Audience-First Products — David Perell

David Perell

12-15 minutes

I was a senior in college, and it was time to look for a job. So, I went to my school's job fair.

From the second I arrived, I knew the job fair was a dead end. Hundreds of job-hunting students walked around with the same blue suits, the same black portfolios, the same red pens, and the same lost expressions. The recruiters were advertising the kinds of jobs that knock the soul out of people—the kinds of jobs that inhale our young, talented people and turn them into cogs.

The numbers tell this story. According to a 2013 Harvard Business Review survey of 12,000 professionals, half of the respondents said their job had no meaning and significance.

A job at most of these corporations was a short-term win, but a long-term loss.

I wanted something different for myself.

My First Job

The Internet swallows up an increasing percentage of our leisure time, but people under-estimate the economic opportunities it presents — even for college seniors. For instance, the Internet is a better job matching tool than a job fair will ever be. Even in college, when I had less than 1,000 followers on Twitter, I could reach the kinds of decision-makers online I would have never met at a job fair.

After I left the job fair, I committed to finding a job by using Twitter. The next week, I woke up late on a Tuesday morning and the rain was coming down sideways. I didn't feel like going outside, so I skipped class to write a series of tweets about the future of online publishing. With them, I attracted the attention of Jason Stein, the CEO of Laundry Service, a New York-based advertising agency I wanted to work for. Impressed by my ideas, he replied with eight words that changed my life: "Interested in working with us when you graduate?"

Ever since Jason's unexpected message, I've used the Internet to create every meaningful professional opportunity I've had, including my first business.

First, I discovered the Internet was a better way to find a job. Then, I used the Internet to build my business. What follows is the three-step process I've used to create professional opportunities online.

The Rise of Audience-First Products

My method of "Audience-First Products" is still experimental, but I believe it's repeatable. It's a new way to test the feasibility of a business idea. It stands in stark contrast to the "old guard" model of attending job fairs, working mindless jobs to learn professional skills, and raising money before you start a business.

Here's the three-step process I used to capitalize on the transition to the online economy:

(1) Build an audience

(2) Build a product

(3) Scale the solution

Here's how it works.

Step 1: Build an Audience: Before the Internet, companies built products first, audiences later. Now, they build audiences before products. People are taught to hunt down interesting people, ideas, and

opportunities. But masters of the Internet attract them.

Sharing ideas attracts like-minded people who double as a feedback loop to make you smarter and more interesting. Through direct feedback, having an audience will give you a unique perspective on the world. You'll receive instant, high-quality feedback on the ideas you share.

Ignore them, and make the Internet small instead. Define your interests. Then write about them. When you find a group that resonates with your writing and you want to connect with them, write for their interests. As you do, you'll make it easy for others obsessed with that interest to find you. When you write in-depth about an off-the-beaten-path subject, you'll attract people at the outer edges of the personality curve. Use it to shrink the world, and surround yourself with like-minded people.

Define your own intersection of ideas by writing about topics nobody else is writing about and putting a name to your perspective. When you write about a specific topic, you'll find you and your audience share common challenges that double as areas of entrepreneurial opportunity and topics to write about. As you write this way, you will define your unique lens on the world, share it passionately, and attract both casual friends and professional collaborators.

As you build your Audience-First Product, focus on resonance instead of scale. Most online metrics focus on how many people you reach, not the depth of relationships you build with them.

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Step 2: Build a Product: Once you've built an audience, you can focus on the second step of delivering a product to them. There are problems everywhere. Nearly every service could be delivered with more joy, in a more efficient manner. Study any industry for long enough and you'll find ways to improve it.

To build a product, you should solve a problem for your audience or yourself — ideally both.

To build for your audience, ask: "What product does my audience need to solve a problem they have?"

And to build for yourself, ask: "What product can I build to make my life easier?"

Regardless, the bigger the overlap between the audience you attract and the product you sell, the more successful you'll be. For example, Nathan Barry built an email service provider called ConvertKit after building his online audience of people who wanted to learn about web design and building authority online. ConvertKit has always been designed for his creative process, so Barry's always had an intuitive sense of how to build the product.

If people are continuously annoyed about something, there's an opportunity to build a product. If an obvious customer pain point hasn't been solved, there's probably a reason why. But you'll find economic opportunities in common problems people don't know they have.

Peter Thiel famously asks: "What very important truth do very few people agree with you on?"

My answer is that writing online is massively underrated. It's one of the world's biggest arbitrage opportunities. Blogs have global reach, and the demand for quality ideas far exceeds the supply of them. But content creation is hard. Without structure or accountability, many people won't be able to publish consistently. Until I started *Write of Passage*, nobody had claimed the niche for helping people write to accelerate their career. There were no methods, no frameworks, and no groups to support up-and-coming writers.

