# The Four Steps To The Epiphany Summary

**1-Sentence-Summary:** _The Four Steps To The Epiphany_ shows startups how to plan for and achieve success by giving examples of companies that failed and outlining the path they need to take to flourish.

**Read in:** 4 minutes

**Favorite quote from the author:**



"All new companies and new products begin with an almost mythological vision—a hope of what could be, with a goal few others can see."

– Steve Blank

Working for a startup isn't easy. And running one is even more difficult. I worked for one once and it was stressful to see the owners trying to get everything done. And it was just a simple service company, too!

Most new companies are chaotic. They've got dozens of "crucial" activities and targets, none of which are finished. It's hard to know which way to go and what priorities to set. You need a compass to show you the way if you want success.

That's just what Steve Blanks' _The Four Steps To The Epiphany_ is going to be for you. This guide will show you how to use the power of these four steps to build a successful business:

- Customer Discovery
- Customer Validation
- Customer Creation
- Company Building

After this you're going to be ready to do everything necessary to avoid the mistakes that make most startups fail!

3 of the best business lessons I've learned from this book are:

1. Don't fall into the trap of treating your startup like you would a big business.
2. Find your market type first, then base your strategy around it.
3. Early adopters are more important to consider when designing your product than the mainstream market.

Are you looking forward to starting your company off on the right foot? Let's dig right in and discover how!

## Lesson 1: Don't treat your startup like a big company, focus on finding your customers and find out if your vision is feasible.

As a startup, you can't use the same methods as giant companies and expect success for many reasons. For one, a larger business can offer a product to the mainstream market but you can't.

Businesses that have been around a while already have a customer base and an understanding of their competitors. They can use a product development process where the product comes first, then the customers.

**But you must reverse this process with customer development by first building a customer base then building a product that will help them.** You don't know the market yet, so you'd fail if you tried to move forward without learning about it first.

Another reason you can't act like a big business yet is that you don't know the type of market that you're going to be in. As a startup founder, you still don't even <u>know if your business idea is going to work</u>.

You have to prove that the future you're envisioning for your company is viable. Take on the mentality of a hero being summoned to go on a quest. You've got to go into unknown paths and overcome difficulties along the way.

Don't forget to use the power of your original calling to motivate you to keep going where others would fail.

## Lesson 2: You need to base your strategy on the market type that you want to get into.

You'll be tempted as you begin to use a cookie-cutter template to run your business. But it's important to remember that every startup is different so your strategy should follow suit.

The best way to determine what direction you want to go in is to start by finding your market type. The author references three that you might consider going into:

- Existing markets
- New markets
- Resegmenting existing markets

Each one has it's advantages and disadvantages, so let's dive into them!

Existing markets are those where you already know the customers you'll serve and competitors that you're going to face. **Not having to find new customers is nice because it saves you time.** But competing against big name brands is tough.

You could instead decide to go for new markets, which would mean finding brand new niches to go after. The pros and cons here are just the opposite of existing ones. Big competition isn't a problem, but you do need to invest a lot of effort to discover who your customers are.

Alternatively, you could resegment an existing market by finding new ways to serve them that don't exist. You might, for example, find a cheaper or more efficient way to offer a product or service. In many ways this creates a whole new customer base.

In-N-Out is a good example of this. They've succeeded by keeping prices of burgers and fries the same but can compete with McDonald's because their quality is much higher.

## Lesson 3: Don't go after the mainstream market first, early adopters are who you want to design your product for.

Right now I'm trying to sell my car. There are some things I need to do to prepare it to sell, and I'm willing to pay someone to get them done quickly even if it's not perfect.

There are many people who are in a similar position of wanting a rapid solution even if it isn't impeccable. As a startup, these are the kind of individuals you want to be thinking of when you create your first product.

Imagine you're working on software to help banks with cashing checks. It's not flawless yet, but it gets the job done quickly. Your perfect customer would be a bank that loses $250k a year on manual check-cashing.

They'll gladly pay you a chunk of that to solve their problem. Plus you can learn from their feedback on how to make it better!

**It's easy to fall into the trap of trying to get your product perfectly designed for the mainstream market.** Many startups have failed by attempting to go this route because by the time the product is done, they've spent all the money and can't improve it!

What's worse is that when they do get it just right it's taken so long that the market has changed so much that they can't sell it.

Instead, you need to get your product out as quickly as possible by finding early adopters who need a quick solution to their problems.

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## The Four Steps To The Epiphany Review

*The Four Steps To The Epiphany* is an excellent book but will definitely be beneficial to specific people only. I'm glad to be one of those that can benefit so much from this information though! There were a lot of ideas in here that I was familiar with as an entrepreneur, but some new ones as well that I'm excited to try out!

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## Who would I recommend The Four Steps To The Epiphany summary to?

The 32-year-old who is starting their first company and doesn't want to make the mistakes that cause most to fail, the 52-year-old that would like to become an entrepreneur but isn't sure how to be successful, and anyone that wants to learn how to start a new business off on the right foot.