

nurturing if you are efficient. You can always deliver an honest message with kindness. A leader's role is, by definition, to support the team. Career experience often yields the creative inspiration that gives rise to better parenting.

Leadership and Life Hacks squares the circle, offering a hundred tips for turning these contradictions and complexities into rich, multi-dimensional advantages.

Alyssa herself is a complex, refreshing blend of traits: blunt but polite, funny yet serious, tough *and* nurturing. She defies stereotype and refuses to be categorized. I've learned so much from her and her tenacity that I'm sure you will too.

—**Marissa Mayer**, CEO and Co-founder of Lumi Labs; formerly the CEO of Yahoo and VP of Search and User Experience at Google; devoted wife and mother of three

INTRODUCTION

NOW WHAT?

This book began the way most books begin: with a question.

The question came over a year and a half ago, shortly after my family moved back to Chicago. To understand *why* I asked the question—and all the circumstances that led me to it—we have to go back a little further.

Before the Chicago move, I'd spent the last twelve years in Silicon Valley. As an MBA student at Stanford, I fell in love with my first entrepreneurial idea—and also with my husband. Hal and I married and had two children, and for the better part of a decade, we split our time between Silicon Valley and the Midwest. During that decade I founded my first company, Bottlenotes, Inc., which started as an e-commerce play that shifted to become a leading digital media company in the US wine industry when a regulatory change by the California Alcohol Bureau of Control forced us to either raise a white flag or pivot. For better and for worse, I rarely quit. Which left us no choice but to pivot.

As both my professional and personal lives became more demanding, I was constantly renegotiating the work-family balance. The day our first daughter, Audrey, was born, I closed a crucial investor while driving to the hospital. I was literally signing in for the C-section when Husband Hal said to me, “It’s time to shut it [the phone] down, Rapp. Time to have a baby.”

By the time our second daughter, Henriette, was born two and a half years later, I was ready for a slight change. I would still work my tail off—as a childhood athlete, first a competitive gymnast and then a contemporary dancer; I don’t know any other way—but I needed more flexibility and more freedom, and I wanted more time

with my husband and daughters.

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I started looking for ways to “hack the system” as a mom, wife, entrepreneur, and executive. By *hack*, I mean I was seeking high-impact strategies that would help

me work more efficiently, achieve better outcomes, and more successfully balance my personal and professional lives.

I didn’t know it then, but I was uncovering the very hacks you’re about to read.

SAYING YES

After Bottlenotes exited to a hedge fund in 2015, I chose to take a couple of years as an advisor/consultant and lecturer in management at Stanford’s Graduate School of Business versus jumping immediately back into the CEO seat.

I started AJR Ventures, a strategic advisory firm that served two family offices and two private-equity firms in Chicago and the Bay Area. I quickly discovered that I enjoyed working with private-equity

firms more than venture capitalists as an operator. Private equity is purely driven by economic returns, making it more egalitarian, more objective, and less sexist, and thus more appealing to me.

Sometimes circumstances nudge us in certain directions or even expedite the timeline of major life decisions. In 2017 Hal’s father passed away unexpectedly. We made the choice to move back to Chicago to be closer to his mom and also to my parents. It happened fast: I closed on a house in July, and we moved in August. By September our youngest daughter was two and a half and heading to preschool, and our oldest was starting kindergarten. I was ready to be a CEO again.

I knew that I didn’t want to create something from scratch at that moment. A start-up is like a baby, and I already had two human babies—I wasn’t ready for a third. As I thought about how to transition back to CEO life, I started having conversations with several private-equity firms in Chicago. Rather than boiling the ocean and doing a big, exhaustive search, talking to everyone, I let the process evolve more organically.

That’s how I ended up in a conversation with Steven Taslitz, the chairman of Sterling Partners. Steven had founded companies *and* a PE firm, and I liked his entrepreneurial approach to private equity. I knew I wanted to run something that wasn’t a start-up; I was most interested in running a company with a “running start” of \$20–\$50 million in topline revenue.

I liked Steven. He talked a lot about his daughters, and he clearly adores his wife. He wanted to meet my husband and wanted us to meet his family too. It felt like we were getting to know each other as people, not just potential business partners. He invited me to several diligence meetings at Sterling as a way for us both to see the other in action.

