



Lean Start-up Essentials

VERSION 1.0

All you need for your innovation quick start

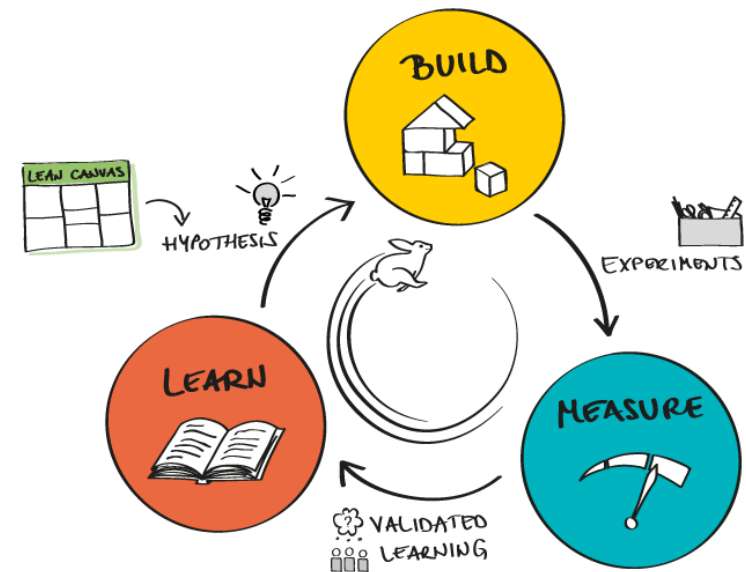
WELCOME

We have put together this course to provide you with the fundamentals of the of the Lean Start-up methodology so that you can apply it immediately to your innovation projects with minimal effort.

This workbook uses videos, explanations, and templates to describe a straightforward application of the methodology. If you already have specific questions or want to review specific details, the video overview at the end provides a direct entry point.

Good luck and exceptional progress in your innovation project,
Your

ICG Innovation Team



YOUR LEAN START-UP VIDEO COACHES



Video: Your coaches
Julia Achatz & Michael Faschingbauer



<https://youtu.be/R EeTrJu46JU>

BACKGROUND OF LEAN START-UP



Video: Background of Lean Start-up
Julia Achatz



<https://youtu.be/WtibHfYb-pw>

WHY WE USE IT FOR INNOVATION PROJECTS



WHAT HAVE INNOVATION AND STARTUP
TEAMS IN COMMON?



Video: Why we use Lean Start-up for innovation projects
Michael Faschingbauer



<https://youtu.be/ZXPTDu3fl1k>

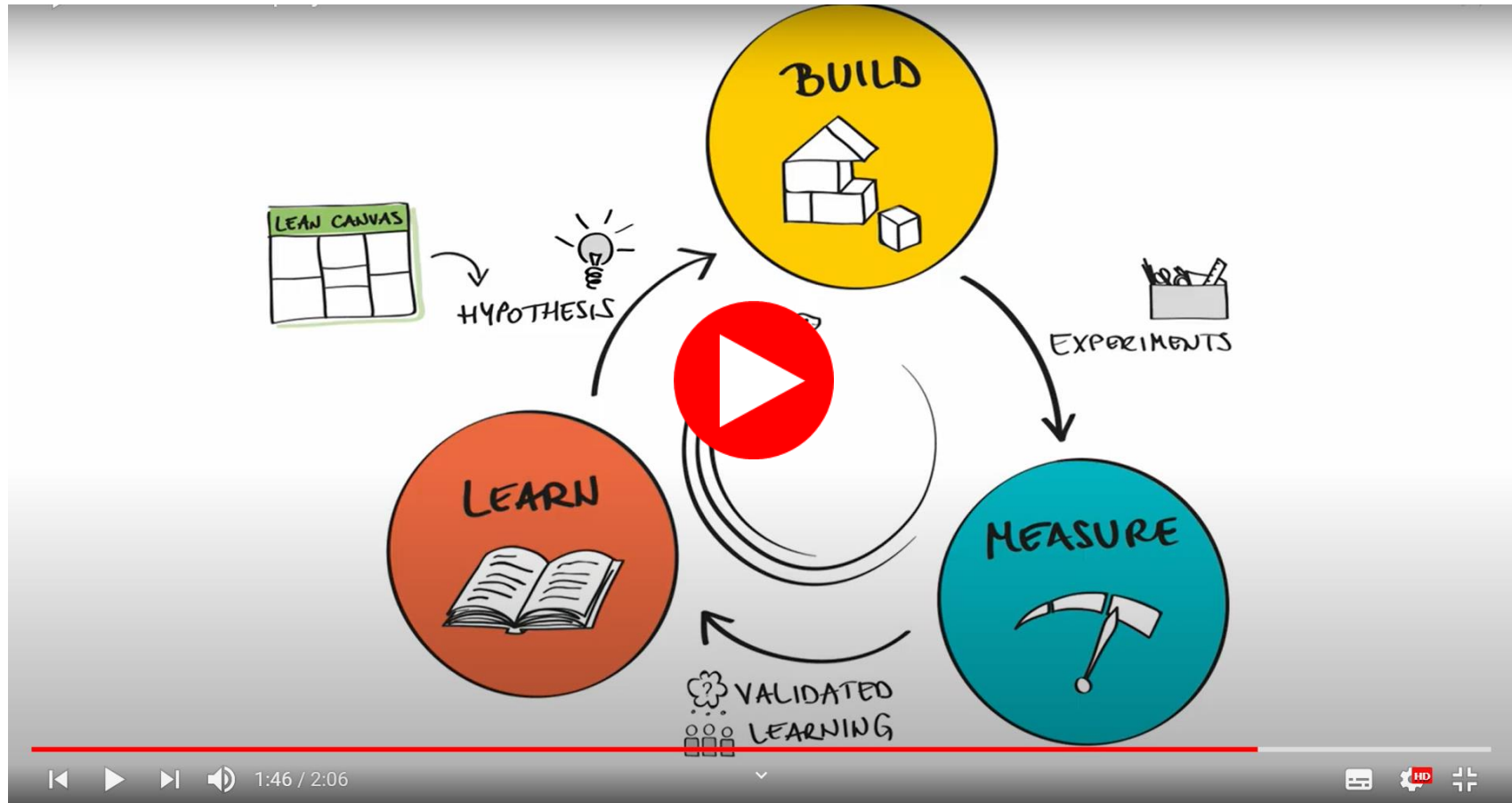
REFLECTION



After watching the video "Why we use Lean Start-up for innovation projects", please take a few minutes to think about the following questions:

- Thinking about our topic, where would I see us as a team on the uncertainty continuum right now?
- Do we have specific areas where we have already reduced uncertainty?
- If YES, what areas have already become clearer and HOW have we reduced uncertainty?
- In what areas is uncertainty still very high? And WHY do I think this is the case?

THE LEAN START-UP CYCLE



Video: The Lean Start-up cycle
Julia Achatz



<https://youtu.be/6qQCPIsXL64>

STARTING WITH THE IDEA



The video content includes several hand-drawn diagrams:

