

## Twitter Thread by Joe Speiser ■■



**Joe Speiser** ■■

[@jspeiser](#)



**14 mental models that helped me build 10 startups and sell (a bunch of them) for millions.**

### 1) Serviceable Obtainable Market (SOM)

Everyone focuses on the Total Addressable Market (TAM), which gives an unrealistic expectation of your market size.

Instead SOM gives you a more practical estimate.



### 2) Viral Coefficient

Is the number of new users an average customer generates and a strong indicator of how highly your users like your product.

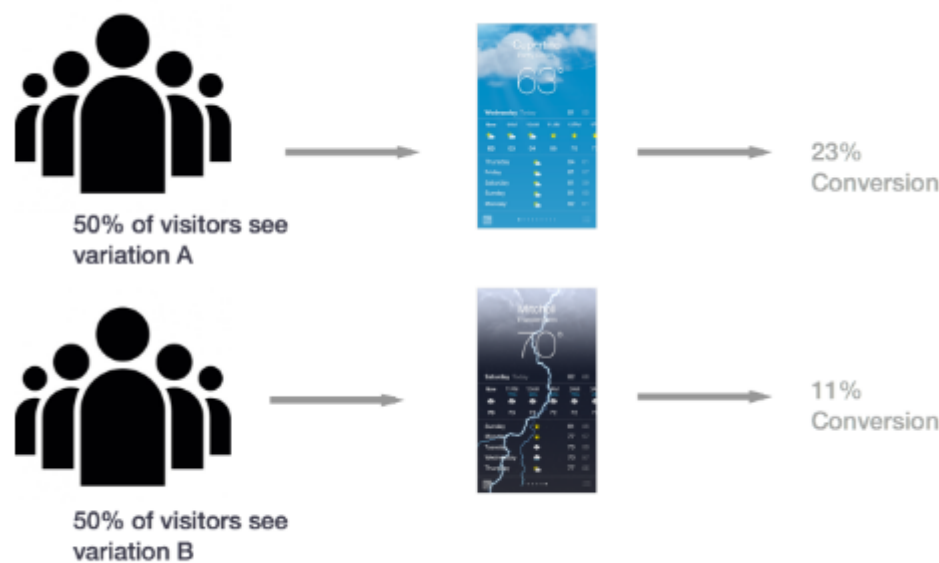
The higher your viral coefficient, the cheaper your acquisition costs.



### 3) Beta Testing

The process of exposing your users to different versions of the product/ messaging to determine the most effective one.