My favorite meetings that fall were those that I sat in on for a potential coffee deal that they ended up investing in (and that I anticipate you'll be hearing about on the NYSE or as a major M&A target in the future). From those meetings, we determined there was likely a good fit between Alyssa Rapp, Steven Taslitz, and Sterling Partners. The question became this: Which would be the right company to lead?

In the fall of 2017, Steven came to me with an idea. They had a portfolio company that needed a turnaround CEO, and it checked the box on size. Even better, it was fifteen minutes from my house. When not traveling for work, I'd be able to drop my girls at school, which is of absolute importance to me: be home by dinner; log on later at night.

"The only catch," Steven said, "is that it's a B2B play—not B2C—and it's not consumer products or consumer internet but health care."

To which I replied, "Thanks so much, but I'm not sure."

At face value, Surgical Solutions was not the company most would have anticipated I would lead next, including me. I'd spent over a decade building consumer brands in Silicon Valley, followed by two years advising private-equity firms and family offices on consumer/luxury/e-commerce strategies and technology enablement. The class I created at Stanford's Graduate School of Business is entitled Dynamics of the Global Wine Industry. Up to that point, I had frankly been a Valley Girl—Silicon Valley and Napa Valley—and a consumer-product-focused and consumer-internet-focused one at that.

The more I thought about the opportunity at Surgical Solutions, the more it compelled me. I liked the idea of learning a new industry. I liked the idea of a double bottom-line benefit, meaning working in

an industry that is improving lives—in Surgical's case, the satisfaction of health care providers—and hospitals' bottom lines, thus potentially improving patient outcomes. I liked the idea that by entering the health care industry, I'd be diving headfirst into an increasingly crucial and complex pillar of our national economy, one with skyrocketing costs (estimated by some to be 18 percent of our national GDP and growing¹). These insights would continue to inform my career and civic engagement.

I had come from an industry mired in a quagmire of regulation, and I spent a decade mastering it, so highly regulated industries didn't intimidate me—in fact, if you carve out a niche in one, your position is all the more defensible. Here's the thing about an industry that's rife with regulation and inefficiency: it's also ripe for disruption.

That's not to say my decision to take the helm at Surgical was easy. I did my homework. I talked to three of the board members, including Kim Vendor Moffat, who was a talented friend of mine from high school. Kim had been at Sterling Partners for almost two decades, had been on the Surgical deal team, and had greatly influenced my decision to join the company via her transparency about its operations (good, bad, ugly) during her tenure on the board. She didn't paint a perfect picture, but she clearly laid out the challenges and the opportunity. Transparency—or radical honesty, as some are calling it these days—inspires confidence and builds trust.

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1 John Commins, "Healthcare Spending at 20% of GDP? That's an Economy-Wide Problem," HealthLeaders, accessed August 19, 2019, <https://www.healthleaders-media.com/finance/healthcare-spending-20-gdp-thats-economy-wide-problem>.

I had a similar conversation with Surgical Solutions' board chair, Ancelmo Lopes, a veteran health care industry leader, executive, advisor, and board member, with whom I quickly gleaned I could have a relationship based upon easy, direct, and effective communication, which I knew would be crucial to my potential success. The same went for Jay Istvan, CEO of Suture Express, who added the additional benefit of also currently sitting in a CEO chair of a larger company in the health care space and providing the guidance and unique perspective to the table as such.

Lastly, I shared with Ancelmo and Steven that I would be interested in bringing on another board member: a woman. They kept true to their word, and within a month, Sterling had appointed the indomitable health care policy wizard Cheryl Murer to Surgical's board at my initial urging.

Bottom line: they believed Surgical Solutions needed a good old-fashioned leadership reboot to get the job done. I wanted to test that thesis for myself too.

At Stanford we were trained that tried-and-true leadership is transferable across sectors and frankly transcends industry. I teach some of these principles today. So did I have what it took to lead the turnaround of a company in an industry that was brand new to me, based in a different town from where I ran my first company, and help shepherd an era of growth that would ultimately yield Sterling Partners the greatest possible return on its investment?

I knew Surgical wasn't a billion-dollar company. It was still young and nimble, roughly two hundred employees—by no means too big to fail. The job was to come in and scale revenue to \$100 million as quickly as possible.

So I said yes.

Yes to a CEO job in an industry I knew nothing about. Yes to a city I had yet to live in full time as a wife, mom, entrepreneur, or executive. I knew it would be hard, challenging, sometimes scary. C'est la vie. Nothing ventured, nothing gained.

