

How to Build Momentum for Your Ideas,  
Business, and Life *Against All Odds*

# CUMULATIVE ADVANTAGE



**MARK W. SCHAEFER**

*Best-selling author of **KNOWN** and **Marketing Rebellion***

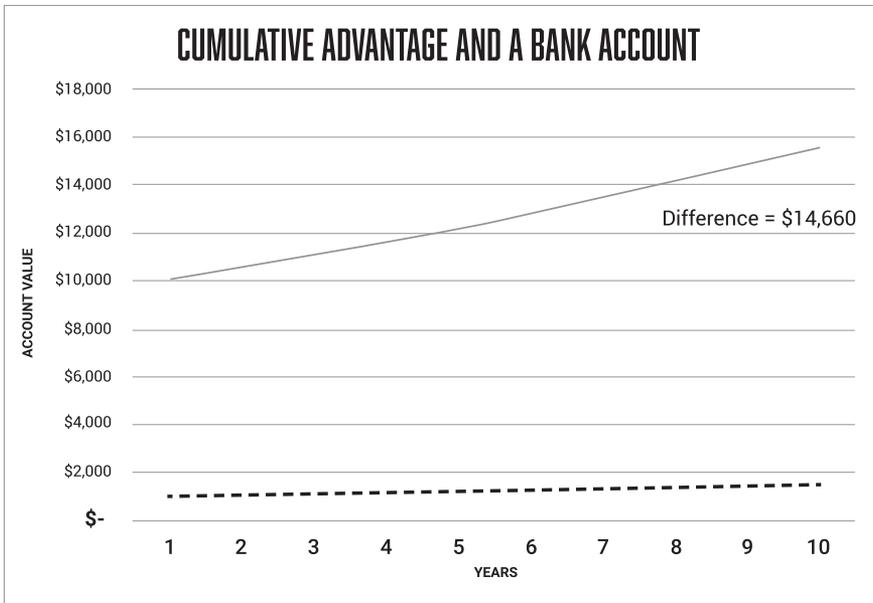
# CHARTS & GRAPHS



# CHART 1

Here's an example of Cumulative Advantage commonly provided in the research:

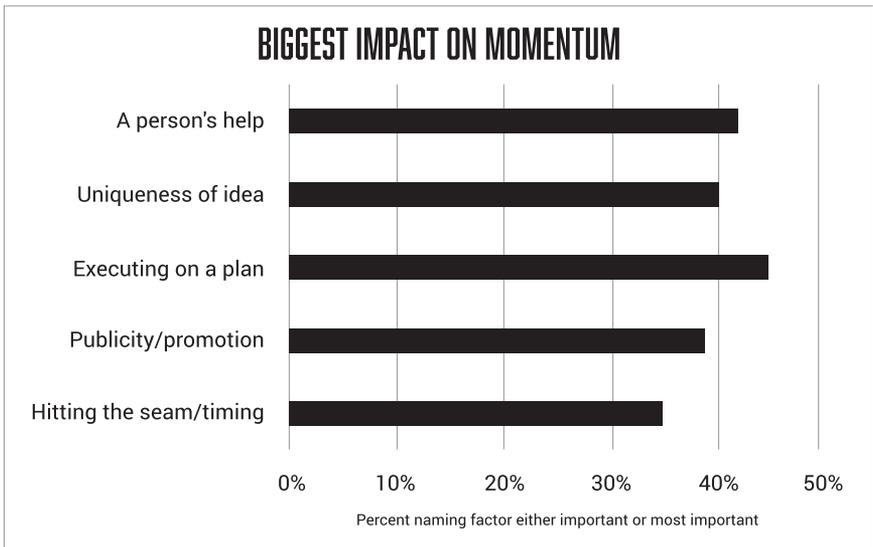
Suppose that two people have otherwise equal merit, but one starts life with \$1,000 in the bank and the other starts with \$10,000 in the bank. With a 5 percent interest rate that compounds every year, in year 1, the first account would earn \$50 and the second account would earn \$500.



## CHART 2

Knowing how to build momentum can help support any idea: a social cause, a political platform, an artistic movement. But we found that this survey group was easy to identify and easy to measure: Were they successful or not? How did they get there?

