

## Twitter Thread by Brandon Zhang



**Brandon Zhang**

[@brandonthezhang](#)



**I'm helping @theSamParr and @gaganbiyani run Ideation Bootcamp.**

**Its primary goal: To teach people to spot and research scalable and viable product ideas that can grow to \$100 million.**

**We're live with our first session now and I'll be live-tweeting my learnings below:**

1/ On Ikigai

Because of Hustle Con, [@myfirstmilpod](#), Sam's network.

He's seen behind the scenes of hundreds of businesses.

You don't NEED to love what you do, but having a sense of purpose certainly helps.

It removes a lot of luck and pain.

2/ On Starting Small

The key is to start small.

A small but intense fire is the goal.

Vision is thinking about a big, motivating goal. The future.

Execution is the early days, which are minuscule and just a fraction of the vision.

Think about both. They guide one another.

3/ On Inflections

Really big startups are often accompanied by inflection points.

Events or culture shifts that poured gas on the fire of their product.

Examples:

- Twitter + Rise of iPhone
- Bitcoin + Financial Situation of 2012

4/ Types of Inflections:

- Adoption Inflections
- Belief Inflections
- Regulatory Inflections
- Market/Technology Inflections

Inflections should be understood even before markets.

Entrepreneurs who live in the present tend to make the mistake of starting with the market first.

## Adoption Inflections

When people adopt new technologies, market sizes become much bigger and old ideas start working.  
Example: Smartphone adoption, Direct to Consumer adoption, Platform (Amazon, Facebook) adoption

## Belief Inflections

When people change their beliefs about the world, they are willing to adopt new products and services.  
Example: COVID-19, Black Lives Matter, eco-friendliness, Zoom meetings.

## Regulatory Inflections

Example: Medical marijuana, telemedicine, city zoning regulations

## Market/Technology Inflections

When underlying shifts occur in markets or technological innovations  
Example: Music industry losing revenue (TikTok), 5G rolling out (live mobile video)

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5/ On Research:

But you need insight to act on inflections.

Seeking out insights are great ways to help discover inflections.

Think through “What could go right?” to different scenarios.

Research to iterate and expand.

6/ There are 5 main research methodologies:

1. Reverse Engineer
2. Media Spend
3. Databases and Media
4. Unbundling
5. Cultural Shifts

Let's dive in to each on

7/ On Reverse Engineering:

It's amazing how much data is out there on big companies.

When Sam gets interested, he finds out who the biggest player in the space is, and 1) reads their annual report, 2) talks to the employees

8/ Reverse Engineering Tools:

- Crunchbase
- Pitchbook
- CBinsights
- <https://t.co/H4RJIOruwO>
- <https://t.co/HhJTKbmTQN>

9/ Similarweb Analytics:

1. To learn about a website's traffic

- 0-150k = meh
- 150-1m = interesting
- 1-10m = very meaningful
- 10-50m = huge

2. Bounce/rate

3. Pages Per visit

4. Avg visit duration

- 0-1 mins = eh
- 1-3 min = good
- 3+ min = great

## 10/ Reverse Engineering in Action:

@theSamParr found a website LitErotica:

- Ugly site
- 60m visits, 18 minutes spent, 65% direct, and most search is brand names
- Sam thought this was neat. What a huge market he knew nothing about!

## 11/ Reverse Engineering in Action:

1. He created a similar site
2. In a week, it got to \$500 MRR.
3. Sam wasn't interested - but he told someone about it. They created a version that hit \$72k ARR in 6 weeks.
4. All from the insight from: there's demand.

## 12/ Research Model #2: Media Spend

It's really to easy to see all the ads people are browsing - tells you what factors people look for in a product.

- Facebook Ad library
- Moat
- SEMRush - all ads being run on Google/Bing
- JungleScout - all ads being run on Amazon

## 13/ Example: Native Deodorant

- Checked out FB Ad Library
- All creatives had 2 keywords: Paraben and Aluminum
- Insight: These were what consumers care about



#### 14/ Research Model #3: Databases and Media

- Forbes Billionaire Index
- Inc 5000
- Mixergy
- 2PM

You can spot trends from the emerging businesses in these regions.

