

MoS Episode Transcript: Julia Hartz

LEX GILLETTE: I played baseball before I lost my sight. So, I had an idea of how to swing a bat, how to, you know, catch a ball, and things like that.

REID HOFFMAN: That's Lex Gillette, track and field athlete and four-time silver medal winner in the long jump at the Paralympics.

GILLETTE: Once I had lost my sight I found out about beep baseball, and that's an adapted form of baseball for the blind. And so the ball makes a beeping sound and the bases make a buzzing sound.

HOFFMAN: Beeps and buzzes – they don't seem like much. But with just those two sounds, Lex could build a detailed picture of the game in his head, and see with crystal clarity what he had to do. He used a similar strategy to shoot hoops when he first learned he was losing his sight.

GILLETTE: I had bought this basketball rim as a like a twelve, thirteen-year-old. And it was the type of rim that you buy and you put on your closet door. And so I used to shoot on this basketball rim. Mind you, I couldn't see at the time, so I didn't know if the ball was going in the rim or not.

HOFFMAN: So Lex pinned the basketball net closed. Now when the ball went in the net, Lex wouldn't hear it hit the floor, and he'd know he'd made the shot.

GILLETTE: It helped me to visualize and envision where that rim was and I eventually got to the point where I could shoot from anywhere in my room and I could just, you know, make the shot every single time.

HOFFMAN: Lex taught himself to listen intently to feedback and react on it in a split second. This skill was essential in the long, hard road to becoming a top athlete. Using feedback from trusted coaches, Lex kept tweaking his approach and boosting his results.

GILLETTE: I'm fortunate to be able to do box jumps or jump over hurdles or do long jump. And that's really cool. I'm pretty sure from the outside looking in it looks amazing. But all of those things are because I have amazing coaches. I have an amazing guide.

So many times in in life you may have a group or a team and we just automatically assume that people see things the way we do, when in actuality that person may have a blindfold on, figuratively speaking.

HOFFMAN: We all wear figurative blindfolds that narrow our perspective. To free ourselves from them, we need to listen to feedback as keenly as Lex. For a founder, this is especially

important when it comes to your customers. Learning to listen to, and act, on their feedback is essential. But if you want to build a product that surprises and delights, you need to do more than just listen to your customers. You need to inhabit their mindset. See through their eyes. And rapidly put into play the insights that you glean.

I believe customer feedback is the coiled spring that catapults your company forward. It will continually adjust your trajectory, while keeping you on target.

[THEME MUSIC]

HOFFMAN: I'm Reid Hoffman, founder of LinkedIn, investor at Greylock, and your host. And I believe customer feedback is the coiled spring that catapults your company forward. It will continually adjust your trajectory, while keeping you on target.

Imagine you're a field general in the late days of the Roman Empire, operating a massive catapult. The enemy hordes are just over the hill – and soon they'll overrun your position. Your towering catapult is primed and straining to unleash its devastating payload. But between each shot you take, you need to reload and reset. Every turn of the winch takes time and energy, but the enemy is always on the move. You need to make every volley count.

This is why you have scouts, people on your side who can sight your foes from multiple positions and direct your aim toward the most advantageous target. Your scouts have to be fast, and their message has to reach you in time. If you can't react swiftly to the intel, your target will be long gone by the time you're ready to fire. And pretty soon, you'll be overwhelmed.

As a company founder, your aim is to serve, not to destroy. But like the field general, you're also presented with many tempting targets – and severely limited time and resources. You need a way to identify the most strategic targets, and then quickly bring your arsenals to bear. One of the best ways to do this is to treat your customers as your scouts. Take your cue from not only what they say, but also from what they do. Build your ability to interpret what they really want. And then make sure you're primed to act on this feedback as quickly as you can.

It's a strategy that's peppered with pitfalls. If you're too reactive to what your customers say, then you can lose focus on your core product. If you listen to too many customers, then you'll spread yourself too thin, trying to be all things to all people. And if you listen only to what people say and not to what they do, you may aim in the wrong direction altogether.

