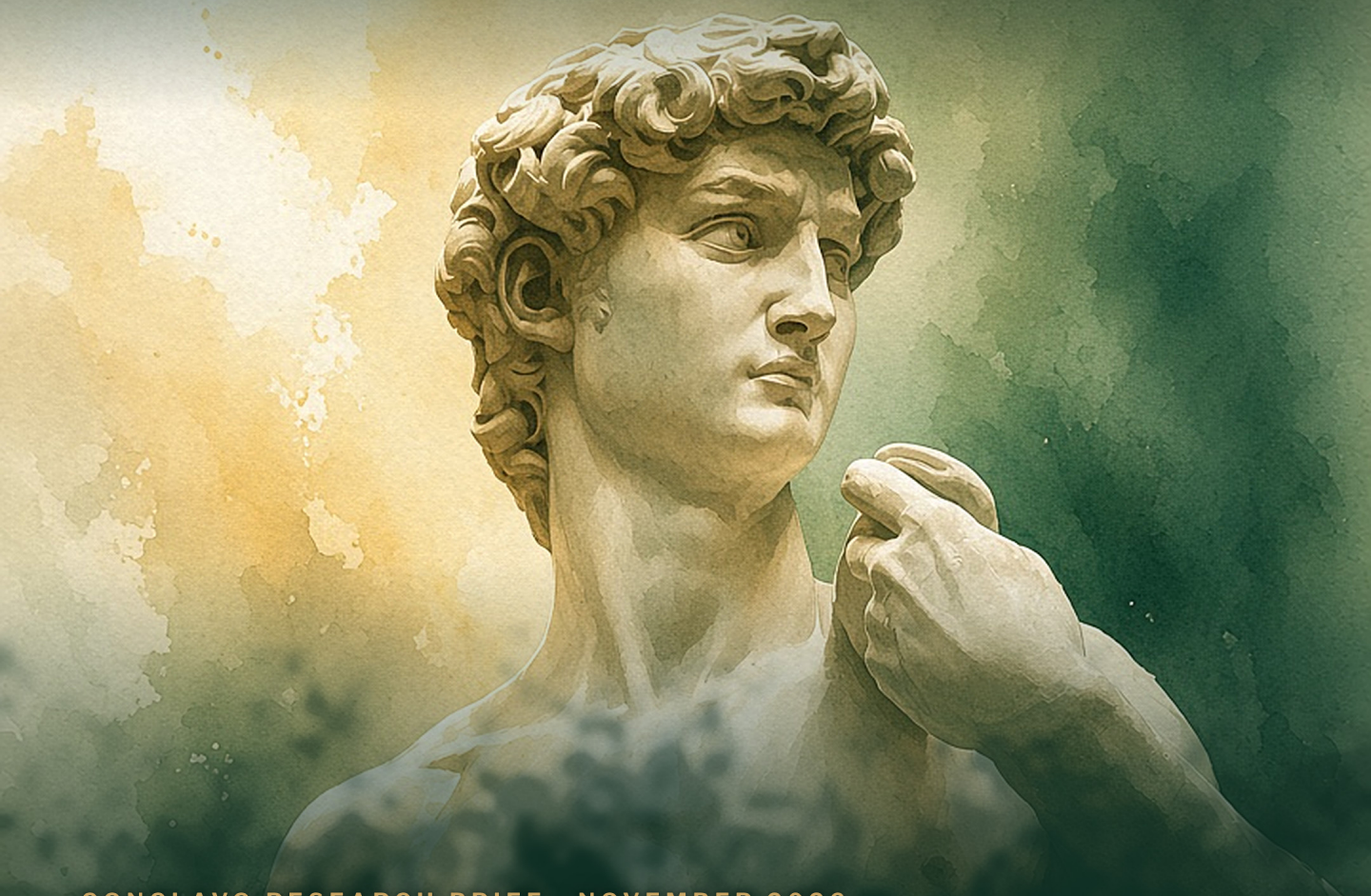
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CONCLAVO RESEARCH BRIEF · NOVEMBER 2026

Does testing ideas before launch pay off for small companies?

Evidence from 36,000+ companies.

By Eric Gutiérrez · @EricXProfile

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In a trial of 759 small firms, those taught to test their ideas dropped bad ones sooner and earned more.

