Customer Discovery

MN-REACH Value Proposition Design Workshop
Carla Pavone, Ph.D.
Key Frameworks

- **Lean Launchpad/Startup**
  - Blank (Stanford, UC Berkeley)
  - Ries (HBS)

- **Business Model Canvas**
  - Osterwalder (U of Lausanne)

- **Disciplined Entrepreneurship**
  - Aulet (MIT)
The Big Message

“Get out of the building!”

-- Steve Blank
“The Strength of Weak Ties” Granovetter 1973

Example:

Entrepreneurs who spend more time with a diverse network of strong and weak ties -- of family, friends, business colleagues, advisers, acquaintances and complete strangers -- are three times more likely to innovate than those within a uniform network.

Diverse networks and sources of information encourage the diffusion of nonredundant information and thus stimulate creativity.*

*Stanford Report 2004
Interview with Martin Ruef, Duke University
The Innovator’s DNA*

Five Discovery Skills

• **Questioning**
  • Break out of status quo

• **Observing**
  • Detect small behavioral details that suggest new ways of doing things

• **Experimenting**
  • Try on new experiences

• **Networking**
  • To gain radically different perspectives

• **Associating**
  • All of above to cultivate new insights.

Customer Discovery Objective: Test Hypotheses, Develop New Insights

Value Proposition Canvas

Customer Roles

Customer Segment Map Hypotheses

Find the “holy grail of specificity” – Bill Aulet
Who to Interview/Observed?

• Refer back to customer roles map & value proposition canvas
• Who can help confirm/refute hypotheses?
  – Role in purchase
  – Title, organization, function

• Who do you already know?

• Who do you need help with getting access?
• Institutional Review Board considerations [link](http://www.irb.umn.edu/research.html)
  – “Marketing study” is not research
  – Research = “a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge”
Making Initial Contact

• Short introductory email seeking advice or permission to observe
• Interviews:
  – F2F individual meetings best, ideally in pairs
  – Schedule brief (30 minutes) time to meet
  – Allow them to direct to better person
• Observations
  – Identify ground rules

I’m a professor/researcher/student at the University of Minnesota,
I’d like to learn more about how you . . .
and see if there are ways to improve
Customer Discovery Processes: Listening and Learning, Not Pitching

Interviews

• Open-ended questions:
  – Tell me about . . .
  – What happens when . . .
  – Why is that important . . .
  – Who else gets involved . . .
  – Is ___ a problem – why or why not . . .
  – How do you currently address the problem . . .

• General style:
  – Do not push your technology/solution
  – You do not need to have the answers!

Observations

• Get permission
• Shadow key individual(s) OR observe from one spot
• Beware of confirmation bias in recording observations/assigning significance
Make a Customer Discovery Plan

• Who
  – Already have contacts
  – Need help with contacts

• When

• What do you want to learn
  – Interview guide
  – Observational protocol (what to look for)

NSF I-Corps full program expectation: 100 customer interviews over about 10-14 weeks
MIN-Corps and other universities’ “LaunchPad Lite” expectation: 15-20 customer interviews over 6-8 weeks