

## 2. Designing Product/Market Fit Tests

Dave Parker

@DaveParkerSEA



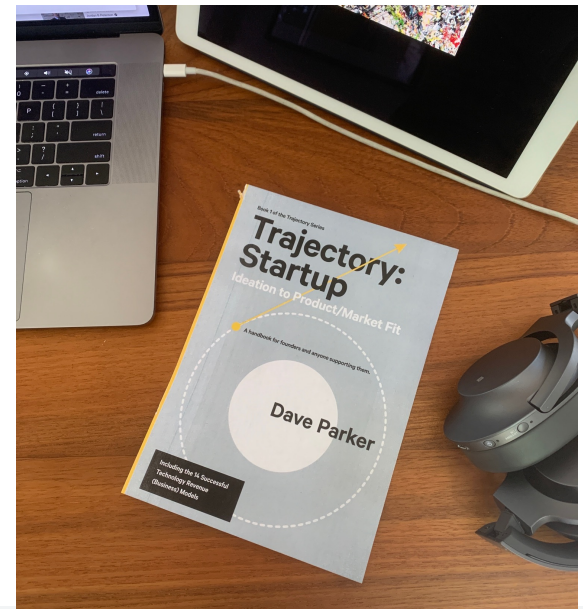
[www.dkparker.com](http://www.dkparker.com)

# About Dave

- ▣ 5X founder, raised \$12M, exited \$85M
- ▣ Former SVP Programs at UP Global (Startup Weekend)
  - ▣ Startup Next creator, Startup Week
- ▣ Author – "[Trajectory: Startup – Ideation to Product Market Fit](#)" shipping today!
- ▣ 2X VC and random Angel

# Resources

- ▣ 14 Revenue Model Excerpt
  - ▣ <https://www.dkparker.com/trajectory-excerpt/>
- ▣ Dave's Blog
  - ▣ [www.dkparker.com](http://www.dkparker.com)
- ▣ Peter's Blog – Product Market Pull
  - ▣ <https://productmarketpull.com/>



Copyright, DKParker, LLC 2020

# Prerequisites



# Prerequisites

- ▣ Written value proposition
- ▣ Draft sales script
- ▣ Ideal customer profile – launch and adjacent
  - ▣ B2B – User vs. buyer profile
  - ▣ B2C – demographic
- ▣ Channel assumption
- ▣ Monthly budget for marketing

# Product Market Pull

# 5 Steps to Embrace “Test Driven Learning”

## 5 Steps to Embrace “Test-Driven Learning”

- 1 Define your who, what, why statement**  
Articulate what problem do you think your customers want you to solve.
- 2 Be Scientific**  
Create a testable hypothesis against the problem.
- 3 Build an Audience Matrix (of real people and/or companies)**  
Build audiences that acutely represent your vision.
- 4 Test For Resonance**  
Go into the market and run experiments that prove or refute your hypothesis.
- 5 Measure**  
Evaluate your results and see where you were correct.
- 6 Iterate or Kill**  
Reflect on your work and see if you've gained or lost conviction in the idea..

# First Example

# Classic Story

A well-known celebrity thinks there is a big opportunity for an on-demand chef marketplace.

## Answers he came prepared with...

What's the problem?	"We were travelling and tried to hire a personal chef. It was a disaster and we weren't able to hire one. There must be a better way!"
Do people want this?	"Yes! I spoke with a bunch of my friends. They have all had this experience."
Do chefs want to do this?	"I have a personal chef at home and she said she knew of many chefs who want to do this, but it's inefficient currently."
Is there a big market?	"It's huge and growing. Personal chef companies have grown over 300% in the last 5 years, but there is no marketplace."

So, how did we validate this?

# We tested the concept to over 100,000 people.

## What do we do to validate an idea digitally?

Invented a brand	We built a brand called ChefJoy, aimed at being “the easiest way to hire a personal chef.”
Created a website with several landing pages	We built several different landing pages to test value props and visuals against each audience segment.
Ran ads to several segments on Facebook.	We ran dozens of ads to 100,000 people, across a wide variety of segments, measuring CTR, CPC, CPM, and Scale.
Collected signups.	We drove 1,000s of people to landing pages and measured their willingness to use an app to find a personal chef.

**Timeline: 11 days | Budget: \$850**

Our first results, showed us **low consumer demand**.

## Luxury Travel Chef for Parents

Impressions

24,636



Clicks / CTR

89 / 0.36%



Cost Per Click

\$2.95



Conversions / Conv. Rate

0%



I



Our first results, showed us **low consumer demand**.

