EPISODE 484

[INTRODUCTION]

[0:00:00.3] JM: The New York Times makes most of its money off of subscription. Facebook makes its money off of native advertising. Hacker News is funded by Y Combinator. Each of these business models create biases in the information that gets promoted on the respective platforms.

This is why I like to know the origin story and the business models behind the publications that I read. Published content is shaped by the profit motive of the publication. Yet, last month I repeatedly found myself reading high-quality content on a medium publication that I did not know the origin of. It was called Hacker Noon.

Hacker Noon is a popular medium publication that syndicates curated content written about software. Let me explain syndication. Imagine that I just spent three days on a medium post about functional programming and I have zero followers on social media. How can I get people to read my awesome post? The answer is syndication. I can submit my medium post to be syndicated on Hacker Noon. Then it will get exposed to their audience, and this gives me free distribution, and it gives Hacker Noon free content. This is a win-win relationship.

Why is it worth it for Hacker Noon to spend time curating content? That syndication process takes a lot of time. You have to read through all these submissions and sometimes you have to send it back to the author to have it edited, and all of this has to build a following on medium.

I have not heard of medium being a profitable platform to build a business. It's worth pointing out here the difference between medium and WordPress. On WordPress, this model of curated syndication has worked to massive success. For example, the Huffington Post and TechCrunch, these businesses make millions of dollars from advertising networks, because they are built on WordPress and WordPress is an open model.

A publisher on WordPress can install plugins that serve ads from third party providers, like Outbrain and Taboola. If you've ever been on a WordPress news or information site, you have probably seen these Outbrain or Taboolal ads.

A WordPress site can also install any kind of data collection scripts to gather data on users and sell it to the highest bidder. The lack of third party plugins is the blessing and the curse of medium. Because there is no third party ecosystem, reading content on medium is a beautiful experience.

The page loads quickly and predictably, there are no random scripts that are blocking the page as they hog your browser's resources. When you go to close the page, there is never a pop-up that asks you to subscribe to somebody's newsletter.

When I read content on medium, I am not getting slapped across the face with ads for reverse mortgages and Acai berries. I'm not being tagged for retargeting. It is a beautiful experience. But medium seems like an ecosystem that would not allow for the content syndication business like Hacker Noon.

I wanted to know who was running Hacker Noon, how the business works and what it says about medium as a publishing platform. Hacker Noon turns out to be part of a network of medium publications called AMI. AMI's network includes sites like ART + marketing, Future Travel and Fit Yourself Club, all of which are a distinct syndication platforms with thousands of followers.

David Smooke is the CEO of AMI and he joins this episode to explain how business works and how he has scaled the content syndication business, as well as why he is betting on medium. It was a detailed look into the state of online publishing and where it might be headed. If you don't read Hacker Noon already, one article to start with that shows off the quality of content that is being syndicated is Learn Blockchains by Building One.

I interviewed the author of that article, Daniel van Flymen and he's been one of the most popular episodes of Software Engineering Daily.

With that, let's get on with this episode.

[SPONSOR MESSAGE]

[0:04:35.5] JM: Women 2.0 is a company with a vision of gender equality in the tech world. Women 2.0 is a community, a media company and a jobs platform that connects top female talent with engineering jobs around the world.

At the new Women 2.0 jobs platform, find vetted jobs for women engineers, data scientists and product managers. To find a job that is right for you, go to women2.com/sedaily. If you're an engineering company, you can connect with top female talent on Women 2.0.

Companies like Twitter, MongoDB and Craigslist use Women 2.0 to find new hires. Go to women2.com/sedaily to find out how to post your company's jobs to Women 2.0. Thanks to Women 2.0 for being a new sponsor of Software Engineering Daily. Check it out at women2.com/sedaily.

Thanks for listening and let's get back to the show.

[INTERVIEW]

[0:05:43.5] JM: David Smooke is the CEO of AMI, a blog network that includes Hacker Noon, which is a very popular medium publication for developers. David, welcome to Software Engineering Daily.

[0:05:55.9] DS: Hello. Thanks for having me on today.

[0:05:58.6] JM: Yeah, it's great to have you. I am interested in talking about online publishing content for engineers and just a variety of things that you are, so I think of an expert on. I want to talk more broadly first about online publishing. I'd like to know from your point of view, how has online publishing changed in the last five years.

[0:06:23.7] DS: I think a lot of it has moved from the brand to the individual. I focus on professional publishing for the most part. Then a lot of it is – it's as much about who is writing as where it's published.

I think there is a lot more outlets for top engineers and basically professionals in anything to reach more niched audiences. As opposed to a post being authored by the brand, or going through the PR team, I think a lot more of the professional content is going out there and specifically with blogs and writing is coming directly from the horse's mouth and the person that's actually the expert in it. Like their eyes of LinkedIn publisher, their eyes of medium, how easy it is to build your own blog and then how many people are also using Facebook as a long-form blogging.

