LAUNCH
AND
DISRUPT

HOW 20 DISRUPTIVE STARTUPS MADE IT TO THE TOP

SPOTIFY   AIRBNB   INSTAGRAM   PINTEREST
DROPBOX   EVERNOTE   HOOTSUITE   FOURSQUARE
FLIPBOARD   QUORA   BOX   KICKSTARTER
UDEMY   SNAPCHAT   FAB   CODECADEMY
COURSERA   SKILLSHARE   POCKET   SQUARE

THOMAS OPPONG

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By

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Go Create Something Amazing!

Today's innovative startups are changing how we use technology, how we lead our daily productive lives and how our businesses run. Young business leaders are changing how we use our mobile devices, how we interact with each other, what we share, how we share information with each other, how we consume information, how we listen to music, how we pay for products, how we travel, how we connect, etc.

Most of the startups presented in this book started as simple ideas but over time changed how we use the internet and what we do with our mobile devices, at least as long as they remain useful. You will find out what twenty of the most successful startups did right when they launched to the public and what they are still doing right, now. These startups are disrupting their industries, generating side businesses for others, have millions of users and still counting. You will find out how they got their ideas, the goals they had at the time of launch, marketing strategies they used, decisions they took when their businesses started growing, company culture they keep, hiring processes, their plans for the future and lessons they learned on the road to success. **Most of these strategies and lessons were shared by founders and CEO's of the startups on various media across the web.**

If you wish to start a business, start now and stop wishing. There are lots of resources out there to get you started. Your idea could be the next big thing, but you never know until you try. Most of the entrepreneurs who shared these success stories about their great startups may have tried several times in the past before they finally succeeded.

The most important thing is that they put their ideas out there and watched them go through phases. You don't have to get it right the first time. Go fail first, make a step and do something in the world that gets feedback. If it's something you just want to think about, the world doesn't care, you need to put it out there and test the market as soon as possible.

Startups don't win because of better technology or features; they win because they solve real problems that demand clear and simple solutions. **The time to disrupt is now.**

Spotify

Spotify is a music streaming sensation. The company has survived in an industry where many have failed and young potential startups fear to tread. Spotify is one of the most popular if not the most popular music streaming service. The company provides DRM-protected content from a range of major and independent record labels, including Sony, EMI, Warner Music Group and Universal.

Music can be browsed by artist, album, record label, genre or playlist as well as by direct searches. The depth of the catalogue and the speed of music streaming makes have contributed to the success of the company. Spotify is also social. You can share music on the Spotify platform, Facebook, Twitter, your blog and via email. As of November 2013 Spotify had recorded 24 million users and 6 million of them paying monthly. Spotify has paid out more than $1 billion in royalties since launch in October 2008.

Goal: For us it is about getting it out to more people. We want to bring music to every single person and bring it to every moment of their life.

Goal: My ambition is we want artists to be able to afford to create the music they want to create, and if it takes them five years to sit down and make the album they want to make, they should be able to afford that. That's my goal.

Strategy: I think the social part is really core to this. Social isn't just about engaging people who are already on the platform. It's also about sharing that music on other networks.

Growth: What we're doing is we're investing in growth. As I said earlier, we want to reach every single person on the face of this planet. And that means we're going to forego profits, to keep investing in growing.

Record Labels: When the labels eventually saw the extent of the service, they got a much better idea because Spotify's content is so quick to access. That has been an immense help when trying to figure out the business model behind this.

Advertising: We can facilitate a number of other things for brand advertisers such as mood targeting. We can also target demographics more clearly than offline media channels.

Growth: We want to provide tools so that social networks can work with us and so that developers can build interesting things on top of Spotify.

Model: I feel that today there's still an underlying problem in simply playing whatever content you want, when and as many times as you want it, and that's the problem Spotify's looking to solve.

Model: We look at the sharing of music as really, really important for our business. We've found that the more social our users are — i.e., they're sharing music — the faster they grow their own music library. [And] the faster they grow their music library, the faster they become paying customers.

Product: We have over 1bn playlists that people have created, and almost a third of these were people saving whole albums. Whenever people say the album format is dead, we don't believe that at all.

Product: The big paradigm of sites within music discovery has been editorial versus the algorithms. But the more we thought about it; actually they're not mutually exclusive. You can marry them together.

Competition: People do like to listen to the entire album. On iTunes, they might cherry-pick songs because of the [a la carte sales] model, but with the access model there's no additional cost to listening to the entire album, so that's what they do.

Feedback: Another thing we've heard a lot more recently is that artists are saying to us 'There are 20m songs now on Spotify, so how do I get heard?' We've been really thinking hard about how we solve these problems. We've been working on a new version of Spotify which we think solves this problem.

Trend: People are consuming a lot more music, which in itself is a good thing for the music industry. And as more and more smartphones come around, people are starting to pay for music again.

Lesson: With music, rediscovery is a critical part of how you listen to music, but all the internet services are missing it.

Future: We've paid over $500 million to rights holders. So for me, part of it is talking about the growth story of how we get the music industry back to where it used to be, and probably even past that.

Pinterest

Pinterest was perhaps the most popular social sharing service in 2012. Pinterest is a pinboard-style photo sharing website that allows users to create and manage theme-based image collections such as events, interests, hobbies, and more. Pinterest launched as a closed beta in March 2010. Nine months after launch the website had 10,000 users. In December 2011, the site became one of the top 10 largest social network services, according to Hitwise data, with 11 million total visits per week.

According to Experian Hitwise, Pinterest became the third largest social network in the United States in March 2012, surpassing LinkedIn and Tagged. On 10 August 2012, Pinterest was opened to everyone without request or require an invitation. Globally, the site is most popular with women. In 2012, it was reported that 83% of the global users were women. In August 2012, Pinterest overtook competing micro-blogging site Tumblr for the first time in terms of unique monthly visitors, clocking in at just under 25 million. In October 2013, Pinterest won a $225 million round of equity funding that valued the website at $3.8 billion.

Vision: When you open up Pinterest, Silbermann says "you should feel like you've walked into a building full of stuff that only you are interested in. Everything should feel handpicked for you."

Future: It has to be something that speaks to the arc of the product itself, which is discovering things [users] didn't even know they needed.

Launch: Silbermann said he personally wrote to the site's first 5,000 users offering his personal phone number and even meeting with some of its users.

Launch: Many of the early invites went to a group of design bloggers whom Silbermann recruited personally. A "welcome" email congratulated new pinners on being selected to the site and added, "You must have good taste!"

Launch: Silbermann gave out his cell-phone number, attended blogger meet-ups, and personally composed weekly emails that were sent out to Pinterest's tiny, but growing, community. We were obsessive about the product. We were obsessive about all the writing and how it was described. We were obsessive about the community.

Product design: If your collection didn't look awesome, why people would spend time to do them? That's why we spent a lot of time on design.

Growth: At a small company, so much of the trick is focus. Not only can you only do a finite number of things, but you have to do them in the right order. So we actively try to remove things that take away focus from things that are really important.

Growth: It wasn't because of celebrity users who brought in growth spurts, as with some other services like Twitter, but rather through networks of people like design bloggers.

Product: The hard part about that idea of 'minimum viable product,' for me, is you don't know what 'minimum' is, and you don't know what 'viable' is.

Lesson: People succeed because they don't stop.

Lesson: Don't take too much advice--It's just that most people who have a lot of advice to give—there are a few people who are exceptions, and they have a lot of data in front of them—most people generalize whatever they did and say that's *the* strategy that made it work.

Lesson: Hire great people. Great people, he explained, can add value in various roles and often provide key solutions to problems that arise throughout your life cycle.

Lesson: Having a ready appetite to learn and grow as a person and a leader is no doubt a part of Pinterest's secret sauce and something I encourage any entrepreneur to foster throughout their careers.

[Dropbox](#)

Dropbox is a free cloud service that lets users bring all photos, docs and videos into a folder that can be accessed on any PC, Mac, iOS, BlackBerry or Android device and across a variety of web browsers. Install its application, and a Dropbox folder appears on your computer desktop. Anything you drag into that folder is uploaded automatically to the Dropbox service and then instantly replicated across all your computers and devices. How simple is that!

