TE 250: Week 6
Customer Interviews

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Technology Entrepreneur Center

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Homework exemplars
Customer Interviews
“You can’t just ask customers what they want and then try to give that to them.”

“New ideas come from observing something, listening to people, experimenting, asking questions and getting out of the building!”
Goal of customer interviews

- Understand the problem/opportunity – the REAL one
- Not asking customer to design product
- Be open to being surprised
Why Do Interviews?

• Allows us to **Learn Fast**…current assumptions are **WRONG**

• Allows us to **test value** and whether a **problem is really a problem**

• Builds **deeper empathy** with the customer

• Creates **shared understanding** across the team

• Tells us the “**why**” behind customer **behavior**

• Sparks **big insights** and mental leaps
So, what about MY technology?

NOBODY CARES

They only care about what it can do for THEM.
Your business idea needs to **solve a problem** your potential customer will **PAY** for.
Why endure the awkward?

Hypotheses -> Facts
GET OUT OF Your Comfort Zone!!
Talk to People... you Don’t Know

Hypotheses -> Facts
Who is a Customer/Stakeholder?

ANYONE who appears on any of the workflows, decision trees, or value chain maps that could be involved in the business in any way.

You must talk to them all!
The Process: Scientific Method for Customer Discovery

- Hypothesize
- Test – Interviews
- Assess & Analyze
- Adjust – Pivot

Guess

Ask

Listen

Guess Again
The Interview Life-Cycle Process
Steps

• **Find stakeholders** – who do you know?
• **Get the interview** – play student card
• **Prep/Execute** – plan ahead, be polite
• **Wrap up** – say thank you, ask permission
• **Analyze** – document/synthesize immediately
So you’ve realized you probably need more help to get your 100 interviews.

1. Find Stakeholders
2. Make Contact
3. Schedule Interview
4. Conduct Interview
5. Follow up

Ask for warm intros!

Provide the text for the warm intro email, make it easy!
How do you find stakeholders?

Most successful... GO where they GO

GET OUT of the building
Surveys? Questionnaires? NO!
How do you find stakeholders for B2C?

Start with people you know (even if they’re not quite the right fit)

- Use the power of your current networks
- Review profiles and activity indicators on social media
- Don’t waste your time, don’t waste their time

Then...

- Ask them to give you a warm intro—be persistent, but considerate
How do you find stakeholders for B2B?

Networking

Search and grow your personal network on LinkedIn

- Develop a profile and establish a personal brand
  - [Build Your Brand on LinkedIn - Bing video](https://youtu.be/UewkdYcnTSg)
- Find an individual within a specific company
  - What level? Mid-Level?
  - Review current company updates and information
  - Look for groups they belong to and search groups for others
  - [Search your alumni networks](https://youtu.be/UewkdYcnTSg)
- LinkedIn tips from Katy Miller, New England I-Corps Node
  - [https://youtu.be/UewkdYcnTSg](https://youtu.be/UewkdYcnTSg)
Is LinkedIn it?
How do you find B2B stakeholders?

Exploring the Internet

- Keyword + title (consultant, engineer)
- Keyword + conference (power electronics conference)
- Professional and trade associations (IEEE, ACS)
- Standards, regulatory organizations (ASTM, FCC)
- Trade shows/conferences - find speakers, panelists, vendors, attendee lists
- Trade journals, magazine newsletters
- White papers/academic papers
- Industry bloggers/lobbyists
- Equipment suppliers, distributor, service experts
- Check out websites of competitors
  - Highlight satisfied customers?
  - What keywords and phrases they use?
  - What features, benefits do they mention?
  - To what groups/associations do they belong?
How do I make contact for B2B?

- Initially target number 2,3... ranked companies
- Target mid-level management, professionals
- Email, then call
- Cold call (research your target contact)
- Ask for 15-20 min (plan on 30-60 min)
- Play the “student” or “researcher” card
- Remind people you are looking for insights and help
- Network (ask for a warm intro)
Getting the Interview: Warm Introductions B2C and B2B

- **An introduction from someone you know**
- **Offer to share what you’ve learned about technology, market or industry**
- **Know the benefits you will bring and have both a written and verbal list of benefits ready**
- **Rehearse**
- **Use something you learned from your research (LinkedIn, Web, etc.) about the person to establish a connection and build rapport**
Outreach Suggested Format

Brief intro to you

How you know them / how you are connected

The topic you are interested in / problem you are looking to solve

What you want from them

Call to action
Outreach Suggested Format

“I am a student at the University of Illinois”

“William recommended that I speak with you”

“I am exploring new methods for predicting cardiac events.”

