July 2007 Event

Ready, Set, Launch: Taking the Product to Market

Moderated by Chris Shipley, with Steve Larsen and Arya Birirani

By Laura Lowell

On July 11th, attendees at the monthly SVPMA event were joined by Steve Larsen, co-founder and CEO of Krugle, Arya Barirani Director of Marketing for HP Software, and Chris Shipley co-founder and chairman of GuideWire Group, Inc. The discussion focused on how to take a product to market, and all that it entails. Three key themes emerged over the course of the 90-minute discussion.

First, all three panelists remarked that product management and product marketing must come together in order for a launch to be successful. Whether it is two guys in a garage, or a huge global company, or anything in between, it takes a partnership between these two critical functions to launch a product successfully into the market.

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If you want to be a bad product manager, reject any notion of Agile product development. It’s probably just a ploy by bad engineering groups to take the blame off of them when they can’t finish everything you’ve requested. You’ve spent a lot of time perfecting your requirements documents and then handing them to development. The reason why things go wrong is because they can’t do their job, not because you can’t do yours.

If you want to be a good product manager, keep an open mind about Agile methods in product development. “Agile” is really an umbrella term for a variety of different methods of product development and project management. The Agile Manifesto (http://agilemanifesto.org/) describes what Agile proponents value:

- Individuals and interactions over processes and tools

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The Power of Excellent Messaging

By Sridhar Ramanathan

We are not messaging/positioning experts at Pacifica Group. But as former executives, we’ve hired and managed firms that are the best in this craft. So we’ve gained an abiding appreciation for good messaging work and what it takes to deliver it. Most CEOs and even VPs of Marketing think messaging is about a good tag line. That’s probably 1% of the value-added of smart messaging work. And it’s also not a quick workshop with the executives. It can take weeks of very hard work to distill the essence of a company/product into hard-hitting words.

Here are some recommendations for you to consider when hiring a messaging firm. But first, let me contrast good messaging versus mediocre messaging. Here’s an excerpt from Oracle’s newly acquired unit,

Siebel CRM on Demand which competes against Salesforce.com. Then below is Salesforce.com’s story.

Siebel CRM on Demand

Siebel CRM OnDemand is an innovative, low-risk, flexible, hosted customer relationship management (CRM) solution brought you by the company that invented CRM – Siebel Systems.

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The result is that Siebel CRM OnDemand provides businesses of all shapes and sizes with a centralized repository of customer data and a real-time snapshot of all customer interactions. So no matter what your CRM requirements are, Siebel CRM OnDemand accelerates business value and lowers overall Total Cost of Ownership.

Salesforce.com

Salesforce.com is the worldwide leader in on-demand customer relationship management (CRM) services. More companies trust their vital customer and sales data to salesforce.com than any other CRM company in the world.

Why? Perhaps it's because we deliver integrated, completely customizable enterprise applications for companies of all sizes. Or maybe it's because Salesforce is so easy to learn and use, and it can be up and running in weeks or days — not the months or years required by traditional client-server CRM software. Or it could be the unprecedented speed with which our customers see real, tangible ROI. Or maybe it's because of our 100% dedication to the success of our customers.

In fact, more than 399,000 subscribers at 20,500 companies worldwide depend on Salesforce to manage their sales, marketing, and customer center and customer service.

Ok, you get the picture. You can see right away that

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there’s a huge difference between these. Salesforce.com does a far better job of messaging in the following ways:

- Use of simple, plain English…no technical mumbo jumbo jargon
- Focus on customers and their pain points
- Hard hitting facts that support claims
- Conversational style that entices you to learn more

**It’s Powerful**

Messaging is not copywriting. Messaging is the work that precedes copywriting and all other execution such as taglines, ad copy, websites, datasheets, corporate brochure, sales scripts, etc. It’s a simple framework that answers three basic questions:

1. Who are you?
2. What do you do?
3. Why does that matter?

The deliverable is a one or two-page document that is the source document for all ensuing marketing work.

