

[dcbgross.com /refinement-revenue/](https://dcbgross.com/refinement-revenue/)

# When “Grow Your Revenue!” Is Wrong

Daniel

4-5 minutes

Silicon Valley is flooded with caffeinated investors who, after spending about 15 minutes thinking about the startup at hand, strongly believe they’ve diagnosed the ailment the company has: “Focus on revenue!”, they proclaim. As quickly as possible as aggressively as possible. But is this always right? Is there a stage where this could be – *gasp* – the wrong advice? Here’s something interesting:

- Stripe took two years to get to a full launch.
- Notion and Airtable took double that.
- All of these companies are valued at over \$1 billion dollars. What gives?

Growing revenue is the *easiest* advice to give, not the *best* advice to give. What you really want is to make the most desired product as quickly as possible. By chasing breadcrumbs of revenue in the short term, you can distract yourself from building something really great in the long term.

Don’t get me wrong, you need to make money. Lots of it. Revenue isn’t evil, but mindless slurping of advice is. Too many founders become brain-dead drillbits, spending a year optimizing to get another \$1,000 in ARR because someone told them to. Disagree with the norms, and build the best product for your business, whatever that is. Play your own game.

## Unlocking Unicorns

Scattered around the world are treasure boxes with \$100,000,000 of cashflow inside. A unicorn in a box. Finding one isn’t enough. Turns out the boxes are locked. And the key is a combination of strings that when sent over email, will cause your customers to instantly reply and say – “OMG! Yes! Take my money”. You do that by talking to users *a lot*.

Does it make sense to try and grow revenue right now or do you just not know what the perfect product should even be? If the latter, you might want to focus on finding yourself 100 fans, 100 people that *adore* you, and putting them in a chatroom together.

Once you have those 100 users, *stop coding and start talking to them*. your true KPI isn’t revenue. It’s “refinement”. Like a child, you want to be measured on how quickly you’re learning. How quickly you’re evolving. The more you talk to those 100 fans, the more you’ll learn.

One day, after you feel like you’ve established a true fanbase, you can try focusing on revenue and charging them. You might find you’re not quite there. Rinse, repeat.

Say you agree. Say you’re just going to focus on engagement from your top 100 users, not revenue. How should you get their attention?

## Directing Movies

People are busy. You’re the director of the movie, email is your film. Make compelling content! Painfully short emails are good. Weird subject lines are good. Animated GIFs remain underrated. (If email is the wrong format, call your customers. Send handwritten cards. You get the idea.)

Once you get one hit, meet them your users! Understand their problems and behaviors, and use that to expand. It’s much easier to learn from users that love your product than chasing attrition.

The biggest “moat” a startup can develop is learning a secret about the world few people know. You discover the secret by talking and iterating with users. You’re looking for the coordinates to the oil well, and your geologists are your users. Extract the intel by talking to them, and use that to unlock a treasure box! The key of a Google Doc detailing accurate product-market-fit is ten times more interesting than hill-climbing to \$1,000 in ARR with no real sense of market.

[1] This related [post on bad advice](#) might be interesting.

[2] If you're *really* bored, this one [on getting started](#), too.