

< x x x x

< x x x

PROTOTYPING FOR GROWTH

Prototype Primer | FEI CONFERENCE | MAY 9TH 2017





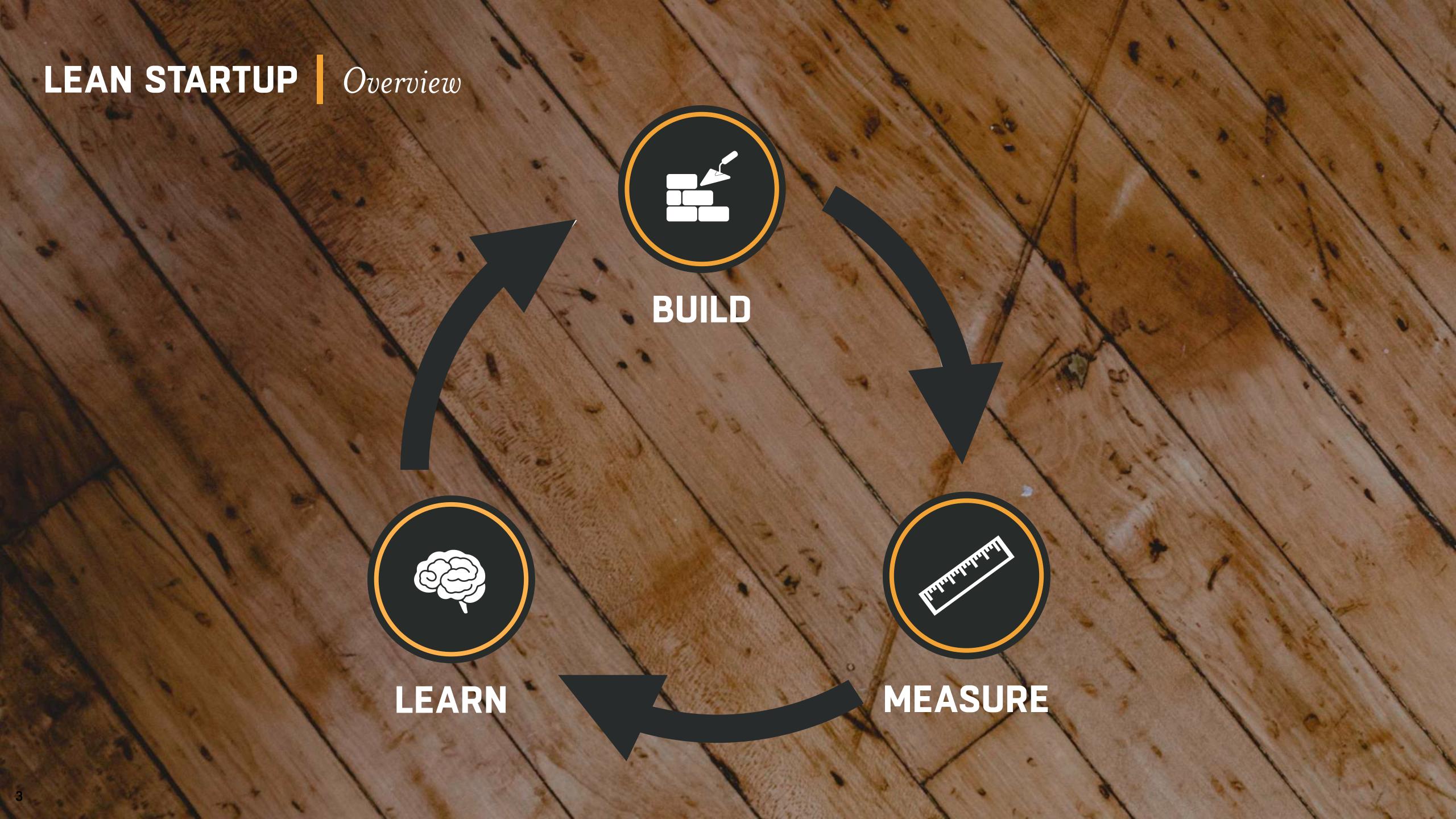
OBJECTIVES What we'll cover







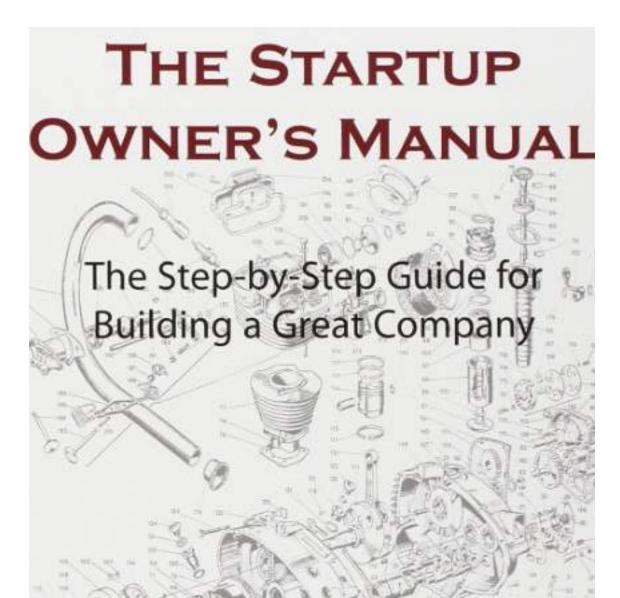




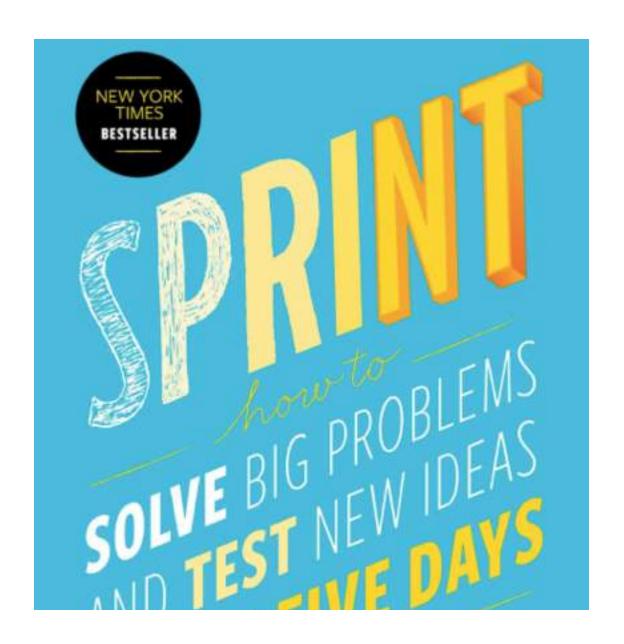
OTHER RESOURCES











...& Countless Others!



A Minimum viable product is that version of a new product that allows a team to collect the maximum amount of validated learning about customers with the least effort.

ERIC RIES















QUESTION

TEST

Will women rent designer dresses for 1/10 the price?



QUESTION

Will women rent dresses they cannot try on?



