

Velocity as a Perpetual Vaccine to a Crisis



**MINISTRY OF FOREIGN AFFAIRS
OF DENMARK**

Innovation Centre Denmark Tel Aviv



A Global Crisis is Always Around the Corner



Global crises increase the risk of failure for early stage and later stage start-ups alike. Evidence from Israel shows that key to overcoming crises is internationalization, an expansionist commercial mind-set and a readiness to rethink and reposition yourself.

Our aim is to give start-ups new tools to be more resilient when crises hit and inspire them to apply Israeli start-up methodologies. This project is funded by THE DANISH INDUSTRY FOUNDATION.

The Israeli Startup Ecosystem



350+

R&D Centers
(multi-nationals)



6,670+

active companies



340+

VC Funds



63

Academic
Institutions



250+

Accelerators &
Incubators



320k+

Higher Education
students

All you need is...

Idea

Team

A few dollars

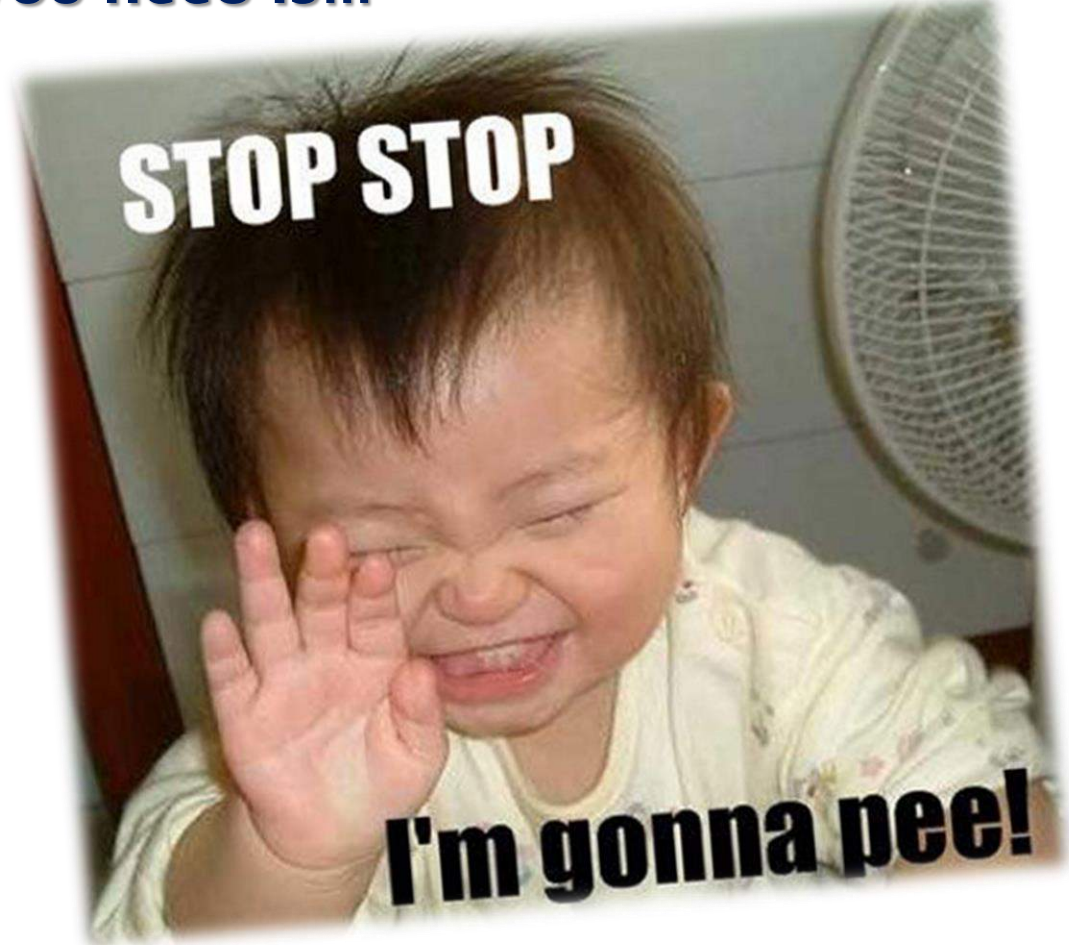
Product

Raise Money (?)

Customers

More Customers

SUCCESS?



Why do **95%** of start-ups **FAIL?**





They build stuff people don't want (right now)



They build stuff people don't want (right now)



They build stuff people don't want (right now)

Hot New Startup No One Needs: A Cre



11/15/13 11:50AM Filed to: BAD IDEAS



28.33K

מסך מלא אינו זמין. למידע נוסף

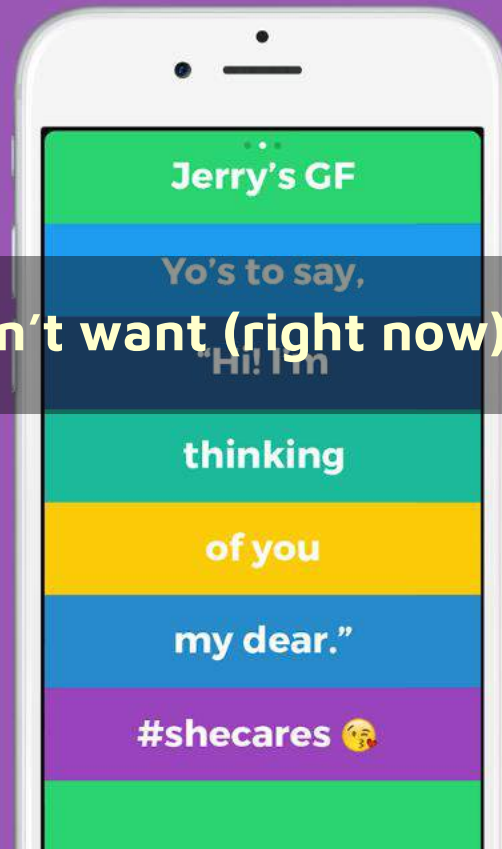
They build stuff people don't want (right?)


A hand is holding a black, rectangular device, possibly a prototype for a smart card or a small screen. The device has a small screen at the top displaying the word 'BANK' in English and Hebrew. A play button icon is overlaid on the device, suggesting it is a video frame. The background is blurred, showing a plate of food and a glass of water.

They build stuff people don't want (right now)

Yo

It's that simple.



A close-up photograph of a person's hand holding a white ceramic cup. Inside the cup, there is a white, curved, plastic-like object that resembles a small handle or a piece of a broken object. The background is dark and out of focus, with some blue fabric visible at the bottom right. A semi-transparent grey banner with yellow text is overlaid across the middle of the image.

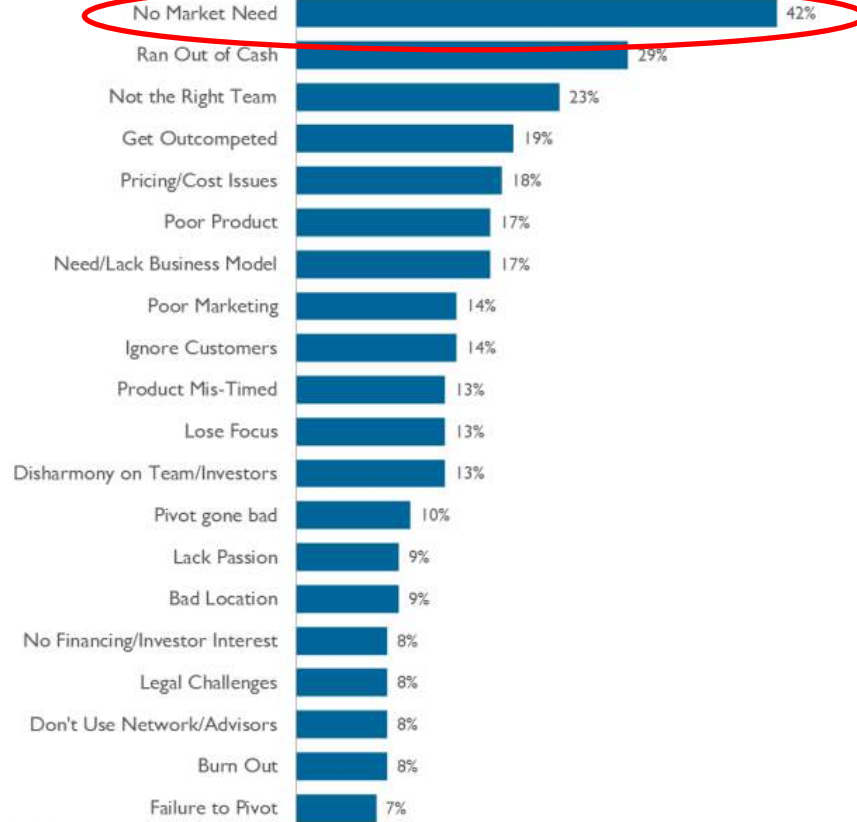
They build stuff people don't want (right now)

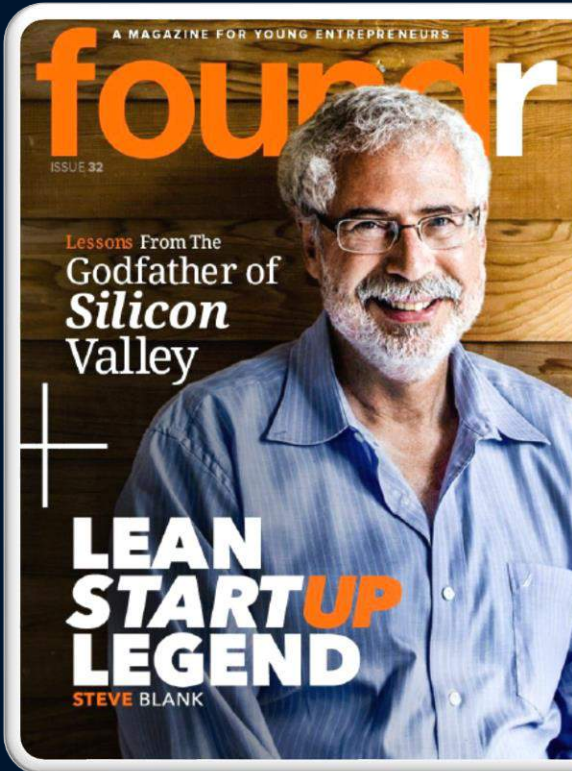


They build stuff people don't want (right now)

Top 20 Reasons Startups Fail

Based on an Analysis of 101 Startup Post Mortems





“startups don’t fail because they couldn’t build a working product.”

“They fail to develop relevant customers and nail their business model.”

Why do we do this?



