



Applied
Frameworks

Welcome to our Webinar Series: *I Don't Know My Customers...HELP!*

PART IV: How to Leverage Innovation Games to Gather Customer Insights

Presented by: Kimberly Poremski
August 22, 2023



Kim Poremski

- + Principal Consultant @ Applied Frameworks
- + Certified Scrum Trainer (CST®)
- + 15+ years of Scrum & Agile
- + Favorite Agile Principle: #10
- + Lives in Charleston, SC (20 minutes from the beach!)

I Don't Know My Customers ... Help!

Wednesday April 12, 2023 @ 1 PM ET



Kim Poremski

Principal Consultant @
Applied Frameworks, CST



I Don't Know Which Tools and Techniques to Use to Gather Customer Insights ... HELP!



Kim Poremski

Principal Consultant, CST
@ Applied Frameworks



I Don't Know Which Customers to Talk to or When...Help!



Kim Poremski

Principal Consultant, CST
@ Applied Frameworks



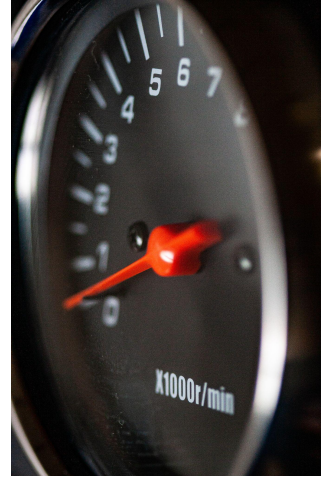
Agenda



01 / Welcome and Recap of Webinars #1, #2, and #3

02 / HOW: To Leverage Innovation Games to Gather Customer Insights

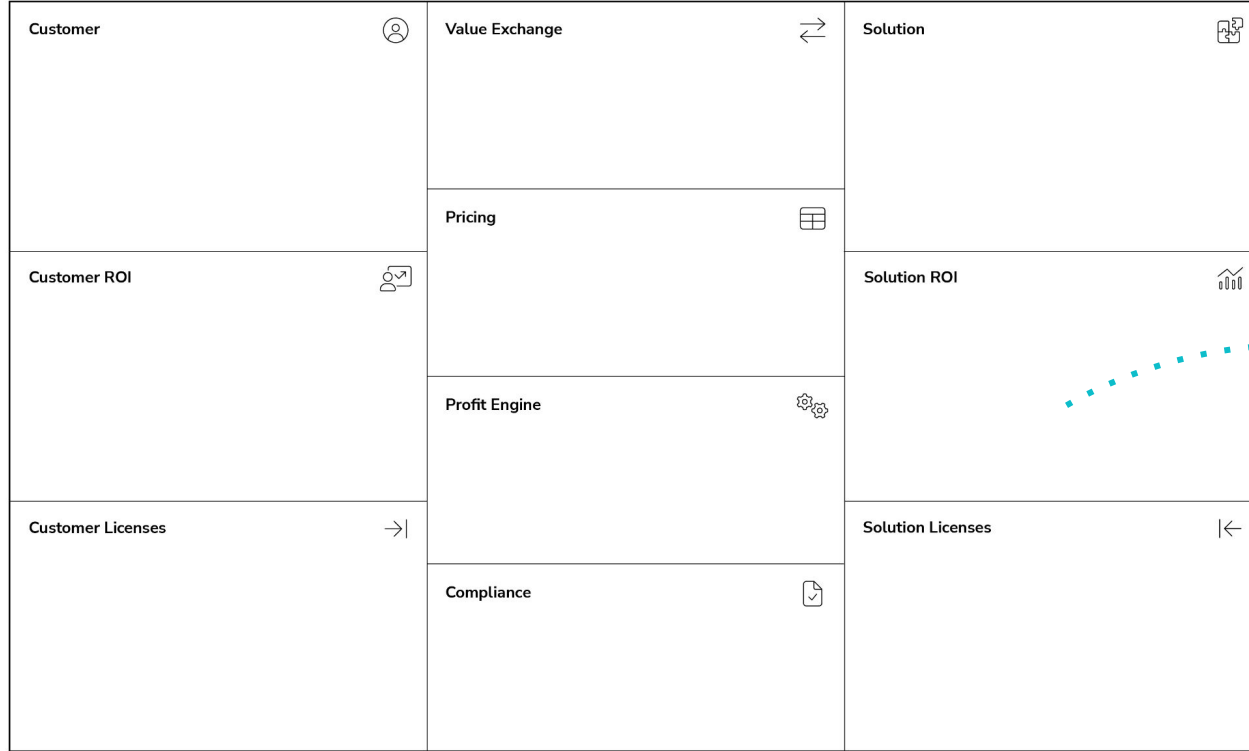
03 / Q&A



THE PROFIT STREAM CANVAS

Solution

Version



Introducing the
**The Profit Stream
Canvas!**

Get the canvas here:
profit-streams.com



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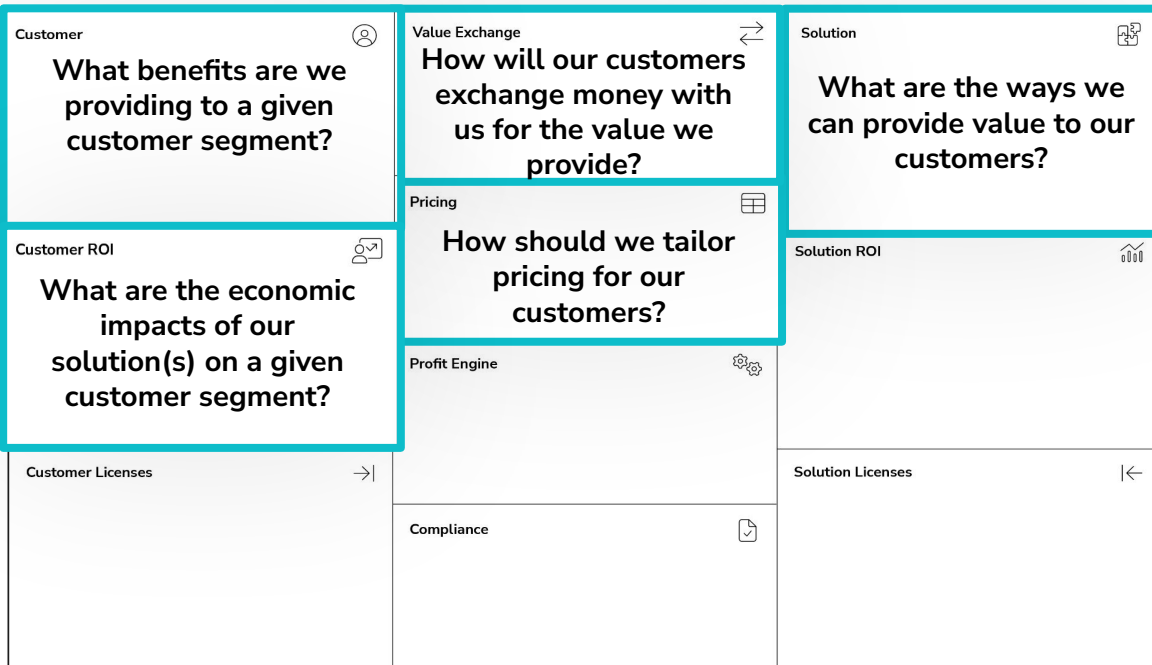
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Why do I need to understand my customers?



