

Masters of Scale Episode Transcript: Jack Conte, Part 1

“The Wrongness Playbook, part 1”

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JACK CONTE: I was touring up and down the West Coast, playing for empty bars — empty. When I say empty, I mean, empty — zero people; bartender leaves halfway through the set. I am alone playing in a 500 person room by myself. Oh, man. I did four tours like that. It sucks. Let me tell you, that is the worst.

REID HOFFMAN: That's Jack Conte. He's the co-founder and CEO of Patreon. He's also a working musician. And the start of his career was a bit rough.

CONTE: This was about three years into my career as a full-time musician. I had not yet quit my side hustles. I was actually working as a contractor doing corporate background music for in-house Google videos.

HOFFMAN: No offense to the Google in-house video department, but this wasn't Jack's dream. He wanted to be a full-time songwriter and musician. He wrote prolifically, publishing original songs to the premier music discovery platform of the day, MySpace.

CONTE: I'd upload a song, and it'd get five plays, and I was feeling like I was just beating my head against a wall.

I had spent six months working on this album. It had 100 tracks. I had EQ-ed the crap out of it. I was meticulous about crafting this thing. I spent 10,000 hours on this album.

And I felt like I was making good music. I didn't feel like my music was bad. I didn't think I was Prince or anything, but I felt like the music was good, there should be people who would like this.

HOFFMAN: The signs were clear. Something was wrong. But Jack didn't know what. Until someone sent him a link to a video on a different platform, YouTube.

CONTE: Somebody sent me this video of a kid playing acoustic guitar and singing in front of a camera. It was like a webcam, and his voice was okay. And his guitar playing was okay. I didn't think, like, "Oh man, he's so much better than me." And his video had 300,000 views.

I didn't know the word for it, but like I remember thinking essentially, "I have a go-to-market problem. I think my product is pretty good, but I'm using the wrong website to distribute my music. I'm using the wrong tactics to get my stuff out there."

HOFFMAN: Once Jack spotted his mistake, he leapt into action. He pivoted to YouTube, and through time and painstaking effort, built a following of millions of subscribers. They bought his music and went to his shows. The next time he'd play at a bar, it wouldn't be empty.

Jack found success by diagnosing exactly what he'd been doing wrong, and then acting decisively.

That's why I believe you need to become an expert at being wrong. The better you get at leveraging mistakes, the faster you can get to scale.

[THEME MUSIC]

HOFFMAN: I'm Reid Hoffman, co-founder of LinkedIn, partner at Greylock, and your host. And I believe you need to become an expert at being wrong. The better you get at leveraging mistakes, the faster you can get to scale.

If you're a founder, you've probably already heard these two magic words: "Fail fast!"

You might have seen them painted on the walls of a coworking space, or printed on a mug in the office break room.

Especially in Silicon Valley, this mantra — "Fail fast" — is a pillar of entrepreneurship. Because the faster you learn that you're wrong about a thesis, the faster you can shift your energy to a new idea that could be right.

What's secretly tricky about this is that it's not always obvious when you're wrong, or how to fix it. Because alongside "fail fast," we have other mantras, like, "Trust your gut!" and, "Follow your vision — even if no one else sees it!"

If something isn't working, is it time to trust yourself and double down on your instincts? Or time to open yourself to critical feedback you've been ignoring?

I wanted to talk to Jack Conte about this, because few entrepreneurs have more joyfully embraced the illuminating power of wrongness.

Jack co-founded Patreon with his former college roommate, Sam Yam. It's a platform that helps independent creators connect with their most passionate fans by turning those fans into patrons. Fans contribute small amounts to their favorite creators, like a subscription. \$1, \$5, or \$10 a month gets these "patrons" special access to creator content made just for them. Since its launch in 2013, Patreon has grown to over 200,000 creators and 6 million active patrons. And in 2021, the company hit a massive \$4 billion valuation.

Because of Patreon, artists and audiences are deepening their relationships, and creators are sustaining themselves through their art, just as Jack dreamed of doing with his own music.

Patreon's scale journey is full of moments in which Jack trusted his gut, and it paid off — despite everyone who said he was wrong. But it's also full of truly humbling moments, where he was wrong, and he needed to listen to others. In fact, there were so many of these moments that we're telling Jack's story in two parts. Part One will focus on the disruptions and discoveries that led to Patreon's founding. And in Part Two, we'll hear about the biggest challenges Jack faced as Patreon scaled.

Along the way, we'll be building a sort of "Wrongness Playbook," filled with lessons on how to leverage mistakes into expertise.

