Stanford eCorner

Bank Users, Not Money

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Google has proven that if you build it, they will come, and their mass of tools to keep users logged in has been the crux of their success. Vice President of Search Products &User Experience Marissa Mayer elaborates on this strategy, pointing out that money - and advertisers - will always follow consumers. Focus on building sticky media that draws in a wide audience, and the method to its monetization will follow.

Transcript

Users, not money. It's interesting. You know, now I think people understand how Google makes money. In the early days, people say, you know, the first question at any talk like this would be, from the audience, would be, "How does Google make money?" And, you know, a lot of people will say, "Well, aren't you worried as you roll out new products, you know, will there be a business model there, you know with all this innovation?" And to be honest, we don't really worry about that. We worry a lot about whether or not we have users, but we don't worry a lot about business models in the beginning, because it turns out, especially on the Web, and especially with consumer products, money follows consumers. The consumers may choose to subscribe to things themselves. Advertisers also follow consumers, so if you manage to amass huge amount of users and you're doing something that they use every single day, you'll find a way to monetize it. You know, this is sort of the "if you build it, they will come" strategy. Or, you know, Larry always used to like to say that there's no such thing as success failure on the Web. You're in a truly virtual business.

How many people have seen this commercial where they show someone launching an e-business, and then they show like the number of orders ratcheting up and saying like when you have a physical problem, like FedEx is your answer, or something like that? Have you people seen this? That's an example of a success failure, a success failure that breeds virtual and physical together, but in a virtual business it's very hard to have a success failure, because if you're really successful and you get used a lot, there's usually a very easy and obvious way to figure out how to monetize it.