Testing doesn't make ideas better. It kills bad ones sooner.

FIG. 1 Firms taught to test vs. firms that weren't

Bad ideas dropped	+9.8 pts	p = .001
Dropped them sooner by	2.7 weeks	p = .009
Extra revenue per firm	+$7,900	p = .03

n = 759 small firms · 4 randomized trials · Milan, Turin, London · 2016–2019

Dollar figures converted from euros at $1.13 per € (ECB average, 2016–2019).

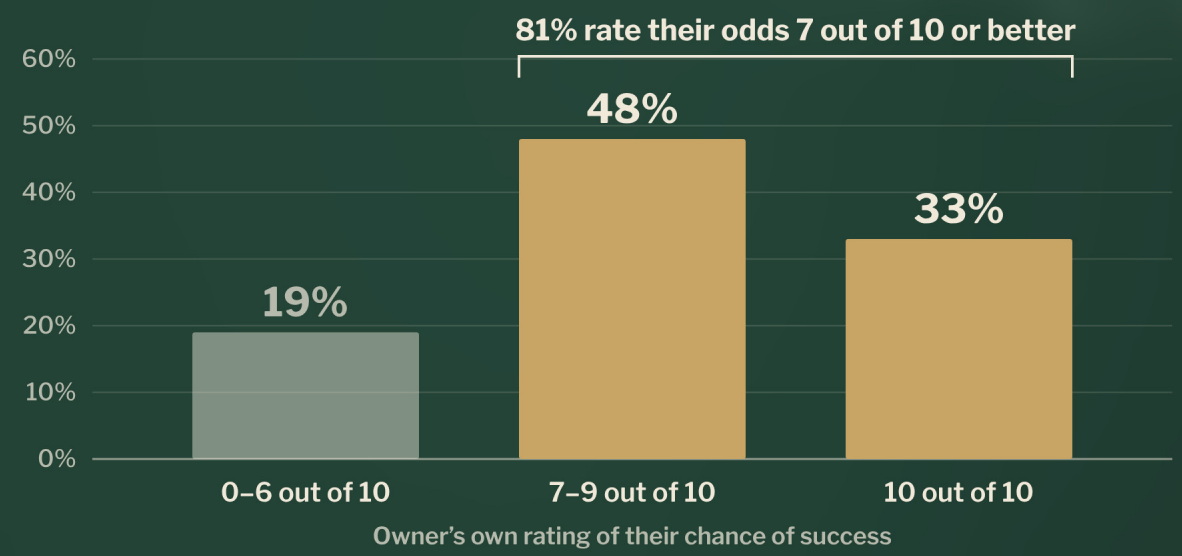
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81% of new business owners rate their odds 7 out of 10 or better.

The poorly prepared were just as confident as the well prepared.

FIG. 2 How new owners rate their own chance of success



n = 2,994 new U.S. business owners · Cooper, Woo & Dunkelberg, Journal of Business Venturing, 1988 · 19% and 48% derived from the reported 81% and 33%

