

TEI 088: Product management for preparing the next generation of innovation leaders

Host: Chad McAllister, PhD

Guests: Justin Richards, CEO and Aaron Sharp, Head of Product at Youth Digital

CJHAD: Hi, this is Chad, your host. I train product managers to be product masters. Learn how you can be a product master at the same place where the show notes are for this episode at [www.TheEverydayInnovator.com/088](http://www.TheEverydayInnovator.com/088) - go there for the summary of the discussion, valuable links, and to get my Product Mastery Roadmap that shows you how to become a product master.

My son and I had the great pleasure of visiting Youth Digital's headquarters in Chapel Hills, North Carolina. They provide online tech courses for kids ages 8 to 14. What they are all about is creating the next generation of creators. My son discovered their courses when he was 10 and he is devouring them as fast as he can, learning about Java programming, 3D graphics and animation, computer game design, and more - and frequently laughing in the process.

When we visited their office, Molly, the head of culture development showed us around and introduced us to their trainers. Then we have the opportunity to talk with Justin Richards, the CEO and founder of Youth Digital, and Aaron Sharp, the head of Product Development.

The interview serves two purposes. We explore the product management aspects of the company and I expect product managers and innovators will find the topics useful. We also discuss another topic I love - preparing the next generation to be leaders in technology and innovation - which is something their products - the eCourses they create - is all about. Most of us have kids in our lives, whether they be nephews and nieces, our own children, or other children we influence and because of this, I want you to know about the work Youth Digital is doing.

I managed to not do a good job with introductions on the interview, which is sort of important when there is more than one person involved, so I'll try to make up for that now. You'll hear my son, Cooper, a little bit on the interview. His voice is pretty easy to figure out because being a kid, he sounds like a kid. The first person to speak on the interview after myself is Justin, the CEO. The other voice you'll hear is Aaron, head of product development.

You can get the summary and transcript of this interview at [www.TheEverydayInnovator.com/088](http://www.TheEverydayInnovator.com/088). Enjoy the discussion!

CHAD: Justin, Aaron, thanks for joining The Everyday Innovator today, and talking about Youth Digital.

JUSTIN: Of course.

CHAD: So, give us just a little background on what the company is about, first.

[2:52]

JUSTIN: Sure. So we teach kids ages 8-14 how to create with technology—everything from coding in Java all the way over to fashion illustration, and a lot of things in between: animation and 3D printing, game design, app development. All the sorts of things that kids are excited about creating, we teach them how to create, and along the way learning invaluable technology skills, both in terms of development and design, but also project and product management as well, in some ways.

CHAD: I think about the company really in terms of preparing the next generation in being technology literate. Is that a good way for me to kind of sum it up?

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JUSTIN: Absolutely. The way we've sort of summed it up is: At Youth Digital, we create creators. Our goal is really to inspire the next generation to create with the technology they love, as opposed to just consume it. So, showing kids that iPhones are tools to create with, as opposed to just toys to play with.

CHAD: Absolutely. Everyday Innovators listening, we touched on a related topic back in Episode 25, last year now, when we talked about the Future Innovation Leaders course that we did, my wife and I. That was just to help kids kind of think about how do you take things from the digital realm and see them take shape in the physical realm. It was about robotics and 3D printing and communications and the like. I discovered you guys through my son, Cooper. Hi Cooper.

COOPER: Hi.

CHAD: Cooper's joining us for the interview. He started taking a Youth Digital course last year and came across that because we were out on this awesome RV trip for a year, and one of the guys I interviewed was out in Santa Cruz and he had come up with hardware, a Minecraft server, that was intended for schools, to be used for problem-solving. So you could take this tiny little cube server into the classroom with Chromebook-type things to connect to it, and now have a problem-solving environment inside Minecraft. That was kind of my first exposure to Minecraft and education. Then we got interested in Minecraft a little bit and thought, well, instead of just spending hours on end playing the game, what's the value here? That's how we got sucked into it, was learning, what are you learning, what was the first thing you learned related to Minecraft, Cooper?

COOPER: I learned how to make my own Minecraft mod, or modification.

CHAD: Yep. And what was the language related to that?

COOPER: It's Java.

CHAD: So learning Java programming, which is pretty cool. So, let's back up and talk about the roots of Youth Digital. When it comes to creating a business, kind of the entrepreneur spirit, I see people going down the path of either they just have a business idea and they are pursuing a business for the sake of generating revenue, being good capitalists, or it's a passion project, or they fall in love with a market and they're trying to figure out how to provide some solution to a market. Or something else. Tell us the background.

JUSTIN: Yeah, so, Cooper, how old are you?

COOPER: I'm eleven.

JUSTIN: Okay. So, when I was nine, so a little bit younger than you, I saw a movie called Toy Story. Have you heard of that?

COOPER: Hmm hmm.

