FOCUS
FRAMEWORK

Justin Wilcox

FINDING
EARLY
ADOPTERS

WORKBOOK 1

How to Find Product-Market Fit
Dedicated to my book, path, and life partner,
Liz.
Interview Channel Costing

What to Ask

Interviewing Like a Pro

You've Found your Early Adopters When...
Your #1 priority as a founder, is to find Product-Market Fit.

To Find it, You Must Define it

Founding teams struggle to find Product-Market Fit, in large part, because they don't define it. In this exercise, you'll solve that problem.

Marc Andreessen coined Product-Market Fit as:

"Being in a good market with a product that can satisfy that market."

That's a helpful start, but what constitutes a "good" market? And how do you measure if you've "satisfied" it?

It turns out while Andreessen defined the term, you get to decide what it means.

Product-Market Fit Isn't One Size Fits All

You are the one starting the company, so you get to decide what a "good market" is.

For one founder, satisfying a good market may require building a $10 billion business. For another, it may mean creating a company she can run while travelling six months a year. For another it may mean lifting tens-of-thousands of people out of poverty.

Your company is a vehicle to achieve your goals.

To satisfy a good market simply means you've built a company that enables you to achieve what you set out to. Of course...
to achieve those goals, you have to know what they are.

The process of defining your personal success criteria is called, Declaring Victory.

Once you Declare Victory...

1. Every Decision will be Easier to Make

This can be a stressful time in your journey. Ahead of you lie hundreds of difficult decisions, none of which have obvious answers:

- Which customers should you target first?
- What features should your product have?
- How much should you charge?
- Should you raise money?
- What skills should your co-founder(s) have?
- And on, and on, and on...

The answers to **all** of these questions will be easier to come by, once you declare your victory.

2. It will give you the Confidence to Pivot

It’s in our nature to get emotionally attached to our ideas, our products and our customers. That attachment will serve you well, once you’ve found a sustainable business model. At the same time...

> Emotional attachment kills companies.

It doesn’t serve you well while you’re **searching** for a sustainable business model.

During this search phase, you need to:

- See the world as it actually is
- Interpret data without bias and
- Listen to your customers, without leading them.

This is impossibly difficult when you’re emotionally attached to **a product**, but not when you're attached to **your victory**.

3. Unify your Founding Team

The most powerful thing you can do when building your startup team, is align the founders’ goals.

Misaligned goals will lead to disagreements during every critical phase of your business development:
• What’s your revenue model?
• What qualities do you want in the people you hire?
• Can people work remotely?
• What happens when we run low on money?
• And on, and on, and on...

If the co-founding team’s goals are not aligned, all of these questions will lead to arguments, and ultimately break up your startup.

On the other hand, aligned goals will make seemingly difficult discussions easy, enable your leadership team to support one another during difficult times, and make it more likely you’ll all achieve what you’re looking for.

**How do you Declare Victory?**

Print out your Victory Declaration worksheet using a **double-sided** printer. If you don’t have one, just print out the two pages, and staple them together.

Either way, make sure that the dotted lines on both pages line up with one another, like so:

**Step 1**

Fill in the date, and write the product or service that you would like to build.

As we move through the exercise, I will be illustrating each step using my own personal experiments and experiences.

**Step 2**
Write in the customers or people whom you would like to serve.

**Step 3**

Fold your paper over on the dotted line and you will **reveal a new contract** with yourself.

Now that your paper is folded over, you will note that you have a new set of statements:

1. Even if you never get to build your product and
2. Even if you are not able to help the people you want to help...

You are still going to achieve victory.

In Step 1, you stated that you want to build a specific product; however, chances are, that product that you’re so attached to, is not what your customers want.

Yet you’re still going to achieve victory.

In Step 2, you stated that this product will serve a specific type of customer; however the customers who truly want, and are in a position to pay for, your help are probably different than the ones you’re imaging now.

Yet you’re still going to be victorious.

In this exercise, you’re making a promise to yourself that even if you have to pivot your product, and even if you have to shift your customer segment, you are committed to your **personal** fulfillment.

**Step 4**
What does Victory look like to you?

- Is it dollars in the bank?
- Number of people helped?
- Time with your family?
- Fewer hours at the office?
- People proven wrong?

Take a second (or hundreds of them), to get a sense for the personal change you’ll achieve once you’re a successful startup founder.

Please, be selfish.