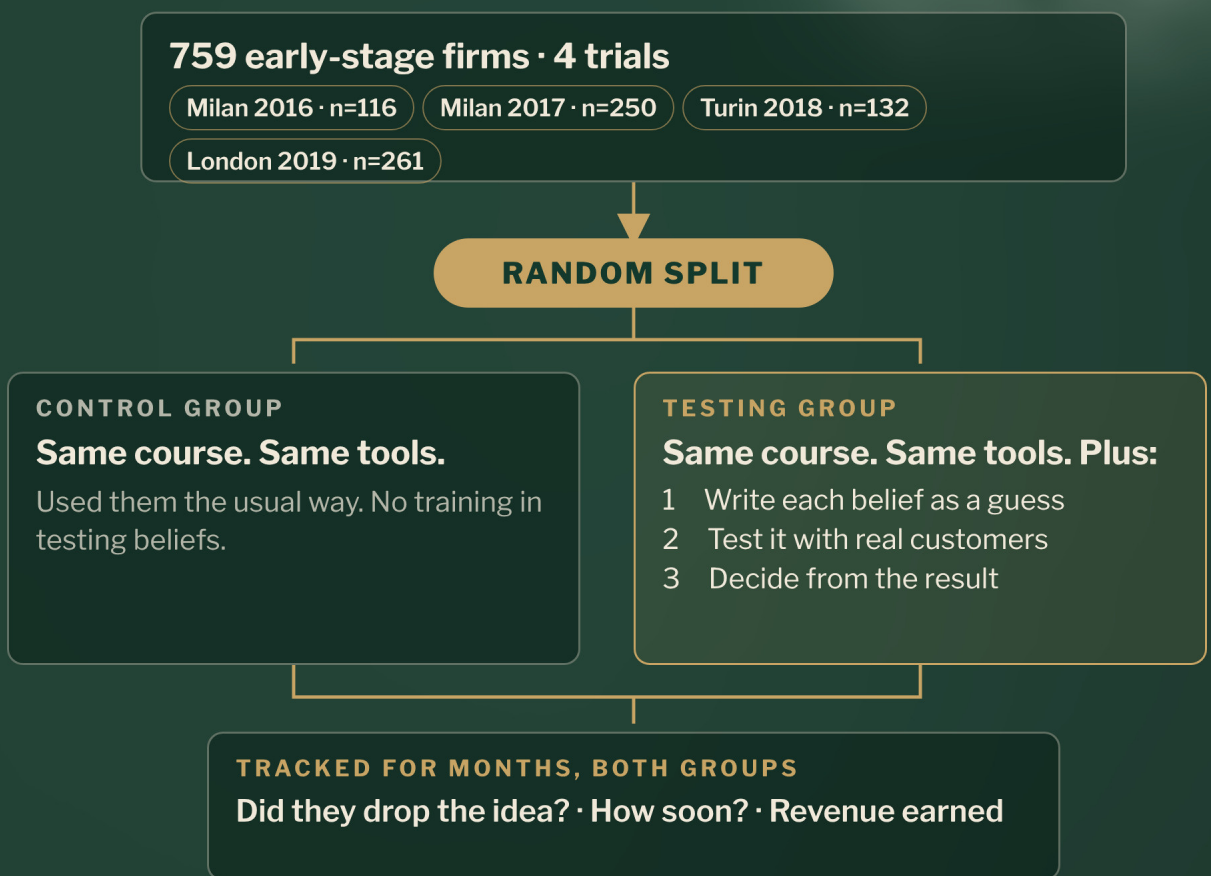
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Your gut can't grade your own idea. A test can.

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So researchers ran a fair test. Only one thing differed: testing.

FIG. 3 Study design: a randomized controlled trial



Camuffo et al., Strategic Management Journal, 2024 · replication and extension of Camuffo et al., Management Science, 2020

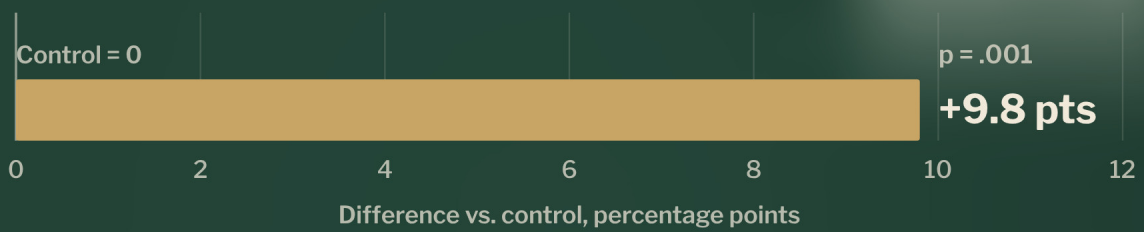
◆ CONCLAVO'S GUIDANCE

One difference, so the gap in results comes from testing.

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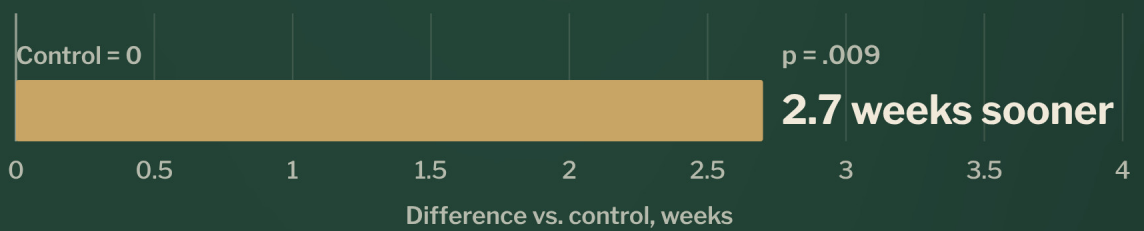
Result 1: the testers dropped bad ideas more often, and sooner.

