

Vignette (6th Ed) Ch 3

- Owllet Child Care sock is a dev that checks on your kid as they sleep.
- uses proven tech to keep parents happy / sleeping better b/c they know their kid is ok.

- interestingly, higher priced item "sold" ("conversions") more...
- they now make \$20mil / yr rev. with 70 employees.

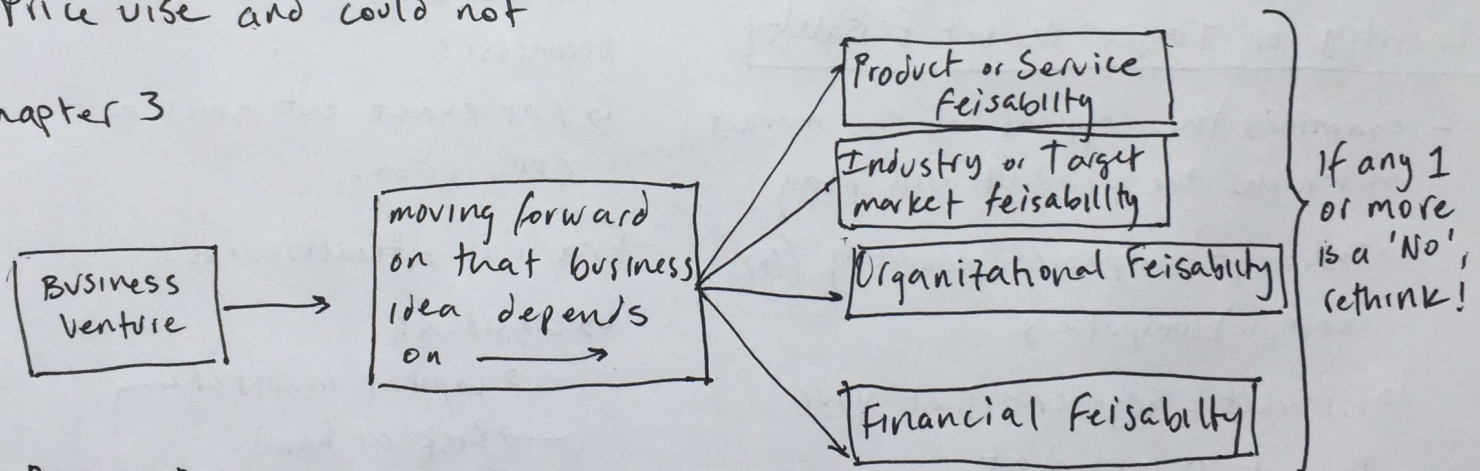
What Went Wrong (6th Ed) Ch 3

- Kevrig looked into making the Kevrig Kold, a soda "brewing" machine for in-home use. they failed.
- It was too expensive, large, inefficient price wise and could not

compete with the Soda Stream (\$79 vs \$369).

- They were asking people to change their behaviors - something people cannot do.

Chapter 3



- Primary Research: collected by those conducting the analysis.
- Secondary Research: Already-existing research looked at by those conducting the analysis

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Product or Service Feisability

- examines overall appeal of product or service being offered
- check timing with trends
- check for fatal flaws in Design
- get out and ask people

↳ concept test

- Description
- Target Market
- Benefits
- Position w/r Competition
- Management Team
- ↳ show to 20 people familiar w/ industry

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Industry or Target Market Feisability

- examines the appeal of the market in which the product will play
 - ↳ Industry = companies producing (for example) computers
 - ↳ T. Market = segment that your product is aimed at.
- Attractive Industries are:
 - young → early in lifespan
 - not concentrated → growing
 - selling "must have" rather than "want to have".
 - not crowded → high margins
 - not dependent on historically low prices of raw good

Organizational Feisability

- determines if there is sufficient management knowledge within a company to successfully launch
- firms must consider both management prowess among their team, and also what their key resources look like.

↳ Assess availability of nonfinancial key resources.

Financial Feisability

- Total Start-Up cash needed
 - ↳ \$ before first sale can be conducted.
- ~~Nonfinancial~~
- Financial Performance of other businesses

↳ Not exact but gives a good idea.

- Financial Attractiveness:

↳ considers:

- Capital invested
- Risk at hand
- Alternatives for the
- Alternatives for Entrepreneurs time and effort.

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Forbes: B-School Lean Startup Revolution

- Berkeley LaunchPad has been a great success, with one of their companies selling for \$200 mil. } → - That was Krave Jersey!!

- Use no canvas, instead questions like "what is", "who buy", "distribution?" ...

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