



How Moiz Ali Created A \$100M Exit In Just 18 Months Transcript

Ryan Moran [00:00:04]

Hey, I'm Ryan Daniel Moran. I'm the founder of Capitalism.com, where I help entrepreneurs build seven figure businesses that they can scale and sell, have helped well over 100 people build million dollar businesses and become millionaires. And my formula for building million dollar businesses is very simple. In one ... About one year, you can build a million dollar business by having four products at 25 sales a day at a \$30 price point.

Ryan Moran [00:00:26]

And you fill in those variables, you have a million dollar business, and we just try to fill in those variables as fast as possible and it takes about twelve months. But there's one person in my life that absolutely fascinates me because he did a similar model, but he got \$100 million. He got \$100 million instead of a million dollars.

Ryan Moran [00:00:43]

I've helped over 100 people build million dollar businesses. That's really impressive. That's really exciting. But when there's somebody who does it with \$100 million, okay, maybe we should pay attention to this person. And that person's name is Moiz Ali. Moiz is the founder of a company called Native Deodorant, and he had a \$100 million dollar exit in just 18 months.

Ryan Moran [00:01:02]

And the crazy thing is that he did it with just one product. That's nuts. So, today I want to share with you the time that I invited Moiz to come on our stage at our annual event called the Capitalism Conference, and we sat down and reverse engineered exactly how he had a \$100 million dollar exit in just 18 months.

Ryan Moran [00:01:19]

One of the things that I wanted to get out of Moiz was how would he do it today if he was starting all over? It's fun to hear about somebody who makes \$100 million in 18 months, but that was a few years ago. So, coming from somebody who sees a lot of deals, advises a lot of entrepreneurs, and has a \$100 million dollar exit, what would he do now if he were starting today? Here's what he had to say.

Ryan Moran [00:01:39]



You've got a business, great product that is on its way up. It sounds like you're saying the same playbook that got Native to where it is may not be the playbook that you would use today. So, what would that be?

Moiz Ali [00:01:50]

Yeah, it would probably be very similar to that playbook still, to be honest. I just don't know how long that playbook will get you, and I don't know if it'll get you to the same spot that it got Native to. So, for instance, I would diversify ... We didn't sell on Amazon before we sold the business. I would get on Amazon earlier today.

Moiz Ali [00:02:07]

Whatever gets eaten up ... In the next six months, I can imagine myself selling all of my Facebook stock and taking all of that money and putting it in Amazon stock. The tailwinds to ... Or the headwinds to Facebook are tailwinds to Amazon because it's harder for people to discover new brands on Facebook, and so they go to Amazon where they do their shopping.

Moiz Ali [00:02:27]

So, I'd diversified into Amazon much earlier than we did. It took us years to do it. I would do it as soon as I thought I had product market fit and a way to ... Genuine reviews. Or when I sent out the product, I would get genuine five star reviews and didn't have to gain those five star reviews. So, that's probably the first thing that I would do.

Ryan Moran [00:02:44]

So, just to clarify, are you saying that you would have started on Amazon as a platform and then pivoted over?

Moiz Ali [00:02:52]

No, I would have still started on a direct to consumer channel because it allows you to figure out, hey, do I have something wrong with my product? How do I iterate on this? And then once I thought I had product market fit, I would shift onto Amazon.

Ryan Moran [00:03:01]

I'm glad you said that because Amazon can be a bit of an illusion of product market fit because you can game your exposure ... It's harder now, but you can show up enough to have 50 to 100 people find you and buy, and you get caught in this trap of you're not really going to break out because you just have a little bit of a foothold in the marketplace and you can get good reviews, and sometimes you can game your good reviews, and you can kind of hold on to that, but you never really break out because it's almost the illusion of product market fit.



Ryan Moran [00:03:35]

And you're saying if you can get product market fit according to a cold acquisition strategy, that will translate over. But the opposite is not necessarily true.

Moiz Ali [00:03:45]

Definitely. And you understand repeat purchase rate when you're selling on your own website. You understand cadence of repeat purchase rate. You understand why you're getting five star reviews and why you're getting one star reviews, and you can work with people to try and figure out, how do I turn this one star customer ... How do I make this one star review a five star review?

Moiz Ali [00:04:03]

Do I just work with this person and say, hey, I'm going to send you more product because we're iterating on our formula until you become a five star customer, or is there something else that I need to change about my business in order to improve? And so, I'd still start with direct to consumer. That's really the only communication ... That's the only way you're going to be able to communicate with a bunch of people, hundreds or if not hundreds of thousands of people at the same time, and get product feedback.