FIG. 4A Extra chance of dropping the idea



Across all firms, 34% dropped their idea during the study.

FIG. 4B How much sooner they dropped it



n = 759 firms · 4 randomized trials · linear probability and timing models · Camuffo et al., 2024

They also changed direction once, instead of over and over.

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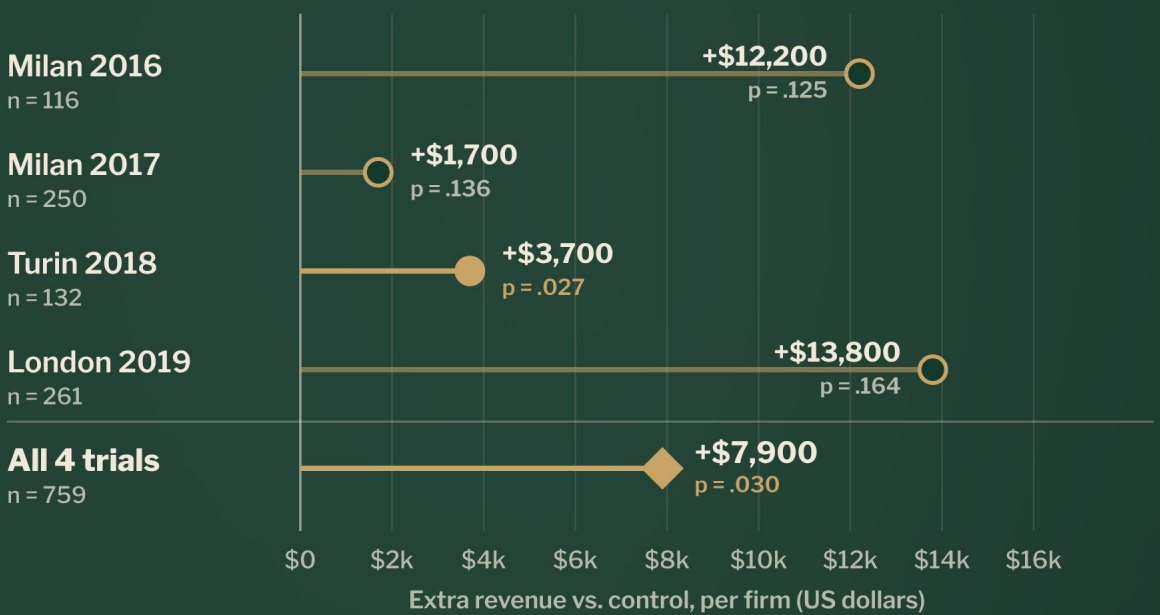
Dropping a bad idea early is a win. It frees time for a better one.

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Result 2: the testers also earned more, about $7,900 per firm.

Higher in all 4 trials. Young firms: average revenue was about $17,800.

FIG. 5 Extra revenue for the testing group, by trial



● statistically significant (p < .05) ○ positive, not significant alone

Cumulative revenue at last observation · OLS with trial and instructor controls · Camuffo et al., 2024, Table 6

◆ CONCLAVO'S GUIDANCE

Testing moved effort to stronger ideas. Revenue followed.

Dollar figures converted from euros at $1.13 per € (ECB average, 2016–2019).

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Testing also finds winners. Startups that A/B tested got 30–100% more visits a year later.

They also launched 9–18% more products. Young testers failed faster; older ones scaled faster.

