Week 3 Final Quiz: Exploring a New Product Idea

LATEST SUBMISSION GRADE

20%

1. As a PM, you have decided to use Steve Blank's Four Steps to organize your exploration of a new product idea. You have spent many rounds validating product and customer assumptions and have finally achieved a product/market fit. What would you do next?

   `0 / 1 point`

   - ◉ Focus on testing a set of structured assumptions about customers and products.

   - ○ Set up a company or division with interlocking interdisciplinary teams to start developing a potential product.

   - ○ Focus on scaling product/market fit by, for example, improving the product and customer experience.

   - ○ ~~Focus on keeping an open mind, doing generative discovery with real subjects in their natural environment, watching what is on their A-list, and identifying what they care about most.~~

   > **! Incorrect**
   > You have already completed Customer Validation, which is to test a set of structured assumptions about customers and products. See the "Learning vs Scaling" video to review.

2. You are trying to develop a new product and have just completed Customer Validation. Where should you focus next?

   `0 / 1 point`

   - ◉ This is an inflection point: either pivot or persevere.

   - ○ <mark>Start scaling the product/market fit that you have achieved.</mark>

   - ○ Develop an MVP (Minimum Viable Product) to test and validate a set of structured assumptions about customers and our product.

   - ○ Set up an interdisciplinary team and scale the organization.

   > **! Incorrect**
   > After Customer Validation, your core assumptions about the product and customers are tested and validated, and you have an idea of the product/market fit. It is time to start scaling that product/market fit. See the "Learning vs Scaling" video to review.

3. You're discussing human resource input and staffing for your new product with your boss and a few colleagues. What's your recommendation for staffing with

   `0 / 1 point`

minimum waste through Steve Blank's Four Steps framework?

- ◉ During Customer Creation, a customer development team, rather than the full functional organization, is best.

- ◯ During Customer Validation, a full functional organization should be involved.

- ◯ <mark>In the Customer Creation phase, a full functional organization, rather than a customer development team, is mostly likely to be the best fit.</mark>

- ◯ During Customer Validation, it's a good idea to utilize Partners and Channels in the existing business.

> **!** **Incorrect**
>
> After product/market fit is validated and you're ready to scale it, a more functional organization with distinct roles may be a very good fit with the needs of the product and the business. See the "Learning vs Scaling" video to review.

4. You are managing product development for a consumer goods company and are   `0 / 1 point`
   trying to introduce a new automatic air freshener spray. You want to learn as
   much as possible about how users interact with your product idea. Which of the
   following MVPs would best help you get that kind of answer?

- ◉ The product development team mass produces the automatic sprays (end product) and the sales and marketing team starts promotion by offering customers free samples to use.

- ◯ Going to customers' home and hand spraying the air freshener so that the product development team can observe how customers interact with the product.

- ◯ ~~A virtual house online that simulates customers' spray habit - users can zoom in or out, have a 360-degree view of the house, and click to "spray" at any corner of the "house". The spots that are sprayed are recorded for analysis.~~

- ◯ To offer a customer discounts and see if she is willing to deposit and wait for the new product to be launched in the market.

> **!** **Incorrect**
>
> An MVP is designed by the product development team as a vehicle to learn something about the customer. It is not a full-fledged product that sales and marketing could share with customers. See "The Importance of Good Enough: Cooped Up MVPs" video to review.

5. You are managing product development for an online retailer and are considering   `1 / 1 point`
   a new category of goods to sell. You want to validate most of your core
   assumptions about potential demand before actually stocking up the products
   and building an e-commerce backend. Which of the following MVPs would be
   most efficient to achieve your goal?

- ◉ Directing a subset of potential customers to a webpage which displays photos products in this new category and see which items are ordered and in what quantity.

○   Build a website, let users shop on the website, and collect all the feedback.

○   Create an online advertisement through Google AdWords.

○   Look at comparable sites to see how they approach sales in this area

✓   **Correct**
    This Sales MVP allows you to fake the product experience without fully building it out.

6.   Your company is considering launching an eco-friendly rodent deterrent spray   ⬤ 1 / 1 point
     and so you work with the product development team to develop problem
     scenarios, alternatives, and Value Propositions. Which of the following
     statements by your team would you agree with?

   ⦿   The problem scenario (jobs they can do for the customers) should be neutral, unbiased and objective, such as keep
       out rodents.

   ○   The problem scenario (jobs they can do for the customers) might be: Cats not eating your rats? Our spray will keep
       them out- no caveats.

   ○   The problem scenario (jobs they can do for the customers) might be: It doesn't keep out rodents with electronic
       fences, which is one of the alternatives customers are currently using.

   ○   The problem scenario (jobs they can do for the customers) might be: Make sure to use spray to keep out rodents.

   ✓   **Correct**
       The problem scenario (jobs they can do for the customers) might be: Keep out rodents.

7.   You are managing product development for a manufacturing company. You have   ⬤ 0 / 1 point
     narrowed down an idea and are currently at the "Concept Testing" stage of your
     innovation pipeline (H3). Which of the following expectations or timeframe should
     you set for your project at this stage?

   ⦿   You can innovate on EITHER new technology OR a new business model for the new product idea, BUT NOT BOTH.

   ○   You can innovate on BOTH new technology AND a new business model.

   ○   You can plan 1 to 3 years to complete this stage.

   ○   You can plan 6 to 12 months to complete this stage.

   !   **Incorrect**

Product managers at this stage (H3) discover and validate assumptions about technology and business model. See the "Innovating in the Corporation" videos to review.

8. You are managing product development for an online trading company. You just started looking for some ideas & inspiration for new products. If you are currently in a one-week deadline, and you have limited resources to either send out your own team or fly potential customers in, what approach would you use to understand the customers' needs and look for potential areas of value?