The biggest mistakes we make:

Fall in love with our idea

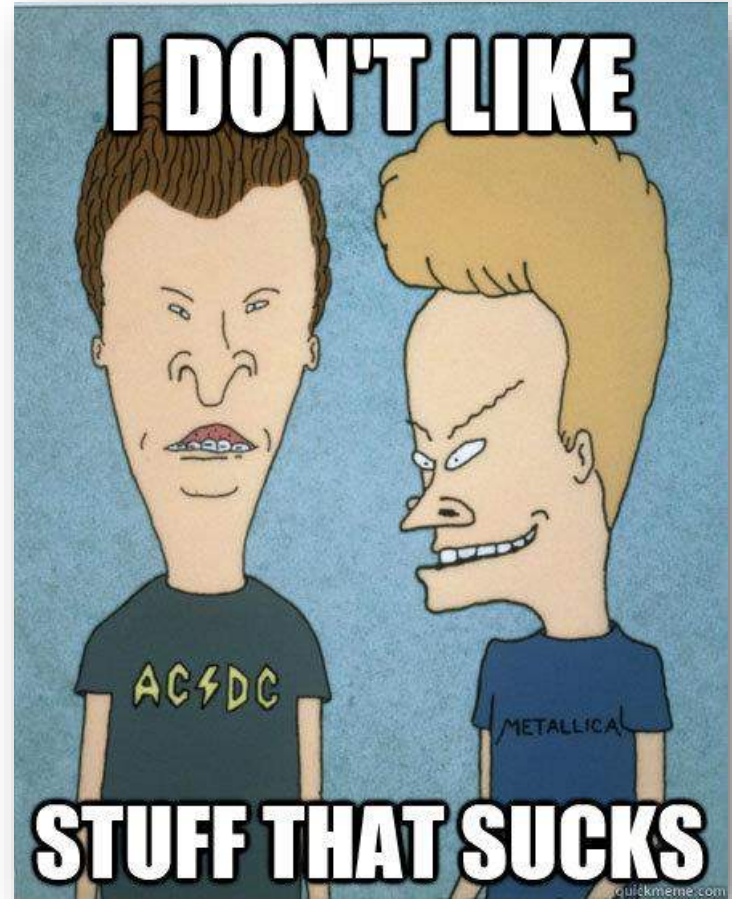
Don't tell others about it

Defend and reject criticism



Because...

**Wasting a lot of time
on a start-up that
fails - sucks!**



This is why we

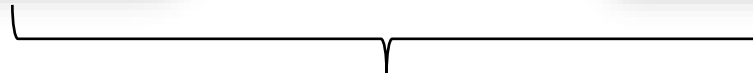
VALIDATE



We assume

Problem

Solution



Someone cares

We **assu**

Prob

**ASSUME
NOTHING**

olution

We forget to check...

Would anyone really use & pay for our product?



Entrepreneurs want to **test fast**



Entrepreneurs want to **test fast**

FAIL
[F] FIRST
[A] ATTEMPT
[I] IN
[L] LEARNING



Test Ideas & Assumptions
before investing valuable
time, money and effort

THE NEW YORK TIMES BESTSELLER

THE LEAN STARTUP

How Today's **Entrepreneurs** Use
Continuous Innovation to Create
Radically **Successful** Businesses

ERIC RIES

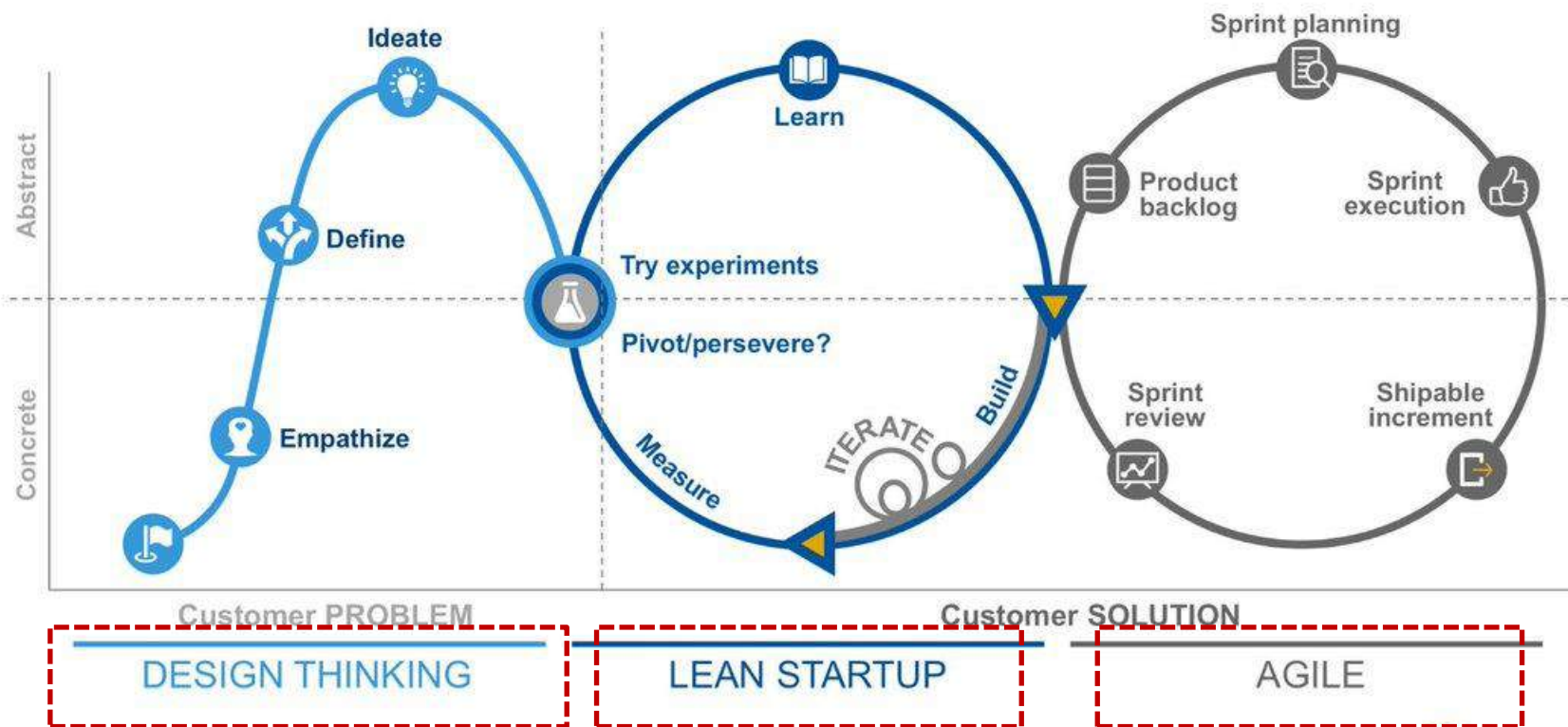
Old school 20 page business plans

=

Irrelevant

New tools are needed...

Combine Design Thinking, Lean Startup and Agile

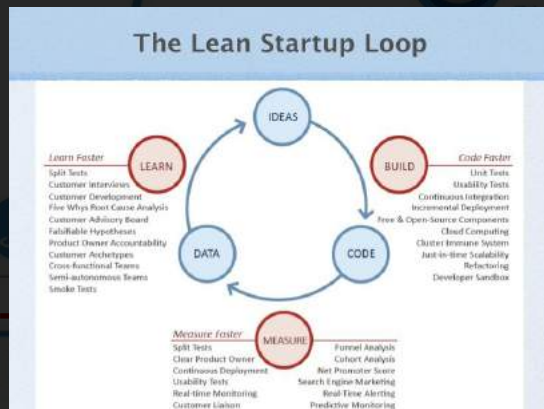
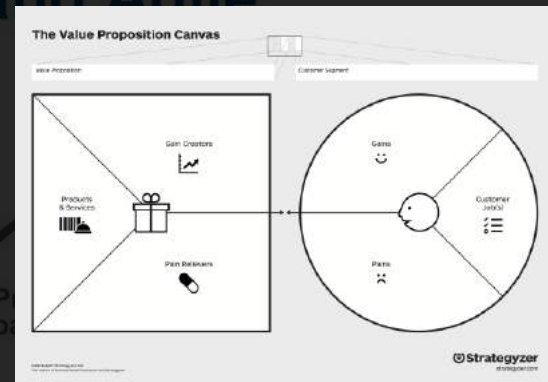
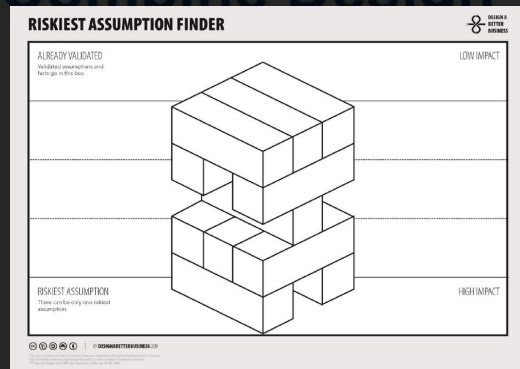


#GartnerSYM

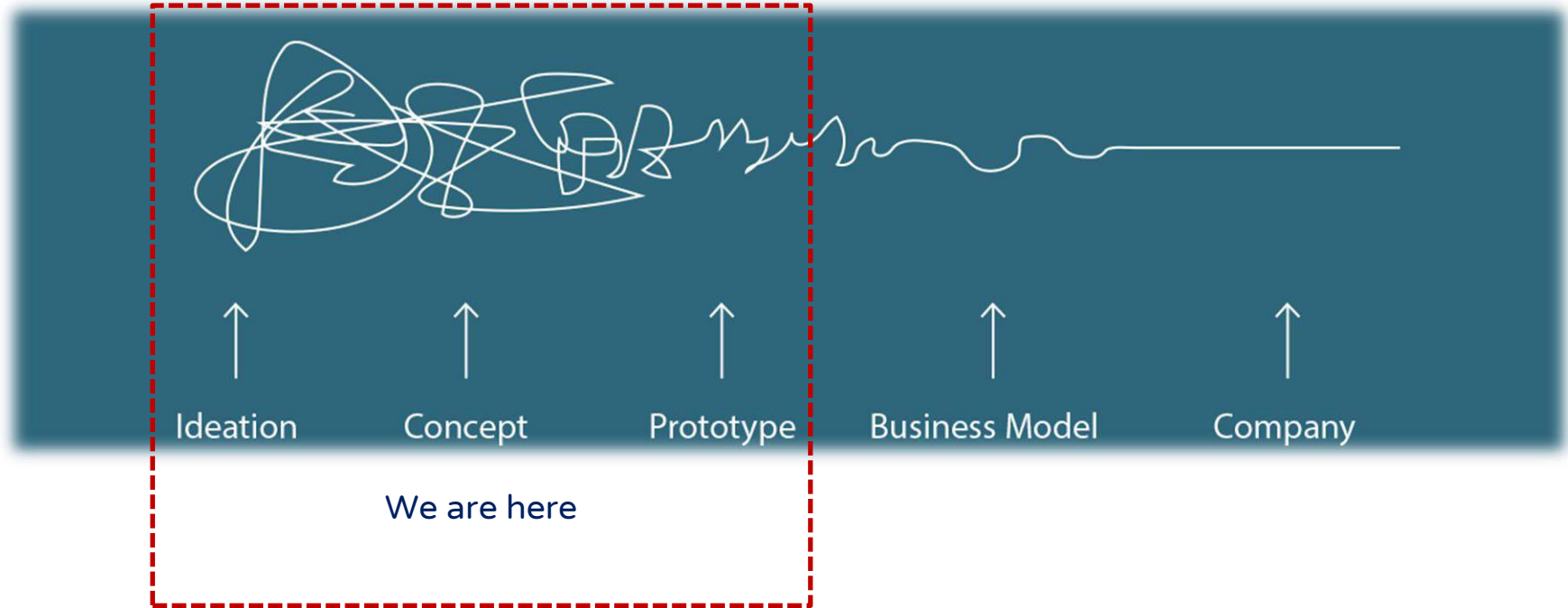
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Gartner.

