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**Rujul Zaparde:** [00:00:00] I would much rather invest in the person that has potential that maybe hasn't done the job before, I mean, they don't have the experience. They're gonna first principle the problem. So they're just generally more likely to have more original ideas. speed is actually really, really an advantage. you're not gonna be right. So you might as well just learn quickly and move on.

**Scarlett 2i2 USB:** Welcome back to 20 VC with me, Harry Stebbings. Now zip is one of the fastest growing companies in B2B. They are the world's leading intake to pay solution and they raised a hundred million dollars in a series C round from some of the best in the business. In 2023, valuing the company at \$1.5 billion.

Today, we have the co-founder and CEO The party joining us to discuss scaling sales for the first time as a product led founder, how to do it. The mistakes often made and his biggest lessons from doing so Before founding zip ritual was a visiting partner at Y Combinator.

And before that was a product manager, Abby and B.

**Squarespace:** But before we dive in,

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We use them at 20 VC and have loved working with their teams in the US, London, and Asia over the last few years. So to learn more about the number one most active law firm representing VC backed companies going public, head over to [cooley.com](http://cooley.com) and also [cooleygo.com](http://cooleygo.com), Cooley's award winning free legal resource for entrepreneurs.

**Scarlett 2i2 USB-1:** And speaking of providing incredible value to your customers.

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You have now arrived at your destination.

**Harry Stebbings:** Raul, listen, I heard so many good things from Anna Khan, from Ali Ani.

Thank you so much for joining me today.

**Rujul Zaparde:** No, thank you so much for having me.

**Harry Stebbings:** Now, I would love to start, I always think great entrepreneurs are shaped early in their career. If we think about people who saw you early in yours, how would your parents, how would your teachers have described the young UL.

**Rujul Zaparde:** Yeah. You know, that's a tough question. Uh, what I do, I what, so what I do remember, uh, is that I was always, um, even like, I mean, certainly high school, but even in, in middle school, like I was always with my friends, like we're always doing some like. Business thing. Uh, and you know, we were always doing something like that on the site.

Like, I remember at one point we like figured out how to make some really terrible, really, really terrible, uh, video games. Uh, I'm not even sure [00:04:00] what we were using back then. This was in, you know, the early two thousands. Uh, and then we would like sell them to other people in different schools. And like, I remember we'd even started something that was like, um, you know, when you're driving around, sometimes you've seen those bumper stickers that say like, Hey, am I driving poorly?

Like, you can report me at this, at this number. Most of them are for commercial vehicles, and we'd started something like that for teen drivers. We, we certainly couldn't drive at that at that time. Uh, and so we sold some bumper stick, you know, so it was like, that was the type of thing that, uh, uh, uh, we were working on.

It was always something or the other.

**Harry Stebbings:** Do you agree that you should always be embarrassed by your V one? Do you agree or do you actually think that No, you do need to put out good product today given product quality.

**Rujul Zaparde:** you'll learn so much more with number one. Like, just put something out there because chances are what you're building, it's probably not right. Uh, it's probably not right. You just don't know what's not right about it. Uh, and you won't know until you, like, put it out there. and one, you know, one thing I think you can always do is like, if you lack something, you can always make up for it in service.

You [00:05:00] can ask better questions, you can learn, you can iterate faster, and people really appreciate that.

**Harry Stebbings:** I totally agree. And you can build such customer advocates in the early days by actually just being so responsive and so intuitive to their feedback, tell me, dude, how do, we're gonna get onto learnings from past, but just in terms of zip, why did you choose this? What was the aha moment for you when it came to founding zip?

**Rujul Zaparde:** so it was a problem that my co-founder, Lou and I, uh, that we had both experienced. So we had, you know, we, we actually met, we both worked together at Airbnb. Lou was an engineering leader at Airbnb. I, I worked as a product manager. uh, you know, what happened, uh, was that I remember actually one day, uh, we, we woke up to, to an email, uh, message saying, Hey, Raul and, and Lou, uh, you know, so and so has left the organization.

You guys have been designated, uh, as, the business owners, uh, uh, of our contract with this. large contract software contract. and, um, you know, there's a renewal coming up. And we were assigned somebody from the procurement organization because it was such a large contract. Uh, and we said, sure, we'll be the business owners.

[00:06:00] Like, tell us what we need to do. Uh, and the first thing we heard, we had to, what we had to do was, we were told, Hey, you have to go to our ERP system, create a pr. we both looked at each other. We were like, sorry, uh, uh, what? uh, and the person was like, oh, it's a, it's a purchase requisition.

Uh, you know, at the time the only PR that we knew was a, was a pull request. Uh, and, uh, and so we were like, oh, well purchase requisition. Okay. I mean, I can understand what that means. And, and so of course I remember we go to the ERP and the first question is, select your cost center. Uh, and there's thousands and thousands of options in there.

And no one has ever asked us or told us what cost center we're in. Like, we have no idea what to select. Uh, and so we picked something, uh, and then of course later on and asked, what's the, what's the GL code? And we're like, we don't even, what is a GL code at, you know, at the time, and of course it's an accounting classification is what, what it is, right?

But we have no idea. Thousands of options. We select something, hit submit. Uh, and I remember we distinctly went back, to the procurement, uh, person we were assigned to saying, Hey, we're done. Thumbs up. Like, just, just let us know when it's approved. And he said, no, [00:07:00] no, no, no, no, you are not going anywhere.

That's just, that's just the pr uh, you know, once you get the contract, it's gotta get uploaded over in this system because that's where the legal team reviews contracts. And oh, also it's a software renewal. So you have to go raise a, you know, an IT ticket over here because the IT team needs to review.

And also we're sharing all this customer data, so now we, you've gotta raise a security request over here. Uh, you've gotta raise a privacy request over there. and so we actually do five or six different intakes, uh, if you will, of this information. Uh, and then of course, of course, as you would expect, you know.

In a month or two months, it's, it's very hard to understand exactly exactly what's happening with this request and is it blocked? And if so, where? Uh, and I remember anytime I would have to ask, uh, uh, the gentleman we were working with in procurement, the poor guy would have to like, he would be like, Hey, you know, I'm really sorry.

I really don't know. I, I'll get back to you tomorrow. Because what he was doing is just pinging all these people manually. and, and so we felt like there had to be a better way.

**Harry Stebbings:** the thing you learn about the shows is we have schedules and then I just go for it. So [00:08:00] one of my biggest things that I look for when investing today is like massive markets, obvious, but with very low competition. a strange one that other people don't necessarily have. When you look at this market, like as a newbie or like, gosh, you just type in, you know, procurement or spam management and it's like add, add, add with big names.

When you looked at it, were you not like, well, Christ, there's a lot of players. This is not attractive because it's so competitive.

