

Discovery and MVPs

Recap:

- Software engineering process:
 - How to prioritize which features to build
 - How to participate in engineering team
 - How to test and review code

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 - How to prioritize which features to build
 - How to participate in engineering team
 - How to test and review code

But what product should we build???

Step 1: Have an idea

Step 2: Figure out if it's a good idea

“Do people want it???”

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How?

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How? And: How do we judge the quality of the “hows”

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What is an MVP?

- “The minimum viable product is that version of a new product which allows a team to collect the maximum amount of validated learning about customers with the least effort.” – Eric Reis, author of The Lean Startup

Step 2: Figure out if it's a good idea

How?

- Paper prototype
- Demo...does it have to work?
- Can you get a pilot?
- Unbiased discovery!
- Ad words
- Landing pages
- User studies
- Beta version of app (<https://youtu.be/7QmCUDHpNzE>)
- Market research

Step 2: Figure out if it's a good idea

What does success look like:

- Paper prototype
- Demo...does it have to work?
- Can you get a pilot?
- Unbiased discovery!
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MVP

- The minimum set of features needed to learn from visionary early adopters.
- Avoid building a product no one wants
- Maximize the learning per dollar spent
- Probably more minimal than you think.
- Visionary customers can “fill in the gaps” on missing features, if the product solves a real problem for them.
- Show them a real product, get them to react
- Charge them money, if they pay, they really want it

Customer discovery exercise

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- Ask about specifics of their past experiences to gather reliable data *about their problems*.

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 - Reasonable questions: “What was your last event?...How many people were there?...Oh, more than expected? Does that happen a lot? Did that cause any issues?”
 - Less reasonable questions: “I have an idea for an even space booking app. I’m making a prototype soon. Do you think you’ll use it? What features do you think you’ll use the most? What will you like best about it?”

