

Andrew: This session is about how to get traction for your start-up. It's led by Gabriel Weinberg. He is the founder of DuckDuckGo, the search engine that doesn't track you. The whole conversation here today is based on his new book, Traction: A Startup Guide to Getting Customers. These are the big ideas we'll be talking about. I'll explain them in a moment. My name is Andrew Warner. I'm the founder of Mixergy. I'll help facilitate. Gabriel, it's good to have you back on here.

Gabriel: It's great to be here people. So years later, reference our first Mixergy interview.

Andrew: Oh, I love that and I'm going to reference that in a moment in a really helpful way. Wait until you see a blast from the past. But first, I want people to understand why we're doing this. In fact, even though your search engine now is doing extremely well, even though it seems like startups come easy to you because this is your second big success, you've had a few failures. In fact, you've said you've had 23 projects over the last 20 years. There were many failures, including the one with this Groupomatic. What is Groupomatic and why do you think that and a few of your other startups didn't do so well?

Gabriel: First of all, you're absolutely right, a lot of failures in there. And so one, I understand the failure. And two, it shouldn't be a bad thing necessarily to fail, but they each have their own reasons. So Groupomatic, if you're familiar with meetup.com, it was kind of a competitor to meetup.com. I still think one could have a competitor to meetup.com, but I made a bunch of mistakes in pursuing this.

One is the mistake we really talk about in the book which is I didn't really focus on getting traction while I was building the product, so I did do some lead startup [SP] stuff and had some bitter customers and asked what their problem was. And I made a product that people were somewhat interested in, but there was clearly some need for it because, for example, MeetUp charges \$19 to start a meetup and I was doing it for free. So that's obviously there is some need there, but I didn't pursue exactly what market to focus on, what the marketing message should be, what marketing channel was really going to get the growth curve, so I launched it to basically no fanfare, had no idea what to do next, and that's really the common story unfortunately.

People developed the product not thinking about traction or you think about it as an afterthought and then their runway is tiny, and then they basically run out of money on that little, tiny runway, and then they have to kill their product. And the sad part about it is the products are actually often good.

Andrew: Yeah.

Gabriel: They actually pursue a need.

Andrew: Gabriel, am I right to say that often when the product is exceptionally good it causes problems for traction because it means that the developer, that the founder often spent so much time creating a great product and didn't do what you're about to talk to us about which is simultaneously talk about, and think about, and plan traction.

Gabriel: Absolutely! So we advocate is to spend half your time on traction and in theory that sounds easy, and simple, and straightforward because, yeah, you need traction to succeed, so wouldn't you spend half your time on it? But in reality you started this company and or project because you had this passion for a product and you want to make that come to life and so your draw to spend all your time on product is so hard. Additionally on the traction side it's like, whoa, that involves a lot of stuff, out of my comfort zone, it may cost some money probably, it's unknown to me and so there are a lot of reasons why even if you know that you want to do it, you're pushed to spend less time on it.

Andrew: I talked a moment ago about how you run a successful search engine. This is DuckDuckGo, the search engine that doesn't track you. By using the ideas that we're going to be talking about here today, here is what you were able to do with your traffic. Right?

Gabriel: Yes.

Andrew: Where are you guys right now?

Gabriel: We are at about 150 million searches a month and we started even before this, the grift that we were at before is in that little zero, but this starts in 2010. We actually launched in 2008. And so we started at around 10,000 searches a month and now we're at 150 million. But one thing that growth curve really illustrates is what happens to a lot of startups. A lot of startups aren't like the steady increase or an exponential.

Andrew: Yeah, let me show you [??] doing that, yeah.

Gabriel: It's hard to tell because it's not a long burden of graph, but you could see in that graph, you could see the step functions how we are basically going along a bit, increasing a little bit, and then it would jump up and jump up and then jump up again. That's three or four jump ups in here. And what that is is really a marketing channel got unlocked for us. We discovered a whole new way to grow. And when you're going through one of those exponential curves like those explosions, generally there's one channel that is dominating that.

And unfortunately if you're in a search engine market space where there's so many people, everyone needs a search engine. You have to get so big to make a dent. We ran out of volume on a lot of those channels. That happens to a lot of people. You reach diminishing returns on your marketing campaign. You actually have to start over. So we've gone through six different main channels. We started with SEO and then moved to social ads, mainly Reddit. Then we did contact marketing on my blog and then microsites [sp]. Then we did print PR and then TV PR. And now we're on to business development. Where we're a search option on the latest iPhones.

Andrew: Yeah.

Gabriel: And each one of those kind of moved the needle at a different stage for us but also on the flip side they stopped moving after a while. And so we...

Andrew: And we're going to get into that when we talk about it...

Gabriel: Feel free to drill down on all of it.

Andrew: The key thing though that I want to emphasize here is that to get to this traffic that we're looking at here, you worked on traction as you worked on the product and the other point that I want to make is that I don't think we were clear enough is you tried lots of different tactics, lots of different approaches to see what hit. And when one worked for you that's when you focused on it. Am I right? And then eventually we'll see it loses its effectiveness. And we'll talk about what to do about that. Do I have that right?

Gabriel: That is absolutely right. In those periods of more slow growth we were testing things and trying to find that next kind of growth channel that would unlock it. And unfortunately, I think this is a reality, sometimes it takes a long time. And part of that is product focus. You're doing [??] product. But it was definitely not an overnight success.

