), "digital natives have brought their consumer habits to the B2B world". It seems that the technological change – the shift from on-proposition to cloud – that has enabled SaaS business models has democratized B2B buying. Also, the B2B SaaS buyer profile has changed. These findings indicate the direction in which SaaS sales and buying are moving. Raghavan & Nargundkar (2020, p. 765) summarizes how B2B SaaS vendors have started to acquire users: "The no-obligation trial models, providing free versions of software help the vendors to get a beachhead into an organization." Next, user acquisition in the SaaS context is discussed.

Kotaniemi (2022) has studied barriers to purchasing SaaS products online in the B2B context in their master's thesis. The thesis study suggested several areas on which SaaS providers should focus to reduce barriers to purchasing SaaS products online: good visibility in search engine search results, clear pricing, free trials, customer support before the purchase, positive references, ease of use, ease of deployment, integration to customer's ecosystem, and the ability to configure the product to customers' specific needs. Their findings are well aligned with best practices produced by practitioners (*Product-Led Growth: What It Is and Why It's Here to Stay*, 2022). While these findings offer valuable insights, it is important to note that master's theses are not peer-reviewed publications and may not meet the standards of studies published in academic journals. Therefore, these results should be interpreted with appropriate caution.

2.12 Gaps in the B2B SaaS sales literature

As a summary of what was discussed in the subchapters above, it can be stated that the ways that software vendors sell their products are changing along with how consumers and business users act. Technological disruptions have changed B2B selling (Andersen et al., 2016). Digitalization and SaaS have made software easily accessible even before making the purchase decision and lowered costs compared to the on-proposition context.

These developments have changed the go-to-market strategies of B2B software vendors. The contrast to the traditional go-to-market strategies of software vendors is stark. Instead of relying on a sales force and lengthy sales processes that target senior leadership, vendors sell directly to end users through product-based acquisition (e.g., freemium models) and organic methods (e.g., referrals and word of mouth).

Many software vendors actively use free trial models, including freemium business models. Freemium is considered a de facto business model for online services (Hamari et al., 2020). Overall, plenty of research is on free trial and freemium business models. However, research output focusing on these topics, specifically in the B2B SaaS context, is scarce. Notably, practitioners deem freemium a prerequisite for PLG (Connie, 2023; Garafola, 2022).

Academics have found WOM to be important in the B2B marketing context (Ishii & Kikumori, 2023) not only because it has been found to affect new customer acquisition positively but also because organic customer acquisition through WOM has been found to result in higher customer lifetime values (Villanueva et al., 2008; Wangenheim & Bayón, 2007). Practitioners have extended the discussion of organic customer acquisition from WOM and referral marketing to product-based growth loops, which are labeled as “viral loops” by practitioners (Poyar, 2022). According to practitioners, built-in-viral loops can be used to attract new users. Examples include “share” buttons, which cause users to spread links to the products, which is claimed to fuel user acquisition and growth (Nivard & Chopra, 2021; *Product-Led Growth: What It Is and Why It’s Here to Stay*, 2022). From my research, no academic research output was found on this topic.

The topics discussed above reminds of what a large number of practitioners and some academics (Trieflinger et al., 2022; Widlund, 2021) of what they label PLG. PLG seems

like the latest trend among practitioners in the B2B SaaS context. Many blog posts, whitepapers, and other practitioner-produced content on PLG exist. Also, as mentioned above, venture capital firms and various vendors provide tools for utilizing PLG. Furthermore, according to Google search history statistics, the phenomenon has recently gained much traction. Figure 3 below shows the interest in the search terms "PLG" (blue line) and "freemium" (red line) in Google searches worldwide since 2004.

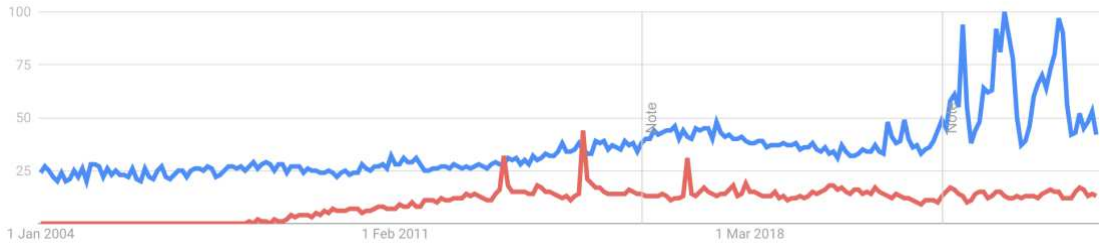

Figure 3. Interest in the search terms "PLG" (blue line) and "freemium" (red line) in Google searches worldwide since 2004.

Based on the statistics, PLG started trending in the spring of 2022 and has peaked each spring since then. OpenView claims they coined the term in 2016 (Openviewpartners, 2022), and therefore, the earlier search interest is unlikely related to product-led growth. For comparison, “freemium” saw peaks in 2013, 2014, and 2016. In this graph, the numbers represent search interest relative to the highest point on the chart for the given region and time. A value of 100 is the peak popularity for the term. A value of 50 means that the term is half as popular. A score of 0 means that there was not enough data for the term.

Some of the academic discussion around B2B SaaS sales seems to focus on sales-led approaches and does not at least widely recognize PLG, which is trending amongst practitioners. The recent academic discussion, including statements about the extensive use of offline channels and human interactions, might be considered to comply with findings from practitioners only if it is assumed that PLG methods are not considered conventional sales channels and if product-based growth has been excluded from the scope. This is because data produced by practitioners present a different picture of sales in the B2B SaaS context: OpenView found already in 2020 nearly 300 companies that use PLG strategies. Also, PLG companies have claimed to outperform their SLG peers in terms of growth, margins, and R&D spending (Hardison, 2021; Openviewpartners, 2022; Richard, 2022). The combined enterprise value (EV) of PLG companies included in OpenView’s data is more than 364 billion US dollars (Openviewpartners, 2022). Also, according to Vendep Capital (2021), 80% of Finnish B2B SaaS companies have adopted

at least one PLG tactic. The phenomena seem extensive in terms of PLG companies' enterprise values and the extent to which PLG tactics are used.

3 METHODOLOGY

Designing a coherent research project requires an understanding of the epistemological, ontological, and axiological assumptions that guide the selection of research methods, the research strategy, data collection techniques, and analysis procedures (Saunders et al., 2015). This chapter discusses the underlying assumptions, the methodological choices, and how the research questions will be answered. Finally, it discusses the reliability of the results.

3.1 Research approach and methods

This study relies on an abductive approach due to three main reasons. First, the author has observed a shift in the approach for B2B SaaS sales. While field sales methods were primarily used earlier, several B2B SaaS companies have started applying new go-to-market strategies that leverage the product itself for sales. Academic research on PLG-based business models is currently scarce, leading to little theorizing to draw from. Therefore, the study's second, high-level objective is to inform emerging theories on PLG by providing a framework for shifting towards PLG. Third, there is a lack of existing theories that would support generating theories on how companies can shift toward PLG.

Abductive reasoning starts with a surprising fact (Ketokivi & Mantere, 2010). It moves towards a theory by testing possible propositions by combining deduction and induction – moving back and forth from theory to data and from data to theory (Saunders et al., 2016; Suddaby, 2006). The surprising fact observed in this study lies in how automation, self-service, and in-product experiences are replacing traditional sales methods, challenging existing theories on customer engagement and sales effectiveness in SaaS markets, and creating new opportunities for scalable growth in SaaS markets. The recent shift towards PLG represents a clear departure from traditional SLG go-to-market models that have dominated the SaaS industry. This conclusion is used as a basis for the abductive reasoning employed in this study. Figure 4 below provides an overview of the abductive research design.

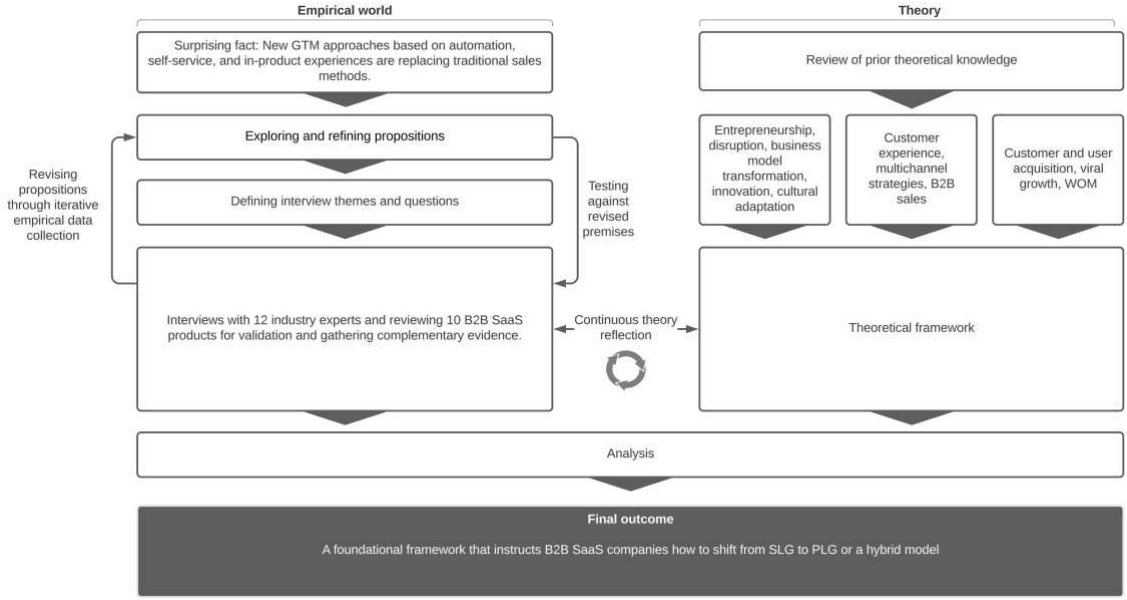

Figure 4. An illustration of the research design of the present study.

Instead of starting with a hypothesis, the study begins with the surprising fact mentioned above and seeks to explore and refine a set of propositions that could explain the phenomenon. This research aims to explore how B2B SaaS companies can shift from SLG to PLG or a hybrid model. To achieve this, the following propositions were defined based on my own experiences and expectations in B2B SaaS product management:

1. ***Proposition 1:*** *Modern buyers prefer discovering and using software on their own terms without engaging with sales teams until later in the process, so companies need to implement self-service models and reduce the reliance on traditional sales teams*
2. ***Proposition 2****: Automation and self-service reduce friction and increase accessibility in the customer journey, potentially speeding up user adoption and conversion.*
3. ***Proposition 3:*** *In-product experiences such as personalized onboarding, usage analytics, and product recommendations can guide users more effectively than traditional sales approaches, so companies need to implement the customer journey within the product.*
4. ***Proposition 4:*** *Data-driven insights from in-product behaviors allow companies to tailor user experiences, which can lead to more targeted retention and upsell opportunities.*

5. ***Proposition 5:*** *B2B SaaS companies that rely on these methods are able to scale faster by minimizing the cost and complexity of manual, labor-intensive sales processes and direct sales teams.*
6. ***Proposition 6:*** *Transitioning to PLG or a hybrid model requires investments in scalable, automated systems that enable self-service onboarding, in-app transactions, and real-time analytics to support user acquisition, conversion, monetization, retention, and expansion.*

These propositions will be explored through a combination of semi-structured interviews with industry experts and analysis of SaaS companies' customer acquisition strategies through product trials. The gathered data will inform the development of a framework that outlines the steps, organizational changes, and tools necessary for transitioning to PLG or a hybrid model. The data collection has been designed to explore the propositions described above and create the framework.

To explore the propositions, a cycle of data gathering, testing, and iteration, with constant reflection on relevant literature, was started. In parallel with the data gathering, prior theoretical knowledge about customer acquisition, customer journey, organic marketing and WOM, organizational buying, and SaaS sales, amongst others, was reviewed. Based on the review, a theoretical framework was defined. The theoretical framework was used as the basis for the abductive reasoning in addition to the data gathered in the empirical phases.

Finally, after testing and iterating the propositions against gathered data and continuous reflection against the theoretical framework, the findings were analyzed, and a proposal was made. Next, the data collection is described.

3.2 Data collection

The data used in the study was collected by conducting semi-structured interviews and investigating tactics used in B2B SaaS companies' websites and software product trial versions. This chapter describes the data collection in detail, including sampling strategies, interview types, data collection process, data triangulation, ethical considerations, practical constraints, adjustments done during the data collection phase, and data documentation. Also, a summary of the collected data is provided.

Sampling strategy and selection criteria

A mixed sampling strategy was used to select interviewees. Since the study focuses on PLG, it was judged that participants must be chosen deliberately based on their job title, experience, and the type of company where they work. Persons with experience in PLG working within sales, marketing, product management, and technology in B2B SaaS companies were selected. Roles such as founders, CEOs, marketing heads, sales heads, and product managers were targeted. After the interviews, the interviewees were asked to recommend other interviewees.

Interviewees were searched through both LinkedIn and personal contacts. Invitation letters (in digital format) were sent to potential interviewees. When a person agreed to be interviewed, the interview was scheduled, and an info package (a PowerPoint presentation) was sent. The info package included information about the research, a brief introduction to the topic of PLG, and the interview themes and questions.

It turned out, by coincidence, that there is a small, informal PLG community in Finland that gathers for, e.g., dinners and discussions. The group consisted of persons working with PLG-related topics in SaaS companies in Finland. Four persons were interviewed from this group. One of them made a recommendation, which led to the fifth interview. All these persons had extensive knowledge and first-hand experience working with PLG, and they shared their experiences openly, which led to valuable insights.

Rationale for Semi-Structured Interviews

The nature of the research and particular needs related to data collection and analysis inform the selection of the data collection method. Saunders et al. (2015) have found that managers are more likely to agree to be interviewed than to fill out a questionnaire if the interview topic is interesting and relevant to their current work. In this case, it was evaluated that the aforementioned applies in the context of PLG, which is a rather novel approach. Interviews were used as the main data collection method in this study. For several reasons, semi-structured interviews were used to gather data. Saunders et al. (2015) recommend them for exploratory studies, particularly for studies that require qualitative analysis. According to them, semi-structured interviews allow probing

answers to seek explanations of answers and meanings, which helps add depth to the data.

Data Collection Process

12 semi-structured interviews were conducted with 12 interviewees. The interview details, including the interviewees' roles and experience, are provided in Table 3 below.

Table 3. Details about interviews.

Company	Participant	Participant role or title	Experience (years)	Interview duration (minutes)	Interview date and time
Company A	Interviewee 1	Marketing Leadership	11–15	60	19.04.2024 10:00-11:00
Company B	Interviewee 2	Executive Leadership	6–10	75	27.05.2024 14:00-15:15
Company C	Interviewee 3	Sales Leadership	11–15	60	20.06.2024 12:00-13:00
Company D	Interviewee 4	Marketing Leadership	16–20	60	02.07.2024 11:30-12:30
Company E	Interviewee 5	Growth Leadership	11–15	60	19.09.2024 09:00-10:00
Company F	Interviewee 6	Product Leadership	21+	60	28.10.2024 09:00-10:00
Company F	Interviewee 7	Sales Leadership	21+	60	07.11.2024 17:00-18:00
Company H	Interviewee 8	Marketing Leadership	6–10	45	17.12.2024 13:00-13:45
Company I	Interviewee 9	Sales Leadership	21+	60	09.01.2025 11:00-12:00
Company J	Interviewee 10	Executive Leadership	21+	60	14.01.2025 11:00-12:00
Company K	Interviewee 11	Executive Leadership	21+	60	22.01.2025 15:00-16:00
Company F	Interviewee 12	Customer Support Leadership	16–20	60	24.01.2025 14:00-15:00

Ethical Considerations

The participants were informed about the purpose of the study through a comprehensive information package delivered to them when scheduling the interview to make sure they were fully aware of the study's purpose and their rights. Each interview started with a discussion about the purpose, objectives, and approach for ensuring anonymity. All personal identifiers, such as the interviewee's names and company affiliations, were pseudonymized after the interviews.

Practical Constraints

Practical constraints affect the making of methodological choices (Saunders et al., 2016). Finding enough industry experts with relevant experience in B2B SaaS, PLG, and transition processes is considered a key constraint. Also, due to time-related constraints, the number of customer acquisition processes related to B2B SaaS products to be analyzed is limited. The research was carried out as a master's thesis, and the time horizon was limited to a few months in 2024.

Reflexivity

As the researcher, I conducted the interviews and analyzed the data. My background in B2B SaaS and interest in PLG may have influenced how I steered conversations and interpreted the responses. My background has provided me with a contextual understanding but also posed the risk of preconceptions that could have shaped how I interpreted the interview responses. I took steps to remain as neutral as possible during interviews by avoiding leading the interviewees to my assumptions and asking open-ended questions.

