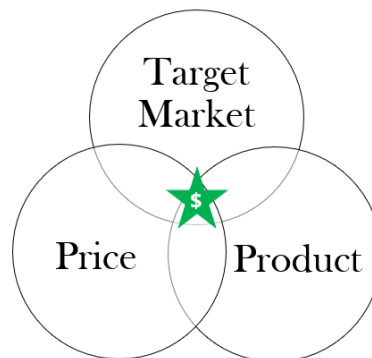


Ensuring Product-Market Fit

Without product-market fit, you won't sell pass your family and friends. Product-market fit is the intersection of your product/service, target market, and price point. In other words:

Your target market will buy your product at your price.



These three things must be in alignment for product-market fit. For example, if you describe your business as “luxury,” but the price point is very affordable and the quality is poorly manufactured, your target market that wants luxury is not going to be happy. From your target market and competitor research, you should have a strong understanding of what price point and what products/services your ideal customers are looking for.

If you're having trouble with sales, your product-market fit might be off. It's important to ask for feedback and understand what your target market wants. The key is to keep an open mind and be willing to pivot to meet the market's wants and needs. Some reasons why your product is not selling:

- Your product is not of commercial quality and standards. Do remember the website Regretsy? It was a website that highlighted some of the worst products real people were selling on Etsy, like a cat hairball necklace and handmade products with extremely poor artistic quality. It's cute when an 8-year-old sells a macaroni necklace but as individual trying to build a legitimate business (not based on charity) you must sell products that are of high quality and integrity. If you don't have the skill to execute your ideas to the level of professionalism needed, hire an expert, and outsource.
- Your target market does not want to buy or is unwilling to pay for your solution. There was an individual who wanted to start a business to get people dancing. His idea was a band or a party host would hire him to start to dance so others would join. This person was only able to make one sale and it was done out of charity. You do not want to be this person. Maybe this idea could have been a good idea, but it needed work. If you're in this position, it's important to accept constructive feedback and pivot to fit the market needs. Note of caution: Always remember an open wallet is more meaningful feedback than words. Make sure you take feedback from your target market.
- Your price point is wrong. Getting your pricing right is challenging and sometimes it will be trial and error. Your price might be too high, but a too low of a price can be just as debilitating for your business. Pricing signals to the potential customer what they can expect – higher the price they expect higher quality, customization, etc. lower the price point they might accept lower quality, shorter lifecycle.
- If your product sells well in person, but not online there might not be something wrong with your product-market fit but your online marketing, messaging, and website needs work.

Remember product-market fit is a factor of 3 variables: price, product, and market. Think of each variable as a dial. Dial in each factor to find the perfect market fit. For example, let's say your target market is unwilling to pay for your product at the price you're selling at. You will need to change the price or the target market. You can also decide you really want to serve that target market, so you lower the price and you also change your product to ensure your profitability.

Your Turn!

Is your target market willing to buy your product at your price point?

Conduct product market research. Find your competitors and read their reviews. See what their customers liked and disliked. You can also go on online forums like Reddit, Quora, and Facebook groups to learn more about your customer wants and needs.