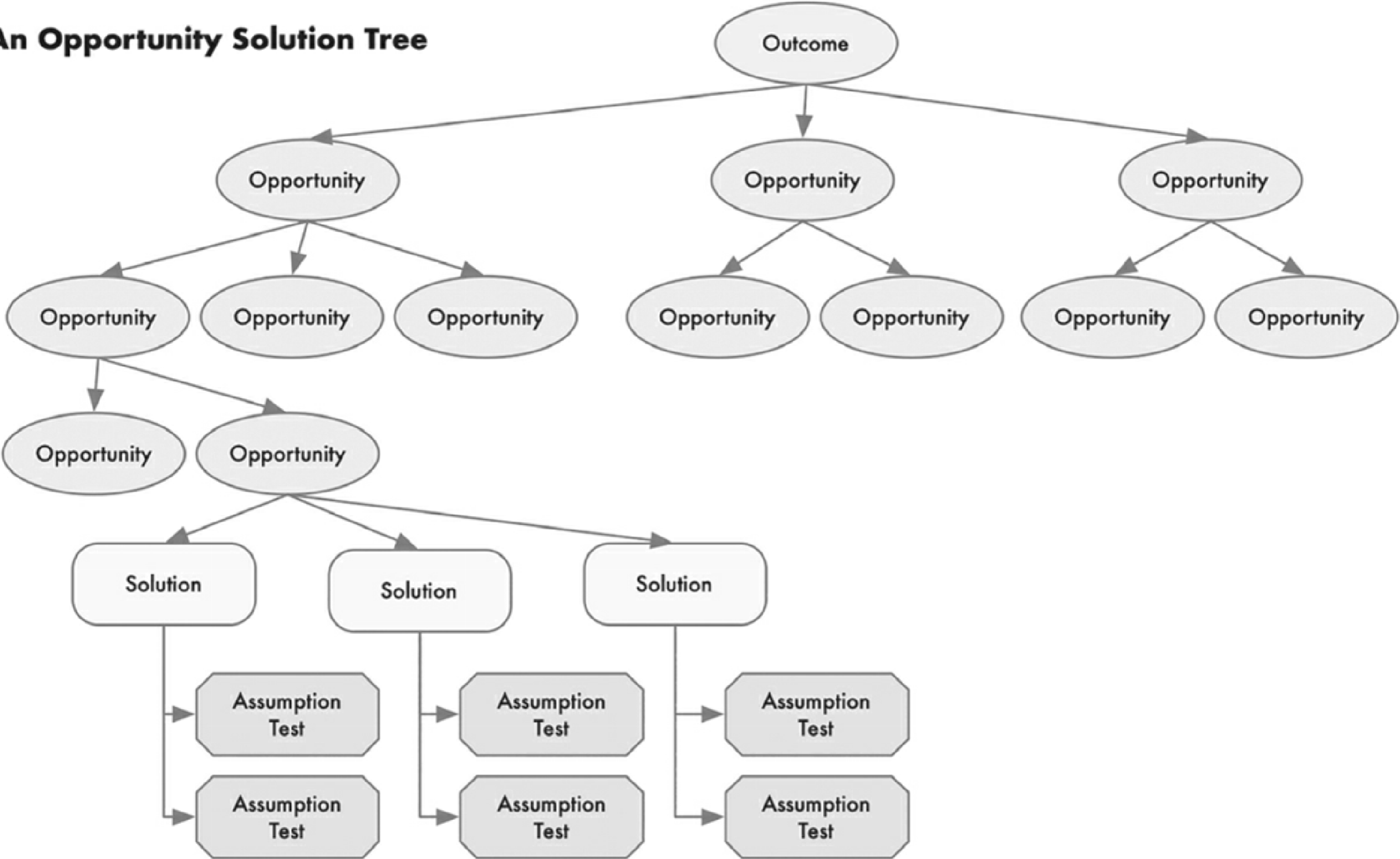


An Opportunity Solution Tree



Why?

When a team takes the time to visualize their options, they build a shared understanding of how they might reach their desired outcome.

