

Validation guide

24 ways to test your business ideas

board of
innovation



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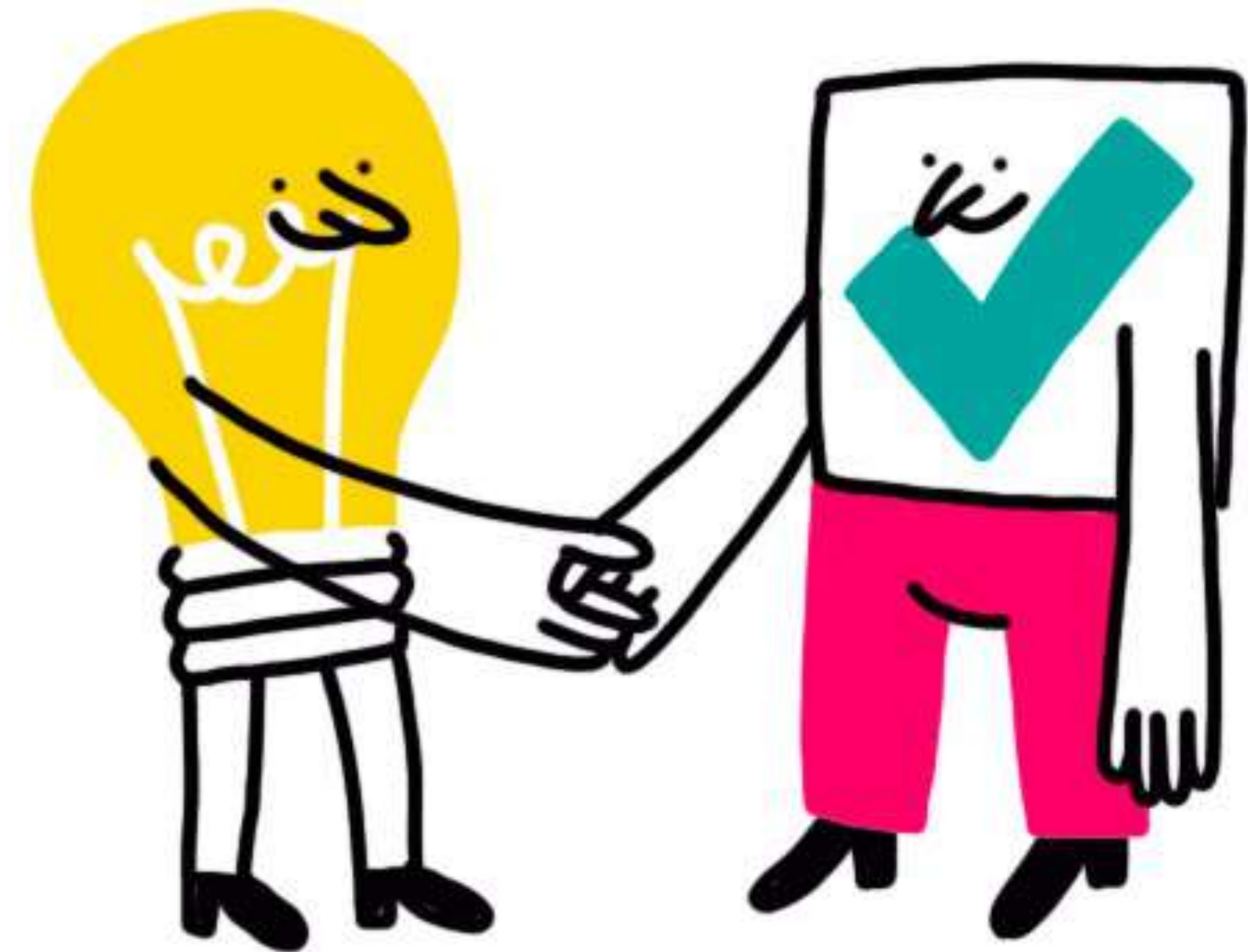
Before we start

What the heck is validation?



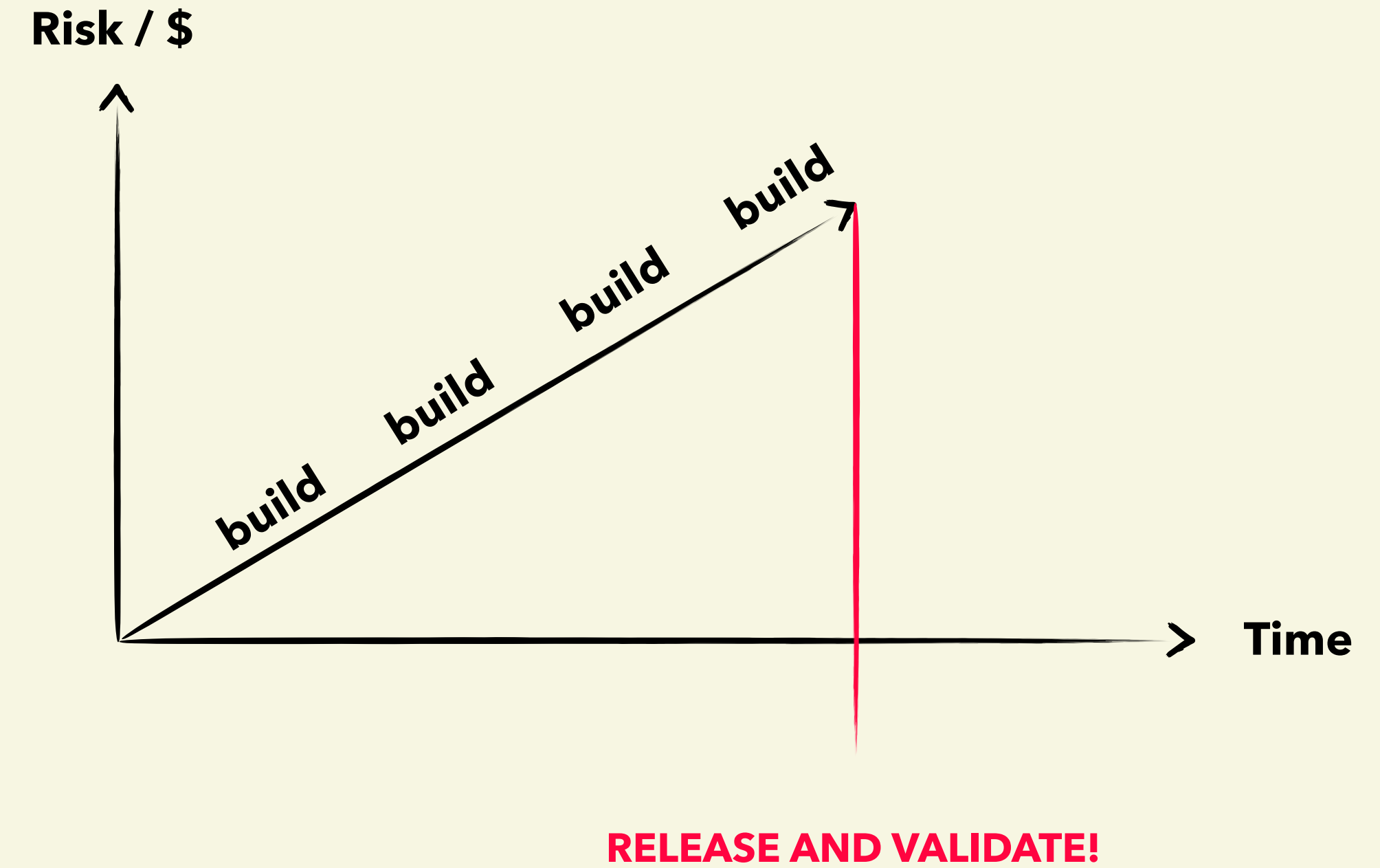
Validation

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 corporations (example: build the car, launch it on the market) ...



Waterfall approach

High risk

Validation of the business proposition at release

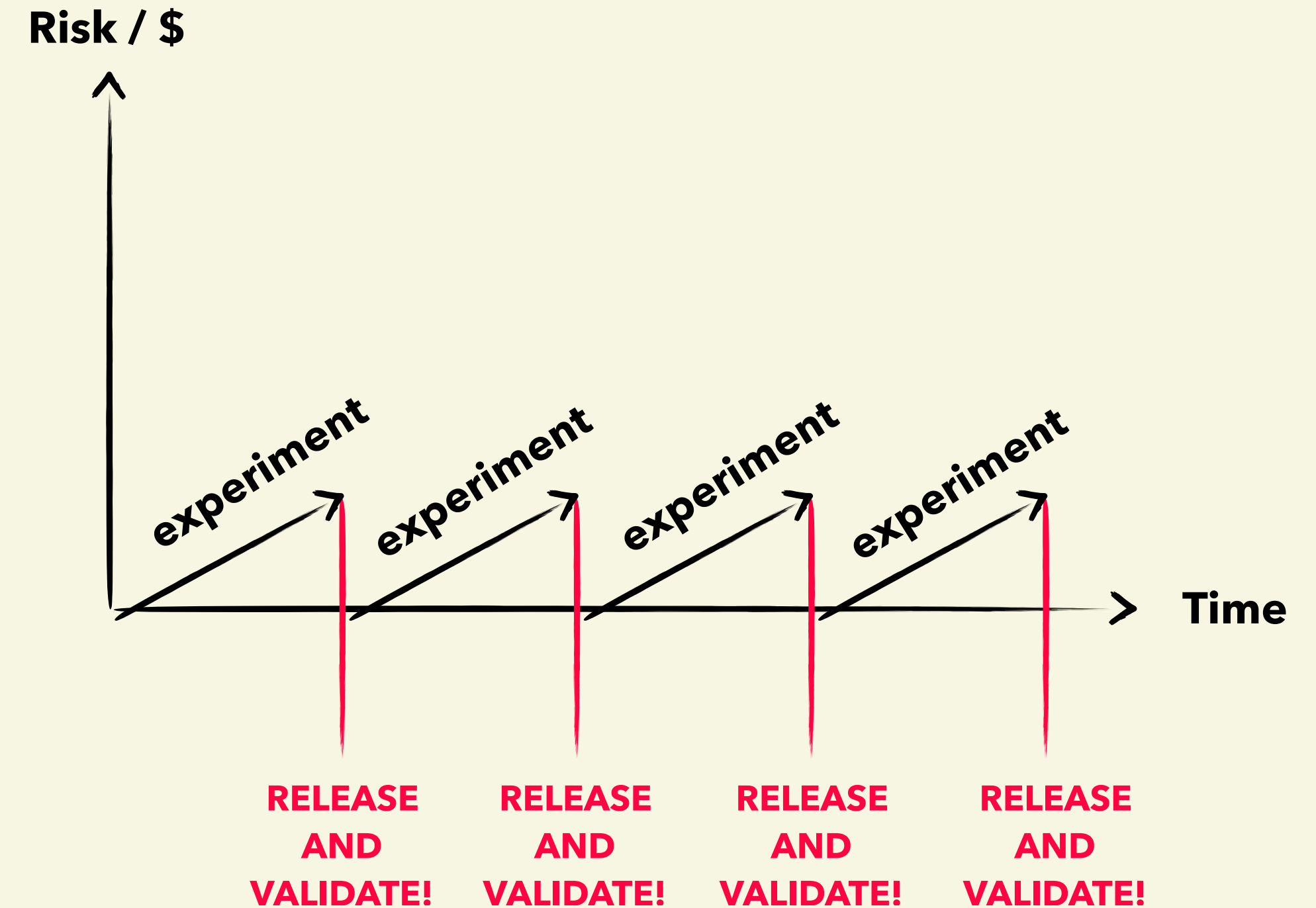
Limited iterations

Budget-consuming

Validation of the whole concept at final release

Lean approach

... towards a lean approach where resources are optimized and evidence from user testing takes the risk out of decision making.



