

**EPISODE 817****[INTRODUCTION]**

**[00:00:00] JM:** Products are an art form. As with any art, the world of products includes creators, patrons, fans, business people and investors. Product Hunt is a place where those different people connect to build and discuss products. Products are different from other art forms, and that they are measured not only through the lens of design and beauty, but also through utility.

From software, to books, to couches, to toiletry, we all have products that have improved our lives so much that we feel a deep sense of connection and hope for those products and the people behind them.

Ryan Hoover is the founder of Product Hunt, which is a product I have found tremendous value and satisfaction from over the years. He's also a host of Product Hunt Radio, a weekly podcast with the people creating and exploring the future. Ryan joins the show to discuss products, the process of creating something useful and his investing strategy. Ryan also runs the Weekend Fund, an early stage investment fun.

Some recent updates from Software Engineering Daily land. Podsheets is our open source set of tools for managing podcasts and podcast businesses. We have a new version of Software Daily, which is our app and ad-free subscription service. You can find that at [softwaredaily.com](https://softwaredaily.com). You can find our apps in the app stores. The iOS and Android apps are getting a facelift and some engineering improvements right now. So it's a great time to send us bugs and submit bug reports to our FindCollabs.

The FindCollabs is also in the show notes for this episode. We are looking for help with Software Daily on the fronts of Android engineering, QA, machine learning, much more. The FindCollabs hackathon has ended. The winners will probably be announced by the time this episode airs, and we'll be announcing our next hackathon in a few weeks. So please stay tuned.

Now let's get on with this episode with Ryan Hoover.

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**[00:02:16] JM:** When I talk to web developers about building and deploying websites, I keep hearing excitement about Netlify. Netlify is a modern way to build and manage fast modern websites that run without the need for addressable web servers. Netlify is serverless. Netlify lets you deploy sites directly from git to a worldwide application delivery network for the fastest possible performance.

Netlify's built-in continuous deployment automatically builds and deploys your site, or your application, whenever you push to your git repository. You can even attach deploy previews to your pull requests and turn each branch into its own staging site. Use modern frontend tools and site generators, like React, and Gatsby, or Vue, and Nuxt.

For the backend, Netlify can automatically deploy AWS Lambda functions right alongside the rest of your code. Simply set up a folder and drop in your functions. Everything else is automatic, and there's so much more. There's automatic forms, identity management and tools to manage and transform large images and media.

Go to [Netlify.com/sedaily](https://netlify.com/sedaily) to learn more about Netlify and support Software Engineering Daily. It's a great way to deploy your newest application, or an old application. So go to [netlify.com/sedaily](https://netlify.com/sedaily) and see what the Netlify team is building. Also, you can check out our episode that we did with the Netlify CEO and founder; Matt Billman. That was a really enjoyable episode. I'm happy to have Netlify as a supporter of Software Engineering Daily.

[INTERVIEW CONTINUED]

**[00:04:11] JM:** Ryan Hoover, you're the founder of Product Hunt. Welcome to Software Engineering Daily.

**[00:04:15] RH:** Hey! How is it going, Jeff?

**[00:04:16] JM:** It's going quite well. You are a connoisseur of products, and the spirit of Product Hunt allows other people to look at products in that same way. At least that's how I think about the product. So Product Hunt allows people to evaluate products like a film critique would watch a film or how a music critique would listen to music. How does your approach to product analysis compare to the work of an art critique?

**[00:04:44] RH:** I don't know if anyone's asked that exact question before. I think when I reflect on Siskel and Ebert back in the day. I used to watch their TV show, they would review movies and critique them, and the lens that they would apply would be one with a lot of deep knowledge and expertise around the film industry. A lot of times they'll look at a film and be able to see things that kind of an average consumer maybe won't see, because it's just so embedded and excited about that space and that medium.

So I see Product Hunt – I wouldn't exactly compare it to a Siskel and Ebert for tech, and that Siskel and Ebert and a lot of those critiques are actually very – I mean, it's in the name itself. They're very critical and some ways so much that they are in the side of negativity. I think Product Hunt is more about celebrating and exploring and having optimism around technology, and that is important because also a lot of the products that are on Product Hunt, they're really at their early state. These are projects, or startups, or new ideas that are just being started. Ironically, they're also in their worst state possible. They launched there the MVP, the V1, but that's also what makes it so cool, because you, as someone who might be interested in products or technology, it provides this kind of early peak into the future of what's being built and early ideas.

In many ways, the feedback that you see in the comments and things between the community and the makers, that in many ways informs their roadmap and their future ideas as they start exploring and maturing the product further.

**[00:06:19] JM:** So if I go to Product Hunt, I'm looking through all these different products. I want to sample them, because I want to get a feel for these different products. It might be kind of like wine tasting. We all know it's subjective, but we're sampling them. We're developing our opinions for them.

If I want to learn how to sample products like you sample products, like how you think about things, what advice would you give me? When you're testing a product for the first time, when you're doing your product tasting, what are you looking for?

**[00:06:52] RH:** Yeah. For me, I'll even go back to pre-Product Hunt. So one of the things I really enjoy doing is I would browse AngelList, ironically, back in 2011, and I would explore and try to find new companies. I wasn't investing. I wasn't looking for a job. I was just there to discover cool ideas and cool products to play with. I would do the same thing in the app store as well, both the U.S. app store, but also I'd switch over to like the Japanese app store and kind of explore and see what is most popular in those regions.

For me, I found it just fun, because it was almost like an exercise the exploring and trying to hunt and track down really cool ideas and things that would maybe inspire new ideas of myself. Pre-Product Hunt, I'd always wanted to start a company, but never had the idea until PH came around.

