



Innovation

Nine Ways to Test an Entrepreneurial Idea

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My sister Michelle has quite the entrepreneurial resume. About 10 years ago, she took her academic knowledge of language acquisition and tied it to her (then burgeoning) knowledge of parenting to create a novel way for people to teach hearing infants and toddlers to communicate via sign language. It turns out that infants and toddlers want to communicate and can, cognitively, but their weak throat muscles frustrate their efforts. Michelle turned this insight into a series of books, family materials, and classes that are now taught throughout the country through a program called “Signing Smart” and at Kindermusic under the name “Sign & Sing.”

Act II: She and her long-term collaborator, Reyna Lindert, recently released the book *Little Girls Can Be Mean*, which offers parents and teachers ways to recognize and manage early signs of bullying.

Lest you think this is a shameless promotion for my sister (ok, there’s some of that), I’m going public with a frustration with Michelle. In the course of reading the manuscript for my forthcoming *Little Black Book of Innovation*, she said, “I’m not sure I am your target audience.” She doesn’t think that she’s an innovator.

By my definition, she is. Michelle has **created something different that has impact**. That certifies her as an innovator. And she faces the same challenges other innovators face.

Here's her current dilemma. Her recent book has been well received and sold better than she expected. The publisher has suggested that she introduce a cut-price "mini" book that has about 70% of the book's content for about 35% of the price. The theory is the mini book will reach a wider customer set, and could also stimulate demand for the full book.

My sister and her agent are torn. On the one hand, they want to sell as many books as possible to help their readers address an increasingly painful problem in today's society. My sister also plans to write other books on related topics, so high sales figures could translate to richer advances in the future. On the other hand, she and her agent worry that the mini-book seems too similar to the current book (which is available in paper and electronic format already), so all she might end up doing is trading high price sales for low price sales.

So, she asked me for advice. From our discussion, I extracted nine ways my sister — or any innovator — could increase her confidence in making the right decision, each of which would take no more than an hour to do.

1. Talk to a prospective customer to get their perspective.

Remember, that is likely to be different from your perspective. And friends and family members could as prospective customers. My sister rightly pointed out that talking to a single customer felt a bit random, but "it is one more than I have now."

2. Go to where prospective customers might hang out and watch them for an hour. In my sister's case, that would entail watching

mothers in a coffee shop or as they run through daily errands. Write down things that you didn't expect to see. Think about how that might influence your idea.

3. **Research an analogy.** Who did something similar? What can you find out about how well that worked from public sources? Remember, a failure doesn't mean you shouldn't do it, if you can understand why the failure happened.
4. **Talk to someone who you think has good innovation instincts** but isn't involved in the day-to-day grind of your operations. Ask what that person would do. My sister asked me and HBR blogger [Whitney Johnson](#).
5. **Begin to network toward an expert.** If you could talk to three people in the world about your question, who would they be? Who in your network might be in their networks? People love to talk about their areas of expertise. My sister connected with a parenting expert who helped her formulate a range of specific questions to ask the publisher.
6. **Visualize it.** What would the thing look like? Create a sketch or mockup to bring the idea to life. For example, consider a six-panel storyboard (like a cartoon) that describes how people find out about, obtain, and then use your product or service. Visualization sometimes helps you understand your idea more concretely. Even more importantly, it gives you something you can share with people to get their feedback.
7. **Do a back-of-the-envelope calculation.** Not a super-complicated one. Just one with three or four variables that help you understand what conceivably would have to be true for the idea to make sense. This exercise helped my sister understand the economic potential of the idea.
8. **Conduct a broader assumption identification exercise.** That sounds like a mouthful, but this is really nothing more than asking yourself "what would need to be true" for this idea to be viable.

Which of those assumptions makes you worried? Can you address them using any of the techniques here? Usually this goes along with number seven. My sister felt that the most critical assumption was the percent of new sales that are truly new, versus “trade downs” of potential high-priced sales.

9. **Spend an hour conducting a past pattern exercise.** That is, look back at things you have done that have worked, and things that haven’t worked. What separates them? For my sister, for example, factors could be things like “every time I am skeptical it doesn’t work” or “things that person X says are crazy are in fact crazy.” Once you have the list, how the current idea stacks up?

These kinds of straightforward activities can provide deeper insight into opportunities, help you formulate more compelling ideas, and help make sure that an idea moves from the notepad to the market.

I’d love to hear any other 60-minute tips that have worked for readers — and their thoughts on my sister’s dilemma.

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