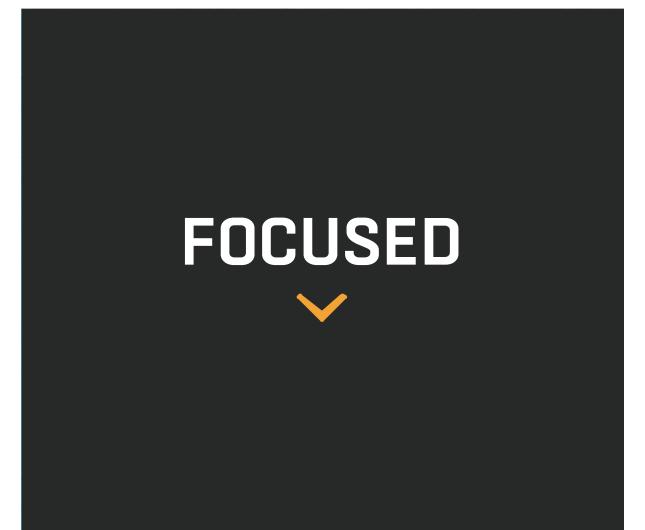
THIRD PROTOTYPE **TEST**

QUESTION

Will women rent dresses they physically cannot see?

PROTOTYPE | Characteristics

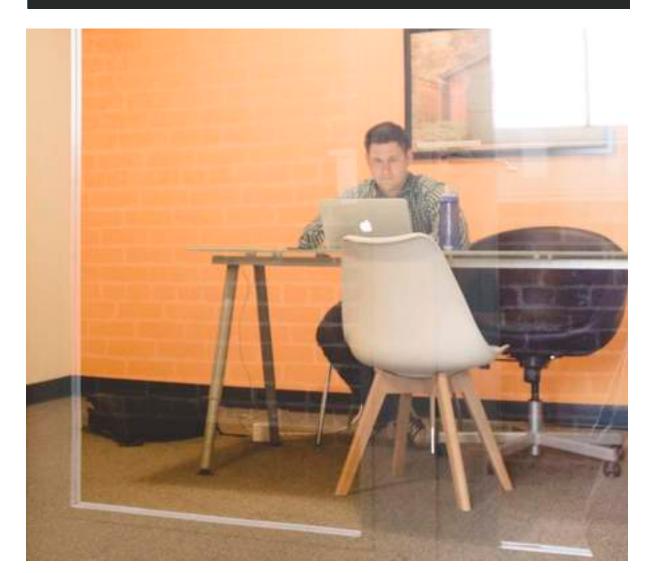












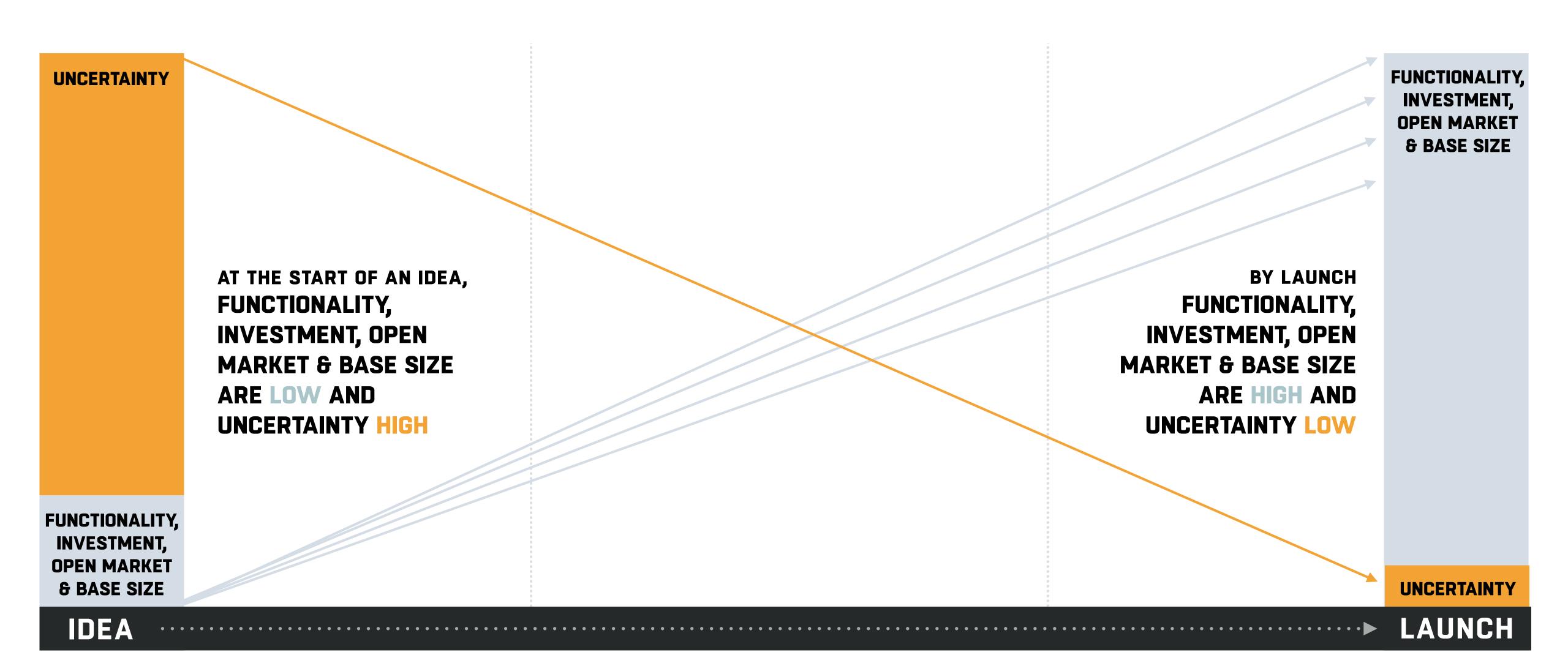




BEHAVIORAL

PROTOTYPE Lifecycle





PROTOTYPE Benefits











PROTOTYPE

Steps to Build & Measure your Prototype

- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize
- Build your prototype around the leap-of-faith assumption
- 4 Define Success
- Get the prototype out!





PROTOTYPE

Steps to Build & Measure your Prototype



Capture your ideas on a business model canvas

STEP 1 Business Model Canvas

PROBLEM	SOLUTION KEY METRICS	UNIQUE VALUE PROPOSITION		·	
EXISTING ALTERNATIVES					EARLY ADOPTERS
COST STRUCTURE			REVENUES	TREAMS	





PROTOTYPE

Steps to Build & Measure your Prototype

- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize



A leap-of-faith assumption is the riskiest element of a startup's plan, the part on which everything depends.

