Rapid Prototyping to Test Your Business Idea for Free on Facebook - With Raj Beri

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Back in May of 2013, Raj Beri came on Domain Sherpa to discuss how we built AirportParking.com and why Oversee decided to build a new site when they already owned the popular and successful AboutAirportParking.com business. In that interview, Raj broached the topic of testing business ideas without designing the user interface, without hiring a developer, without building a site, or even launching officially. That is what we are going to discuss today. Stay tuned.

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Here's your program.

Michael Cyger: Hey everyone. My name is Michael Cyger, and I'm the Publisher of DomainSherpa.com - the website where you come to learn how to become a successful domain name investor and entrepreneur directly from the experts. Customer engagement and business traction. Wouldn't it be great to test a business idea, see if it resonates with customers, if they are truly engaged, and determine whether a business, which produces revenue and profit, can be built on the idea of 'before we even design it, hire a developer, build a website, or officially launch'? Sounds too good to be true? That is what we are going to find out today. I would like to welcome back to the Domain Sherpa Show, Raj Beri, Vice President and General Manager of the Online Travel Division at Oversee.net. Raj, welcome back.

Raj Beri: Hey, great to be here, Mike.

Michael: It has been about seven or eight months since I had you on the last show, so I would like to start with a brief recap on that show about AirportParking.com. And for the audience that has not seen that interview, it is a great one. If you are thinking about building a business and using an exact match domain, you need to scroll down and find the link to that interview just below this video. We discussed, in that interview, automobile parking is an industry in the United States that is about nine or ten billion dollars per year. Your business, AirportParking,com, focuses on aggregating off airport parking lot availability and making sure that those operators are full. And for every order that you take, you take a commission on.

Raj: Yes.

Michael: So, I would love to hear an update. As preparation for the show, Raj, I went to Google, I typed in the search phrase 'Airport Parking' without quotes, and AirportParking.com was the number one organic result.

Raj: Yeah.

Michael: How much traffic are you receiving per month nowadays?

Raj: We were up to pretty much high five figures in traffic per month. So, when we talked last time, just to give context, we had just launched, so we have gone up about 8x per month in traffic. And a lot of that is, like you said, through organic, and we are also being able to be very competitive on a paid perspective as well, given the high intent of people searching for that translates to good quality scores for us. So, yeah, definitely traffic and revenue has definitely increased for that business. And like we thought, it was a good, complimentary, great exact match domain to kind of our take our expertise in parking and launch.

Michael: Right. And in that interview, we discussed that your focus on that side is more mobile. People that are on their phones or tablet that are searching, so you wanted to be responsively designed right from the get-go. But if I remember correctly, you were getting hundreds of thousands of visitors per month on AboutAirportParking.com. Is AboutAirportParking.com still getting more traffic than AirportParking.com?

Raj: It is, but the gap is narrowing very quickly. So, it has been a good complimentary product. And like you said, especially we are seeing great organic results that also are coming from mobile and tablet, and we have been able to capitalize on that as well as by really building out our click-to-call business there. So, when people are searching, it might be higher conversion rates for us when we get them on the phone directly.

Michael: Oh, that is awesome, yeah. And can you say anything about the revenue and conversion rates of AirportParking.com versus AboutAirportParking.com six or seven months into it now?

Raj: Yeah, we went through a lot of conversion rate optimizations, as you would with any new site. And so, it took us a while, but now we are seeing conversion rates that are very similar between the sites, which was not the case when we first launched because when we first launched, as a new site, AirportParking.com did not have repeat or loyal visitors, which obviously have higher conversion rates when they come back to a platform. But now, as we are building it up, we are seeing more repeat visitors, and so the conversion rates are also going up. So, again, we have always been in the

very high conversation rates, in the six to nine percent range with AboutParking and we are seeing very similar stuff with AirportParking.

Michael: So, similar. And then, if you look at the traffic, you are getting hundreds of thousands on AboutAirportParking. You are currently getting high five figures on AirportParking. The conversions are the same. The traffic is some factor less. Is the revenue the same factor less? Can you say anything about: are you generating more revenue on AirportParking?

Raj: We are generating obviously a lot more from then when we started, but I still think, overall, as a new business, it is growing and it is not necessarily - we still have a high upside in trying to gain more visitors on it. Again, like we do think that we see it as a portfolio play, where we have one. Even in certain markets, one may be better than the other. So, the sum of the parts is definitely better than just having one.

Michael: Yeah. Well, very cool. Like they do on Shark Tank and Dragons' Den, I would love to have you come back like a year from now and then compare how you have gone and maybe you will feel more comfortable in how everything is shaping up from a revenue standpoint and you will want to share those revenue numbers. Who knows? But it has been fun to hear how it has progressed just in the past six to eight months from the launch, and so that is awesome. And again, anybody that is watching that wants to learn what Raj and his team has done, go down and watch that video about AirportParking.com.

