

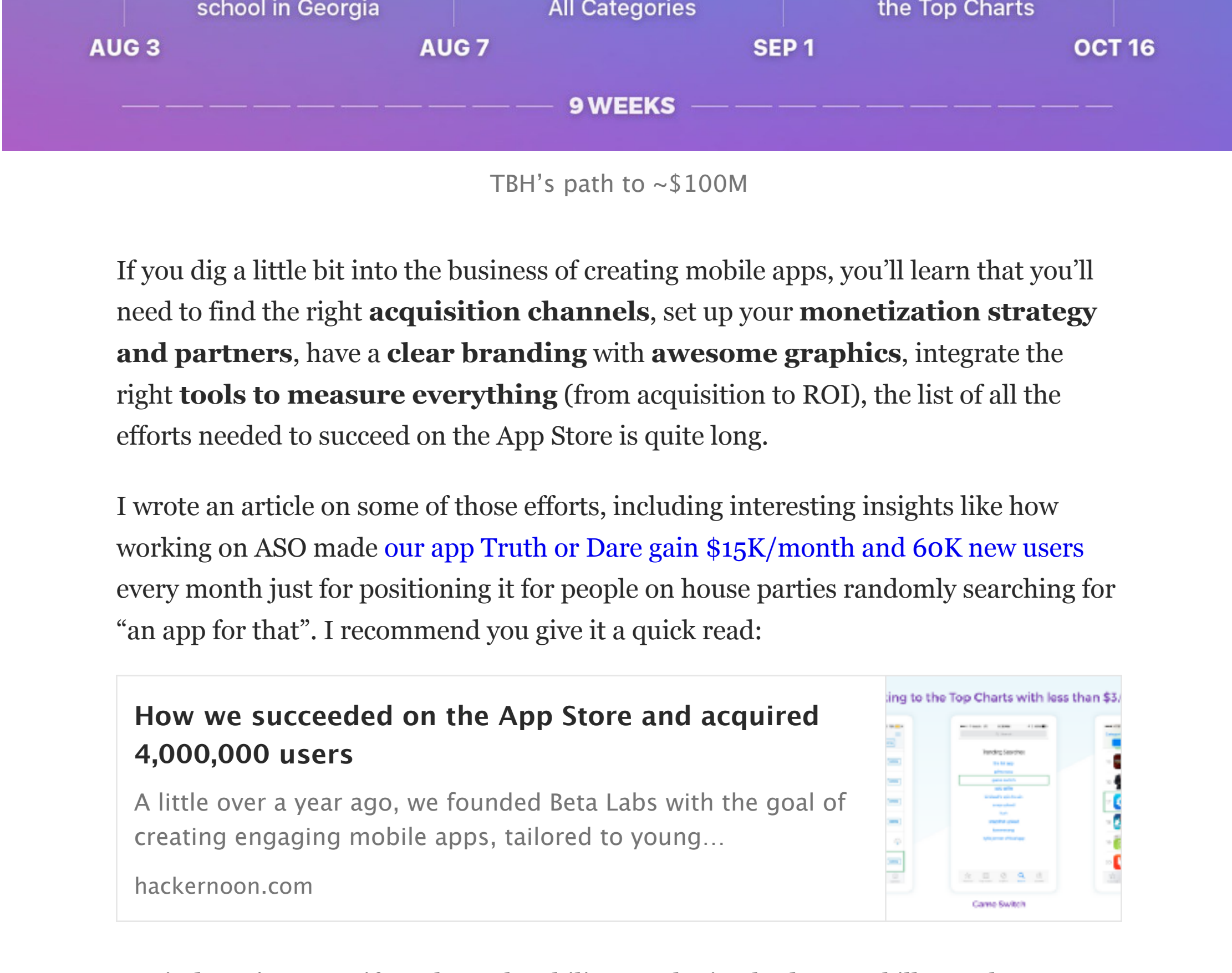
What most don't see in TBH, an app sold for ~\$100M and launched only 9 weeks ago

Top 3 insights on TBH for product makers hustling to build an overnight success



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Oct 21, 2017 · 9 min read

Update: Woow! Thank you for all the claps! This post is not a report on the price Facebook paid for TBH. It's an analysis on what TBH did to succeed and be acquired. Facebook didn't disclose the sale price and [Nikita](#) didn't tell me either. I wrote ~\$100M after reading [this TC](#) report breaking the news and many speculations like [this one from CNN](#), saying that the price was close to \$100M. I believe it's insane whether it was \$100M or \$10M.