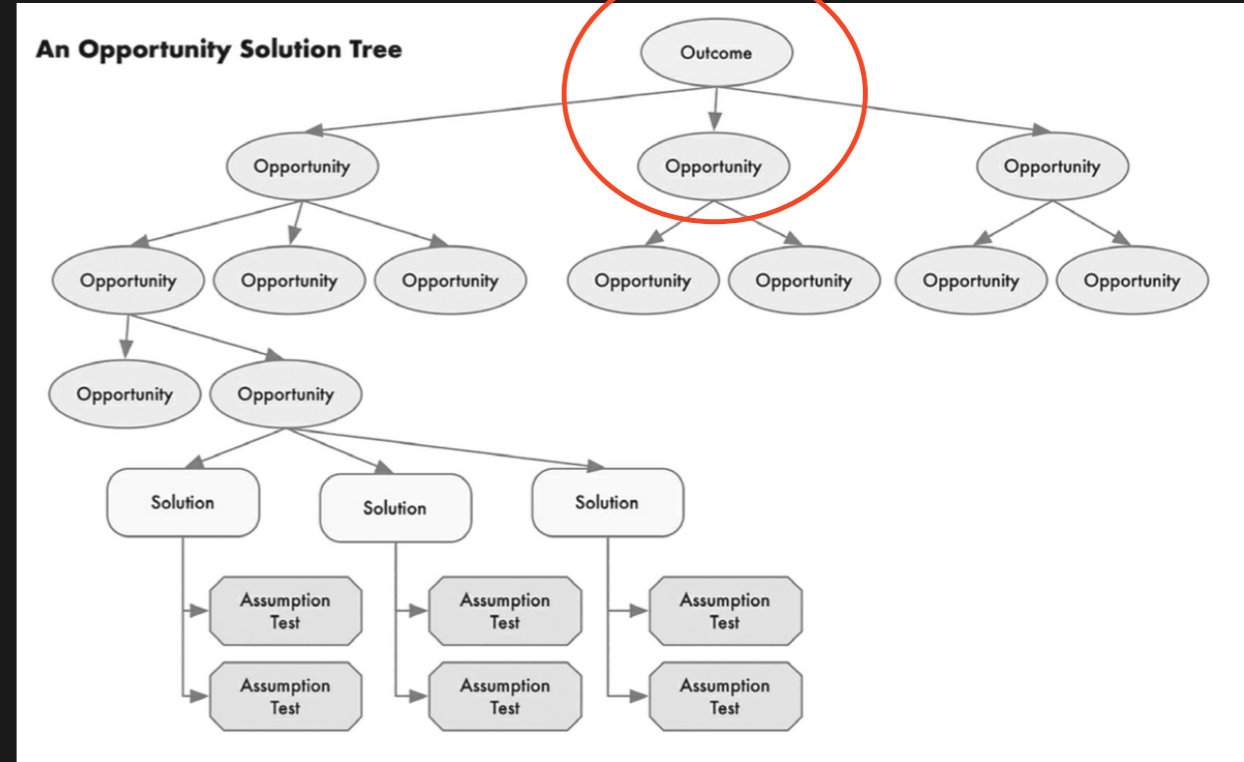


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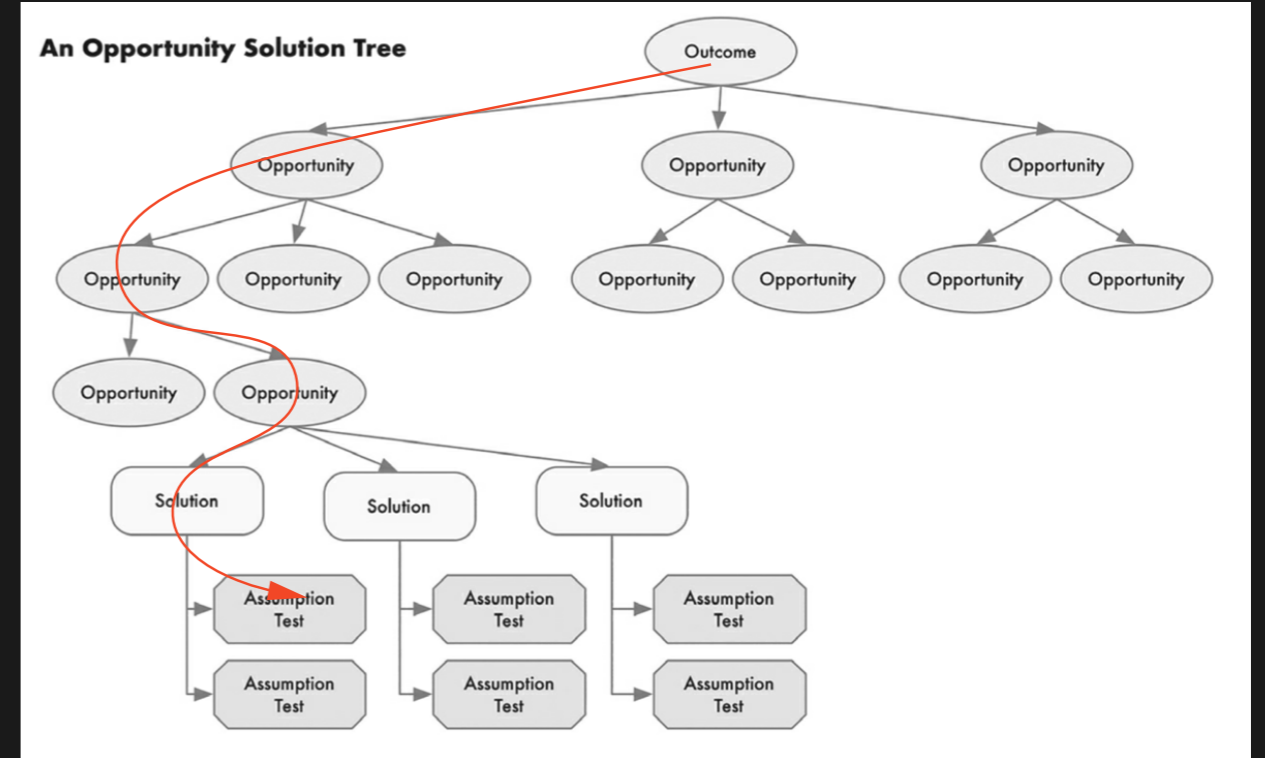
Why This Opportunity Solution Tree is Changing the Way Product Teams Work - Product Talk

Have you heard? My new book *Continuous Discovery Habits* is now available. Get the product trio's guide to a structured and sustainable approach to continuous discovery. I've found a visual aid that is profoundly changing the way teams work. It's working...

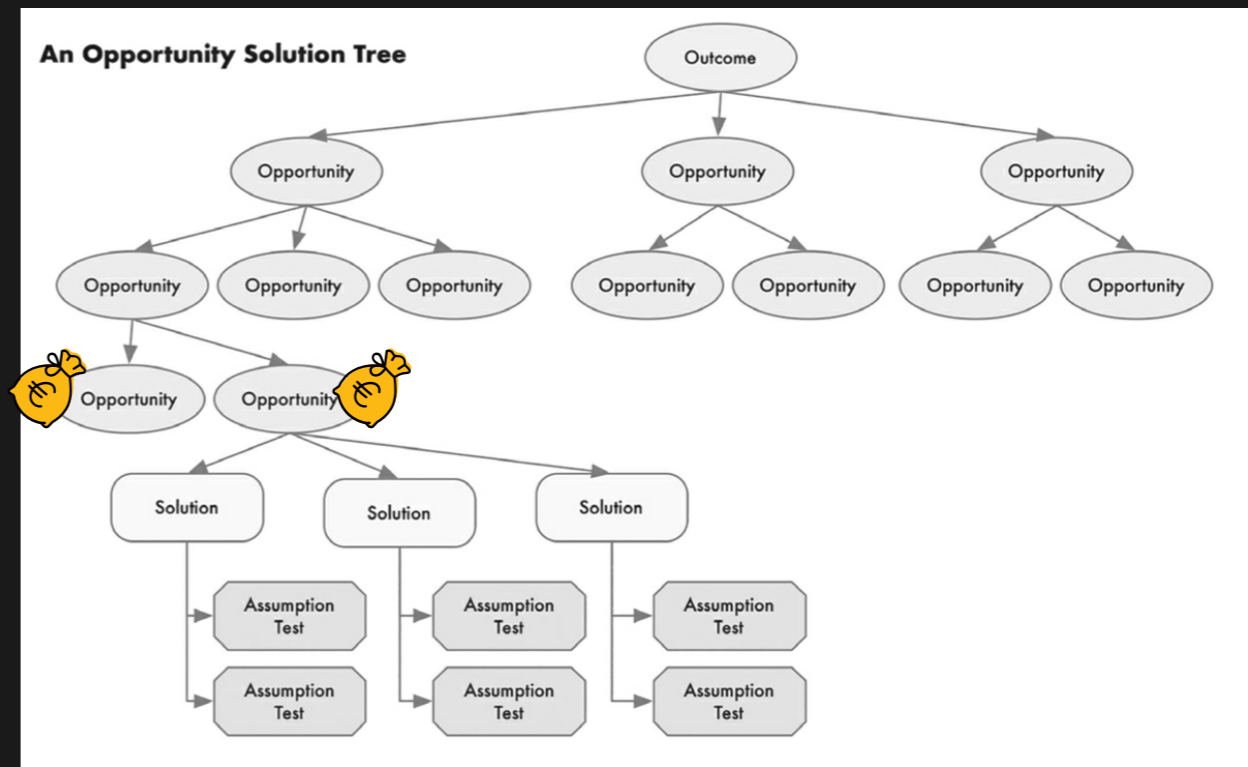
Resolve the tension between
business needs and customer
needs



Build and maintain a shared understanding of how we might reach our desired outcome