[5:51]

JUSTIN: Toy Story was the first 3D animated movie. Everything up to that point had just been sort of 2D, like a cartoon. That was the first one that was in all three dimensions. I remember as a kid I loved computers, I loved art, but there really was no way to combine those, outside of Microsoft Paint, which

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is not what Pixar used to make Toy Story. So, I thought to myself, I want to be an animator. But I didn't want to wait until college to learn how to animate. I wanted to start animating as a kid, and there's just nowhere to learn how to animate. So then I thought maybe game design. There wasn't anywhere to learn how to make games either. So eventually I found a book a few years later, about this big, on how to make websites using CSS and HTML, and so I started making a website, and I just sort of fell in love with it as a hobby, as something sort of I did on the side, and went from web design, then I started using Photoshop, then Illustrator, then the entire Adobe creative suite, and it was something that I liked doing, but also something that allowed me to help pay...I did it in college to actually pay for school. I studied something sort of entirely different, but I ended up getting a job related to both of those. So I studied cross-cultural ethics, so how to work with people from different cultures. Growing up, my family spent some time in Romania, helping set up computer schools in Romanian orphanages, so I got to work with a lot of kids in that situation, which was really cool. That's what I studied, was how to do that well. I got a job after college teaching at-risk kids in downtown St. Louis how to make websites. I never really wanted to be a teacher, but I wanted to make websites when I was a kid, so I was more than happy to teach other students how to make them as well. I moved here, to North Carolina, about six years ago, and started tutoring kids as a way to help pay for my tuition, which is really great, because I would have done it for free, because I just loved it. I was able to teach kids how to make apps and video games; the kind of stuff I wanted to learn. I was here for about two months, and actually Aaron and I had met via phone before either of us moved here. He moved here in October and I think the next day he started teaching as well, we had so many kids who wanted to learn. So we would take our laptops and bags in the back of our cars, and drive to your house, and put our laptops out on your kitchen table, maybe with you and your friends...

AARON: And a projector.

[8:18]

JUSTIN: And a projector, and we'd wrap around extension cords, kind of like Rambo, with all these bags...

AARON: A lot of great innovations around cord management.

JUSTIN: Exactly.

AARON: That was really where it started.

JUSTIN: Yeah. I mean, we got some pretty sophisticated carrying cases for all the computers, because laptops are pretty heavy, especially back then. So we just were tutoring out of people's homes, then we started renting classrooms, and then about six months into it, we decided to make online courses. Ever since I started teaching, I was like, man, I wish this was available online. I wish we could make it available online so that kids, no matter where they lived, could learn how to do this, not just here in this area. So we decided six months in, to launch our first online course. In 2012 we launched it and our goal was to get 250 kids the first year. We thought that's like almost one a day, so that'd be so awesome. And, we ended up hitting 250 in like the first month, which is really cool. So I took a leave of absence from my grad program and we sort of all started fulltime. At that point there were three of us, and then shortly after, four. We started fulltime working on the online courses. So I think for me, at least, this is

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definitely 100% a passion project. This is what I wanted to exist when I was your age, and it wasn't there. By the time I grew up, it still wasn't there. So I thought that has to change. So, you know, if I could have modded my favorite game as a kid, which was Pokemon, I think I would have fallen in love with coding so much earlier. Launching the animation course was really exciting for me, because that sort of brought...made available to kids around the world, a world-class animation course that you can start learning how to animate just like they do at Pixar, even if you're only 11 years old. In fact, the Character Animation course you're taking, a lot of the things there in terms of the facial rigs, that sort of bipedal animations, those are all things that studios like Pixar would use. We really try to connect kids with what is currently happening out in the market, just because education so often lags behind in terms of teaching skill sets that are so outdated, because there's just a lot of process that goes into that, but because we get to make products just for students and their families, we can take some of the really cutting-edge stuff and be able to deliver it in sort of a meaningful way, online. It's been sort of a long journey there, but a lot of things I learned as a kid, making websites and even videos, I know Aaron also made videos growing up, are sort of the same techniques that we use today, not just making videos, but making the products of the company. There's actually a good deal of product management that goes into corralling all your friends to make a YouTube video. And so I think to a much bigger extent, our courses teach that, because they're entirely focused on the creation of a product from the very start to the very end, and we really strive to have no throw-away things. You're not learning anything that's not going to make your product awesome. We use that adjective a lot in our courses.

CHAD: Everyday Innovators, we might be skipping around a little bit; it will all make sense in the end. I just want to pick up on a few things, too. So, Cooper, who is eleven, and the one that really introduced me to the courses here, and we started with him. If I was to ask you one of the things that stands out to you most, I think you would tell me, because you've told me this before a few times, that it's that you get to use real products, I mean, the real applications, the real software that people working in the industry would use.

COOPER: Yeah.

CHAD: It's like you said, like Justin said, what you're doing at Pixar, these are the same sort of tools to some extent, of actual tools, and the same sort of things you would have to do if you were animating there, right?

[12:05]

JUSTIN: Absolutely. And of course, Pixar has a multimillion dollar proprietary animation software, but we're teaching using a tool set that is going to have the exact same fundamentals, so that if you were to sit down a Pixar animator and he were to say, you know, I animate by doing this, this and this, those exact steps would be the steps you are following as you animate inside of an open-source tool in that case, but yeah, we've...

CHAD: I think that's a really appealing aspect, the way you guys do. Listeners, everyone, I'm sure you have kids in your life, even if it's not your own kids—nephews and nieces. My kids some time ago gave up on the kids' menu at restaurants, because that's for kids. Even though it might still be appropriate, that's for kids. There are other training we've looked at to teach our kids technology, but they're kind of dumbed-down and cutesy and they don't feel real.

