# An Entrepreneur's Guide to Market Research through Design Thinking



What is Human-Centered Design?

**Human needs + available resources = solution-driven business** 

All problems are solvable

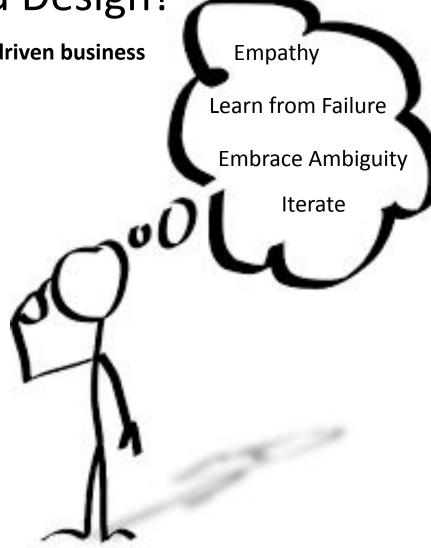
People hold the key to the answer

A 3-phased approach:

INSPIRATION
Understand your customer

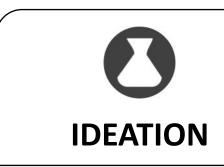
IDEATION
Generate ideas; test & refine

IMPLEMENTATION
Bring solution to life



# The Design-Thinking Process







- 1. PROBLEM DEFINITION
- 2. BRAINSTORMING
- 3. EMPATHIZING



4. OBSERVING



- 6. MINIMUM VIABLE
  - **PRODUCT**
- 7. COMMUNICATING YOUR IDEA

3. PROTOTYPING





# **CASE STUDY: Vroom**



# Identify the Problem: Put It On Paper

Design challenge questions should drive impact, provide a starting place/first step, and be broad enough to allow for creative answers and a variety of solutions.

#### Write your design challenge.

How might we engage parents with early childhood development without altering their daily routines?

#### Theme.

Parents' limits, needs, and desires.

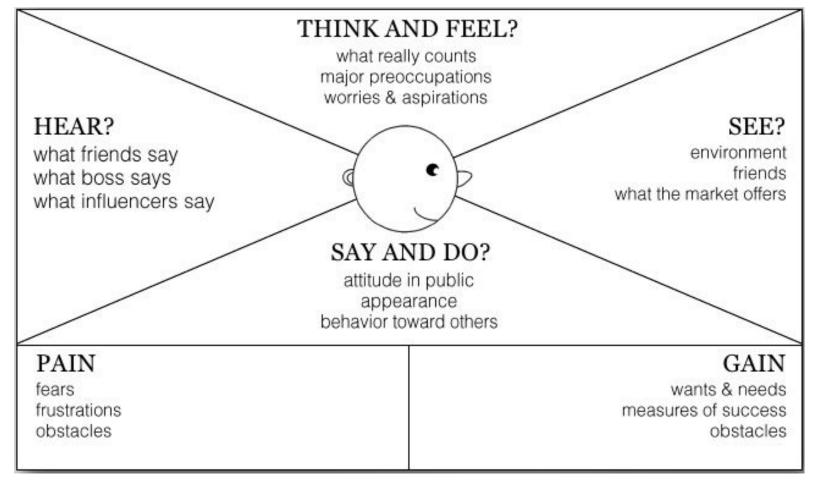
#### Insights:

- 1. Parents do not always have positive parent models to follow.
- 2. Parents do not understand the importance of the first 5 years in brain development.
- 3. Low-income parents do not have the leisure time to devote to focused childhood brain development.

