How SimpleSite Founder Is Helping Millions Of Micro-Businesses Across The World Get Online

One of Copenhagen’s most engaging and well known entrepreneurs, Morten Elk’s career began as he helped to launch the internet in his native Denmark – now he is the founder of SimpleSite, a platform helping millions of non-technical entrepreneurs, groups, societies or individuals create a presence online, from the emerging economies of Africa and Central America, to Mr and Mrs Denmark. His story is well worth telling (and hearing), but its where he is headed next that could be most intriguing.

Although he is a physicist and an academic, Morten Elk likes to keep things simple. After he had obtained his Masters Degree and Ph.D from the University of Copenhagen and spent a year researching at the University of Southern California in Los Angeles, he decided to start a family business.

"Obviously I knew about the internet before most people because the first people who knew about it after the military were scientists", he says. This was back in 1996 and both Morten and his brother were looking for new careers, and new challenges away from the classroom.

"I could build a product, my brother could sell it – and our father could design!", he told me when we met in the plush conference room of SimpleSite’s (Morten’s hugely popular do-it-yourself website building company) 3-story offices recently. “We knew how big the Internet could be, but most people had no idea. So my brother would knock on someone’s door and explain what it was all about – he must have sounded to most Danes like he had just come from outer space!”
Many agreed, however, to let Morten, a genial, tall Dane with a distinguished demeanour and a ready smile – install a modem in their homes and set up a dial-up internet account. Which was a hard enough sell. But then came the really tricky part. “So what are we supposed to do with this thing?” they would ask. Which is when his brother would step in and sell them their first website...

“It was really like when we first got TV in Denmark – no one was educated about it so to begin with, all the presenters on Danish television were ex-teachers – we needed them to show us how it all worked. Well, it was the same when the Internet came along – scientists became the teachers and tried to show people what the possibilities were.”

For Morten, the Internet is like “a second or third brain. Somewhere to do your banking, or store and find information, or communicate with people. It presented all kinds of opportunities because a change as big as this is an extremely rare occurrence.”
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The opportunities did indeed come for a lucky few entrepreneurs whose companies achieved impossible valuations and made their founders millions — and just as quickly, at the turn of the century, those valuations collapsed. Were Morten and his family some of the lucky few?

“Yes, we were, but let me tell you something; those valuations that some companies achieved were correct — because they were the winners — the top performers — the people who were “changing the world”, there just weren’t many of them — most companies were sub-standard versions of these companies except the substandard companies didn’t perform like the winners and that’s what dragged valuations down and burst the bubble. The real problem was that all the companies were valued as winners but in business there are always winners and losers.”

Unperturbed by the crash and still hugely optimistic about online, Morten took what he had learned and ran a digital agency for a couple of years, before launching SimpleSite in 2003. In some ways it’s ironic that Morten, who founded Nordic Growth Hackers in 2014 to try to stimulate the nascent tech start-up scene in Copenhagen and create open dialogue between entrepreneurs, runs a 13-year-old company that prides itself on being the perfect website building tool for non-techies. Hardly the kind of disruptive, agile, early stage tech start-up we hear so much about these days. But that, he says, is SimpleSite’s secret sauce.

“When you start a business the first question you need to ask yourself is “who is my target audience”, he says. That is the key difference between SimpleSite, and WordPress say, or Drupal, or Joomla. A gardener in Africa trying to market his business online is not tech savvy — or a coffee grower in Central America — or an elderly relative setting up a homepage for the first time, or a social club in need of a forum — and these are all use-cases that are very relevant to us.”
The kind of entrepreneurs and businesses that SimpleSite is targeting see the Internet as a marketing channel – a means to an end rather than the end itself. “Our target audience probably only possess a basic set of digital competencies, but that should really be all they need – they aren’t running digital businesses. They aren’t stupid but neither are they tech savvy – a stress coach, for example, or a fitness instructor or a teacher who runs a jewellery business in their spare time.”

It can be refreshing to talk to someone who understands – but is not precious about – the power of online. “All of our customers at SimpleSite have the same nasty problem – they can’t build a site on their own – maybe they have to ask their nephew to do it – and that sucks – even worse than learning to code sucks! So what people need is an out of the box solution that doesn’t require taking on extra staff, or extra budget, or specialist IT skills.

