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In 2013, Sam Yam teamed up with his former Stanford roommate Jack Conte to create Patreon, a platform that connects content creators with members who provide recurring revenue. As co-founder and CTO, Yam built Patreon into a service that has funded more than one hundred thousand creatives, channelling more than one billion dollars to musicians, podcasters, and artists of all kinds. He describes the intense grind of scaling Patreon and looks at three central challenges that face most entrepreneurs, then focuses in on what makes the entrepreneurial path worth it.



Transcript

So nobody cares about your problem.. This actually I think is surprising to most people.. Like in some sense I think people expect that they have to sell, and there's a lot of common knowledge out there around how you wanna find your first users be really passionate about your problem.. But it turns out even if, at least this is what I've experienced across a few startups, even if you have strong conviction, the early users always seem to, they always seem to, at the point of closing, not maybe initial discussions, not come on board.. And I found this out sort of over and over again.. The example with AdWhirl initially was that we had what we believed was a really compelling solution to a problem about mobile ads at the time where you couldn't change out to different mobile ad networks without submitting a whole new app into the app store.. And so for us we realized that we were making, we were using this in our own apps, and we were making thousands more dollars in advertising revenue, and we figured other companies would be making tens of thousands or hundreds of thousands more.. And it just seemed like a no-brainer.. And so we actually went through the entire app store rankings list, contacted all developers, and we didn't get a single reply back in email.. And it just looked like despite being obvious that you would make more money, nobody really cared..

Same thing happened with Patreon surprisingly too.. So, Jack had a great network of artists and creators that he knew, and then we collectively put together a list of maybe like a 100 folks that we felt could really benefit from sort of launching with us and that we would line up some press and they could sort of ride that as they were launching out with their audience.. And so we went through that list, contacted all these different YouTubers, creators, and also nobody launched with us.. And so I remember like one of the emails that Jack ended up showing me was from one of the sort aggregators who was like also pitching this idea to folks.. And the language that this person used was "can't say that the interest level is sky high.. "We'll keep pushing." And it ended up nothing came out of it.. And so when we launched Patreon, it was just Jack, his roommate at the time, and then his now wife, Natalie.. And that's all we had.. That was the only people that were willing to give us a shot on this.. And obviously I think things worked out, and I'll address some of that later, but I think it's very common that until you can actually show an example of success and drive those initial users, people aren't very interested..

In the case of AdWhirl, it wasn't until we started sort of publishing some of our own numbers about how much money we were making onto external news sources that people found that we had some legitimacy...