



Lecture 2a

The Journey

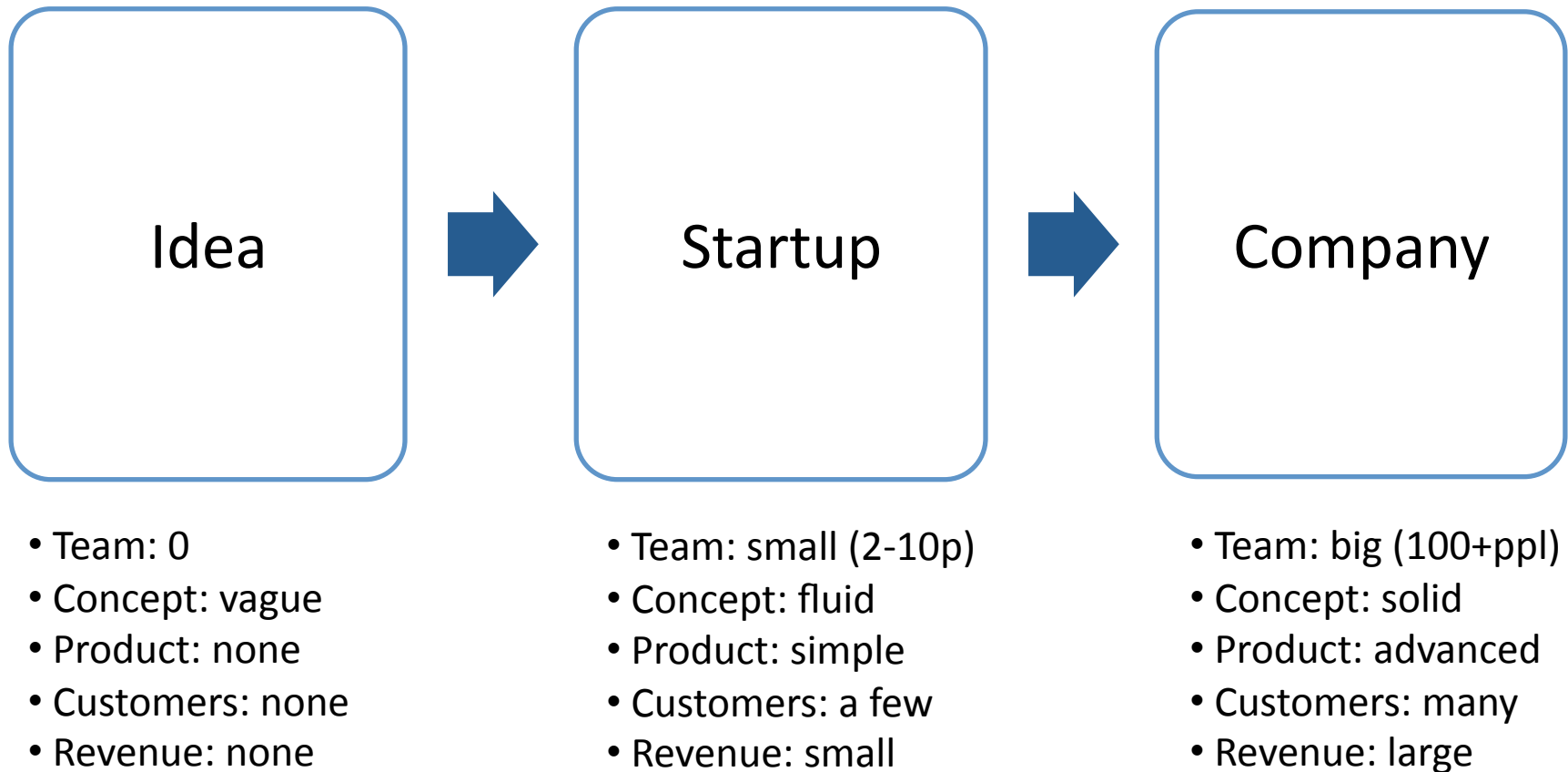
Entrepreneurship Component

- **Understand the Basics**
 - JOURNEY: How do startups get established and grow?
- **Prepare Your Mind**
 - PSYCHOLOGY: What should be my attitude?
 - ETHICS: How can I remain true to my values?
- **Define Your Value**
 - PROBLEM: What problem am I solving?
 - MODEL: How will my startup make money?
- **Build An Organization**
 - TEAMS: How do I choose my co-founders?
 - RECRUITING: How can I attract talented employees?
 - LEADERSHIP: How can I motivate my team?
- **Build Your Product**
 - TECHNICAL CURRICULUM
- **Sell Your Product**
 - MARKETING: Who exactly is my target customer?
 - SALES: How can I get customers to buy my product?
 - POSITIONING: How can I compete against others?
- **Build Relationships**
 - MENTORS: How do I find advisors who can help?
 - FUNDING: How can I raise money to get started?
 - PARTNERS: How can I negotiate the best partnerships?

