



Rand Fishkin Talks Business



Where is Rand Fishkin after Moz? What is his new company Sparktoro about? And what does he see in the future of digital marketing?



Rand Fishkin

Photo Credit: <https://sparktoro.com/team/rand>

James: James Schramko here. Welcome back to SuperFastBusiness.com. This is Episode 811. Today we're talking to Rand Fishkin, and you probably already know Rand Fishkin, but we're going to do a quick summary of Rand Fishkin, just in case you don't. But I really think you probably do know about Rand. Welcome, Rand.

Rand: Thanks for having me, James. Good to be here.

James: Rand, I've been a longtime follower of yours, and I'm a customer of yours as well. I've been in many iterations, back in the days of SEO Moz that then became Moz. And these days, this is a reverse sponsored podcast, instead of getting paid to do this podcast, I've paid to do this podcast, because when I got introduced to you by my friends [Matt and Joe](#), over at Hustle and Flow, I saw that you had a new tool, SparkToro.

So of course, I immediately purchased an annual subscription for my team to use it for our own content. We're big into content marketing. I could immediately see this tool will be useful for our team. I'm going to ask you to describe it in a minute. But I just want to say, I'm already on board, you got a paying customer. So there you go.

In case you don't know who Rand Fishkin is...

You have had quite the journey. You've done everything, from being on Oprah, for unusual reasons, through to starting and running a huge company. I think it got up close to \$30 million in revenue at some point.

Rand: A little north of that, yeah.

James: Yeah, maybe more than that. You got offered to buy that out from HubSpot. You didn't take the offer. You then got depression. You got removed from your own company. You ended up getting preferential shares and not making as much as you could have. You've also written a book, which is quite a transparent rule book about the startup world. You pioneered, I think for a lot of people, the Whiteboard Friday content series was pivotal for the industry.

As someone who ran an SEO business for seven years, we used to watch that every Friday. And I even had a crack at making my own Whiteboard Friday. But I can say it's really hard to get the lighting right on a whiteboard. Very hard. I'll have to look up the old one I did about [OwnTheRacecourse](#). It's like, the most poorly lit whiteboard with the messiest scribble. So my hat is off to you about just how well you did to keep that machine going.

You're a speaker, a presenter. You're a tech fan. So that's kind of the overview from my exposure to you. But I'd love it if you could just fill in the bits I might have missed there.

Rand: Sure. Yeah. So I'm also a college dropout. I am someone who, yes, at one time, had, you know, well I guess I still have my Moz shares, but had the opportunity to become a very wealthy person, turned that down, because I thought it would be worth even more in the future and ended up in a situation that's certainly not bad, very hard to complain, right? You know, but my net worth, liquid wise, is way under a million dollars. Whereas Moz's shares could have easily been 10, 20 plus, just for me personally.

James: That meant, now you can't start a dropshipping business. You're too old. And you don't have the Lambo in the shop. You're not a billionaire yet.

Rand: No, no, I'm not that kind of person anyway, so that works out. But yeah, the reality is that I raised venture for Moz, had a very, very fast, rapid growth, exciting journey, you know, that company got to right around \$50 million dollars in revenue, annually, and, you know, tens of thousands of customers. But, yeah, then, growth kind of stalled out. Moz got overtaken by some of its competitors. I was no longer the CEO and had a lot of conflict with the new leadership team.

All about Rand's venture into audience intelligence

I left the company in 2018, started this new one, SparkToro, which just launched its product about 10 months ago. And that has been a really interesting, really different kind of journey, much, much smaller scale, right? SparkToro is two people. We are not venture-backed. We are trying to build something that we think is very unique in this space instead of sort of entering an already existing space.

So yeah, you mentioned signing up for Sparktoro, which means the world to us, right? As early stage founders, like, every customer is just, especially in those early days, like so, so meaningful. So James, thank you. And what SparkToro is, is essentially a giant database of public web and social profiles that you can search over to get behavioral data about them.

So you could say, Oh, I have a business that's trying to target chemical engineers in the UK. And I want to figure out which podcast should I sponsor and pitch and do biz dev deals with, and what websites are these chemical engineers visiting? And what events are they going to? And who are they listening to online? What are they following on social? What YouTube channels they subscribe to.

And SparkToro can tell you, right, it's got like, whatever, you know, 2,512 different profiles of chemical engineers who have some public presence on the web. And it analyzes what they follow, what they read, what they watch, listen to, talk about, share hashtags they use, all that kind of stuff.

