

The ABCs of creating a startup



MVP: A QUICK OVERVIEW

Every major product starts with an idea, but turning it into a full product takes time and resources. **Minimum Viable Product (MVP)** helps entrepreneurs test concepts with minimal investment, reducing risks and validating ideas in the market.

WHAT IS AN MVP?

An MVP (**Minimum Viable Product**) is the simplest version of a product, built to test the idea with real users. It includes only the most important features needed for basic functionality.

KEY POINTS ABOUT AN MVP:

- ✓ **Pilot version:** First working model, beyond a prototype;
- ✓ **Core functionality:** Includes only must-have functions;
- ✓ **User feedback:** Released to real users for testing.

WHY BUILD AN MVP?

- **Test** the product with minimal investment;
- **Identify** strengths and weaknesses;
- **Validate** the product's viability;
- **Gather** feedback from the target audience.

BENEFITS OF MVP DEVELOPMENT

MVP lets you test your product with little investment. This helps you understand if there is demand before investing a lot of resources.

Test ideas early

Confirm viability

Reduce financial risks

Spot trends for development

Cut development costs

Speed up bug fixes

Build user base




Claim market niche

Attract investors first

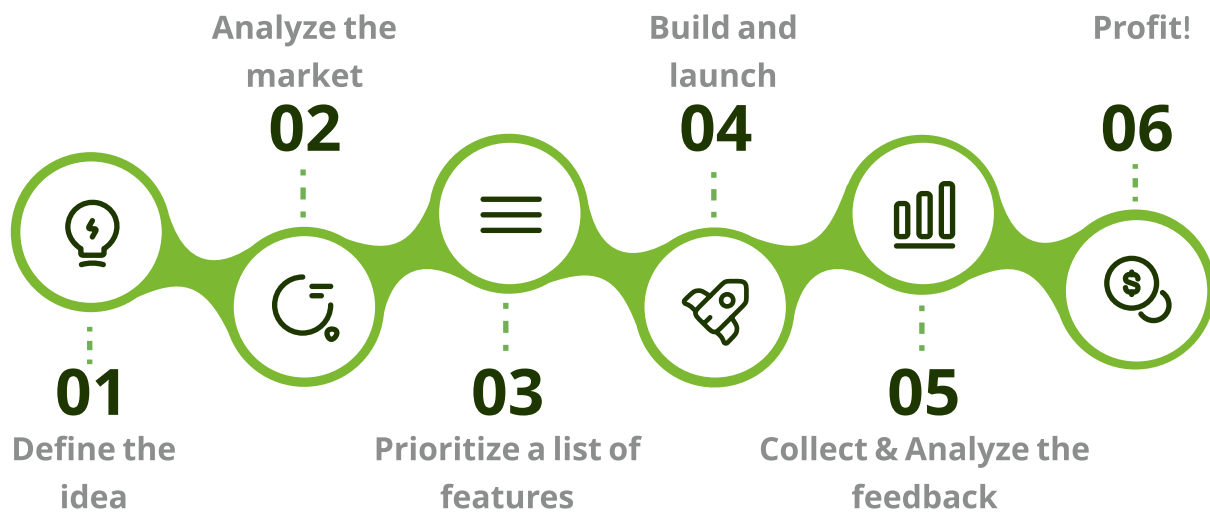


PROTOTYPE VS MVP VS POC

Today, companies use **Prototypes**, **Proof of Concept (PoC)**, and **Minimum Viable Products (MVP)** to test their product ideas before fully developing them. This approach helps validate their ideas and ensures success without spending too much money.

	 PoC	 Prototype	 MVP
	Visual model to showcase and test basic usability and design	Validates the feasibility and potential of an idea	Minimal working version for real user feedback and validation
Goal	Validate the feasibility of an idea	Demonstrate product functionality	Test market with core features
Focus	Technical and market demand	User interface and experience	Core functionality and value proposition
Revenue	Not intended for profit	Not aimed at generating revenue	May generate initial revenue
Outcome	Decision to proceed or pivot	Refined design based on feedback	Validated product concept for further development

STEP-BY-STEP PROCESS



Stage	Time	Description
Business Analysis	20-40 Hours	Identify business needs, and target market, conduct competitor research, and plan KPIs.
UX Design	10-30 Hours	Create wireframes and design an engaging user experience based on business logic.
UI Design	20-40 Hours	Develop the visual appearance, including shapes and consistency, according to the UX guidelines.
Coding	2-6 Months (240-720 Hours)	Front-end and back-end development, ensuring seamless server communication and stability.
Testing	Ongoing	QA testing for bugs and improvements during development; runs parallel to coding.

