

Cómo Crear Productos Que No Sean Una Porqueria!

A Discovery Process for Creating Great Products

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High New Product Failure Rate

- Robert G Cooper: *One out of four development projects succeeds commercially. (i.e., 75% failure rate)*
- Jack Gordon: *In the world we live in, somewhere between 80 percent and 95 percent of new product introductions fail.*

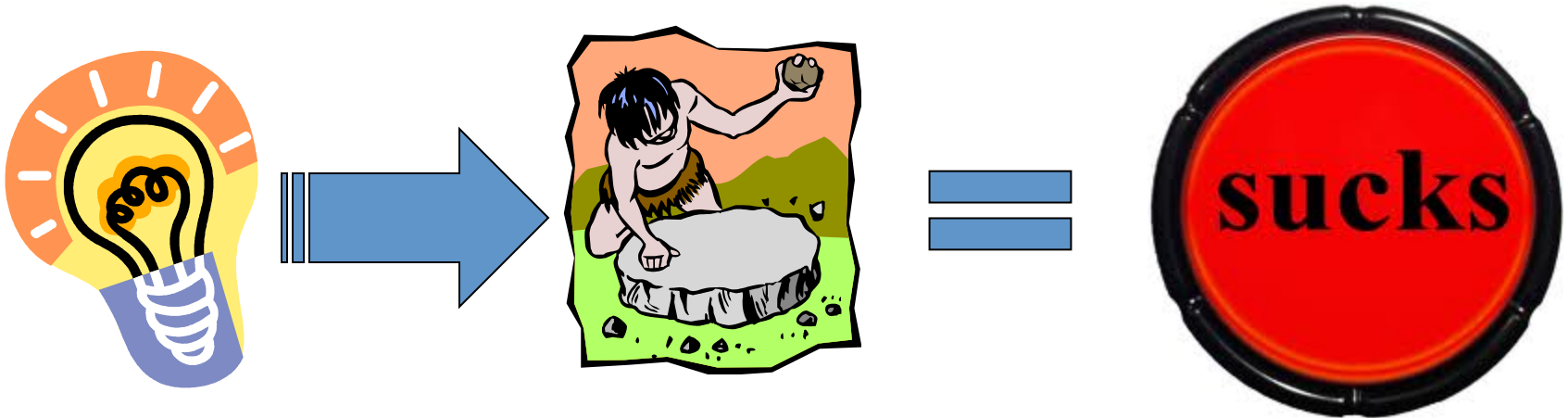
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Why Do So Many Products Suck?

