Before Growth

We tell startups all the time that they have to grow quickly. That's true, and very good advice, but I think the current fashion of Silicon Valley startups has taken this to an unhealthy extreme—startups have a weekly growth goal before they really have any strong idea about what they want to build.

In the first few weeks of a startup's life, the founders really need to figure out what they're doing and why. Then they need to build a product some users really love. Only after that they should focus on growth above all else.

A startup that prematurely targets a growth goal often ends up making a nebulous product that some users sort of like and papering over this with 'growth hacking'. That sort of works—at least, it will fool investors for awhile until they start digging into retention numbers—but eventually the music stops.

I think the right initial metric is "do any users love our product so much they spontaneously tell other people to use it?" Until that's a "yes", founders are generally better off focusing on this instead of a growth target.

The very best technology companies sometimes take awhile to figure out exactly what they're doing, but when they do, they usually pass that binary test before turning all their energy to growth. It's the critical ingredient for companies that do really well [1], and if you don't figure it out, no amount of growth hacking will make you into a great company.

As a side note, startups that don't first figure out a product some users love also seem to rarely develop the sense of mission that the best companies have.

[1] The other thing that these companies have, and that also usually gets figured out early, is some sort of a monopoly.