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Exploratory study about motivations and values of entrepreneurs in the Silicon Valley

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Acknowledgements

Abstract

The Silicon Valley is the birthplace of the most successful high tech startups in the world. Every company started small, with great minds who were not scared to think big. Some claim they want to make the world a better place to live in. What do founders mean by saying this? What kind of values do they take into account? What drives them to work countless hours? In order to find answers to these questions, interviews with founders have been conducted in the Silicon Valley. Their startups are still in early stages but their visions are big. They were questioned about topics like value creation, human capital or data strategy. The results are summaries of their answers, a visualization of their value system and motivations, general findings as well as a final discussion. Even though money is a strong driver, there are many other motivations which spark today's innovations.

Zusammenfassung

Das Silicon Valley ist die Geburtsstätte der erfolgreichsten High-Tech Startups. Jedes Unternehmen startete klein und wurde von hellen Köpfen gegründet, welche keine Angst hatten gross zu denken. Einige sagen, dass sie die Welt zu einem besseren Ort machen möchten. Was denken Gründer, wenn sie das aussagen? Auf welchen Werten bauen sie ihr Wagnis auf? Was motiviert sie, Tag und Nacht zu arbeiten? Um Antworten auf diese Fragen zu finden, wurden Interviews mit Gründern aus dem Silicon Valley geführt. Ihre Startups sind noch jung, doch ihre Visionen gross. Sie wurden über Themen wie Wertgenerierung, Human Kapital oder Daten Strategie befragt. Die Resultate sind Zusammenfassungen der Antworten, eine Visualisierung ihrer Wertsysteme und Motivationen, Verallgemeinerungen sowie eine abschliessende Diskussion. Obwohl Geld eine grosse Rolle spielt, gibt es viele andere Motivationen und Bewegungsgründe, welche hinter den heutigen Innovationen stecken.

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Introduction

The dream to change a part of the world has fascinated me since my childhood. Having spent two weeks in the Silicon Valley at the start of 2015, I personally experienced the enthusiasm of many founders of startups who want to lead change and disrupt existing business of today's world. A lot of them pitched, that they wanted to make the world a better place to live in. The aim of this thesis is to explore what they mean when they claim to make the world a better place. Thanks to my internship in the Silicon Valley as an Investment Analyst of a Swiss-American venture capital fund, I got in contact with numerous founders of high-tech startups. During structured interviews with over fifteen founders, my aim was to investigate what their declared values are, through which eyes they see the world and how they want to drive change. Backed by theory about social value creation this thesis is trying to identify similarities and specifics of the business models and approach of early stage startups in the Silicon Valley.

Firstly, this thesis describes the principles of social value creation as well as Corporate Social Responsibility and it's different stages. Secondly, the method and approach of the interview process will be described. Thirdly, there is a an overview of each interview which describes the outcomes and findings of the interview. This includes important citations of the interviewees. Fourthly, there is a visualization of the values and motivations of the interviewed entrepreneurs. Fifthly, general findings and results are mentioned. Finally, this thesis discusses the limitations and the biases of the results. In the appendix all interviews are transcribed word by word as source of the findings. There are vertical lines on the left side of the appendix page which highlight especially interesting answers.

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Theoretical background

2.1 Motivation to become an entrepreneur

A lot of research has been done on the topic why somebody chooses to start his own venture instead of working in an existing organization. As a result of this research there are many models which explain the motivation to found a new organization. They have different terminologies and build on different theory bases. Vroom's expectancy model can be used to demonstrate the commonalities between these disparate models [Segal et al., 2006]. The Vroom model explains that an individual chooses among alternative behaviours by considering which behaviour will lead to the most desirable outcome. Motivation is conceptualized as the product of expectancy, instrumentality, and valence [Vroom, 1994]. Expectancy is analogous to measures such as perceived feasibility and self-efficacy used in other models predicting entrepreneurial intentions. Another important model which is often cited and referred to is the "push" and the "pull" theory [Gilad and Levine, 1986]. It proposes two closely-related explanations of entrepreneurial motivation. The "push" theory argues that individuals are pushed into entrepreneurship by negative external forces, such as job dissatisfaction, difficulty finding employment, insufficient salary, or inflexible work schedule. The "pull" theory contends that individuals are attracted into entrepreneurial activities seeking, independence, self-fullfilment, wealth, and other desirable outcomes. Research indicates that individuals become entrepreneurs primarily due to "pull" factors, rather than "push" factors [Keeble et al., 1992, Orhan and Scott, 2001]. "Being an entrepreneur is often viewed as an aversive career choice where one is faced with everyday life and work situations that are fraught increased uncertainty, impediments, failures, and frustrations associated with the process of new firm creation" [Campbell, 1992]. However the desire to change something in the world combined with the perceived feasibility of achieving this leads to a lot of ventures. "Many studies highlight the passion for addressing an unmet social need as a primary motivator for social entrepreneurs. Other researchers stress the social entrepreneur's commitment to a social mission" [Coleman and Kariv, 2016].

2.2 Social Entrepreneurship

Definitions of social entrepreneurship range from very broad to narrow. In a broad defi-
nition social entrepreneurship refers to innovative activity with a social objective. These
activities can happen in both for-profit enterprises as well as non-profit enterprises. Ex-
amples are social-purpose commercial ventures [Dees and Anderson, 2003, Emerson and
Twersky, 1996] or corporate social entrepreneurship [Austin et al., 2004] which are in the
profit sector. Dees also defines hybrid structural forms which combine for-profit and non-
profit approaches [Dees, 1998]. An example for a narrow definition is when non-profits use
business expertise and market-based skills and experiences in order to develop income.
Common across all definitions of social entrepreneurship is the underlying motivation to
create social value, rather than personal or shareholder wealth by developing innovative
and new practices [Zadek and Thake, 1997].The central driver for social entrepreneurship
is addressing the social problem, and the organizational form of a that social enterprise
should be a based on which format would most effectively mobilize the most resources
needed to address that problem. Therefore, social entrepreneurship is not defined by
legal form, as it can be pursued through various organizational structures [Austin et al.,
2006]. There are a lot of examples of social entrepreneurship which can be found within
or across sectors like non-profit, business, or governmental sectors. The paper "Social
and Commercial Entrepreneurship: Same, Different, or Both?" [Austin et al., 2006] de-
fines four different variables for differentiating social and commercial entrepreneurship.
The four variables are market failure, mission, resource mobilization and performance
measurement. Market failure is when commercial market forces do not meet a social
need which is often due to the inability to pay for these needs. This may create opportu-
nities for social entrepreneurs where commercial entrepreneurs don't see opportunities.
Missions are very important for new ventures. Social entrepreneurship targets to create
social value for the public good, whereas commercial entrepreneurship aims at creating
profitable operations resulting in private gain. Different missions attract different hu-
mans with distinct motivations and goals. Resource mobilization is divergent in social
and commercial ventures. Due to the different handling of generated surpluses, social
ventures have limited access to the capital market. Furthermore, the economics of a
social venture often make it difficult to compensate the workforce as competitively as
in commercial markets. Many employees in social entrepreneurial organizations place
considerable value on non-pecuniary compensation from their work. Performance mea-
surement for commercial ventures rely on quantifiable measures of performance such as
financial indicators, market share and customer satisfaction. Social ventures generate
social value which is much harder to measure and quantify due to multicausality, distinct
temporal dimensions and culturally perceived differences of social value.

2.3 Social Value

In order to understand the term "social value", one should understand the term "private
value" [Auerswald, 2009]. A private value of two units is generated when an individual

buys something for eight units but he is actually willing to pay ten units for it. Social value takes many more dimensions into account than the private value. It refers to wider financial and non-financial impacts of services, programs, and organizations, including the well-being of individuals and communities, social capital and the environment. From a business perspective it may be summarized as the net social and environmental benefits and values generated. The Public Services (Social Value) Act defines it as followed: "As a concept, social value seeks to maximize the additional benefit that can be created by procuring or commissioning services, above and beyond the benefit of merely the services themselves" [White, 2012].

The measurement of social value creation is very challenging. There are a wide range of different reporting strategies and performance metrics. According to the social value portal there are over 1150 different metrics all over the world. These include metrics like "carbon emissions", "jobs created", the "happiness index" through to sentiment analysis [Battle, 2014].

There are several social value enhancement mechanisms which allow a venture to generate social value. The book "Getting beyond better: How social entrepreneurship works" groups the different approaches into three main categories [Martin and Osberg, 2015]. "Firstly, the social entrepreneur creates additional willingness to pay from customers through the introduction of a transparency standard that reframes and increases the value of an offering. In the second, the social entrepreneur enables government action, often increasing government willingness to pay through a measurement rubric that reframes and increases the value of government's investment. In the third, the social entrepreneur creates a methodology that at no greater cost causes a key asset already in hand to generate more value" [Martin and Osberg, 2015].

2.4 Corporate social responsibility

Corporate social responsibility is a form of corporate self-regulation integrated into a business model. CSR policy functions as a self-regulatory mechanism where a business monitors and ensures its active compliance with the spirit of the law, ethical standards and national or international norms. With some models, a firm's implementation of CSR goes beyond compliance and engages in "actions that appear to further some social good, beyond the interests of the firm and that which is required by law." [McWilliams and Siegel, 2001] There are different definitions with various scopes. Business Dictionary defines CSR as "A company's sense of responsibility towards the community and environment (both ecological and social) in which it operates. Companies express this citizenship (1) through their waste and pollution reduction processes, (2) by contributing educational and social programs and (3) by earning adequate returns on the employed resources." [BusinessDirectory, 2014] Broader definitions expand the focus from stakeholders to include philanthropy and volunteering.

3

Method

3.1 Data basis

The data basis for this qualitative explorative thesis are 16 semi structured interviews which can be found in the appendix. Semi structured interviews were conducted because they allow the interviewees to answer freely within the framework of the interview guide. The interview guide consisted of the nine following themes: Personal background, motivation for the founded startup, value creation, social value measurement, human capital management, handling of feedback, corporate social responsibility, environmental awareness and data strategy. The interviewees were encouraged to talk freely about these topics in order to get an understanding about how they think. The goal is to examine if they have underlying social thoughts or motivations which point the direction of the startup's development. Furthermore the interview explores if and how the founders get non-monetary value from the stakeholders. The interview was conducted on a voluntary basis with entrepreneurs the interviewer has met personally in the Silicon Valley.

3.2 Interviewed startup

The interviewer worked as an intern at the venture capital fund Polytech Ecosystem Ventures. Thanks to this internship he made contact with lots of entrepreneurs who were looking for venture capital. All of the interviews subjects were looking for venture capital or just found and raised their last venture capital round. All the startups are for-profit companies with a strong focus on information technology software. Some of them have hardware components involved in their business model but production and distribution are outsourced. The startups are in early stage, which means they just started a few months ago up to four years. A few startups are in really early stages and only have a website and tons of ideas. All startups are in-cooperated in the United States, most of them in Delaware. They have single digits or low double digits number of employees. Typically the startups were founded by a team. The founding members are called co-founders. Others are founded by only one person who is called founder. This thesis treats co-founders and founders in the same way because both of them are founding members of startups. The interviewer tried to ensure a diverse ethnically distribution of

the interview subjects in order to get a broad set of unique answers from different points of views. Despite the fact that female founders are a minority in the technology world, there are three female founders who were interviewed.

3.3 Approach

34 entrepreneurs were asked per email, 16 of them agreed to the interview, three rejected and 15 didn't reply. Eight were asked via LinkedIn, five of them responded and agreed. A total of 21 interviews were conducted. Eight interviews were held in person, five of them in the co-working space "Hero City" of Draper University in San Mateo. 13 were interviewed via Skype. In order to increase the consistency of the data basis three interviews are not considered because the focus of these startups was strongly on hardware and sensors. Two other startups were already sold at the time the interview was conducted with their founder. These two interviews are not included. The duration of the interviews varied from 14 minutes up to 43 minutes. The average interview took around 25 minutes. Every single interview participant was informed in the message that the purpose of the interview was only scientific and not related in any way to the investment decision of Polytech Ecosystem Ventures. Furthermore, they were reminded again at the beginning of the interview that their responses will not affect their chances getting funded at all. The introduction at the beginning of each interview was as follows:

"Thank you very much for your time. I would like to inform you that the purpose of this interview is purely scientific. This interview is conducted for my thesis at the University of Zurich. Neither your name nor your company's name will be shown in the thesis. I will anonymize it and only use the content. In July, I will send you an executive summary with the key findings of the thesis which allows you to see how your peers think about the topics. It is important that you know that whatever you say has no influence on the investment decision of Polytech Ecosystem Ventures. I am trying to find out more about your personal declared values. Broadly said: Through which eyes you see the world and what place your startup takes in this world. I am going to ask you around ten to twenty questions and encourage you to talk freely about whatever comes to your mind. Is it okay for you if I record the interview, that I can transcribe it later and focus entirely on our conversation?"

All interviewees agreed to record the interview. This helped the interviewer to to focus on the interview and ask follow up questions related to their answers. By transcribing the interviews, personal background information which may make the interviewees identifiable was cut out. The order of the questions was flexible to keep the flow of the conversation going and to let the interviewees talk as comfortable and as freely as possible. The questions about the environment and the handling of data were asked at the end of the interview because I assumed they could make some interviewees feel uncomfortable.

3.4 Form of the results

Each interview is summarized in an overview in the results section. This overview reflects each subjects opinions about the main topics of the thesis. These topics are: Background information, motivation, value creation, Corporate Social Responsibility, handling of feedback, Human Capital and data strategy. Quotes of the interviewees included in the overview. This should help the reader to get a better feeling of their thought processes. In order to ensure anonymity of the interviewees, the name of the founder as well as the current startup are concealed. Each founder is named "Subject" plus an individual uppercase letter. The startup they founded and work for at the date of the interview is named "Startup" plus the same individual uppercase letter. For example: Subject B founded Startup B.

3.5 Visualization of the results

The categorization is a simplification of all the information the interviewees stated. It is based on the self-declared values and opinions they mentioned. Icons have been used to visualize the values and opinions about the questioned topics. The categories are the following: Origin, age, personal background, industry of the startup, age of the startup, origin of the idea for the startup, motivation to found the startup, social values created through the startup, social value metric applied, opinion about Corporate Social Responsibility, preferred art of feedback, which kind of employees they are looking for, statement about the data strategy of the startup and if it wants to resell data to third parties or not. The icons are declared and described at the beginning of the chapter visualization. If the interviewee didn't want to talk about a topic it is clearly visible. When there was a shortage of time because of time restrictions on the side of the interviewee it is also visualized. Not all information were considered to make the visualization because it is a strongly simplified model of a lot of data.

4

Results

4.1 Summaries of the Interviews

Each interview is summarized in the following sections.

4.1.1 Overview Subject A

Background information

Subject A is a 53 year old male from Colorado, United States. He has working experience in startups as well as a travel consultant. Two years ago he founded his second Startup A, a digital and mobile payment solution startup for big corporations.

Motivation

Subject A is personally offended by today's credit card and payment system and wants to change it. He sees an opportunity to improve it. Further, Suject A wants to get a small cut of the efficiency gains. "I'm motivated because I see opportunities for change. I don't see it that existing companies are in a position to make that change. They are not motivated to do it. And so I want to change the world."

Value creation

Startup A creates value by protecting privacy of users, reducing fraud and saving time. They haven't found a way to measure this value creation in numbers but thanks to talking with customers they are able to see that there is great interest in the market for their solution. Subject A sees this as a validation of the monetary as well as the non-monetary values of the product. "The value is of course for them (the customers) the monetary aspect. But we value also the time of the people and our customers." "The third is we value privacy so that we look for corporations who also value that privacy for their employees. Because that's where we create a fit."

Corporate Social Responsibility

Startup A relies a lot on their suppliers. Their solution is software which runs on the infrastructure of the customers. Privacy is a unique selling point of Startup A and human resources management is important as well. Other dimensions of CSR are not in their focus. Subject A says the travel business is a very environment polluting business. "So I don't know how much we can do and what we can do to make the turn." However, employee satisfaction is very important for Subject A and he is willing to give away more equity than necessary to employees in order to keep them involved and motivated.

Handling of feedback

Feedback is very important for Startup A. They are very responsive to customer's need but do not let them dictate what to do. "I'm not a believer in "the customer is always right". I don't believe in being led by the market. I want to lead the market where there's a big difference."

Human Capital

Subject A is looking primarily for the smartest people he can get. Cultural fit is also very important as well as the motivation of solving the problem that they want to solve. "If they just want a job I don't hire them. I don't care how smart they are. I will not hire them. I want people that are completely committed to the mission." Subject A has a lot of hiring experience. One of his standard questions to executives is: "The other question for executives I always ask is how many admins have you had. The really good ones only have one. They follow them from company to company and if a low paid admin is committed to you that means that you know how to deal with people who make way less than you do."

Data strategy

Startup A doesn't plan to resell data at all. They protect the data because it is very sensitive data and privacy is a strong value proposition. "Ensuring privacy is our number one unique selling point. We are in the payment business we don't resell data."

4.1.2 Overview Subject B

Background information

Subject B is a 21 year old female from Massachusetts, United States. The first startup she founded was an encrypted chat platform. Startup B is the second one which was founded half a year ago. It processes different kind of payments by recognizing cars. The authentication is made via video recognition of the license plate at the point of sale, for example at a McDonald's or a parking lot.

Motivation

Subject B came up with the idea at a Hackathon of a special entrepreneur program at the Draper University in Silicon Valley. The initial version was a near-field communication system for self-driving cars combined with an order and payment system. But then they settled for an easier applicable and realizable version which can be extended in the future. She wants to make lives easier and integrate technology in a way that one doesn't realize that it exists. "I definitely am interested in building something that's successful to the point that I don't have to worry about retirement. That's definitely a piece of it, and then I think the other piece is building a piece of technology that can touch a million lives. The goal with technology is always to help people do something easier, faster, more efficiently ... If you can really help people make their lives a little easier and they actually appreciate what you build, then you're doing something good."

Value Creation

Subject B wants to increase customer experience. "What will push a user to change their activities is if you make something more streamlined or more fun. The second you start making things easier and more fun, because then you start to capture real customers". Startup B measures customer experience by analyzing how often the service is used by the customer. It is a payment solution so the capital spent is also an important metric. Furthermore, profiling of customer behavior is very valuable for one customer segment, the corporations.

Corporate Social Responsibility

Subject B thinks CSR is mainly about supporting the local economy and building a good business. "I actually think that your social responsibility as a company is to build a successful company, for the most part."

Handling of feedback

End-customers are the most important feedback provider of Subject B. She is currently in an entrepreneur program that focuses on getting constructive feedback from customers. "It takes really good entrepreneurs to listen to customers and actually understand what it is they want to see, because customers are notoriously horrible at telling you what they want." "Don't let your customer tell you what to do. That almost never works, but let them tell you what's wrong with what they currently do because what's wrong with what they currently do, they do actually know." Subject B wants to increase the level of fun. "The whole key to disruption is to take something boring and stiff and make it fun."

Human Capital

Subject B wants to hire smarter people than her who are self-motivated. "I would honestly rather have somebody who was less experienced but very motivated by the problem we're trying to solve than somebody who has worked for Google and is not interested in the problem we're solving, but just wants to work on startups."

Data strategy

Subject B doesn't want to resell data. "Basically what we do is, as part of the subscription to our service, you get access to data. We're not turning around and selling that to unrelated third parties at this point." She has a lot of thoughts about individual online privacy because her first startup was in the security space. She says that Facebook and other big companies define privacy in a way that the user has the right to delete his personal information from the web. But she thinks in order to have privacy the user should be able to control the access to his data. Subject B said: "What people want when you ask them, "What are your problems with the Internet?" they all go, "We don't have privacy." I'm like, "Well, what's privacy?" and they all tell me, "It's the lack of control of my stuff. I don't know who has my stuff, who has access to it, how much access they have,"

4.1.3 Overview Subject C

Background information

Subject C is a 50 year old male from India. He came to the United States for college, lived in Japan and settled in the Silicon Valley in the late nineties. Startup C is his third startup. Before Startup C he worked long for Visa as an engineer. Startup C was started nine years ago as a project but it pivoted and the new idea has existed for three years. They offer an online payment solution which is designed to pay paper checks digitally to anybody.

Motivation

"I saw the inefficiencies in payments and I was looking for something big to do and it was the imperfection of the problem that I personally faced, which is writing paper checks". Furthermore, he wants to have a big impact which means for him doing something that affects a lot of people. "If it affects a large segment of the population of the demographics even if in a small way. Making lives a little bit more convenient a little bit more efficient."

Value Creation

Startup C improves the efficiency of its users and helps them to save a lot of paper. The environment is really important for Subject C but with Startup C he clearly wants to focus on the product and not on other factors. "It is important that as a company we

pitch the product before we pitch the environment." He wants to use a green data center in the future but it is not a priority right now. Subject C hasn't found enough time to measure that impact in a methodical way but he realizes the importance of his solution while talking face to face to people.

Corporate Social Responsibility

Subject C thinks CSR is good for established companies but it is too early to have a CSR program at at this stage.

Handling of feedback

Subject C gets his feedback from talking with customers. "The quality of feedback is much higher when you meet them in person than when you make an online survey. So to me that was a very important distinction. Even if you have only a short amount of time and you can look them in the eyes and feel the intensity of the problem."

Human Capital

New potential hires in Startup C have to work in the office and with the team for some days to determine if they fit in culturally. Cultural fit is very important for him.

Data strategy

Startup C is not interested in reselling data right now. Because they have very sensitive personal payment data they are really strict about it and they have included this in the terms and conditions. Selling anonymized and bundled data to third parties is not in the scope yet and too less valuable to consider right now.

4.1.4 Overview Subject D

Background information

Subject D is a 28 year old male from India. He has worked all internationally for big corporates as data analyst. He came to the Silicon Valley to work for a startup in 2013. He has done some other projects but Startup D is his first real startup he founded. It allows smart, educated expats to get a reasonable loan even if they don't have a US credit history. It was founded a year ago.

Motivation

He experienced the pain of the problem by himself. "The idea was just based on the problems that we had when we moved to the US. Mostly it was about realizing the fact that we ended paying a lot more interest rates and we had to and go through a lot of problems trying to get funding to get education in the US and afterwards." "I basically wanted to help people like me. That was the origin of the idea; to help my friends. I had

a lot of friends who wanted to come to the US and they were equally smart, capable, hard-working, financially responsible and everything. The only thing they didn't have was access to financial services or access to a loan. If they had access to a loan, then they would come to the US and do better than a lot of the people here. The initial motivation was to just try help them and then that held the idea too."

Value Creation

Initially, Subject D thought about founding a non-profit startup but as he informed himself more, he decided to go for-profit in order to make it more scalable and bigger. "Using our own sensibility, we had more information on how to make this more scalable and make it bigger." Subject D knows about the social value he is creating: "I know I personally talked to a few of our borrowers and if we hadn't given them a loan it would have been extremely difficult for them to pay their education tuition and that would have made it difficult for them to stay in the US. Now those people have graduated and have jobs and all that stuff. There is impact in that sense but it's more difficult to measure unless we talk to each person." Startup D doesn't want to focus on the social benefit. They want to be perceived as a healthy growing business. "We sometimes talk about it when we are talking to investors but the message we don't want to give away is that we are doing this just for social benefit." He mentions some issues which may come up if they laid more focus on social value creation. "If we do social benefit then we need to quantify it, we need to track it, we need to make sure we don't deny people who need this and all that stuff. We don't want to move only into that direction. We want to keep the business safely set up and yes it is a side effect of the business." Subject D has a metric he calls "direct dollar impact". It is simple to calculate: "One is how much money we saved them. A lot of people already have loans at high interest rates and we give them loans at lower interest rates."

Corporate Social Responsibility

"I feel building a good business has more impact than building a bad business and doing corporate social responsibility. That's how I think about it. If you're building something that's helping a lot of people or impacting the lives of a lot of people, especially in the technologies, and I think the industry got too wide. What's the scope of social responsibility of an oil company, I don't know." Subject D thinks business is the dominant key factor of a company and he looks at CSR as an alternative marketing tool. "Whether doing corporate social responsibility because they think their business is going to grow by doing corporate social responsibility because employees and media see them in a better light. At the end of the day it's about increasing the shareholder value for the business and even CSR initiatives that are a part of that. It is a part of marketing." He thinks it is impossible for Startup D to look into CSR because they have very limited resources and they want to get the best possible prices. "We are a startup with a limited amount of money and we need to be very careful where we end up spending that money."

Handling of feedback

This topic was not discussed in this interview.

Human Capital

Subject D looks for smart, skilled and curious coworkers. "Broadly, it is about curiosity, how fast they can learn based on our assessment, even if they don't know stuff."

Data strategy

Startup D is not looking to monetize its data now. They have a lot of sensible data and their customers wouldn't like it at all if they resell their individual data. Subject D doesn't exclude the sale of bundled and anonymized data. "We may attribute things where we're pulling data from a lot of people and then do some high-level marketing and all that stuff. This data is mostly for our purpose and making sure, that we put the right product at the right price to borrowers. We don't intend to particularly sell the data at an individual level."

4.1.5 Overview Subject E

Background information

Subject E is a 41 year old male from Chile. He travelled a lot internationally and came to the U.S. in 1998. This is his third startup which he co-founded in 2013. Startup E is a platform for micro payments and the exchange of virtual goods in games.

Motivation

His co-founder came up with an initial version of this idea. They talked about it and pivot from exchanging the physical discs to exchange virtual goods in games. Subject E heard the pain point (problem) from stories of his own kids. He felt it was the right thing to do because: "The way that gamers used to exchange virtual assets was very complicated."

Value Creation

He doesn't see that there is a benefit for society as a whole because they increase the fun in online games. "So the question is, so are online games socially good or bad, you know?" They tried to measure satisfaction and get feedback by talking to early users.

Corporate Social Responsibility

Subject E says startups don't have enough resources to make active CSR engagement. "We offer free lunches. We have some retreats sometimes. You know, free candy, things like that. But you know, when you're a start-up, you're so busy and you don't ... I mean,

you cannot do much more than that, really." Startup E had some "borderline corruption" issues in order to get big customers. They paid up to 100'000 Dollar upfront to get the business from big companies.

Dealing with feedback

Startup E gets a lot of feedback from different stakeholders. Mainly form venture capital funds who pointed the direction and introduced them to large potential customers. They already acquired two other startups with money they got from the investors. Subject E talks highly about the investors. "So if they don't believe in you or they think you're not doing a good job, then they're going to drop you. So it's very important to keep them happy."

Human Capital

Startup E tried to outsource the coding to India but that didn't work because of several issues: "time, not being there, making sure they're doing the right thing. It was, if they did something wrong you only knew about it the next morning. So it was very inefficient." Later they hired engineers from the Silicon Valley. He said it is hard to find them. "So most of the times they came because they like the vision, they see some promising ending, they like the industry you're in."

Data strategy

Startup E is a platform that depends on gaming companies which means they don't own the player data by themselves. They offer analytics for the gaming companies but use the data mainly internally to improve the platform. Subject E doesn't see a problem when data gets resold to make direct advertisement.

4.1.6 Overview Subject F

Background information

Subject F is a 34 year old male from San Francisco, United States. He travelled a lot to Europe and Asia. Before co-founding Startup F three years ago, he worked in a big corporation and for several startups. It is a micro financing platform which brings together preselected startups and private international investors who may invest very small amounts of money in startups.

Motivation

Subject F understands the space, he likes it to be challenged and to take over different responsibilities. "I saw the startups allowed me to wear a lot of hats and do a lot of things that I was outside of my skill set that was very exciting."

Value Creation

Subject F thinks that his startup creates a benefit for society by allowing social impact startups to raise money as well as democratising the investment process. "So we get a little bit of democracy to the investment process and he that allows more people to invest and then more startups to get more capital from people from around the globe" They don't focus on social impact investment opportunities but they take them into consideration. "You know, ideally, we'd like to look for more companies that are doing some kind of good value add to the environment overall but in tech it's a little bit hard to find sometimes." Furthermore, an important point is that they didn't see more traction on the platform for startups with a focus on social value creation. They focus on maximizing monetary return. His likes additional value propositions but business is more important.

