

All right.

Quick break to tell you about another podcast that we're interested in right now, HubSpot just launched a Shark Tank rewatch podcast called Another Bite.

Every week, the hosts relive the latest and greatest pitches from Shark Tank, from Squatty Potty to the Mench on a Bench to Ring Doorbell, and they break down why these pitches were winners or losers, and each company's go-to-market strategy, branding, pricing, valuation, everything.

Basically all the things you want to know about how to survive the tank and scale your company on your own.

If you want to give it a listen, you can find Another Bite on whatever podcast app you listen to, like Apple or Spotify, or whatever you're using right now.

All right.

Back to the show.

When I was, I don't know, 21, I got this really cool opportunity to go on an all-expense paid trip to China courtesy of Alibaba, and Alibaba at the time wasn't as well known as it is today.

Today, it's pretty well known.

It's a publicly listed company, you know, \$40 billion plus company, something like that. And so the question is, what would you do if you had 15 minutes talking to the CEO of Alibaba?

Because I had 15 minutes, and I choked.

All I could muster up was, you know, what's the key to success in business, right?

What are my worst questions?

But whatever.

I shot my shot.

Everyone else was too scared to speak.

And so the CEO at the time, this guy, David Wei, he drops a knowledge.

He goes, you know, asking what makes something successful, you know, modeling success is misleading.

You can't copy success because there's, you know, a million different factors, a combination of luck and timing and specific context for every single success that's a big, big outlier success.

Instead, you should ask me, what are the keys to failure?

Because those are always the same.

And you know, I gave them the look like, okay, go ahead.

You permission to blow my mind, and he said, there are three things that will kill any company if in excess.

So if you have an excess of any of these three things, it'll kill your company.

Money, plans, and technology.

That's not what I was expecting.

So then he continued to explain that at Alibaba, they had this internal motto, no money, no plan, no technology.

All right, tell me more.

What is it?

So no money.

He goes, money makes people stupid.

When problems arise, the first instinct becomes throw money at it rather than attacking it with creativity.

And this works sometimes.

Sometimes you do the easiest path is money, but it becomes this crutch that you can never get rid of as a company, that people are so used to solving everything with money, and they lose the ability to solve problems with creativity.

So he was telling a story, you know, years ago, Alibaba wanted to create their own version of Google AdWords.

And Google AdWords at the time was like, you know, the main business model of Google, Google was like a \$200 billion company then, it's like a trillion dollar company now.

And so, you know, how much money did Alibaba fund the AdWords project, right?

Clearly if you did this, it was going to be worth billions and billions of dollars.

So what did they give it, \$100 million, \$10 million, \$1 million, no.

They gave it \$250,000, and, you know, \$250,000, not \$250 million, \$250,000.

And that was for everything, salaries, servers, marketing, office space, everything.

That was the full budget.

And they had the money, they had just done a \$1.7 billion IPO.

So it's not like they were strapped for cash.

But the CEO was basically saying, look, if we're going to build this, if we're going to build something great here, we're going to build it due to creativity.

And he said, here's what he told me, in quotes, he goes, I wanted them to hunt like dogs. These are from my notes.

I wanted them to hunt like dogs.

The team worked, they worked out of the founders' old apartment.

Just like when we started Alibaba, there was like 17 people working out of Jack Ma's apartment.

The team for the AdWords project moved back into that apartment.

They literally found servers from like the trash, like refurbished servers, even still they needed more money.

They hired an engineer to architect their system.

And to this day, what that one guy did is a single most creative engineering feat that they've ever seen inside the company.

And once the team was done, they asked for money to create like backup servers, like a redundancy to be safe.

And we said, no, no redundancy.

We would rather risk servers crashing than risk spreading the attitude that money should replace our creativity, our diligence, our hustle and intelligence.

And then he said, it's funny, the more money you have, the more expensive everything seems to get.

All right, second one, no technology.

Alibaba is basically like an online marketplace.

And they have about three, at the time, they had three, 4,000 engineers on staff, probably triple that now.

But they never talk about themselves as a technology company.
So David said this pretty specifically, he goes, we are a service company.
We are here to solve customer issues, not to build new technology.
So in order to serve as a service company, yes, we often use the best technology so we serve better.
But if it fails, we'll do it manually because we are not a technology company.
We are a service company.
And this is very common.
You've seen this with Amazon, they talk about customer obsession.
Zappos used to say we deliver happiness.
It is important how you think about yourself as a company, but this also applies as a person.
How you define yourself will define what you are willing to do and not to do.
Last thing was no plan.
So how the heck are you supposed to reach your goals without a plan?
And so David said, he turned to the other kind of, there was a bunch of other CEOs, kind of executive people in the room that were all pretty successful.
He goes, okay, all of you here, you're very successful.
And how many of you today are doing what you planned on doing when you started?
Right?
Crickets.
Everybody, everybody's success was sort of off plan.
And David said, the plan always changes, but the mission never wavers.
And sometimes you need to make a plan to get others to believe and to figure out what to do next, but you must follow your gut and you must adapt to the circumstances.
Do not follow the plan you wrote when you started.
Follow the mission, follow the vision and follow the reason why.
If you're just trying to follow the mission, you will always come up with the right plan right in time.
And too many people get married to the plan that they wrote and forget the reason they wrote the plan to begin with.
And so that was my 15 minutes with the CEO of Alibaba.
And even though my question kind of sucked, I think I got my money's worth.
No money, no plans, no technology.
If you like stories like that, you got to be smashing the subscribe button to my newsletter.
It's a free newsletter.
I send out one or two stories like this a week and yeah, they're always entertaining.
They're always got a little negative insight in there.
So I think you'll like it.
Go to www.SeanPurri.com, S-H-A-A-N-P-U-R-I.com.
I know that's hard to spell, but figure it out.
I'll put the link in the description as well.
Subscribe to the newsletter to get more stories like that.
Hey, my first million listeners, this is Steph again from trends.co.
Now, most of you probably know trends as the idea newsletter because that's what we do.

We send you business ideas weekly and then we show you how to capitalize on them. But anyone that's run a business before knows that ideas only get you so far. In fact, if you've ever heard of Derek Sever's framework, ideas are worth almost nothing and execution is everything. Great execution can take a brilliant idea from being worth \$20 to \$20 million. That's exactly why we're investing in making trends a product for not just idea generators, but operators. And we've built a new feature called Trends Deals. Trend subscribers now get exclusive deals that make it easier and cheaper for them to run their businesses. We launched this month and already have around 100 deals in the pocket. So let me share a few highlights. We've got a deal of the month from SendEats, which is actually a trend success story. They raised our series A at a \$17 million valuation and they do e-commerce fulfillments and they're basically e-com as a service. They're offering trends members free storage fees for life, which means thousands of dollars a month saved. We also have one of Sean's very own unicorns, DEEL. They have a deal of the month coming up, but for now they're letting trend subscribers manage contractors for three months free and then 20% off and 20% off full-time employee hires. Sean knows Sam loves a good cold email. One of the best tools I've used is hunter.io, allowing you to source professional email addresses and they're giving you 30% off. We also have Toucan, an investment of Sam's and my own. They are giving six months free of premium. We've got up to \$50,000 in segment credits and of course we have a great HubSpot deal on the way. So if you want in on these deals, all you got to do is go to trends.co slash MFM.