Dropbox was founded in 2007 by MIT graduates Drew Houston and Arash Ferdowsi, as a Y-Combinator startup company. On November 13, 2013, Dropbox announced it had reached 200 million users. Dropbox has received a total venture capital funding of US$257.2 million from several investors, including Y-Combinator, Sequoia Capital, and Accel Partners.

Vision: We envision little Dropbox icons everywhere; analogous to the Facebook icons you see everywhere.

Vision: People may know us today as the magic folder on their desktop or the app on their phone. But we see ourselves as building the Internet's file system.

Investor Pitch: Our first sort of marketing attempt was like throwing spaghetti at a wall …we really struggled in terms of how to articulate this with investors because we had never really done that before, and Paul Graham was really helpful to us in terms of distilling down the idea into a much shorter and sort of more compact presentation.

Competition: Asked if he was worried about copycats stealing the concept at the time – Houston responds, "It is easy for me to explain the idea; it is actually really hard to do it."

Strategy: Dropbox attracts new users by providing at least two gigabytes of Dropbox space free and by waiving fees for additional space for those referring new customers.

Demo Video: Dropbox released a demo video that captured Y-Combinator's attention and helped Dropbox secure an invitation to join the exclusive startup program.

Demo video: The video drove hundreds of thousands of people to the website. Our beta waiting list went from 5,000 people to 75,000 people literally overnight. It totally blew us away.

Marketing: We were founded in 2007 but the product was only introduced in September 2008 and the growth since then has been almost entirely viral. There was effectively no marketing spend responsible for driving the adoption.

Marketing: The first thing that most early web startups say is, "Let's launch and buy up some AdWords." The results from paid search were disappointing for us, though. It makes sense in a lot of other markets, but search is a tool for harvesting demand, not creating it.

Marketing: We've found it's a lot more effective to find one hook that people can easily understand. That gets people in the door. Once you have that relationship with a customer, then you have all kinds of opportunities to educate them over time as to everything else that the product can do

Beta Release: Not wanting to risk testing a buggy product, Dropbox carefully screened who could kick around early versions by extending invites through "a Gmail style closed beta."

Marketing: The success of Dropbox is thanks to our alpha users. They liked us so much that they kept on sharing it and talking about it.

Customer Acquisition: For us, it starts with having a good product and making sure that the experience is as simple and as elegant as we possibly can make it. People react positively when they find something that's helpful.

Business Model: On given away 2GB for free, we were a little bit bounded by the norms in the marketplace. We knew we couldn't do that. We had also noticed a trend where there's always some startup giving away 50 gigs or 100 gigs or a terabyte of free space and then folding a year later.

Customer Service: We've hired an awesome group of support engineers that not only answer every support ticket that comes in (from free and paid users alike), but who are building automation and auto-suggest systems that allow users find answers to their questions on their own.

Lesson: Research what other companies have done but be cognizant of the fact that often what works for one company is just completely the wrong thing for another company. Learn early, learn often. Know where your target audience hangs out and speak to them in an authentic way. Keep the main thing the main thing.

[Evernote](#)

Evernote, founded by Stepan Pachikov, is perhaps the most popular productivity app right now. You may already know that, actually you may even be using it. The product was launched into open beta on June 24, 2008 and reached 11 million users in July 2011. Evernote now has over 45 million users. On November 30, 2012, Evernote raised another US$85 million, in funding led by AGC Equity Partners/m8 Capital and Valiant Capital Partners.

The Evernote products help you remember and act upon ideas, projects and experiences across all the computers, phones and tablets you use. Users can take notes, clip webpages, snap photos using their mobile phones, create to-dos, and record audio.

Concept: I think from the very idea, this concept that this is the one we want and if you're building something that you love and you're building it for yourself you shouldn't want to sell it, you should want to keep it.

Launch: We launched closed beta on TechCrunch, we were lucky enough that TechCrunch wrote about us right as we were starting the closed beta and we gave away 100 invites, that was the first spark.

Company: We don't just want to build a 100 year company; we want to build a 100 year startup.

Product: We don't care if you pay; we just want you to stay around and keep using it and get all your friends to use it. The longer you stay, the more likely that you're going to fall in love with it and then pay.

Product: Everything we make is basically made for me, it's what I want to use. For me and for the rest of the team, we're passionate about the idea of remembering things.

Product: We are building a product that you use for the rest of your life.

Product: The only products we make at Evernote, [we make for ourselves]. We are the customers. We just hope that if we love something, others will.

Design: Focus entirely on what is the experience of using that and then add the features almost as a secondary criterion.

Feedback: We get quite a bit features from users and we really want to hear from users and see what they think. We've found that different types of user feedback are relevant in different ways.

The least relevant is when you ask users what should we build, having users do product design or feature roadmap for you doesn't really work.

Product: We spend money on the same things that we always do, it all goes to the product.

Culture: We have a flat and very open structure. Nobody has an office. In fact, there are no perks that are signs of seniority.

Culture: We try to have an organization that just helps you get your work done, and then it's my job to eliminate all of the risks and all the distractions so you can just focus on achieving.

Culture: One of the things I've tried to do is uproot any sort of e-mail culture at Evernote. We strongly discourage lengthy e-mail threads with everyone weighing in.

Culture: The thing that we do that people love the most, though, is housekeeping. If you work at Evernote, you get professional house cleaning twice a month.

Growth: It's all just word of mouth and people finding Evernote because of friends who love it recommending it.

Growth: Whenever a new device or platform would come out, we would work days and nights for months before that to make sure Evernote was there and supporting the new device.

Hiring: The most important baseline skill for any position is communication. We want you to be able to explain what you mean; we want you to be articulate. That cuts out a lot of people, because a lot of people are probably pretty good technically.

Hiring: To guarantee the long term success of the company, the only way to do it is to make sure that the team continues to be the right kind of people.

Funding: When we think about funding, we really think about in the context of wanting to isolate ourselves from having to make any short term decisions and being influenced by fluctuations in the market.

Funding: We don't go out and look for money; we get a ton of inbound requests on a daily basis from people who want to invest.

Investor Pitch: Match the investors that you're talking to with the strengths that you currently have and the stage of the company that you're currently in.

Investor Pitch: For us it was about showing we had traction, we understood what our users were doing, we understood what they wanted. We could deliver a product, meet on time, deliver our plans and fundamentally we got the unit economics right.

Acquisition: We have turned down every acquisition offer.

Lesson: The fundamental thing that I wish I'd known is that I underestimated the importance of simplicity and design.

Lesson: The most important thing for consumer facing software was that it was beautiful, simple; people immediately and intuitively understood how to use it.

[Hootsuite](#)

HootSuite helps organizations use the social web to launch marketing campaigns, identify and grow audience, and distribute targeted messages across multiple channels. HootSuite helps teams engage with audiences and analyze campaigns across multiple social networks like Twitter, Facebook, LinkedIn and Google+ Pages from one secure web-based dashboard, pre-schedule messages, and measure your success.

The company operates on a freemium model and has over 7 million users in more than 175 countries. Hootsuite was founded by Ryan Holmes in 2008. On August 1, 2013, the company announced that it had raised US$165 million in Series B funding.

Idea: The name HootSuite came from a crowd-sourced naming contest we initiated when we were ready to launch the dashboard as its own company.

On Partnership: Partnering can be a risk, but it allows you to fill your weaknesses. Get over the desire to be the lone wolf, and consider partnerships.

Product: We have always used HootSuite to market HootSuite – by creating a tool we use ourselves, we're able to build a product that is truly beneficial and continually improving for our users.

Product: Our user base is small, medium, and enterprise businesses; that's what we focus on. We've never focused on being a consumer product; we have a lot more functionality than a consumer needs.

Development: By developing HootSuite within Invoke, we were able to take the time to develop it properly using resources and a team that was supported by other revenue sources, relieving us of time pressure and initial set up cost.

