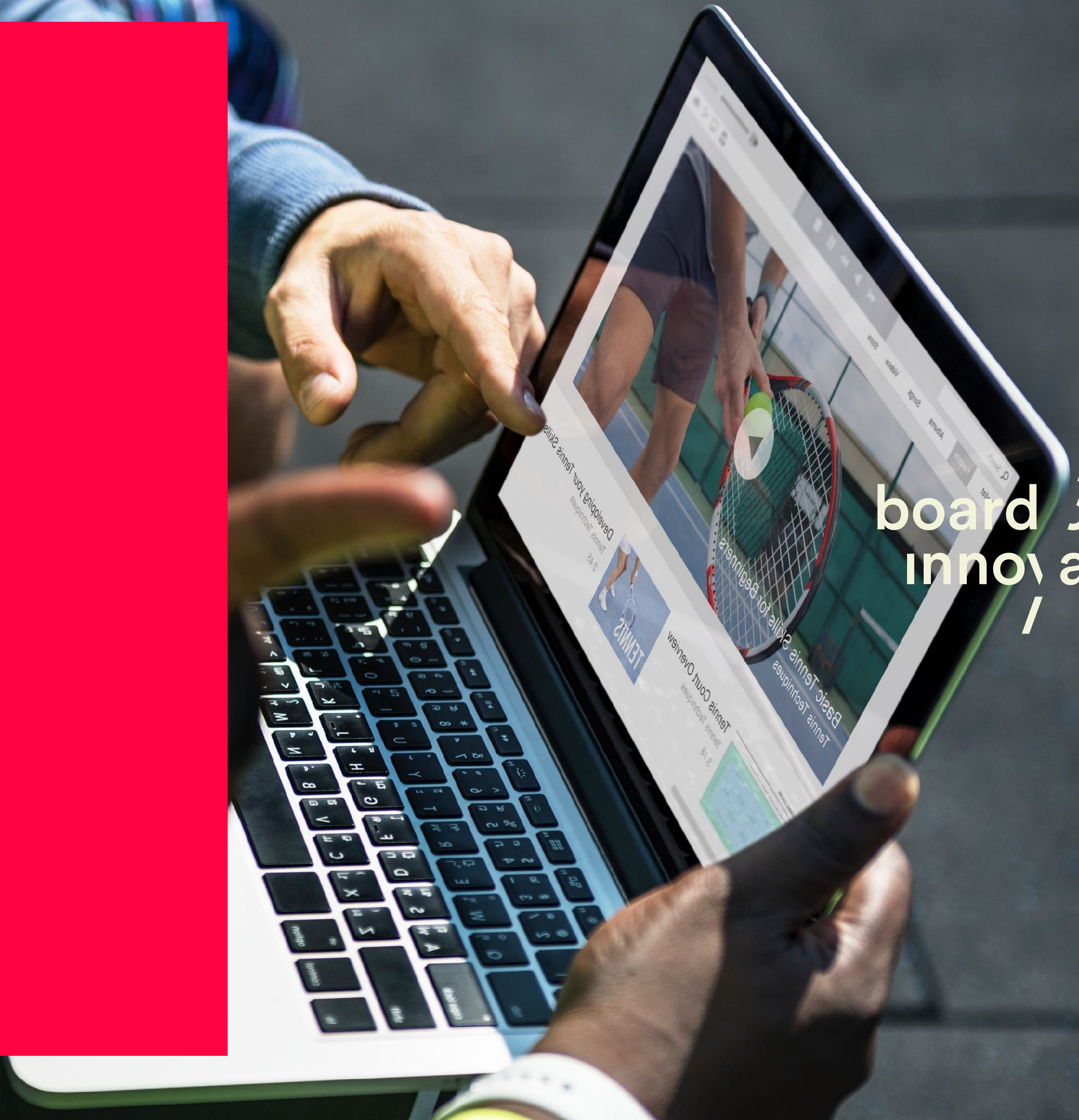# Validation guide

25 ways to test your business ideas

board of innovation

Validation guide

25 ways to test your business ideas

board of innovation

Feel free to tweak, fix, remix any part of this work, as long as it is for non-commercial purposes. Good karma on you if you credit Board of Innovation.

We make corporations innovate like startups, mixing proven methods from Design Thinking and Lean Startup.

Some of the clients with whom we are proud to work

ING

Roche

KLM

Volkswagen

EUROPEAN COMMISION

pro⋈imus

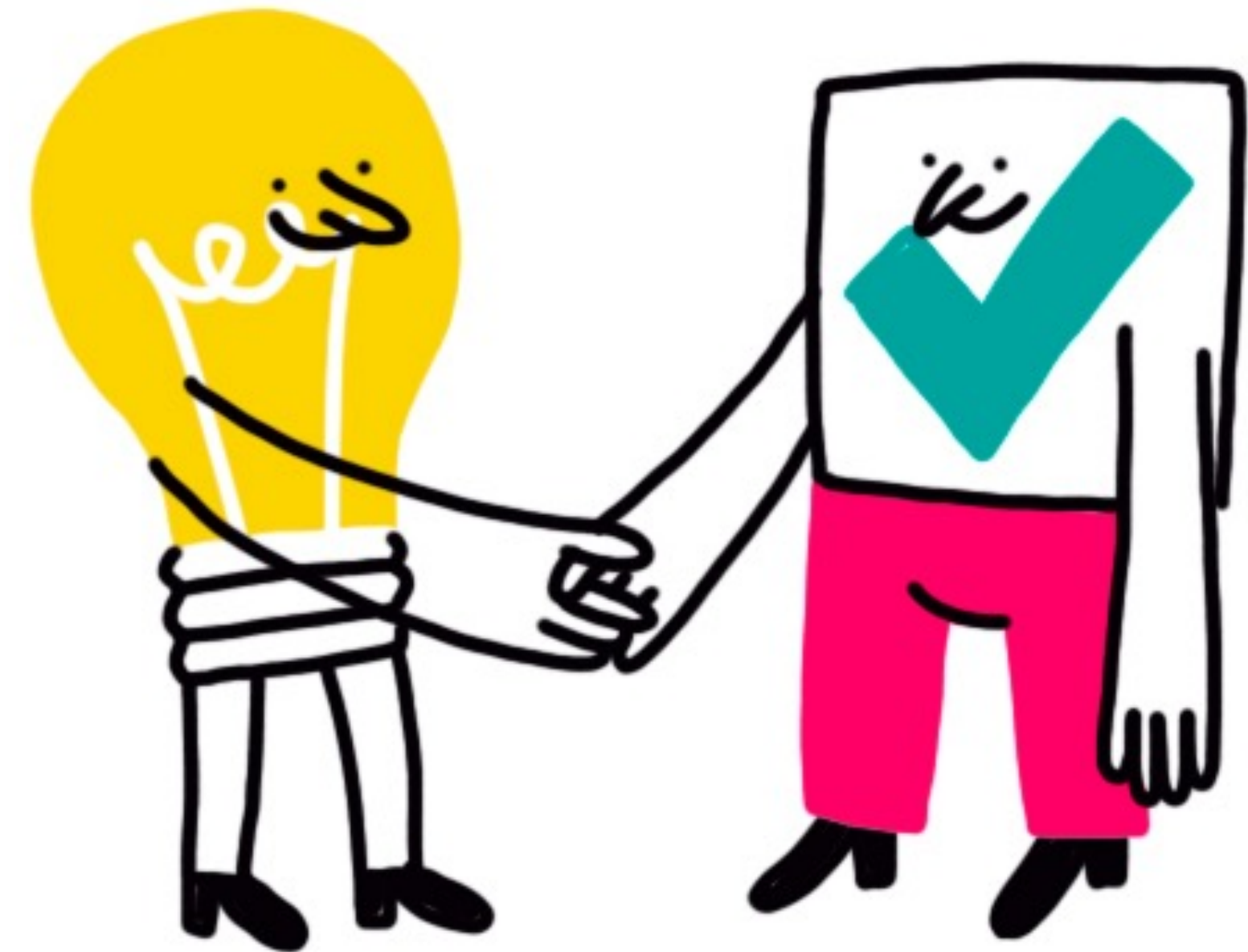PHILIPS

adidas

P&G

ENGiE

Step 0
**Before we start:
what the heck is validation?**

Validation

validation • n, the process of gathering evidence and learnings around business ideas through experimentation and user testing, in order to make faster, informed, de-risked decisions.

Waterfall approach

Through experimentation and validation, you move away from the standard innovation approach used in corporates (read: design and build a car, launch it on the market…)
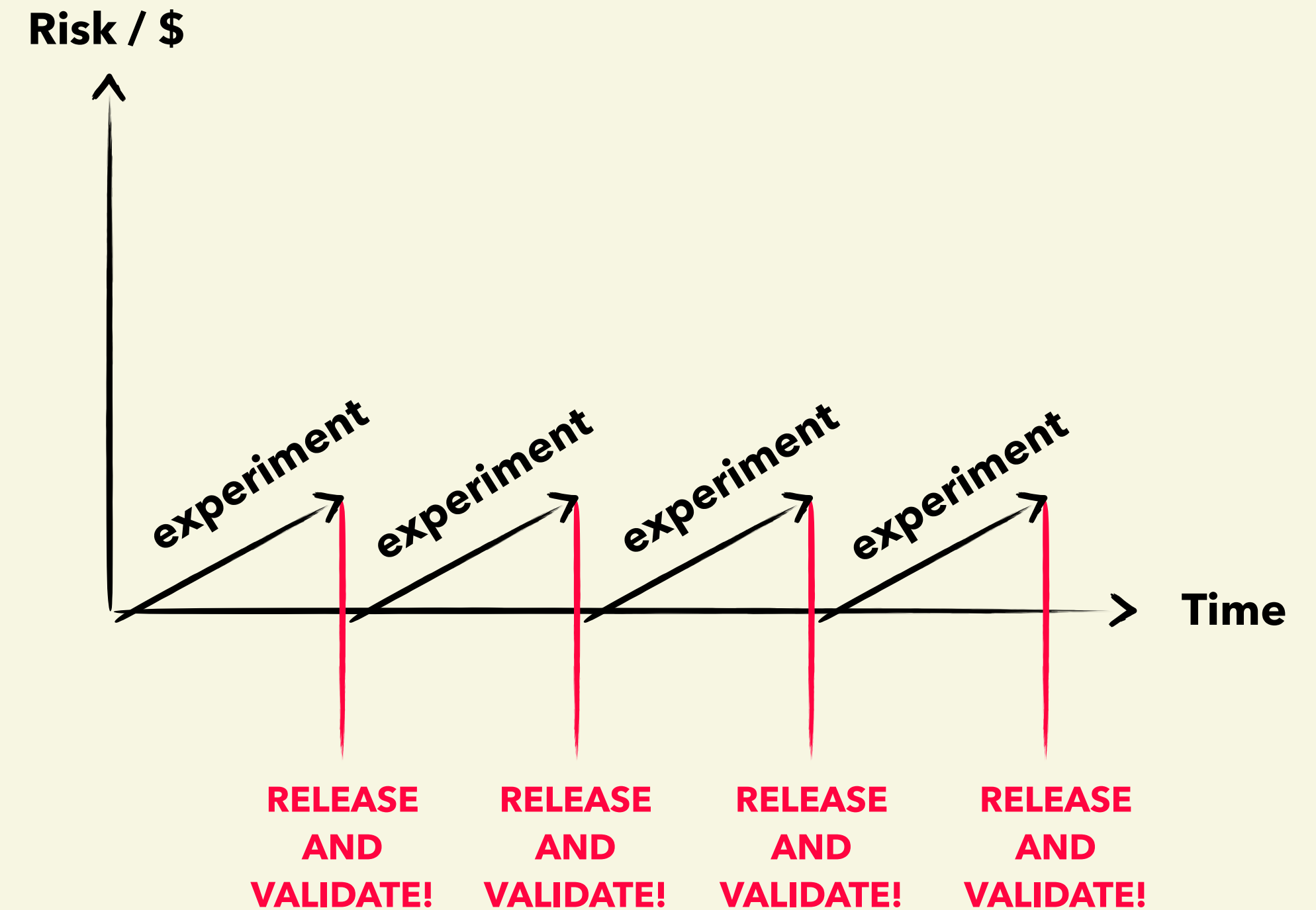
Risk / $

build build build build build

RELEASE AND VALIDATE!

Time
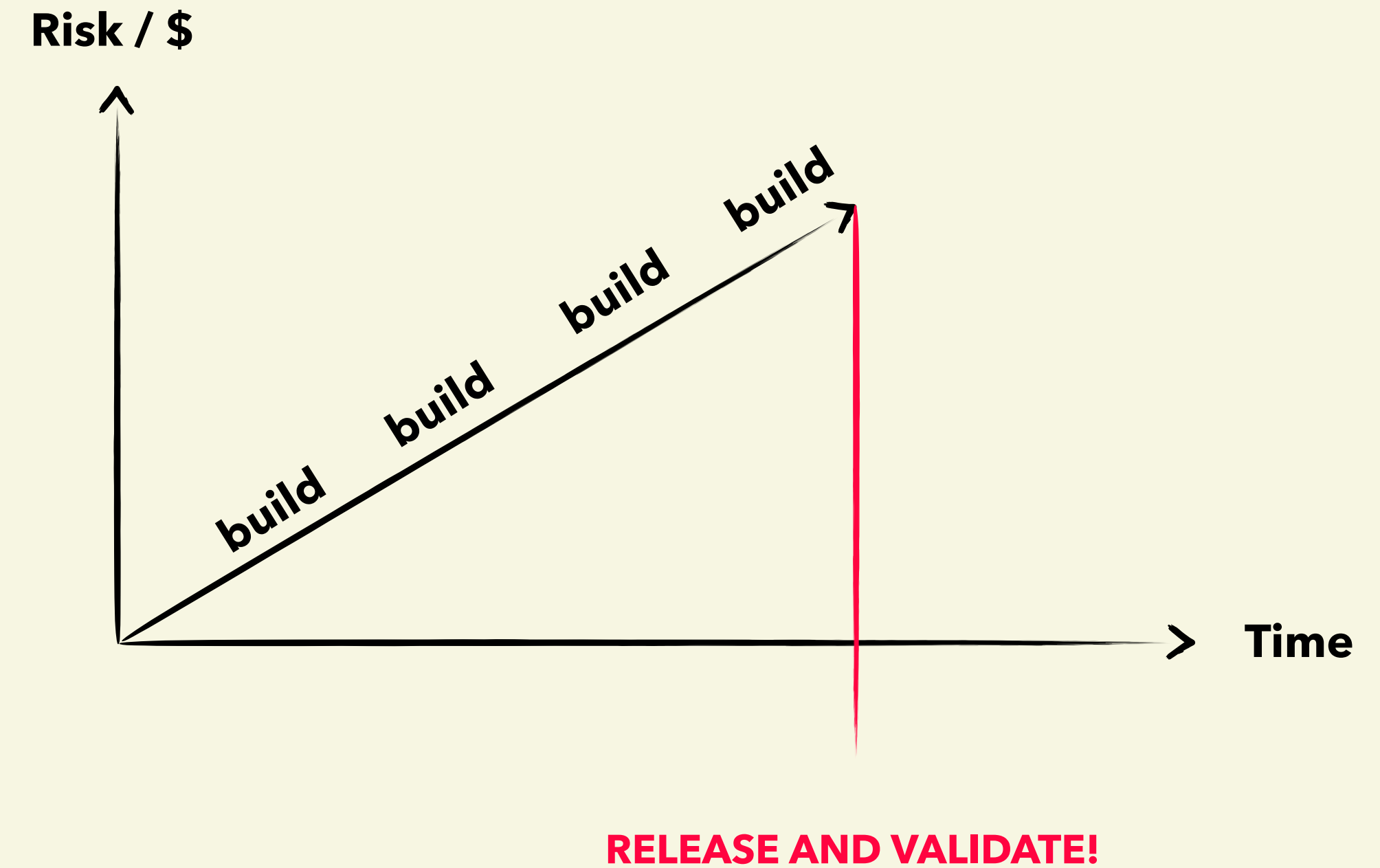
Waterfall approach
High risk
One checkpoint, at the end
Limited iterations
Budget-consuming
Validation of the whole concept at final release

Lean approach

… towards a lean, resource optimised approach, where evidence from user testing de-risks decision making.

Risk / $

experiment

experiment

experiment

experiment

Time

RELEASE AND VALIDATE!

RELEASE AND VALIDATE!

RELEASE AND VALIDATE!

RELEASE AND VALIDATE!

Lean approach
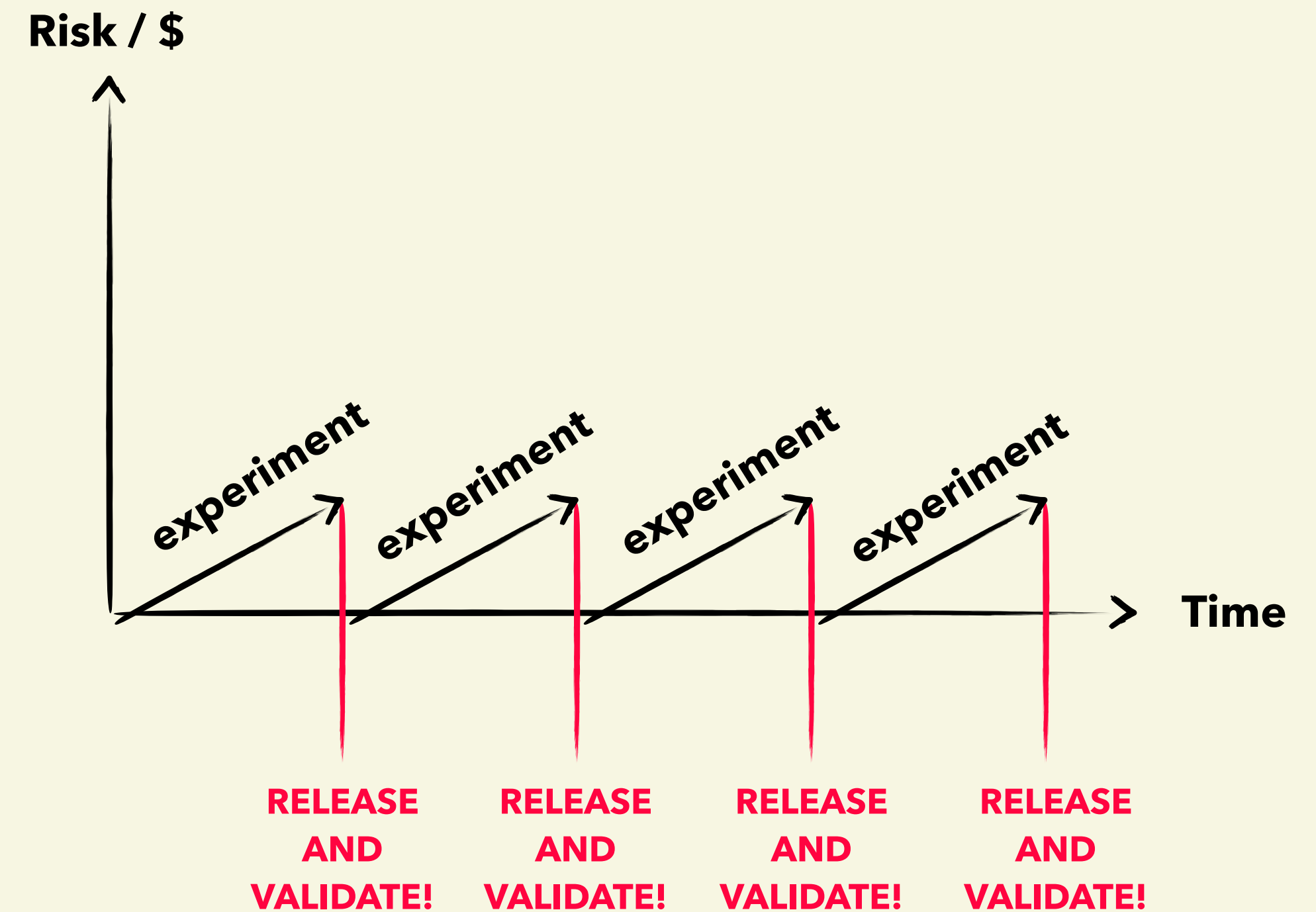Low risk
Multiple checkpoints for validation
Multiple iterations
Budget is progressively increased once hypothesis are validated
Validation of individual hypothesis through multiple experiments

Risk / $

build build build build

→ **Time**

RELEASE AND VALIDATE!
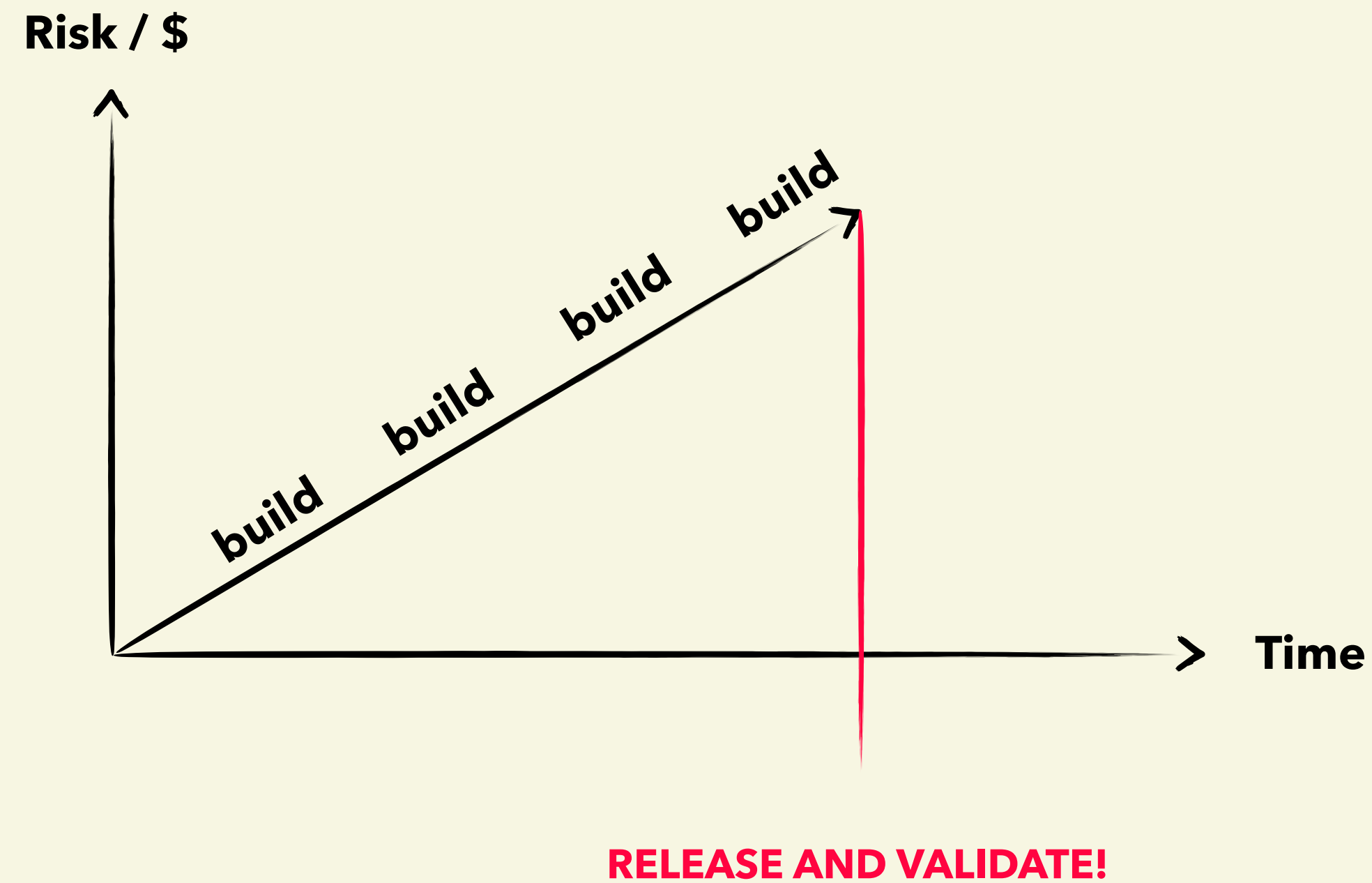
Waterfall approach
High risk
Validation of the business proposition at release
Limited iterations
Budget-consuming
Validation of the whole concept at final release

Risk / $

experiment experiment experiment experiment

→ **Time**

RELEASE AND VALIDATE! RELEASE AND VALIDATE! RELEASE AND VALIDATE! RELEASE AND VALIDATE!

