

One Knight in Product - E133 - Etienne Garbugli

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SPEAKERS

Etienne Garbugli, Jason Knight



Jason Knight 00:00

Hello, and welcome to the show. I'm your host, Jason Knight and on each episode of this podcast, I'll be having inspiring conversations with passionate product people. If you'd like inspiring conversations, or indeed product people passionate or otherwise, why not head over to <https://oneknightinproduct.com>, where you can find interviews with some of the finest minds in and around product management, bins the back catalogue, subscribe on your favourite podcast app or share with your friends. If you want to throw some spare change in my cup to help with hosting fee as well. There's a handy donate link right at the top. On tonight's episode we marvel at the recently rediscovered lean B2B pyramid and wondered what we might find inside it. We talked about the core concepts of the lean B2B methodology, how it can take you from vision to product market fit some of the things you're gonna have to deal with along the way. We also consider the different types of people that might go on that B2B journey, the pros and cons of deep industry expertise, and how you might have that winning product idea without having to sit in the bathroom wait for that eureka moment. For All this and much more, please join us on One Knight in Product.



Jason Knight 01:12

So my guest tonight is Etienne Garbugli. Etienne's a multiple entrepreneur, startup founder and author of half a bookshelf worth of business books. He attends originally from Canada and has visited 61 countries in his life before recently settling in Italy, presumably looking for those fabled two pizza teams. He attends on a mission to meaningfully increase the success rate of B2B Ventures, which may or may not be impressive, depending on what the starting success rate is. But he's doing it nonetheless, with these recently released book, Lean B2B, his lean B2B podcast (I hear they'll take anyone), as well as his upcoming Lean B2B certification programme. Hi, Etienne, how are you tonight?



Etienne Garbugli 01:45

Doing well, yourself?



Jason Knight 01:46

I am doing wonderfully well. And I'm sure that you won't take anyone on the podcast and I was just the aberration that makes everyone else better. Anyway, first things first, you've got a new book out. I've got a copy of it on my vanity bookshelf. And I was very pleased to have had a chance to give it a bit of an early read. But I guess the first question I always ask a book author, or at least one there's the books actually come out is how has that been going so far, and how's version two been received?



Etienne Garbugli 02:12

It's been doing pretty good actually. So part of the, the challenge because this is the first time I do a second edition of a book. So I'm trying to figure out what the right balance is between introducing a new version of this, but also keeping the other one around because they don't actually invalidate each other. That's an expansion of the first one. But the first one is still being used by incubators by accelerators and entrepreneurs and people in organisations. So I'm trying to have a smooth transition from one to the next, which is not necessarily that easy. When you're, you're still kind of learning how to do it. I've been looking a lot of the some of the other guests that you've had that did second edition like Marty Cagan, for example. And it's been interesting the way they did it. So I'm trying to kind of figure out the right balance.



Jason Knight 02:58

Well, that's interesting, because when I spoke to Marty, all those months ago, he was very much saying that version two of his book was basically a different book. And actually, I picked up a version of the original inspire, just take a little look at that. And, yeah, it was pretty different. Like, I think the way he put it, there was almost no commonality between the two, apart from maybe some of the principles. So would you say then that your book? I mean, you touched on it just then that it's very much a progression from the original and it complements it? Are you saying that people should buy both books? Is that what you're actually saying?



Etienne Garbugli 03:30

I would not say that, I would say buy the latest version of the book, because that would be a more honest answer.



Jason Knight 03:35

But the complementary so surely that means that there's something in the first book that isn't in the second or that hasn't replaced?



Etienne Garbugli 03:42

Oh, for sure. Different case studies, different approaches, some content actually get removed

On, for sure. Different case studies, different approaches, some content actually got removed between first version second version, but I wouldn't say by both versions, although a lot of people did that. That would just be self serving, and I'm going to approach creation of content.



Jason Knight 04:01

I think it's known in B2B circles as an upsell.



Etienne Garbugli 04:03

Yeah, I'd rather upsell to the other books.



Jason Knight 04:06

That's fair enough. Well, we'll talk about those in a different episode. But what made you decide to write that second book then because it can't be a trivial undertaking? I know that, you know, it took a while we were chatting about it a little while back, I again, I was happy to have had a chance to take an early peek just to give my opinions on it. But even so it's not an easy process, right? And going through and trying to make sure that everything hangs together, updating everything, making sure that everything still fits, that you're not contradicting yourself. So a lot of work. So why did you decide to do that?



