# we are so lucky to be alive at this very moment

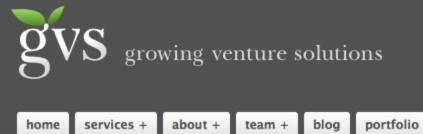
Fun with professional services and startups.

# Me

@greggles - Drupal Security Team, Cracking Drupal, greg@CARD.com

# You

Know some Drupal or want to know Drupal - maybe have ideas for running a "business"



Home >

#### GVS, Drupal Scout, acquired by industry leader Acquia

✓ NO minimum halance

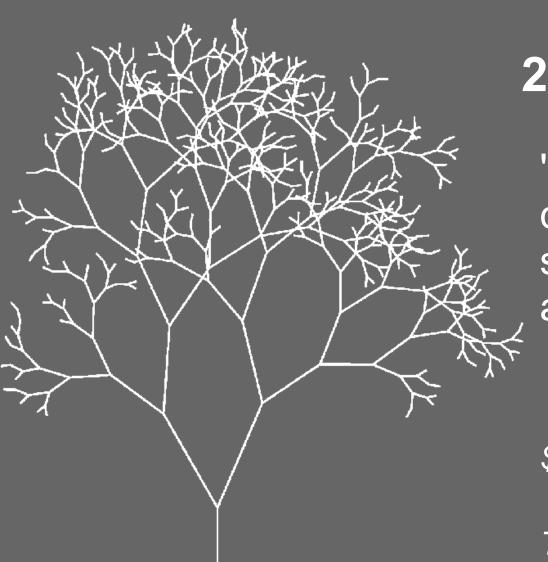
contact



Address 2

☆G▽

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#### 2006

"Bring power of dynamic websites to small businesses and nonprofits."

\$10/hour effective rate.

That was my logo.

#### 2006-2007

- RenewableChoice.com
- DoSomething.org
- PopSci.com
- (personal trip Spain, Argentina, Bolivia,...)
- Videos masteringdrupal.com

Larger dev team = more scale, challenge

# 2008 - Spaghetti business plan

- GVS hired some folks
- Support, Site building, training
- Libraries, Publishing, Government
- Tutorial sales
- SEO
- Security Book: Cracking Drupal Denver
- New York

   (hired Ezra, he's a nice guy, you'll like him)

### 2009 - More experiments

- UC Signup with Usability testing
- Telluride Bluegrass Festival Team discussions on what our focus should be -Music/Venue sites emerges
- Inquiries for security work
- Economist.com Site building
- IxDA.org project
- DrupalSecurityReport.org
- More hiring (Ben, Carl)



- Drupalcamp Colorado -> COD
- More security inquiries
- Economist.com
- CaliforniaClosets.com
- EVENTS EVENTS EVENTS
  - Drupalcon Chicago
  - MeeGo Conference
- Security Audits
- Hired Lisa Rex

# 2011: COD + Security

- Security Audits Drupal Scout
- COD takes off
  - Appcelerator
  - MeeGo



#### 2011-2012

gvs growing venture solutions	
home services + about + team + blog portfolio contact	
GVS, Drupal Scout, acquired by industry leader	er

Professional services gets easier with more experience. Pick a niche!

2006-2009: "We do everything for everyone"

2010-2011: "We are a focused provider with distinct brands for events and security."

Within 1 year of focusing, 50% of revenue came from those 2 areas.

#### **GVS** lacked

- Managers
- Sales team
- Marketing budget (far less than 1% of revenue, generally it was less than \$200/year)

http://lb.cm/open-source-process

#### **GVS Had**

- Everyone was a mini-manager
- Everyone was a mini-sales person
- 5% sales bonus, 5% project end bonus
- Bonus based on profitability
- 20% contribution time
- Camp/Con sponsorship budget
- Camp/Con travel budget
- Distribution: Conference Organizing Distribution
- Security Review module
- Issue queue

#### **GVS** measured some stuff

- Cash in bank + receivables
- Forecasted receivables based on contracts
- Individual hours (billable, client, overhead)
- Individual project profitability
- Twitter followers

btw. @greggles

#### Community Time for greggles

- Available Comm/Ed: -2.8 hrs
- Entered Comm/Ed: 467.5
- · Qualifying time: 2323.5 hrs