When we asked business founders for the biggest contributors to their momentum, they responded this way:

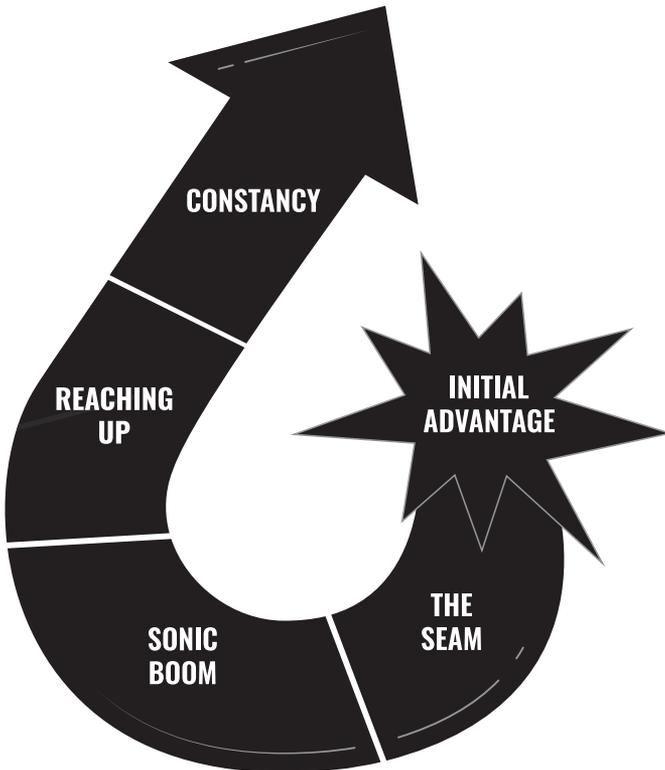


## CHART 3

If we aren't born into Cumulative Advantage, we can go around the system and make it work for us another way when we:

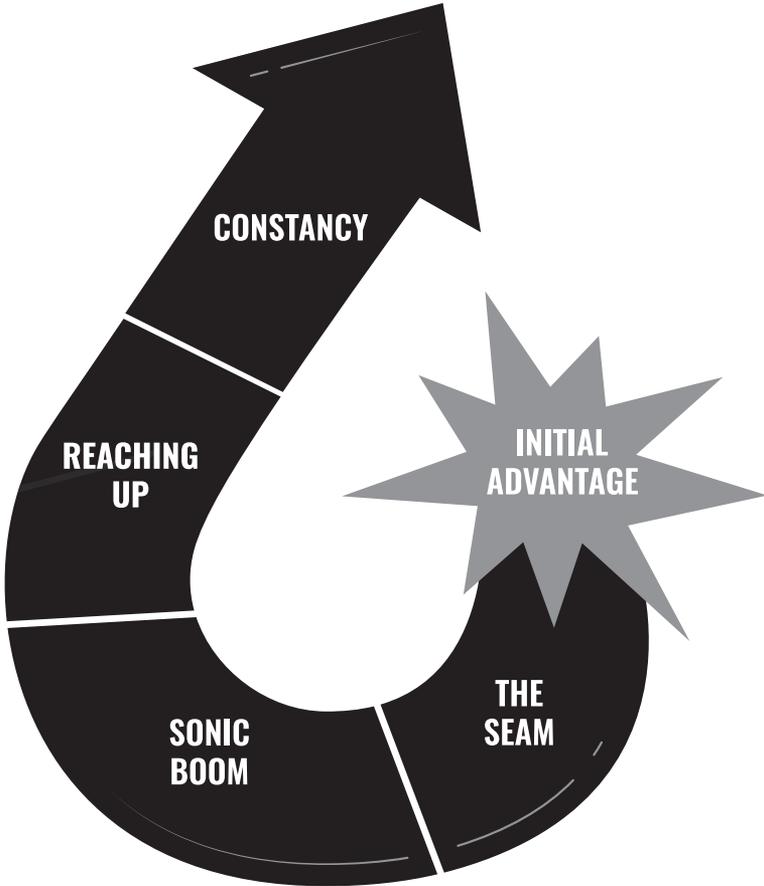
1. Identify an initial advantage
2. Discover a seam of timely opportunity
3. Create significant awareness for our project through a “sonic boom” of promotion
4. Gain access to a higher orbit by reaching out and reaching up to powerful allies
5. Build the momentum through constancy of purpose and executing on a plan

It looks like this:



