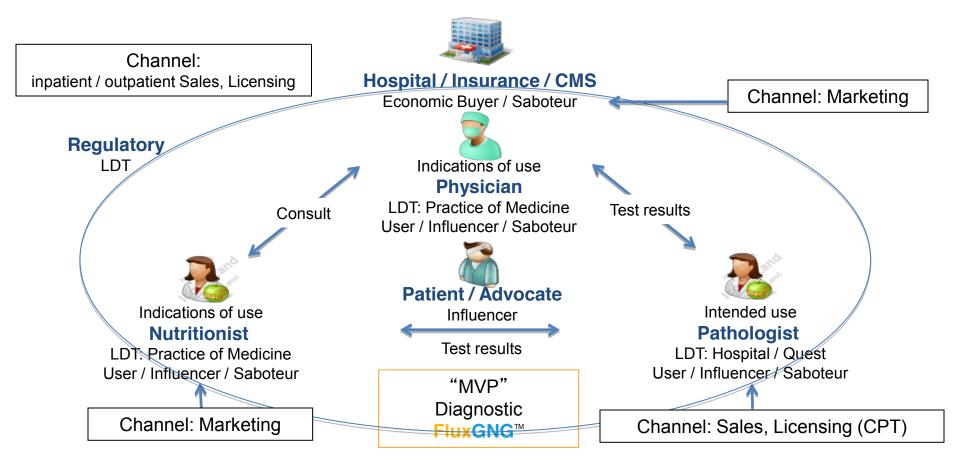


Why do Customer Discovery?



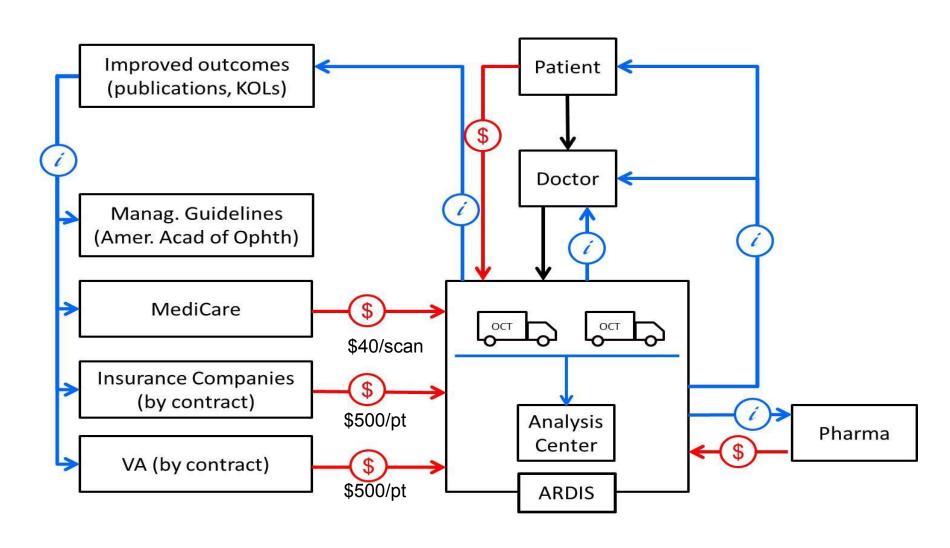


1. Complex ecosystems make for complex business models



2. You may have multiple customers and complex flows between them

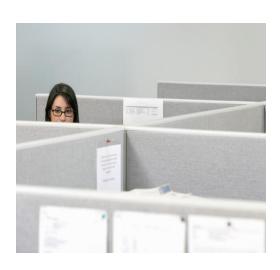
Customer Segments



3. You don't know who your customer are!



- You haven't talked to enough people*
 - So you don't know
- "They" haven't thought outside of their own box
 - So they don't know
- Things change
 - So what you know isn't what you need to know



Remember



Customer Discovery

The Business Model Canvas

Designed for:

Designed by:

Iteration:

Key Partners

Guess

Key Activities

Guess

Value Propositions

Which one of our customer's problems are we helping to solve? What bundles of products and services are we offering to each Customer Segmi Which customer needs are we satisfying?