**It’s Expensive**

Good messaging work is not cheap. Some of our clients have spent six figures on getting superb corporate messaging and positioning. Of course, not all companies can afford that. But we recommend you avoid the quick, one-time facilitated executive session approach to messaging work. I’ve yet to see breathtaking work for less than $20,000 and probably more like $50,000 minimum.

**It’s Demanding**

Messaging work requires a time commitment not just from the marketing management team but the executive team and some field personnel. Great firms will want to interview your staff (execs, managers, sales, product marketing), customers, lost sales, and industry analysts. Then they’ll do their homework on the industry including customers, competitors, and other players in the market. The goal is to devise messaging that makes you stand head and shoulders above the masses. The process is also a way to build internal consensus since everyone has an opinion on what the tagline should be or not be.

**It’s Disruptive**

Messaging work will shine a bright spotlight on how well you have your act together in terms of business strategy, go-to-market plans, understanding of your target customer, product value proposition, and sales approach. Don’t blame the messenger (sorry) if your strategy is flawed. Thank them. Go back to the Siebel vs. Salesforce.com example and you can readily see some strategy issues gaping through. For example, Salesforce.com is clearly about being a service not software. Oracle/Siebel is waffley on this because there’s internal conflict on their strategic intent---software versus service. So view messaging work as a litmus test of sound strategy and execution.

**It’s Galvanizing**

You want messaging work to unite everyone in the company behind a simple message. Some companies have used messaging work to create and sustain a corporate identity or purpose. For example, look at how these companies use taglines (an outcome of great messaging) to focus on customers and call their employees to be their best:

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It’s Urgent

Your competitors are already spending bucks on messaging and brand building. And we all know that mind share precedes market share. Here are three more resources for you to review before you plunk down the big bucks to get your messaging right:

- Guy Kawasaki blog entry “The Art of Branding” http://www.typepad.com/t/trackback/4050978

Sridhar Ramanathan is the Founder and President of the Pacifica Group and a 20-year veteran of enterprise technology companies. You can read his blog at: http://www.pacifica-group.com/.

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The SVPMA represents over 800 talented product management and marketing professionals!

Looking to hire an experienced Product Management or Marketing Professional?
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Introduction

Getting positive product reviews is a critical part of shipping a successful product. Because reviews come from an independent (and presumably unbiased) source, they carry much more weight than other forms of marketing such as advertising. When a positive review appears it supports (and magnifies) all other marketing efforts, and gives the product a much higher chance of market success and hitting its revenue goals.

The key to getting the best possible reviews is to create and execute a plan that is appropriate to meet your goals given your resources, budget and time constraints. This article summarizes the top ten most common mistakes that I have seen companies make when seeking reviews for their products.

Top Ten Product Review Program Mistakes

Mistake #1: Launching the program after the product has already shipped

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One of the biggest mistakes that companies make is that the review program ends up being an afterthought after the product has already been released, rather than a well-planned and coordinated effort up-front. This results in several problems:

- The product is no longer new, so your ability to get publications to review it diminishes significantly.

- The time to prepare materials adequately and set yourself up for a great review is reduced and the quality of the materials suffers as a result.

- The reviews are often not timed to coincide with the product launch marketing activities, and thus don't provide additional support and synergy to help get the initial revenues and sales going.

- Many times the company has to respond to negative reviews or competitive roundups that they weren't aware were going to happen. Once something negative is written and released about a product it is very difficult to turn around the perception that is created.

To avoid this problem begin planning your review program four months prior to the product launch. This will ensure that all of your PR and launch efforts can be leveraged, and will give you adequate time to prepare the materials and run a first-rate review program (see timeline on previous page).

Mistake #2: Not being responsive to reviewers

Once you start a review program you have to be ready to respond instantly if questions or problems arise. You should have someone dedicated to getting back to the reviewer VERY quickly (within a half hour). Often times if a reviewer encounters an issue with your product if you respond quickly and professionally to help them they will cut you some slack when they write up the review.