    0 / 1 point

    ⦿ In-person field interviews with top 20 customer executives all over the world.

    ◯ Partnership with local startups to run pilot projects

    ◯ ==Collect customer comments from your company's website to see if they have any issues or ideas regarding the existing service and products in your company.==

    ◯ Reverse hackathon

    > **!** **Incorrect**
    >
    > Talking to customers is a good way to generate ideas and understand customers' needs, but trying to schedule with top executives and travel to in-person meetings is something you cannot do if you have limited resources (and it may not be the best place to start, anyhow). You can review by returning to video "Innovating in the Corporation Creating a Healthy Innovation Pipeline".

9. As PM for a new hand cream product, you have identified and validated

    0 / 1 point

    product/market fit and have reached the point of bringing business to scaling and thinking about profitability and optimization, i.e. you are ready to move from H3 to H2. You decide to use the Business Model Canvas to outline your business plan and hand it in for management review. What might be a good first step to outline your ideas for the business?

    ⦿ Develop an online sales MVP to test and validate a set of structured assumptions about customers and our product.

    ◯ Customer Discovery: focus on keeping an open mind, interviewing with people of different professions, watching what is on their A-list, and identifying what they care about most.

    ◯ List the Customer Segments, such as factory and office workers, and to every segment link the corresponding Value Propositions on the Canvas.

    ◯ Try to keep a lean team - a customer development team, rather than the full functional organization, is sufficient for scaling product/market fit and tuning feasibility and viability for business.

    > **!** **Incorrect**
    >
    > If you have reached the point of scaling the business, you would have already tested concepts and validated

assumptions about customers and the product using tools such as MVP. You may review by returning to video "Business Model Design I Proposition Design".

10. As PM for an organic fertilizer company, you are using the Business Model Canvas to outline your business proposal to the management of your company. You have listed Customer Segments and Value Propositions. Now you want to proceed with customer relationships and channels to add more depth to your ideas. Which of the following is a valid "Customer Relationship"?   **0 / 1 point**

- ◉ A garden store

- ○ Set up a stand at an agriculture fair as a promotion

- ○ Eco-friendly product with no chemical residue on golf turf after application

- ○ Dedicated personal service for grain farmers with 100+ acres

> **! Incorrect**
>
> This is one of the Channels, which indicate how the company is going to deliver the product/service, such as through promotion, sales channels, and service tools. You may review by returning to video "Business Model Design II Customer Journeys".

Week 3 Final Quiz: Exploring a New Product Idea

LATEST SUBMISSION GRADE

60%

1. As a PM, you have decided to use Steve Blank's Four Steps to organize your exploration of a new product idea. You have spent many rounds validating product and customer assumptions and have finally achieved a product/market fit. What would you do next?   **0 / 1 point**

   - ◉ Focus on keeping an open mind, doing generative discovery with real subjects in their natural environment, watching what is on their A-list, and identifying what they care about most.

   - ○ Set up a company or division with interlocking interdisciplinary teams to start developing a potential product.

   - ○ Focus on testing a set of structured assumptions about customers and products.

   - ○ Focus on scaling product/market fit by, for example, improving the product and customer experience.

   > **! Incorrect**
   > This is the first step - Customer Discovery. If you are a product manager working on either a new product or a substantive new feature extension to your product. See the "Learning vs Scaling" video to review.

2. You are trying to develop a new product and have just completed Customer Validation. Where should you focus next?   **1 / 1 point**

   - ◉ Start scaling the product/market fit that you have achieved.

   - ○ Set up an interdisciplinary team and scale the organization.

   - ○ This is an inflection point: either pivot or persevere.

   - ○ Develop an MVP (Minimum Viable Product) to test and validate a set of structured assumptions about customers and our product.

   > **✓ Correct**
   > After Customer Validation, when those assumptions about the product and customers are tested and validated, you have an idea of the product/market fit. It is time to start scaling that fit.

3. You're discussing human resource input and staffing for your new product with your boss and a few colleagues. What's your recommendation for staffing with minimum waste through Steve Blank's Four Steps framework?   **1 / 1 point**

○ During Customer Creation, a customer development team, rather than the full functional organization, is best.

◉ In the Customer Creation phase, a full functional organization, rather than a customer development team, is mostly likely to be the best fit.

○ During Customer Validation, it's a good idea to utilize Partners and Channels in the existing business.

○ During Customer Validation, a full functional organization should be involved.

✓ **Correct**

After product/market fit is validated and you're ready to scale it, a more functional organization with distinct roles is likely to be a very good fit with the needs of the product and the business.

4. You are managing product development for a medical device company and exploring a new product for people who have Raynaud's syndrome (a condition where people's hands and feet go numb in response to cold or stress). You are thinking about a lightweight glove that can sense the temperature of and then warm the hands of people. You want to evaluate whether you can reach buyers for this product, get their attention, and that they have at least a basic level of interest in such a product. Which of the following MVPs would best help you get that kind of answer?

`1 / 1 point`

◉ An online video demonstrating the product design - a lightweight glove that senses the temperature of and then warms the hands of people - with a field for people to opt-in to receive more information.

○ See if you can sell it to retailers.

○ The sales and marketing team offers customers deep discounts on the new product, a lightweight glove that senses the temperature of and then warms the hands of people, after it is launched in the market.

○ Provide users with fingertip stickers that sense the temperature of the fingers, and when the temperature drops, give them pre-warmed gloves.

✓ **Correct**

This combination of Wizard of Oz and sales MVP helps you gauge user interest (though it does not give much insight into how they might use the glove).