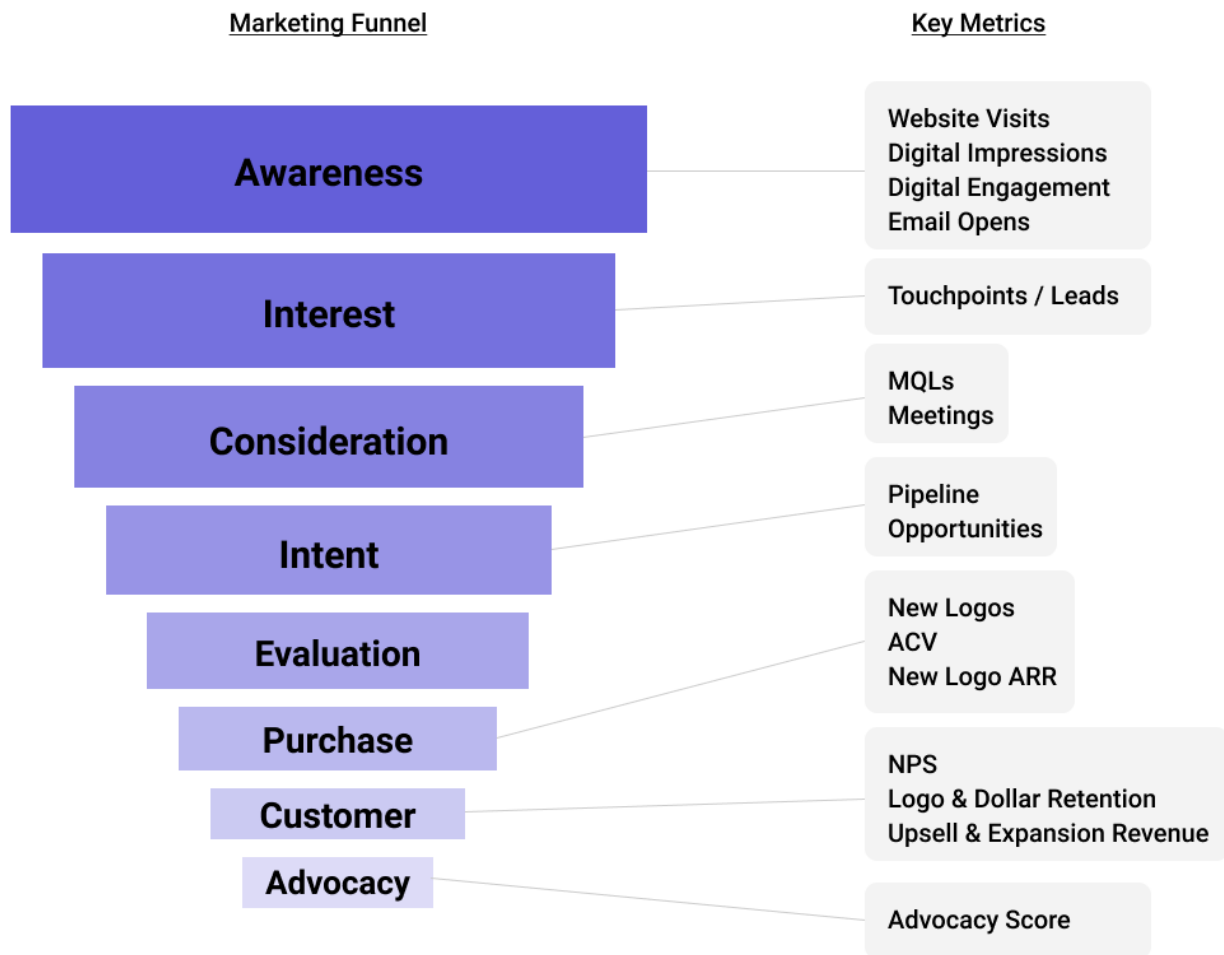
All top companies do this on a regular basis.



### 4) Conversion Funnel

The different stages that a buyer goes through before making a purchase.

Understanding what stage they're in helps you strategize your marketing accordingly.

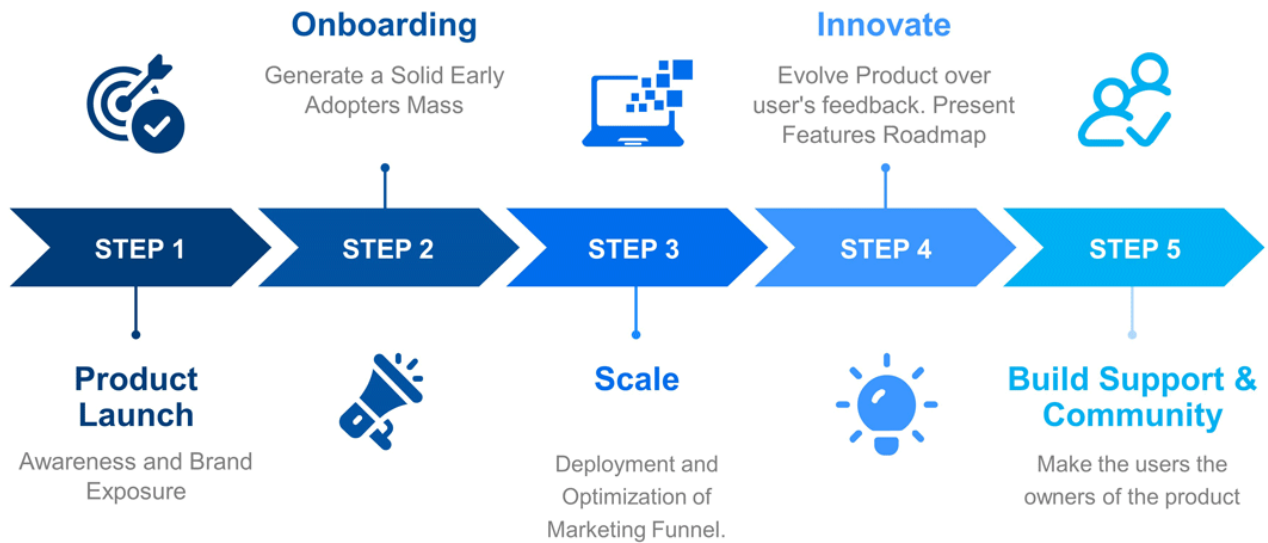


## 5) Go-To-Market (GTM) Strategy

A comprehensive step-by-step plan that companies deploy to bring a new product/ service into the market.

