

Characteristics of startups

Admin

- Welcome back from break!
- No more HWs
- You're now in a 2 week sprint for P2 (see updated due dates on website after class, your two weeks don't include break)

Note on tickets: should make lower-level implementation tickets (possibly as sub-issues of your user stories)

You can/should also make CI/CD tickets if you're planning to cover that this sprint

Note on the language in P2

- “Our React Native frontend enables a smooth and seamless tech stack across...”
- “Our new vision is a novel, cutting-edge, AI-powered coffee ordering journey...”
- “Fostering a collaborative and mutually productive, engaging experience for...”

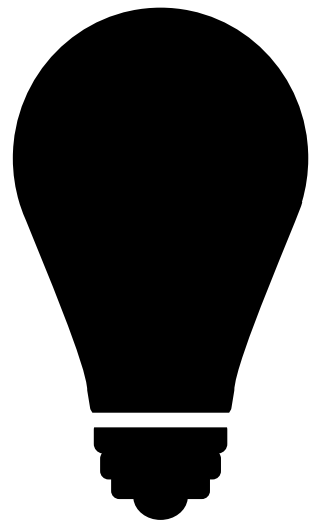
When you're doing discovery and technical planning, marketing buzzwords are bad

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Product discovery once again

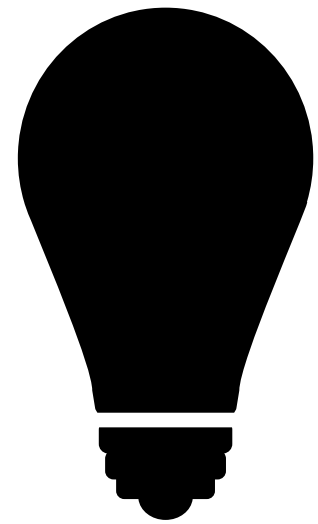
Discovery: non-goal

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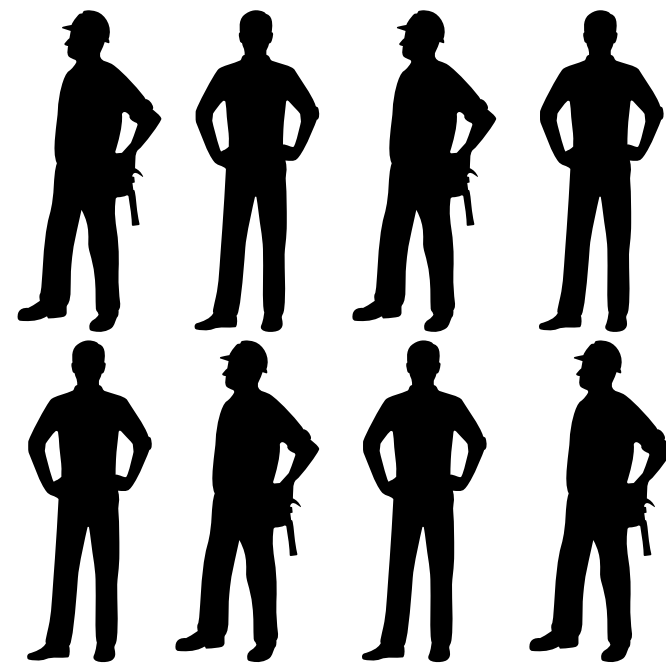
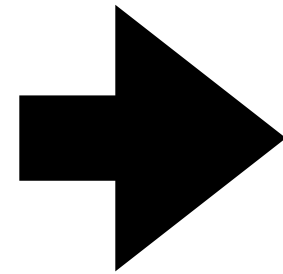


