Build-Measure-Learn : Without spending a fortune

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Context

At times, lot of us have great product/business ideas but there are quite a few factors which act as an entry barrier to get us started. To get started with any product/business idea, in my opinion we need

1. Clear articulation of "What problem does it solve" : It is important to have a clear articulation of what problem we're trying to solve. Although most of the entrepreneurs will have (some) idea about it, lot of them struggle and continue with their pre-conceived notion around what customers need.
2. Coding/developer capabilities : Although it was quite difficult if we go back 10-15 years but saying "If I can't code, I can't build on my business/product idea" has become a myth now a days when we have so many tools/resources available to get started with product idea validation.
3. Limited budget/time: Quite a popular problem when we talk to any budding entrepreneur until the startup gets initial round of seeding. The key to overcome this however lies in early validation of the product idea without spending too much money/time and knowing when to persevere or pivot. We'll look at some of the tools which enable us to quickly measure the interest, validate the riskiest assumptions and take data driven decisions.

Now it might be sounding just like what Eric Ries proposed in the lean startup movement but most of the "how to do it" still remains a question. This will be another key takeaway from this talk.

We took inspiration from the startup centres "In50hrs" event where every group gets 50 hrs and lot of mentorship help from seasoned enthusiasts to build a working prototype for the business/product idea and evaluate the interest with real customers. The experience report will set this context and then highlight the different tools, technique used.

Natyarang

As a case in example, we'll look at "Natyarang". The idea was to create a platform for all theatre enthusiasts to come together, easily discover and book tickets for upcoming shows, collaborate on new theater projects. Like a typical startup, we had a few assumptions to be tested with minimum efforts/time/resources.

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The problem we're trying to solve:

Being a theatre enthusiast and having been part of quite a few theatre shows, I knew that there are quite a few challenges for any budding enthusiast or even for seasoned artist to keep up with what's happening in the circle. After having discussions with lot of folks in the community, some of the challenges we outlined were:

a. For theatre communities in regional languages, there's no way to know what's happening in the town, upcoming shows, book tickets online. This is primarily because the theatres/venues are not so much technically sophisticated.

b. Most of the show organisers get in touch with the producers/production houses to get funding for their show and then producers/production houses decide the venue & time to host this show. Clearly, production houses were basing these decisions based on their gut feel about the popularity of the show, actors performing in the show and inturn how many tickets they can sell. The problem with this was that there were too many predictions and lack of solid data pointers to let them take these decision quantitatively.

c. As a budding enthusiast / striving actor in the community, the only way to know about upcoming shows and find a potential role is by having a solid connect with the who's who of the industry. This becomes a catch 22 for new artists as until they're known, they don't get to establish these relations with the industry veterans and also for the veterans it's difficult/time consuming to find fresh faces.

Natyarang was supposed to tackle these 3 key problems for the respective personas. To summarise:

Value hypothesis:

1. For theatre enthusiasts: A platform to discover theatre shows around and purchase tickets online.
2. For theatre show producers: These guys need to know which shows to host (with concrete data around how many people are interested, popularity of the actors, where exactly to host this genre of show to get maximum traction etc.)
3. For artists: A platform to explore new opportunities and connect with fellow artists.

Growth hypothesis:

Few things we explored in the early days :

1. Partnerships with Production houses and Theatres.
2. Partnership with few well-known directors/actors. This was possible because we had quite a few contacts while working closely in the circle.
3. Word of mouth publicity - This is big because the industry has a pretty active but closed circle of enthusiasts and it's easy to make something known quickly if there's real value for different roles highlighted in the value hypothesis.

Now going back to the original list of entry barriers to get us started on the "Build-Measure" cycle and to see how they applied to natyarang:

Clear articulation of what problem we're trying to solve : We had a good understanding of the top 3-4 problems we're trying to solve as outlined above. To our benefit, the problems were validated and prioritised with various people in the industry itself.

Coding capabilities : This was a big problem in our case in early days. Although we can get external help, we wanted to have early validation of the potential in the idea before starting a grounds up, custom written platform. We took help of some tools which we'll discuss later to perform these validations and decided to only invest in building what's really important to measure the potential in the idea. a.k.a we needed an MVP which will heavily focus into measuring the interest in such platform from the community without the aim of it being a money-making venture until we capture the interest.

Limited Time/Budget : With the full time jobs at hand, we decided to give it roughly a 4-6 week effort with again the aim of primarily measuring the interest more than turning it to be a money making venture. Ideally to get the validation the budget we decided was "None". Yes, you read it right, we stayed away from making any monetary spend/investment in the platform and decided to make most of the "Free" tools/platform or otherwise take advantage of the "limited time free trials" for some of them.

Tools:

We'll quickly look at the tools, what they do, why they are useful as well as how they performed at in50hrs event for our product idea and most importantly how they enabled us to make an informed decision at every stage.

1. Business Model Canvas / Lean Canvas
2. FB page/analytics on custom pages
3. Launchrock
4. Kissmetrics
5. Aytm
6. Snapengage
7. Shopify

Key takeaways from the session

1. You don't need to be a developer to get early validation of your product idea
2. You don't need to have "X" amount of money, "Y" months of investment if you are a budding entrepreneur who's trying to validate the product idea
3. Plenty of "Free" tools to measure the key indicators which would let you make an informed decisions.
4. Lot's of motivation to get you started on your product idea! :)

Key Stats about Natyarang in the first 50 hours of the inception, we have more stats from the different tools we've mentioned above which will be shared during the session as well:

Overall results in 50hrs?

Launchrock:
5 signups
43 unique views
6 shares

Facebook Page:
98 Likes
596 people reached
4 conversions

Total cost to implement - 0
Total time spent - 50 hrs!

Twitter
9 tweets
98 unique hits

Shopify Page:
432 Page views
5 conversions

Revenue - INR 1500
Profit - INR 250
Validated learning - PRICELESS! :)

Conclusion:

Although "Natyarang" fared pretty well in the initial validations, as we tried expanding the reach and making the platform more sustainable, we faced some new challenges:

1. Theatre venues needed the basic internet connectivity 24*7. Most of them lacked or rather preferred the old way (Manually selling a ticket at the counter). However, they were happy to let us install the required hardware and have a partnership for digital presence but this didn't workout due to limited budget constraints.
2. Natyarang gained popularity in the closed circle of trust as far as discovering new shows, ticket booking is concerned (Based on the data insights we gathered from these different tools) but needed significant investment in the marketing strategy to build a brand and get established as far as the value hypothesis #2 and 3 are concerned. This made us to take a decision on pivoting the value hypothesis #2 and #3 and rather building a standalone solution around #1 which can be readily worked out with few theatres.
3. As far as the growth hypothesis is concerned, the Natyarang MVP built on top of shopify fared excellent to establish relationship with few theatres and production houses as their only digital presence. In fact, some of them demanded of a custom instance of Natyarang that is tailored only for them. This was another key learning for us which also made us think of creating a white labeled product that can be customised and sold for different theatres.

Natyarang, at present has gone under the roof while we try to figure out next moves based on the learning above.