

Strategy #15: Information asymmetry

Covered in this section:

How to make information more available

- This strategy focuses on any industry where one side has an advantage on the consumer by having access to certain information
- In a perfect market, a consumer has many options of things to buy and many different price ranges
- In an imperfect market, a consumer doesn't have a complete understanding of their options and how much they should be paying for something
- In many markets, one group gains a huge advantage from the consumers' lack of information
- Example:
 - Lawyers can charge you whatever they want to interpret the law for you
 - Pick an offline industry because there is less information spreading around
 - Ask yourself: If I wanted to acquire X product or Y service, would I know how to do it?
- If you don't know anything about it, research it. You will come to one of two conclusions:
 1. It's an easy thing to do
 2. The more you read, the more confusing it gets
- Find an area where you can bring more transparency so that everyone can be able to understand how it works