

How to do customer discovery

Get out and find out if your good idea is something people actually need or want.

What customer discovery is

Customer discovery is how you turn your assumption into fact before you spend months building a product or service. Write down what you believe the problem is, identify approximately 20 questions about the problem (do not include any solution questions), ask real people about the problem, and then decide whether to keep going or change direction.

Most entrepreneurs fail because they skip this step and therefore do not know their customer well enough.

Customer discovery runs in four phases, and you will go around the loop more than once. State your assumption, build the questions, test the assumption, interpret the data, verify. It is suggested you conduct 150 interviews, 50 in person (over zoom, over coffee or over the phone), and then 100 via survey. Customer discovery never ends, so get comfortable talking to your potential customers. The best companies love talking to the people they are helping/selling.

Write down what you believe first.

Before you talk to anyone, write your assumptions about four things: the problem, your solution, your pricing and your customer. Each assumption needs to be specific enough that a conversation could prove it wrong. These are covered in the Business Model Canvas; it is highly recommended you complete this before customer discovery.

What questions should you have?

Questions are the most important part of customer discovery. If you have the wrong questions, you get the wrong data. With the wrong data you could be led to believe there is a problem where there isn't one. Here is what to think about while building questions:

- Keep all questions open ended. If you do want to ask a question with a yes or no answer, always include a why or why not at the end. The saying is "a yes is great, a no is a missed opportunity, and a no but why is a gift." All questions should try to uncover the person's why.
- Do not ask about price or an opinion on what you are building. This is what we call a "solution question." Instead ask about challenges they are having within a certain topic or what they currently use to fix the problem.
- Make sure you have 20 questions. Typically, you will only be able to ask about 10 questions per interview, but nothing kills an interview more than not knowing what to ask because you think the subject answered all the questions. Having 10 "extra" questions gives you more in-depth data. It is okay to stray from these questions but use them as a starting point.
- Focus on trying to get the person you're interviewing to tell a story. The more information you know the better.

How to run the interview

Your questions should pass the Mom Test -- they should be hard for someone who loves you to answer flatteringly. You are there to learn, not to pitch. Pull from the past instead of asking about the future. When an answer is vague, ask why. Then ask why again with questions like, "tell me more" or "help me understand." Make sure that you are kind and respectful. Know what you bring to the conversation and make it sound like you are there to help them.

Most Important: Do not sell your idea, do not fish for reassurance, and do not lead people toward the answer you are hoping for.

Questions to consider:

- Tell me how you relate to this problem.
- What challenges are you currently facing with ... ?
- Can you rate out of 5 how big a problem is this for you and why you feel that way?
- What have you tried so far to fix the challenge, and what did you like or not like about the solution?
- What would your life look like without this problem?

Whatever the person is doing right now to cope (a spreadsheet, workaround, nothing at all) is your competition.

Interview habits worth building.

- Talk to a lot of people, from a variety of sources that are not the same.
- Gather stories about what happened.
- Ask open-ended questions.
- Show up prepared with the 20 questions.
- Thank people, **follow up** and ask who else you might talk to. Following up goes a long way and can lead to customers in the future.
- Avoid friends and family. They are trying to make you feel good, which makes their answers useless. Always have at least 2 degrees of separation between you and the person you are interviewing. This includes friends of friends or even friends of family.
- It is worth talking to your competitors. Once someone tells you about a solution, talk to someone that is involved with that solution or try to use it yourself. It's more important to understand what your competitors have to offer. It's not uncommon to find a solution that is better than what you've identified.

Where to find people to talk to

The quality of feedback goes up sharply when you talk to strangers.

- Get referrals from people you have already interviewed.
- Find where your customers gather online. This counts as discovery too.
- LinkedIn and social media platforms
- Trade shows and industry events
- Question and answer forums

Capture what you hear.

Take notes exhaustively, then read back through them to look for themes. Build on the themes that repeat and park the rest somewhere you can find them later. **The system does not matter as much as consistency.** You can use a spreadsheet, Trello, a Word document. Your goal is to be able to produce data such as "68% of people have a problem with X."

Qualtrics is free research software available to Syracuse University affiliates. Data exports to Excel if you want to run a survey alongside your interviews. Treat surveys as a supplement. They can tell you how many, but they cannot ask why, and they will not catch the thing you did not think to ask about.

Discuss your discovery process with us. We are on the first floor of Bird Library. Bring your notes and we will help you work out what you learned and what to evaluate next. You can also book time with a mentor or ask us for the discovery templates. launchpad@syr.edu launchpad.syr.edu