



# THE EMBEDDED ENTREPRENEUR

HOW TO BUILD AN  
AUDIENCE-DRIVEN BUSINESS

ARVID KAHL

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## INTRODUCTION

This is not an idea book. This is a book for people who need actionable advice.

Instead of trying to convince you to build an audience, let me share the stories of those who have done it well and then equip you with the tools and strategies to build an audience-driven business.

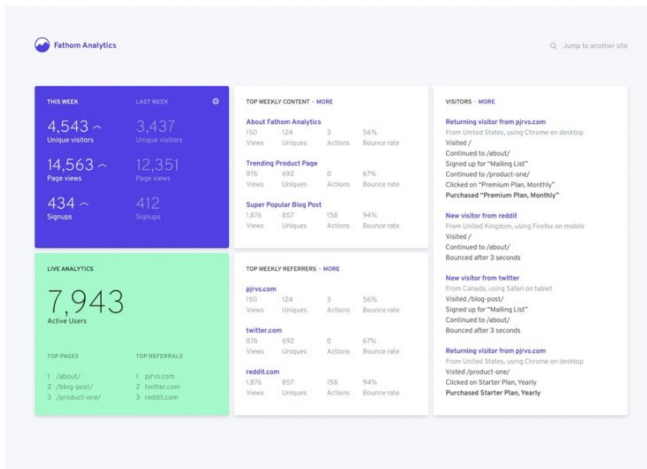
You will learn how to discover your future audience, how to embed yourself in your audience's communities, how to extract business opportunities through observation, and how to build a following that will grow your personal and professional brand.

Here is some inspiration.

When [Paul Jarvis](#) had the idea for a simple and privacy-focused analytics software, he tweeted a mockup image of the product to his Twitter

audience. While the tweet has since been deleted, here is what it contained:

What if website analytics software didn't take your users data to line their pockets from advertising? What if website analytics software was simple and trustworthy? Here's my new idea (and if this gets enough traction, I'll build it) <https://usefathom.com/>



Funny how the initial mockup isn't *that* far off from our current version in terms of its goal.

That initial sketch got retweeted over 500 times, which gave him the confidence to start his journey building [Fathom Analytics](#)<sup>1</sup>, which grew into a successful alternative to much more prominent players in the space. Paul and his co-founder [Jack Ellis](#) focus on building only features that benefit the majority of their customers. They

make sure their vision of a privacy-first product reflects the needs and priorities of their audience.

[Rosie Sherry](#) was a software tester, ensuring that freshly created software products were delivering what they promised. Rosie co-founded a software testing agency. She was part of the software testing community. Looking at how engineers and marketers had all those fancy conferences and communities to learn from, Rosie felt that her fellow testers didn't get the same level of attention. She listened to what her community members needed and created a testing-centric community with [The Ministry of Testing](#), organizing multiple conferences every year into a multi-million-dollar business. Rosie became an expert in both testing and community-building, which led her to build [Rosieland](#), a community for community-builders.

After Slack acquired and shut down the popular screen-sharing software ScreenHero, an outcry went through the software engineering community. [Ben Orenstein](#) was there to listen. He knew exactly why people mourned the loss of that particular feature: he'd been doing pair programming that way for years. Ben and his co-founders started working on the remote pair programming product [Tuple](#) to allow engineers to continue

working together as they had done in the past. Since then, Tuple has grown into a successful and sustainable Software-as-a-Service (SaaS) business.

A common thread between these founders is their dedication to their audience. They put their audiences first: they listened to the people in communities they were members of, found problems they were excited to solve, and built a following while creating successful services and products. Instead of assuming they knew exactly what their future customers would need, they put their audience first, at all times. Whenever it came to a decision, they gathered feedback from their audiences — their peers — and ensured that the results would benefit their growing following of customers, prospects, and supporters. Paul, Rosie, and Ben are Embedded Entrepreneurs.

The working title for this book was "Audience First." You might have heard that term before. Quite likely, someone explained it as "build a following on social media, then sell them something." To me, this is too narrow a definition of something that could be so much more. I believe "audience-first" starts long before you build an audience: from being part of a community to observing, interacting, and being embedded among



the people you want to serve, there are many things to do before you start building a following.

In fact, this focus on people, where they congregate, and what they need deserves a better name altogether. I call it the "Audience-Driven approach" to building a business. A lot of this process takes place inside of communities; as places of exchange, learning, and teaching, they allow their members to build a reputation as valued contributors.

A community can be an audience eventually.

At first, communities are hunting grounds for great opportunities, then they turn into places to build meaningful relationships, and later they'll be the fertile soil in which you will grow your business. At all points, the community members are a potential audience for what you have to say and what you offer.

Focusing on your audience from day one has several advantages over the common product-first strategy, where founders come up with a product idea before they do any market research or audience discovery. Founders that go "idea-first" often build businesses that are "solutions looking for a problem." The "idea-first" approach results in products that are lacking validation and are built without a clear audience in mind.