It's just more – I mean, even five years ago a lot has happened just in terms of easy it is to publish in many places and how many more companies and sites like me are emerging, where they're really focused on a large network of experts, as opposed to we're going to have 10 staff writers and they're going to cover when this company gets funding, which I think is not the direction that digital publishing is headed.

I always find that much more interesting to read it from the person's that's actually building, as opposed to the person who is watching the person building it. That's a lot more how I've seen it emerge. Yeah, that's a lot of what I've base my business on.

[0:08:03.6] JM: What do you think of the contrast between that blogosphere that single person who is writing an article about their own subjective experience doing something or having observed something and the more traditional model of the fact checked New York Times, Washington Post hallowed institution? What's the place for each of those respective media styles?

[0:08:33.6] DS: Yeah. There is always going to be a ton of value fact checking. My second job in college, I was fact checking for a teacher's book and it was a great lesson in detail and how much really goes into good fact checking.

To me, the bigger question is first starting with what is publishable and what is not. Just this weekend The New York Times, I mean it's a well-written piece, I guess, but they're choosing to publish the story about this Nazi sympathizer and it's like, you're The New York Times and you're fact check, but you're still choosing now some questionable topics of publish.

I think, the first thing in terms of a publication or news outlet start with they are defining what is publishable and what is not and what types of stories do you want to push forward and create readership for.

Because there is more sources than ever and more people can become news outlets, there is a lot more fake news and there is a lot more questionable news and then there's a lot more stories that well, at the core of them are very true they can have things in there that are not true, and those specific things can be – that can be spun out of control.

It's definitely a massive challenge, and I mean it's – a lot of it also remains on the reader to be smarter about how they get to the site and understanding how they got to the site. I think Facebook is doing solid push back with their ads in terms of letting less, but more reducing the number of misleading sites that are able to get traffic from them, like all the – I don't know if you've ever seen the weight supplement stuff where they will make it look like espn.com, but at the end of it, it's an ad for a weight supplement and they'll put ESPN in the subdomain and make it look like it's the main domain. The reader does have to be careful about where they are and understanding where they are and what that means for regards to the story that they're reading.

[0:10:31.1] JM: You alluded to some of the newer ways of advertising online these days, particularly the model of misleading the reader. There are many other creative avenues for making a business online. There's the model sponsored content. I have some sponsored content on my show, some shows that I accept money from a large tech company in exchange for doing a show about some of their technology.

It feels like a copacetic relationship, but I have to admit the incentives are become aligned for me to be more friendly towards that company. Perhaps, it creates a potentially disingenuous relationship, or at least prevents me from being a journalist to the extent that I would be reporting critically on those specific companies, or at least it leans the incentives in that particular direction.

I think that's the risk that people always are talking about when it comes to sponsored content. On the other hand, the money that you can make from a sponsored content business tends to

be more lucrative than the money that you're going to make from just running ads that are just sitting next to the content itself. What you think about that blurring of the lines between sponsored content and advertising?

[0:12:02.4] DS: Yeah, it's a very complicated time right now. The more I've been thinking about this subject matter, the more I've been digging in to advertising versus accreditation. For example, if a brand writes a post and it's a very good post, you know the author of the post, is that an advertisement? Is that enough of an advertisement to be sponsored content, or the fact that they put 40 man-hours into this post, is that enough that it's not an advertisement and I am accrediting them as the author.

There's a lot of the directions there that are very complicated. I mean, if anyone's contributing to your site or podcast, there is some – unless you are a podcast or site that's trying to make people look bad, there is incentive that you're working together whether to sponsored post or not. You want this post to be as good as it can be, so they can get as many readers as it can get.

The same with the podcast, I mean it may limit some subject matter that's not talked about in terms of how you work with brands and how you work with an individual. I mean, but backing up with my business model, we've had weekly sponsors on Hacker Noon where they're in the top navigation of every page, a co-branding, they have a link on every page, and then they republished three posts and they one original interview with me.

The idea is to put a face to the weekly sponsorship campaign and play into this blur between public relations and advertising, where it is news that you are advertising here. Then back to my other readers, as we're publishing a 150 plus post a week on Hacker Noon, these four posts that are sponsored keep my ratio very low, and I would – they're all marked to sponsored posts, but I want them all to be of the quality of the site if they were sponsored posts or not.

I don't want anything on my site that I wouldn't publish as part of the editorial line. Whenever I go into those type of arrangements, I try to make it clear that you're subject to the editorial line like everyone else, you just get more hands-on and more attention and more getting your story up to snuff.

[SPONSOR MESSAGE]

[0:14:22.1] JM: This episode of Software Engineering Daily is sponsored by Datadog. With automated monitoring, distributed tracing and logging, Datadog provides deep end-to-end visibility into the health and performance of modern applications.

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[INTERVIEW CONTINUED]

[0:15:08.3] JM: I'd like to ease into a discussion of your business, this company AMI Publications, because you're not an engineer. You didn't start Hacker Noon as like an engineer who was just starting a cool magazine about engineering and hacking, which is what I assume Hacker Noon was when I first stumbled upon. I was like, "Oh, this is probably something that was started by an engineer, but it was not." It was started as part of a network of your publishing sites, your AMI Publications.

