

URL: <https://stvp.stanford.edu/clips/are-you-the-product-prophet>

JOYUS Founder Sukhinder Singh Cassidy explains the importance of identifying who in a venture serves as the “product prophet,” the person with the vision of what will come next for the consumer. She explains that venture firms want to invest in companies that have this person on the team and why this is not always the person serving as CEO.



Transcript

The Valley is driven largely by the notion of the product visionary, particularly in the consumer Internet.. There is a reason for this.. I mean I'm a believer as much as anyone else; I've lived and worked among the most amazing engineers.. Both at Yodlee we had an incredible engineering team, certainly at Google, and been able to partner with some of the most amazing product managers.. The key, if you want to be a founder, is are you a product profit? I don't mean do you get it right.. I mean do you lean forward and have a thesis on what might be around the corner for the consumer? It doesn't matter that you're right or wrong, but when venture capitalists want to invest, they want to invest in this.. A professional CEO is different.. At the founder level, whether you ever end up being a CEO or not, what they are looking for is the product process.. So what does the product profit look like and how do you become a product profit? I don't think that it is simply instinctual.. I think that, yes, there are people who are great coders and there are people who are great business development people and there are people who are great sales people; but often the insight you have comes from something you know..

Or an area in which you feel like you have a unique ability to see where the customer might be going.. So when many people ask why are women starting a lot of companies these days and a lot of ecommerce companies? I simply say it's not all that odd.. It's actually the same model that has existed in venture and in the Valley for a long time.. Maybe women are starting lots of companies because they feel like they have unique insight on the customer.. Maybe they feel like they have a unique insight on curation or delight or urgency or whatever it might be in the ecommerce arena, where they are the core customer.. So I think this is a very known model, and I think the other key thing if you're planning to be a founder, to think about is: are you this person? If you're not this person, is your co-founder this person? But how and where do you construct a product vision from? And I submit again, it's not about - it needs to be some amazing person that you've never met and it can't possibly be you.. In fact it can be you, right.. But it's where are the areas will you believe that you have a lean forward mentality or an insight that maybe you could go right.. And while everybody else is going left there maybe something to trying that out, that's the core essence of a product profit, right.. And I do think that if you're a founder without a product profit or you don't feel like you're the product profit, the number one thing you need to do, is step back and say okay, where is this gene in my company, right..

How do I find it, how do I nurture it? And as I said, if you're the founder, the reality is it's you or it's your co-founder and I think this is one of the most interesting things.. I came from judging a venture capitalist - venture competition yesterday, pitch competition and start-ups and they were all amazing.. They were all amazing companies.. But in one case I felt like we were talking about a business plan that had a target customer, that was a very attractive advertising demographic, but the key thing a co-judge asked as accompanying questions like I guess that this is a great advertising demographic to base a side round.. The question is do these people self-identify as being part of this or is this simply an attractive business proposition? And I think that is the essence of the question, right.. They are attractive business opportunities, but in the consumer internet basis about where is the unique consumer insight, right, and how do you construct it, and from what you construct it? Whether it's your own experience or whether it is a competency that you might have...