**Aleksandr Full Interview**

[00:00:00]

**Cody:** Today's guest is Alexander Volodarsky the founder of lemon.io, a service that matches startup founders with a vetted outsourced developer. He's publicly committed to getting to 2.5 million in revenue by the end of 2021. And in this episode, we're focused exclusively on entrepreneurship as Alexander talks about why he founded lemon to IO and some of the pitfalls he faced in doing so.

If you're somebody in business or interested in entrepreneurship, then this might be the episode for you because we cover everything from co-founders, including what mistakes to make and probably not to make, and why being a [00:01:00] non-technical co-founder is less of a problem than ever before. So let's get into it with Alexander Volodarsky

I just want to start off by asking you, so you founded coding ninjas back in 2015, and that's now lemon.io what led you to starting CodingNinjas?

**Aleksandr:** So to be honest, I didn't actually choose to start this business.

I was living in Israel, that is a very expensive country and I was working for an outsourcing company, in Ukraine to help them find clients in Israel. And there was someone who came to me and asked, can you find me a freelancer? I'm working on the small project. And

I knew developers and I helped her. And she was so happy she brought like all her friends. , so this, actually snowballed a little bit and it became a side hustle that, brought me some extra, income that was sweet, but I didn't.

Think of this as a business, at some point it started snowballing even more and more and more clients came and I thought, okay, [00:02:00] this is an opportunity I did some research. I did some customer interviews with people who are not my customers. I saw there's a market opportunity.

And, just started doing that from there. Started hiring people a little bit. I brought in my old friend who was one of the best operators I knew and ask him to be a co-founder at the beginning, he helped me pro bono I made mistakes.

By, bringing Ronco foreigners in my previous attempts to build a company. So I was very careful, at the beginning, but after like three months of working together, he did pro bono work. He helped me a lot. And I decided that we're a good fit to each other.

And we started to work as co-founders.

**Cody:** Did you say so that you had some problems with a previous co-founder at a previous company?

**Aleksandr:** Yeah, previous attempt it was not a company, so we never incorporated, but, I had an idea to put contextual ads on images. So whenever there was an image of, som clothing, you could put an ad of that clothing that is similar to that.

So I found developer and it said, you know, let's be [00:03:00] co-founders then he said, he can do that. he started billing, I gave him equity and also I gave him salary. But at the end he couldn't deliver. He, did some freelance work on the side while I was paying him and giving an equity.

so I got burned by that. And I spoke to every.

Ad network existed like in Ukraine and Russia. because we were on that market and even I went to Israel, it was before I went to live in Israel. So I went to a conference and I spoke to so many ad networks, you know, asking them to consider us for their networks and they agreed.

Yeah. If you, if you can deliver, we can do that. So after doing all this biz dev and promising people to deliver and to come back with a technology, I, couldn't because he just did it never delivered the technology. Hmm. That's right.

**Cody:** So, you've been involved with previous co-founders you've you currently have a co-founder now, too, correct?

**Aleksandr:** Yeah. Yeah.

**Cody:** And so you've had a fair amount of experience working with co-founders. Do you have any advice for any other, other entrepreneurs that are trying to find [00:04:00] co-founders and you know, I've had co founders and I've been screwed over before myself. And so it is a precarious process in terms of who you select and how, and what happens when the relationship sours, because you know, it's like a marriage, right?

Like you're, you're effectively married to this other person. So what, advice would you have to somebody else who's trying to build a business and wants to have a co-founder or should they not have a co-founder what do you think.

**Aleksandr:**  Yeah, look in, in modern life people before getting into marriage, they spend a lot of time together.

Even sometimes they go and live together. Why not to do this with the co-founders? You don't have to jump into interstitial that live relationship right away. Even if you didn't know the person for a long time, spend time with them, spend a few months with them.

Do some projects together. Rushing into such relationship is a big mistake the same is about early employees. Don't rush into hiring people. It's always like, I'm, I'm so stressed that it's work, that I need more people.

And, I'm so burned out that I need someone to help me. But if you jump into relationship that will be toxic for a company, [00:05:00] you will probably, right, a death certificate right away to a company, because if the wrong people at the beginning is a huge mistake.

