Gabriel Weinberg

Announcer: Welcome to the Eventual Millionaire podcast – with your host, Jaime Tardy. Real talk and real advice from real millionaires, with a sharp focus on you – the Eventual Millionaire.

Jaime: Welcome to Eventual Millionaire. I'm Jaime Tardy and I am excited to have Gabriel Weinberg on the show. He created a search engine called DuckDuckGo and he also co-authored a book called 'Traction' which is all about getting the traction to get those first few customers as a startup. He co-authored it with my friend Justin Mares and I'm really excited to have him on the show today. Thanks so much for coming on.

Gabriel: My pleasure.

Jaime: I'm sure you've gotten this question a lot but can you give me an idea about why you wrote 'Traction'? Because you're a coder – a programmer kind of guy – and so is Justin, and yet you wrote a marketing and sales book, so give me the background on that.

Gabriel: I did the startup thing right out of school in 2000 and in 2006 I sold my last company and started DuckDuckGo, a search engine, the year after. I was really happy because I started a bunch of projects that went into DuckDuckGo and it all led to 'Traction'. At the same point I started investing, giving people money to start their companies, and they all struggled with the same thing – how to get traction. It's become easier and easier to build a product and all failed startups have a product at the end of it and they're generally pretty good, they solve a problem, but what they don't know is how to get customers. I struggled with this myself and went out and tried to find a framework to apply systematically to get traction. There wasn't one in existence. I did a bunch of interviews like this with people where I thought I could unpack what I called their 'miracle function', like they had started a company that took off, there was some miracle in there. So I dug into that, I would say 'What's the miracle? Unpack it for us. How did you get those first few customers?' and I eventually came upon some patterns and a framework that you could apply to get traction. Then I started applying it to DuckDuckGo. I've been doing this startup for about seven years, maybe eight, I've kind of lost count, and it has worked. It's also worked with some of the companies I've invested in and then we went out and validated it with some other company founders, who were using something similar in many cases, and I had Justin in there somewhere and we thought there was a hole in the market for this, kind of like 'The Lean Startup' for traction.

Jaime: It's a killer title, by the way.

Gabriel: The name 'Traction' was really 'Gain Traction' for the last few years. It's become a buzzword, even outside of startups, like political ideas getting traction and stuff like that.

Jaime: Definitely. I want to dive into the book, of course, but there's another book called 'traction' so why did you guys go with that name, especially as you must have done your research and known there was another book called 'Traction'?

Gabriel: I started the research for this book a little over five years and I didn't really see that other book at the time.

Jaime: It hadn't gained traction?

Gabriel: Exactly. I registered the domain tractionbook.com right after that, it was still open. I always wanted this name – it turns out that you can't copyright a book title, it's this weird thing about copyright law, so it didn't bother me that there was another book. Looking into this copyright question, it was interesting that the most popular one-word titles are multiple books – like 'Nemesis', to pick a random name, I bet there are five books called 'Nemesis' and they've each at traction at different times. It's a good question.

Jaime: It ebbs and flows. So when you search on Amazon, before that 'Traction' book would come up but now yours is better! I don't know, I didn't read the other book.

Gabriel: It will eventually, exactly.

Jaime: So let's dive into what Bullseye is and why people care.

Gabriel: Back up. One thing I noticed from all of the interviews and the framework for the book was that all of these companies were getting traction in different ways – you can think of them as marketing channels, distribution channels, so if you're familiar with something like Facebook ads or Google ads or billboards – we identified 19 of these and it's essentially a universe of things you can do to get traction. The problem is that there is generally one that makes you take off in the growth stage of your company and the Bullseye idea is that you're aiming at that one channel to get customers and take off and the analogy that I like is that most people are shooting blindfolded, they're totally biased, almost through no fault of their own, about what to try, just based on what they've heard about. They hardly ever try billboards, for example, or other ones that no one thinks about, like going to speaking engagements or starting a podcast, as an example. So the idea of Bullseye is to try to get a framework where you think about all of the channels and think about which one you should be using and overcome your bias.

Jaime: I talk about this too. I call it shotgun marketing because I see people go 'I'm going to do this!' and not measure anything and then go 'Why didn't anything work?' So walk us through what somebody should do.

Gabriel: The framework is really simple to apply, it might even be too simple.

