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Fluentlee.com's co-founder achieved 90 percent savings through crowdsourcing

David Bebko quit his job as Google's Head of Business Marketing in Asia Pacific at the end of 2012 to start his own business. Within 16 months, it is generating revenue and has users in 72 countries. Bebko achieved all this with just one full-time staff member, and spending relatively little money.

"I told a former software engineer about the concept of my business," recalls Bebko, who co-founded online foreign language learning platform, Fluentlee.com, "and his response was: 'You'll need at least a million dollars, and you'll need to give your team of people a year to build it.' I told him I've already built

it, and I did it for US$150,000." He then delivered the coup de grace: "He couldn't believe that I got as much done as I did using crowdsourcing."

Standing out from the crowd? Or with the crowd?

Users of *Fluentlee* can buy sessions, which are in 15-minute increments. US$19 buys four 15-minute sessions or a learning hour at US$4.75 per session, while heavy users can buy more hours upfront to lower the cost per session. Once on, users can choose from any of the 1,344 native speakers of 22 languages in 62 countries. Tutor and student then connect via the platform's inbuilt video software.

The main ingredient of the platform are the tutors who are paid US$10 per hour. To tap on the power of crowdsourcing, Bebko made it possible for anyone to be a tutor – there is an "Apply to be a tutor" tab on the *Fluentlee* website – but applicants are subject to a vetting process for quality control. It is one of many examples of crowdsourcing that helps in the operation of *Fluentlee*.

"For less than a thousand dollars I managed to collect eight thousand emails, which jumpstarted my ability to make people aware of my platform," says Bebko of his marketing efforts via freelancer hiring platform oDesk.com; the emails in question were those of teachers and principals in the U.S. "We've run sixty pilots in U.S. schools who have used *Fluentlee*."

Bebko went to another crowdsourcing site, *99designs.com*, to get the logo of *Fluentlee* done. He offered US$500, and got "252 submissions from six continents, but I only had to pay for the winning design".

"If I had hired a small agency to design the logo for me, it might cost me US$2,000 or US$3,000," said Bebko. "If I were Coca-Cola, and I go to a large agency to design a logo for my new soft drink, it could cost tens of thousands or hundreds of thousands of dollars. I didn't have that kind of money."

Cutting costs through crowdsourcing

The need to cut costs drove Bebko to try out other crowdsourcing sites. FlightCar.com provided cheaper car rentals while he was in San Francisco, while Airbnb.com helped secure cheaper accommodation. If he needed specific tasks done, there was oDesk as well as Fiverr.com, where freelancers are willing to do a myriad of jobs starting at US$5. Sometimes, these freelancers can be a resource to complete tasks for which they have not advertised.

"I use Fiverr, and I have this challenge of figuring out how to post job postings, for free, to hire tutors around the world," Bebko recalls. "I am familiar with the jobsites in the U.S. and Singapore, but in other places of the world I have no idea. So I thought, 'What if I asked someone who's done some translation for me to post, for another extra $5, a translated job description on their local job-search platforms?'"

"That's been a terrific way for me to get some on-the-ground marketing. Today we have users in 72 countries. There are very few startups who can make that claim, and I attribute that success largely to crowdsourcing because I have no on-the-ground presence in 72 countries but I got the word out through people in my crowd."

Hiring these freelancers also cut down on fixed salaries that must be paid to full-time employees, which brings with it "lots of rules and regulations regarding the ending of a relationship," says Bebko. "I can do that with the click of a button on oDesk or whichever platform where I'm hiring a person."

It appears as if one can do everything by hiring through crowdsourcing; it would also be unture.

"The core of my product is software, and I cannot any risk when it comes to the quality of the code," says Bebko, who outsourced – not crowdsouced – the task to build the software core. He then hired a core engineer to maintain the platform, but concedes that "for anything that I've had somebody submit code to my core engineer for the Fluentlee platform, we've had lots of bugs to deal with. It takes longer than it would have if I had my core engineer do the coding from the beginning."

If there's a crowd, there's a way?

Given Fluentlee's success, is it possible for anyone to copy Bebko's formula of crowdsourcing and controlling the source code, and in the process striking online gold?

"Perserverance matters as much as whatever your idea and product is," he tells Perspectives@SMU. "It's hard to replicate a successful entrepreneur's perseverance. There are other sites that bring students and teachers together on the same platform. However, the time and effort that I invested in bringing all the pieces together to make this work, it would require someone else to have the willingness to replicate that."

"Hopefully, by the time they are able to do that, I would have moved my business forward."

David Bebko was the featured speaker at the Singapore Management University Institute of Innovation & Entrepreneurship talk, "Crowdsourcing: The Entrepreneur's Most Valuable Asset" held on April 10, 2014.