



# How Exceptional Product Managers Discover Unmet Customer Needs



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**June 11, 2021**

## About Me

- Product Management: 25 years
- B2C, B2B @ startups to high growth companies
- 500+ customer interviews in 10 countries
- Revenues: \$10M to \$300M USD
- Customers: 10's to 1000's (B2B) to Millions (B2C)



# Success of this Presentation

You walk away with a solid understanding of:

1. How to discover unmet customer needs
2. Do's and Don'ts
3. How to act on what you learn

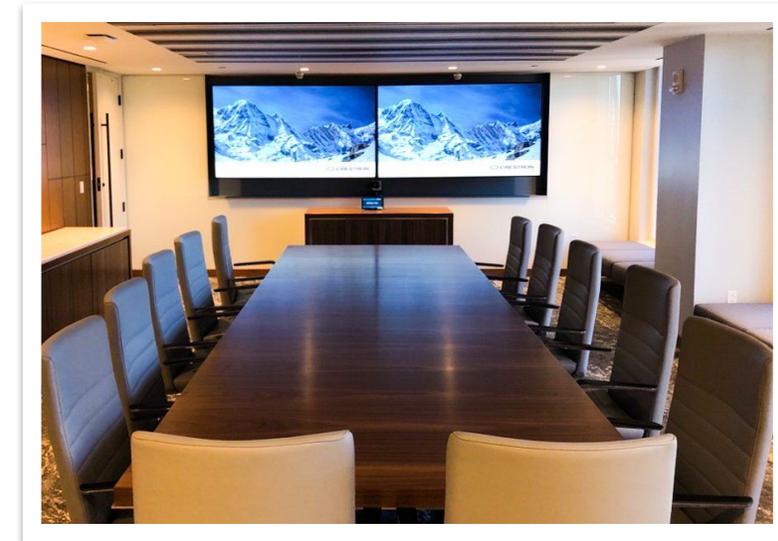
# Role of a Product Manager

Strategic and Business role that focuses on finding **compelling**,  
**competitive** and **profitable** solutions to market problems

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# Market Problems – Don't reside here



# Market Problems reside where your target customers hangout



Strategic and Business role that focuses on finding **compelling**, competitive and profitable solutions to market problems



What **problems** are **painful enough** that customers will **open their wallets to pay** for a solution?

Strategic and Business role that focuses on finding compelling, **competitive** and profitable solutions to market problems

Figure 1: Magic Quadrant for Content Services Platforms



Source: Gartner (November 2020)

Why will they **select your solution** over your competition?

Strategic and Business role that focuses on finding compelling, competitive and profitable solutions to market problems



**Strategic** and **Business** role that focuses on finding compelling, competitive and profitable solutions to market problems

**Product Manager ≠ Agile Expert**

# 80% of new products fail

*#1 reason new products fail is because it has no clear or compelling relevance to people's lives*

- Fast Company

# 5 Things NOT TO DO

# DON'Ts

1. Build products based on ideas in your office! (*“I used to do what my customer does, 3 years back, so I know what problems we need to solve” or “I think my customer would want to <fill in the blank>”*)

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## Why this likely won't work:

- Assumption that nothing has changed in the last 3 years
- The way you do things is how everyone does things
- “I think....” is an opinion and not a data driven fact.

# DON'Ts

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2. Visit just a couple of friendly customers or visit the same customers over and over (*“Merck and Oracle are my biggest paying customers and most experienced in this field, so let me ask them what we should do”*)

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## Why this likely won't work:

- These friendly customers will likely tell you what you want to hear
- Gets you to build what they want but not applicable to a broader market

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3. **Ask customers leading questions** (*“Do you think Feature X is a good idea?” or “What features do you want us to build next?” or “Will you buy this product?”*)

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4. Ask customers convoluted questions (*"If  $X = Y$  and  $Y = Z$  and we build these features; will it work for you?"*)
5. Start solving the problem just based on customer interviews (qualitative research)

