

Finding a Niche in a Crowded iPhone App Marketplace

Tim: Lukey, Lukey, Lukey. Now, hello listeners and welcome back to whatever number episode this is of Small Business Big Marketing.

Luke: I think it might be number ten actually.

Tim: Number ten. Now, before we push the record button, I just want to share something with you, because I said to Luke, should I start talking when we push record and should I start with, Lukey, Lukey, Lukey, and what did you say, Luke?

Luke: I sort of suggested that I'm not really comfortable with that. But, you know, maybe it's becoming the call sign of our show, something that we start with.

Tim: But you got a bit sad.

Luke: No, I didn't. No.

Tim: You did.

Luke: No, no.

Tim: There was a little twinkle in your eye saying, Tim, you're treating me like a child or...

Luke: No, not at all, no, no. And perhaps it's branding, Tim.

Tim: Well maybe it is but I want you to come clean with our listeners as to why it's touching a soft spot.

Luke: I don't know. I don't know. I don't know. It just doesn't sound right to me, but that's all right.

Tim: Well I don't think you're being honest.

Luke: No, I'm...I'm...I'm cool.

Tim: All right, well...

Luke: Let's get on with the show; we've got a lot to get through.

Tim: I'm sorry, yes, absolutely we have, we have. Don't tune out, guys, we will, we'll actually talk some very smart marketing ideas...

Luke: Yeah.



Tim: ...for small business.

Luke: And we'll settle this argument later.

Tim: Correct, correct. And if you've got a point of view, just send it in.

Luke: Yeah.

Tim: Luke?

Luke: Questions@SmallBusinessBigMarketing.com.

Tim: Yes, correct. Hey, last week's episode, Luke Harvey-Palmer, personal branding, went down a treat.

Luke: Yeah, there was a lot in that and we've certainly had a lot of positive comments about it. So if you haven't listened to the episode...

Tim: Yeah, do.

Luke: ...go back and listen to it, there's a lot of good material.

Tim: There was. It was like a...it was very juicy.

Luke: It was.

Tim: A bit like a big fresh orange off a tree. And, you know, one of the things, one of the major things that came out of it was this question around so what do you do, yeah.

Luke: Mmm.

Tim: And it got quite a bit of discussion, I did a little YouTube video on it, we got some feedback on email about, gee that's an important question to ask. I've had people come in to me on Twitter saying, hey, this is what I think I do, what do you think about it. So we might just quickly revisit that notion of, you know, the question is what do you do. I'll give you an example, I presented to a bunch of jewellers earlier this week.

Luke: Yes.

Tim: In a workshop environment, and I challenged them to answer the question what do you do and they all said, well we're jewellers.

Luke: We make jewellery.

Tim: We make jewellery, diamond rings in fact.

Luke: Yep.

Tim: But, you know, that is the kind of rational answer and I said, look, spend five minutes thinking about what you really do, you know, what benefit do you give to your prospects and customers and

after five minutes they were coming back with stuff like, oh, you know what, we make family heirlooms or we make people feel special. And all of a sudden their whole mindset changed around what it is their brand does.

Luke: Yep.

Tim: Yeah, so that was kind of nice. In terms of what I do, I say when people ask me...

Luke: What do you do, Tim?

Tim: I'm glad you asked, Luke, I make...I show businesses how to be so irresistible that it makes competing with them less desirable. Hey? Oh, right.

Luke: I'm not sure whether to shake your hand or vomit. But that's a good one, I like that.

Tim: Oh, thank you, thank you. Still I don't know whether to believe you anymore. But what do you do?

Luke: I help businesses market themselves online.

Tim: Okay, okay. I might vomit, I mean, I might shake your hand. Okay, so, listeners, just I think it's a good exercise to do is to ask yourself what do you really do, move away from the rational job description of what it is you do and think about it in a kind of emotional benefit driven way. Let's move on, Lukey, what else have we got?

Luke: We've got some...well a listener question...

Tim: Yeah, it's a good question.

Luke: ...at the end of the podcast. And it's about Twitter accounts.

Tim: Should I have one, should I have two.

Luke: Should I have two.

Tim: Should I have three.

Luke: Should I have three, yes. So we're going to answer that later on.

Tim: That's sort of a personal versus business question.

Luke: Correct.

Tim: So today's guest.

Luke: Today's guest.

