

# Top-Down Customer Discovery

## Uncovering THE BIG WHY!



Why Discovery Practices in Product Management,  
Product Marketing, Sales & Customer Success  
Consistently Miss the Mark for Uncovering  
Strategic Customer Value, and the Easy Fix!



**PRODUCT  
MANAGEMENT**  
UNIVERSITY

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## TABLE OF CONTENTS

TABLE OF CONTENTS.....	2
INTRODUCTION .....	3
B2B & THE TOP DOWN FACTOR .....	3
WHAT IS TOP-DOWN CUSTOMER DISCOVERY? .....	4
WHY IS TOP-DOWN CUSTOMER DISCOVERY CRITICAL TO SUCCESS? .....	4
THE COMMON KNOCK ON TOP-DOWN CUSTOMER DISCOVERY .....	6
5 COMMON MISTAKES WITH CUSTOMER DISCOVERY .....	7
BENEFICIAL SKILLS FOR THE MOST EFFECTIVE DISCOVERY .....	10
THE BIG WHY! ARE YOU MISSING IT?.....	11
DISCOVERY BY MARKET SEGMENT.....	12
DISCOVERY BY PROSPECT/CUSTOMER.....	12
ONE DISCOVERY APPROACH THAT PROPELS ALL DISCIPLINES.....	13
WHAT DOES GOOD CUSTOMER DISCOVERY LOOK LIKE?.....	14
PUTTING TOP-DOWN CUSTOMER DISCOVERY INTO CONTEXT .....	16
THE BOTTOM LINE ON TOP-DOWN CUSTOMER DISCOVERY .....	18
ABOUT PRODUCT MANAGEMENT UNIVERSITY.....	20
ABOUT THE AUTHOR.....	21

## Introduction



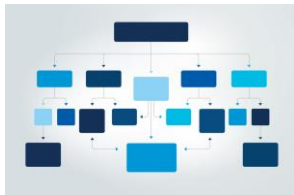
Imagine that every product or service you offer delivers value to the customer that can be easily quantified and has a direct impact on their strategic priorities.

If that were the case, what would your growth trajectory look like? How much easier would it be to get consensus on plans and priorities across products, marketing, sales and customer success?

How much more successful would you be in your own role if product teams, marketing, sales and customer success were completely in sync and aligned to a common view of the customer and their business priorities?

If you're in product management, product marketing, sales, customer on-boarding or customer success, top-down customer discovery, no matter how you cut it, is the foundation for everything you do and the lynchpin to your success. It's the easiest and most effective way to uncover clear and quantifiable value targets for your products, marketing messages, sales activities, customer on-boarding projects, and customer account plans.

## B2B & The Top Down Factor



User discovery and customer discovery are often used synonymously. The thing that's most different in B2B/B2B2C is the definition of the customer. In B2B, the customer is the customer organization, including users of your products. If all of your focus is on solving problems at the user level, how do you know you're solving real problems that have the biggest impact on the customer's strategic priorities?

The short answer is you don't, if you don't understand what's driving the customer from the top down. You have no idea if what you're building, marketing, selling or delivering is valuable or nice to have! Your risk of missing the value mark on all fronts goes way up. The only question is, how big is your miss?

In this book, you'll learn the importance of top-down customer discovery, the definition of THE BIG WHY, and how both help you consistently uncover opportunities for quantifiable strategic value across the board.

## What is Top-Down Customer Discovery?



Simply put, top-down customer discovery is the process of understanding what your target customers are doing to meet their strategic, operational and financial goals, why those things are critical to the success of their organization from top to bottom, and the obstacles standing in their way?

There's a point-in-time element to customer discovery. Customer goals and priorities shift and evolve over time based on the dynamics of their markets. That means customer discovery has to be performed on a regular cadence. For strategic planning purposes though, organizations must use a point-in-time snapshot of their target customers to drive tactical plans and execution across the board.