Lean approach

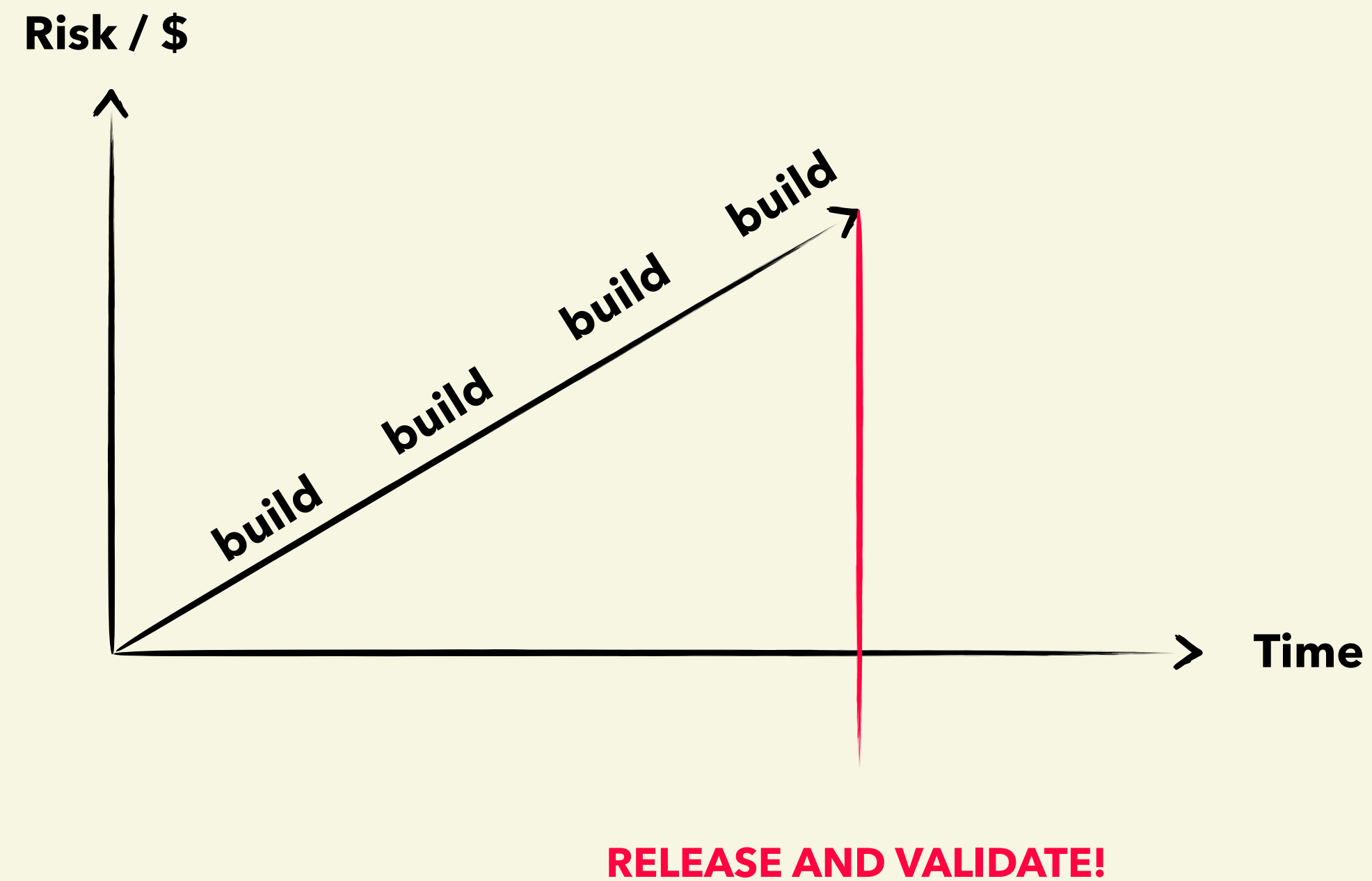
Low risk

Multiple checkpoints for validation

Multiple iterations

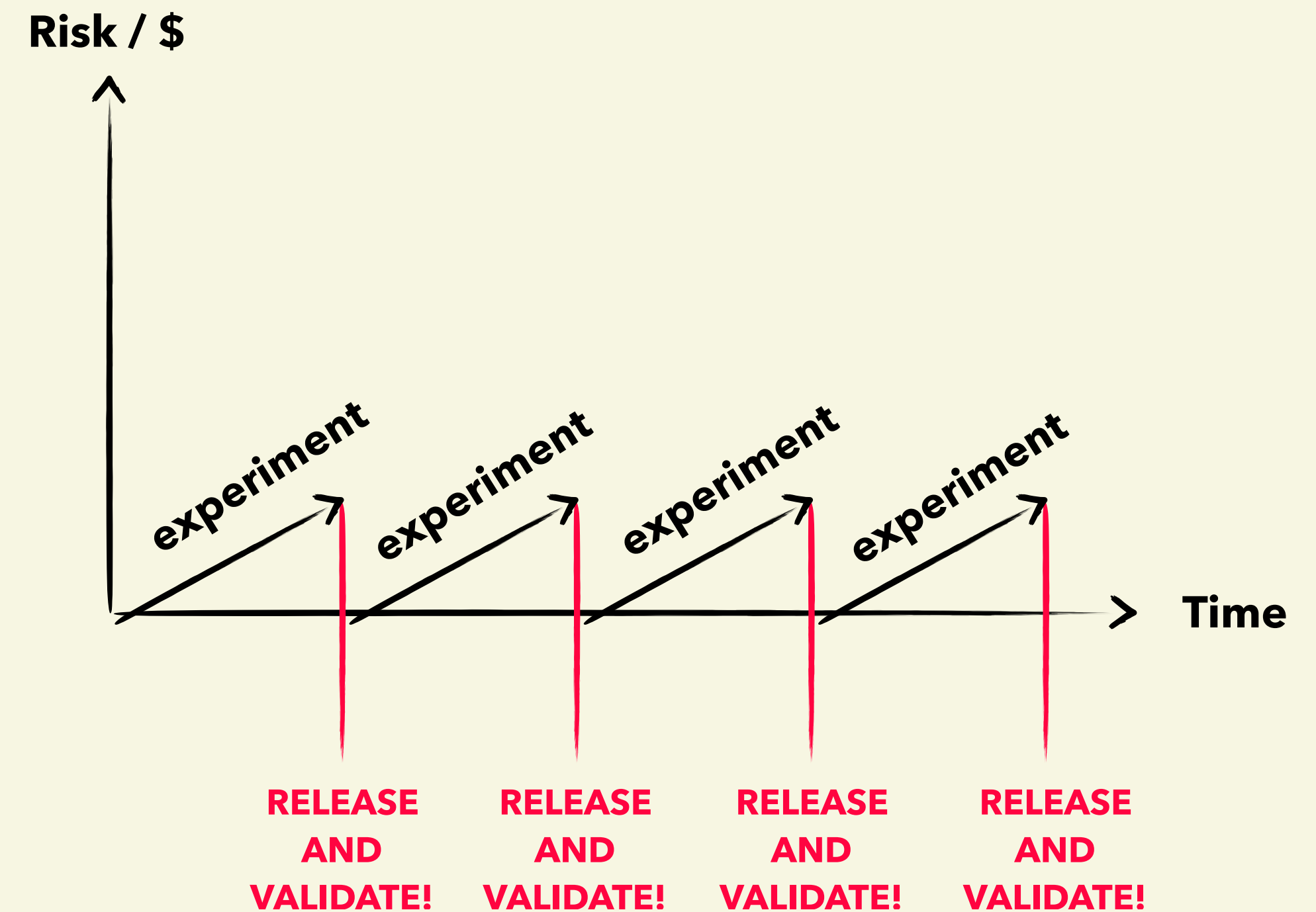
Budget is progressively increased once hypotheses are validated

Validation of individual hypothesis through multiple experiments



Waterfall approach

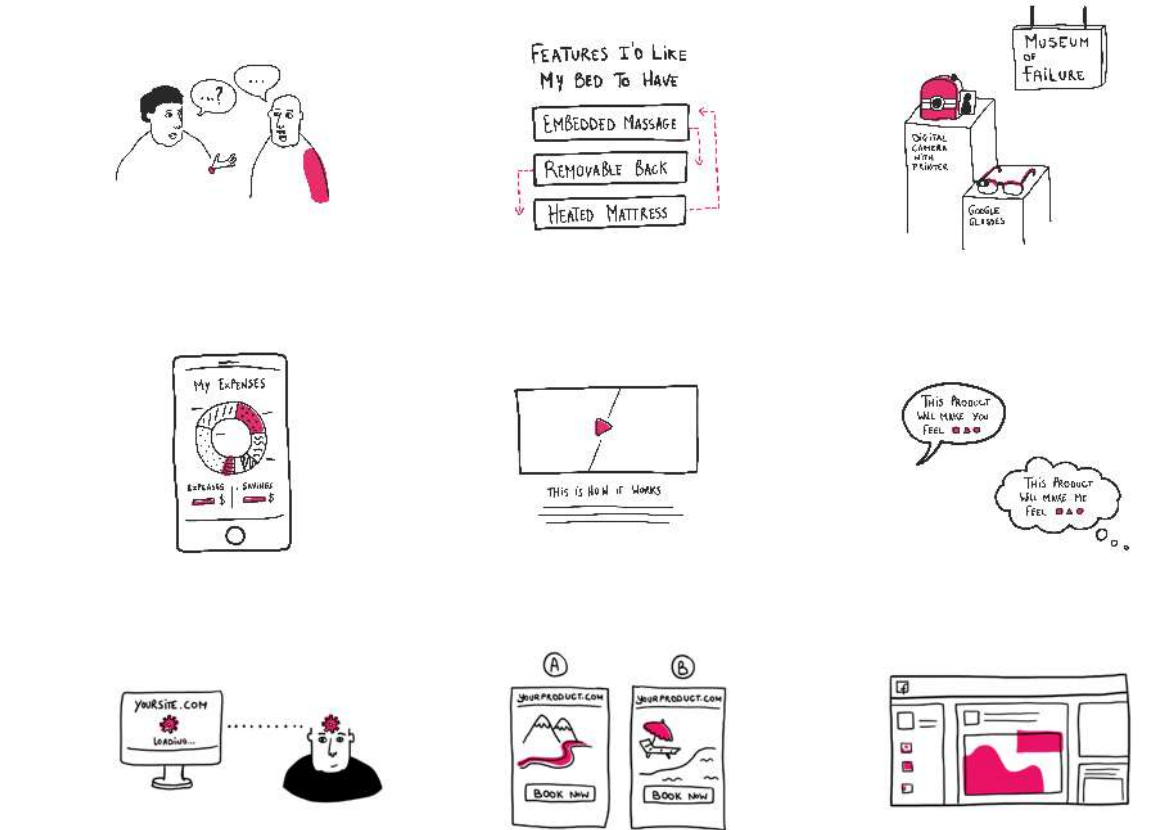
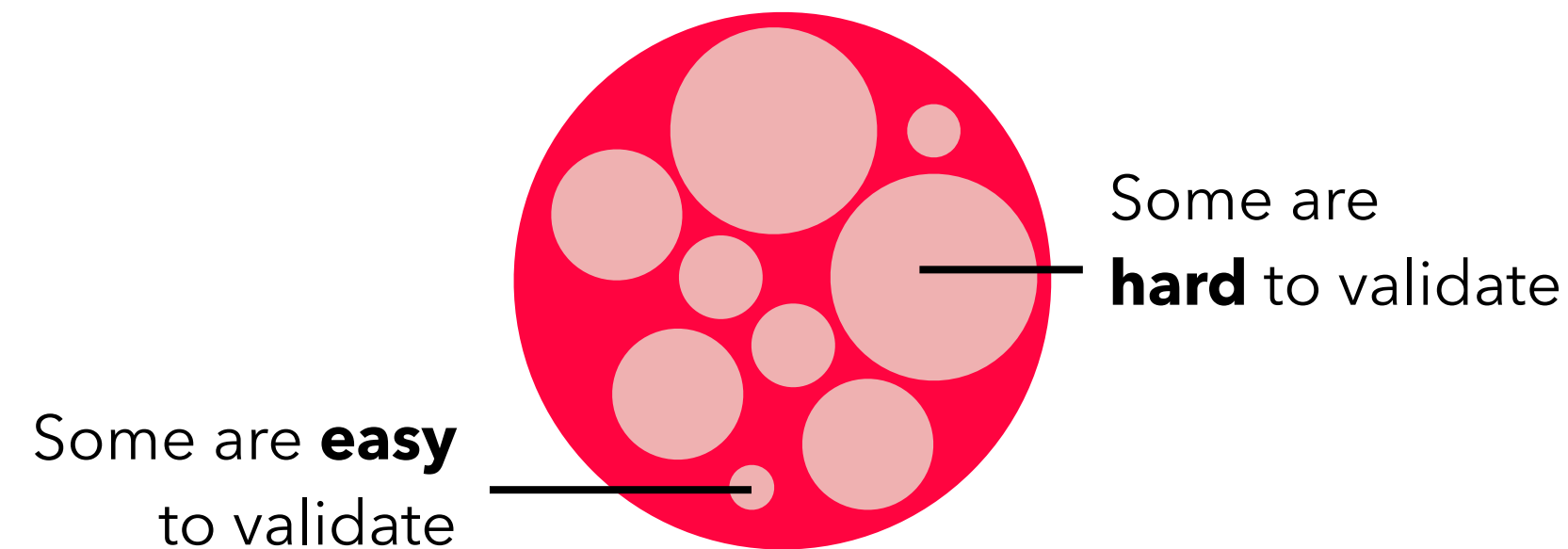
- High risk
- Validation of the business proposition at release
- Limited iterations
- Budget-consuming
- Validation of the whole concept at final release



Lean approach

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

Validation step by step



Step 1

DEFINE YOUR FOCUS: WHAT DO YOU SEEK TO VALIDATE?

Clearly define your challenge, and at what stage of the innovation funnel you're in, in order to select relevant experiment types to validate various aspects of your business proposition.

Step 2

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

Regardless the stage you're in (problem space, solution space, business or pricing models), you can now map out the assumptions.

Tool: Assumption Mapper

Step 3

CHOOSE AND DESIGN THE RELEVANT EXPERIMENTS TO TEST YOUR HYPOTHESES.

Once you have ranked your assumptions and defined key hypotheses you want to test, you can select the most suitable experiment(s) to test and validate (or reject) your hypotheses.

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 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: ARE PEOPLE LOOKING FOR A LAMP WITH A MOTION DETECTOR?

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

EXAMPLE: SHOULD THE LAMP BE THIS BRIGHT?

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

EXAMPLE: WOULD ENERGY PROVIDERS BE INTERESTED IN PARTNERING TO SELL THESE ENERGY-SAVING LAMPS?

