

Idea Assessment

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In my last few articles, I introduced the process of how a new biomedical idea gets to market in four phases: idea generation, idea assessment, feasibility planning, and writing the business (or commercialization) plan.

In February, we discussed creativity for generating ideas, where you identify and explore new and exciting ideas. Many ideas are discovered by finding new or better ways to solve a simple problem, identifying a need, or fixing what is broken. If you are an inventor, your discovery should be documented in a lab notebook while you are trying to demonstrate proof of concept. Once you decide your idea has commercial potential, you move to the Idea Assessment step.

During this step, you evaluate whether your idea/invention has true commercial potential. You assess its features and benefits, its unique innovative aspects, and the market. You should talk to other knowledgeable people who may have valuable insights about its potential. If you have an invention, you'll also be trying to demonstrate that the product works.

The idea assessment phase is designed to answer some basic questions about the compelling value proposition of your product, and to focus on the market need, size, and growth potential. In addition, this step forces you to examine specific features and benefits that make your idea better or different.

Following this process, you should be able to make a decision about whether to proceed with your idea. In this step, you will need to articulate your value proposition and do a high-level opportunity assessment.

The value proposition, the promise you make to your customer, should answer the following questions:

- Who are your target customers?
- What is their specific need or “market pain”?
- What is your proposed solution?

A good test of the clarity of your value proposition is your ability to say it succinctly. This is sometimes referred to as the “elevator pitch” (so called because you should be able to describe your idea in the time an elevator goes two floors).

- How is your solution different or better than the competition or status quo?
- What are the key benefits and features that your product offers?

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The second challenge, doing an opportunity assessment, is an easy, relatively short way to measure the stage of development of your new idea. Elements of this 12-step process include analyzing:

1. The stage of development of your idea
2. Whether your product or service is workable and feasible
3. Whether it has a defined market
4. Whether there are defined customers for your idea
5. The competition, barriers to entry, or substitutes for your idea
6. How long it will take you to generate revenue and collect payment
7. How much money it will take to launch your new venture
8. What kind of intellectual property protection you have or will require

9. What kind of entrepreneurial expertise or market experience you have
10. How much potential there is for repeat sales
11. How long it will take for you to get the product to market
12. How much e-commerce potential there is for your product.

After completing this analysis, you should choose one of three possible options. The first is to pursue the idea and move on to the next step of development, the feasibility analysis. The second choice, based on the gaps and threats you have identified, is to drop the idea and move on to something else. The third choice is to create ways to meet the challenges and refine your plan.

Doing a high-level opportunity assessment will help you quickly identify the “Achilles heel” of your idea and prevent you from wasting time and resources on an idea that is doomed to fail. In addition, it gives you the tools to identify commercial gaps and market threats that need to be confronted early in the development process.

Now that you have the skeleton of your idea, you are ready to add the muscle, nerves, and arteries by doing the next chore, performing a feasibility analysis and validating your assumptions. We'll talk more about how to do that next month.

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