MARKET VALIDATION

Talking with potential customers is a way to obtain quick feedback on your offering and dig deeper into your customer's motivations, frustrations, values, and desires. Used in the right way, it can help you to shape your value proposition, as well as the look & feel of your product/service. It may also help you to refine your target market.

Whilst conducting surveys and interviews is an easy and cheap way to test your idea, it can often be difficult to extract meaningful information. It is important to put time into preparing the questions and in deciding who the appropriate audience is. Key tips & tricks for an effective interview are:

1) **Ask open-ended questions**. Draw out information which gives you an insight into the customer's daily life and their key pain points. It can be easy to ask questions which drive the answer towards what you want to hear, but it's important to let the customer think for themselves. Use these questions to understand their underlying motivations and habits. Avoid yes/no questions.

2) **Put your assumptions aside**. It's often easy for founders to get caught up in their assumptions of what they think a customer may need or want, based on their own personal experiences. Market validation is an important tool to test these assumptions and see if your hypotheses ring true. Don't be disheartened if the feedback doesn't align with what you first thought. This can help you to pivot and improve your value proposition.

3) **Think wider than demographics**. Many businesses define their target audience by demographics such as age, gender, and ethnicity. While some of these factors may be important, it's unlikely everyone in your target demographic will share the same views and have the same needs. When choosing the right group of people to interview (potential customers), try to define them by the values, motivations, frustrations & needs they share.

4) **Big sample size**. By interviewing more people, you'll have a wider range of data points to analyse. This will allow you to find common themes/patterns, to discover what is most/least important to your audience. Try interviewing 30+ people.

Some suggestions for ways you could get feedback are:

- Talk to friends, family, and people in your community
- Reaching out to groups where potential customers may be (e.g., Facebook groups, community groups, businesses, institutions etc.)
- Gain feedback from experts in the field
- Collect a database of emails and send out a Google Form or poll/questionnaire
- Using your personal or business social media account to post a poll or questionnaire
- Use Start up Community groups for advice. E.g., NZ Tech Start-ups Ecosystem

USEFUL LINKS

- Product Plan: Lean Market Validation: 10 Ways to Rapidly Test Your Start up Idea.
- Start-up Grind: How to Conduct a Market Research Survey for Your Start up Idea