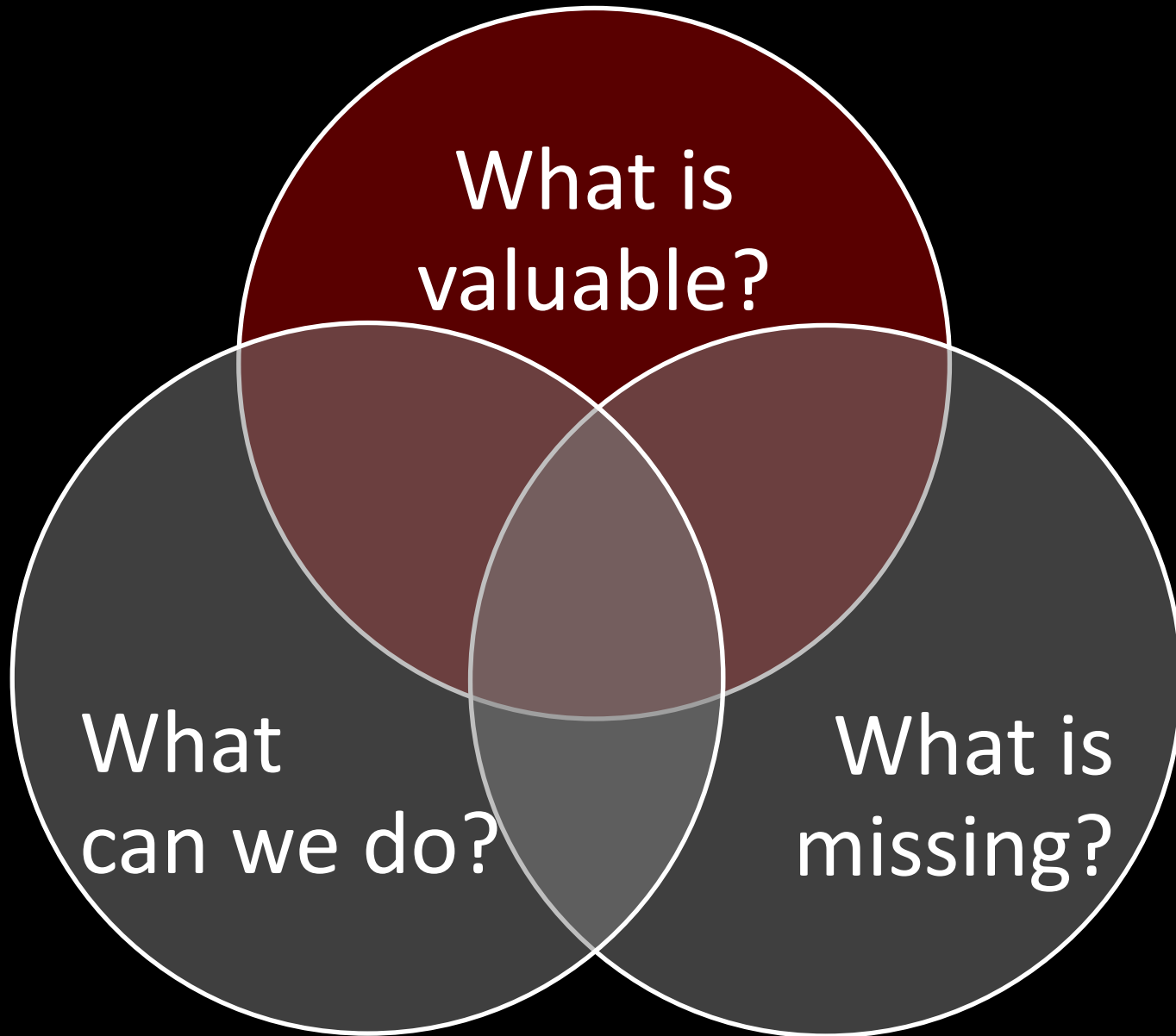


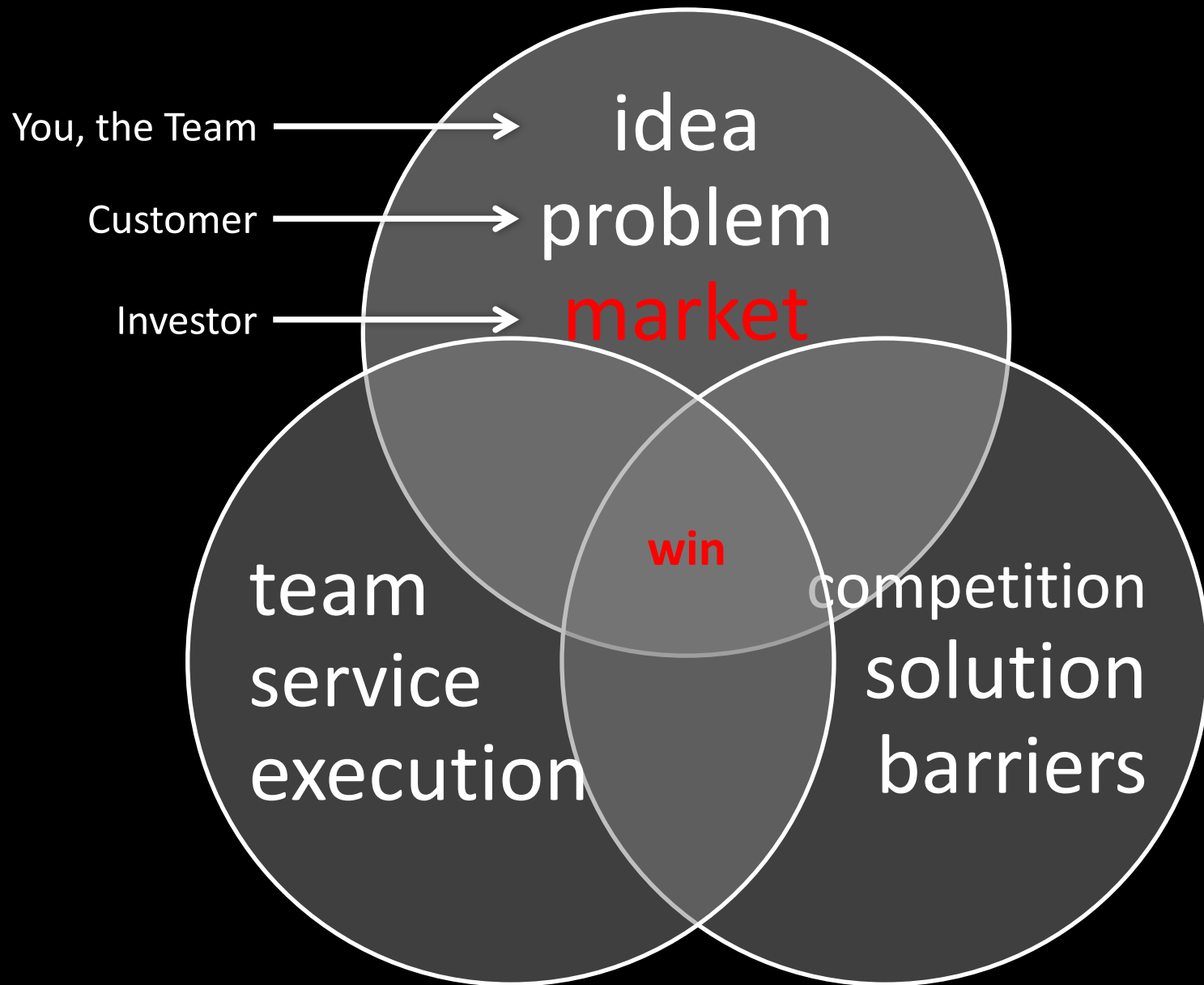
STRING

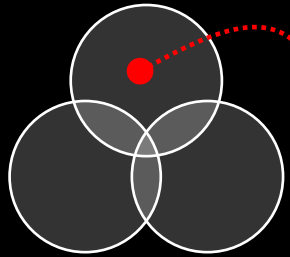


VENTURES

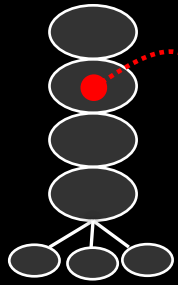
Market



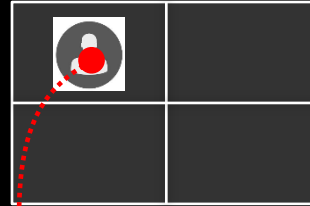




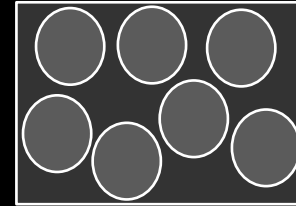
triangle



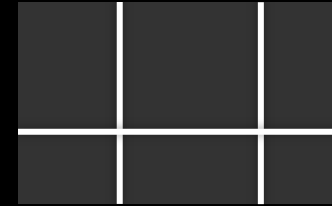
story



persona



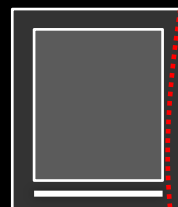
topic map



radiator



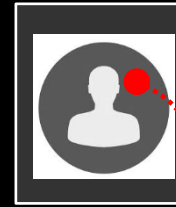
six pack



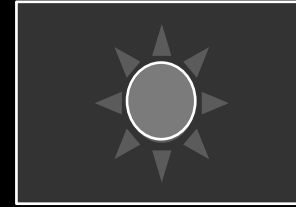
UVP



validation



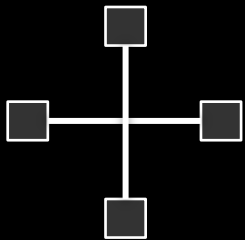
HRB



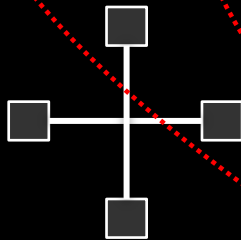