This network of publishing sites actually grew out of a company that you had started before that, which was a content creation company called art map. You originally started this company to help companies to find their voice. Basically this type of sponsored content creation/public relations – you had a company that help companies do that, and then over time you decide, "Well let's make a network of publishing sites that will help with distribution of that type of content." Would you give a quick overview of how your company evolved to where it is today?

[0:16:21.8] DS: Sure. Yeah, we did start as ArtMap Inc. and a lot of it was defining who these early-stage startups were. Taking even a step further back, I was with a startup called Smart Recruiters that went from about seven people, and the seed funding through series A, series B, and well over a 100 people.

I saw that stage of how a company gets their story out there. That put me as an individual on demand with a number of early-stage startups that wanted that same phase of like, you know, because we grew a lot by opening up the blog close to saying, this blog is about Smart Recruiters.

That's a very big fundamental shift about how most people do not operate with their startup marketing. I tried to apply that to bunch of different startups. Basically, we would take on six-month contracts, split between three-fourths cash and one-fourth equity, so we would align incentives that I wanted to grow my network of basically my first portfolio, and I didn't have very much money.

Essentially, the whole structure was shortening the relationship between startup employer and startup employee. Instead of four years full-time salary to get whatever equity, shorten four years to six months, and put a team behind instead of an individual.

I really, really like that model. I still think some pretty large companies can be grown with that, because it really fits in terms of content is a longer-term game. If want to align incentives, it's not the same as aligning with the salesperson. If you align with the salesperson making equity on a shorter-term contract can make less sense. I think with content, it can make more sense in terms of getting residual sales.

There was a major pivot when medium came out and they opened up their publication feature to the public. That's where we moved our corporate blog, and the very first blog we built was called ART + marketing, and I really wanted to get at the intersection of how stories are made and then how they're distributed.

A lot like what I was doing with my business, but be much broader in terms of stories, because I was interested in much broader topics; that broader meant I could open myself up to more contributors. As we started to develop systems for how writers can contribute to us, we actually got a contribution from Craig from Craigslist and it was 20 years of Craigslist reflection by an old-school nerd.

When I got the submission, I was really like – it was a big deal, because maybe the business isn't in the marketing and maybe the businesses is in the stories themselves, which really was a

bit of a lightbulb in my head, because just being able to read the best stories every day and be a part of a bigger destination for storytelling, in my mind it was a pivot worth making.

[0:19:30.7] JM: Medium is a platform that I think few people understand whether it's valuable or not. Well, I think everybody knows that it's valuable, but it's I guess it's unintuitive how valuable it is, because I go to medium all the time, but it I'm not sure what I invest in it. I don't really know.

It's one of these, like second-generation social network/publishing tools that I – I always bucket it with Quora and think of it is as a competitor of Quora. What do you think of medium as a platform? What makes it an appealing platform to you?

[0:20:11.4] DS: There's been a lot of competition in the space. With medium from the beginning, just cutting out a lot of the waste of reading on the internet was the primary appeal to me. Sidebars, I think I'm done with them. I don't like t hem. I think like the – you look at the purpose of most sidebars on the internet and it's to take you away from the story and try and sell this attention, whether you're selling that attention to an ad, or whether you're selling that attention to product, or whether you're selling that attention to let me get your e-mail information now mid-story.

There is always like, rarely in the reading experience is a sidebar valuable. It's very hard to make something on the side of the story relevant to that specific story. That was definitely appealing right away. I mean, as it grew they understood like, if you have a good reading experience on an individual post and you put a network behind it and you help people get readers, you already have such a valuable thing.

Because this internet, it can feel very siloed. There is always these trade-offs happening, whether you give up your design to get in the newsfeed more. Or you keep your design and it's on your site, but when it goes in Facebook's newsfeed it doesn't display properly and it's not a very clickable thing, and every time you post links on Facebook they get less engagement than if you write or put an original image on Facebook.

There's a lot of back-and-forth between sites that are hosting blog post, there are sites that are distributing blog posts. I mean, medium themselves they've gone through a number of pivots,

but they've kept – from what I can see they've kept to the core of helping the contributing writer and helping the writer get relevant readership and starting to get more money for their writing.

[0:22:01.8] JM: How are the returns in building a business on medium?

[0:22:05.5] DS: I'm still getting there. I mean, this business is growing and we have a lot of traffic and we're up to 160,000 daily readers. But we're not making the most as we could off that number. That's okay, because I want to look at more longer-term ways for contributing writers to have revenue share with me. Overall, a lot of businesses have also left medium, as medium is figuring out what's allowed and what's not allowed. I would say not over the top and how the returns are going so far.

[0:22:42.6] JM: Obviously, as a reader of medium I love the experience of not being distracted by sidebars, and the ads are very nonintrusive. But it does make me think, how on earth could you build an advertising-based business on medium unless you did the sponsored content model, which actually I think would be great model, because companies need to tell their story, or you could do the subscription model. How viable are those to revenue streams? Do you think there are things that are going to grow in the near future?