5. As PM for a software company, you have developed a new accounting software that has a strong product/market fit with its core functionality. Now you want to test a few possible ideas for product extensions. What is the best way to validate your core assumptions before actually investing in programming and developing?

`1 / 1 point`

○ Attending finance and accounting conferences to display demos of the possible new functionality.

○   Providing users a beta testing version of the software package that the product development team can observe the customer using.

◉   Develop a content strategy, testing focal blog posts and/or webinars on the topics you're considering. Measure relative attendance as well as qualitative input like questions and comments.

○   Develop an interactive prototype you can test with users.

> ✓ **Correct**
>
> This MVP is probably best described as 'concierge', but the real point is that content can be a great way to test and explore interest in new areas.

6.   Your company is considering launching a new eco-friendly product to keep ants   **0 / 1 point** out of homes. The product development team brainstorms problem scenarios, alternatives, and Value Propositions. Which of the following proposals by your team would you agree with?

◉   The problem scenario (jobs they can do for the customers) might be: Make sure to use spray to keep out pests.

○   The problem scenario (jobs they can do for the customers) might be: It's hard to kill ants when they come marching in.

○   The problem scenario (jobs they can do for the customers) might be: Keep ants out of homes.

○   The problem scenario (jobs they can do for the customers) might be: It doesn't keep out pests with chemical soap, which can harm pets.

> ❗ **Incorrect**
>
> The problem scenario should be neutral, unbiased, and objective. Make sure the problem scenarios apply equally well to the alternatives and Value Propositions. The problem scenario mentioned here is self-fulfilling and leading, and therefore should not be used. See the "Learning vs Scaling" and "The Importance of Good Enough Greener Air MVPs" videos to review.

7.   You are managing product development for a manufacturing company. You have   **1 / 1 point** narrowed down an idea and are currently at the "Concept Testing" stage of your innovation pipeline (H3). Which of the following expectations or timeframe should you set for your project at this stage?

◉   You can innovate on BOTH new technology AND a new business model.

○   You can innovate on EITHER new technology OR a new business model for the new product idea, BUT NOT BOTH.

○   You can plan 1 to 3 years to complete this stage.

○ You can plan 6 to 12 months to complete this stage.

> ✓ **Correct**
>
> Product managers at this stage (H3) discover and validate assumptions about technology and business model.

8. You are managing product development for an online trading company. You just   `1 / 1 point` started looking for some ideas & inspiration for new products. If you are currently in a one-week deadline, and you have limited resources to either send out your own team or fly potential customers in, what approach would you use to understand the customers' needs and look for potential areas of value?

○ Reverse hackathon

○ In-person field interviews with top 20 customer executives all over the world.

⦿ Collect customer comments from your company's website to see if they have any issues or ideas regarding the existing service and products in your company.

○ Partnership with local startups to run pilot projects

> ✓ **Correct**
>
> Collecting customer comments is a good way to generate ideas and understand customers' needs, given the tight deadline and limited resources.

9. As PM for an organic fertilizer product, you have identified and validated   `0 / 1 point` product/market fit and have reached the point of bringing business to scaling and thinking about profitability and optimization, i.e. you are ready to move from H3 to H2. You decide to use the Business Model Canvas to outline your business plan and hand it in for management review. What might be a good first step to outline your ideas for the business?

○ Mapping Customer Segments to Value Propositions to explain what you're validated on product/market fit.

⦿ ~~Try to keep a lean team - a customer development team, rather than the full functional organization, is sufficient for scaling product/market fit and tuning feasibility and viability for business.~~

○ Develop an MVP (potting mix with your product) to test and validate a set of structured assumptions about customers and our product.

○ ~~Customer Discovery: focus on keeping an open mind, doing generative discovery with grain farmers and gardeners, watching what is on their A-list, and identifying what they care about most.~~

> **Incorrect**

! After product/market fit is validated and you're ready to scale it, a more functional organization with distinct roles may be a very good fit with the needs of the product and the business. You may review by returning to video "Business Model Design I Proposition Design".

10. As PM for a cosmetics company, you are using the Business Model Canvas to   **0 / 1 point**
outline your business proposal to the management of your company. You have
listed Customer Segments and Value Propositions. Now you want to proceed with
Customer Relationships and Channels to add more depth to your explanation.
Which of the following content would be a valid channel?

○ Dedicated personal service for large accounts (e.g. Sephora)

◉ Teens in small markets

○ Ease irritation and allergic reaction on the skin

○ Promotion via Google Adwords, sales on corporate website, and service via a call center

! **Incorrect**

This might be one of the Customer Segments. You may review by returning to video "Business Model Design II Customer Journeys".

Week 3 Final Quiz: Exploring a New Product Idea

LATEST SUBMISSION GRADE

50%

1. As a PM, you have decided to use Steve Blank's Four Steps to organize your   **1 / 1 point**
    exploration of a new product idea. You have spent many rounds validating
    product and customer assumptions and have finally achieved a product/market
    fit. What would you do next?

    ◯ Focus on testing a set of structured assumptions about customers and products.

    ◯ Set up a company or division with interlocking interdisciplinary teams to start developing a potential product.

    ◯ Focus on keeping an open mind, doing generative discovery with real subjects in their natural environment, watching
    what is on their A-list, and identifying what they care about most.

    ⦿ Focus on scaling product/market fit by, for example, improving the product and customer experience.

    > ✓ **Correct**
    >
    > After your core product and customer assumptions are validated, it is time to think about scaling. The next step you
    > would take is Customer Creation, which focuses on improving the product and customer experience and making it
    > more efficient for product feasibility and viability.

2. You are trying to develop a new product and have just completed Customer   **0 / 1 point**
    Creation. Where should you focus next?

    ◯ Set up an interdisciplinary team and scale the organization.

