

# Not Scaling – Part 2: Starting Small to Build Big



The big news to share this week on bounceit!™ is that the app went live in the app store, after a long period of creation, and we are starting the process of scaling by not scaling, as was discussed in [last week's blog](#). This week will be focused on getting a small group to use and try it out on all devices to make sure everything is flowing

well. Then, we will move to our local and social media friends to give it a try and to share with others, if they like it. And finally, on to the rest of the world.

Well, sort of to the rest of the world. Some people think big launches matter and they want to create a big event with a lot of hoopla, excitement and media attention. After this happens, then everyone will know about it and you are set to go viral. We thought about this approach a while back and decided against it. Interestingly, Paul thinks that this is not the way to go either. He says founders like to think that they have a great building and everyone who hears about it will want it. Even the best of the viral applications don't start this way. He also says it is part laziness, that with the big launch, the hard work of creation is done and you can sit back and watch your amazing creation take off. This will not happen and will require getting users one at a time.

Another thing that usually doesn't work on the way to scalability, is partnerships. Paul's experience is that they don't work for startups in general, in the form of getting the

big break. They usually take lots of work and don't lead to the scalability that was hoped for in the beginning. That is where you are trying to be scalable. When you get with organizations or other companies to work on building a core group of users in a certain demographic to experience the feedback, then this approach is doing the non-scalable with a few users at a time. We will be doing this with the University of Tennessee and with Regal Cinemas.

We will move in small, non-scalable aspects first, to build a presence with certain groups that we are targeting.

Paul says that what matters is not the big launch or the big partnership, but the ability to delight your customers is the key to getting bigger. Take a handful of people, make them really happy, watch what they do so you can learn, and they will get friends like them taking you further down the road.

So our plan is to go slowly with our initial roll-out to build a core group of users in our local community and test the app with the different ways new people may think about using it, and also to make sure all the software and hardware running the app will handle the pressure of hundreds of pictures and votes, and then thousands.

Bounceit!™ will have announcements locally next week in the press and we will have an article in Nibletz, which has agreed to use bounceit!™ to get feedback on speaker choices for their two big conferences.

This is an exciting time for founders and also a time not to sit back and wait for things to happen. Entrepreneurism is about getting out and creating the success you want!!

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# Making Social Media Work



We all keep hearing about this social media thing and how we need to jump aboard to get our networks sharing our story and helping us to market. “How do I

get this social media thing to really work for me?” is what we keep hearing people say, and I bet you have had the same thought.

A few weeks back, I wrote a blog on doing online contests that help businesses get their names out to the masses. As was discussed, this is becoming an increasingly popular way to build your fan base and engage your audience, while empowering your audience to do your marketing for you. I wanted to add to that conversation by showing a real-world example of how contesting helps make this happen.

One recent contest our company had great success in creating was in conjunction with Graphic Creations – a local company who wanted to give away something to the business community in celebration of their 25th anniversary. The prize? An opportunity for somebody to help promote their own business through a vehicle wrap.

In order to get maximum exposure, owner Jim Caughorn chose to run the contest through social media and asked the Efficiency team, led by Creative Director Tori Rose, to head it up.

“In addition to increasing the sheer number of people who interact with your brand, a contest provides a means to deepen the connection, as well,” said Rose. “A user-generated content (UGC) promotion, such as a photo or video contest, is a great way to do just that. UGC contests tap in to the human drive to compete, and they provide an opportunity for everyone to

experience their 15 minutes of fame. Most importantly, when participants upload their personal content (e.g., a photo or story) to your promotion, they are naturally invested in your brand.”

The Wrap My Ride contest was run through Graphic Creations’ Facebook page, asking participants to submit either a picture or video showing their ride and telling why it needed a wrap. The top three entries with the highest number of votes were judged by Graphic Creations.

“We have received more business because of the campaign,” said Caughorn. “Many of the clients that entered were still interested in a wrap or other services that we offer. It was great exposure for our existing customer as well as new prospective clients.

The entries for Graphic Creations’ contest ranged from simple, to fun and creative. But the contestants all had one thing in common: they were engaged and gave the client useful data on potential customers.