THE PROFIT STREAM CANVAS

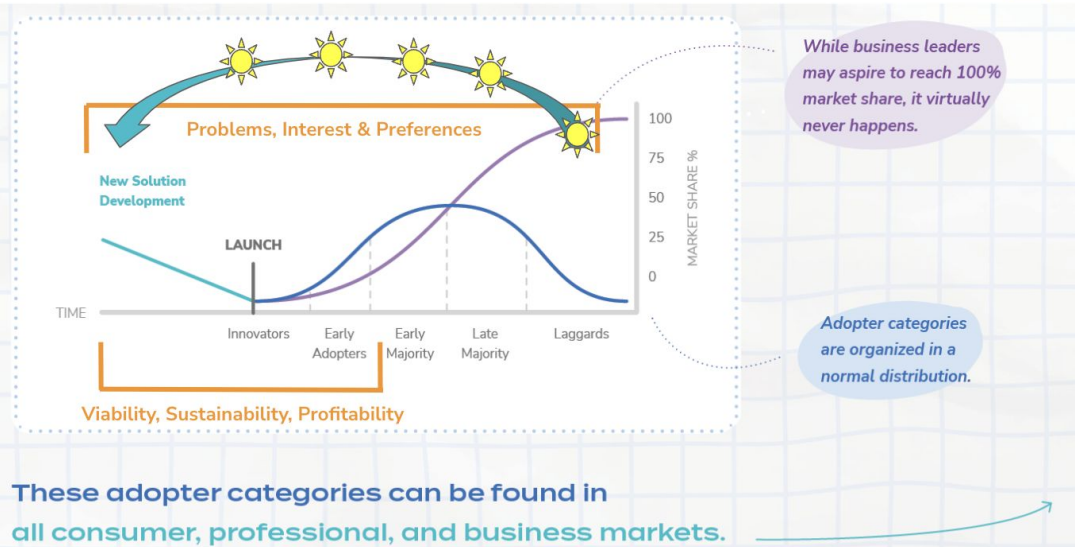


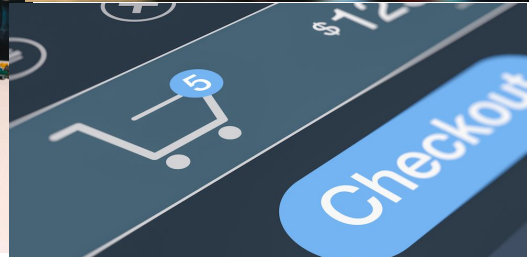
- Helps us **segment customers** to identify the the value each segment desires/needs
- Helps us help our customers achieve greater **customer ROI**
- Influences how we **exchange value** with different customers
- Guides **pricing structures and policies** for different segments
- Helps us identify the right solutions to deliver to achieve **value delivery** for each segment
- Ensure the highest levels of **customer satisfaction**
- Maximize **profitability**
- Ensure **business sustainability and longevity** for our customers and ourselves



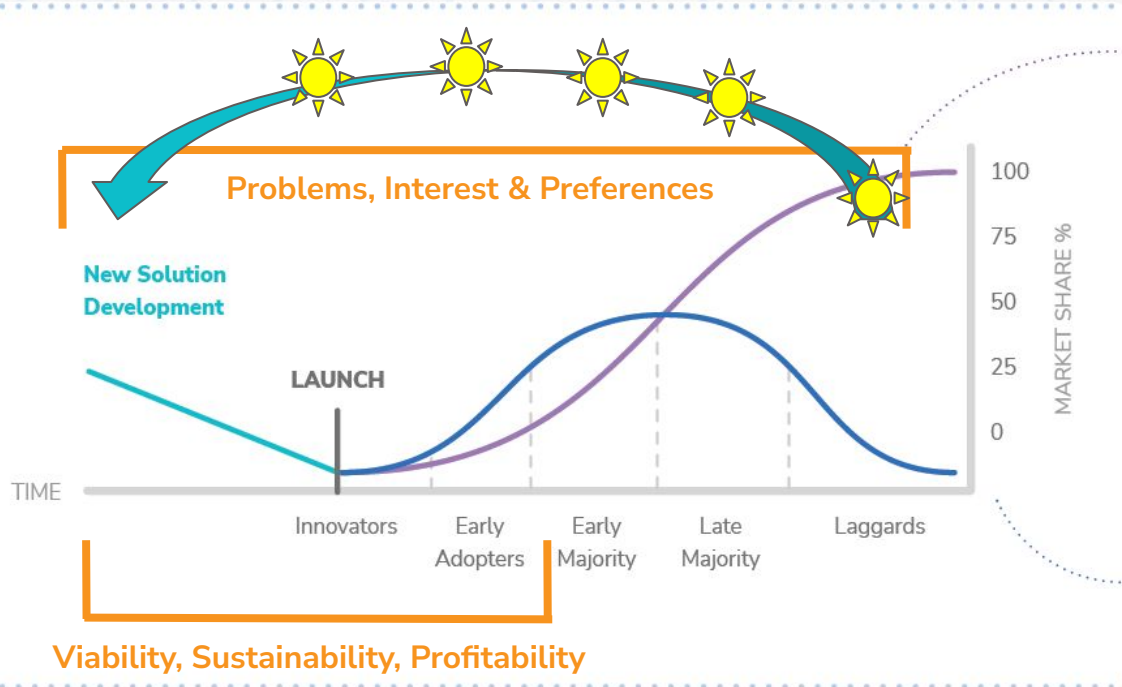


Customer Segment	Strength of Relationship Weight = 3	Market Size Weight = 5	Urgency for Solution Weight = 10	Technological Savvy Weight = 7	Accessibility to customers Weight = 3	TOTALS
Current boutique customers	5 15	2 10	1 10	3 21	5 15	71
Young professionals	1 3	5 25	5 50	5 35	3 9	122
Personal stylists	1 3	1 5	3 30			





