[00:12.3]

Hello and welcome to the advice line on How I Built this Lab. I'm Guy Raz. This is the place where we help try to solve your business challenges. Each week I'm joined by a legendary founder, a former guest on the show, who will help me try to help you. And if you're building something and you need advice, give us a call and you just might be the next guest on the show. Our number is 1-800-433-1298.

[00:30.3]

Send us a 1 minute message that tells about your business and the issues or questions that you'd like help with. You can also send us a voice memo@hibtid.wondery.com and make sure to tell us how to reach you. And also, don't forget to sign up for my newsletter. It's full of insights and ideas from the world's greatest entrepreneurs. You can sign up for free@guyraz.com and we'll put all this info in the podcast description.

[00:48.5]

All right, let's get to it. Joining me this week is Jack Conti, co founder and CEO of the content creator platform Patreon. Jack, it's great to have you back on the show. Thanks for having me. It's nice to be here. Awesome. You were first on the show in 2021 on how I built this and you told, of course, told the story about building Patreon. You were a musician. You had a band, popplamoose, for anyone who remembers.

[01:05.0]

Still going, still going. And you realized that there was no easy way for your fans to support you financially, especially once people stopped paying for songs on itunes. So you basically solved your own problem. You built a platform where fans could pay creators directly. Fast forward. Today you've got over a quarter of a million creators on the platform. I think you've generated billions of dollars in revenue for these creators.

[01:22.7]

Congratulations. Thanks. We're having fun and working hard. Yeah, it's been a wild 11 years that I never in my entire life could have expected. It's an AM story and if you haven't heard it, we're going to put a link in the episode description, so check it out. Anyway, before we bring on our entrepreneurs today, I just want to ask you a question about community because a lot of people, you know, they'll sort of ask us, how do we build community?

[01:42.4]

How do we build buzz around this thing that we're doing? And you know, that is the core, the foundation of what Patreon is about. It's about community and then the community supporting what you do. What are some ways you think founders, you know, particularly founders of a product, right. Can think about building community? Great question.

[01:57.6]

It does not happen for free. Community is work and effort and intentionality. Building a community as a founder is different than building community as a creator. There are similarities, but I think it would be a mistake to assume it's one for one. And so there have been things that have definitely I've learned along the way in terms of building a community around my art and music as Poplus and then building community around a product and a platform for creators.

[02:18.0]

Maybe some things I learned early on, like, gosh, it's so trite sounding, but really leaning into who you are as a person and fearlessly being that person, even if it turns a lot of people off along the way, like that's it kind of has to start there. I feel like if you're kind of averaging yourself off to appeal to as many people as possible, you kind of appeal to nobody.

[02:36.3]

And what we see with creators on Patreon is the ones who are just almost like entirely unfiltered, who just empty their minds into a microphone, are the ones who build these incredibly rabid, loyal followings. Because you know, if you think about the viewers experience on the other side of that, you end up hearing somebody who sounds more like a person and maybe sounds a bit more like me as a listener, but like, the more you're able to just really be yourself and, and then following other creators who are doing a good job of that.

[02:59.3]

I think you can learn a lot by just watching other people build communities online for sure. Obviously you guys, you guys have, I think now more than 8 million patrons who pay for, who support their creators on Patreon. But you know, it's getting harder and harder to break through on digital platforms just because there's so much more. I mean, even in podcasting, there's so many more shows that there's so much more content out there.

[03:16.7]

How do you think about getting attention and reaching new audiences when it kind of feels like we're in this oversaturated digital landscape? You know, it's interesting, guys. I actually think it's easier to break through now. I think it's harder to stick, but I think it's easier to break. And what I've seen is, you know, the Internet has really shifted away from the follower model and it's shifted into an interest based model that's hyper focused on discovery.

[03:41.0]

And the net impact of that is people who don't have a million followers can upload a TikTok video and get 10 million views. And, and that is more available and accessible now to anyone with a, with an Internet connection and a phone than it has been ever in the history of creativity. Now it's harder for that person who then gets 10 million views to get their next 10 million views.

[03:58.3]

That's a lot harder than it's been. And that's where like, good community building and brand building comes into play. Okay, now that I got those 10 million views, what is my next video? What is my plan to sort of get people from that TikTok video to my website or to my YouTube channel or to my podcast? And so we see a lot of people, like, building strategies and thinking about the sort of overall funnel on the web.

[04:15.1]

From kind of top of funnel awareness building and views and attention and that fan journey down funnel to, okay, what do people find after my TikTok video? And so this idea that like you need to just now use that sort of top of funnel traffic to like find your core group. And then once you have that core group of like, super fans who are really excited about you and really feel very authentically connected to you, that's kind of all you need.

[04:34.0]

And what we see on Patreon is about two thirds of our payments. Volume is not going to the like, you know, super top of market creators, like the super rich and famous creators. It's going to what we call, I don't like the term, but like, some people call it like the creative middle class. It's like the people who are making, you know, 100, $200,000 a year with their podcast and their show, and they have an editor and they're hiring a small team and they're like building that.

