Best Practices for Customer Discovery

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TALKING TO HUMANS

Success starts with understanding your customers

GIFF CONSTABLE
with Frank Rimalovski
and illustrations by Tom Fishburne

talkingtohumans.com

Why *interviews?*

TOP 10

STARTUP MISTAKES

#1 Building something nobody wants
Score: 300
36% of Tot.

#2 Hiring Poorly
Score: 153
18% of Tot.

#3 Lack of Focus
Score: 112
13% of Tot.

#4 Fail to execute Sales & Marketing
Score: 98
12% of Tot.

#5

#6

#7

#8

#9

#10

100 First Hits™
www.100FirstHits.com

8. Spending Too Much Money **18** (2,1%)

9. Failing To Ask For Help **12** (1,4%)

10. Ignoring Social Media **6** (0,7%)

5. Not Having The Right Co-Founders **66** (7,9%)

6. Chasing Investors, Not Customers **45** (5,4%)

7. Not Making Sure You Have Enough Money **28** (3,3%)

"Everybody has a plan ... 'til they get *punched in the mouth.*"

Starting *Point*

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
Guess	**Guess**	**Guess**	**Guess**	**Guess**
	Key Resources		Channels	
	Guess		**Guess**	

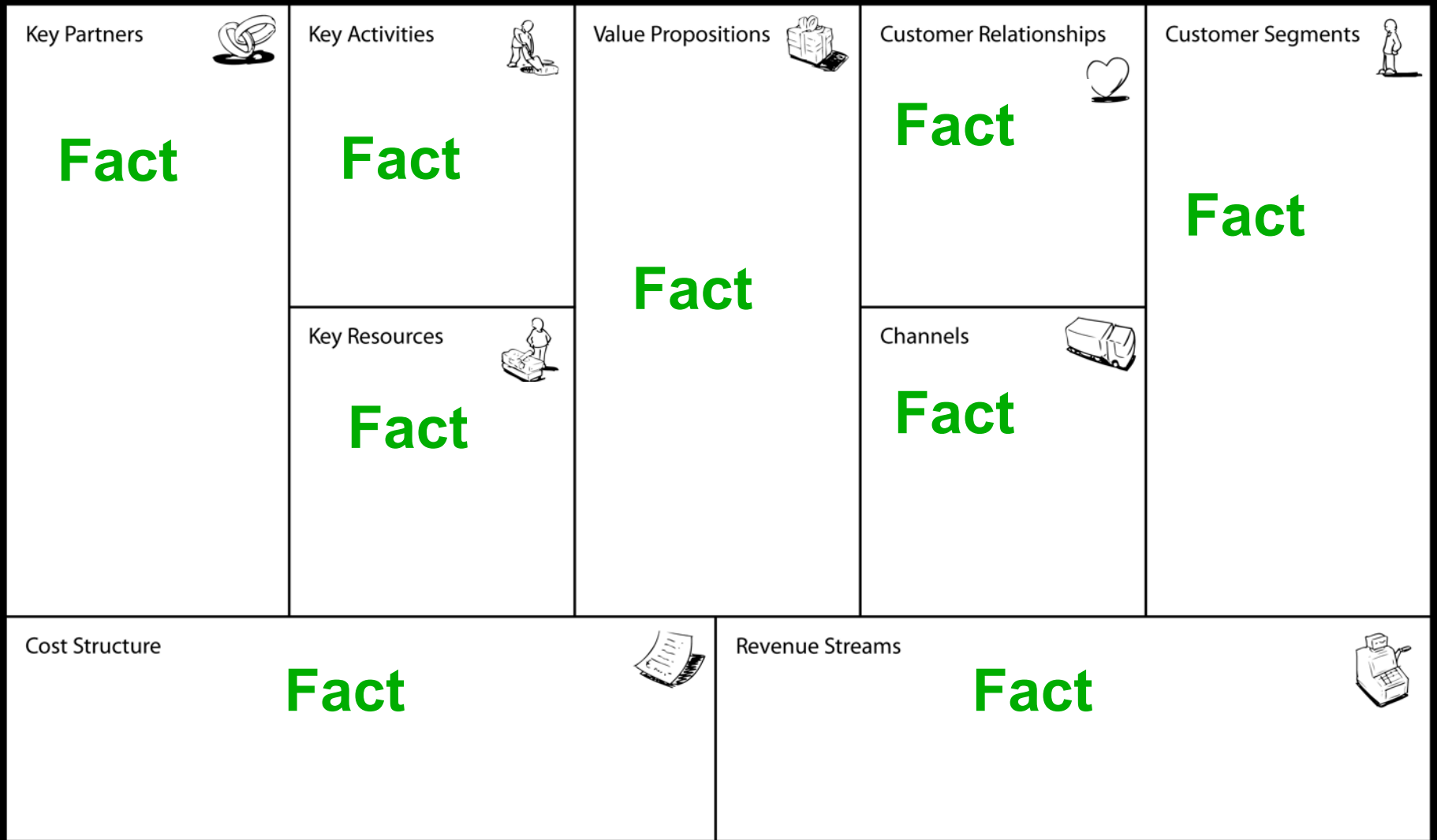| Cost Structure	Revenue Streams
Guess	**Guess**

How do we turn these *into facts?*

By running experiments outside the building

through Customer Interviews

End *Goal*

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
Fact	**Fact**	**Fact**	**Fact**	**Fact**
	Key Resources		Channels	
	Fact		**Fact**	

Cost Structure	Revenue Streams
Fact	**Fact**

What were some things this person did **wrong**?

