EPISODE 825

[INTRODUCTION]

[00:00:00] JM: Growing a software business requires an understanding of engineering, sales and marketing. As we learn software engineering, we also pick up some knowledge about how a business should operate. We know that there are customers and that our product needs to be scalable to serve more customers. We know that some features are more important than others, and so we focus on building the features that matter the most.

But unless we make a deliberate focus, engineers did not learn how to sell and market a software product. Learning how to sell and market software is an important skill to develop. It allows a software engineer to be self-sufficient. If you already know how to write software, sales and marketing are actually the only other pieces you need to know to be a “entrepreneur”, and the basics of sales and marketing are in many cases easier and more fun to learn than the first painful days of learning basic programming. It’s not like picking up programming. It’s in most cases much easier than that.

Greg Kogan is an engineer who has shifted his focus to working as a consultant for companies that are trying to go to market with a technical product. Greg has helped grow companies such as Netlify, Scalar and Domino Data Lab. Much of Greg’s work is around products targeted towards developers. Greg joins the show to share his methodical approach to selling and marketing software products.

The FindCollabs podcast is out. The FindCollabs podcast is a podcast I started to talk about the community that is part of the company that I’m building, which is FindCollabs. You can check out that podcast by clicking into the show notes and hear some interviews with people from the FindCollabs community.

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notes for this episode. There’re also several other links to products or projects that we’re working on in the Software Engineering Daily ecosystem in the show notes.

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[INTERVIEW]

[00:03:48] JM: Greg Kogan, welcome to Software Engineering Daily.

[00:03:50] GK: Thanks for having me.

[00:03:52] JM: Most of the listeners are software engineers, and many of them are entrepreneurial. They want to build a business of some kind. What are the most common mistakes engineers make when creating companies?

[00:04:05] GK: I think a common mistake is thinking about yourself too much and forgetting that your audience might not be exactly like you. Therefore they have different concerns. They have different needs and different desired outcomes than you. If you forget that, then it's going to reflect in your marketing and the way you try to sell the software and even in your product roadmap, which could have negative consequences for you in the startup.

[00:04:33] JM: I agree that the focus on the self can create blind spots for anyone starting a business. But what about things that are more specific to engineers. What are mistakes that engineers make that perhaps other people are not exposed to?

[00:04:48] GK: I think it's that same mistake, but with engineers, it's more pronounced. As engineers, we are naturally drawn towards technical details and the minutia of how things work, and sometimes nullity of how they're made to work. So engineers are pulled more strongly into this vacuum of thinking about the product and the engineering itself and not the audience that's going to be – That you have to convince if you want to sell this product.

[00:05:19] JM: Today we have giant cloud providers. We have tons of competitive startups. We have tons of tools, but there are also tons of problems that still need solving. How would you frame your perspective on the viability of starting a software business in 2019? What's the landscape of opportunities for people who do want to start a business?

[00:05:43] GK: I think when you're starting a business, the fact that it's a software business is just a detail. Presumably, you're starting it because you have a solution to a common problem that you've witnessed. You just happen to be solving that problem with software, and we're never going to rid the world of problems, of business challenges. So it doesn't matter if there are many software solutions out there today. There will always be opportunities to solve something new or in a new way going forward.

The technology available to us is always improving. For example, AI and machine learning. We're not around, or we're not accessible 10, 15 years ago. So even if you want to solve a problem that's been around for decades, there are always going to be new ways of solving that, and the big cloud providers and other mega corporations are going to be a little bit slower than the startups in solving them. So there's always going to be an opportunity.

[00:06:50] JM: Many of the people who enter the software business, who start to think about starting a software company, they enter the industry somewhere between the ages of 15 and perhaps 25, although plenty of people enter later in life. But I think young people are particularly prone to starting businesses in the consumer area.

As you make your way through the software world, you learn that many businesses are easier to build if you are selling to a company. These are the B2B businesses, business to business. I'm building a business that sells a product to other businesses. This is totally non-intuitive for people who have spent their lives not building software for businesses. I think it's just a subtle point. Why should I try to sell to businesses? If I want to build a software company, why should I look at other businesses as potential customers?