ERIC RIES

STEP 1 Business Model Canvas

PROBLEM	SOLUTION KEY METRICS	UNIQUE VALUE PROPOSITION		·	
EXISTING ALTERNATIVES					EARLY ADOPTERS
COST STRUCTURE			REVENUES	TREAMS	

STEP 2 | Assumptions Template



PROBLEM	EXISTING ALTERNATIVES	SOLUTION	UNIQUE VALUE PROPOSITION	UNFAIR ADVANTAGE	CHANNELS	CUSTOMER SEGMENTS	REVENUE STREAMS	COST STRUCTURE

STEP 2 Generate Assumptions



PROBLEM	EXISTING ALTERNATIVES	SOLUTION	UNIQUE VALUE PROPOSITION	UNFAIR ADVANTAGE	CHANNELS	CUSTOMER SEGMENTS	REVENUE STREAMS	COST STRUCTURE
Consumers are frustrated with xyz	Consumers are not satisfied with current offerings	Our solution will meet the consumer need	We will be able to patent our idea	We will be able to deliver differentiated value even if competition responds	We will garner enough support from retail partners	The consumers we are targeting are the right ones	We have a clear path to significant revenue	We will be able to keep costs at the level needed to bring value to consumers
Consumers are willing to pay to solve their current tension (a premium?)	There isn't an offering that can meet the consumer need	We will be able to solve any technical challenges	We provide value in a new and different way for consumers		will accept how we	We can efficiently target consumers and turn them into users	scale our solution	cutherant
Consumers are willing to change their behavior to solve their tensions		partnerships	Our value proposition is in line with our brand's equity		We will be able to effectively able to reach our consumers		We will garner enough investments from investors to be successful	

STEP 2 Rent the Runway Assumptions



PROBLEM	EXISTING ALTERNATIVES	SOLUTION/UNIQUI	E VALUE PROP	UNFAIR ADVANTAGE	CHANNELS	CUSTOMER SEGMENTS	REVENUE STREAMS	COST STRUCTURE
Everyday consumers have a desire to wear designer dressers	Consumers are frustrated with the borrowing process from friends		We can provide enough quantity in each dress to meet demand	. /////////////////////////////////////	Gonsumers are willing to rent a dress they cannot try on	Women who want to wear designer dresses have specific occasions in mind to wear them	Consumers will rent 3–4x a year	Designers will give wholesale pricing on an on-going basis
Consumers don't want to pay to wear designer dresses	Consumers wish they could afford more than one designer dress	Consumers are satisfied with the available inventory	The inventory we have reflects consumer tastes	Big Box retailers don't have the capability to do this today	Gonsumers are willing to rent a dress they cannot see		Consumers will encourage their friends to rent	Dresses can be worn 10–15 times before wearing out
Most women want to have a new look when they attend a wedding/formal occasion		4–8 days is a sufficient rental period	Consumers are okay wearing dresses that are rented		We can showcase inventory in a clear manner on a website			We can negotiate pricing on dry cleaning and shipping to reduce cost
Consumers don't like re-wearing their own dresses		Consumers will return the dress with minimal damage	There isn't shame in wearing a rented dress		We can accurately portray what the dress looks like on a web site			

PRIORITIZE ASSUMPTION(S) THAT:

You're not willing to bet your salary on and will make the idea a "no-go" if proven wrong.

STEP 2 Rent the Runway Assumptions



PROBLEM	EXISTING ALTERNATIVES	SOLUTION/UNIQUI	E VALUE PROP	UNFAIR ADVANTAGE	CHANNELS	CUSTOMER SEGMENTS	REVENUE STREAMS	COST STRUCTURE
Everyday consumers have a desire to wear designer dressers	Consumers are frustrated with the borrowing process from friends	I / I I) Th <i>o i</i> ntico to I	We can provide enough quantity in each dress to meet demand	Designers will want to partner with RTR	Consumers are willing to rent a dress they cannot try on	Women who want to wear designer dresses have specific occasions in mind to wear them	Consumers will rent 3–4x a year	Designers will give wholesale pricing on an on-going basis
Consumers don't want to pay to wear designer dresses	Consumers wish they could afford more than one designer dress	Consumers are satisfied with the available inventory	The inventory we have reflects consumer tastes	Big Box retailers don't have the capability to do this today	Consumers are willing to rent a dress they cannot see		Gonsumers will encourage their friends to rent	Dresses can be worn 10–15 times before wearing out
Most women want to have a new look when they attend a wedding/formal occasion		4–8 days is a sufficient rental period	Consumers are okay wearing dresses that are rented		We can showcase inventory in a clear manner on a website			We can negotiate pricing on dry cleaning and shipping to reduce cost
Consumers don't like re-wearing their own dresses		Consumers will return the dress with minimal damage	There isn't shame in wearing a rented dress		We can accurately portray what the dress looks like on a web site			





PROTOTYPE

Steps to Build & Measure your Prototype

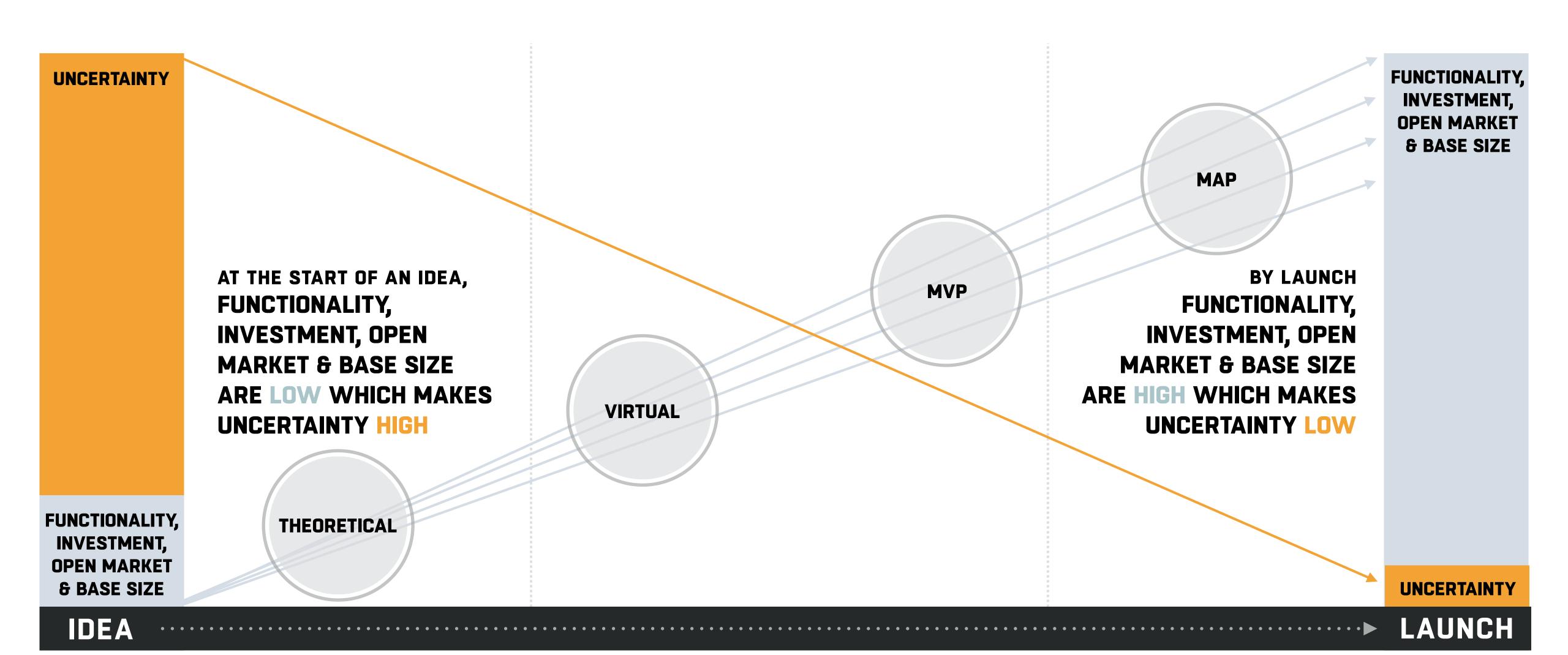
- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize
- Build your prototype around the leap-of-faith assumption

WASTE ZERO EFFORT

Don't build something that's not centered around your critical assumption.

