

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

All right.

Quick break to tell you about another podcast that we're interested in right now, HubSpot just launched a Shark Tank rewatch podcast called Another Bite.

Every week, the hosts relive the latest and greatest pitches from Shark Tank, from Squatty Potty to the Mench on a Bench to Ring Doorbell, and they break down why these pitches were winners or losers, and each company's go-to-market strategy, branding, pricing, valuation, everything.

Basically all the things you want to know about how to survive the tank and scale your company on your own.

If you want to give it a listen, you can find Another Bite on whatever podcast app you listen to, like Apple or Spotify or whatever you're using right now.

All right.

Back to the show.

This next episode is kind of mind-blowing because this guy, his name's Johnny, started this business that went from zero to over a billion-dollar valuation in something like 10 or 12 months.

I think that's the fastest it's ever been done.

So let's get to the story or the background.

Basically, this episode is an interview with Johnny Baffarat.

He's the CEO.

He's the founder of this company called Hoppin, and Hoppin started before the pandemic, and what they were trying to do was bring in-person events online.

So just to dumb it down, a virtual event platform, but COVID hit.

So you can imagine that it just took off.

So this company, it's just been astounding to watch these guys because one of some of their founding team wrote for Trends, and we were friends with them at our company.

So we got a little bit of an inside track or an inside view of how this business works.

But Johnny is the CEO.

He's the founder.

He's in his mid-20s, and he's got a very, very, very amazing story, a very interesting outlook.

He was sick at a young age, and that kind of changed how he started looking at the world.

And he looked me in the eye when we were doing this interview, and he goes, my goal is to make this a hundred billion-dollar company.

That's all I'm going to do.

And it's really weird and strange and odd to be around people who are so blunt with their ambitions, and frankly, it's quite inspiring.

And I don't think that that's the right move for everyone, but I respect people who know what they want and they get after it.

So today's episode is with the CEO of Hoppin.

He's going to talk about how he grew the business from zero to something like, I think, three, 400 employees in only 12 months, how he's done it all remotely, how he's handling just the personal weight about going about this at such a young age.

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

And it's very fascinating, very interesting.

I ask him about some of the stuff that kind of seems boring, but it's really important, like how do you create a brand guideline document that your whole team can use and onboard them so quickly?

How do you even recruit that many people?

I mean, if you recruit 200 people in a year, that means you're going to talk to tens of thousands of people.

That's so hard.

So I talked to him all about that.

This is for trans members, but the first bit is free.

If you want it, the whole thing, and a lot of other interviews like this, so just go to trends.co.

It's a dollar.

Check it out.

So let's get to it.

Honestly, I was already saying in November, we're going to be one of the fastest growing companies in the world next year because of how much demand there was for the product.

And basically what happened was February hits, coronavirus is happening.

We have tons of companies on the waitlist that are like, hey, this isn't funny anymore.

We actually need to move our events online.

Can you let us in sort of thing?

And we were like, we're six people.

We've been very selective.

And I realized that probably the right thing to do, not only from a businessman, but also like a humanitarian was at the time, was like, let's try and launch this and go as fast as possible.

And that was my plan anyways, but from November of that year.

So literally now we would have been launched, which would be funny, but considering what's happened in that time.

So we pushed out in February and since then, we've, let's just say we're 230 people now from an employee size perspective, sorry, a size perspective.

And we have over 50,000 companies using the platform, organizations using the platform.

Almost 300 employees since like March, right?

That's correct.

Yeah.

Like nine months, nine months, or whatever it is.

I mean, that's pretty phenomenal in itself, no?

I mean, how do all nurses that even work?

So when you started, it was just like you and Dave and a handful of other people.

That's right.

I imagine like it was small.

Did you have any money before this?

We had raised from Axel Ventures, we'd raised, I think it was \$8 million, \$8 million at about

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

\$32 million valuation or something like that.

In what month?

That was, I mean, we had agreed that in January, or not in January, in November, but the time, by the time the lawyers were done, it was January, end of the start of February.

Wow.

And how, what was your hire, what's your hiring look like in order to make that happen?