So, for me, I think a lot of people who want to build products and get a lot of value from understanding and just exploring the onboarding flows, or playing with different interactions, or even just seeing the landing pages and how people mark it and communicate their products. A lot of that is building up hopefully some learning. It's just like your comparison to wine tasting. How do you be an expert at evaluating wine would you have tasted only a few dozen wines? I'm not a wine taster. So I don't really know this space, but my assumption is you probably need to taste hundreds, maybe thousands of different wines to really build out your pallet and understand the market and ecosystem of wine.

**[00:08:24] JM:** There is so much advice around building products today. The classic Y Combinator advice of making something people want, that's a really durable piece of advice. It's widely known at this point, which is great. But can you give us some very subtle product design advice? What's a piece of wisdom about designing a product that I should keep in mind that you don't see discussed very much?

**[00:08:51] RH:** I think this is maybe being discussed more often, but maybe not so much in the past prior two years, three years or so, is thinking about distribution from day one. So now, as

we have more and more people building products, and if you look on Product Hunt, today there are probably 30 to 50 companies being launched or products being launched. It'd incredibly competitive, and also consumers, they're constantly being marketed to you. So to really standout, you need to, of course, build something people want, but you should also think about how are people going to find it and how are they going to download, purchase, use it ultimately?

Some of the most successful products, they often build growth into the product itself. There's a mechanic within the product that drives more user acquisition as more people use it. Because if you can't solve for that, even if you build something that people want, if no one knows about it, then you're also kind of dead in the water.

There's the old build it and they will come. Build something people want and they will come. It's not really true. Maybe that's true in a couple array or circumstances where something goes, "If I roll in and people love it, and it takes off from there." But fundamentally, you have to figure out how do you market? How to get users?

So I think that's a worthwhile exercise for people to go through before they even build their MVP and thinking through, "Okay, I have an idea. Here's what it might do. How am I get users? What's the growth mechanism in the product, or what's the distribution channel that I can exploit or take advantage of to get my first 100,000, 10,000 people?"

**[00:10:22] JM:** What's your biggest flaw as a product designer?

**[00:10:25] RH:** I would say I'll answer that, is learning, I think. So there's a mistake that a lot of product designers or product people, whatever you want to describe yourself, anyone who builds a product, maker perhaps, there's this common thread where some of the people who have most the pride and excitement around what they built, they want to make it perfect. Sometimes that manifest in the design itself, and these could be things like, "Oh! The pixels could look better here or there, or this user interaction could be cooler, or maybe we should add animation over here on this thing, because that will just be much, much better for the user experience in terms of how it's perceived."

I think a lot of people fall into the trap of doing a lot of redesign work, or a lot of polish, and polish can be really important. Sometimes it's that those subtle details that really make a product, especially consumer-facing product, really magical. But in many cases, it doesn't make a big enough difference, and you'll see people, including myself in the past, where we've spent a lot of times, several weeks, sometimes months, redesigning features and redesigning components of Product Hunt or other products we've built that actually don't really matter. It's like the underlying mechanic is what really matters. If we haven't really nailed that, no polish is going to make the product more successful or move the numbers in a meaningful way.

So I think Product Hunt have to be really careful with that and being – Don't get their ego rot too much into it where they spend all this time making the product look beautiful rather than prioritizing the features and the things that are going to make the business or the product most successful.

**[00:11:59] JM:** There are many similarities between game design and product design. When you were building out Product Hunt, were there any early rules of the game that is Product Hunt that you wish you could have done differently?

**[00:12:16] RH:** Yeah. I think Product Hunt and many consumer products are – You could look at them from the lens of a game. So I was thinking Instagram is a very obvious example. You have photos. Each of those photos have likes. Those likes are also from certain people, their friends, and that's maybe people you look up to. The likes are basically your points for each photo.

As a result you'll see especially some of the younger generation of people, they'll actually delete photos that don't get enough likes on Instagram, and it's become very much game. Part of that is great. That kind of makes it fun. Without likes on Instagram, without those feedback loops, it wouldn't be where it is today for certain. But it also introduces some challenges too. When you have things like that that are quantified, it might actually introduce some negative effects as well.

An example of this, going back to Instagram, is if someone is posting something and then they feel like they're not going to get as many points or likes as their friends, they may actually not

post, and that can actually be a negative thing for Instagram. They want people to engage and share.

So when I reflect on a product, there are some things that are really powerful. So the core mechanic of the homepage of Product Hunt is effectively a leaderboard. There are people that [inaudible 00:13:30] products that they think are cool and interesting, and everyday these products effectively create a leaderboard or here are the top 10, top 20 products of that day.

A lot of that drives engagement. People get excited. Without any kind of ranking, it wouldn't really be interesting also for consumers, for users. It'd be like, "Well, here's just a random list of products." Instead, I can kind of explore and see what is the most popular thing today that everyone is up-voting and commenting on? So that's really powerful, and that's important. But on the negative side, the challenges that it also introduces a lot of competition and some negative effects where there are some makers, let's say, who might be number 5 on Product Hunt, and they'll be really disappointed. They'll be like, "Oh, shoot! I'm number 5. I'm not number one." It creates this unnecessary kind of disappointment among certain people who are really eager and thriving to get to number one.

So those are some of the competitive aspects of, I think, Product Hunt's homepage and sort of the game mechanics that both drive engagement, but also introduce negative effects. It's the thing we think about. It's like how do we gain the benefit of competition and leaderboards without the negative effects of that and how you design and experience that can kind of accommodate for both the pros and reduce the cons.