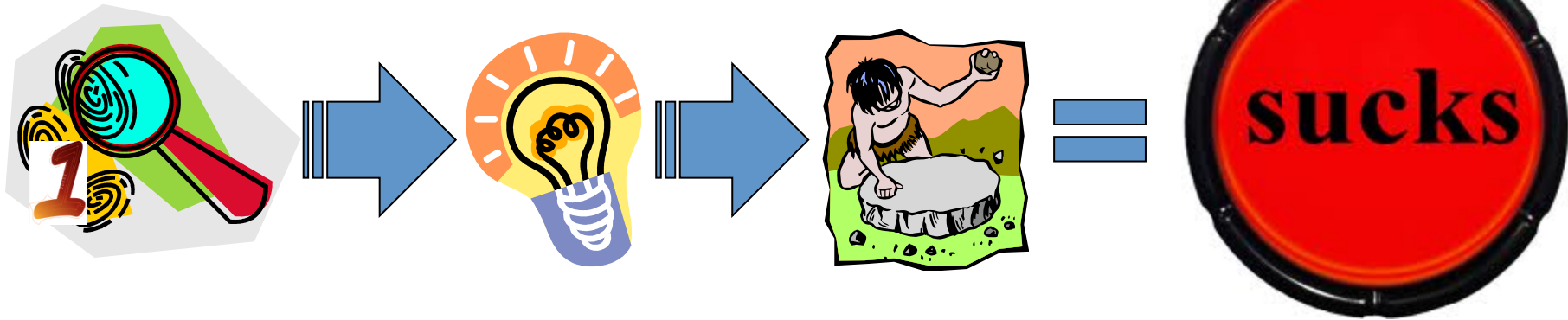
1. Idea to Product



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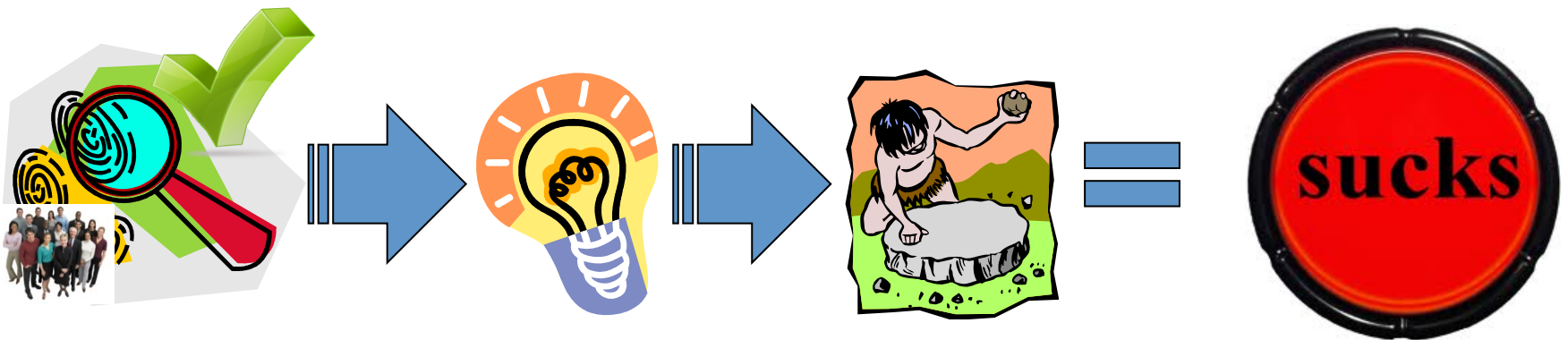
2. One point of market evidence to idea to product



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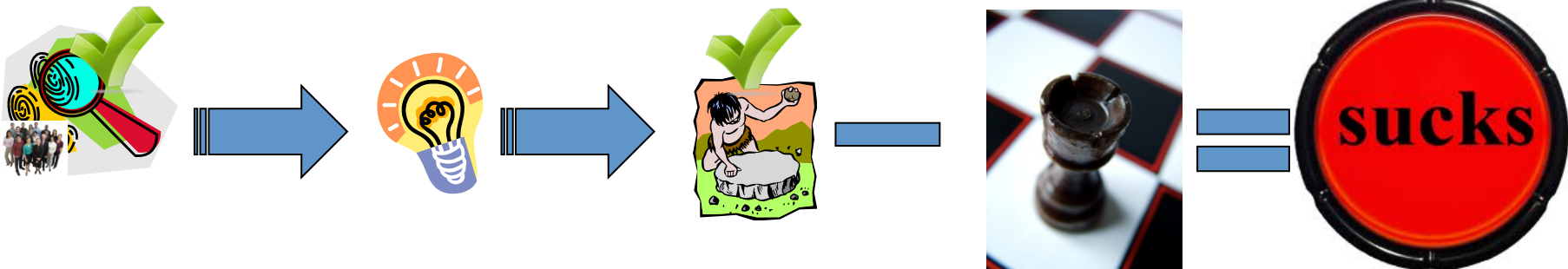
3. Market evidence & validation to product



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4. Market evidence & validation, product validation, no clear market strategy

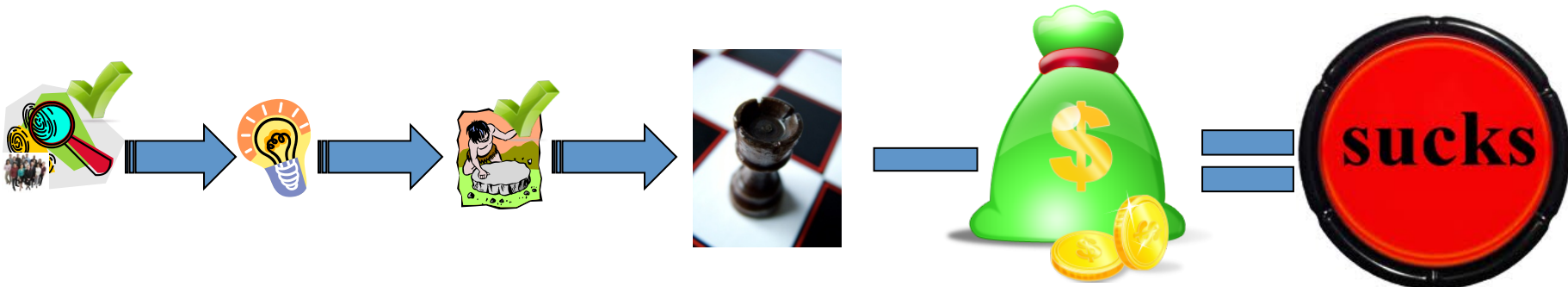


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5. Market evidence & validation, product validation, no profitable business model