Marketing: Think about channels you can use to promote your business. Ryan spends a lot of time building up their followers so they can point people to campaigns and contests. They also use that account to build their other accounts (Facebook, e-mail list, etc.)

Feedback: We are always listening to market needs and user feedback to identify new ways we can develop the tool. Our recent release of security focused tools like Secure Profiles and HTTPS is a great example of this – these were released hot off the heels of some high-profile mis-tweets by large brands, and a celebrity Twitter account hijacking.

On Social Media: From helping rally people in revolutions to helping people get rescued during natural disasters, social media is the most disruptive form of communication the world has ever seen and is changing the way people communicate. Month after month more practical examples of just how valuable the tool is emerge.

Lesson: A passion for the product you're creating – you gotta believe in what you are doing but be ready to adapt quickly – plus a thick skin.

Lesson: You should take investment if you need more money than you're bringing in before you hit a critical mass growth point.

Lesson: Hootsuite was born out of filling a need in the daily lives of the Invoke staff. Talk to your friends, family and customers – find out what their need is and fill it.

Lesson: Products scale easily, but services don't scale as well. Services keep cash coming in the door, but it can be more cyclical. Product companies are a little more linear.

Advice: Bootstrapping is very difficult and that there is nothing wrong with taking investments early. Build your understanding about financing and seek it out, as it will allow you to scale up more quickly.

Foursquare

Foursquare is a location-based social networking app based on hardware for mobile devices. The service is available to users with GPS-enabled mobile devices such as smartphones. Users "check-in" at venues using a mobile website, text messaging or a device-specific application by running the application and selecting from a list of venues that the application locates nearby.

The service was created in 2009 by Dennis Crowley and Naveen Selvadurai. In January 2011, foursquare was named Best Location Based Service in the TechCrunch Crunchies 2010. As of April 2012, the company reported it had 20 million registered users. On June 24, 2011 Foursquare raised $50 million on a $600 million valuation. Their Series D funding of $41 million was announced on April 11, 2013 and led by Silver Lake Partners.

Focus: We've got so many ideas of things we want to build and this is probably going to be our best shot at getting them out to millions of users. Focusing on what we're doing is the best way to make that happen. Getting distracted by all the dust we're kicking up is not.

NYC launch - The fact that the service started in such a perfect venue gave it great advantage - a highly concentrated, very social community.

Team: We have a superstar team not just because their resumes are so strong, but because they've been passionate, thinking about and tinkering in this space forever.

Product: Some of the most interesting things we're seeing with foursquare are coming from venues reaching out to their customers. From free drinks to free hotel stays, we've been consistently surprised with how clever venues have been at co-opting foursquare as their own.

Product: We still get 5 million check-ins per day, and the influx of new check-ins is something that we can rely on. So we're constantly getting signal of what's interesting and not interesting.

Product: Now we have over 3 billion check-ins and you can imagine a point in the future where people can just get value out of those 3 billion check-ins already in the system.

Strategy: The mayorships, badges and point-scoring just add up to an "onboarding technique" to get people to come back. All of that is in the background. The active part is actually going out and doing things.

Feedback: While we have a well-defined idea of what direction we're going and the big ticket items we want to build, we rely heavily on the feedback we receive from you all to help us

decide what features to roll out next, what cities we should be launching, and what will make the product better, easier to use and more interesting.

Feedback: We didn't wait years and years to perfect the product but instead got it out there to solicit user feedback.

Growth: Both Dennis and Naveen were consumed with the product. Always interacting with users in bars and over Twitter, thinking less about strategy, analytics and monetization and focusing more on a great user experience.

Funding: The Company only raised $1.35 million in its series A financing and kept the burn rate at less than $100k per month to make the money last.

Roadblocks: The biggest roadblock to growth is hardware. With the iPhone's four-hour battery life, running your GPS nonstop becomes a problem. Crowley sees Foursquare realizing its full potential in the near future when mobile devices handle the needs of the software better.

Challenges: The biggest challenge is to take revenue-generating products that we launched in Q3 last year and take them out to the market. The businesses using these are mostly national retailers. But we've got over 1 million merchants who have claimed their businesses on Foursquare.

Advice: Don't let anyone tell you your ideas don't work and don't let a lack of technology get in the way. Stop sketching and start building.

Advice: We'd roll out half-baked features a few times every week and were more worried about getting stuff in the hands of users than making sure it was perfect or actually worked.

Instagram

Instagram began development in San Francisco when Kevin Systrom and Brazilian Michel "Mike" Krieger chose to focus their multi-featured HTML5 check-in project *Burbn* on mobile photography

It took hot photo-sharing startup Instagram just three months to reach its first million users, and a little more than a month after that to post its second million. Instagram is a photo sharing application for the iPhone. It allows you to quickly take pictures, apply a filter, and share it on the service or with a number of other services. Instagram pulled in $7 million during its first major round of funding.

On April 3, 2012, Instagram for Android was released, and it was downloaded more than one million times in less than one day. That same week, Instagram raised $50 million from venture capitalists.

On April 12, 2012, Facebook acquired Instagram for approximately $1 billion in cash and stock. On February 27, 2013, Instagram announced that they had 100 million active users, only two and a half years after first launching. This was an increase of roughly 10 million users in a little over a month's time. On December 12, 2013, Instagram announced Instagram Direct, a feature allowing users to send photos to specific people only directly from the app.

Idea: You have to explain everything you do, and people have to understand it, within seconds.

Product: Products can introduce more complexity over time, but as far as launching and introducing a new product into the market, it's a marketing problem.

Product: When you're introducing a mobile app, you look around and say, we could be doing 15 different things, but how do we communicate to someone why they would want to download and even sign up for this thing?

Mobile Apps: In the mobile context, you need to explain what you do in 30 seconds or less because people move on to the next shiny object.

Strategy: We did too much on purpose. We were trying to figure out what got people amped.

Growth: Instagram super clear value proposition helped skyrocket the app to many, many downloads.

Strategy: Anyone can build filters; anyone can build a photo-sharing app. The hard part is the community." That community of users is now posting 4 photos every second.

Product: Sure the product had the makings of something viral; that you could share and distribute your content across many different platforms. I think this aspect alone had a large part to do with our initial growth.

Lesson: What would you do differently in regards to launching and marketing the product? We would have started the product on Amazon EC2.

Lesson: I'm not sure it matters where you start, as long as you're focused and you've got a passion for the platform. Validate your idea quickly by putting it with real users. Your goal is to learn what people like and don't like about the product and make adjustments quickly.

Lesson: Validate that you have a market, validate that your market loves your product, and make sure that your product solves real problems for that group.

Lesson: The best products in the world start out as features. Often features solve a specific problem. If you can solve a problem better than anyone else, you have the start of something that can continue to evolve.

Challenges: The biggest obstacles when we started were primarily around scaling. We had no idea that our little side project that we named Instagram would turn into one of the fastest growing apps in history. We crumbled under the demand on launch day. We could barely keep our servers up under all the load, but eventually we figured it all out

Future: Getting to other platforms is a no-brainer going forward; it's merely a question of when.

Advice: Fix real problems. Every startup should address a real and demonstrated need in the world – if you build a solution to a problem lots of people have, it's so easy to sell your product to the world.

Advice: Stay focused. Don't do too much, and cut away everything that doesn't matter to the success of your product. Doing too much can create drag and hinder your ability to get things done.

Airbnb

Airbnb a short term rentals company is a classic Silicon Valley story of bootstrapping, rejection and eventually success. Brian Chesky and his co-founder, Joe Gebbia, decided to start a company, and they moved to San Francisco.

There were just two little problems: They didn't really have a startup idea and they didn't have the rent money. There was a design conference in the city, and there were no hotel rooms for rent.

Joe and Brian thought, it would be cool to rent air mattresses to conference visitors and make enough cash from that to make rent. Three people bought into the idea. That little idea turned into what is now AirBnB.