Combine Design Thinking, Lean Startup and Agile



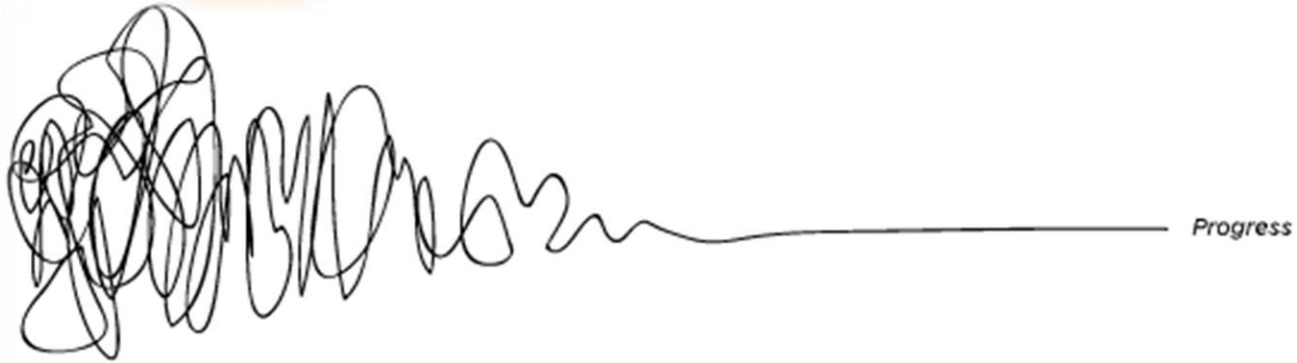
The Startup Journey



The Startup Journey



FORTUNE
500
— 2018 —



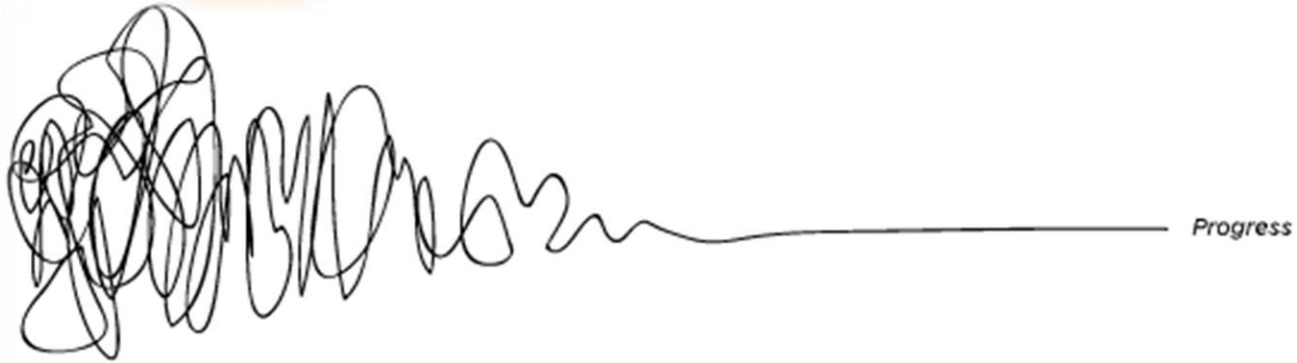
STARTUPS

COMPANIES

The Startup Journey



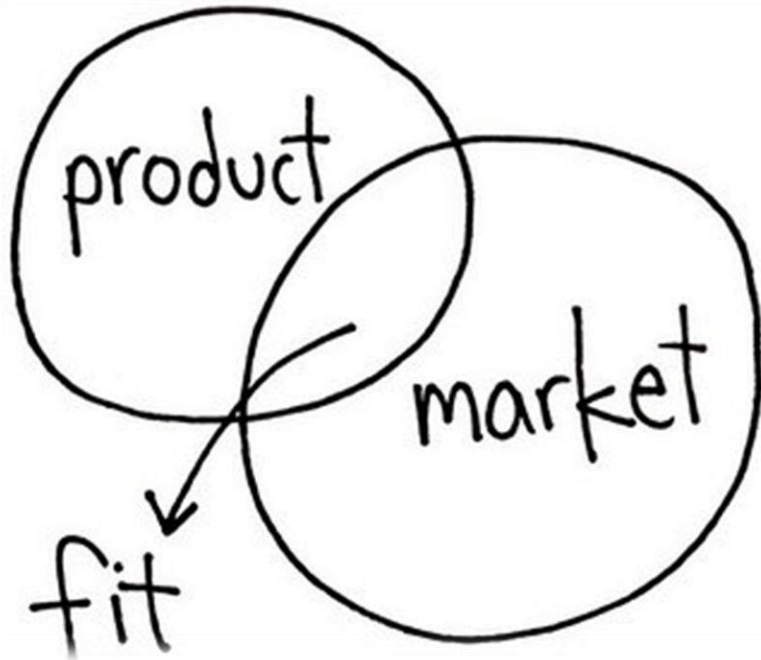
FORTUNE
500
— 2018 —



SEARCH & (RE)INVENT

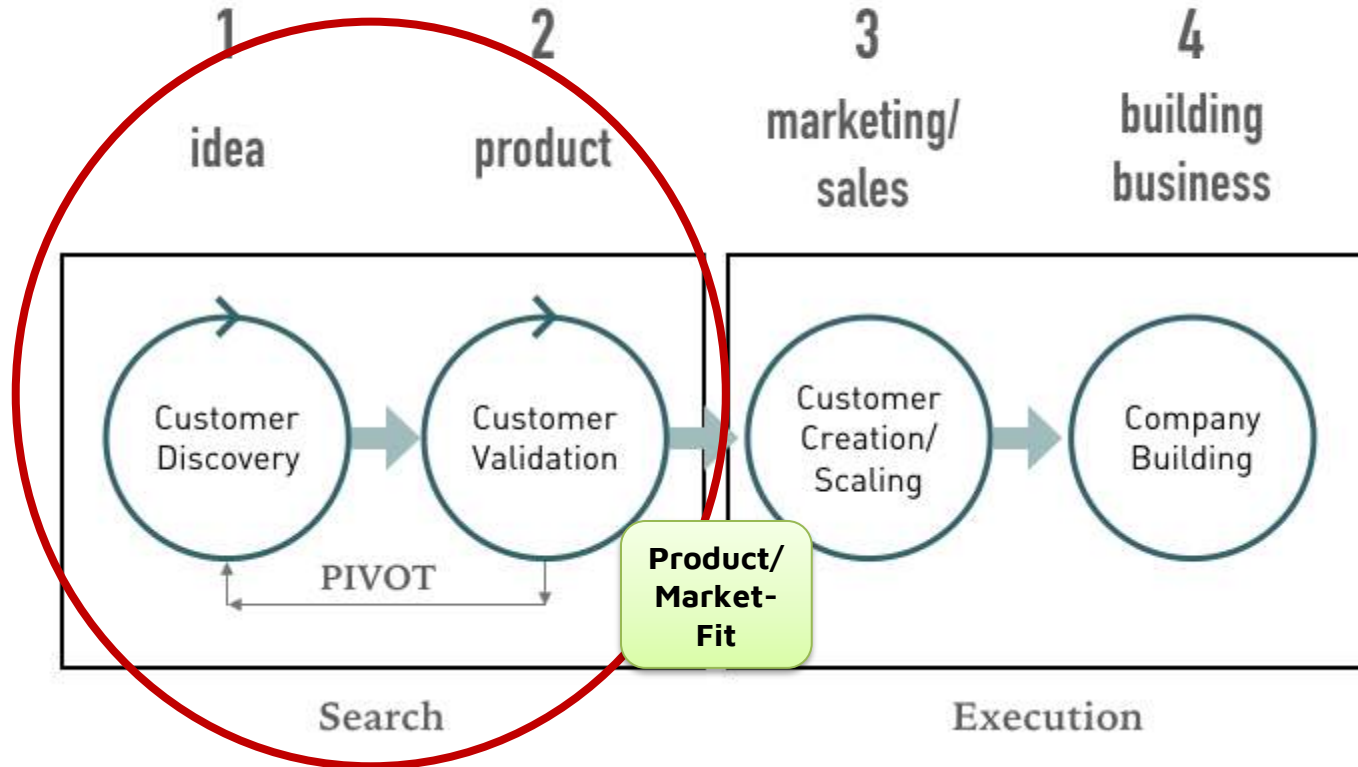
EXECUTE & IMPROVE

The most important thing for a startup is...