TBH's path to ~\$100M

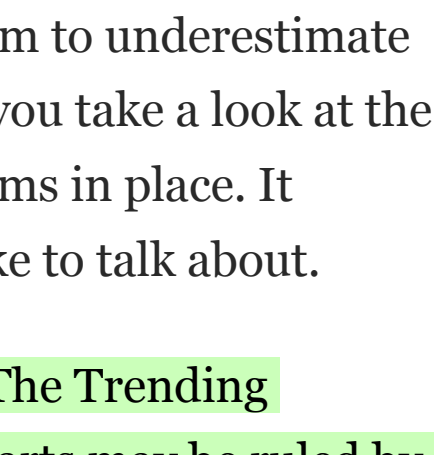
If you dig a little bit into the business of creating mobile apps, you'll learn that you'll need to find the right **acquisition channels**, set up your **monetization strategy and partners**, have a **clear branding** with **awesome graphics**, integrate the right **tools to measure everything** (from acquisition to ROI), the list of all the efforts needed to succeed on the App Store, is quite long.

I wrote an article on some of those efforts, including interesting insights like how working on ASO made [our app Truth or Dare](#) gain **\$15K/month** and **60K new users** every month just for positioning it for people on house parties randomly searching for "an app for that". I recommend you give it a quick read:

How we succeeded on the App Store and acquired 4,000,000 users

A little over a year ago, we founded Beta Labs with the goal of creating engaging mobile apps, tailored to young...

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But it doesn't matter if you have the ability, marketing budget or skills to take an app to the Top 10 charts, if it's not a product that users love, share and engage, on a small scale, it won't succeed. At [Beta Labs](#), we've created many mobile apps that reached the Top 10 charts. In some cases, it may be highly profitable, but it only lasts for a very short period of time. That's why we couldn't agree more with [Sam Altman's](#) quote:

"It's much better to first make a product a small number of users love than a product that a large number of users like."

So what was the key to success for TBH?

Focus on organic growth.

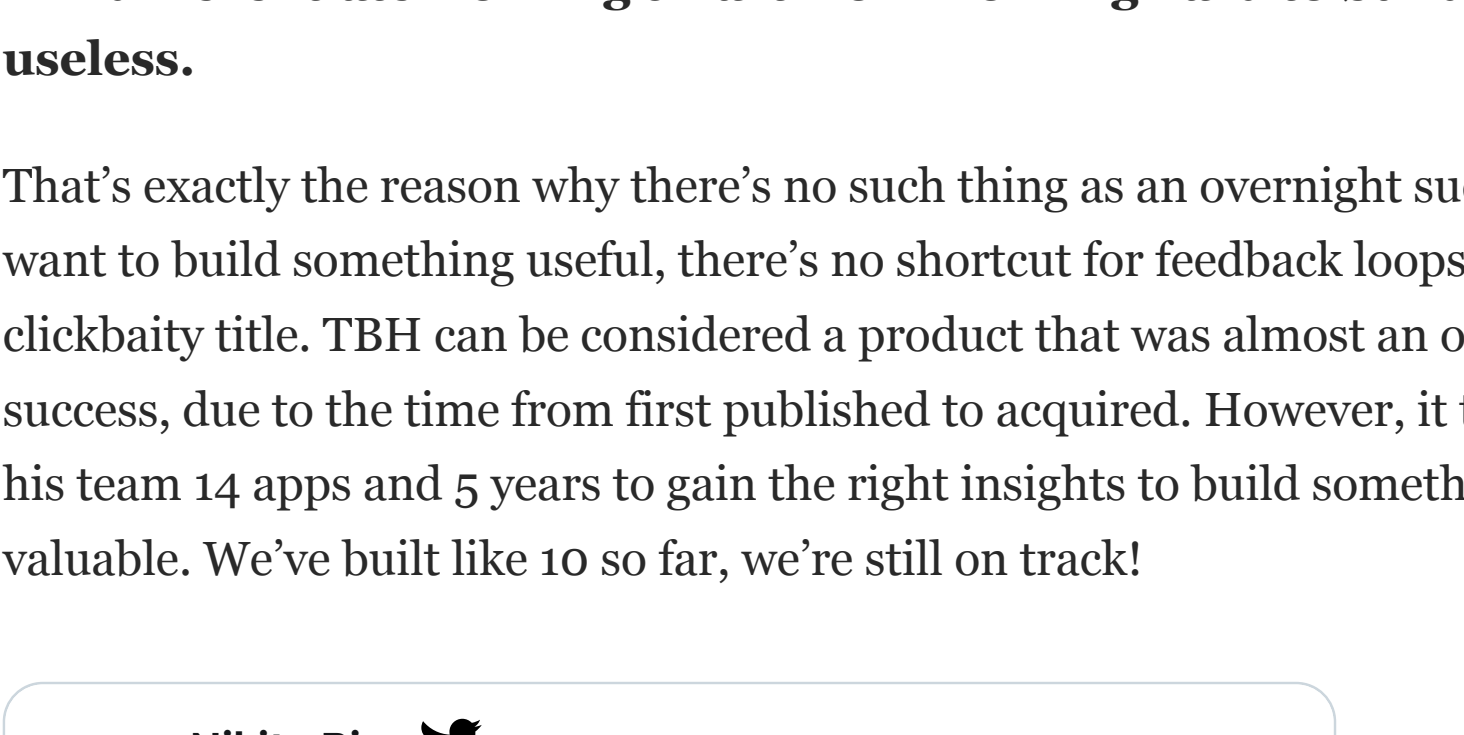
As a tech-savvy reader, you're probably thinking "WTF? Is that all the insight you'll provide? I know TBH went viral". The problem is that makers seem to underestimate the power of designing for growth to make something go viral. If you take a look at the latest 1000 launches on PH, less than 10% have growth mechanisms in place. It requires hard work to make an app go viral, and that's what I'd like to talk about.