Corporate Social Responsibility

Subject F thinks CSR for Startup F is an area with opportunities. "This is another opportunity for improvement. I don't think we do it. You know that's another area for growth." Subject F was asked if he does something against climate change and he answered laughing that he wants a Tesla.

Human Capital

Subject F prefers not to talk about this topic.

Handling of feedback

Startup F gets feedback from important stakeholders without asking. They ask close customers and try to constantly improve their service. Startup F invests in other startups which are their portfolio companies. "Our portfolio companies, we ask how we can help them because without them Startup F is nothing. The ones I'm really close, some of them provide you know unfiltered feedback and we welcome it."

Data strategy

Data security is very important for Startup F and they are not going to sell data to third parties. "You know about the monetary value it's very little. You know it's not even intriguing for us even to the risk of people getting scared about us do exactly that. That's way too high compared to the small reward."

4.1.7 Overview Subject G

Background information

Subject G is a 34 year old male from Switzerland. He studied International Relations and Economic History, worked for different NGOs and has a lot of travel experience. Subject

G founded Startup G as his first startup 2 years ago. It is a group travel platform which simplifies the organization of group travel.

Motivation

Subject G experienced the pain point (problem) by himself. Back then he wished there would be the service he provides today with his startup. The vision is to enable people additional income by allowing them make to tourism tours in a semi-professional way without middlemen like travel agencies. He sees himself as a part of the Gig economy. The Gig economy is an environment in which temporary positions are common and organizations contract with independent workers for short-term engagements. "Startup G would really be the platform and the marketplace that enables people to not just drive cars or clean a house or so but really to have a more meaningful job in tourism like organizing group tours."

Value Creation

Subject G thinks a lot about social impact. This supported him especially in the early stage of his idea when friends told him about the positive aspects of group travels. These aspects include for example better immigration and increased world openness. He saw that impact in his own life and wants to enable others to get that as well with less struggle. "In our today society where integration of foreigners into our society is a challenge I believe that foreigners organizing group trips to their home countries or to the places they know well is really a good way to trade social cohesion and to create a better social tissue. And that goes both ways for the traveler who organizes the trip but as well for the traveler who travels the country by not sitting in a Club Med walled off resort but going into the local city and this can open his mind. I mean, that what travelling has done for me. Travelling has definitely broadened my world view."
He thought about measuring this kind of value with surveys but this is not a priority right now. In the beginning he pitched Startup G as a nonprofit enterprise but in the Silicon Valley it is much harder to find money for nonprofit enterprises. "Silicon Valley is just not the best place to start a social enterprise because of the dominance of money." User growth is their current focus. "So we know we have a year or eighteen months to grow and we have to hit certain milestones. Nobody really knows these milestones but we definitely have to grow a lot in this time and social impact growth is not important there." The social impact is important for the team and the culture of the startup but they don't market or position it that way.

Corporate Social Responsibility

Regarding CSR he doesn't think it means a lot to startups. He says they go for the "don't do evil" approach. There are some areas for which they don't support travel trips, like the National Rifle Association or religious trips.

Handling of feedback

In general, feedback is gathered verbally by talking to customers face-to-face. Important customers come to them and ask them for improvements.

Human Capital

Besides skill, the cultural fit is important for new employees. Every employee should have at least a coffee with an applicant before they hire them.

Data strategy

Reselling data is not part of the business model now. Selling anonymized packages could be interesting in the future but he would have to inform the users. "It is soon lucrative because we have very specific data pints about their next purchase like a flight to the same destination. It is a blurry line. We do sell them flights advertisement after they book a trip with us. So that's kind of using their user data. But we don't sell it right now."

4.1.8 Overview Subject H

Background information

Subject H is a 28 year old male from Australia. He studied dental medicine and taught in Canada before he moved to the Valley in January 2016. Startup H is his first startup and it was founded half a year ago. It provides dentist courses in a Virtual Reality environment.

Motivation

He came up with his idea in the shower. "The funny thing is I was just in the shower. I think most ideas come to you in the shower. It made sense that why doesn't this exist?" He said to himself "I'm turning 27 and I see all these start-ups doing big things. You know what?, I should give it a go too." After doing some courses on Coursera on entrepreneurship he decided to pursue this idea full-time. He wants to build something big and meaningful. "You only have one live, you have to really believe you have one live. If you want to make a real difference, you should do it now. I really believe that."

Value Creation

Subject H wants to have a big impact on the whole world. He wants to enable people from 3rd world countries the same quality of health care like in the U.S. "In terms of social impact, I was just thinking, eventually my vision, if we're very successful at what we're doing, I've talked about it for a while. If we could implement some sort of a scholarship program for our company, where we fly people from third world countries, get them trained in the US for like a month or two, and fly them back." He measures his

impact with the number of active users or views per video. "It's something that's hard to measure, but I think what we're making, if we apply, it to most procedures, it's better than bringing a textbook or watching some lecture."

Corporate Social Responsibility

Subject H would like to give something back to the community by helping poorer countries with free education or scholarships, but only if he is successful.

Handling of feedback

This was not discussed in this interview.

Human Capital

Subject H is looking for coworkers with a lot of motivation and willingness to learn. "We're looking for people who aren't motivated by the money. They want to actually do something big because you can't keep people long-term if it's just money. They'll leave." He is looking for people who are motivated by the same vision as the startup. People who want to create the future of health care. "We want people who believe that driving innovation and actually pushing things to the next level because I do not foresee the future of health care training to be like what it is now because it's terrible."

Data strategy

Startup H is not planning on selling their data. "I'm not sure if it would be fair because we're an education company. That would put us in a very bad light."

4.1.9 Overview Subject I

Background information

Subject I is 21 and was born in Estonia. Startup I is his first proper company but in total it's the fourth project that he is trying to make a business out of. The first three were failures but he learned a lot out of them. Startup I is an online learning content management system specially designed for high schools. It offers data analytics and an extremely user-friendly interface. Startup I was founded a year ago.

Motivation

Subject I came up with the idea while being in the start-up environment in Stockholm. He was going to meetups, discussing and brainstorming with his best friend who is the co-foudner. Finally, they decided to go with an idea of which they had personally experienced the pain points during high school. They want to build something that doesn't exist yet. The vision is the following: "We believe, thanks to digital tools we can give teachers better tools to mentor students and the students can get smarter and we

are mainly focused on public education because we believe this is where the education has fallen behind the most. We personally feel the pain when we came out of high school that it was so distant from what was going on in the real world. And not in terms of what was thought but in terms of what mindsets were being presented and how to perceive the society and the business world. So the vision is we want to build a global network of schools and take advantage of analytics tools and through that, help students get smarter and give teachers better tools to mentor them."

Value Creation

Subject I feels working for Startup I is the right thing to do because they help the students and they support the society by improving the quality of their service. "Most of the time I think I like what I am doing because I have real impact and this is actually helping students and teachers and society." He is proud by founding a startup in the education space. He knows from a logical point of view there has to be a change. The education system has to be digitalized. They don't measure Social Value Creation because: "It is really hard to measure it."

Corporate Social Responsibility

Subject I thinks that successful, established companies should give back to society through CSR programs. He wants to sponsor sports when he is successful.

Handling of feedback

This was not discussed in this interview.

Human Capital

Subject I is looking for similar people like himself. "They should be fast and be willing to jump into the cold water and stick with it."

Data strategy

Startup I is not interested in individual data which they may use for advertisement. It's not part of their business model and he doesn't want to comment more about it. Their big data strategy is mainly to improve the quality of the product and to compare different regions to each other. They sell access to dashboards with anonymized analytical data like heat maps but only to involved stakeholders, for example government institutions. In future it should allow the governments to improve the quality of education thanks to educating teachers in low-performing areas.

4.1.10 Overview Subject J

Background information

Subject J is a 40 year old male from the north east of the United States. He co-founded his third startup four years ago. Subject J has already worked in the startup space and before that, for big corporations as an analyst. Startup J is providing medical institutions with big data analytics and insights.

Motivation

His previous company shut down which is why he decided to join the co-founders. Subject J liked the space and the big market where they wanted to start the startup. They came up with the idea and he liked it. Subject J especially liked fact that they work very closely with a few key customers who are the funding partners of the startup. This provides a lot of security.

Value Creation

Startup J is improving the quality of patient treatment. "The biggest value comes from bridging the disconnection form the people who can analyze the data and have the tools to do so and the people who need the data and insights. We try to bridge that gap. At a high level we are trying to improve the outcome for the patients." He defines impact as follows: "Our company helps to improve outcomes for patients, right? So that is meaningful to people. The other level is we don't have a long training program we hire talented people and they will work very quickly on our software. The question for employees is: What am I doing? If I am doing a good job does that impact the company? And it almost always does." Startup J hasn't formalized ways to measure this value creation until today. But they are right now in a stage where they are starting to gather more data in order to take advantage of measuring the improvement of quality. Reasons for not doing this until now are limited resources and only a small number of customers which results in not representative results. "So, as we get bigger we will be able to measure in a way that is meaningful." Improving quality of patient treatment is a big motivation factor for a lot of people in the team. They compete with big corporates for talent and he sees self-selecting process in which people voluntarily choose to earn less but have a bigger impact. "You know we are competing with Google and Facebook and Amazon for talent and we don't fight that battle with more money. We fight that battle with doing a good job, in making sure that people can make an impact and that matters to some people and it doesn't matter to others but it definitely matters to the people on our team."

Corporate Social Responsibility

Startup J is not having a formal CSR structure. However, their reputation is very important because they are in a limited enterprise to enterprise market. Responsibility

and integrity are very important. Especially with the handling of the customers' data as well as the treatment of employees. "So I think there are a lot of things about CSR programs that we incorporate by default."

Handling of feedback

Feedback is very important for Startup J. "We talk with customers all the time. Early on everybody talked to customers every week. Everyone on our team when we were 10 people. Today we are 30 and probably everybody is on a customer call at least once a month. That's important because our customers are our best market research. What's the next thing they want, what's working good and what's not working well?" Their product is highly customized and they have a few key accounts who even funded the startup. "We started off being funded by customers. It makes you listen. A big problem a lot of startups face is product market fit. Does the service really fit the needs of the market? And when you are funded by customers, you will figure that out really quickly." In order to grow bigger Startup J wants to formalize the customer contact. "when we grow bigger we will build a formalized customer success team to make sure they are getting the most out of the product."

Human Capital

Cultural fit is very important for Startup J. "A big piece is you have to make sure when candidates come in and they talk to other people of the team. Do our people have the feeling that they can make an impact and if they can it is a big recruiting tool. So there is a lot of self-selection." Subject J mentions often the big impact people can make with and in Startup J. The vision of helping to improve the quality of health-care is a big motivator for their employees.

Data strategy

The data they process is very sensitive and it belongs to the customer. Right now they don't want to resell it but this may happen eventually in the future. "I mean you can run these businesses either way. You get payed less if you resell the data or you get paid more if the customers don't let you resell the data."

4.1.11 Overview Subject K

Background information

Subject K is a 34 year old male from the Boston, United States. He has worked long time in big corporates but also started two smaller startups before Startup K. They are making a platform with a social network factor which brings corporates, nonprofits and volunteers together. The decision to really go with this idea was made three months ago.

Motivation

Startup K's vision is the following: "We envision a world were corporate giving pro-
grams have real meaningful impact and are a core strategy of the companies. So we
want to increase depth and breadth of employee engagement in these programs and the
number of these programs. And most important, we want to ensure the programs are
positively affecting nonprofits and then they are positively affecting the beneficiaries of
these projects."

   He was inspired from Hackathons to start his startup. Another source of inspiration
were numerous j talks with nonprofit workers in the US and in Guatemala where he made
a longer vacation. "But at one point I woke up and asked myself for whom?" later he
started to get more interested about how to make the world more open for giving back.
Talks with his co-founder, who has a lot of experience in the non-profit world were very
important. They want to combine the best of both worlds "Share the resources, scale
things a little bit more and understand things from a business lens. Our concept came
from the idea to take a little form a nonprofit and a little from a corporation and put it
into a nonprofit that can work out like a great model."

Value Creation

Startup K wants to promote and support social value creation of corporates. They would
like to enhance the attractivity and efficiency of giving programs. Measurement is a focus
area. This is why Subject K and his co-founder were researching a lot about social value
creation in order to deliver better answers on the efficiency. "There is a base set of metrics
which can be applied. You can look on the amount of money given or the number of
volunteering hours or the number of products and resources and if you look at that you
can calculate based on an employee rate a total monetary value." However, this doesn't
take into account the efficiency or the impact of the effort. Subject K wants to measure
impact by asking the beneficiaries or the volunteers in the beginning of the program via
surveys. A year or more later again to see if they mention improvements or changes.

Corporate Social Responsibility

In general, Subject K thinks CSR, giving programs and success are closely related to each
other: "I would like to say the best most forward thinking companies are incorporating
not an employee engagement but giving into every piece of their fabric and you know
everybody around the world is starting to notice and measure this and it is in their own
benefit to do more around it. I think the more integrated model you can put in at the
beginning of your startup, the bigger impact you are going to have and the better you are
going to do as a company." Startup K participates at the pledge 1% initiative. "1% of our
equity, 1% of our time and 1% of our product. However, our product is kind of geared of
100% is free for nonprofits." They are struggling with existing CSR-certifications because
they ask a lot of money upfront. But looking into the future, Subject K says proudly:
"Our employees in the future they are going to have the most creative giving model in
the world."

Human Capital

Subject K is looking for highly passionate people "Right now the most important thing is that they fully align and understand what we are doing and why we are doing it. The reason for that you don't lose people they are not smart enough you lose people because they were not passionate enough to get through the hurdles that you have which is all sorts of "Oh shit we have to start over" and this kind of stuff." Furthermore, he wants them to have more than one specific skill-set, so they can work on different areas and don't lose the big picture. Startup K is trying to invent a new hiring model for advisers or helpers who support the mission but do not want to commit full-time. Right now this is a legal commitment and non-disclosure contract but they are looking to develop this further because they want to create a movement of volunteers.

Handling of feedback

Feedback and talking with stakeholders in general is very important for Subject K in order to come up with the right product for the stakeholder. "We have been talking to everybody that listened. From nonprofits to Hackathons, to a lot of events about the topics of nonprofits or CSR and social impact." Furthermore, they want to make their gathered data open-source which allows outsiders to work with it and provide feedback on how to improve analytics or value of the data.

Data strategy

Selling data is not a part of the business model of Startup K. Actually they give it away freely because they want to profit from worldwide hackers who may find new ways to analyze the data. "I think the philosophy "open source" has changed the way the world operates and we want to continue that path." Nevertheless, they offer data visualization and dashboards for the corporations which have to pay for them.

4.1.12 Overview Subject L

Background information

Subject L is a 23 year old male who was born in Mexico. He lived half of his live in Mexico and the other half of his live in Houston, Texas. He professionally programmed websites before founding Startup L. It makes a mobile application that gamifies not using the phone while driving a car. People who don't use the phone while driving get coupons from participating brands. These brands pay in to get publicity as driving safely supporters. Startup L was founded one year ago.

Motivation

Subject L came up with the idea at a Hackathon of his university. His areas of interest are smart cities and mobility. "I really wanted to solve the problem of traffic." He doesn't

believe that he can change the whole transportation system so he wants to do his part by improving the efficiency of the existing system. "Because I started to notice that there are a lot of people that drive badly or don't move when it turns green and when you pass them you see that they were texting while driving"

Value Creation

It is important for Subject L that his startup has a positive impact on society as a whole. Startup L creates social value by supporting "not using the phone while driving" and measuring the driving quality as a whole. The promotion of social value creation is an important part of their business model and their partner use this their advertisement. Startup L uses it as well effectively in its own social media marketing. Startup L measures the social value creation by a number of tracked safely driven kilometers. He reflects about other metrics, like the "driving skill score", but they are harder to correlate and measure.

Corporate Social Responsibility

"I feel that all companies should contribute to the social wealth." However, he feels startups have limited power because of their size and the amount of available resources. "As a big company you have the power to educate a lot of people because you have a big workforce. So you can start with little things like separating trash or something like this and they can bring these habits back to their homes. You can influence a lot of people through that."

Handling of feedback

Feedback is very valuable and they collect it once a month with surveys to normal users. "We usually send surveys once a month to every user just to ask them what they think about it and what they would change. If they would add something or delete something." Paying customers (brands that offer redeems) are even more important for Startup L. "Their feedback is really important on the site what can we bring to them to increase the value and make them feel good about cooperating with us."

Human Capital

Subject L did not want to talk about this because he was in the same room as his team at the time of the interview via Skype.

Data strategy

Subject L wants to use user data to sell third party products. It is part of the business model and he informs the users. "All of our users know that we don't sell their names or their email. We ask them if they want to get contacted for cheaper insurances and they are willing to share their personal information for such cases." They bundle some parts

of the user data in order to ensure the anonymity of the user identity. Furthermore, they encrypt all the data because it is of high value for the users himself. It could potentially harm the user when falling in wrong hands.

4.1.13 Overview Subject M

Background information

Subject M is a 34 year old female from India. She worked internationally as an IT solution architect in big corporations as well as in an insurance company. Startup M is her first startup which she founded 4 years ago in the Silicon Valley.

Motivation

Subject M knows the insurance industry from the strategical, technical and the customer point of view. She knows very well where the pain points are and tries to solve them. She logically thinks there needs to be change. "Yeah, so that's kind of what motivated me to like okay. I kind of understood the frustrations from all the sides of the angles from a company, from an insurance perspective, from a customer perspective, and from a solution provider- a technology solution provider." Subject M likes to talk with a lot of people and everybody has some insurance. This allows her to establish a kind of emotional connection to them. She wants to support insurance companies by enhancing the end-customer experience. "This is kind of very risky for the insurance companies. If people start to think of crowd-sourcing and use that for creating newer products, then insurance companies must build up the trust; and if they have to build up the trust, they have to rely on technology; and if they have to rely on technology, you need a technology partner that gives them products and solutions that are quick to adapt and quick to change."

Value Creation

Subject M uses increased customer satisfaction as a key selling point when she talks to insurances. She says the customers have an emotional connection to her because she improves the service provided by the insurances. But she doesn't advertise it like this. "At the end of the day, who's going to buy my product, right? At the end of the day, the person who is going to sign the check for me is the insurance company. So I use it to them, not more for the end users." It is sometimes hard to sell the benefits of customer satisfactions to the insurances because they have other areas of focus. "Because the first thing everybody would say is, "I want more customers," and it's hard for them to start thinking about, "No, you actually don't need more customers." You can make a lot of money with your existing customers, but you just have to make the claim experience so much better."" She has not found a formal way to measure customer satisfaction yet.

Corporate Social Responsibility

Subject M believes in values like discipline, integrity, transparency and honesty. "It's very important before you just draft up some corporate social responsibility, some rules and regulations. It's very important to show the team what your culture is, and that culture in the company comes from the founder. It's very important to be strict about certain things, and I am very strict about honesty and integrity in the company. To me, that's very important." Employer satisfaction is key for subject M. "The way I've been able to, I believe, successfully do it with my team is to create that emotional connection first; to make them feel important, to show them that they're actually working on something that's going to have such a great impact, and to show them what that impact is"

Handling of feedback

Talking to a lot of people is very important for Subject M. She talks with every possible stakeholder especially with the people from the insurances. In her eyes investors are too focused on the monetary aspects, she prefers to focus on the customer and the product. "I am amazed at how the investors are changing the perspective of start-up companies. I think that's where you need to be more strong as a person and stop to think about, "Will I make an exit; will I become the next WhatsApp; will I make like a billion dollars tomorrow; will I become rich tomorrow?" I think you kind of have to put those things aside. I know the investors make you think that way, but I think you should stay away from that and just focus on, "how do I get this in front of customers?" For that, you need to get your product validated by the customer."

Human Capital

Subject M relies on her intuition while talking to potential coworkers. "Now I go by my gut feeling, and if my intuition says, "no, this person is not right," I don't hire them." A cultural fit and knowledge of the space is very important for her. The first hired people were very important for the culture and the represented values. "the first set of people, I call them the pillars of the foundation" In order to find new people she works a lot with social media which tells her a lot about the candidates values and thought processes. "I go to LinkedIn and social media, and I do a lot of following. I look for the person. How are their thoughts into this? Are their thoughts matching my thoughts? Are their goals matching my goals? Definitely do they have the subject matter expertise. I'm less interested in technology skills and more interested in their industry knowledge, and where they want to go as a person.» She is looking for people like her who can work independently. "Look, I'm not going to monitor you, whether you're working from nine to five, or nine to twelve. It doesn't matter to me when you work, you can even pick up and work at 7pm, and work until 11pm at night as long as the work is done and you know that you're responsible for this thing."

Data strategy

Startup M does data enrichment and resells a lot of data. They buy third party data, enrich it and resell it to the customers. "Right now it is not anonymized because it's being sold to that customer directly. I take something from you ... Let's say I take A B C from you, and what I'm doing is I'm buying D from outside; and I'm doing E. I'm selling you back A B C D E."

4.1.14 Overview Subject N

Background information

Subject N is a 31 year old male from Rome, Italy. He studied finance and works in a financial analysis company. Startup N is the first company, but the team already developed a patented product for an existing company. The team started to think about this idea a couple of years ago but it was incorporated five months ago. It applies mathematical models based on probabilities to medical diagnose processes. Based on open source medical data, the algorithm recommends the most efficient type of diagnosis in order to determine which disease the patient may have.

Motivation

Subject N recognized the risks related to false diagnosis and saw a possibility to apply quantitative thinking into this field. The founders are still working on their normal jobs and they work for Startup N in their free time. This is a problem according to Subject N. "Which is a problem if you want my opinion in that because somebody who is twenty years old and is very hungry and foolish will be more aggressive and completely 100% dedicated to the problem. We are not. It is clear. We are not 100% dedicated to the start up because we work already."

Value Creation

Subject N is confident to bring down the error margin significantly which results in a more efficient health care system. "We expect to reduce remarkably this proportion, this amount of wrong diagnosis. I cannot quantify it explicitly but an improvement on that side would mean a reduction of the death rate and also the overall cost for the society for treatments." According to Subject N, optimizing efficiency goes hand in hand with improving the footprint and therefore creating social value. "The X-ray that your doctor ask you to take and which are completely unnecessary have not only a strong impact on your money, on your portfolio but also on the environment. Reducing these kind of severely polluting activities such as X-ray or manipulation, examination in laboratory with highly pollutant products, will help eventually. It's not the main focus as you said but it has a green footprint as well." Startup N can't measure the social impact with concrete numbers yet but they are thinking about ways to do that. They need more data to demonstrate a significant impact.

Handling of feedback

They contacted several doctor profiles in order to understand if there is a need in the market for their innovation. They have gotten the most positive feedbacks from specialist doctors who treat the wrong diagnosed people. "The point is that it often happens that family doctor underestimate the symptoms or the probability for some particular diagnosis. This means that specialist doctors receive their patient in much worsened condition because of the delay in the diagnosis."

Human Capital

Subject N wants to hire good team players who are curious and mentally open. Furthermore, he wants people who speak several languages because the team communicates internally in Italian or Spanish.

Corporate Social Responsibility

Subject N has a deep understanding of the term CSR. "It's a multi-factor problem. You cannot isolate only one aspect." He mentions the importance of transparence, not only to customers but also to the state. "But also with the state, which means avoiding these strange schemes of physical illusion and this kind of tax and law mechanisms, we can observe today especially in digital companies." As a startup he mentions that they will act under the doctors oath as well as to try not to do anything wrong. "Secondly we will try, when we will become stronger and bigger, to act responsibly according to our strength but for now not creating problems will be nice already."

Data strategy

Subject N does not want to give me an answer to the question if they plan to resell data. In general, he thinks protective about user data. He values privacy very highly and they want to encrypt all customer data because they are sensitive. When he was asked about his personal opinion about the business model of Facebook he answered that he is not in favor of their policy. "The point is if you use these data for personal tracking this is a violation of the privacy, at least from what I understand and from what I believe"

4.1.15 Overview Subject O

Background information

Subject O is a 29 year old male from India. He came to the Silicon Valley in 2008 to study Computer Science at Stanford. He is a first time entrepreneur who founded Startup O half a year ago. Startup O helps companies to process and analyze their data faster and more efficiently. Subject O has worked for some of the most successful high tech startups like Twitter, Snapchat and Lyft. He is a really good data scientist. He also is a typical technical talent who is unfortunately, not very talky which is why he answered in very short sentences and often said it would be to early to talk about a whole topic.

Motivation

He saw a problem in data science and solved it for Lyft. This gave him the inspiration to provide a generic solution for similar data analyzation problems. His co-founder worked with him in previous companies and they get along well. So they decided to start their own Startup O. He sees an opportunity to make money. "Finding efficient ways to process data is my specialty."

Value Creation

He thinks it is too early to talk about social value creation in his own startup. However, he thinks society can benefit from his idea because he helps companies to use data more efficiently and to increase their profit. "Probably use data to increase revenue."

Corporate Social Responsibility

Subject O thinks it is too early to talk about CSR in his own Startup. "We used to do some social work at Twitter, like give food to homeless people."

Handling of feedback

He is looking for customers which can make fast proofs of concept in order to validate his product. Feedback is important because their product is tailored for the customer. They get their feedback by working closely together with a few customers.

Human Capital

Startup O hasn't hired anybody yet and doesn't know what to look for yet. "No. We are to early to talk about that." Cultural fit is important, he has worked together with his co-founder for six years and they share the same values.

Data strategy

Subject O does not resell any data because they have no free customers. "No. No. No. We don't sell data. Because our customer is actually the guy who is paying money. They are not free customers."

4.1.16 Overview Subject P

Background information

Subject P is a 29 year old female from France. She has a master's in computer science and a bachelor in international business. She has four years of work experience in corporates and founded her first startup three years ago. Startup P sells digital local art subscriptions on high quality screens in hotel lobbies.

Motivation

Her co-founder came up with the idea. He wanted to create a platform which promotes art and allows artists to reach more customers. The vision is to bring art everywhere and support the growth of local artists. Subject P's motivation lies in design. She always liked to have art around.

Value Creation

Supporting local art is a very important selling point of startup P. Further, they want to educate more people about art. Currently, they offer their customers, the hotels, to give a percentage to local artist foundations from their percentage of the sales through their platform. She didn't find a way to measure the social impact. "It's very vague, you know, helping people discover and enjoy art."

Corporate Social Responsibility

CSR means for Subject P that they are responsible for what they do and not offer bad products. Startup P is honest to all stakeholders but she would like to form a foundation as soon as they have enough money.

Handling of feedback

Startup P worked one year with only two beta customers to improve the quality of the product. "I think we integrated a lot of feedback. We're a customized service, mostly. We work with local artists, so if we work with a new hotel in San Diego, we try to look for artists in San Diego. If a hotel has special needs, we try and see that it can be a potential picture for other clients that we can do for all our clients. We try to do it in the system as well."

Human Capital

Subject P looks for passionate all-rounder-coworkers. "First, passion is very important, and then we try to hire people that are jack-of-all-trades, so people that can be good at anything."

Data strategy

They don't want to sell data directly but they use data to improve the quality of the service. Subject P wants to use valuable data for themselves and not sell it to others. Right now the economic value is too small.