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JUSTIN: Yeah, that's an extremely intentional design decision. I think there are a few other people in the market who have taken the approach that we've taken, but the majority of them have, rather than...you know, we've created courseware that teaches real software, where they've created, rather, software, that then teaches you how to code, maybe, or teaches you how to make a very simple game, and I think for us, initially, that just would not have been interesting, to us when we were your age, as kids. So we sort of intentionally chose to use, we call it either professional or stepping-stone software that's going to mirror and lead into a professional tool. We really want it to be a departure into the rest of your life, so that this is the place that you start and it's not the place you end. If you sort of create a software solution that's, you know, this student can never escape out of, it becomes a destination, which is really cool and fun to use, but it may not lead you on to the rest of your, you know, high school, college, and then career.

CHAD: So both of you started out doing tutoring in people's homes for website development.

JUSTIN: Right. And we've done game design courses as well, and a few other things, but yeah.

CHAD: I don't know at the time if there was any master plan, right? Like for startups, if we were talking about Lean Startup, we'd probably say, that's a really good MVP, to figure out what people want, what's appealing.

JUSTIN: It's interesting, because it sort of happened accidentally, however. We were able to spend years, first of all, teaching with the inner city kids, but then also teaching kids at their home, and when we got to the point we were about to launch our online course, we were at that time teaching 20 hours a week, just to help pay the bills. After-school courses, but really we were just perfecting the way we communicated with kids, perfecting the way that we taught the curriculum, perfecting every single thing about it, just out of necessity. And then when we made the online courses, we just tried to take what we had learned and transfer that directly over. I think the biggest thing we probably learned was how to communicate effectively with kids in an engaging and exciting way, despite e-learning's traditional baggage of being quite boring. We were jumping around, acting crazy, in front of kids in person, so we thought, let's just transfer that and turn up the volume a little bit online so that it actually retains the attention, and also be very similar to the types of things that kids spend a lot of time on, which is YouTube, so really trying to make sure it resonated with kids. Then, also just learning how to craft the approach to teaching these deep concepts, and also all the rigid, step-by-step stuff, taking what worked well in the classroom and transferring that online. That's like the majority of how we developed our product in the beginning.

[15:48]

AARON: I think for me, that was really cool to see that sort of organic transformation of the business from an after-school program to an online, where at least for me, from my perspective, it was such a perfect example of what you would learn in business school, where the business wasn't scalable, just two or three people teaching after school. Oh! You know, why don't we just make these courses online? That makes a lot more sense. We're not limited by the number of hours in a day and the number of people in our near geographic region. So that was a pretty cool, sort of organic development of a business model, I thought.

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CHAD: So, Aaron, help us understand how you took that and put it online and made it work. I know humor is an important aspect of the training. How do you make that work online when your....because you don't have the energy...if you're in front of someone training them, that's a very different sort of thing than being in a room where you're doing video. How do you make that work?

AARON: I think that, well, first of all, I don't think we knew it was going to work until we got feedback from our first online student. They said, oh, I like this. And it's like a four-month delay between developing the entire course, putting it online, getting someone to buy it, having them go through the whole thing, and then seeing if they like it. When it turned out they did, it was great. But in terms of making it exciting, getting that same factor, I think what it comes down to is making sure that, in every lesson, in everything you're teaching, there is something exciting that you're actually trying to do. I think that is why those, what we call the intro videos, where we say, this is what you're going to add to your project, and this is why it's going to be so awesome, we do that in every single video and we would do that in every single lesson after school. We would always say, you know, it wasn't really a good lesson unless they're adding something awesome. What are you getting them excited about at the beginning of the lesson? We apply that same thing to every single lesson. We make sure, what is the cool thing you're adding, and what is the skill that you probably have to use in order to make that happen? That can vary. You got to make sure you're adding something awesome every time. So I think that's really the main ingredient.

JUSTIN: Yeah, and the other element is we found quickly that students cannot pay attention when they have their hands on a computer, to us in person. So we would separate the class into what we called the lesson and the lab time. During lesson time, the computers were all closed, and they're all looking at the front, we're explaining what the concept is, what the pieces are, what the steps are, on our screen, walking through, and then we'd say "Lab Time" and they'd all rotate in their chairs, open their laptops and actually do the steps. So, it was this really short, 3-5 minute chunk, so every hour-long lesson would just be these chunks. So when we went online, we did the same thing, where we sort of force them to watch the videos so the video doesn't pop up inside the coding or design software. It's intentionally, you watch the video, you pause it and then you go to your software, because we knew that if kids were trying to watch the video and doing the software at the same time, we'd lose them so quickly. Just nearly everything that we've pulled for the online has its roots somewhere in us teaching six kids at a time how to do the same thing in person.

CHAD: Yeah, that was where you learned the lessons, what worked and what didn't, and then you experimented to see what stuck, and moved it online.

