PAUL GRAHAM

ORGANIC STARTUP IDEAS

Want to start a startup? Get funded by Y Combinator.

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The best way to come up with startup ideas is to ask yourself the question: what do you wish someone would make for you?

There are two types of startup ideas: those that grow organically out of your own life, and those that you decide, from afar, are going to be necessary to some class of users other than you. Apple was the first type. Apple happened because Steve Wozniak wanted a computer. Unlike most people who wanted computers, he could design one, so he did. And since lots of other people wanted the same thing, Apple was able to sell enough of them to get the company rolling. They still rely on this principle today, incidentally. The iPhone is the phone Steve Jobs wants. [1]

Our own startup, Viaweb, was of the second type. We made software for building online stores. We didn't need this software ourselves. We weren't direct marketers. We didn't even know when we started that our users were called "direct marketers." But we were comparatively old when we started the company (I was 30 and Robert Morris was 29), so we'd seen enough to know users would need this type of software. [2]

There is no sharp line between the two types of ideas, but the most successful startups seem to be closer to the Apple type than the Viaweb type. When he was writing that first Basic interpreter for the Altair, Bill Gates was writing something he would use, as were Larry and Sergey when they wrote the first versions of Google.

Organic ideas are generally preferable to the made up kind, but particularly so when the founders are young. It takes experience to predict what other people will want. The worst ideas we see at Y Combinator are from young founders making things they think other people will want.

So if you want to start a startup and don't know yet what you're going to do, I'd encourage you to focus initially on organic ideas. What's missing or broken in your daily life? Sometimes if you just ask that question you'll get immediate answers. It must have seemed obviously broken to Bill Gates that you could only program the Altair in machine language.

You may need to stand outside yourself a bit to see brokenness, because you tend to get used to it and take it for granted. You can be sure it's there, though. There are always great ideas sitting right under our noses. In 2004 it was ridiculous that Harvard undergrads were still using a Facebook printed on paper.

Surely that sort of thing should have been online.

There are ideas that obvious lying around now. The reason you're overlooking them is the same reason you'd have overlooked the idea of building Facebook in 2004: organic startup ideas usually don't seem like startup ideas at first. We know now that Facebook was very successful, but put yourself back in 2004. Putting undergraduates' profiles online wouldn't have seemed like much of a startup idea. And in fact, it wasn't initially a startup idea. When Mark spoke at a YC dinner this winter he said he wasn't trying to start a company when he wrote the first version of Facebook. It was just a project. So was the Apple I when Woz first started working on it. He didn't think he was starting a company. If these guys had thought they were starting companies, they might have been tempted to do something more "serious," and that would have been a mistake.

So if you want to come up with organic startup ideas, I'd encourage you to focus more on the idea part and less on the startup part. Just fix things that seem broken, regardless of whether it seems like the problem is important enough to build a company on. If you keep pursuing such threads it would be hard not to end up making something of value to a lot of people, and when you do, surprise, you've got a company. [3]

Don't be discouraged if what you produce initially is something other people dismiss as a toy. In fact, that's a good sign. That's probably why everyone else has been overlooking the idea. The first microcomputers were dismissed as toys. And the first planes, and the first cars. At this point, when someone comes to us with something that users like but that we could envision forum trolls dismissing as a toy, it makes us especially likely to invest.

While young founders are at a disadvantage when coming up with made-up ideas, they're the best source of organic ones, because they're at the forefront of technology. They use the latest stuff. They only just decided what to use, so why wouldn't they? And because they use the latest stuff, they're in a position to discover valuable types of fixable brokenness first.

There's nothing more valuable than an unmet need that is just becoming fixable. If you find something broken that you can fix for a lot of people, you've found a gold mine. As with an actual gold mine, you still have to work hard to get the gold out of it. But at least you know where the seam is, and that's the hard part.

Notes

[1] This suggests a way to predict areas where Apple will be weak: things Steve Jobs doesn't use. E.g. I doubt he is much into gaming.

[2] In retrospect, we should have *become* direct marketers. If I were doing Viaweb again, I'd open our own online store. If we had, we'd have understood users a lot better. I'd encourage anyone starting a startup to become one of its users, however unnatural it seems.

[3] Possible exception: It's hard to compete directly with open source software. You can build things for programmers, but there has to be some part you can charge for.

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