

**EPISODE 1228**

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[INTRODUCTION]

[00:01:33]

**FT:** Welcome to So Money, everybody. I’m your host, Farnoosh Torabi. Thanks for gathering with me here. Our conversation today is about financial inclusivity. This was recorded back in June during Pride Month. My guest is Sunny Israni. He is the cofounder of Clasp, a new financial wellness coaching platform. Sunny is also the founder of themoneygay.com. He is active as well on TikTok.

Sunny and I really have an open and honest dialogue today about what it means to be inclusive in the personal finance industry. He shares his own personal journey navigating Wall Street as a gay man and how that impacted his career decisions moving forward. Sunny is better known as The Money Gay on TikTok where he’s committed to making personal finance accessible and interesting for groups traditionally left out of the personal-finance conversation. We focused on the word safe and how sometimes when you don’t feel safe it can prohibit you from moving forward in your life in many ways including pursuing your financial life.

Sunny is a chartered financial analyst. He spent six years on Wall Street as an analyst at Merrill Lynch. He's also a software engineer previously at Bloomberg and he's a friend. I'm really excited to share this episode with Sunny Israni.

[INTERVIEW]

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**FT:** Sunny Israni, welcome to So Money.

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**SI:** So happy to be here, my dream come true/

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**FT:** Oh man! I mean, to think about the last time we saw each other was pre-pandemic, was it 2019 at a café in Midtown? You at the time were at the beginnings of developing your app, which is now out in the world. It's called Clasp. We're going to talk about that of course. As two financial nerds, it's like we take meetings with each other. It was so nice to meet you and to learn about your journey. Now, to have you on the show, to share it with all of my audience is really, really special soap. Just welcome and hope you'll enjoy this day.

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**SI:** Yes. Thank you for having me.

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**FT:** Like I mentioned, you have this entrepreneurial venture, this app, this financial app called Clasp. It's evolved over the years and I'm curious to learn about how the pandemic has really shifted the focus. But also, you have quite the visibility on social media. This is something you initiated, starting The Money Gay on TikTok. I think you share on Instagram as well. I need to

learn about that because you got to tell — I don't think I'm going to ever get on TikTok, but never say never.

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**SI:** I think you will. I challenge you on that.

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**FT:** Yeah. Well, let's up the anti. But let's start with, maybe given that it is June, it's Pride Month, you're publicly gay, like you're very proud of that. This is very much your identity and also as you're building this financial world, this sort of like this app, but it's more than an app. And your education around personal-finance, your identity is very much a part of that. As we reflect on Pride Month and the LGBTQ Plus community and their financial rights, what still stands out to you? What are some things that you want us to be thinking about that maybe were not?

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**SI:** Yeah. I think above all, firstly, it feels like we've made so much progress. But the truth of the matter is that progress is not spread evenly throughout this country. There's still a lot of a long ways to go. Also, that progress isn't shared equally within the community. The community is not a monolith. It's like a very, very diverse community. When I think of our trans brothers and sisters, when I think of people from underrepresented groups, that progress that we've seen hasn't been shared. I think, firstly, it's the political power. As we all know, economic power translates to political power. I think that's the first financial consideration.

Then the second thing is, when you look at the economic power in this country, it is predominately derived from industries that are dominated by straight white men. As a result, what happens is, because of the lack of representation, a lot of disenfranchised groups can look at these industries and just — they don't relate. They feel disaffected from it. Like when they see finance or they think of Wall Street, it's just not for them. It's part of this other situation that is not good, it's corrupt. Therefore, there's not even the opportunity to learn.

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**FT:** And yet though, Sunny, you navigated the financial industry and two industries really, tech and finance, which are both male-dominated and probably traditionally straight male-dominated. Despite what you just said, that there are these, could we say uninviting industries or not representative industries, which I understand could totally prohibit somebody from going in that direction, but you did. Tell us about what your experience was. Did you feel isolated? What was your experience?