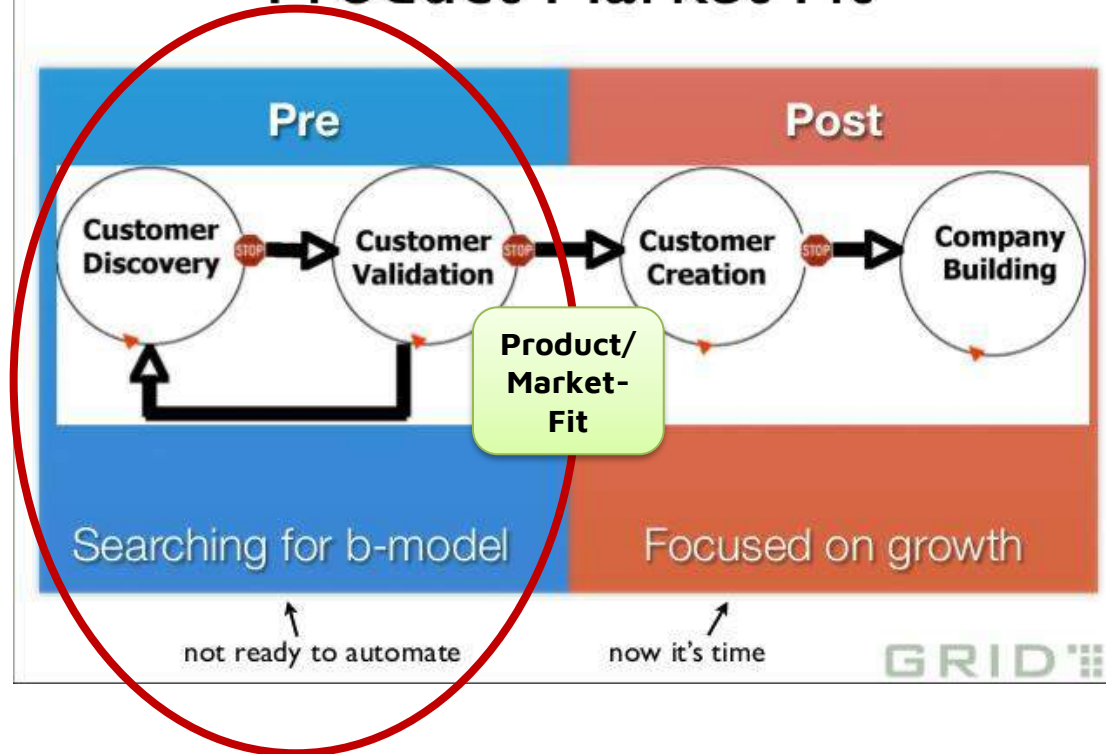


"Product/market fit means being in a good market with a product that can satisfy that market."

4 STEPS TO THE EPIPHANY



Product Market Fit



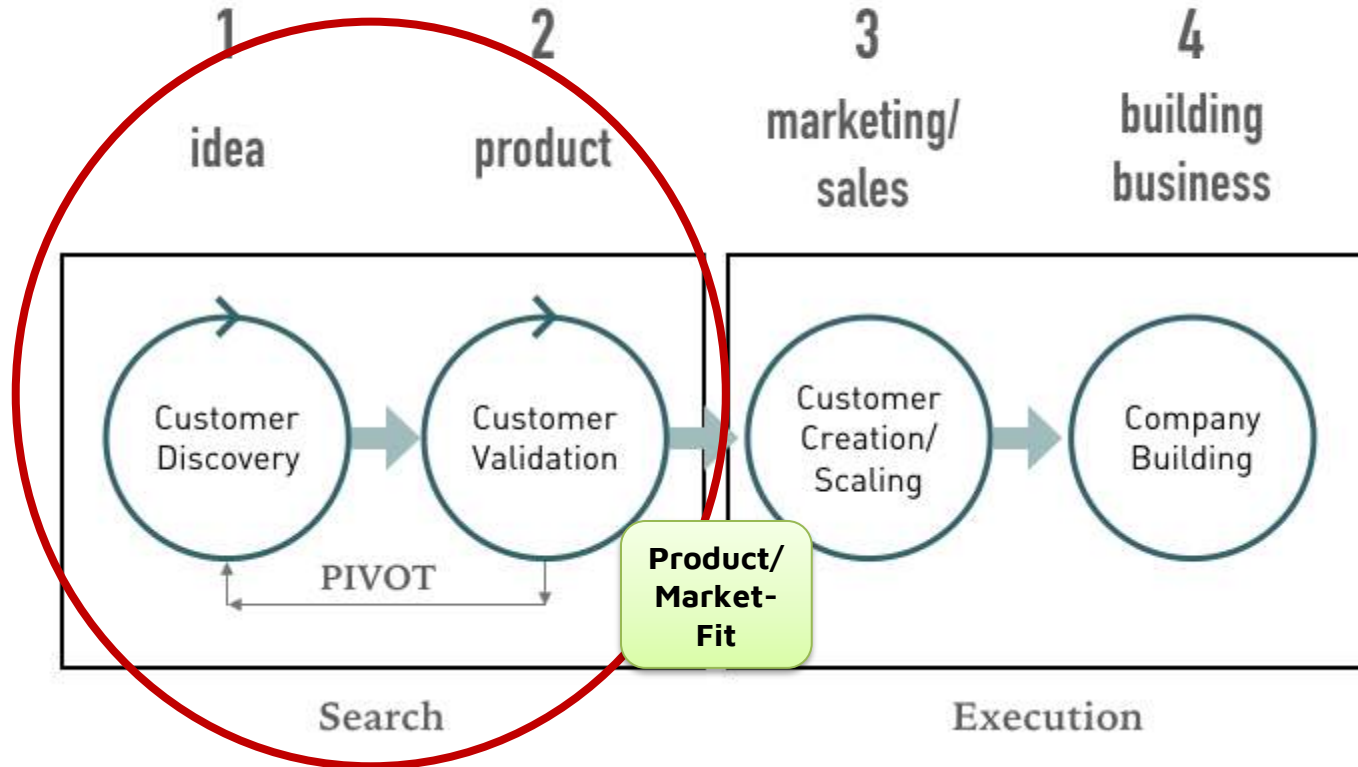
Pivot ?



GROUPON®



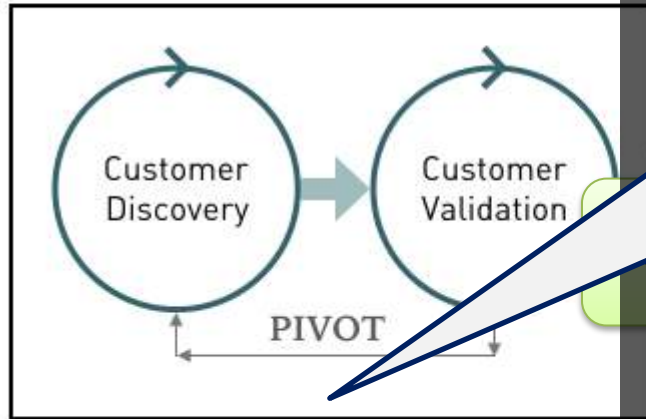
4 STEPS TO THE EPIPHANY



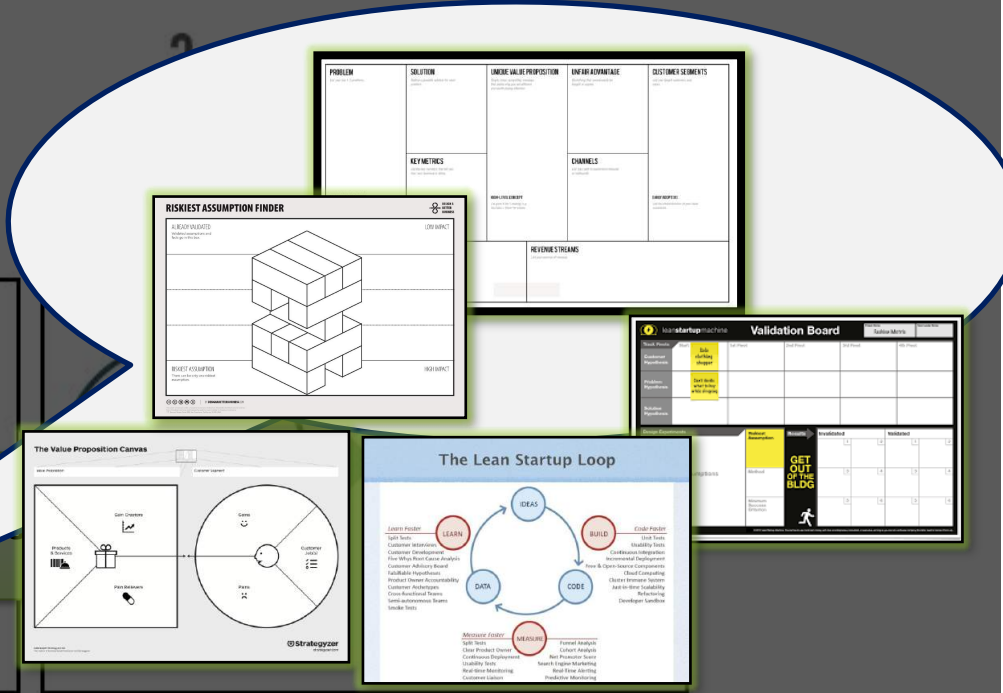
New tools are needed....

1
idea

2
product



Search



Execution

Before 'Validation'...

The **two most important** questions of
Customer Discovery

Customer Discovery

1. **Who?** Understanding our target audience
2. **What?** Understanding the problem we solve



Your turn.

Customer Discovery

1. **Who?** Understanding our target audience
2. **What?** Understanding the problem we solve

Who

18-50



Who

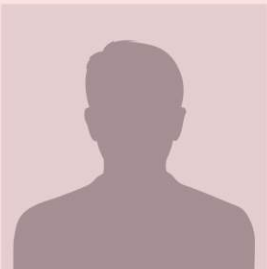
18-50



Who

Persona Planning

Full Name



"A quotation that captures the essence of this person's personality."

Age: 1 - 100
Work: Job title
Family: Married, kids, etc.
Location: City, State
Character: Type

Personality

Introvert

Extrovert

Analytical

Creative

Conservative

Liberal

Passive

Active

Trait

Trait

Trait

Trait

Trait

Goals

- The goals this user hopes to achieve.
- A task that needs to be completed.
- A life goal to be reached.
- Or an experience to be felt.

Frustrations

- The frustrations this user would like to avoid.
- The obstacle that prevents this user from achieving their goals.
- The problems with the solutions already available.
- The product or service that currently does not exist.

Bio

The bio should be a short paragraph to describe the user journey. It should include some of their history leading up to a current use case. It may be helpful to incorporate information listed across the template and add pertinent details that may have been left out. Highlight factors of the user's personal and or professional life that make this user and ideal customer of your product.

Motivations

Incentive

Fear

Achievement


Growth

Power

Social

Brands

A collection or list of the user's favorite brands.



Preferred Channels

Traditional Ads

Online & Social Media

Referral

Guerrilla Efforts & PR

Who

The Facebook Ad Test

[Create New](#) [Use a Saved Audience](#) ▼

Custom Audiences ⓘ

❗ Target Ads to People Who Know Your Business

You can create a Custom Audience to show ads to your contacts, website visitors or app users. [Create a Custom Audience.](#)

Locations ⓘ

Everyone in this location ▼

United States

📍 United States

📍 Include ▼ | [Add locations](#)

[Add Bulk Locations...](#)

Age ⓘ

18 ▼ - 65+ ▼

Gender ⓘ

All Men Women

Languages ⓘ

Enter a language...