[04:51.2]

Like, that's who Patreon is, is kind of working with right now. And, and so that is a more viable, more real path than it has ever been in the history of creativity. I wish more people knew that that was actually happening right now. I think that's so great. I want to see more of that and I hope that's where the creator economy moves towards. It's really awesome what you guys built and how you started this whole movement.

[05:08.4]

So congrats again. Thanks. Thanks, guy. I appreciate that. All right, Jack, let's bring on some callers because we've got people who are waiting online to ask for advice and hopefully we can be helpful unless being in our first caller. Hello, welcome to the advice line. You are on the Jack Conti from Patreon. Please tell us your name, where you're calling from. And a little bit about your business. Hey, guy.

[05:24.0]

Hey, Jack. My name is Zach Parsons, and I'm calling you from Evansville, Indiana, where in 2016, my now wife and I started the Honeymoon Coffee Company. And in the last, I guess, eight years or so, we've expanded that to four retail coffee shop locations. We added an Airbnb above one of those locations. We acquired one of our vendors, and now we're doing coffee roasting as well as starting a podcast last year.

[05:42.1]

Wow. Amazing. Okay, well, welcome to the show, Zach. You. You seem familiar. Do you follow me on social media? I know I've seen your name somewhere. Yes, yes. We have interacted on Twitter. Yes. And then we actually met together in San Francisco at ted women in 2016. Wow. Amazing. So, first time caller, long time listener, slash follower.

[05:59.1]

Well, okay, congrats on the business. Thanks for calling in. So, okay, Honeymoon Coffee Company. First, tell us. I want to know a little bit more about it before we get to your question. So you're in Evansville, Indiana. You've got brick and mortar stores, right? Yes. All in the Evansville area. So we are very much a local coffee shop. It's great that you've got four locations, because now you got an economy of scale. Tell me a little bit about how the business is doing. I'm assuming virtually all your business comes from those.

[06:16.0]

Those locations of stores. Yes. Yeah. So the four revenue streams of the coffee shops, we also do make some revenue from that Airbnb, and then we're able to kind of offer a competitive rate of wholesale coffee beans to ourselves with the roasting company that we also acquired, which is named the Evansville Coffee Company.

[06:31.1]

I love it. So you got to get your own roastery. You do Airbnbs in the same building as the. Where the coffee shops are located? Yeah, yeah. We've got a location that is right on the Ohio river. And it's this sort of very romantic, you know, Airbnb is trying to provide unique experiences. Would you like to stay in a romantic location above a coffee shop that's called Honeymoon?

[06:46.3]

You know, we've had a lot of, you know, folks spend their wedding night there or try and rekindle that sort of honeymoon spirit by staying at the Airbnb? That's awesome. And. And what. What is the ambition here? Actually, I guess I should ask you what is the question you brought for us? Cause I'm imagining you've got a challenge that you're trying to deal with. Yeah, yeah. Well, as we've sort of realized what makes us maybe different or Unique in our community is.

[07:02.6]

Is part of it is just being local. If we were to branch out into a different community, we would no longer be the local coffee shop or a local coffee shop. And so our growth ambitions and some things we've learned from acquiring the Roastery are that people buy coffee beans all over the country. So we now have this sort of new capacity to be able to ship beans to folks. And could we sort of blend what Evansville Coffee Company does and shipping beans all over the country with the honeymoon spirit and create a product that supports people as they get married and begin their marriage journey together over coffee?

[07:27.7]

All right, let's break it. Let's sort of break this down. But you're trying to launch a, like a coffee subscription thing nationally, but that's connected to the idea of couples getting together. Yes, yes. Okay. So it could be maybe two different products. One could be a gift, a wedding gift, say, hey, you're getting together and we want to give you a coffee related gift.

[07:43.4]

But we also really are passionate about this idea of a one year program that kind of spans that honeymoon period, which creates both different coffees to taste every month, as well as a relationship ritual experience that they would collect together in a passport over that year. Interesting. I mean, Jack, this is like a Patreon, but like, right out of the Internet, he's got all these things going.

[08:01.3]

It's. It's amazing. I had a few more questions for you. Zach is the. Can you tell us a bit about the podcast that feels like it's out. It's a totally separate thing. How did the podcast come about? I think the podcast was my wife's way of sort of throwing me a little bit of a bone. I mean, like, truly, like, she is the, the spirit behind this coffee. This is, this is her dream. And I'd always kind of been in this more community involvement.

[08:18.3]

And when Covid hit, I actually worked with our local NPR affiliate to do a Covid related podcast to just kind of document how our community was going through that. And a local friend recommended that maybe we document some of our trials and tribulations with being married to each other and running an expanding and growing business. And it's been about two seasons.

[08:34.1]

And that's what you guys talk about on the podcast? Yeah, yeah, we talk about our relationship, how we balance the different needs of our personal lives. We have three kids, each from different marriages. Almost a perfect Brady Bunch with the three boys, two girls and a boy on my side, as well as the challenges and potential things that we could Tackle as a business together. That's really cool. And so the idea is, sell a coffee subscription that lasts a year.