Lean approach
Low risk
Multiple checkpoints for validation
Multiple iterations
Budget is progressively increased once hypothesis are validated
Validation of individual hypothesis through multiple experiments

Validation step by step

Some are **hard** to validate

Some are **easy** to validate

Step 1

DEFINE YOUR FOCUS: WHAT DO YOU SEEK TO VALIDATE?

Cleary define your challenge, and at what stage of the innovation funnel you're in. Are you looking to validate the problem you're solving, the solution to address that problem, the business model or the revenue model?

Step 2

MAP OUT YOUR ASSUMPTIONS, PRIORITIZE THE MOST CRITICAL ONES AND CONVERT THEM INTO HYPOTHESIS READY TO BE TESTED

Regardless what stage you're in, you can now map out the assumptions you're making.
Tool: Assumption Mapper
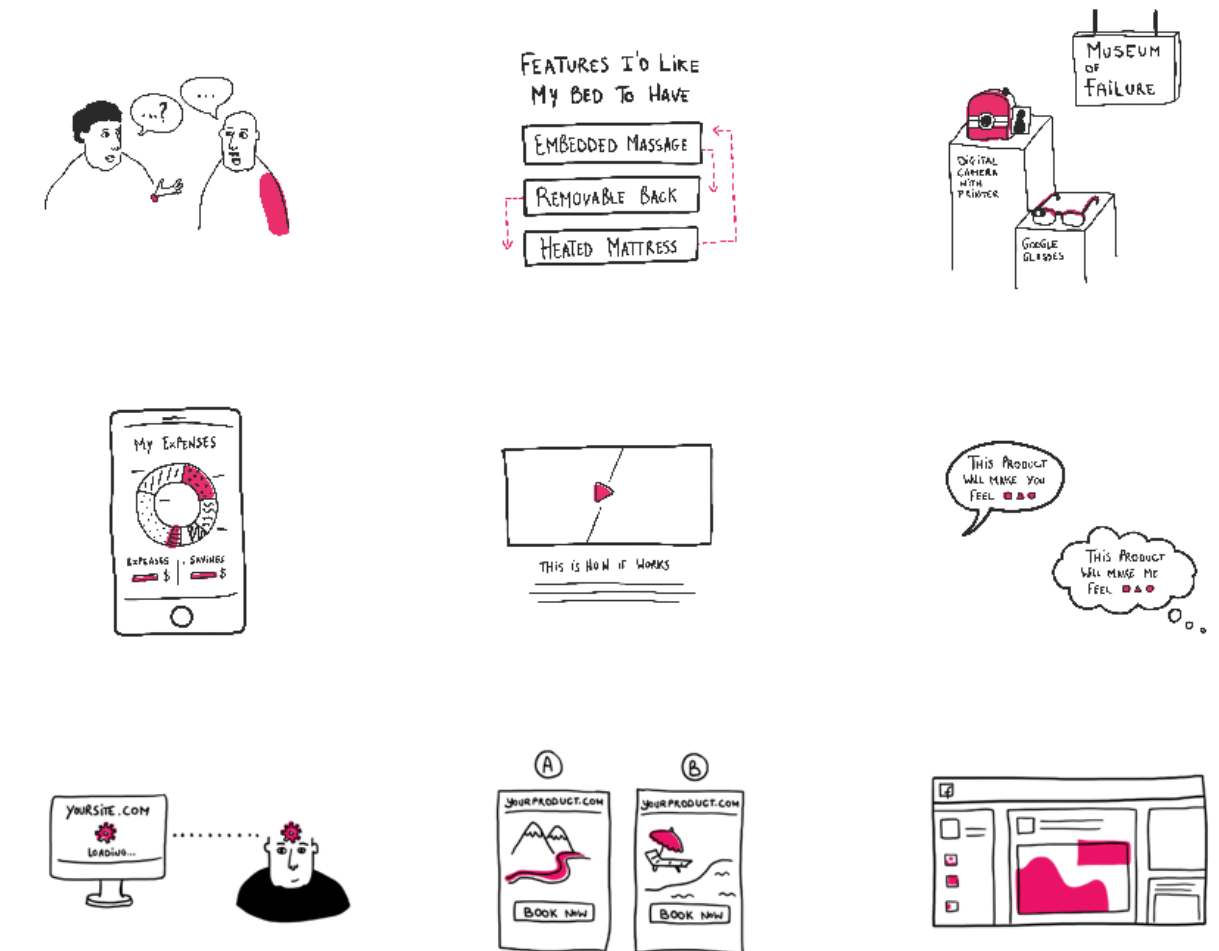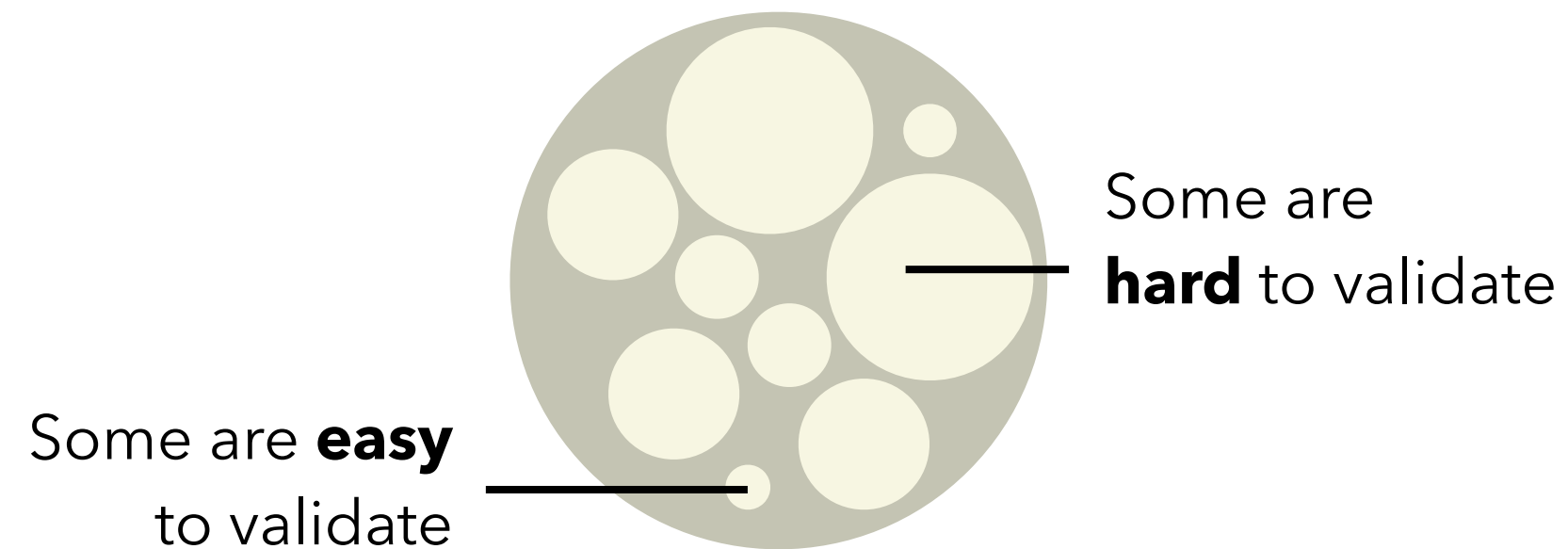
Step 3

CHOOSE AND DESIGN THE RELEVANT EXPERIMENTS TO TEST YOUR HYPOTHESES

Once you have ranked your assumptions and defined a key hypothesis you want to test, you can pick the most suitable experiment(s) to test and (in)validate that hypothesis.
Tool: Experiment Card

Step 1

Define your focus: what do you seek to validate?

What are you aiming to validate?

Experimentation is used primarily to learn faster by testing with real customers in order to understand how they will engage with your business idea. It is therefore crucial to **define the goal of what you are trying to learn** before launching an experiment.

Which stage are you in?

Depending on the stage of the innovation funnel you're in, **you'll need to validate different elements** of your business proposition, so that you can pick different kinds of experiments.

❯ **Problems:** at the very beginning of your innovation path, you'll need to test whether a problem you identified is a problem worth solving for your customer.

EXAMPLE: DO PEOPLE HAVE A PROBLEM WITH LIGHTING IN THEIR HOME?

❯ **Solutions:** does your offer solve this need and is the customer willing to pay?

EXAMPLE: IS A LAMP WITH MOVEMENT DETECTOR WHAT PEOPLE ARE LOOKING FOR?

❯ **Features:** test core features that are crucial for adding value to your solution.

EXAMPLE: SHOULD THE LAMP HAVE DIFFERENT BRIGHTNESS LEVELS? AND HOW SHOULD THE USER CONTROL THEM?

❯ **Business Model:** test the viability of the solution you designed.

EXAMPLE: WOULD ENERGY PROVIDERS BE INTERESTED IN PARTNERING IN SELLING THESE SMART LAMPS?

❯ **Pricing:** test the pricing model of your product or service.

EXAMPLE: SHOULD YOU PAY FOR THE LAMP (299€) OR FOR AN ENERGY PACKAGE THAT INCLUDES LAMPS AND ENERGY PER MONTH?
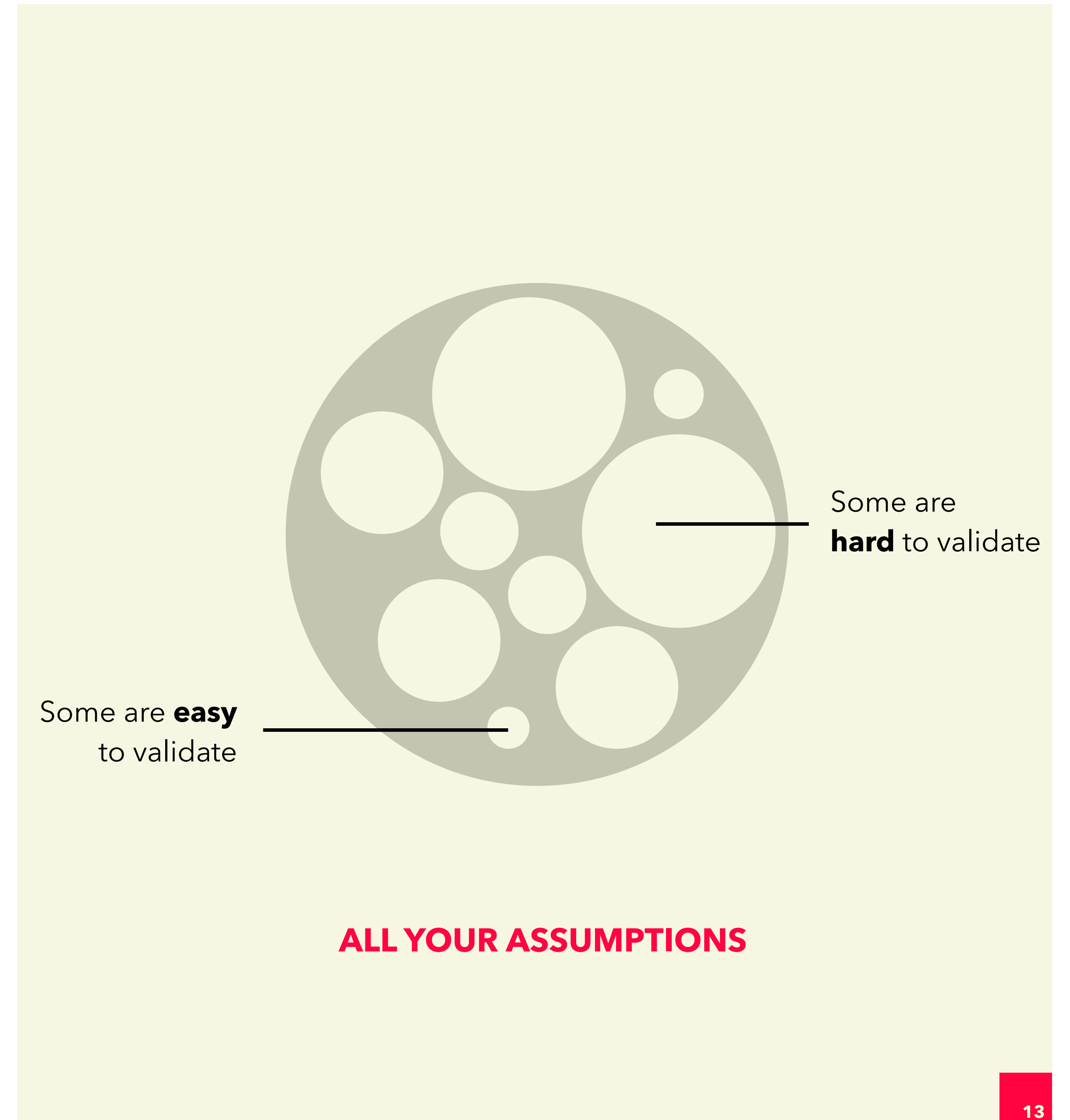
Step 2

Map out your assumptions, prioritize the most critical ones and convert them into a hypothesis ready to be tested
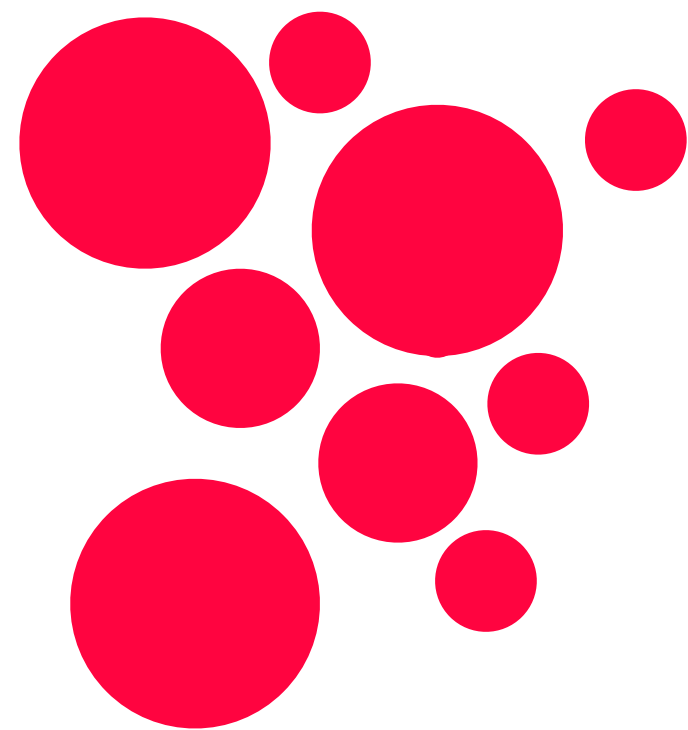
Mapping out the assumptions

Regardless the stage you're in (problem space, solution space, business or pricing models), you can now start mapping out your assumptions.
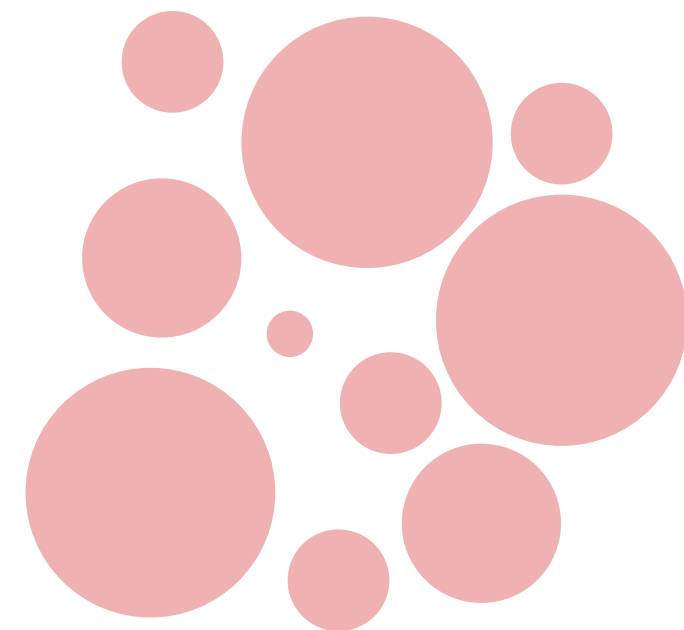
Some are **hard** to validate

Some are **easy** to validate

ALL YOUR ASSUMPTIONS

Mapping out the assumptions

You will notice you can fit your assumptions into the categories below.