# CHART 4

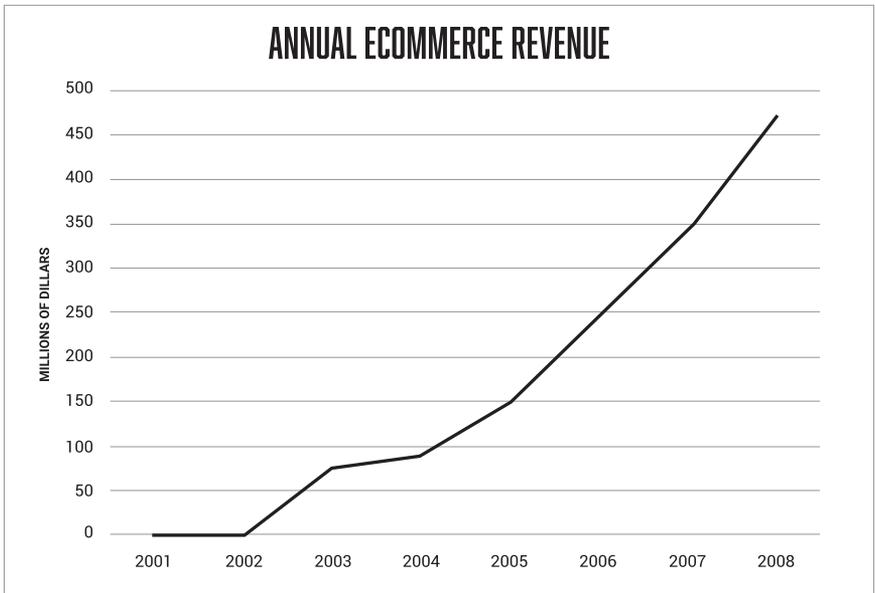
Initial Advantage



# CHART 5

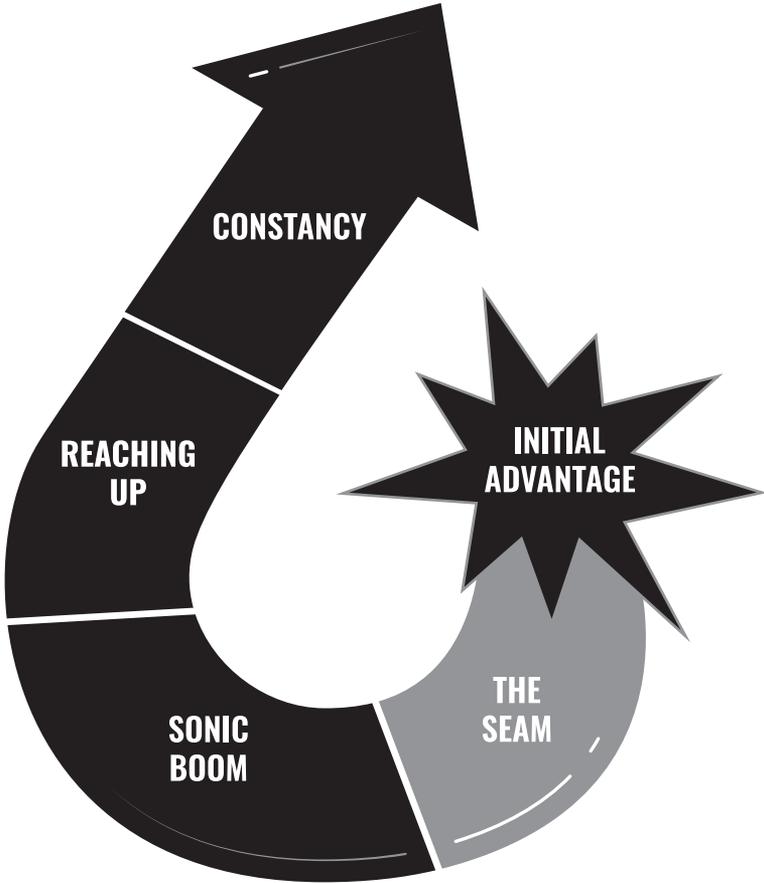
As my eCommerce vision was coded into existence, my strategy included small and measurable victories that I promoted like crazy so people could begin to understand what we were doing.

