

Matthew Todd

Hi. My name is Matthew Todd, and welcome to Inside the ScaleUp. This is the podcast for founders, executives in tech, looking to make an impact and learn from their peers within the tech business, we lift the lid on tech businesses, interviewing leaders and following their journey from startup to scale up and beyond covering everything from developing product market fit, funding and fundraising models to value proposition structure and growth marketing. We learn from their journey so that you can understand how they really work, the failures, the successes, the lessons along the way, so that you can take their learnings and apply them within your own startup or scale up and join the ever growing list of high growth UK SaaS businesses. Welcome back to the podcast, pleased today to be joined by Simon Ritchie founder and CEO of a company called Blox. Great to have you here, Simon.

Simon Ritchie

Hi, Matthew, hello to the Inside of the ScaleUp listeners.

Matthew Todd

Awesome. Looking forward to the conversation today. But to kick things off, tell us you know, first of all, what is Blox?

Simon Ritchie

Sure. So a blocks we help businesses with managing their finances. Specifically, we're really focused on helping leaders with planning. So typically today, businesses are using accounting software or something to track all their finances, and then they they will be looking at managing their cash flow to make sure they're not running out of money. And then as if they're a bigger business, they probably got a finance team that are doing some sort of finance planning budgeting process, what we're really focused on is helping smaller businesses, SME businesses with financial planning. Specifically, if you're a startup and you're trying to raise money, then you're probably building a financial model to share with your investors. And most people are spending a long time building that in a spreadsheet. But leaders are not always a numbers, people, they're not always the spreadsheet experts. So that's a great concrete use case where you could jump into Blox and you could within Blox, you could pull a template from our library, customize it for your business plug, plugging your data and get a financial model really quickly. And that's just one, one of the things we do but really what we do is we help with all the planning that happens across the business. So today, if you're more scaled business, you probably have a sales team, you're doing sales, forecasting, sales, planning, marketing, spend. If you're a manufacturing, business supply, planning, demand planning, etc. So there's lots of planning that happens right across the business. And the vast majority of that today, still in 2023, happens in a spreadsheet. And so we're building Blox, which is a really easy to use tool to help leaders to do that planning. So they can plug in their assumptions connected to their systems and understand the financial impact of the big decisions that they're making.

Matthew Todd

The spreadsheet problem is a pretty common word across many different types of work that that can be done. But it's always interesting that, you know, there aren't competitors, or there are less successful competitors that haven't disrupted the spreadsheet yet. But what's your background? What was your insight that led to the frustration with the spreadsheet?

Simon Ritchie

So I'm an accountant by background. So really, what that meant was when I was trying to decide what to do with my life, I love technology, I thought maybe it was for me, but I, I love numbers as well, but I didn't like pure math. So I just thought, okay, maybe accounting is a good thing. It's a sensible thing. My parents were kind of pushing me to make a sensible decision. So I did that. And so I started out my career in finance, but I very quickly realized, I am not a CFO, I just do not fit the mold of, of somebody who, who would become a CFO. But I love technology. I love data. And in my first few roles, I was working in finance teams, I was working, working with lots of other finance people and I just became the person everyone turned to when they had an Excel modeling problem or a technology problem. So what I discovered is I love databases, I love data, I love technology. And I the thing that I really loved was helping leaders to understand the data in front of them so they can make decisions. So I really loved you know, partnering with a business person to help them make decisions. So I found my niche essentially there. So I spent my career in this space helping with finance decision making technology, a lot of reporting and analytics. And then a lot of planning. So I, I joined a small company and spent eight years joined a company called Anaplan. That was a tiny company at the time just launching a European office. We grew up to 2000 people, it was just a journey of hypergrowth. San Francisco based we raised hundreds of millions floated on the New York Stock Exchange in 2018. And it was acquired last year for a very big number. We can talk more about that but but really what what we were doing there was doing planning for large enterprises. And so it was helping companies like Procter and Gamble, Aviva, Legal and General, Google and Amazon to with planning within their businesses, and they still had loads of spreadsheets that are that are used to run the business and manage and coordinate and plan their activities. And, and so that was great. But what what what I observed was planning was still quite complex, you still need a lot of expertise to actually build a model. So the software available today is still too hard to use. You need experts, you need finance experts, you need technology experts, there's still not something which is as easy to get started and as accessible for everybody as a spreadsheet. And, and I can talk a little bit more about what specifically led to blocks but but yeah, what we're trying to do with with Blox is make something which is really easy, so that anybody can pick it up. It needs to be that the leader who knows the business inside and out can use it. And that's what's good about spreadsheets, anyone can use it and get started. The problem is, you end up copying and pasting, and manually typing in numbers everywhere and you lose track of what you built. And it's hard to remember why you built something that way. And you can overtype your formulas and all those other problems. So we were we're focused on getting people out of that kind of chaos into a a more structured environment where they can plan.