JUSTIN: And you get punished, too, in terms of if you're not really, exactly clear every single time, then one kid's going to miss the lesson, or this kid's going to forget it, or this doesn't resonate with this kid as much. You really learn how to speak and talk very intentionally and always consistently. In our online courses, we're always, you know, whenever we say copy is the control-c or command-c copy, just because one kid's going to forget it that lesson. So that sort of rigid intentionality around the words you use and how you use them. You just remember all the kids, like, oh, I was teaching this lesson earlier, this kid forgot this thing, I need to make sure I say this in the video. So it's a great proving ground.

CHAD: A brutal one.

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JUSTIN: Yeah, painful sometimes.

CHAD: But an important one. If you had just started online, you wouldn't have those rapid cycles of getting feedback. What was the first product that was online?

[20:03]

AARON: Game Design 1 was our first online course.

CHAD: And why did you chose that? What was behind knowing that might be a good topic?

JUSTIN: It was our most popular one in terms of what kids were doing at our after-school program. It was, I think, the one that we'd been teaching the longest and it definitely think, it just felt like a good place to start. It had some programming elements, it was game design, which was cool, and we had a lot of the most popular courses since then we hadn't actually created yet, and so that was the natural place to start.

CHAD: How do you think about your market, and has that changed? Who is the focus of your market that you're selling to, and has it evolved any?

JUSTIN: It sort of has followed a similar trajectory as our on-site or after-school, where we started off, initially with a lot of homeschool kids who were sort of predisposed to actually purchase courses, that idea of buying curriculum for a homeschool parent is much different, and also, they are extremely well-connected digitally, so once someone found out about it, like before I moved here, we had twenty spots open in our tutoring, and twenty kids filled it up immediately, as soon as people caught wind. I met a few of them, they just went crazy, which was great. I was homeschooled a bit growing up, my wife actually was homeschooled all the way through, so...

CHAD: And we've been homeschooling and there is, it's not so much...I don't want to call it a herd mentality, but there is this herd-effect that takes place. If someone finds value in something, at least in our case, all the moms are connected, and very quickly you can spread and word-of-mouth marketing goes...

JUSTIN: Yes. And so we owe a lot to that, both in terms of our after-school presence, but then also when we launched online, the first place it really resonated was with homeschoolers. I remember multiple occasions; we've had a few homeschool channels that would sell our product. One of them, within the first month, was the thing that took us to break-even, on the project overall. I remember just with Aaron, we were texting each other back and forth and could just see the sales coming in. It was so crazy, because we're used to like one a day, two a day, whatever, and it was just like, 10, 20, 30, 40. It was just so crazy. When we launched our first Minecraft course, that same homeschool channel doubled the size of our user base in two weeks, which was just the most insane thing ever. We were scared that the servers were going to go down, we were scared we weren't going to have enough online teachers to do the support, so everyone at the company became an online teacher for Christmas of 2013. We scaled up all the servers and somehow made it through. So that's where it started, I think, and then sort of similarly, as we sort of grew in the after-school space we started to attract more people who may not be looking for curriculum but definitely their kids were interested in this, whether it was something that they wanted their kids to be prepared for, computer science, to be such a huge part of their future, or

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just that their kid had demonstrated a passion for technology and they wanted to support that. We started getting people from broader, you know, public school, private school communities, etc. Then I think that segment, though, is a bit different than the summer camp segment. We thought there would be a lot of carry-over between our after-school program and our summer camp program, but they ended up being pretty different. People who were willing to take their kids to an after-school program are investing time into this particular pursuit, whereas camps fill with sort of a more generic need of needing to take...they have to go somewhere during the summer. I think that was sort of interesting as two different demos...the people who are taking their kids to summer camp and people who are bringing their kid every week to the studio. Different types of people, often different sort of life situations as well. I think those are similar for the online demos, it's been really exciting for us that we have kids in over 100 countries, we hit all 50 states within like the first few months, and sort of the breadth of different types of people we've been able to reach through it, different geos, it's been really exciting.

CHAD: Do you segment that market out in different ways, just to reach them more effectively? Or right now is it more mass-broadcast?

[24:11]

JUSTIN: So in some ways, I think what we've done up to this point it's just been mass-broadcast, because it's just caught on so quickly, I think faster than I ever thought it would, and really, it's just, if we can get it in front of a parent or kid and just engage with them longer than three seconds, we usually, you know, this is something the parents are excited about because the of computer science of coding elements and then also if I ask almost any student, do you want to make your own Minecraft mod, do you want to make your own app, do you want to make a fashion collection, do you want to make your own animated movie, there's almost always a yes in there somewhere. At the same time, we've been really focused moving forward, on segmenting our audience based off of the outcomes they're looking for our product to fulfill and so we've recently, Aaron and I sort of switched a little bit to say what outcomes, and that's the jobs-to-be-done idea. Are people hiring us to complete...just because the market is so new, and there are so many different ways to sort of fulfill the need, right? So, we might compete with everything from an app to a robot kit, to, there are toys now that you can put together and they code things, to Raspberry Pi, to a book, to a camp, to a course offered at your school. All of those, in some way, are competitors, not just people also offering online courses. So we're really trying to understand what outcomes people are looking for, especially parents. I think, with the students, it's been sort of second-nature to us...I just want to make a Minecraft mod, that's awesome...a sword that strikes lightning or something. But really, to understand the parent demo a little better, we've sort of been focusing now on what outcomes parents are hiring our product to achieve.