“I would love to hear your perspective on post surgical monitoring.”

“Would you have 20-30 minutes to spare next week when we could connect over Zoom? Feel free to select a time here.”
Getting the Interview: Phone

- Always leave a voicemail
  - Example: I missed you and will follow up with an email with some interesting information
- Talk to the B2B gatekeeper – Ask for an email address or a better time to call
- Call first thing in the morning or late in the afternoon
- Never underestimate flattery
- Name dropping can work if done artfully
- Phone in conjunction with email can be very effective
What are some suggestions for getting interviews?

- Consider being
  - direct
  - thoughtful
  - interesting
  - clear with your ask
  - succinct
  - confident
  - kind
  - conscientious

- Refrain from
  - being too formal
  - asking people to do things on your behalf
  - being too salesy
  - being aggressive
  - begging

Play the U of I student card!
Before the Interview

- Have at least one hypothesis to test
- Research your interview subject
- Have a process, have a plan

Know what questions can help get you there
Conducting Interviews

Why are we talking to customers?

- Listening is not waiting to talk
- Learn things you don’t know
- Discover and understand
  - What is important to them
  - How “it” gets done
- Test your assumptions and hypotheses
  - Helps you stay focused
Formulating Interview Questions

• What do you want to learn from the person?

• What are your incoming hypotheses that you will test?

• What is the role of person in the ecosystem?
  • user, decision maker, other?

• What is the stage of discovery and purpose?
  • Start broad, narrow in
Problem Interviews

Example questions

**Pains:**
- What frustrates them?
- What are their biggest risks?
- What problems keep them up at night?
- What is getting in the way of what they want/need to do?
- What takes up the most time for the least value?
- What part of the process do they wish they could eliminate?

**Gains:**
- What are their top goals?
- How is success measured?
- What have they tried or adopted previously that paid off?
- What trends are they seeing that they hope to be a part of?
- What is their competitor doing well that they wish they could mimic?
Key Takeaways

- Focus on current practices
  - Do NOT ask them to make predictions

- Try to understand current trends

- Ask about specific pains/gains they would like to relieve/achieve
  - This is the key point of the interview!

- Try to understand the purchase process
  - What drives purchase decisions?
  - Who influences, decides, purchases?
  - What are lead times?
Tell me a story:

- Ask about history
- Background
- Experiences
- Examples
- Processes
Some questions to get you started

- What are the top three-to-five jobs you are trying to do?
- If you could improve just one job, what would it be? Why?
- What are you currently doing to meet objectives for that job?
- How satisfied are you with your current solution?
- Have you ever considered alternative solutions?
- What keeps you up at night...?
- If you could wave a magic wand...?
Wrapping Up Interviews

Good Interviews
- “Is there anything else I should have asked you about?”
- “Is there anyone else you think I should talk to you?”
- “If I have additional questions may I call you again?”

Bad Interviews
- “Thank you very much, you’ve answered my questions”
- “I want to respect your time.”
Problem
Interviews: Example

Assumptions:
1. Price is the most important factor when selecting medical supplies.

Interview Questions:
1. Tell me about a time when you were reviewing a request for new supplies. What was the driving factor in your decision making process?
2. What other factors were at play at the time?
3. Who else was involved in the decision making?
Conducting Interviews

• Introduction
  ○ Introduce yourself and your team
  ○ Thank them for taking time to meet you

• Frame the Conversation
  ○ Remind them why you are seeking insights and help
  ○ Once framed, try to get them to tell a story
Interview Best Practices (Video/Live)

- Try to have 2 of your team present (notetaker/questioner)
- Use 1 web camera
- No recording
- Quiet location
- Headset if audio is compromised
- Dress professionally
- Thank them within a day (email...)