Jaime: It's simple but no one does it!

Gabriel: Right. You brainstorm all of these channels, that's the key starting point – most people don't take all of the channels seriously but that means they might be missing out on the one that works. That's even more likely because usually the ones that work are the ones that are under-utilized in your space so they're not the ones that you're thinking about or that your friends are thinking about so you've really got to go through this brainstorming step to get ideas about how you might use each one. The ideas, from my perspective, should be like a cheap test to run – so if it's a speaking engagement, go to a local meet up or event and try to speak there and see what happens. If it's Facebook ads, it might be running $1,000 worth, not 50 ads at $10,000. So you write down all of these tests and then you go and you prioritize the tests and you try to narrow it down to three things to do, which are your prioritized tasks, and how you do that is you guesstimate how much it will cost to acquire customers in those channels, whether you think they're the right customers and

how much volume it could achieve if you scaled it. Then you go and run the tests. We advocate running them in parallel, not serially, because if you do them in parallel you get through them quicker. Assuming one takes off, then you focus. This is where I think people get confused – it's not a shotgun at the beginning but you are doing a few things at once to try to figure out what works by testing but once you find something that works you've got to drop everything else and then focus on that one and really try to come up with the tactics and strategies that are underutilized in that channel to get it to take off. That process essentially means you become a world-class expert in that channel and that's your job at that point. So you're reading stuff but you're also doing your tests. It's kind of a continual testing process.

Jaime: Awesome, I love that. It's very similar to the process that I do and people come to me and they ask 'But how do I interpret the results?' Let's say I do $1,000 on Facebook and it wasn't clearly a success. How do you make that determination?

Gabriel: There are a couple of ways, which I didn't talk about first and I should have. To even start this process you need to identify what your traction goal is and this helps you measure the test results. People have legitimately different goals. Oftentimes, when you're just starting the company, your goal is really to get enough traction to raise money or get enough traction to be profitable. You could theoretically have other goals, like I had other goals when I started DuckDuckGo because I had enough money to self-fund so my goal was more the product/market fit, to get enough traction to get sustainable engagement. Given you goal, you can measure your test against your goal. In the original spreadsheet you set up, where you're guesstimating how many users you might acquire, what the cost is and whether they're the right users, the tests are supposed to take that guesstimate and try to make them more accurate. So when you're done with the Facebook ads you can say 'Okay, I think I can acquire a user for $5 through Facebook and the volume might be such that I can get 10,000 users if I scale it up and the metrics on my site show that these Facebook users are actually really good – they're engaging with my product.' So then it's a question of whether you can afford $5 with your product – is that going to be a profitable customer or are you willing to be unprofitable for now and is 10,000 legitimate for your goal? If you need a million users it's probably not the right channel; if your goal was 5,000 users then it's a great fit. You've got to tighten it up and measure it against your goal.

Jaime: So you give it some parameters, you put it in a box and you can measure it against that instead.

Gabriel: Exactly – and compare it to the other tests you ran.

Jaime: So it's gathering as much data and feedback as humanly possible and making logical decisions on which one seems to be best.

Gabriel: Logical decisions, right!

Jaime: I know, right? Easier said than done, for sure. But maybe I don't know about Facebook ads or billboards or how to do this stuff – am I supposed to hire people who do and let them do it? I'm actually going to a Facebook ads seminar this weekend with my online business manager – I want her to get good at it, but if it was just me I would be like 'Eh, I'll learn some but I won't learn all the

cool tips and tricks that an expert would know to get way better results.' Do I hire somebody or do I learn it myself, considering that I don't have a lot of cash?

Gabriel: I think you need to know enough to run the tests and I wouldn't hire somebody for that. Maybe you could hire someone to work with you but I wouldn't outsource it fully. It sounds good in theory but every time I've seen people do that it hasn't actually worked well for whatever reason. Maybe there is somebody out there who is perfect for outsourcing but I haven't seen that work. But to get the basic tests running you don't need to know that much. We have a chapter in the book to get people started enough to get there. When you focus, say Facebook ads are working, it depends on the size of the company, but certainly early on I think your company lives or dies by how much traction you get so my argument is that, as the founder, you need to spend about half your time focused on traction. That may mean you're paying someone to do it with you and you have a growth team but you're part of a team and I think you need to understand the ins and outs of it, even if you're paying someone to do the day to day work.