Did you just go out and hire like three recruiters or are we using outside recruiters?

And how on earth do you even make an org chart from nothing to, well, Sam, I'd say there's quite a few parts to this.

I think nowadays there's so much information online.

It's kind of like why universities have a hard time keeping up with online courses.

There's so much information online and so many ways to get knowledge.

On top of that, the other benefit that we had is we're a fully remote company.

And when you're fully, a lot of the rules that were set beforehand in how fast you can scale were not the same as online.

If you're hiring 60 people in a month from four in an office, you're going to have to, in real life, you're going to have to change offices like 10 times.

Plus there's a limited pool of people that you can find, plus the notice periods, and you kind of get people that can come within.

So all of these variables go away when it's remote.

You can attract amazing talent from across the world.

Yeah, but not like the biggest, the biggest variable is the fact that if you're going to hire 250 people, that means you're probably going to need like 10,000 applicants or thousands of applicants.

And then you're going to have to, to interview, to hire 200 people, you're going to have to interview like a thousand plus people, right?

And then you've got to figure out like, what are these people even going to do?

How do they know like, how do they know like what our design, our branding guidelines are?

Healthcare, like there's way more, I mean, yeah, the office thing isn't there, but there's so much of the normal stuff.

I could go through each part with you, I mean, but it's deep and it's ugly, like it's, it's deep and it's ugly.

I mean, if you're talking about the healthcare and all those plans, the US is the most complicated place I've ever seen, forgetting that done coming from when we were, I was in the UK, but you know, there's agencies.

So it's nowadays, you know, I would, I would explain the example that, you know, you use a lot of cloud technologies, you know, if you have to build your own CRM and not use Salesforce, it would take your company forever to start selling.

But we used a lot of things that pre-existed.

That was the company mindset for this last month, nine months, anything that exists.

So if we can use an agency that allows it, that does that for us, all the, all that sort of stuff, let's do it, you know, with applications were remote.

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

So when you put something online and you say, we'll hire you wherever you are, you get it to applicants from everywhere.

So we were kind of very lucky in that sense.

And that's why I think remote drove it.

If you, if you were, if we were a physical office, genuinely, I've said this quite a few times, I think there would have been no way that this would have been done.

No chance that we would have been able to scale this fast.

But what about, so how did you set up your hire?

So you, did you get a recruiter and, and then did you let leaders where you're like, all right, you are responsible for five people.

You're responsible for filling this org chart.

I mean, how does that look like?

Referrals was key.

And then, so referrals was number one.

So it was like every single person in the company was expected to bring three people.

And that was genuinely like, it wasn't like you had to do this or else it doesn't work.

But people did it.

And that's what we were pushing for.

We said, you need to bring in three people as quick as possible.

And so three of the best people you've ever worked with specifically.

But from there, you know, we hired engineering managers.

So I'll speak, we hired managers.

And then as we got past 60 people, you realize you need a director or, you know, I spoke with enough CEOs who've done this because I have no idea what I was doing.

And I still, you know, partially don't.

So you know, then you hire directors and when you have enough directors, you hire VP.

And then, and then the system is built and you hire people that have done it before and then they make everything else work.

And yeah, this is just pretty crazy to me.

Like just because, you know, we're at 30 people and we're going to grow, we're going to add a little double, but I'm like, ugh, I got to go and talk to all these people.

I got to send all these cold emails on LinkedIn.

Like it's a pain in the ass.

It's not, I mean, it's needed, but it's hard.

It's really hard work.

And when I think of, but then when I think, so our company's four years old, when I think of going in the first nine months, I'm like, what the fuck?

What is an application tracking system?

Like, you know what I mean?

Like, you know, you don't know anything.

And so it's just hard to comprehend.

Did you, what were you doing?

You're young though.

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

You're really young.

You're in your mid twenties, right?

Yeah.

What were you doing before this?

I was sick.

And before that I was in university.

I had a small app.

I sold it for a little bit of money in my second year.

And before that I was in high school.

For about two, two to three years, I was just sick building apps for fun and for your freelance.

You're a noob still.

I mean, it's not like you're, you've even had a job.