#### Recent time entered

Total: 0

#### Personal travel budget for greggles (2010)

Used in past 12 months: \$0.00 Difference from \$3,000 target: \$3,000.00

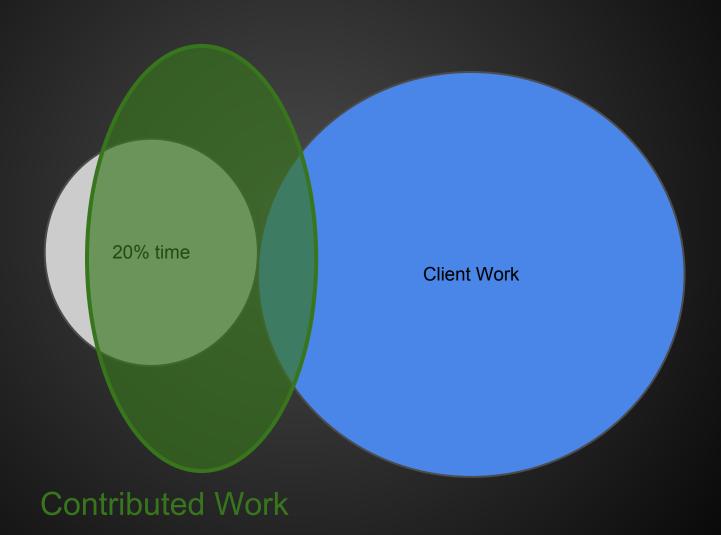
View travel budget deductions

## Why niche?

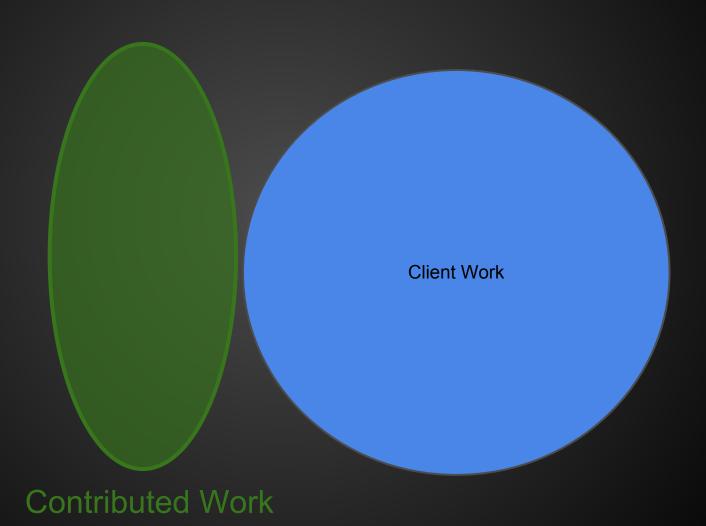
How many "Web design" companies exist?
How many "Drupal" companies exist?
How many "CA Drupal" companies exist?
How many "Drupal Event" companies exist?

How many "Drupal \$whatevs" companies exist?