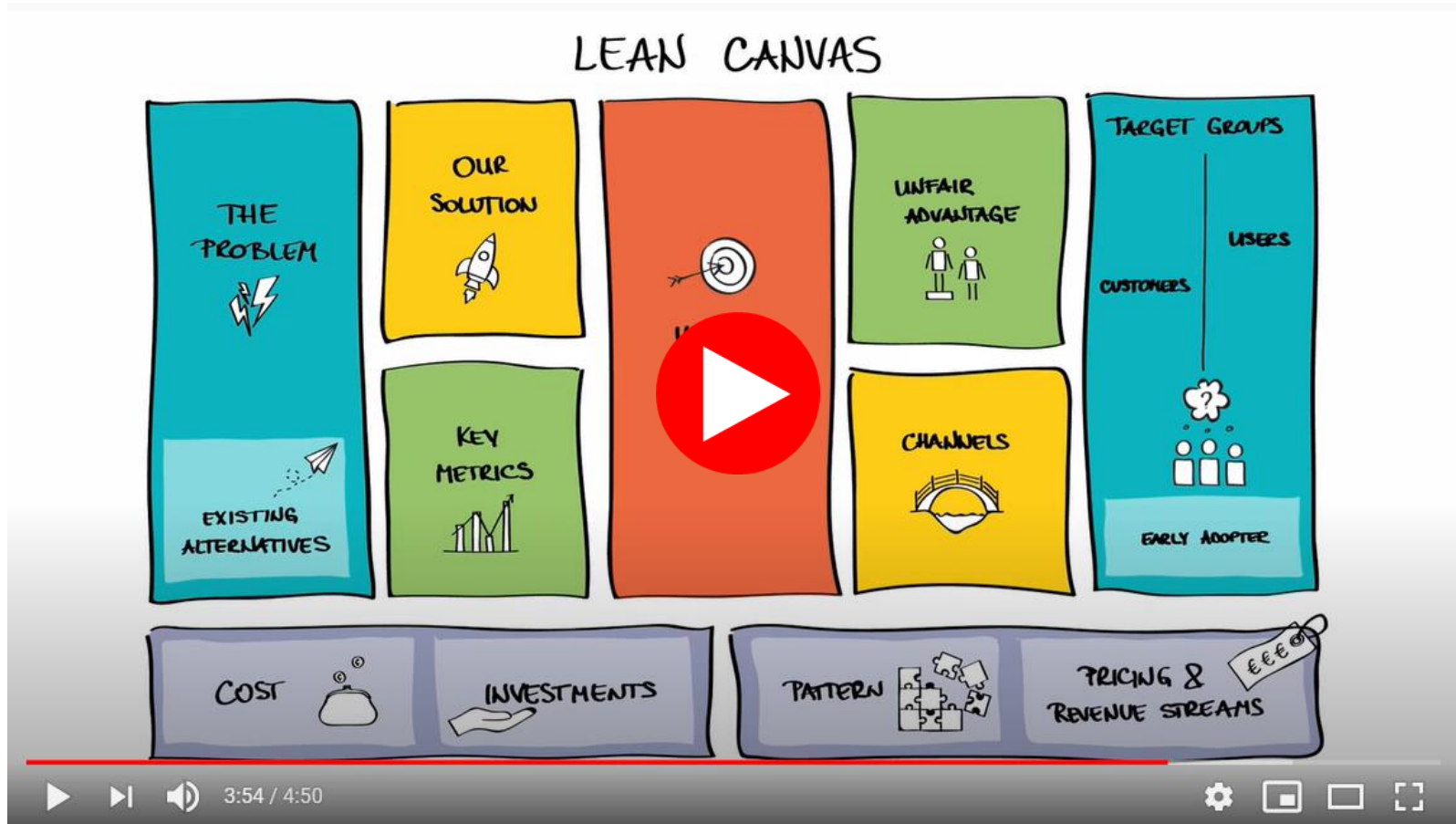
- A grid of business model components with labels: THE PROBLEM, ONE SOLUTION, BARRIERS TO ENTRY, TARGET GROUPS, EXISTING ALTERNATIVES, KEY METRICS, UNIQUE VALUE PROPOSITIONS, CHANNELS, COSTS, BUSINESS MODEL, PARTNERS, and TECHNOLOGICAL ENABLING FACTORS.
- A circular diagram with segments for 'Job' (with a person icon), 'Value' (with a lightning bolt icon), and 'GAIN'.
- A triangular diagram with segments for 'GAIN CREATORS' (with a gift icon), 'PRODUCT OR SERVICE', and 'CHANNEL RELATIVES'.
- A process flow diagram with four steps (1, 2, 3, 4) and icons of people and a lightbulb.

Video: Starting with the idea
Julia Achatz



<https://youtu.be/7D7It1EC6Lk>

THE LEAN CANVAS



Video: The Lean Canvas
Julia Achatz



<https://youtu.be/eEYiZR4utQ>



Title of the Idea

<p>The Problem</p> <p>Which problems does the target group face right now?</p> <p>?</p>	<p>Our Solution</p> <p>What is our solution to the target group's problem?</p> <p>?</p>	<p>Unique Value Proposals</p> <p>What kind of value do we create for customers and users with your offering?</p> <p>?</p>	<p>Unfair Advantage</p> <p>What do we do better than our competitors to create the value, which is hard to copy?</p> <p>?</p>	<p>Target Groups</p> <table border="1"> <tr> <td data-bbox="1643 272 1819 782"> <p>Customers</p> <p>Who are our sales targets?</p> <p>?</p> </td> <td data-bbox="1823 272 2001 782"> <p>Users</p> <p>Who will be using our solution?</p> <p>?</p> </td> </tr> </table>		<p>Customers</p> <p>Who are our sales targets?</p> <p>?</p>	<p>Users</p> <p>Who will be using our solution?</p> <p>?</p>
<p>Customers</p> <p>Who are our sales targets?</p> <p>?</p>	<p>Users</p> <p>Who will be using our solution?</p> <p>?</p>						
<p>Existing Alternatives</p> <p>Define minimum one clear competitor</p> <p>?</p>	<p>Key Metrics</p> <p>How will we track user engagement, excitement and usage of our solution?</p> <p>?</p>	<p>Channels</p> <p>Through which channels do our customers and users want to be reached?</p> <p>?</p>	<p>Early Adopter</p> <p>Who will be the first to test our solution?</p> <p>?</p>				

Profit Formula

<p>What are the most important costs to create and deliver the offerings?</p> <p>?</p>	<p>How much money do we need to spend before we earn?</p> <p>?</p>	<p>How, when and how often do we charge our customers?</p> <p>?</p>	<p>What are our revenue streams and how much do our customers pay (per unit)?</p> <p>?</p>
--	--	---	--

