

# Leveraging Reddit to Reach Business Prospects



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Welcome to THRIVE, a Paychex Business Podcast where you'll hear timely insights to help you navigate marketplace dynamics and propel your business forward. Here's your host, Gene Marks.

**Gene Marks:**

Hey, everybody, it's Gene Marks. I recently spoke to Timo Pelz. Timo is, recently joined Reddit, the online platform, which if you haven't been there, it is got communications, messages, conversations about any topic you can imagine. There's a 100,000 different groups within Reddit, they're called subreddits. And it's a place that I go to frequently to follow certain things that I like to follow. Timo was recently joining the company as the VP of Business Marketing at Reddit. He's been there for a couple of months. He's been a long-time fan of Reddit.

**Gene Marks:**

And the conversation that I had with him was about how we as small business owners can use Reddit to benefit our business. I'm mean, look, we've got Facebook as an option, we've got LinkedIn, we've got Twitter, we've got Instagram. There's a lot of different places to spend our meager resources to try and attract an audience for our business customers, as well as to engage with our own communities. So what about Reddit? I mean, Reddit is an enormous community and can we, can we engage there? How do we engage there? Can we advertise there and how do we do it? Is it more or less expensive than some of these other platforms? Is there more bang for our buck by doing that?

**Gene Marks:**

Reddit - I mean, you can't ignore that platform when you consider all of the people that are active on it. And for your business, it really could be the place for you to go where you can ignore the Facebooks and the LinkedIns and really kind of focus all your energies there. So we'll talk to Timo about that. He's the guy that knows everything going on at Reddit. And he's the guy that's in charge of expanding Reddit. So we are his potential customers and audience. So you want to hear what kind of offerings he has from Reddit that will benefit our businesses. That's coming right up just after this.

**Gene Marks:**

Timo Pelz, thank you very, very much for joining me today.

**Timo Pelz:**

Gene, thanks so much for having me. I'm excited to be here.

**Gene Marks:**

Yeah. I'm glad to have you here. Listen, you're with Reddit. I've always been a long-term, huge fan of Reddit. I've got the Reddit app on my phone, which I use all the time. I don't use it for my business at all and that's what we're going to get into. But before you even get into all of that, Timo, first of all, let's start with Reddit. And then I'm going to ask you a little bit about yourself.

**Timo Pelz:**

Okay.

**Gene Marks:**

Tell me ... Just so you can insult all of our intelligence, give us a little background, what is Reddit all about?

**Timo Pelz:**

So a coworker of mine the other day, put it very nicely when he said that he thinks of Reddit as a town that he would like to live in. And I understand that that's very abstract.

**Gene Marks:**

Well, that depends on the part of the town.

**Timo Pelz:**

Well, that's the thing, right? Reddit is a network of more than 100,000 communities. We talk about it as a community of communities, right? And so you can really pick the part of town that's best for you, right? That is most aligned with the things that you really care about. It's this community of communities where people can dive into anything through the experiences we build around their interests, hobbies, and passions. And so there isn't ... From pets to parenting, skincare to stocks, there really isn't a community on Reddit ... Everyone can find a home there.

**Gene Marks:**

Fair enough. Fair enough. So just full disclosure. So my three communities I go to, I visit the Howard Stern subreddit. I visit the Today I Learned subreddit.

**Timo Pelz:**

That's a good one.

**Gene Marks:**

And that provides me with so much content for writing. And then I love checking out once in a while the conspiracy subreddit, because it's just so hilarious. It just makes me laugh, looking at some of that stuff. So you're right, there is something for everybody on Reddit and you are the VP of Business Marketing. How long have you been with the company and what does this job entail?

**Timo Pelz:**

So I've been with Reddit a little bit more than two months now, I'm having a blast so far. It's really amazing to be at a place that really lives its culture and the mission. The mission of Reddit is to bring community and belonging to everyone in the world, right? And people come to Reddit for everything from how to perfect a sourdough to understand how the PPP worked and anything in between.

**Timo Pelz:**

And I'm responsible in that context for leading the team that connects our sales organization and our broader offering that we have for businesses with the audience at large, right? And giving a voice to our many communities for advertisers of all sizes and verticals. So I oversee all aspects of business marketing from managed clients to self-serve clients, including product messaging, customer success stories, narratives, competitive analysis, lifecycle marketing and events. It's really a very broad piece.

**Gene Marks:**

When I'm on the platform, I really don't come across ... Maybe I'm just not paying attention and maybe you don't want to hear this, but I don't seem like I come across a lot of advertising on the platform. Is that with you now here at the company, will that experience change?