sunny day



proto



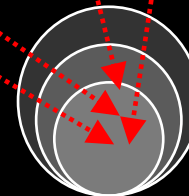
compet'n



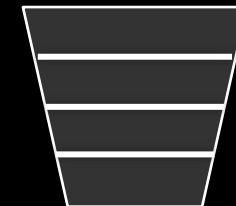
MVP



USP



TamSamSom



funnel



pitch

Founders think
startups = ideas

Investors think markets

A great market
pulls the product
out of the startup



Marc Andreessen

Startup = Growth

people who want your stuff

all	hair salon		Startup Territory	
most		bar		
some			office furniture store	
few				pet snake store
	few	some	most	all

people you can reach and serve

How much growth?

Less than 1% per week = hair salon

5-7% per week = startup

More than 10%+ per week = superstar

What is **necessary**
to support such growth?

1. Large market
2. Economies of scale
3. Proprietary IP/technology
4. Network Effects
5. Brand



Peter Thiel

Markets that don't exist
don't care how smart
you are



Marc Andreessen

What is a market?

mar·ket

a regular gathering of people
for the purchase and sale of
provisions, livestock, and other
commodities

The moment a private
want is shared by a
statistically significant number
of people a market is born



Eugene Schwartz

You can't create mass demand for a product. You can only channel the existing hopes, dreams, fears in the market to a product.