Keys to Products That Don't Suck

- Compelling Market Opportunity
 - Big painful issues
 - That many in your target market
 - Are willing to pay to solve
- Compelling Solution
 - Differentiated Value Proposition
 - Profitable business model
 - Time to market
- Compelling Market Strategy
 - Motivates target market
 - To solve problem with your solution

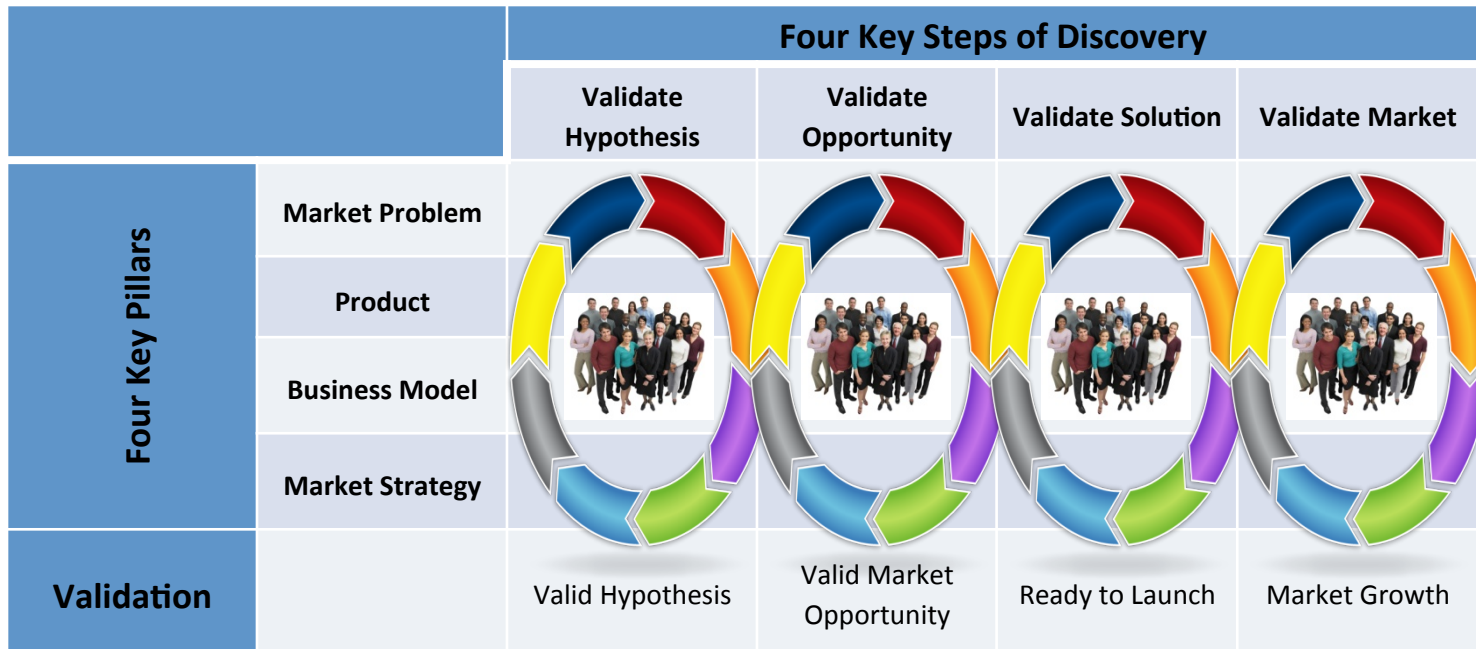
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Discovery
+
Validation