That's when I asked myself the question. The question that launched not just the next part of my career, but the process that would inevitably lead me here, writing this book. Two little words that catalyzed everything that came next.

Now what?

As I asked myself this question—this book was born.

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LIFTING THE LID

After I said yes to Surgical, I spent the next three weeks talking to people internally and externally. I knew I wanted to show up on day one with the equivalent of what in the political world would be a one-hundred-day plan.

There's a saying in business school that while you're a student, anyone will take your call. When you're not a student, you're just another alum in the workplace, either a competitor or potential colleague. For the three and a half weeks after I accepted the CEO job—but before I officially stepped into the role—everyone was happy to contribute his or her perspective.

In a healthy but somewhat intimidating way, it made me realize how much I didn't know. Because I was hungry for wisdom, I reached out to my friend Jaime Irick, a West Point and Harvard Business

School alum who at the time was the CEO of Life Fitness. I asked him for a recommended reading list, and I read every book Jamie suggested (check out the appendix if you'd like to read these titles yourself). I had been assessed for the CEO role by ghSMART, where Andre Zafrani, now founder of Apogee Advisors, was unbelievably kind and gracious in giving me time-tested advice on how to attack the first quarter on the job.

What I had a harder time finding were books that spoke to being a successful businesswoman in concert with the many other roles I play. I'm not just a CEO—I am also a wife, mother, teacher, friend, athlete, board member, donor, and active political citizen.

I started asking more questions. Were there ways to be a committed and devoted wife, a loving and attentive mother, *and* a dedicated and hardworking CEO? What did success look like across the board? How could I reorganize my life to be even more effective personally and professionally in the upcoming one-to-two-year period?

The debate as to whether women can “have it all” has become a trite cliché. I won't be posing that question in these pages. Instead, *Leadership & Life Hacks* offers a behind-the-scenes look at my life in a Silicon Valley start-up, the private-equity world, the mom world, and all the other spaces I inhabit.

I'll take you with me into the boardroom and into my own home. We'll get granular (e.g., the power of personalized thank-you notes, why you should take board members to rock concerts), and we'll also ask big-picture questions. How do you manage an effective board meeting? How do you manage a household? What are some strategies for answering emails, staying fit, and best utilizing your time?

Many of my nearest and dearest female friends are powerful women in their industries—while also attempting to balance families and homes—and all are universally slammed. We're always seeking tangible ways to create more impact and efficiency in our lives. You might call them secret sauces or shortcuts to success. For the purposes of this discussion, let's call them hacks.

The hacks in this book are divided into two overarching sections: lead and live. Of course, for many of us, the two often blend together. I suggest you read *Leadership & Life Hacks* in whatever way feels most intuitive: front to back, back to front, or by cherry-picking chapters that resonate. There's no right or wrong approach.

I'm also a big believer in the power of story. To that end, each chapter of *Leadership & Life Hacks* is structured around a significant narrative (or narratives) from my life. Though the main events of the first four chapters happen to be in chronological order, I'll also be moving fluidly between different time periods. You'll find anecdotes from my childhood all the way up to my fortieth birthday party—and you'll see I've bullet-pointed all the hacks at the beginning of each chapter.

The content and concepts in this book can be applied to a wide variety of situations. My hope is that, whether you're a CEO, entrepreneur, businessperson, athlete, teacher, spouse, stay-at-home parent, community leader—even if you don't yet know exactly what you want to do—there are leadership and life hacks in these pages that will be useful to you.

My big goal in *Leadership & Life Hacks* is to inspire and demystify. I'll share simple tips and strategies that have worked for me—and I'll be unflinchingly honest about those that haven't. I've achieved modest success in my life, but that doesn't mean I've hit all singles and doubles.

The truth is, no matter how you define success, for the majority of successful people, it rarely comes as a home run. It's an ongoing treadmill of hard work, nimbleness, flexibility—and an openness to what you could always be doing better.

At the end of the day, to provide maximum impact in everything you do, as efficiently as possible, there's a whole level of orchestration behind the scenes of *how* you do it that no one ever sees.

PART ONE: LEAD

There will be hurdles to overcome. There will be plenty of nonbelievers and there will be abundant mistakes. But with hard work, there is no limit to what you can do.

—Abdul Sillah, Performance Coach to Naomi Osaka
and an array of the world's finest athletes

There's no elevator to success. Everyone's gotta take the stairs.