**[00:14:50] JM:** One thing that I would attribute your success to is a conscious balance between negative-sum or zero-sum thinking and positive-sum thinking, usually airing on the side of positive-sum. If I'm developing a product, I'm building a startup perhaps in Silicon Valley. How can I frame my mentality in the correct balance of positive-sum and zero-sum thinking?

**[00:15:20] RH:** Yeah. I think there is this feeling, and I think it's naïve, frankly, that a lot of people, they worry too much about their competition or they worry that, "Oh! This other company is building a sort of thing that's similar to my idea. Oh, no!" Some people think, "Oh, no! I can't compete. I'm just going to give up," on the extreme side. Other, unnecessarily sort of stressing

about it and saying, “Oh, no! This company is doing something similar to my space. Now I have more competition.”

I think it’s better to focus on executing and building our your vision, and you should certainly probably watch the competition if you’re a serious company and keep an eye on them. But in many cases, it’s not the competition that’s going to kill your company. It’s usually you, and that could be through a variety of reasons, which I won’t go into.

So when I think about a zero-sum or a positive-sum kind of dynamics, I think if we kind of go to the culture of Silicon Valley, and much of the tech ecosystem actually is a lot of it is very much pay it forward and a lot of it is very positive thinking in the sense that there’s a number of people who have helped me throughout my career, given me advice, taken time out of their day to support me and my ideas, especially when I was certainly a nobody. That was something I really appreciate and in turn want to pay forward to other people as well.

So I think there’s a general sentiment in Silicon Valley that I hope to kind of see continue forward, where people are eager to help each other. As a result, hopefully you do so authentically, not because you seek to get paid back. But you also do get paid back in many different ways. The people that helped me early on, I feel in some ways indebted or responsible or eager to support them too in their next efforts. It might months. It might be years later. But I think having that mentality and paying it forward can really go a long ways and some ways selfishly help you in the future.

**[00:17:17] JM:** Do you have any unconventional views about how to do early stage investing given that you have recently started to become an investor?

**[00:17:28] RH:** Yeah, unconventional. Let’s see. Unconventional is interesting. It’s an interesting word, because there’s another similar word, non-consensus, and it’s funny. All the investors are talking about how they’re non-consensus thinkers, and it almost becomes ironic when everyone is non-consensus.

For me, I look a lot of – So the areas that I’m looking at are maybe different areas than other people are looking at in some cases. So some of those spaces that I’m really excited about are

really based on platform on consumer behavior shifts, and if we go back – I'll use Instagram, as I have mentioned earlier as an example. Instagram, of course, is a massive company and it rode the way of mobile. If you look at the growth of iPhone and smartphone adaption at the time Instagram launched, and also the rise of the app store and the number of people downloading apps in the app store. They hit the market just at the right time, and they did so also at a time when cameras were not that great.

I think a lot about Instagram is one of many examples where they were able to build in a category, in a platform shift at just the right time. I try to think of what other spaces are there that are exhibiting these types of platform shifts. One of those that I look at and really excited about is audio, audio and voice. Saying we're on a podcast right now. I'm sure many people right now are probably listening with AirPods perhaps maybe in their ear. EarPods are becoming more popular, an Apple is unlocking new functionality, like hands-free Siri interaction and things like that.

We have over 60 million homes in the U.S. have a Google Home or Alexa device in their home. All of these, this adaption of this new hardware is one platform shift, but it's also a consumer behavior shift where we're starting to see more people interact with technology through their voice or consuming through their ears.

So I think a lot about that as it relates to different opportunities in startups, and these opportunities also become ways for small incumbents, or rather small startups to compete with incumbents who, like Facebooks, for example, or the Instagrams of the world. How do you compete with them when everyone else is competing for the home screen already?

[SPONSOR MESSAGE]

**[00:19:46] JM:** We are all looking for a dream job, and thanks to the internet it's gotten easier to get match up with an ideal job. Vetterly is an online hiring marketplace that connects highly qualified job seekers with inspiring companies. Once you have been vetted and accepted to Vetterly, companies reach out directly to you because they know you are a high quality candidate. The Vetterly matching algorithm shows off your profile to hiring managers looking for someone with your skills, your experience and your preferences, and because you've been

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[INTERVIEW CONTINUED]

**[00:21:30] JM:** In the realm of the voice interface, we have this Google Home, Amazon Echo dynamic. Do you find this more painful or less painful than the iOS and Android dynamic?

**[00:21:43] RH:** Painful in what sense?

**[00:21:45] JM:** General friction.

**[00:21:47] RH:** Yeah. Right now – Sorry to clarify. You mean between developing for Alexa and for Google?

**[00:21:54] JM:** I would say all across the board. I mean, you have the developer frictions of iOS and you have developer frictions with Android. They're slightly different. But the main friction is, if you want to switch between phones, I think, if you want to switch between operating systems, you have a friction, or I guess you could even extend the voice discussion. I mean, the fact that you can't really use the best voice – In my book, the best voice interface, which is Google, on iOS is deeply problematic.

So we just have the emergent frictions from the voice interface. I guess, it's not exactly a duopoly, or oligopoly, whatever you want to talk about it. But the fact that you can't just say, "Hey, assistant. Do something for me. You have to kind of go to these different system categories." Is that a feature or a bug?

**[00:22:46] RH:** Yeah. The comparison with iOS and Android is a good one when it comes to that. I mean, we have Amazon, Apple, Google of course, even Facebook with portal as well. They're all playing in this game of controlling and creating a new platform for voice interactions.

I think the biggest friction right now from a developer or a startup perspective is really discovery, and this is really tough right now in this space. There's a lot of people excited about voice and audio, but they also say, "Well, there's no real killer app right now for voice or audio outside of maybe playing music, checking the weather," like the basics.