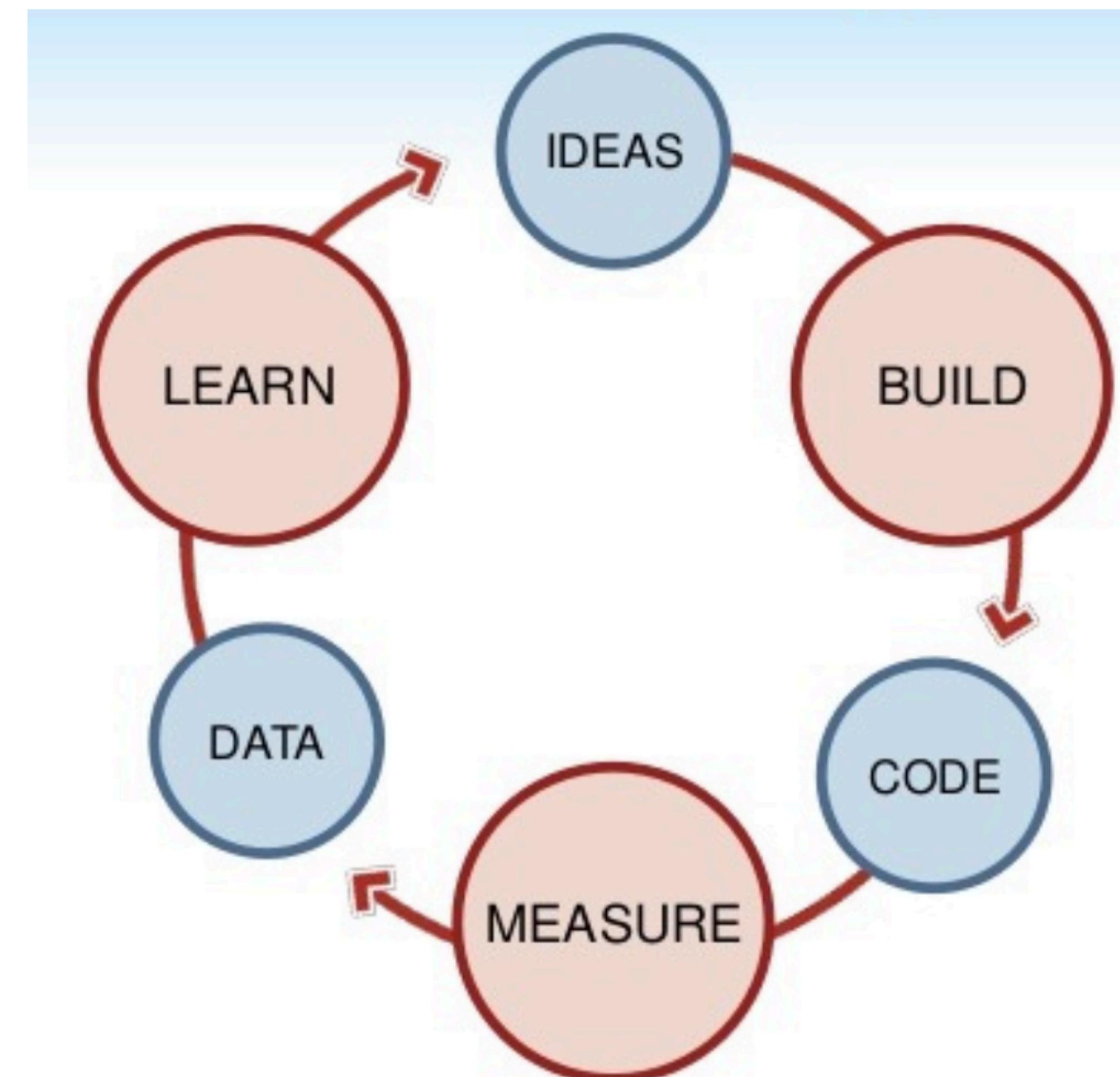
One more MVP exercise

Your choice!

Now what???

- Wasn't a hit: go home?
- Super hit: profit?

Minimize time in the MVP loop



Another example



- Observation: Google is good at answering factual questions. But not subjective ones.
- Founders could have jumped in and started programming. But instead spent six months figuring out what they were building.
- Rather than whiteboarding that entire time, they **built a series of functioning products.**
- Each product was offered to beta testers, whose behavior was used to validate or refute each specific hypothesis

Another example

"We self-funded the company and released very cheap prototypes to test. What became Aardvark was the sixth prototype. Each prototype was a two-to four-week effort. We used humans to replicate the back end as much as possible. We invited one hundred friends to try the prototypes and measured how many of them came back. The results were unambiguously negative until Aardvark." - co-founder



The following list of projects are examples from Aardvark's ideation period.⁷

Rekkit. A service to collect your ratings from across the web and give better recommendations to you.

Ninjapa. A way that you could open accounts in various applications through a single website and manage your data across multiple sites.

The Webb. A central number that you could call and talk to a person who could do anything for you that you could do online.

Web Macros. A way to record sequences of steps on websites so that you could repeat common actions, even across sites, and share "recipes" for how you accomplished online tasks.

Internet Button Company. A way to package steps taken on a website and smart form-fill functionality. People could encode buttons and share buttons à la social bookmarking.

Discussion: Authentication provider MVP

What signal did you get?

What will you try next?

