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The Founder's Guide to Category Creation

By Scott Tischler · July 28, 2026 · 7 min read

Most founders fight the wrong battle. They build a product that is faster, cheaper, or better than the incumbents, then spend years and most of their capital trying to convince a market to prefer them inside an existing category. It is a war of attrition against companies with more money and more time.

There is a better position, and the best founders take it deliberately: **create a category rather than compete in one**. When you create the category, you set the terms. You name the problem, you frame the alternative, you define what "good" means — and every competitor who follows has to be measured against a standard you wrote.

I have built and advised businesses across marketing technology, franchising, and AI search, and I have watched the same truth hold in every one. The most valuable position in a market is not being the best option in a category. It is being the category.

What is category creation?

Category creation is the act of defining a new market space, naming the problem it solves, and establishing your company as its definitional leader. Instead of asking "how do we win share in this market," the category creator asks "what market should exist that does not yet, and how do we make it real."

The distinction matters because the two paths have completely different economics. Competing for share means fighting over demand that already exists and is already being captured. Creating a category means **generating new demand and being the natural place it flows to**. One is a zero-sum fight. The other manufactures the game and installs you as the house.

Category creation is not marketing spin applied after the fact. It is a strategic choice made early, about what problem you name and who you refuse to be compared to.

Name the problem before you sell the solution

Customers do not adopt solutions to problems they cannot articulate. The first job of a category creator is not to describe the product — it is to **give the problem a name**.

Before a category exists, people experience its problem as a vague, tolerated friction. They have worked around it for so long that they no longer see it as a problem at all. Your job is to make the invisible visible: to describe the frustration so precisely that the prospect thinks, "yes, that — I did not know there was a word for it."

Naming the problem does three things at once. It creates urgency where there was resignation. It positions you as the authority who understands the pain most clearly. And it quietly frames every existing alternative as an inadequate response to a problem those alternatives never even named.

The best problem names are short, memorable, and customer-facing — not internal jargon. They travel by word of mouth. When customers start using your language to describe their own situation to each other, the category has begun to exist.

Frame the alternative and create the "from / to" shift

Every category creation is a story about a shift — from an old, painful way of doing things to a new, better way that your category represents. Founders who nail this make the old way look not just inferior but obsolete.

This is the **"from / to" frame**, and it is the spine of category creation messaging.

The old way (from)	The new category (to)
Named by its tools	Named by its outcome
Tolerated friction	Explicitly solved problem
You do the work	The system does the work
Compared on price	Chosen on value
One of many options	The default answer

The critical move is refusing the comparison the market wants to make. When a prospect tries to slot you into the old category — "oh, so you're basically a cheaper version of X" — the category creator corrects the frame: "No. X solves the old problem. We solve the one X leaves behind." You are not a better entry in their list. You are the reason the list is outdated.

Framing the alternative is not about attacking incumbents by name. It is about redefining the standard so that the incumbents are quietly measured against a bar they were never built to clear.

Become the default answer

A category with no clear leader is just a trend. The founder's goal is to make the brand and the category inseparable, so that thinking about the problem automatically means thinking about you.

Becoming the default answer is a function of consistency and repetition across every place associations are formed. You want the same message — the problem's name, the from/to shift, your role as the leader — reinforced everywhere a buyer or an influencer might encounter it. When the category and your name are cited together often enough, in enough credible places, the association calcifies into a default.

Practically, that means:

- **Publishing the definitional content** — you write the article, the framework, the vocabulary that everyone else in the space ends up borrowing.
- **Earning third-party corroboration** — press, analysts, partners, and customers describing the category in your terms, not just you describing it.
- **Showing up consistently** — the same language and positioning across your site, your talks, your bylines, and every mention, so nothing dilutes the association.

The founder who publishes the definitive explanation of a category, and gets others to cite it, becomes the reference point. Everyone who enters later either adopts your framing or spends their own money fighting it — and either way, they reinforce that you got there first.

Build the entity authority so AI names you too

Here is what has changed, and what most founders still miss. It is no longer enough for customers to associate the category with you. **The machines have to associate it with you as well.**

When someone asks an AI assistant "what is ***" or "who leads*** " — where the blank is the category you created — the model returns whatever the web has most consistently corroborated. If the strongest, most repeated signal ties the category to your entity, you are the answer. If the signal is fragmented, the AI hands the position to someone else, or worse, describes the category without you in it.

