

Driving Innovation, Creating Momentum

Speaker: Melissa Waters, Vice President of Marketing of Lyft

Interviewer: Phil Kim, Associate Professor of Entrepreneurship at Babson College

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Transcript:

All right. So, hello everyone. Once again, my name is Phil Kim and I will help guide this conversation today with our special guest, Melissa Waters. So thank you very much for joining us today.

Melissa Waters: Thank you for having me.

Dr. Phillip Kim: So today, we're going to talk about a number of topics related to Melissa's career and where she works, currently at Lyft, and the industry in which Lyft operates. And then some lessons learned about all of these things that she's experienced in a career, with the hopes that the ideas that come out of this conversation will be beneficial to you and to spur more conversation amongst yourselves and in the places where you work.

So I'd like to just get started by getting to know you, and allowing us to get to know you a little bit and to learn about your personal journey and your career arc. I thought it'd be helpful to read just a little snippet of what Melissa has on her LinkedIn profile, because I think it captures a lot of the cool experiences that she's had throughout her career.

And so, she said she's "An accomplished marketing executive with over 15 years of experience in high-growth businesses. Passionate about building brands, creating ground-breaking campaigns, investing in high-functioning teams, and driving

successful cross-functional collaborations." She's "an entrepreneurial leader," she "likes to sit at the intersection of macro and micro, and balancing strategic vision with flawless execution." And most importantly, she "likes to thrive in a dynamic environment, and loves facing new challenges."

And so with that as a tee-up, we'd love to learn about some highlights about your career and how you were able to experience all these things that you describe in your profile and what I've just read to the audience.

Melissa Waters:

Yeah, yeah. Happy to give you a little bit of an overview which I think tells kind of a meandering and interesting story, which I'm sure many of you experience. We often times start our careers thinking that it's going to be a straight line, start our lives thinking it's going to be a straight line, and the beauty of this is actually that it's not, and it sometimes is a little bit of a ping-pong approach. I've always guided my decisions based on a couple of things: one, am I passionate about what I'm doing? And two, am I working with people that I want to get up every day and work with? I started my career, actually, coming out of undergrad, spending my early 20s in nonprofit management. And I liken, actually, that world of nonprofit management to the world of entrepreneurship because you learn very early on that you have big challenges, a lot to accomplish, and very few resources by which to do so. So I spent those early years doing a number of nonprofit management roles, and made a decision to go to business school in order to really move into a corporate marketing role, and knew that going in.

And in the Babson program, we joke that I showed up that first day at school and showed up with my resume and I'm very type A and showed up with my list of target companies. I was very organized about what I wanted to do, coming out of the program, and basically spent two years on a hunt for a really great either marketing rotational program or a business rotational program, thinking that that'd be a great stepping stone coming out of nonprofit management, going into business school, and coming out kind of with a post-doc, if you will.

And like all great best-laid plans, I went through business school very organized and

got my rotational program and got it all done, signed paperwork and yay for me, I did the thing I set out to accomplish. And three weeks before I graduated from business school, my husband got his dream job in the Bay Area. So best-laid plans got thrown out the window, I quit the job before I ever started, I sold the house, moved across the country, he left immediately so I was doing all this by myself, and in the midst of all of that, in 2007, found out I was pregnant.

So, in the layers of all of those challenges, I show up in the Bay Area. I know no one. My husband is deep into his new job. I see him maybe a few minutes a day. I have to figure out what I'm going to do next with my life. I'm a big networker, so I start networking my way through the Bay Area. And I'm one of those people that the moment that I become pregnant, I'm immediately enormous. So I went on every job interview just bigger and bigger and bigger. Let's put it this way: my mother-in-law said to me, I was very few weeks pregnant, and she was like, "You're pregnant." Like, I get big very fast, so I go on these job interviews in the Bay Area, and I went through five rounds at Apple, three rounds at Netflix, a number of rounds with a bunch of different companies, and every time I'd go back in, I was bigger and bigger and bigger. It was that kind of really awkward moment of, if you've [00:05:00] seen the movie Knocked Up, that moment where her boss is trying to negotiate with her about what they're going to do about the fact that she's pregnant and going to have to leave the job, and she's not giving away at all that she's pregnant? I had those moments in interviews. It was pretty funny.

So I did 35 informational interviews in the Bay Area before I got employed. And I basically networked with anybody that I could. Ultimately landed in a CPG company, which was great, kind of the other option for post-doc marketing, to go in a CPG company to learn the true ropes of how to build a brand. Was in a CPG organization in the Bay Area, which if any of you are in CPG in the Bay Area, is kind of a funny juxtaposition of being in a relatively traditional industry inside of a Bay Area environment that is full of technology and entrepreneurship. So it was kind of an interesting blend where you have this moment where you're like, "Do I want to be in CPG in San Francisco, or do I actually more want to be in tech?" My husband was a tech reporter at the time. I find myself very much gravitating towards tech.