As our success gained momentum, I didn't have to pitch my ideas to the business units anymore. They began coming to me because they wanted to be cool, too. Here's what our online revenue growth looked like :



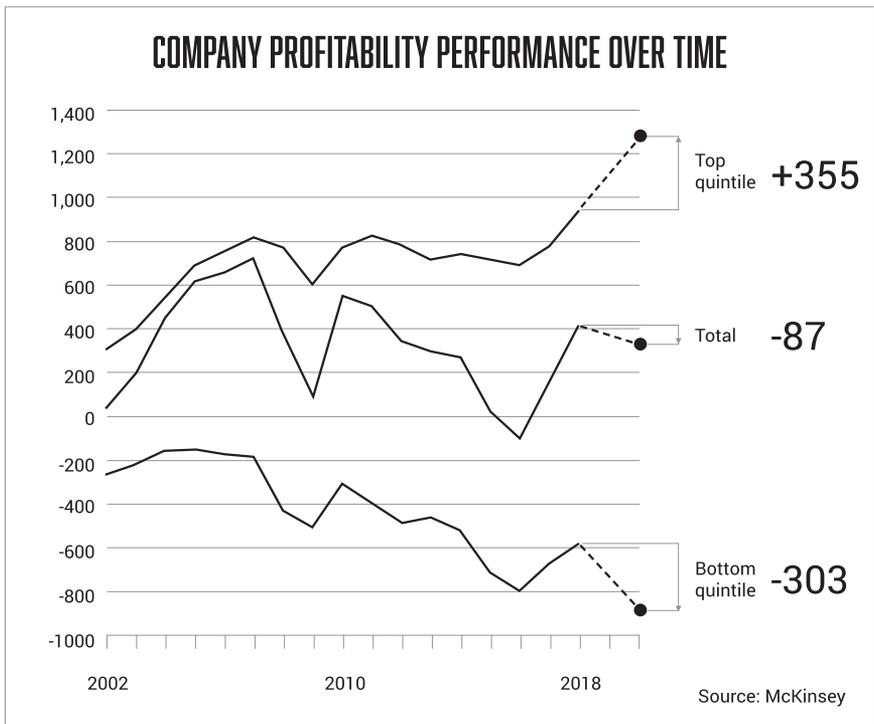
# CHART 6

The Seam



# CHART 7

In the first chapters of the book, I've used the sociological concept of Cumulative Advantage to describe how momentum works for new ideas and small businesses. McKinsey researchers showed how this works on a corporate level, too. Their study divided companies across 23 different industries into high-, medium-, and low-profit performers and then looked at their profitability over time.



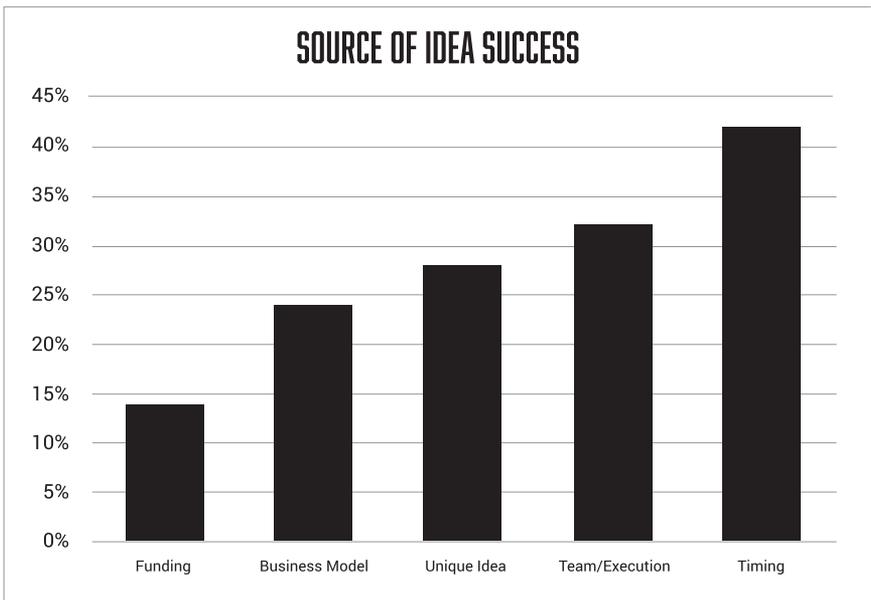
# CHART 8

Ikigai



# CHART 9

In a famous TED talk, entrepreneur Bill Gross provided an analysis of hundreds of startups and why they succeeded. The primary cause for an idea taking off as a successful business? Timing: 42 percent of the successes were dependent on the right timing compared to 32 percent for execution and 28 percent for the uniqueness of the idea.



