

Get People Talking!

Open-Ended Questions and How To Use Them To Discover and Validate Market Problems

By

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The Structure of This Bonus

In the next section we list out some good questioning approaches, with little examples.

Then we show an example of a basic script you might want to prepare in advance. The conversation will probably immediately diverge from the script, but it's useful to have one! In particular, it can help you get back on track if the conversation diverges from your goal of finding market problems.

The final two sections are sample conversations based on all these points. They are not actual conversations, but they are based on the types of conversations that I and other experienced product managers have had with customers and non-customers.

We Need To Find Our Customers' Problems

As product managers, we have three main jobs:

1. **Find market problems** that are urgent to solve, which are poorly addressed by other solutions, and for which people will pay for a solution.
2. **Create or drive the creation of solutions** to those problems.
3. **Take the solutions to market.**

By far the most important of these is #1 – finding market problems. So, how do we do this?

First, I'm using the term "problems" but we are also interested in unmet desires, or outcomes that the customer wants (but may not even know they want). I use the term "problems" for all of these, for simplicity's sake.

Also, I'm using the term "customers" in this cheat sheet. But we don't only talk to customers. We love to talk to non-customers also! Like people who do the same job as our customer, but don't yet have our solution, or indeed, any solution.

If possible, it's great to talk to lost prospects, those who chose another solution rather than ours. They can often give us great insights!

Why this cheatsheet?

It doesn't work - this is proven - just to ask customers "what are your problems?" But if that was your first idea, you're on the right track. You need to have – and guide – conversations with customers. But they have to be structured in the right way.

This cheat sheet gives you a line of questions that will enable you to find their underlying problems.

Finding market problems doesn't happen quickly

In any given customer conversation, you might only get a hint of a problem. It sometimes takes multiple conversations, with the same person and with other people, to surface market problems.

The good news is that simply having conversations with your customers and others is valuable in itself, even if a new market problem doesn't explicitly popup as a result. You learn more about the customer and their experience, and you build rapport.

“Problem Space” versus “Solution Space”

When finding customer problems, we're exploring the “problem space.” Product managers and technologists normally work in the “solution space” – what our product does, how it does it, and so on. But for the purpose of finding problems, we need to keep in the problem space. This is not just an issue for us technologists. Customers often get confused between the problem space and the solution space. It's natural for them to mix up their problems with potential solutions. You have to work to keep them on the problem side.

How? Using open-ended questions about their *experiences* (not about our product or other solutions). That is, what they do at work (if we're building an enterprise app), or what they do in their real life (if it's a consumer application). We want to find out what's going on in their life that might represent a problem that can be solved, and that *we* can solve.

What's important to the customer often has emotional dimensions, so some of our questions aim to surface the emotional aspects of the customer's experience.

How to ask questions that give us the information we can use

Primarily, we ask open-ended questions in these conversations. “Open-ended” means they don't have “Yes” or “No” or other single word answers. Open-ended questions often start with one of the “5 W's and an H” – Who, What, Why, Where, When, and How. For example:

- What is the most annoying thing you have to do every day?
- How often do you create a new playlist?
- When is your busiest time in a project?

The customer can't answer these questions with “Yes” or “No” - they have to start telling a story.

I'll give you a list of open-ended questions in a bit, as well as some sample conversations that use these questions to illustrate how powerful they can be.

There are four additional very powerful phrases to use once the customer starts into the story:

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- Then what?
- Tell me more...
- What else?
- Why?

These phrases and questions help the customer get deeper into the story. And often, as the customer gets deeper, important insights arise. You end up learning a lot more when you keep the customer talking!

The Questions

There many different open-ended questions you can use in these market discovery conversations. The following sections list a few to help get your ideas flowing. They are organized into rough phases of the market discovery process.

Understanding important business drivers

- What's the most important area of your business?
- What's your biggest challenge with that area right now?
- What are some of the repetitive tasks you have to do every day or every week?
- What tasks or activities take up most of your day?
- What tasks or activities take up most of the day for the people in your department?
- What problem is costing you the most money or time right now?
- What is your biggest challenge right now with <customer's business>?
- If you could wave a magic wand and do anything about that task, what would it be?

Understanding painful activities

- How often do you make an error in this process?
- How hard is it to fix one of these errors?
- How much impact would an error like that have on the business if you didn't notice it and fix it?
- How much time are you spending on recovering from errors?
- What techniques do you use to try to reduce these errors?

Note that you could start into this "pain" conversation with a close-ended question like "Do you have a problem with errors in this process?" If they answer "No," then you might want to go down a line of questions about how they are preventing errors. (E.g., "Oh, that seems like there might be a lot of errors in that process. How do you prevent errors from occurring?") If they have some technique that prevents errors, but it's onerous, that's still a potential area to create a better solution for them.

Has the customer tried to find or build a solution?

Generally we want to stay out of “solution space” in these conversations, but there is an exception! Once we’ve uncovered a problem that seems like it might be important, we can use some “solution-oriented” questions to find out *how* important it is. If the customer *has* purchased or built a solution, or even just searched for a solution, that indicates a “willingness to buy” – always a good sign if *you* want to eventually sell a solution.

- How is your current solution to this problem working for you?
- What solutions have you searched for in the market, but just can’t find?
- What do you think of the potential solutions you’ve tried for this problem?
- How much money/time/effort have you budgeted to pay for the solution to this problem?
- How have you tried to solve this problem in the past? (You’re looking for “we tried to build a solution” or “we did a search for a solution” or “we paid a consultant to help us and it didn’t work” or something along those lines.)
- What software have you been looking for that doesn't currently exist, or if it does exist you can't seem to find it? (One golden answer is “I know exactly what I want, and I know exactly how I want it to work. None of the products out there do this.”)