## Why is Top-Down Customer Discovery Critical to Success?



Customer discovery is the #1 most foundational skill for product managers, product marketing managers, salespeople, customer onboarding specialists, and customer success managers. Without it, how do you know what you're aiming for, if you can hit the target or how you're going to hit the target?

Using a GPS analogy, top-down customer discovery gives you a clear destination (what the customer organization is ultimately trying to accomplish and why) complete with turn-by-turn directions (the obstacles to eliminate).

Many organizations have become very efficient at solving tactical user problems but they still don't know the destination (the relationship, if any, to the customer's top business priorities). Rerouting becomes the norm not the exception because the destination was never clearly defined. It can kill an organization's momentum if it becomes the modus operandi.

Over the course of time, the destination (the customer's top-down priorities) will evolve and change. Top-down customer discovery keeps your organization aligned on all fronts.





## Discovery for Product Management

A top-performing product management team should be able to write the customer success stories (minus the customer names) before any products or features are built.

That would mean their discovery process is so good and so thorough that they know from the top down, the business outcomes that are most critical to customers, why they matter operationally and strategically, the obstacles standing in their way and how the products and features will eliminate those obstacles.

When that happens (back to the GPS analogy), the destination and turn-by-turn directions for product design & development, product marketing, sales, customer on-boarding and customer success are set. Just hit the GO button!

## AS PRODUCT MANAGEMENT GOES...



It all starts with product management because everything revolves around the products. As product management goes, so goes all other disciplines.



## Discovery for Product Marketing

Even when product management sets everyone up for success, product marketing still has to be highly proficient at top-down customer discovery.

In fact, a legitimate argument could be made that product marketing is more suited to lead customer discovery for the broader markets because product management has become overly technical and it's no longer in their comfort zone.

Nevertheless, white papers, customer testimonials, messaging, marketing materials, sales tools, etc. all need to speak through the voice of the customer and usually require a more emotional angle for maximum impact.



## Discovery for Sales

Even when product management and product marketing are performing top-down customer discovery at their absolute best, the sales organization needs to be just as good.

Product management and product marketing do customer discovery to understand the markets at large. The results of that discovery show up in the products as well as marketing materials and sales tools.

BDRs, AEs/territory managers and SEs have to do continuous top down discovery for every opportunity and in every phase of the sales process in order to build qualified pipelines and close deals. While many of the top priorities in the broader market apply, the order of magnitude is different for every buyer. Understanding those nuances is critical to orchestrating the sales process for anyone and everyone in a sales role.

*“Customers don’t buy because they understand you. They buy because you understand them.”*



## Discovery for Customer On-Boarding

In the same way product management’s discovery sets product marketing up for success, the sales team’s quality of discovery sets the tone for customer on-boarding teams. Just like every buyer has nuances, so does every implementation.

Beyond the transition from sales, top-down discovery is most valuable for customer on-boarding specialists when an implementation stalls, goes sideways or hits a bump. Reminding customers what they’re ultimately trying to accomplish and why is an easy way to get everyone back on track.



## Discovery for Customer Success

Of all the customer-facing disciplines, customer success managers may be in the best position to do pure top-down customer discovery without any bias or agenda whatsoever. Why?

The top priority of customer success managers is to make sure customers get quantifiable value from their products. There’s usually nothing else in the way that should cloud or bias their discovery conversations.

In other words, top-down discovery is part of the CSM’s new job description. Without the skill, it’s impossible to do strategic account plans with customers and get them bought into the roadmap for success.

## The Common Knock on Top-Down Customer Discovery



*"We don't have access to C-level executives."*

Here's the good news. You don't need it. If you have those relationships, by all means leverage them to their fullest, but they're not required.

For effective top-down discovery, you need strong relationships with the senior managers (directors and VPs) that report to the C-level executives. They understand the organization's strategic priorities and what's driving them, and they also understand the impact on the operational areas of the business, especially the areas they're responsible for, i.e., where your products have relevance.