I switched over to working for Flip Video in two thousand ... gosh, what was it? Nine? Ten? Something like that? Went to work for them, and then was nine months pregnant with my second kid, and Flip closed. So I've gone through quite interesting moments of, "Wow." Husband wakes me up at 5:30 one morning and says, "You need to get up 'cause your business is closed." Again, nine months pregnant like, "Okay, another transition. Got to figure out how to get through this one." And then I landed at Pandora, spent five years there. Was on maternity leave last summer, interviewing for roles, and I showed up at Lyft in October coming off my third maternity leave. So I've had an interesting blend of every single time I made a job change, it happens to correspond with being pregnant and having a baby. So I'm a pro at this point. I'm not having any more kids. But I'm a pro at this point of juggling both a lot of change in life with a lot of change in business all at the same time. So I'm kind of one of those people you can throw anything at me and I'm battle-tested at this point.

Dr. Phillip Kim: Great. So that's quite a remarkable arc, so glad that you described, and you haven't hit your full stride yet, I imagine.

Melissa Waters: I hope not.

Dr. Phillip Kim: And so before we go on, I wanted to kind of cycle back just a few clicks and talk about your Babson experience since I'm a professor at Babson, you're an alum, we have quite a few students and alums here in the audience. I was wondering if you can talk about maybe a fond memory or lesson that you learned at Babson that was applicable to your many transitions and your current work at Lyft.

Melissa Waters: Yeah, a few big things for me are really poignant about my experience at Babson. One, I'll just say that I had an amazing experience there and I just loved the staff and the professors and my colleagues and other students because everybody was so caring and it's such a small community, I think. I'm sure you really appreciate that, being a professor there. It is not a campus where there's just thousands and thousands of people and you feel lost in the sea, which is one of the main reasons I chose it. So I think it's just a remarkable place. But the big themes that I took away

from my experience there that I still use today are really being comfortable with ambiguity and being comfortable with discomfort, basically, kind of finding that right place around ... I say to myself all the time that if I'm not a little bit uncomfortable, then it means I'm not learning and I'm not growing, I'm not stretching in some way. And I don't like that. So I like that ambiguity and discomfort.

The other piece that I really took away from Babson and so appreciate about the style of learning was always approaching things from an interdisciplinary and multi-disciplinary approach. So I enter every conversation, obviously as a marketer, but I enter it as a businessperson. And I think that Babson uniquely prepares you to do that because the approach of the way the professors teach and are designing the course and the curricula is really to think holistically, think 360 instead of thinking in your silos and then having it be on the student to have to bring those all together. The professors really approach it in a multi-disciplinary way. So comfort with ambiguity and interdisciplinary thinking are two of the things I still use every day.

Dr. Phillip Kim:

That's great. That's great. And I'm glad to hear those themes come out, because certainly as faculty, we want to encourage that in our curriculum and have our students practice that in our coursework and actually use it after they graduate because we know that it's ingrained in what we do on a daily basis. So I'm glad to hear that.

So I also want to talk a little bit about motherhood and being an executive and how you're able to handle all of the challenges that go with those kinds of situations. I appreciate that you're so willing to share about those situations in your life and the transitions that you've experienced. And so when we were talking before the session started, you said today was Take Your Children to Work Day at Lyft, and so this hopefully is a topic that is top-of-mind for you and I'd love to hear a little bit more about [00:10:30] how you're able to juggle all this and any advice that you would have for moms or dads with young children and how to balance all of that.

Melissa Waters:

Yeah. I'm sure many of you know and you experience this yourselves, it's not an easy thing to do every day. It's tricky and there are all sorts of challenges. I think that one, I

believe that it's about- kind of as I said before- about the way I've chosen the career path, has been very much, "Am I challenged? Do I love this problem? Do I want to go solve it? And do I want to work with people that I work with on this problem?" And so I kind of equate the same thing to how I think about balancing and juggling- I don't think there's ever balance, but juggling being a working mother. I think a lot of is the choice I've made in my partner, my husband being incredibly supportive and somebody who, when I feel down about can I do all of this, he's the first person to lift me back up. So there's that. And the supportive family I have.

But I've always had bosses who have been very supportive of me being a working mother. And I think that that's really critical and it's something that I have now passed down and taken on as a responsibility of being the boss of a department, which is really new for me. So I worked for the same guy for seven years between Flip and Pandora, and he always said to me, "You're a mom first. You're a human first. And you're obviously here as a marketer in these companies, but you're a mom first and you're a human first. So do what you need to do to get your work done. Organize your life however you need to organize it." And the thing about that is that when you respect people who work for you, I find that they step up in ways that ...

When you have tremendous respect for your employees, they step up in ways that even can surprise you. And so I worked harder for him than I probably would have worked for anyone who approached me differently. So I try to take that same approach with my employees and my staff and say, "Listen. We have really high expectations. I'm totally aware of that. And we, often times, especially in the start-up environment, have timelines that are incredibly aggressive and that require tremendous amount of commitment from you. Yet at the same time, I'm going to approach this as you needing to do what you need to do to get that done, and be flexible around that." And so, I find that my staff show up and my employees show up and deliver in ways that demonstrate that commitment between us.