Matthew Todd

I know that. Yeah, I've used different types of spreadsheets for modeling my business over the years and even ones created by third parties, and they look good. But let's say you have one for like, 2022, who in 2023. As we record this, let's say we have one for last year, when it rolls over to this year, you're like, Okay, or even as you approach the end of the year, when you say okay, well, I'll you know, I've got

the planning for this year, I want to start to introduce months for next year, you suddenly find out that the spreadsheet isn't exactly amenable to adding even a new month from the end, you know, you almost need a degree just to work out exactly how to get that column to populate as it as it should they can get pretty complex pretty quickly.

Simon Ritchie

That's right, yeah, even simple things like adding a new product, or you want to hire a new person. And so you have to go through all your sheets and add the right rows in the right places. And then remember to update all the subtotals to include the extra rows and all of that stuff. And, and so yeah, we're building a new solution, bringing basically the best of what the large companies have, making it easy enough for the small business and affordable, which is also really important.

Matthew Todd

Yeah, that sounds really good. So what was that trigger then? After Anaplan, why solve that problem yourself and create a platform?

Simon Ritchie

Yeah, so there were a couple of things. So when COVID kicked in, through a series of events, I ended up volunteering for a local charity in my city. Most of my career until that point, I was a chartered management accountant. So mostly working with large companies helping them with management, information management accounting. And, so I ended up volunteering for a local charity in my city and they were running food deliveries around because everybody was locked in. And there were lots of people that were sheltering in place because they were high risk and so they couldn't go out. So there are lots of organizations that put on food delivery, so I ended up driving food deliveries around Brighton and I really loved it actually. I got connected with the charity that we're running at a small small charity that ran on the south coast in the UK where I live. And they found out that I worked in technology and then I was an accountant. And they were like way nice you're gonna be our best friend. So they did what these organizations do and they kind of they win you over, and they get you to come in and help. So I went in, and I've helped them a few times. And they run based on grants that they get. So they get grants from various different places, some government, some private, and their grant providers want them to report back on their progress. And they want to see, you know, a model before they give the grant of how they're going to use the money. And they were showing me some of the models and some of the reporting that they were doing. And it was eye opening to me having worked in the space, just how they were going about it and give you an example, they they had a they would download some numbers from the system that they had, and then they would do some filtering. And then they were manually counting the number of rows that were left. So they could type that number into another sheet. So even just little things like showing them how to select the cells and they could see the count of how many cells in selected at the bottom. And just little things like that made a massive difference. And it was just eye opening to me this this difference between in large enterprise, we've got the experts, the company can afford to pay the finance people, you know, this have got all the formal training. And this gap between that and what you have in the real world in real business where you've got people that are passionate about their domain, dentistry, or sales and marketing or you know, manufacturing, but they're not necessarily professionally qualified, don't have an MBA or etc. So they're figuring this stuff out. And so it was just, it was really eye opening for me, I helped them just with a

couple of spreadsheets that I built. But it sowed the seed of you know, there was eye opening to see, okay, there's a market here of people that need help with finances, it's going to unlock a lot of potential with them. There's a lot of these businesses that they're ambitious. And they would they would make great decisions if they had the ability to do some modeling, looking at different scenarios, so they could see what would happen before they make that big decision or before they spend the money. And so that's where the seed was sown.