CHAD: And for listeners unfamiliar with the jobs-to-be-done terminology, we covered that maybe a couple months ago in an episode. I'll put that in the show notes for you, make it easy to find. A good tutorial on jobs-to-be-done idea. So as you talked about that, there were two things that came up I want to dig in about. So one, at Christmas time, everyone became a trainer. That's one thing that I've found is an important differentiation for what you guys do. So talk about the actual experience taking a course and how your trainers are involved in that. This isn't a, just buy the course, kid go through it, learn what you can from the course sort of program. You have trainers that are doing more than that.



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JUSTIN: Right. So there's a few sort of reasons for that. The first is, when I was a kid doing this on my own, teaching myself, I always just wanted a help button. Just to click help and to get someone to answer me, because I would just spend hours trouble-shooting. And while that's a great process to go through, often it's a lot better to go through that process with a mentor, and so we've added that help button to every page of our website, so that when kids do run into problems, they can access our teachers and we can help walk them through that, which is different, because the course is asynchronous, so it's video-based, where we spend these sort of personal-touch hours are on overcoming the challenges, as opposed to just teaching, walking through the curriculum. We feel like that can be best done with someone like Aaron, delivering the curriculum. Delivery's going to be great every single time and there's no reason not to record that. But where we want to offer that individualized attention is really overcoming those hurdles, because that can be a deal-breaker for a kid if they run into that first challenge. It's really hard to not give up. We want to be there for them to help them overcome that and really, I think that's one of the biggest things we teach, is how to trouble-shoot, how to beat the computer when all odds are against you. I think that's huge part. It's just sort of that interface where kids can interact with our online teachers and I think it is a pretty big differential. We don't treat it as an FAQ. Like we could just as easily put a forum or FAQ up, but I think that's just such a critical teaching moment and one where there's a ton of issues that can come from just offering, like here's a forum, just fix it yourself, especially for an 8, 9, 10, or 11-year-old kid.

CHAD: I know as Cooper and I were coming here, Cooper, you rattled off the names of all the people that you recall that you got emails from, that have helped you on courses. You remember them.

COOPER: Yeah.

[28:15]

JUSTIN: Yeah, that's a huge part, that sort of personal connection. I think, the way we think about it is, there's probably very few software where someone says, hey, this software changed my life. Very few support agents or help desk people who change people's lives. But I do think if you look at people who have had a dramatic influence on you, probably your parents, maybe your siblings, but then also your teachers. So first and foremost, we want to have that extremely personal relationship between the instructional design and the person in the videos, and the student, which is why we start every video saying, "My name's Justin and I want to help you make your own Minecraft mod." So it's that sort of journey you're on together with the person who's the face of the course. But then at the same time, you have those teachers who are there to help you when you run into the issues as well. We just want it to be a really personal experience, because that's what we felt like was lacking in e-learning as it was called, now sort of ed-tech is the word for it, but it's just that personal...especially if you're going to do online well, I think you have to have that personal aspect, where you can name off the people you're talking to, as opposed to you're never going to do with a book, right? You probably wouldn't come visit a book, either.

CHAD: Yeah, this was a great pleasure to get to come visit on-site and just see how things work. The other thing you mentioned were parents. So you guys have to deal with this dual-value proposition. Non-profits are often in this situation, where they might have donors they have to sell to, and also there's the end-user, the customer that gets their product, B to B environments where you might have

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to sell to one person, but someone else is using it. You guys need to sell to a parent and a kid; the kid's the user, but they're not the one paying for it. How do you manage this dual-value proposition?

JUSTIN: It's interesting. In our first business plan ever, I pulled it up recently, it's pretty embarrassing. But it does talk about the fact that we have two customers—the parent and the student. They both matter all the way through. I think we've sort of now figured out that the parents are mostly involved pre-purchase, obviously, and the biggest drive there, and the student post-purchase. So once that transfer is made, and the student logs in for the first time, at that point, it becomes solely focused on them, because we realize that what parents want to see out of the product is their kid engaging with it. We really serve the parent, I think, through keeping their kid engaged and excited throughout that product, whereas at the beginning it's going to be much more...the parent's going to be looking at it, doing research and then pull the student aside and say, hey, does this look interesting to you? That's why we have those videos on our web page is to just quickly show the student. In those videos we're putting all the awesome shots of the things they'll be able to do, making sure we hit all those pieces, because that's going to be the thing that, you know, we need student approval in that process. So the parent's going to be buying it, but they're always going to say, do you want to do this, because if you don't want to do it, there's no reason for me to buy it. I think, in some ways, it is a much tighter relationship, maybe, than a B to B offering where you have an end-user and who has much different goals than the person purchasing, but at the same time I think what we really try to do is answer both needs with one product. From a parent's perspective, they might be tired of staring at the back of an iPhone constantly, playing too much Minecraft without it actually going toward something purposeful, and wanting to prepare their kid for the technological future. From a kid's perspective, I wouldn't pitch COOPER that way, though. I would say, hey, do you want to make a sword in Minecraft, or it can be bubble gum, it can be a chicken nugget sword? Do you want to make your own iPhone app? Do you want to make an animated movie like the ones you see in the theater? It's a much different conversation, but the answer's the same thing. This is a course that will teach you how to do that, and we'll also teach them how to take a computer and turn it into a creative tool instead of just this consuming force. Technology is a pretty powerful thing, which can destroy a lot of kids in terms of just the amount of hours they put into it, but it can also allow kids to create some amazing things, as well. I think we try to answer both of those value props with the same product. I think that's where we've had a lot of success, but it's not always easy. I think a lot of the time parents, unless they're sitting down with their kids, aren't realizing the extent to which their kids are learning, and a lot of it actually comes as a surprise to them, that the stuff that we're teaching is professional. I think they know it's educational in general and it's a good thing, it's a good use of that technology time, but maybe not that their kid could walk into Pixar and converse with an animator, or could call up Mojang and just talk shop about Eclipse and Java and all that stuff. It's definitely, I think, unique. It's definitely a constraint, but also I think a good one for us.