FIG. 6A Extra website visits

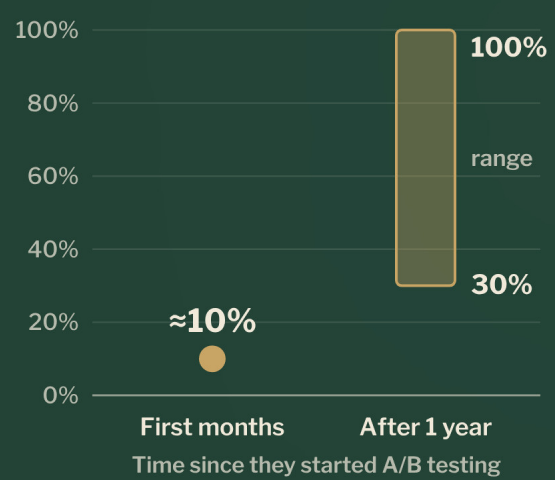
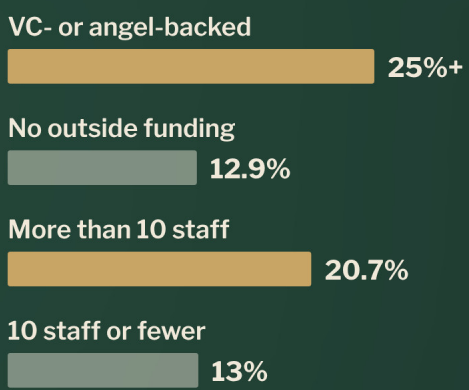


FIG. 6B Share that A/B test



n = 35,262 tech startups · weekly data, 2015–2019 · fixed effects, instrumental variables, synthetic control · Koning, Hasan & Chatterji, Management Science, 2022

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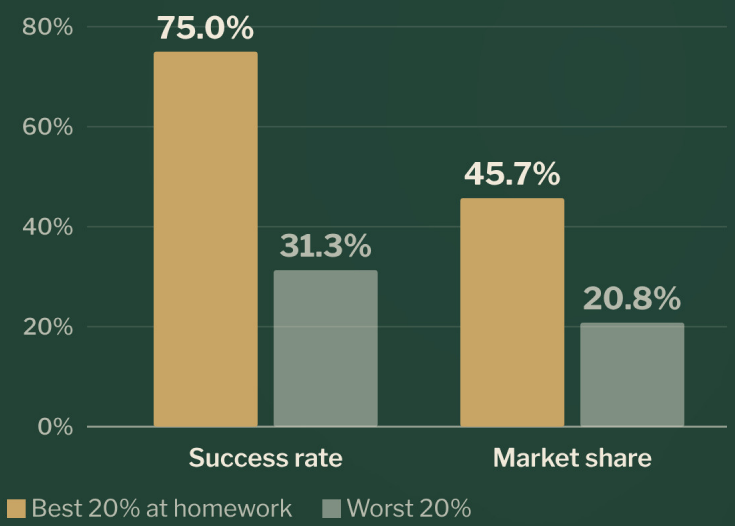
Small teams test least, yet seemed to gain most. Be the exception.

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In big companies, products with the best homework succeeded 75% of the time.

Homework = checking the market and customers, and building the business case, before building.

FIG. 7 Outcomes by homework quality



Share of project budget spent on homework



7%

Projects that skipped a detailed market study



75%

n = 203 new products · 125 industrial firms · NewProd III, Cooper & Kleinschmidt · managers' ratings, a link not proof

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Do the cheap homework before the expensive build.

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The best product teams start 4.5 ideas for each hit. The rest start 11.4.

FIG. 8A Ideas started for each product that succeeds



● = the one that succeeds ○ = ideas that didn't dashed = part of an idea (averages)

FIG. 8B Launches that succeed

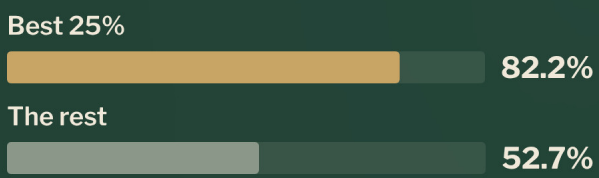
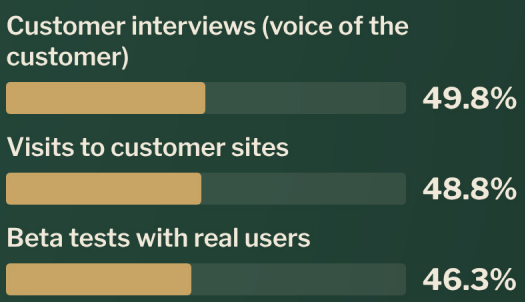


FIG. 8C Most-used research tools



Share of all firms using each. Best firms used them most.

n = 453 business units, 24 countries · PDMA Comparative Performance Assessment Study, 2012 (Markham & Lee, 2013) · self-reported

◆ CONCLAVO'S GUIDANCE

Start many cheap ideas. Let customer evidence pick the winners.