I wanted to speak to Julia Hartz about this, because she has made rapid response to customer feedback the driving force behind Eventbrite's strategy. Julia founded the ticketing platform Eventbrite with her husband Kevin Hartz, and their third cofounder Renaud Visage, in 2006. She took over from Kevin as CEO in 2016. She believes passionately in learning from your customers — and in particular, listening not just to what they say, but what they actually need

and what they mean. In many ways, Julia's career is rooted in listening — a skill she learned at an early age.

JULIA HARTZ: Well, I grew up in Santa Cruz, and there's not a whole lot going on in that sleepy little beach town. I started dancing when I was five in the garage of the studio owner's house. By the time I was in grade school, I was dancing five, six, sometimes seven days a week. And I lived at the studio. I would dance for hours. I'd do my homework there, eat dinner there. It was a community, but it was a way for me to express myself. What they gave me in my life was an ability to absorb feedback quickly.

HOFFMAN: Julia was learning to hear what people said and react to it in real time. It's a skill she developed not only in the dance studio, but in all the jobs that would follow. She learned to listen to what people say, and then cut to the core of what they actually mean. And she learned fast. Like the time she was working at a local coffee shop...

HARTZ: I was 14, at The Ugly Mug in Santa Cruz, where I grew up. I learned how to make a great latte, but the biggest lesson was this woman would show up at the door at 5:55 a.m. and walk in and yell at me for like a good 15, 20 about how bad the coffee was that I was making her. And I would get like a pit in my stomach for the first few weeks. Then, I just realized one day: she didn't have anyone to talk to. It wasn't about me. It's not about the latte. It's like that lesson was one of the most important lessons I've ever learned in my life. I learned it at 14.

HOFFMAN: "It's not about the latte." It's a deceptively simple statement — one that can save you a lot of time and effort if you learn the lesson well. Because what sounds like direct feedback — the kind of feedback that calls for clear action — is often something quite different. If Julia had taken that customer's feedback at face value, she would have tied herself into knots trying to satisfy impossible demands. And she'd never have mastered making a great latte.

HARTZ: I remember thinking: it's not about the latte. You know, with those people, you're like wait, they need someone to talk to. And they're not upset about you or it or — it's about something else. You got to kind of like put it into context.

HOFFMAN: Julia set her sights on a career in TV production. It was a world in which she'd learn to listen to some of the most demanding and mercurial people in the world: TV producers and Hollywood stars.

HARTZ: My first job was on the set of "Friends". My job was to hold the set phone. When it rang, I was supposed to find whoever that person was looking for. This was the height — it was '97 or '98 — it was "the show". It's the biggest set, all this hustle bustle. It was crazy.

HOFFMAN: Amidst that chaos, Julia had to listen to people and get them what they wanted — fast.

HARTZ: I would carry this phone that would periodically ring. And it would send daggers of terror into my body because, A, I would have to deal with the person on the other end of the line – anyone who has the number to the "Friends" set definitely does not have time to patiently describe to me who they're looking for. And B, I'd have to go find that person. They'd be like, "Hey, I need Jen." I'm like, "Oh god." But it was horrible. I hated it.

HOFFMAN: Julia didn't let the experience on the set of "Friends" deter her from her goal. She soon went on to success as a TV executive, first at MTV, then the FX network.

HARTZ: I worked at the third and fourth season of "The Shield", the first and second of "Rescue Me", and the second and third of "Nip/Tuck". And talk about three incredibly different creative processes and minds; three very different shows. But being at FX during that period and watching a small group of renegades really have the conviction that they could change the game of cable television was incredible.

HOFFMAN: Julia loved the creativity and the openness towards new ideas she experienced at FX. But she found the television industry frustrating as a whole.

HARTZ: I never quite understood the sort of rules of networking and how you got ahead in Hollywood. There was sort of this lack of meritocracy. It just didn't really make sense to me that two hours invested having drinks with this agent would somehow pay off in six months or something. It didn't add up for me.

HOFFMAN: It was around this time Julia started dating Kevin Hartz, who she describes as the quintessential entrepreneur.