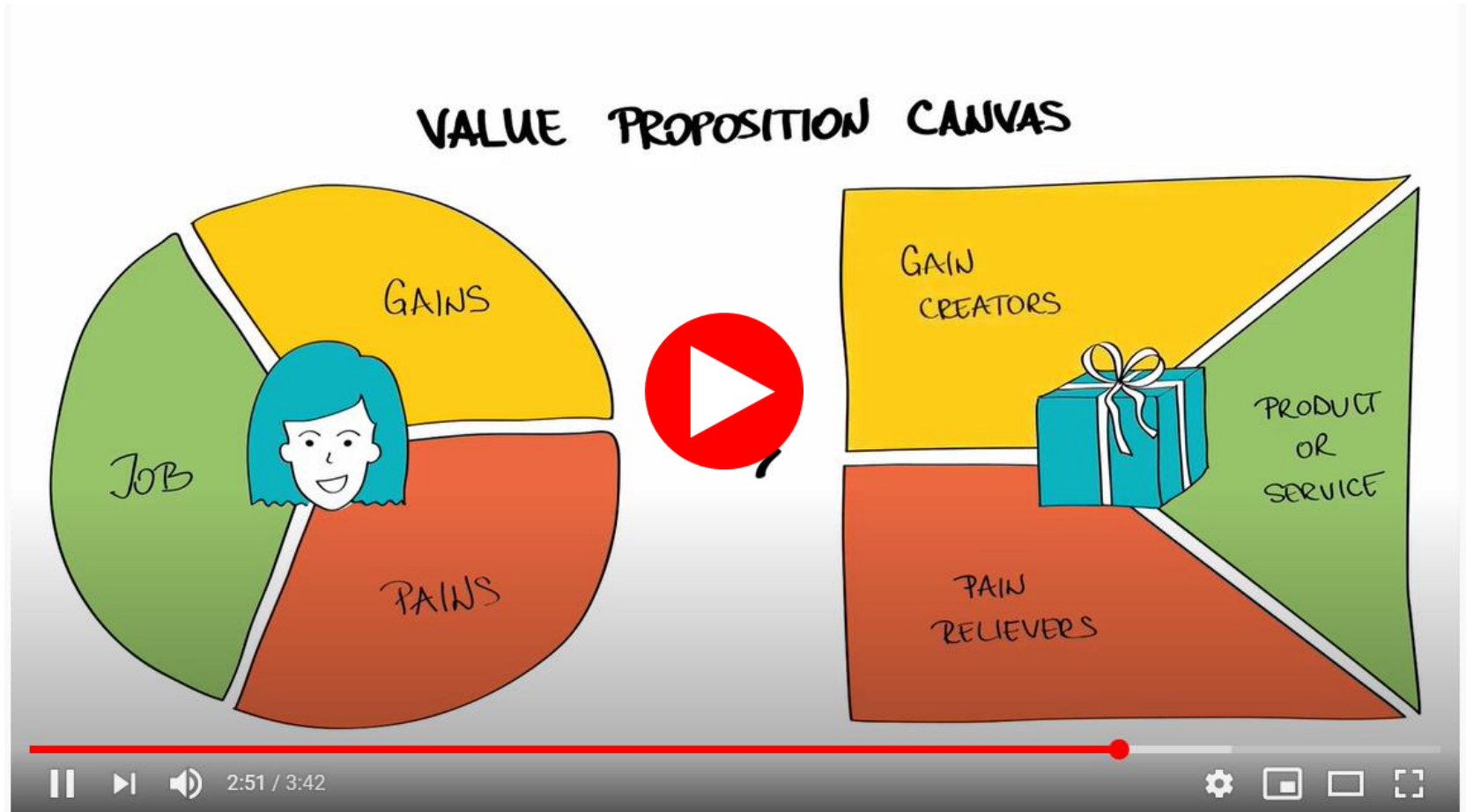
Cost

Investments

Pattern

Pricing & Revenue Streams

THE VALUE PROPOSITION CANVAS



Video: The value proposition canvas
Julia Achatz

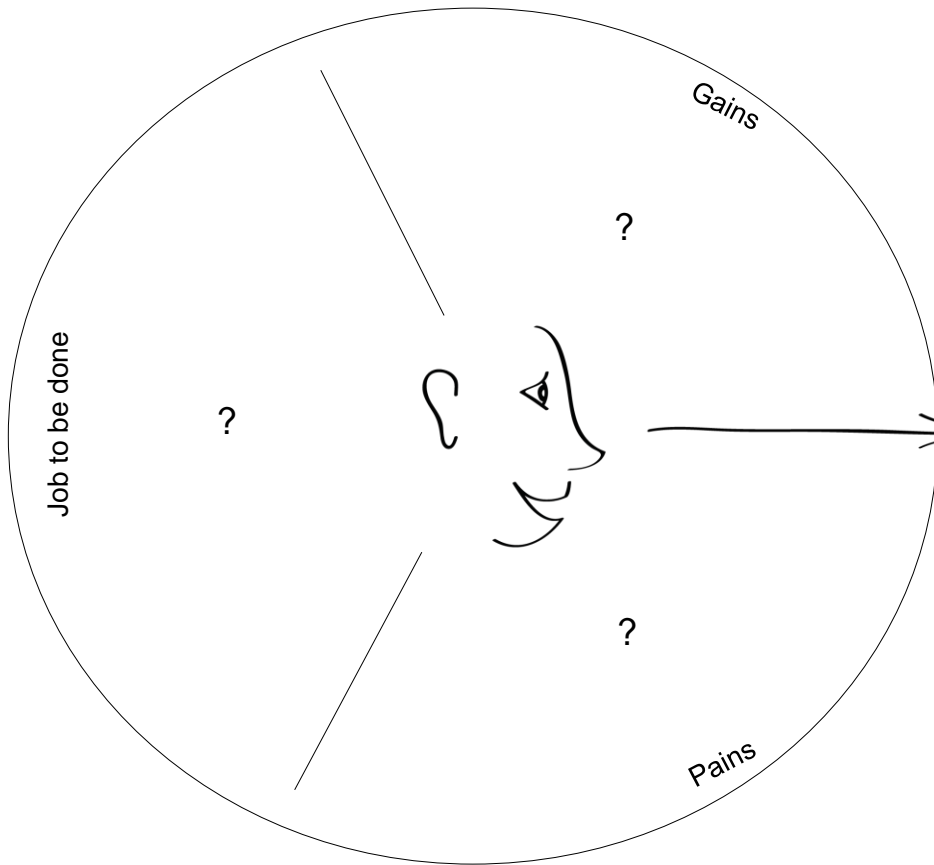


<https://youtu.be/n9nrRNwkDk>

Customer | User

1. Interview or observe the user

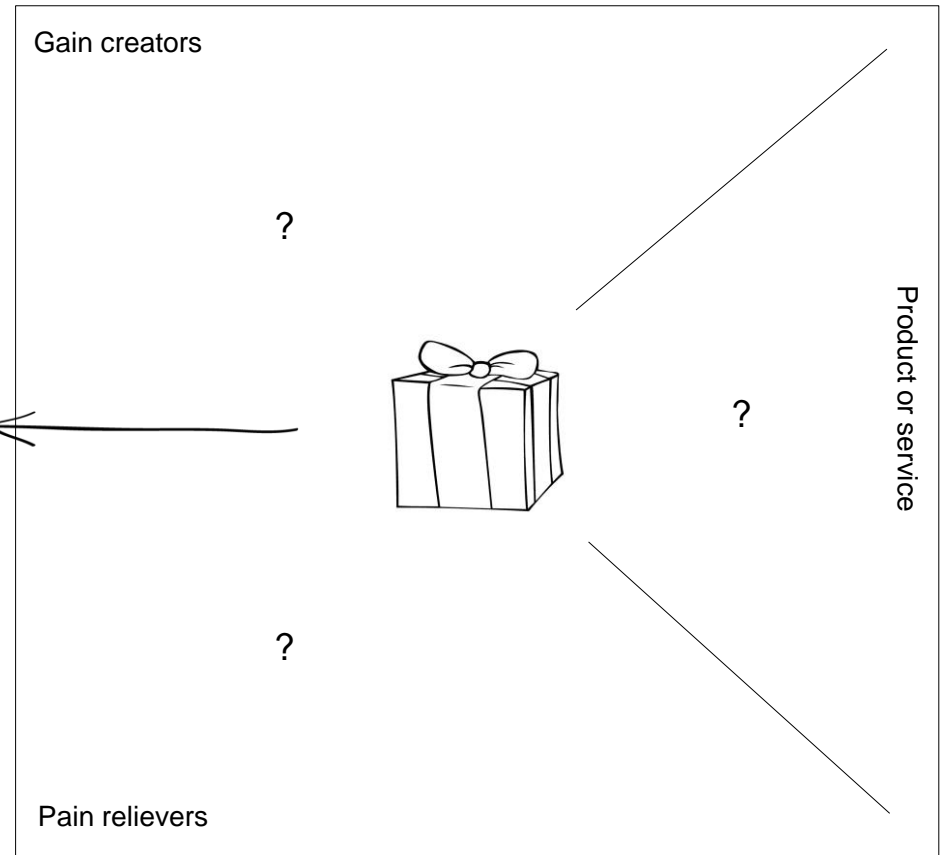
Understand the jobs he needs to get done for himself. Ask for emotional stories to understand Gains and Pains that he experiences with existing solutions



Value Proposition

2. Create a value proposition

Based on your findings design a prototype and prepare the pitching statement to explicit the user's benefits