Have idea

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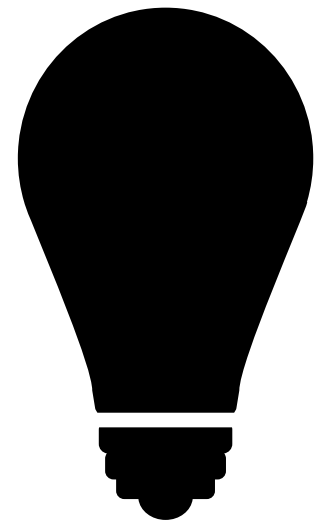


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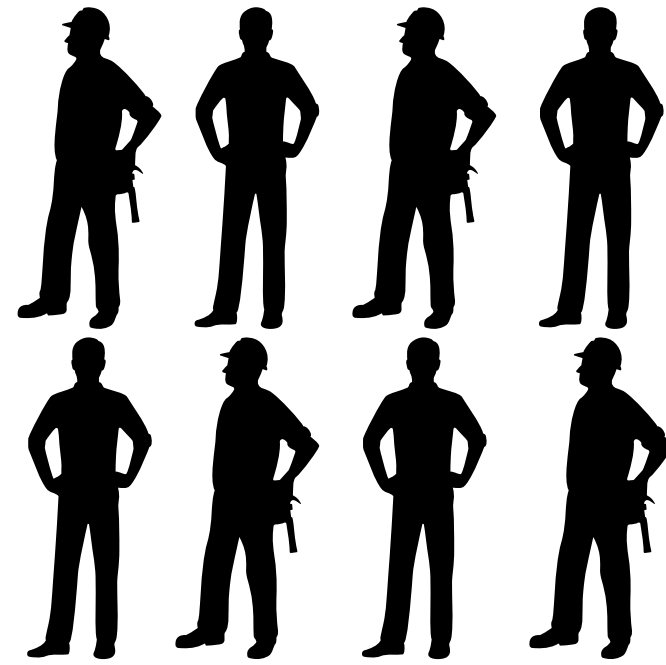
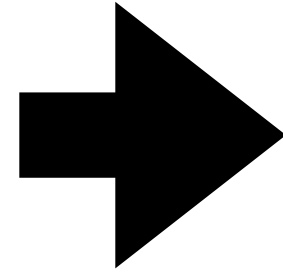


Do a bunch of
busy work talking
to people

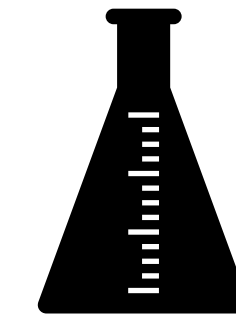
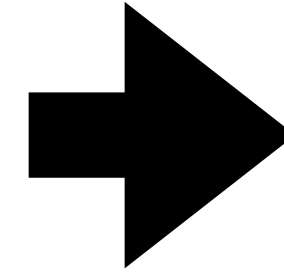
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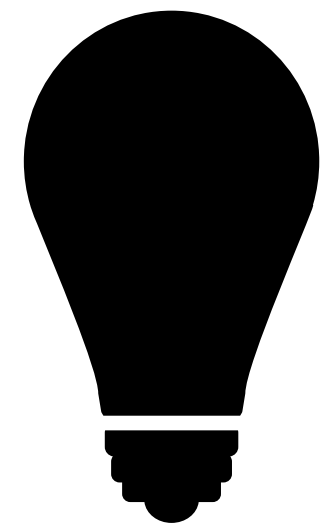