So, and this is the first thing. Second thing is when you bring a co-founder, if you're early on, do vesting, even if you don't have investors. And I'm divesting for both of you. If you feel that they're, equal partner to you forget what we did before because there will be another, like seven to 10 to 12 years working together. So, you know, do vesting for both of you. So, they feel that this is a fair relationship. Best thing is amazing thing that they can feel their responsibility. It would be less likely that they will, jump off on the first fight or something like that.

**Cody:**  So if you're vesting them as a co-founder, then they're not necessarily an equal 50, 50 split from you, unless you're somehow vesting yourself. And, I would assume like a standard for your investing period.

Is that what you're recommending?

**Aleksandr:** Yeah. Yeah, that's very healthy because there are a few companies who exited before four years. [00:06:00] I mean, there are good cases, but not a lot of them. So four years is not that long, a period, for making sure that the person who has equity is dedicated for that time of period.

It's very important.

**Cody:** I was just listening to S Esther Perel. Who's very famous for talking about relationships and she was talking about how co-founders they often have issues and the three things that most commonly come up involve power, integrity, and trust.

Have you experienced anything in relation to one of your co-founders in relation to any of these three in each story that you can share?

**Aleksandr:**  The thing is that general advice that you get that don't take your friends as co-founders and this is something I don't agree on.

I think you have to take as co-founders the best people, you know, if you cannot survive this relationship, like w what kind of relationship did that, but when I wanted to do to get help and looking for co-founder, I asked myself, like, who's the best person I know who is the best operator I know, and facil [00:07:00] was this person.

And I knew that he has Nearly close to zero ego and he is a person you can trust and he's person with the same values. And I had no questions, even though, like I did this vesting period and we worked together for three months. And to be honest, like before that, we used to work in two companies together before.

So we work in one company. As coworkers and other companies, coworkers, and then in coding ninjas for three months, he just offered pro bono work for me. We have, disagreements and we argue on things, but the ego is not involved.

No one wants power. Everyone wants the same to grow with the company to have happy life. You know, he has two kids. I have two kids and, we want the same, like we don't want no one wants power. And the third co-founder, he came on board like three years into the company He also, like he was the person we knew already for four years, we used to work with one company together and we knew [00:08:00] that he's a good person and we can together in hard times.

And we have a lot of hard times. We know that we will be decent people with decent values and we wouldn't choose, more power or more money over just being decent people. That's what I knew about them. That's very important. I mean, skills are very important, but if you choosing scarce skills over personality I think you will be screwed in, in the future.

**Cody:** Yeah, I agree. I think my add on to that is I think you have to be willing to throw away the friendship because money changes people, even if their family and their friends, it, it changes how you relate to them. And I think that's the unfortunate side effect is it's. I think it can be good to have a co-founding relationship with a friend, but.

That friendship. It might not always be there in the end.

**Aleksandr:** we're best buds before the company. And now we're very close. And I knew Vacil very, very good. I knew what kind of [00:09:00] person he is. And I even borrowed money before to try to run another company.

So like we knew each other, like in different levels.

**Cody:** So I want to move on and ask. So you've been an entrepreneur now for how long?

**Aleksandr:** I mean, I started, I tried to, to build a first startup, , 2011, but I was stupid back then. Like, everything I did was so stupid.

**Cody:** So what are some of those stupid mistakes that you made that you would advise other entrepreneurs not to make?

**Aleksandr:** I was non technical founder. And the first product I wanted to build is classified. And back then, like in 2011 in Ukraine, everyone wanted to build classifieds, but I didn't do enough research. I didn't do enough customer development. So I just build a generic thing and, I hired a dev team and then they did a very poor project and I just keep working on it and never leased it.

And this is a pretty common mistake for technical co-founders. They just work on the project. Right. Pay for the development and never release. And [00:10:00] this is a huge mistake. You have to release as soon as possible to get feedback as soon as possible to get money as soon as possible. And this is just the only way, like people are having so many excuses not to actually launch.

And I went through this, one of the biggest mistakes. When I was planning my, my first project, I didn't think about distribution. When it was a side hustle was okay, but I felt like, how can I distribute this?

Because when you're billing classified, some, you know, when there is a lot of classifieds, you're not solving any problem. You're just trying to get in line and try to win an SEO or something. But, when like working on coding ninjas, I knew that this a huge problem.

