

Six Things You Must Get Right about your Startup Idea

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It's not enough to have that *Eureka!* moment when that BIG idea suddenly comes. After the excitement has cooled, you'll need to answer the question, "Is my startup idea viable?" If you're wondering how to answer that question, here is a checklist of criteria you can follow to reach a conclusion before you dive in. These criteria are not necessarily a hard and fast rule on what makes a startup idea viable, but will help you in validating your startup idea.

1. Deep Knowledge of Your Startup Idea

Assuming a real estate agent who has never been to the hospital more than thrice decides to pitch a startup idea of manufacturing a handheld patient identification system, investors are likely to be skeptical because this is not an area he has deep knowledge in. On the other hand, if the same startup idea was pitched by a microbiologist or lab scientist, investors would be assured of his deep knowledge in the startup idea.

Before you tick this point off your checklist, you need to have deep knowledge or special insight about your startup idea.

2. There is a market and it is a solution to a need.

A market for your startup idea is not difficult to find if your idea is a solution to a need. A look at the most successful startups will reveal that they were answers to a group's or even an individual's prayers. Consumers should be self-motivated enough to buy into your idea because it is a necessity. Your startup idea should not be just a solution, it must also not bring up new problems at the same time. For instance, in the '90s and even in some areas now, asbestos was preferred by construction companies due to its high insulation properties, but at the same time, it raised up a new problem of risk of diseases like asbestosis and mesothelioma.

Carrying out a market survey in this instance is very crucial; you get to find out detailed information about the market you want to break into; how many will be interested in your products and services; where they work and their purchasing power.

Does your startup idea make life easier? Does it take away the pain and tears of some people? Are the people (market) who need your startup idea large enough to sustain the business? If you've answered YES to these questions, then you can tick this point off your checklist.

3. It is legal.

This should be obvious, right? Who would want to venture into an illegal startup idea! Your lawyer will be able to help you ensure your idea and other intellectual property issues are not infringing on another's rights by conducting appropriate searches at appropriate agencies.

4. Strong USP for Differentiation and Innovation

Your startup idea is probably similar to the others in the ecosystem---the only difference is you've got a better way of doing things. This is your Unique Selling Point (USP.) Your idea will only be viable if the differentiation (USP) is sustainable and you keep innovating. After all, there was email before Google and there was social media before Facebook. A strong differentiation affords you the will to still hold the fort and command a large market share even if a competitor who is already established elsewhere decides to enter the game.

Original ideas are generally more viable than ideas built on existing ones. For a new idea built on an existing idea to be viable, you need to ensure there is room for you to operate. No point wasting time and resources on a crowded idea.

5. Viable Business Model

It's one thing to have an awesome startup idea with a large market and it's another to run a business based on it. A commonly cited reason for startup failure is that there was a miscalculation about how much it would cost to make their

products or provide their services. A viable startup idea must have a business model that adopts a cost-effective production and distribution model.

Another point worthy of note here is, you should do your homework (market survey), to enable you decide if your startup product or service is something your prospective customer would want to spend money on. No matter how stylish or fashionable your idea is, if no one would be paying for it, your startup idea is not viable.

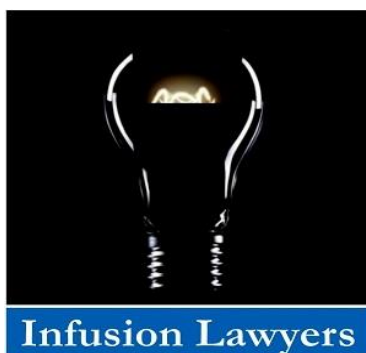
6. Are you up for it?

This is the last point because no matter how well you religiously follow the above points, if this last one is missing, then all hope is lost. Startups by their very nature are essentially *starting* and beginnings of business are well known to be plagued with uncertainties. Will your first excitement and determination see you true to the end? Because if you say your startup idea is doable, then you can bet it is viable.

Do you have a startup idea? [Infusion Lawyers](#) is here to help you navigate the legal waters. Contact us to schedule a consultation.

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