HARTZ: My journey, which was pretty planned out and very intentional, was incredibly and rudely interrupted by Kevin Hartz. And what I've learned about him in hindsight and being his life partner and looking back on his life is he's really good at rudely interrupting other people's plans and putting them on another path.

HOFFMAN: Through Kevin, Julia was exposed to the tech scene of Silicon Valley. The more she learned, the more invigorated she became. The pair decided to launch Eventbrite, a new ticketing service. And they recruited their co-founder Renaud Visage to join them as CTO. The ticketing space itself was already crowded. But they saw an opportunity to serve a neglected segment: small event organizers. These customers had little, if any, money to spend on their events. But there were a lot of them.

They started with a single vocal vertical, and got to know their needs well. Very, very well.

HARTZ: So when we first started Eventbrite we built the product hand-in-hand with our earliest users. And those early adopters were mainly tech bloggers, who were using the platform to host meetups. And part of that process was creating a very sort of tight feedback loop with literally the most critical people you could possibly have using your product. We all tend to be gluttons for punishment around here.

HOFFMAN: Among Eventbrite's first customers was the tech blog TechCrunch, and the event that would ultimately grow into TechCrunch Disrupt. It's hard to imagine a more critical audience for your new technology than actual, professional tech critics. The sharp observations — and sharper tongue — made TechCrunch perfect partners, in Julia's eyes.

HARTZ: Let me tell you, like there's no better way to get great feedback than to build a product for people who build them themselves, and/or write about them all the time.

HOFFMAN: It was the kind of punishing feedback that would put many people off. But Julia knew how to take it and turn it into something constructive. This honest — and sometimes harsh — feedback catapulted Eventbrite forward. By reacting to it fast, Eventbrite was able to create a revenue stream from the long-tail of event organizers that their competitors had left on the table.

HARTZ: What began as TechCrunch meetups, evolved into the first TechCrunch Disrupt conference. And what a watershed moment that was for us, to be supporting an event, at that point was a small conference, but it felt huge.

HOFFMAN: Eventbrite was now growing in sync with its customers. As they responded to user feedback, the platform got better. And as the platform became better, it could service bigger and more complex events.

Eventbrite could have doubled down on servicing the tech community alone. But instead they kept their platform open to events of all shapes and sizes.

HARTZ: We also maniacally followed what our users were doing. And so because Eventbrite has always been a self-sign-on platform, with a self-service product, that would bring surprises.

HOFFMAN: I speak often about the importance of surprising and delighting your customers. But it's just as important to let your customers surprise and delight you. Julia knew that watching the influx of new customers could point them toward their next initiative, and she continually watched the incoming events. Within the listings for West Coast tech meetups they saw a different kind of event appearing: East Coast speed dating nights.

HARTZ: But that's kind of when the light bulb went on for us: oh wow, we really could create a platform that was fully inclusive of all different categories of events. Because you really can't get farther away from tech meetups than speed dating.

There is a different expectation from those creators, and also a different way of using technology. That was really helpful to start expanding our functionality, and the way we thought about building for different types of people.

HOFFMAN: The tough feedback of their early tech adopters had not only taught them how to make a responsive product. It also taught them how to leap upon and parse customer feedback and translate that into new product features in record time. While customers outside of tech may not be as immediately vocal with their opinions, Julia knew how to encourage it.

HARTZ: We had the benefit of just like constant feedback loop, but when that happened – when we started to see the platform be organically adopted by event creators in different categories in different geos – that's when we really started to understand that we would just follow our event creators.

HOFFMAN: Note: Julia and her team weren't just asking and answering questions. They were watching their customers closely to understand emerging trends — the kind of behavior or use-case you couldn't predict. What kinds of events needed them? And what did those event organizers need? Eventbrite was designed from the start to encourage this kind of feedback loop with its users.

HARTZ: Today, we still serve an infinite amount of categories. We are very much an open door policy on who can use Eventbrite and for what kind of event. It's a huge opportunity for us to be observing event creators and also a great advantage in understanding emerging trends.