The Audience-Driven approach turns all these uncertainties into advantages:

- **Validation is built-in:** you're constantly interacting with the people you want to serve and empower, which leads to much faster feedback loops. You get to experience their problems first-hand, you have access to real people with real struggles, and you can collaborate with your audience to build a solution that works for them.
- **You aren't leaving much to chance:** you know that there are real people out there feeling a painful problem, and you can check if they are already spending money attempting to solve it, thus increasing your chances of building something people are willing to pay for.
- **You create a personal brand that transcends the business you're currently working on:** even if your startup fails, you continue to be a domain expert in that field.

This is the path of the Embedded Entrepreneur. This book will expand the meaning and the process of building an audience-driven business into a full strategy for creating an abundance of value while paving the way to your financial independence.

This book will help you with actionable guidance on your entrepreneurial journey.

If you're an aspiring entrepreneur, you should read this book cover to cover. The chapters are mostly self-contained, and you can skip any amount of chapters depending on your immediate needs. But beware: too many entrepreneurs have thought they didn't need to learn more about their audience before building their product and ultimately have failed. If you want to make sure you validate your business efforts from day one, try resisting the urge to skip to a later chapter. Your future self will thank you.

If you have just decided to become an entrepreneur and are looking for the right starting point for your business, start with the [Audience-Driven Movement](#) part of the book. This will be the foundation for all your entrepreneurial efforts and is the most critical step to get right.

For founders who want to dive right into discovering an audience to serve, you'll find the [Au-](#)

**ience Discovery** section helpful.

If you already know who you're going to serve, you can jump to the **Audience Exploration** part of the book.

If you are very sure that you are suitably embedded into your audience's community but you're not sure which problem is the right one to solve, head over to the **Problem Discovery** section.

Finally, if you already are working on a validated solution to an equally validated problem and want to skip to the audience-building part immediately, start your reading journey at the **Audience-Building** part of the book.

Wherever you start, I hope you find the tools and motivation to start building (for) your very own audience. Let's get started!

## THE AUDIENCE-DRIVEN MOVEMENT

An audience used to be a group of people in front of a stage. The band would play their songs, and the audience would cheer. The lead singer would yell something at them, and the audience would applaud. The only person with something to say would be the rock star. You couldn't distinguish any other single voice from all the yelling and shouting. An audience was a one-way-street.

Times have changed.

In a globally connected world full of creators, it's not enough to *talk at* people anymore. Today, successful entrepreneurs *talk with* their audience; they engage with them on a level that the business world has never seen before.

Today, *everyone* is on stage.

Founders understand that an audience is not a mere distribution channel but a fundamental component of their business's success.

The Audience-Driven approach is about making every business choice with your audience in mind, including what to offer in the first place. Conducting business becomes a conversation, a consistent back-and-forth between entrepreneur and prospective customers. This conversation never ends. Even when the business succeeds beyond the founder's wildest dreams, the exchange with their audience's needs and desires continues. An audience is not a group of voiceless consumers. They are real people, and they expect to be treated accordingly by the founders and employees of a business.

A great example of this is [Patrick Collison](#), CEO and co-founder of [Stripe](#), a billion-dollar payments company. Patrick [publicly asked](#)<sup>1</sup> his customers to suggest items for Stripe's roadmap and engaged with hundreds of replies to that tweet. He was in touch with his customers in the early days when the business was [named /dev/payments](#), and he is still in touch with them today. Of course, Stripe has internal teams prioritizing and implementing features. But they

also listen to their developer audience, even though they are worth billions. This is what relentlessly focusing on your audience looks like.

### Audience-First

I want to make sure that the terms and definitions I use in this book are precise. The term "audience-first" is commonly understood in a way that I find much too restrictive. Audience-first is short-hand for "build an audience first," the practice of building a large online following before selling them the products you create. While this is definitely a part of being "audience-driven," it's just one part of many.

What I want to focus on is a different way of involving your audience. I want to talk about a more immersive, "Audience-Driven" approach to business. Instead of just building a following, I want to focus on "putting the audience first," the public practice of engaging and interacting with the people you have chosen to empower from the very start. Don't worry: audience-building will play a significant part in this, but it's not the first step in the process of building (for) an audience; it's actually the final step.

## Audience

That brings me to the term "audience."

*An audience is everyone who should be interested in you, your business, and your products.*

They are not just walking wallets. An audience is a group of real people with desires, dreams, and problems. If you want to build an audience-first business, you will need to build honest and authentic relationships with actual human beings.

Your audience doesn't have to exist yet for you to understand who they could be. Members of all kinds of communities could be part of your audience eventually. There are many potential future audience members out there, and it's your task to find them.

