Session 9
Know Your Customer
Entrepreneurship Roadmap

Week 1: Ideate
• Participants will brainstorm and share business ideas and form teams

Week 2: Pitch
• Teams will develop their initial business proposals and pitch to the rest of the class

Week 3: Accelerate
• Teams will participate in a hackathon weekend to develop an alpha prototype of their product

Weeks 4 & 5: Incubate
• Teams will refine their prototypes and develop full business plans for VCs and other potential investors

Week 6: Launch
• Teams will demo their final prototypes and present their business plans to mentors, investors, Google and UGM representatives, and other interested parties
Program Milestones

Week 1: Being an Entrepreneur
- Chocolate Challenge
- Topic Selection
- Team Formation
- Initial Idea Proposal
Intro to Programming
- Platform Setup
- Platform Basics

Week 2: Pitching & Selling
- Final Idea Definition
- Product/Market Fit
- Initial Pitch Deck
Technical Intensive
- Advanced Android

Week 3: Models & Strategy
- Elevator Pitch Contest
- Initial Business Models
- Mentor Matching
- Team Dynamics
Mobile Design
- Mobile Development
- Hackathon

Week 4: Product Refining
- Mentor Sessions
- Rough Demo
- Prototyping
- Refine Specs
- Improving Prototype

Week 5: Negotiating
- Negotiation Day
- Revised Business Model
- Understanding Intellectual Property
Final Product
- Functional Prototype
- Finalized Design

Week 6: Launching Your Business
- Rough Demo
- Final Business Model
Refining the Product & Business Model
- Envision new features
- Set course for next year
- Time and team commitments

End of Week 6: DEMO DAY!!!
- Final Product
- Final Pitch
Today’s Agenda

• Scrum!
• Elevator Pitch Practice
• Class Activity: Find Your Customer
• Customer Use Cases
• Class Activity & Homework Assignment
• Key Takeaways
Let’s Scrum!

• What have you done since yesterday?
• What are you planning to do today?
• Any impediments/stumbling blocks?
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The Pitch Contest is coming!!

• Details:
  – Time: Monday – we start at 8:40am, SHARP!
  – Location: 1st floor classroom – Ruang Kuliah Transmisi dan Distribusi (TD)

• Notes:
  – BE ON TIME.
  – Dress to impress. Imagine you were meeting an investor. What would you wear?
  – Each team will pick one member to pitch.
## Pitch Contest Schedule

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:40 am</td>
<td>Introduction to MIT AITI</td>
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<tr>
<td>9:00 am</td>
<td>Introduction of Judges</td>
</tr>
<tr>
<td>9:10 am</td>
<td>Daily Scrum</td>
</tr>
<tr>
<td>9:20 am</td>
<td>Explanation of contest rules</td>
</tr>
<tr>
<td>9:30 am</td>
<td>PITCH!</td>
</tr>
<tr>
<td>9:45 am</td>
<td>End of pitches; judges deliberate/break</td>
</tr>
<tr>
<td>10:00 am</td>
<td>Judges’ feedback and announcement of winners</td>
</tr>
<tr>
<td>10:30 am</td>
<td>Presentations from Judges and Q&amp;A with students</td>
</tr>
</tbody>
</table>
Your Judges

• Mr. Afrizal – UGM Alumni, Gama Multi Company

• Yansen Kamto – Google Business Group

• 1 more Googler, TBA…
Practice practice practice…

• Take 5 minutes in your groups to revisit, review, and revise your pitches
• Each team’s representative will pitch for 60-seconds
• We may ask questions – be prepared to think on your feet!
• We will give quick feedback on things to think about over the weekend.
• Questions?
Ready
Set
Pitch!
Final Tips and Reminders

• Remember Lynn’s 3 C’s
  – Confidence
  – Conviction
  – Content

• Anticipate questions and have answers

• Stand tall and face your audience

Smile! Look like you’re having fun, even if you’re a nervous wreck 😊 (I’ll be nervous too...)
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What is the single most important and sufficient condition for a business?

A paying customer
Technology Adoption Curve

FIGURE 11.8 S curve of adoption of an innovation.

Everett M. Rogers – *Diffusion of Innovation*
Category of Adopters

**Innovators**
- The risk-takers
- Always looking for the latest and greatest
- Confident, independent
- Higher disposable income

**Early Adopters**
- Active and prominent in their communities
- Adhere more to norms
- Opinion leaders

**Early Majority**
- First followers of the Early Adopters
- Rely on group opinion (weigh pros and cons)
- Source of valuable customer feedback

**Late Majority**
- The skeptics
- Adopt because “everyone else is doing it”
- Lower income levels

**Laggards**
- Isolated users
- Against change, highly skeptical
- By the time they adopt, something else will have come along…

**FIGURE 11.9** Innovation adoption categories when $Sd =$ standard deviation.
Customers want technology and performance

Indonesia 2013

Geoffrey Moore – Crossing the Chasm

Customers want solutions and convenience
How do you cross the chasm?

