Decoding Customer

Understanding Your User

A customer is a person or company who purchases goods and services. A user is a person or company who uses the goods or services.The objective of interacting or observing a user is to understand customer perceptions, requirements, preconceptions, price sensitivity, potential objections and preferences. This helps validate the assumptions that you made when you came up with the business idea to an extent.

In this process, empathy is a key skill that must be applied and understood. However, the success of customer-driven innovation depends on who's invited to participate. Let us look at the following examples to understand how some form of user interaction can lead to new ideas and opportunities and which different users can you interact when you have an idea.

Example: Saami is in his final year in a product designing course. As his final year project, he designed furnishings such as sets of blanket, curtains, pillow and cushion covers for kids which had detachable soft toys on them. During the product fair of his project, some high school girls were amazed by his design. They started to hold the detachable toys and one of them said "I wish I could take one to stick it on my slippers and change the look everyday". This got Saami thinking. He knew he wanted to take his design to the retail shops and make it big. He thought probably he could try to design soft home slippers with detachable soft toys. He started talking to girls and even young mothers about it. He actually thought this could turn into a huge opportunity for him to design products such as matching furnishings or slippers for the mother and the child.

Empathy Mapping
Empathy Mapping comes from the concept of Design Thinking.

Design Thinking
Design Thinking process is a 5-step process, as follows:

Empathize: This involves learning about the target audience by using methods such as observation, interviewing, shadowing etc.

Define: This refers to framing the right problem such that the right solution can be created. In the define mode, one creates a meaningful, clear and actionable problem statement that focuses on needs and insights of the target user.

Ideate: In the ideation step, the focus is on generating a lot of ideas rather than generating one single 'right' idea, through brainstorming, mind mapping, bodystorming, sketching etc.

Prototype: Prototyping refers to building something in a tangible way such that it can used to test and learn. For example, if you want to start a platform that sells baby and kids products, you could use free online tools to create a free website that consists of a few web pages. This would help real customers interact with your prospective solution in real time.

Test: Testing presents a chance to refine your solutions, make them better and eventually innovate. For example, for a physical object, give samples and ask people to take it with them and use it within their normal routines. Similarly, for an experience, try to create a scenario in a location that would capture the real situation.
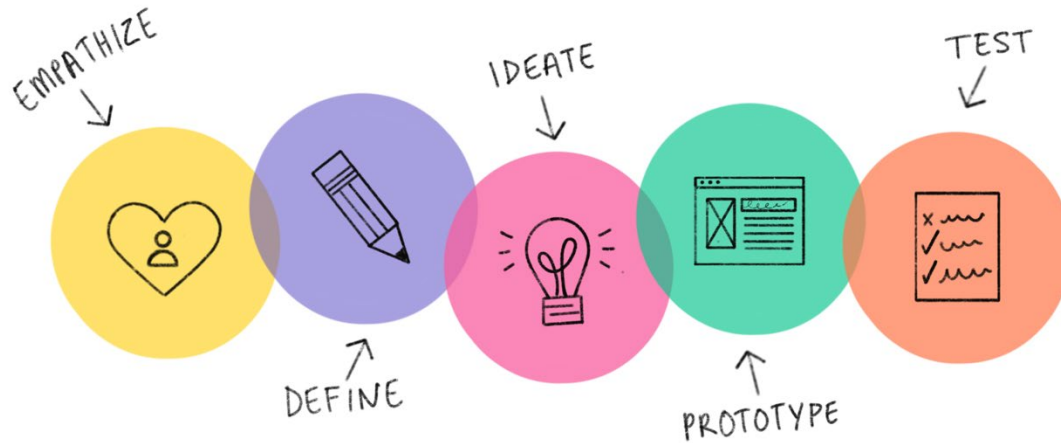
Empathy Map

An empathy map helps to answer and map what a core/ideal customer for your idea would look like. Some factors to include in an empathy map:

Demographics: Age, Gender, Location, Marital Status, Income, Education, Occupation
Perceptions: What do they think of other similar products/services?
**Requirements**: What are certain needs they have around the product/service?
Preconceptions: What are certain assumptions/biases they have for certain brands/products?
Price Sensitivity: How much are they willing to pay for a product/service?
Potential Objections: What are their dislikes about existing products/services?
Preferences: What are certain preferences/luxuries/features they enjoy in a product/service?
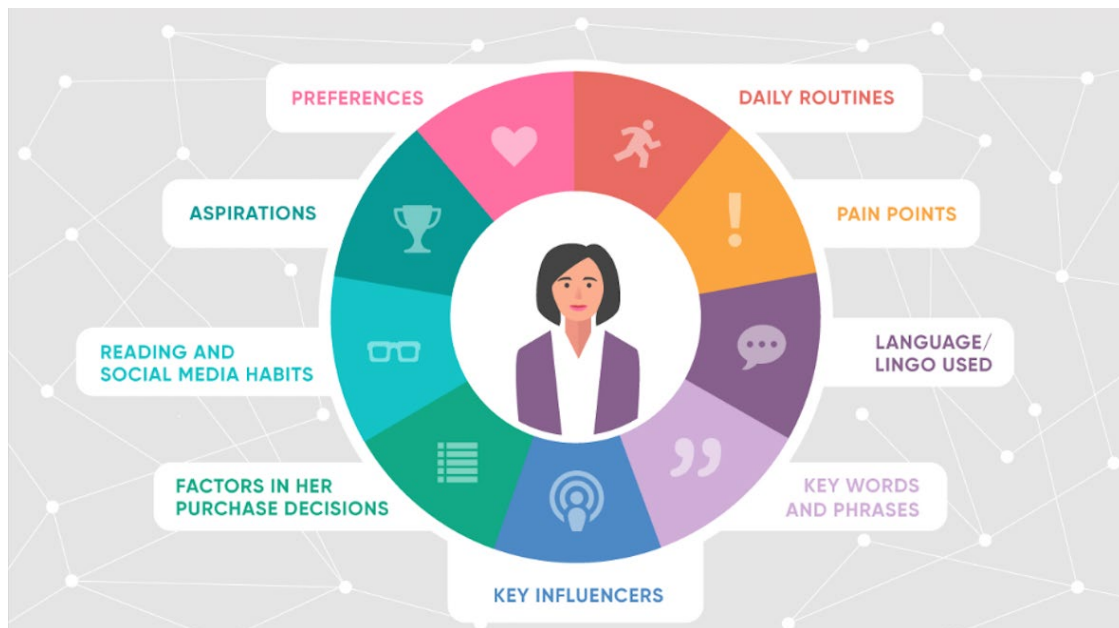
What you need to learn about your customers?

Your goal is to at least learn about the following things through customer interview and surveys.

1. Who they are
If you sell directly to individuals, find out your customers' gender, age, marital status and occupation. If you sell to other businesses, find out what size and kind of business they are. For example, are they a small private company or a big multinational?

2. What they do
If you sell directly to individuals, it's worth knowing their occupations and interests. If you sell to other businesses, it helps to understand what their business is trying to achieve.

3. Why they buy
If you know why customers buy a product or service, it's easier to match their needs to the benefits your business can offer.

4. When they buy
If you approach a customer just at the time they want to buy, you will massively increase your chances of success.

5. How they buy
For example, some people prefer to buy from a website, while others prefer a face-to-face meeting.

6. How much money they are willing to spend
You'll be more successful if you can match what you're offering to what you know your customers can afford it.

7. What makes them feel good about buying
If you know what makes them tick, you can serve them in the way they prefer.

8. What they expect of you
For example, if your customers expect reliable delivery and you don't disappoint them, you stand to gain repeat business.

9. What they think about you
If your customers enjoy dealing with you, they're likely to buy more. And you can only tackle problems that customers have if you know what they are.

10. What they think about your competitors
If you know how your customers view your competition, you stand a much better chance of staying ahead of your rivals.

Conducting the Survey/Interview

Image Source: getcloudapp.com
Medium.com

Tips for conducting survey:

Find the right people: Finding the right people means that you have to think carefully about the profile of the people you need to speak to. As a startup, the first place to begin with is whom you know and who you know who might know others in your area of interest. Your own personal contact file or social networking sites like Facebook, Twitter, and LinkedIn are good places to start.