As of September 2013, the company had over 500,000 listings in 33,000 cities and 192 countries. As of October 2013, it is reported that Airbnb has served 9 million guests since its founding in August 2008.

As of July 2011, the company has raised $119.8 million in venture funding from Y-Combinator, Greylock Partners, Sequoia Capital, Andreessen Horowitz, DST Global Solutions, General Catalyst Partners and an undisclosed amount from A Grade Investments' partners, Ashton Kutcher and Guy Oseary.

Paul Graham: It just seemed a very good sign to me that these guys were actually on the ground in NYC hunting down (and understanding) their users. On top of several previous good signs. **Lessons:**

1. Being broke brings an incredible amount of discipline and focus.
2. What your company does in its childhood has a big impact on its future.
3. In solving your own problems, you solve problems for other people, and through this, an opportunity often arises.
4. Don't give up when you reach a pivotal success/failure point in your company's life.
5. Preserve your company's culture by hiring similarly passionate, ambitious people.
6. Don't give up when you experience your trough of sorrow moment.
7. For Airbnb, it was all about figuring out how to make the experience less awkward.
8. You don't have to be a programmer to make it big in the Valley.
9. What makes Chesky succeed is his drive to create the perfect user experience and his ideology that every problem has a creative solution on the other side of it.
10. It's one thing to technically build our website—that's the easy part. Getting the marketplace going, getting traction, and building a community—that's the hard part.

11. Go out and meet your users. Talk to them, understand them.

Strategy

1. We literally would fly to New York every Thursday or Friday during Y-Combinator. We did this every week and we would be there throughout the weekend.
2. There were a myriad of tactics we used—we went as far as knocking on people's doors.
3. Because of the Democratic National Conventions, some people were using the site in New York and listing places. What we would do is reach out to the very few people we had and basically talk to them, get to know them, figure out what products they needed and what we could offer them.
4. We tried to build loyalty knowing that if we did that, they would tell their friends.
5. We'd host parties and meetups and all sorts of different things. We'd just visit all of our users, we'd go to their homes and talk to them and do interviews.
6. Through that process, they'd get very excited and tell their friends about Airbnb. It was mostly about generating as much buzz and excitement to get them to tell their friends about us.

7. Press was always the number one tactic for us. The press would spark another group of users, and then we'd go visit those people and talk to them and get them excited. It was a pattern that repeated itself.

Company culture

1. We have an open floor plan. We have a weekly product meeting and a weekly engineering meeting. There may be daily meetings, but those are impromptu for a few minutes where you just huddle together over a computer and call that a product meeting.
2. Keeping the culture—if you're growing quickly, there's going to be a point where a majority of the people in the room are not going to know much about your company.

Flipboard

Flipboard is a social-network aggregation, magazine-format app for web and smartphone users. It collects the content of social media and other websites and presents it in magazine format and allows users to "flip" through their social-networking feeds and feeds from websites that have partnered with the company.

Flipboard has received $10.5M in Series A funding and $50M in Unattributed funding. Flipboard got Oprah Winfrey to see its product within a year. They were given one of Time magazine's invention of the year awards. They were named the iPad App of the year by Apple.

As of December 2013, Flipboard had surpassed the 100-million-user milestone, raised more than $160 million in funding with valuation pegged at $800 million.

Idea: According to McCue and Doll, the idea for the app was invented during a brainstorming session between them, during which they tried to imagine what the web would look like if it were designed from scratch. The design they came up with placed emphasis on the social web and the ability to consume content in a graphical magazine-like format

Before launch: Before the launch of Flipboard, Mike McCue the cofounder made his engineers hook up double the amount of servers they thought would be necessary.

After the launch: Flipboard maxed out its server capacity in a shocking 20 minutes.

Strategy:

1. Flipboard briefed many news sources under embargo including WSJ / Mossberg, WSJ / Swisher, Clarie Caine Miller of the NY Times, Scoble, and Liz Gaines at GigaOm.
2. Flipboard raised $10 million in its first round so it won't "be forced into a situation where we have to break the glass of the nearest business model just to survive.
3. When Flipboard made its public debut, it had all the key pieces in place: endorsements from influential tech bloggers like Robert Scoble (who declared Flipboard "revolutionary"). Others were quick to follow with their praise.
4. Flipboard had Wall Street Journal lined up with coverage as the app went live in the App Store.

5. It had a $10.5 million funding round from big-name investors including some of the co-founders Facebook and Twitter, Kleiner Perkins Caufield & Byers and even Ashton Kutcher (This *was huge-how do you copy this!*)

6. Flipboard had a slot to demo the product at the Fortune Brainstorm Tech conference in Aspen, Colorado.

7. Instead of simply telling you what the Flipboard can do this entire webpage was dedicated to showing you what it can do.

Lesson: The Company overlooked one key checklist item: server capacity.

Lesson: Product demonstrations are a healthy part of any product launch.

[Quora](#)

Quora is a question-and-answer website created, edited and organized by its community of users. Quora is best known as a source of knowledge. You can ask any question and get real answers from people with first-hand experience, and you can also blog about what you know. The company was founded in June 2009, and the website was made available to the public on June 21, 2010.

Quora was co-founded by two former Facebook employees, Adam D'Angelo and Charlie Cheever. D'Angelo resigned from his position at Facebook in January 2010 to create Quora. In March 2010, Quora received funding in the amount of $11 million from Benchmark Capital, valuing the start-up at $86 million. In May 2012, Quora raised $50 million in Series B funds, valuing the company at over $400 million and bringing their total funding to $61 million.

As of January 2013, Quora had recorded over 300,000 topics and active writers get over 30,000 monthly views and 350,000 annual views. Quora's blogging platform launched in January 2013 allows users can create blogs and posts. In May 2013 Quora announced that all its metrics had grown 3X relative to the same time last year

Why Quora: Q & A is one of those areas on the internet where there are a lot of sites, but no one had come along and built something that was really good yet. I think if you look, a lot of the knowledge is decentralized and we wanted to build a core place oriented to knowledge.

Mission: Make access to knowledge easy through a reputation-based Q&A site.

Goal: Our goal is to build Quora as a knowledge base that anyone can look at. We're not just interested in people answering their friends' one-off questions. We're more interested in someone writing a really great answer that's going to be read by thousands or tens of thousands of people over the next few years. Wikipedia is a good comparison to Quora, but there is room for more.

Focus: For now our focus is on growth and getting as many people sharing and attracting as many people to the platform. We don't know what our model is going to be — it could be advertising, pay to access and/or consult-an-expert model. We are going to try many things. But it is not the focus now.

Focus: We want to make a product that markets itself and not because we are big in Silicon Valley," he said. "So, we want to tone down anything that does not have to do with improving Quora itself.

The Future: Reputation is going to be a lot more important in the future especially as the internet gets bigger. I think there is too much focus on what is first, what is new. It has to be about what is actually worth reading that is going to become important.

Metric of success: The real use of Quora is determined by users and the content and the topics — those are the metrics we look at. It is really all about execution. We want to get to be 100 times bigger than we are today.

Monetization: Right now we're just focused on making Quora really good and getting a lot of knowledge onto Quora. We're really confident that if we can do that, we can find some way to fund the business in the long run.

Experience as founder and CEO: I do a lot more things these days — working with engineers, product, data science, recruitment, and a whole lot of other things. I have had to pick up a lot of different skills and I have had to get better at dealing with different kinds of people. I have had to learn finance, learn fundraising.

On change: We built Quora knowing that we'll need to be able to change and improve quickly. We've set up all our technology that way, and we've optimized it to make engineers as productive as possible.

Hiring: One thing that is really important is hiring good people. If you can get the best people, that's a big part of being successful.

Lesson: You have to get comfortable giving up control, and you find people who do things better than you do. Focus on the long term, and always do what's right to grow the company and not make short-term decisions. And outlast everyone one.

Lesson: if you want to be an entrepreneur, a great way to learn is to be an early employee at someone else's promising startup where you can gather experience, recognition and connections.