All right, so in the pre-interview of that last interview, and then I mentioned it briefly during the show, you brought up a way to incubate and test new ideas before any real work or resources are assigned to the business venture. That is what I want to focus today's interview on. We all have domain names in our portfolio that we think are phenomenal for a certain business. Maybe the domain is great or maybe the domain is a brandable that only we see the value, but we all have domains that we want to develop and we are likely unsure of the best business model. Should I make it recurring subscription? Should I offer it as a one-time cost? Should I charge advertising instead? Should I try and do commission deals? So, there is a lot of business model

questions associated with it, and you are not even sure, if you offer something, if people are going to be interested in it.

Raj: Yes.

Michael: So, the idea you suggested, Raj, was to create a hypothesis and prove it in a free space, like Facebook, before doing any real work on it, similar to the Lean Startup methodology that people may have heard about, published by Eric Ries, where an idea for a startup is that startups should invest their time and resources into iteratively building products or services to meet the needs of customers so that they can test faster, reduce many of the financial risks of the venture, and either fail faster or succeed faster. They keyword is iteratively - incrementally focusing on what the customer needs and offering sort of a minimum viable product to prove that the business is viable. And that is pretty much what you did on Facebook.

Raj: Yeah.

Michael: And without getting into the specific example, because I want to ask you for that, I want to start at a higher level, Raj. What is the overall idea that you have used at least a few times on behalf of Oversee using Facebook?

Raj: So, I think really what it comes down to is: as most businesses, we all have a fair bit of ideas and things we think could be potentially successful business, or certain assets that we have, whether they be domains or other assets, that we are like: "Hey, could this actually be a viable business?" And I think there are two hurdles that you have to go through. And once is internally showing to the stakeholders that yes, this idea has legs, and then also getting kind of market reaction to what you are trying to do. And so, an idea on how to potentially do that in a fairly risk-free way is to leverage social media.

So, for example, go to Facebook and put up a page or create a business page that is the crux of what your idea is just to see if it has legs. And I think by doing that you are really trying to test: "Hey, is this something that resonates with users? And if so, is it resonating the way that we thought?" For example, we may have though that this idea was good for driving one sort of behavior,

but we are finding that what people really are interested in and what they are actually reacting to favorably is something else so that you almost can pivot before you even have created something.

Michael: Yeah, get high-level description, Raj, and I like that the two hurdles that you were talking about there with internally to stakeholders. Yeah, if you are at a business like Oversee that is in the business of building websites or you are at AOL and you want to test the concept of a new portal, or here, in Seattle, I Can Has Cheezburger, where they launch new blogs all the time and they test them, or you are an entrepreneur like me and you just need to make sure that your significant other is going to buy off on the fact that 'hey, we should invest in building out this website'. A great way to test it, and then of course the market reaction.

So, you have given a high-level overview. Can you name a few sites that you have done that for on Facebook on behalf of Oversee?

Raj: Yeah, and again, I think this personally predates when I got here too; is one area was back in late to mid-2010. In the travel space, the group had seen that there was a high demand for keywords around certain destinations. And these destinations were immune to seasonality. So, in travel, it is a very seasonal type cycle, where it peaks a couple times a year, and then there is down times, but there were some destinations that seemed to perform well from a keyword level throughout the year. And one of them was Vegas. Of course, because Vegas is a destination people go to for an occasion or whatever they are and it is not really prone to the cyclical downturns of other destinations, where you go to in warm weather months and so on.

So, what we looked at then was: "Okay, what do we have in our domains?" And what we found is we had a lot of 'I would rather be in' domains. So, I would rather be in Minnesota and I would rather be in Chicago does not necessarily resonate as well as as I would rather be in Vegas. And so, I think the group that did this initially said, "You know what? This is something that could have legs in terms of I would rather be in Vegas," because of the aspirational nature of Vegas and how people often are just sitting at their desks on a Wednesday, being like: "Oh my gosh, I would rather be in Vegas," or talking to their friends about that. And so, the idea was: "Okay, let's test

and see if this is actually the case and that people will respond well to something called IdRatherBeInVegas.com."

Michael: So, what was the first thing that the team did?

Raj: Well, the first thing we did was the team thought about: "Hey, should we create a website around this? Should we merchandize some products? Should we do that?" And then, again, to the point of: "Hey, we need to get sort of validation, both internally and externally," I think that the simplest thing to do was maybe you put up a splash page or something, but you really try to focus on, in this case, Facebook, where we could throw up a fan page and really just gauge if we could get positive reaction to this. And I think that is the first thing that the team did; was throw up an 'I'd Rather be in Vegas' Page, and proceeded to figure out over the next few weeks or months how we could see if this is really kind of gaining legs.

And from there, there is obviously some tactics we did to initially seed it so that we could get some traction.

Michael: All right, so let me ask you about the seeding, but before I get to that, just in case there is an audience member that has never been on Facebook, can you explain what does it mean to have a Facebook page and what would you need in order to set it up to allow people to find it?

Raj: Sure, and so, again, I mean there is user accounts for Facebook, which individuals like you and I can have. And then, as a business, you can also claim your own space and it is very similar to how you claim your own space in the domain world. You go in and say I want to create this space, and you name it X, and it is classified different than a user page. It is classified as a business page. And from there, there are templates on which you can create that, whether you call it a storefront or whatever it is, to showcase your page. So, everything from images to copy and so on. So, think of it almost as a social homepage for your business. That is really what Facebook allows you to do.

