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NEWS

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Revisiting the Product Spec

By Marty Cagan

I think the product spec is long overdue for a renovation. Some would argue that Agile methods accomplish this by doing away with the spec altogether. I've written about some of the issues and limitations of Agile methods elsewhere, but in many respects I think they were on the right track.

But before we get ahead of ourselves, let's start by discussing the problem to be solved.

There is of course tremendous range among product specs, starting with what we call them (Product Requirements/ PRD's, Market Requirements/MRD's, Business Requirements/BRD's, Functional Specs/FSD, and more). The topics covered can vary greatly (these different documents were not intended to serve the same purposes, but over time they have merged and morphed and lost many of their original distinctions), the level of detail, and of course the quality of the spec itself. Even the form varies greatly – many use MS Word docs, but some use spreadsheets, some post the spec on a Wiki site, and others use one of the commercial requirements management tools.

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September 2007 Event with Laura Lowell

42 Rules of Marketing

by Greg Cohen

Laura Lowell, Principal of Impact Marketing Group, spoke at the SVPMA September 2007 event on her newly published book the *42 Rules of Marketing*. Laura is fast to point out that these are not immutable laws, but rather guidelines. To this point, the first rule is that rules are meant to be broken. Laura then treated the audience to a number of other insightful rules.

Rule 2: Marketing Must Result in Sales. Laura points out that it wasn't too long ago that as long as your super bowl ad looked good, everyone was happy. But now marketing is being held to specific, measurable standards. By investing ahead of time about what to measure, you can connect sales to marketing.

Rule 12: Be Different. Differentiation is how you separate your product from the competition to be more attractive to your customers. Often, especially in technology, we fall back in the features as our differentiator, which is often not that meaningful to the customer and usually short lived. Price is another favor-

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Getting The Most Out of Focus Groups - Part 1

By Erica Baccus

So much is written about focus groups and not much is favorable, constructive or even funny (as it is intended to be). I believe behind the criticism is simply a lack of understanding for how to get the most value from your focus groups. Perhaps, we can make the process a little simpler, less mysterious and more worthwhile.

A. First, let's set expectations for what you can and should achieve. Focus groups are qualitative research. Results from focus groups cannot be predicted over "a universe." Whenever a client asks me about *sample size*, I know I need to do a little client education. Focus group results are not dependent on numbers. So, if this is true, then why do you want to conduct focus groups? Because, we are able to understand issues people have, we are able to flush out key differences in thinking processes and we are able to learn **why** people behave and think as they do. All of this helps the client get inside the head and the heart of his customer. Focus group research brings the market place to life.

I typically explain that what is important in analyzing a focus group is to look at clusters of thinking. We are not looking for a winning idea or winning emotion or winning choice. We are seeking to understand, first, that a group of people think X and another group of people think Y and perhaps a third group thinks X+Y or maybe Z. We learn not only what they think and feel, but then we also learn why. It is this information that helps marketers know how to make better marketing decisions.

Insight #1: Choose qualitative research when you need to understand the behavior of your marketplace, what your market thinks and feels and why.

B. Who you choose to work with can make a significant difference in the experience you have. As propos-

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I have seen a few truly good product specs, but much more often than not, most specs take too long to write, they are seldom read, they don't provide the necessary detail, address the difficult questions, or contain the critical information they need to, and most importantly, it is all too easy for the mere existence of the spec to serve as a false indicator to management and the product team that everything is proceeding just fine.

If you agree with me that the central responsibility of the product manager is to make sure that you deliver to the engineering team a product spec that describes a product that will be successful, then we have to acknowledge the weaknesses in the typical spec process and take a hard look at how products are defined.

Here are what I consider the requirements for a good and useful product spec:

the spec must describe the full user experience - not just the product requirements but also the user interaction and visual design. By now hopefully everyone recognizes how closely intertwined the requirements are with the design.

the spec must accurately represent the behavior of the software - and we need to acknowledge that words and pretty pictures are just too limited in their ability to describe this behavior.

there are several critical consumers of the spec - engineering, QA, customer service, marketing, site operations, sales; as such, the spec needs to communicate the behavior of the product in a way that all of these groups get what they need.

the spec will change - the rate of change should slow down dramatically once engineering gets started, but there will be decisions and issues that arise, and the spec should change to reflect the very latest decisions.

there are a number of artifacts in the creation of a spec, such as lists of prioritized requirements, wireframes, and mock-ups, but there needs to be a single master representation of the spec, to minimize confusion, ambiguity and versionitis.

In my mind, there's only one form of spec that can deliver on these requirements, and that is the high-fidelity prototype.