But first, let's start with one of Jack's earliest recollections of being really wrong. It's a situation many of us might relate to. He chose the wrong major.

HOFMAN: Most people don't go to Stanford to major in music.

CONTE: Yeah, I also didn't go there to major in music. I went there to major in physics.

HOFFMAN: Jack had loved physics in high school, and had thought it would be his calling. But he remembers the day this started to seem wrong.

CONTE: I remember coming out of a class once and feeling relatively uninspired and feeling like this is not why I'm on this planet. Just to be clear though, that was a very painful realization.

HOFFMAN: This pain was because a career in music has drawbacks of its own.

CONTE: I had a family member who I had a conversation with about choosing to be a music major. This family member was a jazz guitar player. And he said to me, "Jack, it's crowded at the bottom. If you can do anything else, do that, please." He said, "You're a smart guy. You can do anything you want in the whole world, just don't be a musician."

I remember that night sitting on this concrete slab outside and literally, head between my knees, I was feeling nauseous and sick about this path that I was about to choose, to basically commit to a life of poverty and being a musician. But I also felt like there is no other option for me. I have to do this. This is what I love. And I felt like, if I did that, good things would happen. I didn't know what and I didn't know how, but I felt like if I just did the thing that I loved most, I'll figure something out.

HOFFMAN: Jack made a decision based on his own internal compass. He knew he'd been wrong to choose the physics major, no matter what warnings his uncle gave. So his path forward became clear.

He may not have known it at the time, but this moment of clarity was foundational to Jack's development as a future CEO. He felt what it was like to be so compelled towards a path that nothing else would do.

Learning how to trust these instincts is a critical skill for any leader. It helps you be decisive, and to not look backwards once a decision gets made.

So make that page one of your Wrongness Playbook. Being wrong often puts you on the path of being right. Just remember that your gut instinct isn't your only navigator. It's one of several guidance systems you'll rely on in your journey to expertise.

Jack didn't look back once he'd decided on music as his career. He graduated from Stanford, and started composing, playing gigs, and touring. And as you heard at the top of the show, it wasn't always smooth sailing.

CONTE: I was touring up and down the West Coast, playing for empty bars, empty.

HOFFMAN: But eventually, Jack worked out a system for building his fan base. It began with a platform shift from MySpace to YouTube, where he noticed a pattern emerging.

CONTE: I started seeing video taking off and all these lo-fi videos of creators making music in their kitchen, getting hundreds of thousands or millions of views...

HOFFMAN: Jack observed that this lo-fi approach was appealing to audiences. It narrowed the distance between creator and fan, as though they were sharing home movies with friends. Jack took note, and then he got curious about what else these YouTubers were doing right.

CONTE: When I would see a creator who seemed to be doing a great job, I would go look at their video catalog, I'd sort by oldest, and I'd just go one by one through the last videos, all the way up to the current videos. And what I was trying to do is see their journey and see what they learned.

HOFFMAN: This is a great way to develop an audience strategy, no matter what your product. Call it page two of the Wrongness Playbook: If you can start to pattern-match what someone else has gotten wrong, you can leverage their learnings, and skip past certain rookie mistakes.

Diving into the histories of creator channels, Jack realized there was another reason this homey, "making music in the kitchen" style was working. Lo-fi production values allowed creators to post a lot. And as a platform, YouTube seemed to favor channels that posted content frequently.

Jack now had a challenge. He wanted to follow the right patterns that would make his channel successful. But to scale fast, he also needed a way to stand out. He couldn't get liftoff by simply copying the others. And he didn't want to! He wanted his videos to be innovative, and to showcase the intricate craftsmanship of his songs.

His solution? A new format.

CONTE: I started doing this concept called a video song, which was essentially like a multi-track audio recording, but with a video component.

HOFFMAN: Jack's video songs have two rules. Number one: no hidden sounds.

CONTE: So if you hear a snare drum, you see the snare drum being recorded. If you hear a bass, you see the bass being recorded. And the second rule was there's no overdubs. So if you see a bass, that is the bass that was used in the take, that is the recording of the bass that you hear. What it did was it demystified the recording process, because you could see the creation of all these interesting sounds in real-time, as you were watching the video and listening to the audio.

HOFFMAN: The rules provided Jack's videos with a style that set him apart. It was both stripped down, and more interesting than just recording himself on a webcam. The video song rules also gave him a template he could replicate week after week, and post as frequently as his competitors. It didn't take long for Jack to see results.

