

zero to traction

it's really hard.

today's talk:

traction, traction,

traction, traction,

traction, traction

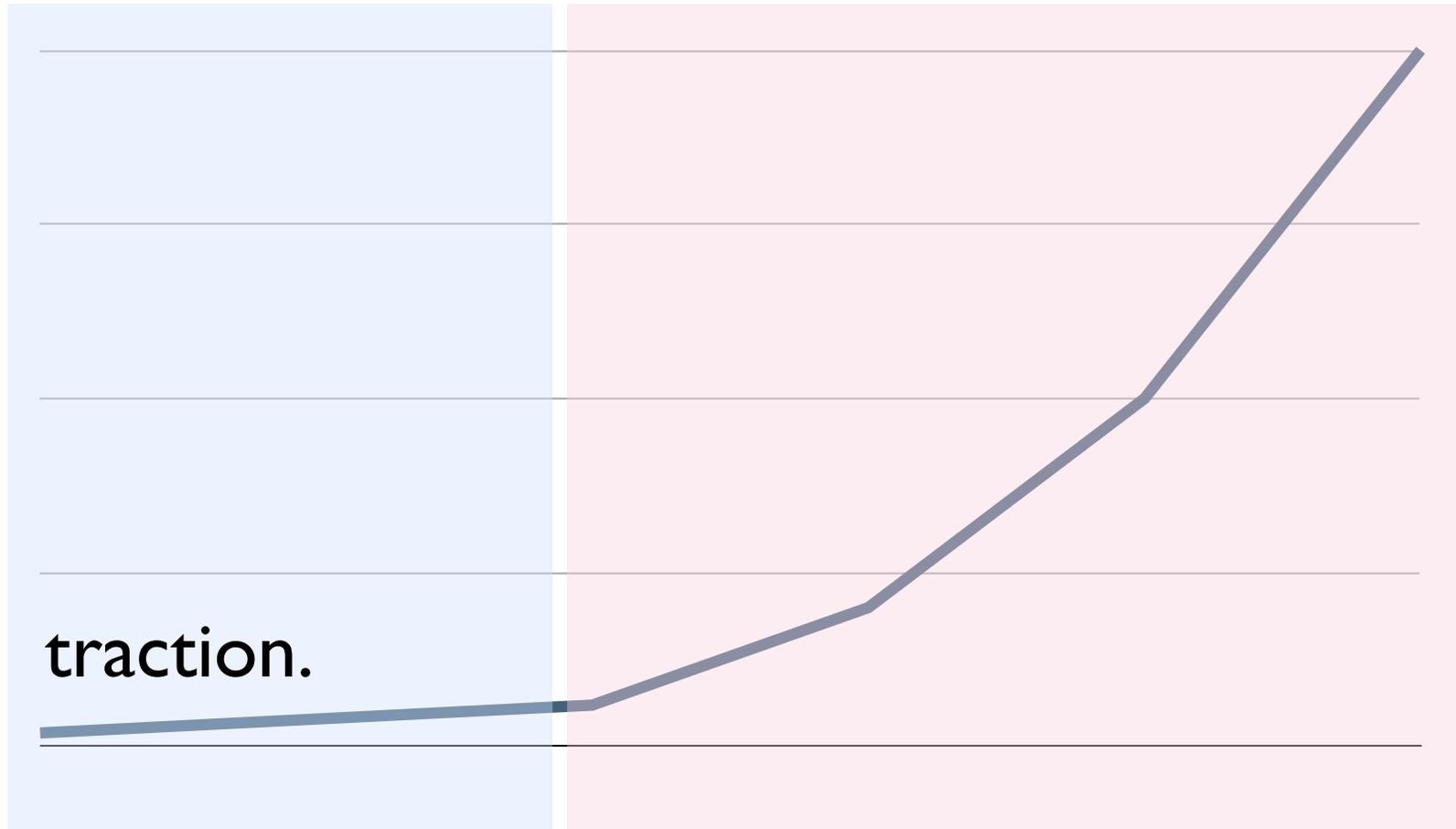
... but how to get it?

first, you need
product/market fit.

then you can optimize
for growth.

pre P/M fit

post Product/Market fit



product/market fit

When people who know they want your product are happy with what you're offering

... then you're ready to shift your focus from product to distribution and "win the market."



what P/M fit looks like

Consumer products:

Usage 3 out of every 7 days

Organic growth of 100s of signups/day

30% users are active the day after signup

Clear path to 100,000 users

what P/M fit looks like

SaaS products:

5% conversion rate from free-to-paid

3X CPA to LTV ratio

<2% monthly churn rate

Clear path to \$100k MRR

if you have that,
just add water.

Email me:

voodoo@gmail.com

Read more:

<http://andrewchen.co>

what if you don't have
product/market fit?

then get it done,
before you fail.

Most startups fail before reaching P/M fit.
Usually it takes years, not months, to reach it

product/market fit,
the *easy way*.



All | Featured | Suggested | Popular

Oragne: Nenu nuvvanu(HD)

Oragne: Chilipiga chusthavila(HD)

Oragne: O Range

choose your own
difficulty.

(But really, you should take it easy on yourself)

pre-existing product category

Ideally, many customers who know they want your product.

They are already looking. They know how to compare and shop for products like yours.

very large # of customers “pulling”

Ideally, there's a huge market of pre-existing “pull” for your product. Validate with searches, ads, etc.

A big market means there's often room to segment.

lots of successful competition

Ideally there's lots of competition with traction. More datapoints to figure out what the true MVP looks like.

