

# Understanding Customers



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# Intro

**NOKIA**

beddit



 **SUPERMETRICS**

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# Content

- 1 - Why does this matter?
- 2 - Who is your customer?
- 3 - How to talk to customers
- 4 - Q&A



1- Why does this matter?

“The purpose of business is to create  
and keep a customer.”

Peter Drucker, 1971

## 1- Why does this matter?

1 - Build something **you don't use without talking to anybody.**

- Not optimal
- Mostly focused on building stuff
- High likelihood of failure

2 - Build something **for yourself and trust there are more like you.**

- Neat way not to talk to customers
- Often not representative
- Rarely works

3 - Build something **that is useful for a broad set of people.**

- Always works, w/o personal insight
- Highly likely you will learn a lot
- Least risk of failure

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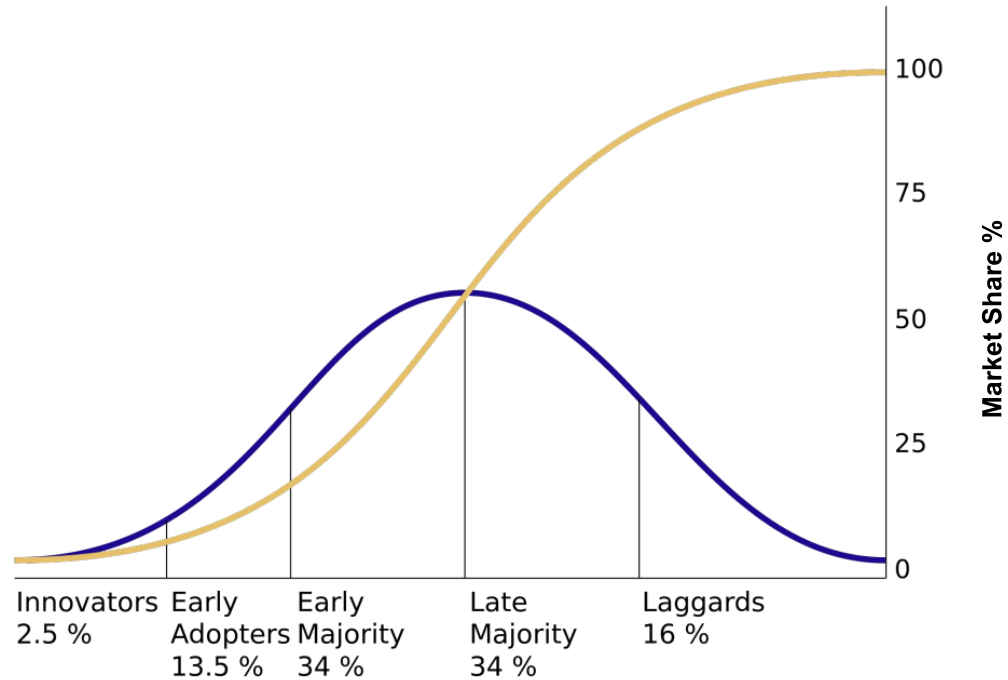
**We want this**



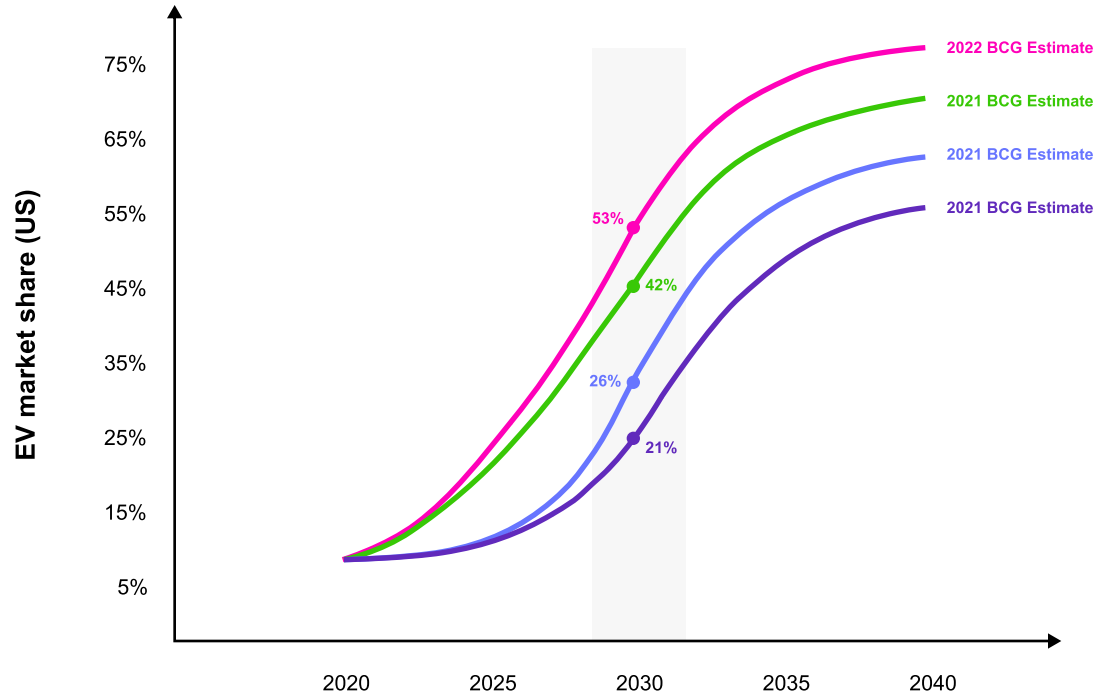
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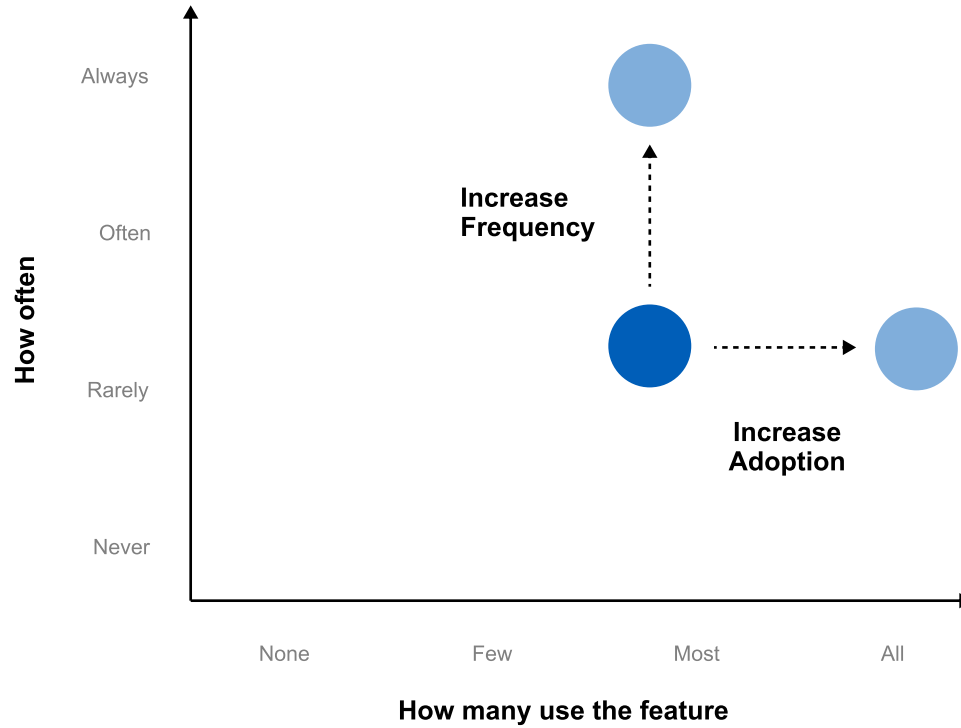


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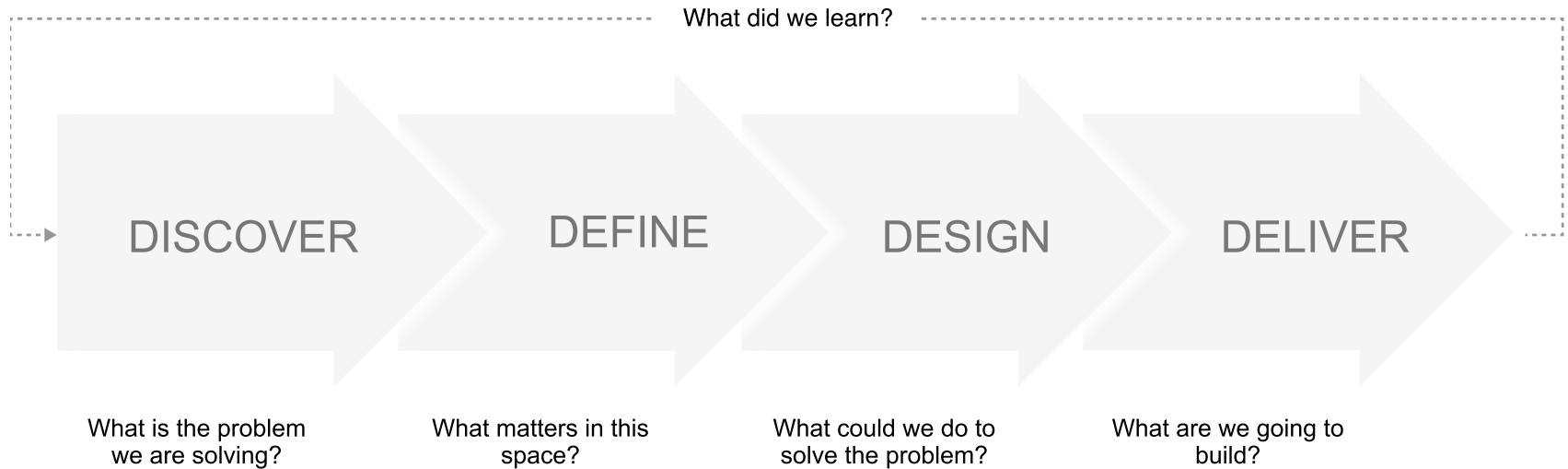