I learned a lot studying TBH since the day it hit trending search. **The Trending Searches tab is the key indicator to take a look for an app. Top Charts may be ruled by bots, but if it hits Trending Searches, it must be doing something right. It's part of my daily routine, and I recommend it to anyone building anything online.**

The keys to success shared by TBH and Product Hunt

I also learned a lot from Product Hunt and its community. I believe Product Hunt is the number one resource a maker should use as part of the process for building anything, regardless of whether the target audience is the Product Hunt community or not, it will help you gain visibility and feedback.

Their latest tool, [Ship](#), is not only helping startups launch, it's also teaching makers how to build things, empowering them with the leverage of the knowledge acquired by the Product Hunt team. I tweeted at [Ryan](#) yesterday, and I liked his comment a lot, as we also share this goal:

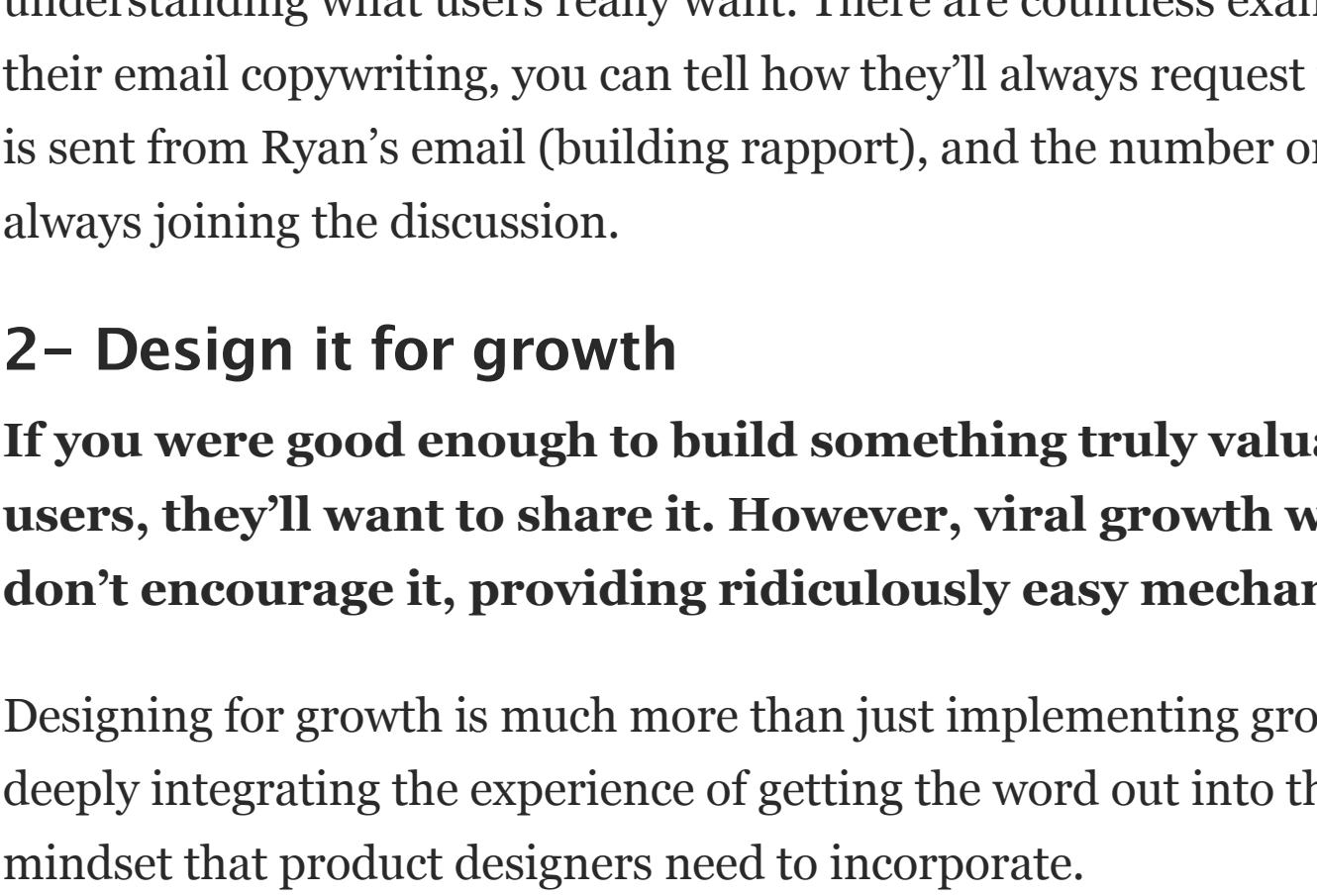


I wanted to share my top three learnings from TBH, so you may be wondering why are these learnings related to Product Hunt? Because I believe that **while TBH and ProductHunt have a totally different user base, both prioritized these same three efforts to build an awesome community, and product makers should too.**

1- Insane willingness to find out key insights from users

The capacity to gain an accurate and deep understanding of users is what will differentiate working smart from working hard to build something useless.

That's exactly the reason why there's no such thing as an overnight success. If you want to build something useful, there's no shortcut for feedback loops. Yes, it was a clickbaity title. TBH can be considered a product that was almost an overnight success, due to the time from first published to acquired. However, it took [Nikita](#) and his team 14 apps and 5 years to gain the right insights to build something truly valuable. We've built like 10 so far, we're still on track!



There are many ways to tell now the team behind TBH was constantly looking for feedback, analyzing behavior and implementing what users really wanted. From built-in feedback request into the app to their slow rollout through different schools. "We shipped it to one school in Georgia. Forty percent of the school downloaded it the first day".

Personally, I believe this is one of the key reasons Facebook bought it. Understanding Gen Z is something that only a few do really well (mandatory shoutout to [Tiffany Zhong](#) here). Also worth noting is the quote from [Josh Elman](#) on that TechCrunch post breaking the news: "Nikita and his team have figured out a lot about how teens are using products. This is one of the few that's gotten this kind of adoption, and that should be celebrated".

One of the key insights they were able to capture is what apps like Secret, Yik Yak and Sarahah couldn't: while teens like to share and receive anonymous comments, those positive and uplifting are the dopamine-inducing ones.

Just like TBH, the Product Hunt team makes a huge effort into constantly understanding what users really want. There are countless examples. Only looking at their email copywriting, you can tell how they'll always request for feedback, the email is sent from Ryan's email (building rapport), and the number one call to action is always joining the discussion.