So we haven't yet seen sort of our version of Instagram on audio and voice yet. However, I also see that as certainly an opportunity and certainly something that these big companies are going to address. It's imperative that they help their developers and the people building on their platform get discovered and be successful. Otherwise, their platform won't be nearly as valuable or as impactful as it could be.

So it's early in that friction point of getting discovered is certainly a problem, but I also have hope that that will be solved, and once it is, once we have our version of the app store that's actually usable by consumers and adapted by consumers, then it will be a whole different game.

Actually, I think I'll step back too. I think there's a lot of skepticism around audio and voice as a category to invest in or even build in because of the discovery problem. Also, just what kind of use cases are there. What types of things would we build? Some people just don't – Maybe aren't as optimistic that will unlock all these new types of innovative ideas on audio and voice. I like to reflect on mobile back in, let's say, mid-2000s. It would have been impossible to predict for the average consumer or anyone really. Impossible to predict that Instagram would exist, or that Uber would be built on this, or Instacart, or all these other companies that are now massively successful. We would have never predicted that back when mobile was super nascent. I think the same is going to be true for voice and audio. I think in three to five years,

we're going to be I think shocked and surprised by what people create and how it changes people's interaction with technology.

**[00:25:02] JM:** Anchor was acquired recently, and Anchor was acquired as a podcasting platform, but many people may not know, Anchor started as a kind of audio Twitter. I think I actually found Anchor on Product Hunt the first time I interacted with it. It didn't really gain traction in that first version. It was a cool idea. Some people tried it. I didn't try it. I tried it myself. I listened to it a bit and I thought it was a cool idea. I was really happy when they pivoted to podcasting. Basically, what they did was like, "Let's just make a podcast host that actually works pretty well and has a nice UI and makes podcasting simpler," and they just crushed it. But begs the question, why didn't that first version of Anchor work? Why didn't it gain traction?

**[00:25:52] RH:** Yeah. That's an interesting question, because one side of me in hindsight in the future will know if this is true or false most likely, is that it's unclear if maybe the timing was off. I think when Anchor launched, it was a mobile app, and it still is primarily mobile, but as a mobile app that you'd open up, you would then select different audio messages to listen to and then respond to, and the interaction was all on the screen. I do wonder if more of our behavior and if more of, let's say, iOS in particular, the API unlocks to enable new things, like hand-free Siri commands and other things like that. That actually maybe a better time for someone like Anchor to create that type of experience, where maybe it's not screen first, but it's audio first and voice first.

So part of me wonders if maybe the timing was off for that type of interaction. The other reality is that back then also, with that type of interaction, you're kind of competing – You can only use Anchor when you can listen to it. So that's when you have headphones on or you're in a private space and you feel comfortable listening.

Unlike text-based messaging, which has its own pros and cons, one of its pros is that you can consume and communicate through text pretty much anywhere. You can be on the bus. You can be at a party. You could be in the movie theater in the back texting with a buddy, and you can't do that with audio and voice.

So I think the nature of that heavily decreased the amount of engagement that you would see simply because 95%+ of people's day is probably around other people where they don't feel comfortable listening and contributing with their voice through that type of interface. So those are some just initial thoughts. I'd be really curious to hear from the Anchor team on maybe a retrospective on why they kind of pivoted, but their new direction is clearly getting some traction and they're really focusing on the podcast space, which I think is really wise.

**[00:27:47] JM:** Spotify seems to be making a play at becoming the YouTube for podcasts or something similar to that. Is that what we actually want as the market? Do we want the medium.com of podcasts or the YouTube of podcasts, or do we actually want the WordPress of podcast where people can kind of do things as they want and not have this centralizing force?

**[00:28:15] RH:** I mean you're looking at it from two lenses. You have, one, podcast creators. So what they really want is distribution is typically the number one thing. Just how do I get discovered, same thing that anyone who's building a product has challenge with. How do I get users? In this case, how do I get listeners, subscribers and so on?

The other big challenge they have is monetization. So, "Okay, now I have a podcast. I have a few listeners. How do I make money out of this?" What is nice about the integrated approach with Spotify and kind of where they're going is they're able to solve both of those challenges because they're vertically integrated. They can help with discovery, and Spotify also is really powerful data science team. I mean, Discover Weekly, which is the thing I listen to every single Monday, is always filled with great song recommendations.

So presumably, they can use a lot of their same talents to help surface and uncover podcast that might be relevant to various listeners. Also, they have an ecosystem of people with credit cards on file that would be easier to monetize. If you're on a WordPress site trying to collect – Well, want to acquire users and listeners and then try to collect credit cards and convert that way.

So I think on the podcaster side, there's a lot of really interesting dynamics at play that can support their goals. On the listener side – The listener side, I'm not sure what the biggest problem is, to be honest, because a lot of people complain and it's like, "Oh, I can't find any

good podcast,” or “Hey, I want to discover more podcast.” I’m not exactly sure that’s the biggest problem for listeners. I think a lot of listeners have people that do regularly listen to podcast. They have a rotation of, let’s say, 2,3, 4, maybe 10 podcast they listen to, and that fills most of their time. I don’t think a lot of podcast listeners are waking up every morning with a burning desire to discover new podcast.

So I’m not so sure that’s the biggest problem for consumers. I think most of what consumers just really want is something that’s low-friction, good quality content, whether it’s something they know about or something they are introduced to in the future and they want to consume it without friction, which friction is in the form of clicks and like time, but it also in the form of money.

So going back to the Spotify example, if I’m a Spotify subscriber and it doesn’t cost me anything to listen to podcasts, because I’m already a paying member, then there’s no more additional friction and it can solve for some of the monetization problems with podcasters potentially.