Tim: Dave Curry.

Luke: David Curry.

Tim: Dave Curry. Dave Curry is an iPhone application success story.

Luke: Yeah.

Tim: You know, we would...I was going to use guru or expert but I know he doesn't like that.

Luke: No.

Tim: And the fact is he is a success story.

Luke: He doesn't profess to be a guru but he has found a niche.

Tim: Correct. He has found a niche and ripper niche. And Dave is going to share with us how he went about doing it. Interestingly enough, you know, I'll just go back to this jewellers' conference I was at the other day and they hadn't heard of iPhone apps, or not many of them had...

Luke: Yes.

Tim: ...and I...

Luke: And how did you explain to them what an iPhone app is?

Tim: Very good question, I was going to ask you to define one. Basically it's a little application you can put on your iPhone that, gosh, you know, can...there's an application for pretty much any...

Luke: Yeah.

Tim: Anything.

Luke: There's thousands, if not hundreds of thousands.

Tim: Yeah, yeah. Weather, games, you know, money, lifestyle, music, whatever it is, there's something you will find...and in fact I said to the jewellers, look, I did a quick search on iTunes, found an iPhone application for diamond jewellers. And what it was, it was amazing, it was like pick your diamond ring...pick your stone, pick the ring or the band, take a photo of your hand and then put it...actually positions...

Luke: Superimpose the ring on your...

Tim: Yeah.

Luke: To see what it looks like.

Tim: Yeah. And then at the end, once you'd found the ring that you liked, use Google Maps to find out where's the closest place to buy it so.

Luke: Brilliant.

Tim: It was brilliant.

Luke: Absolutely brilliant.

Tim: Very clever. So...

Luke: The disappointing thing about iPhone apps is that if you think you've come up with a new novel app, think again.

Tim: Yeah. Yeah, yeah, yeah, it'll be out there.

Luke: Yeah.

Tim: Yeah. But that's not a reason not to have a crack.

Luke: That's true, that's true.

Tim: Because they are...they're a relatively inexpensive thing to develop.

Luke: And you can always...there's...or you can always compete in the marketplace.

Tim: Yeah, correct. Just be better than the others.

Luke: Correct.

Tim: You know. So Dave Curry, iPhone app success story. The iPhone app that he invented is called Haircaster. He's going to explain what that's all about and we first started by asking Dave how he came up with the idea.

David: Basically I'd worked in advertising for the last 20 years and a lot of that involved developing new products or being involved in the development of new products and looking at how you market them and so the business I'm in now is actually video production, not iPhone applications, but like a lot of people got an iPhone and the temptation of making an application was too great. But what we did is we took a strategic approach to it, applying some basic marketing rules and...

Tim: Which were?

David: Well essentially that...looking for a gap in the market essentially was the trick because it's one thing to think you want to have an application but there are, at last I heard, over 50,000 applications.

Tim: Wow.

Luke: Wow.

David: And almost anything you think of you dial up on iTunes you'll find not only one example, it may be four or five and some of them are free. So you could spend a lot of money and a lot of time, or waste a lot of money and a lot of time, just coming up with something or reinventing wheels that have already been invented. So we took an approach which was to try and identify a gap in the market. And I guess the first big step on that one was looking at who are iPhone users and I guess the big break or the big

thing that we discovered was that, which was a surprise to us, is that more than 50% of iPhone owners are women. In fact in the US...

Tim: How did you find this out? There's...

David: Well...

Luke: Have you had those statistics...

Tim: A quick bit of research online?

David: Yeah, well I mean to be honest with you, that's all it was.

Tim: Yep.

David: And it's amazing what you can do online now.

Tim: Absolutely, absolutely.

David: And it really was...I mean, you've got to be wary of what you find online but we went online and basically asked that question of Google and you can verify it once you see two or three different sources confirming the same thing. And we were actually surprised by that so we did look into it a bit more but definitely in the US, which was our first market, more than 50% of iPhone users or owners were women. So when we looked though at the applications it seemed that most of them were either male oriented, action games and so forth.

Tim: Fart sound effects.

David: Fart sound effects.

Tim: Very big.

David: They were either male oriented or kind of gender neutral but not a lot, although there were plenty, there weren't that many that were aimed specifically at women. So that was really, you know, and that just came from sitting down and looking at it strategically rather than thinking what do we want...