**Timo Pelz:**

Well, so let me preface this by saying that good advertising in social media or in digital overall is advertising that doesn't disturb you, right?

**Gene Marks:**

Yeah.

**Timo Pelz:**

We're moving away from a place where advertising is a disruptive experience. When it's done well, it's a win-win and it adds to the overall experience. So I actually think that's, I like hearing you say that you don't really feel like you see a lot of advertising, right?

**Gene Marks:**

Right.

**Timo Pelz:**

And so the question isn't about increasing advertising for the sake of increasing advertising; our mission on the business side is really help businesses achieve their goals. And that's what we're focusing our product roadmap on, and that's how we're building our ads business, both with the goals of an advertiser in mind. And it's part of Reddit's DNA to let people choose how much or how little they want to share. And so we're proud of being able to building a responsible ad business that respects people's privacy.

**Gene Marks:**

So is the ad business sort of at a nascent period with Reddit? I mean, is it just starting? Will it be maturing quite a lot do you expect over the next few years?

**Timo Pelz:**

What exactly do you mean when you say maturing?

**Gene Marks:**

Yeah. So it's a good question. So when I look at other social platforms, for example, like a Facebook or Twitter, even Instagram, their ad businesses have been around now for a while, for a few years, at least, and businesses are fairly well aware of them. And there are ways that ... and they're helping us advertise on those platforms. I don't — now again, correct me if I'm wrong — I don't see that on Reddit yet, at least not to the extent that a Facebook pushes their Facebook ads, you know what I mean? So do you think that will change? In other words, do you think that is that because Reddit is still in its early days of offering advertising options?

**Timo Pelz:**

I see. So first of all, our advertising business has been growing at scale for several years now. And we're constantly evolving our ads product offering to better meet the needs of our advertisers, right? And as you scale your operations and you attract more advertisers, you just as a byproduct of that, you will attract different kinds of advertisers. And that's where we're very engaged right now to make sure that we have the right offering for the right advertiser at the right time.

**Timo Pelz:**

So, we have large-clout customers who need very bespoke service and consultation. And then we have businesses that we need to make sure they have a more scaled way of getting the information that they need. And so we're actively investing in that. And as our active advertiser base continues to climb, it's important that we consistently meet the needs of our advertisers. And to your point, my role is a big part of this to make sure that we help businesses understand Reddit.

**Gene Marks:**

Sure. Tell me what your plans are, if you can, to help small businesses advertise on Reddit?

**Timo Pelz:**

Well, as I said, Reddit is a community of communities. That's our key differentiator. The number one reason people come to Reddit is to be informed by passionate communities that they trust. So they're intentionally seeking on Reddit, they're not aimlessly scrolling. And so if you are a business that is passionate about something, and I have yet to meet a business that isn't claiming to be passionate about something, there is a place for you to connect to people on Reddit who are at minimum, as passionate about the same passion as you are, if not more, right? And so it really isn't about ... The question to me isn't about is it for small or large or medium size businesses? It's about this is a place for every business who wants to connect to an engaged, passionate community of people and help them understand what they have to offer and get them to drive an action or ... that ends up driving their business.

**Gene Marks:**

Sure. No, that sounds fine. That sounds fine. All right, Timo, so I'm going to ask you to put yourself in my shoes. Now, I'm a CPA and we have a financial services firm like a CPA firm, okay? So you're going to be me for a minute, which means you're going to immediately lose all of your hair, have no social life whatsoever, and be interested in taxes and financial things, okay? A complete loser. So as long as you are in ... now, you're in my head and I want grow my business on Reddit. Some of your advice, what would you do if you were me to really leverage the capabilities of Reddit to expand my client base?

**Timo Pelz:**

So the first thing to do is to understand that Reddit is a place where people come to seek information and not only to seek information, but to exchange information, engage in conversation. So it's about knowing what you have to offer and what the things are that you are passionate about. So knowing where to go to find these kinds of information, there's a thriving personal finance subreddit on Reddit that I would go to, to hear what people are struggling with when it comes to their finances. And then to see how can I align what I have to offer to the challenges that people are talking about? And we offer all the typical formats you'd expect, right? So you have different products that appeals to different advertisers and campaign objectives.

**Timo Pelz:**

So, once you've understood what the right message should be and what service to offer that works with the kinds of problems that people are talking about, or bigger challenges that you help them solve when

it comes to their finances. You can have a promoted post or a promoted video. You can take over all of Reddit, you can take over the front page. We are very excited about a new placement that we just launched that's a conversation placement where you can appear in the conversation that happens under a post that's where people on Reddit are most engaged.

