

# A Step-by-Step Guide to Planning an MVP

This sheet is developed by [Orfeuo Linor](#)

First, let's get started with some valuable information

## **Definition of an MVP**

An MVP (or minimum viable product) is a solution with just enough features to satisfy early adopters and provide feedback for future product development. An MVP can be physical or digital experiment, it most likely integrates a significant "experience" element and can even be a campaign. The MVP ideally allows a startup to capture the imagination of a community of early adopters who are actively involved in the co-creation and refinement of the value proposition

## **What else is important?**

An MVP is a "rite of passage" for a startup. It should allow the startup to raise substantial investment from (external) investors. It's a stage at which the startup founders can confidently claim to have de-risked their chosen business model up to the point that investors can safely invest in a thoroughly battle-tested value proposition. The startup founder is in the position to provide data and a rationale for most questions a potential investor may have in order to do a risk assessment of the startup's business model

## **What an MVP is**

- An MVP is a shortcut to "learning"
- An MVP needs to offer the minimal number of features to collect early adopter feedback
- An MVP needs to address the desirability, viability, and feasibility of the value proposition
- An MVP needs to include some functionality, some reliability, some usability and a pinch of design as per the "minimum viable product pyramid"
- An MVP must be sellable to a competitor or investor

## **What an MVP isn't**

- An VP shouldn't be a mini-me (a 1-on-1 smaller version) of your end product
- An MVP is not a de-featured version of your end product
- Don't wait for perfection. If you are not a bit ashamed of your MVP, you have perfected it too much

- An MVP is not a stand-alone experiment type (it should be a sort of ultimate experiment which follows a series of experiments that lead to you already having validated at least the first three riskiest assumptions, preferably followed by a double check-experiment per riskiest assumption)
- An MVP is not made to be launched to “mass market” it is a tool to gain feedback from early adopters only
- An MVP shouldn’t cost thousands of dollars (the vast majority of MVP’s can be built for less than \$1,000)

### Preparation for an MVP


Ideally you should have run a minimum of 5 experiments already whereby you validated or invalidated a minimum of 3 riskiest assumptions of your assumption card. You are now ready to use the below overarching startup hypothesis as a basis for designing your MVP:

A certain [ *Persona/early adopter* ] exists... ..and they have a certain [ *Problem/pain point* ]. Currently, they're using [ *Current Alternatives*], but... ..if we offer [ *Target Value Proposition* ], then... ..we'll observe [ *Success through X-Metrics or acquisition, onboarding, engagement, etc.*].'

**The below eight steps will guide you through the complete process of building a successful MVP.**

## Step 1: Watch the following videos

You have already watched [this video](#) at the beginning of the activity.

Now, let's also watch Steve Blank (co-author of the book "The Lean Startup") talk about getting the MVP right:  03 - Steve Blank Getting The MVP Right

## Step 2: Check the riskiest assumptions

Check if the three riskiest assumptions are validated, preferably with a primary experiment and a second experiment to ensure the gathered data is correct.

Assumption is a thing that is accepted as true or as certain to happen, without proof. They need to be validated or invalidated before we start spending too much.

The riskiest assumptions are those that have a high impact on the business model, and you don't have evidence for.

Examples of Riskiest Assumptions of Airbnb's early business model.

1. Are tech conference attendees willing to pay for an airbed in a stranger's living room?
2. Are hosts willing to host complete strangers in their living room in exchange for money?

Airbnb validated these assumptions, and now they have a successful business model.

To learn more about the riskiest assumptions, watch this [video by Orfeu Lionor](#) starting at minute 10:12 onward.

For this task, you can use the “Riskiest Assumptions Table” below:

| Description  | Uncertainty | Impact | Research / Method     | How uncertain are you about your assumption?   |
|--|-------------|--------|-----------------------|--|
| <i>Example 1: My customers want an app to solve their pain point X</i> | 5           | 3      | Concierge service MVP | <b>5</b> -> We are absolutely clueless<br><b>4</b> -> We have some market research data<br><b>3</b> -> We spoke with customers about this<br><b>2</b> -> We have some evidence but not strong<br><b>1</b> -> We have validated this convincingly   |
| <i>Example 2: My customers will pay to use my service</i>              | 4           | 5      | Interviews            |  |
|  |             |        |                       |  |
|  |             |        |                       | <b>How much impact does it have on your business?</b><br><b>5</b> -> Our business would fail if this is false<br><b>4</b> -> We have to find a plan B<br><b>3</b> -> We have to do things a bit differently<br><b>2</b> -> We can deal with that later<br><b>1</b> -> It is not important for business success |
|  |             |        |                       |  |
|  |             |        |                       |  |
|  |             |        |                       |  |
|  |             |        |                       |  |
|  |             |        |                       |  |

1- Ask yourself have we validated or invalidated at least the first three riskiest assumptions in this table?

2- Did we run an experiment and a follow-up experiment (second experiment, to be sure) per assumption?

## Step 3: Evaluating the needed data

Take your startup hypothesis and evaluate what kind of data you would like to gain.

