Podcast: Glen Coates, Product @ Shopify on 20VC w Harry Stebbings

8th March 2023

Link to podcast: https://www.thetwentyminutevc.com/glen-coates/

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Sajith: really good podcast that is relevant for anyone in the tech world, but PMs and anyone with a strategic bent of mind will really dig it. Glen comes across as some one who can do both blue-sky thinking / strategy and building / coding really well. He is thus able to talk nitty-gritties and tradeoffs while building, even as he speaks about PM-ing and org strategy from a 30k view.

What I really liked from the podcast

- The Outcomes-Principles-Assumptions framework that you should align your team and peers in the org around before you start building. While it isn't strictly a PM framework, I thought this was particularly relevant for product development.
- When you build products that have extremely wide appeal and user bases, ensure progressive disclosure of features to keep life simple for your users, and ensure that third party apps can build high quality products for your users
- The closer you are to the bottom of the stack, the less likely that you will be able to tie a particular feature development to revenue generation, and hence the more you should ensure you build for the future, not the next 2-3 years
- Storytelling matters – if someone cant see your product as relevant to them, or can't empathise with it, no amount of numbers will convince them. And, repeat repeat, repeat. People forget all the time. There is barely three words you can lodge in people's minds, and you need to chose what they are.

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Glen Coates is the VP of product at Shopify, leading the development of Shopify's core commerce platform. He also oversees the core developer platform and Shopify's par ecosystem, which includes over 10,000 publicly available apps in the Shopify app store. Originally a CS grad, Glen moved from Sydney to San Diego in 2008 to run US distribution and e-commerce for an Australian eco products company. In 2010, he attended Columbia Business School for one day before quitting to start Handshake, a SaaS B2B e-commerce platform. Glen then joined Shopify in May 2019 when the company acquired Handshake and he's since been in the vice president role since October, 2020.

Origin story

Harry (03:46): I wanna start with a little bit on you. So how did you make your way into the world of startups first and then come to lead the product org at Shopify today? Yeah,

Glen (03:55): I've had a winding and weird career that just looks stupid on paper. I was a Comp Sci grad, I was a video game developer for three or four years. I then ended up in San Diego. Basically one of my high school teachers asked me to move to the states and run like the US warehouse of his and his wife's eco-friendly shopping bag business, which was, I was like, I wanna move to the US, let's do this. And so I ended up in, in San Diego in a warehouse with forklifts, whizzing around me and that kind of stuff. And I was like, I was a video game developer a second ago. What just happened? And as part of that business which did a lot of wholesale business, I ended up going to a lot of trade shows in New York and being on the floor of the Javits Center, I would be writing orders in these order books for like when people would come to the booth and say, I want to have your bags in my store.

Glen (04:40): And so after doing a bunch of these trade shows, I kept thinking there should be an iPhone app for entering these orders. This writing orders in books thing is like a nightmare. After a while I just kept thinking someone would build an iPhone app for this and it just kept not happening. After a couple of years of that, I was just, it, I'll download Xcode, I'll learn objective C, haven't coded in a couple years, let's go. And I built a prototype of what eventually became Handshake, which is just literally an iPhone app for entering orders at a trade show. I moved to New York around the same time and then I basically applied to go to business school, went to business school, went for one day and then I was like, actually this is not what I wanna be doing. I'd actually rather be coding 12 hours a day. And so I quit business school and then Handshake just happened and that's where I, my old friend Mike Green came on board as my co-founder to run sales and marketing.

The unfair advantage that game designers / gamers have in starting up

Harry (05:27): Before we dive into Shopify, I just have to ask man, I actually tweeted recently that the best founders I work with have a background in either game design or have been exceptional game players themselves. Why do you think game design or being very skilled at gaming leads to very high quality talented founders?

Glen (05:47): That's an interesting question. I guess you have to have a very analytical mind and a very competitive mind to want to keep basically smashing your head against the wall at the same, same thing over and over and over again and getting better and better and better at it in a way that's usually very frustrating, fun at the same time. And I guess in a way, founding a company and building a product is an exercise in smashing ahead against the wall repeatedly and only getting better slightly, right? And then getting

a little nibble of cheese every so often that makes you feel good, but mostly an exercise, in losing.

How he came to Shopify, and his roles there

Harry (06:17): And the cheese is called secondary. Tell me, Handshake comes to be and then what happens? You get acquired by Shopify and what happens?

Glen (06:24): So yeah, Mike and I built, hmmm, we'll fast forward nine years. So we built the company and then yeah, towards 2018, 2019 we got to know some of the folks at Shopify. Shopify was in this zone where it was towing around the edges of starting to do some wholesale stuff. We were specialists in only doing wholesale e-commerce. And then it just came to be that it was like, Hey, let's do this, let's get together. Yeah. And then, so since, I've been at Shopify, I've basically had three roles since I've been here. My initial role was just doing the wholesale thing, did that for about the first year. And that was for the most part running the Handshake team within Shopify. And then I spent the first year of the pandemic in 2020 moving over to run checkout. So there, that was a year in which there was some really fundamental things in the checkout that needed to be fixed rather promptly. And so Tobi asked me to move over and basically run a, what's called a code red, on checkout. That code Red went what is

Harry (07:16): The code red?