The term "high-fidelity" refers to the fact that this should be a realistic representation of the proposed user experience. Except for the most trivial of user interfaces, I am not a fan of so-called "paper prototypes." With the tools available today, it is now so quick, easy and inexpensive to create a high-fidelity prototype for most products that there is no reason not to do so. This is still a prototype, so it's fine to fake (simulate) the back end processing and data, so long as the user experience is plausible.

Over the past few years, my own thinking has evolved here from just prototyping a few critical components of the user experience, to now I advocate prototyping virtually everything – all pages/screens, and all the major use cases. There will still be some error conditions and corner cases that don't pay to prototype, but the benefits of having a high-fidelity representation of the product that the full product team can interact with to understand the product to be built are so great that they dwarf the incremental costs.

It is true that you will still need to supplement the prototype, as there are aspects of the proposed product's behavior that are not easily represented in a prototype, such as the release requirements (e.g. reliability, performance, scalability) or platform delivery requirements (such as installation requirements, or the list of browser versions to be supported). Also useful as a supplement are use cases, describing the most important flows through the product.

There is still the question of how to best represent this supplementary material. What I really want is to annotate the prototype, but until that technology is readily available, I prefer using a Wiki or other form of Intranet site. The biggest reason is that everyone on the product team knows where to find the latest answers at any time, rather than having various random versions of documents floating around. It is also easy to post Q&A's, set up automatic e-mail notifications whenever the spec is updated, and track the history of decisions.

But the majority of the product spec should be the high-fidelity prototype, representing the functional requirements, the information architecture, the interaction design, and the visual design of the user experience.

In addition to meeting the requirements described above, the most important benefit in my view is that unlike a paper document, a high-fidelity prototype can be tested. You can put it in front of actual target users and ensure that they can figure out how to use your product (usability), and also determine if they care to use your product (desirability). You don't actually have a spec worth handing over to engineering until your prototype passes these two tests. Doing this form

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of testing while you are in QA or Beta is far too late in the process.

I can promise you that if you give this a try, and create a high-fidelity prototype of the proposed functionality and user experience, then your product team will absolutely love this. Engineers are the immediate winners as they finally get a spec that effectively and unambiguously describes the product they need to build, and that they can refer to at any time when they're confused about how something is supposed to behave. The job of QA is similarly easier as they now know what should happen when they test the actual product. Marketing, sales, and customer support will love being able to learn the product much earlier in the cycle. You'll also find that your execs will love it too as they can describe what you're doing (and demo the prototype) to investors, board members, and partners much more effectively than any PowerPoint deck can do.

But wait, there's more.

The biggest surprise for most teams is that creating a spec this way will typically significantly reduce time to market. Yep. I realize this may sound counter-intuitive, but to understand why the total time to market is faster, you have to look a little deeper at what almost always happens in a software project. Because the typical spec is so poor (incomplete, ambiguous, and especially untested), and so few of the hard questions and critical details are actually addressed and resolved, it is during the engineering phase that the team is forced to tackle these issues, and either there is tremendous churn (the specs keep changing resulting in delays and frustration in engineering) or the engineers just make assumptions as best they can, and the product that ships is a mess and one or more update releases are required before you actually get something useful to your customers. In either case, the time to market is longer than it should be.

So I truly hope on your next product you'll try this out. Rather than spend weeks working on a 50-page Word document that few will read and is impossible to test, work with your designer to create a prototype of the product you are proposing. Then show that prototype to target users, as well as your product team. You'll end up iterating several times (better now than after engineering spends months building a bad product!), but when you get the recipe right, use that prototype as the basis for the spec you deliver to engineering and see what happens. ⌘

Marty Cagan is managing partner of the Silicon Valley Product Group, which works to define and spread product management best practices. You can read Marty's blog or sign-up for his newsletter at www.svpg.com.

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ite that usually provides only a temporary advantage. The stuff that rounds out the product, however, is where some of the strongest differentiators exist: service, quality, relationships.

Rule 15: Just Say Not to Jargon. Although we try to sound smart, different, and credible, the language we end-up with, such as scalable, reliable, affordable, is often unintelligible to our audience. Find language that clarifies and actually means something to your customers.

Rule 23: Viral Marketing Is a Tactic. Viral marketing is not a strategy, but merely the good old fashioned tactic of word-of-mouth. The advantage is with the internet, word-of-mouth can spread much faster than ever before. The disadvantage is once something catches, you will not be able to control it, just influence it. In general the things that take off are either tragically sad or hilariously funny. Further, “viral” hits like MySpace are misunderstood. The company spent three years building its community through offline advertising, like sponsoring parties at clubs, before its community reached the inflection point of geometric growth.