Matthew Todd

Yeah, no, fantastic. I see how they clearly had some things that could definitely be improved and benefit from a platform that had that expertise embedded within it. I guess the question is, how aware were they that there was a problem? Were they aware that there was a better way of working, but they just couldn't resource that better way?

Simon Ritchie

Yeah. So all I did that in that case was just do a little do some basic spreadsheet training, and just I've been there on the phone to help them out. And then since then, we've, we've gotten them on boarded with Blox, and they're now working in a much better way. But, that sowed the seed and so from so from there, I started thinking a lot more about that problem. And a plan was, no one was very focused on large enterprise. And it's very hard for a company that focus on large enterprise to launch a new product for small business, it's just a completely different, you need a different product, you need a much easier product, your sales motion is so different. So I realized, it's unlikely that Anaplan are going to solve this problem. So I left joined a company in London, and we started looking at new places where we could build a new product. And this was one of the areas that was identified by the discovery team that were doing market research and they saw that, yeah, there's this there's a gap in the space. So what went on to happen, we ran a discovery project in the company where I was working as the chief product officer. And after some time, we realized that there was a space, we did some research, did some design, some prototyping, some user testing. And then when it came to fundraising, it became quite clear that to this was something that really dedicated focus and need a lot of funding. And a lot of the funding schemes that are set up, especially here in the UK, its best if you're a brand new company. And so trying to fundraise within the other company, it was a older, more established company, it's not going to work so we wouldn't have benefited from seis or EOS or other schemes. So after a while, it became pretty clear that the the idea needed to be spun out and I was so excited by it that I was ready to put my hand up and say look I would love to lead the charge on this. And we can talk a little bit about what's happened since and how we've how we funded our first season. And then the fundraising that's followed since then. But that was the origin story, basically.

Matthew Todd

Yeah, no. Awesome. So yeah, I guess the, the funding question is pretty obvious that were they splitting that off and holding a stake and funding that that initial build?

Simon Ritchie

Yeah, that was a really tricky one. There were different ways to think about it. And maybe some of the listeners are thinking about it right now. They're sitting in a job, and they're wondering, okay, you know, I'd love to solve this problem in a meaningful way. And I'd love to have enough influence that it could be