It's a real pain for the business to hire like short term, freelancers and, those are mistakes. I did. also in, in both attempts to build a company before I invested heavily, I invested, for both companies and invested my own money, that was around 50 K was, there was a fortune back then in Ukraine.

I mean it's still, but back then it was a [00:11:00] fortune. So when I was building coding ninjas, I said, I'm not going to invest a penny until I make money. So at the beginning, I didn't think of even a website. I just started connecting, developers and, uh, clients, via the email and then, okay.

I, I got my first, I think couple of thousand dollars. I took a WordPress plugin and I just use a WordPress plugin that cost me like five, $500. So it was another thing that I, became better in when setting and coding ninjas.

**Cody:** You said something earlier about hiring short-term, freelancers versus hiring employees, which obviously hiring employees would be better.

And so there is this problem for lack of a better term that a startup would encounter because they don't have the money to hire a team of developers to code a really good app from scratch. And so they end up hiring freelancers. And those freelancers end up developing something with a very poor architecture and a lot of problems.

So say whenever that startup ends up [00:12:00] getting their first series, a round of funding, they find out that their whole thing has to be coded from scratch and it sets them back months and months of having to redevelop the entire platform. This is a common scenario, probably you've seen this. What advice would you have to a startup founder who doesn't have a lot of money and they need to build something, but they're afraid of that.

That potential problem down the road.

**Aleksandr:** Most of our clients were agencies that were working with SMBs. And for them, if there were hiring freelancers, not because they didn't have money to pay full-time developer, just because they didn't need a full-time developer, they had an on demand tasks.

Like, for example, for me right now is, accounting. Once a year, we take an accountant who goes through our QuickBooks and, you know, makes an order over there. So we don't need them to pay them full time. We just need them on demand like once a year or twice a year. Right. The same for the SMB, the same as development.

They have a WordPress website that works and they just need sometimes to [00:13:00] upgrade something sometimes to add something. So they are hiring freelance is just because they don't need to pay the full time employee. Now the problem was that because they need, developer in demand, sometimes there's developers available.

Sometimes there's developers available. This developer is, has this vision of the product. This developer has this vision of engineering. And especially when they work with WordPress and they try to replace like clients try to replace everything was plugins. The website, does become cluttered and there was a problem with one of the problems where we pivoted because the quality of websites was poor.

But, the reality is that they hiring freelance. Not because they don't have lack of funding just because they don't need someone full-time, but I want to come back to the thing that he said that. By the round a they found that their product is not so good that I have to redo that.

I don't think this is a problem. I don't think startups are, the agents have to think too much about the quality of work they have an assumption they have to release a minimum viable [00:14:00] product, as soon as possible. Even if it's buggy, they need to release it and to see if their assumption is valid and if the market responds to the problem.

Right. And even if it's buggy, even if the tech stack is not right, even if it's like WordPress or whatever, I don't think at early stages, Startups have to think about it because a lot of them die. A lot of them pivot, many times before they found their way. And just to think about like too good infrastructure, it's not true for all the products.

Right. It's not true for some products, but for like small SaaS's it's true.

**Cody:** Okay. So then I've had experiences with various apps and say that this is very common with steam games. If you're familiar with, at all with steam games, often developers will release an early release version of their game up on steam.

And if it ends up being very buggy and the game dynamics are not really well, well put together, it'll get a lot of one-star reviews. And so it's [00:15:00] potential user base. Their first experience with the product is crap. And often our first experience is the one that we stick with. Just like, you know, our first impression of a person is the one that we end up kind of keeping in our mind.

And it takes a lot of work on a part of the other person actually change our perception of them. And so that first impression is everything. And so what if you're releasing an app that, you know, I agree that it is at the MVP that you want to hit, but you're also potentially. Creating this horrible impression with a large percentage of their user base that would otherwise be advocates of your app.

If it was well-written to begin with,

**Aleksandr:**  Look, it also maybe depends on what kind of product you're building, but if you're building like a copycat of something, maybe it's okay to spend more time and make it like better.