Glen (07:16): Code red is everyone drop everything. This is the most important project. If the people running this project ask you to do something on their project instead of what you're already doing, please do it.

Harry (07:34): So that was your second and then third was how did that come to be?

Glen (07:36): Yeah, so at the end of 2020 and the code red was wrapping up and checkout was in a much better place. One of the things that was instructed for both Toby and me in that code red was, and this is, this sort of gets to like Conway's law and like org chart shipping. And this is a thing that all PMs eventually run into and gnash teeth at. But the old org structure of Shopify in 2020 and maybe for the three or four years trailing was, I think there was something like 12 or 13 different what we called product lines, which are basically divisions. And each one had their own full stack product, engineering, UX data, everything. And they all had their own little part of the product they're responsible for. And it turned out that one of the reasons that the checkout got into so much trouble was that a lot of the fundamental problems that existed in the checkout required multiple of these divisions to collaborate. Because again, checkout kind of bridges like everything in Shopify. And so when you have this org that's cut on all these lines, it suddenly gets really hard to coordinate solutions that bridges the lines, right?

Harry (08:36): Man, that's insane. You mentioned code red and I did my research. Obviously I stalk the hell out of you and I heard that you have this product framework to ensure you build the right products with the least amount of misalignment. <laugh>. Yeah, there we go. What does that mean?

Outcomes, Principles, Assumptions

Glen (09:14): Yeah. Look, I do my best. I think at some level you can't reduce product to frameworks because if you could, we wouldn't have a job, you know? And it's just one of those things where at its base, product management is making good decisions about what to build and when; at some level you can't just reduce that to frameworks, but you do want to reduce the amount of wasted work that just goes in the trash can. It's wasteful, frustrating, everyone hates it. One of the things that I encourage teams at Shopify to do, especially in core, so Core is now about half of <incomprehensible> and R&D in Shopify. Core is what the outside world would think of as the built-in bits when you sign up for Shopify. So the stuff you get in the box, it's the online store, the checkout, all of the back office, all those bits, that's core.

And that's about half of the R&D team, which is what I currently oversee product for. And so you can imagine there's a lot of teams in there, <laugh>, and then like at any given time there could be a thousand projects running. Can't look at all of them, can't dive into all of them. So the framework that I try to have people think about, I like to ask people to sketch out your outcomes, your assumptions, and your principles at the start of a project because these are the places where things can go off the rails. And it's really good to catch those things early because you can just find, oh, let's get ahead of this cuz you're gonna go off in the wrong direction.

Harry (10:28): Here. Can we actually take an example? Outcomes, assumptions, principles. Sure. How would we do one of those?

Glen (10:35): Let's start with outcomes, which is probably the easiest. Outcomes is how do we know this is gonna go well? When this is all done, you're telling me you wanna run this project and it's gonna take 10 engineers for six months at the end of this, how are we gonna know that it was worth it? It's a really easy question and you'd be surprised how often teams do not have an answer to this question.

Harry (10:53): So what makes a good answer? Like a measurable definable binary, yes or no? Yeah,

Glen (10:58): Look, some things can be measured by numbers. Sometimes you can say, Hey I want to take a conversion rate from X to Y, I wanna take a performance metric from Z down to P. Sometimes the answer is a metric. Not everything is a metric though. Sometimes the answer can, when Toby looks at this page, he's not gonna vomit anymore.

It can be something subjective because sometimes the work we do is really aesthetic work. It's make this page beautiful, it's godawful right now. But just being clear upfront on really, hey, when you do this project, when we come back six months later and I ask you did it go well? How are you gonna answer that question? Let's just agree upfront what the format of your answer is gonna be so we all know what we're actually working towards. And you'd be surprised the number of times people don't even know what the answer to that is or people have different answers to what that's gonna be.

Okay, so that's outcome. Next, principles. Principles are probably the most difficult and counterintuitive, but principles are basically how are we gonna make the very hard decisions, the 51-49 decisions that reasonable people could take either side of. In this project we can anticipate that there are gonna be some forks in the road in here and reasonable people might take either side. And as a team we all want to go into one side. We don't want to do this thing where half of us are pulling in one direction, half of us are pulling in.

The other principles tend to be things like, I'll give you good examples. So obviously at Shopify we serve primarily three constituents. The merchants who run their businesses on Shopify, developers who build apps and themes on Shopify, and then the buyers who are buying from Shopify stores. We have these three constituents that are always circling. So a principle you might put into a project would be something in the cases where the interests of merchants and developers conflict, we are going to break for merchants every time. Right now different people might take reasonably either side of that argument, but it's really bad if half the team is taking one side and half the team is taking the other. When you can see that a project is gonna have these conflicts in it, it's good upfront to say, hey, when we hit this fork in the road, we're all going left so that the team doesn't just split in half and start destroying itself.

