

Minimum Viable Product

This is Dr. Constantina Katsari-Muston and I would like to explain, how to use a Minimal Viable Product to test your business. I'm sure you must have heard the term before. This is specifically a Lean Start up term.

First of all, a word of caution. Don't build a skyscraper before you make a plan. Then you design it, you create a prototype, making sure that the final product is going to be perfect. Developing a complete product is a complete waste of time and money at this stage, you can't start building the skyscraper before you make the plans and you put the foundations in and always have this in mind...when you're building your business, it is the same process.

So when you start building your business, you should start with a demo. A demo may look something like that...a sketch of a car. I think... this just an initial outline of the final product. Scribble it in a piece of paper in order to show the customers what you have in your mind. It is very simple and you can do it in a few minutes or within an hour. With this demo at hand, you can go out there to find out, how the customers are going to respond to your idea. This is the absolutely first phase that some of you will be implementing today.

The next phase is The Minimal Viable Product. The Minimum Viable Product is not a complete product but it is the stage after the demo and it may look like that... a few pictures in the computer, a gadget or a piece of play dough on a notepad.

This is your Prototype, let's call it 'Prototype' so that we understand what we're talking about. The Prototype should not be feature complete. It should have the minimal of features. One feature at a time will be tested. The design should also be minimal. Don't opt for Apple like design. Only big businesses can achieve that and, of course, it should have the minimal functions. It should, though, be solving the problem for the customer and this is very important. So the Prototype should have minimal features, minimal design and minimal functions. It would be useful to talk with the rest of the team in order to design, start designing, start a Minimum Viable product.

Let's see now what your target should be... what your aim should be. Your aim should be the problem of the customer. How is the demo or the Minimum Viable Product going to solve the customers problem? And, of course, your other target... your other aim should be the specific customer segment. Who is your customer? Target those people, go and talk to them, find out what their problem is, find out if the Minimum Viable Product is solving their problem, find out if they're willing to pay for the Minimum Viable Product.

You should be using it as a testing platform... a testing platform that's going to give you feedback from the customers. You're going to receive this feedback and you're

going to learn from it. Once you learn from it, you will go back and you'll change the product. In some cases you may be changing other aspects of the business model.

In fact you should be conducting a series of tests with the help of the demo or the Minimum Viable Product. The series of tests could involve the initial contact with the customer. How does the customer react to your product initially? What's the feedback from that? It will help you also to find out how engaged the customer is with the product. Do they go back to use it again? How exactly do they use it? Maybe they've found a different function for it.

Another test you should be carrying out is figuring out what the buying process is. Is the customer getting stuck in some aspect of the buying process? Are they going through it smoothly? Do they go immediately from the initial contact into the buying process? Do they have to have some engagement with the product? What type of engagement is that?

And, of course, the Minimum Viable Product is going to help you greatly with the pricing. What price is the customer willing to pay? Don't ask them how much they would like to pay. Just give them a price and see if they're actually going to pay.

Once you conduct all these tests, you can go into referrals. Are the customers happy enough to refer you to their friends and family? Without referrals, you don't have a business. You have to go back out again to hunt down your customers. That's not a scalable and repeatable business model.

Above all you should make certain that you're involved in the co-creation process. That means you have to create the product with the help of the customer. The product should not be just in your head. And then transfer it onto a piece of paper or transfer it in a Minimum Viable Product. The Minimum Viable Product should be created with the help of the customer. After all, it is for the use of the customer, it is not for your own use. In some cases it may also be for your own use. But you want people to pay for it, so the customer should have a say in how the product is going to be constructed or how the business itself is going to be constructed. Co-creation is a word that I want imprinted in your brain and have it there at all times as you're building your business, as you're building your start up.

Let me give you an example of a Minimum Viable Product, do you all recognize this log book? Yes it is Dropbox... When they wanted to create a demo or a Minimum Viable Product, they did something very simple, they posted a 3 minute demo video online that went absolutely viral, they attracted hundreds of thousands of early adopters, hundred of thousands of people wanted their product. The fact is, it took them another 18 months to build it. Because they were solving a real problem, the customers waited 18 months until the product was built and, of course, Dropbox is a multibillion dollar company at this point. So I think its time for you to try the following and that is your exercise for today.

Create a landing page, a very simple landing page

Add a photo or if you have a short video

Write 2 lines maximum for the Unique Viable Proposition and make an actual point on the side.

Ask customers to subscribe for information, so that you can capture their email addresses.

The landing page should look like that, very simple just a couple of lines, a photo, a subscription action button. In this case you may have a button that says 'Get Started'.

Now I would like you to go to this website, 'Launch Rock' and build a landing page there, this is the easiest way of building a landing page, so far, from what I've seen. Just go into the site, build your landing page and get it ready to attract subscription from the customers or users. The customers could come from the social media, so make sure you have at least a Facebook site, if you believe that Facebook is the channel from where your customers are going to come from.

And now you're ready to launch. This is going to be the day you're launching your business and make sure you enjoy it.