Eugene Schwartz

Market = mass demand

Mass demand is the **public**
spread of a **private** want



Eugene Schwartz

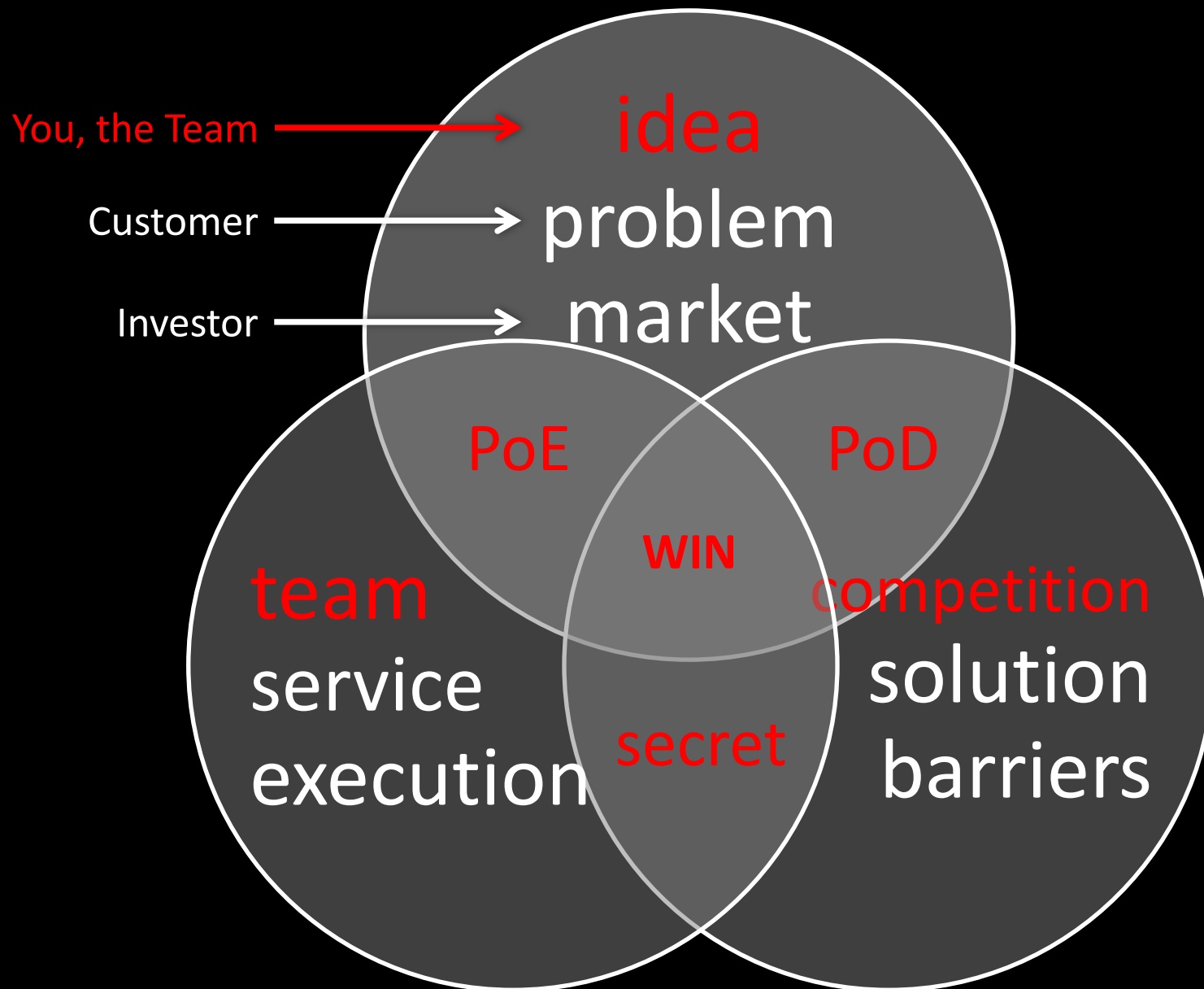
Mass Demand depends
on needs and desires

Desires are Learned

Understand the change that grows the market

Ask “why this now?”
it recently became a good idea or
no one else has noticed yet

You should be able to
grow a secret about 1-2
market changes



Find Markets that are Just Right Size

Too big = too much competition

Too small = innovation small and
incremental

Start small and Aim at Monopoly

Easier to monopolize a small market

Don't get scared of crowded markets

Products are very hard anyway

A Crowded Market =
Strong Demand +
No Dominating Solution

great if you can generate an
overlooked hypothesis

1. Large market
2. Economies of scale
3. Proprietary IP/technology
4. Network Effects
5. Brand



Peter Thiel

EoS:

Bigger = more efficient

Scale Advantage = high fixed costs +
low marginal costs

Example: Amazon, Wal-Mart

1. Large market
2. Economies of scale
3. Proprietary IP/technology
4. Network Effects
5. Brand



Peter Thiel

IP = No one else can use
the technology you
develop

Exclusivity makes you durable,
allows value extraction

1. Large market
2. Economies of scale
3. Proprietary IP/technology
4. Network Effects
5. Brand

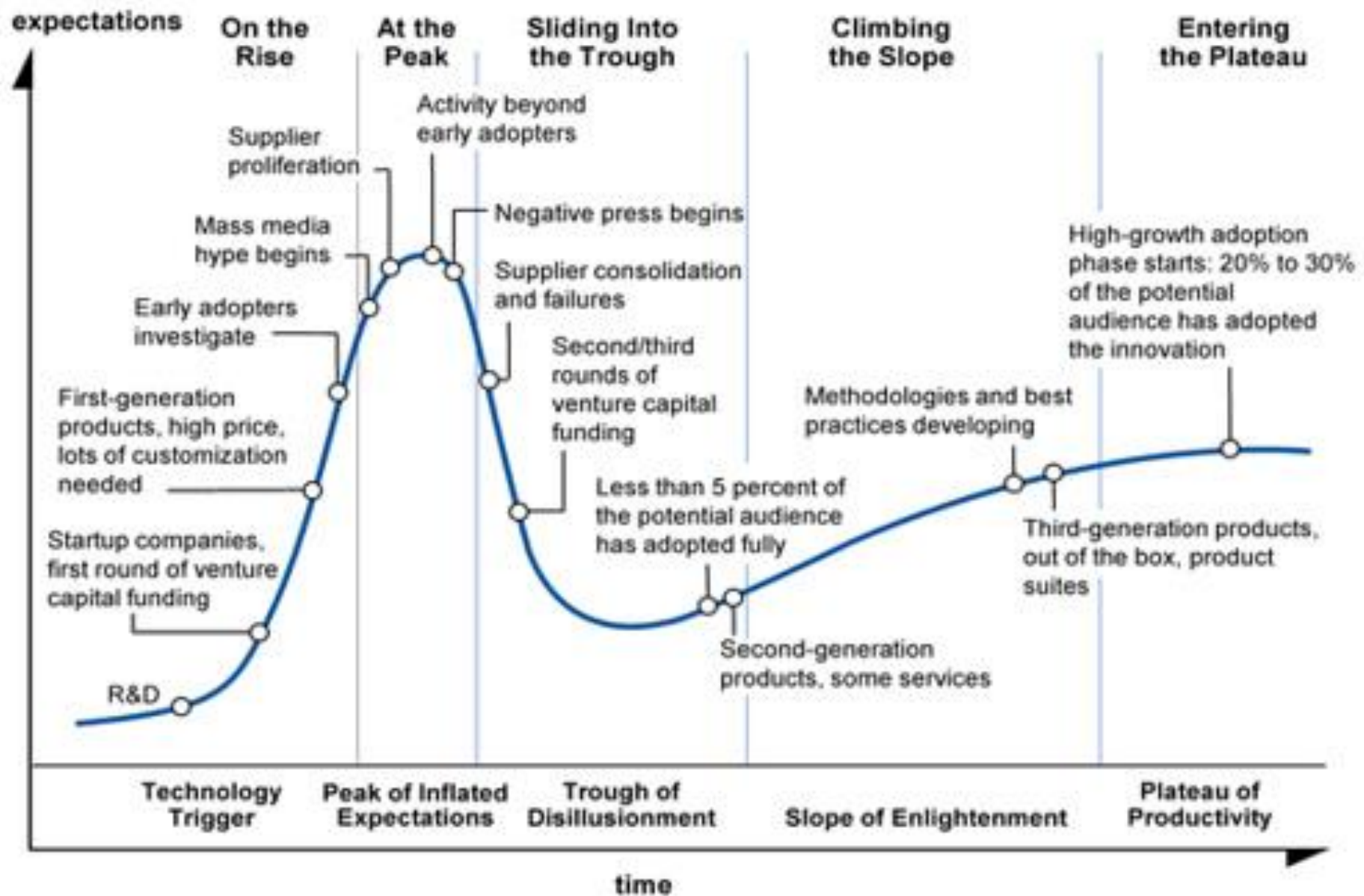


Peter Thiel

Network Effects: product nature locks people in

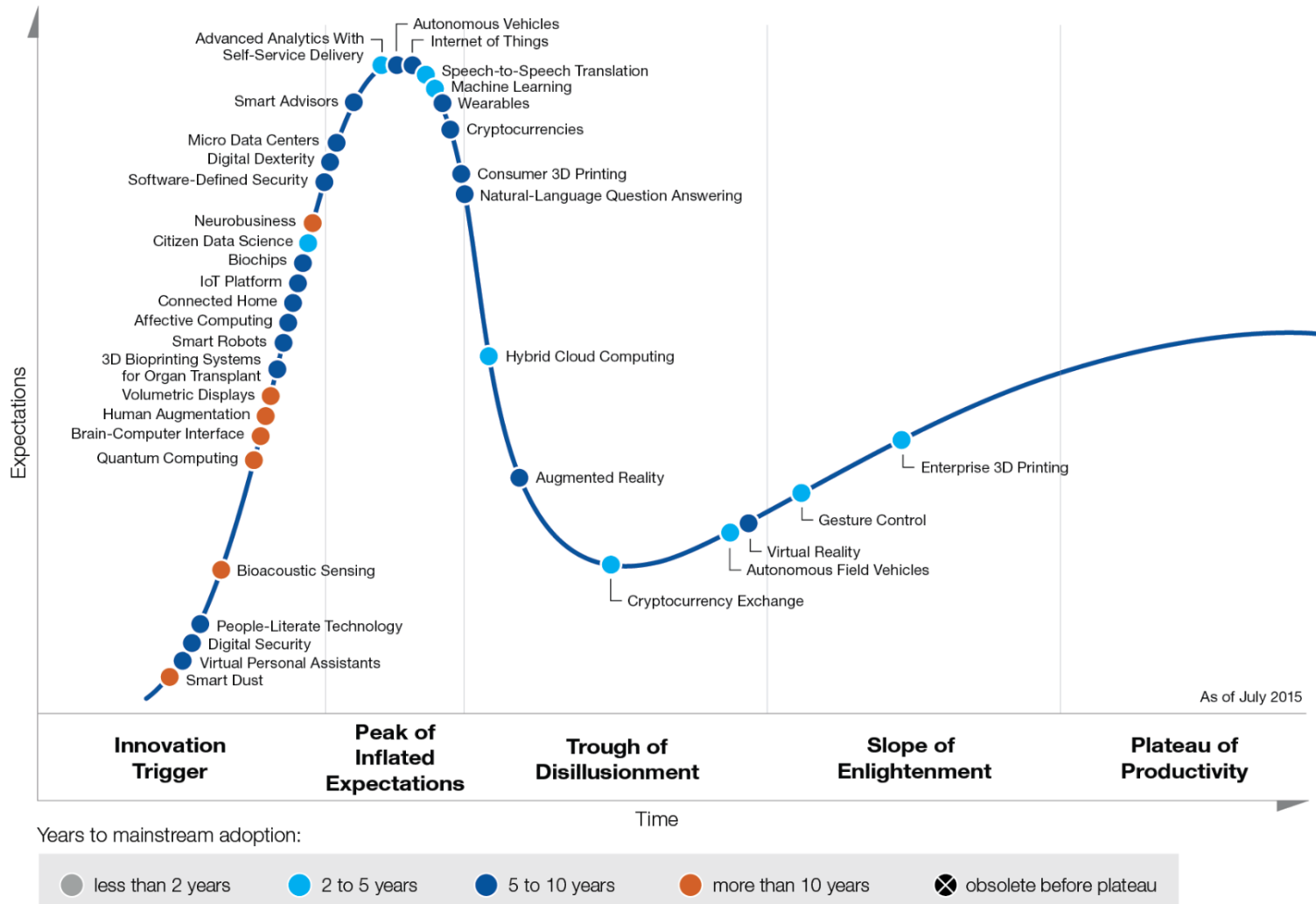
Design the entry barrier into the product. Example: Dropbox

