

# Surveying for Startups

A quick and dirty guide

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# Why am I giving this talk?

- Some experience with tech and startups:
  - CS undergrad, Amazon engineer, Product Mgr.
  - Founded and sold 2 startups
- Recent work in market research:
  - Last startup was for phone polling
  - Built a \$20M revenue product at SurveyMonkey
- Greg and Ed are too kind

# Assumptions

- You have picked a business idea to develop
  - “X will solve problem Y for customers Z”
- Your segments are defined and big enough:
  - Good: new parents, dog owners, airplane makers
  - Bad: “anyone”, “me and my girlfriend”
- You have some evidence that they care:
  - Conversations, your own itch, etc.

# Problem

I think this is a good idea, but does my target market?

- Do they understand it? (Segway is a whaaa?)
- Real problem? (vitamin or aspirin?)
- Worth paying for?
- How will they learn of it?
- Will investors believe me when I say this is hawt?

# What I'll talk about

1. Some examples of surveys in the industry.
2. When surveys can help, and when they can't.
3. A guide on surveying that you can use.

*I hope you take away: surveys, despite their shortcomings, are a powerful tool for entrepreneurs.*

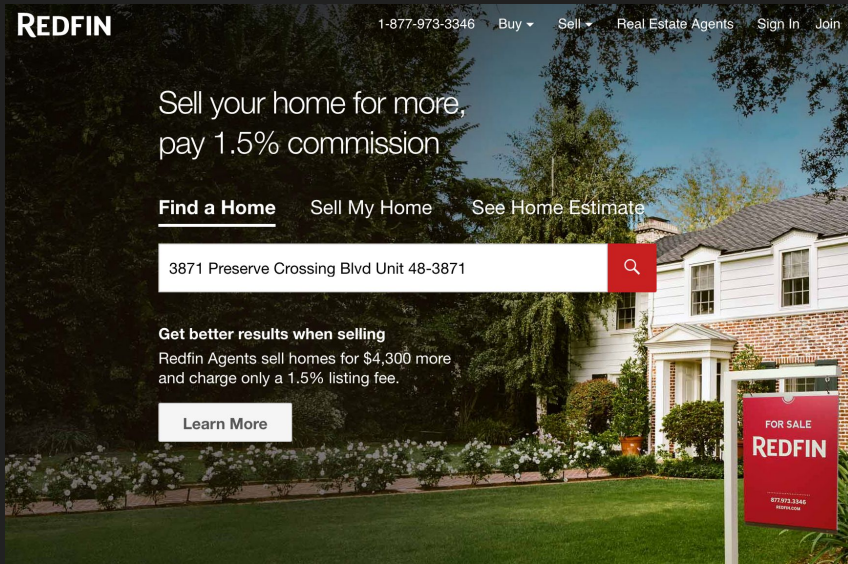
But first, some examples

# Vet new ideas: As Seen on TV



- Sell remnant inventory
- It's all about \$ per minute of airtime
- Testing methodology:  
Survey → Web → Local TV → National TV

# Figure out how to market: messaging



- Capture specific demographics
- Dogs beat kids!



# Test trends: Netflix original content

Q3 13 episodes of 'House of Cards' were released in February. Approximately how many episodes have you watched?

ed 'House of Cards' on Netflix?

iv

## RBC: This Survey Data Makes Netflix a '#1 Buy'

Time to hit play, not stop.

by **Julie Verhage**

August 29, 2016, 6:48 AM PDT

13

1

3

4

9

10

12

Should I run a survey?

# Should I run a survey?

Yes, if:

- It's actionable: you would do something different
- You have already talked to people
- Your target audience is broad (not enterprise)

If you have a niche audience, or it's hard to reach, call them up instead, e.g. anesthesiologists, Cisco Level IV certified admins, CTOs of mid-size companies

# Survey Guide

# Goals

I'm not running surveys for the Census. I want:

- Actionable: confidence to make decisions.
- Speed: 1-2 weeks total.
- Cost: \$1k or less (for students, more like \$0)

# Out of Scope

That means, I have to give up:

- Some accuracy: it's not a presidential election!
- Perfect targeting: close to my target is fine.
- All answers: fewer, focused, insights instead.

# Steps

1. **Pick sample:** plan for and verify your audience (0.5 hrs)
2. **Thesis:** write your end result first (1-2 hours)
3. **Design:** write your survey (1-2 hours)
4. **Test:** your survey (0.5 hrs)
5. **Revise:** make edits based on learnings (0.5 hrs)
6. **Run:** kick off survey and monitor (0.5 hrs + 2-3 days)
7. **Analyze:** turn raw data into meaning (1-4 hours)
8. **Present:** fill in the blanks in your thesis (1-2 hours)

# Thesis

Good: write bulleted goals and review.

Better: write your final report with blanks.

\_\_\_% of millennials have life insurance. They get it primarily from \_\_\_ and say they got it due to these reasons \_\_\_. Their demographics skew \_\_\_.

Those who don't cite \_\_\_ as a primary reason, and tend to have incomes of \_\_\_.