    ◯ ~~Customer Discovery: focus on keeping an open mind, doing generative discovery with real subjects in their natural
    environment, watching what is on their A-list, and identifying what they care about most.~~

    ◯ This is an inflection point: either pivot or persevere.

    ⦿ Develop an MVP (Minimum Viable Product) to test and validate a set of structured assumptions about customers and
    our product, and conclude whether there is a product/market fit.

    > ! **Incorrect**
    >
    > MVP (Minimum Viable Product) is developed to test and validate a set of assumptions (e.g. if we do this for the
    > customers and they will respond in this way, etc.) after the first phase of customer discovery. See the "Learning vs
    > Scaling" video to review.

3. You're discussing human resource input and staffing for your new product with your boss and a few colleagues. What's your recommendation for staffing with minimum waste through Steve Blank's Four Steps framework?   **0 / 1 point**

○ In Customer Validation, it's a good idea NOT to utilize Partners and Channels in the existing business.

◉ In Customer Creation, it is still too early to involve Partners and Channels.

○ In Customer Validation, a full functional organization should be involved.

○ ~~In Customer Discovery, a full functional organization, rather than a customer development team, is necessary~~.

> **! Incorrect**
>
> In the Customer Creation phase, product/market fit is already achieved and assumptions about product and customers are already validated. It is time to consider Partners and Channels, in order to scale product/market fit and otherwise improve the product and customer journey. See the "Learning vs Scaling" video to review.

4. You are managing product development for a consumer goods company and are trying to introduce a new automatic air freshener spray. You want to learn as much as possible about how users interact with your product idea. Which of the following MVPs would best help you get that kind of answer?   **0 / 1 point**

○ To offer a customer discounts and see if she is willing to deposit and wait for the new product to be launched in the market.

○ Going to customers' home and hand spraying the air freshener so that the product development team can observe how customers interact with the product.

◉ A virtual house online that simulates customers' spray habit - users can zoom in or out, have a 360-degree view of the house, and click to "spray" at any corner of the "house". The spots that are sprayed are recorded for analysis.

○ The product development team mass produces the automatic sprays (end product) and the sales and marketing team starts promotion by offering customers free samples to use.

> **! Incorrect**
>
> This Wizard of Oz MVP fakes the customer experience. You can find out where customers use the spray but not when or how often, nor if they like the product or not. See "The Importance of Good Enough: Cooped Up MVPs" video to review.

5. You are managing product development for an online retailer and are considering a new category of goods to sell. You want to validate most of your core assumptions about potential demand before actually stocking up the products   **1 / 1 point**

and building an e-commerce backend. Which of the following MVP's would be most efficient to achieve your goal?

○ Look at comparable sites to see how they approach sales in this area

○ Create an online advertisement through Google AdWords.

⦿ Directing a subset of potential customers to a webpage which displays photos products in this new category and see which items are ordered and in what quantity.

○ Build a website, let users shop on the website, and collect all the feedback.

✓ **Correct**

This Sales MVP allows you to fake the product experience without fully building it out.

6. Your company is considering launching an eco-friendly rodent deterrent spray and so you work with the product development team to develop problem scenarios, alternatives, and Value Propositions. Which of the following statements by your team would you agree with?   `1 / 1 point`

○ The problem scenario (jobs they can do for the customers) might be: It doesn't keep out rodents with electronic fences, which is one of the alternatives customers are currently using.

⦿ The problem scenario (jobs they can do for the customers) should be neutral, unbiased and objective, such as keep out rodents.

○ The problem scenario (jobs they can do for the customers) might be: Make sure to use spray to keep out rodents.

○ The problem scenario (jobs they can do for the customers) might be: Cats not eating your rats? Our spray will keep them out- no caveats.

✓ **Correct**

The problem scenario (jobs they can do for the customers) might be: Keep out rodents.

7. You are managing product development for a manufacturing company. You have narrowed down an idea and are currently at the "Concept Testing" stage of your innovation pipeline (H3). Which of the following expectations or timeframe should you set for your project at this stage?   `1 / 1 point`

○ You can plan 6 to 12 months to complete this stage.

○ You can innovate on EITHER new technology OR a new business model for the new product idea, BUT NOT BOTH.

⦿ You can innovate on BOTH new technology AND a new business model.

○ You can plan 1 to 3 years to complete this stage.

> ✓ **Correct**
>
> Product managers at this stage (H3) discover and validate assumptions about technology and business model.

8. You are managing product development for a pharmaceutical company. You just **1 / 1 point** started looking for some ideas of or inspiration for Zika treatment in Florida and potentially in South America. If you are currently not in those areas and you have limited resources to either send out your own team there or fly potential customers in, what approach would you use to understand the daily life of local residents and look for potential treatment?

○ Reverse hackathon

○ Studying the disruption catalysts in the healthcare sector

◉ Partnership with local startups to run pilot projects and get answers to your questions

○ Training your team members and interviewing the residents in the field

> ✓ **Correct**
>
> If you are not around these areas, you can find some local companies to do the research for you.

9. As PM for an organic fertilizer product, you have identified and validated **0 / 1 point** product/market fit and have reached the point of bringing business to scaling and thinking about profitability and optimization, i.e. you are ready to move from H3 to H2. You decide to use the Business Model Canvas to outline your business plan and hand it in for management review. What might be a good first step to outline your ideas for the business?

◉ Customer Discovery: focus on keeping an open mind, doing generative discovery with grain farmers and gardeners, watching what is on their A-list, and identifying what they care about most.

○ Mapping Customer Segments to Value Propositions to explain what you're validated on product/market fit.

○ Develop an MVP (potting mix with your product) to test and validate a set of structured assumptions about customers and our product.