This is **entity authority**, and it is the modern foundation of category ownership. It is built the same way human association is built — consistency and corroboration — but the audience now includes the systems that increasingly mediate what people learn. The founders who win the next decade will treat being the answer in AI search as a primary objective, not an afterthought.

The practical work is unglamorous but decisive: make sure your brand, your category language, and your role as its leader are described the same way everywhere — your own site, third-party press, directories, expert citations, and structured data. You are not just persuading people. You are teaching the machines what the category is and who owns it.

The sequence founders should follow

Category creation is not a single campaign. It is a build order, and doing it out of sequence is why so many "new categories" never take.

Name the problem so precisely that prospects recognize themselves in it. Frame the from/to shift so the old way looks obsolete. Publish the definitional content and earn the corroboration that makes you the default answer. Then invest in the entity authority that ensures both the market and the AI systems return your name when the category comes up.

Do that, and you stop fighting for a slice of someone else's market. You build a market, put your name on it, and let everyone who follows spend their money reinforcing that you were the one who named it. That is the founder's real leverage — not building a better product in an old category, but building the category itself.

Key takeaways

- The most valuable position in a market is not being the best option in a category — it is being the category, because the creator sets the terms everyone else is measured against.
- Category creation generates new demand and installs you as its natural destination, while competing for share is a zero-sum fight against better-funded incumbents.
- Name the problem before you sell the solution; when customers use your language to describe their own situation, the category has started to exist.
- Use a clear "from / to" frame and refuse the comparison the market wants to make — you are the reason the old list is outdated, not a better entry on it.
- Become the default answer through consistency and third-party corroboration, publishing the definitional content everyone else ends up borrowing.
- Entity authority now includes AI: make sure your brand, category language, and leadership are described the same way everywhere so the machines return your name too.

Frequently asked questions

What is category creation for founders?

Category creation is defining a new market space, naming the problem it solves, and establishing your company as its definitional leader instead of competing for share in an existing category. It replaces the question "how do we win this market" with "what market should exist that does not yet, and how do we make it real." The payoff is that you set the terms every later competitor is measured against.

Why is creating a category better than competing in one?

Competing for share means fighting over demand that already exists and is already being captured, usually against companies with more money and time. Creating a category generates new demand and makes your company the natural place it flows to. One is a zero-sum war of attrition; the other manufactures the game and installs you as the house.

What is the first step in creating a category?

Name the problem before you sell the solution. Customers do not adopt solutions to problems they cannot articulate, so the founder's first job is to describe a tolerated, invisible friction so precisely that prospects recognize themselves in it. When customers start using your language to describe their own situation, the category has begun to exist.

What is the "from / to" frame in category creation?

The from/to frame is the story of a shift from an old, painful way of doing things to the new way your category represents. It makes the old approach look obsolete rather than merely inferior, and it lets you refuse the comparison the market wants to make. You are not a better entry on the incumbents' list — you are the reason the list is outdated.

How does a founder become the "default answer" for a category?

By consistency and corroboration across every place associations form. Publish the definitional content that others end up borrowing, earn third-party press and customer descriptions that use your framing, and keep the same positioning everywhere so nothing dilutes the association. When the category and your name are cited together often enough in credible places, the association hardens into a default.

How does category creation relate to AI search and answer engines?

When someone asks an AI assistant what a category is or who leads it, the model returns whatever the web has most consistently corroborated. If the strongest, most repeated signal ties the category to your entity, you become the answer; if the signal is fragmented, the position goes to someone else. That makes entity authority — teaching the machines what the category is and who owns it — the modern foundation of category ownership.

Does category creation mean attacking competitors?

No. Effective category creation redefines the standard rather than naming and attacking incumbents. You frame a new problem and a better outcome so that existing alternatives are quietly measured against a bar they were never built to clear, which is more durable and more credible than direct combat.

How long does it take to create and own a category?

It is a multi-year build, not a single campaign, and it follows a sequence: name the problem, frame the from/to shift, publish definitional content and earn corroboration, then invest in the entity authority that makes you the answer for both people and AI. Doing these steps out of order is the most common reason a claimed "new category" never actually takes hold.

About the author. Scott Tischler is the Founder & Chairman of AIrecommend.ai and a practitioner-authority on AI search and Answer Engine Optimization. With 20+ years in marketing technology — including American Express, MetLife, and UBS — and executive study at Wharton, Harvard, Yale, and Oxford, he helps businesses become the ones AI recommends.

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