Market Ready, Set . . . Go Listen!

Listen Intently, Part 4 of 6

A key source of feedback in business is the market, aka your customers. If you are just starting a business it is essential you test your market before you invest too much time, energy, and money into something 'you just know' your market needs. And when I say 'market' I don't mean everyone. I mean your niche targeted buying audience for whatever it is you are selling. All too often the person who starts a business is in love with the product or service he intends to sell but the market is not as convinced. So how do you test your market before you go too far?

As always, I recommend reading, reading, reading – and then of course, implementing! Here are some suggestions of what to read in terms of learning your market so you can get up and running fast! If you only read two, in this context read the first two. Eric's book is a bit more academic compared to Michael M's very pragmatic book. Guy and Rob's books really speak to entrepreneurs who ultimately will seek outside investment. Chris's book is more about examples of folks who got up and running as solo entrepreneurs and Michael S's book is somewhat a restatement of Eric's book.

The Lean Startup – Eric Ries
The Reluctant Entrepreneur – Michael Masterson
The Art of the Start – Guy Kawasaki
A Good Hard Kick in the Ass – Rob Adams
The $100 Startup – Chris Guillebeau
Launch – Michael Stelzner

And then, if you love really meaty challenges (and don't mind spending a LOT of money on your reading material) here are two textbooks that will address every angle of what your market wants before you go too far – but they are not for the faint of heart!

The Startup Owner's Manual – by Steve Blank and Bob Dorf
New Venture Creation – by Jeffry Timmons and Stephen Spinelli

A different source of market-wise information is the column "Street Smarts" by Norm Brodsky who writes for INC magazine and answers questions from real entrepreneurs facing real quandaries.

What do you want to take away from all this reading? How to understand the product-or service-to-market fit.

You know you have a fit when customers are spending time or money on you and your offering. In other words, they are buying advanced copies, they are spending cash, the demand is outpacing your limited initial run, word of mouth is buzzing and customers are sharing (positively) on Facebook and Twitter. You don't have a fit if press is mediocre or infrequent, sales aren't closing, and you are doing more talking than your customers. If you find yourself saying in frustration, "The customers just don't get it!" you are not listening to market feedback! What your customers are saying is that the problem your solution addresses is not one that is important to them. You may have a great solution but if your buying audience doesn't care about the problem in the first place, move on!

When your offering meets a need that has importance to your customer, the next thing you need to understand is where it falls as a priority to them because this determines how much time or money they'll be willing to spend on it. There's a lot vying for your customer's limited purchasing capacity, time, and attention – data plans and braces for their children, something new for the boat or the dog or the house, food, gas, car payments and house payments and more payments! Be alert to 'nice-to-haves' because as a business owner you must offer 'gotta-haves'. (And non-essentials DO fall in the category of 'must haves' for some - like a $600 Vitamix blender or $350 for an ounce of Sephora "ultimate revival" facial cream – or even pet rocks or virtual tractors and cows on Farmville; the secret is knowing YOUR market.) If you're selling unique art that speaks to your heart or software that protects critical documents you may or may not have a product-to-market fit. You may know what they need (a diet) but they know what they want (a double-cheeseburger!) and your job entering the marketplace is to validate your offering in advance to assure you address your target market's demand.

Bottom line; When you have an idea that you are in love with and want to bring to market, first build a prototype if you can – or create a draft or mock-up or sample-size offering. Take it out to real live people and ask for an advance order. If they're not buying, find out why not. Keep digging to find out what they want instead. (This may require you to let go of your preconceived notions of what you think they should want.) If possible, try to get one store to carry it and test market it and see how it does. Importantly, understand the buyer's level of urgency (not yours – not you need to sell 50 units or you can't pay your mortgage this month); is it a casual purchase once out of curiosity or is it a burning desire and a purchase they'll repeat regularly and turn their friends onto? Big chain fast food restaurants do this all the time. For a 'limited time only' they 'introduce' a new sandwich or a new flavor of milkshake or coffee. They let sales volume determine if that item then earns a permanent place on the menu or disappears after its debut.

To be sure, many things come into play for sustaining success with your product or service – quality, speed to market, price points and margins, genuine customer service, and good marketing among others. To know that you have a product or service that is market ready – that the market loves as much or more than you do - you must get set and do your homework before you say "Go!" - and this means you truly must listen to your market!

Beaufort resident Jamie Wolf is the author of 'Start Over! Start Now! Ten Keys to SUCCESS in Business and Life' and ten accompanying guidebooks. If you're ready to be Master of your Fate and Captain of your Soul, she invites you to come on board! Jamie offers online courses and coaching for entrepreneurs and people interested in starting over or in starting their own business. Visit her at [*http://www.thestartover.com*](http://www.thestartover.com)

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