And so I'm a big believer, actually, in hiring working parents and working mothers because we are, by far, the most efficient humans on the planet. I can get more done in a day than ... When I see people chatting about various things, I'm like, "I got stuff

to do. We can do this in two minutes." Everything is on a really tight timeline, all about efficiency, and I also time-shift a lot of my work in order to go home and have evening time with my kids so I can see them. I have a one-year-old daughter who just turned one two days ago. I have a nine-year-old, a six-year-old, and a one-year-old. So my big kids are wanting me to come to school programs. I volunteered in my six-year-old daughter's class this week and then reserved some morning time on Tuesday of this week to be home for my daughter's first birthday. So how I find pockets of time to do the things that make me feel like I can walk out the door and be a whole human being at work are things that the people I've always worked for have said that, "That's okay. Do that. Do whatever it takes for you to be a human being and show up in a way that's going to make you feel whole at work."

I feel incredibly lucky at Lyft that it is an intense environment, I'm not going to lie. It's a late-stage start-up. It's a very, very intense and competitive environment. However, we have this enormous sign, and it's one of our core principles. We have an enormous sign that greets you when you walk in that says, "Be yourself." And that, to me, says a huge amount about the way the company treats its people. And I certainly treat my team that way too, which is, you have to be your whole self at work or otherwise you're not going to be as productive as you could possibly be. So if we can treat you as a whole person and you can bring your whole self to work, then we know that's going to have great outcomes for not only the individual employee, but the company as a whole.

Dr. Phillip Kim: Great. Thank you. Thank you for sharing.

[00:15:00] So I'd like to now transition the conversation to some macro themes about the industry. And to do that, I wanted to ask the audience a quick question: how many of you use a ride-sharing service at least once a day? A couple times a week? At least once a week? All right. So we have an increasing number of hands going up with those three questions. A statistic that I found quite interesting is that only 15% of Americans have tried ride-sharing, and so obviously we have somewhat of a biased audience here in the Bay Area, but it's an industry that's still in its early stages.

Melissa Waters: 0.4% of miles driven on the road today are from ride-sharing. So if you think about the entire market upside and the potential of this category, it's massive. And we are so accustomed, I think, in the Bay Area especially, to believe that this is just the way it's always been, and I'm so struck by the fact that Lyft is not even five years old yet. So we're really early, early, early days in this category.

Dr. Phillip Kim: So maybe we can just start with a general question: what do you think the opportunities are in this category and this industry, the ride-sharing industry, for companies like Lyft?

Melissa Waters: Well, our ultimate vision and hope and dream and what we work on every day is to ultimately change the way cities are constructed. So, cities today are built around making cars able to be driven through cities and around cities, and accounting for how we take care of cars. So the number of parking garages that we have, the number of streets that have parking spaces, everything is designed around how we move cars. And ultimately, what we are trying to do is build a future in which cities are designed around people.

So if you take that construct and just for a moment, think about the way our streets are designed, the way buildings are designed, and the way cities are designed, if you were to take a clean slate and say, "How would we design this if parking were not an issue, if traffic were not an issue and in fact, we were just trying to maximize for mobility? What would cars look like and what would cities look like?" And we have a vision that someday, cars are rooms on wheels, that they are not, in fact, designed the way that we currently have them designed, and that cities are not designed to park cars. So when you get to that kind of very big, heady, macro space it feels so far out there, but the truth is that I think the rate of innovation is going to be such that that's not going to feel so super far away in the next few years.

So when we think about that, we start today with the fact that we're building this network. We're building a transportation network. And Lyft is a ride-sharing company, and ride-sharing is a category as building a network of how people move in this country and other countries. And you can see how on top of that gets layered then

how do you bring efficiency to this system. And so we are four and a half, five years into this. We have grand plans and we have a lot of thoughts around how we can change the future of cities. And today, we are focused on really building the right network within the U.S.

Dr. Phillip Kim: So you mentioned the possibilities of new technologies entering into the transportation space. What are some of those technologies that you think will either enable you to accomplish your vision of restructuring the cities and how people move around, as well as challenges that you'll have to contend with?

Melissa Waters: Yeah. Well, the challenges are long. This is not an easy thing we're talking about, a category that is like air, it affects everybody. And really, when you get into it, it's very, very layered in the origin of how we built this country. And so it's just really layered with all sorts of things, policy and economics and socio-economic components. So it's complex.

[00:19:30] From the technology standpoint, everyone- obviously I'm sure you guys read papers daily in this category, it's just fascinating to watch- every major company is getting into this industry to try to understand how their businesses will ultimately be affected by this and how to position themselves to compete in this way. But the way we move is a business that not just affects humans and people and [00:20:00] our transit from getting from point A to point B, but how we move goods and how we move services. And so it's going to have massive implications. The layers of technology today that we think about are the actual hardware in the cars and automobiles and the way that they're designed, and we think about the brains of the A.I. that helps a car autonomously operate, and then the network with which those two things do operate.