CHAD: Yep. Pro tools. Aaron, can you talk a little bit about how you decide what the products are? Of the things that you could go after, all the topics that Youth Digital could pursue, you started with Game Design, I know you have Minecraft, there's probably some thinking behind adopting that as a topic to train on, and you're working on something now, the next course. What leads the direction in terms of decisions for course topics?

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AARON: Well, the first one is making sure that we're teaching kids how to make something that they're excited about making, because I often imagine myself at a homeschool conference, or basically talking to a group of kids, and if I can't get them excited in my mind's eye, about whatever project that is, like, "Do you guys want to make a website where you..." insert something boring, and if I, I don't know, there's a lot of things we've thought about that then you think about, could you get a kid excited about that? And you'd be kind of faking it, you know? And with the courses that are successful, I think it's so easy and you get excited about explaining it. For example, Server Design. I just couldn't believe how awesome the technology was that we'd be putting in these kids hands. "Instantly update it, so that while you're on the server, you're coding?!" It's just contagious excitement.

CHAD: And Server Design is Minecraft server, right?

AARON: That's right. And so you probably wouldn't be that excited about making a back-end server that could host your housing information, or who knows what, some database to hold...

CHAD: I need a contact manager. Cooper, do you want to program a contact manager? I just need names, addresses, phone numbers...

COOPER: I can make one in Minecraft, maybe!

AARON: So I think the Server Design one is interesting to the extent that kids want to make a Minecraft server and they're imagining all...oh many, yeah, I could do this and this and this. So at the end of the day, that's the number one decision. And then, can we teach that. The next question is can we teach that in a way that we could say to parents, these are real skills that they're learning, or really important skills. I'd say that's question number one and question number two. Following that are a bunch of other questions, but all of those are really sort of tertiary compared to that first number one and number two, unless you'd like me to talk about those as well.

CHAD: That's good. And for listeners, Aaron is actually looking at a list of questions, so you guys have some process in place to think structurally about what's next. Let me ask you about the Minecraft part. I don't know, you went from Game Design, I don't know if Minecraft was next, or how this played into things. So, as a parent, we have friends who have kids who are Minecraft all day, which for us is a little alarming. Since we homeschool, there has to be time for learning in the day, too, so we had some resistance to this thing called Minecraft because of this. But also, there's this trend going on, that you can't miss, and so if COOPER is with friends that are talking about Minecraft, you can't just not be exposed to this and not somehow miss it. So there was this opportunity to, okay, you can dive into Minecraft, but use it as a learning tool, which now made this thing become much more of a positive idea for us. That notion that this is a huge wave of a trend, and I'm sure trends play into this at least in terms of, like you say, can I talk to a kid in terms that would make this really exciting to them? Latching ahold of something that is already probably in their reality of what they're thinking about, talking about, is an aspect of this too. Was that part of the Minecraft thinking? I don't know how trends factor in to your thoughts on this.

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JUSTIN: I think definitely, just because, like Aaron said, the first question is to ask a kid, what do you want to create? And we spend a lot of time with students, so it was pretty obvious to us early on that this thing called Minecraft was here to stay. We saw so many of our kids just loving it, you know what I mean? So I think anytime we see something like that take hold and, you know, students be excited about it, that's where we're looking to answer that first question. Any time I meet a student, actually, we'll just quiz them about like hey, what's on your iPad, what's on your computer. What are you playing right now?

CHAD: So you're doing customer research all the time.

[37:18]

JUSTIN: Yeah, whenever we meet students. It's also great because, so none of us ever played the Xbox version of Minecraft, and before we make a Minecraft course, we want to know everything there is to know about Minecraft. So as part of my job, Cooper, I had to buy an Xbox and Minecraft and I had to beat Minecraft on Xbox. Pretty tough day at work. But we wanted to be able to make all this...

CHAD: It was probably a late night for you.