[00:07:49] GK: This gets back to the earlier question of it's a common mistake for startups, and my answer was that you think too much about yourself and assume the audience will be exactly like you. Of course, we are individuals and not businesses. So people's first inclination is to sell to other individuals, because that's what they're familiar with.

However, individuals don't have the budgets like companies do, and even if they have burning needs, those needs are not so big that they're willing to spend enormous amounts of money to solve those needs. Businesses on the other hand, if they have some problem that's costing them half a percent of revenue each year, that's a very expensive problem for them and they would be willing to spend a lot of money on solving that problem.

So you might have a solution for that problem and try and sell it to an individual and struggle to get $15 a month out of them, and then you might turn around and try and solve that same thing to businesses and get 5, 6 figure license deal with them. So this is reflected in the pressure many startups get from the VCs to go up market, and even if they're successful selling to individuals and small businesses, inevitably, in order to sustain some rate of growth, they are pressured to sell to businesses for this reason, because large businesses are willing to spend more to solve the same taste of problems.

[00:09:09] JM: So the software engineer who has started a business and that business has found a problem that is acute enough that some customers are willing to buy that product from them. You get a little bit of traction with some customers. Then you start to realize, "Okay, I've got my first couple customers. I've built this product that's somewhat useful. It's solving some problem for an enterprise. Then you start to think, "How can I actually find more of these customers?"

This gets us into the world of marketing. If I'm a software engineer, I want to lock myself in a room and think about product. I want to build product. I want to build software. How can I learn to love marketing?

[00:09:59] GK: Well, the first step is to not call it marketing. Fortunately, the term and the practice has built up some sort of reputation, and when people hear that word, certain things come to mind that leaves a bad taste in their mouth and causes people to shy away from it and postpone doing marketing.

Another way to think about it is just growth and helping as many businesses as you can with your solution, and you should feel very strongly that your solution is the best thing out there for a certain problem. It would make the world better if more people knew about the solution and could implement it and buy it from you.

Conveniently, it would also help your company and help you grow the company. But thinking of it that way I think could motivate many more people in doing growth activities instead of just thinking about it as marketing for marketing sake.

[00:11:00] JM: Help me develop a thesis for how growth or marketing or whatever term we're using to describe this process of exposing people to our product. Help me develop a thesis for how this is technical. How is good growth or good marketing similar to good engineering in a technical sense?

[00:11:27] GK: Yeah, people think of marketing as this nebulous, unquantifiable thing, which is perhaps one of the reasons that as engineers we are turned off by it, because it's not something we can measure and we can't turn some knobs and see the impact of that tuning.

However, with software startups, it very much could be a quantifiable activity. If you're running the business, you are responsible either to yourself or to your board for delivering metrics every month and every quarter. Those metrics are going to include revenue, growth rate, new deals and so on, and there are ways to do marketing to directly impact those metrics and you should be doing them in a way where you can measure every campaign and every product you do in terms of resultant growth, resultant leads, deals, customers and so on. Once you're able to measure it, then you can treat it like any other system. You can find out what leverage you can pull to make the numbers go up or down. Which leverage have no impact and you can experiment also. So you could really take a system approach to growth marketing and avoid the whole fuzzy traditional marketing

[00:12:37] JM: now, if I'm an engineer, it's very enticing to think about the idea of a product that "sells itself", something like Stripe, for example. Stripe is a great example of a company that doesn't really need to do that much marketing, because it's the market leader and it's a really acute problem for people. How do I get people to sign up with their credit card? How do I accept payments? Pretty straight forward.

However, most software products are not like that. You have to do some winning over of the customer. As I figure out the software product that I'm building and I figure out this company that I'm building and I've got this cornucopia of "marketing options" or growth options. I've got things like unpaid marketing, content marketing, or I can just throw everything out the window and assert that my product should sell itself. How should I explore the different options of growth or marketing that are available to me?