Desirability
Client/user focus

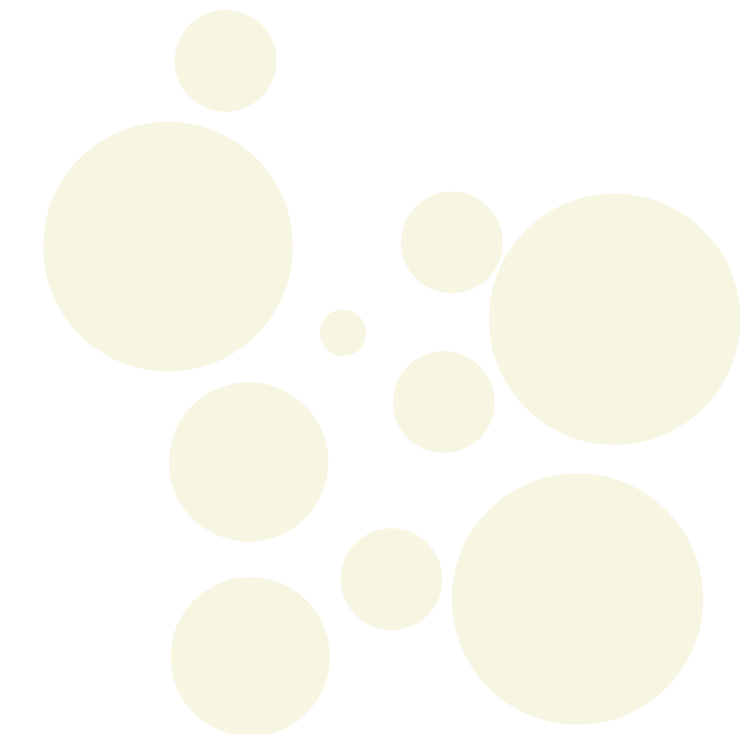*If no user wants it, what's the point of making it?*

Viability
Business model

If the user doesn't want to (adequately) pay for it, or cannot offer any commercial value in return, who else can?
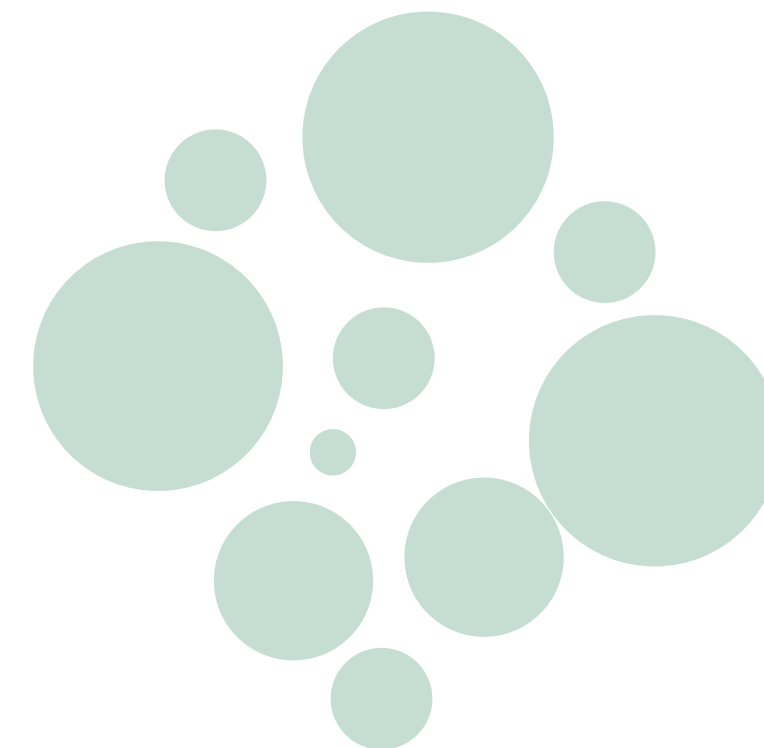
Feasibility
Tech possibilities

If it's not possible to design it as we initially envisioned, what would be a less advanced (or ambitious) alternative way?
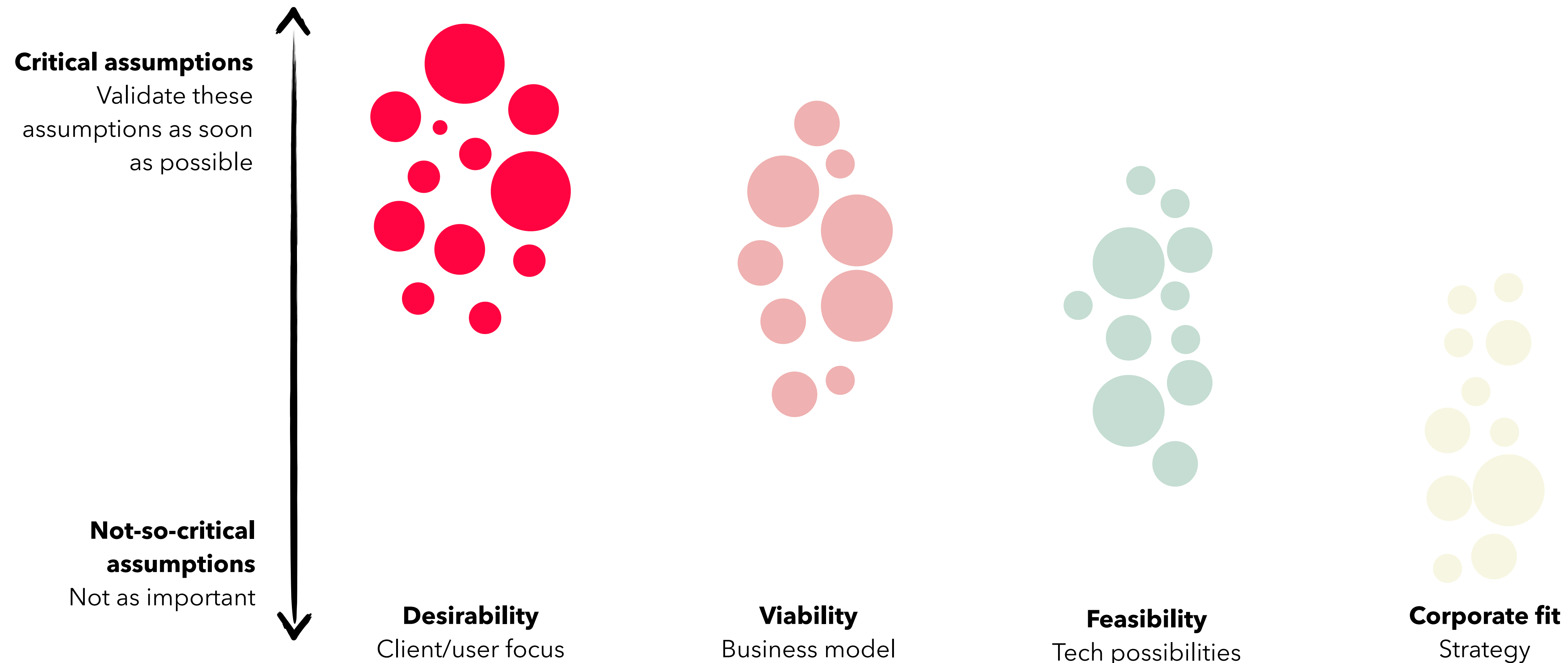
Corporate fit
Strategy

If we cannot reconcile with our corporate strategy, can we consider a spin-out?

Mapping out the assumptions

Make a priority assessment based on the risk each category represents in case of invalidation. You will realize that the technicalities and your business model offer more ways out and are therefore less critical than being undesirable.

Critical assumptions
Validate these
assumptions as soon
as possible

**Not-so-critical
assumptions**
Not as important

Desirability
Client/user focus

Viability
Business model

Feasibility
Tech possibilities

Corporate fit
Strategy

Mapping out the assumptions

To help you in the process of mapping out the assumptions around your new business concept, we designed the Assumption Mapper. It helps you to:

❯ **Categorize** the assumptions of your business idea. Are your assumptions related to desirability, viability or feasibility or corporate fit?

❯ **Prioritize** the assumptions around your business idea. Focus your energy on what really matters: the most critical ones that are ideally also fairly easy to answer. Then, move to the riskiest assumptions that are difficult to test. Leave the not-critical assumptions for later.

Mapping out the assumptions

STEP 1

Download this PDF and print it on an A2 sheet of paper. You can also draw the graph on a flipchart if you can't print, or use a digital whiteboard tool like Miro or Mural.

STEP 2

Write down on post-its the assumptions of the business proposition you have in mind. Examples of assumptions for Airbnb in its early days could have been: guests are not afraid of sleeping in the house of strangers, hosts are not afraid of damages in their properties, and so on.

STEP 3

Use dot voting to decide on the most critical assumptions — probably these dots will be allocated mainly in the upper section of the graph, and mainly to desirability and viability topics (following the logic on page 14).

STEP 4

Having prioritized these assumptions, you can now start validating the ones that are both most critical but also fairly easy to test — leaving the hardest ones and the less crucial ones for later. Life it too short to waste time on irrelevant activities, you know.

Converting assumptions into hypotheses

Once you've mapped out the assumptions around the problem at hand (or solution, or business model, …), convert the assumptions into hypotheses.

ASSUMPTION
Anything accepted as true without evidence to back it up. An assumption is a statement that we believe to be true.

HYPOTHESIS
A hypothesis, in contrast, is a simple, educated guess for what you expect to happen in a given experiment. Hypotheses should include a cause and effect "if… then…" statement plus a numeric, measurable target. It is important to clearly define your hypotheses with metrics that are able to guide actions.

Step 3

Choose and design the relevant experiments to test your hypotheses
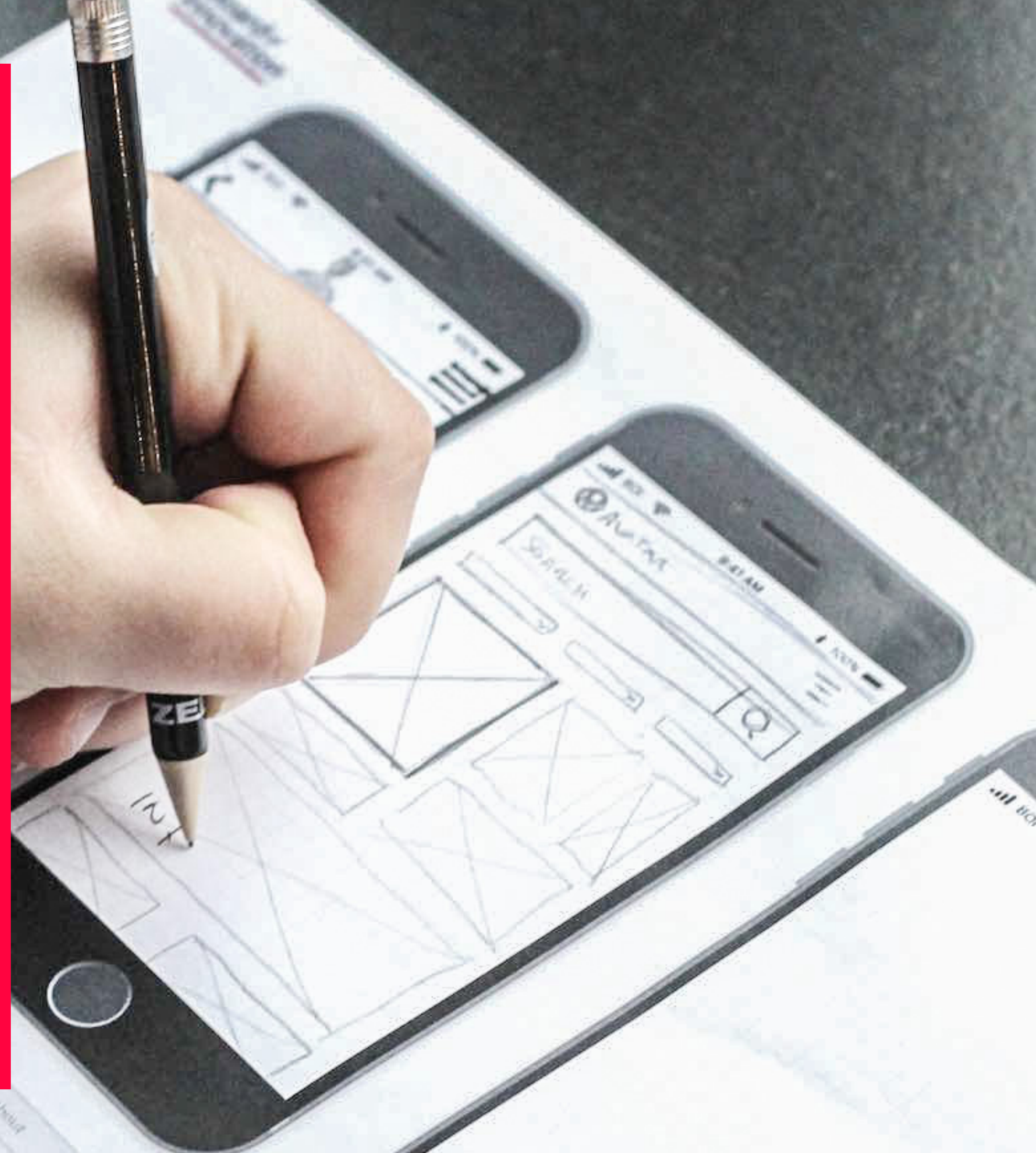
Mapping out the assumptions

STEP 1
Download and print this, or use a digital whiteboard tool.

STEP 2
Write down the assumption you want to test with this experiment.

STEP 3
Write down the type of experiment you think is most suitable to test the assumption at hand.

STEP 4
Describe the experiment set-up. Now convert your assumption into a falsifiable hypothesis: We believe that if [experiment] then [KPI] will [expected outcome].

Pro tip It's a best practice to clearly align on a OMTM (one metric that matters), in order to avoid confirmation bias within your team.

STEP 5
Describe the target audience of the experiment.

STEP 6
Outline the goal of your experiment. Describe under which conditions the hypothesis will be considered validated.

STEP 7
Sum up the practicalities that need to be done to run the experiment, and structure them on the timeline.

STEP 8
Lastly, after running the experiment, use the result box to indicate whether you confirmed/rejected your assumption. If confirmed, you can move on. If rejected, let the evidence guide you in making the decision what to do next – pivot, iterate or kill.

Pro tip It's a best practice to have these "what if?" discussions beforehand, for every potential outcome. Most teams fail to prepare for invalidation of their assumption.

A one-page overview of your experiment

Your turn! Once you have mapped out assumptions and hypotheses, you can select the most suitable experiment(s) to test and validate (or reject) your hypotheses.

The Experiment Card helps you frame your experiments and focus on what really matters. It's crucial to state the definition of "validated", so that you can decide whether or not to repeat, pivot or proceed.


download the PDF

Ready to go, but no idea where to start?

In what's next, we will introduce you to 25 experiments you can use, plus real examples of how successful startups or corporates used them for validation purposes. Some are low-fidelity, some high(er)-fidelity. **Mix and match them to get the powerful learnings you're looking for!**

Measures stated behaviour:
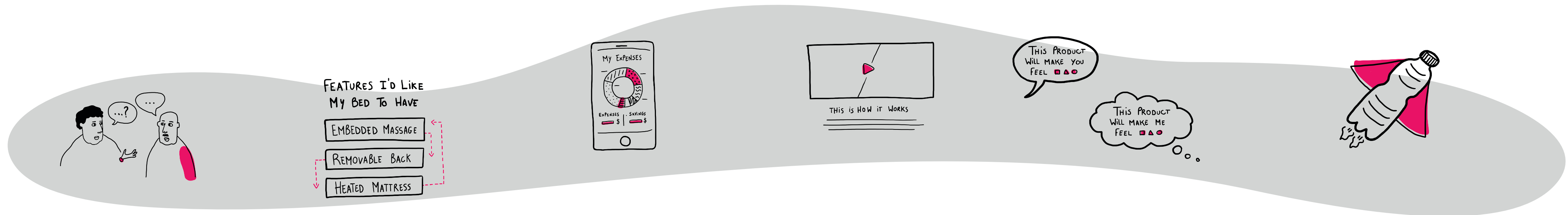
Measures actual behaviour:
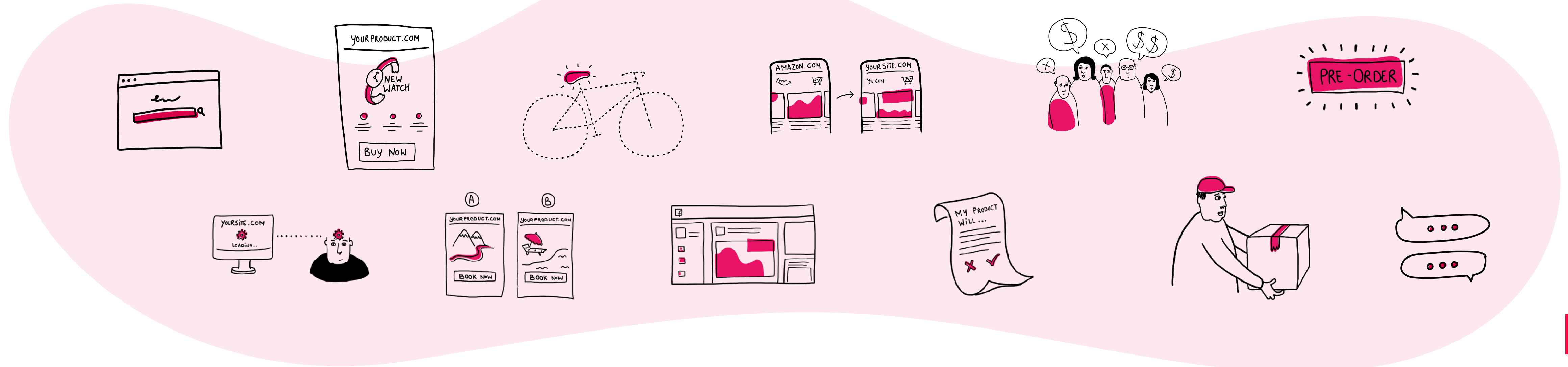
How to pick the right experiment?

PROS AND CONS

Advantages and limitations of each experiment.

TOOLS

Some ready-to-use services you will find helpful to get your experimentation started

CURRENCY

These are the metrics you'll need to measure in order to validate (or reject) your hypothesis. These results will reflect the interest/commitment of your addressed market.

PROS
+ informative insights
+ medium setup time

CONS
- recruitment
- effort required for analysis
- not-focused evidence

TOOLS
Trello (free) lets you track and analyze your customer interviews as well as communicate research results.

CURRENCY
Engagement
Time

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

How to pick the right experiment?

● Very applicable!　　● Somewhat applicable　　● Not applicable

TARGET AUDIENCE

While most of the experiments can be used in any industry, some can be only (or more easily) applied to a B2C context.

KIND OF EXPERIMENT

Evaluative: the experiment helps you evaluate a measurable hypothesis

Generative: the experiment helps you gather additional insights and signals

PERFECT TO TEST...

Different hypotheses require different experiments. For each experiment, we specify whether it is good or not to test:

› **Problems**: test whether the problem you identified is considered important by your target audience

› **Solution**: test the desirability of the solution you designed.

› **Features**: test specific features of your solution.

› **Business Model**: test the viability of the solution you designed.

› **Pricing**: test the pricing model of your product or service.

PROS
+ informative insights
+ medium setup time

CONS
- recruitment
- effort required for analysis
- not-focused evidence

TOOLS
Trello (free) lets you track and analyze your customer interviews as well as communicate research results.

CURRENCY
Engagement Time

TARGET AUDIENCE
● B2C　　● B2B

KIND
● Evaluative　　● Generative

PERFECT TO TEST
● Problem　　● Solution　　● Features　　● Biz Model　　● Pricing

1. Picnic in the graveyard

Investigate the biggest failures in your industry and understand the reasons behind it. What to learn from the Google Glasses?

Picnic in the graveyard

INVESTIGATE THE BIGGEST FAILURES IN YOUR INDUSTRY AND UNDERSTAND THE REASONS BEHIND THEM. WHAT TO LEARN FROM THE GOOGLE GLASSES?

This method is not about testing a hypothesis, instead it is about generating ideas. Use the "picnic in the graveyard" approach to gather information to inform your thinking and unanswered questions on what has been tried and failed - and why. It involves contacting the people behind unsuccessful ideas that have been tried before in order to get the true story and learnings from them.

PROS
+ simplicity
+ learn from others

CONS
- unstructured research

TOOLS
Explore old products and old webpages of corporates with Archive, the time machine of the web. Other useful sources include Techcrunch and Killedbygoogle.

CURRENCY
Past sales
Learnings

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Picnic in the graveyard

Hypothesis: how can we resurrect the promise of the Google Glasses?

Vuzix, an American multinational technology firm headquartered in Rockester, New York, has been trying to resurrect the promise of the Google Glasses for years. Vuzix is a supplier of wearable display technology, Virtual Reality and Augmented Reality.

TEST CARRIED OUT BY
Vuzix, a New York-based provider of AR solutions.

METRIC
Tackling the points of pain Google Glasses faced.

RESULTS
Vuzix, similarly to other players in the same AR arena, is overcoming the flaws of Google Glasses by offering a different design and larger display. Other competitors are specialising into specific use cases (cycling glasses, sport glasses, game platforms, …).

KEY TAKEAWAY
Keep in mind the principle "either it already exists, or someone tried already and failed". Before launching your whole self into the development of a new product or service, look at your neighbors first, to prevent yourself from making the same mistakes.

2. Search engine research

Investigate whether people are actively looking for an answer to their problem.
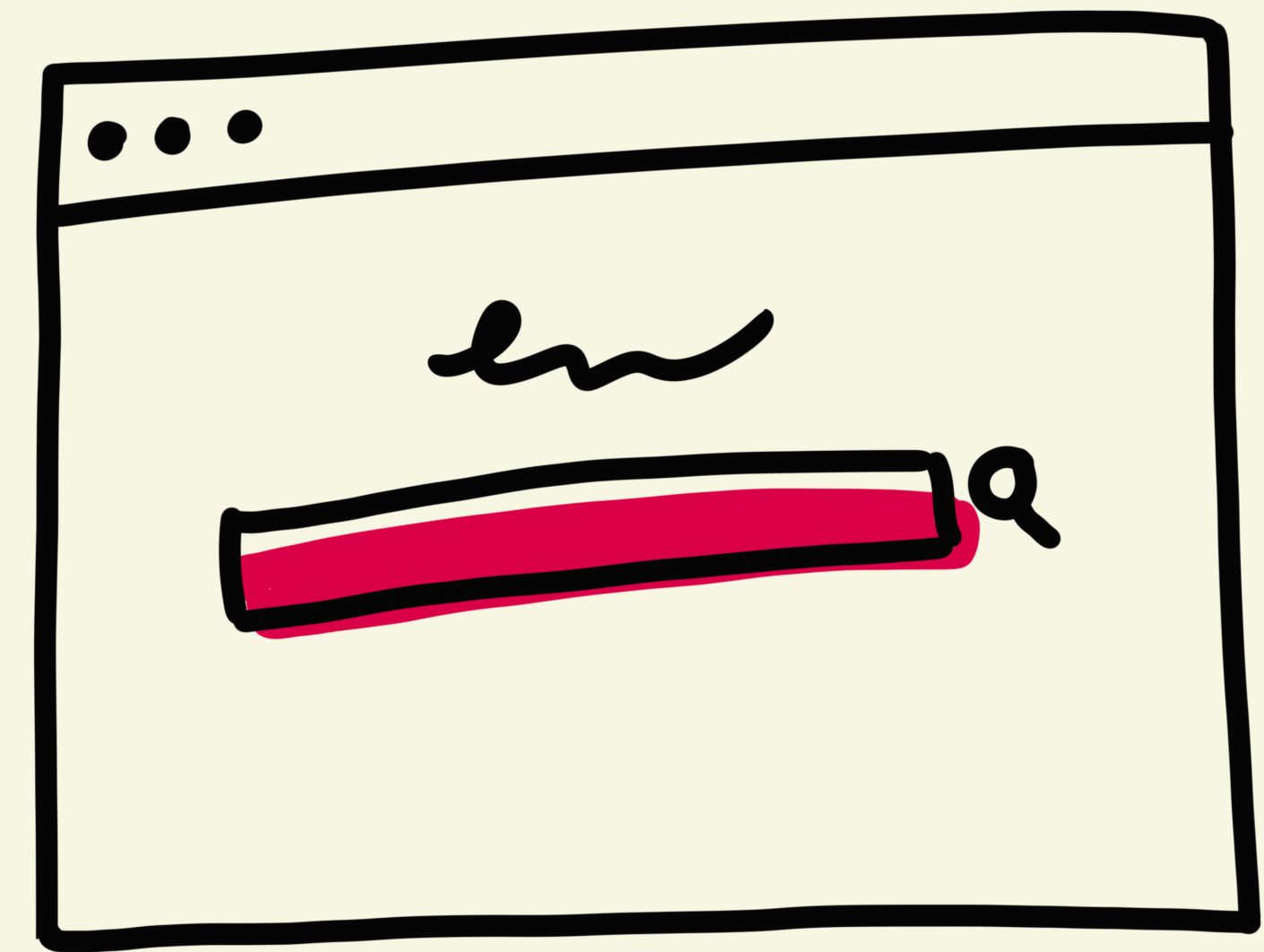
Search engine research

INVESTIGATE WHETHER PEOPLE ARE ACTIVELY LOOKING FOR AN ANSWER TO THEIR PROBLEM.