Moiz Ali [00:04:25]

And once I had that, I would shift to Amazon much faster than we did at Native. I think about product a lot more than I think other people would think about product. If Mark Zuckerberg was like, hey, we're going to start urinating in bottles and sell this to customers, I'd be like, I don't think that's a good idea. I'm going to pass on that investment, although you're Mark Zuckerberg.

Moiz Ali [00:04:43]

And so, really, I think that I focus more on product than I think a lot of other investors do. That's not always the case. And generally, I think, especially with ecommerce, you should be able to find some product market fit before you're raising a ton of money. And that doesn't have to mean that you've actually sold \$250,000 worth of merchandise, but some people will be like, here's this idea I have, I want to raise money.

Moiz Ali [00:05:07]

The first thing I'd say is, why don't you start a website which will cost you virtually nothing and run some Facebook ads or do whatever advertising strategy you were hoping to do to try and get some product market fit and show that this business will be successful? I was having brunch



with somebody who works with a company called Figs, and if you're not familiar with Figs, Figs is basically scrubs that nurses wear on a daily basis, except they're much nicer than traditional scrubs.

Moiz Ali [00:05:35]

And he was like, the way they started ... The girls who started this business were ... Two of them were at lunch one day. One of them was a nurse, and the other used to work at Levi's. And she was like, your scrubs look terrible on you. Why don't you give them to me and I'll hem them so they look much better on you? And so, that happened, and she hemmed the scrubs, and when the nurse went back to the hospital, all the other nurses were like, those scrubs look great, I want those as well. Can you get your friend to hem mine and I'll pay her to do that?

Moiz Ali [00:06:01]

And that's how the business was born. But there was product market fit before that business was born. With Native, we sold the first 50 units of deodorant before we ever had a single stick of deodorant in our hand, and the first 250 before we actually got the sticks actually. And so, we knew ... I knew the business would work, or at least I thought the business would have some sort of legs before I even spent money on products.

Moiz Ali [00:06:26]

And I think in ecommerce, it's one of those rare industries where you can do that. And so, if you're launching something new, test it out before you spend a bunch of money. And when I'm investing and people are like, I've got this idea, I want to raise money, and I'm like, what have you done to show that either the idea is good or you work and you're not just lazy? And when people are like, well, here's my deck, I'm like, okay, this is where I pass, because you haven't put in enough effort.

Ryan Moran [00:06:49]

Notice how important product market fit is to somebody like Moiz. And as an investor, somebody who runs a fund that invests in these types of businesses, I have noticed that when you have a product that has product market fit where it's just starting to grow on its own and people are recommending it, it's so much easier to scale that business. Now, sometimes you need to launch four products before you have the one that is the screaming winner.

Ryan Moran [00:07:11]

But when you have that screaming winner, your ads convert better, your emails convert better, it's an easier time getting influencers, you have more organic growth. So, finding that product that solves a problem for a specific person is a core part of my thesis of helping somebody



build a million dollar business. When you can have a product that is specific to one person, that is product market fit. And that's what Moiz says is the difference maker between those that he sees win and those who die out.

Ryan Moran [00:07:37]

Okay, the next thing that I asked Moiz was, where does he see opportunity right now? What markets does he think are hot? What does he look for in entrepreneurs? What is changing in the marketplace? So, now that he's been out of the game after having a \$100 million dollar exit, where does he see opportunities right now? And here's what he had to say about what he looks for in entrepreneurs and what markets.

Ryan Moran [00:07:56]

So, what spaces are you interested in right now when somebody comes to you with a pitch deck, or you're just looking from a consumer standpoint? What industries are you looking at now?

Moiz Ali [00:08:05]

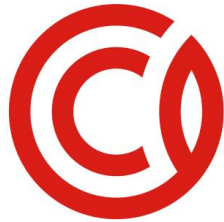
I'm an investor in a bunch of businesses that I have no idea what they're doing. So, for instance, I'm an investor in this business called Pepper. It's WearPepper.com they make underwear for smaller chested women. I've never tried the product, and I have no idea ... These people, the founders came to me and were so green. The first time ... I remember the first time I met with them, it was funny, except that it was actually happening.

Moiz Ali [00:08:35]

We started talking about retention, and they're like, we don't know what retention is. And so, I was like, okay, think about how many people purchase your product again. They're like, that's not something we've been paying attention to. I'm like, that's something you got to look at. And I'm like, this is how you should think about it. You should think about it in terms of, if somebody purchased in January 2021, how many ... What percentage of those customers have purchased again?