## Community

An audience is not the same as a community, but they are related. Communities are focal points of audiences and a big part of the day-to-day work of the Embedded Entrepreneur. However, audiences extend way beyond individual communities. They span a multitude of communities, from virtual places to the real world. Communities are



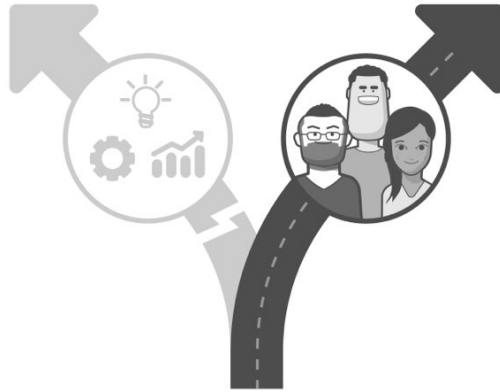
great resources and excellent starting points. However, an audience is needed to drive your business.

A community looks in all kinds of directions, but an audience looks at you.

In a community, people show up because of each other and what they create together. In an audience, they show up because of you and what you create.

### The Audience-Driven Approach

The Audience-Driven approach's core principle is simple: you delay defining “the idea” and your product until after you have chosen and explored an audience for your business — because you can’t know what your future customers need without understanding them first. You first choose a market to operate in, find a potential audience to serve, embed yourself within their communities, and learn what you need to create to solve their critical problems. Then, and only then, do you work on your idea — and create a following along the way.



An Audience-Driven approach removes the assumption that you know what your product will be before engaging your customers. It also makes customer and product development easier to accomplish by building validation and feedback loops into the discovery process from day one. That makes it something that can be done as a side project or without much capital commitment. With less guesswork and fewer wasted resources, this otherwise cumbersome process becomes something swift and attainable for bootstrapped and customer-funded businesses.

If you can't rely on millions in venture funding, you'll need to play it safe. Focusing on your audience will allow you to reduce the odds of

failing by validating every step along the way. At the same time, the chances of having to make a full pivot — changing your whole business from target audience to which product you sell — become much lower.

### The Product-First Approach

If the Audience-Driven approach lowers these risks, which alternative process has the highest risk of failure? That would be the product-first approach: the concept of coming up with a "really good idea" and assuming that you'll be able to figure out who you can sell it to at some later point. This is particularly dangerous now that more and more businesses are bootstrapped.

Why do so many founders go product-first and fail? Why is there such an avalanche of products being launched on ProductHunt every single day, only to vanish into obscurity?

I call this the "entrepreneurial curse": we founders assume too much. At its very core, we need to assume that things will work out fine to find the motivation to start a business. That's the healthy part. But we then take it too far. We assume that we know our market, who our audience is, and what they need. First, we create a

concept, then develop something, test it briefly, and finally launch the product, expecting it to "just work" from the start. "Build it and they will come." This approach is very risky. Few startups know their markets or even themselves.

It's the natural instinct of an entrepreneur to think that they know what product they will eventually deliver. We are surrounded by products every minute of our day. Everything we touch and use to go through our lives is a solution to some problem. We're focused on seeing solutions and often neglect to visualize the underlying problems. So when we have a business idea, the solutions we envision are usually much clearer to us than the problems they are supposed to solve — or if there are enough people who feel this problem strongly enough to consider paying for a solution.

Often, it's not even clear if the problem that the product solves actually exists. The proverbial "Tinder for Cats" is an example of a solution to a non-existent problem. It might be a fun project to try out a new app development framework, but it won't result in a product that you can run a business around.

In reality, "solutions looking for a problem" are much more subtle.

Every day, a developer somewhere considers building another variation of an existing tool. They build this because they need it themselves, but they don't consider if their need is a commonly shared one. Many first-time entrepreneurs consider their problem perception and how they approach solving their issue to be the truth for all other people in their industry. They focus solely on building, and then they try to find a market for their product<sup>2</sup>.

But this is self-delusion: it's building upon unvalidated assumptions. Product-first founders "get out of the building" too late. They talk to their customers — if they can even find any — after they have developed their product and then try to convince them that they should buy it. That takes time, it takes money, and it is an overall stressful activity. The Audience-Driven approach takes this further: instead of merely leaving the building to observe your prospects, you will learn how to embed yourself in their communities, build a reputation as a valued contributor, and build a business by solving their problems with and for them.

So, how can the Audience-Driven movement help you? Here is a quick rundown of the approach that I will introduce in this book:

- **Audience Discovery:** Find your audience. The most important choice is who you want to serve. Deliberately selecting an audience is the foundation of a successful business. I will show you a tested and actionable five-step process to find the audience you want to empower.
- **Audience Exploration & Problem Discovery:** Understand the path. Building a business the audience-driven way requires you to be an active part of communities, which involves talking to people and learning from them. I will share strategies and tactics for how you can do this as effectively as possible.
- **Audience-Building:** Create (for) your audience. Working with and for your audience will allow you to build a product and a business that solves real problems for real people. By consistently showing up and providing value, you will become an expert that your audience will gladly follow. I will share the stories and approaches of the founders who have succeeded — and

failed — to build their audience and  
businesses in public.

To start your journey to becoming an Embedded Entrepreneur, a founder who puts their audience first, you will need first to discover who you want to serve.