Etienne Garbugli 04:37

The short answer is that the landscape changed so much. So when I was working on some of one of my startup around there and around just before I started writing, first edition, Ira voice, basically the landscape was I was approaching VCs and a lot of times they were all focused on B2C, they're trying to change what you're working on to make it more B2C friendly. Even though your product which we'll get to besides talking about enterprise, but they're trying to bring it to you, okay? What if you try to have a free version of this and try to acquire a bunch of users and then do this. So it was kind of always difficult to get good advice and good opinions on B2B things, because a lot of the.. there have been a lot of successful B2B entrepreneurs and enterprise entrepreneurs, but a lot of their, their insights were not necessarily captured more broadly. So the landscape was a little more free, like back then. So there was there was less structured or B2B was not necessarily such a distinct thing to some extent. I remember like our approach some people to help with the the interviews when I was doing the book, some people were telling me well, B2B and B2C are the same thing. Like there's no difference. And that didn't really jive back then. And I think that's become more and more on true to some extent, but in other ways, it's kind of become, they've kind of become closer to dismiss them. If you look back at when I was writing the first edition in 2013, there were a lot less products, the companies, not everyone was controlling their budgets, there were no freemium models, there were no free trials for everything. So it was completely different landscape when companies were buying software buying technology. So just the fact that things change, but also, that there's been so many more products that become more narrow and more focused on different different functions, different teams, different different types of new needs that emerged over the years, it's just the landscape changed quite a bit. And that has made it more challenge of

trying to gain attention, and be able to speak to the right buyers, and be able to cut through the noise in crowded markets. That's been the big challenge of the courting behind this. And then from there, it's just the level of patience towards towards new products as as decreased significantly, as a lot of the euro, your audience will probably be able to test. So there's a lot of things that became harder. But there's also a lot of things that became maybe not easier, but at least there's better tooling for it. And there's easier ways to get around that. So just kind of trying to rearrange the landscape a little bit to make it a better map for today.



Jason Knight 07:11

Well, fair enough, always good to update yourself. But you say in the intro to the book, why this book matters. It's one of your headlines. So here's your chance to tell my audience. Why does this book matter? And I guess crucially, what does it give you that other B2B books don't?



Etienne Garbugli 07:28

Yeah, well, I think there's a major disconnect between buyers and corporations and entrepreneurs, maybe to challenge change quite a bit. But there's still a big difference between people that have a passion and want to solve problems and want to address opportunities. And then you're stuck on the outside of trying to figure out what are these upwards? She needs? Like, what am I? What should I be working on that actually would be impactful for these organisations? And then on the other side, there's always people in organisations who are looking for an edge in terms of internal benefits or things on the market, specifically, how do you connect these two different realities. So there's should be a match somewhere that's possible. So the book in itself is designed to help the outsiders learn how to speak the language of business so they can get in, stay in and be able to build the right things. And on your side, for companies, it helps them adapt to thinking of founders if they do want to drive your own innovation, or if you're interested in, in just adopting some of that mindset that helps them to sophisticate their offering, in terms of the market.



Jason Knight 08:31

So that's an interesting point, though, around these entrepreneurs that maybe need to have a little bit of help on the way in because maybe they've not done that before. And pretty sure it talks about this a little bit in the book. But for me, I always have this vision in my head of like a new B2B startup founder, primarily being someone who's maybe spent a bit of time in a particular industry, maybe working for the type of company that they're going to be now serving. So like, for example, they had a career in banking or working around and in and around banks. But they then decided that there was a problem that banks had that they thought that they could solve. And that's certainly something I've seen around about on my travels, talking to people when I've interviewed for jobs when I've got jobs. It's not an uncommon pattern. But are you saying that your book will also help people who maybe don't have any B2B background at all actually start to speak the language and understand the world of B2B and crucially, the organisations that they're selling to, and kind of give them that leg up?



E**Etienne Garbugli 09:32**

I think it just doesn't have a choice, to some extent, because over the course of my journey, I've stumbled on a lot of entrepreneurs who actually pivoted into B2B. So that's not at all what they were intending to work on. But at some point, it just made sense because of things we can talk about later. But there was an easier, more demand. There was a use case that was interesting from what they had built that could actually work really well in B2B or an enterprise for various reasons. There's people that didn't actually start out going towards B2B or didn't have the background and b2b, or they're just starting out, maybe they're 22. They're just coming out of school and they are starting a business. So there's a lot of different entry points into entrepreneurship, a B2B entrepreneurship. And it's a little bit of an unintended consequence. I didn't necessarily appreciate that as much as in first edition. But now I'm being a little more systematic about as I understand a little bit out of breaks down. And these all entrepreneurs also end up succeeding sometimes.

**Jason Knight 10:33**

Would you say the book is that I'm primarily entrepreneurs and people that are starting their own businesses and not so much at, for example, product managers working in B2B companies that are either working really early for a bunch of entrepreneurs, or maybe even working on green field products and expansions of product lines? Like, is there something in there for the product people to? Or is it squarely focused on entrepreneurs and startup founders?

