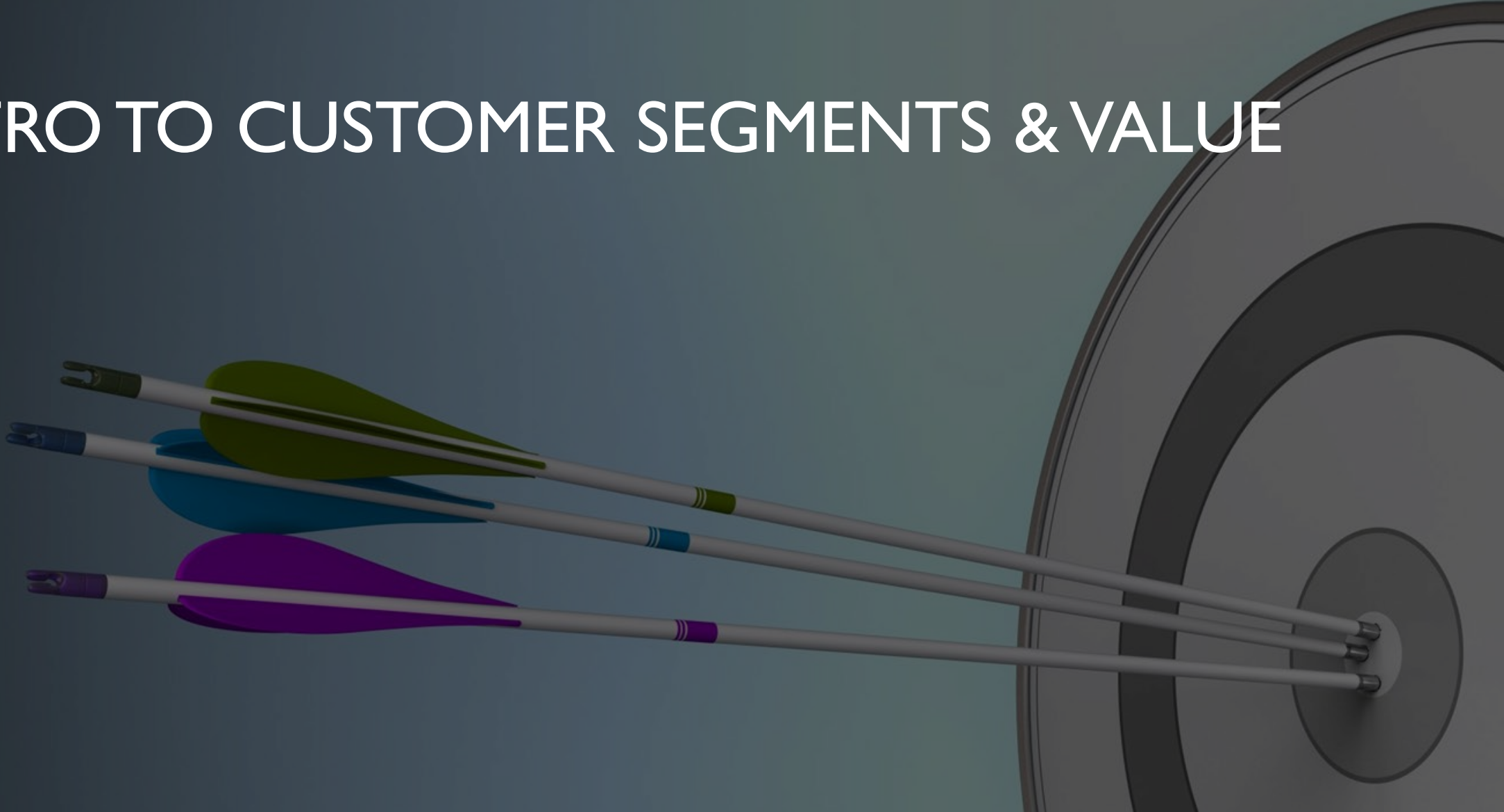


INTRO TO CUSTOMER SEGMENTS & VALUE

CCIC





TARGET: Identify the Target



Top Vertex: Pain/Gain and Proof. Enter cues and prompts that remind you to articulate and validate this Target's problem, need, or opportunity.

Message Triangle



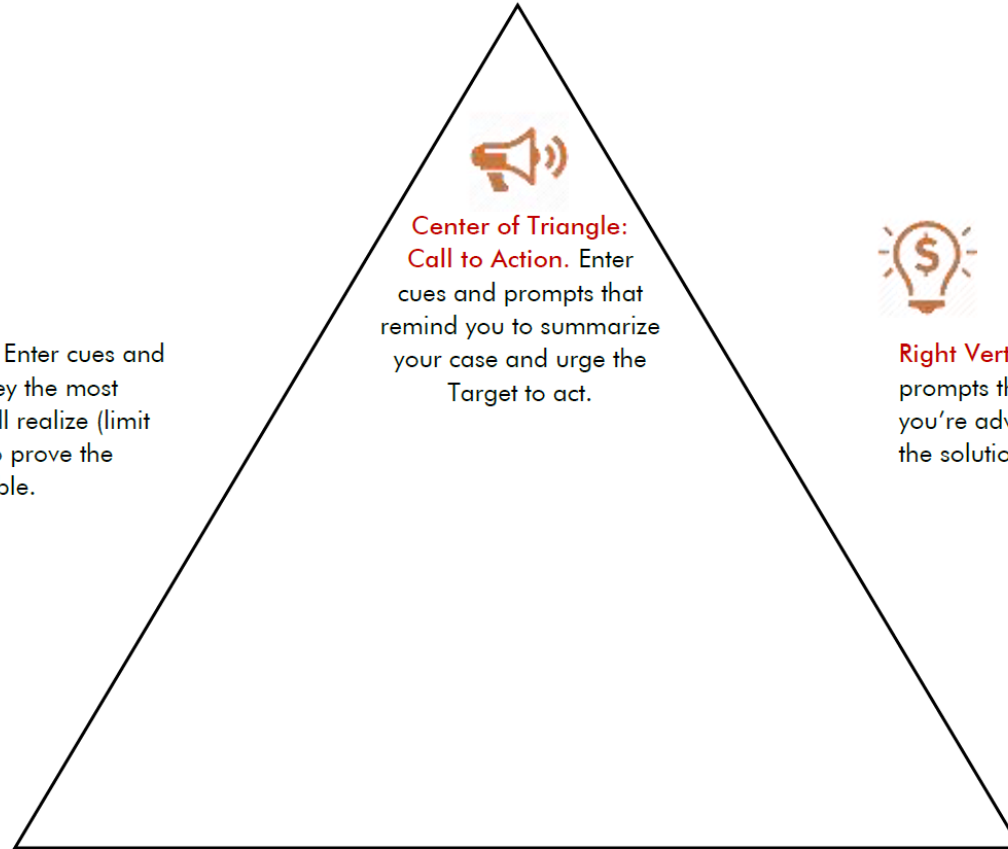
Left Vertex: Benefits and Proof. Enter cues and prompts that remind you to convey the most compelling benefits the Target will realize (limit yourself to three). Add triggers to prove the benefits are realistic and achievable.



Center of Triangle: Call to Action. Enter cues and prompts that remind you to summarize your case and urge the Target to act.



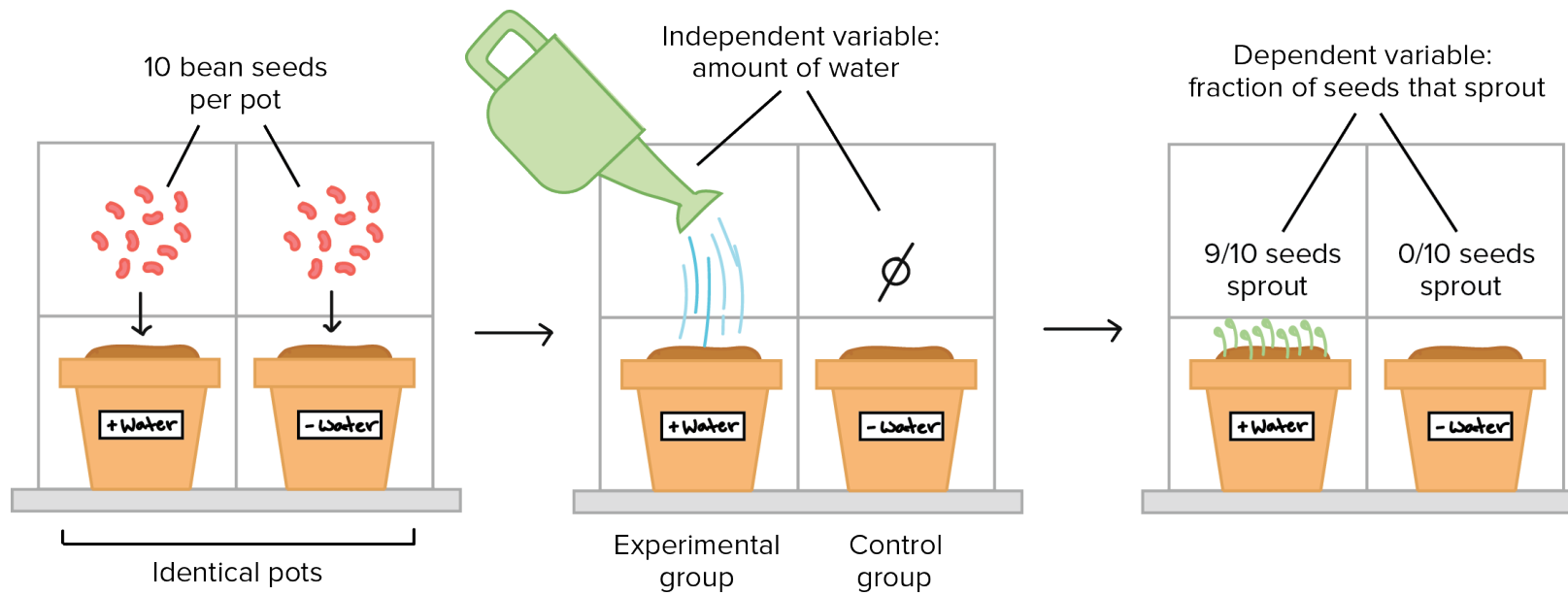
Right Vertex: Solution and Proof. Enter cues and prompts that remind you to relate the solution you're advocating. Add triggers to substantiate the solution's viability.