[00:13:39] GK: Well, there are two things in that question. The first is this belief that there're some companies that grow completely organically without anybody pulling levers in the background. Stripe gets mentioned as one, slack, Atlassian and some others.

This is not exactly true. We think this because we don't see the levers being pulled, and the levers that are being pulled are not what we think of as marketing. Maybe they don't do PR. They might not do paid campaigns. But Stripe, for example, spends an immense amount of time and, I assume, resources on creating content, educational content, for their audience. They are

not the first payment processing API, but yet they have managed to capture people's interest. They figured out a story they could tell that's captivating to people, and they spend a lot of time creating educational resources for the kind of audience that would use their product.

So all those things are these growth levers that we're talking about, and it would look very different if they just launched the product itself and did nothing else to amplify it. So as far as choosing what levers to pull or what things to try, there's no playbook for it. However, I think the first step is in treating this as an experiment, approaching the whole thing like you would approach a scientific experiment, where you form a hypothesis. For example, with Stripe, the hypothesis might have been something like developers are unable to ship products fast enough because they are stuck using legacy payment processing vendors. So if we not only create this API, but educate them about ways to integrate payment processing into their applications faster, they're going to use the API from the company that just taught them how to do that. So the experiment might have been there to write educational content about implementing payment processing APIs, about doing credit card validation checks using JavaScript or something, and seeing if that resonates with the audience.

Another experiment they might have done, I don't know if they did, but any company might have done this, is it might say maybe the managers of these developers. So product leaders, marketing leaders, digital marketers, are also fed up with legacy payment systems, and maybe if they knew about when they search – Maybe they're searching for new payment processing systems, and therefore we should try and advertise on Google Ads and get in front of them, and maybe we could sell that way. They might have tried that and maybe it didn't work. So they stopped doing that and we never saw it, and to this day we think, "Oh! They never even had to do that." For other companies it might work. So that's why you shouldn't just look at Stripe, Slack and other massive success stories and think that that's the way to do this.

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[00:16:31] JM: This episode of Software Engineering Daily is sponsored by Datadog. Datadog integrates seamlessly with container technologies like Docker and Kubernetes so you can monitor your entire container cluster in real time. See across all of your servers, containers,

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Thank you, Datadog.

[INTERVIEW CONTINUED]

[00:17:26] JM: Now, when you are taking a trip to San Francisco, as you do on a regular basis to meet with companies or to do business here, you will see advertisements in the airport for software companies. Then once you arrive, you'll take a Lyft perhaps to the city, and on your way to the city, you will see billboards for software companies. As far as I know, those mediums of advertising, those mediums of marketing, those mediums of growth, they are not measurable. Are the companies that are advertising on billboards or in airports, are they making a mistake?

[00:18:09] GK: They'd be making a mistake if that's the first thing they did, or if they did that in their first few years of existence. So companies can afford to do this when their pipeline for the next three, six months is totally packed and they have exhausted all other channels that bring them pipelines sooner than three to six months. So they've got ads going. They have content marketing. They're doing events, sponsorships and so on.

As the company grows, so does the marketing budget and so do the expectations for results, and once they've exhausted all the short term channels and campaigns, it's natural to go to the other channels that are difficult to quantify and may not product any impact for six months to a year. They know this, but they're comfortable doing that because they have the budget and they don't need the immediate impact.

The idea there is that you plant the seed in somebody's head, just the name Stripe and the association of payment processing. 99.999% of people on that freeway will not understand what that is nor ever care, but that .01% who might care, if not now, then nine months from now,

that's still some gain for the company. It's not an efficient campaign, but at that point, they are not exactly looking for efficiency. They're just looking for volume and long-term sustainability and volume.

Also I'll add, eventually they get to a point where they've saturated the midsize and even large size market and they begin fighting for the fortune 500, even the fortune 100. So if that points your 1% of people whose attention you get even though they don't call you until nine months later. If that's a fortune 100 company, then that can very well pay for itself.

The best example of that is in the metro stations of D.C., where defense contracts will buy out entire stations and put their ads up, because if they can have even a small influence on a contract selection for a defense agency, that is going to make that advertising expense completely insignificant.