[08:52.1]

That is sort of the honeymoon period. That's where the year comes from. And then what is. What else comes of that? I'm not sure I quite understand the product. So I get that there's the coffee, but what else do you get? Some kind of book or something where you write down your experiences in your first year? What is the rest of the product? So it's a little bit of a mix between a passport and one of those, like, panini sticker books. Like, did you guys remember those from when you were kids where you get a book and fill them with stickers?

[09:10.1]

So it's kind of like that to where they would get a book at the beginning of this experience, and it would give them the coffee tasting wheel to encourage them how to taste and name the notes of the coffees they're experiencing. And then every month, they would receive a new coffee and a ritual that would be designed to deepen their relationship and have a conversation and an experience around a different theme.

[09:26.0]

And that the instructions for that would be a sticker. And then those stickers would be put in the book. So at the end of the year, they would have an entire book filled with their reflections on the coffee that they had tasted over the year, as well as the conversations and activities they had in the relationship ritual as well. Okay, awesome. So a couple thoughts right off the bat. First, I just want to acknowledge, like, when I was starting Patreon, the number of people who told me, that's a bad idea, it's not going to work, was like, everyone.

[09:48.8]

I don't think a single person said, that's a good idea. You should go do that. So I have a soft spot for pursuing things that sound out of left field because I did that. And honestly, I spent my life doing. I've done that a thousand times. Most of them haven't worked. But occasionally something does work, and if it's out of left field, you know, you're the only person doing it.

[10:04.4]

So there's not a lot of competition. So. So maybe first. First thing I would just offer is, like, the most important part, I think. Just remember, like, what you're talking about is finding product market fit and the right strategy. I found the right strategy for finding product market fit is actually no strategy at all. It's speed of iteration. Like, your intuition is actually going to be right in some areas and wrong in some areas.

[10:21.9]

And what matters most is getting through the mistakes so that you iterate your way to product market fit as quickly as possible. So my main piece of advice is not about the product or the experience or anything like that. It's about testing this idea with people who would buy it. Get to that point as quickly as possible so that you understand how many people are there out there who want this product.

[10:40.0]

And the faster you get to your first sale, the faster you're going to learn where your intuition is right and where your intuition is wrong. And so, so that's very different. Like, finding product market fit is very different than like being in a scaling phase, which is where you are with, with the rest of your retail shops. Right. Goals for a scaling phase, more around operations and rigor and making sure the staff is managed well and like making sure you're financially managing the business as well.

[11:00.6]

That's like a whole different set of activities and strategies than finding product market fit, which is mostly just about speed of iteration and getting on the other side of the mistakes as quickly as you can. I think that's. Yeah, I think that makes a lot of sense. I'm going to, I'm going to sort of double down on what Jack saying. But, but from a slightly different angle, which is. Cause I think your question, you're trying to figure out like, how do you do this? Right? How do you launch this? And look, the reality is, and you know this, Zach, there's a mass.

[11:17.5]

There's a proliferation of coffee brands all over the US Small and large. Right. And we've had a lot of coffee brands on the advice line. And it's hard, it's hard to sort of stand out. You know, there are brands out there, coffee brands from places as small as Evansville or, you know, roughly the same size like Fayetteville, Arkansas. You know, Onyx Coffee is for people who know coffee major brands.

[11:33.7]

Gold standard. Gold standard in part because I think they've won a bunch of barista competitions and then they opened up a training center. But I don't think too many coffee brands are trying to focus on couples and weddings. And so there really is an opportunity here to tap into the wedding gift world. Like. Right. So one way to go about it is to really find, you know, coverage from bridal magazines and bridal websites.

[11:51.5]

But I also think of, like, Zola and some of these other wedding sites that are really focused on getting people, getting it all together and seeing if there's a world where you could maybe partner with some of these places. Because it's not that you're selling coffee it's that you're getting into the bridal business, which is a massive multi billion dollar industry.

[12:06.9]

And so it might be worth exploring some of the players in that big and small, in that world who might want to partner with you. Well, I think you've walked through a similar sort of thought process that we went through. Like if we think about trying to compete with Onyx, that's, that's pretty daunting, you know, or Blue Bottle or Starbucks, you know, name the coffee brand.

[12:22.3]

But if we try and stand out within a different industry, but still try and demonstrate excellence within coffee, that's where we're hoping to kind of stand out. That makes a ton of sense. Zach. I, you know, I think I really like what Guy said. There's generally in like, commoditized markets where the product is relatively undifferentiated, like, you know, steel or corn or, you know, those sorts of, like, commodities.

[12:39.6]

The biggest factor is brand. And nowadays what that means is story. Why should people buy your coffee? It sounds like it's coming back to this, like, you know, relationship with your wife and this podcast you have about your relationship helping other couples. Like, there's something in that narrative there that I think could be like the hook and make this coffee feel different. Really nailing that story and starting with that why and getting it to feel differentiated, I think is a really important part of why people would buy this coffee as opposed to some other coffee.

[12:59.9]

100% agree. 100% agree. I really appreciate that, that feedback and that's very encouraging. Zach Parsons, Honeymoon Coffee Company. Good luck, man. Thank you so much for calling. Thank you for being a fan for so for all these years. Thank you both for what you do. I really appreciate it. Thanks, Zach. Thanks so much, Zach. I just kept thinking, just like in my head I was like, what if, what if the bride is like a tea drinker and they're like, oh, somebody sent us this couple's coffee kit.