Today's agenda

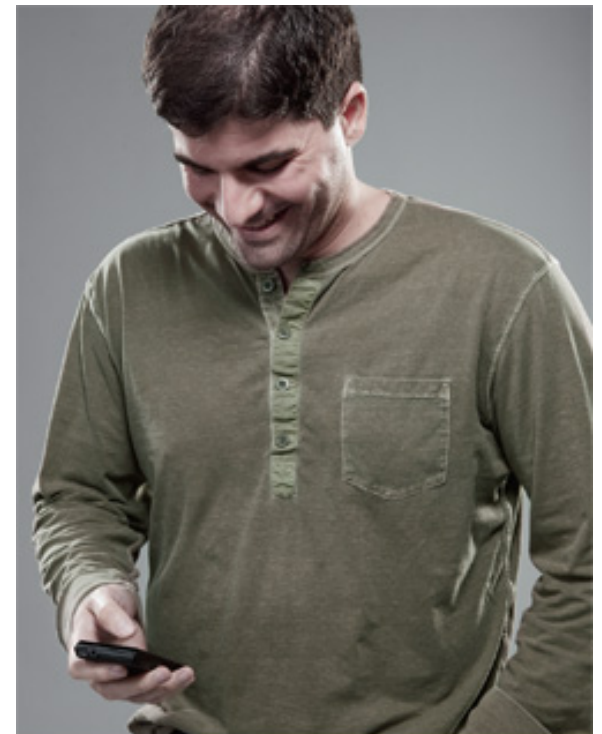
- Journey of a Entrepreneur
- Psychology of an Entrepreneur
- Identifying Problems
- Homework Assignment

It is a Journey!



Introducing AdMob

- **Idea:** Hamoui was struggling to kick-start fotochatter, another previous mobile application.
 - The Challenge: Reaching consumers. Online advertising for a mobile service was impractical and expensive.
 - The Solution: Emerging mobile web where he could pay sites a penny per click to promote fotochatter.



Connected: Omar Hamoui, CEO of AdMob.
Photography by David Johnson

Introducing AdMob

- **Startup:** Development of AdMob, a mobile advertising network.
 - Initially, didn't have a contract with a mobile operator or a handset developer.
 - First company to create ad units for i-Phone applications