Lesson: It's OK to do something that's not scalable if it gets you to a position where you'll have other strengths that will make up for this in the future.

[Box](Box)

Box started as a college business project in 2005 by Aaron Levie (CEO) and Dylan Smith (CFO), and was officially launched in March 2006 with the vision of connecting people, devices and networks. Box is an online file sharing and Cloud content management service for enterprise companies. Box provides more than 8 million users with secure cloud content management and collaboration.

The company received angel capital from Mark Cuban in 2005, then raised a Series A round of $1.5 million from Draper Fisher Jurvetson in 2006. In late 2007, it raised a Series B round of $6 million, and another $7.1 million in 2009 from U.S. Venture Partners and Draper Fisher Jurvetson, bringing total investment to $14.6 million.

As of December 2013, Box had raised more than $400 million from a list of investors that includes some of the biggest names in Silicon Valley, including venture-capital firms Andreessen Horowitz and Draper Fisher Jurvetson and cloud-computing company Salesforce.com Inc.

Market Opportunities: If you think about the market that we're in, and more broadly just the enterprise software market, the kind of transition that's happening right now from legacy systems to the cloud is literally, by definition, a once-in-a-lifetime opportunity. This is probably going to happen at a larger scale than any other technology transition we've seen in the enterprise. We think we are just 1 percent into that transition.

Mobile: Mobile is the biggest driver of change. Mobile is the catalyst that can actually re-evaluate and re-engineer your entire I.T. strategy.

Lesson: Start-ups are for people that wanted to run marathons, cage fight and hunt alligators, but were born with asthma.

Design: All enterprise software vendors should absolutely employ consumer design philosophy on all technology. At Box, we hire all our designers from consumer web companies.

Trends: We think the market for enterprise collaboration will be much larger than the market for checking into locations on your phone.

Culture: People are able to question each other about strategies, whether they're in marketing, engineering or product. We try to keep it fairly low on hierarchy. Everyone is encouraged to be entrepreneurial and people tend to be extremely passionate, but it's not about taking credit or being arrogant about what we're doing.

Leadership: It's really hard to let the details go. Every sort of decision is really interesting. So you come up with a big goal, and hopefully everyone comes together to figure out how to accomplish it.

Hiring: Energy and persistence are the two most important factors, in addition to just having a clean résumé where there's nothing crazy going on. In a business like ours, we have to be super, super competitive, and we have to be able to get people who are going to be persistent and relentless and have a level of energy that gets them through challenging things. Sometimes the best people are the ones who are very curious about our business model, how we're going to grow.

Hiring: Ultimately, we're looking to hire people who can adapt to what a role might become, not just what it is today. When you're at a start-up, things move and scale very quickly, and you want to hire people who can grow with the company and into roles that expand beyond the job description they were hired for.

Lesson: I think people are always able to achieve more than they think they can. While that's cliché, I don't know if managers think about that enough. You have to set your sights extremely high.

Lesson: I think bad politics are incredibly dangerous, so it's important to make sure that people are communicating well. Culture and morale are super important. It's best to not force it, but let it happen organically and genuinely. It certainly helps if you know a couple magic tricks, but if you don't, then there are other things you can do.

The future: It turns out the vast majority of the world's workforce doesn't go into a cubicle and type on a keyboard throughout the day. The rise of smartphones, tablets, and apps will enable nearly a billion more individuals to change how they work.

The future: We're often quick to forget that each time one type of technology reaches a point of saturation; its ubiquity enables some new kind of capability and technology. We'll get vastly more innovation once more cloud services connect to one another, and when data can be leveraged to solve far more interesting problems.

[Kickstarter](#)

Kickstarter is a funding platform for creative projects. Everything from films, games, and music to art, design, and technology. The crowd-funding platform provides tools to raise funds for creative projects.

Kickstarter launched on April 28, 2009 by Perry Chen, Yancey Strickler, and Charles Adler. Kickstarter reportedly raised $10 million funding from backers including NYC-based venture firm Union Square Ventures and angel investors such as Jack Dorsey, Zach Klein and Caterina Fake.

Since its launch, more than 5 million people have funded more than 50,000 creative projects, such as films, music, stage shows, comics, journalism, video games, and food-related projects. On February 14, 2013, Kickstarter released an iOS app for the iPhone.

People who back Kickstarter projects are offered tangible rewards and special experiences in exchange for their pledges.

Idea: The idea for Kickstarter was first conceived back in 2002, as co-founder Perry Chen tried to figure out how to raise money for a concert he wanted to produce in New Orleans.

"I remember standing in my kitchen talking to my roommate, Earl Scioneaux, about this idea I just had for a website. It was late 2001 or early 2002, and I had been frustrated by my experience trying to put together a concert. The show never happened, but the idea for Kickstarter was born from my frustration."

Mission: The mission of Kickstarter is to help creative people -- artists, musicians, filmmakers, designers and the like -- fund their own creative projects.

Model: Kickstarter is one of a number of crowd funding platforms for gathering money from the public. Project creators choose a deadline and a minimum funding goal. If the goal is not met by the deadline, no funds are collected, a provision point mechanism.

Money pledged by donors is collected using Amazon Payments. Kickstarter takes 5% of the funds raised Amazon charges an additional 3–5%.

As of July 24, 2013, there were 107,645 launched projects (3,990 in progress), with a success rate of 43.99%. The total number of dollars pledged was $717 million.

Model: Project proposal are submitted to the Kickstarter staff, which will review the idea and decide if it meets the Kickstarter project guidelines.

Kickstarter is exclusively for creative projects. No charities. Kickstarter imposes a strict all-or-nothing policy: Backers of your project pledge a certain amount of money, but you only get that money if the total amount of pledges reaches or exceeds your funding goal.

Creators are required to offer rewards to backers. A typical reward is a copy of the product itself. Larger donations might win you a mention in the liner notes or even a producer credit on the film.

Growth: There was no party, little fanfare. Two of the first projects were launched by us. Some great early projects brought momentum — Allison Weiss, Kind of Bloop, Designing Obama. Each project seemed to inspire three more.

Growth: Large projects draw attention. They draw new people to the site and they're rallying points for people to find out more about the site. So we're more known, more out there.

Lesson: "We're reaching this bursting point of creativity. People are embracing their own creativity more and more. It's getting cheaper to make things. It's getting cheaper, or free, to learn how to do things. It's getting cheaper to distribute things and share them with people and get yourself out of that creative vacuum"-Perry

The Future: I think we're very committed to staying small. We're 37 and I know it's not a lot of people when you talk about the web. But it's a lot of people. If we take a little bit longer to get stuff done, that's what we're going to do.

We'll work harder, but we don't want to be hundreds of people. We want to keep the team small. We want everybody to know everybody else. We want to grow the company culture in that way.

Udemy

Udemy is an online learning platform (website) that allows instructors to host courses. Udemy serves as an online platform that allows instructors to build online courses on topics of their choosing. Using Udemy's content platform, they can upload video, PowerPoint presentations, PDFs, audio, zip files and live classes to create courses. Instructors are also allowed to engage and interact with users via online discussion boards.

The company was launched by Eren Bali, Oktay Caglar, and Gagan Biyani in 2010. In February 2010, the Udemy co-founders decided to raise money to fund their idea. They were rejected 30 times, largely because investors weren't confident enough in the business to invest. In response to this, they bootstrapped the development of the product and launched Udemy in May 2010.

Udemy has attracted about 400K registered students and a quarter of its approved instructors have made at least $10K from selling their courses on the site — with some even seeing six-figure earnings.

The platform offers over 5,000 courses, 400 of which were added in October 2012 alone. In addition, more than 1,500 of its courses are paid, a number that has increased 7-fold since 2011. In August 2013, Udemy crossed 1 million active students mark and added support for 10 new languages including Korean, Spanish, Chinese, French, Italian, Russian, Chinese, Turkish, and Portuguese.

In December 2012, the company raised $12 million in series B financing, led by Insight Venture Partners. Existing investors Lightbank Capital, MHS Capital and Learn Capital all contributed to the round, which brought Udemy's total funding to $16 million.