[13:20.6]

He drinks coffee. Then it's the, Then it's the start of the. Unfortunately, not the honeymoon. Maybe the end of the honeymoon. It's a cool idea. I mean, honestly, I love those left field things. Like, I would never think to pair like a relationship honeymoon sticker booklet with a coffee thing.

[13:36.5]

And who knows if that specific idea is going to work or not. But what I liked about it is it's not just like, I got a bag of coffee and I want to sell it. There's an angle to it. And like, that precise angle might be wrong, but. But that there is an angle is what's important for something like coffee. This approach might not be the one that works, but. But it could be the one that the thing that really catalyzes what does work.

[13:54.1]

Yeah. We're gonna take a quick break, but when we come back, another caller, another question, and another round of advice. I'm Guy Raz, and we're answering your business questions right here on the advice line on how I built this lab.

[14:12.6]

Welcome back to the advice line on how I built this lab. I'm Guy Raz, and my guest today is Jack Conti. He's the co founder of the content creator platform Patreon. What do you say, Jack? Should we take another call? Let's do it. All right, let's bring in our next caller. Hello, welcome to the advice line. You're on with Jack Conte from Patreon. Please tell us your name, where you're calling from, and a little bit about your business.

[14:28.1]

Hi, Guy. Hi, Jack. My name is Rowena Shara. I'm calling from New York City. I am the founder and CEO of Eat to Explore. We are a food and cultural experiential cooking kit. I'm trying to inspire families to explore the world through food and learn about the geography, history, music, language, and art of each country. Cool.

[14:43.3]

Well, welcome to the show and thank you for calling. So just to clarify, these are like, kits, like, you get a subscription box every month, and it's based around a country. It's a cooking kit around each country, and you make three local favorite recipes. I curate all the spices and condiments from each country, and then we put them into this beautiful box.

[14:58.6]

You can either buy a single country or you can get a subscription where you could explore a country a month. We have 24 countries to explore. Okay. And just, just so I understand this because I think of a subscription box, right? Like kiwi crate or something, right. Where you have craft in there. You get the box and there are. I mean, there are dinner boxes, Blue Apron and others.

[15:13.9]

This is not like fresh, cold food. Right. It's not a real kit. So you have to go to grocery shopping for your meat and the vegetables. Yeah. Because I truly believe going to shopping is an experience. It's really a teaching moment where you can teach children about the food, about the nutrients, and it's like, really an activity for the.

[15:29.6]

All right, so just give me an example. Like a box. Like, let's say I get Japan. What would be in the box? So in our Japan box, you will make okonomiyaki, a Katsu, which can be Made both vegan and also a chicken katsu. And then we also have teriyaki. But they come with what? They come with packets of sauce and seasonings. Yeah, exactly.

[15:44.6]

You come with the katsu sauce. It comes with the teriyaki sauce. It comes with, actually nori, from that we found from this Mount Fuji, where the wasabi was actually harvested with the water from the spring water of Mount Fuji in a little packet. So it's four servings per recipe. So each box is about 12 servings. And just briefly, I mean, I'm assuming that you have a food color, culinary background.

[16:00.6]

How did you come up with this idea for this business? This is sort of my second career. My first career was on Wall Street. I was very lucky to be able to live in, like, many different countries and travel a lot for my old job. And then this idea came to me, actually, when I was in Thailand with my two kids, and they were looking at me at a cooking class with an onion.

[16:16.4]

I call it my Onion woman, because they look at me. They're like, mom, what you want me to do? And they were, like, 9 and 11. And I was, like, appalled, because at that age, I was making meal for myself and for my family. And so it was like, you know, kids this days, they're just so busy with schoolwork, and I just, like, didn't want them in my kitchen. It was my space, which was the wrong thing.

[16:31.6]

Kids need to learn. It's a life skill. They need to fail. They need to get cut. So I sort of realizing that I kind of missed that moment of bonding with my kids, cooking with them, teaching them. And so that was why I started it. I kind of came back from that trip, took a sabbatical, and never went back to finance. Wow. All right, so before. Jack, before we get to.

[16:47.0]

You may have some questions. Rowena, just curious. What is your challenge that you're trying to kind of deal with? What's your question for us? So we've been around for, you know, we started in late 2018. In fact, we met and I gave you a box when? At the first how I built this summit. You did. You came at the first How I built the summit in 2018, and you gave me a box.

[17:02.0]

I knew this looked familiar. I gave you the Japan box because you live in Japan. I did when I was a little boy. You came to the summit. This is unbelievable. This is like this episode. It's like, this is your life. I'm meeting all these old friends. So one day we're gonna bring that summit back and you're gonna come again? Yes, yes, I will be in person. Incredible. Okay, so you're now in business for.

[17:17.2]

You've been in business for six years? Seven years. Yes. Almost six years. Yeah, six years. And so I have two questions. I really want to like, adapt Etrix Flow to all ages. Right. And now how do I really do that shift without confusing our clients. Right. Our customer base? And the second question is community.