[0:23:16.1] DS: Start with they're all viable. If you look at as media companies get bigger than mine, it's generally from multiple sources. We haven't even mentioned events. A lot of times with these companies, events become a primary revenue stream. Then with ads, consistent nonintrusive ads can be – that can be like keeping the lights on.

As you get the ads down to a simple way where like the ads are a part of the space that I'm already using and I'm not creating new spaces before and after stories to make ads, I'm putting ads in the top navigation, where you've already – with no ads, the reader doesn't lose any more space.

Thinking about the page of like how much total space there is can be helpful when you think about how to make your advertisements less intrusive. I do think more gated content and more premium tutorials, because there's a lot of like, you're learning a very specialized skill on Hacker Noon. Depending on what you're reading, you can get deep in the how to build stuff, where the

next step is you may want to connect with someone who knows more about this and you can actually buy some of their time, or you can buy their tutorial, or you can buy their premium content.

I do think that area is growing a lot, because as media gets more niche, you know you it's hard to even get to the next – you have to get to the right story. Sometimes you have to read the right story before it. Sometimes it can be hard to move from Google to the specific engineering expertise that you need next. It'll sometimes will be multiple stories in the middle of that lifecycle of willing to pay for the premium content.

I do think that will grow and it's an area we could go more into. But no one really knows for certain. There is a little bit of a grand experiment going on right now in digital publishing that is honestly pretty fun to be a part of.

[0:25:17.4] JM: Do you think people are going to be more willing to pay for subscriptions?

[0:25:20.7] DS: Absolutely. I mean, you're seeing it across – open up your monthly bank account, you know, how many subscriptions are you paying for and how many were you paying for five years ago? It's like night and day. I mean, there are services that are merging just help you manage all of your subscriptions.

I've been targeted with all these ads as like, "Hey, you don't even know what you're paying for this month and you start to dig into it and you go into your personal and your business accountants." It becomes pretty true. There is things you subscribe to that you didn't even realize. Or you realize and you didn't use and you forgot about.

In that way, a 100% is just a behavior. The phone made it a lot simpler of just like so many things, we're just going to bill you for every month. It always make people do one extra math problem and you gain a lot as a business. It's like, "Oh, it's $2 a month." They don't even think how many months they're going to use it for and what $2 a month means as regards to – so many people will be completely unwilling to pay $20 today, but they're so willing to pay $2 a month.

[0:26:25.8] JM: Yeah, agreed.

[0:26:26.2] DS: It's like, "Wait a minute. That's more money probably, if you're going to have it for a year." I mean, subscriptions in millennial generation and also just everyone using a smartphone, it's a massive, massive rise. Yeah, I would like to read and publish more about it, to be honest.

[0:26:45.0] JM: I think China is – if you viewed China as a leading indicator of technology, I'm pretty sure Chinese consumers more aggressively purchase subscriptions to media outlets. That could be a bright future for publication.

You've got these 17 publications across medium. You've got Hacker Noon, which I think is the biggest of your publications, and then you've got a whole bunch of other ones. You got some about I think fitness and travel and just these other topics all across medium. How have you scaled that horizontal expansion as you've built up all of these different publications?

Each one has thousands of subscribers. You publish lots of articles on them. Are you just reading all the content yourself?

[0:27:35.8] DS: I'm reading a lot. But no, I'm not reading it all myself. Definitely, I want to scale up a large network of part-time editors that are experts in the field that is, or the vertical that's relevant to the publications. That's the approach.

Also taking a step back with the publications, we did start 16. Hacker Noon is the largest. Then we have another group of five that are all very strong, and then it drops off as the next 10 or very niche. That's the structure in terms of the rough traffic splitting.

The next ones in line, extra newsfeed is our second most popular and that's the same political rants you see on Facebook, but they're well-written. We've had a number of viral stories where we've gone either deep into political satire, which I find very funny and it's a very nice part of my day that every morning there is a new submission coming in about – sometimes I feel like the politics that are going on are very like dystopian future. Reading the satire can sometimes help me make myself sane.

A lot of this of driving stories, a lot of it does self-centeredly come back to me and what I'm interested in, because when you publish something that's good in this category, it attracts more stories in this category.

That's how interest in followings grow, where whenever we publish what it's like to learn JavaScript in 2016, and it's very funny, it's long, it's viral, the next two months all these other people want to publish their JavaScript how to's and their JavaScript gripes.

A lot of growth does happen in terms of like follow the leader. I think this is a good thing, because it's also a lot of how search engines judge sites, as they say you know, "Are you an expert on JavaScript? Let's look your best stories. Let's look at the surrounding stories. What stories link to this story."

There is a pureness to it in terms of authority on subject matter and how that works that it's something where you can drive it in a direction, but there is also a really large organic component and community component to it that the community will help determine the editorial line, which I think is great. Some people are very scared of. That's driven a lot of the growth.