I don’t know. It’s a really interesting space. I hope that there’s a lot more competition, and there is, thankfully. In fact, it’s great that Spotify is investing in this, because Apple has been the dominant player in podcast discovery distribution. I think they probably still, in the U.S. – I don’t know. You may know this, but somewhere around like 80% of listens are typically on iTunes through Apple. So it’s good to see some competition enter the game here.

**[00:31:06] JM:** One of the big factors in podcasting taking off and almost entering the mainstream, or entering the mainstream to the extent that it has entered the mainstream today, is the fact that cellular bandwidth got so much better. It’s not painful to just press play on a podcast and start streaming it instantaneously. It doesn’t really hurt your bill too much. Eventually, that will happen for files as large as long video files. It begs the question; will we ever see video podcasts? What do you think?

**[00:31:41] RH:** Well, I guess we kind of do have video podcasts, right? A lot of podcasters do – The Y Combinator podcast is a great example, where they distribute on YouTube and they call it a podcast, but it’s basically a video interview.

**[00:31:53] JM:** Right. I'm saying literally the same distribution format over RSS. I mean, you can actually subscribe, I believe, or at least you could, subscribe to video podcasts in the Apple podcast app. They were always called podcasts, but the video format never took off, or it hasn't taken off yet. I wonder if that same decentralized RSS distribution mechanism will ever work for video.

**[00:32:21] RH:** I don't know. I think it comes back to how do consumers want to consume content and where did they do it already and how would this be dramatically better. So YouTube, of course, massive in the U.S. when it comes to discovery of video content. A lot of that includes like podcasts, like the Y Combinator one I mentioned.

So, I don't know. I think that's even a broader conversation around different distribution channels and decentralized distribution channels to ones that may have less to know censorship and some of the concerns that some people have expressed around YouTube censorship, or Facebook, or Twitter censorship. I think that's a really interesting trend to keep an eye out for especially for those that are in the consumer space as well.

**[00:33:03] JM:** Apple has not done anything with its dominance over the podcast market. It's anyone's question as to whether that's deliberate or it's just due to the fact that they're focused on other things. Let's say I put you in charge of Apple. I replace Tim Cook with you. Would you spend any time looking at the world of podcast or would you stay completely focused on these markets, like self-driving cars and augmented reality?

**[00:33:30] RH:** Yeah. I'll add a giant asterisk to start with that. Clearly, the Apple team has a lot more data and information and they're probably way smarter than me. So there's probably good reasons for all their decisions. But I do find it kind of shocking actually. They're not investing more in certain areas. So podcast is certainly one area where, for their bottom line today, podcast is not meaningful.

However, it's also a strategic competitive advantage for them to be the dominant player, and we're starting to see Spotify really eat into that. I think if I'm not mistaken, 20% of new podcasts are listened to in the U.S are listened to in Spotify, and that's up from basically 0% almost from a

few years ago. Now, I could be off in that number. But it's something substantial considering that Apple's been like really one of the dominant leaders to date.

So if I was in charge of Apple, I would try to find really smart small teams to tackle various problems, and one of them – Or rather investing further into existing user experiences, one of them being podcasting. I think the area I would want to personally explore around podcasting is – I mean, I have an extreme bias on this, but it would be around community and how do you – Communities can be such a strong lever point to bring people together, to drive engagement, to help with discovery and really connect the creators of these podcasts and consumers and listeners together even better.

That's something that's, if you establish it and build the right experience, it's incredibly defensible and also enhances the experience itself. Furthermore, Apple is in a unique position where they only iOS. So they can do some really interesting things potentially around the OS level that others couldn't do by incorporating more community and more social interaction around podcast.

So, for me, I would dedicate a relatively tiny, tiny piece of capital. I mean, Apple has – I don't know how many billions of dollars they have sitting in a bank. But I would dedicate more of that to [inaudible 00:35:30] teams to focus on building out those experiences with the ultimate goal of just creating more defensibility. Not about revenue, but just really how do we continue to maintain our position.

**[00:35:41] JM:** Three years ago there was a bubble in chat bots. Were chat bots just unnecessary, or was it too early?

**[00:35:48] RH:** Yeah. I think chat bots was a really good example of – It wasn't a platform shift, but it was kind of like a new interaction paradigm that people were really excited about, because, one, it was somewhat novel, somewhat new. It was unclear how consumers might interact with chat bots. It was something very worthwhile exploring.

Chat bots are really – A lot of that work and experimentation is some of it is still valid. Some of it is useful. For example, a friend's company, Octane AI. They started off as initially more of a

general purpose chat bot and they've now evolved and kind of pivoted into more ecommerce bookish chat bot to help ultimately just increase conversions, increase sales. They're doing well in that kind of very core niche – By niche, I mean it's a massive niche, but its very focused approach has been effective.

But I think a lot of the work over the past few years or so in that space is really going to help apply to voice and audio interfaces. The interaction of interacting with a chat bot via text is very similar to interacting with your voice, and I think we'll see some of those learnings being applied to audio and voice and also as the ability for NLP and things like that too is that gets better. They also make audio and voice more powerful driven by the foundation of chat bots, which started a while back.

**[00:37:12] JM:** One emergent trend that's a downstream result of the gig economy is this rise of these cloud kitchens, where you have basically restaurants setting up in shipping containers and only selling to people who are ordering on food delivery services. How big do you think the cloud kitchen industry will be?