PROTOTYPE Lifecycle







X

THEORETICAL PROTOTYPES

Expresses your idea as a well-structured mental image in which you outline the general shape of the solution, but not the specifics. No functionality. Includes concepts, FB ads, mockups and landing pages.



STEP 3 Build a prototype



X

VIRTUAL PROTOTYPES

"Pretend-o-types" that are faking it in a way that feels realistic. Has limited functionality. Includes click-through Powerpoints, more functional web pages, explainer videos, wizard of Oz and Concierge MVPs and crowdfunding.





X

MINIMUM VIABLE PROTOTYPES

The minimum feature set required to work as a standalone product while still solving a core problem. Includes same as Virtual but with more functionality.

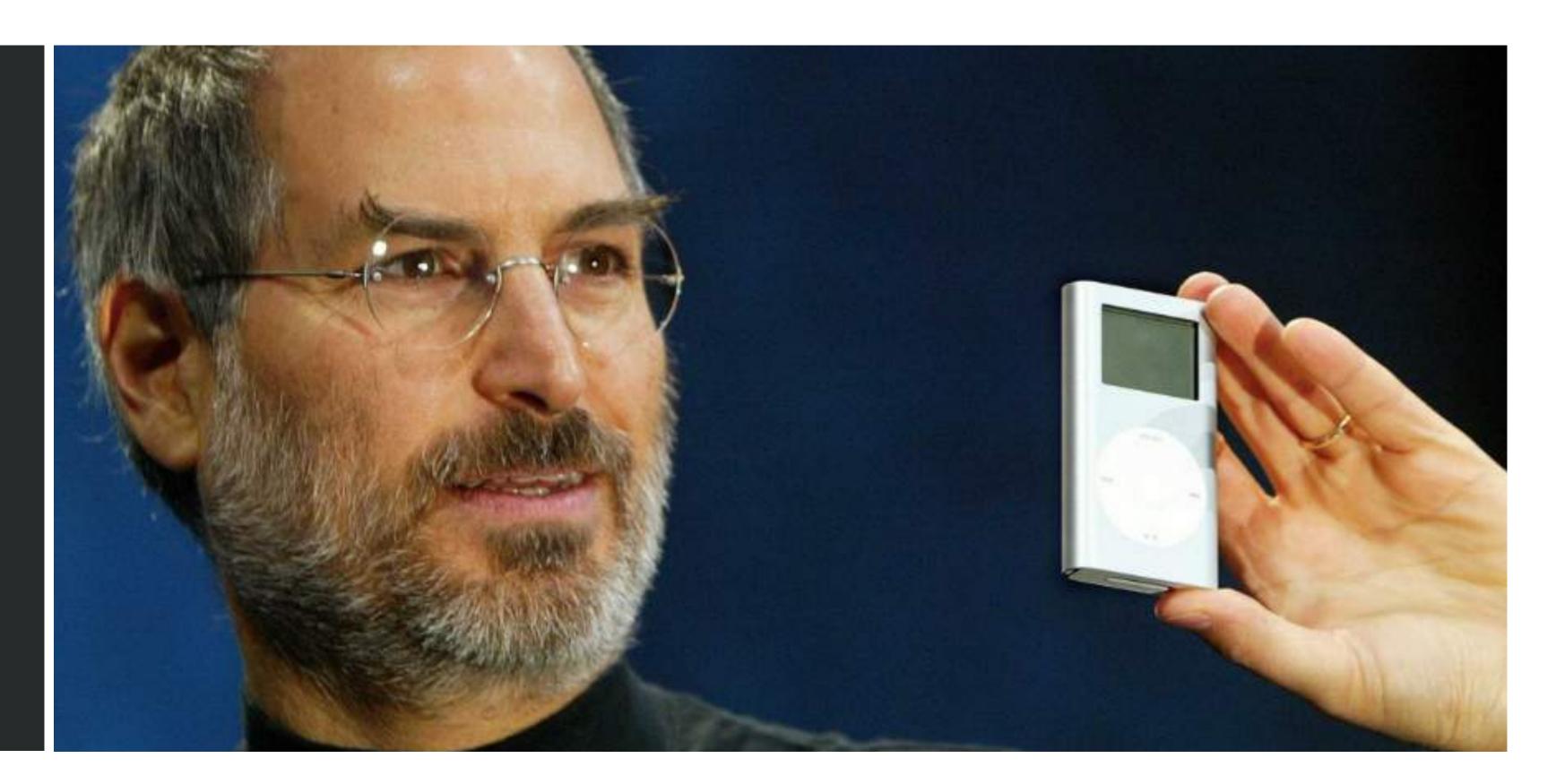




X

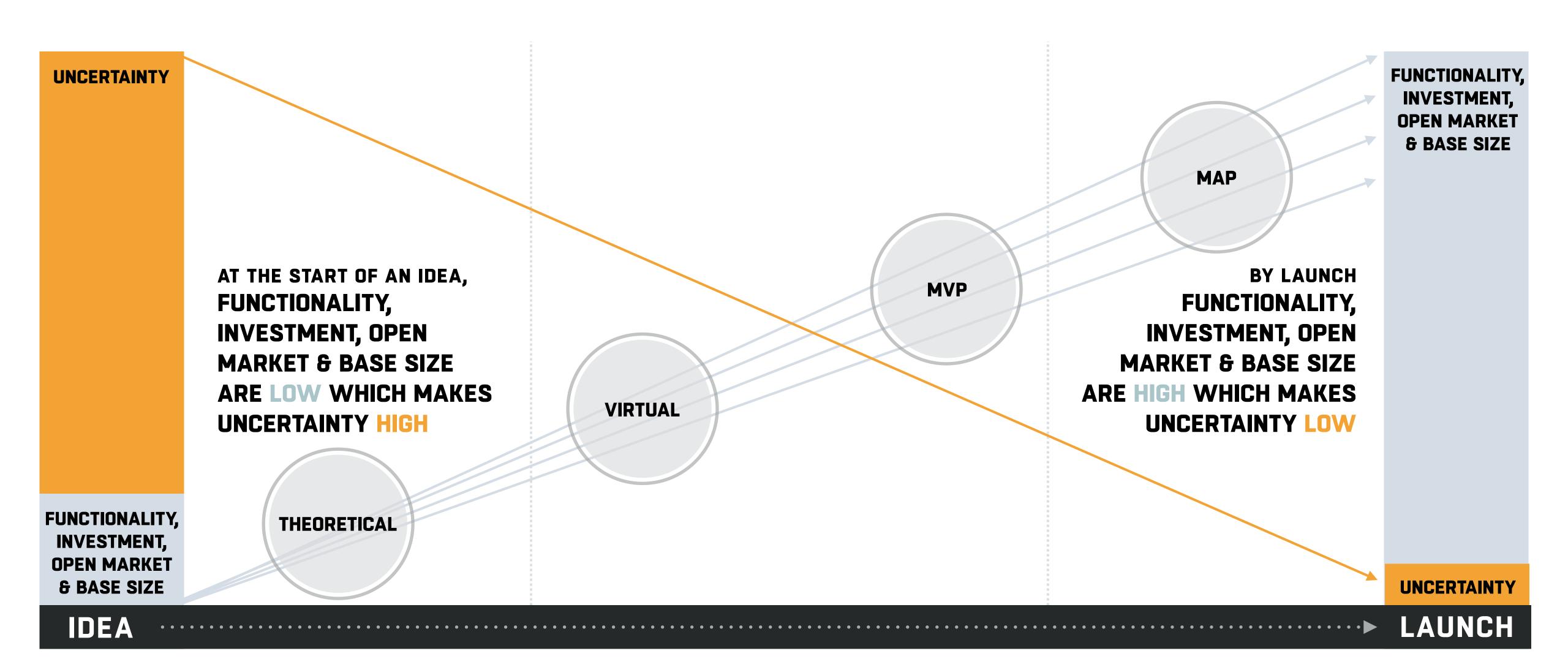
MINIMUM AWESOME PRODUCTS

Delivering a solution that is extraordinary on the most important dimension that it inspires positive emotion in your customers.



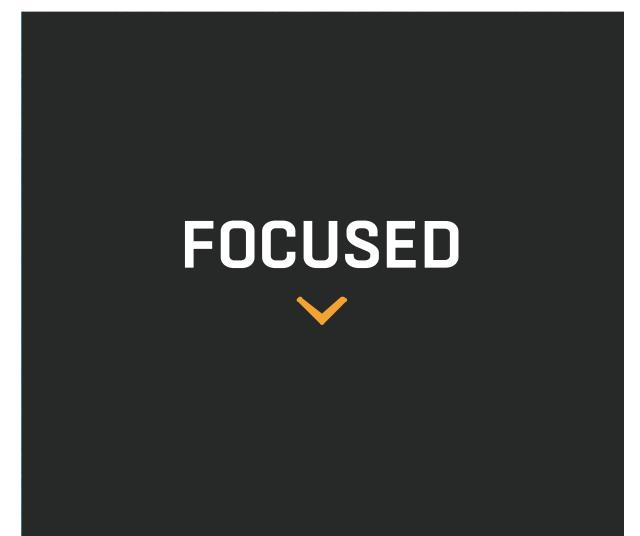
PROTOTYPE Lifecycle



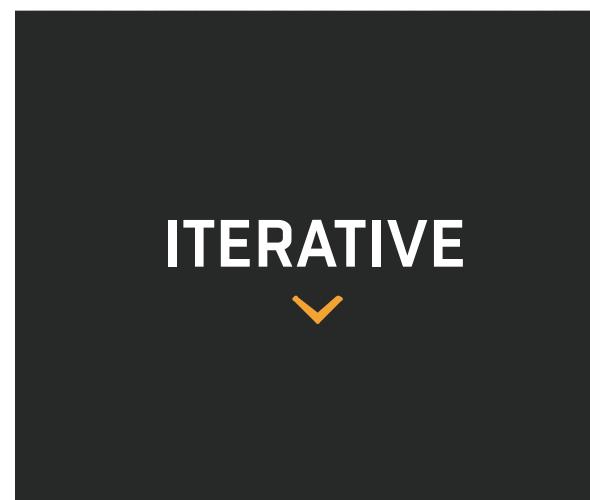


PROTOTYPE | Which prototype should you build?

