

Masters of Scale Episode Transcript: Natalie Massenet

“Don’t predict the future. Create it.”

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MAC ROGERS: An alien spacecraft lands in the Nevada desert. It kind of just looks like a big industrial lump, almost like some Eastern European industrial block landed on Earth. And they open it up, and there's nobody inside, but it's emitting thousands of terrible blood curdling screams.

HOFFMAN: That’s Mac Rogers. And don't worry, you didn't miss a breaking news alert. Mac is a writer, and the story he's telling us is from his latest sci-fi podcast, called “Give Me Away.”

ROGERS: You could theoretically say that it's set right now on Earth 2, or you could say that it's five minutes into the future?

HOFFMAN: In this imagined near future, scientists enter the screaming alien ship. Then they learn its sinister true identity.

ROGERS: What the ship actually is, is a computer mainframe that functions as a prison for the consciousnesses of a large number of extra terrestrial political prisoners that have been uploaded into it and are in a confined cyber space that's an agonizing eternal, purgatorial prison experience.

HOFFMAN: In other words, the aliens in Mac's drama have created a gulag in the Metaverse.

ROGERS: The horrified scientists decide that they want to try to liberate these political prisoners. And they realize the only way to do it is to release them one at a time by downloading them into human minds, which they would then share with those humans for the rest of their lives. What sort of people would sign up for something like that?

HOFFMAN: Mac wrote “Give Me Away” to entertain, but also to ask a question:

ROGERS: What if a new ingredient entered modern life that potentially offered a way for the human race to save itself from a worst case scenario in the future, but that involved tremendous personal sacrifice?

HOFFMAN: For Mac, looking five minutes into the future – instead of five or 10,000 years – is how he grapples with the thorny issues of today.

ROGERS: A lot of the problems of our time can feel intractable. We wake up every day, look at the news, look at social media, and it really just seems unsolvable. You have to push past that feeling a little bit and try to think: Is there a way forward?

HOFFMAN: This is something that certain science-fiction writers and entrepreneurs have in common. Neither knows what the future holds, but each works to envision the coming problems and possible solutions.

ROGERS: I would hope that “five minutes into the future: implied that things could go a couple of ways, and that it doesn’t necessarily have to end in an apocalypse, that it could end in Star Trek.

And that's my hope for what that genre can be is sort of like, well, here's the slightly harder thing we could do and maybe survive.

HOFFMAN: I believe that entrepreneurs can also see five minutes into the future. But to deliver that future at scale, you’ll need to push through multiple layers of resistance to change.

[THEME MUSIC]

HOFFMAN: I’m Reid Hoffman, co-founder at LinkedIn, partner at Greylock, and your host. And I believe that entrepreneurs can see five minutes into the future. But to deliver that future at scale, you’ll need to push through multiple layers of resistance to change.

If you know your Greek mythology, then you may recall the tragic figure of Cassandra. She was the beautiful daughter of King Priam of Troy. The god Apollo set out to woo her – and instead of flowers, or theatre tickets, he gave her the gift of prophecy. But when Cassandra turned the god of archery down, he cursed her. She would be able to tell the future, but no one would believe her.

Entrepreneurs often find themselves in a similar position as poor Cassandra – uniquely positioned to see the future, but needing to push through resistance and doubt. Fortunately, unlike in the myth, this isn’t the curse of the entrepreneur. It’s our gift.

I wanted to talk to Natalie Massenet about this because she has always had a keen eye for what’s next, first as a fashion journalist, then as the founder of the luxury e-commerce site Net-a-Porter. Net-a-Porter pioneered online shopping for fashion, at a moment when buying anything online was seen as impossibly new.

NATALIE MASSENET: People at the time were debating whether they would even buy books online. This was the big talk at dinner parties was, "Oh, Amazon's going to kill bookstores and why would I even ... I need to touch the book." And they were like, "No one's ever going to buy fashion online. They need to touch it."

HOFFMAN: Long before such dinner parties, Natalie was interested in what was coming in the near future. She was born in LA, to a British fashion-model mother and an American poet and journalist father. After her parents divorced, she spent time jet-setting between them.

