

Alejandra Slatapolsky of Scalto

Speaker1: [00:00:04] This is the Investor Connect podcast program. I'm Hall Martin. I'm the host of the show in which we interview Angel Investors, venture capital, family offices, private equity, and many other investors for early stage and growth companies. I hope you enjoy this episode. The Investor Connect is a 501 C three nonprofit dedicated to the education of investors and startups for fund raising. Please consider donating \$100 to the program to help others in their investor and entrepreneur journey. You can find the donate button on the Investor Connect org website. Hello. This is Hall Martin with Investor Connect Day. We're here with Alejandra Slatapolsky , co-founder at Scalto and host of the Biz of Wealth podcast. Scalto focus is to enable firms to jump ahead of the competition by designing all aspects of a truly scalable business the offering, the client experience, the brand and the communications and lead generation process. Alejandra , thank you for having me on your show and thank you for joining us today.

Speaker2: [00:01:03] Oh, it's great to be here.

Speaker1: [00:01:06] Oh, great. Well, where are you calling from today?

Speaker2: [00:01:09] I'm in Miami. I've been here for 20 years now, originally from Argentina.

Speaker1: [00:01:18] It seems like the startup scene is really growing well there now. What have you seen there so far?

Speaker2: [00:01:22] Yeah, it has been growing. You know, about ten years ago, I started being part of the fintech and the technology community. There has been a very conscious effort to grow the technology community here. The talks about being the Silicon Valley of the South or all of that positioning for the city have been coming along for many years now. It's just that the mayor, I don't know, I'm sure you heard of he's pushed to since the pandemic to really position the city in that way. And it has worked. You know, it's growing very fast. A ton of VC companies moving here, a ton of startups moving here, and a nice ecosystem forming that they have a ton of events, happy hours now and without the COVID restrictions, also a ton of gatherings are already happening.

Speaker1: [00:02:24] Oh, great. Well, Salt Lake is going well and it's great to see innovation coming around the world and to Miami as well. And it seems like you focus a lot on scalability and that's always a key topic for our startup founders, is how do you achieve scalability? That's what investors are looking for, is can the business be scalable? And so why should you focus on scalability right from the start when launching your company rather than maybe doing it later down the road?

Speaker2: [00:02:55] So I think that scalability is a mindset more than a strategy. So I think that whenever you design your business and whenever you actually work on your product offering and you go to market strategy, he has at first it's not going to be completely scalable, especially in service based companies. A lot of that happens. It's not completely scalable because you depend a lot on your human resources. But if you have an eye on a scalable model, then you can little by little reach scalability. And what I mean by scalability is going beyond your investment in the company, right? Having that capability with technology companies is pretty it's much easier in terms of like if you have, I don't know, a SAS or a platform, whatever it is, that type of product. Yes. It requires a lot of investment upfront, but it has sort of scalability built in it. Our work is mostly we call it scalability from a branding and communication standpoint. So we work on the business strategy. And for us. Working on the business strategy really means honing in on your value proposition, making sure you have a strong Y to enter the market, that you can really gather your team around your beliefs. After that, we work on your growth options and we really look at what's out there in the market and making sure that it's a fit, but it's not really trying to challenge conventional approaches. Challenges. What you are seeing a lot of the technology companies that we come across, especially startups, too.

Speaker2: [00:04:51] We like every single company I run into, they always have these same questions are like, Should I do B2B? Should I do B2C? Should I do which B2C? Where do I start? Right. And those questions are very important to address and try to go to market with one clear strategy. So that's why we say from a branding and communication standpoint, but we work on the strategy so that that translate translates into a very simple and very straightforward go to market strategy that can make a business scalable and go to market strategy is not only lead generation. So scalability is not only about lead generation. Most businesses forget the rest of the customer journey. And in the rest of the customer journey is where you actually found real

scalability. Technology companies or startups. They always think about the referral process. Right. But you've seen the the best apps. The best platforms are the ones that have the social aspect embedded in their value proposition. From the get go. They get referrals, they get you know, it's it's a it's a it's an easy process to get more clients. So I always we always work on that strategy and the whole customer journey because we have to find where. The leads are best fed into the process to grow. And it's not only and it's not always in the lead generation phase.

