

Data Science and Technology Entrepreneurship

Student Board Meetings

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Week9

Announcements

- ▶ **2nd Pitch Event Next Wednesday**
 - ▶ Warren 208
 - ▶ 4pm to 7:30 pm
 - ▶ No mixture event
- ▶ **Assignment 3 Feedback**
 - ▶ Please setup an appointment with me if you have not done so already

Mid-Semester Survey

- ▶ Basic Machine Learning topics not preferred in the joint class
- ▶ Case studies on big data issues
- ▶ More discussion in the class
- ▶ Startup technology
- ▶ Guest lectures are good

2nd Pitch Presentation Guidelines

- ▶ Send presentation slides by April 2nd, 11:59pm
- ▶ 6 minutes for presentation
- ▶ 6 minutes for feedback
- ▶ Need to show demo of MVP
- ▶ If MVP is hardware/app/others show your marketing website as well
- ▶ 2 sets of Lean Canvas in Appendix section of the slides
 - ▶ latest lean canvas
 - ▶ 1 from Assignment 2
 - ▶ will look at what has changed
- ▶ Items that were not in a lot of focus in the first pitch but you should know about in 2nd pitch
 - ▶ Know the market size
 - ▶ Think about the pricing model
 - ▶ Know your cost structure
 - ▶ Channels for distribution

Student Board Meetings!

- ▶ Go to
 - ▶ <http://goo.gl/pd6DX>
 - ▶ Each folder is for 1 team
 - ▶ Each folder has 2 evaluation sheets
 - ▶ Use 1 of them
- ▶ Divide your team into pairs of 2
 - ▶ 1 MBA
 - ▶ 1 CS
- ▶ Find 2 other pairs (4 students) and make a group
- ▶ Now you are 6 people company
- ▶ 2 will present their business
 - ▶ 7 mins presentation
- ▶ 4 others are board members who will evaluate the performance of the company
 - ▶ 8 mins for feedback
- ▶ I will go around and listen in to the meetings
- ▶ Classroom will be loud!

Minimum Viable Product Development

- ▶ Build MVP with minimum number of feature sets that allows you to do test your customer
- ▶ All MVPs are not the same
 - ▶ Physical product MVP
 - ▶ Web Application can be tested faster

Goal of MVP is to have a prototype that allows you to figure out if you understand the customer problem and if your product potentially solves it

Customer Discovery with MVP

Phase 1 : Set of Hypotheses about your business
(Problem?, Solution? Value Proposition?)

Phase 2 : Set of Hypotheses about your business
(Test your hypotheses by talking to customers)

Phase 3 : Build MVP and test MVP with customers
(Does your MVP solves the problem customer want?)

Phase 4 : Analyze results of your Phase 3
(Ready to signup paying customers?)

Multiple MVPs

- ▶ Multiple MVPs can be used to test competing hypotheses
- ▶ Example :
 - ▶ MVP with pay per use model
 - ▶ MVP with pay per month model
- ▶ If it is not difficult to build multiple MVPs then build them and test them with customers

MVP and Sales

**Value
Proposition**

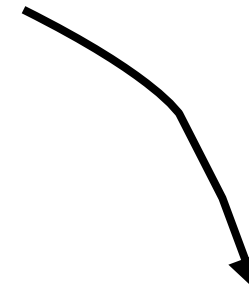
**Customer
Validation**

Channels

**Revenue
Model**

Validation Process for Sales

Phase I
Get ready to sell

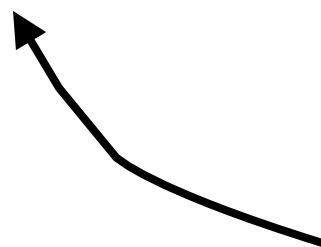


Phase 2
**Get out of the building
and sell**

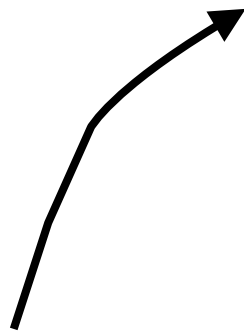


Steve Blanks'
4 phases

Phase 3
Develop Positioning



Phase 4
**Verify metrics that
matter**



Ask yourself

- ▶ Is the business scalable?
- ▶ Sales roadmap
 - ▶ Is it repeatable?
 - ▶ Is it scalable?
- ▶ Sales funnel predictable?

What are your validation checkpoints?

▶ B2B

- ▶ 3 meetings required for sale
- ▶ 10% responds to email
- ▶ 50% of respondent gives us meeting
- ▶ 50% of meeting result in contract signing meeting
- ▶ 50% of them use prototype
- ▶ 50% of them start paying
- ▶ Number of orders per month?
- ▶ Buys extra features

What are your validation checkpoints?

▶ B2C

- ▶ 40% response rate to marketing email
- ▶ 20% sign up
- ▶ 30% are repeat visitors?
- ▶ 20% of customer will pay for the service?
- ▶ 10% will pay for more features?