Moiz Ali [00:08:54]

And a lot of times people will talk about retention and they'll say, 30% of my revenue this month came from returning customers. I don't know if that's good or not. That doesn't mean anything to me. What percentage of your customers from January 2021 purchased again? That's a number that will mean something to me. And so, that happened 18 months ago when I made that investment. And then, we have these board meetings every month and six months ago, they were just like, Moiz, you don't understand these analytics any longer.



Moiz Ali [00:09:23]

They were so on top of their numbers, they were putting me to shame in every single instance. I'd be like, what about this? And they were like, we've thought about that. Here are the three things that we've done as a result of that. You're thinking about what we did six months ago, you've got to start thinking about the future. And I was like, wow, these girls are fantastic at what they do.

Moiz Ali [00:09:39]

They've grown their business, and it's wonderful to see them go from we have no idea what retention is to Moiz, you dumb fucking idiot, you don't understand these numbers. Stop getting on fucking calls with us. And I saw that all in 18 months, and I was like, wow, these are the entrepreneurs that I want to get behind.

Ryan Moran [00:09:56]

Yeah, that's exciting as an investor, when the entrepreneur starts to surpass you. The next question I asked Moiz was kind of funny. I said, why are you here? The guy has \$100 million plus. He's had other exits, too. So, why is here on our stage talking to the couple hundred entrepreneurs who are still on their ride up? Most of them have \$1 million businesses, sometimes less.

Ryan Moran [00:10:18]

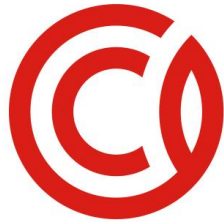
So, what prompts him to come to an event like this and share with this audience? His answer was interesting. Here's what he said. Now you've had all this, what draws you back to the starter entrepreneur and the person who's still scaling from seven to eight figures?

Moiz Ali [00:10:32]

Yeah, that's a great question. I guess there's a few answers. One, conferences like this, I hope they give you energy. Whenever I attended conferences like this, I always got super pumped. And after a conference like this, people would ... There would be dinner and I'd ... Fuck dinner, I'm going to go home and work because right now, I've got the energy to do it.

Moiz Ali [00:10:50]

So, they still give me that type of energy. And two is I learn a ton when I make conferences like this. Those Pepper ... The girls who run Pepper taught me ... Are teaching me ... Every time we get on a board call, I'm the one who's doing the learning. I don't think they know that yet, and when they do, they'll start canceling those calls.



Moiz Ali. [00:11:10]

But I learn a ton at conferences like this. What's working for people? What are the strategies that are working? What isn't? Is everyone else experiencing the same Facebook issues that everyone else I know is? Or are there people that are immune to it, and why are they immune to it? And what's scaling? Has someone figured out, okay, TikTok ads are going to work because the pixel is great. They're figuring out targeting.

Moiz Ali [00:11:33]

When we launched on Facebook, lookalike audiences were amazing. We were lookalike audiences only and Facebook desktop only, and we'd meet with our Facebook account reps, and they're like, you dumb idiot, Facebook is all mobile now, and you're the only company still advertising on desktop. And I'm like, maybe, but it's working for me. And then it stopped working, and then we were mobile only because what they said was right six months after they were right ... After they told me that.

Moiz Ali [00:12:01]

So, they said that in June and by December, I'd seen the effects. But in June, desktop was still printing us money. And so, only at conferences like this, speaking to like-minded entrepreneurs who are in your industry or in your category, can you figure out, okay, what is working with businesses and what isn't, and what should I be doing with my life for the next ten years as a result of that?

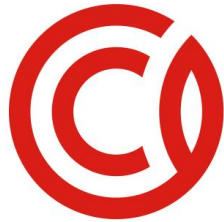
Ryan Moran [00:12:19]

Events and meetups are where you meet people. We love to think that we connect behind screens on Zoom calls, but business happens so much faster when you're in the room with the people who are movers and shakers. In fact, there was this really interesting moment at this event where there was a woman in the audience who had a deodorant brand just like Moiz did and they were sitting over in the corner around a campfire talking about the deodorant industry, and it was like, oh look, there's a deodorant mastermind happening in the corner.

Ryan Moran [00:12:43]

And guess what? Within a year, that woman had an exit of her deodorant brand, and it was a massive one. Getting one little piece of advice from somebody who is in one of these rooms, especially if the room is fairly small and you can connect with people, it can completely change the trajectory of your business. And that's why we do these events. That's why they're so impactful for people.