Rule 37: Always Have a Deadline. Deadlines create a sense of urgency. They give you a place to start and more importantly a place to stop. Once you know when you have to stop, you can work backwards to create your plan. Deadlines force things to be done.

Laura ended on rule 42, which was a challenge to the audience to create their own rules: “These are my rules. What are yours?” For more on the 42 rules, go to www.42rules.com. ⌘

Greg Cohen is a Principal Consultant at the 280 Group and on the board of the Silicon Valley Product Management Association. He has over a decade of product management and marketing experience, including Software-as-a-Service, channel sales, open source software, and agile development.

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als for the project are collected, often times the project is awarded based on cost or preference for a specific methodology. I think clients could use the proposal process to judge what it will be like to work with each of the potential research companies, because ultimately the relationship will make the difference.

Is the research company flexible, responsive to your needs, smart about your marketplace and experienced with your target audience? Costs can typically be agreed upon and methodologies can always be changed if desired.

More important than which methodology is recommended in the proposal is the rationale for choosing the specific methodology. The differentiation between research companies lies in their understanding of your objectives and their experience with your market. Their ability to craft a methodology and provide you with a sound rationale gives you some insight into their competence. You can get the information you need through more than one method – what matters again is why the research company recommends one way over another.

Insight #2: Choose a research company who you think will fit with your company's style of working, who will be responsive to your needs and who has extensive experience researching your target or your market or, at least, is experienced in solving the kind of marketing problem you are tasked to resolve.

C. Once you have selected your research partner, your job is to let them be a sponge. The first meeting, over the phone or in –person, should inform your research company about the following:

1. Goals of the research
2. Who you think your target is
3. When must you have the research completed
4. Other logistical details (locations, contacts, etc.)
5. What is the research going to be used for: advertising input, strategy development, product enhancement, go or no go on a product, etc.
6. Existing hypotheses. Let the research company know what you already believe. This is good information that can be confirmed or negated or built upon in the research.
7. Product or company information relevant to project
8. Background that explains why the research is desired

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Erica Baccus founded Baccus Research in 1996, a full service qualitative research company whose mission is to help clients get to the heart of their marketing issues and discover the feelings of their customers. With clients like IBM, Dell, Guess? and Tell Me Networks. Baccus Research is equally adept at helping high-tech, consumer and consumer electronics companies. Contact: 415 621 3241.

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October 2007 Event Review with

Kevin Epstein, VP Marketing, Scalent Systems

by Greg Cohen

Kevin Epstein, VP Marketing of Scalent Systems and author, presented at the October 2007 SVPMA event on "**Five Marketing Mistakes Every Manager Makes (and how to avoid making them.)**" Kevin developed this list based on his own experiences at notable companies such as Real Networks, Inktomi, and VMware. He admits to having made each of these mistakes at least once and some more frequently.

1. **Betting on the Big Event (Gambling instead of planning**) – "Don't bet, plan" advises Kevin. For every event and program, run the numbers comparing the leads and eventual sales against the dollars for the program. Secondly, be the customer. Figure out what they expect from you and the ONE product message needed to get their attention.

2. **Depending on Others (Outsourcing the wrong things)** – As the old adage goes, a chain is only as strong as the weakest link. Check references of vendors/partners and find references they didn't list. Communicate and align expectations by writing them down in detail, document the end result of a successful project, and identify acceptable and unacceptable methods. Kevin had to disengage one company that he had hired because they were pretexting prospects. Lastly, have a backup plan just in case the consultant or firm fails to deliver.

3. **Marketing Nonexistent Products (Non-strategic hype)** – Don't hype what you're not. Find a dimension of value that your customers want (e.g. save time, costs less, highest quality) and market that. If your product has poor performance, compete on price. If product is unreliable, give it away and sell support. Hype does have a purpose: it may be used to stall others or sell faster now.

4. **Failure to Measure (If you didn't measure it, it doesn't exist)** – Understand what you want to measure, keep metrics to a minimum, and link marketing to sales. To do this well, you have to build measurement in at the start. Some techniques include dedicated phone extensions or email addresses, pre-printed response cards, etc. Lastly, only change one variable at a time, such as design, location, or vehicle.

5. **Adding Complexity (Confused prospects = lost sales) –** Use simple, concise language. You must balance the value of marketing info with the likelihood of making the sale. If you ask too much of your prospect, you will lose the sale.

For more of Kevin's wisdom, you can check out his book , *Marketing Made Easy* or his blog http://blog.stupidmarketing.com. ⌘

Greg Cohen is a Principal Consultant at the 280 Group and on the board of the Silicon Valley Product Management Association. He has over a decade of product management and marketing experience, including Software-as-a-Service, channel sales, open source software, and agile development.