Track Market Adoption of Technology



Gartner's Hype Cycle

Emerging Technology Hype Cycle



Gartner's Emerging Tech

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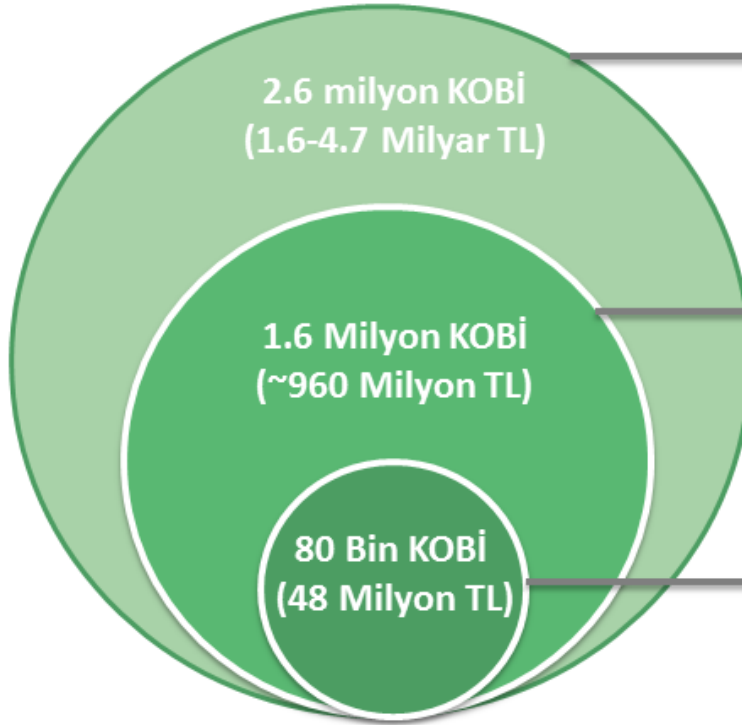
Compelling

Monopoly story:

1. start small, serve best
2. expand to adjacent
3. kick in EoS, NW and IP
4. build brand

Enter TAM/SAM/SOM

Pazar Analizi



2.6 Milyon KOBİ
x
[50-150] TL/Ay Üyelik Bedeli

Min. %60 Servis Edilebilir Pazar
x 50 TL/Ay Üyelik Bedeli

- %54 İnternet Sitesi Sahipliği
- %92 Geniş Bant İnternet Bağlantısı

%5 Penetrasyonla Ulaşabileceğimiz
Pazar



GüvenKazan = 3x



Kaynak; TÜİK & www.kobi.gov.tr

TAM =

Total Available Market

= an annual upper
bound on total possible
demand on your product

TAM is a vague measure

Consider Google:

US search advertising	\$16B
US online advertising	\$31B
US advertising	\$144B
US computer tech	\$964B

Calculate TAM **top-down**
starting with industry
spending and estimated
proportions

X industry's TAM is \$Y in Z country. Scale for GDP and demographics to adapt.