[17:32.6]

Right. I've been trying to build more of a community. I just started a YouTube live once a month where I do a live cooking show around the world. You know, small audience, but it's growing. And then. And I have a membership portal. We always share new recipes, we have videos, blogs, books, recommendation. We try to put playlists together.

[17:48.3]

So it's like, how can I really cultivate that sense of community and growing from there? I think it's great that you're focusing on community. There's so much about a focus on community for a product or an experience like this that really helps cultivate and sort of grow from the inside out. And I'm reminded there's an amazing book by an author named Zoe.

[18:04.7]

I think Fred Boulonaire is how you say her name. And the book is called Super Fandom. And it's about turning fans into super fans. Yeah. And how do you sort of cultivate that sense of identity and belonging and community amongst those superfans? And she offers a number of ways to do that that I found just very helpful as I think about building Patreon, building Pompomoos, my endeavors.

[18:21.0]

So I'll list some of the ways that she talks about them. First is pilgrimages. And so like the how I built this summit where like people from all over the country come together, you know, to Mecca, you know, to hang with guy like that Trek, that output of work and buying a plane ticket and going to like that in and of itself changes my brain as a fan to become more of a super fan.

[18:38.0]

The activity of going on a pilgrimage to go somewhere and do something that I believe in with people who I think are like me, that's. That's a key thing. And so we see a lot of creators doing that now. Max Joseph just had a screening at one of his for one of his recent YouTube videos. Beau Miles, who's an amazing filmmaker on YouTube, is going all over Australia where he lives and renting theaters and selling out 1400 person theaters and screening his YouTube videos and doing Q&As with his fans.

[18:58.3]

Number two is content creation. A lot of fans like to make things. Anyway, it sounds like you have a blog, and I just checked out the website. You sort of, like, create articles to kind of get folks to get interested. Like employing your community to write some of those blog posts and having maybe a portal where people can upload their creations or pictures of their cooking or their recipes. Like, getting the community to generate content and create content helps turn a fan into super fans.

[19:16.1]

Another thing is creating collections of work. And so this is like, a classic example of this is like, Grateful Dead recordings. Like, there were fans who would organize and catalog Grateful Dead recordings and build spreadsheets and share those spreadsheets with the community. So people like catalog creation. Collection creation is a expression of super fandom and community building. And so, you know, any of those types of things are really amazing at bringing people together around shared goals and helping people sort of really exercise and express their fandom for your brand.

[19:38.2]

Yeah, I mean, the Grateful Dead analogy is so. It's just so, like, spot on. Because that started out as a thing, and the band was, like, great. They embraced it, and people went to the shows and trade their recordings. Rowena. I have a. I have a. I just. I'm writing down notes. So, like, frantically listening to Jack, because I'm like, yes, yes.

[19:54.1]

This is. Actually applies to what I do. But I want to address the other question you had, which is about offering up another kit, right? Because you're concerned about whether you're going to dilute the brand if you offer a kid. It was kit for adults, right? Yeah, like all ages. Like, literally making our cooking kit to all ages, because it's. Right now it's designed for really. For kids with their adults.

[20:10.4]

I mean, that's also like, a fun cooking tool that sometimes some of them are more kid friendly. And we have, like, a little book that is a little bit more kid friendly. So we almost have to, like, tweak a lot of the content, not the recipes. I have an idea for you, and if this works, I want a free subscription for a year. Okay, I'm gonna give you my idea, I think, because you don't really have to differentiate.

[20:27.1]

You don't have to dilute the brand. You keep the kits going, but you offer this sort of adult kit based around cocktails from around the world. So maybe you do like a caipirinha. And, you know, obviously you don't want to get into the booze business because that's heavily regulated. You know, let them go to the liquor store, but you have everything in there. Or the sangria or a Negroni Yep.

[20:43.2]

I, you know what you're not. You're like one of many people like as I'm talking to customers. I'm sorry. Every great original idea is so original. I actually have a dream to explore. I took my balloon. You just my entire. Demolished my ego. Can I talk about why I think Gaia has a good idea here though?

[20:58.4]

Because I actually do think that's a good idea. There's a thing sometimes that businesses try to do when they try to break into a new market where they try to get a completely new customer who's not in their current customer base to like enjoy their product and sell their product to. That can work and it does sometimes. But there's another way to expand to it to a different market, into a different segment or different audience, which is to grow through your current customers.

[21:17.2]

So like for you know what guy was just talking about, you know, and maybe a great example of this is in Pixar movies there's always a joke that works for the adults too. In the movie. It's like a kids movie, but actually adults really like the movies too. So like what can you put in the boxes or the kits or in that experience that works for your current customers but satisfies the part of them that's maybe more adult and less about all ages.

[21:35.7]

And then what you'll find is they might start telling their friends about that product and you'll have that same word of mouth growth cycle that you have through your current product, but by expanding through your current customers as opposed to trying to find some completely separate customer base, which is a much harder motion to sort of accomplish as a business owner and product builder. So question I want to ask both of you, what do you think about adding like a cocktail mix card right.