Jaime: Because it's the meat of your business, it's how you live.

Gabriel: Exactly.

Jaime: So having your finger on the pulse of that is extremely important. Do you have any specific examples of how someone has gone through this? Because people listening might say 'I have a really good product and I need to get it out there!' Putting it out there isn't really helpful – getting people to give you money is what's really helpful! So do you have any examples on how quick or slow this process can be?

Gabriel: Lots of examples. DuckDuckGo, my search engine, is a good example. One thing that we haven't talked about yet is that when you start this process and get it working, at some point it stops working, the channel saturates, so you have to start this process again because you've actually been successful and grown but it stops working and at DuckDuckGo we've actually been through this six times – we've had to switch channels as we've gotten bigger. The thing about the search engine space is it's just so big – we started getting a thousand searches a month and now we're at 200 million. It's different orders of magnitude and every time we grew by ten times what worked before stopped working. When we first started I didn't have this framework totally in mind and I made the exact mistake that we were talking about – I used the wrong channel. I used SEO, search engine optimization, which is weird for a search engine.

Jaime: That's a little weird.

Gabriel: In Google you would search for 'search engine' or 'new search engine' and you would get DuckDuckGo.

Jaime: That's hilarious! Luring the customers from Google.

Gabriel: I did that because my last business did SEO so it was what was on the top of my mind. But that was a mistake.

Jaime: How did you know that it was a mistake?

Gabriel: It was a mistake because I spent a lot of time getting it to work and it maxed out at 10,000 searches a month because the volume on these searches, as you would imagine, is not very high – there's not a ton of people searching for 'new search engine' on Google.

Jaime: You can laugh about it now!

Gabriel: Yes. It's a lot of effort to focus on these things. My goal was to get more users than that channel was going to provide so I spent a lot of time getting it to work and it worked as much as it was going to work but then it didn't work anymore. Then I switched from that to content marketing – first my blog and then actual micro sites about privacy, which is one of the focuses of DuckDuckGo, educational sites, and that worked well for a while until it maxed out and then we switched to social ads, mainly on Reddit and some on 4Chan and that did well for a while until that maxed out. Each time we restarted and ran tests and then I switched to PR and we did print PR, online PR and eventually TV PR. I went on TV a lot and talked about DuckDuckGo and stuff like that and eventually even that just stopped moving the needle for us. Then we moved to business development, so recently we've been included in Apple's new iPhone ads and Mozilla's new release of Firefox and that's moved the needle recently and, quite honestly, we're almost back to square one now so we're restarting this process again.

Jaime: Take me through that process – because finding Reddit ads, it's not just banner ads but Reddit ads specifically. That's really specific and tactical.

Gabriel: Yes.

Jaime: How did you find that?

Gabriel: Exactly. The short answer is we did different tests and social display ads in niche communities seemed like they were working. The precursor to that is you need to understand your messaging – at the beginning of the process you may not and with some of these tests you're discovering your message as you go, which is why we advocate actually doing this before you even launch your product but, in any case, at this point we do our messaging. We were messaging around privacy and we were in the tech early adopter phase. Now we're more in the mainstream phase but in the tech early adopter phase, where do these people hang out? Online or offline? Especially privacy and tech enthusiasts – where do they hang out? Reddit was one of the places that cropped up and one interesting side tactic that people should know is that there's this law in the book that we quote from someone named Andrew Chan, he's a growth strategist, called the law of shitty click-throughs. What he's saying is that, over time, any marketing channel ends up with pretty shitty click-through rates and it doesn't cost a lot to convert people. Like Google AdWords, now, is mostly arbitraged away. The flipside of that is that if you get a new advertising mechanism – if you're the first person doing banner ads, or Reddit ads in this case, they have really awesome click-through rates and you can often get customers really cheaply. If you're really focusing on a channel your goal is to be on top of these two things and that's why you can't just pay someone and outsource these things. I would listen to the community at this time. I saw the beta of Reddit ads come through and I was like 'I want to be on that,' so we were one of the first Reddit ad customers and the initial click-throughs were amazing. That was one of the reasons why it worked so well for us, it was just an untapped market and part of the reason it stopped working is this law where eventually it became discovered and it started to arbitrage away.