Write of Passage is the online course I wish existed when I started writing. The system would have saved me hundreds of hours in setting up a website, building a note-taking system, and refining ideas before I published them. I had experienced the benefits and challenges of writing online myself, so I didn't have to do market research. I launched the course with a built-in audience of 10,000 email subscribers and 20,000 Twitter followers. Since I had organic reach, I didn't have to pay for marketing.

If you have a built-in audience, you don't need to raise money. If you write well about a common and specific problem, Google will send you lots of free traffic. Looking back, I could have de-risked the online course by commanding an early-bird fee to cover my expenses while creating the course. I thought I needed to raise money to start a successful business, because venture capitalists are too good at marketing for society's benefit. I had spent too much time studying the loud tactics of venture-scale companies and not enough time studying the quiet successes of bootstrapped companies.

Step 3: Scale with Software and Contractors

If you define your processes, you don't have to hire full-time employees. Depending on their complexity, you can outsource repeatable processes to personal assistants and software programs.

The robots are already here. But they're packed in Northern Virginia data centers, and don't look like the human-style robots we saw in iRobot. Automate processes with code whenever possible. If you know how to code, you can build your own software. If you don't, you can automate repeatable processes with tools like Zapier. But beware of chasing automation too fast. Don't lose the human touch where it matters. Don't forget the feeling of receiving a survey about a flight you missed; don't forget the feeling of receiving email with the wrong person's name on it; and don't forget the feeling of receiving an automated text message from a gym you no longer go to.

Once a process has been automated, it's hard to fight back against that inertia. In particular, make sure your systems are mature before you automate customer support and communications.

Andy McCune is one of the most talented entrepreneurs I know. He spent his teenage years growing social media handles. His most successful one, @earth, has more than 1.5 million Instagram followers. At 24 years old, Andy just sold his company Unfold to Squarespace. The company was founded in 2018, and by the time it was acquired, Unfold users had used the app to create more than 800 million Instagram stories. The app had more than 25 million users, hundreds of thousands of which paid for the subscription of $2.99/mo or $19.99/yr. Best of all, they scaled the company with contractors instead of hiring full-time employees. At the time of acquisition, only three people worked full-time for Unfold, and Andy and his co-founder owned 100% of the business.

If you can't automate a process with software, you can delegate it with contractors and personal assistants. They prefer well-defined projects and enjoy the repetitive tasks that drain the energy of an entrepreneur's soul. As you work with them, ask them to refine and add detail to every process. The more granular the checklist, the better. That way, the process can be executed by any personal assistant, and eventually, by software.

This three-step process removes some of the risks of entrepreneurship without reducing the benefits to society.

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Why now?

We've reached a tipping point for the creation of online businesses. First, it's easier than ever to build an online audience. Future customers can find you on social media, stay connected with you through email, and build a relationship with you through articles and podcasts. Second, the number of no-code, plug-and-play software tools has exploded in the past five years. They're almost all cheap to use at first, and the costs only rise as your business grows.

When I launched *Write of Passage*, there was no other school at the intersection of organizing your ideas, becoming a prolific writer, and working with a community to build an online audience. I launched *Write of Passage* with a built-in audience and without a lot of competition, so for the first year, I didn't have to pay for marketing. I didn't just have 10,000 email subscribers when I started selling the product. I had a trusted relationship with 10,000 people, many of whom saw me as an expert on writing online. Like a dam holding back water, there was a torrent of people who wanted to learn from me. Officially, there are only two people who work full-time on *Write of Passage*. But in another way, there are hundreds of people who do. The software tools I use are improving their products at a compounding rate, which gives me low-cost access to a "shadow work force," and keeps my company small so we can move fast. Thus, there are actually thousands of people working full-time to improve *Write of Passage*.

Avoiding competition is the best way to build an Audience-First Product. You must solve problems other people aren't trying to solve. Do something unique. Don't be the 800th person to sell T-shirts on Instagram. When in doubt, don't differentiate on branding or packaging either. The world doesn't need another copycat product, and if you can blaze your own trail, your compensation will reflect that.

For years, we've been taught to make the Internet big. Go global. Scale-up your efforts. Create products for billions of people. More, more, more.

But there are other paths to success too. Use the Audience-First Product method to make the Internet small. By writing online, you'll build a network around yourself and have a window into the ideas that ignite your soul. When you write online, you become a magnet that attracts like-minded people. Those people will share their best ideas, become your first customers, and help you grow your company.

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