Getting data is crucial to building relationships, and contests are a key way to do that. This data will help a company to learn a lot about potential clients during the interaction, so companies can better understand their customers and how to provide value to them. It is also nice to have clients sharing the story and to help out in the marketing arena. That is what a good contest can do – allow customers to share with others and help foster name recognition.

As for the statistics, in a mere 30 days, the contest resulted in more than 16,500 visits to the contest page and a subsequent 2,000 referrals. In that time, the client also doubled their fan base.

When coordinated with an overall social media marketing plan, a good contest can be a powerful tool. What are you doing to

create a contest that people will talk about and share with others?

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## Is Your Website Mobile Friendly?



One of the trends that we have been discussing is how mobile is so pervasive in the modern world and growing fast in the developing world. We have discussed this as it relates to mobile apps and how they are helping businesses connect with

their customers in a very intimate way. What we have talked less about, is how our websites need to be set up for responsive design.

What is responsive design? It is a new approach to building your website so that it allows your site to change sizes and format to the different sizes of screens that your site may encounter. This will allow your site to be viewed on a mobile phone or a tablet device and for the site to stretch wider or shrink to a smaller screen, without losing its aesthetic integrity.

Along with building mobile apps, we also help companies move to a responsive design for their website as part of Efficiencie's focus around mobile and the mobile experience. We do this with a highly creative approach that gives users a site that becomes their own identity, rather than filling in

some boxes from a template-built site. It is understandable that people use a template site to get a website up at a low cost. Today, your site is the face of your company and what everyone sees when there is any possible thought about you at all. Leaving this first impression to a low-cost, same-as-everyone-else solution may not be the best thing for credibility and confidence.

If you want to see how this works, just go to your site on a mobile device and see what comes up. If the site looks the exact same as on a desktop, and all the tabs are squeezed together, your site is not responsive. This makes it hard for people to get the info they need from you quickly and readily. These are not the things we want to accomplish with our clients and potential customers.

An article from BI Intelligence, titled [\*The Rise of Responsive Design as a Mobile Strategy – Pros and Cons\*](#), links back to [Google's site](#) as they recommended responsive designs as the best strategy for smartphone-optimized websites. Add to that a report by Flurry Analytics, which says that there will be 2 billion mobile devices being used by people all over the globe by 2014, and you have all the evidence you need that responsive is the best way to ensure your site is adjusted for all devices.

What are you doing to make sure that your site is set up to be seen easily on all mobile and tablet devices?

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## [\*\*The Middle Class Revolution\*\*](#)

Running a mutual fund and being in the investment world for

more than 20 years got me in the habit of looking to the future and observing the changes that were coming, and what they would mean for new opportunities. This was necessary to look at where to place money for the prospect of generating above-average returns. It also appealed to my entrepreneurial side of filling a gap that existed because of the opportunities that I was seeing. I would sometimes go into overload, thinking about all the things that could be done to take advantage of potential opportunities.

Changes in demographics, technology, and political and social trends have a major impact on what happens next and how we proceed to get there. Check out this video that was sent to me by my E0 friend, Connor Neill, in Barcelona, Spain, called *The New Middle Class Revolution: Facts and Figures*.

Here are some of the interesting demographics and stats to note from the video. For instance, you are in the middle class if you earn \$10 to \$100 a day. The middle class will grow from 1.8 billion people in 2009, to 3.2 billion by 2020, and another 4.9 billion in 2030! Think about how staggering that is for a second. That is 1.4 billion people in a decade moving to middle class, to have a better life, and to have extra money to spend in the process. What are they going to spend it on? I hope they will buy your product or service.

China will become the largest market for automobiles, tourism, and online consumerism. India's airports estimate 150 million travelers in 2013, and a projected 450 million by 2020. I have been in at least seven of them, and they are all under construction to be massive. The India middle class is projected to be 200 million in 2020, and 475 million in 2030, making up the world's largest middle class. This type of growth is also happening in Africa and Latin American, so it is going on everywhere, except in extreme, communist-type economies, like that of North Korea.