Jaime: I have so many questions. The first one is how long is one of those cycles, like with DuckDuckGo? How long is the cycle from 'We need to find a new tactic,' to 'Oh my gosh, it's not working anymore'?

Gabriel: For us it's been about a year each time but I've seen other companies – and I would love it if this was the case for us – find a channel and ride it for five years, but for us it's been about a year.

Jaime: Time keeps ticking and we have to continually look for that next thing. How do you find that next thing? You were in the Reddit community therefore you found that. People now are talking about different strategies – my friends are always saying 'Look what I did here – 2 cent clicks!' How do you find that next new thing?

Gabriel: We revisit the brainstorming step. Because the cycle is every year we revisit the brainstorming step every six months or so and now I have a much bigger team. You kind of suck at brainstorming by yourself, just in general, so you should always involve somebody else, hopefully more than one person. So we brainstorm and another great tactic, if you've just started now, is to go and interview founders who have failed at similar ventures. They have often tried a lot of things in the past that didn't work but there may be good reasons why they may or may not work now or they may have insight into something else that you can try. This is a very direct form of networking to fuel your brainstorming step but it really does work very well. The other piece is that we ran basic tests, so we ran social ads in a number of places and then discovered from the initial tests that it might be a good idea and so that test can be small and not very well run and then I found Reddit once we were focused on it. Once I decided that the social ad thing was going to a place where we would get a lot of users, then we were hypersensitive to looking at all of the platforms. Once you're focused, you're building a spreadsheet, saying 'Okay, where are all the places you can advertise on the internet, socially? Let's go and check out all of them and see which ones work or not work for us.' At that point we tried Facebook and Facebook didn't work too well for us at the time, for whatever reason, but you have to be trying all of these things.

Jaime: So it's really about going deep once you know. So at first you're like 'What are all the different distribution channels?' and then you go deep specifically and it can go ridiculously deep. That's what I think gets people confused with marketing, because in business there are so many pieces and parts and you have what we were talking about before, the messaging, and you need to have that piece because if that piece is off all of your marketing is going to be off. It's like a jigsaw puzzle without the box.

Gabriel: Yes, that's why it's so complicated.

Jaime: So how do we do the messaging piece and how does that fit in? How do we know we've even got the messaging piece right?

Gabriel: You're right, this is why it's such a complicated problem and this is why we advocate to work one traction right from the beginning, even though it's counter-intuitive. Like, the first day, start working on the product. A metaphor I like is the leaky bucket – you're pouring customers in and at the beginning they're all falling out because your product sucks, your messaging sucks, you're not getting enough customers in – there are all of these holes. Most people think 'I've got to stop pouring customers in – I know where the holes are, I'm going to start plugging them up.' But the

fallacy there is that they're getting beta customers and those people are too close to them – they want to tell them that their product or service is great and then they plug these holes and the beta customers say that they're happy and they're going to use it and they launch their product or service and, all of a sudden, no actual customers want to use it because their beta customers were too close and they weren't working on messaging. So if you have a steady stream of customers, you don't want too much, but you're still testing the channels, you're constantly having to tweak your messaging in the early stages and you're having cold customers coming through, telling you why they're turning out and so that interactive process helps you figure out what the right messaging is and what the actual holes that you need to fill are. That's what I would advocate – I think people get hung up on the idea that they're wasting money on marketing if they spend money on marketing before they get their product or messaging right but you have to spend a little bit of money to get real customers coming through so that you really understand what messaging is working.

Jaime: Okay, so tell me this – when you're going through and figuring out the messaging, let's say, for example, if you've got a product and the product kicks butt, everybody seems to love it, but the messaging seems off because it's not really working and you're pushing forward and nobody's really buying it, but you don't really know because you don't have a lot of data coming back from the people who aren't buying it. You've got a lot of data saying that people are clicking on it but not actually doing anything – so how do you start tweaking your message based on nothing?

Gabriel: You've got to get more than nothing. I think another often overlooked tactic, because it's annoying to do, is you need to add all sorts of feedback mechanisms and try to reach people who are turning out in person, if you could, or, failing that, over the phone; failing that, over Twitter, or whatever, and really figure out why they're leaving because only they can really tell you. If you don't have that data you can't really iterate well, you're just guessing. So I think you really need to talk to those people.