Tim: Yep.

David: Or a crazy idea that's come into our head, but rather, first of all, before we even started to think about an application, look at where there might be gaps in the market which is...

Luke: Find the need first.

David: Yeah. And, I mean, that's the same sort of principle that, you know, you'd apply with a big marketing company looking to launch a new product versus...

Tim: Yeah, but how many people don't, how many small business owners just go I'm going to buy...you know, it's like I was saying to someone the other day, I live in a little...kind of my shopping centre is a little village. There's like 11 real estate agents and a shop came up for...a vacant shop came up and there's ten hairdressers, there's now 11 hairdressers.

David: Yeah.

Tim: It's like at what point did someone realise that there was a need, am I missing something, like is there a massive need to get haircuts where I live or...don't say anything, you're looking at my do as if it needs a shoe. You wouldn't put a shoe on a do, would you, really?

David: I think one of the traps you fall into is that when you're thinking of new products, it's all too easy to base your thinking on those things that you already know or something you've already seen or a minor variation...

Tim: Yeah.

David: ...of what you've already seen and so if you just put yourself through the process of looking for what the gaps in the market are, that really does help you think about it in a different way and at least focus your energies on something where there is actually a gap in the market.

Tim: Lukey.

Luke: Tim.

Tim: We've just stepped out of the studio for a minute and we want to talk about Dave.

Luke: Behind his back.

Tim: Behind his back. No, look, David...I've known David for many many years and he is a very very considered middle aged man, and that's what I love about him. He has really...

Luke: I don't think you needed to add middle aged to that, Tim.

Tim: Well he's not young, he's my age. Have a guess what that is. So the thing is, you know, he is considered and that's a very very wonderful talent, and I've said this to him before where it's like, you know, some of us shoot from the hip and go for an idea and hope to God that it works, others put the research in and really roll up the sleeves and put the time and effort in to establishing, hey, is there a market there, you know.

Luke: Yes.

Tim: And that's what Dave's done. And you've got a wonderful idea for those of us, and I'll put myself in the shoot from the hip basket, but what's your idea?

Luke: I'm going back to a couple of episodes previous there were some tips on how to find what people are asking for, (10:51) but I do have a great little product that I found recently that helps you do

research on essentially keywords, so what people are typing into a search engine and it's called Market Samurai.

Tim: We'll whack it in the show notes.

Luke: Yeah, we'll whack it in the show notes. And basically it allows you to put in...put in a keyword and then find similar keywords and find out how much competition there is for those keywords, how many other websites there are, how many people are searching on those terms per day, what sort of traffic you can expect to your site, so it allows you to do some basic research around a keyword term that people are searching for before you go and, you know, build a website or develop another product.

Tim: So Market Samurai is actually very good for, particularly if you're doing a Google AdWords campaign, but in terms of its application for an iPhone app...

Luke: Yep.

Tim: ...it's kind of like allowing you to key in a particular area, subject, topic and see how popular it is...

Luke: Yeah, correct.

Tim: ...and if there is a gap.

Luke: If there's a gap...because you can see...you might be able to see that there's a lot of people searching for that particular term or particular need but there aren't a lot of websites around it so in that way you'll be able to see something that's got high need but low competition.

Tim: Cool. Okay, well we'll put Market Samurai in the show notes and we'll sneak back into the studio and pretend we were never gone.

Luke: Back we go.

Tim: Back to Dave. So you've gone and identified a gap in the market and that gap is in an area, and we'll share with our listeners now what that is, but it's not something that you've spent a hell of a lot of time kind of in the world of hair. Because that is what it's about, it's an application about hair, correct?

David: Yeah.

Tim: So interesting that you haven't gone, oh well, you know, I'm going to develop something that I really love, you've gone and identified something that you think a lot of other people will really love.

David: Well basically, yeah, what we did is, you know, having found...the application is...

Tim: Yep.

David: It's called Haircaster. And basically the application's a very simple one that uses the live weather data that the app pulls off the Internet at no cost, and it analyses that weather data and we can get it for

any postcode area in the US, so essentially any suburb in the US you can dial in and it pulls the weather data including wind, rain and humidity and runs it through a formula that we developed and forecasts...

Tim: An algorithm.

David: An algorithm. And...I didn't even know what an alg...I couldn't...

Tim: No, I don't...I still don't...

David: And now I'm writing them.