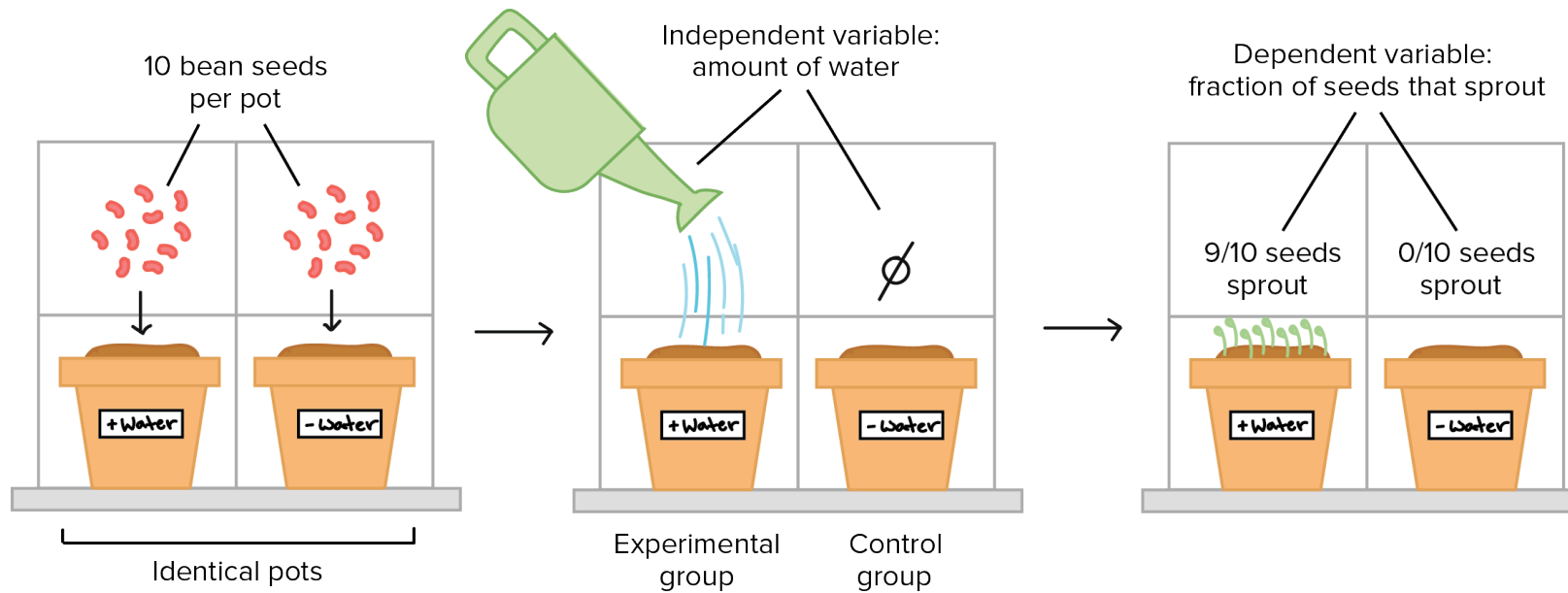
**Introduce a
new toolkit**

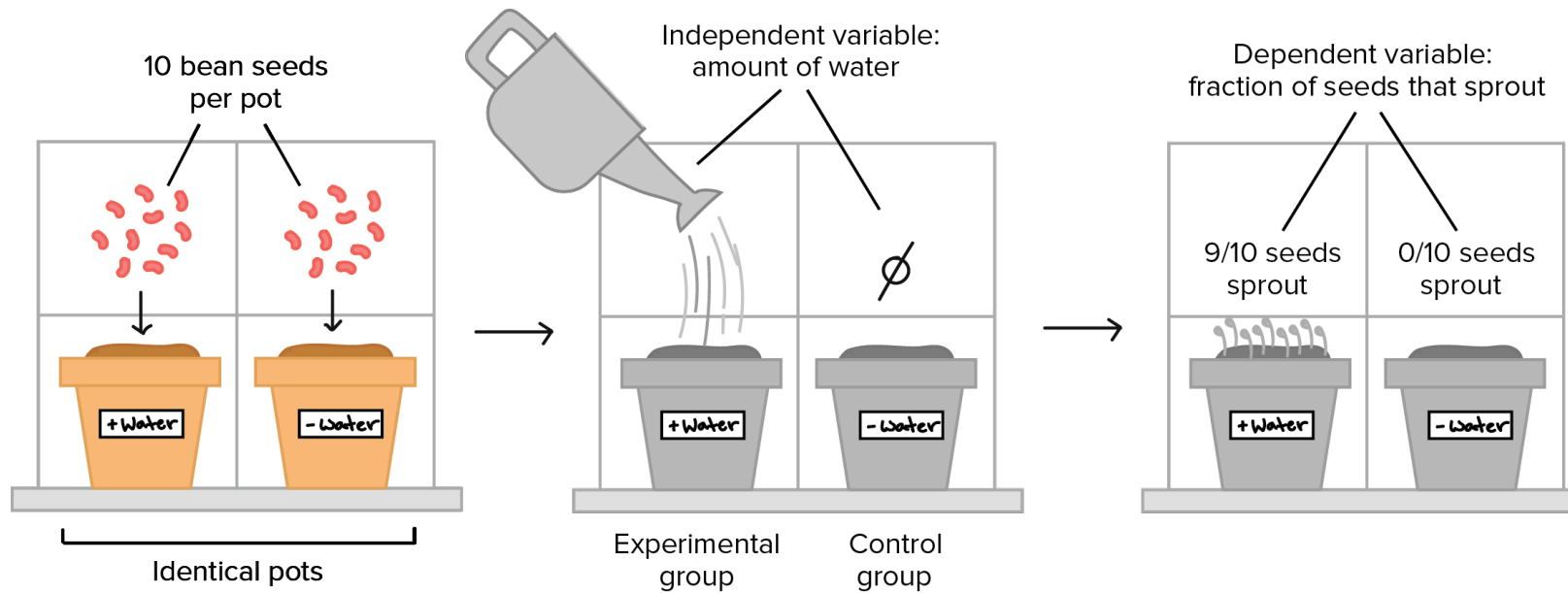




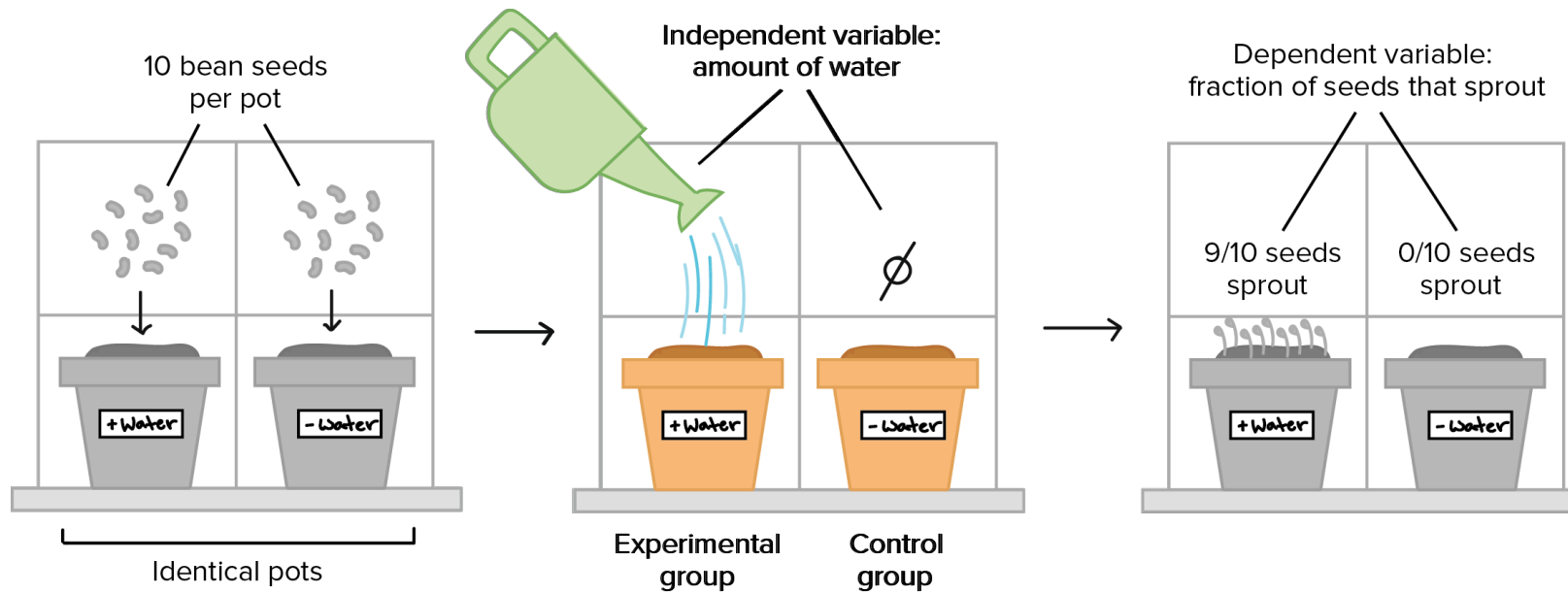
Running Good Experiments

Motivating Hypothesis: Water will cause bean seeds to sprout.