## CHART 10

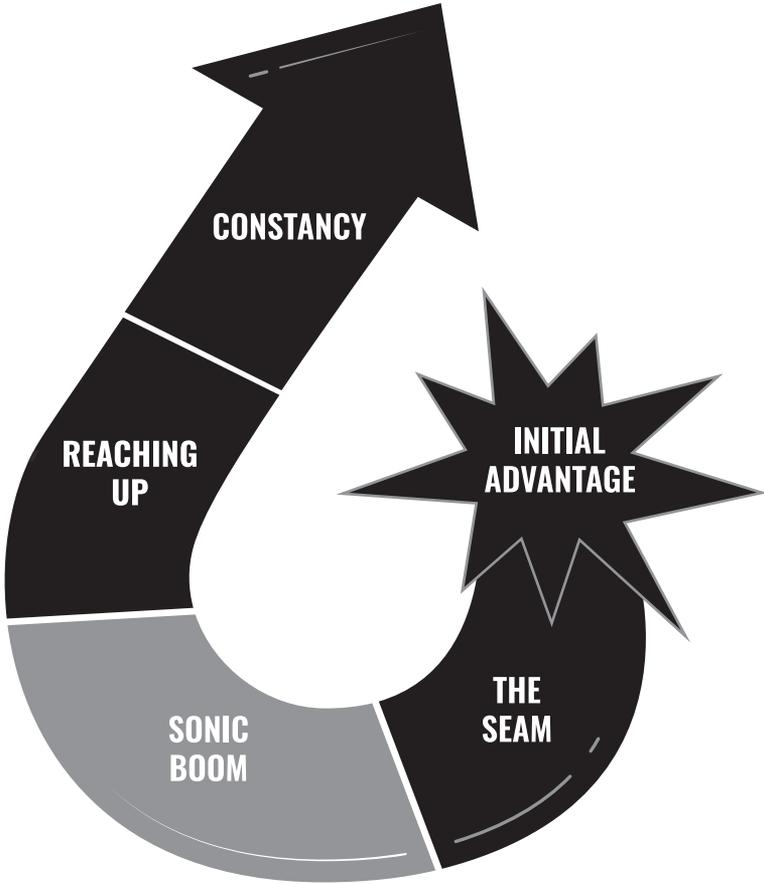
My key insight—generated from randomness, of course—was that the business world was changing rapidly, and power was shifting from media giants to digital natives publishing their views on anything and everything. We were on the verge of an influencer marketing revolution and almost nobody realized it.

To show you that the world was still asleep on this idea, here's a Google Trends chart showing the relative search volume for the term “influencer marketing” since 2012:



# CHART 11

The Sonic Boom

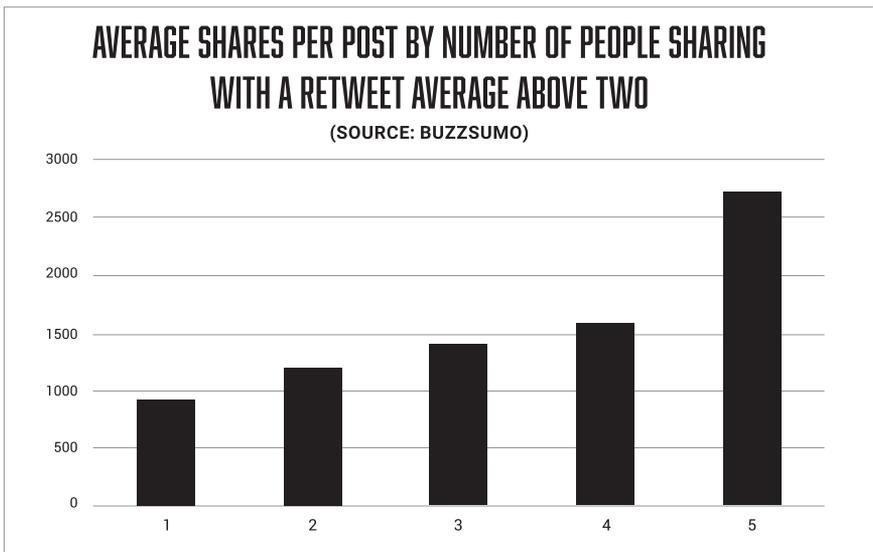


## CHART 12

As more influential people share an idea, the number of social shares and reposts grows exponentially, like a drop of oil spreading over a puddle.