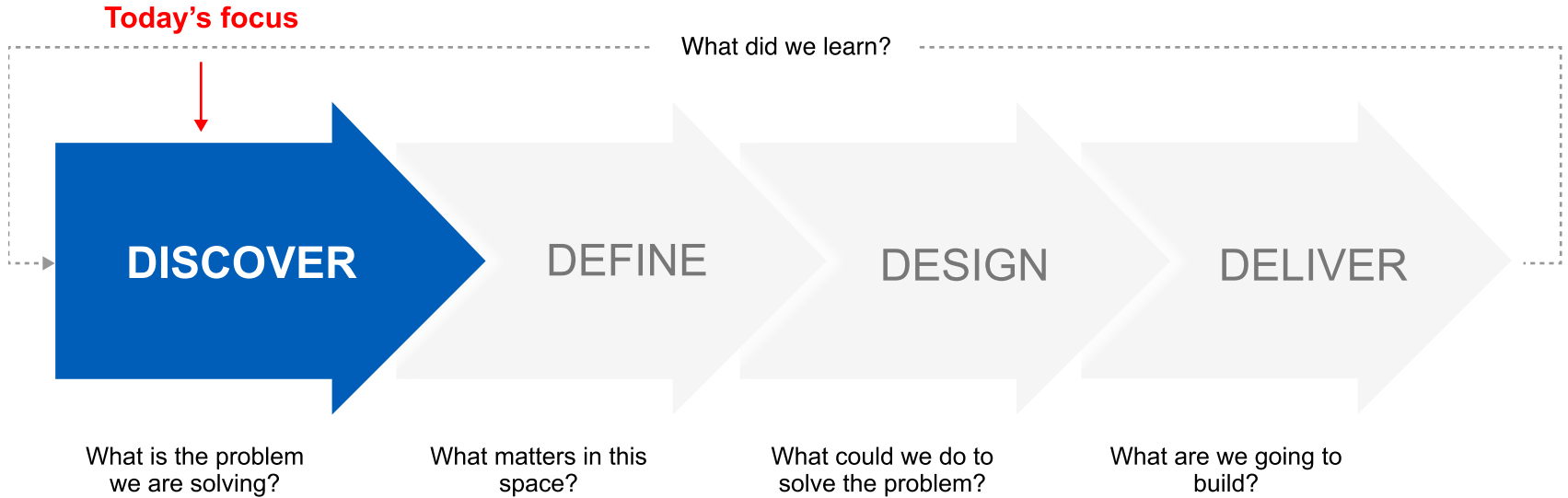
# 1- Why does this matter?



## 1- Why does this matter?



# 1- Why does this matter?



# 2 - Who is your customer?

2.1 - Landscape

2.2 - Segments

2.3 - Adoption

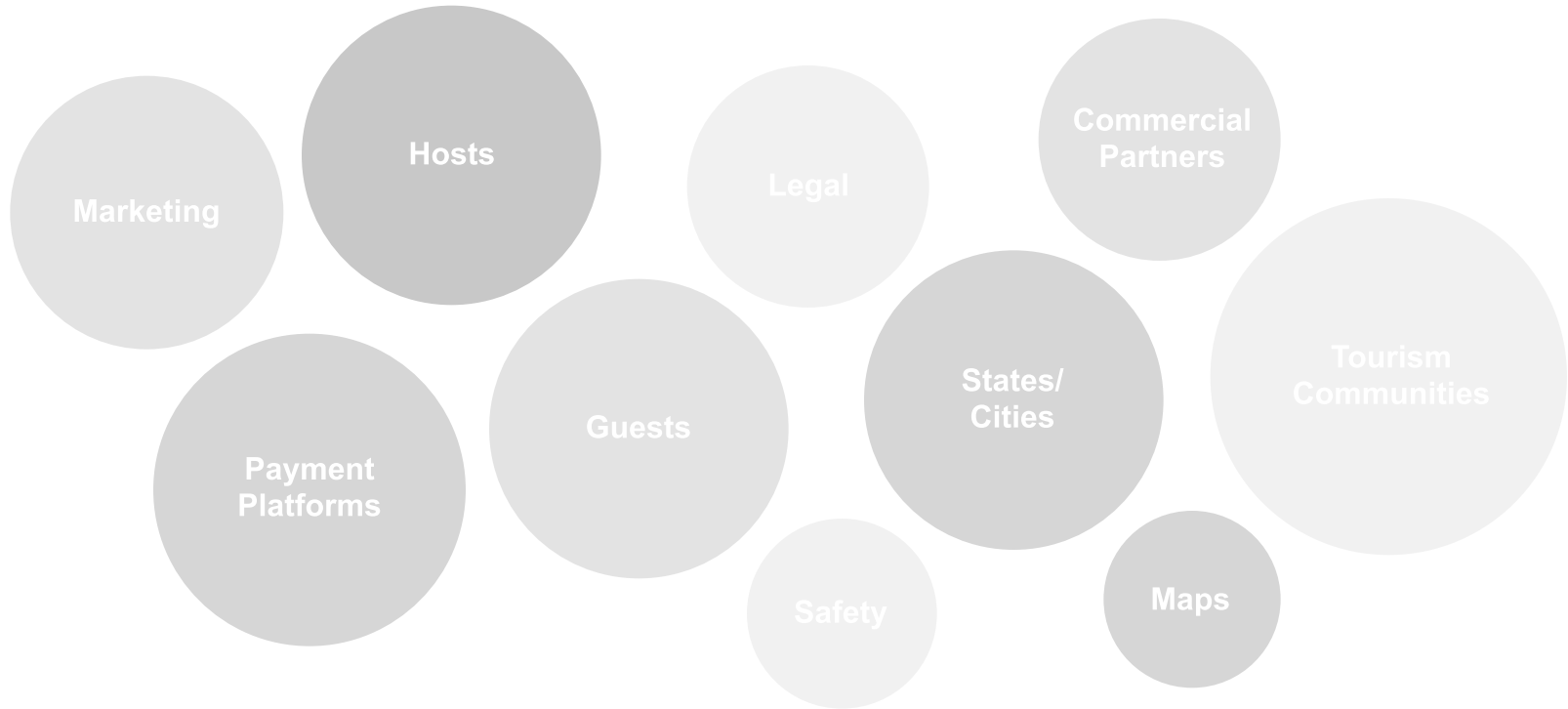
2.4 - Examples

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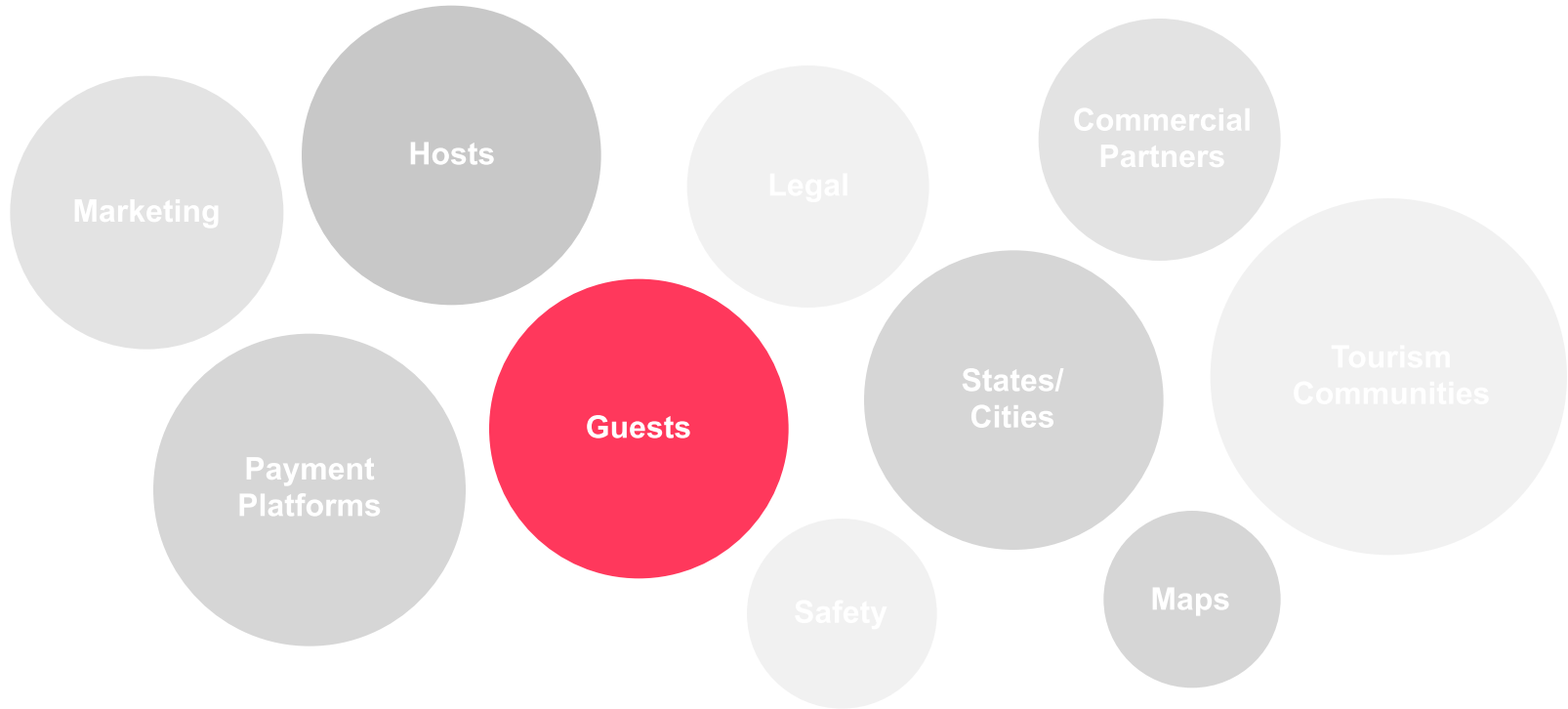
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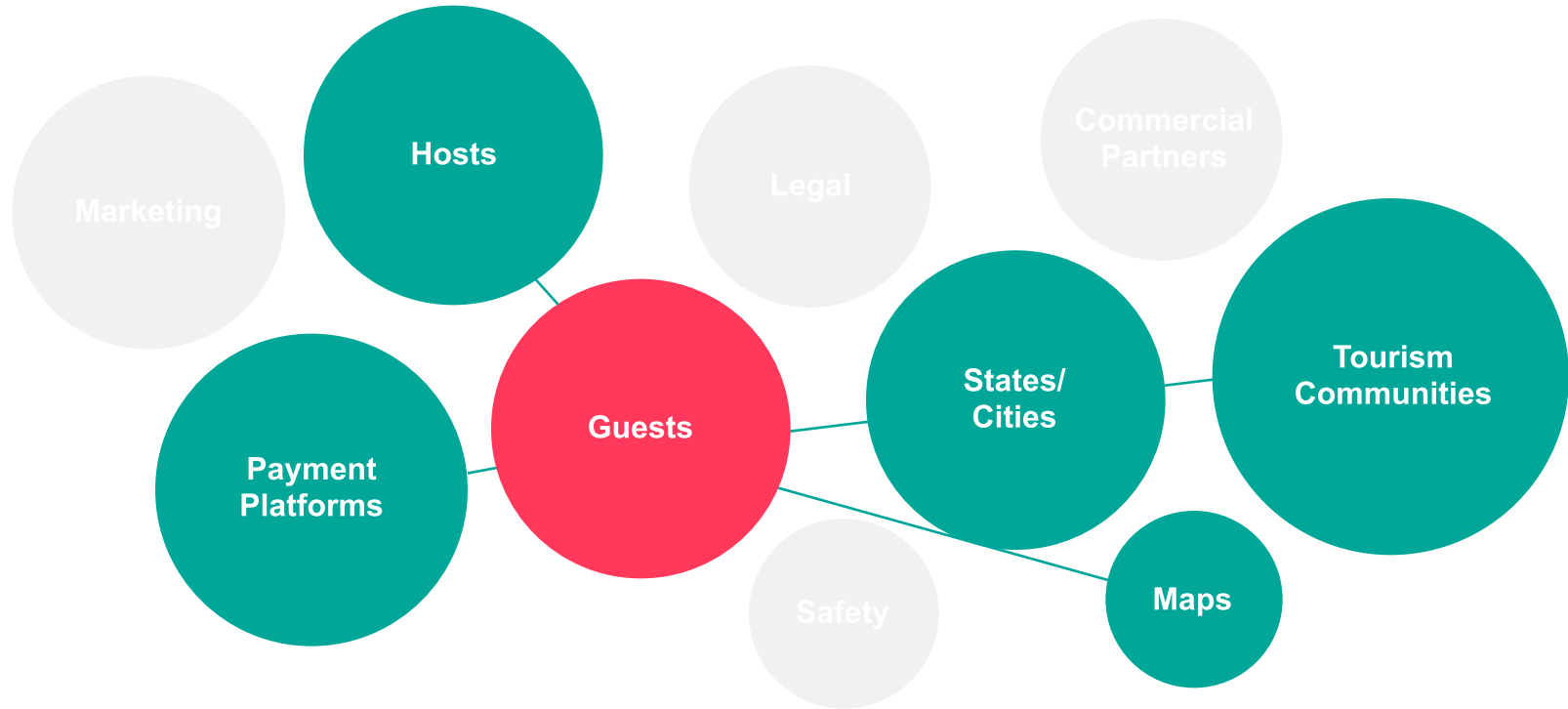
## 2 - Who is your customer? **AirBnB**