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

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

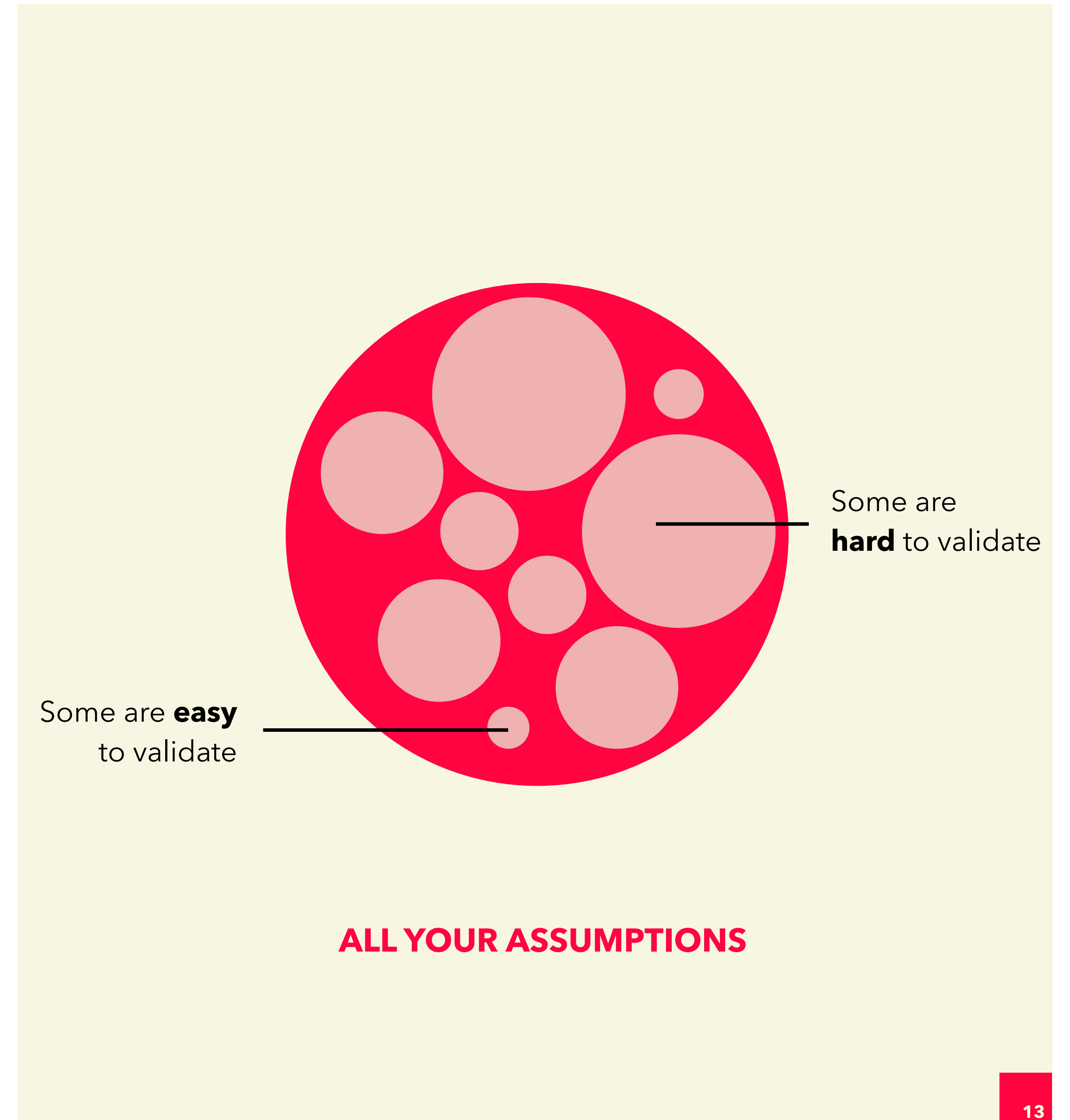
Step 2

**Map out your assumptions,
prioritize the most critical ones
and convert them into
hypotheses ready to be tested**



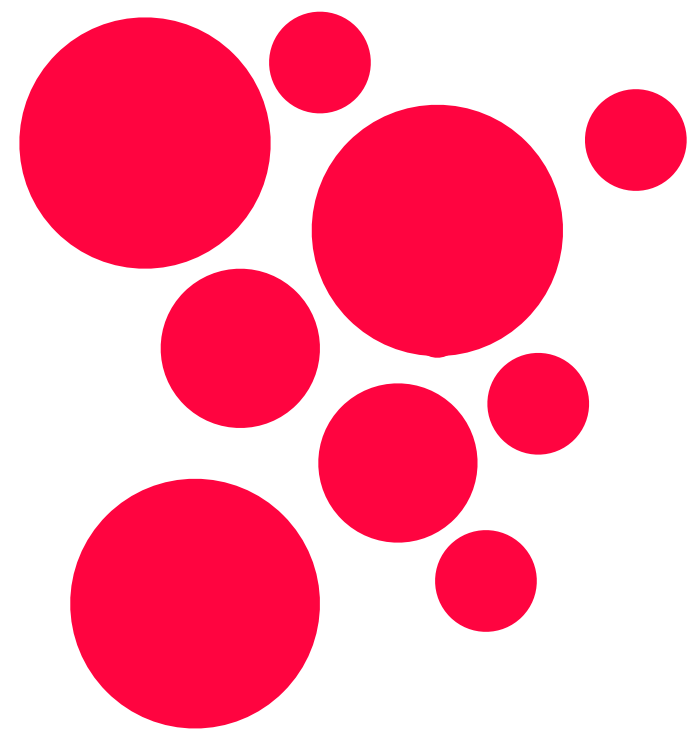
Mapping out the assumptions

Regardless the stage you're in (problem space, solution space, business or pricing models), you can now map out the assumptions.



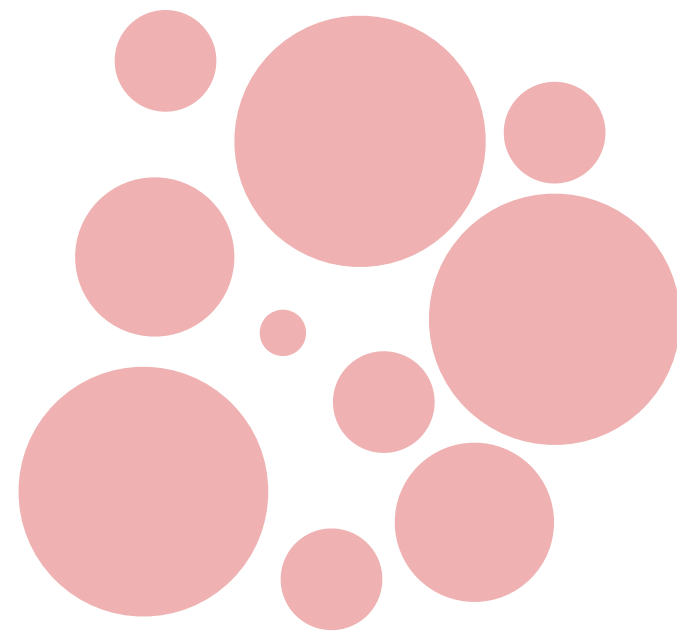
Mapping out the assumptions

Divide the assumptions into categories - it will help you focus on the assumptions that really matter.



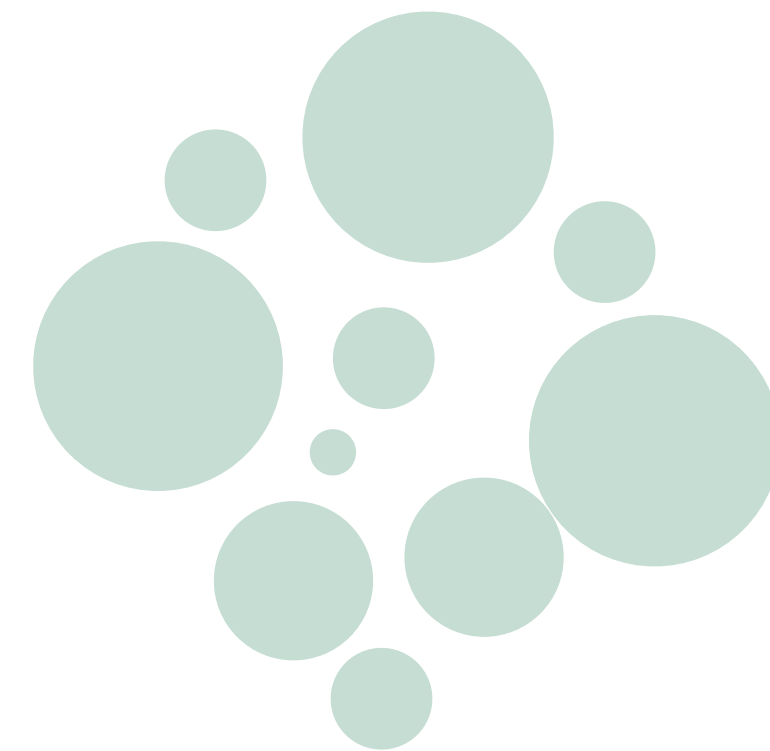
Desirability

Client/user focus



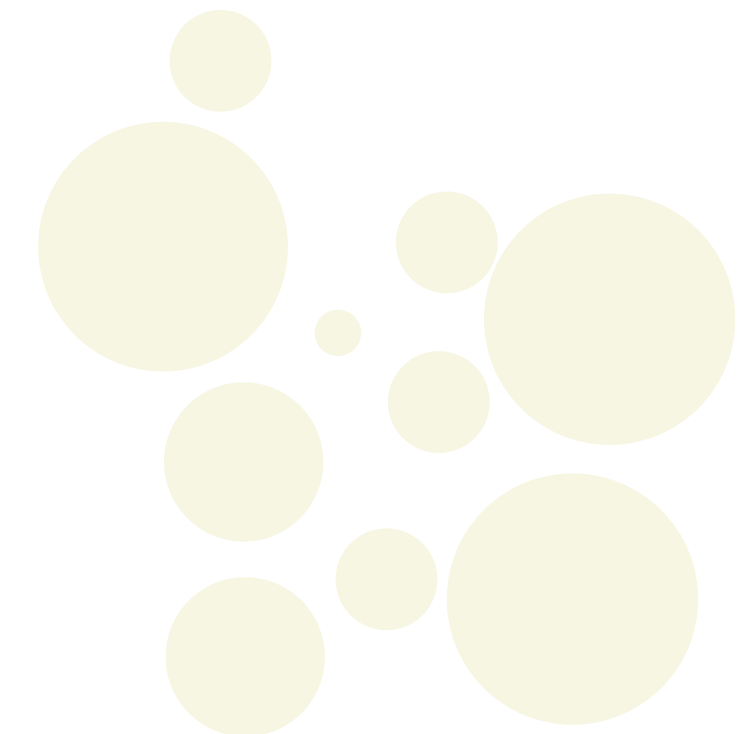
Viability

Business model



Feasibility

Tech possibilities

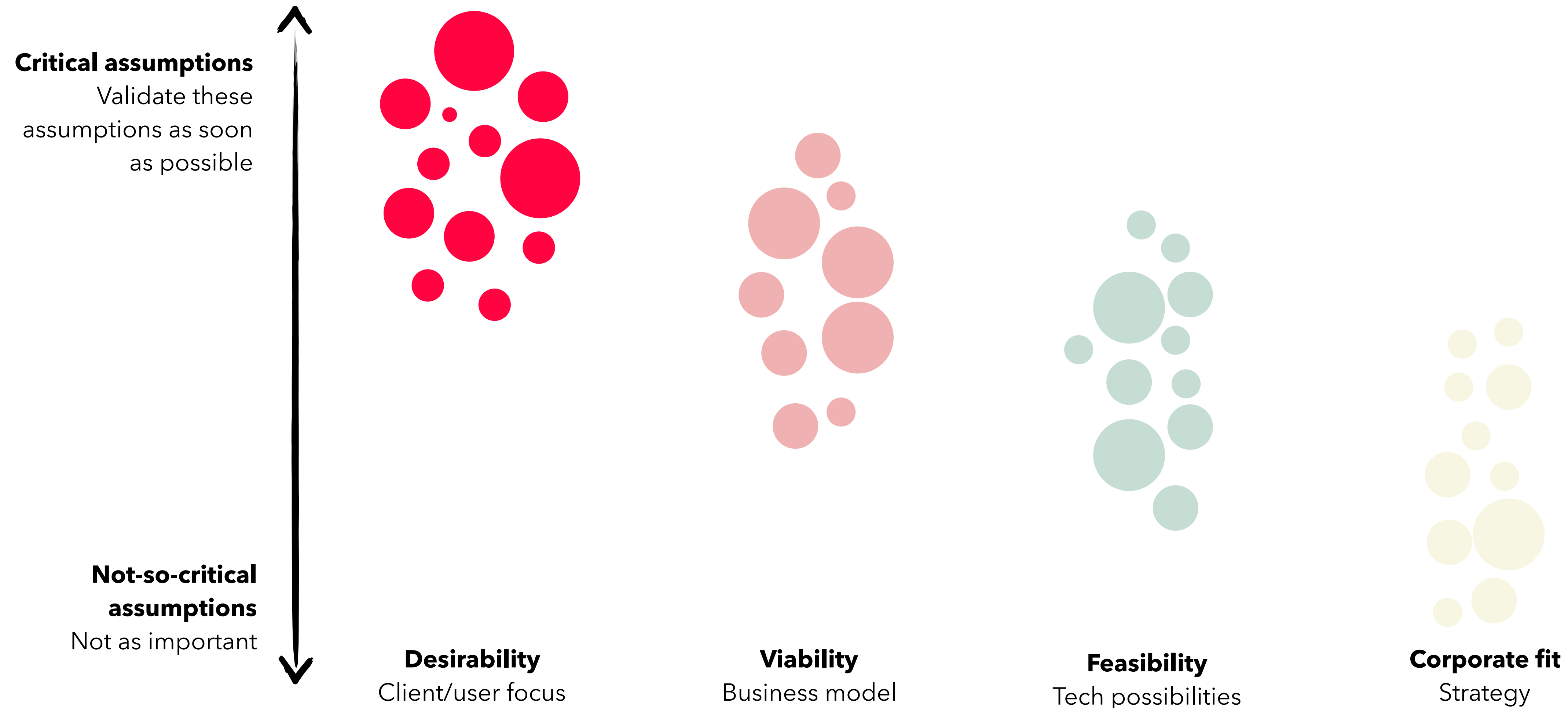


Corporate fit

Strategy

Mapping out the assumptions

Then, prioritize the validation of assumptions around user needs (**desirability**).



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, feasibility or corporate fit?
- › **Prioritize** the assumptions of your business idea. Focus your energies on what really matters! First validate the important assumptions which are easy to answer. Then, move to the important assumptions which are more difficult to test. Leave the non-essential 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 flip chart.

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 to their properties, and so on.

STEP 3

Each person gets three votes for the most critical assumptions. Select the assumptions which received the most votes. Are these allocated mainly in the upper section of the graph?

STEP 4

Having prioritized the most critical assumptions, you can now start validating the most relevant ones (aka. the ones that relate to desirability and viability, and which are easy to answer) - leaving the least important ones for later.



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

An assumption is something that we believe to be true without evidence to back it up.

HYPOTHESIS

A hypothesis, by contrast, is an educated guess about 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



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 (in)validate your hypotheses.

The “Experiment Card” helps you frame your experiments and focus on what really matters. It’s crucial to define the definition of success so that you can decide whether or not to repeat, pivot, or proceed.



Mapping out the assumptions

STEP 1

Download this PDF and print it on an A4 sheet of paper.

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: what needs to be tested and how will you do it?

STEP 5

Describe the target audience of the experiment.

STEP 6

Outline the goal of your experiment. Describe the conditions under which the experiment will be considered successful.

STEP 7

Sum up the practicalities that need to be taken care of to do the experiment and structure them on the timeline.

Pro-tip: Don't forget to sketch your experiment setup!

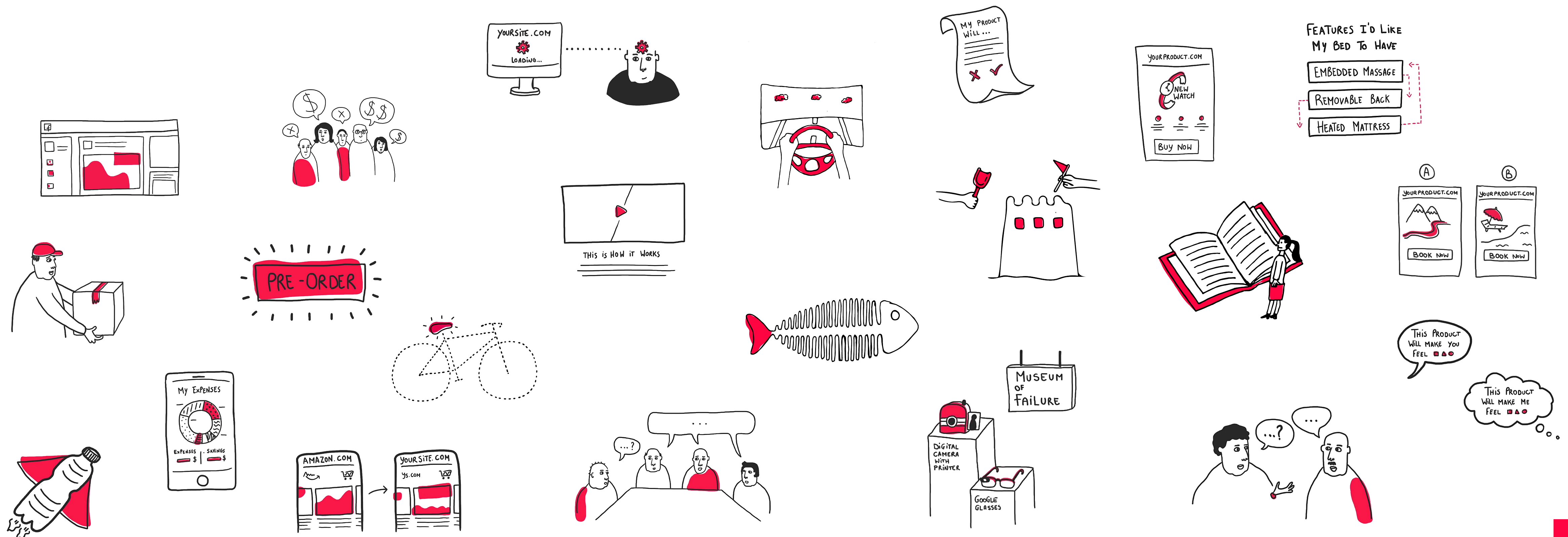
STEP 8

Lastly, after running the experiment, use the results 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 whether to run another experiment, to pivot and review, or to proceed with caution (it could give you new learnings - it doesn't necessarily mean you have to review your concept and solve something straight away).