This method is less about testing a hypothesis. Instead, it is about validating whether you're working on a problem actually worth solving for the end-user. Avoid losing time working on an itch that doesn't really trigger people to look for a solution.

Note: While desk research can be useful, **it is no substitute for primary research**. Don't skip the direct user interaction: go out for interviews, focus groups, observation, questionnaires, etc.

PROS
+ reliable indicator of actual search intent

CONS
- hard to pre-set your min. success criteria, so rather generative

TOOLS
Answerthepublic.com, in combination with numerical data from Google Keyword Planner

CURRENCY
Search volume

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

3. Generative session

Use generative research as a qualitative approach to look for clearer signals about the customer.
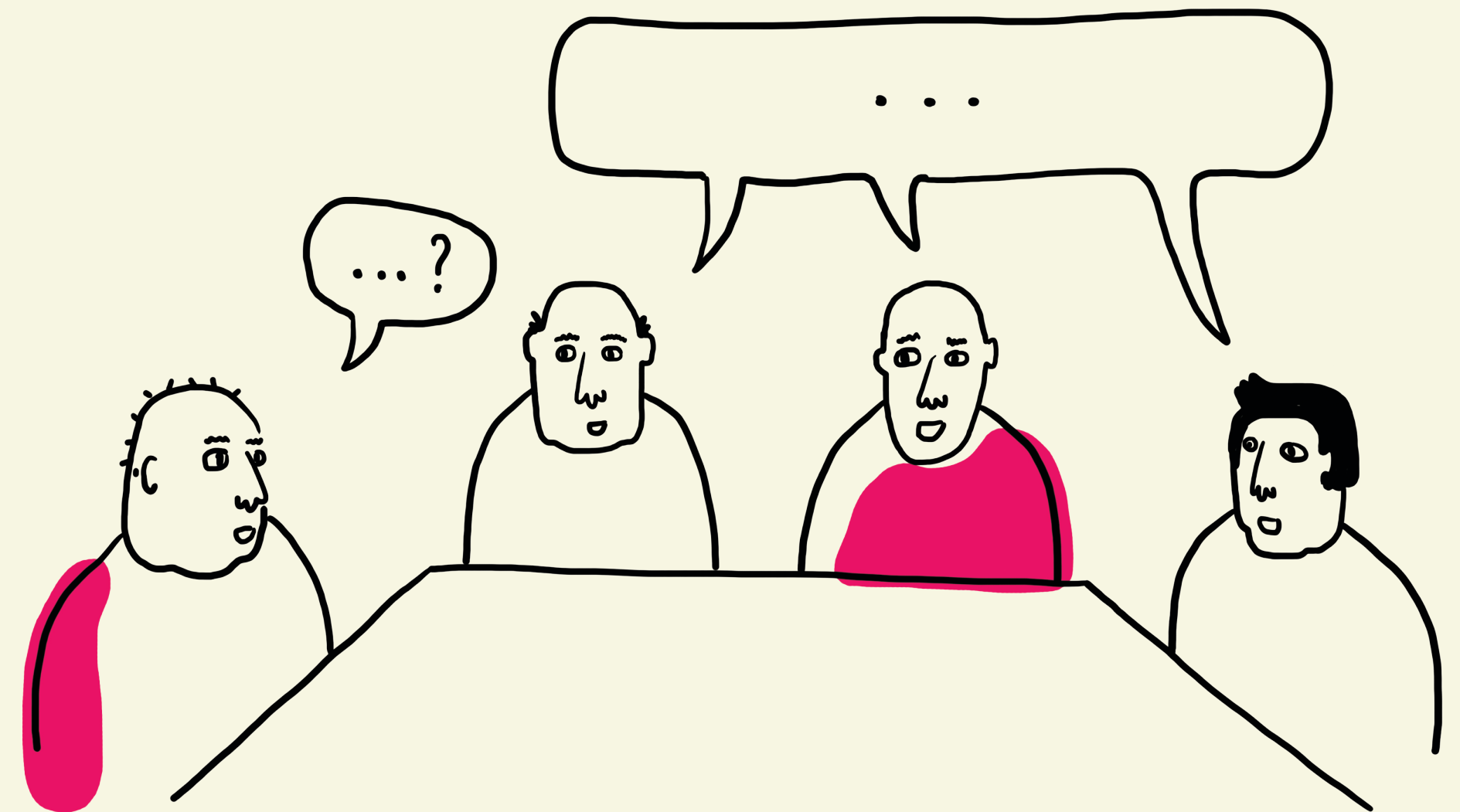
Generative session

USE GENERATIVE RESEARCH AS A QUALITATIVE APPROACH TO LOOK FOR CLEARER SIGNALS ABOUT THE CUSTOMER.

Generative sessions don't necessarily start with a hypothesis, but are used to learn more about your user and their problems, habits and in what context they operate. For these sessions, it is key to be in the same room with the participant and focus on open questions that dig deeper into the motivational drivers of the audience, while also observing the contextual environment. For this approach, start by stating your research goals clearly and then actively listen to the customer's responses. Following the session, the analysis and synthesis of the research is just as important - make sure to book time for that.

PROS
+ informative insights
+ medium setup time

CONS
- recruitment
- effort required for analysis
- not-focused evidence

TOOLS
Dovetail (starting from $15/user/month) lets you track and analyze (tag) your customer interviews as well as communicate research results.

CURRENCY
Engagement Time

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Generative session

Question: what factors play a role in the process of choosing an educational program?

The HU University of Applied Sciences Utrecht planned to redesign their website. Relevant user insights were needed in order to make the website play a role in the process of choosing an educational program.

TEST CARRIED OUT BY
The University of Applied Sciences in Utrecht.

METRIC
Map all kinds of latent needs and desires of the people who are planning to participate in an educational program in the near future.

RESULTS
By proving the participants with a set of hands-on exercises, they were able to get insight into their decision making process. Insights that would later served as the foundation for the redesign.

KEY TAKEAWAY
Look beyond first impressions and get a deep understanding of what your users know, feel and dream.
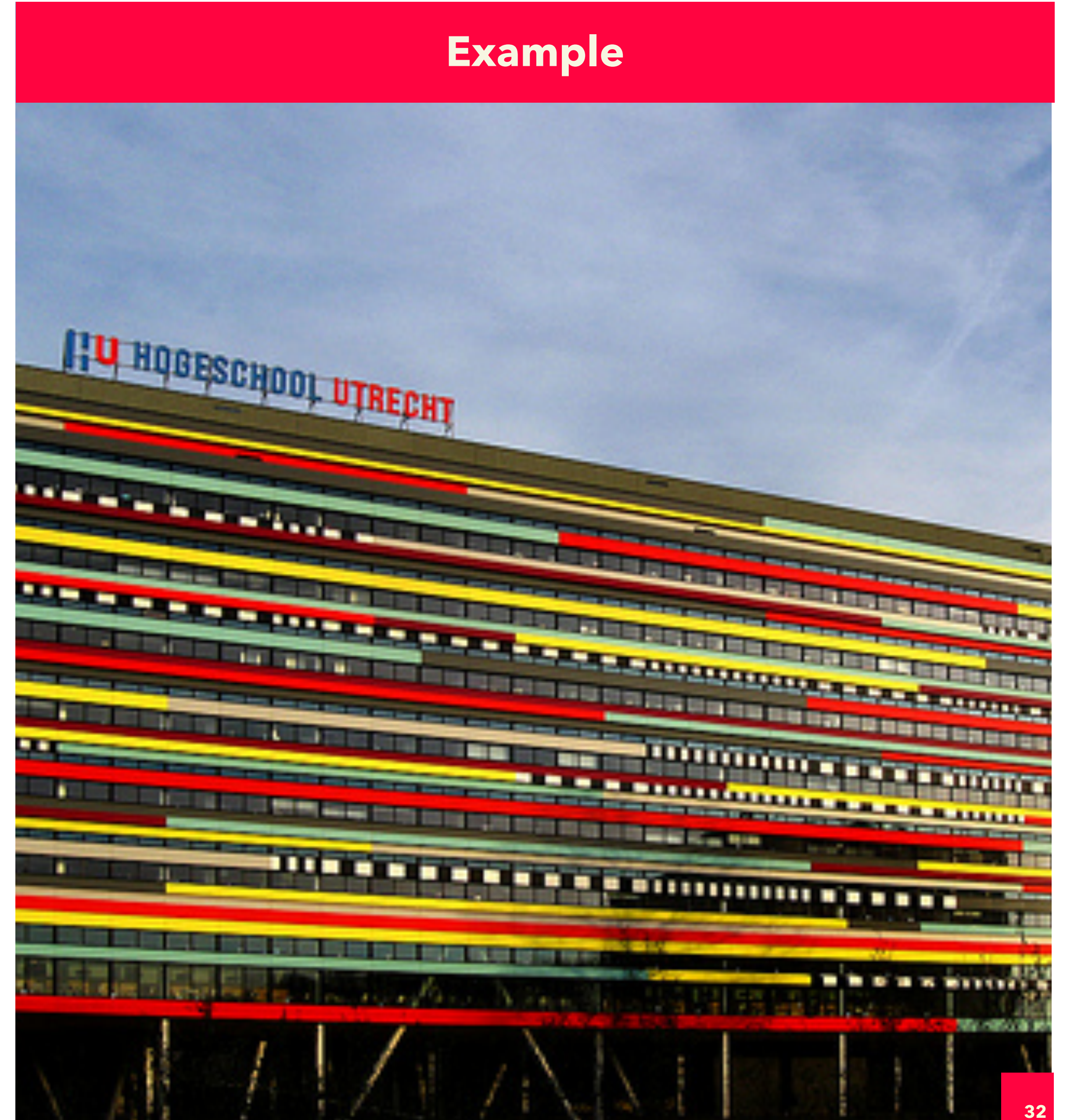
4. Customer interview

Get out of the building to actively learn through real and in-person customer interactions.
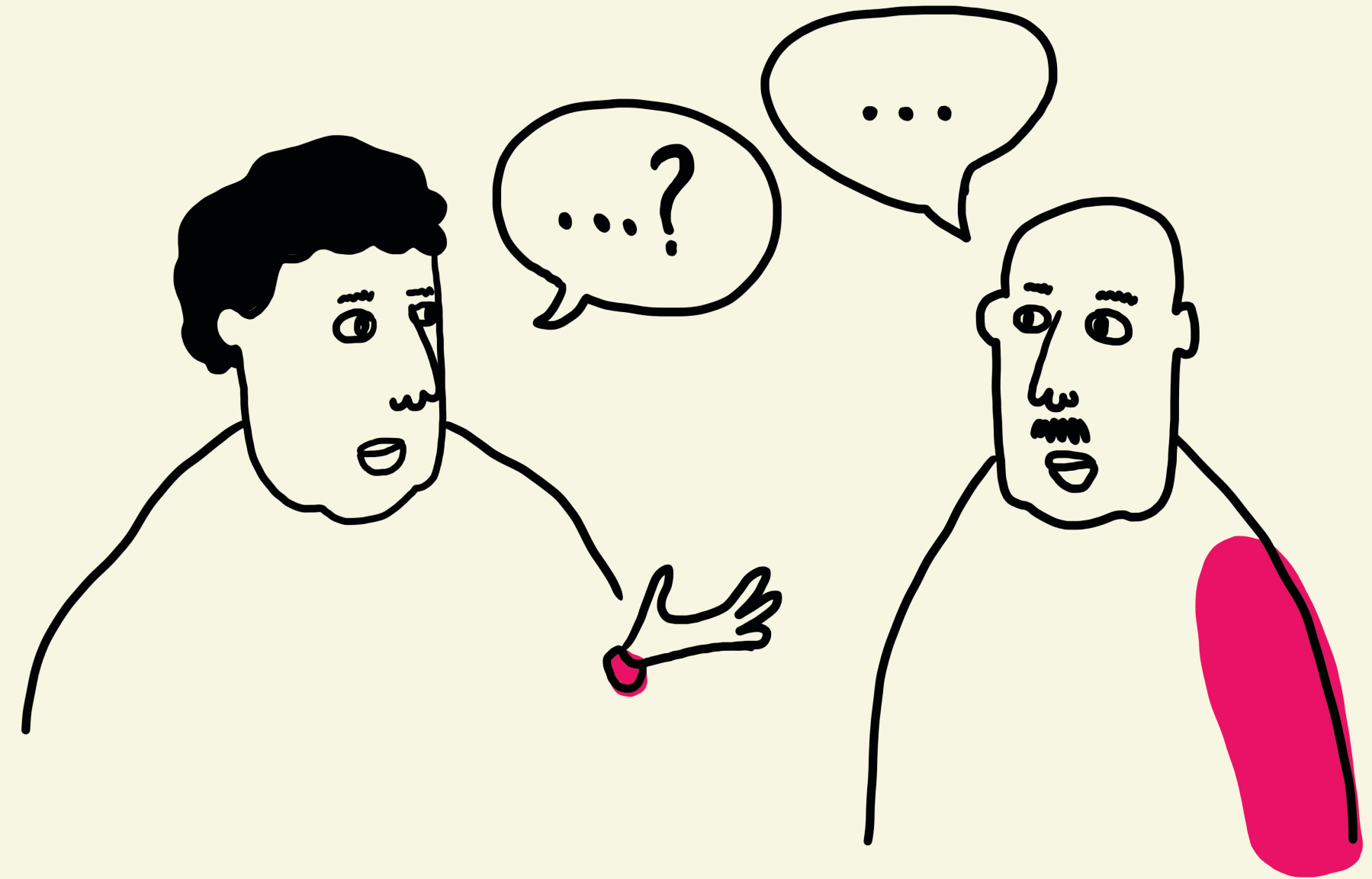
Customer interview

GET OUT OF THE BUILDING TO ACTIVELY LEARN THROUGH REAL AND IN-PERSON CUSTOMER INTERACTIONS.

Customer interviews find out if you are addressing a real need and solving a real problem. Alternatively, use these one-on-one interactions to gain insights into if your solution actually resonates with your customers. The key is identifying key customers to talk with (extreme users on both ends of the spectrum), and developing your interview scripts in a way that elicits customer stories.

Pro tip: To help you with your interviews, Board of Innovation has problem and solution validation checklists you can download from our site.

PROS
+ depth insights/ feedback
+ speed of set up

CONS
- recruiting participants
- measurability

TOOLS
Dovetail (starting from $15/user/month) lets you track and analyze (tag) your customer interviews as well as communicate research results.

CURRENCY
Satisfaction
Engagement
Time

TARGET AUDIENCE
● B2C   ● B2B

KIND
● Evaluative   ● Generative

PERFECT TO TEST
● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Customer interview

Hypothesis: can Niko play upon the smart-home trend?

Niko is the market leader in Belgium in terms of switchgear. To keep their leading position, they used customer interviews to generate insights around the interest of consumers into smart-home solutions.

TEST CARRIED OUT BY
Niko, the European reference in electro-technical solutions and services.

METRIC
The attitudes, motivations or experiences that are highlighted by the interviewee.

RESULTS
The interviews gave a better overview of the relevant groups to target with smart-home technology, their daily life and the specific reasons for certain actions.

KEY TAKEAWAY
Conduct interviews to grasp meaning and gain a deep understanding of the social/living environment of the customers.

35

5. Comprehension test

Does your customer understand the message?
Eliminate false negative biases before testing
commitment, by evaluating comprehension.
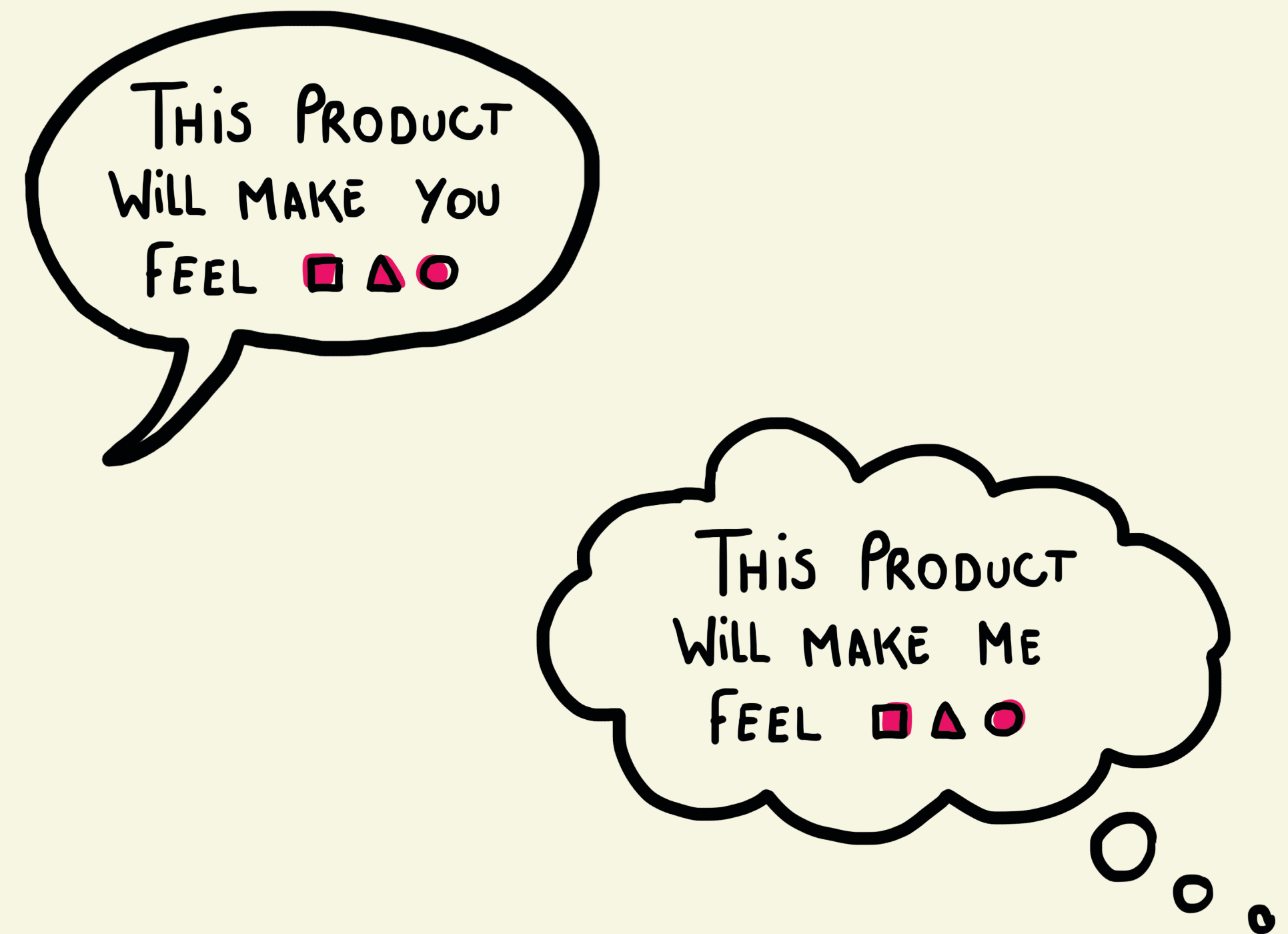
Comprehension test

DOES YOUR CUSTOMER UNDERSTAND THE MESSAGE? ELIMINATE FALSE NEGATIVE BIASES BEFORE TESTING COMMITMENT, BY EVALUATING COMPREHENSION.

Comprehension tests are simple to run and can usually take less than an hour. The aim is to test if at least 80% of your customers display a positive conversion in understanding your message. Sample sizes of your test should generally be around 20 people and don't need to be target customers: you are testing the understanding of your value proposition, not whether they are interested in it.

PROS
+ simplicity
+ speed
+ crucial step before running an unguided quantitative experiment

CONS
- does not validate purchase intent

TOOLS
Usabilityhub and Useberry (both freemium) are our absolute favourites.

CURRENCY
Comprehension
Engagement

TARGET AUDIENCE

● B2C ● B2B

KIND

● Evaluative ● Generative

PERFECT TO TEST

● Problem ● Solution ● Features ● Biz Model ● Pricing

Comprehension test

Hypothesis: do customers understand our value proposition?

