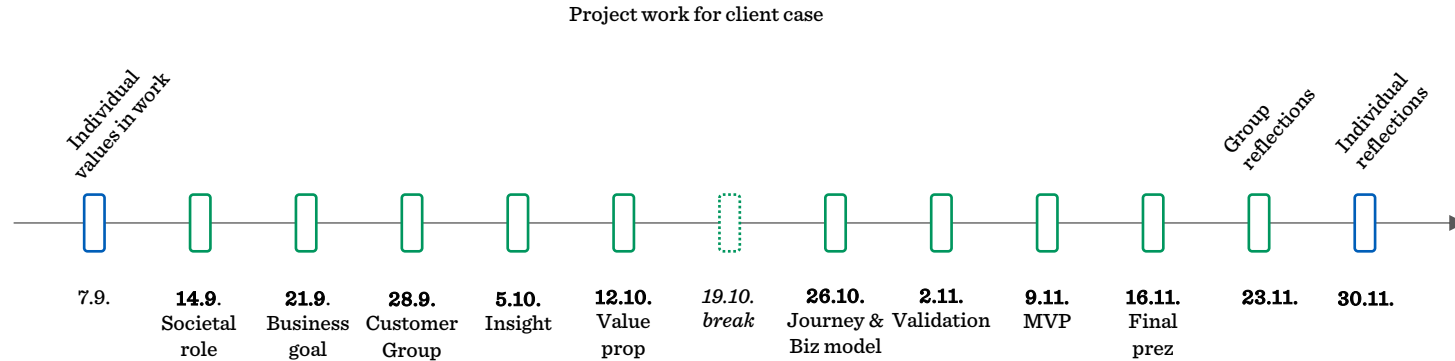


A collection of vintage tools and objects arranged on a dark wooden surface. The items include a large hammer with a wooden handle, a smaller hammer, two axes with wooden handles, a pair of large metal pliers, a pair of worn tan leather gloves, a metal mug, a metal bell, a metal container with a lid, a metal tool with a curved handle, a metal tool with a textured handle, a metal tool with a flat head, and a metal tool with a curved handle. The tools are arranged in a grid-like pattern, with some overlapping. The lighting is dramatic, with strong shadows and highlights, suggesting a window or light source from the left.

CS-E280  
SOCIETAL  
DESIGN  
PROJECT

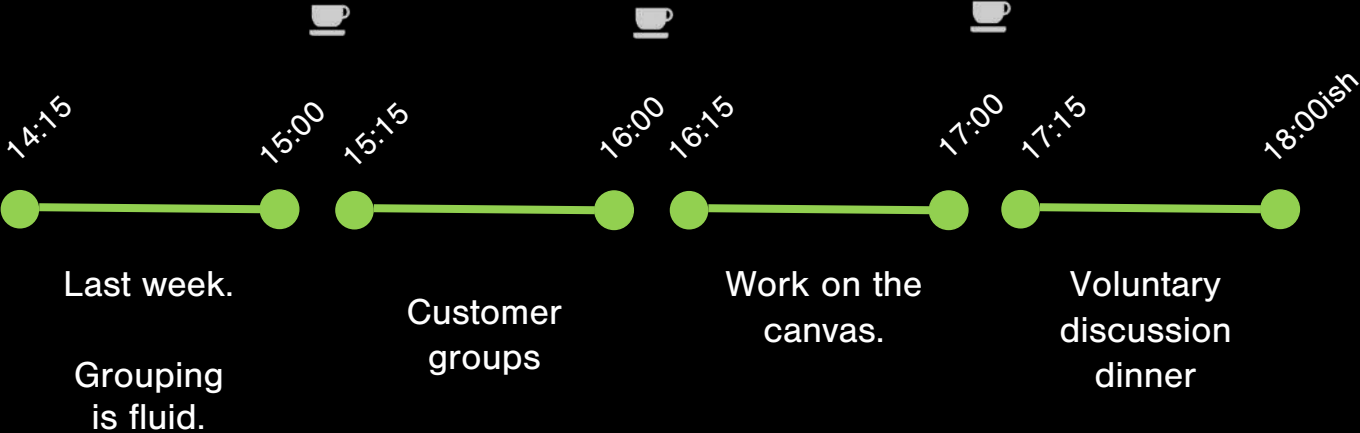
Risto Sarvas  
Hanna Hämäläinen  
September 28<sup>th</sup>, 2020

# Course Schedule



We might slightly tweak as we go,  
but the basic blocks are here.

# 28.9. Customer Grouping



# Part I

# Last week & This week

**Let's look at one video**

**LAST WEEK'S LEARNING GOAL:  
Getting the business objectives**

*What is the goal of the project?  
Why is it important to the client?*

*How will you know you have succeeded?*

*In November?*

*In January?*

*In June 2021?*

*How did it go?*

# Shadow Lessons Learned?

Writing down objectives is co-creation.  
They are not “given” (or shouldn’t be).

Writing down clear and simple goals  
requires iteration, thinking and discussions.

Metrics and measuring mindset?

Anything else?

