

LEAN STARTUP

Fullstack Academy of Code

Hello! I'm Nimit

- I'm Nimit Maru, Co-Founder of Fullstack Academy
- In the past:
 - ▣ Software Engineer at Yahoo! and Cerner
 - ▣ Founder of several other startups including Bloomspot (venture backed, acquired by JP Morgan), Furious Fruit (educational game company, 6M+ players)
 - ▣ Studied startups at Y Combinator and The Wharton School at UPenn
 - ▣ Studied computer science at Univ. of Illinois at Urbana-Champaign

First, a story about an entrepreneur



Frederic Tudor



The Startup Journey... “Build it and they will come”



The “Build it and they will come model”
Startup built on the “amazing ideas” of one visionary

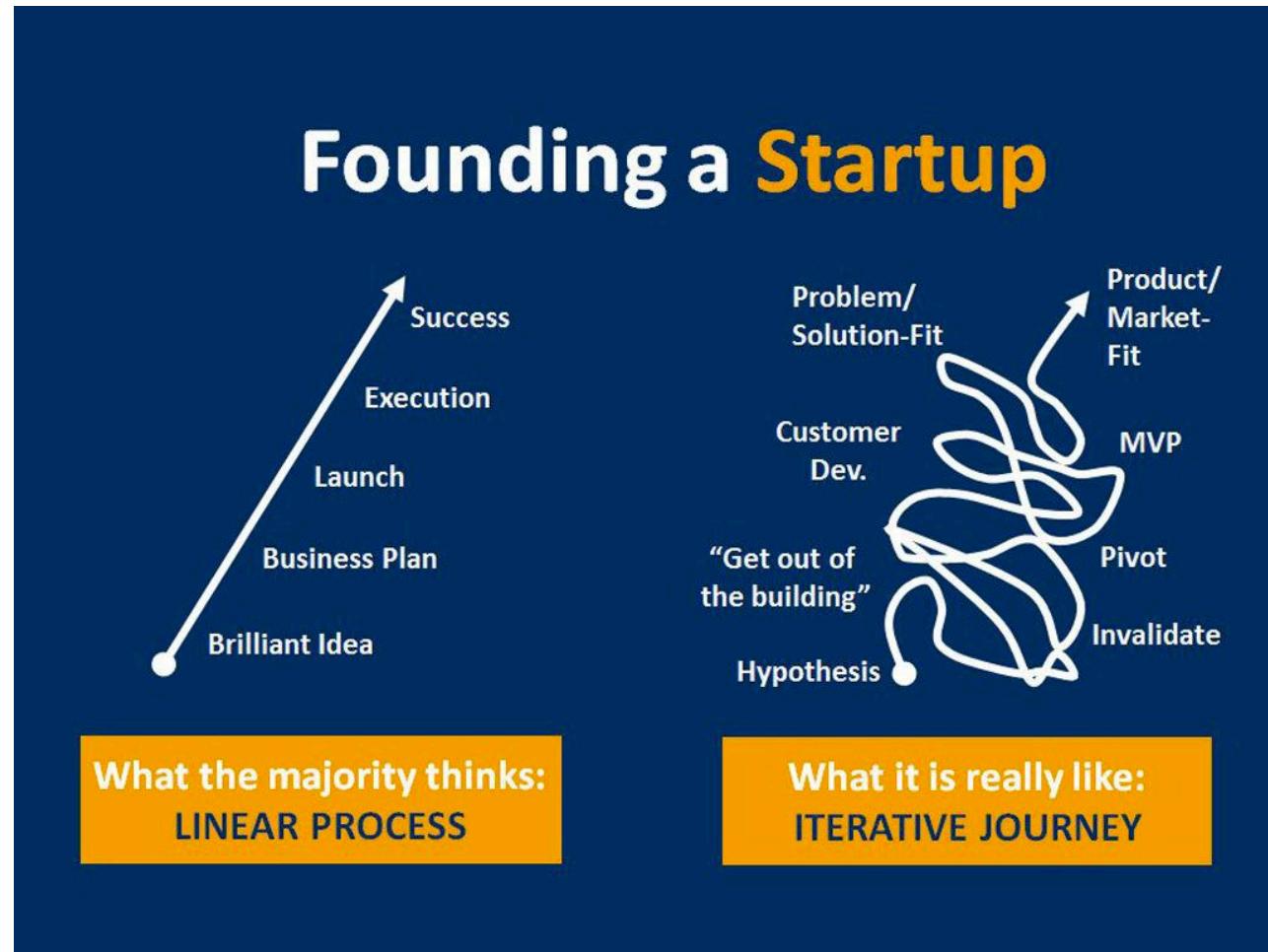
“Build it and they will come” Startup Launch Playbook