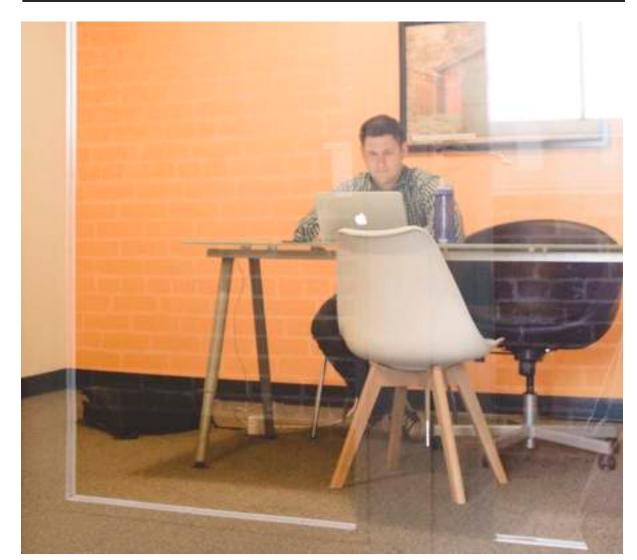






















PROTOTYPE

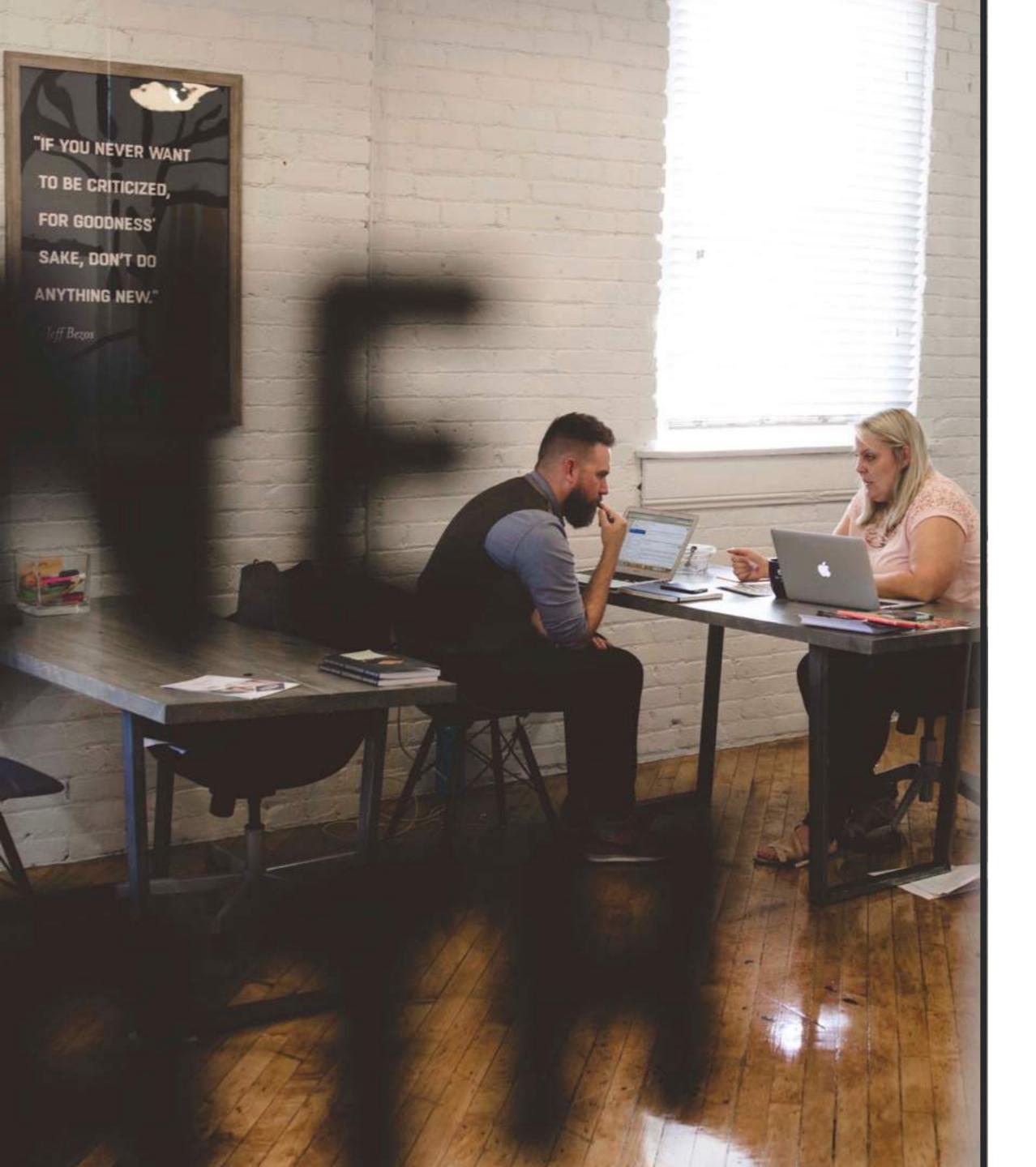
Steps to Build & Measure your Prototype

- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize
- Build your prototype around the leap-of-faith assumption
- 4 Define Success



The purpose of analytics is to find your way to the right product and market before the money runs out.

CROLL & YOSKOVITZ, LEAN ANALYTICS





ESTABLISH SUCCESS CRITERIA

Good metrics

- · Comparative
- · Understandable