# Shadow Lessons Learned?

It is not that simple to clarify objectives,  
when you don't know the end result.

Differentiate *solution*  
from *impact*.

...and keep on re-visiting the objectives!



**THIS WEEK'S LEARNING GOAL:  
Grouping your client's customers**

*Who are the customers (end users)?  
How to divide them into meaningful groups?  
Meaningful for whom?*

*Customers = organization's p.o.v.  
(no one calls themselves "a customer")*

**NEXT WEEK:**  
*Who do your customers want to become?*

# Part II

## The blind spot of user-centric design.

**Some customers are  
more strategic than others!**

(and no customer of yours is  
going to tell you this)

**Slicing and dicing the customers.**

**Strategic customer grouping.**

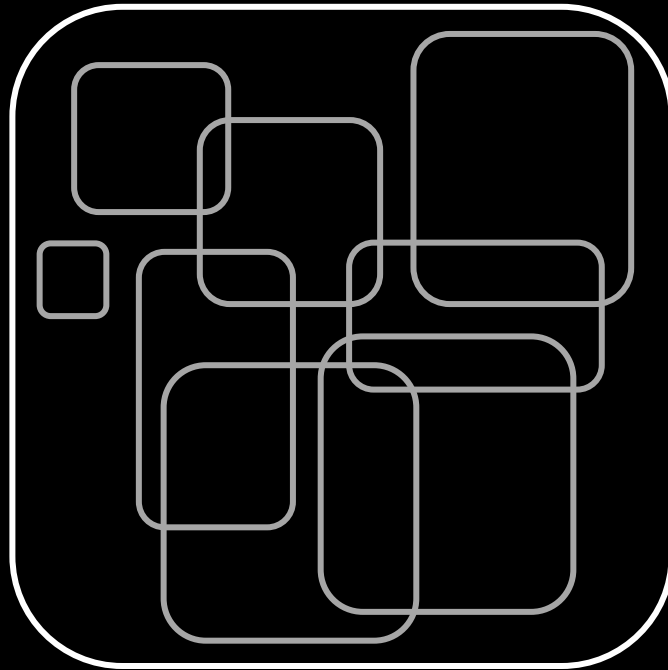
*Too broad for design!*

**Our customers?**

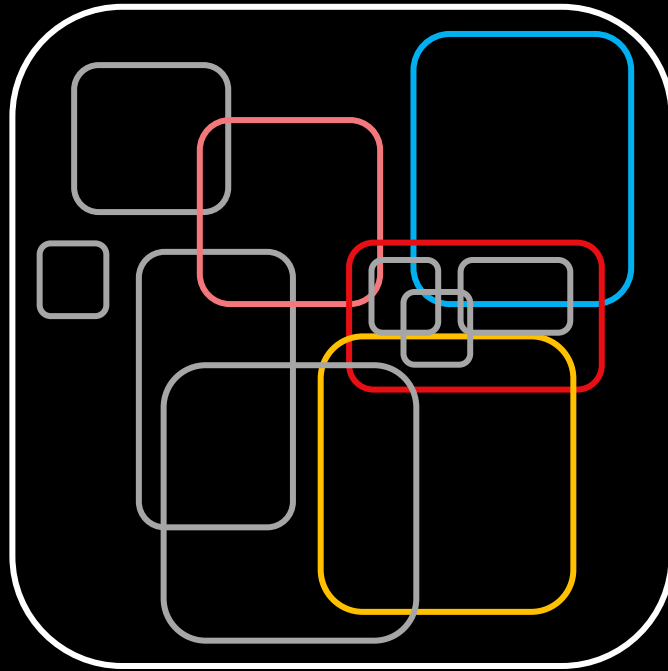
*All SMEs in Finland.*

*All high school teachers in Finland.*

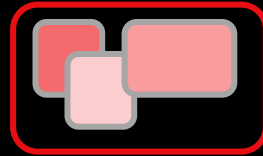
*Our existing customers.*



Let's (sub)group our customers!



