

Using the Navigator with other business tools

A handful of great business tools and methods can help you as you strive to set a winning strategy.

Specifically, the Market Opportunity Navigator is designed to work seamlessly with:

- ✓ **The Business Model Canvas and the Value Proposition Canvas** – outstanding frameworks for planning your strategy
- ✓ **The Lean Start-up Methodology** – a key method for validating your strategy



What is to play in?

Hello again, and welcome back. In this video, we will discuss how you can benefit from using the Navigator together with the Lean Startup Methodology to make your learning process more broad and complete. As we mentioned previously, there are many excellent business tools and methods that can help you as you strive to accomplish the complicated task of setting a winning strategy. Specifically, the Navigator is designed to work seamlessly with two well-known tools. First, the Business Model and the Value Proposition Canvases, which are excellent frameworks for planning your strategy; and second, with the Lean Startup Methodology, which offers a key method for validating your strategy.

Notes

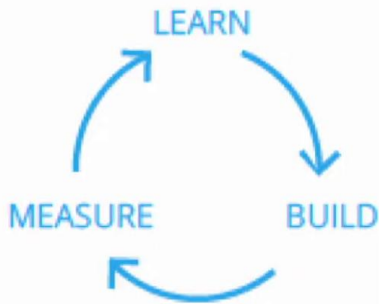
Summary



0m 04s

The Lean Start-up Methodology

Discover and validate your target customers through rapid market testing and continuous pivoting:



Developed by Eric Ries



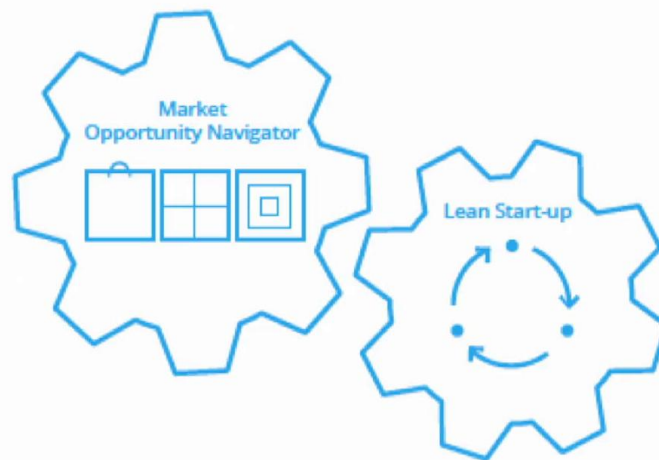
Before we examine why this is the case, let us briefly present the main ideas behind the Lean Method which was originally developed by Eric Ries. The underlying logic beyond the Lean Startup Methodology proposes that innovators have to discover and to validate their target customers before they engage in product development and company building. Therefore they should adapt rapid “Build-Measure-Learn” feedback loops that involve the formulation of assumptions, their validation or their adaptation if required. The first step of this loop is therefore figuring out the problem that needs to be solved, and then developing a Minimum Viable Product to begin the process of learning as quickly as possible.

Notes

Summary



Mutually reinforcing



Which markets to play in?

The Market Opportunity Navigator and the Lean Startup Methodology complement each other in several ways. Just as before, the two approaches work together like cogwheels, with one reinforcing the other.

Notes

Summary



1m 51s

A broad & complete learning process:



1. Combine planning and experimentation

The Navigator offers a process to rigorously plan and define your market domains and the Lean Method offers a process to understand and to validate the customers' needs.

Which markets to play in?

Here is why you can greatly benefit from using these tools together. First, it enables you to combine planning and experimentation. The Navigator offers a process to rigorously plan and define your market domains, and the Lean Method offers a process to understand and to validate the customer needs because these are often not known in advance even with rigorous planning. Overall, it is an iterative process that usually begins with planning; you can gather all the knowledge that you currently have in hand on the Navigator to understand your landscape and to set your strategic boundaries. This will actually enable you to engage in meaningful experimentations. After that, you can build a Minimum Viable Product and get out of the building as guided by the Lean Method to learn about real customer needs. You can then go back to the Navigator to reflect and to update your market opportunity set, your attractiveness map, and your Agile Focus Strategy according to what you have just learned. Now, you can build, measure, learn all over again if necessary. Combining planning and experimenting in such an iterative process enables you to be both predictive and adaptive, and this is quite powerful.