—Alex Toussaint, Peloton

CHAPTER 1

ROMANCING THE CONSUMER: THE STORY OF BOTTLENOTES

Hacks 1–8, Summarized

LEADERSHIP HACK 1

Always focus on building a company that is built to last, not built to flip. Ironically, if you focus on selling your business, you're less likely to grow it into something that people will want to buy. But if you focus on building something enduring, that will ultimately help it get sold.

LEADERSHIP HACK 2

If you have a passion for something, educate yourself about the industry. Then ask what isn't working—and come up with a solution. It was only once I started reading up on New Vine Logistics and Wineshopper.com that I saw opportunity. No matter what field you're in, look for gaps or

holes. Once you've sourced potential problems, you can create potential solutions.

LEADERSHIP HACK 3

If you're launching a consumer product start-up, look for ways to defray the inventory carrying cost. When you're a young company, you don't always have a lot of resources to play with. If you can look for ways to pare down on carrying costs (or even better, eliminate them entirely), you will be able to grow more quickly and efficiently.

LEADERSHIP HACK 4

Use technology to match people to products. We took a product that can feel esoteric and opaque and used the internet to bring the right wine to the right customers in a simple, efficient way. You can do this with any product or service. And if the technology doesn't exist, invent it, or partner with someone who can.

LEADERSHIP HACK 5

Romance your customers. The digital age hasn't diminished the need for developing close relationships with your customers—if anything, it's made it all the more important. Personal touches still matter. Whatever you're selling, treat it as more than just a transaction.

LEADERSHIP HACK 6

Think outside of the box to get more eyes and hands on your product. You don't always need money to execute smart marketing for your business. Creativity can transcend dollars. When a PR agency asked me for thousands of dollars, I countered with thousands of dollars of wine and in-kind wine club memberships—and probably galvanized even more customers that way.

LEADERSHIP HACK 7

If someone thought of an idea first, don't be too proud to personalize the concept and use it again. We riffed off the RedEnvelope theme at Bottlenotes with signature blue envelopes, but there are countless ways you can take an existing concept and innovate on it. You don't want to plagiarize or get into trouble with copyright, of course, but as the saying goes, "Nothing new under the sun." Take good ideas and refurbish them, adding your own unique, irresistible twist.

LEADERSHIP HACK 8

Leverage the power of alignment. It doesn't have to be celebrity endorsements (though those are always great). Find people or brands with a broader reach than yours or people or brands who are aligned with your mission, and get them excited about what you're offering. In today's world, this includes influencer and micro-influencer marketing. You'll gain the halo effect of the brand affinity, and they'll ultimately help proselytize for you.

* * *

For many twentysomethings, the postcollege years can be a time of wondering and wandering in existential uncertainty.

I was not one of those people. I enrolled at Stanford Business School with the express goal of becoming an entrepreneur. Before long, the seeds of various ideas began to germinate.

At Yale I'd fallen in love with art history. Studying the history of art served as a window into people, culture, history, and politics for me in a colorful and provocative way. Upon graduation, I missed this role that art history served in my life—and the "study" of wine became its substitute. Like art, wine offered a window into culture, history, and politics, in addition to cuisine and world travel.

Once at graduate school at Stanford, I researched a supply chain management firm in the US wine industry that later turned into an academic case study on said firm that I wrote in partnership with my supply chain management professor. I pursued a summer internship working for a classmate's father's boutique import company of New Zealand wines (that classmate's father later became my first investor). And I joined the leadership team of the GSB's Wine Circle, a student-run entity that provided professionally led educational wine events to our membership on an almost weekly basis.

When copresiding over the GSB Wine Circle, I noticed something interesting that served as a seedling for a business idea. During our events, when we tasted wine together, members were thirsty for not just more wine, but for more wine *knowledge*. We *wanted* to learn about wine, and even better, established wineries were willing to teach us. I was astounded that industry icons and Stanford GSB alums like Jack Cakebread of Cakebread Cellars and Peter Mondavi Jr. of Charles Krug Winery were eager to educate and potentially recruit the next generation of wine enthusiasts. Was there a business model to be had that helped wine brands access the next-generation wine enthusiast, particularly one that leveraged internet personalization trends of the day to do so? And that allowed wine enthusiasts to receive ongoing education on which wines were most right for them?

THE AMERICAN DREAM

At twenty-four, I never doubted I could start my own company. I credit two people for the inspiration, arguably the two most important Jewish elders in my life: my grandfather and my stepfather.

