Lessons Learned from Shutdown Startups - Part 1

Greg Isenberg

8-9 minutes

There is a newfound appetite for consumer internet products and services. People are exploring what the "new normal" means to them and what products can help them get there. From 2016-2019, it felt like we were at peak app, but today we are downloading apps again.

As we enter this new boom, I think back to all the great products that have been shut down. Gone but not forgotten, there are insights we can gather from these fallen consumer communities to better inform what might resonate with new products.

What was once daring technologies, today is taken for granted or lost.

Let's dig in:

1. **Sunrise**
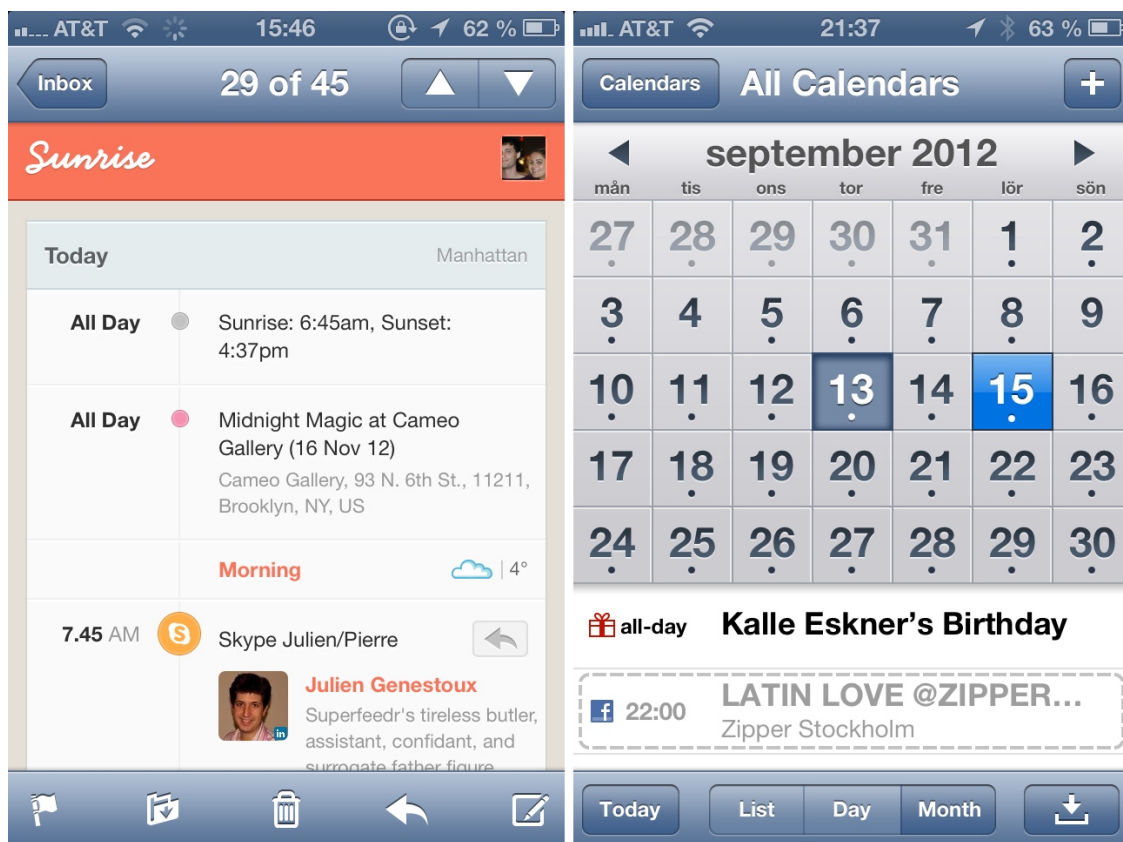
What it was: A beautiful mobile calendar app

Years active: 2012-2016 (acquired by Microsoft)

Why people loved it: There is Hipchat, and there is Slack. You first chose Slack because it was shinier and cooler. Sunrise tapped into that same vibe

Key community: NYC tech community and design-forward professionals

Key takeaway: Design pays in spades. Calendar apps were "just fine" back then. When a product is "just fine", not anything special but "just fine", there exists an opportunity. Think of all the "just fine" products you use and mark those down as potential opportunities

Questions:

- What are other "boring" applications that have daily or weekly use-case, that can use a serious fresh coat of paint? What are the ugliest products you know of? Remember, the uglier the better 😁

- How can you look at popular apps and disseminate the content in a new, creative way (SMS, email etc)? i.e: Sunrise started off as a beautiful newsletter that sent you your emails in the AM

- Would people be willing to pay monthly (ie: Superhuman) for these apps?