[00:20:11] JM: Indeed. Yeah. So in that kind of circumstance, it becomes less relevant to measure it, because you can say with some certainty, there's an expected value play here. We know that if we're paying $80,000 to buy out the metro station for a month, there only needs to be a .5% chance that that's the thing that knocks us over the finish line on getting this $80 million contract. Yet there only needs to be a very small percentage chance that that metro station advertising is the thing that wins over the contractor, or sorry, that wins over the government in purchasing the contract to make it a worthwhile expense.

[00:20:55] GK: Exactly. Also, at that level, the chief marketing officer or VP of marketing is not being asked to account for every single dollar, because they're playing at a whole different level where their budget is measured in millions of dollars. So they don't have the burden of showing a concrete outcome from every single campaign and dollar spent.

[00:21:18] JM: Describe the connection between marketing and sales as you see it for a software company.

[00:21:26] GK: I see them both living on the a path, on a same continuum. If you think about the path a customer goes from being someone who has no awareness of your product to signing a contract and becoming a customer, and then beyond that becoming a loyal customer and a

recurring customer. In about the first half of that path, there's a lot of marketing activity to make that person aware of the product to show them value and educate them about how they might benefit from this product. How it compares to other products and so on?

Then there's never a clean handoff to sales, because a sales team does exactly the same thing. They want to educate the prospect and tie the product's capabilities with their needs. So what happens is a gradual handoff of responsibility. If you can imagine, two triangles that together make up a rectangle of activity. There's more activity at the start of this customer journey that's done by marketing, and eventually it becomes all sales-driven activity towards the end of that journey when you're negotiating terms, dealing with all the stakeholders and eventually signing the deal.

So it is very important that two teams work together so that this journey is seamless and you don't drop prospects in the process, and also so that you have a feedback loop so that when the sales team learns something about a prospect or about some objection that comes up very often or something that isn't clear to them, they're going to learn that the end of the journey. If they can provide that feedback to the marketing team, the marketing team can change their activities to educate people sooner, maybe address people's objections sooner. Maybe do a better job of comparing or positioning the product against other alternatives, and that's going to make the sales team's life easier. So they really have to work closely together to have an efficient pipeline.

[00:23:50] JM: To fill people in a little bit on what it is you do and what your role is in the startup ecosystem, you are often working with startups to help them figure out their go-to-market strategy. So maybe you have a company that has some minor traction, and they don't have any sales and marketing people, or maybe they've got one marketing person, or one all-purpose cofounder that's been doing everything on the operations and sales and marketing side, and they're starting to feel like, "We could really use somebody who is kind of an expert in this world." Explain what it is you do in your interaction with startups.

[00:24:32] GK: Well, at the highest level I just say that I'm an engineer turned marketing consultant and I help enterprise software and AI startups see their growth goals. There are a lot of things you can do to reach your growth goals. Oftentimes, what those things are and which

ones we choose depends on the company's stage, the market they're selling into and the product itself.

So the very first step is just understanding the biggest barriers they have to reaching their growth goals. For early stage startups, sometimes it's just finding a way to convince your audience of the value they could be getting with your product. You might know for sure that they are going to get certain value because you have early customers, but those early customers only came to you through introductions and they took the demo meeting as a courtesy, and a lot of founders say to me, "If only I can get 30 minutes with the target audience, then they'd get it, but I can't get to that point. I can't convince them to do that." So that tells me that we need to work on messaging and positioning. Finding the exact language to use to attract the interest of your potential buyers.

For companies that are a little farther along, sometimes the challenges are related to just operational efficiency, like using their marketing dollars in a way that's going to get them results within three to six months. So the opposite of the billboards, and they have a lot of options in front of them. There are a lot of people screaming at them, they should do this, and they should do that. So I help them explore the different opportunities and then estimate the level of effort and the potential impact of each one and then experiment with them one by one doing like 20% of the work to try and get 80% of the results from that channel, and then at some timeframe, determining if that channel is worth investing in. If it is, then the company knows that they should hire someone fulltime or outsource it to a specialist freelancer or agency who's going to get them that final 20% of value.