Harry (12:59): How often do those conflicts arise? Actually, when you actually look at those three different stakeholders, to what extent is that common?

Glen (13:05): Very very often, especially at the scale Shopify exists at, it's often the case that you have to trade off against. And it's not always between those three constituents. You might even have trade-offs between small merchants and large merchants. Like how do we think about the needs of very small businesses and large ones. So the trade-offs can vary, but once your businesses make commerce better for everyone, then the interests within everyone tend to conflict quite a bit. And so you do need to anticipate these conflicts and try to get ahead of them.

Harry (13:35): And then what was the third?

Glen (13:36): Assumptions. This is often where I get into these very funny conversations with Tobi where we're like railing at each other like, I can't believe you wanna do this.

And he's, it's insane to me that you wanna do that. And then we get into the bottom of the conversation and what we realize is that we have some foundational assumption about reality that's different, which explains why we are talking past one another.

Harry (13:56): So what would things mean about assumption?

Glen (13:58): Let's go back a few years. When mobile is on the rise, you could see someone being like a mobile product for Shopify or maybe like a mobile web mode for Shopify where in the back of their head they're like, okay, mobile's on the rise. I assume that all web traffic is gonna eventually become mobile. The way they're building the product becomes very extreme because they're like basically all on online shopping is eventually gonna be mobile and another person might have an assumption that's, hey I agree mobile's on the rise, but I think it's gonna asymptote to somewhere around 60% of all web traffic, which means that 40% is still gonna be desktop, which means desktop's still very, very important. If two people on the same team have those two different assumptions, the product that they're gonna end up building is gonna be wildly different and they're not gonna understand why.

Harry (14:41): What's the most challenging element or segment of this framework, which is the one that's, ah, this one's always the hardest?

Glen (14:47): The one that is done the least is probably weirdly, the outcomes one. And partly because that's, especially in my team in core, a lot of what we do in core tends to be fairly low in the stack. There are some things of Shopify that are very close to financial results that are, hey, our capital product is really easy to point to, okay, we did this thing and this many more dollars came in. But for many of the core features of your developer platform or a commerce platform, it's really hard to tie like, oh we made this part of the UX better and this many more dollars came in because it is just like the web of dependencies is so insane, you can never really unpack it.

Harry (15:25): I think the hardest thing that I've learned actually on my objectives and goal setting is not making them gameable. I've, I realized this last week when with my investment team, I was like we need to meet 20 companies a week. But yeah, you can meet 20, anyone can meet 20 companies a week…

Marketing is red, sales is green

Glen (15:43): This is the marketing is red, sales is green problem that I used to have at Handshake, which is one of the things, sorry we're getting off product now…one of the things that like you often see in go-to-market organizations is that because sales and marketing people are very goal-oriented and often compensated on the numbers, they really want numbers that they're in control of. They really want the number that they're gonna be paid on to be a number that they actually control. This leads marketing teams to

want to declare goals that are about the marketing funnel but not the bottom of the sales funnel. Which is exactly what you just said. Oh I met 20 people, but 19 of them are homeless.

Harry (16:17): I totally get you. But even if you have it converted dollars or acquisition, it's not tied into retention. You could just exactly get 'em over the line and then be shittier quality leads that churn after two months. But you've actually hit your numbers.

Glen (16:29): Exactly. And this is when you get into the weird parts in businesses where I guide. The marketing's doing great but sales is doing terrible, what's going on? Or like marketing and sales are doing amazing but customer success seems to be really struggling. What's up with that?

The closer you are to the bottom of the stack, the more long-term oriented you have to be

Harry (16:41): Can I ask you, you mentioned there about being close to the finances in the products that we build. How do you, and this is a really tough one I find with product, how do you balance in terms of product decision making between generating revenue today and innovation for the future?

Glen (16:55): Yeah, I think the closer you are to the bottom of the stack, the more responsibility you have to build for the future. There is basically a direct relationship, between like in a platform that has like primitives, APIs going all the way up to the user facing features and the apps…the closer you are towards the bottom of the stack, you really need to be thinking about the long-term future. It's actually one of the things that I've learned when you're in a startup, you have a bias towards thinking towards basically on a one to two year timeframe cuz that's how much cash you have. And one of the super refreshing things about being at Shopify has been actually two things because Toby's had basically a 15 year run of, it's been hard, but he's mostly been an outrageously successful technologist. He has built up this immense muscle memory for being like, I'm always thinking five to 10 years out on where's the internet gonna be and what's gonna happen to the world of trade and like that; he's awesome at 10 years and he's awesome at what can we do this week.