(thoughtful)

Guess

Customer Relationships

What type of relationship does each of our Custome

Guess

Guess

Customer Segments

For whom are we creating value?

Who are our most important customers

Key Resources

Guess

Channels

Through which Channels do our Customer Segments How are we reaching them now? How are our Channels integrated?

Guess



Cost Structure

What are the most important costs inherent in our business model?

Guess

Revenue Streams

For what value are our customers really willing to pay? How much does each Revenue Stream contribute to overall revenues?

Guess





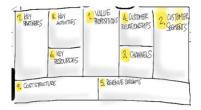
9 Guesses



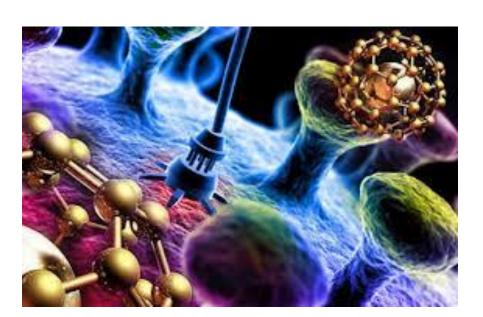
The world doesn't care if you have...

The best technology





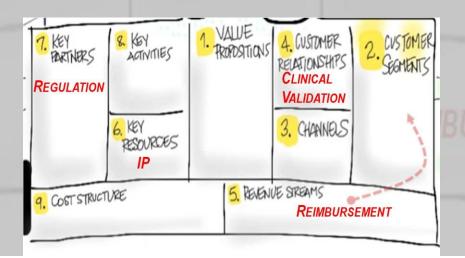
The best team



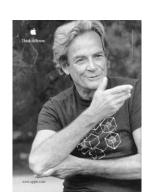


The world DOES care if you/it:

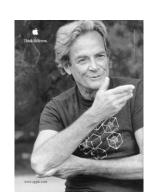
- Provide value (value proposition)
- To me (customer segment)
- From a source I trust (customer relationship)
- At a price that makes sense (revenue)



"In general, we look for a new law by following process. First, we guess..."



"It doesn't matter how beautiful your theory is, it doesn't matter how smart you are. If it doesn't agree with experiment, it's wrong."



Why 70?

Data drive results

 Testable hypotheses can be hard to formulate (remember QRST) and test

Pattern analysis and recognition

Information, not affirmation

Tactics



Test – Interviews

Assess & Analyze

Adjust – Pivot

GET OUT OF THE BUILDING!!!ne your comfort 20ne

Who?

Hypothesize about an archetype

Talk to strangers

Ask for 15 minutes, settle for 45

Be honest with yourself – Listen, Don't Talk

Where Do I Find My Archetypes?











How Do I Make Contact?

- Target the #2 ranked companies "We try harder"
- Target mid-level management
 - They understand the company, products and needs
 - More likely to have the time and inclination to talk
- Cold call but research your target ahead of time!
- Email, then call. Multiple touches using multiple modalities
- Play the 'student' card
- Network get a warm intro

Remember









Customer Interviews (in reverse sequence)









How to close an interview

- Ask what else you should ask
- Always thank them for their time
- Ask for references who do they know who knows a lot about this, at least in comparison to you!
- Ask if you can check back if you have questions after the interview – like tomorrow, or next month
- Send a thank-you email. ALWAYS.
- Record your interaction in LPC (asap!)

How to do an interview



How to do an interview

- Introduce yourself
- Do not sell. In fact, don't even describe your product!
- Tell the interviewee how useful their input will be, and how important they are to you
- Remind them (and yourself!) that you are trying to learn
- Ask open ended questions let them talk!

What to ask in an interview

- Open ended questions
- Follow through on the answer don't be afraid to drill down!



Open Endedness...