Tim: Are you really?

David: Yep.

Tim: I still don't know what one was but I knew it was an algorithm that you'd developed is, anyway go on.

David: But you dial in your location and it just pulls the live weather data and gives you a readout on a simple scale that tells you what kind of hair day you can expect and for, you know, for most women will be familiar with the concept of a bad hair day or a good hair day.

Tim: Yep.

David: And it's basically affected by largely the humidity in the air but also the wind and the rain...

Tim: Yep.

David: ...play a role in it.

Tim: Wow.

Luke: Fantastic. So did you actually look at the science of bad hair as well?

David: Well...

Luke: You've said the humidity affects your hair, obviously you've looked into that.

David: Well we...I mean, again it was, you know, we have virtually no resources and not a lot of experience in that area, but it was...it's something that most women are quite familiar with and to be honest our research was consulting a few hairdressers, a few professional hairdressers, and they, you know, it's not a big mystery what causes a bad hair day, if the humidity is over a certain level and/or there's wind and rain, you know, there are well established combinations of those weather factors that lead to a good day or a bad day...

Tim: And out it pops the other end of the algorithm. Bang.

Luke: Did you actually...did you consider selling it to a hair care product producer?

David: Well that's our next, the next cause of action with this. What we decided to do, and I don't know whether we made the right decision or the wrong decision, but what we decided to do is first get it out there and I guess find out whether we were going to be successful or not and then get some...get it out there on a number of iPhones so that we could go to, you know, a shampoo manufacturer, or whoever it might be that's relevant, with a readymade pre-existing audience. So we just felt that that was the better approach to go down.

Tim: Okay, you developed an iPhone app, it sits on the iPhone, it sits on the Apple store, that's good distribution, it gets into, potentially into the faces of millions of people. How do people find you?

David: Well that's actually a really good question because, as I said, we'd done our homework on this application and we were pretty confident we had a good application and a gap in the market and all that sort of stuff, we put it out there, put it up on iTunes and, you know, I can tell you we were quite disappointed 24 hours later when we hadn't sold 100,000 and...but we realised pretty quick that...

Tim: Because at that point you've just got a product on the shelf, you know...

David: Exactly.

Tim: You know, like...

David: Exactly. And...

Tim: You need traffic.

David: And that's where we really learned the lesson about the need for publicity and marketing. Because no matter how good the application may have been no one is going to buy it if they don't know it exists. And when you've got 50,000 other applications out there you can't really rely on people just stumbling across it. So that's when we got ourselves together again and started doing some really...

Tim: You regrouped after 24 hours.

David: Yep.

Tim: You hit a pretty low point in the business.

David: Cancelled the, you know, down payment on the jet.

Tim: Yeah, that's right.

David: And...no, but we went back to doing some basic marketing and that involved a lot of hard work actually. It was many late nights of finding every blog we could to...

Tim: Oh, yeah.

David: ...to publicise it on.

Tim: Yep.

David: It was...

Tim: So what did you do there, just for our listeners who might not realise, but what did you do, what do you mean finding every blog to publicise it on, what would you...

Luke: Did you mean leaving comments or do you mean approaching the blog owner and saying, hey, we've got this product, would you like to chat about it or?

David: Both actually. Basically sitting down and again Googling hair care, hair, those sorts of things, and find...I mean, the thing there is it turns out there are hundreds, if not thousands, of blogs. So it's a lot of repetitive work just, you know, going after blog after blog, finding legitimate reasons often to make comments...

Tim: Yeah.

David: ...on the blog in response to an article or something that was going on on the blog that gave us an opportunity to drop the name of the iPhone app, hopefully to a relevant audience. The blogging was just one thing. We looked at...I mean, again we don't have major resources here so, you know, if we could...if we could have, you know, run a TV ad or got Apple to run our application, we would have been home and hosed, but we...that wasn't available to us so it was really what we could do ourselves.

Tim: Okay, listeners, we're just going to stop Dave there for a minute. Because it's a fantastic idea that he does share with us and it's an idea that all small business owners can do to improve their marketing, to improve your marketing, and it's a simple one, it is a time consuming one, but so many ideas for small businesses, I think so many good ideas whilst are not money dependent, Luke...

Luke: Mmm.

Tim: Are you listening?

Luke: I am.

Tim: Are you sure?

Luke: Yeah.

