

Validating Your Startup Ideas

The
Internal, External & Experiential
Journey of Entrepreneurial Self Discovery

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Some of my Connections



Methods of Startup Validation

There are 3 basic methods of startup validation. They are listed here and look distinct, but they are really concurrent, iterative and recursive at the same time! The methods are:

1. Internal
2. External
3. Experiential

Internal Validation = IDEATION



<http://www.innovationmanagement.se/wp-content/uploads/2013/02/make-ideation-part-of-the-innovation-project-machine.jpg>

Internal Validation = IDEATION

Internal validation is invisible for the most part, but absolutely crucial to your startup success. It is the mental process where you negotiate with yourself, turning a potential opportunity over in your mind. This is the process where you are actively deciding on whether or not you will be integrating that concept into your destiny. It is a high stakes decision made with imperfect data.

External Validation = RESEARCH



<http://static1.squarespace.com/static/54cc8678e4b02325449992ad/t/54dc6dede4b09c3c8fdef660/1423732209721/market+research.jpg>

External Validation = RESEARCH

External validation is public in form, but still indirect in its nature. This is where you actively perform something called due diligence, and develop a deep knowledge and expertise in the Startup area you have decided to (potentially) enter. This is where you should validate for yourself that (a) The time for this idea is now; and (b) all of the necessary inputs are available.

Experiential Validation = SALES

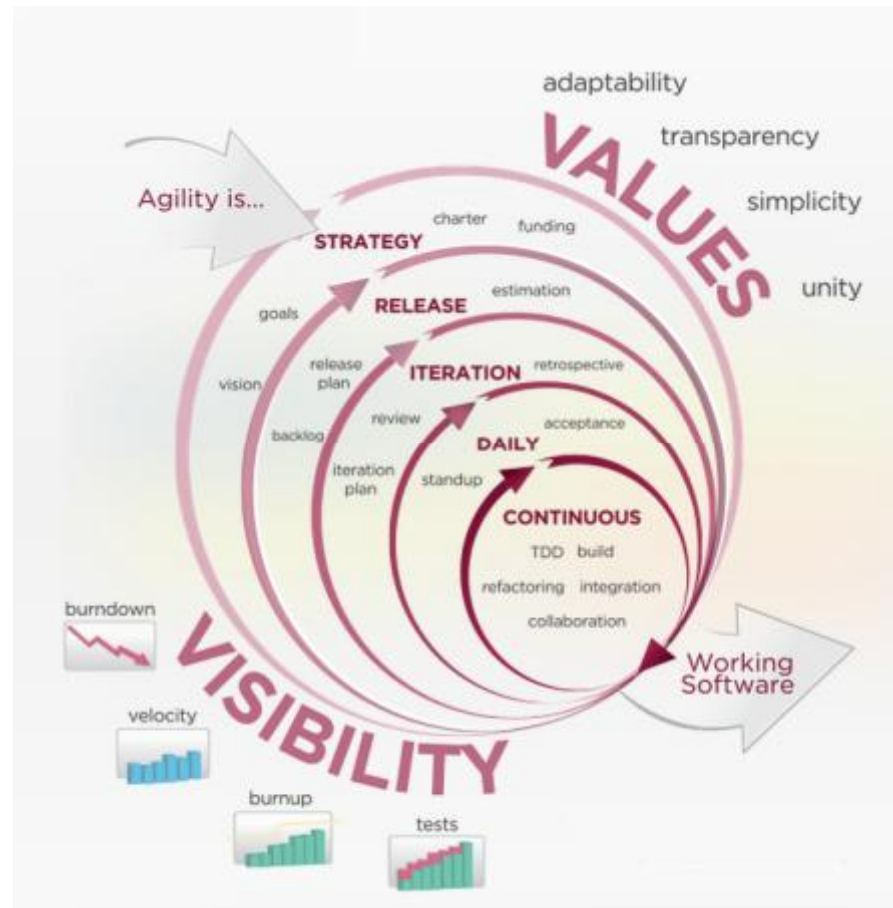


<https://blog-proxy.generalassemb.ly/blog/wp-content/uploads/2014/10/Startup-Sales-Strategies-Nailing-The-Close.jpg>

Experiential Validation = SALES

Experiential Validation is what everyone is talking about when it comes to Validation. Sadly, it is the only thing that other people take really seriously, even though sales can be a very disruptive and even dangerous force for a new company. This form of validation is easy for people to see and understand, but if it comes too early you can go broke being a success!