So those are the three components of the world of autonomous vehicles or self-driving vehicles, and there are many companies playing in all three of those spaces. So it's this perfect co-op-etition that is happening in the category right now as all of those players converge and try to figure out what their position is. So lots of technology to watch, lots of business objectives to watch, and lots of, then of course,

the layers of ramifications around policy and structural changes that will fall out of that too.

Dr. Phillip Kim: So this sounds like a very dynamic industry to compete in and to try to operate and to grow a business. In the audience, I know we have a strategy professor. I'm wondering if you can think about strategy for a second. What are some themes that go through the minds of leaders like yourself, running ride-sharing companies? What are some topics that you'll have to contend with so that your company can actually grow and succeed and be around in several years when these new technologies are going to come on and become more mature and available?

Melissa Waters: Yeah. I would say that between friends here, that's one of my biggest observations coming in this category, is that you have to actually operate at polar ends of the spectrum every day. And what I mean by that is that ride-sharing today, our current business, is so much about how do we balance a marketplace everyday on a really micro level. So our business is making sure there are enough drivers at a moment that a person is calling for a car in every single market across the United States. So as busy as San Francisco and New York might be, as infrequent as a ride might be in Boise. And solving for market-balancing in every different space that that plays out on a daily basis for millions of people is an operations phenomena, honestly.

And at the same time that we're running a business doing that, we have this enormous layer of challenge around where this category is going with all those things I listed before, which are these macro, heady, massive questions. And so how do you responsibly take care of a micro market-balancing business at the same time that you play in something that is so future and obtuse and difficult to think about? So that, I think, is the core challenge, is that we happen to be in a category that is not a category that asks you to stop at ... some categories, I'm going back to my CPG days, asks you to stop at, "We've put the product on the shelf, and now we just need to sell the product." So some categories that you work in, there's a relative end-point that you can kind of see how the cycle goes and it's not asking you to flex up to this really totally different dynamic that might be coming. This one is not that. This category is, how do you operate on a micro level and also plan for a distant future at the same

time? And so that is truly a challenge when you're running a start-up that has to be capitalized, that has to be supported in its growth, to do two businesses at one time, essentially.

Dr. Phillip Kim: So it sounds like, rather than having a company that's static, it's a company that's evolving, and it's almost a case study that's continuing with new chapters written on a daily basis. And so maybe we can use that as a segue to talk more specifically about Lyft now and your role at Lyft. Lyft was founded in 2012 and recently, it raised another 600 million dollars. Is that a Series G, I believe?

Melissa Waters: I think so, yeah. Many series.

Dr. Phillip Kim: Many series. And post-evaluation upwards of seven, seven and a half billion dollars. And so it's a high-growth business with lots of anticipation among investors to accomplish financial targets and succeed. So with all that, at the same time, Lyft is a company with a set of core values, a vision that you nicely shared with us a few minutes ago. I'm wondering if you could talk about balancing the two, that you have these financial targets that investors are looking to achieve and that the company wants to deliver, but at the same time, trying to stay true to its core mission and core values that the founders had in mind when they launched the business.

Melissa Waters: Well, I think that like most start-ups, you're pretty close to the people who built the business and the founders have a tremendous impact on the DNA of a company [00:25:30] at this stage, when you're only a handful of years old. And the beauty of Lyft is that because they're our co-founders and they're two people, we get the wonderful elements of two humans coming into this company. So Logan is the kind of technology, what I would call the "head side" of our business, which is, he really designed and built the product from a product and engineering perspective, and John comes from a background in hospitality and a commitment to treating people really well when we do operate. And so the combination of building the right product and offering it in the right way is in fact, the magic and beauty and intersection of Lyft.

And so when we operate every day- as I mentioned before, we're in a highly

competitive category, it's a really intense start-up, all those great things- we still approach our business, as we did in the early days, with a deep, deep commitment to treating our constituents really well. So John and Logan used to interview all the drivers on the platform when we first started. I mean, literally got in the cars with them and interviewed them and made sure that they felt comfortable and safe and all those great things and onboarded them, hand-held them through the process and onboarded them. Deep care for our driver population. And that's still, even though we are by far, well, well, well past that in scaling, well beyond that being feasible, that DNA and that legacy has been part of who we are. And we take that same care to our passenger experience, and we take that same care to our employees.

So as I mentioned before, being a values-driven company, there are some core values that we have. One is "be yourself," two is "make it happen," which is this- talking about entrepreneurship, I would say that we have a true, palpable commitment to try to not ever be a bureaucratic big company. That's hard to do when you're actually 1600 people and you are becoming a bureaucratic big company, but we are trying very hard to hang on to our entrepreneurial DNA. And so the "make it happen" core value is really empowering and emboldening everyone within the organization to feel as though they have the power to make change. So you are given permission to show up as yourself, show up and see white space and make change happen. So it is a very "bottoms up" entrepreneurial spirit organization, it is not a "tops down" organization. So that's very interesting. And then the third one is "uplift others." And that is, basically, how we work. So be yourself, make a lot of great things happen, but when you do it, in the process, make sure you uplift others.

