



If You Build It, They Will NOT Come?

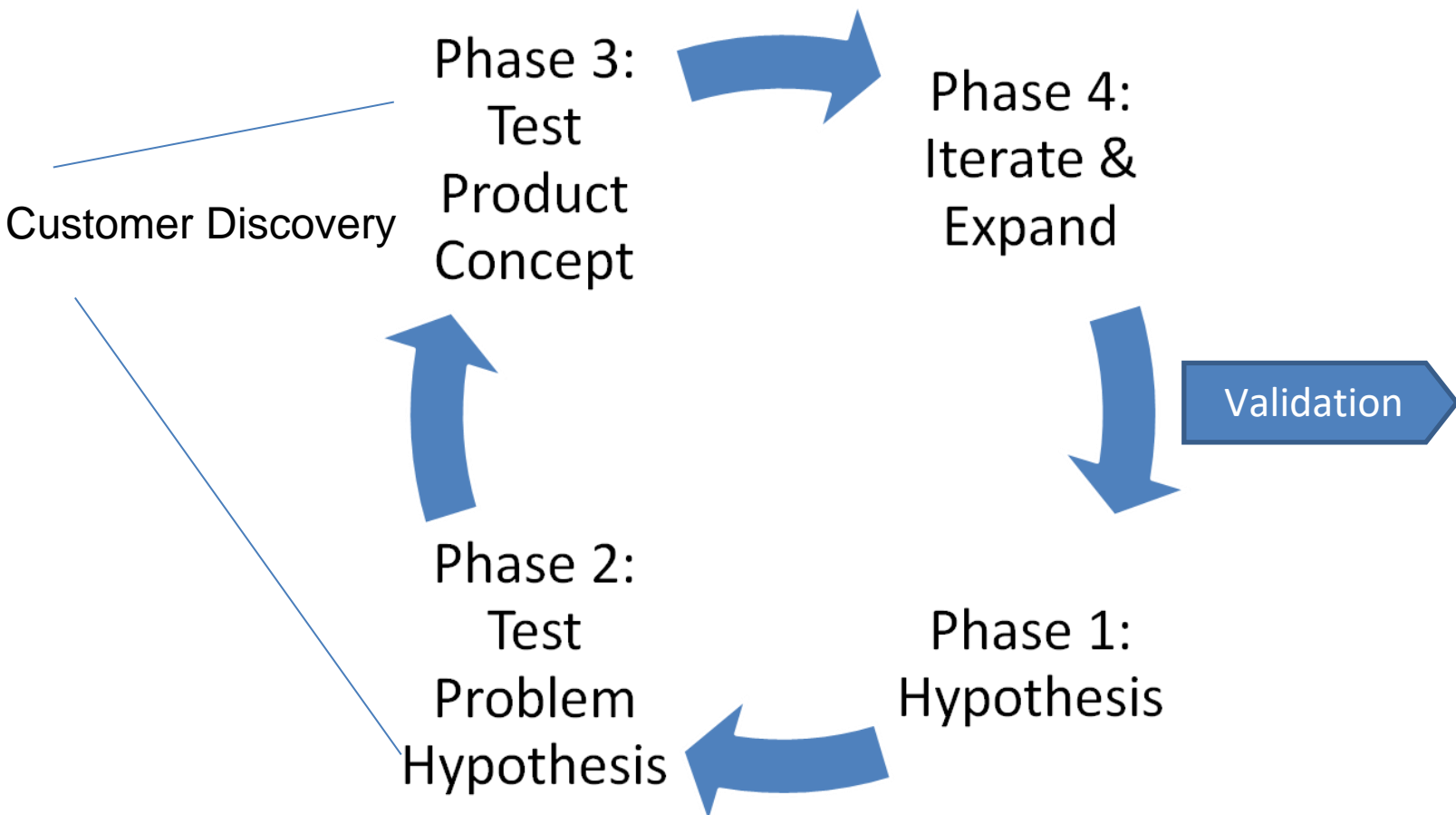
Eliminating Unbounded Risk

**“Most New Products and Businesses fail
Because We Build Products People
Don’t Want To Buy or Use”**

– Steven Plank

This document will give you a 4 Step Process to testing customer intentions.

Customer Discovery Process



Step 1: Define A Theory About Your Intended Customers That You Want To Test

- What is something you believe to be true that might Not Be True
- Generate list of 50 target customers that loosely fit the Customer Hypothesis Brief. Star those you think are “innovator” companies/customers.

Develop Customer Brief (See Value Proposition Template):

- Your Initial Guesses About:
 - Who the customers are
 - What problems they have
- Created by Customer Development team
- This is your Problem Hypothesis

Output

- The 1 page Customer Brief
 - Types of customers
 - Customer problems
 - A day in the life of your customers
 - Organizational and influencer map
 - ROI justification
 - Minimum feature set

Step 2: Quickly and Inexpensively Test The Hypothesis

- Talk to at least 10 potential customer per week.
Interviews should be approximately 10 minutes in length.
- Debrief immediately and always capture written notes
- Refine your briefs based on customer feedback.
Discuss with mentors.
- HACK: Goal is to Prove your Theory Wrong

EXPERIMENTING TEMPLATE

HYPOTHESIS:

We Believe:

To Verify We Must:

To Measure We Must:

To Prove We Must:

Step 3: Test Product Concept

1. Product Development Brief

Introduction:

- Initial guesses about the product and its development.
- Created by Product Development Team
- Your Hypothesis on the Product Concept

Output:

- The 1 Page Product Brief
 - Product Features
 - Product Benefits
 - Intellectual Property
 - Dependency Analysis
 - Product Delivery Schedule
 - Cost of Ownership/Adoption

A Day in the Life of a Customer

- Must spend time with customers now
- What does the world look like from THEIR perspective?
- Do it for each customer type
- Summarize in your brief

Customer Org and Influence Map

- Show types of users around your solution who will use, buy, or influence it.
- Show relationships and core concerns between each group.

2. Pricing/Distribution Brief

- Your Initial Guesses About:
 - Product Cost and Pricing
 - Distribution Channels
 - Demand Generation
- Created by Customer Development Team
- This is your Sales Hypothesis!

3. Market/Competitive Brief

Introduction:

- Your Initial Guesses About:
 - Market type:
 - Entering existing market
 - Re-segmenting a market
 - Creating a new market
- Created by Customer Development Team
- This is your Market Hypothesis!

Existing Market?

- Your Initial Guesses About:
 - Competitors, who's the leader? Market share?
 - Differentiation – how have your competitors defined the market
 - Standards? – embrace, replace, extend
 - Costs benefit of competitors- where you want to fall in that graph

Re-Segmenting?

- Your Initial Guesses About:
 - What your segment is and how it's different (low cost, niche)?
 - What compelling needs are unmet by the existing market that will cause abandonment?
 - Why don't existing competitors do this?
 - How will the market be educated?

- **HACK:** Other ways to Inexpensively Test Your Product
 - Landing Page (See If Customers Signup)
 - Online Ad
 - Social Media Post
 - Survey
 - A/B Value Proposition Test
 - Paper Prototype
 - Wireframes

Step 4: Repeat Customer Discovery Process