○ Try to keep a lean team - a customer development team, rather than the full functional organization, is sufficient for scaling product/market fit and tuning feasibility and viability for business.

> ! **Incorrect**

If you have reached the point of scaling the business, you would have already tested concepts and validated assumptions about customers and the product that you discovered during the "Customer Discovery" phase. You may review by returning to video "Business Model Design I Proposition Design".

10. As PM for an organic fertilizer company, you are using the Business Model   **0 / 1 point**
    Canvas to outline your business proposal to the management of your company.
    You have listed Customer Segments and Value Propositions. Now you want to
    proceed with customer relationships and channels to add more depth to your
    ideas. Which of the following is a valid "Customer Relationship"?

    ⦿ ~~Eco-friendly product with no chemical residue on golf turf after application~~

    ○ Dedicated personal service for grain farmers with 100+ acres

    ○ Set up a stand at an agriculture fair as a promotion

    ○ ~~A garden store~~

    > **!** **Incorrect**
    >
    > This might be one of the Value Propositions of the product. You may review by returning to video "Business Model Design II Customer Journeys".

Week 3 Final Quiz: Exploring a New Product Idea

LATEST SUBMISSION GRADE

50%

1. You are managing product development for a company and have decided to use `0 / 1 point`
    Steve Blank's Four Steps to organize your exploration of a new idea. What's the
    last thing you will focus on during the product development timeline?

    ○ Focus on testing a set of structured assumptions about customers and products.

    ● Focus on keeping an open mind, doing generative discovery with real subjects in their natural environment, watching
    what is on their A-list, and identifying what they care about most.

    ○ Set up a company or division with interlocking interdisciplinary teams to start developing a potential product.

    ○ Focus on improving the product and customer experience and making it more efficient for feasibility and viability of the
    product.

    > **! Incorrect**
    > This is the first step - Customer Discovery - if you are a product manager working on either a new product or a
    > substantive new feature extension to your product. See the "Learning vs Scaling" video to review.

2. You are trying to develop a new product and have just completed Customer `0 / 1 point`
    Creation. Where should you focus next?

    ○ Set up an interdisciplinary team and scale the organization.

    ○ Develop an MVP (Minimum Viable Product) to test and validate a set of structured assumptions about customers and
    our product, and conclude whether there is a product/market fit.

    ● Customer Discovery: focus on keeping an open mind, doing generative discovery with real subjects in their natural
    environment, watching what is on their A-list, and identifying what they care about most.

    ○ This is an inflection point: either pivot or persevere.

    > **! Incorrect**
    > This is the first step you would take to apply the framework, whether you're working on a new product or a substantive
    > new feature extension to your product. See the "Learning vs Scaling" video to review.

3. You're discussing human resource input and staffing for your new product with your boss and a few colleagues. What's your recommendation for staffing with minimum waste through Steve Blank's Four Steps framework?   **0 / 1 point**

- ○ In Customer Validation, a full functional organization should be involved.

- ○ In Customer Validation, it's a good idea NOT to utilize Partners and Channels in the existing business.

- ○ In Customer Creation, it is still too early to involve Partners and Channels.

- ◉ In Customer Discovery, a full functional organization, rather than a customer development team, is necessary.

> **! Incorrect**
>
> In the first phase of Customer Discovery a customer development team, ideally consisting of hackers, developers, and designers, is sufficient. See the "Learning vs Scaling" video to review.

4. You are managing product development for a consumer goods company and are trying to introduce a new automatic air freshener spray. You want to learn as much as possible about how users interact with your product idea. Which of the following MVPs would best help you get that kind of answer?   **1 / 1 point**

- ◉ Going to customers' home and hand spraying the air freshener so that the product development team can observe how customers interact with the product.

- ○ To offer a customer discounts and see if she is willing to deposit and wait for the new product to be launched in the market.

- ○ The product development team mass produces the automatic sprays (end product) and the sales and marketing team starts promotion by offering customers free samples to use.

- ○ A virtual house online that simulates customers' spray habit - users can zoom in or out, have a 360-degree view of the house, and click to "spray" at any corner of the "house". The spots that are sprayed are recorded for analysis.

> **✓ Correct**
>
> This concierge MVP hand creates the customer experience, allowing you to see how users interact with your product. You will be able to document how customers like the scent, where/when/how often they use the spray, and what they think of the product.

5. You are managing product development for an online retailer and are considering a new category of goods to sell. You want to validate most of your core assumptions about potential demand before actually stocking up the products and building an e-commerce backend. Which of the following MVPs would be most efficient to achieve your goal?   **1 / 1 point**

most efficient to achieve your goal?

○ Create an online advertisement through Google AdWords.

○ Build a website, let users shop on the website, and collect all the feedback.

○ Look at comparable sites to see how they approach sales in this area

◉ Directing a subset of potential customers to a webpage which displays photos products in this new category and see which items are ordered and in what quantity.

> ✓ **Correct**
> This Sales MVP allows you to fake the product experience without fully building it out.

6. Your company is considering launching a new eco-friendly product to keep ants   `0 / 1 point`
    out of homes. The product development team brainstorms problem scenarios,
    alternatives, and Value Propositions. Which of the following proposals by your
    team would you agree with?

    ○ The problem scenario (jobs they can do for the customers) might be: It doesn't keep out pests with chemical soap, which can harm pets.

    ○ The problem scenario (jobs they can do for the customers) might be: It's hard to kill ants when they come marching in.

    ◉ The problem scenario (jobs they can do for the customers) might be: Make sure to use spray to keep out pests.

    ○ The problem scenario (jobs they can do for the customers) might be: Keep ants out of homes.