Find your *beachhead market*.

- A single market that you can use as a springboard to adjacent markets
- “Focused Leverage”
- For applications, *your beachhead is usually your end user* (there can be exceptions)
- Make them love/need you, and the rest will fall into place…
Target: Early Majority

Strategy: Beachhead

You
Defining Your Beachhead

1. Is the target customer well funded and are they readily accessible to our sales force?

2. Do they have a compelling reason to buy?

3. Can we today, with the help of partners, deliver a whole product to fulfill that reason to buy?

4. Is there no entrenched competition that could prevent us from getting a fair shot at this business?

5. If we win this segment, can we leverage it to enter additional segments?

6. Can we show results in a one to two year timeframe?
Class Activity: Find Your Customer

• Wow, that’s a lot of words. Now it’s time to practice.
• Using your work from yesterday, define your beachhead market by answering the questions from the previous slide.
• You will have until this afternoon to reach someone in that market.
  – Find them online and give them a call or e-mail them
  – If you can find them in-person, even better!
• Explain your product and get their thoughts.

This is your first customer feedback opportunity, so pay attention!
“Your most unhappy customers are your greatest source of learning”

- Bill Gates
Class Activity: Find Your Customer

• But Nicole, what do I say??

• This is where everything we’ve taught you comes into play…
  – Introduce yourself and this program (hint: pitch deck, 3C’s)
  – Introduce your business (hint: value proposition, elevator pitch)
  – Explain what you hope to gain from their feedback
  – Say thank you and ask if you can follow-up in the future

• If you fail, you’ll learn from that too.
Quick Activity Debrief – Online Survey

• How many of you were able to talk to someone?
• How many people did you talk to? Who were they?
• How did your product fair?

• Since we’re already thinking about our customers and their requirements...
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Starting thinking about your product design…

- What will the product do?
- What features will your product have?
- How will you build this product?
- Mock-up UI Design
- Customer Use Case
Customer Use Cases

What is a **Use Case**?

In simplest terms, it describes the steps that your “actor” will take in your application, to achieve a specific goal.
Tips for Building Use Cases

• Get something done – don’t focus on perfection. You’ll get feedback from your users later anyway.
• Use the 80/20 rule – focus on the 20% of use case scenarios that cover 80% of your user’s needs
• Create an index to keep track of your use cases

<table>
<thead>
<tr>
<th>Use Case ID</th>
<th>Use Case Name</th>
<th>Primary Actor</th>
<th>Scope</th>
<th>Complexity</th>
<th>Priority</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Places a bid</td>
<td>Buyer</td>
<td>In</td>
<td>High</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Purchase an item</td>
<td>Buyer</td>
<td>In</td>
<td>High</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Creates Account</td>
<td>Generic User</td>
<td>In</td>
<td>Med</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Searches listings</td>
<td>Generic User</td>
<td>In</td>
<td>Med</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Provides Feedback</td>
<td>Generic User</td>
<td>In</td>
<td>High</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>Creates an auction</td>
<td>Seller</td>
<td>In</td>
<td>High</td>
<td>1</td>
</tr>
<tr>
<td>7</td>
<td>Ships an item</td>
<td>Seller</td>
<td>In</td>
<td>High</td>
<td>2</td>
</tr>
</tbody>
</table>

For more tips, see: http://www.gatherspace.com/static/use_case_example.html
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Class Activity & Homework Assignment #8:
Build a Customer Use Case

• Step into the user’s mind:
  – How will your product/service work for the target customer?
  – How does it fit into their current state?
  – What are the key interface points?
  – Why exactly would they acquire it?
  – What barriers to adoption might arise?

Submit your Customer Use Cases by Sunday, July 7, 11:59pm
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Key Takeaways

• Pitch Contest on Monday morning!
  – Be ready for an 8:40am start
  – TD classroom, 1st floor
• Without a paying customer, you aren’t a business.
• Your beachhead market will help you cross the chasm. Find them, and make them love you 😊!
• A Use Case will describe how a specific “actor” interacts with your product to accomplish a specific goal.
“If you do build a great experience, customers tell each other about that. Word of mouth is very powerful.”

– Jeff Bezos, Founder of Amazon

• Check your e-mail and Facebook for any additional announcements
• Questions?
• See you Monday!