Model for Discovery

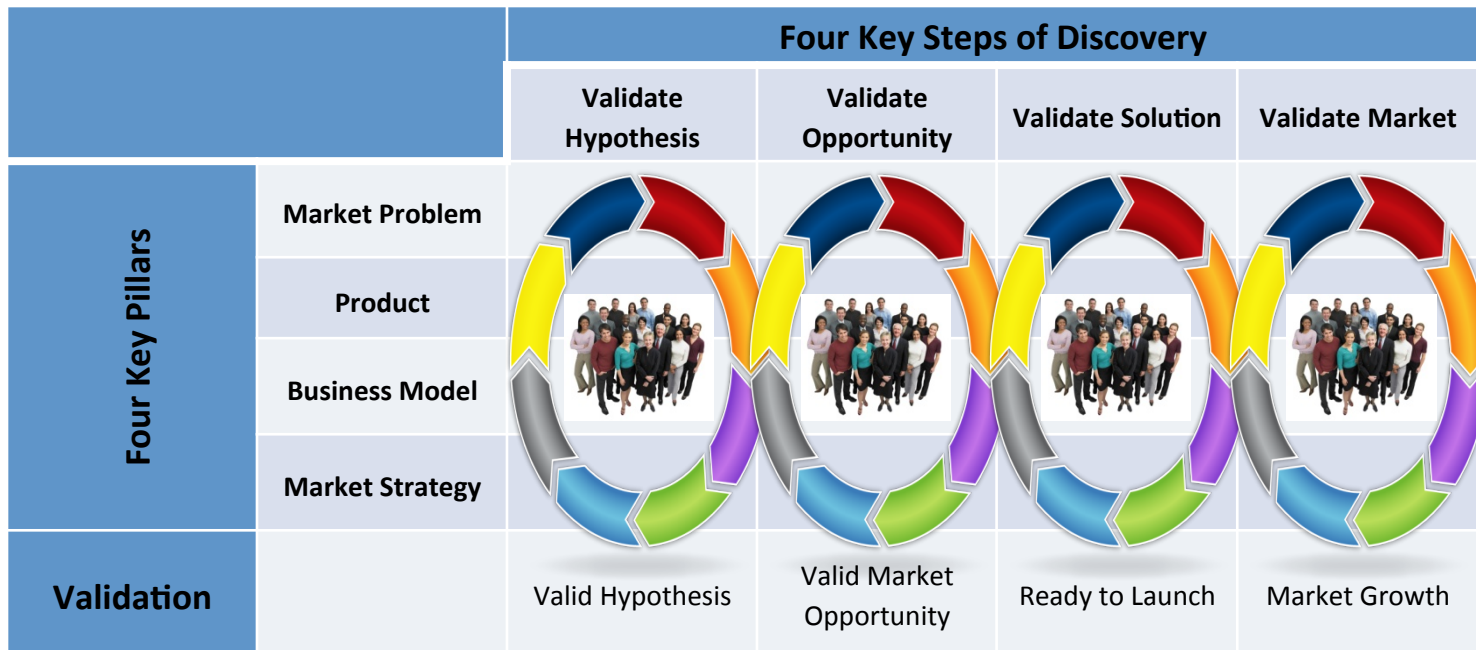


From Napkin to Revenue™ Discovery Model

Four Key Pillars

- Market Problem – if you're not solving a problem, there is no need for a product!
- Product – How do you solve the market problem in a valuable and differentiated manner?
- Business Model – How do you deliver the product and profitably capture the value?
- Market Strategy – Who is going to buy it and why?