**Rujul Zaparde:** in a sense, absolutely. but there's, there's a, there's a pro and a con. The pro is that, well, if there's a lot of parties in the space in general, that means it's a big space and there must be some real pain here.

and so for us it was like, huh, there's enough here. We're not taking on like. Market risk, but, what's the unique insight we have based on the problem,

**Harry Stebbings:** Is it a product marketing challenge? So again, when I'm investing, I'm like, okay, competitive market, but actually UL and Lou have a unique insight. Then it comes to, well, how the fuck do we stand out in such a crowded market? How do you think about a product marketing challenge when buzzwords are kind of the same and you need to [00:09:00] stand out?

**Rujul Zaparde:** it's a great point. it's an education problem.

it's challenging and you have to select in people in and out. Like most people won't get it. Uh, and that's okay because if they all got it, somebody would've, started your company already.

you have to like filter out, oh, I think this person's just not, they're not there yet. They're a later adopter, whatever. It's okay. One day they'll buy, but not today.

**Harry Stebbings:** It's a big problem to go after. I'm just so interested. It's a big problem to go after. Like first off, from day one, how do you think about the product decision of whether to go in with a feature that solves one specific pain point or a much broader platform play, which really tries to address a lot of the problems from day one.

How do you think about that?

**Rujul Zaparde:** You will eventually get to the latter. but I think first off, like, I mean given how much capacity you have, which is basically nothing when you're starting out, you have to find and it's actually, it's actually healthy that you don't have that many resources because it's the forcing function to say, what is that one thing, the one pain point that somebody will be like, you're right, I need that thing.

it doesn't exist otherwise in the world for me that, [00:10:00] because what, what actually happens is when you have a platform, other people have platforms too, and they all do everything, but then the question becomes how do you differentiate your platform from somebody else's platform? And you'll actually always come back to that one thing that you started with, which is, Hey, no, no, no.

This is the thing that makes us special in the world. No one else does this at anywhere near the level that we do. That's why our platform is better. sure we do a lot of things that they do too, but this thing is different. and it's your wedge. It'll always be your wedge.

**Harry Stebbings:** with the first wedge that you had, that first pain point that you identified. it immediately sell? Like was there immediate market pull and you were like, okay, we have early product market fit with first pain point.

**Rujul Zaparde:** it was, relatively quick, but it, it took us maybe six, seven months to sort of convince ourselves and be able to better explain what we're doing to our prospects

So to your point about product marketing, it's, you know, you have to start with the positioning and the messaging and it, and that probably took us six months once we started to figure out how to like, explain what we're doing and clearly differentiate it.[00:11:00]

It's certainly, certainly accelerated.

**Harry Stebbings:** How did you learn to explain it? For founders listening today who don't feel like it's resonating, who don't feel like it hits, what lessons do you have from that six month period of exploration to your ultimate It started to hit that you'd share with them?

**Rujul Zaparde:** Yeah, yeah. No, it's a great question. So what we actually did, so we were actually quite wrote in our approach here, uh, every week. Uh, actually initially it was every day because we had so many calls. And then we were like, we don't need to review this every day. We did it every Sunday. Uh, we would write out our quote unquote investor pitch, which is like, couple sentences of like what ZIP does, but the investor view of it, you know, talking about like the market, that kind of thing.

And then the customer pitch. at one point we were looking at both of those in one Google Doc every single day. Uh, and we'd be like, what did we learn today? Like, would we change how we frame it? Uh, and then we would test it for all the calls that we would, we would, we would do the following day.

Uh, then it got to a point where we're like, no, we don't need to change it that much. Let's review this every week. And so we basically had this process where we're constantly [00:12:00] reviewing. Then as we started to talk to more people, we sort of morphed this and literally built an Excel, like a, a Google sheet and morphed it into ICP.

Like we had different iic, potential ICPs as the row, uh, as each row, because we didn't know, like, are we gonna sell to it? Legal procurement, finance, right? Like all these people have to approve things that people are buying, but who's gonna really like be the actual ICP buyer?

It might sound intuitive that yeah, of course you would be selling your software to procurement and finance people, which is the case, but it it, it didn't feel that way. In fact, our first handful of customers were it, which was actually, you know, interesting signal.

**Harry Stebbings:** Does that tell you something in terms of sometimes you need to say no to customers. It's like sometimes big, early customers can distract your product Roadmap can take you away from what you're actually meant to be doing. I find sometimes early signals can be misleading.

Like you said there. The fact that ITT people bought you does not mean that they're the buyers. Ultimately, procurement is your home. Do you know what I mean?

**Rujul Zaparde:** you absolutely should, uh, if you need to, you should not [00:13:00] close a certain type of customer. You should fire a customer. It, it happened to us uh, when we were about a year old, we signed, or customer that had hundreds of thousands of, of employees.

sort of a pilot tip engagement. And, and we, you know, I realized, I mean, the company was only 15 people or so, 12, 12 to 15 people very quickly in implementation. I realized, wait a minute, uh, 'cause I would go to every implementation call at the time, We're not gonna be able to make this company successful without sacrificing an extremely, extremely large percentage of our roadmap. Uh, and it's just not the right thing for us to do as a company. Uh, and so I had a really great call with our champion there, and, he was like, no, you're, I appreciate, I respect the fact that you're telling me that you guys can't, you know, make us successful right now and call us, uh, when, when you're ready.

Uh, and then we call them later, uh, uh, you know, after that. But, but was a decision.

**Harry Stebbings:** It's bold and a lot of people take it because the validity that it brings to subsequent customers and to investors is, is real. Signing a massive contract really brings confidence and momentum to especially investor bases. [00:14:00] I do wanna just hone in on like the right problem. I find a lot of founders aren't actually solving the right problem.

You mentioned they're actually, it would pretty early, that approvals was the right entry wedge. What advice do you have for founders on how to know whether they're solving the right problem and that discovery process?

**Rujul Zaparde:** I think it comes down to repeatability, really everything about building a company is about, in some ways it's about repeatability. It's like, okay, can you do this? Then? Can you do more of it? And then can you have other people do more of it? And then can you have even more people do more of it?



You know? And maybe quality degrades, but it still works 'cause there's enough fit and pull from the market. Uh, and so really the question would be, are you able to repeatedly use that same type of pitch and narrative to the same type of person and yield the same type of result? And if the answer is no, then that means you kind of haven't figured it out in some way.

**Harry Stebbings:** What do you think the biggest mistakes are that founders make then? Is it the fact that they don't nail the repeatability of that pitch, so to speak? Or is it the fact that they just go after the wrong problems? I.

**Rujul Zaparde:** I think there a couple of common mistakes, sir. Uh, one, getting free [00:15:00] customers or design partners, which is I think a used feminism for a free customer.

**Harry Stebbings:** This is a, this is like a, a boom. You, you and I both know dude, every founder's like, I've got 12 design partners, and I'm always like, what does that mean? I don't understand this. Why do you not, why do you not agree with design partners?

**Rujul Zaparde:** so, so Lou and I were very, uh, uh, strict in our thinking. We decided, look, at the end of the day, if we pick an idea, we're gonna work on it more than anybody else. Like, we don't wanna waste our own time. So what we're gonna do is this. We're gonna make sure that the first 10 customers we close, we're gonna close 'em cold off of LinkedIn.

