

Validate Your Business Idea

A practical evidence plan before you invest in a full launch.

Separate a promising idea from an offer customers will act on. Build a small test, record what happens and decide what to change.

The decision this paper supports

Should you invest in this idea now, change the offer, or gather more evidence? A founder often has several uncertainties at once: who will buy, which problem matters, what delivery costs and how customers will find the business. Treating these as one question makes it difficult to interpret a weak response.

The current context

Digital tools can help a small team prepare a website, prototype and proposal quickly. This creates a useful opportunity: test a narrow offer before building a large operation. It also makes polished presentation a poor substitute for customer evidence. A convincing mockup shows that something can be described; it does not show that a customer will pay.

TIH perspective: test the riskiest assumption first

Write one specific assumption: a named type of customer experiences a recurring problem, has a reason to act and can approve a purchase. Decide which part is least certain. A buyer interview may test urgency; a paid pilot may test willingness to pay; a small delivery exercise may test whether the promised result is feasible. Each test needs a decision attached to it.

Research foundation

The SBA identifies customer and competitor research as inputs to business planning. Strategyzer offers a visual framework for describing how a business creates and captures value. This paper uses those references as background; the decision sequence and worksheet below are TIH editorial recommendations, not a validated prediction of business success.

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1. Define a narrow starting customer

Replace a broad audience such as "all SMEs" with a buyer you can identify and contact. Record the situation that triggers a purchase, who uses the service, who approves spending and how the problem is handled today. Speak with people outside your immediate support network and include prospects who declined a similar offer.

2. Ask about observed behavior

Ask what happened the last time the problem occurred, what it cost in time or effort and what the person tried. Avoid relying only on whether an idea sounds attractive. Record exact situations and objections, with permission, without collecting unnecessary personal information. Distinguish what the buyer said from your interpretation.

3. Offer a bounded pilot

State the deliverable, scope, timing, price, customer inputs and acceptance criteria. A pilot should be small enough to deliver reliably and meaningful enough to test the business assumption. Do not sell work you cannot fulfill. Record how many suitable prospects saw the offer, how many took the next step and why others declined.

4. Set the decision rule before the result

Choose your evidence threshold before starting. For example, a hypothetical founder might require three paid pilots from twenty qualified conversations, with delivery completed within a chosen cost ceiling. These figures are illustrative, not benchmarks. If the threshold is missed, diagnose the audience, problem, price or delivery separately before spending more.

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Working sheet: one experiment

Customer and buying situation: _____
Problem and current alternative: _____
Assumption most likely to invalidate the idea: _____
Smallest honest test: _____
Who will see the offer, and how many? _____
Budget and stop date: _____
Evidence required to proceed: _____
Result and decision: proceed / change / stop

A useful weekly review

Review the evidence with someone who can challenge your interpretation. Look for repeated objections and costly delivery steps. Separate enthusiasm, email sign-ups, meetings, purchase commitments and completed payments; they indicate different levels of commitment. Keep unsuccessful tests in the record so the next version does not repeat the same assumption.

What success looks like at this stage

The output is a clearer decision, not necessarily a launch. A revised offer, a narrower customer group or a decision to stop can protect time and resources. If evidence supports proceeding, turn the pilot into a delivery checklist, a simple cost model and a specific next sales action.

Sources

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<https://www.strategyzer.com/library/the-business-model-canvas>
Sources checked 29 September 2026. TIH editorial frameworks and examples are not original survey findings or measured client results.