This is what capitalism does for people – it creates opportunity for exchange, pulling people up from poverty to higher living standards and to better lives! Who does not want that for our fellow human beings? It is sad that there are those that want to stifle this by pushing some sort of socialist equality on people. I have seen what government-run equality means to people in India, and that is the large majority are equally poor and pathetic. Now, with a more capitalist approach, tens of millions are moving to the middle class. I have seen the changes with my own team over there in the past nine years.

Looking at these trends, how are you going to put your business in the path of this growth opportunity of so many millions and billions who will soon have extra money to spend? We all have seen the explosion in mobile. All the mobile apps out there give us ease in our lives, in one way or another. That is what I am doing to put myself in the path – building mobile apps. Think of a billion more people with smart phones in the next decade. Does the prospect of them having your mobile app present a growth opportunity for you?

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## Strategy Evolves, Does your Business?



How did your business strategy come about? Was it planned out in advance in the boardroom, or was it done by some type of trial and error? Did you start out knowing exactly what you were going to become? We started



with a plan, but it has evolved into one that has taken time and been filled with trial and error.

Efficiency came about as a company because we had an opportunity to come together and complete a big ERP system for companies that sell copiers to businesses. My partner, April Cox Abboud, was consulting in this space, came upon this opportunity and we started the company around this project. Our intentions were to build it and sell it, over and over, to other dealers and have a winning formula for success.

For many reasons, this didn't happen and we went on to work on Software as a Service (SaaS) products. We have been working on a handful of ideas to get out there, and we have had limited success with one, and not much at all with the others. As I continued to see and read what was happening in the world, we decided to turn into a mobile app development company and help individuals take their ideas to the market, along with helping companies do the same.

We didn't have a certain vertical to go after in the mobile space when we started, but knew that we wanted to have one. As we have worked to build-out mobile apps for some clients, we have now come about an opportunity with one particular client in the industrial cleaning arena. That client wants to partner with us to build mobile apps for their network of other companies. This is a great opportunity to push a success story out to these other companies and fill a need that isn't currently being filled.

I have shared with you all for a while that we have been looking for a vertical in the SaaS, and now in the mobile space, to go after. As trial and error would have it, we have stumbled upon this opportunity. Our friend Rasmus Ankersen, whom I talked about in last week's blog, discussed this in his own blog post back in March, which focused around strategy. When Pfizer was testing a drug to treat high blood pressure in the 1980s, they found it not to be that effective, but the men

in the trails didn't want to let go of their samples. Why? Because they were having a better sexual experience and soon the drug Viagra was born.

Jim Collins, in his book Great by Choice, discusses how empirical creativity was used by the companies that excelled over their competitors by 10 times. This basically means that when we talk about strategy, what you start with gives you data that you can work with, and create from there using real world feedback. Through trial and error, it comes about and sometimes ends up being nothing close to what you started out to accomplish.

I work hard to be open, adjust strategy and apply some creativity to the real world feedback that comes in as we go. How about you?

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## Marketing through Online Contests

We have had some fun at my office recently, creating a video that will help to generate a feel and personality that represents our company. Mainly, it shows that we can let our hair down (or put some on) and just have some fun. We did this by putting together a rap video in the imitation of a rap song out there called "Thrift Shop." The reasoning for this video is two-fold: Making it helped to create fun in our company, and it shows you how you can have fun by using contesting in your company's marketing strategy.

<p><a href="http://vimeo.com/64913817">Rap For Your App</a>

from [Tori Rose](http://vimeo.com/user17964486) on [Vimeo](http://vimeo.com);

We produced this video in conjunction with a contest we created, because that is what we do for clients – we create contests. Contesting is a very good approach to marketing for a number of reasons. This [Mashable article](#) highlights the four main ones.

- 1) Contests are a great tool for building your fan base.
- 2) Contests enable you to engage your audience.
- 3) Contests are a rich source of data.
- 4) Contests empower your customers to do your marketing for you.