Ready to go, but no idea where to start?

Here are 24 experiments you can use, plus real examples of how successful startups or corporates used them for validation purposes. **Mix and match them to discover powerful learnings!**



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 (in)validate your hypothesis. These results will reflect the interest/commitment of the market you are addressing.

PROS

+ Informative insights

+ Moderate setup time

TOOLS

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

CURRENCY

Engagement Time

CONS

- Recruitment

- Effort required for analysis

- Unfocused evidence

TARGET AUDIENCE

B2C

B2B

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 only (or more easily) be 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've designed.
- › **Features:** test specific features of your solution.
- › **Business model:** test the viability of the solution you've designed.
- › **Pricing:** test the pricing model of your product or service.

PROS

- + Informative insights
- + Moderate setup time

CONS

- Recruitment
- Effort required for analysis
- Unfocused evidence

TOOLS

Trello (free) lets you track and analyse 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 for them. What can you learn from Google Glass?



Picnic in the graveyard

INVESTIGATE THE BIGGEST FAILURES IN YOUR INDUSTRY AND UNDERSTAND THE REASONS FOR THEM. WHAT CAN YOU LEARN FROM GOOGLE GLASS?

This method is not about testing a hypothesis, rather, it is about generating ideas. Use the “picnic in the graveyard” approach to gather information on what has been tried and failed - and why. It involves contacting the people behind these unsuccessful ideas to get the true story and learnings from them.

PROS

- + Simplicity
- + Learn from others

CONS

- Unstructured research



TOOLS

Explore old products and old web pages of corporates by using Archive, the time machine of the web.



CURRENCY

Engagement
Past sales


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 Glass?

Vuzix, an American multinational technology firm headquartered in Rochester, New York, has been trying to resurrect the promise of Google Glass 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 pain points faced by Google Glass.

RESULTS

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

KEY TAKEAWAY

Keep in mind the principle "either it already exists, or someone tried and failed". Before launching into the development of a new product or service, first look at those who have gone before you to prevent making the same mistakes.

Example



2. Existing data

What information do you already have that you can leverage?



Existing data

WHAT INFORMATION DO YOU ALREADY HAVE THAT YOU CAN LEVERAGE?

Secondary research consists of existing data such as the Internet, books, articles, or previous studies. This information can be used to strengthen insights from primary research. It can also be a starting point of a design challenge to help identify the problems or basic needs of a large, unknown market.

Note: While secondary research can be useful, **it is no substitute for primary research**. Prioritize creating new data through direct user interactions including interviews, focus groups, observation, questionnaires, etc.

PROS

- + Often already exists
- + Good for projects within a strategic scope

CONS

- Not user-centric
- Highly assumption-driven

TOOLS

Internet
Research studies
Existing data
Articles

CURRENCY

Evidence of trends

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 which 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, while also observing the contextual environment. For this approach, start by stating your research goals clearly and then actively listening to the customer's responses. Following the session, make sure to book time for the analysis and synthesis of the research, which is just as important.

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

Generative session

Hypothesis: 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 HU University of Applied Sciences 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 providing the participants with a set of hands-on exercises, the university was able to gain insight into potential students' decision making. These insights later served as the foundation for the website redesign.

KEY TAKEAWAY

Look beyond first impressions and get a deep understanding of what your users know, feel and dream.

Example



4. Customer interview

Leave the building to actively learn through real, in-person interactions with customers.



Customer interview

LEAVE THE BUILDING TO ACTIVELY LEARN THROUGH REAL, IN-PERSON INTERACTIONS WITH CUSTOMERS

Customer interviews find out whether you are addressing a real need and solving a real problem. Alternatively, use these one-on-one interactions to gain insights into whether your solution actually resonates with your customers. The key is identifying key customers to talk to (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

Trello (free) lets you track and analyze 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 about customers' interest in 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 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.

Example



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 usually take less than an hour. The aim is to test if at least 80% of your customers understand your message. Sample sizes of your test group 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
- + Both qualitative and quantitative

TOOLS

Kromatic designed a simple card to track comprehension test activities.



CURRENCY

Attention
Comprehension
Engagement



CONS

- Not on target customer

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 explanation of the participant 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.

Example



6. Feature sorting cards

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



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 into 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. 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: Keep the cards to less than 40 to avoid overwhelming your participants.

PROS

- + Simplicity
- + Structure
- + Focus - patterns

CONS

- Hosting a test session
- Won't necessarily correspond to real life behavior


TOOLS

OptimalSort (starting at 166\$/month) and Usabillitest (free trial) let you create cards and test them online with instant result analysis.

CURRENCY


Satisfaction
Engagement
Time

TARGET AUDIENCE

 B2C

 B2B

KIND

 Evaluative


 Generative

PERFECT TO TEST

 Problem

 Solution

 Features

 Biz model

 Pricing

Feature sorting cards

Hypothesis: which sensors should a smart-bed have?

Haelvoet has been an authority in the production of hospital and nursing home furniture for more than 80 years. Due to the ageing population, Haelvoet wants to get a clear view on the essential sensors needed in a smart-bed. They used card sorting to prioritize the essential sensors during in-depth interviews with nurses, care providers and purchasing managers.

TEST CARRIED OUT BY

Haelvoet, producers of
hospital and nursing
home furniture.

METRIC

The ranking of desired features

RESULTS

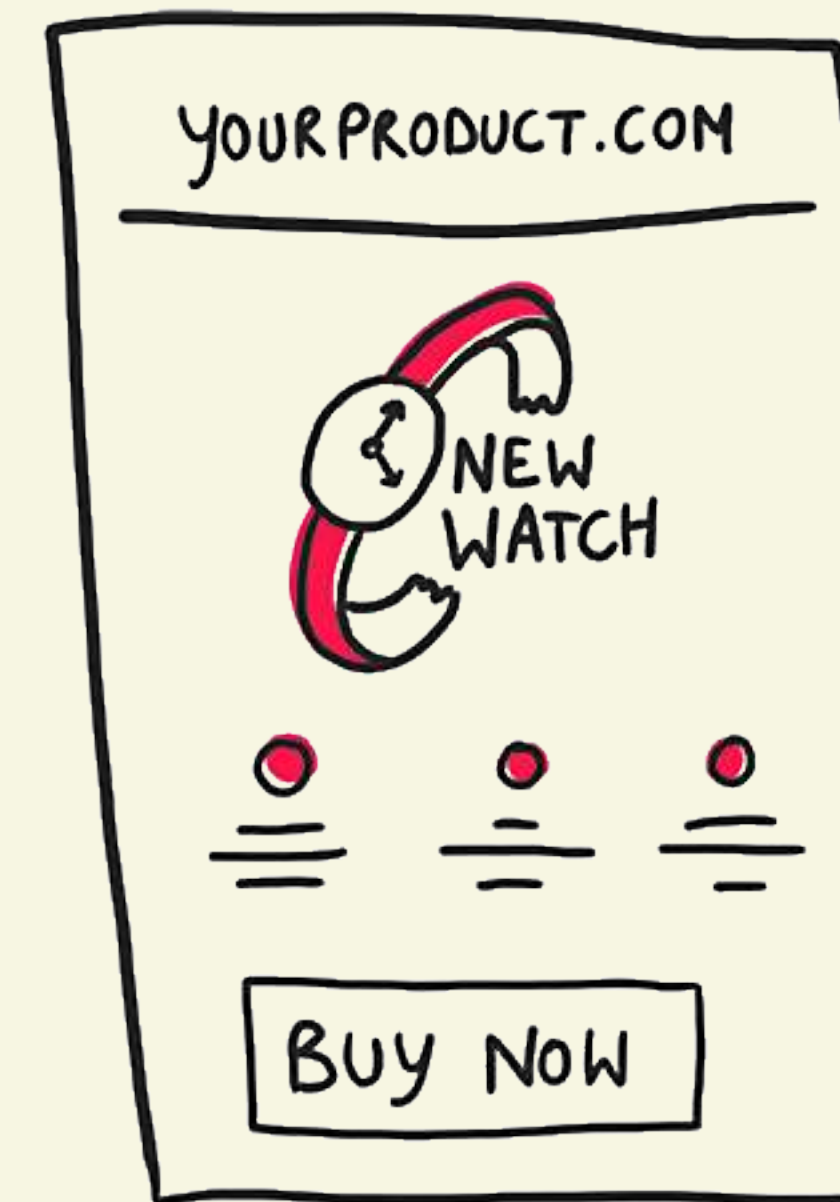
The exercise of sorting cards during the in-depth interviews indicated that the following three sensors are the most desired: out-of-bed detection, scales and automatic under-bed light.

Example



7. 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 not have perceived, and reveal elements that are not intuitive to your users.

PROS

- + Simplicity
- + Cost effectiveness

CONS

- Weaker evidence



TOOLS

Sketch (starting 99\$/year) and Balsamiq (starting 90\$/year) are great for wireframes and Invision (freemium) let you design and test your digital prototypes.



CURRENCY

Engagement
Time
Attention

TARGET AUDIENCE

-  B2C
-  B2B

KIND

-  Evaluative
-  Generative

PERFECT TO TEST

-  Problem
-  Solution
-  Features
-  Biz model
-  Pricing

8. App mockup

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 the development phase.

PROS

- + Simplicity
- + Speed

CONS

- Requires high amount of users



TOOLS

- [UXPin](#)
- [InVision](#)
- [Proto.io](#)
- [POP app](#)



CURRENCY

Conversion rate (%)



TARGET AUDIENCE

-  B2C
-  B2B

KIND

-  Evaluative
-  Generative

PERFECT TO TEST

-  Problem
-  Solution
-  Features
-  Biz model
-  Pricing

9. Physical prototype

Test and evaluate your potential 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. You may think of car manufacturers that use advanced forms of prototyping, or Dyson, that notoriously went through 5,127 prototypes for its best-selling cyclonic vacuum cleaner. But what we’re referring to is **prototyping at much earlier stages**. For example, you could prototype a self-service pharmacy by using paper boxes, and by placing an actor inside the box to “perform” the expected actions.

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

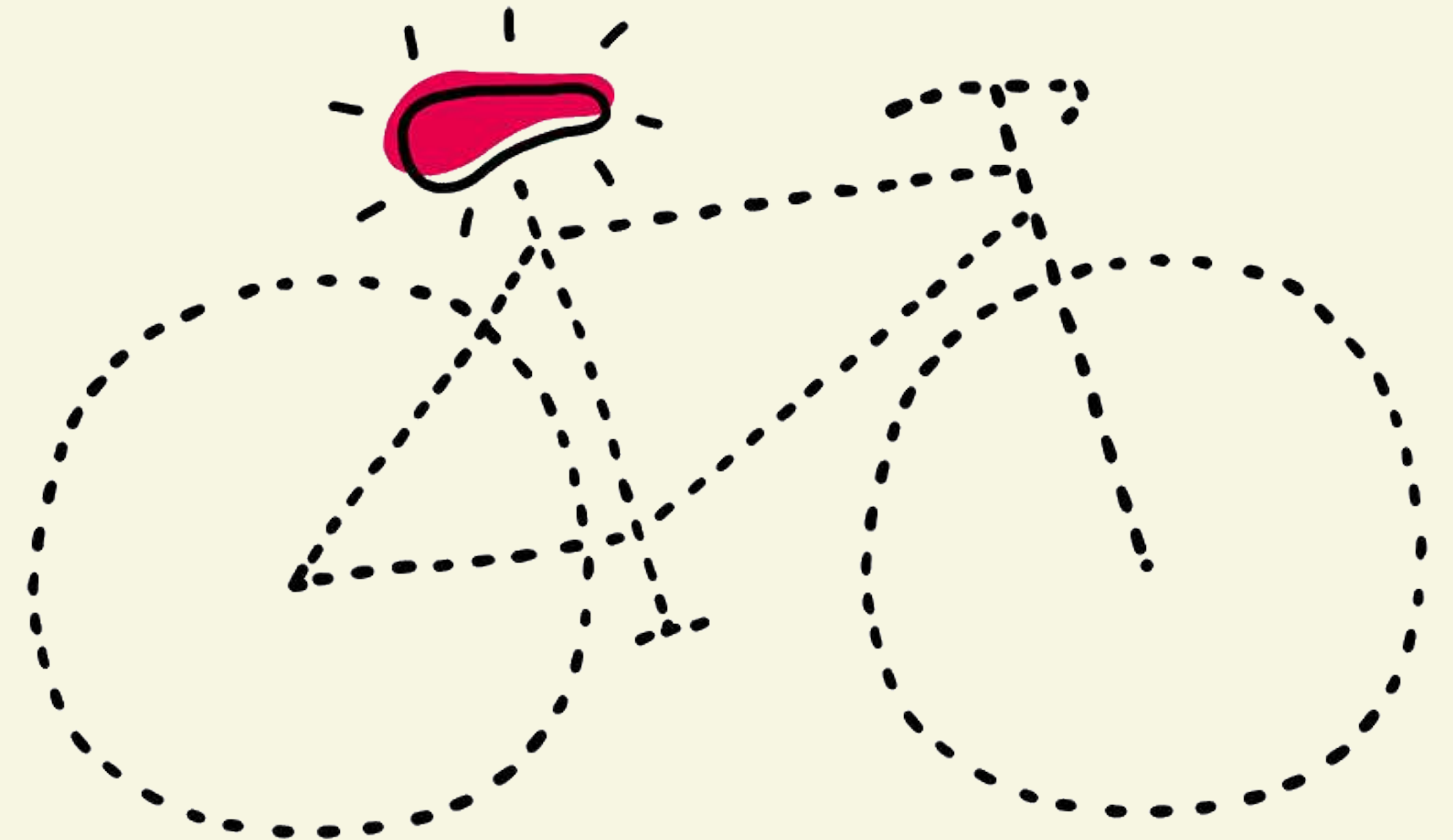
-  Evaluative
-  Generative

PERFECT TO TEST

-  Problem
-  Solution
-  Features
-  Biz model
-  Pricing

10. 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 do so? To have the statistical guarantee that it's that specific feature being validated (and not other ancillary components of the offering).