Also taking a step back of like, one thing versus 17 things. I like to think if The New York Times tried to move their whole site to medium publications, they wouldn't start one publication, because well, WordPress you can do everything on, medium is a newer platform with a limited feature set.

It makes a lot more sense if you're outlining a newspaper that A block, B block, C block, or A section, B section, C section. A section Hacker Noon, B section extra newsfeed, C section ART + marketing. Tech, politics, marketing or however you want to divide it just with how the actual functions of the site work. If you wanted to build one large site, you wouldn't do it by building one large publication.

[0:30:56.8] JM: Yeah. More generally, you are building your business within the constraints of medium, which gives you something of a defensible competitive advantage against companies

that might want to migrate to medium in the future, if medium becomes a dominant force, if it becomes something like Twitter.

You look at Twitter, Twitter took a really long time to get as good as it is today. I mean, it took off immediately obviously, but Twitter today is so much better than it was five or 10 years ago. You look five or 10 years ago, maybe Twitter then looks something like medium today.

[0:31:38.3] DS: Yeah. They have the Eva Williams connection, and it is funny to see how people, like Twitter moving 140 to 280. It's like Twitter, our strength is brevity. Maybe it's like brevity, but a little more. When you look at medium emerging as like, "Oh, we're like Twitter, but without the character limit."

The deeper you get into that, there is – in the more blurring there is there, I think the better it is for the smaller company. The more the bigger company is admitting the smaller company is right is – can be good for the smaller company. I mean, in terms of other companies building on medium too, I think that's great.

I think it's great that The New York Times publishes behind their pay wall. I like publishing on the same platform as Melinda Gates and Barack Obama, like there is – the more, the merrier in a lot of ways. But yeah, I have been here longer and I've built larger audiences of more people want to build here, they have to understand the amount of labor that goes into doing that. The amount of labor I've already done is somewhat of a competitive advantage.

It's not just medium and we're looking at how many people are assessed subscribers across different channels and how we look at getting people to the next article is not something – is something that I rely on medium for, but it's not something I solely rely on medium for. It's something that I know for everything I want to do to be successful, I have to keep innovating in terms of how people can get more readers, and more relevant readers. They're are great platform to work with, but just like any other platform it's going to be what you put into it and you're going to determinate it and not platform.

[0:33:24.9] JM: You're not an engineer and I find it interesting that you take pleasure in reading and editing articles about, for example JavaScript. I think you just mentioned like an article about JavaScript in 2016, or something like that.

Do you think that this is an area where non-experts are going to move into? You look at biology. People have been reading pop biology material for years. People who are amateur experts in CRISPR or genomics who just have become amateur experts by reading lots of content. Do you feel like you're becoming like an amateur, or do you feel the population of people who are interested in amateurish software engineering, computer science stuff just because it maybe affects their day-to-day life, is there enough of a growing interest in software engineering and computer science that these topics are becoming desirable and accessible to people who are outside of the tech industry?

[0:34:36.7] DS: Yes. Definitely heading that direction. Backing up, as a topic it's more in the weeds of the engineering how to. We do have part-time editors on Hacker Noon, like Jay Zalowitz who is an engineer, and is able to understand the deeper technical aspects than I am. I'm worked in tech now for seven, eight years. I've been deep into this in terms of the applications of the technology.

You look at the top of the site today, the other top two stories are more than a million pro-repeal net neutrality comments were likely faked. A great use of machine learning and data science to figure out how bots are moving, what comments are made by bots and then what out of the come is not made by bots, what percentage are pro or against net neutrality.

It found that 99% of the comments by real humans want net neutrality, but if you just look at the total comments, you're going to get close to 50-50 because the level at which people against net neutrality are using bots to make comments on the internet.

I find that as a great intersection of this Jeff, the writer went very, very deep in terms of using his skills to apply to a real-world issue and now it affects many people. The next story, the coming age of killer machines, super interesting, a little bit of the sci-fi type of field to his writing. There is a lot of technologies impacting our lives more than ever. I'd rather hear from the makers about what that means, than the consumers.

I think that's a more valuable perspective for many people. Then you can go further down the maker's route of Hacker Noon and how to build this, how to do your raspberry pie mirror in the morning. When I look at tech, you can – there is so much tech reading that is happening that's not about how it's built. You look at teambuilding, there is a lot of company culture dynamics and then there's a lot of scandal. I don't go too deep on the scandal.

I also just get very fascinated by new products and new applications of existing technology is very exciting to me. It's getting closer to like, I want to read my morning submissions every day and I want it to be of the quality that I would just read if I was just reading the internet. It's like this balance of trying to get the submissions and that the quality up to how I just want to read.

There is a battle there between taste in what's actually published in trying to move it in the same direction all the time, and help these contributors reframe their story, reframe their headline, look at what's valuable about their perspective. That sometimes just one or two changes can make a really big difference.

[0:37:41.8] JM: How discerning are you with the people who submit content? What is your strategy as an editor to improve the writers who are making submissions? As I understand, this is basically an open submission platform and when people are submitting articles to Hacker Noon, the situation is basically they are giving you free content, which you can hopefully monetize at some point. But in return, you are giving them distribution, which is not an easy thing to find on the internet.