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**SI:** Yeah. I've always been interested in finance and money. I've had an MSN money account for my allowance when I was a teenager, like so overengineered. I majored in finance and I was always fascinated by the market. I did go into Wall Street, but I came to New York for college to living out proud life. There was such a dichotomy between living a gay lifestyle in the early 2000 and then going to work on a trading floor at a **[inaudible 00:07:48]** bracket firm on Wall Street. Quite a dichotomy. I was openly gay on the trading floor, but I was the only openly gay person on that trading floor.

Oftentimes, I'd even see certain other people on that trading floor at the gay bar who would nudge me and say, "You didn't see me here." It was quite a dichotomy and it was tough, because here I was, living this out proud gay live. But then, reporting to work, all that cultural stuff, I feel made it that much more difficult to really thrive in finance. I loved the markets, I loved — I understood it. I got my CFA. I really could tell you how to value a credit default swap like with the back of my hand back then. All that additional cultural stuff kind of held me back a bit, which is why I pursued entrepreneurship.

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**FT:** It held you back in what ways? I have my thoughts, but I want to hear from you.

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**SI:** Yeah. I really wanted to be a trader that was a dream of mine. I knew I could do it. I had been interning in credit defaults swap since I was 19, so I knew the product. It was just not possible to make that jump from a trader's assistant to a trader. Being told I don't have the right mannerisms or it wasn't possible.

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**FT:** Mannerisms?

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**SI:** Mannerisms, yes. That was an actual quote.

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**FT:** What are you talking about?

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**SI:** An actual quote that I will never forget and burned in my mind. To get far in finance, it really is about building those connections and networks and it was difficult for me.

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**FT:** Wow! Mannerisms. That's —

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**SI:** Quoted language right there.

[00:09:31]

**FT:** Quoted language. Wow! Okay. You pivoted to entrepreneurship. We're so grateful for that. You're making a real impact on the world. Now it's been few years since the ideation of Clasp. Tell us about Clasp and the impact that you wanted to make in the world.

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**SI:** Yeah. The ideation really started when I was working on Wall Street, when I would tell people out at the gay bar, "Oh! I work at this [00:10:03] bracket firm and I work on Wall Street." You would be met with, "Ugh! I don't even know anything about finance." There was just this tremendous informational asymmetry that was happening. I just really felt like, I could teach people about this stuff. People should know how a credit default swap works. It's actually really simple when you think about it in a big picture lens. Maybe the valuation, we don't have to get into that.

I've always been passionate about making this information just accessible to people who may not see themselves in these industries, and just feeling empowered around money is such an important aspect of being an independent person in our society. That's kind of how the idea came to be.

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**FT:** Hold that thought, because I just had another question that takes us back a few more years, when you were growing up. I can't forget what you said about how you always had this, the MSN bank account when you were 19. I mean, it's a certain profile a person that gets excited talking about credit default swaps. Am I even stating that right?

[00:11:12]

**SI:** Yep.

[00:11:13]

**FT:** Tell us about, Sunny, at age six or seven or your first money memory, your first money learning, however you learned it, right?

[00:11:23]

**SI:** Yeah. Your classic story, child of immigrants, my parents immigrated here to start to build a better life for themselves from India. At the time in '80s, it's not like there was many opportunities in corporate America for immigrants. It just wasn't possible. What do immigrants do when they come to the land of opportunity? They start businesses. If they fail at the first one, they will start the next one. Boy! Did my parents both do it. It wasn't just my dad, it was my mom and my dad working together side by side from jewelry stores, to like flea markets, to garden business. It was just nonstop.

I grew up, my earliest memories were being brought into the stores and like they had this little jewelry counter and like seeing all the jewelry and seeing them count the money. My mom could count money so fast. It was just mesmerizing. That was my earliest kind of memories of just money itself. But it really was in the lens of entrepreneurship and I had known from an early age that I want to be a businessman like my mom and my dad. That's my earliest memory.