MVP loop for different scenarios

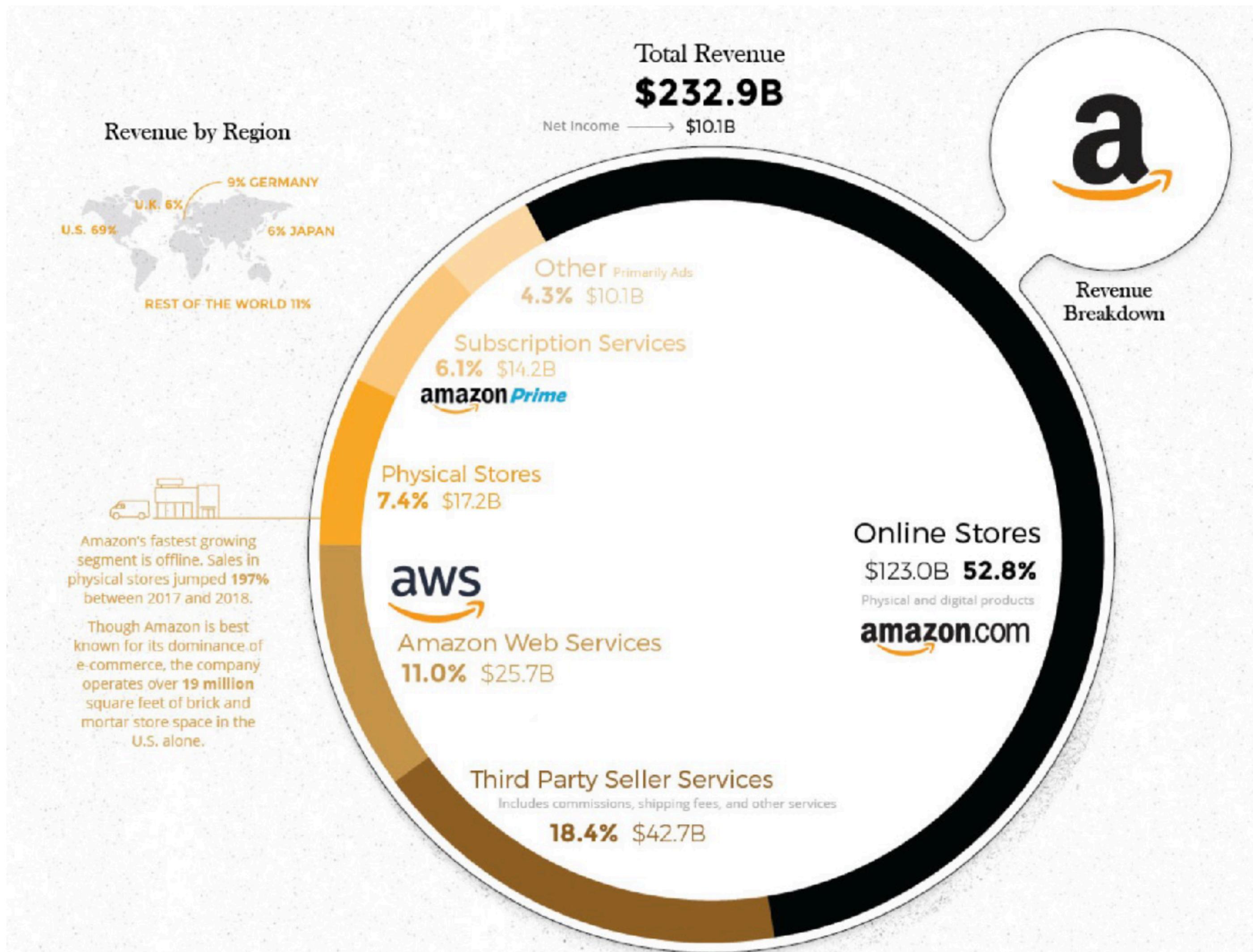
- Create a successful product
- Raise money (kind of the opposite of making money...)
- Raise more money
- Enter new business line
- Create lifestyle business
- Get acquired by Dropbox
- Publish a research paper
- Etc...

Proving Viability: Three Questions

- Do people want it?
- Can you build it?
- Can you make money doing it?

To create a successful product, you need more than (1)

Monetization: will this be you?



Viability answers:

- Banking hardware security models as a service
- App for planning outfits
- App for matching babysitters with families

Group exercise (if we get here)

- Resume groups and take out a laptop
- Create 3 minute persuasive deck about your company
 - Business plan
 - Ability to build it
 - Ability to monetize it
 - How will you demonstrate you can monetize it