E**Etienne Garbugli 10:59**

Yeah, that's what I would have said in 2014. When I, when I launched a book, I was actually very surprised with the amount of people in organisations that either adopted the book, the first edition for just business as usual, just adding improving their products, figuring out what to how to address their market. And as we innovate, but moving forward as well, I discovered a use case that there's these accelerators and incubators using the book and their process, there is innovation consultants, there's been all these different use cases that have come up. And in a lot of ways, that's kind of what happens with products like you, you learn something and some people either you've pivoted, you've pivoted, Oh, yeah. But like, it's also like the book was recommended to people that were outside the sector of VCs looking at the book using the book. And that's really not like a universe that I scoped, or I tried to figure it out, it just kind of happened. But it all these, these nice new discoveries kind of open up different paths that are interesting to explore. And I've tried to address some of these these, these needs without we're trying to diverge too much from from what the core idea of the books are.

**Jason Knight 12:04**

Yeah, that makes a lot of sense. But something that occurred to me while you were speaking just then was, it's almost like some companies, maybe if they are founded by those non tech, maybe industry expert type people that have had a bit of a career in whatever industry, it is that they end up serving, maybe start that company up to try and serve a need that they've identified or something that was a frustration for them. They don't really know what to do to build an effective product organisation or a startup that can serve that in a sort of tech first way. So what they do is they just kind of stumble somewhat towards some kind of product

market fit, because they know a few people, they've got a little black book with names in that they can maybe get some initial interest to. And it feels to me that a book like this can almost help to be a reset for people that maybe have found themselves hitting the limits of where they can take their initial offering, potentially, I mean, I guess the alternative view is that some of these people may be a bit dyed in the wool. And they maybe don't get shaken off very easily. But like if they are prepared to be shaken off, maybe this can kind of help reset them and get them on course, just and that's a fair aim for the book. Yeah.

E

Etienne Garbugli 13:13

But it's also like, one thing I'm seeing is there's a lot of different start points for companies, like some people have technologies that they're starting with some other people have just an idea. What if people have a feature set, they have a benefit, they have a couple sales that they got for something kind of fuzzy, there's a lot of different starting points that kind of evolve, and end up opening the situations that kind of need to reshape a little bit what they're focused on. So just giving the general thesis of what makes b2b and enterprise different, is already good start point as a minimum to evaluate whether that's a great path for these people, but also then, helping them go on the right in the right lane so they can actually find their path. One thing I've been trying to do in my mind, this book, and the ones before is also kind of make it a little more like a book where you can be the hero to some extent where you can have different thoughts, because it's never like I think that's one thing you do talk about them, you're you're on social media is there's a lot of like that rigid thinking of like, this is the way and like this is going to work for everybody like... but it's really not like that. Like there's a lot of situations, we're just understanding what are the levers and what are the different doors that are kind of in front of you, I think helps a lot in terms of just figuring out what you should be doing.



Jason Knight 14:29

Absolutely. And I think also, it's really interesting to think of this as a way where you can, for example, as a, for example, B2B PM, who's been spending a lot of time reading b2c books and consuming B2C content to actually find a book that does, at least in some regards, map out all of the differences that they are going to see between the b2c content and the b2b content and maybe even in some ways validate the experiences of these product managers, even if they're not the founders and even if they were a bit later on like you say, working on business as usual, or iterations or whatever it is that they're doing, just to kind of give them a bit of a bit of confidence that what they're doing is actually okay. And the things that they're seeing, even though it's a little bit later stage are actually normal, unexpected.

E

Etienne Garbugli 15:15

Yeah, yeah, definitely. And I think that that can also help drive new growth, like once you figure out like, okay, so I'm in this kind of situation, enterprise, here are a few few of the challenges that I should be facing, just figuring out that some of these challenges have not been addressed fully. For example, you've not met all the stakeholders, you've not figured out what the best sales process should be the people, you should be speaking with the change agents

that you're supposed to be working with, whatever it is, like those kind of open doors to systematise a little bit your approach to speed up your growth in the market if you're working on a B2B or enterprise book.



Jason Knight 15:52

Now, that sounds brilliant, but now let's maybe talk a little bit about the actual approach within the book. So the lean B2B methodology, I guess you could call it or framework or process or whatever we want to call it, I don't know what you call it, do you have a favourite word that you use?



Etienne Garbugli 16:06

I've been using methodology, but all of these kinds of work.