The Solution Lifecycle

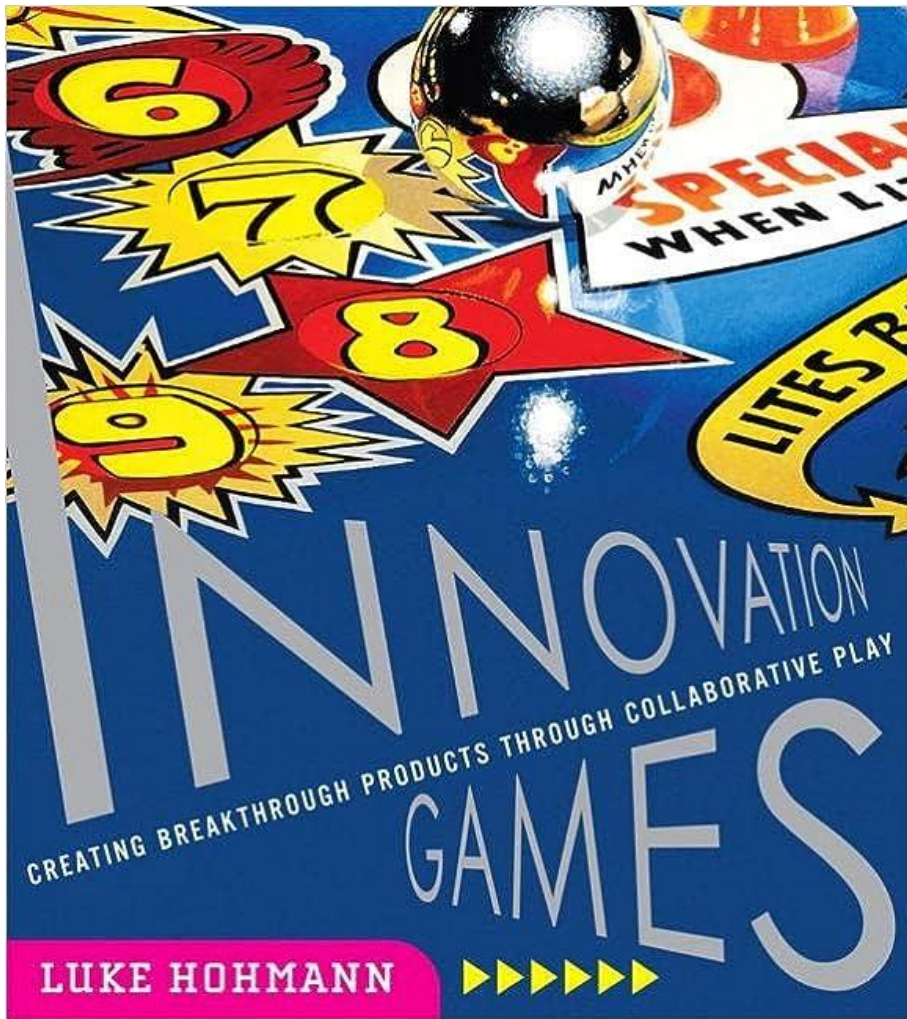


While business leaders may aspire to reach 100% market share, it virtually never happens.

Adopter categories are organized in a normal distribution.

These adopter categories can be found in all consumer, professional, and business markets.





Innovation Games are as applicable today as they were when the book was first published in 2007!





Exploring Problems Using Speedboat/Sailboat



Facilitate a Speedboat/Sailboat Innovation Game

Facilitate live or online sessions with small groups of 8 people or less. Ask them to identify what moves them forward (wind puffs/propellers) and what holds them back (anchors).





Frameworks typically have 5 components

1. **Goal:** What do you want to learn or achieve by using this framework?
2. **Guidelines:** What are the instructions for how to use the framework?
3. **Boundaries:** What is the scope of the discussion? What is out of scope?
4. **Resources:** What tools, supplies, or assets are needed?
5. **Actionable outcomes:** What actions will you take as a result of what you learned from using this framework?



Speedboat/Sailboat Framework Defined

1. **Goal:** What do you want to learn or achieve by using this framework?
 - a. Identify what customers like and don't like about your product; identify problems that are holding them back and things that support them in their day to day work to identify future possibilities for your product.
2. **Guidelines:** What are the instructions for how to use the framework?
 - a. Affinity group like items
 - b. Discuss every item or group of items with the goal of seeking to understand NOT to solve every problem
 - c. Take photos of the final arrangement of cards
 - d. Consider asking customers to vote on the top 3-5 items that would have the greatest impact if addressed
 - e. Transcribe items to a spreadsheet and classify items based on relevant criteria
 - f. Assign a relative severity and priority to each item
3. **Boundaries:** What is the scope of the discussion? What is out of scope?
 - a. This could be limited to specific systems, processes, timeframes, aspects of the product, etc.
4. **Resources:** What tools, supplies, or assets are needed?
 - a. Poster of a speedboat
 - b. Post-it notes for adding anchors and propellers
 - c. Facilitator (neutral)
5. **Actionable outcomes:** What actions will you take as a result of what you learned from using this framework?
 - a. Achieve greater customer empathy
 - b. Identify pains and gains that can be solved via your product
 - c. Define how to address priority items and communicate to customers