Speaker1: [00:06:42] Hmm. So can you scale up a service based startup? If so, how do you do that? It seem like that's a different dynamic than a product based one.

Speaker2: [00:06:52] Yeah. The service based startups are, it's, it's, I think it's a longer or harder process, but it's totally worth it. I can actually. A lot of what we do is around product ization. For example, we were working with a cyber security company and basically they're consultants, right? They come in, you want to you want to see what's going on in the company. You want to assess the risks and then implement the project like what you can do right to protect from future attacks. However, when we are able to. Explain the process in a way that the client understands, first of all, because, you know, making sure that the client understands your process is key and actually show the phases of that implementation that opens the door not only to. Close cleans faster because it's not just an open ended question or what can I do for you? But also to grow the literary relationship in the future. So basically we change the conversation from, Hi, I'm an expert. How can I help you to Hi, I'm an expert. This is the way you approach security in your company, and these are the steps we're going to take. So once you have that that's a basic of the basics of scaling, right? The the process y the process. Because that then feeds into the product ization. Why? Because each of you. Each of the steps of your process. You can become. A product and also can be automated or enhanced through technology. So each of the pieces, you go one by one and improve them with technology. And that way you can become you know, you will replace the human factor that you need and start enhancing it through technology.

Speaker1: [00:09:03] So what's the most common mistake people make when they start thinking about scale?

Speaker2: [00:09:09] They think it's about throwing money into it. Or about just growing. And those are the two biggest mistakes. Scale is not growing in scale. It's not solved just through feeding more money into the funnel. Because it's not that's that's not real scale. Scale is feeding less money and growing double. That's we had.

Speaker1: [00:09:43] Well, so so what are the main levers to focus on when you're trying to get that level of efficiency going?

Speaker2: [00:09:51] I always invite start ups to, you know, it's hard. You just start up, you're sitting there, you have you know, you have funding challenges. You have operational challenges. So. You have a ton of things that you have to solve for. But I always I put it this way so that founders understand is when you analyze your customer journey. You're going to find places where acquiring a client and maintaining it is cheaper. So it's always the case. So I say, sit down. Look at what happens to your client, not only from your awareness, but also your onboarding, your conversion. What happens with your loyalty? How many clients are you getting from referrals and none of that. Start trying to see. Start identifying the numbers. Where do you have the biggest fall? And identify what is it that you need to focus to improve that lack of conversion? Right. So if yesterday I was working with a client and we had a ton of leads. And that where cold. Abby dropped into the warm leads, which is pretty common. But then if we drop into the hot meets and I'm like, Wait. That. That's where I see the problem. I don't see the problem in the amount of leads you have. I don't see the problem in the drop from cold to warm leads. I see the problem in the warm to heart. And that's a common part of it. That's a problem in the way you're presenting your product in your meeting. And then what's happening with the clients that you already have? That's a huge one. I work at Financial Services. That's a huge one for financial services. What are you doing with the clients that you have? How you communicating with them? You know, fintechs are a little bit better, but still. What are you doing? What? What other offers are you getting to them? What are you. How you establishing the relationship? How are you doing? Customer service? All of that that builds into bigger relationships with existing clients.

Speaker1: [00:12:14] With sound like a big part of scaling is reducing churn and increasing retention and maintaining that relationship. How big a piece is that? Is that half of it? Or more or less, what do you think?

Speaker2: [00:12:28] I think it's at least half of it. I think that. Now more than ever. Well, there is for me, client experience. And loyalty are right now the biggest bang for your buck in marketing? Well, I don't know if you want to call it back. Some people call it marketing. Some people don't. But whatever. That's that's what brings the greatest returns. When you improve your client experience, you get more referrals. And it's just cheaper to acquire new clients. And you have a loyal client base. So the problem with most service based companies or startups, everybody, is that we are up against the mammoth of client experience, which are all the social media platforms or the big banking apps that are doing a good job. Right. So whenever you're launching your startup, getting to that level of user experience and client experience is hard. And I think that's that's that's the key. We're working with a customer service company. And we their they help other companies improve their customer service. And the reports and the the numbers there are very interesting because it shows how companies with good customer service are going that much faster than others. And that is just like asking yourself how you are frustrated with so many companies with bad customer service. Right. And some of them you stuck with. And some of them, most of them you're not.