CONTE: They started getting thousands and thousands and then eventually tens of thousands of views. And I started selling hundreds of MP3s, and then I started making 500 bucks a month selling MP3s and posting these video songs on YouTube. That's when I finally realized, "Oh, there is a business here. I could become a full-time musician."

Even if it's not Sex, Drugs, Rock and Roll, private planes, Lady Gaga, Staples Center, I don't care about that. I just want to play guitar and write songs and make a living doing it.

HOFFMAN: If you'll remember from Jack's story at the start of the episode, this had been his goal all along. But like any good entrepreneur, once he achieved one goal, he set a new one. Jack was soon developing a new YouTube channel, with an unusual name: "Pomplamoose."

HOFFMAN: What was the origin story of Pomplamoose? What was the, "Okay, this is what we're going to do for music," initially?

CONTE: Pomplamoose came about as an accident.

HOFFMAN: The word means "grapefruit" in French, but is deliberately spelled the wrong way. It started out as a funky little side project between Jack and his girlfriend, now wife, Nataly Dawn.

CONTE: Nataly and I had been together and had tried making music about two years previously, and we tried to date at the same time, and it didn't work. We ended up breaking up. I was so infatuated with her music and with her, and it was just too much at

the beginning of our relationship, and so, it fell apart. But then we got back together, and we decided, "Okay, let's just love each other and not worry about the music thing together for a while."

HOFFMAN: Jack and Nataly set up some smart boundaries. But the longer they stayed together, the more curious they got about testing the creative waters.

CONTE: About two years into the relationship, we had a solid foundation going, and we're better at communicating with each other. And we decided that I would produce one of her songs called "Pas Encore."

HOFFMAN: It was meant to be a one-time exemption to their "no working together" rule. But when they finished, they could tell right away they'd made something special.

CONTE: We looked up and realized this thing that we made is something new. It's something else. It is a combination of me and Nataly, and it is both of our weird idiosyncrasies and bits of artistry popping up in different moments.

HOFFMAN: They launched the song on Jack's YouTube channel, and included a URL for their brand-new one: Pomplamoose Music. This presented an easy litmus test as their new song met the world. If people liked it, they would follow that link.

And like it, they did. Subscribers not only flocked to the new channel, they engaged with the song at a much higher rate than any of Jack's previous video songs. Jack and Nataly were happy with the results, and their relationship was intact.

Jack and Nataly had been wrong about whether they could be bandmates and partners. But they'd also been right to give themselves time to mature.

Add this on the next page of your Wrongness Playbook: A decision can be absolutely wrong for one phase of growth, but right for the next.

As Pomplamoose grew, Jack and Nataly strategized on building their audience base, continuing to study what other creators were doing. A critical unlock came when Jack noticed a musician whose channel had done so well, she was featured on YouTube's homepage.

CONTE: I think the first 'ding' moment for me was when on the YouTube homepage, I found a singer-songwriter named Julia Nunes.

HOFFMAN: While Julia had original music, she was mainly known for her covers of songs by the Beach Boys, The Killers, and especially, the Beatles.

CONTE: What I found with Julia, if you searched The Beatles, T-H-E B-E-A-T-L-E-S, if you put that into YouTube search, in 2009, Julia's video was number one. And that was the moment where I was like, "Oh my God, this is a search engine."

HOFFMAN: This 'ding' moment, as Jack calls it, opened up a whole new avenue for him and Nataly. Their main goal was still to write and produce original music. But seeing the SEO power of cover songs shaped everything about their strategy.

In between video songs of their own original music, they started posting smart, surprising covers of the most searched titles on YouTube. And then one day in 2009, they got a little lucky when they posted their cover of an iconic Beyoncé track.

CONTE: Beyoncé's Single Ladies got half a million views literally overnight in one night. It happened to be at the VMAs when Kanye stole the mic out of Taylor Swift's hand and said, "Beyoncé had one of the best music videos of all time." So everybody went to YouTube the next day to search Beyoncé's Single Ladies, and Pomplamoose's video popped up. And so, we got this huge influx of fans and traffic, and then we started playing theaters, and then the rest is history.

HOFFMAN: It wasn't just luck that had given Pomplamoose this amazing liftoff. It was learning from every post.

CONTE: We learned the most critical thing, you can make these small iterative adjustments on YouTube that compound over time. And now, of course that's such a common thing to do on YouTube, but that was when I first realized that "oh, we can make these small little iterative changes and it has a massive effect on our trajectory on the platform."

HOFFMAN: And by the way, that last speech is the physicist peeking out behind the musician, in that combination.

