VALUE LAB | A THEORY FOR YOUR FIRM

FIGURE 1

THEORY

Beliefs

Common

Contrarian or Uncommon

Core Problem

Subproblems

Causal Logic

(expressed as if-then statements or hypotheses)

IF

THEN

ACTIONS

Run Experiments

Shop for Investments

Search for Solutions

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FIGURE 2

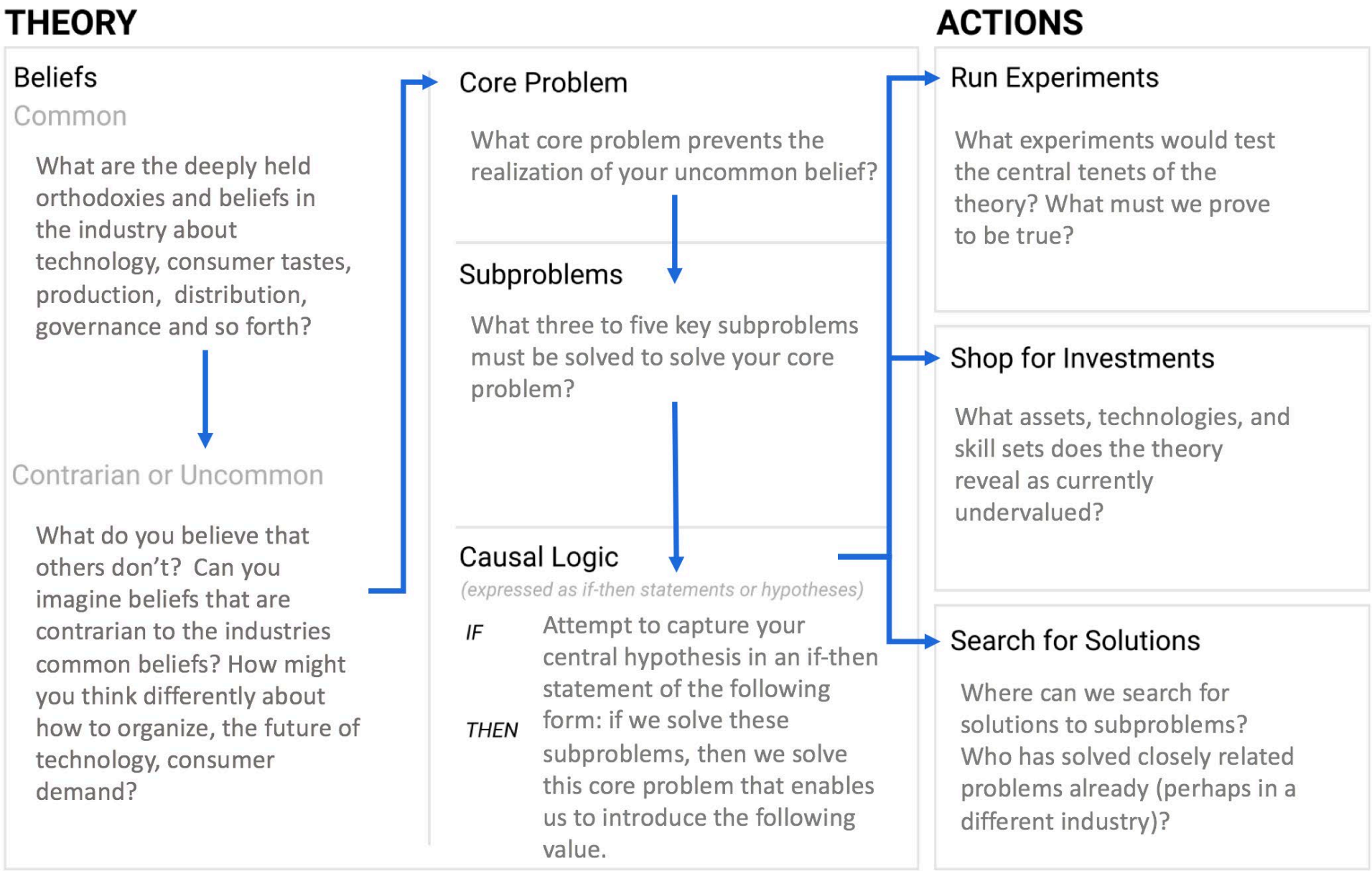

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FIGURE 3

THEORY

Beliefs

Common

- *Consolidation in the hotel industry will persist*
- *Established hotel brands are hard to compete with*
- *People value a consistent, "clinical" and professional accommodation experience*
- *Startups don't fare well in the hotel industry*

Contrarian or Uncommon

- *There is vast idle "hotel capacity" (people's homes) in any city*
- *People are willing to rent from and to) strangers when traveling*
- *B&B and couch surfing-type home-sharing could be done on a large scale*
- *Many people want a varied, more human and flexible hotel (or accommodation) experience with a local, artisanal flavor*
- *People could use the extra income from renting their homes*

Core Problem

How can we broker safe, easy and reliable access to idle "hotel capacity," offering a lower cost, local accommodation experience for customers?

Subproblems

- *How can we efficiently match idle capacity to demand?*
- *How can we facilitate secure payment between strangers?*
- *How do we develop trust between strangers?*
- *How do we facilitate efficient and professional property listing?*

Causal Logic

(expressed as if-then statements or hypotheses)

IF *we can efficiently match providers and seekers, facilitate secure payment, and generate a mechanisms that facilitates trust*

THEN

we can introduce a robust new service that provides customers with safe and reliable provision of lower cost accommodations with a local flavor

ACTIONS

Run Experiments

- *Experiment with locations with big events like South by Southwest, political party conventions*
- *Start in New York City*

Shop for Investments

- *Hire photographers to professionalize listings*
- *Solicit funding*
- *Get into Y Combinator*

Search for Solutions

- *Examine the trust, payment, customer and other solutions of eBay, Craigslist and other Internet platforms*
- *Explore demand via social media*