# Before you build

*The five tests a B2B opportunity must pass*

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## A founder doesn’t go to market to discover. A founder goes to market to seek permission to continue.

The question that should obsess anyone before investing time, money, or reputation in an idea is actually quite simple: **what would have to be true for this opportunity to work, and what evidence do I have that it actually is?**

Enthusiasm does not answer the question. Evidence does. That’s where a deeper problem appears.

Most founders don’t invent the evidence they need to keep moving forward. But some of them cheat themselves in a more sophisticated manner: **they interpret real evidence in the most convenient way possible to keep moving forward**. The data doesn’t need to be false. What can be false is the role we give it in our reasoning.

A positive interview becomes validation. A first customer becomes proof of a market. An obvious problem becomes demand. An attractive category becomes a business model. The problem is that we can use true information to support a conclusion that has not yet been demonstrated.

That is why, more than a method for finding good ideas, a founder needs a way of thinking that makes it harder to turn a bad idea into a business. And given how easy it is to generate ideas, products, and prototypes with artificial intelligence, that discipline is more important now than ever.

## A problem is not demand. Demand is not a market. And a market is not necessarily a viable business.

I learned this distinction the hardest way possible: by co-founding a stock management business for dental clinics, and failing. We had a real problem: manual processes, expired materials, tied-up capital, hours lost every week. And the product we built was technically solid. Excellent, even. But the business never took off. Three years, tens of thousands of euros, and a friendship later, I understood why. **We had confused product viability with market viability.** They are not the same thing.

From that experience, I did not extract a formula for predicting the future. I extracted a more uncomfortable way of asking questions. **What would have to be true? What evidence should exist if it really were true? And what evidence would force me to change my mind?**

That is the purpose of the five tests that follow. They are not designed to prove that an idea works. They are designed to make it harder to convince yourself that it does.

## The method I use

A B2B market opportunity has to survive five independent tests:

| Condition | The question it answers | Trap to avoid |
|---|---|---|
| **Problem** | Is it important enough to be worth solving? | Borrowed intensity |
| **Urgency** | Is solving it a priority now? | Tamed pain |
| **Decision** | Who has to say yes for the purchase to happen? | Misplaced enthusiasm |
| **Access** | Can we reach enough buyers? | First yes mirage |
| **Economics** | Is there enough margin after selling, implementing, and serving? | Category prestige |

The five conditions are not a funnel or a sequence. You do not have to pass one to move on to the next, and there is no particular order. They are five independent tests of the same opportunity. And that matters because failing just one condition can be enough to kill a business, even if the other four work.

You can have a huge problem and no urgency. Urgency but no identifiable buyer. A clear buyer but no way to reach them. An accessible market with margins that cannot support a business. Or the most frustrating combination of all: an extraordinary product that perfectly solves a problem nobody considers important enough to pay to solve.

The mistake is looking for global confirmation that «there is a business». An opportunity does not need to feel good as a whole. It needs to survive specific questions.

That is why I prefer to think in terms of **permission to continue**. Each test should increase our confidence only when evidence appears that can withstand an alternative interpretation. And when it does not, the answer does not necessarily have to be abandoning the idea. It might mean changing the segment, modifying the proposition, finding another buyer, or rethinking the economics. What matters is knowing **which parts of the opportunity have actually been demonstrated and which ones we are still assuming**.

## Is it important enough to be worth solving?

A problem can exist without occupying any meaningful space in the mind of the person who has it. If you have just eaten, an Uber Eats ad means nothing to you. If it is eight o'clock on a Friday evening and your fridge is empty, the same ad feels like a godsend. The problem is the same. Your relationship with it is different.

Most products operate in much more ambiguous territory than hunger. And this is where founders repeatedly make the same mistake: **confusing the objective severity of a problem with the subjective intensity with which the customer experiences it**. I call this **borrowed intensity**.

### It means attributing to the customer the same urgency, discomfort, and clarity of judgment that you feel when looking at their problem from the outside.

You see it quantified. You have compared it with a better alternative. You have calculated how much money could be saved. You have imagined what the company would look like if it disappeared. The customer, by contrast, lives with it. And living with a problem changes our relationship with it. What looks from the outside like an intolerable inefficiency may have become, from the inside, a perfectly acceptable routine.

That is exactly what happened to us with inventory. We saw expired materials, tied-up capital, and hours lost. The problem was real. But the fact that it was real did not answer the question we needed to answer. **What is this person doing about it right now?**

The question matters because behavior often contains information that conversation does not. Someone who has built a spreadsheet, hired a person, bought an imperfect tool, or designed a manual process is revealing something: they are already paying a cost to reduce the problem. That does not guarantee there is a market. But it is evidence. **A serious problem is not the same thing as a problem someone will pay to solve**.