## Luxury Travel Chef for Groups

Impressions

14,655



Clicks / CTR

76 / 0.52%



Cost Per Click

\$1.13



Conversions / Conv. Rate

0%



**ChefJoy**  
Sponsored · 🌐

The next time you travel, spend your time relaxing with friends instead of in the kitchen with ChefJoy.

**Make memories, not dishes.  
Hire a personal chef.**

www.chefjoy.co  
**Make memories, not dishes.** [LEARN MORE](#)


Jordan Howald

ChefJoy allows you to easily book private chefs that prepare and cook food for when you travel.

Our first results, showed us **low consumer demand.**

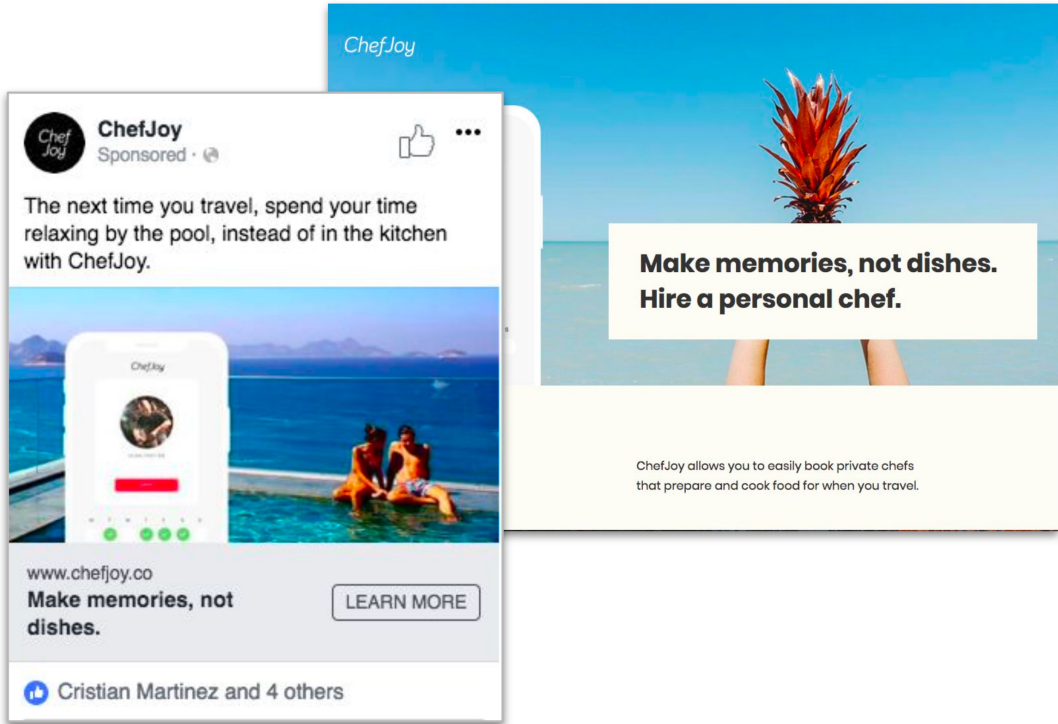
**Luxury Travel Chef for Couples**

Impressions  
23,527 

Clicks / CTR  
92 / 0.39% 

Cost Per Click  
\$0.85 

Conversions / Conv. Rate  
1% 



The image shows a Facebook advertisement for ChefJoy. The ad is a sponsored post from the ChefJoy page. The text of the ad reads: "The next time you travel, spend your time relaxing by the pool, instead of in the kitchen with ChefJoy." Below the text is a video player showing a mobile app interface with a "Book" button and a background image of a couple sitting by a pool. At the bottom of the ad, there is a "LEARN MORE" button and the URL "www.chefjoy.co". The ad also shows engagement from "Cristian Martinez and 4 others".

## Iteration 2 —

We tested the concept of a luxury chef for families for their daily lives.

# What were the tests & results?

## Personal Chef for Families

Impressions

22,076



Clicks / CTR

20 / 0.48%



Cost Per Click

\$1.65



Conversions / Conv. Rate

0%



The image shows a social media advertisement for ChefJoy. The ad features a black and white photo of a chef in a kitchen. The text on the ad reads: "Feeding your family just got a lot easier. Hire a personal chef for your weekly meal prep." Below this is a photo of a smartphone displaying the ChefJoy app interface. At the bottom of the ad, it says "www.chefjoy.co" and "Bring families back to the dinner table" with a "LEARN MORE" button. To the right of the ad, there is a larger text box with the headline "Bring families back to the dinner table" and a sub-headline: "ChefJoy allows you to easily book private chefs that prepare and cook food for your weekly meals at home."