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**FT:** Fascinating that your parents were both in these industries, these businesses that were very like brick-and-mortar and there was an underlying asset, whether it was jewelry or clothing. Fast forward to today, where like everything is digital. And an app is very much a piece of technology. Do you feel like the learnings of entrepreneurship that your parents passed down to you are transferring now, even though the medium in which you're working is so different?

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**SI:** Yes. I actually believe deep that business principles are timeless. I think that when we see a lot of tech companies and tech calamities in today's world, if you see why they fail, they lose sight of the simple truth that business principles are timeless and they're universal. Being conservative with your spending, being a visionary with your opportunities. These are things that

are timeless, whether you're selling a piece of jewelry or a digital product. That's always going to be there. I do think that many tech entrepreneurs, they lose sight of that and they lose site of that, that old wisdom, which can sometimes lead to these tech calamities that we sometimes see.

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**FT:** Also, a business principle that is timeless is listening to your customer, listening to your market. The pandemic was incredibly informing time for many businesses as they saw where their customers went and what they needed. It was an acceleration in some ways of innovation and in some cases, going out of business. What was the pandemic for Clasp in terms of the learnings and the pivots?

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**SI:** Yeah. We actually launched the first — we were in beta prior to the pandemic. We launched the first version of the app store, I want to say in April of 2020. We were scheduled to launch literally March 15<sup>th</sup>, but we had to delay it, because things were getting crazy then. But we launched in April 2020. I think what we were originally had intended was, we want to build this app as a way to help people become more empowered with their finances. What we quickly realized is that, you actually need to build more than just an app to really resonate with an audience. You need to build a way to speak to them. You need to build a connection with an audience.

We were trying to following this traditional, this older playbook — when I say older, I mean circa 2010, 2015, where you build an app, you build a personal finance app, you try to get as many users to use it. Then maybe, the larger institution buy it. But that's not really like what we're trying to do. Like we actually want to make a difference in what people's lives and actually build a product that's meaningful. We kind of veered away from that and that was a big learning from the pandemic.

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**FT:** Yeah. It seems like you look at some of these companies, these apps that get acquired by the big institutions, what the institutions really after is the software and they're not really into the community. Like that's great if you have a million followers, but we really just want the technology. That's what they value and it's sort of a bomber. Because then, all of those users feel —

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**SI:** And the data.

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**FT:** And the day, oh yes, of course. They get the data, but then they don't really care about the end-user as much as maybe the first iteration that app did interesting. Walk us through the experience of Clasp. Tell me what I'm seeing, what am I learning.

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**SI:** Yeah. Today, what we've done is we refined the experience quite a bit to be more focused on just journaling. We're trying to get away from the concept of budgeting. One that really focus on people's mindset, and it's not just the app. We're also doing a course where we can kind of educate people on just thinking about money in a better way and just understanding that to be better at money, it starts with really understanding yourself, and your values and your worth. That's kind of how we're approaching it.

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**FT:** Who's we when you say, "We're approaching it this way?" Like who's your team? Who are you leaning on? Tell us about the people at Clasp.

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**SI:** My partner, my brilliant partner, her name is Catherine. She is one of the deepest thinkers I know and I'm so grateful that I somehow connected to her. We're kind of the main founding team. We have other people on the team kind of helping us, but we're kind of the driving force.

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**FT:** You haven't just stopped at the app. You have a social media presence as well. This is more personal to you, The Money Gay. It's on TikTok. Your videos have gone viral. Tell us about your approach to this. I may or may not be taking notes.

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**SI:** Absolutely. As I mentioned, one of the things we realized during the pandemic is, it's not enough just to build an app. You really have to build a connection with an audience if you want to build something of meaning. We were experimenting with different platforms. We have your typical company, TikTok. We have a company Instagram. It just like was not resonating. I was like on TikTok during the pandemic because I was bored. I literally just joined just to see what it was all about. I was like, let me — I feel like let me just do this and let me just do it on a personal level without any kind of thinking of what the company branding is. Like that's a little bit separate. I'm just going to have fun with it, and just do it, and just be myself.