However, ideally fragmented or incompetent or on a different platform.

clear axes of competition

Ideally, it's very clear how you are trying to substitute for a pre-existing product. Simpler, but different.

Different: Escaping the Competitive Herd
Blue Ocean Strategy

build for yourself

Ideally, you're a superuser of your own product category, so you can understand what competitive dimensions work.

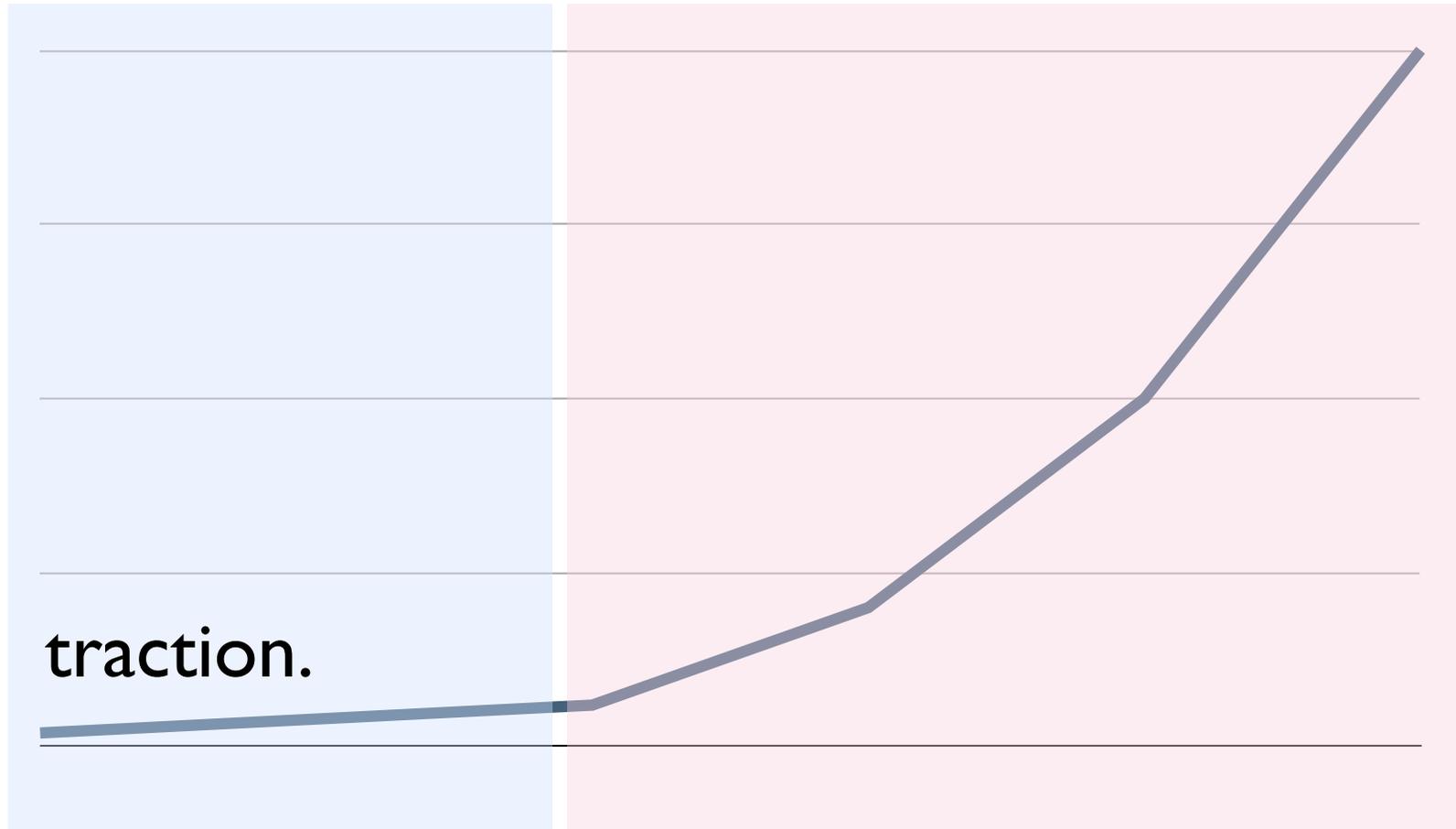
Easiest short-term path: Clone something that already has P/M fit

If the market keeps growing, then new users will come to you just to try it out.

Lots of problems through.

pre P/M fit

post Product/Market fit



More balanced: Clone 80%, innovate on 20%

Make sure your innovation is fundamental and can be experienced in the first 60 seconds in the UX.

Analyze and pick a clear competitive dimension.

common mistakes

metaphors often lead to “fake” markets

X for Y

“Pinterest for business” vs “Pinterest for dogs”

The substitution test

too much “minimum” in MVP

Competing in existing markets means there’s a baseline. Build something simpler, and different, but you’ll want to focus on switching people.

**technology in search of
a problem**

a bet on new human
behavior

art for artists

very lean startup, but
terrible market and
product choices.

how to scale?

“throw VC money and MBAs at the problem”

Once it works, then it's an optimization problem to figure out how to distribute it cheaply to as many people as possible.

Usually through paid ads, SEO, or virality.

Paid ads

Get this equation to work:

$$\text{LTV} = 3 * \text{CPA}$$

Viral loops

Get this equation to work:

invites/user * invite acceptance > 1

SEO

Get this equation to work:

% content creation * # created * Google Magic

just add water.

Email me:

voodoo@gmail.com

Read more:

<http://andrewchen.co>