Jason Knight 16:09

Yeah, let's talk about the lean B2B methodology. So you frame this methodology via the b2b startup pyramid, which is brilliant, you know, everyone loves a graphic, everyone loves a step by step process. So let's go through the levels of the pyramid, talk about some of the challenges and differences and what your book can do to help with those, but not so much that people don't need to buy either version of the book. Now, the top of the pyramid is all about starting off with a vision. So defining the product or the company that you want to create. Now, is this something that can in itself be systematised? Or is it the sort of thing that really relies on that kind of jumping out the bath shouting Eureka type moment?



Etienne Garbugli 16:50

I think it definitely is a starting point, it looks so if we look at the pivot rates of companies and all this, like, that's kind of why I recommend starting with with an idea of revision, because it gives you a direction, as opposed to giving you a clear path. And then from there, you can explore different doors that are in line with that. I think the idea to define a vision is often stems from either what you mentioned before, so you have people who will work in organisation, the I've seen, unfortunately, they've seen a need, they've seen what's been going on, and that tends to be 40 to 50% of b2b founders. And then from there, there's all these other things where the starting point might not be as clear, or people might not have a vision at all. I think the one of the big, big add from the content there. And one thing that's kind of important as well is that that vision needs to be something that's solidified and shared across the early team, whether that's just founders, or that's founders plus employees, because a lot of a lot of what you're trying to do initially is set yourself up for success. So that the pyramid if we use that done metaphor, again, doesn't get fraudulent. Later on, like it doesn't become something that can easily come falling down once you're a developer and your team gets a better offer from SAP, for example, to use the worst example,



Jason Knight 18:13



Jason Knight 19:13

Yeah, well, let's not talk about that. But I mean, just on that the kind of 50% industry expert versus presumably the other 50% that are not, I guess, it's really tricky to think how someone who hasn't got expertise in say, banking, unless they're just going from a complete tech first perspective, like, you know, there's some technology that they know about, and they think that that's something that could help with a use case. And they go with that. I mean, is that the best way in for a non industry startup founder, or what have you found it to go like to start from some kind of technology, and then try and find a problem that fits it? Because as product people hate that kind of idea, you know, we were sitting there talking about outcomes over outputs, and making sure that we're concentrating on the problem and the jobs to be done not sitting there getting obsessed with or falling in love with our technology. So I guess the question is, is that okay, if they do that, or is there a better way for them to find something?



Etienne Garbugli 19:11

I don't look at it as okay or not okay, because I think that's just the reality of the world.



Jason Knight 19:17

I like to reduce things, what can I say?



Etienne Garbugli 19:19

Yeah, sure, sure. But like, I think there's always gonna be people that either need to pivot from something else or they, they were working on R&D, research, and they figure out, okay, so this is interesting. Or they were, they ended up with a product that does a couple of things. But like, there's always going to be these situations where founders will start with something that they already built, because I think that's just the nature of people, but also the nature of how things evolve and technology and things change. So I think that's one way to look at it. I think the discussion between between starting with your own domain expertise versus versus starting with a reader solution or an idea or things like that, is really In relation to the time that you have. So So one concept that I talked about is a concept from Andrew Chen called the time to product market fit, which is kind of the idea that time is a variable, depending on how much money you're able to raise how much money you have in the bank. And that that sets a little bit the possible evolution of your business. So if you have a lot of cash in the bank, you're able to explore more broadly, maybe, but if you don't, you might want to need to focus on on smaller use cases, something that you can actually deliver right now. So do you kind of need to figure out what kind of runway do you have to be able to get things out the door, I find one thing that I find really interesting with people that are going in other industries that they don't know, is because a lot of the products that people in product or in marketing on development will tend to think about are from their own industries, which are probably more saturated. And there's a lot of other industries that have needs that have opportunities that are super interesting, that can be opened up by exploring a little more broadly. But there's a cost that assets understanding how that that actually fits in. Personally, I think it's good to start with a vision, but then go explore more, a little more broadly, in segments, and then figure out from there, what are the opportunities?



Jason Knight 21:11

Yeah, and I guess also, that vision could be somewhat transformative if you're not kind of institutionalised within that industry, and can only think of things in the way that always been done in that industry. So I guess there are pros and cons to that. But let's talk about then after that, we've got our vision, we know where we're going, or at least where we want to go, we're now talking about the second part of the permit, which is around defining a market finding a wedge, and working out who you're going to go after. So what are some of the considerations when identifying a market for that initial thing or for the vision that you're trying to bring about into the world.