2. **Polyvore**

What it was: Moodboards using clothing, beauty, and home products

Years active: 2006-2018 (acquired and shutdown by SSENSE)

Why people loved it: The easiest way to create a moodboard that could be simply shared via Polyvore or Instagram

Key community: 12-18 year old females

Key takeaway: People buy infrequently, but dream often. If buying is the tip of the iceberg, the iceberg is the imagination. Many communities resonate with experiences that allow them to capture their imaginations and express themselves

Questions:

- What are other ideas of products that capture imagination?

- Is there an unbundling of Pinterest opportunity? ie: Polyvore was a vertical network based off similar to Pinterest

- With moodboards easily shoppable, what does the future of content and commerce look like?

- What are other tools to create that are designed for Instagram sharing?

- What do people use in-lieu of Polyvore?
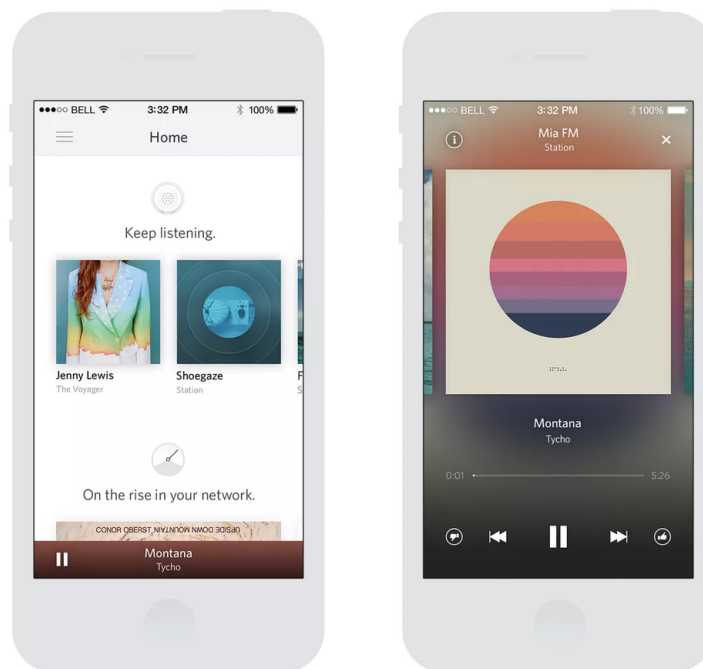
3. **Rdio**

What it was: A more cool-looking Spotify focused on music discovery

Years active: 2010-2015 (acquired and shutdown by Pandora)

Why people loved it: It was like walking into an infinitely big music store. Instead of recommendations from store clerks, Rdio gave recommendations from people you know. Those are the best recommendations anyways. This made music discovery on Rdio feel like magic

Key community: 30-something music heads

Key takeaway: Never underestimate the power of a really solid recommendation. Recommendations builds trust and trust build word-of-mouth. Many times there exists just as much joy from discovery than purchasing or experiencing products

Questions:

- What are other recommendation verticals out there?

- Is Yelp ripe for disruption?

- How do you recreate more physical experiences like an old school music store and bring it online (ie: clubs, bars etc)?

4. **iGoogle**

What it was: A personalized web start page (email, news, calendar, weather, articles that matter to you)

Years active: 2005-2015

Why people loved it: Saved time and allowed you to have a customizable home page

Key community: Google community (20% of all visits to Google's homepage used iGoogle)

Key takeaway: Having a sense of a home creates tremendous retention

Questions:

- What are other opportunities to create home-type zones in other verticals?

- What are the other productivity opportunities left? How does customization play a role in them?

- Is there still an opportunity to create the most delightful and productive homepage?