JUSTIN: Yeah, exactly! It was a lot of fun. But we have to be able to make jokes about blazerons and gasts and all these things, right? So we want to really intimately know that world, so that when students come up to us and ask us about hero brine or about any of the things they know, or whatever, we have to have some street cred. So I think when Minecraft started trending, it was just really obvious that kids wanted to do this. We started digging deeper, we found out that modding is a pretty awesome way to get exposure to coding, and we're fortunate to be pretty early on in that regard, and so I think that's what we're constantly trying to do is figure out what's next, but Minecraft's popularity is just off the charts compared to anything else we've ever seen. Like you said, there's a lot of students who spend a lot of time with it, and we sort of view our role as intermediaries between students and parents a lot of times. Sometimes to kids, saying that playing Minecraft all day is not necessarily the best way to become great at computers. It's not necessarily the best use of your time. In fact, wouldn't you rather spend that padding your own stuff into Minecraft? Like how much cooler is that? And then sharing that with your friends, making revisions off their feedback, there's some pitching we do there. Conversely, with the parents, which is less of a discussion than it used to be, but we'll say, making a video game is so much different than playing one. Because video games especially had such a bad contextual...like I don't want my kid doing more video game stuff, I don't want that. But you know, the difference between making a game and playing one is the same difference between watching a movie and filming a movie, which are entirely different enterprises, so we sort of found ourselves talking with both parents and students, depending on the nature of it.

CHAD: I think part of the magic sauce, and would be glad to get your perspective on this, too, though, is this capability to have, you know, it's not a blank canvas. You know what the pieces are, whether it's Game Design or Minecraft programming, you know what the pieces are, but it's a pretty blank canvas in the sense of you get to create inside of that space. Immediately you have the opportunity to jump in and start customizing it to the way you want it to be. I think that's a very engaging way to bring kids into things. When we were doing our Future Innovation Leaders class, the kids loved the 3D design work, because we started them with some basic constructs, like here's letter, you can print your name and do

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that sort of thing, and they quickly just ran with building their own designs out in 3D space graphics tool and get to see it printed. I think that capability to see what they do quickly really turns the imagination wild.

JUSTIN: Absolutely. And we try to take care of a lot of the more rudimentary work that has to be done. For example, when making animation, you have to have someone who makes the 3D models, who rigs them, who prepares them with all the various element, who gets all the assets in the right place, who configures the software, we write a lot of plugins for it, but all that is installed with just a one-click installer. We really try to put the student in the driver's seat of what the creative director would be, the lead animator, whoever it would be, the person making all the calls to they can have the most fun job while still creating something that looks professional because they get to have a whole team helping them. They just don't realize that whole team has created all these assets we create in-house, all the installers we create in-house, we get it all set up so they can just be the lead on the project, doing all the really awesome programming that makes the quick changes, as opposed to setting up all of the classes and object structures and all the different things. Because that's the most exciting part and that's what you want to do, right? We think that you get started with that piece, you can learn the other pieces later. You want to start with the stuff that's simple but also really goes a long way in terms of pay-offs. Then after you've experienced that for a while, you start asking more questions: well, how do I set up these files differently, how do I make my own model, how do I make my own animation rig? We have students who then start exploring that. But it's much better to explore after you've made an animation than...

[41:43]

CHAD: It's huge intrinsic motivation, right? You're preparing kids to have that internal desire to dig deeper on their own and learn more about this. I just want to highlight, I think there's a lot of smart steps that you guys have made, whether they're purposeful or accident, where a lot of businesses are accidental in things they discover and we want to experiment to find out what works and doesn't work right, doing the work face-to-face with people to find out what works with kids and doesn't, you just learn so much from that experience, it was really rich. Stumbling onto the homeschool market where it quickly moves through homeschool communities pretty quickly, if it is something that offers value, they'll tell their friends about it and that's just brilliant. And then a big trend like Minecraft to hook onto is a really good move too. Were there other actions that you took to see your sales grow so quickly? For Youth Digital, you didn't come out of nowhere, but it's not that old of a company. You've been doing this, and hugely popular now.

JUSTIN: I think definitely finding some key channels really opened things up. I mentioned that homeschool channel. So we go to homeschool conferences, like Aaron mentioned, and it'd be great. We'd be talking with a lot of parents, our booth's always full, we'll sell a lot of copies, but it wasn't until we sort of found existing spaces, in most cases online websites, that had a large amount of homeschoolers that they would have one or two key people evaluate the product, if they liked it they would post it there, and gaining access to those channels was so critical for us, because we would just drop it in the channel and it would just erupt. For us to build up a channel of 100,000 or 1,000,000 people would just take forever. As a product company, we're sort of fortunate to be able to find

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channels like that that really sort of took us, I think, to that next level. I think word of mouth drives most of what we do, but getting it in front of people, I think we owe a lot to our channel partners.

CHAD: I know we found your products also on Amazon. I just found that kind of creative all by itself, that you have a... you're an e-course provider and you have a physical product on Amazon, and I'm just curious how all that works. That was interesting—you can get a box in the mail that has a code to let me go sign up for this e-course. Did that play into your growth cycle? What did you learn from that experiment?

JUSTIN: Well, we did that primarily to get on Amazon, because at the time they didn't offer digital download, well they did for like, you know, movies and songs, but not for online course codes. They offer it now, digital fulfillment, but at the time, they didn't offer it and we knew we wanted to be on Amazon. So we looked at what Rosetta was doing, they're very similar and they were just sending a box with a code in it. And so we started sending boxes with codes in them. It was sort of natural, because I think since the beginning, before we even did Game Design 1, we always wanted it to be a product, never a course, because we needed this to be something that you want to get for Christmas, not that you're going to take us, you know, right after algebra, just sort of slog through, and so we very rarely refer to it as a course in the actual product itself, in the experience. It's always Game Design 1. It's always that strong product title and so even when we first launched it and we went to our first homeschool convention, we had boxes made for it, because we wanted it to be something you could take home, that could be yours, that could have that sort of tactile connection.