My maternal grandparents were prominent Jews who left the Netherlands in the midst of World War II to escape the Holocaust.

Having returned to their home in The Hague after the war, they realized so many of their friends and family had perished that it was time to start anew in the United States. Thus my mother's parents emigrated from Holland to the United States in 1948; my mother was the first of their children to be born in the States in 1948, their first three having been born in the Netherlands and Suriname.

My *opa*—Dutch for *grandfather*—sold stationery and print supplies door to door after arriving in the States. After about a year, he said to himself, “There is a more efficient way to do this business,” having been raised in a family that owned a paper business in The Hague. He bought a printing company in New York City called Downs Printing. Later in the 1950s, he took a turboprop plane to Puerto Rico to explore and ultimately buy the factory where artist brushes were made. He expanded the business to include makeup brushes, becoming the first to make “blush on” brushes for Revlon. In the 1960s, they sold the Delta Brush Company to Binney & Smith (makers of Crayola), likely around the time that my *oma* (my maternal grandmother) became terminally ill with cancer. My opa invested the proceeds of the sale of the packaging company into what by present-day terms would have been a tech start-up—a company called IBM, which he had been investing in since the 1950s.

Opa spent his “third act” of life traveling extensively with his second wife, having lost his first wife to ovarian cancer at age fifty. He returned to Europe each winter in their home in Cap d'Antibes and took frequent trips to visit his children: my eldest aunt and her family in Ohio and eventually Connecticut, my second aunt and her family in Holland, my mom and us in Chicago, and my uncle and his daughters in California. In between his family visits, he took cruises and trips worldwide.

My grandfather's life story knowingly and unknowingly showed me two crucial things: 1) never give up, even in the face of the world's most abject form of injustice (the Holocaust), and 2) you can always start a new company or a new business, or simply start anew. You

You have the power to build something out of nothing, no matter what circumstances life hands you.

have the power to build something out of nothing, no matter what circumstances life hands you. His story was the epitome of the American dream.

Put in these terms, it is no surprise that my mother ultimately

married my stepfather, Daniel Levin, one of Chicago's most pioneering real estate developers. My stepfather pioneered the development of affordable housing and mixed-income housing throughout the Chicagoland area for the past fifty years in his role as founder and chairman of The Habitat Company. That said, Dan's most successful real estate venture is the East Bank Club, the largest one-stop-shop fitness facility in not just Chicago but in the country—a company of which he continues to serve as the general managing partner at age eighty-nine. East Bank offers massive athletic facilities; restaurants; a hair salon; dry cleaning services; men's and women's spas; childcare services; tennis courts; takeout food emporiums; yoga studios; quarter-mile tracks, at which Chicago greats like Oprah Winfrey exercise; Olympic-size pools, in which former mayor Rahm Emanuel swims; and even a basketball court where former president Barack Obama plays. Dan is masterful at understanding his customer—whether it's a tenant in a public housing or market-rate development or a member at East Bank. More on that to come.

In my teenage years, I heard my stepfather's stories about his business activities during Sunday night family dinners and during

summer internships in college, when he graciously drove me downtown each morning and home each night. I'd watch him take 5:00 p.m. meetings with his East Bank Club management team over a glass of scotch and nibbles. I learned his style of “walk-around management” through direct and indirect observation. He also has shown me time and time again that breaking bread matters (see chapter 5).

Both my grandfather and my stepfather were powerful role models in my life, albeit one allegorical and the other more tactical. Even as a young woman, I knew I could start a business or run a business, because starting businesses and running businesses were just what people did. This is the power of mentorship (see chapter 6).

After two years at Stanford, I'd come to realize I loved three things: Hal, entrepreneurship, and wine. My hobby had turned into a full-blown passion. I wanted to enable people to continue to learn about wine and to do it in a way that was convenient and easy, just like when we gathered at the Wine Circle to get educated about French champagne, Napa Valley cabernets, or New Zealand sauvignon blanc. I saw potential and, before long, the catalyst for a new opportunity—one that would change the course of my career.

To launch my first company, I deployed a series of strategies that can be applied to any business, product, or service:

1. Build a company to last, not to sell.
2. Find an industry you're passionate about; then fix what's broken.
3. If you're a consumer product start-up, defray the inventory carrying cost so you can grow more efficiently.
4. Leverage technology to match people to products.
5. Romance the consumer with a personal touch.

