

Find Your Aggregation Points

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April 6, 2015

The world is full of aggregators who can bring enormous value to your business. For example, you may hire great designers in Italy, enlist programmers from India, manufacture your product in China, and manage the business from the United States. Aggregation is the bringing together of different parts to meet important business objectives. Aggregation often involves broad and global participation. And the use of aggregation results in higher value as opposed to doing everything in-house.

Aggregation works well with developing customer segments in a scalable way. Let's say you want to sell popcorn and reach as many customers as possible. In the case of Angie's Popcorn, the business owner started by bringing bags of popcorn to the Minnesota Vikings training facility, allowing players to eat popcorn while watching films. The next aggregation point was the football game followed by several sporting events. And with each aggregation point, a broader customer base is created until you reach the big box stores. Contrast this with a more traditional approach where business owners try to go after mass markets immediately, consuming a lot of time and resources in hopes of hitting a home run.

For businesses trying to sell products online, some obvious aggregation points are Amazon, eBay and Alibaba. Consider the fact that if sell your products through Alibaba (China's equivalent to Amazon), you gain instant access to 2 billion people worldwide. Alibaba's platform is now used by over 10 million businesses outside of China.

You can also find all kinds of niche aggregators. For example, suppose you are trying to reach students who can take your courses online. Instead of promoting your course from your own learning portal, post your content on a site that brings large blocks of students to your courses. Aggregation points often involve partnering with others. This helps ensure your survival. Take for example how local downtown merchants aggregate together so they can compete against the Wal-Mart's of the world.

Don't forget to form your *internal* aggregation points. This brings consistency and compliance across the company. Take for example an Enterprise Resource Planning system that pulls together all of the separate applications that run your business. For several years, I worked within a Program Management Office or PMO. The PMO was the aggregation point for ensuring all projects follow the same standards and reports.

As you use more and more aggregation points, you will need to embrace a lot of technologies to bind all of the dynamics together. You can also face some unique challenges with the business: Operating under weird and flexible hours to accommodate the global connected world and constantly monitoring lots of feedback points in the world of social media.

The world is full of aggregation points and every company should be leveraging these resources to grow the business. By using aggregation, you will be able to focus on what really matters – things like intellectual capital. So go out and start developing your internal and external aggregation points.



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