National Science Foundation I-Corps

Best Practices for Customer Discovery

Arber Ruci, New York I-Corps Hub
Oct 3ʳᵈ 2022

This Session

Goal: How to use Customer Discovery to turn hypotheses into facts

- Why must you talk to over 100 customers?
- Value of speed and insight
- How do you do it?
- Interviewing properly
- Interpreting your data

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Why must you talk to over 100 customers?

- It works!!!
- Must gain insight into your market – design tests of your hypotheses
- Pattern recognition – must get enough data points to see consistent patterns emerge
- This depth of understanding gives you insight

Value of speed and insight

- Get interviews efficiently – target Archetypes
- Target people you do not know
    – they are honest
- Ask for 5 minutes of their time and don't end meeting until they do
    – do pull plug if no value
- Be honest with yourself, be open-minded
    – do not look for validation of your own biases

So, How exactly do you do this?

- The Team must develop its script
    - Less than an elevator pitch
- Lead with your EL
    - "Student/postdoc assessing potential of NSF funded research"
- Goal is to get them to tell you their current solution to problems
    - Two-way meeting - Exchange ideas or insights
    - "I'm not trying to sell you anything"
    - "You are the smartest person in this industry"
- Random data points
    - "What trade shows do you attend?"
    - "What blogs do you read?"

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So, How exactly do you do this?

How to get hold of people you don't know (Most important topic)

• Research

- Use warm contacts for intros., personal network.

- Reference Story

• Cold Calls (calling/in person)

- Remember, everyone is lazy

- 1-2 sentence intro in emails

• Order value

- Lower levels give you company data

- Do not approach execs too early in process

• Target industries in flux

- Go after #'s 2-4 who want to be #1

• Resources

- LinkedIn, Google Scholar, Annual Reports, Tech support

- Be creative

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Interviewing properly

- Always meet as a group – must be face-to-face (Skype > phone)

- Be transparent, ask them for help – be humble, flatter them!

- DO NOT SELL – do not lead with your technology

- Focus on their needs and pain points – it's all about them, not you – you want insights

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Interviewing properly

Ask open-ended questions – you do not want yes/no answers

- <u>Ask</u>: Who? What? Why? How? Should? Why not?

- <u>Not</u>: Is? Are?

- <u>Ask</u>: What do they do? What is their job?

  What are their problems? Pain points?

  How do they currently address them?

Customer Discovery Best Practices

- Apply the scientific method to customer discovery.

- Design a test for each hypothesis.

- Seek to determine if your hypothesis is true or false.

- Your hypotheses MUST be falsifiable. The inverse hypothesis cannot be ridiculous.

- Be specific. No "ands" or commas.

- At all costs, avoid validation!

- Meet people you do not already know or use people unfamiliar to your customers!

- People you don't know do not have a relationship to protect. They will speak the truth… if you let them!

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Customer Discovery Best Practices

- Facts are interesting.

- Your goal is to uncover insights.

- Avoid confirmation bias at every turn.

- Don't just scratch the surface. Dive deep into your archetypes.

- Embrace the unexpected!

- Don't fear picking the wrong markets.

- Look for hidden motivations.

- Increased depths of understanding always leads to insight.

Interpreting your data

- This is a continuous process

  - Don't stop with 1 answer

- End meetings correctly

  - Ask: "What did I forget to ask you?"

    "Who should I talk to next?"

    "Can you introduce me?"

- Always look for the "unexpected answer," surprises

Interpreting your data

- Remember, your discovery journey is looking for a product-market fit

  - Do not be afraid to pick wrong

- Beware of "false pivots"

  - Change direction only based on insightful data, not gut feelings, rumors, etc.

  - Again, be honest with yourself

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The art of customer interviews

Good

- Disarm the sales pitch mentality
- Insight questions
- Open ended questions
- Listen, then listen, then listen more
- Why-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
- "False positive" questions
- Biased questions
- Interrupting
- Missed opportunities to dig deep

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Best Practices for Customer Discovery

Our Secret

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

- Get out of the building!!!

Want to do customer discovery guided by experts?

Gotham Innovation Gambit – Regional I-Corps Short Course Fall 2022 4 Course Dates:

2-Day Kickoff, Day 1: Tuesday, November 1, 10:00 AM - 2:30 PM (A/V testing at 9:30 AM) and

Day 2: Friday, November 4, 10:00 AM - 12:45 PM (A/V testing at 9:30 AM)
1-Mid Session: Friday, November 11, 2022, 10:00 AM - 1:00 PM (A/V testing at 9:30 AM)
1-Day Finale: Friday, November 18, 2022, 10:00 AM - 2:00 PM (A/V testing at 9:30 AM)

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TEAMS:
Applications are being reviewed NOW
on a rolling basis
until
12:00 PM October 21, 2022
: https://bit.ly/ICorpsFall2022

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