Speaker1: [00:14:16] I've seen a lot of scaling companies with very deep rich metrics. I mean, they metric every step, every angle, every feature in such a way that you can get the big picture. But it is a lot of numbers. What's your how do you apply metrics to this scaling process? What's the right amount?

Speaker2: [00:14:37] I think I agree. I think it should be actually a combination of both. It cannot be all numbers because there is this richness, like when we do a customer journey analysis, for example, we interview customer service agents, salespeople, frontline, but also people from the operations side. So. There is a lot that you get from just talking to people that are going through the process of providing a service. Right. So there has to be a balance between the numbers. And the analytical and the psychological analysis of what's going on in the purchasing process, in the services process. So I would say 5050, honestly, you know, just, you know, analyzing messages that is that you cannot do with numbers. The way you're presenting your company. I'm a journalist, but I used to be a journalist. So for me, the way you write your emails, the way you write your push notifications. It makes a huge difference the way you communicate with your clients. It's not the same like to say, Can I help you? Then hell. It's

different. And the reason in fact, I know some companies measure that. I don't think in your startup phase you need to get to that. I think that in your startup phase, the best trick for scalability measurement and to measure your customer journey is just sit down with yourself in the you know, sit in the seat of your customer or your prospective partner, whoever it is, and really try to be analytical about how they're receiving your messages.

Speaker1: [00:16:41] Right. Well, so I always ask this question What online information source do you find most helpful in your work? You work with scaling applications. What do you find most interesting there?

Speaker2: [00:16:53] I get so much from so many places. Honestly, I. But I'm very careful about what sources I use. Honestly, also from a journalistic trade, I you know, I try to do only like recognized publications that I know that have journalistic standards, like New York Times, Wall Street Journal. I try not to. You know, and there's even some recognized papers that I. Don't trust to like. They will rehash whatever they find online because it's hard. But yeah. And what else? I read the scheme, which is nice. And a couple more every morning. But it's it's a mix of everything.

Speaker1: [00:17:44] Very well. You see a lot of startups in your have a finger on the pulse of what's going on in the tech world today. If you could start a business tomorrow, what would that business be?

Speaker2: [00:17:57] No. The one that I started. It's pretty cool, actually. I like it. We just started. I just merged with Carlito and it's pretty, pretty cool what we're doing and what we're building, so I wouldn't change it.

Speaker1: [00:18:13] Right. Well, in the last minutes that we have here, what else should we cover that we haven't?

Speaker2: [00:18:18] Just, you know, for startups, I think that. Focus. My main thing is focus on your passion. And when I mean your passion, sometimes it's hard to find it. So when they say focus on their passion, it's fine. What makes you happy or what makes you angry sometimes?

Because what makes you angry will drive what you're trying to do and solve for the world. And the rest, little by little, will come and try to avoid burnout. Try to make it a little easy to.

Speaker1: [00:18:58] That's good advice. Well, how best for listeners to get back in touch with you?

Speaker2: [00:19:02] Well I'm the only and 100th Topolsky in the world for now so if you Google me you'll find me everywhere Twitter, LinkedIn. And I'm pretty good at responding. So. Go ahead and contact me.

Speaker1: [00:19:15] Great. We'll put that in the show notes. Want to thank you for joining us today and hope to have you back for a follow up soon.

Speaker2: [00:19:20] Thank you, Martin.

Speaker1: [00:19:26] Investor Connect helps investors interested in startup funding. In this podcast series Experience, investors share their experience and advice. You can learn more at InvestorConnect.org. Hall. Tim Martin is the director of Investor Connect, which is a 500 1c3 nonprofit dedicated to the education of investors for early stage funding. All opinions expressed by hall and podcast guests are solely their own opinions and do not reflect the opinion of Investor Connect. This podcast is for informational purposes only and should not be relied upon as a basis for investment decisions.