mine, or that I could have a serious stake in what's happening. And so yeah, so we saw I went through all of that thought process and trying to think, Okay, how does this work? How can we spin this out? And some of the main questions are, you know, who has the authority to spin this out, within the current company that you're in. So if you're in a bigger business, you're probably you might be talking to your manager, but your manager isn't the person who's going to sign a contract? Where your IP is assigned to another entity. So you kind of need to figure out who's going to be the one to make a decision on whether this IP can be spun out? And then how would that conversation go down? For me, and at the time, our CEO, had been involved in the discussions all the way through. So we talked about this, and he and I came to the conclusion that it needed to be spun out. So that was, how that process looked. And then it was basically figuring out, okay, how does the how does this get funded post spin out? So who's going to who's going to fund it? Because the, if the companies put work into it up to a point, they've they've invested time paid salaries, etc, to do some of the research, maybe build a prototype or something. So they would want some level of compensation for that. But, but it also depends whether they're going to put money into the next phase of the company, because if you're sitting there thinking, once once the spin happens, if they're going to keep paying salaries, if they're going to keep funding the business, then then sure, they should definitely get a big stake in the business. But if they're not, if they're basically just saying, Okay, from here, you're on your own, or in my case, I stepped forward and I said, Actually, I would really love to make this happen. I'm all in. So I personally funded the first season of our startup. So the first six months I funded it, I paid for salaries, etc. So you've got to figure out how to get it off the ground. My initial thought, and this is maybe what other people think was, you know, for sure, I'll just go and get fundraising, I'll just go to a pitch event, and I'll do a pitch and then I'll get a funding. It's easy. And, the reality is, it's quite different. But it's good to show up with that kind of, you know, confidence and beginner's mind because, you know, that's the conference people look for. So, that's how we thought about, how do we spin this out? Who's gonna who's gonna approve it? And then, you know, who's paid for it up till now who's going to pay for the next season? And then when it comes to fundraising, when does fundraising need to happen? And what does that look like? And then you can start to work out what the actual arrangement looks like, when you spin it out. Does the previous company retain equity, what level of equity today retain all of those sorts of things. So we went through that process, and we negotiated quite a lot on different levels, but ultimately looked at what what you would typically get if you went through an accelerator, or a bootcamp and how much equity, a boot camp would get for basically kind of an early investment, helping you with design, research, prototyping, etc. They would typically get, you know, everybody's different, but sometimes it's seven, sometimes it's 10, sometimes it's 20% of the early equity, depending on if they cash in, if they're how much they're investing. So we basically negotiated how much that would look like and then from there, it was figuring out early team, who's in and what do I need? What skills do I need? And then initial fundraising and your strategy for when you're going to fundraise. And so what we did was, we spun out in July. I tried to raise straightaway, so I thought, yeah, okay, I'll go and fundraise. So I tried to raise straightaway, we realized, okay, trying to fundraise, especially in in July 22, the market had come down quite a lot. So at that point, it was figuring out, okay, fundraising is not going to happen without a product without any traction. But just based on the team story, and the pitch deck, it just wasn't going to work. So what we did is we, we said, okay, we can build a product in two or three months, and let's just crack on and build a product. So we built our MVP, we launched it, and just off the strength of the demoable MVP and combine that with the past experience that we've got within the team, my story, having worked at a very similar company that had a successful exit. So you kind of pull the best bits of

what you've got in your founding team and the story. And at that point, we were able to raise money. And so, we raised we raised money in October, from mostly friends and family. But it was a great moment to have other people investing in you is fantastic. And then as a founder to not be paying for everything with your own money. It's a different vibe, when you're paying for absolutely everything with your own money. You know, it's harder to get perspective and to kind of invest like you would normally, you can just second guess yourself. Should I really go to that event? Should I really pay for this software, etc? It's, it's hard.

Matthew Todd

Yeah, I guess you can hesitate from spending on things that, you know, could be a gamble. But ultimately, you need to do a lot of those things. Place a lot of bets and see what comes off.

Simon Ritchie

Yeah, exactly. So yeah, so we fundraise, and that then helped to secure secure runway two, we were able to then ramp the development team even further, and then hire some of the key roles that were missing in marketing and sales. So yeah, so that's, that's a little bit about the background of how we spun out how we got started and then funding the initial season.

Matthew Todd

It sounds like it was a pretty clear decision that in your mind to go down the fundraise route rather than bootstrapping, either entirely or delay fundraising, then?

