**Challenge #13: Listening to People**

(Customer Feedback)

You developed your idea on the belief that there was a problem in the market and that your solution had the ability to solve this problem. The purpose of this exercise is to help you make deeper connections between the solution(s) that you have developed and your customer’s needs. This tool is useful in increasing the quantity and quality of product development, projects and business development. The process should help you identify where value can be created in the mind of the customer. This exercise will help you learn to make the connections between the *assumptions embedded* in your solution and the *customer’s actual perception*.

By now, your business venture should have some level of success and, hopefully, each week your success has been increasing.

Throughout this course, you have been constantly using customer feedback to improve your venture. Challenge #13, is an opportunity to dig deeper into the customer feedback feature of the DYME model. This assignment is a fun and insightful way to gain deeper insights into why your customers are buying your products.

**Task:** You will take a break from running your venture and focus on the feedback and learning from your tribe (customers).

The task will help *clarify your understanding* of your ideal customers' understanding of the **problems** with the current solutions. The **issues** that they face when attempting to solve the problem and finally insights into what the **successful** resolution of this problem is to them. This tool helps you understand the need to create value that aligns with your tribe. This is accomplished by focusing on the fit between what you are offering and what they need.

As you recall a **tribe** is a better way of describing your customers**.**  Tribes have deeply held belief systems that reflect who the customer is, what they believe, and the impact they want to have in the world. The goal of this exercise is to develop a better understanding of their belief system.

The task will allow you to disaggregate (take apart) specific customers' beliefs to get a better understanding of the problem that they are attempting to solve. The other (other what?) market options and how, they measure if the solution actually solves the problem. You should talk to people that you have identified as potential or existing customers. How many you talk to can vary, but at this stage talking to 10-15 ideal customers should suffice.

It is time to explore ***who*** *your customer is* and ***demystify*** *why they are actually buying your product*. For this assignment, find 10-15 real customers and interview them. This assignment is a 4-step process.

**STEP 1**: **Outline your Assumptions**

Reflect on your beliefs of why customers are buying your product.

Start by going back to Challenge #6 and see how you answered the three market differentiation questions. Think about your assumptions back then and how your idea has developed to better align with the customers' needs.

Use the following worksheet to rank your thoughts. Think of the multiple answers for each of the three headings: **Substantiate, Differentiate,** and **Resonate**. My suggestion is to use post-it notes so you can move things up and down as you think about the relative importance of each element.

* **SUBSTANTIATE** how you actually solve the customer's problem. In other words, how do you know that your solution has actually solved their problem?
* **DIFFERENTIATE** from other options. In other words, is your solution significantly different from other options?
* **RESONATE** with the customer. In other words, does it speak to them in a deep and meaningful way?

**Worksheet: Mapping Your Assumptions**

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Deep Significant Essential

Basic Less Significant Nice to Have

Rank your assumptions on this sheet. At the top are the critical assumptions and less important assumptions at the bottom. Put this sheet aside and don’t refer back to it until you have completed all of your interviews with the customers. When you are done collecting the data from your customers, you can analyze and evaluate the results, but now it is time to talk to your tribe.

**STEP 2: Listening to People**

The objective of this assignment is to learn about your customers, so it is important that you do **not** try to sell to them. The goal is to have a conversation with the customer as to why they bought your product.

There are three over-arching goals in interviewing your customers.

1. Why is there a problem? (using the Five whys help you dig deeper into the root causes of the problem)
2. What is the cause of this problem?
3. Find out, what is the customer’s imagined solution?

Tips to successful interviewing:

* Take good notes.
* Get off the script, i.e., be open to customers correcting your assumptions.
* This is a qualitative and not quantitative interview. In other words, you do not simply tally the number of answers to find that nine out of 10 said one thing. There might be value in why one out of 10 said something different.
* Share your thoughts and prototypes (but don’t sell).
* Ask open-ended questions.

|  |  |
| --- | --- |
| Never ask their opinion | Instead ask |
| How much would you pay? | Talk me through the last time you had a problem with … |
| Do you like my idea? | How much grief, time, effort is this problem causing you? |
| Would you buy this product? | Show me how you currently solve (or attempt to solve this problem). |
|  | Who else should I talk to learn more about this problem? |

Collecting useful data is difficult. Here are some signs that you have failed in your efforts to find out about the customer and the customer thinks that you are attempting to sell to them:

* I love it.
* Brilliant idea.
* Let me know when you launch.

**The above statements are signs that you have a false positive**.

After you have completed the interviews write up the key ideas on post-it notes. Place and rank the post-it notes on the Customer interview worksheet (below). Sort the data by the three topics: Problems they were attempting to solve; issues with other solutions; and how successful your solution was in solving their problems. Do this after each interview. After you have completed the interviews, reflect on all the data and begin sorting and ranking the data by importance.

The **Problem** element describes the things (what) the customer is trying to get done or overcome. This should be expressed in the customer’s words.

Types of questions to ask your customer about the problem:

* Can you explain why this problem exists?
* What are your customer’s needs that they are having a hard time satisfying?
* Show me/explain the ways that you currently solve this problem?
* How do they incorporate your solution into solving the problem?

The **Issues** element describes the shortcomings/pains that your customers are currently having with other solutions (in their words). This can include bad outcomes (low sales, lack of customers, low quality). This should help you identify the obstacles that they are facing with current solutions.

