

Test Your Offering

Introduction

Before you invest too much of your money into a business idea, how can you find out if a consumer will actually buy?

Your Offering

1. Ask friends.

This is the easiest way. Just ask your friends if they would buy your product or service. These people are easy to reach and are willing to test out whatever it is that you are selling.

The challenge: are your friends being honest with you? Are they the type of people who do not want to hurt your feelings? Only friends that are 100% honest with you or are willing to play devil's advocate here can be trusted.

2. Market research with strangers.

Although strangers are more difficult to reach out to than friends, they can be more honest. Finding strangers to test your product or service is mainly reliant on your own outgoing nature. You must be prepared to be rejected by people you ask to survey or to sample your product/service.

Something to watch out for is someone who is extremely busy—they may not be honest as they want to finish the evaluation quickly. Keep the survey or sample to a low time commitment in order to get a more genuine response.

Online surveys are also very easy to create with the capability for your network to forward the survey to the correct target market. The site www.SurveyMonkey.com allows free questionnaires for up to 100 online respondents.

3. Test it through a virtual selling portal.

Setting up a web portal becomes easier every day. All you have to set up is a simple website



which can be done with many standard software programs, buy a URL and have it hosted (\$20 to \$40 per month), and there are tons of easy-to-use payment widgets including www.PayPal.com.

Another option with even less set-up is an account on eBay or Yahoo Store and posting your product. The development, administration, and payment tools are all included.

With more and more individuals online and with e-commerce entering the mainstream, this is a great resource in order to test potential customers' willingness to purchase. If they are willing to purchase it online, this is a low-risk way to test the marketplace.

4. Test market or beta testers.

Instead of launching the product everywhere and to everyone, risk can be mitigated by starting with one target market or one area. Focus on a smaller target, and make sure that it makes sense prior to investing further into the idea.

Beta testers are potential customers who get low-cost or free access to the tool. By having them involved in the development of the product or service, they are more inclined to be customers in the long run!

The lesson: there is no foolproof method other than jumping in with two feet—but checking the temperature of the water before jumping in prevents you from getting burned.

Test Your Offering

When asking your customers about your offering, here are a few key questions that you could consider including.

1. How did you start doing business with us? Why?
2. What do you like? How has our product/service helped you?
3. What don't you like?¹ If there was one thing to change, what would that be?
4. Will you buy it (again)?
5. Could I get a testimonial?

¹ This is more important than what people do like!

Tips

- ✓ Ask others.
- ✓ Listen.
- ✓ Figure out what your assumptions are.
- ✓ Test your assumptions.

Example

1. In the movie *The Green Hornet* Britt Reid is asking his friends about calling the hero 'The Green Bee' and the responses are, "Kinda lame," and "Sounds like an energy bar," until Kato suggests 'The Green Hornet'.

2. New Coke. In 1985 Coca-Cola launched 'New Coke'. This is one of the most famous new

product launch failures in history, followed closely by Sony's Betamax. The main problem was that Classic Coca-Cola didn't have a problem. It is more likely that Coke became tired of their own product rather than their customers asking for something new.

Resources

Click on the links below for further reading:

- ✓ [Sales Questions](#)
- ✓ [Freelancer Questions](#)
- ✓ [Questions To Ask](#)
- ✓ [Examples of Failures](#)