## Iteration 3 —

**We tested the concept of a luxury chef for new parents and friends of new parents.**

# What were the tests & results?

## Personal Chef for New Parents

Impressions

17,182



Clicks / CTR

50 / 0.29%



Cost Per Click

\$1.44



Conversions / Conv. Rate

1%



**ChefJoy**  
Sponsored · 🌐

You've got a lot on your hands. Let someone else take care of the weekly meals. Hire a personal chef with ChefJoy.

[www.chefjoy.co](http://www.chefjoy.co)  
**Make memories, not dishes.** [LEARN MORE](#)

**Leftovers = Lifesavers. Hire a personal chef.**

ChefJoy allows you to easily book private chefs that prepare and cook food for your weekly meals at home.



# What were the tests & results?

## Personal Chef for Millennial Parents

Impressions

5,248



Clicks / CTR

19 / 0.36%



Cost Per Click

\$1.03



Conversions / Conv. Rate

1%



**ChefJoy**  
Sponsored · 🍷

You've got a lot on your hands. Let someone else take care of the weekly meals. Hire a personal chef with ChefJoy.

[www.chefjoy.co](http://www.chefjoy.co)  
**Make memories, not dishes.** [LEARN MORE](#)

**Leftovers = Lifesavers. Hire a personal chef.**

ChefJoy allows you to easily book private chefs that prepare and cook food for your weekly meals at home.

# In total, we tested against 5 market segments

Segment	Impressions	Clicks	CTR	CPC	Leads	CPL
Travel Parents	24,636	89	0.36%	\$2.95	0	N/A
Travel Groups	14,655	76	0.52%	\$1.13	1	\$14.86
Travel Couples	23,527	92	0.39%	\$0.85	0	N/A
Families at Home	22,076	20	0.48%	\$1.65	0	N/A
New Parents	17,182	50	0.29%	\$1.44	2	\$10.16



## Synthesized Learnings —

Building a VC-backed business in chefs for home or travel **doesn't look appetizing**, validated through systematic testing to **100,000 people**.

# Second Example

So, what has been a winner?

# BOUNDLESS

(had humble roots as)



We tested Boundless to over 80,000 people searching for immigration help on Google.

With Google, you can validate value props through “search intent”.

### \$400 Complete Spousal Visa | Start your CR1/IR1 Now

**Ad** [www.visafiling.com/marriage-visa](http://www.visafiling.com/marriage-visa)

Visa Filing saves you time and money getting your spouse to the U.S.

#### How long does it take?

Understand the visa timelines for bringing your spouse to the US

#### What income is required?

What are the income requirements to bring your spouse to the US?

#### Get a free consultation

Get started the right way free consultation to begin

#### What is the process?

What is the process for bringing your spouse to the US?

### Don't get denied on your IR1 | Prevent filing mistakes

**Ad** [www.visafiling.com/spouse-visa](http://www.visafiling.com/spouse-visa)

Visa Filing gives you peace of mind when applying to get your spouse to the U.S.

#### How long does it take?

Understand the visa timelines for bringing your spouse to the US

#### What income is required?

What are the income requirements to bring your spouse to the US?

#### Get a free consultation

Get started the right way free consultation to begin

#### What is the process?

What is the process for bringing your spouse to the US?

### Immigrating your spouse to US? | Explore the right path for you

**Ad** [www.visafiling.com/marriage-visa](http://www.visafiling.com/marriage-visa)

Don't waste thousands of dollars on spousal immigration with a lawyer.

#### How long does it take?

Understand the visa timelines for bringing your spouse to the US

#### What income is required?

What are the income requirements to bring your spouse to the US?

#### Get a free consultation

Get started the right way free consultation to begin

#### What is the process?

What is the process for bringing your spouse to the US?

### Ready to file your I-130? | Get a legal review here first

**Ad** [www.visafiling.com/spouse-review](http://www.visafiling.com/spouse-review)

Visa Filing saves you time and money getting your spouse to the U.S.

#### How long does it take?

Understand the visa timelines for bringing your spouse to the US

#### What income is required?

What are the income requirements to bring your spouse to the US?

#### Get a free consultation

Get started the right way free consultation to begin

#### What is the process?

What is the process for bringing your spouse to the US?

But we can also test features, pricing, intent, & messaging.

Pricing

### \$400 Complete Spousal Visa | Start your CR1/IR1 Now

[Ad] [www.visafiling.com/marriage-visa](http://www.visafiling.com/marriage-visa)

Visa Filing saves you time and money getting your spouse to the U.S.