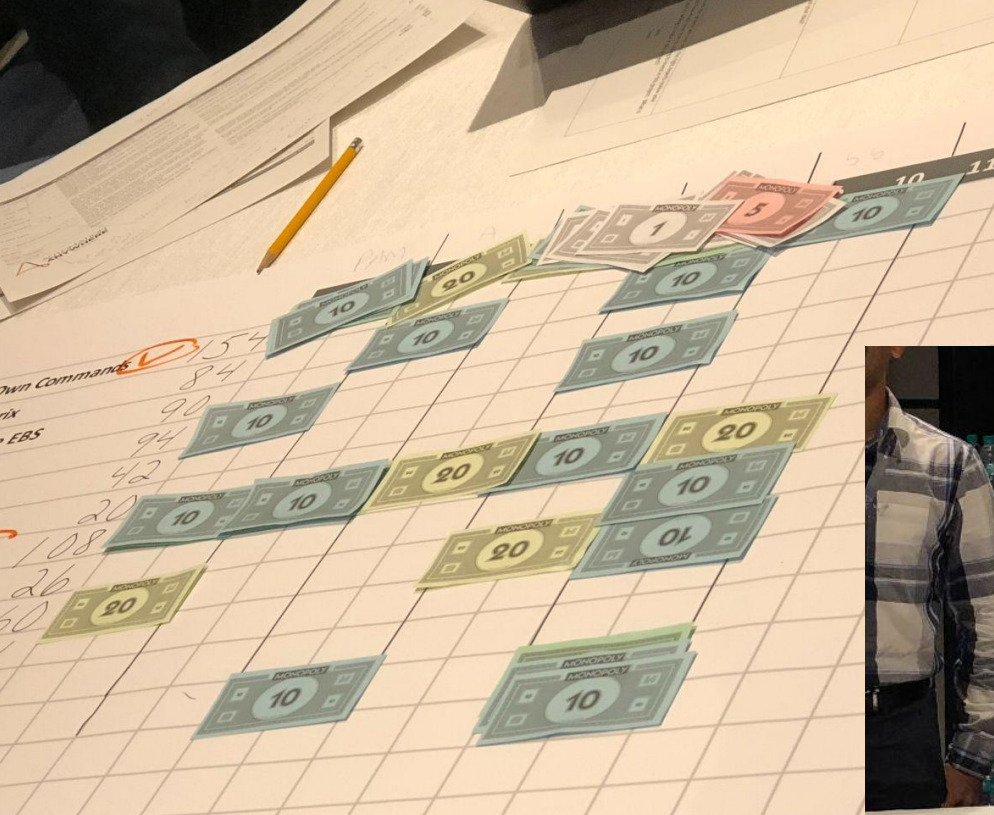


Exploring **Interest** Using **Buy a Feature**



Facilitate the Buy a Feature Innovation Game

Ask customers to fund features with a limited budget using fake currency to explore their priorities for the product's proposed features.





Buy a Feature Framework Defined

- 1. Goal:** What do you want to learn or achieve by using this framework?
 - a. Choose the right set of features to include in the upcoming launch/release across multiple customers while acquiring greater insights as to why customers have selected these features.
- 2. Guidelines:** What are the instructions for how to use the framework?
 - a. Groups of 4-9 participants; if more than 9 participants, multiple groups will be created and consolidated
 - b. Include between 14-30 features
 - c. Assign prices to features
 - d. Determine if everyone gets the same amount of spend money (recommended but not required)
 - e. The total amount of money for all participants should allow them to purchase $\frac{1}{3}$ to $\frac{2}{3}$ of the available features
 - f. Some features should be priced high enough such that no single participant can purchase the item
- 3. Boundaries:** What is the scope of the discussion? What is out of scope?
 - a. Determine the time boundary that people are funding for - the next release? The next three releases?
- 4. Resources:** What tools, supplies, or assets are needed?
 - a. List of possible, planned, or hypothetical features with prices for each
 - b. Play money with extra change for the Facilitator
 - c. Facilitator (neutral)
 - d. Feature retailer - tracks who purchased which features
 - e. Tracking sheet to capture which features were fully funded and by which customers
- 5. Actionable outcomes:** What actions will you take as a result of what you learned from using this framework?
 - a. Multiple lists will first be consolidated to arrive at a single list
 - b. Features purchased by more than one group of customers should receive the highest consideration for inclusion in the product

Processing Results from Buy a Feature



	Customer	Feature 1	Feature 2	Feature 3
	Price	\$34	\$21	\$57
1	Customer Name			
2	Customer Name			
3	Customer Name			
4	Customer Name			
5	Customer Name			
6	Customer Name			
7	Customer Name			



Exploring Preferences Using 20/20 Vision

Facilitate the 20/20 Vision Innovation Game

Ask customers to evaluate features two at a time, side-by-side to arrive at a stack ranked list of desired features.