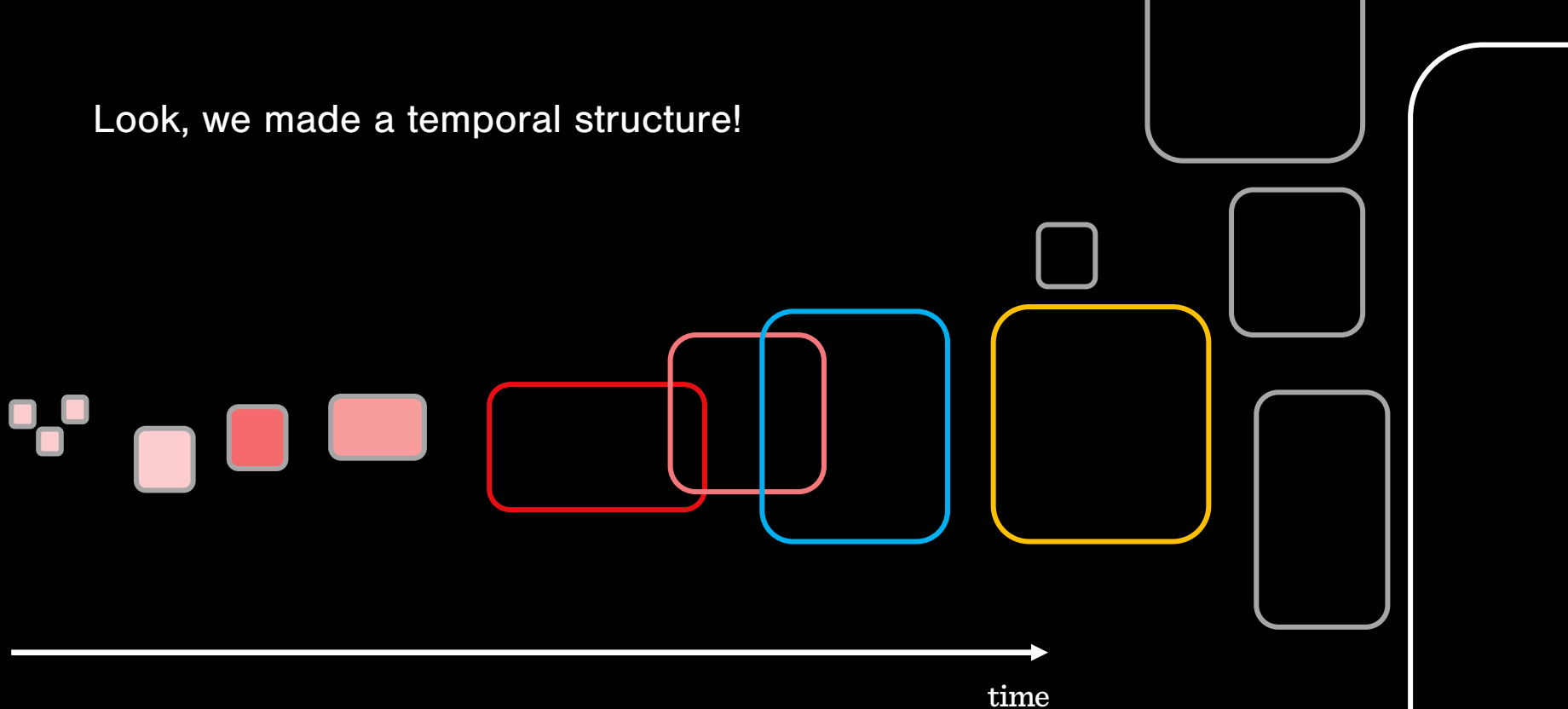
Then we prioritize them.  
Which one is most important?  
Why?



Can we still (sub)group this?  
Which sub-sub-group we start with?



Look, we made a temporal structure!