5. **Path**
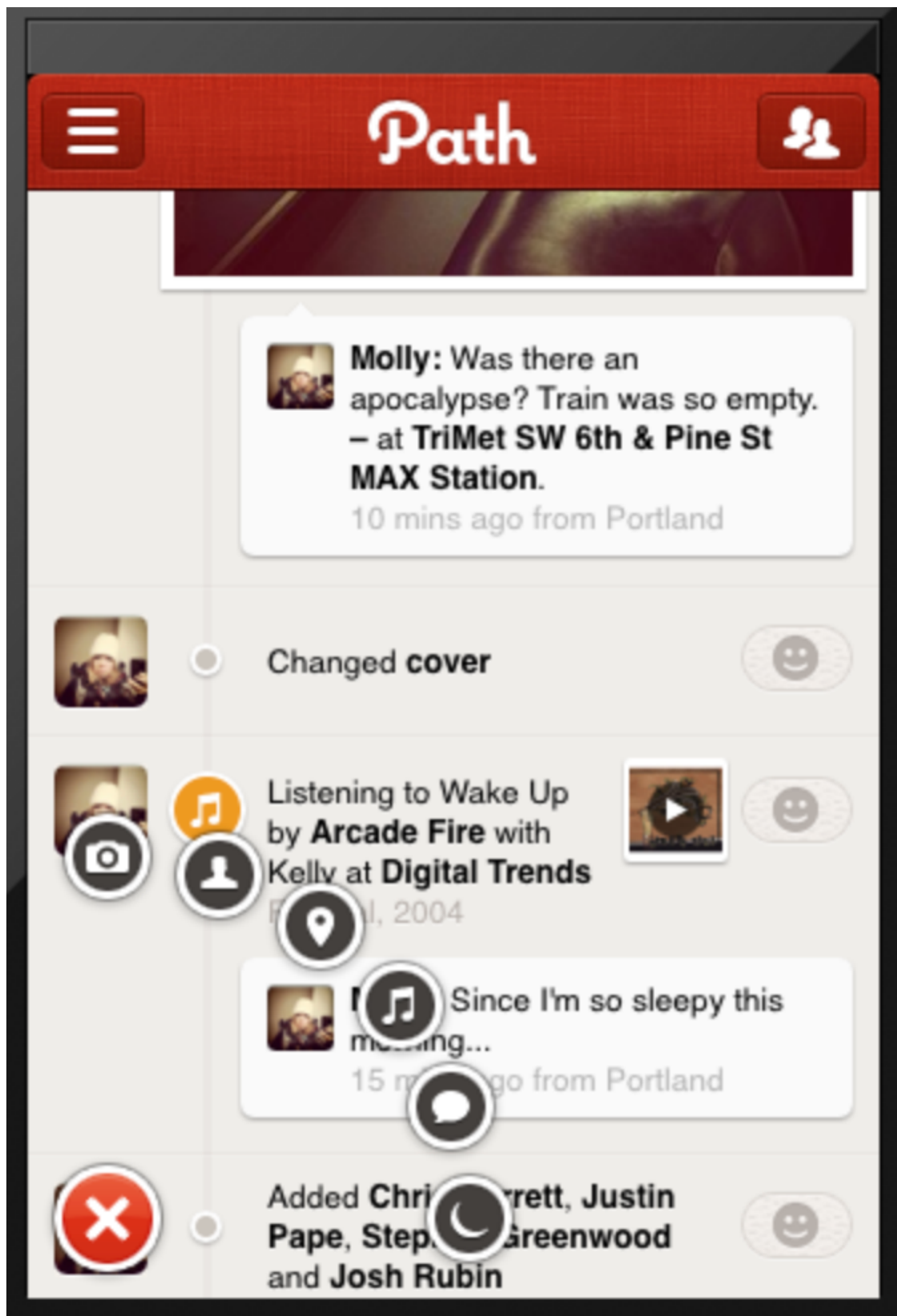
What it was: A private social network for you and up to 150 of your closest friends

Years active: 2010-2015

Why people loved it: It made the world feel smaller. It was the anti-Facebook. It established fascinating ways of interacting socially (ie: they invented reactions, the timeline, ambient social sharing). Bonus points for a remarkable design

Key community: Tech SF initially and eventually anyone overwhelmed by Facebook

Key takeaway: Sometimes smaller is better. In a world of noise, offering a focused alternative can be a winning differentiation. A more focused social network allowed users to be more open and more trusting with their closest contacts. New behaviors and deeper friendships followed

Questions:

- Is there room for more private, more intimate, and smaller social networks today?

- What does a more trusting social network look like in 2020?

