5 STEPS FOR CHOOSING THE RIGHT MVP

Companies too often employ minimum viable product (MVP) as they get ready for launch but then discard it. That's a missed opportunity. MVP can provide valuable, ongoing insights throughout your product journey. Here are five things to consider as you get started.

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Know the Definition

Eric Ries, the author of *Lean Startup*, defines the MVP philosophy this way: "The minimum viable product 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."

The takeaway for you is you want to avoid investing too much time and effort in features and capabilities that customers don't want. MVP can be invaluable in this respect. It can provide usage data and customer feedback so you can zero in on the keys to a successful product.

You've probably heard of the 80-20 rule? Where your goal is to get 80 percent of the value for 20 percent of the cost? This is achievable if you are able to break down an idea into its essence and get it into production so you can start collecting data. MVP thinking can help you do this.

Find out If Anyone Will Care About Your Product or Feature

You need to get the answer to this question quickly. One of the temptations that product owners face is rushing to market with blinders on. With MVP you can drill down to the truth of your prospects. The last thing you want to do is optimize the wrong product. MVP can help you decide whether to pivot or persevere.

It can be helpful to think of the MVP process as one of experimentation, iteration, and clarity. Before you implement a MVP, spend some time thinking about your goals. Ask yourself these three questions:
  • What is the market you are targeting?
  • How will your business model work?
  • How will the customer use it?

The next step: write a benefit hypothesis statement. It's important for product owners to be able to analyze the expected benefit of a product, and determine the level of success. This will make clear the "why" for you and your stakeholders and help team members focus on your goal.

Once you have this clarity make sure you share objectives with business and technology departments. A lot of organizations fall down on this step. It's important to think of your organization as one team. This will create the glue that binds departments together and helps you make the best decisions concerning product development.

Educate Yourself on MVP Options

There are multiple types of MVPs, which offer various benefits. Here's a brief synopsis of four of the most common: Concierge, Landing Page, Wizard of Oz, and Email.

Concierge
Concierge replaces a complicated technical product with humans. Because humans are delivering the service manually, you can interact with customers and understand their feedback. This will give you a strong foundation to iterate on your product offering. You can also test your product hypotheses without building a product at all.

Landing Page
A landing page describes your product and illustrates benefits and includes a button with a call to action. The advantage of a landing page is it contains a description of your unique value proposition and allows you to capture information from consumers.

Wizard Of Oz
The Wizard of Oz MVP provides a technical environment with a human behind the scenes powering the back-end. The customer believes she's interacting with an automated product, but in reality a human is pulling the levers and delivering the service. The Wizard of Oz works because the user doesn't care whether the back-end is powered by an algorithm or a human.

Email
Creating an email takes less effort than building a product. If you have existing customers, you can begin by creating emails to see if the response to your product is favorable. If it is, you proceed to building the product features. If you see that people are opening the email but not clicking on your call-to-action button, you might need to reassess.

Look to Dropbox for a Great Example

Dropbox offers a classic case study on how to use MVP. Before it went live with its offering in 2008, it offered a three-minute **video** of the product in action narrated by CEO Drew Houston and targeted at a community of technology early adopters. In the video was a link for user sign-ups. The feedback was immediate and enthusiastic, with hundreds of thousands of people going to the website and the company's beta waiting list growing overnight from 5,000 people to 75,000 people. The MVP validated the company's assumptions about the product.

Houston sums up his learnings from the process with these four bullet points, according to an article in TechCrunch:
- Biggest risk: making something no one wants.
- Not launching is painful; not learning is fatal.
- Put something in users' hands (doesn't have to be code) and get real feedback ASAP.
- Know where your target audience hangs out and speak to them in an authentic way.

Keep a MVP Mindset Throughout the Product Lifecycle

Growth becomes a juggling act of keeping current customers happy while adapting your product for new audiences. This increases the load on your team. Once you've discovered the new formula, there's little time to go back and design a new prototype of the product as envisioned for new audiences. Best to keep your MVP in place the whole time.

This is where working with a technology partner can help. What you want is to be able to enable fast learning cycles to lower your risk, use DevOps to lower your transaction cost to deploy new features, and make it easy to optimize functionality as you get customer feedback. The right MVP can help liberate you from capacity planning so you can focus on improving your core features. Ultimately, the goal is that increased usage of your product will add to your margins and not result in a drain on your resources.

Looking Ahead

Magenic has digital product strategists that can help your team define a vision for your MVP, establish a product roadmap, create data-driven UX plans, and more. Contact us to learn more about our MVP Quick Start today.

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