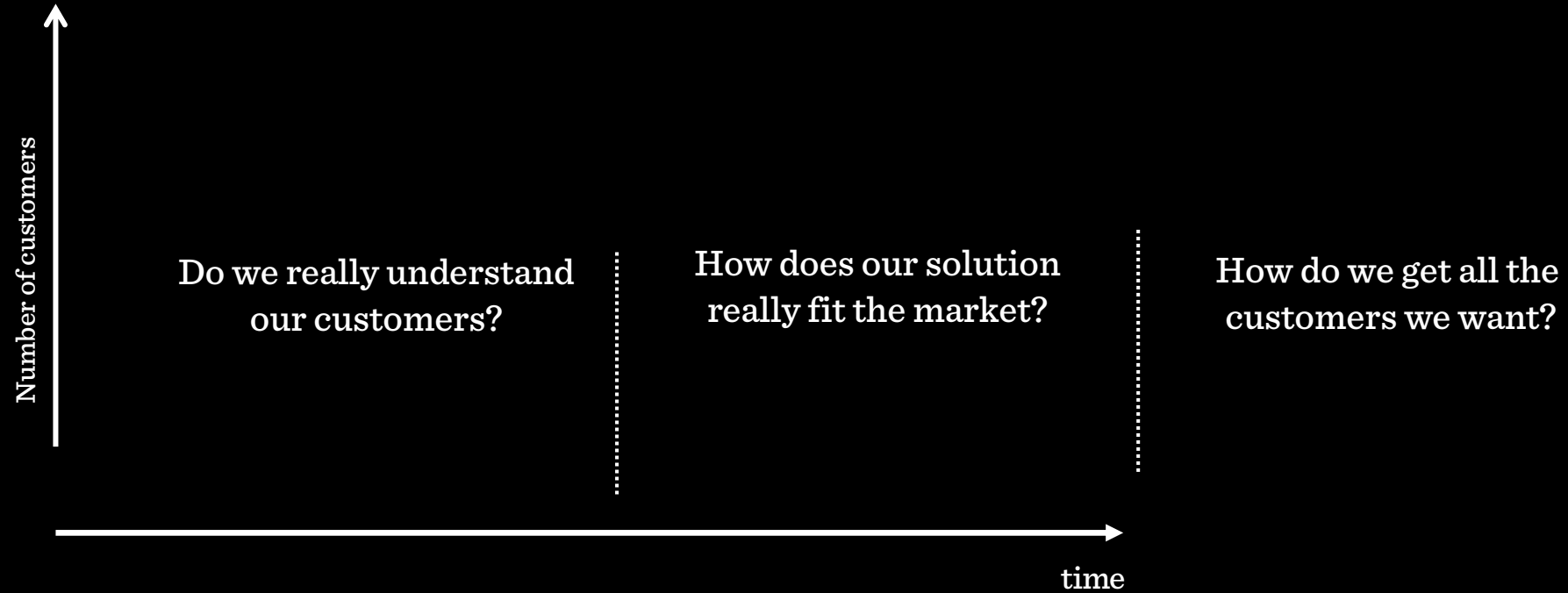


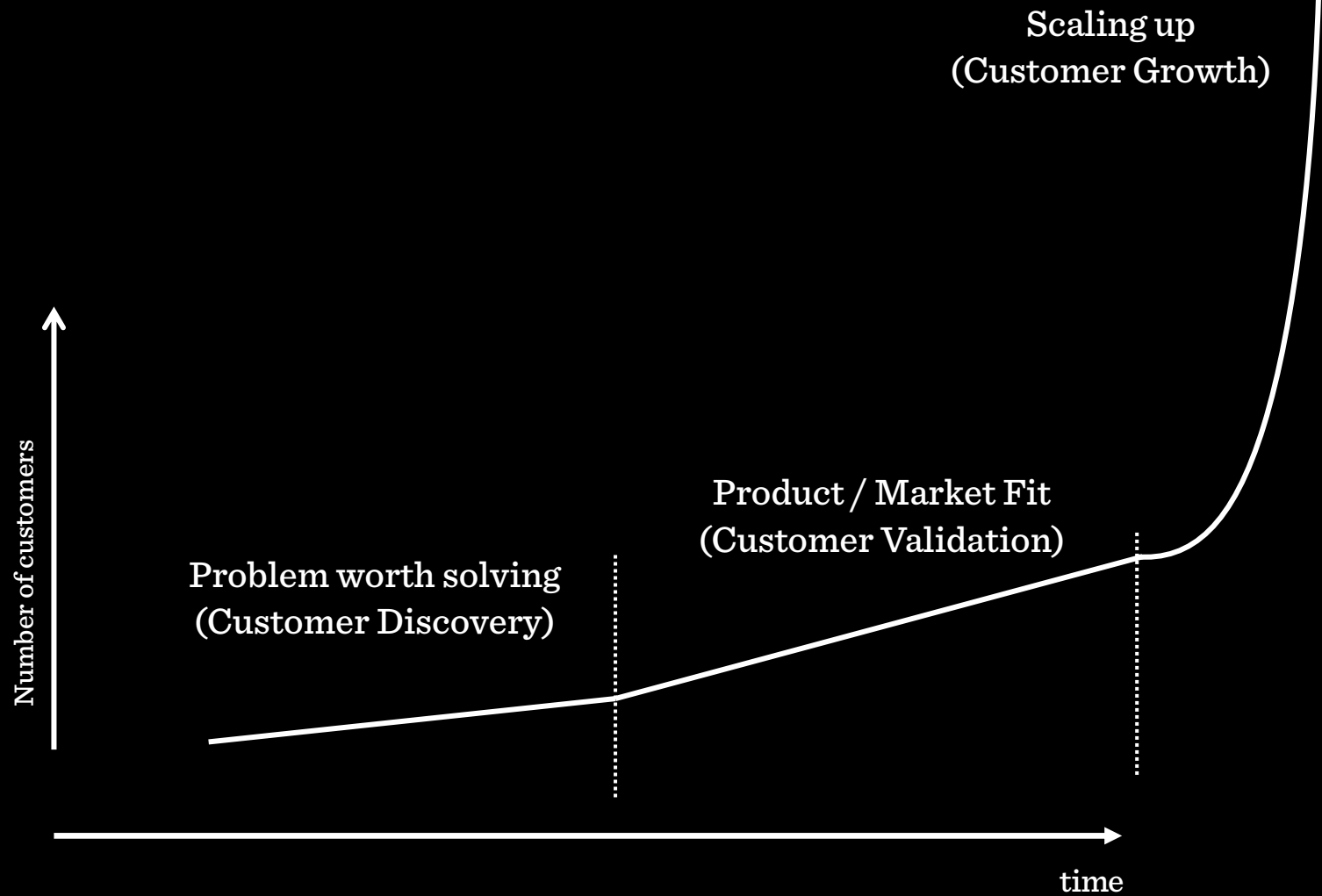
Do we have a temporal framework?

Something that would help us create the impact?