Walmart, the American retail giant, is known for its powerful value proposition "Save Money. Live Better." In order to come to this value proposition, they tested it by writing down their value proposition in 1-3 sentences, showing this to participants for a few moments (just enough to read it) and then taking it away and asking the participants to explain it in their own words.

TEST CARRIED OUT BY
America's giant retail player Walmart.

METRIC
If the participant explanation is roughly comparable to the one Walmart postulated, they counted it as a positive result. If not, it was negative.

RESULTS
By repeatedly performing this test, Walmart narrowed down their value proposition to the existing one.

6. Feature sorting cards

Use sorting cards to find patterns that help to understand user priorities.

FEATURES I'D LIKE
MY BED TO HAVE

EMBEDDED MASSAGE

REMOVABLE BACK

HEATED MATTRESS
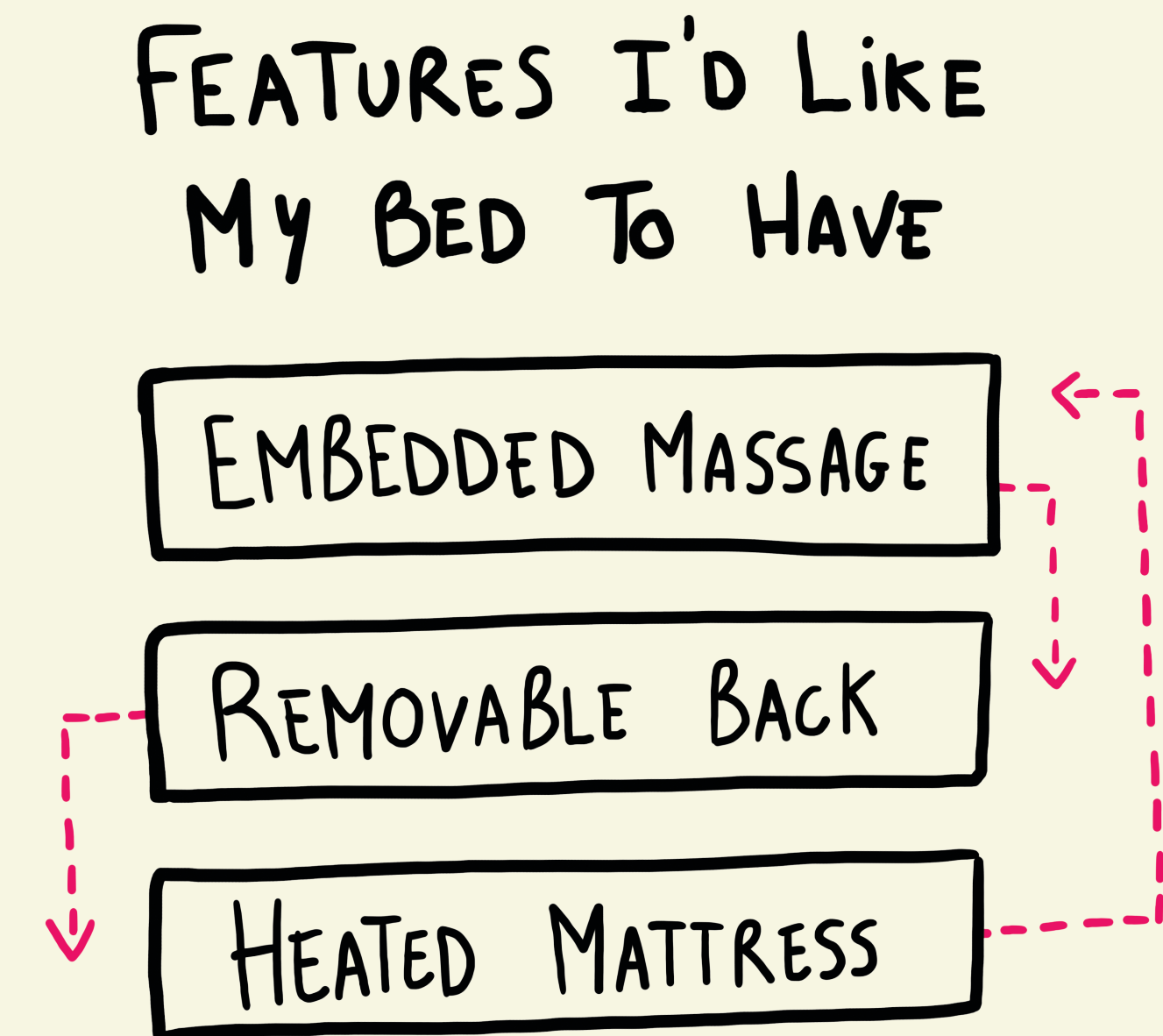
Feature sorting cards

USE SORTING CARDS TO FIND PATTERNS THAT HELP TO UNDERSTAND USER PRIORITIES.

Feature sorting cards are an easy and reliable way to get valuable insights about how your features should be organized to meet the expectations of your target group. Start by defining a list of priorities and then create cards with clear descriptions. Use the cards to provide insight into users' mental models and find out what matters most to your customers by having them sort topics into groups that make sense to them. The key here is to make the most out of interpreting the results by categorizing and identifying patterns.

Pro tip: Run a conjoint analysis to benchmark features against each other, potentially also measuring willingness to pay for different feature combinations.

PROS
+ simplicity
+ structure
+ focus - patterns

CONS
- hosting a test session
- won't necessarily correspond to real life behavior

TOOLS
OptimalSort (starting 100$/month) and Usabilitest (free trial) let you create cards and test them online with instant result analysis. Conjoint.ly can help you to scale these efforts.

CURRENCY
Satisfaction
Engagement
Time

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Feature sorting cards

Question: which default features should our newest car model have?

In the 1990s Porsche was in financial distress. They recognised a market opportunity for a new Porsche SUV model. They turned their lack of SUV knowledge into an actual strength, by starting from a blank slate. They would go out and ask customers to score different features at different pricing points (validating the willingness to pay), almost like a full-fledged conjoint analysis.

TEST CARRIED OUT BY
Porsche, on the verge of launching their first SUV model.

METRIC
They measured people's feature preferences, and their willingness to pay for it. They removed features that customers did not value, even if the engineers loved them.

RESULTS
The Cayenne started to account for half of the Porsche's total profit, and generated the highest profits per car in the entire industry.

7. Message testing

Test your hypotheses by pitching your problem or solution to prospects in (automated) messages, and measure their responsiveness.
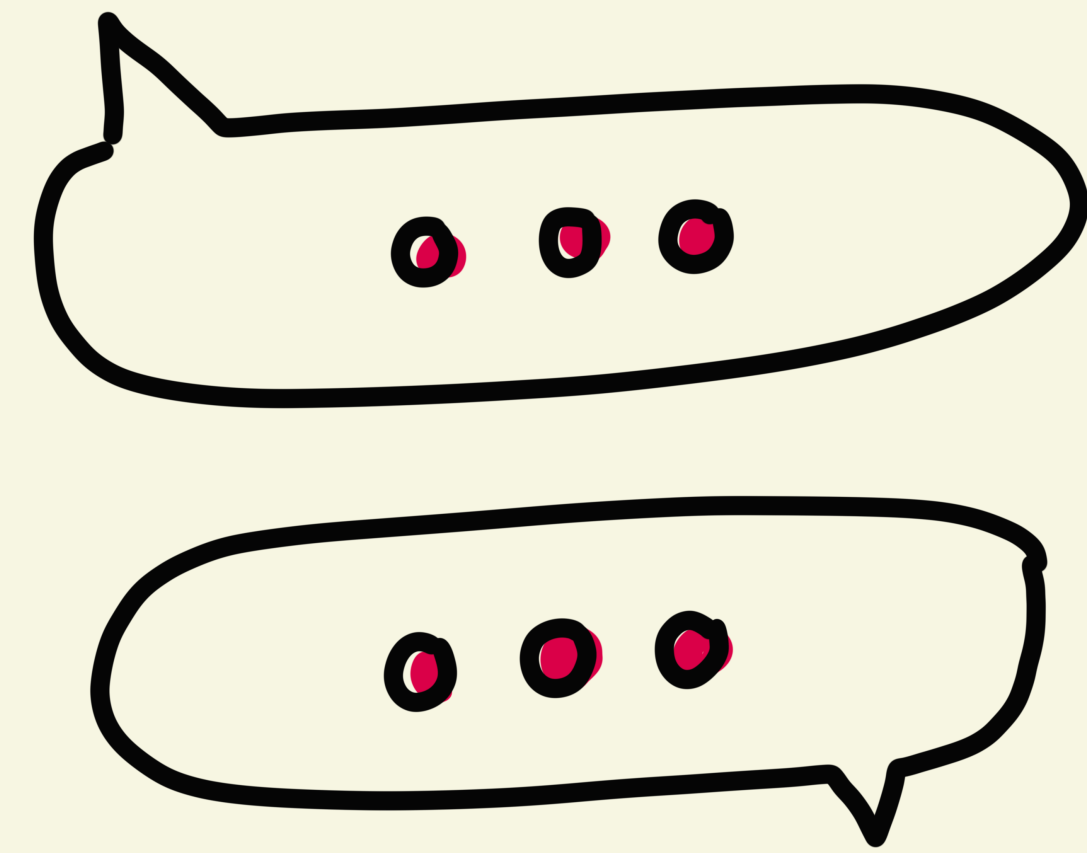
Message testing

TEST YOUR HYPOTHESES BY PITCHING YOUR PROBLEM OR SOLUTION TO PROSPECTS IN (AUTOMATED) MESSAGES, AND MEASURE THEIR RESPONSIVENESS.

Validate your assumptions about the problem and/or the solution by scaling up your outreach. Ask for a clear commitment — which can be as little as replying "yes" or "no" to your message — to measure whether it's a pain worth solving for them or whether you've came up with an adequate solution to their pain.

PROS
+ simplicity
+ scalability

CONS
- non-binding
- low reply rate might be because of other, unrelated variables
- hard to pre-set your min. success criteria, so rather generative

TOOLS
Get quality data on B2B profiles from LinkedIn's Sales Navigator (starting 100$/month), message them through LinkedIn connection requests.

CURRENCY
Enagement
Positive reply rate

TARGET AUDIENCE

● B2C　　　● B2B

KIND

● Evaluative　　　● Generative

PERFECT TO TEST

● Problem　　● Solution　　● Features　　● Biz Model　　● Pricing

43

8. Wireframe

Test the usability of your digital products with digital wireframes.

Wireframe

TEST THE USABILITY OF YOUR DIGITAL PRODUCTS WITH DIGITAL WIREFRAMES.

Digital wireframe prototypes act as a limited simulation of your solution idea for the user to interact with. The schematic 'blueprint' acts as a static visual guide that can help you identify potential problems that you may have not perceived and reveal elements that are not intuitive to your users.

PROS
+ simplicity
+ cost effectiveness

CONS
- weaker evidence

TOOLS
Figma and POP by Marvel (both freemium) are our absolute favourites when it comes to designing and testing your digital prototypes.

CURRENCY
Satisfaction

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

9. Clickable prototype

Create a clickable/"tappable" prototype of an app or a digital service

App mockup

CREATE A CLICKABLE/"TAPPABLE" PROTOTYPE OF AN APP OR A DIGITAL SERVICE

Multiple services today let any designer - or even people with (almost) no design experience - create a prototype of an app, no coding needed. The advantage: iterations and refinements can be tested by users prior to starting development. By presenting an app with only simple home page and sign-up flows, users have the opportunity to experience your ideas and concepts and give valuable feedback on your mobile application. Using these behavioral insights can save you time and money in development.

PROS
+ simplicity
+ speed

CONS
- requires high amount of users

TOOLS
Figma and POP by Marvel (both freemium) are our absolute favourites when it comes to designing and testing your digital prototypes.

CURRENCY
Engagement
Time
Attention
Accuracy

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

10. Physical prototype

Test and evaluate your possible solution by building a low fidelity physical prototype for customers to interact with.

Physical prototype

TEST AND EVALUATE YOUR POSSIBLE SOLUTION BY BUILDING A LOW FIDELITY PHYSICAL PROTOTYPE FOR CUSTOMERS TO INTERACT WITH.

Once you have identified a problem worth solving, turn your collected insights into a tangible prototype or mockup that can be used to present your potential solution to a customer. It doesn't have to be pretty or functional just yet – it can be used as a conversation starter.

PROS
+ simplicity
+ speed
+ de-risk

CONS
- potential for biased responses

TOOLS
Make use of recycled materials, paper etc. to build a physical representation of your solution. Or simply sketch it out using markers and templates.

CURRENCY
Engagement Time

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Physical prototype

Assumption: our vacuum cleaner needs a hidden compartment to store dust.

Assumption-based prototyping has enabled Dyson to learn from reportedly 5,127 iterations, before entering production. Prototypes are not full solutions though; they are ways of asking questions.
One of these attempts included building the skeleton with a dust compartment, from which they learned – against wide-spread belief – that the dust compartment shouldn't be hidden. On the contrary, making it visible would actually make users feel more fulfilled.

TEST CARRIED OUT BY
Dyson, manufacturer of vacuum cleaners

METRIC
Different for every prototype, most often it was about getting qualitative feedback

RESULTS
James Dyson can be called a visionary, but that doesn't mean he excluded users from the conversation. He prototyped everything, from the wheels to the handle, to build the perfect vacuum cleaner.

50

11. Single-feature MVP

Test your most crucial assumptions with a single feature MVP.
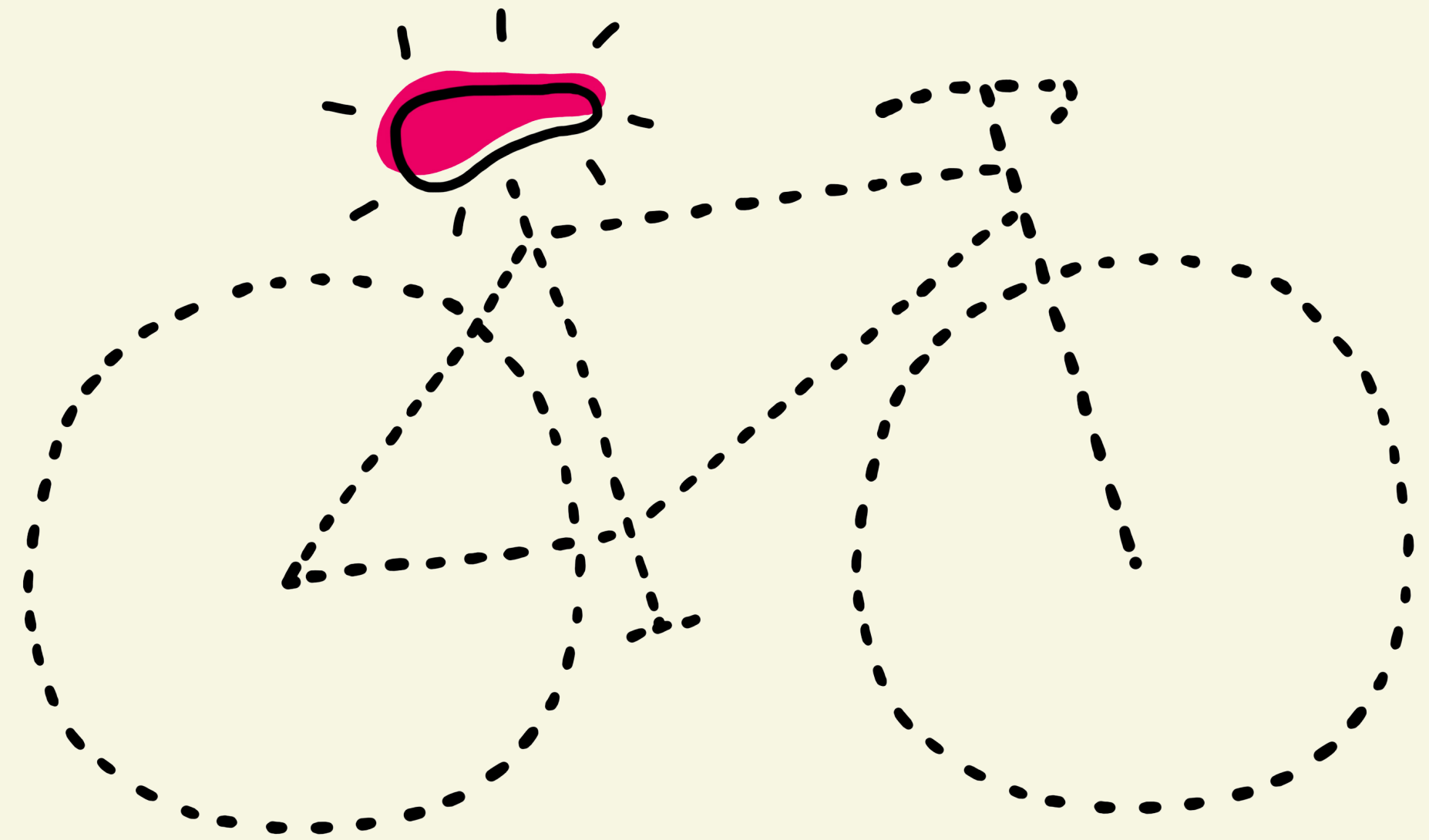
Single-feature MVP

TEST YOUR MOST CRUCIAL ASSUMPTIONS WITH A SINGLE FEATURE MVP.

Avoid mega-concepts and unclear conclusions by testing a single-feature Minimum Viable Product (MVP). Some of the most successful concepts started out with a single, simple feature - think of Google or Dropbox. A single feature MVP focuses on one aspect of a larger concept. Why doing so? To validate that one specific feature makes or breaks your concept.

Pro tip: A common next step is building a bare bones MVP (page 54).

PROS
+ simplicity
+ gives focus
+ easy to explain
+ speed

CURRENCY
Satisfaction
Engagement
Time

CONS
- need multiple tests
- adjust assumptions
- not always a signal of product-market fit

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Single-feature MVP

Swiping left or right is a feature that kickstarted Tinder in the overly crowded online dating market.

Tinder is the world's most popular app for meeting new people. A dominator for its instant success was the popular UI design feature of swiping right (like) or left (dislike), and the fact – still rather new back then – that only people who mutually liked each other could talk.

TEST CARRIED OUT BY
Your most dependable wingman Tinder.

METRIC
The stickiness of their killer feature (swiping left/right to decide)

KEY TAKEAWAY
Limit your MVP to the essentials – if your success depends on one killer feature, validate that one first.

12. Bare bones MVP

Use the tools you have to create a working prototype to test key features.
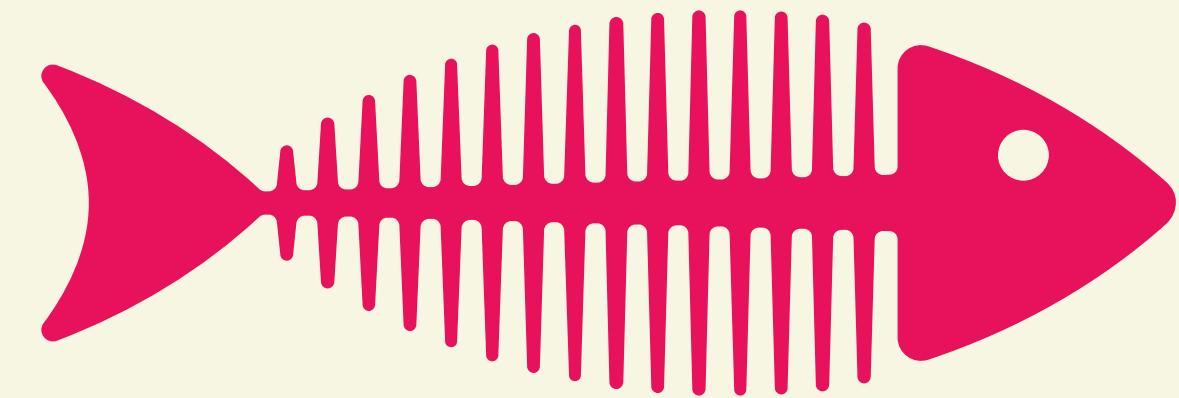
Bare bones MVP

USE THE TOOLS YOU HAVE TO CREATE A WORKING PROTOTYPE TO TEST KEY FEATURES.

A bare bones MVP allows you to test your product to potential customers and convince them to pay for it before fully building it. You can build a bare bones MVP with whichever tools available that allow you to build multiple real features and functionalities that you need validated. A bare bones MVP is suitable for software solutions and is often the next step after testing a successful single-feature MVP.

PROS
+ direct customer interactions (relationship building)
+ gain understanding
+ quick to build
+ easy to build

CONS
- Difficult to quickly build a tangible solution that can meet customer expectations

TOOLS
Bubble
Glide
Airtable

CURRENCY
Payments (early adopters)
Engagement
Time

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Bare bones MVP

Create a basic excel version to test features before investing in full development.

The concept of Psykler, a customer intelligence solution provider that help users build more effective business relationships using psychometric profiling, was first validated with a bare bones MVP prototype built using Excel spreadsheets. The prototype used macros to validate and refine key features.

