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 1
Get ready to sell

Phase 2
Get out of the building and sell

Phase 3
Develop Positioning

Phase 4
Verify metrics that matter

Steve Blanks’ 4 phases
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?