2- Design it for growth

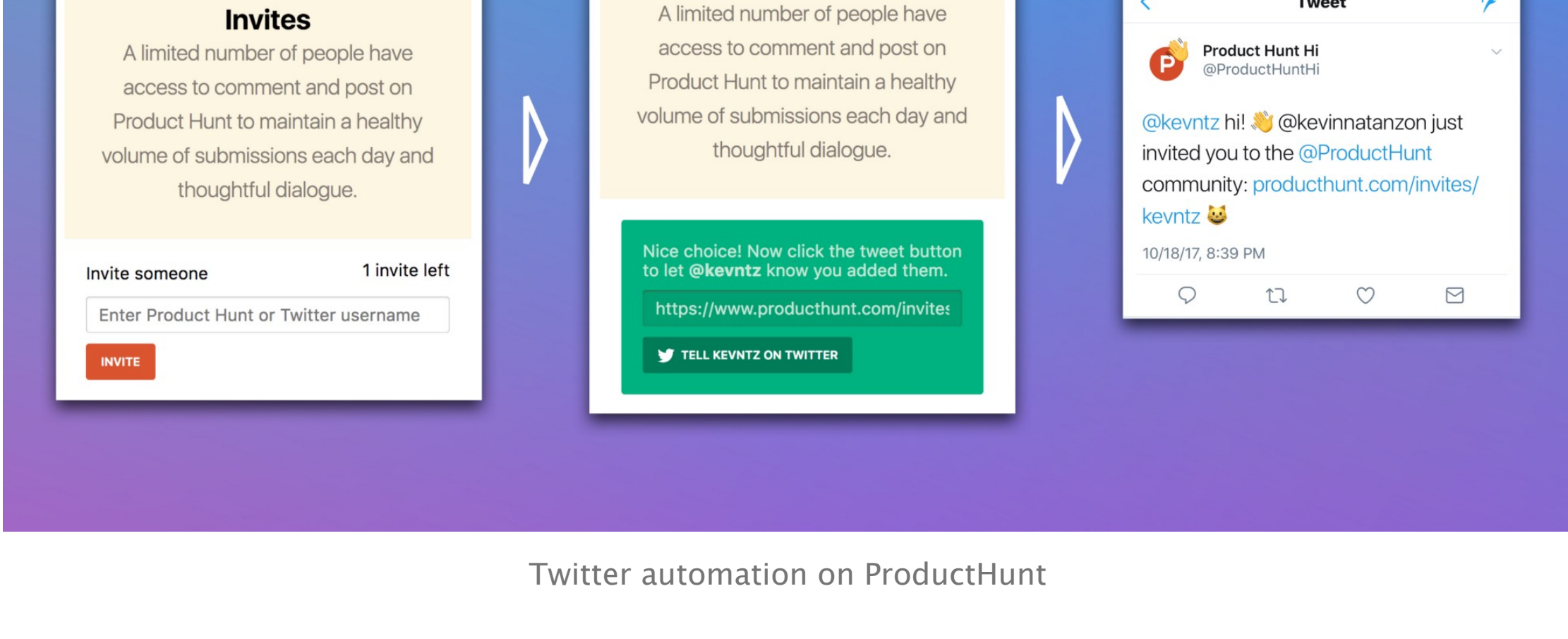
If you were good enough to build something truly valuable for some users, they'll want to share it. However, viral growth won't happen if you don't encourage it, providing ridiculously easy mechanisms to do it.

Designing for growth is much more than just implementing growth hacks, it's about deeply integrating the experience of getting the word out into the product. It's a mindset that product designers need to incorporate.

As an example, creating an "invite only" platform is something designed for growth from the get-go, as long as it provides users with mechanisms to invite others. Both ProductHunt and TBH had features that were invite only. This also helps create desire to be one of the lucky users having access. Let's break them down for each of them.