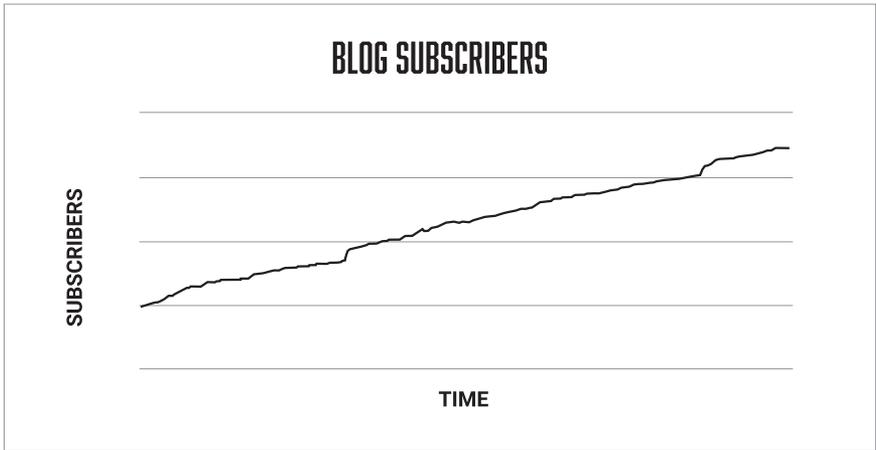
- Posts that were shared by two influencers had 30 percent more shares than a post shared by a single influencer.
- Posts that were shared by three powerful people received more than 100 percent more shares.
- Posts that were shared by five people received nearly *300 percent* more shares.

Five seemed to be the magic number for critical mass. If you can get as few as five relevant and influential accounts spreading one idea, you're on your way towards creating a sonic boom. Here's a graph from the BuzzSumo research:



# CHART 13

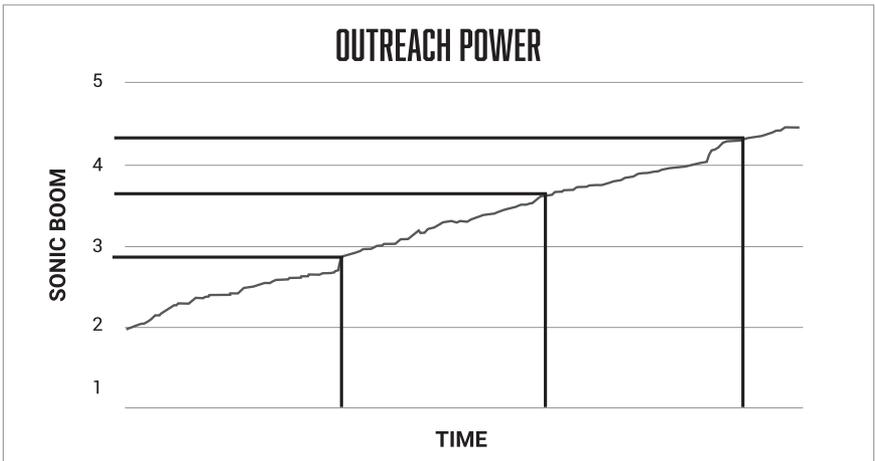
Here is a chart depicting the number of subscribers to my blog since 2013 (I actually began blogging in 2009 but no longer have the data):