Simon Ritchie

Yeah, that's right. So yeah, we thought about, you know, could we bootstrap it, or you might try and do some consulting on the side, or you might just have a part time job on the side and the founding team are doing evenings, weekends, so everybody is different. I basically had a conversation with my wife, and we said, like how much are we willing to back this. And so we basically dipped into some long term savings that we had to really, you know, fund that first season, so we could run fast. So what I had was a team that were really keen on it, but the team weren't able to work with without a salary. So the question is, basically, do I let do I lose the team? Because they've got to go off and find jobs? And maybe I'll still get some time from them on their evenings weekends? So for us, it was about kind of dipping in to our dipping in personally funding that whole first season. So I worked for a year with no salary. And all these things that you do as a founder to try and get through this first season, which is really hard, because you've got no money coming in, you're building a product, which you believe is going to be really valuable in the long run. And, just figuring that out. Some people if you're a second third time founder, it seems like you can just go with a pitch deck and get funding. But the average person who like myself has kind of worked in industry got a story is now ready to take the leap. You're gonna find it find it hard to just get funding off of an idea. So you've got to figure out how to get through that first season, which is basically your own funds if you've got them or friends and family, persuading rich relatives, or maybe you're one of these people, that's high energy, and you can work a full time job and then work on your business all night long and all weekend. So yeah, that was really hard. It was a hard season. But we've raised money at that point, we've subsequently raised even more money. So up till now we've raised 600k to fund the business. We've launched the business, we've launched the product to the public, we're still pre revenue. So we're still in this phase of dialing in the product getting

users on, we've got some fantastic early customer case studies, customers that are really getting value from the product, and then launching pay plans later in the year. So we're still in that investment season while we dial in the product, get to product market fit, which is what we all want to do as we building a new startup, a new product is getting to the point where your product can serve a market and meaningful well in the market is willing to pay for that product.

Matthew Todd

It's interesting that you say kind of investors, you know, you needed the product, you needed some evidence of traction, even if it was pre revenue. And I think that's not something all founders maybe realize is that traction comes in different shapes. It'll be kind of interesting. If you could shed a little bit of light on what you think investors would look for as a minimum version of that traction, if you like to prove that you've got something here.

Simon Ritchie

Yeah. So there's definitely lots of different types of investors too. So if you're a new founder, or you're thinking about getting into or you're trying to figure out a fundraising, understanding those different types of of funders, investors, and what they look for is important. You know, friends and family or high net worth people that you know, what they will, what they'll be interested in, is thinking about, okay, is this the type of person that follows up and delivers on what they say they're going to do, and has a high level of commitment to go through the absolute pain that you do when you're trying to build a business and build something from scratch, and deal with all the rejection that comes with that. For a typical angel investor that doesn't know you, they're thinking, you know, I'm going to give my money, there are schemes where they can get a good tax break, but I'm going to invest my money, I'm really interested in what this person is going to do with it, and what return I can get, and then you've got more of your early stage or institutional investors, early stage or pre seed investors funds, and they have, they have a completely different different take on things. I had the same perception, I thought, you know, there are VCs that will invest. And, and VCs at the moment, especially in this market, VCs are not really I don't think taking the vote very much risk, because they're only backing, post revenue with really significant traction businesses that I can see or any of the examples in the news that that we that we do see, that kind of creates this perception that you can just go with a pitch deck and get venture funding, it's mostly second or third time founders who had already had a really successful outcome for for VC, so they're willing to back that person again. So I had a really different idea of what fundraising would look like. So you've got to know that going in, and then you can start thinking about right, how am I going to raise and what kind of traction do I need? And then understanding what kind of business you're in and what is going to be meaningful. So for me, for my first round of fundraising, I knew I didn't need to have, you know, throughout 100,000 followers on social because that's really not relevant to building a business to business financial planning software. The hard challenge initially in that space is building and modeling an engine that is capable of doing all these calculations, and then building a front end experience, which is capable of competing with Excel, which has so many features that it's it's one of the stickiest products out there. So, everybody's different. And so trying to think about what's the traction that is going to be most interesting to your potential funders, investors. And not vanity metrics, like you know, social media followers or different things like that. Sometimes if it's a consumer product, then social media followers that at least tells the investor that you're somebody who can speak and get others to listen. But, for us for the first season, it was really, you know, proving that we've got the right team that

know how to build this and get something off the ground and get an end to end demo working. And we were then able to show it and to the investors that we raise money from they understood our market very well, financial planning, so they could see enough promise in the early product that they were willing to, and they had enough trust in myself and some of the others in the team to really back us. So that's how that piece worked. From there track from there, you know, trying to raise this becomes about different kinds of traction, how many people have you got signed up in, how many people have you got following you on social, various other things, all these signals, but mostly, what I find is investors look for signals that show that this person that is pitching them is for real, and is able to do some sales, do some marketing, get some followers, actually get a message through in a very noisy market. Marketing in is something I've learned a lot. It's really, really hard. A lot of founders were product people, obsessed with solving a problem with a product that scales globally. And we don't quite appreciate how much effort needs to go into the sales and the marketing.