4.2 Visualization

These icons indicate work experience in this kind of industry or organizational structure.		These icons indicate the industry of the startup. The industry icons on the left are still relevant.	
	Startups		Mobility / Cars
	Corporate		Online gaming
	Travel		Online education
	Payment or finance		Healthcare
	Data science		Spending to social wealth
	Non-governmental organization, not-for-profit		Driver safety
	Teaching at a university		Art
	Dental health care		
	Marketing		
	Insurance		

These icons indicate the social values which are supported, if the social value is an industry the icons form the industry sector apply	
	Privacy
	Time savings
	Customer satisfaction
	Fun
	Environment
	Integration of immigrants
	Empowering end-customers
	Education

These icons indicate the industry of the startup. The industry icons on the left are still relevant.	
	Mobility / Cars
	Online gaming
	Online education
	Healthcare
	Spending to social wealth
	Driver safety
	Art

	These icons indicate the main reasons which lead to the idea		These icons indicate the main motivation to found the startup
	Offended by how current system works		Change is likely to happen
	Thinking that change is necessary		Experience and knowledge of the problem
	Hackathon, this is a group brainstorming session with a time limit		Desire to have an impact on a lot of lives, even if it is just a small impact
	Co-founder proposed this idea		Big efficiency gains are possible
	Travelling allowed them to see new opportunities		Face to face talks with future customers
	Brainstorming		Customers are providing funding for the startup

These signs indicate the social value metric used		These signs indicate the opinion about Corporate Social Responsibility	
	Usage of the service		No own CSR initiatives are planned
	Currently none but one in development. The social value under it indicates that improvements of this value wants to be measured		Successful companies should do CSR initiatives
	Time worked for a social giving program times salary per hour		Own CSR initiatives are planned in the future
	Surveys before and after customers used the service		CSR initiatives are just other marketing efforts. None of them are planned
			"Do no evil" approach. No formalized CSR is planned but the startup wants to do nothing ethically wrong.
			Values like honesty and integrity are very important but not formalized
			CSR initiatives lead to a more successful business.

These signs indicate the most important sources of feedback	
	Face-to-face talks with stakeholders
	Phone calls with stakeholders
	Feedback from venture capital funds
	Online surveys with customers
	Open Source Data is available for the public. Stakeholders are welcome to work on and with the data
	The topic hasn't been discussed during the interview due to time constraints of the subject.

These signs indicate important qualities of future employees	
	Cultural fit. It is important that the current team members like the new employees and they get along well with each other.
	Passionate about the idea and the vision of the startup. Motivated to solve the problem the Startup tries to solve.
	Smart and able to learn fast.
	All-rounder with a broad skillset.
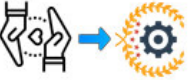
These signs indicate their current data policy and values regarding data		These icons indicate the country the founder was born in	
	No reselling of data to third parties.		United States
	Sensitive data. Privacy is important.		India
	Access to data analytics is sold to customers. These data analytics covers only data of the specific customer's end-customers.		Chile
			Switzerland
	Data from all customers gets bundled and sold to third parties		Australia
	Customer data is used for tailored marketing		Estonia
	Reselling data to third parties is part of the business model		Mexico
			France
	No comment about data strategy		Italy

A few examples of combinations from icons	
	The subject is offended about the current system and he wants to change it.
	The subject knows change is likely to happen in this industry because he knows from own experience how the industry works and where the problem is.
	The subject was motivated to start the startup because of talks to customers who fund the startup.
	The subject wants to develop a social value metric that measures the impact of his startup on integration if immigrants.
	The subject thinks that CSR initiatives are for successful companies. It wants to implement CSR initiatives as well in the future.
	The subject doesn't want to resell data to third parties but he uses it for tailored marketing and advertisement.

Subject X	A	B	C	D
Origin				
Age in years	53	21	50	28
Personal background				
Industry of Startup X				
Age of Startup X in years	2	0.5	3	1
Origin of the idea for Startup X				
Motivation to found Startup X				
Social value created through Startup X				
Social value metric				Direct Monetary Impact
Opinion about CSR				
Preferred art of feedback				
What kind of employees is Subject X looking for				
Data strategy of Startup X. Does it want to resell data?				

Subject X	H	G	F	E
Origin				
Age in years	28	34	34	41
Personal background				
Industry of Startup X				
Age of Startup X in years	0.5	2	3	4
Origin of the idea for Startup X				
Motivation to found Startup X				
Social value created through Startup X				
Social value metric				
Opinion about CSR				
Preferred art of feedback				
What kind of employees is Subject X looking for				
Data strategy of Startup X. Does it want to resell data?				

L	K	J	I	
L	K	J	I	Subject X
				Origin
23	34	40	21	Age in years
				Personal background
				Industry of Startup X
1	0.25	2	1	Age of Startup X in years
				Origin of the idea for Startup X
				Motivation to found Startup X
				Social value created through Startup X
Number of Kilometer driven safely				Social value metric
				Opinion about CSR
				Prefered art of feedback
				What kind of employees is Subject X looking for
				Data strategy of Startup X. Does it want to resell data?

Subject X	M	N	O	P
Origin				
Age in years	34	31	29	29
Personal background				
Industry of Startup X				
Age of Startup X in years	4	0.5	0.5	3
Origin of the idea for Startup X				
Motivation to found Startup X				
Social value created through Startup X				
Social value metric				
Opinion about CSR				
Preferred art of feedback				
What kind of employees is Subject X looking for				
Data strategy of Startup X. Does it want to resell data?				

4.3 Generalized findings

4.3.1 Background of the founder

Eight subjects have founded a startup in an industry where they had previous work experience. Four of them are data scientists and started a startup which analyzes or processes data. 11 subjects have previously worked in startups. Five subjects haven't ever worked for a startup and founded one right away. There are three subjects which are over 41. All of them don't want to implement a social value metric in the future. Eight subjects are under 33 years old. Four of them already have a self-proclaimed social value metric and two want to make one.

All four interviewed subjects form India know the industry or the problem the startup is trying to solve from personal experience. It is interesting that there are only two founders without a co-founder. Both of them come from India. The two above listed findings lead to the hypothesis that a founder form India prefers to start his own venture instead of joining somebody else in an industry he doesn't know from personal experience. Every subject which was born in the United States stated that passion and support for the startups vision is important for future employees. All subjects born in India named cultural fit as an important factor. Cultural fit means that the team gets along with its members.

4.3.2 Motivation and origin of the idea

Nine out of 16 ideas originate from dissatisfaction with the current system. These founders know the current system because they have worked with it or experienced the flawed results of it. They assume that a change in the system is likely to happen in the future. Three ideas originate from a Hackathon. A Hackathon is an event in which entrepreneurs and computer programmers and others involved in software development, including graphic designers, interface designers and project managers, collaborate intensively on software projects. All the three resulted in a startup which wants to affect a big quantity of people. The founders of these startups are younger than 35. Three subjects got introduced to the idea from their co-founders. They were motivated by the vision of the startup and liked the co-founder. All of them do not have any previous work experience in the startup's industry.

A founder either knows an industry well from previous experiences and he wants to change it or he got motivated by talking to other people, either from the co-founder or from Hackathons.

4.3.3 Value Creation

The subjects mentioned a lot of different types of social values. Because of the wide definition and different understandings of the term "social value" this thesis just lists what they have mentioned. Mostly, they are related to the industry they started their startup in. Healthcare related startups want to improve the quality of healthcare for

example. All the startups struggle with metrics to measure their impact. Some actively think about ways to implement them and others think it is unrealistic to quantify the social value creation. Two startups mentioned they measure it simply with the usage statistics of their service. For example, the number of views of dental healthcare videos. Two other startups have developed their own metrics which can be quantified exactly. Startup L uses this actively in their advertisement. It is currently working on other ways to measure their social value creation. Five subjects said they want to implement a strategy to measure their social value creation in the future. Because of the difficulty of measuring and the shortage of resources it is not in their present focus area. They focus mainly on growth and improving the customer experience because this is what the standard venture capital funds expect them to do.

4.3.4 Corporate Social Responsibility

Not a single interviewed startup has a formalized CSR structure. Nine want to do it in future when they have more resources. There are different reasons not to develop CSR initiatives so early. The dominant one is the lack of resources. Startups have a lot of work to do and they are constantly under pressure. Every subject knows about the importance of treating its employees well. The employees get stock options or equity which means they own a part of the company. Employees participate in the success of the startup. Some startups mentioned the importance of certain values, like honesty and integrity which are an important part of their culture. The culture is lived but not formalized.

4.3.5 Handling of feedback

A big majority highlights the importance of face to face talks with their customers, stakeholders and other people. Some say this is the only way to effectively gather feedback because one can really see how they feel about the problem. Two startups send out surveys to the end users where they ask them about the quality of the service and how they could improve it. Several subjects mentioned interviews with stakeholders are used to find out where the problem in the current system is. They want to know what bothers the stakeholders the most. However, they don't want the stakeholders telling them what the solution should be. They assume stakeholders know exactly what's wrong with the current system but they don't know how to solve it effectively. The entrepreneurs should find a solution because they are good in combining different technologies and looking at the system as a whole. Two subjects mentioned that venture capital funds provided them with important feedback, pointing the future direction of the startup.

4.3.6 Human Capital

Every subject mentioned the importance of human capital. Typically employees of startups get less salary than they would when working for a corporation. In all the interviewed startups, the employees receive stock options or equity in addition to their salary. The founders want their employees to be actively involved in the startup. According to

venture capitalist Alexander Fries the standard practice is to allocate a part of the eq-
uity exclusively for employees when structuring a funding round. An employee typically
receives between 0.1 to 3 percent equity which is vested over 3 to 5 years. They get
a proportional share of the vested amount in predefined time periods. The employees
receive this amount only if they continue to work for the startup. For example, employee
X receives 1 percent of equity from startup X vested over 4 years in a yearly time period.
He receives 0.25% after one year working for Startup X another 0.25% after the second
year and so on until he receives his last 0.25% at the end of the fourth year.

4.3.7 Data strategy

Nine out of 16 subjects explicitly said that they don't want to resell data. Mostly because
of the risk of reputation loss towards customers and because it is not part of their business
model. However, some focus on delivering data analytics and visualization for paying
customers instead of reselling the raw data to them.

Startups in the payment or healthcare industry are aware of the value of their data.
The data they handle and process is sensitive and important to their customers. These
startups have data policies that highlight privacy and security. They don't want to resell
it because of the risk of a loss in reputation.

Subject J, co-founder of a health care analytics startup, says that it is just part of
their business model that they don't resell data. Their customers value that and they
are willing to pay a higher price. He claims one could resell anonymized customer data in
the health care business but this would result in a lower reservation price on the customer
side.

Only one startup is willing to sell customer data to third parties. Startup L offers a
free service to the end customer. Therefore, it needs to make money from other sources
like profiling of customers. This allows brands to understand their customers better.
Another way to monetize their data is technology that allows them to identify the safest
driver. These are valuable insurance leads.

4.3.8 Other topics

Most of the subjects are affected by the risk of failure of their startup and very conscious
of it. Several interviewees already had failures. Some say they think about it every day,
others try very much to avoid that. All of them look at their startup as a good learning
experience which will help them in the future. If it fails, they know they learned out of it
and are not going to make the same mistakes again. Failure is socially very well accepted
in the Silicon Valley. The subjects are mostly very skilled and understand information
technology very well. They are confident that they would find a job if their startup
fails. Some startups increase the efficiency of existing processes or whole systems. The
founders know where a problem is, mostly from personal experience, and they build a
solution with technology that solves that problem better than it has been solved before.
Increased efficiency can result in a decreased use of resources. However, the founders
don't think that affects the environment significantly. All of the subjects believe that

human-kind has an impact on climate change. Some of them did research about the topic on their own and experience the changes in weather and temperature. Some try to use public transportation or are vegetarians. Others don't see themselves in positions to actively do something about it. The big majority of the subjects often used the personal pronoun "we". Only a few used "I". The ones who were talking from the self-perspective founded the startup by themselves and don't have a co-founder. All of the subjects are opportunity driven. They identified a need and try to develop a solution which fits that need. None of the subjects are necessity driven entrepreneurs who saw themselves forced to start their own business because they couldn't get a job or something else. This is an argument for the push theory and is in line with recent research [Keeble et al., 1992]; [Orhan and Scott, 2001].

5

Discussion

Even though the scientific purpose of the interviews were highlighted in advance, it is important to keep in mind, that the writer was working for a venture capital fund at the time of conducting the interviews. Some interviewees may have been more inclined to take time for an interview in order to build a better relationship with the venture capital fund. The given answers reflect the opinions of the subjects at a specific date. Their self-declared view on the questioned topics are subjective and influenced by several biases. Some interviewees could have exaggerated or answered untruthfully. Their motive could have been, that they hoped to increase the chances of getting funded by the venture capital fund. Generally, entrepreneurs in the Silicon Valley are excellent talkers and sales people. They may realize what their dialogue partner preferably would like to hear. They are likely to adapt and try to impress with good efforts and results which may not be totally true. The Silicon Valley is a place where a lot of aspects are viewed in a positive light. The framing of the questions could have influenced the answers. The word "social" could be associated with business opposing practices and left wing politics. The interviewer tried to mention the word "social" not too early because he did not want be put in a category too early during the interview. Generic questions were asked in order to see if the interviewees have social values in mind and come up with them by themselves. Questions about the the environment were intentionally asked at the end. One subject didn't want to talk about human resource management because they were in the same room as their team while the interview was conducted via Skype. Being in the same room as some employees may have also affected some answers. The questions regarding data may be especially exposed to their perception towards the interviewer as an analyst of a Venture Capital fund. Big Data is very trendy these days in the Silicon Valley. Nearly every successful company has some kind of monetizing strategies with data. There may be a conflict of interest because a standard venture capital fund wants their startups to make as much money as possible and customers usually prefer it if their data is not used for other purposes such as advertisements. The name of the venture capital fund is Polytech Ecosystem Ventures. This name seems correlated to the environment and the ecosystem of our planet. Perhaps this primed the participants of the interview in advance, making them think that this venture capital fund preferably invests in startups with an environmental or social mission. The founder, Alexander Fries, says the name was chosen because of the economic ecosystem in the Silicon Valley which is

an optimal nurturing place for startups. The fund has a focus on international startups not environmental or social startups. The interviewed startups were all in early stages. Some didn't even have a working prototype. Typically, they have very limited resources and focus on business aspects as well as technology instead of CSR engagement. The age of a startup is difficult to name correctly. The ideas or the first thoughts can be months up to years older than the in-corporation of the company. Furthermore they may have pivoted and changed their business model.

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A

Appendix

A.1 Interview A

MORITZ: I'm here with Subject A. Thank you so much for your time for the interview. I am trying to find out more about your personality. Why you take the risks of starting your own startup. Why don't you just explain in short what it is what you are doing?

SUBJECT A: I have always been interested in doing startups because I think when something gets done in the marketplace and after the company gets very strong, they lose their ability to innovate. And so the large corporations in the world get stuck in the way they do things. And the only way to change something. Is to come from the outside with something new. With a powerful idea and change the market. And historically. The big changes in societies with technology have all come from the entrepreneurs who want to make this change. And so. I'm motivated because I see opportunities for change. I don't see it that existing companies are in a position to make that change. They are not motivated to do it. And so I want to change the world.

And for each of the startups. I always found something of the present system is doing that I find offensive. So. My new start up is payments. I think it is horrible. You have to give your account number. To somebody and they use that account number to pull money from your bank account. Why would you give your account number to a total stranger?

MORITZ: I understand what you are doing and what your startup is doing and what you are trying to disrupt. But first let me ask some more questions about your personal background. Like how old how long have you been in the Silicon Valley?

SUBJECT A: Oh I've been here about seven years. I came here when my last Startup was bought by a company here. A public company and they wanted me to move here. To help them build a mobile division within the corporation. So I worked for them for about five years. As part of that transaction. And once I was done with my obligations with the corporation I left. I did some consulting. I helped my C.E.O. the previous C.E.O. who also left with me too build something that he wanted. And now I'm doing my own.

MORITZ: That's great so how old are you? For scientific reason?

SUBJECT A: 53

MORITZ: Where are you from?

SUBJECT A: Originally I am from Colorado

MORITZ: Okey very well and when did you start your current company?

SUBJECT A: Just about two years ago, yes two years ago.

MORITZ: So in general you explained already before but just of in short sense like how did you come up with this idea how did you I mean it's a pretty big vision how did you come up with it?

SUBJECT A: It started with being offended by having to give your account number. Second is the notion I have that you should not have to give up your privacy just to buy a piece of chewing gum. This I think is completely crazy. I know why the system is that way. And when I looked at the cost involved in protecting your ID once you give it. Protecting your account number once you give it I thought why not think of a different way of doing payments where you give nothing. And then you can bring all the cost down. And I can take a percentage of the cost. So that was my motivation. Then the hard work is. That's the idea of the hard work is how do you find a vertical? How do you find a team? How do you find a way to insert yourself into the money flow? So that all the participants want to share money with you. So you can make money.

MORITZ: So did your main motive for the company change over time or is it still the same?

SUBJECT A: Oh it always changes over time. And I think that's the most important thing. Because the original version of your idea. May not be right. Because once you always have to test it in the market my approach is sign the market up first and then go build it. If you build it first and guaranteed you to build the wrong thing. And then when you take it to the market they're saying that's not what we want. So we always figure out exactly what they want. And then go build it. So the idea always changes. When we first started out we thought about doing consumer payments. We thought of doing person to person payments and then we said no those are all having challenges so now we know why lots of companies took lots of money and failed. And so we focused where there's a real pain. And we figured out a way to address that pain by using our system.

MORITZ: Ehm but the main driver like changing the payment industry stayed more or less the same?

SUBJECT A: What do you mean when you say the same?

MORITZ: The system you got offended about is still the one you are trying to solve right now?

SUBJECT A: Back in the beginning yes so the highest level problem stays the same. Right I mean I'm not going to go from payments to advertising. So I'm still in the payments vertical. The question is in the payments vertical you have to change. And you have to change. Right.

MORITZ: So yeah I just wanted to get this stuff straight. You didn't go from writing articles to disrupting the payment industry.

SUBJECT A: No No It was disrupt the payment industry. What is the best way to do it?

MORITZ: And how do you deal in general like with these thought of failure? Do you think you could ever fail or how do you deal with this thought?

SUBJECT A: Yeah I know I have had failures. In my last business. One of the things that happened was we had created this technology for solving the problem for wireless networks. And we have all the major operators, cellular operators worldwide make this a requirement for phones and a large company actually stole the idea from us. And I view that as a failure because we thought they were going to buy us. They came and looked at everything and they just took the technology. And so that's been a failure but what I did to protect myself and my team and my investors was I sold the company to somebody else who could go after the thief and make money. And we made a little money in the process. So I view it as a failure. But I also learned in that process how these big companies operate. And so when I'm doing the next one. Not only am I going to fill patents. But I'm also going to build other systems around our technology so that it's very difficult for somebody to steal.

MORITZ: So you try to learn?

SUBJECT A: Out of each one. Yes, whether we succeed or fail. You always learn lessons. And then you use that in the next startup.

MORITZ: So now it's a different topic about human resource management. Like how do you find or how to try to find the people you want to work with and what kind of people are you looking for to work in your company?

SUBJECT A: Yes, we look at a couple of things. One we always want to hire the smartest people we can. That's... That's always there. But I'd look for two other things in addition to that. One is can they fit from a personality standpoint within the team that we're building and the culture that we're trying to create.

The third is how motivated are they to solve a problem so what I look for is somebody who is as crazy as I am about solving this problem. If there if somebody is looking for a job. I don't hire them. If they just want a job I don't hire them. I don't care

how smart they are. I will not hire them. I want people that
are completely committed to the mission. They're willing to do
anything give up anything to make this work. That's very very
important. The social fit is absolutely essential.

In my last business. I hired the first few people on the technical team. And
then after that they brought the people they thought would be the best fit for
our company. So it made my hiring much much easier. I'd always hire them
and interview them for social fit. But we created a culture of: I will give you
an example where some people brought lunch from home. Some people went
outside to eat for lunch. Within a month of people joining. Even the people
that went out for lunch would bring lunch back. And we'd all sit in our lunch
and eat together. You know so it was like a family. And that's the culture
that I tried to instill in the corporation. Because that's what it takes to win.

MORITZ: So. Social fit much more important than let's say a university degree or
comparable stuff?

SUBJECT A: Yes. I don't pay that much account. I mean I look at it but I don't
pay that much account to which university they come from. I interview them.
One of my team interviews and to see if they're smart. And if they are smart.
I will hire them from anywhere. We've had amazing people from second tier
universities and we've had some disasters from the top.

MORITZ: How do you really find out if a person shares your vision or your values?

SUBJECT A: You know often what I find is that if you watch how they respond to
your questions. It's not the answers they give but whether they're creating a
genuine interest and I gauge it by the questions they ask me. So when I tell
them something. They will typically ask me about how do you do that. That
starts to tell me that they're understanding what I'm saying is and there is
a natural curiosity. Second is I do reference checks and the way is I'll talk to
their references. But then I'll ask them to give me somebody else who has
worked with this person. So not the reference they gave me. So I always talk
to people two or three levels separate from the name they gave me. You know
the reason I do that is because then I know what they really are. The other
question for executives I always ask is how many admins have you had. The
really good ones only have one. They follow them from company to company
and if a low paid admin is committed to you that means that you know how
to deal with people who make way less than you do. But if you're a person
that has had ten or twenty admins. Because you just keep firing them I'll
never hire them.

MORITZ: That's a good thing. Do your employees participate in and how do they
participate in your company's success?

SUBJECT A: They always. One of my biggest battles with investors has been to
make sure that our team is well paid and they get a very very healthy stock
option plan. In fact, you know I had to basically take the chairman of my
last company to task. Very severely. Because he would not give one of my

business partner a large stock option pool for her. Because he said she used to work for him and he thought he could cheat her out of it all because and I know she'll accept less and I said I don't care if she's on my team now not on your team. If you've treated her badly. I don't care but when she's working for me I treat her the same. And we almost you know shut things down. Because I said I will not back down and then the board came to me. And all those people that have worked for me in the past if I call them today. They will quit their jobs and come work for Startup A.

MORITZ: So the well-being of your employees is really important to you.

SUBJECT A: The number one priority inside the company. Is the well-being of the employees. Second to none.

MORITZ: How about importance of other stakeholders for example customers or investor? How do you engage with those guys?

SUBJECT A: Very very important. Investors I view as part of the inside. They're not outsiders. I mean when you pitch they are outsiders but once they make an investment. There are insiders. And I make it very clear to a company. Everything we're doing everything we're doing is to make money for our shareholders. As a company that's the highest priority. In terms of internal management, the employees are the highest priority but the reason they're highest priority is because our primary focus is to make money for our shareholders. Everything else is second. That's why we're here. We're not here for anything other than to make money for our shareholders. And we will only make money if our shareholders make money. There's no situation where we make money and they don't make money. So our shareholders always have to make money. And then we can make money. The way we generate that money is through our customers. So we have to be responsive to the customer's needs. But we lead what we do. I'm not a believer in the customer is always right. I don't believe in being led by the market. I want to lead the market where there's a big difference. So the way we look at, and I tell my team, is we're not doing this to do what everybody else is doing. That's not what a startup does. We don't do what Samsung is doing. You know we don't follow Apple we know that's not what we do. We're in this business to lead and we said we want to try to set the market. We want to try from our position of weakness to be able to drive the market to something we think is the way the world should work. And so if we can make money for our customers. Or create value for them. Then we make value for our shareholders. We make value for ourselves.

MORITZ: That's great. So let's talk a little more about this value. What kind of value are you actually looking for? Is it mostly monetary value or do you also take other value into consideration?

SUBJECT A: We look at it more holistically. But. Ehhm. So for example. In this present play (Startup A). The value is of course for them the monetary aspect. But we value also the time of the people and our customers. So we think their time is valuable and using that respectfully is very important. The third is we value privacy so that we look for corporations who also value that privacy for their employees. Because that's where we create a fit. So we don't think every corporation on the planet is a fit for us. Just cannot be that you know there will be corporations that don't want to do what we're doing because the value we offer does not align with the values they think are important for themselves. So of course monetary is very important. But there are other aspects as well and it just depends on the business.

MORITZ: Do you also measure this other value? I mean monetary value is really easy to measure. Other value generation may be harder to measure.

SUBJECT A: We do. Because one of the things we try to do is when we make our pitch to a corporation. We really try to understand their motivation for buying a solution from us. I always tell my sales people. Don't go in there and try to show them how smart you are. You should always try to find out what is the most important thing for them as a story. The teller check story I always tell all of my employees. And I always before they go to a customer meeting I always ask them what is your teller check. And it's a long story I can tell you at another time. But this is something I always tell myself. All business has to do with it when you go to a customer. You should know in your mind what is the thing that is the most important for the customer. And then how do you make our solution. We don't want to change our solution. But how do you make our solution fit that requirement. That's how we measure it. So I can tell you the teller check story at another time if you like.

MORITZ: Oh yeah definitely. So the last section is more specific about the environment and corporate social responsibility. I mean we already had questions about this topic before. Just like how do you think about climate change in general? Do you think man-made climate change is real?

SUBJECT A: No I think. You know without a doubt the planet is heating up. You know the businesses that I am in. I don't think it does anything from an environmental standpoint. Because there's nothing we're doing that really impacts anything from a climate change standpoint. Other than perhaps you know we get rid of plastic and we get rid of paper. So we make everything electronic. So that's, that's my view now in terms of this. You know what's causing it I know there's some debate. At least in some circles. I think the planet is heating up. I don't think it is just carbon that's causing the planet to heat up. I think urban development causes heat to be captured. I mean a very simple experiment. If you have a piece of stone and you have earth and you have water. And you had you have direct sun hitting all of them, at night which is still the hottest piece it's a stone. Right? And I mean it's not some philosophical thing. If you are in urban areas, cities, developments,

at night it is much warmer than if you have a home in the countryside. And you have trees and you have no grass around at night you can open the windows. Just turn on your fan and it's cool so I think. There are a lot of things that contribute to it. It is not just the carbon. But we're certainly putting a lot of carbon into the environment, methane does the same thing. It's an environmental, it's a reflector. It traps heat. Water vapor is also a blocker, but it blocks the sun's radiation more so it can cool the planet a little bit.

MORITZ: So do you try personally to do something against climate change?

SUBJECT A: I think you know we do responsible things. You know we are careful about things that we teach our kids. About how to be sort of as least impactful to the environment as possible. You know in terms of what we do with recycling and how we how we are efficient about using energy in those kinds of things. Some of the other things. I'm not in favor off I'll give you an example. If you don't have solar panels. I think you're fooling yourself into thinking you do something great for the environment by buying an electric car. Because the electricity, a lot of parts in the US comes from burning coal and coal is quite bad for the environment. So that so I think. You know you always have to filter out the marketing bullshit. And just really pay attention to what you can really do in the business we're in. There's very little we can do. Just because of what it is so we try to do a little bit in our personal lives. And that's about all I think we can do.

MORITZ: I understand. There would be like for example a green data center which could be a possibility. Do you ever think about this or is it just eehm that you are a too small startup?

SUBJECT A: Yeah. Data centers are actually a very interesting thing. What we do is we are not planning on setting on our own data center. What we do is we buy time at different data centers and the primary driver there is a little more regulatory. So for example a big target market for us is Europe. And we we're planning on presenting to the largest corporations in Europe. And in many European countries there was a requirement that data about European citizens can never leave Europe. You know that, right? So we're okay with that. So as a result what we're doing is we want to talk to firms like Deutsche Telecom and Orange and others to host our data centers with them. So that it is in full compliance with the rules and regulations. My assessment is that those firms are very environmentally conscious. So they do all the things that they can to be very green. In how they build out these data centers. So we rely on that.

MORITZ: Do you like try to check something like your suppliers if they do really CSR or if they just tell you we are doing it and so on?

SUBJECT A: You know the issue here is very little we can do I here. Let me just

put this in perspective. We can maybe save a little bit. Which will try and do when we pick a data center. But really what we're doing is we're enable people with it with people to buy airline tickets and planes are a horrible polluter. I mean every time a plane flies. It's dumping so much power. So we're in the business of paying for those so you can say people will fly anyway that's ok. But you know so we put it in perspective. Where we can we will be of course very careful and sensitive. But we also know that most things that people buy from airlines where as rail is much more efficient now will be very pollutable. So I don't know how much we can do and what we can do to make the turn.

MORITZ: I understand. Are you thinking of reselling data to third parties?