They're not gonna be people we know. They're not gonna be warm introductions. They're not gonna be referrals, nothing. They're gonna be cold because if they buy it, they owe us nothing in the world. Then they actually have this problem and they're willing to pay, uh, and we're gonna charge real money for it.

Now, of course, you know, when you're starting out, you have zero customers. Of course, you don't charge that much money and it goes up over time. But they're gonna pay, uh, and, and something material for us at, at, at the time. and, and I think a lot of the times, this is my second company, but, and I can just see how different my mindset has been this time around in the first go around.

But [00:16:00] like, you know, early on you're like trying to keep your investors happy. You wanna like, make it feel like it's working. And the second time, or at least for me, it was like, look, we were just here. We wanna build a generational company. Like we'd rather just know this is a bad idea quickly so we can go work on something

**Harry Stebbings:** how do you do it differently when you are just trying to make your investors happy versus doing it for you and doing it to build a big company?

**Rujul Zaparde:** Oh, it's easy. You, well, you care about things like optics, you care about, you know, are the metrics all going up, you know, like all these little things and, and, and when you, when you actually are just like, you know what? I just wanna build a really big company. you're just here to make the thing work and you wanna protect your own time. and actually when you do that, everything actually does start to look better. but it's the mindset.

**Harry Stebbings:** so I cut you off. You said like design partners, number one, people make mistakes with that. Any other glaring mistakes?

Mistakes in terms of solving the right problem and actually how they articulate the repeatability of that. You said repeatability being the most important thing.

**Rujul Zaparde:** Oh yeah. I, I think, I think like design partner and I think like, being very clear, like it's [00:17:00] so easy to fall into, like slightly customizing the product, for each different type of customer you have. And you have so few at the times, you care about a lot of 'em, right? You don't wanna have somebody churn you've built something that's like a different, slightly different thing to five different people.

This, I think goes back to the theme of repeatability. I've seen so many founders do that too. you know, you can talk yourself into it, that makes, it, makes it really harder, right? Because every, like how do you prioritize feature requests? How do you message your product on your website?

Like, are you speaking to this persona or that persona or this problem, or. Make the edge. getting more customers is like, you need like a weapon that you're like, you know, going into the world with, and you want the sharpest possible point. You don't want something that's.

**Harry Stebbings:** you mentioned. In repeatability time and time again there. And for investors, they say it's when you have repeatable and scalable processes. That is when you have product market fit. And I just think product market fit's the most bullshit thing ever because you scale to a new channel, you scale to a new audience, you scale to a new pricing level and fuck you don't have it again.

And so I'd love to just [00:18:00] hear your thoughts, like how do you think about product market fit? Having had it with zip, having seen it firsthand.

**Rujul Zaparde:** No completely agree. Product market fit is certainly not binary. Uh, it's like, it's like a, you know, complicated matrix. Uh, and like the first sell in that matrix is like the first set of product market fit you have. But as you distribute, I mean it, like you said, you know, we're talking about platforms as you add more capabilities, more products, right?

You have to go through product market fit for every subsequent product that you launch as a company. and then you have to do the same thing for every persona you speak with every channel, every industry. Uh, I mean, it can get gloriously complicated, uh, every vertical, right?

You might, you might, you know, if you sell the retail versus you sell the financial services. just because you have market fit in tech doesn't mean you have market fit in financial services

**Harry Stebbings:** do you build out a verticalized sales playbook then? Because you can have very distinct customer profiles that you can go after with that sharp shop spear, and it's much more effective to do that than have. Horizontal product marketing approach and just kind of going at everyone with the same message.

And for [00:19:00] founders listening, is that the best way to do it?

**Rujul Zaparde:** Uh, so we don't do that at zip. And, and I think it may be, uh, like we don't verticalize our sales it is extremely, extremely expensive, uh, to verticalize your sales team. And, and, and at least from, from other founders, uh, that are much ahead of us that I've spoken to.

Like when people do it, it is at a much, much, much different level, of scale.

**Harry Stebbings:** why is it say you have incredible pull from, I'm just using this as an example. Large restaurant chains, they have a huge amount of buyers across different segments and procurement's a nightmare. why not have someone to go after hospitality?

It can be a hundred grand a year. Quite young person. Your job. Poof, poof, poof. Hospitality. Does it need to be expensive? I'm just, I, I, I don't know.

**Rujul Zaparde:** I actually think that's the right approach. I think you actually bootstrap it by having like a smart, like zero to one type, maybe an X founder, right? Like that type of person. Like figure out. 'cause what you need to figure out is what's the messaging like, are there any like, specific systems they use that like we have never heard of, you know, like just get all that stuff working, build out the right assets and positioning just so you know, [00:20:00] your team is, can be successful, but then ideally you can just fold that into the rest of the organization.

Uh, and maybe you have a pocket of people that are focused on it, if it's very specific. but, but it depends on how hor like whether the horizontal messaging fundamentally lands or not. And it depends on the product. if it's not that horizontal, then you may need to verticalize sooner.

**Harry Stebbings:** Did you find it hard building out the sales team? You, you are a very product led organization. You're a very product led founder as well. Was it hard building out the sales team in the way that you had to and have done?

**Rujul Zaparde:** Yeah, I mean, a absolutely. Uh, it's, it's, and it's, it continues to be right. I mean, uh, there, there are always, uh, uh, changes in, in how you sell. Uh, but yeah, I mean, look, we both for Lou and me, I mean, we came from consumer, we came from Airbnb. We had, you know, worked on consumer companies in the past. So this was our first, rude awakening to, Hey, this is how it works with sales teams.

**Harry Stebbings:** What was the rude awakenings?

**Rujul Zaparde:** so many different things, but first, it was like understanding every component of a sales cycle, right? I remember. We have, you know, so many awesome sales engineers, uh, [00:21:00] at zip today. And initially I, I, I was completely skeptical.

I was like, I don't understand. Why would you, would anybody ever need a sales engineer? We can just have the account executive do the demo, you know, they should be able to answer the questions. And then we realized like we were running into limit, like limitations around technical questions and like, you know, you, you actually do need somebody that has a more technical persona.

So it's a lot of first principles learning around how the actual process works. and it's also, I think the other big thing is it's, it's hard to assess, right? Like product, like you can look at metrics, not to say you can't in sales, but every metric you

look at, the more you zoom into it, it you realize like, actually maybe you should be looking at the anecdote.

Like, let's go listen to the gong call of where this actually happened, Uh, and it's like a human problem. It's not like a software problem. and that's just harder.

**Harry Stebbings:** I love it. The, the CPO of Spotify says the details are not the details, they are the product. And it makes me think of that when you say about kind of drilling down and going into the weeds of a gone cool. That's where the importance is, The details are important.