Matthew Todd

Yeah, and I think as well as founders, you have a big vision, you can see the potential for the impact that transformation it can have across a wide range of businesses. And sometimes, you know, when validating or launching a new product, it can be sometimes a bit hard to take that bigger, you know, potential target market and bigger vision and carve that down to something small that you start with. I see too many people trying to do like, almost a little bit of everything rather than doing a smaller subset really, really well.

Simon Ritchie

Yeah, I find that and I struggle with that too. As a founder coming in, you've got a big vision, you know, I've got a really big vision of what this can be and how many people we can help globally and helping all these different industries. But you've got to carve it down to you know, first sensible focus area, and something that you can attack and address and market to. And something that also your product offering at this point in its existence is able to address. I've got a very good idea of what I hope this product will become three years from now, but it's not about just now. So it's, you know, it is it's really, it's really hard.

Matthew Todd

As that first time founder, you know, what do you look to, to give you confidence or reassurance, or help you deal with doubts and frustrations as you go on that journey? Are you planning out and using data and metrics to do that? Or is it just a belief in that vision that keeps you moving forward?

Simon Ritchie

So we definitely plan out where we're at. We're a planning company. So I was really frustrated when we first set up the business. And with that first pitch deck that I created, we created a financial model, but we hadn't built a product at this point. So I had to use Excel to to build my first financial plan. And I found it really, really frustrating. We found a template online, one of my team members, my product manager spent probably three or four days messing around with this template to try and get into show a revenue projection and cost projection and other things. And then he passed it over to me and I wasn't quite happy with it. So I want to put my spin on it. And I've probably spent at least two days on it. So yeah, the revenue projection story. The stuff that you put into a pitch deck is one piece but yeah, then

actually running the business and trying to build your way up to that very ambitious target that you laid out in the financial plan. That's really hard. And that's a mix of, you know, non financial metrics and then financial metrics as well. I've had leadership roles in the past where we did budgeting, we did planning, we had goals have done all sorts of different frameworks goals, MBO, management by objectives, OKRs objectives and key results. So we've adopted OKRs, for our business. So we use the OKR, framework objectives and key results. So we sit down and we think about what are the overall major objectives that we're trying to push to as a business. And we've mapped them out, and we've mapped them out around certain milestones to where we're running the business on define runway right now. So we've raised money, we're not profitable yet, we know that there's a point where the cash will run out. And we've got to try and push that out as long as possible. So our milestones are mostly around, you know, when does a runway end. What are the milestones on the way to that, that we'll be able to track to know if we're being successful or not. So we've got somatic areas around getting to product market fit, achieving product market fit, we've got areas around user acquisition and revenue. And then we've got other other areas about kind of financial sustainability, making sure we keep keeping manager and our costs, etc. I was really excited. Like, at the end of last year, we built the product, and I was able to start using it myself, instead of this little spreadsheet that we had. And now we use it religiously every month, I update it with all of our actual spend, and then we revise our plan, and we use it for our kind of non financial goals as well as our financial projections.

Matthew Todd

Yeah, that's gonna be a great milestone to better use your own product that way and get that person experienced as well.