**[00:37:34] RH:** Yeah, this is really interesting. I'll admit, I've not followed the space super, super closely. So I'm sure there are smarter people around this category, but I was actually recently speaking with a friend about cloud kitchens, and more generally, just about the use of land. We have a lot of lands sitting there vacant. For example, parking lots are often very vacant, especially in certain businesses or churches which are only open during certain hours.

Combined that with cloud kitchens, which are designed to be more efficient and optimized for delivery of food, it's interesting to see that that kind of evolve both as two trends of like how do we better and more efficiently use our land, but then also how do we service customers more efficiently and ultimately improve our margins through cloud kitchens.

I don't have any data on this, but this is more anecdotal. I think more people – Well, I know more people are ordering and having food delivered. I don't know what that growth rate is or what that number exactly looks like, but for me personally, I order in every night and I don't like cooking, and I think a lot of people I think around my generation in the U.S. at least, that's a normal behavior. As a result, we're going to see more and more people I think ordering and

expecting food to arrive or arrive warm and fresh and efficiently in their home. That will just increase not only the demand for that will increase, but then as a result, the need for cloud kitchens and more efficient delivery and logistics will also be a growing need within the market.

So, yeah. I don't have a whole lot of deep thoughts around that, but it's certainly a trend that I expect to see continue forward. It's also changed in the way that restaurants operate too when you think about how restaurants historically have had to operate during certain business hours in a single location that can't move with a staff of people that are certainly costly. When you remove a lot of that, those fixed kind of expenses or needs, it really changes the dynamics of how food can be created and the margins of that food.

**[00:39:35] JM:** What are the other nascent downstream effects of the gig economy?

**[00:39:39] RH:** I think there's certainly a need around – Actually, there's a YC company that I spoke with in the most recent batch, which is called Keepr, and they're focused on freelancers primarily and how do they help them save money on their taxes.

So an example is a lot of people who are freelancers, and I've spoken to many of them, they start freelancing but they don't really think anything about taxes at all. They're really just learning for the first time, because maybe historically they had a fulltime job and a lot of their taxes was sort of handled in many ways for them, because they had money taken to their paycheck and so on.

Furthermore, many of these people don't even know that you can expend certain things. So what Keepr provides is a really simple way for these freelancers to mark in real-time, effectively, different expenses. So it'll notify you if it detects in your credit card that you, let's say, picked up gas at this gas station. It might ask you, "Hey, is this a business expense?" assuming you're an Uber driver, for example.

Another example might be you're a freelancer and you take a flight somewhere. It will ask, "Hey, is this an expense? Is it a personal expense or a business expense?" Basically, just trying to help these freelancers, one, educate them, that you can expend these things. Two, make it more efficient, easier for them to manage your taxes.

So I expect to see more of those types of tools emerge as we see more freelancers and more kind of gig economy workers enter the market, and you could name a number of other things that a typical fulltime employee, WT employee, might benefit from that these freelancers and contracts workers don't have that they'll need support in.

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**[00:41:28] JM:** Instabug is a feedback system that helps teams improve their app quality. Instabug allows your users to give feedback inside the app by shaking their phone. Users can take surveys and help you understand their perspective about your app.

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[INTERVIEW CONTINUED]

**[00:43:25] JM:** We do have this increasing variety of types of career paths you can chart or rotate between. You can jump from the gig economy to being an indi hacker and set up a small

business to working at a corporation for a little while after you've set up your small business and it's just generating you a little bit of cash, but you want to kind of go to the big leagues for a while. Then maybe you want to go back and set up another small business.

Across this spectrum, the range of financing options still seems somewhat limited. Like you'll often – You probably have this experience as an investor. You often meet people where if you could buy an option on their future career, you would, but either the startup that they're working on right now is like not great, or perhaps they're at a big company and they're just kind of like – You know that they're going to take the plunge at some point and you wish you could like just be like, “Hey, take 5 grand, and give me an option on your future.”

Do you have any ideas for how the gradient between those kind of two polar ends of the salary person versus the venture-backed equity world, what other kinds of financing options could be explored?

**[00:44:42] RH:** Yeah. I think I'm super fascinated by that space. So we're seeing – Traditional venture capital is designed to invest in companies that could have a massive rare outcome. So 100 million in many cases are going to be on the low side, but they're looking for a billion dollar plus outcomes in many cases.

In reality, is most businesses won't become that, and that's by design. That's actually not a bad thing. In fact, we're going to need to see a lot of failures for a few outliers to really succeed. So that's not necessarily the worst thing that can happen. It's part of the model. But there are a number of companies that just never – Either they shouldn't have raised venture capital or they just never do, because they're not designed to be a venture scalable business. So there are firms, like Indie.vc or Earnest Capital and some others that are kind of emerging trying to create something that's in between. Something that isn't bootstrapping, but it isn't VC, and it's something that is designed to provide an outcome for the LPs and/or return on capital. But also support entrepreneurs who might create a really meaningful \$10 million, \$20 million, \$15 million business, but no unicorn type of exit.

So I find that category really interesting, but you also touch on an even more nascent area, which is backing people and investing in people. Something that one of my friends and former

teammate, Eric Thornburg, talked a lot about this on Twitter and actually wrote a post about ISAs income sharing agreements, which is sort of related to that category of things.

We see things like Lambda School and Flockjay and some others using ISAs to essentially get people to kick start to learn in their career, and if they're successful, then they get money back. So incentives are aligned. I think that same model could apply more generally to a lot of different things, whether it's education, or just someone's career success.

That said – I don't know. It's a little bit unclear on like what that would look like. Also, how do you ensure that that model is truly creating the right incentives for both parties? Because you certainly don't want it to feel like this investor in the next – If someone invests in me and I'm giving away for the next decade 10% of my net worth, for example. That's a lot to give up, and I just need to make sure that that's equitable for both parties. So there's a lot of kind of unknowns and how that would work out. I'm super curious to learn more about different ideas in that space.