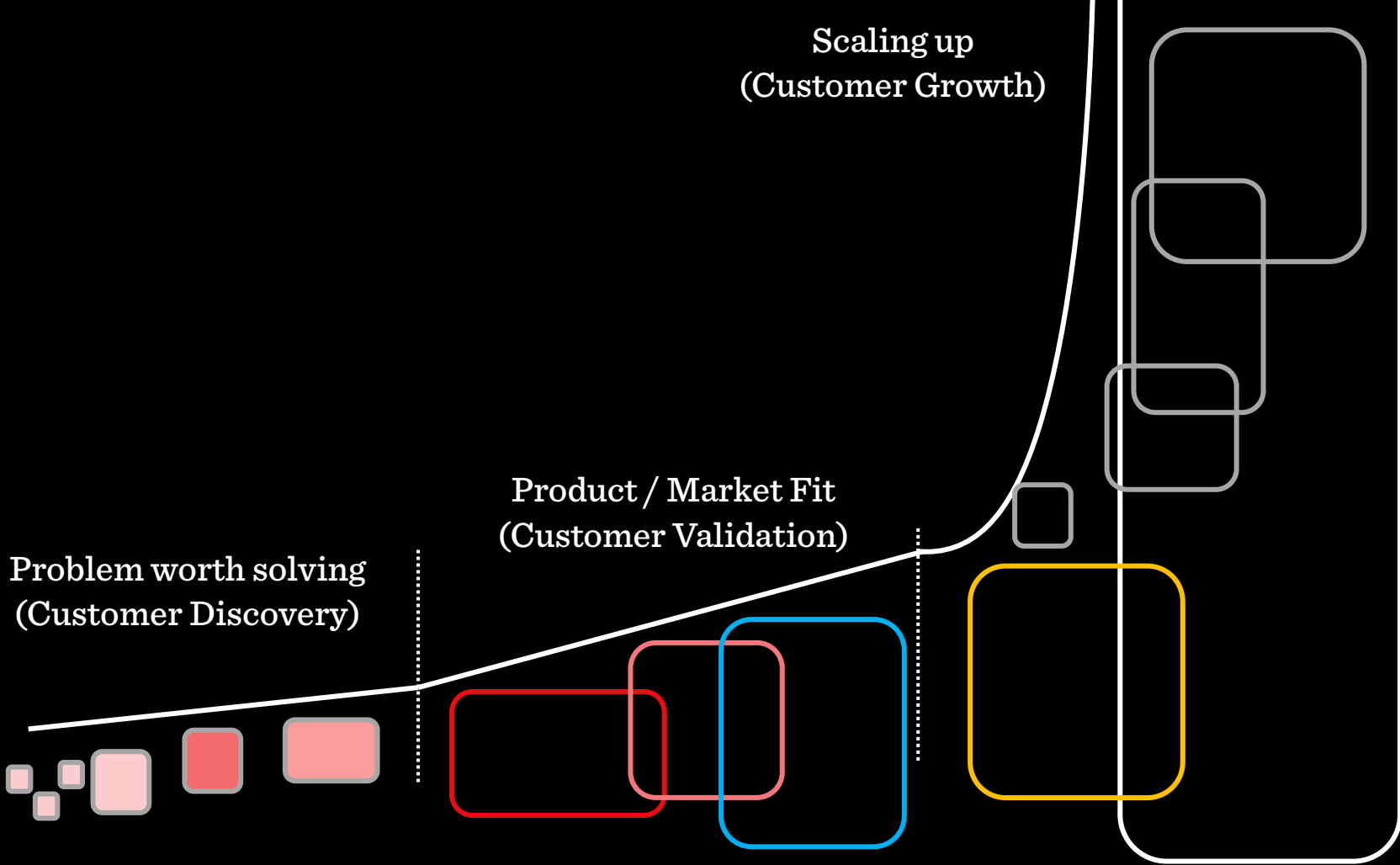




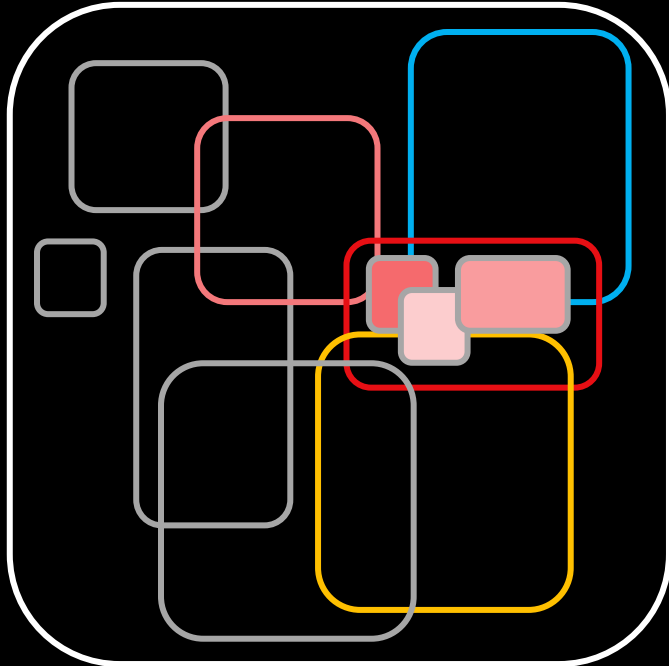




Number of customers



# Customer groups = strategic choice



Who are our customers?

Who are not?

Who are not at the moment?

Do we have different types of customers?