Andrew: And we're going to talk about how you did that. I wanted to just show that you're a guy who had felt the pain of not getting traction. And then once you figured it out, I invited you here to talk about it. I don't want people who are theorists. I want people who actually have done it to talk and teach others how to do it. Here is the list of concepts that we pulled right out of your book, right out of "Traction" that I thought would be helpful for us to talk about here today. The first of them is to use the bulls-eye framework to find a profitable channel. Before we even explain what it is, I thought maybe we could talk about Noah Kagan, one of the entrepreneurs that you interviewed for your book. How did he see the bulls-eye framework when he worked at Mint.com, the online finance tool?

Gabriel: Right, so there are two kind of underlying premises that you kind of have to buy into to believe this framework. The first is the one we just talked about. Which is that when you're really growing usually one channel dominates. And for Noah at Mint when he was first starting out that was targeting blogs.

Andrew: Okay.

Gabriel: So he got, you know, Mint is a finance tool and ultimately he really targeted blogs that were related to finance to get his traction. So that's one thing. The second premise is that there are a lot of different ways to get traction and we identify 19. And you don't know ahead of time which is the right channel and even more so you're biased against some because just based on what you know. And people usually just start with what they know. And that intuitively makes sense, but it's not really the right thing to do because what you know may just be the wrong channel for your business at that time.

Andrew: Or I can see, frankly, you say that content marketing, going to blogs, worked for Noah. I can see myself listening to this and saying, "Great. I'm going to skip ahead and I'm going to go talk to blogs. Tell me what Noah did. Great. I'll go and do that." And you're saying that's not the way to do it because it may not work for me. Instead Noah worked through a process to get there and the process started with the, actually with what?

Gabriel: Yeah, exactly. He made a spreadsheet. And he really brainstormed all of the different channels that he could use. He really started with a goal. I know that was a little farther down on your list, but I'm going to jump it a little bit.

Andrew: Do it.

Gabriel: We can come back to it. Which is you need a traction goal to measure against. And his goal was a hundred thousand customers within the first year.

Andrew: Okay.

Gabriel: That was meaningful for their business for particular reasons for them. You know? They thought that would be the traction they would need to get to the next level. And that's a great goal is to have one that is an inflection point of your company. However, if his goal was a thousand users, the strategies he might employ to do that are going to be very different than the ones that are a hundred thousand.

Andrew: Okay.

Gabriel: Some of the channels wouldn't work. And so you got to know what your goal is so you can measure what you're doing against that goal. So he started with that goal. Then he said I'm going to list all the different channels I can do and I'm going to try to put some rough numbers to them. My best ideas for that channel. How many people do I think will convert? How much will it cost to convert them and are these direct customers that I want? And from that list he narrowed it down to a few different channels that he would try. And then he ran tests on them. He said, okay, I am going to try one or two blogs for the blogs. That's what his test was and see how that converts. After running the tests, the blogs really seem like they could give me the volume I need. The customers are working. The cost is not high and so I am going to choose to focus on that channel and that's what he did and it worked.

Andrew: Is this the process? Brainstorm, rank, prioritize, test and focus?

Gabriel: That is exactly the process I just laid out and that is the bull's-eye frame work. It is essentially the metaphor for bull's-eye is that you think of yourself shooting archery. An arrow towards the target and the bull's-eye is that exact marketing channel at the center that will help you take off and you want to hit that bull's-eye. Unfortunately the regular approach is basically shooting blindfolded. That's the one where you do what you know or do what you heard people did and you take this random walk.

Andrew: Did you ever do that? Did you ever just say others had tried this one approach? I'm going to do this blindly or where you always as focused as we're suggesting to the audience.

Gabriel: Yes. I made this exact common mistake as everyone else. So I mentioned that the first channel for DuckDuckGo was SEO so the only reason for that was my last business grew a lot through SEO so I know SEO and I'm going to get traction through SEO. I got a tiny bit of transaction through SEO and the way we did that I did a lot of talking on my last interview because this was many years ago. It was try to get people who were on Google to get to DuckDuckGo when they were searching for the term new search engine and they would type in new search engine and they would find DuckDuckGo and they would do it. That actually was good. Those were good customers but the volume was tiny so my traction goal, wanting to get to 100 million searches a month it was never going to move them. So all my focus on that was just not the right channel.

Andrew: I remember actually in the early days when you and I connected, in one of the emails you sent me this little widget that I could put up on Mixergy that would allow people to see all the social networks that I was on and link to them and then underneath

it is said new search engine hyperlinked over to DuckDuckGo and it wasn't until I got your book that I realized what you were doing back then. I thought you were just goofing around with widgets. You were such a fan of hacker news where we connected that you wanted to connect people back to hacker news, something like that, and now I see. All right.

Gabriel: That's exactly right. That's what you do when you focus on a channel. You find these underutilized tactics that no one else is doing. At the time when we were doing this widget thing it worked beautifully. We ranked high for new search engines. It was just the wrong channel to feel my energy in there, right because it just didn't yield that many searches.

Andrew: Okay. So, this is the bull's-eye framework. Brainstorm, rank, prioritize, test and focus. We'll see a little bit more about how Noah did it in a moment but this is the site that he basically sent people to from those blogs. He would go to bloggers and he would say, would you be interested in putting a "I want Mint" widget on your site and that worked for him. He sponsored them by paying for them. He got guest posts there and so on but it all started by brainstorming a list of places that he could possibly promote Mint. Started ranking them. Prioritized them. He started testing them and once he found the one that worked, that's when he focused. That's when he did the newsletter sponsorship. The Suze Orman sponsorship, etc.