MASSENET: My mom would buy me these cute clothes in Paris, and I would come back after summer vacation. I'd go to school and my friends were like, "What are you wearing?" And I'd be like, "You laugh now, but you'll all be wearing this in a year's time," because the trends just took a long time to get to Los Angeles.

And sure enough, a year later, they'd all be wearing the stuff that I'd brought back from Paris.

HOFFMAN: After college, Natalie went into the fashion business herself, as a journalist for Women's Wear Daily. She quickly learned the value of spotting trends, covering an industry obsessed with what's next.

MASSENET: If you could see three disparate indications of something new, and it didn't matter if you saw it at a dinner party or on a bus, but if you saw three things that all pointed in one direction, you had a trend. And then you had to name the trend, predict the trend, be the first to talk about the trend, and that's how you got scoops as a journalist.

HOFFMAN: But in the course of spotting trends, Natalie found herself wanting to get into the action. So, she started mulling the idea of a side hustle.

MASSENET: I was buying a lot of plain candles and burning them in my house. And I thought, "If you decorated these and made them really beautiful, you could probably have a luxury candle business."

So I went to Fred Segal in LA, which was like a big purveyor of luxury goods, and I came with some samples, and I said, "Hey, I think candles are going to be the next big thing," and the buyer said to me, "Lady, no one's going to pay more than a dollar for your candles."

I was like, "Okay, well I don't know anything. She knows everything – bad idea."

HOFFMAN: Natalie would think back on this moment once luxury candles became a multibillion-dollar industry. But Natalie had other ideas too. Like this one, from the mid-1990s:

MASSENET: I thought, "Wouldn't it be amazing if there was a place where we could go get a cup of coffee or a cup of tea and listen to music and hang out like a cafe in Europe?" And I tried to get a friend of mine to do this with me. He said to me, "No one's

ever going to spend more than a dollar on a cup of coffee." I thought, "Well, he knows what he is talking about. He's got stores up and down Melrose, so what do I know?"

HOFFMAN: This time, Natalie had accurately predicted not just a trend, but a zeitgeist. But she wasn't in a position to be sure. She had a strong hunch, but no industry expertise or partners to give it the forward-thrusting momentum.

And in fact, this is something that we see over and over in entrepreneurship. It's rarely just one person in the universe having a singular brilliant idea. The vast majority of ideas have a zeitgeist to them. Imagine multiple soccer players, kicking multiple balls into the same net over time. Eventually, one of them is going to hit the sweet spot. Whether that's you depends on, among other things, your ability to build a team, get in the trenches, and iterate.

That's why when Natalie got her third idea, she didn't shrug it off so easily.

MASSENET: I was working for a fashion magazine in London called Tatler, and I noticed that we were photographing all the newest things and telling consumers that they weren't complete human beings unless they owned a particular item, and that the consumer couldn't actually get their hands on it because the merchandisers of stores were filling the shelves based on what sold well the season before.

Consumers were ripping out the pages of fashion magazines, and then scouring the globe. I would call the brands and the designers, and I would say, "Okay, where can my readers buy this product?" They would say, "Oh, it was never bought." Oh. "Just caption it, 'Stylist's Own.'" Stylist's Own was like this mythical thing of like, here's the dress that you must have to be everything you ever dreamed of, but by the way, they never made it.

HOFFMAN: Natalie saw a vast disconnect between the forward-looking fashion brands and backward-looking retail.

MASSENET: The consumer wanted something new, but the stores were selling something old. This is like 1998-1999, the dawn of the internet. And I thought, oh, wouldn't it be amazing, if you could combine the impulse and the marketing of what was new, and allow the consumer to just click and magically receive something on their doorstep?

HOFFMAN: Today of course, this seems obvious. But remember the party conversations Natalie mentioned, where people were debating the viability of Amazon. The Internet was still an unproven marketplace.

MASSENET: This was a time when you had to unplug your telephone to get online, and it would dial up the modem, and it would go EEE-ee-KKkkk, and then the pictures would

load from the top to the bottom. You go make a cup of coffee, and you come back, and the picture's there.