But if you have an assumption of a problem in you know, how to solve it, the first clients will be early adopters. And in my experience early adopters are very loyal, and very, Forgiving four bucks and [00:16:00] they don't care early adopters. They, eager to try new products and they're forgiving

and yeah, it's, it's in my experience, our interface is not good right now, but at the beginning it was horrible, and sometimes the experience was also horrible, but the, our main product was. Engineers. So, you know, the bugs on the client access, they were forgiving and this is also a feedback that I get from other founders too.

**Cody:** Okay. So, so put aside any fears that you may end up having your first few clients or users of the product may experience a lot of bugs and a lot of problems put that aside because it's more important to put out your MVP and to get your product out into the world.

**Aleksandr:** Yeah, that's, that's what I will do. I, I'm afraid to give advice like this because people take advice and, I can be wrong, but this is what I would do.

If I start once again.

**Cody:**  Okay. So I want to ask you about something on your Twitter account. You've you have a lot of great information on your Twitter account. Now there's a lot of questions [00:17:00] about previous tweets and threads that have gotten a lot of likes and a lot of retweets that I would love to go over.

But first I want to ask, when did you decide that Twitter was going to be a strategy for you? And why did you decide to be so open with your ARR all of your numbers and your revenue, because that's typically information, a lot of companies don't want to share.

**Aleksandr:**  So I was in mastermind group that was organized by Sean Puri, so I was asking advice about the marketing strategy and that, and they said go and try to build in public.

And this can get a lot of attention. He, and, my buddy Ben Olivier and, I did it at the beginning. I was, I didn't want to go to Twitter. I, you know, I didn't feel comfortable, not, it's not about sharing just in general. If people are not going to like what I write or whatever, I was a little bit, anxious about like writing Twitter, so did a little bit Twitter, but mostly I put my attention in, in blog and newsletter.

But at some point I, you know, Twitter came around, I, became [00:18:00] more confident and, it became a strategy that I spend more time in Twitter right now than on blog or newsletter.

**Cody:** And how much time do you put into Twitter on a daily basis?

**Aleksandr:**  A lot. So there's, there are two parts. One part is actually creating content.

I tried different strategies. So I tried to posting a few times a day and it takes a lot of time to be honest, because I don't want to create, crappy content. I have to think about it and like review it. And it takes a lot of time. It will take probably like few hours a day, maybe three hours a day.

But then I, I thought it would the strategy it's not actually growing But there are some tweets that are better and, you know, thought through, I put putting like more time and more thought on this that would actually move the needle. And every good tweet would add, like from 500 to 1000, followers and a lot of attention.

So right now we decided to work on just on, bigger. Content pieces like bigger threats [00:19:00] But it's not the biggest part of my time that I spent at Twitter. So when you post something and it gets attention, you get a very much addicted to seeing, if it's, if it's doing well, if someone replied, who's the new person who followed you and research them and he takes a lot of time, it's very addictive.

You don't feel well after this, but yeah.

**Cody:** It makes you feel good in the moment.

**Aleksandr:** Yeah. But like at the end of the day, are you like. Crap. Like I spent, like, I don't know, five hours on Twitter, just looking at it. and it's, it's not a good feeling when you have Euro coworkings trying to hire as quickly as possible or to develop strategies or, you know, like scale supply, like you were sitting on Twitter.

I haven't changed my, Title on LinkedIn that I'm right now I'm I'm chief Twitter officer in lemon data.

**Cody:**  So you're in the business of matching people with freelancers who have a range of skill sets. Have you ever thought of finding somebody who could more or less you can outsource your Twitter too?

**Aleksandr:** I don't think I want to outsource Twitter for a few [00:20:00] reasons. I think that, Being authentic is something that people respect and the social media marketing manager can not do that. They cannot be on top of things. Also, I built Twitter the way that I also consume information and, I don't read any media, almost any media.

But, I spent like half an hour on Twitter and Twitter shows me the highlights of the day. And, it's a good source of information. So I put, I'd met a little bubble of people I want to follow. And a lot of things are happening in DMS. And, I don't think it would be able to outsource the thing.

The thing I want to do is to just train myself, not to look into. The lights and the response and the kind of end the number of views and, you know, ect..

**Cody:** Are there any specific observations you've been able to make that would help ensure the tweets that you make are more successful?

**Aleksandr:** Yeah, I'm, I'm experimenting a lot, like, especially with the types of, content and what I saw that there are three types of [00:21:00] content that people.