Gabriel: You may be getting to this in a second, but can I make a point on that?

Andrew: Yes.

Gabriel: So those things that you just listed he did were very creative, right? He didn't go through normal . . . If you are going to target blogs you don't normally just send cold emails and say I'll give you \$500 to put up this badge, right? He discovered some of these tactics only by testing within that channel and really focusing on it creatively.

Andrew: I see.

Gabriel: The other mistake that people make is that they're like, okay, I ran a few tests. Some of the Google ads are kind of working. Some Facebook ads are working. This blog thing kind of works. I'm going to try to do a little bit of all of it but if you do that you are not doing the focusing right. You won't get to those creative ideas. But he got there.

Andrew: Okay. Here is the next big point we are going to talk about, which is divide you time between building and finding traction. We talked about that a moment ago. But I want to put little bit more flesh on that idea may be by talking about Rick from

Unbalanced. The day, I think the first hire he had was a blogger, Right.

Gabriel: That is correct. Before he did any product work, he was, he really took this, mean not hard thing the hardest thing he had ever for a book. He took this idea in to the heart that he would be spending 50% of their time on traction. And you know he is a perfect example. They were blogging and that ended being the biggest channels. So, they had foresight there. But, Let me take you through the metaphor why this works. It's the leaky bucket ones. Everyone is familiar with leaky buckets got holes in. And in this case, you are pouring in customers. And at the beginning you are falling out because you know your product always has holes in it. You have to plug them.

Traditionally people are like, Okay that's what you know lean start up is supposed to do, Right. I had some Beta customers. I go and talk to them. I plug some of them.

That gets some of them. But not all of it. That's where lies the problem. But those Beta customers are too close to you. Because you coach them, you now, you know them. They are not real cold market feedback. So, what he did is he had this blog and he was getting a steady stream of people in to his idea initially and then to his product. And they were cold. He has a marketing product. And his were just marketers without he cannot survive. And so he could test what the real customers would do with his product.

And so that he could figure out what the messaging really should be what the niche initial focus on should be. And more importantly, what others additional holes that he really needed to plug to get this thing to take off. That one he did take off. When he did launch finally, he had, he was kind of amazing. He had a You know, a unique list of Emails and he knew exactly how to market it and then it could kick off immediately.

Andrew: Here is the first blog post on his site. Ali, his co-founder wrote. Hello everyone, welcome to Unbalanced Etc. And the he says, we will be posting a lot of great content in the lead up to launch time, which is expected to be final quarter of 2009. He was doing this in mid-2009. What do you say to someone who is listening to this, who says, Maybe they should focus first on creating a product first before blogging. Building a blog takes time. Thinking about what to write takes time. Figuring out your marketing takes time. All that time should be going in towards building your product. And so maybe you get your product out a little bit faster and put it in people's hands

Gabriel: So this is counter intuitive. But it is true. If you what normally happens is people make that arguments it make sense, although it's wrong. And people launch and they can't get traction. And they realize they can't get traction because they needed to do

something slightly different with their product. And then they end up in this multiple product development cycles. What giving traction in parallel does for you is it not only helps you to take off the new one you launched. But you are actually launching with the right product because you are plugging all those holes we are talking about. And so yes you spend less time on product, but at the same point you get actually a better product out of it. But it's kind of amazing. It's like kids having a cake and eat it too, kind of thing.

Andrew: Here is one of the things that I say from the early days of his site. This is actually still up on the site, right now. But it was created and published before he officially launched the product. It's a lead magnet. 101 landing page optimization tips. In order to get it, you have to put in your Email address and then you get it. And this is one of the ways he was getting beta customers. And that's what you are suggesting. And that by doing that he got strangers who were interested in landing page optimization and therefore interested in market he was going after. To give him their Email address and then he had a list of potential customers to talk to and get feedback from its address. Right

Gabriel: Yeah, another kind of real point here is that where kind of getting real is that we are not talking about is that a lot of people need for is money at some point to fund their idea right. And to do that in nowadays you can't raise money on an optimum any more that easily. You need traction to do that. And so the other kind of real motivating factor even this earlier and be more confident when you launch you are launched to a good traction growth curve is that it's going to you know it's an option to be able to raise money easier, whereas if you launch and you struggle and you don't ever have a growth curve, it is really hard to raise money.

Andrew: I see. That is really hard actually. And frankly I also feel that learning how to get customers take time. Just like figuring out how to create a great product takes time. If you wait to do it, you're missing out on all that experience, all that failure, all that learning.

Gabriel: Yeah, completely agree. Not only that, it is a skill that you're going to need to be successful. And arguably, this gets a little meta, but you started this company or this service because you had domain expertise in this area, a passion. You did not have domain expertise or passion in this getting traction area. So you're actually behind in that area relative to product. If you could consider the life cycle of your company, you need to spend that time initially to kind of catch up or you're going to be behind forever.

Andrew: Can I just take a detour away from the big board for a moment, from the big ideas we're going to talk about. I want to point out two things that I'm noticing just by looking at the camera. First of all, usually people who I interview the more successful

they get, the heavier they get because there's so much stress, there's so little time. Meanwhile I'm looking at you, you're pretty freaking fit. I don't think people can even see it on camera because I don't have the camera all the way panned down. Are you working out while you're doing this? How are you staying stress free?

Gabriel: I appreciate that. I agree with you. It is quite stressful. I think exercise. I'm not going to be too preachy about any of this, but...

Andrew: What do you do? What kind of exercise are you doing?

