

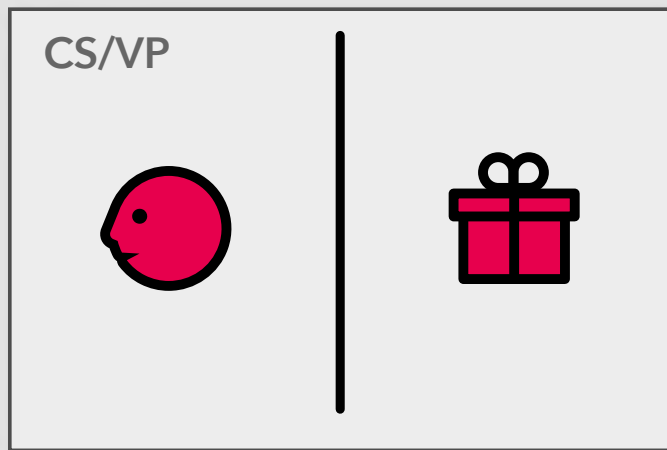
## ! 9. EXTRA

This extra material explores the structure of Decks and Records in each phase in greater depth, for readers interested in details of the tools and frameworks used in the method presented.

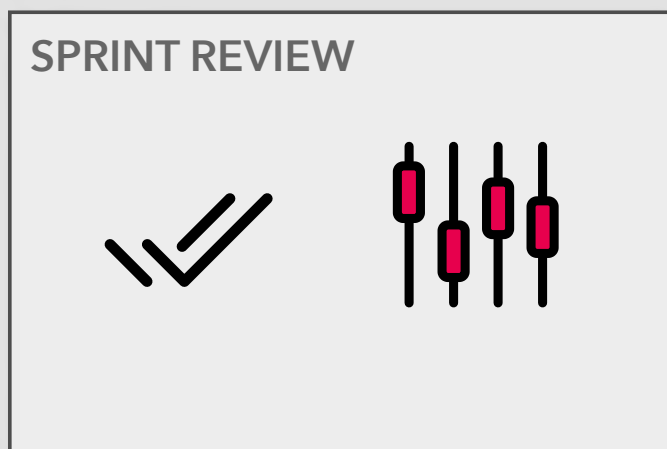
# DEEP INTO

LET'S DO IT!

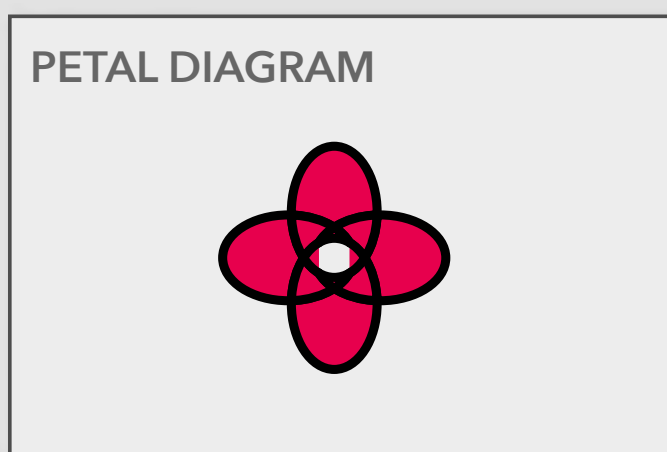
# P PROBLEM TEST



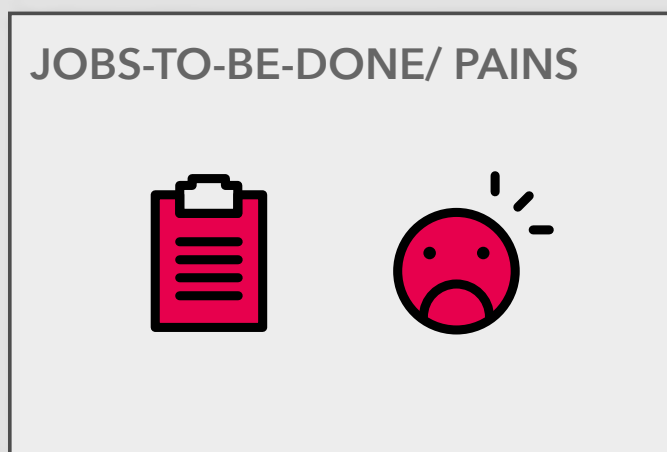
(i) **Customer Segment x Value Proposition Canvas:** A framework with two columns, one for the Customer Segment and the other for the Value Proposition. The founders are to list, add and remove elements from both columns. The more specific and lean they can be, the better the validation and focus on the Beachhead Market. It is important for the information in the Customer Segment column to be ranked in the same order as the information in the Value Proposition column.