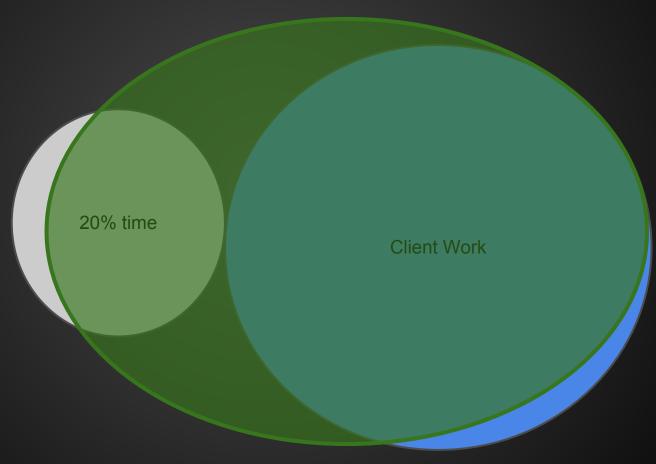
# Easier overlap of contrib/client



# "Bad" projects :(

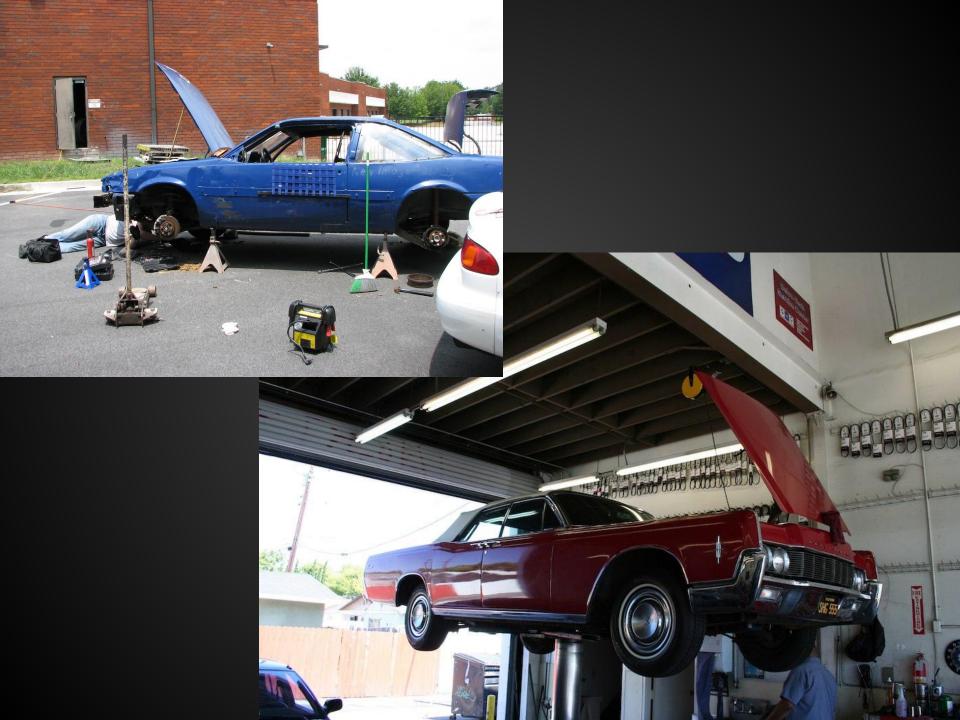


# **Great projects:)**



Contributed Work





## Why niche? Repetition has benefits

- Build a site in a new field
- Search for modules & install
- Find bug
- Find how to add feature
- Make patch
- Get feedback if it matches vision/architecture

VS.

Commit code to your module.

# cyrve.com/niche



#### Scratch your own niche

By 🧸 moshe weitzman - Posted on 🕞 31 March 2011



I'm sometimes asked about how newcomers should integrate themselves into the Drupal ecosystem. Here's my current answer, published for the world.

Unless you have venture capital sized dreams, your best bet is to focus on a Drupal niche. The good news is that plenty of niches are still wide open for the filling. Contact Moshe if you seriously pursue one of these. I'd like to participate.

**Our Process** 

**Contact Us** 



#### Sustainable. Distro. Model.

It is not harvesting unicorn blood...that is a monstrous thing, to slay a unicorn. Only one who has nothing to lose, and everything to gain, would commit such a crime.

#### Sustainable, Profitable Distro Model

- Professional Services!
- Higher rates
- Easier to win business
- Appcelerator:
  - Chose Drupal in part because of COD
  - We did work, contributed new release, bing bang

http://lb.cm/commerce-sustainable

### Acquiasition

- Wasn't our plan
- Different niches have different dynamics
  - Security is an enterprise sale
- Was a great experience
- Team got new jobs focused in their niche



Footnote to Sustainable profitable distro model:

COD at Acquia has lagged a bit while Ezra has focused on Commons.

That said, Commons is the first distro that *has* been upgraded D6 to D7.

#### Personal transition

Why I left a great company full of peers I respect with tremendous upside potential....to join another one...

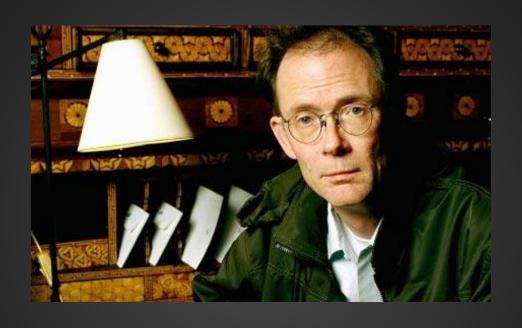
- Scale
- Product
- Give an upgrade to a tired industry

# CARD.com

Why?