The worst thing you can do is delay getting answers to them. Reviewers are busy people. They are on deadline. They can't afford to have a machine crash on them, or to have to wait to get problems resolved so that they can finish writing up your product. When it comes to responsiveness think Nordstrom's - it will pay off for you.

Mistake #3: Inadequate review materials

Providing inadequate review materials is a good way to ensure a poor review. Your materials should include everything the reviewer needs: a reviewer's guide, FAQs, competitive information, product presentation, etc. These are the materials that the reviewer is going to leverage to evaluate your product. You can make it easy or difficult for them. The easier it is, the higher the likelihood of a good write up.

Mistake #4: Providing the product to all reviewers at once

Don't try to roll out the product to twenty or thirty reviewers all at once. You won't be able to support all of them if there are problems, and the result can be a catastrophe. Instead roll it out to several "friendly" reviewers first (ideally as a beta under NDA), then prioritize the rest of your list of publications and provide it to them accordingly in phases over the next few weeks. This approach will allow you to address any problems and questions that come up early in the process so that the majority of the reviewers will have a positive experience.

Mistake #5: Putting a junior person on the job

Many of our clients think that a review program is something that simply isn't that important - until they end up with negative reviews and have to scramble to try to fix them. Your review program may be the MOST important marketing activity for your product. As such, make sure that you put a very senior person on the job.

The person responsible for the review program needs to be able to answer tough questions and needs to be responsible and responsive. Make sure that the review program is their number one priority for two to three months after the product first ships - the result will be great reviews that pay off.

Mistake #6: Underestimating the time required to manage the program

Review programs take far more time to manage than most people realize. Creating all of the materials, sending out evaluation copies, tracking progress, following up with reviewers, troubleshooting problems, etc. can take twenty to thirty hours per week or more. Don't make the mistake of thinking this will only take a few hours per week - you'll find that you end up (Continued on page 9)
being unresponsive to the reviewers and they will treat you accordingly in their reviews.

Mistake #7: Not addressing the competition

It is very common for a company to release a new product, ignore the competition and then have their product show up with an unfavorable comparison in product "roundup" articles. This is a naïve approach. Publications like to categorize and group your product with similar products and include them all in one roundup piece. If you fail to acknowledge your competition and fail to present a compelling competitive argument then you are leaving it up to the publications (or your competitors) to set the terms for comparison and you will likely lose.

Tell the press what category you are in, who your competitors are and why you beat them. Give them a competitive comparison chart. Make your competitors respond to your claims. Chances are if you are better prepared than they are the reviewer will use your materials to create the review criteria, and you have a better chance of winning.

Mistake #8: Undefined goals beforehand

Many companies run review programs without clearly defining their goals up-front. As a result they are often disappointed with the results.

Get clear about what you want to accomplish. How many reviews do you want to receive? What publications are most important to reach your target market? What are the top three messages you want the publications to repeat about your products? Are you trying to use reviews to drive revenues? If so, how many sales are you expecting? Are you trying to re-set the competitive landscape so that your product is the favorite?

Setting goals like these and making them as concrete as possible allows you to do a reality check when you are writing your review program plan. If your goals are ambitious make sure you have enough time and resources to achieve them. Don't rely on wishful thinking here - nothing can upset your company and team more than receiving poor (or no) reviews when you all believe you have a winning product.

Mistake #9: Lack of relationship building beforehand

One critical success factor for good reviews is to make sure that you have built strong relationships with reviewers before they receive your product for review. The person running the review program should go on the press tour, meet the reviewers and start to build relationships with them. Email the reviewers before, during and after the review to let them know you are there to help in any way. Get to know them - ask their opinions about the market and other products.

Building relationships like this can save you if your product does have some problems during the review process. If you have built some rapport, shown you are responsive and shown you are on top of things oftentimes a reviewers will give you some leeway if they know you. If they have never met you before and there is a problem you may not be given the chance to ask for forgiveness. Also, if you get to know them well, they may call you for an opinion when your competitor releases a new product, giving you the chance to put the best possible spin on how your product is superior.