You know, the tough part of SparkToro has been, there's not really a word to describe that type of work. Everybody does audience research and market research of some kind. But it's not like SEO software. You say you do SEO, everybody knows; content marketing, everybody knows what that is. Social media marketing, everybody knows; paid advertising on display, everybody's familiar.

SparkToro is sort of a new sector. So we've been calling it audience intelligence, which describes it reasonably well. But it's definitely a new challenge trying to almost build an industry.

James: I like it. I'm thinking of it as a market research tool. It's like an X-ray tool to see what's going on in the market. And, you know, to remove all the filler and junk. There's plenty of free tools out there, like AnswerThePublic or whatever. But what you have to do as a business is you got to stop off at all these different tools to build a profile. So it's like a concentrated machine that does all of that stuff in one place.

It's something we've been doing in an unrelated market. We have a property in the surfing market. And as a surfer, I've found, like, if I'm interested in a board, I have to go to Instagram and search for the board. And I'd have to go to YouTube and look for clips of the board. And then I go to the manufacturer's site to look up the specifications. And then I go to a couple of other YouTube vloggers and see what they've done with their reviews.

So what we do on [our site](#) is we go and get all of those things and put them onto one post. So we're product-tuned. If you're interested in a board, it's going to have all the reviews from independent people, all the manufacturer's specs, all the social media things, all the forum comments all on one post. So I think you're an intelligence aggregator.

Rand: Yeah. Yeah, yeah, yeah, that's a great analogy. I think, you know, essentially, what SparkToro does is collect all of this profile data, and then make it easily searchable. So if, for example, you wanted to sell surfboards, right? You could figure out, Oh, what are the hashtags that I should be using on Instagram? And which Facebook pages should I run ads against? And what is my audience talking about on social media, so I could start to follow those conversations or create content around them or advertise against them, or whatever it is.

But the marketing tactics are broad just as the use case for the data that you aggregate around a surfboard might be very broad. It could be, well I'm interested in buying one, or I want to learn about the market, or I'm trying to figure out which one is the best reviewed, or I'm getting a gift or whatever it is.

This multiple use challenge, I think, is tough, right? If we knew we were only going after one type of user for one problem that they were solving, we'd have kind of a laser target. Instead, it's pretty broad. But James, it's hard to complain. SparkToro is profitable, has been since about September, which is wonderful, amazing.

We have just about 600 subscribers, paying customers, but a little over 40,000 people who use the forever-free version, and just kind of log in to get the free data. And yeah, we love that. When COVID hit last March, we sort of decided we were going to be much more generous with the free plan. And that has been very popular, and I think helped a lot with the product growth.

James: Yeah, I think that's a good move. It's one of the reactions I had to COVID, was to put an entry level below my current product because I needed somewhere where people could just have a soft landing and an easy entry point as they're strengthening and grow, they'll come through.

I think in our case, I did use the free search, and I liked the information enough to say, Well, this is a good return on investment for us. We're using it mostly for our social media team to support the podcast episode. I mean, the irony is, we'll use your tool to promote your episode on the internet.

Rand: This is actually a really smart use. And a lot of folks in the podcasting world use SparkToro as both for, Hey, I want to reach this audience. Who should I invite as a guest? Right, because it'll show you sort of who is influential to that audience. And also, if I have a guest on, where should I go promote? How should I go promote their episode? And that definitely is a use case.

But yeah, it's been interesting. I think the world of like, whatever it's called, Digital PR, right, of going and finding those things is getting more used and useful to people in SEO and content marketing, and even paid media, because of the increasing competition in all those sectors.

Trends in the current landscape of digital marketing

James: I think this is an interesting point you're making here. You've had a foot in the SEO camp. I mean, clearly, you're strong with your content marketing. I imagine with your user base of Circa 600 users, you're now seeing people use the tool in ways you didn't realize they would use it. I mean, I'd be crazy not to ask you, Rand Fishkin, sitting there with all this information, what can you share with us about your view of the landscape in the world of digital marketing, especially, like especially, what are the trends between content marketing and paid marketing that are emerging in this landscape?

Rand: Yeah, yeah, very timely question. So a few things are going on that I think we can all see. So one is, there has never been a time in my career where, you know, sort of a combination of like, SEO, content marketing, PR, digital PR, social media marketing has been more heavily invested in.

I think, especially over the last year as tons of businesses that were never online, or all that online, had to come online, they are competing with a ton of folks who realized that all behavior went online. And so there's just this flood of attention in the digital marketing landscape.

