

An MVP Concept and Why You Need It

How to Build an Effective MVP - Algorithm for Startups:

Step 1: Define your target audience and problems your product is to solve

Step 2: Make competitors research and prove you are the best

Step 3: Define the user flow

Step 4: Form the set of necessary features and prioritize them

Step 5: Build an MVP, collect feedback from the first users

Mistakes You'd Better Avoid

An MVP Concept and Why You Need It

Imagine you have a business idea and it seems very good and feasible. No rush to order full cycle development with tremendous investments and the same uncertainty. Test your business hypothesis with an MVP.

An MVP, or a minimum viable product, is a product that includes only few core features of the conceived full-service product. But in the same an MVP works and can be used by early customers. If we are talking about software, it can be a website, a landing page, an application which is far from full-service but can be a basis for further product development and a tool to validate business ideas. MVP answers the crucial question: **Do customers need your product?**

Aims of MVP development are the following:

- testing of hypotheses about the product with minimal costs
- getting quick feedback needed for further decision making
- time saving on development
- quick product launch to early customers and gaining first brand evangelists

An MVP is a perfect tool providing it is understood and developed correctly. The success of the MVP development depends on a startup even more than on a development team. Proper preparation is needed to get the maximum effect of an MVP.

MVP is not a rough draft, it is a serious product requiring thorough preparation. Its mission is to present and sell product's value proposition to customers.

Good MVP:

- serve at least one specific audience
- address at least one key problem
- have a well-designed UX
- easy to build and launch quickly

Let's talk about how a startup should prepare for creating effective MVP.

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Step 1: Define your target audience and problems your product is to solve

To succeed, a product should meet its customers. For whom your product is designed? What problems does it solve? Give your prospects the reason to buy it.

Conduct careful target audience research. Understanding your prospective customers and their needs will give you the view of your MVP. Consider demographic and social factors, pay attention to interests and lifestyle. Don't try to cover all customers groups at once. Choose one specific audience, describe a buyer persona in detail.

Conduct a little survey: interview 15 or more potential customers to measure their interest in your product. Ask them several questions:

1. How important is the problem you are aiming to solve for your customers?
2. Are they trying to solve it with other products or own methods?
3. Are your respondents involved in the interview?
4. Are they okay with one more interview?
5. Are they ready to pay for your product right now?

Measure the answers on a scale for one to ten. If a total constitutes 31 and more - you are moving in the right direction.

You can measure interest with the help of other communication channels:

- blog or social networks
- questions & answers services like Quora
- landing page with a registration form

Step 2: Conduct competitive analysis and prove you are the best

Even if you consider your product is unique, spend some time to find and analyze potential competitors. Learn primary and secondary sources, test their products. Find out what their customers say about their service, learn their feedback to find weaknesses and bottlenecks.

Answer the following questions:

- Why are you better than competitors?
- Can you offer something unique to the market?

You can analyze other market players with free and paid tools like Alexa, Similar Web, Ahrefs, Apps Annie, MOZ etc.

Step 3: Consider the user flow

User flow is a route a customer should pass to reach the core goal of the product. It should be logical and clear.

Step 4: Form the set of necessary features and prioritize them

You already have the user flow, now you can proceed to the features list. Figure out what particular features you need on every stage of the user flow. Divide the features to mandatory, desirable and minor and place them in order of decreasing priority. Then choose the features to include in your MVP. Keep in mind the Pareto rule. Then you can go to your technical team and start developing MVP.

Step 5: Build an MVP, collect feedback from the first users and go back to development

Present the MVP to your target audience and collect the first feedback. Use relevant marketing metrics like registrations, orders, downloads, time spent, conversion rate, mentions on social media, etc.

Use the interview to collect customers' feedback, learn it and make further decisions. If everything goes as it should, return to successful features refinement. Then test the product again. In other cases, you'll have to pivot your business in a new direction or even abandon it.

Mistakes You'd Better Avoid

Why such a good tool as an MVP fails? Startups make critical mistakes:

1. They don't make proper homework including competitors and customers research.
2. They build MVP for all platforms at once - mobile, web, application etc. and spend a lot of time and money.
3. They prioritize features wrong.
4. They offer raw bad-designed product and overestimate its value.