I launched it in February, and within like a matter of weeks, like the first video went like went to over a quarter million views. Not only that, but it was just the comments that I was getting, was just overwhelmingly positive. I was waiting for some shadiness. I was like waiting for it, but it was like not.

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**FT:** What were people saying? Who are these people? I want to know the demographic. Can you tell? Are they teens? Are they early 20s? Who's on TikTok?

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**SI:** It's definitely going to veer a little bit younger. We're talking Gen Z. Jens the I would say, for my profile. We're probably looking from late teens to 25 typically. In terms of the gender breakdown, that they actually give you. It's actually 77% women. It turns up, the comments, it was a lot of like, "I feel safe here. Finally, I can understand finance. I feel this guy can actually teach me in a way I can actually understand." That is like the most rewarding thing that you can possibly hear, because that is literally what I've always been so committed to making these inaccessible spaces accessible to people who actually are smart enough to understand it, but it's just society does not tell them that they can understand numbers in that way.

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**FT:** You said a word that is quite triggering and that is safe. This feeling of safety, I think that everybody for whatever reason, there are times in our lives where we don't feel safe. And for some people, it's a fleeting moment. For others, it's every single day when they go to a work place where they don't feel represented, or welcomed, or they walk out of their home and similar experience. Going back to what we were discussing earlier about some of the headwinds, the challenges that members of the LGBTQ plus committee, really any marginalized community experience is is this feeling of isolation, loneliness, not feeling safe. Can you talk to that piece a little bit and how that does impact your financial health among other things? But specifically the correlation to financial wellbeing.

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**SI:** Yeah. I think a lot of it has to do with when you look at a lot of traditional financial advice, and on TikTok too, like there's a big movement on TikTok around personal finance advice. You can see the kind of style it's given and the kind of people who kind of give that. Where it doesn't make anyone really feel very safe. The focus is on getting ahead, and as a result, people do get left behind. What happens, the way that actually manifest is, if someone feels like this discipline or this industry is not a safe space for them, they're going to just ignore it all together. That's a bad thing, because if they ignore, if they're completely ignorant of everything economic or finance, then they're not going to make the best financial decisions for themselves. They're not going to make the best decisions in terms of how to optimize their credit card debt or whether

they should by a home or whether they should invest. Like those decisions are not even going to be made, because that's not a conversation being had in these spaces at all.

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**FT:** Yeah, I just did an episode on financial abuse and that is a literal feeling of no safety in your relationship in many realms, but we often forget that physical abuse, 96% of partners that are experiencing physical abuse in their relationship are also experiencing financial abuse. I mean, to hear you talk about all these feels, I mean, this is what they feel. They feel trapped. That's a real extreme, but I think that's important and that's why I love having you on the show because we need to bring these issues more to the forefront. Issues that we take for granted. Like we forget the privilege there is in feeling safe in your own skin. I mean, there's a lot we can talk about there and for so many communities that are impacted by that.

But let's talk about where you see this app, Clasp going in like a year. I know time travels so fast too. In the tech world, we are talking about like, "Oh, eons ago, really just five years ago, there was a different way of doing thing. But what is your end-all vision. It sounds like you're not really moving towards this buyout scenario, which is a lot of people's hopes and dreams. Also, we did not even discuss how you're raising money for this. You've just left your day job. I have to ask about how that's going on. How are you managing that?

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**SI:** Yeah. We're self-funding at the time, currently. Listen, if you asked me a year or so ago, pre-pandemic, I would tell you, the dream is to be bought out, and to raise all this money and to become that unicorn. But the pandemic puts a lot of things in perspective. I think what we're focusing right now is to build a good business that people find meaningful that we can grow organically. That's the plan right now. The plan is not to get millions of users. The plan is to get a handful of users that value the company enough to actually pay for the product. It's a different approach, it's a different approach than we've seen in the 2010s. I suspect that we'll see this approach a little bit more.