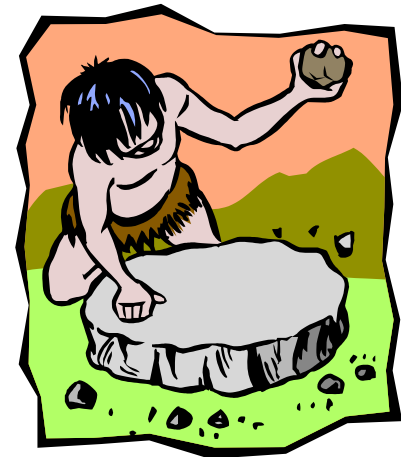
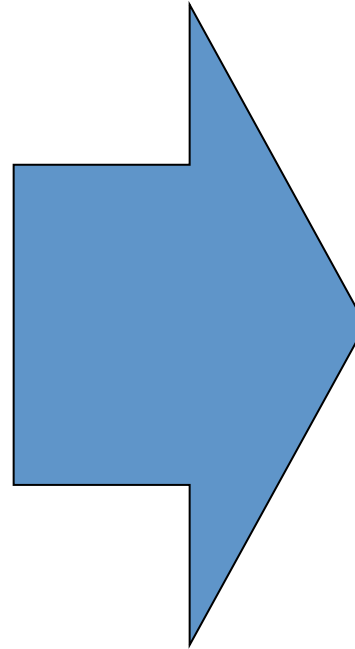
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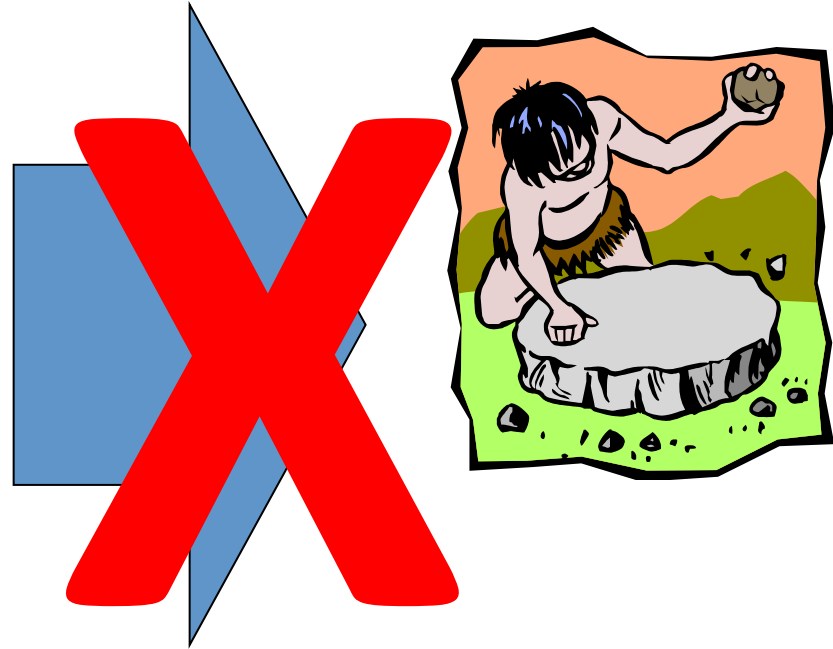
Market Evidence (of Market Problem)

- Sources of Market Evidence
 - Customers
 - Non-customers
 - Market trends/shifts
 - Unexpected occurrences
 - New technologies
 - Competitors
 - Personal experience
 - Etc.



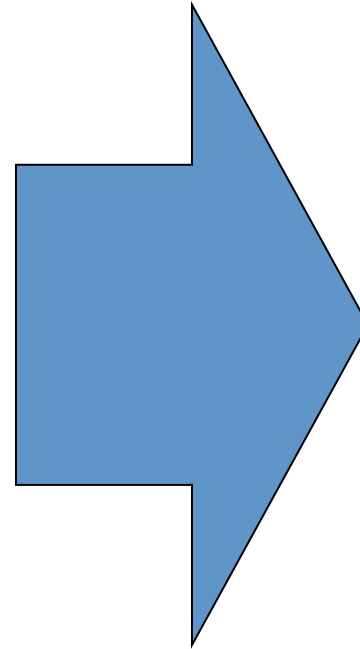
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Start With Hypothesis

- Buyer/User ‘W’
- In Market Segment “X”
- Has problem “Y”
- That happens when “Z” occurs
- We can solve it by creating/delivering solution “A”

E.g.: Owners of small manufacturing operations that use hot water & steam are unable to manage manufacturing costs due to the volatility of fuel prices.

We can solve this by providing a high temperature solar heating system under a lease agreement.



Validate the Hypothesis (1)

- Market problem and market segment(s)
- Speaking to potential customers (buyers & users)
 - Most companies don't and won't do this
 - Significant time investment
 - Requires many conversations (cold calling)
 - Minimum: 20 conversations
 - May take over 100 conversations
- Iterate until validated or rejected



Validate Hypothesis (2)

- Create product & business model concept
 - Low cost way of presenting product concept
 - Mockup, prototype, wire frame, story board, presentation, product description
- Validate product & business model concept
 - Present concept and receive feedback
 - Does the problem still resonate?
 - Does the approach solve the problem?
 - What is the Minimum Viable Product (MVP)
- Iterate until validated or rejected



Validate Opportunity

- Define & discover at greater depth
- Competitive research (strategy, position, strength)
- Validate the market opportunity
 - Business Case - Can it be profitable?
- Detailed design of product & business model
 - Market requirements, product requirements, user stories, etc.
 - Pricing model, delivery mechanism, costs to deliver, etc.
- Iterate until validated or rejected



Validate Solution

- Define Minimum Viable Product (MVP)
 - Just enough functionality to solve the most important market problems
 - For small segment of market (early adopters, etc.)
 - Willing to pay for this functionality
 - Fast to market
 - Learning
- Continue to discover, validate, refine!