Whereas startup founders are more like, man, we're always trying to get to the next round. We're really trained on this one to two year hamster wheel of what do we need to do in the next one to two years. And so one of the things I had to learn at Shopify was understanding when you build APIs, when you build new stuff, when you build things into the base layer of a platform that has millions of merchants, tens of thousands of developers, when you make those fundamental changes, how is it gonna reshape the world of the internet and trade for the next 2, 3, 4, 5 years in a way that you don't think about at startups, cuz in startups, you don't have 10% of internet e-commerce running on you. When Apple makes a decision like hey we're gonna change ITP and ATT, it's like

you change one little thing that because it's so close to the bottom of the stack, it literally reshapes the entire planet. That's when you have to be thinking about the long term because of the effect it's gonna have on the world.

The two elements for building a universal product

Harry (18:45): Can I ask you speak about the effect on the world and the product magnitude? You mentioned I think it was like the 14 different teams earlier, yeah. How do you think about retaining simplicity in product with great depth of customer base and great needs? How do you retain that simplicity?

Glen (19:01): Do you mean in the product itself or in the org?

Harry (19:03): Yeah, in the product itself and the product org. But we can take it one by one.

Glen (19:07): Obviously look in the product itself, there's really only two solutions to, if you wanna do the stretch up thing, which is something we say at Shopify, we serve people that's like literally a 12 year old kid running a lemonade stand up to like Supreme and JB HiFi and like all these insane companies. If you really wanna stretch like that, there's very few pieces of software that have ever adequately served both ends of that. And the only two pieces of leverage you really have to allow that stretch is, one is extremely good execution of progressive disclosure in the core products. So features that appear at the right time only when you need them. The canonical example of this is like users and permissions management in business software, right? When you only got one user, you literally do not need user permissions management cuz there's nothing to do.

So the user and permissions management thing being there is literally making the product worse because there's nothing to do and it's just adding complexity. Part A is progressive disclosure of what I would describe as antifeatures, like a feature that makes the product worse by being there because it's not needed yet. And then the second thing, which is probably the bigger piece of leverage is an app platform and an app ecosystem apps can be built on top, they extend the platform with functionality that doesn't have out of the box. But the really critical thing here is you need two things and they're actually basically conjoined at the hip. You need an app platform that allows apps to be built that are of core quality to the core features of the platform. That is absolutely critical. Look at iOS. iOS is like a great example of this.

Like when I open up a first party app like Messages and I open up a third party app like Spotify or Lyft or something. The third party apps are as good quality as the first party apps because they're all built on the same toolkit and Apple made the tools available such that third party apps could be as good as the first party apps. This strategy does not work

if the third party apps are all trash and it's only the first party apps that are actually good. But if you have an app platform that basically gives the same tools to third party developers that the first party ones have, then you enable this rich ecosystem of actually high quality apps that allow the large enterprises to scale up because they add apps as they need them, but the core products stay simple for the people who don't need that yet. Which is again just part of that stretching. And I guess apps in a way are a form of progressive disclosure.

Shopify Functions – an extremely hard technical product to build

Harry (21:24): What was the biggest, God that was hard when building the shop via app ecosystem? We see it today, but what was the big…

Glen (21:31): Oh actually one of the things that we added last year I would argue has been one of the most insane technical challenges. So we added a thing last year called Shopify Functions. What's the best way to describe this? The traditional problem with making SaaS platforms extensible is that they're all hosted in the cloud. So like Shopify's running its own servers and we're hosting all the websites and all the back offices and whatever. And then if you're an app developer, we've always given people ways to have their own UI and that part of it works. But when the third party wants to run its own logic inside of Shopify, we could never really do that cuz it's not secure, right? We don't wanna take your code and run it on our servers cuz what if you're a hacker and you write something and it gets out and it starts stealing people's data and doing bad stuff.

So what happens is we ended up having to say you have to run your code on your servers but now you have these horrible performance problems cuz it's our servers are trying to talk to you and everything's just getting slower and it's getting awful. We've released this thing last year called Shopify Functions which leverages a technology called Web Assembly. It allows us to take logic written by third party developers compiled down to this thing called Web Assembly, which we can run in secure environments that are safe on our servers. And now we have this magical best of both worlds thing, which is we can take third party code and we can run it on our servers. So we're getting the third party code but we're getting all the performance benefits as if Shopify wrote it ourselves. And now you get this perfect harmony of benefits of fully hosted SaaS platform but also the benefits of fully third party applications. And that was a very difficult thing to overcome as far as I'm aware, Shopify was the first at scale SaaS platform to to do that. And that's been a problem in his SaaS and software forever until last year. So that was really difficult that one.

Shopify org structure for his team

Harry (23:12): In terms of the teams, the 14, honestly it gave me shivers. How do you structure the team now to be much more aligned and cohesive?

Glen (23:23): We don't, I'll tell like an ugly little secret here. We had 14 teams and about seven or eight of them got combined into the thing that's now called Shopify Core, which is the thing that I run. And part of what we learned in Code Red was, hey, these teams aren't aligning, you gotta go take a shot. Now these eight teams were not aligning and stuff wasn't getting done and the checkout was getting worse and so it was great, let's put them into this thing called Core. So now it's just one team and that will help us align better and therefore the checkout won't have these problems and we won't have this code red thing happen again, Little secret. The day after Toby was like, Hey Glen, call you, run these eight teams together, please s smush them all into one. I was like, great, thank you. And the first thing I did was I split Core into eight teams. Why? Because you need an org chart. You need a way of organizing teams together, insane sizes that can actually work together,

Harry (24:12): Assume that eight teams shortly, that creates silos, it creates barriers of communication, information, slippage.