Tim: Okay. They're not money dependent, they are time, you know, they're...

Luke: Time consuming.

Tim: Yeah, they're time consuming. And that's okay. But Dave's idea of Googling, looking for blogs that are relevant to what he has to sell and then going and leaving comments and/or approaching the writer of the blog is just a really good idea. And you can get a lot of link back traffic.

Luke: Yeah, as long as you're leaving relevant comments and you're adding value to those sites.

Tim: Yeah. Yeah, it's not like buy, buy, buy, it's like...

Luke: No. Because quite often bloggers will review comments before they make them live.

Tim: Yep.

Luke: So if they're not contributing to their post...

Tim: Yep.

Luke: ...or to their website then they just won't publish them. So make sure it is relevant.

Tim: Yeah.

Luke: And, Tim, you've got some suggestions on if people don't have the time.

Tim: It's an...it's a suggestion, and it's a really good one, because I've been using it myself, so this idea of some of these time consuming marketing ideas, you could employ a virtual assistant.

Luke: Yep.

Tim: And I've come across a website, and we'll leave it in the show notes, I've been subscribed now for three months, got myself a VA and it is absolutely fantastic. This guy explains exactly where, in what part of the world you need to get a virtual assistant, why you need to get a virtual assistant, how you actually go about employing this virtual assistant and he talks about the concept of just get them full-time, don't get one project based, because it's actually incredibly incredibly cheap to employ someone full-time. And, no, it's not India guys, I know that Elance is a website where you can find many virtual assistants in India, but I really suggest you go and have a look at this website, we'll leave the link in the show notes, and all of a sudden a whole load of work may be taken off you by employing someone who can do it for you just as well.

Luke: Now, before we get lots of emails from VAs in Australia...

Tim: Yeah, yeah, yeah, yeah.

Luke: ...we're not necessarily suggesting that you have to outsource overseas. There's plenty of VAs within your given country.

Tim: Yeah, there is. And in fact there's some wonderful VAs in Australia, as I have been reminded on a number of occasions. But this is rollup the stuff...rollup the sleeves work, I should say, you know.

Luke: Yep.

Tim: You know, the virtual assistants, you know, locally for us I look to more for, you know, office, admin, kind of more stuff that I need maybe to talk to them...

Luke: Yeah.

Tim: ...on a more regular basis.

Luke: Yeah. And understanding of the local culture.

Tim: Correct, Lukey.

Luke: Yes.

Tim: So we'll go back to Dave and he's going to keep sharing with us this gold around iPhone apps. So at some point you had to open your wallet?

David: Yeah, we did but, you know, there wasn't a lot of money in the wallet but we were able to write our own press releases. And I heard one of your earlier podcasts when you were talking with a publicist...

Tim: Oh, yeah.

David: ...on that, and I certainly related to that, it was a matter of writing...

Tim: That would be Podcast Number 4, Luke, with young Flip Shelton, for listeners who haven't listened to it.

Luke: Yes, I think it was four.

Tim: It was. It was absolutely Number 4 and some good tips on...thank you for reminding us there, Dave.

David: Well one of the things she said, and it certainly resonated with us, what that you've got to find, if you're writing a press release, it's all very well to write it, but you've got to find what's in it for the journalist that you...

Tim: Yep.

David: ...think might take up your press release and print it or publicise it. And so what we basically did is targeted these press releases to all of the major cities in the US and composed a story around how that particular city ranked as a hair...in terms of hair days, you know...

Luke: Wow.

David: ...whether New York was better than Los Angeles, that sort of thing.

Luke: That's really cool.

David: And so we're sending it to papers in Los Angeles, or radio stations in Los Angeles, we framed it in a playing LA off against New York type of way, as something for them, something that we knew they'd pick up on and obviously do the reverse, you know, in other cities and...

Tim: So this is not based on massive scientific data, but you've somehow established that New York is a better hair day in such and such a month than LA and then got it out there.

David: Well we actually found that New York is better overall, which was sort of surprising, because LA is where Hollywood is based and all the beautiful people and so it was a bit of a surprise to us and hopefully...

Luke: The most liveable city hair wise.

Tim: Yeah, that's right. You wrote this...where did you send this press release, you sent it to every city in America to, what, to the local papers or?

David: Yeah, and again...

Tim: Daily papers?