**Rujul Zaparde:** you know, one of the things I've learned is like [00:22:00] confidence, uh, for a sales person talking to a prospect, one of the most important things is confidence. one, how do you measure that? But two, how do you fix that? it's very hard, that, that's what makes it so complex,

**Harry Stebbings:** How do you fix that? Is it a case of geeing everyone up and saying, Hey, you know, Raul, you're a rock star. How do you give them the confidence to crush it on Go Calls?

**Rujul Zaparde:** Better enablement, more at bats. Uh, right. It's like, like when you're in this type of situation, you know what to say. Uh, and you can say it with confidence. Like you can say that, yes, this thing, yes, our, like, our product does that and does it really well, and here's, here are the two reasons why.

Here's what makes us different. Right. It's all, it's just a lot of enablement. Um, at bats, which is actually repeatability.

**Harry Stebbings:** Did you bring in a sales leader first and they built out the team, or did you bring in reps first and then layer it on top of sales leader?

**Rujul Zaparde:** the, the latter, we hired one, uh, uh, sales salesperson who was, uh, an AE in his past and held a number of different roles. basically I fired myself from a lot of the sales job, right. 'cause I, I was just doing sales at that [00:23:00] point. And then we brought him in and then you know, he would just shadow everything.

Then I would like let him do the first call deck, but I would do the demo and then he started doing the demo. So we sort of moved that way.

**Harry Stebbings:** What stage did you hand off sales? What was that like? And, and for founders listening, I think that founder led sales transition to, you know, someone else's is so hard. What stage did you hand it off? And do you have any tips or advice on how to do that? Well.

**Rujul Zaparde:** Yeah. Yeah. Really challenging. I think for me it was like, Hey, I've actually, I feel like I've gotten to the point where now I'm doing first calls and I'm not really learning anything. I'm just having the first call to go get.

Uh, and when it started to feel like that, that's when I was like, and, and blue and I were both like, okay, now it's time because we're not learning anything new. Let's try to get a little bit more skill, right. With one more person. it, it was, it's a trust building exercise, right?

'cause you need to get the person ramped. Of course you have no documentation, you don't have anything. I mean, it's just a multi, you know, four or five person company at the time at most. Uh, and so you just like spend a lot of time, you shadow everything and, and get [00:24:00] more and more comfortable. so it's, it's, it's tricky.

I have other founder friends who hire like two, uh, so that there's some competition and then go from there. We

**Harry Stebbings:** It's, it's really hard. And then it, sometimes you have two not work and then you are really in trouble. 'cause it's like, is it them, is it me? Could just be them. It could be you. It's, it's, it's a ni and then you lose time. Can I ask you on the losing time element, I've had so many founders on the show before, say speed is the most important thing in a company's success Is the biggest determinant of whether they get pro or is that true, do you think, or not?

**Rujul Zaparde:** A a. Absolutely. I mean, you know, if you think about it, right, like you were to bet on, you know, one of two horses, one horse is like really thoughtful. planning and they've got a whole strategy. They're like, they're gonna execute it, but they're slower.

And the other horse like actually doesn't have the best strategy, but it learns quickly and it just like keeps changing path. Like, which one's gonna get to the destination faster? unless the first one is perfectly right, which almost certainly it's not that, that first horse is not going to be, I would bet on the second horse.

and I think that's the [00:25:00] mindset. You know, we have internally, like I would much rather bet on a, on a zip that, uh, you know, we all, we sometimes

joke internally, but, but it's a way for us to push ourselves to get better. We sort of talk about, you know, like how do we compete with the other zip Like in an alternate reality, there's a clone of art, like clone of zip, uh, uh, in the alternate reality, how would we beat that clone?

And usually the answer is, we do something we would just iterate faster. speed is actually really, really an advantage. you're not gonna be right. So you might as well just learn quickly and move on. the other thing is as companies grow, they just get slower. and so we really, really wanted to establish as high of a watermark as possible because when we were a five person company, person, company, I mean, we're certainly way slower than we were when we were five person company, just like we're much slower than we were when we were a hundred percent company.

**Harry Stebbings:** Dude, you'd be the most mythical CEO if you could actually retain speed with scale. So don't worry about that. I've never met anyone like 700 of the biggest CEOs. Never has anyone done that. My question to you though is like as much as one possibly can, what would be your biggest advice on how to retain some form of speed with scale?

**Rujul Zaparde:** [00:26:00] well, one, it has to come from you. You have to lead by example. as a founder, like the founders have to lead by example. It bleeds into the rest of the company, and you have to reward that. You have to reward that and call it out and shout it out inside the company. Like, if somebody does something quickly and like they achieve some result, even if it doesn't work out, you should reward them for it, and you should make sure other people see that that happened, uh, and that they were rewarded for it.

that sort of sets the DNA and the culture.

**Harry Stebbings:** I, I think kind of repeatability can also solve for some form of speed because it makes things more known. my question to you that I really struggle with is like, we actually have a pretty repeatable process in, in media companies in terms of how we do shows. obviously every guest is there an individual snowflake.

but shows are relatively the same in terms of structure and how they're composed. We can never lose creativity though, It's so important that our social team is so creative with each show. How do you retain creativity where people bring fresh, new ideas and they're not just [00:27:00] like Raul set the repeatable playbook.

**Rujul Zaparde:** that's a, that's a really good question. but it's empowering people to like. Speak up and rewarding, like more off the wall ideas and like alternative approaches, Right.

And rewarding first principles thinking. Uh, and a lot of that relies on like, I would much rather invest in the person that has potential that maybe hasn't done the job before, but like, has a high ceiling because that person is more likely to think through the, I mean, they don't have the experience.

What are they gonna do? They're gonna first principle the problem. Uh, and so they're just generally more likely to have more original ideas. Uh, and so I think a lot of this is like, you can sort of culturally set this up if you have more managers and leadership in the organization that's actually cut from the DNA of the company and, and you know, high potential but maybe isn't, like taking a playbook from somewhere else and cutting and pasting it into your company.

there's a time and place for that maybe too. So you have to balance it. But I think like if you only do that, you don't get as much creativity out of your organization. the other thing we try to do is have a lot of brainstorm.

**Harry Stebbings:** Tell, what does that look like? Like a weekly brain? How, like how does that look in [00:28:00] reality?

**Rujul Zaparde:** Oh, if we've got a problem, like some hairy, like complicated problem, what we'll do is try to get, not a very large group, right? 'cause then it's not productive, but a good group of like pretty diverse cross-functional people that are working on or touching this problem in for an hour. at least what I found work out is like, all right, everybody takes 15 minutes and write all your ideas out.

Uh, one-on-one. And then we just go around and then try to whittle that down. And then we end, end the meeting with like, five ideas, maybe, maybe two of them we would've thought of anyways. But there's three like pretty interesting ones that maybe we wouldn't have thought of. and that's like one way that we try to solve

**Harry Stebbings:** How important is focus? Everyone's like focus, focus, focus, but then you also wanna encourage creativity. People come up with great ideas. How do you think about where to really focus your attention and resources versus when to focus?