That type of observation, of not having a bias towards what you're trying to confirm and not always having a hypothesis that you're trying to prove, but simply observing your customers can yield such great results. And to me is the cornerstone of creating an effortless experience. We do that all the time.

HOFFMAN: In Eventbrite's early days, Julia went to extremes to keep the feedback loop functioning. Customers had a direct line to her cell phone. And almost continual access to her.

HARTZ: I have these relationships with these event creators that have been using Eventbrite for years that have my cell phone, Kevin's cell phone. And in fact, when we were having our first child, I was in the hospital room hooked up to an epidural. So let's just like call that for what it was. So it was quite comfortable.

I was answering customer service emails and the nurse was like, "Ok. We need to get the laptop put away so that we can go to the labor and delivery room." I was like, "Oh no, that's ok. Why don't we just call it for tonight?" Cause I was terrified. I mean obviously, like what was about to happen? I was just like, "Let's just call it for the night. You guys come back tomorrow. We'll do this tomorrow. I've got some emails to answer."

HOFFMAN: One lesson was obviously a massive commitment to it – although I think you're probably the only person I've ever talked to who was still working while in the hospital bed.

HARTZ: It was really a function of not wanting to do the task at hand. There was not one part of me that actually wanted to deliver the baby. I was hoping that there would be a third option that would present itself in the course of me answering these customer service emails. While I was busy maybe they'd figure out a third way.

HOFFMAN: "Here we go."

HARTZ: Total denial and avoidance.

HOFFMAN: Hear me loud and clear: I'm not suggesting that any founder field calls from customers during childbirth — or any kind of medical procedure. But this story does illustrate how connected Julia was to her customers.

It reminds me of something I heard from Mark Pincus, the founder of Zynga, when I spoke to him earlier this season. Mark is known for his industry-leading use of customer data to define strategy. He would constantly fine-tune direction as his team catapulted forward. He also shares Julia's obsession with responsiveness.

HOFFMAN: So I want to read you a quote from a self-proclaimed Zynga employee on the web site Glassdoor: "Pincus does read and respond to every single email that is sent to him. Typically within minutes, it's scary. I think he may be a cyborg." True?

MARK PINCUS: True. I programmed a bot a long time ago to be me and respond to every email, perfectly. I wish that were true.

Yes, I made it my policy early on to respond to every single email from every employee and every customer. And I pretty much, to this day, have been true to it. I think a company hierarchy should be an upside down pyramid. And the more senior you are, the more you should be working for the people in the trenches and ultimately your customers. And so it's a way to keep pulling you back into the present and not let you ever get out of it. And if there are a lot of emails, there must be a lot going on.

The other thing: It's really fun to blow someone's mind and it's really fun when you get an email from a customer – and we've all been there – saying, “I'm sure that you'll never respond to this, but let me tell you what's wrong with your company and with this product.”

And to respond to them by name and within a few minutes and they can tell that you wrote it yourself? Just blows their mind and it's just fun to do. And the same thing with employees that when they feel like they're one email away from you, there's a connection in the company, to you as a founder, and it's not a faceless corporation. I'm not sure that it perfectly scales but it's a way of, throughout the ranks, of having someone who has a story of “this company cares.”

HOFFMAN: What Julia and Mark have in common is they maintained extremely rapid feedback loops as their companies scaled. The goal is that it becomes second nature, and serves as a sixth sense for your entire team. Like a super-charged form of echo-location: You send out a pulse, and it bounces back. You filter out the important information, and act. Where your competitors see an impenetrable darkness, you have a piercing clarity of vision.

Through thousands of conversations, Julia and her team observed clear patterns in what different types of event organizers needed. These needs transcended the category: Whether a tech blogger, a speed dater, or a purveyor of goat yoga (yes, that's a thing) — events of similar size tended to have similar needs. As Eventbrite scaled its customer base, it also scaled its offering.

HARTZ: It really grew over time to include the support of growing businesses by event entrepreneurs. We had always hoped that we would be supporting entrepreneurs through our platform, but we didn't know the magnitude. We really had no idea the strength of that entrepreneurial community in event creation, as well as our ability to be able to create a platform that would help them grow their businesses beyond just ticketing their events.