HOFFMAN: Not only was online shopping slow, it also wasn't very glamorous.

MASSENET: For a long time, Amazon sold products with a blue underline hot link, right? This was like very little investment in photography.

HOFFMAN: At that time, the online shopping experience didn't represent the tactile, sensory experience of browsing in a department store or boutique. There was no sales attendant, or trendy music. No courtesy lemon water.

This could be a sticking point for customers who love shopping high fashion, as well as for the brands being bought.

MASSENET: I was like, "Okay, we're going to treat the brands the way that they're used to being treated and celebrate them and make them beautiful."

HOFFMAN: In other words, she had to build a bridge from the present to the future. So she committed herself to making it happen.

MASSENET: I was like, "I don't want to be that sad person, drinking martinis, 80 years old going, 'You know, at the dawn of the internet, that was me. I knew it, people would buy clothes online.'" I didn't want to be the person watching somebody else live out my dream.

HOFFMAN: Remember: with a zeitgeist idea like online shopping, the provenance is never just one person. It's many, many soccer players kicking a multitude of soccer balls into a net.

Natalie knew it wasn't enough to see the opportunity. She wanted to be the one to break through. And this time, she was well-positioned to do it.

MASSENET: I just vividly saw it. It was like I was on a moving conveyor belt, and I was meant to do it.

HOFFMAN: She started with the building blocks she needed most: a functioning e-commerce platform and participation by major brands.

HOFFMAN: There were a number of different magical acts that I think you pulled off very presciently and very early, but one of them of course is getting brands, because brands don't like to innovate. They like to hold onto the brand, the franchise, the exclusivity, et cetera. So here you are saying, "Be part of the dial up modem experience." That must have been a super difficult conversation.

MASSENET: Well, I told them that it was going to be brand-enhancing and that they would reach their customers, and they would reach customers that they didn't have. They were used to fashion magazines, singing their praises, and Net-A-Porter was built like a fashion magazine that was shoppable. So I used the iconography, the magic that was built around putting your brand in front of the right audience as something that they understood, but also something that I intuitively wanted to build the business on. I was like, "Okay, all right, come with me to the future."

HOFFMAN: Again and again, Natalie's superpower has been to look out to the vanishing point where media and commerce meet. Previously, a fashion magazine's business model was to sell ads around all the clothes they showcased in their pages. But why rely on ads when you can sell the clothes themselves?

Natalie describing Net-a-Porter as a shoppable fashion magazine – as opposed to a super-duper-futuristic-website – helped luxury brands understand her proposal. Like a science fiction writer setting her story "five minutes in the future," she used a familiar framing to explain a new idea.

This is something successful entrepreneurs do constantly. You keep the circumstances as relatable as possible, so that investors and consumers alike can warm up to a change. The more you do that, the less resistance you'll meet.

Once Natalie had convinced luxury brands to bet on her vision, doors started to open more quickly.

MASSENET: I mean for a long time, I thought I had a Post-it note on my forehead that said, "Be nice to this girl," because people kept saying yes. Tamara Mellon who had Jimmy Choo at the time who was the hottest shoe brand on the planet. I went to her, and I said, "I want to create a place where women can see a picture of something that they love, like a fashion magazine and click on it, and voila, presto, it's delivered in your front door like magic." And she said, "Yes, this is what I want."

HOFFMAN: Ironically, the part that gave Natalie the most trouble was something that in the future would become a non-issue: building the web platform itself.

MASSENET: There was that little thing where we didn't have Shopify to plug into, so we had to pay and create our own front-end and back-end. Isn't that crazy? We had to put all the money we raised into building a website.

HOFFMAN: This is the inherent trouble with being early in a space. Of course you want to get into a new sector ahead of your competition. But the first one to a new space is the one who needs to create new systems from scratch. It's a lot of work, with a lot of just-in-time learning.

Slowly but surely, Natalie built Net-a-Porter with a small team and a handful of angel investors.