Pro Tip: A common next step is building a bare bones MVP.

PROS

- + Simplicity
- + Gives focus
- + Easy to explain
- + Speed

CONS

- Need multiple tests
- Adjust assumptions
- Not always a signal of product-market fit

TOOLS

Anything you can find!

Physical: cardboard, glue, paper, wood, 3D printed parts.

Digital: interface actions.

CURRENCY

Satisfaction
Engagement
Time

TARGET AUDIENCE

● B2C

● B2B

KIND

● Evaluative

● Generative

PERFECT TO TEST

● Problem

● Solution

● Features

● Biz model

● Pricing

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.

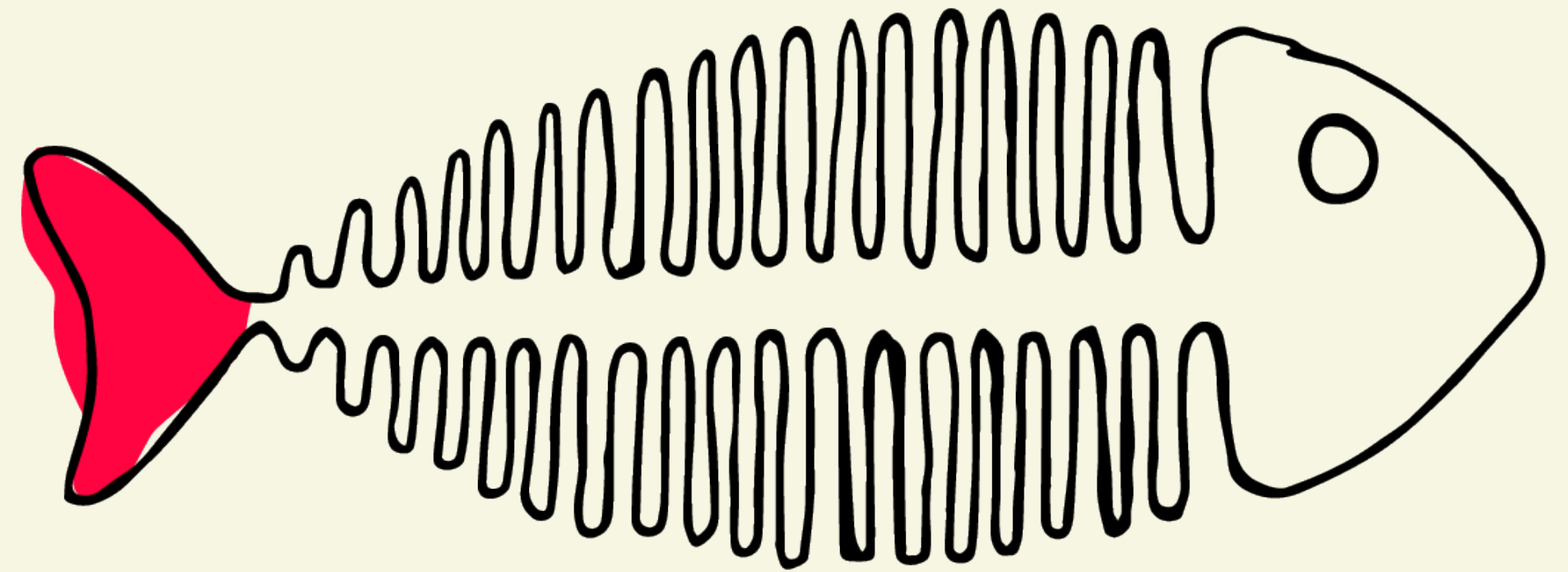
KEY TAKEAWAY
If you have one crucial hypothesis to test, try limiting your MVP to the essential.

Example



11. 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 minimum viable product (MVP) allows you to test your product with potential customers and convince them to pay for it before fully building it. You can build a bare bones MVP with whichever tools are available that allow you to build multiple real features and functionalities that you need to validate. A bare bones MVP is suitable for software solutions. It 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 real solution to customer expectations



TOOLS

Excel
Access



CURRENCY

Payment
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.

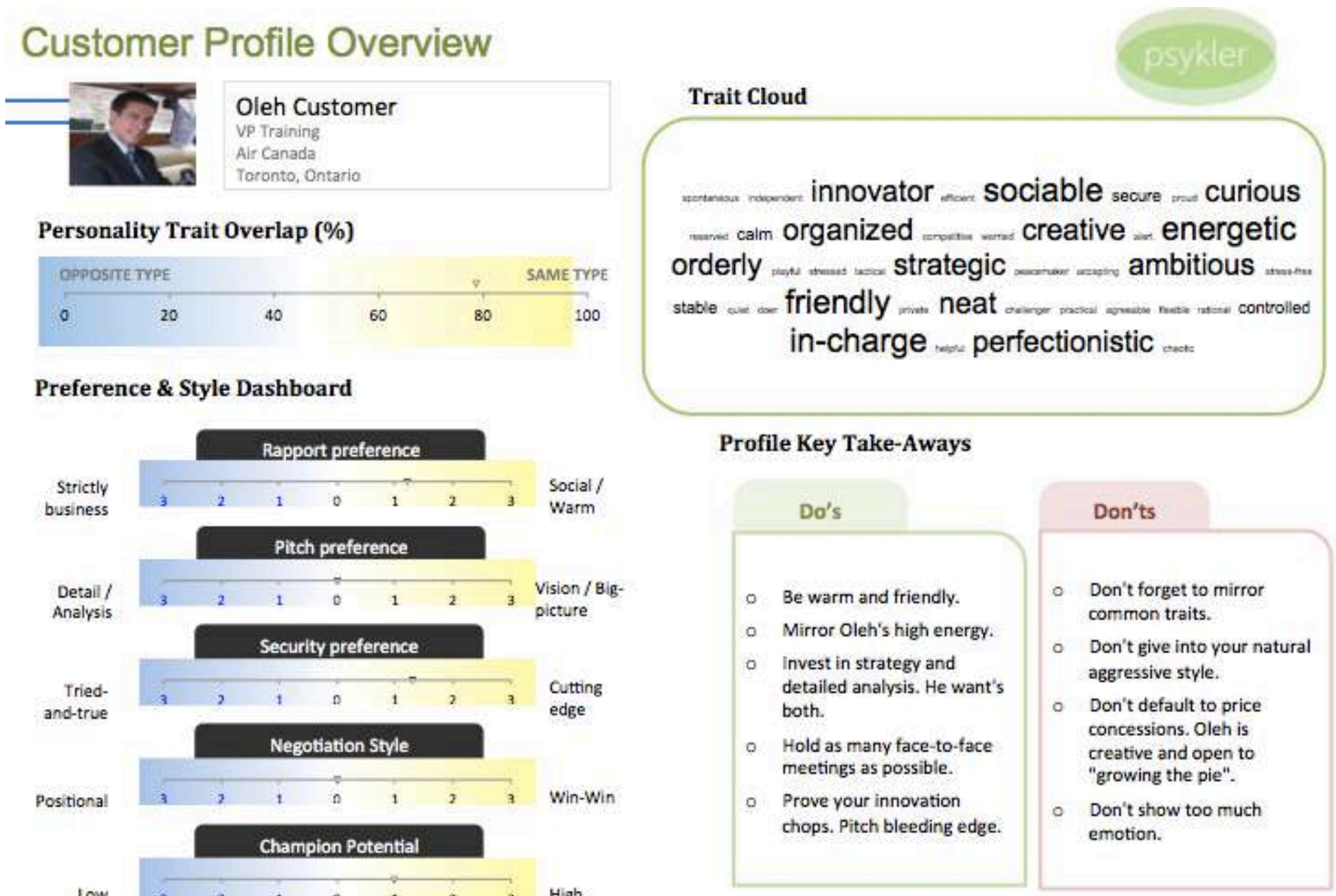
The concept of Psykler, a customer intelligence solution provider that helps users build more effective business relationships using psychometric profiling, was first validated with a bare bones MVP prototype built using Excel spreadsheets. The prototype used macros to validate and refine key features.

TEST CARRIED OUT BY
Psykler

METRIC
The number of pre-sales
The number of interested customers

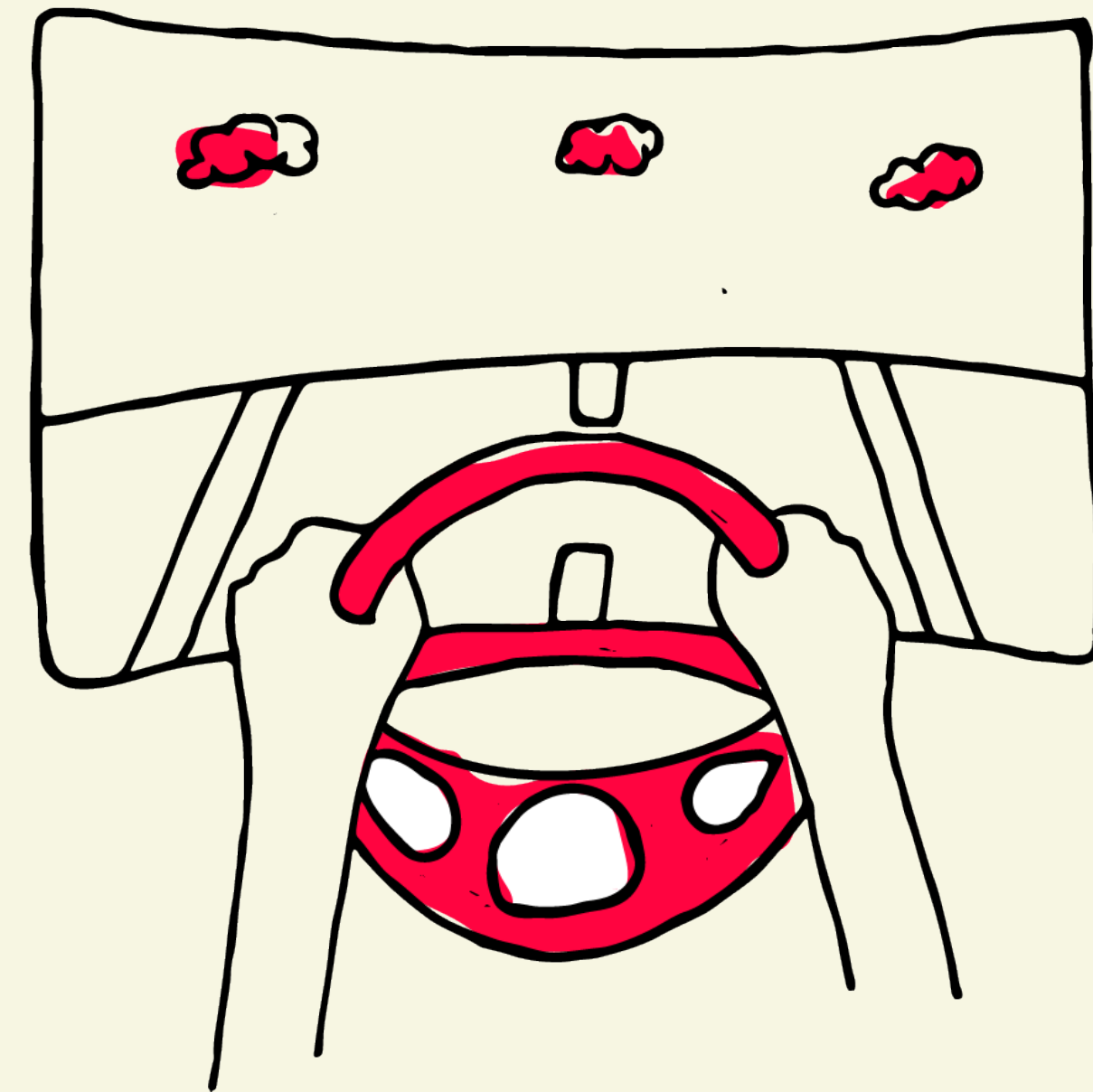
KEY TAKEAWAYS
A bare-bones MVP allows:
➤ Clearer estimation of real demand
➤ Clearer understanding of feature development
➤ Cash-in

Example



12. 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, plastic injection moulding, 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 expenses. Simulation tools are typically offered as stand-alone 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

AutoCAD
Solidworks
Creo
CATIA
NX CAD



CURRENCY

Attention
Sales/Investment






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 used in industrial filters, water wells 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 for their customer. The same analysis with a physical experiment would have cost \$7,000-\$15,000 and required a few months of time.

TEST CARRIED OUT BY

Johnson Screens

METRIC

Measures of feature capabilities
Customer agreement

KEY TAKEAWAYS

Product simulation allows for:

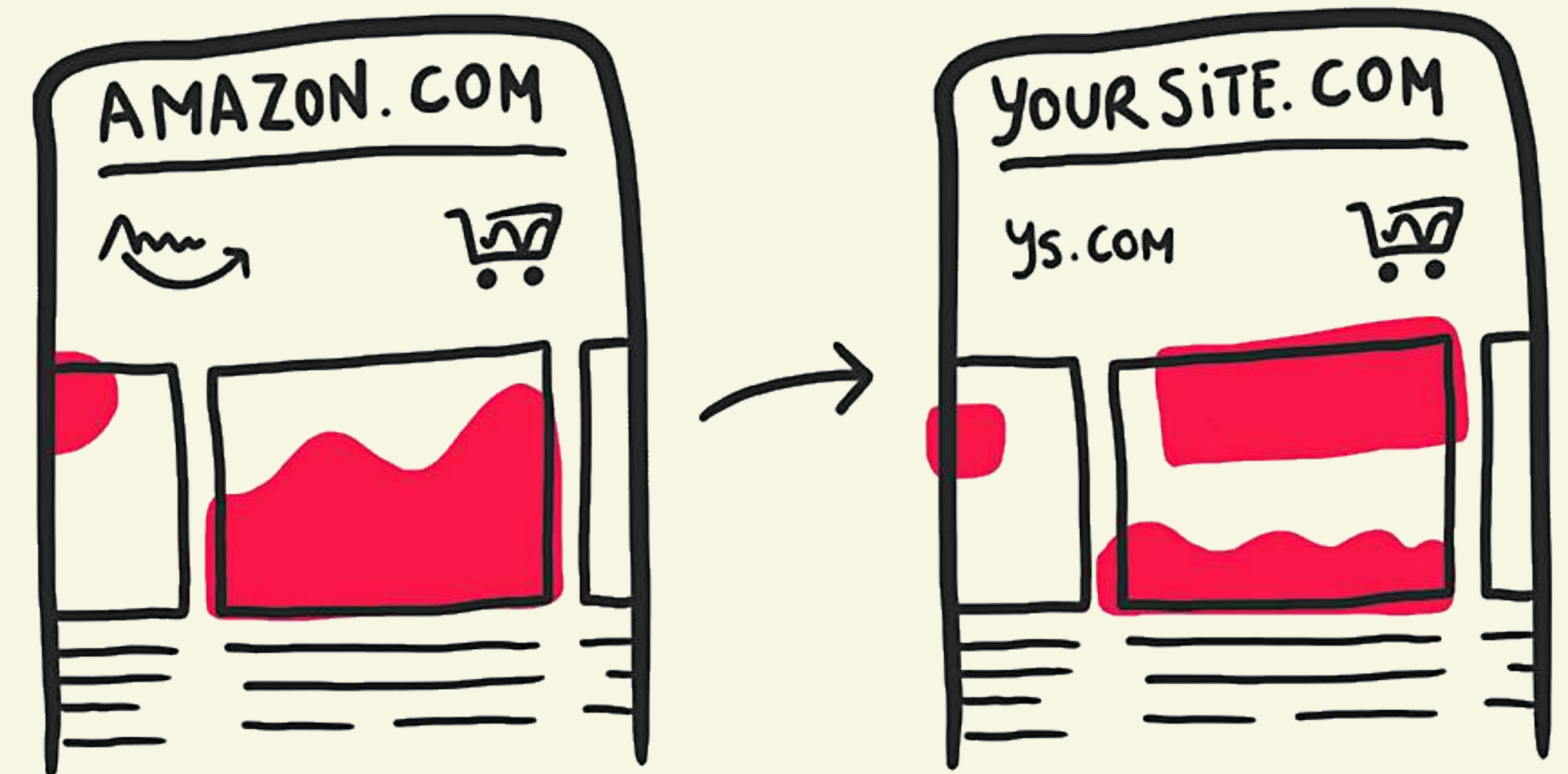
- › Immediate feature feedback
- › Evidence-based decisions

Example



13. 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 competitor's website. This method is particularly effective when selling physical products.