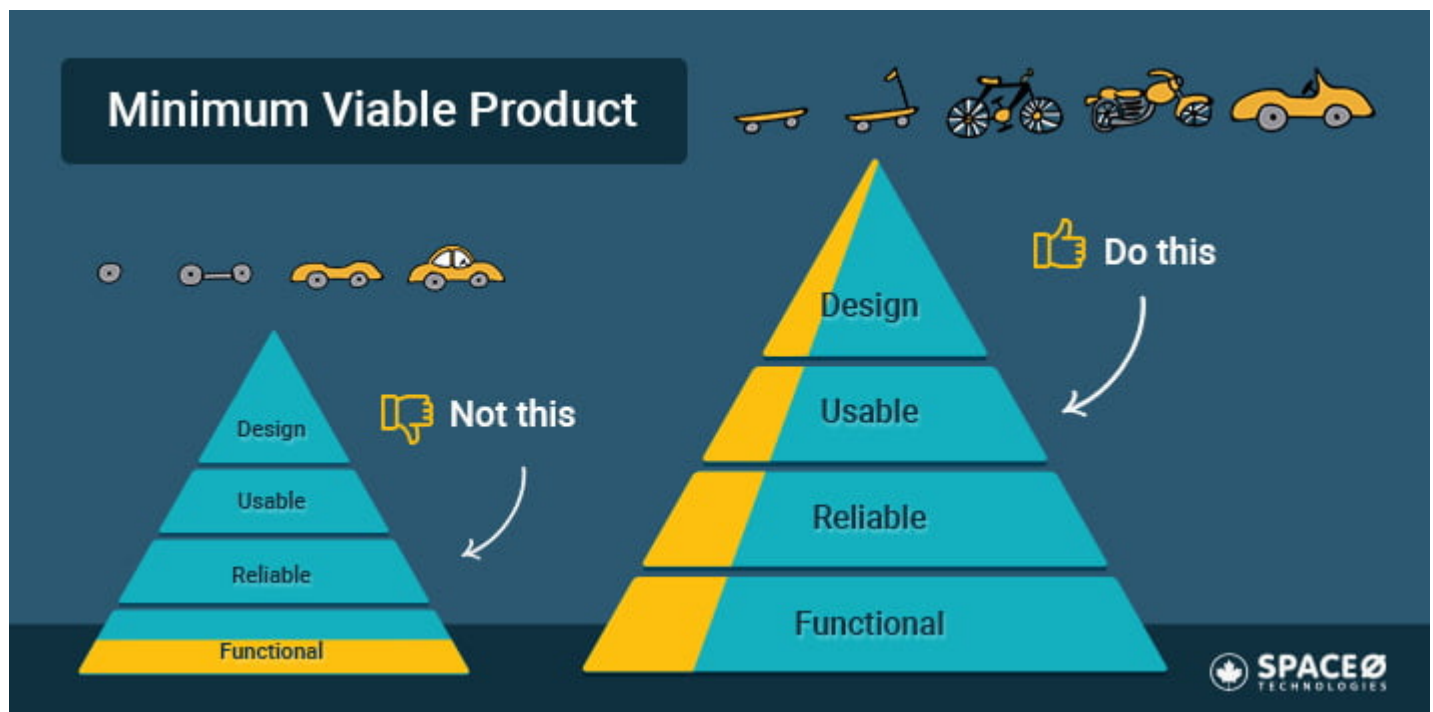
# PRODUCT GO TO MARKET ROADMAP

Strategy Goals For Product Timeline.



## 6) Minimum Viable Product (MVP)

The basic version of your product with core functionality that's just enough to launch and gather feedback.



## 7) Market Penetration

A measure of how much your product/ service is being used relative to the total market.