A lot of times though, the channel doesn't work and there's also value in determining that conclusively so that you can kill that channel and move the resources and your attention to something else and repeat the experiment.

[00:26:40] JM: So the way that I started becoming really curious about this world of growth and go-to-market strategy is I started attending these Kubernetes conferences, KubeCon, and walking around KubeCon and talking to people and looking at the booths and talking to banks and fortune 500 companies and startups, I've really got a sense that there is some froth. There's a lot of change that's going on in terms of how enterprises are buying software. In some sense,

the enterprises, the banks and the insurance companies, they are getting more sophisticated in terms of what they're buying. They're viewing themselves as software companies. They're viewing software as a core competency and they're buying increasingly technical solutions.

Now, at the same time, these companies vary in their maturity of ability to buy a technical software product. So depending on an enterprise's stage in that evolution towards becoming more technical, it may be better to pitch your product as an AI product or as a machine learning product. If you actually choose the wrong language with which to pitch your product, you will lose a sale. Tell me about the changing dynamics of the enterprise buying landscape.

[00:28:12] GK: I think the dynamics are always changing. So it's important to have someone in the company, and usually the CMO or the VPs role, VP of marketing, to keep your finger to the pulse of the market and understand how the market is talking about these different solutions. What they're looking for? What is their level of understanding of these solutions and what are they confused about? What are the options presented to them and so on?

Right now, AI and machine learning is an interesting topic, because right now the dynamic is such that there's a sense that AI and machine learning is something that's going to give companies a competitive edge, an advantage, and they could solve a lot of their problems and can make a big leap for them. That sense is stronger than people's understanding of what is actually AI and machine learning.

In a way, this is an opportunity for companies to educate the market about this, because I think people are looking for – The buyers are looking for more information so they can make an educated purchasing decision. At the same time, a smart marketing team would kind of go with the flow and potentially present their solution as an AI ML solution to certain use cases. I think it's a very fine line between aligning your positioning with the market demands and making false claims.

I equate this AI label to all natural label that food companies put on their products, because there's nothing regulating that term. So anybody can put that and some companies are more honest about it than others and it's very difficult to – For some of us not a nutritionist to verify that claim. But a responsible company would still make that claim, take advantage with the

demand, but back it up with something and educate the buyer in the process. This goes back to the Strip example. Their decision to focus on creating educational content is a marketing decision for this reason.

[00:30:10] JM: The competitive landscape right now often gets framed as if you're a technical software startup, you are competing with the cloud providers. It's a zero-sum game with the cloud providers. You see this framing sum in the software licensing debates where you have some companies changing their open source licenses because they are so afraid that the cloud providers are going to be able to duplicate their software tools. How do you feel about the competitive dynamics between cloud providers, these large cloud providers and startups?

[00:30:49] GK: It's very interesting, because the startups often depend on the cloud providers and are using their services under the hood. Then if the startups are successful with their product, they will realize six months from then that the cloud provider is coming up with their own solution. Of course, the cloud provider is going to tag on that solution to their big money making services and either give away the solution for free or just charge some nominal fee for it. That's hard to compete with.

I think you can use the size and slow reaction time of the cloud providers to your advantage. So, first, you know that the cloud providers are most likely not going to invest in a solution that is not proven in the market. So while it is –You basically have a head start against them and a chance to grab some market share.

When the cloud provider does build a similar solution, it's not dedicating all its resources towards that one thing. In fact, this is probably one of hundred projects that we're working on. So that solution is not going to cover many use cases. It probably won't come with dedicated support for that solution. There might not be a large community around it.

So in the head start you have against the cloud providers, you have an opportunity to make a product that solves a certain use case better than anything the big cloud provider can do. Finally, because these cloud providers, when they launch these solutions, they make sure the solution fits into the existing architecture of the cloud provider. So it's made for the same people who use its other services and it's made to integrate with those other services.