I mean obviously it is a lot more advanced than that now, but a few years ago. It has evolved and even how their pages used to be then versus what

they are now, and they are obviously a lot more complex and taking feedback from businesses on kind of what they would like for that.

Michael: Right. So, for example, if you go to Facebook.com/DomainSherpa, we have got our page and have got a banner at the top. And I have got an icon for Domain Sherpa, and you can read about the mission of Domain Sherpa, and you can see every single post that we make. So, essentially, you do not even need to go to the website.

Raj: Yeah.

Michael: Just like I'd Rather be in Vegas. You do not need to go to a website. You can basically have it all right there, and Facebook loves that because they make money not by selling you that space or leasing you the space, like domain name registrations or website hosting, but by the advertising that is displayed. So, they are hoping that you are really successful and you have a lot of people going to Facebook and visiting it so they can display more ads.

Raj: Yeah, I mean definitely Facebook is consciously also creating offerings for business in specific industries that they think are going to be high value. So, you will see that there definitely has been a push in the last few years around eCommerce. So, if you look at some brands and you go on there, they actually allow you to actually purchase stuff with a widget or an API that is directly plugged into Facebook so that you do not have to actually leave Facebook to do that. And I think that is smart, because brands and Facebook recognize that these conversations and these interactions are happening on Facebook. There is no need to force somebody to leave Facebook to go to your platform to do something when potentially you could bring your capabilities onto Facebook, which is maybe a little less friction than getting them out of a social-type environment where they are perusing photos of friends or doing other things and taking them off. I think, now, brands are being given the tools to have those capabilities within Facebook.

Michael: Yeah. As a media guy, or somebody in the media profession, I always look at it as you need to interact with your audience or customers in the way that they prefer to interact. And if somebody does not want to receive an email newsletter from Domain Sherpa, which tries to send them back to

the website so they can see it, but they are very active on Facebook and they want to like the Domain Sherpa page so that it shows up in their news feed, they should be able to choose that. So, I need to be available to them as much as possible. But what is your feedback when people are Oversee say, "Hey Raj, we have got a website. We do not have the resources to manage the Facebook profile and interactions, and the Twitter profile and interactions, and the Pinterest profile and interactions"? What is your response to that?

Raj: Yeah, I mean I think initially it is more you have got to keep the experiment and the pilot to a reasonable level of effort. So, for example, in a case like I'd Rather be in Vegas, it was more: "Hey, we are going to create some compelling initial content," whether it is we go initially and have really good visuals, we go and post some comments or facts, or bring up certain things that are happening in that city at that time. I do not think it initially necessarily needs to be a lot of effort to actually go and put forth. You have one person there, managing it and making sure that they are interacting with people. I think the biggest hurdle initially is obviously creating compelling enough content or posting compelling enough things that people will want to, first, read them, but also then share, suggest it to others, and/or like it.

And I think our approach to that was, like we mentioned about seeding, we really believe that it has to be a combination of your seeding it by getting your content promoted up front where people can see it, but if it is a valuable idea and has legs, will then take on a viral life of its own. And I do not believe you could just put something up there and then necessarily just like it or share it with your friends, and then all of a sudden it is going to go viral. I think you need to have an approach where you are like: "Hey, you know what? I am going to commit to - even if it is just a thousand dollars or whatever it is - really just get it in front of what we think is our demographics." And then, from there, you should see kind of that exponential viral factor that: "Hey, those people's networks will see it and those people's networks will see it." And that is really kind of how I'd Rather be in Vegas took off; is that combination.

Michael: So, right now if I go to Google and I type in 'I'd Rather be in Vegas', your Facebook page shows up first out of everything else in the world related to that search phrase. So, I click on it and I go to Facebook, and you have had

this page up for about three years. I can look and see that there is 164 thousand plus likes on it. 164 thousand people have clicked the like button and have affinitized with the I'd Rather be in Vegas brand, which is basically just a Facebook page at this time.

Raj: Yes.

Michael: So let's start from the beginning. When you put up the webpage and you go to Facebook and you sign up for a page, and it pretty much walks you through the wizard how to set it up. And then the first thing you need to do is put up some content. So, how did you decide what kind of content you should put up on that website?

Raj: Well, I think you have got to, again, put yourself in the mind of the user who is going to be looking at that content. And for us, why the original team that set that up thought that was really compelling was: "Hey, this is a very aspirational type name," and something that you want to appeal to people's emotional side of: "Hey, I am doing X, but I would rather be here." And so, initially that is really what we focused the content on; was whether it is: "Oh, would you rather be at the Mandalay Bay doing this than sitting at your cube," or, "Remember that trip you took," or, "24 hours in Vegas. What would you do?" Those kinds of things, where we thought that, especially with a demographic that is something that once people start commenting, whether it is a question we ask, whether is a provocative: "If you just had 24 hours in Vegas, what would you be doing," or, "Hey, we think the Mandalay and the MGM are the two top hotels in Vegas. What are your experiences?"