How can we group them?

A

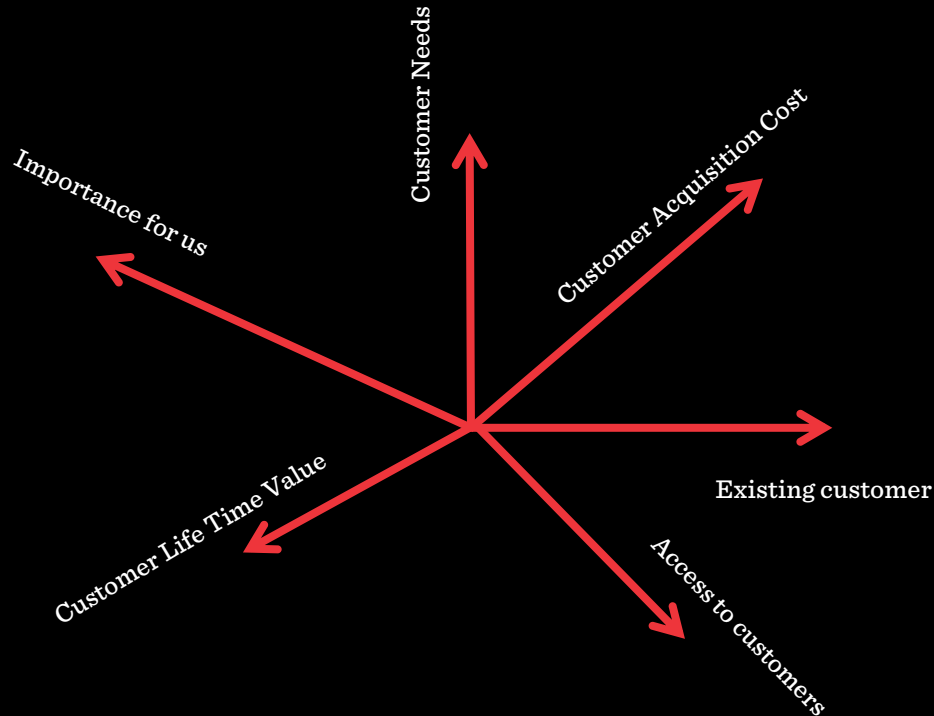
Are they individuals,  
an organization,  
a network?

How valuable is each group for us?

Strategically?

Tactically?

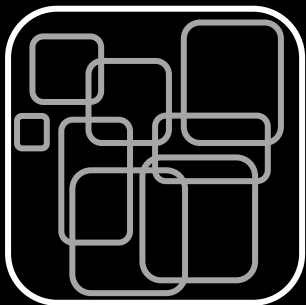
# The n dimensions of customer grouping



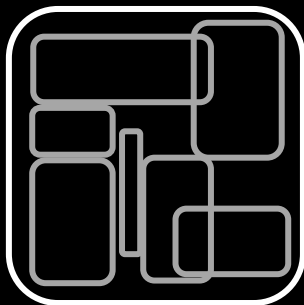
NOTE!  
No single "correct"  
way to group them!

There are millions of  
correct ways to group  
them, and you need to  
choose **the most  
relevant at the  
moment.**

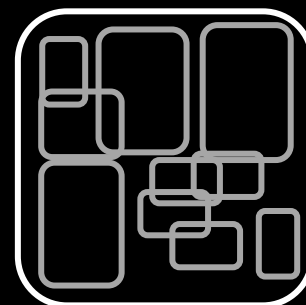




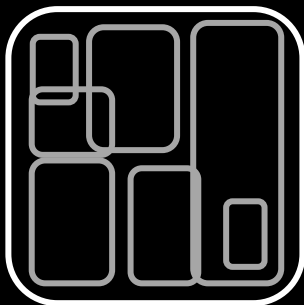
Group by  
acquisition cost!



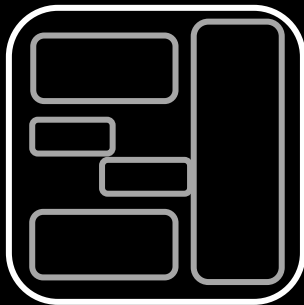
Group by geography!



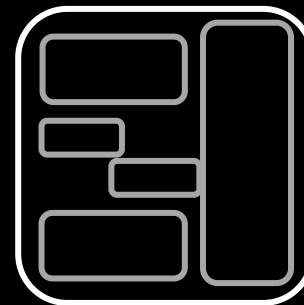
Group by needs & desires!



Group by *their* problem  
worth solving!



Group by *our* problem  
worth solving!

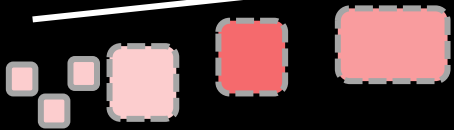


Group by importance  
for us!