My position as a researcher and senior product manager in a B2B SaaS company might have made some interviewees cautious about how they described internal company practices. To mitigate this, I communicated the practices related to anonymity and confidentiality. For example, I assured that no interviewee would name company names and company details would be disclosed.

Adjustments During Data Collection

After four interviews, it was concluded that the originally planned number of interview questions was too large for 60-minute interviews. In some of the interviews, gathering responses to enough questions was impossible. While these interviews gathered useful information about PLG in general, they did not provide enough data to answer the research questions, especially focused on the implementation of PLG. Therefore, the interview questions were adjusted after conducting four interviews. Since it was expected that it would be challenging to conduct longer interviews, the interview questions were adjusted so that questions targeting gathering data related to the implementation of PLG were emphasized more. On the other hand, some of the fundamental questions about PLG itself were reduced. However, the first four interviews provided a decent amount of data regarding the fundamentals.

Documentation

All interviews were recorded with participant consent and transcripts were automatically generated. Manual corrections were made to ensure accuracy. Irrelevant sections, such as introductions and conclusions, were removed. All data was stored on Hanken's OneDrive on the researcher's account. Automatic and manual version control was applied to all documents to track changes during the research process.

3.3 Data triangulation

Triangulation was used to integrate insights from interviews with empirical observations of customer acquisition processes in B2B SaaS companies. Interviews were used to capture perceptions and strategies while gathering observational data through product reviews of B2B SaaS products provided direct evidence of implementation and practice. According to Saunders et al. (2016), triangulation combines data to ascertain if the findings from one method mutually corroborate the findings from the other. This approach was adopted to strengthen the validity and reliability of the findings.

The product reviews allowed cross-validating and challenging the empirical observations gathered through interviews. In addition to validation, the product reviews provided complementary insights. For example, while interviewees emphasized the importance of automated product onboarding processes in PLG strategies, the product reviews validated whether the onboarding processes are commonly automated, easy to use, and frictionless. Also, the product reviews provided richer context: the observed onboarding

process revealed how effectively user goals are addressed, complementing interviewees' statements about the importance of personalized onboarding. The product reviews also helped bridge theory and practice: the product reviews informed how well theoretical PLG principles (e.g., self-service onboarding, in-product conversion) are realized in the products. Finally, the product reviews provided actionable insights by combining strategic-level understanding with concrete examples, making the findings relevant for both academia and practitioners.

The triangulation was conducted in four steps. First, the objectives for gathering observations were defined. PLG approaches are used to automate several aspects of the customer journey and relationship, from customer acquisition to conversion, monetization, expansion, and retention. Due to practical constraints, the product reviews were limited to customer acquisition and conversion in-product experiences. It was not possible to buy and use B2B SaaS software products and discover the later phases of the customer journey within the scope of the study.

Second, the product review questions were defined after eight interviews had been conducted based on the interview results gathered at that stage. The product review questions were based on applicable themes identified from the interview results. The product review questions, along with the results, are presented in Appendix 3

The products to be reviewed were selected from OpenView's widely recognized public PLG Index. A purpose-driven selection approach was used to ensure the products matched the study's focus on B2B SaaS companies and their strategies. The diverse sample made the findings relevant to different industries and customer types. Products were chosen from a range of industries, such as service management, analytics, project management, marketing, and customer support, to reflect a wide range of cases. Also, products with different levels of complexity were included, since the interview results suggested that more complex products could make onboarding and setup more challenging compared to simpler ones.

The number of products (10) was chosen to balance breadth (representing diverse strategies) and depth (allowing detailed evaluation of each product). This allowed reaching theoretical saturation – additional products were unlikely to introduce significantly new insights.

Third, 10 B2B SaaS products were reviewed by ordering and inspecting the free product trials. The signup, onboarding processes, and the products themselves were reviewed individually after each other in three sessions (4, 3, and 3 products). The review for each product consisted of finding answers to the product review questions. Each review session was recorded with a screen capture to allow reviewing the sequence of actions afterward when analyzing the results. The fourth step focused on analyzing the gaps and overlaps. Applicable overlapping observations and some of the applicable new practices present only in the product review results were integrated into the framework. Table 4 below presents the reviewed products, including their categories and target audiences.

Table 4. Reviewed products, including their category and target audience.

Product name	**Category**	**Target audience**
Atlassian Jira Service Management	IT service management	IT Teams, enterprises, SMBs
Freshworks	Customer support & CRM	SMBs, mid-market
Zendesk	Customer support & engagement	SMBs, enterprises
Amplitude	Product analytics & insights	Product teams, enterprises
BigCommerce	E-commerce & SaaS billing	B2B & B2C E-commerce companies
HubSpot	CRM & marketing automation	SMBs, marketing teams
Dropbox	Cloud storage & collaboration	Individuals, small teams
Monday.com	Project management & collaboration	Project managers, teams
UserTesting	UX Research & feedback	UX designers, product teams
Zoom	Communication & video conferencing	Teams, enterprises

All product names and trademarks mentioned in this study are the property of their respective owners. Their inclusion does not imply affiliation, sponsorship, or endorsement.

3.4 Data analysis

Qualitative data is based on meanings expressed through spoken and textual words and images, and the collection of data results in non-standardized data that requires classification into categories (Saunders et al., 2015).

The interviews were conducted through a video conference application (Google Meets and MS Teams), and transcripts were created automatically. Using two different add-ons for creating transcripts allowed the researcher to compare them and use the more accurate one. On average, an hour-long interview produced around 15 pages of transcript.

After each interview, the transcripts were anonymized (the interviewee's name was replaced with "Interviewee". Then, the transcripts were cleaned and prepared for analysis: irrelevant content (e.g. the start and end of the call with introductions, etc.) were removed, corrections to errors such as wrong abbreviations (e.g., BLG → PLG) were made, and other errors were fixed.

Once the transcripts were cleaned and ready to be analyzed, they were read through once more before analyzing them in detail. The first stage of the analysis involved open coding for each transcript. At this stage, the goal was to process the raw data into manageable segments, to find as many relevant concepts as possible, and to uncover a diverse range of perspectives. Important and recurring phrases and sentences were highlighted with colors. Then, the codes were labeled with short but descriptive labels. Once a variety of codes were identified and labeled, the codes were categorized based on similarity.

In the second phase, axial coding was used across the transcripts to organize the open codes and identify relationships between them. First, a few core categories central to the research questions were selected. Then, the other codes and their relationships were examined regarding the core codes, focusing especially on finding causal relationships, context, conditions, interactions, and consequences.

As expected from raw interview data, the transcriptions included verbatim sentences, informal language, filler words, and occasional ambiguities. Therefore, some of the quotes used to provide qualitative depth in the results were reconstructed for clarity and readability while preserving the original meaning and intent. In some cases, verbatim quotes with light grammatical corrections were used when necessary for emphasis or authenticity. Examples below:

Cleaned verbatim quote:

> "So, you know, in the product-led model, the prospects can experience the value of the product themselves, by, you know, using it hands-on before deciding to buy it. In the sales-led model, you know, that typically doesn't happen, unless there's, you know, a pre-agreed, pilot stage."

Reconstructed quote:

> "In the product-led model, prospects experience the product's value hands-on before deciding to buy it. In contrast, in the sales-led model, this rarely happens unless there is a pre-agreed pilot stage."

3.5 Reliability of the results

Hirsjärvi & Hurme (2000) state that in qualitative studies, the researcher and the objects under research interact. For example, interviews consist of the cooperation between the interviewer and interviewee. In quantitative studies, the researcher and the objects under research may be better isolated, and thus, the researcher's influence on the results may be less significant. However, it must be considered that questionnaires for gathering quantitative data may also reflect the researcher's views. (2000).

As described in the previous chapters, this study uses qualitative research methods. While the academic research output on PLG is scarce, there is plenty of practitioner-produced material available. Practitioner-produced content is not peer-reviewed and may present simplified, idealized, or biased perspectives. Interviewees who consume practitioner-produced content from, e.g., internet pages, blogs, books, and industry forums may bring these perspectives into their responses, sometimes without being fully aware. This could lead to responses that do not fully reflect their experiences but instead popular narratives. It is noteworthy that this phenomenon is common in social sciences and qualitative research. To mitigate this challenge, clarification questions, critical questioning of statements, and reflection on sources for the claims were used during the interviews.

4 RESULTS

4.1 Introduction to Results

This chapter presents the findings from interviews and the complementary evidence gathered through reviewing B2B SaaS products leveraging PLG principles. The interviews were conducted with industry experts on the transition from SLG to PLG in B2B SaaS companies. The findings are structured around the research questions. This chapter lays the groundwork for the subsequent analysis in Chapter 5 and discussion in Chapter 6.

The interviewees were industry experts, such as founders, board members, CEOs, and growth, marketing, and product leaders, with a combined experience of 219 years in the software business. All had extensive knowledge about PLG, and most had direct, first-hand experience implementing PLG or running operations and businesses based on PLG. The number of interviews (12) was enough to get close to data saturation.

The interview findings were validated and complemented by reviewing 10 B2B SaaS products that leverage approaches typically associated with PLG. The complementary evidence confirmed many of the interview results and provided additional insights and examples on how various topics brought up by interviewees have been implemented in practice.

4.2 Detailed summary of interview results

This section summarizes the interview results and presents findings for each research question. The results are presented as key insights, along with supporting examples or quotes.

RQ 1: How can a B2B SaaS company shift from sales-led growth to product-led growth?

Table 5. Key insights, including supporting examples or quotes for RQ 1.

Key insights	Supporting examples or quotes
PLG relies heavily on automation and product quality	Interviewee 4: “In PLG, everything should be as much automated as possible. Purchasing, transaction on the website or software itself.”

Organizational alignment around PLG principles, starting from the leadership, is critical for a successful PLG transition.	Interviewee 5: “The company needs to be aligned with that kind of methodology. Structures might change, and some people actually quit. It might be too taxing for them.” Interviewee 9: “We had representatives from all org units in the leadership. The leadership was aligned. Alignment of engineering and product needed to be involved.”
PLG necessitates shared objectives and metrics that align the operations of key teams, such as sales, product, and customer success. Teams must focus on outcome-oriented objectives, not just outputs.	Interviewee 6: “In product-led growth, metrics like churn rate, win rate, and upsells are equally important across all teams. A unified set of metrics that everyone agrees on and works toward is essential, unlike in sales-led growth where certain metrics may matter more to specific teams.” Interviewee 9: “We implemented OKRs between all the teams and tried to align them. Some were shared between sales, customer success, and product.” Interviewee 11: “If the team’s goal is just output, like delivering a feature, you won’t get a PLG outcome. It must align with customer goals or business outcomes.”
PLG is best started selectively for specific customer segments or customer journey phases (e.g., acquisition, conversion, expansion, retention)	Interviewee 7: “We put parallel lines of products—one still rooted in SLG… PLG was introduced for a different product.”
Companies rarely transition fully from SLG to PLG. Instead, they implement PLG models alongside specific products or customer segments, or customer journey phases.	Interviewee 9: “It went… from hybrid model and still a hybrid model when I left. But it got more product-led growth initiatives.”
A successful transition requires cultural shifts and organizational restructuring.	Interviewee 9: “The cultural shift took some time. It was not so easy to establish it with more experienced sales teams.”
Collaboration between sales and product leadership is essential.	Interviewee 11: “Where it gets interesting is if the sales organization and product leadership accept joint responsibility for sales.”
Product managers need to move toward full ownership of outcomes.	Interviewee 11: “Product management needs to move further away from the technical and

	business side and own it 360… understand the customer, the tech levers, and the business."
Educating users on extracting value from the product as a critical part of the PLG approach. This may include in-product guidance, educational content, and thought leadership to support and attract users.	Interviewee 6: "You can eliminate the need for a salesperson by addressing the customer's pain points or jobs within their own context. This broader approach makes customers feel educated, supported, and advised, rather than simply being sold a product."
PLG requires products to provide intrinsic product value to customers in a way that aligns with their own professional or job needs, without relying on a salesperson to communicate this value.	Interviewee 6: "That basically, I don't… I don't need to do anything to understand the value of this because it's immediately solving a problem for us. For example, in my previous company, in 2015, we had that we put a product in front of people that they we didn't need to explain to them."
Piloting PLG with a parallel product line or specific customers is recommended before committing to a wider adoption.	Interviewee 9: "We piloted PLG with some customers, and it worked well. The engagement level was higher."
A major shift to PLG requires rethinking the business model, including revenue, cost structure, and balance sheet impact. Assessing the impact to the overall financial architecture, including modeling how PLG adoption will impact revenue and growth over specific time frames (e.g., weekly, monthly, quarterly) is important.	Interviewee 7: "We rebuilt the business model, including the financial and growth model. We assessed how PLG adoption would impact revenue and costs."
PLG works best for simple, transactional, self-explanatory solutions with minimal upfront setup or integration needs.	Interviewee 8: "Purely product-led growth without human involvement is mostly reserved for transactional solutions that are self-explanatory."
Customer expectations play a significant role in determining whether PLG is feasible. High ACV (annual contract value) products often necessitate human involvement.	Interviewee 8: "High ACV products often necessitate human involvement, such as custom SLAs or running security checks."
Shifting from SLG to PLG requires significant investment in new teams and strategies, and the ROI can be very uncertain for some companies.	Interviewee 8: "Yes, definitely. And again, is the ROI going to be there in the long run? I suspect that many sales-led companies aren't seeing significant positive ROI from these efforts, which often remain branding plays."
Aligning incentives is critical to avoid friction. Sales compensation models need to reflect the transition to PLG. Misaligned incentives can hinder progress by encouraging behavior rooted in the old SLG model.	Interviewee 9: "We changed that as well. Sales reps were measured on ARR based on the last 12 months' predicted sales." Interviewee 11: "If you bring in practices that don't align with the interests and incentives of the

	incumbent strategy, you'll either meet blockage or underutilization." Interviewee 11: "If the incentives of the team are aligned around growth, they'll focus on what matters—like customer happiness or increasing customer willingness to pay more."
Resistance to transition often stems from "legacy thinking."	Interviewee 11: "There's usually a natural human resistance to change, especially in senior people in organizations. They like what they know and resist shifting strategies."

Participants shared their views on the differences between SLG and PLG and highlighted the cultural, organizational, and technological changes required for a successful transition. They emphasized that PLG relies heavily on automation and product quality, and that it requires organizational alignment throughout the organization, starting from the leadership. Shared, PLG-related objectives and metrics were seen as a key enabler for aligning the operations driven by various teams. They also pointed out that successful transitions typically require cultural shifts, organizational restructuring, financial modeling, and overall rethinking of the business model.

Hybrid models were proposed as starting points or piloting approaches, but in most cases, also as final target states. The interviewees pointed out that go-to-market models can be hybrid in various ways: PLG can be used selectively for specific customer journey phases, product lines, or customer segments.

They also emphasized that PLG works best for simple, transactional, self-explanatory products that can communicate and provide intrinsic value without relying on salespersons to communicate this value. They pointed out that the feasibility of PLG depends on customer expectations. High-ACV (annual contract value) products often require human involvement, for example, due to needs related to custom SLAs or information security requirements.

RQ 1.1: What steps should a B2B SaaS company take to shift from SLG to PLG?

Table 6. Key insights, including supporting examples or quotes for RQ 1.1.

Key insights	**Supporting examples or quotes**
A gradual, part-by-part transition approach with piloting phases is recommended.	Interview 9: "It's unrealistic to know how to shift to PLG without testing different things. For new features or add-ons, piloting with key accounts that show interest can provide valuable feedback. We did this, and it worked well, especially with customers closer to us, who were more eager to test new things compared to more passive customers."
Starting with less complex parts of the customer journey allows to minimize the risk and allows to learn from lower-risk areas or segments before scaling PLG efforts.	Interviewee 7: "We put parallel lines of products… One was still rooted in SLG, and PLG was introduced as a self-serve option for low-intensity users. This allowed us to test without disrupting high-complexity workflows."
Understanding customer behavior through data analytics is essential in PLG, and analytics must therefore be embedded in product development.	Interviewee 9: "We had a tool that gave us data on how much time users spent on certain pages and what they clicked. This helped us upsell and cross-sell."
Leveraging emerging technologies such as AI was proposed to improve personalization at scale.	Interviewee 8: "AI agents could ask relevant questions and guide users through decision trees to achieve activation. This is the future for making PLG motions more efficient."
PLG can provide advantages in the long run regardless of the potentially high upfront investments.	Interviewee 3: "Investing in PLG can be resource-intensive at first, but the model aligns with long-term goals and often proves more sustainable in the long run." Interviewee 3 continued: "PLG often involves higher upfront costs, but the long-term benefits, such as reduced churn and sustainable growth, outweigh these initial investments."
Product quality and user experience play a key role in PLG, and therefore the features, value propositions, and time-to-value requirements for the new products should be carefully planned.	Interviewee 4: "In a PLG strategy, product quality and user experience are business critical."
Product trials must focus on showcasing the product's value, not just functionality, to drive conversion as soon as possible.	Interviewee 8: "We need to bring them to that value that they came for as quickly as possible… which in-app experiences they should see, which features we should show them first."