You can check out the full article, but to sum it up, contesting helps you to build your likes on Facebook very quickly. You can double your likes, even if you have a lot already, with a contest. If you only have a few, you can take this up multiple times. You can engage your audience with user-generated content, which is what we did with creating a video and asking for a video in return to win a prize. This competitive nature is part of the human drive, and when others share their personal material, it invests them in your brand.

Getting data is crucial to building relationships, and contests are a key way to do that. This data will help your company to learn a lot about your potential clients during this interaction, so you can better understand their needs and how to provide value to them. It is also nice to have your clients share your story and to help you market. That is what a good contest can do – allow your customers to share with others and help foster name recognition.

When coordinated with an overall social media marketing plan, a good contest can be a powerful tool. What are you doing to

create a contest that people will talk about and share with others? Oh, and feel free to enter our contest and [Rap for Your App](#). You just might be the winner of a free mobile app for your company – built by [Efficiencie](#), of course!

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## Want Big Bucks? Think Elegant Organization

What is it about Facebook, LinkedIn, and Amazon that we can't stay away from them? What makes them so valuable? Well the answer is elegant organization. Let me give you a little background to explain what this means.



Back at the World Economic Forum International Media Council, in Davos, Switzerland, Mark Zuckerberg was 22. He was asked a question by a big media mogul, inquiring what his secret was and how could the mogul's publishing company start a community like Facebook. Zuckerberg just sat quiet for a second and, as everyone was waiting for the secret sauce, he said in his direct, geek way, "You can't!" Then he just stared and, with everyone let down, he went on to add what the real secret was all about.

He said a little later that they were all asking the wrong question. You don't start communities, they already exist and they are already doing what they want to do. He then said the question you should be asking is how you can help them do what

they want to do better. That was it! If you think about Harvard, where Facebook was started, they were in a community doing what they wanted to do for more than 300 years. Zuckerberg just helped them do it better.

This story was told by Jeff Jarvis who was at the summit and wrote the book What Would Google Do? I had read the book a few years back. I decided to read it again after a recommendation by sales guru Jeffrey Gitomer's list of "[A Dozen Books to Own and Read – At Least Once.](#)" I picked it back up and started to go through it and look at how I can apply things today. We are building a few mobile applications right now that have the potential to help people organize their communities in a way that makes them better and get more information out of the community.

If you are doing anything in the area of building web applications or in building mobile apps, or you have one already that is bringing a community together to be more organized, I would think this book would be helpful to advance your thinking on community organization and a lot of other principles that Google uses to be successful.

If you think about some of the companies that help with organization, in addition to what I mentioned above, several like Skype, AOL and Yahoo give us tools to organize collaboration. You get photo organization with Flickr. Wikipedia helps to organize knowledge. There are many other successful companies and when you think about it what they are doing, it is elegant organization.

What are you doing to make organization more elegant, to make your business better, for growth opportunities, and to realize the big bucks?

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# Is Geo-Fencing on Your Map?

As we continue to build mobile apps for clients, the advantages resulting from these apps are appearing limitless. I have been in Charlotte this week for the E0 Nerve Conference. When I called for a taxi, they said that I can download an app that will send a taxi to me. Not only that, but I can follow the taxi's location as it comes to pick me up. How cool is that? This is the new wave of location-based services that is getting more popular and will help create a lot of conveniences, marketing opportunities and productivity.



Chris Shaffer, our technology lead at Efficiency, says “The convergence of technologies, such as GPS and mobile broadband, allows users to leverage resources in ways that were unthinkable only 10 years ago.” According to Shaffer, “Geo-fencing is one such feature that allows devices to become ‘location-aware’ by tracking through GPS or location-based services.”

We will devise a lot of new ideas and reasons to have this working for us in all kinds of situations. Geo-fencing has created a new source of information that will revolutionize the way we interact with the world around us.

When you have the app of your favorite restaurant, it will know when you cross the virtual fence that they will designate, say like 3 miles from them. Restaurants will have ability to send you a notification of the special dish they

have tonight or some type of discount. You already love to eat there and they just entice you to come back to spend more money with them, instead of all the other options you may have.