TEST CARRIED OUT BY
Psykler

METRIC
Pre-sales
Early interest

KEY TAKEAWAYS
A bare-bones MVP allowed them for:
› A clear(er) estimation of real demand
› A clearer understanding of feature development
› Cash-in
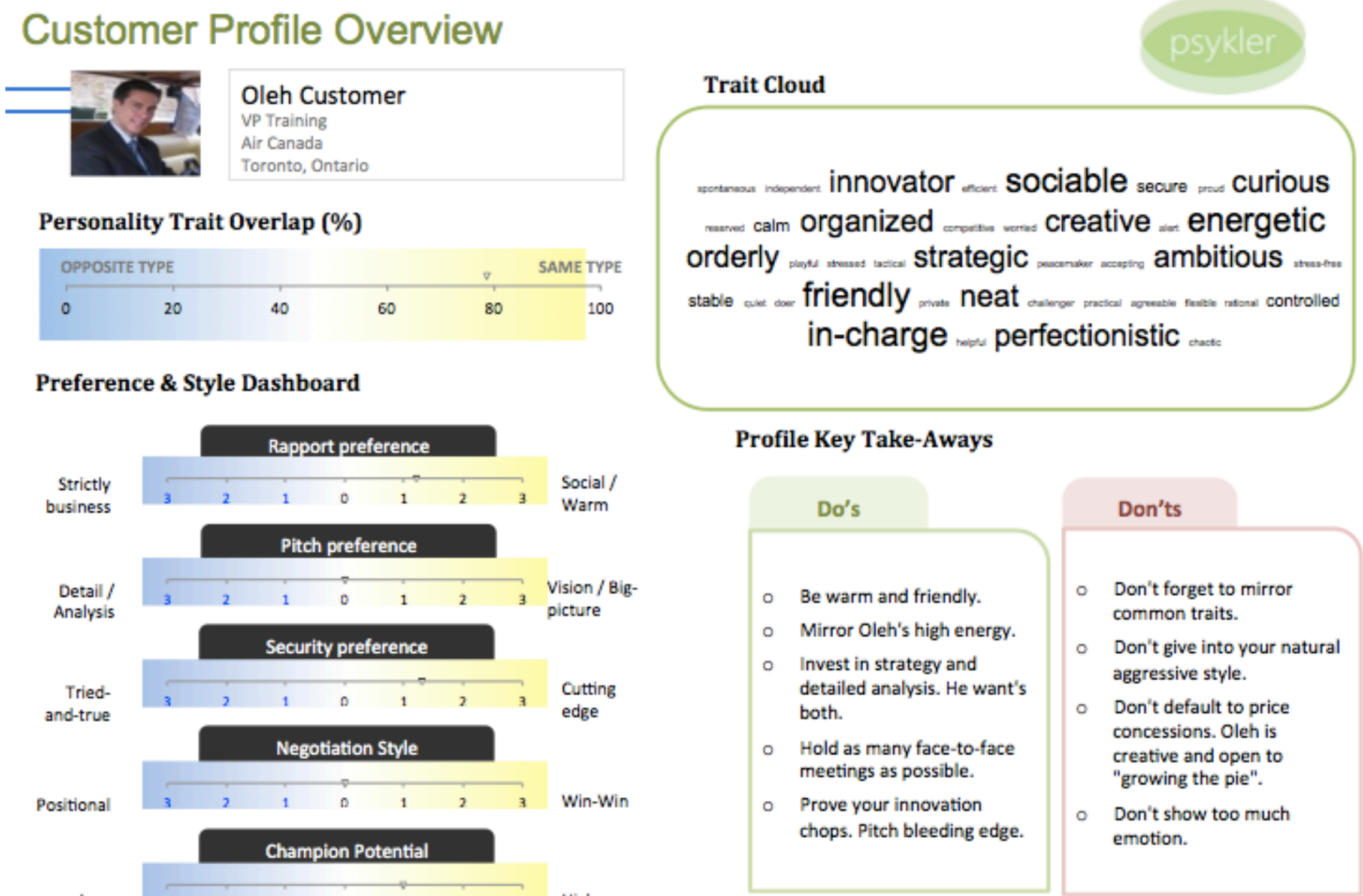
13. Product simulation

Create digital models to virtually simulate product features and make evidence-based decisions.
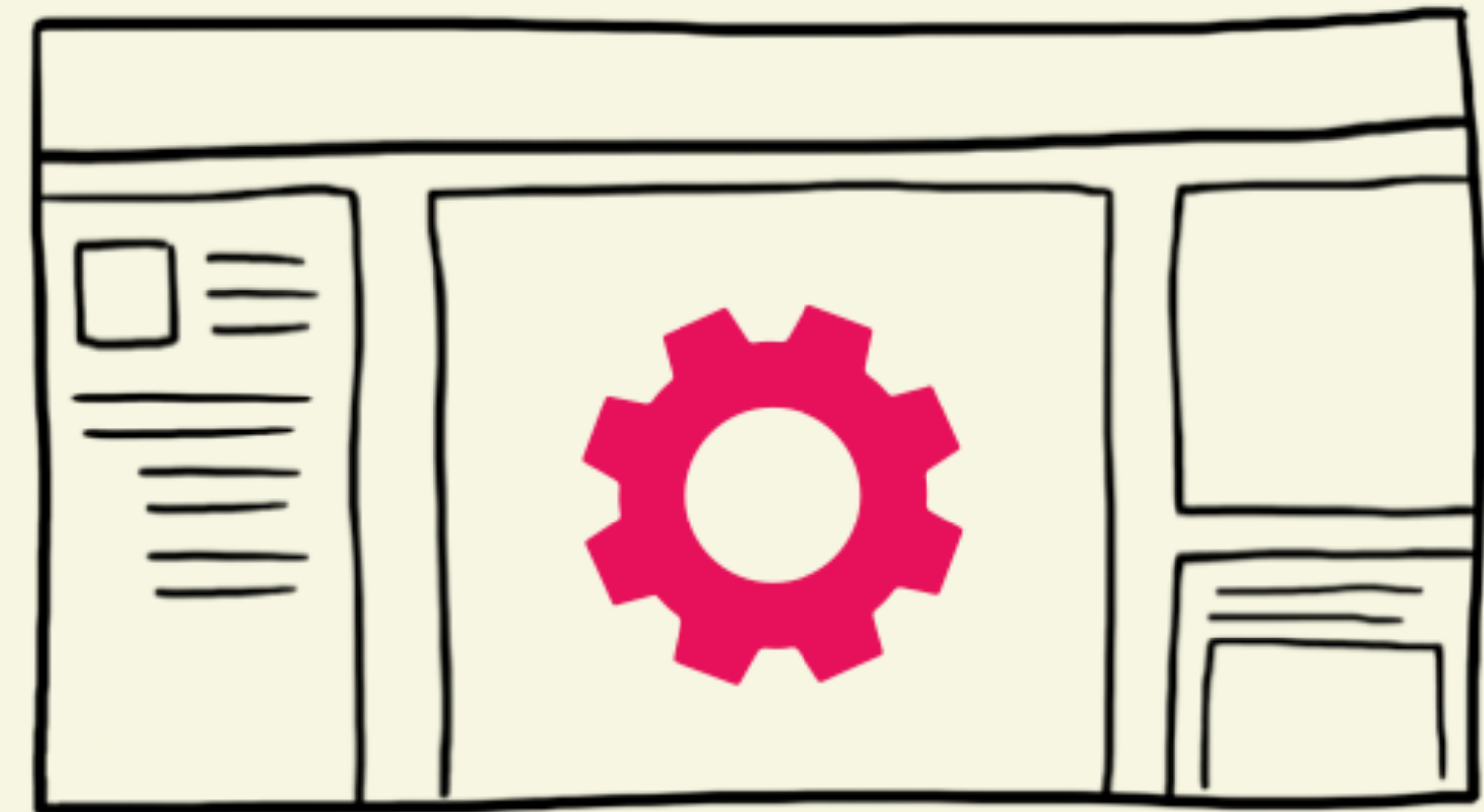
Product simulation

CREATE DIGITAL MODELS TO VIRTUALLY SIMULATE PRODUCT FEATURES AND MAKE EVIDENCE-BASED DECISIONS.

Product simulation is a powerful technique for understanding possible features and functionalities of your product before development. Software can be used for mechanical simulation, computational fluid dynamics (CFD), plastic injection molding, composite materials, structural, manufacturing simulations, and more.

Simulation enables companies to quickly evaluate new ideas and should be used early in the design process to avoid rework, lost cycle time or significant expense. Simulation tools are typically offered as standalone software, or as CAD-integrated software. Research which tools are most suited to your product.

PROS
+ good for uncertain products
+ good for complex products
+ de-risk
+ test feature capabilities

CONS
- cost of software
- technical expertise needed
- not always a signal of product-market fit

TOOLS
Bubble
AutoCAD
Solidworks
Creo, CATIA
NX CAD
… and others

CURRENCY
Attention
Pre-sales

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Product simulation

Create digital models to virtually simulate product features.

Johnson Screens is a leading brand for screens in industrial filters, water well and architecture. The company used simulation software to verify the airflow through their architectural radiator grille that would be used in a New York skyscraper. With an 18 minute virtual test, the team was able to find an accurate measure of the pressure drop and provide flow contour visualizations to their customer. The same analysis with a physical experiment would cost $7,000-$15,000 and easily takes a couple of months' time.

TEST CARRIED OUT BY
Johnson Screens

METRIC
Measures of feature capabilities
Customer agreement

KEY TAKEAWAYS
Product simulation allows for:
› Immediate feature feedback
› Evidence-based decisions

Example

14. Imposter Judo

Use a related website/product as if it were your own. Repackage an existing product.
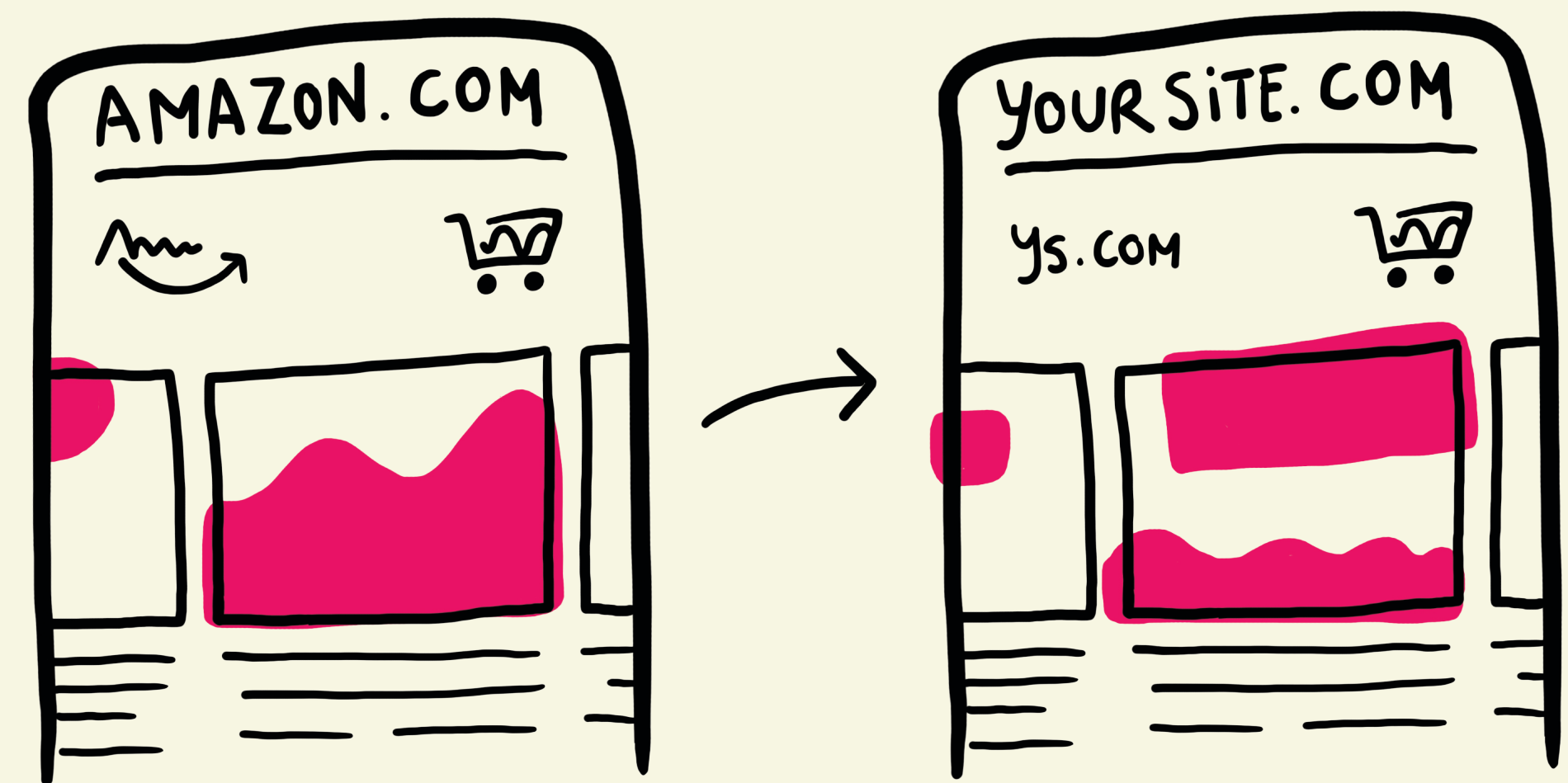
Imposter Judo

USE A RELATED WEBSITE/PRODUCT AS IF IT WERE YOUR OWN. REPACKAGE AN EXISTING PRODUCT.

Why build something if it already exists? If a similar idea already exists, you can use it as a quick and simple way to gather feedback. With Imposter Judo we leverage the 'fake it till you make it' rule. This could mean creating static screenshots or mockups of websites and removing the competitor branding or asking customers to sign-up and give you feedback on a competitors website.

PROS
+ simplicity
+ speed

CONS
- high risk for corporates

TOOLS
Use snippets of existing web pages.

CURRENCY
clicks
engagement
conversion

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

15. Concierge

In-person service for customers where they know that a human performs the task.
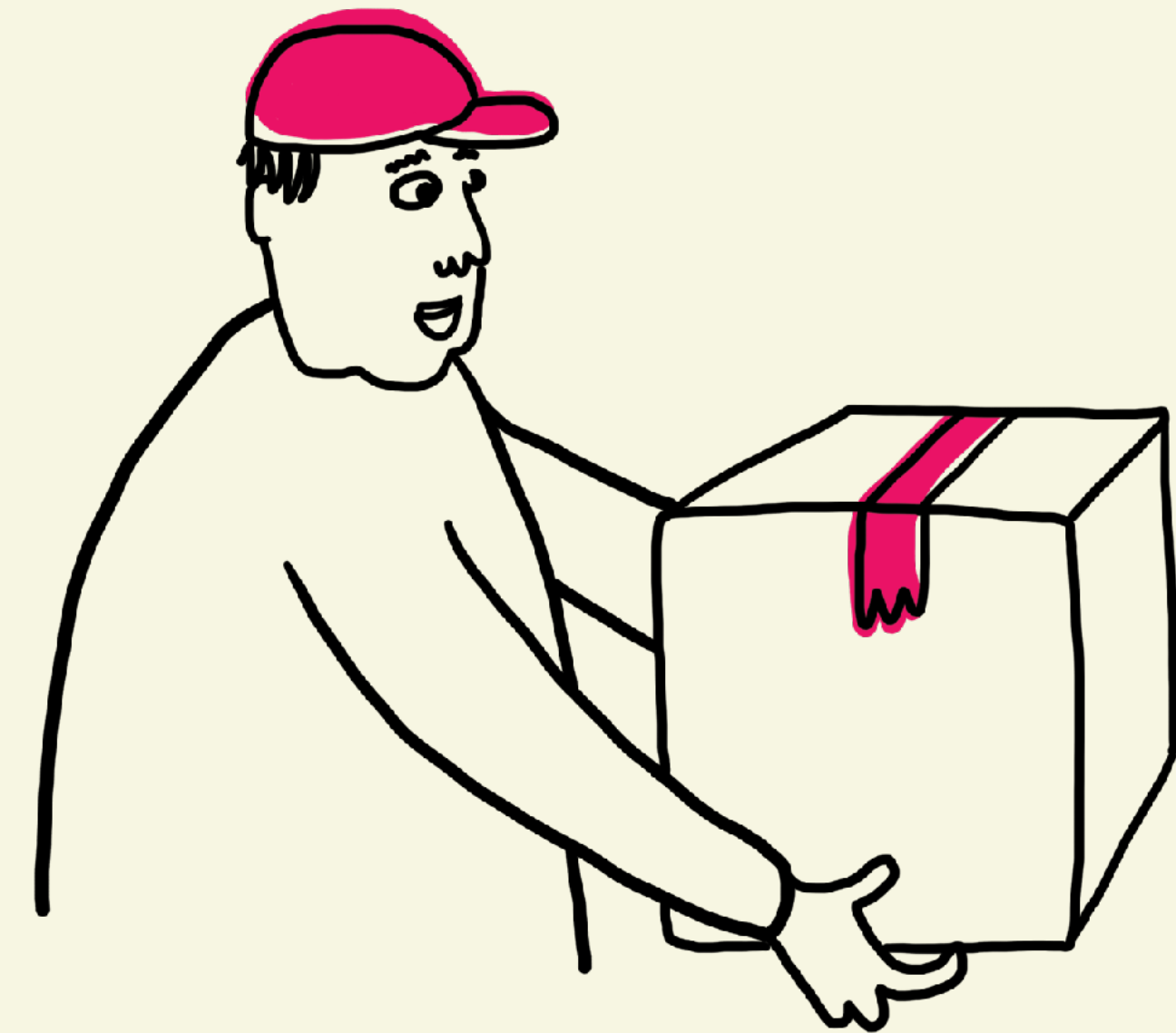
Concierge

IN-PERSON SERVICE FOR CUSTOMERS WHERE THEY KNOW THAT A HUMAN PERFORMS THE TASK.

This method involves **manually performing tasks** related to delivering the value of your offering to your customers. This MVP approach allows you to move with speed and learn in the process of delivering the intended value of your product or service. Customers are aware that a human is performing the tasks and the intent is for you to eventually derive the learnings needed to automate and optimize this process while avoiding premature and unnecessary tech.

Note: this kind of MVP usually delivers a better service than the final one. Therefore, a failed concierge MVP *invalidates* the hypothesis… but a successful concierge MVP *doesn't necessarily validate* the hypothesis.

PROS
+ direct customer interactions
+ gain understanding

CONS
- time consuming
- labour intensive

TOOLS
Manual processes

CURRENCY
Conversion rate (%)
Satisfaction
Engagement
Usage
Attention

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Concierge

Hypothesis: would women rent a dress online?

The founders behind "Rent the Runway" wanted to test their online dress rental business model. Before going online, they tested an in-person service to female college students where they could try the dress on before renting them - a much better experience than online rental. If this test wasn't successful, the online rental model would have been rejected too.

TEST CARRIED OUT BY
Jennifer Hyman & Jennifer Fleiss, founders of Rent the Runway.

METRIC
If no one rented after trying them on, they would learn that online rental was hopeless.