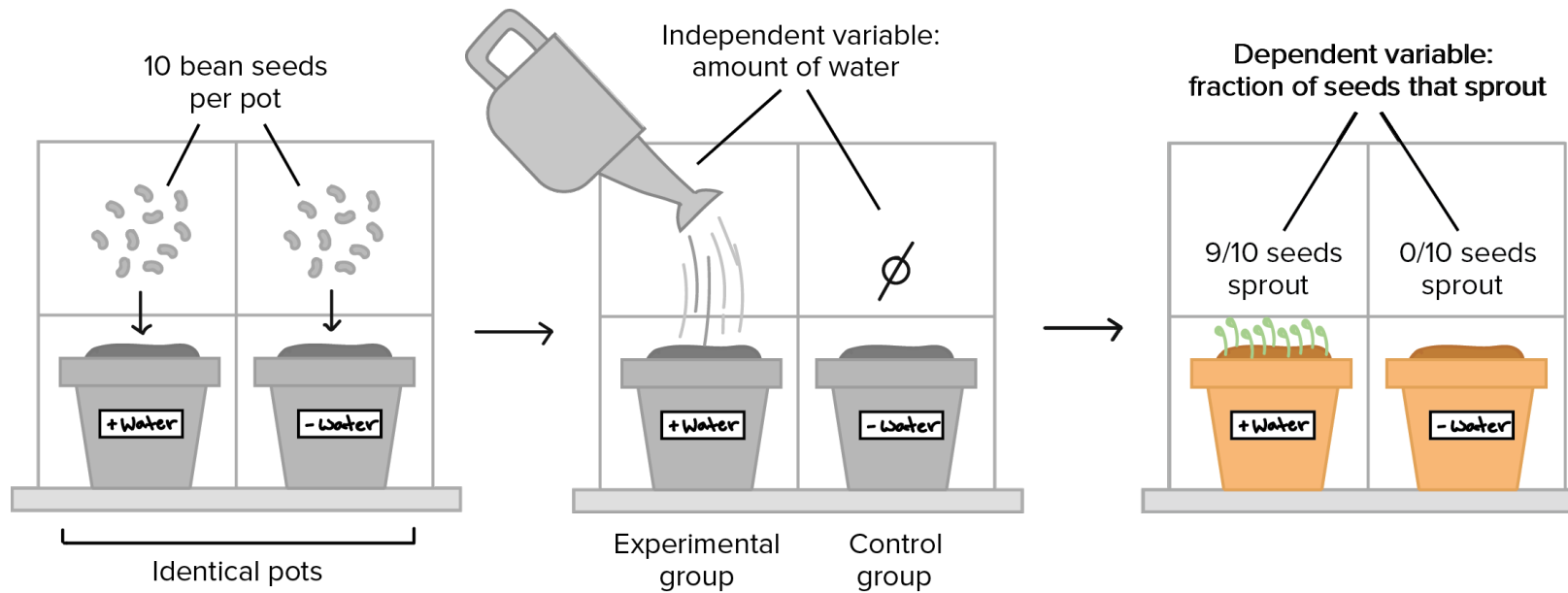




Experimental Design: How participants are allocated to **different groups** in the experiment.



The Experiment: Testing your fundamental hypothesis.



Experimental Data:

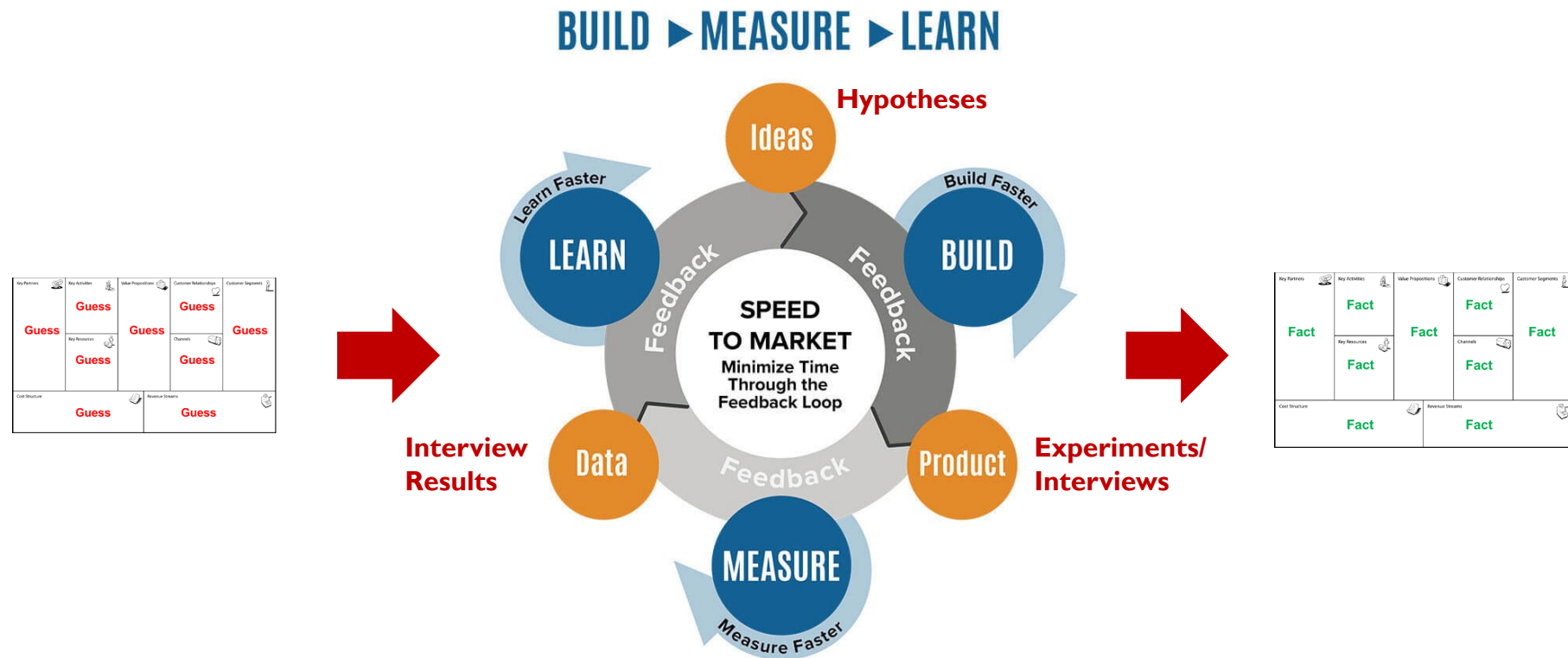
Documenting dependent variable, or response, being careful to **avoid confounding data**.

So what does this have to do with you?