Why Udemy: We decided to create Udemy because we saw a need. We've noticed there are thousands of people out there trying to teach over the internet, but they lack the technological capabilities to do it effectively.

Content Acquisition: The hardest part of launching Udemy was that there was no content on Udemy before we started. There were many creative commons-licensed courses on the internet as part of the OpenCourseWare movement. We legally obtained these videos (even talked to representatives from various universities to understand the laws) and posted them on Udemy. That gave us our first hundred or so courses.

Instructor Growth. After we manually created some successful courses, we had proven the value of teaching a course in the first place. We then went to some experts in programming, technology, and entrepreneurship and convinced them to teach courses. These are the same people we talked to 6 months prior, but this time we had proof that you could be successful on Udemy.

Growth: It was really hard to get our first active instructors; I spent hours every day on Skype calls with all sorts of people - book authors, entrepreneurs, professional poker players.

Growth: Udemy grew quickly because they allowed anyone to develop a course. The quality, as noted by another user below, varied greatly. However, the system had built-in rewards for positive reviews and good content. In other words, the cream floated to the top. Udemy also sees its top publishers as true partners, and sets up situations that are win-win's for Udemy and the publisher.

Lesson: Seed the supply first; it's extremely hard to get early adopters without users.

Lesson: Create some initial success stories however you can. Don't focus on too many; 1 or 2 is enough. Figure out how to promote their successes to more people. Your supply side will start to multiply. If you get this far, you'll know what to do next.

[Snapchat](#)

Snapchat is a photo messaging app. Using the app; users can take photos, record videos, add text and drawings, and send them to a controlled list of recipients. Users set a time limit for how long recipients can view their photos, up to 10 seconds, after which it will be deleted from the recipient's device and the company's servers.

Snapchat was started by Evan Spiegel and Bobby Murphy as a project for one of Spiegel's classes at Stanford University

Founder Evan Spiegel says Snapchat is intended as a front to the trend of users being impelled to manage an idealized online identity of themselves which has taken all of the fun out of communicating.

By 28 November 2012, users had shared over one billion photos on the Snapchat iOS app, with more than 60 million photos or messages sent each day.

As of February 2013 Snapchat confirmed a $13.5 million Series A funding round led by Benchmark Capital, which valued the company between $60 million and $70 million.

On November 14, 2013, *The Wall Street Journal* reported that Snapchat declined a cash offer from Facebook of US$3 billion to acquire the company. *Om Malik*, on November 15, 2013, also reported that Google offered $4B for the company but Evan Spiegel declined. On December 11, 2013, Snapchat confirmed $50M from Coatue Management in Series C funding

Strategy: We didn't think we were ever going to raise venture capital so we were planning very early on to generate a revenue plan.

Strategy: The Company wants to dominate a mobile space centered on communication. We're getting closer and closer to our goal of making communication fun again.

Goal: The goal isn't to eliminate the possibility that someone could make a permanent copy of a private photo, but to set transparent expectations around the conversation. A little friction is powerful.

Business Model: What I'm really excited about is this really awesome new ad format we've been experimenting with. We think it's really engaging. We think when ads are done right, they can be informative and delightful and we are really excited about that.

Product: We care about the frequency of use and long term retention of our customers.

Product: By taking out the forever part of a picture of text, more people want to share. They aren't afraid to put themselves out there, to send an ugly picture that may turn someone off or a beautiful picture that may seem narcissistic. They know it will eventually disappear.

Growth: Scaling is the company's greatest challenge, as it's difficult to deliver images in real time; if an upload fails for social networks, users can just post the photo a bit later. But if a photo fails to send on Snapchat, the conversation dies.

Feedback: I think with any new product that's difficult to understand there are always lots of questions and criticism. I think we have all the right criticism. We're just going to keep executing on what we believe.

Trend: We really think this is a big idea...it's just the very, very beginning of something we call ephemeral media, media you share that disappears. So it's hard to say right now, but it's a really big space and we look forward to exploring it.

Exit: There's no way I'm going to work for anybody else. I don't think you're going to see us selling any time soon.

[Fab](#)

Fab is an e-commerce company focused on everyday design across all price points and all verticals. It is one of the fastest growing e-commerce sites, having grown from 175,000 members at launch in June 2011, to over 10 million as of December 2012.

Fab was founded by serial entrepreneur Jason Goldberg, Bradford Shellhammer, Nishith Shah and Deepa Shah in February 2011 and launched on June 9, 2011.

Fab serves more than 11 million members across 26 countries. Fab grew sales by more than 500% in 2012, one-third of which comes from users of the Fab mobile apps for iPad, iPhone, and Android devices. In February 2013 Fab was named the #5 most innovative company in the World by Fast Company.

Less than two months after launching in June of 2011 Fab secured an $8 million funding round led by Menlo Ventures. Fab's largest round of funding, $105 million, occurred shortly after its 1 year anniversary in July 2012. The Series C round was led by Atomico.

As of April 30, 2013, Fab has disclosed that it receives 6 million unique visitors per month and has sold over 7 million products since launch. In July 2013, fab eliminated 100 positions at its Berlin office as a profit-building measure. Fab laid off 101 more staff, primarily at its New York office in October 2013, further reducing their workforce by 19 percent

Launch: Fab is a viral success, in part because of a clever invite scheme. When Fab.com launched, users could request an invite, then gain different levels of access based on how many of their friends joined.

Vision: I always say we're not building a company, we're building a brand. We think there's an opportunity for Fab to be the one of the next great brands on the scale of an IKEA, a Google, a Facebook, an eBay. A brand that people know all around the world.

Focus: We're going to do $150 million in sales this year, but, frankly, I don't give a shit if our sales are $130 million or $170 million. I care about the brand we're building and the emotional bond we have with our customers." Those are both critical--and fragile. Right now, I'm focused on how to scale to $1 billion. The best way to get there is to stick to our business goal: If we make people smile, lots and lots of money will follow over time.

Strategy: Over 90 percent of the products that you find on Fab, you can't buy on Amazon or on other online retailers. And that's because we've got this awesome team of design scouts, who literally scour the earth looking for great design finds, and based on how excited we make users.

Strategy: We've gone from 100 to 650 [employees] and most people in the company are just focused on finding great products. We're constantly looking at is how do we keep it fresh, keep it new, keep it exciting. Every day on Fab we have thousands of new arrivals.

Growth: We invest our cash in building the teams, and investing in teams and the resources the teams need to succeed. But we will look at a build versus buy based on the team. If we feel there is a good team in a market that could become Fab then we will look at it. But we're not just looking to buy our way in. We're just as comfortable with building teams as well.

Culture: The biggest thing for us is, Fab is Fab is Fab, everywhere we operate. That's the culture, the team, the products on the website, the look and feel, the operations, the customer service.…Getting this culture right is key to getting the brand right. Our number one thing at Fab is, it's gotta be real, it's gotta be authentic. What we say is what we do."

Marketing: Goldberg ran a batch of Facebook ads to gain initial traction. The ads targeted people who follow design blogs. Email invites have been particularly successful, resulting in four times the revenue of any other social-sharing sources.

Marketing: Goldberg believes that social sharing is a powerful tool, something he learned as the founder of Socialmedian and Jobster and the chief product officer at XING. Fab heavily invested in social media as a method of marketing. And social linkage leads to sales, at least on Fab, says Goldberg. If people use the social features on Fab, they buy twice as often as people who don't.

Mobile App: Building mobile-first forces us to think about how Fab will be used by people on the go first, and people at their desks second. The company's mobile apps contribute 33% of Fab's daily visits and 33% of Fab's daily sales. CEO and co-founder Jason Goldberg envisions a time soon where mobile will be 50% of Fab's revenue.

Lesson: It's all about the product. Always has been. Always will be. The only thing that matters is how good your product is. All the rest is noise. Spend the majority of your time figuring out how to cultivate pockets of traction amongst your early adopters and optimize around that traction. Traction begets more traction if you are able to jump on it.