Mistake #10: No reviewer's guide

Writing product reviews is difficult and time consuming. Your goal with a review program is to provide the reviewer with absolutely everything they need to make it easy for them to do their job. Reviewer's guides are an excellent way to do this, and can be a good single source of all of the information they need. Don't make the reviewer search through your website or other places for answers - give them everything in one reviewer's guide. Also, provide the reviewer's guide to them in electronic format so that they can borrow text from it to use in their articles (for features and benefits or other areas.)

If you provide an excellent reviewer's guide, build up a good relationship and do a great presentation and demo on the press tour you will sometimes find that the reviewer doesn't feel a need to do a thorough analysis of your product. They may simply read the reviewer's guide and give you a positive write up without ever installing or using the product.

Brian Lawley is President of the SVPMA and President and Founder of the 280 Group. The complete article is part of the Product Review Program Toolkit, available at www.280group.com.
SVPMA was excited to have Adam Richardson, Director of Product Strategy at frog design, Inc. address its August 1st 2007 meeting. The speaker shared his experience and perspective on shifting from a product-centric design paradigm to one that is System-oriented. A System is an integrated solution that brings together product, brand, experiential and other elements to deliver a holistic and differentiated user experience. The speaker noted the challenges organizations face in making this shift and offered practical tips on how product managers can bring about such a shift.

The drivers for Systems orientation

Products invariably operate as part of larger systems. The Systems context is more relevant today and incorporating this context in product design is becoming increasingly important owing to several developments:

Changing customer expectations: Customers today are seeking solutions for their needs rather than looking for specific product attributes. The speaker illustrated the example of drill-bits – customers are not as much looking to buy drill-bits as they are looking for a hole.

Developments in brand and retail: Brand and retail elements have become an important component of user experience and function to reinforce product attributes. This is because Systems that weave together distinct brand, retail and product elements into a whole are more common today. The speaker noted the example of the MINI Cooper – where the product, brand image and showroom experience all work in concert as a single System.

Competitive advantage: From a vendor standpoint, Systems generates more stickiness with customers compared to standalone product offerings. Systems can thus serve as an effective competitive barrier.

Why it is hard to embrace a Systems approach

Organizations often have difficulty in embracing and implementing the Systems paradigm. The speaker outlined key underlying barriers:

Systems are hard to “see”: The System is an abstract concept that is often not readily apparent. The individual elements and interrelationships that constitute the system take deliberate effort to discern. The speaker noted work with a recent customer of frog Inc. – A satellite company, for which the System was mapped out to identify each customer touch point and the associated emotions the offering was designed to generate. The company’s messaging was then validated against this map to ensure the System would function as intended.

Organizational barriers: Operationalizing the Systems approach requires various organizational constituencies (viz. R&D, sales, marketing, partners, etc.) to come together to invent and design the System. Organizational silos and poor collaboration between groups typically impede such a process.

Technology challenges: Designing a System oriented offering can introduce new and unique engineering challenges that may be difficult to overcome.

Business challenges: Product categories typically exhibit a lifecycle – moving from a phase in which product performance lags user expectations to a phase where performance exceeds expectations. It is hard to place a category in a particular phase and to predict how long the category will remain in its current phase. This introduces an element of uncertainty, since each phase favors a different type of System. Early stages favor a vertically integrated offering, whereas later stages are best served by open and modular offerings. The author cited Apple’s iPod as a good example of matching System design with lifecycle stage – the MP3 player category had existed long before the iPod. Apple moved beyond standalone products to put together a System that delivered a successful, differentiated offering.

How can product managers facilitate convergence

Product managers can help steer the organization towards convergence in System oriented design. The speaker outlined specific means to bring about convergence:

- Identifying and exposing the elements that make up the system

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AGILE (Continued from page 1)

- Working software over comprehensive documentation
- Customer collaboration over contract negotiation
- Responding to change over following a plan

That is, while there is value in the items on the right, we value the items on the left more.

Many companies are turning to Agile methods to help them be more responsive to changes in the market. It also can create better working relationships among all the team members, increase shared accountability, keep projects focused on customer and market needs, and potentially improve time to market.