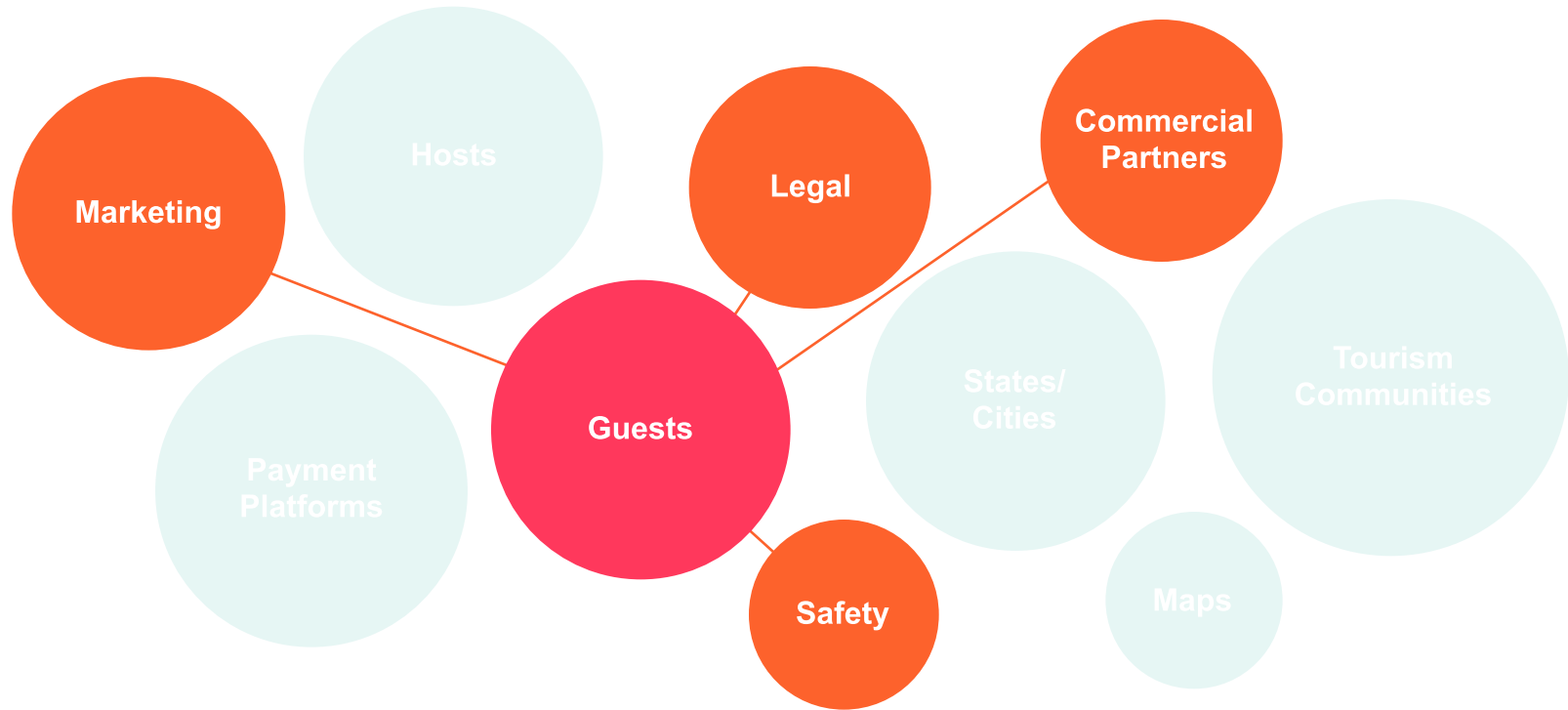
## 2 - Who is your customer? **Paying**



## 2 - Who is your customer? **Partners**

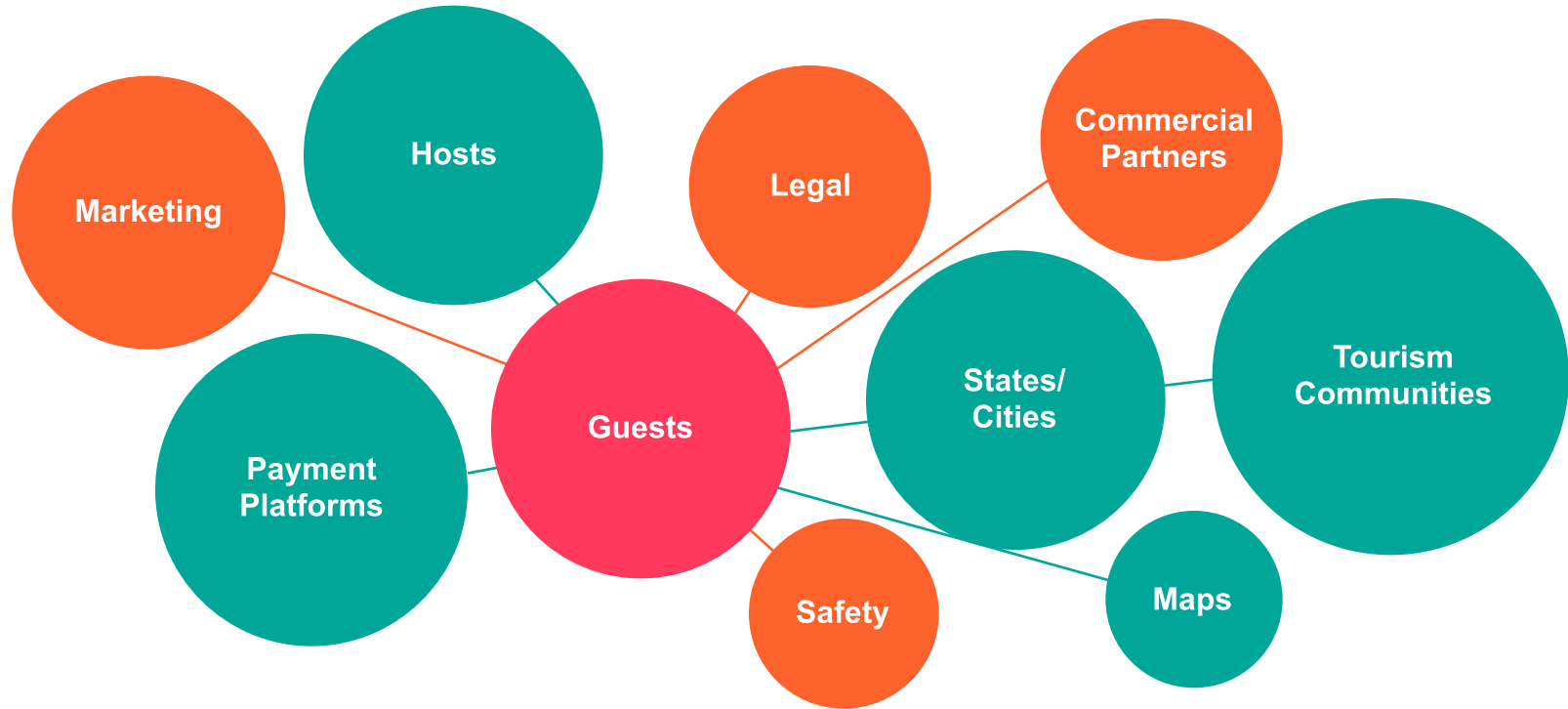


## 2 - Who is your customer? Stakeholders

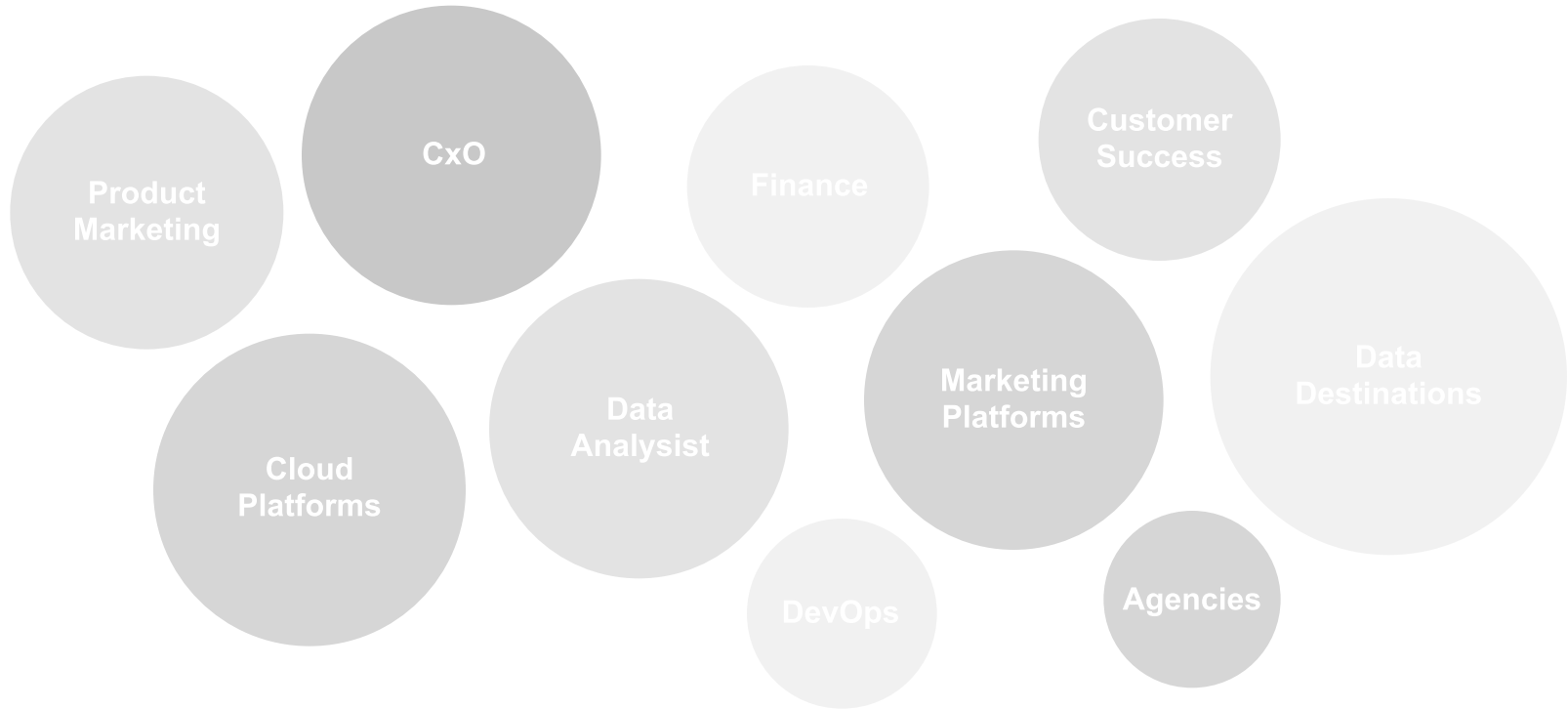




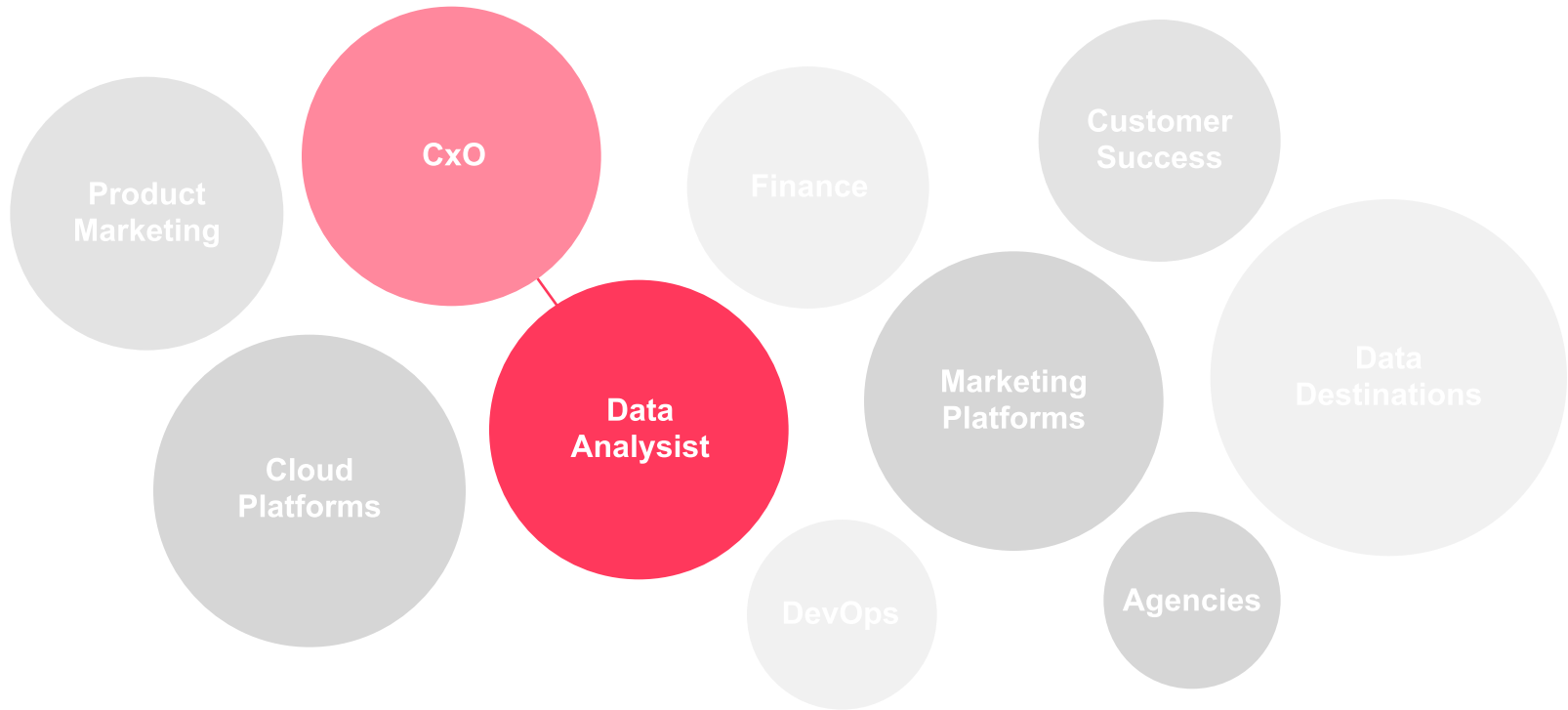
## 2 - Who is your customer? AirBnB - Customers, Partners, Stakeholders