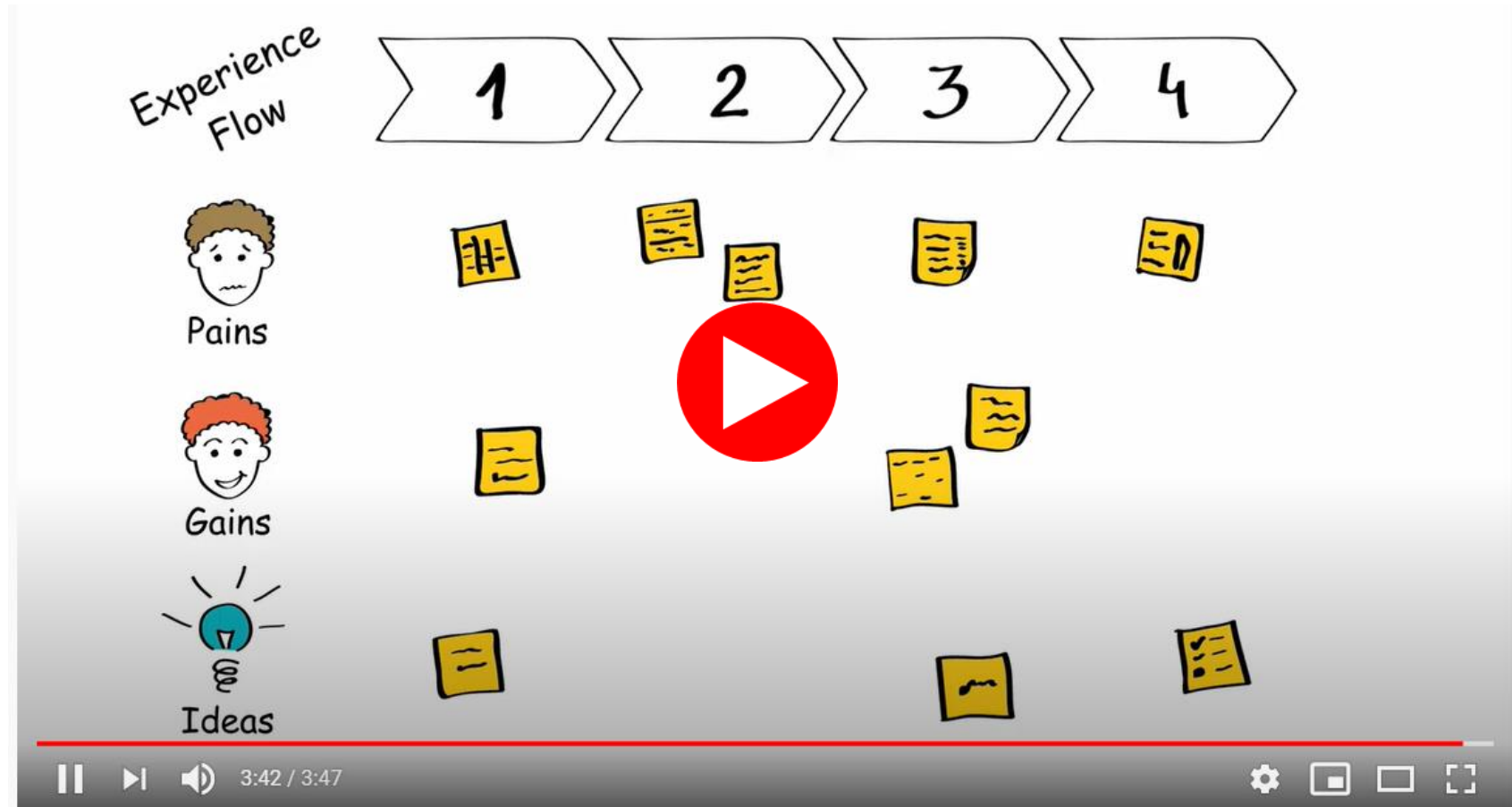
For _____

who has the problem _____

Our solution _____

brings the following benefits _____

THE EXPERIENCE FLOW



Video: The experience flow
Julia Achatz



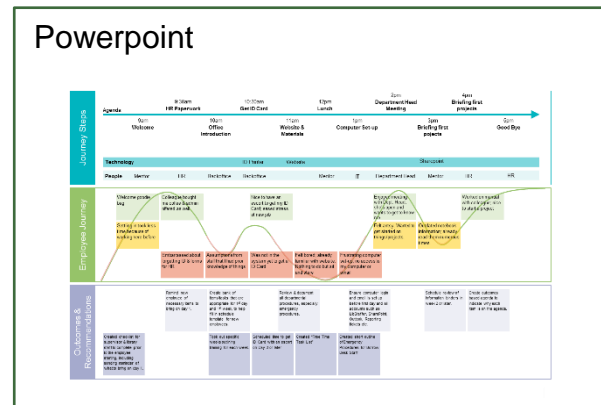
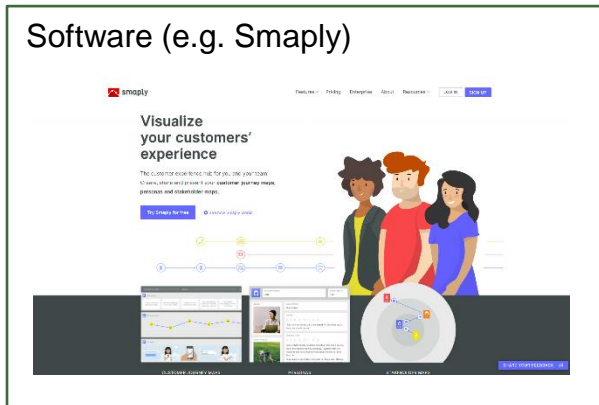
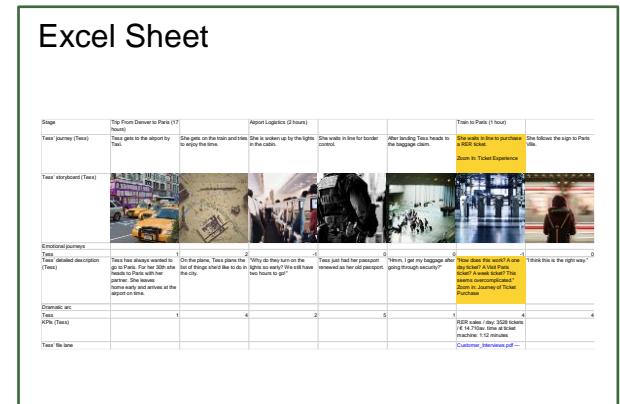
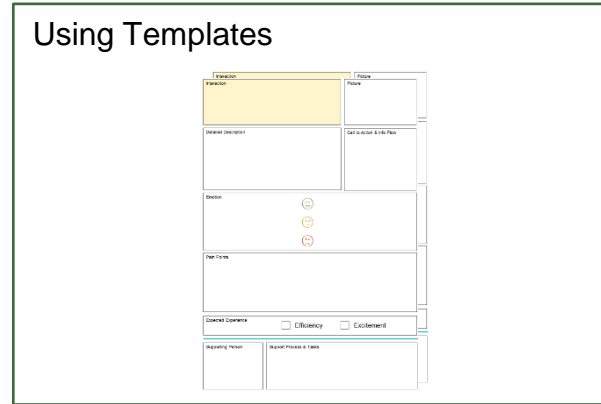
<https://youtu.be/KhmJmN1CxZo>

SELECTION OF DOCUMENTATION TOOL FOR AN EXPERIENCE FLOW



Before starting an experience flow exercise, you need to decide how you want to document the results of the discussion.

Possibilities are:



When working on the experience flow as a team we recommend to start with post it or templates offline in order to allow a fast progress and then decide if a transfer to excel, powerpoint or software tool like smaply makes more sense for you.

If post it's are enough or if a template with more structure would be helpful depends on the scope and complexity of the topic.

EVERYTHING IS A HYPOTHESIS



Video: Everything is a hypothesis
Michael Faschingbauer



<https://youtu.be/GGfuiDd1ZDk>

HOW TO WORK OUT YOUR HYPOTHESES



Now that we know, how important it is to uncover all the hypotheses on which our idea is build on, we can start looking for the right hypotheses in your projects. The inputs you collected in the Lean Canvas, Value Proposition Canvas and Experience Flow from last week will help you to identify your hypotheses.

How to identify them?

