

IF YOU BUILD IT WILL THEY COME?

Three Steps to Test and Validate Any Market Opportunity

ROB ADAMS

ROB ADAMS is on the faculty of the management department at the University of Texas at Austin's business school. Dr. Adams teaches in the MBA program and also acts as an active angel investor for several start-ups. Dr. Adams has been involved in the initial public offerings, mergers or acquisitions of around forty early stage ventures. Before coming to the University of Texas, Dr. Adams was the founder of AV Labs and a founding partner is several venture funds. He started his career with Lotus and went on to be founder and CEO of Business Matters as well as acting as an executive with Pervasive Software. Dr. Adams is a graduate of Purdue University, Babson College and Capella University. He is the author of *A Good Hard Kick in the Ass: Basic Training for Entrepreneurs*.

Dr. Adam's Web site is at www.DrRobAdams.com

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MAIN IDEA

Whenever you get an idea for a new product or a new start-up, validate the market exists before you spend any money or commit your time. Don't just plunge in and hope for the best. Prove that the market for what you have in mind exists and is commercially viable first. A robust market validation process takes about 60-days and involves three steps:

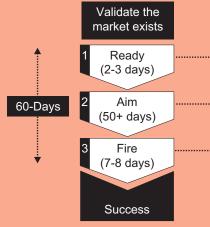
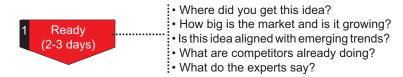


Figure out whether or not your idea is worth pursuing by objectively evaluating your idea and the size of the potential market

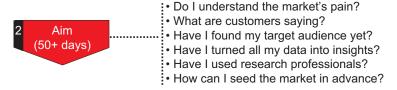
Reach out to your market and systematically gather data from multiple sources on what your future customers think of your idea

Follow through and blast into the market by using the data you've gathered to launch, market and sell your product the smart way

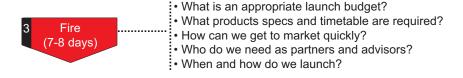
Before you invest time or money in an idea, first determine if it is worth pursuing. This generally comes down to the key issue of whether or not a market exists for what you have in mind. Before you give any project a green light, spend two to three days figuring out the answers to five questions:



Aim is the longest section and involves the most time and effort. This is where you reach out to the marketplace and systematically gather data from a number of different sources. You're trying here to determine what your future customers think about the choices and options they currently have available and whether or not they are likely to welcome the arrival of your new solution. To get to know the subtleties of the marketplace, figure out the answers to six questions:



Fire is where you make the mental transition from gathering data into delivering a viable product. This is where you leverage all the market validation work you've done. You use what you know to set the right business goals and then get to work making that happen. To execute well, answer five questions:



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