E

Etienne Garbugli 21:46

So the big idea there is that these things are all interrelated. So I use in my amateur book solving product as the the metaphor of the Rubik's Cube, to kind of talk about the way your market relates to your the the problems that you're seeing, or the job to be done that you're addressing. So it's all in context of this, if you change market, you don't necessarily get the same opportunities. If you change stakeholders, you don't get the same opportunity. So if we're looking at it, it's a little bit why I'm using the idea of a pyramid is because you need to solidify some of these, these learnings. So you need to identify a certain group of stakeholders that you want to serve. And then from there, figuring out what the best problems to solve, but also the best ways to actually solve those problems for that audience. So you kind of need to understand these these three different wheels that I define as a wedge in the book, as one being the market or a segment of the market, the other one being the job to be done. So what people are trying to get done. And within that context, what is the differentiated value? What value are you bringing to market, and one thing that I've been seeing in the last few years, it's that initial entry point needs to be a lot sharper or a lot, that wedge needs to be a lot sharper or a lot more precise. Because things are moving all the time. And you need to find a way to gain enough attention to be able to get stakeholders involved, want them want to give you feedback of them want to get involved, and get them to help you iterate and build something that is sustainable and can actually become a business.



Jason Knight 23:17

Some people again, maybe going back to these industry experts that are starting companies up are going to be fairly tempted to just go wide from lay off, right, there'll be sitting there saying, well, we've got something that can solve problems for everyone. So yeah, let's go after everyone, because then we've got the most chance of success. I mean, I'm gonna guess that you're gonna disagree with doing that?

E

Etienne Garbugli 23:36

Well, there's a great quote from Nathan Barry, who is the co founder, the founder or co founder of ConvertKit. He's talking about how focusing on a niche is the easiest advice to give, but the artist wants to take, I think that kind of sums it up quite well, like, so it's hard for people to understand well, so first effect, take a step back. So like the other book that I wrote before this, it's called Find your market. And it's about specifically understanding what a market is. And I'll

tell you to kind of read pivot technology or product that you have in place. So do a lot of customer research for this, I spoke to a lot of entrepreneurs, people that have products. And one thing that was really, really clear is that the idea of what a market is, is not not clear at all. So there's a lot of people that don't understand how these things work. And you do need to factor that in. I think in that thinking where just the idea of like I'll different customers relate is very important to initially because it helps you learn the same thing or we learn things that are at least giving you the right range of information. So you can actually iterate quickly and get the right things to the door. So if if you are doing the other approach that you're mentioning, where I'm I'm shooting everywhere, I'm trying to speak to people in 16 different industries that can work but that will increase your time to product market fit because you will probably be building a product that kind of that doesn't have that that 10x edge that can really get companies to adopt because The core issue today is ready to get that initial adoption. Like there's so many products that are coming out, there's so many different variations. Why would I commit time and resources to learning how to figure out this product and make it work? Like there's a lot of, there's a lot of risk, there's a lot of cost involved in adopting a new technology product, especially if it's not proven. So I need to be able to get over the hump initially to be able to convince companies to adopt so I can start learning so I can start putting things together and then do the iteration process that's required to get product market fit.



Jason Knight 25:34

Absolutely. And I'm thinking now of trademarking the concept of product market fit just as a thing that people aim for.



Etienne Garbugli 25:42

It's probably available as a domain name.



Jason Knight 25:45

So after that, then we move on to the jury. And we're not just talking about legal tech here, we're talking about building up a coalition of stakeholders that you need to engage within that target market. So what sorts of people are going after in this situation? And are there any sorts that you shouldn't?



Etienne Garbugli 26:01

Yeah, so the idea of the jury is actually an interesting story, because I got that from the MIT Entrepreneurship centre. So they don't use that anymore. And they don't use that anymore. So it's equivalent a little bit to the decision making unit or the buying team. There's different language around that. So the idea there is that depending on the type of product that you're putting together, the buyers versus the people who evaluate the technology or evaluate its merit, and people are going to be using the product may be completely different people. So when that happens, it usually means that there's there's at least someone who can veto the purchase. But there might be other people that actually need to have their input into the purchase. So that complexify is the buying process. And that is something that you need to

figure out, especially if you're working on products that are not transactional, in B2B, it's a good idea to still understand that concept, even if you're working on something that is very transactional. So if you're working on Asana, or something like that, they're like, a small version of Asana. Because you need to understand who are the stakeholders that get involved with your product, because their requirements ultimately will have an influence on whether the company buys and does the initial buying. But as well do they actually stick around later on their retention story. So you know, we've probably all bought software, technology products or anything like that, at some point, within the lifetime of the product, the product that we're using in the company, there's going to be someone in the company that will say, Well, this is not the best product for this, I know this other product that I use that that that other company that I work that and then the wheels start spinning. And then it might lead to churn and or it might lead to the product, getting people disengaging from our product. So just understanding all these different perspectives that are kind of add, adding up to the value that's expected by the organisation is really good exercise to do initially. And if you're starting out, you kind of need to figure it out just to define the right product initially, because your buyer may not be the same person that actually is deciding on what product you're using. And this technology requirements might not even be understood by the other people. So if you only have one part of the story, you may be missing key requirements that will lead to your product being the built the wrong way or being the wrong thing.



