# Design Process

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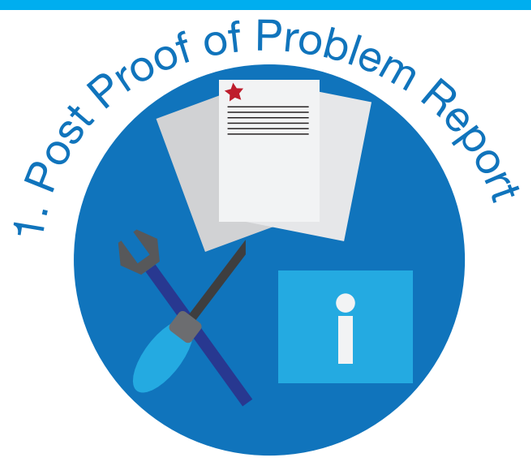
## First we reviewed our Proof of Problem report, looking for ideas to validate...




### Main Assumptions:

- Viable student market - viable student market for a solution despite limited budget [Student Money Survey, 2018].
- Landlords willing to pay - we could find a way to provide landlords with a paid service which vicariously improves the lives of students [Bromidge et al, 2018].
- Maintenance quality improvable - we found that the maintenance of a property had a big impact on quality of life and that this is an opportunity for improvement [Butler, 2017].

### Validated Learning:

- Student Survey - despite 84% of *surveyed* students being willing to pay, the viability is limited due to uncertainty above a £5 threshold price [Bromidge et al, 2018].
- Landlord Interviews - landlords would like improvements to maintenance efficiency [Bromidge et al, 2018].
- Area of Potential - from *desk research* we discovered that a solution related to maintenance for landlords was feasible [Thompson, 2018].

### Actions Taken:

- Customer Segment Pivot [Ries, 2011] - pivoted away from students being our primary potential customer and towards landlords.
- Efficiency without extras - we determined that the only way to make money from landlords would be to reduce the cost of some aspect of their work and take a fraction of that.
- Focus on Roundabout Goals - decision to try and improve the student renting experience by making key stakeholders more efficient.

## Next we found that maintenance wasn't as big an issue as we thought...

### Main Assumptions:

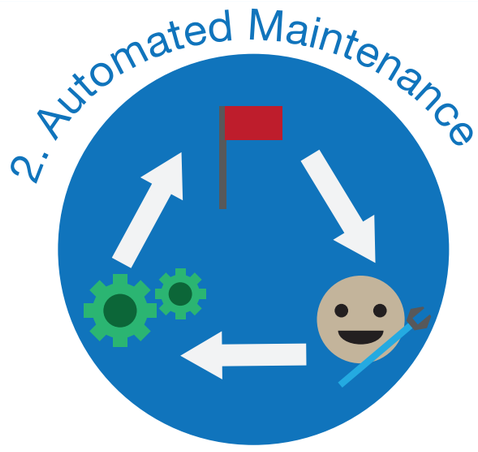
- Desirable for landlords - delays in maintenance are among the top issues facing landlords [Hap Lettings, 2018].
- We could create a trusted system - automating flagging, notifying and logging of the maintenance requests would build trust between landlords, tenants and contractors [Crew, 2007].
- This niche has little competition - though we expect this area to be high in competitors we thought that our specific small niche would be open to innovation.

### Validated Learning:

- Not desirable enough - testing with *paper prototype* [UXpin, 2019], most landlords and students liked the system, but won't to pay if it involves extra cost [Butler, 2018].
- Trust Factor - *surveyed* landlords prefered using contractors that they trust and have used before even if it takes longer [Mata,2017].
- Strong competitors - *desk research* showed that there similar maintenance services already in the market at lower prices [Fixflo, 2013].

### Actions Taken:

- Engine growth Pivot [Ries, 2011] - refocus on a different area of concern which has more opportunity for cost cutting.
- Value capture pivot [Zwilling, 2011] - changed from a subscription model to an annual and operational purchase.
- Customer need pivot [Ries, 2011] - Offering a different solution to a different need of the same customer segment.




## Insurance was promising, but we didn't think we had the skills to execute...


### Main Assumptions:

- Service desirable to landlords - willing to pay for our service that would reduce their maintenance costs and improve the overall efficiency [Propertyinvestment, 2018].
- Maintenance issues are a top concern of landlords - they want to fix issues quickly to avoid tension [Faulkner, 2019].
- Landlords want to maintain tenant satisfaction - they want their tenants to be satisfied and not causing problems [Cymru, 2018].