\_\_\_% of people said they might buy event-based insurance. They were primarily interested because \_\_\_. Those who didn't, cited \_\_\_ as a reason.

Based on this, I gather/propose \_\_\_.



# Write Your Survey

- SurveyMonkey
- Google Consumer Surveys
- Survey Gizmo
- ...

# Testing is key

Send to your colleagues. Get 10+ responses.

- Can you fit results into report?
- Did it take 2-5 minutes to complete?
- Did it look good on mobile?
- Were there any skip-logic errors?
- Could all questions be understood?
- Could all questions be answered?

Getting the right sample

# Sample == industry term for respondents



[Home](#) [How It Works](#) [Examples](#) [Survey Services](#)

## Pick your Audience

Choose the age, gender, and demographics of your target audience

### COMPLETED RESPONSES

100

50 250 500

Basic	Strategic	Professional
<ul style="list-style-type: none"><li>✓ Basic balancing</li><li>✓ Quick results</li><li>✓ Initial feedback</li></ul>	<ul style="list-style-type: none"><li>✓ Basic balancing</li><li>✓ Marketing ideas</li><li>✓ Product feedback</li><li>✓ Concept testing</li></ul>	<ul style="list-style-type: none"><li>✓ Advanced</li><li>✓ Market</li><li>✓ Business</li><li>✓ Quantitative</li><li>✓ Error</li></ul>

Survey length: 10

### BASIC DEMOGRAPHICS

► Location: United States

► Gender: Both

► Age: 18 - 100+

► Household Income: \$0 - \$200k+

[Sign In](#) [Help](#)

### LIFESTYLE

► Clothing Stores Shopped at (Last 6 Months): All options

► Political Affiliation: All options

► Registered Voter: Both

▼ Travel For Pleasure:

- ☐ All options  
☐ Weekly ☐ Monthly ☒ A few times a year ☐ Less than a few times per year

### HOUSEHOLD

► Living Arrangements: All options

▼ Pet Ownership:

- ☐ All options  
☒ Owns a dog ☐ Owns a bird ☐ Owns a turtle ☐ Does not own any pets  
☒ Owns a cat ☐ Owns a horse ☐ Owns a hamster  
☐ Owns a fish ☐ Owns a rabbit ☐ Owns a lizard

► Primary Decision Maker in Household: All options

► Superstores Shopped at (Last 6 Months): All options

► Vehicle Ownership: All options

## Project Estimate

Jan 25\* Estimated Delivery

\$375 Total Cost ?

[Next](#)

[What happens after purchase?](#)

## PROJECT DETAILS

Completed Responses: 100

Price per Response: \$3.75

• Survey Questions: 10 ( +\$1.00)

• Targeting Options: 3 ( +\$2.75)

Household Income: \$75k - \$200k+

Travel For Pleasure:  
A few times a year

Pet Ownership:  
Owns a dog  
Owns a cat

# Picking a sample

- Budget:
  - \$100 - \$500
  - Peanuts for businesses, not viable for students
- Hard to reach groups:
  - Young people, especially young men.
  - Small geographic regions, like cities.
  - Narrow targeting, like phlebotomists

# How big a sample?

- 400 answers is 5% sampling/margin of error
- But if you slice and dice to 50, that's +/-14%!
- Try to keep subgroups  $> 100$  if you can

# Qualifying the right people

- “Incidence Rate” is % of people who fit your target
  - E.g., 44% incidence of dog ownership in US
- To get dog owners, either:
  - Target by dog ownership if it exists (100% IR)
  - Or ask disqualify question (40-50% IR)

# Sample Example

- Want whiskey drinkers within  $\sim 5\%$  error.
- Industry report tells us  $\sim 15\%$  of people in US.
- Need 2.6k responses for 400 answers!
- Expensive! Maybe aim for 200 instead? 7% error.
- Age/gender/income slicing makes error go up.

But do you need that much accuracy? Debatable...



# Don't have \$ to buy sample?

- Call people and survey them on the phone
- Find industry mailing lists and email them
- Spend some \$ on incentives, like “win a gift card”

# Designing a great survey

# Survey Design Tips

- Length of 20 questions max
- Stick to single or multi answer (radio/checkbox)
- 1-3 open ended are ok
- Don't start with a page of text
- Make sure everyone can answer the question
- Randomize answer choices when possible
- Avoid industry terms (“event-based insurance”)

# Survey Design Tips (cont.)

- Re-ask all targeting questions
- Put demographics at the end
- Expect 15-20% dropout
- Avoid binary questions, use rating or other choices

# Analysis

- Try to do as much in SurveyMonkey → saves time
- For rating scales: use top2/bottom2
- Look at age/gender/income skews in answers
- Vague questions → vague answers
- People don't always do what they say they will

# Conclusion

- **It can be expensive**, budget \$ and time wisely
- **But not as expensive** as building the wrong thing
- **Be objective**, you can tell any story with data
- **Focus on your business**, this is a step, not the goal

# Questions?

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