Glen (24:18): Of course it does. But the Dunbar number, which is the number of people that anyone can reasonably deal with without having a brain aneurysm. There's just a physical limit on how many people. Core is about two and a half thousand people. There's now 10 of these teams inside core. So they're about 200 people each, which is about the Dunbar number, which is not a coincidence. But here's the thing. In the old org structure, the first point in the org chart where all those 14 teams actually joined at the top was Toby. So anytime someone has an escalation, the first point in the escalation tree was Toby is a public company ceo. That's not a reasonable expectation for someone like Toby to have to take on. But the thing that works better now than it did before is that there's a team including me, my head of design, my head of engineering, head of data, head of product marketing.

We sit above these 10 teams, but we consider our jobs to be understanding what's going on in these teams, handling the escalations, making sure that when kid A and kid B both want to go to university, we're like, you know what? You get to go to university, you get to be happy, you get to be sad. But the good news is no one's confused about what we're doing. And in the old world, teams could be at odds for six months and they'd be like, I wanna do this. And they'd be like, well I wanna do that. And they'd be like, are we escalating to Toby? And it's like, ah, I don't know. And then you just sit there for six months and it's frustrating.

Aiming, Assembling, Achieving

Harry (25:34): Glen, I will ask you about kind of team management in particular. Cause I heard so many different elements about your leadership skills, what works and what doesn't.

Glen (25:41): Was skills in quote marks or was it clean?

Harry (25:43): It was skills and challenges. I just ask about them challenges and be more polite. I'm British, we we're charming. My question to you was what works and what doesn't in how you run product teams? I know it's blunt and bland.

Glen (25:56): At least at Shopify, I think we've embraced this style of leadership a bit more in the last few years, which is we have this thing inside of Shopify and when this first was released I was like, this sounds so stupid, but I've actually come to really appreciate it. Have this idea of aiming, assembling and achieving. Aiming is deciding, here's the direction we're going in, here's what we're doing. Assembling is, you could think of it as like the operational path. How do we get the people, the resources, the timing, the meetings, blah blah blah blah blah to actually do this. And then the achieving is the actual doing. It's coding, designing, whatever, doing the work to do the thing. I would say my style of leadership and Tobi's and <incomprehensible> and I would say this is actually common to basically all of the leadership at Shopify now, the willingness to be a senior aimer where you say, I think the product should be this and I insist we go in this direction, which is if we're being honest, over the past 10 years, this sort of was…the flavor of the month was bottoms up, everything, power to the edges, whatever you wanna describe that thing as.

But the problem with power to the edges and bottoms up decision making, the value of a product like Shopify, not even a product like a product suite, cuz shopify's many products and look at Apple. Apple's like the Mac, the iPhone, the iPad, the watch, the everything. The value of that suite is to a large extent the way it all works beautifully together. And if all the decisions are coming from the edges, the chance that it's all gonna work together versus I feel like it came from pen of a single creator (is less). That's what makes using an iPhone and an iPad such an amazing experience is that it really does feel like it all came from the hand of a single creator and you need at some point for there to be a single hand on the wheel in order for that to be true.

Harry (27:36): My friend, I can ask, do you agree with disagree and commit?

Glen (27:45): Oh I don't think they don't move down the field quite as fast. But there is a difference between moving down field at 80% speed and literally digging your heels in. Yeah. Sometimes that's a problem with the person who's disagreeing and not really committing and maybe they just have to say, I disagree with this way of running a company. I disagree with this product direction, I should just leave the company. Sometimes it's a failure of the leadership to explain why they're aiming in a particular direction. I think saying we're going over here and just do it is quite different than saying we're going over here, here's why. Let's do this together.

Storytelling

Harry (28:23): I think there's two things here and I wanna ask you about both of them, that is the how and the why. Yep. And I think the why is the storytelling. Yep. <Incomprehensible> told me that you're an exceptional storyteller. How do you think about telling that story to the team as to why you made the decision and why they should follow you?

Glen (28:39): This storytelling theme was beaten into me almost as an existential threat. When I was trying to raise money at Handshake, I was a member of a CEO peer group. When I was running Handshake, we had done our series A, we're on the way to series B and I was a member of a CEO peer group that met in San Francisco. I was from New York so I'd fly out there once every three months and do the meetings and I went to the first meeting and most of the guys in the peer group were CEOs of tech companies or biotech companies. But one of the guys in the group was the managing partner of a VC fund and his name was Phil. And on the first one of these meetings, each founder got up and did the little pitch for their business and I got up and I was like, yeah, it's Handshake and it's wholesale and there's these sales reps and there's these businesses and they need to trade and it's a huge problem and we've got this mobile app and blah blah blah blah blah.