20/20 Vision Framework Defined

1. **Goal:** What do you want to learn or achieve by using this framework?
 - a. Prioritize a set of features into a ranked list across multiple stakeholders while acquiring greater insights as to why stakeholders assign a given rank to each item.
2. **Guidelines:** What are the instructions for how to use the framework?
 - a. Groups of 3-8 participants; if more than 8 participants, multiple lists will be created and consolidated
 - b. List contains between 8-15 items
 - c. Only compare two items at a time
 - d. Observers may not speak
 - e. No two items may possess the same rank during the prioritization activity
3. **Boundaries:** What is the scope of the discussion? What is out of scope?
 - a. Only discuss the listed features
 - b. If a new feature is desired for the current calendar year, it may be added to the list as long as the list does not exceed 15 items
4. **Resources:** What tools, supplies, or assets are needed?
 - a. Each feature is listed on a large sticky note
 - b. Wall space
 - c. Facilitator (neutral)
5. **Actionable outcomes:** What actions will you take as a result of what you learned from using this framework?
 - a. The ranked list will be used to create the roadmap for the remainder of the year
 - b. Multiple lists will first be scored and consolidated to arrive at a single ranked list

Example: Order fruits by hardest to easiest to consume



Grape

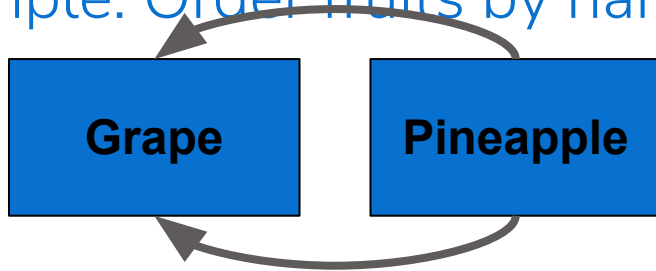
Pineapple

Banana

Apple

Cherry

Example: Order fruits by hardest to easiest to consume



Banana

Apple

Cherry

Example: Order fruits by hardest to easiest to consume



Pineapple

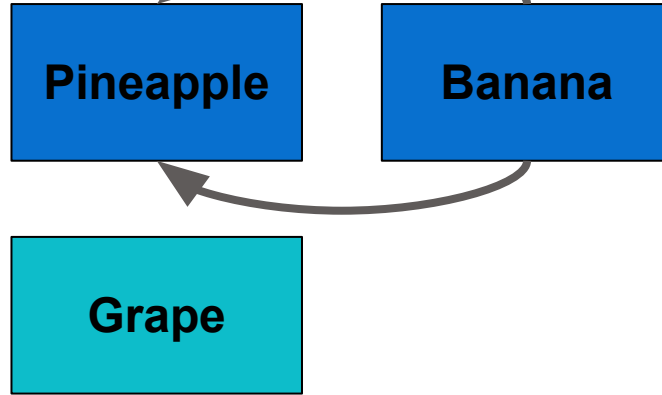
Grape

Banana

Apple

Cherry

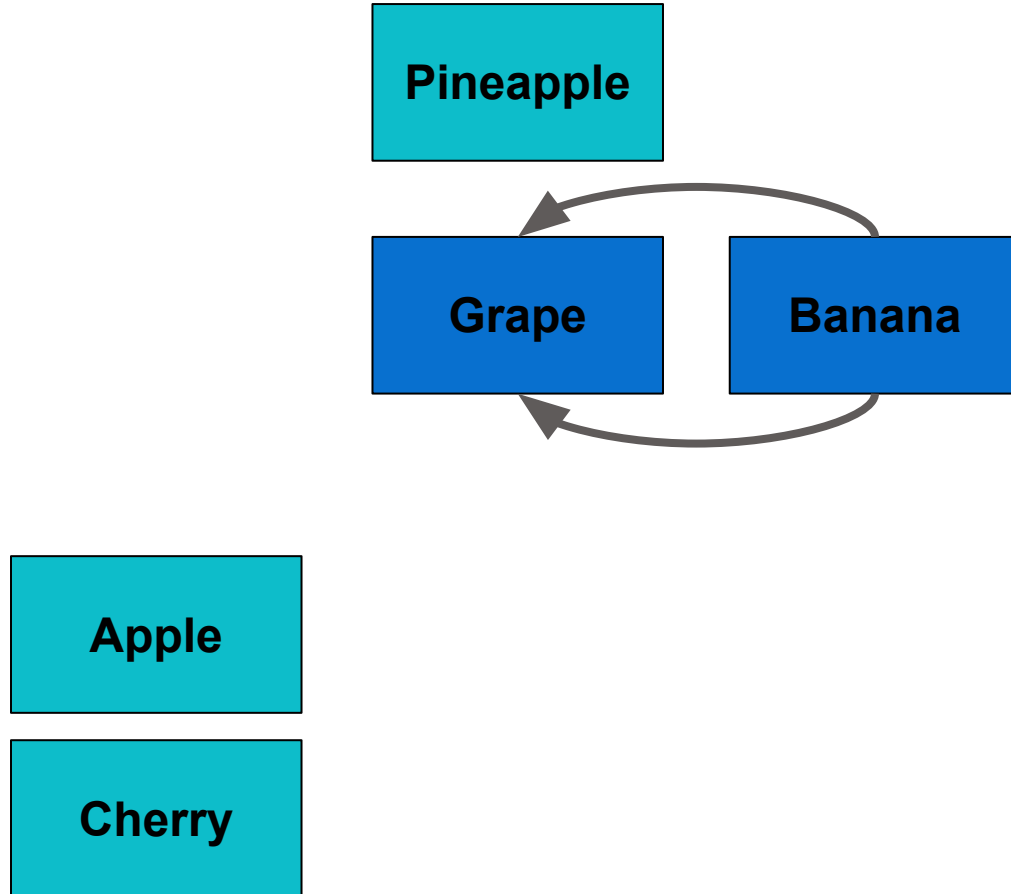
Example: Order fruits by hardest to easiest to consume