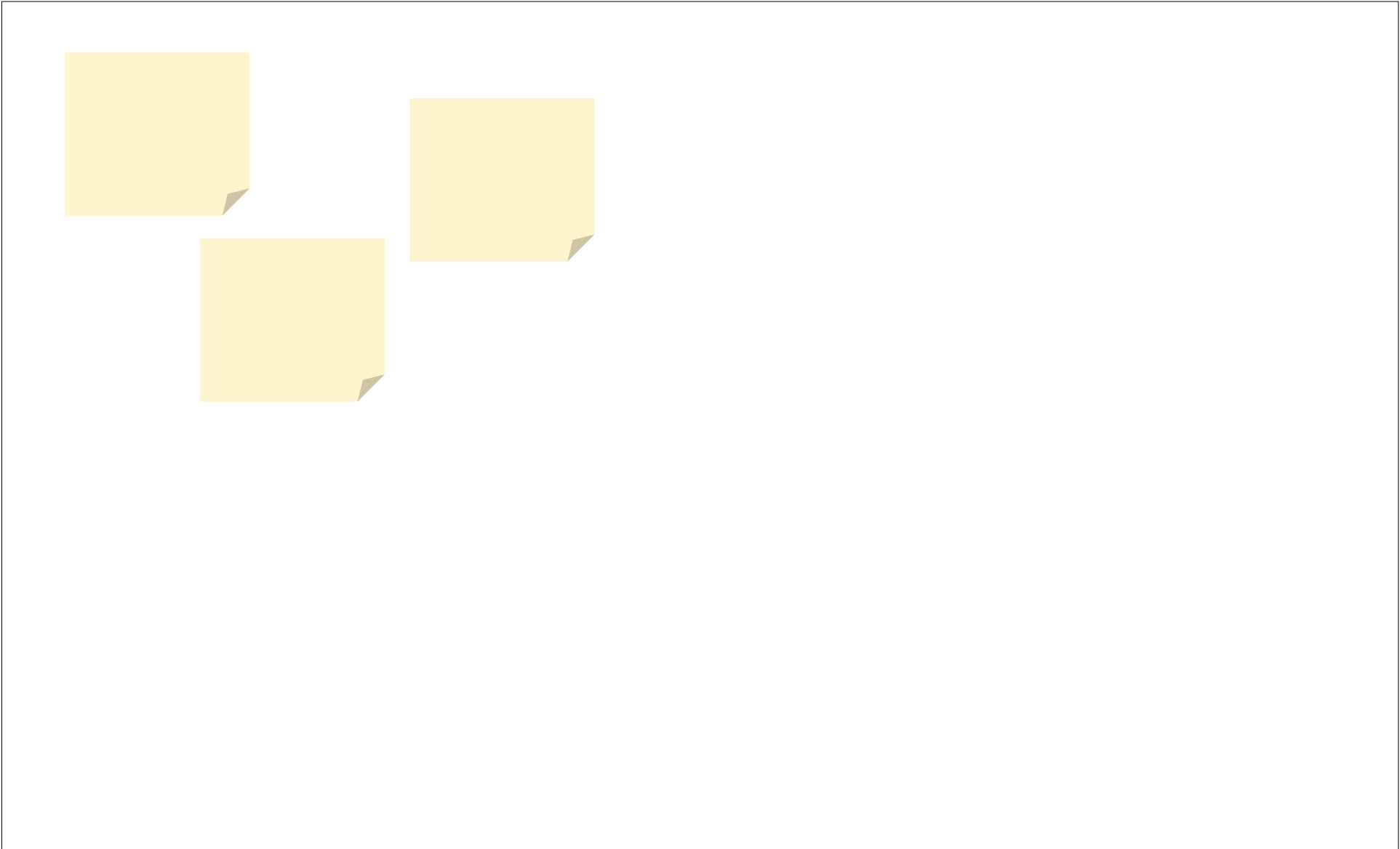
Question every statement that you have written down during the analysis phase. Every statement that you wrote down so far is a possible statement that can be translated into a hypothesis.

How to document them?

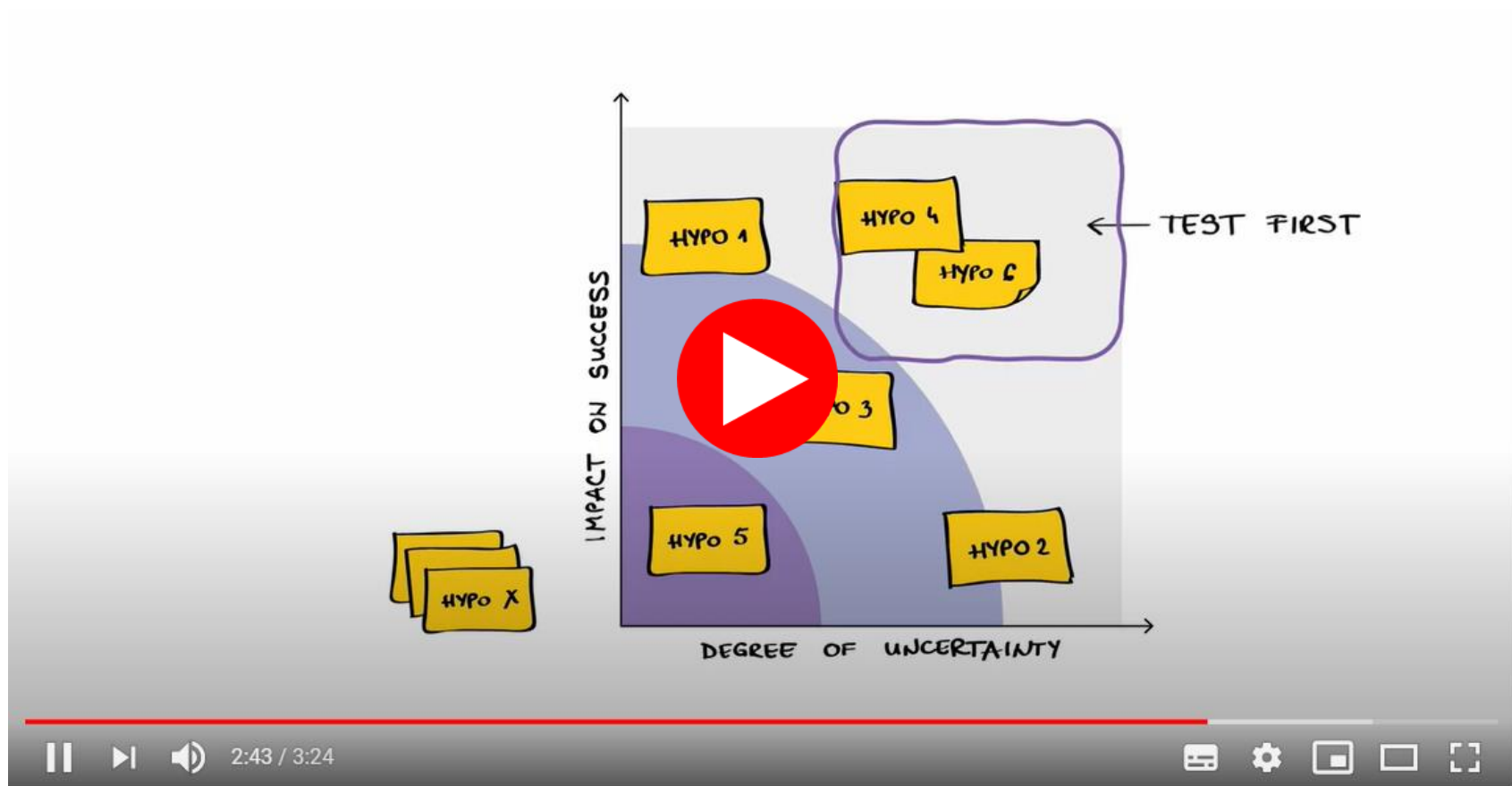
The easiest way to document your hypotheses is to put them on a post it. One post it for one hypothesis. (Remember: Post-its can be physical or virtual 😊)



At this step it's not yet necessary to distinguish sharply between value and growth hypotheses or maybe also a technical hypothesis can find it's way into your documentation. The next video will explain what to do next as soon as you collected all possible hypotheses.