So, I think you are really appealing to the fact that this is a very niche targeted demographic that is passionate about Vegas. And what we were kind of not overwhelmed by, but kind of pleasantly surprised by is that there are a lot of people that are very passionate about Vegas and spend a lot of time in Vegas, or spend a lot of time thinking that they want to be in Vegas. And I think by putting visual content, so it has to be very visual, but also then having content that people can chime on it and give their thoughts. And everything ranged from going there in three weeks; cannot wait to oh, I love that hotel to oh, I wish I could get away and go there. And I think that only

works with, like we said, a certain number of destinations that resonate across not only the US, but just a worldwide base.

Michael: Yeah, and that visual definitely ties to a different part of the brain. It is not the analytical side. It is side that is like: "Oh, I can feel what the sun feels like," or, "I would like to be lying by that pool," or whatever the case may be.

Raj: Yes, definitely.

Michael: So, you started with some very visual content. You started by asking questions that elicited people's responses so that you had people interacting with each other. You mentioned earlier that you actually paid for ads on Facebook.

Raj: Yes. Well, it was more promoted content; I guess you could call it. So, it is like if we are posting something, we want it to get in front of a lot of eyeballs. So, it could be the exact same visual or the exact same question, but we would promote it so that people would then see it. And what we found with that is that is really where it started to kind of snowball; is once we started doing that, even on a very limited budget, within even a day or two we had twenty or thirty thousand people. It had gone kind of crazy after like a day or two.

Michael: Twenty to thirty thousand people after a day or two?

Raj: Yeah.

Michael: When you say a limited budget, what do you mean?

Raj: I would say you are definitely in the less than a couple thousand dollars.

Michael: Wow.

Raj: And I think it was more just hey, we said that we are going to spend this and we are going to see where it goes. And what we found is that yes, people will get a percentage of their people coming to be fans of their page from the

actual promoted posts, but really the majority comes from what happens after someone has looked at that or liked it from a promoted post. Then their friends or their network sees it and you get them to be fans of the page without having to pay for it. So, I think that is really what we found was the crux of it; is I do not think you can necessarily do that kind of big (Unclear 24:21.8) without seeding it with some money. But then again, if you look back on your metrics and you are seeing that all of it is coming from the promoted posts, that is also kind of signal that hey, maybe it is not as viral as you thought.

So, we saw the opposite where hey, for every one person that does look at the ad and we kind of paid for their eyeballs, three or four other ones are just liking it because of the network effects. And so, that was definitely key. So, seeding it was important for us to show that.

Michael: So, when I think about seeding, I think about seeding content because I am a media guy. So, you actually put content up, but you did not have any fans at the beginning, so you could not necessarily sell anything to advertisers who wanted to reach the audience. But by paying for an advertising campaign, promoting the posts across Facebook, getting people to like it, and then using the Facebook system of verality, then having their friends see what they liked led to more and more likes. I think you said in a comment on the last one you picked up over 100 thousand Facebook fans within a few weeks of launching the page. Is that number correct?

Raj: Yeah, it was close to that.

Michael: Wow.

Raj: And it was pretty much, again, because of the viral nature of it. I think also just summertime period and things like that. We did see a pretty big traction right off the bat. And I think the other piece of it is, again, because of the kind of universal appeal of it, of Vegas and that. That really helped. And I think what we started to see then is what worked and what did not in terms of when we did actually put content on the page.

Michael: So, I was just going to get your definition of terms. How do you define what works and what does not work? And then I want to find out what content that is.

Raj: Yeah. So, first of all, what works and what does not is initially, again, it is all about are we getting engagement with that content. And as a brand owner on Facebook, you can measure that through their insights tools and through other things, and the reach of your posts - how many people are seeing it. So, obviously there are those metrics that we are diving into, and the ones that are the most obvious are: "Hey, first of all, are people sharing this? Are they suggesting it or recommending it for others? And then, are we getting comments on it?"

So, if you look at some of the posts, you would get hundreds of comments on a post on a specific hotel or a specific event or specific question we would ask, and then on other ones you might not get as much reaction to. So, for us, over time, we kind of found our sweet spot of what that should be. And keep in mind: again, this is just something we are doing literally on the side and not necessarily devoting a bunch of man hours to, but we did see that: "Hey, you know what? This is showing a little bit of traction for us." And I think then, from there, it is like, okay, what type of content, like you said, is important. So, again, it was very visual content did very well and the metrics were suggesting they were shared. There were people that were commenting. Sometimes we would throw up something and say, "Where is this or what is this," and people would be like: "Oh, where is that? Is that on the Strip? Is that outside or wherever?" And I think things like that are compelling.

So, initially it was all around content and engagement, pretty much through 2011 and we were not really looking at it as much more than: "Hey, this is a nice thing that we can use and we can also cross-promote our other businesses through it," which we did do as well.

Michael: So when did you first introduce a revenue generating post on the Facebook page?

Raj: I mean, again, I think it probably came in 2012 actually, so about a year and a bit after we launched it. When I say revenue generating, I mean

external revenue generating. So, we had always put in stuff there that was for our own Oversee properties that we thought were relevant. So, whether it is: "Hey, looking to go to Vegas. Check out some good airfare deals and hotel deals," and direct them to our properties or parking in Vegas. And then the similar way: being able to say, "Okay, these are people who are fans of our Facebook page. We would love for them to become regular email newsletter people that we can then monetize and reach out to through some of our other offers as well."