How much does this problem cost them?

Questions to get at how much this pain/problem is worth to solve

- What’s the value of <the problematic process> to your business?
- What’s the cost if it’s <done wrong, done late, whatever the problem is>?”

Often you can lead the customer into calculating a cost for the problem, even if they don’t know the answer immediately. And of course, knowing the cost of the problem can give you a good idea of the value of a solution.

- How often does this problem happen?
- Who has to fix the problem and how long does it take them?
- So, that role for X hours, about twice a month – would that be about \$Y per month on this problem?

Understanding the emotional impact

I like to try to find out how the customer *feels* about the challenges he or she is facing. This helps me understand the pain level, and also gives me ideas about how to make my solution emotionally engaging.

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- How do you feel when that happens?
- What is frustrating about that?
- How does your boss feel when that happens?
- What is an “I rule!” moment for you?
- What is an “I suck!” moment for you?

Getting to an emotional level with a customer can sometimes be challenging, but it’s worthwhile.

Asking about your product

Sometimes it’s appropriate, especially in a conversation with a person who’s already a customer of your product, to talk about the product. It’s most useful if you can put that conversation into the context of the customer’s problem space. You can see an example of this in the sample script section below.

Examples

Your “script”

It’s useful to prepare a list of questions as a framework for getting started. The conversation will almost certainly veer off your “script” very soon (in a constructive and useful way), but the list of questions can help you get back on track if necessary.

In the example below, the conversation is with someone I haven’t met before. Its main purpose is to get to know the person and start to understand what they see as their most important immediate challenges.

1. Introduce yourself, and set some expectations.

"I'm Nils, I'm a product manager at XYZ Company. Great to meet you, and I'd love to ask you a few questions about your work."

2. Open the conversation by asking about the person and what he or she does. People love to talk about themselves. "Tell me a little about what you do for [company]."

3. "What is your biggest challenge right now with [job]?"

4. "Tell me more about that."

5. "How are you dealing with that challenge today?"

6. "How does that make you feel?"

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If you're talking to a current customer, you might want to find out how your product is helping them (or not) with that challenge.

7. "Can you tell me how our product is helping you with this challenge?"

I wouldn't recommend going through this list of questions as though it were a questionnaire. Expect the conversation will diverge from the script. And remember that at any moment you can ask the extender questions - "Tell me more about that" or "And then what happens?" or "Why?"

A sample conversation with a non-customer

Q: "What's the most important area of your business? And do you have any pain associated with this activity?"

A: "The most important area of my business is recruiting sales people, and I have tremendous amounts of pain."

Q: "Oh, tell me more. What kind of pain?"

A: "I need to recruit new people to sell for me, and I can't find the time, and the ones I *do* find aren't qualified."

Q: "What are you spending your time doing right now?"

A: "I'm running the office, I'm paying the bills, I'm doing a lot of the selling myself, and I'm managing the current bunch of sales people."

Q: "What would an ideal solution to help you with recruiting look like?"

A: "Well, I assume it would be on the Internet. It would let good sales people who wanted to move up know that I was looking. And it would probably give me some way to learn about them before I even talked to them."

Q: "What's the value of a new sales person, say on an annual basis?"

A: "The difference between a good sales person and a bad one, when you count the missed sales *and* the cost of replacing someone, it's about \$50,000, to be honest."

Q: "What have you done to try to solve this recruiting problem already?"

A: "I've tried several of the online job boards, but they don't work that well in my location, as we're kind of smaller city. And I actually hired someone to do something on my website, but that was a bust. I spent more than \$10k on that guy. Waste of money."

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This conversation could go on and on, of course, but you get the picture. In fact, this is one of those conversations where we may have found a big problem that can be solved with an application.

Our next step will be to go to other people in this same type of business to see if *they* also have problems recruiting sales people. If I find a handful of businesses in this space that are struggling like this, that's a strong signal there's a problem to be solved.

A sample conversation with a customer

Here's a hypothetical conversation you might have with a customer of your product.

"Hi, I'm Nils, I'm a new product manager. Who are you and what do you do?"

"I'm Bob. My official title is Senior Project Manager, but I like to think of it as Senior Goat Rodeo Manager, 'cause that's what it's often like around here!"

"Bob, great to meet you, I can't wait to learn a lot more about goat rodeos and how you use our product to help you with those. Can you tell me a little more about the goat rodeos you manage?"

"OK, LOL - internally we don't call them that, of course (even though that's what they sometimes are). I work especially on IT projects, and on projects where IT is working with other departments. Things like putting in a new phone switch and phones, or rolling out the ERP system."

"Oh, a new ERP system. That sounds like a big project. Can you tell me more about how that project worked?"

(Customer talks about it. You notice they don't mention your product.)

"Bob, did you use our product for that project?"

"No, darn it! We didn't have your product when we started that project, and we did the whole thing with our old method. It was a mess."

"How do you think it would have gone differently if you'd had our product?"

(Bob talks about the benefits of your product - this is gold, by the way.)

"Have you run another project since that's comparable to the ERP project, but using our product?"

"Oh yes. And it's so much better than what we had before. I mean, it's like the goats are a little bit tamer now, if you know what I mean."

"Can you tell me more about that?"

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(Bob talks about some of the reasons he likes your product, and, most likely, some of the things he'd like it to do better.)

"Bob, you mentioned X (a big benefit he gets from your product). Can you tell me how having X has impacted your work?"

(Bob answers - this is going to be gold as well. He's going to talk about how his work is more efficient, or how his work is better received, or higher quality, or whatever.)