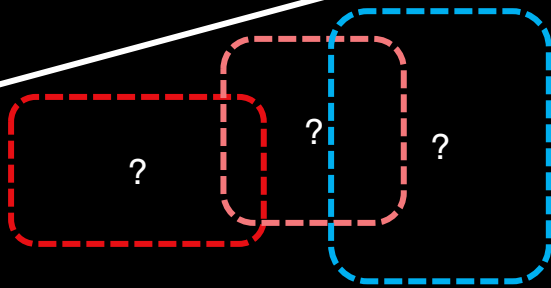
Number of customers



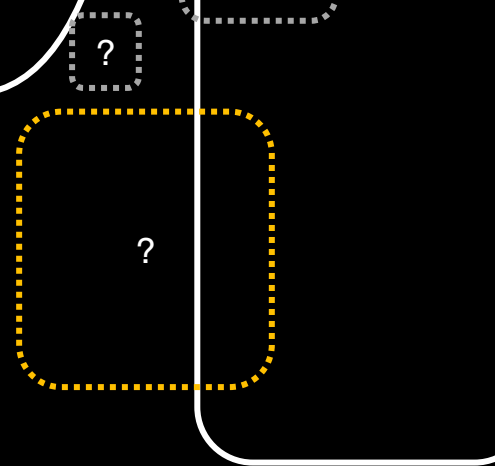
Problem worth solving  
(Customer Discovery)



Product / Market Fit  
(Customer Validation)

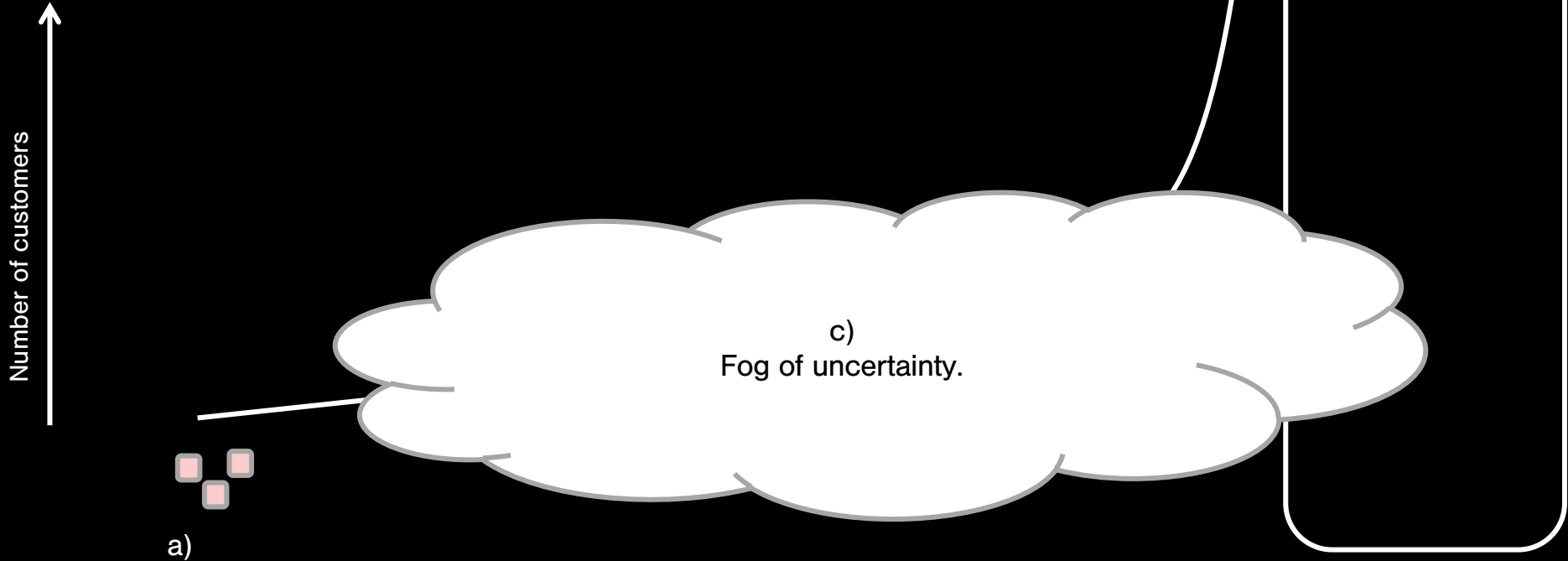


Scaling up  
(Customer Growth)



**The only things you know are:**

- a) We start with these people.
- b) Our objective is the whole group.
- c) We really don't know how to get there, yet.



**Some customers are  
more strategic than others!**

(...and it changes as your project progresses.)

# What kind of different groups can you form? Which one is probably the most relevant for you at the moment? *Why?*

Age? Life stage? Neighborhood?

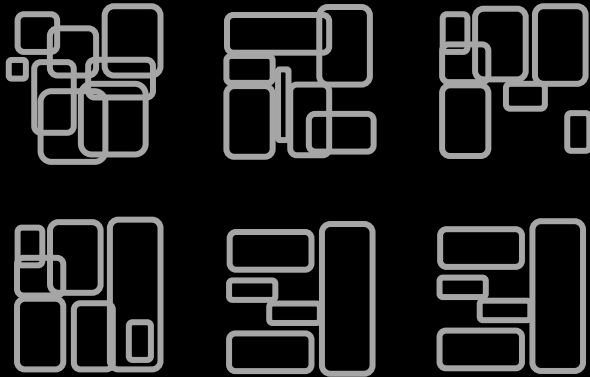
Friends? Family? Social networks?

