

# How To Validate your Startup Idea



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## Are you in love with your Startup Idea?



What does it really need to be a Tech Entrepreneur in the real sense? A question put forth to me by many Startup Founders I have interacted with.

I have seen Startup Founders being super-excited about their ideas and validly so. The most common statement to that effect has been - "This is the next BIG thing!". They have set their minds to this fact. However, if I have played the role of a Mentor in some such setup, I have to be a little strong-hearted and tell them to hold the reins. Not to demotivate them but to teach them to be realistic.

# How to Validate your Startup Idea

After all the first litmus test for an Idea to be successful is to find out if it is really marketable and consequently saleable. You need to tweak it around a little bit maybe to suit the market demand. The bottomline is that you have to really make it work so that those are the initial groundwork activities that absolutely must be done.

Your idea has to ultimately make money. I understand that it is about the vision. It is about the goal, about your dream. But ultimately if your idea does not make money someday those visions those dreams are not going to be as fulfilling as they should be because ultimately the measure of how successful an idea is or how successful you were in your dream is going to be measured by money in addition to some other factors also. But the prime KPI like I mentioned earlier too is ROI (Return on Investment).

The fame and of the recognition that you will get are of course worth the effort. But money is going to be one of the quantifiable measures so you need to know how your idea will finally make money for you to even think about getting in to the idea and turning it into a product.

There is a lot of groundwork, a lot of homework that you have to do before you actually get into the implementation of your idea. This is just like when an architect creates a building he/she spends a lot of time on the ground floor level, the base, where you have to establish the core foundations.

There have to be quantifiable reasons why you should be believing in your idea and you are sure that this is going to work.

# How to Validate your Startup Idea

There are six main activities that you can do to quantify your belief in your idea. There are more but these are the must-have six things that you can do to get an idea about what kind of a place does your vision have in the market. In the chapter - The Journey from an Idea to a Sale I had mentioned about the finding out how saleable your idea is.

These are the six steps which are going to tell you how saleable your idea is.

# How to Validate your Startup Idea

## 6 Ways to Validate



### CONDUCT A SURVEY

*Conduct a survey and get real feedback on whether people would buy what you are offering*



### COMPETITOR RESEARCH

*Conduct a thorough market research for companies in the same business*



### GOOGLE KEYWORD PLANNER

*See how the competitors are ranking on Google and for which keywords*



### GOOGLE INSIGHTS

*Deeper Insights into Google Search to throw more light on what people are searching*



### GOOGLE TRENDS

*See what's trending on Google related to your Business Idea. What's hot and what's not*



### SOCIAL MEDIA PRESENCE

*Scout social media networks for related posts and mentions of your business idea*

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## Surveys



Surveys are an excellent mechanism to collect information right from the horse's mouth. The participants of your survey have to be similar to the target audience (more about this later) that you have in mind for your product. For example, if my product is a job portal exclusively for the software industry then my target audience is Software Professionals. Conduct a survey directed to this particular subset of people. Ask them how happy it would make them to have such a product on hand. Ask them would XYZ feature excite them. See the responses. If they are good, it will be the best motivator for you. If the responses are not so good, then you can tweak your idea based on the responses to make them good.

There are many free tools out there to help you create a poll/survey. A simple Google search will reveal tons of them. All you have to do is create a Survey, join Facebook / LinkedIn Groups where your target audience is and post the Survey. Interested people will surely revert.

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A very prominent market leader in this segment worth mentioning is Survey Monkey. It started off by providing a tool to create Survey Forms which you could send to your audience and analyse the reports thereafter based on which you could make intelligent decisions. However, over the years SurveyMonkey has added to its Feature Basket aspects like AI Based Market Research. For those who don't know whom to send their surveys too, SurveyMonkey has this feature called Global Integrated Audience using which you can collect quality responses from consumers in minutes with our integrated Audience panel which proudly boasts of 144M+ people across 130+ countries with 50+ profiled attributes and Custom screening. Your survey goes out to this huge audience and the replies that you get will be a sure-shot validation of your Idea.

## Keyword Research



At all times you need to be up-to-date with what your competitors are doing.

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There is an excellent tool called the Google Keyword Planner which will give you a very clear idea about how much of a demand is there for your vision.