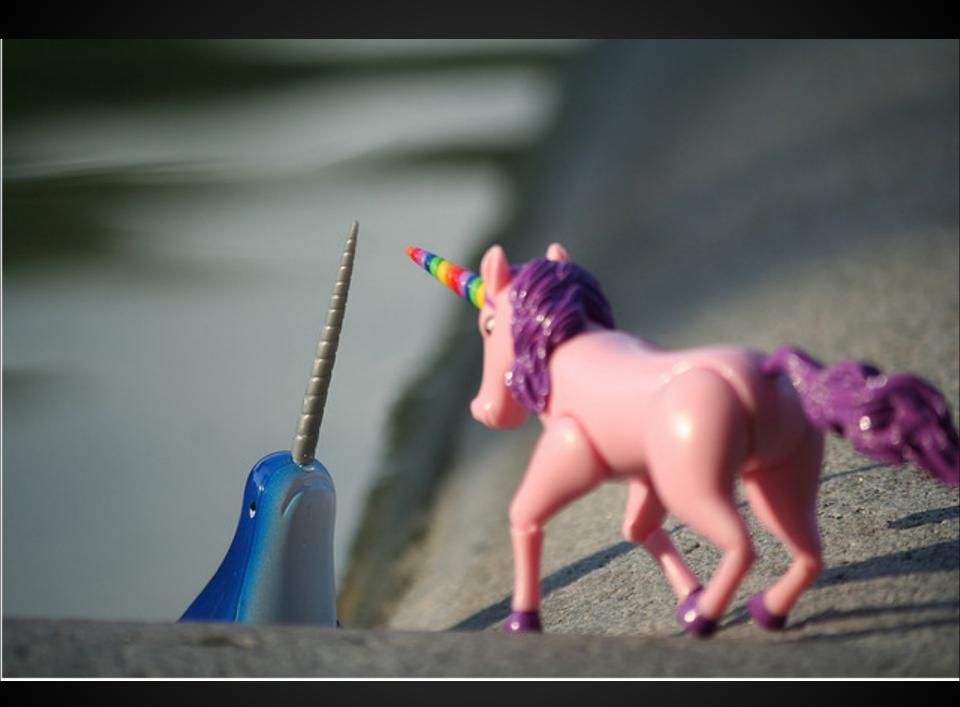
Raise your hand if you *love* your bank? Raise your hand if you *love* your debit card? Raise your hand if you *love* Drupal?

CWF+RTB - http://lb.cm/cwf-rtb



The future is already here — it's just not very evenly distributed.

William Gibson



#### What does the future look like?

- Easier to communicate ideas
- Easier to build website functionality
- Easier to integrate services

# we are so lucky to be alive at this very moment

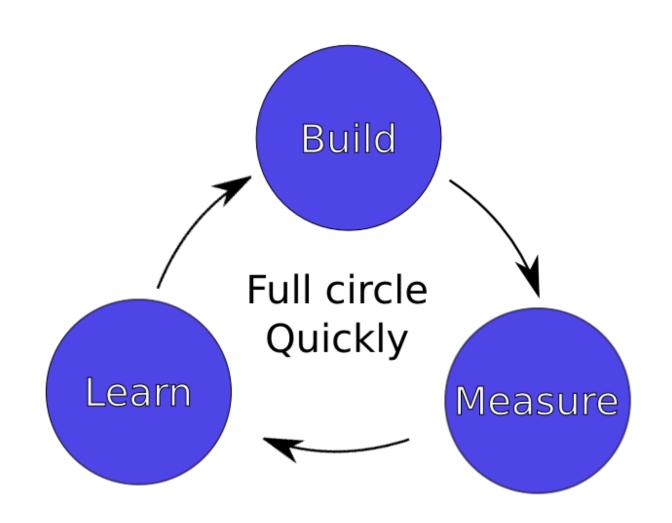
How Open Source, APIs & EDI let us (or you) disrupt dominant businesses paradigms to satisfy customers\*

# CARD.com

- From funding to cardholders in 3 months
- We think it's a pretty decent bank\* :)
- Open Source Software
- APIs and Electronic Data Interchange

<sup>\*</sup>Technically not a bank, but functionally we're pretty darn similar.

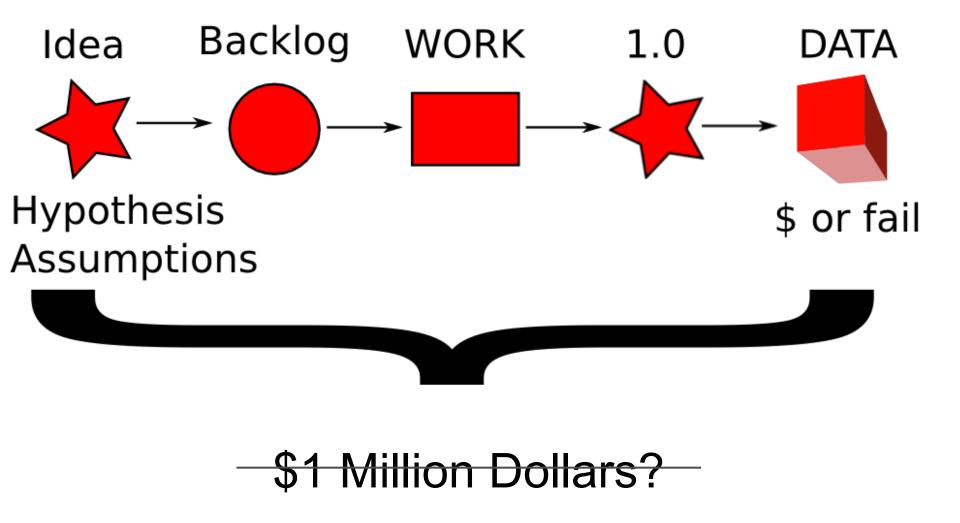
THE NEW YORK TIMES BESTSELLER



#### "Bank" Minimum Viable Product

### Lean & MVP - Customer Acquisition

- Basic landing page
- Get traffic (ads)



\$10 Million Dollars?