[0:38:16.2] DS: Yup. Yeah. That's the core of the trade-off. We have the story on our site. They have distribution. Then for stories that are unpaid, all contributors can make whatever called action they want at the end of articles. This is also pretty big differentiating thing. A lot more sites are more strict on the call to action and they want the call to action to be owned by the publication.

In my mind if you're contributing to my site, but I'm not paying you and we don't have a revenue share agreement in place or some type of other business, this space has been earned by you. I think that aligns incentives in a very good way. I think it's a simple reward of like whether you

want the call to action, or whether you want revenue behind a pay wall. It depends on the state of your business.

In terms of keeping the quality high, one of the better things we did is we had 17,000 contributing writers and over a 1,000 of them are essentially white list. That means that they can publish almost whatever they want.

The top writers basically by building trust and helping us grow the audience, it's to the level where like, "I trust you. You can publish." Then looking at the middle group of submissions, we're looking – it's essentially a read through, a review of the headline, some formatting, some tagging if it's a simple story. If we think we can make it a much bigger story, then it's looking at, "Okay, how do we allocate what editing time we have and what stories are good candidates for those?"

Then based on that, have some stories that we're interested and really making as great as they can be. That's the process. It's something where I want to get deeper into contributor preferences and how can contributing writers want to get the most they can on the internet, or out of the internet.

It's pretty cool. It's fun to publish someone three or four times and I've just read their stuff, and then to finally talk to them on the phone. There is just thousands of people that I just know by reading, which is really cool in the sense of when I was little, all these people were so distant; anything you're reading.

It is a very different time in the sense of really understanding that someone else is on the other side of this keyboard. If you want to – you communicate directly with them, which is very rewarding.

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[INTERVIEW CONTINUED]

[0:42:09.9] JM: When you're creating long-form content these days, you are constantly competing with Twitter. I think Twitter, at least for people who like Twitter, they love Twitter and it's really hard to make content that is more appealing to read than your Twitter feed, just from the perspective of somebody who really likes Twitter. I guess speaking more generally, what kinds of long-form content are people willing to read? What do you have to do to get people to read a piece of long-form content?

[0:42:43.8] DS: Are you saying that anything beyond a tweet is long-form?

[0:42:46.8] JM: Not necessarily. I mean, my experience of reading Twitter competes with long-form, because I can read Twitter infinitely and it is just this shifting maelstrom of endless opinions and I can find threads and one piece of content ties into another, and it's just this shifting sands of forum of endless entertainment and education. But it does not have necessarily the depth of a single piece of long-form content.

It does feel like I need a balanced diet of long-form content and Twitter in order to get the total picture of what's going on, as far as I have a complete picture of what's going on. But what makes the long-form content that people are willing to read good enough these days?

[0:43:38.3] DS: Yeah. I mean, versus the tweet, it is nice to read something where the same person chose the next sentence. Reading your Twitter feed, even with good filters and what have you. It's a great snapshot of the day, but it's very – it's like if you had a very, very large library and you put it on shuffle.

You're going to get a next song that's probably not that relevant. That's a song, so it's a good bit longer, but if you were to go to the album and listen to the whole album, you get a more – if you're going to put an album while you're driving somewhere, I'd rather do an album than shuffle a lot of times.

Anyway, longer form stuff that has resonated with us, definitely the longer form essay. The essay is still like living strong in my mind, and a lot of ways stronger than before. Medium has been good in their design about saying how long this read will take. Is it an eight-minute read? Is it a 12-minute read? Is it a three-minute read? It's one-minute read? That's useful for framing in terms of like – it is almost like you take a deep breath before you're going to have an eight-minute read.

It is going to take that level of focus for eight minutes and you have to – I don't know if it's good or bad for reading that we're putting so much emphasis on time, because a lot of the value of reading is that you forget how long you're doing it, because you go so deep into it. That's part of the reward. But to get the reward, you have to put in the hard work and let your brain moving enough to get into it, which can be difficult in today's age of Twitter feeds and a million different articles.

The long-form essay has done well. On Hacker Noon, a lot of more longer form essays around blockchain, Bitcoin and cryptocurrency, because it's such – so much money is flowing into the space right now, that you – when it's a new space and you don't really understand it, there becomes a very large demand for not only entry-level post.

I think it was WTF is the blockchain. Was a very viral story we had and it was 3,000, 4,000 words digging into this is what it is. There is that element of educational deeper dives that are very useful, and it brings in a reader that can then also get tons of future value, because once they read an intro poster to, now they can dive into the longer form essays that's a little more speculative about where this industry could go, or deeper issues that are happening, or hacks that happen that you can now understand because you read the entry-level content.

That's all longer-form more thoughtful stuff. Then there's also the personal story almost whenever it's less like an essay and on sites like Athena Talks where we talk a lot about feminism and me too. Even on ART + marketing, where deeper dives into even the wine industry or what it means to be an artist, or how my life changed now that I'm dating an artist. These personal stories I still have a ton of value. That plays into something we're talking in the beginning of like how I see digital publishing moving towards the individual voice.