**Rujul Zaparde:** I think it really depends on the problem and the function. Like, for example, I think marketing, uh, is such a diverse function, right? Because it encapsulates product marketing and growth and like content mar like all these different things. Like I actually think like having marketing be [00:29:00] quite unfocused is, is actually okay in its execution.

Messaging needs to be focused but execution actually can be unfocused. and I think it's actually okay, in some cases like that. and I don't know, maybe that's a controversial statement, but I don't think you have to be that focused in every function.

**Harry Stebbings:** Can I ask you, when you think about speed being the most important thing, what was the decision you made with speed that with hindsight, should have taken more time and should have had more consideration or thought put into it?

**Rujul Zaparde:** Oh, that's a really tough question.

**Harry Stebbings:** I asked someone the other day and they said, marriage. I said, you are fucked.

**Rujul Zaparde:** that's so funny. actually, I'll give you a great example. so my, uh, so ZIP is my second company. So my first company, uh, was a company called Flight Car, TLDR. We would give you free airport parking by renting out your car to somebody else, fully insured.

and I dropped out across to the company and I remember I called my friend at, at the time saying, Hey, you know, we're both bored, like. Are you down? Like, why don't we do a company? Uh, and he was like, sure. Uh, and I remember, uh, I, I grew up in New Jersey, uh, and so of course, you know, New [00:30:00] Jersey, the sort of, at the time at least, you know, you would go to Panera Bread, like that's where you would go hang out.

Uh, and so he, you know, we were like, all right, let's go meet up at the Panera Bread tomorrow, for an hour whatever the best idea is that we can come up with in an hour, let's just do it. and I remember in that hour, this was in 2012, I think, he was telling me, he was like, Hey, there's this thing called Airbnb and you know, people are sharing their houses with each other.

We're like, really? Like, I've never heard of that. and then we sort of, one thing led to another, like, well, would they do it with their cars? Uh, and if they're

gonna do it with their cars, maybe they'd do it at the airport because they're not by definition traveling, they're not using their car.

Uh, and so that was the idea that we came up with in that one hour. we did it for five years, literally. I would never do that again. Like we took exactly the opposite approach, uh, when we started zip. But like. So, I mean, that's like once you pick your idea and you're like working on, I mean, you're like, of course you can change, right?

We didn't, then you're, I mean, you're just so deep in, uh, so that was one, like if you're gonna do a company, don't time box yourself to one hour.

**Harry Stebbings:** Should you have quit earlier?

**Rujul Zaparde:** it's like one of those things where like, I would do everything differently but have no regrets. I mean, what I [00:31:00] learned from that company was, it was a very operational business. I mean, at our peak we had 17 different airport locations, hundreds of hourly workers washing cars and picking up people and dropping them off at the airport, right?

I learned so much in terms of like what it takes to be an operational business and.

It. I mean, is it easy to run a P two B SaaS company? we have our problems, but like, it's not like we're constantly gonna be running outta money. Like the, you know, like, you don't have to worry about any of these things. Like, you don't have like 24 7, 365, like, support needed with like, emergency situations.

Like, it's just not that.

**Harry Stebbings:** So I have this with founders a lot who will pitch and then you're like, I understand, I understand the premise of flight car. It's just a really hard business to work with. All the different aspects that need to come into play together for it to work for that margin to drop to the bottom line. I'm not saying it won't work, there's just easier things to go after to build a massive business and I always feel quite guilty saying that.

**Rujul Zaparde:** No, no. yeah, exactly. Uh, like there are easier paths to success. Uh, and that was totally, I mean, that's the analogy that I used in that business. It's like, you know, the margin you make, it's, it's like squeezing all the [00:32:00] juice out of a lemon. The last drop that falls out is your margin. So if you screw up halfway through squeezing the lemon.

You don't need to squeeze the rest of the lemon to understand how the movie ends. and that was, that, that was the business. That was the business.

**Harry Stebbings:** Were there any other big lessons from that business?

**Rujul Zaparde:** I mean, so many things, man. but one was do a B2B SaaS company next by far two, I think you don't, this is something that, uh, I think I learned later at Airbnb, but like, you know, the bar of like what a really good product designer is like, when you go into a cold, you've never worked anywhere.

Like you kind of don't really know, uh, you're just feeling your way around things. And so I think understanding the hiring and the talent bar was something that, uh, working at Airbnb later on, uh, I think really personally helped me with, which is something that I didn't have back, back then.

**Harry Stebbings:** agree with you, which is why I have this kind of investment thesis, which my team kill me for, especially for saying it out loud. they're terrified that first time founders won't come to us, but I don't like first time founders. Like, I like serial entrepreneurs. 'cause you've just seen it, you know how to do hiring processes.

You know what great [00:33:00] looks like. you've seen the mistakes. You've made them we are leveraging the mistakes you've made before. Do you agree with that thesis of like, yep. Serial entrepreneurs, you've just made the mistakes or you're like, no, there's beauty in naivety, in youth in upside thinking.

**Rujul Zaparde:** for me as a second time founder, right, I was, I was very, very, um, determined.

Uh, Lou and I both were to, to work on a company, work on an idea that had high execution risk. Low fundamental market risk and, and, and sort of product risk. I think as a first time founder, you're actually much more okay, maybe 'cause you don't know any better, to take on a lot more market risk.

And so you can actually have really large outcomes, right? Like, a lot of the social media companies, I guess are good examples, but Snap, like Snap is not a company that like it carried a lot of market risk, right? Like the whole thing.

and like, I'm not sure if someone would do that as a second time founder, but it's obviously a wildly successful company. and so like you can have outcomes like

that, but like, you almost can't have as a second time founder, maybe because you're just, too jaded about the world or too burned

**Harry Stebbings:** I'm gonna go there even though I thought that I wouldn't. You said [00:34:00] number one lesson was do B2B. I had Trey on from Founders Fund and he said, serial entrepreneurs in SaaS are like George Clooney selling tequila in the way that seriously, you have a massive opportunity with your skills and talents, and you decide to do B2B Enterprise SaaS that is not serving the world. What do you say to that?

**Rujul Zaparde:** Well, I, I would say it's, it's a little bit different than selling tequila. Uh, and I would say that, uh, you know, I actually would say that like, if you take what we work on at zip and procurement, I mean, there's like, there's like 11 times as much money that moves hands between businesses than moves hands between a consumer and a business, so much money that moves hands. And if you can make that just a tad bit more efficient across the board, you actually create so much value, uh, in the economy that's being lost. And that ultimately, I mean, this. Of course takes many steps, but that does carry over to consumers.

**Harry Stebbings:** my second question to you is, I spoke to Ali Rag and he said to me to, double click on what you just said [00:35:00] there, which is the lessons learned from Airbnb. What were some of the lessons learned from Airbnb on, you mentioned what great looks like, so maybe that and any others.