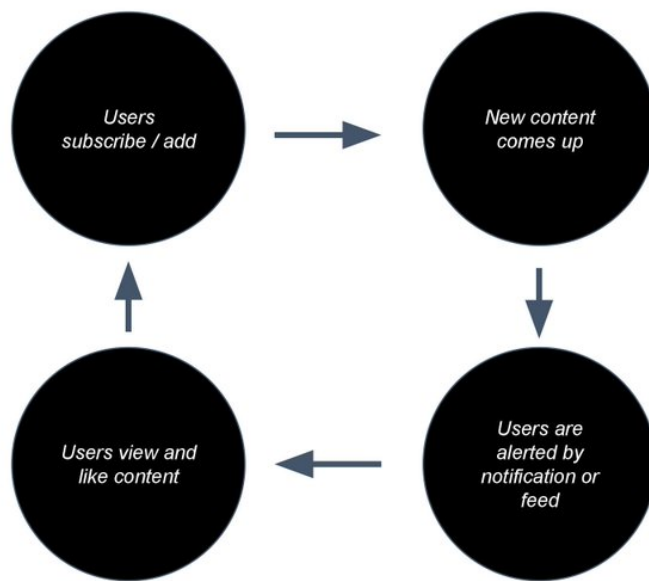
Eg: Netflix has a 21% share in the streaming services market in the US.



8) Engagement Loop

The activities that a user performs repeatedly while engaging with your app, reinforcing them to use it again, and again.

## Engagement Loop: Personalized content



Zillow®

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### 9) Customer Journey Map

It comprises the different touchpoints that take a person from a complete stranger into a happy customer.



### 10) LTV:CAC Ratio

It measures how much a customer is worth relative to the cost of acquisition.

If it's less than 1, you're burning your cash by bringing in more customers.

# Calculate LTV:CAC Ratio

**LTV:CAC Ratio**

=

Customer Lifetime Value (LTV)  
Customer Acquisition Cost (CAC)

Example

Customer Lifetime Value (LTV)	\$800
Customer Acquisition Cost (CAC)	\$400
LTV:CAC Ratio	2.0x

geckoboard

## 11) Churn Rate

The percentage of customers who cancel/quit your product relative to the total number of customers.

To increase LTV, you need to have a lower churn rate.