HOFFMAN: This iterative approach to product-building is smart not just for YouTube, but for building just about anything. So many products and companies fail because they delay putting their hypotheses to the test. Business plans can be written and rewritten for years, based on completely wrong assumptions.

Iterating means testing ideas, and discarding the wrong ones. It's a core principle of entrepreneurship. I discussed this with author and founder Eric Ries. You may know Eric from his book, *The Lean Start-up* or from his own episode of *Masters of Scale*, which you can find in our podcast feed. Here's a taste of that conversation.

ERIC RIES: The first business plan I ever wrote for a start-up, it was beautiful. It was like 50 pages of just the most eloquent prose, the data in there was sourced from the U.S. census, and all this analysis. It was just like, you would weep to read it. And the small

problem, the tiniest little detail, was the customers didn't read it. So they didn't behave the way it said, but the analysis wasn't wrong; the facts were wrong.

HOFFMAN: Eric learned more than he ever wanted about being wrong at the age of 25, when he was co-founder and CTO of a 3D avatar company called IMVU. Eric and his team spent six months pushing themselves to the limit, trying to get their first product just right.

RIES: I remember the night before it was going to become live, I was like, "Oh my God, tomorrow, some journalist is going to download this software. It's going to crash their computer, and the headline in the newspaper the next day, it's going to be: 'Idiots at that company don't know how to build quality software.' Subtitle: 'Never hire that guy again.' Big arrow pointing to my mugshot, and my career was over."

And what was so funny about it in retrospect is, good news, I was actually relieved when we didn't crash a single computer — because nobody downloaded the software. We didn't sell a single copy. Nobody even tried it for free!

HOFFMAN: Eric had made a value proposition so wrong, six months of coding was wasted. But it helped him develop his signature theory on getting user feedback early and often.

RIES: If the thing is so wrong ... that product, I remember we couldn't even pay customers in a usability test to use it. They would give us our money back. It was that bad. But if you don't get that feedback, you can't learn.

HOFFMAN: Exactly. Feedback, good and bad, is the engine that powers your learning process. So even if the feedback is, "your product is wrong, and you're selling it wrong, and in fact you should start all over!", this is still precious information. Keep that in mind as you listen to Jack Conte's next story after the break.

[AD BREAK]

HOFFMAN: We're back with Jack Conte of Patreon, talking about how to get great at being wrong. If you're enjoying this episode, be sure to share it with friends. You can do that right now — just hit the Share button in your podcast app!

And to listen to my full conversation with Jack, become a Masters of Scale member at mastersofscale.com/membership. There are so many topics we couldn't fit into this episode, even in two parts. Like our chat about NFTs, OpenAI, and what a brand-new John Lennon song would sound like today. You won't want to miss it.

When we left off, Jack and Nataly were finding great success with their band, Pomplamoose. They kept building their channel and their audience for more than three years.

CONTE: End of 2012, Pomplamoose was doing very, very well. We're making hundreds of thousands of dollars a year. We bought a house off of our MP3 sales, and then, streaming came up; Spotify came up.

HOFFMAN: The rise of Spotify and other streaming services drastically changed the economics of musicians putting their work online. Suddenly, instead of 99 cents per song in the iTunes store, musicians were making pennies per play. Combine that with thin ad revenues on YouTube and other platforms, and it drove musicians at all levels to reassess the economics of their business.

They hadn't done anything wrong; but their circumstances had completely changed. Remember, what might be right one minute can be wrong the next. When that happens, the only really wrong thing to do is nothing.

Jack and Nataly decided to pause the Pomplamoose channel.

CONTE: I started working on this solo record. Nataly signed a solo deal with Warner and went out on a world tour by herself. And I was getting obsessed with EDM.

COMPUTER VOICE: EDM: Electronic dance music.

CONTE: Skrillex in particular. I'm not ashamed to admit it. I'm a huge Skrillex fan.

HOFFMAN: Once he finished his solo record, Jack started thinking about how to launch it into the world. Because essentially, this was a product launch. As a YouTube creator, he knew this would come in the form of a video. Not just any video — something epic.

CONTE: I wanted to make a music video that kind of reflected the wildness and chaos of bass music, I spent about three months making this robot music video.

HOFFMAN: The video was for a song called "Pedals," named for all the effects pedals Jack had in his studio.

CONTE: It involved an animatronic head that was programmed to sing the lyrics to the song and a 3D printed hexapod robot designed by this fellow from the University of Tucson.