Interview DOs and DON'Ts

Good

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

Bad

- Selling your idea
- Talking about your solution or technology
- Not listening
- Yes/No or "Learn nothing" questions
- "False positive" questions
- Biased questions
- Interrupting
- Missed opportunities to dig deep
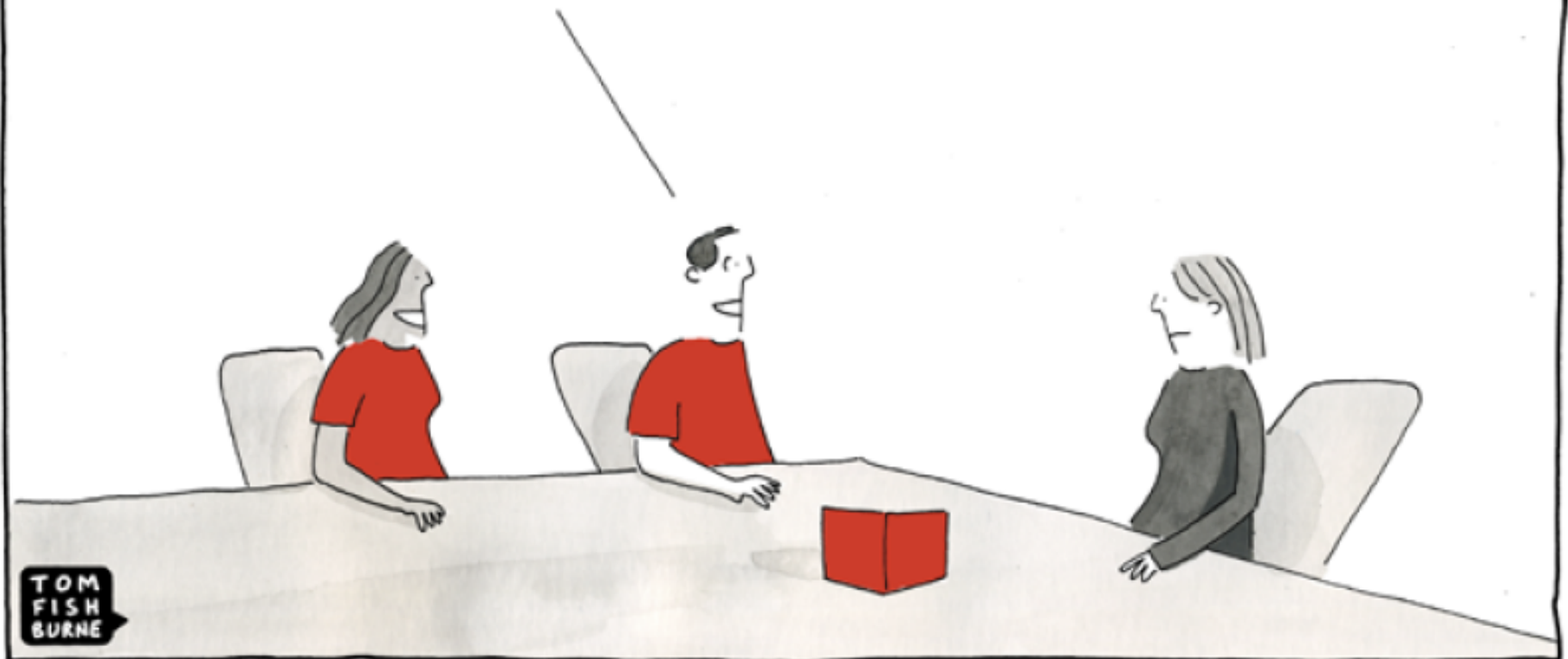
Why Get Out of the Building?