And I told my whole thing and I think most people in the room were like, oh we totally get it. We see the business thing here at the dinner that evening, Phil sat down next to me and he was like, Hey man, tell me the story. And I was like, I did tell you the story. And he's like, man, tell me the story. Tell me something that I can feel. And I was like, oh yeah, it's this wholesale thing and there's the truck lifts and there's the FedEx trucks and there's the iPads and and there's the order books and blah blah. Like no, no dude, tell me a story. And he beat me into the ground over, I don't know, I must have sat there with him for an hour with him just being like, just tell me the story over and over and over again.

And I eventually got to a story, I literally ended up making it up on the spot. I was like, you know when you go into a store and you walk in there looking for a particular thing, you want a white t-shirt in a particular size and you go to the shelf where that shirt should be and it just isn't there and it should be there. That is literally what we are doing. We help the companies with the shirts make sure that they get to the right stores in the right time so that when you get to the store, the shirt that you expect to be on that shelf is actually there. And just multiply that by all the people in the world and all the shelves in the world and all the number of times that you've gone there and it's not been there. That's what we're solving.

That's not even a very good story. But finally Phil was like, I get it. I could explain that to my mom and she actually understand what you did. Since then, I've just understood that if you do not tell someone a story that they can see themselves in and they can empathize with, you can say all the numbers in the world, you can describe all the processes and analysis in the world. No one gives a, no one's got time for your shtick. I really try to

encourage people to find a way to tell the story. Humans are emotional creatures. If you can't get me to feel something, I'm probably not gonna care no matter how many numbers he showed.

Harry (31:03): Totally. Before you touch on that, how in terms of the communication, what do you do if you have two different personas? Say you have the customer and the retailer, the story may differ. Do you see what I mean? The pain is different. What do you do then? If you're storytelling, you just have different messages for different personas.

Glen (31:20): The best stories work for everyone, right? They don't make two versions of Aladdin. There's one version of Aladdin. Great stories work until you can get there. You're not really doing your job.

Harry (31:30): And how do you say that then to your team? Is this stand up at an all hands and say, ah, you know that feeling when you go into the store and there's no t-shirt?

Glen (31:37): How do I tell the story to my team? Yeah,

Harry (31:39): But how do you imbue that to them and make them feel it?

Glen (31:43): I don't actually know what the answer to this is because I think this is another one of those things that if there was an answer everyone would be an amazing storyteller. I think people can tell when you the speaker actually feel the thing. It's just like the passion and the enthusiasm that you'd tell the story with And do you what you random relatable. Would you

Harry (32:01): Ever tell a story you don't feel?

Glen (32:03): I can't. That's one of my problems is that sometimes people give me scripts to read and I'm like, I'm not gonna read this because if I did you would hate how I would read it because everyone would know I didn't mean it.

Harry (32:13): Yeah, I totally get that. In terms of the communication, I think a lot of founders struggle with the repetition. How important is repetition in storytelling?

Glen (32:22): You'd be shocked how fast people forget things. This is why compelling storylines with just memorable sound bites are so important cuz you only get to lodge like a few words in someone's brain before every word you add pops one out their other ear and you only get to choose maybe three words you can lodge in someone's brain at any given point in time and you really need to choose what they are.

Harry (32:44): Do you think startups tell good stories? I think when it comes to product marketing, I'm always horrified at the state of product marketing. I'm sorry, this is really unfair me. I was going onto the Shopify site but I was just interested <laugh>…the global

commerce platform. Do you think that's build your business with Shopify to sell online, offline and everywhere in between?

Glen (33:02): You tell me what do you think Shopify does based on just the words that you just read?

Harry (33:06): I think it's just a bit bland <laugh>, isn't it? It's a bit boring. I want we deliver dollars to your pocket to pay for your children's favorite a hobby. We do that through our incredible software, which lets you sell cookies or Chanel, I don't care. But the things that you love can be funded by Shopify technology. We make your life and your dreams possible.

Glen (33:31): That sounded pretty good.

Harry (33:33): Fuckin' A <laugh> <laugh>. You see why me and Harley get on now<laugh>?

Glen (33:39): Dude, I totally agree. I think our dotcom could be a lot better. I'm not gonna trash it too hard right now.

Harry (33:45): By the way, I do this with a lot of people and I've never ever had anyone who's been like, no actually it's great.

Glen (33:50): Yeah, no look, I think software product marketing is an insanely difficult thing to do. So I loved the message you just delivered. One of the hard things that happens when you get Shopify scale, which is not an excuse but it's a thing that is a fact, is that Tob's had the mission of Shopify makes commerce better for everyone for a long time. But if you cycle back five years, what everyone actually meant was mostly pretty small businesses, mostly selling fashion mostly in North America. Shopify today is actually getting a lot close to actually everyone and coming up with a message that resonates for all countries, all sizes of business, all industries, online, offline, all the stuff you do eventually start to hit the problem you're describing. And again, I agree with you, the blandness does tend to seep in because you're like I gotta talk to everyone. You get into how do you market Tide kind of problems.