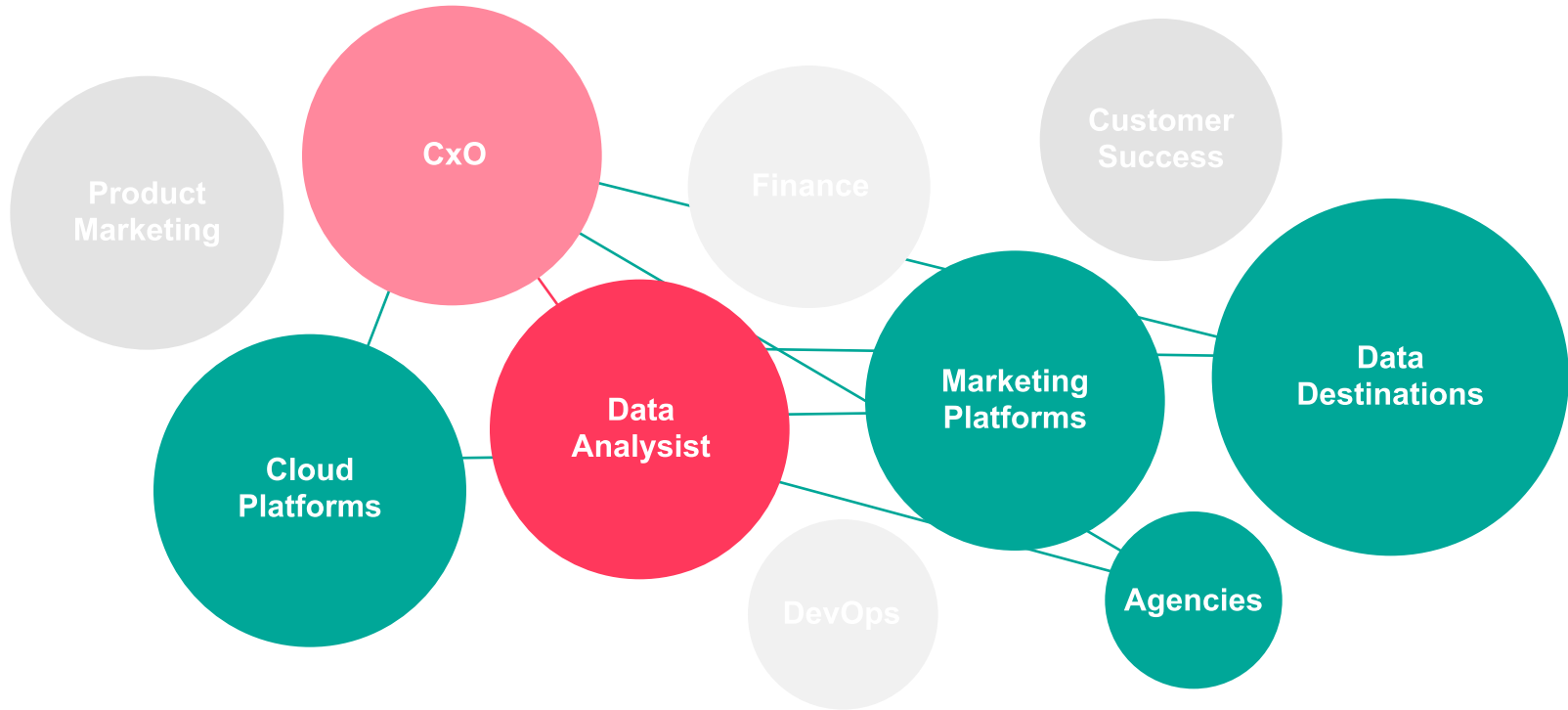
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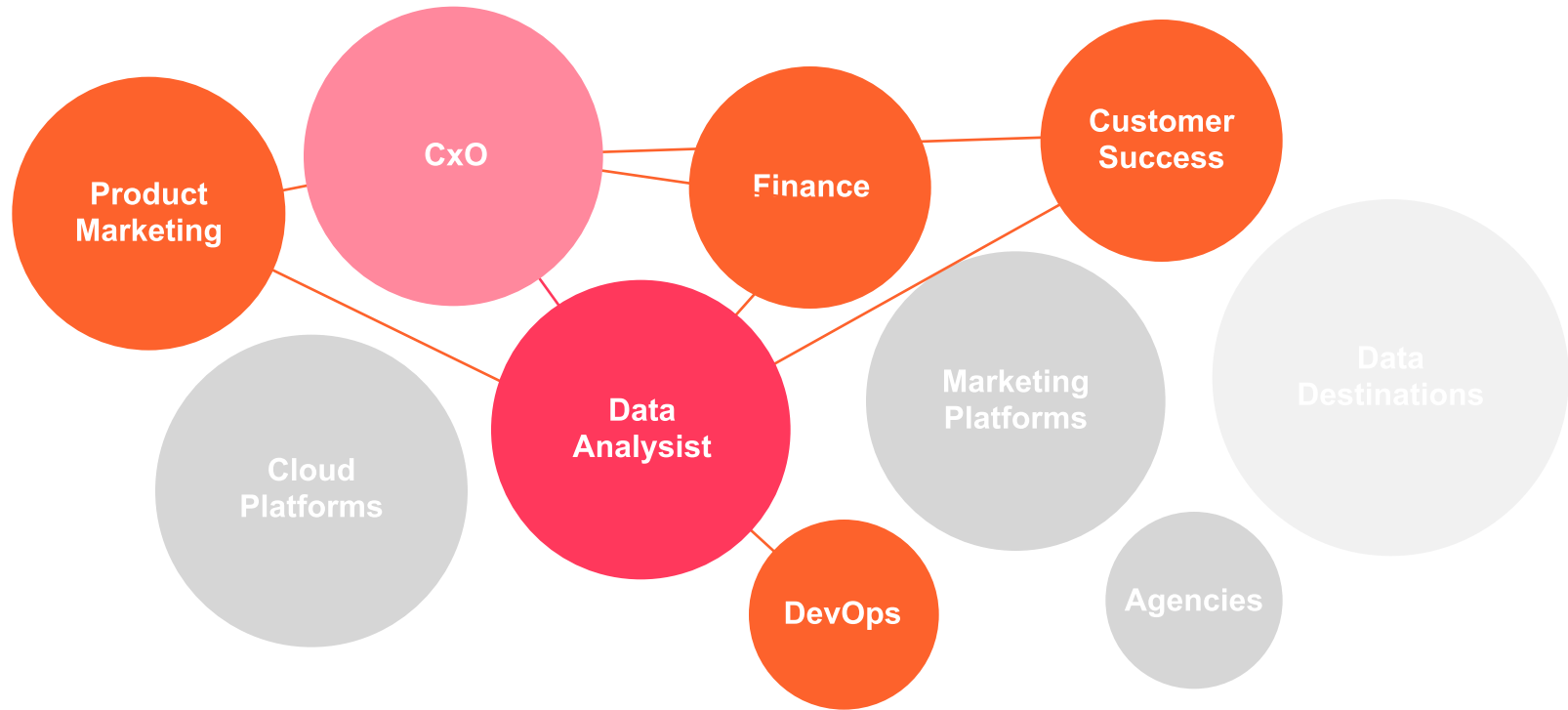
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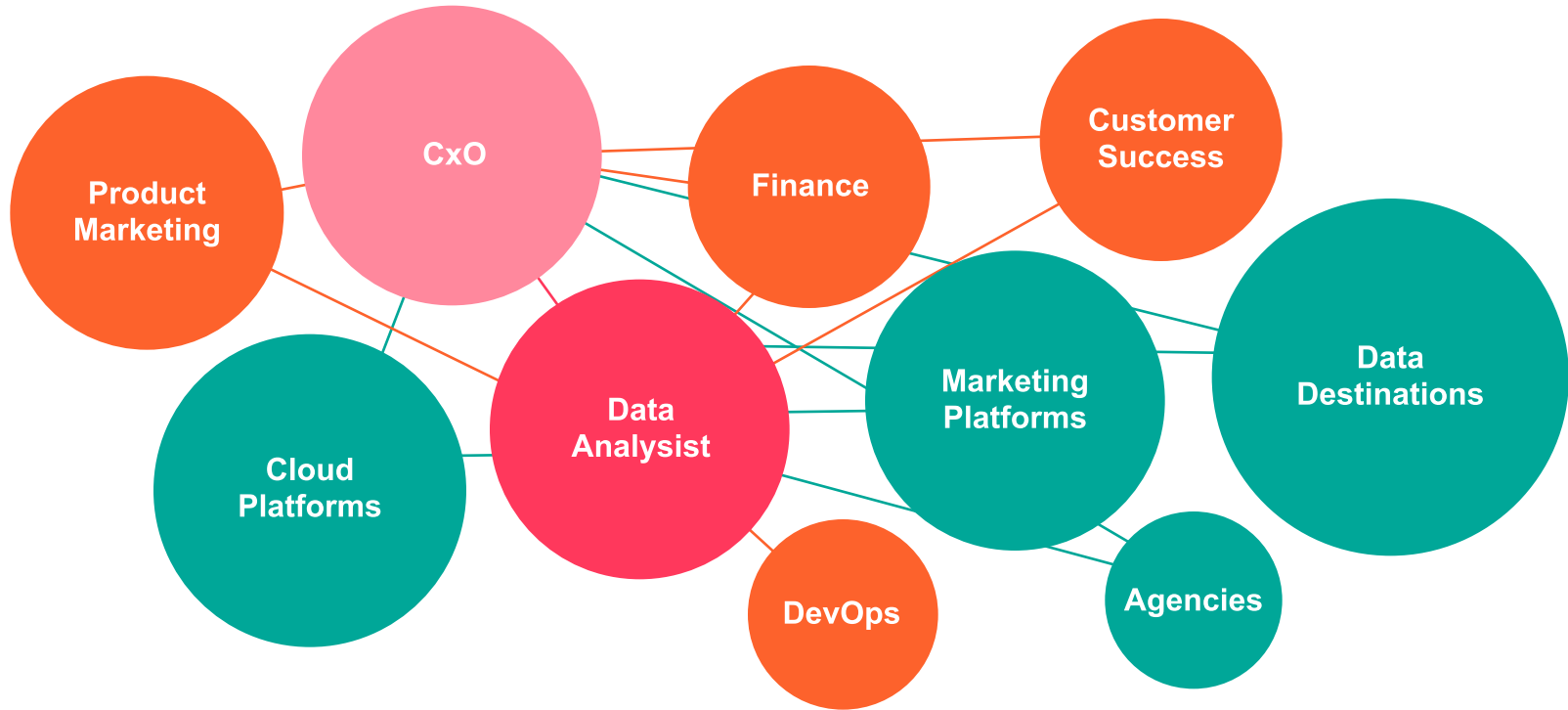