There is a huge demand for telling longer-form story about yourself as opposed to throwback Thursday, here is a picture of me being a cowboy for Halloween. It's the actual story of you doing your first trick-or-treating and going out on the town. That that stuff is very interesting to read to me.

[0:47:27.1] JM: I do feel like the internet has gotten better over the last – something has happened in the last couple years where the internet has gotten really good at telling me here's an article that everybody in your network is reading. Look, I understand the prevalence of bubbles and we don't want to be in our little bubbles and whatnot, but nonetheless, if you are in a specific industry that is moving very fast, it helps to have a shared sense of what's going on in the industry.

One way to do that is to read the things that everybody else in the industry is reading. That's not to say you can't read other stuff. I certainly do try to read other stuff. For example, when there are three articles that basically explain here is James Damore and here is the arguments on either side of James Damore, you want to read those three articles, and then you want to read tons of other stuff.

If there is three articles that literally everybody in the business is reading and then you can read whatever supporting articles you want to and that's fine. It's really important that you are at least aware that those three articles are at the top of the maelstrom. I feel like something has happened. I feel like medium is a part of it, where the internet is just gotten significantly better at letting me know which of those articles I should be taking a look at, which ones I should be taking seriously.

[0:48:52.4] DS: Yeah, certainly has and there is – it's a complicated relationship with the bubble, because you want to be in the bubble and you want to be out of the bubble. It's like, you want to be in the know of your industry and that essentially is saying you want to be in the bubble. I mean, Facebook is also very good at it, Twitter is very good at, LinkedIn is trying to be good at, medium is good at it.

[0:49:13.7] JM: Pocket. I don't know if you use Pocket.

[0:49:16.6] DS: Not at the time. But yeah, they were very good at it. I mean, part of me doesn't like the privacy implications of what we're talking about, in the sense that – what they're reading versus what they're sharing, because what they're sharing is what they're choosing to put out there. What they're reading very well could just be who's tracking who, which can be a little more frustrating.

In general, I think knowing that information is good and it makes you a better professional and you can choose to read or not read the article. But knowing whether it's one a day, three a day, five a week, finding that ideal number, or what the average ideal number is in that area of like what industry articles are the minimum that you need to read to continue being a functioning professional in this space is a tough question.

You said a lot of groupthink dynamics. That is one of the more rewarding things I've had of publishing less accomplished writers and people that come out of nowhere, but just happen to have a strong opinion on it. I always take joy in finding that story, whether the persons in India or Canada or San Francisco, whether they're working at a well-funded startup, or they're trying to do their own thing. Finding like, any time I find someone that I haven't heard of and I've not connected to, and they come in with just a strong story, it's always a really good feeling to move

that to one of the featured stories and drive a lot more traffic to it. Because then, you're getting the overlap on content and you're getting outside the bubble.

It's still in the bubble that the content or subject matter is the same, but it's outside the bubble in the sense of like you're bringing someone that wasn't previously perceived to be a leader in the space and you're putting their opinion front and center and seeing how people resonate or don't resonate with it.

[0:51:21.0] JM: You've scaled a one person media company essentially. What are some of the ways that the scaling limitations are starting to break you, or what are the ways that you've had to modify your company or have you had to hire part-time people in order to solve – I mean, just because I can – say I can personally relate to the difficulties of scaling a one-person media company and the benefits.

[0:51:48.1] DS: Yeah. We do have a number of part-time people, so that moves everything forward and I'd like to scale part-time staff much more, in the sense of like, definitely with editors building more ideas. I guess, not having the amount of resources that I prefer, because we've grown as make more money, spend more money.

The growth is real in the sense that I'm not taking your bunch of money, seating a large marketplace and throwing it in and seeing what happens. There is an element of the amount that it grows is the amount of money I make. I make more money. I can execute more of my projects.

I mean, I think with more money and more people, a lot of these related ideas that are in digital publishing connecting my various publications and monetizing my publications would happen a lot faster.

Backing up on emotional level loneliness, I mean it's one of the nicest things about cofounders is spreading out the hard times. It's like as I worked with other startups and see how to do it it's – it's very nice to have someone else when shit hits the fan. But I'm pretty individualistic, and my wife knows a lot about the business and works part-time on the business, so on a emotional support system that's very high.

Jay Zalowitz, he's been part-time with me for two years as he has a full-time engineering job, is my friend first and scaling out the editors on other sites. There people that I like talking to, I like how they write. It's very important essentially like – I mean, writing is such an important skill and way of communicating that in a lot of ways it can reduce loneliness. It's also like, to me the strength of the business is thousands of small relationships with many contributing writers.

That's a part-time relationship and that's a small – it's thousands of small relationships versus saying, "I want four people and I want to buy all their work all the time," which the full-time employer-employee relationship I think is very broken and doesn't benefit the employee as much as they think it does, especially looking at startup ownership and equity and then no equity as you look at more traditional companies. That doesn't make much sense to me.