# **5 Ways to Discover Unmet Needs**

## DO #1



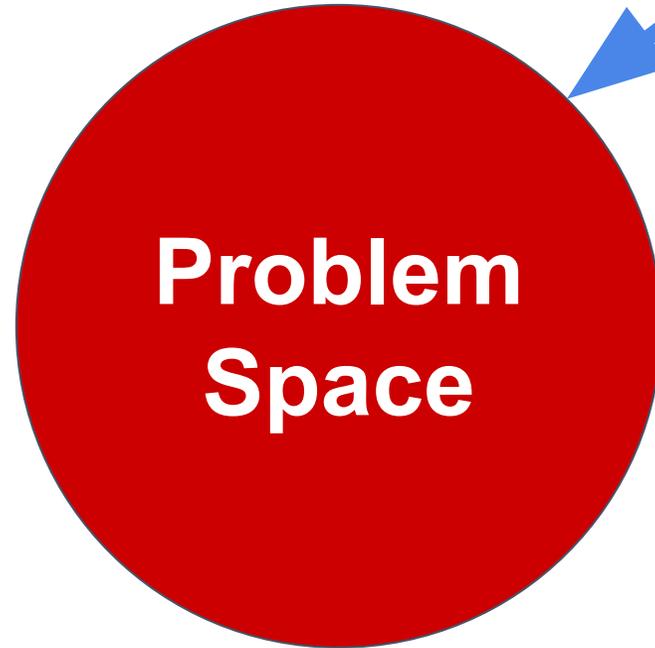
Play the role of an Explorer, not sales closer or troubleshooter

Invite engineers and designers to participate in this exploration

## DO #2

Spend 10X more time deeply understanding customer problems than designing solutions

Spend 10X more time here  
to go deep and understand  
root causes (use 5 why's)



# Features = Living in the Solution space



# Customers live in the Problem space



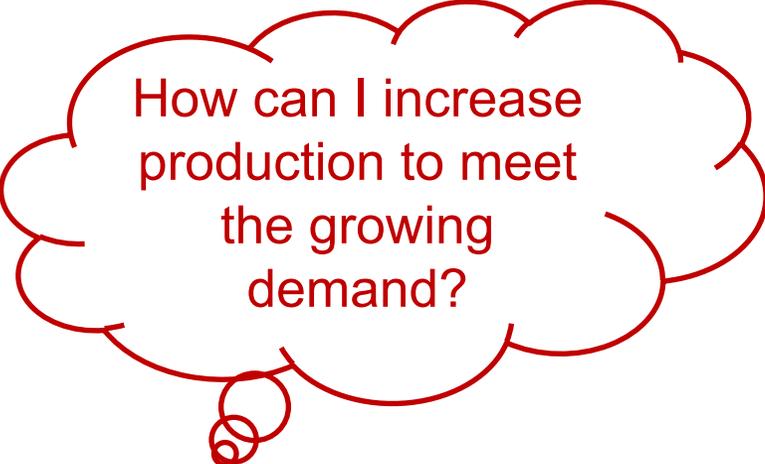
How do I compete against Amazon?



How do I reduce my warranty returns?



How do I onboard my sales team faster?



How can I increase production to meet the growing demand?



How do I reduce my customer support costs?



How can we recruit and hire great talent?