Drilling down

- Stay on the subject
 - Tell me more about post-surgical follow up
- Ask open ended questions and for specifics
 - Can you elaborate? Describe a time when that happened? Why? How?
- If need be, re-frame the comment (or your question) to move in a specific direction
 - Wow, that sounds very upsetting for the patient and his kidney, but tell me more about post-surgical follow up procedures, in your experience?
- Keep them talking
 - Short, simple questions and prompts
- Use two or three brains at once
 - Someone asks/talks/thinks tactically, someone takes notes, someone thinks strategically

Stay on Target



"Hotsheets" learnings

- 1.Listen
- 2. Use empathic reflecting skills
- 3. Turn on your nonverbal sensors
- 4. Avoid snap judgments
- 5. Be an online detective or behavioral profiler
- 6. Don't assume people will agree with you
- 7. Try to learn from each interaction with a new person
- 8. Stay on top of the news
- 9. Know when not to talk
- 10. Don't overshare



Interviewing

- Have a goal: a few hypotheses to test for every interview
- Meet face to face, at least 2 of your team
- Email "interviews" or surveys do not count
- Be humble... ask for help
- DO NOT SELL!!!
- DO NOT TALK ABOUT YOUR TECHNOLOGY!!!
- Focus on their pains, not yours
- Ask open ended questions
- Ask 'Why'
- Ask for specifics and about current events
- Embrace bad news

Remember in interviews:

• Be a fox:



Not a faucet:



What you hear customers say:







Openings

- Thank you for taking time today. I know how busy you are!
- My name is Jimmie Thudpucker, and I am at UCLA working on this project. This is my team mate Brunhilda and...
- We are learning about post-surgical follow up processes, and [George Fonebone] told us that you are an expert on the topic.
- Can you tell us a bit about...

• I'm happy to tell you about what we do, but if you don't mind – we don't want to take up to much time with it. We can discuss it at the end if you are interested!

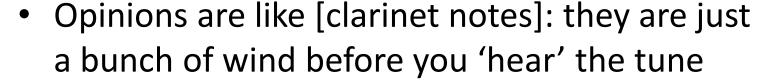


Setting up interviews

- Introduce yourself using your 'natural appeal' –
 Mayo, student in a program, just learning, change the world someday, would like help, you da best
- Ask for 10 minutes, settle for 45
- Tell them how much they can help
- Be referred!
- Assume that you will be referred
- Email and phone are more effective than either one alone. In person is best!
- Schedule in advance
- Linked in, Facebook, Conference minutes/summaries, corporate sites, publications, key word searches
- Conferences

Keep in mind

- It's all about them not about you
- You will hear things you don't like



- It's not science... it's pattern recognition
- You don't know anything until it dawns on you

(around interview 60, typically)