[21:53.4]

For every country box and that you can make it non alcoholic and alcoholic. So I love everybody can do it. I think it's a great idea. And is the idea, Rowena, when you say all ages products, is it like, can you, can you give me an example of like what specifically mean by that? Like the cocktails would be a great example. But like are you trying to reach families with like 15 year old kids as opposed to like 8 year old kids?

[22:10.9]

Or are you trying to reach not families but like adults who are, you know, in their 40s and 50s and want something completely unrelated to kids? Or like empty nesters or like, is that what you're talking about when you're saying all ages? Yes. Okay. Like young adults, you know, who wants to even a group of 20 something year old who wants to, like, celebrate Cinco de Mayo and do a Mexican, you know, feast.

[22:26.8]

And we can provide everything, including, you know, the cocktail mix. So, like every, like, we already have the spices, the condiments, the recipes, you know, information to learn about the country, you know, so it's, it's already there. I'm just trying to, like, repackaging it and retargeting a little bit to make it a bigger market. Like, it's so hard, you know, growing a business. You're spending more on inventory overheads.

[22:43.4]

Like, how can I make the market big enough so that it's sustainable? That's awesome. I think that you're onto something here, Rowena. And, and I'm so excited that we met and now I remember and thank you for coming to High Bullet. We're gonna do it again. Rowena, sharer of Eat2Explore, thanks for calling in. Good luck. Thank you. Thank you. Guy and Jack, this is an honor.

[22:59.8]

Thank you. Thanks. Take care. Bye. You know, when I heard her describe in that last section there, she was talking about like, I have all these ingredients, I have the operations and the sort of supply chain figured out and it's just like a repackaging exercise to sort of reach a different demographic. Yeah. That sort of made it click in my mind of what she's trying to accomplish here, which is like, hey, I've got this stuff that I think other people would like, but my brand currently is this very like, family, kid kind of brand.

[23:19.0]

Yeah. It made me think, like, maybe one thing she could do is like, you know, spend 15 minutes building a Shopify page that's like a brand, you know, for like Gen Z people. And then like make a Gen Z box and see if you get like pre orders and do some, you know, put up like a couple social videos that would sort of like, you know, try to get after that audience or something like that. The point is, like, to try specific audiences and markets kind of piece by piece with a completely different brand.

[23:37.5]

Because, okay, what does it look like if like a 25 year old who just finished college lands on this website, like, they're not going to buy something from this website. It's clearly a thing for families. And even if you have another section that like sells a box for 25 year olds, like, they're not going to land here and feel compelled to buy something. And so she may have a bit of like a segmentation problem when it comes to the brand. And if she's got all the ingredients in the supply chain and the logistics sort of figured out, then it's just about it's a matter of sort of putting up landing pages for different demographics and markets.

[23:57.3]

That may not be the right way to do it, but it could be one approach. Totally. Totally. All right. We're going to take another quick break, but we'll be right back with another caller. Stay with us. I'm Guy Raz and you're listening to the Advice line right here on how I built this Lab.

[24:16.5]

Welcome back to the Advice line on how I built this lab. I'm Guy Raz and I'm taking calls today with Patreon co founder and CEO Jack Conte. All right, let's bring in our next caller. Welcome to the Advice line. You're on with Jack Conte for Patreon. Please tell us your name, where you're calling from and a little bit about your business. Hi, Guy. Hi, Jack. My name is Melissa Spitz. I am calling from Boca Raton, Florida, and I am the CEO and founder of Adventures in Handwriting.

[24:34.8]

It's an interactive and multi sensory online handwriting program to be used at home and in schools. Awesome. Welcome to the show. Thank you for calling in, Melissa. So handwriting, you're talking about cursives, writing, right? Not cursive like print, print, print. Uppercase letters is really the main focus of my, of the business. I have two programs that I teach lines and shapes, teaches pre writing, strokes, drawing, coloring, things of that nature and then the uppercase letters really teaches a child how to write the entire Alphabet from A to Z.

[24:59.8]

I'm a pediatric occupational therapist by trade, so I work with kids one on one and I wanted to bring my sessions to every child, not just the children that need occupational therapy. Handwriting is such a basic and foundational skill that prepares you for, for reading, for everything that you're going to be doing in school.

[25:17.5]

So it is a program for, for everyone, mainly between the ages of three and a half and six years old. Cool. Okay. Just for clarity. It's a online program. You watch the videos and that's how you learn. Yes, exactly. So I filmed 15 videos for the lines and shapes and 30 videos for the uppercase letters.

[25:32.9]

And it is a one time purchase and you get access to all of the videos in that program. You can buy them separately or you can buy them together as a bundle. And both programs come with what's called an adventure kit, which is a child friendly little tote bag that has 15 unique items that I hand chose. I didn't want parents running around their house trying to look for the tools and the Materials that I was using on video.

[25:51.7]

So everything comes in this little tote bag. I see. Jack, you were. You were about to ask a question. Yeah, I was gonna ask. So. So who. Who pays you, Melissa? Who's the customer? It's a great question. So the child is the one who is doing the videos. They do not need help from mom or dad. Which is a really big selling point, I think, for parents, is that the parents do not have to sit next to the child and teach them themselves and do the workbooks and do the activities and play the games.