And so it sets a tone of collaboration. It sets a tone of being mission-driven, and I find that mission-driven organizations that have a big, hairy, audacious goal and have everybody pointing at that goal, actually gets rid of a lot of the politics that you can sometimes feel in organizations because you're just focused on the goal and you're all about the work and less about the politics of how you get things done. And with the value of uplifting others, it's just the approach we take. So it's a place full of a lot of positive energy, I think, which makes it possible to do the things that we're trying to do. So yeah, I think we've always approached this as a lot to accomplish, but let's do

it in the right way and let's take care of our people and all of our constituents along the way as we do it.

Dr. Phillip Kim: Has there been a situation where you personally or the company itself faced a scenario where those values were threatened, and what was the response to that?

Melissa Waters: Sure, we face that a lot. We face it in really small ways around instances between people where we have to get involved. But the most public one that we've faced, which I'm sure some of you heard about, was the immigration ban and executive order work that happened earlier this year. The response we had, where we felt as though that threatened not only our employee community, but our driver population, we felt as though we needed to make a statement to our employees to let folks know we were supporting them. And we sent an internal email letting people know that we were going to be taking care of our employees who were faced with any challenges around this action, and that the founders felt so strongly about it that they made a commitment to making a million-dollar donation to the ACLU, which was something that happened between them in the wee hours of a morning after all this was happening. I was on the phone with John about it at 11 o'clock at night and we sent a 5 a.m. email or something. It was happening in real time and really originated out of the power of their perspective on the world and their bias for action and their ability to make a commitment that they felt so strongly about.

So we didn't spend a lot of time hemming and hawing about that. We made a values-driven decision very quickly because it was an easy one to make. So yeah, when we feel as though our values are threatened, we absolutely either have to stand up for them and reiterate them in a very public way, which that was to our employees, or do things on a daily basis to support our people, whether they're our drivers or passengers or our employees, who are faced with that all the time.

Dr. Phillip Kim: Great. So I'm going to use the analogy of a 24-hour clock for my next two questions. So the first question is: what does a typical day look like for you?

Melissa Waters: Typical day ... Usually my day, not to get all in the middle of my weeds, but I get up

and I spend the morning getting ready. I spend breakfast with my kids, which is kind of my one time that I see my little one. I go to work from ... I usually get to the office about 9, and I do calls on the way in. I live on the East Bay. And a couple nights a week, I work pretty late. And a couple nights a week, I try to go home at 6 and spend the evening with my kids. And then I'm back on and usually working till about 11:30. I try not to go past 11:30, but I work till about 11:30 and then I go to bed and start it all over again the next day.

Dr. Phillip Kim: And so what are some of the ...

Melissa Waters: And then my work day is filled with either 2-minute, 5-minute, 10-minute, 15-minute, 30-minute ... No, I'm just kidding. I am on a clock all day long, and usually 30-minute meetings, sometimes 15-minute meetings, I spend my entire day packed going from topic to topic to topic to topic. I oversee five different departments, and so it's quite a range of activity. And my anecdote on that, which on the personal side, I joke with my husband that vacation is only constituted when there is no clock. So my only definition of vacation is that there can be no sense of time, because I spend my entire day on a schedule and on a clock, so that my kind of side anecdote about vacation equals no clock, don't want to see a clock.

Dr. Phillip Kim: So it's a real privilege to have you for an hour, given the hectic schedule that...

Melissa Waters: I don't see any clocks in- Oh, no, there is one!

Dr. Phillip Kim: They're going to take that down. So if I can just probe a little bit, what are some of the topics that cross your desk and are a part of your conversation on a daily basis? Just to give us a glimpse of the dynamic pace that you're going through?

Melissa Waters: Yeah, absolutely. So maybe I'll start just by telling you the departments that I oversee. I oversee Brand Marketing, Product Marketing, our Creative Department, our Communications Department, and our Insights and Research Group. So those are the five groups inside of our Brand Marketing organization, and then I partner incredibly closely with our Growth and Engagement marketing team, which is our

Performance side of the house, and they sit in our growth organization. So I am in anything from agency meetings about advertising and media decisions to "This thing just hit on the comms front and we have to develop a response right now," or "This is a highly watched category, it's reported on every day." So a tremendous amount of comms work to overseeing a really big team and having to make decisions about personnel things, and so a lot of HR stuff to executive meetings where we're talking about everything outside of marketing, so having to come and represent marketing but be part of much bigger conversations around what we're doing on the Product side or Autonomous or just a myriad of different discussions, to... Gosh, let me think of some other ... I mean, I think that that's a lot, but that's probably just an eighth of what probably crosses my desks. That's an S, probably, for you.

Dr. Phillip Kim: That's a nice snapshot that you provided to us. So let me switch the clock to the night hours, and a question I like to ask senior executives and managers is, what keeps you up late at night? I know the night is short for you, given all the things that are happening in your life, but what are some of the topics that keep you and your colleagues up late at night in running the business?