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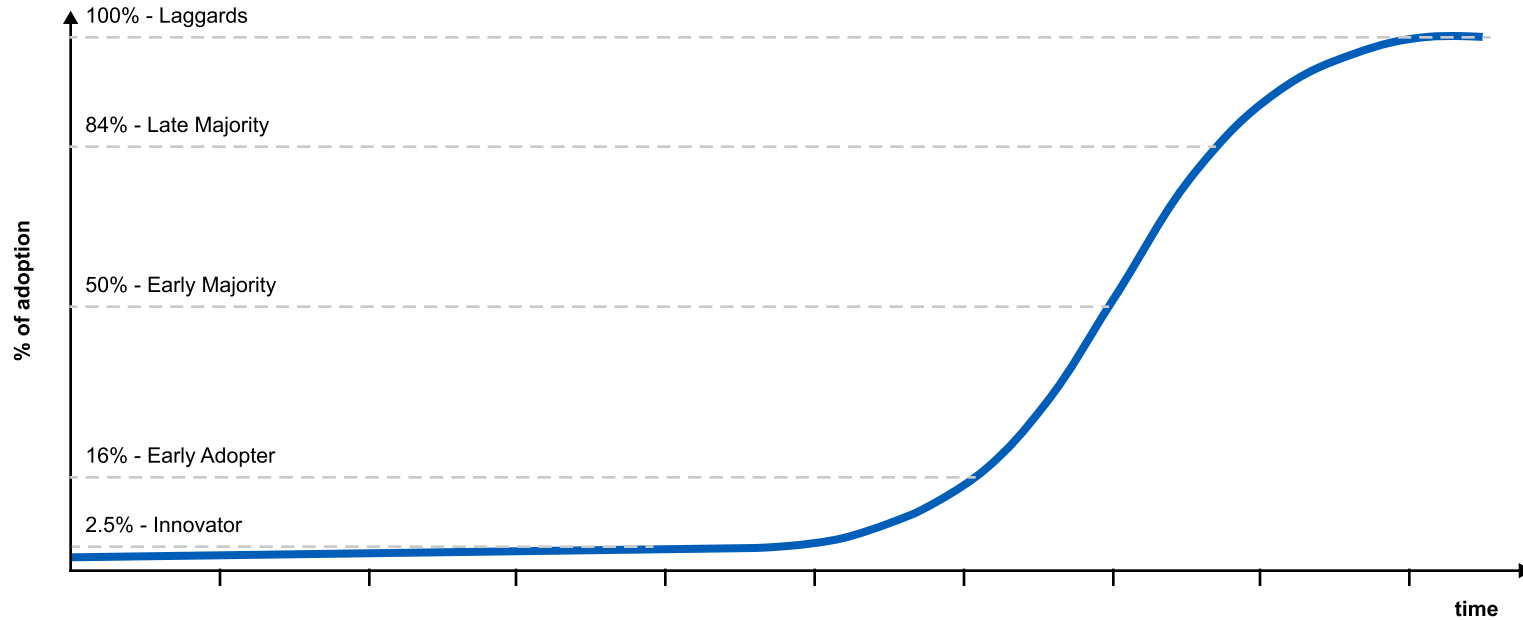
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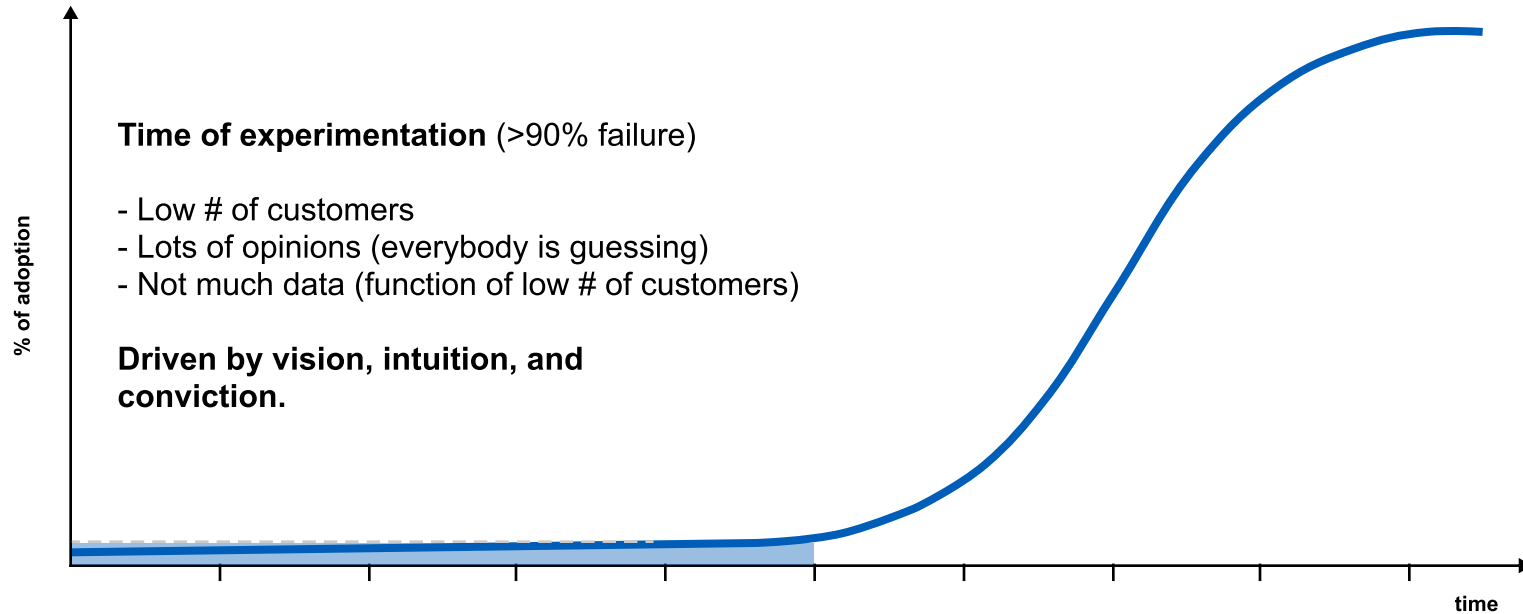
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## 2 - Who is your customer? Segments