## 5 Common Mistakes With Customer Discovery



The common denominator in each of these mistakes is you run the risk of completely missing the value mark regardless of whether you're building, marketing, selling, on-boarding or managing customer accounts.

### 1. Inconsistency

The inconsistencies in customer discovery aren't just between disciplines. They run the gamut from person to person regardless of role. Every salesperson does it differently. Ditto for every product manager, product marketing manager, on-boarding specialist and customer success manager.

If an organization is going to align its customer-facing disciplines to the most critical goals of its customers, consistency in the discovery approach is paramount to that alignment. Without consistency, everyone sees the same markets and customers differently. The ripple effect rears its ugly head in your organization's inability to get consensus on strategic priorities, which then cascades down to the execution plans and priorities across products, marketing, sales and customer success.

## 2. Too Focused On Customer Problems

When it's all said and done, your products have to solve customer problems, but problems are only half of the equation. Customers love to talk about their problems for sure, but how do you know you're uncovering the real problems?

The short answer is you don't if the discussion goes no further than problems. That's why **customer business outcomes** are such a critical part of any discovery conversation.

If you don't understand what your customers are ultimately trying to accomplish, you can't possibly know if the problems they're feeding you are the problems that most affect their desired outcomes. It's too easy to convince yourself that the problems you're uncovering are valuable only to find out later they were a mirage.

*"Without quantifiable customer outcomes, how can you possibly know you're focused on the right problems?"*

## 3. Not Asking WHY Enough

When discovery conversations revolve around customer problems, the natural course of conversation leads directly to current or potential solutions. Without question, this is the biggest flaw of problem-based discovery because there's no context around those problems. They don't pass the "so what" test as in, *"Why do you even care about that problem?"*

Here are the most common WHY questions that never get asked.

- WHY is that a problem/why do you care about that problem?
- WHY does that problem exist/occur?
- WHY is it critical to invest time/money/people solving that problem? For you? For the organization?

Without answers to these questions, you run the risk of completely missing the mark with your products, marketing messages, sales dialogues, customer onboarding projects and customer account plans.



#### 4. Discovery Through the Lens of Your Products

The hardest part of customer discovery for every organization is doing it as if your products didn't exist. When everyone sees the customer through the lens of your products, discovery becomes distorted.

Here's the problem. When you're having discovery conversations, and you're unconsciously doing it through the lens of your products, you're *"leading the witness"* and subconsciously leading them to responses that are desirable to you.

##### **LEADING THE WITNESS**

Subconsciously leading customers to responses that are most desirable for you!

The bottom line is you're not uncovering what's most important to the customer and you run the risk of completely missing the mark for value.

#### 5. Not Engaging With All of the Right People

This is a big issue in B2B because the customer isn't just the user or the executive or the manager. It's all of the above, and if your discovery doesn't cover all the bases, you'll end up with an incomplete picture of what's most important to your target customers and why from the top down.

It's easy for product managers and product marketing managers to lock in on their users because they're closest to the product. Customer discovery shouldn't start with users. It should end with them.

Salespeople usually aim for the C-suite when it comes to discovery and qualification but that can prove difficult when their initial point of contact is a project level person that's been tasked with leading the evaluation. In many cases, those project leads don't really have a good handle on the business needs but they block sales from gaining access to those that do.

Customer success managers typically deal with those running the day-to-day operations but in their newly expanded role, they're being pushed to form relationships at the senior manager and executive levels if they don't already have them.

## Beneficial Skills for the Most Effective Discovery

### Curiosity & Patience



Curiosity and patience, although not necessarily skills, are critical personality traits for doing highly effective customer discovery. Curiosity comes down to asking the WHAT & WHY questions but keeping it relaxed and conversational.

- What are you ultimately trying to do?

- Why is that important to you, to your company?
- What's stopping you/making it difficult?
- What happens if you don't do anything?
- In a perfect world, what would you change? Why?
- Etc.

Patience is all about resisting the temptation to have a product discussion before you have clear answers to all the WHAT & WHY questions.

