Customer Discovery Basics

OVERVIEW

Customer discovery is the initial and iterative process of understanding customers' situations, needs, and pain points. Customer discovery involves defining and prioritizing personas and is applicable to both early-stage companies and big companies when developing new products, seeking to target new personas, or entering new markets. Discovery should encompass the entire customer journey. Common discovery techniques include interviewing, ethnography, low fidelity (lo-fi) testing, and journey mapping.

5 KEY TAKEAWAYS

1. Customer discovery starts with understanding customers' pain points.

The first step in customer discovery is to understand the problem—the specific pain point you are trying to solve. The objectives of discovery and common mistakes are:

Objectives	Common Mistakes
Validate strong, unmet needs	Proceeding to a solution without validating the need
Confirm the problem is worth solving	The #1 reason startups fail is no market need
Develop an estimate of the TAM (total addressable market)	The pain is not big enough to make it an attractive market/opportunity
Understand the buying process, adoption barriers	Developing a solution without understanding the entire buying process, journey, and all of the barriers

"Part of discovery is trying to define not just how painful the problem is, but also whether it is a big enough problem across enough constituents to make it worth it to build a product—and potentially a company—to resolve it."

Pro tip: Problem-solution definition and understanding is not a one-time event; it must be an ongoing, iterative process, since circumstances and needs are always changing.

2. Defining and prioritizing personas is an essential part of customer discovery.

The discovery process involves researching and defining a set of target personas. Personas are specific groups of fictional, archetypal customers. Defining a persona entails understanding the situation, needs, stories, emotions, and motivations of this group. Personas should feel like real people. (An effective practice is to create a one-page bio for each persona.) Often a business will define three to five personas, and may define different personas for different groups in the purchasing process, such as "buyers" and "users."

Pro tip: While you may have multiple personas, define and focus on one to two primary personas. Not prioritizing or focusing may yield a diffuse product.

3. Interviewing is a critical aspect in discovery.

Interviewing target personas is one of many ways to validate assumptions about pain points and that these are in fact the right target personas. Do not solely depend on interviews for problem and persona validation as this technique can limit perspective and takes some mastery to do well.

Use interviews to discover and learn, not to validate your opinion or pitch. Suggested interview guidelines include:

What to Do	What NOT to Do
Focus on LEARNING	Pitch or sell
Listen	Talk (you should listen more than you talk)
Use open-ended questions like "Walk me through the steps . . . "	Use leading questions; avoid asking, "Wouldn't you agree that . . .?" or "Would you buy this?"
Explore past behaviors by asking, "Tell me about the last time that you . . . "	Don't ask about opinions or intentions or "How likely are you to . . . ?"
Use the "5 Whys" to probe root causes	Accept answers without probing deeply

"When you ask open-ended questions, you're looking and listening for emotion and frustration; the emotional response is key."

In conducting interviews, avoid false positives. These can occur when interviewers hear what they want in seeking validation and when people say what they think you want to hear. Interviewing enthusiasts may result in stronger signals vs. mainstream buyers/users.

> **Pro tip:** In the early stages of discovery, the right number of interviews is five per persona with consistency in each interview. Do interviews as a "discovery team" with two to three people; one person asks questions; the others observe and take notes..

Other discovery methods include ethnography, which is observing customers in their day-to-day life, and surveys, which can be hard to design and may have sampling issues.

4. Lo-fi testing is a discovery technique to gain additional insights.
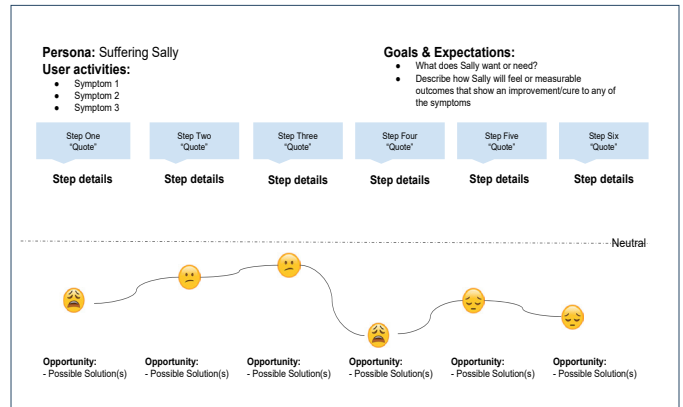
A discovery method that goes beyond the interview is lo-fi testing. By embedding yourself in the customer journey you will discover pain points firsthand. Lo-fi tests are simple, low-cost, low-fidelity versions of your solution—or an element thereof—that you can implement with prospective customers. These tests allow you to assess the validity of a hypothesis and to understand customers' behaviors and reactions.

> **Pro tip:** Do several rounds of lo-fi testing, each testing one variable, and continuously iterating. Testing too many variables at once may confuse the discovery process.

5. Journey mapping lays out the entire process and helps turn discovery into action.

Journey mapping (see example) lays out all of the steps in the journey for your target persona, from the very beginning of the purchasing process through the very end. These maps allow you to identify the biggest pain points and earmark potential solutions for each. As with other aspects of discovery, journey mapping is an iterative, never-ending process.

Persona: Suffering Sally
User activities:
- Symptom 1
- Symptom 2
- Symptom 3

Goals & Expectations:
- What does Sally want or need?
- Describe how Sally will feel or measurable outcomes that show an improvement/cure to any of the symptoms

Step One "Quote"	Step Two "Quote"	Step Three "Quote"	Step Four "Quote"	Step Five "Quote"	Step Six "Quote"
Step details	**Step details**	**Step details**	**Step details**	**Step details**	**Step details**

Neutral

Opportunity: - Possible Solution(s)	Opportunity: - Possible Solution(s)	Opportunity: - Possible Solution(s)	Opportunity: - Possible Solution(s)	Opportunity: - Possible Solution(s)	Opportunity: - Possible Solution(s)

> **Pro tip:** Visualizing the journey helps better understand the entire process and identify gaps, opportunities, and next steps.

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