

Introduction

The model separates your proposed new venture into seven "domains": four that look at the small-scale (micro) and large-scale (macro) aspects of your market and industry, and three that focus on your team.

When you look at each of these domains and ask key questions about each, you'll have a clearer idea about how likely your business idea is to succeed.

You'll also identify possible challenges that you'll need to address when you write your business plan. This is especially important if you need outside funding for your business.

<http://tetuanvalley.com/2010/11/how-to-validate-your-business-idea/>

Framework's 7 Domains

This framework divides the idea into 7 different domains to check, as a result of looking at the market and industry domains at the macro and micro level, and including an additional team domain composed of three sub-domains. In summary, the 7 domains to investigate are:

Macro-level Market Domains (2)

■ **Market attractiveness:** how large is the market and what's the growth rate? How can you justify it? What external factors (economic, demographic,...) might affect the market?

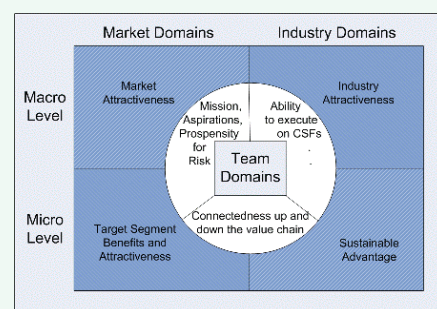
■ **Industry attractiveness:** Can you define the industry you will compete in? How is competition? Are suppliers/buyers strong or weak in the industry? How are the competitive forces in the industry?

Micro-Level Domains (2)

■ **Target segment benefits and attractiveness:** Is there a target market segment big enough to enter? Do we provide superior benefits to customers in this segment? Do you know who are these customers?

■ **Sustainable advantage:** Do you have patents or other proprietary elements that defend you from competition? Do you have a superior organization or culture difficult to imitate? Is your business model economically viable considering all revenue, costs and sources of financing?

Mullin Domains



Team Subdomains (3)

■ **Mission, aspirations, propensity for risk :** Are you passionate enough for your idea? Are your aspirations aligned with what the venture can deliver to you? What sort of risks are you willing to take?

■ **Ability to execute on critical success factors:** Do you know the critical success factors (CSFs) in your industry? Is your team able to deliver as group on every one of these CSFs?

■ **Connectedness up, down, and across the value chain:** Who do you know up, down and across the value chain of your venture?