One approach that companies can take is to introduce simpler versions of existing products to pilot the PLG model.	Interviewee 7: "We introduced a PLG offering that was fully self-serve… with licenses three times cheaper for low-intensity users."
PLG requires careful planning and design of pricing tiers and upgrade triggers.	Interviewee 7: "Pricing in PLG is pivotal… we manually adjusted and tested it initially, but now there are tools that help with automation."
Some companies use PLG for low ACV customers, targeting to later transform these customers into "SLG customers" that account managers will take care of.	Interviewee 8: "Low ACV products require automation to recoup investment, but users may later shift to enterprise solutions with account managers."
Building entrepreneurial teams internally can work better than external venturing for core initiatives.	Interviewee 11: "If it's speculative, an external team can explore it. But if it's core to our business, we need to own it in-house with a cross-disciplinary entrepreneurial team."
Standardize and simplify the product to ensure readiness for PLG	Interviewee 12: ""The product needs to be mature enough… so that there is a truly compact package where the most critical features for customers are clearly understood."

The interviews outlined practical approaches to initiating the transition, including gradual implementation, focusing on specific customer journey stages, and leveraging data-driven tools. For example, they suggested starting with lower-risk customer journey stages, such as retention or expansion, before transitioning customer acquisition into PLG. They also proposed embedding data analytics into product development to understand user behavior and make data-driven decisions.

RQ 1.2: How can customer acquisition and conversion be organized when using a PLG model?

Table 7. Key insights, including supporting examples or quotes for RQ 1.2.

Key insights	**Supporting examples or quotes**
The customer journey in PLG is typically automated, which reduces the need for a salesperson's involvement in transactions.	Interviewee 4: "In PLG, everything should be as much automated as possible, even purchasing the product or making the transactions… the whole customer journey and lifecycle should be built into or aligned with the product. In SLG, a salesperson is needed for various stages of the journey." Interviewee 12: "Because this will likely lead to, for instance, the product organization taking on much

	greater responsibility while the sales organization shrinks."
Hybrid models, such as product-led sales (PLS), can be used to drive customer acquisition by combining elements from PLG and SLG. In such models, companies drive traffic to the product and qualify leads based on their usage. Once users reach a specific threshold (e.g., team size, engagement level), sales teams engage to upsell or offer enterprise deals.	Interviewee 10: "In PLS [product-led sales], you drive traffic to the product and qualify a lead through the product. When the customer goes over a specific threshold, the sales team 'attacks.' Slack is an example—once the team of users is large enough, they approach the customers. PLS is usage-based qualifying and customer profile-based qualification as the basis for selling."
Successful PLG companies often utilize referral incentives and word-of-mouth (WOM) as key components in customer acquisition, making current users advocates for the product. Viral loops are used.	Interviewee 5: "In PLG, it's about enabling and encouraging customers to tell others. For example, Dropbox offered more storage for referrals. Hotmail included a default signature promoting their service. These built-in loops make customers advocates."
In PLG, product analytics is essential in understanding customer behavior and the actions that lead to conversions. Companies operating with an SLG model might not have access to data that would reveal which actions lead to conversions.	Interviewee 6: "We try to measure the right things… metrics touch on key features, adoption, and usage. Tools like Pendo help us guide customers to actions that drive engagement and conversions." Interviewee 12: "…the customer situation—whether, for example, their usage is increasing or decreasing, whether there are escalations, delays, or challenges with resourcing for existing projects, or anything else. What kind of NPS scores have come in, and through this data, we can think structurally again about whether the customer is in a strong position, growing, and ready for upselling…"
Tracking in-product engagement metrics, such as product consumption patterns, peak usage times, feature usage frequency, and drop-off points, is essential for understanding customer behavior and making adjustments to improve conversion rates by creating in-product upgrade triggers.	Interviewee 6: "In PLG, you track whether customers are using a feature, such as an add-on in our case. For example, if activation takes longer than expected, you trigger an engagement action, like a reminder or reward, to encourage adoption." Interviewee 12: "We can directly tell them what price makes sense for them, as we can demonstrate that 15% of their workload decreased."
While data analytics play a role in validating product decisions, the company must also	Interviewee 5: "Data is always part of it, but it's not the sole decision-maker. There must be a

maintain a clear vision and qualitative understanding of customer needs, rather than solely relying on data to dictate product direction.	vision and qualitative customer understanding. Data validates the hypothesis, but decisions shouldn't be solely data driven."
Acquisition and conversion can be improved by emphasizing educational content aimed directly at users (e.g., training materials, tutorials). This empowers users to see the product as a tool for solving job-related challenges.	Interview 6: "Companies like Digital Ocean have successfully empowered users by teaching them to manage tasks like DevOps and infrastructure setup, even without prior knowledge. Their educational efforts not only enhance product understanding but also build user confidence."
In highly competitive markets, pricing based on actual product usage, rather than a flat subscription model, can align better with customer expectations and improve conversions.	Interview 7: "If the market is saturated and highly competitive, then pricing needs to be usage-based pricing typically."
Modern tools for automation, CRM, AI-based personalization, and pricing are now accessible and cost-effective, which simplifies the implementation of automated acquisition and conversion processes. Pricing automation is pivotal in optimizing customer acquisition.	Interviewee 7: "Automation tools like AI-driven CRM and pricing tools simplify the process, making it more efficient to optimize conversions and growth."
Onboarding experiences should be tailored based on user goals collected during sign-up to drive value creation and conversion. Identifying and operationalizing critical events in the user flow that signify value realization for users is essential for effective, in-product conversion triggers.	Interviewee 8: "We collect information during sign-up about the user's job to be done. Based on this, we tailor their onboarding experience to match their goals and guide them to value realization."
Reactive self-service experiences that respond in real-time to user actions in the app is essential in PLG.	Interviewee 8: "Creating reactive self-serve experiences that respond in real time to user actions is key for low ACV customers, as automation drives scalability and reduces costs."
PLG products typically use reports and dashboards to demonstrate product value without manual sales intervention.	Interview 5: "It might show some kind of insights or data or dashboard, like, what kind of value are you actually getting from here, from saving money, saving time to tasks completed or anything like that." Interview 7: "Dashboards that present reporting, statistics, and figures are critical in PLG for justifying product value without the need for manual sales intervention."
Automated acquisition in PLG relies typically on generating a high volume of inbound traffic through content marketing. The content must be	Interviewee 10: "To create traffic, you have to understand what your target audience is looking for. They are not looking for a product; they are looking for

relevant and valuable for the ideal customer profiles (ICPs) the company is targeting.	solutions and, not even solutions, but answers to their questions. In other words, they are looking for content… Transitioning to the inbound model requires you to understand what content the customers need."
Successful PLG initiatives create lasting touchpoints.	Interviewee 11: "We introduced PLG levers… creating unique signature moments you can only really do when you drive a robot to someone's door."

Participants provided insights into how PLG redefines the customer journey. They emphasized automation, product analytics, and customer-centric strategies for driving engagement and conversions. The interviewees stressed the importance of minimizing reliance on sales personnel in the customer journey. Capabilities such as self-service options, in-product demonstrations, and dashboards showcasing product value were emphasized as important tools for acquisition and conversion. The interviewees also pointed out that referral incentives and WOM play key roles in driving growth. They also stressed the importance of product analytics and in-product engagement metrics to design effective conversion triggers and adjust strategies. Additionally, they highlighted the need for offering educational content and adopting usage-based pricing models can enhance user trust and improve conversion rates in competitive markets.

RQ 1.3: How should the organization be structured when using a PLG model?

Table 8. Key insights, including supporting examples or quotes for RQ 1.3.

Key insights	**Supporting examples or quotes**
The implementation of PLG requires organizational restructuring. The entire company, including the software developers and designers, must be aligned with the PLG approach.	Interviewee 5: "It's not just like a small change to go from SLG to PLG, but it's actually the organization-wide change. There might be a lot of people doing different tasks after the transition." Interviewee 12: "The entire organization should also participate in implementing PLG… for example, customer support can promote a new product while handling ticket workflows."
PLG can be implemented by splitting the company into two organizational units: one operating with a	Interviewee 3: We made a decision that we will divide these products groups to different product lines. One is the SLG product line, which is

new product with a PLG approach, and another with the existing product and a SLG approach.	managed by one manager, while another is the PLG product line, which is managed by another manager."
PLG requires a high degree of alignment across all teams, especially between product, marketing, customer success, and development teams. This ensures that the product itself can drive growth without relying heavily on separate sales or marketing activities.	Interviewee 5: "The whole company needs to be aligned with that kind of methodology or approach… it's a long, painful transition and most likely not all are actually going to survive it."
Customer success roles may shift towards proactive engagement rather than reactive support. This means using data to anticipate user needs and guide them toward realizing the product's value for enhancing user retention and satisfaction.	Interviewee 5: "In PLG motions, customer success is very important to be proactive rather than reactive, using data and knowledge preemptively to help customers get value."
In PLG, sales teams can focus on upselling or enterprise-level negotiations	Interviewee 3: "In our case, the PLG sales team handles customers who need guidance during the trial period. Meanwhile, customer success takes over for onboarding and expanding the account." Interviewee 12: "The sales organization was previously responsible for the entire customer relationship, but then it was shifted more toward new customer acquisition. Additionally, the role of salespeople was significantly reduced."
Transitioning to PLG may shock existing sales teams, as the pricing and customer acquisition models can differ significantly. To address this, the company may need to reframe the roles and responsibilities of sales teams to focus on upselling or enterprise-level negotiations, rather than initial customer acquisition.	Interviewee 7: "PLG was a shock to the sales team because the license was three times less expensive. We had to explain that it was designed for customers with low-intensity usage and complete self-service."
Companies aiming to use PLG should gather a specialized growth or product marketing team that understands the user journey and can create effective self-serve experiences.	Interview 8: "Actually providing good self-serve onboarding that is personalized at scale is hard. It's not hard because the tools are hard to use. It's hard because you need a very specialized, you know, growth or product marketing team that really understands the user journey or journeys."
Roles and responsibilities must be redefined with shared accountability.	Interviewee 11: "The organization gets stuck when roles and responsibilities are binary. Everyone must agree to take extreme ownership and work cohesively."

Participants highlighted that implementing a PLG model requires significant organizational restructuring. Some interviewees suggested splitting into separate units for PLG and SLG products, though they highlighted that this approach can be complex due to differing pricing models. Also, some interviews proposed that customer success roles may shift to proactive engagement, using data to anticipate user needs. At the same time, sales teams, if retained, could focus on upselling and enterprise-level deals.

RQ 1.4: What are the critical success factors for shifting to PLG?

Table 9. Key insights, including supporting examples or quotes for RQ 1.4.

Key insights	**Supporting examples or quotes**
In a PLG model, product satisfaction and ease of use are crucial for driving onboarding and monetization without sales intervention. The product must be designed to "self-promote" and demonstrate its value independently.	Interview 6: "Your product actually has this spooling factor that you need to do nothing to explain the value, you know. It's what you want to build—a product that basically I don't need to do anything to understand the value of this because it's immediately solving a problem for us."
Transitioning to PLG requires a significant cultural shift within the company to ensure all members are aligned with PLG principles and understand the growth objectives tied to their work.	"Interviewee 9: "The cultural shift took some time. It was not so easy to establish it with more experienced sales teams."
A prerequisite for a successful PLG implementation is a high-quality, competitive product that provides an intuitive user experience. Also, the product must typically be built with the PLG approach in mind and the product itself must demonstrate value and drive engagement without heavy sales involvement.	Interviewee 3: "Product obviously needs to be good and competitive if you're running a PLG strategy, and user experience as well. It needs to be easily used."
PLG relies heavily on excellent onboarding processes that enable user to quickly realize the product's value. This requires an easy trial, well-designed self-service options, including in-app guidance, knowledge bases, and community support that allow users to progress without needing to direct human intervention.	Interviewee 8: "We need to bring them to that value that they came for as quickly as possible… which in-app experiences they should see, which features we should show them first."
Shifting to a PLG strategy may require increased resources for product development and greater attention to product capabilities.	Interviewee 2: "Shifting to PLG often involves additional investment in product development while maintaining operational sales efforts."

Generating enough inbound traffic is essential for PLG success, as the product itself becomes the primary vehicle for conversion. Effective traffic generation is based on understanding customer intent and leveraging content that addresses their needs.	Interviewee 10: "The challenge for all of those [companies] has been that they have been unable to generate traffic to the product. They are kind of operating, in a sense, that the sales is still driving the traffic to the product. But for Finnish SaaS companies, one of the biggest challenges is inbound. Or lack of it."
Successful transition to PLG relies on narrowly defined ideal customer profiles (ICPs) and a laser-sharp focus on these ICPs. Broad targeting too early results in inefficiencies, resource strain, and challenges in scaling.	Interviewee 10: "And in that situation, it's really, really difficult to transition to marketing-led or product-led. If you don't have a tight ICP, don't know what customers need or want, or don't understand the value you can provide, it becomes really difficult to create content or even target your marketing effectively."
The importance of growth funnel optimization is emphasized in PLG. Companies should prioritize developing a single, well-functioning growth funnel before diversifying their efforts.	Interviewee 10: "The sad thing is that many Finnish SaaS companies are serving too many different price points at the same time, too early so to speak. You should figure one price point out first, have one model that works in that size category… And again in Finland, it's quite typical because you have some kind of partner channel approach, you have a direct approach, then you have different countries and so forth. And you have a sales team of one or two or three persons, and you're kind of already having four or five or six different approaches. So, how long does it take that you get one sales funnel working properly? I mean… forever, as you are optimizing too many channels."
Customer success functions should focus on proactive engagement by leveraging data to anticipate user needs and guiding them to uncover additional product value rather than just responding to customers' problems.	Interviewee 9: "We analyzed the customer journey more thoroughly to make sure the customer journey would be more intuitive. We also analyzed user behavior: how much time users spent on certain pages. Upsell and cross-sell opportunities were based on that. More data-driven."
Monitoring and understanding detailed product usage patterns is critical, not only for improving the product but also for setting effective pricing and go-to-market strategies.	Interviewee 7: "…when we started to understand how customers used our chatbots or voice bots—how many minutes per day, per month, the structure of consumption, and the peaks. Understanding the dynamics of usage patterns was absolutely pivotal."
Continuous iteration based on user feedback is a key component of a PLG strategy.	Interviewee 1: "We implemented Intercom to get all the user communications done correctly for the

	first time ever. It helped us gather feedback, provide helpful tips and tools, and incorporate feedback into development."
Fostering an experimental culture within the organization, particularly for refining and optimizing PLG strategies, is important.	Interviewee 9: "If you've been working through a sales-led model, it's not realistic to know how to shift to PLG without trying out different things. Piloting with customers worked well, as they were eager to test."
PLG strategies require scalable, automated systems that can handle self-service onboarding, in-app transactions, and real-time analytics.	Interviewee 4: "In PLG, everything should be as automated as possible, including purchasing and transactions, which should happen directly on the product website or within the software. The customer journey and lifecycle should ideally be built into or closely aligned with the product itself. In contrast, the SLG model relies heavily on salespeople at various stages, such as initial contact through sales development representatives (SDRs), deal closure by dedicated sales staff, and onboarding or support handled by customer success teams."
Leadership buy-in and a cultural shift towards a product-first mentality is required for successful PLG adoption.	Interviewee 9: "We had representatives from all org units in the leadership. The leadership was aligned. Alignment of engineering and product needed to be involved."
The success of a dual strategy (separate SLG and PLG products) depends on market saturation. In less saturated and less competitive markets, separate strategies or brands may work, but in highly competitive fields, focusing on one approach can be the only option for survival.	Interviewee 7: "In saturated markets with many players, it's typically better to focus on one strategy—SLG or PLG—and execute it well. In less saturated, more innovative domains with fewer players, companies might have the opportunity to adopt dual strategies or separate brands."
Short time-to-value through simple, automated onboarding flows and in-app guidance are essential for increasing the likelihood of adoption and conversion.	Interviewee 8: "Sign-up and onboarding experience needs to be simple and fully automated. Tools like AI chatbots for guidance help scale this process but providing personalized yet automated experiences can be challenging."
The experience, starting from the onboarding, must be personalized and feel relevant to the user and address the customers' pain points.	Interviewee 8: "We collect information during sign-up about the user's job, goals, or use case. Then we personalize their onboarding and in-app experience based on this data to make it relevant to their needs."
PLG can also be used as a strategic branding strategy to build long-term relationships with	Interviewee 8: "…And it's a branding play as well. Oh, we're supporting startups, right? We're giving

startups that might become future enterprise customers.	away our great product for free, only, it's not exactly the same product."
PLG adoption benefits from continuous small experiments.	Interviewee 11: "Many of the levers we found were discovered pragmatically… the hypothesis turns into something actionable or is discarded quickly." Interviewee 11: "The practices we developed… we realized through pragmatism and first principles thinking."