Respond to and, try help you distributed. First of all, it's drama drama, while people love drama, like a Twitter about like how we gave up 17% of, our equity too, for just 60 K and like how stupid we were. And this got like, I don't know, 1000 likes and 500 half a million views. the second type of content is cheering.

People love cheering. If you say yeah, I'm winning, helped me celebrate this or whatever. I mean, in different words. But if you ask for cheering, people will cheer and I think two weeks ago, or last week, I wrote that like, there's a 1 billion company who wants to work with us and the way they found us is their investors are following me on Twitter.

And they actually referred this company to us. And this guy likes so much attention. Like, I didn't know, I just put it around them to it. So people love cheering. Like every time when I write that yeah we did this milestone that, you know, it feels so good. People cheer a lot. People love like winning [00:22:00] stories and cheering is great.

And the third one is when you give a generic advice. So I had a few tweets about hiring, how I think about hiring nothing was generic. You could go and take the first Google search result of the, where it says 15 tips of how to hire, uh, an employee, whatever.

Right. I didn't do that. I did like some less information, but something that is my experience and, maybe people would re relate. And this is like one of the best tweets, one of the twins that did the best result. I wrote, threads about like how I think about copywriting and what kind of mistakes I've done in my previous companies and also in this company.

Uh, so people do respond , to knowledge, jobs like that. Hmm.

**Cody:** Okay. So I want to get into asking you some questions about some of these tweet threads that you posted in the past. So I've got a lot of questions, so let's try and get through them as quickly as possible. So the first question I want to ask [00:23:00] is, do you believe that there should be a dollar limit that you should really set yourself to when deciding to purchase a domain name for your business?

Where do you think the value should lie? Whether you're choosing a domain name and the money that you're spending towards that domain name, which could obviously go to better use. In terms of building a product, I guess it would depend partly on how much money you have to spend.

And I think that's, that's an obvious variable we can't really account for. But in terms of the value proposition of how much should you devote of your budget towards buying a domain name?

**Aleksandr:** Right. I think, everyone has to think for themselves

like, um, for us, we thought that brand is very important for us. So we went into short name and we didn't want to like have long domain name.

It cost us, I think 2,626, $7. It was pricey for us back then, but, we thought it's very important for us, but there are a lot of businesses where it's, not important and. I [00:24:00] wouldn't waste time on this. If it branding and the name is very important for you do it.

**Cody:**

So w why did you decide to buy it.io? Because when I've mentioned your product to others, and even in our conversations, I always refer to your company as lemon.io. You know, I don't say lemon. And so is that, was that intentional, because I think there there's this association with the.io is that it sort of becomes part of your brand.

What was that? Something you thought about?

**Aleksandr:**  No, it's not intentional. We couldn't, you couldn't afford, limited comment, I think will cost us like half a million dollars to buy it maybe less, but it's still like, it was ridiculous back then. Maybe we'll purchase this in the future. I don't know. But, lemon that IO and we use Dell limited at IO, just because we want to people remember the domain name.

**Cody:** Well, it definitely seems to work. I remember it along with top talent.

**Aleksandr:**  Also, sometimes we say lemon IO without, without debt and lemon IO is also an I that is in our logo. Hmm. Okay, cool.

**Cody:** So I want to [00:25:00] ask as well is in one of your tweets, you said that there was that there's never been a better time to be an entrepreneur.

What do you mean by that?

**Aleksandr:**  Look right now, like there's so much information that was not available back then. You don't need to go and do the MBA right now. You have to just go to, I don't know why see YouTube or, Intercom blog and a few other places where you can get so much information that is free.

Available very easy to consume and you can learn how to build a company. You have to just put an effort before that all the information was behind books, or universities or like lectures right now. Everything is online. You can get any knowledge you need. And also like people are more open about.

Like sharing their journey. So you can surround yourself with peers or be on Twitter and read those people and just, understand how to build a company. Also, the capital is available and there is more capital than there ever was and there are so many ways right now to fund your company.

Like [00:26:00] before that getting a line of credit was, was ridiculous. It was, it was crazy hard to get, There was only venture money and there were very few angels right now. Like every other person wants to be an angel.

They want to give, you know, throw money at you. It's much easier to get VC money. If you don't want to dilute the risk, like things like pipe that offer you money.