You as an independent company and product have an opportunity to serve, to tell people that you don't have vendor lock-in that companies can use your product, and if they want to switch cloud providers in the future, they are free to do so because your product works with AWS, GCP, Azure, on-prem and so on. Also, you can make a product that is useful not just for the developers that are using those cloud providers, the engineers, data scientists and so on. There are a lot of other people at a company that can benefit from a product, like analysts, line of business owners, marketers, salespeople and so on.

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[00:33:07] JM: Deploying to the cloud should be simple. You shouldn't feel locked-in and your cloud provider should offer you customer support 24 hours a day, seven days a week, because might be up in the middle of the night trying to figure out why your application is having errors, and your cloud provider's support team should be there to help you.

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[INTERVIEW CONTINUED]

[00:34:45] JM: Your career is unique, and one reason I wanted to have you on is because I found in my personal transition from being an engineer to a podcaster, there are undiscovered career opportunities for engineers and I think there are people with engineering backgrounds who have been working as an engineer for some number of years and are finding themselves with a lack of appetite for the kind of work that they're doing. How can engineers who are feeling like they are not meant to be an engineer, how can they find an adjacent path?

[00:35:23] GK: I think, first, the most valuable thing for me was to realize that often you can provide the most value to the world by working on the edges of professions and specialties, because there are fewer people who can do that. So an engineer who is fed up with QA or devops or whatever they do day-to-day might not be so unique when they're working in a devops role. But if they step to the edge between, let's say, devops and some other profession, like in my case marketing, in another case it might be teaching, writing, designing, anything else. They might find that not only fulfilling because they're doing something different, but also much more valuable, because they're way fewer people who can do both of those things and you don't have to be an expert in both devops in this example, and let's say writing. If you are adequate at both, you are already unique and could create something very valuable.

Actually, a lot of the most successful startup founders are those who have some domain expertise in something other than engineering, or they were exposed to some facet of business that gives them a unique perspective that many other engineers don't have.

[00:36:31] JM: In your line of work from what I can tell, most of the companies that engage with you are venture-backed. When you receive venture financing, you get an infusion of capital in return for the fact that you kind of lose the option to build something that is more like an Indie Hacker type of business or something like a consultancy, or something like a podcast, where the returns are not so outsized that they would meaningfully impact an investment firm like a venture capital firm.

How do you feel about the financing options that are available to companies today, and how does venture financing affect the strategy of a company?

[00:37:23] GK: Well, in a way, I don't want to shoot myself in the foot because it's these venture-backed companies that help me have a living, help me make a living. But I think there's a trap people can fall into where they think if they have a good product idea, or even to take a step back, they just have some idea for a way they can help others. Some engineers might thing the only way to act on that idea is to create – One, to create a product. Two, to grow that product to a point where you can raise funding and then follow the usual story of a venture-backed company.

I think people should recognize that there are other ways of making an impact on the world. For example, you can consult. You can teach. You can join a larger company and try to create something there. You could start writing. You could write a book. You could have a service business. So I don't think there're a lot of criticism and support for doing a VC-backed startup, but people should be aware that there are different ways to make a living while making an impact. I think that starts with reflecting on what you're actually passionate about doing. For some people it's building products and seeing that product make a dent in the world. For other people it's something else.

[00:38:32] JM: So as far as how venture financing would change the strategy of a company, if I do take on venture financing, how does that affect my growth goals? How does that affect the strategies that I should take to achieve those growth goals?

[00:38:49] GK: I think venture financing basically gives you permission and the resources to take bigger chances. So you are then able to afford to take bigger risks. When you come up with those hypotheses that we mentioned earlier, you can afford to test more of them and to test them at a bigger scale. That doesn't guarantee that you'll succeed, but it gives you better odds than if you didn't have the resources to do that in the first place. But it also gives you pressure, it applies pressure on you to take those bigger risks, and the definition of a successful outcome changes.

So a 5% increase in traffic in signups is not going to cut it. You're going to have to close more deals for higher values and sustain that for a longer period. Hence, the pressure I talked about earlier, to move upmarket, because that's where you have more likelihood of meeting those expectations in the enterprise market.