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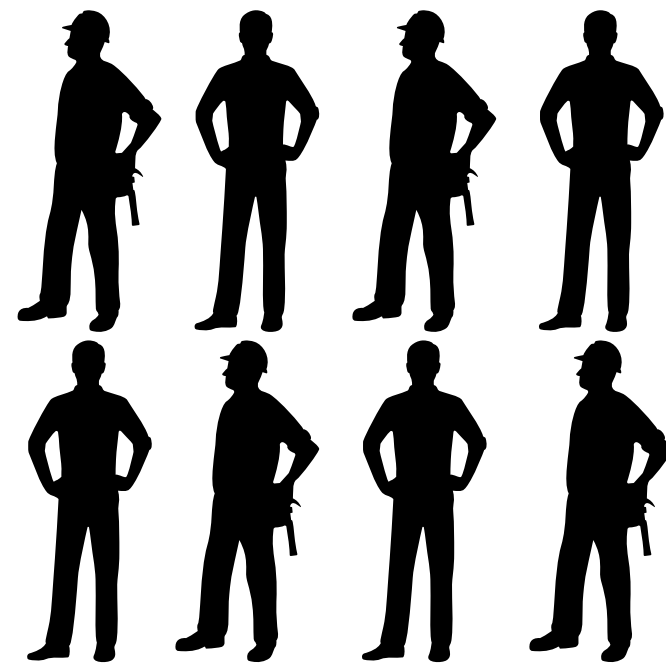
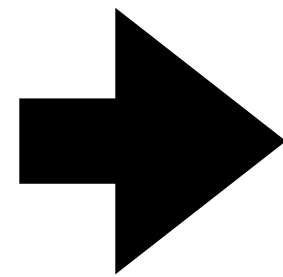


Filter evidence
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support idea

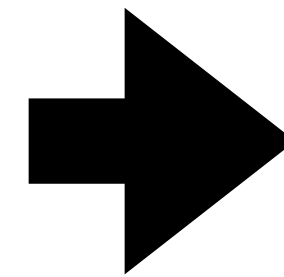
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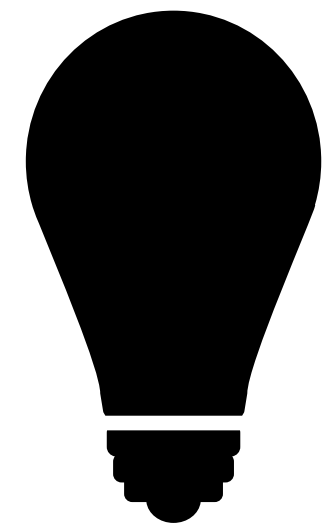
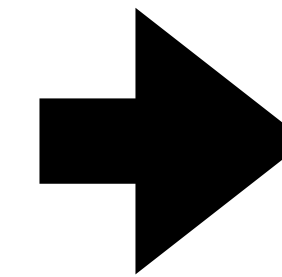
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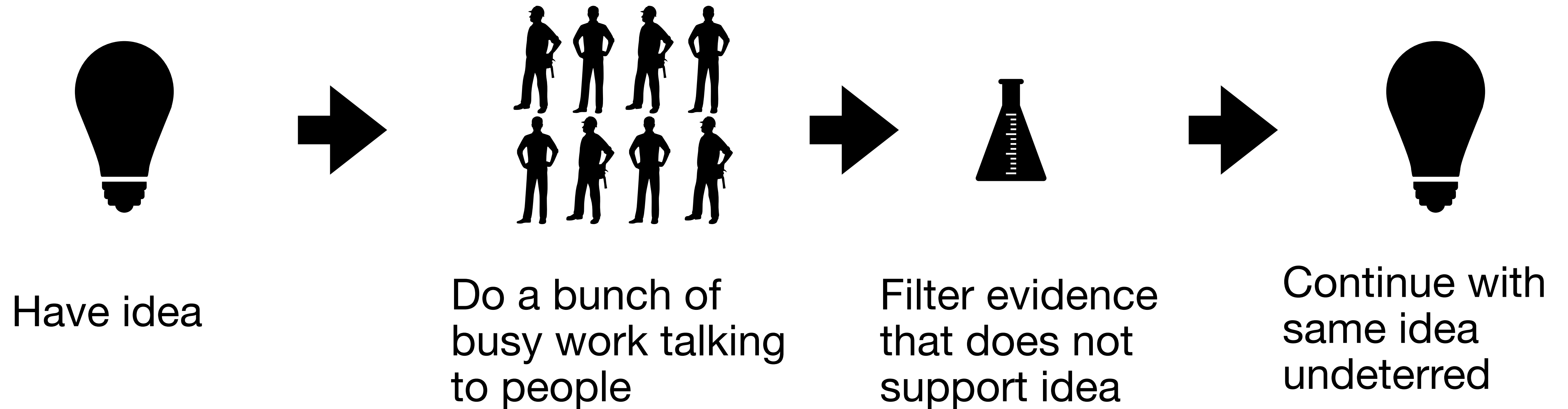