Melissa Waters: Yeah. I try to have my days be very much conversations in which decisions can get made, and so I try not to spend my nights too, too much actually catching up on the things that have happened throughout the day. And then separate from just the work streams, stuff that has to get done and shipped and decisions that have to be made and email and all that kind of stuff, the stuff that keeps me up at night honestly is, "Are we thinking big enough? Are we thinking broad enough? Are we being too tactical? Is my team thinking big enough? How can I make sure that my team feels like they can be leaders rather than just executors?"

A lot of leadership, trying to pick myself up out of the weeds, and I find the quiet hours of the night or the quiet hours of the early morning to be the time in which I try [00:36:00] to take a step back from the grind of the email and the grind of meetings, and really ask myself some of the really tough business questions around whether or not we're thinking far enough afield. Because when you have worked for someone else whose job it is to stay up at night thinking about these things, it's easy to just be

the person executing. And when you're in the role of making sure that you're representing a broad discipline and a team, I'm trying on that new hat of making sure that I'm the one thinking far enough afield. So am I thinking around corners, am I thinking 6 months down the line, 12 months down the line, 18 months down the line to make sure that we're not just in today's tactics?

Dr. Phillip Kim: What you just described reminds me of a recent article in the New York Times that talked about what's called a Shultz hour, named after one of our former Secretaries of State, George Shultz, who asked his staff to [00:37:00] carve out at least one hour a week where no calls, no appointments, and he can just shut the door and think and reflect on the key issues and the big questions that face him and his department. And it sounds like you're trying to carve that time out throughout the day.

Melissa Waters: I am, I am. I want to mix that with another Times article I read that talked about how you can rewire your thinking by being outside in green space. And so I would like to combo that mission of carving out time, an hour [00:37:30] with, "Can I get outside and take a walk? Can I get out and see the sun a little bit and get outside of the interior of a building?" Because I do find that that's also really, really important to take a mental break. I think all of us can appreciate when you have a very, very deep groove worn around work, and getting out of that groove can help you reevaluate and rethink the way that you approach something.

Dr. Phillip Kim: Great. So I'm going to ask a few final questions before opening it up to the audience for your questions, so you can start thinking about what you would want to ask Melissa.

So at Babson, we want our students to embrace uncertainty and ambiguity, but we also want them to understand the process of failure, because through failure we believe that you can learn a number of lessons that you can't necessarily do without going through it. And so I'm wondering if you'd be willing to share an instance or two in your career where failure was clearly facing you, and how you had to cope and wrestle with those conditions so that you can learn and move on and become even better at what you do.

Melissa Waters: Yeah. Well, I'll talk about two. One is more of a macro, being part of a team in which a

business has closed. That wasn't me personally, but 500 of us having to say, "Wow, the thing that we've been working on is now shut down and it's over," is a very odd experience and one that you have to really wrestle with a lot of personal and professional questions around your identity when you go through something like that. I'm sure some of you have gone through similar situations. So that one was a big one, when Flip closed.

And then another experience: I was at Pandora for five years and built that team and had a lot of success there, but I remember an early project on running an ad campaign that did not perform the way that we had promised the board to the executive team to the marketing organization and didn't meet targets that we expected. And that, having run that project, I felt obviously a tremendous amount of responsibility for that. And the thing that I took away from it, I'm pretty hard on myself, as I think a lot of self-motivated people are, but the thing I took away from it was a feeling of, "There are seismic shifts happening in the world of media and advertising, and if I'm not thinking about where that's going and working on what I know to be historically true, then I'm not doing the right work here."

So it was this added pressure to ensure that not only am I a strategic marketer, but that I'm also getting really in the weeds on how media works these days and how I can do that better, which if any of you manage that, is something that changes on an hourly basis. So I've had plenty of failures in my career, and I do believe a lot in making sure that failure doesn't have to feel as though it is a negative thing. It can feel as though it's just a moment to re-up and re-calibrate into a new normal and find the lesson and pick yourself up. And I've had that on the personal side and the professional side, and I think being comfortable with ambiguity also comes with being comfortable with not knowing and feeling okay to fail.

Dr. Phillip Kim:

Great. So my last question to you is: if you can share one piece of advice with our audience about how they can become a change-maker or an innovator in their workplace or in their careers. Because clearly, you've been doing that in the different places where you've been working, and we'd love to hear what they can do.

Melissa Waters: Yeah, it's a great question. I think that I have always found ... I was actually having a conversation with somebody today that was saying, "What is your own internal imposter syndrome?" We all walk around with our inner voice that says, "Am I capable of this? Am I doing the right thing? Do I have all the answers?" And we were talking about that, and I was like, "Yeah, I think that's kind of the key to it, is that I feel okay with actually letting that fuel me and fire me instead of feeling like that's a detriment." So if you can take the thing that you doubt and turn that into fuel to make change in an organization, like, "We've never tried this before. I don't know if it's going to work. I have an idea, but I feel as though, and I'm passionate about it enough, that I want to go try," then I find that you can get a lot of respect in an organization by being willing to go out on a limb and try something rather than just playing it safe all the time.