David: I would love to have the contacts of, you know, and the secret email addresses and so forth which we didn't have, so we were finding the best points of contact that we could and literally going for sheer numbers in the hope that, you know, at least 5% of them or whatever are effective and...

Tim: Did you get some take up?

David: Well if you...it's a difficult thing to know. What we would do is we would try different tactics, whether it was Facebook advertising, blasting out some press releases or whatever and then the best feedback we get, keeping in mind we're in Australia and this is in the US, the best feedback we could really get was the sales of the application in response to, you know, a particular effort that we'd done. And, you know, if you Google Haircaster now, you get a whole lot of mentions of it across a whole lot of blogs and so forth, but it's very difficult to know for sure what actions came from any specific result...

Tim: So so far you've spent nights blogging and leaving comments, you have sent press releases out, the chequebook is still not out, the wallet is not open. Have you spent money promoting Haircaster and where?

David: Well the main place we've spent money is on Facebook. And that's, you know, Facebook is something that I think most people are familiar with. The area of Facebook advertising is actually quite interesting in that for relatively small bucks you can target literally tens of thousands, or hundreds of thousands, of people. But I think the beauty is you can actually target it very narrowly. So you can go onto Facebook and choose women in New York City between the ages of 18 and 35 if you think that's your target audience. And you can even narrow it down...

Tim: Good target audience.

David: Yeah.

Luke: Yeah.

Tim: Sorry.

David: But you could even narrow it down further to those that have iPhones.

Tim: Wow.

David: Or those that were...one of the strategies we tried was targeting women of that demographic who were...

Tim: With hair.

David: With hair. And who work for media organisations.

Tim: Wow.

David: So we could target people that worked at News Limited, for instance. And our hope there was that we'd hit some female editor who had an iPhone at News Limited who'd download our app and...

Tim: You know, one of the beauties of that strategy is there's not a lot of wastage. You know, wastage as a concept within marketing, for those who don't know what I'm talking about, is like you might run an ad in a paper of which 10% of the people who read that ad may be actually appropriate to buy your...suited to buying your product, but there's actually 90% who are not.

David: Yep.

Tim: What you're talking about is, I'm not sure if there's any wastage. I mean, sure there might be people who aren't interested in...who might not have an iPhone, I don't know, but it sounds like you can even target down to that kind of demographic.

David: Well that thing about wastage is particularly important when you're on a small budget.

Tim: Yep.

David: And, you know, we couldn't afford to waste 90% of our money in a general press advertisement, probably couldn't afford a press ad to start with and where do you run it. So we could...we could have blown our money very quickly that way. So we really had to focus on targeting our advertising and then doing everything we could to try and measure the affect of that which, as I say, is somewhat difficult, the sales were the best...the best indicator, we could see a bit of an upswing in the following few days.

Luke: Just want to have a quick chat about...

Tim: Isn't he considered, Luke?

Luke: He sure is.

Tim: He's a bit like you. He's very considered.

Luke: Dave was just talking about how he's found it difficult to measure, to basically measure his marketing activities and what he's been doing. And that is essentially because he's selling an iPhone app. iTunes doesn't give you a lot of analytics to measure things by, i.e., you know, how many people are

clicking through to the app from their iPhone or if they're finding it online. But as a small business with a website, it is easy to measure most of your online marketing activities.

Tim: Yes.

Luke: And even offline marketing activities. For example, if you've got a website you should have Google Analytics installed.

Tim: Is that easy?

Luke: It's easy for a web developer, it will take them ten minutes.

Tim: Right, okay.

Luke: So don't let them...

Tim: So checklist, one, call your developer, get Google Analytics installed.

Luke: Google Analytics to start measuring your activity online. So if you're doing, if you're doing traditional...I probably shouldn't call it traditional but if you're doing...

Tim: Offline.

Luke: ...offline advertising, make sure you include a unique web page to go to.

Tim: Yep.

Luke: So don't just say www.SmallBusinessMarketing.com[sic], say www.SmallBusinessBigMarketing.com forward slash whatever the campaign is.

Tim: Yeah, give it a name and then you know that people...and that's the only place that web address would appear.

Luke: Correct.

Tim: So that you know the traffic that's coming to that page is coming from your ad.

Luke: That's right.

