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Bullets First Then Cannonballs

Here's an important excerpt from something my friend and former Stanford colleague, Graham Weaver, sent me.

Bullets First
Picture yourself at sea, a hostile ship bearing down on you. You have a limited amount of gunpowder. You take all your gunpowder and use it to fire a big cannonball. The cannonball flies out over the ocean…and misses the target, off by 40 degrees. You turn to your stockpile and discover that you're out of gunpowder. You die.

But suppose instead that when you see the ship bearing down, you take a little bit of gunpowder and fire a bullet. It misses by 40 degrees. You make another bullet and fire. It misses by 30 degrees. You make a third bullet and fire, missing by only 10 degrees. The next bullet hits—ping!—the hull of the oncoming ship. Now, you take all the remaining gunpowder and fire a big cannonball along the same line of sight, which sinks the enemy ship. You live.

How Apple Won
By 2002, the iPod remained a small part of Apple's overall portfolio, accounting for less than 3 percent of net sales. The iPod was a very cool bullet, but a bullet, nonetheless.

Still, Apple had increasing empirical validation. People loved the iPod; iPod sales more than doubled in a year; the music industry faced severe challenges; and Apple customers wanted an easy way to download music without stealing.

So, Apple took the next step, launching an online music store and working out a deal with the music industry to offer individual songs at 99 cents. This too succeeded, and Apple had more empirical validation. Millions of people would rather buy music than steal it, if easy to access and fairly priced.

Finally, with all this empirical validation, Apple fired the big cannonball.

The iPod story illustrates a crucial point: a big, successful venture can look in *retrospect* like a single-step creative breakthrough when, in fact, it came about as a multistep iterative process based more upon empirical validation than visionary genius.

Experiment First
Fire Bullets, Then Cannonballs is a concept developed in the book Great by Choice. First, you fire bullets (low-cost, low-risk, low-distraction experiments) to figure out what will work—calibrating your line of sight by taking small shots. Then, once you have empirical validation, you fire a cannonball (concentrating resources into a big bet) on the calibrated line of sight.

Calibrated cannonballs correlate with outsized results; uncalibrated cannonballs correlate with disaster. The ability to turn small proven ideas (bullets) into huge hits (cannonballs) counts more than the sheer amount of pure innovation.

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