Participants discussed the importance of aligning teams around PLG principles, restructuring roles, and fostering a culture of experimentation and data-driven decision-making to ensure long-term success. The participants emphasized the importance of alignment across all departments, including product, marketing, customer success, and development teams, to ensure the product itself drives growth. Also, a unified set of metrics across teams was highlighted as essential for cohesive performance tracking. Addressing potential resistance from sales teams by redefining their roles was also noted as a critical step. Generating enough inbound traffic was seen as essential for PLG success, as well as having a strict focus on only a few ICPs in the beginning.

4.3 Themes and patterns

Category 1: Transition challenges and strategies

Theme 1.1: Distinction between PLG and SLG

Interviewees repeatedly brought up differences between PLG and SLG in terms of automation, self-service, sales involvement, user experience, and product quality. Interviewee 1 emphasized how SLG is based on human touchpoints:

> "In the sales-led model, human touchpoints are essential. Sales teams guide prospects, demonstrate the product, and handle every stage of the customer journey."

Interviewee 8 explained this contrast in the context of trials:

> "In the product-led model, the prospects can experience the value of the product themselves by using it hands-on before deciding to buy it. In the sales-led model, that typically doesn't happen unless there's a pre-agreed pilot stage."

Interviewees emphasized that SLG is based on manual, human-based sales processes, while in PLG, the product drives customer acquisition, conversion, expansion, and retention. The discussion extended to user lifecycle phases beyond trials.

Theme 1.2: Transitioning to a hybrid approach

Many interviewees proposed hybrid approaches as a practical path towards PLG. Selective adoption of PLG in certain stages of the customer journey, e.g., in expansion, was proposed by many. Also, using low-risk customer journey phases was proposed. Some interviewees also proposed maintaining parallel product lines with SLG and PLG to minimize disruption. Interviewee 3 highlighted the complementary nature of PLG and PLG:

> "PLG and SLG models are not mutually exclusive. In our experience, certain customer segments, like enterprise accounts, still benefit from a sales-led approach, while others prefer self-service through PLG."

Theme 1.3: Organizational and cultural challenges

The need for a significant cultural shift was a recurring theme. The interviewees emphasized the importance of restructuring roles, managing the change, and creating alignment across all departments. For example, interviewees 5 emphasized the need for a product-first mentality:

> "Transitioning to PLG requires a cultural shift. Teams need to align around a product-first mentality, which is a fundamental change from sales-first approaches."

Interviewee 11 emphasized the risk of facing resistance from experienced team members:

> Interviewee 11: "There's usually a natural human resistance to change, especially in senior people in organizations. They like what they know and resist shifting strategies."

Interviewee 12 had a similar view:

> "But then another challenge, which in my opinion might be even greater, is the cultural perspective. If a company has been very strongly sales-oriented and, for example, has an overly large sales organization, then the change management will be very challenging because this transition will likely lead to the product organization taking much greater responsibility, and the sales organization shrinking…"

The transition from SLG to PLG was seen as a resource-intensive and organizationally taxing process.

Theme 1.4: Rethinking business models

The importance of reassessing revenue streams, cost structures, and overall financial impacts both during and after a transition process was emphasized. Creating new business plans based on the PLG revenue generation strategies and cost structure was proposed as a practical approach for supporting the transition from a business perspective.

Theme 1.5: Feasibility of full PLG transitions

The feasibility of full transitions from SLG to PLG was a recurring theme – several interviewees thought whether companies use SLG or PLG should not be a binary decision. Instead, hybrid and parallel models, in which PLG is used within specific lifecycle phases (acquisition, expansion, retention, etc.), specific products, or specific customer segments. The feasibility depends on product simplicity, ease of onboarding, customer expectations, and annual contract value. Interviewee 7 highlighted that some elements might be transferrable to PLG while others can be more challenging:

> "Some elements might not be feasible… Pricing, onboarding, and administration could shift to PLG, but the software architecture is often a barrier for a complete transition."

Category 2: Operational alignment and execution

Theme 2.1: Cross-departmental alignment

Interviewees, including interviewee 3, consistently emphasized the importance of aligning the entire organization, from product teams to customer success, around PLG principles:

> "It's not just about the tools but also about getting every department—sales, marketing, and product—on the same page to adopt PLG principles."

This alignment requires a cultural shift, particularly in companies transitioning from traditional SLG approaches, as success depends on a shared understanding of PLG principles, objectives, and metrics. Interviewee 11 highlighted the importance of tight alignment between sales and product leadership:

> Interviewee 11: "Where it gets interesting is if the sales organization and product leadership accept joint responsibility for sales."

Theme 2.2: Analytics and data-driven decisions

A recurring pattern was the role of analytics in PLG. Interviewees emphasized the importance of using in-product metrics such as feature usage, conversion triggers, and

engagement patterns to optimize user onboarding and retention. Interviewee 1 described the moments when they started to leverage data in driving conversions:

> "…when we started to understand how customers used our chatbots or voice bots—how many minutes per day, per month, the structure of consumption, and the peaks. Understanding the dynamics of usage patterns was absolutely pivotal." (Interviewee 7)

Theme 2.3: Onboarding and self-service

Automated onboarding processes based on self-service was a recurring theme. The importance of an easy onboarding process with in-product guidance and overall minimal friction was emphasized. Interviewee 2 described their journey towards automated onboarding:

> "We managed to move towards a low-touch model over several years. Now, users can set up their accounts, configure the product, and complete onboarding independently with minimal guidance."

Theme 2.4: AI and technology as enablers

Ideas about leveraging generative AI as an enabler for personalization at scale were a recurring theme. Also, currently available purpose-built tools for facilitating and automating onboarding processes were seen as important enablers for PLG. Interviewee 5 described how they are using AI for personalization at scale:

> "With AI tools, we can customize onboarding experiences for every user at scale. AI-driven personalization enables us to predict user needs and tailor the product journey accordingly."

Category 3: Product and customer experience

Theme 3.1: Product-first growth

The centrality of the product and its role in growth in PLG models was identified as a recurring theme. Interviewees emphasized that the product must be designed to "self-promote", and provide enough value to drive customer acquisition, conversion, and retention without relying on sales intervention.

Interviewee 8:

> "The product must speak for itself. If users can experience value immediately without the involvement of sales teams, they are more likely to convert and even advocate for the product. This makes the product the central driver of growth."

Theme 3.2: Education and empowerment

The importance of empowering and educating the users through in-app guidance, generally useful educational content, and thought leadership was a recurring theme. According to the interviewees, educational content allows users to extract value independently, which can improve satisfaction and retention. Interviewee 8 summarized the importance of such content:

> "Educational content and in-app guidance are critical. They allow users to extract the maximum value independently, building their confidence in the product while reducing the need for customer support."

Theme 3.3: Product complexity and time-to-value

The importance of building a product that proves quick implementation times and time-to-value, as well as the importance of simplicity in the setup, was a recurring theme. Interviewees thought that simpler, transactional solutions were more aligned with PLG.

Category 4: Organizational structure and team roles

Theme 4.1: Organizational restructuring

The need for organizational restructuring was a recurring theme. The interviewees pointed out that aligning all departments (product, sales, marketing, customer success) around PLG principles is necessary. Also, they proposed to use shared metrics and objectives across the departments to drive PLG. Some interviewees also proposed reorganizing the teams into specialized units focusing on PLG processes such as user onboarding, data analytics, and self-service.

Theme 4.2: Evolving team roles

The need to evolve team roles to support PLG was a recurring theme. Changes to several team roles were proposed: sales (enterprise-level negotiations, upselling, supplementing PLG efforts), growth or product marketing (creating self-service experiences resonating with various user personas), customer success (reactive to proactive roles leveraging data), product management (data analytics-driven development). Interviewee 5 went beyond this:

> "I became the growth lead, tasked with focusing on PLG and transitioning the company from a marketing and sales-led organization to a marketing and product-led one. As part of this shift, we made the decision to eliminate our entire sales team—granted, it was only two people—and stopped all sales-led acquisition efforts. This was a significant change and highlights my belief that making fundamental changes to company culture and operations, especially when moving to

> PLG, requires dramatic and radical actions. It's not an easy process, but it's necessary for true transformation."

Category 5: Success factors and critical enablers

Theme 5.1: Importance of scalability

A recurring theme was the importance of using scalable systems facilitating all customer and user lifecycle phases to avoid manual, non-scalable work. For example, scalable systems for facilitating onboarding for many users, systems facilitating large amounts of user data, and systems facilitating support processes were mentioned. Interviewee 8 emphasized the need for automation and scalability:

> "When we started to understand how our users used our chatbots and usage patterns, it became clear that scaling required automation in both onboarding and data collection, as manual processes wouldn't suffice."

Theme 5.2: Leadership buy-in and culture

The leadership buy-in and PLG-centered culture were recurring themes. According to the interviewees, a product-first strategy must replace the traditional sales-first strategies, and strong leadership support is required to create alignment and support the cultural shift.

Theme 5.3: Market context

The importance of evaluating and understanding the market context and the product's suitability for PLG was a recurring theme. According to the interviewees, companies in highly competitive markets may need to focus exclusively on survival through either PLG or SLG, while those in less saturated markets can experiment with hybrid or dual models. Also, according to the interviewees, the feasibility of PLG depends heavily on product complexity and the target audience's expectations (e.g., transactional solutions vs. high ACV enterprise tools).

Category 6: Financial implications

Theme 6.1: Resource allocation

Interviewees frequently mentioned that PLG demands significant upfront investment in automation tools, data analytics, and self-service infrastructure. Also, according to them, companies may need to reallocate resources from traditional sales teams to product

development, product marketing, and customer experience. Interview 7 pointed out how they decided to allocate resources:

> "We simply built priorities on what were the most important elements for introducing PLG. At that time, onboarding was the most important because it was the most costly. With limited resources, it's critical to focus on the top objectives like distribution and acquisition."

Theme 6.2: Revenue modeling

The need for careful financial planning and revenue modeling was a recurring theme. According to the interviewees, PLG requires rethinking revenue streams to accommodate usage-based or tiered pricing models, which differ significantly from traditional subscription-based models. Therefore, companies must model the financial impact of PLG transitions, considering longer time-to-revenue and potential initial losses before scaling.

4.4 Complementary evidence

As described in the methodology chapter, 10 B2B SaaS products selected from OpenView's PLG Index were reviewed to integrate insights from interviews with empirical observations of customer acquisition and conversion processes in B2B SaaS products. The product reviews provided direct evidence of implementation and practice, which helped to cross-validate and challenge the empirical observations gathered through interviews and helped to strengthen the validity and reliability of the findings. Also, the product reviews provided complementary insights. This section describes the key findings from the product reviews. The review questions are presented in appendices 1 and 2.

Overall, the product reviews confirmed many interview findings and provided additional insight and details. Table 10 below summarizes the product review findings per question across all 10 reviewed products.

Table 10. Summary of product review findings across all reviewed products.

Evaluation questions	**Summary of findings across products**
Acquisition strategies	
What limitations (e.g., time, features) exist in the freemium or free trial offering, and how do they drive conversions?	Freemium models often limited features, while free trials restricted duration (typically 14-30 days). Some of the trials were full-feature trials, such as Freshservice's Enterprise

	tier trial, which allowed users to experience the highest value.
How are referral incentives presented, and are they integrated into the product experience (e.g., visible CTAs, gamification)?	Referral programs, at least in the context or freemium and free trials, were scarce. However, many products included invite-a-team features, that clearly targeted promoting viral growth indirectly through network effects, rather and explicit gamified incentives.
Are onboarding flows automated and self-service?	Most products offered automated, self-service onboarding flows. Features included guided tours, email prompts, and virtual helpers that allowed users to progress independently. Overall, the onboarding processes were consumer-grade, easy to use and frictionless.
Is there educational content to support acquisition?	Educational resources were provided universally. The content included typically product guides, FAQs, and setup and administration instructions. Some products embedded resources directly into the interface.
What is the focus of educational content (e.g., technical training, thought leadership), and how is it accessed (e.g., embedded, external links)?	The focus was primarily on product usage and technical training (e.g. setup guidance, administration). Content focusing on thought leadership was limited and resided typically in external marketing or blogs.
Does the product use AI or other technologies to personalize onboarding or feature recommendations?	No explicit AI-based personalization was observed. Personalization relied on manual input during signup, and the questions and subsequent personalization seemed simple enough for basic decision trees, suggesting that no AI-based solutions would be needed.
How active and accessible are the community forums, and what role do they play in onboarding or customer support?	The product communities provided resources like product usage guides, FAQs, and product news. The forums focused on product-specific issues rather than general subject-matter expertise.
Do pricing models align with perceived customer value (e.g., scalable tiers, usage-based pricing)?	Pricing tiers and usage-based options seemed to align with customer value. Some products included free or heavily discounted access for startups (e.g. Amplitude's scholarship program).
Conversion strategies	
How are upgrade triggers embedded in the user journey, and are they linked to specific milestones or moments of value realization?	Embedded triggers, such as feature caps, in-app prompts, or upgrade requests during task execution, were strategically placed at points where users experience product value or limitations.
How effectively does onboarding align with user goals and needs (e.g., personalized workflows, guided tours)?	Onboarding frequently included personalization questions and guided product tours. These approaches aligned workflows with user-specific needs and emphasized immediate task completion.

What product value metrics (e.g., ROI, usage stats) are highlighted to reinforce product adoption and conversion?	Two of the reviewed products used dashboards to visualize value indirectly (e.g. key feature usage and number of automations used today). Overall, value metrics were implied but not consistently showcased across the reviewed products.
What specific user actions are identified as critical events, and how are they incentivized or supported?	Critical events included inviting team members (targeting network effect), completing the setup, and initiating first tasks. The critical actions were commonly supported through embedded guides and videos. Incentives were not showcased.
How is time-to-value measured (e.g., minutes to first task), and what feedback loops encourage continued usage?	Time-to-value is emphasized through rapid setup flows and immediate task completion options. Some onboarding flows presented the estimated time for completing the onboarding. Feedback loops like automated emails during the trial were heavily used to encourage re-engagement.
Does pricing incentivize conversion (e.g., discounts)?	While annual billing discounts were common, only one product utilized a specialized offer (20% discount for a starter package when buying during the same day).
Are there any signs of SLG tactics (e.g., optional sales consultation, enterprise-only features)?	Hybrid models were evident in several products. SLG tactics included optional sales consultation and enterprise tiers not available for free trial. “Contact sales” options were available for professional and enterprise tiers instead of free trial options. Chats for contacting sales were universally available, and “Contact sales” buttons were prominently available in product user interfaces and webpages.
Does the product incorporate user feedback (e.g., in-app surveys, beta features)?	User feedback mechanisms like in-app surveys or beta feature testing were not consistently observed across products.

The product reviews confirmed many interview findings related to onboarding and conversion. Most products incorporated mandatory personalization questions early in the onboarding process to customize user experiences. Guided tours and setup screens simplified initial interactions and helped users achieve quick value realization. Signup was made easy; single-sign on (SSO) for one-click signup was common, and some vendors provided several SSO options (e.g. Google, Microsoft, company SSO). No products required credit card information during sign-up. Automated communication (chat and email), including welcome messages, links to educational content, and outreach from business development representatives (BDRs), were standard across the products. Overall, the reviewed products emphasized fast setup and time-to-value. For

example, Zendesk's onboarding made the included customer service phone number, including the telephony integration to the Zendesk application, immediately functional.

There were also several confirmed and expanded findings related to conversion tactics. Upgrade triggers and prompts were typically strategically embedded and tied to milestones like feature usage caps or attempting advanced functionalities. Some products even used dashboards to motivate users to upgrade by highlighting benefits tied to increased usage limits. The trials were either feature-limited or offered full-tier access to showcase product functionalities and value. While promotions were not common, occasional products included time-limited discounts and promotional programs targeting startups to incentivize adoption. Encouraging users to invite team members was a common practice across products. Product communities focused on product-specific topics such as usage, setup, administration, and product documentation.

Overall, simplicity in terms of user experience (UX), including virtual helpers and product tours, was standard across the reviewed products. Personalization based on user goals was common.
The results described in this chapter will form the foundation for the analysis and discussion in the following chapters.

5 ANALYSIS

This chapter summarizes the data analysis, interprets the findings, and then presents the framework created based on theory, empirical findings, and complementary evidence. First, an overview of the analytical approach is provided. Then, a summary of the findings and analysis of propositions is provided. After that, a synthesis of findings and a description of the framework development process are provided. Then, the framework is presented, and finally, the framework is connected to academic literature.

5.1 Overview of Analytical Approach

The interview data was analyzed in two stages. First, open coding was used for identifying themes. Second, axial coding was used to explore relationships among the themes. The coding process ensured that the analysis was grounded in empirical data while connecting it to theoretical constructs, such as digital transformation, organizational change, and customer journey optimization. This approach aligns with the abductive research methodology employed in this study.