SUBJECT A: No. Ensuring privacy is our number one unique selling point. We are in the payment business we don't resell data.

MORITZ: So that was about it. Thank you very much for your time.

A.2   Interview B

[*6th of May 2016, 8.00 AM PDT, Interview via Skype*]

MORITZ: How did you come up with the idea?

SUBJECT B: It was funny because it was at a Hackathon at Drapers University. Mr. Draper asked what kind of technology would we need if humans lived forever. And I came to the conclusion that I never want to run errands again. So the initial version of Startup B was a near-field communication system for self-driving cars with a built in order and payment system. So instead of your car sitting in your parking lot your car could go get you lunch or pick up your kids and all that stuff. So it was an order management system for the merchants and gas stations ecetera in order to receive orders from autonomous vehicles. It became now way more relevant and realizable when we realized that the technology we want to use for autonomous vehicles are still going to work for our today's vehicles.

MORITZ: Do you think your startup creates benefits for society at large, or where do you see your impact?

SUBJECT B: I'm a firm believer that technology startups should be built into your customer's life in a way that they don't really notice that you're there. The way that Startup B is being designed right now, we're trying to stay away from having our own standalone application, although we probably will end up with one.

It's going to be very minimalistic in the sense that you won't really notice that it's constantly being used. You think of all the major investments of the world, like door knobs and stuff, nobody thinks about, like, "Who invented the doorknob?" They're just something that's expected to be a part of everyday

life, and when we get to that point where a fast food restaurant doesn't have Startup B and all the customers are like, "What the heck's wrong with you?" that's when we've done something that's really successful, that's integrated well into society, that helps people in a way that they actually can't live without it anymore. I'm a firm believer that technology done subtly is far more effective than technology done just shoving it in people's faces all the time.

MORITZ: I certainly understand. Do you try somehow to measure this additional value?

SUBJECT B: I think it has a lot to do with customer experience. It has a lot to do with how much capital they end up spending at certain locations. It is going back and forth between customer saying ... Basically what we're doing is connecting different people to technologies that have existed for a long time but haven't ever been brought together. We've been talking to the companies right now, and the interesting thing is that they don't really have metrics for measuring customer satisfaction other than sales. We actually think that the more you interact with the application, and the more items you save or the more orders you make at a specific location, we can actually start to understand your customers better for you because we have more data.

It turns out that profiling who a customer is and how they function day to day while still keeping that generally anonymous becomes very interesting. Those become the metrics that you can measure customer satisfaction with, that and the sense the people use it, right? People that use stuff that is irrelevant or not useful, that doesn't provide them some type of benefit ... Typically, just from my previous experiences with mobile applications, a novel feature, like it's more secure than something else or that it's cheaper than something else, is not going to push a user to change their activities. What will push a user to change their activities is if you make something more streamlined or more fun. The second you start making things easier and more fun, because then you start to capture real customers. Just by happenstance, when you capture more customers, you can actually understand whether or not you're really hitting those customer satisfaction goals based on how long they stay on the application.

MORITZ: I understand. You trying to increase the fun?

SUBJECT B: Yeah.

MORITZ: That's a good way to put it.

SUBJECT B: Just try to make it easy. It's about making it easy and entertaining for people to interact with services. The whole key to disruption is taking something that's old, boring, and really stiff. Banking is a good example. It's really hard. There's a lot of friction, and it's not fun. The banks that are doing really well right now have a different approach. Simple is a good example of a bank

that's doing interesting things in the market. They've gotten a lot of market shares from young users, because it's fun. Their customer support sends you gifts. Like, who thought?

MORITZ: Yeah, that's good.

SUBJECT B: It's just those little things are what make a customer experience good, and it takes really in-tuned designers ... It takes really good entrepreneurs to listen to customers and actually understand what it is they want to see, because customers are notoriously horrible at telling you what they want.

MORITZ: Could you tell me more a little bit? How do you understand your customers? How do you get to know what they want?

SUBJECT B: You talk and you listen. The reality is that the program we're in now is entirely focused on helping the founders do just that, which is great because, to be honest, before this program, I probably wasn't very good at it. Nobody wants to get told by a customer that they're baby is ugly. Nobody wants that, and because of it, you have a large amount of startups.

Go look at the Silicon Valley infrastructure, because there's a large percentage of startups that are relying on generalized data and statistics to demonstrate that there's a market.

You'll hear people say, "This is a 600 billion Dollar market, and we're talking to one of the biggest players in it." Who are the other players? How does it work? What are their responses? It turns out that they never really asked the customer what they wanted or what their problems were. They ended up just saying, "This is our product. Do you like it?" At a conference in the middle of an event, the member of the board or whoever they were talking to at the time probably just says yes, because it's convenient to say yes and move along rather than have an argument with a 20-year-old. You end up having these very interesting companies that at the end of the day close their doors because they didn't ever sell the real pain point. They sell this inconvenience, which is a different thing.

You really just have to listen, and not in the sense that. Don't let your customer tell you what to do. That almost never works, but let them tell you what's wrong with what they currently do because what's wrong with what they currently do, they do actually know. How they fix it might give you an insight into what the problem, but don't actually look at it and say, "Okay, we'll just build that," even if it's a consistent opinion. Lots of times the entrepreneurs and the idea people end up coming with better solutions than what a customer can think of, because you're experts in your space.

Own the sense that, as an entrepreneur, I know how to build a product that will solve your needs once I know what your needs are. I think that that's what gets lost in customer discover is they end up focusing a little bit too much on trying to be a sales call. Customer discovery is not meant to be a sales call; it's meant to be an interview, like what you and I are doing right now, where you can understand where are your customer's head is at?

MORITZ: You are actively calling your customers and asking them what they think? You do this on a daily basis, or how often do you gather feedback?

SUBJECT B: I'm a firm believer that you shouldn't actually build products until you know what your customers want. What their problems are, what their needs are, what their real pain points are in the industry. For Startup B at least, what we've been doing is working with customers. We've been calling parking companies, we've been calling fast food restaurants, and just talking to people. We did 53 interviews last week, and we're on track to do another 70 this week, because really understanding what your customers' needs are will allow you to build a company.

A company is more than a product, and it's actually one of the big contention points between a CEO and a CPO is that typically early-stage CPOs want to build a product. They want to build something cool and something novel that nobody's ever built before, and a CEO is out to build a company. Especially inexperienced CEOs, myself probably included in that, are not very good at being honest with themselves in the sense that they don't have the connection and/or the experience to just say, "Yes, we're building the right thing." A CEO's job is to sit on the phone all day, especially early-stage, all day talking to customers, because it's through those customer interviews, they're not sales calls, they're interviews, that you will learn what products you should build. You have an idea, and your idea is not validated until you've spoken to probably 500-600 customers in the B-to-C space. In the B-to-B space, at least 10-15 ... At least ...

MORITZ: I understand.

SUBJECT B: B-to-B sales are definitely harder to get this done for. They're just harder to get in touch with.

MORITZ: Great. You mentioned the difference between CEO and CPO. How do you find the people you want to work with, or how do you choose them?

SUBJECT B: Dig and dig, and don't let people tell you the value of your idea is not important unless you have a CPO. I think that opinion is such BS. The reality is that the majority of CPOs that I know, with the exception of a few who are really outstanding, would not go build a new startup company

without the CEO brought upon. Don't let people undervalue those ideas.
On the other hand, I've met both of my co-founders at random events at random times, quite honestly, that I couldn't have planned. My first startup, I went to a pizza party and met my co-founder as he was walking out the door with a free piece of pizza. I was like, "Hey, dude, I'm working on this crazy thing." He's a freshman in college. He's like, "Actually, that sounds pretty cool." Then we worked together for three years. I would definitely say for college students, take advantage of the fact that you're on campus and go to all the different meet-ups. If you're looking for a programmer, go to all the different meetings for programmers on campus, all clubs that will let you come and sit in their meeting and pitch. It's also a great way to get good at pitching really quick, because coders will tear your ass apart in three seconds. They're like, "All these things are wrong! Go fix them and come back next week."
For people who aren't in school, go out all the time. Just force yourself to go out and talk to people always. That's why San Francisco is such a big thing is because it's a huge amount of density of people who are willing to try crazy stuff.

MORITZ: Great. Can you tell me a little bit more? What kind of people would you like to hire? What are the, let's say, qualities or what kind of values are important?

SUBJECT B: Smarter than me, and they have to be motivated on their own. I've definitely worked with people that were not motivated by the project or by the problem we were solving but by money, by credit, or whatever else we were giving them. That doesn't work, not for early-stage startups anyway. Really what you want to do is have people who, even if they're less experienced ... I would honestly rather have somebody who was less experienced but very motivated by the problem we're trying to solve than somebody's who has worked for Google and is not interested in the problem we're solving, but just wants to work on startups. Simply because the amount of effort that somebody will put in the second they feel close to a problem is significantly larger, and that matters in the first year-and-a-half of a startup, at least, if not more than that, depending on how much funding you raise ... The financial incentives only go so far, and for early stage, you probably don't have that much access to capital anyway, unless you're one of those rare special birds that has 100 million Dollar funding before you have products.

MORITZ: Great. What is it about Startup B that makes you feel that you're doing the right thing?

SUBJECT B: I think any entrepreneur that tells you they're doing it just for the fun of building something is bullshitting you. I definitely am interested in building something that's successful to the point that I don't have to worry about retirement. That's definitely a piece of

it, and then I think the other piece is building a piece of technology that can touch a million lives. The goal with technology is always to help people do something easier, faster, more efficiently ... If you can really help people make their lives a little easier and they actually appreciate what you build, then you're doing something good.

A.3 Interview C

[*25th of April 2016, 3.05 PM PDT, Sunnyvale*
We are sitting in a meeting room of Startup C's Office]

MORITZ: Can you tell me a little about yourself?

SUBJECT C: Sure. I was born in India. I am 50 years old. My background is engineering and technology. I went to school in India, went to college in Ohio and live overseas in Japan. What else do you want to know?

MORITZ: How long have you lived in the Valley?

SUBJECT C: In the Silicon Valley. Ehhm I came here in the late nineties so I would say nearly twenty years.

MORITZ: Great. How many companies did you start before Startup C?

SUBJECT C: I started one other payment startup and this startup pivot in some way so you could look at it as two different projects. I also started one in 2001 but this was a very short lived project.

MORITZ: Okay great. So more about Startup C now. How did you come with the idea for Startup C?

SUBJECT C: I was working for a large payment processor Visa and I saw the inefficiencies in payments and I was looking for something big to do and it was the imperfection of the problem that I personally faced which is writing paper checks. It is a pain getting a checkbook and writing physical checks. That was a problem for me but it wasn't just that. I face a lot of problems and I don't start a company to solve all of them. It was really an intersection of a problem that I'm facing with attacking a large market and a big space which would have a big impact and allow me to provide a solution that would affect a lot of people. So it was a combination of my knowledge of the payment space and a personal problem that I was facing that I decided that I want to dedicate myself full time on it.

MORITZ: Great. I totally understand the pain of filling out paper checks. You mentioned you wanted to do something with a big impact. Can you try to define that impact a little more? What kind of impact are you looking for?

SUBJECT C: Sure. In terms of the measure of impact it's always. How do you measure impact? And the answer is look at the large scale. How does it affect the lives of people? I think here in this country and in many other countries a lot of people still write paper checks. Having an impact that transforms or

at least solves the pain point of a lot of people is the way I measure impact. If it affects a large segment of the population of the demographics even if in a small way. Making lives a little bit more convenient a little bit more efficient. This is the way I look at it and it fits in with my logic that when you look at successful companies they have transformed lives on big scales even if its just in a small way. Small change but affecting a large number of people.

MORITZ: That makes sense. Do you try to measure that impact somehow? Did you find a way like time amount saved or something like this?

SUBJECT C: I think in a lot of startups in early stages one doesn't really have the time and tools to put in a specific measurement. Think about the time when Sergey started Google. How did they measure the efficiency of the search? or the desire? So what you do is you get familiar with the space. The best way to measure it is to talk to people and instead of having metrics and some sort of methodology which may happen if you find the time. But most of the time people who start startups don't find a lot of time to do a formal methodology. But the best way is just to talk to people and it is the human judgement that comes into play. And they will tell you if they are okay with writing a paper check or is it a pain and how much is it a pain? And what is it that they are willing to do to get rid of this pain. And when you connect that to your solution I believe you have the answer. That's the way it worked for me.

MORITZ: It is definitely hard to measure it with numbers. You mentioned that you do a lot of talking. Do you also see another way to engage with your customers or stakeholder? Like surveys or something like that?

SUBJECT C: Good question. Ehhmm. Again it's a question of time and when you are doing a startup. I feel in my case instead of looking for some methodologies and patterns of documenting things I am having a gut feel of the problem. I just talked to a few businesses and recorded their answers and their suggestions. I also recorded some individuals. But it was really more going face to face. Which is much harder and time consuming than sending out an online survey. I have learned to make an important distinction. I think this is important for every entrepreneur.
The quality of feedback is much higher when you meet them in person than when you make an online survey. So to me that was a very important distinction. Even if you have only a short amount of time and you can look them in the eyes and feel the intensity of the problem. Whether it was low or high but you can feel the intensity much better by talking face to face.

MORITZ: Okay what about the investors? How did they shape the way you are going?

SUBJECT C: Okay. So investors have all different shapes and sizes. Earlier you

built an MVP and then you went to the investors and went for a funding round. But the ecosystem has changed in the last five years and now you go through an incubator before you go for a funding round. So we applied for several incubators but they all rejected us and we tried to go on with the funding round but we had no success. So we applied again at some incubators and we got accepted and had then the opportunity to present in front of a lot of investors on the demo day. I interacted with them and showed them our live product in a very MVP way. We were able to show a growth pattern and this is what investors focus on. It was a lot of time and effort to get investment but in the end we got it.

MORITZ: Great. Let me come to another section which is about human resource management. What kind of people are you looking for to work with?

SUBJECT C: We do things slightly differently that other companies or even other startup. So far every person that we have in our company has worked with us for at least a few days or even a week before we have made a job offer to them. That is our philosophy because deciding in a few hours of interview if a person is a good fit or not if very very hard. You can maybe test their skill set but not cultural fit. That's my philosophy of recruiting people we work with them and then we decide if they are a fit to us. It is hard to find matching people but this is the way we go about that.

MORITZ: Okay thank you very much for this insight. Your business is getting rid of a lot of paper which is good for the environment. How do you think about the environment as a whole? Do you advertise that you are saving paper?

SUBJECT C: Sure. So personally to me the environment is important. We share it with everyone. The question then becomes how much are people really ready to do something for that. It is easy to talk but it is hard to do. We do advertise sometimes that it is good for the environment because it is. However, in terms of our marketing and sales pitch it is the product we are selling. Not the environment. I would like to pitch the environment more personally because of my personal views. It is important that as a company we pitch the product before we pitch the environment. So my personal hope is that the people see the environment through the product. And the reality is that some will and some wont. But it is the product that needs to be sold. Yeah and that has to have priority.

MORITZ: Do you think man-made climate change is real? Do you think we are responsible for that?

SUBJECT C: I think that definitely a yes to both. I have done some research and there is no doubt that there is climate change and it is cause by human activity over the past few decades.

MORITZ: Good. Are you trying to do something against it?

SUBJECT C: On a personal level. Yes. I am not a purist. There are things that I use every single day of my live that I know are causing carbon emissions and are part of the problem. But there are some things within the time and resource constraints that I live in that I do. That I have made a change. For example, I drive an electric car. And I think that helps. The problem that we solve is good for the environment. So personally my view and philosophy fits in with what we are doing at our startup. But I think it is also important to realize that those two can be and often are separate issues. All the time it is important to not confuse the product with social benefits. Unless the thing you are selling is a big part of the environment or something like that. Personally I am happy with the problem we are trying to solve.

MORITZ: That's great. Did you ever think of using a green data center even if it would be a little more expensive? or is this too early for your startup?

SUBJECT C: I think we are going to do something like this sooner or later. The question is when. We are still seed stage right now so it is a little early but we are going to do something about that. We are going to do some calculations on that to show what we could be able to save when you use a digital solution. It is going to happen hopefully sooner than later.

MORITZ: That's awesome! What does CSR mean to you?

SUBJECT C: I think it is important for established companies. But at this stage of our company it is way to early to have such a programm.

MORITZ: The last few questions are about data security and data in general. Do you resell or do you plan to resell data to third parties?

SUBJECT C: We don't plan to do that because there are two reasons. One is a very pragmatic reason which is would it make enough money that it gets to a primarily revenue stream and the answer is no. Even if we anonymize the data and then sell it the privacy issues are taken care of. Then but it's not really a part of our business model at least not right now. We are primarily focusing on building a better solution in order of magnitude and user experience and ease of use. Our selling point is to have a product that much better than the other ones out there and selling data even if it is anonymized data to third parties that is not on our radar right now.

MORITZ: Do you see a problem in that in general?

SUBJECT C: Well the question has two parts in it. Do we sell user data with user's information of course that is a big problem we have that in our terms and conditions that we will not sell identifiable data. So that's a no go because we have bank accounts and transaction histories and so on. The other part of the question is if we can sell anonymized data. That is technically possible but again it is not something we are planning to do because it is not part of our revenue model and philosophy. Not right now.

MORITZ: I understand. So the last question is a hard one. How do you deal with the thought that you could run out of money? How does this

affect your daily thinking?

SUBJECT C: It affects me every day. That is something I think about every day. It is very critical and it is something that every entrepreneur has to deal with. For me it is hard because I am the primary founder, I have some advisors, but I don't have a co-founder on a day to day basis. It is something that I think about every day and every decision that I have to make takes the budget constraints into account and it affects everything the people who are working with me the company our ability to decide which feature we are going to build and which ones we are not going to build. So it is very important. And how do I deal with it? Ahm that's a long answer. Every day I have to make tradeoffs. Some things have to be done and some things cannot be done. Sometimes we have had to have tuff discussions about people taking a little bit less cash in terms of their salaries so those are some coast cutting measures. But it is really about how can we show certain amount of growth given the constraints we have until we can get to the next round of funding.

MORITZ: Great thank you so much!

A.4 Interview D

[*12th of May 2016, 1. PM PDT, Interview via Skype*]

MORITZ: First some quick questions about your personal background, like how old are you?

SUBJECT D: 28

MORITZ: Where are you from?

SUBJECT D: India.

MORITZ: Since when did you come to the Silicon Valley?

SUBJECT D: October 2013.

MORITZ: This is your first company you started?

SUBJECT D: Yes, this is my first company. There have been projects but I wouldn't call them companies.

MORITZ: How did you come up with the idea to start?

SUBJECT D: The idea was just based on the problems that we had when we moved to the US. Mostly it was about realizing the fact that we ended paying a lot more interest rates and we had to and go through a lot of problems trying to get funding to get education in the US and afterwards. We are actually skilled people and if we can work on something that's going to make the process simpler, easier, and faster, and give people the services that they deserve then it would be helpful for everyone. I had worked with creditors that I knew firsthand. I know how these big institutions think. They are not using and not understanding creditors the same way that they should

understand it. They were just using FICA score and credit history in the US which is one of the factors but this was not accessible for us.

MORITZ: How important was it that it makes life for a lot of foreigners easy, better? How important was that factor to start? Did it also give you motivation to help those people?

SUBJECT D: Yeah, I basically wanted to help people like me. That was the origin of the idea, to help my friends. I had a lot of friends who wanted to come to the US and they were equally smart, capable, hard-working, financially responsible, and everything. The only thing they didn't have was access to financial services or access to a loan. If they had access to a loan then they would come to the US and do better than a lot of the people here. The initial motivation was to just try help them and then that held the idea too.

MORITZ: Great. So the idea of the company always stayed the same, more or less, or did you pivot it?

SUBJECT D: I guess the idea sort of evolved. It became more of a concrete idea. Initially I was thinking of it as a non-profit where we would pull together money to fund someone's education under the condition that that person was going to fund someone else's education once they were capable. The initial idea was something like that and then we moved to building an API for other institutions who would use our API in the background with building data models and creditor models. They would be using those to make decisions for international people coming to the US. That was less feasible so we started giving out our own money based on the models.

MORITZ: Why did you decide to change the model from non-profit to profit company?

SUBJECT D: I guess I knew less at the time and I thought of it as a non-profit but that was just a thought. I had noted it that somewhere that this is something that could be done. I feel that non-profit is not a company that I could start. It was a much longer process if I were to do that. The better we are doing this was building a company and making things more organized and using data and all that stuff.

MORITZ: Did investors have significant inference on that decision or did they not want to give money to non-profits?

SUBJECT D: No. I guess this is what we changed the idea to essentially. Using our own sensibility, we had more information on how to make this more scalable and make it bigger. This is what we decided.

MORITZ: I understand. Do you have any way to measure the impact your making or how do you define how many people you're helping?

SUBJECT D: There are a few metrics. One is how much money we saved them. A lot of people already have loans at high interest rates and we give them

loans at lower interest rates. So the direct dollar impact is in terms of the difference in interest rates times the amount that they are taking from us. I think some things are lower. It's difficult to measure. There are definitely the sort of people who didn't have other options of getting a loan. I know I personally talked to a few of our borrowers and if we hadn't given them a loan it would have been extremely difficult for them to pay their education tuition and that would have made it difficult for them to stay in the US. Now those people have graduated and have jobs and all that stuff. There is impact in that sense but it's more difficult to measure unless we talk to each person.

MORITZ: Okay, I understand. This help or this social value creation, do you use that in your advertisement or is it just a nice side effect?

SUBJECT D: We don't necessarily use that in out advertisement. We sometimes talk about it when we are talking to investors but the message we don't want to give away is that we are doing this just for social benefit. It's just a price on our side. We can totally do that because there is social benefit. If we do social benefit then we need to quantify it, we need to track it, we need to make sure we don't deny people who need this and all that stuff. We don't want to move only into that direction. We want to keep the business safely set up and yes it is a side effect of the business. We discuss this with investors but we don't specifically tell them or advertise to everyone.

MORITZ: I understand. Another topic is human resources. When you hire new people, what kind of people are you looking for?

SUBJECT D: Now that we are hiring new people I think mostly I'm just looking for who are smart, they know their stuff really well. For example, designers mostly design and do a lot of software person knows really how to code. They are curious. They should want to learn. It's not like they know everything and they are not curious. Some work aligned with the mission of the company and they should understand the problem we are trying to solve, or have some inclination towards solving it rather than just writing code. This is especially more important at earlier stages. These are just some of the things that we are looking for when we are hiring more people and obviously they need to have passion, they need to be a cultural fit, and all that stuff. But broadly it is about curiosity, how fast they can learn based on our assessment even if they don't know stuff. I guess that's just about it.

MORITZ: Then there comes a question about big data and how you deal with data. Do you use the data you gather only to improve your own product or do you also plan to resell that data?

SUBJECT D: At this moment, we are not planning to resell the data. We think this is sensible data. We feel that that is information of the consumers and when they give us their information we tell them that we won't be reselling the data, at least not at an individual level. We won't give your information

with your characteristics to someone. We may attribute things where we're pulling data from a lot of people and then do some high level marketing and all that stuff. This data is mostly for our purpose and making sure that we put the right product at the right price to borrowers. We don't intend to particularly sell the data at an individual level.

MORITZ: Do you see a problem if you would do that?

SUBJECT D: No, I guess it's just a lot of personal information that people are give us and it requires a lot of trust. We can not go around selling people's data because they use the product from us.

MORITZ: I totally understand that. The last section is about the environment as a whole? Your startup doesn't really relate too much to environment but, for example, do you think climate change is caused by humans or do you think it's more of another trend?

SUBJECT D: No, I definitely think that's caused by humans. And aahm... Okay that's the short answer I guess.

MORITZ: Do you try to do something against it in your personal life or do you just ...

SUBJECT D: I guess Ehhmmm.... my habits and other things that in a way I think take care of big things, like I am a vegetarian. Meat is a big source of indirect pollution. People that eat meat, if you calculate how it's effecting climate change, then you would see meat is one of the big sources, because of animal husbandry and deforestation and use of a lot of water and all that stuff. All of that is gone. I don't specifically do things to stop climate change and the reason is that I don't think my habits are such that there is a lot of scope to it, and I'm sure I can use a lot organic products and all of that stuff. I don't have a car, and I don't drive, I either use public transportation or walk to the office. I don't eat meat.

MORITZ: That's already a huge part. Did you also think about incorporating something into your startup, for example, using a green data center to manage your data or something like this?

SUBJECT D: No. No. That would be almost impossible. It would hurt the business. If there is something called a green data center, I never knew of it. Even if there is, and it's more expensive then the other ones, then I would try not use it. We are a startup with a limited amount of money and we need to be very careful where we end up spending that money.

MORITZ: About the money, how does if effect your personal thinking that you could run out of money? Do you often think about this?

SUBJECT D: Yeah, that's one of the things we have to think about all the time because we have to keep the company running and if we don't have money then we won't be able to.

MORITZ: Do you have a plan B in your mind?

SUBJECT D: Plan B, if the company somehow shuts down, then we go back to our jobs. That's plan B. If it doesn't, then we will continue to work on it.

MORITZ: Last, question what does corporate social responsibility mean to you?

SUBJECT D: Ahhmm... I feel building a good business has more impact then building a bad business and doing corporate social responsibility. That's how I think about it. If you're building something that's helping a lot of people or impacting the lives of a lot of people, especially in the technologies, and I think the industry got too wide. What's the scope of social responsibility of an oil company, I don't know.

For a technology company like ours, it's just about building the right policy and helping people to get access to whatever we are providing them and what makes their life simpler and stuff. Other than that, I don't have a lot of opinions on what a company should do or shouldn't do. Should they donate, or should they not donate. Should they take part in non-profit activities. I think at the end of the day, for every business, it just comes down to being the business. Whether doing corporate social responsibility because they think their business is going to grow by doing corporate social responsibility because employees and media see them in a better light.

At the end of the day it's about increasing the shareholder value for the business and even CSR initiatives that are a part of that. It is a part of marketing. I mean I don't know why exactly corporations do well or what they should do.

MORITZ: Okay. Thank you very much.

A.5 Interview E

[*25th of April 2016, 11.35 AM PDT, Plug & Play Tech Center, 440 N Wolfe Rd, Sunnyvale, CA 94085 I am sitting with Subject E in a meeting room*]

MORITZ: So how long have you been here already?

SUBJECT E: In the US? 12 years.

MORITZ: 12 years, okay. Great. And where are you from originally?

SUBJECT E: I'm from Chile.

MORITZ: And how old are you?

SUBJECT E: 41.

MORITZ: This is just for statistical reason. So now we're coming more to the motivation behind your product or service. So you mentioned you make micropayment service for gaming sites, right?

SUBJECT E: Well, no. Micropayments is one module. It's actually a whole platform for gamers to buy and sell virtual assets on the fly, or in real time.

MORITZ: How did you come up with this idea?

SUBJECT E: I didn't come up with the idea, actually. We had a different idea when we started, and talking to venture capitalists, they recommended we do more on the virtual side of things instead of physical side.

Initially, we wanted to allow kids to exchange physical games, you know? And send them via post or UPS. But then the venture capitalists said that's costly. That's too expensive, and you need inventory, and why don't you do something virtual? So it's the same idea, but it's more on the virtual side.

MORITZ: So how did you then come up with the original idea to sell games?

SUBJECT E: The original idea came from the son of my co-founder, who wanted to play different games, without buying them all the time. He got bored of playing the same games all the time, so he wanted to exchange them somehow with other people.

MORITZ: Ah, I see. So your co-founder saw an opportunity in this market.

SUBJECT E: Yes. Well, the son came up with the idea, then my co-founder said, well, that could be a business idea, and then he introduced me to the idea. We sat down and came up with the company.

MORITZ: So what was the vision of the start-up?

SUBJECT E: The vision is to allow online gamers to buy and sell the virtual assets, like a little gun or a little stone or a little brick for a house, in a very simple, quick, real time manner. Or to hold inventory where you could sell those assets, like people sell stuff on e-Bay, but sell these virtual swords or knives or guns, it could be any kind of asset.