KEY TAKEAWAYS
The test results showed that 34% (and then 75%) of women rented, so they went on to a validating MVP, where 5% of 1000 women on their mailing list rented dresses from an emailed PDF.
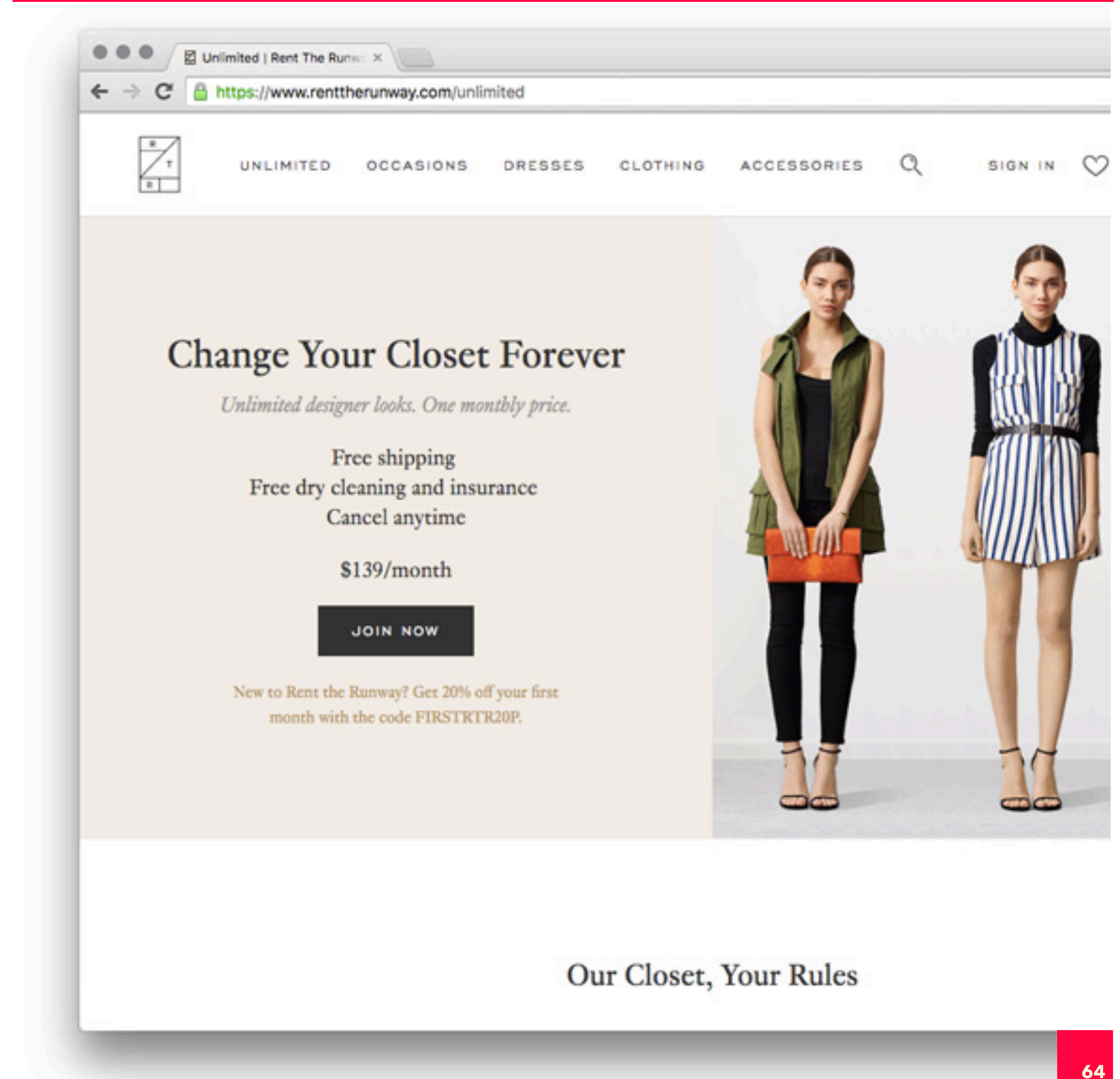
16. Wizard of Oz

Work 'behind the scenes' to deliver the service manually, without huge infrastructures (but make customers believe that the infrastructure is already in place).
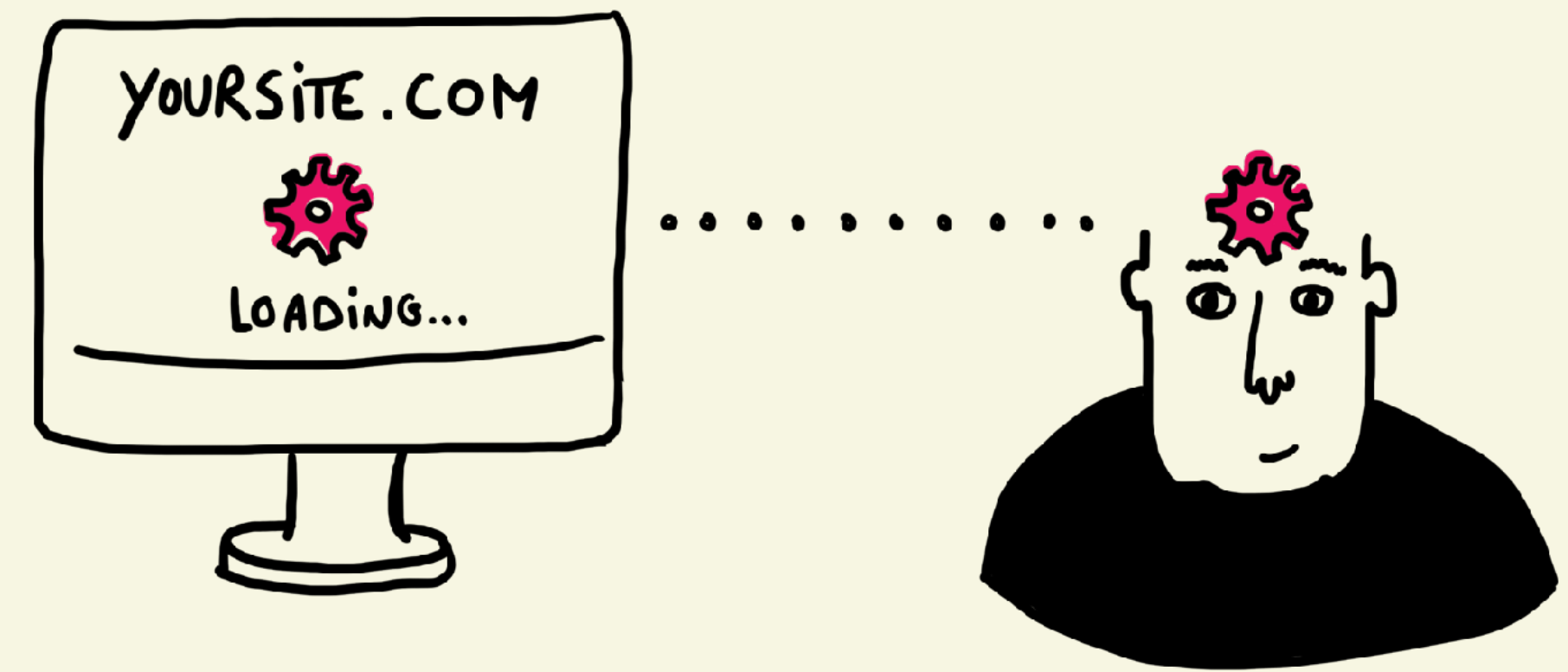
Wizard of Oz

WORK 'BEHIND THE SCENES' TO DELIVER THE SERVICE MANUALLY, WITHOUT HUGE INFRASTRUCTURES (BUT MAKE CUSTOMERS BELIEVE THAT THE INFRASTRUCTURE IS ALREADY IN PLACE).

This method involves manually performing tasks for your customers, while simulating an automated process. Customers are under the impression that they're using a finished product and are unaware of the manual mechanisms working behind the scenes to deliver value. Much like concierge, this might take much longer than automated processes first, but it allows you to move with speed with minimal development.

PROS
+ strong evidence
+ measurability
+ easy to pivot

CONS
- time consuming
- labour intensive

CURRENCY
Conversion rate (%)
Satisfaction
Engagement
Usage

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Imposter Judo

Assumption: people will buy shoes online

In the early days of <u>Zappos</u>, founder Tony Shieh wanted to quickly validate whether people would buy shoes online and be satisfied about the experience. He took pictures of shoes in local shoe stores and presented them in an online shop. When someone bought shoes from him online, he bought the shoes from the local store and mailed them to the customer.

This trick allowed Zappos to test their idea quickly and cheaply during early stages of development, before investing in their own inventory, customer-service, logistics and other operations.

TEST CARRIED OUT BY
The popular online shoe and clothing retailer Zappos.

METRIC
Number of shoes sold in their webshop. Customer reviews of their online shopping experience.

RESULTS
Zappos could validate their hypotheses and move to a more mature stage of development.

KEY TAKEAWAY
You don't need to build a call center or distribution center to test your hypotheses. Instead, keep it as simple and low-tech as possible, as Zappos did with their MVP.

17. Process simulation

Create a simulation of a process improvement and make evidence-based decisions.
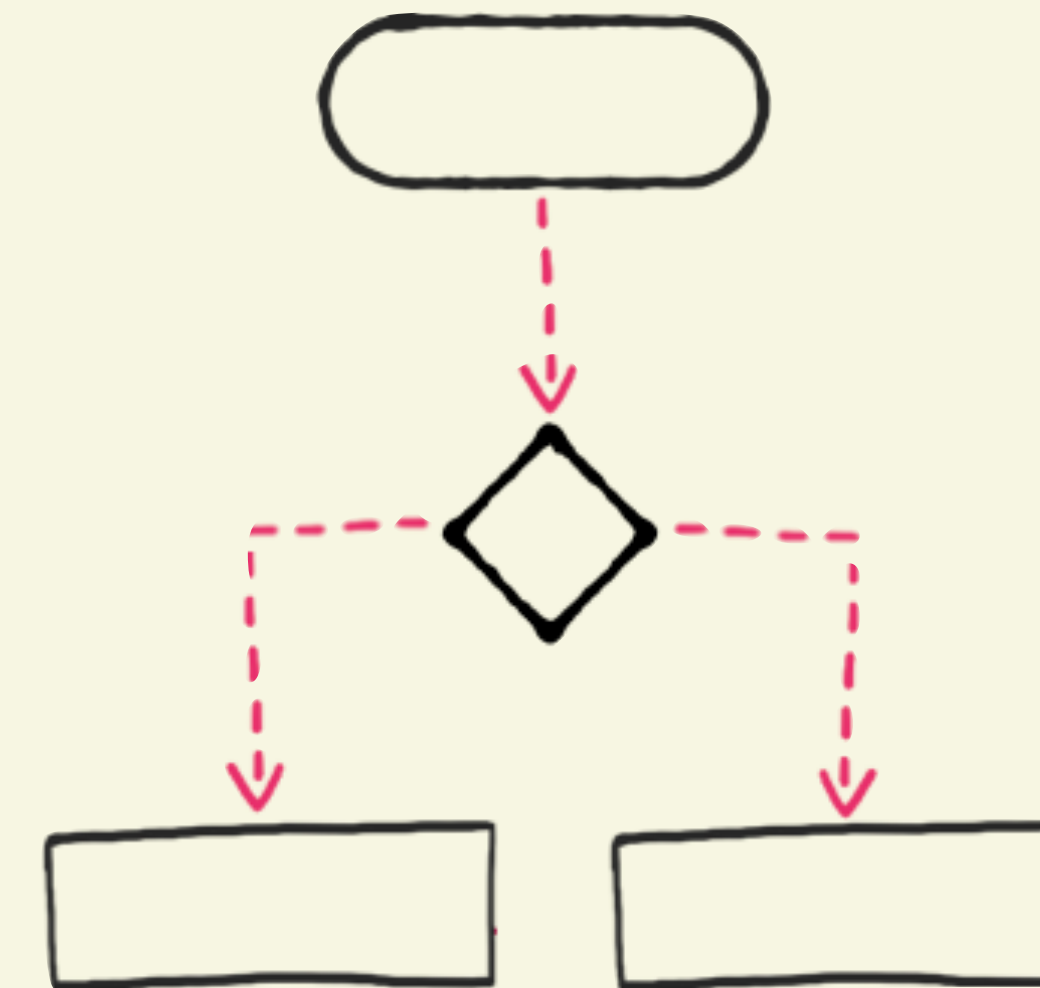
Process simulation

CREATE A SIMULATION OF A PROCESS IMPROVEMENT AND MAKE EVIDENCE-BASED DECISIONS.

Process simulation is a powerful technique for optimizing processes and making confident, evidence-based decisions. A simulation is an animated model that mimics the operation of an existing or proposed system, like the day-to-day operation of a bank, running an assembly line, or assigning staff in a hospital or call center. Simulation models can be optimized to different factors such as improved time or cost. Multiple scenarios can be built to test different ideas and their impact over a long period of time.

PROS
+ good for process improvements
+ good for complex projects
+ prove value before development
+ scenario testing
+ de-risk

CONS
- not applicable for uncertain projects
- current-state info needed to build model
- technical expertise needed
- not always a signal of product-market fit

TOOLS
Arena
Simulink
Anylogic
Miro
... and others

CURRENCY
Attention

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Process simulation

Create a simulation of a process improvement.

In order to implement a new food delivery service across a complex network of 18 inpatient units, Geisinger Health System used simulation software to test how system parameters would affect patient satisfaction levels and resource requirements. The team developed a simulation modeling and ran multiple scenarios to provide vital information and recommendations to help senior stakeholder decision making and successfully implement the system.

TEST CARRIED OUT BY
Geisinger Health System

METRIC
Patient satisfaction (service time expectation)
Resource requirements
Staff efficiency

KEY TAKEAWAYS
Process simulation allow for:
› Process optimization
› Scenario testing
› Immediate learnings
› Evidence-based decisions

Example

18. Landing page

Get out of the building (virtually) by using landing pages to test your hypotheses against user expectations and interest.
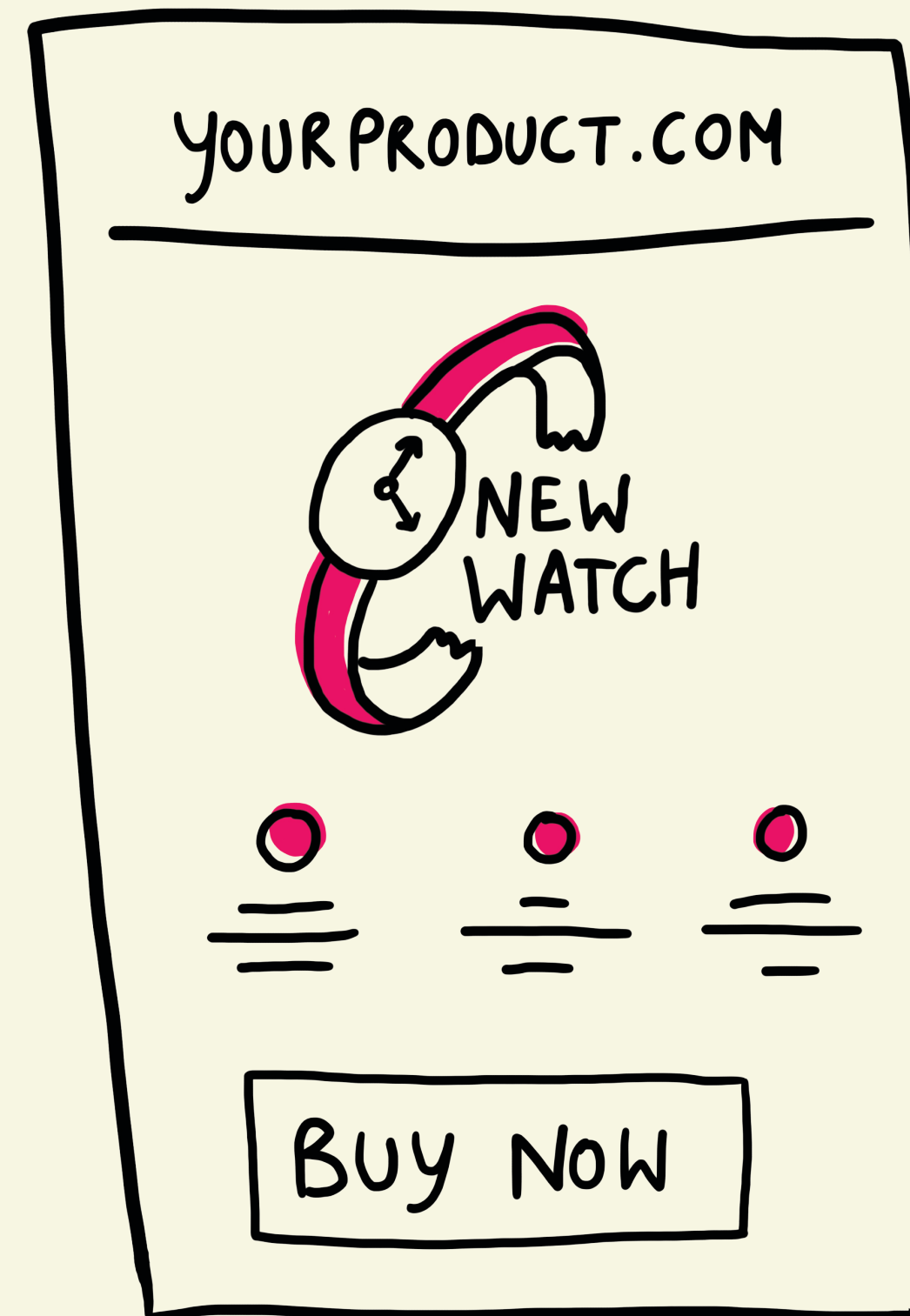
Landing page

GET OUT OF THE BUILDING (VIRTUALLY) BY USING LANDING PAGES TO TEST YOUR HYPOTHESES AGAINST USER EXPECTATIONS AND INTEREST.

After making sure that users understand your value proposition with a comprehension test, landing pages can be used as stand-alone single pages where you display your value proposition and aim to convert to a sign up via email, or a sale. Start from a hypothesis, clarify your key metric and use your call to action to test market traction for your value proposition.

Pro tip: Try smoke testing to gauge whether or not there is any serious demand for your value proposition. Add a call to action that asks the user to commit some form of value (enter zipcode, credit card info, email etc.). Based on the % of users who offer you that value, you get a rough signal of whether there is sufficient demand to build a minimal solution or if a pivot is needed.

PROS
+ focus
+ speed and simplicity

CONS
- cost
- a click is not always that meaningful

TOOLS
Umso.com (and many others) let you design landing pages fast and analyze conversion insights.
Google Optimizer lets you test and compare different landing page versions.

CURRENCY
Conversion rate (%)
Sign-ups
Payments
Clicks
Time on page

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Landing page

Assumption: there is demand for a social media management solution

Buffer is an intuitive social media management platform which is today trusted by brands, businesses, agencies and individuals to help manage social media. Before developing the actual service, and writing any line of code, the Buffer founders wondered if people actually had a desire for a product like that. To test it, they created a simple landing page, explained the product and measured interest - as simple as that.

TEST CARRIED OUT BY
Buffer, a social media management tool.

METRIC
The clicks on the product page and pricing page gave the founders an indication of the actual interest in the product and in the different pricing models.

RESULTS
The volume of traffic on the landing page gave the founders validation for the solution they had in mind. Additionally, they captured a list of contacts of high-value potential clients.

KEY TAKEAWAY
If you have an idea, don't immediately start building it but try to investigate the market interest using a prototype, an MVP or a landing page for the product, AS IF it already existed.

1 **Choose times to tweet.**
For example, 3 times a day at 9:30, 13:30 and 17:30.

2 **Add tweets to your buffer.**
Manually or with our handy browser extensions.

Plans and Pricing

3 **buffer does the rest. Relax.**
We tweet for you. Just keep that buffer topped up!

© 2010 buffer. All rights reserved.

Tweet more consistently with ⬗ buffer
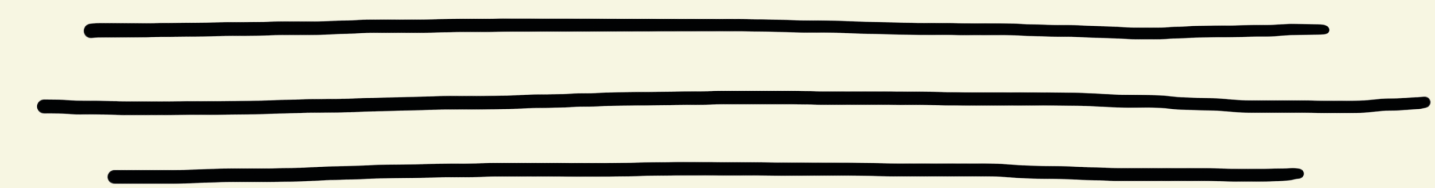
Hello! You caught us before we're ready.

We're working hard to put the finishing touches onto buffer. Things are going well and it should be ready to help you with Twitter very soon. If you'd like us to send you a reminder when we're ready, just put your email in below:

19. Explainer videos

Use explainer videos to show how a service would work.
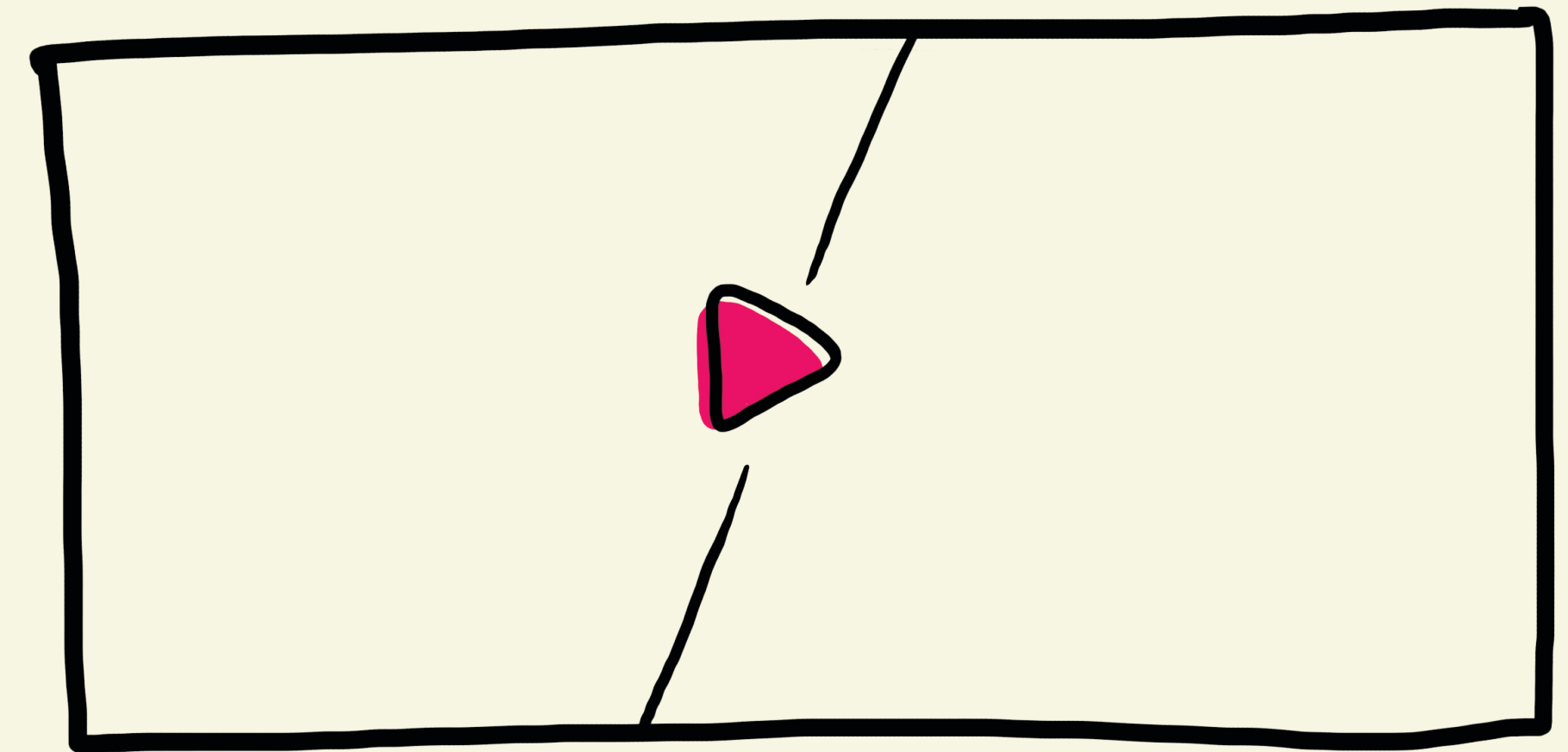
Explainer videos

USE EXPLAINER VIDEOS TO SHOW HOW A SERVICE WOULD WORK.