- What are other anti-xyz opportunities? Anti-Instagram, Anti-Amazon (see my tweet here)

6. **Meebo**

What it was: An integrated platform to manage instant messages from AIM to Facebook to Windows Messenger.

Years active: 2005-2012

Why people loved it: Consolidation. Rather than having to open various messenger platforms, Meebo allowed you to easily keep track of all incoming messages in one platform.

Key community: Students, sometimes aiming to get around school network blocks on instant messaging

Key takeaway: Users love ease, the ability to manage all incoming instant messages provided a delightfully helpful experience

Questions:

- Where can we benefit from some consolidation today?

7. **Circa**

What it was: A sleek and simply designed news app to provide just the news, without opinion, fluff, or commentary

Years active: 2012-2015

Why people loved it: Even pre-2020 there was a lot of news, Circa provided a snackable amount of headlines to help you stay informed without eating up all of your time

Key community: Avid news followers

Key takeaway: Brevity is beautiful. There's a lot of noise out there, sometimes the best thing to do is provide exactly the amount of information required, and nothing more

Questions:

- Where do we see the a high ratio of noise to value today?

- Are Instagram/Snapchat Stories good enough for news or do we need a format dedicated to news like Circa

- Outside of news, where are other verticals that might benefit from a vertical-specific bite size format?

8. **Songza**
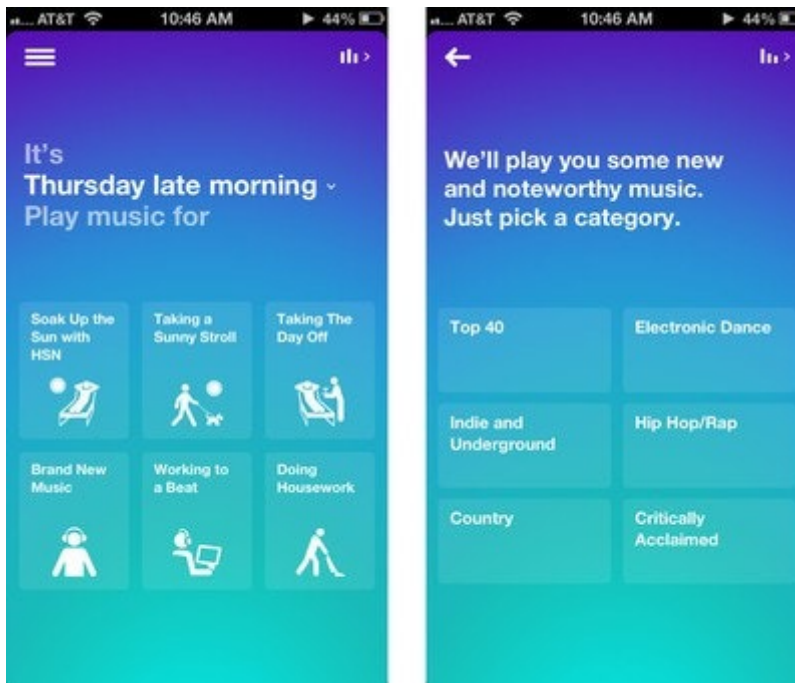
What it was: Music streaming featuring expertly curated content

Years active: 2007-2016 (acquired by Google)

Why people loved it: Handcrafted (often by experts), mood-based discovery. Up until that point, the idea of mood-based discovery didn't exist. It crafted a new category in music discovery.

Key community: Casual music streamers

Key takeaway: In the age of algorithms, Songza stood out through the use of human touch.

Questions:

- Which platforms today would benefit from a bit of human touch?

- Is there an opportunity to amplify the reach of genuine experts amidst the cacophony of armchair experts?

- Songza was a perfect app recommendation for your mom. What are other products designed with your mom in-mind?

One way to look at shutdown startups is, there is a reason these products no longer exist, so why bother?

Another way to look at it is, catching lighting in bottle is so rare in successful communities, it's worthwhile to dissect what went right and what went wrong. Understanding that magic helps us truly understand people's motivations and allows us to build better products in the future.

I hope you enjoyed part 1 of Lessons Learned from Shutdown Startups. Part two is coming soon. Feel free to @me/DM on Twitter with other shutdown startups you'd like me to cover here

If you got any value from this please subscribe or share. I appreciate you.

Best,

Greg Isenberg