

You (think you) have an idea? There are two, first questions

WARNING: for the purposes of humor, shock value and fun, this presentation is rife with hyperbole

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All too often: Grasping for tangible accomplishments and next steps: researchers, inventors, entrepreneurs start with “the mechanics”

The usual first questions

“I need \$. Help me look for investors.”
“How will I protect this?”
“How can I build one to show to people?”



These are the wrong first questions!

These are “the mechanics”

They don’t help you create a successful idea that people will ADOPT

Definition of “the mechanics”:
Tangible actions that make you feel as if you’re bringing your idea to market because you can name the task and do it

The place to start is YOU. YOU drive your idea

What's my objective?

- Create impact?
- See my idea in the market?
- Start a company?
- Help people?
- Run a company?
- Make *a lot* of money?
- Make *some* money?
- Usher this technology to the marketplace?
- Create a business I can pass on to my children?
- Experience?
- Build and sell?

**This is the
correct first
question!**



You have an idea to bring to market?

You now face two, first questions

- What's your objective?
- What's the need (that you're addressing)?

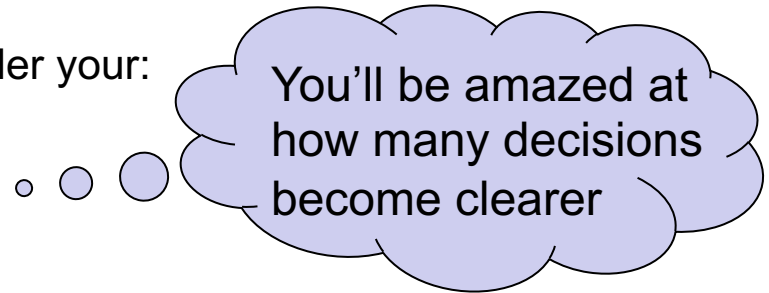
The objective is YOURS

- People bring ideas to market
- Ideas have no value without a passionate person to lead the effort
- In order to be successful, YOU have to be comfortable with YOUR choices
- I've not yet, in 20 years of asking this question, found a person who had been asked this ABOUT THEMSELVES
- YOUR objective is personal
- Separate from but intimately related to the idea
- With your objective in hand, you can
 - identify a Path that fits within the constraints of your life, and
 - Outline a plan to achieve that objective

** EVERYONE has an opinion (about how you should do it), as you'll quickly learn

Your objective drives your decisions...

- Now you can, in light of your objective, consider your:
 - Time
 - Risk tolerance
 - Financial constraints
 - Most important milestones to achieving your objective
- Then think about:
 - Other parties who share that objective
 - The quid pro quo of working together on your idea
- It gives you clarity of thought and planning:
 - EVERYONE else will tell you how to bring your idea to market or solve the problem you see. By knowing and stating clearly your objective, you can reply, *“thank you but my objective is to...and your suggestion does not help me achieve my objective”*



...is empowering and the beginning of YOUR roadmap

Reasoning behind this first, first question

Insight #1: VC model bad fit for most researchers

- As a VC, over 95% of researchers did not have “make A LOT of money” as their first objective
 - Bring idea to market was the objective

Insight #2: “Rana, what should I do now?”

- Questions from entrepreneurs about new opportunities that “popped up”
- Objective should guide the decision: *“will pursuing this new opportunity help me achieve my objective?”*

Insight #3: company disharmony: a top reason startups fail

- Includes investors, teammates, collaborators, etc.
- Met too many researchers who did not like venture capital**
- Never met a founding team who agreed on their respective objectives when asked for the first time

As a result, I learned to:

- Match (financial, human, infrastructural, professional, personal, cash, collaborative) resources with one’s objective
- Make decisions to meet one’s objective

**wasn’t (always) the VCs’ fault; they were playing their vulture capital role. The Profs didn’t understand their business model and role: mismatched objectives



Classic first interview with a researcher or practitioner at BU

- Introductions: “Howdy!” “Howdy!”
- Customer starts telling me about the idea
- I listen for 30 seconds and interrupt: “let’s talk about you”
- *“What’s your objective?”*
- Often takes two to four starts before the personal nature of the question sinks in
- I repeat back what I’ve heard and we “chew” on those objectives a bit to get comfortable
 - Always welcome to change: they’re YOUR objectives
- I make clear that the path we choose will meet that objective
 - Result: smile
 - Feelings of: *“I get to lead this”; “I can go at MY pace”; “I don’t have to be an entrepreneur to bring my idea to market”; “I can keep my day job”; “I can be an entrepreneur at my pace”*
- Now let’s talk about your idea
- *“What’s the NEED for your idea?”*
- Remainder of the hour spent on outlining the notion and importance of knowing the NEED first
- **Rarely discuss the idea further**

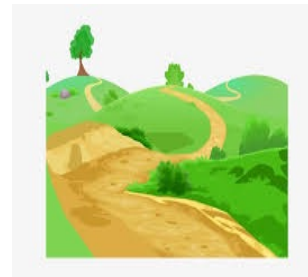
Consider four simple paths** to create impact in the market with your idea



**Fundamental
Research
(publication)**



**Corporate
Sponsored Research**



**License (to an
existing third party)**



Startup

These are not mutually exclusive so can be implemented concurrently or in serial

There are countless paths within each of these simple categories

** visual and emotional attractiveness of any given figurative path is entirely subjective, incidental and unintended

State your objective and chosen path, then...