A triangulation strategy was used to validate and enrich findings gathered from the semi-structured interviews. The triangulation was conducted by gathering empirical observations of 10 B2B SaaS product trials. For example, when interviewees highlighted the importance of automated onboarding and customer acquisition, the product reviews validated this by showcasing universally implemented self-service onboarding features.

Empirical insights also helped to refine the propositions. For example, the role of personalized onboarding (proposition 3) was emphasized in both interviews and product reviews. The product reviews revealed specific mechanisms, such as guided tours and dynamic feature recommendations. Also, the assumption of proposition 5 that PLG models minimize manual sales costs was validated through observations of scalable pricing models and automation in free trials and freemium offerings.

5.2 Findings and analysis of propositions

The main proposition was that for SLG-driven companies to adopt PLG or hybrid models, they must embrace the core principles underpinning the success of PLG strategies. Five propositions for the success of PLG were defined in the Conceptual

framing. Table 11 below summarizes the analysis by describing each proposition's empirical support or contradictions, patterns and themes, and contextual variations.

Table 11. Summary of analysis of the propositions.

Proposition	**Empirical support or contradictions**	**Related patterns and themes**	**Contextual variations**
Proposition 1: Modern buyers prefer to explore and adopt software independently, engaging with sales teams only later in the process if at all.	Strong empirical support. Most interviewees (2…8) pointed out the importance of low-touch, automated self-service onboarding in PLG. This indicates that the design of PLG products inherently assumes a preference amongst buyers for autonomous discovery and decision-making. Furthermore, interviewee 9 explicitly discussed modern buyers' preferences for self-onboarding and their tendency to avoid direct sales interactions initially.	• 1.1: Distinction between PLG and SLG • 2.3: Onboarding and self-service • 3.3: Product complexity and time-to-value	Product complexity, industry-specific buyer expectations, product simplicity, organization size and resources, and the usage of hybrid models were determined to have an impact on the degree of automation and self-service in onboarding processes.
Proposition 2: Automation and self-service reduce friction and increase accessibility, potentially speeding up user adoption and conversion.	Medium to strong empirical support. There was a wide agreement across interviewees about the role of automation and self-service in reducing friction and increasing user accessibility (e.g., through fast onboarding and configuration). However, most support is anecdotal and lacks concrete examples and numbers.	• 1.1: Distinction between PLG and SLG • 2.3: Onboarding and self-service • 3.3: Product complexity and time-to-value	Product complexity, industry-specific buyer expectations, product simplicity were determined to have an impact on the feasibility of automation and self-service in onboarding processes.
Proposition 3: In-product experiences such as personalized onboarding, usage analytics, and product recommendations	Medium to strong empirical support. Multiple interviewees emphasized the effectiveness of in-product experiences in enhancing user engagement. They	• 2.2: Analytics and data-driven decisions • 2.3: Onboarding and self-service	The contextual variations for proposition 3 were similar to those identified for proposition 1 and 2, particularly concerning product

can guide users more effectively than traditional sales approaches.	provided real-word applications such as automated feature introductions and reminders for upselling.		complexity, customer expectations, and industry-specific requirements.
Proposition 4: Data-driven insights from in-product behaviors allow companies to tailor user experiences, which can lead to more targeted retention and upsell opportunities.	Strong empirical support. Multiple interviewee emphasized the role of data-driven insights in tailoring user experiences to improve retention and upselling.	• 2.2: Analytics and data-driven decisions • 2.4 AI and technology as enablers • 3.1: Product-first growth	The contextual variations for proposition 3 were similar to those identified for proposition 1, 2 and 3, particularly concerning product complexity, customer expectations, and industry-specific requirements. However, also the organization maturity was noted, since implementing data-driven tools requires significant investment and alignment across teams.
Proposition 5: These approaches reduce the dependency on labor-intensive sales processes, allowing for faster scalability.	Strong empirical support. Extensive qualitative evidence demonstrating how self-service, automation, and data-driven approaches enable scalability by reducing reliance on labor-intensive sales processes. However, hybrid models were recommended to be used in specific contexts according to the contextual variations (complex, enterprise products). This moderates the universal applicability of the aforementioned strategies.	• 1.1: Distinction Between PLG and SLG • 1.2: Transitioning to a Hybrid Approach • 2.3: Onboarding and Self-Service • 2.4: AI and Technology as Enablers • 5.1: Importance of Scalability	Product complexity, industry-specific buyer expectations, product simplicity, organization size and resources.

Overall, the empirical findings provided medium to strong support for all propositions. Interviewees consistently brought up points that supported the propositions. Contextual variations were also identified spontaneously – most of the interview questions did not specifically target contextual variations, but interviewees brought up several considerations when answering the interview questions and follow-up questions in the semi-structured interviews. Product complexity, industry-specific buyer expectations, product simplicity, organization size, resources, and maturity, and the usage of hybrid models were commonly noted by several of the interviewees. There was a wide agreement about the contextual variations across the interviewees. For example, none of the interviewees disagreed with the impact of complex products on PLG.

It is worth noticing that some interviewees are clearly advocates of PLG, which might lead to overemphasizing automation's benefits while downplaying its challenges (e.g., high initial investment, legacy products).

5.3 Synthesis of findings and framework development

This section synthesizes the findings from the study and describes how they inform the development of the framework for transitioning to PLG or a hybrid model. The identified themes are integrated, and core principles for successful PLG transition and emergent insights beyond the initial research questions are discussed in this section.

The synthesis reveals that successful PLG adoption requires addressing cultural, organizational, and technological factors. These three factors, or pillars, must be interconnected to create a seamless and scalable go-to-market model.

Automation of the customer journey, especially in the form of customer acquisition through personalized self-service onboarding and automated processes for upsell and expansion, emerged as key enablers for scalability. Interviewee 4 described this well: "In PLG, everything should be as much automated as possible, even purchasing the product or making the transactions… the whole customer journey and lifecycle should be built into or aligned with the product. In SLG, a salesperson is needed for various stages of the journey." As described by Barbosa et al. (2022), the customer journey encompasses all interactions and touchpoints a customer experiences, from awareness to advocacy.

Automated customer journeys, including acquisition and expansion processes, reduce reliance on sales teams, particularly for low-ACV customers, and enable personalization at scale. This was universally evident in the complementary evidence gathered through reviewing numerous products. The onboarding flows were clearly designed to be easy and frictionless, and in-app guides and prompts supported the user. As a result, it was fast to sign up and start using the products. The customer journey, including its flows and experiences, was often personalized based on mandatory personalization questions about the user's goals, which makes the experience relevant and enjoyable to the user. This is in line with Edelman's (2015) and Purcărea's (2018) views on the importance of customer journeys for competitive advantage and the idea that success can be attributed to the superiority of the customer journeys companies create, not just the products or services they sell.

Data-driven decision-making through usage analytics supports this by allowing companies to optimize user experiences and drive conversions. Interviewee 7 noted: "…when we started to understand how customers used our chatbots or voice bots—how many minutes per day, per month, the structure of consumption, and the peaks. Understanding the dynamics of usage patterns was absolutely pivotal." Automated processes for customer acquisition and expansion rely on easy, frictionless processes through in-product experiences. Optimizing the experiences and driving conversion through automated processes require companies to quantify and analyze the customer journey and product usage and continuously iterate the processes based on the gathered data. Both automation acquisition and expansion and data-driven decision-making require cultural shifts and tight organizational alignment across departments.

The assumption that SLG and PLG are not mutually exclusive and can complement each other was confirmed through data gathered from the interviews and the product reviews, which served as complementary evidence. Hybrid models allow organizations to adopt PLG selectively for specific customer segments of lifecycle stages. Product-led sales (PLS) is an example of a hybrid model. It leverages PLG elements for lead generation and qualification but uses SLG elements for conversion and upsell. Interviewee 10 articulated the approach well: "In PLS, you drive traffic to the product and qualify a lead through the product. When the customer goes over a specific threshold, the sales team 'attacks.'" The product reviews showed universal and clear evidence of hybrid models. Hybrid models were evident in several products. SLG tactics included optional sales consultation and enterprise tiers not available for free trial. "Contact sales" options were available for

professional and enterprise tiers instead of free trial options. Chats for contacting sales were universally available, and “Contact sales” buttons were prominently available in product user interfaces and webpages.

There were some insights that extended beyond the initial research questions. These findings offered additional perspectives on PLG adoption. Most interviewees focused on current tools; some proposed that AI could revolutionize PLG by enabling real-time personalization at scale. This suggests opportunities for future innovation in product-led strategies. This is in line with the academic discussion related to digital customer journeys: Rusthollkarhu et al. (2022) have claimed that new technologies, such as AI, offer B2B companies new opportunities for managing customer interactions in digital environments.

Also, the interview findings revealed that PLG can also serve as a strategic branding tool. Some interviewees proposed that PLG can be used to build long-term relationships with startups or smaller customers, which may later evolve into large, enterprise-level clients. This was supported to a modest extent by the complementary evidence; one of the reviewed products included a “scholarship” program for startups. Also, while the research questions did not particularly focus on understanding in which circumstances PLG should be used, the findings included insights about the relevance of the market context. The market context is a key determinant for PLG success since the feasibility of PLG depends heavily on product simplicity and market maturity. In saturated markets, companies may find it challenging to sustain dual SLG-PLG models, which requires them to commit to one strategy. In this context, a dual model implies a model in which the company uses e.g., one product line for SLG and another for PLG. Hybrid models, which combine elements of PLG and SLG within the same product, can be feasible in the aforementioned conditions. Finally, organizational and cultural resistance emerged as a critical barrier, particularly among experienced sales teams accustomed to traditional SLG models. This highlights the need for cultural change management strategies to mitigate resistance, for example, based on insights from Harrington & Voehl (2015).

To conclude, the findings suggest that PLG transitions are not purely about technology and product development but require harmonizing strategy, culture, and tools to achieve sustainable growth. These findings, including more details described in the results, were used to build the framework for transitioning to PLG. The abductive approach enabled an iterative refinement process in which data collection, analysis, and insights from

relevant theories informed each other continuously. This iterative process led to developing a framework for transitioning to PLG or a hybrid model. The framework is presented in the next section.

5.4 Framework for Transitioning to PLG

Framework introduction

Context

This framework provides a structured approach for implementing Product-Led Growth (PLG) go-to-market strategies in B2B SaaS companies. It outlines the key practices, processes, and organizational shifts required to shift from traditional sales-led growth (SLG) models to PLG or hybrid models.

The framework serves as a guide for leveraging software product functionality and user experience as the primary drivers of growth. Additionally, it highlights actionable steps and critical success factors for achieving scalable, efficient, and customer-centric growth.

However, this framework has certain limitations:

- It does not offer guidance on determining whether PLG, SLG or a hybrid model is the better strategy for a specific company or situation.
- It does not provide specific UX or product design instructions, such as interface layouts, feature prioritization, or usability testing.
- It does not offer detailed financial modeling guidance for evaluating the cost-effectiveness or ROI of transitioning to PLG.
- It does not include comprehensive marketing strategies outside of how they intersect with product-driven acquisition and retention.

This framework is intended as a strategic guide rather than a prescriptive operational manual. It assumes that organizations have expertise in product development, financial management, and customer experience.

Findings about PLG

PLG is recognized as a transformative go-to-market strategy for B2B SaaS companies. Interviewees emphasized its potential to improve scalability and operational efficiency by automating several customer lifecycle phases, including customer acquisition, conversion, expansion, and retention. For example, Interviewee 8 highlighted, “The product must speak for itself. If users can experience value immediately without the involvement of sales teams, they are more likely to convert and even advocate for the product. This makes the product the central driver of growth.”

PLG relies on self-service processes, and the product-driven engagement is aligned with modern buyer preferences. Interviewees also pointed out its adaptability and suggested hybrid models where PLG complements traditional sales-led growth (SLG). As Interviewee 3 described, “PLG and SLG models are not mutually exclusive… certain customer segments still benefit from a sales-led approach, while others prefer self-service through PLG.”

The transition to PLG or a hybrid model is not without challenges. The interviewees pointed out organizational and cultural shifts required to align various teams around a product-first mindset and objectives. It requires scalable systems and tools to facilitate automated processes and rapid time-to-value, which underscores its complexity but also its long-term potential.

Audience for this framework

This framework's primary audience is B2B SaaS executives, decision-makers, growth and revenue leaders, product and engineering teams, and customer success professionals. It targets B2B SaaS companies operating with an SLG model and considers implementing PLG or a hybrid model.

Foundational principles

PLG value proposition, concepts, and key differences to SLG

- Frictionless onboarding and self-service
  - Many PLG products use automated, personalized onboarding flows and intuitive, easy-to-use self-service functionalities for signing up, onboarding, and setting up

or implementing the solution. These capabilities enable users to quickly and independently derive value with minimal friction.

- Demonstrating immediate value
  - PLG products emphasize showcasing product value early through free trials or freemium tiers, as seen in several reviewed products. Quick realization of value can translate to higher conversion rates.
- Scalable customer acquisition
  - Automated processes, such as self-service onboarding, help to reduce reliance on manual, human-led sales efforts. This enables scalability, which is particularly important for products with low ACVs (annual contract values) where manual processes would not be cost-effective.
- Personalization to enhance adoption
  - Many products provide onboarding personalization based on user intent and preferences. This allows the product to align user workflows and experiences to specific goals, which has the potential to increase adoption rates.
- Freemium models, free trials, and upgrade triggers
  - Freemium tiers with limitations guide users toward value realization while embedding upgrade triggers based on usage. For example, certain features might be limited, which can drive upgrades. However, as mentioned above, PLG strategies can be used across a variety of customer lifecycle phases. Even though free trials and freemium models are commonly associated with PLG strategies, they are not mandatory for implementing PLG strategies in later lifecycle stages.
- Community-driven growth and online resources
  - Many PLG products leverage active user communities to provide peer support and learning. This has the potential to create a network effect and promote user engagement. Many vendors provide subject matter expertise in addition to product-related content to facilitate thought leadership.

Conceptual foundations

Disruptive innovation and dynamics of disruption

Disruptive innovation explains how new market entrants use simpler, low-cost solutions to challenge incumbents (Christensen, 1997). For PLG, these theories highlight the importance of proactively implementing user-centric, low-friction models to counter potential disruptions from agile competitors. Organizations can use the framework

proposed by Tomičić-Pupek et al. (2023) to assess their readiness and find feasible options for responding to disruptions.

Entrepreneurial orientation, intensity, and corporate entrepreneurship

The shift from SLG to PLG or a hybrid model requires organizations to embrace entrepreneurial orientation (EO) and corporate entrepreneurship (CE) to drive innovation and organizational transformation. According to Lumpkin & Dess (1996), EO describes the strategic organizational posture based on innovation, proactiveness, and risk-taking. This allows organizations to experiment with elements central to PLG, e.g., acquisition models and pricing tiers. According to Morris et al. (1996), high entrepreneurial intensity supports rapid transformations.

On the other hand, CE helps to operationalize the entrepreneurial mindset through structural and cultural shifts, which can empower teams to implement innovations in products, processes, and business models. According to Antoncic & Hisrich (2001) innovation in the context of CE can also include "the pursuit of creative or new solutions to challenges confronting the firm". In this context, a challenge could be the changing market dynamics, including aggressive competition through new go-to-market models such as PLG.

Business model transformation in the digital age

Digital transformation has impacted value creation, delivery, and capture in most industries, created new business models, and has made many business models obsolete over the last decade (Vaska et al., 2021). According to Adama & Okeke (2024), digital transformation catalyzes business model innovation, allowing companies to create new value propositions, revenue streams, and competitive advantages. Defined as "the integration of digital technologies into business processes" (D. Y. Liu et al., 2011), digital transformation underscores the importance for organizations to adapt strategically to remain competitive in rapidly evolving markets.

Strategic resource allocation

Strategic resource allocation is important for translating business strategy into actionable outcomes, particularly in the fast-changing IT sector. It is used for

operationalizing plans into outcomes but often prioritizes sustaining existing products and their revenue streams over investing in innovations with uncertain returns (Bower, 2017; Zahra et al., 2000). Balancing short-term gains with long-term investments is critical for addressing market disruptions. Aligning organizational resources with evolving strategic priorities and maintaining resilience in dynamic environments requires cultural shifts and restructuring.

Organizational change management

Organizational change management is essential for helping organizations adapt to market disruptions and evolving demands. It focuses on overcoming resistance, guiding strategic changes effectively, and aligning the company's culture. Leadership is central to building a culture that supports innovation and adaptability (Harrington & Voehl, 2015). Successful organizational change management initiatives combine new practices with existing cultural norms and ensure they align with core organizational values.