- · A Ratio or Rate
- · Changes Behavior
- · Appropriate for the Right Stage
- · Includes Quantitative and Qualitative

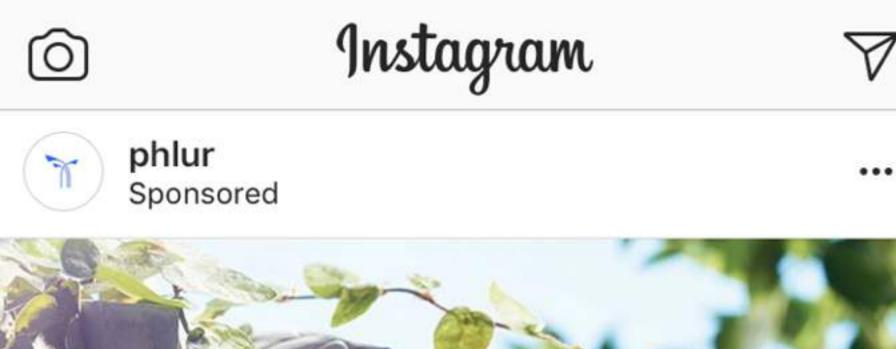




PROTOTYPE

Steps to Build & Measure your Prototype

- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize
- Build your prototype around the leap-of-faith assumption
- 4 Define Success
- Get the prototype out!





Shop Now



439 likes





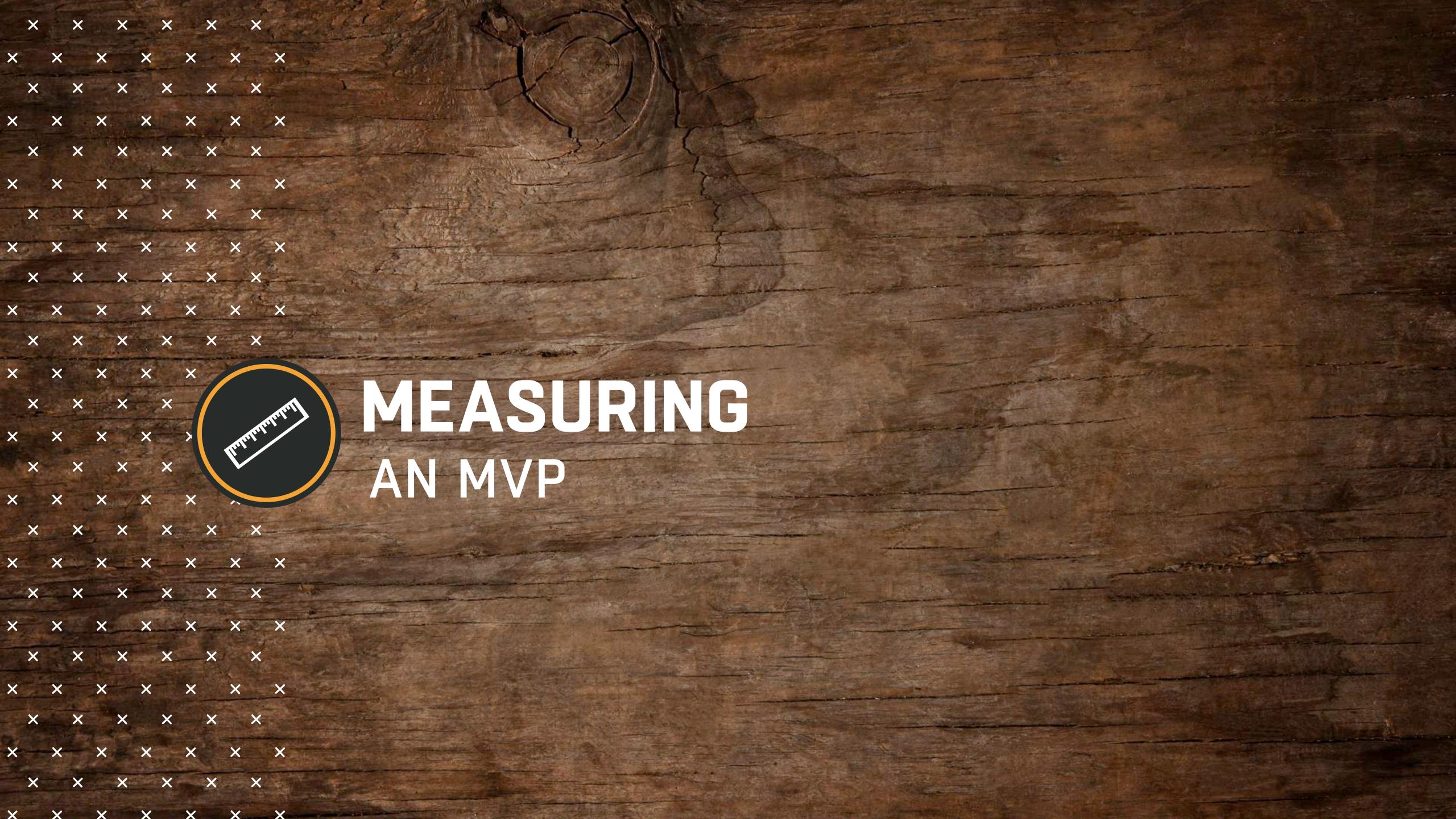




PROTOTYPE

Ways to get your prototype out!