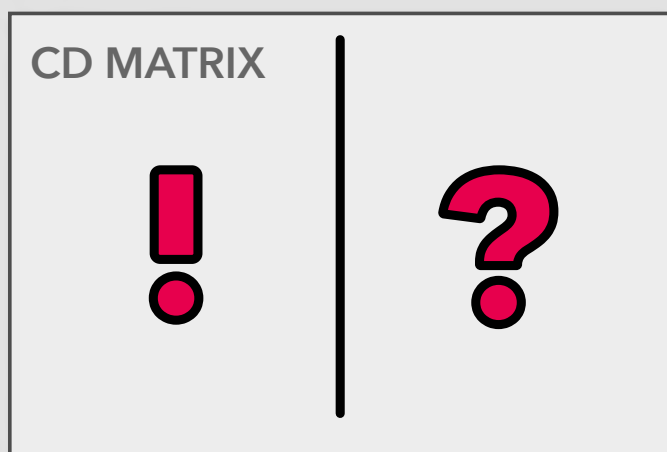
(ii) **Sprint Review:** A compilation of the most important activities and lessons of the latest Sprint.



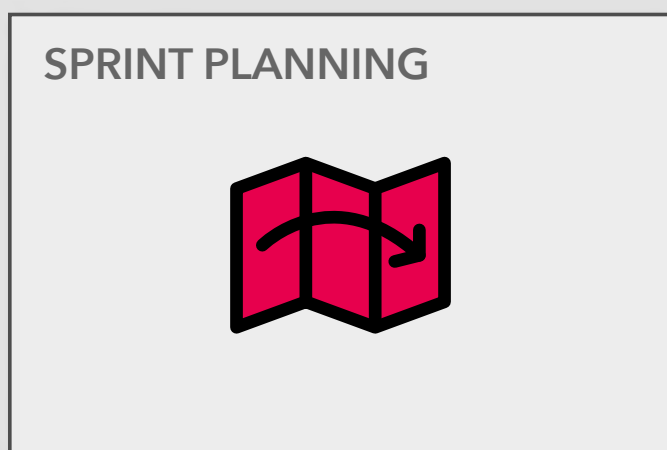
(iii) **Petal Diagram:** A multi-dimensional diagram showing all competitors in the same market.



(iv) **Jobs-to-be-done framework:** A framework showing the main jobs-to-be-done and pains in each customer segment identified. Its main function is to analyze non-superficially the real pains of the customer segment and validate them in each interview.



(v) **CD Matrix:** A two-column matrix for Certainties and Doubts. This matrix is central to the scientific analysis of the process. The flow of interviews should help convert doubts into certainties. Each interview also creates new doubts. The flow gradually builds up to the Beachhead Market.



(vi) **Sprint Planning:** A space devoted to proposals for activities to be performed in the next Sprint.