Detailed Targeting ⓘ

INCLUDE people who match at least ONE of the following ⓘ

add demographics, interests or behaviors

[Suggestions](#) [Browse](#)

▸ Demographics ⓘ

▸ Interests ⓘ

▸ Behaviors ⓘ

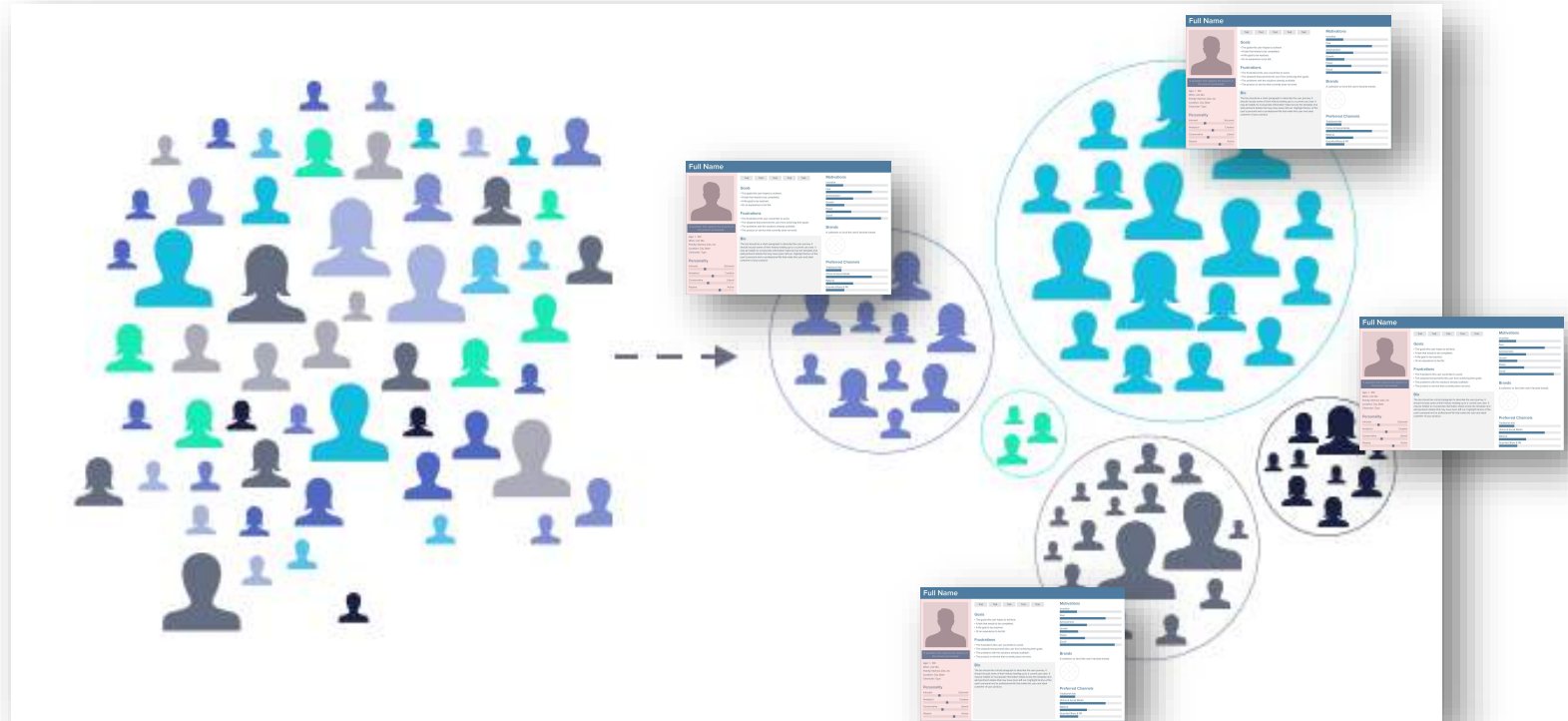
▸ More Categories ⓘ

Connections ⓘ

Save This Audience

Who

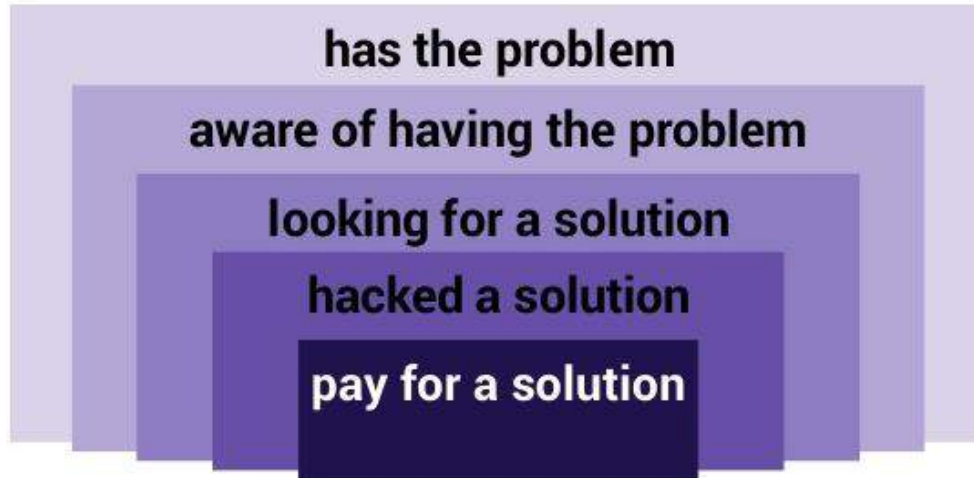
Segments



Who

Early Adopters

Pain level...



Early adopter?

Customer Discovery

1. **Who?** Understanding our target audience
2. **What?** Understanding the problem we solve

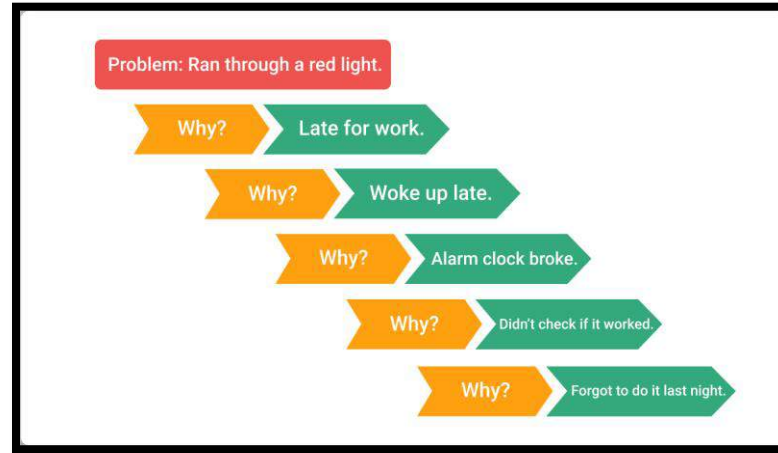
What

“Focus on the problem. If you’re only excited about the solution, you’ll lose interest when your solution doesn’t fix the problem.”

Adil Wali, CTO of ModCloth

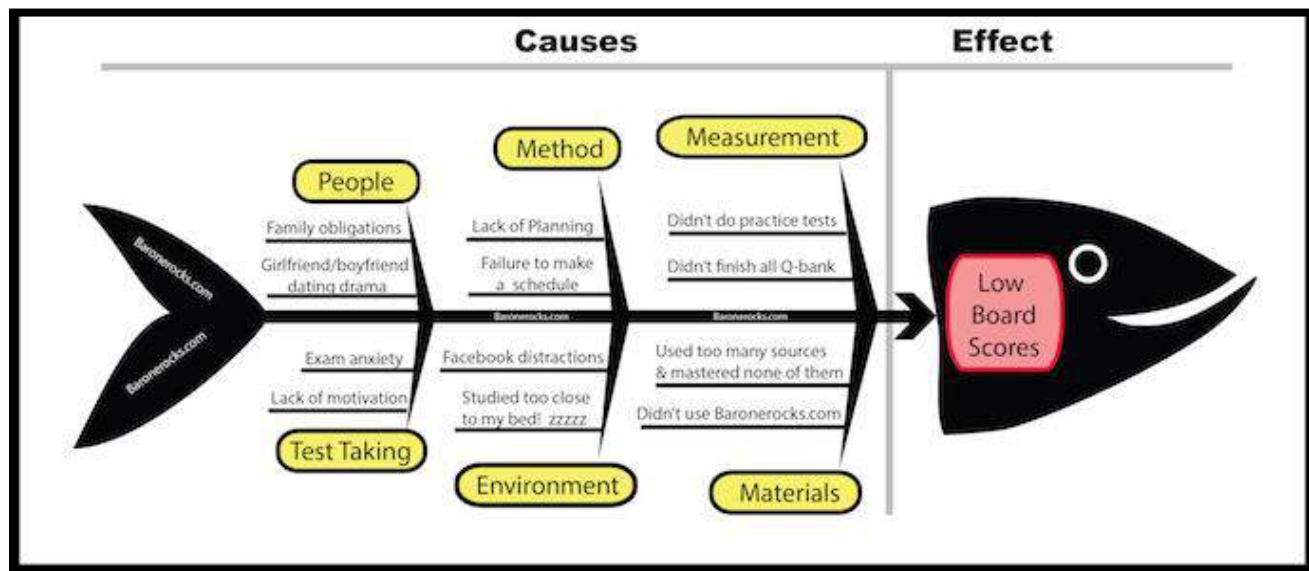
What

5 WHYs Analysis



What

Fishbone



What

Vitamin



VS.

Painkiller



Customer Discovery

1. **Who?** Understanding our target audience
2. **What?** Understanding the problem we solve

Bonus – Why now?