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

Imposter judo

Hypothesis: will people buy shoes online?

In the early days of Zappos, founder Tony Shieh wanted to quickly validate whether people would buy shoes online and be satisfied with 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 web shop. Customer reviews of their online shopping experience.

RESULTS

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

KEY TAKEAWAY

Testing your idea doesn't need to be big! 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.

Example



14. 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
- Labor 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

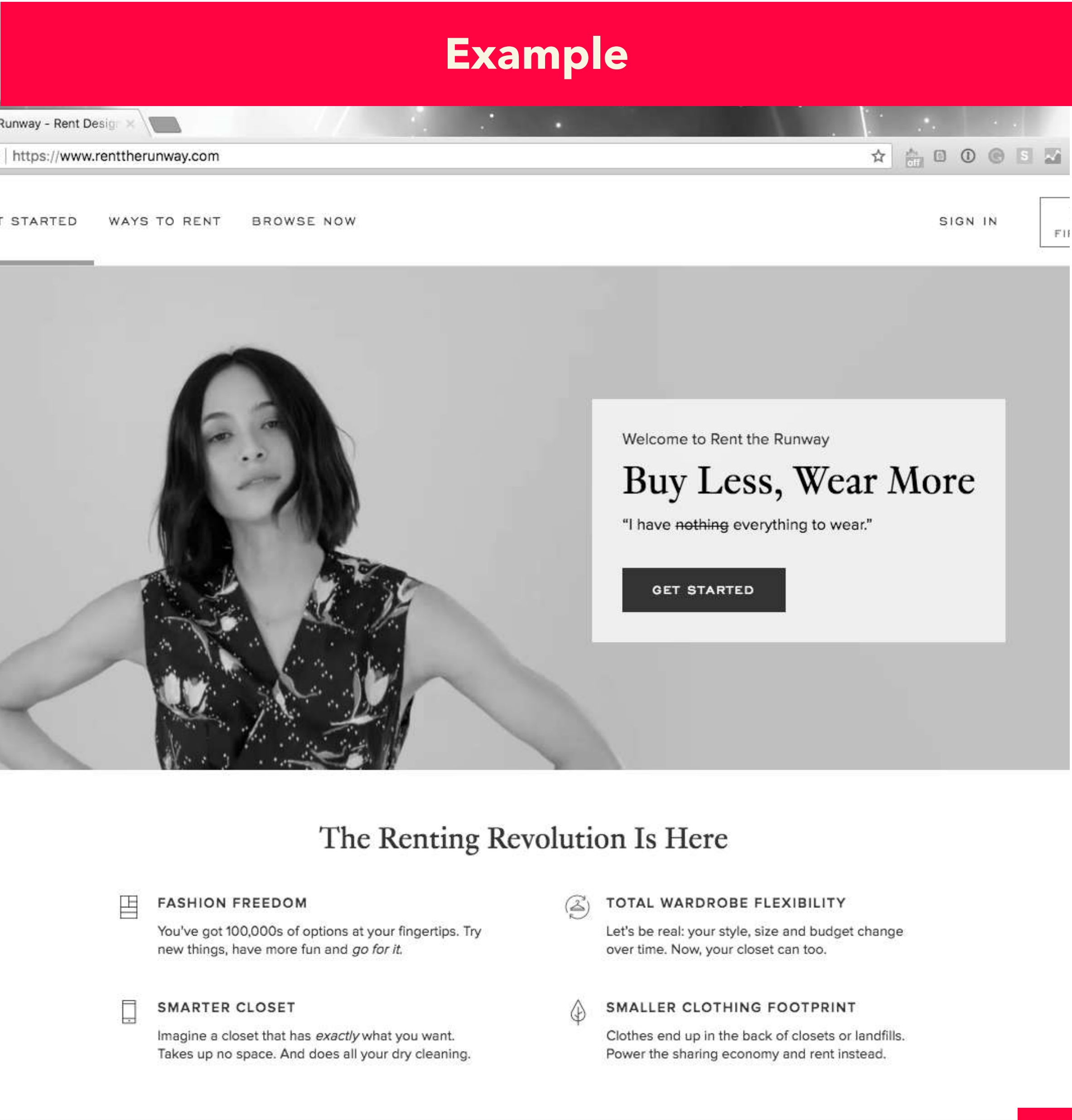
Hypothesis: would customers rent a dress online?

The founders of “Rent the Runway” wanted to test their online dress rental business model. Before going online, they tested an in-person service with female college students wherein they could try the dress on before renting it - 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 futile.

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 1,000 women on
their mailing list rented
dresses from an
emailed PDF.



15. Wizard of Oz

Work 'behind the scenes' to deliver the service manually, without huge infrastructure, 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 INFRASTRUCTURE, 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. This might take much longer than automated processes at first, but it allows you to move quickly with minimal development.

PROS

- + Strong evidence
- + Measurability
- + Easy to pivot


CONS

- Time consuming
- Labor intensive



CURRENCY

Conversion rate (%)
Satisfaction
Engagement
Usage



TARGET AUDIENCE

-  B2C
-  B2B

KIND

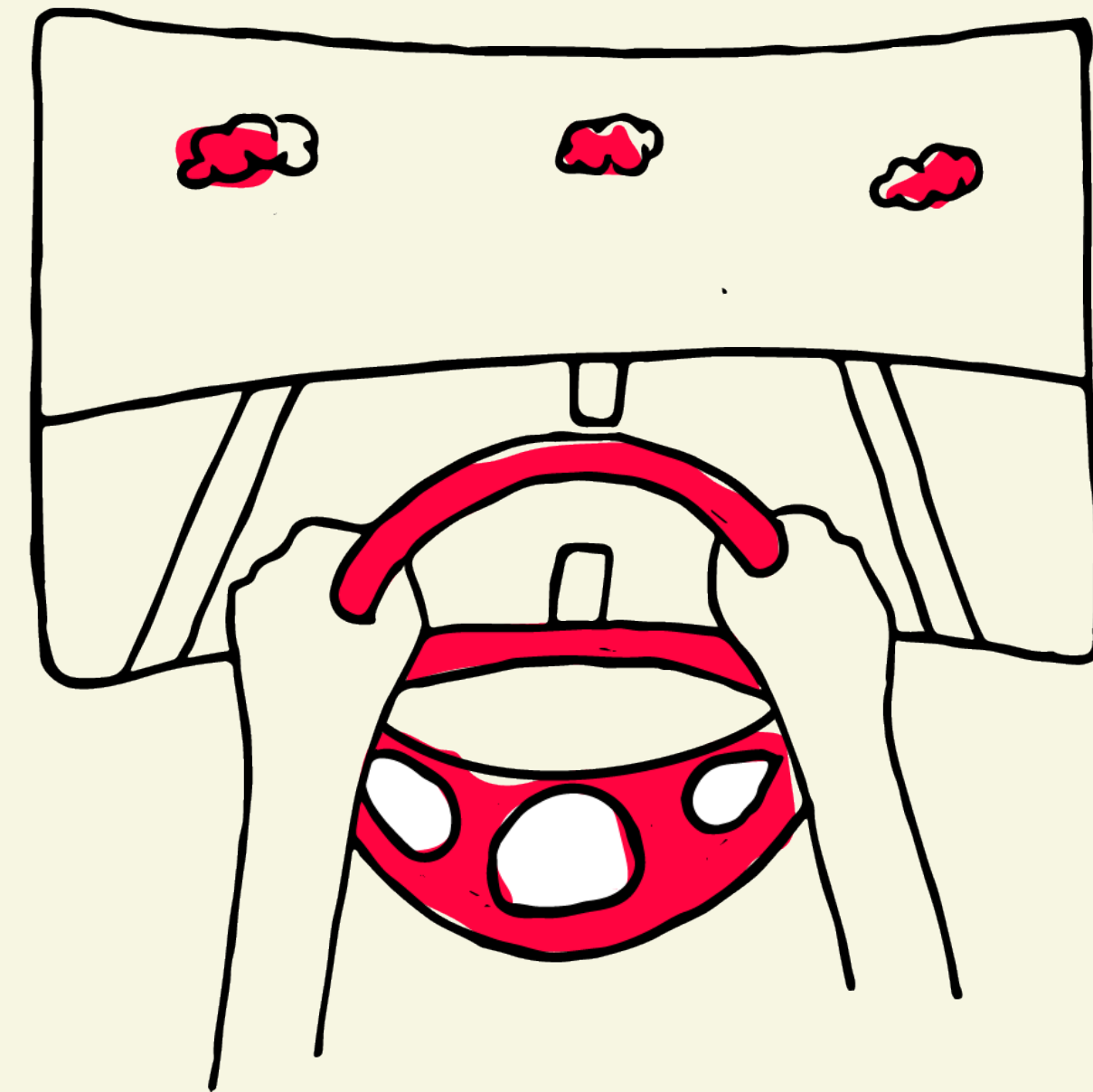
-  Evaluative
-  Generative

PERFECT TO TEST

-  Problem
-  Solution
-  Features
-  Biz model
-  Pricing

16. 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 at a hospital or call center. Simulation models can be optimized for different factors such as improved time or cost. Multiple scenarios can be built to test different ideas and their impact over the long-term.

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





TOOLS

Arena
Simulink
Anylogic






CURRENCY

Attention
Sales/Investment

TARGET AUDIENCE

-  B2C
-  B2B
-  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 in-patient 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 modelling 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:

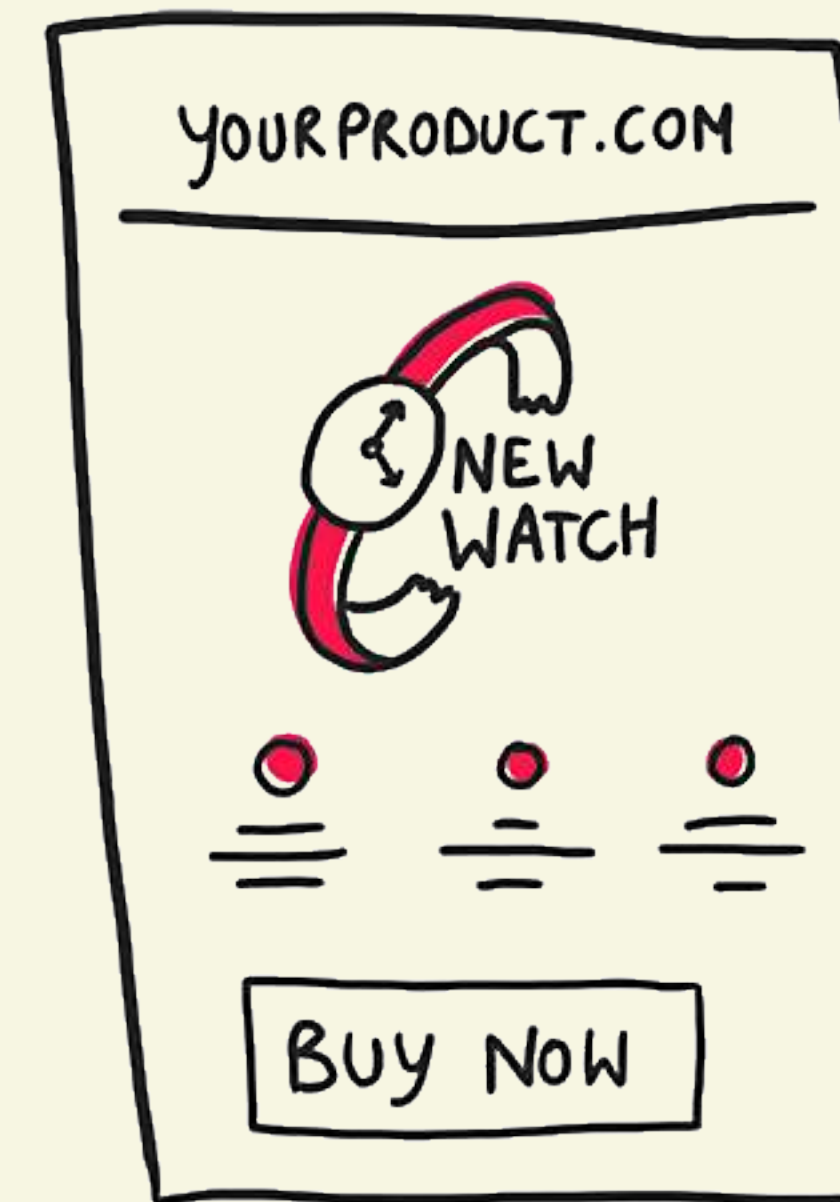
- › Process optimization
- › Scenario testing
- › Immediate learnings
- › Evidence-based
decisions

Example



17. 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 user interest in 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 enter a postal code, credit card info, email, etc. Based on the % of users who fill this in, 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
- Weak evidence
- Dependent on hypothesis

TOOLS



Instapage (starting 29\$/month) and Unbounce (starting 79\$/month) let you design landing pages quickly and analyze conversion insights.

Google Optimize lets you test different landing pages.



CURRENCY

Conversion rate (%)
Sign-ups
Payments
Clicks

TARGET AUDIENCE

-  B2C
-  B2B

KIND

-  Evaluative
-  Generative

PERFECT TO TEST

-  Problem
-  Solution
-  Features
-  Biz model
-  Pricing

Landing page

Hypothesis: is there a demand for social-media-management solutions?