**DECKS**



**SPRINTS**

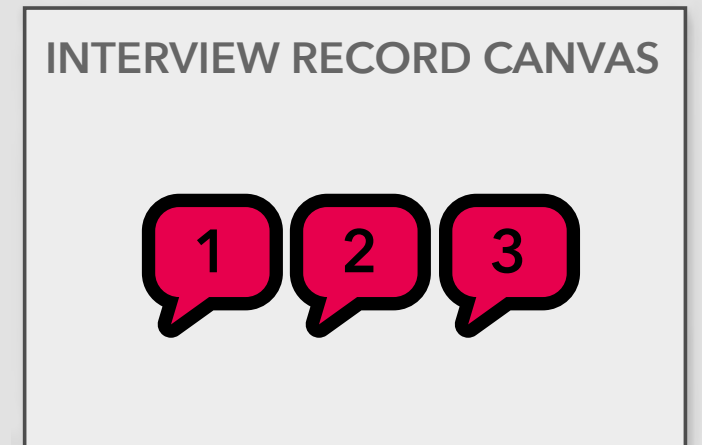


**RECORDS**

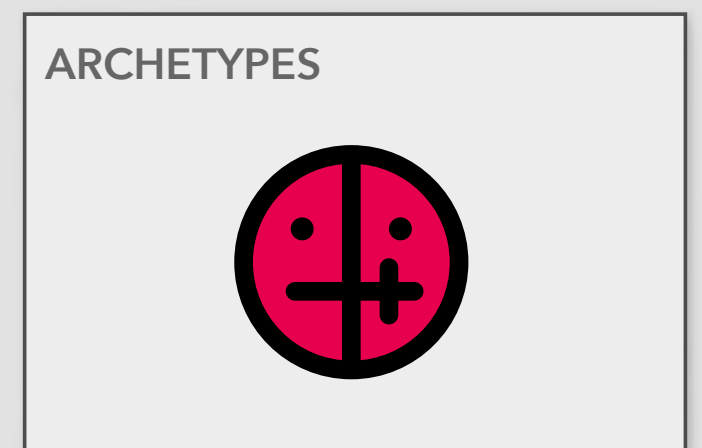
(i) **Interview Protocol:** A minimal structure containing hypotheses to be tested and doubts to be resolved in connection with a primary structure of questions to be put in a standard interview with a specific customer segment.



(ii) **Interview Record Canvas:** Each interview is to be recorded, with a minimum of information plus insights and the lessons learned from the conversation.



(iii) **Archetypes:** Idealized representations of customers, updated with each cycle and Sprint. The final Archetype should represent the customer "with hair on fire".





# SOLUTION TEST

VP/FE

**(i) Value Proposition x Function & Engineering Canvas:** A framework with two columns, one for the Value Proposition and the other for Function & Engineering. The founders are to list, add and remove elements from both columns. The more specific and lean they can be, the better the experiments and the faster they will achieve convergence to a Critical Function Prototype. The information in the Value Proposition column should be ranked in the same order as the information in the F&E column.

SPRINT REVIEW

**(ii) Sprint Review:** A compilation of the most important activities and lessons of the latest Sprint.

BLUE OCEAN FRAMEWORK

**(iii) Blue Ocean Framework:** A chart comparing the startup's Value Proposition and features with those of its competitors. The point is to find an opportunity to maximize Value Propositions or features not offered adequately by the competition.

REPRESENTATIONS & PROJECTS

**(iv) Representações/Projetos de Funcionalidades & Engenharia:** Input for technical representation and materialization of prototypes that relates to value propositions. Here, technical choices and images of engineering projects are also presented.

TIE-UP MATRIX

**(v) Tie-up Matrix:** Matrix that ties hypotheses to experiments and validation metrics. The founders should use it to keep the focus on Scientific Entrepreneurship, organizing hypotheses and crafting experiments designed to validate or refute them.

SPRINT PLANNING

**(vi) Sprint Planning:** A space devoted to proposals for activities to be performed in the next Sprint.



DECKS



RECORDS

**(i) Experiment Protocol & Records:** Tools that support experiment planning and recording in line with the Tie-up Matrix. "Ask/try/do" suggestions are part of the framework.

EXPERIMENT PROTOCOL & RECORDS

**(ii) Napkin Solution:** A set of flows and simple non-scalable technical drawings. A simple enough solution to be executed in under 24 hours.

NAPKIN PROTOTYPE

**(iii) Low-Fidelity Solution:** A set of flows and technical drawings for primary solutions that permit small builds using fast prototyping techniques to validate relational aspects with the user. May include evidence of the prototype's evolution, such as photographs and other information.