MASSENET: We raised, I mean, I called 30 people I knew, and I asked them for 10,000 pounds each.

HOFFMAN: Headquarters were at Natalie's own London flat. And then on June 10, 2000, Net-a-Porter launched.

MASSENET: Literally the moment when the website went live, I excused myself. I walked down the stairs. I looked in the mirror, and I said, "No matter what happens from today onwards, you did it. You saw an opportunity, and you did it." And that moment is everything.

HOFFMAN: That moment when the ephemeral future you've seen in your mind first flickers into being, it's a big part of why entrepreneurs do what they do. It's a moment that feels like the culmination of something. But it's actually the very first step of a long journey. The real work is still ahead.

[AD BREAK]

HOFFMAN: We're back with Natalie Massenet! If you're enjoying this show and want to share it with friends, share the link mastersofscale.com/massenet (that's m-a-s-s-e-n-e-t). And to hear the complete unedited conversation, become a Masters of Scale member at mastersofscale.com/membership.

Before the break, Natalie was telling us about building Net-a-Porter as a shoppable platform for luxury fashion. It launched in 2000 on the cusp of the dot-com bubble bursting.

MASSENET: What's that Korean TV show where everybody gets eliminated? *Squid Game*. 2000 was a little bit like *Squid Game*.

HOFFMAN: 2000 was like *Squid Game*. You started with many, many contestants trying for the promise of e-commerce. And few were destined to make it.

During the bubble, there was a mad dash of investors funding dot-coms ... any dot-coms. The presumption was that on a free field of capital, you'll have enough time to work out the business. But not everyone did. And you get what we refer to in blitzscaling as the Glengarry Glen Ross Principle: "First prize is a Cadillac, second prize is a set of steak knives, third prize is you're fired."

MASSENET: So I eventually stuck my head up and went like, "There's no one left! We could actually win."

HOFFMAN: In this *Squid Game*-esque landscape, Net-a-Porter had outlasted the competition. But they weren't quite home-free. The world of bits and the world of atoms do not always integrate as seamlessly as we'd like. And in addition to the website, there was one more cost weighing Net-a-Porter down.

MASSENET: We ran out of money because we were buying inventory. We were selling everything. But you had to pay 60 days in advance for something that was high unit value, so ran out of cash pretty quickly.

HOFFMAN: Natalie knew it was time to shore up their cash. So she went to one of the angel investors she had courted during her seed round. He was an investor from the luxury goods holding company, Richemont. And he had initially warned her against taking on too much financing from the firm.

MASSENET: He said, "If we give you any amount of money, we're going to crush you, but here's 10,000 pounds and send me your trading updates."

HOFFMAN: But now that Net-a-Porter was struggling with cash flow, Natalie went back to him.

MASSENET: I said, "How about 20% of the company for 2 million pounds?" And he said, "You've got a deal." That moment, I think, was the Achilles heel, the crack in the windshield, the moment that would, 15 years later, come back.

HOFFMAN: Since we're talking about looking into the future, I asked Natalie what she might do differently if she could receive a call from her future self.

MASSENET: I would definitely say get a lawyer. That's the one thing. A lot would be different just with that one act.

HOFFMAN: If Natalie could have glimpsed this future, she would have seen that the contract she signed with Richemont as a strategic investor gave them far too much power over Net-a-Porter's future direction.

MASSENET: I now spend all of my time telling founders, don't take money from strategics, and make sure that they don't have first right of refusal.

HOFFMAN: This part of Natalie's story is common, especially for first-time entrepreneurs. And I tend to advise new founders, there are situations in which you're actually better off dying quickly than taking money from the wrong investors. In those cases, an early bad deal severely limits your future outcomes and upside. And it can immobilize you during critical inflection points.

It's a brutal decision. Because when you're scaling, every day is about trying to survive. It's natural to want to make decisions that keep you alive today. You say, "That's a problem for future me to deal with."

But our future selves always have a way of becoming our present selves. And the more entrenched a mistake becomes, the harder it is to undo.