You can see it, you know, three transactions, three huge transactions, just in the last two months. SimilarWeb announced that they were going public, right, filed for an IPO. Brandwatch was acquired by Cision, you know, massive, massive deal. And yesterday, SEMrush announced that they are going public.

So there's just an incredible amount of froth and tension in this market. I'm sure there's going to be a ton of private equity, you know, dollars flooding in as well. And this is not happening in a vacuum. This is happening because there's so much activity in this world. And as an individual digital marketer, you might look at that landscape and go, So what? What does that mean for me?

What it means for you is, I think a few things: one, you are absolutely facing more competition than you ever have before. Two, it is going to be more difficult to stand out from the crowd, because so many people are investing and being creative in how they invest and what they're doing. And then three, there's a ton of money and attention and awareness going to this field, which means a lot more people will almost certainly be trying to get jobs in the field and a lot more people will be hiring.

So there's just a lot of frothy opportunity on all sides, right? Managers will be questioning, are we doing the right thing? Should we be reexamining our digital strategy? Lots of agencies will be competing for new business, etc, etc. So you just get a very active marketplace. And then in terms of advertising, well, you and I talked about this slightly before the call but, you know, I brought up these few examples, right?

So like, Chase Bank had this viral story in the New York Times. Did you see this one where they basically, like, cut all their online advertising spend and saw their results rise, right? So they, like, took their ads off of, I don't know, hundreds of thousands of websites and like basically just kept a few and did way, way better.

P&G, like, cut their ad spend a ton in 2019, had a big viral story about that and seeing, you know, their brands do way better. Most recent one, well, two, are Uber who cut their spend massively last year and saw a big increase, which is crazy during COVID that Uber did well. And then last week, in the earnings call, Brian Chesky from Airbnb announced that they basically cut their marketing online advertising budget to zero in March of last year, and lost less than five percent of their traffic and conversions.

So this was one of those like, whoa, man, a whole lot of people are saving a lot of money, and digital advertising. It feels to me, and James, you can correct me if you think this is a mistake, and you probably actually buy more ads than I do, I am not a personal buyer, but my sense is, Google and Facebook and the other ad platforms are taking credit for a lot more conversions than they are actually delivering.

And they're doing that because of view through conversions, and long visit paths, and the fact that they know they can show in analytics that they were somewhere in the journey. And then they're trying to take credit for that. And CMOs and a lot of digital marketers just sort of believe them and report their data.

Audience insights in a world that's gone online

James: Yeah, I think you're spot on. I mean, I've got a couple of thoughts on this. Firstly, to your point about the whole world coming online, absolutely. Since I quit my job in 2008, I haven't heard that much from my peer group about the online world. But in 2020, just about everyone I know came out of the woodwork.

I mean, when I visit my parents, they're like, Oh, we're going to be doing a Zoom with some of our friends. Have you heard of Zoom? I'm like, Yes, I have actually.

Rand: You're like, No, mom, dad, tell me, what is Zoom? I want to hear.

James: Tell me all about it. How does it work?

Rand: Yeah, describe it to me.

James: Like I'm almost at the end of the Skype lifecycle. It's like, that far down the track. I got GoToWebinar in 2007. Anyway, all my friends, you know, just people who I've never heard from for years, just pop out of the woodwork and say it's like, game on. But we've got, you know, 10, 15, 20 years' start on the rest of the market. So that's a good thing. They're going to find it a steep learning curve.

Yes, I think there's a lot of skivvy-wearing, Porsche-driving agency reps who are probably getting flogged by their customers right now, because they want accountability. And absolutely, I mean I use a tool called [Wicked Reports](#), because I wanted a full picture of what's going on with my marketing. And you're right, if you just use Facebook, or you just use Google goals, or whatever, you're only seeing a biased version of it.

When I look into Facebook, and I probably don't spend more than you on ads, I'm a pretty frugal spender on paid ads, which is interesting for a business of my level, which is, you know, a couple of million dollars a year in revenue with almost all profit. We spend very little on ads, mostly just putting people, making an offer to them to come into a challenge is our sort of current initiative, which we only started in 2021.

We do some remarketing. And of course, I occupy my brand name on Google, which is a no brainer, like, to bid on yourself is a good return on investment, generally. So when I look in there, my Facebook ROI is off the spectrum. You know, we could spend a couple of thousand dollars to make \$80,000 or \$90,000 because yeah, they're just tagging on to all the work we've already done.

My content marketing tracking, you know, that is actually the second most effective thing we do. And the first most effective thing is our emails. [Email is still the game](#) in 2021 for me, and almost every guest I've had on this show, it's a recurring theme. Email has lost no juice. And I'm interested to know if that's the same for you.