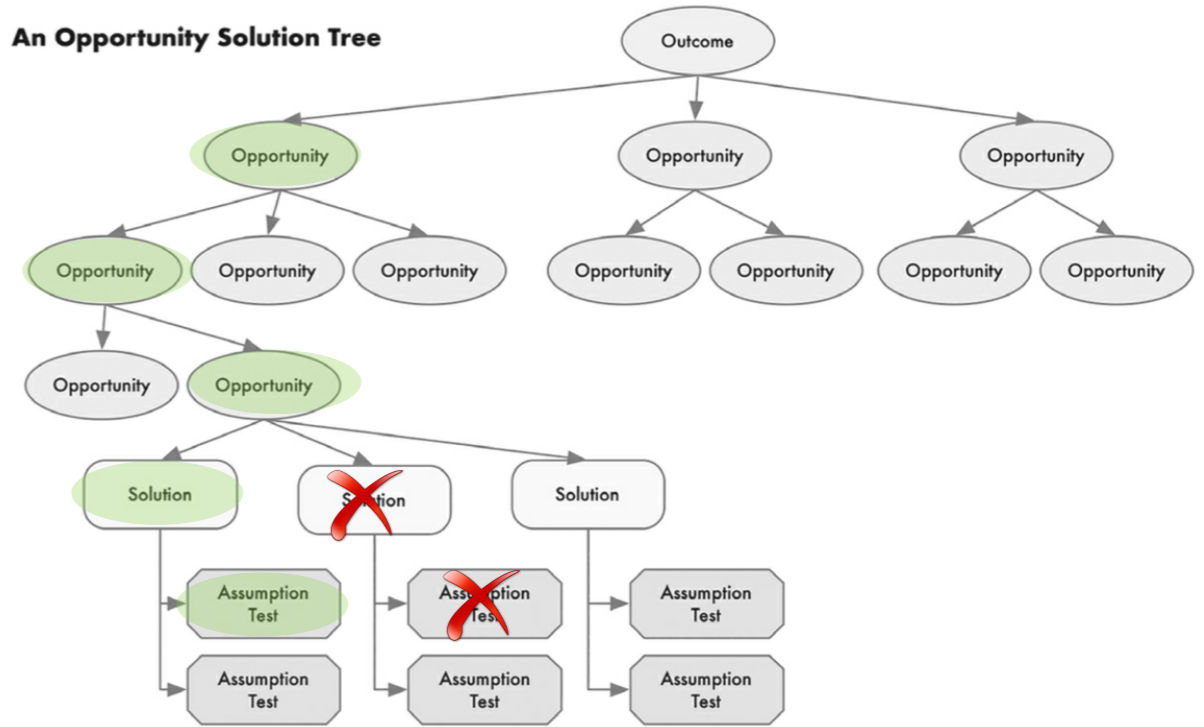


Adopt a continuous mindset

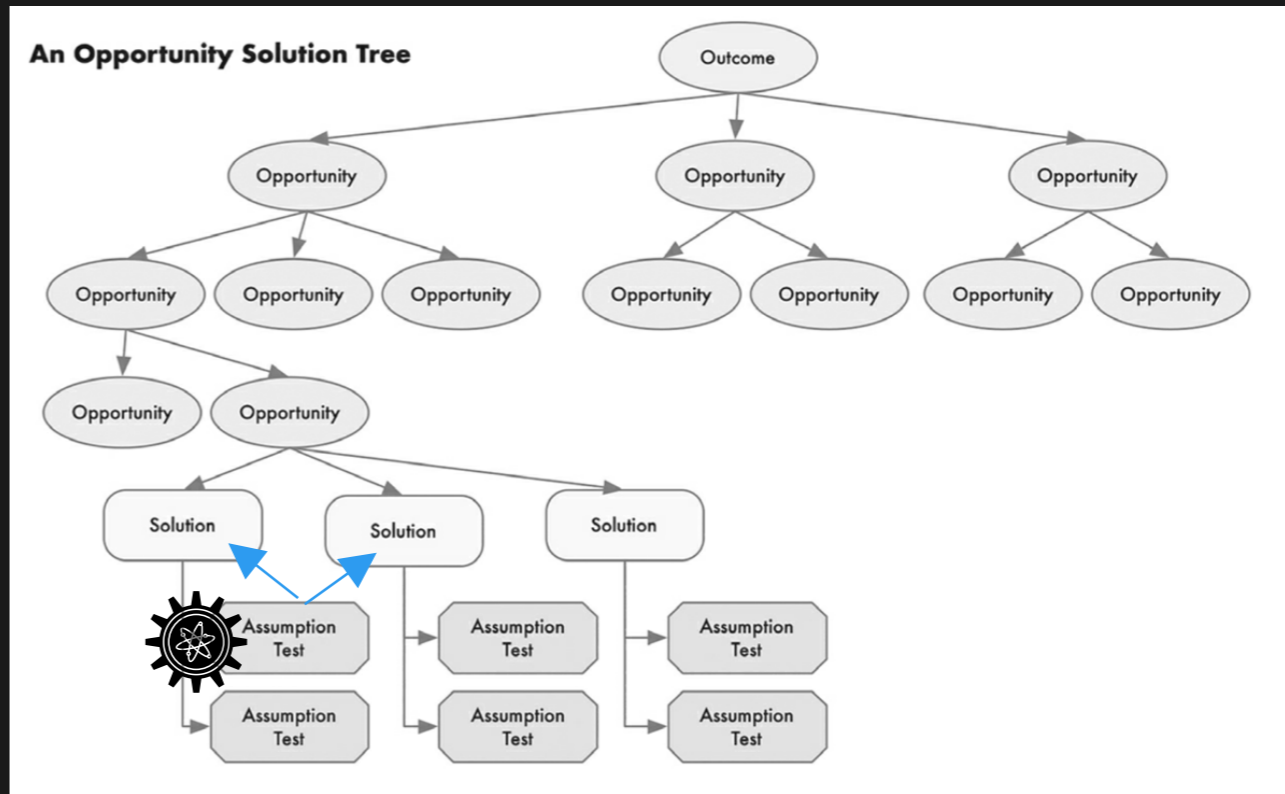


Unlock better decision-making

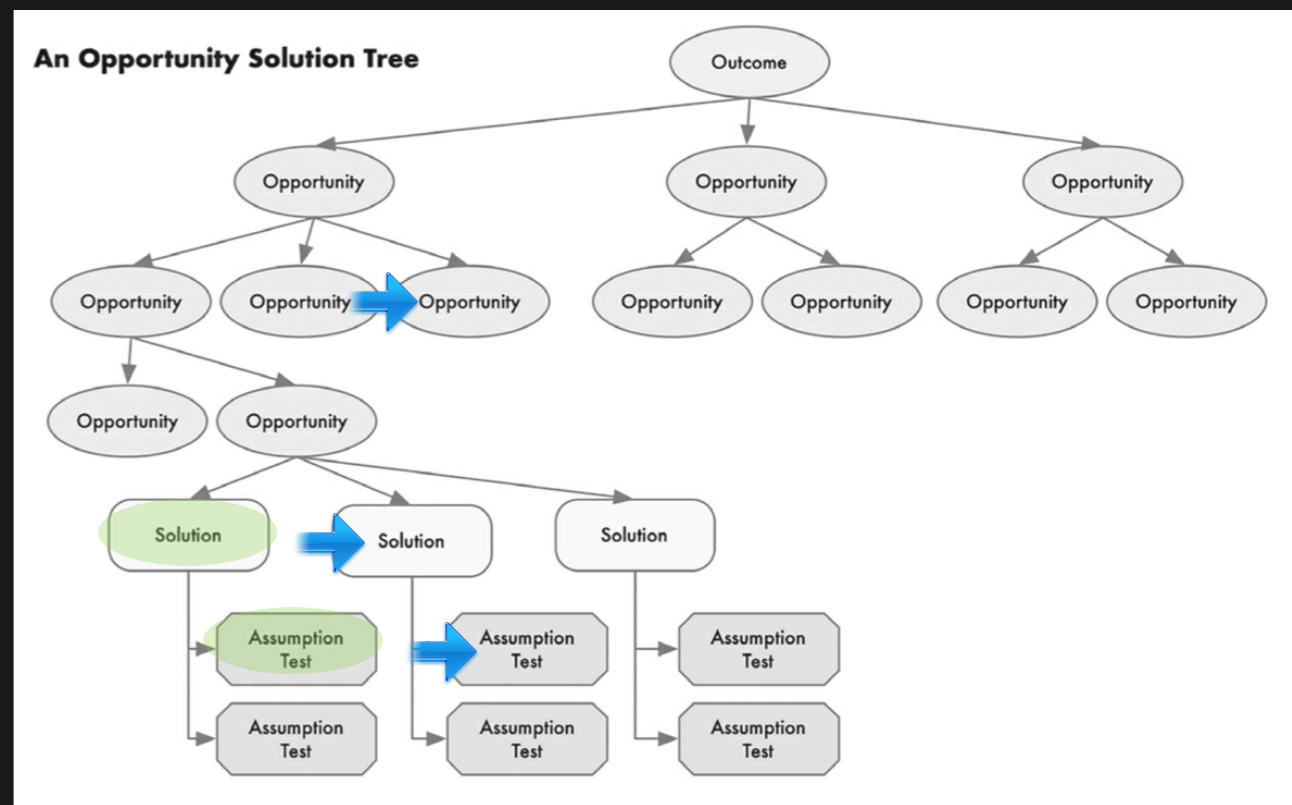
An Opportunity Solution Tree



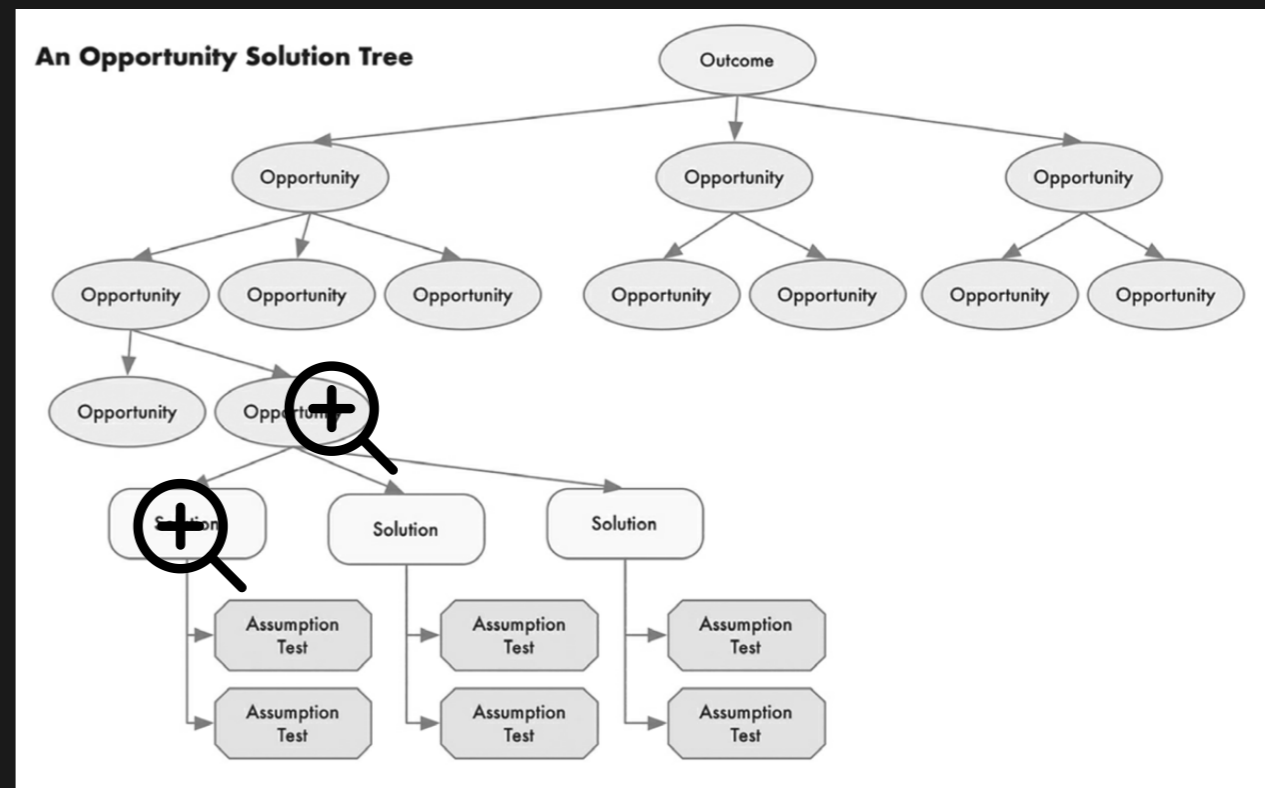
Unlock faster learning cycles



Build confidence in knowing
what to do next



Unlock simpler stakeholder management



Outcomes

A business outcome is a metric that moves the business forward, while a product outcome is a metric that helps us understand if the product is moving the business forward.

Business Outcomes

**Measure
business value**

Retention

"Sonja's team believed that increasing the perceived value of tailor-made dog food and increasing the number of dogs who liked the food were leading indicators of customer retention."

Product Outcomes

**Measure how the
product drives
business value**

Dogs who like the food

The root of the tree is your desired outcome—the business need that reflects how your team can create business value.

You start by prioritizing your business need—creating value for your business is what ensures that your team can serve your customer over time.

Business outcomes start with financial metrics (e.g., grow revenue, reduce costs), but they can also represent strategic initiatives (e.g., grow market share in a specific region, increase sales to a new customer segment).

Many business outcomes, however, are lagging indicators (by the time we see them, it's too late to do anything about them).

It's hard for lagging indicators to guide a team's work because it puts them in react mode, rather than empowers them to proactively drive results.

Product outcomes measure how well the product moves the business forward.

By definition, a product outcome is within the product trio's span of control.



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Empower Product Teams with Product Outcomes, Not Business Outcomes - Product Talk