- · LinkedIN Groups, Search
- · Facebook Fan pages, Personal Network, Ads
- · Twitter Hashtags, Personal Followers, Ads
- · E-mail
- · Meetup.com Local Groups
- · Blogs Post on sites like Reddit
- · Forums Message Users, Post Discussions
- Crowdfunding
- · IRL Native environments, Conferences
- · Existing User Base
- Craigslist Relevant Postings, Personal Posting
- · Google Ad Words
- · Newsletters Find Newsletters, Personal Newsletters
- · Youtube Find Channel Owners, Start a Channel, Ads



STEP 4 Capture your Testing Plan

•	

BIG IDEA	PROTOTYPE TYPE & DESCRIPTION	MEASURING SUCCESS
KEY ASSUMPTIONS	METHOD OF TESTING	OTHER LEARNING OBJECTIVES





PROTOTYPING PLAN

Essential Team Roles



DESIGNER

Content creator, manages updates



ANALYST

Establishing success metrics, measuring results



EXPLORER

Exploring qualitatively the "Why" behind results



CEO

Guiding the learning plan, recommendation to the business



LEARNING FROM AN MVP

STEP 5 Capture Learning





OBSERVATIONS	OVERALL REACTIONS TO PROTOTYPE	PROVE/DISPROVE ASSUMPTION? WHY?
Include compensatory behaviors, how they're solving the painpoint today, why their current solutions work/don't		
work		RECOMMENDATION
	WHAT'S WORKING	
	WHAT'S NOT WORKING	

STEP 5 Capture Learning





DOUBLE DOWN

Continue moving forward with your idea. Further expand the prototype and testing of assumptions.



CONTINUE EXPLORING

Positive signs but still significant risk and uncertainty.



RE-VECTOR

Current path not viable but still some positive signs.

Consider new path.



SHELVE

Disproved a core assumption. No clear path forward.





OBJECTIVES What we'll cover

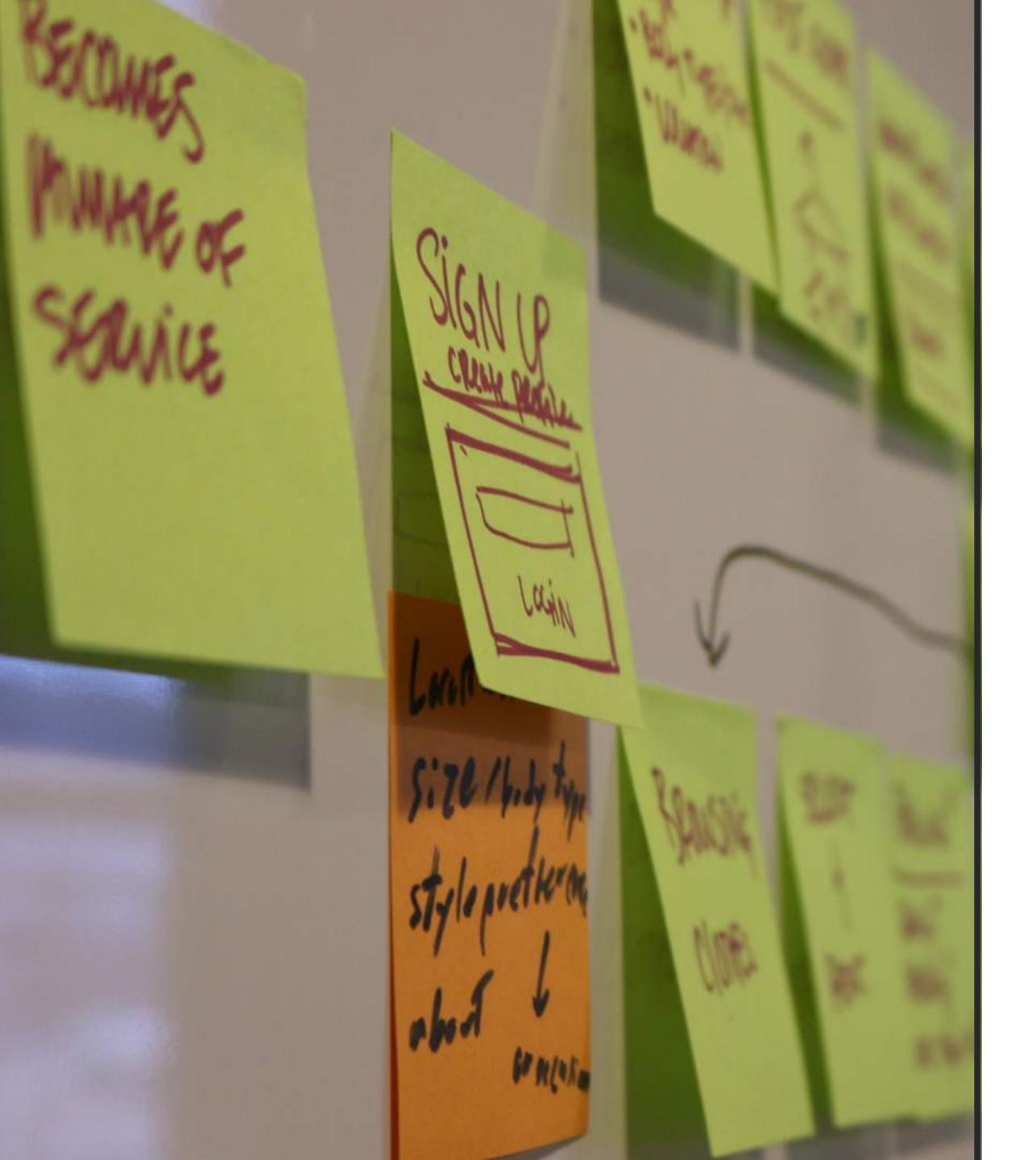














- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize
- Build your prototype around the leap-of-faith assumption
- 4 Define Success
- Get the prototype out!