Here's the thing about curiosity, and once again, it doesn't matter if you're building, marketing, selling, on-boarding or nurturing. It's critical to know how your prospects and customers think so you can make a conscious decision to align (or not) with their thought process.

### Facilitation Skills

Facilitation skills are about keeping the discussion on point. Customers and prospects can quickly go down the rabbit hole on a product discussion prematurely. Your job as a facilitator is to keep the discussion at a business level until you have a complete picture with answers to all the questions above.

Regardless of your role, if you get into a product discussion without answers to those questions, you'll struggle to get the outcome you want and the conversation will go in circles because you still don't know what you're aiming for.

## THE BIG WHY! Are You Missing It?



In simple terms, THE BIG WHY is a top-priority strategic initiative that is either customer specific (sales, on-boarding, customer success) or common across a large majority of organizations in your target markets (product management, product marketing). It's the ultimate reason WHY (starting in the C-suite) customers are willing to invest time, money and people buying, adopting and using your products.

As a rule (80/20), these strategic priorities may not be directly related to your product but your product still delivers outcomes that have a direct impact.

For example, let's say your products help customers deliver a superior experience to their customers. THE BIG WHY in any given market may be that your target customers are facing stiff competition from non-traditional sources and need to do a number of things to differentiate and remain relevant.

A superior customer experience is just one of those things. Unrelated to what you do, for example, they may also need to accelerate development of new products.

Nevertheless, it's good to get the whole picture so you know exactly where your value is in the pecking order of the customer's priorities. In other words, you need to know if new product development is a higher or lower priority than improving the customer experience.

In the example above, the important thing to know regardless of your role, is the customer's top focus is on competitive differentiation and just about everything they're doing is in support of that strategic priority.

Competitive differentiation is **THE BIG WHY!**

[How to Create Your Product Positioning Around THE BIG WHY](#)

## Discovery by Market Segment



For product management and product marketing teams, customer discovery is done for the purpose of understanding what's driving your target customers across one or more market segments. Discovery can be vertically focused on segments like healthcare, retail, manufacturing, etc. or it can be horizontally or cross-industry focused by business functions like IT finance, HR, sales, etc.

In either case, the goal is to uncover common needs across one or more market segments in order to successfully build and market solutions to those segments.

It's best for product management and product marketing to speak with a number of customers in each market segment in order to paint an accurate picture of the most common needs across that segment. A good rule of thumb in the enterprise B2B space is 12-20 organizations.

## Discovery by Prospect/Customer



For sales and customer success teams, customer discovery occurs for each prospect and customer. If the majority of your prospects and customers are in your target markets, the results of individual prospect and customer discovery meetings should generally reflect the needs of the broader market (uncovered by product management and product marketing teams ) with nuances to be expected for each

organization.



## One Discovery Approach That Propels All Disciplines

There's a common misconception that product management, product marketing, sales, customer onboarding and customer success teams should use different approaches for discovery. Nothing could be further from the truth. In fact, it can be detrimental to your organization if there's not a common approach to customer discovery.

The key point here is that everyone should have the same goals for the information they gather in every discovery meeting.



When each discipline uses a different approach for discovery, your organization ends up with multiple and often conflicting views of the same markets and customers. That makes it extremely difficult to get consensus on plans and priorities across the board. It also leads to a lot of stops and starts that can kill your momentum across the organization.

The difference in discovery between each of the above mentioned disciplines is the depth of the discovery required. For example, product management may need to go much deeper in the discovery process in order to design highly usable products versus marketing and sales which may not always need to go as deep to successfully market and sell those same products.

Nevertheless, the information you're looking to uncover and the approach for uncovering it should be no different regardless of your role or the role of the customer/prospect you're meeting with.

## What Does Good Customer Discovery Look Like?

Good customer discovery comes down to five key questions. They should be used for discovery in all three levels of the customer organization. **The context of these questions changes depending on who you're talking to**, but the bottom line is this, without answers to these five questions, your customer discovery is incomplete, regardless of who you're talking to.