#### How long does it take?

Understand the visa timelines for bringing your spouse to the US

#### What income is required?

What are the income requirements to bring your spouse to the US?

#### Get a free consultation

Get started the right way free consultation to begin

#### What is the process?

What is the process for bringing your spouse to the US?

Messaging

### Don't get denied on your IR1 | Prevent filing mistakes

[Ad] [www.visafiling.com/spouse-visa](http://www.visafiling.com/spouse-visa)

Visa Filing gives you peace of mind when applying to get your spouse to the U.S.

#### How long does it take?

Understand the visa timelines for bringing your spouse to the US

#### What income is required?

What are the income requirements to bring your spouse to the US?

#### Get a free consultation

Get started the right way free consultation to begin

#### What is the process?

What is the process for bringing your spouse to the US?

Intent

### Immigrating your spouse to US? | Explore the right path for you

[Ad] [www.visafiling.com/marriage-visa](http://www.visafiling.com/marriage-visa)

Don't waste thousands of dollars on spousal immigration with a lawyer.

#### How long does it take?

Understand the visa timelines for bringing your spouse to the US

#### What income is required?

What are the income requirements to bring your spouse to the US?

#### Get a free consultation

Get started the right way free consultation to begin

#### What is the process?

What is the process for bringing your spouse to the US?

Features

### Ready to file your I-130? | Get a legal review here first

[Ad] [www.visafiling.com/spouse-review](http://www.visafiling.com/spouse-review)

Visa Filing saves you time and money getting your spouse to the U.S.

#### How long does it take?

Understand the visa timelines for bringing your spouse to the US

#### What income is required?

What are the income requirements to bring your spouse to the US?

#### Get a free consultation

Get started the right way free consultation to begin

#### What is the process?

What is the process for bringing your spouse to the US?

And we also tested by **visa type**, so we knew which product to build first (the wedge).

Segment	Impressions	Clicks	CTR	CPC	Leads	CPLoad
Student Visa	10,562	781	2.2%	\$1.65	96	\$13.42
Fiance Visas	21,154	688	3.2%	\$1.29	88	\$10.16
Spousal Visas	19,005	781	4.11%	\$1.06	202	\$3.86
Employment Visas	7,268	174	2.3%	\$1.55	29	\$14.64
Naturalization	24,000	581	2.4%	\$1.48	179	\$4.80



The ROI is HUGE —

Once we know there is a business, our validation efforts can inform the product, GTM, pricing, & positioning strategy.

# Third Example



**Stride, Inc.**

44,835 followers

2mo · 🌐

+ Follow ...

Are you spending a lot of time sourcing entry level candidates? There's a ready talent pool you may not have considered before.

Discover a better way to expand your qualified candidate pool for entry-level positions, apprenticeships, and paid internships with Stride Hiring Partners.

Learn more at <https://lnkd.in/df-ztPXS>

#hiring #internships #talent #sourcing #recruiting #apprenticeships

**Stride**

We make it easier to staff entry-level positions with great new hires.



Stride Hiring Partners

👍❤️ 15

1 share

# Microsite vs Landing Page



[Home](#) [Employers](#) [Stride for Business](#) [Contact Us](#)

**Hire for the future.**

**Partner with Stride to staff your entry-level jobs today!**

**Stride Hiring Partners has the capable, tech-savvy, entry-level talent you may be overlooking.**

With the unemployment rate at historic lows and Baby Boomers entering retirement, the need to recruit early talent is significant.

The up-and-coming generation is comprised of people born after 1996, who are technically proficient, entrepreneurial, and the first generation to never know a world without constant connectivity. They are going to make some great new hires!

Gen Z joins the workforce with many skills that their predecessors may not possess, but they may lack the formal experience and education most employers state on entry level job descriptions.

Astute hiring managers have figured out that today's young talent generally arrives fully equipped to engage with modern technology. Their learning curves are comparatively short. Whether degreed or not, our younger generations know their way around technology - and Stride has a capable pool of ready talent who are motivated to go to work for your company!