*...put it all together
With our stated
objective and chosen
path we:*

*Make assumptions
to formulate a plan
to navigate
constraints to reach
the next milestone*

*This is an iterative
process*

■ Constraints

- Two primary constraints in life:
 - Time and money

■ Plan

- Navigate constraints
- I have \$5 and 30 minutes to find, purchase, consume my lunch

■ Assumptions

- Use them everyday
- Make the plan
- How much will it cost and how long will it take

■ Milestones

- A (objectively auditable) valuable achievement
- Examples: clinical data, working prototype, first sale to customers, \$1M in revenue
- Must increase value and reduce risk

Big Picture: Five tenets of Idea-to-Market

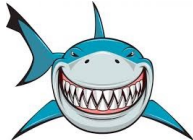
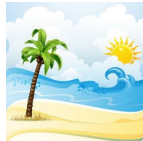
(to put these questions in a larger context)

- There are two first questions
 - Objective
 - Fundability
 - Constraints, assumptions, plan, milestones
 - Need
- There are an infinite number of paths** to (create impact in the) market, starting with four simple paths###:
 - Publication (fundamental research)
 - Corporate sponsored research
 - License
 - Startup
- The market holds the information
 - Customers, Vendors, acquirers and Competitors (CVaCs) are the greatest source of information
 - Assumptions confirmed by the CVaCs transform an opportunity into an investment
 - If “starting up”, go to the market for financing before you consider third party equity investors
- Take control of your cash situation (if your route is a startup)
 - Cash table to make your decisions
 - Milestone driven plan
 - Match your financing and other resources with your objective and fundability
- Efficiency & effectiveness: use your objective statement to make decisions and move on

** These are not mutually exclusive so can be implemented concurrently or in serial

There are countless paths within each of these simple categories

The second, first question:

- What's the NEED?
- Note: Problem \neq Need
- Ready for a ridiculous example?
- Rana bit by a  and is bleeding out on the 

I have a PROBLEM

What I NEED is a tourniquet

And I'll pay BIG \$\$\$ for it

WHY? Why will I BUY it?

Need leads to Value Proposition

- My definition of Value Proposition

Why they'll buy

To answer the second, first question

- One must
 - Find that need
 - Identify that customer
 - Understand the value proposition for the solution they'll buy
- Don't work on something no one wants
- It's possible there IS NO NEED for your idea
- It can require weeks to months to identify the need, customer and value proposition

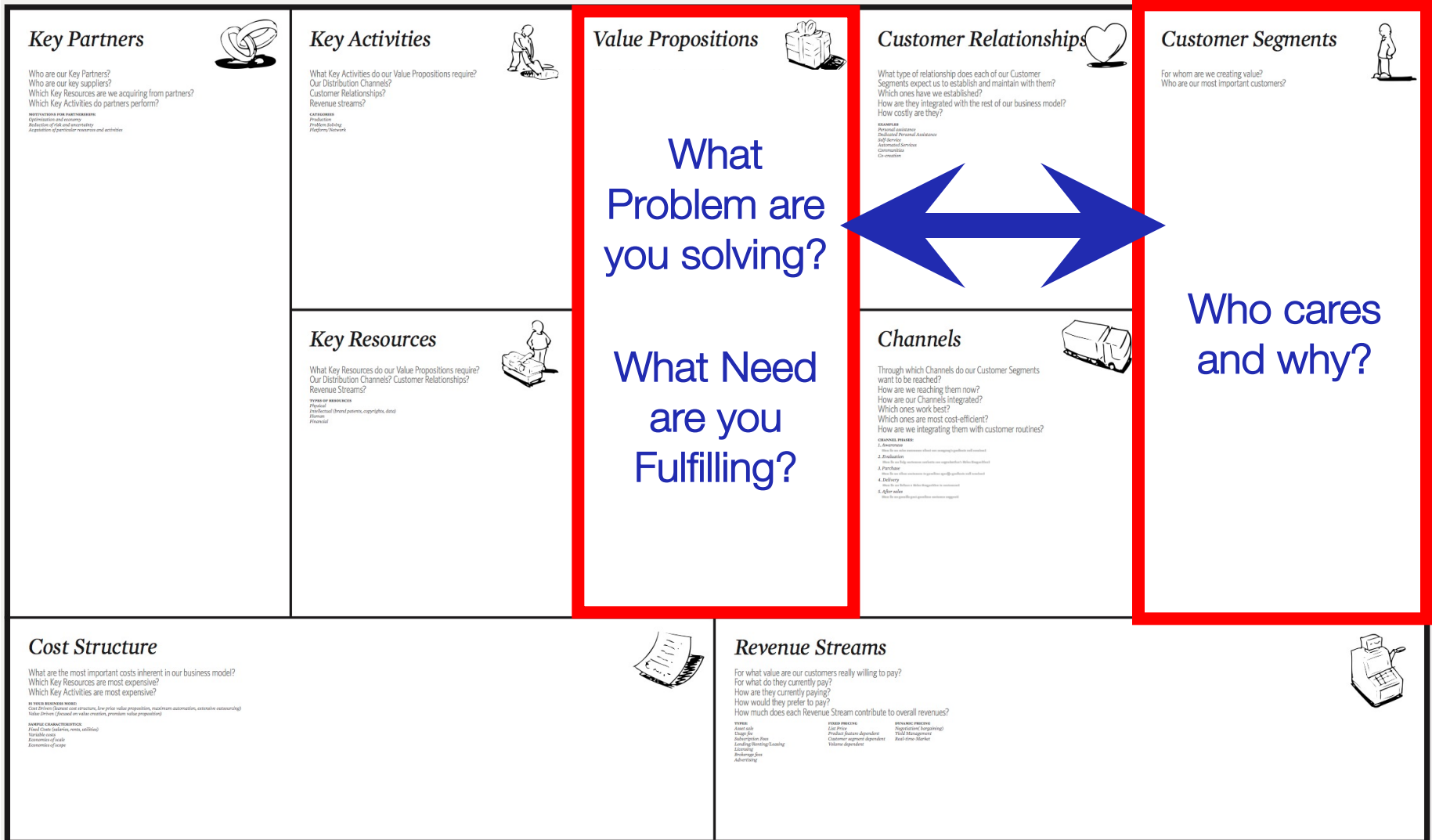
What about my cool technology??