Have you heard? My new book *Continuous Discovery Habits* is now available. Get the product trio's guide to a structured and sustainable approach to continuous discovery. I'm excited to add Hope Gurion as an official author on Product Talk. She has guest ...

This research suggests that product trios, when faced with a new outcome, should **first start with a learning goal** (e.g., discover the opportunities that will drive engagement) before being tasked with a performance goal (e.g., increase engagement by 10%).

Product teams must be empowered with **product outcomes centered around the customer behavior changes** and have influence over these behaviors by how they choose to change the product experience.

Product teams often have to do some discovery work to identify the connections between product outcomes (the metrics they can influence) and business outcomes (the metrics that drive the business).

Retention

Business Outcome

MEL

Product Outcome

W1RS

Product Outcome

User who consume
a BiB recommended
based on
onboarding
question selection

Traction Metric



Opportunities

customer needs, pain points, and desires
collectively as “opportunities”

—they represent opportunities to intervene
in our customers’ lives in a positive way.

(we have many examples of products
or services that don’t fix problems.
Disneyland entertains me. Ice cream
is delicious. Mountain biking is fun.
These products address my desires.)

Instead of managing an opportunity backlog, we'll use an opportunity solution tree to help us map out and understand the opportunity space.

The tree structure will help us visualize and understand the complexity of the opportunity space.

We need to frame opportunities from our customers' perspective.

“Can I imagine a customer saying this?”
“Have we heard this in interviews?”

No customer would ever say, “I wish I had more streaming-entertainment subscriptions.”

But they might say, “I want access to more compelling content.”

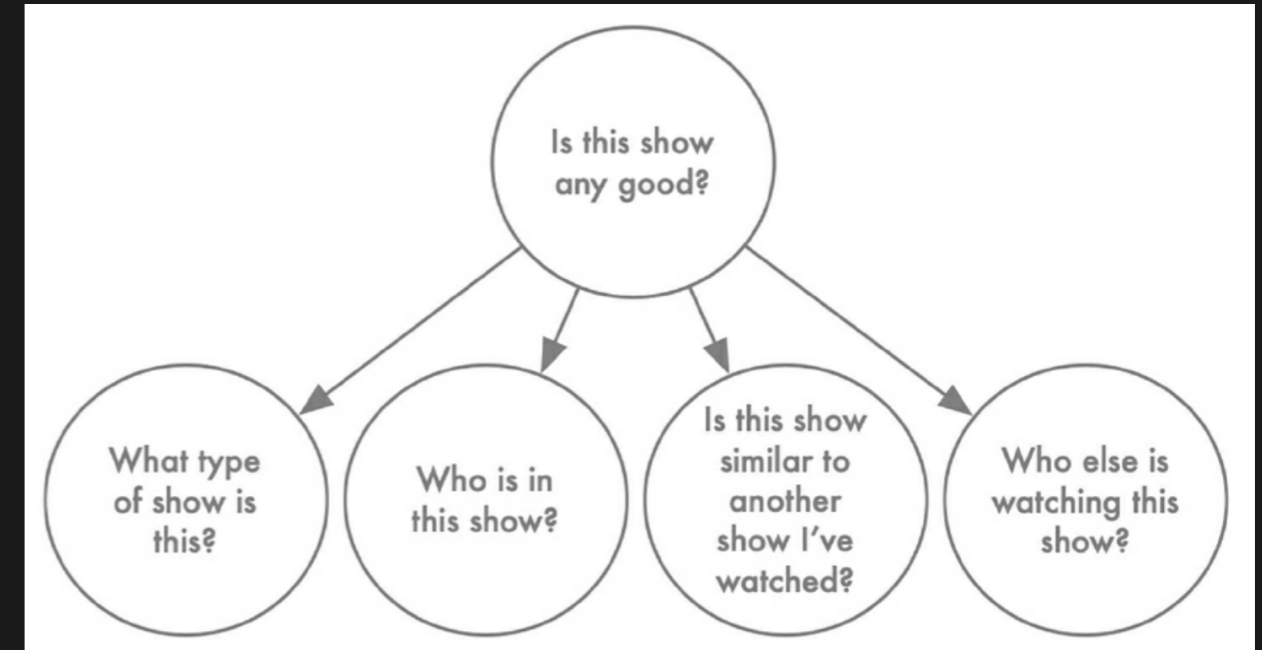
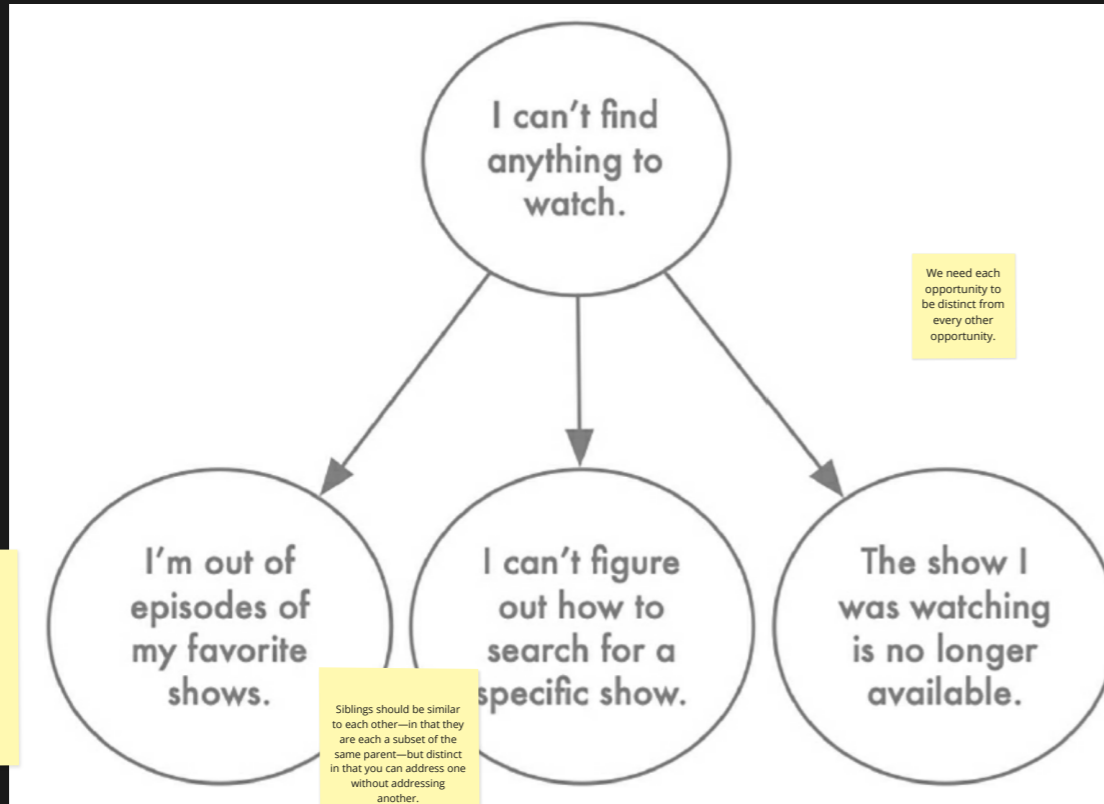
We can't fix feelings.
When we capture opportunities like “I'm frustrated” or “I'm overwhelmed,” we limit how we can help.