### The 5 Most Basic Customer Discovery Questions

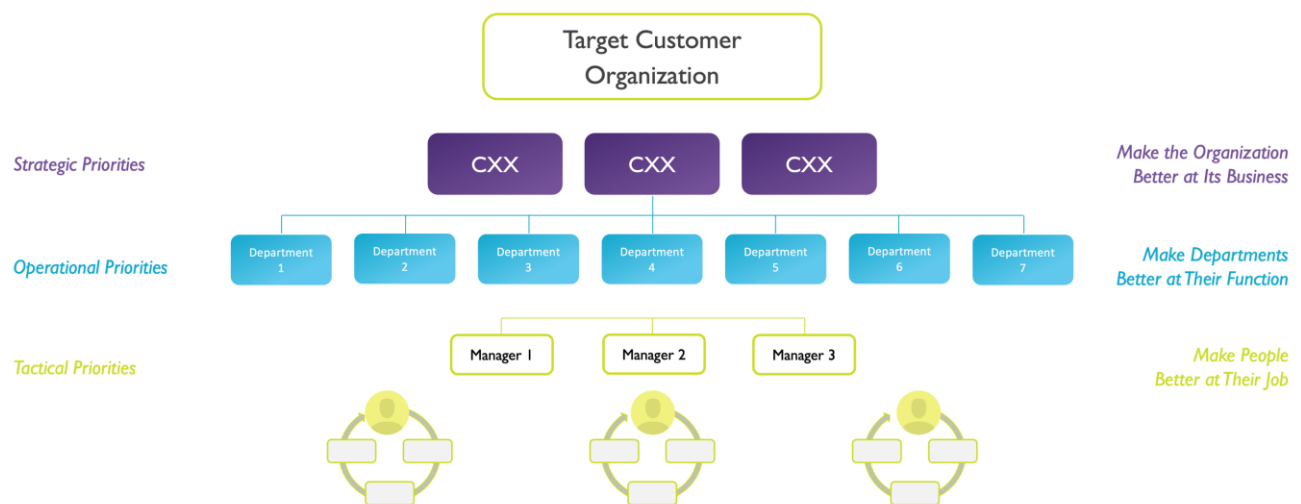
1. *What are your top priorities/trying to accomplish?*
2. *Why are those priorities important?*
3. *What obstacles do you face? Why do they exist?*
4. *What are you doing to overcome those obstacles?*
5. *What metrics are used to measure success?*

### Context! Context! Context!

The nature of how the above questions are used to facilitate a discovery conversation is highly, highly dependent on whether you're talking to a senior executive, a senior manager or people doing the work in the trenches. The manner in which they're phrased has everything to do with the tone of the conversation and responses you'll get in return.

## 5 x 3 Customer Discovery

To get a complete picture of what's most important to your target customers, the **5 discovery questions** on the previous page should be used in the appropriate context to facilitate discovery meetings with all **3 layers of the customer organization**. Keep in mind, you can still get great insights into the landscape in the C-suite without direct conversations.



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## Putting Top-Down Customer Discovery Into Context

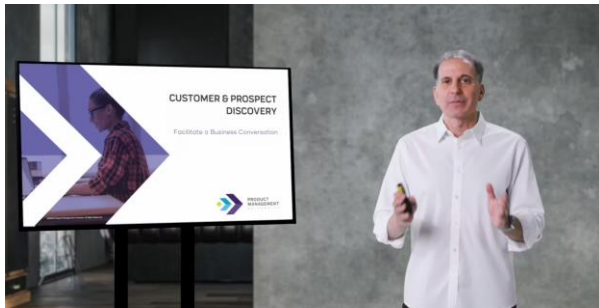
### It All Starts With Product Management

Before any products or features are built, product managers should have full context on the following:

- Priorities driving their target customers from the top down.
- Why those priorities are important to the success of their business.
- Job tasks and workflows that need to change/improve.
- The obstacles or problems standing in the way.
- The ideal outcome of improving each and every job task and workflow.
- Metrics customers use to measure success.