**Timo Pelz:**

And you get a chance to insert yourself there. And that's the heart of Reddit – that's where user interactions and exchanges are happening. You could do an AMA, an ask me anything and help people ask questions that they might ask an expert like you. Depending on your campaign objective, you can just drive awareness, so you can get people to come to your website, click through, and visit your website. There is a broad range of things you can do.

**Gene Marks:**

Yeah. That's great. It's a little bit easier for me being in the financial services world because you're right, I mean, I could do an AMA, I could participate in subreddits, I could even advertise, but I can also ... I've got information, content that I can provide like help to the general public on saving money on your taxes, for example, right? Do you think there are – are there any businesses in your opinion that are better suited to really invest themselves in Reddit versus some businesses that it might not be the best platform for them? I know you're probably going to be like, "Oh, it's a great platform for everybody," but I'm just curious if you think there are some types of businesses that you think do better, or even some that would probably not do as well on a Reddit and might want to look somewhere else to spend their time.

**Timo Pelz:**

So, with more than 100,000 communities on Reddit, there truly is something for every passion and interest, right? That means that there's an opportunity for every kind of brand or advertiser. Because as I said, we like to say, if your brand aligns with the passion, your brand really truly does belong on Reddit. That being said, Reddit is a place where you shouldn't just jump in. So if you know that what you're selling, if you know that your product is controversial, for example, it's probably worth dipping a toe and seeing what the conversation is about and read the room and then potentially take an approach that is a little bit more suited to audiences that are a little bit more informed, that are a little bit more passionate, but overall, Gene, I really don't think that there's an advertiser who's not suited for Reddit at this point, quite frankly.

**Gene Marks:**

Yeah. It's funny, Timo, if I go on Twitter, for example, and I make a ... Let's say I go on LinkedIn and I make a post about the tax effects of rising minimum wages, for example, on LinkedIn, I generally get good back and forth conversation about it. People sharing their ideas. "I agree, I disagree," whatever. If I do the same thing on Twitter, I mean, oh my God, it's crazy place. How does Reddit fit in all this? In other words, do you have any, I don't know if warning is the right word, but just to be prepared, I mean, is Reddit like a ...

**Gene Marks:**

There's a freedom of speech issue and I know that the company has worked really hard to curtail offensive or abusive behavior, while still allowing people to have as much freedom of speech as possible. But should I be just a little bit, not concerned, but just careful when I'm on Reddit, if I'm going to be sharing ideas that like you said, it might be a controversial business or it might be something that might spark some heated conversation?

**Timo Pelz:**

Well, I want to talk about some of the policies we have, but before we go into that, I think it's important to understand that part of what makes Reddit special is that individual communities have individual rules, right? And so it's not so much that there's one piece of content that is great for Reddit overall or not. A lot of it is in the context, right? So if there's a subreddit that is all about cats and people exchanging pictures about cats and they're all cats. So yes, if you go in there and you post a picture of a dog, chances are, people will not be happy about that, right? So what I'm trying to say is make sure that you –

**Gene Marks:**

Read the room.

**Timo Pelz:**

... target the right, that you – right. Read the room, target the right people, be smart about this. But then we have content moderation where users care so much about Reddit and our values that they hold each other and ourselves accountable, right? And so we have this unique up and down vote functionality that just sees good content rise to the top and bad content go to the bottom. And that is just the content that makes it through our systems that we have in place. And that makes it through our review processes when it comes to making sure that the things that you see on Reddit are the ones that you should be seeing, right?

**Gene Marks:**

Right. You mentioned that you wanted to talk a little bit about the rules of behavior. What specific things should we be aware of?

**Timo Pelz:**

Well, our mission is to bring community and belonging to everyone in the world. And that means that building and fostering communities that reflect our values and respectable discourse and human dignity, right? So any content that incites violence or promotes hate based on identity or vulnerability is simply not allowed on Reddit. That's the stance we made explicitly clear last year in our content policy update and in the process, took action against thousands of communities that we found to be in violation of our policy. That really is at the highest level is when it comes to content is where we draw the line, right? Our commitment to keeping Reddit safe and healthy is an ongoing, consistent priority. And we're very proud of the process that we've made in this area over the last year and two.

**Gene Marks:**

If I want to ... and again, if you don't know this, I mean, please let me know. But I mean, if I'm a small business that makes — I don't know, polyurethane film — and I wanted to create a subreddit about my product, my polyurethane film, does that violate the rules of Reddit in the sense that it's sort of like a self-promotion thing? Where's the line for businesses to promote themselves on Reddit?