And I built a replica of the Millennium Falcon cockpit in my studio by myself. It took me three months. 19 hour days of hot glue and crafting and silver Sharpie on spray-painted cardboard, torn out from Amazon boxes. It was popsicle sticks and glue, but it looked pretty cool.

About halfway through this process, I decided I'm going to bury my good judgment for a couple months. I'm going to be completely unstrategic. I'm going to not worry about the

return on this. I'm going to make this great thing that I'm proud of. I'm not going to budget for it. I'm just going to do it until it's great.

HOFFMAN: The moment Jack decided to “bury his good judgment” may remind you of a horror movie when the unsuspecting teen creeps down into the basement. Because taking a leap based on instincts can be terrifying!

CONTE: My wife was away on tour. I was home alone for months, and I just wanted to just be an artist. It was deeply fun and also very scary. I was going to Home Depot every day and spending \$100, 150 bucks, getting parts, getting lumber, getting pieces for these elevators that I built in my studio.

HOFFMAN: Think back to what Jack had learned about success on the YouTube platform: “Make it fast, post often, and when in doubt, do a cover.” “Pedals” was none of those things. In fact, it was a risk.

But I’d argue it wasn’t a blind risk. The mission of this epic video was something that inspired Jack as a creator. And he knew that if he pulled it off, it would surprise and delight his audience on a whole new level.

This page in your Wrongness Playbook echoes our first. There are some projects you may find yourself compelled to pursue that seem wrong on paper. They may not make short-term financial sense. But, just like when Jack was compelled to change majors, he felt driven towards this epic new goal. When you feel this level of energy and inspiration, respect that instinct.

So he kept going. Three months, and \$10,000 later, Jack shot the “Pedals” video in a blur. All of his hard work showed up on screen. The elevators rotated, the robot danced, the animatronic head sang.

CONTE: Turned out great. I was very excited about it. It was the best thing I ever made.

HOFFMAN: But this moment of pride faded when Jack started doing the math.

He had taken a deeply creative, but non-strategic, leap of faith. Then, cold hard reality set in. And it dawned on him that the best video he’d ever made might also be his worst mistake.

CONTE: I woke up at the end of this where I thought, “Okay, now what?” I was going to upload this video to YouTube, it would get about a million views, and I would be left with \$150 of ad revenue.

HOFFMAN: Jack had been sure in his gut that making “Pedals” was correct. But now, his gut was suffering a different feeling.

CONTE: I was feeling sick. I was feeling nauseous thinking about all that work and all of that time. 10 grand on this video, maxed out two credit cards and was looking forward to \$150 of ad revenue.

HOFFMAN: How could his instincts have led him to this grim place? Well, for one, Jack had developed those instincts under an old financial model.

When Jack first started his YouTube channel, lots of views translated into lots of MP3 sales. Remember, he and Nataly had bought a house with their iTunes revenue.

But the economics of streaming services had changed drastically. From now on, he could expect more \$150 checks, no matter how epic his video creations.

Then Jack started thinking, “wait, that feels wrong.”

CONTE: It was then, where I came out of this creative coma I guess and realized the economics of that are unacceptable. I had this deep feeling of injustice and sense that this overall system that humans had designed and deployed over the last eight years to get art on the web, that we had missed the economics of that.

That in putting these things online and digitizing these things and in this world of infinite replicability and lack of scarcity, we forgot about the economics for artists.

The ecosystem of tech companies was not valuing me as an artist. I felt like I was a legitimate member of the workforce contributing to society. I felt like I was doing good things and having a positive impact on the world, but not being paid for it.

It was another one of those moments where I felt like I had been using the wrong platform as opposed to a core problem with what I was making. There was a problem with the system, not a problem with the output.

HOFFMAN: Suddenly, Jack’s perspective shifted. Maybe he hadn’t been wrong to make this video. Maybe, the system itself was wrong.

CONTE: It wasn't like I wasn't having impact. I'd upload a video, and I'd reach a million people. That's 10 football stadiums full of human beings watching this thing that I made. How is that not enough? In what world, what planet am I on where 10 football stadiums of humans watching my art isn't enough? That felt crazy to me. It felt crazy.

HOFFMAN: That’s when Jack had the thought so many entrepreneurs have had before him.

CONTE: I just felt like there's got to be a better way.

HOFFMAN: Remember, if something isn't working, it may not be obvious what's wrong, or how to fix it. Sometimes, you need to tweak something small. Other times, you need to scrap everything you're doing and start over.

Jack decided, if the right platform wasn't out there, he would just have to build it.