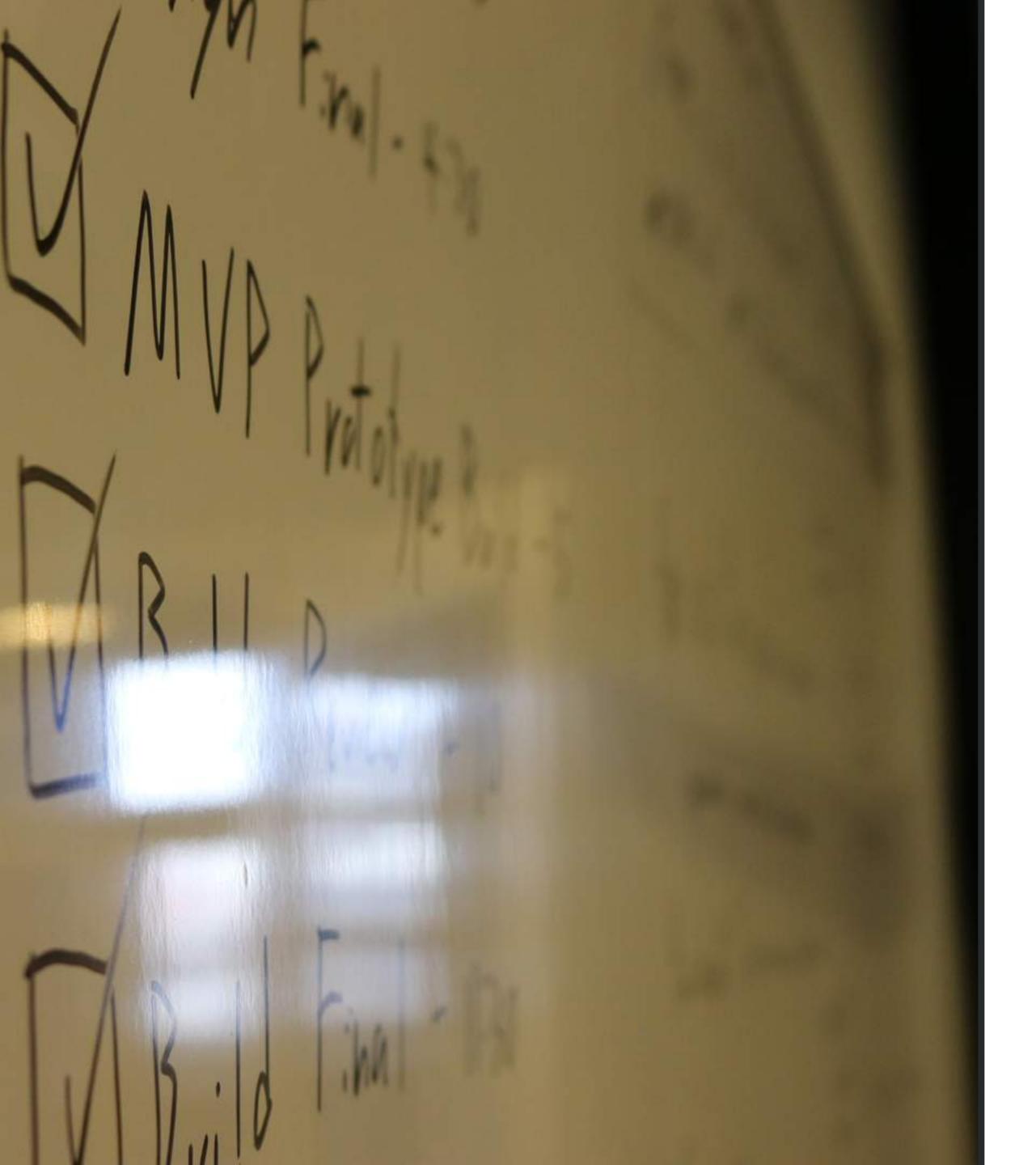




Steps to Build & Measure your Prototype



Capture your ideas on a business model canvas



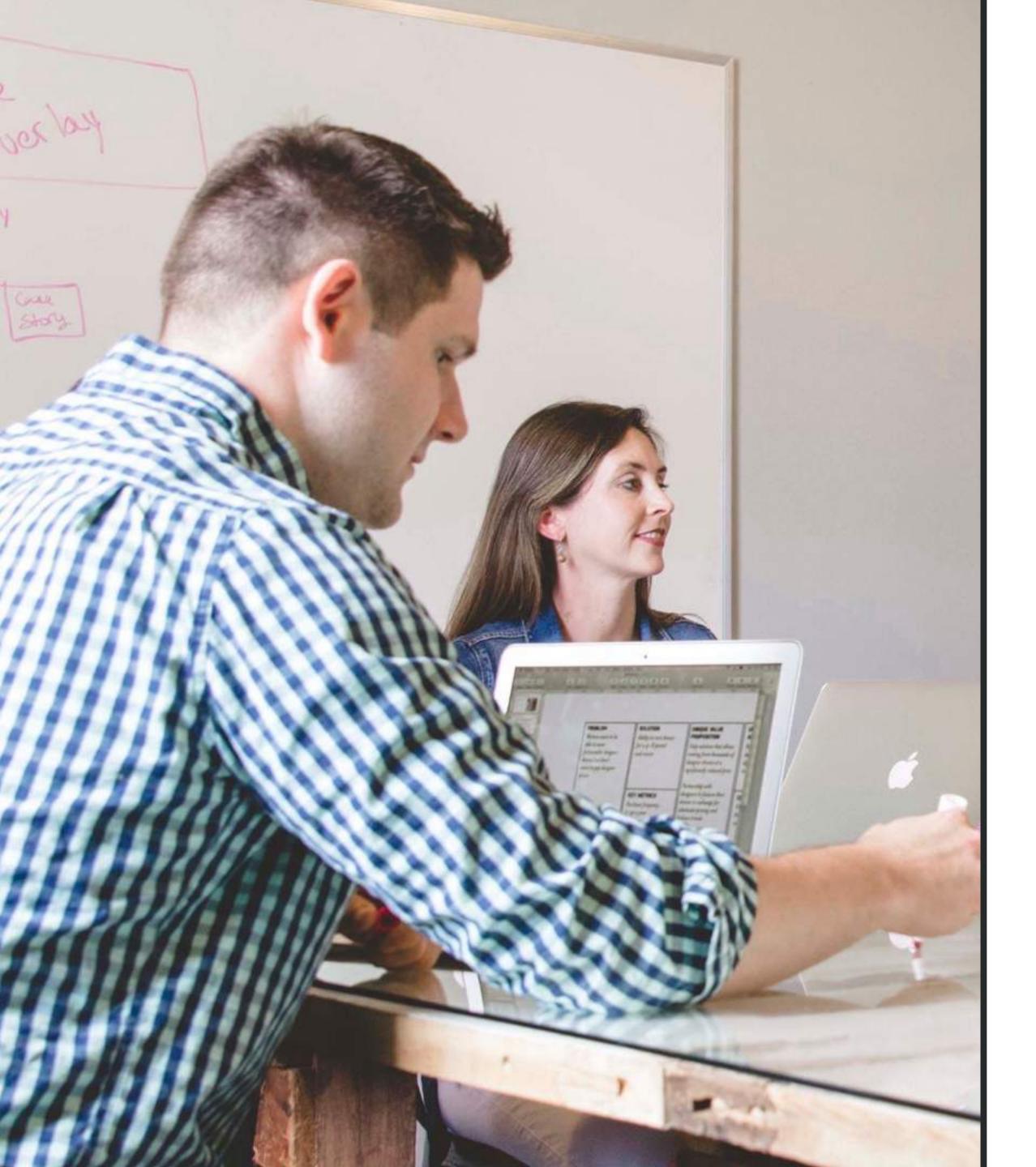


- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize





- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize
- Build your prototype around the leap-of-faith assumption





- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize
- Build your prototype around the leap-of-faith assumption
- 4 Define success



X

PROTOTYPE

- Capture your ideas
 on a business model canvas
- Generate your list
 of leap-of-faith assumptions and prioritize
- Build your prototype around the leap-of-faith assumption
- 4 Define success
- Get the prototype out!



× × × × ×

× × × × ×

× × × × ×

< x x x x

< x x x x

< x x x x



KERI STEPHENS VICE PRESIDENT, LEAN INNOVATION The Garage Group 513-315-2782



DENNIS FURIA INNOVATION & GROWTH STRATEGIST The Garage Group 513-374-6345 keri@thegaragegroup.com dennis@thegaragegroup.com