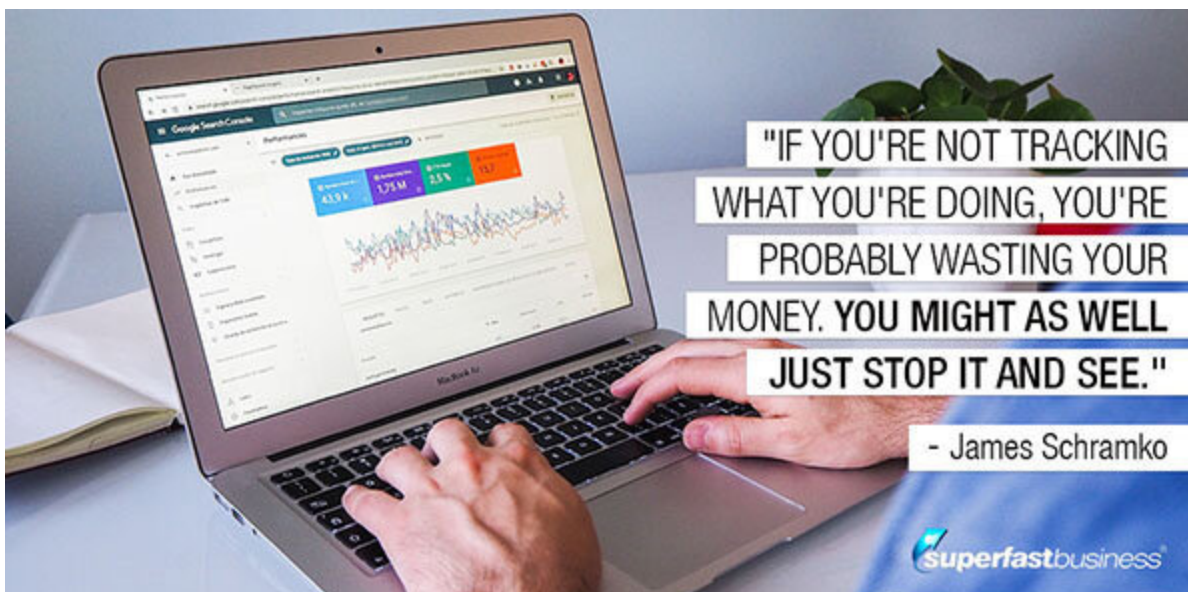
Rand: Yeah, let me be the 811th vote for email. That is the channel.

A lot can be accomplished by turning things off

James: The other thing that's interesting is we've always heard this sort of marketing thing, you know, that half your budget is wasted, it's a matter of finding out which half, right? Seems to be true. I've had two people on the show who will say a similar thing, and I agree with this. So [Perry Marshall](#) said, if you just stop doing your loss-making things then you'll actually make more profit.

So turning something off makes sense from the 80:20, or the 80:20 of the 80:20, the 64:4, I talk about that in my book, [Work Less, Make More](#). I've got to get some pro tips on promotion, Rand, because I noticed, if you want Rand to speak at your event, he won't charge you. All you've got to do is fly him there in coach, give him some accommodation, and buy a lot of his books. So I'm going to ask you about that strategy, because I'm just a rookie publisher, still learning the ropes.

Anyway, the other one is [Jay Abraham](#). Same thing, if you just stop doing the unproductive things, you'll leap forward; and my message is the same, work less, make more, just stop doing a whole bunch of stuff. I mean, we could spend the rest of this episode talking about the dumb stuff people do that will never make them an extra sale; it will only cost them money, and we would be having the most actionable podcast.



I want this message to go to the world. And it sounds like you're reinforcing it with hard data. Just stop doing dumb stuff. That's a tweetable right there. Anyway, over to you. Let's continue on this vibe, because I think it's critical. Like, firstly, if you're not tracking what you're doing, you're probably wasting your money. You might as well just stop it and see.

The trouble with trackability of ROI

Rand: This is where I think there's a complexity in digital marketing that is very frustrating and very challenging for a metrics-minded person to get their head around. My experience has been, James, that a lot of the channels, activities, tactics, strategies that you pursue that build brand marketing, that build content marketing, that have an impact on SEO, are a) extraordinarily difficult to measure.

You can almost never track it back to say, like, Oh, well, I went on James's podcast and from that, how many people actually went to SparkToro, and how many of them actually tried to sign up for a free account, and how many of them over the course of the next two years actually converted? Almost impossible. I will never get that data.