Dr. Phillip Kim: Mm-hmm (affirmative). Sounds like ... I mean, at Babson we try to encourage our students to take action, and certainly you've been doing that throughout your career, so that's a nice way to summarize how we can be change-makers in the workplaces and wherever we are right now.

So with that, I'm going to open it up to all of you to ask your questions that you've been considering, based on the various topics that we've been covering in this conversation. So ... How about in the front row, here? We have a microphone, if you can speak clearly into the microphone and take it from there.

Female speaker: Hi there. I would love to hear more about the role of doing social good and social impact plays in Lyft as an organization, and was excited to learn about the Round Up and Donate program. From the beginning, my perception and I think the broad perception is Lyft are the good guys, Uber are the bad guys, and so I'm also just interested in hearing about decisions get made too, about various social good initiatives.

Melissa Waters: Yeah, that's a great question. So yes, we definitely feel a lot of comfort in taking care of our communities, and it's important to us because we need to show up and support the people on the ground every day who are taking rides, right? So our driver

community and our passenger community. So we've always been a values-driven organization. We haven't always had the ability to act on that all the time. When you're an early stage start-up and just trying to make sure the app works and that people can find rides, you don't have a ton of time or ability to think about all of these macro programs.

More recently, we have been able to turn some more attention, just having a bigger employee base and being able to turn some of our attention to these issues, and have been able to enact programs like Round Up and Donate because- going back to my principle earlier around "Make it Happen," we are truly a bottoms-up organization that is, in many ways, led by a very young, energetic, and values-driven team. And that particular program was written on weekend- PRD was written over a weekend by a product marketing manager, and that person was able to pull together an idea, engage Engineering, engage product managers, and get something up within three weeks, which was just mind-blowing to many of us. [00:45:00] So we really take an approach of enacting that "Make it Happen" spirit and putting a lens on it of what's best for our community and what's best for our driver population and our passenger population.

So that one is in play, we've got a few other things that we're working on. We're not in a position, as a super big, well-established company to go write large checks, and so we have to find ways in which we can use our product for good. And so we're thinking through all of that, day in and day out, not only trying to make the great operations happen on the ground, but doing so meaningfully. I was just in market this week, in Las Vegas, on Monday with our GM there and his team, and just listening to what our GMs and our city marketing leads do on a daily basis for our driver population in market is just remarkable to me. It doesn't happen just at headquarters, it happens in the field too.

Dr. Phillip Kim: So we had a question in the, right behind in the second row.

Male speaker: Hello. So ride-share has taken many different forms, internationally as well as nationally, with Waze's new program as well as scooter ride-share that happens a lot

internationally. What excites you about the new innovations in ride-share and where do you want to see the future of it?

Melissa Waters: Oh, boy. I'm excited about all of it, honestly, because I feel like so many people are racing at it, and the approach that companies are taking is all slightly different. And the thing that makes me most excited is that by having the energy across so many players and so many disciplines, it means we're not in this- in some ways, I find comfort that we're not in this alone, right? And that that big, broad vision is not going to be accomplished by one company. That big, broad vision is going to be accomplished by a number of different players, and all of the economic and policy changes that are going to happen that come out of that. And so in order to enact that massive, massive change, it's going to take tremendous energy from many people. And so I'm most excited about just the fact that this is becoming so real for so many people, and that that broad vision can be accomplished because we're all turning our really impressive human capital and human capability to this problem.

Dr. Phillip Kim: Over here, on this side.

Melissa Waters: Anybody, anybody.

Min Ha: Hi, my name is Min Ha and I want to know if what you shared ... I have a question on when you moved to the Bay Area, you interviewed with Apple and other tech firms. Obviously, in the Bay Area, there's a lot of choices, so how did you land the job at the CPG, I think Diamond Foods, something company? How did that happen, and how did that experience help you with your career after that? So, background: I just recently moved here as well, so same type process, I followed my husband here.

Melissa Waters: Yeah. It's a really intense process. So one lens is taking a super analytical approach, and I had spreadsheets. What are the biggest industries here, what are the biggest companies here, what has the most opportunity ... Taking this super analytical, anal kind of view on what is in the market here. The other approach, for me as a marketer, was what is the right choice for being a marketer? And so, marketing is a discipline ... I'm just joking. I'll get to that in a second, actually.

Marketing is a discipline that is not understood necessarily by the tech industry in the same way that CPG industries understand [00:49:00] it. And the CPG industry understands it. So when I was looking at post-business school, what was the best investment for me, that first lens of marketing-rotational, business-rotational broad view ... and then the other place was, CPG is going to be the place where I'm going to get the most training as a marketer. And so that helped me make that decision. It was a little bit of an odd decision, not because of the industry and my commitment to marketing, but just because I was in the Bay Area.

Being a CPG company in the Bay Area is a little bit out of sync with ... you could go to a lot of other towns in the U.S. and find a number of CPG companies, but there aren't that many of them here, and it's not really the core industry. But I did find it was the right choice for me as a marketer because it was the place where I was surrounded by an entire company of marketers. Even when you work in CPG, even people who run ops and run finance are still marketing people by trade, and so you're surrounded in an entire building full of marketers, in many ways.