### Validated Learning:

- Most landlords already have insurance - 82% of *surveyed* landlords would only pay/ subscribe if their expenditure will be reduced [Propertyinvestment, 2018].
- Not a big concern - *survey* data combined with *desk research* showed many landlords think maintenance is more of a problem of clumsy tenants [TheTenantsVoice, 2018].
- Gaps in the business model canvas - as we found landlords did not always care about tenant satisfaction we were left with large holes in our business model.

### Actions Taken:

- Not feasible - Although such a service is desirable (paper-fit) [Osterwalder et al, 2014] we are unqualified to sell it effectively.
- Not viable - Questions surrounding business model fit led us to abandon this vertical [Osterwalder et al, 2014].
- Zoom out pivot [Ries, 2011] - We took the external contractor features away from the insurance vertical and instead focused on their needs as a way to satisfy landlords.

## After our landlord tangent, we returned to a student customer segment...

### Main Assumptions:

- Desirable to landlords and contractors - reduced cost appeals to landlords, guaranteed work appeals to contractors.
- Economy of Scale - there is a large enough pool of contractors and landlords in Bristol to help us validate our assumptions and make the system viable.
- We could build this network system - the fundamental technology driving this solution is feasible and we could build it.

### Validated Learning:

- Initial Desirability - *desk research* showed that the idea would be desirable if properly executed [Platforms, 2018].
- Hard to Validate - landlords and contractors difficult to contact and those *interviewed* over the phone were unwilling to help validate idea [Openrent, 2019] [Bromidge et al, 2018].
- Technologically feasible - there are sites which do similar things already [Bromidge et al, 2018] and the process is straightforward.

### Actions Taken:

- Undoing earlier customer segment pivot - we reverted back to the student customer segment.
- Build Faster Validation - we researched and implemented new customer facing methods to concretely validate our assumptions [Ries, 2011].
- Reinterpretation of Proof of Problem - returning to our PoP report [Bromidge et al, 2018], we decided to find out how to get students to pay for specific help.


## We validated our ideas with many students using fast, lean methods!

## 5. StuRent Kit

### Main Assumptions:

- Price Elasticity - assume viable price range of £3-8, with three price points of £2.99, £4.99, £7.99 [Bromidge et. al, 2019a].
- Physical vs Digital - students would not be willing to purchase a solely digital product, physical component has higher perceived value [O'Reilly, 2019].
- Channels - instagram is the best social media platform for engaging potential customers and driving clicks to our website. [Pruett, 2019].
- Partners - student societies and SU would be willing to partner with us as we share the mutual in improving student renting [ESRC, 2019].
- Defensibility - functionality driven by network effects would be sufficient to defend the initial product offering from copycats [Malhotra, 2018; King, 2012].
- Purchase Funnel - free quiz would be sufficient enticement to encourage customers to engage with further products [Horn, 2019].
- First year niche - first year students would be most likely to buy our product [Thiel, 2015].

### Validated Learning:

- £4.99 as best price - *split testing*, data from our customer *interviews* and *survey* yielded £4.99 as the optimal price [Bromidge et. al, 2019b].
- Customers desire both digital and physical component - this is the result of customer *surveys* and testing our *physical prototype.*
- Instagram best channel - *diegetic prototype*, with engagement opportunities like quizzes, combined with *survey* results.
- Partner opportunities yet to be validated - we have yet to hear back from the SU and societies regarding possibility of collaboration.
- Feedback mechanism desirable - partial validation using *video MVP* and *wireframe* but need a bigger sample to fully validate.
- Quiz would drive engagement - 80% of respondents said they would use our free quiz and would lead them to potential further purchases.
- Desireable to first years - *cohort analysis* of first and second year students on the *mock-up website* showed that ⅔ of visitors were 1st year-students [Bromidge et. al, 2019a].

### Next Steps:

- Financial forecasting - forecast 2 years ahead for profit and loss, cashflow [Corporate Finance Institute, 2019].
- Pitching - to get the idea off the ground we will need a small amount of starter capital. Initially this could come from university schemes, but later may come from angel investors.
- Full validation of defensibility measures - more testing is required to confirm assumptions about desirability of network effects driven functionality.
- Iterate the physical prototype - to gain more valuable insights a new iteration of our physical prototype is needed for user testing [Watkins, 2009].
- Validate business model fit - promotion of MVP website as a way to gauge sales numbers and interest, we have already begun this [Strategyzer, 2018; Osterwalder et al, 2014].
- Explore B2B customers - after speaking with our advisors we are researching the viability of selling large orders of our product to businesses and organisations as well as individuals [Bain, 2018].

Link to references: https://tinyurl.com/y65cqo26