Session 13: Final Ideas, Market Research

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Today’s agenda

• Attendance sheet
• Final ideas
• Meetings tomorrow
• Market research
Tomorrow: meetings with teams

- Meet with four instructors for ~30 minutes
- List of at least two ideas for your final project
- Prepare a report for each idea
- For each idea, list:
  - Who will use your product?
  - What sort of phones?
  - How can you make money?
  - Technologies: SMS, voice, web, Android?
Other Questions

• What will your challenges be?
• How will you build this?
• First steps?
• What do you want from your final product?
• What will it look like?
• How long will the exchange last?
• Can you give us a sample message?
• Can you give us three use cases?
• External datasets, resources required?
Minimum Viable Product (MVP)

• You may have a grand, complex idea!
• What portion of that can you design and build by August 2?
• Just the features that allow it to be deployed
• Can you build the foundation for your platform?
• Add more features later
• Modularity!
MVP lets you...

• Test the waters
• Test your assumptions
• Will customers buy it/use it?
• Get out there before the competition
• Release what you have now
• Add bells and whistles later

• But!
• Don’t let minimum win over viable
MVP example: car

• What does a car need to go?
  – Four wheels
  – Engine/Transmission

• Does not need:
  – Steering system
  – Brakes
  – Doors, roof, frame, body, seats
  – Stereo, subwoofers, lights, stickers, turn signals, mirrors, air conditioning, wipers, heated seats, backup cameras, lumbar supports...
MVP example: wind turbines
Before the IPO, at the very beginning when it was just the founders, their first product was the following:

"The Apple I, Apple’s first product, was sold as an assembled circuit board and lacked basic features such as a keyboard, monitor, and case. The owner of this unit added a keyboard and a wooden case.

It was a motherboard. Not even a computer—just a motherboard.

I think it’s important to remember when we’re all trying to start something from scratch that you have to start at zero, and the first product will probably suck. It’ll be a motherboard, when what you really wanted to build was an all-aluminum Macbook Air with a Retina display.

But you gotta start somewhere."
Market Research

• How big is the market?
• What are their needs?
• How do they use current products?
• Competition (how can you do better?)
• Existing data? (don’t replicate others’ work!)
  – Census
  – Reports from MTN, Vodafone, Glo, Airtel, Tigo...
  – School data
Pricing

- Free
- Advertising
- “Freemium”
- Flat price
- Other pricing schemes?
“Secondary data”

• Is the data is **useful** in the research study?
• How **current** is the data and does it apply to time period of interest?
• Errors and **accuracy** - is the data dependable and can it be verified?
• What are the **biases** in the data?
• How did they **collect** data? Think about response rate, sample size and sampling technique, and questionnaire design?
Market Research in Ghana

• marketresearch-ghana.com - firm
• openmarkets.org/research.htm - SMS apps
• cee.mit.edu/node/987
  – people are willing to pay more than you think for clean water!
Doing surveys

• Describe users of a product
• Determine the % of people who’ll use your product
• Predict future demand for a product
• Define questions, people surveyed, and the method of analysis *before* beginning data collection
• Who, what, where, when, why, and how aspects of the research should be defined
“Primary data”

• demographic characteristics
• lifestyle characteristics, attitudes and opinions
• awareness and knowledge - for example, brand awareness
• intentions - for example, purchase intentions.
  – While useful, intentions are not a reliable indication of actual future behavior
• motivation: a person's motives are more stable than his/her behavior, so motive is a better predictor of future behavior than is past
Market Research

• For every assumption, ask a question

• Report Card Example:

• Ask parents:
  – “How often would you check a report card via SMS?”
  – “Would you be willing to pay? How much?”

• Ask headmasters:
  – “Would you be willing to pay for a system? How much?”
  – “How much time would you spend using it?”
Data Privacy

• Tell people what you’ll do with the information
• Assure them that their names and identities will be protected
• Don’t ask questions that are irrelevant to your survey
  – height, weight... not useful!
• Don’t use names/identifying info when presenting your research!
• Properly dispose of data!
• marketingresearch.org/data-disposal
Market Research

• Write surveys!
• Go out and *ask* your potential customers
• Each team gets a budget of ¢4 for printing costs
• Come back on Monday with a sense of...
  – What your customers want
  – How much they will pay
• Expect to be surprised!