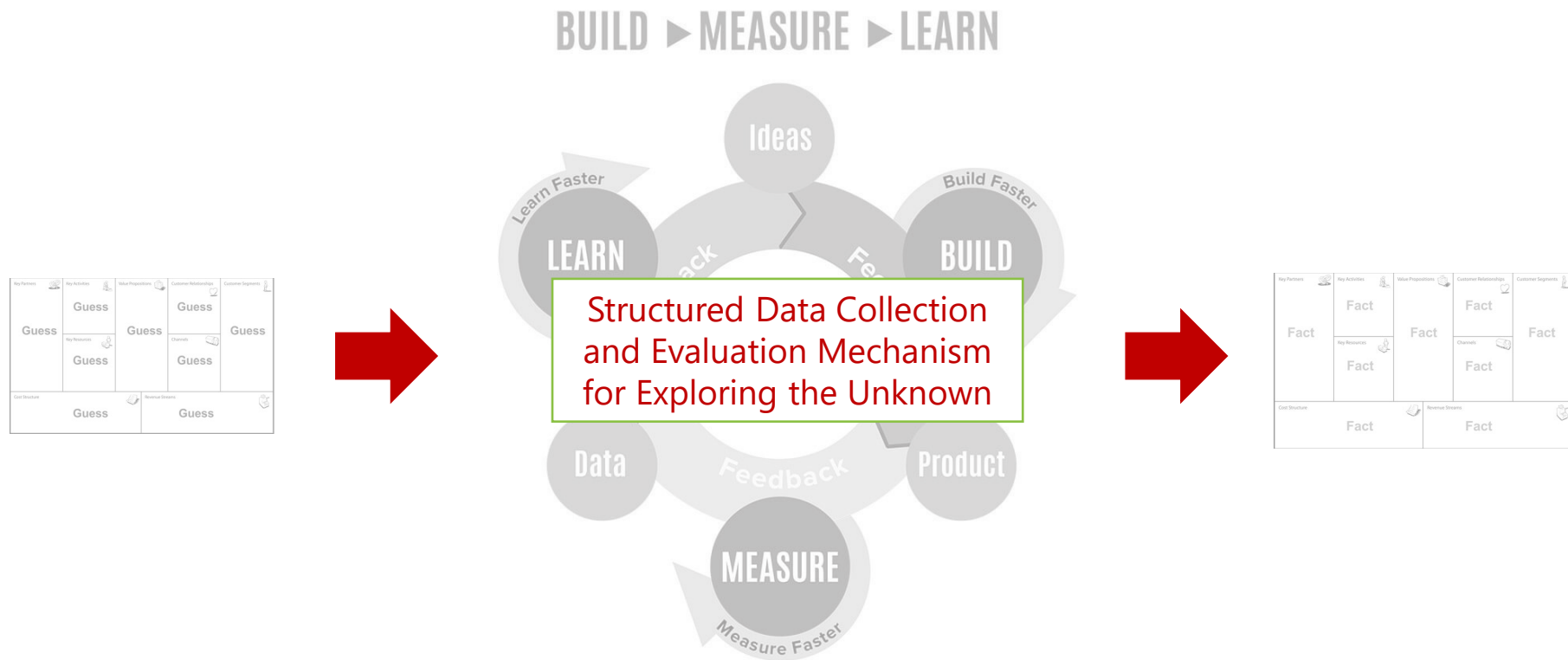
Your Startup is a
Business Experiment



The Process

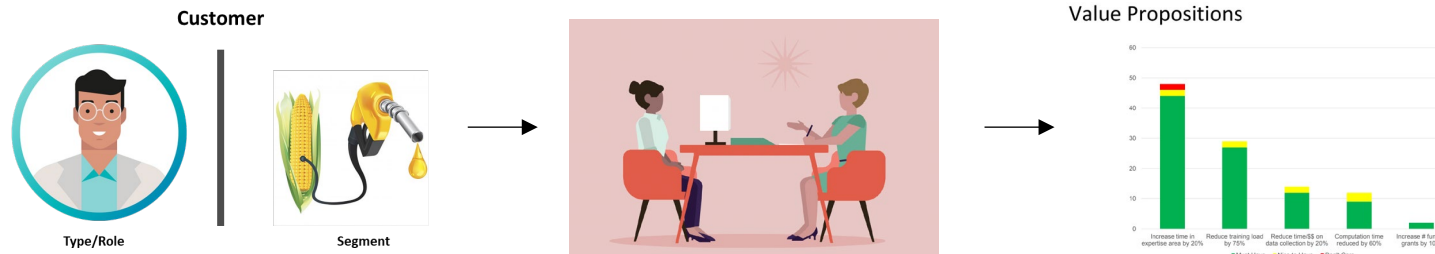
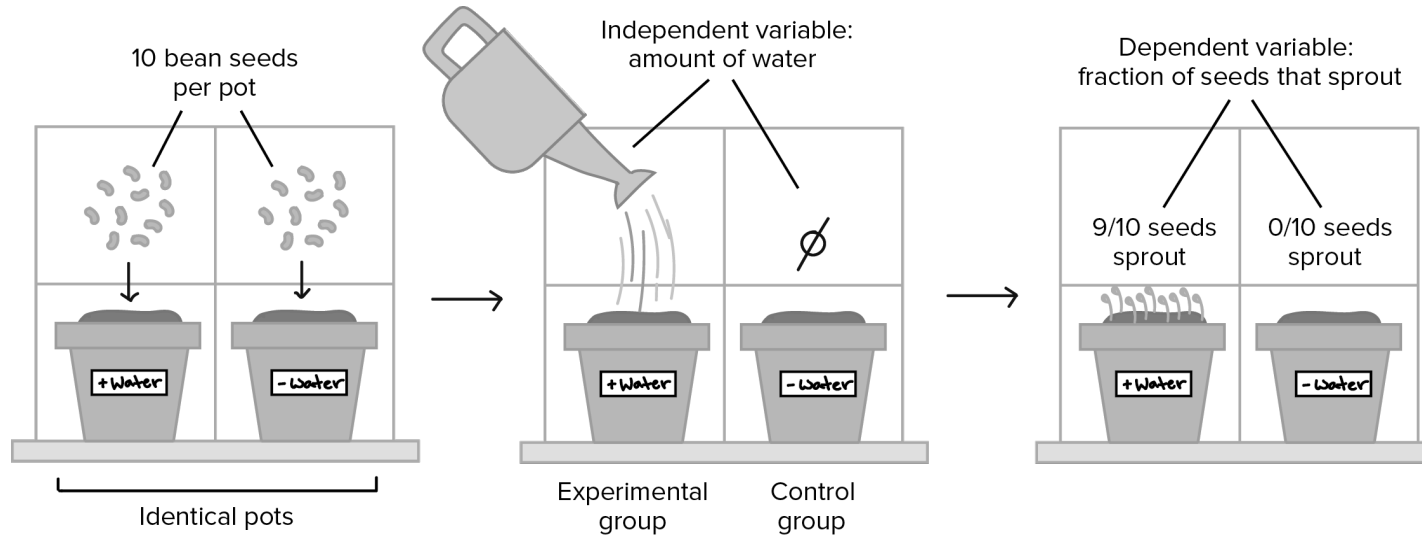


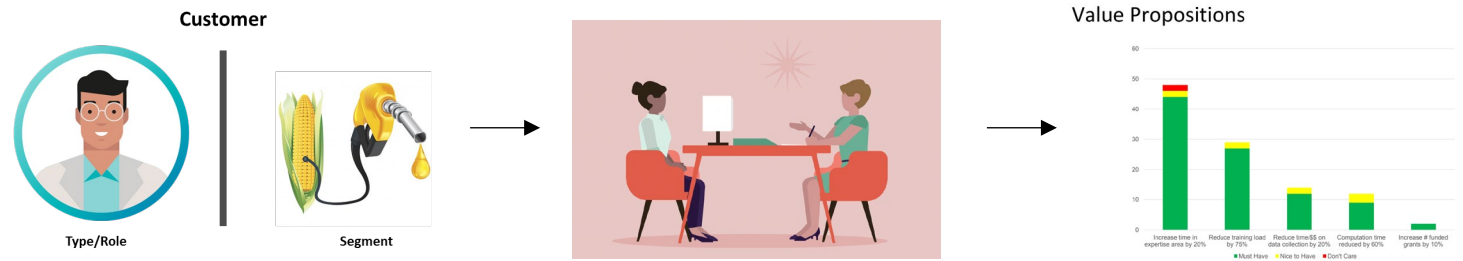
The Process



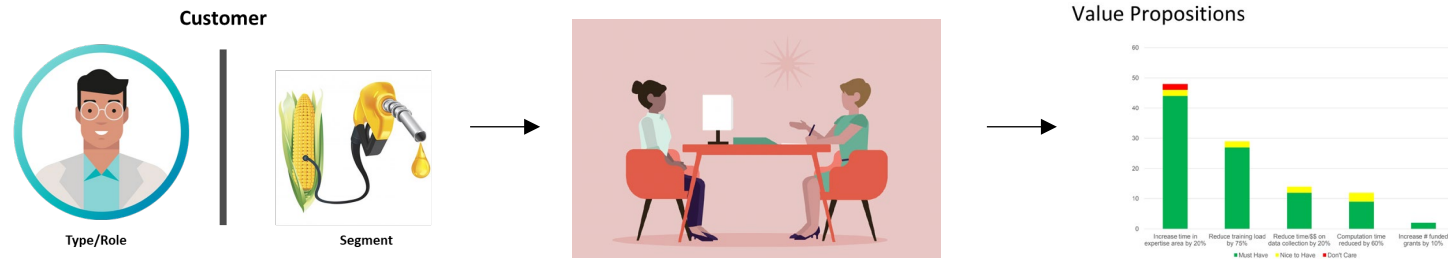
Evidence-Based Entrepreneurship

Translating Scientific to Business Experiments



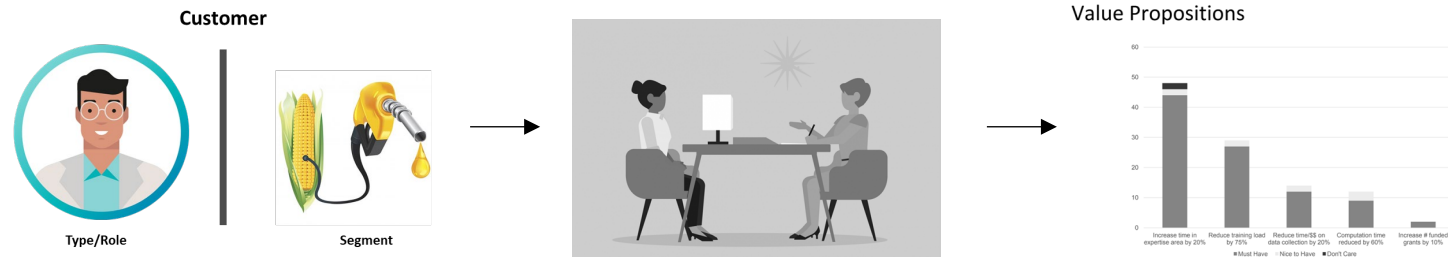


Motivating Hypothesis: **Why** would your customer buy? **The Value Proposition.**



Motivating Hypothesis: Why would your customer buy? The Value Proposition.