Your vision needs to be converted into keywords. There are some keywords that you already may have in mind. For example if my Startup Vision is to "create a job site dedicated to the software industry", I will probably have some keywords in mind like "jobs for software professionals" or something like that.

There is a clear technique behind this. This is how I do it. I identify Keywords and then I create KeyPhrases based on permutations and combinations of those keywords. For e.g. Keywords could be "JobSite", "Software", "Professionals", "Development" and Key phrases could be "JobSite for Software Professionals" or "JobSite for Software Development Professionals" or "JobSite for Software Developers" and so on. Its all about how deeply you can relate to your vision and think about all possible keywords related to the same.

Once you have these keywords and key phrases, then it is a matter of plugging them into the Google Keyword Planner and Voila! you get tons of other suggestions for your chosen keywords and key phrases. Not only that it also gives you a peek into how many times that keyword was searched in this month or for a previous timeline.



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An excellent tool created by Neil Patel (a well known marketing guru) is UberSuggest. This takes you one step ahead and for the keywords and key phrases that you have already identified it gives you an idea about who else is ranking for the same. These, my friend, are your competitors. Keep a watch out for them. Try to create content which can help you rank ahead of them. That's the mission!

On the same lines, SEMRush is another tool which helps tremendously in giving you a sneak peek into your competitor's winning strategies so that you can adopt and improvise upon them to get ahead in the race.

## Competitor Research



This has been the most strenuous but most beneficial exercise that I make Startup Founders do when I start coaching them. When I give it out, it looks like simple Google Sheet which is to be filled. But when they get on to doing it, it requires much more than just filling out the sheet.

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The Keyword Research will definitely give you a list of most of your competitors. List down parameters on the basis of which you will study your competitors. Their website look and feel, the list of services they provide, whether they have a blog or not, how soon do they revert to a call back request, how much funding did they receive and in which year, what is their employee strength and so on and so forth. When you have that on hand, what you have to do is visit each of their websites / apps and list the details for each parameter.

For some you might even have to call them to snoop and find out what they do. Nothing wrong with that. It is a fair game which all play. Some admit it and some don't.

Once you are done filling up all parameter details for all competitors, it is your turn next. List your values for each of those parameters. This would be an eye-opener. You will realise that you never thought of some things that they do. You will also dance with joy when you realise that there is something that you thought of but they don't have.

At the end of the day, it is trying to ensure, your Startup Idea is backed up by a vision that beats all in the race or at least stands out. This is where you will come up with your USP (Unique Selling Proposition).

My personal experience has given me one very big insight I have learned from competitors. What you should not do. I looked at the positive things that they were doing. I also look at the things which were actually bringing them down and I made sure I did not make those mistakes which I regret later.

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## Google Insights



Google provides a tool for almost everything. The Keyword Planner helps you identify winning keywords. Google Insights - [thinkwithgoogle.com](https://thinkwithgoogle.com) gives you a much deeper aspect of any keywords related to your business.

It is like your Personal Research Assistant. Put in a keyword and it will list all possible Articles, Perspectives, Reports and News related to your Business. A thorough study of this will take you miles ahead in terms of developing, nurturing and refining your vision if the need arises.

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## Google Trends



Google trends will tell you what's hot and what's not.

There are many ways in which you can use Google Trends. Primarily SEO (Search Engine Optimisation) professionals use Google Trends for keyword research so that they can apply techniques to have their websites listed high on Google ranks.

However, I recommend using it to validate one's Startup Idea - mainly because it shows whether people are talking about it. And if they are, you have a winner on your hands!

So, once you have a list of keywords on hand related to your Startup Idea, fire them away on Google Trends and see the magic unraveling in front of your eyes.

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You will see how many times over a given period of time those keywords were searched. Not only that, it will also show you related keywords which probably you didn't think about. Make a note of those too since they will help you in SEO (Search Engine Optimisation) of your website in the long run.

An interesting aspect for those whose Startup Idea is related to products which sell seasonally. It also shows you the keyword search spikes over a given season, so you can plan your marketing and inventory on the basis of that.

Apart from variations over time, it will also give you variations over geographical locations. So, when you plan your marketing and sales strategies, you can factor that in. Probably, you had not even thought that your target customer would be in X location, and Google Trends told you so.