[26:12.8]

It is totally independent for the child. However, the parent is the one who's purchasing the program and finding us as well. Okay. And a couple. Couple other questions. So is. Is the. Where do parents actually buy the videos? Is it on the website? I'm on the website right now. It's adventures inhan.com. that's where they actually buy the videos. And is that where the kids watch the videos, too?

[26:27.9]

Yes, it is. So once you buy the videos, you just log in with your, you know, username and password, and then you have unlimited access to all the videos right there. I think I could use this. I just tried to. I just wrote my wife a card for our anniversary, and I had to go very slowly because if I go fast, my handwriting is illegible. That's very common. And it's. It's never too late.

[26:43.0]

I think it's too late. My fine word skills are shut. Melissa, what's your challenge? Or what's the question you have for us? Okay, so my product is for children at home, for parents. Right. However, schools got wind of the program, and now it is being incorporated into their curriculum. So right now, we are currently in seven schools, and I've gotten rave reviews.

[26:59.3]

So my question is, how can I maximize the impact of my marketing efforts to quickly grow awareness and credibility despite limited resources? All right, a lot to unpack there. And a. Definitely a challenge. Right. And. And there's a lot of things that you can try and. Let me. Let me start with the challenging news. Okay? And you know, this. Working with schools is very difficult.

[27:15.3]

And I say this as somebody who has a children's business. We make kids podcasts around the world. We have a line of toys that we've released this year, and they're all over, you know, shops and Amazon. Right. And it's still hard to get in the schools because there's so much red tape. So that's bad news. The good news is that there are a lot of other ways to reach parents and also to reach other educational programs that might not be so boxed in with school.

[27:35.0]

So let me just kind of start with. With that. Yes, it is. It's much harder also to get into public schools, fortunately for me, because my audience with children is between three and five years old. Really, I haven't had a hard time, per se, getting into the schools. It just takes a long time. There's budgeting conversations. If I'm coming to the school in the middle of the year, they're not starting the program in the middle of the year.

[27:53.3]

And I think I've kind of gone through all of my contacts at this point. Right. And exhausted them that now I need a new audience. Right. But the follow up and then, you know, converting them is also been really challenging. Yeah. A couple of questions for Melissa. So who is the buyer at a school? Usually it's the director of the school.

[28:10.1]

The first person I tend to meet with who shows a lot of interest is the curriculum director, because they're the one in charge of what the teachers are teaching. So they're kind of the first ones to say, oh, wow, this would be really great. And then they'll meet with a director and make sure that there's room in the budget for it. Okay, got it. And then how did you get into these six or seven schools in the first place?

[28:26.2]

Like, how did. Was that just through your personal connections and did you actively sell into those schools or did parents hear about you and did it sort of trickle into the school kind of via word of mouth? So I am an occupational therapist and it started by me treating children in schools in Florida. And then one of the curriculum directors heard about it and said, wow, this would be really great for our school.

[28:43.5]

And that kind of opened my eyes and said, oh, wow, this really would be great, not just for your school, but for. For all school. So within, you know, it's only. I launched it in 2022 and it was really just directed for parents. And then 2023 was the first year that it was in schools. So this 2024 is the second year that it's been in schools. And the ones that have bought it in 2023 have repurchased.

[29:00.0]

And then I've been able to get other schools. I meet with schools individually and I call schools as I can. Those I don't really get much follow through from. But the ones that know me and they see me face to face and they see the product, you know, in my hands are the ones that usually tend to buy. Yeah, okay, so what you have is like a, essentially like a direct to consumer business.

[29:18.2]

Right. And then you're wanting to kind of layer, I don't want to call it enterprise business, but like you're selling to schools. It's not like the actual end consumer, but it's like an organization that would provide that to people. And so, so it's like it's a different type of business with a different type of sales technique and a different type of customer and a different type of budgeting, different close cycle, different pitch, all of that. Yes.

[29:33.4]

And that is the challenge of like moving from a direct to consumer business to like an enterprise business. Is that like the go to market approach on that type of, you know, motion, if you want to call it that, is like totally different. And I think what you're seeing and learning right now is like, oh, selling to a school is very different from selling to a parent. And like I have to tweak my approach in order to sell to a school.

[29:48.5]

And so maybe the first thing to offer is just like it will be different if you want to sell directly to schools. And so just be willing to throw out everything that you've used to sell to parent. You probably end up incorporating some of it. But like just know that it might be completely different and that's okay when you're selling to a school. Yes. The second thing is there are some great businesses that built enterprise businesses by not selling to the enterprise, but by selling to the individuals within the enterprise.

[30:09.8]

I might butcher this, but I believe this was a strategy of a company called Figma where the way that they sold into the company was by getting the employees to use the product first. Oh, that's very interesting. Right. As a CEO or as a head of engineering or a cto, if you notice all your teammates are using Figma for their designs and they're asking to switch to Figma. There's bottoms up pressure for the management team or the, or the, or the buyer of the product to, to, to then use your product and do a deal with, with you, the seller.