6. Think outside the box for clever marketing plays.
7. Don't be too proud to take an existing idea or concept, personalize it, and use it again.
8. Leverage the halo effect of a compelling and enduring brand.

THE BUSINESS OF WINE

To understand the origins of Bottlenotes, Inc., you first need a little background on the wine industry.

The business of selling of alcohol in the United States is the only category that required *two* amendments to the US Constitution: one that prohibited its sale and one that repealed its prohibition. Selling wine in this country is like selling to fifty different countries: all the state rules are different. There's inherent tension between the Twenty-First Amendment to the US Constitution (which renders states control over the distribution of alcoholic beverages within their borders) and the (dormant) Commerce Clause, which says no state can discriminate against another vis-à-vis interstate commerce in the United States of America. It's a highly regulated industry, to say the least. Keep this in mind, because it will become important in chapter 2.

In 1999, a group of well-to-do venture capitalists and Amazon.com funded something called Wineshopper.com. They were trying to be the Amazon of the wine world. Wineshopper built a front-end website and back-end warehouse. They spent tens of millions of dollars in fewer than nine months to create an infrastructure to legally sell wine through the supply chain governed by the Twenty-First Amendment. Their goal was simple: build it fast, take it public, and become a success story like Drugstore.com.

Wineshopper essentially said, "We're not going to change the US Constitution. We know that in every state, you have to sell from a winery or importer to an in-state distributor, retailer, or restaurant before you sell to a consumer. You can't just sell direct. But as long as we're willing to go through these requisite tiers in the supply chain, we can find middlemen who realize they're not adding value in our direct-to-consumer model. We'll still sell through them—but they'll agree to take a 2 to 3 percent cut instead of 20 to 30 percent, since they are adding such little value. In the end we'll be able to capture the balance of the margin for ourselves as a marketing fee."

They created this creative business model and sent it to the regulators, and the regulators sent back a letter that said, paraphrased, "We approve! Go forth and conquer."

Unfortunately, when the bottom fell out of the dot-com bubble later in 1999, Wineshopper ran out of cash. The company went down in flames.

Enter Katie (Schumacher) Hoertkorn, a brilliant woman and enterprising entrepreneur and executive whose DHL background landed her on the operations team at Wineshopper. Katie asked herself, "What if we revived \$70 million of assets from bankruptcy and refined the Wineshopper business model to solely focus on the supply chain management services—not building front-end websites?" Kleiner Perkins agreed with her approach and provided her with the several million dollars of seed capital, enabling her to resurrect Wineshopper's hard assets from bankruptcy. Katie then became the CEO of New Vine Logistics, the phoenix rising out of Wineshopper's ashes.

Now here I am at twenty-six, a burgeoning entrepreneur, and I stumble across the story of New Vine Logistics while writing a paper for my supply chain management course. I don't see a perfect path

into entrepreneurship in health and fitness, and I love wine, but I hadn't cracked the code of a new business model.

Writing the New Vine Logistics case while a student at Stanford's GSB, I had a eureka moment: Katie was doing logistics management for wine, but what if the original model for Wineshopper made sense? There was still a front end to be had, and I thought if we could create it swiftly and successfully, we'd launch and get bought quickly, likely by Amazon or an Amazon competitor looking to enter the wine world. I figured I'd grow the company fast and sell it in a couple of years. A quick, clean single or double: #forthewin.

Leadership Hack 1: One should always focus on building a company that is built to last, not built to flip (sell). The focus on building something enduring is what ultimately will help it get sold.

It was 2005. I was fresh out of grad school, ambitious and eager. Inspired by my stepfather and grandfather before me, I jumped headfirst into my first business. **Leadership Hack 2: Find an industry you're passionate about; then fix what's broken.** I'd found a way to marry two of my great passions: entrepreneurship and wine. I thus cofounded a start-up with Kimberly Donaldson that would ultimately go on to become the leading interactive media company in the US wine industry.

We had officially popped the cork on Bottlenotes, Inc.

BOTTLENOTES: THE EARLY YEARS

Long before Blue Apron and Plated popularized the subscription model of food and wine at home, we built out a subscription service based on a wine club concept. Ours also had a clever twist: we had zero inventory carrying costs for the wine on the shelves at New Vine Logistics, as all products on the shelves was legally owned by our winery and importer partners. **Leadership Hack 3: Consumer**

product start-ups that can defray the inventory carrying costs will always be more resource-efficient to build. Since we had no inventory carrying costs, the couple of million dollars of seed capital we raised in the first two years all went toward the website, technology development, our patent-pending matching technology, and customer acquisition/marketing activities to get the business off the ground.

