

The Lindy Effect

I love simple heuristics. Here is one:

The **Lindy effect** is a concept that the future life expectancy of some non-perishable things like a technology or an idea is proportional to their current age, so that every additional period of survival implies a longer remaining life expectancy.

In other words, the longer a product/company/idea already exists, the longer is its expected remaining lifespan.

A very simplified version might look like this:

- Something that exists 1 year is expected to exist another 1 year
- Something that exists 5 years is expected to exist another 5 years
- Something that exists 100 years is expected to exist another 100 years

This might be good news for something like Bitcoin, which just celebrated its 10th birthday. And it might be bad news for the startup next door that was founded last year.

I recently experienced this effect firsthand:

When going through some old online accounts, I realized how many of the services that I used 10 to 15 years ago are offline. I probably went through 50 accounts, and the vast majority was out of business! Most services were probably less than 5 to 7 years old at the time that I used them.

How many of the companies and services that we use today will be out of business 10 to 15 years from now?