> **!** **Incorrect**
> The problem scenario should be neutral, unbiased, and objective. Make sure the problem scenarios apply equally well to the alternatives and Value Propositions. The problem scenario mentioned here is self-fulfilling and leading, and therefore should not be used. See the "Learning vs Scaling" and "The Importance of Good Enough Greener Air MVPs" videos to review.

7. You are managing product development for a manufacturing company. You have   `1 / 1 point`
    narrowed down an idea and are currently at the "Concept Testing" stage of your
    innovation pipeline (H3). Which of the following expectations or timeframe should
    you set for your project at this stage?

    ◉ You can innovate on BOTH new technology AND a new business model.

    ○ You can plan 6 to 12 months to complete this stage.

    ○ You can plan 1 to 3 years to complete this stage.

○ You can innovate on EITHER new technology OR a new business model for the new product idea, BUT NOT BOTH.

✓ **Correct**

Product managers at this stage (H3) discover and validate assumptions about technology and business model.

8. You are managing product development for an online trading company. You just
    started looking for some ideas & inspiration for new products. If you are currently
    in a one-week deadline, and you have limited resources to either send out your
    own team or fly potential customers in, what approach would you use to
    understand the customers' needs and look for potential areas of value?

    ⊙ 1 / 1 point

    ○ Partnership with local startups to run pilot projects

    ○ Reverse hackathon

    ○ In-person field interviews with top 20 customer executives all over the world.

    ⦿ Collect customer comments from your company's website to see if they have any issues or ideas regarding the
        existing service and products in your company.

    ✓ **Correct**

    Collecting customer comments is a good way to generate ideas and understand customers' needs, given the tight
    deadline and limited resources.

9. As PM for a new hand cream product, you have identified and validated
    product/market fit and have reached the point of bringing business to scaling and
    thinking about profitability and optimization, i.e. you are ready to move from H3 to
    H2. You decide to use the Business Model Canvas to outline your business plan
    and hand it in for management review. What might be a good first step to outline
    your ideas for the business?

    ⊙ 0 / 1 point

    ○ List the Customer Segments, such as factory and office workers, and to every segment link the corresponding Value
        Propositions on the Canvas.

    ○ Develop an online sales MVP to test and validate a set of structured assumptions about customers and our product.

    ○ Customer Discovery: focus on keeping an open mind, interviewing with people of different professions, watching what
        is on their A-list, and identifying what they care about most.

    ⦿ Try to keep a lean team - a customer development team, rather than the full functional organization, is sufficient for
        scaling product/market fit and tuning feasibility and viability for business.

    Incorrect

> **!** After product/market fit is validated and you're ready to scale it, a more functional organization with distinct roles may be a very good fit with the needs of the product and the business. You may review by returning to video "Business Model Design I Proposition Design".

10. As PM for an organic fertilizer company, you are using the Business Model Canvas to outline your business proposal to the management of your company. You have listed Customer Segments and Value Propositions. Now you want to proceed with customer relationships and channels to add more depth to your ideas. Which of the following is a valid "Customer Relationship"?

1 / 1 point

- ⦿ Dedicated personal service for grain farmers with 100+ acres

- ◯ Set up a stand at an agriculture fair as a promotion

- ◯ A garden store

- ◯ Eco-friendly product with no chemical residue on golf turf after application

> ✓ **Correct**
>
> Customer relationships describe the way that businesses touch the customers on various points of the end-to-end customer journey, such as phone support or personal service.

Week 3 Final Quiz: Exploring a New Product Idea

LATEST SUBMISSION GRADE

90%

1. As a PM, you have decided to use Steve Blank's Four Steps to organize your exploration of a new product idea. You have spent many rounds validating product and customer assumptions and have finally achieved a product/market fit. What would you do next?

    1 / 1 point

    ○ Focus on testing a set of structured assumptions about customers and products.

    ○ Set up a company or division with interlocking interdisciplinary teams to start developing a potential product.

    ○ Focus on keeping an open mind, doing generative discovery with real subjects in their natural environment, watching what is on their A-list, and identifying what they care about most.

    ⦿ Focus on scaling product/market fit by, for example, improving the product and customer experience.

    > ✓ **Correct**
    > After your core product and customer assumptions are validated, it is time to think about scaling. The next step you would take is Customer Creation, which focuses on improving the product and customer experience and making it more efficient for product feasibility and viability.

2. You are trying to develop a new product and have just completed Customer Creation. Where should you focus next?

    0 / 1 point

    ○ Set up an interdisciplinary team and scale the organization.

    ⦿ This is an inflection point: either pivot or persevere.

    ○ Customer Discovery: focus on keeping an open mind, doing generative discovery with real subjects in their natural environment, watching what is on their A-list, and identifying what they care about most.

    ○ Develop an MVP (Minimum Viable Product) to test and validate a set of structured assumptions about customers and our product, and conclude whether there is a product/market fit.

    > ! **Incorrect**
    > After Customer Creation, when the product and customer experience are improved and it becomes more efficient for feasibility and viability of the product, it is time to start scaling the business. See the "Learning vs Scaling" video to review.

3. You're discussing human resource input and staffing for your new product with your boss and a few colleagues. What's your recommendation for staffing with minimum waste through Steve Blank's Four Steps framework?　　　**1 / 1 point**

　　　◉ In Customer Validation, it's a good idea NOT to utilize Partners and Channels in the existing business.

　　　○ In Customer Validation, a full functional organization should be involved.

　　　○ In Customer Discovery, a full functional organization, rather than a customer development team, is necessary.

　　　○ In Customer Creation, it is still too early to involve Partners and Channels.

　　　✓ **Correct**
　　　In the second phase, Customer Validation, direct, flexible contact with the end customer is extremely important. Partners and Channels are likely to add untenable complexity and difficulty to that.