Watch Read Attend Participate About

Bill Gross:

The single biggest reason why startups succeed

TED2015 · 6:40 · Filmed Mar 2015
Subtitles available in 1 language

 View interactive transcript

Top 5 Factors in Success Across More Than 200 Companies



Timing

42%



Team / Execution

32%



Idea "Truth" Outlier

28%



Business Model

24%



Funding

14%

Product Adoption



Cost of material

Tech Breakthrough



Now to 'Validation'

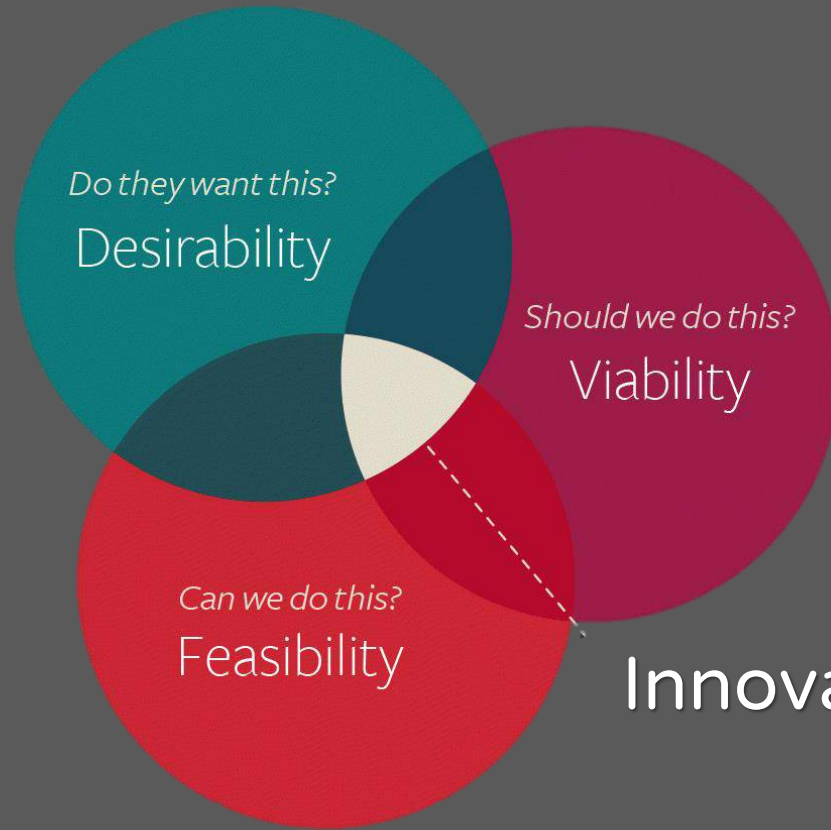
Every startup is built on...

Every startup is built on...

Assumptions...



Someone cares

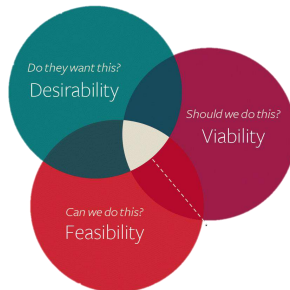


Innovation

Desirability Assumptions

(pains)

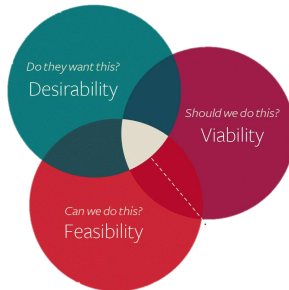
I believe [organization / persona] suffers
from [problem statement] because [reason]



Desirability Assumptions

(jobs-to-be-done / gains)

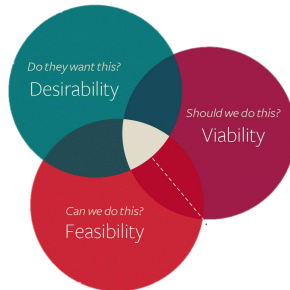
I believe [organization / persona] are looking to
[invest in value gained] because [reason]



Desirability Assumptions

(marketing channels)

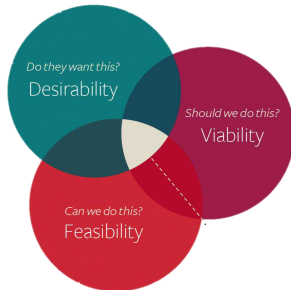
I believe [**target audience**] are looking for similar
products in [**distribution platform**]



Viability Assumptions

(cost structure)

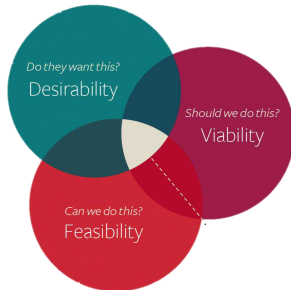
I believe production cost for [product] would be
[unit economic cost]



Viability Assumptions

(revenue models)

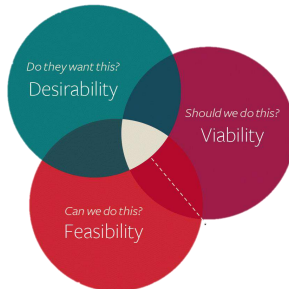
I believe [organization / persona] would be willing to
pay [pay \$\$\$] for [solution X]



Viability Assumptions

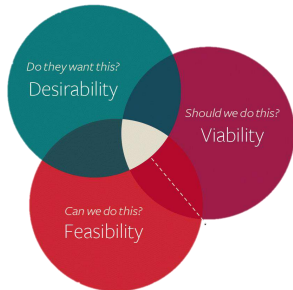
(market opportunity size)

I believe there are [XXX] attainable [target audience
personas / organizations] making a total [market size]



Holistic Product Hypothesis

I believe [target market] will [do this repeatable
action/use this solution], which will [result in expected
measurable outcome] for [this reason]



A good product hypothesis:

- is falsifiable, which means it can clearly be proven wrong
- is written down
- contains metrics that can be tested and measured



Examples



Uber



Mapping & Validating Risky Assumptions

RISKIEST ASSUMPTION FINDER

DESIGN A BETTER BUSINESS

ALREADY VALIDATED
Validated assumptions and facts go in this box.

RISKIEST ASSUMPTION
There can be only one riskiest assumption.

LOW IMPACT

HIGH IMPACT

© 2014 DESIGN A BETTER BUSINESS. ALL RIGHTS RESERVED. DESIGN A BETTER BUSINESS IS A TRADEMARK OF DESIGN A BETTER BUSINESS, LLC. DESIGN A BETTER BUSINESS, LLC IS A REGISTERED SERVICE MARK OF DESIGN A BETTER BUSINESS, LLC. DESIGN A BETTER BUSINESS, LLC IS A REGISTERED SERVICE MARK OF DESIGN A BETTER BUSINESS, LLC.

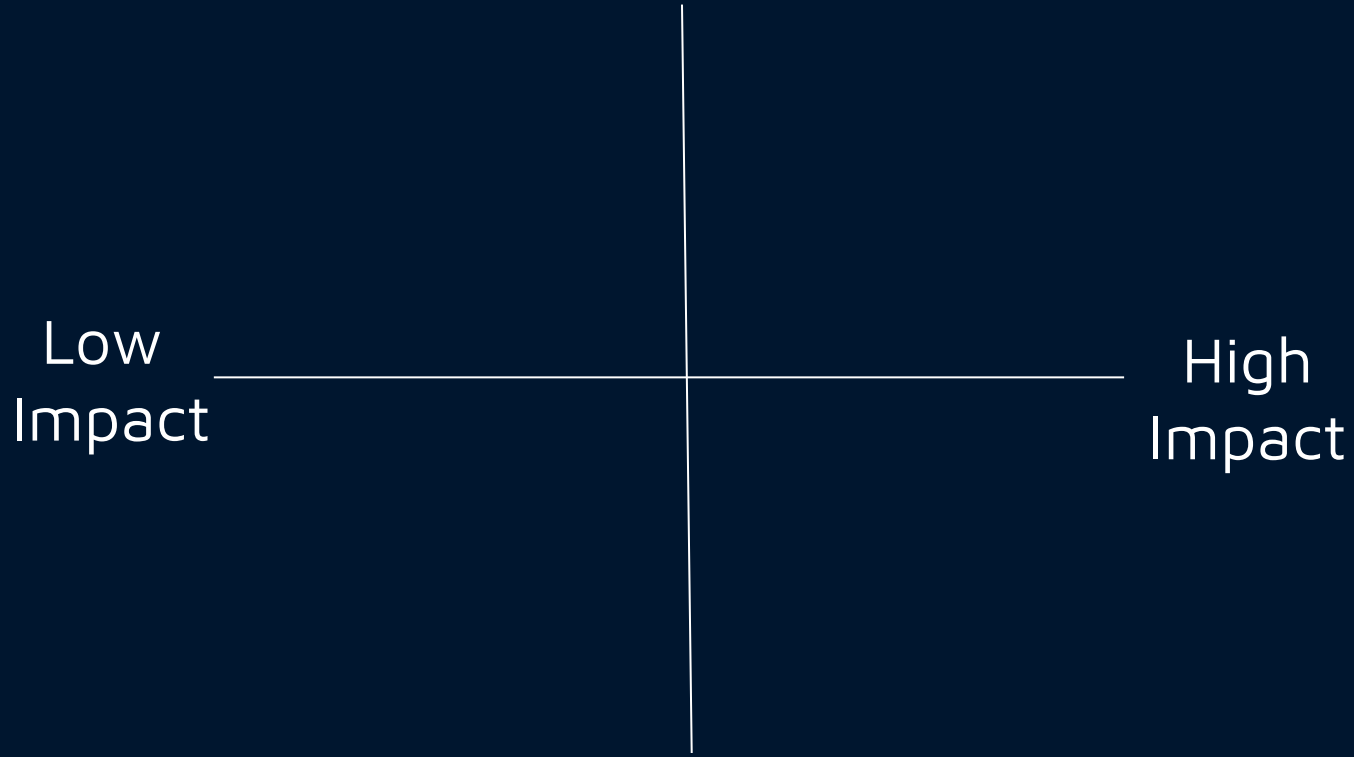
Mapping Risky Assumptions

No evidence (uncertain)

Low
Impact

High
Impact

Evidence (certain)

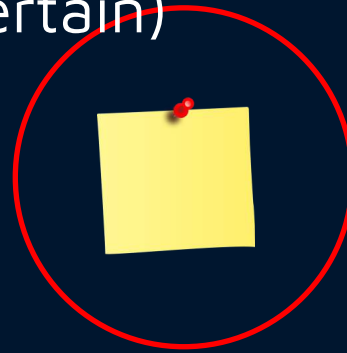
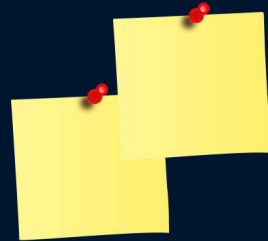


No evidence (uncertain)

Low
Impact

High
Impact

Evidence (certain)

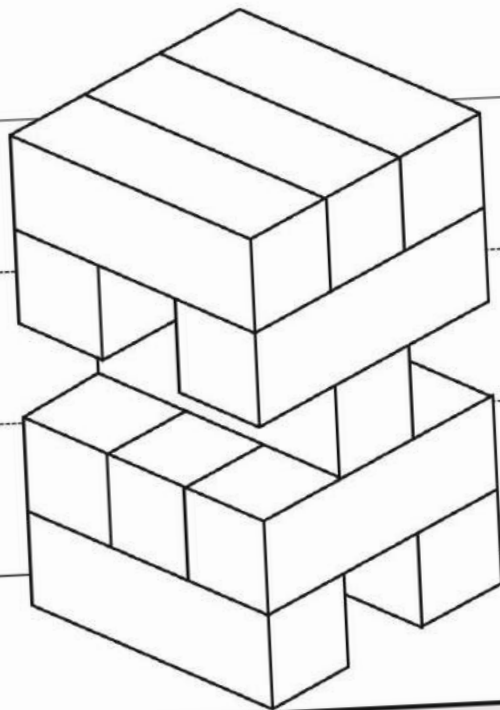


RISKIEST ASSUMPTION FINDER

ALREADY VALIDATED

Validated assumptions and facts go in this box.