Case Study: Vroom

# Who is experiencing your problem?

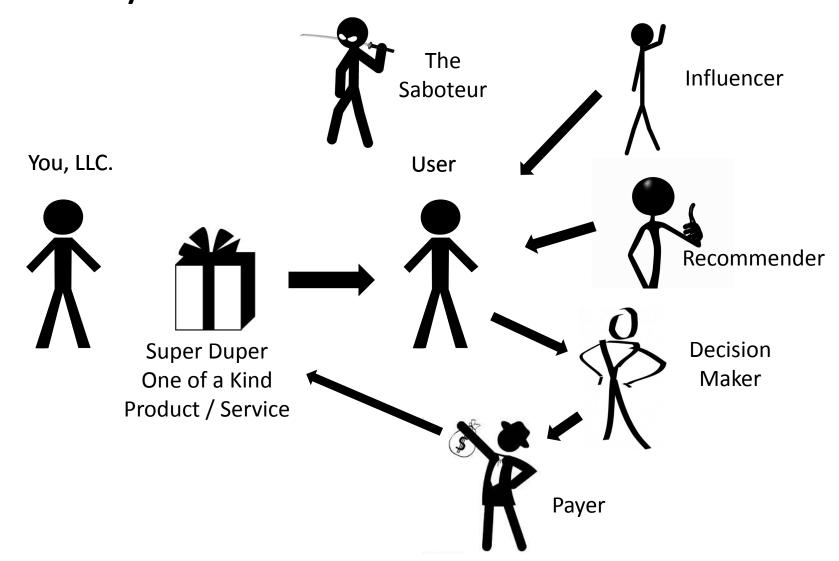
The Empathy Map helps understand your customer's environment and behavior. Use customer understanding to ideate successful solutions.



Source: Business Model Generation



# Consider all players in the customer ecosystem





# **Exercise: Customer Archetype**

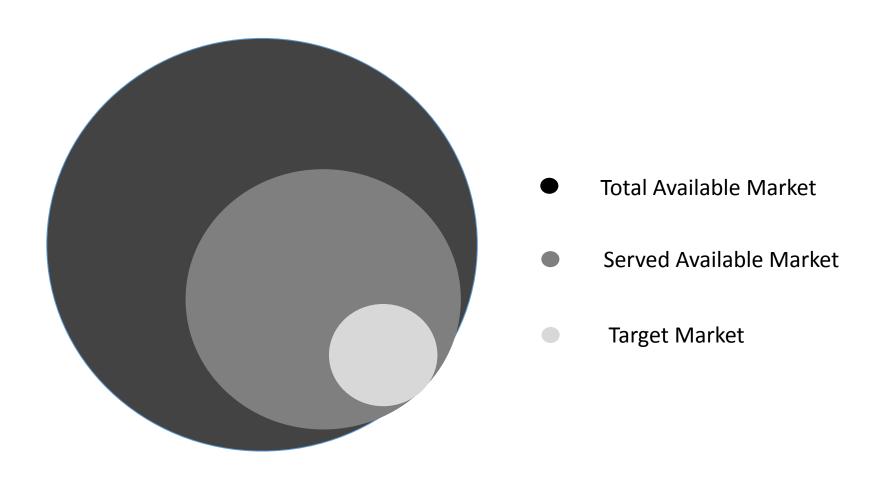
- List potential customer groups
- Identify experts in that group
- Fill in empathy map
- Identify 1 possible saboteur

Discuss: How will you learn customer insights? Who will you talk to first?



# Tool: Market Analysis & Segmentation

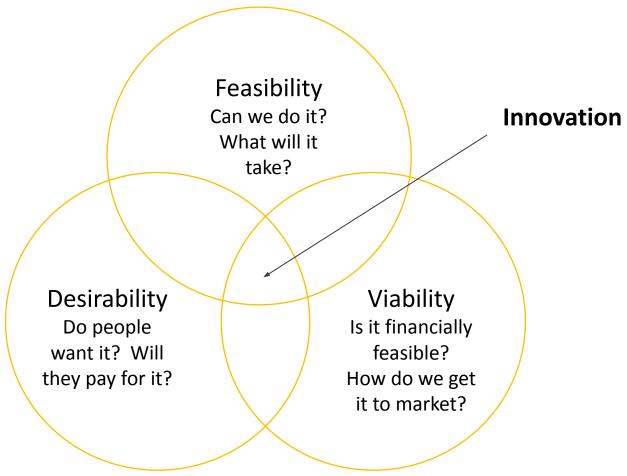
Once you understand your ideal customer, you can quantify your market. How many customers exist within your available market? What will it take to serve them? What are the market trends?