MORITZ: So do you think that the sale of virtual goods is good for society? Does it have a benefit for society?

SUBJECT E: I don't think it has any benefit now. I mean, other than the gaming space, I don't think so, no. I mean, the only benefit is that instead of sending CD-ROMs around the country, you're just doing everything digitalized now. So I guess it's better for the environment, but we don't think that way.

MORITZ: Were you ever scared? How do you think about failing with your start-up?

SUBJECT E: We don't. We never think about failing. It doesn't ... I mean, it can happen, but we never think about it. It's, you know, you keep moving forward until either you hit a wall, or you don't fundraise, and you just stop to exercise. But we don't think about failure. If you think negative, then things don't happen anyway.

MORITZ: So you just tried to completely block out the thought.

SUBJECT E: Yeah, yeah. You just move forward, move forward, and at some point you will realize if it's worth going on or not.

MORITZ: At what time did you realize that it was worth going on?

SUBJECT E: Well, at the point where we knew in China they were farming virtual assets, and selling them on e-Bay for, some assets for 1,000 Dollar. So it was a growing economy, and then talking to a lot of gamers and gaming people,

they saw a big benefit in what we were doing. And then, obviously, when the first venture fund said, we like you, we want to give you money, you know, that's when we realized we may have something here.

MORITZ: Why do you think that is the right thing to do?

SUBJECT E: Well, because the way that gamers used to exchange virtual assets was very complicated. You had to meet in the game, two characters had to meet in the game. So you have to set up a time, meet in the game, one character needs to drop their weapon, the other one has to pick it up. Sometimes people wouldn't pay for it, so it was a mess. And then, if you're playing a game and a big monster comes, or you want to build a house faster than another, somebody else, buying a bigger weapon or a bigger brick, it took hours. You couldn't do it in real time.

MORITZ: Did you play any of these games before already? Or did you just hear this from other stories?

SUBJECT E: Yeah I personally experienced it. I play some video games and my kids played all of these games where you have to buy assets to build a little house, an igloo, or buy the flower pots. So we had experience with that.

MORITZ: Great, thank you for answering the questions about this section. So I would like to ask more about your human resource management. Just in general, like what kind of people are you looking for when you hire new people?

SUBJECT E: At the beginning it was basically engineers. We needed some engineers and some product management. But for the most part, engineers. In a start-up, usually one person handles multiple departments. Once you get money in the house, you just hire more engineers, basically, to build up the product. So that is the most critical part.

MORITZ: So you are looking for skilled engineers.

SUBJECT E: Yes.

MORITZ: How do you determine if they're skilled or not?

SUBJECT E: Well, we had very early on our CTO, which, he is very good and he's the one that used to select engineers. We experimented initially with development houses in India. We started with one or two, but it was never satisfactory, so we started hiring them internally.

MORITZ: You hired Indians internally?

SUBJECT E: No. Initially we had a development outsource in India, and then it wasn't working, so we hired them here locally.

MORITZ: Did you ever get in contact with the Indian ... People from the Indian outsourcing?

SUBJECT E: Yes. Yes, yes, yes, because I negotiated the agreements. The things with the time difference was very hard to do. In the development time you need to be up at midnight to talk to them and to make sure they're doing everything right. So it was some complicated stuff.

MORITZ:

SUBJECT E: So one of the biggest problems was communication issues?
There were more issues, time, not being there, making sure they're doing the right thing. It was, if they did something wrong you only knew about it the next morning. So it was very inefficient. Especially at the beginning.

MORITZ: Do you try to find out if your employees share your vision?

SUBJECT E: Yeah. I mean, usually, when you have a start-up, employees don't come to you just for the money. So most of the times they came because they like the vision, they see some promising ending, they like the industry you're in. And when the company gets larger and bigger, then basically you're just hiring people and they just want a salary. But initially it's, they only come if they like, they believe in the management team, in the industry, in the product. It's harder to find people.

MORITZ: So do they have possibility to take part of the company's success?

SUBJECT E: Yes, we always give stock options right away. And initially more stock options than cash. For the first few, 10 employees we would.

MORITZ: Great. So let me talk a little more about stakeholders and stakeholder engagement. So how do you engage with your stakeholders? So for example, how do you engage with your investors?

SUBJECT E: The investors? Yeah, we have quite a few funds involved. And initially we had a board meeting every two months. So it was very often, and the investors were kept informed all the time. And with the employees we have a weekly employee, all company meeting to inform them about things.

MORITZ: And do they also ... Do they also give you feedback, or do you mostly report?

SUBJECT E: No, no, no. It is very interactive. A lot of feedback from everybody. So yeah, especially when the investors say, you know, we've got to do something right or different. We listen, because these are bigger funds, so. You don't want to piss them off, really.

MORITZ: So the investors are some of the most important stakeholders.

SUBJECT E: Yes. Yes, at the beginning of the life of the company it is, because you need more money, and if you're growing faster you need faster more money. So if they don't believe in you or they think you're not doing a good job, then they're going to drop you. So it's very important to keep them happy.

MORITZ: I see. What about the customers?

SUBJECT E: Customers, well, we didn't have many initially. We tried to convince them, but the problem was we needed their engineering time as well to integrate the platform. And you know, for companies to provide or have some time on their engineering resources was very hard to plan. So sometimes we had to wait for months until they had time to integrate our platform there. But yeah. It is, I mean, we are lucky in a sense that we have a lot of customers interested and willing to integrate now a platform. It is a matter of implementation.

MORITZ: Okay, I see. So did your stakeholders create value for the whole business?

SUBJECT E: Yeah, it is. Yeah. I think the investors create a lot of value, actually. Because they introduce us to employees or executives to hire them. They opened some doors with large potential customers, like Electronic Arts, Disney. They provide some good advisors for our company. And more money when we need it, because we just acquired two other start-ups, and we needed some extra cash for that.

MORITZ: Okay, I see. So you mentioned before that you help some gamers that they can build faster houses or something that is more enjoyable for them to play the games. This kind of a social value, because it's more fun for those guys. So do you take this into account, that it's like social value creation in a sense of ...

SUBJECT E: No, actually. I mean, the only value we see for the gamers is they can beat their friend because they can buy a faster car, or they can beat the monster because they can buy a bigger sword. But again, we don't think socially about it. You know, it makes the game funnier for sure. More enjoyable. So the question is, so are online games socially good or bad, you know?

MORITZ: So you dont try to measure somehow the joy level that increases when they ...

SUBJECT E: No, no. We tried to measure the satisfaction of our platform, but that's, yeah, but that's about it.

MORITZ: How did you measure the satisfaction of your platform?

SUBJECT E: Well, mostly by talking to gamers that were using it. So through our partners or early customers, which are gaming companies. And then they get the feedback from the gamers.

MORITZ: So we are soon near the end. There are just like some other questions about the environment as general. I know you're an IT company and it's not so resource-intensive, but did you for example ever consider a green data center or something like this which runs your system?

SUBJECT E: No, actually. Well when you're very young in the life of the start-up, you don't really think about that. And we are probably never getting that big to think either of those kind of things. So we are going to be acquired before our database or sorry, data center usage is too large.

MORITZ: Okay, I understand. What does the term "corporate social responsibility" mean for you?

SUBJECT E: Oh, what that means to me? That means that we should be, we should treat employees well, I think. We should treat the environment well, or stakeholders in general, respectfully. Yeah, that's about it, I would say.

MORITZ: Do you ever make ... That's true. So do you ever make active engagement to do this, or actions?

SUBJECT E: Well you know, we do some stuff with our employees. You know, some typical ... We offer free lunches. We have some retreats sometimes. You know, free candy, things like that. But you know, when you're a start-up, you're so busy and you don't ... I mean, you cannot do much more than that, really.

MORITZ: Sure, I understand. So you also did not look like, for example, for this Indian company, did you check if they look at work hours or at work conditions or something? Or if they give free lunch?

SUBJECT E: No, no, no. Never. We never looked what our partners did or not. If anything, some of our customers wanted us to ... I mean, it's borderline corruption, almost, that they wanted us to pay them up front a large sum to get their business. And then they would deduct our prize from that. But they wanted it up front.

MORITZ: So how did you deal with this stuff?

SUBJECT E: We tried to negotiate as much as possible the price down. But we end up sometimes paying 100,000 Dollar, yeah.

MORITZ: Just in order to be integrated?

SUBJECT E: To be, yeah. In order to get their business.

MORITZ: I understand. And then this was like, legally correct?

SUBJECT E: I mean, it's not bribing. I don't know if it's bribing. It's not really bribing because when we charge them for the software, they would somehow deduct it from their pre-payment, or payment we made.

MORITZ: So you put it all in your balance sheet and stuff.

SUBJECT E: Yeah, yeah. Of course. Yes. I don't think it's ethical, what they did. You don't do that to others.

MORITZ: But you felt like you were forced to do it because ...

SUBJECT E: We're a start-up, and you know, they are good accounts.

MORITZ: I understand. Did you treat them different when they did this, or did you just ...

SUBJECT E: No, no. We tried to stay diplomatic and negotiate that payment as much as possible down.

MORITZ: I understand. So like in general, do you think man-made climate change exists? Is it real?

SUBJECT E: Yes. Yes. I do believe that. Yeah, for sure. I mean, all the industrialization, you know, burning gas, all that stuff. Yeah, for sure.

MORITZ: Does your company do something against it or not?

SUBJECT E: No. We just recycle internally, but you know, recycle plastic, glass, and that's it. I mean, we're a software company, so there's not much more you can do.

MORITZ: I see, I totally understand. So last topic is about data security in general. I guess you gather a lot of data from all your customers.

SUBJECT E: Yes.

MORITZ: So how do you take advantage of this data?

SUBJECT E: Well, we have to be careful because the data, the customers come from the gaming companies. They actually own the players, right? We have the data through our platforms. We use data mostly internally to see how the gamer plays the game and what we can improve.

MORITZ: So you do not re-sell it or something like this?

SUBJECT E: No, no.

MORITZ: Are you making like reports for journals?

SUBJECT E: For the gaming companies we have some analytics. But that is in the beginning now.

MORITZ: And is for all your customers, or just for specific customers?

SUBJECT E: Some specific gaming company.

MORITZ: So would you think it's a problem to anonymize this data and re-sell it?

SUBJECT E: No. I don't see a problem about it. We don't do it because we don't have too much data. But I don't think it's a problem.

MORITZ: So for example, let's say you have a statistic and it says 40 % of the 16 year old gamers like to sell ...

SUBJECT E: Yeah, like to build or race Ferrari, richer cars or something, you know? Something like that.

MORITZ: So you don't see a problem in that?

SUBJECT E: No, not at all. Because it's anonymous. It's better for everyone to understand what goes on in things. We have nothing to hide, really.

MORITZ: So you go with your own assets anonymized, it shouldn't be a problem.

SUBJECT E: Yeah, it's just statistics.

MORITZ: And how about if it's personal, like if you can make advertisements to that guy who bought a Ferrari in your game and then he sees on Facebook an advertisement for Ferrari?

SUBJECT E: Well, I mean obviously he likes Ferraris, so why not offer him something, a special price on one or a direct advertisement. Yeah, I don't see a problem.

MORITZ: Okay. Great. So, thank you very much for your time. I will keep you updated about the thesis. And yeah, thank you so much.

A.6 Interview F

[*12th of April 2016, 13.20 AM PDT, in front of Hero City, 55 E 3rd Ave, San Mateo, CA 94401 We are casually walking along the 3rd Ave*]

MORITZ: Thank you very much Subject F. So I'm here in Subject F walking in the Silicon Valley. Thank you for participating in this interview. So first question is about you. How old are you?

SUBJECT F: 34

MORITZ: Since when did you start Startup F?

SUBJECT F: Since 3 years.

MORITZ: How long do you live in the Silicon Valley?

SUBJECT F: All my life and born raised in San Francisco. I lived in L.A. for school
for a little bit and then I've gotten to travel to India Italy, Switzerland and
China. But Silicon Valley is where to be to invest in startups.

MORITZ: Did you found any other startup before?

SUBJECT F: I worked for a bunch of other different startups: cloud security, online
marketing, insurance company. But I didn't found one before.

MORITZ: Did you have like a personal experience that made you to decide to start
Startup F?

SUBJECT F: Yes when I went to China. I got to see a bunch of startups and I was
just amazed by this being in Shanghai, Beijing seeing the merchants selling
small stuff. You know twenty million people city like how do you want to
grow and expand. The entrepreneurs they were afraid to take on the big
incumbents. So when I got back from China. It's sort of spending more time
with different startups. So that's how I got the bug to sort of so working in
Startups and investing in startups.

MORITZ: So you got the bug in China?

SUBJECT F: Yeah not here. In China.

MORITZ: Why did you want to work for startups and finally found your own
startup?

SUBJECT F: Oh yes I said before I started working in startups I was working in a
big insurance company and it was just the being in a big company was not
exciting anymore. And then once I saw the startups allowed me to wear a lot
of hats and do a lot of things that I was outside of my skill set that was very
exciting.

MORITZ: So was a challenge for you?

SUBJECT F: Yeah exactly.

MORITZ: So what's the vision of Startup F?

SUBJECT F: The vision is to grow for the next two years is to grow do more in-
vestments here in the U.S. early stage companies, secondaries and our loan
product. It has done really well so we'd like to see more of that and then we
next year we hope to do a real estate more and more real estate investing and
then a partnership internationally that allows faster across in international
markets. So we're going to invest in Southeast Asia, in Europe and Australia
gives another competitive advantage.

MORITZ: Do you think that your Startup creates a benefit for society?

SUBJECT F: I'm certain it's good we've looked at a startup that was going to do
some kind of good for the environment but unfortunately we just found out
that they were having issues with some key management people but you know
ideally we'd like to look for more companies that are doing some kind of good
value add to the environment overall but in tech it's a little bit hard to find
sometimes.

MORITZ: Okay but I mean you can also argue that startups get money from different sources so they can improve the state of society?

SUBJECT F: Oh yeah. You know we're looking at making it. So ideally we like to find more companies like that. As I said was looking at one that was trying to help re-purpose unused food of big corporate companies that goes to the garbage but could be going to you know somewhere people are hungry and they can eat. So we looked at one of those too. So I think there is real value and there's potential for us to make money as well.

MORITZ: Did you see more traction on the platform for these kind of startups?

SUBJECT F: Well we don't know yet.

MORITZ: Do you ever think you could fail? You could go broke?

SUBJECT F: Yes. Oh so I think we're pretty lean right now. We're making money with the way our model is structured with fees. So we don't know if we don't need too much money overall. But there's always a possibility. If all the startups we invested in go bankrupt and yeah every single investment goes bankrupt. Right now we have seventy million assets under management. I think we will be fine if a few companies go public. But there is always the possibility that you know...

MORITZ: How do you deal with this thought of going bankrupt?

SUBJECT F: I try not to think about it. I mean there is a possibility that's why you're always looking to build strategic partnerships that could either lead to an acquisition or a merger right because in that way it helps to lower the risk of Startup F. So going forward we're able to build a friendship with a bank. But our best bet is now that we add a layer of security for like okay there's enough value in Startup F. And then the bank will just buy the company out right here.

MORITZ: So you try here to decrease the risk by making partnerships with banks other venture companies?

SUBJECT F: Yeah. Also stock exchanges and as you see the NASDAQ acquired one of our competitors. So you could say as long as we're investing in companies that are attractive to investors. I think there's a worst case scenario for a smaller exit than one that we like so see.

MORITZ: How do you decide with whom you are going to work with? Who do you want to employ?

SUBJECT F: I am sorry I don't want to talk about this right now.

MORITZ: Okay no problem. How do you engage with your stakeholders?

SUBJECT F: Ah with the investors who invest through our platform we keep them posted about the invested company's success but not about our own Startup F. And for our own investors and employees we set up quarterly updates. So overall how the company does how we make ventures what we're thinking about for the future. So we can keep all the proper stakeholders like informed

on what's going on with Startup F. Sometimes and we also asked for introductions for strategic partners down the road. Or corporates that we could probably co-invest with.

MORITZ: How about like do you ask for feedback how you could improve your service?

SUBJECT F: Oh yeah we're there. So like with our investors we ask for feedback and the major investors they send us feedback without even asking. And then our portfolio companies we ask how we can help them because without them Startup F is nothing. The ones I'm really close, some of them provide you know unfiltered feedback and we welcome it.

MORITZ: So let's take an Uber example. Uber creates social value because there are less drunk drivers and they're less crashes so the whole society benefits from Uber in terms of this. Do you also see something like this social value creation with Startup F?

SUBJECT F: So I guess you can see that as we allow more people to invest in startups right. Smaller amounts that is five thousand dollars. Before you could barely invest. Maybe fifty thousand or hundred thousand was the minimum. So we get a little bit of democracy to the investment process and he that allows more people to invest and then more startups to get more capital from people from around the globe so that could potentially help the companies expand internationally and also potentially help those investors companies get access to you know tech companies that test legal and the more disruptive to their own competitors. And the investors know what's going on in the tech community.

MORITZ: Yeah that's definitely a value. Do you advertise this value or do you try to take advantage of that?

SUBJECT F: Ou no. You know that's an area where there is an opportunity for growth for Startup F. It's a not a weakness but an opportunity for us get better.

MORITZ: So I am coming to the last section. It's about how you think about the environment as a whole. When selecting suppliers do you take other factors into account or is it just price utility?

SUBJECT F: You know it's not all about the money. I mean this is a big component to it but if we can help the companies expand internationally we can help them. Furthermore, mentorship as well and opportunities to meet people and make connections.

MORITZ: Well what about like a green data center like more environmental green thinking?

SUBJECT F: Ohh yeeah... You know our check sizes aren't big enough to us to be to make strategic dent impact for those kind of companies so unfortunately we can't move forward.

MORITZ: I understand what does the term corporate social responsibility mean to you?

SUBJECT F: This is another opportunity for improvement. I don't think we do it. You know that's another area for growth.

MORITZ: What about your suppliers do you check if those guys do something?

  SUBJECT F: We could sure use more minorities, more women in tech and we could ask for that we have not checked in about this.
  MORITZ: Do you think man made climate change is real?
  SUBJECT F: Yes
  MORITZ: Do you do something against it?
  SUBJECT F: I want a Tesla. Haha.

MORITZ: Last question is about data. Do you like plan or do you resell user data to the third parties?

SUBJECT F: No as a broker dealer we take that very serious. Our auditors make sure that our security is top notch and we are very worrisome aware that we have very sensitive information for investors and our start. And we take extra precautions make sure the data is secure and we're always aware of what's going on and you know if any potential bots are attacking our system to penetrate this information. We take that very serious.

MORITZ: What about anonymized data?

SUBJECT F: No No. We do not.

MORITZ: Why you see a problem in that?

  SUBJECT F: You know about the monetary value it's very little. You know it's not even intriguing for us even to the risk of people getting scared about us do exactly that. That's way too high compared to the small reward.

MORITZ: Great thank you so much Subject F

A.7 Interview G

[*5th of May 2016, 11.07 AM PDT, Interview via Skype*]

MORITZ: How did you come up with the idea?

SUBJECT G: I came to the UC Berkley Business school with this idea in mind to improve organizing group travel. I think it was like the classic entrepreneurial thing of having the paint point myself. The desire to have a better platform to organize group tours but mainly also to promote the group tours to find more travelers. Kind of wishing to have a platform where I can find more travelers to show the country to on a slightly more professional scale than couch surfing. So this desire to have a marketplace for group tours for individuals came out of personal experience and totally thinking and seeing this niche in the market which was not served.

MORITZ: Great. I really see this niche and I am looking forward when you expand internationally! Could you tell me more about the vision of your startup? Where would you like to go in 5 years?

SUBJECT G: Yeah in five years we really want Startup G to be a global marketplace where people that have some background in trip organizing and the desire and the passion for it. And are good people persons and people that have a lot of experience organizing trips where they can sign up trips on line and can find more people joining the trips on our site. So we really want to empower new tour operators. Everybody talks about the GIG economy and I think we are part of that GIG economy where people don't have one steady job anymore but might have many small ones. Startup G would really be the platform and the marketplace that enables people to not just drive cars or clean a house or so but really to have a more meaningful job in tourism like organizing group tours. Be a global platform where people can find amazing group tours probably at better prices than what is currently available and where organizers of these group tours can make at least a part of a living by organizing these group tours.

MORITZ: Travelling and tourism is related to culture which is a social value creator for society. How you think about this topic in general?

SUBJECT G: Yeah absolutely. The first time I really thought about Startup G and some people gave me the original ideal were people that lived with me in Switzerland and organized trips abroad. And they had much more friends in Switzerland afterwards because they organized group travels in other countries for Swiss people. So one guy said he had much more friends because of that and feels better integrated. In our today society where integration of foreigners into our society is a challenge I believe that foreigners organizing group trips to their home countries or to the places they know well is really a good way to trade social cohesion and to create a better social tissue. And that goes both ways for the traveler who organizes the trip but as well for the traveler who travels the country by not sitting in a Club Med walled off resort but going into the local city and this can open his mind. I mean that what travelling has done for me. Travelling has definitely broadened my world view.

MORITZ: Do you have some kind of way to measure that increase of value?

SUBJECT G: Yeah... We thought about this a lot in the beginning when we were still kind of. In the beginning we pitched Startup G as a social enterprise we kind of moved away of this simply because we are being used by a lot of universities there it is more of a tool also Silicon Valley is just not the best place to start a social enterprise because of the dominance of money. I believe but if I

would have started in Switzerland I would have registered it as a nonprofit because it is almost easier to start a nonprofit than a for profit company that needs to grow really fast. I think a way to measure it would be making surveys right after they come back and then maybe six months or a year later to see for example for the organizer how many people is he still in contact with and for the traveler if there has something changed in the world view. Are you more welcoming to refugees or foreigners in your community on a scale yes, a little bit, or not at all or whatever. I think social impact analysis is always very difficult but I think that case you could do it in surveys.

MORITZ: Do you find time doing such surveys?

SUBJECT G: No we don't do them. Because there are just a few trips that have a big social component. There are so many things we should be doing that it is kind of not high in our priority list and we are a for profit company. So for me it is still important in terms of some key decisions like what kind of sectors are we developing next there we have social ambition.

MORITZ: Which kind of stakeholders influence you in which way? Are the investors pushing you to profitable sectors?

SUBJECT G: Yeah I think it is definitely influenced by the investors but it is not a big pressure because we went after a certain kind of investors or we ended up receiving a certain kind of investors and we chose that at a certain consequences. So we know we have a year or eighteen months to grow and we have to hit certain milestones. Nobody really knows these milestones but we definitely have to grow a lot in this time and social impact growth is not important there. Or at least the way we set up our business now or the way we pitched it now it is not important and probably not in the next years and probably never. Startup G will probably never be a social enterprise although it is a pretty important part for everybody that works here. The people who work here like the mission a lot where you say it is a social mission or just say it is a mission to help more people to explore the world and help trip organizers making a better income. I think it comes down to the same things. But we don't pitch it explicitly this way.

MORITZ: Where does that pressure come from?

SUBJECT G: The pressure comes more from you internally because you know what the investors expect. They don't call you up and tell you should do this and this and this. You know what you need to do to succeed in Silicon Valley with these investors. That what's influences the decisions.

MORITZ: What about other stakeholders? How is their feedback affecting your thoughts?

SUBJECT G: We talk a lot with a lot of different stakeholders. Our main customers come to us if they see something is missing or it needs improvement.

MORITZ: Okay thank you! You talked about the people you are working with you would share your vision. Who are you looking for to work with?

SUBJECT G: Ehhhmm... Developers is skill and a personal connection as well. Whether you think they will stick with you even when you run out of money for a couple of months or whatever will they be gone immediately are they in it for the money or because they like you and the team. Then business development there it is just about their network and their ability to sell because their job is to grow the user base. This is their target. A cultural fit is also like a additional tick that has to be there. If the team doesn't feel comfortable with one person we can't hire them. Until now we look that every new person interviews or at least have a coffee with everybody from the company before we say yes.

MORITZ: How does the risk of running out of money personally affect you?

SUBJECT G: If you... If you found an internet company in the Silicon Valley and put in all your eggs in one basket it would create a lot of pressure. Like all your pension money. I don't think a good entrepreneur would do that. As a founder you have easily 60 or 70 work hour weeks all the time. It just becomes normal. If then your whole future live depends on it, it would be very dangerous. I don't think I could start a startup like this. I know there is a very high chance of failure. I obviously think we are going to make it otherwise I wouldn't do it but I personally think you should not think about Plan B. Truth is the risk is not high. Chances that you will find a good job after you fail are very high. The question is: "are you comfortable having a very low salary for several years." I earn a third right now what I would get at a big company. There is also the social risk of failing because you talk about nothing else than your company. You become your company. But it's Silicon Valley that makes it easier. In Switzerland it would be harder to sort of come back and say that ah it didn't work out trying something else now. Here it is no big deal. Just try it again.

MORITZ: Great! How do you think about the environment as a whole? For example, do you think human caused the climate change?

SUBJECT G: Ahhmm I do absolutely and I think that's the one thing I struggle with a lot personally because I do think we have a great impact on society and integration of people but we are a travel startup. You could argue that the CO_2 emissions happen anyway and people travel anyway but by creating really cool trips we probably contribute to global climate change. That's something I struggle with personally.

MORITZ: Did you ever try to do something?

SUBJECT G: We played around with the setting "Buy yourself free from the CO_2 emissions". But it is very uncommon in the states because nearly no airline does it. So we decided against it. But we may

> reconsider it in the future. We just don't have the volume right now. It is a luxury to do so and currently we are not in the position.

MORITZ: What does corporate social responsibility mean to you?

SUBJECT G: As a startup it doesn't really mean a lot yet. It means a few things so for example we decided not to put religious trips public on our site. For us it would mean. Hmm I don't know. More the kind of do no evil thing. Hmm I don't know. I think we would never host a trip of the national rifle association or just stuff that we can really not support to. In the US it also means taking a political stand when it comes to gay marriage for example. But besides there is not a lot you can do as a startup. We pay really low salaries which is anti CSR. We also don't make any profit yet.

MORITZ: But you give the employees options which is good CSR.

SUBJECT G: Sure absolutely that's definitely true. And we pay health insurance which would not be necessary.

MORITZ: The last question is about data and security in general. Do you resell or plan to resell user data to third parties?

SUBJECT G: We currently don't because it is not part of our business model. We could anonymize it and the sell data about certain trends. But we need much more volume to do that. But right now it is not planned. I can't completely exclude it. We don't host any financial data on our side because we don't want that risk.

MORITZ: Where do you see the problem in selling that data? Why don't you want to do that?

SUBJECT G: Ahhmm... I think that's not why people use our platform and they don't expect us to do it. So I don't think it's completely right if we would do it. It's a question we have been asked a lot of times because we are completely free and they ask us how do we make money? Do you resell my data? And the answer is no. If we ever monetize this, we would have to say so I feel. Right now we have to few users to really think about it deeply. It is soon lucrative because we have very specific data pints about their next purchase like a flight to the same destination. It is a blurry line. We do sell them flights advertisement after they book a trip with us. So that's kind of using their user data. But we don't sell the data right now.

MORITZ: Thank you very much for your time!

A.8 Interview H

[*5th of April 2016, 11.15 AM PDT, Hero City, 55 E 3rd Ave, San Mateo, CA 94401*
We are sitting in a meeting room.]

MORITZ: First of all, how old are you?

SUBJECT H: I'm 28-years-old.

MORITZ: If you want to just give me a quick summary about you.

SUBJECT H: I'm a dentist. I was raised in Australia and graduated from University of Melbourne in 2010. Then in 2012, I moved to Canada in Vancouver to teach at the University of British Columbia because I got a few jobs there as well. Since then I've been living in Vancouver until last year when I came up with my start-up idea and decided to pursue it full-time.

MORITZ: Great. So you came last year to Silicon Valley.

SUBJECT H: I came to Silicon Valley this January.

MORITZ: Okay.

