

URL: <https://stvp.stanford.edu/clips/scalability-vs-infrastructure>

After he identified an opportunity to build a company focused on medium- to long-term furnished housing, Zeus Living CEO and co-founder Kulveer Taggar quickly realized that the ideal solution would involve building a property management infrastructure, not just a digital platform. The decision to forego the quick scalability of a pure-digital play may have slowed the company's growth initially, but Taggar believes that it was important to sacrifice some short-term growth and build a business model that would be sustainable in the long run.



## Transcript

When we identified this opportunity in sort of furnished housing, you know, Airbnb obviously exists.. There's a very large marketplace, but it's geared much more towards short-term travel.. One approach I could've taken to solving the problem is to just create a sort of Airbnb competitor in terms of like a listing site, a marketplace site that was aggregating this inventory for this 30-day plus segment, and actually there was a company started by a GSB grad called Homesuite that did that, that took that approach, but what we realized when we were digging into the problem, you know, to really actually solve this sort of industry, we actually had to go full stack and be fully vertically integrated and actually build infrastructure around property management and the whole sort of data science structure around it to actually solve the problem for the long-term, and you know, again, when I was talking to some investors, and you know, they want to pick the very scalable approach and so on, it was quite tempting to take some of these shortcuts, but we were very much like no, we don't want to do that.. We want to build a brand.. Building a brand means we have to build this infrastructure.. It's gonna take a lot of hard work, it's gonna take time, and after a few years, maybe we'll get to a model that's a little bit more scalable than what we were doing initially, but this sort of attitude definitely informed how I started this company...