But if we **capture the cause of those feelings**—“I hate typing in my password every time I purchase a show” or “I'm way behind on this show”—we can often identify solutions that address the underlying cause.

Is this opportunity framed as a customer need, pain point,
or desire and not a solution?

If we address this opportunity, will it drive our desired
outcome?

deconstruct large, intractable problems into a series of smaller, more solvable problems.



“Which of these customer needs is most important for us to address right now?”

We should compare and contrast the impact of addressing one opportunity against the impact of addressing another opportunity.

Using an interview snapshot

Name		
Photo	"A memorable quote ..."	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Quick Facts	Insights	Opportunities

the purpose of an interview is to discover and explore opportunities

best way to learn about their needs, pain points, and desires is to **ask them to share specific stories about their experience**

Instead of asking, "What criteria do you use when purchasing a pair of jeans?"—a direct question that encourages our participant to speculate about their behavior—we want to ask, **"Tell me about the last time you purchased a pair of jeans."**

... and there are many more really helpful interview tips provided

- Automate the Recruiting Process
- Recruit Participants While They Are Using Your Product or Service
- Ask Your Customer-Facing Colleagues to Recruit
 - If a customer calls to cancel their subscription, schedule an interview.
 - If a customer has a question about feature x, schedule an interview.
 - If a customer requests a customization, schedule an interview.

Opportunity sizing helps us answer the questions: **How many customers are affected and how often?**

Customer factors help us evaluate how important each opportunity is to our customers. If we interviewed and opportunity mapped well, every opportunity on our tree will represent a real customer need, pain point, or desire. However, not all opportunities are equally important to customers.

Market factors help us evaluate how addressing each opportunity might affect our position in the market. Depending on the competitive landscape, some opportunities might be table stakes, while others might be strategic differentiators.

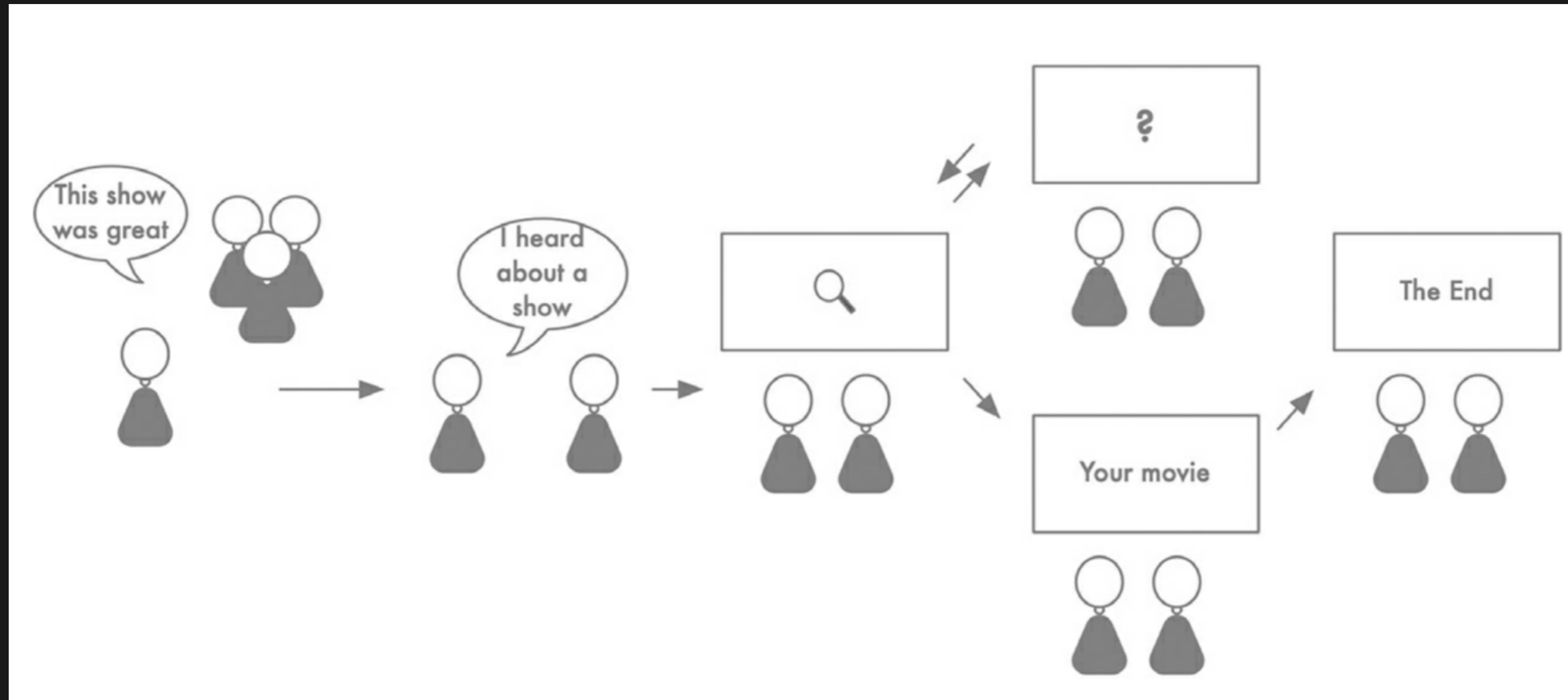
Company factors help us evaluate the strategic impact of each opportunity for our company, business group, or team. We want to prioritize opportunities that support our company vision, mission, and strategic objectives.