Target Market

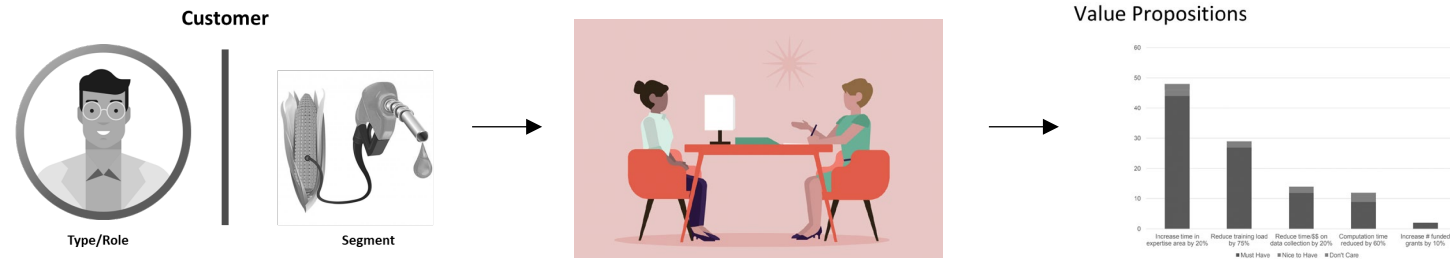


Experimental Design:

How participants are allocated to **different groups** in the experiment.

CUSTOMER
SEGMENTATION

Motivating Hypothesis: Why would your customer buy? The Value Proposition.



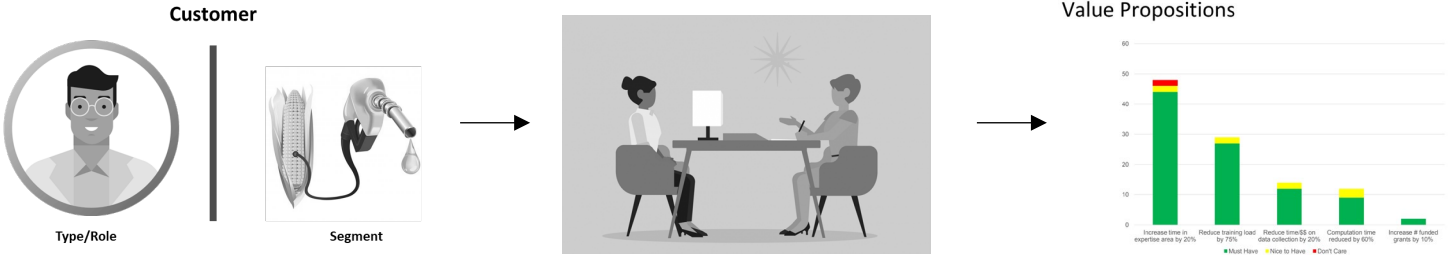
The Experiment: Testing your fundamental hypothesis.

THE INTERVIEW – but need to track **tasks, benefits, success metrics.**

Value Proposition

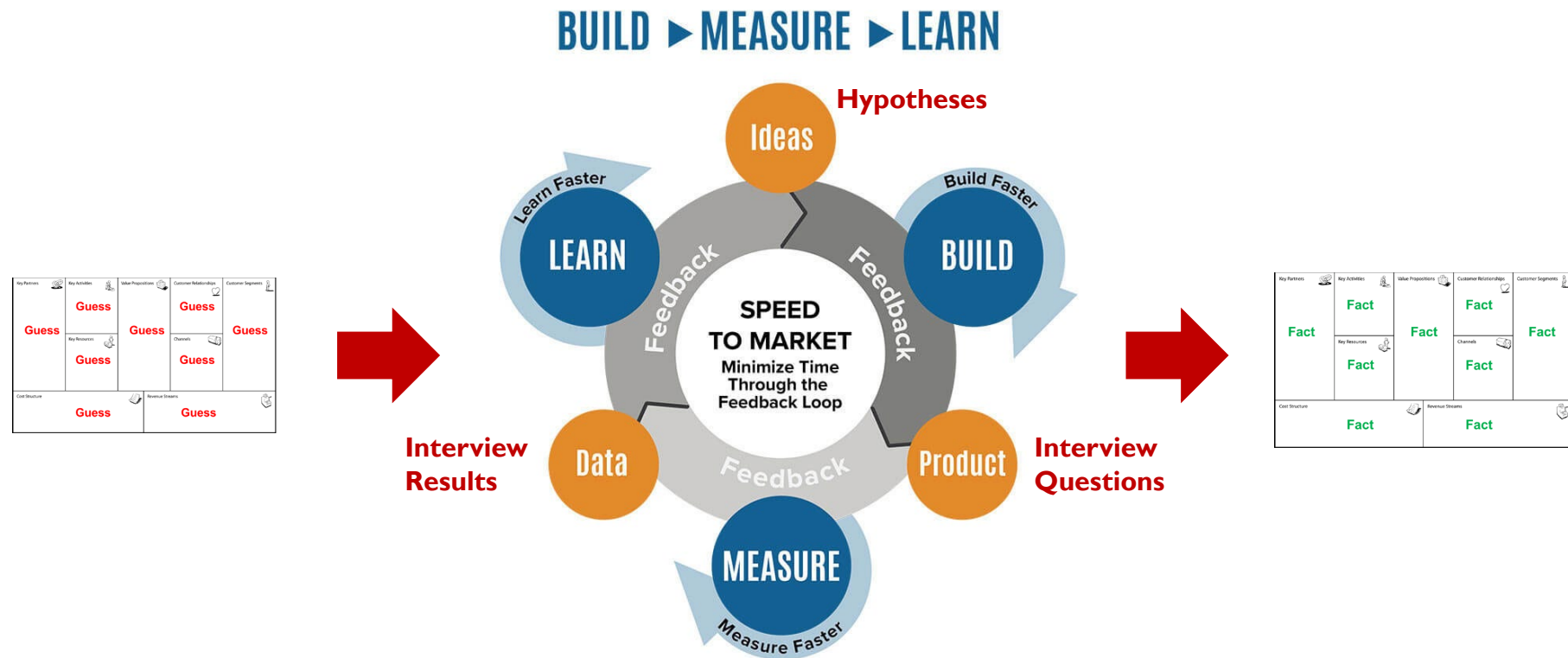
Motivating Hypothesis: Why would your customer buy? The Value Proposition.

Substantiation



Experimental Data:
Documenting dependent variable, or response, being careful to **avoid confounding data**.
Quantifying Responses.

The Process



Motivating Hypothesis: Why would your customer buy? **The Value Proposition.**

FOCUS OF OUR SESSION TODAY



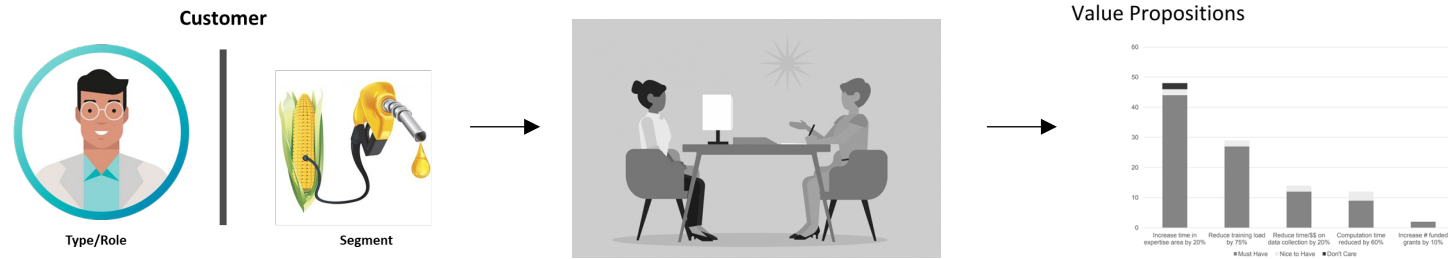
Experimental Design:
How participants are allocated to **different groups** in the experiment.

CUSTOMER SEGMENTATION

The Experiment: Testing your fundamental hypothesis.

THE INTERVIEW – but need to track **tasks, benefits, success metrics.**

Motivating Hypothesis: Why would your customer buy? The Value Proposition.



Experimental Design:

How participants are allocated to **different groups** in the experiment.

**CUSTOMER
SEGMENTATION**

Segmentation: grouping customers
based on shared characteristics

Identify the person
not just "the
company" or where
they work





Typical Roles/Customer Types

- **End User:** Day to day users of the product/service
- **Decision Maker:** Makes the final decision to purchase
- **Economic Buyer:** Issues the PO or signs the check
- **Influencer:** Can sway the decision but stops short of direct recommendation
- **Recommender:** Tasked to recommend solutions (inside the organization)

- **Saboteur:** A person who will lose out if the solution is adopted

Example: Customer Types



Example: Customer Types



Example: Customer Types



Example: Customer Types



- Enduser
- Recommender

Example: Customer Types



Example: Customer Types



- Decision Maker
- Buyer

Example: Customer Types



Example: Customer Types



- Saboteur

Other Roles

- **Subject Matter Experts:** Persons with knowledge of the vertical who can be used for referrals and/or hypothesis development but NOT validation
- **Beneficiaries:** Person who benefits from your innovation but does not have influence on the adoption process

Focus here to Start

- **End User:** Day to day users of the product/service
- **Decision Maker:** Makes the final decision to purchase
- **Economic Buyer:** Issues the PO or signs the check
- **Influencer:** Can sway the decision but stops short of direct recommendation
- **Recommender:** Tasked to recommend solutions (inside the organization)
- **Saboteur:** A person who will lose out if the solution is adopted

Segmentation

- Who the “customers” are can change for the same product introduced into different customer segments:

An Xbox can be sold into:

- a middle-class family (Segment A)

Or

- An Esports venue (Segment B)
- What are the differences in customer types? Who is the buyer, for example?