Jason Knight 28:19

Absolutely. And it speaks to that general B2B tension of buyers and users and who you speak to and whether you speak to both and whether they want the same things. I guess from what you're saying, you definitely have buyers and then the kind of retailers and all of those people that you need to basically get involved. But would you say that also the end users need to be on that panel as well on that journey? Or do you think that their needs and wants and desires are not necessarily going to map very easily to what you're trying to do from a vision perspective?



Etienne Garbugli 28:50

I definitely think that they should. I think there's really there's still realities, where that's not necessarily as important as it should be. But you need to consider it as well, that things are still evolving. And that if we're factoring in product led growth, for example, I think the entry point for technologies are going to be more varied moving forward. So it might not always be the might not always start at the top, it might start at the bottom. So you want to understand as well, that the experience that you're putting in place need to be appealing to whatever stakeholders that are involved in the the ultimate discovery and decision making process.



Jason Knight 29:28

Right. So we've done that bit and now we move on to needs. So the next part of the pyramid now we will know what needs are but in the context of the lean B2B, are we mainly talking about doing classic product discovery or customer development, whatever we want to call it? Or are we talking about something a bit different and a bit more specific to your approach?

E

Etienne Garbugli 29:47

I think there's a lot of merit in a lot of theatre, great content on customer discovery. I like the approach of Teresa Torres that I think you had as a guest. Focusing more on stories. So because he wants stories and then having the theatre insights come out of that, I think that's a good way to have an entry point. I think the way you shaped that unfortunately afterwards, there's there's specific elements, but the the fact the the interview process, we're getting to a point where there's a really good and intelligence on that. And that's truly what I tried to reflect in the book.



Jason Knight 30:19

That makes a lot of sense. And obviously, we always need to be speaking to people and the more people we speak to, the more likely we are to be able to make good decisions for them. So again, can completely recommend to his toys and the outras, all the other people out there that have written great books about that sort of stuff. But obviously, you touched on it in your book, too. But we've done all that we know what we're going to do now, we've identified who we're going after we have our jury, we know the problems that need to be solved, we're getting ready to make an offer. Now, this sounds simple, but I personally would probably argue that nothing's really that simple in b2b. So what are some of the key things to watch out for? When you've done all of that work upfront, you've done your discover, and you've got to a point where you're confident that you've got something that you want to take back to them. Anything you really have to watch out for when you're going back to people within these businesses with that proposal?

E

Etienne Garbugli 31:06

Yeah, so the value of the product is the value that that's diminished by the the risk and the cost of switching. So you need to factor in the cost involved, and the risks that are being brought on to the company. So the cost might be the training that comes with the product, just the setup process, the actual monetary amounts that you need to the company needs to pay as well the attention that they'll need to divert to the the the solution. So you kind of need to understand your perspective. So you can factor it figure out the right way to position your offering. In a way that makes sense. And at that stage, I personally recommend not to be too salesy, or anything like that, or to create like a value proposition that just really connects or that that's been tested. And it really works super well. Because what you're really trying to establish is the difference between what they have today, and what they will get in terms of benefits. And if you're selling to people that are early adopters, or early adopter ish, that have a mindset that's really focused on, on trying to find the intrinsic bit via benefits of new technology, and trying to get those competitive advantage in our company, they will be able to make that connection themselves. So you want to make your do what you position, the value of your product, as focused on on what is the new thing that is enabled, and then use that as a way to kind of test out their reaction and see what are the gaps with what you're doing. So in this edition of the book, I split up the the solution interviews in two different section two different tests. It's a little bit based on what Sachin Rekhi. So basically, what he talks about is the value of separating the value proposition from the solution. Because the value proposition can be addressed in multiple multiple ways. So you're trying to, you're trying to minimise the the investment in terms of getting a good return or good feedback on on the value that you're putting together. So you

want to focus on the value, and as minimum as possible, have a solution to be able to just get feedback and start learning there and get that feedback cycle. So you can you can start learning about the actual benefits that you're thinking about putting in place.



Jason Knight 33:14

Yeah, that's super interesting. And something that really resonates with me this idea that you kind of want people to buy into the vision more than anything else. You want to get things into people's hands, of course, there needs to be some kind of something that they can actually interact with in due course, but trying to just sell you're not quite done solution yet to people, because it's really early and it's very minimal, then, if that's all you're basing your early sales on, or your pre sales or whatever it is that you're doing, then people are automatically going to start to compare you against much better solutions that do that. And God knows how many different ways because of all the inbuilt advantages that they have from having been in the market for God knows how long so? Yeah, I think absolutely, that idea of separating solutions from value is, is really powerful.