# Strategic implications

| Diagnosis | *Go-to-market* principle |
|---|---|
| 1. Look for someone who has tried to solve the problem themselves, even if imperfectly. If you cannot find anyone, be suspicious.<br><br>2. When conducting market research, do not simply ask whether something is a problem. Ask what they are doing about it right now. Treat behavior as evidence and opinion as a hypothesis.<br><br>3. Distinguish between a felt problem and a tolerated problem. The latter can exist for years without becoming a purchase. | If the problem is being tolerated rather than felt, you cannot build your positioning around pain alone. The customer has already learned to live with it.<br><br>In that case, go-to-market changes: you need to create awareness before trying to create preference.<br><br>Make the cost of staying the same visible, show a consequence the customer has not yet considered, or find a subsegment for which the same problem is already important enough. |

## Is solving it a priority now?

An important problem is not enough. It has to compete with the buyer's other priorities and win. Urgency is particularly deceptive because it is easy to declare. If you ask someone whether a problem is urgent, they will probably say yes. If you ask what they would do if they could solve it tomorrow, they may even get excited about the idea. But real urgency is not declared. **It is demonstrated through behavior.**

At our pilot clinic, the inventory problem was real and costly. But the clinic had been operating with that inefficiency for years, just like many other dental clinics. Some better, some worse, but all of them still functioning. Nobody had closed because of inventory.

That changed the way I understood urgency. We had found a problem. We had quantified it. We could explain perfectly why our solution was better. But we had not yet found a sufficiently strong reason for the buyer to displace other priorities and act now. It was chronic pain, not acute pain. I call this pattern **tamed pain**.

Some problems create a permanent loss without triggering a decision. The cost exists, but it has been incorporated into the normal operation of the business. It gets budgeted, tolerated, and forgotten. That is why an opportunity does not depend only on how much value a solution can create. It also depends on **what makes that value matter now**. Every opportunity needs an activation mechanism. It could be a regulatory change, a new hire, an expansion, a margin decline, a new competitor, a deadline, an acquisition, an incident, or any event that changes the problem's position in the hierarchy of priorities.

### If there is no event that makes the problem move up that hierarchy, perhaps you do not have an opportunity. You just have a permanent inconvenience.

# Strategic implication

| Diagnosis | *Go-to-market* principle |
|---|---|
| 1. Ask what this person is doing right now to solve the problem. If they have already committed resources, even imperfectly, that is a real signal.<br><br>2. If your solution disappeared from the equation tomorrow, what would actually happen in this person's life?<br><br>3. Look for a threshold. Is there a moment, date, or incident that turns this chronic problem into an acute one? | If the problem is chronic, it is a mistake to sell urgency that does not exist.<br><br>Find the subsegment where the problem has already become a priority, or identify the event that activates it. The market is not always made up of people who have the problem. Sometimes it is made up of people who have just crossed the threshold that makes it impossible to keep tolerating.<br><br>This also changes the message. You do not always have to convince someone that your solution is better. Sometimes you need to find someone for whom continuing without it has just become the worse option. |

## Who has to say yes for the purchase to happen?

The intuition is that whoever has the problem is the person looking for the remedy. In B2B, that is often not the case. And when it is not, everything you have learned about the problem and the urgency may be of little use, because you have been talking to the wrong person. That was another one of our mistakes.

We had an enthusiastic ally. They understood the problem perfectly, understood the value of the solution, and wanted it to work. They were simply in the wrong place in the org chart. We read their enthusiasm as a green light. In reality, it was a signal that we had found someone who could help us understand the problem, not necessarily someone who could buy the solution. I call this **displaced enthusiasm**.

In b2b, the value of a solution does not exist in a single perception. There is a small amount of politics around every purchase. One person experiences the problem. Another recognizes it. Another may recommend the solution. Another decides. Another pays. Another can veto the purchase. Another has to implement it. They are not always different people. But you cannot assume they are the same.

### To close a sale, you need several perceptions to align for long enough for the company to act.

That means an opportunity is not validated simply because someone says, «I need this.» It is validated when you understand **what has to happen inside the organization for that need to become a decision**.

## Strategic implications

| Diagnosis | *Go-to-market* principle |
|---|---|
| 1. Do not limit yourself to finding a decision-maker. Ask who actually has to say yes, and how much it costs —in time, trust, and internal politics— to reach the necessary people. | When the person who experiences the problem and the person who pays are not the same, you do not have a single sales message. |
| 2. Map the different points: who experiences the problem, who recognizes it, who recommends, who decides, who pays, who can veto, and who implements. | You have, at minimum, two communication problems. One needs to create enough pressure from below for the problem to gain priority. The other needs to justify from above that solving it is worth the investment. |
| 3. Ask what each of those people would have to believe for the purchase to move forward. They do not all need the same argument. | B2B go-to-market is not simply about finding the buyer. It is about understanding the decision system that turns a need into a purchase. |

## Can we reach enough buyers?

Suppose you have a real, urgent problem and you know who decides. You still have a much more prosaic question: **Can you reach those buyers with the resources you have and at a cost you can afford?**

This is where another mirage appears. You go to a trade show. Six out of ten people show interest. You leave thinking you have found a market. But at a trade show, you do not find a market. You find an extraordinarily biased sample of the market: people who decided to attend a trade show, who are predisposed to hear proposals, and who have agreed to talk to you.

