Gather the Assets Closest to You

Every startup requires a minimum number of assets to get started. Regardless of whether you are starting a dry-cleaner or a software company, you need something that you can point to and say, "Do you want to buy that"? Certainly there is a huge difference between a dry-cleaner and the hard assets you need (machines to dry-clean – whatever they are) and the assets you need as a software company (programmers, marketers, etc.).

What you define as the minimum assets required to launch is your challenge. I have spoken at length about the emphasis on customer development over product development. At the very least, it needs to be a 50/50 allocation of resources. If I had my way, the split would be more 70%-Customer Development and 30%-Product Development over the first few months of the venture.

If you are to allocate only 30% of your resources to building out a product that certainly de-emphasizes the value of the product and the natural result would be an inferior product. As a visionary with a clear picture of what the perfect product looks like, I would imagine that this would be quite disturbing.

Welcome to the new world of the **MVP** – the **minimal viable product**.

This concept is one of the critical underpinnings of the Lean Startup model as shared with us in Eric Ries's book (Lean Startup) and further popularized by Steve Blank (Four Steps to the Epiphany, Startup Manual) and Alexander Osterwalder (Business Model Canvas). This new age triumvirate is the holy trinity of the software startup religion. Count me in as a disciple.

What is an MVP? If you buy the argument that your future customers need to be brought into the definition of the product earlier in the product development cycle (I hope you do), then it stands to reason that you should not build out the total product yet.

If you are not building out the whole product, then the argument would then extend to say, you should build out the minimal amount of product that would solicit the most meaningful feedback. That is the concept of the MVP.

Determining the MVP unlocks your brain to identify the resources required now – not a year from now.

For the builder-types reading this, I imagine that your head just exploded again. Put it back together and follow me for a little longer.

The tipping point for me was Google. Circa 2004 Google released GMAIL in an invitation-only beta release. No surprises there. What you may not remember is that it was opened to the public in "extended beta" in 2007. Three years later. The beta tag was officially removed in 2009 a full five years after its initial release. In my mind this was the first time a large technology brand signaled to its customers that their product had known flaws and missing features but they were going forward nonetheless.

Google set a new customer relationship tone for future web and app developers. Their message – its OK if products are not perfect and in fact, we would like you to show us what and how you want to use our product.

How do customers do that?

The beauty of the Internet is the ability to track everything you do within the product. Word-only feedback is not sufficient and in fact can be misleading. Actions count for everything. To that end, it is imperative that you build into the product, on day one, the hooks to track activity.

Ready to build out your MVP? Are you drinking the MVP Koolaid? Great, lets get started. First step – we need some stuff.