Create the illusion that your product is real and developed by recording and editing a 'real life' scenario involving the use of your product. This video can be displayed on your landing page to explain your offering to customers and influence them to buy or use it. Focus on your script and storyboard the key message that you want to convey. Use visuals, motion and audio to convey and strengthen the message by informing and entertaining the user with the who + what + why of your offer.

PROS
+ clarifying
+ visual
+ focused

CONS
- requires time

TOOLS
Moovly (starting 25$/month) let you create explainer videos with audio clips, whiteboard animation and your own pictures.

CURRENCY
Clicks
Attention

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Explainer videos

Hypothesis: is there demand for Dropbox?

In 2009, a relatively unknown startup called Dropbox launched this explainer video. Shortly after the video was launched, this two-minute explainer was placed on the dropbox.com homepage, where it was viewed about 30,000 times per day.

TEST CARRIED OUT BY
Dropbox

METRIC
With this video, Dropbox managed to illustrate the mechanics of the service and spark the interest of millions of potential users.

KEY TAKEAWAY
Use explainer videos to introduce the world to your service. Make use of a unique visual style, create a compelling narrative with strong metaphors, and keep it short.

Example

20. A/B Testing

A or B? Test both with a sample of users, then use the winning version.
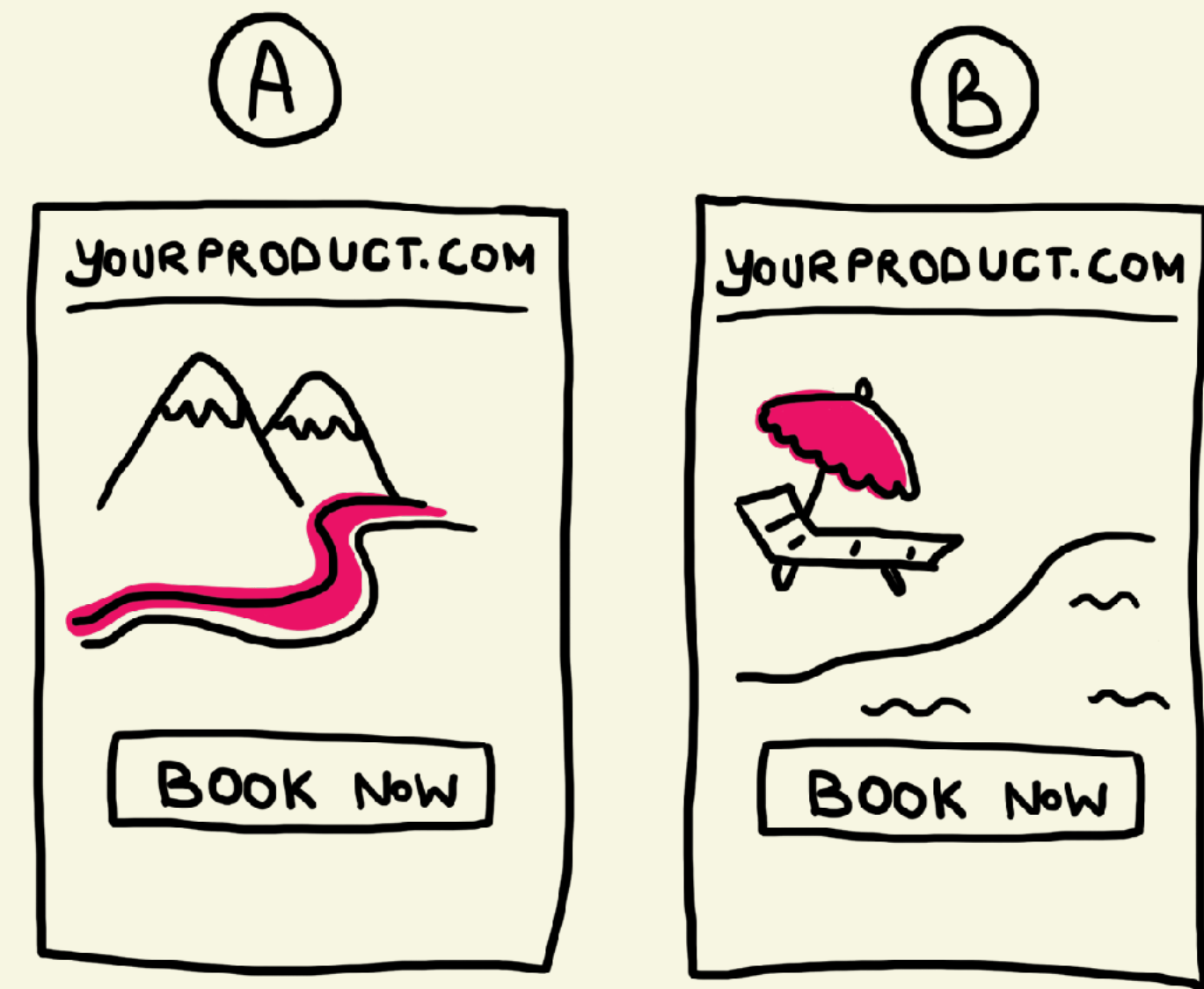
A/B Testing

A OR B? TEST BOTH WITH A SAMPLE OF USERS, THEN USE THE WINNING VERSION.

More than a specific experiment, A/B Testing is a way of working that encourages marketeers to test 2 variants (A and B) of a certain element, in order to discover which performs the best in maximising a desired outcome (e.g. purchase rate on an e-commerce platform). There are many elements that can be A/B tested: 2 different subject lines for a newsletter campaign, 2 versions of an AdWords campaign, 2 pricing schemes for a new service, 2 color schemes for a landing page, and so forth.

PROS
+ simplicity
+ measurability

CONS
- requires high amount of users

TOOLS
Hubspot (starting 200$/month) and Instapage (starting 29$/month) let you design A/B versions of newsletters and landing pages

CURRENCY
Conversion rate (%)

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

A/B Testing

Hypothesis: will 'free shipping' trigger more visitors to buy?

NuFACE is an anti-aging skin care company that wanted to boost online sales. Analytics showed visitors spending a long time on the website, browsing through a variety of products to then be reluctant to purchase. They decided to offer an extra incentive: free shipping for orders above $75.

TEST CARRIED OUT BY
NuFace, an anti-aging skin care company with an active online store.

METRIC
Sales from customers with free shipping incentive versus sales from customers without free shipping incentive.

RESULTS
The test results showed that when customers were given the free shipping incentive, orders increased by 90%. In addition to this, the company's Average Order Value (AOV) also rose by 7.32%.

Adding 'Free Shipping above $75' led to 90% increase in orders for anti-aging skincare company NuFace

21. Ad campaign (online)

Use Ad campaigns as a way to validate the market.
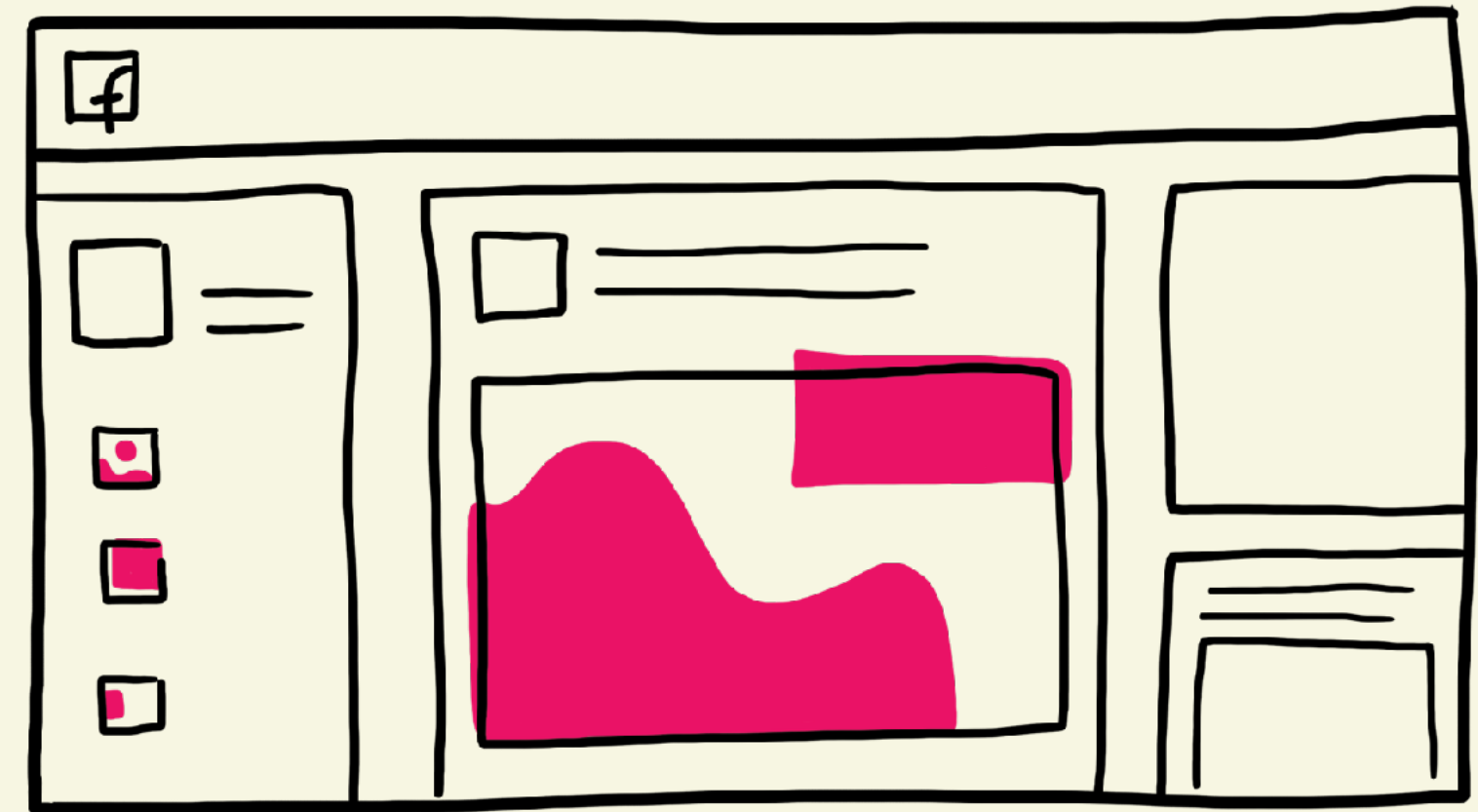
Ad campaign (online)

USE AD CAMPAIGNS AS A WAY TO VALIDATE THE MARKET.

You can use online advertising services such as Facebook, Google and LinkedIn to test your offering with the particular target customers you are trying to reach. With this low-fidelity test, you could gain insights into how much your customers are willing to pay, the market size, the cost of selling. You could also see which features or aspects of your offering is most appealing to your target customers by analysis of click-through-rates and conversions. Additionally, using paid banner ads and keywords can be used to drive traffic from the ads to your landing page. This allows for more information on what is actually compelling to your customer.

Pro tip: Ad campaigns work well with A/B testing

PROS
+ speed
+ information quality
+ good for testing features

CONS
- price
- ad and marketing skills needed

TOOLS
Facebook for Business
Google Adwords
LinkedIn

CURRENCY
Conversion rate (%)
Click-through-rate

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

81

22. Co-creation

Involve your customers early in the process and create the solution with them

Co-creation

INVOLVE A KEY CUSTOMER EARLY IN THE PROCESS FOR DEVELOPMENT

When working in B2B, a good approach is to co-create your solution with someone in your network (a partner, customer, or supplier). Co-creation for B2B solutions is an effective method for three reasons:

1. **Concentration**
   Some B2B markets consist of only a few companies. Building a strong, ongoing relationship with one company allows you to understand market needs with few interviews.

2. **Customer foresight, willingness, and knowledge**
   B2B customers have foresight into their business objectives before experiencing your product. They are often willing to help as long as it improves their business objectives. Customers are highly knowledgeable in tools and processes.

3. **Relationship-building**
   Co-creation allows for multiple stakeholders and decision-makers within a company to get involved early in the process, building support and attention for the solution.

PROS
+ direct customer interactions
+ gain understanding
+ ensure needs are met
+ effective for uncertain projects

CONS
- depends on market situation
- existing relationships are advantageous
- conversation needs to happen on a non-technical level

CURRENCY
Engagement (meetings, phone calls, involvement of other stakeholders, shared information)
Payment of co-creation effort

TARGET AUDIENCE
● B2C   ● B2B

KIND
● Evaluative   ● Generative

PERFECT TO TEST
● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

83

Co-creation

Engage key customers and/or suppliers early in the concept development process.

Valmet, a Finnish corporation dating back over 220 years, is the global leader in board and paper, pulp, energy, and automation. Board of Innovation developed and facilitated a co-creation program between Valmet and sappi, one of their key suppliers. The program stimulated innovation and shortened the product development process from a few years, to a few months. Several concepts from the program are currently being developed and refined.

TEST CARRIED OUT BY
Valmet + Sappi

METRIC
The number of concepts generated. Stakeholder engagement from both parties

KEY TAKEAWAYS
Co-creation allow for:
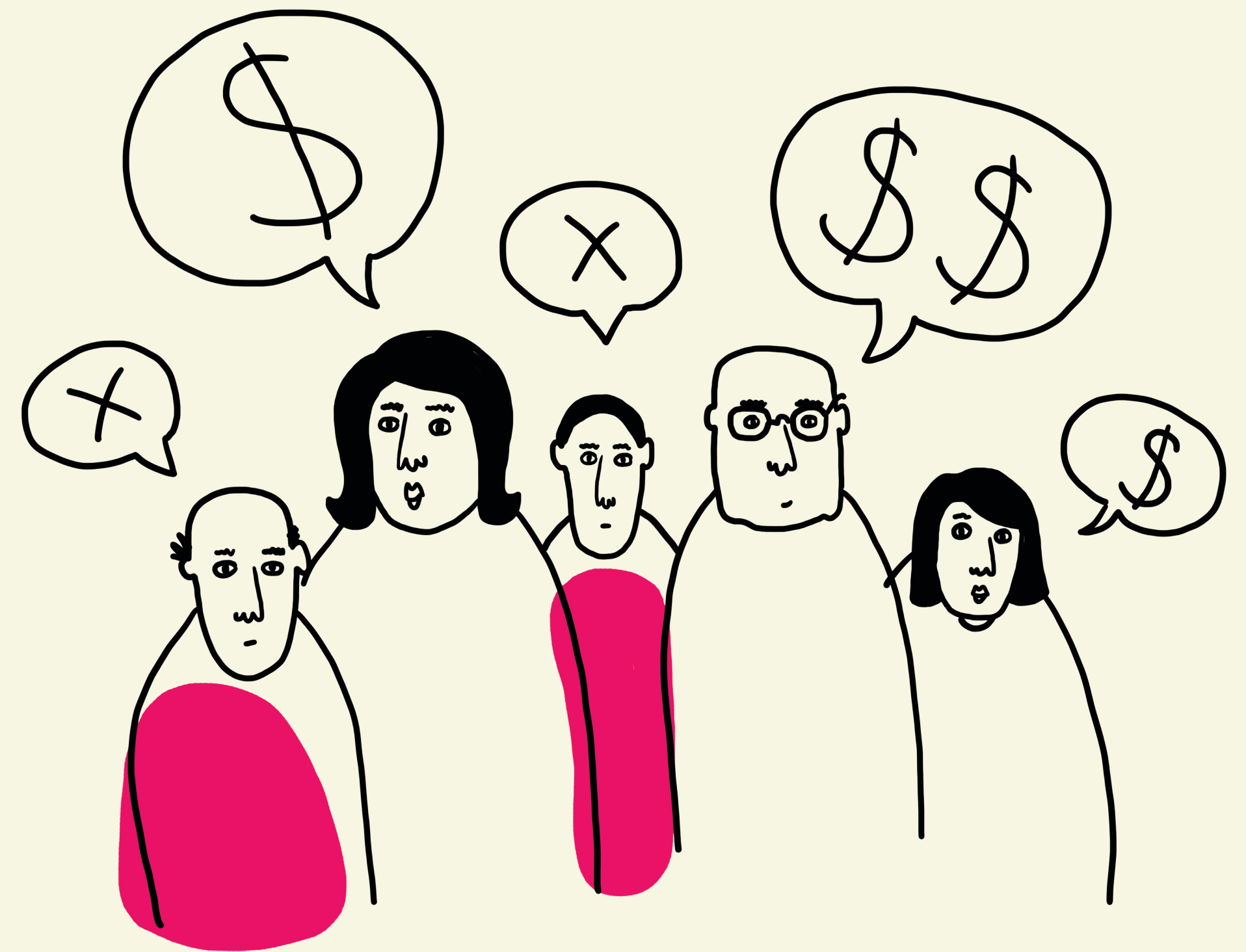› Stronger customer relationships
› Reduced risk
› Increased speed to market

23. Crowdfunding

Use crowdfunding platforms as a way to validate an idea by getting backers to put money into your concept before building it.

Crowdfunding

USE CROWDFUNDING PLATFORMS AS A WAY TO VALIDATE AN IDEA BY GETTING BACKERS TO PUT MONEY INTO YOUR CONCEPT BEFORE BUILDING IT.

Use the pre-order method of crowdfunding platforms to run your MVP test and test your hypothesis about the need for your offering and discover customer preferences. The idea is to gauge interest, secure backers and only build once there is sufficient interest by raising your target amount. They key for these campaigns is to come up with a compelling elevator pitch (usually a video + strong visuals and infographics) that will convince your target audience to buy into your idea and become a backer. Note: if it is for test purposes - carefully consider your incentives to see if the market exists naturally.

PROS
+ simplicity
+ rapid idea validation
+ generates cash
+ low risk

CONS
- Copycat risk
- hard for non-consumer products

TOOLS
Kickstarter, Indiegogo and other platforms

CURRENCY
Payment
Engagement

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Crowdfunding

Pebble Time was the fastest funded Kickstarter project.

Palo Alto-based company Pebble decided to launch its newest watch, the Pebble Time on Kickstarter. Less than 48 hours after launching, Pebble Time, officially topped the company's previous Kickstarter record. Pebble's IP has now been acquired by Fitbit.

TEST CARRIED OUT BY
Pebble Time

METRIC
The amount of money raised.

RESULTS
Pebble raised $20.3 million from over 75.000 backers, breaking records on the Kickstarter site. The first million$ was raised within 29 minutes!

WE'RE ON
KICKSTARTER

Hire our team of validators

We help innovation teams in corporates
to validate new business propositions, to prototype, and
to launch services that customers really want.

Validation as a Service

24. Pre-sales

Talk to your customers and gauge their interest by testing their willingness to pay with pre-orders.

Pre-sales

TALK TO YOUR CUSTOMERS AND GAUGE THEIR INTEREST BY TESTING THEIR WILLINGNESS TO PAY WITH PRE-ORDERS.

Pre-sales allows you to present your product to potential customers and convince them to pay for it before fully building it. You have two options in front of you: **installing a "pre-order" button on a landing page**, or **directly talking to customers**. This second option, even tough less scalable, allows for more qualitative insights by seeing customer reactions first hand - these might come in handy to form user personas at a later stage.

PROS
+ direct customer
  interactions
+ gain understanding

CURRENCY
Payment

CONS
+ time consuming
+ labour intensive

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Pre-sales

Launch a pre-order page before kicking off production.

Oculus VR, the American VR technology company, often launches pre-order pages for its products before kicking off production. While preordering you exactly know how much the product costs and on which date it will be shipped. They offered pre-orders for Oculus Rift, Oculus Touch, Oculus Go, etc.

TEST CARRIED OUT BY
Oculus VR

METRIC
The number of pre-orders registered.

KEY TAKEAWAYS
Pre-orders allow for:
› Clearer estimation of real demand
› Better estimation of production targets
› Cash-in

› Marketing advantages - sense of community and exclusivity for the early adopters

Example

Pre-order begins Jan 06

47:18:35

HRS   MIN   SEC

91

25. Letter of intent

Test your hypotheses by asking prospects to sign a non-binding letter of intent to pay for your solution.

Letter of intent

TEST YOUR HYPOTHESES BY ASKING PROSPECTS TO SIGN A NON-BINDING LETTER OF INTENT TO PAY FOR YOUR SOLUTION.

Letters of Intent can be used to validate your assumptions about your product by asking customers for currency and note explicitly what they are willing to give in return for your value proposition. People who clearly have the pain and currently use work arounds will more likely sign a letter of intent.

PROS
+ simplicity
+ speed
+ straightforward
+ explanatory

CONS
- weak validation
- non-binding

CURRENCY
Signature
Time

TARGET AUDIENCE

● B2C   ● B2B

KIND

● Evaluative   ● Generative

PERFECT TO TEST

● Problem   ● Solution   ● Features   ● Biz Model   ● Pricing

Experiment, then what?

Our team of innovators help corporates validate new business propositions, to ensure the creation of viable, feasible and desirable services.

Validation as a Service

board of innovation

We make corporations innovate like startups, mixing proven methods from Design Thinking and Lean Startup.

WWW.BOARDOFINNOVATION.COM

Some of the clients with whom we are proud to work

ING

Roche

KLM

Volkswagen

EUROPEAN COMMISION

pro⅍imus

PHILIPS

adidas

P&G

ENGIE

This guide was brought to you by

Tarryn Leigh Lewis
Innovation Consultant

Lennert Decuypere
Innovation Consultant

Lauranne Debbaudt
Innovation Researcher

Giorgio Orsucci
Innovation Researcher

This is the end

(you're officially awesome)

discover more free guides

board of innovation