The problem is that **you do not know how representative they are**. Something similar happened with our first clinic. It was a customer with a particular interest in the problem. That allowed us to make a sale. But it did not tell us how much it would cost to get the second customer, the fifth, or the fiftieth. It took us too long to understand a fundamental distinction.

### The first customer proves that someone can buy from you. The 50th customer proves that an accessible market exists.

There is an abyss between the two. A business can have demand without having distribution. It can have a large market on paper without having an economically viable way to reach it. This is **the first yes mirage**. The first yes is seductive because it turns a hypothesis into a real experience. But it can also be dangerous because it makes you forget everything you still do not know.

# Strategic implications

| Diagnosis | *Go-to-market* principle |
|---|---|
| 1. Is there a channel —digital, physical, institutional, relational— through which you can reach enough buyers, not just the first twenty who already know you?<br><br>2. How much does it cost, in money and time, to activate this channel for each new customer? Does that cost remain reasonable as you grow, or does the channel run out?<br><br>3. If your existing relationships disappeared tomorrow, would you still know how to acquire customers?<br><br>4. Imagine you have to acquire customer number fifty. Where would you find them? What would have to happen for them to listen to you? | Do not design your go-to-market strategy around your first customers. By definition, they are the easiest and least representative. Design it around customer number fifty, and honestly ask yourself how you will reach them.<br><br>Can you repeat the sale *easily*?<br><br>An isolated sale demonstrates that a possibility exists. A repeatable system demonstrates that a route to market exists. |

## Is there enough margin after selling, implementing, and serving?

The previous four conditions can convince you, reasonably, that there is a business. The business can still not be worth pursuing. Because the value you are able to capture has to exceed the cost of capturing it: customer acquisition, implementation, and service. Not just the price the customer is willing to pay.

We usually evaluate this condition when the product has already been built, when the other four have already been validated. You arrive with high morale because the other conditions have been validated, only to discover at the last minute that the numbers do not work.

It is a dangerous order.

Because after everything above, you can discover that **the business works and still is not worth pursuing**. That became particularly obvious in our case. I had read Naval and wanted to have a software business because I associated software with leverage and near-zero marginal cost. But we had software and, economically, we did not simply have a software business. There was installation, hardware, suppliers, operations, and ongoing support. The code could be replicated at almost no cost, but the system could not.

That revealed another reasoning error that now seems fairly common to me: **category prestige**. We like to think we are building «software», «consulting», «marketplaces», «SaaS», or any other category because each one comes with an associated economics, narrative, and set of expectations.

### But the category you use to describe the business does not determine its economics.

The economics are determined by what you actually have to do to acquire, deliver, and retain a customer. You have to answer this question honestly: **What business am I *actually* building?**

# Strategic implications

| Diagnosis | *Go-to-market* principle |
| --- | --- |
| 1. Add up everything it costs to reach the customer, sell to them, implement the solution, and serve them once it is installed. Not just the cost of producing the product. | Go-to-market does not end when someone buys. |
| 2. Think in terms of the customer's entire lifetime. The value they generate over time has to exceed, with a reasonable margin, everything it cost to acquire and serve them. | A sale that requires too much effort for the margin it generates is not a good sale. A customer who requires too much service can destroy the economics that seemed to exist in the model. And a product that sells easily but is abandoned before the acquisition cost is recovered can be a worse business than it appears. |
| 3. Ask how much of the economics depends on human labor, operations, support, or relationships that do not appear when you describe the product. Run the numbers before falling in love with the category. | The real economics of the business begin where the product story ends. |

# VI. Whole picture

Five independent conditions. Failing one may be enough to sink the business, even if you have solved the others.

| Condition | Bias the misleads you | Question breaking the trap |
|---|---|---|
| **Problem** | Borrowed intensity | What is this person doing about it right now? |
| **Urgency** | Tamed pain | What would happen if your solution disappeared tomorrow? |
| **Decision** | Misplaced enthusiasm | Who actually has to say yes? |
| **Access** | First yes mirage | How will you reach customer number fifty, not the first or tenth? |
| **Economics** | Category prestige | Do the numbers work today, with real costs? |

Their value lies in forcing you to separate what you know from what you assume. That may seem like a small distinction until you have money, time, reputation, and years of work committed to an idea. Then it becomes rather important.

What surprises me most, looking back on my own experience, is how easily an idea can seem solid when it has only passed two or three conditions. Every partial combination has its own appeal. Its own way of looking, from the inside, like a real opportunity.

The method does not eliminate the illusion altogether. I suspect that is impossible. But it makes the illusion a little harder to sustain. And that is usually enough to avoid repeating the three years I left behind.

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