Harry (34:35): With you totally. But what I find with especially a business like Shopify is okay, that message that I deliver will absolutely get the lower end of the market in terms of size. That kind of long tail. For Mr. Beast, for Supreme, for the creators, they're not gonna be put off by that. But also they're not gonna be swayed by a more enterprise boring message.

Glen (35:24): Supreme and Mr. Beast are actually examples of people who I think your message would land with. It's not so much them, it's more like legacy risk averse retail is

the group. It's like Sears is gonna come like they're gonna see the the message you just said and they're gonna be like maybe we should go to Salesforce that feels a bit more safe.

You're getting to the true art of product marketing, which is how do you have a message which still speaks authentically to who you are and what you actually give a about without alienating an unacceptably large part of your customer base. This is the art, I guess.

Harry (36:48): Tobi said to me that you were exceptional and had an uncanny ability to manage up. What do you think he meant by this and how do you think about managing up?

Glen (37:05): The thing that is important to state as a fact here is that Toby, like all great CEO founders, is actually the head of product at Shopify and will always be, I think the day that Toby's not running up a product to Shopify is the day that he's not at Shopify. I run half of product but I don't run all of product. The part of the product that I run has a specific focus that I think would be diluted if I had to take on more, I could, but I'd be less good at the part that I do. And the part that I do is pretty important. The part of Shopify that I run is really the platform part. And there are other parts of Shopify, namely Shop and Shopify Logistics, which are more aggregated plays. And I think the strategy and execution of platform businesses and aggregated businesses are fundamentally different.

The best businesses are the ones that I can actually do both and find the touchpoint between both. It's actually part of why I find working at Shopify so exciting right now is because the aggregator part of Shopify, Shop has now reached such critical mass that the things that we can do by combining the Shop buyer base with the Shopify Core platform are starting to become exponentially valuable versus what either of those two things can do individually. And by the way, basically all of our competitors are just pure platforms, which is why these days, not to toot our own horn, but these days I'm like, I'd be terrified to be competing with Shopify in commerce. We have a a great platform but we've got it joined at the hip to an incredible buyer aggregation engine, which it's hard to overcome how powerful that is.

His old co, Handshake, and a great story of technical debt

Harry (38:59): I do want one final question before we do a quick fire and it's, I think you learn a lot from mistakes that one makes in terms of strategic mistakes. Can you take me to a product decision that you made that was a mistake? What did you learn and what was that process?

Glen (39:13): That's a great question. There was a mistake strategically underneath Handshake that basically was an ongoing tax for its entire lifetime that I think was a tax that ended up being pretty tough. This was misreading what I would call the arrow of progress in technology. So when I started Handshake and remember I described a lot of it was about working at trade shows, sales reps out there on the road. This is in the era where LTE and 3G and stuff just wasn't very good. And so a lot of the use case for Handshake was assuming that the person might be offline, huge amount of the tech stack of Handshake was built around this fundamental assumption that the user might be offline and you might need to have basically presynced all of the data down to the device that would be necessary for the job to continue to work offline.

Glen (40:03): And that was actually like the killer feature when we launched, when we launched, everyone was like mind blown. They're like I can't believe it and I'm on the basement floor of the Javit Center and it still works perfectly and this is the best thing since sliced bread. And it basically a huge, the combination of leveraging the launch of the iPad, which was in 2009 I think, and being excellent at working offline because nobody had iPads that had perfect 5G at the time. That was the killer feature and that catapulted our growth for probably the first 2, 3, 4 years of the company. But then eventually LTE was everywhere, 5G was everywhere. All the convention centers had wifi, all the stores on the road had wifi internet's everywhere now. And so suddenly we've now got this feature, which actually isn't that valuable because there's basically internet everywhere and we've got an insane amount of technical debt sitting in the product that is specifically designed to cope with offline situations.

We basically hit an inflection point where it's like, okay, now we're not innovating as fast because we've just got this immense amount of tech debt that governs everything we do. And we've got a feature that increasingly no one gives a shit about. By misreading; if you'd said to me in 2010, hey Glen, how long do you think it's gonna be until there's literally internet connectivity everywhere. I might have actually sat down and thought, okay, how long's that really gonna be and how should I think about building a platform that knows that is coming in? Whatever I would've guessed three years, four years, five years, I never really had that conversation with myself and I put a check in the mail that had a huge bill in it that we were ultimately never able to pay down.

Harry (41:34): Ooh, that's a stressful moment. <laugh>. Fuckin' hell, I wasn't expecting that my friend.

I wanna do a quick fire round. So I say a short statement, you gimme your immediate thoughts. Does that sound okay?

Quickfire round, and Shopify's biggest strengths and its biggest weakness

Glen (41:46): Hit me.

Harry (41:47): What was the last product that made you go wow. True user delight and why? Ooh,

Glen (41:51): Sorry, nerdy example, but this is my drum kit. The Roland V drum kit. You would not believe how incredible the way this thing works is the way the response is on cymbals and the drumheads and it's shocking how well this thing emulates the feel of a real drum kit,

Harry (42:05): Head versus heart, what wins?

