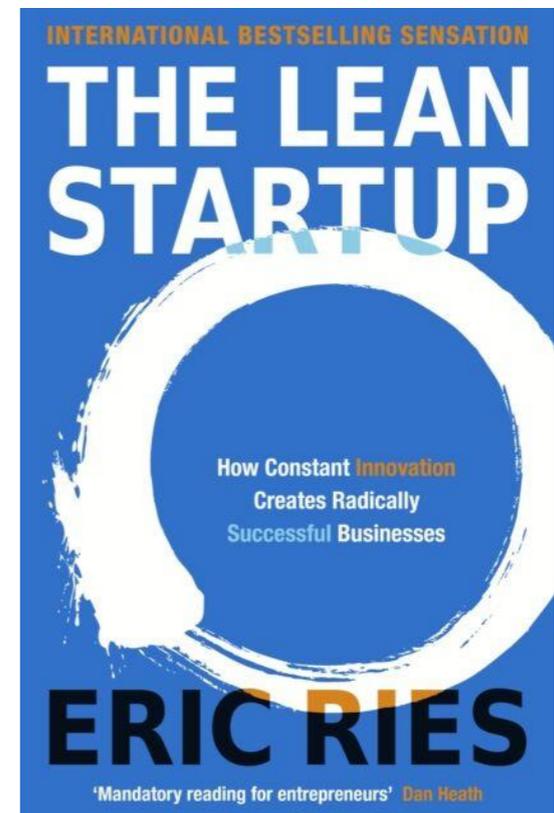
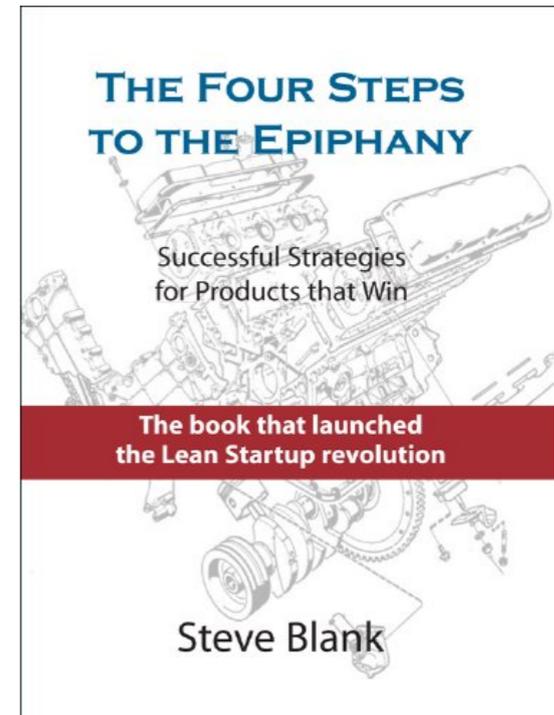
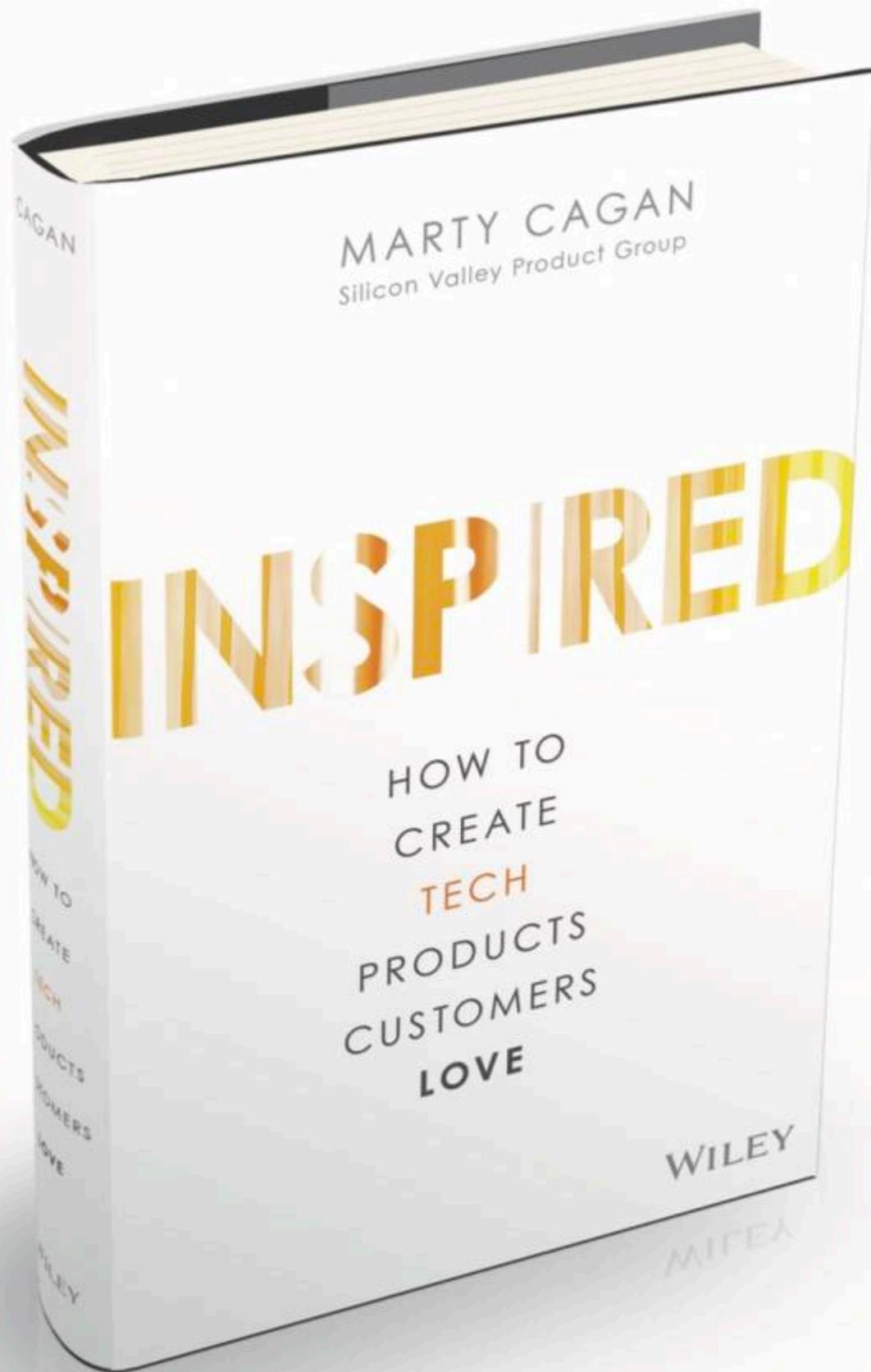