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H

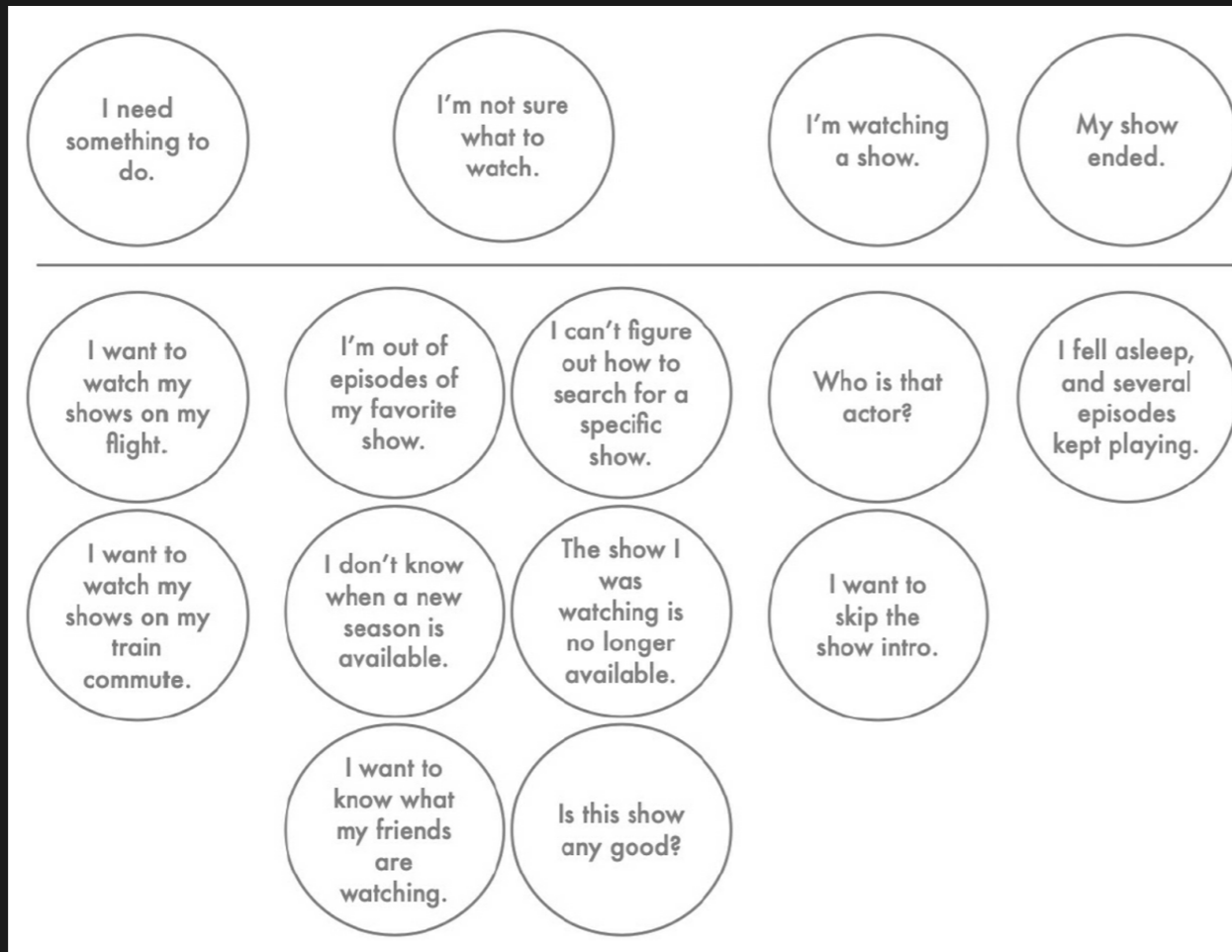
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“How do customers entertain themselves with videos?”



Work from distinct moments (based on experience map)

Distinct moments



Opportunities
(e.g. we have heard from interviews)

Solutions

Creativity research tells us that **our first idea is rarely our best idea.**

Researchers measure creativity using three primary criteria: fluency (the number of ideas we generate), flexibility (how diverse the ideas are), and originality (how novel an idea is).

As we generate more ideas, the diversity and novelty of those ideas increases.

Additionally, the most original ideas tend to be generated toward the end of the ideation session.

Study after study found that the **individuals generating ideas alone outperformed** the brainstorming groups.

Individuals generated more ideas, more diverse ideas, and more original ideas.

1

**Review your
target
opportunity**

2

**Generate
ideas alone**

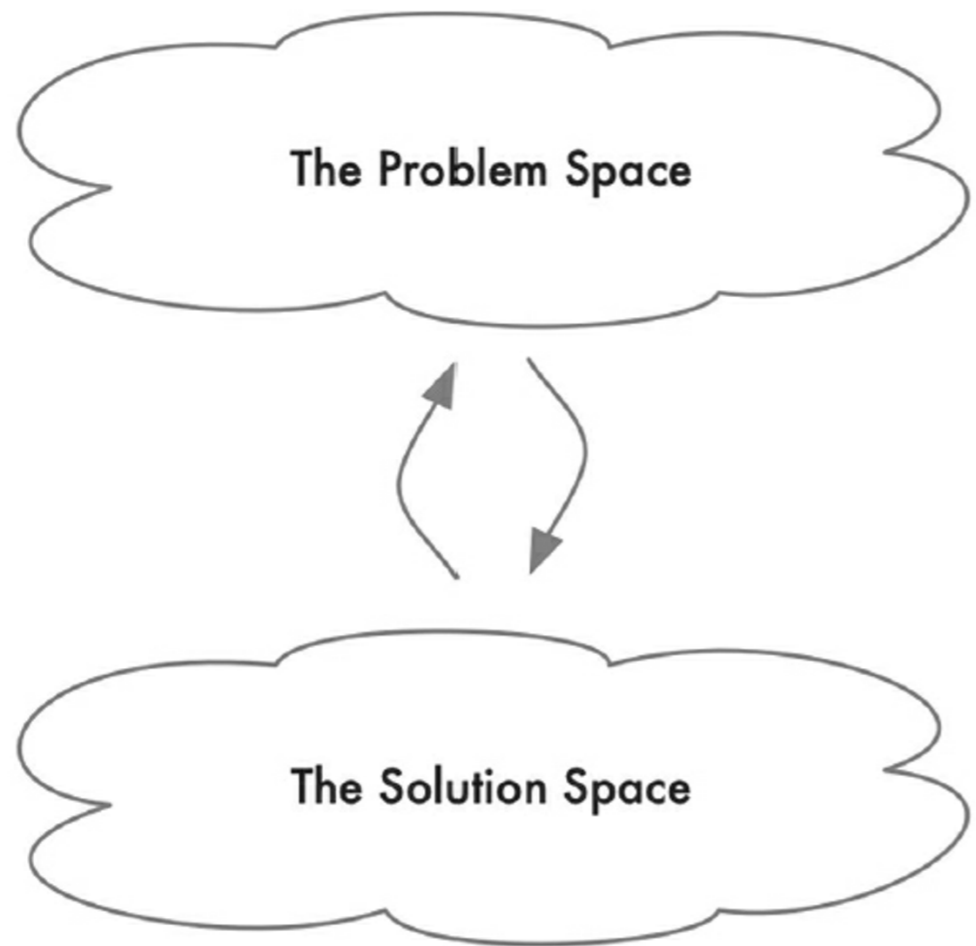
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**Share ideas
across your
team**

4

**Repeat steps
2 and 3**

Don't try to spend an hour generating ideas. Take frequent breaks. Spread it out throughout your day. Try to generate ideas in the few minutes you have between meetings. After lunch, go for a walk, and daydream about what you might build. A change of scenery can often inspire new ideas. Try generating ideas at different times of the day.



The problem space and the solution space evolve together.

"As they explore potential solutions, they learn more about the problem, and, as they learn more about the problem, new solutions become possible."

"Based on my current understanding of my customer, I thought this solution would work. It didn't. What did I misunderstand about my customer?" We then need to revise our understanding of the opportunity space before moving on to new solutions.

Assumptions

How we'll evaluate which solutions will help us best create customer value in a way that drives business value.

Best product teams complete a dozen or more discovery iterations every week. This pace is possible only when we step away from the concept of testing ideas and instead **focus on testing the assumptions** that need to be true in order for our ideas to succeed.

It's common for ideas to share assumptions. It's one of the reasons why assumption testing is faster than idea testing. Assumption tests don't merely give us a go/no-go decision for an individual idea; they help us evaluate sets of ideas.

Desirability assumptions

Does anyone want it? Will our customers get value from it? As we create solutions, we assume that our customers will want to use our solution, that they will be willing to do the things that we need them to do, and that they'll trust us to provide those solutions. All of these types of assumptions fall into the desirability category.

Viability assumptions

There are many ideas that will work for our customers but won't work for our business. If we want to continue to serve customers over time, we need to make sure that our solutions are viable—that **they create a return for our business**. This typically means that the idea will generate more revenue than it will cost to build, service, and maintain.

Feasibility assumptions

Can we build it? We primarily think about feasibility as technical feasibility. Is it technically possible? Feasibility assumptions, however, can also include, "What's feasible for our business?" For example, will our legal or security team allow for it? Will our culture support it? Does it comply with regulations?