Jaime: How do we do that?

Gabriel: There are simple things like little things on the page where, when you try to leave the page there are these bounce things that pop up that say 'Hey, you're leaving, give us some feedback.' People are constantly on Twitter saying 'I tried DuckDuckGo and I'm leaving it' and I actually reach out to all of those people and say 'Can you tell me why?' So if you have that kind of chatter going on, even outside of your ecosystem, that's always the best chatter because those are vocal people who left, who are so dissatisfied that they decided to tell the world.

Jaime: 'Yes, my product sucks! I found them!'

Gabriel: Those are great people. Oftentimes people will try out your product, especially if it's a freemium thing – you offer it for free but they're not upgrading, that's a problem we have. Those are people whose e-mails you've already captured, or you have their phone numbers, and you can reach out to them. Personal e-mails are best – you can say 'I'm the founder of this company. I can see you've stopped using it, I just want to understand why so that I can improve,' and people are generally very responsive to that.

Jaime: Awesome. How do we figure out that messaging piece, though? We know that they don't like it but we don't know if it's the product that they don't like or the message that they were getting. Do you know what I mean?

Gabriel: I do. There are two pieces to that. One is, is the product right? For that, I always say that you need to measure real engagement and be true to yourself, don't fake engagement numbers. Are people really coming back to your product and using it? If they are, those are what I would call bright spots, you're onto something and you can talk to those people to see what you're doing right. If you don't have any product engagement your product either isn't good or you're not getting the right customers. Assuming you have some engagement so you have some validation, then your question is are you getting the right customers, matching the product? You can test different messaging, just test all the way through your funnel whether different messaging is creating different engagement rates. Some of it may be a little bit difficult because sometimes different messaging requires you to build different products or build different features and there are some tricks to that, like vaporware features. A nice trick is to try to get people to pay for it because that's a real indication that it actually solves a problem and then you just refund their money and say 'I haven't built this yet but I'd love to talk to you about it because I want to build it.' That's another way to engage people. But the real answer is that there's a brainstorming step there too – you have to have different ideas for testing and you have to test them. It's essentially the same process.

Jaime: A feedback loop – as you go around you get more knowledge, you take more action, you get more feedback. I was just talking about this in a webinar the other day. I don't know if this exists or not but I really want it to but is there any software that helps with this? Because dealing with conversion rates for things, numbers and tactically, I wish we just had a pretty little funnel that says 'Do you have messaging? Did you try conversion on this? Did you try this?' I know it's in the book and that's really awesome but being able to have it visually and done for me, especially the numbers, would be killer.

Gabriel: Justin would be a better person for that. What's interesting about DuckDuckGo is that, as part of our privacy piece, we don't track anyone so, as a result, we can't use third party tools to do any of this stuff, we have to build it all in house and so I'm a little disconnected. I see my startups doing it, because I see some dashboards, and some people use HubSpot, for example, and things like Mixpanel.

Jaime: I've heard of Gecko Board but I haven't heard of Mixpanel.

Gabriel: Mixpanel, like Kissmetrics, those are basic ones where you can track this through but the reality is that you don't get all pieces of it in one. HubSpot, I think, is the closest to that, in a way. There are other ones like Optimizely that allow you to do AB tests of different messaging on your website and run that through but, again, you have to login to five different places.

Jaime: Exactly, it's such a pain. It makes sense, though, as they're all solving different problems.

Gabriel: I think that's the vision of HubSpot; they're getting there.

Jaime: We just need more time and more people coding and we'll eventually have this too. I know people should just get the book because it will be easier but can you give me a tactical timeline and how much money should be sent, so that we know what this looks like? Because if somebody has a

business, they're in the first year or so and they've got a product that they're getting really good feedback on, but they don't know the best thing to do. They're definitely going to get the book but they don't have a ton of cash so give me an idea of what someone could do to get results in this.

Gabriel: It does vary.

Jaime: You have to make a disclaimer!

Gabriel: I do. As an example, with DuckDuckGo, as I said, my first goal was to get a real product to market traction and that took two years because the product wasn't right, the engagement wasn't really there. If you start from the premise that you have some engagement, that's one time. If you don't really have the product right yet, you haven't reached the product/market fit, it can be an indeterminate amount of time before you get it right.