Apple

Cherry

Example: Order fruits by hardest to easiest to consume



Example: Order fruits by hardest to easiest to consume



Pineapple

Apple

Banana

Grape

Cherry

Example: Order fruits by hardest to easiest to consume



Pineapple

Banana

Apple

Grape

Cherry

Example: Order fruits by hardest to easiest to consume



Pineapple

Banana

Grape

Apple

Cherry

Example: Order fruits by hardest to easiest to consume



Pineapple

Banana

Apple

Grape

Cherry

Example: Order fruits by hardest to easiest to consume



Pineapple

Banana

Apple

Cherry

Grape

Has the apple been cored?

Are the grapes seedless?

The resulting conversation reveals deeper insights into customers' expectations and assumptions.

Consolidating Results from 20/20 Vision: Determine Rank



	Group 1	Group 2	Group 3	Group 4
Feature	Rank	Rank	Rank	Rank
A	1	1	1	1
B	9	2	3	2
C	8	4	4	3
D	4	3	6	8
E	6	9	2	4
F	3	11	11	7
G	11	5	5	11
H	10	8	7	6
I	7	7	10	10
J	2	10	9	5
K	5	6	12	12
L	12	12	8	9

Consolidating Results from 20/20 Vision



	Group 1	Group 2	Group 3	Group 4
Feature	Rank	Rank	Rank	Rank
A	1	1	1	1
B	9	2	3	2
C	8	4	4	3
D	4	3	6	8
E	6	9	2	4
F	3	11	11	7
G	11	5	5	11
H	10	8	7	6
I	7	7	10	10
J	2	10	9	5
K	5	6	12	12
L	12	12	8	9

Consolidating Results from 20/20 Vision



	Group 1	Group 2	Group 3	Group 4
Feature	Rank	Rank	Rank	Rank
A	1	1	1	1
B	9	2	3	2
C	8	4	4	3
D	4	3	6	8
E	6	9	2	4
F	3	11	11	7
G	11	5	5	11
H	10	8	7	6
I	7	7	10	10
J	2	10	9	5
K	5	6	12	12
L	12	12	8	9

Consolidating Results from 20/20 Vision



	Group 1	Group 2	Group 3	Group 4
Feature	Rank	Rank	Rank	Rank
A	1	1	1	1
B	9	2	3	2
C	8	4	4	3
D	4	3	6	8
E	6	9	2	4
F	3	11	11	7
G	11	5	5	11
H	10	8	7	6
I	7	7	10	10
J	2	10	9	5
K	5	6	12	12
L	12	12	8	9

Consolidating Results from 20/20 Vision



	Group 1	Group 2	Group 3	Group 4
Feature	Rank	Rank	Rank	Rank
A	1	1	1	1
B	9	2	3	2
C	8	4	4	3
D	4	3	6	8
E	6	9	2	4
F	3	11	11	7
G	11	5	5	11
H	10	8	7	6
I	7	7	10	10
J	2	10	9	5
K	5	6	12	12
L	12	12	8	9

Consolidating Results from 20/20 Vision:




	Group 1	Group 2	Group 3	Group 4
Feature	Rank	Rank	Rank	Rank
A	1	1	1	1
B	9	2	3	2
C	8	4	4	3
D	4	3	6	8
E	6	9	2	4
F	3	11	11	7
G	11	5	5	11
H	10	8	7	6
I	7	7	10	10
J	2	10	9	5
K	5	6	12	12
L	12	12	8	9

Consolidating Results from 20/20 Vision: Assign Weights



Rank	Weighted Value
1	10
2	9
3	8
4	7
5	6
6	5
7	4
8	3
9	2
10	1
11	1
12	1



	Group 1	Group 1	Group 2	Group 2	Group 3	Group 3	Group 4	Group 4	
Feature	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Weighted Score
A	1	10	1	10	1	10	1	10	40
B	9	2	2	9	3	8	2	9	28
C	8	3	4	7	4	7	3	8	25
D	4	7	3	8	6	5	8	3	23
E	6	5	9	2	2	9	4	7	23
F	3	8	11	1	11	1	7	4	14
G	11	1	5	6	5	6	11	1	14
H	10	1	8	3	7	4	6	5	13
I	7	4	7	4	10	1	10	1	10
J	2	9	10	1	9	2	5	6	18
K	5	6	6	5	12	1	12	1	13
L	12	1	12	1	8	3	9	2	7