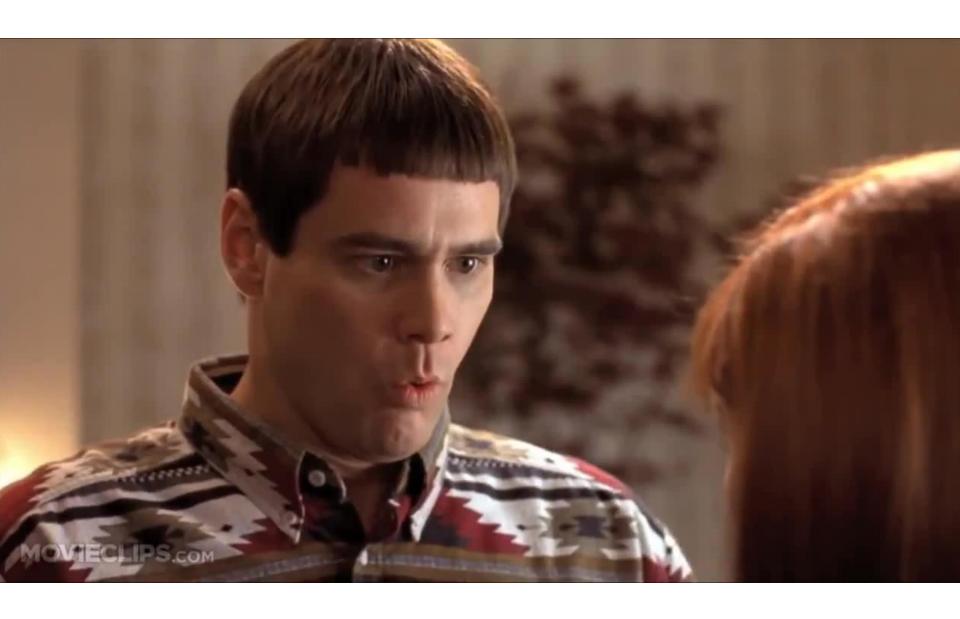


Customer Interviews are all about Pattern Recognition



The Trap

CONFIRMATION BIAS



Customer Discovery Failure Modes

Low interview counts

Talking to people like yourself

Only good news from an interview

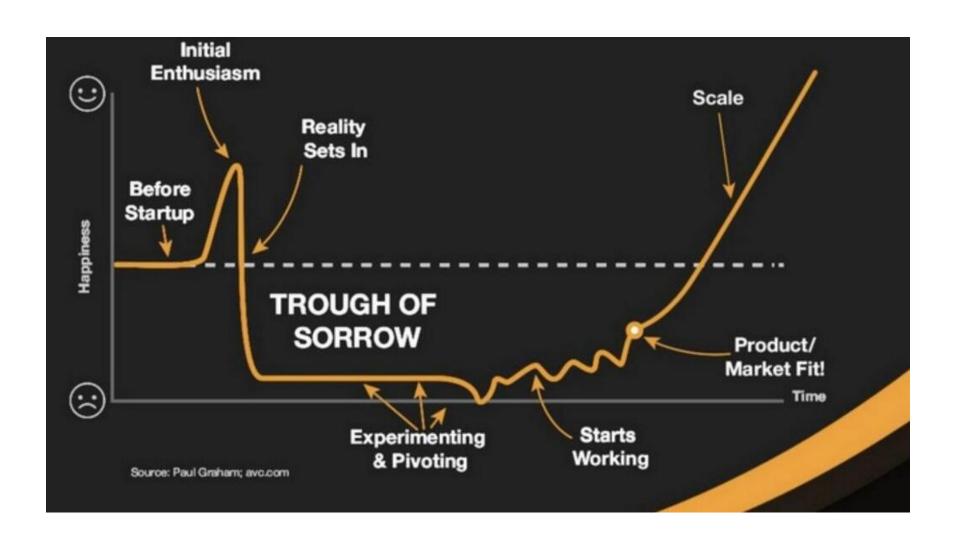
Technical interviews

Customer Discovery Best Practices

- Use the scientific method: hypothesize, test, reject/ modify, re-test
- Hypotheses must be falsifiable, and the inverse must not be ridiculous
- Avoid validation
- Be specific
- Confirm with the negative

Facts are interesting. Insights are valuable

Don't fool yourself: this is hard!



Customer Interviews (backwards!)



- Multiple touches. Expect 'no's.
- It is about them: use a personal or web reference
- Use the UC/student/learner approach, asking for 10 minutes.

Open

- Introduce yourself and your team, but NOT your solution
- Tell them how useful this will be

Get

- Multiple touches. Expect 'no's.
- It is about them: use a personal or web reference
- Use the UC/student/learner approach, asking for 10 minutes.

Customer Interviews (backwards!)

Do

- Ask open ended questions
- Use positive listening to both verbal and non-verbal clues
- Drill down!

Open

- Introduce yourself and your team, but NOT your solution
- Tell them how useful this will be

Get

- Multiple touches. Expect 'no's.
- It is about them: use a personal or web reference
- Use the UC/student/learner approach, asking for 10 minutes.

Customer Interviews (backwards!)

Close

- Thank them, express how useful this has been
- Ask for a referral and future contact

Do

- Ask open ended questions
- Use positive listening to both verbal and non-verbal clues
- Drill down!

Open

- Introduce yourself and your team, but NOT your solution
- Tell them how useful this will be

Get

- Multiple touches. Expect 'no's.
- It is about them: use a personal or web reference
- Use the UC/student/learner approach, asking for 10 minutes.

Trust your monkey brain



Customer Interviewing

Good

- Disarm the sales pitch mentality
- Insight questions
- Open ended questions
- Listen, then listen, then listen more
- Why-why-why-why
- Parrot back to confirm
- Further introductions
- Thank the interviewee

Bad

- Selling your product or service
- Talking about your technology
- Not listening
- "Learn nothing" questions
- Biased questions
- Interrupting
- Missed opportunities to dig deep