If you're working at 10-person startup right now and say it's you're not one of the founders, I mean you're one-tenth of the operating labor of the company, but you do not have one-tenth of that company. They're probably set up – the standard model is 10% employee equity pool and they're all vesting over four years.

Even though you're the top engineer at that company and you're one of 10 people, you probably are only going to get of 1% of equity over four years. If you leave after one year, you're going to get 0.25. If you leave at 11 months, you get nothing, even though you built the whole initial framework of the company.

There is a lot there that like, not quite related, but I'm just trying to explain how I see corporate structures and how the problems they see and I'm trying to structure mine in a way that works towards better, more honest and more partnering relationships.

[0:55:23.6] JM: You've said so much there that I agree with. First of all, the loneliness of running a one-person company together with the irony of the fact that you have thousands and thousands of readers, which is ironic that you're communicating with thousands of people, but on a day-to-day basis you just are sitting in your office, probably sometimes the entire day not talking to a single person if you're thinking.

It just is like modern irony. Not to complain about it, but it's just like literally it's unhealthy to go an entire day without physically interacting with somebody and it's very easy to do that these days.

[0:56:06.4] DS: I have my family to prevent that problem, but –

[0:56:09.2] JM: That's true. I have my cats.

[0:56:10.9] DS: I would recommend a family.

[0:56:17.9] JM: I don't know what you're talking about. The other thing – I left my job at Amazon to start this podcast and part of the reason was because, you know, I love Amazon. I learned so much there, but it just felt deeply strange to be writing code that was going to help a company make essentially millions of dollars a year and then you only get to capture like one-tenth, or one-twentieth of the margins that they're going to make off of code that you're writing. It's just like, "Do I really want to be doing?" But on the other hand you're learning totally differentiated skills by being at a big company.

Anyway, it's certainly at least something people should consider. I have talked about that a lot in other episodes. I know we're up against time. I wanted to ask you one last topic. It's about the future of publishing. There is this strong division today between these credentialed news organizations, like the Washington Post, New York Times, Wall Street Journal, Bloomberg and there's good reason for them to be credentialed because they have fact checking and they have a brand that is – there is a lot of brand equity that has been built up by real events, them reporting on stuff so diligently.

There's a strong division between those companies and companies like Software Engineering Daily or Hacker Noon arguably. Then there is things in between like BuzzFeed, where BuzzFeed has, I think some – like significant fact checking, significant editorial staff, but they don't have the credentials of a Washington Post, or New York Times.

I'm just curious, how do you see this gradient between the credentialed organizations and the non-credentialed organizations and media overall, how do you see it devolving in the next decade?

[0:58:05.0] DS: Yeah. A lot there, I think traditionally has shifted a lot towards consolidation, as the smaller ones emerge, the bigger ones try to buy them up and put them under the hood. I think as opposed to a lot of other industries, you know like for example if you're competing over a recruiting technology, a lot of times it can be easier to just build your own similar thing. But with media, it's a brand, it's an audience, it's a community.

These larger companies, they want the smaller ones to emerge so they can learn what works and either do that, or buy them. There is an element of consolidation that can be a little frustrating on both sides, where what does is it mean to be time? If time gets bought out this week, it's like how does that change time? There's still time.

Branding can be bigger than ever, because essentially there is no product. It's the next story, and how good are you at bringing in the next story and how much they trust you to do that is very important.

With Hacker Noon, I'm trying to work with more larger media companies just to get to this perception and this branding level that I should be mentioned on the same level of Huffington Post. One thing we did last week as we kicked off my partnership with Quora, where we'll be publishing their top trending tech story one per day.

Then on the Quora answer it will say, this Quora answer was published in Forbes and Hacker Noon, if those are the two sites that it republished on. That's a partnership that only 30 or so media companies have with Quora. That's something where you look at how to move between the lowest level, to the mid-level, to the top level. Part of it is just partnerships with the ones that are already up there. Whether you are being a distribution channel for them, or whether you're supplying content for them, those are two very simple ways where if you're good at it, companies will want to work with you.

That's part of the approach I'm trying to bring in, because it's like we'll get some time – every now and then, you know wired CNN. These sites will pick up our story and I won't even notice it for a day or two, just because someone – one of their reporters read it and they linked to it. I try not to obsess over who's talking to us.

It's like, that is the nice anecdotal stuff that. If you're doing the right things, that'll happen. I'm trying to proactively take more steps where I'm setting up residual relationships with these larger media companies, so that we can grow audience and readership and community together by.

[1:00:55.9] JM: All right, David. Well, congratulations on the Quora partnership. I love Quora and it's great to see you partner with them. Thanks for coming on the show, and I look forward to talking you soon and keeping in touch with how Hacker Noon is going.

[1:01:09.7] DS: Yeah. It's great to talk to you. I appreciate you having me on the show and I think you have a great voice for this podcast.

[1:01:16.5] JM: Thank you.

 [END OF INTERVIEW]

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