But I think really in 2012 is where we actually saw interest and a way that we could bundle this into some of our existing travel partners as a way for them to reach a very targeted audience, because for especially Vegas, for example, a lot of our partners have deals or offers that yes, they are posting on their own social media pages as this our deal of the week or so on, but once we got above that 100 thousand likes page, then it becomes interesting to them as: "Hey, yes, we would love to get the reach of your audience." So, we saw it in 2012 really as more: "Hey, yes, we will do promoted offers for partners that are targeted to Vegas because it is valuable for us, but for the brand as well it is a very targeted audience that has already shown high intent that they are interested in Vegas." So, they tend to see better click-through rates and better conversion rates when they are in front.

Michael: Now, I remember there used to be a lot of interest around buying promoted tweets. This is before Twitter even offered a way to promote a profile or a tweet that somebody could pay me because I have got 100 thousand followers or whatever to say I like this product, and then you might put sponsored as a hashtag or mark it somehow. Does that happen a lot on Facebook, where people will come to brand owners - people that have a page with a large audience - and pay for some sort of promotion like that, and is that allowed in Facebook's terms of service to be able to sell advertising?

Raj: Yeah, on your page obviously it is like a storefront, so you can do what you like within Facebook's guidelines and policies there. So, if the question is: if we did not have already an ongoing business that was, let's say, in travel, I think it would be harder for us to actually get these advertisers on. I think the reason that we were able to start generating some sort of revenue from it was partially because these were potentially existing partners that we

were working with on a bunch of other of our sites and it is more of a: "Hey, why don't you also think about doing a little bit of this? Hey, if you are already advertising with us on email, why don't you think about Facebook as well?" I think it is actually harder for people stating up pages to throw something up there and then go out and reach out to a brand or have them come to you and say, "Hey, yes, we would love to be featured on this page." I think there is a little bit on its own maybe. Unless it is millions of millions of users, it might be not be as compelling for time and effort for an advertiser to come and do it. But if it is bundled in with other things, then I think it becomes compelling.

Michael: Sure, that makes sense. And since you already had the relationship with them, you could say, "Hey, we have 100 thousand people over here. Let's try it in a new campaign." So, it is a much easier sell because they know you and they trust you already. Now, was that sold initially or now on a commission-type basis? So, for everything that actually books, you get a commission of, or was it on a cost-per-thousand?

Raj: It actually varies. So, we have some that are kind of on a flat rate of: "Hey, we will do X amount for you every month and we will promote this with this regularity," and other ones are more on whether it is a cost-per-click or a cost-per-impression basis as well. So, we kind of have a varying amount. And other things we definitely are thinking about getting into are things more like co-branded sweepstakes and promotions, where a brand may want to say, "Hey, you know what? I would love to offer a free trip to Vegas for I'd Rather be in Vegas." And the criteria to enter are providing an email address that that brand can then market to later on as well. So, there are other ways that we are looking at creating repeat users out of that targeted audience.

Michael: Yeah, great idea. So, when you launched the page back in late 2010, and I think that is probably about where I became a Facebook user as well, and I liked I'd Rather be in Vegas and I liked Oversee and I liked Domain Sherpa. I used to have a news feed and it used to show me everything that I liked, because I liked those things and they should show me everything in it. One of the metrics that you mentioned, Raj, was reach of the post. If I post something, how many people liked it and how many people's networks saw

that, so that is the entire reach. Today, reach of a post is not the same as what is used to be back in 2010.

Raj: That is right.

Michael: Can you talk about that and how that has affected the experience on I'd Rather be in Vegas?

Raj: Yeah. I mean I think overall, as a product evolves like Facebook, you get to a point where it almost becomes for the user too much information to see everything. And I think Facebook realized that and now what you are seeing, through their algorithm, whether implicitly based on what you are looking at or explicitly Facebook does come by and ask you, "Would you like to see more posts like this and less posts like that, they are tailoring the default kind of news feed and that to more of your behaviors. But on the business side of it as well what they are doing is giving more. What has changed from 2010 to now is that your news feed - a large portion of that real estate - is now featured paying advertising. So, when you look at it, the three things: what a user is interested in, everything, and what we are getting paid for. The everything piece kind of falls off and they are really catering more to: "Hey, you have kind of shown us that this is what you look at every day and this is what people are paying for."

And so, unless you go into Facebook and explicitly tell them 'show me everything', by default the user is not seeing everything. They are seeing what Facebook considers more relevant as well as layered on with their posts. So, in our case, that is why it is important to have a steady stream of engagement. If you are a brand and you are posting once a month, or even you are posting more, but you are not getting the signals, then that is going to be fed into the people who are your fans. Yes, they are your fan, but you know what. They have not read your post, or commented on it, or liked it for two months; we are not going to show it to them.

So, I think what has changed in the game is really the engagement piece of it is now a signal to what gets shown in the news feed. So, you have to do a really good job of creating content and posting content that is actually engaging with people in order to see that reach now.