Buffer is an intuitive social media management platform which is trusted by brands, businesses, agencies and individuals to help manage social media. Before developing the actual service or writing code, the Buffer founders wondered if people would actually want the product. To test it, they created a simple landing page, pitched their 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.

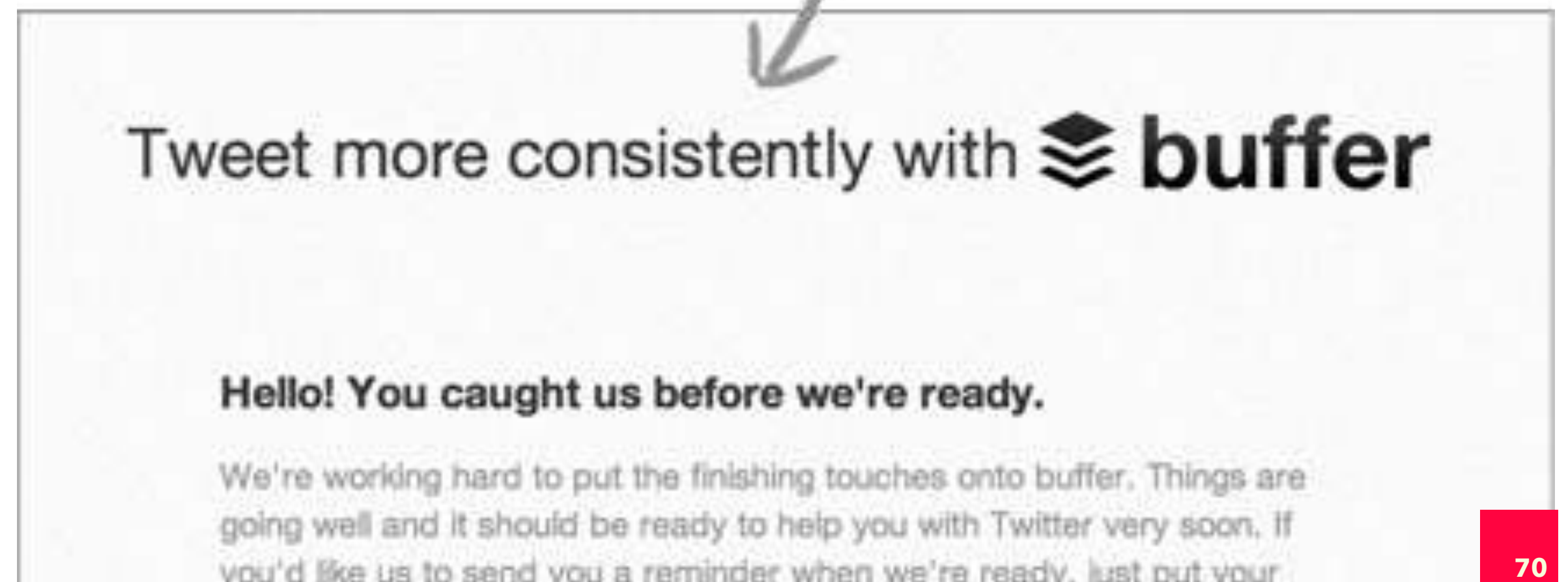
RESULTS

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

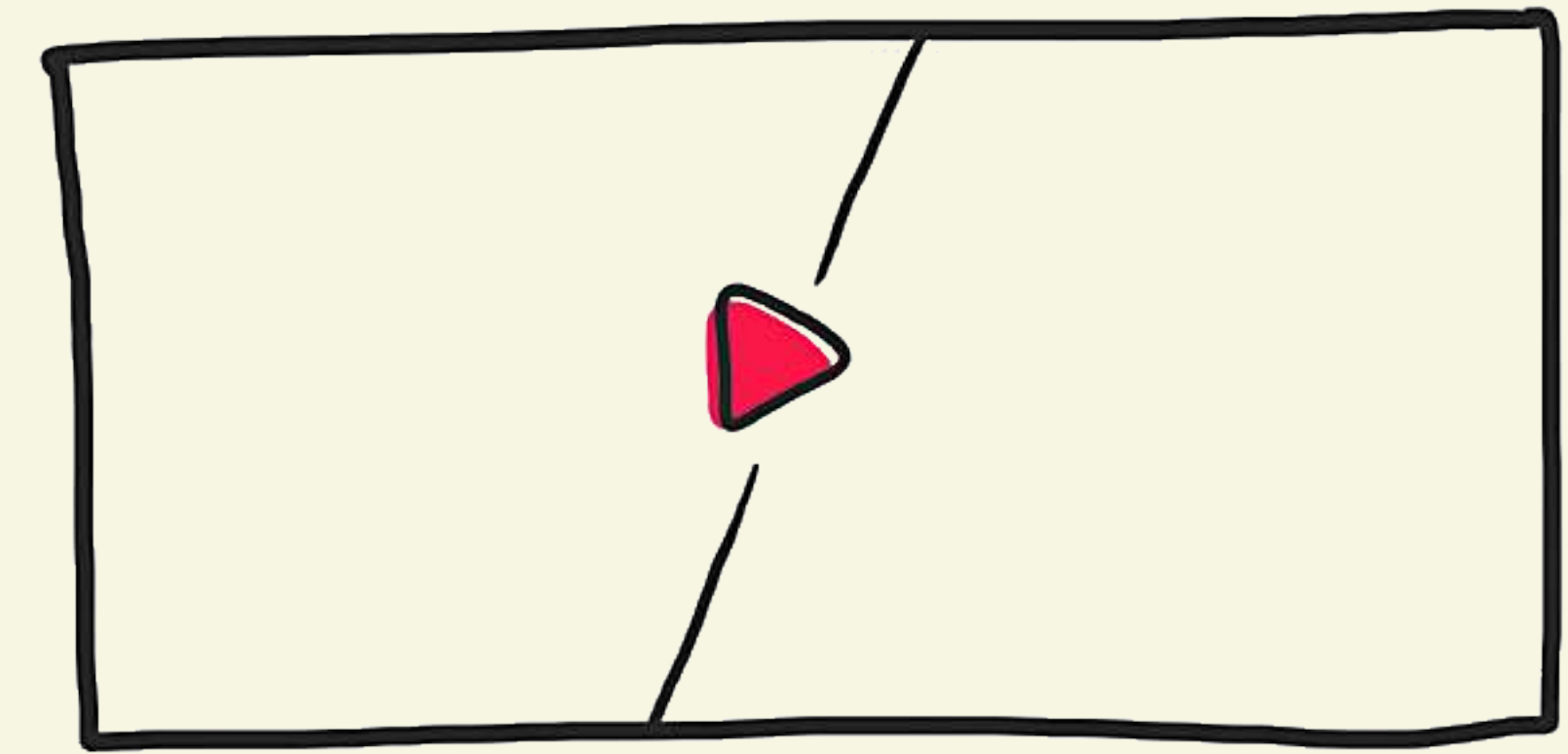
If you have an idea, don't immediately start building it but try to investigate the market interest using a prototype, a MVP or a landing page for the product, as if it already existed.

Example



18. Explainer videos

Use explainer videos to show how a service would work.



THIS is HOW it WORKS

Explainer videos

USE EXPLAINER VIDEOS TO SHOW HOW A SERVICE WOULD WORK.

Create the illusion that your product is real and already 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 your script and storyboard on 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) lets 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 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.

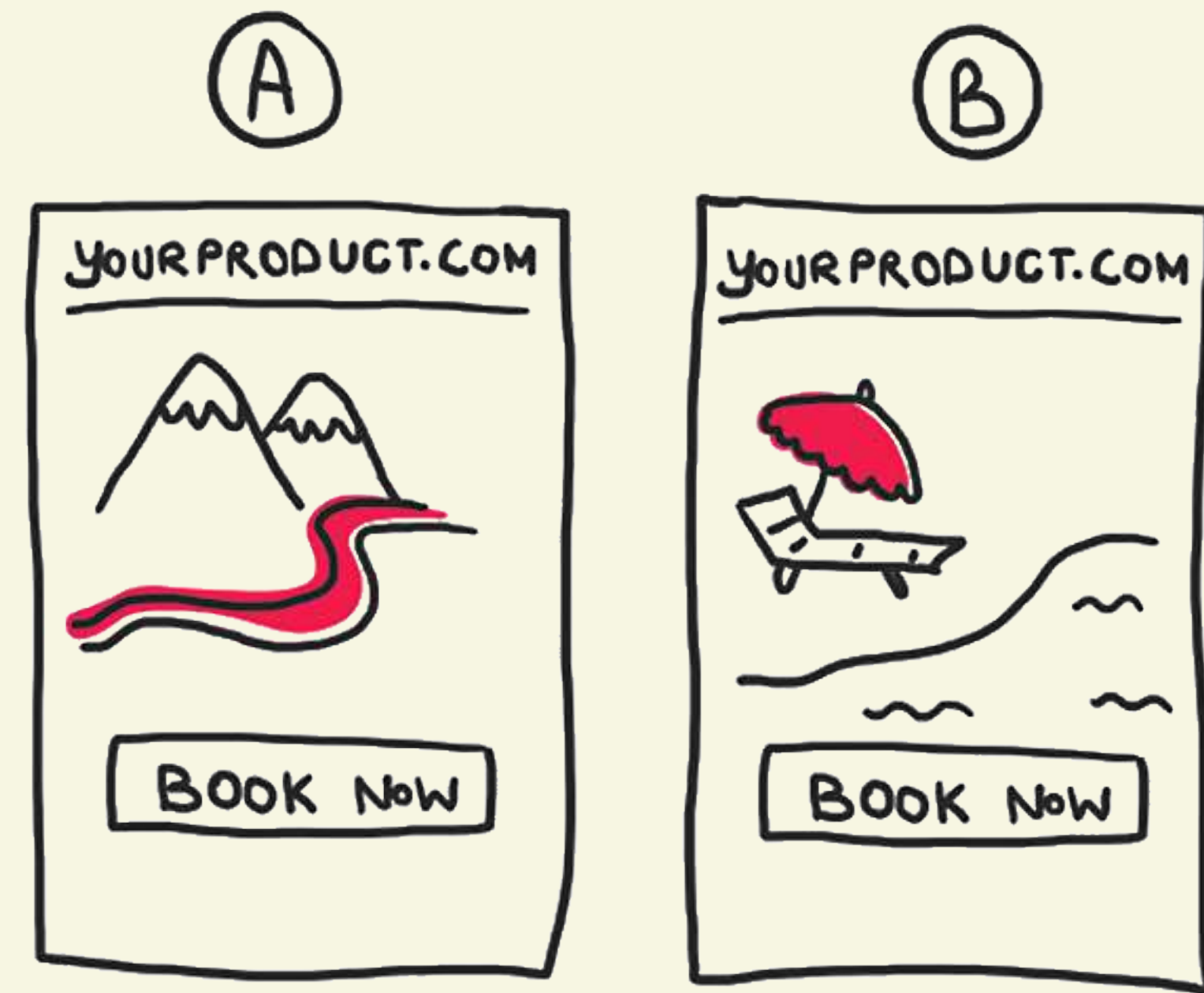
KEY TAKEAWAY
Use explainer videos to introduce the world to your service. Make use of a unique visual style, create a compelling narrative with strong metaphors, and keep it short.

Example



19. A/B testing

A or B? Test two versions of a product with a sample of users, then use the winning version.



A/B testing

A OR B? TEST TWO VERSIONS OF A PRODUCT WITH A SAMPLE OF USERS, THEN USE THE WINNING VERSION

More than a specific experiment, A/B testing encourages marketers to test 2 versions (A and B) of something to discover which performs the best in maximizing 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, etc.

PROS

- + Simplicity
- + Measurability

CONS

- Requires high amount of users



TOOLS

Hubspot (starting at 200\$/month) and Instapage (starting at 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?

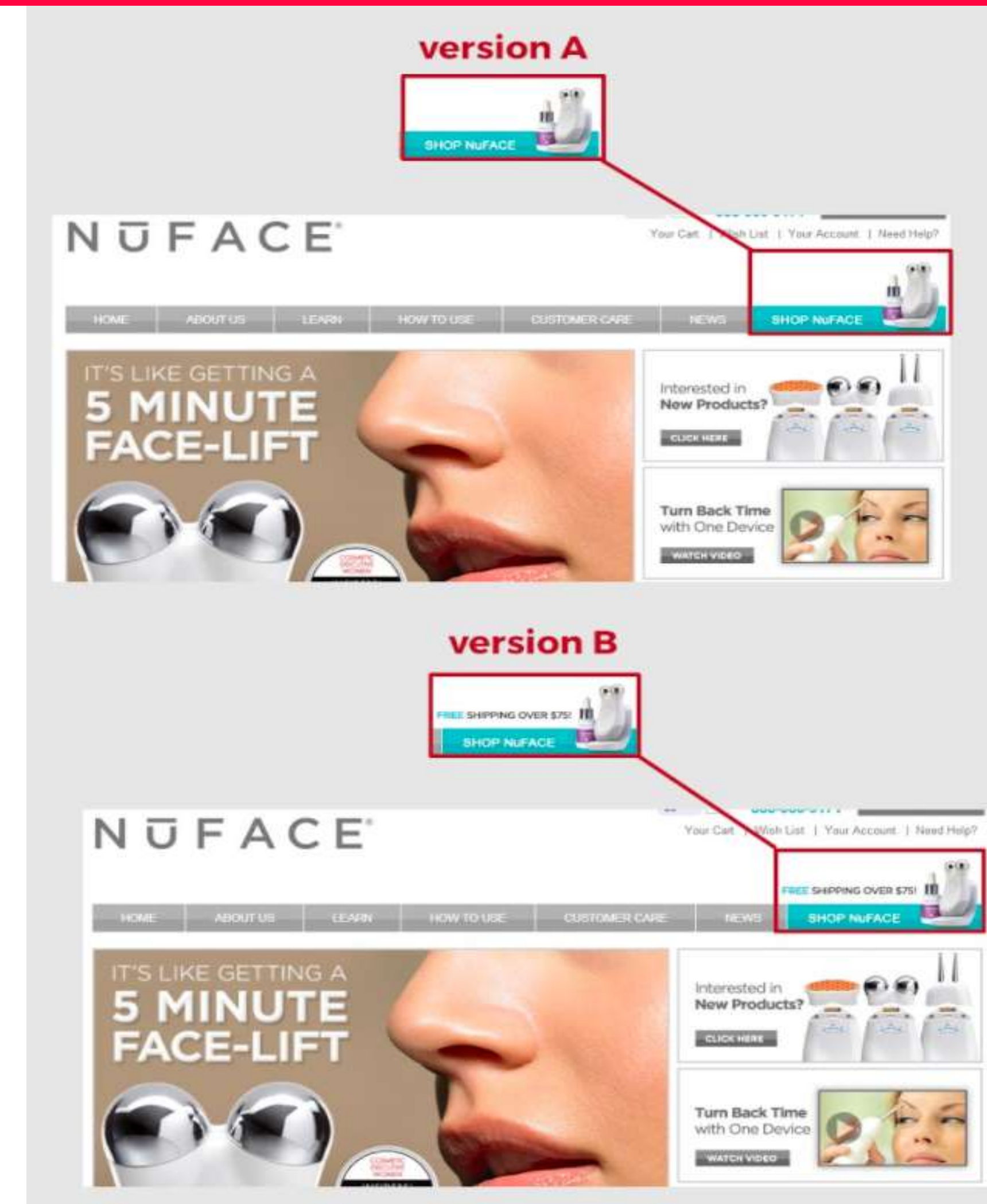
NuFACE is an anti-aging skin care company that wanted to boost online sales. Analytics showed that visitors spent a long time on the website, browsing through a variety of products but were reluctant to purchase. They decided to offer an extra incentive: free shipping for orders above \$75.