Consolidating Results from 20/20 Vision



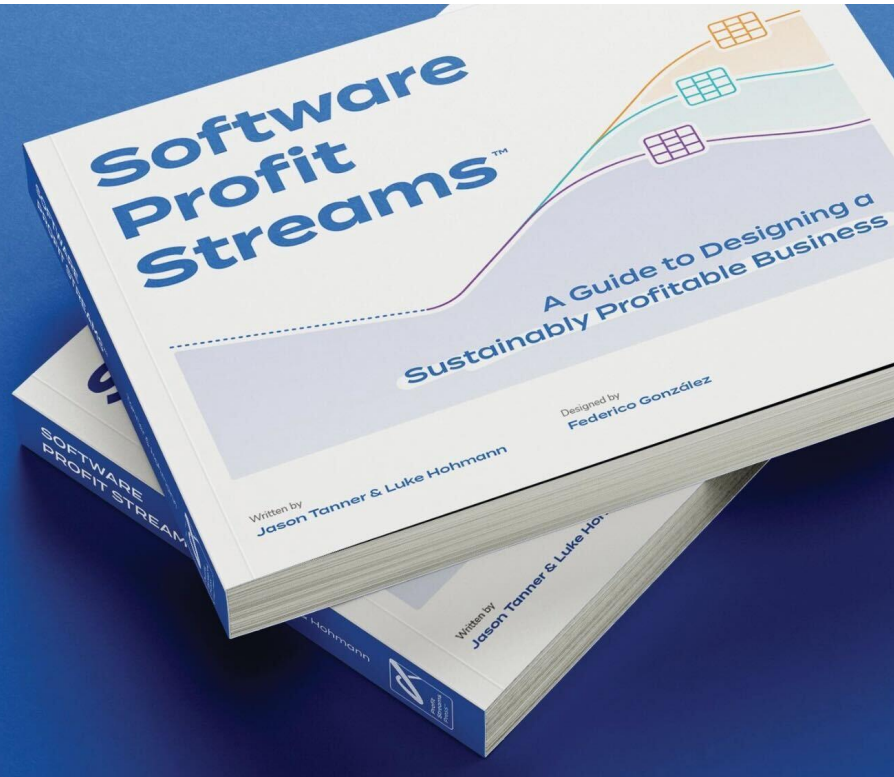
	Group 1	Group 1	Group 2	Group 2	Group 3	Group 3	Group 4	Group 4	
Feature	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Weighted Score
A	1	10	1	10	1	10	1	10	40
B	9	2	2	9	3	8	2	9	28
C	8	3	4	7	4	7	3	8	25
D	4	7	3	8	6	5	8	3	23
E	6	5	9	2	2	9	4	7	23
F	3	8	11	1	11	1	7	4	14
G	11	1	5	6	5	6	11	1	14
H	10	1	8	3	7	4	6	5	13
I	7	4	7	4	10	1	10	1	10
J	2	9	10	1	9	2	5	6	18
K	5	6	6	5	12	1	12	1	13
L	12	1	12	1	8	3	9	2	7

Updated Feature List
A
B
C
D
E
J
F
G
H
K
I
L



Post Activity Tips

- **In-Person** and **Online** collaboration need to be facilitated differently
- Ensure you have set clear framework components before you use one
- Practice using and applying the framework yourself before using it with other people
- Constantly learn and improve the framework after your own experience of using it
- Communicate and act upon outcomes quickly to help embed the framework value with customers
- Limit framework participation



Introducing
**Software Profit
Streams!**

Available on Amazon:
<https://a.co/d/0HQnCQa>



What is a Profit Stream[™]



Luke Hohmann
Chief Innovation Officer @
Applied Frameworks



Carlton Nettleton
SVP of Product, CST @
Applied Frameworks



Putting the Profit Back Into Value



Carlton Nettleton
SVP of Product @ Applied
Frameworks, CST



Revving the Profit Engine



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Applied Frameworks



Bob Ternes
Director of Client Delivery,
SPC @ Applied Frameworks



Understanding Value Exchange Models



Carlton Nettleton
SVP of Product, CST @
Applied Frameworks



Understanding Software Pricing Structure



Jason Tanner
CEO, CST @ Applied
Frameworks





Growth Pricing Workshop

<https://profit-streams.com/growth-pricing-workshop>

Software Pricing Fundamentals

<https://profit-streams.com/software-pricing-fundamentals>



Q&A



Thank You!

Keep in touch!

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