**Timo Pelz:**

So, there is a difference between what is acceptable to the community, and what is something that we as a platform allow. I think you're fine to go and create a subreddit about any topic that you want, as long as it doesn't run against our policies, right? It is another piece to see if people actually appreciate you coming in and just showing up for the purpose of selling your product. That brings it back to what I said before, right? If you find a way to connect what you're selling to a passion that people have, that is more likely to get you in touch with this engaged audience. And it's going to enable you to contribute in a meaningful way. And we know that when brands do that, when businesses do that, people are very receptive to it on Reddit.

**Gene Marks:**

I only have a couple more questions and I can leave you go. This is great information, Timo, it's very much appreciative. Now, small business owners themselves, limited resources, trying to figure out where we can best leverage them. So, you know, you've got, there are Facebook groups there. Let's take my example – taxes, okay? There's Facebook groups on taxes, there's LinkedIn communities on taxes, and obviously, there's Reddit subreddits on taxes. If I were to ask you what, in your opinion, what would be the difference between Reddit's community on taxes versus say Facebook and LinkedIn — which really are the two major places where a lot of business owners go — can you draw any distinctions between what a Reddit community would bring to me versus those other communities?

**Timo Pelz:**

I would say that while, at first glance, they might be very similar, what you realize when you engage with them for a longer period of time, is that there is more depth to them in a way that you see when a conversation truly is driven by a desire to help and a desire to engage. So you have this — and that's what I meant earlier when I said you have this seeking of information versus passively scrolling — you have people that show up because they truly either are looking for a distinctive answer, or they're really happy sharing their knowledge and sharing their wisdom and helping others. And that leads to more authentic conversations, right? We do have this key differentiator where we don't require you to disclose everything about yourself to sign up for Reddit, you can share as much or as little as you want.

**Timo Pelz:**

And specifically, when you think about a topic like personal finance, that's where that actually works in our advantage. I can go in there and I don't have to tell the world that I'm Timo. I can choose a different name. And that means I'm more uninhibited and I feel more secure and safe when I ask questions about topics like these. It leads to just more honesty. It cuts out a lot of hesitation. And at the end of the day, leads to the kind of authentic conversation about these very important topics that you probably can't find anywhere else.

**Gene Marks:**

That's great. All right. Next the final question, Reddit itself, if you look at the interface, has proudly not changed very much since it originally started. Do you foresee that changing itself in the future? Again, as a business owner, it sometimes gets frustrating when platforms that we're on change their look and feel — new things to learn and all that. Do you see Reddit's user experience changing any time in the near future in a significant way?

**Timo Pelz:**

Well, part of what makes Reddit so successful is what it is. And so first and foremost, we will stay true to who we are, but at the same time, we will evolve as needed, right? And so we will turn, over time, Reddit into a place that you don't primarily or exclusively read. You can view it and you can listen to it. But at the core of everything for us, is to maintain what makes Reddit special and have that as the guiding principle for any audio and video capabilities that we might be adding.

**Gene Marks:**

Fair enough. All right. Final question. Give us two of your favorite subreddits that have absolutely nothing to do with work? Go.

**Timo Pelz:**

Okay, run, one is I'm a huge New England Patriots fan, even though I've never lived in New England.

**Gene Marks:**

Sorry to hear that.

**Timo Pelz:**

I know. It hasn't been easy lately, but at the same time, this is a place where I can go and I can have an awesome conversation and be part of the excitement leading up to game day, even though there are hardly any Patriot fans in my real world around me. And the people that do interact with me usually have things to say about the Patriots that I don't agree with. And the other one is we moved across the country a year ago into a new house. And all of a sudden, I found myself with a yard full of Bermuda grass, and I had no idea how to take care of that. So the lawn care subreddit for me has been extremely valuable in learning how to maintain my yard, and how to size up my work with not only just my neighbors around here, but people all across the country.

**Gene Marks:**

So lawn care sub Reddit, excellent. New England Patriot subreddit, not so much. Timo, thank you. I've been speaking with Timo Pelz, VP of Business Marketing at Reddit, Inc. Great information. Really appreciate it very much. And for all of you guys that want more information about Reddit, go to reddit.com. It's R-E-D-D-I-T-T. It's two Ts, right? Or is just one T at the end?

**Timo Pelz:**

One T.

**Gene Marks:**

One T. R-E-D-D-I-T. I should know that. .com to explore different opportunities that you can use the platform to grow your business. Again, Timo, thank you so much. My name is Gene Marks. Thanks for joining us, guys. We will see you next time.

**Gene Marks:**

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**Announcer:**

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