Here is a reminder of the format for you to use:

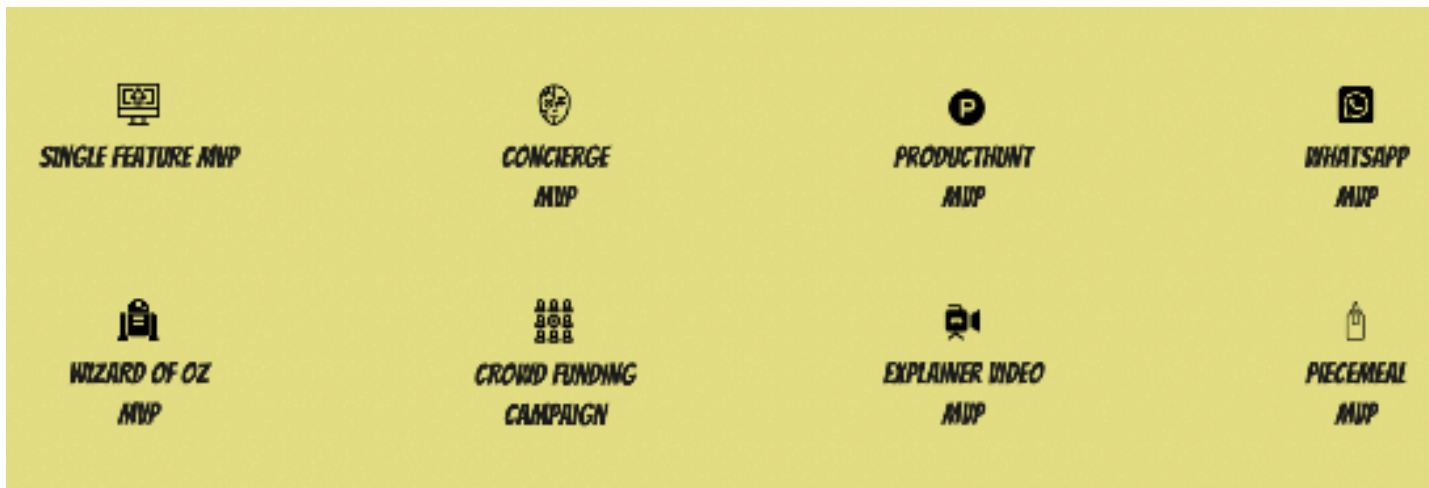
A certain [ *Persona/early adopter* ] exists... ..and they have a certain [ *Problem/pain point* ]. Currently, they're using [ *Current Alternatives* ], but... ..if we offer [ *Target Value Proposition* ], then... ..we'll observe [ *Success through X-Metrics or acquisition, onboarding, engagement, etc.* ].'

It is time to assess your startup hypothesis.

Review what the "learnings" are in the hypothesis and how those would translate to either a physical/hardware or a digital/software experiment or an experience or campaign.

## Step 4: Select the MVP type that best suits you

The table below shows the different types of MVPs. Follow [this link](#) to have more details about each type.



Select an MVP type that helps you best achieve your desired learnings.

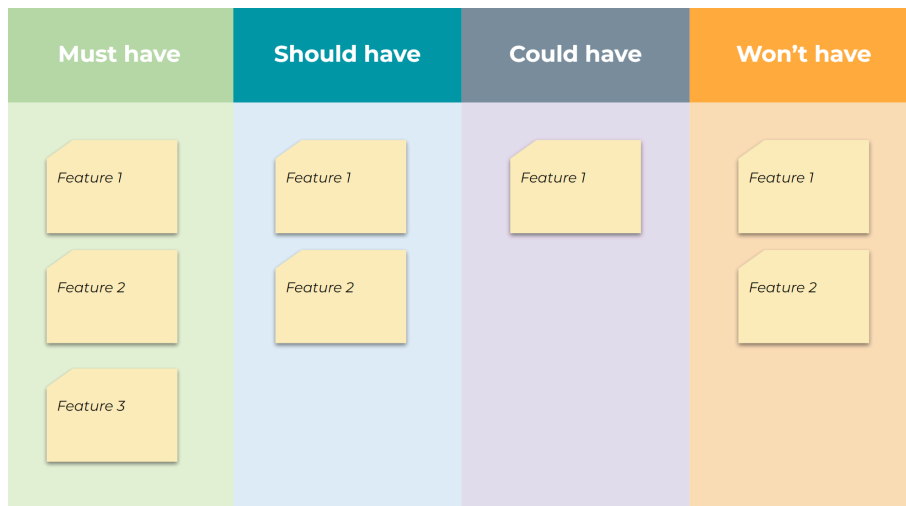
**Write here what type did you choose and the reasoning behind your choice:**

## Step 5: Create a timeline and a budget for your MVP

1. Identify your MVP budget. This includes, but is not limited to:
  - a. Go-to-market budget,
  - b. MVP development cost,
  - c. The cost of maintenance and iteration.
2. Draw a timeline starting today and ending six months from now. (or define the period that is convenient for your project)
3. Work backward toward the goal and set measurable milestones.
4. Get a general agreement from your colleagues in the product, marketing, sales, and R&D teams, and make sure everyone is aligned on the milestones before you detail your plan.

## Step 6: Identify the “Must-Have Features”

Now, you will create four lists to prioritize these features. These four lists are often referred to as the MoSCoW Prioritization Framework. Yours should look similar to the example here, or the example from the video.



Here is a ready template for you to use:

| Must Have | Should Have | Could Have | Won't Have |
|-----------|-------------|------------|------------|
|           |             |            |            |
|           |             |            |            |
|           |             |            |            |

The must-have features are things you can't compromise on and are central to the product experience. The key concept here is maintaining minimalism and viability.

1. Give each team member 3-5 dots and ask them to vote on the top 3-5 features that are must-haves.
2. Select the 3-5 features with the most votes and move them under a list titled "must-have."

**Step 7:** Identify what “metric” constitutes the successful launch of the MVP



***DETERMINE WHAT METRIC  
WILL DETERMINE SUCCESS?***

STEP 4: CRITERIA

We are right if

1. Formulate it as if you were populating the last box of "test card"

## Step 8: Launch the MVP



***BUILD AND OR  
RUN THE MVP***



1. You've made it well done. Good luck

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