THE HYPOTHESIS MATRIX



Video: The Hypothesis Matrix
Michael Faschingbauer

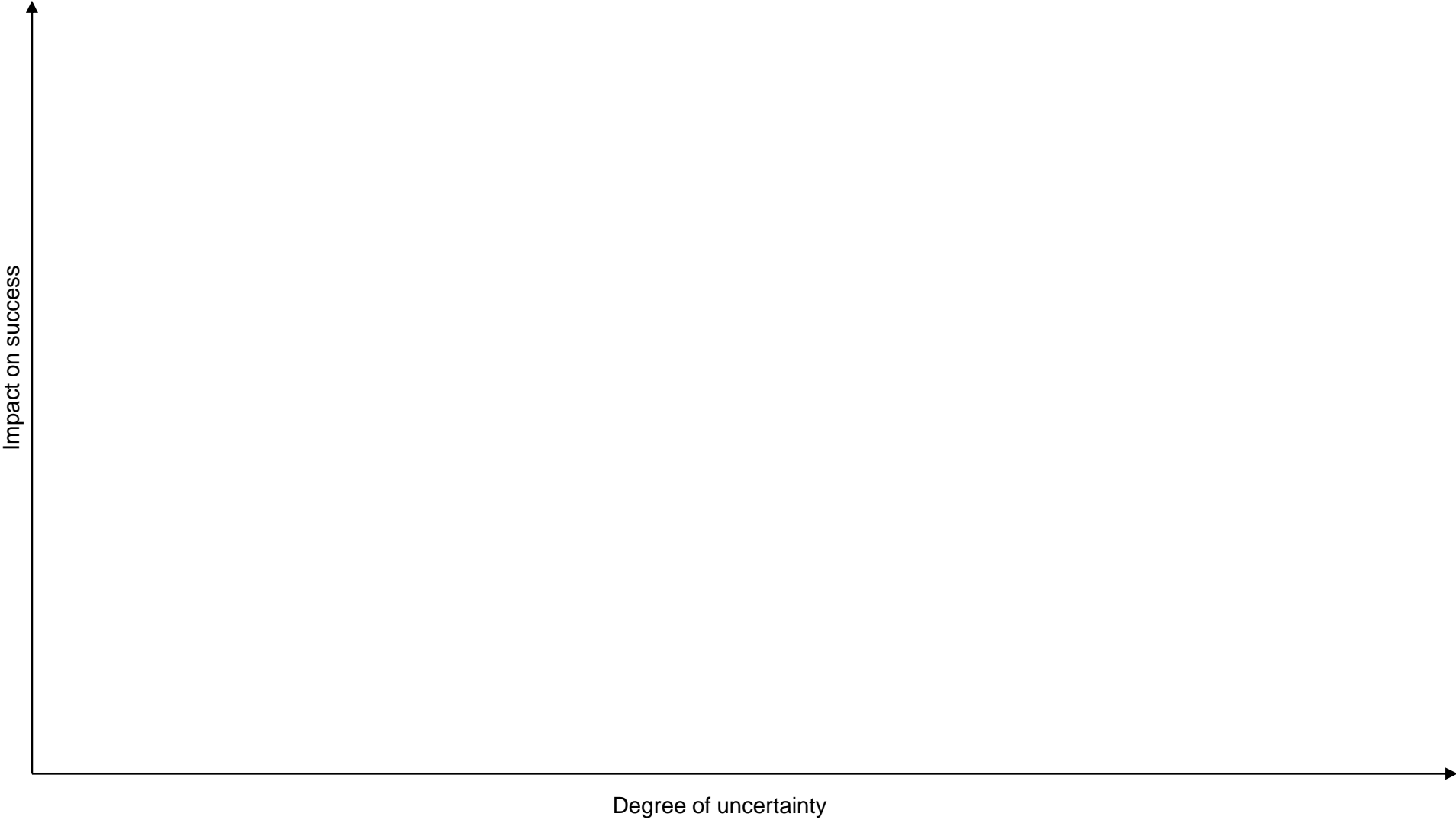


https://youtu.be/yk9b7_HMJJl

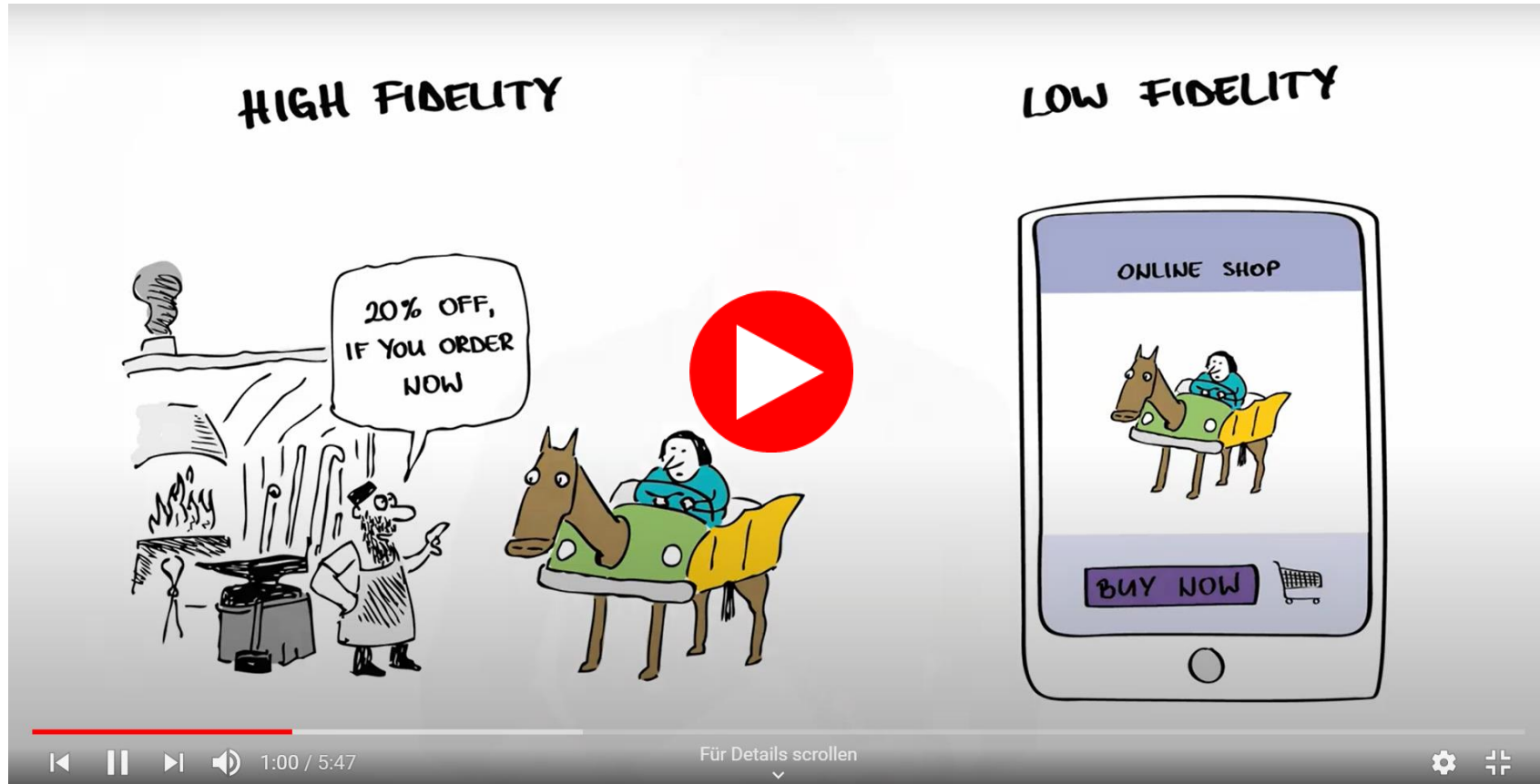
HYPOTHESIS MATRIX



Copy all hypotheses from the previous template into this template and sort them on the matrix.