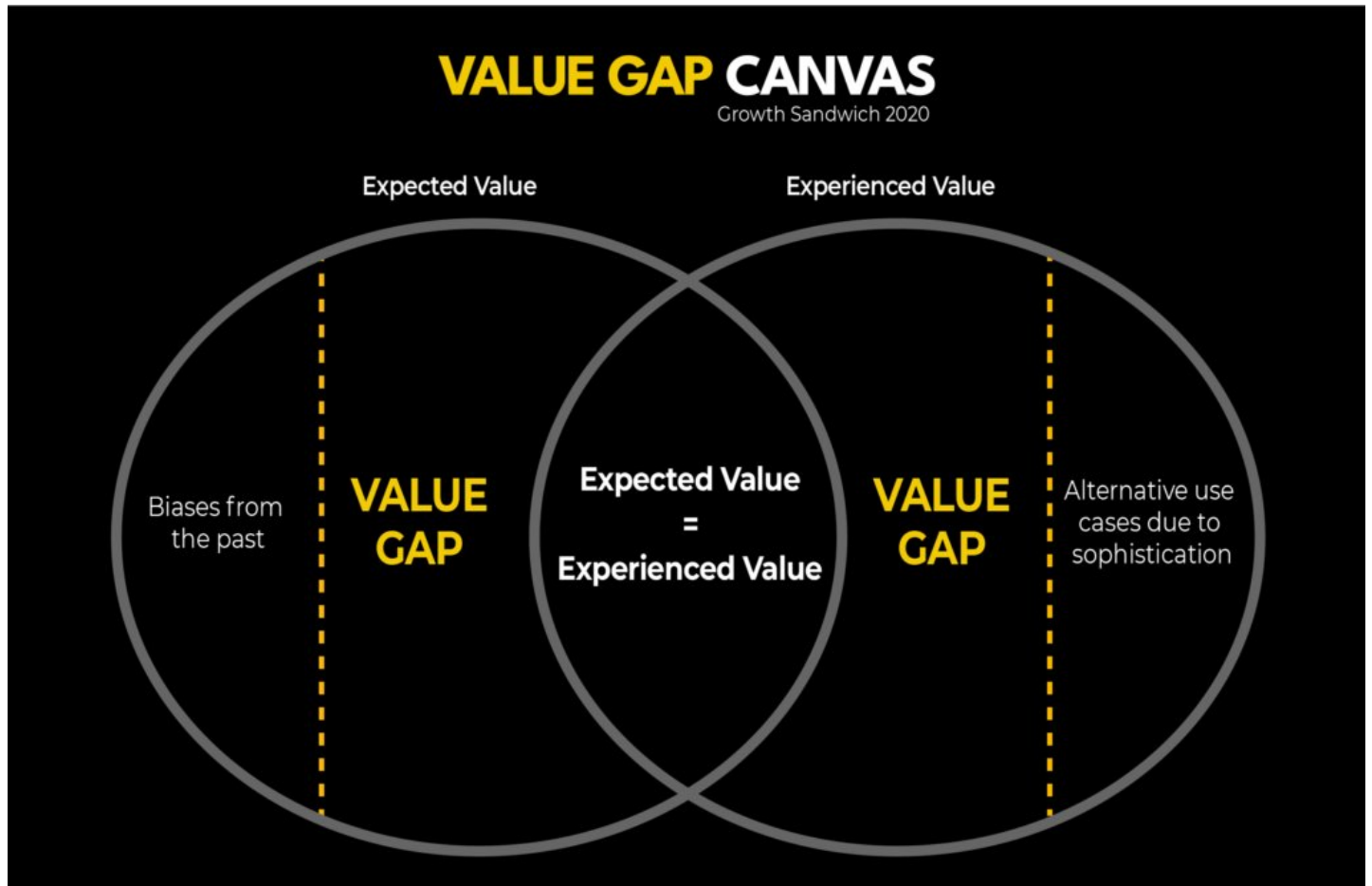


## 12) Value Gap Canvas

The gap that exists between a user's problem and the value delivered by the solution.



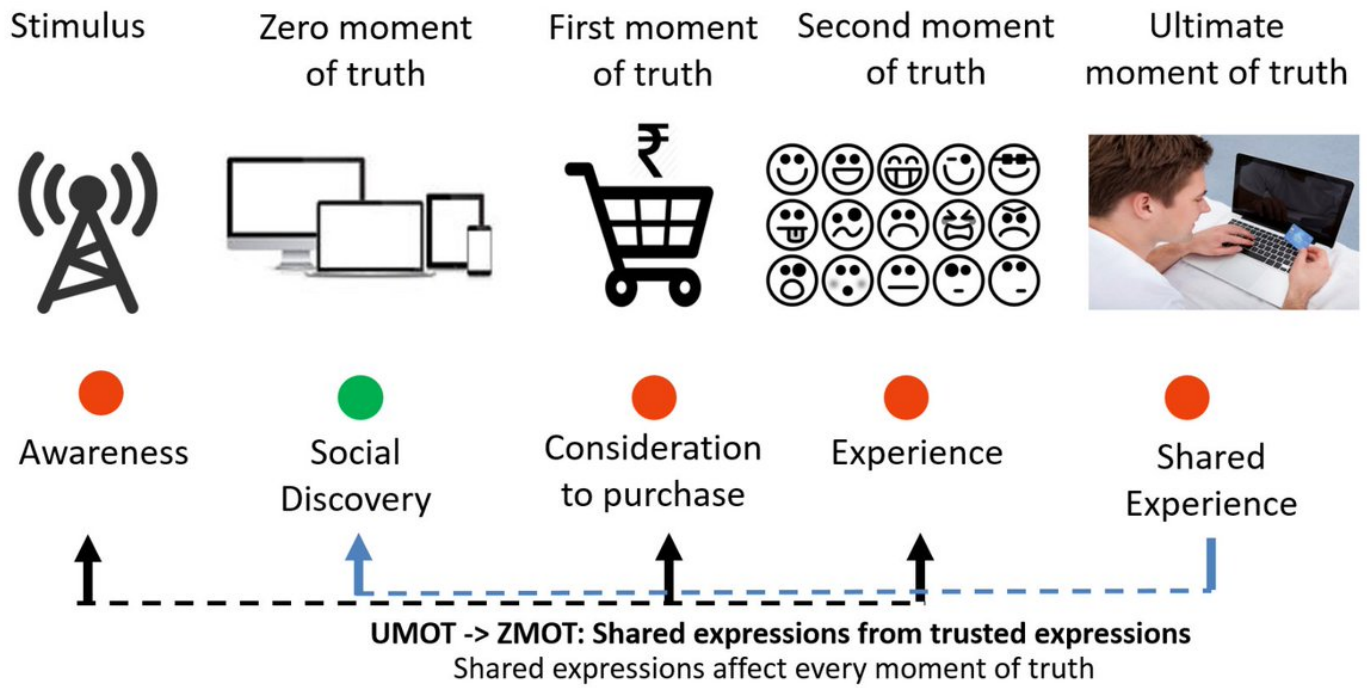
The higher the gap, the more you can charge.