**[00:47:13] JM:** Your fund is the Weekend Fund, and the Weekend Fund seeks to invest in what smart people are doing over the weekend. What are you working on during your weekends?

**[00:47:24] RH:** I guess I'm working on the fund. Yeah, I named it Weekend Fund after brainstorming a bunch of different ideas, and it stood out to me because it means a few different things for me. One of them is certainly that quote. It's actually from Chris Dixon. It always kind of resonated with me and that the thing that people do on the weekends sometimes is – To paraphrase, sometimes is those things that everyone else will be doing as their day job in the next decade or so. That kind of reflects a lot of my experience with Product Hunt. Another reason why I named it that is Product Hunt was a nights and weekends project, and it wasn't intended to be a company in the beginning, but it was something that I was just really passionate about and wanted to experiment and explore.

So there's a lot of – Sort of the third reason why I named it that is I didn't want to create some sterol sounding VC name, like Hoover Capital. I think there are enough sterol sounding VCs out there.

**[00:48:13] JM:** That one actually has a pun in it though.

**[00:48:15] RH:** Hoover Capital?

**[00:48:16] JM:** Yeah. You're like, "I'm hovering in the capital." That's like a good one.

**[00:48:20] RH:** I don't know. I don't know about that one.

**[00:48:21] JM:** It's probably – Okay. Probably terrible. I'm sorry. Okay, fair enough.

**[00:48:26] RH:** Yeah. I was hoping to, one, not name it Hoover Capital and make it friendly and different. So, for me, my weekend sort of side hustle the Fund, ironically, I guess. I spend a lot of nights and weekends on it and I'm enjoying it. It's very relevant to what I've been doing at Product Hunt, but certainly with a different lens instead of exploring just new products. I have to now explore businesses and dig through the business holistically, not just the product. So I'm loving it. It's been really fun.

**[00:48:55] JM:** My first case study in the synergies between podcasting and investing was Jason Calacanis, and I think Jason Calacanis remains one of the most underappreciated, perhaps underestimated figures in Silicon Valley, which I think is to his benefit in many ways. What are your biggest lessons from Jason Calacanis?

**[00:49:19] RH:** Yeah. So I've been listening to his podcast since I was in college actually. He's been doing it for, I guess, a decade, longer maybe. He has a unique skill and talent and that he's a great writer. He's a great conversationalist. He's a really good entertainer as well, and he's been able to do that, but also be a strong investor. I think he's invested in six or seven different companies that are unicorns or greater.

So it's hard for me to say like what I've learned from him, because a lot of the people, whether it's podcast or people I've known for a while, I think he kind of learned through osmosis and he kind of don't maybe recognize sort of learnings explicitly. For me, I think I admire just how he's been able to consistently create a brand and certainly a brand that might rub some people the

wrong way. He does have an ego, and I think he'll admit that. But it's also part of what makes him authentically him and unique and entertaining and personable.

So I appreciate his authenticity in that sense, and he's invested in the podcast, but also the events. He's really created these different properties that built a brand and an audience. When you have an audience, sometimes that's the hardest thing and the most important thing, because you can then segue that into other really high-value transactions, like investing, for example, into companies.

**[00:50:40] JM:** And you see somebody like Harry Stebbings, who sort of looked at Startups Model. I don't know if he actually was directly inspired by it, but he managed to scale conversations within investors in quite an interesting way. Do you have any lessons from Harry Stebbings and the 20-minute VC story?

**[00:51:03] RH:** Yeah. He's had a great job of very quickly building a name for himself, and he did so by really just – I mean, for lack of a better word, just hustling. He did a lot of manual things that includes responding to emails, tweeting, doing podcasts. I don't know how many he's done. Probably I wouldn't doubt if he's done over a thousand podcasts. He's just done do consistently and with excitement and passion. A lot of that can go a long ways.

Now, he started the funds after maybe a couple of years of doing the podcast, and he wouldn't of course been at a position to do so prior to that. So I think he's just a prototypical example of someone who's just worked really, really hard and spent a lot of time, because he's really passionate about it and it's really paid off for him.

**[00:51:53] JM:** Now, we see some major shifts in media consumption right now. Obviously, we could talk about just Jack Dorsey going on a bunch of podcasts, or the fact that we're speaking on a podcast, or just, I guess, Netflix, or YouTube. In any case, we can tell that media preferences are shifting away from terrestrial TV. But something like I think 50% of U.S. ad budgets or close to that are still spent on TV. I guess we have the rise of subscriptions. That's another kind of trend. Do you have any other broad takeaways in how you anticipate media consumption changing in the next 5 to 10 years?

**[00:52:38] RH:** I think one of the more interesting trends right now is we're seeing some experimentation around – Some people describe it as synthetic media or digital celebrities or whatever kind of buzzword you want to use. But companies like Brud, which has Lil Miquela, and there's actually a company I invest in that's stealth right now that exploring synthetic media.

What this is and what's interesting about it is, for those that don't know Lil Miquela, there's an Instagram account over a million follows now where it's not a real person. It's a CG woman named Miquela, Lil Miquela, and it's an Instagram account almost like as if it's a person. Just like a regular person posting photos and stories and whatnot.

Brud, the company behind this, is really building out sort of an ecosystem and characters just like you'd see on Disney, for example, or any kind of like Cartoon Network. They're really building out a cast of characters, but unlike historical media and entertainment companies who primarily focused on television, they're focusing on the place where people are hanging out more and more, which is social networks, and that's where people hang out.