Tim: Can I add something about advertising and it's actually in the first chapter of my book, and I worked in advertising for ten years so I spent a lot of time there and I have a bit of a go at it. I think advertising as a small business marketing strategy is really dangerous, and this is what I rattle on about in Chapter 1 of *Cha Ching!*, which is my book. And it's about the fact that there are so many variables involved in getting an ad right that it's scary.

Luke: Yeah.

Tim: And that's why big businesses pay big money to big agencies to get it right. You know, things like, you know, size of the ad, position of the ad, the content of the ad, whether it's black and white or colour, you know, how many times do you run it, do you run it once or do you run it 20. And, you know, the variables go on. So that's a little bit kind of moving away from what you were talking about, Lukey, but it is very close to my heart because I see too many small business owners who talk about, oh, I'm running this ad, you know, and don't know if it's working, don't know if it's not, you know. A famous quote from an old advertising exec was...or an old advertising manager is 50% of my advertising is working, I just don't know which 50%.

Luke: Which 50% it is, yeah.

Tim: Yeah. So, you know, yeah, I just think when I hear small business doing advertising, just alarm bells go off in my little brain.

Luke: Indeed. And one of the good tips that Dave has just given then is Facebook and how well he can actually target his audience.

Tim: Oh, yeah. How targeted was that?

Luke: It's incredible. Facebook...the Facebook (29:27) advertising is incredible how closely you can target your demographic so.

Tim: Yeah. Yeah, I'm actually just working with a guy, I've just asked a fellow out of Sydney to put a proposal to me who specialises in Facebook and Facebook advertising campaigns because I see it as a nice little kind of additional offer that I can offer my clients. Because, you know, not many people know about it, you know.

Luke: Yeah.

Tim: We know about Google AdWords, but less about Facebook advertising.

Luke: Indeed.

Tim: And just last statistic, or a statistic, 6 million Facebook users in Australia.

Luke: Yep.

Tim: Active users. Active meaning they've been on it in the last three months. So that could be underestimated, hey.

Luke: It's not necessarily for everyone.

Tim: No.

Luke: You've got to think about your audience and if that's where your audience is, advertise there.

Tim: Back to big David Curry.

Luke: Advertising on Facebook, so you'd need a website, wouldn't you, for people to click through to or can they go to some app page somewhere or...so did you have a web presence?

David: We have got one and I'm embarrassed to say it's actually only half done.

Tim: Under construction.

David: I mean, it's under construction and...

Tim: Having a blow dry.

Luke: So when someone clicks on a Facebook ad, where do they go?

David: Well actually what we had discovered before that, and probably it's part of the reason why we haven't completed our website, is that with iPhone applications, the best way to get them sold is simply to make people know it exists and most people know their own way of how you get an app onto your iPhone and it's either you do it on your computer through iTunes or now you can download them directly to your iPhone. So we...again it was just a matter of doing whatever is going to be simplest and so we made a decision that if we just put it out there, I mean, there's been over a billion iPhone apps downloaded...

Tim: Yeah, that's amazing.

David: So clearly people don't have a problem working out how to do it. The real challenge is making them know ours exists. So that was what we really focused on. And if you click on it it does take you...if you're on your computer, it does take you to...opens up your iTunes and takes you up to the site, which is pretty standard.

Luke: Yep.

David: But I'm pretty sure in a lot of cases if you don't have iTunes on that particular computer or you're at work or whatever, it may not work. And I don't think...it doesn't seem that that's what most people do. What they do is they...they know how to get an app on their iPhone, so really our task is just making them aware of it.

Luke: So it was basically a brand awareness campaign, yeah.

David: Totally.

Luke: Yeah.

David: Yeah, totally that's what it was. We didn't have to persuade...because we were targeting it so well, we knew it was something that our audience would be interested in, we didn't really have to sell them on it, it was more just making them aware that it existed.

Tim: Dave, to wrap up, clearly we got you in to talk about this because it's been a success and we like to talk to people who have done successful things with products and marketing, without kind of sharing all

your secrets, success, how do you quantify the success, how many apps have you sold, can you tell us that?

David: Yeah. We've now sold over 100,000. Well actually I need to qualify that, which is part of...one of the lessons we learned, is that when...we discovered by accident...we were experimenting with the price, what price should this be and now, you know, people are familiar with iPhone apps know they're very cheap, you know, and most of them I think are around the 99 cent mark.

Luke: Yep.