**Rujul Zaparde:** it was just so, uh, helpful for me to see Brian Chesky, uh, you know, CEO, just how the level of attention to detail. when it comes to the Airbnb product, remember design reviews, uh, where to his credit, he would be able to detect that, of the spacing is off just on our mobile app or just like really, really focus on detail.

And what that does is of course, do those extra, you know, I don't know 10 pixels of whitespace in and of themselves matter. No. But they matter a ton in terms of what that says to the company you know, and where the bar is for quality, uh, of the product. Um, just like speed, right? I think, I mean, product quality, design bar, like all of that also I think ultimately is a cultural thing.

And it comes from the founders.

**Harry Stebbings:** But can you have that, can you have that micromanagement, that intense focus on the pixel spacing and the speed of execution that is required?

**Rujul Zaparde:** I [00:36:00] think so, but it's, it's because you have to focus on different things. you can't micromanage every, you have to be selective, I guess is the right framing about what you micromanage because it has to be, you have to micromanage the few, like, critical things that are like very, like their core values for the company.

that doesn't mean you can't be quick in other areas.

**Harry Stebbings:** what are you selective in the areas that you micromanage, and what areas are you deliberately not selective in what you micromanage?

**Rujul Zaparde:** you know, I think I spend a lot of time in the actual, like, I mean, we were talking about, sales, just like how, how human the problem is and how at some point you have to look into the anecdote, spend a lot of time, a lot of time on that. Everything from, gong call listening to like, getting into the details of like what exactly was said, like what exactly is, is happening.

Like why is this person, you know, performing better than that person? Like, can we take something that they're doing? really double clicking on that and not, not trying to, to manage the go to market organization by, by metrics alone. because it's, it's so hard to like actually affect change that way.

that's [00:37:00] probably the number one

**Harry Stebbings:** And which one are you like, fuck it. I'm happy to not micromanage that. I can clearly delegate that and it's not a, it's not a problem.

**Rujul Zaparde:** you know, my job I think in many ways is to focus on what's not working. there's an area of the business that seems to be doing just fine, that doesn't mean it won't break. 'cause it probably will. Right now, it's not the thing that's on fire or it doesn't look like it's, there's some smoke there. you kind of let it, let it go,

**Harry Stebbings:** what's not working right now?

**Rujul Zaparde:** Oh. I mean, there are always things not working. one of the, the things we're working through is, um, how best to scale, uh, some portions of our sales organization, like our business development, uh, organization.

it's a tough job to, to cold call people, to email 'em, to send the messages on LinkedIn, get interest, uh, uh, and how do you sort of scale that team, you

know, maintain productivity, and allow that team to have like a great career path into the AE role at, which is something we're really proud of.

**Harry Stebbings:** how much of net new client acquisition is from that team today,

**Rujul Zaparde:** I mean, we're, we're largely an out on business, so.

**Harry Stebbings:** largely in outbound [00:38:00] business. That's so interesting though. For me, as like someone in this industry, I think the brand is so strong, the investor sentiment is so strong. I think it would largely be an inbound strength of brand business.

**Rujul Zaparde:** no, I mean, I think a lot of, you know, enterprise, sales, uh, and enterprise go to market, uh, is given how top down it is is actually. Quite, quite outbound and it will shift over time for us too. And I, I can already, inbound is, you know, at a larger percentage than it's ever been, uh, in the history of the company.

but the majority is still, still outbound, especially after we go after different industries into the enterprise, so forth, right? Like, it's also about like, hey, we talk to somebody in an organization, we understand there's a problem, we have to get to the right person, like literally the right person. Uh, and that's very hard to do when you're targeting an account in an organization in an inbound way.

**Harry Stebbings:** it's also super hard 'cause you don't have like clean data I find on titles within companies. What is one thing in one company is another thing in another company. And actually buyers are very differently placed according to different [00:39:00] companies. do you see what I mean? It's not like great them.

**Rujul Zaparde:** No, completely agree. And especially when you, you know, uh, uh, sort of add to that different geos, different countries, like it just gets even more complicated. very hard to.

**Harry Stebbings:** Well we, we may be getting into the weeds, but I'm just interested like scaling the outbound side. I am just like, I think AI will actually destroy outbound in many cases because it will just create infinite supply of messages or infinite supply of whatever channel that is. And so I think you actually see the complete removal of it.

I don't know how you think about that.

**Rujul Zaparde:** I don't see it quite as a, as a complete removal, although look, maybe in 20 years, like who the hell knows? but, but I do think like there's an opportunity to like increase the leverage of the team. Uh, and we're, we're trying out a bunch of stuff, uh, uh, using, you know, chat GPT to I mean, there's just so much manual work that goes on that you can actually start to automate even today.

I mean, we'll see. I'll, I'll probably have a better read in six months or a year.

**Harry Stebbings:** In terms of like giving the team that trajectory you mentioned from like BD and outbound to AEs and you know, other parts of the sales function, it's really hard to motivate [00:40:00] teams when they're not together physically. I know that you've been a proponent of back to office. Can you talk to me, how do you get excited about people going back to office and returning to physically co-locating

**Rujul Zaparde:** Yeah. It's, it's such a tough thing, especially, uh, for companies like ours that we're born right in the heart of the pandemic,

and it is challenging because it varies by function. Now, one of the things we do is for engineering product and design, we mandate two days a week, specific days, Mondays and Thursdays, um, in the office. that actually was born from. You know, what we found was that it was actually, I mean, a lot of engineering is like a maker's job, right?

And design like you're, like, you're writing code or you're like, you have to really focus. I think what we found from a lot of our early folks is that it was kind of just like lonely to like just do that. Like they were craving some more like, some more social engagement, some more, engagement in some way, shape or form.

uh, and we decided, and then they were drowning in meetings, of course. Uh, and so what we decided to do is we prioritize the in-office days and then try to push all the meetings to happen in the, in-office days so that there was like other times you [00:41:00] get like a really healthy balance. I think an interesting thing that we did is so early on, uh, when we started the company, Lou and I both bought these Facebook portals, which I think is now, I don't think Facebook sells those anymore actually. I still have mine. It's right there. uh, and we would keep a Zoom meeting going, uh, the entire day.

'cause we're in different locations during the pandemic. So for 12, 14 hours, 16 hours a day, we just had just the Zoom meeting. then we, as we grew the team,

we had more, team members join every morning. You would just, if you worked at zip and you know, you would just join the same Zoom meeting and keep it on video and on mute.

And so it was kind of cool. So when we up to like 20 or so people, we just had a Zoom meeting with everybody just hanging out. Uh, but what really helped was, initially it was just me doing sales. Uh, and so whenever I was doing sales, any sales call, I would leave myself unmuted. So even if you were an engineer at zip really early, I.

You would be listening to every single sales call. There's only one happening at one time because it was just one of me. And so you'd listen to everything. like I think we really accelerated like, internal enablement and learning at that time.

But [00:42:00] anyways, I think that's part of the reason why people were craving some level of social engagement.