James: You'll get some of it. I'm going to say at this point, Please let Rand know, whether it's on Twitter or reply to the email when you go to SparkToro and do a trial, just let him know that you heard about him on SuperFastBusiness. And let's just see if you get a few little trace dyes coming through the system.

Rand: Sure, right. And so that is a very, very generous offer. But it's also very unusual, right? It's very unusual for any particular given mention or discussion, you know, an event that I go to or whatever, to have that ROI. Same thing was true, by the way, with Whiteboard Friday, the video series.

James: Well, I was going to ask you about that. That's a perfect example. I mean, you're famous for it. So it's manifested itself at some point, hasn't it?

Rand: Yeah, but this is the challenge with the trackability, right? The perfect trackability that Google Ads gives you, that Facebook ads gives you, right, where they claim credit for a ton of conversions that probably would have happened anyway, and you won't know until you cut back your marketing spend on those channels, whether those conversions really were perfectly attributable the way they showed them, versus the extremely hard to measure and justify serendipitous investments in whatever, relationship building, and content marketing, and digital PR, and doing podcasts, and doing videos, and going to events and all these things that you and I know have worked for our businesses. But how do you go sell that to a CMO?

James: Well, here's a couple of tips, right? When someone joins my membership, I ask them three questions. And the first question is, tell me how you got here. Like, what's been your journey? And they'll say, I was on Amazon, I was buying Rand Fishkin's book, Lost and Founder, and then an ad for your book popped up, you know, because you had him on your show, and all of your audience bought his book, and now Amazon have joined the books together.

And then they'll say, you know, I've got your book there, I read about it, I went to your page to get some extra resources, and then I got your emails, and now I'm here. So that's always interesting to try and find out, at least ask. Like, if shopkeepers did that, if they asked people how they found out about them, that would help them a little bit.

Other ways that you can do it, like I said, I'm using a tool where we try, where possible, on our content, to put a tracking parameter that will tie it back to that source. And the good thing about those tools, you can actually select whether you want first attribution or last attribution or you want to see the whole funnel. I mean, one lesson I get repeatedly is my customers often take 60 days or more. Like, I have a slow cycle, and they have many touch points. So it's a good idea to try a few different things.

And yeah, I think the CMOs are trying to explain it to their founder. They may not have the same granular capacity that they might have had. But certainly, they could say, Well, here's our accounts before SparkToro, and here's our accounts after we've used the audience intelligence tool to put the correct hashtags, and we've put our things on the correct placements, and have a look at our sales have gone up.

But look, I think I've got the same hat as you, Rand. I've been doing podcasting forever and have done the occasional guest appearance and we do a lot of content marketing. I haven't really been doing the paid traffic big time since about 2007. When I was a super affiliate, I used to spend, like, 80 grand a month on ads on my Amex and get a return on investment. But it was a short term play.

Like, yes, it was extremely granular. But at two o'clock every day, I'd have to pull out an A3, that's like a really big sheet. I don't know if you have the same size there. And I'd have to write down all the traffic I'm buying and look at all the things I've sold and try and match them up and make sure I wasn't burning myself a hole in the ground. And then one day, you wake up and you discover your competitor has literally cloned your ads, like word for word on Google AdWords and like, you're both getting half conversions. And you've got to like, contact them and say, Stop doing that. You're an idiot, because it doesn't help either of us, right?

Anyway, I think clever content marketing seems to manifest itself back in the message coming back to you. When we started doing the video stuff again, about two and a half years ago, I think it took about six months. And I'm getting like 30 views a video, 60 views, like I'm an anti-social media influencer really. I suck at social media because I don't want to ask dumb sh*t, like, you know, if you're a superhero, which one would you be or whatever, like, I can't do that. It just goes against my grain.

I just post stuff. And over time, it took about six months but then it appeared. And I can say right now, our tools are showing \$30,000 a month worth of revenue that comes from those social media videos that we are tracking. So whatever we spend on ads, or whatever other things we do, it has to add into the mix somewhere. All I know is, it's really worth my time to make a one-minute video.

It comes down to like, one of my mentors told me this great piece of advice, and I think this is so critical. Everything comes down to yes or no. So if the question is, is it worth me making social media videos? The answer is yes. Is it worth podcasting? Yes. I hope one day, you'll say, Was it worth going on SuperFastBusiness? And you'll say, Yeah, I got all these emails. And yeah, people are, like you said, they're smart, they buy stuff, and here they are in the tool, and so yes. So it comes down to yes or no.



