

# What is the minimum criteria for success?



LECTURE  
SUMMARY

## Covered in this lecture:

What is a minimum criteria for success and how to set yours

*Taught by:*



- ▶ There are three different outcomes to an MVP test:
  1. You find out that your hypothesis is false
  2. You find out that your hypothesis is true
  3. You're somewhere in the middle
- ▶ 90% of the MVP experiments you are going to run are going to end up somewhere in the middle
- You need to establish a concept called Minimum Criteria for Success (MCS) in order to decide whether your product is worth building or not
- ▶ The MCS gives your experiments clarity and meaning
- ▶ In order to set your MCS, you need to take into consideration the cost and the reward of building the product
- ▶ Popular ideas that are monetary unsustainable are not good ideas

- ▶ Identify the metrics that you are targeting that will signal interest from your potential customers
- ▶ Calculate the overall cost of building what you want, by including developer's time, your time, labor wages, advertising cost, brand effect, or opportunity cost
- In the end, the cost must be lower than the reward, in order for the product to be worth building
- To figure out your MCS, you have to identify at what point the benefits outweigh the costs

*See you next lecture!*