Video Four: A Product of Its Environment

Summary

Video Four, A Product of Its Environment, discusses product development, covering terms such as Minimum Viable Product, Iteration, Agile Development, and the Pivot. The modern lean startup approach encourages the entrepreneur to get feedback on their products throughout the design process. Developing prototypes that customers and suppliers can interact with can help gather information to improve product design. Prototypes can be as simple as a drawing or a crude non-working model of the product. The important part of the prototyping process is to keep iterating and improving the product, even after the launch of the product, to improve the product and keep ahead of the competition.

A Minimum Viable Product (MVP) is the most basic version of a product that will allow the entrepreneur to gather customer feedback to improve the product while delivering the value proposition. Iteration is the small changes made on an ongoing basis to improve the product. Customer Discovery is the process of gathering feedback to improve the product. A Pivot is the act of changing the business model without changing the overall intent of the business.

Learning Outcomes

Upon successful completion of these exercises students will be able to:

2. Create a non-working model of your product or service.
3. Gather feedback on the product and iterate the product design.

Resources

Video 4: A Product of Its Environment
Video: Design Thinking
Video: Eric Ries Pivot
Video: Eric Ries MVP
Handout: Product Features Ranking Sheet
**Video Four Teacher’s Guide: A Product of Its Environment**

**Activity 1: Creating a Prototype Product**

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<tr>
<th>Classroom Time</th>
<th>75 Minutes</th>
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<tr>
<td>Preparation</td>
<td>Teacher Preparation: 20 minutes</td>
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<td>Student Preparation: 60 minutes</td>
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<tr>
<td>Materials &amp; Resources</td>
<td>Handout: Ranking Sheets for Concept</td>
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<td>Video: <em>A Product of Its Environment</em></td>
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**Learning Outcomes**

Upon successful completion of this activity, students should be able to:

1. Identify a business opportunity and create a value proposition.
2. Evaluate the competition.

**Activity Instructions**

Student Activity Preparation/Homework Assignment:

**In Class Activity**

1. **Instructor** shows video four: A Product of their Environment (10 minutes).
2. **Instructor** leads class review of the concepts in the video and the exercise below (10 minutes).
3. **Students in small groups** (40 minutes):
   a) Brainstorm a list of all of the ways customers can currently solve their problem, satisfy their need, or complete their task, for the product or service that the team identified previous activity.
   b) List the features for each current ways of solving a problem that you have identified.
   c) Identify any features that might be an improvement.
   d) Identify any additional features that have not yet been included by the competition.
   e) Rank the value of each of the features on your list from low to high value.
   f) Rank the features from nice to have to essential.
   g) Rank the features from easy to develop to hard to develop.
   h) Identify the most important features to include in your product by looking at the highest scoring features. What are the minimum features you will need to be successful (e.g. Minimum Viable Product)?
4. **Instructor** shows video designing your product (5 minutes).
5. **Instructor** discusses homework assignment (10 minutes).

**Student Homework Assignment:**

1. Each student group will develop a non-working model/prototype of their product or service, using the features list that they identified in the class exercise. If the product
is an app, the teams will develop mock screens of their product or service. It’s important that the prototype be easily transported for interviewing purposes.

2. **Each group member** interviews 3 prospective customers, demonstrating the prototype. They should gather feedback on features of the product in order to include, delete them, or make any other changes to the product design. Students should take notes to summarize customer feedback.

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**Activity 2: Iterating the Prototype**

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<tr>
<td>Preparation</td>
<td>Teacher Preparation: 20 minutes</td>
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<tr>
<td>Materials &amp; Resources</td>
<td>Business model canvas</td>
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<td>Video: <a href="#">Eric Ries The Pivot</a></td>
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**Learning Outcomes**

Upon successful completion of this activity, students should be able to:

1. Evaluate their product design
2. Iterate or pivot their product

**Activity Instructions**

Note: This activity builds on Activity 1 in this teacher’s guide. The homework from Activity 1 prepares students for Activity 2

**In Class Activity**

1. **Instructor** leads class introduction to activity, including learning outcomes (10 minutes).
2. **Students in groups** summarize what they learned from their product interviews, and decide what changes to make to their product design (12 minutes).
3. **Students in groups** present a 5-minute summary of what they learned about their product, and what changes they plan to make to their prototype. If time allows, the rest of the class can ask questions and make suggestions (40 minutes).
4. **Instructor** leads class discussion (10 minutes):
   a) Why is prototype development so important?
   b) How did you decide what feedback is important?
   c) Did anyone decide to pivot? Why or why not? Why is it so hard to pivot? (If time allows, show the Eric Ries video on the pivot – see resources).
   d) How could you use prototyping and feedback in other situations?
   e) What would be the next steps of your product design process?
      1. Develop a working prototype.
      2. Test and get feedback on working model.
      3. Early commercialization/validation – scale your model and sell it.
      4. Collect information from customers.
      5. Iterate your product continually improving it.