Gabriel: To me low stress involves like the exercise benefits of reducing stress are meaningful to me. So I try to, not a ton of stuff actually, but I try to walk around as much as possible. You know, that kind of stuff. Right before this interview I just took a 30 minute walk. Which may be why I look a little sweaty or something.

Andrew: No. You're looking energetic. I like it. And here's the second thing I'm noticing and I'll put the camera on you for that. Are you in your house right now?

Gabriel: I am in the DuckDuckGo headquarter office. In my office.

Andrew: Got you. Because I think, I know actually that in the past interviews that you've done on Mixergy you were working from your house. Weren't you just also the primary care taker at home?

Gabriel: Yes. When I started DuckDuckGo I did it myself for the first three and a half years. I started 2007 and in 2009 we had our first kid, Eli who's now five. But the first two years I was a stay at home dad and also doing DuckDuckGo.

Andrew: Yeah, I couldn't believe it.

Gabriel: And then we kind of switched those roles. Our kids are in school full time now so there's more time. But yeah, it was awesome. At the end of 2011 when we finally took some outside money we rented this office. We're mainly a virtual company so 80 percent of our staff is worldwide. But we do have this office here and I do like having an office.

Andrew: I do too. I like having a little bit of space. All right, I got to move on to the big board here quickly because we have a lot to cover. The next big idea I want to cover is the willingness to do things that do not scale. Again, going back now to Noah Kagan who we've talked about before. He used to email people individually as you said and say, "Can I send you 500 bucks." That's not an automated system. That's not part of

some kind of infusion soft drip campaign. It was him doing it. What's the advantage of doing it manually like that? As opposed to saying, "You know, if offering people 500 bucks is the way to do it, let's just email a bunch of people or let's add it to our drip campaign." Why...

Gabriel: There's two advantages. One is especially at the early, earliest stage like him right. Your traction goal is usually small. You need to get a little bit of traction to get to the next level. Whatever that level is for you. Because of that a lot of unscaleable [sp] things actually move the needle for that goal. Going and speaking at one conference and going even door to door in some cases with some products. These things won't move the needle later on in your business life. But that's okay because right now they are. And if you know what your goal is then you should be willing to do it if the numbers work out. That's one of the things. The second thing is one of the advantages startups have and founders have is that they're authentic people. And they're company has this authenticity to it. And people love talking to founders. So two of the needle at these small ways if you're actually the founder reaching out or someone who's really authentic like Noah was, that in and of itself is kind of surprising to people on the other end and you'll have much higher conversion rates.

Andrew: He used to get people to put this up on their site. Little badges. They're still available on Mint.com right now. I know, I checked. That's where I got the screen shot. But he used to get them to just put badges on their site that say, "I want Mint." Or, "I support..." Actually that is what it said. It said, "I want Mint." This is before Mint officially launched. And if they did, I think he would move them up and give them earlier access. And that's the kind of thing that he used to do that got a ten thousand pre-registrations before he even launched.

Gabriel: This makes another good point that it's kind of an underlying premise to his approach and in general getting traction is that we're talking about building the product while you're building traction. But the premise in there is that you're working on a product and working toward a product that people really want. And if that wasn't the case with Mint then no one would have put these badges up no matter how persuasive he was. But the underlying idea for the product was really compelling and people really did want it. And so he needed to marry that good product idea with a good traction idea. But you need both.

Andrew: I found to that by doing that, by reaching out to people and promoting the product even before it's launched, you get feedback about what people get excited about with the product. What features they are bothered by.

Gabriel: That's exactly the kind of thing you get from we were talking earlier about, you

might change the product because of that. Right?

Andrew: Yeah.

Gabriel: And I don't know the particular case with them, what they did with Mint. But he may have been like, "Okay, I reached out to a hundred of these people. People really want the idea of checks and having the checks part of this work."

Andrew: Right.

Gabriel: And then he'd be like, "You know, we've got to prioritize that in our road map. That might have been two years down the road. Let's do that now because that's really going to get us the take-off immediately."

Andrew: I just realized that we've used Noah Kagan now as an example twice in the book. And apparently I use Noah as an example several times in Mixergy. But if you look in the book, there's tons of examples, tons of companies. You've talked to Rand Fishkin. You've talked with Jimmy Wales. Who are some of the people who the book is based on?

Gabriel: We talked to literally dozens of successful founders and then experts in each of these 19 channels. And so basically once we uncovered all the 19, we decided we need to go talk to several founders or find traction stories for several founders in each of the 19 verticals. And exactly how they did it and give basic tactics or strategies or how to get into them. So for each one of those channels we talked to people. So for like community building we ended up talking to Alexis from Reddit and Jeff Atwood from Stock Exchange and now Discourse. And for speaking engagements we talked to Dan Martell of Clarity who has grown traction through that channel. So literally every channel we were like, "Okay, what start up is really an emblem of this channel doing so well at it? Let's go talk to them."

Andrew: Here is chapter one of the book. That's where you have a list of all 19 traction channels. Everything from viral marketing, public relations, community building, speaking engagements, offline events, affiliate programs, sales, existing platforms, trade shows. These are the ones that you broke down and then there's a chapter on each one of them. And then within that chapter examples from real entrepreneurs like the ones that we've mentioned. That's the way that you structure the book.

Gabriel: Yes. And the first five chapters are this kind of intro traction thinking and how to think about this bulls-eye framework we've been talking about. And then some questions everyone asks. Like when should I pivot? How much traction do I need for investors?

That kind of stuff.