And doing business right now is much, much cheaper. You don't have to buy service like you used to, right? You have AWS. You don't need a big, big service, you can go to, I don't know, go, daddy, don't go to the GoDaddy, but like go to HostGator or something like that.

So the tools are so cheap, so it's, it's very cheap to run business right now.

**Cody:**  And so simultaneously we have more ways to fund there's more knowledge, free information available on the web, and it's cheaper to build a business than ever.

But on the flip end, the market because of those variables, the market is just so crowded that it's really hard to even think of an idea that is not already tapped out. By a bunch of other people or other [00:27:00] businesses that are already well, much more established. And that's why right now we have huge, huge companies like Google.

And there was a whole Google versus Oracle lawsuit that just happened. But you have Google, Apple, you have these huge tech companies. And even, even Amazon, like Amazon has grown around their small businesses that, that put their product on the platform. Right. But then Amazon has been using that data to find out what are the best products that we can create for cheaper and basically destroying the small businesses that were selling initially on their platform.

So it seems like the big companies are getting bigger by eating up these smaller companies. And even in, even if you're exclusively in the SAS, the software as a service, Space. It seems more difficult than ever to find a specific niche that's not already been taken. Do what do you say to that? Like to somebody who's wanting to start a business, but they can't think of an idea that hasn't been done already.

**Aleksandr:**  But how come there is, like every day [00:28:00] there is a new company who is a unicorn, right? There are still companies that, you know, clubhouse didn't exist a year ago. There was Amazon that tried to squeeze, other e-commerce businesses.

And there was Google who were purchasing like crazy those businesses. And most of them they're actually killing most of them, but it is right now. It was true. 10 years ago it was true. Like 50 years ago, we just didn't have Internet or this cloud or whatever, you know, new things are happening.

So the more things are opening, the more things are available, like in 10 years it will be the same situation. there will be big companies who will be harder to compete with, but the same, there will be more things you can build on,

slack was purchased for $26 billion. That is crazy. Right? Right. It's it's happening all the time. All the time. It seems that right now it is so crowded, but it was true. Also 10 years ago, it was also crowded. We just had less things to build on top of, you know, more things, open more things, available.

**Cody:** And so a lot more people [00:29:00] today that are trying to become entrepreneurs, but just like how you started out is that you were a non-technical founder. so with your company, lemon IO, you're trying to help bridge this gap of helping people find developers that are knowledgeable and vetted, and then have them work with those people to actually build their products.

Do you see that as a potential roadblock, , in terms of say somebody wanting to start a business, do you think they should learn how to code? Do you think it's irrelevant today? And that they can just hire a developer through your platform and everything's going to be okay. Like, what are those, some of the potential pitfalls and roadblocks that a non-technical person might encounter trying to build it.

**Aleksandr:** It depends on what kind of company that we want to build. If they want to build a. I dunno, something simpler. They can use no code, no code is amazing. Right? It's something that didn't exist also few years ago now. Like anyone can go, there's a company called

squared away. So the build their whole system on no code . So they build [00:30:00] their backend and basically a better version of Google doc. Right? Hm. That's crazy. The whole business. It's a, it's a, it's a big business and it's growing and it's amazing. It's profitable, right?

So there are so many things build on no code, that, you know, for some, it depends on the project. For some things you can cope with, uh, with no coat, for some things you need to hire a developer.

I don't know how productive is it to learn code, but it's also a way, I mean, it depends it very much. It depends on what you want to build. There are so many indie hackers who just started from scratch learning code and became coders. My friend is like that. He was not a coder. he actually worked in the fund and then he decided he wants to built his own micro projects.

So now he, he learned how to code and, builds, apps on top of, Google suite. So it's, it's also way, uh, it depends on what kind of product you want to be able to and what kind of company you want to build.

If you want to build a company that scales. Pretty fast. I don't think it's productive to learn how to code. It's, it's better to find a [00:31:00] co-founder or to hire a developer. But if you want to do like in the hacking or small something small to just build a cash cow, maybe it would make sense to, to try to learn the code.

**Cody:** But, but also let's not forget that even the no-code platforms can be fairly complex and they do take time to learn how to use.