Give a brief introduction: Frame an introduction in four to five sentences. Include your name, the purpose of your interview and length of time you expect the interview to take. Ask easy questions and get the participant talking.

Types of Questions: Do not focus a lot on the "what", but more on "why" and "how". Example: 'What do you like about this venture concept?' might give you a list of features, but "Why do you like this venture concept" will provide more information about the respondent's preferences and opinions.

Take Notes: It is a good idea to take detailed notes of the conversation in the interview or survey. However, make sure you keep eye contact with the participant as well. If it is an option, you can also choose to record the interview with participant's permission, so that you can refer to it after.

Peel the Onion: Interviews and surveys are fruitful when you listen and not argue. The strategy of peeling the onion is like the "5 whys".

List of Bad Questions:
• What do you think of my idea?
• Can you tell me about your problems regarding...?
• I am building a solution to solve the problem X. Can you tell me...?
• How do you think of Y as a solution to achieve results?
• Would you do something like... to use the product?
• Would you buy a product which solved this problem?
• How much would you pay for this?

List of Good Questions:
• What do you like/dislike about X?
• Why do you like/dislike something about X?
• How do you currently deal with this problem that you mentioned?
• Talk me through the last time you experienced such a problem
• How do you feel about (the current solutions available)?
• What is the most frustrating thing about (the current solution, a feature, your day etc.)
• Can you give me an example?

Sample Questions
• What do you enjoy doing most? (Likes and why)
• What do you not enjoy doing? (Dislikes and why)
• How has your experience been using X?
• What do you spend your money on?
• What are some challenges you face in your day-to-day life that you would want someone to solve?
• What would an ideal product look/ feel like for you?

Trigger Questions
• How do your customers define too costly? Takes a lot of time, costs too much money, or requires substantial efforts?
• What makes your customers feel bad? What are their frustrations, annoyances, or things that give them a headache?
• How are current value propositions under-performing for your customers? Which features are they missing? Are there performance issues that annoy them or malfunctions they cite?
• What are the main difficulties and challenges your customers encounter? Do they understand how things work, have difficulties getting certain things done, or resist particular jobs for specific reasons?
• What negative social consequences do your customers encounter or fear? Are they afraid of a loss of face, power, trust, or status?
• What risks do your customers fear? Are they afraid of financial, social, or technical risks, or are they asking themselves what could go wrong?
• What's keeping your customers awake at night? What are their big issues, concerns, and worries?
• What common mistakes do your customers make? Are they using a solution the wrong way?
• What barriers are keeping your customers from adopting a value proposition? Are their upfront investment costs, a steep learning curve, or other obstacles preventing adoption?