Lesson: Make sure your personal business goals are aligned with the goals of your investors. The business will only succeed if you are motivated. Investors can't force the business to succeed. And they certainly can't force a CEO to care.

Lesson: Raise as little money as possible when you first start. Force yourself to be budget constrained as it will cause you to carefully spend each dollar like it is your last.

Codecademy

Codecademy is an online interactive platform that offers free coding classes in programming languages like Python, PHP, JavaScript, and Ruby, as well as markup languages including HTML and CSS. As of September 2011, the site had over 550,000 users who had completed over six million exercises.

Codecademy was founded in 2011 by Zach Sims and Ryan Bubinski. Sims dropped out of Columbia University to focus on launching a venture, while Bubinski graduated from Columbia with a degree in computer science and biophysics. The company, headquartered in New York City, raised $2.5 million in Series A funding in October 2011 and $10 million in Series B funding in June 2012.

According to the *Wall Street Journal*, Codecademy has over 24 million unique users taking its free coding classes via the web and its recently launched Hour of Code iOS app as of December 2013.

Goal: Build the educational experience the Internet deserves. The company wants to empower people to not just learn but to become teachers themselves (through Codecademy's user-created courses).

Launch: We tried really hard to make the sign-up process as frictionless as possible. Codecademy amassed over 200,000 followers within 3 days of launching without any advertising.

Strategy: One thing that makes Codecademy work so well is that it created a community of learners who can encourage and help each other by building their own lessons.

Business model: The company's mission is to lower the barrier for learning how to code and making a profit doesn't really seem to be on the top of Sims' mind right now.

Focus: Education has been one of the biggest markets people have been interested in paying favor. The big priority for us, beyond raising capital, is to become the place for people to learn programming. Monetization comes further down the line.

Marketing: We were lucky enough that our users got the word out for us. They were the ones that put it on Facebook and Twitter; they were the ones who shared it with other people. We never did any advertising or anything; it was all user-driven.

Future: Codecademy has the opportunity to "build a global community of people who build things.

[Skillshare](#)

Skillshare is a community marketplace to learn anything from anyone. People can offer classes to others on any type of skill, from baking cupcakes to raising startup capital. Skillshare allows anyone to teach a class — and make money while doing so. Users choose to learn topics in five main categories at very little cost: creative arts, culinary arts, entrepreneurship, lifestyle and technology. All of Skillshare's classes are now live and interactive, offering students face time with teachers via live, online office hours

SkillShare was founded April 2011 by Michael Karnjanaprakorn and Malcolm Ong. Skillshare has raised $3.1 million in funding, expanded class offerings outside of New York City and, most recently, hosted its first conference.

In January 2013, Skillshare secured $1 million in funding from Zappos CEO Tony Hsieh's new investment arm, Vegas TechFund.

The idea: (Malcolm)-Once I convinced myself this was an idea I'd like to pursue, I asked a dozen really smart people I knew what they thought about the idea with a small twist. Rather than asking them if they liked it, I asked them why the idea wouldn't work, why it would fail, and why I shouldn't work on it. Malcolm did the same thing and we eventually had a list of 20-30 huge holes in our idea. We hit the drawing board again and came up with solutions to plug all the holes.

Strategy: Skillshare is nothing without its community, which is why social aspects like endorsements and student-led study groups are so crucial. The best learning experiences are meaningful and collaborative, and that happens when people learn together with others who share their passions and when teachers constantly improve.

Focus: Like the guys at Foursquare said in the early days, we're building the business that builds our business.

Focus: Skillshare isn't interested in focusing on tests or quizzes, it wants to be the platform where students can build "real things" and demonstrate their comprehension through projects, not the typical assessment models endemic to higher ed institutions.

Growth: We're at the point where we're not asking, 'will this work', but, 'how can we grow this.'

Growth: Partnerships, video classes, accreditation, even setting up physical schools–these are all on Skillshare's roadmap, which is maybe a five-year plan. I'm a firm believer in keeping our team really focused. I've seen people fall into the trap of getting excited by new shiny ideas.

Funding: We didn't choose investors in a couple days. This is a relationship we've developed over years. We knew all of them and when Mo gave us a call and wanted Spark to get involved, he mentioned on the phone that he's been waiting to make this call for years. For us it was a very easy decision.

Lesson: It took 5+ years of climbing the ladder of ideas and immersing myself in a lot of different experiences. There is no rush in understanding yourself and your passions. Keep in mind that most entrepreneurs get stuck in this stage because they never execute anything.

Lesson: Looking back, I realized that I wasted a lot of time solving the wrong problem, which is a trap that sucks energy and money out of many entrepreneurs. Instead of focusing on the solution, most first-time entrepreneurs need to focus on the problem they will be solving.

Lesson: I failed over and over, but as long as you make the best decisions and take calculated risks, you can successfully launch your idea and make the world a better place!

Lesson: I personally spent a lot of time *validating* the idea as I didn't want to fall in love with it too easily. In other words, I did all the research I could to convince myself this was worth my time, which is the true goal at this stage.

Future: In the immediate future, Skillshare plans to focus on increasing the amount and diversity of its classes, along with expanding into new cities, both at home and abroad.

Pocket

Pocket, previously known as **Read It Later**, is an application for managing a reading list of articles from the Internet. It is available for the iOS, Android, and BlackBerry and for multiple computer browsers.

When you find an interesting article, video or web page that you want to read, watch or view later, you can put it in Pocket. Once it's in Pocket, it automatically syncs across to your phone, tablet and computer so you can view it anytime on any device, even without an internet connection. Pocket also allows you to save content from the web, but the service also lets you mark content from over 300 apps–including Flipboard, Twitter, Pulse, and Zite.In 2011, Pocket had 2.5 million users; now it has over 5 million.

Read It Later was first started in August 2007 by Nathan Weiner. Once his product was used by millions of people, he moved his office to Silicon Valley. The company obtained venture capital investments of $2.5 million in 2011 and an Additional $5.0 million in 2012.

As of July 2013, Pocket had recorded 9 million users and 240 million saves.

Focus: Read It Later was a simple tool that focused on doing just one thing: saving things for later. Pocket is about taking all of the core parts of what people did with Read It Later and making them better, easier, and quite honestly, just a lot more fun to use.

Why Pocket: The problem that people face today is that there are a thousand places to discover content and a multitude of devices to consume it with. Our key differentiator is in our thinking and approach to this problem. A 'save for later' service has to have ubiquity. It has to be available on every platform and supportive of all types of content. The world is visual and about more than just text. What Pocket has finally solved is finding a way to be all encompassing while still keeping it beautifully simple.

Goal: At Pocket, the goal is to find ways to turn the time-shifting habit into a plus for publishers, perhaps by offering them an inside look at the data the startup gathers about how people use and share content once they've "Pocketed".

Design: The development process was the same. Design however, required a lot more thought. When we did our initial wire-framing we started with two base designs: phone and tablet. Once these designs made it into build and we started using it on an actual Fire it immediately felt wrong. The Fire's smaller form factor and narrow screen proportion is pretty unique compared to the other devices we've been working on. In the end we decided to add a third design category for 'small tablets' like the Fire.

Strategy: The launch of Pocket is about the platform that we've built and what we're going to be able to do with it. The rewritten platform allows us to iterate and move faster than ever before. We have a lot that we want to do and today we get to start building it.

Strategy: Read It Later was profitable from the day it launched its iPhone app. Before today it was the number one paid news app on Android and Amazon and a top app on iOS. Read It Later made money, but that doesn't mean it was doing it in a way that best fit our type of service.

Why Go Free: Paid apps are hard for a service like ours for two reasons:
1. It is hard to ask most people to pay for something they don't understand
2. Our value lasts a long time.

Marketing: Pocket got to its first 4 million users with no marketing or PR. It was simply a product that people loved, shared and wrote about. During that time I just stayed focused on building a great product. I was probably pretty lucky to some degree. In the past year, since expanding the team just beyond myself and raising some additional capital, we've started putting together a lot more effort in marketing and PR and have seen that it can do wonders for a solid, put-together product.

