



Five Contrarian Lessons of Successful Entrepreneurs

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There's something special about entrepreneurs whose startups take off and those whose stay small - starting with how they begin. In studying successful entrepreneurs for my new book, *Breakthrough Branding: How Smart Entrepreneurs and Intrapreneurs Transform a Small Idea Into a Big Brand*, I was struck by a series of contrarian habits that set them apart. Here are five contrarian lessons that I learned from them.

1. Think “small” rather than search for a “big idea.”

Contrary to everything we've heard about finding a “big idea,” there's a fundamental paradox in business. Big ideas are small - simple, focused and different so they can occupy a specific niche and dominate their category. Kevin Systrom was building a location-based mobile business like FourSquare, but found that only one piece of it, the photo app, was different and had real traction with customers. So he focused on the photo app, named it Instagram and became “insta-rich.” If you can't write your business idea on the back of your business card or explain it to a



ten-year old, you probably have a big, bad idea.

2. Use the start-up phase - the so-called Valley of Death - to take risks and experiment.

Rather than follow conventional wisdom and be cautious at the beginning, brand-building entrepreneurs use the “the Valley of Death” to experiment and tweak their fledgling idea. You can die in the valley, yet growth entrepreneurs realize this starting period is the most valuable time because you can create tremendous value out of practically nothing. When Mark Zuckerberg launched Facebook, he thought small and experimentally. He began with students at Harvard and tinkered and experimented with the site to create a different user experience, and then started expanding.

3. Realize that when people say, “You’re starting what?” that you’re onto something.

Most people will tell you that you’re crazy when you present a fresh idea, so you have to be a contrarian to forge ahead anyone. You need to realize that you have a viable business idea when you find the “white space,” which is just a new need in the marketplace that no one is filling. In 1980, Fred Carl Jr was designing a new home kitchen and his wife, Margaret, wanted a heavy-duty range like her mother’s 1947 Chambers range. They weren’t made anymore so Carl looked into restaurant ranges; but they weren’t suitable for homes. So Carl decided to make one. All the major manufacturers told Carl that no one would want a commercial-style range for the home. Everyone thought he was crazy. That’s when Carl realized he had a good business idea, and named his range, Viking, because it was strong and enduring.

4. Listen to their heart and emotions as much as their intellect.



Successful entrepreneurs want to make money, sure, but your goal has to be more than just making money. Entrepreneurship and finding your business idea are about finding your purpose. Your goal must be tied to your deeper story, your sense of destiny for yourself and your business. Innocent was launched by three Cambridge University graduates who quit their jobs in 1998. The small idea behind Innocent is authenticity, as their tagline says, “The fruit, the whole fruit, and nothing but the fruit.” Its brand personality is playful and interesting, and in the early days Innocent experimented with labels listing ingredients such as “banana, orange and a lawnmower” that got them tremendous publicity. After a few years Innocent became the top smoothie brand in the United Kingdom, and recently sold a stake to Coca Cola.

5. Create a new trend or category rather than fit into the market.

Growth entrepreneurs keep a pulse on what’s happening but don’t try to fit into the market – they try to appeal to where their customers are heading. They have what I call an “outside-in” orientation. They begin with the larger context – the outside – and work inward. After getting his M.B.A. from Stanford, Joe Coulombe acquired a convenience store chain called Pronto Markets. In the mid 1960s he was intrigued with an article in Scientific American about how many baby boomers were going on to college. That article gave Coulombe his small idea. He speculated that those well-educated boomers would want a more sophisticated – but offbeat and fun – food-shopping experience. His name was Joe, so he decided to call his high concept grocery store Trader Joe’s.

These five lessons are simple but contrary to the way most business owners operate. They’re not obvious to many business owners because they are counterintuitive. That’s why they are so important.