Let's leave that idea to simmer for a minute. In the moment, Net-a-Porter survived their cash-flow problems. And Natalie's talent for bringing media and commerce together flourished. Her business continued to scale – adding beloved labels that drove more customers to their site.

MASSENET: We got Chloe and Mark Jacobs and Michael Kors and Fendi to come on board, and every new brand that came on board and validated that people would want to buy without seeing or touching was a proof point.

HOFFMAN: In 2004, the company became profitable. But Natalie and her team did something crucial as they grew – they kept innovating.

As companies scale, they start developing antibodies to change. In general, that's a good thing. These antibodies are necessary for stability because the bigger you get, the more you have to lose if you make a bad bet. But, that doesn't mean: stop looking out for future trends. If you're not looking out for what's coming, you'll miss it when it's here.

Net-a-Porter kept peering five minutes into the future – and correctly spotting trends that had the potential to disrupt their business. One such trend was the sharp decline in luxury spending after the 2008 financial crisis.

MASSENET: You had 2008, and that was a bad season, and brand erosion started happening. Brands had started over-distributing to department stores and to stores around the world.

I thought if Net-A-Porter at the first price point is going to survive, we need to make sure that product is still desirable at the secondary level.

HOFFMAN: Net-a-Porter's answer was to create an online outlet mall, called The Outnet. And in 2011, they seized on a rise in men's online fashion buying, creating the site Mr. Porter.

But perhaps the most important change they spotted early was no mere trend – it was a zeitgeist-level shift many companies missed: The pivot to mobile.

MASSENET: Women were trying to check out on their Blackberries. I came back to my team, and I was like, "People want to shop on their mobile phones."

HOFFMAN: To help realize this future pivot, Natalie found herself pushing against antibodies to change within her own team.

MASSENET: My own team by this time they were all sitting across from these big IMAX screens, designing on like fully immersive color 50-inch screens, and they were like, “No one's going to want to shop on their phone. Look at how beautiful this desktop experience is.” And I was like, “You guys sound just like the department stores.”

We disrupted department stores and shops, and people used to say to me, “You're crazy. People want to go into stores. They want the experience, they want to touch things.”

So I was like, “If consumers want to shop on their mobile phones, we should build for them the best mobile shopping experience that we can possibly do today. It's horrible and rudimentary, but it's going to get better.”

HOFFMAN: This seismic shift to mobile was rippling through the entire tech industry. In fact, I spoke about this with the founder of Care.com, Sheila Marcelo, during her own episode of Masters of Scale.

SHEILA MARCELO: I didn't read mobile and on-demand. And I know in talking to Sheryl Sandberg, this also surprised them at Facebook. But we were in a people service business, so my operations, we could not transition as quickly as a social media platform.

HOFFMAN: It is actually, in fact, one of the things that I think is a good general principle for entrepreneurs to say, “What are the macro trends?” Technology trends are a key one, mobile, Cloud, AI. And if we see those coming, what would that be? Actually, the world really sorted out between the people who really adjusted to mobile and didn't, and it was a lot of tech companies—

MARCELO: That's right.

HOFFMAN: Because the ones who did, great, and the ones who didn't had a lot of pain.

HOFFMAN: As Net-a-Porter leaned into delivering the future of mobile shopping, they helped build an infrastructure that would support a change Natalie had long seen as inevitable: the rise in shoppable social media.

MASSENET: We did visual search, visual aggregation, real time, live, social shopping, where you could see what other people were buying around the world, and you could shop along with them.

It's very hard to go and shop along with Kate Hudson, because she's not going to shop with you. She doesn't know you, but we set it up so that whatever she liked on Net-A-Porter would appear in her feed. So you could follow along and see what she liked.

Then if she posted a picture of herself at a party, through visual recognition software, you basically were able to shop in many cases those exact items, because they were sold on Net-A-Porter – or something very, very similar.

HOFFMAN: What Natalie is describing, of course, is now a regular part of the social media landscape – not fueled by Kate Hudson personally of course! But today, social media platforms are selling platforms. That wasn't always the case.

MASSENET: I remember having a conversation with Kevin Systrom.

