



Stanford eCorner

Building a Product Nobody Wants

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The largest source of waste in the startup, says author and entrepreneur Eric Ries, is building a product that no one will find useful. This is not a technical error, but rather a tactical one. Find out early if your product has merit by developing two teams in-house: One that works on problems uncovering who the customer is and what problems they are trying to solve, and one that focuses solely on the solutions for the current product hypothesis.



Transcript

Leaving aside the question of why that's such a bad idea, I want you to empathize with me personally, for a second, if you would. It's all about me. I'm speaking, all right, so... I was the one who wrote the software to do IM interoperability across all those networks and I had to be drawn, kind of kicking and screaming to believe that, actually, all that code, even though it's well factored and I had the unit test and it was well documented - It was actually all waste. So if I'd spent the last six months of my life just doing nothing, building no software at all, I would have contributed just as much value to our corporate bottom line as if I killed myself writing the software, I mean, I couldn't believe it. Here, I've done everything right. Again, I'd used the extreme programming, agile, everything, and yet, I'd created this totally wasted software. Why? Because the biggest source of waste in startup is building something that nobody wants. And that's not a technical problem, which is kind of frustrating. Right? My theory was I could delegate the business issues to somebody else.

I'd just focus on building good technology and I would be successful. And unfortunately, startups don't fail because the technology doesn't work. They fail because nobody wants what they're trying to build. And that's what I'd talked about at the very beginning that a lot of startups are failing for a bad reason. It's not because they're taking a lot of risk. It's because they're building something that, basically, they could have found out ahead of time, nobody wanted. And that's why we have to break down some of these myths. If you want to operate this way, you got to get rid of the traditional departmental silos that we build companies with. So my suggestion is, instead of we have business and marketing sales, forget that. We have one cross-functional problem team trying to answer the question: Who's the customer? What problem are we trying to solve? While we concurrently have what we used to call engineering ops and QA, a solution team that's trying to answer the question: Is the current hypothesis for our product any good? And these two teams operate independently but in close synchronization.

That's what allows us to discover that the current pivot we're on is no good and pick a new one.