Activity: Empathy Map

Image Source: getcloudapp.com
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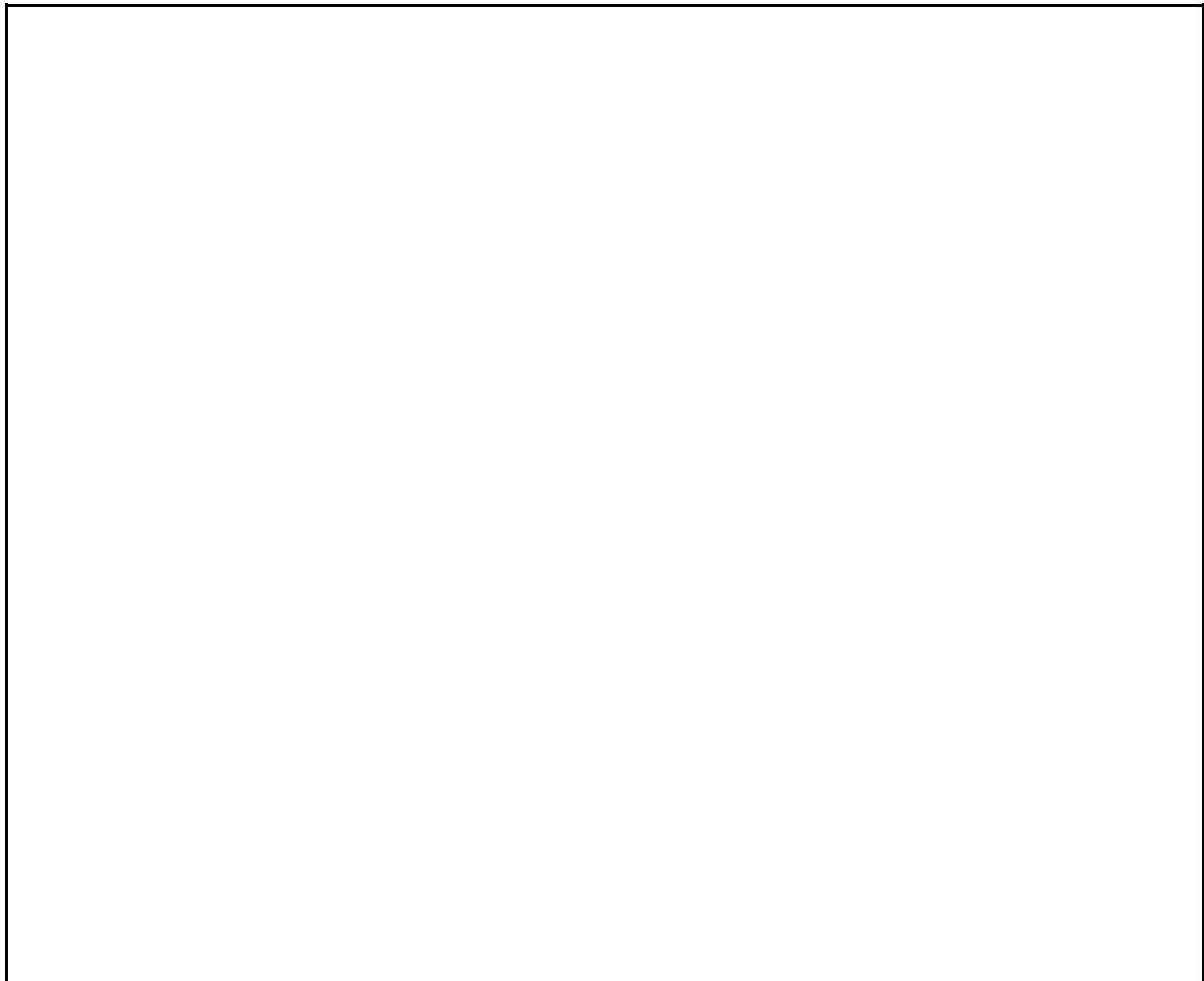
When: During Session
How:
Step 1: Put Down Customer Quotes and Demographics. Who is the person for the map? Mention location, age, gender, education level, occupation, marital status, average income etc.

Step 2: Establish Challenges, Needs, Preferences and Goals What are customers trying to achieve? What is the desired outcome?

Step 3: Capture your customer's Outside World Capture what they see, say, do, and hear.
- What do they SEE?
- What do they DO and SAY?
- What do they HEAR?

Step 4: Explore Inside the Mind What do they THINK and FEEL? positive and negative thoughts. What makes them feel good or bad? How do they feel? Frightened? Excited? Anxious?

Quiz:

1) Which session of 21st Century Skills was helpful to know the customer's perception?

a) Empathy
b) Entrepreneurship
c) Body Language
d) Grooming

2) Empathy mapping comes from the concept of?

a) Constructive Thinking
b) Collaborative Thinking
c) Dedicated Thinking
d) Design Thinking

3) Which of the following is not a part of the 5 step process of Design Thinking?

a) Empathize
b) Define
c) Test
d) Manage

4) User Research will help you to get answers for _____?

a) Tasks
b) Assumptions
c) Results
d) Options

5) What is Ideation?

a) Generating an Idea
b) Generating lot of Ideas
c) Generating no Idea
d) Generating a concept[1]

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[1] Answer: 1-a, 2-d, 3-d, 4-b, 5-b
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