COMPUTER VOICE: Kevin Systrom, co-founder of Instagram.

MASSENET: Where I was like, "Hey, why don't you buy us?" If you buy Net-A-Porter group, we can make Instagram instantly shoppable. And he was like, "Oh, Natalie, Instagram will never be about shopping. It's just an advertising model." And I was like, "No, no, no."

Content and commerce are always going to be blended. And every media platform is eventually going to be a retail platform.

HOFFMAN: Longtime listeners may remember Kevin's own episode of Masters of Scale. We didn't talk about a shoppable Instagram, but we did discuss his passion for keeping scaling platforms simple. And that may have been part of the resistance – no matter what future Natalie foretold.

HOFFMAN: I'd say one of the parts of entrepreneurship is you start, and people think you're kind of crazy because you're predicting your future. And then you work to the point where everyone thinks it was really obvious.

HOFFMAN: Seeing the future is not a one-time act, it's a continuous scouting process. So don't get complacent! Because being out ahead on an idea only gives you so much lead time. Competitors can always find ways to catch up.

It was 2014 when Natalie started seeing this happen around her. Net-a-Porter had successfully pivoted to mobile. But on the heels of mobile comes the inevitable march toward on-demand.

MASSENET: Uber was just coming around, and food delivery services were just starting to enter our lives. We had three distribution centers, and we were able to ship overnight anywhere. But I realized that as a consumer, overnight means nothing. I want it now.

HOFFMAN: Natalie envisioned a world in which a customer could order a killer dinner outfit, an hour before the dinner. It had the potential to turn Net-a-Porter into the Uber – or UberEats – of designer retail, by decentralizing their inventory, and partnering with local retailers.

Think of it this way: When you order tacos, your food delivery app doesn't ship them to you from a centralized warehouse. It looks for tacos closest to you. That's what Natalie saw as the next phase of Net-a-Porter.

What's more: Natalie knew she wasn't first to this idea. She felt as though the competition was getting there first – notably, a company founded a few years after hers, named Farfetch.

MASSENET: We said, "This is the future of shopping. And we could build this, or we could merge with Farfetch." And we, like, underlined it three times.

HOFFMAN: Natalie didn't see Net-a-Porter winning this race against Farfetch. Their best chance would be to join forces.

But she wasn't the only decision-maker in the room. Remember what Natalie foreshadowed earlier in the show:

MASSENET: I now spend all of my time telling founders: "Don't take money from strategics, and make sure that they don't have first right of refusal."

HOFFMAN: Back in 2010, Natalie had been approached by an outside interest to buy the company. But because of their right of first refusal, Richemont could match it. And match it they did.

MASSENET: By 2010 I had a great lawyer, but I had a really bad contract that I'd signed in 2001.

HOFFMAN: Despite a flood of competing offers, Richemont bought the majority of Net-a-Porter from Natalie. And all was well until 2015 when Natalie proposed merging with Farfetch.

MASSENET: Unbeknownst to me on a golf course somewhere in Europe was a deal happening where Net-a-Porter was being sold to YOOX,

COMPUTER VOICE: Yoox, an Italian online fashion retailer and competitor.

MASSENET: Which was digging its heels into thinking about centralized distribution, thinking about moving the platform to IBM. I mean, in my view, looking back, not looking forward. I thought, this is the wrong business model. Farfetch has the right business model.

HOFFMAN: Natalie couldn't convince Richemont. So, she didn't look back. She left the company six months after the sale.

MASSENET: When the announcement went out that I was no longer at Net-A-Porter, I got the most wonderful notes from people who used to be my competitors, including Farfetch. You know, we were all competing to the nth degree, but the minute I left, they were all very, very kind and very sympathetic to my situation.

And when Jose called...

COMPUTER VOICE: José Neves, founder of Farfetch.

MASSENET: ... I was like, "Yeah, by the way, you are the future. And your business model is the business model." He was like, "Hey, well, why don't you come on over and play in our sandbox?"

HOFFMAN: In 2017, Natalie became Farfetch's co-chair. She also started looking for her next act.