Exercise #1: Your customer guesses

Market Segmentation	(Describe Segment A)	(Segment B) – if there is time
End-user		
Decision Maker		
Influencer/ Recommender		
Buyer		
Other		

Note: You can use AI

- A company is trying to sell [product description]. What are potential market segments?

Example using Microsoft 365 Copilot:

Prompt: A company is selling a ***new video game system***. What are potential market segments? Provide a bulleted list of top 3 opportunities.

Response:

- **Core Consumer Gamers** (Mass + Enthusiast) – Individuals and households who buy consoles for entertainment, exclusive titles, and online multiplayer; includes both mainstream players and high-spending hardcore gamers
- **Esports & Gaming Venues** (B2B) – Gaming lounges, esports arenas, and arcade-style businesses that use consoles to drive revenue, host events, and attract competitive players
- **Hospitality & Institutional Buyers** (B2B/B2B2C) – Hotels, universities, healthcare facilities, and corporate offices using gaming systems to enhance customer, student, patient, or employee experience

Note: You can use AI

- For the [target segment], provide a bulleted list of customer types including endusers and decision makers.

Example using Microsoft 365 Copilot:

Prompt: For the ***Esport & Gaming Venues segment***, provide a bulleted list of customer types including endusers, decision makers.

Response:

- **Decision makers:** Owner, General Manager, or Venue Director (responsible for profitability, equipment investment, and customer experience)
- **End users:** Paying customers (casual gamers, competitive players), esports teams, walk-in groups

Exercise #1: Your customer guesses

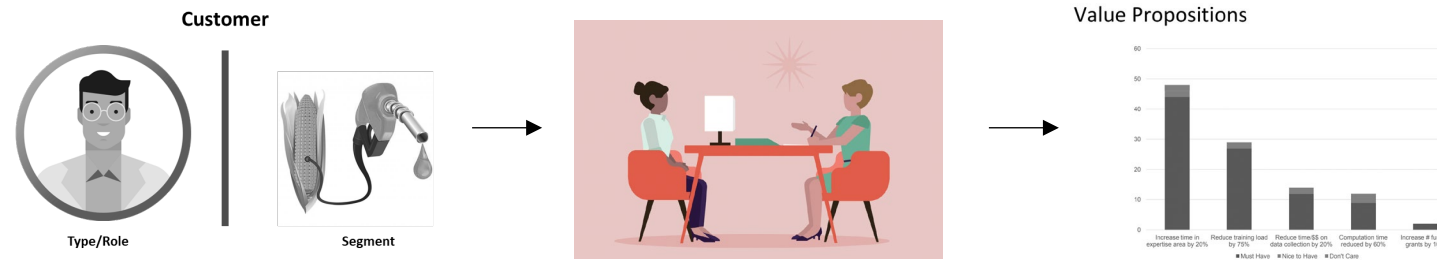
Market Segmentation	(Describe Segment A)	(Segment B) – if there is time
End-user		
Decision Maker		
Influencer/ Recommender		
Buyer		
Other		

What about Value?

What about Value?

Impact – The Value you create
Decision Making – What your customers Value

Motivating Hypothesis: **Why** would your customer buy? **The Value Proposition.**



The Experiment: Testing your fundamental hypothesis.

THE INTERVIEW – but need to track **tasks, benefits, success metrics.**

Business Hypotheses

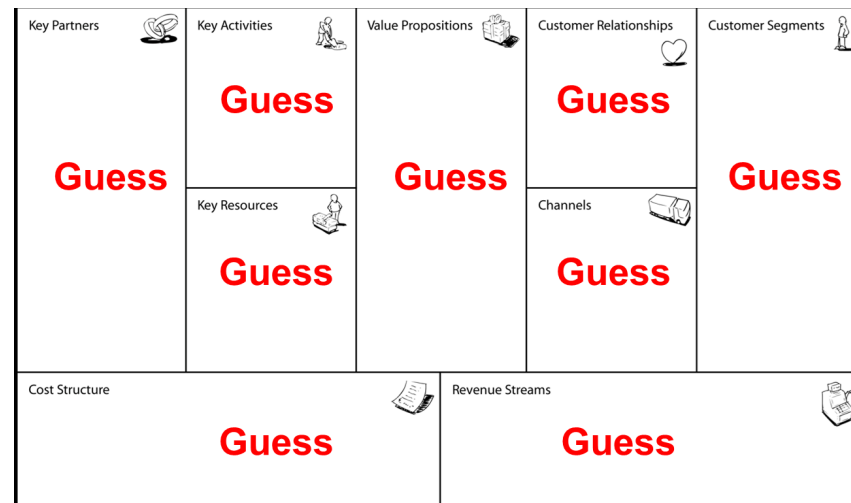
... a business hypothesis is a testable belief about future **value** creation. ”

-Michael Schrage,
The Innovator's Hypothesis

Business Hypotheses

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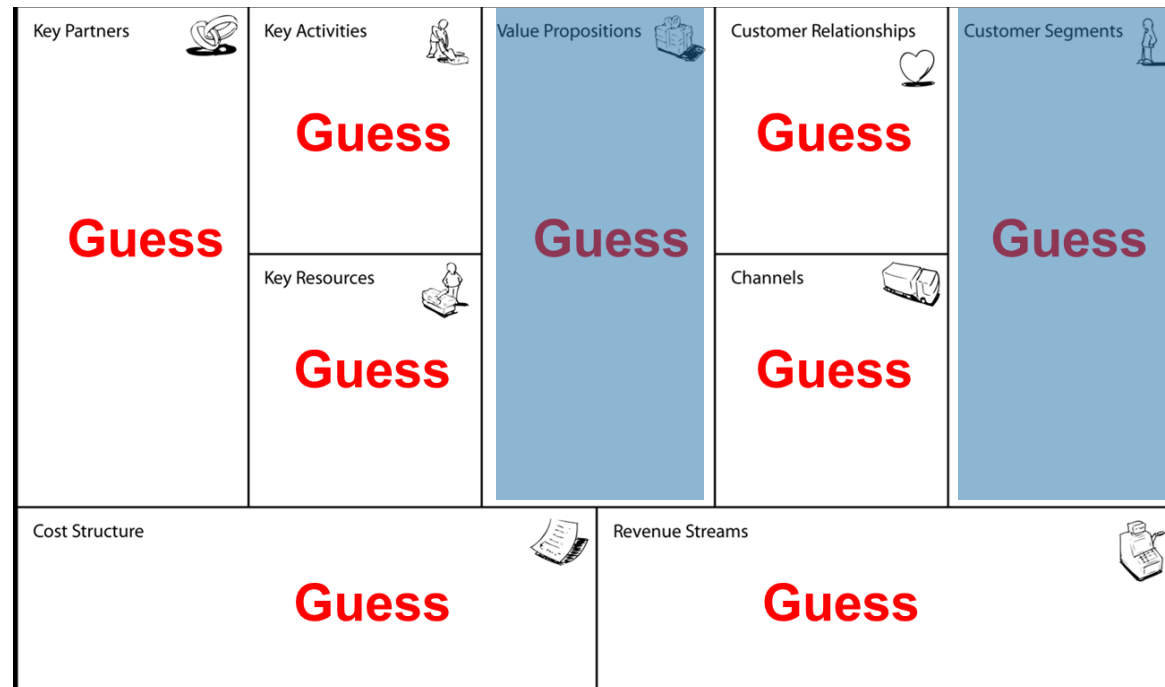
-Michael Schrage,
The Innovator's Hypothesis



Initial Focus

Problem-Solution Fit

CS + VP



Business Hypothesis

Customer Hypotheses

VP Hypotheses

Business Hypothesis

Customer Hypotheses

VP Hypotheses

What problems do you solve for them?

Why does this matter?

Why would they choose you?

Business Hypothesis

VP Hypotheses

What problems do you solve for them?

Important tasks/goals/jobs

Why does this matter?

Key benefits

Why would they choose you?

Decision criteria

Business Hypothesis

YOUR CAPABILITY



VP Hypotheses

What problems do you solve for them?

Important tasks/goals/jobs

Why does this matter?

Key benefits

Why would they choose you?

Decision criteria

**Customers “hire”
products/services
*to get jobs done....***



**What job
does it do?**

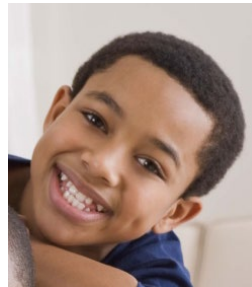


What job does it do?

Provides entertainment

Connect with friends

Increases my social status



What job does it do?

Provides entertainment

Connect with friends

Increases my social status

What job does it do?





What job does it do?

*Occupies my child's time at
home*

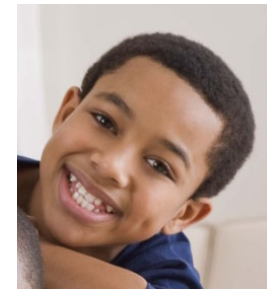


What job does it do?



Different Customer Types/Roles
Different Jobs

Decision Makers



End user



What job does it do?

*Occupies my child's time at
home*



What is the benefit/ impact for the parents?

Reclaimed time for parents



Why would they choose Xbox?

It provides skill-based play vs passive options like TV



Exercise #2: Your Value guesses

Customer Description	(Describe customer here)	(Describe customer here)
What problems do you solve for them?		
What is the benefit/impact?		
Why would they choose you?		

Note: You can use AI

- What is the benefit/impact of a [product description] on [target customer segment]?