Glen (42:07): In the end, heart, which is bad for me cuz I'm basically a head guy.

Harry (42:11): Ideal relationship between CEO and VP product.

Glen (42:14): The relationship between the lead singer and the drummer in a band just jamming together all the time.

Harry (42:20): What's the biggest mistake that founders make when hiring product teams?

Glen (42:24): As the founder, if you ever say the words like this other person is the head of product, you just quit your job.

Harry (42:30): Why? You could have a sales led founder. If you're an enterprise product, you're…

Glen (42:35): Fair. If you started a company and you are explicitly, I'm the business guy founder and this other guy is the product guy founder, fine. But if you are a product founder like Tobi, look, let's be honest, most of the very, very successful tech companies, the founder is the product person. The minute that person says this other person is the head of product, they've done one of two things, they've either quit their job or they have given that other person a title that everyone knows is and they've basically given that person's a death sentences

Harry (43:06): <laugh> don't sit on the fence mate. What is Shopify's biggest strength today as a company?

Glen (43:09): I would say it's that we have hit pretty significant scale. There's 10,000 people in the company. I would say we are moving in terms of actual innovation and shipping. We are moving as fast as I've seen any other company of this scale. Just go and look at the additions that we just put out, the number of features that we put out in this edition and the previous edition just six months ago. It's all there in black and white. I don't think anyone can step to us in terms of how much we're actually putting out right now. And then as a product, I would say it's the thing that I said a second ago, it's a

product that has an incredible built-in user experience for the merchant. It has a developer platform that is becoming every month an incredible developer experience and like really powerful that this is the critical thing. It's a platform that is joined at the hip to an aggregator pool that is rapidly becoming the most powerful buyer population on the internet. And it's the combination of the platform success and the aggregator success that makes it literally unstoppable.

Harry (44:06): What's the biggest weakness? Why are you like, oh god, we need to sort that out?

Glen (44:10): I think one of Shopify's challenges today is that we fundamentally do not control the top of the funnel, right? The top of the funnel for shopping is something else, right? It's a social media site, it's a news site, it's an ad on Google, it's somewhere else. And we're doing a lot of great stuff around Shopify audiences, Shopify buyers. We're doing stuff to help us, us help our merchants get to the top of the funnel. But at the end of the day, if you don't actually control any part of the top of the funnel, you are always downstream from someone else that you are depending on. That is a fundamental strategic issue that we need to think about.

It's direct access to your audience. It's why Sam Harris can say stuff and you can't cancel Sam Harris cuz he literally maintains direct control to his audience at all times. That's a different situation to be in.

Harry (45:03): Tell me, penultimate one, what would you most like to change about the world of product?

Glen (45:06): PMs are not gonna like it when I say this <laugh>. I wish PMs would be a little bit less fixated on the process and technique of PMing as a craft and just focus a little more on am I making good decisions? Do I do what I say I was gonna do? Do I work well with the people that I work with? And do I get shit done get the end of the day. The job isn't actually much harder than that. It's do you make smart decisions, do you get shit done? Good, great. And I worry a little bit that PMs sometimes get very naval gazey about what the art and science of being a PM is. To the point where I'm like, Hey, can you just go do some work and just be good at your job and make great decisions and ship products and make people happy.

Harry (45:49): I find this with all like millennials, which is they love to think and they love to plan. They love to be so thoughtful. Just fucking do it.

Glen (45:54): Exactly, exactly. The best PMs have this feeling about them where it's like a freight train that like if you try and stand in front of this thing, you're gonna get fucking flattened. The best PMs have this sense of, I'm building this thing, it's gonna be great. Stand in front of me at your fucking peril. Let's go.

Harry (46:12): I love this, this man. The final one, what recent company product strategy have you been most impressed by?

Glen (46:18): Sorry, this is such a boring answer cuz literally everyone would give it, but the way Microsoft is going at the AI thing is brilliant. What?

Harry (46:24): Why do you think so?

Glen (46:25): They correctly picked years ago that partnering with OpenAI would be strategic. Lots of people knew that AI would be the thing, but the thing that they are doing right now with Bing and AI driven search is that they are basically correctly realizing that Bing is a dead thing. Bing's dead, they've literally got nothing to lose and they've got a business that is completely defensible in other revenue streams like Office and Windows and all the other stuff they do. Search is like a nonpart of their business, but search is everything to Google. Like if search ads stop working, Google is not a thing anymore. They are swinging for the fences with a completely novel approach, which might not work, but if it works basically completely alters the business of one of their competitors and creates a business for them that could be really compelling. And if it doesn't work, who gives a? Bing was dead anyway.

Harry (47:16): Man, you're my hero. I have loved <laugh>, Glen, honestly, thank you so much. Luke told me you'd be incredible. He was so right, but I've loved doing this, so thank you so much for joining me.

Glen (47:26): Thanks Harry. Great to be here, man.