CHAD: And you could wrap it up if you wanted to.

[45:05]

JUSTIN: Yeah, exactly. So a lot of people would do that. We've since included stickers and posters and all the cool things inside of that, but always, I think, we always viewed it as a product, just from the beginning. Which is sort of crazy, because neither of us had done any sort of product design, whatsoever, except as a kid, making websites and videos and all these sort of different experiences that were things we had and thought of, created, packaged, and shared.

CHAD: I was going to ask you guys about how you develop courses. For the sake of time, I think I'll point listeners to the video, because you have a video online about how you develop courses, right? Is that available to the public?

AARON: It is not. It is just in our portal, I think.

CHAD: Is it possible to let listeners have access to that, or can you guys think about that?

JUSTIN: I think we can, yeah. We can set up a link.

CHAD: Everyday Innovators, I found it useful to look at and entertaining also.

JUSTIN: It is geared towards kids.

CHAD: It is geared toward kids, but it gives some nice insights, too, and how to, whatever your market is, how to appeal to the market and communications. I think it's a good example. As listeners know, I

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always ask for an innovation quote towards the end of interview time. I had asked you guys, too, for one, and I understand this is one that you did both agree on, so it's one quote coming from head of product and CEO here.

JUSTIN: So, the one we have, and I want to make sure that I say it correctly, because it's...but it is, "Success consists of going from failure to failure without loss of enthusiasm." It is from Mr. Winston Churchill. I think, for me, maybe I'll let Aaron speak to it as well, why that resonates is just because it's so easy, I think, to look at a company and only see what things have been successful. But what you don't see is just like the hundreds and hundreds of things that fail. Those hundreds and hundreds of things that failed are what you do as a creator of a company, whereas a creator of a mod, when you run into all those errors, when you run into all those times that you have to message us and ask us for help, when you're missing commas, that's like the pain of childbirth of creating something. That's where you spend, I don't know, 99% of your time, is dealing with that, dealing with mistakes in design, mistakes in coding, whatever the case may be. Little time is spent actually reveling in the success. I think it's so tempting to look at whatever company and just see that success point and view it by itself. The reality is that there's a million things, I'm sure, that we've done wrong since starting, and those to me, I think, are much more typical of the innovation and creation experience. We tell students all the time, when they either lose their code, they complain about render times, when they have error issues they can't fix, it's like that's how we know you're a real developer. If you can come and talk about the pain points, that's how we know you're a real animator. If you're complaining about render times, you're golden. That's what they're complaining about at Pixar right now, I guarantee you, you know? And so, I think that labor and that pain of failure while still staying optimistic and enthusiastic behind it is one of the most difficult things to do, and I think that for me is the creative process. It's just that. It's encouraging that someone like him has said that he agrees.

CHAD: Yeah, don't let failure get in the way. Aaron, anything you want to add to Churchill's quote here?

AARON: Well, it's hard to improve on Winston. Winnie, I call him. Yeah, I think I relate more to the "without loss of enthusiasm" part, just putting on a positive attitude throughout all of it, you know? It's so fun. That's what I love about it.

CHAD: Especially with this market. That positive attitude needs to come through. Cooper, do you remember my favorite Japanese proverb?

COOPER: Yeah. Fall down seven times, get up eight.

CHAD: That's right. Fall down seven times, get up eight, which is that same sort of notion. It's the, we're all going to have failures, what matters is if we keep going or not, and what we learn from it. Guys, I appreciate you taking time for the interview. I know it's actually afterhours for you, and I thank you for doing this and sharing a little about Youth Digital with everyone. How can people find out more about the company, the products, and what you want to leave everyone with?

JUSTIN: [www.youthdigital.com](http://www.youthdigital.com) is our website, and I think hopefully everything encompassed in this interview has been around that central theme of we want to teach kids how to create. That's our sort of very singular goal. That's what we try to do in each one of our courses, no matter what, whether it's

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Java or Fashion Design, every course has the same structure, every course has the same end-goals, but that's what we're after, is teaching kids how to create just like we wanted to when we were their age.

CHAD: And listeners, you know I don't do commercials, but this is an easy product to recommend. Cooper and I are actually affiliates of Youth Digital since we saw the opportunity, so there will be a link to learn more, just know it is an affiliate link, so you get the best deal that's out there and we get a little recognition for providing that, too. Thanks again for your time!

JUSTIN: Absolutely. Thanks for having us.

AARON: Yeah, it's a pleasure.

CHAD: Thank you for listening. This was an especially fun interview to do and the first one my son helped with. I hope you will share it with other product managers and innovators as well as parents who want their kids to learn more about technology.

Find the summary of the discussion and full transcript, along with the video I asked Aaron about, at [www.TheEverydayInnovator.com/088](http://www.TheEverydayInnovator.com/088)

Keep innovating!