### Validate hypotheses, then polish



#### Features of CARD.com - Jan 2013

- Affinities card.com/druplicon
- Acquisition page
- Fee structure as good or better
- FDIC Insured
- Zero liability fraud protection
- ATMs worldwide
- Accepted everywhere Visa is
- Load money
  - Direct Deposit
  - ACH (bank/paypal)
  - Western Union (cash)
  - Card to Card transfers

### Doing A/B testing

Which is best?

Random cards Related cards No cards





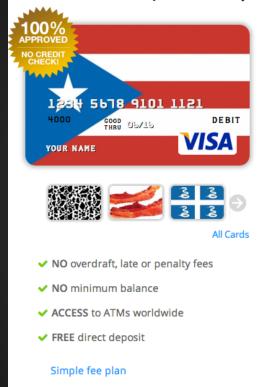








### Get Your Puerto Rico Prepaid Card today! Boriqua! Use it Anywhere Visa or Mastercard is Accepted.



1. Sign Up In less than 60 seconds  2. Approved 100% approval in seconds
● VISA ○ MasterCard
Contact Information —
Name * First Name Last Name
Email * We'll never spam you
Phone *
Mailing Address ————
Address *
Address 2
Zip *
City *
State * - Select - +
Security Information ————
Birthday * Jan + 1 + 1995 + 2
Social Security *
☐ Yes, I have read and agree to the
Cardholder Agreement and Privacy Policy.
Get my card



#### Dream as if you'll live f

Introducing the James









All Cards

- ✓ NO overdraft, late or penalty fees
- ✓ NO minimum balance
- ✓ ACCESS to ATMs worldwide
- ✓ FREE direct deposit

Simple fee plan











## Dream as if you'll live forever. Live as if you'll die today. Introducing the James Dean Icon Prepaid Debit Card



All Cards

- ✓ NO overdraft, late or penalty fees
- ✓ NO minimum balance
- ✓ ACCESS to ATMs worldwide
- ✓ FREE direct deposit

Simple fee plan

1. Sign Up In less than 60 seconds 2. Approved 100% approval in seconds
Contact Information
Name * First Name Last Name
Email * We'll never spam you
Phone *
Mailing Address
Address *
Address 2
Zip *
City *
State * - Select - +
Security Information
Birthday * Jan + 1 + 1995 + 2  Social Security *
Terms and Conditions
This Cardholder Agreement, including the Schedule of Fees and Charges. and any Privacy Notice
☐ Yes, I have read and agree to the
Cardholder Agreement and Privacy Policy.
Get my card























쑈

#### Get Your Puerto Rico Prepaid Card today! Boriqua! Use it Anywhere Visa or Mastercard is Accepted.





All Cards

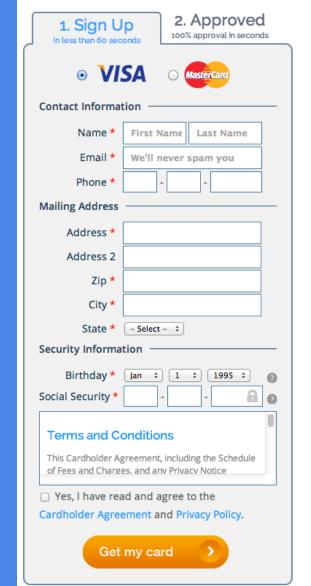
- ✓ NO overdraft, late or penalty fees
- ✓ NO minimum balance
- ACCESS to ATMs worldwide
- ✓ FREE direct deposit

Simple fee plan



#### Prepaid Card today!

or Mastercard is Accepted.