Um, no, just literally contract work for development, essentially.

Did you getting into, so we have a lot of people who listen, who have really awesome companies that do two or three million dollars a year with only two or three people.

And it's a very nice lifestyle.

And then we definitely have like the hub spots and like, I've said them and like the VC funded folks, my company, we've never taken funding, but I'm in that world.

Did you think from the beginning, I'm going to go hard and I'm willing to own a small piece of this and I'm going to go hard for five or 10 years and hope this blows up.

Or, uh, like I'm willing to like risk it all in order to be big or, um, where was your head when you were starting?

I mean, did you make that decision early on?

I guess it's all, it's still early on.

Yeah.

Super interesting question.

I'll say that, uh, in November of last year, when it was around the time when I did the first one, when I decided I was going to, so I had two, two decisions in my mind.

I said, do I want to bootstrap this company?

Uh, and that was before November of last year when I saw that there was a high, high growth potential.

Uh, it was, do I want to grow, uh, do I want to bootstrap this company?

Um, and, uh, the, I realized that there was too high a conversion rate between attendees to organizers.

Too many attendees.

The attendee has a good experience to say, oh, let me host an event.

We had a 3%, well, at the time it was 5% now it's three, three, three to four, three to four percent conversion rate.

And I said, this is incredibly viral.

So if, if I launched this in, uh, so that's the conversion rate of organizers who come to your event or organizers who land on your sales page and these who attend an event and then realize they want to host an event themselves or over time decide to host an event themselves. So 3% of people who attend someone else's event become hosts.

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

Yeah.

And that was, and so that's what that, that's that at that time was the, uh, thing that made me realize I needed to get venture funding because I said, this could explode, uh, in terms of if, if, if the product quality is higher.

So, um, you know, it could really, really be fast growth.

So I, that at that moment I realized, uh, um, I wanted, I wanted to push something out very quick.

And honestly, uh, the, I know that they say things happen for a reason, uh, for me, I'd sold an app after university in university and I kind of always wanted to live that remote work lifestyle of like, I'm going to go to Bali, work from there and just live a very comfortable life.

But because after I was sick for two years, I kind of like, and just kind of stayed at home, listen to podcasts, listen to rent, rent the hustle, you know, stuff like that, you know, that, you know, I came out of it and I, uh, really it was the perfect time for me to get out of the sickness because, uh, when it was through the remission because I might, I kind of felt like I needed to do something very quickly.

I honestly, I, I don't know, the pace changed, let's say in my life.

How much should you sell that out for?

Uh, around \$300,000.

So that's really good money for a, uh, 20 something.

Yeah.

I should, I should have kept going, but, uh, yeah, it was, uh, it was a ton of money to be in university for.

Why should you have kept going?

Um, you know, I had parents, uh, strict parents that were very like, you know, I want, they wanted me, I studied mechanical engineering.

I don't like try out, you know, normal life, don't quit uni.

And I was like, okay.

And that was about it.

That was the discussion.

So, uh, I saw, you think like, look, like, guys, I probably made more money than you did.

What are you talking about?

Like, I, again, very different person when I was in university than to, uh, before sickness, you know, only thing I didn't change is my girlfriend and, uh, she will tell you that I'm completely utterly different person.

I was just thinking about, uh, you know, how much, uh, alcohol that could buy me and with my friends and stuff like that.

That was literally my thoughts.

What motivates you now?

And so I, I'm really just fascinated because I don't know if you view it this way, but from an outsider's point of view, someone, how much have you, how much money have you guys raised?

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

Um, a total about 180, I think total, \$180 million.

Yes.

So you've raised \$180 million.

So this business, the way that I think you'd have to run it is like, it's got to be huge or it's probably going to die.

Is that right?

I mean, die is strong, but yes, it's, yes, we have to be huge.

I mean, it's difficult to say because we're also sass, so I don't sass, I mean, they can die, but I see it differently as, uh, I don't see it as, uh, plain and simple, like, you know, Apple came back from the dead, but yes, yes, maybe, maybe, maybe, maybe from the venture kit, from the investment's point of view and the type of business, like, I would imagine you've got to run it like this has to be a massive thing.

