

URL: <https://stvp.stanford.edu/blog/videos/the-role-of-the-startup-is-to-create-a-new-market>

Innovation will drive the next cycle, says Estrin. Startups don't succeed in validated markets; the role of startups is to create a new market, she says. As an entrepreneur, you have to be able to take that risk in an unvalidated market, she adds.



## Transcript

So, unfortunately, in the valley, there are a lot of people out there that weren't working before this up circle started.. Or were, but then forgot and picked up bad habits.. And we all have to take a step back and remember what it means to really tightly execute.. Remember, though, that it is innovation that will drive the next cycles.. And just another comment.. I get asked a lot, as we've been fundraising for some of our spin-outs.. You have venture people say, well we want to invest in a validated market.. And when I first heard that, I must have rolled my eyes or said something.. If it's a validated market, we're too late.. Start-ups don't succeed in validated markets..

The whole role of start-ups is to create a new market.. And it can't be validated.. So you have to be able to take that risk and go with your gut and be willing to fail.. And then have patience because in this environment, it takes it...