# LinkedIn Ads

**LinkedIn CAMPAIGN MANAGER** Stride Hiring Partners Campaign manager

CAMPAIGN PERFORMANCE TESTING WEBSITE DEMOGRAPHICS ACCOUNT ASSETS

Accounts: 1 selected Campaign Groups: 8 total Campaigns: 1 selected Ads: 1 total ad

[Create](#) [Performance Chart](#) [Demographics](#) [Flowchart](#) [Export](#)

Search by name or ID Filters (1) Columns: Performance Breakdown Time range: 6/16/2022 - 7/15/2022

Ad Name	Status	Spent	Key Results	Cost Per Result	Impressions	Clicks	Average CTR	Bid	Average C
<input type="checkbox"/> 1 ad	-	\$500.00	-	-	69,724	213	0.31%	-	\$7.17
<input type="checkbox"/> <b>Smart U.S. Companies are Expanding their Talentscapes with Stride Hiring Partners!</b> Stride Hiring Partners works with top US companies to place motivated, skilled, and tech savvy hires in entry-level positions, apprenticeships, and paid internships. <small>Creative name: Stride CaaP 1.1.2 v2 Campaign: Website Conversions L18 v3 6-22-22 Creative ID: 197316856 - Sponsored Content - Single Image</small>	Active	\$500.00	54 Conversions	\$9.26	69,724	213	0.31%	-	\$7.17

1 Show 15 per page

Landing Page URL	LinkedIn Ad Creative ID	Ad Formats	Ad Dates	Target Audience Demo (people with English as their profile language)	Ad Spend	Avg Ad CPC/Click	Website Clicks	Conversions	CPC/Conv
<a href="https://ll.stridecareers.co/">https://ll.stridecareers.co/</a>	192825653	<b>1 mobile (clicks):</b> <a href="https://www.linkedin.com/posts/stride-learning_hire-for-the-future-now-activity-6930245701012459521-35ep?utm_source=linkedin_share&amp;utm_medium=member_desktop_web">https://www.linkedin.com/posts/stride-learning_hire-for-the-future-now-activity-6930245701012459521-35ep?utm_source=linkedin_share&amp;utm_medium=member_desktop_web</a>	05-10-22 to 05-13-22 (ended early due to poor performance (high CPC; low clicks))	Locations (Recent or Permanent): United States AND who meet ANY of the following criteria: Job Titles (Current): Executive OR Job Seniorities: CXO, Owner, Partner, VP AND who meet ANY of the following criteria: Company Size: 5001-10,000 employees, 10,001+ employees	\$103.96	\$25.99	4	0	N/A
	192829483	<b>1 sponsored post:</b> <a href="https://www.linkedin.com/feed/update/urn:li:activity:6930252569155899392">https://www.linkedin.com/feed/update/urn:li:activity:6930252569155899392</a>	05-11-22 to <del>05-25-22</del> 05-31-22 Ad performing well. Extended to EOM w/increased budget.	Locations (Recent or Permanent): United States AND who meet ANY of the following criteria: Job Titles (Current): Executive OR Job Seniorities: CXO, Owner, Partner, VP AND who meet ANY of the following criteria: Company Size: 5001-10,000 employees, 10,001+ employees	\$700.00	\$3.33	210	34	\$20.59
	187026356	<b>1 rotating ad 1:</b> <a href="https://www.linkedin.com/posts/stride-learning_entry-level-positions-can-be-challenging-activity-6931002558807232512-b0Na?utm_source=linkedin_share&amp;utm_medium=member_desktop_web">https://www.linkedin.com/posts/stride-learning_entry-level-positions-can-be-challenging-activity-6931002558807232512-b0Na?utm_source=linkedin_share&amp;utm_medium=member_desktop_web</a>	05-13-22 to 05-19-22 (ended early due to poor performance (high CPC; low clicks))	Locations (Recent or Permanent): United States AND who meet ANY of the following criteria: Job Seniorities: CXO, Director, Senior, VP Company Size: 5001-10,000 employees, 10,001+ employees	\$218.45	\$6.83	32	14	\$15.60
	187951606	<b>1 sponsored post:</b> <a href="https://www.linkedin.com/posts/stride-learning_hiring-staffing-recruiting-activity-6933166914856783873-Wa5f?utm_source=linkedin_share&amp;utm_medium=member_desktop_web">https://www.linkedin.com/posts/stride-learning_hiring-staffing-recruiting-activity-6933166914856783873-Wa5f?utm_source=linkedin_share&amp;utm_medium=member_desktop_web</a>	05-19-22 to 06-02-22	Locations (Recent or Permanent): United States AND who meet ANY of the following criteria: Job Titles (Current): Human Resources Director, Information Technology Recruiter, Hiring Manager, Senior Technical Recruiter, Personnel Manager, Senior Human Resources Recruiter, Corporate Recruiter, Personnel Officer, Staffing Coordinator	\$500.00	\$3.52	142	0	n/a

# Workshop

# Marketing Tests

- ▣ Channels
  - ▣ Digital
  - ▣ Other
- ▣ Ads
  - ▣ Messages, Pricing, Features, Audience, Intent, Ads/images
- ▣ Budget test
- ▣ Negative Keywords on Google



# Draft Test