Our original Bottlenotes business model was simple: we sent our customers wine tailored to their personal tastes using patent-pending matching technology. That was the Silicon Valley twist, the tech innovation. In an era when the internet can be used to match people to products, why not take a product that was as complex and opaque (literally and figuratively) as wine and make it more accessible to consumers by taking the guesswork out of what they would like?

We scored the different wines by taste profile. Once our customers completed their personal taste profiles on our site, we used their answers to create an algorithm in a massive spreadsheet that matched consumers to wines in our portfolio that best matched their personal tastes via a mathematical match. With every new bottle we sent to our customers, they'd rate it on a five-star scale, letting us know whether or not we hit the mark. We were using **Leadership Hack 4: Use technology to match people with products.** The more wines they rated, the more we were able to home in on their personalized taste profiles.

The fancy technology term for where we were headed was "collaborative filtering." The system was never fully automated, but even manually rerunning the matching, person by person and shipment by shipment, was gratifying and fun. People were getting wine from boutique and estate producers from around the world tailored to their personal tastes.

It worked. We were able to connect each customer with his or her ideal wine. They loved it. We were educating and entertaining consumers in fun, innovative ways. Before long we had wine clubs ranging from novice to advanced: the Explorers Club, Seasonal Tastings, Little Black Dress Club, Jetsetter's Club, Connoisseurs Club, and Limited Addictions. We were doing well by our wine producer partners, too, helping them get access to this next generation of wine enthusiasts.

We had multiple great ideas during those first couple of years. Once we started to provide a personalized recommendation service, a few of our corporate customers said, "If you're doing this for me, can you provide the same service as a holiday gift for thirty of my clients?" So we built out a small but mighty corporate-gifting platform. This story took place almost fifteen years ago now, but even today, private client services are absolutely how many wineries and wine retailers drive material revenues and profit.

If you're an internet-only business or even a hybrid omnichannel retail business, there's this idea that "the personal touch" is gone. But from my experience at Bottlenotes, as well as the companies I've gone on to advise, I've seen that even in the digital age—and perhaps *because* of the digital age—personal touches still matter. Customer relationships still matter. Thanking people for their patronage still matters. You can outsource your scheduling to AI, but at Bottlenotes we reached out personally to corporate customers and said, "You ordered thirty gifts for your clients last year, and here's what you sent. We noticed that you haven't sent any gifts this holiday season. Would you like us to resend to the same thirty people? Same budget? Same delivery addresses? Same gift messages? Here is this year's selection of similarly curated collections."

That's the power of *Leadership Hack 5: Romance the consumer with a personal touch*. Take your customers on a human tour of what's possible so they don't feel so overwhelmed by the volume of choice. Like a sommelier or a restaurant server, you are essentially saying, "Here are the options we think you might like." I don't just mean email marketing or customized newsletters—though we did that, too. The most successful e-commerce companies I have observed and purchased from, and with which I continue to have a relationship as a consumer, make me feel, ironically, that the relationship isn't solely transactional. Poshmark's and Slack's customer relationship marketing and app alerts are among the best that I have seen: daily quotes, simple tips, fashion reminders, and comments or quotes that make you chuckle. Ironically, some "big technology" companies like these are the best at ongoing content-relationship marketing.

At Bottlenotes, we made the bet that the next generation of wine consumers wanted access to undiscovered, hidden-gem products tailored to their personal tastes. We quickly found that, while there were certainly some suppliers who were sexist, ageist, closed-minded, and difficult, some were open-minded enough that they were willing to take a chance on working with an emerging platform like Bottlenotes and two young, female entrepreneurs like Alyssa and Kim. We amassed a portfolio of over two hundred wines, and we never owned the product. Every bottle stayed on the shelves of the warehouse—and that model is what enabled us to launch and achieve the very beginnings of scale.

In year two of the company, Limited Addictions was featured in the *Robb Report*. I'll never forget the day a woman from Washington, DC, called and said, "I saw you in *Robb Report*, and I'd like to order twelve bottles a month for my husband."

We couldn't believe it. A woman we'd never met wanted to spend \$1,000 a month on wine that we, a fledgling Silicon Valley start-up, had sourced. We were building our brand and expanding in exciting new ways. We were thrilled.