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How big companies test an idea: one card, one question, one score.

FIG. 9 Anatomy of a concept test

CONCEPT CARD · TEMPLATE

Picture of the product

[Product name]

What it does, in one line

- Main benefit
- Why to believe it
- Price, shown the same way on every card

The one question:

"How likely are you to buy this?"

- ○ Definitely would buy
- ○ Probably would buy
- ○ Might or might not
- ○ Probably would not
- ○ Definitely would not

Score = % who pick the top 2 boxes

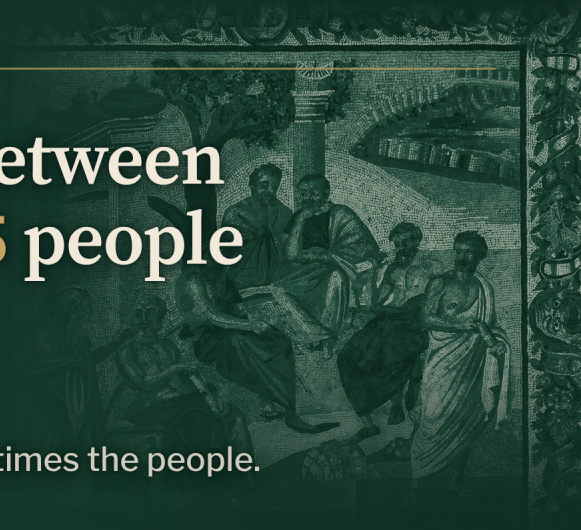
1. **Show each person one idea.**
   Several ideas, separate groups. Answers stay clean.
2. **Compare ideas side by side.**
   Big firms also compare with thousands of past ideas.
3. **Discount the "yes" answers.**
   People say yes more than they buy. A common rule: count 75% of "definitely" and 25% of "probably."

◆ CONCLAVO'S GUIDANCE

A score means nothing alone. Compare ideas side by side.

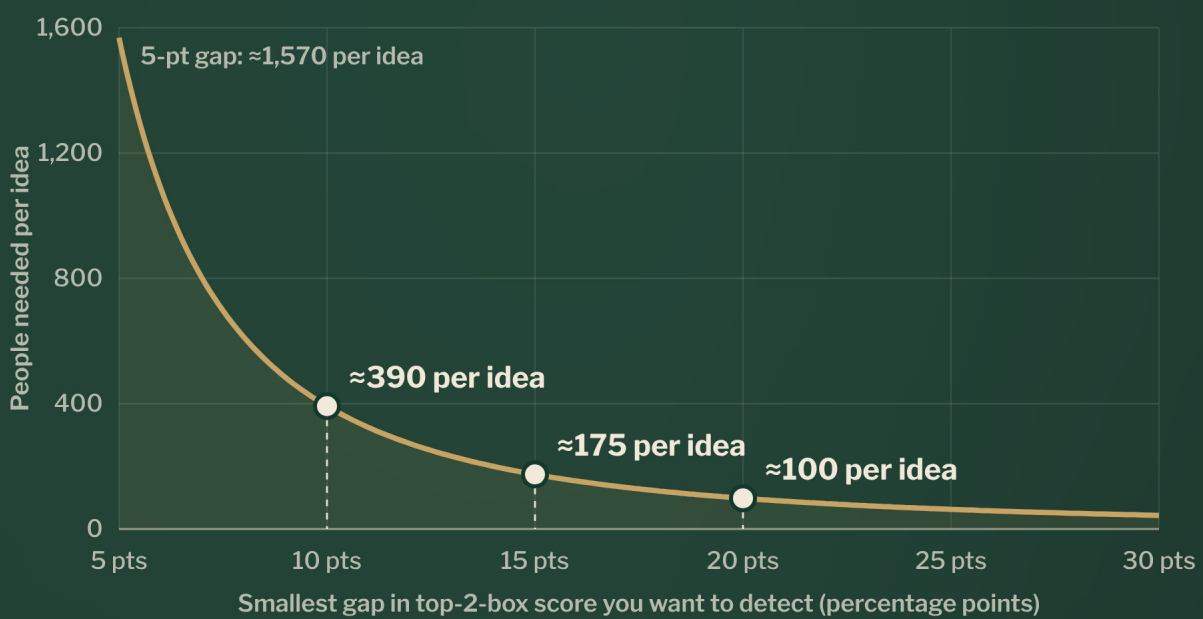
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To spot a 15-point gap between two ideas, ask about 175 people per idea.