Andrew: All right. Back to the big board. The next thing is something that you brought up earlier. Which is you need to create your traction goal. And here is as I said earlier is that you were on Mixergy and I wanted to bring up one of the things you said.

Gabriel: I wonder what I said.

Andrew: Look at this. In there it's hard to see, but I wanted to get the full interview in there. Here is an interview that you did on Mixergy that you did on December 5th, 2011, is when I published it. And you said, "At some time, we're at this ten million now, and I'm trying to figure out ways to get to a hundred million. And that's going to take things that we haven't done before. And I'm starting to think about what they are, but I'm getting beyond our questions so feel free to jump in." I like that you got beyond the question. What you were saying is this is the goal that we hit right now and you are aiming for, back in 2011, for a hundred million what.

Gabriel: A hundred million searches a month. The reason for that goal was we felt that would be a level where we would be at break even in a company and be a much more of a sustainable trajectory forever. And that did turn out to be true. But it was also true when I talked to you we had just reached that plateau where we didn't know what was going to, we had to start this whole process over. We didn't know what was really going to move that needle.

Andrew: What? And by the way, the reason that you knew you could be self-sustaining is you were running ads in the search results a little bit more. Not a little bit, much clearer than Google ads. So, people could see what they were, and you were monetizing your business just like that, right?

Gabriel: Yeah, right, so, you know, we don't track you. And it just turns out you don't have to track people to make money on a web search, because you do it based on the keyword. You know, you type in car, and get a car ad. We don't have to know anything about you. And so, we could have a, that business is well-established. And so we can figure out what the numbers were on it. And could easily run them and say, okay, at 100,000,000, you know, we could have something here.

Andrew: I see. So, what's the importance of doing that? Why not say, you know what? We just have to keep on growing. The number 100 is important, but as long as we just keep growing and figuring things out, maybe we can find a way to be self-sustaining at 50,000. Let's be more flexible. Maybe we can find a way to be more profitable actually, at 25,000,000. What's the significance of finding a specific number?

Gabriel: So, I think you could, that is a good conversation to have. And maybe out of that, you decide your goal is 25,000,000. But, here's the reason why you want to go on the significance, is because if you don't have a goal, and you're kind of successful. We had 10,000,000 that served to set the months. You know, now we're at 150,000,000. But, at that time, I thought we were successful, too. Whenever you start reaching the point of success, and you probably hear us message you, people are coming to you all the time with opportunities.

Andrew: Mm-hmm.

Gabriel: Right? And you can think of a way to use almost any of these channels, somewhat effectively. And so, you start to look at that, and you're saying, okay. If I spend a month on this, maybe I can increase it by 1,000,000 searches. And I spend a month on this, I can increase it 1,000,000 searches. But then, if you have nothing to measure it against, there's really a draw to go do that. But, a lot of those things are distracting, because there might have been something else you could spend time on to get 50,000,000 more searches.

Andrew: Mm-hmm.

Gabriel: And, if you're not thinking about it at that level, then you have too much of a draw to do these smaller things that don't ultimately move the needle. But, the only way you can tell something moves the needle is to know what the goal is.

Andrew: I see. You know what? I think I maybe should rephrase that question. Because, what you said makes perfect sense, but what I'm trying to understand is how to reconcile the idea of being lean and flexible with what your product becomes, and the need to have a goal, so that you're guided in a direction and know how to pick between multiple opportunities. What we're told is, listen to your customers and hear what they want. If, over and over, your customers would have told you, I don't care about search. I do care much more about, I don't know, email. Or these forms that you create that you use to organize yourself, you would do that. So, how do you reconcile the need to be so flexible that you listen to your customers to the point of shifting your product completely, and your internal need to have a specific number to guide you, and, along with that, a specific product to create to hit that number?

Gabriel: No, I think that's a good, insightful question. I mean, I think the establishment of the goal is the end result of that deeper conversation. Right?

Andrew: Mm-hmm.

Gabriel: So, you really shouldn't just set a goal in a vacuum. You're either, you're doing it after kicking all those signals from your customers about email or whatever, right?

Andrew: Mm-hm.

Gabriel: And, you know, that's what we did, when we did that. And we said, we had a time when, you know, we thought about doing email, and things like that. You know, are we a privacy company? Are we a search company? And, we took in all those signals, and decided, you know, we're a search company. We think that's where our focus should be. And, given all that time, and thought, that went into knowing that we're a search company. Now, what should our goal be as a search company? So, I do think there is attention there. I think you're on to something. But, I think after all of that, you still need to end that conversation with a goal.

Andrew: Okay. Speaking of, I mentioned that Gabriel has a forum. And, you've had a forum to help guide you, and help you stay in touch with your community for DuckDuckGo. You did the same thing for this book, of course we'll link it up, so that anyone who wants to have a further conversation about this, or be engaged in a community of people who are thinking and working towards getting traction. We'll link it up, so that people can go to it, but it's just [discuss.tractionbook.com](https://discuss.tractionbook.com). I've got it here on my second monitor. All right, let's go on to the next big idea, which is, we want to design our sales. [Noise] Whoa. Whoa, hang on a second.

Gabriel: [Laughs] What is that?

Andrew: I think we're having a fire alarm here.

Gabriel: Oh, really, is that what it is?

Andrew: I'll edit this out.

Man: May I have your attention, please?

Andrew: Shoot.

Man: May I have your attention, please?

Andrew: I mean shit.

Gabriel: [laughs]

Man: The situation in the building is all clear.

Andrew: Oh.

Man: Please return to your floor.

