URL: https://ecorner.stanford.edu/?post_type=snippet&p=63164

Alberto Savoia, Google Innovation Agitator Emeritus, describes the principle behind the "facade pretotype." He explains how, with some subtle slight of hand, two innovative teams were able to gain powerful market insights at almost no cost.



## Transcript

- The facade pretotype.. CarDirect wanted to know at the beginning of the Internet, would people buy used cars online? So what did they do? Did they buy cars? Did they have a big complicated website? No.. They had a very simple website with just a few cars.. No cars in inventory.. They advertise it, and miraculously, the first two days they sold four cars.. So immediately they shut down the website, they bought four cars at retail, sold them at retail.. So they lost a few hundred dollars on each car, but what did they gain? YODA.. Right? YODA.. Nothing is more valuable than a check.. Right? A check tells you that people really want your product..

I'd rather have a one-page business plan, an outline with four checks stapled to it, then a thirty-page, highly detailed business plan with all kinds of charts.. Another example of pretotyping is from IKEA.. This team in San Francisco came up with a really simple product called the Wall Hub.. It's a piece of plastic where you put your keys and your mail.. They wanted to know, would people buy them? Should we have 10,000 built? So then they thought, where would people buy this? IKEA.. So they did something very clever, they went on eBay, they bought the used IKEA employee's shirts, so they could pretend that they were an IKEA employee.. Then, they created the fake label for their product.. Of course, they had to change it to an IKEA name, like Walhub.. And they put this label, and then instead of shoplifting, they entered an IKEA store and placed their product on some free shelf space.. And then they watched to see if anybody would actually stop and buy..

And lo and behold, you can watch the video, I put the link there.. People actually took it, put it in their cart, and everything worked fine until they got to the cashier.. Because things got a little confusing.. But would you agree that if I took two Walhubs in my cart, is that opinion? Is there other people there? No.. That's YODA.. That's the most valuable thing you can have...