Etienne Garbugli 33:59

Yeah, and through that process, you're trying to build the relationships because there's, like, logically, it doesn't really make sense to buy from a startup that doesn't have any case studies as unproven anything, it might be these two guys, or these two girls that are coming out from city, you've never heard of it. There's a lot of things that are kind of, kind of against the the founder, So factoring in that you need to kind of create that relationship that helps the company feel confident in making that purchase is really important.



Jason Knight 34:28

Absolutely. Well, we've done all that work to the last stage of our pyramid, which is good, because you know, I know you're a busy man, and you probably want to go and have some dinner or something. But we're now up for solution. And we're going to build out an MVP in true lean style, obviously, lean B2B does suppose that we're going to be being a bit lean at some point. In fact, you could probably I agree, it's all been pretty lean so far, but we're going into the business and we're making an MVP. Now, the concept of an MVP is a bit of a mess these days. And I think someone said to you and if you ask 10 Different people or MVP means you'll get 11 different answers. Because people think it's either a prototype or it's a mock up, or it's a fully functional thing. They start thinking about MVP one, and MVP two and MVP three. And there's not really any consistency. I personally don't like the term anymore, because I think that it is one of those things that just reflects whatever the person who listens to it thinks that it means. And that may be not what it actually means. But anyway, let's assume that it does mean what it means we're putting out a basic, minimal version of the of the thing that we can learn from, and start to understand the value that people are going to get from it. And where we should go next, effectively based on that initial learning that we've made, or that we've received. But in some more risk averse industries, people don't really want to buy that kind of stuff, they don't want to pay for it, maybe you don't even really want to participate in it. Because let's think of say, a bank or something like that. Like it's gonna be tricky enough to get into those people in the first place, let alone getting some kind of half baked solution in front of

them to try and get feedback from them. So how minimal can your MVP really be if you're selling into some of these types of companies out there? Do you think this approach works for all of them? Or do you think that some needs to be sort of beefed up a bit more?

E

Etienne Garbugli 36:13

I think that's (1) it's a great question (2) It's a, it's definitely a challenge that I've debated over in the past year, year and a half. So one of the theatre person that reviewed the book is a CIO at a big company. And he was mentioning that he would never buy into this. But then there's other situations where companies do. So the I think the overarching message, I think, kind of needs to come across here is that you're trying to minimise whatever you're putting together to be able to start learning and start iterating. So I agree, I agree with your thinking about the MVP, like I've really debated about using the term. But it is a lean approach...



Jason Knight 36:54

And we can't have Lean without MVP, right?

E

Etienne Garbugli 36:57

Yeah, apparently. And that has been a big debate there. So I think ideally, you go for the less cumbersome version of the product that you can put together that delivers some level of value in early on the issues, and you need to deliver the outcome in full. So if they're buying into a certain certain type of value, you need to be able to deliver that. I think one thing that is important to turn to standards that you want that relationship to be understood as well that that this is not the finished product, this is just the one person that I was I was speaking with for the book was was suggesting, using the term proof of concept a little bit instead of MVP, which kind of make sense a little bit as we were setting something up, this is the first version tell us what you think. And then we're going to be iterating. They're like everything here. None of this actually works. If you're, if you're not building relationship, if you're not, you're not staying close to the prospects and you're working on working closely with the organisation, the more proximity you have in b2b, the more likely you are to be able to build the right thing. But as well build it the right way, if you're trying to to and that's the image that I use on my website is just throw something over the wall and then say, and try to look at an ethics, I don't think you're going to be successful. And I would argue it's the same thing, even if you're working on something that is super transactional, you want to be as close as possible to the prospects. So the idea is to create a relationship that makes them comfortable in working with something that is very minimal. Understanding that there's a transition from from A to to this nation that they're actually try and to, to get to. One thing that I think is important to flesh out there as well is that you're trying everything that you ship should reinforce their belief that you are a good vendor, that will be able to get them their solution. So if you're you're you're shipping something that is crappy, and they don't see a future in initially, your your base, they're basically going to disconnect. So there's a lot of pilot projects or free trials or whatever you want to call them data that just get abandoned. Yeah, and because they have other things to do and their pride, their their time is one of their most important assets. You want to layer things that sort of in a way that convinces them progressively that you will give them the outcome that they actually seek.