Example using Microsoft 365 Copilot:

Prompt: What is the benefit/impact of a [game system] on [parents of young children]?

Response:

- Reduced stress and reclaimed time for parents, plus improved family bonding through shared entertainment experiences.

Exercise #2: Your Value guesses

Customer Description	(Describe customer here)	(Describe customer here)
What problems do you solve for them?		
What is the benefit/impact?		
Why would they choose you?		

REPORT OUT

Why am I comfortable with you using AI for this stage of discovery?

Business Thesis/**Guess**

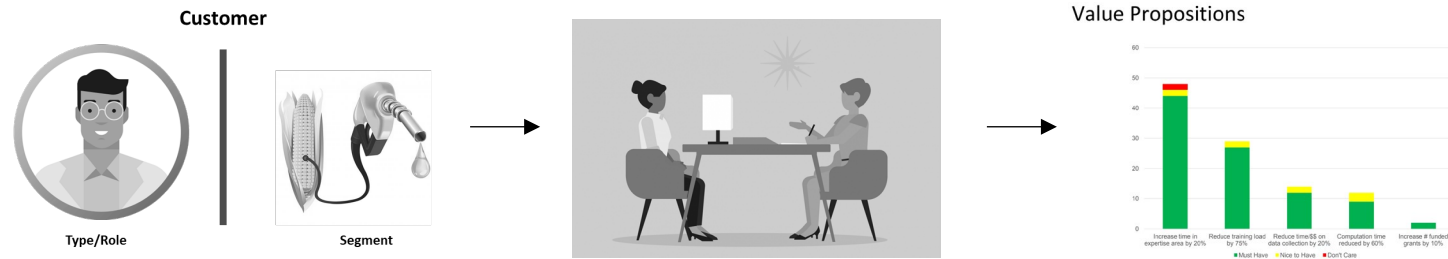
Form:

We believe [CS} who [problem] will choose our [product description] to [job] over [competition] because we better [decision criteria].

We believe [Parents of school aged children] who [struggle to reclaim their time at home] will choose our [video game system] to [entertain their children] over [TV] because [it engages students in skill-based play].

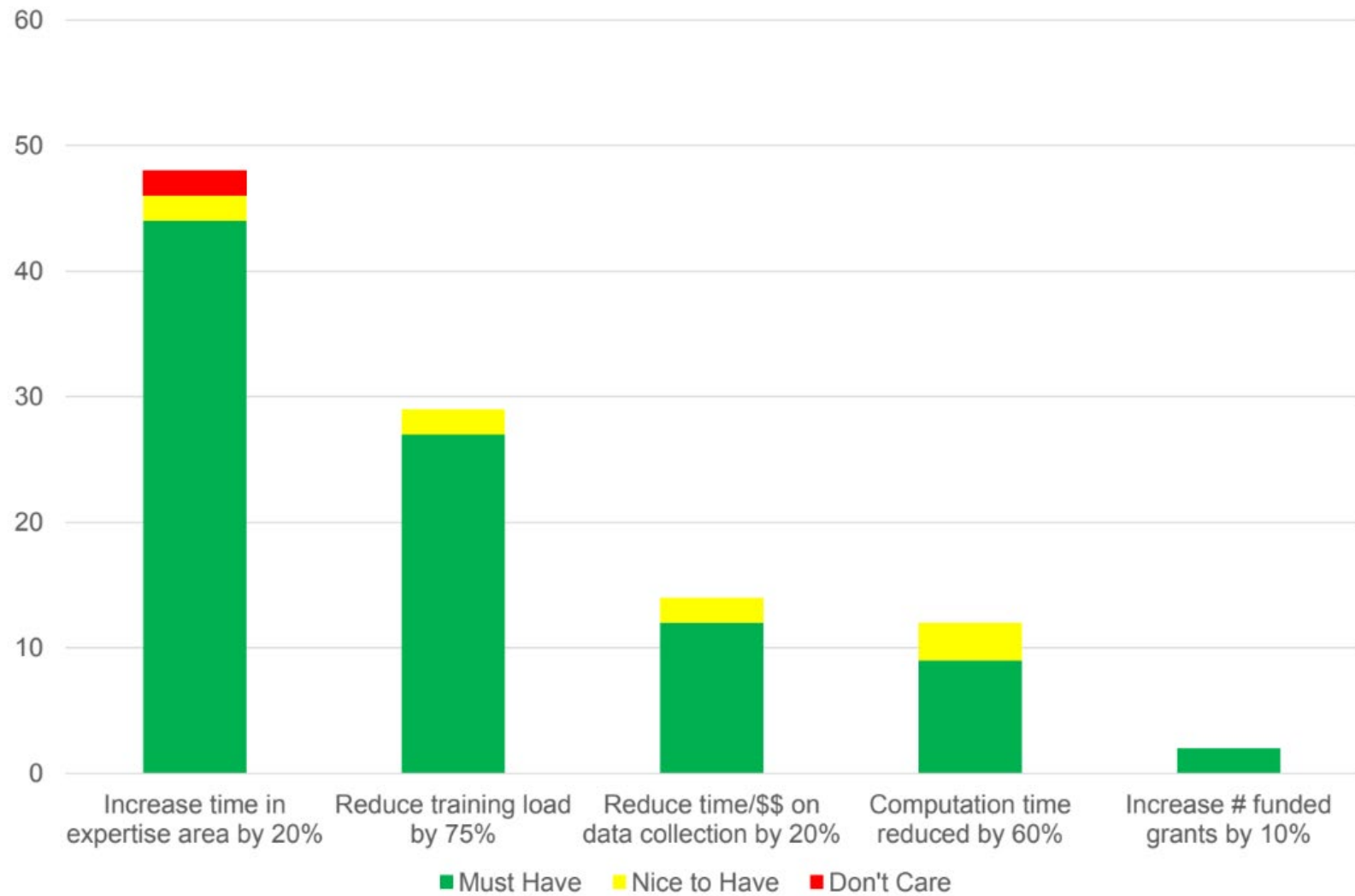
You still need to get out of the building
and do the work!

Motivating Hypothesis: Why would your customer buy? The Value Proposition.

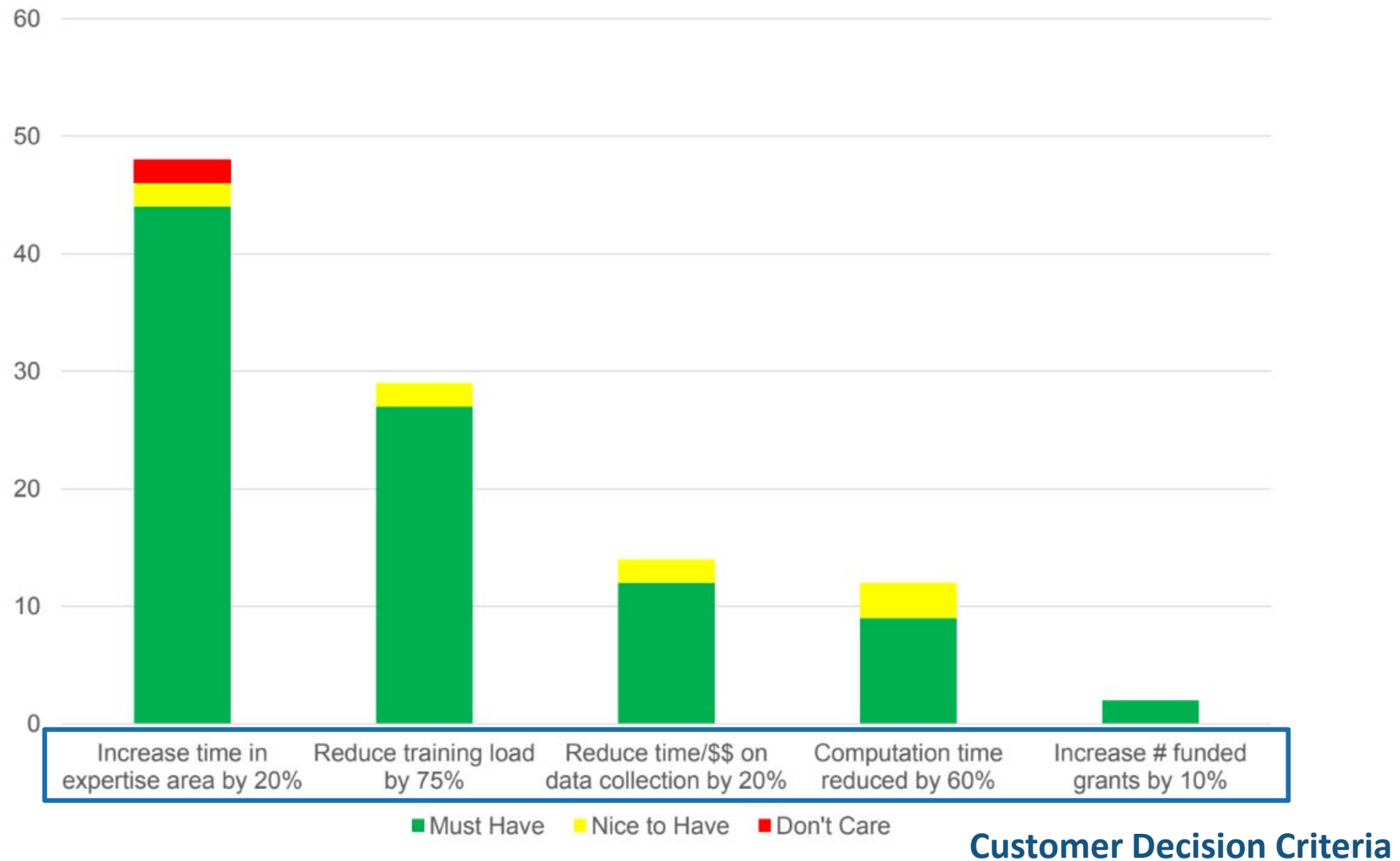


Experimental Data:
Documenting dependent variable, or response, being careful to **avoid confounding data**. **Quantifying Responses.**