Rand: I think that is absolutely true. And what's fascinating to me is thinking about what that customer journey looks like, right? Because that customer journey is long, it's nuanced, it's complex, and trying to boil it down to any one channel or tactic is very difficult.

So, right, as a marketer we invest in, I think, what's been most successful for me, and it sounds like it's worked really well for you is investing in channels and tactics that you are personally passionate about and interested in, right? Like you do you on social media. You don't do the memes, you don't do chasing whatever tactic is going hot on TikTok.

James: I don't do the Rand one, I don't do the full-blown transparency one, which I know, like [Dan Norris](#) does it. It works brilliantly for him. You do it. I can think of several people who just, they wear their heart on their sleeve for the world. And that's an interesting role to play, but it's not my role.

Rand: Yeah. So this is what I believe, I believe the authenticity of you being you and me being me and Dan being Dan, I think that resonates with our core customer groups, right? And so folks, you know, or whatever, I'm sure SparkToro has 400 or 500 of the people who are using the product don't actively seek out that information, but probably a few of them have been exposed to it. And then there's 100 or 200, who are very into that, and that inspired them.

James: Hyperusers.

Rand: Yeah, and that helped build that community, right? It's very powerful in my opinion to use organic social PR and search to build a brand, which paid advertising can then leverage and take advantage of in the future. I think the reverse does not work well at all.

James: Okay, so this is a great conversation, because we often hear, or I see it a lot on forums; I'm a member of some Facebook group, and I really don't go on Facebook much; I can't stand it, which is why I don't do Facebook groups or whatever. The worst thing I could think of would be on Facebook for 10 hours a day, I'd say that would be a sad life, right?

Anyway, there's this group with 41 and a half thousand lost sheep in it, just bleating, they'd be there, always like, I'm just starting out, or I'm on a budget. This is like a curse online. I don't know why people come online thinking that it's going to be easy or cheap, because it's even more competitive than trying to set up a local cafe. But your local cafe doesn't, I mean, some of them do have milk crates out the front, you know, they do try and start on a shoestring budget. But often it doesn't go that well for them. Like, you're against professionals online.

That's why, if you can have one professional tool in your toolbox, you could probably slay all the amateurs out there. So that's why I think it's a really interesting discussion. People say, Oh, you should buy ads, and then learn the data from that, and then put that into your organic. I mean, I started the other way, because I didn't have any budget, and I just started posting stuff, and then some of it works.

It's like Seth Godin, who I think endorsed your book, he publishes very often. And not all it's great, some of it's rubbish. But some of it's brilliant. If you just publish a massive volume, [John Lee Dumas said almost the same thing, a few episodes back on the show](#), he just published so much stuff that some of it was good.

Rand: Absolutely, I mean, I think I'm the same way. The first five, seven years of my career was publishing five nights a week, and most of it was crap. And some of it was good. And the nice part about that is you learn, you learn and you get better at it. I will say, you know, I think when it comes to the, should I buy ads first, or should I invest in organic first, there are a few limited fields where you can learn a lot from buying ads first, or even build a business.

How true is it that anyone can do this?

And some of those are those odd sort of direct-to-consumer, Instagram-friendly, no-brand-needed type of product. And unfortunately, I think a culture emerged around that four or five years ago that built a few careers. And those individuals have amplified the message that anyone can do this. And that culture has sort of ingratiated itself into the undercurrent of a lot of, you know, subreddits, and Facebook groups, and Twitter discussions and forums of all kinds online.

James: Because it's an appealing idea, isn't it?

Rand: It's so appealing.

James: That you could start, for just a dollar a day, you can pretty much build a multimillion dollar internet business.



Rand: Oh, my God, anyone can do it, make money online, like that stuff is, unfortunately, it's very predatory. And for every one person who sort of succeeds, there's 10,000 who've given money and made nothing. But I think when you hear stuff like that, and it sounds too good to be true, it is. And I think you have to ask those smart questions, but it is, I feel for those folks, right? Because I think a lot of them have good intentions, and they have hope, and they want to break free from their crappy jobs.

James: Of course, yeah, their motivation's pure, the decision-making is tainted, because of human bias.

Rand: Those people with those messages are very charismatic, right? They build followings based on cultural identity, based on tribalism, based on behaviors, based on this goal-seeking emotion that all of us have. And so, yeah, I wish people were a little less predatory in that way. And also, that's probably not going to happen. So you have to be careful.

