

? 1. Avoid Competing: Exceptional startups offer something unique that nobody else is doing, often based on a new technology rather than market expansion

The most successful businesses of our time avoid competing. Instead, they create natural monopolies by solving a unique problem or creating a product so amazing nobody else is able to make anything similar.

? 2. Zero to One: Great companies don't focus on incremental improvement on what already exists, but on creating a totally new market

The greatest businesses don't incrementally improve on what is already out there. Instead, they are based on creating a totally new and unique solution that has never existed before. They go from 0 to 1.

? 3. Launch Smaller: Begin with a small, concentrated market that you can dominate and scale up from there

Trying to win 1% of a huge market usually fails. Instead, we should begin a new business by targeting a very small group of people that is not being served. Offer something totally unique they will love. Then progressively expand.

? 4. Capture a Monopoly: Companies become unbeatable through four pathways—proprietary technology, network effects, economies of scale, or branding

Companies create unbreakable monopolies in 4 ways: proprietary technology that is 10 times better, network effects from a popular product, economies of scale to offer more value, a brand that is trustworthy or desirable.

? 5. Find and Leverage Secrets: The greatest businesses are built on truths that most people have not realized or capitalized on

Thiel often asks, "What important truth do very few people agree with you on?" Looking for ideas which are contrary to popular opinion yet true (aka "secrets") can lead us to valuable business opportunities. Secrets can be a window into the future.

? 6. Put Selling First: Sales matter as much as product—every business must quickly build at least one effective marketing channel

A great product isn't enough, you MUST quickly find a profitable channel of gaining new customers. Customer Lifetime Value must be higher than Cost Per Acquisition. PayPal grew fast with a referral strategy—they paid users \$10 directly to invite their friends.

? 7. Think Exponentially: You don't need to be right a lot—often only ONE home run idea is needed to become a billionaire

In most startup investing funds, almost ALL their returns come from ONE exceptionally successful company like Facebook. That means venture capital investors must always invest in companies that

have almost unlimited upside potential, to become the next Facebook, Uber, or Google.

This is just a sample!

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