Michael: Yeah, and so that sucks for somebody like me. I post it on Domain Sherpa. I have interesting, intelligent, thought provoking, though leadership-type people come on like yourself, talking about something that not a lot of people realize. I post it on Domain Sherpa, where I have got a few thousand fans - people that have clicked the like button. And I think I look at it that a post will reach three hundred people. What is going on?

Raj: Yeah, and one thing is - and we kind of found this on I'd Rather be in Vegas - and kind of what has changed over the last year is initially it was us posting and then our advertisers. Well, what we have found is we have brands now who come on to our pages and will post their content that is relevant. So, a brand would be like: "We have a great deal or check out this great thing in Vegas." And that is what Facebook does allow you to do; is you do not necessarily have to pay for a lot of your exposure too. You can be strategic in the same way on Twitter, where if you want to get out in front of a lot of people, you want to be in front of or mentioned by influencers.

So, one thing to your point is I think what brands also have to do is not only maintain their own Facebook and their social presence, but also have that megaphone effect through influencers. So, while on Twitter that involves that influencer specifically going out and re-tweeting something that you said or replying to it, on Facebook, if you go to a brand that has a lot of engagement on their Facebook page and that brand allows you to post to their wall, that is a good way to get your content noticed. So, we have noticed people doing that on I'd Rather be in Vegas and some of our other properties, but it is also something that we will take care to do; is we will go and reply back to something that a resort or a hotel might say just so that we are out in front. So, when people come and look at that post, they will see: "Oh, there is I'd Rather be in Vegas and maybe I should go and like their page too."

Michael: Yeah, that makes sense. So, we talked about how fast you were able to grow I'd Rather be in Vegas. Within a few weeks or a couple of months you were able to get 100 thousand readers back in the early 2011 time period. We are now ending 2013. By the time this comes out it will be early 2014, and I see you at 160 thousand plus. 164 thousand fans. It does not seem to be growing at the same velocity that you were. Why is that?

Raj: For a couple reasons. One is I think that you have to maintain a steady stream of advertising and promoting posts in addition to your engagement to do that. And I think when we got to a certain point; we kind of stopped necessarily paying. We reached over 100 thousand. We were like: "Okay, let's just see where this kind of goes naturally." So, what you are seeing with the first 100 thousand was probably 20%, 25%, 30% of that being aided by promoted posts. And I think, for various reasons, in terms of at a certain point, we, as a company, said, "You know what? This is very interesting and very good," and we went back to the board and said, "Okay, as a business, what could this be?" And I think in all frankness, we saw that hey, this could be interesting, but because of the narrow scope, it is just in Vegas and kind of what is involved in that, it could not necessarily be as big of a huge business for us as some of the other things we wanted to do.

So, now it is a regular piece of our social media strategy. It is one of our biggest social media pages that we have. But it is not now necessarily a huge, huge revenue generating priority for us. So, part of it was where our priorities lay, and then part of it is I do think that over time, especially when you got into 2012, competition for eyeballs and people coming to your brand page got pretty intense on Facebook. And what I would say is that it is really the number is great. It is great to have a certain number of fans, but a large portion of a lot of brand's fans are not really engaging with that brand. So, while we do have a fairly high number, I do think the number is sometimes overemphasized rather than those metrics like engagement and other things like that. And I do think it is very easy for us to go back and say, "Hey, we do want to promote this a little bit more," if we would like to do that, but I think what we did is decide that: "Hey, I do not think to blow this out into a whole business is intriguing, but the cap on how big it could be by just being in that destination compared to some other things we wanted to do was a little bit not as big as what we would want."

Now, for an individual looking to do this, that might be a different criteria, but again, I think the only hurdle there then is the monetization piece on its own. Facebook as a monetization tool is not as compelling to advertisers unless it is bundled with something else. So, I think it is a good complimentary piece of a business, but I do not think it can necessarily.

There are very few businesses. There are some, but they are much more built out than just a page that are just built solely to monetize on Facebook.

Michael: Right. So, I understand that you looked at it from a business perspective and you decided that you have got bigger revenue profit producers than this right now, so you have not moved forward with it. If your business was different or let's say that if an individual did start something like this and they built up the following and they decided they wanted a full media presence. They just did not want a Facebook page because when they went to potential advertisers, they were like: "Facebook? You do not have a real website?" Whatever their course. Is it possible for people to extract email addresses from Facebook and then add them to a newsletter list for a Groupon-like website that they might build? Is that possible to do?

Raj: No, not directly. As a user, Facebook, with their privacy policy, you can get insights on the users and they interact with you on the Facebook page and you can market to them, but Facebook does not disclose those email address. Similarly, you have probably seen when you go to websites, a lot of them have the option to login with Facebook. In a similar way, those brands that are employing that - that is great because it gets someone to create an account and it is friction free, but the drawback is those are not your users that logged in and created an account with an email address and stuff like that. So, you cannot really message them directly.