What the essential starter kit was for audience analysis tool SparkToro

James: Let's talk about when you started your new business. Obviously, you had all this experience running a massive business before with a huge team. And I imagine, it was probably when you had the complicated business, it was probably a little dream that I think a lot of entrepreneurs have is, I just remember the good old days when it was simple. You know, it's like, you have this huge cappuccino machine and it keeps breaking and you're just, I remember the good old days when I had a stove top, it was this simple.

What was your little grab bag, your starter kit? Of everything you'd learned, what was your essential starter kit that someone listening to this episode, who's in the early stages of their business, that they're probably hitting the straps now and they're starting to get some momentum, what would you say is absolutely essential?

Rand: Yeah, so big, big changes from Moz to SparkToro, for me included, how we funded the business, how we thought about profitability versus growth rate. So essentially, funding, no venture, we raised some angel money, was in a very unique structure, we can pay dividends if we want, yada yada. If you google SparkToro funding and you're interested, we even open sourced our documents so that other people can use them without having to pay a lawyer.

The second big thing was in terms of thinking about speed of progress versus sustainability. So one of the things that, unfortunately, the Silicon Valley Tech world, which definitely infected me up in Seattle, and infected me doubly so because we had raised venture, was this idea that growth rate is everything, and you have to grow at all costs. As a result of that, I really believed at Moz that hiring more people, building a bigger team, you know, juicing the numbers as much as possible, was the most important thing we could do.

At SparkToro, Casey and I have a very different philosophy, which is essentially, we want to be sustainable, we want to be very, very generous to customers and to our community, and the world around us, and rely on the fact that that goodwill will carry us through and build a great brand over a long period. And if we have to wait seven or eight years to pay back our investors and start making a lot more money, we're okay with that. We're comfortable building a business over a long period of time, instead of sort of burning out and growing fast to meet investor expectations.

The other one is, I totally switched up how I did my marketing. So Moz was content that I put on the blog that ranked in search engines in Google primarily, got people to us, and then they signed up for a free trial. SparkToro is very much led by two things, well, three. It's led by number one, the product being free. So lots of people signing up for the free product, and then sort of an email sequence and all that kind of stuff.

Second, it is a much smaller amount of content that I mostly use for stuff like this, like webinars and podcasts and coverage on other people's blogs and websites, I basically knew that the digital marketing universe was really tough to break into the SERPs, the Google rankings, but much easier to get covered by all the people who everyone was already paying attention to. So I went to, essentially, you know, we dog fooded.

Well, I went to SparkToro, I'm like, Okay, where do the digital marketers pay attention to? Okay, boom! I'm going to be in all those places, right. So that and our email, that's what really drove the growth over these last, I guess, 11 months now.

James: And I think that's really good advice. We don't hear much about sustainability. It's something that, you know that saying, you know, do what they do, not what they say, right? My business is very organic and sustainable because I funded it. I self funded it with a laptop purchase that I got.

When I had a job as a general manager, a client of mine who I sold about 12 cars to, he said, Can you come and teach my sales team of financial planners how to sell however you sell? Because I don't know, whatever you're doing to me works really well. It never feels icky. I love the things that I buy from you, and I want to buy more. I said sure.

And I went to my boss and said, Can I do a training for these salespeople? He said, Yes, but make sure you charge a lot. I did it in my day off. I invoiced him \$4,000. I purchased a Fujitsu laptop with that \$4,000, built this amazing sales presentation in PowerPoint, showed up to the office. The guy who has the key for the projector didn't turn up. So I didn't get to use the laptop. But then I remember writing a list of all the things I could use a laptop for.

And I could keep my book summary notes. I could learn how to build a website, you know, it's just one of those little innocent lines on there. And that was it. This is about 2005. So self-funded. I bought a business name for \$180, and away I went. I got a couple of clients and built some websites and learned how to be an affiliate and so on, but never taking any capital from anyone.

In fact, when I went to sell my SEO business, there's a multi millionaire, he's probably \$100 or \$200 million worth, famous guy in Australia. I won't mention his name, but I went to pitch him the business and when I pitched him the business, at the end, he said, Listen, I don't want to buy your business, but I want to invest in it. I want to give you money because you seem switched on. It was like, a great compliment, but it wasn't what I was after.

So, anyway, I found a different customer in the end. But I love not being compromised by having shareholders. I love not having all the tech startup scale focus. I like just looking after same customers over and over again, on a recurring subscription. I like having a low pressure business model. Like, my business model is more like a diesel locomotive; it'll cross, we call it the Nullarbor Plain here, like between the East and West Coast of Australia, it could just go back and forth for the next several decades.