SUBJECT H: It's kind of weird ... Recording the interview.

MORITZ: It's going to be faster because otherwise I would need to make a lot of notes.

SUBJECT H: Okay, sure.

MORITZ: How did you come up with this idea for your start-up?

SUBJECT H: The funny thing is I was just in the shower. I think most ideas come to you in the shower. It made sense that why doesn't this exist? Why doesn't a teaching platform where you can actually incorporate game mechanics exist? I actually did a few prototypes myself before I learned how to code. I just drew it on a sheet of paper and I can actually show you if you want to see it. The first day I learned how to create 3-D models, I made this. I was like, "What do I envision how the future to be? How people learn rather than textbook?" So I just made it.

MORITZ: That's great. Your most personal experience was you figured, "Why isn't it another way?"

SUBJECT H: Why isn't there another way? Also at the time I was thinking, I'm a dentist, I'm making a lot of good money, getting not really mentally stimulated by doing the same job as with most entrepreneurs. They love to explore different routes. At the time I was like, "I'm turning 27 and I see all these start-ups doing big things. You know what? I should give it a go too."
That's what caused me start doing a course on Coursera on entrepreneurship. Yes, I did that course. I was like, "Okay. I finished all the courses. I'm really into all this other start-up stuff. I really want to make something big." They did mention somewhere that it takes the same amount of effort to start a small business as with a big business. My little started off with a big business. Right? It's very true.

MORITZ: It's very true. Yeah.

SUBJECT H: That's pretty much why I decided to make it.

MORITZ: Your main motives always ... Did they change sometimes? Did you pivot?

SUBJECT H: No, it's always been the same. When I showed you that 3-D textbook, I did that as a test to see if people would use it, to see if people value 3-D. And it is. They did teach in the thing, do like a MVP of what you're doing and just test it, so I did that with this book. It took me like a week to make.

MORITZ: Just a week? That's very fast.

SUBJECT H: Yeah. Well, I was working long hours doing it.

MORITZ: I understand.

SUBJECT H: But it kind of makes sense.

MORITZ: It's standard questions I'm asking here. I totally get it. How do you deal with the thought? Do you ever think you can fail?

SUBJECT H: The thing is with my background, I'm lucky that I'm a dentist. I've been training around the world that I have a backup. A really good backup. So I'm not worried about that. The main thing is you need to think about ... I watch a lot of motivational videos too. You only have one live, you have to really believe you have one life. If you want to make a real difference, you should do it now. I really believe that. A lot of people say that, but they don't mean it. Cash your chips and really do it. I don't know how you get that mentality, but it's always been like that for me.

MORITZ: I totally understand. I also watch a lot of these videos and it's good.

SUBJECT H: A lot of people say, "You've only got one life." But I'm like, "Do you really believe you have one life?" Because if you did, you wouldn't be doing that safe job at a bank, going to weddings and then complaining, "I hate my job." A lot of people are doing that because they're afraid. Obviously, everyone's situation is different. You really have to believe that you're capable of doing more than what you're doing. Really convince yourself. Work on it. If you're not ready, you have to work on it. Learning as much as you can about everything.

MORITZ: That's great.

SUBJECT H: I don't really know how you candescribe that. I've always thought about that. Actually all my friends who I have, they're also very competitive, and they're very like me, so we push each other, in different fields. For example, my dentist friend back in Australia, he's a competitive pianist so he does all the competitions. He's a dentist too. When you see people like that in your life who are really pushing the boundaries of what they're doing and being successful.

MORITZ: You also go for it.

SUBJECT H: Yeah, you should go for it. You really only have one life. It could be over like that. For my background as a dentist, if I quit this today, I can go back to making pretty good money. Very good money. But then, I would miss out on something. I don't want to miss out on the big opportunity of making a huge difference.

MORITZ: Where exactly is this opportunity for you? Where do you see the biggest value you're creating with Startup H?

SUBJECT H: With what we're doing, imagine if you're a patient in India. You can receive the same quality of care as you would in the US. I believe you can do that because if you transfer all that knowledge, information, you can actually

improve healthcare. I never thought of it that way initially, but it will happen that way. It will just naturally happen.

MORITZ: When did you start transferring that wish in bigger, getting more, or thinking bigger?

SUBJECT H: I think when I started making it. I was like, "Oh, this could really help a ton of people." From people who were downloading it and people who were signing up and messaging me, they're like, "I've been looking for this." We have people paying for this in Indonesia, New Zealand, Toronto. It's very global especially for healthcare because it should be one way. There shouldn't be a Chinese way, an Indian way of doing medicine. There shouldn't be a Swiss way. They should only be one way, which is biologically right. There's not much you can really argue about in terms of how best to manage cancer patients. They should be the same way. This is all based on research.

MORITZ: Great. Now different topics like human resources. For what kind of people do you look for when you hire new people?

SUBJECT H: In terms of hiring advisors and staff, we're looking for people who aren't motivated by the money. They want to actually do something big because you can't keep people long-term if it's just money. They'll leave. Mainly people who we can get along with as a team as well because that's very important. Interpersonal skill is really important and that they're happy.

MORITZ: How do you rate grades and university stuff?

SUBJECT H: Related to real life or?

MORITZ: If you have two applicants and you have one guy who's really good grades. You like it, and the other guy has a university or how do you ... Do you look that they have university degrees or do you-

SUBJECT H: No, I just base it on personal feeling to be honest. One of my people who I almost only am starting to work with this on, he has the Harvard degree, he has written textbooks on 3-D modeling, he has the on paper, but when you work with him, it's different. It's different to what you would expect. Not many people have that drive. From my background with working with a lot of patients and working with a lot of people as a dentist, I can feel out people who are ... You can gage what people are like before you even meet them, based on their demeanor-

MORITZ: I totally understand.

SUBJECT H: Whether or not these people are easy to get along with. The main thing with us is that we want people who are easy to get along with, they're willing to learn, and they're interested in learning.

MORITZ: That's great.

SUBJECT H: But university's grades don't really matter to be honest. Even as a doctor, your patients don't look at your degrees at all. They look at how you treat them as a person. I don't know where my doctor graduated and I don't care because I trust him.

MORITZ: Makes a lot of sense.

How do they have possibility to take stake of your company's success or how do you work?

SUBJECT H: How do I get them to work? With our company, we will be giving away equity to early employees because we want people to be invested in it. It makes sense. Just personally speaking, I used to run offices for chains and stuff like that and sometimes I would lose interest in working for those companies because I was like, "Why am I working for somebody that I have no ownership of? Why am I trying to improve someone else's business?" If you make people feel very invested in your company, they feel like they own part of it, they want to work there.

MORITZ: About how much are we talking about equity-wise?

SUBJECT H: Giving away? We have a stock option pool. It's very fair and standard. We treat people as we would want to be treated. With our advisor, we're giving him a lot of equity relative to another advisor. But because before this, he was already likeing what we're doing. He was already saying like, "I want to talk to these guys. These guys are doing something crazy." I know he's not in it for the money because he's a specialist and he's almost retiring next year. He even told me on the phone, "The reason why I want to work with you is because you are the future. I want to be a part of something big when I retire. I'm not looking for the money right now. I don't need it." That's who we want. We want people who believe that driving innovation and actually pushing things to the next level because I do not foresee the future of healthcare training to be like what it is now because it's terrible. Just videos and you're forced to travel to see some lecture. That is not the future. I know something similar to this will be the future. We ask for feedback, but we also want to make sure that they're really happy with the product, that they're willing to stay on board and recommend it because this product isn't done. It's always going to get better and better and better. They need to trust in us initially that this is the start of something.

For example, maybe like Tesla 1 was not that great of a car, but then Tesla 2, Tesla 3. It gets better. They need to learn that they will keep getting better.

MORITZ: That's definitely the way I think.

SUBJECT H: A lot of people expect for start-ups that they're seeing the final product. That's the thing. You need to remind them, "Hey, we're just starting," because I can show you this. This is what we started with. You can see the comparison to what it is now. This was our first prototype that we were showing people, but people need to buy in the fact that we're progressing.

MORITZ: We also now see the future going to be in VR. Now it's 3-D on the video.

SUBJECT H: At this time, I didn't even know about VR. Suddenly when I got here to Hero City. To be honest, it was lucky that we didn't go to New York. So this company that accelerator that funded this one, they raised quite a bit of money, but they wanted us to go there. I'm so glad that we didn't because their's is a medical accelerator so they've got a bunch of doctors there. We don't need doctors. We need technology. That's how we're going to differentiate.

MORITZ: That's great. You're creating a lot of social value, social in terms of, educational, of the masses. Do you track this value somehow?

SUBJECT H: We base it on active users and recurrent users as well. We also get feedback.

MORITZ: It's more like you creating the value because people don't have to go physically to school? Opportunity costs and have to drive?

SUBJECT H: That's just one of the reasons why. What we say to investors, the actual pain point of traveling. We believe that we provide a superior way of learning. That's our thing. But how do we measure that? That it's cheaper, that it's more convenient.

MORITZ: It's hard to- I mean social value creation is really hard to measure.

SUBJECT H: It's something that's hard to measure, but I think what we're making, if we apply it to most procedures, it's better than bringing a textbook or watching some lecture. How do we measure that social value? For us, it's mainly outreach as well. We have a lot of users in, surprisingly, the Middle East. And we've just been advertised in- We haven't even advertised, we've just been posting on blogs and stuff. The reach we'll get back too are like, "Oh, that's really cool." People in these countries are looking at it.

MORITZ: Yeah, that's definitely cool. So next question is about general environmental awareness. For example, do you take into account that you would like to work on a green data center? Or some stuff like environmental stuff?

SUBJECT H: No, we haven't looked into that yet. I'm not even sure what a green data center is.

MORITZ: It's just they use electricity from water or from solar plants.

SUBJECT H: For data?

MORITZ: Yeah, to process data. Google, for example, they want to make all their data stuff green by 2019. To green energy, but also for the environment. Do you take that into account?

SUBJECT H: I really believe in that the environment is pretty messed up right now. I really believe global warming is a problem. I'm not sure how we could do that. Yeah, I could look into that.

MORITZ: Totally. You're in the beginning.

SUBJECT H: In terms of social impact, I was just thinking, eventually my vision, if we're very successful at what we're doing, I've talked about it for a while. If we could implement some sort of a scholarship program, for our company where we fly people from third world countries, get them trained in the US for like a month or two, and fly them back.

MORITZ: Okay.

SUBJECT H: I'm not sure if that's what you mean by social impact.

MORITZ: Yes, definitely, definitely.

SUBJECT H: That's something that I've always been interested in doing.

MORITZ: Why would you have to fly them if you have these great courses?

SUBJECT H: Because you could actually treat patients. The best way to learn anything is by having someone watch over your shoulder and take over in the event that something happens. That's the best way. You can't replace that. We've replaced everything before that.

MORITZ: Okay. So this will be like the final exam, flying over?

SUBJECT H: Yes, but actually having a scholarship, we can get doctors, dentists, from those poorer countries, or wherever, and letting them spend a full month in the States, and train directly under the best guy. Then they can bring that knowledge back to their country. I think that's the best way. Rather than pumping money into a charity, we can train them to be better. You don't have to rely on foreign aid. When Haiti comes in, all doctors have to fly there. Why aren't they able to provide this care?

MORITZ: Definitely. Yeah, that's great. The last topic is about data security. You guys are gathering a lot of user data. Do you plan to sell or resell this data to third parties or not?

SUBJECT H: No. Not at the moment. I'm not sure if it would be fair because we're an education company. That would put us in a very bad light. Would you learn from somewhere if you knew that they were selling your data? It sort of gets tarnished. That's the reason why we're not working with brand companies right now, because once we start our courses with their label on it, forever we're going to be that company that just does that.

MORITZ: Yeah, that's definitely true.

SUBJECT H: Whereas Coursera, they don't have that. They just use sponsors, but it's not all plastered over the website, their sponsors.

MORITZ: What about anonymized data?

SUBJECT H: We keep all the data pretty secure. We do all that sort of stuff, but we're not looking to selling the data right now.

MORITZ: Okay. That's great. Thank you so much.

A.9 Interview I

[*12th of May 2016, 11.30 AM PDT, Interview via Skype*]

MORITZ: How did you come up with the idea?

SUBJECT I: I just graduated High school and came to Stockholm. Stockholm is a
          pretty strong startup city and here I was exposed to a lot of meetups and
          startups. Before I consumed very local media about Estonia and stuff like
          this but I also read generic news sites like Business Insider. But when I came
          here I started to control more what type of media I consumed. Especially
          that I wanted to consume more startup and business like blogs and things
          like this. So I was exposed to this world. Uber was really exposed at this
          time so we thought. Oh let's do Uber for delivery. When I now think about
          it the timing, it would have been right because a lot of delivery startups
          were founded at that time. But we had multiple startup ideas me and my
          co-founder. Who was at that time in London and we skyped two or three
          evenings in a row. And we were just like brainstorming. Usually we did it
          like this we went to a meet up and shared afterwards what we have learned.
          And each night we had like two three ideas we wrote them down and on one
          evening we ask our self-sort of like when we were in high school why didn't
          we have any great digital tools in use? and yeah this is the one we have to
          go after because everything else was sort of done already. There were already
          startups that did delivery and this stuff. We didn't see any that did great
          digital tools in education. So we said let's try to build something. Two or
          three week later we were back in Estonia and we printed out some contracts
          and visited some schools and we didn't know too much about lean startup
          but we were just like okay schools. Are they really going to take software into
          use? And we wanted to get sponsors for our pilot project and we wanted to
          legally prove that we have schools on board. So we printed out the contracts
          and visited 9 schools and 8 decided to agree and sign the contract. This is
          how it all begun.

MORITZ: Congratulations! That's great. Could you tell me more about the vision
         of your startup?

SUBJECT I: We believe thanks to digital tools we can give teachers better
            tools to mentor students and the students can get smarter and we
            are mainly focused on public education because we believe this is
            where the education has fallen behind the most. We personally feel
            the pain when we came out of high school that it was so distant
            from what was going on in the real world. And not in terms of what
            was thought but in terms of what mindsets were being presented
            and how to perceive the society and the business world. So the
            vision is we want to build a global network of schools and take
            advantage of analytics tools and through that help students get
            smarter and give teachers better tool to mentor them.

MORITZ: That's really good I would have loved to use your software when I was in
         High school.

SUBJECT I: Yeah I think of it the same. I wish I had it at that time.

MORITZ: Education is a huge social value creation for society. Do you try to measure this social value creation?

SUBJECT I: It is really hard to measure it. But every now and then I kind of remind myself when I am looking at. There are so many bot startups popping up and they.... Hmm. I am thinking would I be proud of founding a startup like this? I don't see that. Most of the time I think I like what I am doing because I have real impact and this is actually helping students and teachers and society. So we are not measuring it but we are definitely reminding it to ourselves now and then and now we want to launch in the UK and I went to one of the schools in Cambridge and we have four students there working with us and when I was done presenting the product and talking about general digital tools and things like this I kind of told them that I feel good when I am doing what I am doing right now because on one hand just love what I am doing but on the other hand it is not particularly cool or sexy but it fells just like the right thing to do because I am helping them and they are helping me.

MORITZ: That's great. Yeah I mean it's really good stuff. So it fells just good for you to do it?

SUBJECT I: Yeah exactly. It feels right and it feels good and it feels like a logical thing to-do. So yeah.

MORITZ: Could you try to describe the logical part a little more?

SUBJECT I: The logical part is that it's like on one hand it is very rational thinking. That we know some kind of change is going to happen in the education system. So there is not too much doubt in what space we are doing. The question is: "are we doing the right thing?" That's what I mean under the logical thing. There is not too much doubt.

MORITZ: Did you ever pivot or change with the idea?

SUBJECT I: In the beginning we wanted to build a great digital book but as time passed on we kind of discovered the aspect of data and big data and analytics. And we thought oh my good this is going to take it to the next level. We were fairly new to the startup world at that stage. So we were like wow this is really cool. So we added big data and analytics after the first three or four months. We also added artificial intelligence ideas because we can take a lot of advantages of these in there. These additions formed the final idea with which we have been sticking around since a year. So it consists of two parts. One is a great platform for study and one is a great platform for analytics and machine learning which we try to introduce value that hasn't been seen before for high school. This is kind of undiscovered land because nobody has done it and even we haven't done it earlier and it takes a lot of time to learn this type of machine learning. But we are on our way to get there.

MORITZ: How do you think about that your startup could fail?

SUBJECT 1: Well the emotions go up and down. In one day I can think two or three times this is not going to work and then I think for times oh my god this is the best thing in the world. But the biggest thing I have frustration with is can we turn it into a business fast enough that we can sustain it and be like an attractive investment opportunity. Because we know we need to fundraise to be able to continue to build it up but in the same time can we built it. I know these kind of changes are going to happen. Somebody will do this sooner or later but the question is even if you have the best vision and you might have a really good product that the users love then there is still especially in the education industry the aspect of money and that's bothering me every now and then. But now we are sort of relieved because we have 14 paying schools and we are able to close the deals. But I think it might be my personal problem because I only focus on things that are not working. Because I need to fix them.

MORITZ: What kind of people are you looking to work with you?

SUBJECT 1: So we are really really fast in deploying and setting up new systems. And the kind of people we are looking for are kind of similar. They should be fast and be willing to jump into the cold water and stick with it. This is what I value the most.

MORITZ: Do they have possibilities to take a stake of your company's success?

SUBJECT 1: Yes of course. The people who we hire get the industry standards equity pack.

MORITZ: Do you encourage people to give you more feedback or more data?

SUBJECT 1: On the data side we look at it different than Google and Facebook because we don't have the need to sell advertisement. So we don't care to much about personal data. The personal data is only to match them with their teachers and schools. We are looking for people that play our adaptive algorithm game. So that we can see how fast they are learning on a personal level. We want to get as many schools in a condensed region to use our platform because then we can see when one school under-performs in one test we can create a heat map with all the schools and we can see that at this school this specific teacher under-performs at chemistry. And then we can sell the access to the analytics dashboard to governmental institutions. Then they can allocate their resources according to that heat map and organize workshops in under-performing areas in order to increase quality of education.

MORITZ: Do you see a problem in gathering a lot of personal data?

SUBJECT 1: Hmmm. I mean it is the business model for Google and Facebook and these guys. I personally don't see a problem around that but I don't feel confident sharing my email and other data in too many places. But I guess it has become sort of like... eemmm I don't really care anymore when I put in

my birth-date. I believe the value of the birth-date and the email address have decreased. I am not commenting the personal date aspect further. Personally I don't really care.

MORITZ: Are you considering a green data center?

SUBJECT I: We are being sponsored right now and we just take that. But I really care about it and when we make a decision I want to take the green choice.

MORITZ: Do you think climate change is caused by human?

SUBJECT I: Oh yes of course. Yes It is scientifically proven I guess that at least one of the biggest effects come of the cows and we cultivate them. I can feel the effects in my personal life. I can see it there is less snow than when I was younger.

MORITZ: Do you do something against it?

SUBJECT I: Eehhm.. I try to consume less in general. Because I had to move and pack all my stuff and I saw I had so much shit. I don't need all this stuff Why do I have all this? I want to own less things.

MORITZ: What does Corporate Social Responsibility mean to you?

SUBJECT I: Every established company should give back to society. If my startup would be successful I want to support sports. I believe every company that is successful should give back to society not just by calculating the marketing value or whatever.

MORITZ: Great thank you very much!

A.10 Interview J

[*21th of April 2016, 9.45 AM PDT, Hero City, 55 E 3rd Ave, San Mateo, CA 94401*
We are sitting at a table in a Co Working space.]

MORITZ: Could you give me a short summary of you?

SUBJECT J: I run our operations like finances, legal and HR. We sell big software to hospitals and lavatories and research organizations.

MORITZ: Great where are you from?

SUBJECT J: I grew up in the north east part of the US.

MORITZ: How old are you?

SUBJECT J: 40.

MORITZ: Since when are you here in the Silicon Valley?

SUBJECT J: So I moved out here a year ago. Our company is based in Boston.

MORITZ: Did you start any company before?

SUBJECT J: I have done a couple startups. One is shut down and one is still going but not doing much right now.

MORITZ: When did you start Startup J?

SUBJECT J: We founded it about 4 years ago.

MORITZ: How did you come up with the idea?

SUBJECT J: My two Co-Founder basically came up with the idea. They pitched it to me very very early and I like the space because of the strong market and the product idea. At that time, I was just getting laid off so I decided start with them the company.

MORITZ: What did you like so much about the product?

SUBJECT J: At a high level we give a lot of data insight to a lot of people in the medical sector. Nurses, Doctors all the way to the patient.

MORITZ: What kind of value can you see that you are generating?

SUBJECT J: The biggest value comes from bridging the disconnection form the people who can analyze the data and have the tools to do so and the people who need the data and insights. We try to bridge that gap. At a high level we are trying to improve the outcome for the patients. What that really means is to get patients on the right therapy. Discover new therapies and do a better job of developing therapies.

MORITZ: You are improving the live of the patients.

SUBJECT J: That is important. For a lot of people in the team. You know we are competing with Google and Facebook and Amazon for talent and we don't fight that battle with more money. We fight that battle with doing a good job in making sure that people can make an impact and that matters to some people and it doesn't matter to others but it definitely matters to the people on our team.

MORITZ: How do you find out if you really find those where it matters?

SUBJECT J: Well part of it is whether they take a big offer and go and work for a bank. But a big piece is you have to make sure when candidates come in and they talk to other people of the team. Do our people have the feeling that they can make an impact and if they can it is a big recruiting tool. So there is a lot of self-selection.

MORITZ: Do they get a stake?

SUBJECT J: Yes every one of our employees have ownership of the business. Through options. Except interns.

MORITZ: How you with the thought that your startup goes broke?

SUBJECT J: Try not to. Haha. I mean it is a big consideration. We have real customers and our team members are strong and we try not to get our of ourselves.

MORITZ: How would you explain it to somebody who can't understand it that you would voluntarily leave a big corporate? and that security?

SUBJECT J: In some ways big companies provide a lot of security but in other ways when you are in a smaller company you have more impact on the progress of the company. We are largely founded by customers so we have revenue and that makes live a lot easier. We didn't have to raise venture capital. We did it because we wanted to grow faster. But you have to plan ahead and you have to be responsible. I have been around early stage companies a lot of

times so I am kind of used to it. It is hard to externalize the risks. It does make a difference when you have a big revenue stream. Without that you are at the risk of the financing environment.

MORITZ: Could you tell me more about this impact that you are talking about?

SUBJECT J: It is on two levels. The easiest way is to talk about it for a Software Engineer. Our company helps to improve outcomes for patients right? So that is meaningful to people. The other level is we don't have a long training program we hire talented people and they will work very quickly on our software. The question for employees is: What am I doing? If I am doing a good job does that impact the company? And it almost always does.

MORITZ: That's great. So. How important is feedback for you?

SUBJECT J: We talk with customers all the time. Early on everybody talked to customers every week. Everyone on our team when we were 10 people. Today we are 30 and probably everybody is on a customer call at least once a month. That's important because our customers are our best market research. What's the next thing they want what's working good and what's not working well? when we grow bigger we will build a formalized customer success team to make sure they are getting the most out of the product. We don't happen to be big enough to do that right now. We started off being funded by customers. It makes you listen. A big problem a lot of startups face is product market fit. Does the service really fit the needs of the market? And when you are funded by customers you will figure that out really quickly.

MORITZ: Makes a sense. Ehm. In general, you are creating a lot of social value. Do you measure this social value?

SUBJECT J: It is funny because we did a rebrand. Our logo and colors changed about three months ago. And one of the things we did is we had someone of our team talk to our customer but also talk to people to show our logo to people who had no idea what we did and see what their peoples view is about us. At a very tactical level it impacted: we need a new logo. But it got us thinking about what our company and brand means to external folks and that's we are starting to think a lot more about. As we move form a company that has been a very tactical selling company go to a customer to get them to buy more a brand and that's why we are more public about our vision for the world which is informing decisions leads to better outcomes. That's why we are creating this software platform that puts data analysis in hands of people so that they can have better decisions.

MORITZ: So you don't really measure it?

SUBJECT J: In that process we started measuring it for the first time. But is its very hard to measure it. We will be able to measure it over time because we have better base lines now. We have a dozen customers now. In measuring

among customers this is not a big group. So as we get bigger we will be able to measure in a way that is meaningful.

MORITZ: Do you use this as advantage? Like for advertisement? Or something like this?

SUBJECT J: Ahhm. We don't do this yet. So we don't know the answer to that yet. So historically it has been on reputation among a small group of people. But as we are getting bigger it is something we need to work in actively.

MORITZ: So now we are coming to the last section which is about environment and awareness and corporate social responsibility. What about your suppliers?

SUBJECT J: We don't have a lot. We run our software on Amazon Web Services. 70% of our expenses is for employees.

MORITZ: Did you ever think of using a green data center? would you be ready to pay a little more?

SUBJECT J: Because we deal with health data. We deal with really big data sets. So we need a lot of compute in a short time. We are a little limited in what we can use. So there are also legal constraints which data centers would work for us. We also require geographical replicability. So if we sign a customer in Germany we need to replica the date there and Amazon is one of the very few who can offer this.

MORITZ: Okay I understand. What does corporate social responsibility in general mean to you?

SUBJECT J: So I think there are a lot of things about CSR programs that we incorporate by default. The way we run our business. We don't have a CSR plan largely because we don't have the resources to. But when you look at how we manage our people or how we manage our data making sure that we secure them there are a lot of things out there that we are responsible for. But we don't have a formal CSR.

MORITZ: Why do you do this stuff? Do you do it because you feel it is the right way?

SUBJECT J: Yeah. You know. Listen. We sell pretty expensive software into enterprise markets and we hire a lot of really talented smart people we are in a good position to run our business with a high level of responsibility and integrity. So we sort of have to. Part of it is because we think it is the right way to run the business. But there is also a natural selection. When you run a business that relies a lot on reputation it is hard to do things that would damage the reputation.

MORITZ: How do you handle the data? Do you plan to resell it?

SUBJECT J: We don't have the right to resell it because our customers own the data. So each deployment we do is separate from other customers. And we don't have the right to resell it.

MORITZ: Also not anonymized?

SUBJECT J: Yes. Even if it would be anonymized.

MORITZ: Do you think there is a possibility to go a new route in the future?

SUBJECT J: Yeah. Some day. There are other companies in our industry which do that. And I think this is absolutely fine to do as long as you are transparent. A lot of our customers don't want vendors reselling their data. That's why they use us. Which is fine

MORITZ: So this is kind of a USP for you that you don't resell it?

SUBJECT J: I mean part of it is that we are an enterprise company and not a Saas company. We do a certain level of customization. In some ways it would be interesting to combine a lot of the different data but that would be less true in more ways. I mean you can run these businesses either way. You get payed less if you resell the data or you get paid more if the customers don't let you resell the data.

MORITZ: Last thing is about climate change. Do you think human have an influence on it?

SUBJECT J: That is a personal view and not a company view.

MORITZ: Yeah.

SUBJECT J: But there is certainly some impact.

MORITZ: Do you try to do something against it?

SUBJECT J: Sure. But that is personal.

MORITZ: That's fine could you tell me a little more?

SUBJECT J: There is no doubt that we have an impact and everybody should minimize their impact whithin reason but different people do that on different levels of effectiveness. Especially here in the US. But this is more personal.

MORITZ: Okay I understand. Thank you some much for your time.

A.11 Interview K

[*17th of May 2016, 12.30 AM PDT, Interview via Skype*]

MORITZ: What is the vision of Startup K?

SUBJECT K: We envision a world were corporate giving programs have real meaningful impact and are a core strategy of the companies. So we want to increase depth and breadth of employee engagement in these programs and the number of these programs. And most important we want to ensure the programs are positively affecting nonprofits and then they are positively affecting the beneficiaries of these projects.

MORITZ: Great! That's a big vision.

SUBJECT K: Yeah you got to start big right?