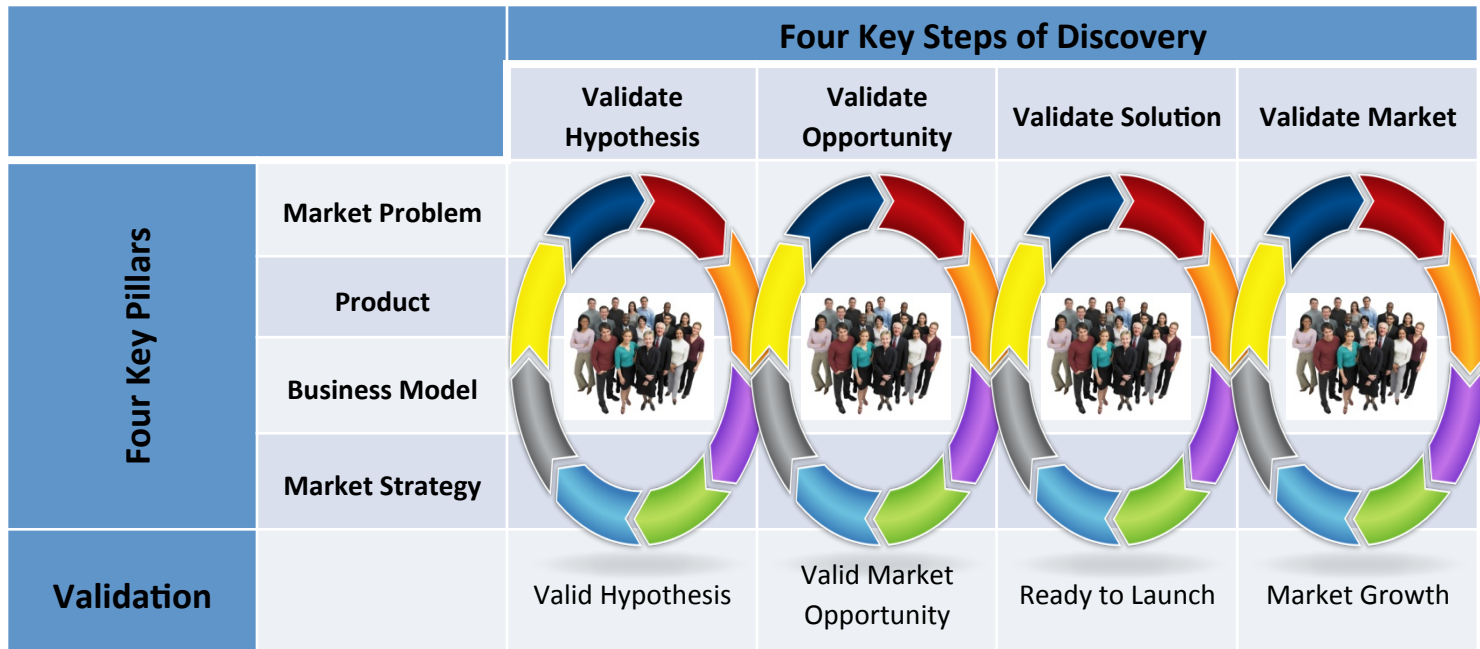


Validate Market

- Sell your first customers
- Based upon market validation work
- Targeted Market Development Plan
 - Well defined target market
 - Clear understanding of buyer roles and their challenges/goals/needs
 - Compelling reason to buy from you
 - Value Proposition – what we do for you
 - Positioning & Differentiation – why buy our solution
- Continue to discover, validate, refine!



Model for Discovery



From Napkin to Revenue™ Discovery Model

Key Principles

- Hypothesis – Discovery – Validate
- Continuous engagement with target market
 - Validate important decisions
- Planning is good, but learning is better
- Fail fast – discover fast!



Gracias!

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