- **Step 1: Brilliant idea**
 - ▣ Have a brilliant idea (possibly by accident, or by observing a problem)
 - ▣ Alternately, realize your day job is boring and decide to change the world instead
- **Step 2: Business plan**
 - ▣ Carefully write a thorough business plan to commercialize your idea
 - ▣ Stipulate that “you *only* need to capture 1% of global market share to reach 100M of revenue.”
- **Step 3: Funding**
 - ▣ Find investors with amazing business plan.
 - ▣ Nod in agreement when you hear fellow un-funded entrepreneurs say things like “cash is cheap these days.”
- **Step 4: Build product – in “stealth”**
 - ▣ Hire world class team to build your product, perfect to business plan spec
 - ▣ Remind your developers to make sure you can handle the scale you’ll be reaching soon
- **Step 5: Go to market**
 - ▣ Release your product. Go big. Scale. Hire more people.
- **Step 6: Success!**
 - ▣ \$\$\$\$ Become millionaire! \$\$\$

“Build it and they will come” Outcomes



The Reality





So, what should entrepreneurs do?

Introducing... the Lean Startup Model



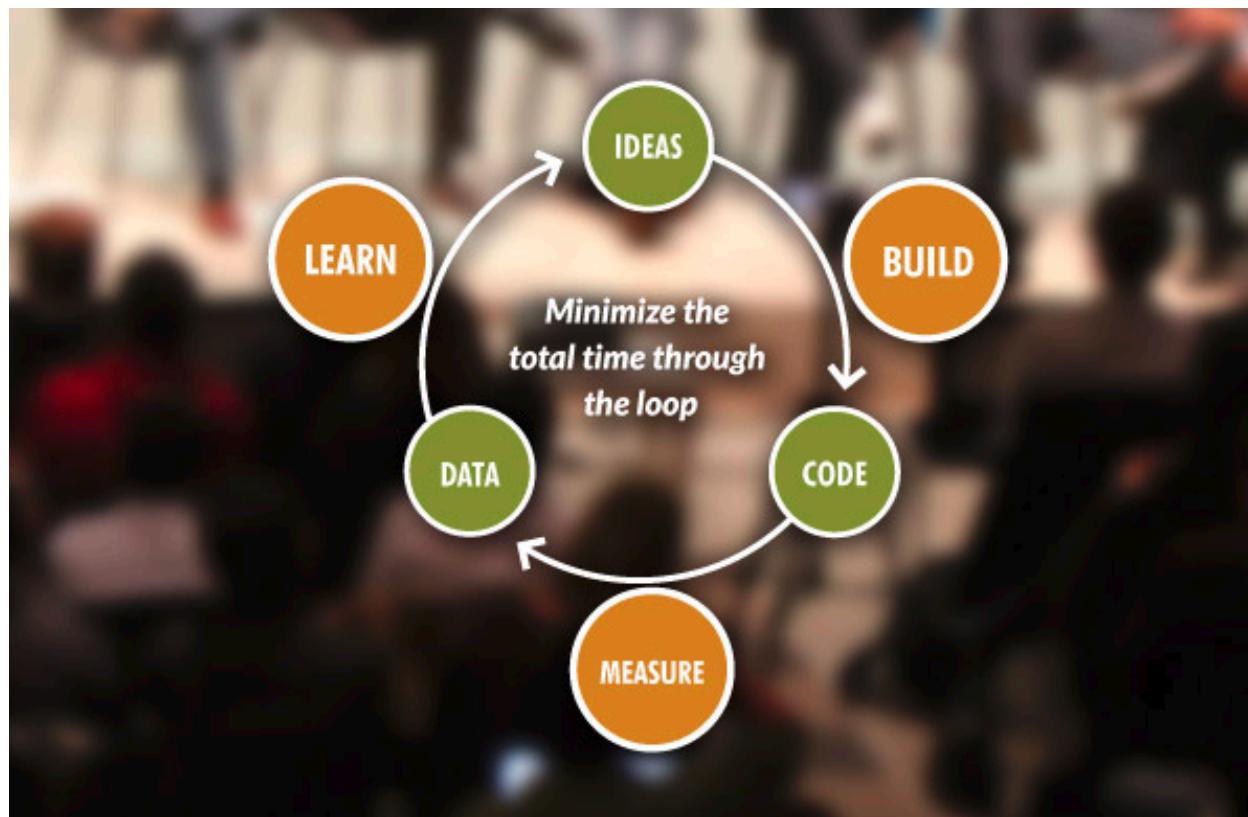
What is Lean Startup?

A methodology for building products based on hypotheses-driven experimentation, product iteration and validated-learning.