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Continue with
same idea
undeterred

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Post launch: Why is nobody buying it???????

Hypothesis testing exercise

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 - **10%** of people had spent money on a meal delivery/order ahead app in the past
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Why are we talking about research and discovery again?

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Because THE ONLY THING THAT MATTERS* is building something people will use/buy

Now, we'll be talking about the kinds of companies you can start

Remember: no matter what you need to make something people will use/buy

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What does success look like for:

- Businesses (for a B2B company)
- Consumers (for a B2C company)
- (Very rare and risky) One particular business (i.e., my plan is to get acquired by VMWare and I know VMWare needs X)

Give an example for each

B2B companies *typically* have/are:

- Fewer, larger contracts
- Longer sales cycle (why?)
- More capital intensive
- Sticky (why?)
- White glove support, at least at first

B2C companies *typically* have/are:

- Many users paying little to nothing
- Very fast sales cycles (click “sign up here!”)
- Less capital intensive (why?)
- Less sticky (why?)
- Automated support (upsides? Downsides?)

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**Discuss: AI chip company, chat app,
PagerDuty 1000x better, better HSM software**

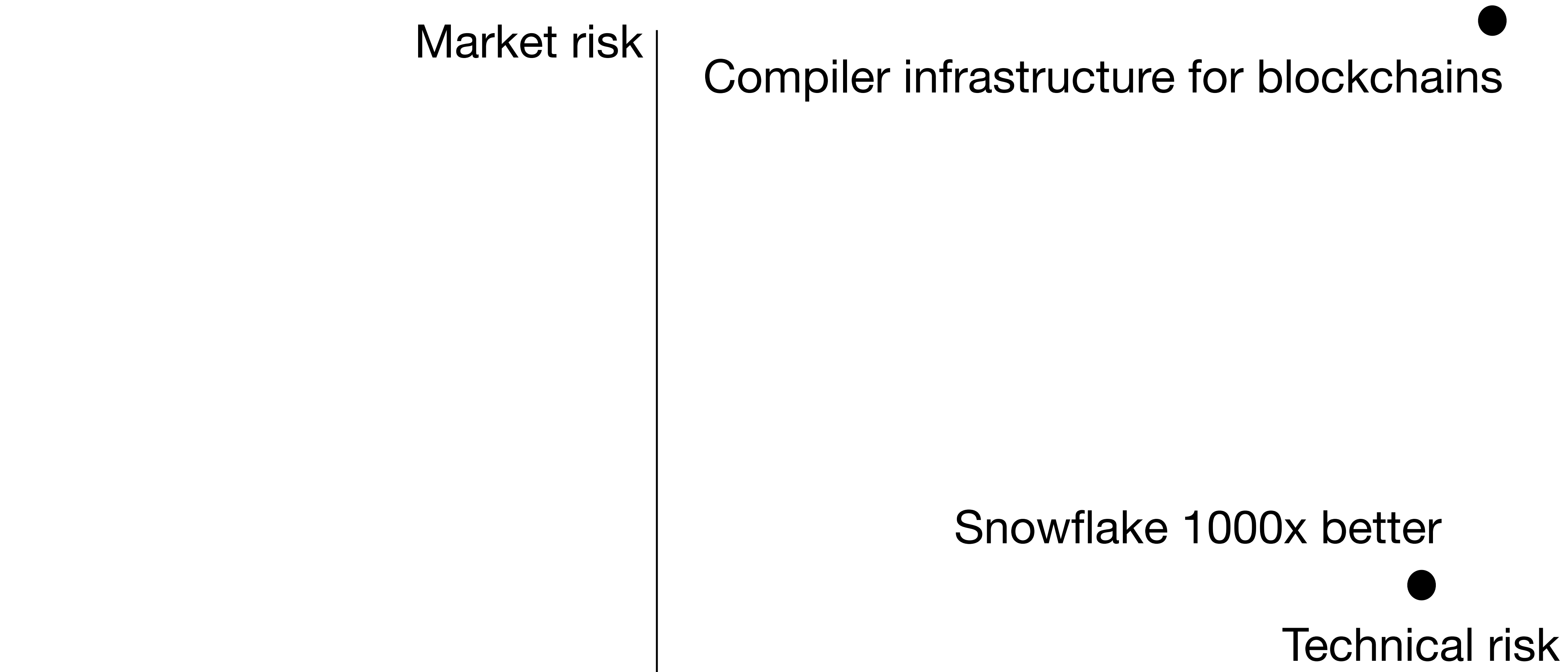
Another way of thinking about companies

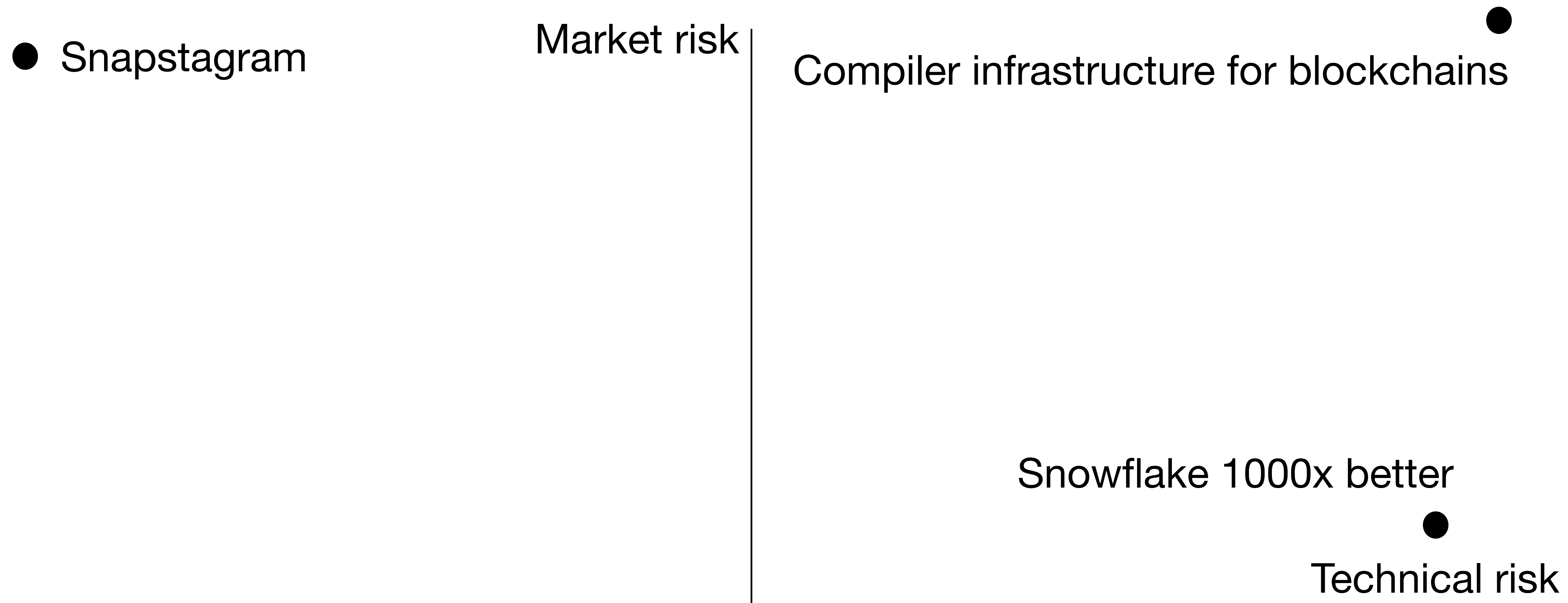
Market risk

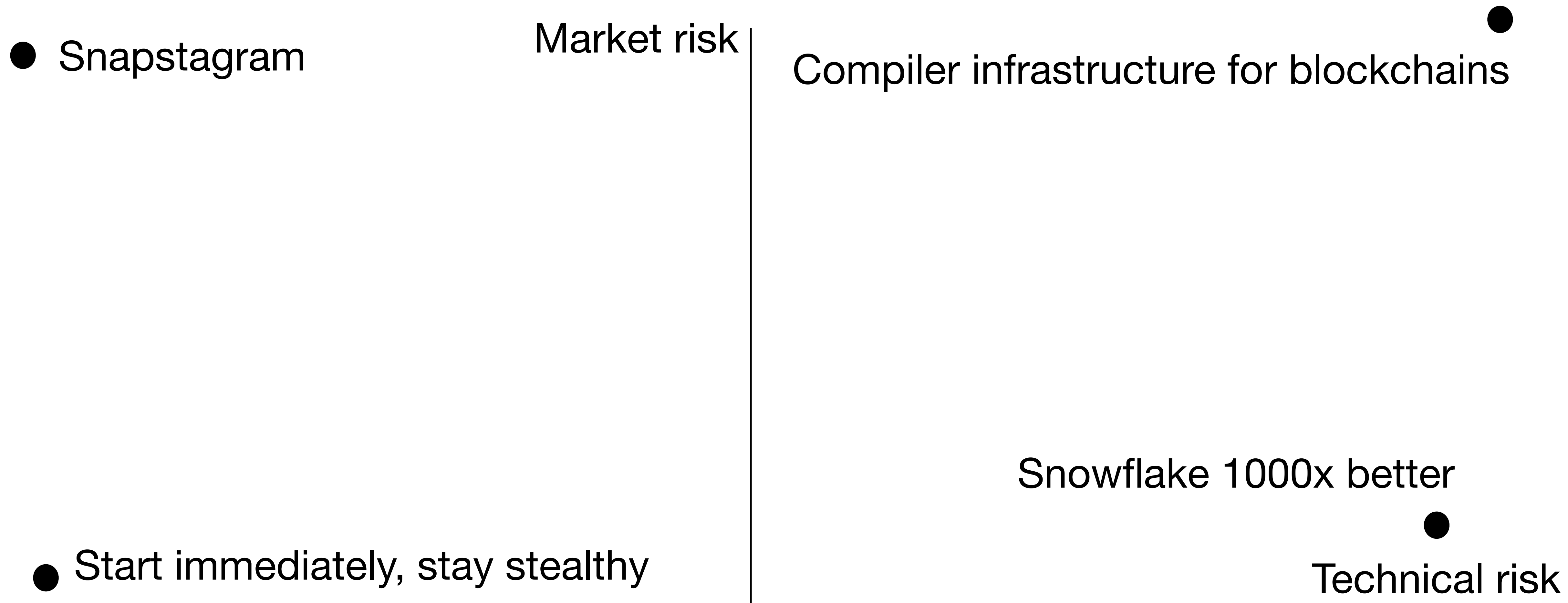
Technical risk

Shout out to a partner at Sutter Hill Ventures











Market risk



Technical risk

With/about your group

- Where do you fit on the market risk/technical matrix?
- What funding model would make sense for your startup?
- Is your startup plausibly B2B, B2C, or both?
- What does success look like for your startup?

Workshopping