

2.9 Value Proposition Test Landing Page



In Brief

A landing page used as a minimum viable product evaluates whether a particular type of customer wants a proposed product based on actual behavior (as opposed to a declared preference). This technique typically includes buying advertising or generating targeted traffic to a small website that describes the product idea. The prospect confirms their interest by:

1. Leaving an email address or
2. Going through a checkout process that simulates the purchase of the product

Helps Answer

- Is the customer interested enough in the value proposition to spend money?
- Is the product idea attractive to a particular segment or niche?
- Is the product positioned effectively against alternative solutions to the problem?

Tags

- Quantitative validation
- Benchmarking
- Positioning
- Value proposition
- Audience selection strategy

Description

Time Commitment and Resources

- 1 day to set up landing page, ideally based on actual prospect language used during customer development
- 1+ days to drive traffic (depends on amount of time or money you are willing to spend)
- Ability to set up a landing page with an appropriate service (e.g., QuickMVP, Unbounce, Leadpages)
- Small advertising budget to target relevant keywords, or demographic-use “daily budget” limits to control exact ad spend for this purpose
- Advertiser’s account with paid traffic source

How to

1. Identify sub-niche/persona most likely to be interested in the product idea.
2. Research relevant keywords and demographics.
3. Brainstorm ads.
4. Formulate the experiment’s success criterion as expected conversion rate (for leaving email or completing fake purchase).
5. Edit a landing page template with the product description and value proposition.
6. Run ads.

Interpreting Results

In the context of a landing page MVP, conversion rate here approximates what percent of this particular niche, keyword, or traffic source are interested in the product. It approximates unmet demand among members of that niche.

If the conversion rate obtained exceeds your predetermined signpost value, the landing page MVP confirms that this particular audience is interested in the product. Assuming you chose a large enough niche, the idea is worth pursuing further. If not, this audience is not interested in the product idea. At that point, you will need to pivot on your audience or dig deeper into your audience’s actual needs.

Potential Biases

- Not specifying success criteria up-front: A very common anti-pattern is that founders attempt to run a landing page experiment without committing to a clear cutoff value up-front. If they get results they don’t expect, they question their process.
- Over-optimizing the landing page for sales: With a landing page MVP, you are measuring how much demand exists for the product without conversion rate optimization (otherwise you won’t be able to know whether you met your success criteria because it’s a good idea or whether you’re good at using countdown counters effectively).
- Warm traffic: If possible, try to use completely cold traffic, particularly if you are comparing a few possible ideas. If prospects are already aware of your product, you as a founder, or your brand, this will skew your conversion rate upwards unpredictably.

Field Tips

- Got a tip? Add a tweetable quote by emailing us: realbook@kromatic.com

Case Studies

- [Dropbox used a simple landing page to gauge interest and capture email addresses](#)
- [Buffer went from idea to paying customers in seven weeks](#)
- Got a case study? Add a link by emailing us: realbook@kromatic.com

Tools

- Got a tool to recommend? Add a link by emailing us: realbook@kromatic.com

References

- [Eric Ries - Using AdWords to Assess Demand](#)
- [Luke Szymmer - What is a good conversion rate for a landing page MVP?](#)
- Got a reference? Add a link by emailing us: realbook@kromatic.com