David: We went in high and in lowering our price, what we discovered is that every time you drop your price there are any number of blogs out there that automatically pick up on that and publicise the fact that application X has just dropped its price. So one of the tactics we used was to drop the price often to nothing, because going to zero seems to get the biggest reaction.

Tim: Yeah, funny that, a free beer.

David: And we'd do that for 24 hours and let the blogosphere latch onto that and spread the word and then jack the price back up, only to 99 cents so...

Tim: Yeah.

David: The other thing we were thinking there is that that also boosts or helps us with word of mouth, which is really what we're trying to crack. We figured if we could get enough out there, you know, like 10,000 or whatever might be the critical number, then you're going to have a natural sort of word of mouth, people showing others the application.

Luke: A bit of a tipping point.

David: So when I say over 100,000, thousands of those were free.

Tim: Yep, okay.

David: But initially success for us was getting our money back, which we did.

Tim: Yep.

David: And so now we're looking at extending it to other countries. At the moment it only operates in the US and we're looking at taking it to a manufacturer, a shampoo manufacturer or whoever might be interested.

Tim: Dave, we can only hope that every woman, 18 to 35 woman in the world, has a Haircaster app because...

David: Well I turn my...I mean, how many people are listening to this program, Tim?

Tim: Well we think...

David: If I can ask you that question?

Tim: Well you can, we think, look, at the last count it was in the hundreds of thousands. We're thinking it might have, I don't know, it could be millions but, look, we just don't know and we don't look because we just love doing it really.

Luke: Yeah.

Tim: Dave, thanks for coming in, mate.

David: Thank you.

Luke: Thanks very much, Dave.

Tim: Really good, mate, and a great story, a really good inspiring story.

Luke: Interesting story too.

David: Thanks for having me.

Tim: See you.

Luke: Cheers.

Tim: Lukey, what a ripper interview from Dave. There is absolute gold in them their skills.

Luke: A lot of good stuff in there.

Tim: Yeah.

Luke: I actually enjoyed listening back to this one a lot.

Tim: Yeah, I did too.

Luke: Yeah.

Tim: It's interesting, you think when you do the interview you think, oh gee, you know, is that interesting to our listeners, but you go back and you go absolutely, I hope it is.

Luke: Yeah, some good...yeah, we hope so too.

Tim: Yeah.

Luke: We'll be putting a few links in the show notes, so www.SmallBusinessBigMarketing.com, go to the interviews page.

Tim: Yep.

Luke: So if you want to see some of the links, they'll be in...

Tim: Yeah, yeah. The great one about getting a VA, great one about Market Samurai where they find...

Luke: Research.

Tim: Do their research, all that type of stuff. So, yep. Now, listen, a question, Lukey, from James Tappendin...

Luke: Tappendin, from James, and that's...this is in regards to whether he should have basically two Twitter accounts, one for personal and one for business. Tim, what are your thoughts on this?

Tim: I just think it's a really simple one, I know there's no right or wrong answer, my answer though is have a business account, and a personal account if you so chose. The business account is all about helping or providing information around your business, giving advice, tips and tricks, helping your followers with advice around what it is your business, product or service offers. Every now and then Tweet something personal in that business account to humanise it.

Luke: Yep.

Tim: And then have your personal account to do whatever you want to with.

Luke: Yeah, if you want to be hooking up with your mates on Twitter, yep, have a separate account for that and keep a business account separate.

Tim: Hey, James, thanks for your question. You can send your questions to questions@?

Luke: SmallBusinessBigMarketing.com.

Tim: And, listeners, thank you for listening, we know you're coming from all around the world. We have been getting emails from, gee, the Netherlands, the States, the UK, Germany.

Luke: Yes.

Tim: Everywhere. It's really good.

Luke: Yeah, it's been great.

Tim: It kind of makes it all worthwhile, doesn't it, Lukey?

Luke: We've got some...

Tim: Get a bit sad.

Luke: We've got some interesting podcasts coming up. We've got an online marketing consultant.

Tim: Yeah, yeah.

Luke: We've got...

Tim: And a real estate agent.

Luke: A real estate agent, yeah.

Tim: A really really interesting real estate agent story which...she's broken all the rules and as a result has become very very successful. So that's coming up. Thanks, listeners. May your news be good news.

Luke: And we'll catch you next time.

Tim: Seeya.

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