

Keeping it Simple

An Ode to the
Minimum Viable Product

Lean Bytes

Minimum Viable Product (MVP)

- From World of Product Development.
- An MVP “is a product with just enough features to gather validated learning about the product and its continued development.”
- Used in Lean (Manufacturing, Software Development, Start-Up)
- Defined by Frank Robinson, and popularised by Steve Blank, and Eric Ries.

Example
(Learning the lesson)

The requirement

- Customers need to order spare parts: We need an on-line Parts Shop.
- We don't have a system at the moment, it costs us money; we need a computerised solution.
- It's going to be great. Let's do it!



The “Solution”

- We did the work “on the side”, created a “separate lane” on our Kanban board.
- We contracted in a developer who did the work using a framework that wasn’t at the time our core strategic technology.
- The developer did a good job and we delivered a Parts Shop.

Dreams vs Reality

(a lesson for the PO)

- “It’s something everyone is asking for.”

Some people asked for it. Salespeople were keen to please those people. The solution was not even appropriate for a major group of customers.

- “We’ll save ourselves time and money.”

It cost time to implement and time to manage. We probably lost money in the short term.

- “We’ll sell a lot of product; it’s going to be big!”

We sold a handful of units a month. It may have been cheaper to give them away for free!

- “It’s top priority; drop everything and do it.”

There were other things of higher priority; “fitting it in” was a mistake (PO slaps himself).

A new requirement
(Applying the lesson)

The new requirement

- “We’re finding it hard to manage the stock for the Parts Shop.”
- “It’s going to become more of a problem; we need to act.”
- “We need a computerised system for stock control.”



Information gathering

- So how many items are we selling currently?

Less than ten a month.

- What is the current trend in growth?

Since it's launch 9 months ago, no growth trend noticeable.

- How many people are having to manage the shop and warehouse stock?

One person, very part-time.

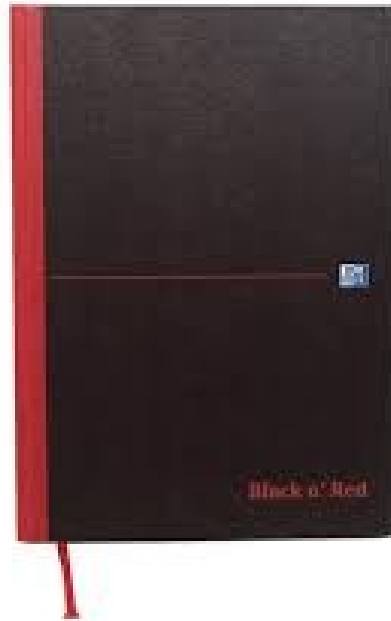
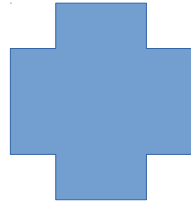
- How many potential users are there?

One

- What is your budget?

Isn't this something that IT should pay for?

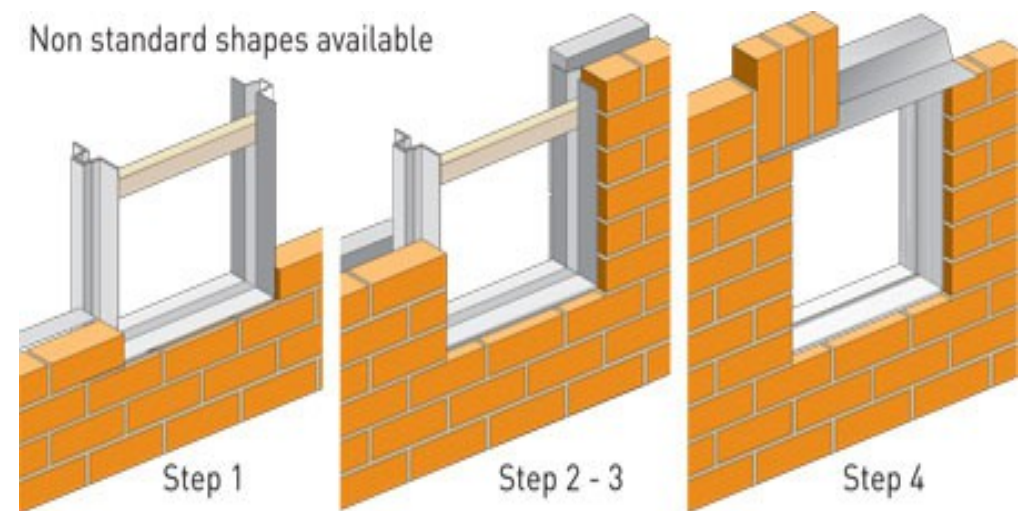
The Minimum Viable Product



Another requirement
(Applying the lesson again)

A different requirement

- There's these things we have to sell that everyone wants. We need to sell them.
- Other people are selling them, but we're not; we're losing revenue.
- They're really, really cool. Look, I have a sample one here!



The Detail

- They're not off the peg items, they are made to measure.
- There's a relatively complicated formula for calculating how much you need.
- They actually retail for very little; the profit margin is much, much lower than for our core products.
- The products are quite different from our core products; they don't fit easily into our supply and invoicing chain.
- We don't actually know how many people really want to buy them from us.

The Minimum Viable Product

- We produced an A4 product information leaflet to give to customers.
- We produced a set of guide prices on paper for customers and staff to use.
- We trained a single member of staff in quoting for and ordering the items.
- We provided a telephone number and email address for customers to order them.

The Result

- Nobody ordered any of them from us!
- Well maybe over the first six months we sold one or two.
- Customers continued to buy them from their previous suppliers.
- Our largest and most profitable accounts didn't really need to buy them anyway.
- We saved lots of time and money in wasted product development.
- Software developers could continue to work on products that did deliver value.

The Summary

- The Minimum Viable Product may be much more minimum than you think.
- When proving a start-up concept aim to do as little work as possible, so as not to waste time, money, effort, and inspiration.
- Just because we're 'technologists' it doesn't mean a digital solution is the best MVP. A pencil is also a technology.
- Try to talk the customer down. People start believing their own hype and get carried away.
- Customers can be empowered to realise their own solution.

Thank You

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