HOFFMAN: As Eventbrite added features and services, they kept a close eye on what customers were doing. They scoured usage data, customer emails, and also search engine traffic. One trend they noticed was the way organizers promoted events outside of Eventbrite.

HARTZ: One example of that was in 2009, we started to see Facebook pop up as one of the top 10 traffic sources to the site. This was very early days Newsfeed. Facebook Connect was not launched yet...

VOICE: Facebook Connect is the service that lets third-party developers build apps and games that connect with Facebook accounts.

HARTZ: Our head of product at the time said, "Hey, check this out. I wonder how people are using Eventbrite and Facebook." We investigated. We found out that event creators were publishing their Eventbrite event listing and then taking the description and manually copying and pasting that into Facebook, into a Facebook event to promote their event on the Newsfeed.

We took our data and our findings to Facebook. We gave them to Dave Morin. We said, "Hey, check this out." In turn, he gave us the events API key that nobody else had for Facebook Connect. We built the bridge for event creators to be able to just one button push their content into Facebook. We were part of the Facebook Connect launch.

HOFFMAN: But they didn't restrict themselves to desk research. Julia and her team were determined to get into the thick of things. Even if that meant hitting up tech seminars, speed dating nights, and goat yoga retreats.

They were on the lookout for the challenges event organizers faced. They wanted to get the jump on helping to solve these challenges. They could then offer these solutions to other event organizers, before the organizers knew they needed them. This resulted in a number of innovations that helped organizers as their events scaled from a few dozen people to thousands.

Here's Tamara Mendelsohn, Eventbrite's VP and GM of Marketplace, talking about one such challenge.

TAMARA MENDELSON: As we've gotten into larger and larger events, our festival creators – so creators that are hosting festivals that have tens of thousands of people – needed a faster way to get their attendees through the door. So we invested in RFID technology.

HOFFMAN: That RFID tech she's talking about scans tickets electronically as people pass it. It's a real-world solution that goes beyond Eventbrite's digital platform.

MENDELSON: But when we went and observed how people were using this technology, what we found was that traditionally in the industry the readers of the RFID chips are these huge 300-pound gates that you basically need a forklift to move around. So once you set up your entry configuration, they were static. You couldn't move them.

HOFFMAN: This meant that, even with RFID readers, bottlenecks occurred.

MENDELSON: Sometimes you'd see lines back up, and that was always really painful to watch. Because you could see the fans so excited to enter the festival, but having to wait.

But what we realized is that our creators needed much more flexibility to be able to manage the crowd flows; at the end of the festival, to be able to take them all down, so people could just exit all at once.

We realized what we needed to create was something that looked completely different than what was in the industry at the time. Something that could be moved around easily. So what we created was this five, six-pound device, that could be clamped to a metal gate.

HOFFMAN: Notice how the Eventbrite team catapulted past their original product, which lived entirely in the digital realm. They were now creating physical products for organizers to use at events.

They built a prototype. Then they went out again to observe it in use, and get more feedback from event organizers.

MENDELSON: We had created them in a way that needed a wrench to be able to move them, for security reasons, from one bike gate to another. What we found was that was really inconvenient, because who walks around with a wrench in their back pocket? So when they needed to change things on the fly it was a mad rush to find a wrench.

So in the next version of our product we created a clamp on the back that can be easily opened and shut, just manually with your own two hands. So by watching our creators use our product, we were able to continue to iterate on it.

HOFFMAN: Many products ship with a wrench-shaped hole that their users aren't able to fill. But if you put in the effort to follow your customers closely, this is a pitfall you can avoid. Another way to accelerate that feedback loop is by looking at how you handle that feedback internally. Julia has developed many ways to do this. One of them is what she calls her "Hearts to Hartz" meetings with Eventbrite staff. Here she is telling me about one.

HARTZ: Yesterday, I was sitting in the kitchen having a mini "Hearts to Hartz". So we have our Q&A, is called "Hearts to Hartz." It was a name made up by a product manager moons ago that stuck –

HOFFMAN: That's a brilliant name.