[Image of a person working at a desk with a laptop and surrounded by books]
In Summary
General *Best Practices*

• Have a “warm-up”/prelude
  • *Get to know the person*

• Ask open-ended questions
  • *Avoid yes/no or multiple choice.*
  • *Listen for unknown unknowns*

• Ask process, actions & present/past behaviors
  • *Ask who/what/why/how questions.*
  • *Avoid is/are/would/should/do you think – no opinions/speculation*

• Adopt a beginner’s mindset
  • *Listen with a “fresh pair of ears.”*

• Listen more than you talk
  • *You are there to learn.*
  • *Don’t sell.*
General Best Practices

• Get facts, not opinions
  • NOT, “Would you...?” BUT, “When is the last time you...?”
  • Focus on what they do...not what they say
• Dive deep(er)
  • Ask “why” x3 to get real motivations.
• Follow-up
  • Ask for permission to contact interviewee’s again later.
• Open doors at the end
  • Ask, “Who else should I talk to?”
  • “What else should I have asked that I didn’t?”
Common *Pitfalls*

• Stick to a process
  • Have a process to follow – don’t just “talk to people.”
  • Remove variables in conversation to allow comparison
  • Be flexible though, your interviewee knows the market better than you

• Do NOT sell...anything, ever
  • *The goal of discovery interviews is learning, not selling*
  • Don’t ever ask, “Would you buy our solution?”
  • Ask, “What are your decision criteria?”

• Don’t mention solutions
  • *Avoid the temptation to talk technology!*
  • *Do NOT demo.* It’s not about your solution, it’s about their problem.
Common Biases

• Leading the Witness
  • Walking them down the path to your solution.
  • Allow them to define their needs/wants.

• Avoid the Other 3 Biases
  • **Confirmation bias** - look for the ugly baby
  • **Sample bias** - Sample too narrow or wrong target
  • **Social bias** - go outside of your immediate network, but do leverage them for warm connections
Common Mistakes

- Lack a plan/process
- Execute process with excellence
- Biases
  - Confirmation, selection, social acceptability, winners, other?
- Perceived vs. Real Value
- Believe what is said
- Go quantitative too soon
Additional Resources

Customer Interview Script Generator:
• http://customerdevlabs.com/script/

A handful of short video clips from Steve Blank for Customer Development interviews can be found at:
• http://vimeo.com/groups/204136/videos/page:1/sort:alphabetical/format:thumbnail
• http://startupweekend.wistia.com/projects/zt618zz0r7
Resources

TALKING TO HUMANS
Success starts with understanding your customers

TESTING WITH HUMANS
How to use experiments to drive faster, more informed decision making.

GIFF CONSTABLE
with Frank Rimalowski
illustrations by Sam Fishbourne
and foreword by Steve Blank.

GIFF CONSTABLE
with Frank Rimalowski
I'VE BEEN TOLD I NEED TO GET CANDID, UNBIASED FEEDBACK ON MY STARTUP IDEA.

WE LOVE THIS IDEA AND WE'RE SO PROUD OF YOU, SON.
Relax, it’s just a conversation.
Let’s judge some interview questions!

Good / Bad Question
Good / Bad Question

What is the biggest issue you face dealing with activity ‘x’?
Good / Bad Question

What is the biggest issue you face dealing with activity ‘x’?
Good / Bad Question

Would you buy a product that did ‘X’?
Would you buy a product that did ‘X’?
Good / Bad Question

What are the implications of not solving problem ‘X’?
Good / Bad Question

What are the implications of not solving problem ‘X’?
How do you deal with issue ‘X’ today?

Good / Bad Question
Good / Bad Question

How do you deal with issue ‘X’ today?
Good / Bad Question

What solutions have you tried in the past?
Good / Bad Question

What solutions have you tried in the past?
Good / Bad Question

Would you pay $Z for a solution that did ‘X’?
Good / Bad Question

Would you pay $Z for a solution that did ‘X’?
Good / Bad Question

Where does the budget come from to deal with Issue ‘X’?
Good / Bad Question

Where does the budget come from to deal with Issue ‘X’?
Good / Bad Question

What do you think about (insert sales pitch here)?
Good / Bad Question

What do you think about (insert sales pitch here)?
Relax,
its just a conversation.
Getting ready for Week 7

• Customer Interview Plan first draft – INDIVIDUAL ASSIGNMENT
• Reading/watching assignment is same as Week 6 – this means you have time to finish the “Talking to Humans” book :-(
• Week 7 will cover documenting customer interviews
  • Team breakout to begin combining individual Customer Interview Plans
Guest Speaker: Ashley Moy
Chief Executive Officer – Cast21
Ashley Moy, Cast21

• BS Bioengineering UIUC
• CEO Cast21
  • Waterproof cast and brace alternatives for patients with broken bones