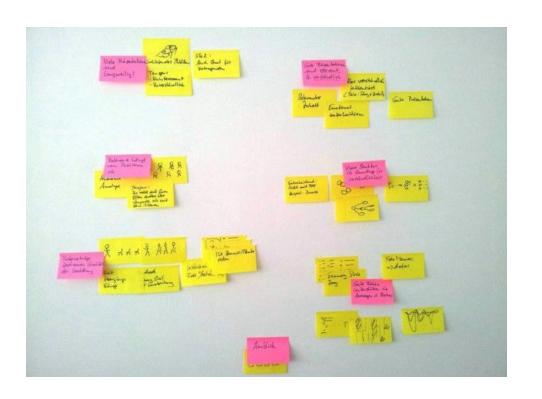
# Ideating the Solution

Solutions should match human needs, available resources and practical business constraints





# **Exercise: Solution Brainstorming**



#### Rules of the game:

- Quantity>Quality.
- Radiate possibilities.
- Build on other ideas.
- Keep going! No judgement.

#### **Desired outcomes:**

- ~10 testable 'solutions'
- Clear value proposition



# Exercise: Benchmarking & Competition

Learn about recent innovations in your field. When you have a grasp of what is possible, you can ask the right questions.

- Who else is operating in the market?
  - What has worked?
  - What hasn't?
- How do you measure against competition?
  - What makes you better?

GUT CHECK: What are industry constraints? How can you ensure your solution matches up?



# **Test Your Solutions**

- 1. When testing, remain connected to the problem, not the solution.
- 2. Tests validate (or refute) your assumptions.
- 3. Tests build confidence or redirect.
- 4. Tests allow you to fail Fast. Learn and iterate quickly.



# Four Types of Testing

#### **Smoke Screen**

Marketing Focused: Are customers interested in the product?

#### Wizard of Oz

Customer experiences the end product as ideated, but work is being done manually behind the scenes.

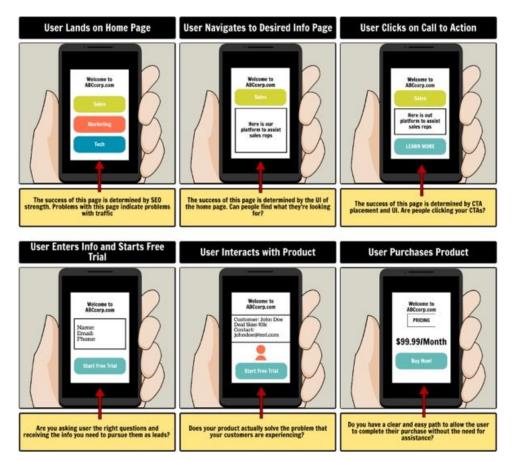
## Concierge

Guide a customer through the end user experience manually.

# Prototype/ Modeling

Test small parts of the total solution or build one.





https://www.designkit.org/methods/storyboard

- Identify key assumptions
- Determine testing needs
- Think from a user's perspective

## The 2 minute pitch provides a framework for your story

#### Structure

<ul><li>The problem is</li></ul>	(problem)	
<ul> <li>Our proposed prod</li> </ul>	uct/service is	(new solution)
• For	(target customers)	
<ul><li>That provides</li></ul>	(key benefit)	- for customers
and/or company		
<ul> <li>We have validated to</li> </ul>	that this will work l	oy
(description of test	or what you will go	o do)



# Next Steps: Resources for HCD

- The Field Guide to Human-Centered Design (book)
  - designkit.org
- IDEO.org/tools
- Stanford d.school
- 36°N Membership Resources & Support
  - Entrepreneurship Office Hours
  - Starters Bootcamp
  - Software preks & discounts
  - Peer support