DIFFERENT TYPES OF MVP

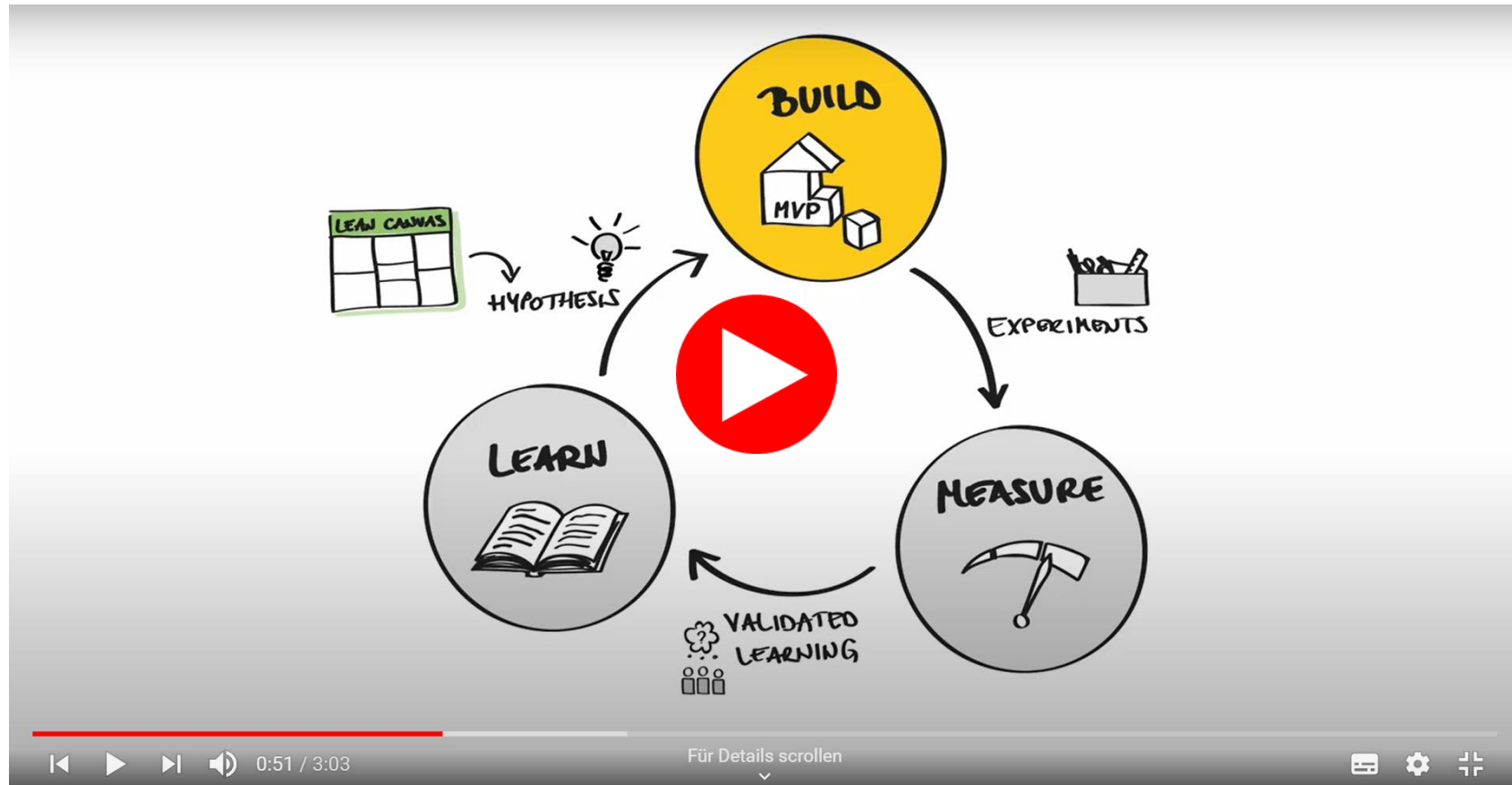


Video: Different types of MVP
Michael Faschingbauer



<https://youtu.be/H22XXOoKHxU>

STARTING THE LEAN START-UP CYCLE - BUILD



Video: Starting the Lean Start-up Cycle - Build
Michael Faschingbauer



<https://youtu.be/rWUFSkrWQLA>

PLANNING WHAT TO BUILD – THE TESTING TEMPLATE



The video player displays a testing template with four rows, each with a colored header and an example:

WE BELIEVE THAT ...	EXAMPLE ... product managers would see great value in learning how to interview customers properly.
WE TEST THIS HYPOTHESIS WITH ...	EXAMPLE ... providing a sales slide deck for the seminar.
WE WILL MEASURE ...	EXAMPLE ... how many product managers register for the seminar.
WE WILL BE CONVINCED IF ...	EXAMPLE ... we get 4 sign-ups to the seminar from a group of 20 product managers.

A red play button is overlaid on the second row. A lightbulb icon is in the bottom left corner of the video frame. The video player controls at the bottom show a progress bar at 3:19 / 3:34.

Video: Planning what to build
Michael Faschingbauer



<https://youtu.be/u1R6Mm1JFro>

USING THE TESTING TEMPLATE



Before you start to build your MVP or MVE let's note down how you plan to test your hypotheses. This will help you in the process of building to keep the overview and the focus.

As shown in the previous video fill out the testing template for every hypothesis you plan to test. Use the testing template (provided on the next slide) for that.

HYPOTHESIS # ____		Explanation
We believe that...		<i>What is the hypothesis? Go here for the critical-unknowns and focus on value hypothesis The Statement typically continues with: ...these users are willing to pay for / will use this solution (as it helps them with this job to be done)</i>
We test this hypothesis with...		<i>With what kind of MVP od MVE do we want to test it? Ask yourself carefully, with which fast and cheap approach you can best test Hint: Search for commitment instead of pure feedback: "Would you use / buy it?" instead of "do you like it?"</i>
We will measure...		<i>What is the most appropriate Indicator / Method / Parameter, by which we want to evaluate the test</i>
We will be convinced if...		<i>Which value range of the Indicator / Method / Parameter is needed to satisfy you to continue</i>