### **Harry Stebbings:**

Can I ask, what have been your biggest hiring mistakes? you learn so much from your mistakes. What have been your biggest hiring mistakes and how did that change your thinking on acquiring and retaining great talent? I.

**Rujul Zaparde:** the number one thing is like over indexing on someone that's done it before at like a similar level of scale, right? Like, I think, I think for, even for a lot of investors, I think it's like people love the like, press release hire oh, this person did it.

You know, they took 'em, they did this and they took it from, you know, a hundred to, to two 50 of a RR, whatever it is. And so like, we should just get them a plug 'em in here and like, it would be perfect fit and like similar, you know, sales cycle or whatever like. I'm not saying that can't work.

It totally can, but you incur a lot of risk, cause it also, I mean, every business is very different. Every situation is extremely different. Like the same playbook certainly won't work. It's just like, will the person be able to figure out how to change the playbook enough? right. Uh, versus, versus, you know, maybe you bet on the person that like has proven themselves out, in whatever thing they're doing and they have a lot of potential to just get, get one [00:43:00] level above.

and you have an honest conversation about, look, you're gonna step into these, you know, bigger shoes. We're taking a bit of a risk here. So are you. And so



you tell me if you think it's not working, and I'll tell you if I think it's not working, and let's just like both keep the, you know, finger on the pulse.

it's not, that's not the right call all the time. but I think it's actually the right call much more often than people realize. and you never get recognized for it,

**Harry Stebbings:** How quickly do you know about hire?

**Rujul Zaparde:** oh, that's a tough question. Um, we've been slow, in the past. Uh, or you, you always feel like you could have been faster. look, I think the way I see it, like if I feel like that's the case, I'm the last one to know, right.

Because their team probably has figured that out already for months. Uh, their peers have figured it out for months. Like, so it's like, how do you find out faster? one of the things that we do is like, there are obviously trusted OG people that like I trust, that I know are great.

and you know, trying to maintain a close dialogue with people like that so that they can temperature check, right? And it doesn't mean that they're always right. Certainly not the case. There's always like gray areas and a lot of nuance. But if you start to hear, [00:44:00] feedback that somebody's not performing from, like a lot of people that you, know are high performers, that's a massive red flag.

Uh, and so can you use those types of people who are sort of spread out throughout the organization to like, give you just better signal earlier?

**Harry Stebbings:** I always remember Max Leviton telling me when there's doubt. There's no doubt, and I'm not sure if it's right, but it just always stuck with me. You know, when you doubt someone's ability, there's no doubt that they're probably not the right person for the job. I don't know if that's true.

**Rujul Zaparde:** I, I think, I mean, I think that's probably true, eight outta 10 times. and the challenge is that it's probably not true two out of the 10 times. But is it worth, is it worth continuing to see if it's,

**Harry Stebbings:** Do you agree? When someone's on a performance review, just don't bother. It's always a slippery slope.

**Rujul Zaparde:** I, I actually don't agree with that. Uh, I'll tell you why. if that is the case, that means you probably are doing the performance review too late, or, or the performance plan. I assume that's what you meant to late. you're not

giving the person an opportunity to like, like you haven't, like detected it early enough, I guess, and given them an opportunity to course correct earlier.

**Harry Stebbings:** Did you worry about raising too much money too quickly?

**Rujul Zaparde:** [00:45:00] So if this were my first company, I certainly should have worried. we didn't worry quite as much because we knew we were gonna maintain the discipline. another mistake I think a lot of founders make is Just hire too much too early before they like know, without a doubt that they have like clear product, market fit.

I think that's so important though. Like to, to really keep a small team because at that point in time, because say the thing isn't working right, like if, you know, like if you're working with five, six people, you're hanging out all day, you're all working together.

You can be like, Hey guys, like actually, like this is a bad idea. we should do this or we should change it. Right? You can do that 'cause you have the trust. but when you have 20 people, you cannot possibly have that type of relationship with, with, you know, the other 19 of you. Uh, and you just sold 'em.

You were like, oh look, this is awesome company. Like, it's great and like blah, blah, blah. you know, if you're at that point in time, you can't. Actually I was, I was just wrong. Even though that was two weeks ago. Right? Uh uh 'cause of course you have that in your head, like, yeah, maybe this isn't the right one.

We'll figure it out, but maybe it's not the right one early on. And so, uh, you know, we certainly raised a lot of money, then and, and then, and then [00:46:00] later, obviously well past, we past that point, but we were very disciplined. Like no matter what money we had in the bank, we were not gonna hire more. I mean, there, there was a point where we were a small company and, cashflow positive, because we had just held back hiring so much.

and then we really unlocked the gates when we felt like we, confidence.

**Harry Stebbings:** price wise, investors will pay up for assets that are great with great founders like you and Lou, were you worried about the price? Bluntly just being very, very high in such a short space of time. It means you have to live into that valuation. It, it's hard and we see a lot of people struggle with that today.

How did you think about that at the time?

**Rujul Zaparde:** we were just so confident that there, there's like so much market need and like the growth rate, uh, uh, that, that we had and have, it was more just an opportunity to like do something we maybe would've done a little bit later and just do it now.

and that's how I thought about it.

And so we have that confidence. And we have the confidence now.

**Harry Stebbings:** You're constantly speaking to people, investors, employees, customers. What question do you not get asked that you should get asked more?

**Rujul Zaparde:** Huh. [00:47:00] That's a really, that's a tough question.

**Harry Stebbings:** Do you see yourself running zip in 20 years time?

**Rujul Zaparde:** Yeah, absolutely. we wanted to start a company that was going to be a generational company, at the time, this was 2020 when we started the company in 2040, it would not only be around, but people would know what it, it's,

**Harry Stebbings:** It is so funny. One of my biggest turnoffs when investing is when you hear like a founder say, Hey, when I do my next company, or I'm doing that as well. And I've interviewed, you know, so many of the best, and this is their life's work. Like this is the only thing they focus on.

And that is such a big sign for me.

**Rujul Zaparde:** I mean, not, not once. Have I ever thought of something after? Like there is no after. Like there's no, not one.

**Harry Stebbings:** Uh, listen, I want to dive into a quick fire round. So I say a short statement, you give me your immediate thoughts. Does that sound okay?

**Rujul Zaparde:** Okay,

**Harry Stebbings:** Okay. So what have you changed your mind on most in the last 12 months?

**Rujul Zaparde:** I think it's probably my, like how I manage my day to day. so there was a, there was a point early on when we, we had like a huge spreadsheet

and every single person in the company would just literally write out their two dos for the [00:48:00] day in each tab in the spreadsheet. Obviously that broke after like 10, 15 people.

my current thing is I have a note card and. I actually write out what I'm gonna do for the day on the note card. It goes in my pocket and then I cross it out, and then I throw it out.

Uh, and then I have a fresh one tomorrow.