Ryan Moran [00:13:03]



The last question that I wanted to ask Moiz was, what drives you? What keeps you going? Now you've got \$100 million in the bank, why are you still playing this game of entrepreneurship? Because a lot of people would say, I got my \$100 milli, I am done. But Moiz is still going. He's still looking at new projects, and his answer was not money. Instead, here's what he said.

Moiz Ali [00:13:22]

Yeah, I mean, it's not like ... I don't want a private plane and I don't want a yacht. Those aren't the things that drive me for ... It's like building businesses and getting to hang out with people who have that passion. The first business I started, everyone wanted to leave at 6:00 PM, including me, because it wasn't going very well. But at Native, no one felt that way because the business was going well, and it felt like we could take over the world and it felt like nothing could stop us.

Moiz Ali [00:13:47]

We'd have a product manufacturing issue and we'd get over it. We'd have a scent that everyone hated, we ... Nothing could stop us. And that was what was really amazing about the business. It just felt like we were the Roman Empire and invincible. And that's the feeling ...

Ryan Moran [00:14:06]

The thing that Moiz just shared is a common theme among these videos, especially with the ones who are most successful. It's not about the money to them anymore. It's about the game. It's about solving problems. And the interesting thing is that when your mindset goes there, you actually see much bigger opportunities and you end up making more money.

Ryan Moran [00:14:23]

The people who are in the pursuit of money often are pursuing \$1 million projects versus \$100 million dollar projects. Now, that's fine because you can get to a million with a very proven plan. 4 products, 25 sales a day, \$30, let's go. Take you 12 months to get there. But once you are no longer in the I need to get money mode, it becomes about the game and solving problems, and that's actually when you start to get rich.

Ryan Moran [00:14:48]

So, how often do you get to sit at the feet of somebody who just had a \$100 million dollar exit or a \$50 million exit or just cross \$10 million for the first time? That's what we do at these events. We pack the stage and pack the room with entrepreneurs who are movers and shakers so that you have access to them. And our next one is in April in Austin, Texas, and it's called the Capitalism Conference.



Capitalism.com
— BE THE CHANGE —

Ryan Moran [00:15:06]

If you'd like to join us, it's at Capitalism.com/capcon, and if you can't make it or you're not ready for that, I hope you subscribe to the channel because we release a lot of the talks, including this series, which is some of our favorite ones from the past five years. Take care.

Chris Van Loan [00:15:20]

And now a quick word from Jared, one of our members in The One Percent.

Jared Springer [00:15:24]

I was bankrupt and crippled to making a million dollars in a year, and then I grew that business and kept growing it. So, my whole world changed financially very quickly. It was amazing how fast it was able to transition and turn once things got rolling. Ryan and Capitalism.com pretty much taught me everything I knew about ecommerce, and specifically branding was the biggest thing that I think Capitalism really does well, and they focus on teaching their students about building a brand and just teaching business to people.

Jared Springer [00:16:00]

Everything he teaches is stuff that he's done. It's not from theory that you're going to learn, it's all stuff that he's done. So, I think the biggest thing that Capitalism.com helps you with is that you're getting to learn from somebody who's done the exact thing that you want to do, which is the most important thing in the world. That's how you fast track your results.

Jared Springer [00:16:20]

So, if you want the fast lane and to get your results really quickly, you go to Capitalism.com and you have them show you what to do so you don't make all the mistakes and you get there really quickly. And it was the best money I ever spent because I went from bankrupt and crippled and all this other stuff to a million dollar a year business in one year, which is exactly what he teaches, and I was like, holy crap, this stuff works. So, it was a very healthy exit and was able to let me focus on many other things in my life and not have to worry about that stuff anymore.

Ryan Moran [00:16:50]

If you found value in this podcast and you're ready to go deeper, here are three resources where we can help you. One, you can grab my book, *12 Months to \$1 Million* on Audible or Amazon. It has over 1000 reviews, and it's the playbook to building a seven figure business. Second, you can join our community of entrepreneurs who are following a plan to build a 1% net worth by building businesses and investing the profits.



Capitalism.com
— BE THE CHANGE —

Ryan Moran [00:17:16]

You can get plugged in at Capitalism.com/1. And third, if you're looking to go deeper and build a seven figure business that you can sell, you can work closely with us inside the Capitalism Incubator, and you can get on the waiting list and find out what we do over at Capitalism.com/inc. That's Capitalism.com/inc.