MORITZ: Sure. You talked about the impact. How you measure that impact? Do you have examples?

SUBJECT K: There are a lot of people who are measuring today. There is a base set of metrics which can be applied. You can look on the

amount of money given or the number of volunteering hours or the number of products and resources and if you look at that you can calculate based on an employee rate a total monetary value. We have done a lot of research on that topic and how everybody thinks about that. Not necessarily that we can change behavior or something like that because it is very hard to change. We want to be able to. Even if we can't get another quantitative metric other than the amount of hours which were volunteered. What we want to do is to ask questions upfront when people make these engagements so that on the back end you can track things a little bit more.

MORITZ: What kind of questions?

SUBJECT K: They might be quantitative. Like what that event correlates to in terms of impact for the world or beneficiaries. So we want to help them to think about that upfront when they are creating these small engagements with the world so that they can correlate it back. You might only correlate a percentage back or you might not be able to. So the question becomes then. How do you want to quantify them? And we want to do that with stories. In terms of what happens. We have worked with nonprofits on these topics and a lot of them are heading in the right direction in terms of correlating smaller sets of data with larger programs that are happening at the nonprofits and then following up with the beneficiaries to really understand what happened in their persons live. Did they go to school or did they get a job? What was the impact of the program?

So short answer is: there are metrics that we track as a government, you know the united stated especially, and they are trying to promote this stuff on websites. But none of them talk about the fact that we have had a nine-billion-dollar loss of volunteering over the last five years. They don't compare these numbers and don't put it in context to historical data or to percentage to corporate earnings or something like that. We went from 3 to 10 percent in corporate profits of GDP as a percentage and we went from 2 percent of those profits to one percent in giving. So we are not doing better. We are not a negative company. But our hope is that people have a realistic lens on what's happening in the world both the good and the challenges that we face.

MORITZ: That was a really extensive answer. Thank you very much. Another question is how did you come up with the idea to start this startup?

SUBJECT K: I think the inspiration came from. Working for corporate America and increasing my salary every year and so. But at one point I woke up and asked myself for whom? I don't know that my live was better or anybody else's live were better. I saw how corporations worked and how they treated

the employees and how they treated the world. On the other hand, I saw other companies that were doing really really well and were impactful for the world. My friend and co-founder worked for nonprofits all his live and knew about the challenges they were facing and we saw a great opportunity there. You know. Share the resources, scale things a little bit more and understand things from a business lens. Our concept came from the idea to take a little form a nonprofit and a little from a corporation and put it into a nonprofit that can work out like a great model.

MORITZ: So the talks with your co-founder were important?

SUBJECT K: Yeah. This specifically. I have talked with a lot of other people as well. We talked about how to give marketing engines to nonprofits. There are a number of conversations which inspired me.

MORITZ: I personally really like it that you want to combine the two worlds. It's a great approach! Could you tell me a little more about yourself? How old are you? Where are you from?

SUBJECT K: I am 37. I am from Boston and came to the Silicon Valley four years ago. Mostly worked in marketing and sales and I have focused on technology.

MORITZ: Is this your first company you started?

SUBJECT K: I did two startups. One was a social loyalty program.

MORITZ: When did you start Startup K?

SUBJECT K: Two months ago at a Hackathon this would be the big catalyst to say we really want to go with it. We knew we want to held this kind of world of nonprofits and cooperation's coming together. And there we made a concrete concept. It started when I was laid off a half a year ago with all other co-founders and I went to Guatemala and there I started to think about this problem. I met a lot of people who worked for nonprofits there and this got me really thinking.

MORITZ: Okay great. From which kind of groups did you mainly get your feedback?

SUBJECT K: We have been talking to everybody that listened. From nonprofits to Hackathons to a lot of events about the topics of nonprofits or CSR and social impact. We were trying to keep on going from there. We also talk the civil tech group. I was volunteering my time to digitalize social services and stuff like that.

MORITZ: Another topic of the interview is Human Resource Management. Like what kind of people are you looking to work with you? What kind of qualities are you looking for?

SUBJECT K: That's a great question. Right now the most important thing is that they fully align and understand what we are doing and why we are doing it. The reason for that you don't loose people they are not smart enough you lose people because they were not passionate enough to get through the hurdles that you have which is all sorts of Oh shit we have to start over and this kind of stuff. So if you don't have the stomach for this it's not working good. So

they have to share our mission and values. The second is we want people who have more than one skillset. We don't have enough teachers who can help others to develop a new skill. We don't want people educating each other all day we want them producing output. On the technical sides we want a lot of generics and on the business side we are looking for complements. We want to create a movement so we have also people who signed a support form and decided to help us in a lot of different shapes and forms. Believers who want to help us. We look for people outside the traditional hiring model because that's not helping us to get there where we want to get fast enough.

MORITZ: That's a great idea. How does this other model look like? What did they sign?

SUBJECT K: From a startup perspective you have to ensure the intellectual property. If you go to Hackathon you don't want to discourage participation in any way. But if they are going to work for you for the weekend I need to know that any IP which is created is yours ahead of time but I think more so other people they want to help in a formal way like hey I can connect you with these people and it makes me look better and it helps us as well obviously. We have three different groups, the corporates, the nonprofit and the volunteers and if anybody wants to support us we look at it through a lens like how much time is it going to take to get them on board and what's the value that they can provide on the backside.

MORITZ: How is it for your employees? Do you give away stock options?

SUBJECT K: It depends on the role in the company. I think right now we want more technical leadership and either you pay them money and give them a little stocks or you bring them on as a core member and they get a bigger portion of the business. We are very open for the later but that doesn't scale. Earlier we are very open to give away equity and later on we will be less willing too. But it is not because we want to horde all the shares for a payout someday. It is for keeping control of the company and to keep equity clean so investors don't shy away from us. In the long term we don't want to be a typical business model we want to rethink the business model and rethink what it means to be an engaged employee. If we can't do that how can we ask any other corporation in the world to use our platform? So I think we are going to have very different equity models going forward of what it means to be promoted or to be a leader.

MORITZ: These new perspectives are very interesting! Do you already do some CSR engagement in your own startup?

SUBJECT K: We are doing a pledge 1 % to begin with. You know 1% of our equity, 1% of our time and 1% of our product. However, our

product is kind of geared of 100% is free for nonprofits. So this doesn't really affect it. The things we are thinking to do are above that. We are thinking of becoming a benefit corporation at the right time but we don't want to do it because we don't want to have that logo on our site kind of type thing. We are determining the best way to do that. And struggling a little bit with the models out there which ask a lot of money and effort form a startup in order to get certified.

When you could just embed it in your bylaws and your mission right? So I think and we don't have a big supply chain. We could check out Amazon and ask them are you a good supplier. But it's like you know who else are you going to go to. You don't have much choice. So I think the concept for us is really. Thinking in the models that we can adapt changing the models that we want to innovate on but not doing so prematurely before we understand what we need and how we can do thing a little differently. Our employees in the future they are going to have the most creative giving model in the world.

MORITZ: That's great! So now I have a little strange questions for you but I have to ask them still for the purpose of that interview. Do you think climate change is caused by us human?

SUBJECT K: Hahaha laughs. That's a great point. Do I have to give a percentage?

MORITZ: No

SUBJECT K: Trends can fluctuate but I don't think any serious scientist can say it is not happening or that we are a cause. We definitely play a large part and that's why we become more responsible. One big challenge from our point of view is which cause to tackle and where to put priorities but the environment is definitely one of our big ones.

MORITZ: Okay. The last part is about data and big data in general. Do you plan to make money out of the data you gather? Do you have a big data strategy?

SUBJECT K: For us it's a tougher conversation. You have a lot of companies monetizing data. But we are not doing that. Every data we provide is going to be open source. We are selling data analytics for corporates form a view like what's how impactful and stuff like this. That part of the data we do sell. This is what you get through analytics by using our platform. But on general data we want people to use that data and learn from it and hack on it and see what comes out in order to innovate with us and around it. This is a difference. A lot of companies think that the key to success is their data but it's the key to their failure because other companies aren't so short sided.

MORITZ: So you are trying to make the data available to the public on order

that they enrich your services?

SUBJECT K: Yes, Yes. It's a closed loop. For example, a volunteering event. It would be interesting to know which one of a hundred volunteering events has the highest impact and which one has a low impact. Maybe if your giving you time to educate children has a much higher impact than when you are serving food at a homeless shelter. I want to let everybody know what we are seeing form a feedback loop. Until now we don't really have enough data so this will be clearer in the future. I don't want to go too far with this now. I think the philosophy open source has changed the way the world operates and we want to continue that path.

MORITZ: Definitely. That's great thank you so much. Do you want to share anything else? What you think could be good for the interview? Did I miss something important? Something you want to add?

SUBJECT K: I would like to say the best most forward thinking companies are incorporating not an employee engagement but giving into every piece of their fabric and you know everybody around the world is starting to notice and measure this and it is in their own benefit to do more around it I think the more integrated model you can put in at the beginning of your startup the bigger impact you are going to have and the better you are going to do as a company. I have stats for all that.

MORITZ: Thank you so much!

A.12 Interview L

[*18th of May 2016, 10.05 AM PDT, Interview via Skype*]

MORITZ: How old are you?

SUBJECT L: I'm 23 years old.

MORITZ: Where are you originally from?

SUBJECT L: I was born in Mexico but lived a half of my live in the U.S.

MORITZ: How did you come up with the idea of Startup L?

SUBJECT L: I was at a Hackathon of my university to meet new people and there we developed the idea of Startup L and won the contest. It was a normal Hackathon and we discussed a lot of different ideas but decided to go with this one because driver safety is an important thing that affected us all. I was the only one of that group who wanted to proceed with this idea.

MORITZ: What kind of factors motivated you to pursue this idea?

SUBJECT L: I really like transportation and urbanization. I really wanted to solve the problem of traffic. And I noticed that one of the main causes for traffic were congestion. The main problem was the big number of cars. I know I

couldn't change the whole system. The second biggest problem were accidents. So I started asking what is the main cause of accidents and I noticed it was texting while driving. I am really motivated by mobility. I like all those project that tackle public transportation but I started to realize that the thing that really interests me what really feeds me is examine the patterns of how people are driving and how cars are moving so you can come up with solutions how you can make cities smarter.

MORITZ: That's great. You mentioned efficiency. What's your opinion about the environment?

SUBJECT L: Wow. On my side I would like America to be less car dependent. I do root for the electric cars like Tesla and I also root for public transportation. I think I don't know it's not practical to have so many cars on the street. However, it is what it is right now so if there is something that I can do to make that traffic more agile. Because I started to notice that there are a lot of people that drive badly or don't move when it turns green and when you pass them you see that they were texting while driving. My standing on the environment is that we should root for more massive transportation or for intelligent solutions to move people around the cities.

MORITZ: What do you think about climate change?

SUBJECT L: I think it is human made. Maybe a combination with earth cycles that we can't understand but I think of course humans are a big contributor. Sometimes the greed of the human really sacrifices the common wealth right? I can see that in the park or in the forest of my home city in Mexico which is shrinking little by little.

MORITZ: What do you understand under the term corporate social responsibility?

SUBJECT L: I feel that all companies should contribute to the social wealth right? They should promote more program like going to work by bike or sharing cars. So I feel that as a big company there are many things that you can start doing with your resources to generate an impact in your community. As a startup this is very hard though. As a big company you have the power to educate a lot of people because you have a big workforce so you can start with little things like separating trash or something like this and they can bring these habits back to their homes. You can influence a lot of people through that.

MORITZ: Great thank you very much for your thoughts. Now a little more about your startup and human resources. How do you decide with whom you want to work with?

SUBJECT L: Eehhmm.. Sorry I would prefer not to answer this questions because I am here in the co working space with my team around me.

MORITZ: Sure no problem. Let's go to another topic. Where do you get the most important feedback from? Which is the most important influence factor?

SUBJECT L: Of course the paying customer right? Their feedback is really important on the site what can we bring to them to increase the value and make them feel good about cooperating with us.

Ehhm but also the user. For instance right now we did a big investment on user interface. We want the users feeling comfortable using the app. The likeliness of users coming back to the application is strongly influenced by the interface. We usually send surveys once a month to every user just to ask them what they think about it and what they would change. If they would add something or delete something. We use most of that information to build that new user experience. The users are the ones who will be your workforce and the ones that add the most value to your app so that companies want to advertise on it.

MORITZ: So, a lot of companies want to advertise because of the social value that you generate by lowering accident rates. Do you promote this actively?

SUBJECT L: We calculated the number of kilometers which were driven safely per redeemed product of the paying customer. So we use the name of Mac Donald's for example and use a burger and say equals 130 safe kilometers, thank you Mac Donald's. So we are planning on sending them monthly reports so that they can see how they are supporting the driving safety in the community.

MORITZ: Do you see another possible way to measure the impact?

SUBJECT L: Of course the number of active users in a city and the other way is. We get a lot of exposure in social media where users share their safety driving score so we can tell if the users like it when they share it. But for right now we focus on what they redeem per kilometer.

MORITZ: Great! Last topic is about data and big data. You gather a lot of data. How do you deal with this data? Do you plan to resell it or monetize it?

SUBJECT L: Yes there are two sides of it. We want to sell the top ten percent of safe drivers as leads. We can generate quality leads by taking into account the driver behavior. We sell that as leads when the users agree that we give away their email. Who doesn't want cheaper insurance? But there is another interesting aspect to the data which is interesting for the governments. Especially in Mexico the streets aren't flat so the government needs to know where the streets aren't flat in order that they can repair them. Thanks to our app wen know what kind of quality the roads have and we could even give that information to the government so that they can fix the streets. And then the other side is business sided for the

> advertisers that they get to know their customers better. There is
> even another one which is a heat map of where which customers
> are moving.

   MORITZ: So you are selling a lot of data to third parties. Sure.

MORITZ: Don't you see like a problem in this?

SUBJECT L: Yes. All of our users know that we don't sell their names or their
email. We ask them if they want to get contacted for cheaper insurances and
they are willing to share their personal information for such cases. We have to
select a big segment in order that the user privacy is not compromised. Also
encryption is very important for us because we are using location services we
know where you live and what's your usual routine. We need to anonymize
the routes of the users.

MORITZ: Thank you very much for your time.

A.13 Interview M

[*17th of May 2016, 1.32 PM PDT, Interview via Skype*]

MORITZ: Since when did you come to the Silicon Valley; around?

SUBJECT M: I came to the United States in 2005, but I was in San Diego. I moved
to the Silicon Valley in 2012.

MORITZ: Okay. Is this your first company you started or did you start another one
before?

SUBJECT M: No, this is my first. Well, I had a really small ... You know, I wouldn't
say company, but we were trying to do the brand development company when
I was in college. I did my masters in Australia, and just around that time
we started this clothing company, and all we used to do was create logos and
designs for smaller restaurants, and get it imprinted on the t-shirts, and sell
those to the restaurants. That was my very first gig. It did well, you know,
it did quite good, but when it came to large orders, we didn't have anybody
reliable in India to do really large orders.

MORITZ: Great, How old are you? And where are you from?

SUBJECT M: I am 34 and was born in India.

MORITZ: Great. So let me ask as the main question: How did you come up with
this idea, to start Startup M?

SUBJECT M: Oh, I was working as solutions architect for a software company, and
prior to that I was working on the day-to-day housing and business intelli-
gence side for an insurance company. In both of these places, what I saw was
... From the insurance perspective, I saw what there were pain points were
in terms of implementing new technologies and why they're having delays
in implementing something new. When I went to the software company, I
saw that perspective of, "Okay, when somebody wants to create a new prod-
uct and launch it in the market, what kind of pain points they go through,

and what are they looking for in terms of how they create a product?" In both these places what I took away was that the industry definitely needs a change. Being an insurance customer myself- because I have my own insurance policies- and looking at a couple of instances like: How my friend went through a claims process was horrible. She was very annoyed.

I kind of put these puzzles together, "Okay, what does it mean to kind of create a new product and launch it in the insurance market." And then from an insurance customer perspective: What are they looking for when you offer them new products. From a customer standpoint: What am I looking for from an insurance company, and how can my pain points be solved; and how can I begin to trust insurance companies?

When I started to see a trend, at least nowadays in the generation now, and including myself with all the Millennials, is the fact that they will look for alternatives, and going from the traditional models is not so difficult for them. If they find that insurance is too hard, and they get to the point where they start believing that insurance companies will never pay them when it's needed, then they will look for alternate ways.

> This is kind of very risky for the insurance companies. If people start to think of crowd-sourcing, and use that for creating newer products, then insurance companies must build up the trust; and if they have to build up the trust, they have to rely on technology; and if they have to rely on technology, you need a technology partner that gives them products and solutions that are quick to adapt and quick to change.
>
> That's kind of where I came from and said, "You know what, I can do this. I can create a product for the insurance companies; a solution that is ready-to-use; a solution that is cost effective; a solution that will solve their problems of data."
>
> Also, in return it can help their customers build up their trust. That building of the trust has to happen on the claims side, and that's the only reason why somebody would stick to an insurance company; not because they have fantastic quoting programs or aggregation programs. That's all fantastic- all kinds of insurances aggregators, discounts, quoting programs, comparisons- they're all great, but if I don't get a good claims experience, I'm going to be out of there. I'm not just going to be out of that company, but I'm going to tell all my friends on social media about how frustrating I was with that experience.

It all comes down to having. . . What is the core business model of any insurance companies? It's paying claims. For an insurance company it's becoming more intelligent about, "What kind of risks do I take? How do I make money on taking a certain risk so I don't end up paying the claims? If I do have to end up paying the claim, I have to do it faster, and I have to do

it quicker because I want that customer back again so I can go back and sell him another product.

MORITZ: Yeah, that's great. That makes a lot of sense.

SUBJECT M: Yeah, so it's kind of like ... Yes, it's a very hard journey because it's very hard for traditional insurance companies to look at this, and say ... Because the first thing everybody would say is, "I want more customers," and it's hard for them to start thinking about, "No, you actually don't need more customers. You can make a lot of money with your existing customers, but you just have to make the claim experience so much better."
You're avoiding the unnecessary fraud expenses that you're paying out today, and also paying out your genuine guys faster. You can identify opportunities, because that's you opportunity right there. What is it that they missed? Maybe you can create a product out of that.

MORITZ: Yeah, definitely. That's a great approach.

SUBJECT M: Yeah, so that's kind of what motivated me to like okay. I kind of understood the frustrations from all the sides of the angles from a company, from an insurance perspective, from a customer perspective, and from a solution provider- a technology solution provider. I have done all the three things: I have my own insurance company policy, I have my friends who have insurances out there, and they go through; not one of them talks nicely about their insurance company.

MORITZ: I know what you mean.

SUBJECT M: You are an insurance company, you're working for an insurance company; you know what kind of pain they have. If you go to the claims department, they struggle with bringing data together and doing the analytics. How can you think about new products unless the new products are more flexible, they work in their environment; and they're cost effective; and they first get to try it out, right?

MORITZ: Did you pivot it a little bit during the development of your company?

SUBJECT M: No, I didn't actually. I knew from the beginning that I wanted to create a platform that kind of unifies different analytical technologies together because that's what the insurance company needs. It is one go-to place, because that's what they were struggling with. That's what I saw when I was in the insurance company in the I.T. side. I struggled with what the business wants, and what the I.T. could not provide, and what the solution providers also could not provide because now they have to go to five, six, seven, different providers and ask them for different things.
I said how about we create one platform where you can get everything? If I want to do my claims analysis, I just have to go to one platform, and I can do everything: I can do a social media analysis, I can do a Link analysis, I can do text analysis, all in one place. . I stuck to that right from the beginning, and I don't think ... My motivation was to bring that kind of a platform and that kind of a thinking, also to the industry, saying that, "You don't need seven different things. Here is one platform where you just get this platform

and the solution that's built on this platform. You buy the solution, you can get through all the things in one place. I stuck to that and today I see a lot of success because of that.

MORITZ: That's good. Persistence paid off.

SUBJECT M: It did. It's very hard.

MORITZ: How do you deal with the thoughts that you could fail? How does this effect your thinking? I'm just trying to understand. Do you ever think about this?

SUBJECT M: I do think about it every day. It does scare me a lot of times, but that's when I you know It's kind of like silly and stupid. You got to be a crazy person to think like this, but, to me what matters is that to kind of reestablish that trust and tell people, "You don't always have to cheat to make money. You can make a lot of money without cheating." Yeah, insurance companies have to make money; that's how it is, they have to make money.

Now how do you enable them to make money is where I come in and I tell them, "Look, I have great technologies that can help you cut costs and catch the fraud and also make sure your genuine customers are happy."

Now, this is a big change in how companies think, right? So every day it scares me that it's just taking longer for you know it will take a lot of education, and for me to educate somebody about this. The good thing is: Yes, people understand it.

> I am amazed at how the investors are changing the perspective of start-up companies. I think that's where you need to be more strong as a person and stop to think about, "Will I make an exit; will I become the next WhatsApp; will I make like a billion dollars tomorrow; will I become rich tomorrow?" I think you kind of have to put those things aside. I know the investors make you think that way, but I think you should stay away from that and just focus on, "How do I get this in front of customers?" For that, you need to get your product validated by the customer.
>
> Once the product is validated by four or five people and they all love your product, you don't really need to or you should not care about numbers.
>
> I understand. How do you get the feedback from customers; how do you validate? How are you sure that the product is validated?

SUBJECT M: We reach out to people we know in the industry and we give them free proof of concepts, and we told them, "You try it out, if you don't like it at the end of proof of concept you don't lose anything." I have picked up the call myself and called up everybody that I know. I have used lot of social media to look at companies that posts something.

> Let's say it's an insurance company: Somebody from the insurance company posts an article on social media or LinkedIn or somewhere

> and they talk about analytics and how they're looking to solve these problems; or companies that have gone through some problems. I call them up and I look for the contacts within that company and I reach out to them and say, "Look, I understand that you're trying to do this. Here is a product that can help you with it. You can try it free of cost."

MORITZ: That's great. Okay, I see. You're enhancing the customer satisfaction a lot. This is kind of a social value creation. Do you try to measure that increase of happiness of the customers, or do you try to measure non-financial values in general?

SUBJECT M: Oh, we are all the time constantly looking. I am constantly in touch with my customers. The effect of the product- what influence it had to the end user, like to you and me who have insurance policies- how will it effect this. I think that will take some time, but I know that when I talk to my friends and family. This is why it's important to talk to people, as many people, even though they're not related to you, and even though they don't understand your business- they don't understand what you do- it's very important.

The other day when I talked to you and asked you, "What do you think," when you sat there in the meeting? "What did you understand from this?" Insurance is very complicated, but we all have insurance, everyone has some kind of an insurance. I try to talk to everybody no matter if they're in my business. If they are in the insurance technology space, or in the insurance space, I try to talk to them from a customer perspective and understand, "Hey, you know, what problems have you had with claims? Let's say, the insurance company paid you your claim ten days faster than what they paid you, would that make you happy?" And a lot of answers I got was, "Yes, so tell me what you do?" Then I tell them what I do, and they're like, "Oh my God, I totally understand. I think the insurance companies really need you guys."

MORITZ: That's great.

SUBJECT M: I's very important to make that connection, even if it's not related to you. I think it's more important to make connections, and tell people how you are connected to them, because that is the connection they're missing. They think, "Oh insurance. I don't understand insurance." I tell them, "No, you do understand insurance because whether you like it or no, you do have an insurance policy, and you're paying for fraud."

People start to think about it, and then I've had from my massage therapist to every body that I know. My massage therapist tells me that her claim incident. They say, I don't understand why the insurance company was ready to pay 1000 Dollar to my auto body shop, and they were not ready to pay 300 Dollar to my chiropractor. She says, " So you're telling me you're going to solve this problem of mine?" I said, "Yes," and she understood it right away.

I don't understand why many investors don't get this, but it's all about making that connection, and, I think ... Making that connection and talking to as many people as possible as foudner, is very important. It's my passion. That social connection of people trying to see, though they think they're not related to you, or they don't understand what you're doing. I think you got to change their perspective, and tell them, "Hey, look, this is not like any apps that you don't care about. This is something that you do every day. You do have insurance whether you like it or not, so you are connected, so you do care. You're paying for it."

MORITZ: That definitely is true.

SUBJECT M: I keep telling them things like, "Have you ever seen your insurance premium go down?" The answer is... Take your ten years and tell me if your insurance policy premium has ever gone down, and the answer is: "No, never." Then I tell them, "Tell me why. Think about why it's never gone down? And still you have problems when it comes to a claim." They're answer is, "I don't know," and I say, "Well, because you are paying for the fraud." Then they get it.

It's important; it's very important as a founder to tell everybody you know that if it is something to related to insurance and what I do, it is related to you. Then they will start caring about ... So that social connection, and then I see happiness on their face, it's like, "Wow, is that what you're working on?" And "How do you even do this?" Then you start explaining to them in how they understand; then it connects.

MORITZ: Then do you promote this on your website? Do you use this social value creation, let's say, do you use this to your advantage on your marketing strategy?

SUBJECT M: We use it to ... Today, we mainly use it to create that emotional connection to the insurance companies. When we talk to the insurance companies, this is how we put it across to them: "Your customers care for that. Here are come cases where I have heard about why claims is such a pain point. We understand your pain, we understand their pain." That's why we are very relevant, because we understand both sides.

That's why this product is very helpful, because for insurance companies, it helps them cut the costs and look for frauds, and keep their existing customers- genuine customers- happy. Then they start to understand and make that connection.

MORITZ: Okay. Okay, good.

SUBJECT M: We don't use it outside of that because it's very. Ehhm At the end of the day, who's going to buy my product, right? At the end of the day, the person who is going to sign the check for me is the insurance company, so I use it to them, not more for the end users.

MORITZ: Okay, I see, I see. I understand.

SUBJECT M: Feedback is very important because that feedback is what I will take back to the insurance company, to my customer, who is going to sign the check for me, and I'm going to use that emotional connection with him.

MORITZ: Okay. Okay, so now to the second to last topic. This is about human resource management in general. What do you look for in people you hire new people? What do you look for?

SUBJECT M: That's a great question. When we started the company, and even before I started the company, you don't pay too much attention to the people part of it. As I'm building the company- and I always wanted this- that the first set of people, I call them the pillars of the foundation; they are the foundation pillars of the company.

What I'm looking for from them is that they think that they are partners of this company. They operate in such a way that this is your company. If this was your company, how would you do this. What kind of personality ... I look for toughed leaders. I don't look for people who come to me and ask me, "What are you going to give me? What kind of stock options are you going to give me?" They start talking about their salary or something like this. I don't hire those kind of people.

I go to LinkedIn and social media, and I do a lot of following. I look for the person. How are their thoughts into this? Are their thoughts matching my thoughts? Are their goals matching my goals? Definitely do they have the subject matter expertise. I'm less interested in technology skills and more interested in their industry knowledge, and where they want to go as a person. Who they are: Are they somebody who is sincere to themselves? Are they somebody I can trust in the long run? Are they somebody that are kind of ... They can work on their own.

MORITZ: How do you manage to get a good feeling for these people in such a short time?

SUBJECT M: It's very important to ... As a founder, for me, it's very important to talk to everybody. I do a lot of LinkedIn, I look for the connections on social media: What kind of connections they have, what kind of posts they post; on LinkedIn, how active are they on LinkedIn and any other social media sites they have or they're connected to.

The most important thing for me is, I talk to them. When I talk to them I can sense ... I have a very good intuition that tells me what kind of a person this is.

MORITZ: Okay, okay. That's great.

SUBJECT M: That's very important for me. Somehow I have a very good sense of judgement, and if I feel the slightest uncomfortable and discomfort I don't hire them. I have made mistakes the past; I have hired somebody when my intuition was not right, but I kept thinking to myself that I cannot trust my

intuition. For two times I made mistakes when I said to myself, "I am not going to trust my intuition." When I hired hat person, I was completely right the first time that I should never have hired them. Now I go by my gut feeling, and if my intuition says, "No, this person is not right," I don't hire them.

