



Stanford eCorner

Viral Marketing

Max Levchin, *Paypal*; Peter Thiel, *Paypal*

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Video URL: <http://ecorner.stanford.edu/videos/1030/Viral-Marketing>

There is no set formula to make viral marketing successful. Rather, it depends on the situation. It worked with Paypal because customers were able to transfer money to non-customers, therefore growing the network quickly.



Transcript

I don't think there's really a set formula for any of these things. This is the important thing to understand, if there was a formula, everybody would be doing it and if everybody will be doing it there wouldn't be much value on it. So it's very particular, our product was viral because you could email money to someone who's not yet a member of the service. So therefore you could make a payment to people who weren't part of the network and therefore you could start with a small network and it could eventually grow to everyone with an email address. A lot of the successes aside from the anti fraud technology come down to very subtle nuances of product UI, product interface that are really critical but they are very detailed and they tend to be very specific to individual companies. I think whenever there are general lessons that cut across to many different businesses; one of the things you can always tell is that they are almost all bad business because too many people can do them. If there was an easy formula that would not be a business you want to go into.