Social role? Profession, job?

Need? Desire? Objective? Problem?

Feeling? World view? Values? Lifestyle?

Something else?



*We continue after 15 min*

break

# Intros of the week 😊



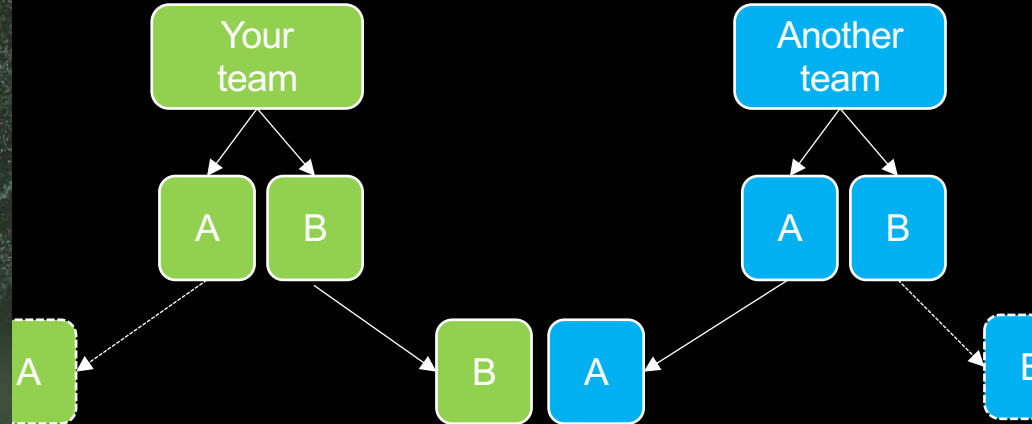
## Grouping Warm-up with a cross-pollination bonus!

- We split your team in half: A squad & B squad.
- Then we add two halves together, from separate teams. A+B.
- 1<sup>st</sup> task. A squad: Explain your project to the other half using the Business Objectives canvas. B squad: Ask questions, get clarity. 15ish min.
- 2<sup>nd</sup> task: B squad: Take charge and together with you're a squad, think about different ways to group A squad's customers. 15ish minutes.





## Grouping Warm-up with a cross-pollination bonus!



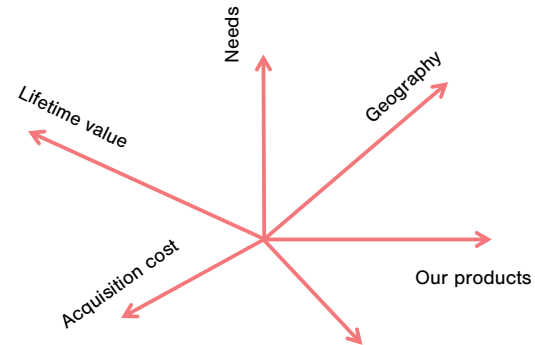
1. **A** explains project to **B**.
2. Have fun grouping **A**'s customer base.
3. Maybe discuss what's gonna be difficult this week.
4. Return to common space when ready or bored.
5. Aim for 15 + 15 min.

*See you in 15 minutes*

break

# “Customer centricity” without a link to business is a failure

- Use business concepts such as
  - Customer lifetime value (CLTV)
  - Customer acquisition cost (CAC), user acquisition cost (UAC)
  - Average revenue per daily active user (ARPDAAU)
  - Conversion, retention...
- Group customers into subgroups by strategic choices
- ”Some customers are more strategic than others!”



# Customer Groups

Your best guess of who you aim to serve.

Need (assumed)  
worth solving:

Description:

Group name:



Main group

Need (assumed)  
worth solving:



Description:

Group name:



Main group

Need (assumed)  
worth solving:

Description:

Group name:



Main group

Common in all user segments:

This week: create minimum of 3 groups. Sub-groups or parallel groups. You know best. Fill out from right to left: first do the strategic grouping only then think of their needs. Choose (if you can) which is the main group you will focus on and why.

# Customer Groups

Your best guess of who you aim to serve.

Need (assumed)  
worth solving:

Description:

Group name:

Main group



**Start booking your customer  
interviews this week!**

**Customers & experts**




Your three biggest risks this week

Too broad customer groups:  
You can't get a grip and your design is lukewarm.

Circular argumentation:  
"These are our customers because they are our customers."

Fixed groups:  
Not understanding that groups  
expand & change.





## Video #3: Who are your customers

Who are your customers? Why?

What is your focused sub-group (or perhaps a sub-sub-group)? WHY?

Why focus on this specific group and not others (or everyone)?

How is this sub-group relevant for your client organization?

How is this sub-group relevant for your societal impact?

How is this sub-group relevant for your business objectives?

Describe the people in your customer group?

Mention, what will you do next week (answer: see the world through the customers' eyes)?