## DO #3

Create a discussion guide of open-ended questions focused on the problem space

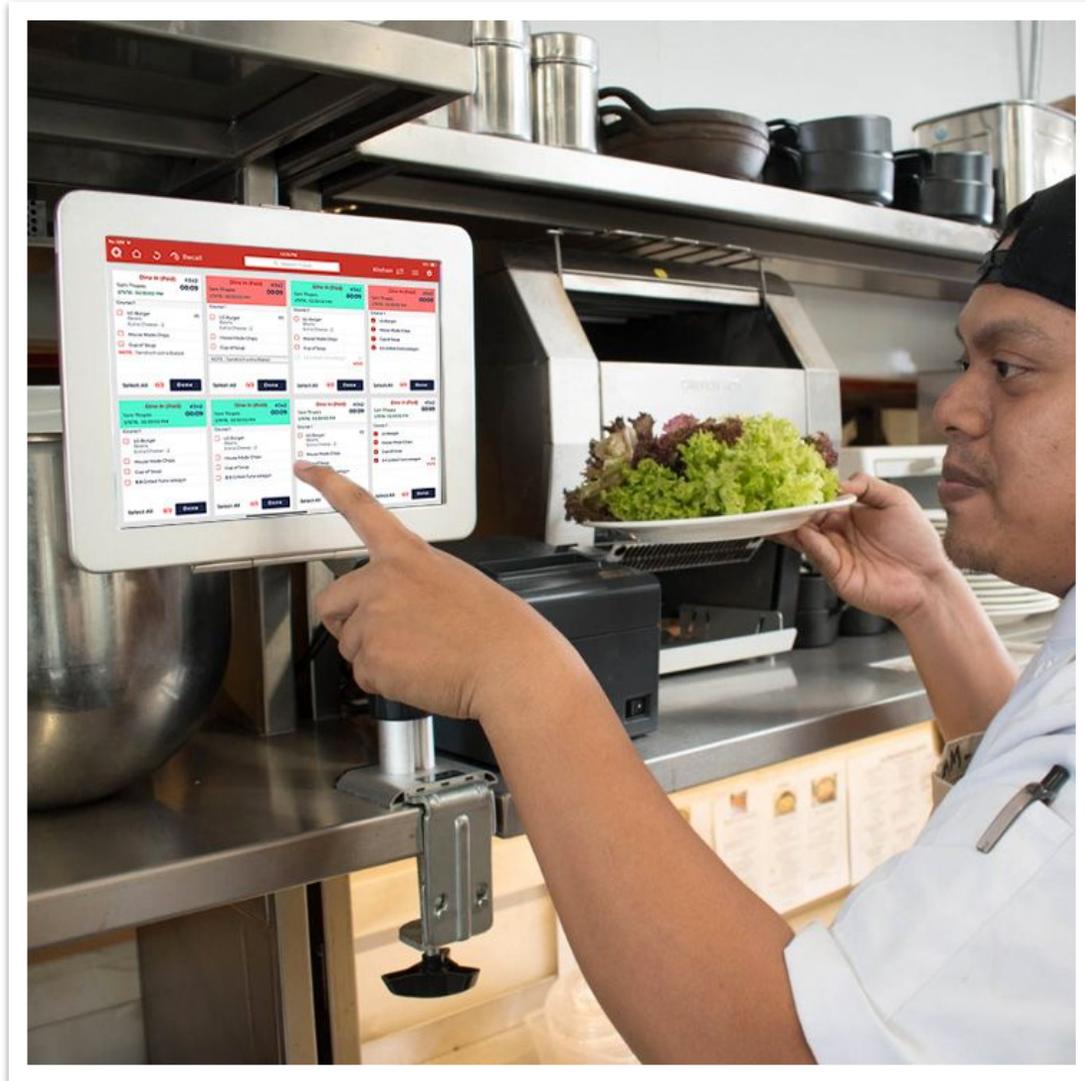
### Examples:

- *Tell me more about your business. What are the biggest challenges you are facing?*
- *In the last project you worked on, what things did not go as planned?*
- *What ended up to be much harder than it should be, that it cost you money, time or resources?*
- *Would you say that the last project was typical to other projects? If not, what was different in the other projects?*
- *How much is this costing you?*
- *What will happen if these problem are not solved going forward?*

# Restaurant Owner/Manager Customer Interview Question

*“Imagine you are driving and want to know how the restaurant is doing, what pieces of data would you like to know right there and then?”*

# Unique Insight



*“I want to see how backed up the kitchen is, so that we can ask people to come in if it is starting to get backed up”*

## DO #4

Understand how customers are solving these problems today

### Why?

- Often, Biggest competition = “status quo”
- Validate that the problem is painful enough (= “willingness to pay”)

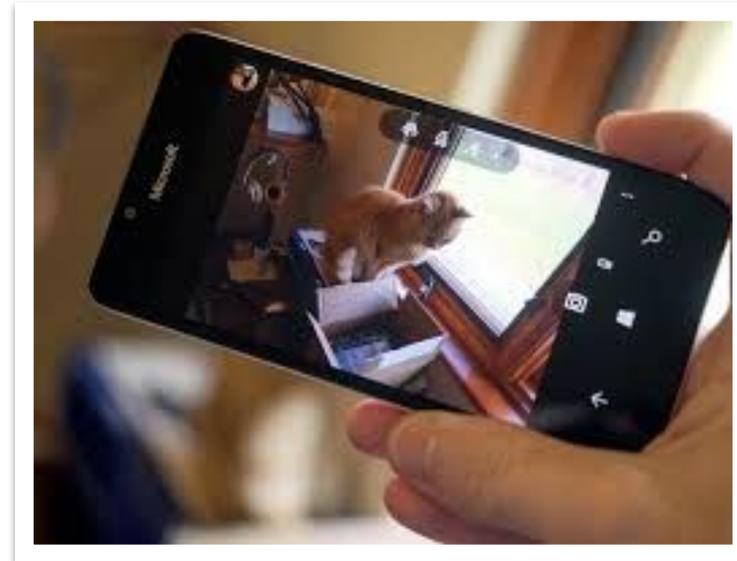
## DO #4

Understand how customers are solving these problems today

### Questions to ask:

- *Can you walk me through the current workflow?*
- *What solutions have you tried to solve these problems?*
- *Why is the current solution not working?*
- *What would it take to switch if a better solution is available? (= inertia?)*
- *Whose budget pays for the current solution? (= “is there a budget?”)*
- *Who is most impacted by these problems? (= “decision makers”)*