But to answer your question about where Clasp is going. Right now, we're launching this course. Where we want to go is to look at Clasp as a financial coaching platform, where we're actually coaching people through our app, through text message, through video and we're coaching them through their financial situation, whatever that may be. That's the big picture. Where it's not just the me or Catherine coaching, it could be another financial influencer who may be coaching their particular community and it's done through the platform. That's the big idea, but we have a ways to get there.

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**FT:** So really being the access point too for a lot of people who want help because the community is large, there are many people who have mastered various aspects of personal finance who can teach. You can be that bridge from consumer to those experts.

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**SI:** Yes, absolutely.

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**FT:** Great. What do your parents think, your immigrant parents who raised the future of their entrepreneurial legacy?

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**SI:** I mean, I'm very lucky because I am someone who happens to be in an industry that the parents could be happy about. It just so happens that the things I'm passionate about are like things like finance, and engineering, and technology and entrepreneurship. They're happy. They're ecstatic. They love testing the app all the time and using it.

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**FT:** That's great. Going back to what you said about your experience in the world of finance, being told that your mannerisms weren't appropriate for moving up. Then there of course were colleagues who are hiding their — the fact that they were gay at work. Any advice for a person right now, working in a place where they may feel the same hostilities, they don't want to become entrepreneurs, but they want to keep doing what they love.

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**SI:** Yeah. I would say that right now, we're pretty fortunate because there are a lot of great companies out there that are extremely inclusive. I'm never going to be the person to say, "You know, you should come out." Everyone does that on their own terms. But I will say, if you do feel unsafe at work or if you feel like it's not a place that is including you, then you should leave and you should think about other companies, do the research and find other companies that will actually include you. Because we're living in a good age right now where there's a lot of companies out there that are doing it, especially with everyone going digital and remote. Now, there are so much opportunity here.

I would say, just think about leaving and sometimes, it could be a huge mental block. But if you just entertain the thought and maybe do a little research, a little light Googling and just get used to the idea. It will get easier to actually make that change.

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**FT:** Go where you are loved.

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**SI:** Yep.

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**FT:** That's the advice my parents gave me when I was choosing a college. It wasn't going to be Harvard so they didn't — of course. I'm an Iranian immigrant daughter, I have to apply to these schools.

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**SI:** Yeah. I applied to Harvard, why not.

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**FT:** I mean, why not, right? That's what I figured. It's a \$60 application, I guess that a money I'm never getting back, but you never know.

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**SI:** You never know.

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**FT:** I went to Penn State where they gave me a scholarship. I felt like they were really pulling out all the stops. Whether it's a college, a job, a person you want to be in a relationship. Go where you are loved. It's the path of least resistance.

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**SI:** Absolutely. You'll thrive. When you thrive, you will do great things.

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**FT:** You could, because you can be yourself. I mean, the simplest thing. Just the easiest thing hopefully. Hopefully. I mean, it's not easy of course for many people, but like it should be easier than it is.

Sunny Israni, thank you so much. Everybody, check out Clasp, it's recently made its debut in the app store. I'm very excited for you. Congrats.

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**SI:** Thank you. Thank you so much for having me.

[END OF INTERVIEW]

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**FT:** Thanks so much to Sunny for joining me. You can check out Clasp in the app store and [themoneygay.com](https://themoneygay.com) where they have just launched a course. Sunny's TikTok is The Money Gay. Coming up on Wednesday, another FinTech founder, Amber Masters, founder of Paidback and she'll be sharing her story and inspiration behind her new app, which focuses on helping you get out of debt. That's on Wednesday. Hope you'll join us then. In the meantime, I hope your day is so money.

[END]