According to a study done by Pew Charitable Trust, 58% of adults access the internet through their mobile devices, which has been a big conversion away from the desktop. Smartphones are allowing us to get info and make choices that we didn't have the information to do on the fly before. We check prices, watch movie trailers, and read about competitor choices as we are making decisions to spend our dollars.

Those that are connecting with their customers this way will have more flexibility, since a marketing campaign can be day-to-day or week-to-week. It can be tailored to the data that customers choose to give us so that we can meet their direct needs. Small businesses with limited budgets will have a much better way to compete with the big boys who wield massive budgets, just by having access to this technology. This will be mainstream in the not-too-distant future, but those getting in first will have a competitive advantage to attract customer dollars and grow their revenue sooner.

What are you doing to be ahead of the curve and benefit from location-based marketing?

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## **Follow the Big Trends or the Small Ones?**

I have talked to a lot of people about the big trend of

mobile, the growth in this area, how it is changing the way we do business, and how if we don't want to be left behind, we need to adapt. Some of this has a longer time horizon and some of it needs to be thought about in the short-term. The point is that this is a Macro trend that is happening and one that may be less of a concern than building your small [tribe](#) of followers that make a difference to the revenue and profits of your company.



Seth Godin's blog on *Macro Trends Don't Matter so Much*, makes a point that I agree with for the more focused, short-term aspects that drive your business. He says that the Macro trends, like internet subscribers some year in the future, or the number of Spanish speakers as a percent of world population, are not the key drivers to your growth and the group you are after. We could add things like, *Who will have more in Apple's IOS or Android's platforms by 2020? What percent of the world total output will China make up in the next 20 years?*

These trends are nice to watch, and some of you may want to think about it more than others. However, the key is that most companies and organizations need dozens, hundreds, or thousands to make a difference in their world. They don't need access to all Spanish speakers, to all internet subscribers, or all those on Apple's platform. What they need is the ability to spread the word among a [tribe](#) of followers that are like-minded and passionate about your unique "[purple cow](#)" offering.

This is where you want to really drill down into who your client is and what it is he wants. Robert Bloom, in his amazing book "The Inside Advantage," gives us a step-by-step process for drilling down to the true look and feel of who your client is and what is unique about what you are offering him. Knowing your customers in this way will allow the laser-



like focus to zero in on your [tribe](#).

Finishing up in Seth's blog, he says that the big trends are a numbers game, and that by realizing that, you are "treating the market as an amorphous mass of interchangeable parts." You realize the micro is more important than the macro and that it is about the people – that we are individual human beings and we have names, desires, wants and interest.

What is your micro group that you are focused on?

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## Partnering for Growth

A few weeks back, I shared what we are doing to move forward on the path of concentration around a certain focus with mobile. We have built a mobile app platform that is customizable and appropriate for our focus of working with marketing companies. This has been an evolution for us, and one that recently has had a lot of the details come together.

As I shared before, mobile is growing and the smart phone is being adopted with exponential growth. It has provided opportunity for businesses to connect with their customers that has not been possible before. With the build-out of an app, you can have relationships with your customers or employees that is right in the palm of their hands. The convenient access to knowledge, specials, promotions, events, sales and customer data is significant.



I am in Charlotte for a few days to meet with marketing companies and build relationships that will benefit each of us. We will discuss our approach and platform to make their lives easier, shorten the time to production, and create more profit opportunities. With each of us focusing on what we do best, there are lots of positive aspects to this type of partnership. We focus on building and incorporating the design, and the marketing companies focus on their strengths of design and creativity.

This gets us back to the area of focusing around a certain vertical and making the business process one that is scalable. This approach allows the process to be repetitive and efficient. When you produce different custom software projects, like we have in the past, they require a lot of effort to ramp up and go through a learning curve. But when you do, there is no long-term benefit for that extra effort. This focus will allow us to get a benefit from the learning curve of building the platform and using it again and again. I am excited about this change in direction and having a certain type of client to focus on – a client with the need to fill a gap that is present when their own clients tell them they want to have a mobile app for their businesses. This will allow us to say “no,” when we are approached to do things that will take us down a path of lost investment and cost, instead of being profitable. How are you staying focused, scaling and saying “no” to the things you shouldn’t be doing?