When you are just starting off and you need to establish yourself as an expert in whatever field you are targeting, getting an idea about what content is trending on Google trends will help you plan your content marketing strategy. Write content related to trends and see how people respond to it. You will get a good validation of your Startup Idea since people will be quick to respond to it due to its popularity.

A sneaky way to spy on your competitors would be to see where they are ranking for trending keywords and get an idea into their business model to see what works for them and what doesn't. I am not saying you have to copy their business model, but getting an insight into it will definitely let you hone yours so that you can get the edge early on.

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The bottomline is that if what you have in mind is trending on Google Trends, then go for it. If not, see what other are doing in the same domain and tweak if necessary to beat the competition and create a winning strategy.

## Social Media



Social media is the voice of your customer out there in real time. Make sure you keep your eyes and ears open at all times to it.

When you are just starting off, you don't even have your product on hand, you don't even know who your customer is, where is he/ she out there.. still social media can play a very big role in validating your idea.

Here's the thing..

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Say, you are all ready with your survey which is going to give you proof of how valid your idea is. Does it have the potential to create an audience and generate money from that audience? Social media is the answer. After all it all starts at home.

Your own social media account is the point to start. You may find it a little awkward, but believe me when I say you will be overwhelmed by the support you receive from your near and dear ones.

All you have to do is put up a survey out there. Don't say it is a survey to rub it in. Start by something something as casual as "Just curious.. ", "Was thinking.. what do you think?". You don't have to disclose to your network that you plan to start something based on the results of the survey. Encourage them to share in their network.

If it really has value, it will spread like wildfire. Well, even if it doesn't the survey results sample will give you some direction. Make sure the questions are interesting and make people wonder why you are asking them. The questions should make them think rather than be a form which they have to fill which their friend has asked them to.

A social media presence of what you have in mind is really going to give a boost to your belief in your idea because the post and the mentions of business ideas like yours on social media are going to give you a bigger confidence in the fact that people are talking about this kind of thing.

# Startup Knowledge Bundles

You get edge over the competition because you get to know what people are speaking to them, about them. Basically you'll get the sentiment of the entire market from the social media.

## Some final thoughts before starting up

There are certain myths that I Startup Founders have often mentioned in my coaching / consulting interactions with them.

I have come up with these specific myths because you need to overcome these myths because these are very popular myths which you really need to work on and ensure yourself that these are not blockers in your journey.

One of the most popular myths is that people say that there are too many people with the same kind of product in the market.

I would say that is a positive thing.

You have seen those kind of places where there are all automobile shops in one lane, all furniture shops in one lane. Now why would people do that kind of a thing? Because if the customer does not get what he wants from the nearby shop he is going to come to my shop.



# Startup Knowledge Bundles

That increases your chance somewhere since if the idea is the product is very popular there is a huge market for it.

The second thing that I have heard people saying is that my target audience has to be very wide.

So when they do online advertising they target people right from 20 years of age to 70 years of age. There may be products which demand that kind of a thing but in that case I would still always suggest that define a niche audience run campaigns for niche audiences. Maybe your product can take care of 20 to 70 years of age. However, split up your campaigns where you have some specific campaigns just for the young people, Some specific campaigns just for the older audience.

I am a firm believer of the opinion that if you start off small you end up scaling in a much better way exponentially.

It is very important to understand the pulse of the market but also be positive about the fact that you may have something on your hand which might really impress an investor and who might really see value in investing in your products.

There is also a myth that once I finish my entire product then I will look for funding. I have really been there done that.

# Startup Knowledge Bundles

Please do not do it because even an idea which is very documented in the form of a wireframe, a static prototype, a proof of concept is good enough to be funded. Waiting to create an entire product and then going to investors is going to probably blow a large hole in your pocket because you will be self-funded and it will take you a long time to go into the market. So please do not do this.

And one of the final things which I have seen as I can start only when I have a fully fledged set up first.

Like I said you can start from a garage, you can start with a small number of people, you can start with your team members working from home. You don't need to have a plush office you do not need to have 500 people on board to start.

So please overcome these myths. Do not let them become blockers on your path to success and spend good time on your ground work since this is about laying foundations for a structure which you plan to last for years to come!

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For any other way that you feel I can help you with your Startup, feel free to get in touch at the details below :

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