Simon Ritchie

Yeah, yeah, absolutely. It's fantastic. If you can, I definitely recommend to use your own software, even if it feels like a bit of an unusual use of your own software just to use it so that you can put your users hat on and get your leaders to use it and try and get everybody a better perspective on what your end customer would go through when they're using it. It is fantastic. I really recommend it. It's painful as well, because, you know, you come into this with a vision of what it's going to be and then the product in year one is not what your vision is. It leads to, you know, plenty of sleepless nights where I'm like, this product is it's improving but it's not there yet. And then, you know, then you get into the hard product strategy questions like what are we doing now? Are we improving this? Or are we doing something new, adding missing pieces, etc?

Matthew Todd

Yeah. Do you end up prioritizing customer features above your own as well, sometimes?

Simon Ritchie

Yeah, it's all in the mix. But I, I think, you know, using, using your own software, where you can as a customer, as your, as a customer just gives you such great data and insight into what the customers are likely feeling. But you've got to absolutely be speaking to your customers as well. Otherwise, you're going to end up building something that only you need. Which is where, you know, a really good UX research in and user engagement process will come in nicely alongside using your software.

Matthew Todd

Yeah, absolutely. And, on the subject of kind of user engagement, obviously, you mentioned kind of driving traction, i'd be interested to hear how, especially as a new company, you approach kind of expanding beyond that and attracting users to such an early stage product,

Simon Ritchie

I believe as a team is that it's good to get the product out into the real world as quick as possible. So our product we make it available free on the website, even let people use it without having to sign up. So we've tried to really adopt some of the product lead growth, feedback and advice around getting the product out there and as product, the product can speak for itself and it can sell itself. And then and people will ultimately then come back and sign up and then then it looked to upsell look to upgrade when they need to, so the product should deliver value. And then once people get value, they're more likely to come back can use it again and again. So we've gone with that approach. We launched in February 2023, just five months ago. So what we've been focusing on is getting as many people as we can into our product. So onto our website and then to our product. And there's different strategies that we that we have for that we've done email marketing, social, we've been to events, we actually find that events are really great for signing up for a start as a startup exhibitor, and some of these events is a great, really great way of speaking to 50 or 100 people in the course of two days, it's great for user research, testing, new messaging, getting early signups getting early interest in partnerships, etc. So we love events. And basically what we're trying to do is drive as many people into the product. And then we've we've instrumented the product. So we've got product analytics in the product. So we can see what people are up doing, how they what they're doing, we can't look at their data, but we can see, you know, what, what they're using and what features they're using, which is really great data for us. And that real usage is then used to help us prioritize a roadmap of what features we should, we should improve what we shouldn't, which ones are not being used, which ones are, etc. So we drive users into the product. And then we've got a funnel, essentially, we've mapped out from first interest. So user lands on the website, you know, they might, then they might just bounce away, because they've understood our message, and then they bounce back. And then they, if they're interested, they'll jump into our product, and they'll see the product. And then if they're even more interested, then they will register for a customer account. And then they would come back again, a second time around and start putting in their data or connecting it to their data sources. So we've basically mapped out the entire funnel. And what we're trying to do in this season is get as many people through that funnel, understand what our conversion rates look like, how many people are coming in how many people convert through, who's most likely to convert through quickly. And that will build a pipeline for us, once we've got users in there, then we'll start when when we launch paid plans, then we'll then we'll have you know, a paid option, people will be able to upgrade to paid. And sowe've done as much as we can to start to create that funnel that user funnel and then to start getting people in and working their way through. And basically just giving value as much as possible in this season while we while we're dialing in the product. And then we'll launch paid plans later in the year. And that's where the you know, will will start then revenue monetization.

Matthew Todd

Yeah. Fantastic. So yeah, I guess then the question what is the plan then for Blox? What does the path to getting to that revenue generating point look like?