Usability assumptions

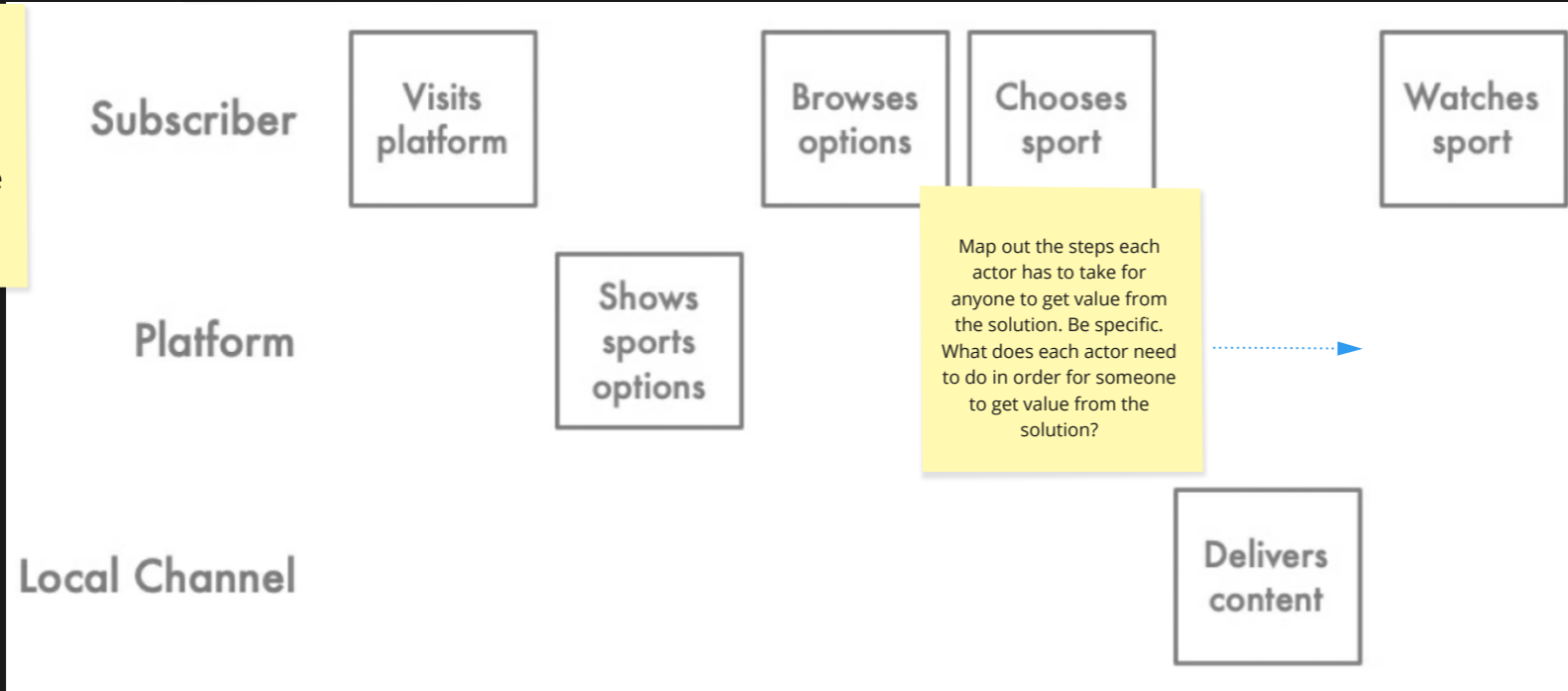
Is it usable? Can customers find what they need? Will they understand how to use it or what they need to do? Are they able to do what we need them to do? Is it accessible?

Ethical assumptions

Is there any potential harm in building this idea? This is an area that is grossly underdeveloped for many product trios. As an industry, we need to do a better job of asking questions like: What data are we collecting? How are we storing it? How are we using it? If our customers had full transparency to those answers, would they be okay with it?

Start by assuming the solution already exists. You aren't story mapping what it will take to implement an idea. Instead, you are mapping what end-users will do to get value from the solution once it exists in the world.

Identify the key actors. Who needs to interact with whom for the idea to work?



Example

Suppose we are working at our streaming-entertainment company, and we are exploring three different solutions (setting up a good compare-and-contrast decision) for the target opportunity “I want to watch live sports.” Integrate local networks (e.g., ABC, CBS, NBC) into our service License broadcast rights directly from the different sports leagues and serve the sporting events up ourselves Bundle our streaming service with a partner who streams live sports To story map our first idea—integrating local networks—

Story Map

Actor 1

Actor 2

Assumptions

When you are generating assumptions, always phrase your assumptions such that you need them to be true: "Customers will remember their passwords." For many assumptions, you'll find that this positive framing will make them easier to test.

From our first step of the story map, "Our subscriber comes to our platform to watch sports," we can generate the following assumptions:

- Desirability: Our subscriber wants to watch sports.
- Desirability: Our subscriber wants to watch sports on our platform.
- Usability: Our subscriber knows they can watch sports on our platform.
- Usability: Our subscriber thinks of our platform when it's time to watch sports.
- Feasibility: Our platform is available when our subscriber wants to watch sports.

From our second step, "Our platform has live sports options for our subscriber to choose from," we can generate the following assumptions:

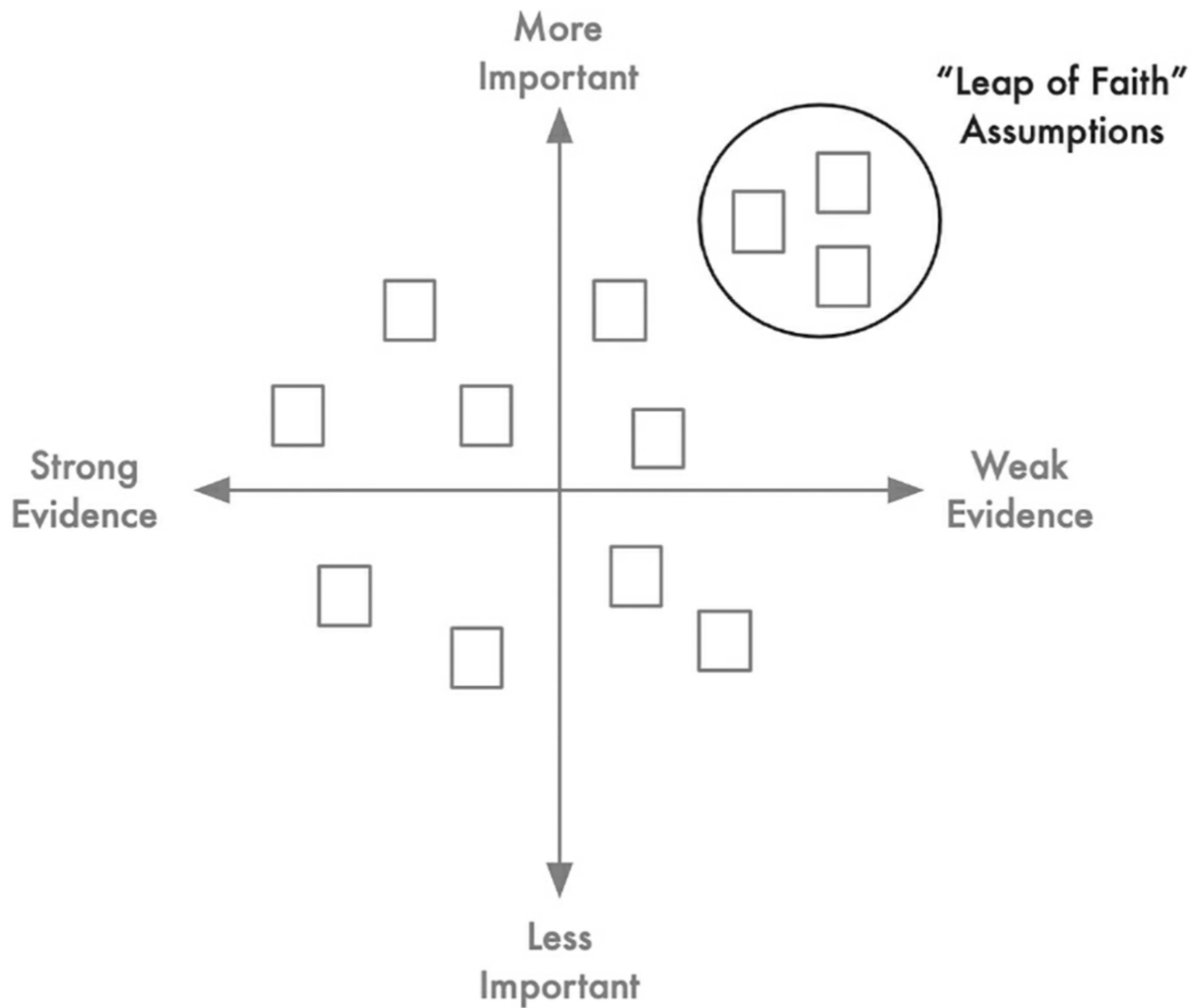
- Desirability: Our platform has the sports our subscriber wants to watch.
- Usability: Our subscriber can find where to go on our platform to find sports.
- Feasibility: We know what sports are available right now.
- Feasibility: We can display what sports are available right now.