#### Our A/B methodology

- PHP Based no page caching
- Set a session variable on landing
- Push the variable to kissmetrics.com
- Get data
- Pivot table
- Statistical significance
- Refine, refine, refine

A/B Testing Significance Calculator										
How to use it?		Fill the cells with re	ed background; rest of th	ne cells will update	automatically	+				
	Minitorn	2	C	- Data	Ctoudend Funer					
	Visitors	Conversions	Conversi	on Rate	Standard Error					
Control	400	40	10.00%		1.50%	'				
Variation	400	80	20.00%	,	2.00%					
	1		Delta							
			100.00%							
Signific	ant At									
90% confidence:		YES								
95% confidence:		YES								
99% confidence:		YES								
Z-score	-4	7								
P-value	3.17E-005	<u>/</u>								

http://lb.cm/ab-significance

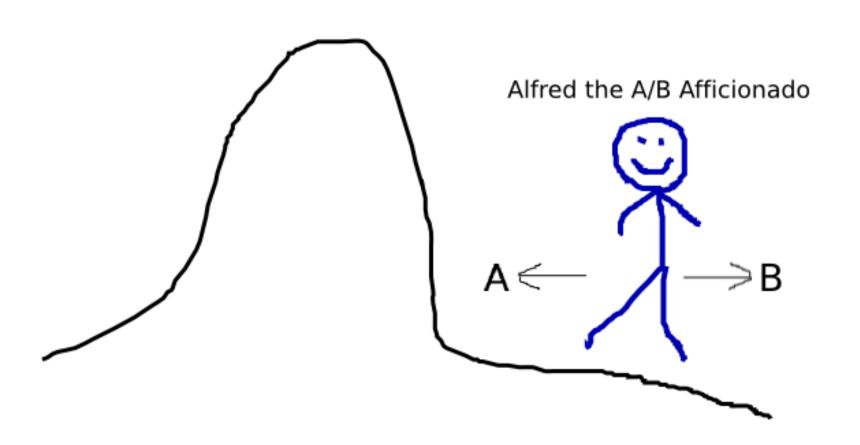
A/B Te	sting (	Significa	nce Calcu	lator			
How to use it?		Fill the cells with red background; rest of the cells will update automatically					
	Visitors	Conversions	Convers	ion Rate	(	Standar	d Error
Control	2000	400	20.00%	)		0.89%	
Variation	2000	440	22.00%	)		0.93%	
	1		Delta 10.00%				
Significant At							
90% confidence:		YES					
95% confidence:		NO					
99% confidence:		NO					
Z-score	-1.55323702						
P-value	0.0601833						

#### What are you measuring?

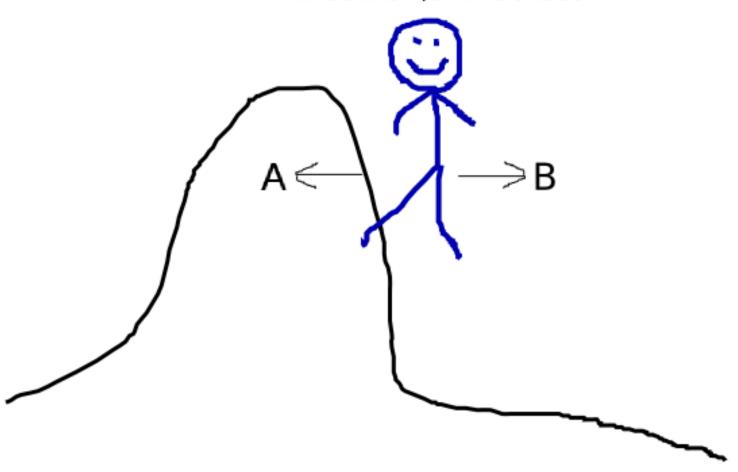
- Conversion rate?
- Cost per acquisition?
- Lifetime value of customers?
- Some of these can be evaluated faster than others....maybe optimize first by the values that are faster to measure and then look back at LTV when you can and make broader changes.

#### Nuances to reading the data

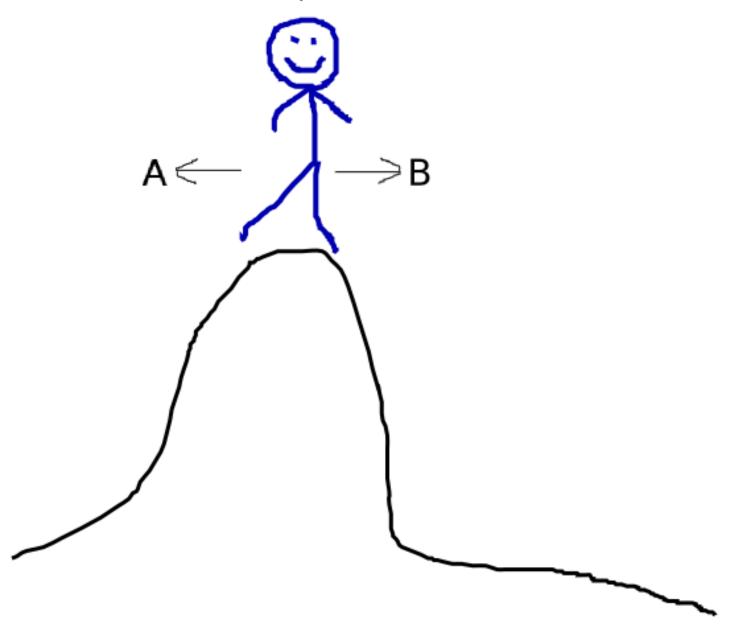
- Even with a big delta, you need a decent sample size
- Is 60% confidence enough? Depends on what kind of decision you are making
- You are really making a bin consider putting large amounts of data into bins (by day, week, something else) and then doing analysis on those since those will have an actual distribution which allows more "real" calculations.