Simon Ritchie

There's more work to do on the product. So we've got great early traction and early feedback from customers that are using it. We've mostly focused on early startups so far. So helping people with a financial model for a fundraiser for, you might be looking at selling your business and you want to share a model with your potential acquirers on how much the business the revenue is and your revenue growth expectation. A good example of a customer that we had recently, that was able to essentially double the acquisition offer that they got from a business because they had a good financial model that showed their expected revenue growth over time. So the the acquirer saw that and they then upped their offer based on the increased growth that they had. We've mostly been focusing on startups. And then there are some additional features that will add to the product so that when you're running the business, you can connect it to your accounting software, pull all that data in, use Blox for your management and reporting, and roll and revise forecasting. So you can basically update your latest data. And then have a look at your revised runway for the business. So just automating a lot of that we're already doing that. A number of our customers are but there are still some manual steps. So this is basically product enhancements. And then we'll launch launch paid plans and we'll work out all the infrastructure of actually charging people all that stuff. We've set ourselves some targets in terms of revenue in the first three months, six months, nine months. And then yeah, the plan is to get out there start helping as many people as possible, start converting, some of those customers will convert to paid. And then our journey begins very hopeful that we can raise more raise more money to keep pushing growth. So that's the plan is to start think to push ahead and think about fundraising, what that could look like next year. See what the macro environment is looking like, next year for fundraising. The ambitious growth plan is that we can fundraise, we can invest that money in additional sales and, and marketing and growth, because we're solving a big problem, there's global appeal. With our product, we can go global from day one. And if we can keep our prices low enough, then it will really open us up so we can serve markets outside of the big kind of higher paying markets, like the US and Western Europe.

Matthew Todd

That sounds really, really exciting. And as I would expect, you know, it's sounds like it's very carefully planned, considered, and you're measuring the right data along the way to, to gauge success, you know, starting with those milestones, and then working back from those something I was certainly encourage any founders listening to this podcast to do, no matter if you think you're too early for that, I would say that you're not you're never too early to start actually planning and modeling this. And if platforms like Blox can help with that, then then so much, the better. So yeah, thank you for sharing that journey so far. And I'm sure we'll have a follow up and catch up and see how things have progressed a few months down the line, but for anyone listening to this that has any other advice you would like to leave them with today?

Simon Ritchie

Yeah, I've loved the conversation. And thanks for listening. Thanks, Matthew for making it happen. I would say if you're still thinking about taking the leap, then and I was there for a long time, I just I was trying to figure out when's the right timing to go and, you know, work on something of my own. What I found is there'll be a moment where everything feels, right. And then at that point, there's just still a few

things that are holding you back. But in a lot of cases, most things are saying yeah, now's the right time, go do it. And at that point, you just got to go for it, you got to absolutely just go after it takes a lot of energy, a lot of a lot of drive to make it happen to pull all the pieces together, you got to find an early team funding. What problem are we going to solve, you know, all that stuff, but. But you know, just go after it. I really believe that when we set our full when we set our full focus intention on these things, we can do really fantastic, marvelous things. So so go after it. If you're worried, I'd love to, for you to reach out and have this have a conversation on LinkedIn. I like helping people I love to share my knowledge and experience where I can so find me on LinkedIn. Blox is there and available, you can jump on and build out a financial model for your startup idea, and it won't cost you anything. And you can use that free for a decent length of time and then you wouldn't have to worry about paying for it until you are running the business. So that's the you know, go after it is what I'd say. Make make it happen. You can you can do it.

Matthew Todd

Awesome. I think that's a perfect way to leave things. I look forward to hearing feedback on the episode and hearing feedback on people's ideas and startup visions and and how they intend to get them off the ground. So yeah, Simon, thank you very much for sharing the Blox journey. We'll leave links to blogs, obviously in the show notes as well so people can take a look and check it out for themselves.

Simon Ritchie

Fantastic. Thanks, Matthew. Thanks, everybody.

Matthew Todd

Thank you for joining me on this episode of Inside the ScaleUp. Remember for the show notes and in depth resources from today's guest, you can find these on the website insidethescaleup.com. You can also leave feedback on today's episode, as well as suggest guests and companies you'd like to hear from. Thank you for listening.