# Current Solution



## DO #5

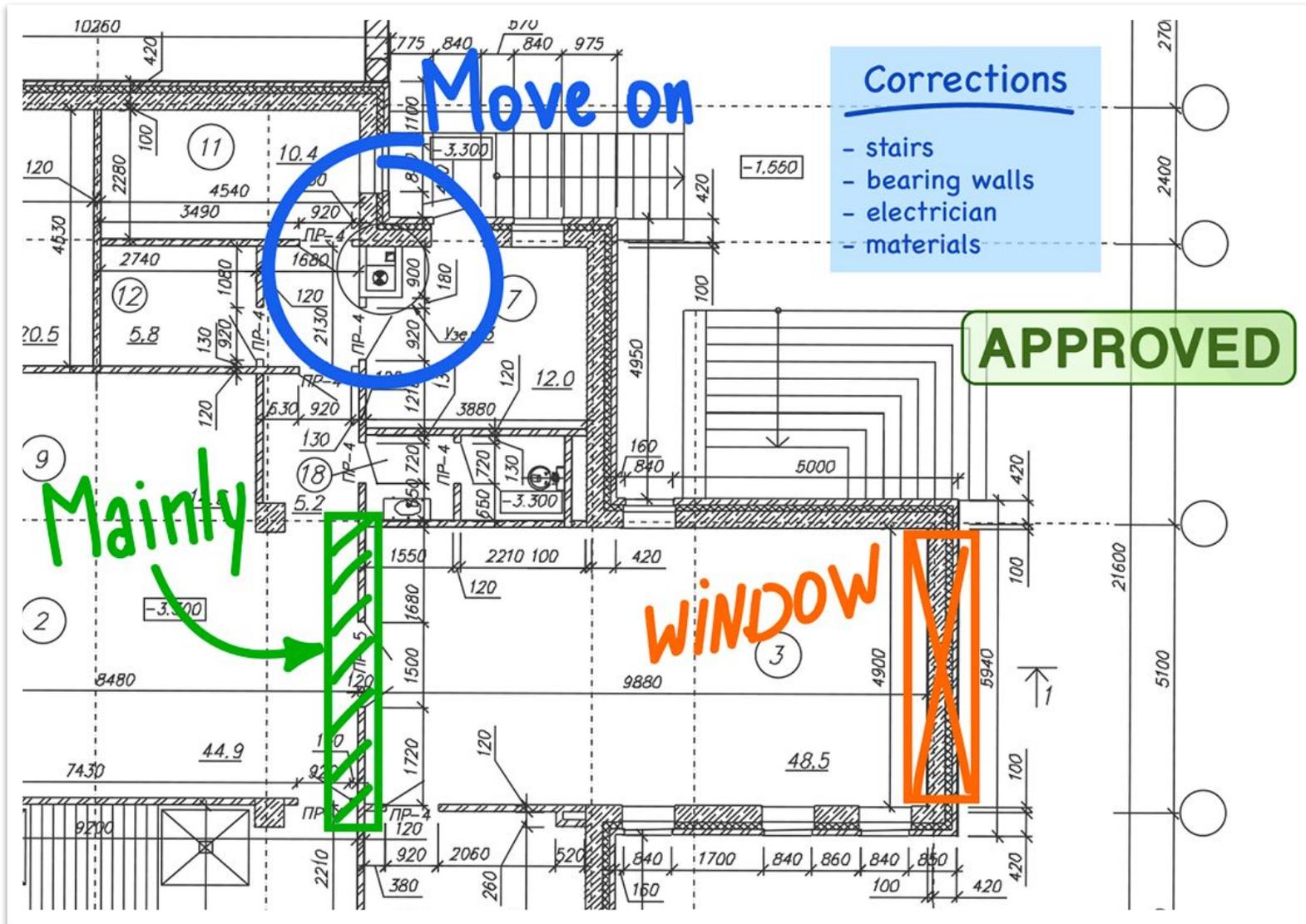
Observe the unspoken and ask questions



Images courtesy of : [Millenial Snow Flake](#)



Images courtesy of : [SBTG](#)



# How many customers per vertical?

- 5-12 customers = 70% of needs
- 20 customers = 80-85% of needs
- 30 customers = 90-95% of needs

# How do you find potential customers?

## B2B



**Industry Associations**

**Meetups**

**Sales**

**Customer Support**

**Existing Customers**

## B2C

**Friends**

**Family**

**Coffee Shops**

**Existing Customers**

**Quora**

# Word of Caution

**Stay away from prospects in the sales funnel!**

Lost sale = Blame the Product Manager

## Word of Caution

Qualitative research is necessary but not sufficient

If high risk, always follow it up with quantitative research (surveys) using a larger set of target customers before you act!