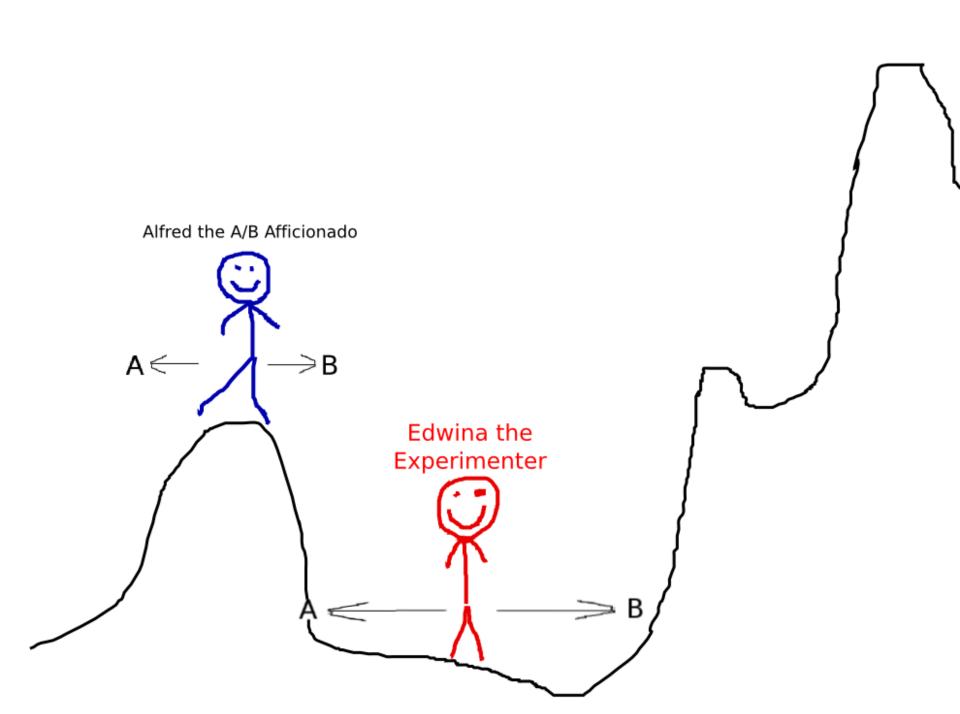


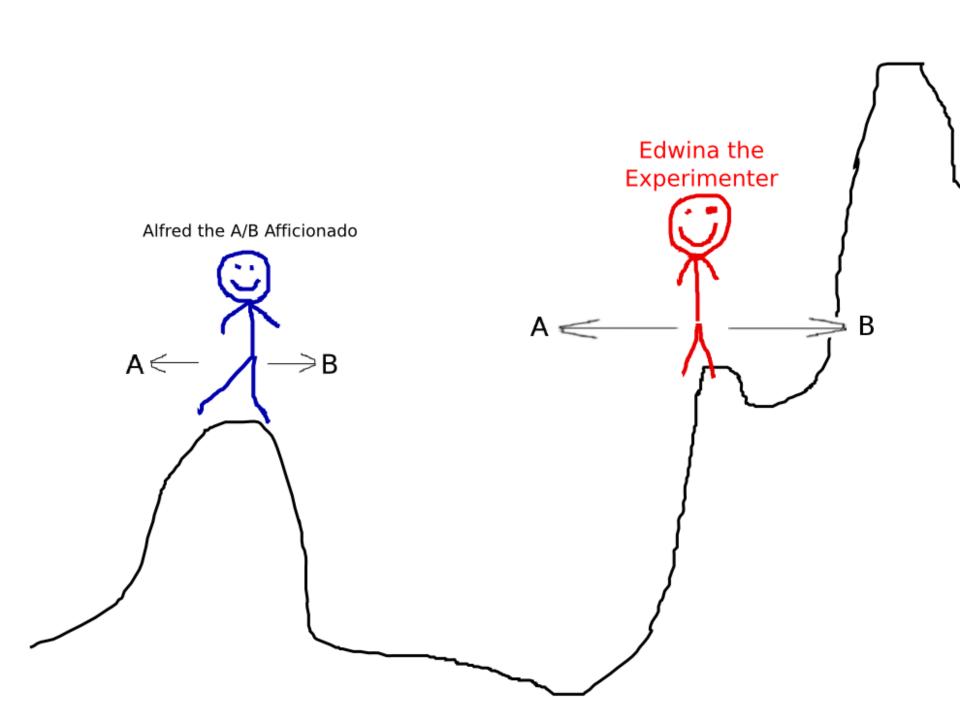
#### Alfred the A/B Afficionado

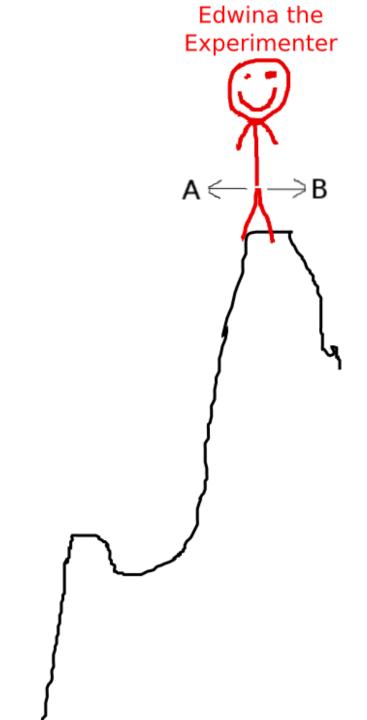


#### Alfred the A/B Afficionado

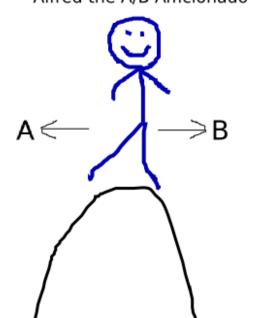








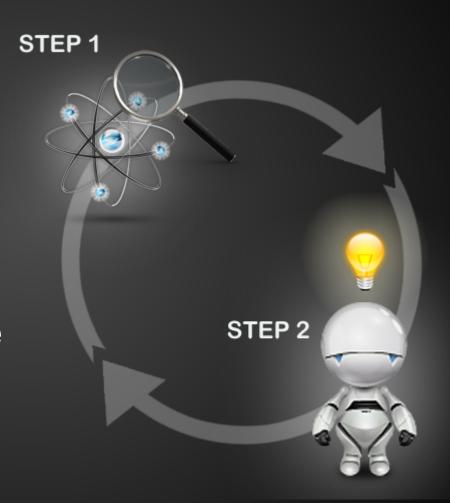
Alfred the A/B Afficionado

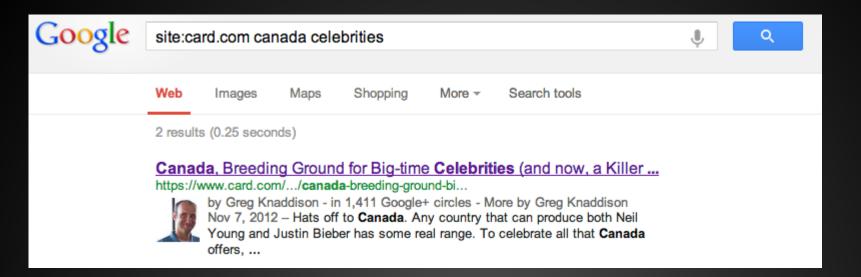


### Machine learning & analysis

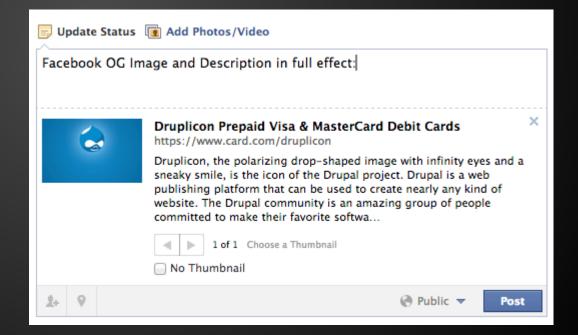
Step 1: derive the laws of physics for your business

Step 2: machine learning to help create a ideas to validate





http://lb.cm/metatag-d7



#### Responsible community members

- encrypt, hide\_submit, email\_registration patches
- Responsible disclosure policy
- Open Source project of the month
- Security team

#### Why?

- Distributed maintenance costs
- Free unit testing qa.drupal.org
- Free learning

### Closing advice

Drupal service providers:

Find a niche, do it

#### Product folks:

Drupal + partners + data + love = success

#### CARD.com

We are hiring a front end developer. We love feedback. twitter.com/greggles greg@CARD.com



# **American Red Cross**