**Part One – VISION (Don’t assume. Test. Learn. Experiment.)**

to create a sustainable business model

Start

Every startup begins with a **big dream or vision**.

Instead of spending months writing a long **business plan**, the Lean Startup suggests: **start small, test quickly.**

**Define**

* First, **define the core problem** you want to solve.
* Also, **define your customer segment** (who exactly has this problem).
* To test this, you build a **Minimum Viable Product (MVP)** → the simplest version of your product that lets you gather feedback.
* Example: Instead of making a full app, make a basic prototype to see if people even care.

**Learn**

* A startup is not about building products; it’s about **learning what customers want**
* Learning comes from experiments, not from guessing.
* The faster you learn, the faster you can improve.
*  This is called **validated learning** → learning from actual customer behavior.

Example: Instead of asking people “Would you buy this?” (guessing), see if they actually click a “Buy” button when offered.

 MVU (learning from mistakes)

 Zappos (simple MVP test)

 Dropbox (demo video experiment

 Toyota/Intuit (continuous learning & experimentation)

A diagram of a diagram

AI-generated content may be incorrect.

**Experiment**

* Treat every feature, product, or idea as an **experiment**.
* Structure experiments like: *“If we do X, we expect Y outcome. If not, our assumption is wrong.”*
* Example: Dropbox tested demand with a short demo video before building the full product.
* Experiments reduce risk and save time.

**VISION = Turn your assumptions into tests, learn what customers want, and experiment to find the right product idea.**

**Part Two – STEER**

This part explains **how to move your startup forward** once you have a vision.  
It’s all about testing, measuring, and deciding whether to **pivot** (change direction) or **persevere** (stay the course).

**Leap**

* You must make a **leap of faith** by turning your vision into **testable hypotheses**.
* Example:
  + Dropbox’s leap → “People will trust storing files online.”
  + Zappos’s leap → “People will buy shoes online without trying them.”

**Test**

* Build an **MVP (Minimum Viable Product)** to test assumptions.
* The MVP is not the final product — just enough to learn.
* Example:
  + Zappos tested by putting shoe pictures online and buying from local stores when orders came.

**Measure**

Collect data on customer behavior (signups, clicks, retention).

Focus on actionable metrics (Did users actually use it?) not vanity metrics (like total downloads).

 Example: Zappos measured real **customer purchases** by taking shoe photos and buying from stores manually.

**Pivot (or Persevere)**

* After testing and measuring → make a decision:
  + **Pivot** → Change strategy but keep vision.
  + **Persevere** → Stay with the same strategy and keep improving.
* Example:
  + IMVU pivoted when customers rejected their initial chat tool.
  + Instagram pivoted from a check-in app (Burbn) → to focus only on photo sharing.

**STEER = Test your leaps, measure results, and decide whether to pivot or keep going.**  
It’s the *steering wheel* of a startup → helping you avoid wasting time and money.

**Conclusion of Part Two – STEER**:  
This part is about **testing assumptions with data**. You leap with a hypothesis, test it with an MVP, measure real customer behavior, and decide whether to pivot or continue. This cycle ensures progress is based on **facts, not assumptions**.