# Sharing Insights

1. Document insights and socialize with stakeholders
2. Make your team deeply understand the problems worth solving
3. Create list of possible solutions (cross functional effort)
4. Make customers your dev partners – frequently validate (wireframes, working prototypes, usability testing.....)
5. Start small, release, learn, iterate!

# 5 Takeaways

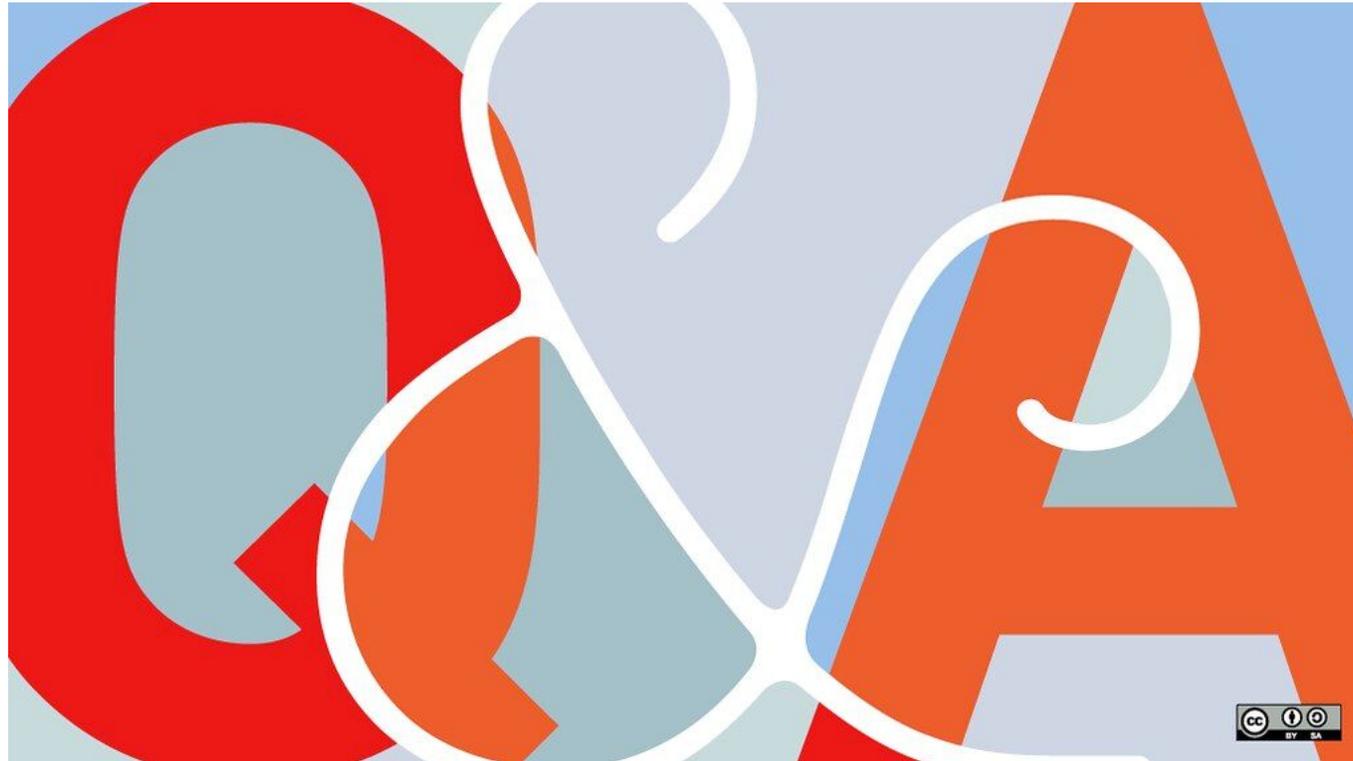
1. Get out of the building!
2. Focus only on painful problems that customers will pay for solutions
3. Qualitative research with 5-12 customers to deeply understand the problems (empathy!)
4. Share insights with your team and ACT!
5. Frequently validate with customers (dev partners)

If you remember only 1 thing, remember this ....

*No one in your office will ever open their wallets to buy your products. Folks who do, live outside your office!*

**So Get Out of the Building!**

**Thank you!**



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