So the underlying, I guess, goal, is very, very similar. It's providing entertainment and creating a character, but doing it in a very different way. By leveraging the distribution of Instagram and other social networks, other like Twitter, of course, and Facebook, and I think we'll see more around Tiktok will experiment with this. That's one side of it. Then the other is the technology side and how do you incorporate these sort of CG characters in a way that's sort of blends with reality in a unique way.

So we'll see more of this. I think we'll also see more companies leveraging the IP of existing people and celebrities, but doing it in a way that's driven through synthetic media. That could be both visual synthetic media, like Lil Miquela, but it could also be audio, audio synthetic media.

I met with a company that's in Techstars right now. There's a few of them kind of exploring this area of how do you replicate someone's voice through technology without them ever being involved? So they showed a demo of Kevin Hart saying some words that he never spoke, and we've seen different – Like Obama with – I'm forgetting his name right now, but there's a viral video with Obama, for example, speaking some words that he never spoke that looked like him, that sounded like him. I think we'll see this technology being applied to existing celebrities and

brands and people that will allow them to scale themselves and leverage their brand without taking their time and effort from doing the actual work themselves, which is really fascinating to think through.

**[00:55:16] JM:** These distribution channels that you're discussing, Google, for example. Google was – Or still is, a huge distribution channel. Google has leveraged that by monetizing search advertising. They built a huge cash cow.

Facebook has dominated social advertising. They've created their huge cash cow. Advertising has really, really high-margins, and yet the future seems to be influencer marketing and nobody is able to capture the influencer marketing world in a centralized aggregated fashion. There's a lot of like smaller influencer agencies, but there hasn't been an aggregator of influencer marketing. Do you have any theories for why that is?

**[00:56:07] RH:** Yeah, that's a good question. I've seen many different companies that are attempting to aggregate influencers, and I don't know how big the biggest one is transparently, but they're relatively all small it seems like. There's no meta-aggregator for influencers. I actually don't think there will be, because if you actually look at how just the entertainment industry is also fragmented, there's no winner that owns all the artists, or in music, or all the actors and actresses in film.

So if you look at the trends and the history of that space and try to apply it to influencer marketing, I think we'll probably see similar types of dynamics. It's not going to be a winner takes all. I think part of the challenge in particular with influencer marketing is it's also a space with a little bit of gray area to it in a sense that everything from laws being changed around disclosures of advertising to the platforms themselves introducing maybe some restrictions. For example, if Instagram tomorrow decides, "Actually, we don't like influencer marketing. We're going to ban it entirely. You instead have to advertise to our platform. We're going to build our own influencer marketing kind of mechanism or marketplace." There's sort of that risk as well.

In some ways, if there was a leading influencer marketing kind of market place, it would actually incentivize someone like Instagram potentially to compete even harder, because they don't want anyone to be able to own too much of the market that could affect their business.

**[00:57:38] JM:** What can Silicon Valley learn from Los Angeles?

**[00:57:41] RH:** Oh, I think – I'm actually in L.A. right now. So I live in San Francisco. I'm spending all of March and April in L.A., and I love it here. It's a really cool spot. I think the area – something that Silicon Valley, and I think generally tech can learn from L.A., is it's a place that is, in the U.S., it's best at storytelling. They really understand storytelling. They understand branding, and a lot of – I think, historically, technology, the industry hasn't focused as much on that. It's been a lot more about technology innovation, market place dynamics, platforms, things like that, which are also really important and intellectually stimulating to explore, but sometimes a company will fail or succeed based on its ability to create a really strong brand and a message that resonates with people.

If you look at how technology is also increasingly shaping the culture of the world, that's also what L.A. and the entertainment industry has done for decades, is really shaping culture. So I think there's a lot we all can learn in the technology industry from L.A., and I think people like Troy Carter who's someone I've spoken to about Product Hunt, who kind of bridges the divide between music entertainment and technology. People like him are really good translators that can speak kind of both worlds here in L.A.

**[00:59:04] JM:** You are a podcaster yourself. Has podcasting conversations changed how you have conversations outside of podcasting?

**[00:59:16] RH:** I don't know. I don't think so. I've been doing the podcast – Well, we started the podcast initially at Product Hunt in I think 2014, and that was just because I love podcast and I thought it'd be kind of fun. Then we put a pause on it and then we just rebooted it about six months ago. I really enjoy it. I think it's also one of the few sort of vehicles to unlock information and insights from certain people who never write.

There's a number of really, really smart people who have a lot of knowledge in their head that they might share personally one-on-one with people, but they're never going to write a blog post about it. They either don't like to write or they don't have the time. But if you get them on a podcast, you can unlock a lot of the information insight from their own head. So I'm sort of going

off on a tangent, but that's one reason why I love podcast and would like to see more and more people, especially those that haven't been on podcast before, do them more frequently.

But I don't know if podcast have shaped how I converse. I fact, I try to – When I do the podcast, I try to actually just make it more of a conversation like I do in real life and not too structured and not too much like an interview format. So my style might be a little bit different than others.

**[01:00:29] JM:** Ryan Hoover, thanks for coming on the show. It's been great talking.

**[01:00:32] RH:** Yeah. Thanks, Jeff.

[END OF INTERVIEW]

**[01:00:36] JM:** This podcast is brought to you by wix.com. Build your website quickly with Wix. Wix code unites design features with advanced code capabilities, so you can build data-driven websites and professional web apps very quickly. You can store and manage unlimited data, you can create hundreds of dynamic pages, you can add repeating layouts, make custom forms, call external APIs and take full control of your sites functionality using Wix Code APIs and your own JavaScript. You don't need HTML or CSS.

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