Gabriel: You didn't even know you had a problem.

Man: May I have your attention, please?

Andrew: I guess not.

Man: May I have your attention, please?

Andrew: [laughs]

Man: The situation in the building is all clear.

Andrew: Maybe I won't edit this out.

Gabriel: [laughs]

Andrew: People should see that the situation in the building is all clear. Stop panicking people. Usually when a fire alarm goes off I will hit the mute on my mike and continue and then come in between fire alarms. Hey, we're all clear. Thank you. All right. You know what? I think I am leaving that in there. Here we go. The next big idea for us to talk about is design your sales funnel from the standpoint of the customer. JBoss is a company that did that. Here, I actually have their sales funnel right there. Right? This is the process that they go through to take strangers and turn them into customers. How do they do this? What is their funnel if you remember?

Gabriel: Absolutely. They were a primary example in our sales chapter. This concept of the funnel is really applicable to all channels if you will because ultimately what you are doing is taking a customer in from some marketing channel, right? You want them to come out or some percentage to come out the other side and pay you for your services, right?

Andrew: Yes.

Gabriel: And that process of coming in and going through is your funnel. What they're

talking about is designed from a customer. The opposite of that is designing it from the company perspective. So you're thinking I have this product. I need to put up a pricing page and I'm coming up with this price point and they need to pay before they try it because I need money right now or whatever. That's from your perspective, right? But the customer perspective is they land on my website, who is the primary customer landing there? What are they thinking? What do they really need? In JBoss' case, they decided and they were going to do this ahead of time, they had open source software so their customer was mainly browsing on their site, just trying to implement the product and a lot of them wanted documentation.

So what they decided to do was tie getting the documentation to getting an email address and once they got the email address then they would run that through a [??] campaign and see if they needed more help and if they needed more help, like support and stuff, then they would go through their inside sales team. That process was really [??] to the customer because they really didn't bother them until they really needed something and then they could really get out of the process when they needed to be into the sales [??] For other businesses it may be totally different but the general point is that you need to think from a customer perspective and the easiest way to do that is to go try to talk to customers the same way like it's a start-up.

Andrew: And the idea is to think, all right, a stranger is coming over to my site or as JBoss on their funnel calls it over on the left, a suspect, comes over the sight and you are thinking, what is that person looking for? What does that person need? How do we take them to the next thing that they need and the next step after that and only when it makes sense for us to come in with a sale, do we make that offer to them. I actually thought it was pretty interesting the way that JBoss did it. I'm looking here at my notes and they would keep interacting with people and I think I've got this . . . there it is. They would wait for people to do things to have a certain level of interaction like check in to a couple of webinars for example and only when they did a few of those things did they say, now let's see if they're interested in talking to us. Software today allows us to do it. AWeber doesn't do it for email as far as I know but Infusionsoft and many of the other email software packages do that.

Gabriel: Yes. Absolutely. Every business is going to be different but they had a great [??] model, right? So they had tons of people using their software but a lot of them weren't interested in paying for it. They weren't a business that had a need to pay for it and you know if they went after everybody they would just drown and not make any money and so they figured out who to go after and that is basically what they are doing. They are identifying the real needs in their business so they are not wasting time with their sales organization. Often people will split marketing and sales on that basis. The marketing team job is to collect these data points and deliver leads to the sales team.

Andrew: What about your site? Can every site have a sales funnel? I am looking at yours and it's just a search bar. Is there a funnel that you can create for that to create more connection with your customer?

Gabriel: Yes. A search engine is very difficult because people want their search results as fast as possible. They don't want stuff in the middle of that but yes, if you [??] further on that, we have a few links on the home page, right? For people who are a little more interested we have a tour it takes them through and really the selling point or the conversion that we are trying to go for is people setting their search engine at DuckDuckGo. So the bottom of that, the buttons we've chosen to put on there is, okay, use it in your browser, set it as your home page, or learn more if you need to do that to set it. And so we've kind of boiled it down to those.

Andrew: I see. Boy, this zooming in is there, it's kind of funky. I want to make sure just to show it, but it pops off the page even. I see what you're saying. All right, so that is kind of a funnel and it's not as corralled as other people.

Gabriel: Well, we're in a unique situation where we don't collect any information about our customers.

Andrew: Yes. It's not that you're just a search engine where people would want to type in their search results and move on, and don't want a white paper, and don't want to give you their email address, but you're a person and a company that actually specifically say, "We don't do that. We will not track you." I see, so there are other ways to do it. Looking at yours you say, "Set it as a home page, use it in Chrome." Okay, onto the next big point which is scale customer acquisition by using engineering as marketing. You talk about how Dharmesh Shah, a previous Mixergy interviewee did that when he had problems with his own person SEO.

Gabriel: Yeah, this is one of these channels engineers marketing probably no one has ever heard of that because we had to name it in the book because it didn't have a name. And it's one of these super underutilized channels that honestly, like I think is wide open for a lot of companies. And the basic idea is two-fold. One, spending some of your precious product resources, engineering resources, on building something just for getting traction and the common result of that is a free complimentary site that exists freestanding, solves a need, and then exists as a lead kind of funnel into your main product. So it's not freemium, it's not like a free [??] to your site. It's completely separate.

So in Dharmesh's case, he's the founder of HubSpot inbound marketing company. He

created this tool. Originally he created it for himself and then he put it out there called Marketing Grader, it was Website Grader initially, where you just type in your domain name and it grades your site. It tells you how good you're doing at SEO and other kind of inbound things.