Company vision statements like:

- “Creating a third place between work and home” – Starbucks
- “Accelerate the advent of sustainable transport” - Tesla

Have an incredibly important purpose...just not here. You’ll create a company vision soon enough...just not now.

This isn’t about the change you want to affect in the world, because the time may not be right for that change. You may have no control over if/when that change comes. To emotionally attach to it now is to blind yourself to change that can be affected.

Your victory, is about you.

- How do you want your life to be different?
- What achievements do you want to accomplish?
- How do you want to feel about yourself?

The sooner you embrace the idea that this journey is about making positive changes for yourself, the sooner you’ll be able to create change for others.

Whatever you decide your victory is, make sure it’s measurable by filling in the “number” blank. That’ll make it infinitely easier to guide your entrepreneurial ship in that direction.

In my example, what I was looking for most was financial security. So, no matter what I build or who I am able to help, this is my victory.

Here are some other examples:

- 100 employees hired
- $5 billion IPO
- $0 student debt
- 10,000 customers served
• 1 acquisition by Google or Facebook
• < 20 hours/week spent working
• 8 hours of sleep/night
• 12 hours/weekend spent with my kids
• 5 teammates I love spending time with

It’s OK to have more than one victory declaration

The more measurable, personal success criteria you have, the better! For example, if victory requires that you achieve three metrics:

1. 90% of mornings, I’m excited to go to work
2. $500k/year salary for each co-founder
3. 5 teammates I love spending time with outside of work

That’s fantastic. That’ll make it easier for you to know if you’re on the right track to achieving your victory - which will make it easier to achieve.

Just make sure every victory criteria is measurable, and isn’t dependent on what you want to build, or who you want to build it for.

Step 5

Now that you know what your true victory will be, write in how you imagine it will feel to achieve.

What emotions come to mind when you imagine what will be different in your life when you declare victory?

Why emotions?

Remember that misplaced emotional attachment kills companies. Instead of emotionally attaching to a specific product, you’re going to focus your energy where it’s most efficient: achieving the emotion that is driving your entrepreneurial journey.

(Wanna know a secret? The reason you starting a company isn’t to achieve your victory. You’re starting a company to achieve the emotion you think the victory will give you.)

Congratulations! You have your victory.

Now you know exactly what Andreessen meant when he said, "Being in a good market with a product that can satisfy that market.” You will have found Product-Market Fit, when you satisfy a "good market” that enables you to achieve your victory!
Step 6

Sign your name and post this paper in a very visible place (e.g. your desk, your night stand, your bathroom mirror, your car, etc.).

This paper will remind you of your true aim: even if you have to kill your idea, even if you have to pivot your customer segment, you will still be moving towards your victory by focusing on your personal outcomes.

Step 7

Ask your co-founder(s) to complete the exercise too - either now, or when they join your team.

It can be awkward to sit down with your co-founder(s) to understand why they want to start a company - what "victory" looks like for them. At the same time, it's the most important conversation you will have with them.

Misaligned goals is the #1 reason founding teams break up.

This exercise makes this crucial conversation with your co-founders easy. Simply have each co-founder fill out the worksheet individually (Steps 1 - 6) and then...

Step 8

Merge your declarations into a single, unifying victory.

By merging your goals into a team-wide victory declaration, you can ensure everyone is on the same page and have a common reference point you all turn to when making decisions.

If you're not able to align your goals, better to discover that now than later. So often one founder wants to change the world, while another simply wants personal financial freedom - both are great, but not in the same founding team.

The sooner you find out what you and your co-founder(s) want, the more quickly you can get it...either together, or apart.
What’s Next?

I told you at the beginning of this exercise that to find Product-Market Fit, you needed to define it, and to define it, you’d need to declare your victory.

I said declaring your victory would:

1. Make decisions easier
2. Give you the confidence to pivot and
3. Unify your founding team

Let’s recap...

Declaring Victory – your personal victory – makes decisions easier by reminding you what’s most important about this journey.

Declaring Victory gives you the confidence to pivot because focusing on your personal goal allows you to respond effectively to real-world data – even when that data is different than what you wanted it to be.

Finally, Declaring Victory facilitates the critical "Why are we all doing this?" conversation between you and your co-founders. The results of this conversation will strengthen your team to withstand the emotional roller coaster that is starting a company.

Congratulations, you’ve taken the most important step of your startup journey, you’ve Declared Victory and in doing so, defined your Product-Market Fit. Now it’s time...

...to go get it!