4. You are managing product development for a medical device company and exploring a new product for people who have Raynaud's syndrome (a condition where people's hands and feet go numb in response to cold or stress). You are thinking about a lightweight glove that can sense the temperature of and then warm the hands of people. You want to evaluate whether you can reach buyers for this product, get their attention, and that they have at least a basic level of interest in such a product. Which of the following MVPs would best help you get that kind of answer?　　　**1 / 1 point**

　　　○ Provide users with fingertip stickers that sense the temperature of the fingers, and when the temperature drops, give them pre-warmed gloves.

　　　○ See if you can sell it to retailers.

　　　○ The sales and marketing team offers customers deep discounts on the new product, a lightweight glove that senses the temperature of and then warms the hands of people, after it is launched in the market.

　　　◉ An online video demonstrating the product design - a lightweight glove that senses the temperature of and then warms the hands of people - with a field for people to opt-in to receive more information.

　　　✓ **Correct**
　　　This combination of Wizard of Oz and sales MVP helps you gauge user interest (though it does not give much insight into how they might use the glove).

5. As PM for a software company, you have developed a new accounting software that has a strong product/market fit with its core functionality. Now you want to test a few possible ideas for product extensions. What is the best way to validate　　　**1 / 1 point**

test a few possible ideas for product extensions. What is the best way to validate
your core assumptions before actually investing in programming and developing?

○ Providing users a beta testing version of the software package that the product development team can observe the
customer using.

◉ Develop a content strategy, testing focal blog posts and/or webinars on the topics you're considering. Measure
relative attendance as well as qualitative input like questions and comments.

○ Attending finance and accounting conferences to display demos of the possible new functionality.

○ Develop an interactive prototype you can test with users.

✓ **Correct**
This MVP is probably best described as 'concierge', but the real point is that content can be a great way to test and
explore interest in new areas.

6. Your company is considering launching a new eco-friendly product to keep ants   `1 / 1 point`
out of homes. The product development team brainstorms problem scenarios,
alternatives, and Value Propositions. Which of the following proposals by your
team would you agree with?

○ The problem scenario (jobs they can do for the customers) might be: It's hard to kill ants when they come marching in.

◉ The problem scenario (jobs they can do for the customers) might be: Keep ants out of homes.

○ The problem scenario (jobs they can do for the customers) might be: Make sure to use spray to keep out pests.

○ The problem scenario (jobs they can do for the customers) might be: It doesn't keep out pests with chemical soap,
which can harm pets.

✓ **Correct**
The problem scenario should be neutral, unbiased, and objective. Make sure the problem scenarios apply equally well
to the alternatives and Value Propositions.

7. You are managing product development for a manufacturing company. You have   `1 / 1 point`
narrowed down an idea and are currently at the "Concept Testing" stage of your
innovation pipeline (H3). Which of the following expectations or timeframe should
you set for your project at this stage?

○ You can plan 1 to 3 years to complete this stage.

◉ You can innovate on BOTH new technology AND a new business model.

○ You can plan 6 to 12 months to complete this stage.

○ You can innovate on EITHER new technology OR a new business model for the new product idea, BUT NOT BOTH.

✓ **Correct**

Product managers at this stage (H3) discover and validate assumptions about technology and business model.

8. You are managing product development for a pharmaceutical company. You just started looking for some ideas of or inspiration for Zika treatment in Florida and potentially in South America. If you are currently not in those areas and you have limited resources to either send out your own team there or fly potential customers in, what approach would you use to understand the daily life of local residents and look for potential treatment? **1 / 1 point**

○ Training your team members and interviewing the residents in the field

○ Reverse hackathon

○ Studying the disruption catalysts in the healthcare sector

◉ Partnership with local startups to run pilot projects and get answers to your questions

✓ **Correct**

If you are not around these areas, you can find some local companies to do the research for you.

9. As PM for a new hand cream product, you have identified and validated product/market fit and have reached the point of bringing business to scaling and thinking about profitability and optimization, i.e. you are ready to move from H3 to H2. You decide to use the Business Model Canvas to outline your business plan and hand it in for management review. What might be a good first step to outline your ideas for the business? **1 / 1 point**

○ Try to keep a lean team - a customer development team, rather than the full functional organization, is sufficient for scaling product/market fit and tuning feasibility and viability for business.

○ Develop an online sales MVP to test and validate a set of structured assumptions about customers and our product.

◉ List the Customer Segments, such as factory and office workers, and to every segment link the corresponding Value Propositions on the Canvas.

○ Customer Discovery: focus on keeping an open mind, interviewing with people of different professions, watching what is on their A-list, and identifying what they care about most.

✓ **Correct**

After you have already tested concepts, Validated Propositions and are ready to move from H3 to H2, you should start thinking about feasibility and viability of the product. Using the Business Model Canvas is a great tool to analyze Customer Segments and Value Propositions.

10. As PM for an organic fertilizer company, you are using the Business Model Canvas to outline your business proposal to the management of your company. You have listed Customer Segments and Value Propositions. Now you want to proceed with customer relationships and channels to add more depth to your ideas. Which of the following is a valid "Customer Relationship"?

<div style="text-align: right;">

1 / 1 point

</div>

○ Eco-friendly product with no chemical residue on golf turf after application

○ A garden store

○ Set up a stand at an agriculture fair as a promotion

◉ Dedicated personal service for grain farmers with 100+ acres

✓ **Correct**

Customer relationships describe the way that businesses touch the customers on various points of the end-to-end customer journey, such as phone support or personal service.