Now, that is not to say that there are not other ways to get them and funnel them over to your list - to your user base - and that is what we do. That is what a lot of brands do; is once you build that up, you kind of market to them on Facebook. Incentivize them to say, "Hey, you know what? We love that you are our fan on Facebook. These are the reasons why we think it would be very useful for you to actually interact with us off Facebook," and give them some incentives to want to do that, whether it is a promotion or some sort of value in giving them exclusive offers and so on. So, that is what a lot of brands like we do as well.

Michael: Yeah, and there are third party software providers that provide that software that plugs into Facebook somehow that allows you to run a sweepstakes or a giveaway and requires people to give their email address.

And you would build it as: Join Our Newsletter List. Enter your email and your name here. Maybe your zip code. And we will enter you into a drawing for all expense paid trip to Vegas, or an iPhone, or whatever.

Raj: We do that as well. We work with those third party providers. We run quarterly promotions and sweepstakes with them, and we are able to then generate users that we can cross-market with our other properties. And like you said, we did not necessarily go full steam with I'd Rather be in Vegas, but we did try it on a couple other, especially one other destination, Hawaii, and we felt that was another one that resonates very well. And again, that one has around 100 thousand fans as well. I'd Rather be in Hawaii. So, again, I think we think that it is a very compelling and a really good engagement tool for us, and it does in a lot of ways help us generate incremental revenue, but also get some of our other brands out there. And I do think, again, it is something that, because it is so targeted, from a brand or advertiser perspective, it is another kind of thing that we can offer to them in our arsenal of when we are going to try to bundle up some campaigns for them.

Michael: Right. Yeah, it makes perfect sense. Have you actually developed a Facebook page as business hypothesis to test it, to try and monetize it, to understand customer engagement, and then developed and launched a full website after that?

Raj: I would say probably not after it, but I would say while in development yes. For example, our latest incubated effort here at Oversee was Wander We, which is really about two to four-day short trips within 500 miles of your home. And we just kind of officially launched that in November, but we were doing some trials and some betas for the last six months. But one of the first things we did was we definitely put up a Facebook page because what that helped us do was, first of all, see if the concept had some legs, but we used it also to test out what type of content and what type of destinations people feel were compelling for these kinds of getaways. So, it kind of helped us. We knew we were going to launch this business, but it did help us in a way to figure out from a content perspective and what is engaging what people want to see and read based on posting a few things a week. We would say these ones got a lot more engagement than those ones.

And again, on that one, it has only been out a month or two. We have not really promoted it from a paid perspective that much yet as well, but there we are actually using it as a: "Hey, we are going to be launching this in a few months. Let's put it out there to see what people are engaging with." But also, before your product is out there, it is something you can point to for people to come and say, "Hey, stay tuned. This is coming out," because when we did launch, it was very easy for us then to have people market it to a built-in base there. So, for us, it is from a pre-launch perspective. It is really not just Facebook, but Facebook, Twitter, Pinterest, and other things; is building up a base that when you are ready to go out, not only do you have your web property, but you also have these other outlets that you can then market this to and say, "Hey, we are here. Come check us out."

Michael: Yeah. I love that concept and I just want to put in my own words so I can internalize it. The fact that the velocity of the trial - the speed of the trial - is much quicker on Facebook. If I post something today, I am going to get immediate feedback from my network within 24 hours, of the people that actually follow me or that it shows up in their list. Whether they like it, whether they share it, or whether they post a comment on it, much faster than if I were to build a website, try and get somebody to subscribe to a newsletter, wait for the search engines to index it and have it show up in search. It is just a much different way to interact with people and it is much faster to get that feedback.

Raj: Definitely.

Michael: So that is a great point that, in the development of WanderWe.com, you used those in conjunction in the development to be able to narrow down the offerings that you would make. So, great example. And that is WanderWe.com?

Raj: Yeah.

Michael: And I have been to the site multiple times. I think it is a beautiful interface. It is responsive. It is a great site, so I recommend people go check it out and type in their own address and see what kind of escapes there are around them.

Raj: We are coming to the Pacific Northwest soon, so we will be there.

Michael: Nice. Yeah, I think I typed in LA, because I used to live down there, and looked at what was around. So, will this business hypothesis and testing system - we know it works on Facebook. Would it work on Twitter or on Pinterest, or another social network?

Raj: I would say it is very difficult probably on Twitter, just because of the limitations you have both from a real estate or a space standpoint, but also from the fact that it is not very visual necessarily as much. I definitely think Pinterest because of the visual nature. Especially, again, using the example of I'd Rather be in Vegas and I'd Rather be in Hawaii. I think what Facebook is good at - and Pinterest too - is what I call upper funnel validation. So, from an inspiration, from a discovery, from that piece, does this resonate with the user? And if you have ideas that are you do want to get that: "Hey, is this something that people get excited about, is compelling about, and appeals to their emotional side," then Facebook and Pinterest, even probably more so is very in-tuned to that.

If you look at a lot of the latest statistics, Pinterest is actually a much more effective marketing channel for eCommerce brands than Facebook in terms of turning into actual purchases. And a lot of that is because of how much even more visual Pinterest is and the nature of pinning 'hey, these are my favorite shoes' and these are whatever. Brands find that those translate very well from: "Oh, I really want this to." And there are certain industries where it just definitely lends itself, whether it is Facebook or Pinterest. Well, Twitter is harder because of the nature of how you can do it. Of course they are starting to do more stuff with video with Vine and other things with visuals, but I think definitely from an aspirational discovery piece of the marketing, Facebook and Pinterest are really strong.