Types of questions to ask your customer about the issues:

* What are the frustrations, annoyances giving them headaches?
* In what areas are your current solutions underperforming?
* What is the most common mistake they encounter when attempting to solve the problem?
* What about the current solution is most and least satisfying?

The **Success** element describes the outcomes that the customer believes that they want to achieve. This should be positioned as concrete as possible.

The types of questions to ask your customer about potential success:

* What would make the customer happy?
* What is the current level of expected quality?
* What would make their lives/work easier?
* What impact are they trying to achieve (social, economic)?
* What do they aspire to achieve; how do they measure success?
* Have customers talk about the idea/imagined solution to this problem.

**Tips to avoid common mistakes when interviewing customers:** You need to try to clearly differentiate the **Problem, Issue,** and **Success.** This requires an explicit effort to separate the problem they face with the other potential solutions for doing that job (attaining a desired outcome). If you can discover how the customer measures the problem, then you can find solutions based on their understanding of the issues in attempting to solve that problem.

Common mistakes to avoid:

* Mixing customer segments
* Focus on your ideal customer (Not focusing-is that what you mean?)
* Mixing problem and success
* Only focusing on functional jobs
* Limited view (too few jobs)
* Being too generic
* Not completely setting aside your assumptions
* Not actively listening
* Not using follow-up questions and miss an opportunity to expand customer understanding
* Not setting enough time aside to allow for a good interview
* Not preparing and practicing questions for customer interviews

**Worksheet: Mapping Your Tribe’s Beliefs**

Critical Significant Essential

Basic Less significant Nice to Have

**STEP 4: Analyze and Complete the Empathy Map**

Compare your assumptions against what they told you. You are looking for dissonance and consonance/harmony between the two worksheets (Your Assumptions Worksheet and Customer Interview worksheet). Reflect on the comparison.

***Authentic Story:*** *A great example of the power of this tool comes from a group of students that started a business selling pre-portioned meal kits for college students. They focused on organic and locally sourced food to provide college students with healthy, environmentally-conscience meal options. The product sold fairly well during the semester. For this assignment, they completed the top portion and highlighted the importance of organic locally sourced food in the Resonate section. They examined other options in the market to demonstrate their market differentiation. They believed that their tribe was part of the larger Green movement of people interested in making conscious decisions to have a positive environmental and social impact through locally sourced food. Next, they went out and interviewed a number of their actual customers and mapped their answers on the second sheet.*

*They identified a mismatch between their assumptions and the customers’ needs. They found that they were not selling to the tribe they assumed. But they were actually selling to two other distinct tribes. Their actual customers were not interested in the fact that their product was organic or locally sourced.*

*The first tribe/group of customers bought the product because they believed that the product was an approachable way to "grow up". These students had never learned how to cook, so the pre-portioned ingredients presented them with an easy solution to attempt to cook a meal from scratch. Their meal kit had all the cooking ingredients that they would need.*

*The second tribe was individuals was wanted to impress a date. So instead of taking their date to the local pizza joint, these customers were looking to impress their dates with a nicer evening. They labeled this tribe the "cooking Casanovas".*

*Through the customer discovery process, they were able to determine that their customers were not part of the "green tribe", but were "want to grow up" and "cooking Casanovas". These revelations allowed them to change their product to better reflect the needs of their actual customers and become even more successful.*

After you have completed the comparison of the two worksheets, the next step is to develop an empathy map of your tribe. There are six elements to the empathy map, which will help you develop a psychographic profile of your customer.

**Demystify: The EMPATHY MAP**

The first two aspects are *external data points*, which the customer interprets.

* **Hear**: Refers to professional and personal influences on the customers -what they are hearing from their family, friends and colleagues about interpretations of problems.
* **See**: Refers to their own observations of market offerings and how others are solving the problem.

The next three aspects are about **feel**/emotion or *internal cognitions* of the problem

* **Worries and Aspirations**: Refers to their identification of what is *important* to them.
* **Fears**: Refers to *obstacles and frustrations* with no solving the problem.
* **Gain**: Refers to their *wants and needs*, or their imagined reality.

The final element is related to the *outward manifestation of their beliefs*.

* **Say and Do**: Refers to that data you collect about what the customer *has said might be important* and what you *see them* *actually do*.

**Complete the following empathy map:**

After you have completed this assignment (four steps) you should be able to take this feedback to improve the feasibility and impact of your solution. A good place to start is complete this empathy map to describe what you learned about your tribe.

**Say:** What are they saying they believe in?

**Do:** What are their behaviors (observation is a powerful data collection technique)?

**See:** What do they see happening in the environment?

**Hear:** What are they hearing from their peer group and what is the level of influence that this peer group has on the tribe?

**Fee**l: How do they feel about what they are seeing and saying (their emotional connection)?

**Believes**: The purpose of this assignment is to get to the core of what they believe, which is strongly influenced by these 5-variables.

There is often dissonance between these elements. For example, they may say that they are eating healthy, but the actually eat fast food all the time.

*Gathering deep insights* allows you to align your solution with the problems that they are having with the current solution. This allows a connection to understanding the issues that they are having, and their imagined reality or what success looks like to them.

**Worksheet: Empathy Map**

Complete the following empathy map by describing what they say, do, see, hear and feel.