



# Free users are not a growth strategy.

Give the free plan a specific customer, a useful first outcome and an honest reason to upgrade. Then follow what happens after signup.

## WHAT YOU WILL DO

**Let free users complete a useful task. Give suitable customers a clear reason to pay, and measure what it costs to serve them.**



SOURCE



INSIGHT



APPLICATION



## Decide what the free plan is for

If you run a SaaS product, a growing free-user count can be an expensive distraction. It tells you that people accepted an offer costing nothing. It does not tell you whether they solved a problem, will return, can buy or want a conversation with sales. A signup is not pipeline. Calling it product-led growth does not close the gap.

A useful free plan gives a particular customer enough access to experience a valuable result. It also has a commercial purpose: perhaps helping future buyers evaluate the product or making collaboration spread. Choose that purpose before choosing feature limits. Otherwise you can end up giving away an arbitrary assortment of features and hoping a payment appears.

## A fictional free plan with a clear job

Imagine a fictional handover tool for small agencies. Sara manages client projects. Today she emails a document, then chases a colleague to confirm who owns the next steps. The proposed free plan lets her run one active client handover and invite a colleague. Its job is to replace that chase with a handover someone actually accepts.

Activation means Sara creates a real client handover, assigns the next action and gets her colleague's acknowledgement. Creating an account or opening an empty template does not count. The useful outcome is that both people know who is doing what next. Keep enough functionality free for them to reach that outcome without paying to discover whether the product works.

## Make the upgrade solve the next problem

Sara now has three clients needing handovers at once. The proposed paid plan supports multiple active handovers and a manager's overview of outstanding work. That is a clear reason to pay: coordinating several live projects. The free plan has demonstrated the core benefit; the paid plan handles a larger working need.

A solo consultant with one project may remain happily free. That is not automatically a failure. Decide whether serving that person costs little enough, creates useful introductions or supports another explicit purpose. Do not invent a sales opportunity because they logged in again. If the entire target market needs only the free allowance, your intended upgrade reason may not exist.



## Follow people through the actual journey

Continue the invented example. After the same four-week observation window, 100 eligible agencies have signed up; 40 created a real handover; 20 received a colleague's acknowledgement; five paid for multiple active handovers. These are fictional counts, not a benchmark. They show where to investigate: 60 never started, and half of those who started did not reach the intended outcome.

Ask the people in each group what happened. Did setup require information they did not have? Did the colleague ignore the invitation? Did the handover solve the problem? For the five paying agencies, confirm the reason they upgraded and whether they continue using it. Do not credit the upgrade prompt for a sale simply because it appeared before payment.

## Fix the step that is failing

If suitable agencies cannot start, shorten setup or help them import a real handover. If nobody acknowledges it, examine the invitation and whether the colleague understands the task. If activated agencies need several projects but cannot understand the paid offer, fix its explanation. Those are different changes. More upgrade banners cannot repair a handover nobody finishes.

Track support time, infrastructure costs and abuse alongside the journey. Compare paying customer counts, revenue and retention for accounts observed over similar periods. A higher conversion percentage can still accompany fewer paying customers. Free access might also create referrals or team adoption, but record those outcomes instead of assuming they compensate for an expensive plan.

## Change one part of the offer deliberately

Pick the main obstacle and change one part of the experience for a defined group of new accounts. Keep a comparison where practical, and record other changes in acquisition or product behaviour. Choose a review date that gives customers time to complete the task and face the paid need. Honour existing promises and explain any changes to current users.

This is GTM Architect's proposed product exercise; all agencies and figures are fictional, and the reference is historical further reading. Your next action: write three sentences describing who the free plan serves, what useful task they finish and what new need makes payment sensible. Then check recent accounts against those sentences. If you cannot find the journey, a signup chart will not invent it.



# Give the free plan a useful job

Describe one audience and its journey. The fictional handover examples show the level of detail to write; replace them with your product's actual behaviour.

*Type into the fields, or print. Save a copy to retain your answers.*

**01 Intended customer**

Who has the problem? Example: Sara, an agency project manager.

**02 First useful outcome**

What counts as success? Example: a colleague accepts a real handover.

**03 Free allowance**

What must work for free? Example: one active handover plus a colleague.

**04 Reason to upgrade**

What new need costs money? Example: several live client handovers.

**05 Behaviour and cost**

Count starts, completed tasks and upgrades; add support and hosting cost.

**06 Next improvement**

Name one failing step, the change, its owner and a review date.

**Make one useful task achievable for free and the paid need understandable. Judge the offer using completed tasks, paying customers and serving costs, not signup volume alone.**



# Read further. Know the limits.

SOURCE 01 / PRIMARY PRACTITIONER INTERVIEW

## Want to monetize better? Three SaaS pricing experts share wisdom and warnings

Christine Deakers; interview contribution from Akshat Gupta / Bessemer Venture Partners / 2021-06-30

Historical pricing interview retained as further reading. No claim about a named company's freemium results is asserted in this edition. The handover product, agencies, counts and proposed approach are original GTM Architect illustrations; no fresh source-support check was performed.

<https://www.bvp.com/atlas/want-to-monetize-better-three-saas-pricing-experts-share-wisdom-and-warnings>

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### OUR GUIDANCE. YOUR COMPANY'S NUMBERS.

The article and worksheet are original GTM Architect guidance. References above are background reading, not proof that our proposed approach will produce a particular result. Source dates and limitations are preserved.

Rewritten 6 October 2026. Worked examples are fictional and use illustrative assumptions, not industry benchmarks. Named companies and publishers have not endorsed these guides.

Use the worksheet with one real task, deal or customer. Replace the example assumptions with your own information before acting.