Jaime: And it pisses people off too!

Gabriel: Right, it's a grind. Let's assume you have that going, then it shouldn't be that long. You can generally run tests for under $1,000 and they generally take a month to get some real results. You can do a few of those, maybe four or five, at the same time and some of them take off right away so within a couple of months you have a better idea of where you should be focusing on. But the reality is that most of the time is spent on that product/market piece. There's one thing that I'd like to point out – I meet a lot of people who are in the early stages who don't want to spend a lot of money so they just navigate free channels.

Jaime: Yeah – 'I'm going to start a blog and I'm going to do a podcast!'

Gabriel: Yes, and the problem with that is that the paid channels may be the right channels. I don't think it has to be a ton of money – like I was saying, under $1,000 – some tests you might run for $250. For Google AdWords and Facebook ads you'll probably see a decent amount of basic numbers for that amount of money but the reality is that if you can't get together a few thousand dollars to spend on marketing tests then you're probably not doing it right.

Jaime: A good reality check for a few people, which I think is really important. I remember at the very beginning, for me, I was penny pinching just in general anyway. I had paid off $70,000 in debt.

Gabriel: Me too – I'm super frugal.

Jaime: I remember seeing my mentor do a bunch of networking events and he'd spend $25 here, $25 there, and I was like 'That adds up to a couple hundred bucks a month!' which is silly. I was 23-24 years old and I was like 'Oh my gosh, that's so much money and you didn't get any clients from that!' Then he pulled out his data and was like 'This is where I get my clients from,' and I'm like 'Oh, okay…' So getting a $1,000 a month client, or whatever it is, is totally worth $200 of going to networking events. But it's so hard to see the light at the end of that tunnel when you're brand new because you feel like you're going to get burned every time, like you're just throwing away your money.

Gabriel: That's true, and that's why you cap it. 'I'm going to run this amount, I'm going to try to figure out these numbers and then I'm going to be done.' So it's not death by a thousand cuts or death by a thousand $25 charges.

Jaime: What if you try the first three, spend $1,000 on each channel and none of those work?

Gabriel: Which is not likely, I just want to put that out there.

Jaime: And three is not that many to test.

Gabriel: It's not that many. They should be your best ideas – you should have learned stuff from those three and hopefully you'll be much more informed for the next three or you discover your product isn't ready and you're doing that iteratively but, yes, as I said earlier, you need to be true to yourself about the engagement piece. There's a question I get a lot about when to give up and my answer to that is always about engagement. I think a lot of people love their product idea and they don't want to admit that they're not getting the engagement and so they throw good money after bad sometimes, hoping that the engagement is just going to come out the other end. I don't think it works that way – you need to be changing the product a bit to see that engagement. But if your product is there and you go through three, then have faith, you're going to find it.

Jaime: What is a good scale for that engagement piece? So if somebody is like 'Oh my gosh, I got 20 e-mails, people love my stuff,' is that a good indication? What's a good indication of people actually really liking the product?'

Gabriel: There are a couple that people like to use. There's something called Net Promoter Score, which is asking people how likely they are to recommend to a friend. That's a decent one.

Jaime: It's a great resource. I don't remember how much it costs, do you?

Gabriel: I do not, but you can do it cheaply if you want – you can use some of these tools and they're not very expensive. So that's a good one. Another one that I think is very specific to your product, whatever it is, is are people really coming back, repeat visitors, and using the product for the amount of time you think they should be? So for games or something that's daily engagement time but for other products it may be an occasional use thing, maybe people just use it once a month, but if they're not using it once a month then they're not engaged but if they are using it month to month, that's great. That would be an accounting product or something. Depending on your product, you should know what an ideal customer should do, so are they doing that? For us, it's whether they've set us as their primary search engine and whether they're searching on a daily basis.

Jaime: That's awesome. It's having the expectations and goals and assumptions already figured out in advance and measuring against those. A lot of people ignore that because they just want customers and they don't know what they're shooting for.

Gabriel: I've made that mistake too, in my last business. If you don't set up those goals and don't really understand what a good customer is then you can't really determine whether you have them.