Andrew: There it is for our site, for Mixergy.

Gabriel: And it's super useful. Right?

Andrew: Sorry?

Gabriel: It's super useful. It tells you kind of what to do and all.

Andrew: Yeah, it gives you a specific number, 60 out of 100. We could be doing better and it tells you what you could do differently. And along the way it also has one of these where he's collecting my email address. Usually we think about content marketing the way that Unbound has used it where they had an eBook that we had to, as users, put in our email address to get. That's one way to do it. You're suggesting that this is another and that's create software, and use the engineering that goes into creating software as marketing. [??]

Gabriel: Yeah, what's super interesting about this is this site is not a business. Right? It would not work independently, but it is still a super useful tool that people would want. And so you mentioned Rand Fishkin earlier. He also does this really well with SEOMoz where he has FollowerWonk and a couple other tools that you can essentially just use, and they're useful, but they're also complimentary to their main product.

And so there is a direct up sell and so there is a really good incentive and connection or symbiotic relationship between the free tool and the actual product. And when it works, it works really great because these single purpose tools are very SEOable [SP] themselves. They spread. They can spread virally sometimes. Webmasters who find this website grader useful are telling each other that about millions of people have come through this site and HubSpot, their S1 [??] IPO, they don't have tens of thousands of customers. Right?

And so it's an order, it's a magnitude higher on Website Grader that are actual customer based and that's great because they have identified which customer is kind of like [??]. They should be targeted and then they can go after it and kind of sell them.

Andrew: You mentioned FollowerWonk. I recommended this is an independent tool and you're right. This is a tool from Rand Fishkin's Moz and it helps him get people in the

door and get them aware of Moz as a company. Cool, onto the big board and our final point is to change traction channels as the company expands. And you started talking about how you did this. You started off with SEO. Can you just elaborate a little bit about what the problem was with SEO because it seemed like it was working well for you. You were building up your keyword and people typed in new search engine would see DuckDuckGo as the top result. What's the problem there?

Gabriel: The problem was just that the volume tapped out and there weren't other great search terms for us to be easily able to convert.

Andrew: Okay.

Gabriel: The volume just wasn't there. So it did work for a while. It just reached a point of diminishing returns. So when we started the goal of the hundred million that was never going to get us over to like a hundred thousand.

Andrew: I see.

Gabriel: So it was just not going to work. That's what happens is when you see that diminishing returns you got to start this brainstorming, re-prioritize, testing focus process over again. The great thing about it is you've learned a lot in the first phase or whatever phase you were in. You ran tests in that phase. You know what kind of customers are better for you now. You know what marketing messages work. So you can look at the original brainstorming and you'll have better brainstorming. You look at those ideas with all the full knowledge that you know have and you can think back to how dumb you were a year ago.

Andrew: Here's one that I remember helped me see you outside of our own tech community. It was this. A billboard that says Google tracks you, we don't. Search better at DuckDuckGo.com. How do you end up with that when you're cycling through? Can you walk me through the process that led to this that then as a result helped you spike your traffic? Whereas that if we look at your traffic, here it is. That's actually one of the big milestones along this chart.

Gabriel: That's right. It is. This billboard was, offline ads is a channel. And I think billboards are an underutilized things and we may get to that in the future. But this interestingly enough was a test we did for print PR. And the thought was we're really going to test print PR. We think this as we're putting it up, and I think it still does, makes a great picture for a lead story. And we thought the story itself was compelling. You know, putting up a billboard, we put this up in San Francisco in Google's backyard as this kind of David, Goliath, DuckDuckGo, Google story. And pitched it to a Wired

reporter and they ran with it and made it the lead story for a day. And then we leveraged that to get in print for the same story in USA Today and a couple of other places, I'm forgetting. That was the test and it worked beautifully. I didn't know what would happen if people really read the print story would actually convert.

Andrew: So your test was you said, "We had this theory that PR is going to help grow our user base."

Gabriel: Yes.

Andrew: "How do we get PR? Let's try something that is PR worthy. The thing we'll try is a billboard. And if that works we'll expand. If it doesn't work, we'll try a different channel."

Gabriel: That's right. Let's try something big. In the book we advocate when you get started smaller cheap tests. But thankfully we were a little farther along and it was still relatively cheap. It was only seven thousand dollars. But it was a cheap test in the scheme of where we were. And the idea was let's go big with this. Get a real national story and see what happens without numbers. And it worked. It really did move the needle and so we said we're going to double down on this and try to get print similar press for the next year. That's what we focused on. And it worked. Until...

Andrew: Press became one of your traction channels.

Gabriel: Yeah. And it became our focus for really the next year. With regards to traction until it stopped moving the needle.

Andrew: Here is, actually, here is the traction chart for DuckDuckGo. It's B on that chart. B now looks like a little blip. At the time it was huge. A though is don't track us. That was another idea that you tested out and then when it worked out that's when you decided you were going to double down on emphasizing that we don't track?

Gabriel: Yeah. That's also true to. And it was also the test for content marketing on micro sites.

Andrew: I see.

Gabriel: And we also double downed on that a bit with further tests later on. They didn't really move the needle as much so we really focused...

Andrew: Micro sites didn't, but this idea of we're not going to track you and we're going to protect your security did and so you focused on that.

Gabriel: Yeah. That's the other cool thing about tests is you may not discover, and that's kind of like we were talking about it earlier when you come back, you may not discover the right channel, but you might discover something else about your customers or where the messaging should be of the focus.

Andrew: So just to wrap it up here, the channels that have worked for you using the process are what? Search engine optimization, PR, what else?