Like people are betting that this is going to be huge and they're not betting that it's going to be a mild success and a mild success if you own the whole thing is like a huge deal.

If you sold the company for \$50 million and you owned all of it, that's just like massive, massive, massive.

If you sold your business for \$100 million, they'd be like, oh, fuck that, you really missed the mark, right?

So that's what I mean.

Do you think that, I'm just fascinated by that, the idea of the decision to, what motivates someone to make that decision to go that route, particularly when you have options?

For me, it was purely after, I mean, I would have probably not taken that decision had it been me pretty illness, post illness for sure.

It was that life is short and go at it at full speed.

And that was genuinely the mindset that I've taken in almost everything.

I try not to do anything that doesn't need to be done sequentially.

I try to do it at the same time and if it doesn't have to be.

And so that's really the mindset that I've taken after.

And who knows, because focus isn't key and you can burn and all that sort of stuff, but I've just been super, I don't know, it was super exciting.

I still live today, super excited about everything that just life is moving at this pace.

It's fun.

And so that is definitely the key motivation for me was post illness.

Are you tired at all?

It's only been nine months, but it's been a crazy nine months for you.

Are you worn out at all yet?

And what's your work week looking like?

Okay, I always hate when these questions are asked because every CEO says they work super hard and da, da, da, da, da.

Yes, long, long, like, yes, like for me, it usually starts because I work, I've been working in London and European times, but I have, we have a lot of people in San Francisco. So usually it's and customers and such.

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

So usually I'll sleep at two, wake up at eight, nine, and really, but I like, as soon as I wake up, I'm at work and I think a lot of people on coronavirus feel the same way. It's like, you just get up and get on your laptop and start answering Slack messages and moving things.

And most of the day is filled with meetings.

I don't get to code anymore, which that's something that you used to have a lot of enjoyment from.

What else is there?

You asked about, uh, if I'm tired now, I would say, uh, like physically sometimes yes, mentally no.

Yeah, it can be exhausting.

I think that like, uh, my friend, I have a friend named Jason Lemkin who's this, you know, Jason, uh, like saster guy.

He's awesome.

And he was all, he's always like year five is when it hits you where you're like, uh, I need a, like a three month vacation.

I'm worn out.

And, uh, I definitely, well, I had experienced that as well.

It was earlier than the year five.

But when I think of hiring 250 people and doing it during 2020, which has been a very hard month, um, I just think like I would be exhausted if I were you.

And I wanted to hear how that, how that has played out, but you've answered it.

Um, so we, we host events.

So we had this thing called hustle con where we would have like collectively about 10,000 people a year come to our trade show, our event.

What do you think's going to happen in the next two or three years for the event industry?

Oh, that's a really good question.

And I think the event industry is such a gigantic industry that it's, I can't generalize it.

It's, it's a giant.

It's like, I think one of the world's biggest market markets, uh, if not, uh, it's, it's huge.

I mean, an event can be a conference.

It could be a fundraiser, it could be a concert.

It can be a, uh, 20 people going for a, a CEO dinner.

Like it literally ranges.

It could be a book club.

So it, it, it, and a wedding is also the point is there's tons of different types.

Now if you're asking specifically about business and, and conferences, uh, specifically, let's I mean, if that's what you'd want to go into conferences and expert, what, what, what, what do you think is the most interesting opportunities?

Oh, that's a, that's a tough teaser, isn't it?

I'm sorry, but that's what we got to do to pay the bills around here.

So go to trends.co.

[Transcript] My First Million / MFM x Trends - How Johnny Boufarhat Took Hopin from 0 to \$1b+ in Less Than A Year

If you want to hear the rest of the episode, um, we've got a bunch of interviews like this as well as a group with a bunch of CEOs and founders similar to Johnny.

So sign up to trends.co.

It's a dollar.

If you don't like it, just cancel and then join the group.

See our research.

It's awesome.

You're going to have fun.

It's a dollar.

Change your life.

Dollar.

Easy.

I guess it comes all the way down to the service, but we'll get going now.