“All of our functionality is simple. Choose a template – click to add a business name – click to add a map or an image to the page. That’s what sets us apart – even Squarespace, or Wix are targeting a segment higher in terms of skill-set – we are not, and that pleases me because I don’t feel like we are part of the “IT” crowd.”

There’s certainly a contrarian or outsider streak to Morten Elk, despite the fact that he is a key member of an entrepreneurial eco-system that is predicated on the concept of disruptive tech. “In just 5 minutes, your website could be online”, promises SimpleSite’s website – SimpleSite will even create a domain for you (imagine explaining that one to the local golf club chairman or Brazilian farmer who has never used a laptop before).
But the reality of course is that a lot of work, and a lot of tech goes into making the product so simple to use. And an equal amount goes into making the product scaleable, and marketable. That’s where the agile methodology and lean business principles come in. There are reasons why the company has a C1om annual run rate and has a client base of 100,000 current subscribers, and many of those reasons are discussed at Nordic Growth Hacker events.

At last week’s event for example Sebastian Engelbrecht, SimpleSite’s Chief Sales Officer (and an ex-teacher wouldn’t you know it) talked about the platform’s acquisition by partner model, it’s white labelling and engagement strategies, the value of being able to translate the site seamlessly into as many different languages as possible and using internet search engines like Baidu or Yandex, which have sizeable reach away from the Western world’s catchment area.

“There’s almost nothing we can’t measure”, he told the audience “but still, we always want to improve.” He spoke about the importance of accurately assessing the lifetime value of your clients and your customer acquisition costs; get this wrong, and your profit margins will be way out, which places your entire business model in jeopardy.

SimpleSite run ads worldwide – from Burkina Faso to Suriname, and takes note of every new subscriber. It’s painstaking, it can be painful, but when your strategy is Optimise! Optimise! Optimise! It has to be done. “Our SEO still sucks, but we’re working on it”, Engelbrecht said candidly.

There’s so much data to pore over that it’s refreshing to hear Morten talk about some of the company’s strategy for growth being based around “my gut feeling”. When they first rolled out the product “Mr and Mrs Denmark” was the target market – “non-experienced users could benefit from putting their personal and professional projects online, “but we quickly realised SimpleSite was a digital product we could sell all over the world”, says Morten.

“We see the greatest potential in the emerging markets – Africa, Central America, places that are just beginning to get to grips with online and what it can do for them business and communications-wise. Which means many traditional marketing tactics are less useful. “A mailing list won’t get you into Nigeria”, says Morten, “but a freemium model might. Or the opportunity to be online in less than 30 minutes with your own website and domain. None of our rivals can do this as quickly or as easily as we can. Not even Wix, who when pushed, he concedes is probably SimpleSite’s biggest rival.”
“The key question is how can you provide enough value to make your customers happy whilst at the same time eager to accept follow on services that will help their businesses more as they grow. We want to try to grow a massive presence in the regions we have targeted first and foremost – in Africa we want to make Simple Site easy to use on mobile because Africans have skipped the PC and gone straight to smartphones – we want people to share their sites socially and for word to spread like this also. It’s not a static user group that we’re targeting, it’s very dynamic – and very hard to saturate. If we can get 1 or even 2% of the addressable market, then that represents huge potential.”

SimpleSite has grown to 30 full time employees, who speak 18 languages between them. Morten couldn’t be happier. “It’s fun to run a company – it’s fun to grow things, it’s fun to help people and to do it in a scientific way – even better. He describes himself as a “die hard entrepreneur”, never happier than clearing the diary to pursue a new event or to spread the word about Simple Site, such as travelling to Los Angeles to pick up a Global Red Herring award, given each year to 100 top tech companies around the world.

His own personal journey has been pretty chaotic he says – from an outsider evangelising a new product called “the Internet” and installing modems with his brother, to an establishment figure connecting early stage businesses and helping them grow. What next? “In life sometimes things just happen – and suddenly you are in an interesting place – sometimes it turns out well”. Success is harder to measure, more intangible, than growth. Morten and his business are currently experiencing both. A chance to play a significant role in the development of emerging nation’s economies online spend, in terms of both marketing and functionality, awaits.