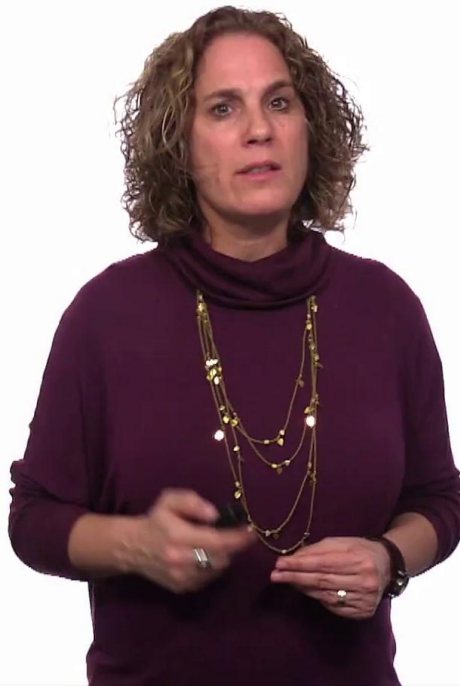
Notes

Summary



2m 06s

A broad & complete learning process:



3. Combine customers and market hypotheses

The Lean Method pushes you to validate your hypotheses about customers.

The Navigator's evaluation process offers an additional set of hypotheses to examine other aspects of the market and it's environmental context.

Which markets to play in?

Second, using the Navigator in concert with the Lean Method enables you to combine broad and targeted perspectives. The Lean Method pushes you to examine a single targeted path; if it turns out to be the wrong one, you should pivot by finding a branch from that path that seems to be interesting. The Market Opportunity Navigator, however, guides you to see the broad landscape of opportunities. This overview can save you from going down the wrong path in your experimentation or from missing out a more promising one. In short, it help you to find the global maximum rather than a local one. Third, applying the Navigator and the Lean Method together enables you to combine customers and market hypothesis. The Lean Method pushes you to validate your hypothesis about customers through rapid experimentation. These hypotheses are usually based on the nine building blocks of the Business Model Canvas, and emphasized mainly the Value Proposition aspect. The Navigator examines the attractiveness of an opportunity based on its potential and its challenge. The structured evaluation that is offered in worksheet 2 can actually form the basis for an additional set of hypothesis that examines other aspects of the market and the business environment.

Notes

Summary



3m 48s

A broad & complete learning process:



3. Combine customers and market hypotheses

The Lean Method pushes you to validate your hypotheses about customers.

The Navigator's evaluation process offers an additional set of hypotheses to examine other aspects of the market and it's environmental context.

Which markets to play in?

For example, your competitors, or your value chain actors. This way you can generate market hypothesis on top of your customer hypothesis, and actually base your strategic choice on a more inclusive set of considerations.

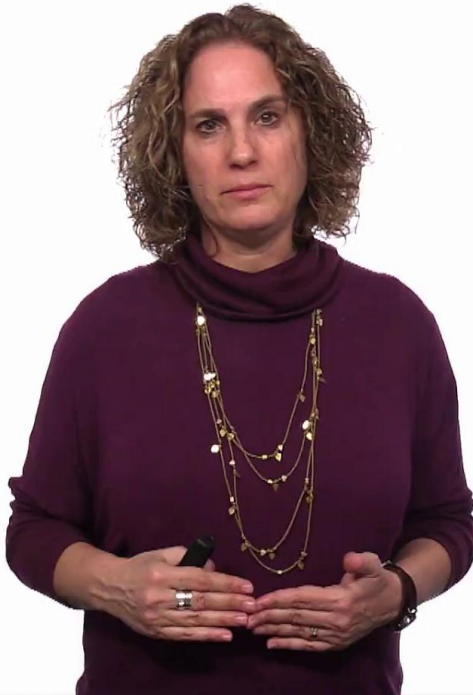
Notes

Summary



5m 37s

A broad & complete learning process:



4. Combine short and long learning loops

The Lean Method emphasizes the importance of short feedback loops. The Navigator is indispensable in cases that cannot be tested in a quick series of experiments, as it allows you to discover the most promising path and to remain agile if adaptation is required.

Which markets to play in?

Last but not least, these methods enable you to combine short and long learning loops. The Lean Method emphasizes the importance of rapid-build-measure-learn cycles. Yet, many ideas simply cannot be tested quickly and cheaply in a series of experiments; they require a significant upfront investment in research and development perhaps even over a longer period. They may also be too novel or too complex to actually be assessed by customers. In other words, firms with such you know relations need to invest heavily beforehand, and thus need to be very careful about the path which they want to take. In this case, the Market Opportunity Navigator can provide you with important answers as you can apply it to discover your most promising patterns and to make sure that you remain agile if adaptation is required later on.

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6m 00s

Summary



Overall, this suite of business tools helps you in making your learning process broad and complete...

The whole is greater than the sum of its parts!

Use this powerful combination to design your strategy for success.

Which markets to play in?

To summarize, the combination of the Navigator and the Lean Startup Methodology is powerful as they reinforce each other to create a thorough process for validating your strategy. Once again, it doesn't matter which of these cogwheels you start rolling first. Eventually, you will need both to formulate a winning strategy. So overall, we recommend that you use the Navigator together with other key methods and business tools to make your learning process broad and complete. This suite of tools helps you in understanding fundamental questions in a way that none of the tools by itself would allow you to. In other words, the whole is greater than the sum of its parts, so use this powerful combination to set your strategy for success.

Notes

Summary



7m 11s