How to Validate Your Business Idea Now - Tips

Your business idea may sound like a sure success in your head, but it might not translate into reality. Develop a digital marketing strategy before going bust.

PHILADELPHIA, PENNSYLVANIA, UNITED STATES OF AMERICA, March 1, 2018 /EINPresswire.com/ -- +

Your business idea may sound like a sure success in your head, but it might not translate into reality. Maybe people won't understand it, or maybe it's not as sellable or viable as you thought. Regardless, wouldn't it be great to know if your target market will actually love your idea before you start investing too much into it?

> We eat breath and sleep digital marketing strategies. We are turning clicks into clients for our customers daily."— Steve Myers Aka Dr. Digital"
>
> *Steve Myers, SEO Director*

A business takes a great deal of time, money, and effort to establish. By figuring out the viability of your idea early on, you're able to cut losses.

Sometimes it's hard to imagine that a business won't succeed as it resolves a clear, common issue. However, a number of factors including how people perceive and understand your product will determine your long-term success.

Thankfully, with the targeting technology that is available today, it is easy to gauge the interest of your potential target audience before launching your concept or business.
What is Idea Validation?
According to Omar Zenhom, idea validation is "the process of testing and validating your idea prior to launching your business name, tagline, product, service, or website." This is the kind of research and development that large companies engage in to test product ideas before releasing them.

The idea is to be able to ascertain ahead of time whether or not your business will have a sustainable, growing, and paying audience over a short period of time. However, the end goal is to achieve a certain number of pre-orders or a long waiting list for your flagship product. By establishing a pre-order for a minimum viable product, you're able to ensure that your company will have a fighting chance on the market.

Unfortunately, idea validation does not guarantee that your business will succeed. Though, if your business does pass an idea validation test, it is guaranteed to at least be hard working.

There are many ways to conduct idea validation, from interviewing members of your target market to building landing pages online as part of a complete marketing strategy. Often, a business has the best chance of establishing a strong validation indicator by using a variety of methods.

Here's how to validate your business idea—before going bust.

Finding a Business Idea

Before validating an idea, you must first have an idea. Most ideas stem from a problem or need.

A good business idea provides a solution to a problem that someone will pay you to fix. Following this train of logic, it becomes obvious that you must first identify a problem, not a solution.

This is exactly what led to the enormous success of Sir James Dyson with his Dual Cyclone bagless vacuum cleaner. The problem was that his Hoover Junior's diminishing performance due to the dust bag becoming clogged with dust, thus reducing suction. With the problem identified, he was in the late 1970s able to provide a solution.

Also interesting is that this was a problem that Dyson genuinely cared about, which turns out to be significant. A study by CB Insights found that 22% of startups have failed because the founders didn't have an interest in the business concept. To ensure you don't fall into that category, try to find a niche that is close to your heart.

Next, examine existing solutions and look for weaknesses in them. If you're planning on creating a B2B product, start reaching out to target businesses with surveys and questions to build their needs into your design at an early stage.

How to Validate Your Business Idea Personally

Before seeking outside opinions, ask yourself a few questions to see if your idea is already spot on or if you need to further develop it.

What motivates your [potential] customer?

There are six motives for any customer to make a purchase: to gain something; fear of loss; comfort, pleasure, and relaxation; to avoid pain and discomfort; to demonstrate prestige; or to build, save, or reinforce relationships. A strong product is often able to unite several of these purchasing motives.

What is the major benefit?

Other than determining what would motivate a customer to make a purchase, there must also be a benefit or unique value proposition for your potential client. These can range from being a cheaper solution, being comprehensive, or being simple to use. A unique value proposition could also involve how your customers are going to feel after they purchase your product – will they be happy, motivated, or excited?

Here are 20 questions you can ask yourself as part of your business idea validation process.

Identifying your Audience

In Pat Flynn's book Will it Fly?, the third part in validating an idea is market research and establishing who your target audience is. Though it might be easiest to reach out to friends and family members when [conducting market research](), such audiences will carry both conscious and unconscious biases with regards to you.

This can lead to positive feedback loops that do not represent how a larger, paying audience will feel about your product. The best [marketing analysis]() is done with an audience who can provide truly objective opinions.