How These Methods Relate



<http://blogs.versionone.com/product/wp-content/uploads/sites/2/2012/12/WhatsAgility.png>

How These Methods Relate

These Validation Methods relate because of how we perceive reality. At no time is only one thing going on. At no time is everything unfolding and developing at the same pace or rate. Becoming a successful Startup owner is embracing what emerges and riding the wave as much as coming up with a great product or service. You cannot control a wave, you can only surf it.

The Social Side of Validation

We Mix Message With Messenger

One of the most interesting things that happens in Startup is the evolution in validation criteria as the Startup owner develops their idea during the first three stages. Because the product or service is not well developed and distinct, people tend to use the Startup owner as a proxy for it. This means that your social skills are important to success in the early Startup phases.

SIOP – The 4 Stages of Validation

1. Self
2. Inner
3. Outer
4. Public

Self

The first stage of any transformative experience is confronting and convincing oneself that the proposed change is feasible, reasonable and worthwhile. Every Startup owner goes through this inner struggle, evaluating potential changes and opportunities, discarding most over time as they realize they don't have the resources, time, talent or platform to realize that transformation.

Inner

Once the Startup owner has convinced themselves that they are capable of the change they had in mind, they almost always seek validation from a spouse, partner or confidant. This is because the transformation is not yet well anchored in their psyche, and humans have a need for validation. A common error here to go to someone who will always say “yes”.

Outer

REAL validation begins when the Startup owner starts to ask their non-intimate friends if they know someone who would consume what they propose to produce. At that point, the Startup owner and their project will start to be judged on their own merits. Any gaps will quickly be identified. This is a very delicate time, because the Startup owner will undergo great pressure.

Public

It is a very happy day for the Startup owner when the first unsolicited sales inquiry comes in. This means that the word is spreading about their product or service and strangers believe that it can improve their lives. This is the strongest form of validation, but as you can see, it is the result of many earlier validations and comes from months or even years of hard work.

Concluding Remarks

Many Startup owners don't consciously know that they are actually traveling on two parallel tracks and that everyone watching them is blending their identity with that of the product or service they propose to offer. Once you know this is happening, you can take advantage of it and out-compete people who are too socially or technologically focused. People like balance.

My 4 Top Forums for Validation

1. “Soft” Customers
2. Accelerators & Incubators
3. Angel, Crowd & Venture Funding
4. Startup, Hack, Jam & Mashup Events

“Soft” Customers

The perfect way to get a Startup off the ground is to find a mentoring or “soft” customer. This is the kind of customer who is a stakeholder in your business in the sense that they wish you well and will invest extra time and energy into you and your company because they feel your success contributes to their success. You would be surprised at how many there are if you look!

Accelerators & Incubators

The next forum for Validation is going with a Startup Incubator or Accelerator. While these platforms are one degree away from customers, they have a lot of resources, time and energy to invest in helping you develop your idea so that when you meet a “hard” customer (i.e. one that has no interest in you succeeding) you are in a strong position with a good story and offering.

Angel, Crowd & Venture Funding

The professional investment community simply cannot be ignored when it comes to Startup. These people invest in companies for a living, and really prefer to deal with Startup ideas that have been worked on for a considerable amount of time. When you feel you are ready for some honest, direct feedback on if your Startup idea is worth investing in or not, this is the right venue.

Startup, Hack, Jam & Mashup Events

A very interesting way to perform early stage Validation is to participate in the many social events that focus on Startup. One of the oldest is Startup Weekend, but many others are starting to crop up, and they are a wonderful way for budding Startup owners to find a venue to explore their ideas, build a team and start to discuss and develop their business model.

The Secret Recipe

MY BOTTOM LINE:

I believe the secret weapon to Startup is the ability to broadcast PASSION and create a sense of MOMENTUM in people

IF YOU HAVE THAT, NOTHING CAN STOP YOU!

Thank You

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