He started with what he knew. He had a lot of fans. They were passionate. And he had a theory they might pay to get greater access to his content. Why? Because they'd done it before.

CONTE: I used a platform called Stagelt with Pomplamoose in 2011, which was like the first version of paid live streaming. Pomplamoose used to play a concert for 30 minutes, and we would make \$2,000 playing an online concert. Anytime we got the fans involved, fans valued us.

HOFFMAN: If somehow he could figure out how to leverage that depth of love from his audience, he could rebalance the ecosystem. He started thinking about other examples where fans paid artists directly, like the crowdfunding platform Kickstarter.

CONTE: I had a conversation with my roommate at dinner. She had used Kickstarter and had made a record and made \$24,000.

HOFFMAN: The only problem? Kickstarter was aimed at one-off projects. Jack might have financed his cool "Pedals" video with a campaign like this. But what about the next awesome video? And the next?

CONTE: I don't want to invent a new project to do with a Kickstarter where I go to my fans and say, "Hey, everybody, I want to make a movie now," because that's not what I wanted to do. I just wanted to keep making music, but I wanted to be paid for it.

HOFFMAN: OK. So Kickstarter and platforms like it were the right idea, but the wrong structure for his goals. So he went back to the drawing board, or, in this case, the page.

CONTE: I sketched out this idea in a little black book that I have.

The idea was: what if I had a membership like Spotify or WNYC or any of these membership organizations where people paid a subscription fee and they get access to behind-the-scenes stuff and exclusive live streams and all that kind of stuff? What if it was just like a membership but for a human, for a creator, instead of for an institution?

And so, I sat down one Sunday afternoon in my kitchen and drew it out on 14 pieces of printer paper with a horrible design.

HOFFMAN: There are certain things it's fine to get wrong. Like the quality of the paper you write on, or the crudeness of your sketch. But one thing it's vital to get right? Who you call to help you build it. In Jack's case, he had only one name in mind.

CONTE: I called up my freshman year roommate, Sam.

HOFFMAN: Jack's former roommate was Sam Yam, an engineer who had previously founded and sold the company AdWhirl. He had Silicon Valley experience, and the technical know-how to bring Jack's 14 pieces of paper to life. In short, he seemed like the right co-founder for the job.

CONTE: When I pitched him the idea, he started building it that night, and he built the whole thing by himself in the following two and a half months.

HOFFMAN: The site they were building had a simple name for a simple concept: Patreon.com.

CONTE: We launched the first version of Patreon with this very simple model. It's just, hey, fans can pay five bucks a month, 10 bucks a month, 2,500, whatever the creator wants, they can build their own tiers, and then fans can sign up, and they get whatever the creator has said they're going to get.

HOFFMAN: Jack used his own YouTube channel to announce this new patronage site. He thought the announcement deserved some fanfare. So that "Pedals" video? The one Jack knew would be seen by football fields of fans, but couldn't pay for itself? He wisely held it back, until it was time for this announcement. And its dazzling creativity, dancing robots and all, became fuel for Patreon's launch.

He was officially Patreon's Creator #1. #2 and 3 were Jack's partner Nataly, and the roommate who had launched the Kickstarter.

They'd be the first to learn whether Jack's thesis had been right or wrong. So how long did it take to find out?

CONTE: Within about two weeks of launching, I was making six figures as an artist.

HOFFMAN: As proof of being right, this was about as irrefutable as it gets. Not only had Jack's theory been correct, it was clear that Sam Yam was the right co-founder to bring it to life. Sam was able to build fast, and get Patreon in front of customers quickly. And the customers told them they were on the right track.

This is a heady moment for any entrepreneur, and it's one worth savoring. Because these moments of validation become the fuel that help propel you up the hill.

But once you make it to the top of that hill, you see that it's only the first of many. As you scale, the degree of difficulty increases. Not only do the problems get harder, you'll have to solve them faster. The work is just beginning.

That's why it's so important to get better and better at being wrong. You need to leverage every mistake into something that builds your expertise as an entrepreneur. So when you make your next big mistake, don't just fix it — embrace it. And keep adding new pages to your Wrongness Playbook.

We'll hear what new pages Jack added to his playbook, in part two of this episode. Get ready — a few of those lessons will be harsh.

CONTE: Worst product rollout in the history of Patreon, absolute disaster. I was getting three or four tweets a second for 24-48 hours. It was one of the worst couple days of my life as an entrepreneur.

HOFFMAN: I'm Reid Hoffman. Thanks for listening.