And that is not the case in tech. In fact, I think technology companies don't understand marketing at all. I can say that as a marketer in tech. I was joking with some colleagues at Airbnb on email just this morning, actually, on a particular project in which we're having to- they just did a huge project on brand valuation and econometric modeling and we're about to take a look at doing some of that work, so I was doing some knowledge sharing conversations with them. And [00:50:30] we were joking back and forth on her staff and my staff, I think we could fund a group therapy session on being brand marketers inside of tech companies because it's tough. You're really having to explain brand value and long term investment in brand, what that means to people who are very, very accustomed to short term performance marketing and short term ROI. That journey is not an easy one.

I always talk to my CFO about, this is like investment management. You don't plan to retire through day trading, you plan to retire through having the right balance of a portfolio. And if we are in this as a one-year company, we would run one playbook. If we're in this as a five-year company, we would run a different one. If we're in this as a

hundred-year company, we would run a different one. So we need to understand our tenure here and what we're aiming for, and then we need to set this company up and the marketing portfolio up to achieve those goals. The most salient analogy I've ever been able to have with a CFO is about investment portfolios, it seems to be the language that resonates.

And so to get back to your question on how did I choose that, I felt as though that was the right choice for me as a marketer, and I'm glad I didn't end up in one of those other jobs that I was interviewing for because I don't think I would have gotten that right training with a marketing hat that I needed in order to build my career.

Dr. Phillip Kim: Okay, since we have quite a few questions ...

Female speaker: We have time for two more.

Melissa Waters: Two more.

Dr. Phillip Kim: Two more. Okay. All right. So maybe short responses.

Melissa Waters: Sure. Sure, sure, sure.

Dr. Phillip Kim: So how about ... gentleman here?

Teshar: Hi. My name's Teshar. I want to kind of pick your brain on ... So, as Uber is self-imploding ... Well, imploding... they first had the "Delete Uber" campaign happen, then you have the ACLU happen, and then I also noticed how Lyft released the survey results from Gartner about how drivers are happier and are more engaged, and then things about the sexual harassment at Uber, the culture there, Travis's video ... all these opportunities appear to you to basically say, "We're not Uber," as a marketing person. [00:53:00] How do you make those decisions on not to go into that realm? Because there's only two companies right now, Lyft and Uber, and you could easily play this that, "We're not them, and we do everything like this." But I see Lyft doing a more restrained approach. So could you walk me through how you got to that point?

Melissa Waters: Well, if you followed some of our work last year, we actually ran a pretty- it was launching two week after I started- we ran a pretty big campaign in Q4 that was actually impersonating Uber in some ways in our ad campaign. So it was not explicit, it was implicit, but anybody who followed the category, that was kind of implied. When I arrived, my observation about our brand strategy was that we were not articulating who we were, we were articulating who we weren't. And I actually think that from a long-term brand position, we need to do a better job of articulating who we are. And so we have been working to ensure that we are just showing up every day and talking about ourselves, and demonstrating who we are as a brand. And I think that the more that we can do that, the more you can watch what's going on in the category and infer that for yourself around which choice you want to make.

Dr. Phillip Kim: All right. How about we go over on this side for our final question? And the gentleman over here.

Male speaker: Thanks. I wanted to hear some of your thoughts about when to pull a plug on something, a campaign or some sort of marketing strategy that you were fully, wholeheartedly into, be it qualitative or quantitatively, just didn't pan out, and some of the things that went into that type of decision-making process.

Melissa Waters: Yeah. I had that experience at Pandora. It was kind of that feeling of failure. We looked at all the metrics around ... We made a hasty decision not to ... Not hasty, we made a decision not to add tests before we ran creative. Anybody who manages creative knows that that's a risky position ... it's risky both to test and to not test. We ran something that didn't resonate with consumers and that wasn't performing very well, and we made a pretty quick decision to go ahead and pull it out of market. It wasn't doing damage, but it just wasn't doing everything we wanted it to do. And when you're managing budgets, it's all about, "Am I investing this money in places that are going to move the needle on the business? And if they're not, then I'd like to pull that out of market as soon as possible and try to re-divert funds and re-invest elsewhere on things that are working." So digital media these days, you can get reads pretty darn quick, and so within a month, we were pulling out of activity in order to re-invest elsewhere. So it's all about watching the media, watching the studies coming back

and making those changes. I've come to get more comfortable with pivots more quickly in order to just manage the portfolio well.

Dr. Phillip Kim: So I know that many of you have more questions to ask, but we're short on time. So think of this as just the conversation starter, and I encourage you stick around and continue asking the questions amongst yourselves as well as of Melissa during our reception hour that follows. So I hope you agree that we've had a wonderful conversation with Melissa. We've learned about her career and all of the wonderful things that she's done in the different places where she's worked, and as a Babson alum, and speaking on behalf of my faculty, colleagues, students, and alums here, we're very proud of all that you've accomplished and look forward to seeing great things happen in your career in the years to come.

Melissa Waters: Thank you very much. Lovely to be here.