So it does affect the strategies. You're going to take the pace at which you'll experiment. It also gives you less time to do those, because VCs aren't going to be happy if you're just sitting around and being cautious with your budget. So there's more pressure to surround yourself with experts to get help, to seek advice and maximize your likelihood of success in the 12, 16 months the VCs give you to show some results.

Thankfully, the VCs often provide you with that support network or at least make the introductions to help you do that, but that's very different from being able to take your time and play it safe and wait for some chance introduction to someone who's going to be able to help you.

[00:40:19] JM: Given that you are coming from an unconventional place relative to a lot of the guests, I'd love to hear any unconventional views you have. Tell me, what are your beliefs around the world of software business strategy that I might not hear from anyone else?

[00:40:37] GK: One thing is this idea that people have a choice when they bring a product to market. They have a choice between selling bottom-up or top-down, and this is a meme that's been in the startup world for a while. Even to this day when I talk to founders, they're asking me, "Should we do this? Should we go bottom-up or should we go top-down?" I believe this is a false choice. Thinking about making this distinction could negatively impact your go-to-market activities.

What I tell companies is you want to make users want your product, but make buyers want to pay for it. So if you're selling to the enterprise, you have to reach the buyer and convince them that your product is worth paying for. So people hear that and they say, "Oh, so you're advocating for a top-down approach? Okay." But I'm not saying that you should forget the users and ignore them and their concerns and objections and so on. You should make a product that users love using, that they tell other people about, and when you are in a sales deal with a decision maker, the users are going to be stakeholders in that deal and they should be your advocates.

So rather than dismissing them, you should treat your awareness among users as the very first step in that sales pipeline. Just like PR, just like having a billboard by the highway. Having the users be aware of your product is not going to result in a sale, but once you do reach that buyer, it's going to help accelerate that sale in the same way that them seeing a billboard on the side of a highway might help accelerate the sale.

[00:42:04] JM: To close off, we've talked a bit about how you work. I'll certainly mention in the preamble to this episode the esteem of some of the companies that you've worked with, companies like Netlify, and Scalar, and AT&T, these are companies with a lot of choice in who they work with. So it says something about your capabilities.

But you must know that what you do is in some sense un-scalable, because your advice to companies is all about generally scalable strategies, scientific strategies, strategies that almost anybody could employ, which are sort of a necessary strategic features of something that works for a scalable business. That is not as true with your business. Your business is about Greg, Greg Kogan. Do you ever feel that the tension between the fact that you – The strategy that you want to give people has to be scalable, but your own business is kind of an army of one type of business. Tell me about that tension and if you have any goals for the future for doing something that is perhaps grander, like an organization type of thing. That's not to disparage at all what you've done. What I do is not exactly scalable, so I share a common feature of the business with you.

[00:43:33] GK: That's a great question. I have a good friend who is always asking me what product am I going to come out with next, or rather what's my first product going to be. This goes back to our conversation about the choice to take funding, and I said, "Well, there's a choice even before that," and that's whether you make a product to do what makes you happy.

In the world of professional services and specifically consulting, it seems like the natural – At first glance, the natural next step after you have some success as an independent consultant is to form an agency to try and replicate yourself, and I get this question also from VCs who think in terms of products and startups. How can you replicate yourself?

I struggled with this for a bit, because I know that when you try and do that, you're exchanging one set of problems for another set of problems, of managing and training and quality insurance and so on. Then the way I convince myself to stop worrying about this and losing sleep over it is that that is actually not a necessary next step. It is a lateral step. If you get joy and you feel like you're making an impact as an individual, then personally I am quite happy continuing to do that. Of course, I wish I didn't have to sleep so that I have more time to help more companies, but I've also realized that if I were to split my attention, then each company I work with would get less value from me. So actually scaling up would dilute the value I can provide to companies. So in a way, I can maximize my impact by remaining independent and working with just a few companies at a time.

[00:45:17] JM: Greg Kogan, thank you for coming on the show. It's been really fun talking to you.

[00:45:20] GK: Thanks for having me.

[END OF INTERVIEW]

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