I can sustain this business off two podcasts a week, looking after my 500 customers in a leveraged manner. And life's good. So the message you and I are both sharing here for our audience is, when you're getting advice on your business model, when you're looking at ways to go forward, look for the sustainable option, the low pressure one that you could do next year or the year after, and not feel like you're pressured, not feel like you're rolling the dice, and like you could basically lose everything next month.

And that's why I love sustainable [recurring subscription models](#). I mean, if you can do SaaS, that is the key to the kingdom. It's such a hard business model. I tried it and I found it very difficult. I've now partnered with a SaaS, I'm a partner in a product that helps people build their landing pages and makes memberships and products and does the shopping cart and everything; it's all in one, [10XPRO](#). And that was my access to the SaaS subscription world as an expert, but not willing to do what you're doing.

So my utmost respect for making a software tool. I think you're the man for the job. You've got the runs on the board before. It seems like you're really in a good place now. And that's important because obviously, you went through some kind of a journey there, which a lot of people will be experiencing in a pandemic environment.

Some wisdom to close out with

Maybe just to close out, give us some worldly wisdom; you can go broader if you want, you know, beyond the tool, beyond startups, beyond marketing; if you've got any personal advice for founders or entrepreneurs from what you've learned in the game of life, I think that would be an appropriate way for us to finish up.

Rand: Yeah, yeah, that's a great idea. So one of the things that I think is most frustrating about being a human being, especially one who is online and paying attention to worlds outside of yourself, other entrepreneurs, other businesses; you're reading the news, you're seeing what's on top of, I don't know, Techmeme, or Hacker News, or Reddit, or what the Wall Street Journal's writing about.

You have a very difficult time not comparing yourself to others. It is just an innate human trait to say, I am unhappy because my neighbor, or this other tech company, or this other person who built a dropshipping business, or this other affiliate marketer is more successful than me. And let me tell you, in my experience, I have talked to not hundreds but thousands of other CEOs and founders of businesses that I considered vastly more successful than what Moz was back in my Moz years.

And what I found is they are not people I should envy. That comparison, that comparison I was making was false. I have an incredibly happy marriage, I have a wonderful partner in Geraldine. Before COVID, traveled the world speaking at events and, you know, we would take little mini-vacations when it was a fun place to go. And I made friends all over the world, tons of friends even in Australia, in the UK and Europe and all over, and that is worth so much more than the extra, maybe \$9 million that I might have had, if I had, you know, sold to HubSpot, whatever.

That would have been great to have. That would have been really nice. Don't get me wrong. But I don't envy a lot of those folks who seem to have more success on paper or in writing, and I would urge you to do the same. Just when you see someone else who you think, Gosh, why can't I do that? Why am I constantly comparing myself to other people? Just turn off that switch. You can turn it off. And you can make yourself a lot happier that way.



And you can build something better that way, because you can build it for you, the way you want to build it. Maybe you're listening to James and I and you're like, I don't want to be small, I don't want to be sustainable. I want to go for growth. Great. If that's you, there's nothing stopping you. We're not against that. But I think there's a beauty in being able to remove yourself from a comparison mindset. I'll leave you with that.

James: That's amazing advice. Yes, I agree. And, you know, I often will look at someone and get intimidated, like, Oh, gosh, they're so famous, or they're so popular or whatever. And I'm just, you know, just such a lame ass, like I should be further than I am now, whatever. And then I think, hang on a minute, probably half my audience get intimidated by me. And I have to be careful about that.

We just can't compare because like, you go back to the core of it, you know, when these marketers talk about doing avatar exercises, like, if I took a sample of my customers, they could not be more different. Right? We are so unique. There is no way, and the other thing is, on the feedback or comments that people give, they don't know you either. They don't really know you, so don't pay too much attention to it.

I think one of the most interesting things about this episode so far is I still haven't solved your bookcase, but I will figure it out. I'm going to screenshot it and just figure it out. It's like a puzzle that is eluding me.

Rand: No, any time, James, you know, I am always available. My email is rand@sparktoro.com. You are welcome to email me, any of your listeners are welcome to, and I'm happy to share anything I can from my journey, from marketing a book to building a software as a service business, well a couple of them now. Happy to help.

James: Rand, it's been a pleasure. Thank you so much for being a guest on this show. This is Episode 811 of SuperFastBusiness.com. We will put up a summary of the show notes on the site. We'll also fully transcribe it. If you prefer to read, you can go and access that. And I'd love to have you back in the future. I want a continuous story of your journey, because I have a feeling you're not quite finished yet, Rand.

Rand: I hope that's the case. I would love to join you again in the future, James. Thanks for having me.



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