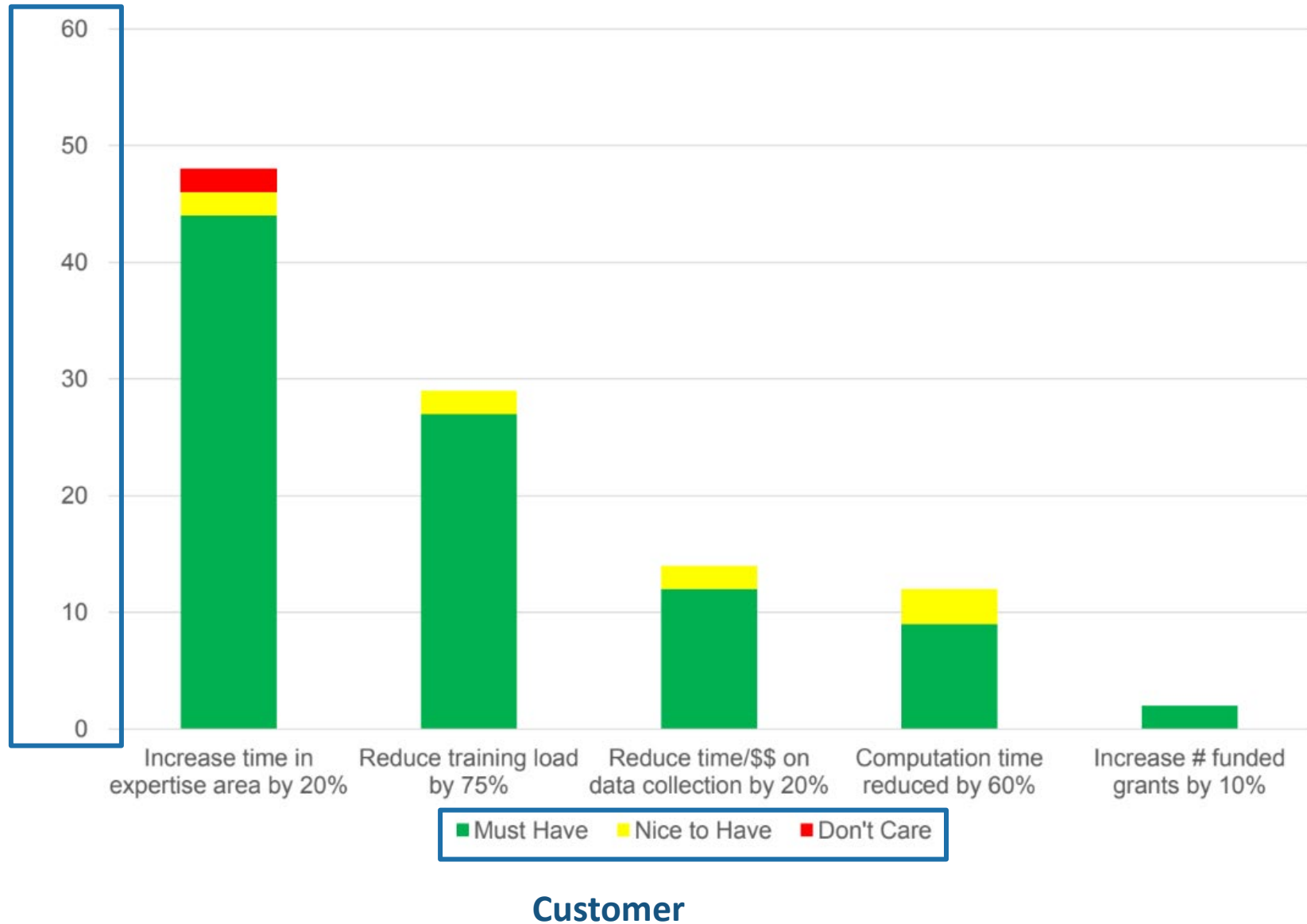
Great example of Quantification



Great example of Quantification



Great example of Quantification



Let's consider your interviews



Interviewees — Did you talk to the right people?

Segment	Role	Title(s)	# of Interviews
Segment #1 (please describe)	EndUser		
	Decision Maker		
	Other		
Segment #2 (please describe)	EndUser		
	Decision Maker		
	Other		
		Total	

Evaluate Your Interviews — What jobs are they trying to accomplish? What problems are they having?

Key Questions	Y/N	Evidence
Did you identify key jobs they are trying to accomplish?		
Did they confirm the problems you identified?		
Did you hear about how they solve the problem today?		
Are they actively trying to solved this problems		
Did you hear any requirements that you didn't expect? (i.e. things that all solutions must do to be considered)		
Have you found a problem worth solving?		

Message Triangle



TARGET: Identify the Target



Top Vertex: Pain/Gain and Proof. Enter cues and prompts that remind you to articulate and validate this Target's problem, need, or opportunity.



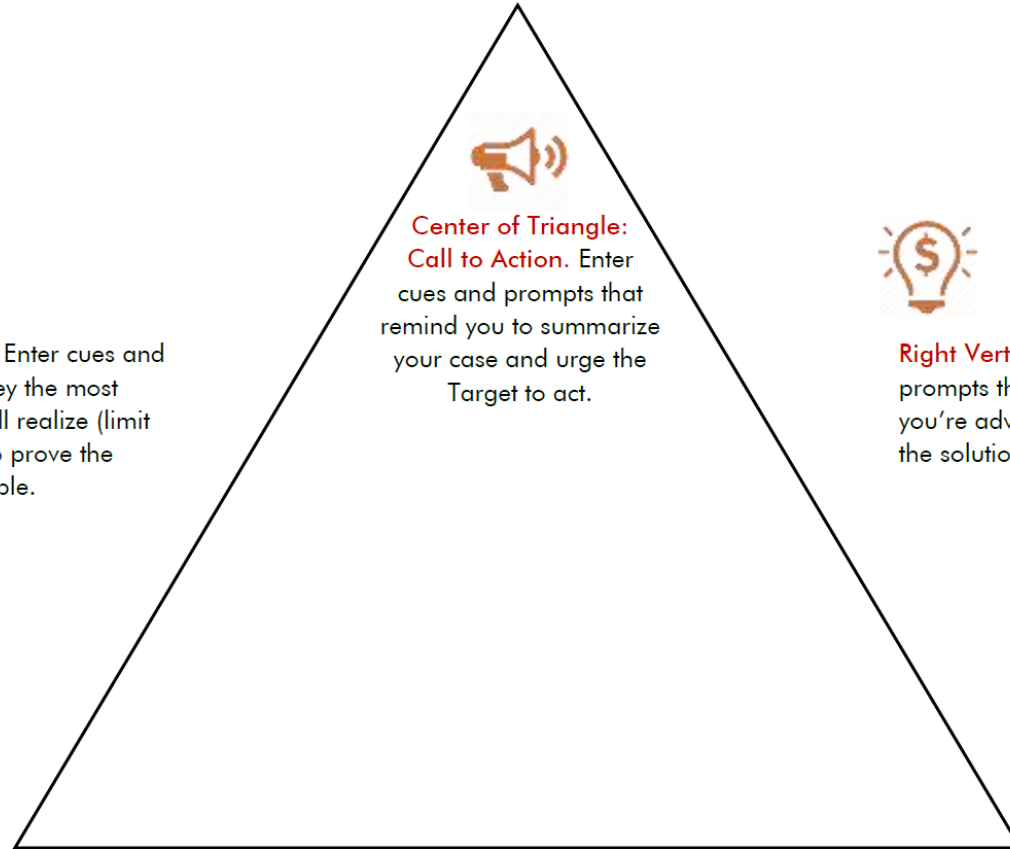
Left Vertex: Benefits and Proof. Enter cues and prompts that remind you to convey the most compelling benefits the Target will realize (limit yourself to three). Add triggers to prove the benefits are realistic and achievable.



Center of Triangle: Call to Action. Enter cues and prompts that remind you to summarize your case and urge the Target to act.



Right Vertex: Solution and Proof. Enter cues and prompts that remind you to relate the solution you're advocating. Add triggers to substantiate the solution's viability.



Pair up

- Share progress and best practices
- How is the partner company approaching:
 - Understanding Jobs/Tasks/Goals
 - Discovering pains/gains
 - Evaluating customer views of competitors
 - Etc.



Business Thesis/**Guess**

Form:

We believe [CS] who [problem] will choose our [product description] to [job] over [competition] because we better [decision criteria].

We believe [Parents of school aged children] who [struggle to reclaim their time at home] will choose our [video game system] to [entertain their children] over [TV] because [it engages students in skill-based play].

Best Practices

Pay attention to segmentation

Develop hypotheses and track them longitudinally

Focus on validating Segments and VP

For VPs

1st step: Validate the key task your customer struggles with

2nd step: Understand why that matters, i.e. the benefits

3rd step: Understand what your customer prioritizes (decision making)

Quantify data – this is evidenced-based entrepreneurship

Collect Evidence!!

Use this to update your message planner