Conduct a Pre-Mortem

“Imagine it’s six months in the future; your product or initiative launched, and it was a complete failure. What went wrong?” As you generate reasons for why your product or service might fail, you are exposing assumptions that your idea depends upon that may not be true.

use your opportunity solution tree

to work backwards from your solution back to your outcome. You can start by generating assumptions using the following starters: **This solution will address the target opportunity because... Addressing the target opportunity will drive the desired outcome because...**



A strong assumption test **simulates an experience**, giving your participant the opportunity to behave either in accordance with your assumption or not. This behavior is what allows us to evaluate our assumption.

To construct a good assumption test, you'll want to **think carefully about the right moment to simulate**. You don't want to simulate any more than you need to.

Many assumptions can be tested with quick answers to a single question.

If we wanted to test the "Our subscribers want to watch sports" assumption, we could launch a one-question survey asking them, "**When was the last time you watched a sporting event?**"

We stop testing when we've removed enough risk and/or the effort to run the next test is so great that it makes more sense to simply build the idea.

Define your evaluation criteria upfront.

Aligning around success criteria upfront guards against confirmation bias and ensures that your team agrees on what the results mean.

Torres, Teresa. Continuous Discovery Habits: Discover Products that Create Customer Value and Business

At a minimum, weekly touchpoints with customers
By the team building the product
Where they conduct small research activities
In pursuit of a desired outcome

Relentless focus on customers was a better strategy than obsessing about our competitors.

the work that you do to decide what to build as discovery and the work that you do to build and ship a product as delivery.

“product trio” will refer to a product manager, a designer, and a software engineer

Opportunity solution trees have a number of benefits. They help product trios:

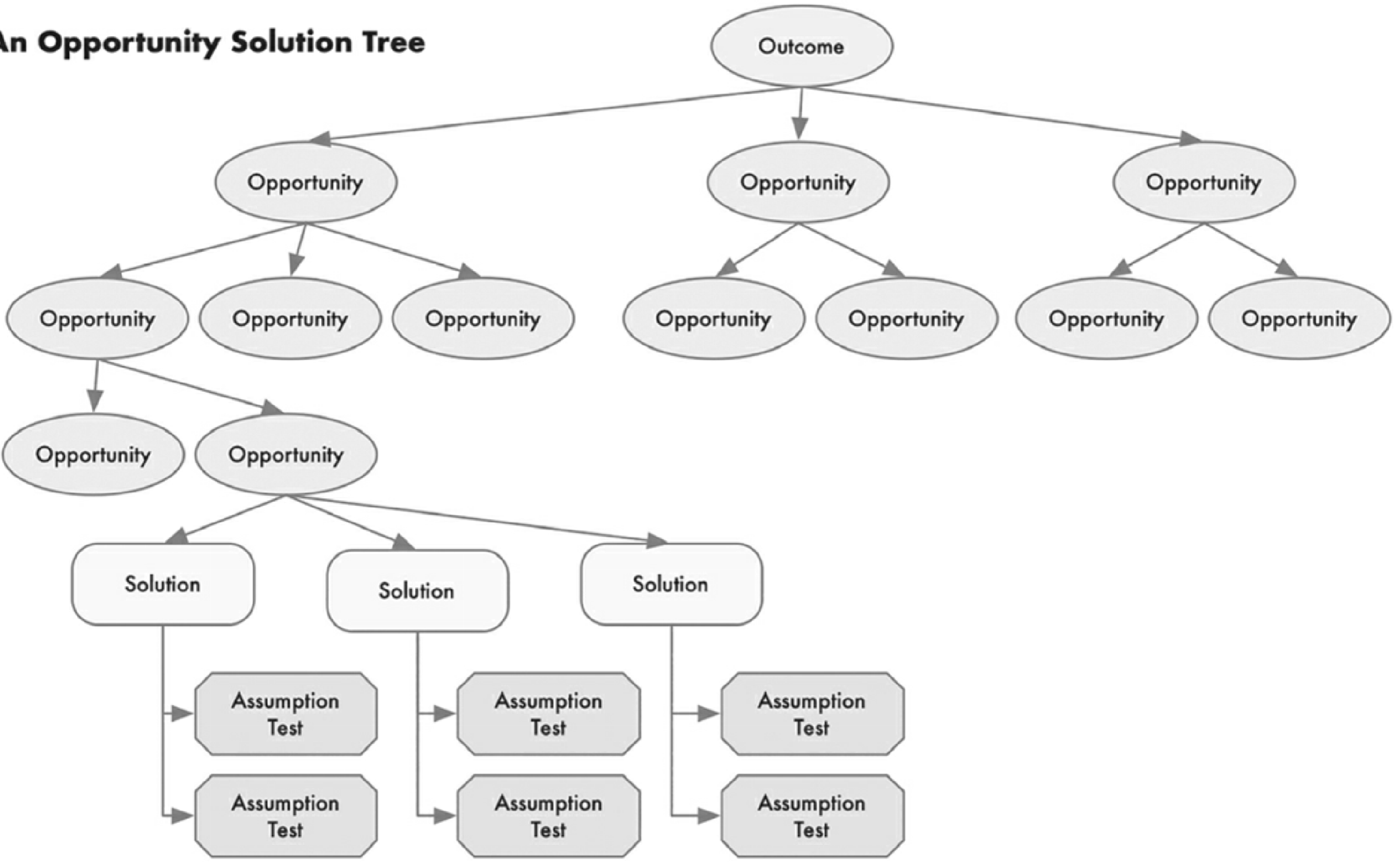
- Resolve the tension between business needs and customer needs
- Build and maintain a shared understanding of how they might reach their desired outcome
- Adopt a continuous mindset
- Unlock better decision-making
- Unlock faster learning cycles
- Build confidence in knowing what to do next
- Unlock simpler stakeholder management

Six mindsets underlying continuous discovery

1. **Outcome-oriented:** you define success as the value that code creates for your customers and for your business (the outcomes). Rather than measuring value in features and bells and whistles, we measure success in impact—the impact we have had on our customers’ lives and the impact we have had on the sustainability and growth of our business.

2. **Customer-centric:** The second mindset places the customer at the center of our world. It requires that we not lose sight of the fact (even though many companies have) that the purpose of business is to create and serve a customer. We elevate customer needs to be on par with business needs and focus on creating customer value as well as business value.

An Opportunity Solution Tree



Outcome-oriented

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Collaborative

The third mindset requires that you embrace the cross-functional nature of digital product work and reject the siloed model, where we hand off deliverables through stage gates. Rather than the product manager decides, the designer designs, and the engineer codes, we embrace a model where we make team decisions while leveraging the expertise and knowledge that we each bring to those decisions.

Visual

The fourth mindset encourages us to step beyond the comfort of spoken and written language and to tap into our immense power as spatial thinkers. The habits in this book will encourage you to draw, to externalize your thinking, and to map what you know. Cognitive psychologists have shown in study after study that human beings have an immense capacity for spatial reasoning.

Experimental

The fifth mindset encourages you to don your scientific-thinking hat. Many of us may not have scientific training, but, to do discovery well, we need to learn to think like scientists identifying assumptions and gathering evidence.

Continuous

And finally, these habits will help you evolve from a project mindset to a continuous mindset. Rather than thinking about discovery as something that we do at the beginning of a project, you will learn to infuse discovery continuously throughout your development process.