Halve the gap you want to see, and you need four times the people.

FIG. 10 How many people you need, by the gap you want to see



Standard two-group sample-size formula · top-2-box near 50% · 95% confidence · 80% power · Conclavo calculation

◆ CONCLAVO'S GUIDANCE

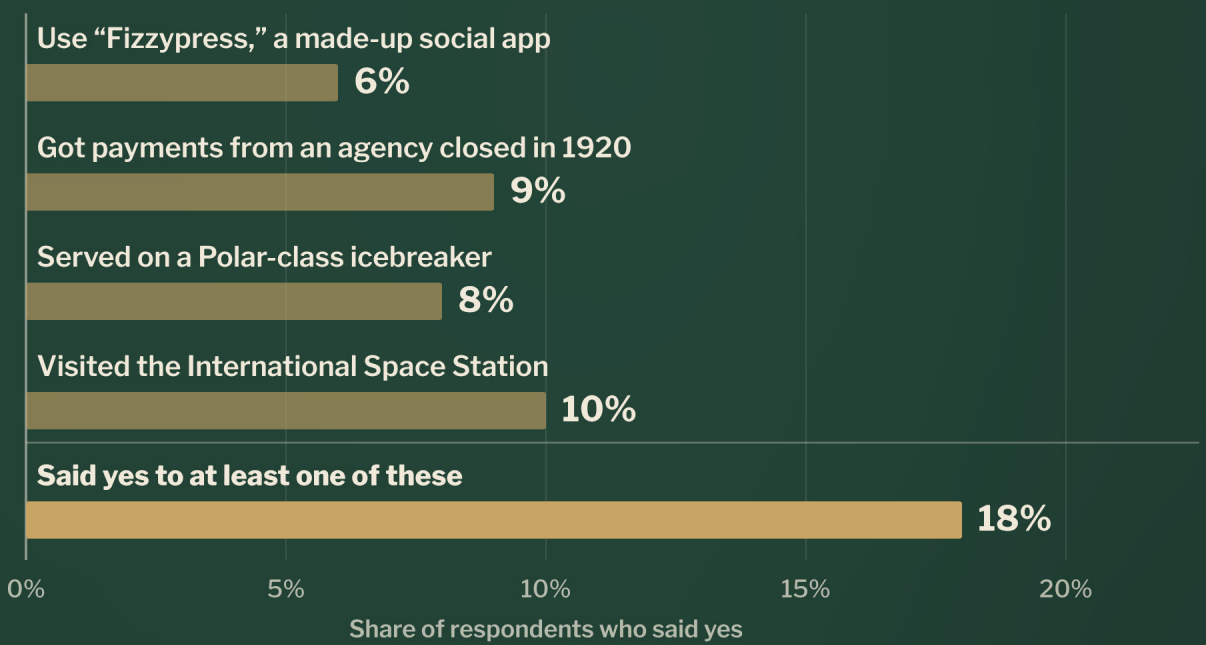
Test bold differences first. Small gaps need big samples.

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Some survey takers lie. 6% said they use a social app that doesn't exist.

Checks for speeding and same-answer clicking missed most of the fakes.

FIG. 11 Impossible answers in an online opt-in survey



n ≈ 11,000 online opt-in respondents · Pew Research Center, "No Easy Fix for Bogus Respondents," Aug. 2026

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Add a fake answer to your screener. Drop anyone who picks it.

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Real answers cost about $1 each from consumers and $24–$150 from business buyers.