LOW-FIDELITY PROTOTYPE

**(iv) Critical Function Solution:** A set of flows and technical drawings representing the first version of the product. Not a "finished" solution but a solution with a minimum of features the customer is already willing to pay for. These records should comprise technical drawings with components and engineering designs duly organized to deliver the value(s) validated in previous phases. May include evidence of the prototype's evolution, such as photographs and other information.

CRITICAL FUNCTION PROTOTYPE

# B BUSINESS MODEL TEST

FE/EF

(i) **Features & Engineering x Operations & Economics Canvas:** A two-column framework with a column for Function & Engineering and a column for Operations & Economics. The founders are to list, add and remove elements from both columns. The more specific and lean they can be, the simpler the business model and the less overall uncertainty there will be about the project.

SPRINT REVIEW

(ii) **Sprint Review:** A compilation of the most important activities and lessons of the latest Sprint.

BETS OF THE COMPETITION

(iii) **Bets of the competition:** A matrix analyzing market bets in which each competitor is analyzed by a good choice and a wrong choice.

SPRINT PLANNING

(iv) **BMC:** A simplified version of the Business Model Canvas in which relationships are expanded into channels and a value delivery operation.

METRICS MATRIX

(v) **Metrics Matrix:** A mapping of experiments to validate quantitative financial metrics, such as price, cost and total addressable market (TAM).

BUSINESS MODEL CANVAS

(vi) **Sprint Planning:** A space devoted to proposals for activities to be performed in the next Sprint.



DECKS



SPRINTS



RECORDS

(i) **Market Size Calculation:** A spreadsheet with hypotheses and estimates that represent the size of the market attacked. Calculation of total addressable market (TAM), serviceable available market (SAM) and target market.

MARKET SIZE

(ii) **Basic Pricing Study:** Comparisons of what people pay now with wallet size in customer segments, and pricing tests conducted previously by the founders.

PRICING

(iii) **Initial Cost Structure:** A list of fixed and variable costs in the startup's first few months. It is important to include everything that is extremely necessary to get up and running. Fat of all kinds should be cut.

INITIAL COSTS

(iv) **Initial income statement:** Consolidated income statement for the first six months of operations, including sales estimates and minimum cost operation. Helps decide whether a fresh capital injection should be pursued.

INITIAL INCOME STATEMENT

# M

## MARKET TEST

FE/EF

**(i) Operations & Economics x Customer Segment Canvas:** A framework with two columns, one for Operations & Economics and the other for Customer Segment. The founders are to list, add and remove elements from both columns. The more specific and lean they can be, the simpler the business model and the less the overall uncertainty about the project.

SPRINT REVIEW

**(ii) Sprint Review:** A compilation of the most important activities and lessons of the latest Sprint.

PETAL DIAGRAM v2

**(iii) Petal Diagram v2:** The same diagram as in cycle P but with dimensions focusing on competitors as adjacent solutions that can attract customers to the startup's solution. Finding the adjacent solutions' customers means finding potential customers for this solution.

SALES FUNNEL

**(iv) Sales Funnel:** A chart with a minimum of three phases – prospecting, qualifying and closing. The purpose is to keep track of funnel progress and conversion.

OBJECTION MATRIX

**(v) Objection Matrix:** Survey of hypotheses, confirmations and strategies to address objections during sales.

SPRINT PLANNING

**(vi) Sprint Planning:** A space devoted to proposals for activities to be performed in the next Sprint.



**DECKS**



**SPRINTS**



**RECORDS**

**(i) Memorandum of Understanding (MoU):** A minimal structure to present a document that shows a real intent to buy the product or service within a specified timeframe. It is possible to enter into a MoU for the execution of a PoC (proof of concept).

**(ii) Proof of Concept Proposal (PoC):** A contract to execute an initial project that proves the credibility of the promise to deliver the Value Proposition. Low value that sustains the initial costs.

**(iii) Commercial Proposal:** Proposing a pilot project and including a timetable and success metrics. It may be important to include a clause offering a discount aligned to the real value of the solution shortly after the pilot.

MoU

PoC CONTRACT

COMMERCIAL PROPOSAL