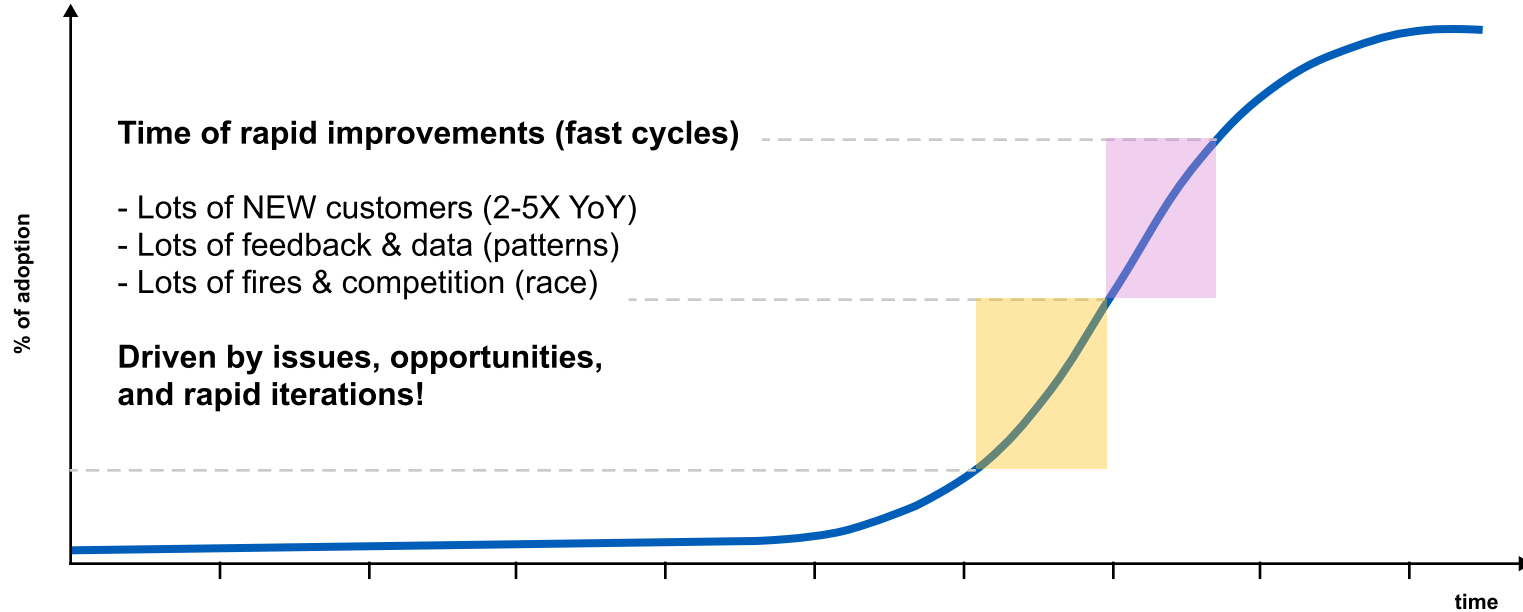


## 2 - Who is your customer? Innovators

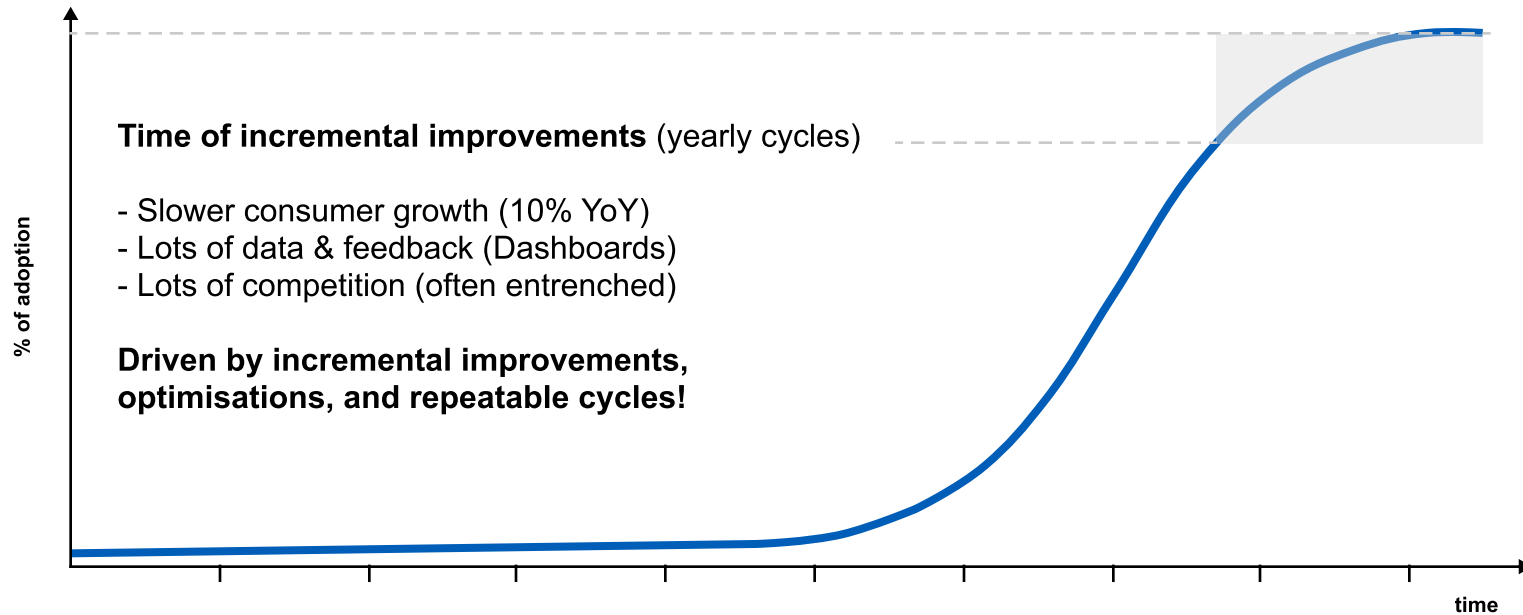




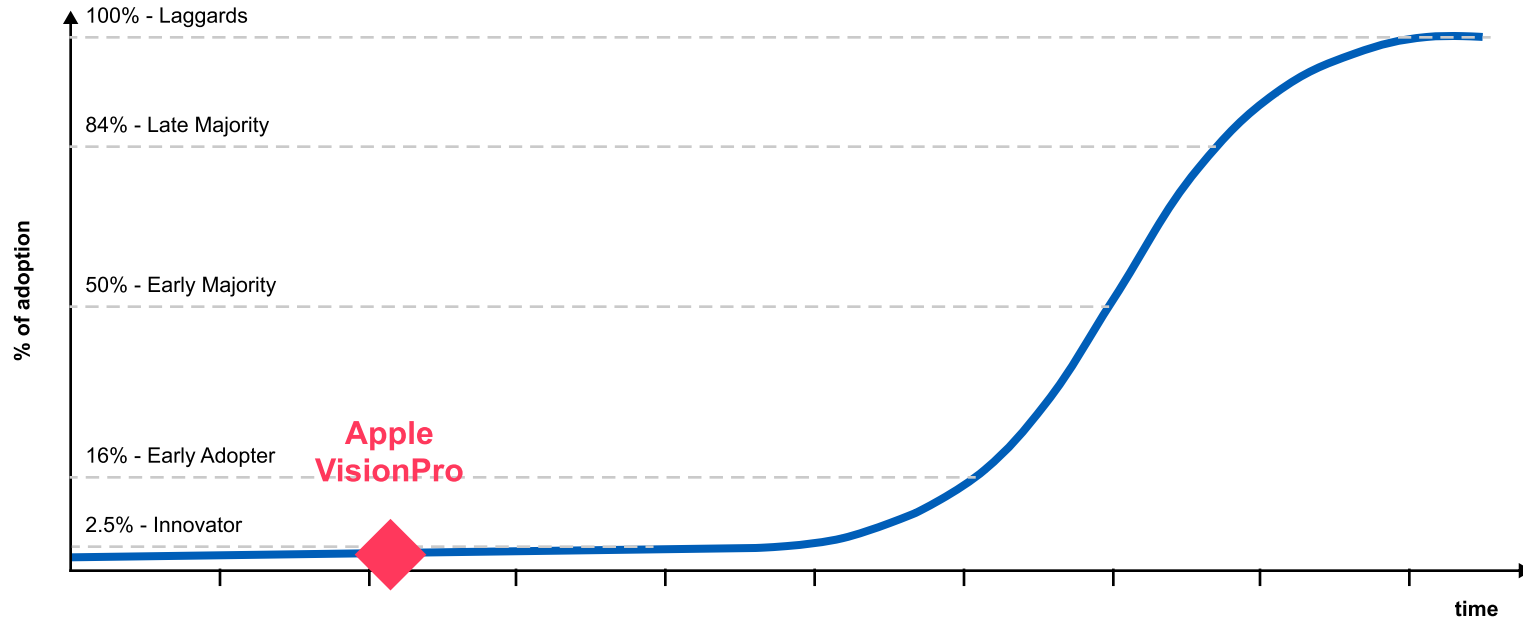
## 2 - Who is your customer? Early Adaptors & Early Majority



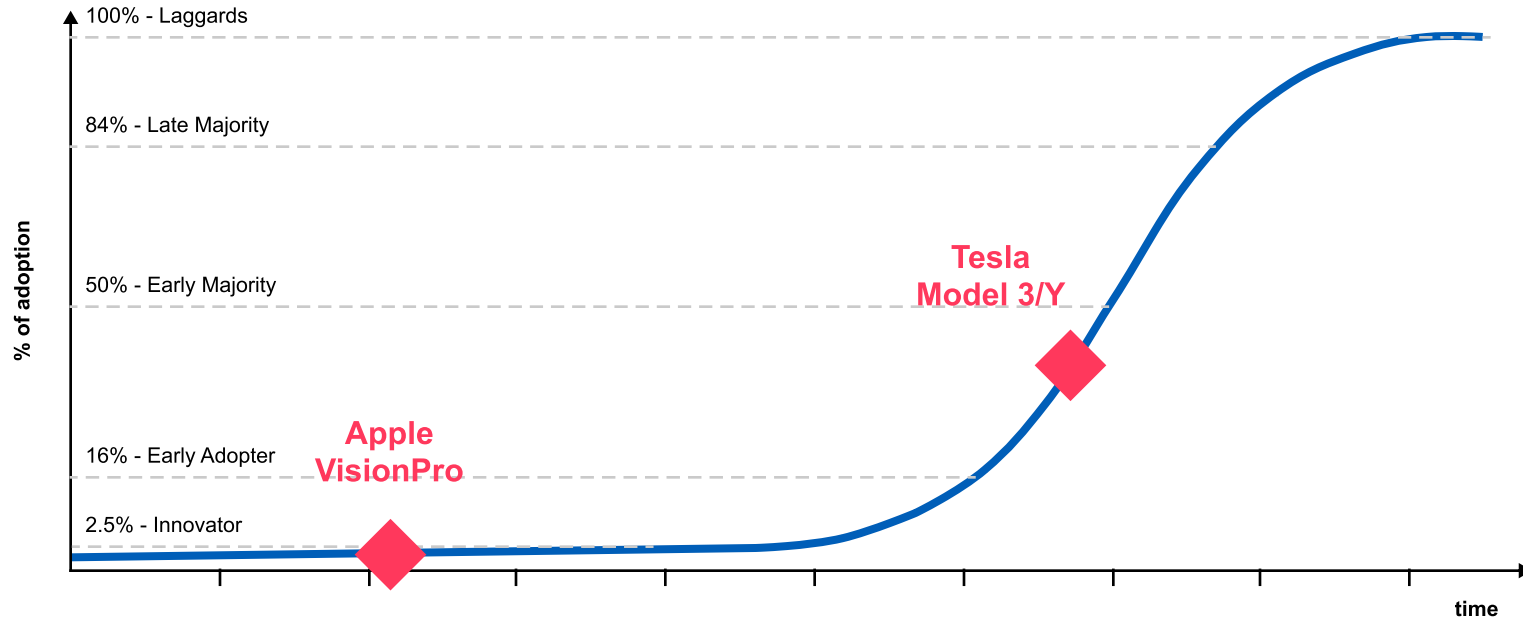
## 2 - Who is your customer? Late Majority & Laggards



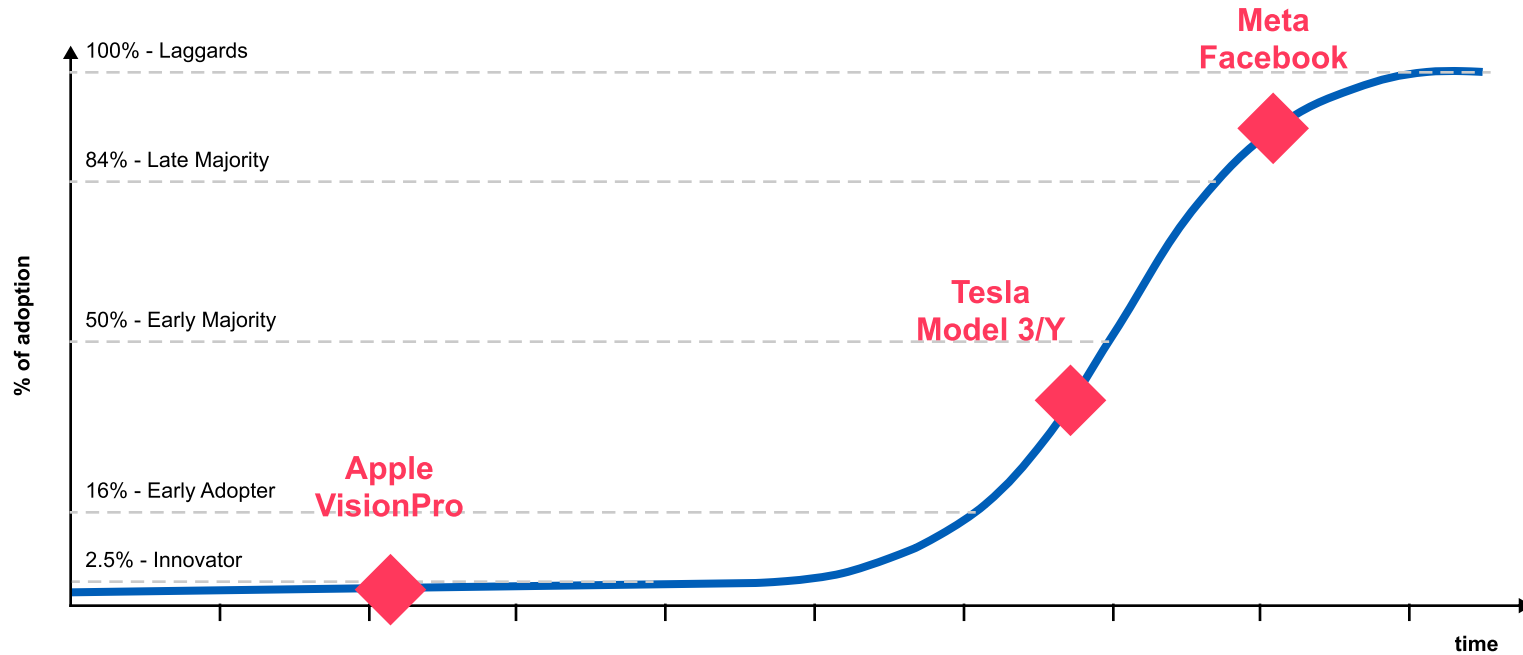
## 2 - Who is your customer? **Early Stage**