**Harry Stebbings:** What are you most concerned about in the world today?

**Rujul Zaparde:** Well, this, this might be, this might be trite. Uh, I mean, we've got, you know, a lot of tracks of work obviously going on, uh, around generative ai. Uh, and, and I know I'm not gonna open up a whole can of worms, but, you know, you just read such concerning headlines in the news about, things that that can happen.

Things that, we're now gonna be able to do that, you know, you sort of wonder where does that leave leave us? And even just a handful of years.

**Harry Stebbings:** Does that worry you or do you like I take the view that bluntly, we always overestimate adoption in a year and underestimated in 10 years. And I think it's like, oh, everyone's gonna have no jobs and all of the gross over dramatizations, like, 94% of European corporates, don't dunno what notion is

**Rujul Zaparde:** No, no. I actually, I agree with you. like, I think adoption in the enterprise, like all of that will be [00:49:00] slow. no. I think what actually concerns me is just like adoption for like, malicious intent. Like you can imitate somebody's voice for fraud or, you know, like stuff like that.

It's like, yeah, that's actually really concerning. I don't know what the solution is to that. Uh, and for people that want to commit that, I, I bet the adoption's not, it's pretty quick.

**Harry Stebbings:** What do you think are the biggest ways VCs and founders are misaligned?

**Rujul Zaparde:** it's, it's like the time horizon maybe. how much the outcome matters, right? I mean, ultimately like for an investor, this is one of. Whatever number of portfolio companies they have. And, you know, of course the

dynamics are such that, you know, only one, maybe multiple, they're lucky will return the fund or whatever.

Uh, and they don't need every single one to work, uh, and as a founder, I mean, you're, this is your life. just fundamentally, there's gotta be some level of misalignment. Again, it's not, it's not like, an incorrect intention. It's just, it's just different.

**Harry Stebbings:** if you could choose someone to add to your board who's not on your board today, it can be anyone, who would it be and why Them.

**Rujul Zaparde:** Frank Sluman, I'm a huge Frank Sluman fan and read, uh, amp it up recently, Frank Sluman.

**Harry Stebbings:** was the biggest sin of the zero interest [00:50:00] rate environment you were born in, uh, COVID, so to speak. what was the biggest sin of that time period?

**Rujul Zaparde:** I think like hiring to solve problems. so many companies like, oh, you have this problem, great hire, and it's like, whoa, wait, wait a minute, wait a minute. Like, do we really need to go hire a whole human.

Just to solve the problem or is there some other better way? and I think it just like was easy enough to do that. There was enough capital, it was just, it was the easy, lazy answer. and so I think a lot of companies, were impacted by that.

**Harry Stebbings:** What do you know now that you wish you'd known when you started zip?

**Rujul Zaparde:** how hard it is to actually build a world class product, uh, in this space and, and how complicated it can, it can be. when Lou and I were at Airbnb, at different points in time, we both worked on search. and I thought that was complicated.

and boy was I wrong. I mean, this can be gloriously complicated. I mean, some of our customers in the enterprise for example, like over a thousand types of questions that can get asked with all sorts of different logic based on the thing that it is that you're buying and you know.

20 plus different types of risk reviews alone. I mean, it can just be so complicated.

**Harry Stebbings:** Why do you wish you'd known that? Because I, when you think [00:51:00] about the, I wish I'd known this because then I would've done this differently. So if we start, if I, I give a mind an example. I wish I'd known the importance of video. In this age of media, because I would've started YouTube very much earlier. if that was your answer, how difficult it is to build a world class product for this segment, what would you have done differently then as a result of having known that?

**Rujul Zaparde:** that's a good question. I think we would've probably made some investments in our architecture that would've allowed us to, build out, you know, we have a platform today, but to build out more of a platform. Without having to, you know, expend a lot more resources that we've had to do as of the last six, eight months.

to, to be fair, to be fair, maybe the answer is actually no, we wouldn't have done that. Uh, 'cause it would've just taken more time and we wouldn't like, have put in the engineering resources 'cause it wasn't the right thing to do at the time. I could see the alternative too,

**Harry Stebbings:** My favorite thing is kind of like nothing's ever as good or as bad as it seems, and just life goes on. Do you know what I mean?

**Rujul Zaparde:** Yeah. Yep. You, you have limited information. You do the best that you can with it.

**Harry Stebbings:** Okay. So we're 2044. 2044. what is zip then [00:52:00] and where are you in 2044?

**Rujul Zaparde:** Well, I sure as hell, I'm, I'm still here, thinking about procurement, uh, at, at zip, but, you know, where I think the, where I think we can be as a product, if you think about it, right? Think about the notion of an approval, Significantly over 90%, even over 95% of the time, people are approving thi Like if there's an approval, they're approving, you bet they're approving it.

Like the rejection rate just across the board extremely low. And so when you think about that, you're like, well, that's kind of a deficient process. Like you basically have this thing where, you know, people approve stuff and then so that they can see it and then they like basically approve it anyways.

Uh, so can you actually, instead of managing that process, can you just not need to do approvals, because the software can do it for you. We're not there today.

but there's definitely a world, I mean, and, and hopefully a lot sooner than 24, 20, 20 44, where you can say no, actually, like right. Like you don't need to have a human go in there, review the thing and then approve it. in 20 years I think people would be like, really, you had humans like reading these documents, like thinking about them and then approving them? That seems dumb.

**Harry Stebbings:** Listen. Uh, the [00:53:00] reason why I do the schedules, I have no reason for them, I used to stick to them, as you can tell, but nowadays, they serve zero point. Thank you so much for joining me, uh. This has been such a fascinating and, uh, varying discussion, but you've been fantastic.

**Rujul Zaparde:** No. Thank you so much for, for having me.

**Scarlett 2i2 USB-1:** I just love shows like that. I always started 20 VC because I wanted founders to listen. And the biggest thing for me was I wanted them to get out a notebook, take notes and learn. I think there was so many lessons that from on how to scale a sales team for the first time as a more product oriented founder and CEO.

If you want to see the video, you can check it out on YouTube by searching for 20 VC. That's two zero VC. But before we leave you today,

**Cooley:** I want to talk about Cooley, the global law firm built around startups and venture capital. Since forming the first venture fund in Silicon Valley, Cooley has formed more venture capital funds than any other law firm in the world, with 60 plus years working with VCs. They help VCs form and manage funds, make investments, and handle the myriad [00:54:00] issues that arise through a fund's lifetime.

We use them at 20 VC and have loved working with their teams in the US, London, and Asia over the last few years. So to learn more about the number one most active law firm representing VC backed companies going public, head over to [cooley.com](http://cooley.com) and also [cooleygo.com](http://cooleygo.com), Cooley's award winning free legal resource for entrepreneurs.

**Scarlett 2i2 USB-1:** And speaking of providing incredible value to your customers.

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**Scarlett 2i2 USB-2:** As always, I so appreciate all your support and [00:56:00] staging for an incredible episode of 20 growth on Friday with the one 90 Adam growth, one of the masters of growth from Heroku, from Salesforce, from Dropbox, that one is not to be missed.