**Aleksandr:**  There are different low-code no-code tools. There is bubble that is more complex and there is, I don't know, I learned to do WordPress site to build a WordPress site for myself.

I don't know, engineering, anything about engineering. And I think if I could learn WordPress, anyone could learn Coda.

**Cody:** Hmm. So have you learned code and the years that you started lemon?

**Aleksandr:** No. I mean, I understand a lot about engineering, but, but as a more as a product manager than a coder.

So how

**Cody:** did you come up with the testing necessary to vet the developers on your platform? If you yourself don't know how to code.

**Aleksandr:** Yeah, I I'm a hustler. So I [00:32:00] had to scheme, I knew a few developers and I made them to work for me not to work for me, but to do freelance work for me. And then whenever it was not enough, I asked them to bring more people they trust.

So I just build myself a person. I made everyone to bring them up more people they trust. So at the beginning it was vetting by my network. then I actually hired the person to do vetting for me.

**Cody:**  Yeah, that, that's how it works. Right? You figure out a process, a system, you get somebody to handle it.

And for the most part, you're golden, as long as they're doing their job, right.

**Aleksandr:** It's fake it until you make it. And, I did fake it and whenever I was wrong, I had to pay it back. I had to, you know, fix things and sometimes I had to do a refund. Sometimes I had to just, find developer to fix everything.

**Cody:**  So then how many developers do you have now on, on lemon?

**Aleksandr:** We have freelancers. And also we have small dev shops we'll work with so freelances. We have like 3,200, and also we have over 200, small dev shops.

We don't work with [00:33:00] all of them, but this is what we have on file.

**Cody:**  And, and these are all developers and agencies that you vetted to some extent, right?

**Aleksandr:**  Yep.

**Cody:** And so what do you charge on top of what they would charge and what makes that worth paying?

**Aleksandr:**  We add a small fee , on top of the rate that the engineer wants to make, you have to understand that with every developer that client hires, there are, at least 90 developers that didn't make it to him or her. Right. So we turned down so many profiles. At the beginning. And then through the vetting process, we turned on so many people and we spent so much time on first acquiring them so much time and money on acquiring them and then putting them through the vetting process.

So we actually pay people to do the vetting, to do technical interviews and tests and everything. so behind the small fee that we take during all the time, they're the work. We trying to, first of all, pay ourselves back for the, all the vetting and acquiring that we did. [00:34:00] And also try to earn a little bit more, but unfortunately at some point clients think like why I'm still paying this company.

But they forget that they didn't pay every curing a recruiting fee at the beginning, because if it would be a regular stuff agency, what do they charge? Like 30% of a yearly salary, something like that. It's a huge chunk of money right away. Like on the entrance, when you hire a person, you have to pay an agency.

Findings fees is, is pretty huge so that they don't pay this at the beginning. And we say, okay, we're going to take small fee through the lifetime working with us. And some, sometimes clients lose this understanding, like how valuable, because they got their value at the beginning because they actually hired the person.

And through the time they actually it's true. Like, like how would they feel like, okay, I got already all my value. Like why do you have to keep still paying to this company? Because they don't bring you value every month. Right. They don't hire the same person. But in reality, like they didn't pay this fee at the beginning, the huge [00:35:00] finder's fee.

**Cody:** Yeah, I imagine that's going to be a problem that you're going to have to reinvent how to solve for as long as you guys remain in existence.

**Aleksandr:** It's not a huge problem.

Uh, actually to

be honest, because we're working with early-stage startups, they don't have time to think about this. They just so happy that they found the right person and they will not be screwed over that. They have just, they can just forget about warning, if this person in good or not, or going through.

Going through hiring is also held for them. If they don't go to platforms like us, they have to go somewhere, gather all the candidates, spend time with each candidate, make sure that they do the test and the interview, that interview and a few interviews, right with us. Everyone is pre vetted, they just have to come in and to make sure that.

You know, our vetting process, align and they want to do their own test, but it's, 5% of what they would do if they would go and hire, just from job boards or something.

**Cody:**  And so you're based in Eastern Europe, I would imagine the majority of your developers are potentially [00:36:00] in Europe somewhere.

And I would imagine as well, you probably have some developers in the U S. Around the world, right? Like what, what percentage of your freelancers and where are they located?