### 13) Moment of Truth

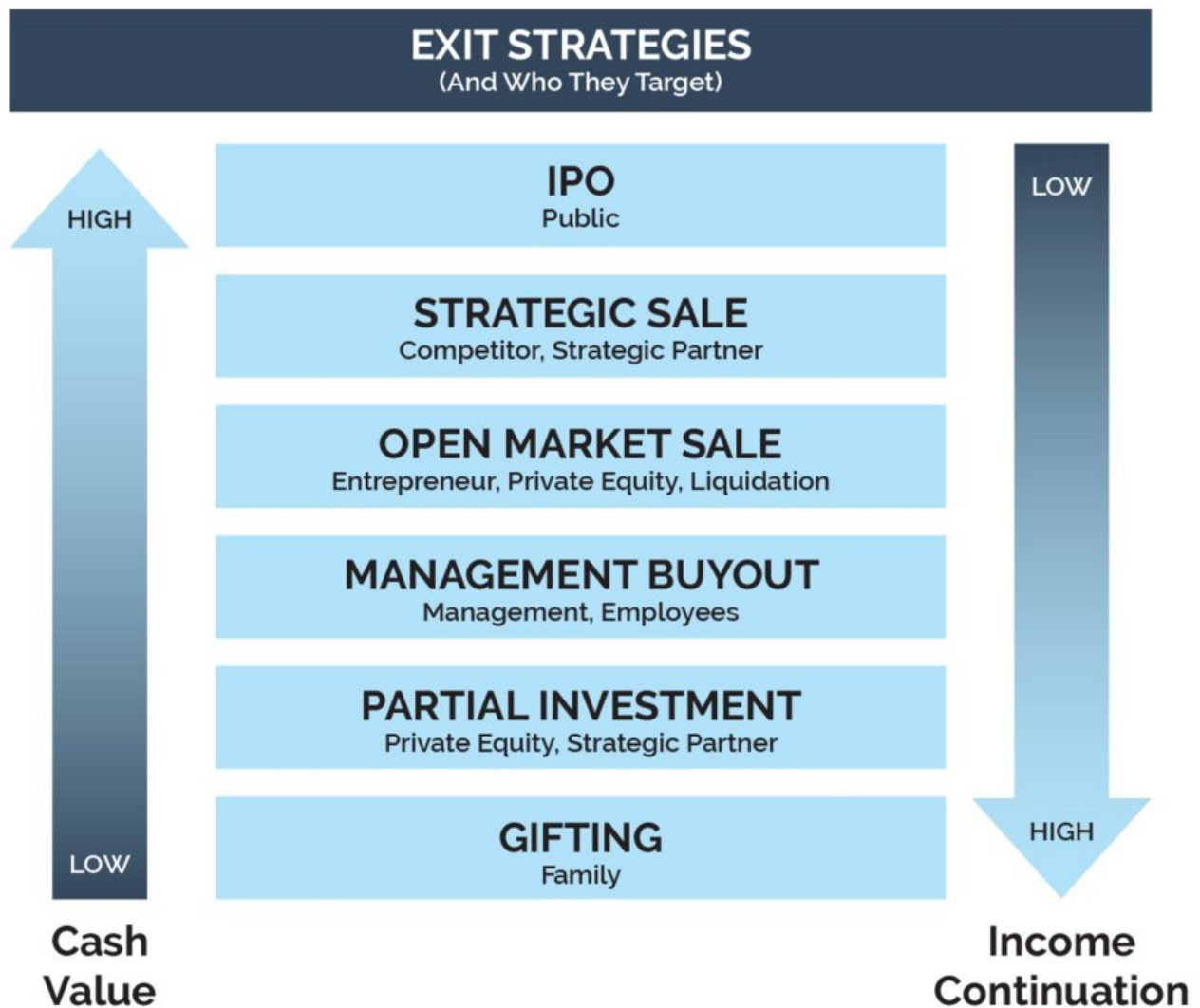
Refers to the interaction that makes the users realize the value of the product or causes them to change their impression of the brand.





#### 14) Exit Strategy

A plan designed to help owners/ shareholders sell their ownership partially/ completely.



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— Joe Speiser \u26a1\u2014 (@jspeiser) October 24, 2022