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COST BREAKDOWN

WHAT DOES THE MVP PRICE DEPEND ON?

Geographic Location	Expertise and Specialization
Outsourcing Preferences	Complexity of the Project
Development Team Size	Technology Stack

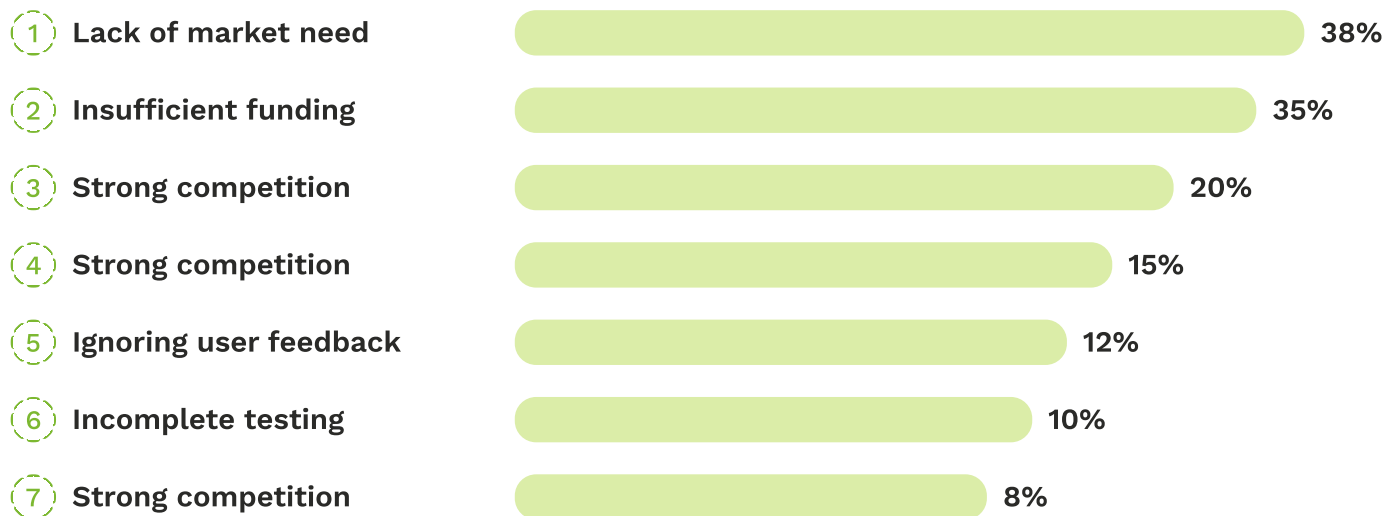
Now let's be more precise. If we take an **average development rate of \$50/hour**, creating basic features software will cost around \$25,000. More complicated products will cost \$50,000, but the most complex ones will cost more than \$120,000.

Type of Software	Filling	Average Cost (thousand USD)	Allocated Time
Simple MVP software development	Basic-functional MVP, primary interface, one platform	25-50	2 – 3 months
Medium-complexity MVP software development	Comprehensive functions, specific interface, one platform	50-120	3 – 6 months
MVP comprehensive app	Advanced high-level features, custom-designed interface	120-250	6 – 9 months and more

WHY DO MANY MVPS FAIL?

Unfortunately, not all MVPs achieve success. Several factors can contribute to their failure, and sometimes even minor issues can jeopardize the entire project. **Common mistakes** include insufficient market research, neglecting user feedback, and unclear objectives, all of which can lead to a product that fails to meet user needs or market demands .

STARTUP STATISTICS & IMPACT OF MVP APPROACH



FINAL POINTS

MVP is created not for technology testing but to verify in practice whether the users need such a product and whether the hypotheses underlying the business model are correct. The main purpose of the MVP is **to minimize the time and effort** spent on testing the market response to the idea.

NEED **MVP** DEVELOPMENT TEAM?

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With our deep understanding of startup challenges and our commitment to innovation, we'll help turn your idea into a product that resonates with users and attracts investors.



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