**Aleksandr:**  About 95% of the engineers on the Ukraine. Right now, there are some that are not in Ukraine, but, mostly they're Ukrainian somewhere outside of Ukraine.

we started with this market because it was easier for us, but it's also becoming a problem for us right now because there's a lot of, demand and very little supply on the market.

So we are expanding to other countries like Romania and Bulgaria they're actually, you know, might be even easier to work with. And also after that, we'll probably go to, Latin America and then to the rest of the world.

**Cody:** Do you have any opinion on when comparing the price versus the overall quality that you can expect to get from developers from different nations, like, do you think that the U S developers are just always going to be overpriced versus the quality that you can get from the Ukraine or what have you?

**Aleksandr:** I think that the quality doesn't [00:37:00] depend on location. You can find good developer everywhere in bed developer, like everywhere. The price depends on the cost of living and, the cost of living in Ukraine is pretty low, but the market is overheated.

So the prices are kind of expensive. Right kind of high. Like if you go to India, I think the cost of living is even lower. If you go to, I don't know, Nigeria, the cost of living is also low. That's why they develop a rates will be different.

**Cody:** So I want to jump. And so you have a goal of having 10 million GMV and so GMV is gross merchandise value. And as Google defines it, the total value of merchandise sold over a given period of time through a customer to customer exchange. And so I imagine that you're trying to reach 10 million. That your customers give to developers on your platform by the end of the year.

Right. And then have 2.5 million in revenue that you guys end up [00:38:00] collecting by the end of 2021.

**Aleksandr:**  Yeah. If we'll keep the same, uh, if Uber good with the same business model. Yeah.

**Cody:** And so what are the variables that are going to allow you to achieve that? Like, what are the growth strategies? Is it, I guess it's basically you, you have your Twitter, you're heavily investing your time into that.

What are other areas that you guys are looking at that are going to help you achieve these metrics?

**Aleksandr:**  Right now, our focus is on supply side. So we're trying to scale supply. And it's really hard. Like before that, I thought the demand is hard when we figure out demand supply is 10 X harder.

And there are a lot of people who agree, and I didn't know that before it's so amazing that when you work on a project, you're so much tip in this thing you're doing that. It's hard to see, and to think like straight. So supply side is harder and if you're building from scratch, I make sure that you concentrate on supply and try to make, suppliers as the best supply.

And if you have the best supply demand will, will come much [00:39:00] easier rather than building demand. And then trying to run for supply it's a wrong game. That's all we did. Right now, if we figure out supply, we can do, I think it leads to X on GMV within like a couple of months, because we have, much more requests than we can handle.

And we have to just say no to a lot of requests that we get, where we're getting. Also I see an opportunity to, on, of, uh, adding, New features like we're thinking, adding a CTO is a service that also can be a revenue driver. Other thing is you said that, I have Twitter, but I hope that my Twitter will not be a, gross channel because I don't want this to depend on just Twitter.

We used to have this situation where we had. Like one channel bringing majority of leads. And this is a horrible situation because you can asleep. What have they blocked me on Twitter or whatever, you know, something happens or what if I say something stupid and people just cancel me.

So we're trying to win a lot of channels and, you know, put a [00:40:00] small stakes in those channels. We are experiencing a lot of with the SEO, but also SEO is platform dependent. So we cannot rely more than 10% on SEO, in the singles for like every platform.

One thing that we're bidding on and we hope it will become a huge factor is actually two things. One is brand. So we hope that brand is, strong that we'll have people, knowing about us and B you know, their awareness will help us become the top of mind.

And the second thing is referrals. So we want to build a network of referrals. So this is actually why I'm building a Twitter that I can be known in the community of entrepreneurs and investors. And they will just know enough of me. So when someone comes for advice, like where to find engineers, that will just refer people to us.

**Cody:** Hmm. on that note, I think we're at a time I loved your Twitter. I'm going to keep on following you on Twitter. If you guys aren't following Alexander, go to [00:41:00] twitter.com/volo, Derrick V O L O D a R I K. It's definitely worth following to see how Alexander and the lemon IO team grow. And hopefully they achieve their revenue goal of 2.5 million by the end of 2021.

So Alexander, thank you for being on the show. I wish you make it. Yeah, it was a pleasure. Thank you.

[00:42:00]