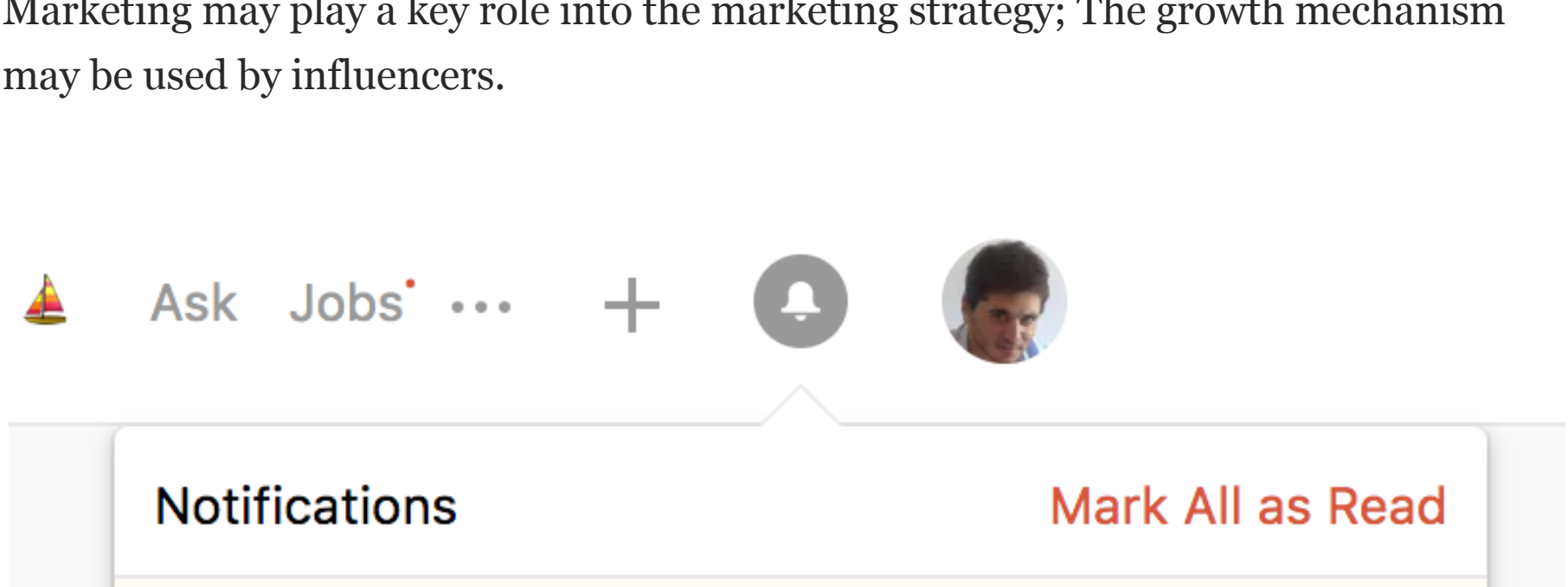
Address book access

TBH requested address book access before actually being able to use the app. This is a lot to ask and hinders growth, but probably word of mouth was strong enough to enable access to this sensitive information. TBH grew a lot through this hack, but this **doesn't mean spamming the user's address book**, it's just facilitating users to invite others.



Adding users inside close circles and inviting new users through SMS with only one tap.