Story: BloomSpot



The Lean Startup Cycle



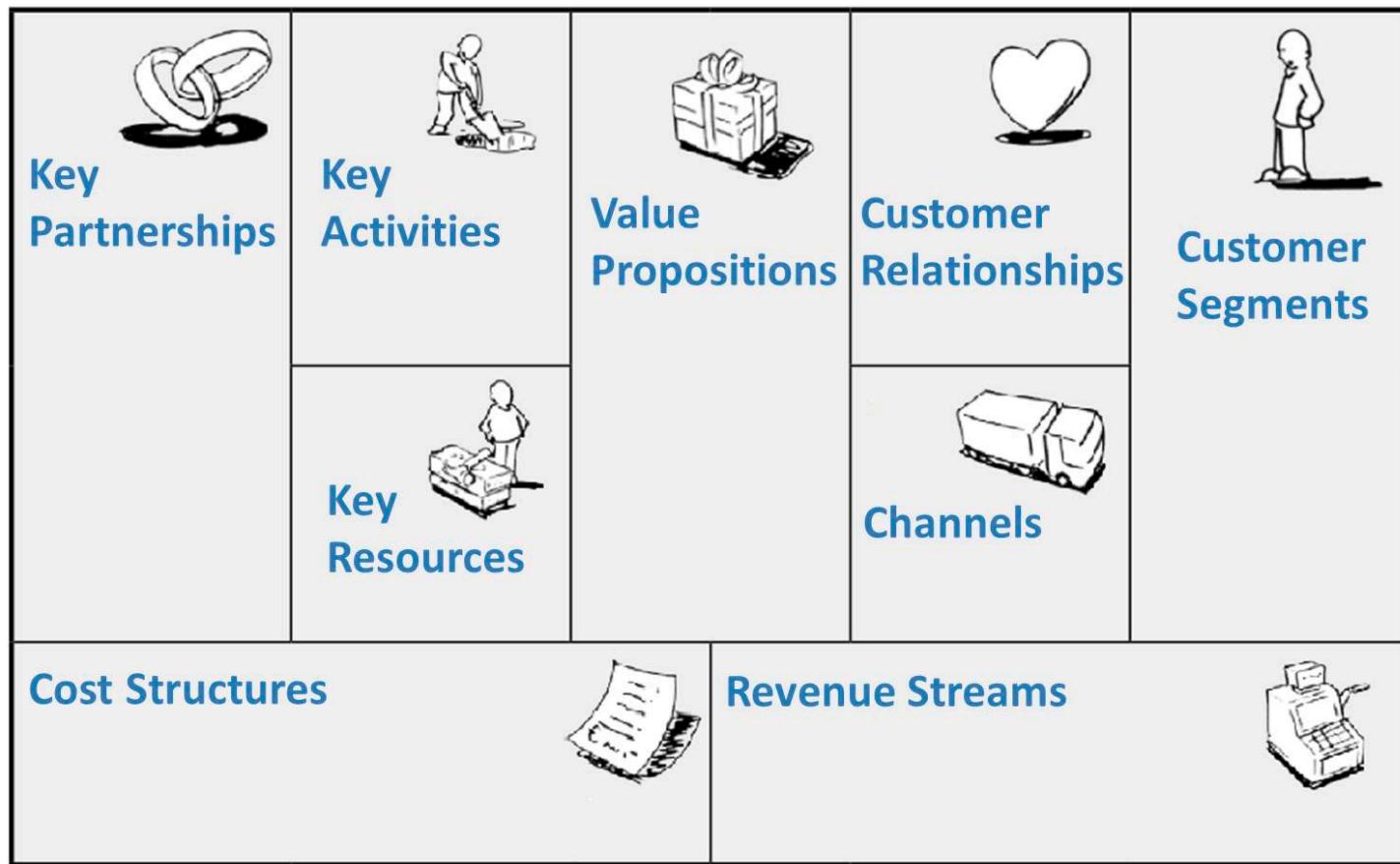
Practice Lean Startup



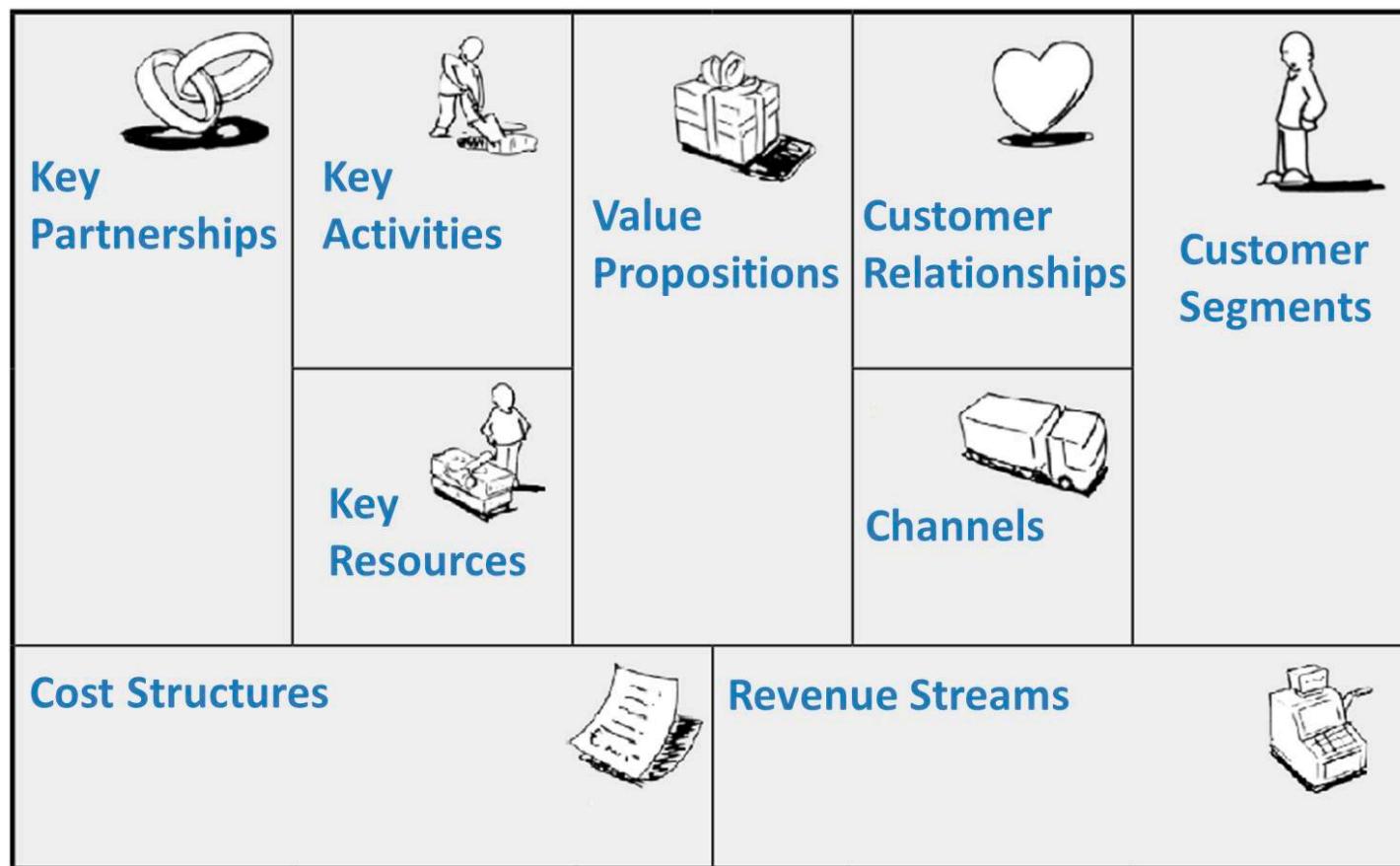
- How can we practice lean startup?
- Lean Startup Workshop – a mini lean-startup experience

Business Model Canvas

- Fill in for your idea



BMC for BloomSpot



Lean Startup Workshop

- Today, we are going to run a mini lean startup process in a short workshop
- **Step 1:** Make groups, discuss a startup idea and come up with questions for potential customers to determine if the proposed solution is a good fit for their needs
- **Step 2:** Each group, in front of the class, gets 4 minutes to ask questions to potential customers from the class
- **Step 3:** We poll audience to learn if how many are positive, neutral or negative about each idea
- **Step 4:** Learn what actually happens with these startups!

Lean Startup Workshop: Group Discussion Guide

- Two to Five groups in each class
- 10 minutes to discuss the startup idea with group
- Group Discussion Topics
 - ▣ What are the key hypotheses that you would want to test about the idea?
 - ▣ What assumptions are you making about the customer, problem and proposed solution?
 - ▣ What questions would you ask a potential customer to test if your hypotheses was valid?
 - ▣ If your idea is a **marketplace**, you may have two sets of customers (e.g. sellers and buyers)



GOTB, In the Building



- Discuss idea for 10 minutes
 - ▣ Designate a interviewer
 - ▣ What are your key hypotheses?
 - ▣ Which ones do you want to test by asking questions to potential users?
 - ▣ Ways to test
 - Ask questions to specific customer (4 mins each team)
 - Poll the class (if needed)

Discussion

Discussion

- Post-mortem for each idea
- How do you ask good questions when testing an idea?
- What would you have done in the ideal scenario?