Without full context on the above, everything becomes exponentially more difficult.

- Product usability will be poor because the value target wasn't clear.
- Product messaging will be tactical with features and benefits.
- Sales will be selling tactical features more so than strategic value.
- Customer on-boarding projects will produce a plethora of enhancement requests.
- Customer success managers will forever be problem list managers.



*Sample On-Demand Course Lesson*

Product managers rely heavily on feedback from sales, customers, customer on-boarding and customer success teams. While this feedback is important, it's also very tactical and one-dimensional.

These feedback loops largely consist of customers and prospects telling you what they don't like about your products and offering suggestions for

enhancements. While that feedback is critical to the improvement of your products, it hardly qualifies as well-rounded discovery.

If there's any one discipline that has to do discovery right, it's product management more so than any other discipline because everything starts with the product.

If product management, before it builds anything, understands what's driving your target customers from the C-suite all the way down to the people doing the work in the trenches, designing, building, marketing, selling and customer on-boarding will be a walk in the park relative to what most companies are going through today.

As product management goes, so goes everyone else. It all starts with discovery.

### [Structuring Product Management for Ideal Top-Down Discovery](#)



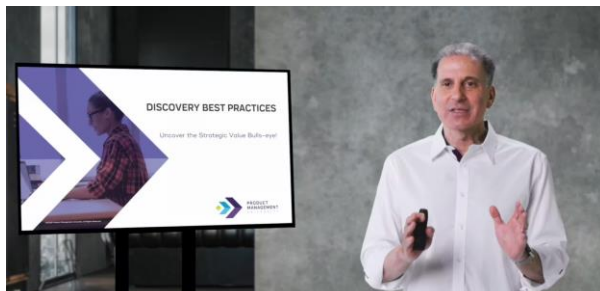
## Product Marketing

In an ideal world, product management's discovery would be the jumping point for product marketing to create and mobilize the product positioning, marketing materials and sales tools. Unfortunately, that's not always the case and forces product marketing to set out on their own discovery journey to get what they need.

Other scenarios that require product marketing to do discovery are [creating solution roadmaps for sales](#), creating customer testimonials and talking with interested parties at conferences, trade shows and other live marketing events.

Nevertheless, it's the same approach as product management combined with some verbal positioning skills. In most cases, product marketing's discovery doesn't require the same level of detail that's required to design and build the products. The focus is on gathering enough context to credibly tell the value story and do it with strong emotional hooks.

## Sales



*Sample On-Demand Demo Course Lesson*

When it comes to business development reps (BDRs), AEs/territory managers, solution consultants and sales engineers, the initial discovery meeting is your best opportunity to start demonstrating your differentiation.

Your ability to speak eloquently about the customer's industry and common issues they face establishes your credibility right up front. The more

credible you are, the faster buyers lower their guard! It sets the stage for facilitating a meaningful business conversation and asking insightful questions that give you all the answers you need to the WHAT & WHY questions that will help you win the deal.

Here's one of the most important things for everyone in a sales role to remember. Customers don't buy because they understand you. They buy because they're convinced you understand them far better than your competition.

Spend your efforts in the discovery stage convincing buyers you know them better than your competition and they'll tell you everything you need to know. The result is a crystal clear bullseye to communicate and demonstrate your unique value.

As it relates to sales discovery in the context of this eBook, the purpose is to qualify the **business need** as opposed to the **legitimacy of the opportunity** (urgency, budget, executive sponsorship, etc.)

### [Avoid the Trap of Telling vs. Selling](#)

## Customer On-Boarding

Discovery by the customer onboarding team shouldn't be necessary if sales does its job well throughout the sales process. Sure, there will always be some details that need clarifying, but that's to be expected during on-boarding.