Jaime: New business owners are crazy overwhelmed, they're running around like chickens with their heads cut off, so even if they had a goal or a customer avatar and they figured out some of these pieces, and I've seen this, I help people figure some of this stuff out, you follow up with them a few months later and they're like 'Oh yeah, that spreadsheet is on my computer somewhere,' and they don't use it. They did it and they don't use any of it. So how can you keep it at the top of your mind

so that everybody is on the same page and it's actually useful, instead of just becoming an exercise that nobody does?

Gabriel: That is a key point which we also make. I've said it once but I think I should restate – you should spend half your time on getting traction. If you spend less than half your time on it, it's going to become an afterthought like that. You want ideas and you want to be working on them. Only if you're spending half of your time on it will it rise to the occasion instead of falling off your radar. When you're just starting out, you're basically spending half your time on product and half your time on traction and all of the other stuff is just BS. You shouldn't waste your time on anything else, really, because that will work itself out. If you're successful you'll start hiring people to do the rest of that stuff and if it's not successful no one is going to care.

Jaime: Definitely. I remember my mentor, way back when, was like 'Okay, the first year of business is 90% sales and marketing, 10% delivery,' and I was like 'What?! That seems really bad!' but that's the thing, the whole traction piece, like you're saying, and then you can decrease it every year and spend less time on it because the things that you now already know are working. Most business owners don't know that at all, though, they're all like 'Product, product, product!' Don't get me wrong, product is important too, but people think that if they create an amazing product people will talk about it – and there are tons of examples of that too, so it's hard to know which is the right away.

Gabriel: That's a really good point. That whole 'build it and they will come mentality', it's just wrong. It's unfortunate that it's perpetuated by the media; it's just not true. Every good product has spread by word of mouth but that is generally not the thing that really made it take off, that is just a symptom because it's a good thing. That is an after effect of being a good business.

Jaime: That should be inevitable, not your main marketing tactic.

Gabriel: Yes, right. There are very few products that really achieved viral marketing. That's one of the channels, absolutely, but it's usually not your channel unless it's literally baked into the product. That stuff works for social networking and stuff like that but most products and services are not going to take off through viral marketing.

Jaime: I agree. I was thinking Cards Against Humanity did that, which is fine.

Gabriel: We play that at the office.

Jaime: Awesome. I have to start wrapping up because time is almost up. It's been awesome, though. Everybody listening – make sure you get the book, we'll talk about where to get it in just a second, but my last question is what's one action listeners can take this week to help move them forward towards their goal of $1 million?

Gabriel: I was talking about this a few times during the podcast but I would say write down your goals. I assume that if you have the goal of $1 million you have these other goals along the way but maybe you don't. Write down what your traction goal is. I would say one other thing – you didn't quite ask this but I would say it anyway – people ask me what's the one thing you can do to increase your profitability and success in business and that is treat entrepreneurship as a career path and not a 'want it done' kind of thing because it is likely, unfortunately, that your first thing is going to fail

because your idea isn't ready or you make a bunch of mistakes or whatever and I see a lot of people that have the mentality of 'Okay, that failed, I'm out.'

Jaime: Yeah, 'I suck at this, I'm done.'

Gabriel: You've got to move beyond that if you're serious about that.

Jaime: That commitment to keep going no matter what and figure it out, because you'll get smarter and you'll get skills along the way.

Gabriel: Skills is the key word – if you think of it as a career path you'll be willing to build those skills and take a little longer. If you think of it as 'I want it done' then you want to bypass all of the learning, just try this thing and then you're done and you go back to your other job and that hardly ever works.

Jaime: I love that. So many people need to hear that, especially after out conversation about all the crappy stuff you have to go through. Stick with it because at the end it will be worth it! Awesome, I really appreciate that. Can you tell us where we can get the book and where we can find out more about you? And, of course, everyone should change their search engine to DuckDuckGo. I haven't done that yet!

Gabriel: I would very much appreciate it. You can get the book at TractionBook.com, that's pretty simple, and you can find me on Twitter – @yegg

Jaime: Awesome, I will definitely link all of that stuff up, and everybody check out the book because there is way more in it. Thank you so much for coming on the show today, Gabriel. I really appreciate it.

Gabriel: It was my pleasure.

Jaime: Awesome. Take care.

Gabriel: Thanks.

Announcer: Thanks for listening. You can find out more great information like this on EventualMillionaire.com.