

SMALL BUSINESS

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Marketing as easy as counting to five

INTERNET | Design firm's website powered by public's fondness for making lists

BY BRIAN MORTON
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We all know about David Letterman's Top 10 list, right? Well, a Vancouver-based interactive design firm is betting big on its own Top Five list.

Called MakeFive, the website idea by smashLAB is based on the simple notion that there's a Top Five list for just about anything.

Anyone with an opinion can participate and create a list online, and users can connect with others who have similar interests.

People make a list of anything they want — everything from the best tech sites to the best use of lottery winnings or the best designers of all time. For that matter, the list could focus on negative things such as the worst movies of 2007, the worst cars for the environment or the worst high school experience.

Then they and others vote for the top five items they believe should make the list.

"In January, we'll see 60,000 visitors to the site," smashLAB co-founder Eric Karjaluo said in an interview Tuesday. "We have 1,425 members and they can vote on topics, add content, create their own lists. It can adapt to anything. And [the lists] are always in flux. They're changing all the time. And people can comment back and forth." Karjaluo said the founders started



STEVE BOSCH/VANCOUVER SUN

Eric Karjaluo, co-founder of Vancouver's smashLAB interactive design firm, says traffic on the MakeFive website is doubling every month. Ad revenue, however, has not followed just yet.

MakeFive

- Parent firm: smashLAB
- Website address: www.makefive.com
- Year website was launched: 2007
- Number of monthly visitors to website: 60,000
- Number of members: 1,425
- Number of categories: 2,100

building the site in 2007 and it has been updated and improved since then. "Every month we see traffic double. And we have roughly 2,100 categories now."

Although smashLAB has invested roughly \$500,000 in the site, Karjaluo said profits — dependent on ads — have

so far been minimal. "We're still in a building mode. But there's a lot of promise. Our best measure of success is, we now have people who use the site for eight-hour periods. That blows us away. We're building up our usership list."

Karjaluo said the company is hoping eventually to attract millions of visitors to the site, which would translate into much more advertising revenue.

He said MakeFive is also hoping to make money by building content around brand placement — and charging a fee to the brand owner. "For example, if Harley-Davidson wanted people to create their own commercial for Harley-Davidson, [the commercials] would be uploaded and people would vote for the best. Instead of a passive ad, it engages people with the brand.

"Or there could be the best pizza in Vancouver. If [a pizza company] was

voted No. 3, for a cost they could add their menu to the page. That's what we're looking at to generate revenue."

As well, he added: "Our strategy in this financial climate is to keep costs low, refine the service and finance through our existing consulting work."

Karjaluo has his own Top Five list of the best lists on MakeFive: Best random acts of kindness, what to do with a lottery win, greatest movies you've never seen, what you'd do if you were 17 again and knew what you knew now, and features that you'd like to see on MakeFive.

"[The final one] is mine, but I still love it," added Karjaluo. "We're using MakeFive as a method of determining what users want out of the site. It was the fastest and best way that we've employed to collect real user feedback fast."

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Lower pay predicted for employees of U.S. small businesses

NEW YORK — Small U.S. business employees, whose earnings eroded in 2008, can expect to earn even less this year as competition grows for jobs, according to a pay-cheque processing company.

Average small business paychecks dropped by 3.1 per cent nationwide in 2008, said SurePayroll, which processes paycheques for more than 20,000 small businesses.

The decline was steepest in the U.S. South, where pay fell 9.2 per cent, in part reflecting the effects of the Florida housing bust.

The decline in salaries for employees of small businesses accelerated in each of the past four quarters, SurePayroll reported. It said the average small business worker earns \$31,600 a year.

"I wouldn't be surprised if we saw another three-, four-per-cent decline for the year," SurePayroll president Michael Alter said. "You've got a lot more workers out there looking for jobs, and that depresses wages."

Several factors are driving up the supply of labor, Alter said. Large companies are laying people off, more people who previously worked part time or stayed at home are entering the workforce, and older workers are delaying retirement.

Meanwhile, more small businesses — defined as anywhere from one to 100 employees — are employing contractors to avoid payroll taxes and benefit costs. Use of contractors was up 8.3 per cent last year, the largest increase since 2004. About four in 100 small business workers are now independent contractors.

The bulk of U.S. small businesses have fewer than 10 employees.

Reuters

welcome
to a place
where
individuality
thrives.

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