Profile links

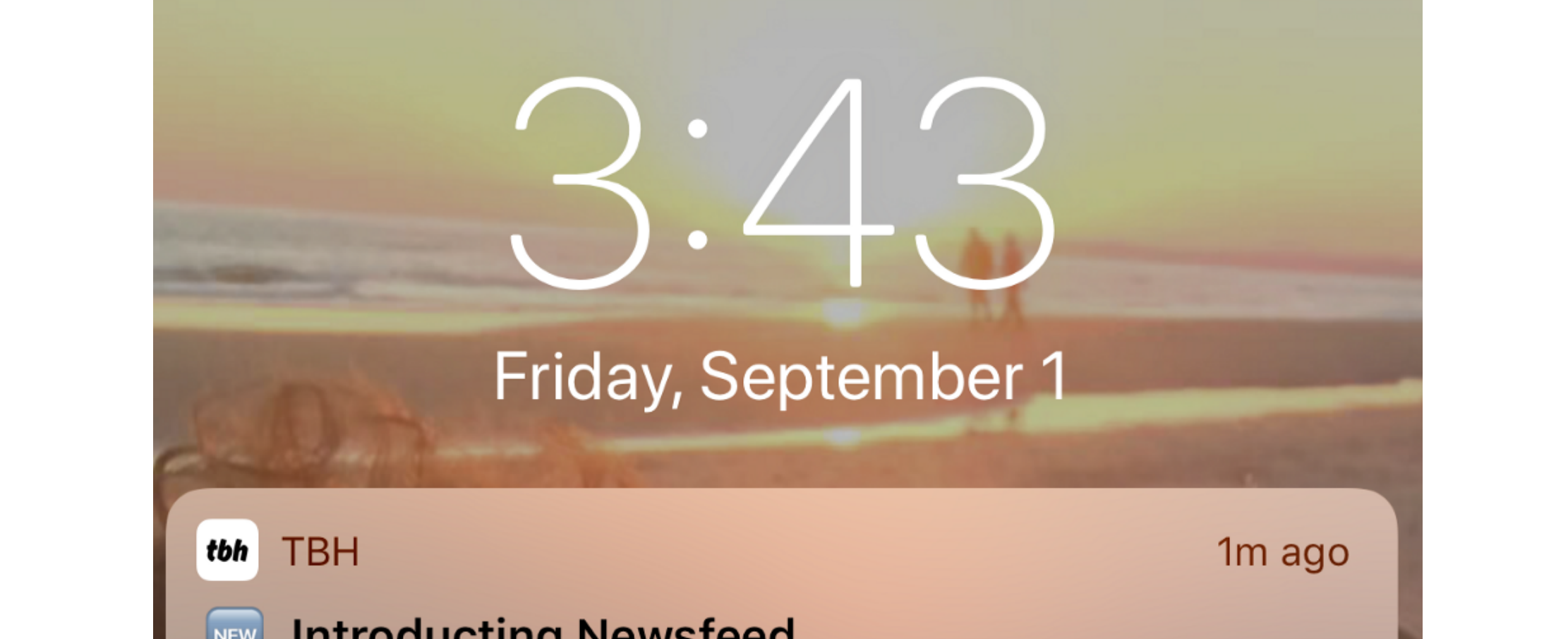


As a TBH user, I want to have followers. Why? Because I want to earn more gems. To achieve this, I need to get picked on a poll. Hence, I need to appear on a poll as a possible option. One of the ways TBH encouraged users to share their profile was by creating an easy experience to share a link to your TBH profile on Snapchat.

Linking into a specific resource inside of an app (deep linking) is a hard experience to build. Huge vouch for [Branch Metrics](#) here, don't know if TBH is using them, but they make incredibly easy to provide a customized experience to create these types of experiences.

Twitter automation

Product Hunt seamlessly integrates with Twitter, enabling all sorts of automations. Here's how the invite flow works on Product Hunt, facilitating word of mouth and social interactions on Twitter as well.