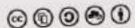
LOW IMPACT



RISKIEST ASSUMPTION

There can be only one riskiest assumption.

HIGH IMPACT



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 171 Second Street, Suite 300, San Francisco, California, 94105, USA.

Example Assumptions Board ☆ 📌 🔄					
File Edit View Insert Format Data Tools Add-ons Help Last edit was seconds ago					
<div> ↶ ↷ 🖨️ 📌 100% ▾ \$ % .0 .00 123 ▾ Montserrat ▾ 11 ▾ B <i>I</i> <u>A</u> 🔍 🏠 📄 📊 </div> <div>fx</div>					
A	B	C	D	E	
Example Assumption Validation Board					
<u>Venture Name:</u>		<u>Owner:</u>			
Assumptions					
Assumptions	Related to ▾	Impact ▾	Uncertainty ▾	Status ▾	
Example Assumption	Problem ▾	High ▾	High ▾	Riskiest Assumption ▾	
Example Assumption	Problem ▾	Low ▾	Medium ▾	Assumption ▾	
Example Assumption	Customer ▾	Medium ▾	Medium ▾	Already Validated ▾	
Example Assumption	Customer ▾	▾	▾	▾	
Example Assumption	Solution ▾	▾	▾	▾	
Example Assumption	Solution ▾	▾	▾	▾	
Example Assumption	Market ▾	▾	▾	▾	
Example Assumption	▾	▾	▾	▾	
Example Assumption	Revenue Model ▾	▾	▾	▾	
Example Assumption	▾	▾	▾	▾	
Example Assumption	▾	▾	▾	▾	
Example Assumption	▾	▾	▾	▾	
Example Assumption	▾	▾	▾	▾	

[Template](#)

What goes first (usually)?

1. **Customer/Problem**
2. **Problem/Solution**
3. **Channel**
4. **Support Structure & Economic Model**



Your turn.

- ❑ Come up with as many assumptions as possible for your venture.
- ❑ Assess the level of impact and amount of existing evidence for each assumption. Position them accordingly on your board.
- ❑ Challenge yourselves by presenting your work to your colleagues seeking to identify additional hidden assumptions.
- ❑ Present your work.

30 minutes

Validation is done by...

‘Experiments’

Experiments reflect two questions

1. What's my **riskiest assumption**?
2. What's the **smallest experiment** to test it?

verbit^v

Tweet more consistently with buffer

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

[Plans and Pricing](#)

© 2013 buffer. All rights reserved.



Tweet more consistently with buffer

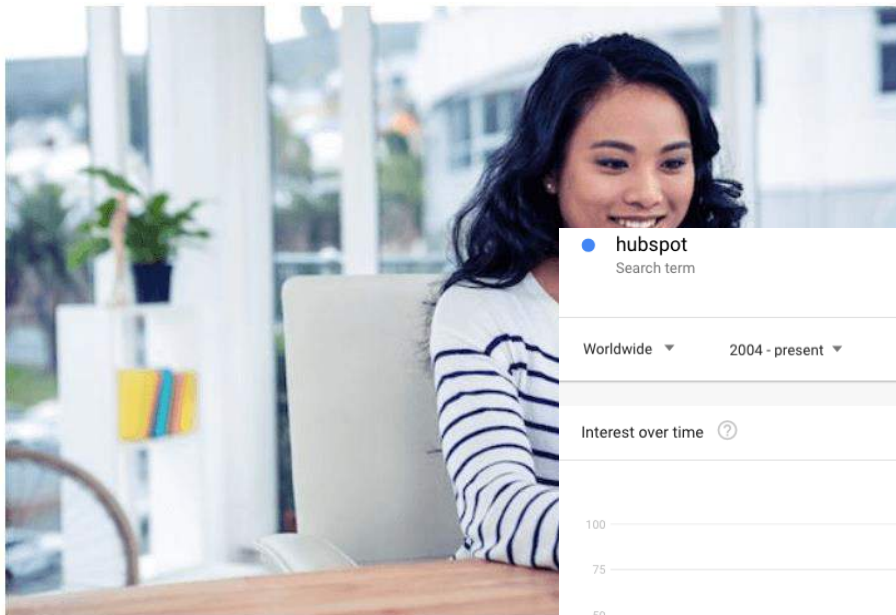
Hello! You caught us before we're ready.

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:

[Remind me](#)

© 2013 buffer. All rights reserved.





Most Popular

The Ultimate Dictionary of Marketing Terms You Should Know

MARKETING | 31 MIN READ

The Sales Manager Job Description Template

● **hubspot**
Search term

+ Compare

Worldwide ▼

2004 - present ▼

All categories ▼

Web Search ▼

Interest over time ?





Experiment



Single-feature MVP

Swiping left/right is a feature that Tinder introduced into an overly crowded chat/dating online market.

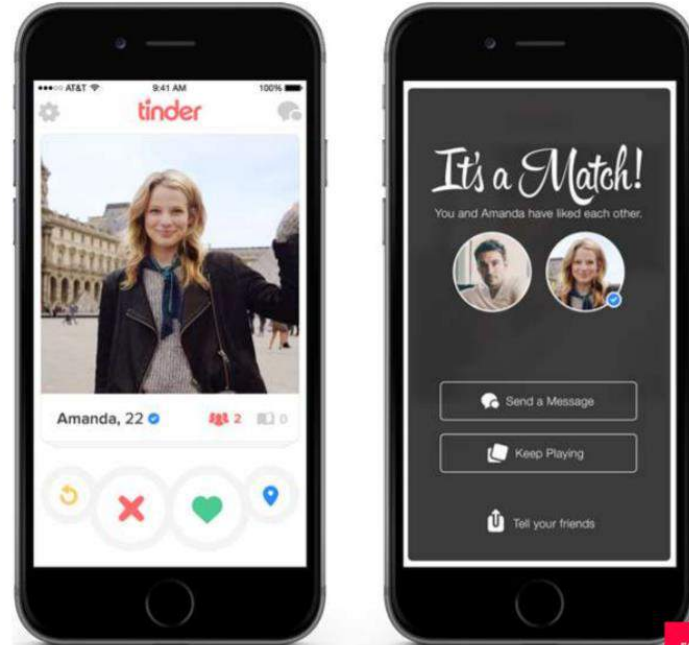
Tinder, with its 20 billion matches to date, is the world's most popular app for meeting new people. It's no mystery its popular UI design feature of swiping right (like) or left (dislike), and the fact that only people who mutually liked each other could match.

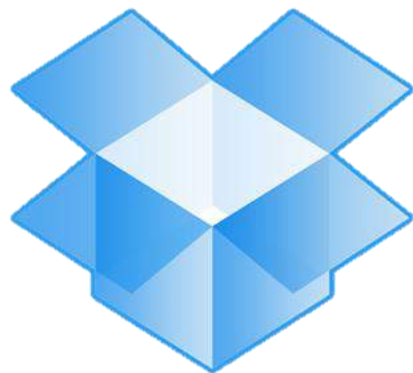
TEST CARRIED OUT BY
Tinder

METRIC
You can only like (swipe right) or dislike (swipe left) another person.

KEY TAKEAWAY
If you have one crucial hypothesis to test, try limiting your MVP to the essential.

Example





Dropbox



Experiment





Entrepreneurs want to **fail fast**

FAIL
[F] FIRST
[A] ATTEMPT
[I] IN
[L] LEARNING

Test Ideas & Assumptions
before investing valuable
time, money and effort

How to run the experiment?

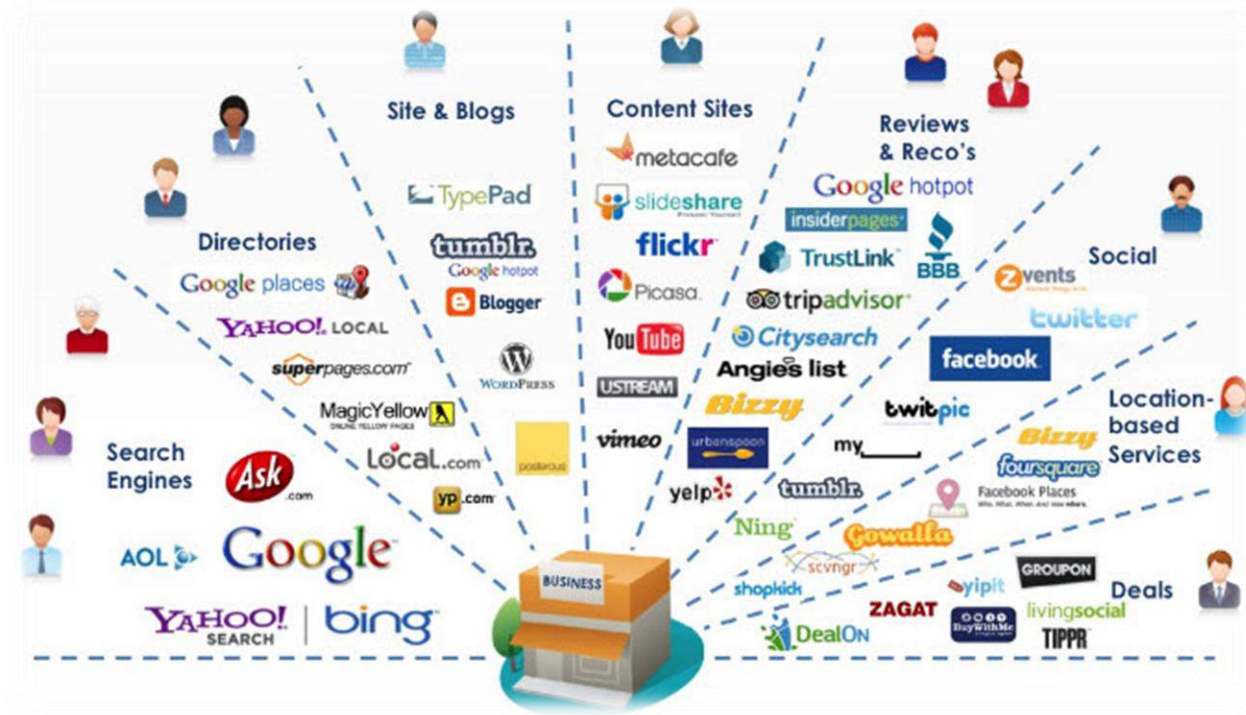
Step 1: Reach your target audience

Step 2: Represent your product / experiment

Step 3: Get them to perform action

Step 4: Collect and analyze the data

Step 1: Reach your target audience



Step 2: Represent your product / experiment

Meeting



Landing page



Manually (concierge)



Crowd-Funding

KICK
STARTER

Video



Step 3: Get them to **perform action**

Sign up. Download. Use. Buy. Pay.