For online products, it's easy to reach out through social media platforms, such as Twitter and Facebook, as well as niche groups in forums, such as Reddit. Even crowdfunding sites can help provide insights into your target market.

If your business will be more locally based, it's important to reach out to local community members and social clubs to get their feedback on the idea.

How to Validate Your Business Idea with Your Audience

Once you've established an audience willing to validate your business idea, you need to decide on how you want them to provide feedback.

Share Your Idea

Many people advocate against sharing your idea, for fear of someone stealing it. However, by talking an idea out with members of your target market, as well as friends and other people in the industry, it's possible to further refine it. The general and specific feedback you get will often outweigh any risk of someone stealing your idea and putting it into production before you're able to do so.

As serial entrepreneur John Saddington, who guested in an episode of Pat Flynn's Smart Passive Income podcast, explains, "If you're committed and you love the idea, you will actually see it to completion. Most people never execute on their ideas because they just never execute."

Find Similar Products That Already Exist

There are rarely ideas for completely new products; most are born out of improvements to existing solutions. The beauty of finding similar products is that someone has already spent the time and money to validate the business idea.

The fact that someone beat you to the punch doesn't make you a failure, but will offer you greater insights into the market and possibly even lower the costs of entering it. Within the last few years, more and more brands of smartphones are appearing in the market. With Apple, Nokia, and Samsung establishing the market and identifying the desires of users, it's now easier for new brands to come in with different unique value propositions.

Create a 'Mini' or Test Version of Your Product

To keep costs down, you can create a minimum viable product (MVP), which is the most basic version of the product to prove that it is a solution to your problem.

According to Eric Ries, who first proposed the idea of MVP, this allows you to "collect the maximum amount of validated learning about customers with the least effort." For example, if you plan to create online courses, you can establish the first module and then ask users for feedback. Adjustments to future modules can then be created based on this feedback.

Check out these guidelines to creating a minimum viable product.

Sell Before you Build

Much of idea validation is ensuring that you have a strong, marketable business or product. However, even if you do, that's not a guarantee that people will buy it.

Pre-sales are the easiest solution to your beginning marketing strategy. By setting up targeted ads on Google Adwords or Facebook that link to a landing page, you can begin to move people through a sales funnel.

If you don't want to push out a minimum viable product, you can use a landing page to collect contact information and ensure them that you'll reach out to them when the full version is available. Once you have enough purchases or interested parties, you can more confidently move into the production phase.

Crowdfund

Another way to validate an idea is crowdfunding. However, crowdfunding sites are not magic. Yes, if you're serious about your idea and need money to start it, crowdfunding may be for you.

However, a failure to raise funds this way does not necessarily mean that your idea isn't going to work. The reality of the situation is that less than 41% of approved Kickstarter campaigns get funded, and that's after the company rejects about 20% of ideas presented. Even the projects that do successfully get funded usually don't get much money – most raise less than $10,000.

Carol Tice, a contributor to Forbes, explains that "out of the over 72,000 projects funded on Kickstarter since its inception, only about 1,600 raised more than $100,000."

Another thing to keep in mind is that for some sites like Kickstarter, if you don't reach 100% of the proposed amount, you don't get a cent. And if you do, you have to deliver on your pledge rewards.
How to Validate Your Business Idea Before Going Bust
Before you dive into the deep end and burn through all your assets and time, ensure that your business idea has a chance in the marketplace through a bit of marketing analysis. Proposing a solution to a problem is an essential place to start. However, you must understand the purchasing motives for your target audience and provide a unique value proposition.

Then, by validating your business idea through sharing your idea, creating a minimum viable product, and other methods, you can decide whether or not there is a purchasing market for your solution. And that's the key, not only to establish if people like the idea, but to determine if they like it enough to pay for your solution to their problem.

Approaching your startup in this way will allow you to modify it as necessary or even scrap it if the marketplace isn't ripe.

Need help in the process of how to validate your business idea? The experts at Results Driven Marketing can be of service! Give us a call today at (215)-393-8700.

Mike Bannan
Results Driven Marketing, LLC
215-600-3540
email us here

This press release can be viewed online at: http://www.einpresswire.com