#### 15/ Example:

How to use databases:

1. Go to interviews/posts with founders
2. Create personal database tracking company date, growth, rev etc.
3. Nerdwallet - found it was a strong biz model:

Revenue not directly correlated with traffic. Highly efficient model to explore.

|   | <b>Nerdwallet</b> | <b>Rev</b>      | <b>Employees</b> | <b>Monthly users</b> | <b>Annual users</b> | <b>Revenue/user</b> |
|---|-------------------|-----------------|------------------|----------------------|---------------------|---------------------|
| 1 | 2009              | 0               |                  | 282.00               | 12000               |                     |
| 2 | 2010              | 0               |                  | 38,000.00            | 12000               |                     |
| 3 | 2011              | 2,000,000       |                  | 150,000.00           | 1,800,000.00        | \$1.11              |
| 4 | 2012              | \$6,400,000.00  |                  | 480,000.00           | 5,760,000.00        | \$1.11              |
|   | 6/12              | \$8,000,000.00  | 10               |                      |                     |                     |
| 5 | 2013              |                 | 20               | 1,300,000.00         | 15,600,000.00       |                     |
| 6 | 2014              | \$30,000,000.00 | 50               | 2,200,000.00         | 26,400,000.00       | \$1.14              |

#### 16/ Research Model #4: Unbundling

There are a bunch of big companies out there that can't focus on everything.

This means they are average in different sectors.

This offers the opportunity for specialized, vertically focused businesses to come in and thrive.

#### 17/ Example: Proctor and Gamble

The key is seeking out a combination of engagement, growth rate, and value.

P&G's entire business model has evolved to acquiring companies that have the three above traits.

IE:

- Harry's
- Native
- Thinx

The diagram illustrates a complex network of connections between various brands and products. Brands shown include Glossier, Memebox, eSalon, Orabrush, beam, colorescience, U'REAL, Little Duck, tria, SILK, DOLLARSHAVECLUB, MastiClean, WALKER AND COMPANY, HARRY'S, LIVIONEX, (MALIN+GOETZ), PANGAEA ORGANICS, REPAIRROGEN, PetFlow, quip, GOOD Natured, BEAUTYCOUNTER, RHYTHM, LOLA, THINX, HALO, restorsea, JULEP, Own, Freshpet, drops, THE SEAWEEED, sensible organics, juice BEAUTY, Fuller, and win. Numerous product images are connected by blue arrows, illustrating a dense network of relationships.

If breaking down businesses and researching opportunities is the stage you are at right now.

19/ Research Model 5: Cultural Shifts

- Reddit
- iTunes
- Glassdoor
- Amazon Reviews

Look at what people care about / complain about.

Grailed went from niche problem that was solved to multi \$-Billion marketplace

r/MaleFashionMarket · Posted by u/ajustrun 6 years ago

I built us an online marketplace to make buying and selling our clothes easier! (<http://grailed.com>)

Hey guys,

I've been a member for a while and have noticed that a lot of us are interested in a better interface for buying and selling clothes. The lack of a user-friendly system really frustrated me, so I built <http://grailed.com>; a marketplace designed specifically for us to buy and sell high quality menswear. It's free and uses PayPal to send money directly from the buyer to the seller.

My goal for the site is to make high end menswear more affordable and accessible to the community. I think everyone should be able to own pieces from their favorite brands, regardless of the retail price. Hopefully the ease of listing an item will encourage more people to sell and increase the amount of items available.

I'd love to hear what you guys think! I built it specifically for us to use so I'm definitely willing to change things and implement new features if you guys feel it's needed.

4 Comments Give Award Share Save Hide Report

73% Upvoted

r/MaleFashionMarket

A place for redditors to sell, buy or trade their previously-owned clothes, shoes and accessories.

16.8k Members

35 Online

Created Jun 20, 2013

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And thats a wrap!

Now Sam is doing live breakdowns of businesses and showing behind-the-scenes of how he would approach research of a new business.


Some amazing insights watching the process live!



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RESULTS


SETTINGS

GO

Apps

Analysis

Aug 2021 - Jan 2022, All Traffic



Bounce Rate

38.43%

Pages per Visit

2.69

Monthly Visits

110.50M

Avg. Visit Duration

00:03:34

Go to traffic and engagement →

Geography

Nov 2021 - Jan 2022, Desktop Only