**How to “pick” the right
experiment?**

Experiment Template

For S.M.A.R.T Research & Experiments: Specific Measurable Achievable Relevant Timely

Designed For:

Designed By:

Learning Goal

What do we need to learn?

What is our riskiest assumption?

What is our one priority?

Hypothesis

Is it Relevant to the learning goal?

Is it falsifiable and specific?

Is it casual? e.g., If X then Y.

Metric

Is it Measurable?

Qualitative or quantitative?

Is it actionable?

Fail Condition

Wtf,s!

If this happens, our hypothesis is clearly false!

If this happens, stop! Experiment is broken, retro!

Experiment

Is it Specific?

Is it Achievable?

How will you collect the data?

Link to any supporting documents

Timebox

Is the experiment Timely?

Can we get data faster?

Would less data be sufficient?

Start

End

Retro

The specific date and time when you will have your retro

How do you choose the right method?

- **Market**: B2B vs. B2C
- **Persona**: Behavior / Buying Habits
- **Testing & Learning Goal**: Problem / Solution
/ Features / Business Model / Pricing

Make sure your experiment is...

- Specific & falsifiable
- Measurable
- Time-bound
- The shortest/cheapest way (while maintaining effectivity)



Your turn.

- ❑ Choose one or two of your riskiest assumptions.
- ❑ Design an experiment in order to try to validate/invalidate your assumptions.
- ❑ Fill in the template with your proposed experiment.

20-30 minutes

**What if no experiment can
effectively validate my
assumptions?**

A grayscale photograph of a hand holding a white rectangular card. The hand is positioned behind the card, with the fingers visible at the top and bottom edges. The card is centered and contains the text 'The Infamous MVP' in a bold, dark blue font. The background is a solid dark blue.

The Infamous MVP

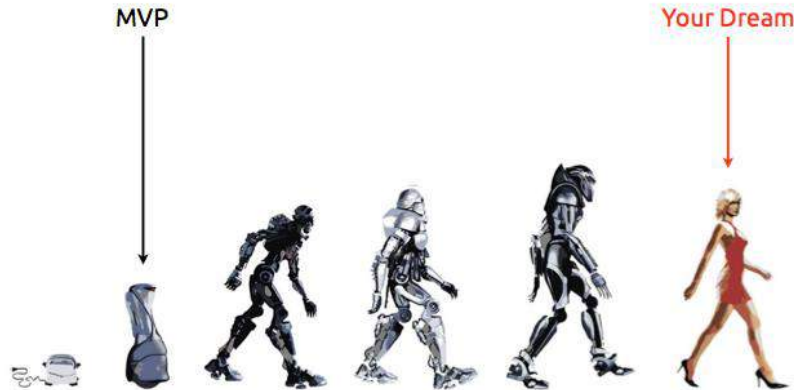
MVP

Just how **minimal** is minimal?

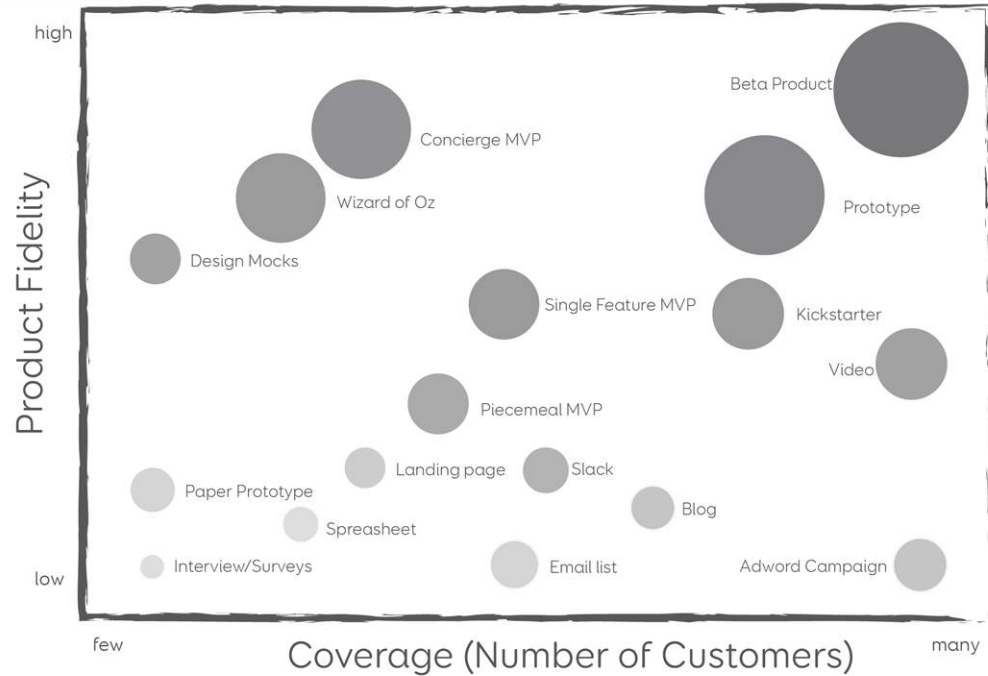
MVP

Just how **minimal** is minimal?

More minimal than you think.



But **what** is it...?



“The minimum viable product or MVP is that version of a new product which allows a team to collect the maximum amount of validated learning about customers with the least effort”

- Eric Ries, *The Lean Startup*



The screenshot shows the AirBed & Breakfast website interface. At the top, there's a navigation bar with links like "Sign Up / Sign In / Post a Room". The main header features the "AirBed & Breakfast" logo and the tagline "Forget hotels.". Below this is a search bar where "san francisco" has been entered. To the right of the search bar are fields for "Check in" (08/18/2008), "Check out" (08/20/2008), and "Guests" (1). A "Search" button is also present. Under the search bar, there's a section titled "Sorting Options".

Listing Name	Price
"Bikitaastic"	\$10
"Cute!"	\$25
"Simple"	\$50
"AwesomeRoom"	\$50
"happy"	\$50
"Victorian"	\$50
"Get Fit"	\$80
"Sunny"	\$85
"Cute"	\$90
"Modern"	\$99

At the bottom left, it says "1 - 10 out of 16 listings." and at the bottom right, "1 2 Next". On the right side of the page, there's a map of San Francisco with several pink location pins. A callout box for the "Modern - \$99" listing shows a photo of a man.

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What are people saying



sacca
9:24pm, May 30 from Twitter for iPhone
I don't always take sedans, but when I do, I use @UberCab. Say in need of transportation, my friends.



trammell
9:00pm, May 30 from Twitter for iPhone
Rolling in an @UberCab w/ @mm @coreyphillips. Hello-eww, super-simple black car service on your iPhone. Feeling quite undeservedly baller.

[Twitter](#)

As seen on

[TechCrunch](#)



[TECH cocktail](#)



MVP



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[login](#)

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[Welcome to Thefacebook]

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- Find out who are in your classes
- Look up your friends' friends
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MVP



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EYES & EDITORS, A PERSONAL NOTIFICATION SERVICE

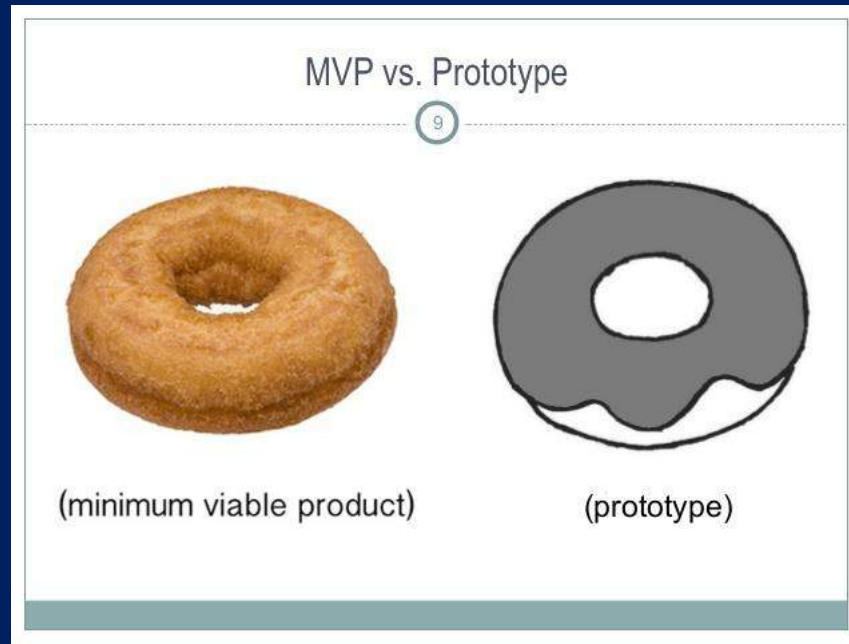
Like to know when that book you want comes out in paperback or when your favorite author releases a new title? Eyes, our tireless, automated search agent, will send you mail. Meanwhile, our human editors are busy previewing galleys and reading advance reviews. They can let you know when especially wonderful works are published in particular genres or subject areas. Come in, meet Eyes, and have it all explained.

YOUR ACCOUNT

Check the status of your orders or change the email address and us. Please note that you **do not** need an account to use the store. When you place an order, you will be given the opportunity to create an account.

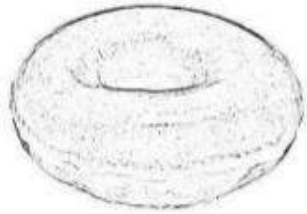
amazon.com, 1995

MVP vs. Prototype



MVP vs. Prototype

Defining Prototype



(prototype)

Defining MVP



(minimum viable product)

Final Product



(product)

MVP

————— How **not to build** a minimum viable product —————



1



2



3



4

————— How **to build** a minimum viable product —————



1



2



3



4



5



Questions?