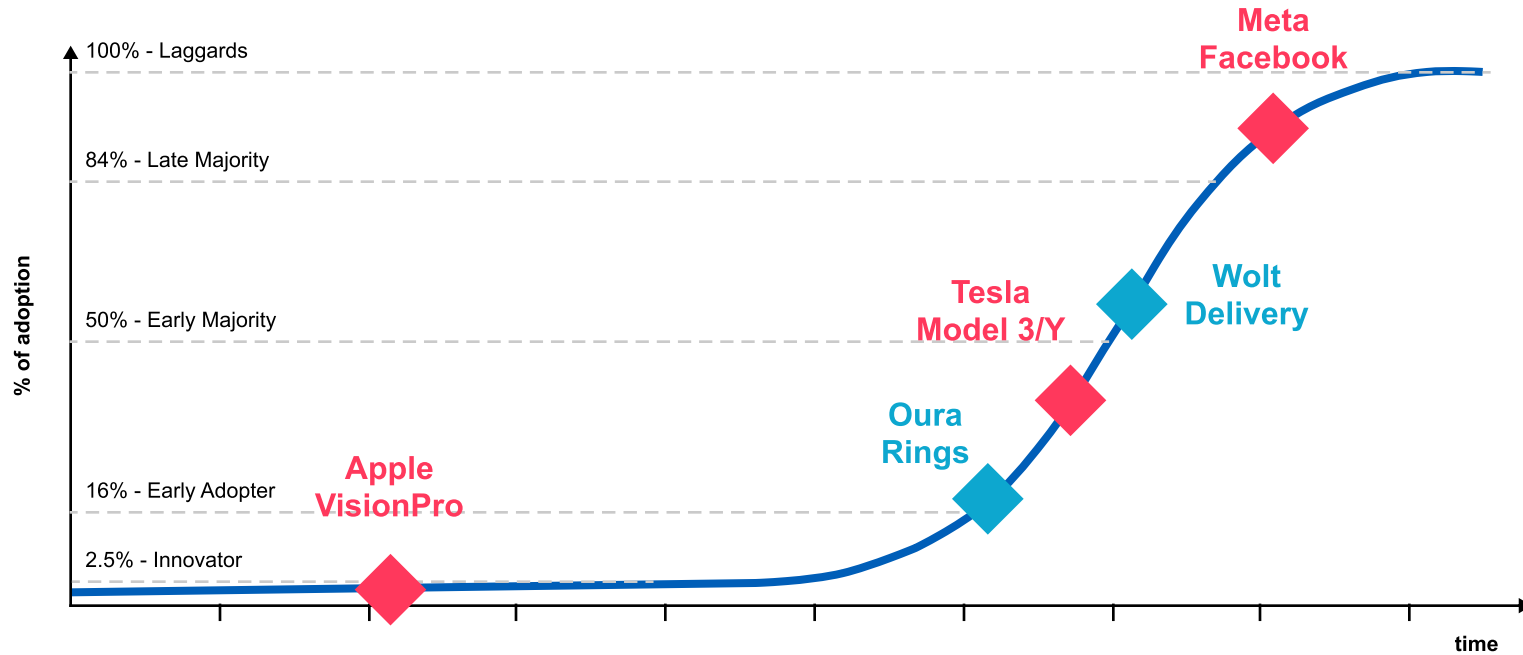
## 2 - Who is your customer? **Growth Stage**



## 2 - Who is your customer? **Late Stage**



## 2 - Who is your customer? Examples



# Finding your customers is a function of:

## 1. Who is “paying” for your product:

- Consider users/buyers (B2B) others are partners or stakeholders

## 2. What stage your product is at:

- Completely different approach in early, growth or mature stages

Don't just randomly talk to people!

# 3 - How to talk to customers

3.1 - Groups

3.2 - Inquiries

3.3 - Mistakes

3.4 - Outcomes

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### 3 - How to talk to customers? Three different customer groups

#### **1. Existing Customers**

- Typically give detailed feedback, things like these features are missing, etc.
- Ask yourself: if they are already buying from you, how important is adding this?

#### **2. Competitor Customers**

- Tell you what your product is lacking, very different from your existing customers.
- Focus on the things that are so bad that they are not willing to buy from you.

#### **3. Non Customers**

- Everybody that is not buying yet, not from you nor the competition.
- What they say is essential. Their problems block you from expanding.

### 3 - How to talk to customers? Inquiries

We distinguish two forms of inquiry, **qualitative and quantitative**. You learn more from talking to users, i.e. having a personal, interactive conversation.

#### What do you typically ask?

- What tools do you use? Why did you choose it?
- How are they working for you? What problem does it solve for you?
- Have you tried other tools? Why have you dismissed them?

Open questions, listen for blockers, i.e. what's wrong in how their current solution works

- **when you hear something new/surprising, dig deeper!**

### 3 - How to talk to customers? Inquiries

“That’s interesting,  
tell me more about that.”

One of the most important questions

### 3 - How to talk to customers? Common Mistakes

#### **NEVER focus on questions about:**

- specific user-flows or features you like feedback on
- optimizing or improving existing features
- specific features the customer likes

It can be highly distracting because customers think they know what they want. They don't. **Don't try to find a solution. Find their problem!**

**It's your job to find a better solution to the problems** (next lecture)

### 3 - How to talk to customers? Other Discovery Methods

- 1. Try competitor products to learn what matters and what doesn't.** You don't need your product to start learning. "How Porsche made an SUV."
- 2. Read customer feedback (NPS, CSAT).** Customers go to great lengths to explain why they are satisfied or not and what could be improved.
- 3. Do thorough desk research.** Research and collect all the information about your product category you can find online, i.e., reviews, reports, etc.
- 4. Analyse data.** Data can be very supportive in finding where to look for problems or verifying that they are real. Quan and qual are complementary.

### 3 - How to talk to customers? Common Mistakes

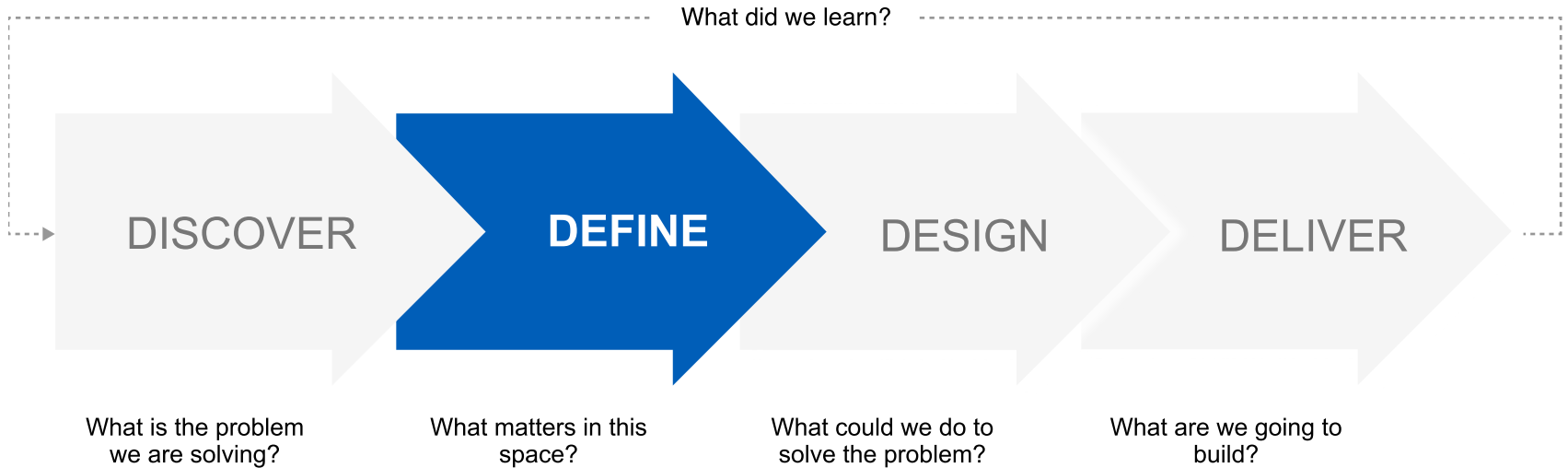
- 1. Not making it a priority to talk to customers.** Don't try to find easier ways. Instead, invest in practicing interviews to uncover genuinely new insights.
- 2. Talking to easily available customers.** Who you talk to is as important as what you talk about. Without the right people, your data won't be any good.
- 3. Not asking enough “probing questions”.** Don't tell them about a product or feature or ask what they like. You want to learn what is already in their heads.
- 4. Multitasking and note-taking during interviews.** It can be disruptive, and you never know what will be the key insight during the interview. Record with consent.

## The outcome of discovery is:

1. **What's the problem** (why does it exist and for whom)
2. **What's the impact of solving it** (higher revenue, lower cost, etc.)
3. **What are the alternative solutions** (competitors, alternatives, new)
4. **What are the risks of solving it** (value, business, usability, feasibility)

That's all you need to enable your team to design a great solution!

# 1- Why does this matter?





# Q&A



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## 4 - Supporting Materials: Interview Guidelines

- Don't ask customers to imagine or speculate. The answer will not be reliable.
- Don't ask customers if they like or dislike something. They might dislike it and still do it.
- Ask them why they did what they did. The [five whys](#) are a good framework to identify problems.
- Ask them what they used to do and why, what they liked about it and what was painful.
- Don't focus on customer ideas, try to find the underlying problem they are trying to solve.
- Record the interview. You won't know what matters most until afterwards. Least destructive.
- Do the interview in a comfortable language for both parties, English or German.
- Practice with promoters, they like what we do and are happy to work with us.
- Synthesize and summarize the results. Many people need to know them.
- Identify strong/weak patterns and rank them by problem size.
- Talk specifics, not hypotheticals.
- Listen, don't talk.

## 4 - Supporting Materials: Resources

Peter Drucker: Management <https://www.adlibris.com/fi/kirja/management-9780061252662>

Crossing the Chasm: <https://www.youtube.com/watch?v=Y-97AXOPzJo> - Book:  
<https://www.amazon.com/Crossing-Chasm-Marketing-High-Tech-Mainstream/dp/0060517123>

How to Run a User Interview: <https://www.youtube.com/watch?v=qAws7eXltMk>

Jobs to be done: <https://www.youtube.com/watch?v=sfGtw2C95Ms>

Jobs-to-be-done interview: <https://therewiredgroup.com/index.php/portfolio/jobs-to-be-done-mattress-interview/>

How to talk to users: <https://www.youtube.com/watch?v=MT4lg2uqjTc>

Predictably Irrational (Book): <https://www.amazon.com/Predictably-Irrational-Revised-Expanded-Decisions/dp/0061353248>

Predictably Irrational (TED Talk): [https://www.ted.com/talks/dan\\_ariely\\_are\\_we\\_in\\_control\\_of\\_our\\_own\\_decisions](https://www.ted.com/talks/dan_ariely_are_we_in_control_of_our_own_decisions)

The Mom Test (Book) - <http://momtestbook.com/>