Next up: the Academy Awards.

BUILDING A BRAND TO LAST

In our second year of business, we had the opportunity to sponsor a prolific swag event leading up to the Emmys and Oscars. The PR agency had asked us for a hefty sum if we wanted to attend. We didn't have the money.

Enter *Leadership Hack 6: Think outside the box for smart marketing plays*. You don't need a massive budget to get massive exposure. Don't be too proud to barter.

"We can't deliver thousands of dollars," I said, "but we *can* deliver thousands of dollars of wine to pour at the event, and we can give you gift memberships to our Limited Addictions wine club for your category winners and runners-up."

The agency took the offer. We made beautiful blue Bottlenotes envelopes—a riff on RedEnvelope's collateral back in the day—with a designed, printed message that read: "Welcome to Bottlenotes! Your wine club membership awaits." *Leadership Hack 7: If someone thought of an idea first, don't be too proud to personalize the concept and use it again.*

Weeks later (post-Oscars), I was in the Bottlenotes office in Palo Alto in the front foyer, no shoes on, kicking my heels up at around 6:00 p.m. on a Friday. The rest of my team had gone home for the day, and I was about to leave myself. Then the phone rang.

A very deep, familiar female voice said, "May I speak to Alyssa Rapp, please?"

We would eventually feature Geena Davis in our Bottlenotes newsletter, interviewing her at her home in LA. She was—no surprise for those of us who are fans of her work—a total class act. I have nothing but the greatest admiration for all the pioneering work she's done. Geena was decades ahead of her time in addressing the gender gap, let alone the pay gap, of women on screen and in the media. She used the opportunity of being featured to promote her Geena Davis Institute on Gender; we benefited from the alignment with an A-list Hollywood celebrity who was a member of one of our wine clubs. *Leadership Hack 8: Leverage the halo effect of other people's audiences when scaling a brand.*

By then, the Bottlenotes business model had lots of strong legs. We had conceived, fund-raised, and built a team to pursue a "Netflix for Wine" e-commerce strategy. We had developed a compelling subscription service with different-level wine clubs, from the entry-level Explorers club at \$22 per bottle, featuring everyday drinking wines, all the way up to Limited Addictions' \$100 wines. We had leveraged our *BottleNews* e-newsletters to organically attract over twenty thousand subscribers, featuring celebrity interviews and other news about wine in the wine world. We also had a corporate-gifting platform and curation through the Bottlenotes Wine Registry, on which we had partnered exclusively with WeddingChannel/The Knot after a soon-to-be-married club member asked us to curate a starter wine cellar for her, sparking the idea.

We'd also created a Winecyclopedia, a "wiki for wine" that had facts and stats. This Winecyclopedia served as the foundation for my first book, *Bottlenotes Guide to Wine: Around the World in 80 Sips* (© Adam's Media 2008). I partnered with the W Hotels and Kobrand Corporation on the book tour—the W hosted and catered, and Kobrand underwrote a flight of six gorgeous international wines for

all book launch events. Suddenly we were hosting events for up to two hundred people. I remember thinking, “People like this content, and they like learning about wines from around the world in a walk-around tasting, just like they did in my Stanford Wine Circle days.”

It was an exciting and fulfilling time. I had carried on the family tradition and started my own business. My whole life I’d felt the urge to create things—it’s why I fell in love with modern dance choreography in high school and kept it going through Yale. I had poured my business and creative minds into a Silicon Valley start-up that was on its way. Bottlenotes wasn’t perfect, but it was an innovative firm in the US wine industry that was starting to gain traction. At the time, we thought we were on track to sell the company and get our first single. We were wrong. By 2008, we were getting going as a start-up, adding value to an array of wine producers by leveraging technology to help them target and attract the next generation of US wine consumers.

I had *no idea* that our worst nightmare was about to strike.

CHAPTER 2

PIVOT VERSUS QUIT: WHEN THE GOING GETS TOUGH

Hacks 9–14, Summarized

LEADERSHIP HACK 9

Acknowledge fear, and move through it. Fear gets a bad rap, but it’s there for a reason: to protect you from something. Just like standing on a balance beam is scary because your life or limbs are at risk, so, too, is making a business decision like to pivot versus quit, which carries huge risk. Your job is to acknowledge the fear—to take note of its presence—and then push through it. Fear is a normal human response. The trick is in not letting it dominate your psyche.