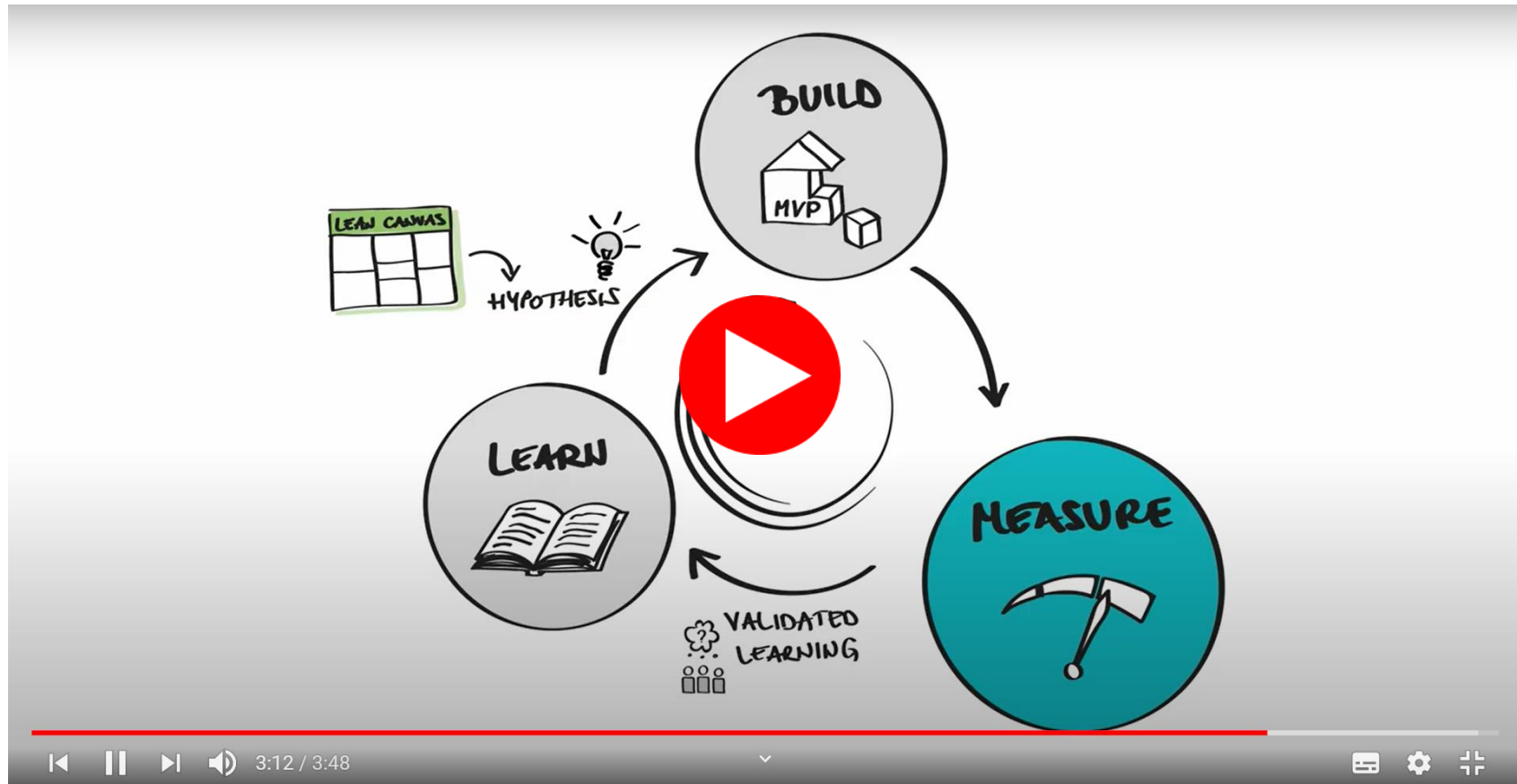
www.integratedconsulting.at 7

HYPOTHESIS # _____



	<i>Explanation</i>
We believe that...	<p><i>What is the hypothesis?.</i></p> <p><i>Go here for the critical-unknowns and focus on value hypothesis</i></p> <p><i>The Statement typically continues with:</i></p> <p><i>...these users are willing to pay for / will use this solution (as it helps them with this job to be done)</i></p>
We test this hypothesis with...	<p><i>With what kind of MVP od MVE do we want to test it?</i></p> <p><i>Ask yourself carefully, with which fast and cheap approach you can best test</i></p> <p><i>Hint: Search for commitment instead of pure feedback: " Would you use / buy it?" instead of "do you like it?"</i></p>
We will measure...	<p><i>What is the most appropriate Indicator / Method / Parameter, by which we want to evaluate the test</i></p>
We will be convinced if...	<p><i>Which value range of the Indicator / Method / Parameter is needed to satisfy you to continue</i></p>

MEASURING CUSTOMER REACTIONS

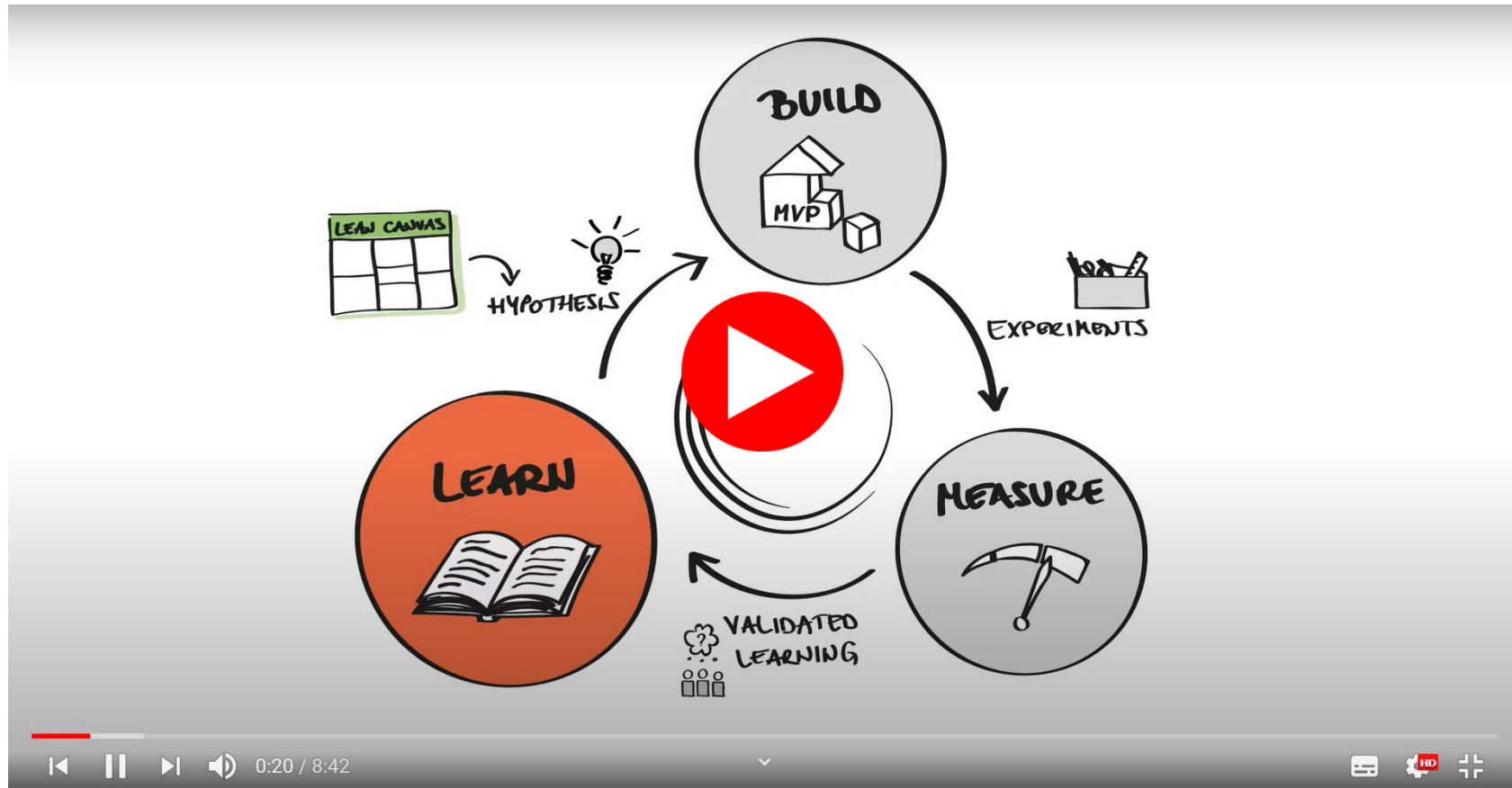


Video: Measuring customer reactions
Julia Achatz



<https://youtu.be/3tvoK2NTx8A>

LEARNING FROM CUSTOMER REACTION



Video: Learning from customer reaction
Julia Achatz




<https://youtu.be/KrbEbMhmIlg>

LEAN STARTUP - THE ESSENTIALS



No.	Title	Link	Duration
1	Your Coaches	https://youtu.be/REeTrJu46JU	01:06
2	Background of Lean Start-up	https://youtu.be/WtibHfYb-pw	03:17
3	Lean Start-up for Innovation Projects	https://youtu.be/ZXPTDu3fl1k	02:51
4	Starting with the Idea	https://youtu.be/6qQCPIsXL64	02:08
5	The Lean Start-up Cycle	https://youtu.be/7D7lt1EC6Lk	02:06
6	The Lean Canvas	https://youtu.be/eEYiZIR4utQ	04:50
7	The Value Proposition Canvas	https://youtu.be/n9nrvRNwkDk	03:42
8	The Experience Flow	https://youtu.be/KhmJmN1CxZo	03:47
9	Everything is a hypothesis	https://youtu.be/GGfuiDd1ZDk	04:13
10	The Hypothesis Matrix	https://youtu.be/yk9b7_HMJJI	03:24
11	Different Typs of MVP	https://youtu.be/H22XXOoKHxU	05:47
12	Starting the Lean Start-up Cycle - Build	https://youtu.be/rWUFsKrWQLA	03:03
13	Planning what to Build	https://youtu.be/u1R6Mm1JFro	03:34
14	Measuring Customer Reactions	https://youtu.be/3tvoK2NTx8A	03:48
15	Learning from Customer Reaction	https://youtu.be/KrbEbMhmlig	08:42

Complete playlist: <https://youtube.com/playlist?list=PLtplbgY7QEvjeNVqz4fosl7-LwZ-Yusw8>



We empower teams
to make exceptional
progress in innovation