Customer experience (CX) and customer journey

Customer experience (CX) and customer journey theories are important for the successful implementation of new go-to-market strategies such as PLG. CX describes customers' cognitive, emotional, and behavioral responses to a company's offerings throughout the purchasing process (Lemon & Verhoef, 2016). The customer journey describes stages such as awareness, conversion, and loyalty across multiple touchpoints (Barbosa et al., 2022). Digital natives bring consumer habits into professional buying (Witell et al., 2020), which makes companies respond by leveraging B2C user experience practices in the B2B context. Companies can enhance CX by creating seamless, personalized workflows that guide users through key milestones. Also, fostering post-purchase engagement is important for driving satisfaction and loyalty.

Multichannel approaches

Multichannel approaches are essential for managing customer journeys and optimizing engagement across different channels. In the B2B context, online and offline methods, such as digital platforms and direct sales interactions, are typically combined to serve diverse customer needs. Effective multichannel strategies align specific channels with different stages of the customer journey to make sure each touchpoint adds value (Lemon

& Verhoef, 2016). According to Lawrence et al. (2019), the complementary nature of communication in salesperson and offline channels helps sellers to fulfill customer needs, decrease perceived risks, and improve the vendor's profits.

Freemium and trial models

Freemium and free trial models are widely used strategies in the SaaS industry to attract and convert users. Free trials provide access typically for a restricted time, while freemium offers a free, limited-feature version of the product. Both approaches allow users to experience the product's value before committing to a purchase (Cheng & Tang, 2010). Freemium is particularly effective when network effects are strong since it supports growing the user base. On the contrary, in the context of a weak network effect, the time-locked free trial strategy works best (Cheng et al., 2015).

Word-of-mouth (WOM), viral growth, and network effects

Word-of-mouth (WOM) plays an important role in driving user acquisition in B2B SaaS. Satisfied users often create organic growth by sharing their positive experiences with their peers. Research shows that WOM boosts customer acquisition and leads to higher customer lifetime value. Also, customers acquired through WOM generate more positive WOM. (Villanueva et al., 2008) Viral growth strategies leverage built-in product features such as share buttons and referral programs to encourage users to invite others. Network effects amplify a product's value as more users join. Together, WOM, viral growth strategies, and network effects support sustainable and cost-efficient growth.

Alignment with business goals

Based on the interview findings and complementary evidence gathered through product reviews, PLG demonstrates strong potential to align with business objectives. PLG appears to enable efficiency and scalability by leveraging automation to reduce acquisition costs and streamline onboarding, particularly for customers with low annual contract values (ACV). Freemium and trial models, commonly observed in reviewed products, seem to lower customer thresholds and facilitate paid conversions.

Transition stages

Stage 1: Assess readiness and define goals

Objective	**Evaluate organizational readiness for PLG and define clear, measurable objectives.**
Action steps	1. Conduct a readiness assessment, focusing on product complexity, customer expectations, organizational culture, resource availability, analytics capabilities, alignment with PLG principles presented above in this framework, and the overall willingness to change the go-to-market model. 2. Assess financial implications of transitioning, including cost modeling for new pricing strategies, if applicable. 3. Define specific PLG goals, such as increasing product engagement or reducing customer acquisition costs. 4. Map and analyze the current customer journey and identify self-service opportunities across onboarding, conversion, and expansion. 5. Clarify and define the positioning and value proposition of the product. 6. Clarify and define the main ideal customer profile (ICP) to be targeted with the new go-to-market model based on market insights to ensure content and strategies are tightly aligned.
Key considerations	• Consider intrapreneurship/corporate entrepreneurship (CE) as an approach for building the PLG strategy. If the product is not related to the core business, consider also external venturing as an option. • Consider a hybrid model for complex or high-ACV products • Evaluate product suitability for PLG (e.g., simplicity, ease of onboarding, time-to-value) • Evaluate if the product can effectively communicate value without heavy sales involvement • Prepare for resistance of change and cultural shifts. Address potential misalignment through leadership buy-in, training, and aligning objectives, metrics, and incentives. • Focus on a single or few ICPs at the time; expand towards new ICPs after success with the previous ones.

Stage 2: Align organizational resources and structure

Objective	**Reallocate resources and restructure teams to support PLG processes**
Action steps	1. Establish dedicated growth and customer success teams to support customer acquisition and retention. 2. Shift resources toward product development, product marketing, analytics, and customer success functions. 3. Restructure teams to enable collaboration between product, sales, engineering, product marketing, marketing, and customer success. 4. Implement unified PLG metrics for cross-departmental alignment 5. Ensure leadership alignment across product, marketing, sales, engineering, and customer success. 6. Start to create generally useful content for the defined ICP(s) focusing on solving their annoyances or problems for content marketing purposes (to drive traffic to the website). 7. Measure the inbound traffic attracted by the content: Establish baseline metrics for evaluating the effectiveness of content marketing efforts and iterate based on performance.
Key considerations	• Invest in scalable, automated systems for onboarding, personalization, and data analytics • Ensure accountability by setting clear roles for PLG adoption • Ensure absolute clarity about the purpose and implications of PLG across all teams.

	• Manage morale and clarity among sales teams if roles shift or shrink • Provide clear incentives and milestones • Use small pilots to test alignment before scaling

Stage 3: Launch PLG initiatives with a pilot program

Objective	**Test PLG strategies in controlled scenarios to minimize risks and gather insights.**
Action steps	1. Define a customer acquisition strategy; Consider and implement Freemium, Free trial, or Product-led sales models with strategically embedded upgrade or sales intervention triggers for a specific product or market segment. 2. Pilot self-service onboarding with SSO options for sign-up, in-app guidance and guided tours, and embedded value demonstrations such as dashboards communicating the product's value. 3. Gather data from onboarding flows and trials; Use analytics tools to track user behavior and refine trial and onboarding experiences and reduce friction. 4. Design personalized onboarding experiences based on user personas and goals.
Key considerations	• Use quick wins and milestones to build internal support • Consider the network effect when choosing the acquisition strategy; use freemium for products with a strong network effect, and free trials in case of a low network effect. • Ensure pilots focus on demonstrating product value rather than just functionality • Use feedback loops to iterate on design and implementation during pilots • Test hybrid approaches for upselling while automating initial acquisition phases • Avoid overly complex or length onboarding flows; prioritize quick time to value • Ensure clear upgrade triggers tied to value realization

Stage 4: Scale PLG efforts based on data-driven insights

Objective	**Use pilot results to scale PLG strategies across customer journey stages (acquisition, expansion, retention), products, and customer segments.**
Action steps	1. Leverage data analytics to refine onboarding flows, trial experiences, and conversion tactics 2. Expand PLG initiatives by tailoring approaches to different ICPs and customer personas after succeeding with the first ICP. 3. Introduce advanced automation tools for personalization and engagement at scale. 4. Adjust pricing models to align with value realization (e.g. tiered or usage-based pricing).
Key considerations	• Gather and address feedback and iterate on the product and customer journey to enhance retention • Balance scaling with maintaining a positive user experience • Consider AI-driven personalization to scale onboarding and engagement • Model financial impacts of scaling PLG, including potentially longer time-to-revenue • Address resources constraints by prioritizing high-impact initiatives

Stage 5: Foster continuous innovation and feedback loops

Objective	**Sustain PLG momentum by embedding innovation and customer-centricity into the company's culture**
Action steps	1. Create mechanisms for continuous user feedback, such as in-app surveys or beta programs 2. Use product analytics to identify critical user conversion events and optimize feature adoption 3. Encourage cross-departmental experimentation with new features or acquisition tactics 4. Develop self-service support channels (e.g., forums, knowledge bases) to reduce dependency on manual support and to foster engagement in the user community
Key considerations	• Stay proactive; maintaining PLG success requires ongoing improvement and attentiveness to changing user needs and competitor movements. • Promote a culture of experimentation to stay agile and responsive • Use scalable systems to automate user engagement and support • Integrate customer feedback into iterative product development cycles • Avoid over-reliance on a single strategy; maintain a hybrid SLG-PLG model if necessary.

Choosing between a hybrid and full PLG approach

Whether the organization should aim for full PLG or a hybrid model is a key question that requires careful assessment. The decision is influenced by product complexity, organizational structure, customer expectations, and market context. Empirical results, complementary evidence, and theory insights highlight the challenges and advantages of each approach.

A hybrid model can be used to pilot PLG approaches selectively before scaling and to manage the transition while aiming for full adoption. Such an approach minimizes risks, enables iterative learning, allows incremental scaling, and ensures smoother transitions, especially for established organizations. As one interviewee pointed out, "you can't know how well [a shift to PLG] will land before trying and testing it in smaller increments". A hybrid model can be the target state for certain companies for which a fully automated go-to-market model is not an option, e.g., due to the product's nature or the ICPs core needs (e.g., customization in the case of an ERP system with high-ACV customers). However, full PLG adoption can also be the target state for certain companies, such as startups that operate in specific contexts (e.g. low-complexity, transactional products targeted to individual contributors with low ACVs).

The empirical results from interviews emphasized gradual adoption as the preferred approach for most companies transitioning from SLG to PLG. Hybrid models where PLG is introduced selectively into specific areas, such as customer journey phases (e.g., onboarding, expansion) and specific customer segments (e.g., low-ACV customers), are preferred for most companies. The complementary evidence showed that many reviewed products used a dual approach that combined PLG tactics (e.g., automated onboarding, in-app personalization, and guidance) with SLG tactics (e.g., optional sales consultation and enterprise-only tiers). Products often retained traditional human-led upselling processes while automating acquisition and early adoption phases.

Operational structure

Team realignment

Each go-to-market model requires a specific configuration of resources to support the business effectively. PLG differs significantly from SLG; thus, a PLG transition requires changes in team roles and structures to align with a product-centric growth strategy.

A successful PLG adoption requires shared objectives and metrics across all teams involved in business operations, such as marketing, product marketing, product, engineering, sales, and customer success, to ensure consistency in PLG adoption. Some companies use shared OKRs across various teams to ensure all teams progress towards the same objectives.

The role of sales is a key consideration when planning a PLG transition. Unlike SLG, PLG is based on automated customer acquisition, which shifts emphasis and resource needs from manual sales outreach to upselling, enterprise negotiations, nurturing high-value customers, and customer success activities. In the PLG model, the sales team has a supporting role in creating growth instead of driving growth. In some organizations, some sales resources were shifted to a customer success function to support the customer journey more broadly.

Customer success activities play a key role in PLG. In many organizations, customer success had a proactive role in onboarding, retention, and value realization, supported by analytics and automation tools. While the product drives onboarding, value realization, and even upsell and retention in some cases, customer success supports all lifecycle phases. Some organizations also established specialized growth teams or

product marketing roles to optimize user journeys and create effective, frictionless self-service experiences across the customer journey.

Aligning the operational teams requires leadership alignment. Leadership team members representing all key departments (product marketing, product, engineering, sales, and customer success) must be aligned and drive alignment and ensure insights from the field inform product development. Also, the leadership's role in managing cultural challenges and resistance is important. Resistance can be faced from various teams, but especially from experienced sales staff. Organizational and cultural change management efforts, including communication, alignment efforts, clear objectives and metrics, and incentives, can be used to facilitate the transition. While some relatively young organizations had to let sales personnel go, academics (e.g., Harrington & Voehl, 2015) propose embedding a no-layoff policy tied to organizational change initiatives, as employment security can significantly influence employees' willingness to embrace change.

All of the aforementioned organizational changes might be challenging to implement in an established organization. Consider approaches associated with corporate entrepreneurship, such as developing internal and external corporate ventures to drive the PLG transition. However, as one interviewee pointed out, companies might struggle with maintaining two go-to-market motions simultaneously, especially if the market is competitive.

New capabilities and technology

Transitioning to PLG necessitates a modern and robust technology stack since the product must be capable of driving most of the customer journey stages. Advanced tools and capabilities are required for enabling automation, personalization, and scalability. Embedded product analytics capabilities are necessary for tracking user behavior, engagement, and conversion. Such capabilities are essential for enabling data-driven decision-making and continuous improvement in terms of the product and the onboarding and conversion it facilitates.

The aspect of scalability regarding onboarding and conversion is important in PLG. As pointed out by interviewed companies, low-ACV customers, especially, cannot typically be served profitably without automated processes. Examples include automated onboarding processes, personalization, automated communication and support through

emails and chatbots, and in-app guidance, such as guided tours. All these elements were prominently visible in the reviewed products. While many companies did not yet leverage emerging technologies such as AI, some interviewees thought that AI has the potential to enhance personalization at scale.

As pointed out earlier, the target audience of this framework is B2B SaaS companies operating with an SLG model. While operating with an SLG model does not directly imply the usage of legacy systems, likely, the current systems do not at least fully facilitate PLG requirements. Interviewed companies brought up challenges associated with upgrading or integrating legacy systems with new tools. Since technology and products drive the go-to-market activities in PLG, investing in technologies and tools is critical for achieving operational alignment.

The next chapter concludes the paper by discussing and interpreting the findings, proposing further research directions, discussing implications for theory and practice, and considering the limitations.

6 DISCUSSION AND CONCLUSIONS

This chapter connects the findings to academic literature, interprets the findings, identifies implications, acknowledges limitations, and proposes future research areas.

6.1 Positioning the framework in academic discourse

The framework's foundational principles and elements are deeply rooted in academic literature. First, the framework targets companies currently operating with traditional SLG go-to-market models that risk being disrupted by new, innovative players leveraging modern, in-product experiences to drive growth.

The market movements show characteristics of disruptive innovation, as discussed in the extended works of King & Baatartogtokh (2015) and Tomičić-Pupek et al. (2023). King & Baatartogtokh (2015) evaluated the core principles of Christensen's theory and highlighted its relevance in understanding market disruptions and the challenges faced by incumbent companies. Also, Tomičić-Pupek et al. (2023) expanded the theory by proposing a framework for evaluating organizational readiness for responding to disruption. Implementing PLG or a hybrid model can be used as a response to disruptive forces, and the aforementioned framework can be used as an initial step for preparing the organization to respond to disruptions.

Responding to disruption and implementing the necessary countermeasures require proactiveness, innovation, and risk-taking – key elements discussed in the domain of entrepreneurial orientation (EO). In this context, new companies leveraging PLG can be seen as potential disruptors. However, when taking the perspective of an incumbent company operating with SLG, using approaches typically associated with creating disruptions could be leveraged similarly to respond to disruptions. As pointed out by Kraus et al. (2023, p. 7), "It is worthwhile to be entrepreneurial, i.e., proactive, innovative, and willing to take risks if one aims at real groundbreaking, i.e., disruptive innovations as a result, which have the potential to turn market conditions upside down." The framework emphasizes the importance of these aspects.

Corporate entrepreneurship (CE) involves a variety of activities, such as innovation in products and processes, the development of new business models, the development of internal and external corporate ventures, administrative techniques, technologies for

performing organizational functions, changes in strategy, and dealing with competitors (Antoncic & Hisrich, 2001; Hayton & Kelley, 2006). Such CE activities set the foundation for the framework, especially since, according to Antoncic & Hisrich (2001), innovation in the context of CE can also include "the pursuit of creative or new solutions to challenges confronting the firm." New competitors with potentially disruptive, fully or partially automated, scalable, go-to-market models can introduce significant challenges to incumbents operating with human-led, manual sales processes that scale only by recruiting more sales personnel or partners.

Digital transformation is key for incumbents seeking to survive and attain competitive advantages (D. Y. Liu et al., 2011). In the context of the transition to PLG, its role is critical in digitalizing processes, enabling scalable automation, personalization, and analytics within the PLG approach. Introducing new processes and go-to-market models requires changes in how various teams work, which, according to the interviewees, might cause resistance. Therefore, the framework incorporates elements of organizational and cultural change management discussed, for example, by (Harrington & Voehl, 2015).

Transitioning to a model in which the whole customer journey is based on digital experiences requires companies to understand, develop, and continuously optimize the customer experience and journey. B2B customer interactions and customer journeys often take place in digital contexts (Mora Cortez & Johnston, 2017; Rusthollkarhu et al., 2022). The framework emphasizes the important role of customer-centric design and continuous improvement in facilitating a seamless and effective transition to PLG or hybrid models through customer journey mapping and experience optimization to identify pain points and opportunities for automation and personalization. This is important for designing experiences to meet the needs of B2B buyers, who increasingly bring consumer-like expectations to professional contexts (Lemon & Verhoef, 2016; Witell et al., 2020).

The findings related to the common usage of hybrid SLG-PLG models and the framework's proposal of considering such models are aligned with the academic discussion on multichannel synergies and the complementary role of online and offline channels (Lawrence et al., 2019).

6.2 Interpretation of findings

This section discusses the thematic areas drawn from the results and analysis. The findings propose that the transition from SLG to PLG or a hybrid model is more than a tactical shift: it requires significant efforts for strategic alignment across organizational, cultural, and technological dimensions. The proposed framework inherently addresses the main research question (**RQ 1**) by describing how a B2B SaaS company can shift to PLG or a hybrid model.