Here's the situation customer onboarding specialists should walk into after the sale is complete. They should understand exactly which job tasks are top priority for the customer to change or improve, why those are most critical, the outcome expected from each, and the obstacles the product needs to eliminate in order to get the desired outcomes.

It's the only way to know with any certainty that customers are getting quantifiable value from your products.

## Customer Success

The customer success role is going through a major transition. It's evolving from a tactical, reactive problem list manager to a strategic account leader.

Beyond the initial transition point from the on-boarding team, customer success managers are expected to do more top-down discovery in the interest of creating strategic account plans with customers and getting them bought into the roadmap for success. The bottom line is making sure customers can quantify the value they get from your products. It's the key to renewals and selling add-on products.

As it relates to top-down customer discovery, it's now one of the most critical components of the customer success manager's job. Without it, there's no way to help customers meet their strategic goals in areas where your products have an impact.

[It's Time for Customer Success and Product Management to Buddy Up!](#)

## The Bottom Line on Top-Down Customer Discovery



If you don't know where you're going, how will you get there?

It doesn't matter what role you're in. We're all anxious to find out how and where our products can help prospects and customers. But patience is truly a virtue when it comes to customer discovery. **Ready, fire, aim** is a killer disease when it persists for too long.

Think back to a company you worked for or a product you were involved with that absolutely, positively nailed it on all fronts. How good did it feel to be part of building it, marketing it, selling it, or delivering it to customers?

There are a million things that go into the success of a product and a company, but it all starts with one thing – top-down customer discovery!

## About Product Management University

*Easier to learn. Easier to adopt!* Hands-on training that's personalized to your products, your markets and your business model. Fine-tuned for B2B/B2B2C.

### THE SCHOOL OF PRODUCT MANAGEMENT



#### **LEAD MORE. REACT LESS!**

When you know your target customers better than everyone else, you're in the driver's seat, which means reacting a lot less! Product management training and certification on basic product management and advanced portfolio management skills.

### THE SCHOOL OF PRODUCT MARKETING



#### **EASIER TO SELL. EASIER TO BUY!**

Learn how to make your products easier for salespeople to sell. It makes them easier for customers to buy! Basic product marketing and advanced portfolio marketing courses & certification for B2B. Remember, the best product, that wins!

### THE SCHOOL OF PRODUCT DEMOS



#### **THEY BUY BECAUSE YOU UNDERSTAND THEM!**

The presenter is your differentiation! Prospects don't buy because they understand you. They buy because you understand them. Software demo training & certification that makes complex products look simple. Features and benefits tell, stories sell!

### THE SCHOOL OF CUSTOMER SUCCESS



#### **LEADING STRATEGICALLY VS. REACTING TACTICALLY!**

You're no longer the customer laundry-list manager with a quota. Learn value skills for helping customers define measurable success and leading them to it. Customer Success training and certification for growing account revenue and retention.



## About the Author



*Meet the Author*

**John Mansour** is the Founder & President of Product Management University. John founded the company in 2001 after a 15-year career as a sales engineer, product marketing manager and product manager. John held titles of manager, director and vice president in startups, mid-market and tier-1 global organizations.

John's philosophy for delivering guaranteed value to the market is to make quantifiable customer outcomes the starting point for everything. It simplifies product management, product marketing, sales and customer success when you know exactly where you're going.

Since 2001, John has trained several thousand organizations spanning all industries and sizes. John served as the chairman for the Technology Association of Georgia's (TAG) Product Management Society from 2006 – 2010 and is a regular speaker at product management conferences and events.

In 2015, John published the book, [Managing Products to Deliver Solutions](#), *25 Best Practices for B2B Product Management*.

It's an easy 60-page read that offers an outside-the-box perspective on adopting portfolio management practices and the positive ripple effect on product marketing and sales. The goal is to emphasize quantifiable customer outcomes delivered by multiple integrated solutions versus managing products in silos and focusing on tactical customer problems and individual product performance.