FIG. 12 What one answer costs, by method



Vendor price pages checked Nov. 21, 2026 (Prolific: $8–$12/hr pay + 42.9% fee, 5-min survey) · B2B: Valid N planning ranges · AI: GPT-4o list price, 12,000 answers ≈ $42 · Your own customer list: free

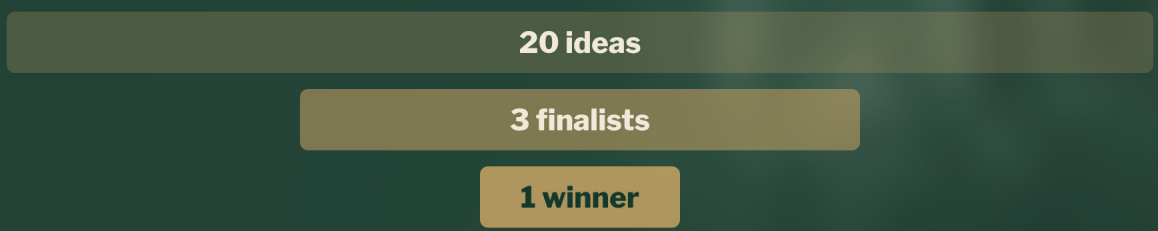
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$300 buys about 300 consumer answers. Save big budgets for B2B.

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Use AI to narrow the list. Use real people to pick the winner.

FIG. 13 A two-stage test on a founder's budget



STEP 1

AI ranks all 20 ideas

≈$40

Simulated customers. Under an hour. Ranked 57 Colgate ideas about 90% as reliably as a repeat survey of real people.

STEP 2

Real people score the top 3

≈$500–750

About 175 people per idea, one idea each. 525 answers at $0.95–$1.43.

STEP 3

Ask the winner's fans to pay

Pre-order

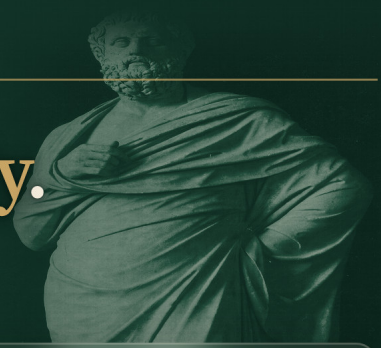
Or a paid pilot. Stated intent overstates buying. Payment doesn't.

Stage 1: PyMC Labs & Colgate-Palmolive, 57 product surveys, 9,300 shoppers (2025) · Stage 2 cost: Conclavo calculation from Prolific pricing, Nov. 2026

◆ CONCLAVO'S GUIDANCE

AI ranks. People confirm. Payment proves.

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Read the numbers honestly.

What's proven, and what isn't yet.

STRONG EVIDENCE

- [x] **Teaching founders to test causes earlier quitting and more revenue.**
  4 randomized trials, 759 firms
- [x] **Startups grew faster after they started A/B testing.**
  35,262 startups, strong statistical controls

NOT PROVEN YET

- [ ] **Surveys alone haven't been tested in a fair trial.**
  They are one way to test. The proof covers testing in general.
- [ ] **People say yes more often than they buy.**
  Use scores to rank ideas, not to forecast sales.
- [ ] **The revenue gain was modest and early.**
  About $7,900 per firm, in young firms.
- [ ] **Big-company results show a link, not proof.**
  Better firms may also do more homework.

◆ CONCLAVO'S GUIDANCE

Treat a survey as a filter, not a forecast.

Dollar figures converted from euros at $1.13 per € (ECB average, 2016–2019).

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Testing doesn't make ideas better. It kills bad ones sooner.

THE EVIDENCE

759 firms, randomized	+9.8 pts more bad ideas dropped, 2.7 weeks sooner, +$7,900
35,262 startups	30–100% more visits a year after A/B testing
203 products	75% vs. 31% success with homework done first
453 companies	4.5 vs. 11.4 ideas per success

◆ CONCLAVO'S GUIDANCE

1. **Write your 3 riskiest beliefs as pass/fail tests.**
   Testers quit bad ideas sooner.
2. **Test several ideas side by side.**
   A score only means something next to others.
3. **Set the kill line before you see results.**
   So hope can't move it later.

Save this.

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Dollar figures converted from euros at $1.13 per € (ECB average, 2016–2019).

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