

**1. What is meant by *testing the circle*? Why should this be done *before* developing a proper value proposition? How would a company like Rice Games test the circle for a language learning video game?**

Testing the circle are tests given to a large pool of customers to verify interest. This involves testing the jobs, pains, and gains of your customers. This should be done, to determine the relative demand so the best business model can be executed. Rice games would test the circle by sending a game demo to a large group of people like students at UCLA for example.

**2. What is meant by *testing the square*? How would a company like Rice Games test the square for a video game that is being developed?**

Testing the square is testing the products, services, and features of your value proposition. This helps tests the customers priorities. This could be by providing them different aspects of the game (language learning elements and rpg heavy elements), and seeing which the customer values the most.

**3. What is meant by *testing the rectangle*? Write out the main “equation” that results from the building blocks of the BMC.**

- i. Explain the importance of channels when ‘testing the rectangle’ with Rice Games and Shujinkou in mind.
- ii. Explain the importance of key partnerships when ‘testing the rectangle’ with Rice, Games and Shujinkou in mind.

Testing the rectangle involves experimenting with potential customers that care about your value proposition to verify that you can generate revenues from your value proposition.  
 $\text{profit} = \text{revenues} - \text{costs}$

Channels are important because they are how the game gets to the customer. This like everything costs money. Luckily since Rice Game’s product is digital shipping will cost less, but the company still needs to pay for servers, and give hosting websites like steam or xbox live a percentage of money.

Key partnerships are necessary, because everything costs money. An example of a key partnership would be one with Steam, where Rice Games pays to have their video game on their store and servers.

**4. List out all 7 steps of the *testing process* and explain them in 1-2 sentences.**

Testing process:

1. Shaping/reshaping your ideas into ideas that customers would want to buy.
2. Extract your hypothesis to determine what you think customers want from your product.
3. Design tests to test what customers want from your product.
4. Test the customers, by building, measuring and learning from your test design.
5. Reflect on the information you have gained, and if necessary go back to the drawing board. After enough revisions then the business plan will be validated.
6. Measure progress and growth with every interaction to confirm that you are moving forward. This is done by tracking the activities you’ve done and the results you’ve achieved.
7. The final step once all the costumer analysis, business model building, and testing is company creation.

**5. Copy the formatting for the table below and create a test card for seeing if UCLA students are interested in a Japanese language learning JRPG.**

Test Card		Rice Games
?Demand for learning Japanese		May 15th, 2019
?Julian Rice		2 weeks
We believe that...		
There are a large amount of individuals looking for fun informative ways to learn Japanese.		
To verify that, we will...		
Send demos or surveys to students at ucla, then ask them their likelihood of playing a japanese learning game. Another way to test would be the kickstarter campaign.		
And Measure...		
People's interest through their ratings on a survey or questionnaire. Another way is seeing how many backers a company received on kickstarter.		
We are right if...		
At least 30 percent of the people surveyed showed interest, or we we meet 30 percent of our kickstarter goal.		

**6. List the five data traps and explain them in 1-2 sentences. Think about the potential in *Shujinkou*, then write why the 'local maximum trap' might be a particular problem for this title. If you feel another trap is more problematic, explain why.**

False Positive Trap: When you see things that are not there, which occurs when testing data is misleading.

False Negative Trap: Not seeing things that are there, which occurs when the experiment fails to detect something.

The local maximum Trap: When you miss out on real potential, which occurs when you conduct experiments that optimize around a local maximum while ignoring the larger opportunity.

The exhausted maximum Trap: When you overlook limitation, which occurs when you think an opportunity is larger than it really is.

The wrong data trap: When you are searching in the wrong place, which occurs when you abandon an opportunity because you are looking at the wrong data.

Local maximum could be an issue, if Rice Games only see their opportunities through its video game elements, while missing out on huge opportunities with the linguistic elements of the game.

**7. Startups should use experiments to test what three main things? What is a CTA? Name two examples of a CTA.**

Start ups should test conceptual prototypes, hypothesis, and products/services. CTA is a call to action which prompts a subject to perform an action, and is used in an experiment in order to test one or more hypotheses. A CTA could be giving customers early access to the game for participating in the study. Another is allowing customers who viewed new models of cars to make a deposit for when the car is available, adding them to the beginning of the waiting list.

**8. Of all the experiments listed from page 220 to 237, choose four experiment types you feel are the most *optimal* for Rice Games and *Shujinkou*. Then, explain in 2-4 sentences why each experiment type is optimal. This equates to a response being 8-16 sentences long.**

Ad tracking could be beneficial towards Rice games. If we purchased an add on popular message boards or gaming websites, we could determine interests by the amount of clicks the ad gets.

Life-Size experiments, where the prototype is a demo of the video game. This would provide information on what aspects of the game customers like and dislike.

A Landing page could work, to determine active users, by asking them to perform a CTA. This will help differentiate people just viewing the website from people who are actually willing to buy the product.

Buy a Feature could also work. This would help determine which aspect of rice games value the most. This can help with the direction of the company incase a heavier emphasis needs to be put on certain elements.