And now even more so with Facebook what you are seeing is Instagram, who are going to be introducing tools for businesses as well.

Michael: Yeah, so definitely I am hearing you say visual over and over again. Visual, visual, visual. So, my next question is: what kinds of industries or

products or services does creating a test account in Facebook or Pinterest or Instagram work well for? Clearly it is working for Wander We, where you can show visuals and I'd Rather be in Vegas, where you can show the top of the Paris hotel or the roller coasters or people can guess where something was taken. Would it work with domain names? Would it work with my mobile pet salon that I have here in town? Would it work with a newspaper?

Raj: Yeah. So, again, I think it would work. For example, travel definitely works because of the visual nature and all that. The other industries. It does seem to work fairly well for retail. For example, whether it is electronics or gadgets, or beauty products, or shoes or clothing, where you need to look at it and see: "Oh, that would look good on me," or, "I would really like that." It tends to work well in those industries. Again, for example, you mentioned pets. I think that is actually a very - if you notice Facebook and even Pinterest, there is a very big category around pets and animals because of the emotional nature and attachment people have to that that brands, whether it is a Petco or whatever, can leverage that very well with the nice imagery that is also shareable content on its own. Even if you are not buying from, you are like: "Oh, this is a cute dog," or, "Look at this dog doing this." But then it also could translate to pet owners buying that.

Where it does not work - again, I am not sure, but again, I do not think selling car insurance necessarily on Pinterest or Facebook is necessarily going to do that sort of emotional response to it, or certain B2B products or things like that. So, I think you have got to pick your platform for what users are doing on that platform. And users are coming to Facebook and Instagram and Pinterest to really kind of a little bit escape and get away, and to be inspired and to daydream a little bit. And you kind of want to tap into that as a standalone piece of content, and then see if your brands resonate with those users as well.

Michael: Yeah. All right, so here is the final question for you, Raj. Clearly you are thinking about different ways to test the business and grow the business, and you are into the online travel space. What other experiments are you looking at or are current doing to potentially grow the business in the future? Any other secrets like building out a Facebook?

Raj: Yeah, I think the other pieces that you could look at too involve really - and again, this really just depends on how much resources and stuff you have, but right now I think it is the melding of the online and the offline. So, we have got to a point of where now people are doing a lot of stuff that has migrated online and now it is happening solely online, whether it is conversations or interactions. I think what you are seeing now is people wanting to actually interact with people in real life as well again now. So, you are seeing the melding of can you do something on Facebook or Twitter or Instagram or Pinterest that ties into a real life meet up or a real life event, or something like that.

So, I think if we are looking to experiment, even with Wander We down the road, which is very focused on a local type trips or trips close to your home, it is: "How do you tie in your online marketing to something that is tangible where people can come and interact with the brand offline as well?" So, I think, in 2014, you will start to see kind of more of those types of experiments of like how do we bridge that gap, because I think there are things that you can do, leveraging online, to build kind of a buzz offline in real life meet-ups or events, or hey, come along with this trip with Wander We to this destination. We will all be there and we would love to get your feedback and how you like it. And then, again, it has created a story online as well.

So, I think those kinds of hybrid experiments are really what we may try next.

Michael: Excellent. And on that note, Raj, because I consider that to be a softball lob to me, your sister company at Oversee, Domain Sponsor, is the lead sponsor of DN Seattle, DomainNameSeattle.com. If you go to DNSeattle.com, it is a meet up that we are organizing on January 30th at the top of the space needle. Three-hour meet up. We are going to have a speaker, learn something, do a lot of networking and a lot of socializing. It is going to be a fantastic event. If you are in the Seattle area or you want to travel up from LA to the Seattle area, Raj, you are invited to be my personal guest at the event. And it is going to be a phenomenal event. Dwayne Walker is going to be co-MCing the event with me. And to your point, if you want to bring the online a little bit offline and meet some people, that is the way to do it.

Raj: Yes.

Michael: If you have questions for Raj about prototyping and testing business, and some other questions that I did not get to in this interview, please post them in the comments below the video and we will ask Raj to come back and answer as many as he can. Raj, if someone wants to contact you and say thank you for the insights and the ideas that you have given them, because maybe you have saved them money or maybe finally they have a way to test an idea that they have been wishing they could try for a while, what is the best way for them to connect with you?

Raj: Probably just by email. RBeri@Oversee.net. I will definitely respond to that very quickly.

Michael: Excellent.

Raj Beri, Vice President and General Manager of the Online Travel Division at Oversee.net. Thanks for coming back on the show, sharing your knowledge about domain names, website development, business testing, and thanks for being a Domain Sherpa again.

Raj: Thanks a lot, Mike. I have really enjoyed it.

Michael: Thank you all for watching. We'll see you next time.

Watch the full video at:
http://www.domainsherpa.com/raj-beri-prototyping-interview/