Gabriel: Content marketing. My blog was kind of the second one. Reddit advertising and social advertising. Then TV PR, so for PR we went for print and then our max seller really focused on TV. Then now, business development. So deals with [??] as a search option.

Andrew: In Apple products and the ones that were big disappointments?

Gabriel: We have tried most things on the list.

Andrew: Okay.

Gabriel: Honestly, we've tried a bunch of the online advertising platforms, as a good example. Google ad words included Facebook ads, stumble upon, and all these other different advertising platforms. We haven't been able to really make that work.

Andrew: I remember reading your Facebook experiment. One where you were basically targeting your wife, and she didn't click that bad. Facebook is not going to be good for us, at the time anyway.

Gabriel: Yeah, the problem is, especially early on, we can maybe start, some of this stuff might work later on, but we weren't monetizing that well, and still aren't monetizing that great, and they were too expensive. They were crazily expensive considering how much the cost requires your band way.

Andrew: All right. The book is "Traction". There it is up on the screen. You people didn't give us a digital version of the book. You intentionally said no paper only. Why is that?

Gabriel: There is a digital version. It took us a little while for it to come out, for no particular reason.

Andrew: Okay, I thought maybe you didn't trust me. You said, "You know that guy, Andrew; I think he is going to pass it on to all of his fans, forget it".

Gabriel: I'm happy to send you a digital version.

Andrew: No, I can get the digital version now. It's available in the Kindle store, right?

Gabriel: Yeah, it's available in the Kindle Store. We just had trouble getting it up and I had the books printed and sitting around before then. It took us awhile to go up.

Andrew: We were internally here at the office talking saying 'why wouldn't Gabriel trust us with the book? Is it a tracking thing? Does he not believe in us? Does he not trust anyone?' I see. All right. It was just not available. The book is called "Traction". There are a couple of things that are related to the book. Tell me if we can give this out, even to the audience. Access to the message boards? Sure, we have talked about that, right? That's discussed on Tractionbook.com. Of course, we will link to it. There is a bull's eye spreadsheet. Can we link to that?

Gabriel: Yep. It's on the forums.

Andrew: Great. What is the bull's-eye spreadsheet?

Gabriel: It is kind of the spreadsheet we talked about with no early on. We generalized that and it helps you go through this process. It's just a very simple spreadsheet, so don't think it's complicated.

Andrew: It's to give people a visual understanding of what we've talked about. It's a simple style spreadsheet.

Gabriel: And the columns are commented and it just helps you fill in your brainstorming.

Andrew: Okay. Then there is also a bull's eye framework PNG. I don't think I could show it here on the screen. It's gigantic with lots of small print. Can we give that out too?

Gabriel: Yeah, that would be great. Actually, someone, one of our readers...

Andrew: Yeah, it's in the discussion form.

Gabriel: put that together. It wasn't made by us.

Andrew: That's fantastic.

Gabriel: It was something that didn't think of. That's why you have a community.

Andrew: I do like a good community. I remember in one of my early interviews I went to the community and said, "What should I ask him?" because I have an outsiders understanding, admittedly a good one, but I still am not as deep as your guys and they started sending me questions. Was that one of the ideas? One of the tests for you. Will community work as a way of getting traction?

Gabriel: Yes, and we are still trying to make that work. I still believe that community and even some case of viral could work for that to go, but we have not been able to figure it out in six years. I am still confident that it will. Community has definitely been a large part of how we grow the product because we do instant answers and our instant open platforms are open source and we have a huge community there. But in terms of actually growing the user base, it hasn't as much, at least in a structured way. There is an offline word of mouth.

Andrew: What's the answer thing?

Gabriel: So our product focus is on instant answers above the links. You get an answer.

Andrew: Oh, okay. I thought there was a whole other community that I missed, like a Q&A core thing.

Gabriel: No, the community is around, you're telling us "I'm into stocks and this is the best stock source", and I can even go in and coat it and contribute to jump back up. All that works, and that community is awesome.

Andrew: That community that builds the product is great. I see that you haven't figured out yet how to use community to grow. There is a whole chapter here on community building for anyone who wants to expand right along with you. The book is called "Traction". We have talked about it several times here on Mixergy. There, I should hold it up like that. Gabriel Weinberg, thank you so much for coming here and talking about it.

Gabriel: Thanks for having me back.

Andrew: You bet. If anyone out there got any value out of this, find a way to say thank you to Gabriel, maybe in a forum, maybe in person at an event. Maybe if you have a five year old you can see him at school. Honestly, really, the way Gabriel and I connected was by just catching each other on an online service called Hacker News. We started talking via email and we built a relationship. I always recommend that if you see something worthwhile online you find a way to connect with and thank the person that created it. I think it will start a relationship for you and frankly, it just feels good, for

you and for them. I'm going to do it right now. Gabriel, thank you again for being on Mixergy.

Gabriel: And thank you for helping us with the book.

Andrew: Oh, yes I am mentioned in the book. I am very proud of that.

Gabriel: Yes, you are mentioned several times because you helped us a lot. That's originally I think how we have to talk to you because I was interested in a subject and you were doing interviews that I liked.

Andrew: I do remember. You emailed me and said, "I was looking for you in my inbox" and I saw one of the other emails where you said, "Andrew, how you do this video side by side?" and I sent you the process. It's good to see that a book came out of that. Wow, so that was helpful. Good.

Gabriel: Absolutely.

Andrew: Cool, thank you all. Bye guys.