

# yAPPer | Chat Right Here, Right Now.

Interviewee: Justin Lichtenstaedter, Co-Founder & CEO of yAPPer

Interviewer: Annie Thompson, MBA Student at The George Washington University

Date: October 17, 2013

I was recently given the opportunity to talk with Justin Lichtenstaedter, a 2<sup>nd</sup> year GMBA student and co-founder of yAPPer. What is yAPPer? Basically, it is a location-based chat app that allows users to communicate with other users in their area. The purpose of yAPPer is to connect people to everyone and everything going on around them. While the app is in the final stages of development, Justin describes the yAPPer experience as one that allows users to see and join ongoing chats that are happening around them (within 750 yards or 5 city blocks) allowing them to connect to other users even if they aren't acquaintances or Facebook friends. The chats and message threads delete automatically after 30 minutes of inactivity to keep the "news" fresh.

After seeing the yAPPer founders present their business at the GWSB in the "Dolphin Tank" event on Monday evening, I followed up with Justin to find out more about the development of yAPPer and his experience being part of a startup. When asked about the main challenges he and his partners have faced, his first response was a quick one: "Money." He described the process of building an app-based business as a catch-22 because they probably won't see any real profit from the app for about two years. "You need money from investors to start the app, but investors generally aren't willing to give you money until they know the venture can provide a return. The problem is that we can't

prove the app can make money until we are given enough money to successfully launch it.” Sounds like a vicious cycle. They currently have enough funding to set up the app for its beta test and initial launch, and they anticipate that their present servers can handle growth of up to 20,000 users with the funding they have accumulated thus far. Ideally, they’re hoping to reach 8,000-10,000 users within the first month or so; if they can, Justin is confident that they will be able to secure the necessary funding to continue expanding. Eventually, if the app proves to be popular, useful, and necessary to its users, it will begin earning money by selling ad space and charging for premium services.

Another challenge Justin brought up has come up more recently. They have recently been introducing the app in their GMBA courses and at events like “Dolphin Tank,” and they are finding that everyone has different ideas for how the app and the technology behind it could be used. “There are a million different ways that it can be used. But there’s a saying that goes ‘When something is good for everything it becomes good for nothing.’ ” At the moment, Justin and his partners are trying to find the balance between focusing in on the target user and the app’s intended purpose, while still being open to the possibilities that people may discover new ways to use the yAPPer that could make it even more popular with and necessary to users. It’s something that they will definitely face more and more during beta testing and after the official launch.

By bringing users together through location-based technology and imposing “expiration dates” on idle chats, yAPPer is positioned perfectly to cater to the on-the-go, always connected social media users of today. If all goes well in the initial launch, yAPPer will be well on its way to building new, completely unique social networking platform to the app world.