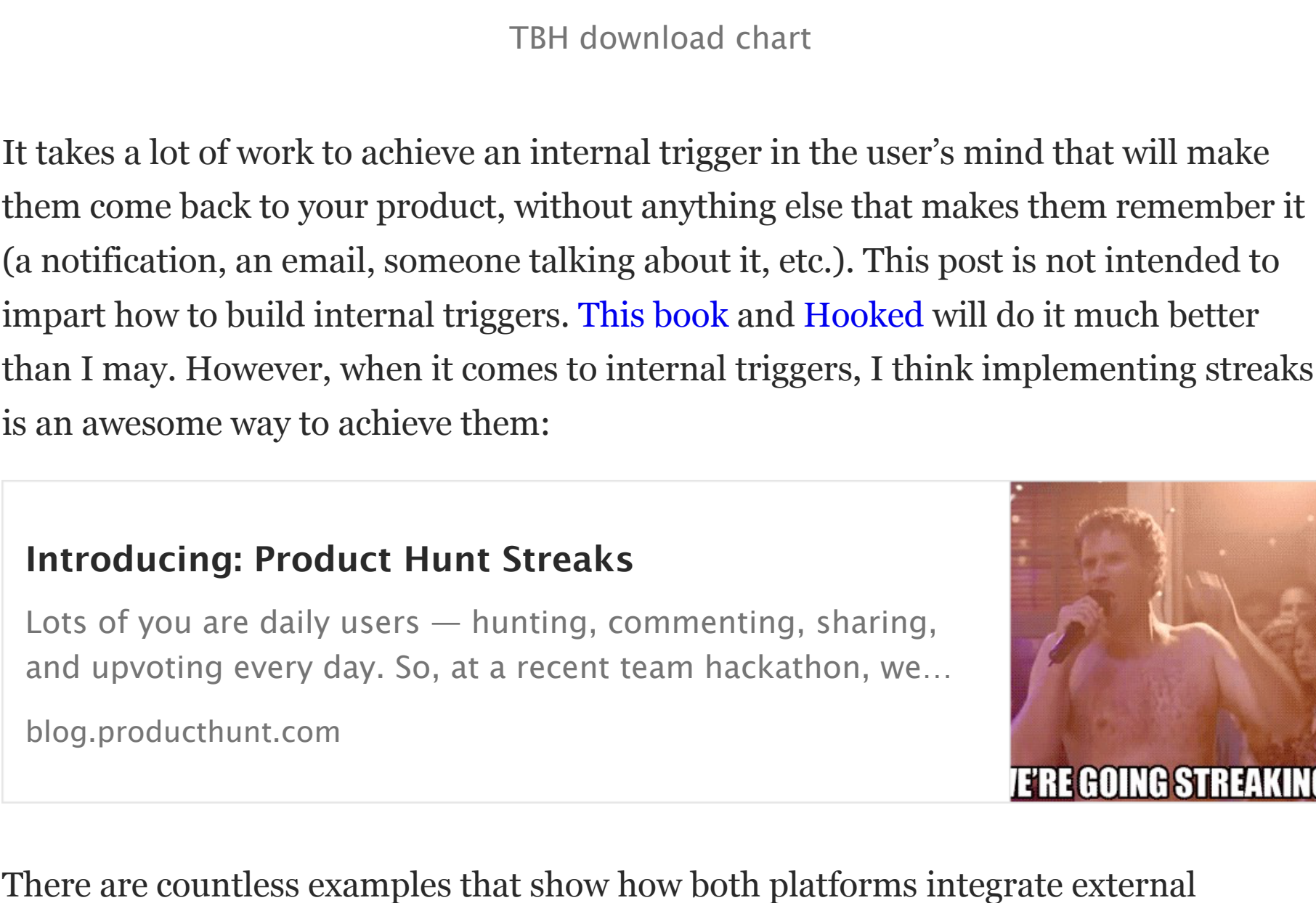


Twitter automation on ProductHunt

Non technical design for growth

Growth mechanisms don't have to be something technically complex. As an example, a photo/video editing app can add a watermark without ruining the photo that users will share. **That's exactly how we got to the top 10 charts in the US and 20 more countries with Top 9** (we're working on a 2017 update).

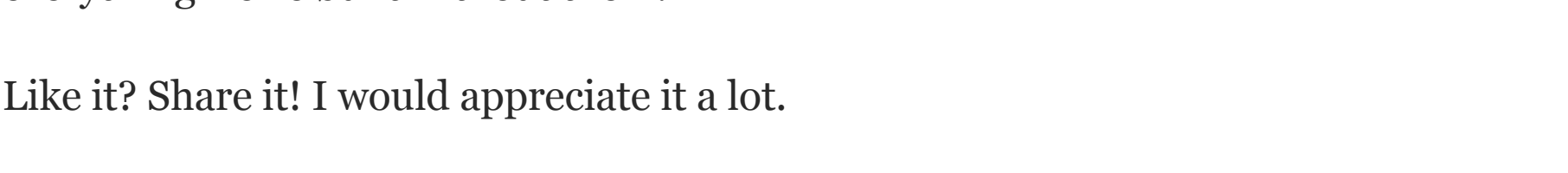
Designing for growth equals spending less money into advertising, as you'll only need to seed the initial set of users and they'll be the ambassadors. That's where Influencer Marketing may play a key role into the marketing strategy; The growth mechanism may be used by influencers.



This is another way ProductHunt is helping makers with Ship. When someone subscribes to an upcoming product, it automatically notifies all its followers (only on the notifications box, don't freak out). This basically means endorsement from that person to the makers or the product. After checking out the Upcoming page, you can see what they're working clearly. But it's clear because ProductHunt teaches makers how to explain it with taglines and placeholder text. It also helps showcase the social proof showing subscribers.

3- Improve retention & interactions with triggers

Retention metrics are the ones that truly unveil the potential of a product. Internal and external triggers are key to achieve high retention.



Ideally, as a product maker, you want to have a place in your user's mind. I don't need notifications or external triggers to log into Product Hunt, as it's part of my daily routine to know what's new in tech. Teens want to see what gems their friends are getting. I think this was the biggest update for TBH to increase retention and interest. **This update was published on September 1st.**