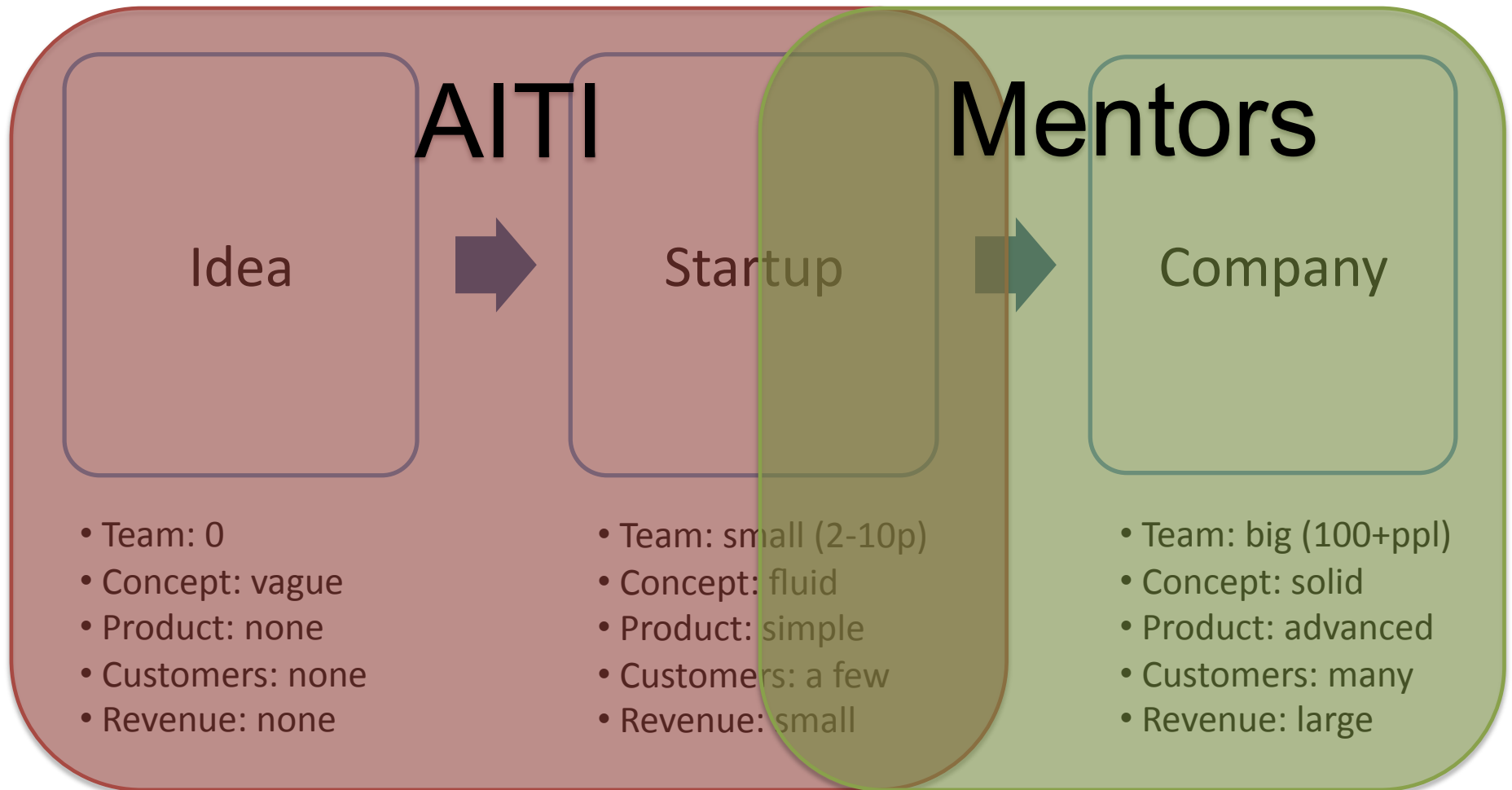


Introducing AdMob

- **Company:** AdMob and Google control 21% of the U.S. mobile advertising market.
 - AdMob now serves more than 10 billion banner and text ads each month across >15,000 mobile websites and applications.



It is a Journey!



Milestones in a Startup's Journey

	Idea Phase	Prototype Phase	Market Phase	Growth Phase
Concept	<ul style="list-style-type: none"> • Problem Selected • Vision for Solution • Hypothesis for \$ 	<ul style="list-style-type: none"> • Solution Refined 	<ul style="list-style-type: none"> • Concrete Solution • Concrete Way of Earning \$ 	<ul style="list-style-type: none"> • Start Thinking of New Opportunities...
Team	<ul style="list-style-type: none"> • Only You Initially • Co-Founders Selected 	<ul style="list-style-type: none"> • First Employee Recruited • More Key People Recruited 	<ul style="list-style-type: none"> • A Few Additional Employees Hired For Building & Selling Product 	<ul style="list-style-type: none"> • Many More Employees Hired!
Product	<ul style="list-style-type: none"> • Rough Drawings 	<ul style="list-style-type: none"> • First Prototype 	<ul style="list-style-type: none"> • First Simple Product 	<ul style="list-style-type: none"> • More Advanced Product
Customers	<ul style="list-style-type: none"> • Needs Understood • None Pay (yet!) 	<ul style="list-style-type: none"> • Demo to Potential Customers 	<ul style="list-style-type: none"> • First Paying Customer 	<ul style="list-style-type: none"> • Many Paying Customers
Revenue	<ul style="list-style-type: none"> • None • Pay Salary By Yourself 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Small 	<ul style="list-style-type: none"> • Growing...
Investors	<ul style="list-style-type: none"> • Yourself! • Friends & Family 	<ul style="list-style-type: none"> • "Angel" investors (small \$) 	<ul style="list-style-type: none"> • "Venture Capital" investors (large \$) 	<ul style="list-style-type: none"> • Company Funds Self!

Journey Activity

- Count off into groups of 6
- Each group will research a mobile software startup:
 - Shazam
 - Pandora
 - Bump
 - Urban Spoon
 - Red Laser
- Research the key milestones of the startup's journey
- Prepare a presentation telling the story of the journey
- All members will present to the class
- Helpful for research: <http://crunchbase.com>
- You have 1 hour