$$\text{TAM} = \$Y * a_{\text{GDP}} * b_{\text{demographics}}$$

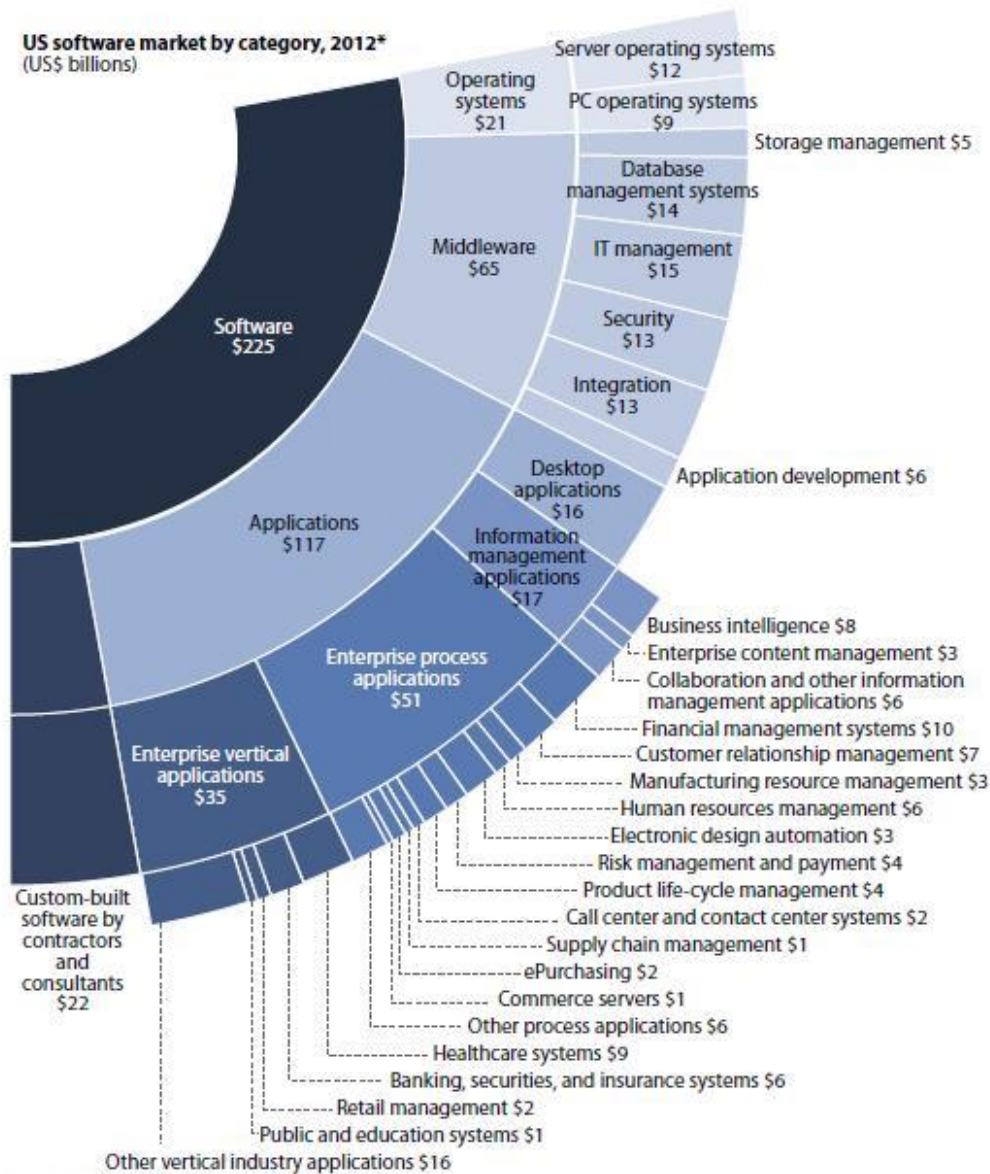
Calculate TAM **bottom up**
with demographic and
estimated spending

x people who would pay
\$y per year in this market

$$\text{TAM} = \$xy$$

Use TAM estimated by
well-established
industry researchers

US software market by category, 2012*
(US\$ billions)



*Forrester forecast

61056

Source: Forrester Research, Inc.

Forrester Research Technology Market Outlook 2012

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SAM =

Servicable Available Market

= a subset of TAM

= an upper bound on
total possible market per
your current assumptions

Calculate SAM
bottom-up starting with
demographic and industry
numbers

SOM =
Servicable Obtainable Market
= a subset of SAM
= upper bound on
your market share of SAM
(aim at 1-5% within 5 years)

Size Your Market

- Calculate TAM top-down
- Calculate TAM bottom-up (\$xy)
- Calculate SAM and SOM

do it

Make a TAM/SAM/SOM Poster

- Take an A4 portrait style
- Draw 3 circles, write the market name
- Write TAM/SAM/SOM number and the multiplication factors
- Tape the poster on your Radiator

do it

Choosing a market =
Choosing your competitors

Choose your competitors
carefully as **you will become a
lot like them**



Larry Ellison

STRING



VENTURES

Market