If you look at TBH download data from [App Annie](#), on September 1st, the app was at its lowest point. This update included a lot of other design improvements that helped push growth. After talking with Nikita, he told me that the Newsfeed wasn't really what put them on the Top Charts again. It was just the moment they felt comfortable unlocking growth. This is where they started to seed the loops to make it viral. Here's the chart:

TBH download chart

It takes a lot of work to achieve an internal trigger in the user's mind that will make them come back to your product, without anything else that makes them remember it (a notification, an email, someone talking about it, etc.). This post is not intended to impart how to build internal triggers. [This book](#) and [Hooked](#) will do it much better than I may. However, when it comes to internal triggers, I think implementing streaks is an awesome way to achieve them:

There are countless examples that show how both platforms integrate external triggers, so I don't think it's necessary to dig into the push notifications, the Product Hunt newsletters, the way each of them encourage interaction, among many other ways to make users recall each product.

Our upcoming product :-)

Thank you for reading! Over the past few years, we've built apps and web products used by millions of users, promoted through different mechanisms, most of them with influencers and publishers. Throughout our journey, we faced a lot of challenges that are common to other startups, so we decided to start building solutions to them.

If we can help you in any way, you can reach out at [kevin@beta.uy](#). I look forward to hearing from you!

I discussed most of these insights with my friend [Andy](#), shoutout to him for his genius thoughts on product design! Huge thanks to [Beta Labs](#) co-founder [Carlos](#) and to all of the team behind every product shipped. We wouldn't have been able to build everything we've built without them.

Like it? Share it! I would appreciate it a lot.