Jason Knight 39:19

That again, makes a lot of sense. So we've done all that we've got past the MVP. We're out of the pyramid, and we're into the post pyramid world. And we're marching now, hopefully towards product market fit. He talked about product market fit a little bit earlier in the time to product market fit, versus just having some kind of solution that resonates with some early adopters and people that have spare change in their pocket that they're trying to get rid of. So what are some of the considerations for kind of what comes next like on that marks towards product market fit and making sure that you take the learnings from that MVP and go into a wonderful future and make loads of money? Is it just about kind of looping around and starting another pyramid or is look a whole different world ahead of you after.

E

Etienne Garbugli 40:03

So it is about making the promises that you've put with your value proposition, a reality, so you can actually deliver what you were, you had promised. And hopefully you get to a sense of product market fit, which is another term that I wasn't 100% sure that I wanted to use in the cover up, the way people understand that face. I think if we look at it, from a B2B perspective, the idea of product market fit that is that what you put together is actually becoming a key component of the workflow or the work landscape of people for specific job or specific tasks that are working on. So depending on the natural cadence of the job, that you're you are addressing with your product, it's that a certain percentage or a certain part of the audience that you're is using your product uses it for the the benefits that were intended. And I've made it part of their workflow and Mark part of their reality. So I think that's where you get at, you want to, you want to get to a point where you've removed all the friction, and you've you've made the benefits, so tangible and great that your organisation is just saying, let's go with this, we're going to be investing our future in this solution. And then we're going to be, we're going to be in business.



Jason Knight 41:22

We're gonna be billionaires! But aside from the book, you're also starting up a lean b2b programme certification programme, which I'm assuming covers a lot of this in more detail, and goes a lot deeper and into even more depth and more richness than the book can ever get into. But certifications don't necessarily have the best reputation in product circles or agile circles, and probably lean circles as well, if I check. So what's the approach behind your certification? And why do you think people should go and get one when it's coming out in a couple of months or months time? Or whatever that is?

E

Etienne Garbugli 41:58

Yeah, yeah, I think you you might be noticing a pattern of me being uneasy with certain terminology. So yeah, so certification, I think it makes sense. There's, there's different benefits around that. So I'm putting together a certification because there is, I get a lot of feedback from different organisations that are trying to address adopt a methodology, there's, there's gaps, there's things that are not working. So I'm trying to help intrapreneurs innovation leaders,

product teams, adopt a methodology fully, that involves, obviously the fact that that there is a lot, there's more hands on work that's required to actually apply something a little more fully in our organisation, as you've definitely seen with agile and other different methodologies to bridge the gap between what's in a book and I'll that can actually work within the context of the organisation, but also how you can actually make the the relationship aspect of the the implementation of their work, work as well. So it's connecting all these different parts that people need to deal with in organisation. And the idea is to be able to put all that together. The reason why I'm putting it as a certification is because there are people who are selling my methodology as their works. That's one part as well. There's people in organisations that are in that direction as well, that are the go to expert for things around that. Sometimes you just formalise that and make that as valuable as possible.



Jason Knight 43:28

So you're basically fighting back against the counterfeiters, and the fraudulent B2B experts out there and trying to claim it for yourself.



Etienne Garbugli 43:37

Not at all, actually, I'm super happy that people are innovating in B2B, whatever the format is. And I think that's one thing that I'm trying to get across is that, like, there's not a one size fits all. But there are different paths that were better or different decision points that kind of need to be understood in certain situations that can help increase the success rate of B2B Ventures as we're book-ending the whole thing.



Jason Knight 44:05

No, absolutely. And I'm sure you get a lovely certificate with a frame as well. And where can people find you after this, if they want to find out more about the book, building b2b products in general, or maybe even check out whether they get that lovely certification in a frame.



44:20

So I'm lucky in the sense where my name is a little bit weird or different. I'm the only Etienne Garbugli on the internet. So you can find me by just typing my name. Otherwise, <https://leanb2b.co>, or <https://leanb2bbook.com>. And then I can you should be able to find your way from there.



Jason Knight 44:39

All right, well, I'll make sure to link that all into the show notes. And hopefully you'll get a few early adopters or jurists or whatever we want to call them heading in your direction to find out a little bit more. Well, that's been a fantastic chat. So obviously really appreciate you taking the

time to talk about some really important topics and wave the flag once more for building B2B products. Y'know, something that's very dear to my heart. Obviously we'll stay in touch. But as for now, thanks for taking the time.



Etienne Garbugli 45:05

Thank you. Thanks for having me.



Jason Knight 45:09

As always, thanks for listening. I hope you found the episode inspiring and insightful. If you did again, I can only encourage you to pop over to <https://oneknightinproduct.com>, check out some of my other fantastic guests sign up to the mailing list, subscribe on your favourite podcast app and make sure you share with your friends so if you and they can never miss another episode again. I'll be back soon with another inspiring guest but as for now, thanks and good night.