[30:31.8]

And so that's another approach when you're selling to an enterprise is to get the people to use it first. Yes, that makes a lot of sense because the teachers are the ones, right? They're the ones who are teaching the handwriting. And if they're the ones who are saying, we love this, this is easy for us, we're seeing really great success in our students. Hopefully that'll give impetus. It's just I am trying to get awareness to the schools because I can reach More people that way.

[30:49.9]

And I don't mean in terms of, like, financially, but to help children. That is the way that you are going to help children. Every single child learns handwriting. So I just want the children to benefit as much as they can from it. And it seems like going to the schools is the best, even though it may be really, really hard. Even when you talk about this, like, I'm getting fired up right now, listening to you talk about the product you're so passionate about.

[31:06.2]

There's such a clear, like, mission behind it. It feels so heartfelt and, like, important. It is. Thank you. Yeah. And like, for that reason, I think, like, hearing your pitch and seeing how good you are at communicating the value of the product, it may just be that, like, selling directly to consumers and continue to do the work that you're doing and getting parents to adopt the product might kind of create some natural swell and some market pressure to kind of get schools to eventually use it.

[31:25.7]

And it also kind of greases the skids for the sales conversation when you actually go to the school. If they've heard of brand, if they've seen it on YouTube, if they've heard it a couple times from parents who are using it, it kind of makes. It increases conversion in the sales pitch. And so like, building a brand and investing in that brand. To me, when I, again, when I hear you talk about this, I'm like, gosh, you should be focused on brand building because that's where it seems like you're gonna have like, a lot of, A lot of impact.

[31:43.4]

Okay, that's great. For sure. Melissa Spitz, Adventures and handwriting. Good luck. Thanks so much for calling in. Thank you both so much for your feedback and I'll keep on working. So thank you guys. Good luck. A lot to unpack with our guest today, but I think a lot, A lot of really interesting ideas and interesting approaches. You know what stood out to me, guys? Like, the hard thing is getting a brand out there, getting in front of people, marketing hard, getting your idea out.

[32:04.5]

That's like the sort of common thread across all of these questions, right? Yeah, it's. It's funny. I think that challenge never goes away for businesses. It's not like you get good at it and then you're great at it, and then you don't have to worry about marketing anymore. I think even as a business scales, the industry changes, the world changes, a platform goes under and a new platform pops up. And now it's not about long form videos anymore, it's about short form videos.

[32:21.3]

You need to totally pivot your content strategy and your marketing strategy. Like, the world just changes, attention changes. And so marketing is this kind of never ending, always evolving challenge that always requires a really intense deep dive to get it to work. Yeah, Jack, before I let you go, just one last question for you, which is if you were to go back, if you, if you go back to your time starting Patreon and now you know so much more, right?

[32:39.8]

In this very long journey you've been on, what do you wish you would have known back then that you might, that might have been helpful for you when you're starting out? What a hard and good question. In the very beginning, I knew nothing about building a business or scaling a, you know, a technology product, or building software or building operations or hiring executives or managing a team or, you know, nothing.

[33:01.9]

I knew nothing about building a business. And so one of the patterns that ended up being very helpful to me was a lot of curiosity and cross indexing across a bunch of different opinions to figure out what is the right and best path to go forward with. Now that's a good and right pattern early on, but don't let that linger too long.

[33:18.1]

There comes a point where you have pretty good judgment. You've seen a bunch of things before, and rather than cross indexing a bunch of different disparate opinions, if I could go back in time, I'd tell myself, figure out what you want to do, what kind of company you want to build, what kind of culture you want to have, where you think the business needs to go and pursue that, rather than kind of finding the path of least resistance between 15 different opinions and making sure that everybody's happy with where we're going and trying to operate through consensus, using my own internal conviction as a North Star for my decision making and for what to do in tricky situations.

[33:45.8]

I wish I had shifted to that second mode of decision making much, much sooner than I ended up doing. Jack Conte, Co founder and CEO of Patreon. Thanks so much for joining us again. Thanks for having me. So good to be here and this was really fun. Thanks. And by the way, if you haven't heard Jack's original How I Built this episode, you've got to go back and check it out.

[34:01.3]

You can find a link in the episode description. Thanks so much for listening to the show this week. Please make sure to check out my newsletter. You can sign up for it for free@guyraz.com each week. It's packed with tons of insights from entrepreneurs and my own observations and experiences interviewing some of the greatest entrepreneurs ever. And if you're working on a business and you'd like to be on this show, send us a one minute message that tells us about your business, the issues or questions you'd like help with, and hopefully we can help you with them.

[34:23.4]

And make sure to tell us how to reach you. You can send us a voice memo@hibtid.wondery.com or call us at 1-800-433-1298 and leave a message there. And we'll put all this in the podcast description as well. This episode was produced by Chris Messini with music composed by Ramtin Arabloui.

[34:38.6]

It was edited by John Isabella. Our audio engineer was Gilly Moon. Our production team also includes Alex Chung, Karla estevez, Elaine Coates, J.C. howard, Katherine Cypher, Kerry Thompson, Sam Paulson, Devin Schwartz, and Neva Grant. I'm Guy Raz and you've been listening to the advice line right here on How I Built this Lab.