MASSENET: I had a little bit of money in my pocket and every female entrepreneur on the planet was calling me for advice. And I was very happy to give it back and to make sure that no one made the same mistakes that I made. I also wanted to invest in their businesses, but I didn't have a thesis. I can never say no to anyone, so having a thesis is like a really good thing.

HOFFMAN: Having a strong investment thesis is a good thing – in fact, it's absolutely necessary for the job! It's what distinguishes the professional investor from someone playing high-stakes roulette.

MASSENET: You know, I'm an entrepreneur, I'm a brand builder, but I'm not an investor. Whenever I do anything, I want to do it to the best of my ability. And I thought, "Well, who's the best investor in consumer brands out there."

HOFFMAN: Natalie would need an experienced investor to partner with. And, she needed one other thing as well.

MASSENET: Because I left Net-A-Porter. I didn't have my own email address. I had a real identity crisis, and I thought, "I need to have an email address that says what I'm going to do."

HOFFMAN: Natalie decided on one more punny name. Imaginary Ventures.

MASSENET: I could have called my email address the "emperor's new clothes," but I thought Imaginary Ventures said it, you know? They're imaginary.

HOFFMAN: She registered the domain "[imaginary.co](https://www.imaginary.co)."

MASSENET: And in the UK, they have this thing where they track people on Companies House. And if you register a name, they're like, da da. And the journalists try to scoop each other by talking about something new. So, they were like, "Natalie Massenet launches and announces a new company, it's Imaginary." And I just thought that was the funniest thing ever.

HOFFMAN: As ways to get a new email address go, it was certainly sensational. But out of that fun frenzy, a non-imaginary partner emerged.

An American investor named Nick Brown already had an impressive track-record backing companies like Warby Parker, Glossier, and Goop. And he wanted to know what Natalie had planned.

MASSENET: He was like, "What are you doing, I'm getting on an airplane. If you're going to start something new, we're investing in it." And I was like, "I'm not starting anything new. I can't believe you fell for this." But he still got on the airplane and came.

HOFFMAN: Nick and Natalie hit it off, and soon became co-partners in the now-very-real Imaginary Ventures. The firm focuses mostly on other e-commerce brands, whose values reflect the modern, socially conscious consumer's.

MASSENET: We've backed a large number of companies founded by women. We have a diverse group of entrepreneurs. We definitely take to heart that leaders of companies are experts in old ideas, and we're backing the new generation.

HOFFMAN: Throughout her career, Natalie Massenet has succeeded by not just being a devoted futurist, but helping to deliver the future to consumers five minutes ahead of schedule. So I couldn't resist future-casting with her for a moment.

HOFFMAN: We're seeing, obviously, this is the year where a lot of people are talking about the Metaverse, digital identity, digital clothing, NFTs, collectibles. And you are the person who I would most want to call and say, "So what do you see in this new frontier?"

MASSENET: Well, first of all, I want to have that on a sweatshirt, please. Listen, I've been waiting for this for a very long time. I'm a huge fan of bitmojis and representations of ourselves. And when I talked about this future of where I'd be in my digital outfit, having lunch with you and your digital outfit, and you'd have the coolest sneakers bought on Artifact. We'd be looking good, and I'd have my digital Nike and my Gucci on.

People were like, "Oh, that's such a sad view of the future." And I said, "Well, you just told everyone that you know including your parents that you just got engaged via text, or you just had your baby and sent out your birth announcement and shared a birth moment via Instagram." Why not make that a much more immersive, rich, beautiful experience. And what comes along with that is what you're wearing.

What are you going to wear to the Metaverse? Next time we're meeting, we should be wearing our digital clothes.

HOFFMAN: Natalie and I continued this conversation about digital products, and branding the Metaverse. It's waiting for you in the near future – when you become a Masters of Scale member at Mastersofscale.com/membership.

All of us have the ability to future-gaze. And in fact, you may be uniquely positioned to see something no one else does yet. So don't just predict the future. Create it.

I'm Reid Hoffman. Thanks for listening.