MORITZ: Okay, good. That's good. One of the last questions is about corporate social responsibility. In general, what are your thoughts about corporate social responsibility? Do you try to implement strategies already in your start-up, or how do you deal with this term?

SUBJECT M: Yes. The way I've been able to, I believe, successfully do it with my team is to create that emotional connection first; to make them feel important, to show them that they're actually working on something that's going to have such a great impact, and to show them what that impact is: That they're not just working on some app that you put on your phone and three months down the line you delete it; that they're not just working because the valuation of the company is so-and-so, and tomorrow, down the line, the valuation is going to be so much.

I talk to my team and show every one of them ... I pull up the sales people and I show them technology; I pull up the technology people and I show them the sales part and the marketing part, and what customers are talking about this product.

It's very important before you just draft up some corporate social responsibility, some rules and regulations. It's very important to show the team what your culture is, and that culture in the company comes from the founder. It's very important to be strict about certain things, and I am very strict about honesty and integrity in the company, and to me, that's very important. Also discipline is very important. The rest of the things, I tell them, "Look, I'm not going to monitor you, whether you're working from nine to five, or nine to twelve. It doesn't matter to me when you work, you can even pick up and work at 7pm, and work until 11pm at night as long as the work is done and you know that you're responsible for this thing.

Accountability and responsibility has to be there. For me discipline is very important, as to: If you take up a task, you need to make sure you finish it. Whether you take 3 days off and you work the fourth day, or you ... Whatever you do, however you want to do it. I just do not monitor people that closely. If I've hired you as a professional, I will respect you as a professional, and I will respect that whatever position you take in getting that task done that you will take that position, and that you will get it done.

This is how I work with my people, and I've always told them that I am not

one of those people that is going to be monitoring you whether you came into work or not. To me, it doesn't matter. To me deadlines are more important; to me delivering to the customer is very important. If you're not delivering value to the customer at the end of the day, they will not work with me anymore.

MORITZ: Okay. Okay, I see. Great, so, last question is do you plan or do you resell the data to third parties, or do you resell data?

SUBJECT M: We do resell data. We do have a lot of third party data that we buy. We do some part of data enrichment as a service. What we're doing is collecting some data ... We're adding to the customer's existing data. We do our own analysis on that data, and we sell all of that data as a data enrichment.

MORITZ: Ah, okay. Is it anonymized or is it personal?

SUBJECT M: Right now it is not anonymized because it's being sold to that customer directly. I take something from you ... Let's say I take A B C from you, and what I'm doing is I'm buying D from outside; and I'm doing E. I'm selling you back A B C D E.

MORITZ: Mm-hmm.

SUBJECT M: You got it?

MORITZ: Yes.

SUBJECT M: I'm not selling another person, to somebody else, I'm selling to you.

MORITZ: Okay. Great, well thank you so much for your time.

A.14 Interview N

[*11th of May 2016, 11.07 AM PDT, Interview via Skype*]

MORITZ: How old are you?

SUBJECT N: I'm 31 years old.

MORITZ: Where are you from?

SUBJECT N: I'm Italian. I'm from a small town close to Rome.

MORITZ: Okay. Is this your first company you start or you start another company before?

SUBJECT N: We didn't start a company. We actually developed a patented product for an existing company. It was incorporated in the company of one of the founders. I don't know if you'd like to consider it a new company or a product.

MORITZ: That's all right. Great. How did you came up with the idea for this product?

SUBJECT N: Thinking about the problem itself. I observed that there were many risks related to the problem itself form false diagnosis. Suddenly I realized that some financial models could have been applied to the problem in order to simplify it and introducing some quantitative thinking into the problem itself.

MORITZ: How long time ago did you start to think about this?

SUBJECT N: A couple of years ago.

MORITZ: Okay. Great. Can you tell me a little bit more like what's the reason, like where do you see if everything comes out good, where do you see your start up in like five years or something?

SUBJECT N: In five years I hope to be able to provide the service to an extensive, a wide network of family doctors mostly in US, in the United States possibly in connection with a network of health insurances.

MORITZ: Do you think your start up makes the system more efficient? Do you think this could create benefit for the whole society?

SUBJECT N: I do. I do. Do you want me to explain why?

MORITZ: Yeah, that would be great.

SUBJECT N: Sure. Well, fundamentally the aim is to reduce the risks and the mistakes in medical diagnosis. It's benefit for the health of the final patients and also it reduces the uncertainty and the stress for the medical doctors. There are several different agents that are benefiting the use of our startup I would say.

MORITZ: Yeah, definitely. Do you try to measure this social benefit or do you think about this?

SUBJECT N: Well, according to some studies we performed there are some papers claiming that one out of seven diagnosis are wrong at the moment. We expect to reduce remarkably this proportion, this amount of wrong diagnosis. I cannot quantify it explicitly but an improvement on that side would mean a reduction of the death rate and also the overall cost for the society for treatments.

MORITZ: What kind of feedback did you analyze or get in order to come to this stage with your product?

SUBJECT N: Well, let's say there are several different profiles we contacted in order to understand better whether the product was buy-able or not. Family doctors who are supposed to be our customers were involved of course but also specialist doctors. The most responsible for our product at the moment were the specialist doctors indeed. The point is that it often happens that family doctor underestimate the symptoms or the probability for some particular diagnosis. This means that specialist doctors receive their patient in much worsened condition because of the delay in the diagnosis. The most positive feedback regarding our product were from specialist doctors.
Family doctors provided us mixed feedbacks in the sense that from one side they are interested, from the other one they are a little bit suspicious. Also had to add that family doctor are generally less sophisticated than specialist doctors even in from an education point of view they are slightly less educated. They are more afraid and they have not such a good relationship with the epidemiological studies and quantitative subjects in general while specialists are better prepared for understanding the implication of the solution.

MORITZ: Sure, makes a lot of sense.

SUBJECT N: The third kind of people we interviewed were some health insurance professionals. Unfortunately not the most interesting one because we were in touch only with European Insurers who are less active in the health insurance market but they understood that for the American system where the health insurance is central this could be an interesting.

MORITZ: Okay I understand. Now a new topic. What kind of personality traits are you looking for when you hire new people?

SUBJECT N: We need, as every start up, we need good team players, we need curious people with a good mental openness and elasticity. We need to understand the possible implications of moving one idea from one field to another. Hopefully somebody who also speaks at least a couple of languages.

MORITZ: Why is that important for you, that is speaks a couple of languages?

SUBJECT N: The team at the moment is mostly Italian and English speaking and this means that I would strengthen the English side of the team. I would like to hire somebody mother tongue in English but on the other end having somebody able to speak at least in Italian or in Spanish would help us in the communication sometimes.

MORITZ: Okay. I see. Would you give those people possibilities to get equity?

SUBJECT N: Yes definitely. I would have no problem with that. Since the last time we spoke I also have to add that we have a new member in our team who is a doctor. This is an epidemiologist and he's more than 50 years old and he has experience as scientific manager. He will be in charge of managing the doctors that will cooperate with us.

MORITZ: That's great. Is he from Italy or from USA?

SUBJECT N: He's from Italy but he studied at Harvard Medical School.

MORITZ: Okay great! Do you take the environmental factors already into account or do you just try to optimize the price and utility?

SUBJECT N: No. Let's put the problem in another way. I believe that it has an environmental impact as well. Just for being clear the expenses for medical diagnosis and medical examinations are not just measured by money but also by environmental impact. The X-ray that your doctor ask you to take and which are completely unnecessary have not only a strong impact on your money, on your portfolio but also on the environment. Reducing these kind of severely polluting activities such as X-ray or manipulation, examination in laboratory with highly pollutant products will help eventually. It's not the main focus as you said but it has a green footprint as well.

MORITZ: Do you like try to measure that or do you know some way to quantify this impact?

SUBJECT N: Well, it's very complicated. At the moment I cannot provide any measurement because it is a second order effect. I will have to have a stronger evidence before measuring anything in this sense.

MORITZ: Yes, sure. I understand. What does the term corporate social

> responsibility mean to you?
> SUBJECT N: Well, it's a complicated aspect because it involves several different nuances of understanding the problem. Corporate responsibility means being transparent and fair with the equity, it means being transparent and correct with the customers of course but also with the state, which means avoiding these strange schemes of physical illusion and this kind of tax and law mechanisms we can observe today especially in digital companies. It's a multi-factor problem. You cannot isolate only one aspect.

MORITZ: Do you think like you already tried to like make something in this direction or is it too early for you?

SUBJECT N: I would say that the first thing is following what the doctors do in their oath. First of all try to not do anything wrong. We will never try to do physical illusion, we will never try to take advantage of our customers. Secondly we will try, when we will become stronger and bigger, to act responsibly according to our strength but for now not creating problems will be nice already.

MORITZ: I understand. Another question about environment is if you think that the climate change is caused by us humans or some other factors mainly?

SUBJECT N: Well, no. Apparently there are scientific evidences about it. I'm not an expert of the problem but it looks like there are human related effects. I think there are.

MORITZ: Now, the last section is about data. You assume like forward looking you would gather a lot of data about the customers. What do you plan to do with this data?

SUBJECT N: Well, first of all we are going to use some services provided by major companies so everything is based on the cloud for now. You may remember that I mentioned we're working with Amazon at the moment. We rely on their protocol of security for now. Going on with the amount of data we will put in place some additional controls in order to protect everything and whenever we will be able to implement the solution we will start using cryptography for a transmission of data and any storage of data. We're working with very sensitive data because we're talking about the personal health conditions of millions of patients. We cannot play with that.

MORITZ: Do you also like maybe plan to resell that data to third parties?

SUBJECT N: I would prefer not answer you right now, but this is an answer already.

MORITZ: I totally understand. In general, do you see like a problem in that matter that data is part of a business model like for example Facebook or something like that? Just for you as a person? Do you see it as a problem in this or how do you think about this?

SUBJECT N: There are huge problems. This is a very sensitive problem at the moment. The point is if you use these data for personal tracking this is a violation of the privacy at least from what I understand and from what I

believe. If you use the data in an anonymous and aggregated way in order to rely on statistical significance in this case I would say the problems are reduced because nobody can claim that we're somehow invading the privacy of the single individual. Of course it requires some decisions about it. It's not something we can take for granted.

MORITZ: Sure. That's great. Thank you so much for sharing the thought. The last question is how do you deal in general with the thought that you could run out of money or that you would have to shut down? How does this affect your personal thoughts? Does it affect you or how do you think about this?

SUBJECT N: Well, we're somehow demographically speaking we're different from other startups because the three founders of the company are all above thirty years old. They are already working and they are already well settled professionals. The startup is something we do because we believe in the solution, we would like to solve, to approach the problem but we don't need it for living for sure. It's about if it goes well we're happy about it, if it doesn't do well it was an attempt but it doesn't change our lives. We have something for living.

MORITZ: I understand what you mean.

SUBJECT N: Which is a problem if you want my opinion in that because somebody who is twenty years old and is very hungry and foolish will be more aggressive and completely 100% dedicated to the problem. We are not. It is clear. We are not 100% dedicated to the start up because we work already.

MORITZ: Sure. I understand. Thank you very much.

A.15 Interview O

[*25th of April 2016, 6.15 PM PDT, Interview via Skype*]

MORITZ: Why did you come to the Silicon Valley?

SUBJECT O: To study at Computer Science Stanford. I came in 2008.

MORITZ: Where are you from?

SUBJECT O: I am from India.

MORITZ: How old are you?

SUBJECT O: 29

MORITZ: Is Startup O the first company you start?

SUBJECT O: Yes that is correct.

MORITZ: How did you come up with the idea?

SUBJECT O: The inspiration came from a project that I did at Lyft my past company and there I came up with a generic solution to this problem.

MORITZ: Did you see any outside pressure or was this an opportunity?

SUBJECT O: Opportunity

MORITZ: What is the general vision of your startup?

SUBJECT O: I think it is to early to say that.

MORITZ: Okay I understand. Do you think in general that you can create a benefit for society?

SUBJECT O: Yeah definitely.

MORITZ: How can society profit form your startup?

SUBJECT O: Probably use data to increase revenue. That would be that.

MORITZ: Good. Hmmm. Did your motives change anytime?

SUBJECT O: It's been always the same.

MORITZ: How do you deal with this thought that you could fail with your startup?

SUBJECT O: Definitely there is pressure but I am also learning a lot.

MORITZ: Why do you think what you are doing right now is the right thing?

SUBJECT O: Because I have been in this field for the last eight years. Finding efficient ways to process data is my specialty. I know where the problems are and have a lot of experience in solving them.

MORITZ: Lets talk about Human Resources. What are you looking for when you hire new people?

SUBJECT O: No. We are to early to talk about that.

MORITZ: Since when do you know your co founder?

SUBJECT O: Since six years.

MORITZ: Does he share your values?

SUBJECT O: Yes

MORITZ: How do you connect together?

SUBJECT O: Yeah. He definitely shares the same values.

MORITZ: Ok. Ahhmm. What do you understand under stakeholders?

SUBJECT O: Yeah there are investors, customers but we have to still finalize.

MORITZ: How do you engage with those? Do you ask them actively for feedback?

SUBJECT O: First of all trying to understand their business and how our product will fit into their business. If there is a fit.

MORITZ: Do you actively try to change the product that it fits?

SUBJECT O: Yeah. Exactly it is changing. Yeah

MORITZ: Could you say in general that your stakeholders are making value for you?

SUBJECT O: I think we are also a little too early to say anything about that.

MORITZ: OK I understand. Maybe this question may be also a little too early but I am going to ask it anyway. Do you try to measure this kind of value creation?

SUBJECT O: It is too early.

MORITZ: Did you ever think about measuring social value creation?

SUBJECT O: Social value is?

MORITZ: For example, Uber coming to new cities, resulted in less drunk driver accidents. This is a side effect of Uber but the whole society benefits form this because there are less accidents.

SUBJECT O: Yeah I think this is too early.

MORITZ: Okay. What are the most important factors for you if you partner with other companies?

SUBJECT O: Definitely there should be a use case that we will be solving for them. A real business use case. And then there should be a quick prove of concept and then we want fast feedback.

MORITZ: Okay I understand. Thank you. Now we are coming to a different topic. What does Corporate Social Responsibility mean for you in general?

SUBJECT O: I think these questions are too early for us. We are not there yet.

MORITZ: And what about your personal view? Not related to Startup O? Did you ever experience some good engagement or something like this at your previous company?

SUBJECT O: I don't know. Like ahhmmm. We used to do some social work at Twitter. Like give food to homeless people.

MORITZ: Did you like doing that?

SUBJECT O: Yeah definitely

MORITZ: Are you thinking of doing something like this with your company?

SUBJECT O: It is too early to say anything.

MORITZ: Okay I understand. Hmmm. So we are soon at the end. What do you do with the data you collect form your customers?

SUBJECT O: We process the data and provide it to business users. That's what we do.

> MORITZ: Are you also thinking about making a big data strategy? Like going to sell data to third parites?
>
> SUBJECT O: No. No. No. We don't sell data. Because our customer is actually the guy who is paying money. They are not free customers.

MORITZ: What do you think about other businesses who do this? Where reselling data is part of their business model? How do you think personally about this?

SUBJECT O: Oh I don't like selling data. Facebook is a different business. We don't do that.

MORITZ: Okay. Now we come to the last question. Do you think that climate change is caused by humans? What do you think personally?

SUBJECT O: Well technically everything is manmade because the climate is changing due to our pollution.

MORITZ: What kind of pollution?

SUBJECT O: Producing waste and emission of gasses.

MORITZ: Do you personally do something against this?

SUBJECT O: Yeah When I am in the city I take public transport as much as possible.

MORITZ: Do you expect Startup O can help there something?

SUBJECT O: I don't know. It is too early to say something at this stage.

MORITZ: Thank you

A.16 Interview P

[*19th of May 2016, 8.32 AM PDT, Interview via Skype*]

MORITZ: Okay so let me first start with some questions about your personal background.

SUBJECT P: Yes, so I have a degree in engineering. That I did in France, mostly in Computer Science and developments. I also have a Master's degree, its a masters of science. I also have a degree in Business, International Business, from France too. I used to study in Spain for one year. After the Master's, after the International Business School I did a lot of different things. I spent two years in a big department store in France. I was management controller there, saw a lot of finance and of excel, stuff like this. Then after that I was a consultant in web strategy, web marketing for one year. Then after that I arrived in San Francisco with a french post office in the Innovation Department.

MORITZ: Oh nice.

SUBJECT P: After that I built my company.

MORITZ: When did you come to San Francisco?

SUBJECT P: I arrived four years ago. In May 2012.

MORITZ: Oh okay. Which year did you start Startup P?

SUBJECT P: We started on July 2013.

MORITZ: Okay, I see, great. Now a little more about the current company so, how did you come up with this idea? How did you find the idea to start with Startup P?

SUBJECT P: The thing that's interesting, you should still interview maybe my co-founder because he's the one who come up with the idea. The thing that's interesting is he used to travel in the US, and because he was traveling, he was taking a lot of photos with his new camera, like a nice camera, and so he took about six thousand images.

MORITZ: Oh wow.

SUBJECT P: When he came back to San Francisco, he wanted to do something, he tried to edit his photos and publish them somewhere and he decided to try to sell them also to make some money because out of six thousand you have some that are really nice. He discovered all the apps, he discovered Instagram, discovered fabulous artists, local artists also living near him in San Francisco. He was wondering why he didn't discover those people before? Why we don't discover art in our daily life?

MORITZ: Oh, okay, yeah.

SUBJECT P: He decided to create something that can bring art to the people and can help us enjoy art in our daily life. When I met with him, his idea was to create a screen for home you know? Like a Netflix for art kind of, but with a device because you don't have anything to enjoy art in your place. So we thought about many many different ideas around that and because we

were in the Founder Institute, you know, the incubator, we tweaked the idea a little bit and decided to go after the B2B business, to target hotels. After that everything came from that. We modified the product so it can fit with a B2B market. We changed some features so you can see it and everything worked pretty good from there.

MORITZ: Okay, I see, great. Can you tell me a little bit more about what's the big vision of your Startup P or where do you want to go?

SUBJECT P: You mean the vision?

MORITZ: Yeah. Our our vision is to bring art everywhere. Ideally we'd like to see the leader in term of art in public spaces.

MORITZ: Okay.

SUBJECT P: We use screens to show art, we'd love to bring as many screens as we can everywhere and then show local art from those screens.

MORITZ: Great. I really enjoy art and I see that its nice if you see art. How do you think that your start up can create a benefit for the whole society?

SUBJECT P: Well, it's hard to get people to enjoy art. You have to go to the galleries, you know? You have to know the online websites. You have to be in the art to enjoy the art, but otherwise, you know people, they enjoy movies, they enjoy music, but they don't know their favorite artist, you know? Their favorite painter, even their favorite video artists. So the idea is to help people be somewhere else. Help people discover the art, but also get educated about art, and know their local artists.

MORITZ: Okay, I see. Great.

SUBJECT P: Inspire them.

MORITZ: So more art gets created?

SUBJECT P: Yes, more art gets created and enjoyed.

MORITZ: Great.

SUBJECT P: Each piece of art that's been created so that people enjoy it, so its important to enjoy it as well.

MORITZ: Has art been a motivator for you in your life?

SUBJECT P: It's been always around, as something I' noticed after some time. My first focus in life was mostly computers and development, but near that I've always been kind of designer kind of spirit, and I love to use Photoshop since I was 12. I have this proximity with design, and art and useful things, and then when I was in university also, I took some classes on the side, about art. I have a lot of books about arts in my own, but I've never studied, or I never really ... I practice it, but not art, I practice some painting, stuff like that, that's it.

MORITZ: Okay.

SUBJECT P: I think used to be around art a lot.

MORITZ: Now a little more different kind of questions, like more about how do you deal with this start up world. How you react to the risks or how do you deal with the thoughts that you could fail the start

up? How is it affecting your thoughts? Do you think about this?

SUBJECT P: Let me see. It doesn't affect me. I know that there is a saying that says that, in France, when you set someone that you have to be out of ten start up, one out of ten startups fail, oh ... Let me concentrate, one out of ten startups only succeed, so French people say, "Okay, so I'm going to be an employee because it's more secure," and American people say, "Okay, I'm going to build ten startups so I'm sure that one will succeed."

This is the way, I think, at least, I see startups. I see them as projects, and so I have a real distance between me and my project. I love what I do, I love working the art, and I love what we bring to the world, but it's not all my life. If tomorrow it fails, then okay, the market wasn't ready, the product wasn't ready, we were maybe not a good team, but then I learn so much that I can build a better next project.

MORITZ: That's a great way to see it.

SUBJECT P: I'm not afraid at all, it's not present, I'm doing my best, and if I see it fails, whatever.

MORITZ: That's good. How did you meet your co founder? How do you try to decide with whom you're going to work?

SUBJECT P: I met with him at a French networking event, and then we met again at this incubator, at the Founder Institute, and so we worked together in the same incubator but for different ideas. He wanted to build different stuff, and I wanted to be with my own stuff, and then because I really love art and I really liked his idea to bring the art to the people, then I decided to follow him on this idea. The way we work, is, each of us has a set of skills, and so we decided to cut the type of work that we do in term of the skill that we are the best at.

MORITZ: I see. You're just operating the two of you or did you already hire new people?

SUBJECT P: One.

MORITZ: How did you interview you him? What is important for you that people who work for Startup P that they bring with them?

SUBJECT P: The most important thing, I think, is passion. We are in a very, very sexy area, like to us it's very nice, very fancy, and so we want people who are passionate about it. If you're working the art and you don't like it, that doesn't make sense.

MORITZ: Yeah, sure.

SUBJECT P: First passion is very important, and then we try to hire people that are jack-of-all-trades, so people that can be good at anything. For example, our previous art curator was also a web designer, and so he could grasp where he is good at picking artists and choosing artists, he was also good at giving

advice about the website and also PR. I think that it's good for a start up to have people that can work in many things.

MORITZ: Okay, I understand. How is your opinion like about University degrees, and do you think it's important or do you look at this?

SUBJECT P: I don't get the question, can you repeat again?

MORITZ: University degrees, like, do you want somebody who graduated an University?

SUBJECT P: No, I don't care. University degree is kind of stamp right on your resume, so when you have someone come from university, it's always good on a resume, but if you don't prove that you made something out of it, then it's useless. For example for someone that doesn't have a university, then if you stop your studies like, at 18, and you're 25 I want to see what you did all along these years. If you have an interesting background without a degree, that's okay.

MORITZ: Great, I see. This is standard I guess, but the employees have possibilities to take stake of the company's success?

SUBJECT P: Yes, if it is. Yeah, we're pretty up front about that, we want people to be involved in the company so we have a plan for that, we have investing and stuff like that and so employee can be involved, yes.

MORITZ: Now some question about stake-holders. How do you engage with your stakeholders? For example with the customers, so with the hotels, do you ask them for feedback or how do you engage?

SUBJECT P: The way we worked, at the beginning, we had two beta customers who were in San Francisco, two hotels in San Francisco, so we worked a lot with them for like one year, to develop the product and to make a good and stable product with them and a product that can fit them. Now we are pretty stable, so we just approach our customer with a product and mostly satisfy them. We've been working on the product with a beta customer, now the customer that we approach with the product, we try to sell the product to this customer, the new customer they're pretty happy with it. I think we integrated a lot of feedback. We're a customized service, mostly. We work with local artists, so if we work with a new hotel in San Diego, we try to look for artists in San Diego. If a hotel has special needs, we try and see that it can be a potential picture for other clients that we can do for all our clients, we try to do it in the system as well.

MORITZ: Do you also take into account the artist? Do they also give you feedback?

SUBJECT P: Yes, of course, yeah. If artists have any feedback ... their feedback is mostly on the art side, so we try to add that as well. We work with galleries as well, so galleries also have a lot of feedback.

MORITZ: Your stakeholders are creating value for your business?

SUBJECT P: Yes, definitely, yeah.

MORITZ: Do you try to motivate them to do more of this, or is it just coming by itself?

SUBJECT P: No, it's just coming, it's a fact of being open with a customer, and trying to listen to their needs, and as soon as you listen to their needs, even if you're not offering perfectly what they need, you can still adapt a little but, you know?

MORITZ: Another question is, you could see the mission of bringing art to people, and of inspiring more people to do art as a social value creation, right? Do you use that as an advantage? Like, do you market your, the social value creation is another value creation, and do you do marketing with this?

SUBJECT P: Marketing yes, we market. That's our time line to bring up everywhere, and when we sell the product to hotels, we always mention that it's a way for them to support the local art community, and they really like that so it's one of our main arguments.

MORITZ: Do you also measure that social value creation kind of stuff?

SUBJECT P: Not so much. It's very vague you know, helping people discover and enjoy art. We know that people love to enjoy arts, because we have tablets in the hotels, and so we can actually measure how many people interact with the tablets and we know that people love to do that. We have thousands of clicks on the tablet every month in the hotel.

MORITZ: You could say, like, we came into this small town and soon as we came with this hotel there were a lot more artists in the town, or something like this.

SUBJECT P: Yeah, we cannot really show that.

MORITZ: Yeah, that's hard I guess.

SUBJECT P: Yeah, that's harder.

MORITZ: Now, this second-last section is about environmental awareness. Do you take into account the environment? What do you think about?

SUBJECT P: With our products the screens don't consume too much energy, we try to be sensitive about that because our clients are. The hotels don't want to have screen that consume too much energy as well, so we try to do that and I think that's mostly it.

MORITZ: Okay.

SUBJECT P: Is that okay?

MORITZ: Yeah, sure that's okay. Everything you say is okay. For climate change, do you think the climate change is man-made, or cause by humans or how do you think about that personally?

SUBJECT P: I think we cannot really know, we don't have enough data to say that it's human-made or not. I don't think the human has a good impact on the planet overall, I don't know if it impact the climate. I think we can be better at managing the planet, but I wouldn't say the climate change is just because of the humans.

MORITZ: What does corporate social responsibility, what does that term mean to you?

SUBJECT P: For me it's more about ethics, you know? To be responsible for what you do, to not offer any bad products to your clients and offer like nice salaries as well, and try to be honest with all the people who you are working with. For us, it's being honest with artists, galleries, hotels and also our client who we are selling at to. For me, that's that. If I had enough money in my company to form a foundation and try to give back, maybe to artists, and try to help some artists bring in more art. I think that would be great.

MORITZ: Mm-hmm (affirmative) - okay.

SUBJECT P: Right now we don't have enough money to do that, but it would be great. One example is when we sell a print, the hotel gets a percentage out of the sale - we offer hotels the possibility to give this amount to an art association as well.

MORITZ: Great idea! So the last question is about data and data security.

SUBJECT P: Uh-huh

MORITZ: Do you plan to resell data which you gather or, how is your thought about this data in general?

SUBJECT P: No, we don't sell data. We have some data that could be potentially interesting for galleries, but we won't sell it directly. For example we have some data about what kind of picture people like in hotels, and so when we work with a gallery they want to know this kind of data, because they want to know where the art can sell, and so they want to know who clicked on what and in which hotel.

MORITZ: Mm-hmm (affirmative)

SUBJECT P: We won't sell that directly we would sell a package for galleries, and then maybe they would have some insight about where the art has been liked the most.

MORITZ: Do see, like, a problem in selling it direct, or why do you package it?

SUBJECT P: I don't see a problem in selling it, because we won't sell them more than that. I think data has a value, but I don't like much the fact of selling data, it depends on what kind of data of course.

MORITZ: Yeah, I know, sure. I'm trying to understand more like, what is it you don't like about selling data?

SUBJECT P: Let me explain, I don't see the economic value of just selling one click out of five, you know, for us, so we cannot really say it like that. I have to do a package around it because otherwise it doesn't have enough value for them.

MORITZ: You could say, "I know that this account always likes every blue picture, so we're going to specifically target John who always likes blue pictures, with blue pictures."

SUBJECT P: This is something that has value for us actually, so we won't sell that I think.

MORITZ: You would use it for internal?

SUBJECT P: I would use it, yeah, internal.

MORITZ: Great thank you very much.