Some product managers are afraid of doing Agile product management and development. The reasons are varied — it could be lack of knowledge about Agile, lack of interest in working closely with development, lack of ability to appropriately define “requirements,” or fear of what they believe Agile is because of misinformation about what Agile is.

Product managers need to educate themselves about Agile before making a judgment about its appropriateness. Agile processes work for some situations and not for others. The decision to adopt an Agile approach is not one that should be made by a product manager or engineering manager without input from others. Success with Agile is as much about how it is implemented as it is about Agile itself.

As a product manager, you should keep an open mind about Agile product management. Educate yourself. Read articles and books about Agile. Talk with others who have had success (and problems) with Agile. Try it out for yourself on a pilot project. If you decide that Agile is not right for you, fine, as long as you make sure that the decision is made based on practical reasons and not misinformation, misunderstanding, or fear.

Jeff Lash is a product manager working in the online publishing industry. He writes about Product Man-

SYSTEMS (Continued from page 10)

- Defining the lifecycle stage the category is currently in and its proximity to the cross-over point between the performance-lagging and performance-exceeding phases
- Embedding Systems thinking into the Marketing Requirements Document and using it as a tool to influence the Product Requirements Document
- Bringing together organizational groups relevant to creating the System into the same room

- Continually communicating up and down the management chain to maintain alignment

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In fact, Steve Larsen started his career as a product manager and believes that if you aspire to be a CEO “product management is the best way to get there.” Arya Birirani commented that the collaboration between product management and product marketing must be “clear and distinct” in order for the process to flow smoothly. There can be a definite tension between the two functions: product management wants the product to be perfect; product marketing wants to ship it now! There needs to be a balance based on collaboration and cooperation.

Second, the question of “how to define a launch” came up repeatedly. Arya Birirani had a very interesting observation. He made a clear distinction between a product release and a product launch. The release process is engineering driven and ensures that a product has completed all steps in the “product life cycle” – that beta testing is completed with early access customers, and that the release candidate is ready to go. The launch, on the other hand, is a customer-facing process. It is the “shiny target” when you tell the market that the product is available to purchase.

Launch plans include announcements, lead generation and customer acquisition strategies. The focus of the launch is on the “tail of the comet” – all the activities that happen after the initial public announcement. Steve Larsen’s experience at the DEMO conference was a case in point. The goal for launching Krugle at DEMO was to sign-up 1000-2000 beta testers. Three days after DEMO, they had over 35,000 sign-ups. The team had no idea how to communicate or manage this kind of volume. They were focused on the “shiny target” and not the “tail of the comet”. They were able to pull it together and be successful, but it took a lot of extra time and effort.

Finally, it became very clear that there isn’t a single approach to launching a company or a product that will work for everyone. Chris Shipley commented during her introduction that in today’s market with SAAS, social networking and communities it is easier to understand customer requirements, need and then to do initial testing. She used the analogy “shampoo. rinse. repeat.” In some cases it works to throw something into the market and see if it sticks. In other cases, it requires a much more thoughtful approach.

We then came full circle, back to the interaction between product management and product marketing. According to these three experts, it appears that all roads converge with these two critical functions. ✎

Laura Lowell is the principal of Impact Marketing Group, a marketing agency offering strategic and tactical marketing services for emerging high-tech companies. With more than 17 years of marketing experience, Laura has launched new products and businesses, turned around problem brands, and had a really good time doing it. Laura is the author of “The 42 Rules of Marketing” available in September 2007. She can be reached at laura@impact-mg.com.

Mark your Calendars!

Upcoming SVPMA speaker AND other events :

- September 5th, 2007 - Laura Lowell, Impact Marketing
- September 27th, 2007 - Social Networking, Left at Albuquerque in Campbell (in the PruneYard)
- October 3rd, 2007 - Kevin Epstein, Scalent
- October 27th, 2007 - Michael Cannon, Silver Bullet
- For more information please go to www.svpma.org

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