HARTZ: ... because it's pretty cheesy and brilliant. But I was having a mini "Hearts to Hartz", which is where I get together with about eight to 10 people. It is absolutely my most favorite 30 minutes in any given day. We were talking about how to build great products for our creators going kind of back to the basics. It was a cross-section of different people with different perspectives.

HOFFMAN: Notice how these brilliantly cheesy “Hearts to Hartz” formalize an informal time for people from across the company to come together and share ideas. At each of these meetings, Julia is throwing together a different group of people each time and watching the creative sparks fly. It’s a kind of alchemy. Here’s Julia giving just one example of what can come out of these sessions.

HARTZ: We had one guy from the data insights team whose job it is to look at the data. We had another person who does nothing but talk to customers all day, and to watch them connect and to watch how their experiences could converge was pretty fascinating. It was like this magical moment where it’s like, “You need to move your desk next to you. You need to sit next to each other every day.” Because it is that manifestation of vision and true empathy for the customer coupled with what the data is telling us.

HOFFMAN: Think of it like the core relationship in Star Trek: the data is your Mister Spock, emotionless and logical. And customer empathy is your Dr. McCoy, passionate and all-too human. You, as Captain Kirk, need to make the two work together to get the best out of each.

HARTZ: I actually think the data insights team we have, almost in a way, has benefited from not talking to customers all day, because they are actually looking at just the data. And then looping that together with folks who are talking to customers all day, and reaching out to customers and really creating that human connection. So bringing all of that together to create this matrix picture of where we’re seeing heat and light is really Eventbrite-esque.

HOFFMAN: You need to find a way to hook yourself into that matrix picture. This picture combines an overall vision of what your customers want in general, with pinpoint accuracy on their each and every need. Not just in the present, but in the future. Part of this is about being passive...

HARTZ: We don’t pre-determine that. We typically are observing and following our customers, and really helping them succeed as they’re organically adopting the platform and these pockets are emerging. That’s why this type of union is really powerful, because it does create the opportunity to capture those insights faster, and bring them to the platform faster.

HOFFMAN: ... but you also need to be active. Active in creating a product that is focused enough that customers can clearly see how it can transform their lives. But malleable enough that they can make it their own. And in making it their own, they will show you the direction you need to take to make your product even better.

Julia ensures that Eventbrite is poised to act upon new ideas, opportunities, and feedback from its users just as quickly as it did in its early days.

HARTZ: Today, we have a thousand employees in 14 offices in 11 countries. To get feedback from our creators fundamentally is not any harder than it was back then where I would just pick up the phone and hear about someone's issue and be able to diagnose it and understand who they were and what they were trying to do in the course of the phone call – but it feels so much harder to get that information in real time.

HOFFMAN: Gone are the days when Julia can give out her personal phone number to all Eventbrite customers. But the current system scales that same close attentiveness to customer needs. That attentiveness has propelled Eventbrite to where it is today.

HARTZ: So now today we have over 100 integration partners, and that ranges everything from managing feedback collection, through partners like SurveyMonkey; to managing sales leads with Salesforce. That was a huge moment for us when we opened that channel. And also supporting distribution.

So today if you publish with Eventbrite, your event gets distributed into over 50 partner platforms like Facebook, Spotify, and YouTube. I don't think we would have done that if we hadn't been paying attention to who our creators were and ultimately what they needed – and not even what they were asking us for, because they were asking us to help them sell tickets.

When we really observed who they were and what their needs were, that was when we realized that building an enablement platform with marketplace dynamics on top, would be one of the most important things that we could do for them.

It's both an opportunity and a risk, by the way. Because you can get distracted and be chasing opportunities down many different paths. Our strength is bringing it back to how everything we do helps the event creator be successful. At the end of the day that really is the centering force.

HOFFMAN: Be thankful for that constant roar of feedback from your users. It's the wind that fills your sails and drives you on to new innovations. And if that roar ever quiets down, well, that's when you really need to worry.

I'm Reid Hoffman. Thank you for listening.