Interview Strangers, Not Friends

Disarm Polite Behaviors

Ask About Pains & Needs, Not Features

Are You Talking to Relevant Customers?
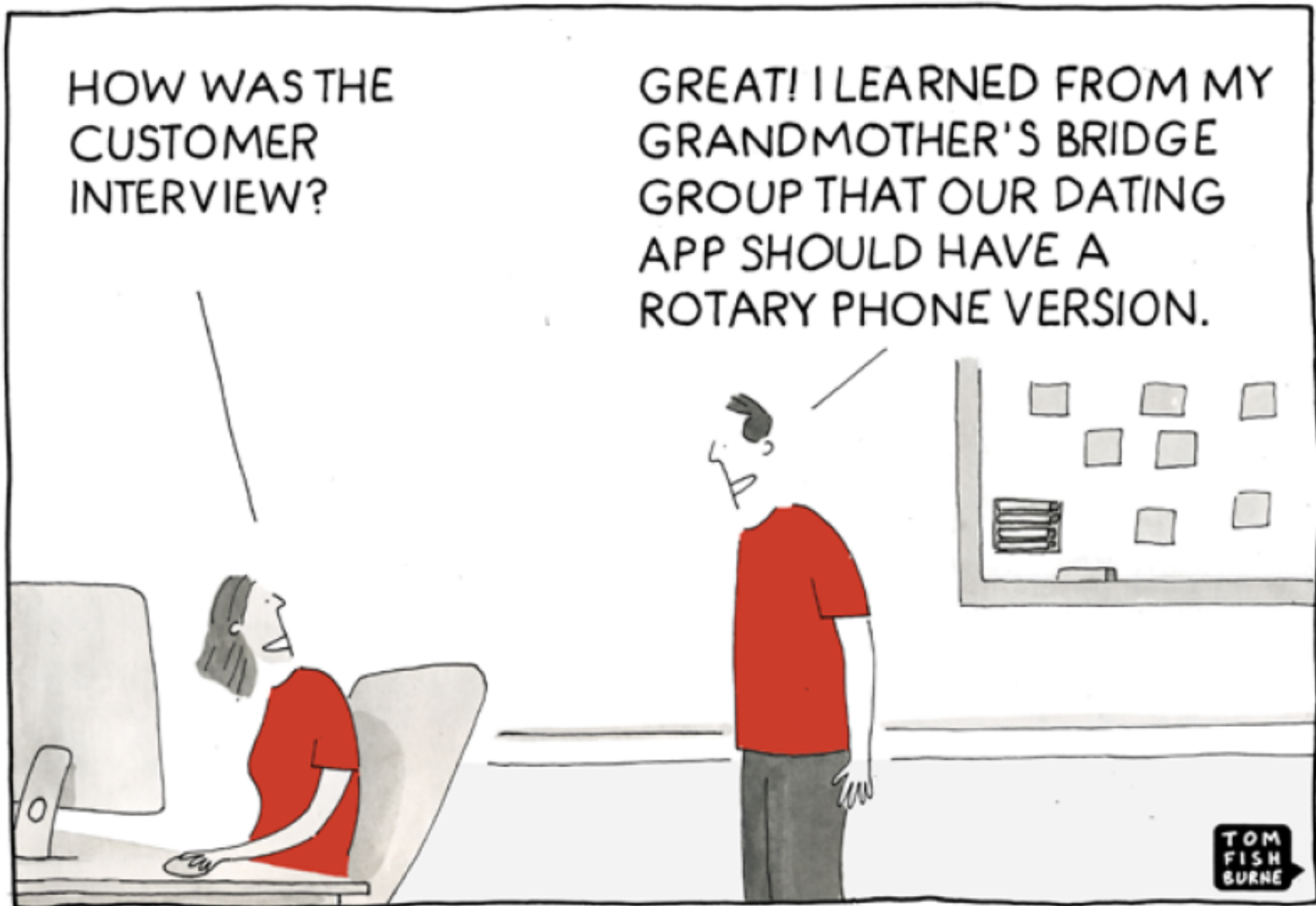
Parrot Back and Confirm What You Heard

Confirmation Bias

We tend to pay attention to information which confirms what we believe while ignoring information which challenges our preconceived notions.

It causes you to think and listen selectively and can distort your active pursuit of facts.

Why talk to 100 customers/ stakeholders?

- **It works!!!**
  - Best way to validate hypotheses about the problem you're solving

- **Pattern recognition** – requires enough data points (i.e., enough interviews)
  - Some of you have **multiple Customer Segments**
  - Industries like healthcare have very **complex ecosystems**

Interview Tips

- Warm contacts work much better than cold calling
  - Ask someone to introduce you or mention who referred you
- Get their attention with honesty and/or flattery
  - "I'm told you are the expert in this field" and "I'm just looking to get your advice and insight"
- Try to meet face-to-face (or by Skype) so you can read body language
- Don't sell – don't lead with your idea, solution or technology
- Mention HHS Ignite

Interview Tips

- Focus on and listen to their needs and pain points
- It's all about them, not you – you want new insights
- Get stories about how they do their jobs, what their challenges are
  - Ask them to explain a typical day or process or their current solution to problems and what they specifically wish worked better
- Take notes
- Take pictures or video – great for final Lessons Learned presentation

If your interviews are not leading to Product Market Fit (CS/VP) …

You may need to change CS and/or VP hypotheses and PIVOT

ROLE PLAY

Mock Interview:
Real-Time Electronic Health Records Team w/ Private Practice Doctor

Mock Interview:
Lab Genius: Smart Notebook for Scientists Team w/ Research Scientist

Mock Interview: HRSA Huddles Team w/ HHS Group Leader

Interviews You Did Before Today:

Any Success Stories or Lessons from Failure?

There are no answers in this classroom, in your office, your lab, etc.

Get out of the building!!!