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.

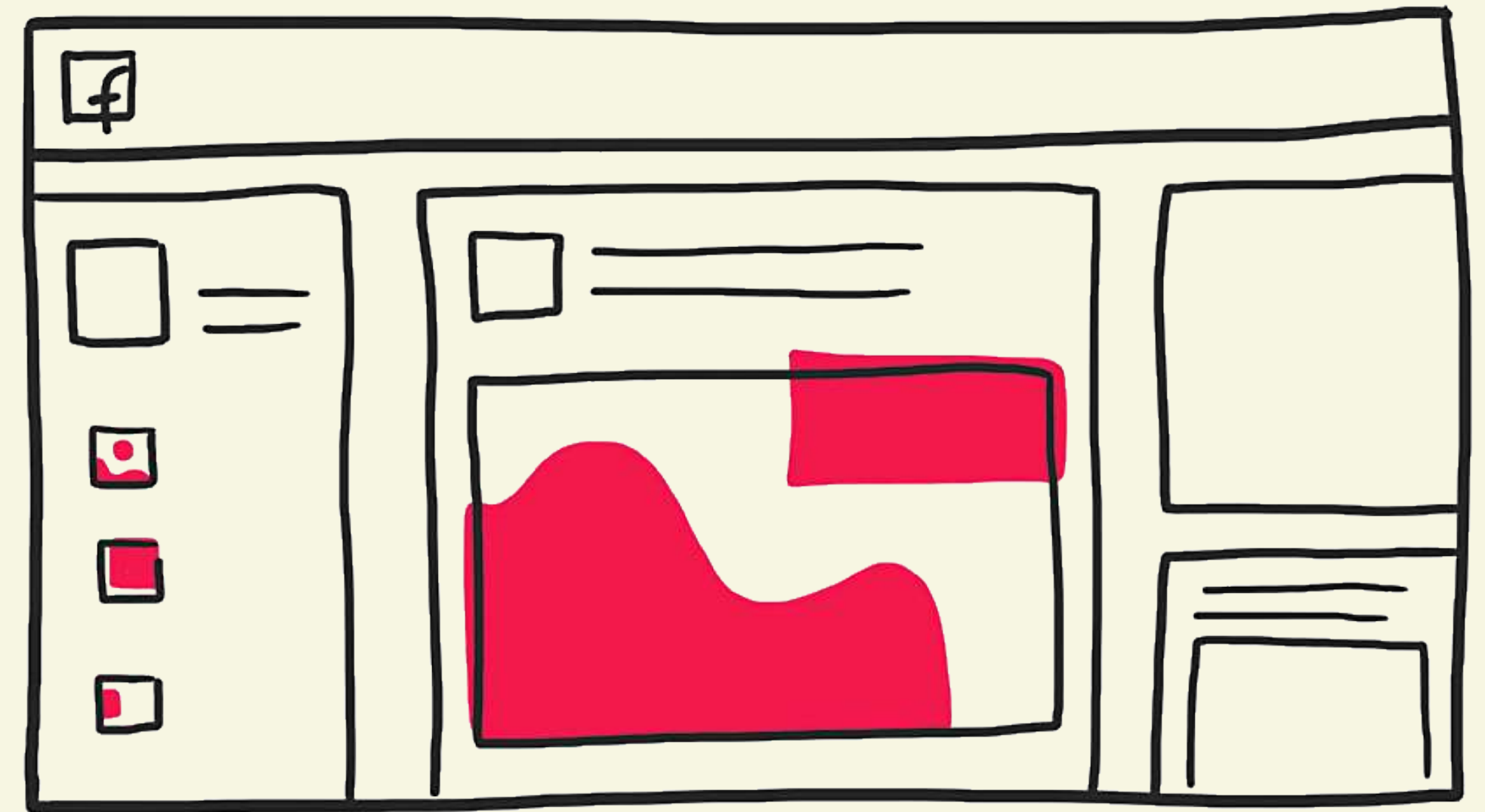
RESULTS
The test results showed that when customers were given the free shipping incentive, orders increased by 90%. In addition to this, the company's average order value also rose by 7.32%.

Example



20. 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 target customers you are trying to reach. With this low-fidelity test, you can gain insights into how much your customers are willing to pay, the market size, and/or the cost of selling. You can also see which features or aspects of your offering are most appealing to your target customers by analyzing click-through rates and conversions. Additionally, 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

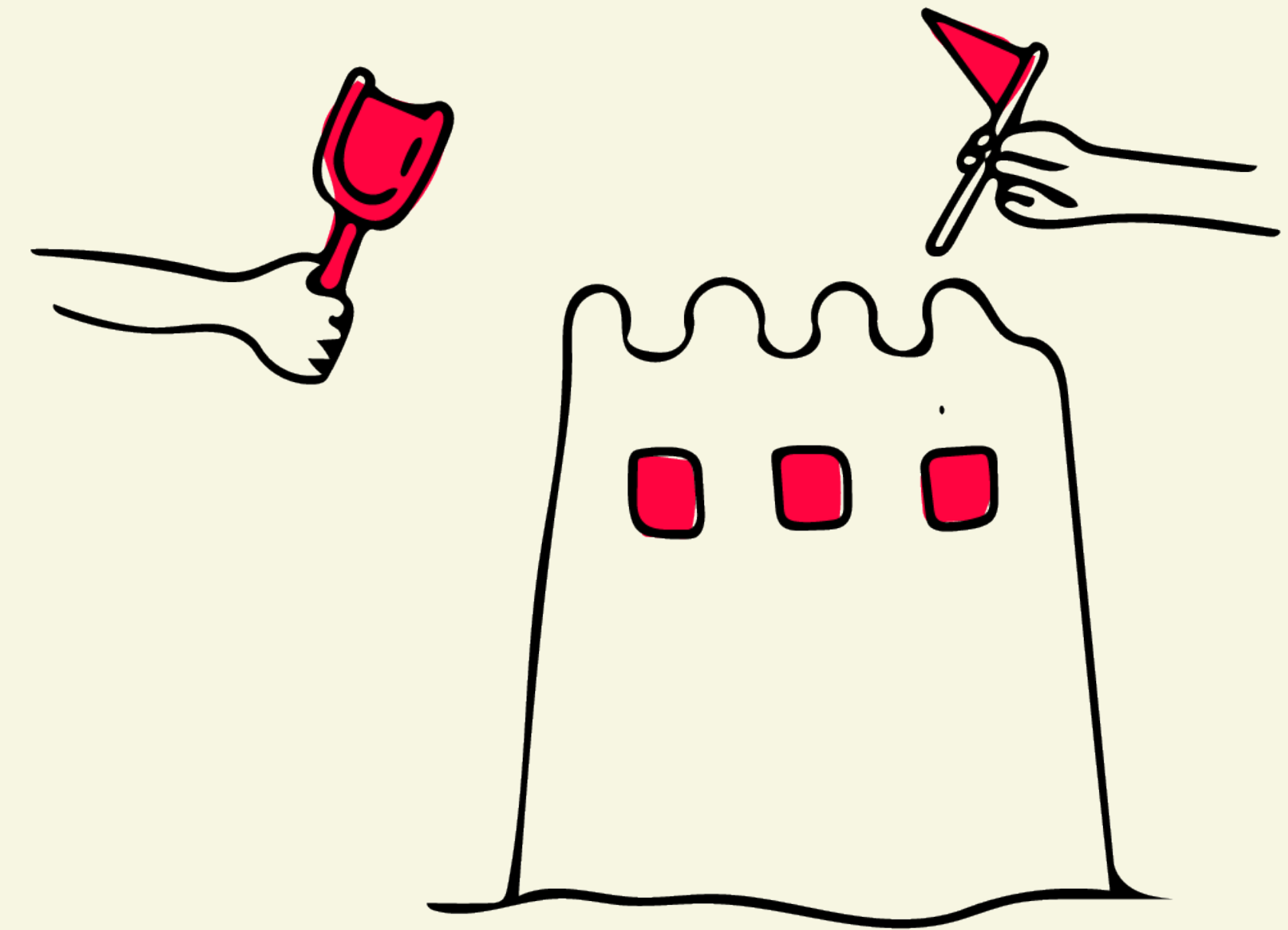
 Evaluative  Generative

PERFECT TO TEST

 Problem  Solution  Features  Biz model  Pricing

21. Co-creation

Involve a key customer early in the development process.



Co-creation

INVOLVE A KEY CUSTOMER EARLY IN THE DEVELOPMENT PROCESS

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 about 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 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

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 Valmet's 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 allows for:

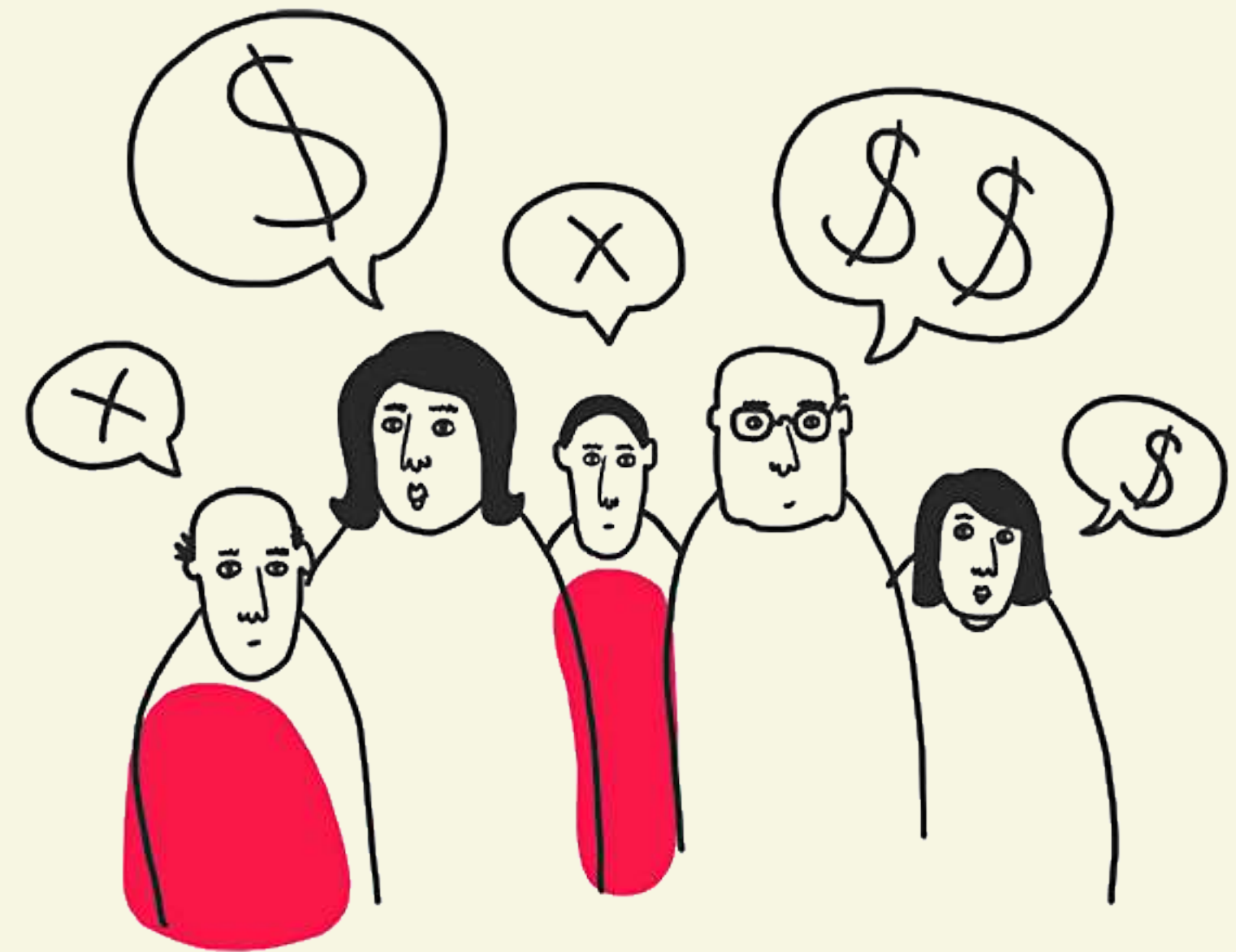
- Stronger customer relationships
- Reduced risk
- Increased speed to market

Example



22. 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. Test 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. The 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 there is a natural market.

PROS

- + Simplicity
- + Rapid idea validation
- + Generates cash
- + Low risk

CONS

- Copycat risk
- Hard for non-consumer products



TOOLS

Kickstarter
Indiegogo



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 in 29 minutes!

Example



23. Pre-sales

Talk to your customers and gauge their interest by testing their willingness to pre-order.



Pre-sales

TALK TO YOUR CUSTOMERS AND GAUGE THEIR INTEREST BY TESTING THEIR WILLINGNESS TO PRE-ORDER

Pre-sales allow you to present your product to potential customers and convince them to pay for it before fully building it. You have two options: **installing a “pre-order” button on a landing page, or directly talking to customers.** This second option, even though 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



CONS

- + Time consuming
- + Labour intensive


CURRENCY

Payment

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. When preordering, you know exactly how much the product costs and on which date it will be shipped. The company offered pre-orders for Oculus Rift, Oculus Touch, Oculus Go, among others.

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

24. 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 to explicitly note what they are willing to give in return for your value proposition. These are people who undergo the problem and pain points you have identified and currently use workarounds.

PROS

- + Simplicity
- + Speed
- + Straight-forward
- + 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

A photograph of three people (two men and one woman) sitting around a table outdoors, leaning over and looking at papers with handwritten notes and diagrams. The man on the left is wearing a light blue shirt and has his hand on his chin. The woman in the middle is wearing a light-colored shirt and is pointing at a paper. The man on the right is wearing a checkered shirt and glasses, also with his hand on his chin. The background shows green foliage.

Experiment, then what?

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

Our experimentation offerings



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We make corporates innovate like startups through strategy consulting, HR talent schemes and organizational transformation programs.

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