Scaling: I learned how to scale it the same way I learned to build/program which was to just learn by doing. In the end, I think the architecture was built around my optimism. I tried to think ahead before adding any new feature or process to the server just in case Read It Later would suddenly become massively famous and popular overnight.

Future: Pocket might even provide ways for publishers to sell content or advertising through the app. (Pocket doesn't currently show ads, and wouldn't until there's a fair way to share the revenue with publishers.

Lesson: Build a product that you want or need for yourself. Making a successful product isn't an easy or short process. It takes a lot of work, patience, and sacrifice. If you are doing it for any other reason than making a product that you care about, it'll never work.

Coursera

Coursera, one of a growing set of educational technology startups looking to combat the rising costs now endemic to higher education with smart, scalable, web-based solutions. The company founded in April 2012 by computer science professors Andrew Ng and Daphne Koller from Stanford University. Coursera works with universities to make some of their courses available online, and offers courses in engineering, humanities, medicine, biology, social sciences, mathematics, business, computer science, and other areas.

The company's technology enables the best professors to teach tens or hundreds of thousands of students. The company has 3.2 million registered users, an increase of nearly 700,000 from mid-February 2013. In September 2013 it announced it had earned $1 million in revenue through verified certificates that authenticate successful course completion.

In January 2013, Coursera announced that the American Council on Education had approved five courses for college credit. In late October 2013, Coursera teamed up with the US State Department to create learning hubs all over the world. As of December 2013 the company had raised $85 million in venture capital.

Vision: The Company envisions a future where the top universities are educating not only thousands of students, but millions.

Concept: Students learn best not by passively watching video, but by thinking, practicing and doing. Our education technology is developed around these concepts, and helps busy students quickly master material.

Revenue model: The contract between Coursera and participating universities contains a list of ways to generate revenue, including certification fees, introducing students to potential employers and recruiters (with student consent), tutoring, sponsorships and tuition fees.

Monetization: The most promising source of revenue for Coursera is the payment of licensing fees from other educational institutions that want to use the Coursera classes, either as a ready-made "course in a box" or as video lectures students can watch before going to class to work with a faculty member.

Monetization: One way is to help employers and organizations to close skills gaps. Even though there is rampant unemployment in many parts of the world, there are still large numbers of jobs that are going unfilled because employers are having a hard time identifying people with the right set of skills. So by matchmaking, employers would basically help support this effort.

Strategy: Part of what Coursera's gotten right is that it makes more sense to build your user base first and then figure out later how to monetize it, than to worry too much at the beginning about how to monetize it.

Strategy: This is about education, it is not about making money, and so if you can't afford it we still want you to benefit from it. This is not the sort of decision that a normal company would make. But we are here to educate everyone.

Strategy: The Company remains interested in keeping courses free. That's how the company took off in the first place, as one of the top providers of massive open online courses, or MOOCs. But a free course does not mean a free end product, so the company is looking at commercializing its certificates.

Strategy: Users who pay for end-off-course awards have to submit a photo ID of themselves to the company and are also tracked based on their "unique typing pattern" to ensure that people who take tests or turn in assignments are who they say they are.

Growth: Monetization is not the most important objective for this business at this point. What is important is that Coursera is rapidly accumulating a body of high-quality content that could be very attractive to universities that want to license it for their own use. We invest with a very long mind-set, and the gestation period of the very best companies is at least 10 years.

Square

Square is an electronic payment service, provided by Square Inc. Square allows users in the United States and Canada to accept credit cards through their mobile phones, either by swiping the card on the Square device or by manually entering the details on the phone.

Square consists of a card reader and two apps, Square Register and Square Wallet. The card reader is a plastic device which plugs into the audio jack of an iPhone, iPod Touch, iPad or Android based mobile phone. The Square Register app accepts credit cards using the card reader device. Square was co-founded by Twitter creator Jack Dorsey and Jim McKelvey in 2010.

Square received angel investment from Marissa Mayer, Kevin Rose, Biz Stone, Dennis Crowley, Shawn Fanning, Ed Cramer, and Esther Dyson. Since then, it has raised several additional rounds of funding from Khosla Ventures and Sequoia Capital Starbucks and Kleiner Perkins Caufield & Byers.

The company has raised more than $200 million—and is now valued at more than $3.2 billion. Square's revenue rose to roughly $42.5 million in 2011, from $2 million in 2010, according to PrivCo.com Inc., a New York research firm.

In June 2013, Square released Square Stand, which aims to turn the Apple iPad into a more complete point of sale system. In July 2013, Square launched Square Market which allows sellers to create a free online storefront with online payment processing functionality. In October 2013, Square launched Square Cash, which allows person-to-person money transfer over e-mail.

How Square started: It came about because my cofounder is a glass artist and he sells these beautiful glass faucets and he was selling one for $2,000. And all he had in his pocket was his mobile phone. He couldn't accept the credit card from the woman who wanted to buy this faucet and she didn't have a checkbook and she obviously didn't have $2,000 of cash, so he lost the sale.

Goal: Square is well ahead of where we thought it would be. We're not international. But we do have a goal this year…to see Square in many markets around the world. My goal is to simplify complexity. I just want to build stuff that really simplifies our base human interaction. Twitter was around communication and visualizing what was happening in the world in real-time. Square was allowing everyone to accept the form of payment people have in their pocket today, which is a credit card. So we have built the simplest way to accept credit cards.

On New Technology: We build it for ourselves, first. If we love using it on a daily basis, then there's probably some resonance there. And we start testing it with other people and if the

resonance is validated, we scale it. It's really hard to quantify or qualify, but you know when you see it. You feel it.

On Building New Companies: Every day is a roller coaster. Every day is an existential threat, questioning the entire business. You wake up and you are completely jazzed about what happens and then you read an article…about a potential competitor or a rumor, and it feels like—wait, what are we going to do?

On Business Planning: We definitely have a lot of plans and we stick to them and hold ourselves accountable to them. But the way we funded ourselves is not [showing investors] a 40-page business plan. It was by asking, "Do you have a credit card? I'd like to show you the new product." Once they are hooked, say, "Here's how we will scale. Here's how we will build it.

On Minimizing Fraud: So we actually have a lot of benefit in using the credit card system itself because a lot of the protections are on the payer side. When someone issues you a credit card, when your bank issues you a credit card, they assume that that card is going to be lost or stolen. So all of the protections are watching the payer. So if we get a swipe or if we get a signature on those card payments then a lot of the risk is off us because we know the payer was in that location. And apart for that, there's a lot of information in these phones. There's GPS. We know where the transactions are taking place.

Lesson: I think the biggest thing to do -- the hardest thing to do -- is start. You have all these ideas and everyone has an idea but it's really about executing the idea and building the idea and attracting other people to help you work on the idea. That is the biggest challenge. But the way to begin is to get the idea out of your head, draw it out, talk about it, program it if you're a programmer or make it if you're building something.

Advice: Pick a movement, pick a revolution and join it. What we want to bring into the world is revolution. Revolution has values, revolution has purpose, revolution has direction, and revolution has leaders. Revolution looks at the intersection ahead and pushes people to do the right thing.

Your Turn!

You are the only one standing in your own way. Make that step today, get to work and create something remarkable this year.

These startup strategies and lessons tell of easy, quick, difficult and overnight success stories but in reality there are almost always massive challenges, delays, setbacks, risks and uncertainties along the way.

I hope you found this resource guide useful. Remember, your own experience could be an inspiration to others. Kick start your idea now! You could be the next big thing. Just give it a try.

If you have already started your business, keep sharing your experiences with the public.

Finally, if you have enjoyed this book, feel free to let me know. You can write directly from Alltopstarups.com where I share resources young entrepreneurs need to start and grow successful businesses today.

You can also connect with me on Twitter, Facebook, LinkedIn or Google+

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Thomas Oppong is the founder and editor @ Alltopstartups.com (resources for young entrepreneurs looking to start or grow successful businesses).

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