Who Cares?

<https://www.youtube.com/watch?v=WnPjqt6vEzA>

Product-Market Fit



Strong *Value*
***Propositions* enable and**
inform *everything* in your
business model!

It's essential to get them right!

Value Propositions



Product Features

Value Propositions

=

Benefits to a Customer

Two General Types



Pain Killers



Gain Creators

Magnitude Matters! – *timing* + *severity*



Mosquito Bite?



Pinched Finger?



Shark Bite?

Pain Killers – The Value a Customer Wants

- End difficulties or challenges for customers?
 - Makes things easier, eliminates resistance
- Fix underperforming solutions?
 - new features, better performance, better quality
- Reduce losses / inefficiencies?
 - time, money, or efforts
- Make your customers feel better?
 - kills frustrations, annoyances, things that give them a headache
- Wipe out negative social consequences?
 - loss of face, power, trust, or status,
- Eliminate risks
 - financial, social, technical risks, or what could go awfully wrong

Gain Creators – The Value a Customer Wants

- Create savings that make your customer happy?
 - in terms of time, money and effort
- Produce expected or better than expected outcomes?
 - better quality level, more of something, less of something
- Copy or outperform current solutions that delight customer?
 - regarding specific features, performance, quality
- Make your customer's job or life easier?
 - flatter learning curve, usability, accessibility, more services, lower cost of ownership
- Create positive consequences that customer desires?
 - makes them look good, produces an increase in power, status

Consider some real life BU case studies currently answering these questions and pursuing this approach

- Professor has an idea for a device
 - Objective: bring the product to market, wants his name associated with it
 - Clear about path: does NOT want to be the one to bring it to market
 - Partook of the BU Catalyst and Spark Programs to find: need, customer, first target market
 - Next move: “package up” the idea to attract entrepreneur or company to bring to market
- Cancer researcher focused on fundamental research but with promising science that can lead to a therapeutic
 - Professor will not develop the therapeutic but a licensee can use the work in their development
 - Objective: develop the science to make it licensable
 - Need identified: new approach to cancer Rx for biotech or pharma
 - Possible path(s):
 - Fundamental research: paper, patent
 - Sponsored Research Agreement with Corporate Partner

Third case study

- Research Professor with an idea
 - Idea to help determine which therapeutic to give a patient
 - Clear about objective and Path
 - Bring a product to market
 - Make some money
 - NOT start a company – will license
 - Wants to advise licensee to: learn (how to commercialize), help make the technology its best
 - Not yet begun to discover:
 - What is the need
 - Who is the customer
 - What's the value proposition
 - Next move: NSF Spark Program

Fourth case study

- **Doctoral Student**
 - Interested in research topic with PI
 - PI supports student-led spinout but has no interest in company beyond consulting
 - Stated objective (and Path)
 - Start a company
 - Salary
 - Member of the team
 - Honestly: wavers between “build to sell” and “build to employ”
 - NO idea yet:
 - What is the need
 - Who is the customer
 - What’s the value proposition
 - Talking with PI while continuing research

So, before you pursue “the mechanics”

- Ask and answer the two, first questions
- YOUR objective is the beginning of choosing YOUR path and and formulating YOUR plan
- You must have product-market fit to have a successful idea