Table 12 below organizes the categories and themes into high-level, strategic themes aimed at executives considering and planning the shift from SLG to PLG or a hybrid model. Each strategic theme is discussed below the table, and the discussion after the table provides linkages to each sub-question (RQ 1.1, 1.2, 1.3, 1.4).

Table 12. Strategic themes mapped to identified categories and themes.

Strategic themes	**Categories**	**Themes**
Transition dynamics and strategies	1. Transition challenges and strategies	• 1.1. Distinction between PLG and SLG • 1.2. Transitioning to a hybrid approach • 1.3. Organizational and cultural challenges • 1.4. Rethinking business models • 1.5. Feasibility of full PLG transitions
Operational and technological enablers	2. Operational alignment and execution	• 2.1. Cross-departmental alignment • 2.2. Analytics and data-driven decisions • 2.3. Onboarding and self-service • 2.4. AI and technology as enablers
	6. Financial implications	• 6.1. Resource allocation • 6.2. Revenue modeling
Customer and Product Centricity	3. Product and customer experience	• 3.1. Product-first growth • 3.2. Education and empowerment

		• 3.3. Product complexity and time-to-value
	5. Success factors and critical enablers	• 5.1. Importance of scalability • 5.2. Leadership buy-in and culture • 5.3. Market context

Transition dynamics and strategies

The go-to-market model defines an organization's strategies to approach its target customers and processes for delivering products and services. It involves key functions and organizational units, such as marketing, sales, product development, delivery, and customer service. Transitioning from SLG to PLG or a hybrid model involves a significant shift in how a firm leverages its internal resources, such as technological capabilities, organizational culture, and human expertise. This perspective aligns well with the resource-based view (Wernerfelt, 1984). This discussion directly addresses **RQ 1** by outlining the organizational and strategic adjustments required for transitioning from SLG to PLG.

Shifting to a new go-to-market model can be seen as a significant change affecting the whole organization and its structure. Transitioning also requires a deep understanding of the differences between SLG and PLG. The results and analysis revealed a variety of differences between SLG and PLG. First, in PLG, the software product drives the customer acquisition approach, enabling users to experience its value hands-on, often through trials or freemium models. The sales interactions in PLG are typically minimal, and if there is sales involvement, it occurs later in the journey. The complementary evidence gathered through reviewing products supported these views brought up by interviewees; the onboarding processes were universally sophisticated and automated, and it was possible to start using the products independently without human involvement. In contrast, in SLG, customer acquisition is driven by sales teams through direct outreach and demonstrations. It relies heavily on human touchpoints and direct interactions throughout the customer journey, especially during the purchasing and onboarding phases. These insights address **RQ 1.2** by highlighting how PLG relies on product-driven customer acquisition and conversion.

Second, the scalability enabled by a high degree of automation in PLG was often associated with positive business impacts, such as cost efficiency and scalability. User acquisition and conversion through self-service and automation were often associated with lower customer acquisition costs. Also, automated, in-product customer journeys allow the onboarding of new users without proportional increases in costs. In contrast, SLG's reliance on manual sales processes was typically seen as a factor causing higher customer acquisition costs and limiting scalability. This provides insights into **RQ 1.2** and **RQ 1.4**. These claims should be interpreted cautiously since they are based on subjective assessments provided by interviewees, albeit with a notable degree of consistency across responses. While the qualitative data offers valuable insights into perceived cost efficiencies and scalability benefits of PLG, it does not include quantitative data to validate these claims.

Based on the empirical findings, implementing PLG or a hybrid model requires significant changes, including organizational restructuring and alignment, cultural shifts, and new, aligned objectives, metrics, and incentives – especially for sales teams. This supports **RQ 1.3** by identifying organizational changes needed to enable PLG. The academic literature highlights the importance of organizational change management when planning and implementing major changes. Also, organizational change management can help managers turn challenges into opportunities (Bujor & Bichel, 2024). Interview findings were aligned with this view – for example, one interview stated: "The cultural shift took some time. It was not so easy to establish it with more experienced sales teams."

Executives must understand the multi-faceted nature of organizational culture, including its specific culture, when considering and planning a shift: its core values, beliefs, norms, artifacts, and practices (Canato & Ravasi, 2015). As Harrington & Voehl (2015) pointed out, successful change initiatives depend on fostering a broader culture of adaptability and cultural change management strategies. This highlights **RQ 1.4** by emphasizing the cultural and leadership factors critical for success. Executives and managers need to make sure the changes do not threaten the core values central to the organizational identity of the organization (Canato & Ravasi, 2015). Some interviewees, such as interviewee 5, emphasized the need for fundamental changes:

> "I became the growth lead, tasked with focusing on PLG and transitioning the company from a marketing and sales-led organization to a marketing and product-led one. As part of this shift, we made the decision to eliminate our entire sales team—granted, it was only two people—and

> stopped all sales-led acquisition efforts. This was a significant change and highlights my belief that making fundamental changes to company culture and operations, especially when moving to PLG, requires dramatic and radical actions. It's not an easy process, but it's necessary for true transformation."

In contrast to this, academics (e.g., Harrington & Voehl 2015) propose embedding a no-layoff policy tied to organizational change initiatives, as employment security can significantly influence employees' willingness to embrace change. Overall, the role of leadership in transition was highlighted both in the academic discussion (e.g. Harrington & Voehl, 2015) and interview findings. A fundamental transition requires organizational alignment from the leadership through all organizational levels. One interviewee pointed out:

> "We had representatives from all org units in the leadership. The leadership was aligned. Alignment of engineering and product needed to be involved."

These observations link directly to **RQ 1.3** and **RQ 1.4**, reinforcing the role of leadership and cultural adaptation in PLG transitions.

Drawing from theory and empirical results, the analysis suggests that organizations considering or conducting a shift should consider leveraging entrepreneurial approaches, such as corporate entrepreneurship (CE). CE and digital entrepreneurship approaches can serve as a method for transforming business models in changing market environments and can be used as a driver for innovation (Kraus et al., 2023). Academics view CE as beneficial for organizational renewal, revitalization, and the creation of new businesses. CE has also been linked to improved company performance. (Antoncic & Hisrich, 2001; Hayton & Kelley, 2006; Zahra et al., 2000). Executives should consider implementing PLG approaches through venturing – it could help not disrupt the existing modes of operation and revenue streams. However, the interview results suggested that using parallel go-to-market models might be possible only in less competitive markets. These considerations, including the recommendations included in the framework, address the objective of leveraging entrepreneurial approaches when transitioning towards PLG.

The findings included several contextual variations. The findings suggest that PLG works best for simple, standardized, transactional, self-explanatory products that can communicate their value independently, are easy to use, and provide quick time-to-value. Several interviewees mentioned complex products such as ERP systems as

examples of products that require human involvement and potentially hybrid models. Also, interviewees discussed industry-specific buyer expectations: buyers in some industries might require, for example, custom SLAs or security evaluations.

Operational and technological enablers

According to the results and analysis, cross-departmental alignment is essential when planning and executing the transition. The alignment between sales and product teams was emphasized. Also, absolute clarity of the purpose and implications of PLG must be ensured. The importance of creating alignment through shared objectives, metrics, and incentives was emphasized, along with leadership and sales buy-in. Integrated, cross-functional growth and customer success teams focusing on proactive customer engagement were often proposed. Organizational and cultural change management theories, along with CE theories created by academics, can be leveraged for managing the shift (see, e.g., Antoncic & Hisrich, 2001; Bujor & Bichel, 2024; Canato & Ravasi, 2015; Harrington & Voehl, 2015). This responds to **RQ 1.3** by emphasizing structural alignment and shared accountability.

As discussed by Mintzberg (1978) and Bower(2017), strategic resource allocation plays a key role in responding to disruptions. Implementing a new go-to-market model can be used to respond to a disruption. As Bower (2017) pointed out, incumbents often prioritize resources and funding projects or products that align with their current successful business model. Therefore, executives must “see around corners” and allocate resources strategically to support foundational renewal initiatives, such as the transitioning to PLG or a hybrid model, which might require substantial investments. This aligns with **RQ 1.4**, addressing the topic of resource allocation needed for success.

The empirical findings showed that implementing PLG can require significant efforts and investments and, overall, can be a taxing process for the organization as well as individuals. However, it is better than being disrupted and losing market share. Also, the interviewed industry experts and practitioners emphasized the business benefits of PLG or hybrid models. Regardless, the importance of financial planning and revenue modeling of product-first growth through fully or partially automated go-to-market models was emphasized. This ties to **RQ 1.4** by discussing the importance of planning for and overcoming implementation barriers.

It was found that PLG relies heavily on technology and data. Organizations using SLG models may need to develop or implement new technologies while transforming their business model. Digital business model transformation, which emphasizes the integration of automation technologies, enables business model innovation and supports competitive differentiation (Adama & Okeke, 2024). Academics have noted the importance of data-driven decision-making in improving customer experience and customer journeys (Barbosa et al., 2022; Lemon & Verhoef, 2016). PLG relies on data-driven insights through product analytics to support product development, customer acquisition, and overall customer journey and experience. Concrete examples of how technology is used to streamline the customer journey discovered in the product reviews included sign-ups that did not require credit cards, sophisticated personalized onboarding based on user goals, and single sign-on solutions (SSO). Google SSO dominance suggests many reviewed PLG products cater primarily to smaller, younger, or modern companies. Also, academics and the interviewed industry experts have noted the potential of emerging technologies, such as AI, to manage customer interactions (Rusthollkarhu et al., 2022).

Customer and Product Centricity

Organic acquisition strategies, including WOM, viral loops, and leveraging network effects, play an important role in PLG. These strategies address **RQ 1.2** by outlining how customer acquisition can be enhanced in a PLG go-to-market model. This was evident in the interview results and product reviews (e.g., Dropbox's referral system). Also, academic findings are aligned: Villanueva et al. (2008) have found that customers acquired through WOM have higher CLV and generate further positive WOM, creating a reinforcing growth loop.

Leveraging automated user and customer acquisition, PLG relies heavily on inbound marketing and thought leadership through educational content to acquire customers. Interviewees emphasized the importance of effective content marketing targeted to specific ICPs to generate inbound traffic and address customer pain points. The analysis also suggested that PLG companies target funneling the inbound traffic into the product for a frictionless, in-product onboarding targeting to acquire users and later convert them to paying customers. This provides insights into **RQ 1.2** by illustrating how inbound efforts and in-product strategies work together for user acquisition.

Proactively managing the various touchpoints across both online and offline channels is key to creating superior customer experiences, which can lead to higher engagement and long-term customer loyalty (Lemon & Verhoef, 2016). In PLG, the role of the customer experience and journey is as critical as the product itself. Edelman (2015) pointed out that companies should treat customer journeys as products to ensure sufficient investment and prioritization.

Wilson and Daniel (2007) argued that innovative channel combinations and search visibility are critical for improving acquisition. Their arguments about the importance of creating new and reconfiguring existing channel resources to compete successfully are closely aligned with what was observed through interviews. PLG is often based on online, in-product acquisition channels. However, it's important to acknowledge the interviewed industry expert's views on selective PLG implementation; PLG strategies can also be applied later in the customer journey in more complex products.

6.3 Implications for theory and practice

This study contributes to the relatively scarce body of academic research on product-led growth (PLG), addressing a gap in theoretical frameworks for transitioning from traditional sales-led growth (SLG) models to PLG or hybrid models. The study serves as an early step in formalizing the PLG principles and strategies and offers a foundation for future academic research. It also contributes to the ongoing academic discussion on customer-centric growth models by integrating PLG principles into digital transformation, channel resources, and customer journey optimization theories. The findings highlight the growing importance of automation through personalized, in-product, self-service experiences in theoretical discussions about B2B SaaS sales and go-to-market strategies. This study also demonstrates the complementarity of PLG and SLG models and showcases how models can coexist and evolve through hybrid approaches.

This study responds to **RQ 1** by developing and providing a framework for SLG-driven B2B SaaS companies that are considering shifting to PLG or a hybrid model. As pointed out in the Conceptual framing, if the propositions used as the basis for the study hold, the framework developed from this research will enable SLG-driven B2B SaaS companies to transition toward PLG or hybrid models. The interviews and complementary evidence suggested strong support for the propositions. The proposed framework can act as a starting point for organizations considering introducing a new

go-to-market model based on PLG strategies and equips them to manage the operational, cultural, and technological shifts for adopting PLG strategies.

6.4 Limitations and future research directions

This study primarily addresses strategic considerations for transitioning to PLG in B2B SaaS companies. The iterative, abductive process of creating the framework revealed several limitations and future research opportunities. First, this framework did not focus on guiding companies to select between SLG, PLG, or hybrid models based on product type, market segment, company size, and growth versus profitability targets. Future research could create a decision tree to guide companies in selecting the optimal go-to-market model.

Second, this study emphasized PLG's role in customer acquisition and conversion but gave less attention to its potential in the expansion and retention phases. A more comprehensive framework could explore how PLG tactics, such as data-driven upselling and feature adoption, could support long-term growth and profitability.

6.5 Conclusion

This study explored the transition from SLG to PLG in B2B SaaS companies and identified operational, technological, and customer-centric enablers. It used relevant academic literature, interviews with industry experts, and product reviews to respond to the main research question by creating a practical framework for companies considering PLG or hybrid models. The findings also underscore the theoretical significance of PLG as a disruptive go-to-market strategy and offer a foundation for further academic exploration.

In recent years, there has been a feast of cheap and abundant capital for start-ups, including PLG companies. Now that the cost of capital has increased significantly, there has been a historic decline in VC funding, and VCs are more cautious than before (Grabow, 2023). Since PLG might require high upfront investments, the future, including future studies, will hopefully show how PLG strategies adapt to this new financial landscape, where cost-efficiency, faster return on investment, and sustainable growth models may become more critical than ever for securing funding and maintaining competitiveness.

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APPENDICES

Appendix 1. Original interview questions

#	Question
1	Can you explain the fundamental differences between PLG and SLG models in SaaS companies?
2	How would you describe the customer journey in a PLG model, and how does it differ from the SLG model?
3	What role does product quality and user experience play in the success of a PLG strategy?
4	What technological capabilities or tools are essential for implementing a PLG strategy?
5	How does a PLG model influence investor perceptions and company valuations in the SaaS industry?
6	What are the implications of PLG on customer service and support?
7	How do you see the future of PLG evolving, especially with emerging technologies and industry trends?
8	What emerging trends do you believe will have the most significant impact on PLG strategies in the next five years?
9	Are there particular industries or types of SaaS products that you believe are more conducive to a PLG model?
10	How does a company assess whether a PLG or a hybrid model aligns with its long-term strategic goals and customer needs?
11	In your experience, what are the biggest challenges companies face when transitioning from SLG to PLG?
12	How can a SaaS company measure the success of its PLG strategy?
13	Can you share a case study of a failed transition to PLG and the lessons learned from it?
14	What role does customer feedback play in a PLG model, and how should it be integrated into product development?
15	How does the PLG model impact the scalability of a SaaS business?
16	How do you balance automation and personalization in customer interactions in a PLG model?
17	What changes in company culture are necessary for the successful implementation of a PLG model? How do you see the role of intrapreneurship in driving these changes?
18	How should a SaaS company adjust its sales strategies to complement a PLG approach?
19	How can a SaaS company foster innovation and continuous improvement within a PLG framework?
20	Can you discuss the significance of pricing strategies in a PLG model?
21	How do PLG companies approach market segmentation and targeting compared to SLG companies?
22	What key performance indicators would you prioritize to track the effectiveness of a PLG model?
23	In your view, how can SaaS companies effectively integrate PLG strategies within a predominantly SLG model to create a hybrid approach?
24	What are the key indicators that a hybrid SLG and PLG model is the right choice for a SaaS company?

25	In your experience, how critical is cross-functional collaboration between product development, marketing, sales, and customer success teams in adopting PLG? Can you provide examples where entrepreneurial approaches within these functions facilitated a smoother transition?
26	How can established SaaS companies ensure that their shift to PLG continues to drive innovation and maintain a strong focus on customer value? What role does an entrepreneurial approach play in sustaining these efforts?

Appendix 2. Adjusted interview questions

#	**Interview question**
1	Can you explain the fundamental differences between PLG and SLG models in SaaS companies?
2	Have you had experience transitioning a company from Sales-Led Growth (SLG) to Product-Led Growth (PLG) or a hybrid model? Alternatively, have you been involved with a company that adopted PLG from the outset? Could you elaborate on the differences and challenges between these approaches?
3	In your experience, is it feasible for established SaaS companies to successfully shift from a Sales-Led Growth (SLG) model to a Product-Led Growth (PLG) model, or is PLG more suited for newer, innovative companies?
4	Can you describe a successful shift from SLG to PLG or hybrid in your company or another you've observed?
5	What are the main challenges companies face during a transition from SLG to PLG? If you experienced a transition, how did you overcome them?
6	How did you manage the internal shift in focus from sales-heavy processes to automated customer journeys?
7	What operational and organizational steps should a company take when transitioning from SLG to PLG?
8	How does your company handle pricing changes or model adjustments during the shift from SLG to PLG?
9	Can you walk us through the key milestones in your transition process, including both internal and customer-facing steps?
10	How does your company automate customer acquisition, and what specific tools or platforms have been essential for scaling?
11	What data signals or metrics do you track to evaluate whether a prospect is ready for conversion in a PLG model?
12	How do you ensure that the product's onboarding process maximizes conversions without direct sales intervention?
13	How did you structure your sales, marketing, and product teams after transitioning to PLG?
14	What changes were made to the roles of customer success, sales, and product management as you transitioned to a PLG structure?
15	How do you measure and align team KPIs across departments (sales, customer success, product) to support PLG?
16	What key success factors have you identified as essential for a successful transition to PLG?
17	How do product quality and user experience influence the success of a PLG strategy, and how are they measured?
18	What organizational or cultural changes have you found necessary to sustain long-term growth using a PLG model?