# CHART 14

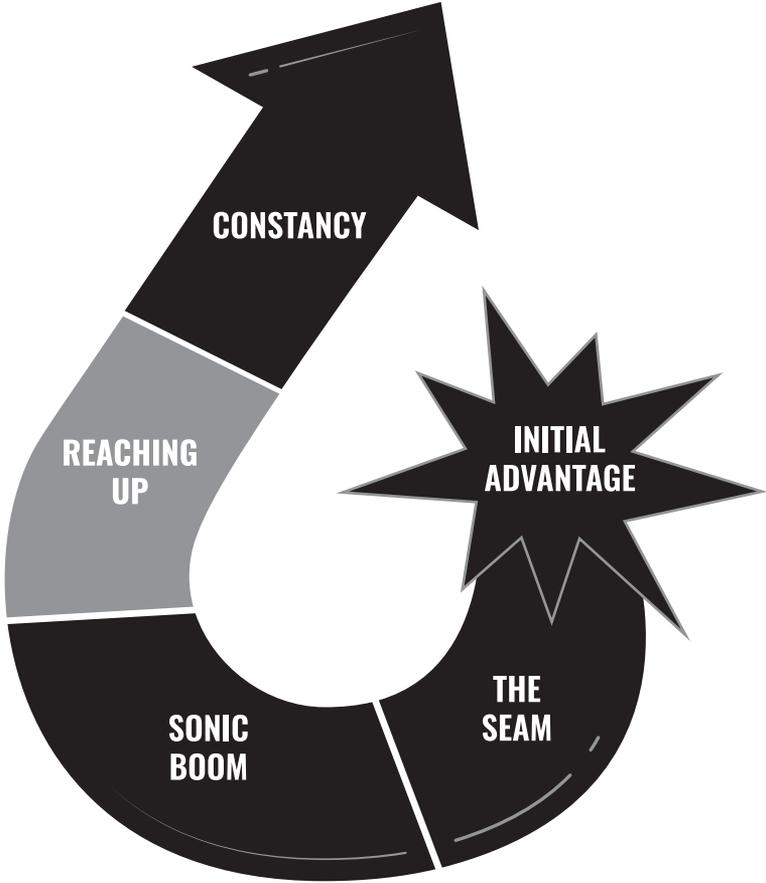
When I was starting out, my audience was small, my influence puny, and my ability to call in favors from powerful influencers nonexistent.

But as the number of subscribers slowly rose upward, my ability to influence larger crowds of more important people rose, too. The number of subscribers I attracted is a good proxy for my influence.



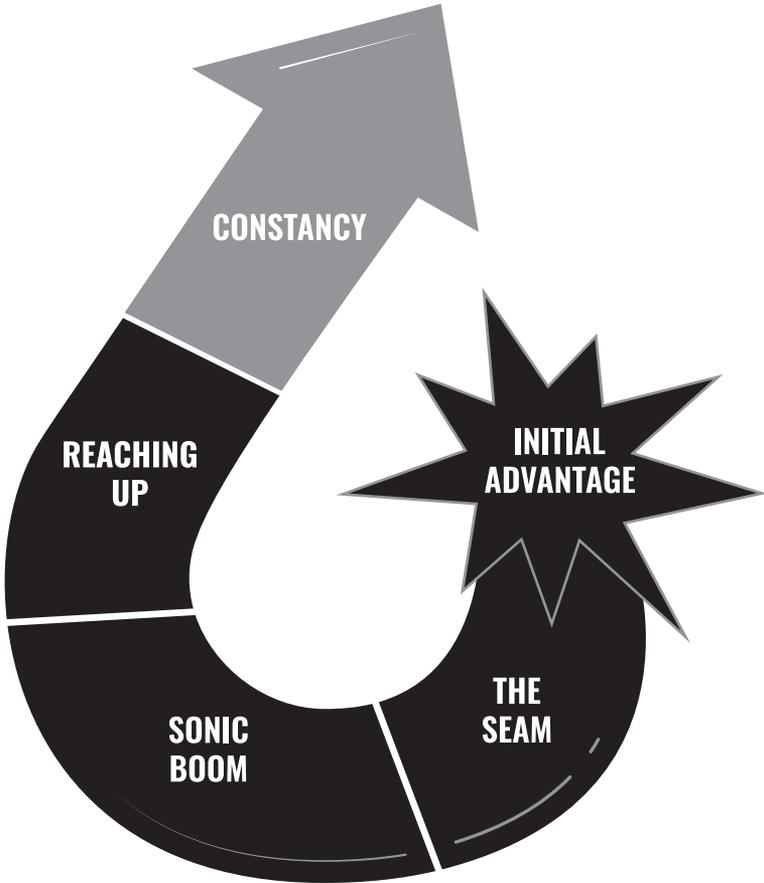
# CHART 15

Reaching Out, Reaching Up



# CHART 16

Constancy of Purpose



# CHART 17

Sandel notes that social mobility has also been stalled for decades. “Americans born to poor parents tend to stay poor as adults.”

According to *The Wall Street Journal*, differences in income and wealth have barely changed in the 50 years since I saw those frightening images on TV.

