Twitter Thread by Justin Jackson



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If folks aren't already buying what you're thinking of selling, don't start that business!

There should be be evidence that folks are already spending money in the space you're thinking of entering.

Before AirBnB, folks paid money to stay at hotels, B&Bs, cottages, vacation homes, and hostels.

Annually, people spend $570 BILLION on travel accommodation.

Entrepreneurs need to follow the money:

"Where is it already being spent, and how can I get a piece of it?"

Don't look for "problems that need solving."

Look for categories where people/businesses are already spending money.

From an entrepreneur's POV, if folks are willing to spend money on it, it's a problem worth solving.

Apple has consistently followed this approach.

They didn't make the first:

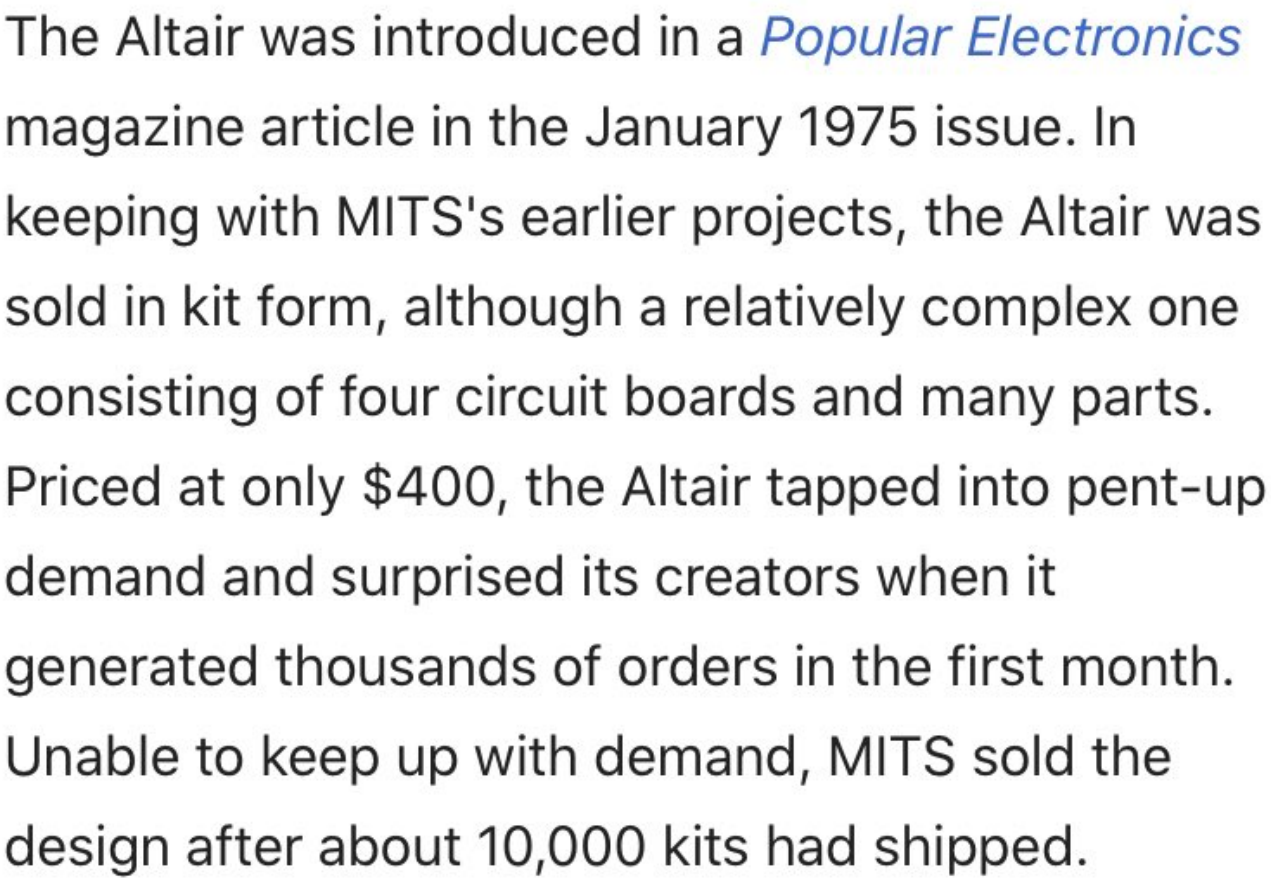
- PC
- Laptop
- MP3 player
- Smart phone

They saw the existing demand, and built on it.

This approach isn't just for bootstrappers.

Tesla, Microsoft, Apple, and Amazon all entered existing categories where folks were already spending money.

They rode a rising tide; they didn’t create the wave. ■■■■



Good point by Arvid:

There are other indicators that can show you whether a market is worth pursuing.

(However, existing purchasing behavior is probably the safest.)

https://t.co/Vv3ZWS0Ghp

> At FeedbackPanda, we solved the critical problem, not just any \u201cproblems that needs solving\u201d.
>
> They started paying where they had not paid before & had their own free manual solutions in place.
>
> How about \u201cfind where people are spending money or have ugly self-built workarounds\u201d?
>
> — Arvid Kahl (@arvidkahl) October 24, 2019

BTW – you’re free to do whatever you want.

If you want to start a business based on your gut, go ahead! ■

But if you want to reduce your risk, look for existing demand in your segment (or in a parallel category).

Even with good principles, there are no guarantees!

In surfing, you paddle out hoping to catch a good wave.

Knowing which wave to catch helps.

Being in the right place helps.

Having the right skills helps.

But even then, there are no guarantees you'll ride that wave in.

