



# How to Validate your business idea



## What does it mean to Validate a business idea?

Validation is the process of testing your product or service to increase the likelihood of success. The reason you need to validate a business idea is to avoid producing a product or service that no one wants. The last thing you want to do when starting a business is put all this time, money, and energy into it and it not succeed.

When you validate an idea, there are 4 areas you need to focus on to ensure your product or service will succeed:

### 1. Validating the customer problem/ pain point:

If your product or service doesn't fix or help your target audience's pain point then they're not going to purchase from you because they don't need it. So make sure that you know exactly what they want and how you can help.

### 2. Validating market demographic:

We can't sell to an empty room so you need to know exactly who you're selling to and make sure you know everything about them because that will help with the other areas of validation.

### 3. Validating the product or solution

Does the product work? Is there anything else like it on the market? Is it needed? What happens if it breaks? Is it accessible? Is it eco-friendly? ,etc. TEST TEST TEST! You can do this by asking your customers in a survey etc.

### 4. Validating willingness to pay:

Once you know your demographic, pain points, etc. you need to work out if people are going to actually purchase the product or service.

For more information on Hunter Young Business Mind Awards go to our site:

[www.ybma.com.au](http://www.ybma.com.au)



# YOUNG Business MIND

2019 Awards



**PITCH A BUSINESS IDEA, PRODUCT,  
CREATIVE PROJECT OR COMMUNITY  
INITIATIVE TO WIN \$1000**

## ARE YOU UNDER 25 AND HAVE AN IDEA? OR ARE YOU WORKING ON SOMETHING EXCITING?

Hunter Young Business Mind Awards is a pitch contest for under 25s across the Hunter (Newcastle, Upper and Lower Hunter, Lake Macquarie, Port Stephens, Maitland) who have a business, community or social impact idea.



### KEY OUTCOMES:

- Identify and recognise young people with a great business idea and support development to make this a reality.
- Acknowledgement and recognition of innovation in the classroom by schools and teachers.
- Provide young people with a platform to discuss existing and future issues and an opportunity vocalise ideas and solutions for these problems

### OUTCOMES FOR STUDENTS:

- Opportunities to:
  - Showcase creations, business ideas, and inventions
  - Interact with local businesses and other schools
- Enhance and develop core business skills to assimilate into career development.
- Be involved in a forum of like-minded individuals that share a passion for innovation and entrepreneurship.

### Awards Key Dates

Official - Launch May  
Close - Mid September  
Awards Event - Mid October

### How to enter:

- 1 Grab your camera
- 2 Shoot a 2 minute video showing your business, creative, community idea or innovative solution.
- 3 Submit your entry to the Hunter Young Business Mind Awards site ([www.ybma.com.au](http://www.ybma.com.au))