Appendix 3. Product review results

Evaluation questions	**Atlassian Jira Service Management**	**Freshworks**	**Zendesk**	**Amplitude**	**BigCommerce**	**HubSpot**	**Dropbox**	**Monday.com**	**UserTesting**	**Zoom**
Acquisition strategies										
What limitations (e.g., time, features) exist in the freemium or free trial offering, and how do they drive conversions?	The 30-day free trial covers the Premium suite with a variety of features. There is a counter for the free days left.	The 14-day free trial covers the Enterprise suite with a variety of features. The option to buy Freshservice is prominently visible in the trial version.	The 14-day free trial covers the Professional suite with a variety of features. The option to "buy your trial" and upgrade to a paid version is prominently visible.	The freemium version includes basic, foundational features, such as basic analytics, starter templates. The next "Plus" tier includes more. The Enterprise tier can be bought only by contacting sales.	Offers a 15-day free trial for small businesses only.	Freemium tier ("Starter Customer Platform"). Product value is demonstrated and used for driving conversion. The freemium tier is limited in terms of functionality; however, core functionalities are present.	Offers a 30-day free trial. The free trial is limited to 10GB of storage. The functionalities do not seem to be limited. The remaining free trial days are shown in a banner in the user interface, as in the other products.	Offers a 14-day free trial for the "Pro" tier. There is also a Free plan, and downgrading from the "Pro" trial to the "Free plan" is possible within the product. This product seems to be the only product that allows such in-product	The user acquisition was based on an SLG-process. The signup process led only to an option to book a meeting with an "consultant", with the following promises: "Get an overview of how our end-	Offers a freemium tier. After the simple signup, the freemium user was greeted by a message "*Upgrade to Zoom Workplace Pro and unlock the latest features, including AI Companion 2.0, AI virtual*

							Dropbox forces an action, either cancelling or submitting billing information – otherwise they'll charge: "Your free trial ends on Thursday, January 30, 2025. If you don't cancel your free trial by that date, we'll charge you €813.24 yearly (taxes included) until you cancel your plan. Charges won't be refunded when you cancel, unless	downgrade from free trial to freemium. Google SSO provided.	to-end solution can help you and your team: Reach highly targeted and niche audiences on-demand Capture perspectives with the broadest set of test methodologies and quickly identify insights with AI and machine-learning-assisted analytics Store, analyze, and share insights across	*backgrounds, meeting summaries, and more. Upgrade today*".

							it's legally required."		your organization"	
How are referral incentives presented, and are they integrated into the product experience (e.g., visible CTAs, gamification)?	No evidence	No evidence	No evidence	No evidence	No evidence	No evidence	No evidence	No evidence	No evidence could be gathered since no free trial option was available.	No evidence
Are onboarding flows automated and self-service?	Yes; through a variety of SSO options. Had the most extensive selection of SSO options. Overall very simple, quick and easy.	Yes; very simple, quick, and easy	Yes; provides time-estimates for every step (46min total)	Yes; through Google SSO. Provides time estimate (30min). Simple setup took just a few minutes.	Yes, however, a bit more friction than in Jira, Freshservice, Zendesk, and Amplitude.	Yes; clean and simple onboarding. The onboarding included population of simple masterdata (customer contacts) and inviting team members.	Yes, simple and easy. Considering the simple nature of the product (cloud storage), when comparing to some of the other reviewed products, it felt that the onboarding could have	Simple onboarding with minimized number of fields to be filled.	The onboarding was started with a simple question about the intent (evaluating the product vs. becoming a paid tester). However, the onboarding process ended with a meeting	The signup was quick and easy. Multiple SSO options were provided (SSO provided by Zoom, Apple, Google, and Facebook). The SSO options were clearly a mix of

						After the first onboarding phase, the product was shown to the trial user. Then, the onboarding continued in a convenient way with further steps. The onboarding tool had a progress bar and a percentage of completion.	been even simpler. The dropbox onboarding was simple but could have been even simpler or frictionless from the trial user's perspective. Google SSO was provided – no other SSO options. No visible personalizatio n regarding the product. However, the proposed upgrade option (Dropbox		booking form, with no option to skip and just use a free trial.	business and consumer SSO options. There were no onboarding questions. The signup simply led to the front page of the web application.

							Business Plus) might have been personalized based on the questions the trial user answered during the onboarding).			
Is there educational content to support acquisition?	Yes; plenty of resources available	Yes; plenty of resources available	Yes; plenty of resources available	Yes; plenty of resources available	Yes; plenty of resources available	Yes; plenty of resources available	Yes; plenty of resources available	Yes; plenty of resources available	No evidence, since the community could not be accessed.	Yes; plenty of resources available.
What is the focus of educational content (e.g., technical training, thought leadership), and how is it accessed (e.g., embedded,	Product usage, administration, subject matter topics (service management), product news, product feedback, development tools and	Product usage, administration, and substance (service management).	Product usage, administration, subject matter topics (customer service), product news, product feedback, development tools and	Product usage, administration, subject matter topics (service management), product news, product feedback, development tools and	More subject matter content (e.g., articles, blog posts) than in the products described in the column on the left side.	The community and academy emphasize subject matter topics. It includes signs of "thought leadership". There are also product	The community (Dropbox forum) seems to emphasize product-related content.	The Monday.com community is labeled as help center. It emphasizes product-related topics, such as platform discussions,	No evidence, since the community could not be accessed.	The knowledge base ("Zoom Support") focuses on product-related topics and support. There's also a community section with a variety of

external links)?	documentation, and support. Accessible through link from the product. Prominent gamification visible in the community.		documentation, support	documentation, and support.		related content, learning paths, bootcamps, and other content.		announcements, feature requests, learning resources, and community events.		categories based on the Zoom product family.
Does the product use AI or other technologies to personalize onboarding or feature recommendations?	Simple personalization based on questions	Simple personalization based on questions	Simple personalization based on questions	No noticeable personalization.	Simple personalization based on questions	Personalization questions that cannot be bypassed. The personalization is applied in how the product is set up (customer service ticketing) and where in the product the trial user ends up.	No noticeable personalization regarding the product itself. However, the suggested upgrade option seems to be personalized.	Personalization based on onboarding questions. The product explicitly mentions the purpose of the questions ("Help us tailor the best experience for you").	No evidence could be gathered since no free trial option was available.	No noticeable personalization regarding the product itself.

								The onboarding had a step for inviting team members. The step could be skipped with the option “Remind me later”. The invite page allowed to create an invite link – the other products did not have this option. It also had an “*Allow automatic signups with an @student.hanken.fi email address*” option.		

								The only onboarding process that asked about how the user heard about Monday.com. The onboarding could be described as stylish – similar to the Zendesk and Hubspot onboarding processes. It even had previews that demonstrated how specific settings (e.g. Project name, reports, dashboards, task names)		

								will look like in the product.		
How active and accessible are the community forums, and what role do they play in onboarding or customer support?	The Atlassian Community seems active based on the amount of content and number of discussions. Provides content for supporting setup and usage.	The Freshworks Community seems active based on the amount of content and number of discussions. Provides content for supporting setup and usage. Has an insider program.	The Zendesk Community seems active based on the amount of content and number of discussions. Provides content for supporting setup and usage. Has an early access program for new product launches and features.	The Amplitude Community seems active based on the amount of content and number of discussions. Provides content for supporting setup and usage. Has a dedicated section for partners.	The BigCommerce community seems less active than the others described in the columns on the left.	HubSpot claims that their community's content is personalized: "Your account will be full of personalized training recommendations tailored to you, making it quick and easy for you to continuously develop your knowledge and skills." What is noteworthy is that the personalization is applied	The Dropbox forum seems to be active based on the number of recent active discussions and interactions. Most discussions seem to revolve around usage (e.g. product issues, questions). As expected, there's less discussions about customization, since the product is rather simple and "fixed",	The Monday.com Community seems active based on the number of recent discussions and interactions (e.g. replies, views). The discussions seem to be product-related. There are a variety of community areas (e.g. local communities, global communities,	No evidence, since the community could not be accessed.	The community seems active based on the number of views and interactions (hundreds of thousands of views, hundreds of comments and likes in the trending posts). There are a variety of community areas.

						also in driving conversion: the recommended tier to upgrade to seems to be personalized based on the onboarding/setup process	opposed to some of the other reviewed products.	developer communities etc.).		
Do pricing models align with perceived customer value (e.g., scalable tiers, usage-based pricing)?	Yes; feature tiers with discount for annual subscription	Yes; feature tiers with discount for annual subscription	Yes; feature tiers with discount for annual subscription	Yes; includes "scholarship" program for startups	Yes; feature tiers with discount for annual subscription	Yes; feature tiers with personalized recommendation for upgrading.	Yes; clear linkage between the tiers and the included cloud storage capacity.	Yes; feature tiers with 18% discount for annual subscription.	No evidence could be gathered since no free trial option was available.	Yes; feature/usage tiers with discount for annual subscription. The feature/usage tiers are based on both feature access and usage limits (e.g. meeting duration, participant capacity,

										recording storage quota, number of whiteboards, number of clips etc.)
Conversion strategies										
How are upgrade triggers embedded in the user journey, and are they linked to specific milestones or moments of value realization?	The trial was based on the Premium tier, and therefore upgrade triggers were not visible.	The trial was based on the Enterprise tier, and therefore upgrade triggers were not visible.	Upgrade triggers were prominently visible. E.g., when calling the support number (the included number for providing support for your customers), the voicebot abruptly mentions the free trial.	Upgrade triggers were prominently visible in the product. For example, creating a specific report type ("portfolio view") required an upgrade.	The trial was based on an extensive tier (most likely Pro, but not explicitly mentioned), and therefore upgrade triggers were not visible.	Upgrade triggers were prominently visible. The triggers were based on usage. For example, the free plan allows only one ticket pipeline.	The main and possibly only upgrade trigger is the storage capacity.	There are prominent upgrade triggers within the product. The triggers are based e.g., on feature access: "This feature is part of the Enterprise plan. Reach out to our customer success team for more information."	No evidence could be gathered since no free trial option was available.	Noticeable upgrade triggers. The freemium tier had limitations regarding e.g., the meeting duration and the freemium user was prompted to upgrade for allowing longer meetings.

								There is also teaser content (embedded videos and links to articles describing the feature and its benefits).		
How effectively does onboarding align with user goals and needs (e.g., personalized workflows, guided tours)?	The onboarding, based on simple onboarding questions and easy settings, seems to be very polished and frictionless. The trial user received a reminder email from Atlassian reminding to	The onboarding was based on simple onboarding questions. There was a virtual product tour.	The onboarding was based on simple onboarding questions (simpler than Freshworks & Atlassian). There was a virtual product tour.	No noticeable personali-zation. There was a virtual product tour.	No noticeable personali-zation. There was a virtual product tour.	Significant personalizatio n that reaches all the way to mechanisms driving conversion. There was a virtual product tour.	No visible personalizatio n, except for the proposed upgrade option. There was a virtual product tour.	Significant personalizatio n. The personalizatio n questions led to a somewhat tailored experience. For example, choosing the main objectives that the user wants to achieve led to a specific product setup. For example, selecting the	No evidence could be gathered since no free trial option was available.	The onboarding was straightforwar d – no onboarding questions were asked.

	setup a project based on a template. Clicking a link in the email brought the user to the setup page. There was a virtual product tour.							objective of using the product for Request and approvals, the trial scope was set to the Monday Work Management module with the boards and content defined during the onboarding. The other modules (e.g., CRM) required starting another module-specific trial).		
What product value metrics (e.g., ROI, usage stats) are highlighted	Regular dashboards not focusing particularly on demonstrating	Regular dashboards not focusing particularly on demonstrating	Signs of value demonstration though feature usage statistics (e.g., the	Regular dashboards not focusing particularly on demonstrating	Online store performance statistics not focusing particularly on	Evidence of active value demonstration within the product. There	There are no explicitly defined product value metrics.	Regular dashboards not focusing particularly on demonstrating	No evidence could be gathered since no free trial	No evidence of product value metrics.

to reinforce product adoption and conversion?	the product value directly.	the product value directly.	number of automations used today) .	the product value directly.	demonstrating product value directly.	is a dashboard with several metrics focused on demonstrating the value on the upgrade/pricing page: - Scale collaboration with more users -“Expand your product library” -“Serve efficiently with another pipeline” -“Reach wider audiences with more email sends”	However, the amount of uploaded data could serve as a proxy metric for product value, as each gigabyte of data stored in the cloud potentially represents an improvement over locally stored files in terms of accessibility, security, and scalability.	the product value directly. There was a virtual product tour.	option was available.	

What specific user actions are identified as critical events, and how are they incentivized or supported?	Critical events include email, portal, and team setup. Instructions available in each step.	Critical events include email, portal, and team setup. Instructions available in each step. The critical events are identical to the events in Jira SM, most likely due to the similar nature of the products.	Embedded instructions and videos in each step. Instructions available in each step.	Setting up the "snippet" was a clear critical step. Getting started was quick (just a few minutes). The setup continues later when the user wants to add additional features.	The setup that targets to start accepting orders has four steps. The steps were not "integrated".	E.g., setting up customer contact information, installing integrations, and inviting the team.	Inviting team members, setting up team folders, downloading the desktop app.	Inviting team members, setting up projects and boards, creating tasks, completing the user profile. Monday.com was the only product that emphasized the profile completion (setting up the account details, uploading a photo, enabling desktop notifications, installing a mobile app).	No evidence could be gathered since no free trial option was available.	No critical events were identified.
How is time-to-value	No evidence	No evidence	The estimated time for	The estimated time for	No evidence	No evidence	No evidence	No evidence	No evidence could be	No evidence

measured (e.g., minutes to first task), and what feedback loops encourage continued usage?			completing the onboarding was shown in the product.	completing the onboarding was shown in the product.					gathered since no free trial option was available.	
Does pricing incentivize conversion (e.g., discounts)?	No evidence	No evidence	No evidence	No evidence	No evidence	Yes; the "Buy Starter Today and Save 20%" campaign was shown to the trial user after signup. In later stages of trial, a rolling countdown is shown.	No evidence	No evidence	No evidence could be gathered since no free trial option was available.	No evidence
Are there any signs of SLG tactics (e.g., optional sales consultation, enterprise-only features)?	Yes; the "Enterprise" tier was based on a "contact sales" option.	SLG elements were not noticeable. All tiers up to Enterprise were available through PLG approaches.	SLG elements were not noticeable. All tiers up to Professional were available through PLG approaches.	Visible SLG elements. The Growth and Enterprise tiers were replaced by a "Contact us" option. Only	Visible SLG elements. The Enterprise tier was replaced by a "Request a demo" option. The Standard,	The personalized upgrade showed PLG style upgrade options. However, it was also	Some visible SLG elements – the "Contact sales" option is visible in the top panel in the user interface.	Visible SLG elements for the Enterprise tier. The Basic, Standard, and Pro tiers allowed the trial user to	The customer acquisition is purely based on a SLG approach.	Visible SLG elements. The "Contact sales" option was visible all the time in the top panel of the user interface.

				the freemium and Plus tiers provided PLG-style onboarding and upgrades.	Plus, and Pro tiers provided PLG-style onboarding and upgrades, including free trials.	possible to navigate to all upgrade options, including the enterprise tier. The Starter tier was the only tier that could be purchased with a low touch, PLG-style approach. The Professional and Enterprise tiers required the user to "talk to sales".		purchase the product. The Enterprise tier required the user to contact sales. However, opposed to the other products with a similar setup, it allows to request a trial for the Enterprise tier. Also, it explicitly mentions "custom price" for the Enterprise tier.		
Does the product incorporate user feedback (e.g., in-app	Embedded feedback collection within the product	No evidence during the free trial.	No evidence during the free trial.	No evidence during the free trial.	No evidence during the free trial.	No evidence during the free trial.	No evidence of active feedback gathering during the trial. There is a	No evidence during the free trial.	No evidence could be gathered since no free trial option was available.	No evidence

surveys, beta features)?							“Report an issue” link within the user interface.			