

Problem Validation Guide

Helpful resource to guide your MVP development process.

Purpose

Quickly determine if a problem is real, acute, and economically worth solving—*before* you build. The outcome is a **Go / Pivot / Kill** decision backed by evidence, not opinions.

The 5-Step Flow

1. Define a Hypothesis (falsifiable)

- Who (ICP), where/when the pain occurs, what the struggle is, impact/stakes, current workaround, value thesis.
- Pre-declare **decision gates** (pass/fail criteria) and set up an **evidence log**.

2. Identify the Target Audience (wedge)

- Narrow ICP by **frequency × severity** of pain, workflow signals, and trigger events.
- Recruit via warm intros, practitioner communities, panels. Use a short screener to qualify.

3. Run Customer Interviews (no pitching)

- Ask for the **last time** the problem happened; walk through steps, artifacts, time/cost, consequences.
- Probe constraints (IT, legal, procurement) and buying path (budget owner, decision flow).

4. Analyze Pain Points (rank objectively)

- Code themes (jobs, pains, workarounds, triggers, constraints).
- Score each theme: **Frequency (F)**, **Importance (I)**, **Satisfaction with workaround (S, reverse)**, **Workaround cost (W)**.

$$\circ \quad \text{Opportunity} = I + \max(I - S, 0)$$

$$\circ \quad \text{Pain Index} = (I \times F) + W$$

- Draft a concise **problem statement** and **job stories**.

5. Validate Market Size (bottom-up first)

- Count ICP accounts in your wedge \times qualified users/account \times ARPU assumption.
 - **SOM (24 mo)** = accounts \times reachable penetration \times ARPU.
 - Triangulate with top-down proxies (budgets, job postings, comparable tools) and early **WTP** signals.
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Evidence & Decision Gates

Advance (Go) when most are true:

- Consistent pain across **15–20** interviews in one segment.
- $\geq 60\text{--}70\%$ experience it **weekly+**, rate **importance $\geq 4/5$, satisfaction $\leq 2/5$** .
- **3–5** pilot commitments (time or money).
- Bottom-up **SOM** is non-trivial; WTP bands support viable ARPU; procurement path identified.

Pivot/Kill when:

- Workarounds satisfy, pain is rare/edge-case, buyers lack budget/authority, or no repeatable channel is reachable.
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Survey Add-On (after interviews)

- Keep ≤ 7 minutes; measure behavior (frequency, impact), workaround satisfaction, buying triggers, WTP bands.
 - Cross-tab by role, size, and tool stack; recompute Opportunity/Pain Index to confirm the hot pocket.
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Common Pitfalls (to avoid)

- Pitching too early \rightarrow **observe past behavior** instead.
- Confirmation bias \rightarrow **pre-commit gates**; have a skeptic review notes.
- Vanity metrics \rightarrow focus on **validated learning** in the evidence log.
- Sampling friends/non-buyers \rightarrow **screen** rigorously.
- Vague claims \rightarrow insist on **numbers and timeframes**.

Principle:

Move forward only when the evidence is strong. If it isn't, pivot the hypothesis or kill the idea early and cheaply.