20%

Week 4 Final Quiz

LATEST SUBMISSION GRADE

20%

1. What are some of the main profit drivers of companies with a scope-driven business model?   0 / 1 point

    ◉ Product categories and advertising

    ◯ Differentiation and demand

    ◯ Market share and retention

    ◯ Volume of users and sales

    > ❗ **Incorrect**
    > Incorrect. These drivers are outside of what has been discussed in the course. See the "Identifying Business Model Types" video to review.

2. What would you expect is a business model type for a product with a highly standardized sales structure?   0 / 1 point

    ◉ Product-driven

    ◯ ==Infrastructure-driven==

    ◯ ~~Scope-driven~~

    ◯ ~~Sales-driven~~

    > ❗ **Incorrect**
    > No. The implication of being product-driven is sales are normally out of the locus of the product owner and fall more squarely into the responsibility of the sales channel. See the "Business Model Types" video to review.

3. How might you use the Business Model Canvas (BMC) as a Product Manager?   0 / 1 point

○ As a tool to shape the product how I think it's best

○ As way to keep my collaborators in-check and complying with the various dimensions defined within

○ As a collaboration tool to create and share an understanding of the key success factors and assumptions around my product's business model for my team and stakeholders

○ As a fixed and agreed-upon path of success for our product

> **! Incorrect**
>
> It's definitely a way to shepherd your team, but it's a collaborative tool to keep everyone in touch, not for you to solely direct where it goes. See the "Business Model Design III Delivery and Execution" video to review.

4. You have been assigned to a "Horizon III" (long term) project that's key to the CEO's vision. She asks you to disrupt the market by keeping the new product idea a secret and launching a fully fleshed product in 18 months. How would you respond to avoid product failure?   `1 / 1 point`

○ That's a long time! How about we build an MVP and see if this is viable before investing in anything major?

○ Why don't we do a prototype first? We need to the test usability to make sure the product is a success

○ What a great opportunity to get ahead of our competitors! Let's get to work!

○ Yes, but first I need to get estimates from all the team members to confirm if we will in fact take 18 months or if the process is going to be longer.

> **✓ Correct**
>
> Yes. It's imperative that you value-test your assumption and the initial idea quickly and frequently. Talk to your users and do MVPs (minimum viable products) to test motivation and see if you're on track.

5. You have a new team member who isn't clear about why incremental innovation tools like the fake feature test or the concierge test are useful. How would you explain it?   `0 / 1 point`

○ Getting conclusive evidence of the desirability of new features

○ Fine tuning usability

○ Providing us with enough information to learn what our users might be interested in so we don't build something no one wants

○ Doing statistically significant tests of new features

> ❗ **Incorrect**
>
> No. You might want to think about having a general sense of how the reception will be, if any, at this point. There will be time for conclusive studies later. See "The Importance of Good Enough" video to review.

6. Your boss is convinced daily standups are a waste of time. What could you say to convince him that these meetings are a useful way to practice agile? **0 / 1 point**

   ◉ It makes everyone accountable for any impediments to progress.

   ○ It gives long-term visibility into the direction I take as a Product Manager.

   ○ It gives my team immediate visibility into the current state of our work and where we need to focus- without me having to decide and dictate that.

   ○ It provides a long term retrospective on the development of the product.

   > ❗ **Incorrect**
   >
   > Making others feel bad about themselves might not be the most effective way to get them to act. They need to be aware of the challenges you are facing, but you shouldn't point fingers. See the "It's Not a Meeting I" video to review.

7. Which of the following is one of the common mistakes product managers make in regards to meetings and product planning? **0 / 1 point**

   ◉ Allow your team to self-organize

   ○ Making developers spend time developing user stories

   ○ ~~Focusing on weeding out features for our current version~~

   ○ <mark>Focusing on precise deadlines to make sure project is on track</mark>

   > ❗ **Incorrect**
   >
   > One of the goals of agile is to let teams develop and become efficient by imparting a sense of autonomy to your members. Watch "It's Not a Meeting II" to review.

8. As a PM, which of the following practices should you avoid if you want to have a realistic and healthy sense of visibility around your project? **0 / 1 point**

   ◉ Not being on a locked-in path towards product completion

   ○ Keeping your individual stakeholders informed on how the metrics they care about are progressing

○ Creating an exhaustive product roadmap with the precise information of what's happening at each point over the next 6 months.

○ Having clear and vivid user stories that have a tangible impact on how you develop a product

> **! Incorrect**
>
> This is a good thing - being locked-in makes you rigid and less responsive to change and discoveries that may happen during the development process. See the "Roadmap" video to review.

9. Your data analytics teams shares its objectives with you; they all look actionable and seems to serve your product's future, except for one. Which one is it?   `1 / 1 point`

◉ Equip the sales force with available secondary data

○ Discover the point in the funnel our users are signing up so we can preempt traffic.

○ Equip the sales force to test the proposition that clients want these products so we can develop them.

○ Discover the point in the funnel our users are leaving the service so we can take action.

> **✓ Correct**
>
> That's right--this statement is not actionable enough and its current intent on using analytics would not get the sales force far. Remember to begin with the end in mind and to make sure objectives can be parsed into the distinct steps in the suggested analytics process.

10. Which of the following is an example of predictive analytics?   `0 / 1 point`

◉ Since a huge demand for the new sneaker model is expected, an increase in customer service reps is suggested.

○ ==10% of users reported some dissatisfaction with the site because the shoes disappeared from their cart while browsing==

○ ~~50% of visitors at 6:05 PM have a pair of sneakers on their cart~~.

○ ==A surge of 50% is expected, at 6:05 PM, when the new sneaker model goes online.==

> **! Incorrect**
>
> This an example of prescriptive analytics, which tells us what we should do. See the "Applying Data Science" video to review.