Zywave Inc. found success helping insurance brokers make their services stand out. Now the Milwaukee company's former president is setting out to do the same for other industries.

Jim Emling, who worked his way up from a job as Zywave's first programmer, co-founded WhyHigh Technology LLC a year ago with the idea that service providers as varied as plumbers and financial planners need as much help distinguishing themselves as insurance brokers do.

"They suffer from the same problem," Emling said. "They want to showcase how they're different, but the world wants to commoditize them."

They all fight against what Emling calls the "Uber" phenomenon, referring to the San Francisco car service that relies on smartphone apps to connect customers with rides. Uber is giving traditional taxi companies a run for their money.

Models like Uber create a "downward pressure" on service providers, Emling said. So he has developed what he says can serve as a software solution of their own.

WhyHigh, Emling says, is the world's first social, referral-driven marketplace. Think Facebook meets Angie's List.

Consumers create free accounts on WhyHigh and connect with people
they know. Then they can tap this network of family and friends for referrals and book appointments online.

"If you want to put a patio in your backyard, you're either going to buy a subscription on Angie's List or ask a friend or neighbor for a referral. That's what we're trying to automate," Emling said. "There are review sites ad nauseam, but we don't think there's anything quite like this."

The patio installer and other service providers - not the consumers - pay a subscription fee to have a social media presence on the platform, Emling said. Then they can pay more to update their storefront to do things like content-driven marketing or sending thank-you notes.

WhyHigh launched the business part of the platform in November and has mostly small businesses on the platform. They are adding their own referrals and preparing to e-vite their customers to refer them on WhyHigh when the consumer side opens in the next few weeks, Emling said.

Consumers will like the platform because they pay nothing to trade referrals from trusted sources; businesses like the platform because it doesn't contain reviews, which might be anonymous, fake or inaccurate, Emling said.

L.H. Krueger & Son, a roofing and exterior maintenance company, used to rely heavily on Angie's List for leads, getting as many as 60 percent of them from the site, owner Ryan Krueger said.

But the more Angie's List's revenue stream shifted to contractor advertising and away from subscriptions, the fewer leads Krueger has gotten, he said. Angie's List charges consumers a subscription fee and gets about two-thirds of its revenue from advertising, Emling said.
"Jim's approach seems to be completely different," Krueger said. "It's referral-based, but by people you know. You know those people will give you an honest recommendation."

Krueger said he signed on for WhyHigh because it met his two criteria: getting a fair assessment and getting quality referrals.

Emling says he and his co-founder, former Zywave executive Kimberly Capelle, learned the importance of those factors at the fast-growth software firm. Zywave sold its insurance broker division to Aurora Capital Group, a private equity firm in Los Angeles, in late 2013.

That kind of insight and experience will work in their favor, said E.J. Reedy, director of research and policy at the Ewing Marion Kauffman Foundation.

"The research says if you have experience in start-ups that's the best thing you can do to increase your chances of future success as an entrepreneur," Reedy said.

The other thing WhyHigh has working in its favor is the market it is starting in. Milwaukee is notoriously old-school, and consumers are very set in their ways, Krueger said.

"It's impressive that Jim has so much confidence in his system that he's going to go after the hardest market," he said. "If he can make this work here, it will work anywhere."

©2015 Milwaukee Journal Sentinel
Distributed by Tribune Content Agency, LLC

Citation: WhyHigh brings social media, consumer referrals together (2015, February 21) retrieved 4 April 2024 from