Product-Market Fit

Otto Hilska, @mutru
with AVP / Startup Experience



Product-Market Fit



**Iterative, non-predictable
process to produce
learning**

Discovery

Validation

Startup

=

**Temporary organization for
running the discovery process**

Minimum Viable Product

- 1. Value risk**
- 2. Usability risk**
- 3. Feasibility risk**
- 4. Business viability risk**

**What about the
Market?**

Signs of Product-Market Fit

Lagging indicators:

1. "You know if you got there"
2. Growing revenue & great retention
3. 40% rule (Sean Ellis)

Leading indicators:

1. Time invested
2. Sending feedback & requesting features
3. Customer has employees working on the problem

Product strategy

=

Series of Product-Market Fits

Case 1: Insurance @ Swappie

Don't break your screen.

Buy a professionally installed tempered glass



Professionally installed tempered glass

20,00 € 24% VAT

SKIP

ADD TO CART

**Case 2:
Video Templates @
Smartly.io**

Starting the discovery:

1. What's the market size for video advertising?
2. How many customers are already doing videos?
3. What portion of videos is "studio-grade" vs. Powerpoint'ish?
4. How many customers have designers in their teams?
5. How many customers are already working with a partner in this space?

Video Templates MVP:

Manually produced video templates based on customer's specifications.

Some scripting and manual work to generate a number of videos.

Kino's team sheet after launch:

Objective: Remove adoption blockers from Video Templates

1. X% of customers have built at least one video template
2. Increase ad spend going through Video Templates to 50% of the spend going through Image Templates

Roadmap:

Upload custom fonts

Audio track editor

Link to company goals:

New ad spend from existing customers

Winning new business

Retention

Customer	Account Manager	Shown to customer?	Reason for not using
Ayreon	Audrey	Yes	Need custom fonts for their brand identity
Barathrum	Bill	Yes	Don't have good product images to use
Children of Bodom	Cecile	Yes	Wants to have custom audio
Dimmu Borgir	Dan	No	Customer unreachable

Case 3: Swarmia



SWARMIA



Work Log

Our agreements [Explore](#)

Pull Requests

Pull Requests from other teams are reviewed within 24 hours

✓ 🎉 Followed for 4 weeks in a row

Up to 5 Pull Requests open at once

○ [2 exceptions](#)

Pull Requests are reviewed within 2 days

○ [5 exceptions](#)

Bugs

Bug Investigator is assigned every 2 weeks

It's Oskari's turn until September 26

All bug fixes should include automated tests

✓ [84% have automated tests](#)

Critical bugs are resolved within 24 hours

✓ [20 hours on average in the last 2 weeks](#)

We have a retrospective about each

Engineers ▼

October 1 – October 17

Focus · Jira

Up to 5 Pull Requests open at once

Open Pull Requests



Exceptions 2 ▼

🕒 Now

All good

September 10 6 issues in progress ➤

September 9 6 issues in progress ➤

Discovery process @ Swarmia:

- 1. How are companies currently evaluating teams and individuals?**
- 2. How do the companies run their daily, weekly etc. processes?**
- 3. What tools are the teams using?**
- 4. What competing tools and processes exist, and how well do they solve the problem?**

Early validation:

"I'm actually looking to hire a developer to build something like that for my teams..."

Swarmia product principles:

- 1. Every team is different**
- 2. Valuable to every level of the organization**
- 3. Regular touch points (daily/weekly)**
- 4. Able to trust the data**
- 5. Optimize the whole**

Swarmia MVP:

**Helping developers get their
code reviewed faster.**

Steps to product-market fit:

- 1. Being able to build the product with real customer data**
- 2. Self-service version**
- 3. Retention proven with self-service version**
- 4. First paid customers signed and retained with a ~\$40/user/month price point**

Closing those first paid customers:

- 1. Qualified to represent the target audience**
- 2. Demonstrated our own ability to deliver**
- 3. Selling the future with design mockups**
- 4. "Let's sign the order form now, and you'll start paying once we've delivered X and Y."**
- 5. Aggressive price + discount for the first year**
- 6. Consultative approach**
- 7. Reference case for closing the next customer**

Next:

Q&A (10 mins)

Break (5 mins)

Fill in the most significant risks (Value, Usability, Feasibility, Business Viability) for your Group in Jamboard. (20 mins)

Discussion about two groups: how to account for the risks in the MVP?

Cheers!

Otto Hilska, @mutru